



CITY OF PALESTINE

FISCAL YEAR BUDGET 2007-08

Mayor

Dr. Carolyn F. Salter

Members of Council

Kathi Masonheimer
Vernon Denmon, Jr.
Vickey Chivers
James H. Yelverton
Andrea Baird
Steve Presley

Dale Brown; City Manager

Robert T. Pennington; Finance Director

THIS PAGE INTENTIONALLY LEFT BLANK



City of Palestine

R. Dale Brown
City Manager

Robert T. Pennington
Finance Director

September 17, 2007

Honorable Mayor and City Council
City of Palestine
504 North Queen Street
Palestine, Texas 75801

Dear Mayor and City Council:

The Finance Department and City Manager's Office are pleased to submit the Annual Budget for the City of Palestine, Texas in accordance with Texas Statute and the City Charter. This budget is for the fiscal year beginning October 1, 2007 and ending September 30, 2008. The budget is published to provide the City Council, City staff, our citizens, and other interested parties with detailed information concerning the financial condition and activities of the City government.

The adoption of the budget is the single most important action taken by the City Council each year. The budget establishes the fiscal plan to address various challenges and opportunities presented throughout the year. The foundation of this budget is the council and staff's commitment to a pattern of conservative spending. Expenditures for next year have been closely scrutinized to be certain that the city allocates its resources wisely. City departments have performed admirably by continuing to provide quality service amid increasing costs.

The city's budget is developed through a modified zero base budget process wherein expenditures are presented in a Base Budget and Supplemental Requests format. The base budget represents current service levels and funding balances. Supplemental requests are made for any program enhancement or addition that results in significant funding increases. Approvals of supplemental requests were held to a minimum this year due to the limited funding available.

The process for developing the budget this year was particularly challenging. You are familiar with the reasons, but for the readers of this document, I would like to review the dynamics that impacted this budget's formation.

In June, the City Council met with staff for the purpose of charting the course of the City over the next five years. Discussion was directed towards department activities and goals, comprehensive planning and the capital improvements program. Council provided staff with their vision for the future of the City and specific policy guidance for developing the budget. This guidance provided a “big picture”, and in some instances details intended to direct staff in its mission to best meet the needs of the community. Council and staff reviewed financial plans for the city’s operational funds along with other important topics such as economic development, fiscal responsibility, library expansion, the EPA mandated sanitary sewerage facility upgrades, and other municipal services.

The Council emphasized its expectation of responsible financial management, comprehensive planning, and the importance of working with other governmental units. They concurred that while the fundamental services (i.e., water, sewer, streets, and public safety) should be given top priority, quality of life issues are to be treated with importance. By the end of the day staff and council came together to develop mutual goals for the future direction of the city.

One of the major struggles to balance this year’s budget is the retiring of the large debt service in wastewater that is part of the Environmental Protection Agency’s requirements to rehabilitate a sizable percentage of our wastewater collection system. Unfortunately, the City largely ignored its infrastructure problems for many years, especially in the sanitary sewerage collection system, forcing the improvements, and the related debt, to be undertaken within a compressed time period.

One important issue dealt with in this budget is the dependence of the general fund on revenue transferred in from other funds, especially the enterprise funds. Substantial contributions from the enterprise funds were used in past years to generate revenue for the general fund to avoid property tax increases. This has led to substantial drops in the fund balances of the enterprise funds, most seriously in the Sanitation Fund. To resolve this problem a multi-year financial plan is being developed to shift the general fund away from its dependence on other funds for financial support and enterprise fund revenue rates are being increased. Charges for sanitation are to increase by seven percent in order to rebuild the sanitation funds fund balance and pay for the increased contract cost of the solid waste collection service. Also, increases in water and wastewater rates are included for the budget year. The increases will vary on customer classification and level of consumption; however, new rate adjustments will give some relief to low consumption users and “in town” residents.

As is the case with other cities, our citizens view our property tax rate as the price for government. Much can be said for holding the line on the property tax rate, especially when the nation is dealing with the high cost of energy. We project to accomplish this as well by shifting some of the property tax revenue from operations to debt service. The rate increases from last year’s adopted rate

set at 62.0¢ per \$100 of assessed property to 63.9¢ per \$100. Although it has been the commitment to provide services with the lowest burden to the taxpayer wallet, this administration recognizes that there is a level of city services the taxpayer expects from the community.

Development of the budget this year again shows how much value the Council adds to the process. Our dialog of openness to address challenges together in unconventional ways demands the best from this office and the management staff. On behalf of the entire organization, I would like to offer our thanks and gratitude.

Respectfully submitted,

R. Dale Brown
City Manager

**CITY OF PALESTINE, TEXAS
ANNUAL BUDGET
FOR FISCAL YEAR 2007-08**

TABLE OF CONTENTS

	<u>DEPARTMENT</u>	<u>PAGE(S)</u>
<u>INTRODUCTORY SECTION</u>		
Transmittal Letter		i-iii
Table of Contents		iv-vii
Introduction to the Budget		1-7
Budget Related Ordinances		8-17
Personnel Allocation		18-23
Organizational Chart		19
Employee Allocation by Classification		20-21
Pay Program Schedule		22-23
<u>BUDGET SUMMARY SECTION</u>		
Budget Summary		
General Fund		28-84
Administrative Services		35-43
Finance		44-51
Public Safety		52-62
Public Works		63-75
Library		76-78
Code Enforcement		79-84
Debt Service		86-88
Tourism Fund		90-95
Airport Fund		96-99
Special Revenue Funds		100-108
Internal Service Funds		110-119
Enterprise Funds		120-154
Capital Improvement Funds		156-158
<u>BUDGET DETAIL SECTION</u>		
Detailed Budget by Fund and Department		
General Fund (Fund 10)		
General Fund Revenues		29-34

General Fund Expenditures		35-84
Administrative Services		35-43
City Council	100	37
City Manager	110	38
City Secretary	120	39
Legal	130	40
Personnel	140	41
Community Service	150	42
Main Street Program	160	43
Finance Department		44-51
Accounting	210	46
Purchasing	230	47
Municipal Court	250	48-49
Management Information Systems (MIS)	260	50
Internal Services	270	51
Police Department		52-62
Police Administration	310	54
Police Patrol	320	55-56
Police Criminal Investigation (CID)	330	57
Communications	350	58
Fire Department		52-62
Fire Administration	410	59
Fire Suppression	420	60-61
Fire Training / Emergency Management	430	62
Public Works		63-75
Public Works Administration	510	66
Street Maintenance	520	67-68
Facility Maintenance	530	69
Fleet Maintenance	540	70
Engineering	560	71
Parks	610	72-73
Cemetery Maintenance	620	74
Senior Citizen Center	630	75
Library	710	76-78
Development Services		79-88
Development Services	810	80
Enforcement & Litter Abatement	820	81
Health	830	82
Animal Control	840	83
Historic Preservation	850	84
Debt Service Fund (Fund 310)		86-88
Debt Service Fund Revenues		88

Debt Service Fund Expenditures		88
Tourism Fund (Fund 150)		90-95
Tourism Fund Revenues		92
Tourism Fund Expenditures		93-95
Tourism	750	93
Civic Center	751	94-95
Airport Fund (Fund 240)		98-99
Special Revenue Funds		100-108
Library Memorial Fund (Fund 60)		101
Library PAC HUG (Fund 61)		102
Tobacco Grant (Fund 133)		103
Loop 256 Tree Project (Fund 210)		104
Municipal Court Building Security (Fund 250)		105
Municipal Court Technology (Fund 260)		106
Perpetual Cemetery (Fund 400)		107
Revolving Loan Fund (Fund 410)		108
Internal Service Funds		110-119
Central Warehouse (Fund 500)		110-112
Health Insurance Self Funding (Fund 530)		113
Equipment Replacement (Fund 540)		114-116
Workers Compensation Self Funding (Fund 560)		117-118
Unemployment Insurance Self Funding (Fund 561)		119
Enterprise Funds		120-154
Water Fund (600)		121-133
Water Fund Revenues		122
Water Fund Expenditures		123-133
Fund Administration	110	125
Operational Services	111	126
Customer Service	240	127-128
Engineering	560	129
Water Treatment	570	130-131
Water Distribution	571	132-133
Wastewater Fund (Fund 610)		134-143
Wastewater Fund Revenues		134-135
Wastewater Fund Expenditures		135-143
Fund Administration	110	138
Operational Services	111	139
Wastewater Collection	580	140-141
Wastewater Treatment	581	142-143
Utility Debt Service (Fund 615)		144-145

Utility Debt Service Fund Revenues		145
Utility Debt Service Fund Expenditures		145
Sanitation Fund (Fund 620)		146-149
Sanitation Fund Revenues		147
Sanitation Fund Expenditures		148-154
Fund Administration	110	147
Refuse Disposal	550	148-149
Utility Capital Improvement Programs & Projects		150-154
Water CIP (Fund 680)		150-151
Wastewater CIP (Fund 690)		152
SSES Phase I (Fund 770)		153
SSES Phase II (Fund 771)		154
General Capital Improvement Funds		156-158
General Capital Improvement (Fund 670)		157
Capital Improvements 2006 Series (Fund 671)		158
Component Unit Fund		160-158
Economic Development Corporation		162
Budget Glossary		164

THIS PAGE INTENTIONALLY LEFT BLANK

INTRODUCTION TO THE 2007-08 BUDGET

**City of Palestine
Annual Budget 2007-08**

INTRODUCTION TO THE BUDGET

The City of Palestine's budget document represents a definitive policy statement, establishing levels of service and determining the allocation of municipal resources required by the City Charter. The Budget serves as an operational tool and planning guide, where the City's current policies and future plans are provided. The budget text provides the following:

Identification of revenue sources and accounts to provide for services delivered during the upcoming fiscal year.
Approved expenditures necessary to deliver the services provided by the respective departments.

A basis for financial recording and control of the approved expenditures supported by the revenue.

In addition, the budget document serves as the policy document of the City indicating those items that the City Council feels are important. It serves as a guide to departments in spending, establishing priorities, focusing attention or direction, and establishing goals. It is a document for citizens to utilize to better understand the operations of their city. It serves as a tool for continuous dialogue throughout the year between Council and city staff so that the needs, expectations, operations and direction of the city are understood and accomplished.

Organizational Structure/Supervisory Responsibility

The organizational structure is highlighted in the Personnel Allocation section. A detail of personnel allocations and an overview of employees by classification are presented. The organization chart is presented in the Personnel Allocation section. The City Council, made up of the Mayor and Council Members is the legislative governing body. Working directly

under the Council is the City Manager, City Attorney, and City Judge. The City Manager is responsible for all operations of the City. There are eight major departments: Administrative Services, General Services, Finance Services, Police Services, Fire Services, Public Works Services, Utility Services and Development Services.

The budget summary provides a general overview of the activities of all funds, clearly demonstrating transactions between funds. The budget and the accounts of the City are organized on the basis of funds and account groups, each of which is considered to be a separate accounting entity. Each fund can be generally thought of as a small business. The operations of each fund are maintained using a set of self-balancing accounts which comprise its assets, liabilities, fund equity, revenues, and expenditures. City resources are budgeted to the individual funds by activity and are controlled within the individual fund. The various funds are grouped into generic fund types.

Currently Palestine allocates its monies between more than 30 funds. The most important, that is, the largest and most active funds are: General Fund, Tourism Fund, Water Fund, Wastewater Fund and several Capital Improvements Funds. The budget is segmented by department and division to enhance its usability as an operations guide. As an operations guide, the budget provides each department valuable information for guidance in day to day operations.

The Statistical Section provides historical financial information and other pertinent facts which assist the reader in gaining an understanding of the characteristics of the City which affect its present financial status and its future outlook.

management, expenditure control, asset management, debt management, and planning concepts, in order to:

- Present fairly and with full disclosure the financial position and results of the financial operations of the City in conformity to Generally Accepted Accounting Principles (GAAP), and
- Demonstrate compliance with finance related legal and contractual issues in accordance with provisions of state law.

The City Council annually reviews and approves the Fiscal and Budgetary Policy Statements as part of the budget process.

- A. **FUND STRUCTURE.** Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The

SUMMARY OF FISCAL AND BUDGETARY POLICIES

I. STATEMENT OF PURPOSE

The Fiscal and Budgetary Policy Statements identify and present an overview of policies dictated by state law, the City Charter, City ordinances and administrative policies. The aim is to achieve a long-term, stable and positive financial condition that encompasses integrity, planning, accountability and full disclosure. These policies provide guidelines to the administration and finance staff in planning and directing the City's day-to-day financial affairs and in developing recommendations to the City Council. The scope of these policies span accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash and investment

“operating budget” is the City’s annual financial operating plan.

1. A separate budget shall be prepared for each fund.
2. All budgets shall be adopted on a basis consistent with Generally Accepted Accounting Principles as promulgated by the Governmental Accounting Standards Board. Revenues are budgeted when they become measurable and available. Expenditures will be charged against the budget when they are measurable, a fund liability is incurred, and that liability will be liquidated with current resources.
3. The budget shall be adopted at the lowest level of control which is by division within an individual fund (i.e., the expenditures may not exceed the total for any division within a fund without the City Council’s approval). Department Heads may not exceed budget allocations at the object code level in controllable accounts without amendment to the budget as outlined in Section IV, parts B and D.
4. A line item budget format shall be used for accuracy and accountability.
5. The budget shall be sufficiently detailed to identify all available funds. The format will include estimated beginning funds, source of funds, use of funds, and estimated remaining funds at budget year end. An actual prior year, estimated current year and proposed budget shall be presented.
6. A summary showing the net budget totals will be shown, as well as gross budget totals, in order to prevent the “double counting” of revenues and expenditures. Net budget totals are derived by subtracting inter-fund transfer amounts from the gross budget totals.
7. The City will maintain a budgetary control system to ensure adherence to the budget and will prepare monthly financial reports comparing actual revenues, expenditures and encumbrances with budgeted amounts.
8. Proprietary operations shall be totally self-sufficient.
9. Proprietary fund budgets shall reimburse the General Fund for a proportionate share of administrative costs. Documentation to support the transfer shall be presented to City Council during the budget process.

10. All appropriations lapse at year end. Any encumbered appropriations at year end may be appropriated by the governing body in the subsequent year. However, the appropriation authority for major capital projects and items purchased through the formal purchase order system (i.e., the encumbered portions) carries forward automatically to the subsequent year.

B. **PREPARATION.** The budget is prepared by the City Manager and Director of Finance with the cooperation of all city departments. The budget is presented to the City Council at least four weeks prior to the fiscal year end, and is adopted by the City Council at least three days prior to the new fiscal year.

1. **Proposed Budget.** The City Charter requires that the City Manager submit a proposed budget to City Council at least 45 days prior to the end of the fiscal year that presents a complete financial plan for the ensuing year.

a) The budget shall include four basic segments for review and evaluation: (1) base budget (same level of service) for operations and maintenance costs, (2) supplemental decision packages for capital and other (non-capital) costs, and (3) capital improvements and (4) revenues. In the base budget, the City Manager may elect to include decision package items with a cost of up to \$1,000.00.

b) The budget review process shall include City Council participation in the development of each of the four segments of the proposed budget.

c) The budget process shall allow sufficient time for the City Council to address policy and fiscal issues.

d) A copy of the proposed budget shall be filed with the City Secretary at least 30 days prior to adoption of the tax levy and budget.

2. **Adoption.** Upon the presentation of a proposed budget document to the City Council, the City Council shall call and publicize a public hearing. The City Council shall subsequently adopt by Ordinance such budget, as it may have been amended, as the City’s Annual Budget, effective for the fiscal year beginning October 1.

C. **BALANCED BUDGET.** The operating budget shall be balanced using a combination of current revenues and available funds. Current year operating expenses

shall be funded with current year generated revenues. Proprietary Funds with outstanding revenue bonds shall not rely on funds available from the prior year to balance the budget. No budget shall be adopted unless the total of estimated revenues, income, and funds available is equal to or in excess of such budget.

- D. PLANNING. The budget process shall be coordinated so that the City Council has sufficient time to consider major policy issues to be incorporated into the budget.
- E. REPORTING. Periodic financial reports shall be prepared to enable the department heads to manage their budgets and to enable monitoring and control of the budget. A quarterly budget review shall be presented to City Council in sufficient detail to allow decision making.

III. REVENUE MANAGEMENT

- A. CHARACTERISTICS OF THE REVENUE SYSTEM. The City strives for the following optimum characteristics in its revenue system:

1. Simplicity and Certainty. The City shall strive to keep the revenue classification system simple to promote understanding of the revenue sources. The City shall describe its revenue sources and enact consistent collection policies to provide assurances that the revenue base shall materialize according to budgets and plans.
2. Equity. The City shall make every effort to maintain equity in its revenue system structure. The City shall minimize all forms of subsidization between entities, funds, services, utilities, and customers.
3. Conservative Estimates. Revenues are to be estimated realistically. Revenues of volatile nature shall be budgeted conservatively.
4. Centralizing Reporting. Receipts will be submitted daily to the Finance Department for deposit and investment. Daily transaction reports and supporting documentation will be prepared.
5. Review of Fees and Charges. The City shall review all fees and charges annually in order to keep pace with the cost of providing that service.
6. Aggressive Collection Policy. The City shall follow an aggressive policy of collecting revenues. Utility services will be discontinued (i.e. turned off) for non-payment in accordance with established policies and ordinances. The delinquent tax attorney shall be encouraged to

collect delinquent property taxes using an established tax suit policy and sale of real and personal property to satisfy non-payment of property taxes.

- B. NON-RECURRING REVENUES. One time or non-recurring revenues will not be used to finance current ongoing operations. Non-recurring revenues will be used only for one-time expenditures such as capital needs.
- C. PROPERTY TAX REVENUES. All real and business personal property located within the City shall be valued at 100% of the fair market value based on the appraisal supplied by the Anderson County Appraisal District. Reappraisal and reassessment is as provided by the appraisal district. A 98% collection rate shall serve each year as a goal for tax collections and the budgeted revenue projection. Property tax rates shall be maintained at a rate adequate to fund an acceptable and basic service level. Based upon taxable values, rates will be adjusted to fund this service level.
- D. INTEREST INCOME. Interest earned from investment of available monies, whether pooled or not, shall be distributed to the funds in accordance with the equity balance of the fund from which monies were provided to be invested.
- E. USER-BASED FEES AND SERVICE CHARGES. For services associated with a user fee or charge, the direct and indirect costs of that service shall be offset wholly or partially by a fee where possible. There shall be an annual review of fees and charges to ensure that the fees provide adequate coverage of costs of services.
- F. UTILITY RATES. The City shall review and adopt utility rates annually to generate revenues required to cover operating expenditures, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital. This policy does not preclude drawing down cash balances to finance current operations.
- G. COST REIMBURSEMENTS TO THE GENERAL FUND. Proprietary funds shall reimburse the General Fund for a proportionate share of administrative costs. Documentation to support the transfer shall be presented to City Council as part of the budget process.
- H. INTERGOVERNMENTAL REVENUES/GRANTS. Grant revenues shall be spent for the purpose intended. The City shall review grant match requirements and not rely on grants for the basic operating budget.

- I. REVENUE MONITORING. Revenues actually received are to be regularly compared to budgeted revenues and reported to the City Council quarterly.
 - J. REVENUE PROJECTIONS. The City shall project revenues for the next five years and will update this projection annually. Each existing and potential revenue source shall be re-examined annually.
 - K. APPROPRIATIONS. The responsibility for budgetary control lies with the Department Head. Department Heads may not approve expenditures that exceed monies available at the object code level. Capital expenditures are approved by the City Council on a per item basis; cost savings may not be spent for any purpose other than their specifically intended approved purpose. Personnel allocations may not be changed without the approval of City Council.
 - L. AMENDMENTS TO THE BUDGET. The City Council may transfer any unencumbered appropriated balance or portion thereof from any office, department, or agency to another at any time.
 - M. CENTRAL CONTROL. No salary or capital budgetary savings in any department shall be spent without the prior authorization of the City Council.
 - N. CITY MANAGER'S AUTHORITY TO AMEND BUDGET. The City Manager may, without prior City Council approval, authorize transfers of less than \$5,000.00 between budget line items with the exception that:
 - a) regular personnel allocations may not be changed;
 - b) salary and benefit savings due to vacancies may not be transferred; and
 - c) savings from City Council approved capital purchases may not be spent for other than their intended purpose.

All such transfers shall be reported to City Council on a quarterly basis for review by the City Council as part of the regular budget review.
 - O. PURCHASING. All purchases shall be made in accordance with the purchasing procedures manual of the City that clearly defines levels of authority and spending limits.
 - P. PROMPT PAYMENT. All invoices approved for payment by the proper City authorities shall be paid by the Finance Department within thirty (30) calendar days of receipt in accordance with the provisions of state law. Proper procedures shall be established that
 - mandatory project
 - efficiency improvement
- enables the City to take advantage of all purchase discounts, when possible, except in the instance where payments can be reasonably and legally delayed in order to maximize the City's investable cash.
- Q. REPORTING. The Finance Department shall prepare monthly reports showing actual expenditures compared to the approved budget.
- IV. CAPITAL BUDGET AND PROGRAM**
- A. PREPARATION. The city shall budget for capital improvements by fund. Capital budgets are to be prepared annually in conjunction with the operating budget on a fiscal year basis. This will ensure that capital and operating needs are balanced against each other.
 - B. CONTROL. All capital project expenditures must be appropriated in the appropriate capital budget. A funding source and resource availability shall be presented to the City Council at the time a project is presented for funding.
 - C. PROGRAM PLANNING. The City shall make capital improvements in accordance with an adopted capital improvements program. Capital budgets shall be evolved from the Capital Improvements Program. The City shall develop a multi-year plan for capital improvements and update it annually. The planning time frame for the capital improvements project plan will normally be five years.
 - D. FINANCING PROGRAMS. Alternative financing sources will be explored before debt is issued. When debt is issued, it shall be used to acquire major assets with expected lives which equal or exceed the average life of the debt issue. The exceptions to this requirement are the traditional costs of marketing and issuing the debt, which are usually paid from the direct proceeds.
 - E. REPORTING. Periodic financial reports shall be prepared to enable the city staff to manage the capital budgets and to enable the Finance Department to monitor and control the capital budgets as authorized by the City Council. Summary capital project status reports shall be presented to the City Council periodically.
 - F. EVALUATION CRITERIA. Evaluation criteria for selecting which capital assets and projects to include for funding shall include the following:
 - policy area project
 - project's expected useful life

- availability of state/federal grants
- prior commitments
- maintenance project
- project provides a new service extent of usage

G. **PROJECT LENGTH BUDGET.** A budget for a capital project shall be a project length budget. At the end of the fiscal year, the unspent budget of an approved capital project shall automatically carry forward to the subsequent fiscal year.

V. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

A. **ACCOUNTING.** The Finance Director is responsible for establishing the Chart of Accounts and for recording financial transactions.

B. AUDITING.

1. Qualifications of the Auditor. In conformance with the City's Charter, the City shall be audited annually by outside independent accountants ("auditor"). The auditor must be a CPA firm of regional reputation and must demonstrate that it has staff to conduct the City's audit in accordance with generally accepted auditing standards and contractual requirements. The auditor must be licensed by the State of Texas.
2. Responsibility of Auditor to City Council. The auditor is retained by and is accountable directly to the City Council. The auditor shall communicate directly with the City Council as necessary to fulfill its legal and professional responsibilities, or if city staff is unresponsive to auditor recommendations.
3. Selection of Auditor. The City shall request proposals for audit services at least once every three years. The City shall select the auditor by June 30 of each year.
4. Contract with Auditor. The agreement between the independent auditor and the City shall be in form of a written contract. A time schedule for completing of the audit shall be included.
5. Scope of Audit. All general purpose statements, combining statements and individual fund and account group statements and schedules shall be subject to full scope audit. The auditor shall prepare and review the management letter with the City Council.

C. FINANCIAL REPORTING.

- effect of project on operation and maintenance costs
- elimination of hazards

1. External Reporting. As a part of the audit, the auditor shall prepare a written Comprehensive Annual Financial Report (CAFR) to be presented to the City Council within 120 calendar days of the City's fiscal year end. The CAFR shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and shall be presented annually to the Government Finance Officer's Association (GFOA) for evaluation and consideration for the Certificate of Achievement for Excellence in Financial Reporting.
2. Availability of Reports. The comprehensive annual financial report shall be made available to the elected officials, bond rating agencies, creditors and citizens.
3. Internal Reporting. The Finance Department shall prepare internal financial reports, sufficient to plan, monitor, and control the City's financial affairs.

VI. INVESTMENTS AND CASH MANAGEMENT

- A. **DEPOSITING OF FUNDS.** The Finance Director shall promptly deposit all City funds with the Bank Depository Agreement and the City Council approved Investment Policies. Investments and reporting shall strictly adhere to the City Council approved Investment Policies.
- B. **DEPOSITORY BANK.** A depository bank shall be selected by the City Council for a three year period. A request for proposal shall be used as the means of selecting a depository bank. The depository bank shall specifically outline safekeeping requirements.

VII. INVESTMENT POLICY.

- A. All funds shall be invested in accordance with the approved Investment Policy which must be approved annually.
- B. **QUARTERLY REPORT.** A quarterly report on investments shall be prepared and provided to City Council.

VIII. ASSET MANAGEMENT

- A. **FIXED ASSETS AND INVENTORY.** A fixed asset of the City is defined as a purchased or otherwise acquired piece of equipment, vehicle, furniture, fixture, capital improvement, addition to existing capital investments, land, buildings, etc. The cost or value of any such acquisition must be \$5000.00 or more with an expected useful life greater than three years.
- B. **OPERATIONAL PROCEDURES MANUAL.** Records shall be purged that do not meet this criteria and operational procedures shall be in accordance with a fixed asset records procedure manual approved by the City Manager.
- C. **SAFEGUARDING OF ASSETS.** The City's fixed assets will be reasonably safeguarded and properly accounted for. Responsibility for the safeguarding of the City's fixed assets lies with the Department Head in whose department the fixed asset is assigned.
- D. **MAINTENANCE OF RECORDS.** The Finance Department shall maintain the permanent records of the City's fixed assets including description, cost, department of responsibility, date of acquisition and depreciation where applicable.
- E. **ANNUAL INVENTORY.** An annual inventory of assets shall be performed by each department using guidelines established by the Finance Department. Such inventory shall be performed by the Department Head or the department head's designated agent in the presence of a designated person from the division. The Department Head shall be sent a detailed listing annually and shall be responsible for a complete review of assigned fixed assets. A signed inventory list shall be returned to the Finance Department.

IX. DEBT MANAGEMENT

- A. **DEBT ISSUANCE.** The City shall issue debt only as specifically approved by the City Council and expenditure of such monies shall be in strict accordance with the designated purpose.
- B. **ISSUANCE OF LONG-TERM DEBT.** The issuance of long-term debt is limited to capital improvements or projects that cannot be financed from current revenues or resources. For purposes of this policy, current resources are defined as that portion of fund balance in excess of the required reserves. Every effort will be made to limit the payback period of the debt to the estimated useful life of the capital projects or improvements. The City will use long-term debt financing when it can be determined that

future citizens will receive a benefit from the improvement.

- C. **PAYMENT OF DEBT.** When the City utilizes long-term debt financing it will ensure that the debt is financed soundly by: conservatively projecting the revenue sources that will be used to pay the debt; and financing the improvement over a period not greater than the useful life of the improvement.

- D. **BOND RATING AGENCIES.** The City will maintain good communications with bond rating agencies and will try to improve or maintain its current bond rating level.

E. TYPES OF DEBT

1. General Obligation Bonds (G.O.'s). The city has the power to borrow money on the credit of the city and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by the construction and laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds of the city previously issued. All such bonds shall be issued in conformity with the laws of the State of Texas. General Obligation Bonds shall be used only to fund capital assets of the general government, and not used to fund operating needs of the City. General Obligation Bonds are backed by the full faith and credit of the City as well as the ad valorem tax authority of the City. The term of a bond issue shall not exceed the useful life of the asset(s) funded by the bond issue. General Obligation Bonds must be authorized by a vote of the citizens of the City of Palestine.

2. Revenue Bonds (R.B.'s). The City has the power to borrow money for the purpose of constructing, purchasing, improving, extending or repairing public utilities, recreational facilities or any other self liquidating municipal function not prohibited by the construction or laws of the State of Texas, and to issue revenue bonds to evidence the obligation created thereby. Such bonds shall be a charge upon and payable solely from the properties, or interest therein, pledged, or the income there from, or both, and should never be a debt of the city. All such bonds shall be issued in conformity with the laws of the State of Texas. Revenue bonds shall be issued as determined by City Council to

provide for the capital needs of any activities where the capital requirements are necessary for continuation or expansion of a service which produces revenue and for which the asset may reasonably be expected to provide for a revenue stream to fund the debt service requirements. The term of the obligation may not exceed the useful life of the asset(s) to be funded by the bond issue.

3. Certificates of Obligation (C.O.'s). Certificates of Obligation may be used in order to fund capital requirements. Debt service for C.O.'s may be either from general revenues or backed by a specific revenue stream or streams or by a combination of both. The term of the obligation may not exceed the useful life of the asset(s) to be funded by the proceeds of the debt issue.
4. Method of Sale. The City shall use a competitive bidding process in the sale of bonds and certificates of obligation unless otherwise specifically agreed upon by City Council.
5. Financial Advisor. The City shall maintain a contract for services from a financial advisor to oversee all aspect of bond issues.

- F. ANALYSIS OF FINANCING ALTERNATIVES. Staff shall explore alternatives to the issuance of debt for capital acquisitions and construction projects.
- G. DISCLOSURE. Full disclosure of operations shall be made to the bond rating agencies and other users of financial information. The city staff, with the assistance of financial advisors and bond counsel, shall prepare the necessary materials for presentation to the rating agencies, and shall aid in the production of Offering Statements.
- H. DEBT STRUCTURING. The repayment schedule shall approximate a level debt service unless operational matters dictate otherwise.

X. RESERVES/UNALLOCATED FUND BALANCE/WORKING CAPITAL

- A. OPERATING RESERVES/FUND BALANCES. The City shall establish a fund balance reserve in each fund to pay expenditures caused by unforeseen emergencies for shortfalls caused by revenue declines, and to eliminate any short-term borrowing for cash flow purposes. Whenever possible, the fund reserve will be maintained at an amount equal to three months expenditures of the annual budget for each fund.

- B. CAPITAL AND DEBT SERVICE FUNDS. Monies in the Capital Projects Funds shall be expended in accordance with an approved budget. Interest income will be used to offset construction costs. Reserves in the Debt Service Fund shall be maintained as required by outstanding bond indentures. Reduction of reserves shall be done only with City Council approval after conferring with the City's financial advisor and in accordance with bond indentures.
- C. Debt Coverage Ratios shall be maintained as specified by the bond covenants.

XI. INTERNAL CONTROLS

- A. WRITTEN PROCEDURES. Whenever possible, written procedures shall be established and maintained by the Finance Director for all functions involving cash handling and/or accounting throughout the City. These procedures shall embrace the general concepts of fiscal responsibility set forth in this policy statement.
- B. DEPARTMENT HEAD RESPONSIBILITIES. Each Department Head is responsible to ensure that good internal controls are followed throughout his or her Department, that all Finance Department directives or internal controls are implemented, and that all independent auditor internal control recommendations are addressed.

XII. RISK MANAGEMENT

- A. RESPONSIBILITY. The Personnel Director is responsible for the general risk management function of the City.
- B. Periodic reports shall be submitted to Council for review and approval.

BUDGET RELATED ORDINANCES

**City of Palestine
Annual Budget 2007-08**

BUDGET ORDINANCE

AN ORDINANCE APPROVING AND ADOPTING THE BUDGET OF THE CITY OF PALESTINE, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2007; MAKING APPROPRIATIONS AS REFLECTED IN SAID BUDGET; AND MAKING FINDINGS RELATING TO THE BUDGET.

WHEREAS, on the 14th day of August, 2007, the City Manager filed with the City Secretary a proposed budget of the City of Palestine for the fiscal year 2007-2008; and

WHEREAS, pursuant to notice required by law, a public hearing on the budget was held at the regular meeting place of the City Council at City Hall, 504 N. Queen St., Palestine, Texas, on the 10th day of September, 2007, at which hearing all citizens and taxpayers of the City had the right to be heard and those who requested to be heard were heard; and

WHEREAS, the City Council has considered the proposed budget and has made such changes therein as in the City Council's judgment are warranted, are permitted by law, and are in the best interest of the citizens and taxpayers of the City of Palestine:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PALESTINE:

I.

The facts and recitals set forth in the preamble to this Ordinance are hereby found to be true and correct.

II.

In accordance with the statutes of the State of Texas and the Charter of the City of Palestine, the City Council hereby approves and adopts the budget attached hereto and incorporated herein as Exhibit A. The City Secretary is hereby directed to keep such budget on file in her office as a public record, post the budget on the City's website, and to file a copy with the County Clerk of Anderson County.

III.

In support of said budget and by virtue of its adoption, there are hereby appropriated out of available cash funds and out of the general and special revenues of the City of Palestine the amounts set forth in said budget for the purposes stated therein.

IV.

The City Manager is authorized to transfer unencumbered balances, or portions thereof, from one budget account to another budget account within the same office, department, division, or agency.

PASSED, APPROVED, and ADOPTED by the City Council of the City of Palestine, Texas, at a meeting held on this the 17th day of September, 2007.

TAX INCREASE RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS, TO RATIFY THE PROPERTY TAX INCREASE AS REFLECTED IN THE 2007/2008 CITY OF PALESTINE BUDGET.

WHEREAS, the City Council of the City of Palestine, Texas, has adopted a budget for Fiscal Year 2007/2008 that will require raising more revenue from property taxes than in the previous year; and

WHEREAS, the City Council of the City of Palestine have determined that the needs of the citizens of the City of Palestine require the services provided under that budget; and

WHEREAS, Section 102.007(c) of the Local Government Code, as amended in the Regular Session of the 80th Legislature of the State of Texas, requires a separate vote of the governing body to ratify the property tax increase reflected in the budget:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS:

SECTION 1. That the property tax increase reflected in the 2007/2008 City of Palestine Budget, adopted on this date by the City of Palestine, Texas, is hereby ratified.

PASSED and APPROVED by the City Council of the City of Palestine, Texas, at the meeting held on this the 17th day of September, 2007.

AD VALOREM ORDINANCE

AN ORDINANCE PROVIDING FOR THE ASSESSMENT, LEVY, AND COLLECTION OF AD VALOREM TAXES BY THE CITY OF PALESTINE, TEXAS, FOR THE YEAR 2007; PROVIDING THE DATE ON WHICH SUCH TAXES SHALL BE DUE AND PAYABLE; PROVIDING FOR PENALTY AND INTEREST ON ALL TAXES NOT TIMELY PAID; AND REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH.

- WHEREAS,** Section 26.05 of the Texas Property Code provides that by September 1, or as soon thereafter as practicable, the governing body of each taxing unit shall adopt a tax rate for the current tax year; and
- WHEREAS,** such Section further provides that where the tax rate consists of two components, one of which will impose the amount of taxes needed to pay the unit's debt service and the other of which will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the next year, each of the components must be approved separately; and
- WHEREAS,** the proposed tax rate for the current year of the City of Palestine, Texas, consists of two such components, a rate of \$0.608362 to fund maintenance and operation expenditures, and \$0.030638 for debt service; and
- WHEREAS,** public hearings were held at a meeting of said City Council on August 27, 2007 and September 6, 2007, at which hearings all citizens and taxpayers of the City had the right to be heard and those who requested to be heard were heard; and
- WHEREAS,** by separate motions heretofore adopted by the City Council of the City of Palestine, Texas, at a meeting of the City Council held on this 17th day of September, 2007, said City Council has approved separately the rate of each of the components; and
- WHEREAS,** having thus separately approved the rate for each of such components, it is necessary and appropriate for the City Council to now formally adopt a 2007 tax rate ordinance for the City of Palestine, Texas:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PALESTINE:

I.

The facts and recitals set forth in the preamble to this Ordinance are hereby found to be true and correct.

II.

There is hereby levied by the City of Palestine, Texas, for the tax year 2007 an ad valorem tax of sixty-three and 9/10 cents (\$0.63900) on each One Hundred Dollars (\$100) of assessed valuation on all property, real, personal, and mixed, within the corporate limits upon which an ad valorem tax is authorized by law to be levied by the City of Palestine, Texas, which taxes shall be apportioned to the following purposes:

- (a) For the maintenance and support of the general government (General Fund), on each \$100 valuation of property:

\$0.608362

- (b) For the purpose of paying the accruing interest on, and to provide a sinking fund for the payment of, the bonded indebtedness of the City of Palestine, Texas:

\$0.030638

III.

All ad valorem taxes levied hereby shall be due and payable on or before January 31, 2008. All ad valorem taxes due the City of Palestine, Texas, for the year 2007 not paid before January 31, 2008 shall bear penalty and interest as prescribed by the Texas Property Tax Code.

IV.

All ordinances and parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

PASSED, APPROVED, and ADOPTED by the City Council of the City of Palestine, Texas, at a meeting held on this the 17th day of September, 2007.

UTILITY ORDINANCE

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF PALESTINE, TEXAS BY AMENDING CHAPTER 98, ENTITLED "UTILITIES", ARTICLE III ENTITLED "RATES AND CHARGES", BY AMENDING SECTION 98-90 ENTITLED "WATER RATES"; BY AMENDING SECTION 98-91 ENTITLED "WASTEWATER CHARGES", BY AMENDING SECTION 98-93 ENTITLED "SOLID WASTE COLLECTION FEES"; PROVIDING A SAVING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Palestine provides water, wastewater, and solid waste collection services to citizens within its corporate boundaries, and to non-residents of the City; and

WHEREAS, the City is required to collect charges for the services it provides so as to pay for the provision of adequate and reliable service; and

WHEREAS, the City Council has determined that the rates charged to customers of the City's water, wastewater, and solid waste service should be adjusted to more accurately reflect the cost of providing the services:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS:

I.

That Section 98-90 of the Code of Ordinances of the City of Palestine, Texas be amended to read as follows:

Section 98-90. Water rates

The monthly water rates or charges to be charged by the city for treated water furnished to its consumers in the city shall be as follows:

(1) The minimum monthly charge for the first 3,000 gallons shall be based on the size of the meter as follows:

a.	Three-fourths-inch to one-inch	\$ 8.98
b.	One-and-one-half-inch	13.31
c.	Two-inch	18.06
d.	Three-inch	38.06
e.	Four-inch	58.00
f.	Six-inch	185.42
g.	Eight-inch	268.13

(2) Usage charges shall be as follows:

a.	Residential	
1.	From 3,000 gallons to 20,000 gallons, per 1,000 gallons	2.65
2.	After 20,000 gallons, per 1,000 gallons	2.70
b.	Commercial	
1.	From 3,000 gallons to 20,000 gallons, per 1,000 gallons	2.68
2.	After 20,000 gallons, per 1,000 gallons	2.92
c.	Multifamily, as defined in subsection (3)	
1.	From 3,000 gallons to 20,000 gallons, per 1,000 gallons	2.68
2.	After 20,000 gallons, per 1,000 gallons	2.92
d.	Industrial	
1.	From 3,000 gallons to 20,000 gallons, per 1,000 gallons	2.68
2.	After 20,000 gallons, per 1,000 gallons	2.92
e.	Raw water, per 1,000 gallons	0.48

- (3) Apartment houses or multi-family dwellings or multi-unit buildings designed to house two or more families or units shall, unless each unit is separately metered, be charged and billed at the multifamily rate set forth in subsection (2)(c) of this section.
- (4) Mobile home parks and trailer courts shall, unless each unit is separately metered, be charged and billed at the commercial rate set forth in subsection (2)(b) of this section.
- (5) The rates specified in all water contracts entered into by the city, except those specified in the following subsection (6) shall be charged and billed at the rate of \$2.65 per 1,000 gallons with no minimum charge per month.
- (6) All consumers located outside the corporate limits of the city which have made agreements with the city for water services on an individual basis for an individual consumer shall be charged at a rate that is 1.3 times the rates set forth in subsections (1) and (2)(b) of this section.
- (7) If a consumer requests that his meter be reread and such is done and it is determined by the city that the first reading was correct, there shall be a charge of \$16.50 assessed on the next bill of that customer. Also there shall be a charge of \$52.00 if the meter has been pulled for nonpayment of services.
- (8) Each new consumer of city water shall pay a nonrefundable water utility service setup charge in the amount of \$10.00 which will be charged to the consumer on the first bill sent to the consumer for water service. Each consumer who desires to have an existing water service transfer shall pay a transfer fee in the amount of \$25.00 which will be billed to the consumer on the first bill for water service at the new address.
- (9) Payments will be due 20 days from the billing date.

- (10) A late charge of three percent will be assessed for an account over 20 days past due

II.

That Section 98-91 of the Code of Ordinances of the City of Palestine, Texas, be amended to read as follows:

Section 98-91. Wastewater charges.

The monthly wastewater rates or wastewater charges to be paid by the users of the city sanitary sewer system shall be computed upon the numbers of gallons of water metered to such consumer through the water meter of such consumer and shall be calculated in the following manner:

- (1) Residential. Residential users shall pay the charge according to the following:
 - a. First 3,000 gallons, minimum charge 8.35 base charge
 - b. Over 3,000 gallons, per 1,000 gallons 3.94
 - c. Rates for residential wastewater service will be calculated upon monthly water usage. Average monthly water usage shall be established for each user as the arithmetical average of the amount of water for which bills were issued during the pervious winter period. The winter period shall be between December 1 and March 31. If a user was not a customer for the entire pervious winter period, the average monthly water usage will be the average monthly water usage for all residential users in the same billing cycle. Averages will be recalculated May 1 of every year.
- (2) Non consumers of city water. All consumers who are provided sanitary wastewater services but are not connected to city water shall pay a charge of \$25.00 per month.
- (3) Multifamily. Apartment houses or multi-family dwellings or multi-unit buildings designed to house two or more families or units shall, unless each unit is separately metered, pay the charge according to the following:
 - a. Gallons per month:
 1. 0 – 3,000 \$33.00
 2. Over 3,000 gallons, for every 1,000 gallons 4.00
 - b. Over-strength charges. Multifamily users shall pay \$0.80/ppm/mf/TSS + BOD for any discharge into the collection system with a concentration of greater than 250 mg/l of TSS or BOD.
- (4) Commercial. Commercial users shall pay the charge according to the following:
 - a. Gallons per month:
 1. 0 – 3,000 \$33.00
 2. Over 3,000 gallons, for every 1,000 gallons 4.00

- b. Over-strength charges. Commercial users shall pay \$0.80/ppm/mf/TSS + BOD for any discharge into the collection system with a concentration of greater than 250 mg/l of TSS or BOD.
- (5) Industrial. Industrial users shall pay the charge according to the following:
- a. Gallons per month:

1.	0 – 3,000	\$33.00
2.	Over 3,000 gallons, for every 1,000 gallons	4.00
 - b. Over-strength charges. Industrial users shall pay \$0.80/ppm/mf/TSS + BOD for any discharge into the collection system with a concentration of greater than 250 mg/l of TSS or BOD.
- (6) Mobile home parks and trailer courts shall, unless each unit is separately metered, be charged and billed at the commercial rate set forth in subsections (1) and (2)(b) of this section.
- (7) A late charge of three percent will be assessed for an account over 20 days past due.
- (8) All consumers located outside the corporate limits of the city which have made agreements with the city for wastewater services on an individual basis for an individual consumer shall be charged at a rate that is 1.3 times the rates set forth in this section.
- (9) A temporary surcharge shall be added to the monthly customer billing for wastewater services in an amount designed to recover the projected increased debt service and operating costs for the EPA-mandated improvement project not otherwise covered by other revenues. Residential users of the wastewater system shall pay a monthly surcharge of \$7.81 on the base 3,000 gallons and \$1.20 per 1,000 gallons for all gallons used over the base 3,000 gallons. Commercial users of the wastewater system shall pay a surcharge of \$4.92 on the base 3,000 gallons and \$1.23 per 1,000 gallons for all gallons used over the base 3,000 gallons. The surcharge shall end at the earlier of the payoff of the debt or at such a time as other revenues of the wastewater fund are sufficient to cover operating expenses and all debt service.

III.

That Section 98-93 of the Code of Ordinances of the City of Palestine, Texas, be amended to read as follows:

Section 98-93. Solid waste collection fees.

- (a) Each residential unit within the city limits shall be charged \$11.25 per month for residential garbage and rubbish collection
- (b) Each residential unit shall pay an additional \$1.79 per month as a street sanitation fee.
- (c) Each commercial unit shall pay an additional \$1.79 per month as a street sanitation fee.

(d) All other persons having collection of garbage and rubbish other than residential, including commercial and industrial, shall be charged monthly a fee giving the user the option of collection in polycarts, roll-off containers or dumpsters ranging from two-yard to eight-yard in quantity and collection at a frequency of one day a week up to five days per week according to the schedule of rates as follows:

(1) Polycarts. \$18.20 per month for collection twice per week.

(2) Dumpsters:

Size	1 x wk	2 x wk	3 x wk	4 x wk	5 x wk	Extra
2-yd	\$45.55	\$79.60	\$102.40	\$125.10	\$149.30	\$26.50
3-yd	56.90	90.95	125.10	159.25	192.30	27.55
4-yd	68.20	113.75	159.25	204.70	250.15	28.60
6-yd	81.00	159.25	227.50	295.70	363.95	29.70
8-yd	113.75	204.70	295.70	386.70	477.70	30.75

(e) All consumers located outside the corporate limits of the city which have made agreements with the city for solid waste collection services on an individual basis for an individual consumer shall be charged at a rate that is 1.3 times the rates set forth in this section.

IV.

That all provisions of the Code of Ordinances of the City of Palestine, Texas, shall remain in full force and effect save and except as amended by this ordinance.

V.

That the terms and provisions of this ordinance are severable. If any portion of this ordinance be declared invalid or unenforceable, the balance of said ordinance not declared invalid or unenforceable, will remain in full force and effect.

VI.

That this ordinance shall take effect on October 1, 2007 after its passage and publication as required by law.

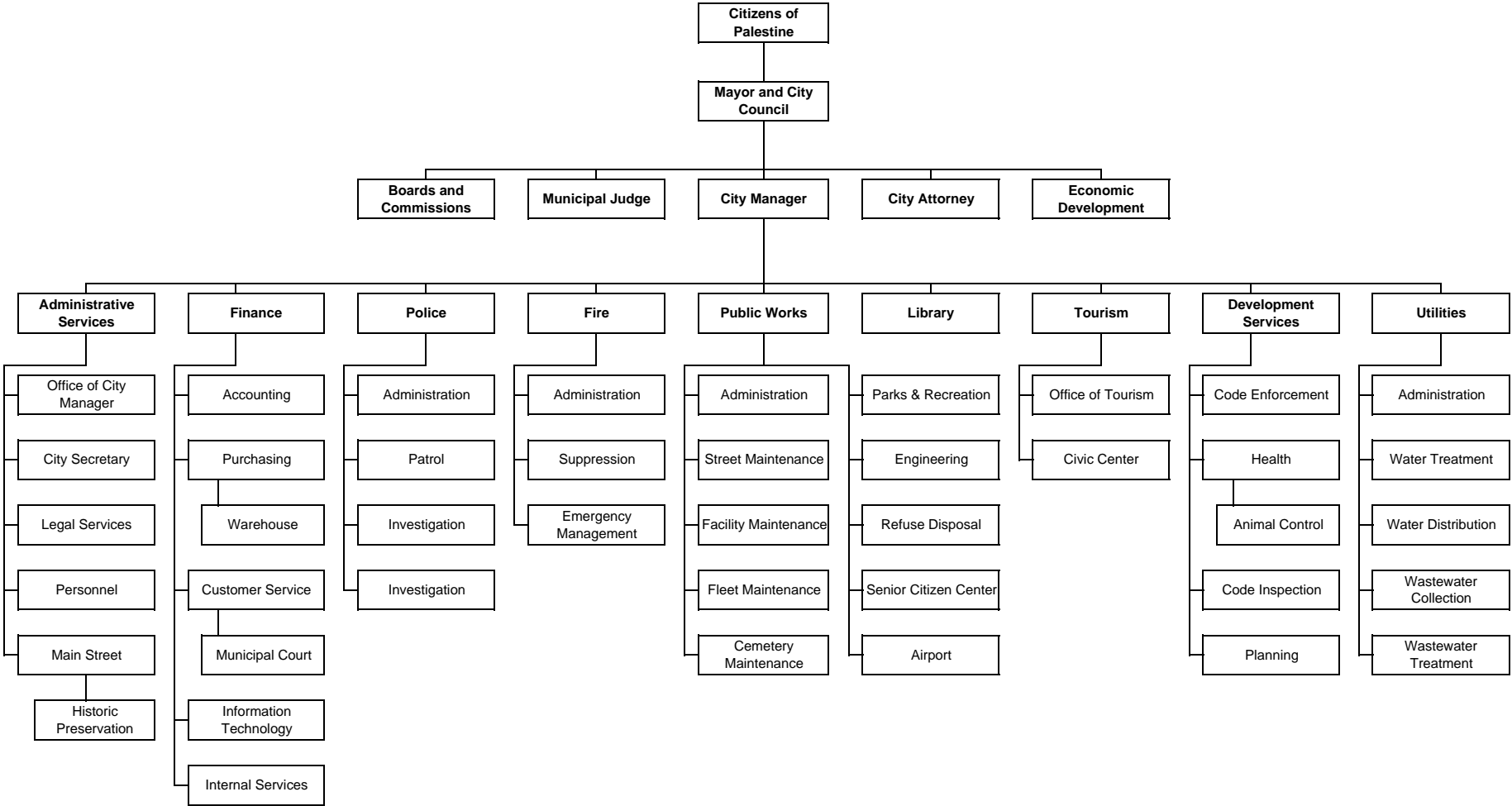
PASSED, APPROVED, and ADOPTED by the City Council of the City of Palestine, Texas, at a meeting held on this the 17th day of September, 2007.

PERSONNEL ALLOCATION

**City of Palestine
Annual Budget 2007-08**

CITY OF PALESTINE ORGANIZATIONAL CHART

Fiscal Year Ending 2008



Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
City Manager	1.0	1.0	1.0
Administrave Assistant	2.0	1.0	1.0
City Secretary	1.0	1.0	1.0
Human Resource Manager	1.0	1.0	1.0
Main Street Manager	1.0	1.0	1.0
Total Administration:	6.0	5.0	5.0
Finance Director	1.0	1.0	1.0
Accountant I	0.0	1.0	1.0
Accounting Clerk I	1.0	0.0	0.0
Accounting Clerk II	1.0	1.0	1.0
Administrative Assistant	1.0	0.0	0.0
Assistant Finance Director	1.0	1.0	1.0
Casher Clerk I	2.0	1.0	1.0
Casher Clerk I (part-time)	0.0	0.5	0.5
Cashier Clerk II	0.0	1.0	1.0
City Marshall	1.0	1.0	1.0
Court Administrator	1.0	0.0	0.0
Court Clerk I	1.0	1.0	1.0
Court Clerk II	1.0	1.0	1.0
Court/Customer Service Administrator	0.0	1.0	1.0
Customer Service Coordinator	0.0	1.0	1.0
Customer Service Manager	1.0	0.0	0.0
Customer Service Supervisor	0.0	1.0	1.0
Meter Reader	2.0	2.0	2.0
Purchasing Agent	1.0	1.0	1.0
Ullity Billing Clerk	1.0	0.0	0.0
Warehouse Specialist	1.0	1.0	1.0
Total Finance:	17.0	16.5	16.5
Police Chief	1.0	1.0	1.0
Administrative Assistant	2.0	2.0	2.0
Assistant Police Chief	1.0	1.0	0.0
Dispatch Supervisor	0.0	1.0	1.0
Dispatcher	5.0	4.0	4.0
Dispatcher (part-time)	0.0	0.0	1.0
Police Corporal	5.0	5.0	4.0
Police Lieutenant	1.0	1.0	2.0
Police Officer	22.0	22.0	22.0
Police Record Clerk	1.0	1.0	1.0
Police Sargeant	7.0	7.0	7.0
Property Room Technician	0.0	0.0	1.0
Property Room Technician (part-time)	0.5	0.5	0.5
Total Police:	45.5	45.5	46.5
Fire Chief	1.0	1.0	1.0
Emergency Manager	1.0	1.0	1.0
Fire Battalion Chief	3.0	3.0	3.0
Fire Captain	3.0	3.0	3.0
Fire Driver	6.0	6.0	6.0
Fire Lieutenant	3.0	3.0	3.0
Fire Marshall	1.0	1.0	1.0
Firefighter	21.0	21.0	21.0
Total Public Safety:	39.0	39.0	39.0

Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
Public Works Director	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0
Airport Attendant (part-time)	0.0	0.0	0.5
Airport Services Supervisor	0.0	0.0	1.0
Crew Leader	2.0	2.0	2.0
Custodian	1.0	1.0	1.0
Engineering Technician I	1.0	1.0	1.0
Engineering Technician II	1.0	1.0	1.0
Equipment Operator	2.0	2.0	2.0
Fleet Maintenance Supervisor	1.0	1.0	1.0
Heavy Equipment Operator	2.0	2.0	2.0
Park Maintenance (seasonal part-time)	5.0	5.0	5.0
Parks Maintenance Worker	4.0	4.0	4.0
Parks Supervisor	1.0	1.0	1.0
Public Works Inspector	1.0	1.0	1.0
Street Maintenance (seasonal part-time)	0.0	0.0	0.5
Streets Supervisor	1.0	1.0	1.0
Traffic Sign Specialist	1.0	1.0	1.0
Truck Driver	3.0	2.0	3.0
Vehicle Service Specialist	2.0	2.0	2.0
Total Public Works:	30.0	29.0	32.0
Utilities Director	1.0	1.0	1.0
Crew Leader	2.0	2.0	2.0
Equipment Operator	2.0	2.0	2.0
Heavy Equipment Operator	1.0	1.0	1.0
Lab Technician / IPT	1.0	1.0	1.0
Utility Construction Supervisor	1.0	1.0	1.0
Utility Construction Worker	3.0	3.0	3.0
Utility Plant Operator	8.0	8.0	8.0
Utility Specialist	2.0	2.0	2.0
Wastewater Plant Supervisor	1.0	1.0	1.0
Water Plant Supervisor	1.0	1.0	1.0
Total Utilities:	23.0	23.0	23.0
Library Director	1.0	1.0	1.0
Custodian	1.0	1.0	1.0
Librarian Aide (part-time)	0.0	0.0	0.5
Librarian I	3.0	2.0	2.0
Librarian II	2.0	3.0	3.0
Library Assistant	4.0	4.0	4.0
Sr. Library Assistant	2.0	2.0	2.0
Total Library:	13.0	13.0	13.5
Tourism Director	1.0	1.0	1.0
Custodian	0.5	1.0	1.0
Events Coordinator	1.0	1.0	1.0
Visitor Center Greeter (part-time)	0.0	0.5	0.5
Total Tourism:	2.5	3.5	3.5
Development Services Director	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0
Animal Control Officer	1.0	1.0	1.0
Animal Control Officer (part-time)	0.0	0.0	0.5
Inspector/Code Officer	4.0	4.0	4.0
Total Development Services:	7.0	7.0	7.5
Total City:	183.0	181.5	186.5

**CITY OF PALESTINE
EMPLOYEE GRADE/STEP SCHEDULE
October 1, 2007**

DESCRIPTION	GRADE	STEP																							
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
PART TIME	10	6.00	6.50	7.00	7.50	8.00	11.67	12.20																	
	11	9.13	9.27	9.41	9.55	9.69	9.84	9.98	10.13	10.28	10.44	10.60	10.75	10.92	11.08	11.25	11.41	11.59	11.76	11.94	12.12	12.30	12.48	12.67	12.86
MAINTENANCE	12	10.74	10.90	11.06	11.23	11.39	11.57	11.74	11.92	12.09	12.28	12.46	12.65	12.84	13.03	13.22	13.42	13.62	13.83	14.04	14.25	14.46	14.68	14.90	15.12
	13	15.14	15.36	15.59	15.83	16.06	16.31	16.55	16.80	17.05	17.31	17.57	17.83	18.10	18.37	18.64	18.92	19.21	19.50	19.79	20.08	20.39	20.69	21.00	21.32
	21	11.20	11.37	11.54	11.71	11.89	12.07	12.25	12.43	12.62	12.81	13.00	13.19	13.39	13.59	13.80	14.00	14.21	14.43	14.64	14.86	15.08	15.31	15.54	15.77
SUPPORT	22	10.83	10.99	11.16	11.32	11.49	11.67	11.84	12.02	12.20	12.38	12.57	12.76	12.95	13.14	13.34	13.54	13.74	13.95	14.16	14.37	14.59	14.81	15.03	15.25
	23	15.14	15.36	15.59	15.83	16.06	16.31	16.55	16.80	17.05	17.31	17.57	17.83	18.10	18.37	18.64	18.92	19.21	19.50	19.79	20.08	20.39	20.69	21.00	21.32
	24	21.33	21.65	21.97	22.30	22.64	22.98	23.32	23.67	24.03	24.39	24.75	25.12	25.50	25.88	26.27	26.67	27.07	27.47	27.88	28.30	28.73	29.16	29.60	30.04
PROFESSIONAL/ TECHNICAL	31	10.73	10.89	11.05	11.21	11.38	11.55	11.73	11.90	12.08	12.26	12.45	12.63	12.82	13.02	13.21	13.41	13.61	13.81	14.02	14.23	14.45	14.66	14.88	15.10
	32	15.11	15.34	15.57	15.80	16.04	16.28	16.53	16.77	17.03	17.28	17.54	17.80	18.07	18.34	18.62	18.90	19.18	19.47	19.76	20.06	20.36	20.66	20.97	21.29
	33	21.30	21.62	21.94	22.27	22.60	22.94	23.29	23.64	23.99	24.35	24.71	25.09	25.46	25.84	26.23	26.62	27.02	27.43	27.84	28.26	28.68	29.11	29.55	29.99
FIRE																									
FIRE RECRUIT	41	7.82																							
PROB. FIREFIGHTER	42	9.71																							
FIREFIGHTER	43	10.76	11.29	11.29	11.86	11.86	12.45	12.45	13.07																
DRIVER	44	11.72	11.72	12.31	12.31	12.93	12.93	13.57																	
LIEUTENANT	45	13.19	13.19	13.85	13.85	13.85	13.85	14.53																	
CAPTAIN	46	14.82	14.82	15.57	15.57	16.35	16.35	17.16	17.16	18.02															
BATTALION/TRAINING	47	16.67	16.67	17.50	17.50	18.38	18.38	19.32	19.32	20.26															
FIRE MARSHAL	48	22.09	22.09	23.19	23.19	24.35	24.35	25.59	25.59	26.85															
POLICE																									
PROB. OFFICER	51	15.54																							
PATROL OFFICER	52	16.29	17.10	17.10	17.96	17.96	18.86	18.86	19.80																
CORPORAL	53	19.72	19.72	20.71	21.74																				
SERGEANT	54	21.35	21.35	22.42	22.42	22.42	22.42	23.54																	
LIEUTENANT	55	24.63	24.63	25.86	25.86	27.15	27.15	28.51																	
ASST. POLICE CHIEF	56	28.32	29.12	29.95	30.80	31.68	32.58																		
	61	10.73	10.89	11.05	11.21	11.38	11.55	11.73	11.90	12.08	12.26	12.45	12.63	12.82	13.02	13.21	13.41	13.61	13.81	14.02	14.23	14.45	14.66	14.88	15.10
SUPERVISORY	62	15.11	15.34	15.57	15.80	16.04	16.28	16.53	16.77	17.03	17.28	17.54	17.80	18.07	18.34	18.62	18.90	19.18	19.47	19.76	20.06	20.36	20.66	20.97	21.29
	63	21.30	21.62	21.94	22.27	22.60	22.94	23.29	23.64	23.99	24.35	24.71	25.09	25.46	25.84	26.23	26.62	27.02	27.43	27.84	28.26	28.68	29.11	29.55	29.99
	64	30.01	30.46	30.91	31.38	31.85	32.33	32.81	33.30	33.80	34.31	34.83	35.35	35.88	36.42	36.96	37.52	38.08	38.65	39.23	39.82	40.42	41.02	41.64	42.26
ADMINISTRATIVE																									
CITY SECRETARY	7101	OPEN																							
TOURISM DIRECTOR	7201	OPEN																							
DEVELOPMENT DIR.	7301	OPEN																							
UTILITIES DIRECTOR	7401	OPEN																							
LIBRARY DIRECTOR	7501	OPEN																							
FIRE CHIEF	7601	OPEN																							
FINANCE DIRECTOR	7701	OPEN																							
PUBLIC WORKS DIR.	7801	OPEN																							
POLICE CHIEF	7901	OPEN																							
EXECUTIVE																									
CITY MANAGER	8001	OPEN																							

**CITY OF PALESTINE
2007-08 ANNUAL BUDGET
CERTIFICATION PAY SCHEDULE**

Incentive Level	Certification by Type	Monthly Incentive
Level One:	Fire Department EMT Basic	\$ 25.00
Level Two:	Water Treatment/Distribution (C-Certificate) Waste Water Treatment or Class II Collection (C-Certificate)	\$ 40.00
Level Three:	Police Dispatcher Basic Certification Fire Department EMT - Intermediate Court Clerk Certification Police Department Basic Peace Officer License	\$ 50.00
Level Four:	Water Treatment or Distribution (B-Certificate) Waste Water Treatment or Class III Collection (B-Certificate)	\$ 60.00
Level Five:	Police Dispatcher Intermediate Certification	\$ 75.00
Level Six:	Police Department Forensic Hypnotist Police Department Criminal Investigation Division Fire Department Intermediate License Fire Department Paramedic License Police Department Advanced Dispatcher Certification Water Treatment Plant (A-Certification) Waste Water Treatment Plant (A-Certification) Code Enforcement License Building Inspection Plan Review Texas State Certification of Food Management	\$ 100.00
Level Seven:	Police Officer Intermediate License	\$ 150.00
Level Eight:	Firefighter Advanced Certification	\$ 175.00
Level Nine:	Police Department Narcotics Polygraph Examiner	\$ 200.00
Level Ten:	Fire Department Master Certification Police Department Advanced Peace Officer	\$ 250.00
Level Eleven:	Police Department Master Peace Officer License	\$ 350.00

BUDGET SUMMARY

**City of Palestine
Annual Budget 2007-08**

**CITY OF PALESTINE
SUMMARY OF MAJOR FUNDS
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
BEGINNING FUND BALANCE	\$ 1,657,325	\$ 2,439,205	\$ 2,298,403
TOTAL REVENUE:	11,854,518	11,306,628	12,634,868
TOTAL FUNDS AVAILABLE:	13,511,843	13,745,833	14,933,271
ADMINISTRATION	\$ 695,264	\$ 677,534	\$ 660,099
FINANCE	982,644	938,069	1,067,222
INTERNAL SERVICE	465,971	231,200	501,200
PUBLIC SAFETY	5,578,031	5,754,709	5,976,533
PUBLIC WORKS	2,131,797	2,475,100	3,051,107
LIBRARY	675,759	723,996	857,878
DEVELOPMENT SERVICES	543,171	646,822	668,344
TOTAL GENERAL FUND EXPENSES:	\$ 11,072,638	\$ 11,447,430	\$ 12,782,383
PROJECTED ENDING FUND BALANCE	2,439,205	2,298,403	2,150,888
310-DEBT SERVICE			
BEGINNING FUND BALANCE	\$ 65,490	\$ 70,985	\$ 57,940
TOTAL REVENUE:	15,551	240,102	257,263
TOTAL FUNDS AVAILABLE:	81,041	311,087	315,203
TOTAL FUND EXPENSES:	10,057	253,147	248,763
PROJECTED ENDING FUND BALANCE	70,985	57,940	66,440
240-AIRPORT			
BEGINNING FUND BALANCE	\$ 24,418	\$ 29,053	\$ 13,307
TOTAL REVENUE:	41,561	34,710	469,500
TOTAL FUNDS AVAILABLE:	65,979	63,762	482,807
TOTAL AIRPORT FUND EXPENSES:	36,927	50,455	476,855
PROJECTED ENDING FUND BALANCE	29,053	13,307	5,952
600-WATER FUND			
BEGINNING FUND BALANCE	\$ 4,488,002	\$ 4,750,103	\$ 4,812,670
TOTAL REVENUE:	3,889,311	3,034,372	3,160,209
TOTAL FUNDS AVAILABLE:	8,377,313	7,784,475	7,972,879
TOTAL FUND EXPENSES:	3,627,210	2,971,806	3,127,942
PROJECTED ENDING FUND BALANCE	4,750,103	4,812,670	4,844,937
610-WASTEWATER FUND			
TOTAL REVENUE:	\$ 4,447,779	\$ 3,177,711	\$ 3,501,900
TOTAL FUNDS AVAILABLE:	6,481,431	4,897,555	5,572,926
TOTAL FUND EXPENSES:	4,761,586	2,826,530	3,491,044
PROJECTED ENDING FUND BALANCE	1,719,845	2,071,026	2,081,882
615-UTILITY DEBT SERVICE			
TOTAL REVENUE:	\$ 345,920	\$ 1,484,548	\$ 1,968,518
TOTAL FUNDS AVAILABLE:	345,920	1,830,468	2,344,359
TOTAL FUND EXPENSES:	-	1,454,628	1,938,520
PROJECTED ENDING FUND BALANCE	345,920	375,841	405,839

**CITY OF PALESTINE
SUMMARY OF MAJOR FUNDS
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006		ESTIMATED 2006-2007		BUDGET 2007-2008
620-SANITATION FUND					
BEGINNING FUND BALANCE	\$ 11,460		\$ (69,892)		\$ (7,614)
TOTAL REVENUE:	1,353,262		1,430,120		1,528,917
TOTAL FUNDS AVAILABLE:	1,364,722		1,360,228		1,521,303
TOTAL FUND EXPENSES:	1,434,615		1,367,841		1,493,457
PROJECTED ENDING FUND BALANCE	(69,892)		(7,614)		27,846

THIS PAGE INTENTIONALLY LEFT BLANK

GENERAL FUND

**City of Palestine
Annual Budget 2007-08**

GENERAL FUND

The General Fund is the general operating fund for the City of Palestine and is used to account for all current financial resources not required by law or administrative action to be accounted for in other designated funds. This fund accounts for revenue and expenditures that are related to general government services, including fire and police protection, public works, parks, library, community services, code enforcement, tax and fee collection, finance and administration.

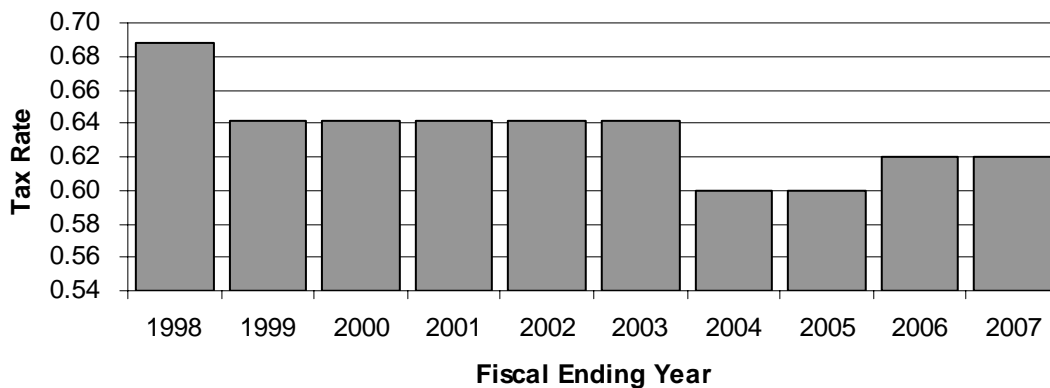
GENERAL FUND REVENUE

Revenues are primarily from property, sales and franchise taxes, fines, fees, grants and earnings on investments. Budgeted ad valorem taxes are based on the tax rate of \$0.639 per \$100.

Property Taxes

The City's property tax is levied each October 1 on the certified assessed value as of January 1 for all real and personal property. The appraisal of property is the responsibility of the Anderson County Appraisal District. Appraisals may be challenged through various appeals and, if necessary, legal action. The City is permitted by the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general government services including the payment of principal and interest on general obligation long-term debt.

Property Tax History

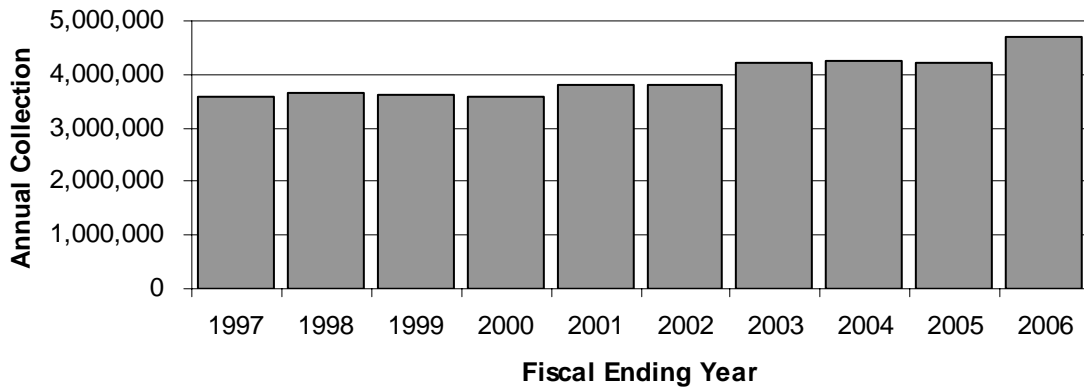


Sales Tax

Texas cities have the option of imposing an additional local sales tax for a combined total of state and local taxes of 8.25%. Sales tax is levied on the sale, lease, or rental of all taxable goods and services within the Palestine city limits. Purchasers of these goods and services pay the tax. Certain foods and drugs as well as governmental purchases are exempted from the sales tax. Sales tax is collected by businesses at the time of the sale and then paid periodically to the Texas Comptroller of Public Accounts. The Comptroller then remits that portion due to the locality where the business is located.

State law limits the collection of local sales and use tax to no more than 2 percent. The City of Palestine collects 1.25 percent of the total 2 percent local sales tax allowed by Law as revenue for city operation. Sales tax collections are volatile since they are directly related to the status of the local economy.

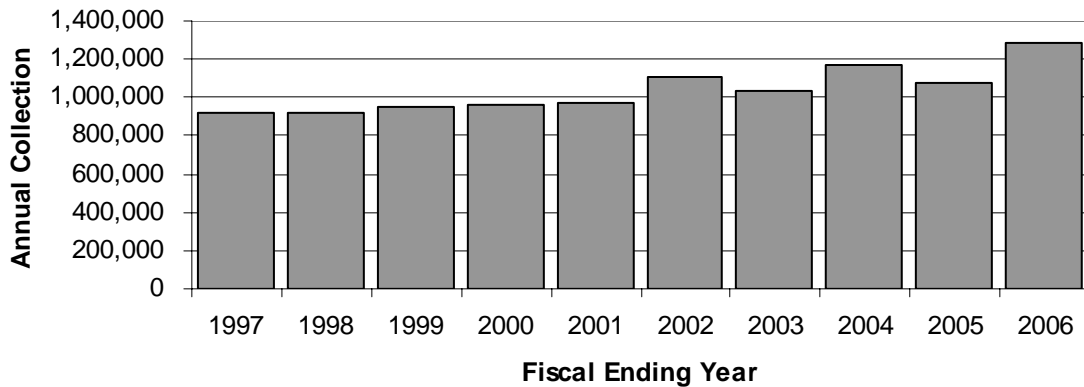
Sales Tax History



Franchise Fees

The City of Palestine maintains non-exclusive franchise agreements with utility systems, which use the City right-of-ways to provide their services. The utilities compensate the City for this privileged use through franchise taxes passed on to users. Their fees are generally based upon a percentage of their gross receipts generated by customers within the City limits. The deregulation of the telecommunication industry established a base fee, which can increase subject to a growth factor.

Franchise Tax History



Other Revenue Sources

There are other sources of revenue which include Licenses and Fees, Permits and Municipal Court Fines. Permits are fees charged for plan review to insure compliance with building codes and the actual inspection to insure compliance. Other fees include charges for services such as recreational use of the swimming pool and fees for police reports. Municipal Court Fines are levied primarily for violations of local ordinances and traffic offenses. Also, income from interest on investments is accounted for in general fund revenues.

Transfers

Routine transfers into the General fund are budgeted for overhead reimbursement. Staff is limiting the amount of transfer revenue, especially from the enterprise funds. Limiting these transfers will allow the enterprise funds to pay additional debt required for utility capital improvements. The Following is a detail of transfers to the General fund:

Transfers to General Fund		
Water Fund		
In Liew of Property Tax		\$ 79,023
In Liew of Sales Tax		41,141
Engineering Services		82,262
INCODE Maintenance		<u>3,400</u>
Total From Water Fund:	010-4-1942	205,826
Wastewater Fund		
In Liew of Property Tax		\$ 115,382
In Liew of Sales Tax		39,567
Engineering Services		82,262
INCODE Maintenance		<u>3,400</u>
Total From Sewer Fund	010-4-1943	240,611
Sanitation Fund		
In Liew of Property Tax		\$ 931
INCODE Maintenance		<u>1,700</u>
Total From Sanitation Fund	010-4-1945	2,631
Court Technology		
INCODE Maintenance		\$ 4,300
Cemetery Fund		
INCODE Maintenance		<u>600</u>
Total From Other Funds	010-4-1955	4,900
Total Transfers to General Fund:		<u>\$ 453,968</u>

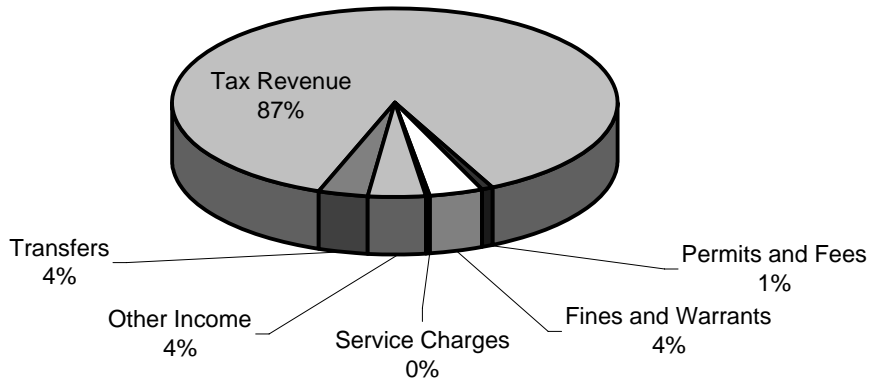
**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND REVENUES			
BEGINNING FUND BALANCE	\$ 1,657,325	\$ 2,439,205	\$ 2,298,403
PROPERTY TAX			
010-4-1001 AD VALOREM TAXES	\$ 4,276,588	\$ 4,327,276	\$ 4,890,000
010-4-1002 DELINQUENT TAX REVENUE	130,396	100,657	100,000
010-4-1003 PENALTY & INTEREST TAXES	71,473	71,111	80,000
010-4-1004 TAX ATTORNEY FEES	32,053	27,194	50,000
010-4-1010 CITY SALES TAX	4,458,905	3,293,813	3,814,700
010-4-1011 MIXED DRINK	24,532	24,000	24,000
010-4-1012 CITY SALES TAX - PTR	-	948,000	968,500
TOTAL PROPERTY TAX	\$ 8,993,947	\$ 8,792,051	\$ 9,927,200
FRANCHISE TAX			
010-4-1101 ELECTRICAL FRANCHISE	\$ 912,886	\$ 400,000	\$ 700,000
010-4-1102 GAS FRANCHISE	169,589	150,000	160,000
010-4-1103 TELEPHONE FRANCHISE	83,949	100,000	100,000
010-4-1104 CABLE TV FRANCHISE	84,900	100,000	100,000
010-4-1105 SANITATION FRANCHISE	31,371	32,000	32,000
TOTAL FRANCHISE TAX	\$ 1,282,695	\$ 782,000	\$ 1,092,000
LICENSES AND FEES			
010-4-1201 ELECTRICAL LICENSE FEE	\$ -	\$ -	\$ -
010-4-1202 DOG LICENSE FEE	-	-	-
010-4-1203 ZONING, SUBDIV, BOA FEES	860	6,000	2,500
010-4-1205 ANIMAL SHELTER FEES	990	2,000	2,000
010-4-1206 OTHER FEES	3,563	10,000	6,000
TOTAL LICENSES AND FEES	\$ 5,413	\$ 18,000	\$ 10,500
PERMITS			
010-4-1301 BUILDING PERMIT FEE	\$ 35,866	\$ 50,000	\$ 50,000
010-4-1302 ELECTRICAL PERMIT FEE	6,223	10,000	8,000
010-4-1303 PLUMBING PERMIT FEE	8,320	10,000	8,000
010-4-1304 DAIRY, HEALTH & LIQUOR FEE	10,115	15,000	16,000
010-4-1306 MECHANICAL PERMIT FEE	3,180	8,000	6,000
010-4-1307 FIRE - OPERATION PERMITS	-	500	500
010-4-1308 FIRE - CONSTRUCTION PERMIT	-	100	100
010-4-1310 OTHER PERMITS	15,097	1,000	2,000
TOTAL PERMITS	\$ 78,801	\$ 94,600	\$ 90,600
FINES AND WARRANTS			
010-4-1401 MUNICIPAL COURT FINES	\$ 285,120	\$ 300,000	\$ 325,000
010-4-1402 PARKING FINES	-	100	-
010-4-1403 LIBRARY FINES	15,946	16,000	16,000
010-4-1404 WARRANT SERVICE FEES	1,459	1,600	1,500
010-4-1405 COURT OMNI FEE	7,588	-	-
010-4-1406 COLLECTION AGENCY FEES	7,459	25,000	20,000
010-4-1407 M.C. FEES FOR STATE	35,186	100,346	150,000
TOTAL FINES AND WARRANTS	\$ 352,758	\$ 443,046	\$ 512,500

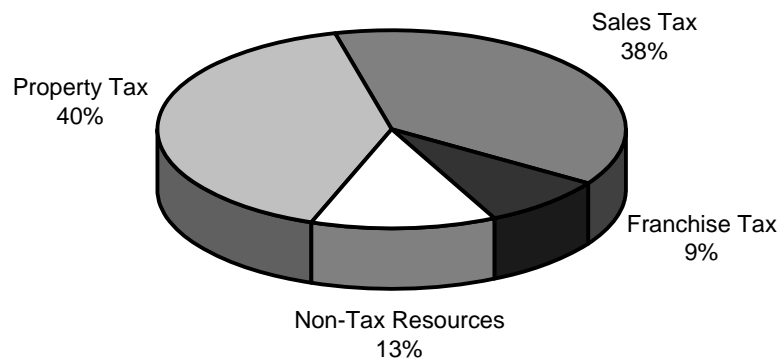
**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
LEASES AND RENTALS			
010-4-1602 CINGULAR RENTAL FEE	5,500	6,000	6,000
010-4-1605 OTHER RENTAL & LEASE	1,420	600	100
TOTAL LEASES AND RENTALS	\$ 6,920	\$ 6,600	\$ 6,100
CHARGES FOR SERVICE			
010-4-1704 TAX CERTIFICATES	\$ 2,320	\$ 2,500	\$ 500
010-4-1705 VITAL STATISTICS	134	-	-
010-4-1706 SALE OF EQUIPMENT	-	600	2,000
010-4-1707 SALE OF MATERIALS & SUPPLI	3,237	2,000	2,000
010-4-1725 ATHLETIC FEES	3,083	3,100	3,500
010-4-1726 S BENNETT S POOL GATE ADMI	-	12,000	12,000
010-4-1727 OTHER CHARGES FOR SERVICE	1,858	2,500	2,500
TOTAL CHARGES FOR SERVICE	\$ 10,632	\$ 22,700	\$ 22,500
OTHER AGENCIES			
010-4-1804 STATE & FEDERAL GRANTS	41,135	20,000	40,000
010-4-1806 COUNTY - LIBRARY	170,048	75,000	75,000
010-4-1809 ADMINISTRATIVE FEES - UTIL	567,130	-	-
010-4-1821 FEMA REIMBURSEMENT	23,684	-	-
010-4-1822 UNCLAIMED PROPERTY	-	26,841	-
TOTAL OTHER AGENCIES	\$ 801,997	\$ 121,841	\$ 115,000
OTHER INCOME			
010-4-1901 INTEREST ON INVESTMENTS	\$ 91,171	\$ 200,732	\$ 275,000
010-4-1902 INSURANCE RECOVERIES	51,996	35,000	30,000
010-4-1905 OTHER REVENUE INCOME	77,246	50,000	60,000
010-4-1909 HISTORICAL PLAQUES	105	-	-
010-4-1910 LOAN PAYMENTS-INTEREST	100	621	-
010-4-1912 DONATIONS	8,256	1,000	1,000
010-4-1916 LOT CLEANUP REIMBURSEMENT	62	3,000	2,500
010-4-1917 DEMOLITION REMBURSEMENT	5,400	100	-
010-4-1918 LIBRARY REVENUE	5,506	7,000	5,000
010-4-1920 OTHER--CAPPS SETTLEMENT	-	32,278	30,000
010-4-1922 MAIN STREET DONATIONS	-	101	1,000
010-4-1942 TRANSFER FROM WATER	-	318,207	205,826
010-4-1943 TRANSFER FROM WASTEWATER	-	364,438	240,611
010-4-1945 TRANSFER FROM SANITATION	-	1,700	2,631
010-4-1955 TRANSFER FROM OTHER FUNDS	81,513	11,613	4,900
TOTAL OTHER INCOME	\$ 321,355	\$ 1,025,790	\$ 858,468
TOTAL REVENUE:	\$ 11,854,518	\$ 11,306,628	\$ 12,634,868
TOTAL FUNDS AVAILABLE:	\$ 13,511,843	\$ 13,745,833	\$ 14,933,271

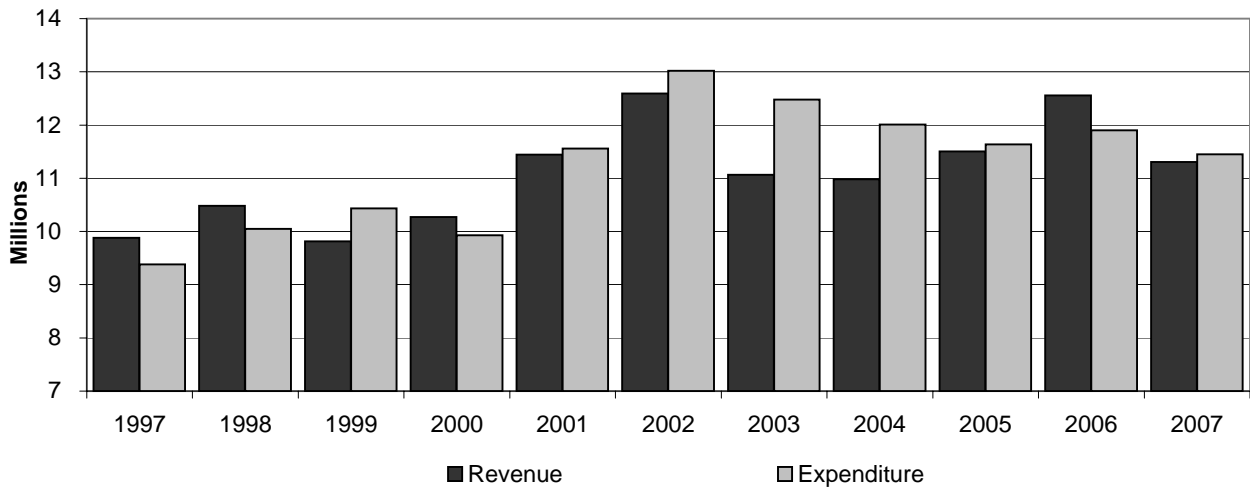
**General Fund
Projected Revenue and Resources**



**General Fund
Percentage of Projected Tax Revenue**



General Fund Revenue and Expenditure History



ADMINISTRATIVE SERVICES

Administrative Services contains six budgetary departments: City Council, City Manager, City Secretary, Legal, Personnel, and Main Street. The City manager is charged with the direct supervision of these budgetary departments. The following is a summary of these departments:

City Council

Palestine, a community incorporated in 1871, has a population of 17,598. The City of Palestine is primarily responsible for maintaining a safe, pleasant environment within the community by providing effective governance and the efficient delivery of public services. The City of Palestine is a home-rule city operating under the City Charter originally adopted in 1871, with the present changes adopted in August, 1983. The City is operated by a Council-Manager form of government with a Mayor, six Council members and a City Manager. The Council members are elected from six single-member districts, with the Mayor elected at large. The City Council meets in regular sessions at 5:30 p.m. on the 2nd and 4th Monday of each month.

City Manager

The City Manager is the Chief Executive Officer of the City. It is his/her duty, under the City Charter, to execute and implement policies as established by the City Council. He/she is responsible for the overall coordination of the City's governmental activities, for the efficient operation of the City, for management leadership to the staff and organization, and to communicate organizational goals and values to the public.

City Secretary

The City Secretary's Office is responsible for a broad range of administrative and clerical support for city departments and the public. The City Secretary attends all meetings of the City Council, prepares and maintains minutes, ordinances,

resolutions, contracts, deeds, easements, and other official documents. Alcoholic beverage, itinerant vendor, peddler, and handbill permits are also issued by this office. As Legal Registrar of Vital Statistics, the City Secretary's Office records and furnishes certificates of all deaths and births within the corporate city limits. Cemetery lots are sold and burial records are maintained by this office. As Election Administrator, the City Secretary is responsible for all city elections. The City Secretary's Office acts as a public information center to visitors upon entering City Hall and through the operation of the city telephone system. Records requested under the Public Information Act are coordinated by the City Secretary.

Legal

Under a contract basis, the City Attorney provides the City Council and staff legal guidance and assistance, drafts ordinances and resolutions, and represents the City in all legal matters. He/she also is the Chief Legal Advisor for the City Council, all City departments, boards, and commissions and is responsible for the preparation and prosecution of all cases in Municipal Court, securing rights-of-way and any other legal activities as may be required.

Personnel

The Personnel Department is responsible for administering and enforcing the personnel ordinances and policies of the City and applicable federal and state laws and regulations. The personnel function includes everything that affects municipal employees. It covers a wide variety of activities, including recruiting job applicants; keeping records of all personnel actions, such as promotions or demotions, and transfers.

Main Street - Historic Preservation

Palestine was designated as a provisional Texas Main Street city in

2006 by the Texas Historical Commission. The premise of the Main Street program is that economic revitalization can take place within the context of historic preservation. By following an approach that focuses on organization, promotion, design, and

economic restructuring, the program promotes and encourages community involvement, historic preservation, business recruitment and retention, tourism, and the general revitalization of the downtown area.

Budget Changes for FYE 2008

- Council discussed maintaining a travel and training limit of \$2,000 per member and reducing the travel and training line item to \$14,000. Council agreed to appropriate an additional \$2,000 for Council meetings and workshops.
- Items within the Community Service Division were related to rental agreements and maintenance of city facilities. These appropriations were reallocated to the Facility Maintenance Division.
- Appropriations for historic preservation were reallocated to the Main Street Division.
- An account was created in the Personnel Division that will fund physicals, drug tests and background psychological testing for public safety positions.
- Additional funds have been appropriated for a Supervisory Training Module scheduled during the budget year.

**ADMINISTRATIVE SERVICES
SUMMARY OF SELECTED SUPPLEMENTAL DECISIONS**

Account No.	Line Item Request	Program Cost
010-5-140-3080	Personnel Training Programs	1,000
010-5-140-3035	Personnel Medical Requirements	2,800
		\$ 3,800

Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
City Manager	1.0	1.0	1.0
City Secretary	1.0	1.0	1.0
Human Resource Manager	1.0	1.0	1.0
Main Street Manager	1.0	1.0	1.0
Administrave Assistant	2.0	1.0	1.0
Total Department:	6.0	5.0	5.0

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
CITY COUNCIL			
PERSONNEL			
010-5-100-1010 SALARIES	\$ 6,000	\$ 6,000	\$ 6,000
010-5-100-1033 CAR ALLOWANCE	6,600	6,600	6,600
010-5-100-1040 SOCIAL SECURITY	964	964	964
010-5-100-1061 WORKER'S COMPENSATION	21	217	217
TOTAL PERSONNEL	\$ 13,585	\$ 13,781	\$ 13,781
SUPPLIES AND MATERIALS			
010-5-100-2010 OFFICE SUPPLIES	\$ 40	\$ 50	\$ 50
010-5-100-2020 POSTAGE	-	50	50
010-5-100-2200 OTHER MATERIALS	-	-	-
TOTAL SUPPLIES AND MATERIALS	\$ 40	\$ 100	\$ 100
SERVICES			
010-5-100-3080 MEMBERSHIPS / SUBSCRIPTIONS	\$ 4,447	\$ 5,956	\$ 6,000
010-5-100-3082 TRAVEL AND TRAINING	15,036	12,276	14,000
TOTAL SERVICES	\$ 19,483	\$ 18,232	\$ 20,000
SUNDRY			
010-5-100-5070 ADVERTISING AND PROMOTIONS	\$ 880	\$ 2,065	\$ 1,500
010-5-100-5200 FOOD	-	-	2,500
TOTAL SUNDRY	\$ 880	\$ 2,065	\$ 4,000
TOTAL CITY COUNCIL	\$ 33,988	\$ 34,178	\$ 37,881

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
CITY MANAGER			
PERSONNEL			
010-5-110-1010 SALARIES	\$ 136,878	\$ 137,604	\$ 139,885
010-5-110-1015 DIFFERED COMPENSATION	7,350	7,350	8,085
010-5-110-1030 LONGEVITY	1,440	1,656	288
010-5-110-1031 INCENTIVE	-	250	-
010-5-110-1033 CAR ALLOWANCE	6,000	6,000	6,000
010-5-110-1040 SOCIAL SECURITY	10,992	11,675	11,801
010-5-110-1050 HEALTH INSURANCE	22,935	21,180	21,180
010-5-110-1060 UNEMPLOYMENT INSURANCE	697	3,511	3,548
010-5-110-1061 WORKER'S COMPENSATION	451	598	603
010-5-110-1070 RETIREMENT	20,297	20,419	20,639
010-5-110-1090 EMPLOYEE APPRECIATION	3,806	-	-
TOTAL PERSONNEL	\$ 210,846	\$ 210,243	\$ 212,029
SUPPLIES AND MATERIALS			
010-5-110-2010 OFFICE SUPPLIES	\$ 4,254	\$ 1,689	\$ 5,000
010-5-110-2020 POSTAGE	234	801	300
TOTAL SUPPLIES AND MATERIALS	\$ 4,488	\$ 2,490	\$ 5,300
SERVICES			
010-5-110-3031 CONSULTANT SERVICES	\$ -	\$ -	\$ 8,100
010-5-110-3040 COMMUNICATIONS	6,787	5,968	6,000
010-5-110-3050 UTILITIES - ELECTRIC	-	1,259	-
010-5-110-3080 MEMBERSHIPS / SUBSCRIPTIONS	3,382	3,362	3,700
010-5-110-3082 TRAVEL AND TRAINING	3,547	3,902	4,200
TOTAL SERVICES	\$ 13,715	\$ 14,490	\$ 22,000
SUNDRY			
010-5-110-5200 FOOD	\$ -	\$ -	\$ 500
TOTAL SUNDRY	\$ -	\$ -	\$ 500
TOTAL CITY MANAGER	\$ 229,049	\$ 227,223	\$ 239,829

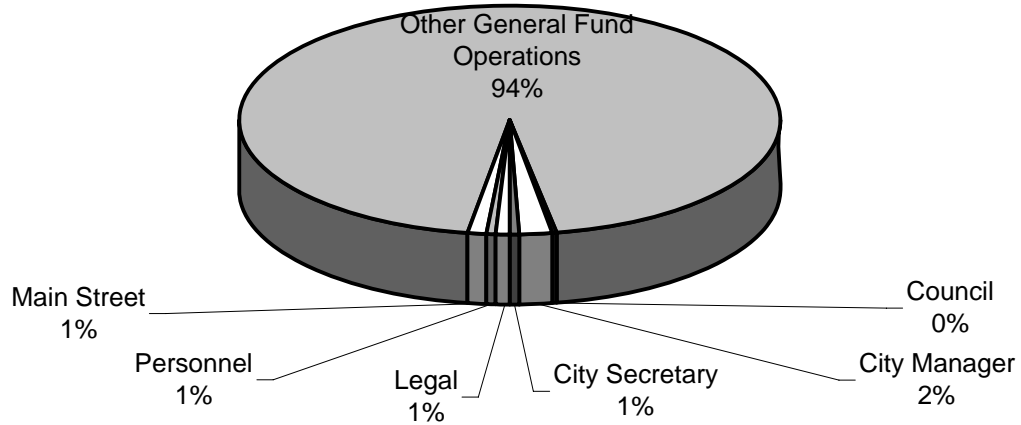
**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
CITY SECRETARY			
PERSONNEL			
010-5-120-1010 SALARIES	\$ 70,981	\$ 74,133	\$ 43,368
010-5-120-1020 OVERTIME	181	-	-
010-5-120-1030 LONGEVITY	1,818	2,016	288
010-5-120-1040 SOCIAL SECURITY	5,510	5,825	3,340
010-5-120-1050 HEALTH INSURANCE	10,659	10,680	5,340
010-5-120-1060 UNEMPLOYMENT INSURANCE	356	1,751	1,004
010-5-120-1061 WORKER'S COMPENSATION	223	298	171
010-5-120-1070 RETIREMENT	9,765	10,189	5,841
TOTAL PERSONNEL	\$ 99,492	\$ 104,892	\$ 59,352
SUPPLIES AND MATERIALS			
010-5-120-2010 OFFICE SUPPLIES	736	2,000	2,000
010-5-120-2020 POSTAGE	533	650	650
010-5-120-2060 PUBLICATIONS	-	-	1,600
010-5-120-2084 ELECTION EQUIPMENT	3,787	3,700	3,700
010-5-120-2200 OTHER	906	-	-
TOTAL SUPPLIES AND MATERIALS	\$ 5,962	\$ 6,351	\$ 7,950
SERVICES			
010-5-120-3026 CODIFICATION	\$ 350	\$ 9,000	\$ 5,000
010-5-120-3027 RECORDS MANAGEMENT	4,371	3,200	3,200
010-5-120-3040 COMMUNICATIONS	4,891	5,500	5,500
010-5-120-3082 TRAVEL AND TRAINING	2,866	3,600	3,600
010-5-120-3110 ADVERTISING	1,032	1,700	4,000
010-5-120-3214 ACCESS CHARGES	1,608	-	-
010-5-120-3220 INSURANCE AND BONDS	50	100	100
TOTAL SERVICES	\$ 15,167	\$ 23,101	\$ 21,400
MAINTENANCE & REPAIR			
010-5-120-4120 EQUIPMENT & MACHINERY	\$ 39	\$ -	\$ -
TOTAL MAINTENANCE & REPAIR	\$ 39	\$ -	\$ -
TOTAL CITY SECRETARY	\$ 120,660	\$ 134,343	\$ 88,702

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
LEGAL			
SERVICES			
010-5-130-3010 LEGAL SERVICES	\$ 11,609	\$ 100,000	\$ 100,000
010-5-130-3011 LITIGATION	-	10,000	10,000
010-5-130-3030 PROFESSIONAL SERVICES	130,636	-	-
TOTAL SERVICES	\$ 142,245	\$ 110,000	\$ 110,000
TOTAL LEGAL	\$ 142,245	\$ 110,000	\$ 110,000

Percentage of General Funds to Administration Operations



**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
PERSONNEL			
PERSONNEL			
010-5-140-1010 SALARIES	\$ 23,819	\$ 30,967	\$ 35,044
010-5-140-1030 LONGEVITY	-	72	144
010-5-140-1040 SOCIAL SECURITY	1,822	2,374	2,692
010-5-140-1050 HEALTH INSURANCE	5,858	5,340	5,340
010-5-140-1060 UNEMPLOYMENT INSURANCE	149	714	809
010-5-140-1061 WORKER'S COMPENSATION	89	121	138
010-5-140-1070 RETIREMENT	3,172	4,153	4,708
010-5-140-1090 EMPLOYEE APPRECIATION	-	-	-
TOTAL PERSONNEL	\$ 34,909	\$ 43,739	\$ 48,875
SUPPLIES AND MATERIALS			
010-5-140-2010 OFFICE SUPPLIES	\$ 536	\$ 700	\$ 700
010-5-140-2020 POSTAGE	256	400	400
TOTAL SUPPLIES AND MATERIALS	\$ 792	\$ 1,100	\$ 1,100
SERVICES			
010-5-140-3030 PROFESSIONAL SERVICES	\$ 425	\$ -	\$ -
010-5-140-3032 SPECIAL STUDIES	1,922	1,159	2,400
010-5-140-3035 MEDICAL/DOCTOR-HOSPITAL	4,244	3,220	8,000
010-5-140-3040 COMMUNICATIONS	1,442	1,362	1,500
010-5-140-3080 MEMBERSHIPS / SUBSCRIPTIONS	2,012	1,953	3,000
010-5-140-3081 TUITION REIMBURSEMENTS	3,465	-	-
010-5-140-3082 TRAVEL AND TRAINING	676	2,500	2,500
010-5-140-3110 ADVERTISING	4,205	3,058	3,800
010-5-140-3112 PRINTING SERVICES	470	1,500	1,500
010-5-140-3330 CONTRACT SERVICES	39	489	500
TOTAL SERVICES	\$ 18,900	\$ 15,241	\$ 23,200
MAINTENANCE & REPAIR			
010-5-140-4120 EQUIPMENT & MACHINERY	\$ 95	\$ 250	\$ 250
TOTAL MAINTENANCE & REPAIR	95	250	250
SUNDRY			
010-5-140-5070 ADVERTISING AND PROMOTIONS	\$ -	\$ 492	\$ -
TOTAL SUNDRY	\$ -	\$ 492	\$ -
TOTAL PERSONNEL	\$ 54,696	\$ 60,822	\$ 73,425

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
COMMUNITY SERVICES			
SERVICES			
010-5-150-3320 RENTAL OF REAL ESTATE	\$ 11,638	\$ 11,001	\$ -
010-5-150-3512 REAGAN HIGH BLDG.	1,132	15,001	-
010-5-150-3514 LITERACY COUNCIL PROGRAM	10,000	-	-
010-5-150-3515 CHAMPIONS FOR CHILDREN	20,000	-	-
TOTAL SERVICES	\$ 42,771	\$ 26,002	\$ -
TOTAL COMMUNITY SERVICES	\$ 42,771	\$ 26,002	\$ -

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
MAIN STREET			
PERSONNEL			
010-5-160-1010 SALARIES	\$ 55,461	\$ 45,027	\$ 54,964
010-5-160-1030 LONGEVITY	546	-	-
010-5-160-1031 INCENTIVE	-	-	-
010-5-160-1040 SOCIAL SECURITY	4,213	3,445	4,205
010-5-160-1050 HEALTH INSURANCE	2,953	12,960	12,960
010-5-160-1060 UNEMPLOYMENT INSURANCE	310	1,036	1,264
010-5-160-1061 WORKER'S COMPENSATION	175	176	215
010-5-160-1070 RETIREMENT	7,516	6,025	7,354
TOTAL PERSONNEL	\$ 71,173	\$ 68,669	\$ 80,962
SUPPLIES AND MATERIALS			
010-5-160-2010 OFFICE SUPPLIES	\$ 124	\$ 2,500	\$ 2,500
010-5-160-2020 POSTAGE	1	600	1,900
010-5-160-2080 SMALL TOOLS AND EQUIPMENT	-	1,000	100
TOTAL SUPPLIES AND MATERIALS	\$ 125	\$ 4,100	\$ 4,500
SERVICES			
010-5-160-3031 CONSULTANT SERVICES	\$ -	\$ -	\$ 8,700
010-5-160-3040 COMMUNICATIONS	337	1,200	1,200
010-5-160-3050 UTILITIES - ELECTRIC	-	(389)	-
010-5-160-3051 UTILITIES - CITY	-	5,195	-
010-5-160-3080 MEMBERSHIPS / SUBSCRIPTIONS	220	889	1,400
010-5-160-3082 TRAVEL AND TRAINING	-	1,805	8,000
010-5-160-3110 ADVERTISING	-	2,500	2,500
010-5-160-3112 PRINTING SERVICES	-	-	2,000
TOTAL SERVICES	\$ 557	\$ 11,200	\$ 23,800
MAINTENANCE & REPAIR			
010-5-160-4120 EQUIPMENT & MACHINERY	\$ -	\$ 1,000	\$ -
TOTAL MAINTENANCE & REPAIR	\$ -	\$ 1,000	\$ -
MAINTENANCE - EQUIPMENT			
010-5-160-4510 FIXTURE / EQUIP. MAINTENANCE	\$ -	\$ -	\$ 1,000
TOTAL MAINTENANCE - EQUIPMENT	\$ -	\$ -	\$ 1,000
TOTAL MAIN STREET	\$ 71,855	\$ 84,969	\$ 110,262

FINANCE

Finance contains six budgetary departments: Accounting, Purchasing, Warehouse, Municipal Court, Customer Service, and Management Information Systems. The Finance Department also handles the Internal Service department, but this unit has a limited function and is not considered a conventional staffed department. The City Finance Director is charged with the direct supervision of these budgetary departments. The following is a summary of these departments:

Accounting

The Accounting Department is responsible for coordinating and maintaining comprehensive management of the City's financial activities to ensure proper use and investment of City funds. The department also provides financial information to management and the various departments of the City through the additional functions of accounts payable, payroll, and financial reporting. Accounting is responsible for preparation of the City's annual operating budget and comprehensive annual financial report.

Purchasing

The Purchasing Department is a centralized purchasing office that provides an efficient, economical and effective method of acquiring goods and services to meet the needs of City departments, while insuring a fair and competitive bidding process with equal opportunity for all interested vendors. The Department supervises the bidding process, and ensures that various departments follow the Purchasing Guidelines approved by the City Council. The Purchasing Agent is also responsible for the central warehouse,

auctions of surplus materials, vehicle registration, and performs special projects for finance and the City Manager.

Warehouse

This fund is to provide storage and inventory control of supplies the City uses on a continual basis. The funds for payment of these supplies are budgeted in the individual departments and are charged against the department on a monthly basis as supplies are used.

Customer Service

This department records bills and collects for water/wastewater services rendered by the City thereby providing adequate operating funds. Deposits, payments, delinquent notices, customer inquiries, drafts and transfers of services and adjustments are the responsibility of the customer service representatives.

Municipal Court

The City of Palestine Municipal Court's primary function is to process all Class "C" Criminal charges filed by the Police Division, Fire Marshals and Code Enforcement Officers. These include charges filed under the Texas Transportation Code, Penal Code, Alcoholic Beverage Code, Health and Safety Code, Education Code and Palestine Code of Ordinances.

Management Information Systems

This department is responsible for all information processing requirements for all City departments. This includes maintenance of hardware and software as well as supporting computer users with training and technical assistance. This department supports all mid-range and PC computer equipment in use by City departments.

**FINANCE
SUMMARY OF SELECTED SUPPLEMENTAL DECISIONS**

Account No.	Line Item Request	Program Cost
010-5-260-3310	Xerox Copy Machine - Lease	5,920
010-5-250-1031	City Marshal - Incentive Pay	4,550
		\$ 10,470

Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
Finance Director	1.0	1.0	1.0
Assistant Finance Director	1.0	1.0	1.0
Accountant I	0.0	1.0	1.0
Accounting Clerk II	1.0	1.0	1.0
Accounting Clerk I	1.0	0.0	0.0
Purchasing Agent	1.0	1.0	1.0
Warehouse Specialist	1.0	1.0	1.0
Court/Customer Service Administrator	0.0	1.0	1.0
Court Administrator	1.0	0.0	0.0
Customer Service Supervisor	0.0	1.0	1.0
Customer Service Manager	1.0	0.0	0.0
Utility Billing Clerk	1.0	0.0	0.0
Customer Service Coordinator	0.0	1.0	1.0
Administrative Assistant	1.0	0.0	0.0
Cashier Clerk II	0.0	1.0	1.0
Casher Clerk I	2.0	1.0	1.0
Casher Clerk I (part-time)	0.0	0.5	0.5
Meter Reader	2.0	2.0	2.0
Court Clerk II	1.0	1.0	1.0
Court Clerk I	1.0	1.0	1.0
City Marshall	1.0	1.0	1.0
Total Department:	17.0	16.5	16.5

Transfers from General Fund

Equipment Replacement

INCODE Lease Payment	10-5-260-9510	38,913
MS Exchange (GE Lease)	10-5-260-9510	7,416
Email Server (2006)	10-5-260-9510	3,612

Airport

Operational Support	10-5-270-9012	20,000
---------------------	---------------	--------

Total From General Fund: 69,941

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
ACCOUNTING			
PERSONNEL			
010-5-210-1010 SALARIES	\$ 163,297	\$ 166,567	\$ 196,456
010-5-210-1020 OVERTIME	2,164	2,500	2,500
010-5-210-1030 LONGEVITY	3,324	3,600	3,528
010-5-210-1040 SOCIAL SECURITY	12,729	13,269	15,490
010-5-210-1050 HEALTH INSURANCE	25,571	23,304	23,304
010-5-210-1060 UNEMPLOYMENT INSURANCE	784	3,971	4,657
010-5-210-1061 WORKER'S COMPENSATION	516	675	792
010-5-210-1070 RETIREMENT	22,592	23,103	27,092
TOTAL PERSONNEL	\$ 230,976	\$ 236,988	\$ 273,819
SUPPLIES AND MATERIALS			
010-5-210-2010 OFFICE SUPPLIES	\$ 2,876	\$ 3,500	\$ 3,500
010-5-210-2020 POSTAGE	2,202	2,600	2,600
TOTAL SUPPLIES AND MATERIALS	\$ 5,078	\$ 6,100	\$ 6,100
SERVICES			
010-5-210-3020 AUDITS, CONTRACTS, AND STUDIES	\$ 71,974	\$ 50,000	\$ 60,000
010-5-210-3021 APPRASIAL DISTRICT	80,740	84,500	84,500
010-5-210-3030 PROFESSIONAL SERVICES	40,129	22,000	22,000
010-5-210-3040 COMMUNICATIONS	4,893	5,000	5,000
010-5-210-3080 MEMBERSHIPS / SUBSCRIPTIONS	170	1,015	1,300
010-5-210-3082 TRAVEL AND TRAINING	5,351	6,675	6,515
010-5-210-3110 ADVERTISING	360	1,000	1,000
010-5-210-3112 PRINTING SERVICES	176	400	400
010-5-210-3210 FINANCIAL SERVICE CHARGE	8,783	10,000	10,000
TOTAL SERVICES	\$ 212,575	\$ 180,589	\$ 190,715
MAINTENANCE - EQUIPMENT			
010-5-210-4510 FIXTURE / EQUIP. MAINTENANCE	\$ 95	\$ 800	\$ 125
TOTAL MAINTENANCE - EQUIPMENT	\$ 95	\$ 800	\$ 125
TOTAL ACCOUNTING	\$ 448,724	\$ 424,477	\$ 470,759

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
PURCHASING			
PERSONNEL			
010-5-230-1010 SALARIES	\$ 35,616	\$ 36,675	\$ 41,445
010-5-230-1030 LONGEVITY	1,662	1,800	1,872
010-5-230-1040 SOCIAL SECURITY	2,893	2,943	3,314
010-5-230-1050 HEALTH INSURANCE	6,018	5,340	5,340
010-5-230-1060 UNEMPLOYMENT INSURANCE	172	885	996
010-5-230-1061 WORKER'S COMPENSATION	133	150	169
010-5-230-1070 RETIREMENT	5,065	5,148	5,796
TOTAL PERSONNEL	\$ 51,558	\$ 52,941	\$ 58,932
SUPPLIES AND MATERIALS			
010-5-230-2010 OFFICE SUPPLIES	\$ 432	\$ 600	\$ 800
010-5-230-2020 POSTAGE	179	350	350
TOTAL SUPPLIES AND MATERIALS	\$ 611	\$ 949	\$ 1,150
SERVICES			
010-5-230-3040 COMMUNICATIONS	\$ 1,287	\$ 1,500	\$ 1,500
010-5-230-3050 UTILITIES - ELECTRIC	-	475	475
010-5-230-3080 MEMBERSHIPS / SUBSCRIPTIONS	578	940	940
010-5-230-3082 TRAVEL AND TRAINING	43	1,500	1,500
010-5-230-3110 ADVERTISING	508	600	600
010-5-230-3112 PRINTING SERVICES	245	350	350
TOTAL SERVICES	\$ 2,662	\$ 5,365	\$ 5,365
MAINTENANCE & REPAIR			
010-5-230-4120 EQUIPMENT & MACHINERY	\$ 95	\$ 100	\$ 100
TOTAL MAINTENANCE & REPAIR	95	100	100
MAINTENANCE - EQUIPMENT			
010-5-230-4510 FIXTURE / EQUIP. MAINTENANCE	\$ 343	\$ -	\$ -
TOTAL MAINTENANCE - EQUIPMENT	\$ 343	\$ -	\$ -
TOTAL PURCHASING	\$ 55,269	\$ 59,355	\$ 65,547

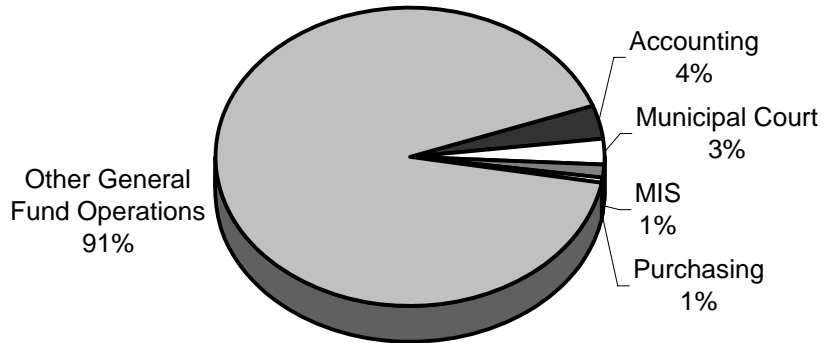
**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
MUNICIPAL COURT			
PERSONNEL			
010-5-250-1010 SALARIES	\$ 104,271	\$ 113,961	\$ 140,710
010-5-250-1020 OVERTIME	253	1,600	500
010-5-250-1030 LONGEVITY	2,577	2,880	3,168
010-5-250-1031 INCENTIVE	-	1,800	4,550
010-5-250-1040 SOCIAL SECURITY	8,142	9,199	11,045
010-5-250-1050 HEALTH INSURANCE	22,390	21,360	21,360
010-5-250-1060 UNEMPLOYMENT INSURANCE	524	2,699	3,321
010-5-250-1061 WORKER'S COMPENSATION	1,313	1,699	1,957
010-5-250-1070 RETIREMENT	14,328	16,088	19,318
TOTAL PERSONNEL	\$ 153,798	\$ 171,285	\$ 205,929
SUPPLIES AND MATERIALS			
010-5-250-2010 OFFICE SUPPLIES	\$ 1,241	\$ 1,250	\$ 1,700
010-5-250-2020 POSTAGE	828	1,100	1,500
010-5-250-2040 UNIFORMS AND APPAREL	684	1,000	750
010-5-250-2060 PUBLICATIONS	117	400	400
010-5-250-2070 GASOLINE AND OIL	1,599	1,500	1,500
TOTAL SUPPLIES AND MATERIALS	\$ 4,469	\$ 5,250	\$ 5,850
SERVICES			
010-5-250-3015 MUNICIPAL COURT JUDGE	\$ 40,620	\$ 40,620	\$ 40,620
010-5-250-3016 JURY EXPENSE	942	1,000	1,500
010-5-250-3017 MUNICIPAL PROSECUTORS	13,125	16,800	16,800
010-5-250-3018 INTERPRETERS	-	630	-
010-5-250-3040 COMMUNICATIONS	1,432	1,500	2,500
010-5-250-3082 TRAVEL AND TRAINING	1,920	4,250	5,250
010-5-250-3110 ADVERTISING	-	250	250
010-5-250-3112 PRINTING SERVICES	492	1,500	1,500
010-5-250-3220 INSURANCE AND BONDS	-	80	80
010-5-250-3310 EQUIPMENT RENTAL / LEASE	676	600	-
010-5-250-3330 CONTRACT SERVICES	48,293	48,293	56,575
TOTAL SERVICES	\$ 107,501	\$ 115,522	\$ 125,075
MAINTENANCE & REPAIR			
010-5-250-4110 MOTOR VEHICLES	\$ 662	\$ 800	\$ 800
010-5-250-4120 EQUIPMENT & MACHINERY	340	500	1,000
TOTAL MAINTENANCE & REPAIR	1,002	1,300	1,800
MAINTENANCE - EQUIPMENT			
010-5-250-4520 SOFTWARE MAINTENANCE	\$ 4,240	\$ 700	\$ 700
TOTAL MAINTENANCE - EQUIPMENT	\$ 4,240	\$ 700	\$ 700

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
EQUIPMENT			
010-5-250-8010 FURNITURE & OFFICE EQUIPMENT	\$ -	\$ 500	\$ -
TOTAL EQUIPMENT	\$ -	\$ 500	\$ -
TOTAL MUNICIPAL COURT	\$ 271,010	\$ 294,557	\$ 339,354

Percentage of General Funds to Finance Operation Needs



**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
MANAGEMENT INFORMATION SYSTEMS (MIS)			
SUPPLIES AND MATERIALS			
010-5-260-2010 OFFICE SUPPLIES	\$ 6,524	\$ 10,000	\$ 5,000
010-5-260-2020 POSTAGE	121	500	1,000
TOTAL SUPPLIES AND MATERIALS	\$ 6,645	\$ 10,500	\$ 6,000
SERVICES			
010-5-260-3030 PROFESSIONAL SERVICES	\$ 3,600	\$ -	\$ -
010-5-260-3040 COMMUNICATIONS	1,585	2,000	2,000
010-5-260-3042 INTERNET SERVICES	1,783	5,000	5,000
010-5-260-3082 TRAVEL AND TRAINING	105	-	-
010-5-260-3310 EQUIPMENT LEASE	-	-	24,181
010-5-260-3330 CONTRACT SERVICES	61,027	51,000	52,000
TOTAL SERVICES	\$ 68,099	\$ 58,000	\$ 83,181
MAINTENANCE & REPAIR			
010-5-260-4120 EQUIPMENT & MACHINERY	\$ 50,271	\$ 20,000	\$ -
TOTAL MAINTENANCE & REPAIR	\$ 50,271	\$ 20,000	\$ -
MAINTENANCE - EQUIPMENT			
010-5-260-4510 FIXTURE / EQUIP. MAINTENANCE	\$ 1,966	\$ -	\$ -
010-5-260-4520 SOFTWARE MAINTENANCE	28,022	32,440	32,440
TOTAL MAINTENANCE - EQUIPMENT	\$ 29,988	\$ 32,440	\$ 32,440
EQUIPMENT			
010-5-260-8015 COMPUTER EQUIPMENT	4,224	11,720	20,000
TOTAL EQUIPMENT	\$ 4,224	\$ 11,720	\$ 20,000
INTERFUND ACTIVITY			
010-5-260-9510 EQUIP. PURCHASE CONTRIBUTION	\$ 48,413	\$ 27,020	\$ 49,941
TOTAL INTERFUND ACTIVITY	\$ 48,413	\$ 27,020	\$ 49,941
TOTAL MIS	\$ 207,641	\$ 159,680	\$ 191,562

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
INTERNAL SERVICE			
SUPPLIES AND MATERIALS			
010-5-270-2010 OFFICE SUPPLIES	\$ 5,387	\$ -	\$ -
010-5-270-2020 POSTAGE	8	-	-
TOTAL SUPPLIES AND MATERIALS	\$ 5,395	\$ -	\$ -
SERVICES			
010-5-270-3112 PRINTING SERVICES	\$ 1,216	\$ -	\$ -
010-5-270-3200 OTHER	52,277	-	-
010-5-270-3210 FINANCIAL SERVICE CHAR	-	1,200	1,200
010-5-270-3211 INVESTMENT SERVICE CHARGE	2,134	-	-
010-5-270-3220 INSURANCE AND BONDS	148,302	170,000	170,000
010-5-270-3310 EQUIPMENT RENTAL / LEASE	16,621	-	-
010-5-270-3330 CONTRACT SERVICES	4,871	-	-
TOTAL SERVICES	\$ 225,421	\$ 171,200	\$ 171,200
CAPITAL OUTLAY			
010-5-270-7451 CASH MATCH GRANTS	\$ 152,503	\$ -	\$ -
010-5-270-7452 CAPGEMINI BLDG. CASH MATCH	-	60,000	60,000
TOTAL CAPITAL OUTLAY	\$ 152,503	\$ 60,000	\$ 60,000
INTERFUND ACTIVITY			
010-5-270-9012 TRSF TO AIRPORT FUND	\$ 20,000	\$ -	\$ 20,000
010-5-270-9031 TRSF TO EQUIP. REPLACEMENT	62,652	-	-
010-5-270-9075 TRSF TO OTHER FUNDS	-	-	250,000
TOTAL INTERFUND ACTIVITY	\$ 82,652	\$ -	\$ 270,000
TOTAL INTERNAL SERVICE	\$ 465,971	\$ 231,200	\$ 501,200

PUBLIC SAFETY

Public Safety contains seven budgetary departments: Police Administration, Police Patrol, Police Criminal Investigation (CID), Communications, Fire Administration, Fire Suppression and Emergency Management. The following is a summary of these departments:

Police Administration

Police Administration provides overall leadership and direction and is responsible for the promulgation of policies and procedures that govern the operations and personnel activities of the entire department.

Police Patrol

The Patrol Division is comprised of patrol officers assigned to four, eight-hour shifts. The division is commanded by the Assistant Chief of Police with each of the four shifts under the direct supervision of a Sergeant. The responsibilities of the Patrol Division include but are not limited to responding to calls for service, enforcement of criminal and traffic laws and the apprehension of criminal offenders. The Patrol Division is the direct link to the citizens of Palestine. Each officer has the responsibility of engaging in problem-solving techniques that are tailored to the needs of our community.

Police CID

The Detective Division is charged with conducting investigations resulting from criminal offenses reported within the city. In an average year the division receives just fewer than 4,000 cases, approximately 2,800 are sufficient for continued investigation. The division consists of five investigators and a supervisor. The division provides training in promising innovative

approaches and technology. The division is the link between the department and the Prosecutor's office, preparing and presenting cases for prosecution. The division provides support services to other city agencies as well as other law enforcement agencies.

Fire Administration

The purpose of this program is to save lives and protect the property of citizens through fire protection efforts and general education of the public. Suppression, inspections, investigations, and answering complaints for the prevention and correction of fire hazards are included in this program.

Fire Suppression

The purpose of this program is to save lives and protect the property of citizens through fire protection efforts and general education of the public. Suppression, inspection, investigations, and answering complaints for the prevention and correction of fire hazards are included in this program.

Emergency Management

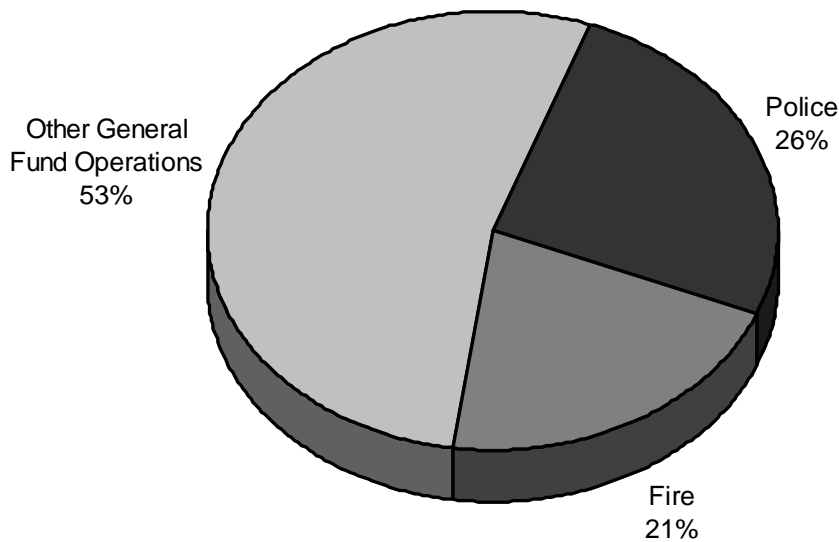
The purpose of the training division of the Fire Department is to provide continuing education for the firefighters so they will be better prepared to meet the challenges of serving our citizens, and to maintain a current firefighter certification essential to the "Texas Commission on Fire Protection." Our Emergency Management department keeps the "Palestine Emergency Operations Plan" updated as required by FEMA. We conduct annual response exercises (drills) with a strong emphasis on hazardous materials transported and stored within the city limits.

Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
Police Chief	1.0	1.0	1.0
Assistant Police Chief	1.0	1.0	0.0
Police Lieutenant	1.0	1.0	2.0
Police Corporal	5.0	5.0	4.0
Police Sargeant	7.0	7.0	7.0
Police Officer	22.0	22.0	22.0
Dispatch Supervisor	0.0	1.0	1.0
Dispatcher	5.0	4.0	4.0
Dispatcher (part-time)*	0.0	0.0	1.0
Property Room Technician (part-time)	0.5	0.5	0.5
Property Room Technician	0.0	0.0	1.0
Administrative Assistant	2.0	2.0	2.0
Police Record Clerk	1.0	1.0	1.0
Fire Chief	1.0	1.0	1.0
Fire Marshall	1.0	1.0	1.0
Emergency Manager	1.0	1.0	1.0
Fire Battalioin Chief	3.0	3.0	3.0
Fire Captain	3.0	3.0	3.0
Fire Lieutenant	3.0	3.0	3.0
Fire Driver	6.0	6.0	6.0
Firefighter	21.0	21.0	21.0
Total Department:	84.5	84.5	85.5

* Shown as full-time equivalent

Percentage of General Funds to Public Safety Needs



**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
POLICE ADMINISTRATION			
PERSONNEL			
010-5-310-1010 SALARIES	\$ 259,384	\$ 270,323	\$ 184,605
010-5-310-1020 OVERTIME	12,373	-	-
010-5-310-1030 LONGEVITY	4,656	4,392	2,088
010-5-310-1031 INCENTIVE	19,304	21,024	13,560
010-5-310-1034 UNIFORM ALLOWANCE	2,250	2,400	1,800
010-5-310-1038 CAR ALLOWANCE	-	4,800	-
010-5-310-1040 SOCIAL SECURITY	21,608	23,175	15,457
010-5-310-1050 HEALTH INSURANCE	68,086	69,552	33,204
010-5-310-1060 UNEMPLOYMENT INSURANCE	1,349	6,857	4,647
010-5-310-1061 WORKER'S COMPENSATION	9,858	11,819	7,550
010-5-310-1070 RETIREMENT	39,850	40,467	27,035
TOTAL PERSONNEL	\$ 438,718	\$ 454,808	\$ 289,946
SUPPLIES AND MATERIALS			
010-5-310-2010 OFFICE SUPPLIES	\$ 283	\$ 900	\$ 900
010-5-310-2020 POSTAGE	267	450	450
010-5-310-2030 JANITORIAL SUPPLIES	-	65	65
010-5-310-2040 UNIFORMS AND APPAREL	489	1,600	1,600
010-5-310-2063 SPECIAL ACTIVITIES	2,089	2,000	2,000
010-5-310-2070 GASOLINE AND OIL	3,461	3,200	3,200
010-5-310-2080 SMALL TOOLS AND EQUIPMENT	24	325	325
TOTAL SUPPLIES AND MATERIALS	\$ 6,613	\$ 8,540	\$ 8,540
SERVICES			
010-5-310-3030 PROFESSIONAL SERVICES	\$ 800	\$ 2,800	\$ 2,800
010-5-310-3040 COMMUNICATIONS	4,902	5,000	5,000
010-5-310-3080 MEMBERSHIPS / SUBSCRIPTIONS	443	1,000	1,000
010-5-310-3082 TRAVEL AND TRAINING	2,238	5,000	5,000
010-5-310-3112 PRINTING SERVICES	-	570	570
010-5-310-3220 INSURANCE AND BONDS	-	71	71
TOTAL SERVICES	\$ 8,382	\$ 14,440	\$ 14,441
MAINTENANCE & REPAIR			
010-5-310-4110 MOTOR VEHICLES	\$ 748	\$ 2,500	\$ 2,500
010-5-310-4120 EQUIPMENT & MACHINERY	670	1,500	1,500
TOTAL MAINTENANCE & REPAIR	\$ 1,418	\$ 3,999	\$ 4,000
MAINTENANCE - EQUIPMENT			
010-5-310-4510 FIXTURE / EQUIP. MAINTENANCE	\$ -	\$ 500	\$ 500
010-5-310-4520 SOFTWARE MAINTENANCE	18,637	27,800	2,800
010-5-310-4540 AUTO REPAIR OUTSIDE LABOR	45	150	150
010-5-310-4560 RADIO/RADAR EQUIPMENT	85,954	-	-
TOTAL MAINTENANCE - EQUIPMENT	\$ 104,636	\$ 28,450	\$ 3,450
TOTAL POLICE ADMINISTRATION	\$ 559,768	\$ 510,238	\$ 320,377

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
POLICE PATROL			
PERSONNEL			
010-5-320-1010 SALARIES	\$ 1,053,664	\$ 1,018,890	\$ 1,054,874
010-5-320-1020 OVERTIME	81,293	70,000	70,000
010-5-320-1030 LONGEVITY	15,767	15,696	17,496
010-5-320-1031 INCENTIVE	48,489	61,108	59,172
010-5-320-1032 SHIFT PAY	11,550	12,000	6,000
010-5-320-1034 UNIFORM ALLOWANCE	-	-	1,200
010-5-320-1040 SOCIAL SECURITY	83,660	89,749	92,468
010-5-320-1050 HEALTH INSURANCE	281,366	343,860	307,008
010-5-320-1060 UNEMPLOYMENT INSURANCE	5,373	26,983	27,801
010-5-320-1061 WORKER'S COMPENSATION	36,439	46,900	53,231
010-5-320-1070 RETIREMENT	153,068	156,973	161,730
TOTAL PERSONNEL	\$ 1,770,668	\$ 1,842,159	\$ 1,850,980
SUPPLIES AND MATERIALS			
010-5-320-2010 OFFICE SUPPLIES	\$ 1,369	\$ 1,700	\$ 900
010-5-320-2020 POSTAGE	625	350	250
010-5-320-2030 JANITORIAL SUPPLIES	7	100	100
010-5-320-2040 UNIFORMS AND APPAREL	12,024	20,450	20,250
010-5-320-2063 SPECIAL ACTIVITIES	1,121	1,200	1,200
010-5-320-2070 GASOLINE AND OIL	58,110	56,100	56,100
010-5-320-2080 SMALL TOOLS AND EQUIPMENT	20,617	27,428	25,428
010-5-320-2083 ARSENAL	4,819	6,000	6,000
TOTAL SUPPLIES AND MATERIALS	\$ 98,691	\$ 113,327	\$ 110,228
SERVICES			
010-5-320-3030 PROFESSIONAL SERVICES	\$ 1,776	\$ 600	\$ 600
010-5-320-3035 MEDICAL/DOCTOR-HOSPITAL	25	2,000	2,000
010-5-320-3040 COMMUNICATIONS	9,049	9,500	3,000
010-5-320-3080 MEMBERSHIPS/SUBSCRIPTIONS	-	1,800	1,380
010-5-320-3082 TRAVEL AND TRAINING	8,859	16,350	16,350
010-5-320-3112 PRINTING SERVICES	1,092	2,351	2,351
010-5-320-3220 INSURANCE AND BONDS	195	355	355
010-5-320-3310 EQUIPMENT RENTAL / LEASE	1,271	3,700	3,700
010-5-320-3380 LIBRARY SUBSCRIPTIONS	1,673	-	-
TOTAL SERVICES	\$ 23,940	\$ 36,655	\$ 29,736
MAINTENANCE & REPAIR			
010-5-320-4110 MOTOR VEHICLES	\$ 19,801	\$ 19,877	\$ 19,877
010-5-320-4120 EQUIPMENT & MACHINERY	19,670	19,609	19,609
TOTAL MAINTENANCE & REPAIR	\$ 39,471	\$ 39,485	\$ 39,486
MAINTENANCE - EQUIPMENT			
010-5-320-4510 FIXTURE / EQUIP. MAINTENANCE	\$ 1,398	\$ 3,000	\$ 3,000
010-5-320-4540 AUTO REPAIR OUTSIDE LABOR	2,251	2,650	2,650
010-5-320-4560 RADIO/RADAR EQUIPMENT	-	3,500	-
TOTAL MAINTENANCE - EQUIPMENT	\$ 3,648	\$ 9,150	\$ 5,650

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
INTERFUND ACTIVITY			
010-5-320-9510 EQUIP. PURCHASE CONTRIBUTION	\$ 19,500	\$ -	\$ -
010-5-320-9511 EQUIPMENT USER FEE	-	4,900	9,096
TOTAL INTERFUND ACTIVITY	\$ 19,500	\$ 4,900	\$ 9,096
TOTAL POLICE PATROL	\$ 1,955,919	\$ 2,045,677	\$ 2,045,176

Police Department Fees	
Accident Reports:	
Faxed copy	\$ 6.00
Walk-in request	\$ 4.00
Mailed request	\$ 6.00
Offense Reports:	\$ 4.00
Finger Printing:	\$ 4.00

Police Operating Indicators

Calls for Service



Arrests



Offense Reports



Citations



**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
POLICE CID			
PERSONNEL			
010-5-330-1010 SALARIES	\$ 333,573	\$ 337,093	\$ 341,959
010-5-330-1020 OVERTIME	20,481	25,000	25,000
010-5-330-1030 LONGEVITY	7,230	7,920	6,768
010-5-330-1031 INCENTIVE	37,171	35,724	27,892
010-5-330-1032 SHIFT PAY	-	-	1,200
010-5-330-1034 UNIFORM ALLOWANCE	3,075	3,600	2,400
010-5-330-1040 SOCIAL SECURITY	29,521	31,314	30,999
010-5-330-1050 HEALTH INSURANCE	71,605	76,752	61,848
010-5-330-1060 UNEMPLOYMENT INSURANCE	1,683	9,415	9,320
010-5-330-1061 WORKER'S COMPENSATION	12,460	16,621	16,327
010-5-330-1070 RETIREMENT	49,699	50,645	48,455
TOTAL PERSONNEL	\$ 566,497	\$ 594,085	\$ 572,168
SUPPLIES AND MATERIALS			
010-5-330-2010 OFFICE SUPPLIES	\$ 330	\$ 600	\$ 600
010-5-330-2020 POSTAGE	860	1,200	1,200
010-5-330-2030 JANITORIAL SUPPLIES	-	60	60
010-5-330-2040 UNIFORMS AND APPAREL	192	1,000	1,000
010-5-330-2050 MEDICAL SUPPLIES	-	30	30
010-5-330-2062 POLICE INFORMANT	-	2,000	2,000
010-5-330-2070 GASOLINE AND OIL	15,679	14,200	14,200
010-5-330-2080 SMALL TOOLS AND EQUIP.	433	500	500
TOTAL SUPPLIES AND MATERIALS	\$ 17,494	\$ 19,589	\$ 19,590
SERVICES			
010-5-330-3030 PROFESSIONAL SERVICES	\$ 9,471	\$ 16,000	\$ 16,000
010-5-330-3035 MEDICAL/DOCTOR-HOSPITAL	-	387	387
010-5-330-3040 COMMUNICATIONS	5,568	5,500	5,500
010-5-330-3080 MEMBERSHIPS / SUBSCRIPTIONS	265	341	341
010-5-330-3082 TRAVEL AND TRAINING	4,939	10,500	10,500
010-5-330-3112 PRINTING SERVICES	315	550	550
010-5-330-3220 INSURANCE AND BONDS	550	575	575
010-5-330-3310 EQUIPMENT RENTAL / LEASE	2,631	3,090	3,090
TOTAL SERVICES	\$ 23,740	\$ 36,943	\$ 36,943
MAINTENANCE & REPAIR			
010-5-330-4110 MOTOR VEHICLES	\$ 4,419	\$ 4,500	\$ 4,500
010-5-330-4120 EQUIPMENT & MACHINERY	7,058	7,887	7,887
TOTAL MAINTENANCE & REPAIR	\$ 11,477	\$ 12,386	\$ 12,387
MAINTENANCE - EQUIPMENT			
010-5-330-4510 FIXTURE / EQUIP. MAINTENANCE	\$ 630	\$ 2,000	\$ 2,000
TOTAL MAINTENANCE - EQUIPMENT	\$ 630	\$ 2,000	\$ 2,000
TOTAL POLICE CID	\$ 619,838	\$ 665,004	\$ 643,088

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
COMMUNICATIONS			
PERSONNEL			
010-5-350-1010 SALARIES	\$ -	\$ -	\$ 147,111
010-5-350-1030 LONGEVITY	-	-	864
010-5-350-1031 INCENTIVES	-	-	1,800
010-5-350-1032 SHIFT PAY	-	-	2,400
010-5-350-1040 SOCIAL SECURITY	-	-	11,641
010-5-350-1050 HEALTH INSURANCE	-	-	34,320
010-5-350-1060 UNEMPLOYMENT INSURANCE	-	-	3,500
010-5-350-1061 WORKER'S COMPENSATION	-	-	1,339
010-5-350-1070 RETIREMENT	-	-	17,819
TOTAL PERSONNEL	\$ -	\$ -	\$ 220,794
SUPPLIES AND MATERIALS			
010-5-350-2010 OFFICE SUPPLIES	\$ -	\$ -	\$ 800
010-5-350-2020 POSTAGE	-	-	100
010-5-350-2040 UNIFORMS AND APPAREL	-	-	1,200
010-5-350-2080 SMALL TOOLS AND EQUIPMENT	-	-	2,000
TOTAL SUPPLIES AND MATERIALS	\$ -	\$ -	\$ 4,100
SERVICES			
010-5-350-3040 COMMUNICATIONS	\$ -	\$ -	\$ 9,500
010-5-350-3080 MEMBERSHIPS/SUBSCRIPTIONS	-	-	420
010-5-350-3082 TRAVEL AND TRAINING	-	-	8,500
TOTAL SERVICES	\$ -	\$ -	\$ 18,420
MAINTENANCE - EQUIPMENT			
010-5-350-4510 EQUIPMENT MAINTENANCE	\$ -	\$ -	\$ 2,025
010-5-350-4520 SOFTWARE MAINTENANCE	-	-	20,000
010-5-350-4560 RADIO EQUIPMENT	-	-	5,000
TOTAL MAINTENANCE - EQUIPMENT	\$ -	\$ -	\$ 27,025
TOTAL COMMUNICATIONS	\$ -	\$ -	\$ 270,339

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
FIRE ADMINISTRATION			
PERSONNEL			
010-5-410-1010 SALARIES	\$ 106,744	\$ 110,384	\$ 123,718
010-5-410-1030 LONGEVITY	3,216	4,248	4,392
010-5-410-1031 INCENTIVE	9,564	10,824	10,824
010-5-410-1040 SOCIAL SECURITY	8,702	9,597	10,628
010-5-410-1050 HEALTH INSURANCE	28,367	25,920	25,920
010-5-410-1060 UNEMPLOYMENT INSURANCE	545	2,885	3,195
010-5-410-1061 WORKER'S COMPENSATION	3,048	3,978	4,405
010-5-410-1070 RETIREMENT	15,999	16,786	18,589
TOTAL PERSONNEL	\$ 176,185	\$ 184,622	\$ 201,671
SUPPLIES AND MATERIALS			
010-5-410-2010 OFFICE SUPPLIES	\$ 2,924	\$ 3,000	\$ 3,000
010-5-410-2020 POSTAGE	88	200	200
010-5-410-2030 JANITORIAL SUPPLIES	94	100	150
010-5-410-2040 UNIFORMS AND APPAREL	-	600	600
010-5-410-2070 GASOLINE AND OIL	3,430	3,100	3,100
TOTAL SUPPLIES AND MATERIALS	\$ 6,535	\$ 7,001	\$ 7,050
SERVICES			
010-5-410-3035 MEDICAL/DOCTOR-HOSPITAL	\$ -	\$ 300	\$ 300
010-5-410-3040 COMMUNICATIONS	6,319	6,500	6,500
010-5-410-3050 UTILITIES - ELECTRIC	6,208	6,500	6,500
010-5-410-3051 UTILITIES - CITY	572	1,000	1,000
010-5-410-3080 MEMBERSHIPS / SUBSCRIPTIONS	250	400	-
010-5-410-3082 TRAVEL AND TRAINING	1,375	2,725	2,725
TOTAL SERVICES	\$ 14,725	\$ 17,425	\$ 17,025
MAINTENANCE & REPAIR			
010-5-410-4010 BUILDINGS & STRUCTURES	\$ 196	\$ 500	\$ 500
010-5-410-4110 MOTOR VEHICLES	432	1,000	1,000
010-5-410-4120 EQUIPMENT & MACHINERY	3,170	4,000	4,000
TOTAL MAINTENANCE & REPAIR	\$ 3,798	\$ 5,500	\$ 5,500
MAINTENANCE - EQUIPMENT			
010-5-410-4560 RADIO/RADAR EQUIPMENT	\$ 23	\$ 500	\$ 500
TOTAL MAINTENANCE - EQUIPMENT	\$ 23	\$ 500	\$ 500
TOTAL FIRE ADMINISTRATION	\$ 201,266	\$ 215,048	\$ 231,746

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
FIRE SUPPRESSION			
PERSONNEL			
010-5-420-1010 SALARIES	\$ 1,184,653	\$ 1,229,723	\$ 1,354,743
010-5-420-1020 OVERTIME	21,498	25,000	25,000
010-5-420-1030 LONGEVITY	26,139	30,528	30,024
010-5-420-1031 INCENTIVE	62,880	74,506	72,406
010-5-420-1040 SOCIAL SECURITY	94,694	104,021	111,334
010-5-420-1050 HEALTH INSURANCE	338,414	310,632	305,292
010-5-420-1060 UNEMPLOYMENT INSURANCE	5,891	31,274	33,473
010-5-420-1061 WORKER'S COMPENSATION	32,896	43,111	46,142
010-5-420-1070 RETIREMENT	173,373	181,935	194,725
TOTAL PERSONNEL	\$ 1,940,438	\$ 2,030,730	\$ 2,173,139
SUPPLIES AND MATERIALS			
010-5-420-2010 OFFICE SUPPLIES	721	700	700
010-5-420-2020 POSTAGE	206	250	250
010-5-420-2030 JANITORIAL SUPPLIES	3,953	3,000	3,000
010-5-420-2031 CHEMICALS	-	1,200	1,200
010-5-420-2040 UNIFORMS AND APPAREL	7,908	8,000	8,000
010-5-420-2070 GASOLINE AND OIL	16,434	17,000	17,000
TOTAL SUPPLIES AND MATERIALS	\$ 29,222	\$ 30,151	\$ 30,150
SERVICES			
010-5-420-3035 MEDICAL/DOCTOR-HOSPITAL	\$ -	\$ 1,200	\$ 1,200
010-5-420-3040 COMMUNICATIONS	3,890	4,000	4,000
010-5-420-3050 UTILITIES - ELECTRIC	30,166	29,500	29,500
010-5-420-3051 UTILITIES - CITY	2,711	2,500	2,500
010-5-420-3070 UNIFORM SERVICES	-	200	200
010-5-420-3082 TRAVEL AND TRAINING	\$ 436	\$ 6,900	\$ 6,900
TOTAL SERVICES	37,202	44,299	44,300
MAINTENANCE & REPAIR			
010-5-420-4010 BUILDINGS, STRUCTURES,	\$ 2,977	\$ 4,000	\$ 4,000
010-5-420-4110 MOTOR VEHICLES	27,649	12,000	12,000
010-5-420-4120 EQUIPMENT & MACHINERY	26,695	30,000	30,000
TOTAL MAINTENANCE & REPAIR	\$ 57,321	\$ 46,001	\$ 46,000
MAINTENANCE - EQUIPMENT			
010-5-420-4510 FIXTURE / EQUIP. MAINTENANCE	\$ 8	\$ -	\$ -
010-5-420-4540 AUTO REPAIR OUTSIDE LABOR	-	-	-
010-5-420-4560 RADIO/RADAR EQUIPMENT	1,150	1,400	1,400
TOTAL MAINTENANCE - EQUIPMENT	\$ 1,158	\$ 1,400	\$ 1,400
EQUIPMENT			
010-5-420-8030 COMMUNICATION EQUIPMENT	\$ 18,127	\$ -	\$ -
TOTAL EQUIPMENT	\$ 18,127	\$ -	\$ -

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
INTERFUND ACTIVITY			
010-5-420-9510 EQUIP. PURCHASE CONTRIBUTION	\$ 70,000	\$ 70,000	\$ -
010-5-420-9511 EQUIPMENT USER FEE	-	-	67,917
TOTAL INTERFUND ACTIVITY	\$ 70,000	\$ 70,000	\$ 67,917
TOTAL FIRE SUPPRESSION	\$ 2,153,467	\$ 2,222,580	\$ 2,362,906

Fire Protection Inspection Fees	
Re-inspection fees for the same location:	
First re-inspection	(No Charge)
Second re-inspection	\$ 30.00
Third re-inspection	\$ 60.00
Each re-inspection thereafter	\$ 60.00

Fire Operating Indicators



**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
FIRE TRAINING/EMG MGT			
PERSONNEL			
010-5-430-1010 SALARIES	\$ 49,952	\$ 52,920	\$ 58,248
010-5-430-1030 LONGEVITY	1,800	1,800	1,800
010-5-430-1031 INCENTIVE	5,412	6,012	6,012
010-5-430-1040 SOCIAL SECURITY	4,076	4,646	5,054
010-5-430-1050 HEALTH INSURANCE	14,183	12,960	12,960
010-5-430-1060 UNEMPLOYMENT INSURANCE	260	1,397	1,519
010-5-430-1061 WORKER'S COMPENSATION	1,463	1,926	2,094
010-5-430-1070 RETIREMENT	7,650	8,126	8,839
TOTAL PERSONNEL	\$ 84,797	\$ 89,788	\$ 96,526
SUPPLIES AND MATERIALS			
010-5-430-2010 OFFICE SUPPLIES	\$ 428	\$ 800	\$ 800
010-5-430-2020 POSTAGE	55	100	100
010-5-430-2030 JANITORIAL SUPPLIES	-	75	75
010-5-430-2040 UNIFORMS AND APPAREL	-	250	250
010-5-430-2070 GASOLINE AND OIL	1,526	1,500	1,500
TOTAL SUPPLIES AND MATERIALS	\$ 2,010	\$ 2,725	\$ 2,725
SERVICES			
010-5-430-3035 MEDICAL/DOCTOR-HOSPITAL	\$ -	\$ 150	\$ 150
010-5-430-3040 COMMUNICATIONS	494	1,000	1,000
010-5-430-3082 TRAVEL AND TRAINING	67	500	500
TOTAL SERVICES	\$ 561	\$ 1,649	\$ 1,650
MAINTENANCE & REPAIR			
010-5-430-4110 MOTOR VEHICLES	\$ 406	\$ 1,000	\$ 1,000
010-5-430-4120 EQUIPMENT & MACHINERY	-	700	700
TOTAL MAINTENANCE & REPAIR	\$ 406	\$ 1,699	\$ 1,700
MAINTENANCE - EQUIPMENT			
010-5-430-4560 RADIO/RADAR EQUIPMENT	\$ -	\$ 300	\$ 300
TOTAL MAINTENANCE - EQUIPMENT	\$ -	\$ 300	\$ 300
TOTAL FIRE TRAINING/EMG MGT	\$ 87,773	\$ 96,162	\$ 102,901

PUBLIC WORKS

Public Works contains several budgetary departments as well as separate funds for airport and sanitation. The public works department is responsible for maintaining 14 dedicated parks within the community that total to nearly 105 acres and the department also maintains a community forest of 900 acres. The City has an impressive aquatic center that is jointly maintained by the local YMCA and public works. The city has 8 baseball diamonds that are open to the community and supports a local youth baseball league. The city has a lighted soccer field and 6 tennis courts that receive extensive play year-round. The City's sport facilities are the primary and best amenities in the county region. There are several pavilions throughout the park system that also can be reserved for parties and get extensive use. The public works department maintains an extensive street system that is utilized by the entire county region for transportation needs relating to business or pleasure destinations located within the City of Palestine. The major budgetary divisions include: Street Department, Parks and Cemeteries, Traffic Department, Facility Maintenance, Fleet Maintenance, Engineering Airport and Refuse Disposal. The following is a summary of these departments:

Public Works Administration

The Public Works Administration Department is responsible for the management of the Public Works Department. This division includes the City Engineer who is the department director and administrative assistant.

Street Maintenance

The Street Maintenance Department provides maintenance for 178 miles of streets, roads and drainage facilities inside the city limits. Maintenance ranges from street sweeping, patching, rebuilding minor streets, curbing and

guttering, and maintenance of storm sewer systems.

Facility Maintenance

This program maintains the City's Public buildings and grounds to assure attractive, safe, workable conditions. This division also covers the cost for facilities that are an extension of city services such as the museum and the Howard House.

Fleet Maintenance

Fleet maintenance provides maintenance of all vehicles used by City personnel. Equipment maintained are light trucks, grass mowers, police cars, dump trucks and backhoes, and other large and small equipment required to maintain city facilities. A majority of city equipment is maintained by this public work's division.

Engineering

The Engineering Department provides support services to all city departments and citizens and maintains the records of the City's water and wastewater distribution system. The department is responsible for the management of GIS/CAD related functions and minor engineering needs. Major engineering is contracted out on a project by project basis.

Parks and Cemetery

This department ensures adequate, safe, well-maintained terrain of over 1,023 acres of parkland, which includes athletic fields and playgrounds to enhance the quality of life for all citizens. The landscaping, maintenance of the playground equipment, shelters, tables and restrooms and the general upkeep of all of these facilities are the responsibility of this department. The parks crew also maintains five city owned cemeteries: New Addition, East Hill, Old Town, Middle and Memorial.

Budget Changes for FYE 2008

- The Airport operations, including the fixed based operator duties will be managed by the public works department.
- Sanitation operations include the reinstatement of a street sweeping program. The program includes a full-time operator.
- The Public Works department is also responsible for several general capital improvement projects during this fiscal year.
- Several small projects include a contract for weed control in the parks and street right-of-ways, a boiler system for City Hall, and security upgrades to the facilities.
- An additional seasonal employee for the street department has been included into this year's budget.
- Additional improvements to facility roofs have been allocated for the fiscal year.

**ADMINISTRATIVE SERVICES
SUMMARY OF SELECTED SUPPLEMENTAL DECISIONS**

Account No.	Line Item Request	Program Cost
	<u>Street Seasonal Employee (1)</u>	7,636
010-5-520-1010	Salaries	7,000
010-5-520-1040	Social Security	536
010-5-520-1061	Workers Comp	50
010-5-520-1060	Unemployment	50
010-5-520-3330	Herbicide Contractor - Parks	10,000
010-5-530-4010	Master Key System - Phase I	11,700
010-5-530-4010	Security Doors - City Hall/Police	3,000
010-5-710-4010	Library Ceiling Maintenance	3,600
010-5-530-4010	Police Dept. Roof Maintenance	8,000
010-5-530-4010	City Hall Boiler System	10,000
010-5-520-4021	Street Sign Materials	4,400
010-5-520-3330	Herbicide Contractor - Streets	10,000
010-5-520-3310	Motor Grader Rental	2,000
010-5-520-4020	Road Materials	16,000
010-5-520-8010	Arcview - Street Sign Maintenance	3,300
010-5-520-8010	ArcPad - Street Sign Maintenance	3,200
010-5-520-8010	Sign Shop Roller Press	4,000
010-5-540-2081	Minor Shop Supplies	5,000
	<u>Asset Management (Qquest Upgrade)</u>	2,600
010-5-540-4520	Software	1,800
010-5-540-3082	Service Agreement	400
010-5-540-3082	Training	400
010-5-520-4550	Ornamental Street Light Maintenance	4,000
010-5-520-3040	Communications - touch to talk	1,300
	<u>Asset Management Software</u>	3,800
010-5-540-4520	Software	3,000
010-5-540-3082	Service Agreement	400
010-5-540-3082	Training	400
010-5-560-3082	CAD Software Training	4,130
		\$ 117,666

Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
Public Works Director	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0
Crew Leader	2.0	2.0	2.0
Custodian	1.0	1.0	1.0
Engineering Technician I	1.0	1.0	1.0
Engineering Technician II	1.0	1.0	1.0
Equipment Operator	2.0	2.0	2.0
Fleet Maintenance Supervisor	1.0	1.0	1.0
Heavy Equipment Operator	2.0	2.0	2.0
Park Maintenance (seasonal part-time)	5.0	5.0	5.0
Parks Maintenance Worker	4.0	4.0	4.0
Parks Supervisor	1.0	1.0	1.0
Public Works Inspector	1.0	1.0	1.0
Street Maintenance (seasonal part-time)	0.0	0.0	0.5
Streets Supervisor	1.0	1.0	1.0
Traffic Sign Specialist	1.0	1.0	1.0
Truck Driver	2.0	2.0	2.0
Vehicle Service Specialist	2.0	2.0	2.0
Total Department:	29.0	29.0	29.5

* Public Works positions supported by Airport and Sanitation operations are denoted in their respective funds.

Transfers from General Fund		
Equipment Replacement		
CAT 924G (Small Loader)	010-5-520-9510	32,220
CAT 938G II (Lg Loader)	010-5-520-9510	35,568
2008 F350 Crew Cab	010-5-610-9510	5,681
Grasshopper 1 (573)	010-5-610-9511	2,028
Grasshopper 2 (574)	010-5-610-9511	2,028
Total From General Fund:		\$ 77,525

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
PUBLIC WORKS ADMINISTRATION			
PERSONNEL			
010-5-510-1010 SALARIES	\$ 85,102	\$ 98,537	\$ 108,688
010-5-510-1020 OVERTIME	173	500	500
010-5-510-1030 LONGEVITY	182	432	432
010-5-510-1033 CAR ALLOWANCE	4,800	4,800	4,800
010-5-510-1040 SOCIAL SECURITY	6,655	7,977	8,753
010-5-510-1050 HEALTH INSURANCE	14,654	15,759	15,768
010-5-510-1060 UNEMPLOYMENT INSURANCE	465	2,398	2,632
010-5-510-1061 WORKER'S COMPENSATION	6,840	7,657	8,428
010-5-510-1070 RETIREMENT	12,081	13,951	15,309
TOTAL PERSONNEL	\$ 130,952	\$ 152,011	\$ 165,310
SUPPLIES AND MATERIALS			
010-5-510-2010 OFFICE SUPPLIES	\$ 1,443	\$ 3,450	\$ 3,700
010-5-510-2020 POSTAGE	405	360	400
TOTAL SUPPLIES AND MATERIALS	\$ 1,847	\$ 3,810	\$ 4,100
SERVICES			
010-5-510-3040 COMMUNICATIONS	\$ 2,248	\$ 2,500	\$ 2,750
010-5-510-3080 MEMBERSHIPS / CERTIFICATION	240	600	600
010-5-510-3082 TRAVEL AND TRAINING	860	2,375	2,375
TOTAL SERVICES	\$ 3,348	\$ 5,476	\$ 5,725
MAINTENANCE & REPAIR			
010-5-510-4010 BUILDINGS & STRUCTURES	\$ 407	\$ -	\$ -
TOTAL MAINTENANCE & REPAIR	\$ 407	\$ -	\$ -
TOTAL PUBLIC WORKS ADMIN	\$ 136,554	\$ 161,296	\$ 175,135

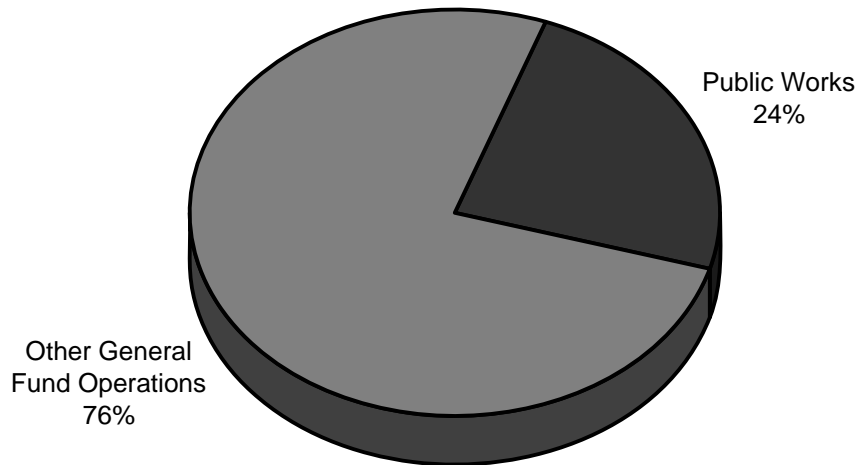
**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
STREET MAINTENANCE			
PERSONNEL			
010-5-520-1010 SALARIES	\$ 209,370	\$ 215,460	\$ 254,859
010-5-520-1020 OVERTIME	5,973	9,000	9,000
010-5-520-1030 LONGEVITY	8,130	8,856	9,216
010-5-520-1031 INCENTIVE	50	-	-
010-5-520-1040 SOCIAL SECURITY	16,315	17,849	20,890
010-5-520-1050 HEALTH INSURANCE	75,334	73,224	73,224
010-5-520-1060 UNEMPLOYMENT INSURANCE	1,038	5,366	6,169
010-5-520-1061 WORKER'S COMPENSATION	19,881	21,095	24,115
010-5-520-1070 RETIREMENT	29,923	31,218	35,602
TOTAL PERSONNEL	\$ 366,014	\$ 382,069	\$ 433,075
SUPPLIES AND MATERIALS			
010-5-520-2010 OFFICE SUPPLIES	\$ 120	\$ -	\$ -
010-5-520-2030 JANITORIAL SUPPLIES	410	855	860
010-5-520-2031 CHEMICALS	3,463	6,180	6,200
010-5-520-2040 UNIFORMS AND APPAREL	1,556	2,575	4,600
010-5-520-2061 SAFETY MATERIALS	4,038	2,600	2,600
010-5-520-2070 GASOLINE AND OIL	23,446	22,500	23,000
010-5-520-2080 SMALL TOOLS AND EQUIPMENT	5,038	7,210	7,250
010-5-520-2120 TRAFFIC SIGNS	28	-	-
TOTAL SUPPLIES AND MATERIALS	\$ 38,099	\$ 41,920	\$ 44,510
SERVICES			
010-5-520-3030 PROFESSIONAL SERVICES	\$ 95	\$ -	\$ -
010-5-520-3040 COMMUNICATIONS	1,952	2,600	5,500
010-5-520-3050 UTILITIES - ELECTRIC	441,072	450,000	450,000
010-5-520-3051 UTILITIES - CITY	-	6,200	6,200
010-5-520-3082 TRAVEL AND TRAINING	1,680	3,825	4,000
010-5-520-3310 EQUIPMENT RENTAL / LEASE	637	3,920	6,000
010-5-520-3330 CONTRACT SERVICES	26,266	100,000	120,000
TOTAL SERVICES	\$ 471,702	\$ 566,545	\$ 591,700
MAINTENANCE & REPAIR			
010-5-520-4010 BUILDINGS & GROUNDS	\$ 1,310	\$ 220	\$ 500
010-5-520-4020 STREET MAINTENANCE MATERIAL	131,106	160,000	176,000
010-5-520-4021 STREET SIGNS	14,792	44,000	48,400
010-5-520-4110 MOTOR VEHICLES	16,945	16,000	16,500
010-5-520-4120 EQUIPMENT & MACHINERY	1,374	3,000	3,500
TOTAL MAINTENANCE & REPAIR	\$ 165,527	\$ 223,220	\$ 244,900
MAINTENANCE - EQUIPMENT			
010-5-520-4510 FIXTURE / EQUIP. MAINTENANCE	\$ 394	\$ 500	\$ -
010-5-520-4550 ORNAMENTAL STREET LIGHTS	8,136	4,000	8,000
010-5-520-4560 RADIO EQUIPMENT	369	1,550	-
TOTAL MAINTENANCE - EQUIPMENT	\$ 8,900	\$ 6,050	\$ 8,000

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
EQUIPMENT			
010-5-520-8010 FURNITURE & OFFICE EQU	\$ -	\$ -	\$ 11,100
TOTAL EQUIPMENT	\$ -	\$ -	\$ 11,100
INTERFUND ACTIVITY			
010-5-520-9510 EQUIP. PURCHASE CONTRIBUTION	\$ -	\$ 18,397	\$ -
010-5-520-9511 EQUIPMENT USER FEE	-	-	67,788
TOTAL INTERFUND ACTIVITY	\$ -	\$ 18,397	\$ 67,788
TOTAL STREET MAINTENANCE	\$ 1,050,242	\$ 1,238,201	\$ 1,401,073

Percentage of General Funds to Public Works Needs



**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
FACILITY MAINTENANCE			
PERSONNEL			
010-5-530-1010 SALARIES	\$ 10,998	\$ 14,598	\$ 20,140
010-5-530-1020 OVERTIME	287	1,000	1,000
010-5-530-1030 LONGEVITY	6	72	144
010-5-530-1040 SOCIAL SECURITY	851	1,199	1,628
010-5-530-1050 HEALTH INSURANCE	5,039	5,340	5,340
010-5-530-1060 UNEMPLOYMENT INSURANCE	78	360	490
010-5-530-1061 WORKER'S COMPENSATION	340	750	1,018
010-5-530-1070 RETIREMENT	1,511	2,097	2,848
TOTAL PERSONNEL	\$ 19,111	\$ 25,416	\$ 32,608
SUPPLIES AND MATERIALS			
010-5-530-2030 JANITORIAL SUPPLIES	\$ 5,479	\$ -	\$ 4,050
010-5-530-2040 UNIFORMS AND APPAREL	148	165	500
010-5-530-2060 PUBLICATIONS	-	5,200	5,200
TOTAL SUPPLIES AND MATERIALS	\$ 5,627	\$ 5,366	\$ 9,750
SERVICES			
010-5-530-3030 PROFESSIONAL SERVICES	\$ 1,090	\$ 10,000	\$ 10,000
010-5-530-3040 COMMUNICATIONS	39	-	-
010-5-530-3050 UTILITIES - ELECTRIC	62,404	60,000	60,000
010-5-530-3051 UTILITIES-WATER	-	-	-
010-5-530-3060 JANITORIAL SERVICES	231	-	-
010-5-530-3220 INSURANCE AND BONDS	18	-	-
010-5-530-3320 RENTAL OF REAL ESTATE	-	-	11,000
010-5-530-3512 REAGAN HIGH BUILDING	-	-	15,000
010-5-530-3513 SENIOR CENTER	-	-	23,000
TOTAL SERVICES	\$ 63,782	\$ 69,999	\$ 119,000
MAINTENANCE & REPAIR			
010-5-530-4010 BUILDINGS & STRUCTURES	\$ 39,136	\$ 54,000	\$ 86,700
TOTAL MAINTENANCE & REPAIR	\$ 39,136	\$ 54,000	\$ 86,700
TOTAL FACILITY MAINTENANCE	\$ 127,655	\$ 154,782	\$ 248,058

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
FLEET MAINTENANCE			
PERSONNEL			
010-5-540-1010 SALARIES	\$ 71,033	\$ 73,103	\$ 82,261
010-5-540-1020 OVERTIME	531	2,100	2,100
010-5-540-1030 LONGEVITY	2,166	2,520	2,736
010-5-540-1035 TOOL ALLOWANCE	2,450	2,400	2,400
010-5-540-1040 SOCIAL SECURITY	5,399	6,129	6,847
010-5-540-1050 HEALTH INSURANCE	29,436	27,528	27,528
010-5-540-1060 UNEMPLOYMENT INSURANCE	344	1,843	2,058
010-5-540-1061 WORKER'S COMPENSATION	2,332	3,099	3,461
010-5-540-1070 RETIREMENT	10,171	10,721	11,975
TOTAL PERSONNEL	\$ 123,863	\$ 129,442	\$ 141,366
SUPPLIES AND MATERIALS			
010-5-540-2010 OFFICE SUPPLIES	\$ 468	\$ -	\$ -
010-5-540-2030 JANITORIAL SUPPLIES	375	600	600
010-5-540-2040 UNIFORMS AND APPAREL	552	1,870	1,870
010-5-540-2070 GASOLINE AND OIL	5,865	7,200	7,200
010-5-540-2080 SMALL TOOLS AND EQUIPMENT	4,064	4,000	4,000
010-5-540-2081 MINOR SHOP SUPPLIES	304	5,000	10,000
TOTAL SUPPLIES AND MATERIALS	\$ 11,628	\$ 18,670	\$ 23,670
SERVICES			
010-5-540-3040 COMMUNICATIONS	\$ 1,042	\$ 1,700	\$ 2,360
010-5-540-3082 TRAVEL AND TRAINING	-	-	1,600
TOTAL SERVICES	\$ 1,042	\$ 1,700	\$ 3,960
MAINTENANCE & REPAIR			
010-5-540-4010 BUILDINGS & STRUCTURES	\$ -	\$ 500	\$ 1,000
010-5-540-4110 MOTOR VEHICLES	9,163	5,300	6,000
010-5-540-4120 EQUIPMENT & MACHINERY	4,372	2,600	3,000
TOTAL MAINTENANCE & REPAIR	\$ 13,535	\$ 8,400	\$ 10,000
MAINTENANCE - EQUIPMENT			
010-5-540-4510 FIXTURE / EQUIP. MAINTENANCE	\$ -	\$ 500	\$ -
010-5-540-4520 SOFTWARE MAINTENANCE	-	2,400	7,200
TOTAL MAINTENANCE - EQUIPMENT	\$ -	\$ 2,900	\$ 7,200
EQUIPMENT			
010-5-540-8010 FURNITURE & OFFICE EQUIPMENT	\$ -	\$ -	\$ 500
010-5-540-8020 MACHINERY	-	1,200	1,200
TOTAL EQUIPMENT	\$ -	\$ 1,200	\$ 1,700
TOTAL FLEET MAINTENANCE	\$ 150,068	\$ 162,312	\$ 187,896

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
ENGINEERING			
PERSONNEL			
010-5-560-1010 SALARIES	\$ -	\$ -	\$ 117,228
010-5-560-1030 LONGEVITY	-	-	1,224
010-5-560-1040 SOCIAL SECURITY	-	-	9,062
010-5-560-1050 HEALTH INSURANCE	-	-	31,260
010-5-560-1060 UNEMPLOYMENT INSURANCE	-	-	2,724
010-5-560-1061 WORKERS COMPENSATION	-	-	805
010-5-560-1070 RETIREMENT	-	-	15,849
TOTAL PERSONNEL	\$ -	\$ -	\$ 178,152
SUPPLIES AND MATERIALS			
010-5-560-2010 OFFICE SUPPLIES	\$ -	\$ -	\$ 2,000
010-5-560-2020 POSTAGE	-	-	200
010-5-560-2070 GASOLINE AND OIL	-	-	1,300
010-5-560-2080 SMALL TOOLS AND EQUIPMENT	-	-	1,500
TOTAL SUPPLIES AND MATERIALS	\$ -	\$ -	\$ 5,000
SERVICES			
010-5-560-3020 AUDITS, CONTRACTS, STUDIES	\$ -	\$ -	\$ 3,425
010-5-560-3030 PROFESSIONAL SERVICES	-	-	30,000
010-5-560-3040 COMMUNICATIONS	-	-	4,160
010-5-560-3080 MEMBERSHIPS/SUBSCRIPTIONS	-	-	450
010-5-560-3082 TRAVEL AND TRAINING	-	-	7,730
010-5-560-3310 EQUIPMENT RENTAL/LEASE	-	-	6,000
010-5-560-3330 CONTRACT SERVICES	-	-	5,000
TOTAL SERVICES	\$ -	\$ -	\$ 56,765
MAINTENANCE & REPAIR			
010-5-560-4110 MOTOR VEHICLES	\$ -	\$ -	\$ 1,000
010-5-560-4120 EQUIPMENT & MACHINERY	-	-	1,000
TOTAL MAINTENANCE & REPAIR	-	-	2,000
MAINTENANCE - EQUIPMENT			
010-5-560-4510 FIXTURE / EQUIP. MAINTENANCE	\$ -	\$ -	\$ 1,000
010-5-560-4520 SOFTWARE MAINTENANCE	-	-	4,500
TOTAL MAINTENANCE - EQUIPMENT	\$ -	\$ -	\$ 5,500
EQUIPMENT			
010-5-560-8010 FURNITURE AND EQUIPMENT	\$ -	\$ -	\$ 1,000
010-5-560-8015 COMPUTER EQUIPMENT	-	-	2,500
TOTAL EQUIPMENT	\$ -	\$ -	\$ 3,500
TOTAL ENGINEERING	\$ -	\$ -	\$ 250,917

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
PARKS			
PERSONNEL			
010-5-610-1010 SALARIES	\$ 131,820	\$ 177,145	\$ 203,210
010-5-610-1011 WAGES	26,752	-	-
010-5-610-1020 OVERTIME	6,542	6,065	10,000
010-5-610-1030 LONGEVITY	5,067	4,824	5,472
010-5-610-1040 SOCIAL SECURITY	12,776	14,079	16,429
010-5-610-1050 HEALTH INSURANCE	41,546	37,128	37,128
010-5-610-1060 UNEMPLOYMENT INSURANCE	822	4,233	4,919
010-5-610-1061 WORKER'S COMPENSATION	5,508	9,133	10,605
010-5-610-1070 RETIREMENT	19,284	19,614	23,724
TOTAL PERSONNEL	\$ 250,117	\$ 272,222	\$ 311,487
SUPPLIES AND MATERIALS			
010-5-610-2010 OFFICE SUPPLIES	\$ 66	\$ -	\$ -
010-5-610-2020 POSTAGE	30	-	-
010-5-610-2030 JANITORIAL SUPPLIES	2,237	2,500	2,500
010-5-610-2031 CHEMICALS	495	7,500	8,000
010-5-610-2040 UNIFORMS AND APPAREL	791	1,600	2,500
010-5-610-2063 SPECIAL ACTIVITIES	20,521	24,000	24,000
010-5-610-2070 GASOLINE AND OIL	16,160	14,000	14,000
010-5-610-2080 SMALL TOOLS AND EQUIPMENT	6,555	6,000	6,000
TOTAL SUPPLIES AND MATERIALS	\$ 46,855	\$ 55,599	\$ 57,000
SERVICES			
010-5-610-3040 COMMUNICATIONS	\$ 2,877	\$ 4,000	\$ 4,500
010-5-610-3050 UTILITIES - ELECTRIC	95,934	100,500	100,500
010-5-610-3051 UTILITIES - CITY	25,634	27,900	29,000
010-5-610-3082 TRAVEL AND TRAINING	1,690	3,300	4,000
010-5-610-3200 OTHER	12,838	-	-
010-5-610-3310 EQUIPMENT RENTAL / LEASE	279	600	1,000
010-5-610-3330 CONTRACT SERVICES	65,771	1,000	1,000
010-5-610-3331 BENNETT POOL / YMCA SERVICE	4,716	73,000	73,000
TOTAL SERVICES	\$ 209,739	\$ 210,299	\$ 213,000
MAINTENANCE & REPAIR			
010-5-610-4010 BUILDINGS & STRUCTURES	\$ 32,833	\$ 56,900	\$ 57,000
010-5-610-4030 PARK MAINTENANCE	211	-	-
010-5-610-4031 POOL MAINTENANCE	12,865	-	-
010-5-610-4110 MOTOR VEHICLES	9,704	11,100	11,100
010-5-610-4120 EQUIPMENT & MACHINERY	7,271	15,000	15,000
TOTAL MAINTENANCE & REPAIR	\$ 62,884	\$ 83,000	\$ 83,100
SUNDRY			
010-5-610-5200 FOOD - TDC SERVICES	12,587	29,000	29,000
TOTAL SUNDRY	\$ 12,587	\$ 29,000	\$ 29,000

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
INTERFUND ACTIVITY			
010-5-610-9511 EQUIPMENT USER FEE	\$ -	\$ 7,700	\$ 9,737
TOTAL INTERFUND ACTIVITY	\$ -	\$ 7,700	\$ 9,737
TOTAL PARKS	\$ 582,183	\$ 657,820	\$ 703,324

Parks and Recreation Use Fee

Location	Hourly	Daily	Lights/per hr.
<u>Field/Court Reservations:</u>			
Softball/Baseball Field	\$ 5.00	\$ 30.00	\$ 10.00
Soccer Field	\$ 5.00	\$ 30.00	\$ 10.00
Tennis Court (Reagan)			
Per Court	\$ 5.00	\$ 20.00	\$ 5.00
All Courts	\$ 10.00	\$ 40.00	\$ 5.00
Basketball Court	\$ 5.00	\$ 20.00	
<u>Pavillion Reservations:</u>			
Upper Lake	\$ 5.00	\$ 10.00	
Farmers Market	\$ 5.00	\$ 30.00	
Larry Street	\$ 5.00	\$ 10.00	
Reagan Park #1	\$ 5.00	\$ 10.00	
Reagan Park #2	\$ 5.00	\$ 10.00	
Reagan Park #3	\$ 5.00	\$ 10.00	
Myers Park	\$ 5.00	\$ 10.00	
<i>*Use fee is only for reserving the above facilities. City reserves right to grant or contract facilities at a rate separate from the above rate schedule.</i>			

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
CEMETERY			
PERSONNEL			
010-5-620-1010 SALARIES	\$ 15,048	\$ 47,408	\$ 50,296
010-5-620-1011 WAGES	24,424	-	-
010-5-620-1020 OVERTIME	1,541	1,628	1,628
010-5-620-1030 LONGEVITY	669	1,152	1,008
010-5-620-1040 SOCIAL SECURITY	3,189	3,839	4,049
010-5-620-1050 HEALTH INSURANCE	4,482	5,340	5,340
010-5-620-1060 UNEMPLOYMENT INSURANCE	217	1,154	1,217
010-5-620-1061 WORKER'S COMPENSATION	2,378	3,063	3,203
010-5-620-1070 RETIREMENT	2,316	3,375	3,743
TOTAL PERSONNEL	\$ 54,263	\$ 66,960	\$ 70,484
SUPPLIES AND MATERIALS			
010-5-620-2031 CHEMICALS	\$ -	\$ 1,400	\$ 1,500
010-5-620-2040 UNIFORMS AND APPAREL	122	280	520
010-5-620-2070 GASOLINE AND OIL	3,120	2,200	3,100
010-5-620-2080 SMALL TOOLS AND EQUIPMENT	909	1,200	1,500
TOTAL SUPPLIES AND MATERIALS	\$ 4,152	\$ 5,079	\$ 6,620
SERVICES			
010-5-620-3082 TRAVEL AND TRAINING	\$ -	\$ 300	\$ 300
010-5-620-3310 EQUIPMENT RENTAL / LEASE	-	-	300
TOTAL SERVICES	\$ -	\$ 300	\$ 600
MAINTENANCE & REPAIR			
010-5-620-4010 BUILDINGS & GROUNDS	\$ 355	\$ 800	\$ 1,500
010-5-620-4110 MOTOR VEHICLES	4,353	3,500	3,500
010-5-620-4120 EQUIPMENT & MACHINERY	837	2,000	2,000
TOTAL MAINTENANCE & REPAIR	\$ 5,545	\$ 6,301	\$ 7,000
TOTAL CEMETERY	\$ 63,960	\$ 78,640	\$ 84,704

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
SENIOR CITIZENS CENTER			
SERVICES			
010-5-630-3050 UTILITIES - ELECTRIC	\$ 17,354	\$ 16,500	\$ -
010-5-630-3051 UTILITIES - CITY	1,494	1,550	-
010-5-630-3330 CONTRACT SERVICES	<u>1,500</u>	<u>2,100</u>	<u>-</u>
TOTAL SERVICES	\$ 20,348	\$ 20,149	\$ -
MAINTENANCE & REPAIR			
010-5-630-4010 BUILDINGS & GROUNDS	\$ 786	\$ 1,000	\$ -
010-5-630-4120 EQUIPMENT & MACHINERY	<u>-</u>	<u>900</u>	<u>-</u>
TOTAL MAINTENANCE & REPAIR	\$ 786	\$ 1,900	\$ -
TOTAL SENIOR CITIZENS CENTER	<u>\$ 21,135</u>	<u>\$ 22,049</u>	<u>\$ -</u>

LIBRARY

The Palestine Public Library provides library service for Palestine/Anderson County residents. The Library enables residents to have access to ideas, information, experiences, and materials that support and enrich the lives of all members of the community. The Library creates an environment for all residents to learn, to

explore, to enjoy, to create, and to be inspired. Library staff acquires and maintain an up-to-date collection of fiction, non-fiction, historical, and reference materials in a variety of formats including but not limited to books, magazines, newspapers, audio materials, CDs, DVDs, and databases.

Budget Changes for FYE 2008

- Self-checkout is part of the library's long-term goal of RFID (radio frequency identification). Our current checkout procedures are labor intensive and are a major bottleneck. Self-checkout will speed patrons through the checkout process and save an additional staff member that is needed due to increased use of the library.
- Summer is the busiest time of year for the already busy library. A seasonal employee for the summer months to help shelve books and videos, assist with craft programs, and assist with general library business would be a huge help to library staff members.

LIBRARY SUMMARY OF SELECTED SUPPLEMENTAL DECISIONS

Account No.	Line Item Request	Program Cost
	<u>Librarian Aide - Part-time</u>	4,023
010-5-710-1010	Salaries	3,644
010-5-710-1040	Social Security	279
010-5-710-1061	Workers Comp	50
010-5-710-1060	Unemployment	50
010-5-710-8010	Self Checkout Machine	16,000
		\$ 20,023

Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
Library Director	1.0	1.0	1.0
Librarian I	3.0	2.0	2.0
Librarian II	2.0	3.0	3.0
Library Assistant	4.0	4.0	4.0
Sr. Library Assistant	2.0	2.0	2.0
Custodian	1.0	1.0	1.0
Librarian Aide (part-time)	0.0	0.0	0.5
Total Department:	13.0	13.0	13.5

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
LIBRARY			
PERSONNEL			
010-5-710-1010 SALARIES	\$ 310,318	\$ 339,842	\$ 421,210
010-5-710-1030 LONGEVITY	3,468	4,536	4,464
010-5-710-1031 INCENTIVE	600	600	600
010-5-710-1040 SOCIAL SECURITY	23,156	26,391	32,610
010-5-710-1050 HEALTH INSURANCE	85,885	81,540	81,540
010-5-710-1060 UNEMPLOYMENT INSURANCE	1,767	7,934	9,771
010-5-710-1061 WORKER'S COMPENSATION	2,458	768	3,611
010-5-710-1070 RETIREMENT	41,846	46,158	56,547
TOTAL PERSONNEL	\$ 469,498	\$ 507,769	\$ 610,353
SUPPLIES AND MATERIALS			
010-5-710-2010 OFFICE SUPPLIES	\$ 11,341	\$ 16,000	\$ 17,000
010-5-710-2020 POSTAGE	3,176	3,001	5,600
010-5-710-2030 JANITORIAL SUPPLIES	1,965	2,200	2,200
010-5-710-2040 UNIFORMS AND APPAREL	74	656	725
010-5-710-2060 PUBLICATIONS - STAFF	303	300	300
010-5-710-2070 GASOLINE AND OIL	367	400	400
TOTAL SUPPLIES AND MATERIALS	\$ 17,226	\$ 22,557	\$ 26,225
SERVICES			
010-5-710-3040 COMMUNICATIONS	\$ 9,868	\$ 10,479	\$ 10,500
010-5-710-3050 UTILITIES - ELECTRIC	38,415	44,245	44,300
010-5-710-3051 UTILITIES - CITY	2,007	2,000	3,400
010-5-710-3080 MEMBERSHIPS / SUBSCRIPTIONS	5,121	8,598	9,600
010-5-710-3081 TUITION REIMBURSEMENTS	-	1,400	3,300
010-5-710-3082 TRAVEL AND TRAINING	6,644	7,700	8,400
010-5-710-3110 ADVERTISING	1,348	1,250	1,700
010-5-710-3112 PRINTING SERVICES	1,911	2,000	2,300
010-5-710-3310 EQUIPMENT RENTAL / LEASE	3,229	5,000	5,000
010-5-710-3330 CONTRACT SERVICES	11,229	12,500	12,875
010-5-710-3355 SPECIAL PERFORMANCE	3,314	-	-
TOTAL SERVICES	\$ 83,086	\$ 95,170	\$ 101,375
MAINTENANCE & REPAIR			
010-5-710-4010 BUILDINGS & GROUNDS	\$ 2,837	\$ 5,600	\$ 9,700
010-5-710-4110 MOTOR VEHICLES	-	-	-
010-5-710-4120 EQUIPMENT & MACHINERY	6,802	3,000	3,000
TOTAL MAINTENANCE & REPAIR	\$ 9,639	\$ 8,600	\$ 12,700
MAINTENANCE - EQUIPMENT			
010-5-710-4520 SOFTWARE MAINTENANCE	\$ 17,067	\$ 26,000	\$ 26,325
TOTAL MAINTENANCE - EQUIPMENT	\$ 17,067	\$ 26,000	\$ 26,325

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
EQUIPMENT			
010-5-710-8010 FURNITURE & OFFICE EQU	\$ -	\$ -	\$ 16,000
010-5-710-8012 LOAN STAR GT - MICROFILM	5,132	-	-
010-5-710-8050 LIBRARY BOOKS - CAPITAL	<u>74,112</u>	<u>63,900</u>	<u>64,900</u>
TOTAL EQUIPMENT	\$ 79,244	\$ 63,900	\$ 80,900
TOTAL LIBRARY	\$ <u>675,759</u>	\$ <u>723,996</u>	\$ <u>857,878</u>

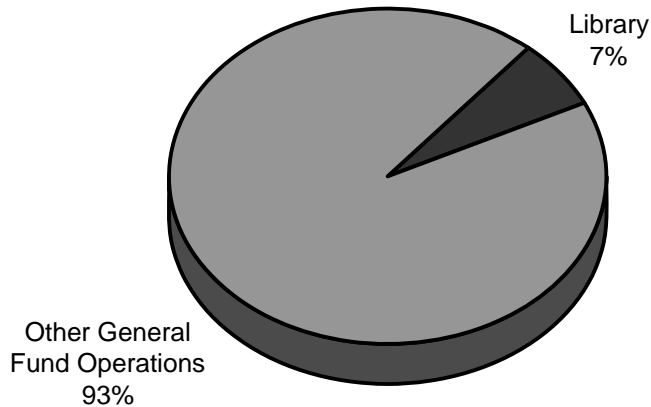
Library Fine Schedule

Fine Schedule Per Item	Per Day
Overdue Book	\$ 0.30
Overdue Video, art print, filmstrips and other audiovisual material	\$ 1.25
Overdue audiovisual equipment	\$ 5.25

Borrowing of Library Materials

Defacing any Book or other Media	
Current real replacement cost plus:	\$ 12.00
Lost any Book or other Media	
Current retail replacement cost plus:	\$ 12.00

Percentage of General Funds to Library Requirements



DEVELOPMENT SERVICES

The Building Inspection Department reviews major codes and makes recommendations to the respective boards which oversee them; administers the permitting procedures, record-keeping, legal issues, zoning applications, demolition program; and enforces the codes and responds to related complaints and protects historically significant structures. It also enforces illegal dumping activities, weeded lots, substandard structures and enforcing various other codes/ordinances in the City of Palestine. The Department is also responsible for health and animal control.

Health

This program provides for the enhancement of the quality of life within

the City of Palestine through the enforcement of ordinances regulating the Health Codes inside the city limits by conducting routine inspections and investigating food services and sales facilities to decrease the threat of food-borne illnesses.

Animal Control

This department enhances the quality of life in Palestine through appropriate responses and enforcement of laws and ordinances regarding animals within the city limits.

Historic Preservation

This division no longer functions as part of the Development Service division but is now a function of the Main Street Program.

**DEVELOPMENT SERVICES
SUMMARY OF SELECTED SUPPLEMENTAL DECISIONS**

Account No.	Line Item Request	Program Cost
	<u>Animal Control Officer (part-time)</u>	19,910
010-5-840-1010	Salaries	11,200
010-5-840-1040	Social Security	850
010-5-840-1061	Workers Comp	200
010-5-840-1060	Unemployment	260
010-5-840-2051	Animal Medical	1,800
010-5-840-2080	Tools	2,500
010-5-840-3082	Training	1,700
010-5-840-3040	Communications	1,400
		\$ 19,910

Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
Development Services Director	1.0	1.0	1.0
Inspector/Code Officer	4.0	4.0	4.0
Administrative Assistant	1.0	1.0	1.0
Animal Control Officer	1.0	1.0	1.0
Animal Control Officer (part-time)	0.0	0.0	0.5
Total Department:	7.0	7.0	7.5

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
DEVELOPMENT SERVICES			
PERSONNEL			
010-5-810-1010 SALARIES	\$ 118,008	\$ 121,471	\$ 215,433
010-5-810-1020 OVERTIME	-	-	5,000
010-5-810-1030 LONGEVITY	1,686	1,440	3,960
010-5-810-1031 INCENTIVE	-	1,200	-
010-5-810-1040 SOCIAL SECURITY	8,802	9,403	17,167
010-5-810-1050 HEALTH INSURANCE	28,978	26,196	46,440
010-5-810-1060 UNEMPLOYMENT INSURANCE	552	2,827	5,161
010-5-810-1061 WORKER'S COMPENSATION	866	1,130	2,431
010-5-810-1070 RETIREMENT	16,021	16,445	30,024
TOTAL PERSONNEL	\$ 174,913	\$ 180,112	\$ 325,616
SUPPLIES AND MATERIALS			
010-5-810-2010 OFFICE SUPPLIES	\$ 1,104	\$ 1,250	\$ 2,700
010-5-810-2020 POSTAGE	3,442	3,000	3,500
010-5-810-2040 UNIFORMS AND APPAREL	-	-	1,200
010-5-810-2070 GASOLINE AND OIL	1,544	1,500	5,000
010-5-810-2080 SMALL TOOLS AND EQUIPMENT	-	-	300
TOTAL SUPPLIES AND MATERIALS	\$ 6,090	\$ 5,749	\$ 12,700
SERVICES			
010-5-810-3040 COMMUNICATIONS	\$ 4,184	\$ 4,000	\$ 6,000
010-5-810-3080 MEMBERSHIPS / SUBSCRIPTIONS	-	620	620
010-5-810-3082 TRAVEL AND TRAINING	4,716	5,450	11,700
010-5-810-3112 PRINTING SERVICES	323	370	700
010-5-810-3330 CONTRACT SERVICES	61,300	65,000	90,000
TOTAL SERVICES	\$ 70,522	\$ 75,440	\$ 109,020
MAINTENANCE & REPAIR			
010-5-810-4110 MOTOR VEHICLES	\$ 563	\$ 800	\$ 2,200
010-5-810-4120 EQUIPMENT & MACHINERY	-	-	2,800
TOTAL MAINTENANCE & REPAIR	\$ 563	\$ 800	\$ 5,000
TOTAL DEVELOPMENT SERVICES	\$ 252,088	\$ 262,101	\$ 452,336

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
CODE ENFORCEMENT			
PERSONNEL			
010-5-820-1010 SALARIES	\$ 56,154	\$ 69,893	\$ -
010-5-820-1020 OVERTIME	1,414	5,000	-
010-5-820-1030 LONGEVITY	1,902	1,656	-
010-5-820-1031 INCENTIVE	325	7,851	-
010-5-820-1040 SOCIAL SECURITY	4,429	5,856	-
010-5-820-1050 HEALTH INSURANCE	16,065	20,244	-
010-5-820-1060 UNEMPLOYMENT INSURANCE	264	1,761	-
010-5-820-1061 WORKER'S COMPENSATION	1,049	1,064	-
010-5-820-1070 RETIREMENT	8,003	10,242	-
TOTAL PERSONNEL	\$ 89,607	\$ 123,567	\$ -
SUPPLIES AND MATERIALS			
010-5-820-2010 OFFICE SUPPLIES	\$ 354	\$ 635	\$ -
010-5-820-2020 POSTAGE	-	500	-
010-5-820-2040 UNIFORMS AND APPAREL	369	665	-
010-5-820-2070 GASOLINE AND OIL	2,939	3,000	-
010-5-820-2080 SMALL TOOLS AND EQUIPMENT	55	210	-
TOTAL SUPPLIES AND MATERIALS	\$ 3,717	\$ 5,011	\$ -
SERVICES			
010-5-820-3040 COMMUNICATIONS	\$ 488	\$ 1,100	\$ -
010-5-820-3082 TRAVEL AND TRAINING	4,716	6,200	-
010-5-820-3112 PRINTING SERVICES	110	300	-
010-5-820-3330 CONTRACT SERVICES	8,179	22,000	-
TOTAL SERVICES	\$ 13,493	\$ 29,600	\$ -
MAINTENANCE & REPAIR			
010-5-820-4110 MOTOR VEHICLES	\$ 1,567	\$ 1,325	\$ -
010-5-820-4120 EQUIPMENT & MACHINERY	3,090	2,720	-
TOTAL MAINTENANCE & REPAIR	\$ 4,656	\$ 4,044	\$ -
TOTAL CODE ENFORCEMENT	\$ 111,473	\$ 162,222	\$ -

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
HEALTH			
PERSONNEL			
010-5-830-1010 SALARIES	\$ 34,092	\$ 35,073	\$ 42,477
010-5-830-1020 OVERTIME	1,398	2,500	2,500
010-5-830-1030 LONGEVITY	1,548	1,656	1,728
010-5-830-1031 INCENTIVE	485	6,161	1,200
010-5-830-1040 SOCIAL SECURITY	2,809	3,093	3,665
010-5-830-1050 HEALTH INSURANCE	6,010	5,340	5,340
010-5-830-1060 UNEMPLOYMENT INSURANCE	178	930	1,102
010-5-830-1061 WORKER'S COMPENSATION	391	674	798
010-5-830-1070 RETIREMENT	5,021	5,409	6,410
TOTAL PERSONNEL	\$ 51,932	\$ 60,835	\$ 65,220
SUPPLIES AND MATERIALS			
010-5-830-2010 OFFICE SUPPLIES	\$ 513	\$ 480	\$ 980
010-5-830-2020 POSTAGE	1,579	850	850
010-5-830-2031 CHEMICALS	2,571	3,000	3,000
010-5-830-2040 UNIFORMS AND APPAREL	-	200	200
010-5-830-2070 GASOLINE AND OIL	321	1,600	1,600
010-5-830-2080 SMALL TOOLS AND EQUIPMENT	254	500	500
TOTAL SUPPLIES AND MATERIALS	\$ 5,238	\$ 6,630	\$ 7,130
SERVICES			
010-5-830-3030 PROFESSIONAL SERVICES	\$ 1,200	\$ 1,200	\$ 1,200
010-5-830-3040 COMMUNICATIONS	2,369	2,800	2,800
010-5-830-3080 MEMBERSHIPS / SUBSCRIPTIONS	105	930	1,030
010-5-830-3082 TRAVEL AND TRAINING	1,497	3,850	3,850
010-5-830-3112 PRINTING SERVICES	111	120	120
TOTAL SERVICES	\$ 5,282	\$ 8,900	\$ 9,000
MAINTENANCE & REPAIR			
010-5-830-4010 BUILDINGS & GROUNDS	-	-	-
010-5-830-4110 MOTOR VEHICLES	\$ -	\$ 450	\$ 450
010-5-830-4120 EQUIPMENT & MACHINERY	165	100	100
TOTAL MAINTENANCE & REPAIR	\$ 165	\$ 550	\$ 550
SUNDRY			
010-5-830-5200 FOOD	-	100	100
TOTAL SUNDRY	\$ -	\$ 100	\$ 100
TOTAL HEALTH	\$ 62,616	\$ 77,015	\$ 82,000

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
ANIMAL CONTROL			
PERSONNEL			
010-5-840-1010 SALARIES	\$ 23,562	\$ 24,158	\$ 38,430
010-5-840-1020 OVERTIME	3,261	3,000	3,000
010-5-840-1030 LONGEVITY	1,374	1,512	1,584
010-5-840-1031 INCENTIVE	1,785	3,240	2,040
010-5-840-1040 SOCIAL SECURITY	2,104	2,349	3,440
010-5-840-1050 HEALTH INSURANCE	10,166	10,428	10,428
010-5-840-1060 UNEMPLOYMENT INSURANCE	137	706	1,039
010-5-840-1061 WORKER'S COMPENSATION	596	556	813
010-5-840-1070 RETIREMENT	4,013	4,109	4,530
TOTAL PERSONNEL	\$ 47,000	\$ 50,059	\$ 65,304
SUPPLIES AND MATERIALS			
010-5-840-2010 OFFICE SUPPLIES	\$ 33	\$ 100	\$ 100
010-5-840-2020 POSTAGE	28	100	100
010-5-840-2040 UNIFORMS AND APPAREL	146	600	600
010-5-840-2050 MEDICAL SUPPLIES	40	100	100
010-5-840-2051 ANIMAL MEDICAL SUPPLIE	2,290	3,640	5,440
010-5-840-2070 GASOLINE AND OIL	3,041	2,700	2,700
010-5-840-2080 SMALL TOOLS AND EQUIPMENT	828	9,644	3,544
TOTAL SUPPLIES AND MATERIALS	\$ 6,406	\$ 16,884	\$ 12,584
SERVICES			
010-5-840-3040 COMMUNICATIONS	\$ 2,145	\$ 2,500	\$ 4,400
010-5-840-3050 UTILITIES - ELECTRIC	17,357	19,000	19,000
010-5-840-3051 UTILITIES - CITY	7,735	2,000	2,000
010-5-840-3080 MEMBERSHIPS / SUBSCRIPTIONS	-	100	100
010-5-840-3082 TRAVEL AND TRAINING	622	1,000	2,700
010-5-840-3112 PRINTING SERVICES	45	600	600
010-5-840-3330 CONTRACT SERVICES	27,083	25,000	25,000
TOTAL SERVICES	\$ 54,988	\$ 50,200	\$ 53,800
MAINTENANCE & REPAIR			
010-5-840-4110 MOTOR VEHICLES	\$ 180	\$ 1,500	\$ 1,500
010-5-840-4120 EQUIPMENT & MACHINERY	-	280	280
TOTAL MAINTENANCE & REPAIR	\$ 180	\$ 1,780	\$ 1,780
SUNDRY			
010-5-840-5200 ANIMAL FOOD	\$ 42	\$ 540	\$ 540
TOTAL SUNDRY	\$ 42	\$ 540	\$ 540
TOTAL ANIMAL CONTROL	\$ 108,617	\$ 119,463	\$ 134,008

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
010-GENERAL FUND			
HISTORIC PRESERVATION			
PERSONNEL			
010-5-850-1010 SALARIES	\$ 3,700	\$ 5,404	\$ -
010-5-850-1040 SOCIAL SECURITY	283	396	-
010-5-850-1060 UNEMPLOYMENT INSURANCE	146	146	-
010-5-850-1061 WORKER'S COMPENSATION	11	254	-
TOTAL PERSONNEL	\$ 4,140	\$ 6,200	\$ -
SUPPLIES AND MATERIALS			
010-5-850-2010 OFFICE SUPPLIES	\$ 180	\$ -	\$ -
010-5-850-2020 POSTAGE	-	1,320	-
TOTAL SUPPLIES AND MATERIALS	\$ 180	\$ 1,320	\$ -
SERVICES			
010-5-850-3020 AUDITS, CONTRACTS, STUDIES	\$ -	\$ 12,000	\$ -
010-5-850-3030 PROFESSIONAL SERVICES	102	2,000	-
010-5-850-3082 TRAVEL AND TRAINING	2,420	2,500	-
010-5-850-3112 PRINTING SERVICES	1,535	2,000	-
TOTAL SERVICES	\$ 4,057	\$ 18,501	\$ -
TOTAL HISTORIC PRESERVATION	\$ 8,377	\$ 26,021	\$ -
TOTAL GENERAL FUND EXPENSES:	<u>\$ 11,072,638</u>	<u>\$ 11,447,430</u>	<u>\$ 12,782,383</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ 781,881	\$ (140,802)	\$ (147,515)
PROJECTED ENDING FUND BALANCE	\$ 2,439,205	\$ 2,298,403	\$ 2,150,888

THIS PAGE INTENTIONALLY LEFT BLANK

DEBT SERVICE FUND

**City of Palestine
Annual Budget 2007-08**

Debt Service Fund

Fund Description

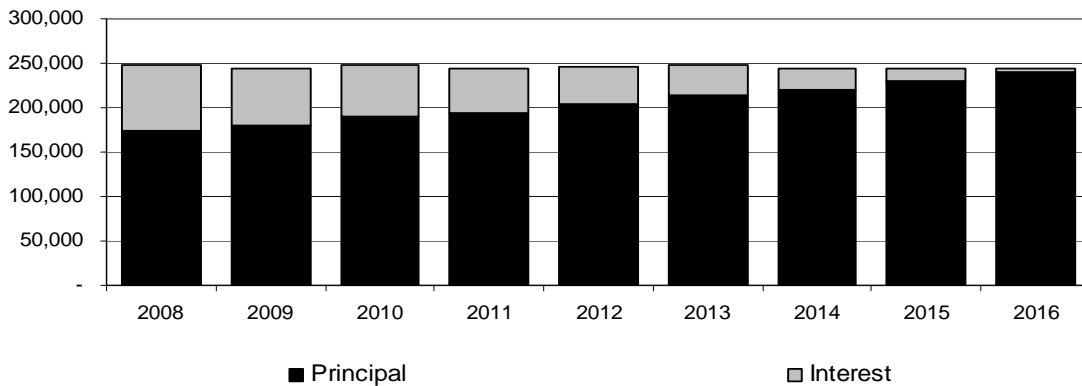
The debt service funds, also known as interest and sinking funds, are established by ordinances authorizing the issuance of bonds and providing for the payment of bond principal and interest as they come due. For general obligation debt, an ad valorem (property) tax rate and tax levy is required to be calculated and levied to meet the required amount that satisfies annual debt service requirements. General obligation bonds of the City carry an "Aa3" rating from Moody's Investor's Service and an AA from Standard & Poor's Ratings Service.

Fund Narrative

On April 24, 2006, the City issued \$2,000,000 of General Obligation bonds that included The annual general obligation debt added approximately \$250,000 for the next 10 years for these projects that otherwise could not be funded in one years time. Use of the new bond proceeds will be accounted for in the Capital Improvement – 2006 Series (Fund 671).

Below is the remaining debt from the 2006 Series and shows the City's debt position as of the beginning of fiscal year 2007-2008:

	CURRENT REQUIREMENTS			DEBT BALANCE
	PRINCIPAL	INTEREST	TOTAL	
2006 Certificates of Obligation	175,000	72,263	247,263	1,850,000



The call for for debt was a decision based principally on the maintenance needs of existing facilities and repair of existing road infrastructure. The General obligation was incurred for the following purposes:

- Construction and improvements to City roadways.
- Construction and improvements to storm drainage and flood control facilities.
- Construction, improving and equipping City parks and parks facilities.
- Repairing and improving roof for City Hall and Civic Center.
- Professional fees for downtown master plan, HVAC study for city facilities and an emergency action plan for City-owned lakes.
- Acquisition of Rusk School.

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
310-DEBT SERVICE REVENUES			
BEGINNING FUND BALANCE	\$ 65,490	\$ 70,985	\$ 57,940
PROPERTY TAX			
310-4-1001 AD VALOREM TAXES	\$ 3	\$ 227,835	\$ 247,263
310-4-1002 DELINQUENT TAX REVENUE	9,707	3,626	5,000
310-4-1003 PENALTY & INTEREST TAXES	5,431	3,926	5,000
TOTAL PROPERTY TAX	\$ 15,142	\$ 235,387	\$ 257,263
OTHER INCOME			
310-4-1901 INTEREST ON INVESTMENTS	\$ 409	\$ 4,716	\$ -
TOTAL OTHER INCOME	\$ 409	\$ 4,716	\$ -
TOTAL REVENUE:	<u>\$ 15,551</u>	<u>\$ 240,102</u>	<u>\$ 257,263</u>
TOTAL FUNDS AVAILABLE:	\$ 81,041	\$ 311,087	\$ 315,203
310-DEBT SERVICE SERIES 2005			
SUNDRY			
310-5-283-5010 BOND ISSUANCE COSTS	\$ 8,057	\$ -	\$ -
310-5-283-5402 AGENT FEES	2,000	-	-
310-5-284-5140 PRINCIPAL/DEBT SERVICE	-	150,000	175,000
310-5-284-5150 INTEREST/DEBT SERVICE	-	97,147	72,263
310-5-284-5160 MAINTENANCE FEE/DEBIT	-	6,000	1,500
TOTAL SUNDRY	\$ 10,057	\$ 253,147	\$ 248,763
TOTAL SERIES 2005	\$ 10,057	\$ 253,147	\$ 248,763
TOTAL FUND EXPENSES:	<u>\$ 10,057</u>	<u>\$ 253,147</u>	<u>\$ 248,763</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ 5,494	\$ (13,045)	\$ 8,500
PROJECTED ENDING FUND BALANCE	\$ 70,985	\$ 57,940	\$ 66,440

THIS PAGE INTENTIONALLY LEFT BLANK

TOURISM FUND

**City of Palestine
Annual Budget 2007-08**

Tourism Fund

Fund Description

The Tourism Fund accounts for the use of Hotel/Motel Occupancy tax revenue generated by the City's hotels and which is restricted by State legislation to directly enhancing and promoting tourism and the convention and hotel industry. Also, the visitor center and civic center is operated out of this fund with additional revenue from the operation of the civic center. The department is to provide quality and innovative services to increase tourism and leisure to the City of Palestine.

Budget Changes for FYE 2008

- Reduction of revenue and expenditures related to the Victorian Ride.
- Additional funding for a part-time Visitor Center Greeter. The visitor center is open to weekend traveling guest and staffing is essential to keeping the center functional to its purpose.
- The department is projecting an increase of call volume relating to area interest. Additional funding for telecommunications has been appropriated.
- Additional funding for advertising was requested by this department in the advent that American Heritage Railways will begin operations of the Texas State Railroad. Tourism will promote the City of Palestine with several media outlets and will print additional brochures in efforts to increase our market exposure.

TOURISM FUND SUMMARY OF SELECTED SUPPLEMENTAL DECISIONS

Account No.	Line Item Request	Program Cost
	<u>Visitor Center Greeter - Part-time</u>	\$ 3,973
150-5-750-1010	Salaries 3,644	
150-5-750-1040	Social Security 279	
150-5-750-1061	Workers Comp 25	
150-5-750-1060	Unemployment 25	
	<u>Salary Adjustment</u>	\$ 4,953
150-5-750-1010	Salaries 4,003	
150-5-750-1040	Social Security 306	
150-5-750-1040	Retirement 536	
150-5-750-1061	Workers Comp 16	
150-5-750-1060	Unemployment 92	
150-5-750-3040	Communications - Cost Increase	3,100
150-5-751-4010	Civic Center Maintenance	9,000
150-5-750-3112	Printing - Brochures	5,000
150-5-750-2020	Postage - Cost Increase	5,000
		\$ 31,026

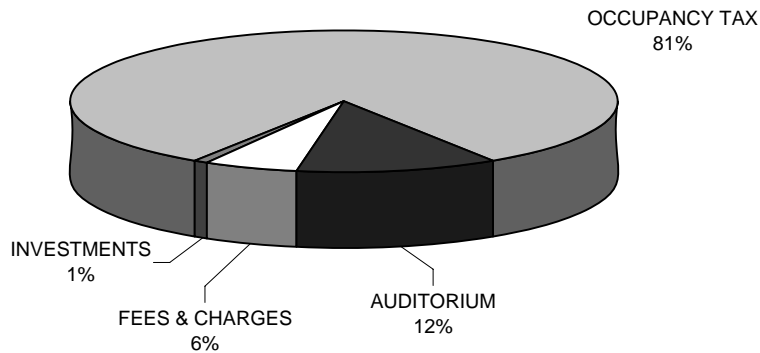
Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
Tourism Director	1.0	1.0	1.0
Events Coordinator	1.0	1.0	1.0
Visitor Center Greeter (part-time)	0.0	0.5	0.5
Custodian	0.5	1.0	1.0
Total Department:	2.5	3.5	3.5

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
150-TOURISM FUND REVENUES			
BEGINNING FUND BALANCE	\$ 87,253	\$ 133,474	\$ 91,764
OTHER INCOME			
150-4-1901 INTEREST ON INVESTMENTS	\$ 3,110	\$ 3,000	\$ 3,000
150-4-1921 HOTEL/MOTEL OCCUPANCY TAX	309,119	280,000	329,051
150-4-1930 CIVIC AUDITORIUM RENTAL	32,515	13,308	48,576
150-4-1931 SECURITY GUARD FEES	17,967	7,818	18,000
150-4-1932 SOUND TECH FEES	2,855	1,125	3,500
150-4-1940 FESTIVALS	33,671	35,000	-
150-4-1970 OTHER CHARGES	1,712	1,100	1,000
TOTAL OTHER INCOME	\$ 400,949	\$ 341,351	\$ 403,127
TOTAL TOURISM FUND REVENUE:	<u>\$ 400,949</u>	<u>\$ 341,351</u>	<u>\$ 403,127</u>
TOTAL TOURISM FUNDS AVAILABLE:	\$ 488,202	\$ 474,825	\$ 494,891

Tourism Revenue Sources



**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
150-TOURISM FUND			
TOURISM			
PERSONNEL			
150-5-750-1010 SALARIES AND WAGES	\$ 67,236	\$ 69,712	\$ 81,292
150-5-750-1012 TEMPORARY EMPLOYMENT	2,939	-	-
150-5-750-1030 LONGEVITY	198	432	576
150-5-750-1040 SOCIAL SECURITY	5,012	5,366	6,263
150-5-750-1050 HEALTH INSURANCE	15,556	15,768	15,768
150-5-750-1060 UNEMPLOYMENT INSURANCE	312	1,613	1,824
150-5-750-1061 WORKER'S COMPENSATION	206	274	331
150-5-750-1070 RETIREMENT	9,026	9,386	10,467
TOTAL PERSONNEL	\$ 100,485	\$ 102,551	\$ 116,521
SUPPLIES AND MATERIALS			
150-5-750-2010 OFFICE SUPPLIES	\$ 2,104	\$ 3,000	\$ 3,750
150-5-750-2020 POSTAGE	4,033	4,500	11,500
150-5-750-2030 JANITORIAL SUPPLIES	490	600	600
150-5-750-2070 GASOLINE AND OIL	-	2,000	2,000
150-5-750-2210 PROMOTIONAL ITEMS	695	-	-
TOTAL SUPPLIES AND MATERIALS	\$ 7,322	\$ 10,100	\$ 17,850
SERVICES			
150-5-750-3030 PROFESSIONAL SERVICES	\$ 14,230	\$ 12,000	\$ 12,000
150-5-750-3040 COMMUNICATIONS	4,981	5,000	9,100
150-5-750-3050 UTILITIES - ELECTRIC SERVICES	629	1,000	1,000
150-5-750-3051 UTILITIES - CITY SERVICES	1,510	-	-
150-5-750-3060 JANITORIAL SERVICES	344	848	-
150-5-750-3082 TRAVEL AND TRAINING	10,808	10,000	10,000
150-5-750-3110 ADVERTISING	36,065	30,000	31,000
150-5-750-3112 PRINTING SERVICES	19,190	19,000	24,500
150-5-750-3310 EQUIPMENT RENTAL / LEASE	2,315	2,700	3,500
150-5-750-3330 CONTRACT SERVICES	467	600	1,300
150-5-750-3340 PROMOTIONS AND ADVERTISING	9,382	8,600	9,600
150-5-750-3350 FESTIVALS	14,077	29,000	-
150-5-750-3360 TRADE SHOWS	\$ 2,851	\$ 2,500	\$ 3,000
TOTAL SERVICES	\$ 116,849	\$ 121,248	\$ 105,000
MAINTENANCE & REPAIR			
150-5-750-4010 BUILDINGS, STRUCTURES	\$ 304	\$ 1,000	\$ 1,500
150-5-750-4110 MOTOR VEHICLES	-	-	800
TOTAL MAINTENANCE & REPAIR	\$ 304	\$ 1,000	\$ 2,300
SUNDRY			
150-5-750-5050 ART AND CULTURAL PROJECTS	\$ 15,000	\$ 15,000	\$ 15,000
TOTAL SUNDRY	\$ 15,000	\$ 15,000	\$ 15,000
TOTAL TOURISM	\$ 239,960	\$ 249,899	\$ 256,671

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
150-TOURISM FUND			
CIVIC CENTER			
PERSONNEL			
150-5-751-1010 SALARIES AND WAGES	\$ -	\$ 20,800	\$ 22,736
150-5-751-1012 TEMPORARY EMPLOYMENT	174	-	-
150-5-751-1020 OVERTIME	37	-	-
150-5-751-1030 LONGEVITY	-	-	72
150-5-751-1040 SOCIAL SECURITY	3	1,592	1,745
150-5-751-1050 HEALTH INSURANCE	16	-	10,428
150-5-751-1060 UNEMPLOYMENT INSURANCE	45	478	525
150-5-751-1061 WORKER'S COMPENSATION	63	992	595
150-5-751-1070 RETIREMENT	5	-	2,546
TOTAL PERSONNEL	\$ 343	\$ 23,862	\$ 38,647
SUPPLIES AND MATERIALS			
150-5-751-2010 OFFICE SUPPLIES	\$ 1,138	\$ 1,150	\$ 1,000
150-5-751-2020 POSTAGE	1,632	1,650	1,250
150-5-751-2030 JANITORIAL SUPPLIES	2,546	2,400	2,400
150-5-751-2220 SPECIAL EVENT MATERIALS	394	750	750
TOTAL SUPPLIES AND MATERIALS	\$ 5,710	\$ 5,950	\$ 5,400
SERVICES			
150-5-751-3040 COMMUNICATIONS	\$ 2,285	\$ 2,500	\$ 2,500
150-5-751-3050 UTILITIES - ELECTRIC SERVICES	45,516	43,500	43,500
150-5-751-3060 JANITORIAL SERVICES	14,736	14,000	-
150-5-751-3080 MEMBERSHIP & CERTIFICATIONS	100	100	950
150-5-751-3210 FINANCIAL SERVICE CHARGES	1,164	2,100	1,400
150-5-751-3211 INVESTMENT SERVICE CHARGES	20	200	50
150-5-751-3310 EQUIPMENT RENTAL / LEASE	1,165	1,500	1,500
150-5-751-3330 CONTRACT SERVICES	764	750	1,750
150-5-751-3370 SECURITY GUARDS	20,210	20,500	21,500
150-5-751-3371 SOUND & LIGHT TECHNICIAN	3,440	4,000	5,000
TOTAL SERVICES	\$ 89,400	\$ 89,150	\$ 78,150
MAINTENANCE & REPAIR			
150-5-751-4010 BUILDINGS AND STRUCTURES	\$ 11,793	\$ 14,200	\$ 23,200
TOTAL MAINTENANCE & REPAIR	\$ 11,793	\$ 14,200	\$ 23,200
EQUIPMENT			
150-5-751-8010 FURNITURE & OFFICE EQUIPMENT	\$ 5,789	\$ -	\$ -
150-5-751-8015 COMPUTER EQUIPMENT	1,733	-	-
TOTAL EQUIPMENT	\$ 7,522	\$ -	\$ -
TOTAL CIVIC CENTER	\$ 114,768	\$ 133,162	\$ 145,397
TOTAL TOURISM FUND EXPENSES:	\$ 354,728	\$ 383,061	\$ 402,068

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

		ACTUAL 2005-2006		ESTIMATED 2006-2007		BUDGET 2007-2008
REVENUE OVER/(UNDER) EXPENDITURES	\$	46,221	\$	(41,710)	\$	1,059
PROJECTED ENDING FUND BALANCE	\$	133,474	\$	91,764	\$	92,823

Civic Center Facility Use Schedule			
Location	Day	Night	Full
<u>All Facilities</u>			
First Day	\$ 650.00	\$ 675.00	\$ 700.00
Each Additional Day	\$ 600.00	\$ 650.00	\$ 675.00
<u>Auditorium</u>			
First Day	\$ 375.00	\$ 400.00	\$ 450.00
Each Additional Day	\$ 325.00	\$ 350.00	\$ 400.00
<u>Multi-Purpose Room</u>			
First Day	\$ 250.00	\$ 275.00	\$ 300.00
Each Additional Day	\$ 200.00	\$ 250.00	\$ 275.00
<u>Meeting Room C</u>			
First Day	\$ 25.00	\$ 35.00	\$ 40.00
Each Additional Day	\$ 20.00	\$ 30.00	\$ 35.00
<u>Meeting Room D</u>			
First Day	\$ 50.00	\$ 75.00	\$ 100.00
Each Additional Day	\$ 40.00	\$ 70.00	\$ 90.00
<u>Foyer</u>			
First Day	\$ 100.00	\$ 100.00	\$ 100.00
Each Additional Day	\$ 50.00	\$ 50.00	\$ 50.00
<u>Kitchen</u>			
Daily Fee	\$ 50.00	\$ 75.00	\$ 100.00
<u>Concession Stand</u>			
First Day	\$ 50.00	\$ 75.00	\$ 100.00
Each Additional Day	\$ 25.00	\$ 50.00	\$ 75.00
Other Rental Charges:			
<i>All charges listed below are per day unless otherwise indicated</i>			
Baby Grand Piano		\$ 75.00	
Upright Piano		\$ 25.00	
Spotlight		\$ 50.00	
Podium		\$ 10.00	
Projector Screen(s)		\$ 10.00	each
54" round table		\$ 5.00	per table
Dishes		\$ 3.00	per setting
Other Service Charges:			
Activity Set-up Access (8am-5pm)		\$ 150.00	per day
Staff Set-up		\$ 100.00	
Staff Tear-down/Clean-up		\$ 200.00	
Extra Dumpster Pick-up		\$ 35.00	
Security Guards - Per Officer		\$ 20.00	per hour
Sound & Light Technician		\$ 20.00	per hour
Microphone Set-up		\$ 20.00	
RV Electrical Hook-up		\$ 10.00	
Beverage Service		\$ 15.00	per day
Alcohol Surcharge		\$ 100.00	
Coffee Service		\$ 20.00	per day
Ice		\$ 1.00	per bag

AIRPORT FUND

**City of Palestine
Annual Budget 2007-08**

Airport Fund

Fund Description

The City of Palestine owns a general aviation airport (PSN), four nautical miles northwest of downtown. The Airport has two operational runways and is located on 524 acres at an elevation of 423 feet. The airport is used broadly by businesses who wish to conduct business located in the Palestine-Anderson County area. Also, the airport serves as an excellent stop for longer flights that require an extended runway for refueling. The airport's operations are financed by the City of Palestine as an enterprise fund, where service costs are financed through user charges. The airport has 36 based planes with one jet and two multi-engine aircraft. The airport services 30 planes per day with 34% as transitory general aviation.

Runway Information:

- Airport runway 18/36 is an asphalt surface approximately 5,000 feet in length, running north-south.
- Airport runway 09/27 is an asphalt surface approximately 4,000 feet in length, running east-west.

Flight Services Include:

- Aviation Fuel
- Aircraft Parking
- Passenger Terminal And Lounge
- Flight Training Aircraft Rental
- Pilot Supplies
- Pilots Lounge
- Public Telephone
- Computerized Weather
- Internet Access

AIRPORT FUND SUMMARY OF SELECTED SUPPLEMENTAL DECISIONS

Account No.	Line Item Request	Program Cost
240-5-110-3040	Airport Courtesy/Emergency Phone	1,000
		\$ 1,000

Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
Airport Services Supervisor	0.0	0.0	1.0
Airport Attendant (part-time)	0.0	0.0	0.5
Total Department:	0.0	0.0	1.5

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
240-AIRPORT REVENUES			
BEGINNING FUND BALANCE	\$ 24,418	\$ 29,053	\$ 13,307
LEASES AND RENTALS			
240-4-1601 AIRPORT RENTAL FEES	14,696	17,000	16,000
240-4-1602 LAND LEASE FEES	-	-	2,500
TOTAL LEASES AND RENTALS	\$ 14,696	\$ 17,000	\$ 18,500
OTHER AGENCIES			
240-4-1804 STATE & FEDERAL GRANTS	\$ 2,504	\$ 10,100	\$ -
240-4-1810 CITY MATCHING FUNDS	-	10	-
TOTAL OTHER AGENCIES	\$ 2,504	\$ 10,110	\$ -
OTHER INCOME			
240-4-1901 INTEREST ON INVESTMENTS	\$ 267	\$ 600	\$ 1,000
240-4-1905 MISCELLANEOUS SALES	1,241	3,000	3,000
240-4-1919 SALE OF FUEL	2,853	4,000	427,000
240-4-1941 TRANSFER FROM GENERAL FUND	20,000	-	20,000
TOTAL OTHER INCOME	\$ 24,360	\$ 7,600	\$ 451,000
TOTAL REVENUE:	\$ 41,561	\$ 34,710	\$ 469,500
TOTAL FUNDS AVAILABLE	\$ 65,979	\$ 63,762	\$ 482,807
240-AIRPORT AIRPORT SERVICES			
PERSONNEL			
240-5-110-1010 SALARIES AND WAGES	\$ -	\$ -	\$ 31,076
240-5-110-1030 LONGEVITY	-	-	144
240-5-110-1040 SOCIAL SECURITY (FICA)	-	-	2,388
240-5-110-1050 HEALTH INSURANCE	-	-	5,340
240-5-110-1060 UNEMPLOYMENT INSURANCE	-	-	718
240-5-110-1061 WORKER'S COMPENSATION	-	-	212
240-5-110-1070 RETIREMENT	-	-	4,177
TOTAL PERSONNEL	\$ -	\$ -	\$ 44,055
SUPPLIES AND MATERIALS			
240-5-110-2010 OFFICE SUPPLIES	-	-	350
240-5-110-2020 POSTAGE	11	-	150
240-5-110-2031 CHEMICALS	250	300	3,000
240-5-110-2070 GASOLINE AND OIL	-	-	1,500
240-5-110-2072 AVIATION/JET FUEL	-	-	320,000
TOTAL SUPPLIES AND MATERIALS	\$ 261	\$ 300	\$ 325,000

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
SERVICES			
240-5-110-3030 PROFESSIONAL SERVICES	\$ 195	\$ -	\$ 1,000
240-5-110-3040 COMMUNICATIONS	1,030	5,620	8,700
240-5-110-3050 UTILITIES - ELECTRIC	11,170	14,000	14,000
240-5-110-3051 UTILITIES - CITY	305	500	500
240-5-110-3082 TRAVEL AND TRAINING	142	2,000	2,000
240-5-110-3200 OTHER	100	-	-
240-5-110-3211 INVESTMENT SERVICE CHA	9	35	50
240-5-110-3330 CONTRACT SERVICES	5,622	2,000	3,000
TOTAL SERVICES	\$ 18,573	\$ 24,155	\$ 29,250
MAINTENANCE & REPAIR			
240-5-110-4010 BUILDINGS, STRUCTURES,	\$ 1,958	\$ 10,000	\$ 6,000
240-5-110-4110 MOTOR VEHICLES	-	-	2,000
240-5-110-4120 EQUIPMENT & MACHINERY	14,675	13,000	3,000
240-5-110-4310 SEWER SYSTEM MAINTENAN	1,460	3,000	2,000
TOTAL MAINTENANCE & REPAIR	\$ 18,093	\$ 26,001	\$ 13,000
EQUIPMENT			
240-5-110-8010 FURNITURE & OFFICE EQU	-	-	18,000
TOTAL EQUIPMENT	\$ -	\$ -	\$ 18,000
INTERFUND ACTIVITY			
240-5-110-9510 EQUIP. PURCHASE CONT.	-	-	47,550
TOTAL INTERFUND ACTIVITY	\$ -	\$ -	\$ 47,550
TOTAL AIRPORT SERVICES:	\$ 36,927	\$ 50,455	\$ 476,855
TOTAL AIRPORT FUND EXPENSES:	\$ 36,927	\$ 50,455	\$ 476,855
REVENUE OVER/(UNDER) EXPENDITURES	\$ 4,634	\$ (15,746)	\$ (7,355)
PROJECTED ENDING FUND BALANCE	\$ 29,053	\$ 13,307	\$ 5,952

SPECIAL REVENUE FUNDS

**City of Palestine
Annual Budget 2007-08**

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
060-LIBRARY MEMORIAL FUND REVENUES			
BEGINNING FUND BALANCE	\$ 18,733	\$ 12,748	\$ 14,070
OTHER INCOME			
060-4-1912 CONTRIBUTIONS	<u>\$ 6,698</u>	<u>\$ 1,505</u>	<u>\$ 1,500</u>
TOTAL OTHER INCOME	\$ 6,698	\$ 1,505	\$ 1,500
TOTAL REVENUE:	<u>\$ 6,698</u>	<u>\$ 1,505</u>	<u>\$ 1,500</u>
TOTAL FUNDS AVAILABLE:	\$ 25,431	\$ 14,253	\$ 15,570
060-LIBRARY MEMORIAL FUND GRANT ADMINISTRATION			
CAPITAL OUTLAY			
060-5-110-7451 MEMORIAL FUND EXPENSE	<u>\$ 12,683</u>	<u>\$ 183</u>	<u>\$ 3,600</u>
TOTAL CAPITAL OUTLAY	\$ 12,683	\$ 183	\$ 3,600
TOTAL GRANT ADMINISTRATION	<u>\$ 12,683</u>	<u>\$ 183</u>	<u>\$ 3,600</u>
TOTAL FUND EXPENSES:	<u>\$ 12,683</u>	<u>\$ 183</u>	<u>\$ 3,600</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ (5,985)	\$ 1,322	\$ (2,100)
PROJECTED ENDING FUND BALANCE	\$ 12,748	\$ 14,070	\$ 11,970

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
061-GATES "PAC HUG" GRANT REVENUES			
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 2,500
AGENCY CONTRIBUTION			
061-4-1804 STATE & FEDERAL GRANTS	\$ -	\$ 6,250	\$ -
TOTAL AGENCY CONTRIBUTION	\$ -	\$ 6,250	\$ -
TOTAL REVENUE:	<u>\$ -</u>	<u>\$ 6,250</u>	<u>\$ -</u>
TOTAL FUNDS AVAILABLE:	\$ -	\$ 6,250	\$ 2,500
061-GATES "PAC HUG" GRANT GRANT ADMINISTRATION			
EQUIPMENT			
061-5-110-8050 GRANT EQUIPMENT	\$ -	\$ 3,750	\$ 2,500
TOTAL EQUIPMENT	\$ -	\$ 3,750	\$ 2,500
TOTAL GRANT ADMINISTRATION	<u>\$ -</u>	<u>\$ 3,750</u>	<u>\$ 2,500</u>
TOTAL FUND EXPENSES:	<u>\$ -</u>	<u>\$ 3,750</u>	<u>\$ 2,500</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ -	\$ 2,500	\$ (2,500)
PROJECTED ENDING FUND BALANCE	\$ -	\$ 2,500	\$ 5,000

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
133-TOBACCO GRANT 2005-06 REVENUES			
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 7,500
AGENCY CONTRIBUTION			
133-4-1805 ENTITLEMENT FUNDS	\$ 300	\$ 7,700	\$ -
TOTAL AGENCY CONTRIBUTION	\$ 300	\$ 7,700	\$ -
TOTAL REVENUE:	<u>\$ 300</u>	<u>\$ 7,700</u>	<u>\$ -</u>
TOTAL FUNDS AVAILABLE:	\$ 300	\$ 7,700	\$ 7,500
133-TOBACCO GRANT 2005-06 GRANT ADMINISTRATION			
PERSONNEL			
133-5-110-1020 OVERTIME	\$ -	\$ -	\$ 1,000
TOTAL PERSONNEL	\$ -	\$ -	\$ 1,000
SUPPLIES AND MATERIALS			
133-5-110-2062 POLICE INFORMANT	\$ 300	\$ 200	\$ 4,000
TOTAL SUPPLIES AND MATERIALS	\$ 300	\$ 200	\$ 4,000
TOTAL GRANT ADMINISTRATION	<u>\$ 300</u>	<u>\$ 200</u>	<u>\$ 5,000</u>
TOTAL FUND EXPENSES:	<u>\$ 300</u>	<u>\$ 200</u>	<u>\$ 5,000</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ -	\$ 7,500	\$ (5,000)
PROJECTED ENDING FUND BALANCE	\$ -	\$ 7,500	\$ 2,500

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
210-LOOP 256 TREE PROJECT REVENUES			
BEGINNING FUND BALANCE	\$ 1,030	\$ 1,030	\$ 1,030
TOTAL FUNDS AVAILABLE:	\$ 1,030	\$ 1,030	\$ 1,030
210-LOOP 256 TREE PROJECT GRANT ADMINISTRATION			
CAPITAL OUTLAY			
210-5-110-7451 TREE BEAUTIFICATION PROJECT	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,030</u>
TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ 1,030
TOTAL GRANT ADMINISTRATION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,030</u>
TOTAL FUND EXPENSES:	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,030</u></u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ -	\$ -	\$ (1,030)
PROJECTED ENDING FUND BALANCE	\$ 1,030	\$ 1,030	\$ -

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
250-MUNICIPAL COURT - BLDG SECURITY FUND REVENUES			
BEGINNING FUND BALANCE	\$ 32,481	\$ 15,678	\$ 14,078
FINES AND WARRANTS			
250-4-1409 COURT SECURITY FEES	\$ 7,885	\$ 9,000	\$ 9,000
TOTAL FINES AND WARRANTS	\$ 7,885	\$ 9,000	\$ 9,000
TOTAL REVENUE:	<u>\$ 7,885</u>	<u>\$ 9,000</u>	<u>\$ 9,000</u>
TOTAL FUNDS AVAILABLE:	\$ 40,366	\$ 24,678	\$ 23,078
250-MUNICIPAL COURT - BLDG SECURITY FUND BUILDING SECURITY			
SUPPLIES AND MATERIALS			
250-5-110-2083 ARSENAL	\$ 49	\$ 100	\$ 100
TOTAL SUPPLIES AND MATERIALS	\$ 49	\$ 100	\$ 100
SERVICES			
250-5-110-3040 COMMUNICATIONS	\$ 704	\$ 1,000	\$ -
250-5-110-3082 TRAVEL AND TRAINING	1,562	1,500	1,500
250-5-110-3330 CONTRACT SERVICES	8,580	4,000	8,500
TOTAL SERVICES	\$ 10,846	\$ 6,500	\$ 10,000
EQUIPMENT			
250-5-110-8050 SECURITY EQUIPMENT	\$ 315	\$ -	\$ -
250-5-110-8051 SECURITY EQUIPMENT	13,478	4,000	-
TOTAL EQUIPMENT	\$ 13,793	\$ 4,000	\$ -
TOTAL BUILDING SECURITY	<u>\$ 24,688</u>	<u>\$ 10,600</u>	<u>\$ 10,100</u>
TOTAL FUND EXPENSES:	<u>\$ 24,688</u>	<u>\$ 10,600</u>	<u>\$ 10,100</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ (16,803)	\$ (1,600)	\$ (1,100)
PROJECTED ENDING FUND BALANCE	\$ 15,678	\$ 14,078	\$ 12,978

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
260-MUNICIPAL COURT - TECHNOLOGY FUND REVENUES			
BEGINNING FUND BALANCE	\$ 19,335	\$ 18,558	\$ 15,939
FINES AND WARRANTS			
260-4-1410 COURT TECHNOLOGY FEES	\$ 10,217	\$ 10,000	\$ 9,000
TOTAL FINES AND WARRANTS	\$ 10,217	\$ 10,000	\$ 9,000
TOTAL REVENUE:	<u>\$ 10,217</u>	<u>\$ 10,000</u>	<u>\$ 9,000</u>
TOTAL FUNDS AVAILABLE:	\$ 29,553	\$ 28,558	\$ 24,939
260-MUNICIPAL COURT - TECHNOLOGY FUND COURT TECHNOLOGY			
SERVICES			
260-5-110-3082 TRAVEL AND TRAINING	\$ -	\$ 1,000	\$ -
TOTAL SERVICES	\$ -	\$ 1,000	\$ -
MAINTENANCE & REPAIR			
260-5-110-4120 EQUIPMENT & MACHINERY	\$ 376	\$ -	\$ -
TOTAL MAINTENANCE & REPAIR	\$ 376	\$ -	\$ -
EQUIPMENT			
260-5-110-8015 COMPUTER EQUIPMENT	\$ -	\$ 875	\$ -
260-5-110-8050 COMPUTER EQUIPMENT	-	125	-
TOTAL EQUIPMENT	\$ -	\$ 1,000	\$ -
INTERFUND ACTIVITY			
260-5-110-9010 TRSF TO GENERAL FUND	\$ 4,250	\$ 4,250	\$ 4,300
260-5-110-9510 EQUIP. PURCHASE CONTRIBUTION	6,369	6,369	6,400
TOTAL INTERFUND ACTIVITY	\$ 10,619	\$ 10,619	\$ 10,700
TOTAL COURT TECHNOLOGY	<u>\$ 10,995</u>	<u>\$ 12,619</u>	<u>\$ 10,700</u>
TOTAL FUND EXPENSES:	<u>\$ 10,995</u>	<u>\$ 12,619</u>	<u>\$ 10,700</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ (778)	\$ (2,619)	\$ (1,700)
PROJECTED ENDING FUND BALANCE	\$ 18,558	\$ 15,939	\$ 14,239

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
400-PERPETUAL CEMETERY REVENUES			
BEGINNING FUND BALANCE	\$ 114,789	\$ 125,482	\$ 141,728
CHARGES FOR SERVICE			
400-4-1708 CEMETERY LOT SALES	\$ 6,800	\$ 8,800	\$ 8,800
TOTAL CHARGES FOR SERVICE	\$ 6,800	\$ 8,800	\$ 8,800
OTHER INCOME			
400-4-1901 INTEREST ON INVESTMENTS	\$ 5,230	\$ 10,000	\$ 4,300
TOTAL OTHER INCOME	\$ 5,230	\$ 10,000	\$ 4,300
TOTAL REVENUE:	<u>\$ 12,030</u>	<u>\$ 18,800</u>	<u>\$ 13,100</u>
TOTAL FUNDS AVAILABLE:	\$ 126,819	\$ 144,281	\$ 154,828
400-PERPETUAL CEMETERY CEMETERY SERVICES			
SERVICES			
400-5-110-3211 INVESTMENT SERVICE CHARGE	\$ 84	\$ 300	\$ 500
TOTAL SERVICES	\$ 84	\$ 300	\$ 500
CAPITAL OUTLAY			
400-5-110-7451 CEMETERY SUPPLIES	\$ -	\$ 1,000	\$ 2,000
TOTAL CAPITAL OUTLAY	\$ -	\$ 1,000	\$ 2,000
INTERFUND ACTIVITY			
400-5-110-9010 TRSF TO GENERAL FUND	\$ 563	\$ 563	\$ 600
400-5-110-9510 EQUIP. PURCHASE CONTRIBUTION	690	690	700
TOTAL INTERFUND ACTIVITY	\$ 1,253	\$ 1,253	\$ 1,300
TOTAL CEMETERY SERVICES	<u>\$ 1,337</u>	<u>\$ 2,553</u>	<u>\$ 3,800</u>
TOTAL FUND EXPENSES:	<u>\$ 1,337</u>	<u>\$ 2,553</u>	<u>\$ 3,800</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ 10,693	\$ 16,246	\$ 9,300
PROJECTED ENDING FUND BALANCE	\$ 125,482	\$ 141,728	\$ 151,028

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
410-REVOLVING LOAN FUND REVENUES			
BEGINNING FUND BALANCE	\$ 463,704	\$ 475,741	\$ 489,679
OTHER INCOME			
410-4-1901 INTEREST ON INVESTMENTS	<u>\$ 12,879</u>	<u>\$ 14,184</u>	<u>\$ 30,000</u>
TOTAL OTHER INCOME	\$ 12,879	\$ 14,184	\$ 30,000
TOTAL REVENUE:	<u><u>\$ 12,879</u></u>	<u><u>\$ 14,184</u></u>	<u><u>\$ 30,000</u></u>
TOTAL FUNDS AVAILABLE:	\$ 476,583	\$ 489,925	\$ 519,679
410-REVOLVING LOAN FUND ECONOMIC LOAN SERVICES			
SERVICES			
410-5-110-3211 INVESTMENT SERVICE CHARGE	\$ 842	\$ 246	\$ 1,000
410-5-110-3442 LOAN - ECONOMIC DEVELOPMENT	<u>-</u>	<u>-</u>	<u>300,000</u>
TOTAL ECONOMIC LOAN SERVICES	\$ 842	\$ 246	\$ 301,000
TOTAL ADMINISTRATION	<u>\$ 842</u>	<u>\$ 246</u>	<u>\$ 301,000</u>
TOTAL FUND EXPENSES:	<u><u>\$ 842</u></u>	<u><u>\$ 246</u></u>	<u><u>\$ 301,000</u></u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ 12,037	\$ 13,938	\$ (271,000)
PROJECTED ENDING FUND BALANCE	\$ 475,741	\$ 489,679	\$ 218,679

THIS PAGE INTENTIONALLY LEFT BLANK

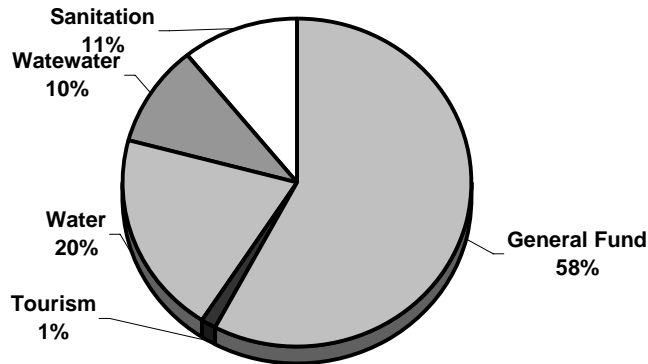
INTERNAL SERVICE FUNDS

**City of Palestine
Annual Budget 2007-08**

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
500-CENTRAL WAREHOUSE REVENUES			
BEGINNING FUND BALANCE	\$ 133,672	\$ 165,120	\$ 160,202
CHARGES FOR SERVICE			
500-4-1750 OPERATION FEES	\$ 93,237	\$ 40,000	\$ 40,000
TOTAL CHARGES FOR SERVICE	\$ 93,237	\$ 40,000	\$ 40,000
OTHER INCOME			
500-4-1915 GENERAL FUND SALES	\$ 173,711	\$ 145,000	\$ 145,000
500-4-1975 CIVIC CENTER/TOURISM FUNDS	3,486	3,500	3,500
500-4-1976 SANITATION SALES	34,610	27,000	27,000
500-4-1977 WASTEWATER FUND SALES	28,040	25,000	25,000
500-4-1979 WATER FUND SALES	66,718	53,000	50,000
TOTAL OTHER INCOME	\$ 306,564	\$ 253,499	\$ 250,500
 TOTAL REVENUE:	 \$ 399,802	 \$ 293,500	 \$ 290,500
 TOTAL FUNDS AVAILABLE:	 \$ 533,473	 \$ 458,620	 \$ 450,702

Warehouse Fund Sales



**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
500-CENTRAL WAREHOUSE ADMINISTRATION			
PERSONNEL			
500-5-110-1010 SALARIES AND WAGES	\$ 26,933	\$ 28,065	\$ 35,508
500-5-110-1030 LONGEVITY	1,341	1,440	1,512
500-5-110-1040 SOCIAL SECURITY	2,143	2,257	2,832
500-5-110-1050 HEALTH INSURANCE	5,276	5,340	5,340
500-5-110-1060 UNEMPLOYMENT INSURANCE	132	679	851
500-5-110-1061 WORKER'S COMPENSATION	87	115	145
500-5-110-1070 RETIREMENT	3,841	3,948	4,953
TOTAL PERSONNEL	\$ 39,754	\$ 41,844	\$ 51,141
SUPPLIES AND MATERIALS			
500-5-110-2010 OFFICE SUPPLIES	\$ 350	\$ 400	\$ 700
500-5-110-2040 UNIFORMS AND APPAREL	-	300	300
TOTAL SUPPLIES AND MATERIALS	\$ 350	\$ 700	\$ 1,000
SERVICES			
500-5-110-3040 COMMUNICATIONS	\$ 1,097	\$ 2,949	\$ 2,000
500-5-110-3050 UTILITIES - ELECTRIC	19,802	22,500	22,500
500-5-110-3051 UTILITIES - CITY	-	3,925	3,925
500-5-110-3082 TRAVEL AND TRAINING	-	-	500
500-5-110-3112 PRINTING SERVICES	64	350	350
500-5-110-3310 EQUIPMENT RENTAL / LEASE	723	1,000	1,500
TOTAL SERVICES	\$ 21,686	\$ 30,724	\$ 30,775
CAPITAL OUTLAY			
500-5-110-7050 INVENTORY PURCHASES	\$ 306,564	\$ 225,000	\$ 225,000
TOTAL CAPITAL OUTLAY	\$ 306,564	\$ 225,000	\$ 225,000
EQUIPMENT			
500-5-110-8010 FURNITURE & OFFICE EQUIPMENT	\$ -	\$ 150	\$ 150
TOTAL EQUIPMENT	\$ -	\$ 150	\$ 150
TOTAL ADMINISTRATION	\$ 368,353	\$ 298,418	\$ 308,066
TOTAL FUND EXPENSES:	\$ 368,353	\$ 298,418	\$ 308,066
REVENUE OVER/(UNDER) EXPENDITURES	\$ 31,448	\$ (4,918)	\$ (17,566)
PROJECTED ENDING FUND BALANCE	\$ 165,120	\$ 160,202	\$ 142,636

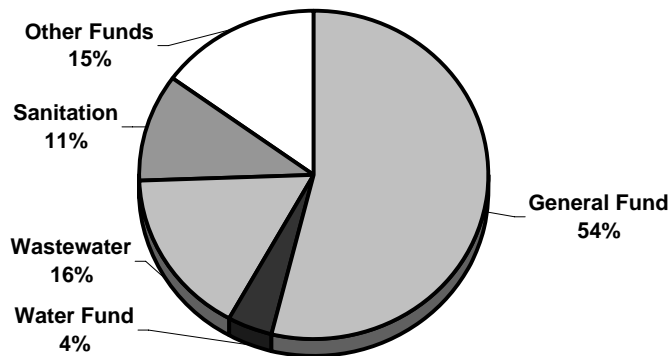
**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
530-HEALTH INSURANCE REVENUES			
BEGINNING FUND BALANCE	\$ 3,683	\$ 4,212	\$ 76,732
OTHER INCOME			
530-4-1901 INTEREST ON INVESTMENTS	\$ 86	\$ 14,000	\$ 15,000
530-4-1980 EMPLOYEE/EMPLOYER CONTRIB.	-	1,478,520	1,468,980
TOTAL OTHER INCOME	\$ 86	\$ 1,492,520	\$ 1,483,980
TOTAL REVENUE	<u>\$ 86</u>	<u>\$ 1,492,520</u>	<u>\$ 1,483,980</u>
TOTAL FUNDS AVAILABLE:	\$ 3,769	\$ 1,496,732	\$ 1,560,712
530-HEALTH INSURANCE ADMINISTRATION			
SERVICES			
530-5-110-3030 PROFESSIONAL SERVICES	\$ -	\$ 50,000	\$ 50,000
530-5-110-3211 INVESTMENT SERVICE CHARGE	2	-	-
TOTAL SERVICES	\$ 2	\$ 50,000	\$ 50,000
INTERFUND ACTIVITY			
530-5-110-9601 MEDICAL/LIFE INS. PREM.	\$ (445)	\$ 1,370,000	\$ 1,400,000
TOTAL INTERFUND ACTIVITY	\$ (445)	\$ 1,370,000	\$ 1,400,000
TOTAL ADMINISTRATION	<u>\$ (443)</u>	<u>\$ 1,419,999</u>	<u>\$ 1,450,000</u>
TOTAL FUND EXPENSES:	<u>\$ (443)</u>	<u>\$ 1,419,999</u>	<u>\$ 1,450,000</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ 529	\$ 72,520	\$ 33,980
PROJECTED ENDING FUND BALANCE	\$ 4,212	\$ 76,732	\$ 110,712

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
540-EQUIPMENT REPLACEMENT REVENUES			
BEGINNING FUND BALANCE	\$ 1,593,969	\$ 1,589,579	\$ 1,536,843
CHARGES FOR SERVICE			
540-4-1706 SALE OF EQUIPMENT	\$ 14,900	\$ 172,000	\$ -
TOTAL CHARGES FOR SERVICE	\$ 14,900	\$ 172,000	\$ -
OTHER INCOME			
540-4-1901 INTEREST ON INVESTMENTS	\$ 18,347	\$ 17,735	\$ 15,000
540-4-1941 TRANSFER FROM GENERAL FUND	62,652	-	-
540-4-1942 TRANSFER FROM WATER FUND	33,590	-	-
540-4-1943 TRANSFER FROM WASTEWATER	32,502	-	-
540-4-1990 GENERAL - EQUIP. PURCHASE	-	78,585	-
540-4-1991 WATER - EQUIP. PURCHASE	-	30,785	-
540-4-1992 WASTEWATER - EQUIP. PURCHA	-	17,545	-
540-4-1993 SAN. FUND - EQUIP PURCHASE	-	1,541	-
540-4-1995 EQUIP. PURCHASE	-	4,118	-
540-4-1996 GF - EQUIPMENT USER FEE	-	9,392	204,479
540-4-1997 WF - EQUIPMENT USER FEE	-	4,083	16,401
540-4-1998 WW- EQUIPMENT USER FEE	-	1,750	61,985
540-4-1999 EQUIP. USER FEE (OTHER FUNDS)	-	-	97,350
540-4-8140 CONTRIBUTION TRSF	208,119	-	-
TOTAL OTHER INCOME	\$ 355,210	\$ 165,534	\$ 395,215
TOTAL REVENUE:	<u>\$ 370,110</u>	<u>\$ 337,534</u>	<u>\$ 395,215</u>
TOTAL FUNDS AVAILABLE:	\$ 1,964,079	\$ 1,927,113	\$ 1,932,058

Transfers to Equipment Replacement



EQUIPMENT REPLACEMENT FUND

Budget Changes for FYE 2008

- All lease purchases have been combined into one line item instead of being itemized in separate line items. Actual replacement items will be itemized separately as they occur in the future.

EQUIPMENT REPLACEMENT SUMMARY OF SELECTED SUPPLEMENTAL DECISIONS

Account No.	Line Item Request	User Fee	Purchase Cost
600-5-570-9510	Truck - unit #9 (1/2 ton)	4,000	20,000
610-5-581-9510	Truck - unit #8 (1/2 ton)	4,000	20,000
610-5-581-9510	Truck - #803 (1/2 ton)	4,000	20,000
610-5-581-9510	Truck - #801 (1/2 ton)	4,000	20,000
610-5-580-9510	Vibratory Compactor	6,000	30,000
620-5-550-9510	Street Sweeper	40,000	200,000
		\$ 62,000	\$ 310,000

SUMMARY OF EXISTING EQUIPMENT

Lease Purchase	Fund	Annual Cost
INCODE Lease Payment	General	\$ 38,913
MS Exchange (GE Lease)	General	7,416
Email Server (2006)	General	3,612
2008 Crown Victoria (102635)	General	4,548
2008 Crown Victoria (102636)	General	4,548
Lease - Fire Pumper/Tanker	General	67,917
Lease - CAT 924G (Small Loader)	General	32,220
Lease - CAT 938G II (Lg Loader)	General	35,568
User Fee - 2008 F350 Crew Cab	General	5,681
User Fee - Grasshopper 1 (573)	General	2,028
User Fee - Grasshopper 2 (574)	General	2,028
INCODE Lease	Water	5,300
User Fee - Grasshopper 3 (572)	Water	2,020
User Fee - 2008 Ford 350	Water	5,081
INCODE Lease	Wastewater	5,300
Deere Backhoe Lease	Wastewater	24,792
User Fee - Grasshopper 4 (575)	Wastewater	2,020
Lease - Jet Vactor	Wastewater	11,873
INCODE Lease	Special Funds	2,700
INCODE Lease	Special Funds	700
INCODE Lease	Special Funds	6,400
Lease - Airport Fuel Tanks	Special Funds	47,550
		\$ 318,215

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
540-EQUIPMENT REPLACEMENT			
EQUIPMENT REPLACEMENT			
SERVICES			
540-5-110-3211 INVESTMENT SERVICE CHA	\$ 264	\$ -	\$ -
TOTAL SERVICES	\$ 264	\$ -	\$ -
SUNDRY			
540-5-110-5410 INTEREST EXPENSE - COM	\$ 10,381	\$ -	\$ -
540-5-110-5411 INTEREST EXPENSE-FIRE	6,829	-	-
540-5-110-5412 INTEREST EXPENSE-VAC TIME	2,391	-	-
540-5-110-5599 DEPRECIATION EXPENSE	236,215	-	-
TOTAL SUNDRY	\$ 255,817	\$ -	\$ -
EQUIPMENT			
540-5-260-8015 COMPUTER LEASE	\$ 450	\$ 66,591	\$ -
540-5-320-9510 PATROL VEHICLES	19,471	42,000	-
540-5-420-8040 AUTO & HEAVY EQUIPMENT	-	70,000	-
540-5-520-3310 EQUIPMENT RENTAL / LEASE	47,768	18,397	-
540-5-540-8043 EQUIPMENT LEASE - PURCHASE	-	-	380,215
540-5-570-8040 AUTO & HEAVY EQUIPMENT	-	62,490	-
540-5-571-8040 AUTO & HEAVY EQUIPMENT	4	40,000	-
540-5-580-3310 EQUIPMENT RENTAL / LEASE	50,726	24,792	-
540-5-581-8040 AUTO & HEAVY EQUIPMENT	-	15,000	-
540-5-610-8020 MACHINERY	-	26,000	-
540-5-610-8040 AUTO & HEAVY EQUIPMENT	-	25,000	-
TOTAL EQUIPMENT	\$ 118,419	\$ 390,270	\$ 380,215
TOTAL EQUIPMENT REPLACEMENT	\$ 118,419	\$ 390,270	\$ 380,215
TOTAL FUND EXPENSES:	\$ 374,500	\$ 390,270	\$ 380,215
REVENUE OVER/(UNDER) EXPENDITURES	\$ (4,390)	\$ (52,736)	\$ 15,000
PROJECTED ENDING FUND BALANCE	\$ 1,589,579	\$ 1,536,843	\$ 1,551,843

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
560-WORKERS COMPENSATION REVENUES			
BEGINNING FUND BALANCE	\$ 118,400	\$ 128,368	\$ 93,125
OTHER INCOME			
560-4-1901 INTEREST ON INVESTMENTS	\$ 8,683	\$ 13,000	\$ 15,000
560-4-1903 INSURANCE PREMIUMS	196,645	-	-
560-4-1941 TRANSFER FROM GENERAL FUND	-	77,871	-
560-4-1942 TRANSFER FROM WATER FUND	-	8,682	-
560-4-1943 TRANSFER FROM WASTEWATER	-	6,395	-
560-4-1944 TRSF FROM CIVIC CTR/TOURIS	-	207	-
560-4-1980 EMPLOYEE/EMPLOYER CONT.	-	-	240,257
560-4-1981 TRANSFER FROM CENTRAL WARE	-	47	-
TOTAL OTHER INCOME	\$ 205,327	\$ 106,202	\$ 255,257
TOTAL REVENUE:	\$ 205,327	\$ 106,202	\$ 255,257
TOTAL FUNDS AVAILABLE:	\$ 323,727	\$ 234,570	\$ 348,382

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
560-WORKERS COMPENSATION ADMINISTRATION			
SERVICES			
560-5-110-3220 INSURANCE PREMIUMS-TML	\$ 153,518	\$ 120,246	\$ 200,000
560-5-110-3222 STOP LOSS INSURANCE	13,938	-	-
TOTAL SERVICES	167,456	120,246	200,000
CAPITAL OUTLAY			
560-5-110-7442 ADMINISTRATIVE EXPENSE	\$ -	\$ 1,200	\$ 1,200
TOTAL CAPITAL OUTLAY	\$ -	\$ 1,200	\$ 1,200
INTERFUND ACTIVITY			
560-5-110-9075 TRANSFER TO OTHER FUND	\$ 25,000	\$ -	\$ -
560-5-110-9604 CLAIMS	2,904	20,000	-
TOTAL INTERFUND ACTIVITY	\$ 27,904	\$ 20,000	\$ -
TOTAL ADMINISTRATION	\$ 195,359	\$ 141,446	\$ 201,200
TOTAL FUND EXPENSES:	<u>\$ 195,359</u>	<u>\$ 141,446</u>	<u>\$ 201,200</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ 9,968	\$ (35,243)	\$ 54,057
PROJECTED ENDING FUND BALANCE	\$ 128,368	\$ 93,125	\$ 147,182

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
561-UNEMPLOYMENT FUND REVENUES			
BEGINNING FUND BALANCE	-	-	80,813
OTHER INCOME			
561-4-1901 INTEREST ON INVESTMENTS	\$ -	\$ -	\$ 1,000
561-4-1941 TRANSFER FROM GENERAL FUND	-	69,462	-
561-4-1942 TRANSFER FROM WATER FUND	-	6,903	-
561-4-1943 TRANSFER FROM WASTEWATER F	-	4,732	-
561-4-1944 TRSF FROM CIVIC CTR/TOURIS	-	960	-
561-4-1980 EMPLOYEE/EMPLOYER CONT.	-	-	161,938
561-4-1981 TRANSFER FROM CENTRAL WARE	-	369	-
TOTAL OTHER INCOME	\$ -	\$ 82,427	\$ 162,938
TOTAL REVENUE:	\$ -	\$ 82,427	\$ 162,938
TOTAL FUNDS AVAILABLE:	\$ -	\$ 82,427	\$ 243,751
561-UNEMPLOYMENT FUND ADMINISTRATION			
INTERFUND ACTIVITY			
561-5-110-9604 CLAIMS	-	-	5,000
TOTAL INTERFUND ACTIVITY	\$ -	\$ -	\$ 5,000
TOTAL ADMINISTRATION	\$ -	\$ -	\$ 5,000
TOTAL FUND EXPENSES:	\$ -	\$ -	\$ 5,000
REVENUE OVER/(UNDER) EXPENDITURES	-	82,427	157,938
PROJECTED ENDING FUND BALANCE	\$ -	\$ 82,427	\$ 238,751

ENTERPRISE FUNDS

**City of Palestine
Annual Budget 2007-08**

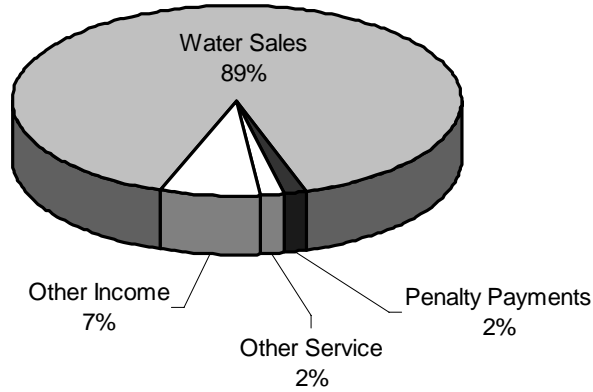
WATER FUND

The Water Fund is a business enterprise fund that is not supported with any tax revenues. In fact, the Water Fund is only supported with the revenues achieved through the sale of water to its customers. There are miscellaneous revenues like the cost of connecting new customers through utility taps or penalties for delinquent payments.

Water Fund Revenue

Revenues are primarily from sale of water and are accounted for by the water that flows past individual customer meter. Charges for service can include raw water sales and bulk (treated) water. The city charges for services related to service connections and penalties due to late payments.

**Water Fund
Projected Revenue and Resources**



Transfers to Water Fund		
Wastewater Fund		
Customer Service	600-4-1943	\$ 130,800
Sanitation Fund		
Customer Service	600-4-1945	<u>32,700</u>
Total Transfers:		\$ 163,500

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
600-WATER FUND REVENUES			
BEGINNING FUND BALANCE	\$ 4,488,002	\$ 4,750,103	\$ 4,812,670
CHARGES FOR SERVICE			
600-4-1709 WATER METERED SALES	\$ 2,575,409	\$ 2,566,320	\$ 2,823,309
600-4-1716 BULK WATER SALES	16,785	15,000	400
600-4-1718 WATER TAPS	25,112	15,000	15,000
600-4-1722 SERVICE FEES (TURN-ON)	20,484	25,000	25,000
600-4-1727 OTHER	23,077	10,000	8,000
600-4-1730 UB PAYMENT CASH RECEIPTS	87,579	-	-
600-4-1732 MISCELLANEOUS CHGS THRU W	2,403	-	-
600-4-1733 PENALTY WATER BILLING	63,934	50,000	60,000
TOTAL CHARGES FOR SERVICE	\$ 2,815,248	\$ 2,681,320	\$ 2,931,709
OTHER AGENCIES			
600-4-1813 REIMBURSEMENT FROM UNRWA	\$ 13,994	\$ 45,101	\$ 15,000
TOTAL OTHER AGENCIES	\$ 13,994	\$ 45,101	\$ 15,000
OTHER INCOME			
600-4-1901 INTEREST ON INVESTMENTS	\$ 156,796	\$ 50,000	\$ 50,000
600-4-1902 INSURANCE RECOVERIES	238	-	-
600-4-1905 OTHER (SPECIFY)	33,678	-	-
600-4-1943 TRANSFER FROM WASTEWATER F	-	218,867	130,800
600-4-1945 TRANSFER FROM SANITATION	-	39,083	32,700
600-4-1948 TRANSFER FROM UTILITY - RD	338,887	-	-
600-4-1951 TRANSFER FROM CIP FUNDS	223,261	-	-
600-4-1961 TRSF FROM W/WATER-ENGINEER	118,873	-	-
600-4-1964 TRSF FROM-W/W & SANIT C SE	188,799	-	-
TOTAL OTHER INCOME	\$ 1,060,532	\$ 307,951	\$ 213,500
TOTAL REVENUE:	\$ 3,889,311	\$ 3,034,372	\$ 3,160,209
TOTAL FUNDS AVAILABLE:	\$ 8,377,313	\$ 7,784,475	\$ 7,972,879

Utilities - Water Fund

Utility Administration

The Utility Department is an operation covering two major city enterprise funds. The Utility Administration is budgeted within the water fund and administers two operating divisions within the water fund: the Water Treatment and Distribution Division. The Administration also manages Wastewater Treatment and Collection Division within the wastewater fund. The department is responsible for administrative, regulatory, and budgetary support to these areas.

Water Treatment

It is the purpose of the water treatment service to provide a high quality potable water supply to meet state and federal standards for residential, commercial, reserve and fire demand. The City of Palestine has rights to twenty-five (25) million gallons of water a day from Lake Palestine. Two ground water wells are also available for emergency use. The

Water Treatment Plant is capable of treating ten (10) million gallons of water a day. An average of three (3) million gallons of water is treated daily. Peak demand for treatment is approximately 6.5 million gallons daily during the month of August. The treatment facility is operational twenty-four (24) hours a day, state approved with all operators' state certified.

Water Distribution

This program is responsible for the operation, maintenance and construction of all water lines and appurtenances with the City's water system including the maintenance of over 250 miles of water lines, and over 705 fire hydrants. The City maintains seven ground/elevated water storage tanks, which when full; contain 4,350,000 gallons of treated water. Up to 10 million gallons per day of treated water can be distributed throughout the city's distribution system.

Budget Changes for FYE 2008

- The Utility Administration is funded entirely by the water fund beginning this fiscal year.
- Engineering is no longer an operating division within the water fund.
- The water fund will be supporting a larger percentage of capital improvement projects- mainly the relocation of water lines in Texas Department of Transportation right-of-ways for expansion of U.S. 79 and Texas Loop 256.

WATER FUND SUMMARY OF SELECTED SUPPLEMENTAL DECISIONS

Account No.	Line Item Request	Program Cost
600-5-570-9510	Truck (User Fee) - unit #9 (1/2 ton)	4,000
600-5-571-4220	New Water Meters	10,000
1000 series	<u>Salaries (COLA)</u>	25,318
1010	Salaries	20,012
1040	Social Security	1,531
1070	Retirement	460
1061	Workers Comp	637
1060	Unemployment	2678
		\$ 39,318

Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
Utilities Director	0.5	0.5	1.0
Water Plant Supervisor	1.0	1.0	1.0
Utility Plant Operator	6.0	6.0	6.0
Utility Specialist	1.0	1.0	1.0
Equipment Operator	2.0	2.0	2.0
Total Department:	10.5	10.5	11.0

*Customer Service department employment is funded in the water fund; The personnel allocation for customer service can be found under general fund finance.

Transfers from the Water Fund		
General Fund		
In Liew of Property Tax	600-5-110-9010	79,023
In Liew of Sales Tax	600-5-110-9010	41,141
Engineering Services	600-5-110-9010	82,262
INCODE Maintenance	600-5-110-9010	3,400
Utility Debt Service		
Debt Payment Transfer	600-5-110-9070	458,733
Equipment Replacement		
INCODE Lease	600-5-110-9031	5,300
User Fee - Grasshopper 3 (572)	600-5-570-9510	2,020
User Fee - 2008 Ford 350	600-5-570-9510	5,081
		\$ 676,960

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
600-WATER FUND			
ADMINISTRATION			
SERVICES			
600-5-110-3030 PROFESSIONAL SERVICES	\$ 3,000	\$ 3,000	\$ -
600-5-110-3206 TRSF CAPITAL IMPROVEME	485,000	-	-
600-5-110-3210 FINANCIAL SERVICE CHAR	3,651	4,925	-
600-5-110-3211 INVESTMENT SERVICE CHA	890	2,504	-
600-5-110-3213 COLLECTION AGENCY CHAR	1,744	4,165	-
600-5-110-3220 INSURANCE AND BONDS	20,160	20,160	-
600-5-110-3410 WAREHOUSE SERVICES	20,078	18,212	-
TOTAL SERVICES	\$ 534,523	\$ 52,966	\$ -
SUNDRY			
600-5-110-5030 BAD DEBT EXPENSE	\$ -	\$ -	\$ -
600-5-110-5400 BAD DEBT EXPENSE	36,950	-	-
600-5-110-5430 INTEREST EXPENSE-WATER	25,915	-	-
600-5-110-5432 INTEREST EXPENSE-03A N	28,318	-	-
600-5-110-5434 INTEREST EXPENSE-03A R	53,537	-	-
600-5-110-5599 DEPRECIATION EXPENSE W	355,142	-	-
TOTAL SUNDRY	\$ 499,862	\$ -	\$ -
INTERFUND ACTIVITY			
600-5-110-9010 TRSF TO GENERAL FUND	\$ 267,303	\$ 321,607	\$ 205,826
600-5-110-9031 TRSF TO EQUIPMENT REPL	33,590	-	5,300
600-5-110-9070 TRSF UTILITY DEBT SERV	451,516	455,713	708,733
600-5-110-9114 TRSF FROM WASTEWATER	10,000	-	-
600-5-110-9510 EQUIP. PURCHASE CONTRI	5,285	5,285	-
600-5-110-9698 TRSF TO WTR CIP	-	-	250,000
TOTAL INTERFUND ACTIVITY	\$ 767,694	\$ 782,605	\$ 1,169,859
TOTAL ADMINISTRATION	\$ 1,802,079	\$ 835,570	\$ 1,169,859

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
600-WATER FUND			
OPERATIONAL SERVICES			
PERSONNEL			
600-5-111-1010 SALARIES AND WAGES	\$ 33,977	\$ 27,021	\$ 60,174
600-5-111-1020 OVERTIME	86	-	-
600-5-111-1030 LONGEVITY	292	648	720
600-5-111-1040 SOCIAL SECURITY (FICA)	2,520	2,117	4,658
600-5-111-1050 HEALTH INSURANCE	3,954	5,340	5,340
600-5-111-1060 UNEMPLOYMENT INSURANCE	123	636	1,401
600-5-111-1061 WORKER'S COMPENSATION	1,112	1,613	3,551
600-5-111-1070 RETIREMENT	4,343	3,702	8,148
TOTAL PERSONNEL	\$ 46,407	\$ 41,076	\$ 83,992
SUPPLIES AND MATERIALS			
600-5-111-2010 OFFICE SUPPLIES	\$ 19	\$ 200	\$ 400
600-5-111-2020 POSTAGE	1,089	2,520	2,870
600-5-111-2030 JANITORIAL SUPPLIES	-	-	500
600-5-111-2070 GASOLINE AND OIL	-	500	1,000
TOTAL SUPPLIES AND MATERIALS	\$ 1,107	\$ 3,220	\$ 4,770
SERVICES			
600-5-111-3040 COMMUNICATIONS	\$ 463	\$ 500	\$ 1,500
600-5-111-3082 TRAVEL AND TRAINING	542	1,400	2,600
600-5-111-3112 PRINTING SERVICES	448	1,500	1,500
TOTAL SERVICES	\$ 1,453	\$ 3,400	\$ 5,600
MAINTENANCE & REPAIR			
600-5-111-4110 MOTOR VEHICLES	\$ 331	\$ 500	\$ 1,000
TOTAL MAINTENANCE & REPAIR	\$ 331	\$ 500	\$ 1,000
TOTAL OPERATIONAL SERVICES	\$ 49,298	\$ 48,196	\$ 95,362

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
600-WATER FUND			
CUSTOMER SERVICE			
PERSONNEL			
600-5-240-1010 SALARIES AND WAGES	\$ 137,636	\$ 141,211	\$ 167,395
600-5-240-1012 TEMPORARY EMPLOYMENT	2,195	-	-
600-5-240-1020 OVERTIME	5,322	5,000	5,000
600-5-240-1030 LONGEVITY	741	1,656	1,224
600-5-240-1031 INCENTIVE	500	1,200	1,200
600-5-240-1040 SOCIAL SECURITY (FICA)	10,886	11,404	13,374
600-5-240-1050 HEALTH INSURANCE	33,792	37,128	37,128
600-5-240-1060 UNEMPLOYMENT INSURANCE	676	3,429	4,021
600-5-240-1061 WORKER'S COMPENSATION	1,950	3,101	4,381
600-5-240-1070 RETIREMENT	19,319	19,945	23,391
TOTAL PERSONNEL	\$ 213,015	\$ 224,075	\$ 257,114
SUPPLIES AND MATERIALS			
600-5-240-2010 OFFICE SUPPLIES	\$ 4,232	\$ 16,150	\$ 16,000
600-5-240-2020 POSTAGE	7,603	39,450	40,450
600-5-240-2031 CHEMICALS	48	100	100
600-5-240-2040 UNIFORMS AND APPAREL	567	850	850
600-5-240-2070 GASOLINE AND OIL	5,696	5,100	4,500
600-5-240-2080 SMALL TOOLS AND EQUIP.	1,304	1,100	1,100
TOTAL SUPPLIES AND MATERIALS	\$ 19,450	\$ 62,750	\$ 63,000
SERVICES			
600-5-240-3018 INTERPRETING SERVICES	\$ -	\$ 630	\$ -
600-5-240-3030 PROFESSIONAL SERVICES	3,838	2,200	2,200
600-5-240-3040 COMMUNICATIONS	6,177	7,000	6,000
600-5-240-3050 UTILITIES - ELECTRIC	3,153	3,500	3,500
600-5-240-3082 TRAVEL AND TRAINING	2,777	7,650	5,500
600-5-240-3112 PRINTING SERVICES	1,084	1,500	1,500
600-5-240-3310 EQUIPMENT RENTAL / LEA	-	7,968	6,000
600-5-240-3333 CONTRACT SERVICES-METE	56,662	-	-
TOTAL SERVICES	\$ 73,691	\$ 30,448	\$ 24,700
MAINTENANCE & REPAIR			
600-5-240-4110 MOTOR VEHICLES	\$ 973	\$ 2,250	\$ 2,000
600-5-240-4120 EQUIPMENT AND MACHINER	14,541	8,000	5,000
TOTAL MAINTENANCE & REPAIR	\$ 15,514	\$ 10,250	\$ 7,000
MAINTENANCE - EQUIPMENT			
600-5-240-4520 SOFTWARE MAINTENANCE	\$ 1,253	\$ 1,300	\$ 1,300
TOTAL MAINTENANCE - EQUIPMENT	\$ 1,253	\$ 1,300	\$ 1,300

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
INTERFUND ACTIVITY			
600-5-240-9510 EQUIP PURCHASE CONTRIB	\$ 11,770	\$ -	\$ -
TOTAL INTERFUND ACTIVITY	\$ 11,770	\$ -	\$ -
TOTAL CUSTOMER SERVICE	\$ 334,694	\$ 328,822	\$ 353,114

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
600-WATER FUND			
ENGINEERING			
PERSONNEL			
600-5-560-1010 SALARIES AND WAGES	\$ 77,707	\$ 95,849	\$ -
600-5-560-1020 OVERTIME	102	-	-
600-5-560-1030 LONGEVITY	1,446	1,080	-
600-5-560-1035 TOOL ALLOWANCE	1,750	6,000	-
600-5-560-1040 SOCIAL SECURITY (FICA)	6,279	7,874	-
600-5-560-1050 HEALTH INSURANCE	13,724	31,260	-
600-5-560-1060 UNEMPLOYMENT INSURANCE	469	2,367	-
600-5-560-1061 WORKER'S COMPENSATION	1,215	700	-
600-5-560-1070 RETIREMENT	11,126	13,772	-
600-5-560-1090 EMPLOYEE APPRECIATION	596	-	-
TOTAL PERSONNEL	\$ 114,414	\$ 158,902	\$ -
SUPPLIES AND MATERIALS			
600-5-560-2010 OFFICE SUPPLIES	\$ 875	\$ 1,400	\$ -
600-5-560-2020 POSTAGE	23	-	-
600-5-560-2070 GASOLINE AND OIL	1,425	1,300	-
600-5-560-2080 SMALL TOOLS AND EQUIP.	376	700	-
TOTAL SUPPLIES AND MATERIALS	\$ 2,699	\$ 3,400	\$ -
SERVICES			
600-5-560-3020 AUDITS, CONTRACTS, SPECI	\$ -	\$ 3,425	\$ -
600-5-560-3030 PROFESSIONAL SERVICES	1,152	30,000	-
600-5-560-3040 COMMUNICATIONS	3,579	4,000	-
600-5-560-3080 MEMBERSHIPS / CERTIFIC	223	300	-
600-5-560-3082 TRAVEL AND TRAINING	372	2,600	-
600-5-560-3330 CONTRACT SERVICES	65	5,000	-
TOTAL SERVICES	\$ 5,391	\$ 45,325	\$ -
MAINTENANCE & REPAIR			
600-5-560-4110 MOTOR VEHICLES	\$ 7	\$ 500	\$ -
600-5-560-4120 EQUIPMENT & MACHINERY	14,941	1,000	-
TOTAL MAINTENANCE & REPAIR	\$ 14,948	\$ 1,500	\$ -
MAINTENANCE - EQUIPMENT			
600-5-560-4510 FIXTURE / EQUIPMENT MA	\$ -	\$ 1,000	\$ -
600-5-560-4520 SOFTWARE MAINTENANCE	700	4,300	-
TOTAL MAINTENANCE - EQUIPMENT	\$ 700	\$ 5,300	\$ -
EQUIPMENT			
600-5-560-8010 FURNITURE & OFFICE EQU	\$ -	\$ 1,000	\$ -
600-5-560-8015 COMPUTER EQUIPMENT	2,767	80,000	-
TOTAL EQUIPMENT	\$ 2,767	\$ 81,000	\$ -
TOTAL ENGINEERING	\$ 140,918	\$ 295,427	\$ -

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
600-WATER FUND			
WATER TREATMENT			
PERSONNEL			
600-5-570-1010 SALARIES AND WAGES	\$ 180,699	\$ 203,195	\$ 227,518
600-5-570-1020 OVERTIME	24,864	18,400	18,400
600-5-570-1030 LONGEVITY	5,496	6,408	7,272
600-5-570-1031 INCENTIVE	4,800	9,880	6,200
600-5-570-1040 SOCIAL SECURITY (FICA)	16,871	17,917	19,843
600-5-570-1050 HEALTH INSURANCE	40,862	44,664	44,664
600-5-570-1060 UNEMPLOYMENT INSURANCE	1,067	5,387	5,966
600-5-570-1061 WORKER'S COMPENSATION	9,408	13,656	15,125
600-5-570-1070 RETIREMENT	29,775	31,336	34,706
TOTAL PERSONNEL	\$ 313,842	\$ 350,842	\$ 379,694
SUPPLIES AND MATERIALS			
600-5-570-2010 OFFICE SUPPLIES	\$ 873	\$ 1,450	\$ 1,450
600-5-570-2030 JANITORIAL SUPPLIES	415	1,000	1,200
600-5-570-2031 CHEMICALS	224,032	255,000	255,000
600-5-570-2040 UNIFORMS AND APPAREL	887	1,200	2,100
600-5-570-2061 SAFETY MATERIALS	454	1,000	1,000
600-5-570-2070 GASOLINE AND OIL	5,857	6,000	6,000
600-5-570-2080 SMALL TOOLS AND EQUIP.	3,124	2,000	2,000
TOTAL SUPPLIES AND MATERIALS	\$ 235,642	\$ 267,650	\$ 268,750
SERVICES			
600-5-570-3032 SPECIAL STUDIES	\$ 10,870	\$ 10,000	\$ 10,000
600-5-570-3040 COMMUNICATIONS	7,235	7,500	7,500
600-5-570-3050 UTILITIES - ELECTRIC	349,473	350,500	350,500
600-5-570-3082 TRAVEL AND TRAINING	3,564	2,500	2,500
600-5-570-3310 EQUIPMENT RENTAL / LEA	480	1,000	1,000
600-5-570-3341 PLANT TOURS	3,019	4,000	4,000
600-5-570-3420 RIVER AUTHORITY FEES	160,133	156,686	156,656
600-5-570-3430 TCEQ PERMITTING	4,071	4,400	5,551
TOTAL SERVICES	\$ 538,846	\$ 536,586	\$ 537,707
MAINTENANCE & REPAIR			
600-5-570-4010 BUILDINGS, STRUCTURES,	\$ 758	\$ 1,000	\$ 1,000
600-5-570-4110 MOTOR VEHICLES	2,655	5,000	5,000
600-5-570-4120 EQUIPMENT & MACHINERY	28,036	32,000	32,000
600-5-570-4211 WATER PLANT MAINTENANC	342	-	-
600-5-570-4212 WATER TANK INSPECTION	3,000	3,000	3,000
TOTAL MAINTENANCE & REPAIR	\$ 34,790	\$ 41,000	\$ 41,000
MAINTENANCE - EQUIPMENT			
600-5-570-4510 FIXTURE / EQUIPMENT MA	\$ 315	\$ -	\$ -
TOTAL MAINTENANCE - EQUIPMENT	\$ 315	\$ -	\$ -

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
CAPITAL OUTLAY			
600-5-570-7040 WATER & SEWER SYSTEMS	\$ 579	\$ -	\$ -
TOTAL CAPITAL OUTLAY	\$ 579	\$ -	\$ -
INTERFUND ACTIVITY			
600-5-570-9510 EQUIP. PURCHASE CONTRI	\$ -	\$ -	\$ 4,000
600-5-570-9511 EQUIPMENT USER FEE	-	3,000	2,020
TOTAL INTERFUND ACTIVITY	\$ -	\$ 3,000	\$ 6,020
TOTAL WATER TREATMENT	\$ 1,124,016	\$ 1,199,078	\$ 1,233,171

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
600-WATER FUND			
WATER DISTRIBUTION			
PERSONNEL			
600-5-571-1010 SALARIES AND WAGES	\$ 46,158	\$ 46,257	\$ 47,593
600-5-571-1020 OVERTIME	16,942	15,000	15,000
600-5-571-1030 LONGEVITY	576	792	576
600-5-571-1031 INCENTIVE	1,800	2,500	1,500
600-5-571-1040 SOCIAL SECURITY (FICA)	4,719	4,862	4,947
600-5-571-1050 HEALTH INSURANCE	17,479	23,388	23,388
600-5-571-1060 UNEMPLOYMENT INSURANCE	432	1,462	1,487
600-5-571-1061 WORKER'S COMPENSATION	2,578	3,706	3,771
600-5-571-1070 RETIREMENT	8,562	8,503	8,653
TOTAL PERSONNEL	\$ 99,247	\$ 106,470	\$ 106,915
SUPPLIES AND MATERIALS			
600-5-571-2010 OFFICE SUPPLIES	\$ 7	\$ 50	\$ 150
600-5-571-2020 POSTAGE	17	-	-
600-5-571-2030 JANITORIAL SUPPLIES	24	700	700
600-5-571-2040 UNIFORMS AND APPAREL	684	800	900
600-5-571-2060 PUBLICATIONS	1,847	-	-
600-5-571-2070 GASOLINE AND OIL	7,081	8,200	8,200
600-5-571-2080 SMALL TOOLS AND EQUIP.	3,812	5,000	5,000
600-5-571-2120 SAFETY MATERIALS	-	-	-
TOTAL SUPPLIES AND MATERIALS	\$ 13,472	\$ 14,751	\$ 14,950
SERVICES			
600-5-571-3040 COMMUNICATIONS	\$ -	\$ 2,000	\$ 2,000
600-5-571-3050 UTILITIES - ELECTRIC	1,485	10,000	10,000
600-5-571-3051 UTILITIES - CITY	66	-	-
600-5-571-3082 TRAVEL AND TRAINING	1,877	-	-
600-5-571-3310 EQUIPMENT RENTAL / LEA	1,500	1,500	1,500
TOTAL SERVICES	\$ 4,928	\$ 13,501	\$ 13,500
MAINTENANCE & REPAIR			
600-5-571-4010 BUILDINGS & STRUCTURES	\$ 2,567	\$ 3,500	\$ 3,500
600-5-571-4110 MOTOR VEHICLES	4,844	6,000	6,000
600-5-571-4120 EQUIPMENT & MACHINERY	7,287	5,500	5,500
600-5-571-4210 WATER SYSTEM MAINTENAN	2,960	-	-
600-5-571-4220 WATER METERS	-	-	10,000
600-5-571-4450 WATER LINE REPAIR	39,962	48,500	48,500
TOTAL MAINTENANCE & REPAIR	\$ 57,620	\$ 63,501	\$ 73,500
CAPITAL OUTLAY			
600-5-571-7040 WATER & SEWER SYSTEMS	\$ 939	\$ 15,000	\$ 15,000
TOTAL CAPITAL OUTLAY	\$ 939	\$ 15,000	\$ 15,000

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
INTERFUND ACTIVITY			
600-5-571-9510 EQUIP. PURCHASE CONTRI	\$ -	\$ 47,490	\$ 47,490
600-5-571-9511 EQUIPMENT USER FEE	-	4,000	5,081
TOTAL INTERFUND ACTIVITY	\$ -	\$ 51,490	\$ 52,571
TOTAL WATER DISTRIBUTION	\$ 176,205	\$ 264,712	\$ 276,436
TOTAL FUND EXPENSES	\$ 3,627,210	\$ 2,971,806	\$ 3,127,942
REVENUE OVER/(UNDER) EXPENDITURES	\$ 262,101	\$ 62,567	\$ 32,267
PROJECTED ENDING FUND BALANCE	\$ 4,750,103	\$ 4,812,670	\$ 4,844,937

WASTEWATER FUND

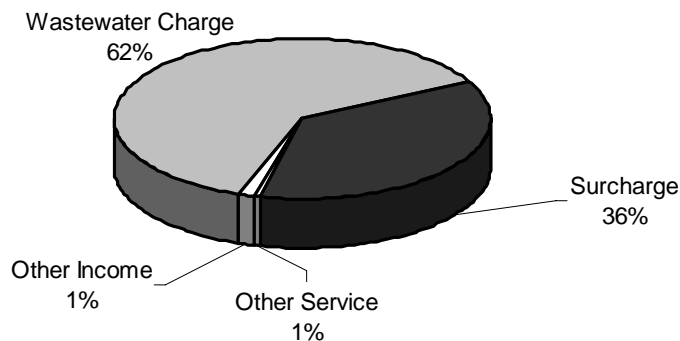
Wastewater Revenue

The Wastewater Fund is a business enterprise fund that is not supported with any tax revenues. The monthly wastewater rates or wastewater charges to be paid by the users of the city sanitary sewer system are computed on the number of gallons of water metered to the consumer. Rates for residential wastewater service will be calculated upon monthly water usage. Average monthly water usage shall be established for each user as the arithmetical average of the amount of water for which bills were issued during the pervious winter period. The winter period shall be between December 1 and March 31. If a user was not a customer for the entire pervious winter period, the average monthly water usage will be the average monthly water usage for all residential users in the same billing cycle. Averages will be recalculated May 1 of every year.

Surcharge

A temporary surcharge is included to the monthly customer billing for wastewater services in an amount designed to recover the projected increased debt service and operating costs for the EPA-mandated improvement project not otherwise covered by other revenues. Residential users of the wastewater system pay a monthly surcharge of \$7.81 on the base 3,000 gallons and \$1.20 per 1,000 gallons for all gallons used over the base 3,000 gallons. Commercial users of the wastewater system pay a surcharge of \$4.92 on the base 3,000 gallons and \$1.23 per 1,000 gallons for all gallons used over the base 3,000 gallons. The surcharge will end at the time the utility debt is paid off or as other revenues of the wastewater fund are sufficient to cover operating expenses and all debt service.

**Wastewater Fund
Projected Revenue and Resources**



**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
610-WASTEWATER FUND REVENUES			
CHARGES FOR SERVICE			
610-4-1711 SEWER SERVICE CHARGES	\$ 2,430,141	\$ 2,100,000	\$ 2,163,000
610-4-1717 SEWER SUR CHARGE	514,486	1,000,000	1,266,900
610-4-1719 SEWER TAPS	4,306	6,000	5,000
610-4-1724 SEWER SVC CHARGES TO GENER	-	50	-
610-4-1727 OTHER (SPECIFY)	31,040	31,661	22,000
610-4-1730 UB CREDIT ADJUSTMENTS	(47,724)	-	-
TOTAL CHARGES FOR SERVICE	\$ 2,932,250	\$ 3,137,711	\$ 3,456,900
OTHER INCOME			
610-4-1901 INTEREST ON INVESTMENTS	\$ 59,901	\$ 40,000	\$ 45,000
610-4-1905 OTHER (SPECIFY)	20,277	-	-
610-4-1942 TRANSFER FROM WATER FUND	10,000	-	-
610-4-1948 TRANSFER FROM UTILITY - RD	699,187	-	-
610-4-1955 TRANSFER FROM OTHER FUNDS	726,165	-	-
TOTAL OTHER INCOME	\$ 1,515,530	\$ 40,000	\$ 45,000
TOTAL REVENUE:	\$ 4,447,779	\$ 3,177,711	\$ 3,501,900
TOTAL FUNDS AVAILABLE:	\$ 6,481,431	\$ 4,897,555	\$ 5,572,926

Utilities - Wastewater Fund

Utility Administration

The Utility Administration is budgeted within the water fund and administers two operating divisions within the water fund: the Water Treatment and Distribution Division. The Administration also manages Wastewater Treatment and Collection Division within the wastewater fund. The department is responsible for administrative, regulatory, and budgetary support to these areas.

each day which is an average of approximately two (2) million gallons of treated effluent are discharged daily. This department also maintains twenty six (27) lift stations at various locations throughout the City. The Environmental Protection Agency requires that the City have a Pretreatment Program to protect the collection system, treatment facilities, and plant operating staff. Wastewater personnel conduct all activities related to this program.

Wastewater Treatment

The purpose of the Wastewater Department is to treat and dispose of all wastewater discharged into the City's sanitary sewerage system. The treatment facilities are capable of processing 4.7 million gallons of sewage

Wastewater Collection

This program is responsible for the collection and transmittal of all residential, commercial and industrial wastewater to the treatment facilities for final processing. There are more than 142 miles of collection and out-fall lines.

Budget Changes for FYE 2008

- The Utility Administration is funded entirely by the water fund beginning this fiscal year.
- The wastewater fund will be supporting a larger percentage of capital improvement projects- mainly the SSES Phase II.

WASTEWATER FUND SUMMARY OF SELECTED SUPPLEMENTAL DECISIONS

Account No.	Line Item Request	Program Cost
1000 series	<u>Salaries (COLA)</u>	16,289
1010	Salaries	12,763
1040	Social Security	976
1070	Retirement	1,708
1061	Workers Comp	558
1060	Unemployment	284
610-5-581-2050	Hepatitis Vaccinations	3,240
610-5-581-4120	Clarifier #1 Drive Unit	30,000
610-5-581-4311	Oxidation Ditch Blower Maintenance	30,000
610-5-580-4312	Lift Station Maintenance	30,000
610-5-581-9510	Truck (User Fee) - unit #8 (1/2 ton)	4,000
610-5-581-9510	Truck (User Fee) - #803 (1/2 ton)	4,000
610-5-581-9510	Truck (User Fee) - #801 (1/2 ton)	4,000
610-5-580-9510	Vibratory Compactor (User Fee)	6,000
		\$ 127,529

Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
Utilities Director *	0.5	0.5	0.0
Wastewater Plant Supervisor	1.0	1.0	1.0
Lab Technician / IPT	1.0	1.0	1.0
Utility Plant Operator	2.0	2.0	2.0
Utility Specialist	1.0	1.0	1.0
Utility Construction Supervisor	1.0	1.0	1.0
Utility Construction Worker	3.0	3.0	3.0
Crew Leader	2.0	2.0	2.0
Heavy Equipment Operator	1.0	1.0	1.0
Total Department:	12.5	12.5	12.0

*Utilities Director is funded entirely in the water fund the personnel allocation for this position can be found in the water fund .

Transfers from the Wastewater Fund		
General Fund		
In Liew of Property Tax	610-5-110-9010	115,382
In Liew of Sales Tax	610-5-110-9010	39,567
Engineering Services	610-5-110-9010	82,262
INCODE Maintenance	610-5-110-9010	3,400
Water Fund		
Customer Service	610-5-110-9050	130,800
Equipment Replacement		
INCODE Lease	610-5-110-9031	5,300
Deere Backhoe Lease	610-5-580-9510	24,792
User Fee - Grasshopper 4 (575)	610-5-581-9511	2,020
Lease - Jet Vactor	610-5-580-9510	11,873
Utility Debt Service		
Debt Payment Transfer	615-4-1943	992,885
		\$ 1,408,281

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
610-WASTEWATER FUND			
INTERNAL SERVICE			
SERVICES			
610-5-110-3030 PROFESSIONAL SERVICES	\$ 3,200	\$ 3,200	\$ -
610-5-110-3205 TRSF TO WATER - ENGINE	118,873	-	-
610-5-110-3206 TRSF CAPITAL IMPROVEME	139,500	-	-
610-5-110-3209 TRSF CUSTOMER SERVICE	150,006	-	-
610-5-110-3210 FINANCIAL SERVICE CHAR	5,702	5,600	-
610-5-110-3211 INVESTMENT SERVICE CHA	820	1,000	-
610-5-110-3220 INSURANCE AND BONDS	11,760	12,000	-
610-5-110-3410 WAREHOUSE SERVICES	8,440	3,000	-
TOTAL SERVICES	\$ 438,301	\$ 24,800	\$ -
SUNDRY			
610-5-110-5400 BAD DEBT EXPENSE	\$ 50,173	\$ -	\$ -
610-5-110-5410 INTEREST EXPENSE-WATER	25,915	-	-
610-5-110-5412 INTEREST EXP-2003 A N	62,492	-	-
610-5-110-5414 INTEREST EXP-2003 REF	15,478	-	-
610-5-110-5415 AGENTS FEES-2003A REFU	300	-	-
610-5-110-5416 INTEREST EXPENSE - 199	66,286	-	-
610-5-110-5417 AGENT FEES - 1999 SERI	1,000	-	-
610-5-110-5428 INTEREST EXPENSE - 199	174,229	-	-
610-5-110-5429 AGENT FEES - 1995 A SE	1,398	-	-
610-5-110-5430 INTEREST EXP-2003 REV	96,889	-	-
610-5-110-5599 DEPRECIATION EXPENSE W	523,040	-	-
TOTAL SUNDRY	\$ 1,017,201	\$ 1	\$ -
INTERFUND ACTIVITY			
610-5-110-9010 TRSF TO GENERAL FUND	\$ 299,827	\$ 367,838	\$ 240,611
610-5-110-9031 TRSF TO EQUIPMENT REPL	32,502	-	5,300
610-5-110-9050 TRANSFER TO WATER FUND	-	218,867	130,800
610-5-110-9070 TRSF UTILITY DEBT SERV	931,684	998,915	1,229,785
610-5-110-9498 TRSF TO OTHER FUNDS	874,079	-	-
610-5-110-9510 EQUIP. PURCHASE CONTRI	5,285	5,285	-
610-5-110-9698 TRANSFER TO WTR-CIP	-	-	350,000
TOTAL INTERFUND ACTIVITY	\$ 2,143,377	\$ 1,590,906	\$ 1,956,496
TOTAL INTERNAL SERVICE	\$ 3,598,879	\$ 1,615,707	\$ 1,956,496

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
610-WASTEWATER FUND			
UTILITY ADMINISTRATION			
PERSONNEL			
610-5-111-1010 SALARIES AND WAGES	\$ 34,110	\$ 30,205	\$ -
610-5-111-1020 OVERTIME	86	-	-
610-5-111-1030 LONGEVITY	292	648	-
610-5-111-1040 SOCIAL SECURITY (FICA)	2,353	2,117	-
610-5-111-1050 HEALTH INSURANCE	3,954	-	-
610-5-111-1060 UNEMPLOYMENT INSURANCE	123	636	-
610-5-111-1061 WORKER'S COMPENSATION	1,163	1,613	-
610-5-111-1070 RETIREMENT	4,343	3,702	-
TOTAL PERSONNEL	\$ 46,424	\$ 38,920	\$ -
SUPPLIES AND MATERIALS			
610-5-111-2010 OFFICE SUPPLIES	\$ 161	\$ 200	\$ -
610-5-111-2020 POSTAGE	66	350	-
610-5-111-2030 JANITORIAL SUPPLIES	-	500	-
610-5-111-2070 GASOLINE AND OIL	482	-	-
TOTAL SUPPLIES AND MATERIALS	\$ 709	\$ 1,051	\$ -
SERVICES			
610-5-111-3040 COMMUNICATIONS	\$ -	\$ 500	\$ -
610-5-111-3082 TRAVEL AND TRAINING	45	1,200	-
TOTAL SERVICES	\$ 45	\$ 1,699	\$ -
MAINTENANCE & REPAIR			
610-5-111-4110 MOTOR VEHICLES	\$ -	\$ 500	\$ -
TOTAL MAINTENANCE & REPAIR	\$ -	\$ 500	\$ -
TOTAL UTILITY ADMINISTRATION	\$ 47,177	\$ 42,171	\$ -

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
610-WASTEWATER FUND			
WASTEWATER COLLECTION			
PERSONNEL			
610-5-580-1010 SALARIES AND WAGES	\$ 121,214	\$ 137,249	\$ 186,819
610-5-580-1020 OVERTIME	28,528	45,000	45,000
610-5-580-1030 LONGEVITY	2,001	2,016	1,944
610-5-580-1031 INCENTIVE	5,600	7,000	6,000
610-5-580-1040 SOCIAL SECURITY (FICA)	12,512	14,555	18,342
610-5-580-1050 HEALTH INSURANCE	34,575	39,072	44,412
610-5-580-1060 UNEMPLOYMENT INSURANCE	904	4,376	5,505
610-5-580-1061 WORKER'S COMPENSATION	6,984	10,682	13,419
610-5-580-1070 RETIREMENT	22,410	25,457	32,081
TOTAL PERSONNEL	\$ 234,727	\$ 285,407	\$ 353,522
SUPPLIES AND MATERIALS			
610-5-580-2030 JANITORIAL SUPPLIES	\$ 288	\$ 300	\$ 300
610-5-580-2031 CHEMICALS	7,442	6,400	6,400
610-5-580-2040 UNIFORMS AND APPAREL	433	1,500	1,500
610-5-580-2070 GASOLINE AND OIL	11,556	10,700	10,700
610-5-580-2080 SMALL TOOLS AND EQUIP.	1,754	2,000	2,000
TOTAL SUPPLIES AND MATERIALS	\$ 21,474	\$ 20,900	\$ 20,900
SERVICES			
610-5-580-3040 COMMUNICATIONS	2,520	2,500	2,500
610-5-580-3050 UTILITIES - ELECTRIC	68,406	75,500	75,500
610-5-580-3082 TRAVEL AND TRAINING	726	1,500	1,500
610-5-580-3220 INSURANCE AND BONDS	-	-	5,000
610-5-580-3310 EQUIPMENT RENTAL / LEA	5,670	5,000	5,000
TOTAL SERVICES	\$ 77,323	\$ 84,500	\$ 89,500
MAINTENANCE & REPAIR			
610-5-580-4110 MOTOR VEHICLES	\$ 3,579	\$ 6,000	\$ 6,000
610-5-580-4120 EQUIPMENT & MACHINERY	1,431	2,500	2,500
610-5-580-4310 SEWER LINE MAINTENANCE	17,219	50,000	50,000
610-5-580-4311 SEWER PLANT MAINTENANC	68	-	-
610-5-580-4312 LIFT STATION MAINTENAN	-	30,000	60,000
TOTAL MAINTENANCE & REPAIR	\$ 22,296	\$ 88,500	\$ 118,500
LEASE PURCHASE			
610-5-580-6510 LEASE PURCHASE CONT.	\$ 24,000	\$ 24,000	\$ 24,000
TOTAL LEASE PURCHASE	\$ 24,000	\$ 24,000	\$ 24,000
CAPITAL OUTLAY			
610-5-580-7040 WATER & SEWER SYSTEMS	\$ 1,163	\$ 1,000	\$ 1,000
610-5-580-7080 SEWER SYSTEM	119	-	-
TOTAL CAPITAL OUTLAY	\$ 1,282	\$ 1,000	\$ 1,000

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
INTERFUND ACTIVITY			
610-5-580-9510 EQUIP. PURCHASE CONTRI	\$ -	\$ 14,462	\$ 42,665
TOTAL INTERFUND ACTIVITY	\$ -	\$ 14,462	\$ 42,665
TOTAL WASTEWATER COLLECTION	\$ 381,103	\$ 518,769	\$ 650,087

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
610-WASTEWATER FUND			
WASTEWATER TREATMENT			
PERSONNEL			
610-5-581-1010 SALARIES AND WAGES	\$ 123,168	\$ 128,445	\$ 144,823
610-5-581-1020 OVERTIME	24,678	20,000	20,000
610-5-581-1030 LONGEVITY	975	1,224	1,656
610-5-581-1031 INCENTIVE	3,500	5,480	2,400
610-5-581-1040 SOCIAL SECURITY (FICA)	11,496	11,633	12,919
610-5-581-1050 HEALTH INSURANCE	27,420	28,644	28,644
610-5-581-1060 UNEMPLOYMENT INSURANCE	679	3,498	3,884
610-5-581-1061 WORKER'S COMPENSATION	3,658	5,310	6,230
610-5-581-1070 RETIREMENT	20,111	20,347	22,596
TOTAL PERSONNEL	\$ 215,686	\$ 224,582	\$ 243,152
SUPPLIES AND MATERIALS			
610-5-581-2010 OFFICE SUPPLIES	\$ 418	\$ 1,000	\$ 1,000
610-5-581-2020 POSTAGE	2	-	-
610-5-581-2030 JANITORIAL SUPPLIES	613	850	850
610-5-581-2031 CHEMICALS	49,549	50,000	50,000
610-5-581-2040 UNIFORMS AND APPAREL	103	600	600
610-5-581-2050 MEDICAL SUPPLIES	3,092	150	3,390
610-5-581-2070 GASOLINE AND OIL	12,217	11,300	11,300
610-5-581-2080 SMALL TOOLS AND EQUIP.	1,300	2,500	2,500
TOTAL SUPPLIES AND MATERIALS	\$ 67,292	\$ 66,401	\$ 69,640
SERVICES			
610-5-581-3030 PROFESSIONAL SERVICES	\$ -	\$ -	\$ -
610-5-581-3032 SPECIAL STUDIES	10,956	16,000	16,000
610-5-581-3040 COMMUNICATIONS	3,815	4,000	4,000
610-5-581-3050 UTILITIES - ELECTRIC	203,376	218,500	218,500
610-5-581-3051 UTILITIES - CITY	-	21,000	15,000
610-5-581-3065 SANITARY SLUDGE COLLEC	119,595	-	147,149
610-5-581-3082 TRAVEL AND TRAINING	1,985	1,900	2,500
610-5-581-3310 EQUIPMENT RENTAL / LEA	669	1,000	1,000
610-5-581-3330 CONTRACT SERVICES	872	-	-
610-5-581-3430 TCEQ PERMITTING	35,430	27,000	27,000
TOTAL SERVICES	\$ 376,698	\$ 289,400	\$ 431,149
MAINTENANCE & REPAIR			
610-5-581-4010 BUILDINGS, STRUCTURES,	\$ 853	\$ 1,500	\$ 1,500
610-5-581-4110 MOTOR VEHICLES	7,323	5,000	5,000
610-5-581-4120 EQUIPMENT & MACHINERY	20,377	30,000	60,000
610-5-581-4310 SEWER SYSTEM MAINTENAN	874	-	-
610-5-581-4311 SEWER PLANT MAINTENANC	43,920	30,000	60,000
610-5-581-4312 GRIT DISPOSAL	736	-	-
610-5-581-4450 OTHER MAINTENANCE & RE	140	-	-
TOTAL MAINTENANCE & REPAIR	\$ 74,223	\$ 66,500	\$ 126,500

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
MAINTENANCE - EQUIPMENT			
610-5-581-4510 FIXTURE / EQUIPMENT MA	\$ 490	\$ -	\$ -
TOTAL MAINTENANCE - EQUIPMENT	\$ 490	\$ -	\$ -
CAPITAL OUTLAY			
610-5-581-7020 BUILDINGS	\$ 39	\$ -	\$ -
TOTAL CAPITAL OUTLAY	\$ 39	\$ -	\$ -
INTERFUND ACTIVITY			
610-5-581-9510 EQUIP. PURCHASE CONTRI	\$ -	\$ -	\$ 12,000
610-5-581-9511 EQUIPMENT USER FEE	-	3,000	2,020
TOTAL INTERFUND ACTIVITY	\$ -	\$ 3,000	\$ 14,020
TOTAL WASTEWATER TREATMENT	\$ 734,428	\$ 649,883	\$ 884,461
TOTAL FUND EXPENSES:	\$ 4,761,586	\$ 2,826,530	\$ 3,491,044
REVENUE OVER/(UNDER) EXPENDITURES	\$ (313,807)	\$ 351,181	\$ 10,856
PROJECTED ENDING FUND BALANCE	\$ 1,719,845	\$ 2,071,026	\$ 2,081,882

UTILITY DEBT SERVICE FUND

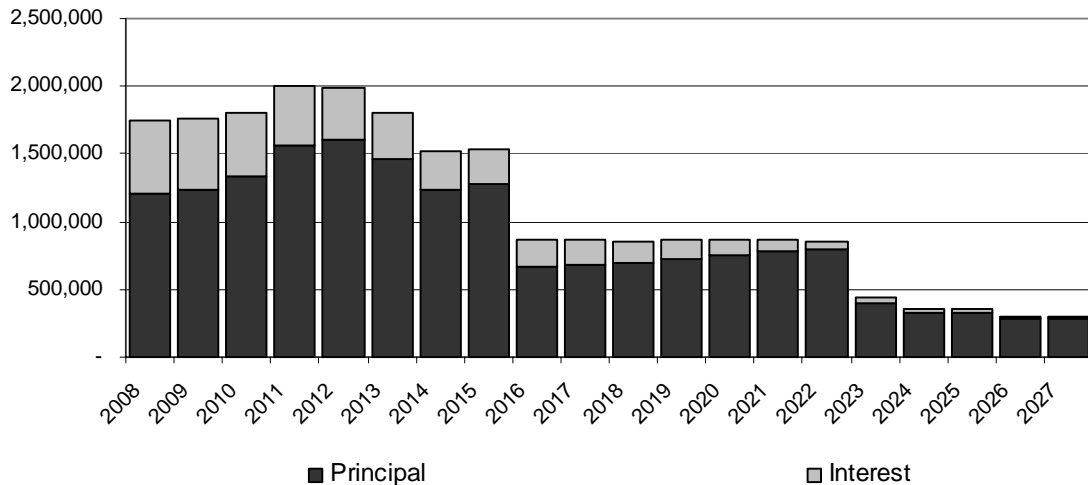
Fund Description

The utility debt service fund is established to provide adequate funding for the payment of bond principal and interest in the enterprise funds as they come due. The City is required to maintain sufficient cash that satisfies annual utility debt service requirements. The City is insured to carry an "Aa3" rating from Moody's Investor's Service and an AA from Standard & Poor's Ratings Service.

Below is the remaining utility debt and shows the City's debt position as of the beginning of fiscal year 2007-2008:

		CURRENT REQUIREMENTS			DEBT
		PRINCIPAL	INTEREST	TOTAL	BALANCE
<u>Water</u>					
2002	Meter Change-out	81,403	17,030	98,433	435,835
2003	Refunding Portion	301,920	58,381	360,301	2,073,480
<u>Wastewater</u>					
1995	Series 95A	340,000	139,445	479,445	3,175,000
1999	Series 1999	65,000	57,000	122,000	1,070,000
2002	Meter Change-out	81,403	17,030	98,433	435,835
2003	Refunding "New Money"	50,000	34,210	84,210	985,000
2003	Refunding Portion	38,080	7,363	45,443	261,520
2003	SSES Phase 1	10,000	96,800	106,800	3,725,000
2006	SSES Phase 2A	35,000	21,555	56,555	820,000
2007	SSES Phase 2B	210,000	85,624	295,624	4,665,000
		1,212,806	534,438	1,747,244	17,646,670

** Additional debt on TxDOT water line relocation was not included since issue will be proposed some time after the beginning of this fiscal year.*



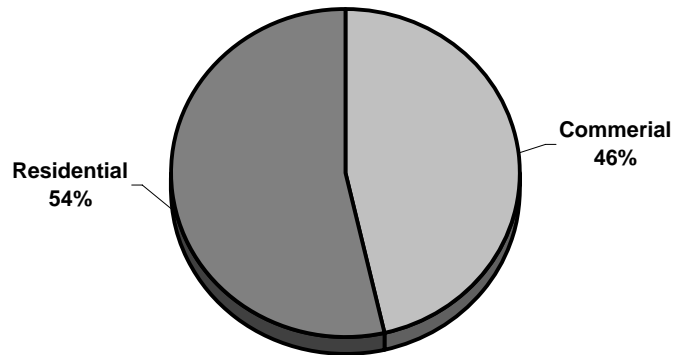
**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
615-UTILITY DEBT SERVICE REVENUES			
OTHER INCOME			
615-4-1901 INTEREST ON INVESTMENTS	\$ 370	\$ 30,000	\$ 30,000
615-4-1942 TRANSFER FROM WATER FUND	112,629	455,633	708,733
615-4-1943 TRANSFER FROM WASTEWATER	232,921	998,915	1,229,785
TOTAL OTHER INCOME	\$ 345,920	\$ 1,484,548	\$ 1,968,518
TOTAL REVENUE:	\$ 345,920	\$ 1,484,548	\$ 1,968,518
TOTAL FUNDS AVAILABLE:	\$ 345,920	\$ 1,830,468	\$ 2,344,359
615-UTILITY DEBT SERVICE DEBT SERVICE REQUIREMENTS			
SUNDRY			
615-5-280-5140 PRINCIPAL/DEBT SERVICE	\$ -	\$ 78,006	\$ 81,403
615-5-280-5150 INTEREST EXPENSE	-	20,426	17,030
615-5-281-5140 PRINCIPAL/DEBT SERVICE	-	293,040	301,920
615-5-281-5150 INTEREST EXPENSE	-	64,241	58,381
615-5-282-5140 PRINCIPAL/DEBT SERVICE	-	330,000	340,000
615-5-282-5150 INTEREST EXPENSE	-	152,810	139,445
615-5-283-5140 PRINCIPAL/DEBT SERVICE	-	65,000	65,000
615-5-283-5150 INTEREST EXPENSE	-	61,386	57,000
615-5-284-5140 PRINCIPAL/DEBT SERVICE	-	78,006	81,403
615-5-284-5150 INTEREST EXPENSE	-	20,426	17,030
615-5-285-5140 PRINCIPAL/DEBT SERVICE	-	45,000	50,000
615-5-285-5150 INTEREST EXPENSE	-	35,110	34,210
615-5-286-5140 PRINCIPAL/DEBT SERVICE	-	36,960	38,080
615-5-286-5150 INTEREST EXPENSE	-	8,102	7,363
615-5-287-5140 PRINCIPAL/DEBT SERVICE	-	10,000	10,000
615-5-287-5150 INTEREST EXPENSE	-	96,875	96,800
615-5-288-5140 PRINCIPAL/DEBT SERVICE	-	40,000	35,000
615-5-288-5150 INTEREST EXPENSE	-	19,240	21,555
615-5-289-5140 PRINCIPAL/DEBT SERVICE	-	-	210,000
615-5-289-5150 INTEREST EXPENSE	-	-	85,624
615-5-290-5140 PRINCIPAL/DEBT SERVICE	-	-	110,000
615-5-290-5150 INTEREST EXPENSE	-	-	81,276
TOTAL SUNDRY	\$ -	\$ 1,454,628	\$ 1,938,520
TOTAL FUND EXPENSES:	\$ -	\$ 1,454,628	\$ 1,938,520
REVENUE OVER/(UNDER) EXPENDITURES	\$ 345,920	\$ 29,921	\$ 29,998
PROJECTED ENDING FUND BALANCE	\$ 345,920	\$ 375,841	\$ 405,839

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
620-SANITATION FUND REVENUES			
BEGINNING FUND BALANCE	\$ 11,460	\$ (69,893)	\$ (7,615)
CHARGES FOR SERVICE			
620-4-1715 SANITATION COLLECTION CHARGE	\$ 1,360,319	\$ 1,391,000	\$ 1,391,000
620-4-1721 COLLECTION BAG SALES	32,531	36,120	36,120
620-4-1722 CLEAN STREETS PROGRAM	-	-	138,000
620-4-1730 UB CREDIT ADJUSTMENTS	<u>(40,148)</u>	<u>-</u>	<u>-</u>
TOTAL CHARGES FOR SERVICE	\$ 1,352,702	\$ 1,427,120	\$ 1,565,120
OTHER INCOME			
620-4-1901 INTEREST ON INVESTMENTS	<u>560</u>	<u>3,000</u>	<u>3,000</u>
TOTAL OTHER INCOME	\$ 560	\$ 3,000	\$ 3,000
TOTAL REVENUE:	<u>\$ 1,353,262</u>	<u>\$ 1,430,120</u>	<u>\$ 1,568,120</u>
TOTAL FUNDS AVAILABLE:	\$ 1,364,722	\$ 1,360,227	\$ 1,560,505

Sanitation Collection Revenue by Source



SANITATION FUND – Street Sanitation

The City contracts with Olympic Waste Services for solid waste collection. The sanitation fees are billed with the water bills. After the fees have been collected, the contractor is paid in accordance with the contract. This fund also supports the operation of the city compost site as well as street sweeping activities.

Budget Changes for FYE 2008

- The sanitation fund has been operating in the red prior to this budget year. The Street sweeping operation was suspended for one year in order that the fund could recover. This year, the street sweeping operation has been restored, including the purchase of a new street sweeper.
- Additionally transfers out of the department are reduced in order that the fund may operate as designed.
- Council adopted a street sanitation fee to provide funding to support maintenance and cleaning of city streets.

Personnel Allocation

Position	FYE 06	FYE 07	FYE 08
Truck Driver	1.0	0.0	1.0
Total Department:	1.0	0.0	1.0

**Department is administered by Public Works.*

***An additional full time equivalent has been budgeted for Street Sanitation.*

SANITATION FUND SUMMARY OF SELECTED SUPPLEMENTAL DECISIONS

Account No.	Line Item Request	Program Cost
	<u>Equipment Operator (sweeper)</u>	42,537
620-5-550-1010	Salaries	22,496
620-5-550-1020	Overtime	500
620-5-550-1040	Social Security	1,726
620-5-550-1050	Group Insurance	12,960
620-5-550-1070	Retirement	3,020
620-5-550-1061	Workers Comp	1,316
620-5-550-1060	Unemployment	519
620-5-550-1000s	Open Ditch Maintenance - FTE	57,210
620-5-550-9510	Street Sweeper (User Fee)	40,000
		\$ 139,747

Transfers from the Sanitation Fund

General Fund

In Lieu of Property Tax	620-5-110-9010	931
INCODE Maintenance	620-5-110-9010	1,700

Water Fund

Customer Service	620-5-110-9050	32,700
------------------	----------------	--------

Water Fund

INCODE Lease	620-5-110-9031	2,700
--------------	----------------	-------

\$ 38,031

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
620-SANITATION FUND ADMINISTRATION			
SUPPLIES AND MATERIALS			
620-5-110-2200 OTHER (SPECIFY)	\$ 990	\$ -	\$ -
TOTAL SUPPLIES AND MATERIALS	\$ 990	\$ -	\$ -
SERVICES			
620-5-110-3205 TRSF UTILITY CUSTOMER	\$ 38,793	\$ -	\$ -
620-5-110-3211 INVESTMENT SERVICE CHARGE	43	500	-
620-5-110-3410 WAREHOUSE SERVICES	10,416	9,000	-
TOTAL SERVICES	\$ 49,252	\$ 9,500	\$ -
SUNDRY			
620-5-110-5400 BAD DEBT EXPENSE	\$ 19,511	\$ -	\$ -
TOTAL SUNDRY	\$ 19,511	\$ -	\$ -
INTERFUND ACTIVITY			
620-5-110-9010 TRSF TO GENERAL FUND	\$ 51,700	\$ 1,700	\$ 2,631
620-5-110-9031 TRSF TO EQUIP. REPLACEMENT	-	-	2,700
620-5-110-9050 TRANSFER TO WATER FUND	-	67,000	32,700
620-5-110-9510 CONTRIBUTION FUND	2,642	2,642	-
TOTAL INTERFUND ACTIVITY	\$ 54,342	\$ 71,342	\$ 38,031
TOTAL ADMINISTRATION	\$ 124,095	\$ 80,842	\$ 38,031

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
620-SANITATION FUND			
REFUSE DISPOSAL			
PERSONNEL			
620-5-550-1010 SALARIES AND WAGES	\$ 16,585	\$ -	\$ 58,666
620-5-550-1020 OVERTIME	1,434	-	8,500
620-5-550-1030 LONGEVITY	132	-	-
620-5-550-1040 SOCIAL SECURITY	1,389	-	4,493
620-5-550-1050 HEALTH INSURANCE	4,956	-	25,920
620-5-550-1060 UNEMPLOYMENT INSURANCE	116	-	1,351
620-5-550-1061 WORKER'S COMPENSATION	995	-	1,457
620-5-550-1070 RETIREMENT	2,427	-	7,860
TOTAL PERSONNEL	\$ 28,034	\$ -	\$ 108,247
SUPPLIES AND MATERIALS			
620-5-550-2027 DOWNTOWN RECEPTACLES	\$ 475	\$ 2,000	\$ 2,000
620-5-550-2070 GASOLINE AND OIL	3,935	800	800
620-5-550-2130 GARBAGE BAGS	30,786	31,400	34,500
TOTAL SUPPLIES AND MATERIALS	\$ 35,196	\$ 34,200	\$ 37,300
SERVICES			
620-5-550-3063 RESIDENTIAL REFUSE COLLECTION	\$ 561,383	\$ 576,800	\$ 595,000
620-5-550-3064 COMMERCIAL REFUSE COLLECTION	685,907	669,500	690,000
620-5-550-3330 CONTRACT SERVICES	-	6,000	6,000
TOTAL SERVICES	\$ 1,247,290	\$ 1,252,300	\$ 1,291,000
MAINTENANCE & REPAIR			
620-5-550-4110 MOTOR VEHICLES	\$ -	\$ 500	\$ 500
TOTAL MAINTENANCE & REPAIR	\$ -	\$ 500	\$ 500
INTERFUND ACTIVITY			
620-5-550-9510 EQUIP. PURCHASE CONTRIBUTION	\$ -	\$ -	\$ 40,000
TOTAL INTERFUND ACTIVITY	\$ -	\$ -	\$ 40,000
TOTAL REFUSE DISPOSAL	\$ 1,310,520	\$ 1,287,000	\$ 1,477,047
TOTAL FUND EXPENSES:	\$ 1,434,615	\$ 1,367,842	\$ 1,515,078
REVENUE OVER/(UNDER) EXPENDITURES	\$ (81,353)	\$ 62,278	\$ 53,042
PROJECTED ENDING FUND BALANCE	\$ (69,893)	\$ (7,615)	\$ 45,427

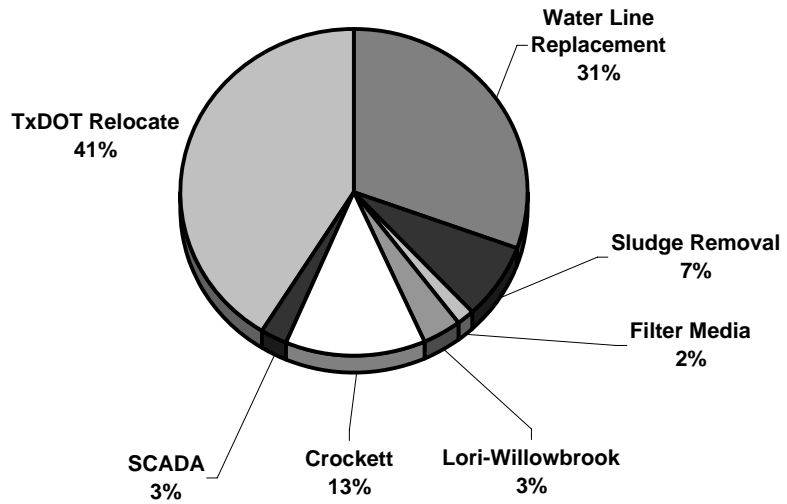
**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
680-CIP WATER REVENUES			
BEGINNING FUND BALANCE	\$ 321,580	\$ 693,221	\$ 630,260
OTHER INCOME			
680-4-1901 INTEREST ON INVESTMENTS	\$ 25,774	\$ 47,256	\$ 40,000
680-4-1905 BOND PROCEEDS	-	-	2,000,000
680-4-1942 TRANSFER FROM WATER FUND	485,000	-	250,000
TOTAL OTHER INCOME	\$ 510,774	\$ 47,256	\$ 2,290,000
TOTAL REVENUE:	\$ 510,774	\$ 47,256	\$ 2,290,000
TOTAL FUNDS AVAILABLE:	\$ 832,354	\$ 740,477	\$ 2,920,260
680-CIP WATER WATER CIP PROJECTS			
SERVICES			
680-5-110-3210 FINANCIAL SERVICE CHARGE	\$ -	\$ -	\$ -
680-5-110-3211 INVESTMENT SERVICE CHARGE	257	217	-
TOTAL SERVICES	\$ 257	\$ 217	\$ -
CAPITAL OUTLAY			
680-5-110-7440.018 WATER LINE REPLACEMENT	\$ -	\$ -	\$ 895,000
680-5-110-7440.022 UTILITY CROSSING AT HOWARD	904	-	-
680-5-110-7440.026 SLUDGE REMOVAL/TREATMENT	-	-	216,000
680-5-110-7440.028 FILTER MEDIA	-	86,152	50,000
680-5-110-7440.030 LORI-WILLOWBROOK INSPECT.	-	-	100,000
680-5-110-7440.031 CROCKETT (PHASE I)	-	-	240,000
680-5-110-7440.032 CROCKETT (PHASE II)	-	-	140,000
680-5-110-7440.033 MASTER WATER PLAN	-	23,848	-
680-5-110-7440.034 SCADA SYSTEM	-	-	75,000
680-5-110-7440.035 RELOCATE - US 79 WEST	-	-	800,000
680-5-110-7440.036 RELOCATE - LOOP 256	-	-	400,000
TOTAL CAPITAL OUTLAY	\$ 904	\$ 110,000	\$ 2,916,000
INTERFUND ACTIVITY			
680-5-110-9073 TRSF TO TEXAS CAPITAL FUND	\$ 25,000	\$ -	\$ -
680-5-110-9499 TRANSFER CIP TO WATER	112,972	-	-
TOTAL INTERFUND ACTIVITY	\$ 137,972	\$ -	\$ -
TOTAL ADMINISTRATION	\$ 139,133	\$ 110,217	\$ 2,916,000

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
TOTAL FUND EXPENSES:	\$ 139,133	\$ 110,217	\$ 2,916,000
REVENUE OVER/(UNDER) EXPENDITURES	\$ 371,640	\$ (62,961)	\$ (626,000)
PROJECTED ENDING FUND BALANCE	\$ 693,221	\$ 630,260	\$ 4,260

CIP WATER PROJECTS



**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
690-CIP WASTEWATER REVENUES			
BEGINNING FUND BALANCE	\$ 26,811	\$ 52,272	\$ 53,511
OTHER INCOME			
690-4-1901 INTEREST ON INVESTMENTS	\$ 2,723	\$ 1,260	\$ -
690-4-1943 TRANSFER FROM WASTEWATER FUND	<u>139,500</u>	<u>-</u>	<u>350,000</u>
TOTAL OTHER INCOME	\$ 142,223	\$ 1,260	\$ 350,000
TOTAL REVENUE:	<u>\$ 142,223</u>	<u>\$ 1,260</u>	<u>\$ 350,000</u>
TOTAL FUNDS AVAILABLE:	\$ 169,034	\$ 53,532	\$ 403,511
690-CIP WASTEWATER WASTEWATER CIP PROJECTS			
SERVICES			
690-5-110-3211 INVESTMENT SERVICE CHARGE	<u>\$ 20</u>	<u>\$ 21</u>	<u>\$ -</u>
TOTAL SERVICES	\$ 20	\$ 21	\$ -
CAPITAL OUTLAY			
690-5-110-7440.007 SEWER LINE REPLACEMENT	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,000</u>
TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ 400,000
INTERFUND ACTIVITY			
690-5-110-9461 TRANSFER TO OTHER FUND	<u>\$ 116,743</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL INTERFUND ACTIVITY	\$ 116,743	\$ -	\$ -
TOTAL WASTEWATER CIP:	<u>\$ 116,763</u>	<u>\$ 21</u>	<u>\$ 400,000</u>
TOTAL FUND EXPENSES:	<u>\$ 116,763</u>	<u>\$ 21</u>	<u>\$ 400,000</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ 25,460	\$ 1,240	\$ (50,000)
PROJECTED ENDING FUND BALANCE	\$ 52,272	\$ 53,511	\$ 3,511

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
770-SSES PHASE I REVENUES			
OTHER INCOME			
770-4-1901 INTEREST ON INVESTMENTS	\$ 16,088	\$ 11,085	\$ -
TOTAL OTHER INCOME	\$ 16,088	\$ 11,085	\$ -
TOTAL REVENUE:	<u>\$ 16,088</u>	<u>\$ 11,085</u>	<u>\$ -</u>
TOTAL FUNDS AVAILABLE:	\$ 485,039	\$ 183,196	\$ 65,103
770-SSES PHASE I SSES PHASE I PROJECT			
CAPITAL OUTLAY			
770-5-110-7440.091 SEWER MASTER PLAN	\$ -	\$ 42,804	\$ -
770-5-110-7440.093 EQUALIZATION POND LINER	-	6,469	-
770-5-110-7441 ENGINEERING EXPENSE	-	68,820	-
TOTAL CAPITAL OUTLAY	\$ -	\$ 118,094	\$ -
INTERFUND ACTIVITY			
770-5-110-9461 TRANSFER TO OTHER FUND	\$ 312,928	\$ -	\$ -
TOTAL INTERFUND ACTIVITY	\$ 312,928	\$ -	\$ -
TOTAL SSES PHASE I PROJECT	<u>\$ 312,928</u>	<u>\$ 118,094</u>	<u>\$ -</u>
TOTAL FUND EXPENSES:	<u>\$ 312,928</u>	<u>\$ 118,094</u>	<u>\$ -</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ (296,839)	\$ (107,009)	\$ -
PROJECTED ENDING FUND BALANCE	\$ 172,111	\$ 65,103	\$ 65,103

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
771-SSES PHASE II REVENUES			
BEGINNING FUND BALANCE	\$ -	\$ 619,699	\$ 2,636
OTHER INCOME			
771-4-1901 INTEREST ON INVESTMENTS	\$ 2,220	\$ 18,700	\$ 30,000
771-4-1905 BOND PROCEEDS	-	3,317	4,665,000
771-4-1943 TRANSFER FROM WASTEWATER FUND	824,079	-	-
TOTAL OTHER INCOME	\$ 826,299	\$ 22,016	\$ 4,695,000
TOTAL REVENUE:	<u>\$ 826,299</u>	<u>\$ 22,016</u>	<u>\$ 4,695,000</u>
TOTAL FUNDS AVAILABLE	\$ 826,299	\$ 641,715	\$ 4,697,636
771-SSES PHASE II SSES PHASE II PROJECT			
SERVICES			
771-5-110-3023 FINANCIAL ADVISORS	\$ -	\$ -	\$ 15,000
771-5-110-3024 BOND COUNSEL	-	-	15,000
771-5-110-3025 RATING AGENCY	-	-	2,000
771-5-110-3210 FINANCIAL SERVICE CHAR	-	-	2,000
771-5-110-3211 INVESTMENT SERVICE CHARGE	-	-	2,000
771-5-110-3221 BOND INSURANCE	-	-	2,000
771-5-110-3222 TWDB ORIGINATION FEE	-	-	2,000
TOTAL SERVICES	\$ -	\$ -	\$ 40,000
CAPITAL OUTLAY			
771-5-110-7441 ENGINEERING EXPENSE	\$ -	\$ 639,180	\$ -
771-5-110-7448 GENERAL CONSTRUCTION	-	(100)	4,625,000
TOTAL CAPITAL OUTLAY	\$ -	\$ 639,080	\$ 4,625,000
INTERFUND ACTIVITY			
771-5-110-9461 TRANSFER TO OTHER FUND	\$ 206,601	\$ -	\$ -
TOTAL INTERFUND ACTIVITY	\$ 206,601	\$ -	\$ -
TOTAL SSES PHASE II PROJECT	<u>\$ 206,601</u>	<u>\$ 639,080</u>	<u>\$ 4,665,000</u>
TOTAL FUND EXPENSES:	<u>\$ 206,601</u>	<u>\$ 639,080</u>	<u>\$ 4,665,000</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ 619,699	\$ (617,063)	\$ 30,000
PROJECTED ENDING FUND BALANCE	\$ 619,699	\$ 2,636	\$ 32,636

THIS PAGE INTENTIONALLY LEFT BLANK

GENERAL CAPITAL FUNDS

**City of Palestine
Annual Budget 2007-08**

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
670-CAPITAL IMPROVEMENT FUND REVENUES			
BEGINNING FUND BALANCE	\$ 420,010	\$ 379,700	\$ 371,916
OTHER INCOME			
670-4-1901 INTEREST ON INVESTMENTS	\$ 16,653	\$ 25,014	\$ 25,000
670-4-1941 TRANSFER FROM GENERAL FUND	-	-	250,000
TOTAL OTHER INCOME	\$ 16,653	\$ 25,014	\$ 275,000
TOTAL REVENUE:	<u>\$ 16,653</u>	<u>\$ 25,014</u>	<u>\$ 275,000</u>
TOTAL FUNDS AVAILABLE:	\$ 436,664	\$ 404,713	\$ 646,916
670-CAPITAL IMPROVEMENT FUND GENERAL CAPITAL FUND			
SERVICES			
670-5-110-3211 INVESTMENT SERVICE CHARGES	\$ 246	\$ 797	\$ 1,000
TOTAL SERVICES	\$ 246	\$ 797	\$ 1,000
CAPITAL OUTLAY			
670-5-110-7440.005 CARNEGIE IMPROVEMENTS	\$ -	\$ -	\$ 70,000
670-5-110-7440.006 CEMETERY EXPANSION	-	-	50,000
670-5-110-7440.041 GRADALL 02-03	34,576	-	-
670-5-110-7440.055 ROOF REPAIRS	-	(7,500)	200,000
670-5-110-7440.058 BALL FIELD LIGHTS	71	-	-
670-5-110-7440.072 REAGAN PARK TRAIL	-	-	15,000
670-5-110-7440.077 RUSK SCHOOL	-	7,500	180,000
670-5-110-7440.078 AIRPORT T-HANGERS	(70)	-	-
670-5-110-7440.080 LARRY ST PARK	22,140	-	-
670-5-110-7440.082 ECON DEVELOPMENT	-	32,000	100,000
670-5-110-7440.600 DRAINAGE IMPROVEMENTS	-	-	10,000
TOTAL CAPITAL OUTLAY	\$ 56,718	\$ 32,000	\$ 625,000
TOTAL GENERAL CAPITAL	<u>\$ 56,964</u>	<u>\$ 32,797</u>	<u>\$ 626,000</u>
TOTAL FUND EXPENSES	<u>\$ 56,964</u>	<u>\$ 32,797</u>	<u>\$ 626,000</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ (40,310)	\$ (7,783)	\$ (351,000)
PROJECTED ENDING FUND BALANCE	\$ 379,700	\$ 371,916	\$ 20,916

**CITY OF PALESTINE
2007- 08 ANNUAL BUDGET**

	ACTUAL 2005-2006	ESTIMATED 2006-2007	BUDGET 2007-2008
671-2006 SERIES IMPROVEMENTS REVENUES			
BEGINNING FUND BALANCE	\$ -	\$ 1,688,802	\$ 1,437,146
OTHER INCOME			
671-4-1901 INTEREST ON INVESTMENTS	\$ 46,457	\$ 44,044	\$ -
671-4-1905 BOND PROCEEDS	1,970,000	-	-
TOTAL OTHER INCOME	\$ 2,016,457	\$ 44,044	\$ -
TOTAL REVENUE:	\$ 2,016,457	\$ 44,044	\$ -
TOTAL FUNDS AVAILABLE:	\$ 2,016,457	\$ 1,732,845	\$ 1,437,146
671-2006 SERIES IMPROVEMENTS GENERAL CAPITAL - SERIES 2006			
SERVICES			
671-5-110-3211 INVESTMENT SERVICE CHA	\$ -	\$ -	\$ 1,000
TOTAL SERVICES	\$ -	\$ -	\$ 1,000
CAPITAL OUTLAY			
671-5-110-7440.043 ATHLETIC LIGHTS-BENNET	\$ 12,751	\$ 1,066	\$ 103,934
671-5-110-7440.055 ROOF REPAIRS	123,516	76,186	-
671-5-110-7440.068 CITY LAKE E.A.P. PLAN	-	-	80,000
671-5-110-7440.072 DOWNTOWN MASTER PLAN	-	-	50,000
671-5-110-7440.073 HVAC STUDY	-	25,000	-
671-5-110-7440.074 SPRING ST. GREEN SPACE	-	20,000	25,000
671-5-110-7440.077 RUSK SCHOOL	186,956	101,968	-
671-5-110-7440.081 GREENS PARK IMPROVEMENTS	-	-	45,000
671-5-110-7440.083 AIRPORT IMPROVEMENTS	4,181	55,819	-
671-5-110-7440.511 STREET IMPROVEMENTS	252	15,660	869,340
671-5-110-7440.603 MAGNOLIA DRAINAGE	-	-	80,000
671-5-110-7440.604 BASSETT RD. DRAINAGE	-	-	85,000
671-5-110-7440.605 BENNETT PARK DRAINAGE	-	-	40,000
TOTAL CAPITAL OUTLAY	\$ 327,656	\$ 295,699	\$ 1,378,274
TOTAL ADMINISTRATION	\$ 327,656	\$ 295,699	\$ 1,379,274
TOTAL FUND EXPENSES	\$ 327,656	\$ 295,699	\$ 1,379,274
REVENUE OVER/(UNDER) EXPENDITURES	1,688,802	(251,655)	(1,379,274)
PROJECTED ENDING FUND BALANCE	1,688,802	1,437,146	57,872

THIS PAGE INTENTIONALLY LEFT BLANK

COMPONENT UNIT

***ECONOMIC DEVELOPMENT
CORPORATION***

**City of Palestine
Annual Budget 2007-08**



**PALESTINE ECONOMIC DEVELOPMENT
2007- 08 ANNUAL BUDGET**

		BUDGET 2007-2008
ECONOMIC DEVELOPMENT CORPORATION REVENUES		
BEGINNING FUND BALANCE	\$	897,234
CORPORATION REVENUES		
SALES TAX	\$	918,500
INTEREST		32,148
CAPGEMINI - CITY CONTRIBUTION		60,000
CAPGEMINI - COUNTY CONTRIBUTION		87,500
OTHER REVENUE		689,000
TOTAL INCOME	\$	1,787,148
 TOTAL REVENUE:	 \$	 <u>1,787,148</u>
 TOTAL FUNDS AVAILABLE:	 \$	 2,684,382
 ECONOMIC DEVELOPMENT CORPORATION EXPENDITURES		
EXPENDITURES		
PERSONNEL COST		173,199
GENERAL OPERATIONS		47,950
TRAVEL		23,000
MARKETING		149,850
PROFESSIONAL SERVICES		29,000
CONTRACTUAL SERVICES - JOB CREATION		1,567,844
BUSINESS PARK		56,000
CAPITAL EXPENDITURES		6,500
CAPGEMINI FACILITY LOAN		327,646
CAPITAL ONE LOAN		187,497
TOTAL EXPENDITURES		<u>2,568,486</u>
 TOTAL FUND EXPENSES:	 \$	 <u>2,568,486</u>
 REVENUE OVER/(UNDER) EXPENDITURES	 \$	 (781,338)
 PROJECTED ENDING FUND BALANCE	 \$	 115,896

THIS PAGE INTENTIONALLY LEFT BLANK

BUDGET GLOSSARY

**City of Palestine
Annual Budget 2007-08**

GLOSSARY

ACCOUNTING PROCEDURES. All procedures which discover, record, classify, and summarize financial information to produce financial reports and to provide internal control.

ACCRUAL BASIS. The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

ALLOCATION. A part of a lump-sum appropriation which is designated for expenditure by specific organization units and/or for special purposes, activities, or objects.

AMOUNT AVAILABLE IN DEBT SERVICE FUNDS. An "other debit" account in the General Long-Term Debt Account Group which designates the amount of assets available in Debt Service Funds for the retirement of general obligation debt.

ANNUAL BUDGET. A budget applicable to a single fiscal year.

APPRAISAL. (1) The act of appraising, (2) The estimated value resulting from such action.

APPRAISE. To make an estimate of value, particularly of the value of property. If the property is valued for purposes of taxation, the less-inclusive term "assess" is substituted for this term.

APPROPRIATION. A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

ASSESS. To value property officially for the purpose of taxation.

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

ASSESSMENT. (1) The process of making the official valuation of property for purposes of taxation. (2) The valuation placed upon property as a result of this process.

ASSETS. Resources owned or held by a government which have monetary value.

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. The difference between a note and a bond is that the latter runs for a longer period of time and requires greater legal formality.

BUDGET. A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating body for adoption and sometimes the plan finally approved by that body. It is usually necessary to specify whether the budget under consideration is preliminary and tentative or whether it has been approved by the appropriating body. See ANNUAL BUDGET, CAPITAL BUDGET, and CAPITAL PROGRAM.

BUDGET DOCUMENT. The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body. The budget document usually consists of three parts. The first part contains a message from the budget-making authority, together with a summary of the proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. These schedules show in detail the information as to past year's actual revenues, expenditures, and other data used in making the estimates.

BUDGET MESSAGE. A discussion of the proposed budget as presented in writing by the budget-making authority to the legislative body. The budget message should contain an explanation of the principal budget items, an outline of the government's experience during the past period and its financial status at the time of the message, and recommendations regarding the financial policy for the coming period.

BUDGETARY COMPARISONS. Governmental GAAP financial reports must include comparisons of approved budgeted amounts with actual results of operations. Such reports should be subjected to an independent audit, so that all parties involved in the annual operating budget/legal appropriation process are provided with assurances that the government monies are spent in accordance with the mutually agreed-upon budgetary plan.

CAPITAL BUDGET. A plan of proposed capital outlays and the means of financing them.

CAPITAL OUTLAYS. Expenditures which result in the acquisition of or addition to fixed assets.

CAPITAL PROGRAM. A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

CAPITAL PROJECTS FUND. A fund created 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. An asset account reflecting currency, coin, checks, postal and express money orders, and banker's drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits. All cash must be accounted for as a part of the fund to which it belongs. Any restrictions or limitations as to its availability must be indicated in the records and statements. It is not necessary, however, to have a separate bank account for each fund unless required by law.

CASH BASIS. A basis of accounting under which transactions are recognized only when cash changes funds.

COVERAGE. The ratio of net revenue available for debt services to the average annual debt service requirements of an issue of revenue bonds. See NET REVENUE AVAILABLE FOR DEBT SERVICE.

CURRENT. A term which, applied to budgeting and accounting, designates the operations of the present fiscal period as opposed to past or future periods. It usually connotes items likely to be used up or converted into cash within one year.

CURRENT TAXES. Taxes levied and becoming due within one year.

DEBT. An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants, notes, and floating debt.

DEBT LIMIT. The maximum amount of gross or net debt which is legally permitted.

DEBT SERVICE FUND. A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Formerly called a SINKING FUND.

DEBT SERVICE FUND REQUIREMENT. The amounts of revenue which must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.

DELINQUENT TAXES. Taxes remaining unpaid on and after the date on which a penalty for nonpayment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or canceled, the unpaid balances continue to be delinquent taxes until abated, canceled, paid or converted into tax liens.

DEPRECIATION. (1) Expiration in the services life of fixed assets, other than wasting assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy, an obsolescence. (2) The portion of the cost of a fixed asset other than a wasting asset which is charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

ENCUMBRANCES. Commitments related to unperformed (executor) contracts for goods or services.

ENTERPRISE FUND. A fund established to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Examples of Enterprise Funds are those for water, gas, and electric utilities; swimming pools; airports; parking garages; and solid waste collection and disposal.

EXPENDITURES. Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays. The unmodified use of the term expenditures in this text is intended to mean budgetary expenditure.

EXPENSES. Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

FISCAL PERIOD. Any period at the end of which government determines its financial position and the results of its operations.

FISCAL YEAR. A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

FIXED ASSETS. Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

FRANCHISE. A special privilege granted by a government permitting the continuing use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

FULL FAITH AND CREDIT. A pledge of the general taxing power for the payment of debt obligations. Bonds carrying such pledges are referred to as general obligation bonds or full faith and credit bonds.

FUND. A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE. The fund equity of governmental funds and Trust Funds.

FUND TYPE. In governmental accounting, all funds are classified into eight generic fund types: General, Special Revenue, Debt Service, Capital Projects, Special Assessment, Enterprise, Internal Service, and Trust and Agency.

GENERAL FUND. The fund used to account for all financial resources except those required to be accounted for in another fund.

GENERAL LONG-TERM DEBT. Long-term debt (other than special assessment bonds) expected to be repaid from governmental funds.

GENERALLY ACCEPTED ACCOUNTING PRINCIPALS (GAAP). Uniform minimum standards of and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by

which to measure financial operations. The primary authoritative statement on the application of GAAP to state and local governments is NCGA Statement 1. Every government should prepare and publish financial statements in conformity with GAAP. The objectives of governmental GAAP financial reports are different from, and much broader than, the objectives of business enterprise GAAP financial reports.

GENERAL OBLIGATION BONDS. Bonds for the payment of which the full faith and credit of the issuing government are pledged.

GENERAL REVENUE. The revenues of a government other than those derived from and retained in an enterprise. If a portion of the net income in an Enterprise Fund is contributed to another nonenterprise fund, such as the General Fund, the amounts transferred constitute general revenue of the government.

GOVERNMENTAL ACCOUNTING. The composite activity of analyzing, recording summarizing, reporting, and interpreting the financial transactions of governments.

GRANTS. Contributions of gifts of cash or other assets from another government to be used or expanded for a specified purpose, activity, or facility.

GROSS BONDED DEBT. The total amount of direct debt of a government represented by outstanding bonds before deduction of any assets available and earmarked for their retirement.

IMPROVEMENTS. Buildings, other structures, and other attachments or annexations to land which are intended to remain so attached or annexed, such as sidewalks, trees, drives, tunnels, drains, and sewers. Sidewalks, curbing, sewers, and highways are sometimes referred to as "betterment's," but the term "improvements" is preferred.

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

INTERNAL CONTROL. A plan of organization under which employees' duties are so arranged and records and procedures so designed as to make it possible to exercise effective accounting control over assets, liabilities, revenues, and expenditures. Under such a system, the work of employees is subdivided so that no single employee performs a complete cycle of operations. Thus, for example, an employee handling cash would not post the accounts receivable records. Moreover, under such a system, the procedures to be followed are definitely laid down and require proper

authorizations by designated officials for all actions to be taken.

INTERNAL SERVICE FUND. A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

LEVY. (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or service charges imposed by a government.

LIABILITIES. Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.

MACHINERY AND EQUIPMENT. Tangible property of a more or less permanent nature, other than land or buildings and improvements thereon. Examples are machinery, tools, trucks, cars, furniture, and furnishings.

MUNICIPAL. In its broadest sense, an adjective which denotes the state and all subordinate units of government. In a more restricted sense, an adjective which denotes a city or village as opposed to other local governments.

NET BONDED DEBT. Gross bonded debt less any cash or other assets available and earmarked for its retirement.

NET REVENUES AVAILABLE FOR DEBT SERVICE. Proprietary fund gross operating revenues less operating and maintenance expenses but exclusive of depreciation and bond interest. "Net revenue available for debt service" as thus defined is used to compute "coverage" on revenue bond issues. See **COVERAGE**. Under the laws of some states and the provisions of some revenue bond indentures, "net revenues available for debt service" for computation of revenue bond coverage must be computed on a cash basis rather than in conformity with GAAP.

OBJECT. As used in expenditure classification, this term applies to the article purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples are personal services, contractual services, materials, and supplies.

OBJECT TOTAL. Expenditures classification according to the types of items purchased or services obtained; for example, personal services, materials, supplies, and equipment.

OBLIGATIONS. Amounts which a government may be required legally to meet out of its resources. They include not only actual liabilities, but also unliquidated encumbrances.

OPERATING BUDGET. Plans of current expenditures and the proposed means of financing them. The annual operating budget (or, in the case of some state governments, the biennial operating budget) is the primary means by which most of the financing acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Even where not required by law, however, annual operating budgets are essential to sound management and should be adopted by every government.

ORDINANCE. A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Ordinarily, the statutes or charter will specify or imply those legislative actions which must be by ordinance and those which may be by resolution. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances. See **RESOLUTION**.

OUTLAYS. Synonymous with **EXPENDITURES**.

PRIOR YEAR'S TAX LEVIES. Taxes levied for fiscal periods preceding the current one.

PROPRIETARY ACCOUNTS. Those accounts which show actual financial position and results of operations, such as actual asset liabilities, fund equity balances, revenues, expenditures, and expenses as distinguished from budgetary accounts.

REIMBURSEMENTS. (1) Repayments of amounts remitted on behalf of another party. (2) Interfund transactions which constitute reimbursements of a fund for expenditures or expenses initially made from it which are properly applicable to another fund-e.g., an expenditure properly chargeable to a Special Revenue Fund was initially made from the General Fund, which is subsequently reimbursed. They are recorded as expenditures or expenses (as appropriate) in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed.

RESERVE. (1) An account used to earmark a portion of a fund balance to indicate that it is not appropriate for

expenditure; and (2) an account used to earmark a portion of fund equity as legally segregated for a specific future use.

RESOLUTION. A special or temporary order of a legislative body; and order of a legislative body requiring less legal formality than an ordinance or statute. See **ORDINANCE**.

RETAINED EARNINGS. An equity account reflecting the accumulated earnings of an Enterprise or Internal Service Fund.

REVENUE BONDS. Bonds whose principal and interest are payable exclusively from earnings of an Enterprise Fund. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the Enterprise Fund's property.

REVENUES. (1) Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers. Under NCGA Statement 1, general long-term debt proceeds and operating transfers-in are classified as "other financing sources" rather than revenues. (2) Increases in proprietary fund type net total assets from other than expense refunds, capital contributions, and residual equity transfers. Under NCGA Statement 1, operating transfers-in are classified separately from revenues.

STATISTICAL TABLES. Financial presentations included in the Statistical Section of the CAFR which provide detailed data on the physical, economic, social, and political characteristics of the reporting government. They are intended to provide CAFR users with a broader

and more complete understanding of the government and its financial affairs than is possible from the basic financial statements and supporting schedules included in the Financial Section. Statistical tables usually cover more than two fiscal years and often present data from outside the accounting records. In contrast to Financial Section Information, therefore, Statistical Section data are not usually susceptible to independent audit.

SELF-SUPPORTING or LIQUIDATING DEBT. Debt obligations whose principal and interest are payable solely from the earnings of the enterprise for the construction or improvement of which they were originally issued.

TAX LEVY ORDINANCE. An ordinance by means of which taxes are levied.

TAX RATE. The amount of tax stated in terms of a unit of the tax base; for example, 25 cents per \$100 of assessed valuation of taxable property.

TAXES. Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

UNALLOTTED BALANCE OF APPROPRIATION. An appropriation balance available for allotment.