

**CITY OF CLEVELAND**  
**Fiscal Year 2021–2022**  
**Budget Cover Page**  
**September 23, 2021**

This budget will raise more revenue from property taxes than last year's budget by an amount of \$87,697, which is a 2.76 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$136,292.

**Property Tax Rate Comparison**

	<b>2021–2022</b>	<b>2020–2021</b>
Property Tax Rate:	\$0.760000/100	\$0.760000/100
No-New-Revenue Tax Rate:	\$0.769977/100	\$0.730320/100
No-New-Revenue Maintenance & Operations Tax		
Rate:	\$0.515761/100	\$0.538968/100
Voter-Approval Tax Rate:	\$0.832739/100	\$0.761958/100
Debt Rate:	\$0.252100/100	\$0.257200/100

Total debt obligation for CITY OF CLEVELAND secured by property taxes: \$1,206,133.



CITY OF CLEVELAND PROPOSED BUDGET  
FOR FISCAL YEAR OCTOBER 1, 2021 TO SEPTEMBER 30, 2022

**RICHARD BOYETT**  
MAYOR

**JAMES FRANKLIN**  
MAYOR PRO-TEM  
COUNCIL MEMBER, POSITION 3

**CAROLYN MCWATERS**  
COUNCIL MEMBER, POSITION 1

**MARILYN CLAY**  
COUNCIL MEMBER, POSITION 2

**DELORES TERRY**  
COUNCIL MEMBER, POSITION 4

**DANNY LEE**  
COUNCIL MEMBER, POSITION 5

PRESENTED BY:  
**ROBERT PENNINGTON**  
CITY MANAGER

**LESLIE HERRERA**  
INTERIM FINANCE DIRECTOR

**SAVANNAH CUNNINGHAM**  
MANAGEMENT ANALYST

For more information contact:  
The City of Cleveland; 907 E. Houston; Cleveland, Texas 77327  
(281) 592-2667  
[www.clevelandtexas.com](http://www.clevelandtexas.com)



CITY OF CLEVELAND, TEXAS

PROPOSED BUDGET

FISCAL YEAR 2021-2022

Mayor, Richard Boyett  
Mayor Pro-Tem, James Franklin  
City Council  
Marilyn Clay  
Danny Lee  
Carolyn McWaters  
Deloris Terry



907 E. Houston Ave  
Cleveland, Texas 77327  
Phone (281) 592-2667  
Fax (281) 592-6624

Robert Pennington, City Manager  
Angela Smith, City Secretary

July 30, 2021,

Honorable Mayor and Members of City Council:

In accordance with Texas Statutes and the City of Cleveland Charter, the proposed budget for the fiscal year beginning October 1, 2021 through September 30, 2022 is hereby presented. This document accounts for continuing uncertainty in the economic recovery from the COVID-19 pandemic, with the focus on conservative growth. We understand that responsible leadership must account for the uncertainty but recognize the unprecedented development this city will encounter now and in the near future. We remain confident about our local economy but we will safeguard our resources as we monitor the national recovery. The objective of this budget year is to maintain flexibility in responding to development prospects as well as addressing unknown intrusions to economic stability.

In this document, you will find our primary objectives includes better compensation for our workforce and supporting the implementation of the Series 2021 Combination Certificate of Obligation and Revenue Bonds as to prepare for our future infrastructure demands and improve our service amenities. This proposed budget confirms our strategy to maintain financial strength via long-range financial outlook that exceeds all fund balance requirements.

The proposed budget includes the following highlights:

- Cost of living increase for all employees including salary adjustments on selected positions that are below organization comparables.
- Improvements for the Police Department include additional funding for evidence room, electronic ticket writing system, an additional patrol officer position, corporal officer position and (2) police SUV vehicle replacements.
- Public Works includes additional funding for street resurfacing.
- Water/Sewer includes additional cost on both existing elevated storage tanks, meters replacements, mini excavator, replacement of a dump truck, replacement of light duty pickup trucks and \$122,219 on system replacements.
- Funding supplement for completion of Stancil pavilion project.

Thankfully, our Council's established practice of responsible budgeting and well-maintained reserves improved our credit worthiness as well as limited this community's impact during Covid. The City of Cleveland is in an ideal position to respond to growth and development as the national economy returns to prior attainment. We encourage you to read further into the information transmitting our proposed budget.

Respectfully submitted,

Robert Pennington  
City Manager

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# PRINCIPAL CITY OFFICIALS

## City Elected Officials

Richard Boyett	Mayor
James Franklin	Council Member, Position 3, Mayor Pro-Tem
Carolyn McWaters	Council Member, Position 1
Marilyn Clay	Council Member, Position 2
Dolores Terry	Council Member, Position 4
Danny Lee	Council Member, Position 5

## Cleveland Economic Development Corporation

Fred Terrell	Corporation President
Michele Wyatt	Board Member
Marilyn Clay	Board Member
Kelly Jenkel-Axton	Board Member
Carolyn McWaters	Board Member
Robert Lacy	Board Member
Patrick Casarez	Board Member

## Appointed Officials

Bobby Pennington	City Manager
David Olson	City Attorney
Ralph Fuller	Municipal Court Judge

## Primary Administrators

Angela Smith	Administrative Service Director / City Secretary
Leslie Herrera	Interim Finance Director
Robert Reynolds	Economic Development Director
Darrel Broussard	Police Chief
Ashleigh Broussard	Tourism & Marketing Director
Leanne Kirby	Municipal Court Clerk
Mary Cohn	Library Director
Kevin Pippin	Public Works Director
Sean Anderson	Fire Chief

# BUDGET CALENDAR

## FY 2021-2022

May 17	Distribution of Budget Packets to Directors/Department Heads by Finance
June 1	Budget Requests Submitted To Finance Department with All Supporting Documents Preliminary Revenue Estimates Issued By Finance for Current and Next Fiscal Year
June 3 - 7	Discussion of Budget Requests With Departments Finalize Preliminary Income Statements For General Fund And Debt Service Fund. Complete and Update Final Payroll Information
June 8-15	Review with City Manager and Departments
June 16-21	Review Funding Requests, Impact on Funds
June 22-28	Review All Funds and Totals with City Manager
June 29-July 6	Final Adjustments Made and Budget Submitted To City Manager
July 7-28	Finalize Budget Document, Write Transmittal Letter, Budget Packets Prepared, Agenda and PowerPoint Prepared
<b>July 30</b>	City Manager's <b>Proposed Budget</b> Filed with City Secretary <sup>1</sup>
August 3	Designated officer or employee must submit the no-new-revenue and voter-approved tax rates to the city council by this date, or as soon thereafter as practicable
August 10	City Council Budget Workshop #1; Including CIP Consider Dates for Public Hearings on Tax Rate and Budget for FY 2021-2021
August 17	Monthly City Council Meeting & City Council Budget Workshop #2
August 23	<u>Send</u> Public Notice of Proposed Budget Hearing to The Vindicator set for September 14 <sup>th</sup>
August 24	City Council Budget Workshop #3; Council will set the proposed tax rate (required for publication)
August 26	<u>Publication</u> of Notice of Proposed Budget Hearing in The Vindicator
August 31	City Council Budget Workshop #4 (if necessary)
September 2	Last date available for publication of Proposed Budget Hearing in newspaper (submitting 8/30) <sup>2</sup>
September 3 or 7	<u>Send</u> "Notice of Proposed Tax Rate Hearing" to The Vindicator set for September 14 <sup>th</sup>
September 9	<u>Publication</u> of "Notice of Proposed Tax Rate Hearing" in The Vindicator and city's website <sup>3</sup>
<b>September 14</b>	<b>Public Hearing on the Proposed Tax Rate for FY22</b> <sup>4, 5, 6</sup> <b>Public Hearing on the Proposed Budget for FY22</b> Consider an Ordinance to Amend Current Year Budget Consider an Ordinance Adopting a Fee Schedule for Fiscal Year 2021-22 Consider a Tax Rate for Maintenance and Operation for Budget Year 2021-22 Consider a Tax Rate for Debt Service for Budget Year 2021-22 Consider an Ordinance Providing for the Assessment, Levy and Collection of Ad Valorem Taxes for 2022 Consider an Ordinance Adopting the Budget for the Fiscal Year 2021-22
October 1	Beginning of Fiscal Year 2021-22

- <sup>1</sup> The budget officer shall file the proposed budget with the municipal clerk before the July 30<sup>th</sup>.
- <sup>2</sup> Publish notice of budget hearing. TEX. LOC GOV'T CODE 102.0065 (no later than 10<sup>th</sup> day before nor earlier than the 30<sup>th</sup> day before the hearing.)
- <sup>3</sup> Publish notice of tax rate hearing (the public hearing may not be held before the 5<sup>th</sup> day after the date the notice of the public hearing is given). The city must also post the notice prominently on the home page of the city's website from the date the notice is first published until the public hearing is concluded.
- <sup>4</sup> Hearing on budget. (hearing shall be before the date of the tax levy.) Note that the hearing must be after the 15<sup>th</sup> date after the proposed budget is filed with the clerk. Also, the city must take some sort of action on the budget at conclusion of hearing. TEX. LOC GOV'T CODE 102.007. This action could be the adoption of the budget, or else a vote to postpone the final budget vote. It is generally accepted that the city need not adopt the budget at the end of the hearing.
- <sup>5</sup> Adopt the budget. TEX. LOC GOV'T CODE 102.009 (city may only levy taxes in accordance with budget, and because levy cannot take place later than September 29, this is the effective deadline for property taxing cities). The city council must take a separate ratification vote to adopt any budget that will raise total property tax revenue. TEX. LOC GOV'T CODE 102.007(c). The budget must contain a special cover page that includes: (a) a specific statement on the whether the budget raises more, less, or the same amount of property tax revenue compared to the previous year's budget; (b) the record vote of each member of the city council by name voting on the adoption of the budget; (c) the city property tax rates for the preceding and current fiscal years, including the adopted rate, no-new-revenue tax rate, no-new-revenue maintenance and operations tax rate, voter approval tax rate, and debt rate; and (d) the total amount of the city debt obligations secured by property taxes. TEX. LOC GOV'T CODE 102.007 (d). The adopted budget, including the cover page, must be posted on the city's website if the city has one.
- <sup>6</sup> Hold tax rate hearing (if applicable) and adopt tax rate no later than this date. TEX. LOC GOV'T CODE 26.05 (or 60<sup>th</sup> day after receipt of the appraisal roll, whichever is later. If the city uses the 60 day rule, almost every date in this memo would need to be recalculated). The hearing must be held on a weekday that is not a public holiday. TEX. LOC GOV'T CODE 26.06

# BUDGET INTRODUCTION

## Location

Cleveland is a city in the U.S. state of Texas, within Houston – The Woodlands – Sugar Land metropolitan area. The population was 7,954 at the 2010 census. Located in Liberty County, Cleveland lies 45 miles north of Houston on U.S. Highway 59 / Interstate 69. Centered among mixed pine and hardwood forests and surrounded by the East Fork, and San Jacinto Rivers; the Cleveland area is a beautiful environment where one can find most everything they need to live a good life. The forests around Cleveland, including Sam Houston National Forest, which is located just to its north, are a resort for many inhabitants of the Houston area, who come to camp, hike, hunt, and fish.

## City History

The recorded history of the Cleveland area began in 1836 when the Texas General Land Office began giving land grants in exchange for service in the Army. In 1854, a Church and convent was built by Father Peter La Cour near the town's present site. The community formed after 1878 when Charles Lander Cleveland, a local judge, deeded 63.6 acres of land to the Houston, East and West Texas Railway for only one dollar, with the request that a station bear his name.

In 1900 the Gulf, Colorado, and Santa Fe railroad appeared so Cleveland served as a junction for these major railways. Soon the echoes of saws and steam engines filled the forests around Cleveland as sawmill towns proliferated and East Texas's lumber industry grew up amidst these railroad towns. The Cleveland area was incorporated in 1939. In 1965 Liberty County was added to the Houston Standard Metropolitan Statistical Area.

## Transportation

The major route traveling through Cleveland is U.S. Highway 59 / Interstate 69, traveling southwest towards Houston and northeast into East Texas. As of March 2015, a 74.9 mile section

of US-59 has been designated as I-69 through the Houston Metropolitan Area, nicknamed the NAFTA Superhighway because it would help trade with Canada and Mexico spurred by the North American Free Trade Agreement. US-59/I-69, between Houston and Livingston, is mostly a limited-access freeway with I-69 designation ending at the Montgomery-Liberty county line. Washington Avenue, known as US-59 "Business" runs north and south through the center of Cleveland. Houston Street, known as State Highway 105, travels east and west with Cleveland being halfway between Beaumont and Navasota. SH-105 runs concurrently with State Highway 321 until SH-105 splits, going eastbound to Beaumont, while SH-321 continues further south into Dayton. SH-105 has recently been improved with a loop near Pin Oak Road, along the southern side of Cleveland, crossing US-59/I-69, and terminating near New Salem Road.

Cleveland is the meeting point of two major rail lines. One is a north/south Union Pacific line that closely follows the path of Interstate 69 and the other is an east/west Burlington Northern Santa Fe line that roughly follows FM-787 to the east and SH-105 west towards Conroe. Union Tank Car Company has a tank repair/maintenance facility along the BNSF line on the outskirts of Cleveland off of FM-787.

Cleveland Municipal Airport is a general aviation airport located in Cleveland with George Bush Intercontinental Airport to the south offering commercial airline service.

## Public Schools

Cleveland Independent School District is a public school district based in Cleveland, Texas. In addition to Cleveland, the district serves the cities of North Cleveland and Plum Grove as well as portions of San Jacinto and Montgomery counties. The Tarkington Independent School District, located east southeast of the city of Cleveland, also has a Cleveland zip code.

# BUDGET INTRODUCTION

## BUDGET OBJECTIVES

The budget has been prepared in an effort to clearly communicate to the citizens and staff of the City the overall policies and goals of the City Council and City Management and who we are and what we do, enabling the reader to gain valuable information about the City without detailed accounting or budgetary knowledge. The budget document includes various activities and programs of the City, and comparative performance indicators for each program or activity, where available.

## BUDGET PHILOSOPHY

Budget philosophy depends upon the local needs and concerns of the citizens. Other factors also affect budget philosophy, such as the state of the local economy, the needs of the organization, the demands of the public for increased services, unfunded mandates and requirements of federal and state regulatory agencies. The budget prepared by the City takes a conservative perspective with regard to both revenues and expenditures. Although historical trends are very useful, current data will sometimes take precedence over prior year trends. This means budgeting from a “conservative” perspective in that revenues are often anticipated either at or slightly above prior levels, unless there are other known factors that will significantly affect anticipated revenues. In addition, expenditures are also estimated conservatively. As a result, over the years this method increases in actual fund reserves when compared to budgeted or projected fund reserves. The City does not use unreasonable projections, which could have an adverse impact on the City’s reserves.

## BASIS OF BUDGETING

**GOVERNMENTAL FUNDS:** The governmental fund types use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are budgeted when they are measurable and available and expenditures are budgeted in the period in which the liability is incurred, which is in accordance with Generally

Accepted Accounting Principles. “Measurable” means the amount of the transaction can be determined and “available” means the collectible period. The City considers the majority of its major revenues as available when collected. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as liabilities when due. Those revenues susceptible to accrual under the modified accrual method are property taxes and other taxes, intergovernmental revenue, and interest revenue. Licenses and permits, including fines and forfeitures revenues, are not susceptible to accrual because generally they are not measurable until received in cash. The fund balance approach of governmental funds or working capital approach can be identified as current assets less current liabilities. Governmental funds budget capital outlays as expenditures, but do not budget for non-cash expenditures such as accruals for sick and vacation liabilities and depreciation.

**PROPRIETARY and INTERNAL SERVICE FUNDS:** The Water and Sewer Enterprise Fund, Solid Waste Fund, and Property Insurance Fund are budgeted using a flow of economic resources, which is similar to the accrual basis of accounting, with exceptions listed below. Available balances are determined using the cash equivalent approach.

- Revenues are budgeted in the period they are earned and measurable,
- Expenses are budgeted in the period in which the liability was incurred,
- Depreciation of assets is not budgeted,
- Capital outlay is budgeted as an expense in the year purchased,
- Principal payments are budgeted as an expense rather than a reduction to the liability,
- Proceeds from bond sales are budgeted as revenue,
- Transfer of bond proceeds to the Capital Projects Fund is budgeted as an expense.

# BUDGET INTRODUCTION

## BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental and fiduciary funds are accounted for using the modified accrual basis. Revenues are recognized in the accounting period when they are measurable and available. Revenues subject to accrual include interest income and charges for services. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable. Capital outlays are recorded as additions to fixed assets at fiscal year-end and the cost of those assets are depreciated over their estimated useful lives for the government-wide financial statements. All proprietary funds are accounted for on an accrual basis. Revenues are recognized in the period in which they are earned and become measurable, and expenses in the period in which they are incurred and measurable. Proprietary funds also record depreciation and amortization. Payment of principal is recorded as a reduction to the long-term liability.

## BUDGET PROCEDURES

The budget process begins with the distribution of budget worksheets for its respective operations, personnel requirements, and capital outlay. This financial information is to be used by the department heads as a guide to complete the proposed budget. Using the budget worksheets, each department head projects the financial needs of their department. Supplemental requests for capital, annexation, growth and development or other items outside normal operating budgets are requested and justified separately. Upon completion, each department head then meets with the City Manager and Finance Director to review their budget. During this meeting, the budget is refined and adjustments made. The Finance Department prepares the revenue budget, with review by appropriate departments. Property tax revenue is budgeted using data provided in the preliminary or certified tax rolls received

from the Appraisal District. All other revenues are budgeted with the use of comparative financial information provided by the prior year's actual revenue, current year estimated revenue, and known factors that may affect receipt of revenue. The City Manager and Finance Director then submit a balanced budget of expenditures and revenues to the City Council for review. The following procedures are followed for formal adoption of the budget:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing October 1, which must be adopted by the last scheduled Council meeting of September.
2. Public notices and hearings are conducted pursuant to state law.
3. The budget is legally enacted through passage of an ordinance.
4. The legal level of control is the total approved budget for each fund.
5. All funds are included in the budget development process and submitted to the Council for adoption each year and are monitored by department administrators during the year.
6. Operating fund appropriations lapse at year-end.

## PROCEDURE TO AMENDING THE BUDGET

**EMERGENCY APPROPRIATIONS:** The Council may make emergency appropriations to meet a pressing need for public expenditure, to protect the public health, safety or welfare. Such appropriations shall be by ordinance adopted by the majority vote of the Council members at one special or regular meeting.

**TRANSFER OF APPROPRIATIONS:** The City Manager may approve an amendment to the budget that transfers part or all of any unencumbered appropriation balance among programs within a department, or division. The City Council must approve any budget amendments that increase the appropriation for any fund.

# PURCHASING POLICY

## I. PURPOSE

The City of Cleveland is committed to ensuring that all purchases are in compliance with State laws when procuring the highest quality goods and services at the best value. This document is the policy for the procurement and purchases of goods, materials, supplies, equipment, construction services, and professional and consulting services.

## II. POLICY MANAGEMENT

City employees must discharge their duties impartially so as to assure fair competitive access to city procurement by responsible contractors. Moreover, City employees should conduct themselves in such a manner as to foster public confidence in the integrity of the City of Cleveland procurement organization.

1. The City Manager, or designee, is responsible for the City's compliance with the City's Purchasing Policy. The City Council delegates to the City Manager the authority to make orders and rules as the City Manager deems appropriate or necessary to provide for the procurement of goods and services for the City and for the disposition of City property.
2. The Finance Director is responsible for monitoring compliance with this policy, recommending changes in policy to the City Manager for approval, and approving procedures designed to maintain compliance with the policy.
3. The City's purchasing responsibilities are decentralized and each Department Director is the responsible Purchasing Officer for his or her Department.
4. The Purchasing Officer is responsible for procuring the best goods and services in a timely manner at the lowest possible cost to the City and to ensure that purchasing is conducted with strict adherence to applicable federal, state and local laws as well as this policy.

## III. SPENDING AUTHORIZATION

### A. Authorization to Expend Funds

The City Manager approves the Authorization for Expenditures (AFE) and may authorize certain employees to make and/or approve expenditures/purchases. The City Manager may specify the following authorizations to expend funds:

1. The City Manager may limit authorization by line item and/or specified project.
2. The City Manager may designate specific authorizers and dollar limits for individual budget line items and/or projects based on a financial schedule that maintains appropriate levels of cash flow during the annual budget cycle or capital program.

### B. Purchase Orders (PO)

A PO is a formal, binding, legal agreement issued according to the AFE. When accepted by a vendor without qualifications within a specified time period, the PO becomes a contract. A PO grants the vendor the authority to deliver the goods or services to the City and to invoice City for the same. The City is committed to accept the goods or services and to pay for them at the agreed upon price provided that those goods or services are of the quality and scope promised. The City employee that buys goods and services for the City ("Purchaser") must document the prior authorization of the City expenditure through the use of a PO. All expenditures must be authorized by a PO unless expressly exempted by type.

A Blanket Purchase Order (BPO) is a Purchase Order that is valid for a specified period of time and authorizes multiple orders during that time period, as long as the total dollars on the BPO are not exceeded and whose prices have been established by a quote or as a result of a Request for Bids. BPOs limit the types of goods or services that can be ordered, and may also limit the order amounts. Most BPOs are issued by one department for its own use, but some BPOs cover all or multiple City facilities/departments. BPOs will be established for buying material and services on a continuous basis from specified vendors. No single purchase on a BPO shall exceed spending limit authority established herein.

### C. Expenditure Types Exempt from the PO Requirements:

The following types of expenditures do not require purchase order authorization:

1. Debt services payments;
2. Purchasing card transactions (see Purchasing Card Policy);
3. Petty cash transactions;
4. Utilities;
5. Interlibrary loans;
6. Lease or rental payments;
7. Payroll liabilities;
8. Travel expenses and local expense reimbursement;
9. Postage and delivery expenses;
10. Telephone bills;
11. Insurance premiums;
12. Membership dues;
13. Periodical subscriptions;
14. Legal fees;
15. Training;
16. Package delivery services;
17. TCEQ permits;
18. Legal Notices; and
19. Pre-employment background checks.

Purchase Orders may, however, be used for any of the above expenditures if it provides for administrative efficiency.

# PURCHASING POLICY

Tex.Loc.Gov't Code § 252.022.

## **D. COMPETITIVE BIDDING IN RELATION TO HISTORICALLY UNDERUTILIZED BUSINESSES**

The City shall, in making an expenditure more than \$3,000 but less than \$50,000, contact at least two historically underutilized businesses ("HUB") on a rotating basis, based on information provided by the Texas Comptroller pursuant to Texas Government Code Chapter 2161. If the list fails to identify a HUB for Liberty County, then the City is exempt from the section.

Tex.Loc.Gov't Code § 252.0215.

## **IV. COMPETITIVE REQUIREMENTS BASED ON DOLLAR AMOUNT**

### **A. Purchases less than \$5,000 (per transaction or annually)**

No documented quotes are required; however, competitive pricing through purchasing cooperatives or other discount retailers or distributors should be checked first and documented before purchasing when time and practicality permit.

### **B. Purchases of \$5,000 but less than \$10,000 (per transaction or annually)**

Not less than two (2) written, email, or faxed quotes must be received prior to submitting a purchase order request on the goods, materials, services or equipment that cannot be purchased through an interlocal purchasing cooperative. Pricing and contact information from all solicited vendors must be documented. The Purchaser shall include the following information when using a "No Response" as one of the three bids: company name, contact person and telephone number of the non-responding company.

### **C. Purchases of \$10,000 but less than \$25,000 (per transaction or annually)**

Not less than three (3) written, email, or faxed quotes must be received prior to submitting a purchase order request on the goods, materials, services or equipment that cannot be purchased through a interlocal purchasing cooperative. The Purchaser shall document the pricing and contact information from all solicited vendors. The Purchaser shall include the following information when using a "No Response" as one of the three bids: company name, contact person and telephone number of the non-responding company.

### **D. Purchases of \$25,000 but less than \$50,000 (per transaction or annually)**

Purchase requires prior approval of the City Manager. Then, not less than three (3) written, email, or faxed quotes must be received prior to submitting a purchase order request on the materials, services or equipment that cannot be purchased through a purchasing cooperative. Pricing and contact information from all solicited vendors must be documented. The Purchaser shall include the

following information when using a "No Response" as one of the three bids: company name, contact person and telephone number of the non-responding company. Without approval of City Manager, a formal bid process must be followed (written bid request and specifications, and sealed bids/responses).

### **E. Purchases of \$50,000 or greater (per transaction or annually)**

Except where expressly exempted by law, purchases require a Request for Bids, Request for Proposals, Request for Qualifications or another formal authorized procurement method after advertisement in the newspaper. The type of request required depends on the type of good or service to be purchased and is explained further in the following section. No City employee may make any "separate, sequential, or component" purchases for any goods or services in order to avoid competitive bidding procedures.

Purchases greater than \$50,000 must be submitted to City Council for approval. This includes any purchases or contracts exempt from the bidding or notice procedures, except as described below. The Purchaser will make an award recommendation and will be responsible for all disclosure and briefing information to the City Manager and City Council. It is the responsibility of the Purchaser to present the request to Council after the approval of supporting documentation by the City Manager. The Council approval date must be noted on the PO.

Tex.Loc.Gov't Code §§ 252.021 et seq and 271.006 et seq,

## **V. TYPES OF COMPETITIVE PURCHASING METHODS**

### **A. Request for Bids (RFB)**

RFB is a formal written document that requests from bidders a firm price or proposal for a specific job or goods, equipment, materials or machinery. By statute, an RFB, a Request for Competitive Sealed Proposal (RFCSP) or another competitive delivery system is always required when the anticipated level of expenditure for a construction project or goods, equipment, materials or machinery will be greater than \$50,000. It also may be used any time the City Manager feels it is justified. The requirements for an RFB for a construction/public works contract for projects include:

1. Plans and specifications for the work, approved by a licensed architect or engineer if appropriate;
2. bid bond or other bid security;
3. Retainage or other withholding (e.g., turn-key) provisions;
4. A payment bond for contracts over \$50,000 (Tex. Gov't Code Ch. 2253); and
5. a performance bond for contracts over \$100,000 (Tex. Gov't Code Ch. 2253).

### **B. Request for Proposals (RFP)**

# PURCHASING POLICY

RFP is formal written document requesting that potential vendors make an offer for goods or services to the City. The RFP method of procurement may be used for goods or services, including high technology, insurance, and professional services. When the RFP method is used for the selection of professional services, the City shall comply with Government Code Chapter 2254, the Professional Services Procurement Act. When the RFP method is used for the selection of any services or goods other than professional services, the notice for proposals shall include the criteria that will be used to evaluate the offers and the applicable weighed value for each criterion. The City shall not award a contract for professional services based on competitive bids, but shall make the selection and award on the basis of demonstrated competence and qualifications [Sec. 2254.002(A)].

## C. Request for Qualifications (RFQ)

A RFQ is a formal written document used when soliciting providers of professional services, including architectural, engineering, land surveying services, and other services, consulting services, or other personal services for which an RFQ is permitted. For professional services and other services subject to the RFQ process, the City will first select the most highly-qualified provider of those services on the basis of demonstrated competence and qualifications. After a firm has been selected based on qualifications and experience, then the City shall negotiate a fair and reasonable fee for the proposed services. If a satisfactory contract cannot be negotiated with the most highly-qualified provider, then the City shall formally end negotiations with that firm and select the next most highly-qualified firm and begin negotiations with that provider for a fair and reasonable price.

## VI. EXEMPTIONS FROM COMPETITIVE PURCHASING

The following items are exempt from competitive bidding. The City Manager is authorized to exercise the options below; however, any use of funds over \$50,000, with the exception of consulting services, must be approved by the Council.

1. Equipment, materials, or machinery purchased by the City at an auction that is open to the public;
2. Contracts for services or property for which there is only one source or for which it is otherwise impracticable to obtain competition;
3. High technology procurements as provided by Sections 252.021 (a) and 252.042, Local Government Code;
4. Land or right of way;
5. State of Texas Catalog Purchases;
6. Contracts for services or property for which there is only one source or for which it is otherwise impracticable to obtain competition, including
  - 1) Items available from a single source because of patents, or copyrights; and

- 2) Unique replacement parts or components for fleet, equipment; pumps, motors, valves, high technology, etc. Any items not listed above that are considered sole source will need to be supported by the following:
- 3) Statement on how the determination was made that the item(s) requested is/are only available from one source.
- 4) Names of those contacted in an effort to find other sources.
- 5) Approval of the City Manager before purchase is made.
- 6) Emergency Purchases - An Emergency is a situation which endangers lives, property, or the continuation of a vital process and which can be rectified only by immediate purchase (or rental) of equipment, supplies, materials, or contractual services. All emergency purchases must be approved by the City Manager.

These purchases are exempt from competitive bidding only after formal declaration by the City Manager that an emergency exists. Council approval must be obtained as soon as practical thereafter.

Tex.Loc.Gov't Code § 252/-22/

## VII. OTHER APPROVED PROCUREMENT METHODS

The following delivery or procurement methods may be used, where appropriate:

1. Interlocal Cooperative Purchasing Contracts or any other governmental agency, as provided by the Texas Government Code, Chapter 791, Texas Interlocal Cooperation Act. A local government cooperative purchasing agreement must be approved by the Council before purchases can be made.
2. Construction service contracts using a construction manager agent, construction manager at risk, design build, or job order contracts as provided by Texas Government Code Chapter 2269.
3. E-Bid Procurement Under State Executive Orders to Mitigate Spread of COVID-19 - Sealed Bids.
  - a. The non-Federal entity must maintain records sufficient to detail the history of procurement.
  - b. Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions of this section apply.
    - i. In order for sealed bidding to be feasible, the following conditions should be present:

# PURCHASING POLICY

1. A complete, adequate, and realistic specification or purchase description is available;
2. Two or more responsible bidders are willing and able to compete effectively for the business; and
3. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
  - ii. If sealed bids are used, the following requirements apply:
    1. Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, the invitation for bids must be publicly advertised;
    2. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
    3. All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
    4. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
    5. Any or all bids may be rejected if there is a sound documented reason.

## VIII. VENDOR REQUIREMENTS

### A. All Contracts

All vendors are required to have W-9 and Conflict of Interest Questionnaire Form (CIQ) on file (if a conflict of interest exists). Any employee requesting a purchase needs to make sure the vendor has a W-9 and CIQ on file with the Finance Department. If the vendor does not have a W-9 or CIQ on file, it is the requestor's responsibility to obtain one from the vendor. If the vendor will be on City property a certificate of insurance may also be required, (See Insurance Requirements for Contractors and Consultants below) Vendors are required to submit all invoices for payment to the Finance Department at:

City of Cleveland  
ATTN: Accounts Payable  
907 E Houston  
Cleveland, TX 77327

### B. City Council Approved Contracts

If a contract is approved by City Council, then prior to any payments under the contract the vendor must file a Texas Form 1295.

Tex.Gov't Code § 2252.908.

### C. Insurance Requirements for Contractors and Consultants

The City may impose any reasonable insurance requirement on any contractor, vendor or consultant, depending on the nature of the contract and the work to be performed.

The Insurance carrier shall be licensed to do business in the State of Texas in which the work is to be performed. Each certificate shall bear an endorsement precluding the cancellation or reduction in coverage of any policy covered by such certificate before the expiration of fifteen (15) days after the City receives notification of such cancellation or reduction by registered mail.

Nothing contained herein shall be construed as limiting in any way the extent to which a vendor or his sub-contractor may be held responsible for payment of damages resulting from the vendor's or the vendor's sub-contractor's operations. All property and liability insurance, including Comprehensive General, Public, and Automotive, shall be written by an insurer licensed to conduct business in the State of Texas. The City, its officers, agents and employees shall be named as an additional Insured.

### D. Indemnification

A vendor shall indemnify and defend the City, its officers, representatives, and employees, against and hold them harmless from any and all liability for damage to the extent that it is caused by or results from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by the vendor or the vendor's agent, consultant under contract, or another entity over which the vendor exercises control, except to the extent that such claims arise due to the sole gross negligence or willful misconduct by the City, its employees, officers or agents. Further, a vendor shall comply with the requirements of all applicable laws, rules, and regulations in connection with the services of vendor and shall exonerate, indemnify, defend, and hold harmless the City, its officers, agents and all employees from any and all liability,

### E. Taxes

A vendor shall assume full responsibility for payments of federal, state and local taxes or contributions imposed or required under the social security, worker's compensation, and income tax laws with respect to the vendor's employees.

# PURCHASING POLICY

## **IX. CHANGE ORDERS**

If changes in plans or specifications are necessary after the performance of a contract is begun, or if it is necessary to decrease or increase the quantity of the work to be performed or of the materials, equipment, or supplies to be furnished, the City has authorized the City Manager to approve a change order that involves an increase or decrease of \$50,000 or less; provided, further, the aggregate of the change orders may not increase the original contract price by more than 10 percent. Additional change orders may be issued only as a result of unanticipated conditions encountered during construction, repair, or renovation or changes in regulatory criteria or to facilitate project coordination with other political entities.

Tex.Loc.Gov't Code §§ 252.048.

## **X. PERSONAL INTEREST IN CITY CONTRACT**

- A. No officer or employee of the City shall have a financial interest, direct or indirect, in any contact with the City, or shall be financially interested, directly or indirectly, in the sale to the City of any land, materials, supplies or service, except on behalf of the City as an officer or employee.
- B. No officer or employee of the City shall accept, directly or indirectly, from any person to which any purchase order or contract is or might be awarded, any rebate, gift, money or anything of value whatsoever, except when given to the City for the use and benefit of the City. Any such rebate, gift, money or thing of value shall be reported in writing to the City Manager within five working days of its receipt.

Cleveland City Charter § 8.01.

## **XI. RECYCLED PRODUCTS**

The City shall encourage the use of products made of recycled materials as required by Section 361.426 of the Texas Health and Safety Code.

Tex.Loc.Gov't Code § 252.003.

## **XII. SALE OR DISPOSITION OF CITY PERSONAL PROPERTY**

All sales of surplus personal property of the City which has become obsolete or unusable shall, be disposed of by 1) competitive bids to the highest bidder after notice, or 2) public auction; provided, however, the City Council may approve of the sale or disposition of such property under such terms and conditions and the City Council determines appropriate.

## **XIII. ELECTRONIC BIDS.**

If a bid or proposal is required to be sealed for a particular request for goods or services, then the City will not accept any electronic bids or proposals for that request. Unless authorized under exemptions from competitive purchasing provided in this policy.

Tex. Loc. Gov't Code § 252.0415.

## **XIV. LOCAL PREFERENCE PROGRAM**

The City Council is authorized to give local preference pursuant to Local Government Code §§ 271.905 - 271.9051 and may consider doing so on a case-by-case basis. In relevant situations, staff will use the following criteria in determining whether to recommend a higher bid from a local vendor:

- 1) the employment of residents of the City created through the award of the bid to the local vendor; and
- 2) any increase in tax revenue created through the award of the bid to the local vendor.

## **XV. PROMPT PAYMENT ACT**

The City shall pay all payments owed for goods and services that it purchases in accordance with Texas Government Code Chapter 2251, the Texas Prompt Payment Act.

## **XVI. CONTRACT WITH PERSON INDEBTED TO CITY**

The City Council may, upon prior written notice to an apparent low bidder or qualified proposer, refuse to award a contract or enter into a transaction with a bidder or proposer that is indebted to the City.

Tex.Loc.Gov't Code § 252.0436.

## **XVII. PURCHASING POLICY ADOPTION**

The Purchasing Policy shall be reviewed by the City Council annually.

Adopted: January 16, 2018

Revised: May 19, 2020

**SUMMARY OF ALL FUNDS  
FISCAL YEAR 2022 PROPOSED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>GENERAL FUND</b>				
Operating Revenues:	\$7,623,587	\$7,589,672	\$7,865,364	\$7,930,860
Non-Operating Revenues:	\$534,794	\$839,505	\$839,505	\$830,121
<b>Total Revenues:</b>	<b>\$8,158,381</b>	<b>\$8,429,177</b>	<b>\$8,704,869</b>	<b>\$8,760,981</b>
Operating Expenditures:	\$7,650,470	\$10,066,763	\$9,895,207	\$8,760,981
Non-Operating Expenditures:	\$415,881	\$0	\$0	\$0
<b>Total Expenditures:</b>	<b>\$8,066,351</b>	<b>\$10,066,763</b>	<b>\$9,895,207</b>	<b>\$8,760,981</b>
Revenues Over Expenditures:	\$92,030	(\$1,637,586)	(\$1,190,338)	\$0
Fund Balance - Beginning:		\$6,459,426	\$6,459,426	\$5,269,088
Fund Balance - Ending:	\$6,459,426	\$4,821,840	\$5,269,088	\$5,269,088
<b>DEBT SERVICE FUND</b>				
<b>Total Revenues:</b>	<b>\$1,495,978</b>	<b>\$1,152,309</b>	<b>\$1,152,309</b>	<b>\$1,221,133</b>
<b>Total Expenditures:</b>	<b>\$1,489,110</b>	<b>\$1,152,309</b>	<b>\$842,096</b>	<b>\$1,221,133</b>
Revenues Over Expenditures:	\$6,868	\$0	\$310,213	\$0
Fund Balance - Beginning:		\$289,042	\$289,042	\$599,255
Fund Balance - Ending:	\$289,042	\$289,042	\$599,255	\$599,255
<b>WATER SEWER FUND</b>				
Operating Revenues:	\$3,398,553	\$3,386,895	\$3,418,492	\$3,497,533
Non-Operating Revenues:	\$1,598,899	\$0	\$224,320	\$0
<b>Total Revenues:</b>	<b>\$4,997,453</b>	<b>\$3,386,895</b>	<b>\$3,642,812</b>	<b>\$3,497,533</b>
Departmental Expenses:	\$3,324,694	\$2,448,037	\$2,488,234	\$2,626,472
Non-Departmental Expenses:	\$19,558	\$931,509	\$931,509	\$871,061
<b>Total Expenses:</b>	<b>\$3,344,253</b>	<b>\$3,379,546</b>	<b>\$3,419,743</b>	<b>\$3,497,533</b>
Revenues Over Expenses:	\$1,653,200	\$7,349	\$223,068	\$0
Cash Balance - Beginning:		\$1,993,645	\$1,993,645	\$2,216,713
Cash Balance - Ending:	\$1,993,645	\$2,000,994	\$2,216,713	\$2,216,713

**SUMMARY OF ALL FUNDS  
FISCAL YEAR 2022 PROPOSED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>CAPITAL EQUIPMENT FUND</b>				
Operating Revenues:	\$207,613	\$205,200	\$205,200	\$205,200
Non-Operating Revenues:	(\$68,997)	\$0	\$0	\$0
<b>Total Revenues:</b>	<b>\$138,616</b>	<b>\$205,200</b>	<b>\$205,200</b>	<b>\$205,200</b>
Capital Outlay:	\$6,200	\$205,200	\$205,200	\$205,200
Financial Obligations:	\$118,770	\$0	\$0	\$0
<b>Total Expenses:</b>	<b>\$124,970</b>	<b>\$205,200</b>	<b>\$205,200</b>	<b>\$205,200</b>
Revenues Over Expenses:	\$13,646	\$0	\$0	\$0
Fund Balance - Beginning:		\$184,677	\$184,677	\$184,677
Fund Balance - Ending:	\$184,677	\$184,677	\$184,677	\$184,677
<b>HOTEL/MOTEL FUND</b>				
<b>Total Revenues:</b>	<b>\$222,351</b>	<b>\$510,371</b>	<b>\$524,883</b>	<b>\$252,352</b>
Non-Departmental Expenditures:	\$24,563	\$40,500	\$40,672	\$50,000
Departmental Expenditures:	\$169,401	\$780,881	\$771,321	\$202,352
<b>Total Expenditures:</b>	<b>\$193,963</b>	<b>\$821,381</b>	<b>\$811,993</b>	<b>\$252,352</b>
Revenues Over Expenditures:	\$28,387	(\$311,010)	(\$287,110)	\$0
Fund Balance - Beginning:		\$465,347	\$465,347	\$178,237
Fund Balance - Ending:	\$465,347	\$154,337	\$178,237	\$178,237
<b>POLICE SEIZURES</b>				
<b>Total Revenues:</b>	<b>\$7,005</b>	<b>\$2,050</b>	<b>\$2,223</b>	<b>\$2,050</b>
<b>Total Expenditures:</b>	<b>\$0</b>	<b>\$2,050</b>	<b>\$2,223</b>	<b>\$2,050</b>
Revenues Over Expenditures:	\$7,005	\$0	\$0	\$0
Fund Balance - Beginning:		\$105,186	\$105,186	\$105,186
Fund Balance - Ending:	\$105,186	\$105,186	\$105,186	\$105,186

**SUMMARY OF ALL FUNDS  
FISCAL YEAR 2022 PROPOSED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>COURT TECHNOLOGY</b>				
<b>Total Revenues:</b>	\$5,360	\$6,500	\$6,500	\$6,500
<b>Total Expenditures:</b>	\$16,115	\$6,500	\$6,500	\$6,500
Revenues Over Expenditures:	(\$10,755)	\$0	\$0	\$0
Fund Balance - Beginning:		(\$5,445)	(\$5,445)	\$0
Fund Balance - Ending:	(\$5,445)	(\$5,445)	(\$5,445)	\$0
<b>COURT SECURITY</b>				
<b>Total Revenues:</b>	\$4,997	\$5,000	\$5,000	\$5,000
<b>Total Expenditures:</b>	\$1,379	\$5,000	\$5,000	\$5,000
Revenues Over Expenditures:	\$3,618	\$0	\$0	\$0
Fund Balance - Beginning:		\$28,813	\$28,813	\$28,813
Fund Balance - Ending:	\$28,813	\$28,813	\$28,813	\$28,813
<b>UNITY DONATION FUND</b>				
<b>Total Revenues:</b>	\$2,395	\$19,975	\$14,700	\$19,975
<b>Total Expenditures:</b>	\$1,489	\$19,975	\$16,293	\$19,975
Revenues Over Expenditures:	\$906	\$0	(\$1,593)	\$0
Fund Balance - Beginning:		\$10,896	\$10,896	\$9,303
Fund Balance - Ending:	\$10,896	\$10,896	\$9,303	\$9,303
<b>EDC FUND</b>				
Operating Revenues:	\$675,513	\$718,033	\$741,633	\$732,633
Non-Operating Revenues:	\$0	\$0	\$0	\$0
<b>Total Revenues:</b>	<b>\$675,513</b>	<b>\$718,033</b>	<b>\$741,633</b>	<b>\$732,633</b>
Operating Expenses:	\$324,564	\$565,033	\$541,744	\$380,960
Financing Programs:	\$286,647	\$153,000	\$294,002	\$351,673
<b>Total Expenses</b>	<b>\$611,211</b>	<b>\$718,033</b>	<b>\$835,746</b>	<b>\$732,633</b>
Revenues Over Expenses:	\$64,302	\$0	(\$94,113)	\$0
Cash Balance - Beginning:		\$1,637,793	\$1,637,793	\$1,543,680
Cash Balance - Ending:	\$1,637,793	\$1,637,793	\$1,543,680	\$1,543,680

## GENERAL FUND

The General Fund, also known as Fund 100, provides the financing for all of the City of Cleveland's basic services except water and sewer, which is account for through a separate fund. The principal sources of revenue include property taxes, sales, franchise & other taxes, licenses & permits, use fees from service charges, and court revenue from fines & forfeitures. Expenditures are comprised of several divisions, which include City Council, Administration, Civic/Community, Municipal Court, Technology, Police, Animal Control, Development Services, Streets, Airport, Garage, Library, Cemetery/Parks, Sports Facility, Fire Department, and Emergency Management. Fire, Police, and Emergency Management provide all public safety services to the citizens of Cleveland and accounts for the majority of total expenditures.

### FISCAL YEAR 2022 PROPOSED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>REVENUES:</b>				
Operating Revenues:	7,623,587	7,589,672	7,865,364	7,930,860
Non-Operating Revenues:	534,793	839,505	839,505	830,121
<b>Total Revenues:</b>	<b>\$8,158,381</b>	<b>\$8,429,177</b>	<b>\$8,704,869</b>	<b>\$8,760,981</b>
<b>EXPENDITURES:</b>				
Operating Expenditures:	7,650,470	10,066,763	9,895,207	8,760,981
Non-Operating Expenditures:	415,881	0	0	0
<b>Total Expenditures:</b>	<b>\$8,066,351</b>	<b>\$10,066,763</b>	<b>9,895,207</b>	<b>8,760,981</b>
<i>Revenues Over Expenditures</i>	92,030	(1,637,586)	(1,190,338)	(0)
Fund Balance - Beginning		6,459,426	6,459,426	5,269,088
<b>Fund Balance - Ending</b>	<b>\$6,459,426</b>	<b>\$4,821,840</b>	<b>5,269,088</b>	<b>5,269,088</b>
Reserve Requirement (25%)		2,516,691	2,516,691	2,190,245
Excess/(Deficit)		2,305,149	2,752,397	3,078,843

*\*See detailed income statement on following pages*

#### **Fiscal Year 2020-2021:**

For fiscal year, 2021 revenues are projecting to be \$8,704,869, \$275,692 greater than the amended budget mainly due to a \$286,523 growth in the licenses and building permit division. A total of \$109,449 collected for the correctional center PILOT program that was not budget for in this fiscal year. Property taxes and sales taxes expected to meet budget expectations; however, these trends vary widely from year to year. Staff is continuing to monitor and will make necessary changes accordingly before adoption of budget. Total service and use fees revenues expected to come in lower by \$60,562, because of civic center room cancellations caused by COVID-19, and damages that occurred to the facility during the winter storm in February of this year. Court revenues are projected \$275,362, lower than the amended budget by 17%. Other revenue is \$376,274 or 1% more than amended budget. Total interest revenue increased by 32% due to improvements in available cash. Fire and emergency services revenues expected to be \$14,535 lower than budgeted due to a decrease in billing and collection services. Non-operating revenues include \$35,000 in scheduled transfers that remain unchanged, and include the fourth and final reimbursement of \$171K from EDC related to the Earth Energy TDA grant.

Projected fiscal year 2021 expenditures total \$9,895,207, a savings of nearly \$447,248 of the amended budget. The amended budget includes carryovers and amendments to the original budget. Amendments or other adjustments include the following:

- A budget carryover of \$425,000 to assist in the engineering and design phase of a new fire station that will be located in front of the Grand Oaks subdivision. This building is going to be extremely diverse and will have the capability to accommodate not only city staff but the public as well. The remaining portion of this

building will be funding with a portion of bond series 2021.

- Carryover of \$175,000 to increase capital outlay in the cemetery / parks division to support the costs of the new splash pad being constructed at Campbell Park. This project was originally put on hold due to the effects of COVID-19 in FY 20.
- A carryover of the remaining \$136,080 from FY 20 to increase the FY21 budgeted \$50,000 to total \$186,080. This was to cover the expenses for street resurfacing from FM 787 to Vine, Vine / Junction – from the railroad to N. San Jacinto.
- Carryover for library renovations, which will use the remaining \$20,237 from FY20 to complete the project.
- An amendment of \$621,000 was approved to support the salaries of the nine new full-time firefighter positions under the SAFER Grant awarded to the City. The SAFER Grant regulations allow paid-on-call, part-time, and to convert volunteer support to full-time.
- Amend the budget to include an allocation for electrical engineering services at the Sports Park related to electrical repairs caused by Hurricane Harvey in 2017. Increase the FY 21 budgeted allocation of \$88,000 in Sports Park professional services, and decrease Civic Center capital outlay by the same.
- Amendment of \$47,995 allocated to the emergency repairs needed to the north ramp at the airport.

The city will end with revenues under expenditures by \$1,190,338, greater than amended by \$447,248 since the fund intended a use \$1,637,586 of fund balance. However, final numbers will be more favorable substantially due to overlapping capital projects and remaining contingency by year-end. Fund balance at 9/30/2021 anticipated to be \$5,269,088. The general fund projected to end with \$2,752,397 in excess cash over the \$2,516,691 held as the reserve requirement.

#### **Fiscal Year 2021-2022:**

Fiscal year 2022 revenues total \$8,760,981, which is \$331,803 higher than the amended and \$56,112 higher than the 2021 projected due to tax collection growth once the pandemic is subjugate. Property tax reflects the adjustment to the debt service (I&S) required total rate at 0.7600 per \$100 valuation for the proposed budget. We propose a (\$0.0162) reduction in the Maintenance & Operating (M&O) bringing the rate down to \$0.4866 but only impacting the projected tax collection by \$68,823 or by 3% less than last year. Total sales taxes collected after transfers to EDC are \$3,614,167 remaining level at this time. Licenses & Permits proposes a total of \$501,613, due to the new development occurring throughout the City. Uses of fees proposes a total of \$166,215, a 95.7% increase from last year due to Civic Center operations. Civic Center experience unexpected renovations due to the winter storm in February. Court revenue at \$321,050, a 16.6% increase from FY 2021 due to COVID-19 restrictions lifted.

Non-operating revenues of \$830,121 take account of limited transfers from Water/Sewer so the proprietary fund can support W/S related capital programs. This year includes a \$35,000 transfer in for information technology services.

Total expenditures are \$8,760,981 a \$1,134,226 decrease from the 2021 projected. Non-operating expenditures total \$0; the proposed budget is balance with \$3,078,843 in excess cash over the reserve requirement. Any use of reserves as part of the final adopted should consider all risks associated with anticipating a strong FY 22 outlook.

The \$281,909 in non-recurring, the extraordinary or one-time expenses the city does not expect to continue over time are proposed. A new ticket writing system eases compliance for court and police, at a onetime cost of \$23,044. As of now, ticket writing is process by hand, with the new system the process will be done electronically and more efficiently. The police department is to replace the high mileage vehicles with two SUV units for transportation during patrols and to enable police to respond to incidents. Typical uses of a police car include transporting officers so they can reach the scene of an incident quickly, transporting and temporarily detaining suspects in the back seats, as a location to use their police radio or laptop or to patrol an area, all while providing a visible deterrent of crime. An allocation of \$150,000 for additional funds for a new evidence room for the police department to help secure areas used to store seized property, stolen property, and evidence to be used in court. Street department includes an additional \$18,865 for street resurfacing citywide.

The proposed recurring items are expansions of the normal, ongoing expenses required for operating the city and delivering additional services over the long-term include a 5% merit increase to all employees across the board and salary adjustment to different positions to bring their pay to standards with the increase of cost of living. The ticket writing system as mentioned above will have an annual software and equipment cost of \$13,500. The police department typically has expanded the force by an additional officer each year; this did not happen last fiscal year due to the unknown effects of COVID-19. This year includes two positions starting at the first of the fiscal year. Fire department is proposing an additional \$7,000 for medical exams, as the state is requiring additional exams for firefighters to do annually.

The following is the proposed supplemental items, proposed for fiscal year 2022:

		<u>RECURRING</u>	<u>NON- RECURRING</u>	<u>TOTAL</u>
100-XXXX-01-10XX	Salary (COLA 5%)	215,150	-	215,150
100-XXXX-01-10XX	Salary Adjustment	90,020	-	90,020
100-5114-17-5090	Ticket Writing System	13,500	23,044	36,544
100-5120-01-1010	Additional Positions			
	<i>Patrol Officer</i>	71,232	-	71,232
	<i>Corporal Officer</i>	84,152	-	84,152
100-5120-06-5050	SUV Patrol Vehicle (1)	-	45,000	45,000
100-5120-06-5050	SUV Patrol Vehicle (2)	-	45,000	45,000
100-5120-17-5090	Police Evidence Room	-	150,000	150,000
100-5130-20-2089	Street Resurfacing	-	18,865	18,865
100-5170-04-2760	Medical Services	7,000	-	7,000
<b>Total General Fund <u>Proposed</u> Supplementals:</b>		<b>481,054</b>	<b>281,909</b>	<b>762,963</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>REVENUES:</b>				
Property Taxes	2,265,544	2,265,887	2,265,887	2,197,064
Sales Taxes	3,294,717	3,613,954	3,614,167	3,614,167
Franchise Taxes	484,803	489,114	490,056	491,629
Other Taxes	113,077	4,300	113,938	113,938
Licenses & Permits	286,405	215,090	501,613	501,613
Use Fees	80,704	145,495	84,933	166,215
Court Revenue	250,925	330,457	275,362	321,050
Police Revenue	2,671	2,160	2,360	2,360
Other Revenue	646,039	374,130	376,274	376,274
Interest	83,475	19,550	25,774	28,550
Emergency Services Revenue	115,228	129,535	115,000	118,000
<b>Operating Revenues:</b>	<b>7,623,587</b>	<b>7,589,672</b>	<b>7,865,364</b>	<b>7,930,860</b>
Grants / Other Sources	344,793	633,400	633,400	795,121
Non-Operating Transfers	190,000	206,105	206,105	35,000
<b>Non-Operating Revenues:</b>	<b>534,793</b>	<b>839,505</b>	<b>839,505</b>	<b>830,121</b>
<b>Total Revenues:</b>	<b>\$8,158,381</b>	<b>\$8,429,177</b>	<b>8,704,869</b>	<b>8,760,981</b>
<b>EXPENDITURES:</b>				
City Council	25,891	47,600	29,667	41,600
Administration	1,045,839	1,080,906	1,095,824	1,112,540
Civic/Community	296,591	282,634	258,277	261,730
Municipal Court	216,040	273,840	262,268	289,045
Technology	376,719	396,300	402,231	387,831
Police	2,576,066	2,869,170	2,834,620	3,250,724
Animal Control	42,156	59,350	55,900	68,700
Development Services	293,774	350,595	317,444	260,220
Street Department	604,973	692,160	683,160	641,964
Airport Department	100,649	261,849	283,591	102,700
Garage Department	8,983	112,200	111,600	11,850
Library Department	579,664	438,972	461,398	442,685
Cemetery/Parks	419,698	747,380	744,780	482,110
Sports Park	122,489	113,850	28,650	29,150
Fire Department	907,154	2,304,230	2,290,070	1,346,302
Emergency Management	33,783	35,727	35,727	31,830
<b>Operating Expenditures:</b>	<b>7,650,470</b>	<b>10,066,763</b>	<b>9,895,207</b>	<b>8,760,981</b>
Grants / Other Sources	415,881	0	0	0
<b>Non-Operating Expenditures:</b>	<b>415,881</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures:</b>	<b>\$8,066,351</b>	<b>\$10,066,763</b>	<b>9,895,207</b>	<b>8,760,981</b>
<i>Revenues Over Expenditures</i>	<i>92,030</i>	<i>(1,637,586)</i>	<i>(1,190,338)</i>	<i>0</i>
Fund Balance - Beginning	6,362,501	6,459,426	6,459,426	5,269,088
<b>Fund Balance - Ending</b>	<b>\$6,459,426</b>	<b>4,821,840</b>	<b>5,269,088</b>	<b>5,269,088</b>
Reserve Requirement (25%)		2,516,691	2,516,691	2,190,245
Excess/(Deficit)		2,305,149	2,752,397	3,078,843

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>Revenues</b>					
<u>Property Taxes</u>					
100-4000-01-0801	Current Taxes	2,155,677	2,125,887	2,125,887	2,057,064
100-4000-01-0802	Delinquent Taxes	52,038	75,000	75,000	75,000
100-4000-01-0803	P & I / Attorney Fees	57,829	65,000	65,000	65,000
	<b>Total Property Taxes</b>	<b>2,265,544</b>	<b>2,265,887</b>	<b>2,265,887</b>	<b>2,197,064</b>
<u>Sales Taxes</u>					
100-4000-02-0807	Sales Tax	3,912,544	4,295,000	4,295,000	4,295,000
100-4000-02-0808	EDC Transfers	(652,091)	(715,833)	(715,833)	(715,833)
100-4000-02-0809	Mixed Beverage Tax	34,264	34,787	35,000	35,000
	<b>Total Sales Taxes</b>	<b>3,294,717</b>	<b>3,613,954</b>	<b>3,614,167</b>	<b>3,614,167</b>
<u>Franchise Taxes</u>					
100-4000-03-0811	Entergy	319,776	324,000	324,000	324,000
100-4000-03-0812	Telephone	14,336	14,600	14,000	14,000
100-4000-03-0813	Cable Franchise (New Wave)	11,513	12,000	12,000	12,000
100-4000-03-0814	CenterPoint Entex	32,752	32,752	32,752	32,752
100-4000-03-0815	Waste Mgmt. Franchise Fee	28,960	28,662	28,662	28,662
100-4000-03-8016	Street Fee For Paving	77,466	77,100	78,642	80,215
	<b>Total Franchise Taxes</b>	<b>484,803</b>	<b>489,114</b>	<b>490,056</b>	<b>491,629</b>
<u>PILOT</u>					
100-4000-04-0815	Correctional Center PILOT	108,777	0	109,449	109,449
100-4000-04-0816	Housing Authority PILOT	4,300	4,300	4,489	4,489
	<b>Total PILOT</b>	<b>113,077</b>	<b>4,300</b>	<b>113,938</b>	<b>113,938</b>
<u>Licenses &amp; Permits</u>					
100-4000-05-0822	Occupational License	540	2,000	2,000	2,000
100-4000-05-0823	Elect. Permits/Inspections	13,793	10,000	23,503	23,503
100-4000-05-0824	Building Permits	252,317	190,000	440,000	440,000
100-4000-05-0825	Plumbing/Gas Permits	18,475	12,500	33,960	33,960
100-4000-05-0826	Zoning/BA Fees	1,000	400	2,000	2,000
100-4000-05-0830	Plat Review Fees	150	0	50	50
100-4000-05-0865	Library Cards	50	190	100	100
100-4000-05-0895.	Over / (Short)	81	0	0	0
	<b>Total Licenses &amp; Permits</b>	<b>286,405</b>	<b>215,090</b>	<b>501,613</b>	<b>501,613</b>
<u>Service &amp; Use Fees</u>					
100-4000-06-0860	Civic Center-Room Rental	27,374	69,000	13,333	80,000
100-4000-06-0861	Forfeited Deposits-Civic Center	135	1,600	200	16,000
100-4000-06-0862	Cemetery Income	32,134	31,000	40,000	28,000
100-4000-06-0864	Library Services/Fees	3,324	8,700	3,300	7,600
100-4000-06-0865	Stancil Park	11,313	22,400	20,000	22,000
100-4000-06-0890	Lost/Damaged Charges	161	280	100	100
100-4000-06-0891	Library Copies	6,264	12,515	8,000	12,515
	<b>Total Service &amp; Use Fees</b>	<b>80,704</b>	<b>145,495</b>	<b>84,933</b>	<b>166,215</b>
<u>Court Revenue</u>					
100-4000-07-0881	Traffic/Criminal Fees	208,968	275,000	233,312	275,000
100-4000-07-0882	Warrant Officer Income	40,388	50,753	40,000	44,000
100-4000-07-0883	Court Short/Over	50	0	0	0
100-4000-07-0884	Court Serv. Fees-State	1,161	4,129	1,800	1,800
100-4000-07-0887	Juvenile Failure To Attend	360	575	250	250
	<b>Total Court Revenue</b>	<b>250,925</b>	<b>330,457</b>	<b>275,362</b>	<b>321,050</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<u>Police Revenue</u>					
100-4000-08-0887	Police Misc. Income	2,291	2,120	2,120	2,120
100-4000-08-0887.	Animal Control Fees	380	40	40	40
100-4000-08-0887.	Police Donations	0	0	200	200
	<b>Total Police Revenue</b>	<b>2,671</b>	<b>2,160</b>	<b>2,360</b>	<b>2,360</b>
<u>Other Revenue</u>					
100-4000-09-0816	Fire Dept. Grant Expenses	40	100	100	100
100-4000-09-0822	Drilling-New Century Exp.	0	394	394	394
100-4000-09-0850	Proceeds From Insurance	196,865	43,900	43,900	43,900
100-4000-09-0861	Airport	289,370	282,064	282,064	282,064
100-4000-09-0866	Library Memorial Donations	1,575	516	516	516
100-4000-09-0867	Library Misc. Donation	269	300	300	300
100-4000-09-0872	Reimb For Civic Ctr Exp (Hot\$)	15,000	30,000	30,000	30,000
100-4000-09-0887	Demolition/Cleanup Reimburse.	9,280	1,856	4,000	4,000
100-4000-09-0889	FEMA Reimbursement	66,391	0	0	0
100-4000-09-0890	Legal Reimbursement	40,000	0	0	0
100-4000-09-0895	Miscellaneous	15,161	10,000	10,000	10,000
100-4000-09-0899	Sale of Assets	9,025	5,000	5,000	5,000
	<b>Total Other Revenue</b>	<b>646,039</b>	<b>374,130</b>	<b>376,274</b>	<b>376,274</b>
<u>Interest</u>					
100-4000-10-0894	Interest	77,013	11,000	17,424	20,000
100-4000-10-0900	Credit Card Fees - Court	4,868	6,100	6,100	6,100
100-4000-10-0900	Credit Card Fees - Dev Serv.	1,053	1,500	1,500	1,500
100-4000-10-0900	Credit Card Fees - Civic Ctr.	256	450	250	450
100-4000-10-0900	Credit Card Fees – Lib.	285	500	500	500
	<b>Total Interest</b>	<b>83,475</b>	<b>19,550</b>	<b>25,774</b>	<b>28,550</b>
<u>Grants</u>					
100-4000-13-0892	Airport Grant & R.A.M.P.	10,187	10,000	10,000	10,000
100-4000-13-0901	Library Grants	1,818	2,400	2,400	2,400
100-4000-13-0909	CDBG Sidewalk 082	208,851	0	0	0
100-4000-13-0910	GLO-Harvey Gen/Drainage	29,117	0	0	0
100-4000-13-0911	CARES Act	94,820	0	0	0
100-4000-13-0912	SAFER Grant	0	621,000	621,000	782,721
	<b>Total Grants</b>	<b>344,793</b>	<b>633,400</b>	<b>633,400</b>	<b>795,121</b>
<u>Emergency Services</u>					
100-4000-14-0880	Liberty County Fire Runs	91,000	89,000	89,000	89,000
100-4000-14-0895	Billing & Collection Fee	24,228	40,535	26,000	29,000
	<b>Total Emergency Services</b>	<b>115,228</b>	<b>129,535</b>	<b>115,000</b>	<b>118,000</b>
<u>Non-Operating</u>					
100-4000-99-0900	Transfers In	35,000	35,000	35,000	35,000
100-4000-99-0907	Other Financing Sources	155,000	171,105	171,105	0
	<b>Total Non-Operating</b>	<b>190,000</b>	<b>206,105</b>	<b>206,105</b>	<b>35,000</b>
	<b>TOTAL REVENUES:</b>	<b>8,158,381</b>	<b>8,429,177</b>	<b>8,704,869</b>	<b>8,760,981</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>City Council</u></b>					
<u>Salaries &amp; Benefits</u>					
100-5110-01-1010	Salaries	2,050	2,100	2,100	2,100
	<b>Total Salaries &amp; Benefits</b>	<b>2,050</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>
<u>Professional Services</u>					
100-5110-02-2090	Other Professional Services	3,706	7,500	3,000	5,000
	<b>Total Professional Services</b>	<b>3,706</b>	<b>7,500</b>	<b>3,000</b>	<b>5,000</b>
<u>Other Services</u>					
100-5110-04-2720	Advertising	5,459	7,000	7,000	7,000
100-5110-04-2750	Dues & Membership	437	500	437	500
100-5110-04-2830	Seminars & Schools	7,812	14,000	7,000	14,000
	<b>Total Other Services</b>	<b>13,708</b>	<b>21,500</b>	<b>14,437</b>	<b>21,500</b>
<u>Supplies</u>					
100-5110-05-3030	Meeting Expenses	920	2,500	1,500	2,000
100-5110-05-3100	Other Operating Supplies	5,481	3,000	4,500	4,500
	<b>Total Supplies</b>	<b>6,401</b>	<b>5,500</b>	<b>6,000</b>	<b>6,500</b>
<u>Other Expenditures</u>					
100-5110-06-5060	Election Expenses	25	11,000	4,130	6,500
	<b>Total Other Expenditures</b>	<b>25</b>	<b>11,000</b>	<b>4,130</b>	<b>6,500</b>
	<b>Total City Council:</b>	<b>25,891</b>	<b>47,600</b>	<b>29,667</b>	<b>41,600</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>Administration</b>					
<u>Salaries &amp; Benefits</u>					
100-5112-01-1010	Salaries	446,372	459,840	459,840	461,250
100-5112-01-1011	Overtime	3,904	1,500	10,000	5,000
100-5112-01-1015	Car Allowance	5,192	5,000	5,000	5,000
100-5112-01-1020	Group Insurance	41,696	48,780	48,780	46,170
100-5112-01-1030	Social Security Contribution	30,334	35,670	35,670	36,050
100-5112-01-1040	Retirement Contribution	47,366	50,410	50,410	49,820
100-5112-01-1050	Unemployment Compensation	1,102	1,620	1,620	1,620
100-5112-01-1060	Worker's Compensation	1,147	2,070	2,070	1,990
100-5112-01-1080	Medical Exams	283	0	0	0
	<b>Total Salaries &amp; Benefits</b>	577,396	604,890	613,390	606,900
<u>Professional Services</u>					
100-5112-02-2010	Legal/General	88,259	90,000	124,401	125,000
100-5112-02-2040	Accounting/Audit	45,000	55,000	30,000	30,000
100-5112-02-2070	Health Dept. Retainer	900	900	900	900
100-5112-02-2075	ADP Processing Fees	29,438	32,000	32,600	35,300
100-5112-02-2089	Ambulance Contract	45,000	45,000	45,000	45,000
100-5112-02-2090	Other Professional Services	68,212	25,000	30,000	25,000
	<b>Total Professional Services</b>	276,809	247,900	262,901	261,200
<u>Property Services</u>					
100-5112-03-2220	Electricity	14,607	16,000	16,000	16,000
100-5112-03-2430	Facilities Maintenance	22,982	27,000	36,000	36,000
	<b>Total Property Services</b>	37,588	43,000	52,000	52,000
<u>Other Services</u>					
100-5112-04-2115	Senior Citizens Gas/Repair	3,552	5,000	5,000	5,000
100-5112-04-2130	Brazos Transit	14,776	15,500	15,501	15,501
100-5112-04-2700	Property Insurance	10,447	12,000	10,500	11,000
100-5112-04-2720	Advertising	3,205	1,200	3,000	3,000
100-5112-04-2730	Printing & Binding	795	500	714	750
100-5112-04-2750	Dues & Membership	5,331	5,200	6,280	5,430
100-5112-04-2770	Liberty Tax Assessor	1,702	1,736	1,758	1,800
100-5112-04-2780	Liberty CAD	79,844	85,180	85,180	90,459
100-5112-04-2830	Seminars & Schools	9,810	17,200	3,000	17,200
	<b>Total Other Services</b>	129,462	143,516	130,933	150,140
<u>Supplies</u>					
100-5112-05-3010	Office	4,684	5,500	3,500	5,500
100-5112-05-3020	Books & Periodicals	125	300	100	100
100-5112-05-3030	Employee Relations	2,307	2,400	1,300	3,000
100-5112-05-3100	Other Operating Supplies	4,002	3,500	4,000	4,000
100-5112-05-3110	Copier Expense	8,298	9,500	7,000	7,000
100-5112-05-3115	Janitorial Supplies	1,881	1,700	1,200	1,200
100-5112-05-3130	Postage	2,667	2,700	4,000	4,000
	<b>Total Supplies</b>	23,964	25,600	21,100	24,800
<u>Other Expenditures</u>					
100-5112-06-5060	Furniture/Fixtures	620	1,000	500	2,500
100-5112-06-5095	Contingency	0	15,000	15,000	15,000
	<b>Total Other Expenditures</b>	620	16,000	15,500	17,500
	<b>Total Administration:</b>	1,045,839	1,080,906	1,095,824	1,112,540

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Civic / Community</u></b>					
<b><u>Salaries &amp; Benefits</u></b>					
100-5113-01-1010	Salaries	83,795	117,050	117,050	117,930
100-5113-01-1011	Overtime	2,439	1,080	1,080	1,080
100-5113-01-1020	Group Insurance	16,705	26,890	26,890	25,530
100-5113-01-1030	Social Security Contribution	5,675	9,120	9,120	9,090
100-5113-01-1040	Retirement Contribution	9,486	12,480	12,480	12,580
100-5113-01-1050	Unemployment Contribution	358	620	620	620
100-5113-01-1060	Worker's Compensation	2,238	2,120	2,120	2,140
	<b>Total Salaries &amp; Benefits</b>	<b>120,694</b>	<b>169,360</b>	<b>169,360</b>	<b>168,970</b>
<b><u>Professional Services</u></b>					
100-5113-02-2090	Other Professional Services	753	0	753	0
	<b>Total Professional Services</b>	<b>753</b>	<b>0</b>	<b>753</b>	<b>0</b>
<b><u>Property Services</u></b>					
100-5113-03-2220	Electricity	28,357	36,000	36,000	36,000
100-5113-03-2430	Facilities Maintenance	19,723	20,000	5,000	20,000
	<b>Total Property Services</b>	<b>48,080</b>	<b>56,000</b>	<b>41,000</b>	<b>56,000</b>
<b><u>Other Services</u></b>					
100-5113-04-2110	Marketing/Promotion	965	2,500	500	2,500
100-5113-04-2700	Property Insurance	12,841	11,760	13,000	13,250
100-5113-04-2720	Advertising	150	0	0	0
100-5113-04-2730	Printing & Binding	0	0	714	750
100-5113-04-2750	Dues & Membership	14	0	0	0
100-5113-04-2830	Seminars & Schools	0	1,500	0	1,500
100-5113-04-9900	Credit Card Fees	1,245	1,704	1,200	2,000
	<b>Total Other Services</b>	<b>15,214</b>	<b>17,464</b>	<b>15,414</b>	<b>20,000</b>
<b><u>Supplies</u></b>					
100-5113-05-3010	Office Supplies	565	1,600	500	1,700
100-5113-05-3030	Employee Relations	250	400	250	250
100-5113-05-3100	Other Operating Supplies	1,392	1,200	500	1,200
100-5113-05-3110	Copier Expense	3,382	5,610	2,500	5,610
100-5113-05-3115	Janitorial Supplies	2,456	3,500	1,500	3,500
100-5113-05-3120	Uniform Expense	0	1,500	500	500
100-5113-05-3130	Postage	1,000	1,000	1,000	1,000
	<b>Total Supplies</b>	<b>9,045</b>	<b>14,810</b>	<b>6,750</b>	<b>13,760</b>
<b><u>Other Expenditures</u></b>					
100-5113-06-5090	Events	1,798	3,000	3,000	3,000
	<b>Total Other Expenditures</b>	<b>1,798</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
<b><u>Capital Outlay</u></b>					
100-5113-17-5090	Other Capital Outlay	101,006	22,000	22,000	0
	<b>Total Capital Outlay</b>	<b>101,006</b>	<b>22,000</b>	<b>22,000</b>	<b>0</b>
	<b>Total Civic/Community:</b>	<b>296,591</b>	<b>282,634</b>	<b>258,277</b>	<b>261,730</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Municipal Court</u></b>					
<b><u>Salaries &amp; Benefits</u></b>					
100-5114-01-1010	Salaries	138,869	150,710	150,710	142,940
100-5114-01-1011	Overtime	2,650	5,000	5,000	5,000
100-5114-01-1020	Group Insurance	14,987	21,720	21,720	36,680
100-5114-01-1030	Social Security Contribution	9,408	11,910	11,910	11,310
100-5114-01-1040	Retirement Contribution	11,096	16,530	16,530	15,330
100-5114-01-1050	Unemployment Compensation	447	890	890	890
100-5114-01-1060	Worker's Compensation	263	2,530	2,530	2,500
100-5114-01-1080	Medical Exams	300	0	0	0
	<b>Total Salaries &amp; Benefits</b>	<b>178,019</b>	<b>209,290</b>	<b>209,290</b>	<b>214,650</b>
<b><u>Professional Services</u></b>					
100-5114-02-2120	Legal - Court Services	3,125	5,500	4,000	4,000
100-5114-02-2180	Inmate Expenses	16,815	32,000	20,000	20,000
	<b>Total Professional Services</b>	<b>19,940</b>	<b>37,500</b>	<b>24,000</b>	<b>24,000</b>
<b><u>Property Services</u></b>					
100-5114-03-2430	Facilities Maintenance	828	1,200	1,400	3,000
	<b>Total Property Services</b>	<b>828</b>	<b>1,200</b>	<b>1,400</b>	<b>3,000</b>
<b><u>Other Services</u></b>					
100-5114-04-2700	Property Insurance	3,661	4,200	3,628	3,701
100-5114-04-2730	Printing & Binding	270	1,500	1,500	1,500
100-5114-04-2750	Dues & Membership	(105)	2,000	2,000	2,000
100-5114-04-2800	Jury Costs	0	150	150	150
100-5114-04-2830	Seminars & Schools	1,851	3,500	2,500	3,000
100-5114-04-9900	Credit Card Fees	3,690	4,400	4,000	4,400
	<b>Total Other Services</b>	<b>9,367</b>	<b>15,750</b>	<b>13,778</b>	<b>14,751</b>
<b><u>Supplies</u></b>					
100-5114-05-3010	Office	1,112	1,200	1,200	1,200
100-5114-05-3020	Books & Periodicals	158	200	200	200
100-5114-05-3030	Employee Relations	300	400	300	400
100-5114-05-3100	Other Operating Supplies	1,036	1,100	1,100	1,100
100-5114-05-3110	Copier Expense	2,179	3,200	2,500	2,500
100-5114-05-3130	Postage	2,122	2,500	2,500	2,700
	<b>Total Supplies</b>	<b>6,907</b>	<b>8,600</b>	<b>7,800</b>	<b>8,100</b>
<b><u>Other Expenditures</u></b>					
100-5114-06-5060	Furniture/Fixtures	0	0	4,500	0
100-5114-06-5070	Office Equipment	979	1,500	1,500	1,500
	<b>Total Other Expenditures</b>	<b>979</b>	<b>1,500</b>	<b>6,000</b>	<b>1,500</b>
<b><u>Capital Outlay</u></b>					
100-5114-17-5090	Other Capital Outlay	0	0	0	23,044
	<b>Total Capital Outlay</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23,044</b>
	<b>Total Municipal Court:</b>	<b>216,040</b>	<b>273,840</b>	<b>262,268</b>	<b>289,045</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Information Technology</u></b>					
<u>Professional Services</u>					
100-5115-02-2090	NSD - Contract Services	63,552	90,000	90,000	58,500
100-5115-02-2112	Software Licenses Admin	60,821	55,000	55,000	58,100
100-5115-02-2114	Software Licenses Court	5,983	2,500	6,300	6,300
100-5115-02-2120	Software Licenses Police	25,033	40,000	45,000	58,500
100-5115-02-2123	Development Services Dev. Serv.	3,557	2,500	2,531	2,531
100-5115-02-2160	Software Licenses Library	33,459	30,000	31,100	31,100
100-5115-02-2170	Software Licenses Fire	600	2,500	2,500	1,000
100-5115-02-2310	Software Licenses Water Admin	25,018	12,000	8,000	10,000
	<b>Total Professional Services</b>	218,023	234,500	240,431	226,031
<u>Other Services</u>					
100-5115-04-2310	Telephone/Internet Water Adm	7,307	6,900	6,900	6,900
100-5115-04-2330	Telephone/Internet Water Prod.	33,467	23,000	23,000	23,000
100-5115-04-2350	Telephone/Internet Sewer	5,607	3,300	3,300	3,300
100-5115-04-2710	Telephone/Internet-Council	2,888	2,900	2,900	2,900
100-5115-04-2712	Telephone/Internet Admin	11,362	11,000	11,000	11,000
100-5115-04-2713	Telephone/Internet Civic	4,869	4,600	4,600	4,600
100-5115-04-2714	Telephone/Internet Court	2,734	3,000	3,000	3,000
100-5115-04-2720	Telephone/Internet Police	38,640	33,000	33,000	33,000
100-5115-04-2722	Telephone/Internet Animal	479	500	500	500
100-5115-04-2723	Telephone/Internet Develop	4,416	4,600	4,600	4,600
100-5115-04-2730	Telephone/Internet Street	5,495	5,100	5,100	5,100
100-5115-04-2740	Telephone/Internet Garage	408	400	400	400
100-5115-04-2760	Telephone/Internet Library	10,789	15,000	15,000	15,000
100-5115-04-2761	Telephone/Internet Parks	2,077	2,000	2,000	2,000
100-5115-04-2770	Telephone/Internet EDC	6,123	6,000	6,000	6,000
	<b>Total Other Services</b>	136,660	121,300	121,300	121,300
<u>Supplies</u>					
100-5115-05-3100	Other Operating Supplies	1,520	0	0	0
	<b>Total Supplies</b>	1,520	0	0	0
<u>Other Expenditures</u>					
100-5115-06-5065	Computer Equipment/Software	4,121	18,000	18,000	18,000
100-5115-06-5123	Supplies Dev. Service	1,935	2,000	2,000	2,000
100-5115-06-5160	Supplies Water Adm.	2,600	2,000	2,000	2,000
100-5115-06-5212	Supplies Tech	2,634	2,500	2,500	2,500
100-5115-06-5214	Computer Supplies Court	73	2,000	2,000	2,000
100-5115-06-5215	Supplies Security	0	2,000	2,000	2,000
100-5115-06-5220	Supplies Library	6,404	6,000	6,000	6,000
100-5115-06-5230	Supplies Admin	0	2,000	2,000	2,000
100-5115-06-5270	Computer Supplies Fire	2,462	2,000	2,000	2,000
100-5115-06-5310	Supplies Tech	286	2,000	2,000	2,000
	<b>Total Other Expenditures</b>	20,516	40,500	40,500	40,500
	<b>Total Information Technology:</b>	376,719	396,300	402,231	387,831

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Police Department</u></b>					
<b><u>Salaries &amp; Benefits</u></b>					
100-5120-01-1010	Salaries	1,578,535	1,675,430	1,675,430	1,896,544
100-5120-01-1011	Overtime	83,803	75,000	75,000	75,000
100-5120-01-1020	Group Insurance	276,544	294,270	294,270	350,860
100-5120-01-1030	Social Security Contribution	108,714	133,900	133,900	150,819
100-5120-01-1040	Retirement Contribution	174,577	187,410	187,410	208,387
100-5120-01-1050	Unemployment Compensation	5,075	7,250	7,250	7,664
100-5120-01-1060	Worker's Compensation	27,444	58,310	58,310	63,550
100-5120-01-1080	Medical Exams	2,057	0	0	0
	<b>Total Salaries &amp; Benefits</b>	<b>2,256,748</b>	<b>2,431,570</b>	<b>2,431,570</b>	<b>2,752,824</b>
<b><u>Professional Services</u></b>					
100-5120-02-2090	Other Professional Services	6,905	7,000	7,000	7,000
100-5120-02-2100	Mobile Data Service	17,840	20,000	18,000	20,000
100-5120-02-2180	Inmate Expenses	4,444	6,000	6,000	6,000
	<b>Total Professional Services</b>	<b>29,189</b>	<b>33,000</b>	<b>31,000</b>	<b>33,000</b>
<b><u>Property Services</u></b>					
100-5120-03-2210	Natural Gas	708	1,200	1,200	1,200
100-5120-03-2220	Electricity	15,779	19,000	17,000	19,000
100-5120-03-2410	Motor Vehicle Repair	32,889	42,500	25,000	40,000
100-5120-03-2420	Equipment Repair	532	1,000	1,000	1,000
100-5120-03-2430	Facilities Maintenance	18,328	22,000	22,000	22,000
	<b>Total Property Services</b>	<b>68,236</b>	<b>85,700</b>	<b>66,200</b>	<b>83,200</b>
<b><u>Other Services</u></b>					
100-5120-04-2700	Property Insurance	29,078	30,000	28,000	30,000
100-5120-04-2720	Advertising	239	500	500	500
100-5120-04-2750	Dues & Membership	240	500	700	500
100-5120-04-2830	Seminars & Schools	9,902	12,000	12,000	12,000
	<b>Total Other Services</b>	<b>39,458</b>	<b>43,000</b>	<b>41,200</b>	<b>43,000</b>
<b><u>Supplies</u></b>					
100-5120-05-3010	Office	5,971	7,000	5,750	7,000
100-5120-05-3020	Books & Periodicals	0	500	500	500
100-5120-05-3030	Employee Relations	3,100	4,200	3,100	4,400
100-5120-05-3040	Gasoline/Diesel	37,110	55,000	50,000	55,000
100-5120-05-3050	Oil/Lube	2,684	4,000	3,000	3,000
100-5120-05-3080	Uniform Expense	9,610	10,000	10,000	10,000
100-5120-05-3100	Other Operating Supplies	4,687	6,500	6,500	6,500
100-5120-05-3110	Copier Expense	8,864	8,500	5,500	5,500
100-5120-05-3130	Postage	1,871	1,700	1,800	1,800
	<b>Total Supplies</b>	<b>73,897</b>	<b>97,400</b>	<b>86,150</b>	<b>93,700</b>
<b><u>Detective</u></b>					
100-5120-16-2190	Undercover	767	1,000	1,000	1,000
100-5120-16-3160	Fingerprint/Invest. Supplies	837	1,500	1,500	1,500
100-5120-16-3170	Range Supplies	1,198	2,500	2,500	2,500
	<b>Total Detective</b>	<b>2,802</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
<b><u>Other Expenditures</u></b>					
100-5120-06-5050	Vehicle	105,736	42,500	42,500	90,000
	<b>Total Other Expenditures</b>	<b>105,736</b>	<b>42,500</b>	<b>42,500</b>	<b>90,000</b>
<b><u>Capital Outlay</u></b>					
100-5120-17-5090	Other Capital Outlay	0	131,000	131,000	150,000
	<b>Total Capital Outlay</b>	<b>0</b>	<b>131,000</b>	<b>131,000</b>	<b>150,000</b>
	<b>Total Police:</b>	<b>2,576,066</b>	<b>2,869,170</b>	<b>2,834,620</b>	<b>3,250,724</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Animal Control</u></b>					
<b><u>Salaries &amp; Benefits</u></b>					
100-5122-01-1010	Salaries	20,638	30,060	30,060	33,220
100-5122-01-1011	Overtime	768	2,500	2,500	2,500
100-5122-01-1020	Group Insurance	5,248	190	190	7,420
100-5122-01-1030	Social Security Contribution	1,417	2,490	2,490	2,730
100-5122-01-1040	Retirement Contribution	2,283	3,520	3,520	3,780
100-5122-01-1050	Unemployment Compensation	144	210	210	210
100-5122-01-1060	Worker's Compensation	1,142	1,980	1,980	2,040
100-5122-01-1080	Medical Exams	146	0	0	0
	<b>Total Salaries &amp; Benefits</b>	31,785	40,950	40,950	51,900
<b><u>Professional Services</u></b>					
100-5122-02-2140	Visitor Services	0	2,200	1,000	2,200
	<b>Total Professional Services</b>	0	2,200	1,000	2,200
<b><u>Property Services</u></b>					
100-5122-03-2220	Electricity	3,500	4,200	3,500	3,500
100-5122-03-2410	Motor Vehicle Repair	992	2,000	1,000	2,000
100-5122-03-2420	Equipment Repair	0	100	100	100
100-5122-03-2430	Facilities Maintenance	2,313	2,500	3,000	2,500
	<b>Total Property Services</b>	6,806	8,800	7,600	8,100
<b><u>Other Services</u></b>					
100-5122-04-2700	Property Insurance	217	650	200	250
100-5122-04-2830	Seminars & Schools	0	300	300	300
	<b>Total Other Services</b>	217	950	500	550
<b><u>Supplies</u></b>					
100-5122-05-3010	Office	0	250	250	250
100-5122-05-3030	Employee Relations	0	100	100	100
100-5122-05-3040	Gasoline/Diesel	967	2,500	2,000	2,100
100-5122-05-3050	Oil/Lube	36	300	200	200
100-5122-05-3080	Uniform Expense	112	300	300	300
100-5122-05-3100	Other Operating Supplies	2,233	3,000	3,000	3,000
	<b>Total Supplies</b>	3,349	6,450	5,850	5,950
	<b>Total Animal Control:</b>	42,156	59,350	55,900	68,700

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Development Services</u></b>					
<b><u>Salaries &amp; Benefits</u></b>					
100-5123-01-1010	Salaries	134,716	202,440	202,440	136,060
100-5123-01-1011	Overtime	5,715	1,000	1,000	1,000
100-5123-01-1020	Group Insurance	20,777	35,290	35,290	23,540
100-5123-01-1030	Social Security Contribution	9,409	15,570	15,570	10,490
100-5123-01-1040	Retirement Contribution	15,595	21,990	21,990	14,480
100-5123-01-1050	Unemployment Compensation	432	830	830	620
100-5123-01-1060	Worker's Compensation	1,527	1,810	1,810	1,130
	<b>Total Salaries &amp; Benefits</b>	<b>188,313</b>	<b>278,930</b>	<b>278,930</b>	<b>187,320</b>
<b><u>Professional Services</u></b>					
100-5123-02-2050	Junk Vehicles	234	600	600	600
100-5123-02-2055	Filing Fees	130	2,500	500	1,000
100-5123-02-2090	Other Professional Services	65,500	15,000	15,000	15,000
100-5123-02-2100	Demolition/Cleanup	27,380	25,000	3,000	30,000
	<b>Total Professional Services</b>	<b>93,244</b>	<b>43,100</b>	<b>19,100</b>	<b>46,600</b>
<b><u>Property Services</u></b>					
100-5123-03-2410	Motor Vehicle Repair	1,282	2,000	1,600	1,600
	<b>Total Property Services</b>	<b>1,282</b>	<b>2,000</b>	<b>1,600</b>	<b>1,600</b>
<b><u>Other Services</u></b>					
100-5123-04-2700	Property Insurance	436	815	1,500	1,500
100-5123-04-2720	Advertising	185	750	1,000	1,000
100-5123-04-2730	Printing & Binding	170	0	714	750
100-5123-04-2750	Dues & Membership	0	500	0	500
100-5123-04-2751	Certification / License	346	700	0	700
100-5123-04-2830	Seminars & Schools	69	5,000	1,500	5,000
100-5123-04-9900	Credit Card Fees	3,087	3,000	5,000	5,000
	<b>Total Other Services</b>	<b>4,292</b>	<b>10,765</b>	<b>9,714</b>	<b>14,450</b>
<b><u>Supplies</u></b>					
100-5123-05-3010	Office	1,592	2,000	2,000	2,000
100-5123-05-3020	Books & Periodicals	49	2,500	0	0
100-5123-05-3030	Employee Relations	340	300	250	250
100-5123-05-3040	Gasoline/Diesel	1,947	5,000	550	3,000
100-5123-05-3050	Oil/Lube	186	250	250	250
100-5123-05-3080	Uniform Expense	134	250	250	250
100-5123-05-3100	Other Operating Supplies	119	1,200	500	1,200
100-5123-05-3110	Copier Expense	1,479	2,300	1,300	1,300
100-5123-05-3130	Postage	796	2,000	1,000	1,000
	<b>Total Supplies</b>	<b>6,642</b>	<b>15,800</b>	<b>6,100</b>	<b>9,250</b>
<b><u>Other Expenditures</u></b>					
100-5123-06-5060	Furniture/Fixtures	0	0	2,000	1,000
	<b>Total Other Expenditures</b>	<b>0</b>	<b>0</b>	<b>2,000</b>	<b>1,000</b>
	<b>Total Development Services:</b>	<b>293,774</b>	<b>350,595</b>	<b>317,444</b>	<b>260,220</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Public Works - Street</u></b>					
<b><u>Salaries &amp; Benefits</u></b>					
100-5130-01-1010	Salaries	106,997	123,670	123,670	148,880
100-5130-01-1011	Overtime	5,847	1,600	1,600	1,600
100-5130-01-1020	Group Insurance	33,017	41,780	41,780	47,790
100-5130-01-1030	Social Security Contribution	7,052	9,580	9,580	11,510
100-5130-01-1040	Retirement Contribution	11,823	13,540	13,540	15,910
100-5130-01-1050	Unemployment Compensation	437	1,240	1,240	1,240
100-5130-01-1060	Worker's Compensation	6,374	10,970	10,970	12,940
100-5130-01-1080	Medical Exams	181	0	0	0
	<b>Total Salaries &amp; Benefits</b>	<b>171,729</b>	<b>202,380</b>	<b>202,380</b>	<b>239,870</b>
<b><u>Professional Services</u></b>					
100-5130-02-2089	Street Resurfacing	48,348	186,080	186,080	99,080
100-5130-02-2090	Other Professional Services	34,566	33,000	34,000	35,000
	<b>Total Professional Services</b>	<b>82,914</b>	<b>219,080</b>	<b>220,080</b>	<b>134,080</b>
<b><u>Property Services</u></b>					
100-5130-03-2210	Natural Gas	820	1,100	1,100	1,100
100-5130-03-2220	Electricity	3,048	3,000	3,000	3,500
100-5130-03-2410	Motor Vehicle Repair	7,830	7,500	7,500	7,500
100-5130-03-2420	Equipment Repair	18,051	9,500	12,000	11,500
100-5130-03-2430	Facilities Maintenance	10,354	12,000	14,000	14,000
100-5130-03-2440	Street/Drainage Maintenance	37,923	57,000	50,000	50,000
	<b>Total Property Services</b>	<b>78,025</b>	<b>90,100</b>	<b>87,600</b>	<b>87,600</b>
<b><u>Other Services</u></b>					
100-5130-04-2700	Property Insurance	13,827	14,000	14,000	14,000
100-5130-04-2720	Advertising	171	1,000	0	0
100-5130-04-2830	Seminars & Schools	150	1,200	500	1,200
100-5130-04-2840	Fees/Licenses	0	200	200	200
	<b>Total Other Services</b>	<b>14,147</b>	<b>16,400</b>	<b>14,700</b>	<b>15,400</b>
<b><u>Supplies</u></b>					
100-5130-05-3010	Office	750	750	750	750
100-5130-05-3030	Employee Relations	500	500	500	500
100-5130-05-3040	Gasoline/Diesel	15,579	23,000	14,000	18,000
100-5130-05-3050	Oil/Lube	672	800	800	800
100-5130-05-3060	Tools And Equipment	6,705	3,500	3,500	4,000
100-5130-05-3070	Traffic Signs/Paint	1,364	3,000	5,000	5,000
100-5130-05-3080	Uniform Expense	2,366	1,500	2,700	2,700
100-5130-05-3090	Street Lights	85,113	100,700	100,700	102,714
100-5130-05-3100	Other Operating Supplies	4,761	4,200	4,200	4,200
100-5130-05-3110	Street Materials	21,102	25,000	25,000	25,000
100-5130-05-3120	Consumables	1,210	1,000	1,000	1,000
100-5130-05-3125	Safety	371	250	250	350
	<b>Total Supplies</b>	<b>140,492</b>	<b>164,200</b>	<b>158,400</b>	<b>165,014</b>
<b><u>Other Expenditures</u></b>					
100-5130-06-5040	Machinery	117,374	0	0	0
	<b>Total Other Expenditures</b>	<b>117,374</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Capital Outlay</u></b>					
100-5130-17-5090	Other Capital Outlay	292	0	0	0
	<b>Total Capital Outlay</b>	<b>292</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Public Works - Street:</b>	<b>604,973</b>	<b>692,160</b>	<b>683,160</b>	<b>641,964</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>Public Works - Airport</b>					
<u>Professional Services</u>					
100-5131-02-2090	Other Professional Services	7,430	0	4,796	2,000
	<b>Total Professional Services</b>	<b>7,430</b>	<b>0</b>	<b>4,796</b>	<b>2,000</b>
<u>Property Services</u>					
100-5131-03-2220	Electricity	13,445	16,000	16,000	16,156
100-5131-03-2420	Routine Airport Maintenance	8,270	8,730	26,000	12,000
100-5131-03-2425	AWOS Maintenance Contract	0	6,000	5,966	6,000
100-5131-03-2430	Facilities Maintenance	22,150	5,000	5,000	5,000
100-5131-03-2435	Services -FBO Manager	40,385	50,200	50,200	50,200
	<b>Total Property Services</b>	<b>84,250</b>	<b>85,930</b>	<b>103,166</b>	<b>89,356</b>
<u>Other Services</u>					
100-5131-04-2700	Property Insurance	7,965	8,624	8,624	8,624
100-5131-04-2710	Telephone	792	800	500	1,500
100-5131-04-2840	Licenses/Permits	200	200	210	220
	<b>Total Other Services</b>	<b>8,956</b>	<b>9,624</b>	<b>9,334</b>	<b>10,344</b>
<u>Supplies</u>					
100-5131-05-3100	Other Operating Supplies	12	1,000	1,000	1,000
	<b>Total Supplies</b>	<b>12</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<u>Capital Outlay</u>					
100-5131-17-5090	Other Capital Outlay	0	165,295	165,295	0
	<b>Total Capital Outlay</b>	<b>0</b>	<b>165,295</b>	<b>165,295</b>	<b>0</b>
	<b>Total Public Works - Airport:</b>	<b>100,649</b>	<b>261,849</b>	<b>283,591</b>	<b>102,700</b>
<b>Public Works - Garage</b>					
<u>Property Services</u>					
100-5140-03-2210	Natural Gas	1,872	2,600	2,600	2,600
100-5140-03-2220	Electricity	1,670	1,650	1,650	1,650
100-5140-03-2410	Motor Vehicle Repair	60	1,000	1,000	1,000
100-5140-03-2420	Equipment Repair	0	600	600	600
100-5140-03-2430	Facilities Maintenance	939	1,000	1,000	1,000
	<b>Total Property Services</b>	<b>4,540</b>	<b>6,850</b>	<b>6,850</b>	<b>6,850</b>
<u>Other Services</u>					
100-5140-04-2700	Property Insurance	1,658	2,000	1,600	1,650
	<b>Total Other Services</b>	<b>1,658</b>	<b>2,000</b>	<b>1,600</b>	<b>1,650</b>
<u>Supplies</u>					
100-5140-05-3040	Gasoline/Diesel	227	500	500	500
100-5140-05-3060	Tools And Equipment	200	800	800	800
100-5140-05-3080	Uniform Expense	559	300	600	600
100-5140-05-3100	Other Operating Supplies	1,499	1,500	1,000	1,200
100-5140-05-3120	Consumables	300	200	200	200
100-5140-05-3125	Safety	0	50	50	50
	<b>Total Supplies</b>	<b>2,786</b>	<b>3,350</b>	<b>3,150</b>	<b>3,350</b>
<u>Capital Outlay</u>					
100-5140-17-5090	Other Capital Outlay	0	100,000	100,000	0
	<b>Total Capital Outlay</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>
	<b>Total Public Works - Garage:</b>	<b>8,983</b>	<b>112,200</b>	<b>111,600</b>	<b>11,850</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>Library</b>					
<u>Salaries &amp; Benefits</u>					
100-5160-01-1010	Salaries	192,976	213,220	213,220	227,890
100-5160-01-1011	Overtime	2,178	1,500	1,500	1,500
100-5160-01-1020	Group Insurance	37,419	29,800	29,800	29,770
100-5160-01-1030	Social Security Contribution	12,655	16,420	16,420	17,550
100-5160-01-1040	Retirement Contribution	20,446	19,330	19,330	24,240
100-5160-01-1050	Unemployment Compensation	1,104	1,660	1,660	1,660
100-5160-01-1060	Worker's Compensation	1,604	1,150	1,150	1,190
	<b>Total Salaries &amp; Benefits</b>	<b>268,381</b>	<b>283,080</b>	<b>283,080</b>	<b>303,800</b>
<u>Professional Services</u>					
100-5160-02-2090	Collection Services	657	2,000	1,500	2,000
100-5160-02-2091	Other Professional Services	2,036	0	12,576	0
	<b>Total Professional Services</b>	<b>2,693</b>	<b>2,000</b>	<b>14,076</b>	<b>2,000</b>
<u>Property Services</u>					
100-5160-03-2210	Natural Gas	127	0	0	0
100-5160-03-2220	Electricity	11,445	13,855	13,855	13,855
100-5160-03-2420	Equipment Repair	0	1,000	1,100	1,500
100-5160-03-2430	Facilities Maintenance	8,110	7,500	15,000	8,500
	<b>Total Property Services</b>	<b>19,683</b>	<b>22,355</b>	<b>29,955</b>	<b>23,855</b>
<u>Other Services</u>					
100-5160-04-2700	Property Insurance	16,750	15,200	16,942	17,280
100-5160-04-2720	Craft Supplies	988	1,000	1,000	1,200
100-5160-04-2750	Dues & Membership	495	700	346	700
100-5160-04-2830	Seminars & Schools	1,157	4,000	0	4,000
100-5160-04-2900	Memorial Expenditures	0	1,000	7,092	1,000
100-5160-04-2910	Programming	7,059	8,000	8,000	8,000
100-5160-04-9900	Credit Card Fees	268	750	500	500
	<b>Total Other Services</b>	<b>26,717</b>	<b>30,650</b>	<b>33,880</b>	<b>32,680</b>
<u>Supplies</u>					
100-5160-05-3010	Office	3,533	3,400	3,400	3,400
100-5160-05-3020	Books & Periodicals	52,317	50,000	50,000	50,000
100-5160-05-3021	Book Replacements	(462)	0	0	0
100-5160-05-3030	Employee Relations	600	650	600	650
100-5160-05-3080	Cleaning Supplies	4,346	4,000	4,000	4,000
100-5160-05-3100	Other Operating Supplies	8,557	8,300	8,300	8,500
100-5160-05-3110	Copier Expense	5,151	6,500	4,500	5,000
100-5160-05-3130	Postage	5,386	6,800	5,000	6,800
	<b>Total Supplies</b>	<b>79,428</b>	<b>79,650</b>	<b>75,800</b>	<b>78,350</b>
<u>Other Expenditures</u>					
100-5160-06-5060	Furniture/Fixtures	0	1,000	1,000	2,000
	<b>Total Other Expenditures</b>	<b>0</b>	<b>1,000</b>	<b>1,000</b>	<b>2,000</b>
<u>Capital Outlay</u>					
100-5160-17-5090	Other Capital Outlay	182,763	20,237	23,607	0
	<b>Total Capital Outlay</b>	<b>182,763</b>	<b>20,237</b>	<b>23,607</b>	<b>0</b>
	<b>Total Library:</b>	<b>579,664</b>	<b>438,972</b>	<b>461,398</b>	<b>442,685</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Cemetery / Parks</u></b>					
<b><u>Salaries &amp; Benefits</u></b>					
100-5161-01-1010	Salaries	207,473	266,690	266,690	231,510
100-5161-01-1011	Overtime	7,366	9,000	9,000	9,000
100-5161-01-1020	Group Insurance	40,591	51,230	51,230	63,490
100-5161-01-1030	Social Security Contribution	13,723	21,120	21,120	18,400
100-5161-01-1040	Retirement Contribution	22,522	24,770	24,770	21,050
100-5161-01-1050	Unemployment Compensation	720	2,090	2,090	2,070
100-5161-01-1060	Worker's Compensation	7,412	10,750	10,750	9,110
	<b>Total Salaries &amp; Benefits</b>	<b>299,807</b>	<b>385,650</b>	<b>385,650</b>	<b>354,630</b>
<b><u>Professional Services</u></b>					
100-5161-02-2090	Other Professional Services	22,693	45,180	45,180	45,180
	<b>Total Professional Services</b>	<b>22,693</b>	<b>45,180</b>	<b>45,180</b>	<b>45,180</b>
<b><u>Property Services</u></b>					
100-5161-03-2210	Natural Gas	638	1,000	1,000	1,000
100-5161-03-2220	Electricity	8,182	10,000	10,000	10,000
100-5161-03-2410	Motor Vehicle Repair	1,540	3,500	4,000	4,000
100-5161-03-2420	Equipment Repair	7,574	6,000	7,000	7,000
100-5161-03-2430	Facilities Maintenance	11,908	28,900	28,900	20,000
	<b>Total Property Services</b>	<b>29,841</b>	<b>49,400</b>	<b>50,900</b>	<b>42,000</b>
<b><u>Other Services</u></b>					
100-5161-04-2700	Property Insurance	6,194	7,150	6,100	6,200
100-5161-04-2720	Advertising	236	0	0	0
100-5161-04-2840	Fees/Licenses	256	0	0	0
	<b>Total Other Services</b>	<b>6,761</b>	<b>7,150</b>	<b>6,100</b>	<b>6,200</b>
<b><u>Supplies</u></b>					
100-5161-05-3030	Employee Relations	500	500	500	500
100-5161-05-3040	Gasoline/Diesel	7,184	13,000	13,000	13,000
100-5161-05-3050	Oil/Lube	302	300	500	500
100-5161-05-3060	Tools And Equipment	2,040	5,000	3,500	5,000
100-5161-05-3080	Uniform Expense	3,332	2,600	2,600	2,600
100-5161-05-3100	Other Operating Supplies	4,848	6,000	5,000	5,000
100-5161-05-3110	Materials	316	2,500	2,500	2,500
100-5161-05-3120	Consumables	3,498	4,500	4,000	4,500
100-5161-05-3125	Safety	425	600	350	500
	<b>Total Supplies</b>	<b>22,445</b>	<b>35,000</b>	<b>31,950</b>	<b>34,100</b>
<b><u>Capital Outlay</u></b>					
100-5161-17-5090	Other Capital Outlay	38,151	225,000	225,000	0
	<b>Total Capital Outlay</b>	<b>38,151</b>	<b>225,000</b>	<b>225,000</b>	<b>0</b>
	<b>Total Cemetery/Parks:</b>	<b>419,698</b>	<b>747,380</b>	<b>744,780</b>	<b>482,110</b>

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>Sports Park</b>					
<u>Professional Services</u>					
100-5162-02-2090	Professional Services	43,008	90,000	4,500	3,000
	<b>Total Professional Services</b>	43,008	90,000	4,500	3,000
<u>Capital Outlay</u>					
100-5162-17-5090	Other Capital Outlay	63,875	0	0	0
	<b>Total Capital Outlay</b>	63,875	0	0	0
<u>Facility Maintenance</u>					
100-5162-18-2406	Equipment Maintenance	25	700	700	700
100-5162-18-2407	Fuel	0	250	250	250
100-5162-18-2410	Utilities	2,908	7,700	12,000	12,000
100-5162-18-2414	Vehicle Maintenance	0	1,200	1,700	1,200
100-5162-18-2415	Facilities Maintenance	7,065	8,000	5,000	7,000
100-5162-18-2416	Field Play / Maintenance	3,489	5,000	3,500	4,000
100-5162-18-2499	Operating Supplies	2,120	1,000	1,000	1,000
	<b>Total Facility Maintenance</b>	15,606	23,850	24,150	26,150
	<b>Total Sports Park:</b>	122,489	113,850	28,650	29,150

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>Fire Department</b>					
<u>Salaries &amp; Benefits</u>					
100-5170-01-1010	Salaries	501,535	1,108,830	1,108,830	711,980
100-5170-01-1011	Overtime	8,993	10,000	10,000	10,000
100-5170-01-1020	Group Insurance	31,510	35,860	35,860	136,750
100-5170-01-1030	Social Security Contribution	34,681	37,400	37,400	55,230
100-5170-01-1040	Retirement Contribution	27,409	26,780	26,780	63,330
100-5170-01-1050	Unemployment Compensation	2,376	2,900	2,900	2,900
100-5170-01-1060	Worker's Compensation	14,948	30,480	30,480	40,450
100-5170-01-1080	Medical Exams	142	0	0	0
	<b>Total Salaries &amp; Benefits</b>	621,593	1,252,250	1,252,250	1,020,640
<u>Property Services</u>					
100-5170-03-2210	Natural Gas	1,868	3,000	3,000	3,000
100-5170-03-2220	Electricity	13,042	15,000	15,000	15,000
100-5170-03-2411	Fire Truck Repair	48,194	55,000	55,000	55,000
100-5170-03-2420	Equipment Repair	4,475	3,000	3,000	3,000
100-5170-03-2421	Fire Equipment Repair	22,641	20,000	20,000	20,000
100-5170-03-2430	Facilities Maintenance	14,077	11,000	7,000	11,000
	<b>Total Property Services</b>	104,296	107,000	103,000	107,000
<u>Other Services</u>					
100-5170-04-2700	Property Insurance	36,623	38,160	32,100	32,742
100-5170-04-2750	Dues & Membership	3,225	2,000	3,500	3,500
100-5170-04-2760	Medical Services	0	0	0	7,000
100-5170-04-2830	Seminars & Schools	4,966	6,000	6,000	8,000
100-5170-04-2840	Fees & Permits	3,270	3,200	3,200	3,200
100-5170-04-2860	Volunteer Firefighter Pay	40,440	52,920	52,920	52,920
100-5170-04-5000	Emergency Management	398	0	0	0
	<b>Total Other Services</b>	88,922	102,280	97,720	107,362
<u>Supplies</u>					
100-5170-05-3010	Office	479	1,500	500	1,500
100-5170-05-3020	Books & Periodicals	162	500	500	500
100-5170-05-3030	Employee Relations	1,100	1,100	1,500	1,700
100-5170-05-3040	Gasoline/Diesel	11,441	20,000	15,000	20,000
100-5170-05-3050	Oil/Lube	272	500	500	500
100-5170-05-3080	Uniform Expense	2,396	5,000	5,000	5,000
100-5170-05-3082	Bunker Gear And Cleaning	12,024	20,000	20,000	20,000
100-5170-05-3100	Medical Supplies	4,145	6,000	6,000	6,000
100-5170-05-3102	Other Fire Supplies	25,250	25,000	25,000	25,000
100-5170-05-3130	Postage	644	1,100	1,100	1,100
	<b>Total Supplies</b>	57,913	80,700	75,100	81,300
<u>Other Expenditures</u>					
100-5170-06-5060	Furniture/Fixtures	130	1,000	1,000	1,000
100-5170-06-5070	Other Emergency Equipment	34,300	36,000	36,000	29,000
	<b>Total Other Expenditures</b>	34,430	37,000	37,000	30,000
<u>Capital Outlay</u>					
100-5170-17-5090	Other Capital Outlay	0	725,000	725,000	0
	<b>Total Capital Outlay</b>	0	725,000	725,000	0
	<b>Total Fire:</b>	907,154	2,304,230	2,290,070	1,346,302

**GENERAL FUND - 100**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Emergency Management</u></b>					
<u>Salaries &amp; Benefits</u>					
100-5177-01-1010	Salaries	14,167	13,860	13,860	10,000
100-5177-01-1030	Social Security Contribution	0	765	765	770
100-5177-01-1040	Retirement Contribution	0	1,102	1,102	1,060
	<b>Total Salaries &amp; Benefits</b>	<b>14,167</b>	<b>15,727</b>	<b>15,727</b>	<b>11,830</b>
<u>Other Services</u>					
100-5177-04-5000	Emergency Mgmt. Services	19,616	20,000	20,000	20,000
	<b>Total Other Services</b>	<b>19,616</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
	<b>Total Emergency Management:</b>	<b>33,783</b>	<b>35,727</b>	<b>35,727</b>	<b>31,830</b>
<b><u>Non-Operational</u></b>					
<u>Grants</u>					
100-5190-06-5110	CDBG SIDEWALK 082	343,887	0	0	0
100-5190-06-5115	COMP PLAN (CDBG 9004)	18,875	0	0	0
100-5190-17-5780	GLO-HARVEY GEN/DRAINAGE	53,118	0	0	0
	<b>Total Grants</b>	<b>415,881</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Non-Operating:</b>	<b>415,881</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>TOTAL EXPENDITURES:</b>	<b>8,066,351</b>	<b>10,066,763</b>	<b>9,895,207</b>	<b>8,760,981</b>

## DEBT SERVICE FUND

The Debt Service Fund, also known as the interest and sinking fund, is established by ordinance and accounts for the issuance of debt and provides for the payment of debt, including principal, and interest as payments become due. In the Debt Service Fund, an ad valorem (property) tax rate and tax levy are required to be computed and levied, which will be sufficient to produce the money to satisfy annual debt service requirements. The City of Cleveland has no general obligation legal debt limit other than a ceiling on the tax rate specified by the State of Texas. Under the rules of the Texas Attorney General, the City may issue general obligation debt in an amount no greater than which can be serviced by a debt service tax rate of \$1.50 per \$100 assessed valuation, based on a 90% collection rate.

### FISCAL YEAR 2022 PROPOSED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>REVENUES:</b>				
Property Taxes	872,686	1,150,810	1,150,810	1,219,633
Interest	6,212	1,499	1,499	1,500
Transfers and Contributions	617,079	0	0	0
<b>Total Revenues:</b>	<b>\$1,495,978</b>	<b>\$1,152,309</b>	<b>\$1,152,309</b>	<b>\$1,221,133</b>
<b>EXPENDITURES:</b>				
Debt Service	1,489,110	1,152,309	842,096	1,221,133
<b>Total Expenses:</b>	<b>\$1,489,110</b>	<b>\$1,152,309</b>	<b>\$842,096</b>	<b>\$1,221,133</b>
Revenue Over/(Under) Expenditures	6,868	0	310,213	0
Fund Balance - Beginning		289,042	289,042	599,255
Fund Balance - Ending	<b>\$289,042</b>	<b>\$289,042</b>	<b>\$599,255</b>	<b>\$599,255</b>
Reserve Requirement (25%)		288,077	288,077	305,283
Excess/(Deficit)		965	311,178	293,972

Based on the proposed values, the budget carries a debt service (I&S) tax rate of 27.34 cents (\$0.2734) per \$100 assessed valuation. This is 1.62 cents (\$0.0162) increase from fiscal year 2021 adopted rate (tax year 2020) of \$0.2572 per \$100 assessed valuation, due to the calculated levy required to secure the annual obligation backed by taxes. The following is the detail on the adopted tax rate:

<b>Fiscal Year 2022 Proposed Tax Rate / Tax Year 2021</b>	
Debt Service (I&S) Rate	\$0.273400
Maintenance & Operating (M&O) Rate	\$0.486600
Total Proposed Tax Rate	\$0.760000

**Proposed Change in Tax Rate from Prior Year**

Debt Service (I&S) Rate	\$0.016200
Maintenance & Operating (M&O) Rate	(\$0.016200)
<b>Total Proposed Tax Rate</b>	<b>(\$0.000000)</b>

**Fiscal Year 2021-2022:**

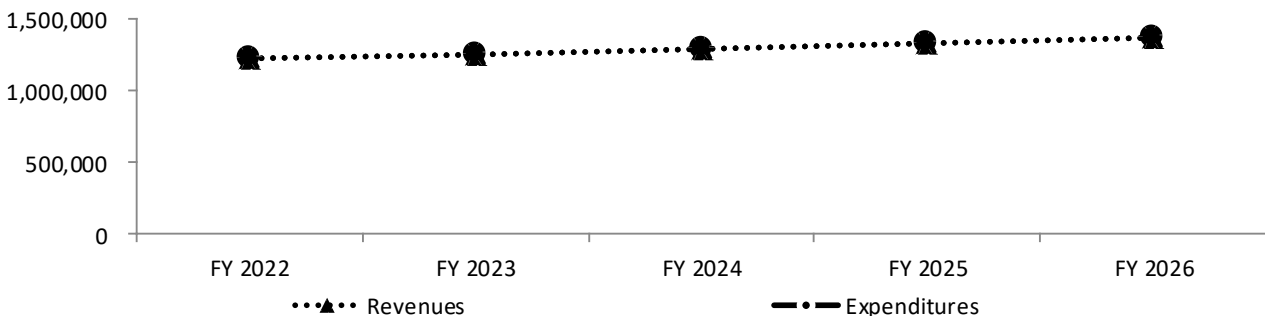
For fiscal year 2022, the proposed debt service (I&S) is estimate to collect \$1,156,290 at a 95% for the year. The interest and sinking at \$1,156,290 in current property tax with total debt service property tax, current and other at \$1,219,633. Debt service revenues includes limited in interest income at \$1,500 and no proposed transfers or contributions for total revenues at \$1,221,133. For fiscal years 2022 through 2026, forecast that the funds are sustainable under following status:

- The proposed exceeds reserve policy guidelines.
- The multi-year projection is stating no tax rate increase and plan for those years without the need to increase the interest and sinking tax rate.
- Future bond capacity expands/improves over time.

**MULTI-YEAR PLAN**

It is projected that Fund 500 will maintain a balanced or positive reserve budget for fiscal years ending 2022 through 2026 with additional debt capacity. The plan consists of maintaining annual debt payment on outstanding obligations as well as the use of improved capacity detailed below. The following five-year plan and chart is provided for planning purposes only, as the budget is adopted by the Council annually, therefore the projection detailed below does not restrain future councils to this plan:

	<b>FY 2022 PROPOSED</b>	<b>FY 2023 PROJECTED</b>	<b>FY 2024 PROJECTED</b>	<b>FY 2025 PROJECTED</b>	<b>FY 2026 PROJECTED</b>
Property Taxes	1,219,633	1,256,222	1,293,909	1,332,726	1,372,708
Interest	1,500	1,530	1,561	1,592	1,624
<b>Total Revenues</b>	<b>\$1,221,133</b>	<b>\$1,257,752</b>	<b>\$1,295,469</b>	<b>\$1,334,318</b>	<b>\$1,374,331</b>
2013 Refunding	576,656	583,456	582,213	585,013	581,828
2017 Airport	200,607	200,409	200,053	199,536	198,850
2021 C/O Bond	428,870	432,445	431,283	433,589	431,864
Future Bond Capacity	0	26,141	66,315	100,262	145,553
Fiscal Agent Fees	15,000	15,300	15,606	15,918	16,236
<b>Total Expenditures</b>	<b>\$1,221,133</b>	<b>\$1,257,752</b>	<b>\$1,295,469</b>	<b>\$1,334,318</b>	<b>\$1,374,332</b>



**DEBT SERVICE FUND - 500  
FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>Revenues</b>					
<u>Property Taxes</u>					
500-4000-01-0801	Current Taxes	834,161	1,087,467	1,087,467	1,156,290
500-4000-01-0802	Delinquent Taxes	17,485	37,179	37,179	37,179
500-4000-01-0803	P & I / Attorney Fees	21,040	26,164	26,164	26,164
	<b>Total Property Taxes</b>	<b>872,686</b>	<b>1,150,810</b>	<b>1,150,810</b>	<b>1,219,633</b>
<u>Interest</u>					
500-4000-10-894	Interest Income	6,212	1,499	1,499	1,500
	<b>Total Interest</b>	<b>6,212</b>	<b>1,499</b>	<b>1,499</b>	<b>1,500</b>
<u>Non-Operating</u>					
500-4000-99-1000	Contributions	206,775	0	0	0
500-4000-99-9900	Transfer In	410,304	0	0	0
	<b>Total Non-Operating</b>	<b>617,079</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>TOTAL REVENUES:</b>	<b>1,495,978</b>	<b>1,152,309</b>	<b>1,152,309</b>	<b>1,221,133</b>

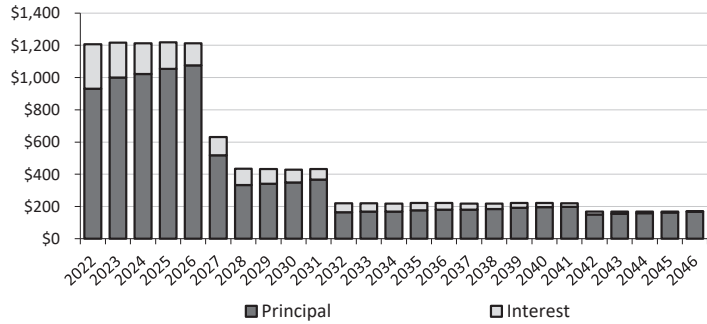
**Expenditures**

<u>Financial Obligations</u>					
500-5510-11-4011	Tax Bond Retirement	1,210,000	670,000	670,000	930,000
500-5510-11-4051	Tax Bond Interest	269,755	109,688	109,688	276,133
500-5510-11-4060	Bond Issuance Cost	0	357,568	47,355	0
500-5510-11-4071	Fiscal Agent Fees	9,355	15,053	15,053	15,000
500-5510-11-4075	Debt Issuance Costs	64,009	0	0	0
500-5510-11-5500	Proceeds of Debt Issuance	(2,030,000)	0	0	0
500-5510-11-6500	PMT Refund'g Bond Escrow Agent	1,965,991	0	0	0
	<b>Total Financial Obligations</b>	<b>1,489,110</b>	<b>1,152,309</b>	<b>842,096</b>	<b>1,221,133</b>
	<b>TOTAL EXPENDITURES:</b>	<b>1,489,110</b>	<b>1,152,309</b>	<b>842,096</b>	<b>1,221,133</b>

**GENERAL LONG-TERM DEBT**  
**GOVERNMENTAL DEBT MATURITY SCHEDULE**

Fiscal Year	Principal	Interest	Total
FY2022	930,000	276,133	1,206,133
FY2023	1,000,000	216,310	1,216,310
FY2024	1,022,500	191,049	1,213,549
FY2025	1,053,750	164,388	1,218,138
FY2026	1,076,250	136,292	1,212,542
FY2027	517,500	114,090	631,590
FY2028	333,750	101,264	435,014
FY2029	341,250	91,139	432,389
FY2030	348,750	79,045	427,795
FY2031	367,500	64,720	432,220
FY2032	165,000	55,514	220,514
FY2033	168,750	51,759	220,509
FY2034	168,750	48,174	216,924
FY2035	176,250	44,724	220,974
FY2036	180,000	41,161	221,161
FY2037	180,000	37,561	217,561
FY2038	183,750	33,924	217,674
FY2039	191,250	30,174	221,424
FY2040	195,000	26,067	221,067
FY2041	198,750	21,638	220,388
FY2042	150,000	17,620	167,620
FY2043	153,750	14,013	167,763
FY2044	157,500	10,219	167,719
FY2045	161,250	6,234	167,484
FY2046	168,750	2,109	170,859
<b>Total</b>	<b>9,590,000</b>	<b>1,875,321</b>	<b>11,465,321</b>

Series Name	Principal Amount
Series 2013 General Obligation Refunding Bonds	2,750,000
Series 2017 Airport Hangers	1,095,000
Series 2021 Combination Tax & Revenue	5,745,000
<b>Total</b>	<b>9,590,000</b>



DATE	DESCRIPTION	AMOUNT ISSUED	AMOUNT OUTSTANDING	PRINCIPAL	INTEREST	PAYMENT TOTAL	AMOUNT OUTSTANDING AS OF 9/30/22
03/01/2022	Series 2013 General Obligation	6,285,000		520,000	32,228	552,228	
09/01/2022	Refunding Bonds (GF Portion)				24,428	24,428	
	<b>Fiscal Year Total</b>		<b>2,750,000</b>	<b>520,000</b>	<b>56,656</b>	<b>576,656</b>	<b>2,230,000</b>
03/01/2022	Series 2017 Certificates	1,720,000		170,000	16,583	186,583	
09/01/2022	of Obligation (GF Portion)				14,024	14,024	
	<b>Fiscal Year Total</b>		<b>1,095,000</b>	<b>170,000</b>	<b>30,607</b>	<b>200,607</b>	<b>925,000</b>
03/01/2022	Series 2021 Combination Tax & Rev	5,745,000		240,000	113,010	353,010	
09/01/2022	(GF Portion)				75,860	75,860	
	<b>Fiscal Year Total</b>		<b>5,745,000</b>	<b>240,000</b>	<b>188,870</b>	<b>428,870</b>	<b>5,505,000</b>
	<b>TOTAL</b>	<b>13,750,000</b>	<b>9,590,000</b>	<b>930,000</b>	<b>276,133</b>	<b>1,206,133</b>	<b>8,660,000</b>

**GENERAL LONG-TERM DEBT**  
**GOVERNMENTAL DEBT MATURITY SCHEDULE**

SERIES 2013 GENERAL OBLIGATION REFUNDING BONDS

Fiscal Year	Principal	Interest	Total
FY2022	520,000	56,656	576,656
FY2023	540,000	43,456	583,456
FY2024	550,000	32,213	582,213
FY2025	565,000	20,013	585,013
FY2026	575,000	6,828	581,828
FY2027			
FY2028			
FY2029			
FY2030			
FY2031			
FY2032			
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
<b>Total</b>	<b>2,750,000</b>	<b>159,166</b>	<b>2,909,166</b>

SERIES 2017 CO AIRPORT HANGERS

Fiscal Year	Principal	Interest	Total
FY2022	170,000	30,607	200,607
FY2023	175,000	25,409	200,409
FY2024	180,000	20,053	200,053
FY2025	185,000	14,536	199,536
FY2026	190,000	8,850	198,850
FY2027	195,000	2,982	197,982
FY2028			
FY2029			
FY2030			
FY2031			
FY2032			
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
<b>Total</b>	<b>1,095,000</b>	<b>102,437</b>	<b>1,197,437</b>

SERIES 2021 COMBINATION TAX & REVENUE

Fiscal Year	Principal	Interest	Total
FY2022	240,000	188,870	428,870
FY2023	285,000	147,445	432,445
FY2024	292,500	138,783	431,283
FY2025	303,750	129,839	433,589
FY2026	311,250	120,614	431,864
FY2027	322,500	111,108	433,608
FY2028	333,750	101,264	435,014
FY2029	341,250	91,139	432,389
FY2030	348,750	79,045	427,795
FY2031	367,500	64,720	432,220
FY2032	165,000	55,514	220,514
FY2033	168,750	51,759	220,509
FY2034	168,750	48,174	216,924
FY2035	176,250	44,724	220,974
FY2036	180,000	41,161	221,161
FY2037	180,000	37,561	217,561
FY2038	183,750	33,924	217,674
FY2039	191,250	30,174	221,424
FY2040	195,000	26,067	221,067
FY2041	198,750	21,638	220,388
FY2042	150,000	17,620	167,620
FY2043	153,750	14,013	167,763
FY2044	157,500	10,219	167,719
FY2045	161,250	6,234	167,484
FY2046	168,750	2,109	170,859
<b>Total</b>	<b>5,745,000</b>	<b>1,613,718</b>	<b>7,358,718</b>

# TAX INCREMENT RE-INVESTMENT ZONE NO. 1

A tax increment reinvestment zone (TIRZ) is a political subdivision of a municipality or county in the state of Texas created to implement tax increment financing. They may be initiated by the city or county or by petition of owners whose total holdings in the zone consist of a majority of the appraised property value. The County and City Council approved an ordinance creating Tax Increment Reinvestment Zone (TIRZ) No. 1 under Chapter 311 of the Texas Tax Code, as a designated a geographic area known as Reinvestment Zone Number One, by Ordinance No. 1135 on June 20, 2017.

The aggregate of all reimbursements paid to McKinley shall not exceed the lower of the Project Costs Limitation set at \$54,300,213 including an inflation factor of 3% commencing in year five and a total contingency over the term of this Agreement of 5%, or the total Project Costs actually incurred by McKinley during the term of this Agreement in development of the Project. Project Costs exceeding the Project Costs Limitation as adjusted for inflation may be reimbursed only when the City Council and the Zone Board approve a specific dollar amount over the limitation.

Public Improvements in each project phase shall not exceed the following:

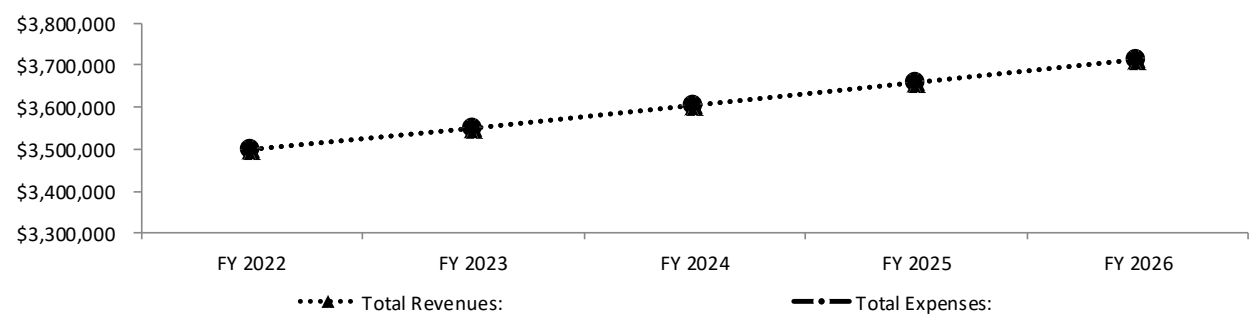
- Phase 1 total at \$24.6 Million and complete the construction by December 31, 2023;
- Phase 2 total at \$12.7 Million;
- Phase 3 total at \$11.5 Million.
- The Developer is solely responsible for all costs associated with the development of the project after December 31, 2042.

Tax Increment Reinvestment Zone (TIRZ) No. 1 is known as Grand Oaks Reserve. Grand Oaks Reserve is Cleveland’s premiere 600-acre master-planned community that is planned to feature: 972 single family homes; 256 condominiums; Golf course and golf pro shop; Community center with grand ballroom, conference room, open concept bistro-style restaurant; plus, shopping, dining and lifestyle services.

## FISCAL YEAR 2022 PROPOSED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>Revenues</b>					
<u>Property Taxes</u>					
501-4000-01-0801	Property Taxes -City	50,564	46,485	43,036	126,206
501-4000-01-0801	Property Taxes -County	0	0	31,388	92,048
	<b>Total Property Taxes</b>	<b>50,564</b>	<b>46,485</b>	<b>74,425</b>	<b>218,254</b>
<u>Interest</u>					
500-4000-10-0894	Interest Income	0	235	0	0
	<b>Total Interest</b>	<b>0</b>	<b>235</b>	<b>0</b>	<b>0</b>
	<b>TOTAL REVENUES:</b>	<b>50,564</b>	<b>46,720</b>	<b>74,425</b>	<b>218,254</b>
<b>Expenditures</b>					
<u>Financial Obligations</u>					
501-5510-11-4072	Other Services	50,564	46,720	74,425	218,254
	<b>Total Financial Obligations</b>	<b>50,564</b>	<b>46,720</b>	<b>74,425</b>	<b>218,254</b>
	<b>TOTAL EXPENDITURES:</b>	<b>50,564</b>	<b>46,720</b>	<b>74,425</b>	<b>218,254</b>
	<i>Revenue Over/(Under) Expenditures</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

	FY 2022 PROPOSED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED
Charges For Service	2,917,500	2,961,263	3,005,681	3,050,767	3,096,528
Other Service Charges	91,400	92,771	94,163	95,575	97,009
Interest	3,346	3,396	3,447	3,499	3,551
Other Fees	201,487	204,509	207,577	210,691	213,851
Garbage	283,800	288,057	292,378	296,764	301,215
<b>Operating Revenue:</b>	<b>\$3,497,533</b>	<b>\$3,549,996</b>	<b>\$3,603,246</b>	<b>\$3,657,295</b>	<b>\$3,712,154</b>
<b>Total Revenues:</b>	<b>\$3,497,533</b>	<b>\$3,549,996</b>	<b>\$3,603,246</b>	<b>\$3,657,295</b>	<b>\$3,712,154</b>
Water Administration	447,050	453,756	460,562	467,471	474,483
Water Production	991,002	1,005,867	1,020,955	1,036,269	1,051,813
Sewer Department	980,420	995,126	1,010,053	1,025,204	1,040,582
Sanitation Department	236,000	239,540	243,133	246,780	250,482
<b>Operating Expenses:</b>	<b>\$2,654,472</b>	<b>\$2,694,289</b>	<b>\$2,734,703</b>	<b>\$2,775,724</b>	<b>\$2,817,360</b>
Financial Obligations	610,842	604,989	597,483	595,844	587,580
Capital Projects	232,219	250,718	271,060	285,727	307,214
<b>Non-Operating Expenses:</b>	<b>\$843,061</b>	<b>\$855,707</b>	<b>\$868,543</b>	<b>\$881,571</b>	<b>\$894,794</b>
<b>Total Expenses:</b>	<b>\$3,497,533</b>	<b>\$3,549,996</b>	<b>\$3,603,246</b>	<b>\$3,657,295</b>	<b>\$3,712,154</b>
<i>Revenues Over Expenditures</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Cash Balance - Beginning	2,216,713	2,216,713	2,216,713	2,216,713	2,216,713
<b>Cash Balance - Ending</b>	<b>\$2,216,713</b>	<b>\$2,216,713</b>	<b>\$2,216,713</b>	<b>\$2,216,713</b>	<b>\$2,216,713</b>
Reserve Requirement (25%)	874,383	887,499	900,812	914,324	928,038
Excess/(Deficit)	1,342,330	1,329,214	1,315,901	1,302,389	1,288,674



As projected, the fund would allow for >\$250,000 in new or expanded programs for future budget years (FY23-26). Unless recurring expenditures increase, such as personnel over the calculated 2% annual expectation. The calculation accounts for the \$230K in non-recurring items adopted in fiscal year 2021.

## WATER & SEWER FUND

The Water & Sewer Fund, also known as Fund 300, is an enterprise fund that includes the water and sewer system operations. The fund is operating in a manner similar to private business enterprises, where costs of providing the services to the public financed primarily through user charges. The City provides water and sewer service to residential and commercial customers. As such, the City continually monitors and evaluates the need to adjust water and sewer rates to ensure that the fund is self-supporting, that infrastructure rehabilitation is adequate, and that the fund maintains a planned reserve.

### FISCAL YEAR 2022 PROPOSED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
Operating Revenue:	\$3,398,553	\$3,386,895	\$3,418,492	\$3,497,533
Non-Operating Revenue:	\$1,598,899	\$0	\$224,320	\$0
<b>Total Revenues:</b>	<b>\$4,997,453</b>	<b>\$3,386,895</b>	<b>\$3,642,812</b>	<b>\$3,497,533</b>
Operating Expenses:	\$3,324,694	\$2,448,037	\$2,488,234	\$2,654,472
Non-Operating Expenses:	\$19,558	\$931,509	\$931,509	\$843,061
<b>Total Expenses:</b>	<b>\$3,344,253</b>	<b>\$3,379,546</b>	<b>\$3,419,743</b>	<b>\$3,497,533</b>
<i>Revenues Over/(Under)Exp</i>	<i>1,653,200</i>	<i>7,349</i>	<i>223,068</i>	<i>0</i>
Net Position - Beginning		15,309,573	15,316,922	13,642,726
<i>Cash Balance - Beginning</i>		<i>1,993,645</i>	<i>1,993,645</i>	<i>2,216,713</i>
<b>Net Position - Ending</b>	<b>\$15,309,573</b>	<b>\$15,316,922</b>	<b>\$15,539,990</b>	<b>\$13,642,726</b>
<b><i>Cash Balance - Ending</i></b>	<b><i>1,993,645</i></b>	<b><i>\$2,000,994</i></b>	<b><i>\$2,216,713</i></b>	<b><i>\$2,216,713</i></b>
Reserve Requirement (25%)		844,887	844,887	874,383
Excess/(Deficit)		1,156,108	1,371,827	1,342,330

#### Fiscal Year 2020-2021:

Water & Sewer revenue is \$3,642,812, \$1,365,641 lower than last year's total revenue \$4,997,453 due to a projected non-operating income. Operating income at \$3,418,492, being \$19,939 higher than last year operating total of \$3,398,553. Total projected revenues are 7.6% higher than amended due to the timing on CDBG reimbursement. Changes from the amended to the projected budget highlighted below:

- Water and sewer charges projected to break even with amended budget. However, staff will continue to monitor and adjust accordingly before adoption.
- Union Tank Car (UTLX) wastewater flow volume is less than previous year to date and projected at \$15,000 less than the amended budget due to activity.
- Other revenue is \$15,990 lower than the amended budget primarily due to late penalties waived for several months. Council approved / notify to waive late penalties for residents due to the COVID-19 hardship.
- Garbage revenue is higher than amended budget by \$7,800 due a mid-year change in garbage rates.

Fiscal year 2021 expenses totaling \$3,419,743 projected to be \$40,197 or 1.2% higher than amended budget due to supplies and materials in water production and sewer division.

- The Water Production Division at \$980,604 or 3% over amended budget is due to supplies cost associated with new meters. A new meter on new construction is a pass-through, as the developer is responsible for the cost of the original meter. Additionally, there was an increase in materials and gasoline costs, inflation contributed a large amount to this outcome.
- The Sewer Division projected at \$829,870 above amended by 1.7% due to changes in property insurance coverage, equipment repair, and materials. As in the division above, these issues curbed with adequate allocation in fiscal year 2022 and supplied predominantly in the proposed base budget.
- The Sanitation Division at \$235,200 is on target with the amended, although the cost in services has increased as a pass through.

Revenues are over expenses by \$223,068 by year-end. Staff will continue to monitor the expense related to the water sewer operations and will make necessary adjustments prior to final adoption.

**Fiscal Year 2021-2022:**

Water & Sewer revenue is \$3,497,533, 79,041 lower than last year projected revenue mainly due non-operating revenue from the awarded \$224,320 in CDBG grant funding, and a reduction of \$7,350 in insurance proceeds. The city remains poised for anticipated residential growth.

Total expenses are \$3,497,533, with operational expenses at \$2,654,472. Non-operating expenses include Financial Obligations of \$610,842 and Capital Contributions of \$232,219. Also proposed an allocation of \$85,710 to give employees a 5% merit increase across the board and salary adjustment to different positions to bring their pay to standards.

Expenses proposed include the following:

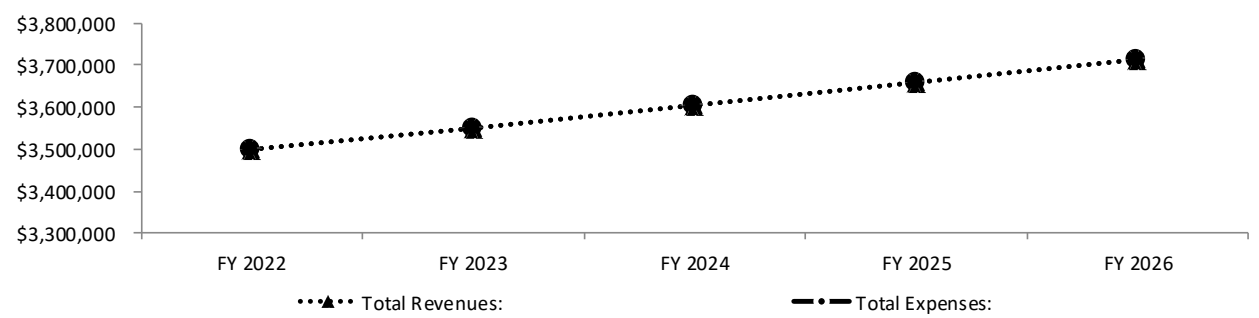
		<u>RECURRING</u>	<u>NON-RECURRING</u>	<u>TOTAL</u>
300-XXX-01-10XX	Salary (COLA 5%)	49,520	-	49,520
300-XXX-01-10XX	Salary Adjustment	36,190	-	36,190
300-5330-05-3115	Additional AMR Water Meters	-	20,000	20,000
300-5330-05-3110	Additional Materials	8,000	-	8,000
300-5380-99-9925	Additional Cost EST #1 & #2	-	110,000	110,000
300-5380-99-9925	Additional CIP Needs	-	122,219	122,219
<b>Total W/S Fund <u>Proposed</u> Supplementals:</b>		<b>93,710</b>	<b>252,219</b>	<b>345,929</b>

Available cash ending balance at 9/30/2022 expected to be greater than \$2.2 million with cash reserves at \$1,342,330 above policy requirement. The calculation of cash reserves includes all in non-recurring capital. Maintain an excess allows the fund to support unknown emergency needs via Council resolution and amendment to the adopted budget without risking the reserve requirement proposed at \$874,383.

**MULTI-YEAR PLAN**

A five-year plan is program for forecasting purposes only. It is projected that Fund 300 will maintain a balanced budget for fiscal years ending 2022 through 2026; however it provides only limited resource for new and expanded programs without changes to current rate, number of new customers and/or volume of consumption. The plan consists of maintaining our current levels of services funded by the Water & Sewer Fund. The budget is adopted by the Council annually; therefore the projection detailed below does not restrain future councils to this plan:

	FY 2022 PROPOSED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED
Charges For Service	2,917,500	2,961,263	3,005,681	3,050,767	3,096,528
Other Service Charges	91,400	92,771	94,163	95,575	97,009
Interest	3,346	3,396	3,447	3,499	3,551
Other Fees	201,487	204,509	207,577	210,691	213,851
Garbage	283,800	288,057	292,378	296,764	301,215
<b>Operating Revenue:</b>	<b>\$3,497,533</b>	<b>\$3,549,996</b>	<b>\$3,603,246</b>	<b>\$3,657,295</b>	<b>\$3,712,154</b>
<b>Total Revenues:</b>	<b>\$3,497,533</b>	<b>\$3,549,996</b>	<b>\$3,603,246</b>	<b>\$3,657,295</b>	<b>\$3,712,154</b>
Water Administration	447,050	453,756	460,562	467,471	474,483
Water Production	991,002	1,005,867	1,020,955	1,036,269	1,051,813
Sewer Department	980,420	995,126	1,010,053	1,025,204	1,040,582
Sanitation Department	236,000	239,540	243,133	246,780	250,482
<b>Operating Expenses:</b>	<b>\$2,654,472</b>	<b>\$2,694,289</b>	<b>\$2,734,703</b>	<b>\$2,775,724</b>	<b>\$2,817,360</b>
Financial Obligations	610,842	604,989	597,483	595,844	587,580
Capital Projects	232,219	250,718	271,060	285,727	307,214
<b>Non-Operating Expenses:</b>	<b>\$843,061</b>	<b>\$855,707</b>	<b>\$868,543</b>	<b>\$881,571</b>	<b>\$894,794</b>
<b>Total Expenses:</b>	<b>\$3,497,533</b>	<b>\$3,549,996</b>	<b>\$3,603,246</b>	<b>\$3,657,295</b>	<b>\$3,712,154</b>
<i>Revenues Over Expenditures</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Cash Balance - Beginning	2,216,713	2,216,713	2,216,713	2,216,713	2,216,713
<b>Cash Balance - Ending</b>	<b>\$2,216,713</b>	<b>\$2,216,713</b>	<b>\$2,216,713</b>	<b>\$2,216,713</b>	<b>\$2,216,713</b>
Reserve Requirement (25%)	874,383	887,499	900,812	914,324	928,038
Excess/(Deficit)	1,342,330	1,329,214	1,315,901	1,302,389	1,288,674



As projected, the fund would allow for >\$250,000 in new or expanded programs for future budget years (FY23-26). Unless recurring expenditures increase, such as personnel over the calculated 2% annual expectation. The calculation accounts for the \$230K in non-recurring items adopted in fiscal year 2021.

**WATER & SEWER FUND - 300**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
Charges For Service	2,830,564	2,850,000	2,835,000	2,917,500
Other Service Charges	118,558	94,949	78,959	91,400
Interest	13,597	3,346	3,346	3,346
Water Fees	167,908	162,600	217,387	201,487
Sanitation	267,926	276,000	283,800	283,800
<b>Operating Revenue:</b>	<b>\$3,398,553</b>	<b>\$3,386,895</b>	<b>\$3,418,492</b>	<b>\$3,497,533</b>
<b>Non-Operating Revenue:</b>	<b>\$1,598,899</b>	<b>\$0</b>	<b>\$224,320</b>	<b>\$0</b>
<b>Total Revenues:</b>	<b>\$4,997,453</b>	<b>\$3,386,895</b>	<b>\$3,642,812</b>	<b>\$3,497,533</b>
Water Administration	697,487	444,710	442,560	447,050
Water Production	1,552,208	951,922	980,604	991,002
Wastewater Treatment	812,303	816,205	829,870	980,420
Sanitation Department	262,696	235,200	235,200	236,000
<b>Operating Expenses:</b>	<b>\$3,324,694</b>	<b>\$2,448,037</b>	<b>\$2,488,234</b>	<b>\$2,654,472</b>
Financial Obligations	98,924	624,548	624,548	610,842
Non-Departmental / Transfers	(79,366)	0	0	0
Capital Programs	0	306,961	306,961	232,219
<b>Non-Operating Expenses:</b>	<b>\$19,558</b>	<b>\$931,509</b>	<b>\$931,509</b>	<b>\$843,061</b>
<b>Total Expenses:</b>	<b>\$3,344,253</b>	<b>\$3,379,546</b>	<b>\$3,419,743</b>	<b>\$3,497,533</b>
<i>Revenues Over Expenditures</i>	<i>1,653,200</i>	<i>7,349</i>	<i>223,068</i>	<i>0</i>
Net Position - Beginning		15,309,573	15,309,573	13,642,726
<i>Cash Balance - Beginning</i>		<i>1,993,645</i>	<i>1,993,645</i>	<i>2,216,713</i>
<b>Net Position - Ending</b>	<b>\$15,309,573</b>	<b>\$15,316,922</b>	<b>\$15,532,641</b>	<b>\$13,642,726</b>
<i>Cash Balance - Ending</i>	<i>1,993,645</i>	<i>\$2,000,994</i>	<i>\$2,216,713</i>	<i>\$2,216,713</i>
Reserve Requirement (25%)		844,887	844,887	874,383
Excess/(Deficit)		1,156,108	1,371,827	1,342,330

**WATER & SEWER FUND - 300**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>REVENUES</b>					
<u>Service Charges</u>					
300-4000-09-0866	Water Charges	1,481,049	1,490,000	1,490,000	1,523,000
300-4000-09-0866	Sewer Charges	1,201,638	1,210,000	1,210,000	1,244,500
300-4000-09-0866	Waste Water Revenue - UTLX	147,876	150,000	135,000	150,000
	<b>Total Service Charges</b>	<b>2,830,564</b>	<b>2,850,000</b>	<b>2,835,000</b>	<b>2,917,500</b>
<u>Other Service Charges</u>					
300-4000-09-0850	Insurance Proceeds	61,817	7,349	7,349	0
300-4000-09-0866	Direct Water Sales	2,831	1,800	2,500	2,500
300-4000-09-0895	Reconnect Fees	6,025	13,000	13,000	13,000
300-4000-09-0895	Over / (Short)	(43)	0	0	0
300-4000-09-0895	Returned Check Fees	541	600	600	600
300-4000-09-0895	Late Charges Billed	32,453	60,000	40,000	60,000
300-4000-09-0895	Misc. W&S Billings	300	100	410	200
300-4000-09-0895	Transfer Fees	175	0	0	0
300-4000-09-0895	Other Income	97	100	100	100
300-4000-09-0895	Credit Charge Fees	14,362	12,000	15,000	15,000
	<b>Total Other Service Charges</b>	<b>118,558</b>	<b>94,949</b>	<b>78,959</b>	<b>91,400</b>
<u>Interest</u>					
300-4000-10-0894	Interest Income	13,597	3,346	3,346	3,346
	<b>Total Interest</b>	<b>13,597</b>	<b>3,346</b>	<b>3,346</b>	<b>3,346</b>
<u>Water Fees</u>					
300-4000-11-0867	Meter Installation	32,950	18,500	46,887	46,887
300-4000-11-0867	Meter Service	11,390	10,000	15,000	15,000
300-4000-11-0867	Water Taps	25,247	35,500	35,500	35,500
300-4000-11-0867	Sewer Taps	7,744	13,000	13,000	13,000
300-4000-11-0867	Street Cuts	5,900	6,500	12,000	12,000
300-4000-11-0867	Payment Plan	0	100	16,000	100
300-4000-11-0868	WM Mgmt. Fees (Revenue)	84,677	79,000	79,000	79,000
	<b>Total Water Fees</b>	<b>167,908</b>	<b>162,600</b>	<b>217,387</b>	<b>201,487</b>
<u>Garbage</u>					
300-4000-12-0873	Garbage Pickup Revenue	234,075	246,000	246,000	246,000
300-4000-12-0873	Garbage Bag Income	2,530	2,600	2,600	2,600
300-4000-12-0873	Garbage Tag Income	427	500	500	500
300-4000-12-0874	Additional Garbage Cart	30,894	26,900	34,700	34,700
	<b>Total Garbage</b>	<b>267,926</b>	<b>276,000</b>	<b>283,800</b>	<b>283,800</b>
<u>Non-Operating</u>					
300-4000-99-1000	CDBG SSI-7218080	272,676	0	224,320	0
300-4000-99-1000	Contr. Capital-Cap. Projects	342,335	0	0	0
300-4000-99-9800	Transfers In	983,888	0	0	0
	<b>Total Non-Operating</b>	<b>1,598,899</b>	<b>0</b>	<b>224,320</b>	<b>0</b>
	<b>TOTAL REVENUES:</b>	<b>4,997,453</b>	<b>3,386,895</b>	<b>3,642,812</b>	<b>3,497,533</b>

**WATER & SEWER FUND - 300**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Water Administration</u></b>					
<b><u>Salaries &amp; Benefits</u></b>					
300-5310-01-1010	Salaries	203,565	222,190	222,190	219,590
300-5310-01-1011	Overtime	3,036	2,500	2,500	2,500
300-5310-01-1020	Group Insurance	36,654	35,080	35,080	27,030
300-5310-01-1030	Social Security Contribution	14,023	17,280	17,280	16,990
300-5310-01-1040	Retirement Contribution	55,126	24,295	24,295	23,470
300-5310-01-1050	Unemployment Compensation	766	1,040	1,040	1,040
300-5310-01-1060	Worker's Compensation	3,013	980	980	930
300-5310-01-1080	Medical Exams	283	0	0	0
	<b>Total Salaries &amp; Benefits</b>	<b>316,465</b>	<b>303,365</b>	<b>303,365</b>	<b>291,550</b>
<b><u>Professional Services</u></b>					
300-5310-02-2040	Accounting/Audit	0	15,000	15,000	15,000
300-5310-02-2090	Other Professional Services	35,941	55,000	56,000	56,000
	<b>Total Professional Services</b>	<b>35,941</b>	<b>70,000</b>	<b>71,000</b>	<b>71,000</b>
<b><u>Property Services</u></b>					
300-5310-03-2220	Electricity	2,616	2,800	2,800	2,800
300-5310-03-2430	Facilities Maintenance	165	0	0	5,000
	<b>Total Property Services</b>	<b>2,781</b>	<b>2,800</b>	<b>2,800</b>	<b>7,800</b>
<b><u>Other Services</u></b>					
300-5310-04-2730	Printing & Binding	4,797	3,200	2,200	3,200
300-5310-04-2750	Dues & Membership	70	300	0	300
300-5310-04-2830	Seminars & Schools	1,784	2,000	1,000	3,000
300-5310-04-9900	Credit Card Fees	12,098	12,000	16,000	18,000
	<b>Total Other Services</b>	<b>18,749</b>	<b>17,500</b>	<b>19,200</b>	<b>24,500</b>
<b><u>Supplies</u></b>					
300-5310-05-3010	Office	2,897	3,800	1,000	2,800
300-5310-05-3030	Employee Relations	400	500	450	1,200
300-5310-05-3100	Other Operating Supplies	1,234	745	745	1,200
300-5310-05-3115	Janitorial Supplies	0	1,000	500	500
300-5310-05-3130	Postage	12,217	15,000	13,000	15,000
	<b>Total Supplies</b>	<b>16,747</b>	<b>21,045</b>	<b>15,695</b>	<b>20,700</b>
<b><u>Other Expenditures</u></b>					
300-5310-06-5060	Furniture/Fixtures	270	0	500	1,500
300-5310-06-5095	Contingency	0	15,000	15,000	15,000
	<b>Total Other Expenditures</b>	<b>270</b>	<b>15,000</b>	<b>15,500</b>	<b>16,500</b>
<b><u>Financial Obligations</u></b>					
300-5310-99-8001	Transfer Out to Technology	15,000	15,000	15,000	15,000
300-5310-99-8002	Transfer Out - Debt Service	291,534	0	0	0
	<b>Total Financial Obligations</b>	<b>306,534</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>
	<b>Total Water Administration:</b>	<b>697,487</b>	<b>444,710</b>	<b>442,560</b>	<b>447,050</b>

**WATER & SEWER FUND - 300**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Water Production</u></b>					
<u>Salaries &amp; Benefits</u>					
300-5330-01-1010	Salaries	353,724	398,900	398,900	347,390
300-5330-01-1011	Overtime	46,874	14,600	14,600	30,000
300-5330-01-1020	Group Insurance	104,266	82,240	82,240	94,720
300-5330-01-1030	Social Security Contribution	28,098	31,670	31,670	28,870
300-5330-01-1040	Retirement Contribution	108,062	44,720	44,720	39,900
300-5330-01-1050	Unemployment Compensation	1,464	1,660	1,660	1,450
300-5330-01-1060	Worker's Compensation	12,110	15,250	15,250	13,490
300-5330-01-1080	Medical Exams	283	0	0	0
	<b>Total Salaries &amp; Benefits</b>	<b>654,882</b>	<b>589,040</b>	<b>589,040</b>	<b>555,820</b>
<u>Professional Services</u>					
300-5330-02-2090	Other Professional Services	8,223	13,000	13,000	13,000
	<b>Total Professional Services</b>	<b>8,223</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>
<u>Property Services</u>					
300-5330-03-2210	Natural Gas	797	650	2,000	2,000
300-5330-03-2220	Electricity	55,627	73,122	73,122	77,322
300-5330-03-2410	Motor Vehicle Repair	16,401	10,000	8,000	10,000
300-5330-03-2420	Equipment Repair	21,675	15,000	15,000	17,000
300-5330-03-2430	Facility Maintenance	19,909	18,000	18,000	20,000
300-5330-03-2520	Equipment Rental	0	3,000	3,000	4,000
	<b>Total Property Services</b>	<b>114,409</b>	<b>119,772</b>	<b>119,122</b>	<b>130,322</b>
<u>Other Services</u>					
300-5330-04-2700	Property/Liability Insurance	30,124	30,000	30,282	32,000
300-5330-04-2720	Advertising	0	700	700	700
300-5330-04-2740	Meeting Expenses	0	500	500	500
300-5330-04-2750	Dues & Membership	70	210	210	210
300-5330-04-2830	Seminars & Schools	151	2,000	2,000	2,000
300-5330-04-6030	License Expense	6,002	6,500	9,000	10,000
	<b>Total Other Services</b>	<b>36,346</b>	<b>39,910</b>	<b>42,692</b>	<b>45,410</b>
<u>Supplies</u>					
300-5330-05-3030	Employee Relations	700	800	700	800
300-5330-05-3040	Gasoline/Diesel	14,142	15,000	20,000	22,000
300-5330-05-3050	Oil/Lube	579	500	600	700
300-5330-05-3060	Small Tools	5,460	5,000	5,000	5,000
300-5330-05-3080	Uniform Expense	3,343	2,500	3,550	3,550
300-5330-05-3100	Other Operating Supplies	2,663	6,500	8,000	8,000
300-5330-05-3105	Lab Fees/Chemicals	12,845	14,500	14,500	16,000
300-5330-05-3110	Materials	45,157	50,000	65,000	73,000
300-5330-05-3115	Meter Expense	56,599	59,000	63,000	81,000
300-5330-05-3120	Consumables	876	900	900	900
300-5330-05-3125	Safety	78	500	500	500
	<b>Total Supplies</b>	<b>142,443</b>	<b>155,200</b>	<b>181,750</b>	<b>211,450</b>
<u>Other Expenditures</u>					
300-5330-06-2435	Street Repairs	8,431	25,000	25,000	25,000
	<b>Total Other Expenditures</b>	<b>8,431</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>

**WATER & SEWER FUND - 300  
FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<u>Depreciation</u>					
300-5330-08-6010	Depreciation	577,474	0	0	0
	<b>Total Depreciation</b>	<b>577,474</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Financial Obligations</u>					
300-5330-99-8000	Transfer Out to Technology	10,000	10,000	10,000	10,000
	<b>Total Financial Obligations</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
	<b>Total Water Production:</b>	<b>1,552,208</b>	<b>951,922</b>	<b>980,604</b>	<b>991,002</b>

**WATER & SEWER FUND - 300**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Wastewater Treatment</u></b>					
<u>Salaries &amp; Benefits</u>					
300-5350-01-1010	Salaries	228,190	251,240	251,240	352,150
300-5350-01-1011	Overtime	21,300	25,500	25,500	25,500
300-5350-01-1020	Group Insurance	52,527	52,250	52,250	76,380
300-5350-01-1030	Social Security Contribution	16,761	21,300	21,300	28,900
300-5350-01-1040	Retirement Contribution	67,658	29,945	29,945	39,920
300-5350-01-1050	Unemployment Compensation	798	1,240	1,240	1,240
300-5350-01-1060	Worker's Compensation	8,659	13,790	13,790	16,740
300-5350-01-1080	Medical Exams	287	0	0	0
<b>Total Salaries &amp; Benefits</b>		<b>396,181</b>	<b>395,265</b>	<b>395,265</b>	<b>540,830</b>
<u>Professional Services</u>					
300-5350-02-2090	Other Professional Services	6,721	10,000	10,000	10,000
<b>Total Professional Services</b>		<b>6,721</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<u>Property Services</u>					
300-5350-03-2220	Electricity	94,440	96,000	96,000	96,000
300-5350-03-2410	Motor Vehicle Repair	15,332	8,500	8,500	8,500
300-5350-03-2420	Equipment Repair	44,986	39,000	42,000	42,000
300-5350-03-2430	Facility Maintenance	38,303	45,000	42,000	45,000
300-5350-03-2440	Sludge Removal	35,826	35,000	35,000	35,000
300-5350-03-2520	Rental Equipment	0	4,000	4,000	4,000
<b>Total Property Services</b>		<b>228,887</b>	<b>227,500</b>	<b>227,500</b>	<b>230,500</b>
<u>Other Services</u>					
300-5350-04-2700	Property Insurance	70,410	64,000	70,565	71,000
300-5350-04-2720	Advertising	117	1,000	1,000	1,000
300-5350-04-2740	Meeting Expenses	0	500	500	500
300-5350-04-2750	Dues & Membership	0	140	140	140
300-5350-04-2830	Seminars & Schools	1,666	2,500	1,200	2,500
300-5350-04-6030	License Expense	9,978	10,500	10,500	10,500
<b>Total Other Services</b>		<b>82,171</b>	<b>78,640</b>	<b>83,905</b>	<b>85,640</b>
<u>Supplies</u>					
300-5350-05-3030	Employee Relations	500	550	500	550
300-5350-05-3040	Gasoline/Diesel	12,819	13,000	13,000	13,000
300-5350-05-3050	Oil/Lube	890	750	1,000	1,000
300-5350-05-3060	Small Tools	2,580	2,500	3,000	3,200
300-5350-05-3080	Uniform Expense	2,882	1,500	2,700	2,700
300-5350-05-3100	Other Operating Supplies	4,161	4,500	4,500	4,500
300-5350-05-3105	Lab Fees/Chemicals	52,769	60,000	60,000	60,000
300-5350-05-3110	Materials	9,310	10,500	17,000	17,000
300-5350-05-3120	Consumables	961	1,000	500	500
300-5350-05-3125	Safety	799	500	1,000	1,000
<b>Total Supplies</b>		<b>87,671</b>	<b>94,800</b>	<b>103,200</b>	<b>103,450</b>
<u>Financial Obligations</u>					
300-5350-99-8000	Transfer Out to Technology	10,000	10,000	10,000	10,000
<b>Total Financial Obligations</b>		<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Total Wastewater Treatment:</b>		<b>812,303</b>	<b>816,205</b>	<b>829,870</b>	<b>980,420</b>

**WATER & SEWER FUND - 300**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

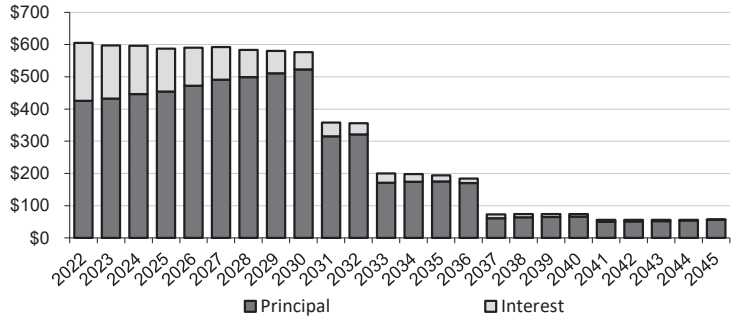
		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Sanitation Department</u></b>					
<u>Garbage</u>					
300-5370-07-2811	Garbage Pickup-Residential	259,365	232,000	232,000	232,000
300-5370-07-3120	Garbage Bags	3,331	3,200	3,200	4,000
	<b>Total Garbage</b>	<b>262,696</b>	<b>235,200</b>	<b>235,200</b>	<b>236,000</b>
	<b>Total Sanitation:</b>	<b>262,696</b>	<b>235,200</b>	<b>235,200</b>	<b>236,000</b>
<b><u>Non-Operational</u></b>					
<u>Financial Obligations</u>					
300-5380-99-9900	Bond Principal Payment	0	445,000	445,000	390,000
300-5380-99-9901	Interest on Bond Payments	102,675	179,548	179,548	220,842
300-5380-99-9915	Fiscal Agent Fees	1,250	0	0	0
300-5380-99-9920	2012A Bond Issue Costs	(5,001)	0	0	0
300-5380-99-9922	Transfers To CIP	(79,366)	0	0	0
300-5380-99-9925	Capital Programs	0	306,961	306,961	232,219
	<b>Total Financial Obligations</b>	<b>19,558</b>	<b>931,509</b>	<b>931,509</b>	<b>843,061</b>
	<b>Total Non-Operating:</b>	<b>19,558</b>	<b>931,509</b>	<b>931,509</b>	<b>843,061</b>
	<b>TOTAL EXPENSES:</b>	<b>3,344,253</b>	<b>3,379,546</b>	<b>3,419,743</b>	<b>3,497,533</b>

**WATER & SEWER LONG-TERM DEBT**

**WATER & SEWER DEBT MATURITY SCHEDULE**

Fiscal Year	Principal	Interest	Total
FY2022	390,000	220,842	610,842
FY2023	425,000	179,989	604,989
FY2024	432,500	164,983	597,483
FY2025	446,250	149,594	595,844
FY2026	453,750	133,830	587,580
FY2027	472,500	117,604	590,104
FY2028	491,250	100,630	591,880
FY2029	498,750	84,455	583,205
FY2030	511,250	68,723	579,973
FY2031	522,500	53,448	575,948
FY2032	315,000	42,630	357,630
FY2033	321,250	34,978	356,228
FY2034	171,250	28,761	200,011
FY2035	173,750	24,017	197,767
FY2036	175,000	19,164	194,164
FY2037	170,000	14,308	184,308
FY2038	61,250	11,308	72,558
FY2039	63,750	10,058	73,808
FY2040	65,000	8,689	73,689
FY2041	66,250	7,213	73,463
FY2042	50,000	5,873	55,873
FY2043	51,250	4,671	55,921
FY2044	52,500	3,406	55,906
FY2045	53,750	2,078	55,828
FY2046	56,250	703	56,953
<b>Total</b>	<b>6,490,000</b>	<b>1,491,955</b>	<b>7,981,955</b>

Series Name	Principal Amount
Series 2017 CO	1,835,000
Series 2021 W/S Refunding Bond	2,740,000
Series 2021 W/S Revenue Bond	1,915,000
<b>Total</b>	<b>6,490,000</b>



DATE	DESCRIPTION	AMOUNT ISSUED	AMOUNT OUTSTANDING AS OF 9/30/21		PAYMENT TOTAL	AMOUNT OUTSTANDING AS OF 9/30/22
			PRINCIPAL	INTEREST		
03/01/2022	Series 2017 Certificate	2,200,000		115,000	142,792	
09/01/2022	of Obligation (W/S Portion)				26,076	
	<b>Fiscal Year Total</b>		<b>1,835,000</b>	<b>115,000</b>	<b>168,868</b>	<b>1,720,000</b>
03/01/2022	Series 2021 Refunding	2,740,000		195,000	256,667	
09/01/2022					42,350	
	<b>Fiscal Year Total</b>		<b>2,740,000</b>	<b>195,000</b>	<b>299,017</b>	<b>2,545,000</b>
03/01/2022	Series 2021 W/S Revenue	1,915,000		80,000	117,670	
09/01/2022					25,287	
	<b>Fiscal Year Total</b>		<b>1,915,000</b>	<b>80,000</b>	<b>142,957</b>	<b>1,835,000</b>
	<b>TOTAL</b>	<b>6,855,000</b>	<b>6,490,000</b>	<b>390,000</b>	<b>610,842</b>	<b>6,100,000</b>

**WATER & SEWER LONG-TERM DEBT**  
**WATER & SEWER DEBT MATURITY SCHEDULE**

SERIES 2017 CO WATER PROJECTS

Fiscal Year	Principal	Interest	Total
FY2022	115,000	53,868	168,868
FY2023	115,000	50,441	165,441
FY2024	115,000	47,022	162,022
FY2025	115,000	43,614	158,614
FY2026	115,000	40,225	155,225
FY2027	115,000	36,868	151,868
FY2028	115,000	33,475	148,475
FY2029	115,000	30,025	145,025
FY2030	115,000	26,575	141,575
FY2031	115,000	23,125	138,125
FY2032	115,000	19,675	134,675
FY2033	115,000	16,225	131,225
FY2034	115,000	12,703	127,703
FY2035	115,000	9,109	124,109
FY2036	115,000	5,444	120,444
FY2037	110,000	1,788	111,788
<b>Total</b>	<b>1,835,000</b>	<b>450,182</b>	<b>2,285,182</b>

SERIES 2021 W/S REFUNDING

Fiscal Year	Principal	Interest	Total
FY2022	195,000	104,017	299,017
FY2023	215,000	80,400	295,400
FY2024	220,000	71,700	291,700
FY2025	230,000	62,700	292,700
FY2026	235,000	53,400	288,400
FY2027	250,000	43,700	293,700
FY2028	265,000	33,400	298,400
FY2029	270,000	24,050	294,050
FY2030	280,000	15,800	295,800
FY2031	285,000	8,750	293,750
FY2032	145,000	4,450	149,450
FY2033	150,000	1,500	151,500
FY2034			-
FY2035			-
FY2036			-
FY2037			-
<b>Total</b>	<b>2,740,000</b>	<b>503,867</b>	<b>3,243,867</b>

SERIES 2021 W/S REVENUE

Fiscal Year	Principal	Interest	Total
FY2022	80,000	62,957	142,957
FY2023	95,000	49,148	144,148
FY2024	97,500	46,261	143,761
FY2025	101,250	43,280	144,530
FY2026	103,750	40,205	143,955
FY2027	107,500	37,036	144,536
FY2028	111,250	33,755	145,005
FY2029	113,750	30,380	144,130
FY2030	116,250	26,348	142,598
FY2031	122,500	21,573	144,073
FY2032	55,000	18,505	73,505
FY2033	56,250	17,253	73,503
FY2034	56,250	16,058	72,308
FY2035	58,750	14,908	73,658
FY2036	60,000	13,720	73,720
FY2037	60,000	12,520	72,520
FY2038	61,250	11,308	72,558
FY2039	63,750	10,058	73,808
FY2040	65,000	8,689	73,689
FY2041	66,250	7,213	73,463
FY2042	50,000	5,873	55,873
FY2043	51,250	4,671	55,921
FY2044	52,500	3,406	55,906
FY2045	53,750	2,078	55,828
FY2046	56,250	703	56,953
<b>Total</b>	<b>1,915,000</b>	<b>537,906</b>	<b>2,452,906</b>

## CAPITAL EQUIPMENT FUND

### SUMMARY

The Capital Equipment Fund, also known as Fund 701, was created to set aside resources for capital equipment relating to the water and sewer utility system, also known as the city's Enterprise Fund or Fund 300. The fund was established in fiscal year 2014. The fund is supported by charges for service to the utility customers and is set by the adoption of Council, currently part of the city's fee ordinance. Under the current fee structure, commercial consumers are charged \$7 for water and \$7 for sewer; likewise, residential consumers are charged \$1 for water and \$1 for sewer and are billed in conjunction with the main utility service fees on a monthly basis. The purpose of this fund is to provide the scheduled purchase and replacement of capital equipment and vehicles that support the city's Water and Sewer Enterprise Fund operation. The scheduled purchase and replacement is adopted annually as part of the budget process.

### FISCAL YEAR 2020 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
Charges for Service	205,694	204,000	204,000	204,000
Other Revenue	0	0	0	0
Interest	1,919	1,200	1,200	1,200
Non-Operating Income	(68,997)	0	0	0
<b>Total Revenues</b>	<b>\$138,616</b>	<b>\$205,200</b>	<b>\$205,200</b>	<b>\$205,200</b>
Capital Outlay	6,200	205,200	205,200	205,200
Financial Obligations	118,770	0	0	0
<b>Total Expenses</b>	<b>\$124,970</b>	<b>\$205,200</b>	<b>\$205,200</b>	<b>\$205,200</b>
<i>Revenues Over Expenses</i>	<i>13,646</i>	<i>0</i>	<i>0</i>	<i>0</i>
Cash Balance - Beginning		184,677	184,677	184,677
<b>Cash Balance - Ending</b>		<b>\$184,677</b>	<b>\$184,677</b>	<b>\$184,677</b>
Reserve Requirement (25%)		51,300	51,300	51,300
Excess/(Deficit)*		133,377	133,377	133,377

**Fiscal Year 2020-2021:**

Revenues for the Capital Equipment Fund are projected at \$205,200 for September 30, 2021. The city is averaging \$17,000 per month in the base water and sewer rates. The city is projecting limited resources of interest earnings and sale of assets bringing total operating revenues on target with the amended budget of \$205,200.

Expenses for the Capital Equipment Fund are projected to total \$205,200. Expenses include the following:

- Purchase of a TYMCO street sweeper at \$165,725; which is a \$6,975 savings of the budgeted \$172,700.
- Replacement of a pickup truck for Public Works budgeted for \$32,500.

Available cash balance on September 30, 2019 is projected at \$133,377.

**Fiscal Year 2021-2022:**

Revenues are estimated at \$205,200; of which \$204,000 are charges for service and \$1,200 is interest revenue. Revenues are estimated to remain consistent with last year, with only a slight increase related to new customer growth.

Total expenses are \$205,200, the proposed capital outlay includes the following:

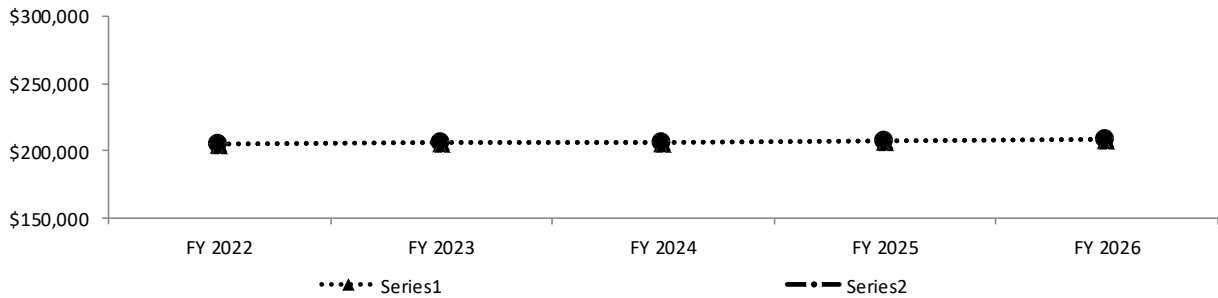
- Purchase of a mini excavator at \$52,000. With the new subdivisions and annexations, this equipment is necessary to have the ability to reach these areas, as Pinewood Trails is ten miles from the public works building. The hydraulic breaker that is included will allow access to utilities that are underneath the concrete streets.
- Replacement of a dump truck for \$82,000. We currently have one for water and one for streets. One is over ten years old and is having transmission issues and other mechanical problems. This would allow both departments to continue with jobs, and increase productivity when more material must be hauled.
- Purchase of additional street sweeper attachments at \$5,000. These additional attachments are for the regular maintenance on the sweeper; gutter brooms, air curtains, rubber seals, and skid plates.
- Replacement of light duty pickup trucks for Public Works budgeted for \$66,200.

Anticipated revenues of \$205,200 balance expenses, maintaining an estimated cash ending balance of \$184,677 with an excess of \$133,377 over the reserve.

### MULTI-YEAR PLAN

It is projected that Fund 701 will maintain a balanced budget for fiscal years ending 2022 through 2026. The plan consists of major capital equipment purchases that are detailed on the Equipment Purchase and Replacement Schedule (to be included in the final budget document). The following five-year plan and chart is provided for planning purposes only, as the budget is adopted by the Council annually, therefore the projection detailed below does not restrain future councils to this plan:

	FY 2022 PROPOSED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED
Charges for Service	204,000	203,694	204,623	205,557	206,496
Interest	1,200	2,100	2,200	2,300	2,400
<b>Total Revenues</b>	<b>205,200</b>	<b>205,794</b>	<b>206,823</b>	<b>207,857</b>	<b>208,896</b>
Capital Outlay	205,200	205,794	206,823	207,857	208,896
<b>Total Expenses</b>	<b>205,200</b>	<b>205,794</b>	<b>206,823</b>	<b>207,857</b>	<b>208,896</b>
Revenues Over Expenditures	0	0	0	0	0
Fund Balance - Beginning	184,677	184,677	184,677	184,677	184,677
<b>Fund Balance - Ending</b>	<b>\$ 184,677</b>	<b>\$ 184,677</b>	<b>\$ 184,677</b>	<b>\$ 184,677</b>	<b>\$ 184,677</b>



**CAPITAL EQUIPMENT FUND - 701  
FISCAL YEAR 2022 PROPOSED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>REVENUES</u></b>				
<u>Property Taxes</u>				
701-4000-01-0101 Base Water Rate	106,322	105,000	105,000	105,000
701-4000-01-0102 Sewer Base Rate	99,372	99,000	99,000	99,000
<b>Total Property Taxes</b>	<b>205,694</b>	<b>204,000</b>	<b>204,000</b>	<b>204,000</b>
<u>Interest</u>				
701-4000-10-0894 Interest	1,919	1,200	1,200	1,200
<b>Total Interest</b>	<b>1,919</b>	<b>1,200</b>	<b>1,200</b>	<b>1,200</b>
<u>Non-Operating</u>				
701-4000-99-0900 Transfer In	10,369	0	0	0
<b>Total Non-Operating</b>	<b>(68,997)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Revenues:</b>	<b>\$138,616</b>	<b>\$205,200</b>	<b>\$205,200</b>	<b>\$205,200</b>
<b><u>EXPENSES</u></b>				
<u>Capital Outlay</u>				
701-5730-17-2090 Equipment Purchases	6,200	172,700	172,700	139,000
701-5730-17-2095 Vehicle Purchases	0	32,500	32,500	66,200
<b>Total Capital Outlay</b>	<b>6,200</b>	<b>205,200</b>	<b>205,200</b>	<b>205,200</b>
<u>Financial Obligations</u>				
701-5180-99-9900 Principal - Equipment Note	116,854	0	0	0
701-5180-99-9901 Interest - Equipment Note	1,916	0	0	0
<b>Total Financial Obligations</b>	<b>118,770</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenses:</b>	<b>\$124,970</b>	<b>\$205,200</b>	<b>\$205,200</b>	<b>\$205,200</b>

## HOTEL / MOTEL OCCUPANCY TAX FUND

The Hotel/Motel Occupancy Tax Fund is use to account for revenues realized from hotel occupancy taxes. Local hotel occupancy tax revenues may only be spent to establish or enhance a convention center, cover the administrative expenses for registering convention delegates, pay for tourism-related advertising and promotions, fund programs that enhance the arts or pay for historic preservation or restoration projects, and pay for sports related expenses pursuant to state law that will enhance tourism. By law, cities must spend at least 1% of hotel tax receipts on advertising, no more than 15% on art programs and a maximum of 50% on historic preservation. Cleveland is home to several hotels and motels: Super 8, Motel 6, Budget Inn, Deluxe Inn, Best Western, Holiday Inn Express, and La Quinta.

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>REVENUES</b>				
Occupancy Tax	219,084	237,840	252,002	251,502
Interest	3,267	500	850	850
Insurance Proceeds	0	272,031	272,031	0
<b>Total Revenues</b>	<b>\$222,351</b>	<b>\$510,371</b>	<b>\$524,883</b>	<b>\$252,352</b>
<b>EXPENDITURES</b>				
Hotel/Motel	24,563	40,500	40,672	50,000
Convention & Visitors' Bureau	169,401	780,881	771,321	202,352
<b>Total Expenditures</b>	<b>\$193,963</b>	<b>\$821,381</b>	<b>\$811,993</b>	<b>\$252,352</b>
Revenues Over Expenses	28,387	(311,010)	(287,110)	0
Fund Balance - Beginning		465,347	465,347	178,237
<b>Fund Balance - Ending</b>	<b>\$465,347</b>	<b>\$154,337</b>	<b>\$178,237</b>	<b>\$178,237</b>
Reserve Requirement (25%)		\$105,366	\$105,366	\$63,088
Excess/(Deficit)		\$48,971	\$72,871	\$115,149

### Fiscal Year 2020-2021:

Projected revenues are \$524,883, 2.84% above the amended budget with hotel occupancy tax collection at \$252,002; which is \$14,512 more than the amended budget. It is expected that total occupancy tax collection would perform at normal expectations based on the collection activity from all 7 establishments over the prior year's, extracting variables such as the impact of COVID-19. The budget supports personnel cost at \$115,560, professional services (IT services) at \$27,000 and annual advertising at \$25,000. The budget includes \$341,010 in supplemental items while using \$311,010 in retained cash. The FY21 includes recurring supplemental totaling \$6,010 to support a salary and benefit merit increase. Non-recurring expenditures of \$335,000 includes the use of retained cash to support a new multi-purpose Area at Stancil Park that, in return, will expand services and generate additional revenue through user fees. Non-recurring also includes Chamber advertising at \$15,000 for annual Rock-N-Ride and Expo events.

**Fiscal Year 2021-2022:**

Collections for fiscal year 2022 occupancy tax are \$251,502 with total fund revenue of \$ 252,352. The proposed budget supports personnel cost at \$112,640, professional services (IT services) at \$28,000 and annual advertising at \$20,000. The proposed includes recurring supplemental totaling \$4,160 to support a 5% merit increase and salary adjustment. Non-recurring expenditures include \$10,000 for additional advertising and \$20,000 for capital programs. This budget includes a total of \$34,160 in supplemental items with a balance budget.

The proposed supplemental expenditures include the following:

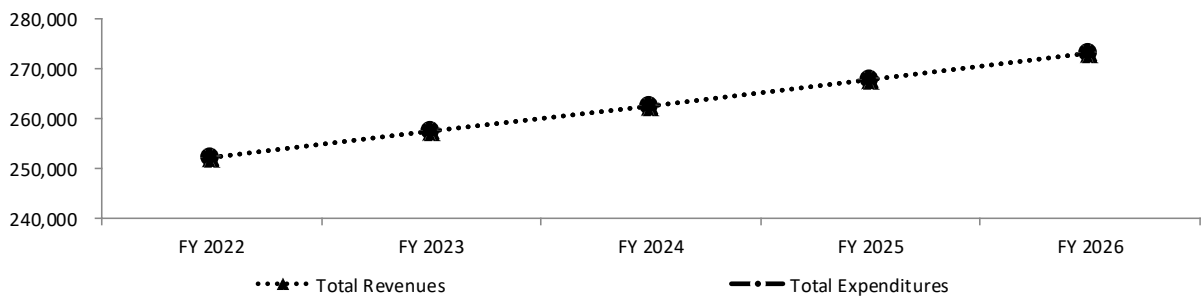
	<u>RECURRING</u>	<u>NON-RECURRING</u>	<u>TOTAL</u>
Salary (COLA 5%)	3,700	-	3,700
Salary Adjustment	460	-	460
Additional Advertising	-	10,000	10,000
Capital Programs	-	20,000	20,000
<b>Total Hotel / Motel Fund Supplemental:</b>	<b>4,160</b>	<b>30,000</b>	<b>34,160</b>

Fund balance for 9/30/22 is projecting to be \$178,237. In order to maintain a healthy reserve, \$63,088 is required to remain as unallocated, the reserve includes coverage of the non-recurring including the security lighting. The estimated in excess reserve \$115,149 is held for any emergency measures or possible downturn in occupancy collection without exposing any reserve requirement.

**MULTI-YEAR PLAN**

It is projected that Fund 600 will maintain a balanced budget for fiscal years ending 2022 through 2026. The plan consists of maintaining to improving our current levels of services funded by the hotel occupancy tax collections. The following five-year plan and chart is provided for planning purposes only, as the budget is adopted by the Council annually, therefore the projection detailed below does not restrain future councils to this plan:

	<u>FY 2022 PROJECTED</u>	<u>FY 2023 PROJECTED</u>	<u>FY 2024 PROJECTED</u>	<u>FY 2025 PROJECTED</u>	<u>FY 2026 PROJECTED</u>
<b>Total Revenues</b>	<b>\$252,352</b>	<b>\$257,399</b>	<b>\$262,547</b>	<b>\$267,798</b>	<b>\$273,154</b>
Hotel/Motel	50,000	50,000	50,000	50,000	50,000
CVB Base Budget	172,352	175,799	179,315	182,799	186,470
Co-Sponsored Events	10,000	10,000	10,000	10,000	10,000
Future Capital Programs	20,000	21,600	23,232	24,999	26,684
<b>Total Expenditures</b>	<b>\$252,352</b>	<b>\$257,399</b>	<b>\$262,547</b>	<b>\$267,798</b>	<b>\$273,154</b>



As projected, the fund would allow for greater than \$21,000 in new or expanded programs for future budget years (FY23-26). Unless recurring expenditures increase, such as personnel over the calculated 2% annual expectation. The calculation accounts for a \$30,000 (Co-Sponsored Events and CIP) of the non-recurring items proposed in fiscal year 2022.

**HOTEL / MOTEL OCCUPANCY TAX FUND - 600  
FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>REVENUES</u></b>					
<u>Other Services Charge</u>					
600-4000-09-0850	Insurance Proceeds	0	272,031	272,031	0
	<b>Total Other Service Charge</b>	<b>0</b>	<b>272,031</b>	<b>272,031</b>	<b>0</b>
<u>Interest</u>					
600-4000-10-0891	Interest Income	3,267	500	850	850
	<b>Total Interest</b>	<b>3,267</b>	<b>500</b>	<b>850</b>	<b>850</b>
<u>Hotel/Motel Revenue</u>					
600-4000-15-0801	Super 8	8,599	18,000	27,000	18,000
600-4000-15-0802	Motel 6	32,187	35,600	35,600	35,600
600-4000-15-0803	Budget Inn	4,137	2,740	3,500	3,500
600-4000-15-0804	M & M Hotel/Delux Inn	5,132	4,400	4,400	4,200
600-4000-15-0805	Best Western	46,194	51,500	51,500	51,200
600-4000-15-0810	Holiday Inn	72,881	65,400	70,000	72,000
600-4000-15-0815	La Quinta	67,640	60,200	60,000	67,000
600-4000-15-0820	Hotel/Motel Tax	(17,686)	0	0	0
600-4000-15-0825	Team Housing Solutions	0	0	2	2
	<b>Total Hotel/Motel Revenue</b>	<b>219,084</b>	<b>237,840</b>	<b>252,002</b>	<b>251,502</b>
	<b>TOTAL REVENUES:</b>	<b>\$222,351</b>	<b>\$510,371</b>	<b>\$524,883</b>	<b>\$252,352</b>

**HOTEL / MOTEL OCCUPANCY TAX FUND - 600**  
**FISCAL YEAR 2022 PROPOSED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>Hotel/Motel</u></b>					
<u>Professional Services</u>					
600-5610-02-6050	Credit Card Fees-Hotel/Motel	413	500	381	0
600-5610-02-6070	Civic Center-Reimbursement	15,000	30,000	30,000	30,000
600-5610-02-6080	Advertising/Billboards	9,150	10,000	10,291	10,000
600-5610-02-6085	Music / Arts	0	0	0	10,000
	<b>Total Professional Services</b>	<b>24,563</b>	<b>40,500</b>	<b>40,672</b>	<b>50,000</b>
	<b>Total Hotel Professional Services</b>	<b>\$24,563</b>	<b>\$40,500</b>	<b>\$40,672</b>	<b>\$50,000</b>
<b><u>CVB</u></b>					
<u>Salaries &amp; Benefits</u>					
600-5620-01-1010	Salaries	53,025	80,670	80,670	78,620
600-5620-01-1011	Overtime	1,626	720	720	720
600-5620-01-1020	Group Insurance	11,322	17,790	17,790	17,020
600-5620-01-1030	FICA/Medicare	4,059	6,040	6,040	6,070
600-5620-01-1040	Retirement	6,019	8,520	8,520	8,380
600-5620-01-1050	State Unemployment Tax	218	410	410	410
600-5620-01-1060	Workers' Compensation	160	1,410	1,410	1,420
	<b>Total Salaries &amp; Benefits</b>	<b>76,430</b>	<b>115,560</b>	<b>115,560</b>	<b>112,640</b>
<u>Professional Services</u>					
600-5620-02-2090	Blue Iron - Contract Services	25,000	27,000	27,000	28,000
	<b>Total Professional Services</b>	<b>25,000</b>	<b>27,000</b>	<b>27,000</b>	<b>28,000</b>
<u>Other Services</u>					
600-5620-04-2710	Telephone	607	850	850	800
600-5620-04-2720	Advertising	19,006	30,000	25,000	30,000
600-5620-04-2730	Promotional Merchandise	80	2,000	500	2,500
600-5620-04-2750	Dues/Subscriptions/Memberships	1,215	3,200	540	1,000
	<b>Total Other Services</b>	<b>20,907</b>	<b>36,050</b>	<b>26,890</b>	<b>36,300</b>
<u>Supplies</u>					
600-5620-05-3010	Office Supplies	198	240	240	312
600-5620-05-3030	Employee Relations	100	0	100	100
600-5620-05-3100	Other Operating Supplies	0	1,000	500	1,000
	<b>Total Supplies</b>	<b>298</b>	<b>1,240</b>	<b>840</b>	<b>1,412</b>
<u>Other Expenditures</u>					
600-5620-06-5060	Office Equipment	0	4,000	4,000	4,000
	<b>Total Other Expenditures</b>	<b>0</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>
<u>Capital Outlay</u>					
600-5620-17-5090	Other Capital Outlay >5,000	46,765	597,031	597,031	20,000
	<b>Total Capital Outlay</b>	<b>46,765</b>	<b>597,031</b>	<b>597,031</b>	<b>20,000</b>
	<b>Total CVB</b>	<b>\$169,401</b>	<b>\$780,881</b>	<b>\$771,321</b>	<b>\$202,352</b>
	<b>TOTAL EXPENDITURES:</b>	<b>\$193,963</b>	<b>\$821,381</b>	<b>\$811,993</b>	<b>\$252,352</b>

## SPECIAL REVENUE FUND

### Fiscal Year 2021-2022

In fiscal year 2022, the fund is estimated to have limited revenue of \$2,050, similar to the prior, interest income and LEOSE training entitlements are the only likely revenue sources. The budget is designated to draw funds down for non-recurring purchases such as police equipment and police vehicles. Available unrestricted cash balance for 9/30/22 is projected at \$83,011.

### FISCAL YEAR 2022 PROPOSED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
Interest	424	50	50	50
Seizures	4,393	0	0	0
Intergovernmental	2,188	2,000	2,173	2,000
<b>Total Revenues</b>	<b>\$7,005</b>	<b>\$2,050</b>	<b>\$2,223</b>	<b>\$2,050</b>
Money Seizures	0	2,050	2,223	2,050
Red Light Camera	0	0	0	0
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$2,050</b>	<b>\$2,223</b>	<b>\$2,050</b>
Revenues Over Expenses	7,005	0	0	0
Beginning Balance - Money Seizures		105,186	105,186	105,186
Beginning Balance - RLC		0	0	0
Total Fund Balance - Beginning		105,186	105,186	105,186
Ending Balance - Money Seizures	105,186	105,186	105,186	105,186
Ending Balance - RLC	0			
<b>Fund Balance - Ending</b>	<b>105,186</b>	<b>105,186</b>	<b>105,186</b>	<b>\$105,186</b>
<i>Restricted - Money Seizures</i>		22,175	22,175	22,175
<i>Restricted - RLC</i>				
<i>Unrestricted Cash -Money Seizures</i>		83,011	\$83,011	\$83,011
<i>Unrestricted Cash -RLC</i>		\$0	\$0	\$0
<b>Cash Balance - Ending</b>		<b>\$83,011</b>	<b>\$83,011</b>	<b>\$83,011</b>

**SPECIAL REVENUE FUND - 915  
COURT TECHNOLOGY  
FISCAL YEAR 2022 PROPOSED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
Court Special Revenue	5,360	6,500	6,500	6,500
Interest	0	0	0	0
<b>Total Revenues</b>	<b>\$5,360</b>	<b>\$6,500</b>	<b>\$6,500</b>	<b>\$6,500</b>
Court Special Expenditures	16,115	6,500	6,500	6,500
<b>Total Expenditures</b>	<b>\$16,115</b>	<b>\$6,500</b>	<b>\$6,500</b>	<b>\$6,500</b>
Revenues Over Expenses	(10,755)	0	0	0
Fund Balance - Beginning		(5,445)	(5,445)	0
<b>Fund Balance - Ending</b>	<b>(\$5,445)</b>	<b>(\$5,445)</b>	<b>(\$5,445)</b>	<b>\$0</b>

**SPECIAL REVENUE FUND - 916  
COURT SECURITY  
FISCAL YEAR 2021 PROPOSED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
Court Special Revenue	4,997	5,000	5,000	5,000
Interest	0	0	0	0
<b>Total Revenues</b>	<b>\$4,997</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>
Court Special Expenditures	1,379	5,000	5,000	5,000
<b>Total Expenditures</b>	<b>\$1,379</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>
Revenues Over Expenses	3,618	0	0	0
Fund Balance - Beginning		28,813	28,813	28,813
<b>Fund Balance - Ending</b>	<b>\$28,813</b>	<b>\$28,813</b>	<b>\$28,813</b>	<b>\$28,813</b>

## UNITY DONATION FUND

The Unity Committee Donation Fund is a fiduciary fund used to account for assets held in trust by the City of Cleveland for the benefit of community organizations or other local entities. The accounts for all donations related to Unity Committee sponsored events such as July Fireworks and Bunny Blast. Charitable donations from the community represent the primary source of funding.

Expenditures in fiscal year 2021 total \$16,293, increasing from last fiscal year due to COVID-19 restrictions lifted and events occurring. The fund did receive limited donations, including for Fourth of July Fireworks that are to support the 2022 event. Expenditures in fiscal year 2022 balance with revenues to a total of \$19,975 and the estimated cash available on 9/30/2022 is \$9,303.

### FISCAL YEAR 2022 PROPOSED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>REVENUES:</b>				
<u>Interest</u>				
102-4000-10-0894 Interest	72	75	75	75
<b>Total Interest</b>	<b>72</b>	<b>75</b>	<b>75</b>	<b>75</b>
<u>Community Events</u>				
102-4000-30-0100 Donations - Cleanup Cleveland	0	300	0	300
102-4000-30-0110 Donations - Treat Street	(46)	300	0	300
102-4000-30-0115 Donations - Bunny Blast	0	300	0	300
102-4000-30-0120 Donations - July Fireworks	1,500	15,000	15,000	15,000
102-4000-30-1030 Donations - Hometown Christmas	869	3,700	(375)	3,700
102-4000-30-1040 I Love Cleveland Campaign	0	300	0	300
<b>Total Community Events</b>	<b>2,323</b>	<b>19,900</b>	<b>14,625</b>	<b>19,900</b>
<b>Total Revenues:</b>	<b>\$2,395</b>	<b>\$19,975</b>	<b>\$14,700</b>	<b>\$19,975</b>
<u>EXPENDITURES:</u>				
<u>Community Events</u>				
102-5100-30-1010 Cleanup Cleveland Expenses	0	300	0	300
102-5100-30-1020 Treat Street Expenses	0	300	0	300
102-5100-30-1030 Bunny Blast Expenses	0	300	0	300
102-5100-30-1040 July Fireworks Expenses	69	15,000	15,000	15,000
102-5100-30-1050 Hometown Christmas Expenses	1,420	3,700	1,293	3,700
102-5100-30-1060 I Love Cleveland Campaign	0	300	0	300
102-5100-30-3130 Postage	0	75	0	75
<b>Total Community Events</b>	<b>1,489</b>	<b>19,975</b>	<b>16,293</b>	<b>19,975</b>
<b>Total Expenditures:</b>	<b>\$1,489</b>	<b>\$19,975</b>	<b>\$16,293</b>	<b>\$19,975</b>
Revenue Over/(Under) Expenditures	906	0	(1,593)	0
Fund Balance - Beginning		10,896	10,896	9,303
<b>Fund Balance - Ending</b>	<b>\$10,896</b>	<b>\$10,896</b>	<b>\$9,303</b>	<b>\$9,303</b>

## CLEVELAND ECONOMIC DEVELOPMENT CORPORATION

Economic Development Corporations (EDCs) are the legal entities with the statutory authority to spend economic development sales tax dollars. The corporations are city-chartered and governed by a city-appointed board of directors. The economic development sales tax was first created in 1989 to give smaller Texas communities the financial resources to attract primary jobs and create wealth. Today, the tax is the undisputed workhorse of local economic development efforts, serving as the backbone of economic development programs in more than 500 communities across the state. During the 2007 Legislative Session, legislation passed which moved the law governing the use of the economic development sales tax from 5190.6 of Vernon's Civil Statutes into chapters 501-505 of the Local Government Code. Although there continues to be two types of economic development corporations (and two types of economic development sales taxes), they are now generally referred to as "Type A" and "Type B" corporations (instead of "4A" and "4B" corporations or the "4A" or "4B" tax). The Cleveland Economic Development Corporation (EDC) is a Type B corporation and supports industrial development projects such as business infrastructure, manufacturing and research and development. The Cleveland EDC component unit of the City of Cleveland and is accounted for under Fund 200.

The Type B sales tax may be used for any project eligible under Type A rules. The Type A sales tax is primarily intended for manufacturing and industrial development. EDCs may use Type A revenue to fund land, buildings, equipment, facilities expenditures, targeted infrastructure and improvements for projects including manufacturing and industrial facilities, recycling facilities, distribution centers, and small warehouse facilities; research and development facilities, regional or national corporate headquarters facilities, primary job training facilities operated by higher education institutions, job training classes, telephone call centers and career centers not located within a junior college taxing district; certain infrastructure improvements that promote or develop new or expanded business enterprises; aviation facilities; commuter rail, light rail or commuter bus operations; port-related facilities, rail ports, rail switching facilities, marine ports, inland ports; and maintenance and operating costs associated with projects. Type B, such as the Cleveland Corporation may pay for land, buildings, equipment, facilities, targeted infrastructure and improvements for professional and amateur sports and athletic facilities, tourism and entertainment facilities, convention facilities and public parks; related store, restaurant, concession, parking and transportation facilities; related street, water and sewer facilities; and affordable housing. Type B EDCs also may seek voter approval to spend Type B sales tax funds for a water supply, water conservation program or cleanup of contaminated property. The sales tax revenues are administered by the corporations and the corporations determine which projects to fund, with city council retaining approval authority over all expenditures of the corporation. The economic development sales tax is the state's largest and most effective local revenue source for economic development.

### FISCAL YEAR 2022 PROPOSED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b><u>REVENUES:</u></b>				
Operating Revenues	\$675,513	\$718,033	\$741,633	\$732,633
Non-Operating Revenues	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$675,513</b>	<b>\$718,033</b>	<b>\$741,633</b>	<b>\$732,633</b>
<b><u>EXPENSES:</u></b>				
Operating Expenses	\$324,564	\$565,033	\$541,744	\$380,960
Financing Programs	\$286,647	\$153,000	\$294,002	\$351,673
<b>Total Expenses</b>	<b>\$611,211</b>	<b>\$718,033</b>	<b>\$835,746</b>	<b>\$732,633</b>
<i>Revenues Over Expenses (Total)</i>	<i>64,302</i>		<i>(94,113)</i>	<i>0</i>

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>Net Position - Ending</b>	<b>\$2,664,156</b>	<b>\$2,664,156</b>	<b>\$2,570,043</b>	<b>\$2,570,043</b>
<i>Cash Balance - Ending</i>	<i>\$1,637,793</i>	<i>\$1,637,793</i>	<i>\$1,543,680</i>	<i>\$1,543,680</i>
Reserve Requirement (25%)		179,508	208,937	183,158
Annual Debt Coverage		190,664	190,664	187,544
Excess/(Deficit)		1,267,621	1,144,080	1,172,978

**Fiscal Year 2020-2021 Budget:**

Total revenues are projected at \$741,633 of which \$715,833 or 96.5% is from sales tax remittances. Staff is anticipating sales tax to break even by year-end due to the Governor lifting COVID-19 restrictions. However, we will continue to monitor and adjust accordingly before adoption. Other income is totaling at \$9,000, based on an agreement between EDC and the property owner of 315 Dr. Rick Kelly to have a structure on the property demolished. Interest revenue is proposed to come in at \$16,800.

Projected expenses are \$835,746 and \$117,713 more than amended. Operating expenses are expected to come in 4.1% lower than the amended budget. Non-operating expenses are showing to be \$141,002 over the amended budget. Capital outlay at \$90,000, which is likely to be reallocated in fiscal year 2022 as a carryover for phase II CDBG project for downtown revitalization. Additionally, \$63,342 was spent for the purchase of a parcel of land on FM 1010 and booked as an asset. Business incentives include \$189,002, as EDC made an agreement with Burgerworks, LTD. to split the plumbing costs for the relocation of Whataburger.

Ending cash balance is projected at \$1,543,680 with cash over operating requirement at 09/30/2021 projected at \$1,144,080.

**Fiscal Year 2021-2022 Budget:**

Total revenues are proposed at \$732,633 of which \$715,833 or 97.7% is from sales tax remittances. Staff is expecting FY 22 to remain steady with the prior year. Sales tax is being monitored on a month-to-month basis, trends are showing favorable expectations. Total projected expenses are \$732,633 as a balanced budget. The Adopted may include a use of reserves and likely to be amended to include unspent project allocations rolled over as annual carryover. Fiscal year 2022 is proposed with the following highlights:

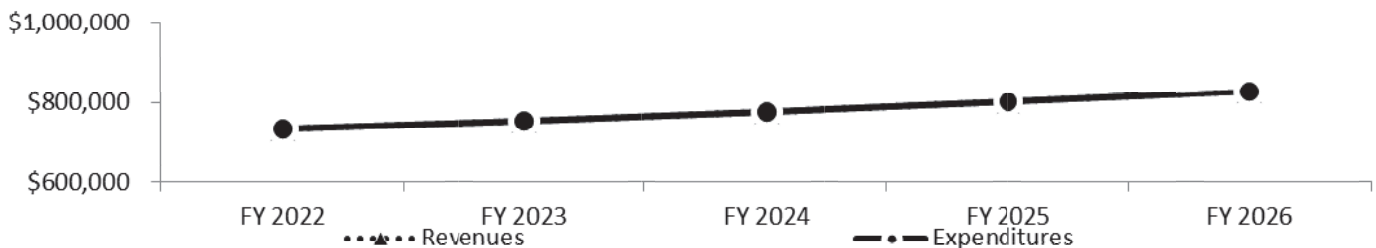
- Capital outlay of \$283,673, which funds will be allocated for gateway sign(s), downtown mural(s) and capital projects. Detail allocation is to include \$100K for gateway sign(s) and \$30K for mural project. The numbers for these projects are undetermined due to inflation.
- Increase in professional services, mainly legal.
- An allocation of \$90,000 will be carryover from fiscal year 2021 to start phase II participation in Central Business District sidewalk project. Grant funding is pursued to begin a second phase of improvements to downtown.

Ending cash balance is projected at \$1,543,680 with cash over operating requirement and annual debt coverage at 9/30/22 projected at \$1,172,978.

## MULTI-YEAR PLAN

It is projected that Fund 200 will maintain a balanced budget for fiscal years ending 2023 through 2026. The plan consists of maintaining to improving our current levels of services that are funded by the EDC Fund. The following five-year plan and chart is provided for planning purposes only, as the budget is adopted by the Board annually, therefore the projection detailed below does not restrain the future Board to this plan:

	FY 2022 PROPOSED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED
<b>Total Revenues</b>	<b>\$732,633</b>	<b>\$754,622</b>	<b>\$777,380</b>	<b>\$801,501</b>	<b>\$826,791</b>
Salaries & Benefits	\$120,316	\$123,925	\$127,643	\$131,472	\$135,417
Professional Services	\$48,200	\$49,646	\$51,135	\$52,669	\$54,250
Other Services	\$23,600	\$24,308	\$25,037	\$25,788	\$26,562
Supplies	\$1,300	\$1,339	\$1,379	\$1,421	\$1,463
Financial Obligations	\$187,544	\$194,320	\$190,992	\$187,664	\$194,232
<b>Operating Expenses</b>	<b>\$380,960</b>	<b>\$393,538</b>	<b>\$396,187</b>	<b>\$399,015</b>	<b>\$411,923</b>
Property Services	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Affordable Housing / Demolition	\$18,000	\$12,000	\$12,000	\$12,000	\$12,000
Capital / Supplemental	\$283,673	\$294,084	\$314,193	\$335,486	\$347,868
Business Incentives	\$45,000	\$50,000	\$50,000	\$50,000	\$50,000
<b>Financing Programs</b>	<b>\$351,673</b>	<b>\$361,084</b>	<b>\$381,193</b>	<b>\$402,486</b>	<b>\$414,868</b>
Revenues Over Expenses	\$0	\$0	\$0	\$0	\$0
<b>Fund Balance - Cash Ending</b>	<b>1,543,679</b>	<b>1,543,679</b>	<b>1,543,679</b>	<b>1,543,679</b>	<b>1,543,679</b>



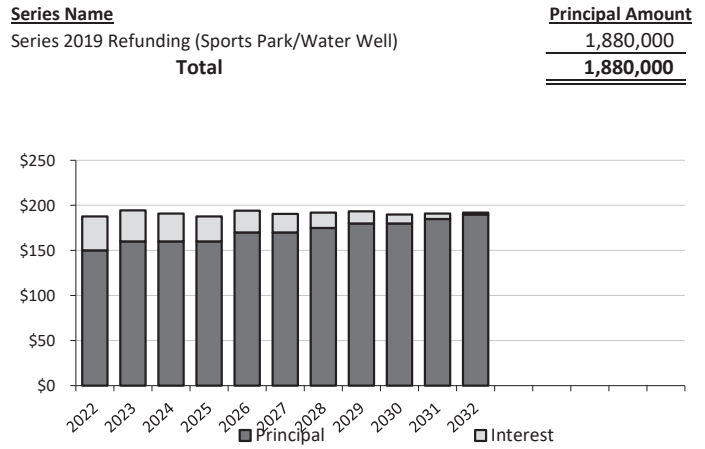
Capital and supplemental programs are projected to have additional cash to support the annual programs requested, beginning with \$294,084 in fiscal year 2023 and maxing out to \$347,868 by 2026. It is estimated that nearly \$1.6M can be raised to support sustainable capital and incentive programming from 2023 – 2026 while meeting other obligations and operational cost.

**ECONOMIC DEVELOPMENT CORPORATION FUND  
FISCAL YEAR 2022 PROPOSED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 PROPOSED BUDGET
<b>REVENUES:</b>				
Sales Taxes	652,091	715,833	715,833	715,833
Other Income	1,000	0	9,000	0
Interest Revenue	22,422	2,200	16,800	16,800
Sports Park	0	0	0	0
<b>Operating Revenues</b>	<b>\$675,513</b>	<b>\$718,033</b>	<b>\$741,633</b>	<b>\$732,633</b>
Sale of Assets	0	0	0	0
<b>Non-Operating Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Revenues</b>	<b>\$675,513</b>	<b>\$718,033</b>	<b>\$741,633</b>	<b>\$732,633</b>
<b>EXPENSES:</b>				
Salaries & Benefits	64,897	108,730	108,730	120,316
Professional Services	35,959	60,200	53,200	48,200
Other Services	14,781	30,334	16,745	23,600
Supplies	476	4,000	1,300	1,300
Contributions	0	171,105	171,105	0
Financial Obligations	206,760	190,664	190,664	187,544
<b>Operating Expenses</b>	<b>\$324,564</b>	<b>\$565,033</b>	<b>\$541,744</b>	<b>\$380,960</b>
Property Services	0	0	5,000	5,000
Affordable Housing and Demolition	9,000	18,000	0	18,000
Capital Outlay	197,008	90,000	90,000	153,673
Gateway Sign(s)	0	0	0	100,000
Downtown Mural(s)	0	0	0	30,000
Business Incentives	80,639	45,000	199,002	45,000
<b>Financing Programs</b>	<b>\$286,647</b>	<b>\$153,000</b>	<b>\$294,002</b>	<b>\$351,673</b>
<b>Total Expenses</b>	<b>\$611,211</b>	<b>\$718,033</b>	<b>\$835,746</b>	<b>\$732,633</b>
<i>Revenues Over Expenses (Total)</i>	64,302		(94,113)	0
Net Position - Beginning		2,664,156	2,664,156	2,570,043
Cash Balance - Beginning		1,637,793	1,637,793	1,543,680
<b>Net Position - Ending</b>	<b>\$2,664,156</b>	<b>\$2,664,156</b>	<b>\$2,570,043</b>	<b>\$2,570,043</b>
Cash Balance - Ending	\$1,637,793	\$1,637,793	\$1,543,680	\$1,543,680
Reserve Requirement (25%)		179,508	208,937	183,158
Annual Debt Coverage		190,664	190,664	187,544
Excess/(Deficit)*		1,267,621	1,144,080	1,172,978

**CORPORATION LONG-TERM DEBT**  
**CORPORATION DEBT MATURITY SCHEDULE**

Fiscal Year	Principal	Interest	Total
FY2022	150,000	37,544	187,544
FY2023	160,000	34,320	194,320
FY2024	160,000	30,992	190,992
FY2025	160,000	27,664	187,664
FY2026	170,000	24,232	194,232
FY2027	170,000	20,696	190,696
FY2028	175,000	17,108	192,108
FY2029	180,000	13,416	193,416
FY2030	180,000	9,672	189,672
FY2031	185,000	5,876	190,876
FY2032	190,000	1,976	191,976
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
<b>Total</b>	<b>1,880,000</b>	<b>223,496</b>	<b>2,103,496</b>



DATE	DESCRIPTION	AMOUNT ISSUED	AMOUNT OUTSTANDING AS OF 9/30/20		PAYMENT TOTAL	AMOUNT OUTSTANDING AS OF 9/30/22
			PRINCIPAL	INTEREST		
03/01/2022	Series 2019 Refunding	2,030,000	150,000	19,552	169,552	
09/01/2022				17,992	17,992	
	<b>Fiscal Year Total</b>		<u>1,880,000</u>	<u>37,544</u>	<u>187,544</u>	<u>1,730,000</u>
	<b>TOTAL</b>	<u>2,030,000</u>	<u>1,880,000</u>	<u>37,544</u>	<u>187,544</u>	<u>1,730,000</u>

**CORPORATION LONG-TERM DEBT**  
**CORPORATION DEBT MATURITY SCHEDULE**

SERIES 2019 G/O Refunding

Fiscal Year	Principal	Interest	Total
FY2022	150,000	37,544	187,544
FY2023	160,000	34,320	194,320
FY2024	160,000	30,992	190,992
FY2025	160,000	27,664	187,664
FY2026	170,000	24,232	194,232
FY2027	170,000	20,696	190,696
FY2028	175,000	17,108	192,108
FY2029	180,000	13,416	193,416
FY2030	180,000	9,672	189,672
FY2031	185,000	5,876	190,876
FY2032	190,000	1,976	191,976
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
<b>Total</b>	<b>1,880,000</b>	<b>223,496</b>	<b>2,103,496</b>



CITY OF CLEVELAND, TEXAS  
PROPOSED BUDGET

FISCAL YEAR 2021-2022

# HOME RULE CHARTER

## **ARTICLE VI: MUNICIPAL FINANCE**

### **SECTION 6.01 FISCAL YEAR:**

The fiscal year of the City of Cleveland shall be determined by the City Council. Such fiscal year shall also constitute the budget and accounting year.

### **SECTION 6.02 PREPARATION AND SUBMISSION OF BUDGET:**

The City Manager, between sixty and ninety days prior to the beginning of each fiscal year shall submit to the Council a proposed budget, which budget shall provide a complete financial plan for the fiscal year, and shall contain the following:

- (a) A budget message, explanatory of the budget, which message shall contain an outline of the proposed financial policies of the City for the fiscal year, shall set forth the reasons for salient changes from the previous fiscal year in expenditure and revenue items, and shall explain any major changes in financial policy.
- (b) A consolidated statement of anticipated receipts and proposed expenditures for all funds.
- (c) An analysis of property valuations.
- (d) An analysis of tax rate.
- (e) Tax levies and tax collections by years for at least the five years immediately preceding.
- (f) General fund resources in detail.
- (g) Special fund resources in detail.
- (h) Summary of proposed expenditures by function, department, and activity.
- (i) Detailed estimates of expenditures shown separately for each activity to support the summaries.
- (j) A description of all bond issues outstanding, showing rate of interest, date of issue, maturity date, amount authorized, amount issued and amount outstanding.
- (k) A schedule of requirements for the principal and interest of each issue of bonds.
- (1) The Appropriation ordinance.
- (m) The tax levying ordinance.

- (n) Anticipated revenues and proposed expenditures compared with other years. The City Manager in the preparation of the budget shall show in parallel columns opposite the various properly classified items of revenues and expenditures, the actual amount of such items for the last completed fiscal year, the estimated amount for the current fiscal year and the proposed amount for the ensuing fiscal year.

### **SECTION 6.03 EMERGENCY APPROPRIATIONS:**

The City budget may be amended and appropriations altered in accordance therewith in cases of public necessity, the actual fact of which shall have been declared by the City Council.

### **SECTION 6.04 TAXES: WHEN DUE AND PAYABLE:**

All taxes due the City of Cleveland shall be payable at the office of the City Assessor-Collector and may be paid at any time after the tax rolls for the year have been completed and approved, which shall be not later than October 1. Taxes shall be paid on or before February 1st of the rear following assessment, and all such taxes not paid prior to such date shall be deemed delinquent and shall be subject to such penalty and interest as the City Council may provide by ordinance. The City Council may provide further by ordinance that all taxes, either current or delinquent, due the City of Cleveland may be paid in installments; however, the City Council shall be prohibited from waiving penalties or interest, or allowing discounts. Failure to levy and assess taxes through omission in preparation of the approved tax rolls shall not relieve the person, firm, or corporation so omitted from obligation to pay such current or past due taxes as shown to be payable by recheck of the rolls and receipts for the years in question.

# GLOSSARY

ACCOUNT – A term used to identify an individual asset, liability, expenditure control, revenue control, encumbrance control, or fund balance.

ACCOUNTS PAYABLE – A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government.

ACCOUNT RECEIVABLE – An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government.

ACCOUNTING SYSTEM – The total set of records and procedures, which are used to record, classify, and report information on the financial status and operations of an entity.

ACCRUAL ACCOUNTING – A basis of accounting in which revenues are recognized in the period in which they are earned and become measurable, and expenses are recognized in the period incurred instead of when cash is actually received or spent.

ACCRUED INTEREST – Interest that has been earned and recorded, but has not been received.

AD VALOREM TAX – A tax based on value of land and improvements (property tax).

AGENDA – A formal listing of items to be discussed during a public meeting. Agendas for public meetings are posted 72 hours in advance, in compliance with the open meetings act.

APPROPRIATION – An authorization granted by City Council to make expenditures and to incur obligations for a specific purpose. Usually limited in amount and as to the time when it may be expended.

ASSESSED VALUATION – A valuation set upon real estate or other property by government as a basis for levying taxes.

ASSETS – Property owned by a government, which has economic value, especially which could be converted to cash.

BALANCE SHEET – A statement purporting to present the financial position of an entity by disclosing the value of its assets, liabilities, and equities as of a specified date.

BALANCED BUDGET – Total recurring expenditures for any fiscal year shall not exceed total recurring revenues for that same fiscal year.

BOND – A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

BOND REFERENDUM – A bond referendum is an opportunity for voters to decide if the city will be authorized to borrow funds to address specific capital project needs for which ad valorem taxes are pledged for repayment.

BUDGET – A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. The term is also sometimes used to denote the officially approved expenditure ceiling under which a government and its departments operate.

BUDGET CALENDAR – The schedule of key dates or milestones, which a government follows in the preparation and adoption of the budget.

BUDGET DOCUMENT – The instrument used by the budget making authority to present a comprehensive financial program to the appropriating governing body.

BUDGETARY CONTROL – The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within limitations of available appropriation and available revenues.

CAPITAL ASSETS – Long-term assets, such as buildings, equipment, and infrastructure, intended to be held or used in operations.

CAPITAL PROJECTS – Acquisition or construction of major capital facilities.

CAPITAL IMPROVEMENT PROGRAM – A plan for capital expenditures to be incurred each year over a fixed period of several future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.

CAPITAL OUTLAY – Expenditures for the acquisition of capital assets.

# GLOSSARY

CAPITAL PROJECT FUNDS – Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, special assessment funds and trust funds).

CASH BASIS – A method of accounting in which revenues and expenses are recognized and recorded when received, not necessarily when earned.

CERTIFICATE OF DEPOSIT – A negotiable or non-negotiable receipt for monies deposited in a bank or other financial institution for a specified period for a specified rate of interest.

CERTIFICATE OF OBLIGATION – A debt instrument that is issued by the City and has the same legal status as a general obligation bond. Proceeds from the issuance of the certificates may be used for the construction of public works or payment of contractual obligations for professional services. These certificates do not require voter approval.

CHARTER – Written instrument setting forth principles and laws of government within boundaries of the City.

CHART OF ACCOUNTS – The classification system used by the City to organize the accounting for various funds.

CHECK – A bill of exchange drawn on a bank and payable on demand.

COMPONENT UNIT – A component unit is defined as a legally separate organization for which elected officials of the primary government (the City) are financially accountable.

CONTINGENCY – Funds set aside in a reserve account for major expenditures or for emergencies.

CURRENT ASSETS – Cash and other assets expected to be converted to cash, sold, or consumed either in a year or in the operating cycle.

CURRENT LIABILITIES – Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded within one year.

DEBT SERVICE FUND – A fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal interest, and related costs. Also called a Sinking Fund

DEFICIT – The excess of expenditures over revenues during an accounting period; or in the case of Enterprise and Intra-governmental Service Funds, the excess of expense over income during an accounting period.

DEPARTMENT – A distinct, usually specialized division of a large organization.

DELINQUENT TAXES – Taxes remaining unpaid on and after the date to which a penalty for nonpayment is attached.

DEPRECIATION – A non-cash expense that reduces the value of an asset as a result of wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

EFFECTIVE TAX RATE – The tax rate required to generate the same amount of revenue as in the preceding year on the same properties.

ENTERPRISE FUND – A fund used to account for the acquisition, operation and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges. The significant characteristic of Enterprise Funds is that the accounting system must make it possible to show whether the activity is operated at a profit or loss, similar to comparable private enterprises. Thus, the reports of enterprise funds self-contained and creditors, legislators or the general public can evaluate the performance of the municipal enterprise on the same basis as they can the performance of investor-owner enterprises in the same industry.

EXPENDITURES – Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

FISCAL YEAR – A twelve-month period of time to which the annual budget applies, and at the end of which, the City determines its financial position and results of operations.

FIXED ASSETS – Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, and improvements other than buildings and land.

FRANCHISE – A special privilege granted by a government, permitting the continued use of public

# GLOSSARY

property, such as City streets, and usually involving the elements of monopoly and regulation.

FUND – An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objective.

FUND BALANCE – The excess of an entity's assets over its liabilities.

GENERAL FIXED ASSETS – Capital assets that are not assets of any particular fund, but of the government unit as a whole. Most often these assets arise from the expenditure of the financial resources of governmental (as opposed to proprietary or fiduciary) funds.

GENERAL FUND – The General Fund is the general operating fund of the City. It is used to account for the resources devoted to finance the services traditionally associated with local government, except those activities that are required to be accounted for in another fund. Transactions are recorded on the modified accrual basis.

GENERAL OBLIGATION BONDS – When a government pledges its full faith and credit to the payment of the bonds it issues, that those bonds are general obligation bonds.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) – Uniform minimum standards and guidelines for financial accounting and reporting.

GOVERNMENTAL FUNDS – Funds generally used to account for tax-supported activities. The acquisition, use and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, Capital Projects and Debt Service).

GRANTS – A contribution by one government unit to another. The contribution is usually made to aid in the support of a specific function, purpose, activity or facility.

INCOME – A term used in proprietary fund-type accounting to represent (1) revenues or (2) the excess of revenues over expenses.

INFRASTRUCTURE - Fixed assets that are immovable and have value only to the governmental unit. Common examples of infrastructure include roads, sidewalks, bridges and streetlights.

ISO RATING – The Insurance Service Office (ISO) performs surveys to assist insurance organizations with setting up the insurance ratings for the communities. The ISO will perform a survey to assign a public protection grade to each fire department, which is used in the development of insurance rates for all properties within the protected area. Grading starts at 1, which is the best possible score and ends at 10, which is considered unacceptable.

LEASE/PURCHASE – A financing tool utilized to fund large capital outlays where the city may not have cash immediately available for purchase. This arrangement allows the city to use the item while payments are being made.

LEVY - To impose taxes or special assessments. The total of taxes or special assessments imposed by a governmental unit.

LIABILITIES – Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed or refunded at some future date.

LONG-TERM DEBT – Debt with a maturity of more than one year after date of issuance.

MODIFIED ACCRUAL BASIS – The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash, except for material and/or available revenues, which should be accrued to reflect properly the taxes levied and revenue earned.

NOTE PAYABLE – An unconditional written promise signed by the maker, to pay a certain sum in money on demand or at a fixed or determinable future time, either to the bearer or to the order of a person designated.

OPERATING BUDGET – Plans of current expenditures and the proposed means of financing them.

ORDINANCE – A formal legislative enactment by the governing body of a municipality.

PROJECTION – A forecast of future trends in the operation of financial activities done through the remainder of the fiscal year to gain a better picture of the City's finances. The projections are adopted as the revised budget during the budget adoption process.

# GLOSSARY

PROPERTY TAX – An annual or semi-annual tax paid to one or more governmental jurisdictions based on the real and personal property's assessed valuation and the tax rate, done in compliance with the State Property Tax Code.

RATINGS – Designations used by credit rating agencies to give relative indications of credit quality. Municipal bonds rated Baa or BBB and above are considered to be investment-grade.

REFUNDING BONDS – Bonds issued to retire bonds already outstanding.

RESERVE – An account used to indicate that a portion of fund equity is legally restricted for a specific purpose or not available for appropriation and subsequent spending.

RETAINED EARNINGS – The accumulated earnings of an enterprise or internal service fund which have been retained in the fund and which are not reserved for any specific purpose.

REVENUES – The term designates an increase to a fund's assets. An item of income.

REVENUE BONDS – Bond whose principal and interest are payable exclusively from earnings of an enterprise fund.

ROLLBACK RATE – If a unit adopts a tax rate that is higher than the rollback rate, voters in the unit can circulate a petition calling for an election to limit the size of the tax increase.

SALES TAX – A state tax of 6.25% is imposed on all retail sales, leases and rentals of most goods, as well as taxable services. Texas cities and counties have the option of imposing additional local sales taxes for a combined total of state and local taxes of 8.25%.

SHORT-TERM DEBT – Debt with a maturity of one year or less after the date of issuance.

SPECIAL REVENUE FUNDS - Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for specified purposes.

TAX LEVY – The total amount to be raised by general property taxes for intentions specified in the Tax Levy Ordinance.

TAX LEVY ORDINANCE – An ordinance through which taxes are levied.

TAX RATE – The rate at which a municipality may levy a tax. Tax levied for each \$100 of assessed valuation. The amount of tax stated in terms of a unit of the tax base.

TAX ROLL – The official list showing the amount of taxes levied against each taxpayer or property.

TAXES – Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.



**CITY OF CLEVELAND, TEXAS  
PROPOSED BUDGET**

The City of Cleveland; 907 E. Houston; Cleveland, Texas 77327  
[www.clevelandtexas.com](http://www.clevelandtexas.com)