



**FISCAL YEAR 2019
(2018-2019)**

**APPROVED BUDGET
&
PLAN OF MUNICIPAL SERVICES
SEPTEMBER 25, 2018**



Declarations required by the State of Texas:

This budget will raise more revenue from property taxes than last year's budget by \$253,195 (13.8 percent) and of that amount \$31,541.62 is tax revenue to be raised from new property added to the tax roll this year.

The City of Gatesville proposes to use the increase in the total tax revenue for the purpose of street maintenance/rehabilitation and two additional personnel.

This notification statement complies with Texas Local Government Code § 102.005

This budget raises more property tax revenue compared to the previous year's budget. The Gatesville City Council adopted the budget with the following voting record:

City Council Ward 1, Place 1: David Mitchell	AYE
City Council Ward 1, Place 2: Tim Woodlock	AYE
City Council Ward 1, Place 3: Meredith Rainer	AYE
City Council Ward 2, Place 4: Jack Doyle	ABSENT
City Council Ward 2, Place 5/Mayor Pro Tem: Ronnie Viss	AYE
City Council Ward 2, Place 6: Dwight Suson	AYE

Resolution 2018-06, dated September 25, 2018

This notification statement complies with Texas Local Government Code § 102.007

Information regarding the City's property tax rate follows:

Fiscal Year 2017 (preceding): \$0.4600/\$100 valuation

Fiscal Year 2018 (current): \$0.5100/\$100 valuation

Fiscal Year 2019:

Adopted Rate: \$0.56/\$100 valuation

Effective Tax Rate: \$0.4921/\$100 valuation

Effective Maintenance and Operations Tax Rate: \$0.5641/\$100 valuation

Rollback Tax Rate: \$0.5704/\$100 valuation

Debt Tax Rate: \$0.1532/\$100 valuation

Total Debt Obligations Secured by Property Taxes: \$580,643



September 26, 2018

The Honorable Mayor Gary Chumley, Mayor Pro Tem Viss, and Members of the City Council,

I am pleased to submit the approved budget for Fiscal Year 2019 which begins on October 1, 2018 and ends on September 30, 2019. The budget was shaped by several considerations presented to the City Council during the FY 2018 midyear budget review on May 8, 2018 and by more in-depth analysis resulting from a small increase in the certified rolls of total taxable value:

- At the mid-year point, sales tax allocations were 2.5% above budgeted level and have remained above the FY 2018 month-to-month amounts.
- The early results from the Energy Savings Performance Contract initiated in 2017 indicate lower utility bills in the first six months of FY 2018.
- The winter and spring of 2017-18 were cooler and wetter than average, suppressing water sales/revenues.
- The City engaged a firm to assist with the first-ever water and sewer rate study.
- The City has been required to take significant actions responding to Texas Commission on Environmental Quality (TCEQ) Notices of Violation at the Stillhouse Branch Wastewater Treatment Plant and numerous components of the Gatesville Regional Water Supply which are approaching 30 years in age.
- Beginning in January 2018, the Texas Department of Criminal Justice (TDCJ) unilaterally reduced its water and sewer consumption by 15-22% in response to funding cuts from the State Legislature, resulting in water and sewer revenues below budget projections.

Budget Development Process

Development of the City's proposed budget is a managerial process that is influenced by the political aspects of local government and the involvement of the elected officials in the planning and adoption process. The document filed with the City Secretary and presented to the governing body as required by State law takes months of planning, preparation and discussion among the departments of the City and with the governing body. A budget calendar, instructions and guidelines were provided to the department heads in May 2018. The City Manager and Finance Director developed revenue and expense projections for the current fiscal year. The review of the projected current year revenue and expenses was followed by the submission of the operating departments' draft budget spending plans for FY 2019. After the submission of the initial operating requests and new capital spending requests, the City Manager and Finance Director worked with the departments to develop a proposed budget that fits within the revenue expectations and key department goals.

As required by the City's Charter and Local Government Code Section 102, the City Manager submits the proposed budget to the City Council at least 30 days before the governing body adopts an ad valorem tax rate. The budget is filed with the City Secretary in accordance with State Law and copies of the proposed budget will be made available at the City's public library and on the City's website. The City Council considers the proposed budget during a budget workshop, which also provides an opportunity for public input as required by state law. The budget is formally adopted by the City Council during the month of September at a regularly-scheduled Council Meeting. Once adopted, the budget goes into effect on October 1.

Significant Dates for the Budget Adoption Process

May 8: Mid-Year (FY 2018) Budget review with City Council

May 14: Budget Kickoff

- Departmental submission of budget documents

June/July: City Manager review of preliminary budget

July 25 (NLT): Tax Roll certification by Chief Appraiser; certified rolls received on July 16.

August 14: Budget Workshop with City Council; Budget public hearing; discuss tax rate

August 18: Publication of proposed tax rate

August 28 & September 4: Public hearings on the tax rate (if necessary).

September 25: Proposed budget approved by City Council; FY 2019 tax rate approved

October 1: Budget becomes effective

The City of Gatesville utilizes two major funds in its financial accounting. These Funds are designated as the City's major operating funds because of their size and nature. The highlights of these Funds are discussed below:

The General Fund is the primary operating fund of the City and provides public safety (police, fire and EMS) services, City Administration, street maintenance, library services, municipal court, youth sports/recreation, the City's Civic Center, and the outdoor swimming pool.

- 78.1 percent of General Fund revenues come from just two sources – ad valorem (property) taxes and sales tax allocations. Ad valorem taxes comprise 40.6 percent of budgeted General Fund revenues in this approved budget, compared to 34 percent in the FY 2018 budget.
- The Coryell Central Appraisal District is responsible for the total estimated value of all taxable property. The tax values were certified by the Appraisal District on July 16, 2018 reflecting an increase of 4.6 percent in total taxable value. The tax on frozen accounts (over-65, 100% disabled veteran, etc.) rose slightly.
- In 2009, the Governor signed House Bill 3613 eliminating property taxes for 100% Disabled Veterans; in 2013 the voters of Texas approved eliminating property taxes for the surviving spouses of 100% Disabled Veterans. In the FY 2019 budget, \$6,876,487 (1.8%) of taxable value is exempted for fifty-one 100% Disabled Veterans and seven surviving spouses of 100% Disabled Veterans, resulting in an exemption of \$35,070 of ad valorem taxes.

- This budget is based on an ad valorem tax rate of \$0.56/\$100 valuation – a 9.8 percent increase above the adopted rate for the FY 2018 budget.
- A 1-cent increase (decrease) in the property tax rate equates to \$37,329 in increased (or decreased) General Fund revenue.
- It is important to understand the technical aspects of how the property tax rate is set. The Coryell County Tax Assessor/Collector calculates the State-mandated tax rate calculations.
 - Effective Tax Rate provides the same amount of revenue collected in the current fiscal year from properties on the tax roll in FY 2017, accounting for changes in the value of existing properties, but not newly-constructed properties.
 - Maintenance and Operations (M&O) Rate is the first of two components that comprise the total tax rate and funds salaries, utilities, and general day-to-day operations of the City.
 - Debt Service Rate is the second component, and is the statutory amount required to generate sufficient revenue to pay the City’s debt obligations.
 - Rollback Rate is the Effective Tax Rate plus 8 percent; if the City Council elects to adopt a tax rate that exceeds the rollback rate, it is subject to being “rolled back” through a petition and election by the residents of Gatesville.
 - Proposed Tax Rate is the rate considered for adoption by the City Council that is determined to be necessary to fund the City’s operations and the principal and interest on outstanding debt.
- Sales tax allocations account for 38.8 percent of General Fund revenues in this approved budget, a slight reduction compared to the fiscal year 2018 budget. A FY 2015 Texas Municipal League survey indicated that on a statewide basis, property taxes comprise 34% of municipal General Fund revenues and sales tax allocations 28%. This has not been the trend in Gatesville for several years. The persistent (but declining) imbalance between property tax revenues and sales tax allocations – while not adverse in a healthy economic climate – is a matter of concern for providing a consistently high level of service, and will be addressed in the City’s future Comprehensive Plan as strategies for increasing median home prices and attracting businesses to Gatesville.

The Enterprise Fund accounts for revenues generated by the City in providing services to its residents. Costs associated with providing safe and reliable drinking water and adequate water and infrastructure for fire protection for residents and commercial entities, and sewer collection and wastewater treatment that prevents pollutants from reaching the City’s primary water source are vital for future growth of the City while complying with increasingly stringent federal and State regulations.

- Over half of the City’s water/wastewater distribution and collection system is well beyond its useful life, and needs to be recapitalized and/or replaced. In addition, the City’s municipal airport and Fitness Center revenues and expenses are included in the Enterprise Fund as they are designed to be largely self-sufficient through user fees. The City must conservatively estimate Enterprise Fund revenues and expenses, and then monitor and evaluate revenues to ensure they cover the costs

for providing the service. The Enterprise Fund reimburses the General Fund for financial, administrative, engineering, transportation, and IT services.

- Debt Service (bond principal and interest) is budgeted in the Department responsible for that function.

This proposed budget contains revenue estimates and spending plans for the General Fund and the Enterprise Fund. The total proposed operating budget is \$14,374,860 which represents a 2.95 percent increase over FY 2018. This total includes \$5,568,627 for the General Fund, and \$8,806,233 for the Enterprise Fund.

	GENERAL FUND	ENTERPRISE FUND	TOTAL
PROJECTED REVENUE	\$5,568,627	\$8,806,233	\$14,374,860
BUDGETED EXPENSES	\$5,568,627	\$8,806,233	\$14,374,860

Ongoing challenges with the City's aging infrastructure at a time when most revenues have remained flat at best, results in demands in several service areas (notably sustaining water distribution, wastewater treatment, and streets) that are becoming increasingly difficult to meet. This approved budget is insufficient for planning for significant infrastructure recapitalization without receiving grant funding, such as the Community Development Block Grant. The proposed budget is balanced with no projected fund balance in either the General or Enterprise fund.

By comparison to FY 2018 (current fiscal year), in this proposed budget, General Fund revenues increase 3.2 percent due to a projected increase in ad valorem taxes, sales tax allocations, recreation (youth sports) sponsorships – mostly a result of hosting post-season tournaments - and the sale of City properties that are excess to our needs. General Fund expenses increase slightly due to replacing law enforcement equipment beyond its useful life, establishing a dedicated Building and Grounds Department in late FY 2018, and the inclusion of several initiatives that have been executed with limited funding in the budget in the past (HHW Day, Comprehensive Planning, etc.) Enterprise Fund revenues increase by 0.6 percent over FY 2018, and expenses increase by the same 0.6 percent.

FY 2019 ESTIMATED REVENUES VS. REQUESTED EXPENSES GENERAL FUND

GENERAL FUND	FY 2015	FY 2016	FY 2017	FY 2018 (Adopted)	FY 2019 (Approved)
Ad Valorem Taxes ^{Note 1,4}	\$1,456,365	\$1,660,946	\$1,836,676	\$2,030,500	\$2,280,761
Sales Tax Allocation	\$1,951,406	\$1,978,274	\$2,056,627	\$2,050,000	\$2,152,500
Transfer from Water & Sewer Fund	\$901,797	\$259,170	\$163,769	\$234,638	\$219,192
Utility Franchise Fees	\$301,931	\$396,128	\$336,825	\$340,000	\$344,171
Municipal Court Fines	\$107,373	\$130,365	\$148,005	\$140,000	\$140,000
Recreation Sponsorships/Registrations	NA	\$78,026	\$101,297	\$80,000	\$90,000
Outdoor Swimming Pool Receipts	\$44,650	\$41,353	\$43,351	\$50,000	\$43,118

Liquor Taxes	\$9,981	\$11,629	\$12,534	\$12,000	\$12,000
Civic Center Rental Fees	\$10,750	\$8,960	\$14,675	\$20,000	\$20,000
Licenses and Permits	\$38,411	\$18,572	\$40,462	\$20,000	\$30,000
Sale of Cemetery Lots	\$15,935	\$12,620	\$9,000	\$12,000	\$12,000
Hotel Occupancy Tax Transfer ^{Note 2}	\$59,111	\$55,036	\$78,905	\$115,200	\$86,365
Library Fines/Copies	\$13,817	\$12,391	\$11,145	\$11,000	\$12,100
Reimbursement from GISD (SRO)	\$35,938	\$41,386	\$41,346	\$46,000	\$46,000
Other Revenue ^{Note 3}	\$226,635	\$245,944	\$201,503	\$82,320	\$80,420
Total General Fund Revenues	\$5,174,100	\$4,950,800	\$5,096,120	\$5,243,658	\$5,568,627
GENERAL FUND EXPENSES BY DEPT	FY 2015	FY 2016	FY 2017	FY 2018 (Adopted)	FY 2019 (Approved)
LIBRARY	\$229,661	\$251,671	\$288,205	\$253,660	\$236,230
ADMINISTRATION	\$879,418	\$699,713	\$667,141	\$731,133	\$658,294
POLICE DEPARTMENT	\$1,907,836	\$1,954,396	\$1,933,546	\$1,901,810	\$2,073,808
FIRE DEPARTMENT	\$233,776	\$245,169	\$300,355	\$213,861	\$205,633
STREET DEPARTMENT	\$1,350,196	\$807,957	\$1,789,237	\$1,221,920	\$1,387,642
UTILITY BUILDING	\$88,329	\$64,636	\$76,050	\$89,235	\$98,600
PARKS/CEMETERY MAINTENANCE (B&G)	\$313,551	\$114,098	\$147,772	\$163,420	\$220,690
RECREATION (YOUTH SPORTS)		\$205,119	\$242,668	\$282,876	\$275,095
CIVIC CENTER/CVB	\$458,040	\$103,114	\$172,615	\$154,437	\$156,920
SWIMMING POOL	\$77,602	\$71,351	\$94,979	\$94,505	\$95,350
MUNICIPAL COURT	\$121,650	\$134,849	\$134,044	\$136,800	\$160,365
TRANSFER EXPENSE	-\$308,743	\$119,921	\$100,000	0	0
Total General Fund Expenses	\$5,351,316	\$4,771,994	\$5,946,612	\$5,243,657	\$5,568,627
Note 1: Approved Tax Rate	\$0.41/\$100	\$0.45/\$100	\$0.46/\$100	\$0.51/\$100	\$0.56/\$100
Note 2: Restrictions on Uses					
Note 3: Code Enforcement, Intergovernmental (grant) funding, miscellaneous donations, auditorium rental; FY19 minimal grant funding					
Note 4: Net Taxable properties increased 3.8% over FY 2018					

FY 2019 ESTIMATED REVENUES VS. REQUESTED EXPENSES

ENTERPRISE FUND

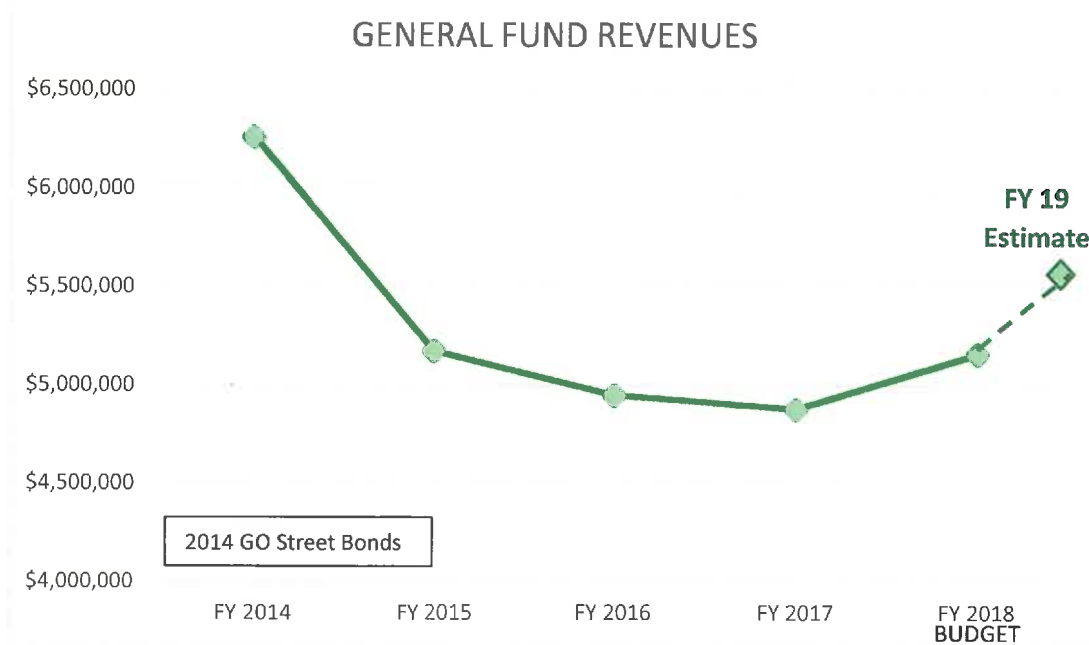
ENTERPRISE FUND	FY 2016	FY 2017	FY 2018 (Adopted)	FY 2019 (Approved)
Water Billing (City/TDCJ)	\$3,083,765	\$2,888,832	\$2,990,500	\$2,978,299
Sewer Billing (City/TDCJ)	\$2,174,455	\$2,182,376	\$2,063,000	\$2,197,000
Wholesale Water (City/WSCs)	\$2,292,437	\$2,198,734	\$2,093,950	\$2,098,000
Fitness Center	\$195,877	\$183,165	\$230,000	\$198,000

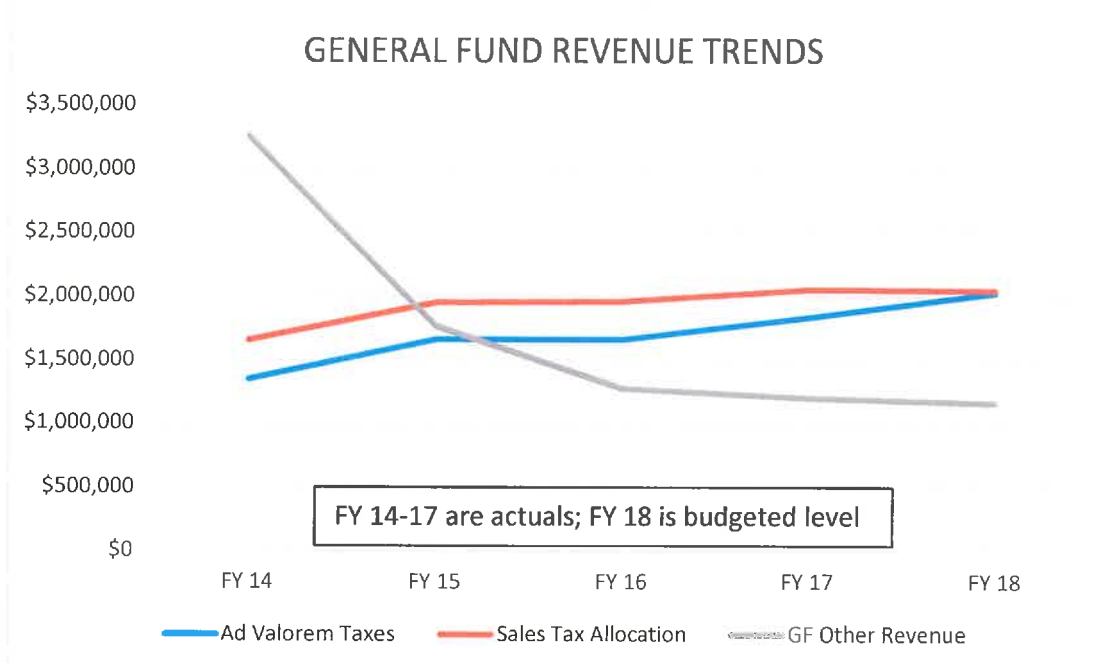
ENTERPRISE FUND EXPENSES BY DEPT				
Water Distribution	\$4,642,617	\$3,712,338	\$3,721,625	\$3,376,128
Sewer	\$1,821,778	\$2,430,521	\$2,395,282	\$2,611,664
Water Production	\$1,747,959	\$2,164,929	\$1,749,573	\$2,051,291
Fitness Center	\$327,036	\$319,326	\$285,970	\$280,600

Trend Analysis

The City of Gatesville utilizes conservative strategies when projecting revenues and expenditures. Revenue and expenditure trends are monitored on a monthly basis by the City Manager and Finance Director so necessary adjustments can be made to control spending. As evidenced in the current year, monitoring of revenues and expenditures informs the capital spending plan and can limit extreme fluctuations in available funds from one fiscal year to the next. Expenses (spending) must be based on a realistic assessment of projected revenues.

Revenue Trends



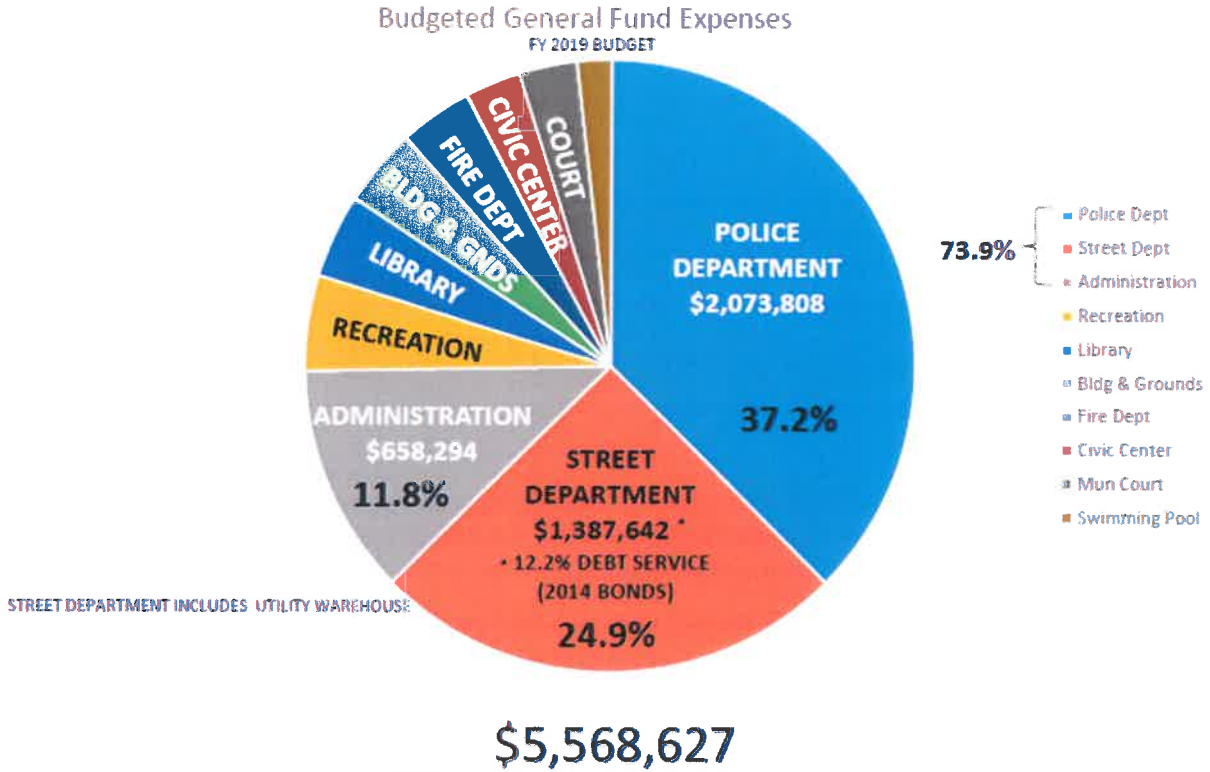


GENERAL FUND: The City of Gatesville funds the following Departments from General Fund revenues:

- City Administration
- Police Department
- Fire Department
- Street Department
- Building and Grounds Department
- Library
- Municipal Court
- Civic Center
- Swimming Pool
- Recreation Department (Youth Sports)

For FY 2019, General Fund Revenue projections increased 5.6 percent compared to the 2017-18 (FY 18) adopted budget. We project modest increases in revenues from property taxes and sales tax allocations.

GENERAL FUND EXPENSES BY DEPARTMENT:



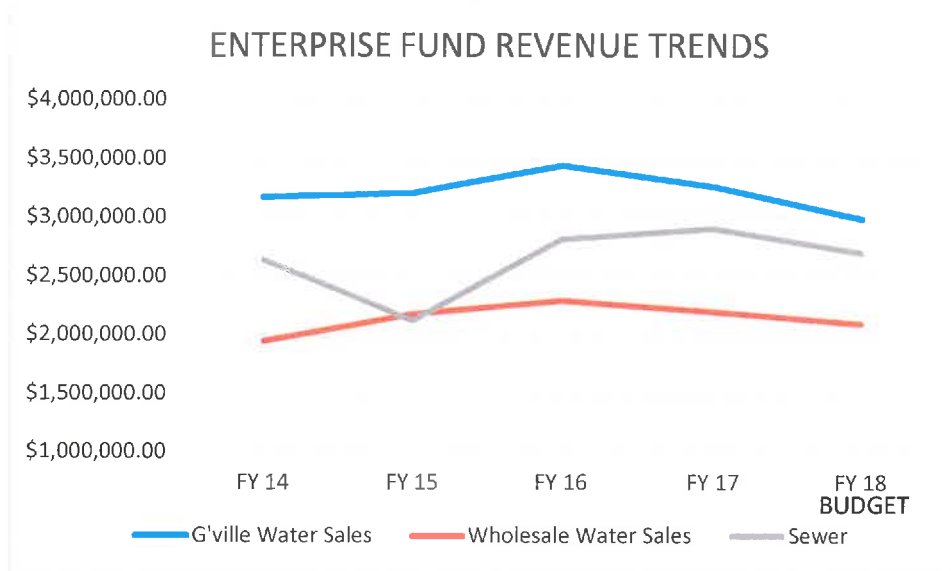
The City Charter mandates that the annual budget provide “a contingent appropriation in an amount not more than three percent of the total budget to be used in case of unforeseen items of expenditure”. For the FY 2019 budget \$46,952.52 is budgeted as an expense item in the Administration Department budget. Should this appropriation not be expended on unforeseen expenses, it will be added to the current unassigned fund balance of \$403,748. The City adopted a formal fund balance policy in 2018 (attached), with unassigned fund balance goals of a total of two months of budgeted expenses in the General Fund; for FY 2019, the goal is \$928,105

A summary by General Fund Department expense categories compared to last year’s budgeted amount is as follows:

Department	Increase ↑/ (Decrease) ↓	Comments
Library	↓	Sustains current levels of service; projected lower utility costs due to HVAC and lighting replacement. Lower personnel costs due to retirement. Purchase of 7 replacement computers.
Administration	↓	Funding budgeted for Comprehensive Plan, HHW Day, Energy Debt (Debt Service for Energy Savings Contract), and Substandard structure abatement. Moved Building Inspectors to Building & Grounds Department.

Police Dept.	↑	Salary adjustment; minor increases in equipment purchase (Mobile Ticket Writer); additional vehicle lease; F/T Code Enforcement Officer.
Fire Dept.	↓	Anticipated reduction in utilities due to lighting replacement; grant-funded training.
Street Dept.	↑	Street sweeper rental; additional street/pothole repairs.
Utility Building	↑	Capital Purchase (welder or shelving)
Buildings and Grounds	↑	New Department created by merging Administration and Street Department functions.
Recreation/ Youth Sports	↓	Continued field and concession stand improvements at complex.
Civic Center	↑	Increased Repair & Maintenance (cleaning) and training.
Muni Court	↑	Credit Card service fee; contract prosecutor
Swimming Pool	↑	Equipment purchase

The General Fund is balanced, however there are insufficient funds dedicated for capital purchases requested by Department Heads. If General Fund revenues outperform estimates, capital purchases will be considered in the third quarter of the Fiscal Year.



ENTERPRISE FUND: The City of Gatesville funds the following Departments from Enterprise Fund revenues:

- Gatesville Municipal Airport
- Fitness Center
- Water Distribution
- Water Production
- Wastewater Treatment/Sewer

- Sanitation

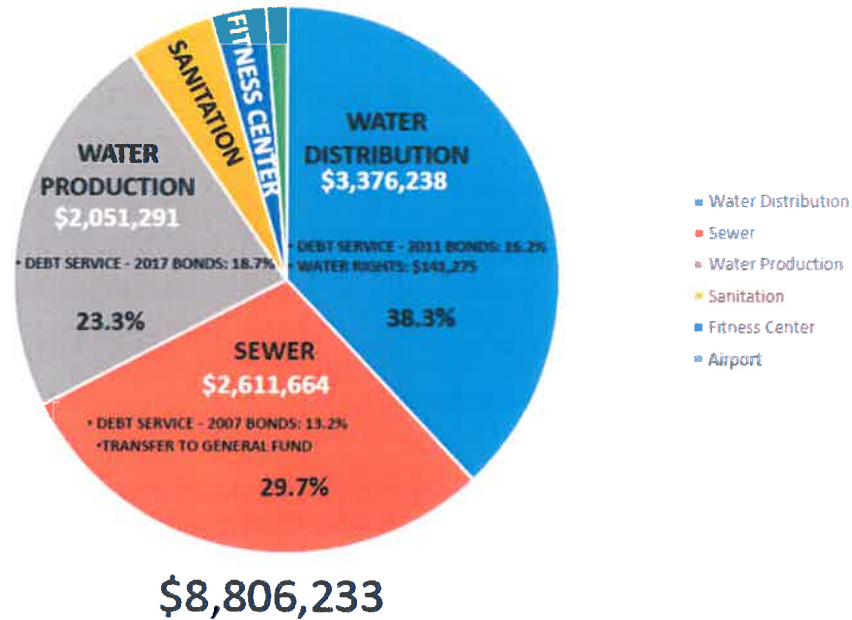
The Enterprise Fund revenues come from:

- Water Billing Revenue (City of Gatesville and the Texas Department of Criminal Justice)
- Sewer Billing Revenue (City of Gatesville and the Texas Department of Criminal Justice)
- Fitness Center Revenue
- Water Production Revenue (Wholesale Customer Water Sales)
- Sewer Revenue (Primarily Wastewater Treatment services for North Fort Hood)
- Airport Revenue (Hangar Rental and Fuel Sales)

Enterprise Fund revenues are budgeted with a 1.0 percent increase over the FY 2018 budget levels, pending the final results of the water and sewer rate study and ensuing discussions/decisions on adjusting those rates. We continue discussions with Fort Hood leadership about adopting a model for wastewater charges that allows underpayments or overpayments to be resolved through the use of that account's reserve fund. Pending the outcome of those discussions, we have elected to forecast an extremely conservative revenue estimate for North Fort Hood wastewater treatment.

After removing the debt service payments for Water and Sewer Plant improvement from expenses, the macro-economic analysis indicated that expenses incurred in the Wastewater collection and treatment functions exceed revenues, while retail water revenues exceed expenses. In January 2016, the City of Gatesville was selected by the Environmental Protection Agency as one of 10 WaterCARE communities in the United States. Designed to assist smaller communities with innovative strategies to finance water, wastewater, and drainage infrastructure improvements we determined that a priority for the City was to conduct a thorough and comprehensive analysis of both water and sewer rates. The Environmental Finance Centers at the University of North Carolina and the University of New Mexico assisted the City with this analysis at no charge. Their results validated our conclusions, and the City has contracted for a comprehensive water and sewer rate study, which is currently on-going.

Budgeted Enterprise Fund Expenses
FY 2019 BUDGET



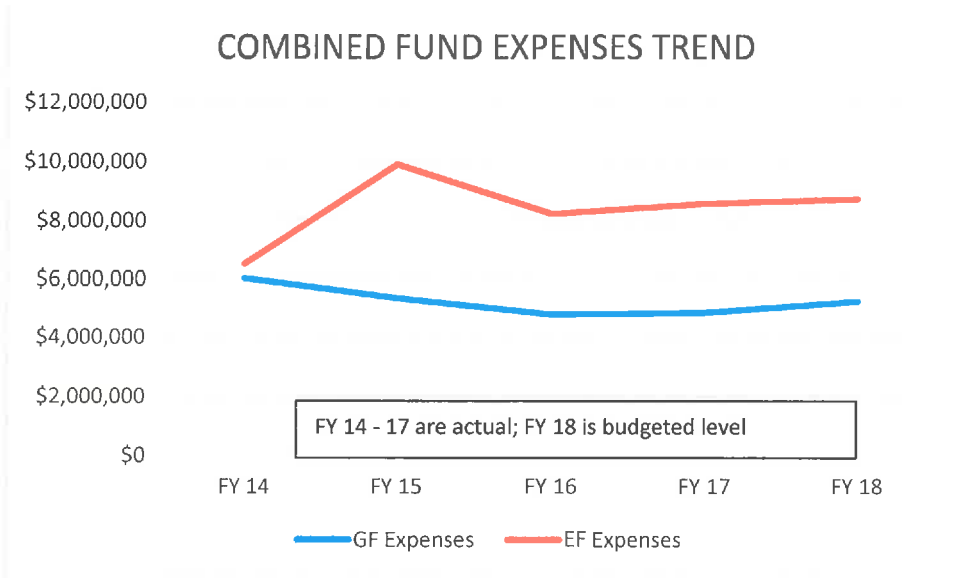
A summary by Enterprise Fund Department expense categories compared to last year's budgeted amount is as follows:

Department	Increase ↑/ (Decrease ↓)	Comments
Airport	↓	Rehabilitation of airport runway and apron was completed in 2018.
Water Distribution	↓	Lower personnel costs, lab fees; completion of Park Street infrastructure replacement
Water Production	↑	Reduction in utilities due to anticipated high-efficiency motor installation at intake, treatment plant, and BP1; 2017 Bond debt service moved from Water Distribution (retail) to Water Production (wholesale)
Sewer	↑	Materials & Supplies increase at both WWTP; increased equipment rental; permit fees; lift station repairs and maintenance – shifted to Wastewater Treatment Department from Water Distribution in 2018.
Fitness Center	↓	Reduction in salaries; utilities; increased equipment rental (lease of cardio equipment)

The Enterprise Fund budget is balanced. However, as in the General Fund, there are Department-requested capital spending outlays and capital projects, totaling \$1,481,650 that are not included in the

current budget. If Enterprise Fund revenues outperform estimates, capital purchases will be considered in the third quarter of the Fiscal Year.

Combined Fund Expenditure Trends



DEBT SERVICE OBLIGATIONS:

BONDS/CERTIFICATES OF OBLIGATION

DATE FINANCED	ISSUE AMOUNT	PURPOSE FOR BONDS	MATURES	BALANCE INCLUDING INTEREST	AMOUNT DUE FY 2018
8/1/2007	\$4,000,000.00	2007 Tax & Utility System Revenue Bonds (Revenue bonds to connect NFH to Gatesville Wastewater System)	9/1/2028	\$3,749,267.50	\$343,402.50
10/1/2011	\$8,005,000.00	2011 Tax & Utility System Revenue – Certificates of Obligation (Revenue bonds for Phase II of	9/1/2036	\$10,834,077.50	\$545,785

		Water System Renovation)			
2/9/2014	\$1,500,000.00	STREET PROGRAM BONDS (GO bonds to purchase equipment to repair city streets)	2/1/2024	\$1,170,136.25	\$168,944
5/24/2017	\$7,238,103.50	GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017 (Revenue bonds for Phase II of Water System Renovation)	9/1/2036	\$7,178,591.00	\$382,400
TOTAL					\$1,440,531.50

LOANS:

DATE BORROWED	AMOUNT BORROWED	LOAN PURPOSE	PAYMENTS		MATURES	BALANCE	AMOUNT DUE FY 2018
9/15/2014	\$460,025	RENOVATION OF CIVIC CENTER	\$55,036.27	ANNUAL	9/15/2024	\$295,580.46	\$55,036.27
12/13/2016	\$132,995	2016 KAWASAKI LOADER	\$26,599 + Interest	ANNUAL	12/13/2021	\$109,336.98	\$29,299
TOTAL							\$84,335.27

Economic Outlook for FY 2019: There is no significant residential development platted or planned in the immediate future, although limited new home construction is occurring in various parts of the City. As a result, the ad valorem tax base (driven by property valuations) will remain largely unchanged for the foreseeable future. In FY 2018 to-date, 14 permits have been issued for new single-family residences and six duplexes. The City issued 26 single-family residence and seven duplex permits in 2017. City-Data.com is a social networking and information website that captures data for U.S. cities. The information is obtained by public records and FOIA requests. The data extends into the unincorporated areas of Coryell County with the 76528 zip code, however comparative data that includes Gatesville is non-existent on sources such as the Texas A&M Real Estate Center website. For 2016, the estimated median (50% above/50% below) house values for several communities in Central Texas were:

- Gatesville: \$79,229
- McGregor: \$95,553
- Copperas Cove: \$98,532
- Lampasas: \$107,176
- Belton: \$132,045

The mean (average) values of a detached house were:

- Gatesville: \$119,431
- McGregor: \$157,776
- Copperas Cove: \$177,218
- Belton: \$193,545
- Lampasas: Not available

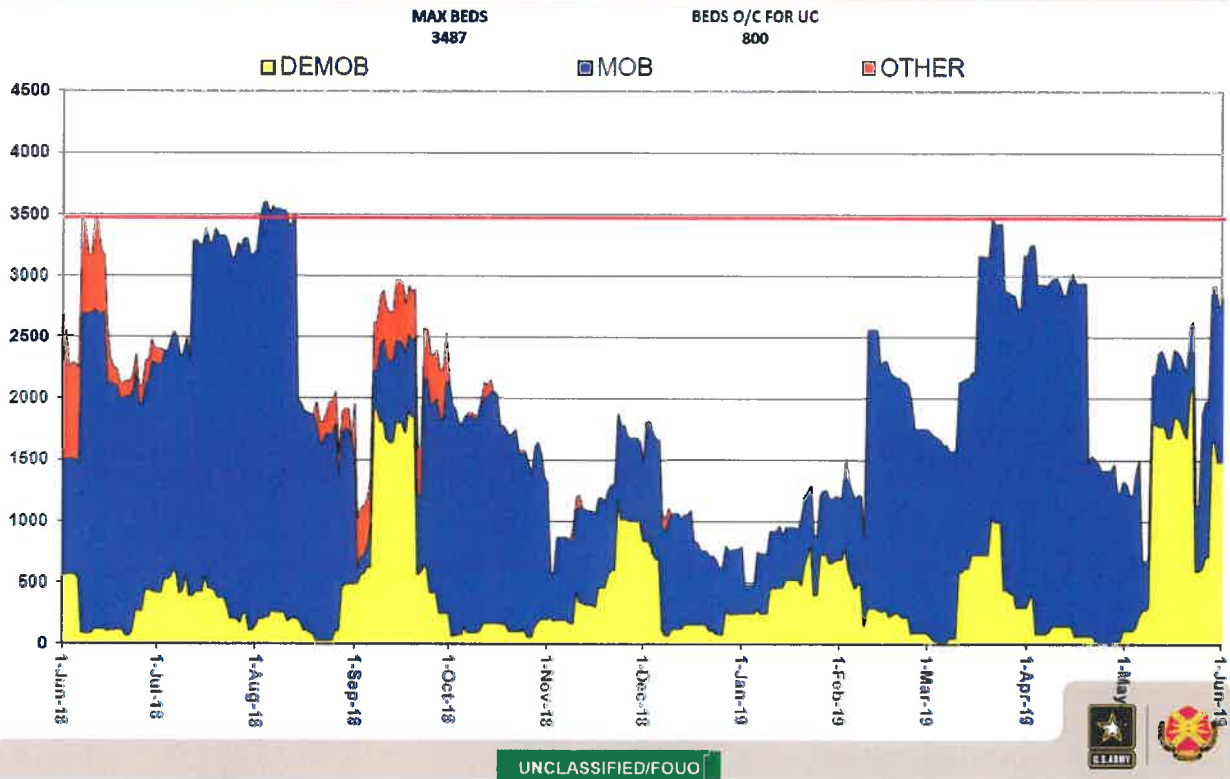
For 2018, the Coryell Central Appraisal District has appraised the market value of the total 2,766 single family residences in the City of Gatesville at an average (mean) of \$87,593 per residence.

At the current time, there is a lack of significant business creation/development/expansion in Gatesville, although several parcels of undeveloped land in the City's extra-territorial jurisdiction have recently been listed for sale. On Main Street – the principal commercial corridor in the City – there are currently 14 businesses and nine residential structures (zoned business-commercial) that are vacant; many have been vacant for several years. There is no entity focused on sustaining existing business/attracting new business-commercial development to Gatesville. Exploring the options for creating an Economic Development Corporation (EDC) to perform this function will occur this year.

The City will continue aggressive public nuisance enforcement and substandard structures programs at levels that are reasonable given resource constraints. Several vacant lots in the City (or lots with substandard structures) do not meet the Single Family Residential Zoning Ordinance minimum of 6,000 - 8,000 square foot lot requirements (depending on zoning district). There are numerous, non-contiguous vacant lots north of Main Street that are zoned Residential 2-4 Family; further analysis is required to determine if this housing segment is already saturated. The Planning & Zoning Commission continues its efforts to revise the Subdivision Ordinance and once complete, will attempt to revise the City's Zoning Ordinance again.

While not a significant economic impact on Gatesville's economy, worldwide strategic uncertainty is impacting Reserve Component (Army National Guard and US Army Reserve) mobilizations at North Fort Hood which are projected to remain at or near peak in FY 2019. The largest impact will be increased water sales and sewer revenues, with little change in sales taxes or hotel/motel occupancy.

Fort Hood Mobilization / De-Mobilization



HUMAN RESOURCES AND HEALTH INSURANCE: In this preliminary budget, salary increases have been limited to a 2% across-the-board cost of living. Department Heads have some discretion to recognize their most exemplary employees. The City has not participated in a comprehensive salary survey for several years to determine where pay issues may exist. In FY 2019, the City will plan to hire a professional firm to assist in ensuring it is organized efficiently and effectively, updating position descriptions, and developing pay scales based both on merit and longevity (not currently funded). Healthcare premium costs are budgeted at the same level as the FY 2018 adopted budget. We will not know the exact costs of employee healthcare coverage and options until November/December 2018; this budget proposes to keep employer-provided health insurance premiums at the same level as current.

CAPITAL IMPROVEMENT PLAN: A Capital Improvement Plan (CIP) is a short-range plan (usually 4-10 years) which identifies capital projects – different than capital purchases. The CIP provides a link between the City, the City’s Comprehensive Plan, and the City’s annual budget. A CIP allows for:

- systematic evaluation of all potential projects at the same time;
- the ability to consolidate projects to reduce borrowing costs;
- serving as an economic development tool;
- preserving the City’s infrastructure while ensuring the efficient use of public funds.

There is no evidence that the City has had a CIP for several years. A proposed Capital Improvement Plan covering FY 2018-FY 2021 is attached to this budget.

ADDITIONAL ITEMS OF INTEREST:

The City continued to execute some initiatives in FY 2018 with limited funding in the budget that need to at least be sustained in FY 2019. These include:

a. A Household Hazardous Waste Day/Operation Clean Sweep – these have been very successful events the past three years, however the 2018 event came with a cost to the City of \$14,960.91 (exceeding budget by \$5,000). The City received a CTCOG grant of \$10,000 for this year's HHW Day event. We will request an increase in grant funds, and have budgeted \$15,000 for FY 2019.

b. Funding to abate substandard structures by the City (when the property owner will not pay) is included in this budget at \$15,000 – the same as FY 2018. This amount will cover only three structures if the City is required to demolish the structure.

c. Asbestos removal and demolition of the remainder of the Rotunda – a long standing unfinanced eye-sore – is not included in this budget. The City is exploring all options to abate this structure.

d. Initial indications are that the Energy Savings Performance Contract begun in FY 2018 is resulting in substantive reductions in utility costs.

e. In FY 2018, the City began the process of updating its 1970 Comprehensive Plan starting with a survey of citizen's needs and requirements. Comprehensive planning is one approach that can aid the City of Gatesville to preserve the unique character of the City while taking advantage of the positive aspects of growth in one of the fastest growing regions in the country. Through the planning process, citizens share in the formulation of guiding principles and policy statements which guide decisions by the City Council. The product of planning is the Comprehensive Plan – a guide to the future physical development of the City. Once adopted by the City Council it will serve as a guide for public decisions in the areas of land use, capital improvements, zoning, and other land management decisions. Orderly, planned development can help the City absorb population growth while preserving the quality of life. As a result of the needs/requirements survey, four Guiding Principles were developed:

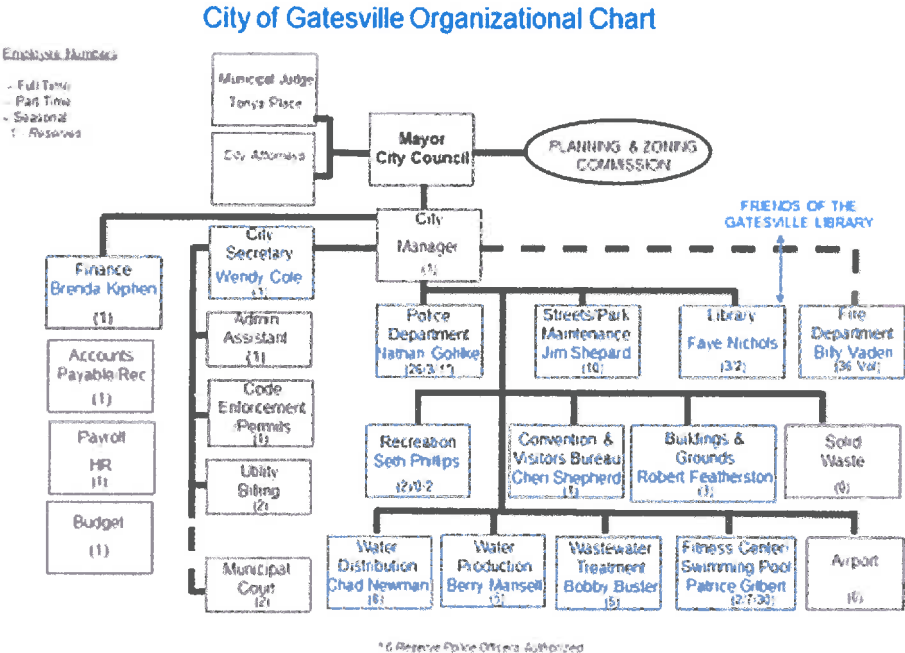
- Investment: municipal infrastructure, programs, and human resources;
- Renewal: compatible growth, redevelopment, and expanding economic opportunity;
- Balance: demographically, economically, approach to growth;
- Growth.

Short-term (0-5 years) strategies supporting each of these Guiding Principles are attached to this budget.

f. Organizational Shortfalls: The City has continued to operate with a mentality of "do more with the same" and several functions found in similar-sized municipalities are lacking in the City's current organization. These include: a dedicated IT/network administrator; planner/community

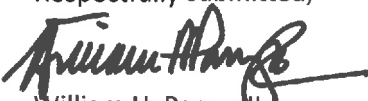
development; staff engineer/Public Works Director; and Public Information Officer. There are currently 13 Departments reporting directly to the City Manager, which can be argued is too broad of a span of control. The City Manager, in addition to covering the functions that are not filled, is the Airport Fixed Base Operator. We are currently executing a planning internship, with the intent of filling that position with a full-time employee in FY 2019. We are also exploring the opportunity for a Public Works internship with the assistance of Fort Hood and the US Chamber of Commerce "Hiring Our Heroes" program. With an increased revenue stream, these vacancies can be filled incrementally.

AS OF 1 MAY 2018



While this budget proposal is austere, it continues the City’s commitment to the highest level of service possible within resource constraints, and establishes sound financial management practices to guide our strategic planning considerations for the future. I welcome your input on where adjustments within Departments might be necessary, keeping in mind that increases to one Department/function will necessitate corresponding reductions in another Department.

On behalf of the Staff, I would like to thank the Mayor and Council for the time and effort invested leading up to the final adoption of the 2019 budget and Municipal Services Plan. I would also like to express my thanks to the Staff and Department Heads who assisted in the development of this proposed budget.

Respectfully submitted,

 William H. Parry, III
 City Manager

CITY OF GATESVILLE
 APPROVED BUDGET
 AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND

REVENUES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>ADVALOREM TAXES</u>			
010-4-001-3881 2018 TAXES	0	0	2,229,561
010-4-001-3882 2017 TAXES	0	1,990,541	20,000
010-4-001-3883 2016 TAXES	1,769,862	21,214	8,000
010-4-001-3884 2015 TAXES	28,310	6,266	1,500
010-4-001-3885 2014 TAXES	6,230	1,860	1,000
010-4-001-3886 2013 TAXES	2,712	615	300
010-4-001-3887 2012 TAXES	1,021	132	300
010-4-001-3888 2011 TAXES	822	40	300
010-4-001-3889 2010 & PRIOR TAXES	1,442	548	800
010-4-001-4060 A V TAX PENALTY/INTEREST	26,276	28,840	19,000
TOTAL ADVALOREM TAXES	1,836,676	2,050,057	2,280,761
<u>OTHER REVENUE</u>			
010-4-002-4091 BUSINESS PERS PROP REVENU	1,329	1,326	1,300
010-4-002-4100 FINES & FORFEITURES	148,005	118,622	140,000
010-4-002-4110 MISCELLAN.DONATIONS	1,623	0	0
010-4-002-4150 SALES TAX	1,897,023	2,339,157	2,152,500
010-4-002-4200 FRANCHISE TAX	338,625	299,115	344,171
010-4-002-4250 LIQUOR TAX	12,534	13,780	12,000
010-4-002-4270 ALCOHOL PERMIT FEES	220	1,465	120
010-4-002-4300 LICENSES & PERMITS	40,462	43,531	30,000
010-4-002-4320 PMT ON LOT CLEANING	8,279	8,416	6,500
010-4-002-4331 AUDITORIUM RENTAL	4,375	2,975	3,000
010-4-002-4350 SALE OF CEMETERY LOTS	9,000	13,750	12,000
010-4-002-4400 INTEREST	2,702	6,541	5,000
010-4-002-4440 SALE OF CITY PROPERTY	40,539	24,089	37,500
010-4-002-4500 LIBRARY FINES,COPIES,ETC.	11,145	10,966	12,100
010-4-002-4530 DONAT'NS >LIBR.	0	0	0
010-4-002-4547 RECREATION SPONSORSHIPS	101,297	115,009	90,000
010-4-002-4550 MISCELLANEOUS	4,367	47,706	20,000
010-4-002-4600 POOL RECEIPTS	43,351	42,355	43,118
010-4-002-4606 PROPERTY RENTAL	4,110	6,265	7,000
010-4-002-4609 CIVIC CENTER RENTAL	14,675	23,830	20,000
010-4-002-4611 LOAN PROCEEDS	132,995	0	0
010-4-002-4650 OVER / SHORT	208	124	0
010-4-002-4750 INTERGOVERNMENT REV.	1,284	2,342	0
010-4-002-4850 TRANSFER FROM W&S FUND	204,226	265,376	219,192
010-4-002-4880 TRANSF FROM OTHER FUNDS	0	0	0
010-4-002-4882 TRANS FROM HOTEL/MOTEL	78,905	85,993	86,365
010-4-002-4885 TRANSFRfmGEN.RESTRCTD FND	22,907	25,028	0
010-4-002-4891 REIMB FROM GISD	41,346	34,488	46,000
010-4-002-4900 REIMB. ON DAMAGES	0	0	0
TOTAL OTHER REVENUE	3,165,532	3,532,248	3,287,866
TOTAL REVENUES	5,002,208	5,582,304	5,568,627

CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
LIBRARY

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>PERSONNEL</u>			
010-5-105-10010 SALARIES	142,533	147,712	131,000
010-5-105-10020 OVERTIME-SALARIES	6	44	0
010-5-105-10050 RETIREMENT	19,249	18,950	14,500
010-5-105-10060 UNEMPLOYMENT	0	0	250
010-5-105-10070 SOCIAL SECURITY	3,111	3,808	4,200
010-5-105-10080 CONTRACT SERVICES	<u>7,352</u>	<u>4,088</u>	<u>4,640</u>
TOTAL PERSONNEL	172,251	174,601	154,590
<u>OTHER OPERATIONS</u>			
010-5-105-20010 UTILITIES	14,655	13,473	12,000
010-5-105-20015 BOOKS, VIDEOS, DVDS	26,143	22,469	26,000
010-5-105-20020 MAT., SUP., & PRINTING	7,469	7,597	6,800
010-5-105-20030 SCHOOL, TRAVEL & MEMBERS	2,674	3,291	2,850
010-5-105-20040 INSURANCE	20,369	16,830	11,000
010-5-105-20045 PROP, LIAB, WC INSURANCE	3,641	3,283	3,700
010-5-105-20050 MAILING EXPENSE	624	496	600
010-5-105-20090 EQUIPMENT PURCHASE	985	0	6,550
010-5-105-20140 EQUIPMENT RENTAL	2,527	2,527	3,140
010-5-105-30020 MISCELLANEOUS	418	197	0
010-5-105-30025 SUBSCRIPTIONS	3,050	2,765	900
010-5-105-30070 MAINTENANCE AGREEMENT	3,321	3,226	3,600
010-5-105-40010 CAPITAL OUTLAY	22,646	66,379	0
010-5-105-50010 REPAIRS & MAINTENANCE	1,295	1,957	4,500
010-5-105-60090 DEPRECIATION EXPENSE	<u>0</u>	<u>28,783</u>	<u>0</u>
TOTAL OTHER OPERATIONS	109,817	173,273	81,640
TOTAL LIBRARY	282,068	347,874	236,230

CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
ADMINISTRATION

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>PERSONNEL</u>			
010-5-110-10010 SALARIES	294,069	305,260	231,950
010-5-110-10020 OVERTIME-SALARIES	1,655	2,026	1,500
010-5-110-10050 RETIREMENT	44,908	45,137	39,160
010-5-110-10060 UNEMPLOYMENT	0	0	250
010-5-110-10070 SOCIAL SECURITY	4,544	5,674	3,900
010-5-110-10080 CONTRACT SERVICES	2,920	52,811	24,320
TOTAL PERSONNEL	348,097	410,908	301,080
<u>OTHER OPERATIONS</u>			
010-5-110-20010 UTILITIES	22,389	18,902	27,000
010-5-110-20020 MAT., SUP., & PRINTING	17,590	17,360	19,700
010-5-110-20030 SCHOOL, TRAVEL & MEMBERS	24,735	22,576	28,525
010-5-110-20040 INSURANCE	30,502	27,319	20,000
010-5-110-20045 PROP. LIAB. WC INSURANCE	8,299	7,985	7,580
010-5-110-20050 MAILING EXPENSE	2,875	3,221	3,250
010-5-110-20070 LEGAL & AUDIT	7,476	2,740	7,500
010-5-110-20080 TAX BOARD-CCAD	30,347	31,804	35,450
010-5-110-20090 EQUIPMENT PURCHASE	990	805	2,200
010-5-110-20110 UNIFORMS	895	941	500
010-5-110-20140 EQUIPMENT RENTAL	7,014	7,014	10,050
010-5-110-20230 VEHICLE LEASE	2,571	5,036	0
010-5-110-30010 GAS & OIL	2,016	2,632	0
010-5-110-30020 MISCELLANEOUS	10,012	22,981	10,200
010-5-110-30035 PUBLIC NOTICES & ADVERTI	4,626	6,483	6,000
010-5-110-30037 RECORDING FEES	1,383	849	2,075
010-5-110-30050 AMBULANCE	25,000	50,000	25,000
010-5-110-30070 MAINTENANCE AGREEMENT	22,118	22,967	24,000
010-5-110-30090 TAX COLLECTION FEE	11,940	11,968	12,200
010-5-110-30092 ELECTION EXPENSES	400	0	4,000
010-5-110-30116 COMPREHENSIVE PLAN	30,353	0	10,000
010-5-110-40010 CAPITAL OUTLAY	285,823	20,519	0
010-5-110-40027 ENERGY DEBT	0	20,564	20,871
010-5-110-50010 REPAIRS & MAINTENANCE	4,144	7,844	4,160
010-5-110-50023 HOUSEHOLD HAZARDOUS WAST	0	14,961	15,000
010-5-110-50034 SUBSTANDARD STRUCTURE AC	15,545	0	15,000
010-5-110-50060 CHRIMS DECORATING	3,370	0	0
010-5-110-60087 CONTINGENT APPROPRIATION	0	0	46,953
010-5-110-60090 DEPRECIATION-EXPENSE	0	33,618	0
TOTAL OTHER OPERATIONS	572,413	361,089	357,214
TOTAL ADMINISTRATION	920,510	771,997	658,294

CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
POLICE

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>PERSONNEL</u>			
010-5-115-10010 SALARIES	1,135,399	1,119,810	1,236,697
010-5-115-10020 OVERTIME-SALARIES	50,351	64,035	35,000
010-5-115-10050 RETIREMENT	181,065	184,502	194,256
010-5-115-10060 UNEMPLOYMENT	0	0	250
010-5-115-10070 SOCIAL SECURITY	18,078	18,255	18,000
010-5-115-10080 CONTRACT SERVICES	0	0	0
TOTAL PERSONNEL	1,384,893	1,386,603	1,484,203
<u>OTHER OPERATIONS</u>			
010-5-115-20010 UTILITIES	42,123	39,304	35,000
010-5-115-20020 MAT., SUP., & PRINTING	11,824	13,765	14,000
010-5-115-20030 SCHOOL, TRAVEL & MEMBERS	9,504	9,767	10,700
010-5-115-20040 INSURANCE	169,764	143,397	183,000
010-5-115-20045 PROP, LIAB, WC INSURANCE	48,618	42,363	74,420
010-5-115-20050 MAILING EXPENSE	2,057	1,725	1,700
010-5-115-20090 EQUIPMENT PURCHASE	12,857	19,620	17,206
010-5-115-20100 RADIO & TELETYPE	0	0	0
010-5-115-20110 UNIFORMS	6,536	7,685	6,000
010-5-115-20140 EQUIPMENT RENTAL	3,572	3,003	3,280
010-5-115-20230 VEHICLE LEASE	2,922	15,833	41,050
010-5-115-30010 GAS & OIL	31,281	37,143	40,000
010-5-115-30020 MISCELLANEOUS	6,166	9,893	4,000
010-5-115-40010 CAPITAL OUTLAY	54,387	61,958	63,709
010-5-115-50020 REPAIR & MAINT.-VEHICLES	9,259	14,961	15,000
010-5-115-50030 REP/MAINT.-NON VEHICLE	11,165	14,212	15,000
010-5-115-50100 MAINTENANCE CONTRACT	42,887	53,460	54,040
010-5-115-60090 DEPRECIATION EXPENSE	0	110,064	0
010-5-115-60500 RABIES CONTROL	1,216	628	1,500
010-5-115-60502 AMMUNITION	3,657	3,489	3,000
010-5-115-60503 PROMOTIONAL MATERIALS	254	1,093	1,000
010-5-115-60504 ANIMAL CONTROL	3,318	4,528	6,000
TOTAL OTHER OPERATIONS	473,368	607,892	589,605
TOTAL POLICE	1,858,261	1,994,494	2,073,808

CITY OF GATESVILLE
 APPROVED BUDGET
 AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
 COURT

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DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT Y BUDGET
<u>PERSONNEL</u>			
010-5-116-10010 SALARIES	87,162	89,722	93,000
010-5-116-10020 OVERTIME-SALARIES	2,268	2,810	3,000
010-5-116-10050 RETIREMENT	10,425	10,840	11,000
010-5-116-10060 UNEMPLOYMENT	0	0	250
010-5-116-10070 SOCIAL SECURITY	2,436	2,749	2,950
010-5-116-10080 CONTRACT SERVICES	0	12,029	16,040
TOTAL PERSONNEL	102,291	118,148	126,240
<u>OTHER OPERATIONS</u>			
010-5-116-20020 MAT., SUP., & PRINTING	2,956	2,490	3,000
010-5-116-20030 SCHOOL, TRAVEL & MEMBERS	1,850	1,216	1,275
010-5-116-20040 INSURANCE	21,734	23,374	23,500
010-5-116-20045 PROP, LIAB, WC INSURANCE	1,192	1,064	1,300
010-5-116-20050 MAILING EXPENSE	1,029	639	550
010-5-116-20090 EQUIPMENT PURCHASE	0	617	500
010-5-116-20110 UNIFORMS	0	80	0
010-5-116-20170 CREDIT CARD SERV FEE	1,834	4,836	3,500
010-5-116-30020 MISCELLANEOUS	647	560	500
010-5-116-30070 MAINTENANCE AGREEMENT	0	0	0
010-5-116-50010 REPAIRS & MAINTENANCE	511	85	0
TOTAL OTHER OPERATIONS	31,752	34,962	34,125
TOTAL COURT	134,044	153,110	160,365

CITY OF GATESVILLE
 APPROVED BUDGET
 AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
 FIRE

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>PERSONNEL</u>			
010-5-117-10050 RETIREMENT	0	1,455	1,300
010-5-117-10080 CONTRACT SERVICES	<u>30,195</u>	<u>30,000</u>	<u>36,000</u>
TOTAL PERSONNEL	30,195	31,455	37,300
<u>OTHER OPERATIONS</u>			
010-5-117-20010 UTILITIES	18,825	22,504	18,000
010-5-117-20020 MAT., SUP., & PRINTING	4,992	1,289	5,000
010-5-117-20040 INSURANCE	0	0	0
010-5-117-20045 PROP, LIAB, WC INSURANCE	23,281	33,885	47,533
010-5-117-20090 EQUIPMENT PURCHASE	12,045	24,005	23,700
010-5-117-20140 EQUIPMENT RENTAL	0	0	0
010-5-117-20141 TRAINING	13,755	7,035	9,200
010-5-117-30010 GAS & OIL	5,155	3,998	6,000
010-5-117-30020 MISCELLANEOUS	0	780	500
010-5-117-30070 MAINTENANCE AGREEMENT	12,824	8,362	16,400
010-5-117-40006 PumperNotePybl-Prin	40,313	5,243	0
010-5-117-40007 PumperNotePyble-Int	667	18	0
010-5-117-40010 CAPITAL OUTLAY	36,555	19,999	0
010-5-117-50010 REPAIRS & MAINTENANCE	18,428	7,984	11,000
010-5-117-50013 BUILDING & OTHER R&M	1,072	542	5,000
010-5-117-60050 FIRE PREVENTION EXPENSE	1,663	735	1,000
010-5-117-60090 DEPRECIATION EXPENSE	0	59,142	0
010-5-117-70779 FIREMEN INCENTIVE PAY	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
TOTAL OTHER OPERATIONS	<u>214,575</u>	<u>220,521</u>	<u>168,333</u>
TOTAL FIRE	244,769	251,976	205,633

CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
STREET

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>PERSONNEL</u>			
010-5-120-10010 SALARIES	306,372	327,914	342,028
010-5-120-10020 OVERTIME-SALARIES	458	564	2,000
010-5-120-10050 RETIREMENT	47,724	51,897	52,500
010-5-120-10060 UNEMPLOYMENT	0	0	250
010-5-120-10070 SOCIAL SECURITY	4,279	5,059	5,500
TOTAL PERSONNEL	<u>358,833</u>	<u>385,434</u>	<u>402,278</u>
<u>OTHER OPERATIONS</u>			
010-5-120-20010 UTILITIES	81,211	66,493	68,000
010-5-120-20030 SCHOOL, TRAVEL & MEMBERS	2,038	974	4,920
010-5-120-20040 INSURANCE	40,560	42,618	42,000
010-5-120-20045 PROP, LIAB, WC INSURANCE	31,008	24,522	46,300
010-5-120-20090 EQUIPMENT PURCHASE	4,943	869	7,250
010-5-120-20110 UNIFORMS	3,169	6,134	4,000
010-5-120-20140 EQUIPMENT RENTAL	273	255	0
010-5-120-20230 VEHICLE LEASE	7,218	31,861	19,465
010-5-120-30010 GAS & OIL	23,411	29,103	25,040
010-5-120-30020 MISCELLANEOUS	890	0	0
010-5-120-30091 MATERIAL & SUPPLIES	9,640	8,123	10,000
010-5-120-30095 BOND/LOAN PAYMENT	165,295	167,174	168,944
010-5-120-40010 CAPITAL OUTLAY	209,111	0	209,368
010-5-120-40040 LOADER NOTE PRINCIPAL	0	23,628	26,599
010-5-120-40041 LOADER NOTE INTEREST	0	2,971	2,700
010-5-120-50010 REPAIRS & MAINTENANCE	2,578	3,450	26,110
010-5-120-50013 PAVING MATERIALS	21,168	65,799	152,348
010-5-120-50025 VEHICLE OR EQUIP REP & M	49,933	27,395	29,000
010-5-120-50027 STREET REPAIR & MAINT	32,530	105,552	143,320
010-5-120-50029 PARK STREET ENGINEERING	0	34,280	0
010-5-120-60090 DEPRECIATION EXPENSE	0	777,623	0
TOTAL OTHER OPERATIONS	<u>684,976</u>	<u>1,418,823</u>	<u>985,364</u>
TOTAL STREET	1,043,809	1,804,257	1,387,642

CITY OF GATESVILLE
 APPROVED BUDGET
 AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
 UTILITY BUILDING

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>PERSONNEL</u>			
010-5-121-10010 SALARIES	38,605	40,097	41,500
010-5-121-10020 OVERTIME-SALARIES	0	87	0
010-5-121-10050 RETIREMENT	6,022	6,356	6,400
010-5-121-10060 UNEMPLOYMENT	0	0	150
010-5-121-10070 SOCIAL SECURITY	558	591	600
TOTAL PERSONNEL	45,185	47,131	48,650
<u>OTHER OPERATIONS</u>			
010-5-121-20010 UTILITIES	8,523	7,506	7,500
010-5-121-20020 MAT., SUP., & PRINTING	4,979	6,351	10,750
010-5-121-20030 SCHOOL, TRAVEL & MEMBERS	0	300	500
010-5-121-20040 INSURANCE	4,934	5,466	5,500
010-5-121-20045 PROP, LIAB, WC INSURANCE	4,736	3,279	5,000
010-5-121-20090 EQUIPMENT PURCHASE	1,350	1,545	4,000
010-5-121-20110 UNIFORMS	532	678	700
010-5-121-20140 EQUIPMENT RENTAL	75	75	950
010-5-121-30010 GAS & OIL	504	773	1,650
010-5-121-30020 MISCELLANEOUS	67	0	0
010-5-121-30070 MAINTENANCE AGREEMENT	0	0	0
010-5-121-40010 CAPITAL OUTLAY	8,442	3,343	10,000
010-5-121-50010 REPAIRS & MAINTENANCE	2,072	2,577	3,400
010-5-121-60090 DEPRECIATION-EXPENSE	0	3,781	0
TOTAL OTHER OPERATIONS	36,215	35,675	49,950
TOTAL UTILITY BUILDING	81,401	82,806	98,600

CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
BUILDING & GROUNDS

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT Y BUDGET
<u>PERSONNEL</u>			
010-5-125-10010 SALARIES	27,775	18,489	103,000
010-5-125-10020 OVERTIME-SALARIES	0	171	0
010-5-125-10050 RETIREMENT	4,332	2,678	15,900
010-5-125-10060 UNEMPLOYMENT	0	0	250
010-5-125-10070 SOCIAL SECURITY	412	347	1,500
010-5-125-10080 CONTRACT SERVICES	<u>192</u>	<u>0</u>	<u>0</u>
TOTAL PERSONNEL	32,710	21,685	120,650
<u>OTHER OPERATIONS</u>			
010-5-125-20010 UTILITIES	12,632	5,866	4,500
010-5-125-20030 SCHOOL, TRAVEL & MEMBERS	0	0	3,000
010-5-125-20040 INSURANCE	3,511	2,979	19,000
010-5-125-20045 PROP, LIAB, WC INSURANCE	7,873	4,610	8,150
010-5-125-20050 MAILING EXPENSE	14	0	0
010-5-125-20090 EQUIPMENT PURCHASE	9,099	6,684	1,250
010-5-125-20110 UNIFORMS	303	275	1,200
010-5-125-20140 EQUIPMENT RENTAL	273	255	400
010-5-125-20230 VEHICLE LEASE	0	0	5,040
010-5-125-30010 GAS & OIL	2,104	4,428	8,500
010-5-125-30020 MISCELLANEOUS	4,860	3,255	5,900
010-5-125-30091 MATERIAL & SUPPLIES	5,242	4,316	8,000
010-5-125-40010 CAPITAL OUTLAY	5,000	0	7,500
010-5-125-50010 REPAIRS & MAINTENANCE	15,025	2,650	20,000
010-5-125-50016 SKATE PARK REPAIRS	83	0	0
010-5-125-50025 VEHICLE OR EQUIP REP & M	2,793	2,548	7,600
010-5-125-60090 DEPRECIATION EXPENSE	<u>0</u>	<u>30,335</u>	<u>0</u>
TOTAL OTHER OPERATIONS	<u>68,811</u>	<u>68,203</u>	<u>100,040</u>
TOTAL BUILDING & GROUNDS	101,522	89,888	220,690

CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
RECREATION(SPORTS PROGR)

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>PERSONNEL</u>			
010-5-128-10010 SALARIES	84,873	86,163	92,500
010-5-128-10020 OVERTIME-SALARIES	0	70	0
010-5-128-10050 RETIREMENT	12,571	13,003	13,200
010-5-128-10060 UNEMPLOYMENT	0	0	100
010-5-128-10070 SOCIAL SECURITY	1,434	1,487	1,850
010-5-128-10080 CONTRACT SERVICES	<u>33,488</u>	<u>38,186</u>	<u>44,000</u>
TOTAL PERSONNEL	132,366	138,909	151,650
<u>OTHER OPERATIONS</u>			
010-5-128-20010 UTILITIES	22,214	25,004	26,000
010-5-128-20020 MATERIALS & SUPPLIES	11,015	16,310	18,884
010-5-128-20030 SCHOOL, TRAVEL & MEMBERS	2,000	2,250	2,375
010-5-128-20040 INSURANCE	12,786	11,515	11,000
010-5-128-20045 PROP, LIAB, WC INSURANCE	4,795	2,323	4,710
010-5-128-20050 MAILING EXPENSE	200	157	250
010-5-128-20090 EQUIPMENT PURCHASE	4,494	5,854	650
010-5-128-20110 UNIFORMS	320	364	450
010-5-128-20140 EQUIPMENT RENTAL	327	0	500
010-5-128-20180 T-SHIRTS & AWARDS	18,500	16,280	19,956
010-5-128-20230 VEHICLE LEASE	1,993	5,036	5,040
010-5-128-30010 GAS & OIL	1,658	1,844	2,000
010-5-128-30020 MISCELLANEOUS	470	56	1,600
010-5-128-40010 CAPITAL OUTLAY	0	7,000	0
010-5-128-50010 REPAIRS & MAINTENANCE	8,117	2,615	14,530
010-5-128-50015 FIELD IMPROVEMENTS	17,126	27,828	15,500
010-5-128-60090 DEPRECIATION EXPENSE	<u>0</u>	<u>25,735</u>	<u>0</u>
TOTAL OTHER OPERATIONS	<u>106,016</u>	<u>150,172</u>	<u>123,445</u>
TOTAL RECREATION(SPORTS PROGR)	238,382	289,081	275,095

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CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 201

010-GENERAL FUND
CIVIC CENTER

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>PERSONNEL</u>			
010-5-130-10010 SALARIES	47,750	48,741	49,600
010-5-130-10050 RETIREMENT	7,450	7,708	7,700
010-5-130-10070 SOCIAL SECURITY	690	720	725
TOTAL PERSONNEL	55,891	57,169	58,025
<u>OTHER OPERATIONS</u>			
010-5-130-20010 UTILITIES	14,742	15,791	14,000
010-5-130-20020 MAT., SUP., & PRINTING	3,812	2,487	3,250
010-5-130-20030 SCHOOL, TRAVEL & MEMBERS	0	1,750	3,200
010-5-130-20040 INSURANCE	4,934	5,466	5,500
010-5-130-20045 PROP. LIAB, WC INSURANCE	1,980	2,054	4,195
010-5-130-30020 MISCELLANEOUS	1,718	0	3,000
010-5-130-30095 LOAN PAYMENT	55,036	55,036	55,050
010-5-130-40010 CAPITAL OUTLAY	8,052	12,913	0
010-5-130-50010 REPAIRS & MAINTENANCE	1,963	8,230	8,700
010-5-130-50018 ADVERTISING	270	382	2,000
010-5-130-60090 DEPRECIATION-EXPENSE	0	32,269	0
TOTAL OTHER OPERATIONS	92,507	136,378	98,895
TOTAL CIVIC CENTER	148,398	193,547	156,920

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CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
SWIMMING POOL

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	(-----) CURRENT BUDGET
<u>PERSONNEL</u>			
010-5-132-10010 SALARIES	51,419	55,104	58,000
010-5-132-10020 OVERTIME-SALARIES	0	166	0
010-5-132-10060 UNEMPLOYMENT	0	0	500
010-5-132-10070 SOCIAL SECURITY	3,934	4,228	4,500
TOTAL PERSONNEL	55,353	59,498	63,000
<u>OTHER OPERATIONS</u>			
010-5-132-20010 UTILITIES	7,869	5,433	6,000
010-5-132-20020 MAT., SUP., & PRINTING	10,693	9,213	8,900
010-5-132-20030 SCHOOL, TRAVEL & MEMBERS	1,997	2,377	1,400
010-5-132-20040 INSURANCE	0	0	0
010-5-132-20045 PROP, LIAB, WC INSURANCE	1,832	1,624	4,000
010-5-132-20090 EQUIPMENT PURCHASE	2,149	1,945	4,750
010-5-132-20190 RETAIL ITEMS TO SELL	4,386	4,097	5,000
010-5-132-30010 GAS & OIL	249	0	1,000
010-5-132-30020 MISCELLANEOUS	233	401	500
010-5-132-40010 CAPITAL OUTLAY	0	0	0
010-5-132-50010 REPAIRS & MAINTENANCE	3,739	18,710	800
010-5-132-60090 DEPRECIATION-EXPENSE	0	2,222	0
TOTAL OTHER OPERATIONS	33,146	46,023	32,350
TOTAL SWIMMING POOL	88,499	105,522	95,350

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CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
TRANSFER EXPENSE

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	(-----) CURRENT BUDGET
<u>OTHER OPERATIONS</u>			
010-5-165-30135 RESIDUAL EQUITY TRANSFER	0	0	0
010-5-165-60101 TRANSFER IN	(316,771)	(499,589)	0
010-5-165-60102 TRANSFER TO OTHER FUNDS	1,350	82,451	0
010-5-165-60108 TRNS TO BOARD DESGNT RES	283,748	0	0
TOTAL OTHER OPERATIONS	(31,673)	(417,137)	0
<u>SUSPENSE</u>			
010-5-165-90000 BAD DEBT EXPENSE	0	0	0
TOTAL SUSPENSE	0	0	0
TOTAL TRANSFER EXPENSE	(31,673)	(417,137)	0

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CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

010-GENERAL FUND
DEPT 999

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	(----- CURRENT BUDGET
<u>SUSPENSE</u>			
010-5-999-99990 BALANCING ACCOUNT	0	0	0
TOTAL SUSPENSE	0	0	0
TOTAL DEPT 999	0	0	0
<hr/>			
TOTAL EXPENDITURES	5,109,989	5,667,413	5,568,627
	=====	=====	=====
REVENUE OVER/(UNDER) EXPENDITURES	(107,781)	(85,109)	0
	=====	=====	=====

CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

020-ENTERPRISE FUND

REVENUES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>DEPRECIATION</u>			
020-4-000-4141 DEFERRED INC AMORTIZATIO	(380,116)	0	0
TOTAL DEPRECIATION	(380,116)	0	0
<u>WATER BILLING REVENUE</u>			
020-4-011-4011 RESIDENTIAL IN TOWN	920,600	1,013,422	1,200,000
020-4-011-4101 RESIDENTIAL OUT OF TOWN	194,525	221,769	180,000
020-4-011-4201 COMMERCIAL IN TOWN	301,513	312,895	270,000
020-4-011-4301 COMMERCIAL OUT TOWN	19,933	27,117	21,000
020-4-011-4401 MULTI-USE - IN TOWN	79,751	87,970	80,000
020-4-011-4501 MULTI-USE - OUT OF TOWN	3,891	4,429	4,500
020-4-011-4601 TDC-ORIGINAL UNITS	468,209	449,323	460,000
020-4-011-4701 TDC - HUGHES	705,687	562,788	570,000
020-4-011-4790 TDC - WOODMAN/MURRY UNITS	194,725	193,775	192,799
TOTAL WATER BILLING REVENUE	2,888,832	2,873,488	2,978,299
<u>SEWER BILLING REVENUE</u>			
020-4-012-4015 RESIDENTIAL	679,849	742,018	672,000
020-4-012-4215 COMMERCIAL	167,418	191,555	197,000
020-4-012-4415 MULTI-USE	45,161	48,663	64,000
020-4-012-4601 TDC-ORIGINAL UNITS	459,240	436,750	452,000
020-4-012-4701 TDC - HUGHES	705,996	523,022	572,000
020-4-012-4703 TDC- MURRY & WOODMAN	124,711	124,778	240,000
TOTAL SEWER BILLING REVENUE	2,182,376	2,066,786	2,197,000
<u>SANITATION BILLING REV</u>			
020-4-013-4011 RESIDENTIAL IN TOWN	417,358	458,782	396,000
TOTAL SANITATION BILLING REV	417,358	458,782	396,000
<u>FITNESS CENTER REVENUE</u>			
020-4-016-4608 FITNESS CENTER REVENUE	183,165	168,668	198,000
TOTAL FITNESS CENTER REVENUE	183,165	168,668	198,000
<u>WATER PRODUCTION REVENUE</u>			
020-4-030-4012 G'VILLE O & M REIMB.	1,384,455	1,524,112	1,300,000
020-4-030-4020 COR.CITY O & M REIMB.	387,040	474,819	390,000
020-4-030-4031 FLAT O & M REIMBURSEMENT	44,067	53,675	50,000
020-4-030-4041 GROVE O & M REIMBURSEMENT	61,427	77,681	69,000
020-4-030-4050 MOUNTAIN O & M REIMB.	27,517	37,306	26,000
020-4-030-4061 FORT HOOD O & M PMT	138,460	151,888	118,000
020-4-030-4071 FT. GATES O & M PMT	144,285	177,077	145,000
020-4-030-4502 REIMBURSEMENT ON DAMAGES	0	710	0
020-4-030-4550 MISCELLANEOUS	11,483	2,123	0
TOTAL WATER PRODUCTION REVENUE	2,198,734	2,499,390	2,098,000
<u>WATER DISTRIBUTION REVEN</u>			
020-4-034-4042 TURN ONS (WATER)	5,897	6,571	6,500
020-4-034-4045 08 WTR PLANT INT	1,514	2,044	0
020-4-034-4047 2017 BOND INTEREST EARNED	11,545	1,357	1,100

CITY OF GATESVILLE
 APPROVED BUDGET
 AS OF: OCTOBER 31ST, 2018

020-ENTERPRISE FUND

(-----)

REVENUES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
020-4-034-4051 PENALTIES	71,768	70,652	73,000
020-4-034-4102 INSTALLATIONS	11,891	27,299	11,000
020-4-034-4151 MISC (TRANSERV/OLDDelqBAL(529)	367	500
020-4-034-4155 BILLING SERV.FEE-FLAT WSC	30,000	30,000	30,000
020-4-034-4202 REV.CORC BOND, RIGHTS	113,738	114,124	115,001
020-4-034-4210 REV.FLT BONDS, RIGHTS	20,683	20,750	20,914
020-4-034-4220 REV.GRV BONDS, RIGHTS	16,153	16,205	16,333
020-4-034-4230 REV.MTN BONDS, RIGHTS	28,573	28,666	28,892
020-4-034-4240 REV.FT.G.BONDS, RIGHTS	44,353	44,397	44,848
020-4-034-4245 REV. FT HOOD BONDS	18,795	17,437	17,606
020-4-034-4351 TRANSF FROM OTHER FUNDS	0	0	0
020-4-034-4750 INTERGOVERNMENT REV.	1,064	0	0
020-4-034-5000 REIMBURSEMENT ON DAMAGES	0	0	0
TOTAL WATER DISTRIBUTION REVEN	375,444	379,868	365,694
<u>SEWER REVENUE</u>			
020-4-037-4042 TURN ONS (SEWER)	4,976	5,488	6,500
020-4-037-4043 INTEREST	1,296	2,237	2,200
020-4-037-4044 2007 SEWER BOND INTEREST	2,068	4,146	3,500
020-4-037-4046 FT HOOD RESERVE INT	2,217	4,907	0
020-4-037-4051 PENALTIES	15,885	16,222	17,000
020-4-037-4102 INSTALLATIONS	9,110	8,655	5,000
020-4-037-4502 REIMBURSEMENT ON DAMAGES	0	0	0
020-4-037-4523 FT HOOD BONDS	373,832	373,832	373,840
020-4-037-4524 FT HOOD USAGE	249,832	94,552	95,000
020-4-037-4525 FT HOOD RESERVE FND	62,458	23,638	0
020-4-037-4570 CDBG GRANT FUNDS RECVD	0	0	0
020-4-037-4575 SOLAR PANEL GRANT FUNDS R	0	25,150	0
020-4-037-4750 INTERGOVERNMENT REV.	0	0	0
TOTAL SEWER REVENUE	721,674	558,828	503,040
<u>SANITATION/NON DEPT REV</u>			
020-4-038-4043 INTEREST	1,716	1,464	1,200
020-4-038-4051 PENALTIES	2,205	2,063	3,000
020-4-038-4550 MISCELLANEOUS	6,860	538	2,500
020-4-038-4650 OVER / SHORT	51	(19)	0
020-4-038-4660 ADJUSTMENTS	(787)	0	0
020-4-038-4810 FRANCHISE FEE-WASTE MGMT	17,945	18,429	18,000
TOTAL SANITATION/NON DEPT REV	27,990	22,475	24,700
<u>AIRPORT REVENUE</u>			
020-4-101-4203 RECEIPTS OF GAS/OIL SALES	17,899	14,934	17,000
020-4-101-4302 RECEIPTS OF HANGAR RENTAL	28,426	28,237	28,500
020-4-101-4303 RECEIPT OF BUILDING LEASE	1,000	0	0
020-4-101-4550 MISCELLANEOUS	0	0	0
020-4-101-4750 INTERGOVERNMENT REV.	6,415	47,583	0
TOTAL AIRPORT REVENUE	53,740	90,754	45,500
TOTAL REVENUES	8,669,197	9,119,039	8,806,233
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CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

020-ENTERPRISE FUND
AIRPORT

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	(-----) CURRENT BUDGET
<u>OTHER OPERATIONS</u>			
020-5-150-20010 UTILITIES	5,545	5,574	5,200
020-5-150-20020 MAT., SUP., & PRINTING	454	822	1,000
020-5-150-20040 INSURANCE	0	0	0
020-5-150-20045 PROP, LIAB, WC INSURANCE	3,270	3,434	3,500
020-5-150-20090 EQUIPMENT PURCHASE	336	0	0
020-5-150-20170 CREDIT CARD SERV FEE	573	531	500
020-5-150-30010 GAS & OIL	11,352	19,103	17,000
020-5-150-30020 MISCELLANEOUS	345	511	1,000
020-5-150-30070 MAINTENANCE AGREEMENT	5,966	5,966	6,000
020-5-150-40010 CAPITAL OUTLAY	0	77,350	0
020-5-150-50010 REPAIRS & MAINTENANCE	6,802	7,275	2,000
020-5-150-60090 DEPRECIATION EXPENSE	22,481	27,247	0
020-5-150-80000 BAD DEBT EXPENSE	0	0	0
TOTAL OTHER OPERATIONS	<u>57,124</u>	<u>147,813</u>	<u>36,200</u>
TOTAL AIRPORT	57,124	147,813	36,200

CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

020-ENTERPRISE FUND
FITNESS CENTER

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	(-----) CURRENT YI BUDGET
<u>PERSONNEL</u>			
020-5-226-10010 SALARIES	136,975	143,610	130,525
020-5-226-10020 OVERTIME-SALARIES	107	179	0
020-5-226-10050 RETIREMENT	13,538	13,174	12,500
020-5-226-10060 UNEMPLOYMENT	0	0	250
020-5-226-10070 SOCIAL SECURITY	5,052	5,919	5,000
020-5-226-10080 CONTRACT SERVICES	31,718	24,080	21,000
TOTAL PERSONNEL	187,390	186,963	169,275
<u>OTHER OPERATIONS</u>			
020-5-226-20010 UTILITIES	25,319	25,801	25,000
020-5-226-20020 MAT., SUP., & PRINTING	10,716	11,490	10,000
020-5-226-20030 SCHOOL, TRAVEL & MEMBERS	2,673	2,029	2,700
020-5-226-20040 INSURANCE	17,185	16,308	18,000
020-5-226-20045 PROP, LIAB, WC INSURANCE	4,325	4,921	7,875
020-5-226-20050 MAILING EXPENSE	1,233	889	1,000
020-5-226-20090 EQUIPMENT PURCHASE	6,188	3,008	5,150
020-5-226-20140 EQUIPMENT RENTAL	11,929	10,134	19,700
020-5-226-20190 RETAIL ITEMS TO SELL	8,715	7,566	9,000
020-5-226-30020 MISCELLANEOUS	450	1,811	500
020-5-226-30070 MAINTENANCE AGREEMENT	3,926	5,501	3,500
020-5-226-40010 CAPITAL OUTLAY	0	64,566	0
020-5-226-50010 REPAIRS & MAINTENANCE	11,794	8,320	6,300
020-5-226-50018 ADVERTISING	1,052	822	1,300
020-5-226-50019 EVENTS	22	1,317	1,300
020-5-226-60090 DEPRECIATION EXPENSE	26,410	26,410	0
TOTAL OTHER OPERATIONS	131,936	190,890	111,325
TOTAL FITNESS CENTER	319,326	377,853	280,600

CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2011

020-ENTERPRISE FUND
WATER DISTRIBUTION

(-----)

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>PERSONNEL</u>			
020-5-240-10010 SALARIES	504,621	494,553	505,053
020-5-240-10020 OVERTIME-SALARIES	49,839	63,419	45,000
020-5-240-10050 RETIREMENT	86,044	87,958	84,526
020-5-240-10060 UNEMPLOYMENT	0	0	250
020-5-240-10070 SOCIAL SECURITY	<u>7,799</u>	<u>8,123</u>	<u>8,050</u>
TOTAL PERSONNEL	648,304	654,053	642,879
<u>OTHER OPERATIONS</u>			
020-5-240-20010 UTILITIES	20,697	17,589	18,000
020-5-240-20020 MAT., SUP., & PRINTING	10,542	17,845	28,850
020-5-240-20030 SCHOOL, TRAVEL & MEMBERS	1,383	1,696	8,110
020-5-240-20040 INSURANCE	74,612	70,520	74,000
020-5-240-20045 PROP, LIAB, WC INSURANCE	24,290	19,055	31,150
020-5-240-20050 MAILING EXPENSE	7,537	6,294	6,000
020-5-240-20070 LEGAL & AUDIT	7,375	7,400	7,500
020-5-240-20090 EQUIPMENT PURCHASE	2,035	12,249	5,400
020-5-240-20110 UNIFORMS	2,981	5,219	3,800
020-5-240-20140 EQUIPMENT RENTAL	1,852	2,142	5,500
020-5-240-20170 CREDIT CARD SERV FEE	7,142	21,007	15,000
020-5-240-20230 VEHICLE LEASE	0	15,395	25,100
020-5-240-20600 WATER PURCHASE	1,384,455	1,524,112	1,300,000
020-5-240-30010 GAS & OIL	20,611	26,058	22,865
020-5-240-30020 MISCELLANEOUS	767	11,932	2,000
020-5-240-30040 COLLECTION AGENCY EXPENS	351	68	500
020-5-240-30070 MAINTENANCE AGREEMENT	8,328	7,184	8,400
020-5-240-30075 LAB FEES	10,691	2,880	4,880
020-5-240-30110 WATER METERS	32,907	72,729	65,619
020-5-240-30140 WATER RIGHTS	137,034	139,246	141,275
020-5-240-40010 CAPITAL OUTLAY	0	54,649	271,150
020-5-240-50010 REPAIRS & MAINTENANCE	62,046	105,942	103,705
020-5-240-50025 VEHICLE OR EQUIP REP & M	12,796	15,636	17,660
020-5-240-60053 2008 WATER BONDS-PRINC	0	0	0
020-5-240-60054 2008 WATER BONDS-INTERES	153,354	9,100	0
020-5-240-60064 2008 BOND AGENT FEES	750	0	0
020-5-240-60075 2017 BONDS PRINCIPAL	0	0	0
020-5-240-60076 2017 BONDS INTEREST	59,513	178,538	0
020-5-240-60077 2017 BOND AGENT FEES	0	308	0
020-5-240-60090 DEPRECIATION EXPENSE	471,546	223,232	0
020-5-240-61215 BOND AGENT FEE-2011	750	750	1,000
020-5-240-70010 INTEREST	0	0	0
020-5-240-70025 2011 WATER PLANT BONDS	205,000	214,155	225,000
020-5-240-70026 2011 WTR PLANT BND-INT	340,138	0	320,785
020-5-240-71000 LIVEOAK PROJECT	0	143,811	0
020-5-240-71002 PARK STREET REPAIRS	0	0	0
020-5-240-71003 PARK STREET CDBG EXP	0	0	0
020-5-240-71004 PARK STREET ENGINEERING	0	6,248	20,000
020-5-240-77000 EXPENSES FOR FLAT W.S.C.	<u>2,554</u>	<u>959</u>	<u>0</u>
TOTAL OTHER OPERATIONS	<u>3,064,034</u>	<u>2,933,950</u>	<u>2,733,249</u>
TOTAL WATER DISTRIBUTION	3,712,338	3,588,003	3,376,128

CITY OF GATESVILLE
 APPROVED BUDGET
 AS OF: OCTOBER 31ST, 2018

020-ENTERPRISE FUND
 WATER PRODUCTION

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	(-----) CURRENT Y BUDGET
<u>PERSONNEL</u>			
020-5-242-10010 SALARIES	366,606	371,815	397,950
020-5-242-10020 OVERTIME-SALARIES	18,322	14,483	4,000
020-5-242-10050 RETIREMENT	59,973	60,914	62,000
020-5-242-10060 UNEMPLOYMENT	0	0	250
020-5-242-10070 SOCIAL SECURITY	4,773	4,905	5,900
020-5-242-10080 CONTRACT SERVICES	7,457	0	5,400
TOTAL PERSONNEL	457,130	452,117	475,500
<u>OTHER OPERATIONS</u>			
020-5-242-20010 UTILITIES	541,431	447,014	350,000
020-5-242-20020 MAT., SUP., & PRINTING	357,546	326,489	304,677
020-5-242-20030 SCHOOL, TRAVEL & MEMBERS	2,491	2,564	4,350
020-5-242-20040 INSURANCE	47,550	34,244	37,200
020-5-242-20045 PROP, LIAB, WC INSURANCE	19,655	18,447	26,350
020-5-242-20050 MAILING EXPENSE	5,498	6,558	6,000
020-5-242-20070 LEGAL & AUDIT	7,375	7,400	7,500
020-5-242-20090 EQUIPMENT PURCHASE	1,736	925	9,400
020-5-242-20110 UNIFORMS	891	1,297	1,000
020-5-242-20140 EQUIPMENT RENTAL	724	0	6,000
020-5-242-20230 VEHICLE LEASE	0	11,567	11,400
020-5-242-30010 GAS & OIL	8,990	7,483	7,800
020-5-242-30020 MISCELLANEOUS	7,511	964	700
020-5-242-30070 MAINTENANCE AGREEMENT	16,800	24,705	24,000
020-5-242-30075 LAB FEES	18,073	17,470	4,600
020-5-242-30085 PERMIT FEES	0	0	0
020-5-242-40010 CAPITAL OUTLAY	0	167,886	141,000
020-5-242-40027 ENERGY DEBT	0	61,692	62,614
020-5-242-50010 REPAIRS & MAINTENANCE	50,483	226,133	183,800
020-5-242-50029 ENGINEERING	0	0	4,000
020-5-242-60075 2017 BONDS-PRINCIPAL	0	0	205,000
020-5-242-60076 2017 BONDS INTEREST	0	0	177,400
020-5-242-60077 2017 BOND AGENT FEES	0	0	1,000
020-5-242-60090 DEPRECIATION EXPENSE	621,045	633,256	0
TOTAL OTHER OPERATIONS	1,707,799	1,996,093	1,575,791
TOTAL WATER PRODUCTION	2,164,929	2,448,210	2,051,291

CITY OF GATESVILLE
 APPROVED BUDGET
 AS OF: OCTOBER 31ST, 2018

020-ENTERPRISE FUND
 SEWER

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
<u>PERSONNEL</u>			
020-5-245-10010 SALARIES	323,674	359,221	396,900
020-5-245-10020 OVERTIME-SALARIES	32,790	42,285	20,000
020-5-245-10050 RETIREMENT	54,772	62,431	62,900
020-5-245-10060 UNEMPLOYMENT	0	0	250
020-5-245-10070 SOCIAL SECURITY	5,153	5,916	6,650
020-5-245-10080 CONTRACT SERVICES	<u>1,342</u>	<u>15,447</u>	<u>10,000</u>
TOTAL PERSONNEL	417,731	485,299	496,700
<u>OTHER OPERATIONS</u>			
020-5-245-20010 UTILITIES	269,253	294,957	235,000
020-5-245-20020 MAT., SUP., & PRINTING	5,152	5,367	16,600
020-5-245-20023 CHEMICALS-STILLHOUSE PLA	32,471	40,294	55,525
020-5-245-20026 CHEMICALS-LEON PLANT	32,742	40,165	40,425
020-5-245-20027 MAT & SUPP-STILLHOUSE PL	8,606	8,234	22,150
020-5-245-20028 MAT & SUPPL-LEON PLANT	7,855	4,511	12,650
020-5-245-20030 SCHOOL, TRAVEL & MEMBERS	2,016	7,253	9,580
020-5-245-20040 INSURANCE	39,816	46,323	49,670
020-5-245-20045 PROP, LIAB, WC INSURANCE	19,654	17,999	26,900
020-5-245-20050 MAILING EXPENSE	5,625	5,848	5,500
020-5-245-20070 LEGAL & AUDIT	7,907	8,875	7,500
020-5-245-20090 EQUIPMENT PURCHASE	11,391	24,791	23,100
020-5-245-20110 UNIFORMS	3,617	4,548	4,000
020-5-245-20140 EQUIPMENT RENTAL	5,225	2,005	25,500
020-5-245-20230 VEHICLE LEASE	0	37,966	20,402
020-5-245-30010 GAS & OIL	8,813	17,288	28,500
020-5-245-30020 MISCELLANEOUS	13,379	3,398	4,000
020-5-245-30070 MAINTENANCE AGREEMENT	6,534	0	46,500
020-5-245-30076 LAB FEES-STILLHOUSE PLAN	32,140	21,217	26,906
020-5-245-30077 LAB FEES-LEON PLANT	49,867	36,725	51,464
020-5-245-30085 PERMIT FEES	0	50,571	36,500
020-5-245-30103 DESIGN & BID STILLHOUSE	0	155,941	0
020-5-245-30152 CONTRACT BILLING	5,175	4,908	5,000
020-5-245-30161 TRANS. TO GENERAL	163,769	265,376	219,192
020-5-245-40010 CAPITAL OUTLAY	0	22,896	75,000
020-5-245-50010 REPAIRS & MAINTENANCE	3,180	43,246	45,000
020-5-245-50014 REPAIRS-FT HOOD PROJECT	0	1,274	0
020-5-245-50016 FT HOOD EXPENSES	25,028	22,834	0
020-5-245-50020 REPAIRS & MAINT-STILLHOU	34,838	23,508	110,000
020-5-245-50022 REPAIRS & MAINT-LEON PLA	19,933	35,342	166,500
020-5-245-50050 LIFT STATION REPAIRS & M	13,752	154,123	351,950
020-5-245-60057 1999 SEWER BONDS-PRIN	0	0	0
020-5-245-60058 07 SEWER BONDS-INTEREST	168,903	158,403	147,950
020-5-245-60059 2007 SEWER BONDS-PRIN	0	0	195,000
020-5-245-60063 99 SEWER BONDS INT	19,500	10,000	0
020-5-245-60090 DEPRECIATION EXPENSE	846,920	853,489	0
020-5-245-61210 BOND AGENT FEES-99	1,400	0	0
020-5-245-61211 BOND AGENT FEES-2007	750	750	1,000

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CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

020-ENTERPRISE FUND
SEWER

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	CURRENT BUDGET
020-5-245-61301 AMORTIZATION EXPENSE	145,268	0	0
020-5-245-61405 CDBG-2014 SEWER IMPROVEM	0	0	0
020-5-245-61406 CDBG-CITY MATCH	0	0	0
020-5-245-61410 SOLAR PANEL GRANT EXPENS	0	39,100	0
020-5-245-61411 SOLAR PANEL CITY MATCH	0	12,822	50,000
020-5-245-70010 INTEREST	2,313	0	0
020-5-245-71000 LIVEOAK PROJECT	0	3,900	0
TOTAL OTHER OPERATIONS	<u>2,012,790</u>	<u>2,486,248</u>	<u>2,114,964</u>
TOTAL SEWER	2,430,521	2,971,547	2,611,664

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CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

020-ENTERPRISE FUND
SANITATION

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	(-----) CURRENT BUDGET
<u>PERSONNEL</u>			
020-5-250-10010 SALARIES	47,208	46,970	49,800
020-5-250-10050 RETIREMENT	7,369	7,431	7,800
020-5-250-10070 SOCIAL SECURITY	664	683	750
TOTAL PERSONNEL	55,241	55,083	58,350
<u>OTHER OPERATIONS</u>			
020-5-250-20030 SCHOOL & TRAVEL	0	0	0
020-5-250-20040 INSURANCE	4,934	5,466	5,500
020-5-250-20045 PROP, LIAB, WC INSURANCE	0	0	0
020-5-250-20050 MAILING EXPENSE	1,711	1,760	1,500
020-5-250-30041 GARBAGE COLL. EXP.	343,180	346,064	372,000
020-5-250-30152 CONTRACT BILLING	5,175	5,587	5,000
020-5-250-30154 RECYCLING PROGRAM	207	473	0
020-5-250-30165 DUMPSTER EXPENSE	15,599	8,390	8,000
TOTAL OTHER OPERATIONS	370,806	367,739	392,000
TOTAL SANITATION	426,047	422,822	450,350

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CITY OF GATESVILLE
APPROVED BUDGET
AS OF: OCTOBER 31ST, 2018

020-ENTERPRISE FUND
TRANSFER EXPENSES

DEPARTMENTAL EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	(----- CURRENT BUDGET
<u>OTHER OPERATIONS</u>			
020-5-260-60010 TRANSFER TO/FROM GENERAL	357,228	14,661	0
020-5-260-60101 TRANSFER IN	0	0	0
020-5-260-60102 TRANSFER TO OTHER FUNDS	27,503	331,084	0
TOTAL OTHER OPERATIONS	<u>384,731</u>	<u>345,746</u>	<u>0</u>
TOTAL TRANSFER EXPENSES	384,731	345,746	0
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TOTAL EXPENDITURES	9,495,017	10,301,993	8,806,233
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REVENUE OVER/(UNDER) EXPENDITURES	(825,819)	(1,182,954)	0
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City of Gatesville, Texas Fund Balance Policy

Purpose:

The purpose of this policy is to establish a key element of the financial stability of the City of Gatesville by setting guidelines for the fund balance. Unassigned Fund Balance is an important measure of economic stability and it is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, such as natural disasters and other similar circumstances. This policy will ensure the City maintains adequate fund balances in the operating fund with the capacity to:

1. Provide sufficient cash flow for daily financial needs.
2. Provide funds for unforeseen expenditures related to disasters.
3. Offset significant economic downturns or revenue shortfalls, and
4. Secure and maintain a high investment grade bond ratings.

Definitions:

Fund Balance – An accounting distinction is made between the portions of fund balance that are spendable and non-spendable. These are divided into five categories:

1. Non-spendable fund balance – this can include amounts that are not in spendable form or are required to be maintained intact. Examples are inventories and endowments/principal of a permanent fund.
2. Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by external creditors, grantors, or contributors either constitutionally or through enabling legislation. An example includes grants.
3. Committed fund balance – includes amounts that can be used only for the specific purposes determined by a formal action by the Gatesville City Council. Commitments may be changed or lifted only by the City Council. An example would be a General Revenue-dedicated Fund.
4. Assigned Fund Balance – comprises amounts intended to be used by the City for specific purposes. Intent shall be expressed by the City Council or if the Council delegates the authority, the City Manager. Assigned Fund Balance represents the amount that is not restricted or committed. Such assignments cannot exceed the available fund balance in any fund.
5. Unassigned Fund Balance – the residual classification for the General and Enterprise Funds and includes all amounts not contained in other classifications. Unassigned amounts represent the City of Gatesville’s “Rainy Day Fund” and are technically available for any purpose.

Fund Balance Policy:

Committed Fund Balance

City Council action, in the form of a resolution, is required to establish, modify or rescind a fund balance commitment. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made.

Assigned Fund Balance

The City Council has authorized the City Manager as the official authorized to assign the fund balance to a specific purpose as approved by this policy.

Target Unassigned Fund Balance

The City's goal is to achieve and maintain an unassigned fund balance in the General fund equal to 16.7% and in the Enterprise Fund equal to 16.7% of budgeted operating expenditures. In the event the fund balance is calculated to be less than the policy stipulates, the City shall plan to adjust expenditures to restore the balance.

Appropriation of Unassigned Fund Balance

To reduce the Unassigned Fund Balance below 16.7%, there must be Council approval. If a disaster causes significant reduction in city revenues, the fund balance could be reduced below 16.7% to provide funding to maintain city services at their pre-disaster levels. The fund balance may be used this way until revenues recover.

Reserve Mandate

There shall be maintained in the budget a maximum annual 3% General Fund Reserve. This reserve is mandated by the City Charter as a contingent appropriation and may be used on emergency or unexpected expenditures. It also can be used to prevent a reduction in the fund balance below 16.7%.

Replenishment of Fund Balance Reserves

If the unassigned fund balance falls below 16.7% or if it is anticipated that at the completion of any fiscal year, the projected fund balance will be less than the minimum requirement, the City Manager shall prepare and submit a plan to City Council to restore the required level. The plan shall detail the steps necessary for the replenishment of the fund balance as well as an estimated timeline for achieving such, not to exceed five years. In the event the fund balance is calculated to be less than 16.7%, the maximum 3% contingent appropriation, as mandated by the City Charter, may be used to replenish the fund balance.

Accumulation of the Fund Balance

The unassigned fund balance may be allowed to accumulate above the 16.7% target to accommodate operating and unexpected capital expenses. It is not recommended that the unassigned fund accumulate above 25%.

Monitoring and Reporting

The Finance Director shall be responsible for monitoring and reporting the City's Fund Balance and reserves. The City Manager is directed to make recommendations to the Council on the use of reserve funds both as an element of the annual operating budget submission and from time to time throughout the fiscal year as needs may arise.

CITY OF GATESVILLE CAPITAL IMPROVEMENT PLAN

	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23
WATER SYSTEM/TRANSMISSION (PRODUCTION)	Replace BP2 GST \$157,000 + Engineering	Refurbish one clarified at WTP \$60,000 Sandblast/recoat BP5 EST interior \$49,000 Paint piping at intake \$25,000	Refurbish one clarified at WTP \$60,000 Sandblast/recoat BP7 GST interior \$102,500 Paint outside ole lab high service \$15,000	Sandblast/recoat BP3 GST exterior \$88,000		
WATER LINES/SEWER LINES (DISTRIBUTION)	Park Street Water/Sewer Infrastructure \$308,680	Replace Sewer lines W. Main/N. Levita to Thelma \$248,000	Replace Water/Sewer lines on Osage St. from N. Lovers Lane to 25 th St. \$60,000	Replace Water/Sewer lines on Osage St. from 25 th St to 22 nd St. \$85,000		
WASTEWATER TREATMENT PLANTS		Stillhouse WWTP Permit Expansion \$8,034,688 – Cost share with TDCJ	Continue Stillhouse WWTP Permit Expansion			
LIFT STATIONS		L/S Rehab (TBD) \$65,000	Rehab Valley View LS \$80,000			
STREETS -- SEALCOAT	Lover's Lane River Road S. Levita/W. Leon Highland/Scenic Drive	4 miles TBD				

	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23
STREETS - REPAVING	Park Street from South Street to Bridge Street; replace curb and gutter \$136,612	½ mile Civic Center Parking Lot (pave/sealcoat) \$71,291	Osage Street From N. Lovers to 25 St. (T) Repair Leon River Bridge	Osage Street From 25 St. to 22 nd St.		
FACILITIES			Fitness Center 34 th Street "Annex"			

COMPREHENSIVE PLAN SHORT-TERM STRATEGIES

INVESTMENT:

1. Annually review, revise and adopt a capital improvement plan as part of the city's budget to ensure that both municipal infrastructure and major departmental equipment needs are identified, planned for and funded each fiscal year.
2. Utilize regular, recurring, sources of funding (i.e. water and sewer user fees) to finance anticipated infrastructure maintenance and capital investment needs.
3. Analyze water and sewer rates on a biennial basis to ensure that sufficient revenue is being generated to meet operational and maintenance requirements and sufficiently fund necessary capital improvements.
4. Systematically assess the condition and needs of community facilities and utility and transportation infrastructure in order to prioritize effective and efficient maintenance and/or expansion program(s) to ensure a quality system of service delivery.
5. Prepare assessments of the staffing and technology needs of all city departments to ensure that funding is adequate to fulfill their missions in an efficient manner.
6. Work with community partners, including the Gatesville ISD, the Coryell Memorial Healthcare System, Coryell County, and local businesses and industries to develop and implement a plan to extend high-speed broadband internet service to the City.

RENEWAL:

1. Streamline development regulations and procedures to eliminate unreasonable barriers to growth and reinvestment in the city.
2. Proactively enforce minimum housing regulations and nuisance codes in neighborhoods to eliminate blight, enhance the value of residential properties, and encourage private reinvestment in the city's housing stock.

BALANCE:

1. Support the development of a mix of housing types throughout the city that meets the needs of a population that is diverse in terms of age, family structure and income.
2. Support and sponsor community events that appeal to a wide range of demographic groups including students, young professionals, families, and retirees.
3. Continue to direct resources towards parks and recreation facilities and programs that fulfill the needs of residents of all ages and abilities.
4. Continue to support the community's rural agrarian and ranching culture and associated economic activity through the unique services, regulatory environment and infrastructure investments that are necessary for it to thrive as an integral part of the city.

GROWTH:

1. Review and revise the city's land use and development ordinances to ensure that the regulatory environment is aligned with the city's goals for facilitating high quality growth.
2. Adopt and enforce utility connection policies that are firm in their requirement for annexation prior to receiving utility services from the city.
3. Adopt and implement Subdivision and Zoning regulations that enhance the compatibility of future growth in Gatesville with military training and operations at Fort Hood, and coordinate with Fort Hood when zoning changes or development plans are proposed in areas of encroachment concern.
4. Coordinate with Fort Hood when the city prepares plans for growth inducing infrastructure, such as utility and transportation projects, to ensure that any potential encroachment concerns are identified and mitigated, to the extent possible.