



# City of Palestine, Texas

## City Annual Budget Fiscal Year 2011

For the Fiscal Year  
October 1, 2010 to September 30, 2011

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# City of Palestine, Texas

## City Annual Budget

### City Mayor

Bob Herrington

### Members of Council

Position 1 - Adam Harding

Position 2 - Vernon Denmon Jr.

Position 3 - Vickey Chivers

Position 4 - James H. Yelverton

Position 5 - Andrea Baird

Position 6 - Steve Presley

### City Manager

R. Dale Brown

### Finance Director

Robert T. Pennington

For the Fiscal Year  
October 1, 2010 to September 30, 2011

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# City of Palestine

R. Dale Brown  
City Manager

Robert T. Pennington  
Finance Director

September 13, 2010

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

Dear Mayor and City Council:

The Finance Department under the direction of the City Manager is 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, 2010 and ending September 30, 2011. 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.

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.

This document is a product of five months of preparation and prior to this finished document, a workbook was formed as the detailed justification for the final and approved budget. You have received presentations by members of city staff and understand the needs of the community exceed the funding. However this budget is presented without raising the tax rate and without reducing services.

We look forward to another successful year and offer our gratitude to Council in helping shape the development of this year's budget. It shows how much can be accomplished when a hard working council is eager to see this great city shine though tough economic times.

Respectfully submitted,

Robert T. Pennington  
Finance Director

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**CITY OF PALESTINE  
FOR FISCAL YEAR 2010-11**

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**INTRODUCTION TO THE BUDGET**

## 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**

## TAX ORDINANCE

AN ORDINANCE PROVIDING FOR THE ASSESSMENT, LEVY, AND COLLECTION OF AD VALOREM TAXES BY THE CITY OF PALESTINE, TEXAS, FOR THE YEAR 2010; 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 30, 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 \$0.534841 to fund maintenance and operation expenditures, and \$0.104159 for debt service; and

WHEREAS, public hearings were held at a meeting of said City Council on August 30, 2010 and September 7, 2010, 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 13th day of September, 2010, 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 2010 tax rate ordinance for the City of Palestine, Texas:

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

1. The facts and recitals set forth in the preamble to this Ordinance are hereby found to be true and correct.
2. There is hereby levied by the City of Palestine, Texas, for the tax year 2010 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: **\$0.534841**
  - 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: **\$0.104159**
3. All ad valorem taxes levied hereby shall be due and payable on or before January 31, 2011. All ad valorem taxes due the City of Palestine, Texas, for the year 2010 not paid before January 31, 2011 shall bear penalty and interest as prescribed by the Texas Property Tax Code.
4. THIS TAX RATE WILL NOT RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL LOWER TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$60.13.
5. 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 regular meeting held on this the 13th day of September, 2010.

## PROPERTY TAX RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS, TO RATIFY THE PROPERTY TAX INCREASE AS REFLECTED IN THE 2010/2011 CITY OF PALESTINE BUDGET.

WHEREAS, the City Council of the City of Palestine, Texas, has adopted a budget for Fiscal Year 2010/2011 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

## BUDGET ORDINANCE

AN ORDINANCE APPROVING AND ADOPTING THE BUDGET OF THE CITY OF PALESTINE, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010; MAKING APPROPRIATIONS AS REFLECTED IN SAID BUDGET; AND MAKING FINDINGS RELATING TO THE BUDGET.

WHEREAS, on the 11th day of August, 2010, the City Manager filed with the City Secretary a proposed budget of the City of Palestine for the fiscal year 2010-2011; 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 30<sup>th</sup> day of August, 2010, 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:

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 2010/2011 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 13th day of September, 2010.

1. The facts and recitals set forth in the preamble to this Ordinance are hereby found to be true and correct.
2. 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.
3. 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.
4. 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 regular meeting held on this the 13<sup>th</sup> day of September, 2010.

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**PERSONNEL ALLOCATION**

## City of Palestine Personnel Allocation

| Position                             | FYE 06      | FYE 07      | FYE 08      | FYE 09      | FYE 10      | FYE 11      |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| City Manager                         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Administrative Assistant             | 2.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| City Secretary                       | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Human Resource Manager               | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Main Street Manager                  | 1.0         | 1.0         | 1.0         | 1.0         | 0.0         | 0.0         |
| <b>Total Administration:</b>         | <b>6.0</b>  | <b>5.0</b>  | <b>5.0</b>  | <b>5.0</b>  | <b>4.0</b>  | <b>4.0</b>  |
| Finance Director                     | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Accountant I                         | 0.0         | 1.0         | 1.0         | 1.0         | 0.0         | 0.0         |
| Accounting Clerk I                   | 1.0         | 0.0         | 0.0         | 0.0         | 1.0         | 0.0         |
| Accounting Clerk II                  | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 2.0         |
| Administrative Assistant             | 1.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Assistant Finance Director           | 1.0         | 1.0         | 1.0         | 0.0         | 0.0         | 1.0         |
| Senior Accountant                    | 0.0         | 0.0         | 0.0         | 1.0         | 1.0         | 0.0         |
| Purchasing Agent                     | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Warehouse Specialist                 | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 0.0         |
| City Marshall                        | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Court Administrator                  | 1.0         | 0.0         | 0.0         | 1.0         | 1.0         | 1.0         |
| Court Judge                          | 0.0         | 0.0         | 0.0         | 0.5         | 0.5         | 0.5         |
| Court Prosecutor                     | 0.0         | 0.0         | 0.0         | 0.5         | 0.5         | 0.5         |
| Court Clerk                          | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         | 2.0         |
| Court Clerk I                        | 1.0         | 1.0         | 1.0         | 1.0         | 0.0         | 0.0         |
| Court Clerk II                       | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 0.0         |
| Court/Customer Service Administrator | 0.0         | 1.0         | 1.0         | 0.0         | 0.0         | 0.0         |
| Court Bailiff                        | 0.0         | 0.0         | 0.0         | 0.5         | 0.0         | 0.0         |
| Customer Service Coordinator         | 0.0         | 1.0         | 1.0         | 0.0         | 0.0         | 0.0         |
| Customer Service Manager             | 1.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Customer Service Supervisor          | 0.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Meter Reader                         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         |
| Casher Clerk                         | 2.0         | 1.0         | 1.0         | 2.0         | 2.0         | 2.0         |
| Casher Clerk I (part-time)           | 0.0         | 0.5         | 0.5         | 0.5         | 0.5         | 0.0         |
| Cashier Clerk II                     | 0.0         | 1.0         | 1.0         | 0.0         | 0.0         | 0.0         |
| Utility Billing Clerk                | 1.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| <b>Total Finance:</b>                | <b>17.0</b> | <b>16.5</b> | <b>16.5</b> | <b>17.0</b> | <b>16.5</b> | <b>15.0</b> |
| Public Safety Director               | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         |
| Operations Chief                     | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 2.0         |
| Police Chief                         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 0.0         |
| Fire Chief                           | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 0.0         |
| Administrative Assistant             | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         |
| Animal Control Officer               | 0.0         | 0.0         | 0.0         | 2.0         | 2.0         | 2.0         |
| Assistant Police Chief               | 1.0         | 1.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Dispatch Supervisor                  | 0.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Dispatcher                           | 5.0         | 4.0         | 4.0         | 5.0         | 6.0         | 6.0         |
| Dispatcher (part-time)               | 0.0         | 0.0         | 1.0         | 0.5         | 0.5         | 0.5         |
| Emergency Manager                    | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Fire Battalion Chief                 | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         |
| Fire Captain                         | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         |
| Fire Driver                          | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         |
| Fire Lieutenant                      | 6.0         | 6.0         | 6.0         | 6.0         | 6.0         | 6.0         |
| Fire Marshall                        | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 0.0         |
| Firefighter                          | 21.0        | 21.0        | 21.0        | 21.0        | 21.0        | 21.0        |
| Police Corporal                      | 5.0         | 5.0         | 4.0         | 1.0         | 1.0         | 1.0         |
| Police Lieutenant                    | 1.0         | 1.0         | 2.0         | 2.0         | 2.0         | 1.0         |
| Police Officer                       | 22.0        | 22.0        | 22.0        | 29.0        | 29.0        | 29.0        |
| Police Record Clerk                  | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Police Sergeant                      | 7.0         | 7.0         | 7.0         | 5.0         | 5.0         | 5.0         |
| Property Room Technician             | 0.0         | 0.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Property Room Technician (part-time) | 0.5         | 0.5         | 0.5         | 0.0         | 0.0         | 0.0         |
| <b>Total Public Safety:</b>          | <b>84.5</b> | <b>84.5</b> | <b>85.5</b> | <b>89.5</b> | <b>90.5</b> | <b>89.5</b> |



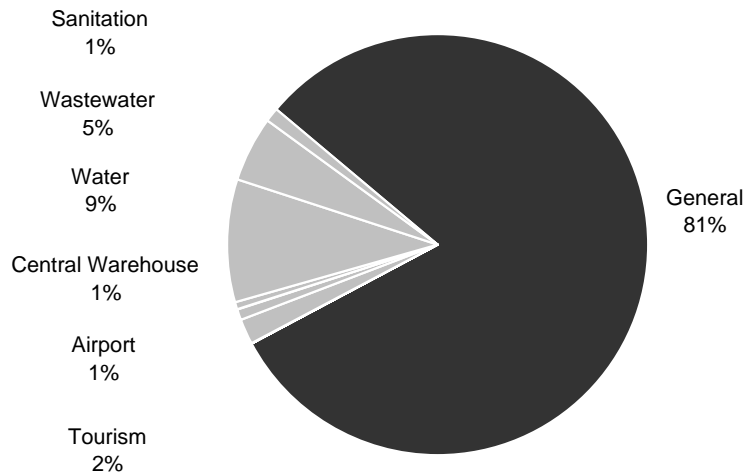
| Position                                | FYE 06      | FYE 07      | FYE 08      | FYE 09      | FYE 10      | FYE 11      |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Public Works Director                   | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Administrative Assistant                | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Airport Attendant (part-time)           | 0.0         | 0.0         | 0.5         | 0.5         | 0.5         | 0.5         |
| Airport Services Supervisor             | 0.0         | 0.0         | 1.0         | 1.0         | 1.0         | 0.0         |
| Airport Manager                         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         |
| Engineering Technician I                | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Engineering Technician II               | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Equipment Operator                      | 2.0         | 2.0         | 2.0         | 2.0         | 4.0         | 4.0         |
| Fleet Maintenance Supervisor            | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Heavy Equipment Operator                | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         |
| Public Works Inspector                  | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Street Maintenance (seasonal part-time) | 0.0         | 0.0         | 0.5         | 0.5         | 0.5         | 0.5         |
| Streets Supervisor                      | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Traffic Sign Specialist                 | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Truck Driver                            | 3.0         | 2.0         | 3.0         | 3.0         | 2.0         | 2.0         |
| Vehicle Service Specialist              | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         |
| <b>Total Public Works:</b>              | <b>17.0</b> | <b>16.0</b> | <b>19.0</b> | <b>19.0</b> | <b>20.0</b> | <b>20.0</b> |
| Utilities Director                      | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Crew Leader                             | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         |
| Equipment Operator                      | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         |
| Heavy Equipment Operator                | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Lab Technician / IPT                    | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Utility Maintenance Supervisor          | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Utility Maintenance Worker              | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         |
| Plant Mechanic II                       | 0.0         | 0.0         | 0.0         | 1.0         | 1.0         | 1.0         |
| Industrial Pretreatment Coordinator     | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         | 1.0         |
| Water Plant Operator                    | 6.0         | 6.0         | 6.0         | 6.0         | 6.0         | 6.0         |
| Wastewater Plant Operator               | 2.0         | 2.0         | 2.0         | 2.0         | 1.0         | 1.0         |
| Water Utility Specialist                | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Wastewater Plant Supervisor             | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Water Plant Supervisor                  | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| <b>Total Utilities:</b>                 | <b>22.0</b> | <b>22.0</b> | <b>22.0</b> | <b>23.0</b> | <b>23.0</b> | <b>23.0</b> |
| Community Services Director             | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         | 1.0         |
| Crew Leader                             | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         |
| Custodian                               | 2.5         | 3.0         | 3.0         | 3.0         | 3.0         | 2.0         |
| Events Coordinator                      | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Facility Manager                        | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         |
| Visitor Center Greeter (part-time)      | 0.0         | 0.5         | 0.5         | 1.0         | 2.0         | 2.0         |
| Librarian Aide (part-time)              | 0.0         | 0.0         | 0.5         | 0.5         | 0.5         | 0.0         |
| Librarian I                             | 3.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         |
| Librarian II                            | 2.0         | 3.0         | 3.0         | 3.0         | 4.0         | 4.0         |
| Library Assistant                       | 4.0         | 4.0         | 4.0         | 4.0         | 3.0         | 3.0         |
| Library Director                        | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         | 1.0         |
| Library Page                            | 0.0         | 0.0         | 0.0         | 0.5         | 0.5         | 0.5         |
| Park Maintenance (seasonal part-time)   | 5.0         | 5.0         | 5.0         | 5.0         | 5.0         | 5.0         |
| Parks Maintenance Worker                | 4.0         | 4.0         | 4.0         | 4.0         | 4.0         | 4.0         |
| Parks Supervisor                        | 1.0         | 1.0         | 1.0         | 1.0         | 0.0         | 0.0         |
| Sr. Library Assistant                   | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         |
| Tourism Director                        | 1.0         | 1.0         | 1.0         | 1.0         | 0.0         | 0.0         |
| <b>Total Community Services:</b>        | <b>28.5</b> | <b>29.5</b> | <b>30.0</b> | <b>31.0</b> | <b>31.0</b> | <b>30.5</b> |
| Economic Development Director           | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         | 1.0         |
| Administrative Assistant                | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         | 0.0         |
| Economic Development Coordinator        | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         |
| Marketing Manager                       | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         | 1.0         |
| Main Street Coordinator                 | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         |
| Main Street Manager                     | 0.0         | 0.0         | 0.0         | 0.0         | 1.0         | 0.0         |
| <b>Total Economic Development:</b>      | <b>0.0</b>  | <b>0.0</b>  | <b>0.0</b>  | <b>0.0</b>  | <b>4.0</b>  | <b>4.0</b>  |

| Position                           | FYE 06       | FYE 07       | FYE 08       | FYE 09       | FYE 10       | FYE 11       |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Development Services Director      | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Administrative Assistant           | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Customer Service Coordinator       | 0.0          | 0.0          | 0.0          | 1.0          | 0.0          | 0.0          |
| Receptionist                       | 0.0          | 0.0          | 0.0          | 0.0          | 1.0          | 1.0          |
| Animal Control Officer             | 1.0          | 1.0          | 1.0          | 0.0          | 0.0          | 0.0          |
| Animal Control Officer (part-time) | 0.0          | 0.0          | 0.5          | 0.0          | 0.0          | 0.0          |
| Inspector/Code Officer             | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          |
| <b>Total Development Services:</b> | <b>7.0</b>   | <b>7.0</b>   | <b>7.5</b>   | <b>7.0</b>   | <b>7.0</b>   | <b>7.0</b>   |
| <b>Total City:</b>                 | <b>182.0</b> | <b>180.5</b> | <b>185.5</b> | <b>191.5</b> | <b>196.0</b> | <b>193.0</b> |

### City of Palestine Personnel Allocation by Fund

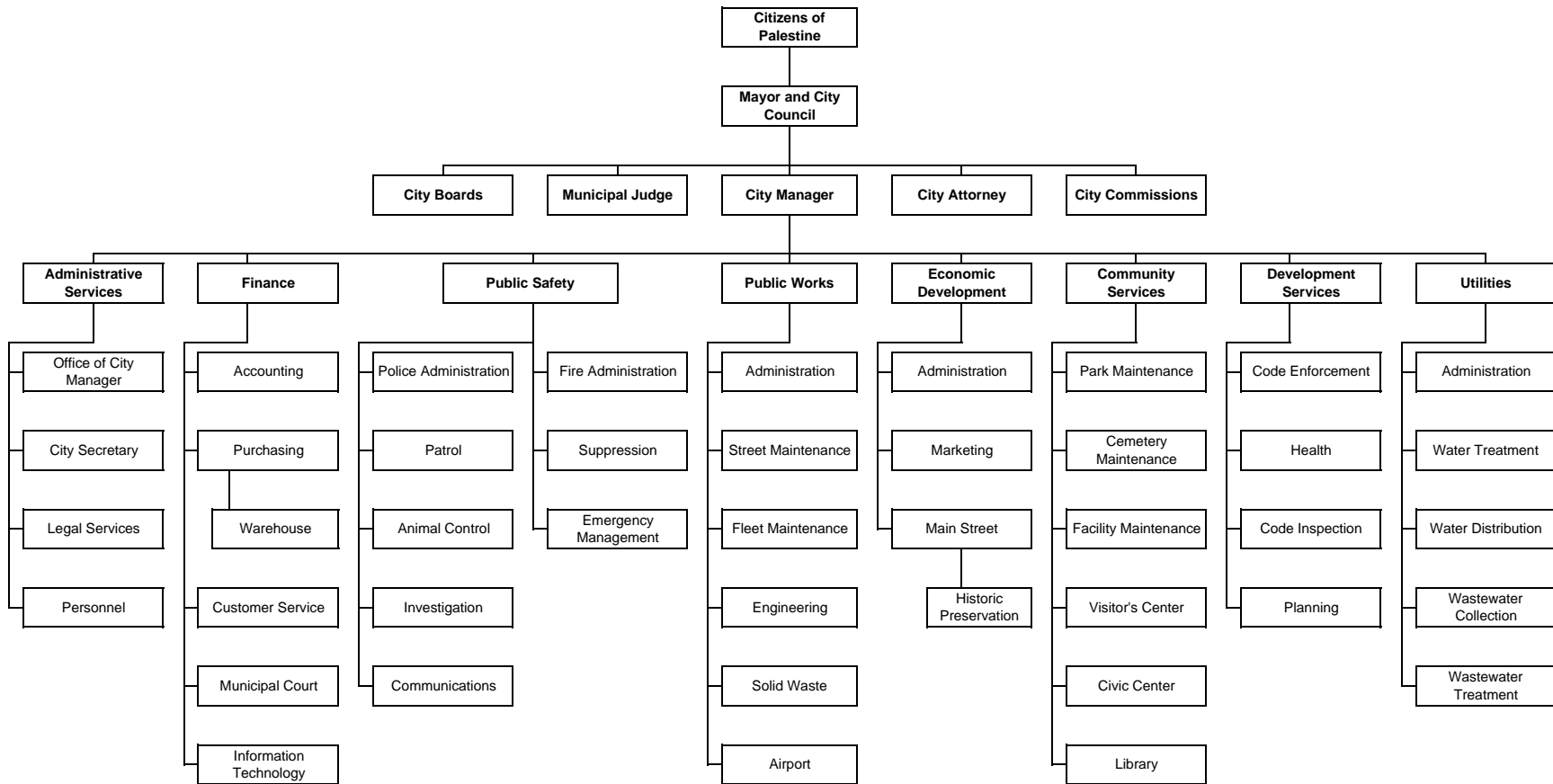
| FUND               | FYE 06       | FYE 07       | FYE 08       | FYE 09       | FYE 10       | FYE 11       |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| General Fund       | 148.5        | 145.5        | 149.0        | 154.0        | 163.0        | 156.5        |
| Tourism            | 2.5          | 3.5          | 3.5          | 4.0          | 0.0          | 4.0          |
| Airport            | 0.0          | 0.0          | 1.5          | 1.5          | 1.5          | 1.5          |
| Court Security     | 0.0          | 0.0          | 0.0          | 0.5          | 0.0          | 0.0          |
| Central Warehouse  | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Water              | 19.5         | 20.5         | 19.5         | 18.5         | 18.5         | 18.0         |
| Wastewater         | 11.5         | 11.0         | 10.0         | 10.0         | 10.0         | 10.0         |
| Sanitation         | 1.0          | 0.0          | 2.0          | 2.0          | 2.0          | 2.0          |
| <b>Total City:</b> | <b>184.0</b> | <b>181.5</b> | <b>186.5</b> | <b>191.5</b> | <b>196.0</b> | <b>193.0</b> |

### PERSONNEL ALLOCATION BY FUND



# CITY OF PALESTINE ORGANIZATIONAL CHART

FISCAL YEAR ENDING 2011



**CITY OF PALESTINE  
EMPLOYEE GRADE AND STEP SCHEDULE  
OCTOBER 1, 2010**

| 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    |
| <b>PART TIME</b>              | <b>10</b>                |             |       |       | 7.25  | 8.00  | 9.50  | 11.67 | 12.20 | 12.57 | 15.00 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| <b>MAINTENANCE</b>            | <b>11</b>                | 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 |
|                               | <b>12</b>                | 10.74       | 10.90 | 11.06 | 11.23 | 11.40 | 11.57 | 11.74 | 11.92 | 12.10 | 12.28 | 12.46 | 12.65 | 12.84 | 13.03 | 13.23 | 13.43 | 13.63 | 13.83 | 14.04 | 14.25 | 14.47 | 14.68 | 14.90 | 15.13 |
|                               | <b>13</b>                | 12.61       | 12.80 | 12.99 | 13.19 | 13.38 | 13.58 | 13.79 | 14.00 | 14.21 | 14.42 | 14.63 | 14.85 | 15.08 | 15.30 | 15.53 | 15.77 | 16.00 | 16.24 | 16.49 | 16.73 | 16.98 | 17.24 | 17.50 | 17.76 |
|                               | <b>14</b>                | 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 |
| <b>SUPPORT</b>                | <b>21</b>                | 10.42       | 10.58 | 10.73 | 10.90 | 11.06 | 11.23 | 11.39 | 11.56 | 11.74 | 11.91 | 12.09 | 12.27 | 12.46 | 12.65 | 12.83 | 13.03 | 13.22 | 13.42 | 13.62 | 13.83 | 14.03 | 14.24 | 14.46 | 14.68 |
|                               | <b>22</b>                | 11.43       | 11.60 | 11.78 | 11.95 | 12.13 | 12.31 | 12.50 | 12.69 | 12.88 | 13.07 | 13.26 | 13.46 | 13.67 | 13.87 | 14.08 | 14.29 | 14.50 | 14.72 | 14.94 | 15.17 | 15.39 | 15.63 | 15.86 | 16.10 |
|                               | <b>23</b>                | 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 |
|                               | <b>24</b>                | 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 |
| <b>PROFESSIONAL/TECHNICAL</b> | <b>31</b>                | 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 |
|                               | <b>32</b>                | 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 |
|                               | <b>33</b>                | 18.21       | 18.48 | 18.76 | 19.04 | 19.33 | 19.62 | 19.91 | 20.21 | 20.51 | 20.82 | 21.13 | 21.45 | 21.77 | 22.10 | 22.43 | 22.77 | 23.11 | 23.45 | 23.81 | 24.16 | 24.53 | 24.89 | 25.27 | 25.65 |
|                               | <b>34</b>                | 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 |
| <b>FIRE</b>                   | FIRE RECRUIT             | <b>41</b>   | 8.05  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | PROBATIONARY FIREFIGHTER | <b>42</b>   | 10.00 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | FIREFIGHTER              | <b>43</b>   | 11.08 | 11.63 | 11.63 | 12.22 | 12.22 | 12.82 | 12.82 | 13.46 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | DRIVER                   | <b>44</b>   | 12.07 | 12.07 | 12.68 | 12.68 | 13.32 | 13.32 | 13.99 | 13.99 | 14.67 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | LIEUTENANT               | <b>45</b>   | 13.59 | 13.59 | 14.27 | 14.27 | 14.98 | 14.98 | 15.73 | 15.73 | 16.51 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | CAPTAIN                  | <b>46</b>   | 15.26 | 15.26 | 16.04 | 16.04 | 16.84 | 16.84 | 17.67 | 17.67 | 18.56 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | BATTALION CHIEF/TRAINING | <b>47</b>   | 17.17 | 17.17 | 18.03 | 18.03 | 18.93 | 18.93 | 19.90 | 19.90 | 20.87 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | FIRE MARSHAL             | <b>48</b>   | 22.75 | 22.75 | 22.89 | 22.89 | 25.08 | 25.08 | 26.36 | 26.36 | 27.65 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| <b>POLICE</b>                 | CADET                    | <b>50</b>   | 14.50 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | PROBATIONARY OFFICER     | <b>51</b>   | 15.54 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | PATROL OFFICER           | <b>52</b>   | 16.29 | 17.10 | 17.10 | 17.96 | 17.96 | 18.86 | 18.86 | 19.80 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | CORPORAL                 | <b>53</b>   | 19.72 | 19.72 | 20.71 | 21.74 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | SERGEANT                 | <b>54</b>   | 21.35 | 21.35 | 22.42 | 22.42 | 22.42 | 22.42 | 23.54 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | LIEUTENANT               | <b>55</b>   | 24.63 | 24.63 | 25.86 | 25.86 | 27.15 | 27.15 | 28.51 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | ASSISTANT POLICE CHIEF   | <b>56</b>   | 28.32 | 29.12 | 29.95 | 30.80 | 31.68 | 32.58 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|                               | <b>SUPERVISORY</b>       | <b>61</b>   | 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 |
| <b>62</b>                     |                          | 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 |
| <b>63</b>                     |                          | 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 |
| <b>64</b>                     |                          | 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 |
| <b>YEARLY SALARY</b>          |                          |             |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| PROSECUTOR                    | <b>6901</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| MUNICIPAL JUDGE 1             | <b>6902</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| MUNICIPAL JUDGE 2             | <b>6903</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| <b>ADMINISTRATIVE</b>         |                          |             |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| CITY SECRETARY                | <b>7101</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| ECON. DEVELOPEMENT DIRECTOR   | <b>7201</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| DEVELOPMENT SERVICES DIR.     | <b>7301</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| UTILITIES DIRECTOR            | <b>7401</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| LIBRARY DIRECTOR              | <b>7501</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| COMMUNITY SERVICES DIR.       | <b>7502</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| FINANCE DIRECTOR              | <b>7701</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| PUBLIC WORKS DIRECTOR         | <b>7801</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| PUBLIC SAFETY DIRECTOR        | <b>8001</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| FIRE OPERATIONS CHIEF         | <b>8002</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| POLICE OPERATIONS CHIEF       | <b>8003</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| <b>EXECUTIVE</b>              |                          |             |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| CITY MANAGER                  | <b>9001</b>              | OPEN SALARY |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |

## 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)<br>Waste Water Treatment or Class II Collection (C-Certificate)   | \$ 40.00          |
| Level Three:    | Police Dispatcher Basic Certification<br>Fire Department EMT - Intermediate<br>Court Clerk Certification<br>Police Department Basic Peace Officer License  | \$ 50.00          |
| Level Four:     | Water Treatment or Distribution (B-Certificate)<br>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<br>Police Department Criminal Investigation Division<br>Fire Department Intermediate License<br>Fire Department Paramedic License<br>Police Department Advanced Dispatcher Certification<br>Water Treatment Plant (A-Certification)<br>Waste Water Treatment Plant (A-Certification)<br>Code Enforcement License<br>Building Inspection Plan Review<br>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<br>Polygraph Examiner  | \$ 200.00         |
| Level Ten:      | Fire Department Master Certification<br>Police Department Advanced Peace Officer   | \$ 250.00         |
| Level Eleven:   | Police Department Master Peace Officer License   | \$ 350.00         |

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**BUDGET SUMMARY**

**CITY OF PALESTINE  
COMBINED SUMMARY OF GENERAL OPERATION REVENUES AND EXPENDITURES**

|                                  | General<br>Fund      | Debt<br>Service     | Special Revenue Funds |                    | Perpetual<br>Cemetery |
|----------------------------------|----------------------|---------------------|-----------------------|--------------------|-----------------------|
|                                  |                      |                     | Hotel                 | Airport            |                       |
| <b>BEGINNING BALANCE</b>         | \$ 1,299,621         | \$ 107,157          | \$ 76,767             | \$ (80,068)        | \$ 141,321            |
| <b>REVENUES</b>                  |                      |                     |                       |                    |                       |
| Ad valorem and related tax       | \$ 5,022,305         | \$ 948,089          | \$ -                  | \$ -               | \$ -                  |
| Sales and related tax            | 4,930,000            | -                   | 375,000               | -                  | -                     |
| Franchise tax                    | 1,172,000            | -                   | -                     | -                  | -                     |
| Licenses and fees                | 19,900               | -                   | -                     | -                  | 5,000                 |
| Permits                          | 193,600              | -                   | -                     | -                  | -                     |
| Fines and penalties              | 472,600              | -                   | -                     | -                  | -                     |
| Rental income                    | 6,000                | -                   | 28,000                | 38,000             | -                     |
| Service fees                     | 10,300               | -                   | -                     | -                  | -                     |
| Intergovernmental                | 276,237              | -                   | -                     | -                  | -                     |
| Interest and other income        | 138,000              | 300                 | 1,000                 | 344,100            | 500                   |
| <b>TOTAL REVENUES</b>            | <b>\$ 12,240,942</b> | <b>\$ 948,389</b>   | <b>\$ 404,000</b>     | <b>\$ 382,100</b>  | <b>\$ 5,500</b>       |
| Transfers from other funds       | \$ 776,583           | \$ -                | \$ -                  | \$ -               | \$ -                  |
| <b>TOTAL AVAILABLE RESOURCES</b> | <b>\$ 14,317,146</b> | <b>\$ 1,055,546</b> | <b>\$ 480,767</b>     | <b>\$ 302,032</b>  | <b>\$ 146,821</b>     |
| <b>EXPENDITURES</b>              |                      |                     |                       |                    |                       |
| Administrative services          | \$ 527,148           | \$ -                | \$ -                  | \$ -               | \$ -                  |
| Finance                          | 1,053,933            | -                   | -                     | -                  | -                     |
| Public Safety                    | 6,374,103            | -                   | -                     | -                  | -                     |
| Public works                     | 1,980,915            | -                   | -                     | 347,446            | -                     |
| Community services               | 1,896,334            | -                   | 231,016               | -                  | -                     |
| Development services             | 589,965              | -                   | -                     | -                  | -                     |
| Economic development             | 317,087              | -                   | 166,602               | -                  | -                     |
| Utilities                        | -                    | -                   | -                     | -                  | -                     |
| Operational services             | 238,000              | -                   | -                     | -                  | -                     |
| Debt Service                     | -                    | 940,589             | -                     | -                  | -                     |
| Capital projects                 | -                    | -                   | -                     | -                  | -                     |
| <b>TOTAL EXPENDITURES</b>        | <b>\$ 12,977,485</b> | <b>\$ 940,589</b>   | <b>\$ 397,618</b>     | <b>\$ 347,446</b>  | <b>\$ -</b>           |
| Transfers to other funds         | \$ -                 | \$ -                | \$ -                  | \$ -               | \$ 1,300              |
| <b>TOTAL</b>                     | <b>\$ 12,977,485</b> | <b>\$ 940,589</b>   | <b>\$ 397,618</b>     | <b>\$ 347,446</b>  | <b>\$ 1,300</b>       |
| <b>ENDING BALANCE</b>            | <b>\$ 1,339,661</b>  | <b>\$ 114,957</b>   | <b>\$ 83,149</b>      | <b>\$ (45,414)</b> | <b>\$ 145,521</b>     |



**CITY OF PALESTINE  
COMBINED SUMMARY OF SPECIAL OPERATION REVENUES AND EXPENDITURES**

|                                  | Municipal Court  |                  | Police<br>Confiscated | Federal<br>Forfeiture | COMBINED<br>TOTAL    |
|----------------------------------|------------------|------------------|-----------------------|-----------------------|----------------------|
|                                  | Security         | Technology       |                       |                       |                      |
| <b>BEGINNING BALANCE</b>         | \$ 22,556        | \$ (600)         | \$ 23,925             | \$ 32,324             | \$ 1,623,003         |
| <b>REVENUES</b>                  |                  |                  |                       |                       |                      |
| Ad valorem and related tax       | \$ -             | \$ -             | \$ -                  | \$ -                  | \$ 5,970,394         |
| Sales and related tax            | -                | -                | -                     | -                     | 5,305,000            |
| Franchise tax                    | -                | -                | -                     | -                     | 1,172,000            |
| Licenses and fees                | -                | -                | -                     | -                     | 24,900               |
| Permits                          | -                | -                | -                     | -                     | 193,600              |
| Fines and penalties              | 8,000            | 10,700           | 500                   | 550                   | 492,350              |
| Rental income                    | -                | -                | -                     | -                     | 72,000               |
| Service fees                     | -                | -                | -                     | -                     | 10,300               |
| Intergovernmental                | -                | -                | -                     | -                     | 276,237              |
| Interest and other income        | -                | -                | -                     | -                     | 483,900              |
| <b>TOTAL REVENUES</b>            | <b>\$ 8,000</b>  | <b>\$ 10,700</b> | <b>\$ 500</b>         | <b>\$ 550</b>         | <b>\$ 14,000,681</b> |
| Transfers from other funds       | -                | -                | -                     | -                     | 776,583              |
| <b>TOTAL AVAILABLE RESOURCES</b> | <b>\$ 30,556</b> | <b>\$ 10,100</b> | <b>\$ 24,425</b>      | <b>\$ 32,874</b>      | <b>\$ 16,400,267</b> |
| <b>EXPENDITURES</b>              |                  |                  |                       |                       |                      |
| Administrative services          | \$ -             | \$ -             | \$ -                  | \$ -                  | \$ 527,148           |
| Finance                          | 4,500            | 10,700           | -                     | -                     | 1,069,133            |
| Public Safety                    | -                | -                | -                     | -                     | 6,374,103            |
| Public works                     | -                | -                | -                     | -                     | 2,328,361            |
| Community services               | -                | -                | -                     | -                     | 2,127,350            |
| Development services             | -                | -                | -                     | -                     | 589,965              |
| Economic development             | -                | -                | -                     | -                     | 483,689              |
| Utilities                        | -                | -                | -                     | -                     | -                    |
| Operational services             | -                | -                | -                     | -                     | 238,000              |
| Debt Service                     | -                | -                | -                     | -                     | 940,589              |
| Capital projects                 | -                | -                | -                     | -                     | -                    |
| <b>TOTAL EXPENDITURES</b>        | <b>\$ 4,500</b>  | <b>\$ 10,700</b> | <b>\$ -</b>           | <b>\$ -</b>           | <b>\$ 14,678,338</b> |
| Transfers to other funds         | -                | -                | -                     | -                     | 1,300                |
| <b>TOTAL</b>                     | <b>\$ 4,500</b>  | <b>\$ 10,700</b> | <b>\$ -</b>           | <b>\$ -</b>           | <b>\$ 14,679,638</b> |
| <b>ENDING BALANCE</b>            | <b>\$ 26,056</b> | <b>\$ (600)</b>  | <b>\$ 24,425</b>      | <b>\$ 32,874</b>      | <b>\$ 1,720,629</b>  |

**CITY OF PALESTINE  
COMBINED SUMMARY OF INTERNAL SERVICE REVENUES AND EXPENDITURES**

|                                  | Central<br>Warehouse | Equipment<br>Replacement | Health<br>Insurance | Flexible<br>Spending | Workers<br>Compensation | Unemployment<br>Fund | I.S. COMBINED<br>TOTAL |
|----------------------------------|----------------------|--------------------------|---------------------|----------------------|-------------------------|----------------------|------------------------|
| <b>BEGINNING BALANCE</b>         | \$ 130,712           | \$ 1,845,968             | \$ (424,919)        | \$ -                 | \$ 269,615              | \$ 467,870           | \$ 2,289,246           |
| <b>REVENUES</b>                  |                      |                          |                     |                      |                         |                      |                        |
| Ad valorem and related tax       | \$ -                 | \$ -                     | \$ -                | \$ -                 | \$ -                    | \$ -                 | \$ -                   |
| Sales and related tax            | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Franchise tax                    | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Licenses and fees                | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Permits                          | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Fines and penalties              | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Rental income                    | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Service fees                     | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Intergovernmental                | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Interest and other income        | -                    | 6,000                    | -                   | 10                   | 300                     | 500                  | 6,810                  |
| <b>TOTAL REVENUES</b>            | <b>\$ -</b>          | <b>\$ 6,000</b>          | <b>\$ -</b>         | <b>\$ 10</b>         | <b>\$ 300</b>           | <b>\$ 500</b>        | <b>\$ 6,810</b>        |
| Transfers from other funds       | \$ 350,750           | \$ 320,873               | \$ 2,240,441        | \$ 40,000            | \$ -                    | \$ -                 | \$ 2,952,064           |
| <b>TOTAL AVAILABLE RESOURCES</b> | <b>\$ 481,462</b>    | <b>\$ 2,172,841</b>      | <b>\$ 1,815,522</b> | <b>\$ 40,010</b>     | <b>\$ 269,915</b>       | <b>\$ 468,370</b>    | <b>\$ 5,248,120</b>    |
| <b>EXPENDITURES</b>              |                      |                          |                     |                      |                         |                      |                        |
| Administrative services          | \$ -                 | \$ -                     | \$ -                | \$ -                 | \$ -                    | \$ -                 | \$ -                   |
| Finance                          | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Public Safety                    | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Public works                     | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Community services               | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Development services             | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Economic development             | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Utilities                        | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Operational services             | 389,990              | 321,773                  | 2,235,000           | 40,010               | 193,500                 | 100,000              | 3,280,273              |
| Debt Service                     | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| Capital projects                 | -                    | -                        | -                   | -                    | -                       | -                    | -                      |
| <b>TOTAL EXPENDITURES</b>        | <b>\$ 389,990</b>    | <b>\$ 321,773</b>        | <b>\$ 2,235,000</b> | <b>\$ 40,010</b>     | <b>\$ 193,500</b>       | <b>\$ 100,000</b>    | <b>\$ 3,280,273</b>    |
| Transfers to other funds         | \$ -                 | \$ -                     | \$ -                | \$ -                 | \$ -                    | \$ -                 | \$ -                   |
| <b>TOTAL</b>                     | <b>\$ 389,990</b>    | <b>\$ 321,773</b>        | <b>\$ 2,235,000</b> | <b>\$ 40,010</b>     | <b>\$ 193,500</b>       | <b>\$ 100,000</b>    | <b>\$ 3,280,273</b>    |
| <b>ENDING BALANCE</b>            | <b>\$ 91,472</b>     | <b>\$ 1,851,068</b>      | <b>\$ (419,478)</b> | <b>\$ -</b>          | <b>\$ 76,415</b>        | <b>\$ 368,370</b>    | <b>\$ 1,967,847</b>    |

**CITY OF PALESTINE  
COMBINED SUMMARY OF ENTERPRISE REVENUES AND EXPENDITURES**

|                                  | Water<br>Fund       | Wastewater<br>Fund  | Sanitation<br>Fund  | Retail<br>Fund     | COMBINED<br>TOTAL   |
|----------------------------------|---------------------|---------------------|---------------------|--------------------|---------------------|
| <b>REVENUES</b>                  |                     |                     |                     |                    |                     |
| Ad valorem tax                   | \$ -                | \$ -                | \$ -                | \$ -               | \$ -                |
| Non-property tax                 | -                   | -                   | -                   | -                  | -                   |
| Franchise tax                    | -                   | -                   | -                   | -                  | -                   |
| Licenses and permits             | -                   | -                   | -                   | -                  | -                   |
| Fines and penalties              | -                   | -                   | -                   | -                  | -                   |
| Rental income                    | -                   | -                   | -                   | 453,658            | 453,658             |
| Service fees                     | 3,045,000           | 3,432,000           | 1,940,000           | -                  | 8,417,000           |
| Intergovernmental                | 8,200               | -                   | -                   | -                  | 8,200               |
| Interest and other income        | 3,000               | 1,000               | 800                 | 250                | 5,050               |
| <b>TOTAL REVENUES</b>            | <b>\$ 3,056,200</b> | <b>\$ 3,433,000</b> | <b>\$ 1,940,800</b> | <b>\$ 453,908</b>  | <b>\$ 8,883,908</b> |
| Transfers from other funds       | \$ 250,000          | \$ -                | \$ -                | \$ 18,750          | \$ 268,750          |
| <b>TOTAL AVAILABLE RESOURCES</b> | <b>\$ 3,306,200</b> | <b>\$ 3,433,000</b> | <b>\$ 1,940,800</b> | <b>\$ 472,658</b>  | <b>\$ 9,152,658</b> |
| <b>EXPENDITURES</b>              |                     |                     |                     |                    |                     |
| Administrative services          | \$ -                | \$ -                | \$ -                | \$ -               | \$ -                |
| Finance                          | -                   | -                   | -                   | -                  | -                   |
| Police                           | -                   | -                   | -                   | -                  | -                   |
| Fire                             | -                   | -                   | -                   | -                  | -                   |
| Public works                     | -                   | -                   | 1,804,100           | -                  | 1,804,100           |
| Community services               | -                   | -                   | -                   | 139,288            | 139,288             |
| Development services             | -                   | -                   | -                   | -                  | -                   |
| Economic development             | -                   | -                   | -                   | -                  | -                   |
| Utilities                        | 2,442,575           | 1,539,752           | -                   | -                  | 3,982,327           |
| Operational services             | 30,800              | 52,500              | 10,000              | -                  | 93,300              |
| Debt Service                     | 385,246             | 1,655,637           | -                   | 125,682            | 2,166,565           |
| Capital projects                 | -                   | -                   | -                   | -                  | -                   |
| <b>TOTAL EXPENDITURES</b>        | <b>\$ 2,858,621</b> | <b>\$ 3,247,889</b> | <b>\$ 1,814,100</b> | <b>\$ 264,970</b>  | <b>\$ 8,185,580</b> |
| Transfers to other funds         | \$ 446,049          | \$ 128,400          | \$ 126,700          | \$ 258,732         | \$ 959,881          |
| <b>TOTAL</b>                     | <b>\$ 3,304,670</b> | <b>\$ 3,376,289</b> | <b>\$ 1,940,800</b> | <b>\$ 523,702</b>  | <b>\$ 9,145,461</b> |
| <b>CHANGE IN FUND BALANCE</b>    | <b>\$ 1,530</b>     | <b>\$ 56,711</b>    | <b>\$ -</b>         | <b>\$ (51,044)</b> | <b>\$ 7,197</b>     |

**CITY OF PALESTINE**  
**COMBINED SUMMARY OF GENERAL CAPITAL IMPROVEMENT REVENUES AND EXPENDITURES**

|                                  | General<br>CIP   | CIP<br>2006 Series | South<br>Pressure Plane | Library<br>CIP | TxDOT Line<br>Relocation | COMBINED<br>TOTAL   |
|----------------------------------|------------------|--------------------|-------------------------|----------------|--------------------------|---------------------|
| <b>BEGINNING BALANCE</b>         | \$ 30,199        | \$ 207,158         | \$ 6,020,000            | \$ -           | \$ 559,825               | \$ 6,817,182        |
| <b>REVENUES</b>                  |                  |                    |                         |                |                          |                     |
| Ad valorem tax                   | \$ -             | \$ -               | \$ -                    | \$ -           | \$ -                     | \$ -                |
| Non-property tax                 | -                | -                  | -                       | -              | -                        | -                   |
| Franchise tax                    | -                | -                  | -                       | -              | -                        | -                   |
| Licenses and permits             | -                | -                  | -                       | -              | -                        | -                   |
| Fines and penalties              | -                | -                  | -                       | -              | -                        | -                   |
| Rental income                    | -                | -                  | -                       | -              | -                        | -                   |
| Service fees                     | -                | -                  | -                       | -              | -                        | -                   |
| Intergovernmental                | -                | -                  | -                       | -              | -                        | -                   |
| Interest and other income        | -                | -                  | 10,000                  | -              | 1,500                    | 11,500              |
| <b>TOTAL REVENUES</b>            | <b>\$ -</b>      | <b>\$ -</b>        | <b>\$ 10,000</b>        | <b>\$ -</b>    | <b>\$ 1,500</b>          | <b>\$ 11,500</b>    |
| Transfers from other funds       | -                | -                  | -                       | -              | 120,227                  | 120,227             |
| <b>TOTAL AVAILABLE RESOURCES</b> | <b>\$ 30,199</b> | <b>\$ 207,158</b>  | <b>\$ 6,030,000</b>     | <b>\$ -</b>    | <b>\$ 681,552</b>        | <b>\$ 6,948,909</b> |
| <b>EXPENDITURES</b>              |                  |                    |                         |                |                          |                     |
| Administrative services          | \$ -             | \$ -               | \$ -                    | \$ -           | \$ -                     | \$ -                |
| Finance                          | -                | -                  | -                       | -              | -                        | -                   |
| Police                           | -                | -                  | -                       | -              | -                        | -                   |
| Fire                             | -                | -                  | -                       | -              | -                        | -                   |
| Public works                     | -                | -                  | -                       | -              | -                        | -                   |
| Community services               | -                | -                  | -                       | -              | -                        | -                   |
| Development services             | -                | -                  | -                       | -              | -                        | -                   |
| Economic development             | -                | -                  | -                       | -              | -                        | -                   |
| Utilities                        | -                | -                  | -                       | -              | -                        | -                   |
| Operational services             | -                | -                  | -                       | -              | -                        | -                   |
| Debt Service                     | -                | -                  | -                       | -              | -                        | -                   |
| Capital projects                 | 30,000           | 193,579            | 5,625,000               | -              | 520,000                  | 6,368,579           |
| <b>TOTAL EXPENDITURES</b>        | <b>\$ 30,000</b> | <b>\$ 193,579</b>  | <b>\$ 5,625,000</b>     | <b>\$ -</b>    | <b>\$ 520,000</b>        | <b>\$ 6,368,579</b> |
| Transfers to other funds         | -                | -                  | 120,227                 | -              | -                        | 120,227             |
| <b>TOTAL</b>                     | <b>\$ 30,000</b> | <b>\$ 193,579</b>  | <b>\$ 5,745,227</b>     | <b>\$ -</b>    | <b>\$ 520,000</b>        | <b>\$ 6,488,806</b> |
| <b>ENDING BALANCE</b>            | <b>\$ 199</b>    | <b>\$ 13,579</b>   | <b>\$ 284,773</b>       | <b>\$ -</b>    | <b>\$ 161,552</b>        | <b>\$ 460,103</b>   |

**CITY OF PALESTINE  
COMBINED SUMMARY OF UTILITY CAPTIAL IMPROVEMENT REVENUES AND EXPENDITURES**

|                                  | Water<br>CIP      | Wastewater<br>CIP | CIP<br>SSES 771     | CIP<br>SSES 772 | CIP<br>S. Jackson 2 | COMBINED<br>TOTAL   |
|----------------------------------|-------------------|-------------------|---------------------|-----------------|---------------------|---------------------|
| <b>BEGINNING BALANCE</b>         | \$ 690,412        | \$ 26,387         | \$ 3,767,072        | \$ 1,029        | \$ 250,000          | \$ 4,734,900        |
| <b>REVENUES</b>                  |                   |                   |                     |                 |                     |                     |
| Ad valorem tax                   | \$ -              | \$ -              | \$ -                | \$ -            | \$ -                | \$ -                |
| Non-property tax                 | -                 | -                 | -                   | -               | -                   | -                   |
| Franchise tax                    | -                 | -                 | -                   | -               | -                   | -                   |
| Licenses and permits             | -                 | -                 | -                   | -               | -                   | -                   |
| Fines and penalties              | -                 | -                 | -                   | -               | -                   | -                   |
| Rental income                    | -                 | -                 | -                   | -               | -                   | -                   |
| Service fees                     | -                 | -                 | -                   | -               | -                   | -                   |
| Integovernmental                 | -                 | -                 | -                   | -               | -                   | -                   |
| Interest and other income        | 1,500             | 100               | 10,000              | 100             | -                   | 11,700              |
| <b>TOTAL REVENUES</b>            | <b>\$ 1,500</b>   | <b>\$ 100</b>     | <b>\$ 10,000</b>    | <b>\$ 100</b>   | <b>\$ -</b>         | <b>\$ 11,700</b>    |
| Transfers from other funds       | -                 | -                 | -                   | -               | -                   | -                   |
| <b>TOTAL AVAILABLE RESOURCES</b> | <b>\$ 691,912</b> | <b>\$ 26,487</b>  | <b>\$ 3,777,072</b> | <b>\$ 1,129</b> | <b>\$ 250,000</b>   | <b>\$ 4,746,600</b> |
| <b>EXPENDITURES</b>              |                   |                   |                     |                 |                     |                     |
| Administrative services          | \$ -              | \$ -              | \$ -                | \$ -            | \$ -                | \$ -                |
| Finance                          | -                 | -                 | -                   | -               | -                   | -                   |
| Police                           | -                 | -                 | -                   | -               | -                   | -                   |
| Fire                             | -                 | -                 | -                   | -               | -                   | -                   |
| Public works                     | -                 | -                 | -                   | -               | -                   | -                   |
| Community services               | -                 | -                 | -                   | -               | -                   | -                   |
| Development services             | -                 | -                 | -                   | -               | -                   | -                   |
| Economic development             | -                 | -                 | -                   | -               | -                   | -                   |
| Utlities                         | -                 | -                 | -                   | -               | -                   | -                   |
| Operational services             | -                 | -                 | -                   | -               | -                   | -                   |
| Debt Service                     | -                 | -                 | -                   | -               | -                   | -                   |
| Capital projects                 | 465,000           | -                 | 3,743,000           | -               | 250,000             | 4,458,000           |
| <b>TOTAL EXPENDITURES</b>        | <b>\$ 465,000</b> | <b>\$ -</b>       | <b>\$ 3,743,000</b> | <b>\$ -</b>     | <b>\$ 250,000</b>   | <b>\$ 4,458,000</b> |
| Transfers to other funds         | -                 | -                 | -                   | -               | -                   | -                   |
| <b>TOTAL</b>                     | <b>\$ 465,000</b> | <b>\$ -</b>       | <b>\$ 3,743,000</b> | <b>\$ -</b>     | <b>\$ 250,000</b>   | <b>\$ 4,458,000</b> |
| <b>ENDING BALANCE</b>            | <b>\$ 226,912</b> | <b>\$ 26,487</b>  | <b>\$ 34,072</b>    | <b>\$ 1,129</b> | <b>\$ -</b>         | <b>\$ 288,600</b>   |

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**GENERAL FUND**

## 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. General Fund Revenue is the major source of revenue collection for the City, and it is critical to maintain healthy revenue streams during the course of the operating year. Staff members monitor proposed legislative changes that affect the City's revenue. Property tax is the main source of city revenue and is an ad valorem tax that an owner pays on the value of the property being taxed. The Anderson County Appraisal District performs an independent appraisal of the monetary value for property within the City jurisdiction. A very important benefit of a tax on property is that the revenue always equals the tax levy, unlike income or sales taxes, which can result in shortfalls producing budget deficits. The City Budgeted ad valorem taxes at a rate of \$0.639 per \$100.

### Property Taxes

The City of Palestine levies property tax on in order to provide local government services to the jurisdiction. 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 independent responsibility of the Anderson County Appraisal District and maintains the inventory information about improvements to real estate. The assessment is the combination of land and improvement value. 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. The benefit of a tax on property over a tax on sales is that the revenue always equals the tax levy; therefore the municipality that collects a majority of revenue from property tax can project budget revenues with less risk than a municipality that relies too profoundly on sales tax collection.

### 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. It is considered a more popular form of tax collection with the public since it is collected at the point of sale and is calculated on the price of the good being sold. Sales tax collections are volatile since they are directly related to the status of the local economy.

### Franchise Fees

The City maintains public rights of way that are designated corridors for public streets and public drainage. These corridors are an undervalued resource that becomes increasingly congested with the demand for technological infrastructure. In order to maintain rights of way, municipalities provide non-exclusive franchise agreements with utility systems, such as telephone, electric, cable television, and/or internet. The utilities compensate the City for this privileged use through franchise taxes.

### Permits

A permit is required in most jurisdictions for new construction, or adding onto pre-existing structures. Generally, the new construction must be inspected during construction and after completion to ensure compliance with national, regional, and local building codes. The necessity of building codes is for public safety and efficient growth. Permit fees defray the cost of code enforcement.

### Fines and Warrants

Fines and Warrants is revenue generated to defray the cost of handling a municipal court case. Municipal Court Fines are levied primarily for violations of local ordinances and traffic offenses. The revenue can include the collection of state court cost that is required to be reserved for a designated purpose. Library fines and fees are collected under this category designation.

### Other Revenue Sources

There are other sources of revenue which include a sundry of sources are listed as leases, charges for service, or other income are accounted for in the concluding revenue categories. Other fees include charges for services such as recreational use of the swimming pool and fees for police reports. Also, income from interest on investments is accounted for in general fund revenues.

### Transfers

Routine transfers into the General Fund are budgeted as reimbursements for specific services that are provided by the fund. In recent years Council has limited transfers into the General Fund, especially from the enterprise funds. Limiting these transfers will allow the enterprise funds to pay additional debt required for utility capital improvement.



**GENERAL FUND REVENUE**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE:</b>            | <b>\$ 3,432,731</b>        | <b>\$ 2,950,448</b>           | <b>\$ 1,299,621</b>        |
| <b>PROPERTY TAX</b>                       |                            |                               |                            |
| 010-4-1001 AD VALOREM TAXES               | \$ 4,957,263               | \$ 5,220,000                  | \$ 4,752,305               |
| 010-4-1002 DELINQUENT PROPERTY TAX        | 217,812                    | 145,000                       | 145,000                    |
| 010-4-1003 PROPERTY TAX PENALTY           | 78,549                     | 112,000                       | 75,000                     |
| 010-4-1004 TAX AGENCY FEES                | 47,078                     | 50,000                        | 50,000                     |
| <b>TOTAL PROPERTY TAX</b>                 | <b>\$ 5,300,702</b>        | <b>\$ 5,527,000</b>           | <b>\$ 5,022,305</b>        |
| <b>SALES TAX</b>                          |                            |                               |                            |
| 010-4-1010 CITY SALES TAX                 | \$ 3,978,684               | \$ 3,840,000                  | \$ 3,920,000               |
| 010-4-1011 MIXED DRINK                    | 18,609                     | 35,000                        | 30,000                     |
| 010-4-1012 SALES - PROPERTY TAX REDUCTION | 994,671                    | 960,000                       | 980,000                    |
| 010-4-1040 CASH OVER/SHORT                | -                          | 157                           | -                          |
| <b>TOTAL SALES TAX</b>                    | <b>\$ 4,991,964</b>        | <b>\$ 4,835,157</b>           | <b>\$ 4,930,000</b>        |
| <b>FRANCHISE TAX</b>                      |                            |                               |                            |
| 010-4-1101 ELECTRICAL FRANCHISE           | \$ 563,067                 | \$ 840,000                    | \$ 840,000                 |
| 010-4-1102 GAS FRANCHISE                  | 137,356                    | 110,000                       | 124,000                    |
| 010-4-1103 TELEPHONE FRANCHISE            | 107,809                    | 135,000                       | 108,000                    |
| 010-4-1104 CABLE TV FRANCHISE             | 97,827                     | 135,000                       | 100,000                    |
| 010-4-1105 SANITATION FRANCHISE           | 16,458                     | 26,964                        | -                          |
| <b>TOTAL FRANCHISE TAX</b>                | <b>\$ 922,516</b>          | <b>\$ 1,246,963</b>           | <b>\$ 1,172,000</b>        |
| <b>LICENSES AND FEES</b>                  |                            |                               |                            |
| 010-4-1203 ZONING AND PLAT FEES           | \$ 6,854                   | \$ 8,000                      | \$ 6,800                   |
| 010-4-1205 ANIMAL SHELTER FEES            | 1,800                      | 2,000                         | 1,800                      |
| 010-4-1209 CONTRACTOR LICENSE             | 10,645                     | 8,500                         | 11,000                     |
| 010-4-1210 IMPOUND FEES                   | 300                        | 1,000                         | 300                        |
| <b>TOTAL LICENSES AND FEES</b>            | <b>\$ 19,599</b>           | <b>\$ 19,500</b>              | <b>\$ 19,900</b>           |
| <b>PERMITS</b>                            |                            |                               |                            |
| 010-4-1301 BUILDING PERMIT FEES           | \$ 70,411                  | \$ 75,000                     | \$ 75,000                  |
| 010-4-1302 ELECTRICAL PERMIT FEES         | 12,371                     | 13,000                        | 13,500                     |
| 010-4-1303 PLUMBING PERMIT FEES           | 9,944                      | 12,000                        | 12,000                     |
| 010-4-1304 HEALTH PERMITS                 | 20,845                     | 48,515                        | 47,000                     |
| 010-4-1305 ALARM PERMITS                  | 20,455                     | 15,520                        | 32,000                     |
| 010-4-1306 MECHANICAL PERMITS             | 3,370                      | 5,220                         | 10,000                     |
| 010-4-1307 FIRE OPERATION PERMITS         | 910                        | 690                           | 1,000                      |
| 010-4-1308 FIRE CONSTRUCTION PERMITS      | 160                        | 520                           | 1,000                      |
| 010-4-1309 PUBLIC IMPROVEMENT FEES        | 1,638                      | 500                           | 1,000                      |
| 010-4-1310 OTHER PERMITS                  | 450                        | 500                           | 1,000                      |
| 010-4-1311 MERCHANT'S PERMIT              | 250                        | 350                           | 100                        |
| <b>TOTAL PERMITS</b>                      | <b>\$ 140,804</b>          | <b>\$ 171,815</b>             | <b>\$ 193,600</b>          |

|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>FINES AND WARRANTS</b>               |                    |                       |                    |
| 010-4-1401 MUNICIPAL COURT FINES        | \$ 360,087         | \$ 450,000            | \$ 450,000         |
| 010-4-1403 LIBRARY FINES                | 21,455             | 25,000                | -                  |
| 010-4-1404 WARRANT SERVICE FEES         | 210                | 500                   | 100                |
| 010-4-1406 AGENCY COLLECTION FEES       | 2,007              | 20,000                | 20,000             |
| 010-4-1407 STATE COURT FEES             | 569                | 14,429                | -                  |
| 010-4-1408 RESTITUTION                  | 629                | 2,829                 | 2,500              |
| <b>TOTAL FINES AND WARRANTS</b>         | <b>\$ 384,957</b>  | <b>\$ 512,758</b>     | <b>\$ 472,600</b>  |
| <b>LEASES AND RENTALS</b>               |                    |                       |                    |
| 010-4-1601 AIRPORT RENTAL FEES          | \$ 600             | \$ 717                | \$ -               |
| 010-4-1602 CELL TOWER RENTAL FEES       | 7,037              | 28,699                | 6,000              |
| 010-4-1605 OTHER RENTAL & LEASES        | 1,120              | -                     | -                  |
| <b>TOTAL LEASES AND RENTALS</b>         | <b>\$ 8,757</b>    | <b>\$ 29,416</b>      | <b>\$ 6,000</b>    |
| <b>CHARGES FOR SERVICE</b>              |                    |                       |                    |
| 010-4-1706 SALE OF EQUIPMENT            | \$ -               | \$ 2,000              | \$ -               |
| 010-4-1707 SALE OF MATERIALS & SUPPLIES | 194                | 2,000                 | -                  |
| 010-4-1708 SALE OF PROPERTY             | -                  | 820                   | -                  |
| 010-4-1711 OPEN RECORD FEE              | 4,256              | 2,180                 | 3,200              |
| 010-4-1713 RECREATION FEE               | 1,370              | 1,500                 | 1,000              |
| 010-4-1714 CIVIC CENTER FEES            | -                  | 45,000                | -                  |
| 010-4-1725 ATHLETIC FEES                | 4,095              | 2,500                 | 4,000              |
| 010-4-1726 SWIMMING POOL FEES           | 1,645              | 2,500                 | 2,000              |
| 010-4-1727 OTHER SERVICE CHARGES        | 162                | 5,000                 | 100                |
| <b>TOTAL CHARGES FOR SERVICE</b>        | <b>\$ 11,723</b>   | <b>\$ 63,500</b>      | <b>\$ 10,300</b>   |
| <b>OTHER AGENCIES</b>                   |                    |                       |                    |
| 010-4-1804 STATE & FEDERAL GRANTS       | \$ 141,342         | \$ 75,000             | \$ 25,000          |
| 010-4-1806 COUNTY - LIBRARY             | 75,000             | 75,000                | 75,000             |
| 010-4-1807 ECON DEV CORP CONTRACT       | -                  | 191,710               | 151,237            |
| 010-4-1808 NASA FACILITY FIRE SERVICE   | -                  | -                     | 25,000             |
| 010-4-1822 UNCLAIMED PROPERTY           | 328                | -                     | -                  |
| <b>TOTAL OTHER AGENCIES</b>             | <b>\$ 216,670</b>  | <b>\$ 341,709</b>     | <b>\$ 276,237</b>  |
| <b>OTHER INCOME</b>                     |                    |                       |                    |
| 010-4-1901 INTEREST ON INVESTMENTS      | \$ 46,177          | \$ 120,350            | \$ 30,000          |
| 010-4-1902 INSURANCE RECOVERIES         | 57,118             | 212,388               | 50,000             |
| 010-4-1904 STREET PAVING ASSESSMENT     | 1,093              | -                     | -                  |
| 010-4-1905 OTHER REVENUE INCOME         | (4,311)            | 52,912                | 1,000              |
| 010-4-1910 LOAN PAYMENTS-INTEREST       | 6,465              | 25,000                | 24,000             |
| 010-4-1912 DONATIONS                    | 32                 | 500                   | -                  |
| 010-4-1916 LOT CLEANUP REIMBURSEMENT    | 125                | 500                   | 500                |
| 010-4-1917 DEMOLITION REMBURSEMENT      | 800                | 1,000                 | 1,000              |

|   | ACTUAL<br>FYE 2009   | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011   |
|---|----------------------|-----------------------|----------------------|
| <b>OTHER INCOME (CONTINUED)</b>         |                      |                       |                      |
| 010-4-1918 LIBRARY REVENUE              | \$ 5,043             | \$ 16,870             | \$ 30,000            |
| 010-4-1919 FEMA REIMBURSEMENT           | 29,295               | -                     | -                    |
| 010-4-1922 MAIN STREET DONATIONS        | (150)                | 500                   | -                    |
| 010-4-1925 OTHER RECREATIONAL           | 20                   | -                     | -                    |
| 010-4-1926 SCRAP METAL                  | \$ 1,004             | \$ 1,500              | \$ 1,500             |
| 010-4-1927 POLICE EDUCATIONAL CLASSES   | -                    | 800                   | -                    |
| <b>TOTAL OTHER INCOME</b>               | <b>\$ 142,711</b>    | <b>\$ 432,320</b>     | <b>\$ 138,000</b>    |
| <b>TRANSFERS</b>                        |                      |                       |                      |
| 010-4-1942 TRANSFER FROM WATER          | 147,223              | 150,000               | 440,749              |
| 010-4-1943 TRANSFER FROM WASTEWATER     | 3,400                | 3,400                 | 3,400                |
| 010-4-1944 TRANSFER FROM OCCUPANCY TAX  | -                    | 334,427               | 67,102               |
| 010-4-1945 TRANSFER FROM SANITATION     | 1,700                | 1,700                 | 1,700                |
| 010-4-1955 TRANSFER FROM OTHER FUNDS    | 147,610              | 4,900                 | 4,900                |
| 010-4-1956 TRANSFER FROM RETAIL FUND    | -                    | -                     | 258,732              |
| <b>TOTAL TRANSFERS</b>                  | <b>\$ 299,933</b>    | <b>\$ 494,427</b>     | <b>\$ 776,583</b>    |
| <b>TOTAL REVENUE WITHOUT TRANSFERS:</b> | <b>\$ 12,140,403</b> | <b>\$ 13,180,138</b>  | <b>\$ 12,240,942</b> |
| <b>TOTAL REVENUE AND TRANSFERS:</b>     | <b>\$ 12,440,336</b> | <b>\$ 13,674,565</b>  | <b>\$ 13,017,525</b> |
| <b>TOTAL FUNDS AVAILABLE:</b>           | <b>\$ 15,872,878</b> | <b>\$ 16,625,014</b>  | <b>\$ 14,317,146</b> |

## ADMINISTRATION

Administrative Services contains five budgetary departments: City Council, City Manager, City Secretary, Legal, Human Resources. 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.

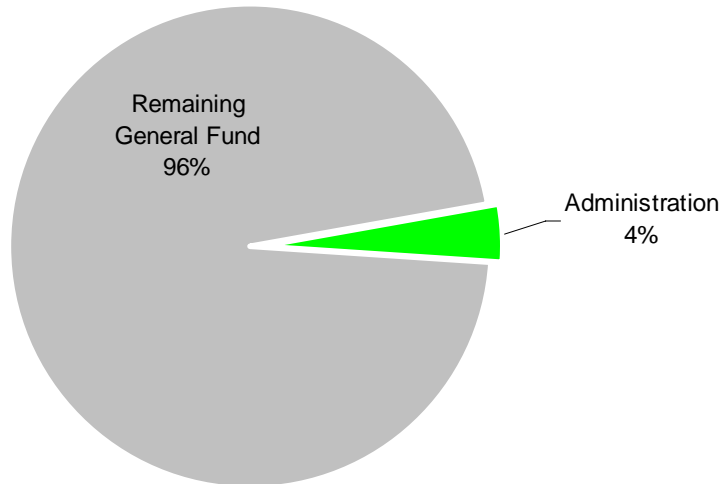
### CITY MANAGER

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. Also, cemetery lots are sold and burial records are maintained by this office. As the Election Administrator, the City Secretary is responsible

## Administration Expenditures Related to the General Fund



for all city elections. The City Secretary's Office acts as a public information center and records requested under the Public Information Act are coordinated by the City Secretary. This office assists Development Services with alcoholic beverage, itinerant vendor, peddler, and handbill permits.

### 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.

### HUMAN RESOURCES

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.

**CITY COUNCIL**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                           |                            |                               |                            |
| 010-5-100-1010 SALARIES                    | \$ 5,997                   | 6,000                         | 6,000                      |
| 010-5-100-1033 CAR ALLOWANCE               | 6,597                      | 6,600                         | 6,600                      |
| 010-5-100-1040 SOCIAL SECURITY             | 963                        | 965                           | 964                        |
| 010-5-100-1061 WORKER'S COMPENSATION       | 17                         | 210                           | -                          |
| <b>TOTAL PERSONNEL</b>                     | <b>\$ 13,573</b>           | <b>13,775</b>                 | <b>13,564</b>              |
| <b>SUPPLIES AND MATERIALS</b>              |                            |                               |                            |
| 010-5-100-2010 OFFICE SUPPLIES             | \$ 50                      | 216                           | 50                         |
| 010-5-100-2020 POSTAGE                     | -                          | 200                           | 100                        |
| <b>TOTAL SUPPLIES AND MATERIALS</b>        | <b>\$ 50</b>               | <b>416</b>                    | <b>150</b>                 |
| <b>SERVICES</b>                            |                            |                               |                            |
| 010-5-100-3080 MEMBERSHIP & SUBSCRIPTIONS  | \$ 6,836                   | 7,000                         | 7,000                      |
| 010-5-100-3082 TRAVEL AND TRAINING         | 4,153                      | (742)                         | -                          |
| 010-5-100-3082.01 POSITION 1 TRAVEL        | 2,355                      | 1,634                         | 1,200                      |
| 010-5-100-3082.02 POSITION 2 TRAVEL        | 2,023                      | 2,526                         | 1,200                      |
| 010-5-100-3082.03 POSITION 3 TRAVEL        | 2,595                      | 4,328                         | 1,200                      |
| 010-5-100-3082.04 POSITION 4 TRAVEL        | 2,023                      | -                             | 1,200                      |
| 010-5-100-3082.05 POSITION 5 TRAVEL        | 2,649                      | 2,265                         | 1,200                      |
| 010-5-100-3082.06 POSITION 6 TRAVEL        | 1,421                      | 183                           | 1,200                      |
| 010-5-100-3082.07 MAYOR POSITION TRAVEL    | 2,072                      | 2,059                         | 1,200                      |
| 010-5-100-3110 ADVERTISING                 | 150                        | -                             | -                          |
| <b>TOTAL SERVICES</b>                      | <b>\$ 26,276</b>           | <b>19,255</b>                 | <b>15,400</b>              |
| <b>SUNDRY</b>                              |                            |                               |                            |
| 010-5-100-5200 MEETING AND FOOD PROVISIONS | \$ 1,719                   | 2,500                         | 2,500                      |
| <b>TOTAL SUNDRY</b>                        | <b>\$ 1,719</b>            | <b>2,500</b>                  | <b>2,500</b>               |
| <b>TOTAL CITY COUNCIL:</b>                 | <b>\$ 41,618</b>           | <b>35,946</b>                 | <b>31,614</b>              |

**CITY MANAGER**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                           |                            |                               |                            |
| 010-5-110-1010 SALARIES                    | \$ 143,225                 | \$ 146,421                    | \$ 141,888                 |
| 010-5-110-1015 DIFFERED COMPENSATION       | 7,411                      | 8,329                         | 8,085                      |
| 010-5-110-1030 LONGEVITY                   | 402                        | 576                           | 576                        |
| 010-5-110-1031 INCENTIVE                   | 1,200                      | 1,200                         | -                          |
| 010-5-110-1033 CAR ALLOWANCE               | 6,000                      | 6,000                         | 6,000                      |
| 010-5-110-1036 CELL PHONE ALLOWANCE        | 320                        | 960                           | 960                        |
| 010-5-110-1040 SOCIAL SECURITY             | 10,199                     | 12,433                        | 12,049                     |
| 010-5-110-1050 HEALTH INSURANCE            | 29,942                     | 36,661                        | 32,992                     |
| 010-5-110-1060 UNEMPLOYMENT INSURANCE      | 3,636                      | 2,083                         | -                          |
| 010-5-110-1061 WORKER'S COMPENSATION       | 441                        | 252                           | -                          |
| 010-5-110-1070 RETIREMENT                  | 21,935                     | 24,559                        | 23,800                     |
| <b>TOTAL PERSONNEL</b>                     | <b>\$ 224,711</b>          | <b>\$ 239,473</b>             | <b>\$ 226,350</b>          |
| <b>SUPPLIES AND MATERIALS</b>              |                            |                               |                            |
| 010-5-110-2010 OFFICE SUPPLIES             | \$ 6,408                   | \$ 4,158                      | \$ 3,000                   |
| 010-5-110-2020 POSTAGE                     | 162                        | 228                           | 300                        |
| <b>TOTAL SUPPLIES AND MATERIALS</b>        | <b>\$ 6,570</b>            | <b>\$ 4,386</b>               | <b>\$ 3,300</b>            |
| <b>SERVICES</b>                            |                            |                               |                            |
| 010-5-110-3040 COMMUNICATIONS              | 3,626                      | 5,451                         | 4,000                      |
| 010-5-110-3080 MEMBERSHIP & SUBSCRIPTIONS  | 2,362                      | 5,460                         | 2,200                      |
| 010-5-110-3082 TRAVEL AND TRAINING         | 2,111                      | 3,077                         | 2,700                      |
| <b>TOTAL SERVICES</b>                      | <b>\$ 8,100</b>            | <b>\$ 13,987</b>              | <b>\$ 8,900</b>            |
| <b>MAINTENANCE OF EQUIPMENT</b>            |                            |                               |                            |
| 010-5-110-4510 FIXTURE AND EQUIPMENT       | \$ -                       | \$ 600                        | \$ 1,500                   |
| <b>TOTAL MAINTENANCE OF EQUIPMENT</b>      | <b>\$ -</b>                | <b>\$ 600</b>                 | <b>\$ 1,500</b>            |
| <b>SUNDRY</b>                              |                            |                               |                            |
| 010-5-110-5200 MEETING AND FOOD PROVISIONS | \$ 1,399                   | \$ 580                        | \$ 500                     |
| <b>TOTAL SUNDRY</b>                        | <b>\$ 1,399</b>            | <b>\$ 580</b>                 | <b>\$ 500</b>              |
| <b>TOTAL CITY MANAGER</b>                  | <b>\$ 240,779</b>          | <b>\$ 259,027</b>             | <b>\$ 240,550</b>          |

**CITY SECRETARY**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                          |                            |                               |                            |
| 010-5-120-1010 SALARIES                   | \$ 46,791                  | \$ 47,382                     | \$ 47,382                  |
| 010-5-120-1030 LONGEVITY                  | 333                        | 432                           | 504                        |
| 010-5-120-1031 INCENTIVE                  | 1,200                      | 1,200                         | 3,900                      |
| 010-5-120-1040 SOCIAL SECURITY            | 3,627                      | 3,751                         | 3,962                      |
| 010-5-120-1050 HEALTH INSURANCE           | 7,627                      | 10,409                        | 6,040                      |
| 010-5-120-1060 UNEMPLOYMENT INSURANCE     | 1,106                      | 657                           | -                          |
| 010-5-120-1061 WORKER'S COMPENSATION      | 139                        | 83                            | -                          |
| 010-5-120-1070 RETIREMENT                 | 6,641                      | 7,407                         | 7,825                      |
| <b>TOTAL PERSONNEL</b>                    | <b>\$ 67,464</b>           | <b>\$ 71,321</b>              | <b>\$ 69,613</b>           |
| <b>SUPPLIES AND MATERIALS</b>             |                            |                               |                            |
| 010-5-120-2010 OFFICE SUPPLIES            | \$ 1,951                   | \$ 2,000                      | \$ 2,000                   |
| 010-5-120-2020 POSTAGE                    | 1,335                      | 850                           | 500                        |
| 010-5-120-2060 PUBLICATIONS               | 486                        | 500                           | 500                        |
| 010-5-120-2084 ELECTION EXPENSE           | 10,871                     | 4,000                         | 4,000                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b>       | <b>\$ 14,643</b>           | <b>\$ 7,350</b>               | <b>\$ 7,000</b>            |
| <b>SERVICES</b>                           |                            |                               |                            |
| 010-5-120-3026 CODIFICATION               | \$ 5,477                   | \$ 10,000                     | \$ 6,000                   |
| 010-5-120-3027 RECORDS MANAGEMENT         | 706                        | 9,650                         | 6,000                      |
| 010-5-120-3040 COMMUNICATIONS             | 4,226                      | 5,501                         | 5,500                      |
| 010-5-120-3080 MEMBERSHIP & SUBSCRIPTIONS | -                          | 75                            | -                          |
| 010-5-120-3082 TRAVEL AND TRAINING        | 4,388                      | 4,600                         | 4,000                      |
| 010-5-120-3110 ADVERTISING                | 6,090                      | 3,000                         | 3,000                      |
| 010-5-120-3220 INSURANCE AND BONDS        | -                          | 100                           | -                          |
| <b>TOTAL SERVICES</b>                     | <b>\$ 20,886</b>           | <b>\$ 32,926</b>              | <b>\$ 24,500</b>           |
| <b>TOTAL CITY SECRETARY:</b>              | <b>\$ 102,993</b>          | <b>\$ 111,597</b>             | <b>\$ 101,113</b>          |

**LEGAL**

|                               | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|-------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>LEGAL SERVICES</b>         |                            |                               |                            |
| 010-5-130-3010 LEGAL SERVICES | \$ 81,813                  | \$ 100,001                    | \$ 75,000                  |
| <b>TOTAL LEGAL:</b>           | <b>\$ 81,813</b>           | <b>\$ 100,001</b>             | <b>\$ 75,000</b>           |

## HUMAN RESOURCES

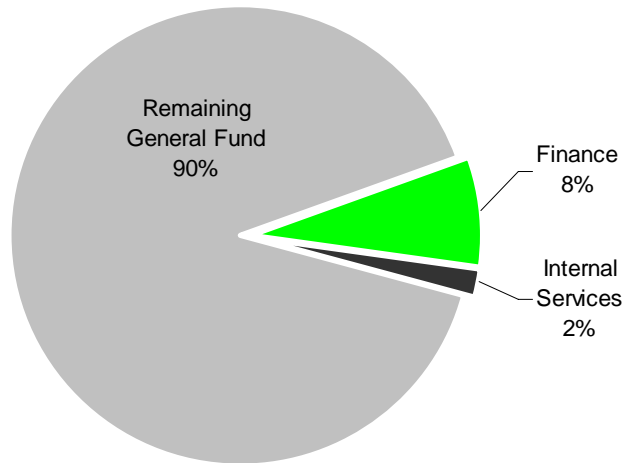
|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>PERSONNEL</b>                          |                    |                       |                    |
| 010-5-140-1010 SALARIES                   | \$ 40,624          | \$ 41,794             | \$ 42,668          |
| 010-5-140-1030 LONGEVITY                  | 198                | 288                   | 360                |
| 010-5-140-1031 INCENTIVES                 | -                  | -                     | 1,800              |
| 010-5-140-1040 SOCIAL SECURITY            | 3,148              | 3,220                 | 3,429              |
| 010-5-140-1050 HEALTH INSURANCE           | 5,688              | 6,143                 | 6,040              |
| 010-5-140-1060 UNEMPLOYMENT INSURANCE     | 936                | 553                   | -                  |
| 010-5-140-1061 WORKER'S COMPENSATION      | 118                | 70                    | -                  |
| 010-5-140-1070 RETIREMENT                 | 5,645              | 6,359                 | 6,774              |
| 010-5-140-1090 EMPLOYEE APPRECIATION      | 6,393              | 6,000                 | -                  |
| <b>TOTAL PERSONNEL</b>                    | <b>\$ 62,749</b>   | <b>\$ 64,427</b>      | <b>\$ 61,071</b>   |
| <b>SUPPLIES AND MATERIALS</b>             |                    |                       |                    |
| 010-5-140-2010 OFFICE SUPPLIES            | \$ 449             | \$ 701                | \$ 500             |
| 010-5-140-2020 POSTAGE                    | 238                | 400                   | 400                |
| <b>TOTAL SUPPLIES AND MATERIALS</b>       | <b>\$ 687</b>      | <b>\$ 1,101</b>       | <b>\$ 900</b>      |
| <b>SERVICES</b>                           |                    |                       |                    |
| 010-5-140-3030 PROFESSIONAL SERVICES      | \$ -               | \$ 160                | \$ -               |
| 010-5-140-3032 SPECIAL STUDIES            | 1,958              | 1,248                 | 1,800              |
| 010-5-140-3035 MEDICAL SERVICES           | 5,648              | 4,500                 | 4,000              |
| 010-5-140-3040 COMMUNICATIONS             | 1,834              | 1,801                 | 1,800              |
| 010-5-140-3080 MEMBERSHIP & SUBSCRIPTIONS | 2,853              | 2,701                 | 2,500              |
| 010-5-140-3082 TRAVEL AND TRAINING        | 3,372              | 4,301                 | 4,300              |
| 010-5-140-3110 ADVERTISING                | 3,230              | 1,601                 | 1,500              |
| 010-5-140-3112 PRINTING SERVICES          | 68                 | 774                   | 500                |
| 010-5-140-3330 CONTRACT SERVICES          | 149                | 301                   | 500                |
| <b>TOTAL SERVICES</b>                     | <b>\$ 19,112</b>   | <b>\$ 17,385</b>      | <b>\$ 16,900</b>   |
| <b>TOTAL HUMAN RESOURCES:</b>             | <b>\$ 82,549</b>   | <b>\$ 82,913</b>      | <b>\$ 78,871</b>   |



## FINANCE

Finance contains six budgetary departments: Accounting, Purchasing, Warehouse, Municipal Court, 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 operation of Customer Service is funded in the Water Fund that can be located within the Enterprise Funds of this budget. Also, Warehouse is an internal service fund and can be located within the Internal Service Fund section of this budget document. The City Finance Director is charged with the direct supervision of these budgetary departments. The following is a summary of these departments within the General Fund:

**Finance Department Expenditures Related to the General Fund**



## 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. The purchasing operation has been moved out of the General Fund and merged within the Warehouse Fund as of October 1, 2010.

## 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.

**ACCOUNTING**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                          |                            |                               |                            |
| 010-5-210-1010 SALARIES                   | \$ 178,077                 | \$ 185,920                    | \$ 188,334                 |
| 010-5-210-1020 OVERTIME                   | 1,283                      | 2,500                         | 1,500                      |
| 010-5-210-1030 LONGEVITY                  | 2,148                      | 2,592                         | 2,880                      |
| 010-5-210-1031 INCENTIVE                  | -                          | 1,200                         | -                          |
| 010-5-210-1040 SOCIAL SECURITY            | 13,663                     | 14,704                        | 14,743                     |
| 010-5-210-1050 HEALTH INSURANCE           | 28,502                     | 36,751                        | 32,306                     |
| 010-5-210-1060 UNEMPLOYMENT INSURANCE     | 4,146                      | 2,508                         | -                          |
| 010-5-210-1061 WORKER'S COMPENSATION      | 522                        | 316                           | -                          |
| 010-5-210-1070 RETIREMENT                 | 25,018                     | 29,044                        | 29,119                     |
| <b>TOTAL PERSONNEL</b>                    | <b>\$ 253,358</b>          | <b>\$ 275,535</b>             | <b>\$ 268,882</b>          |
| <b>SUPPLIES AND MATERIALS</b>             |                            |                               |                            |
| 010-5-210-2010 OFFICE SUPPLIES            | \$ 3,971                   | \$ 4,000                      | \$ 3,500                   |
| 010-5-210-2020 POSTAGE                    | 1,371                      | 2,601                         | 2,000                      |
| 010-5-210-2060 PUBLICATIONS               | -                          | 341                           | -                          |
| <b>TOTAL SUPPLIES AND MATERIALS</b>       | <b>\$ 5,341</b>            | <b>\$ 6,942</b>               | <b>\$ 5,500</b>            |
| <b>SERVICES</b>                           |                            |                               |                            |
| 010-5-210-3020 AUDITS AND SPECIAL STUDIES | \$ 77,043                  | \$ 69,029                     | \$ 55,000                  |
| 010-5-210-3021 APPRASIAL DISTRICT         | 128,664                    | 95,000                        | 108,000                    |
| 010-5-210-3030 PROFESSIONAL SERVICES      | 54,958                     | 21,859                        | 54,000                     |
| 010-5-210-3040 COMMUNICATIONS             | 2,297                      | 5,000                         | 3,000                      |
| 010-5-210-3080 MEMBERSHIP & SUBSCRIPTIONS | 924                        | 1,001                         | 1,000                      |
| 010-5-210-3082 TRAVEL AND TRAINING        | 5,053                      | 6,000                         | 4,000                      |
| 010-5-210-3110 ADVERTISING                | 1,243                      | 1,000                         | 1,000                      |
| 010-5-210-3112 PRINTING SERVICES          | 1,088                      | 901                           | 800                        |
| 010-5-210-3210 FINANCIAL SERVICE CHARGE   | 2,732                      | 10,001                        | 7,000                      |
| <b>TOTAL SERVICES</b>                     | <b>\$ 274,002</b>          | <b>\$ 209,791</b>             | <b>\$ 233,800</b>          |
| <b>MAINTENANCE OF EQUIPMENT</b>           |                            |                               |                            |
| 010-5-210-4510 FIXTURE AND EQUIPMENT      | \$ 95                      | \$ 500                        | \$ 500                     |
| <b>TOTAL MAINTENANCE OF EQUIPMENT</b>     | <b>\$ 95</b>               | <b>\$ 500</b>                 | <b>\$ 500</b>              |
| <b>TOTAL ACCOUNTING:</b>                  | <b>\$ 532,797</b>          | <b>\$ 492,768</b>             | <b>\$ 508,682</b>          |

**PURCHASING**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                          |                            |                               |                            |
| 010-5-230-1010 SALARIES                   | \$ 43,083                  | \$ 43,987                     | \$ -                       |
| 010-5-230-1030 LONGEVITY                  | 1,800                      | 2,016                         | -                          |
| 010-5-230-1040 SOCIAL SECURITY            | 3,487                      | 3,519                         | -                          |
| 010-5-230-1050 HEALTH INSURANCE           | 5,688                      | 6,143                         | -                          |
| 010-5-230-1060 UNEMPLOYMENT INSURANCE     | 1,029                      | 603                           | -                          |
| 010-5-230-1061 WORKER'S COMPENSATION      | 130                        | 76                            | -                          |
| 010-5-230-1070 RETIREMENT                 | 6,207                      | 6,952                         | -                          |
| <b>TOTAL PERSONNEL</b>                    | <b>\$ 61,424</b>           | <b>\$ 63,296</b>              | <b>\$ -</b>                |
| <b>SUPPLIES AND MATERIALS</b>             |                            |                               |                            |
| 010-5-230-2010 OFFICE SUPPLIES            | \$ 664                     | \$ 800                        | \$ -                       |
| 010-5-230-2020 POSTAGE                    | 250                        | 351                           | -                          |
| <b>TOTAL SUPPLIES AND MATERIALS</b>       | <b>\$ 914</b>              | <b>\$ 1,151</b>               | <b>\$ -</b>                |
| <b>SERVICES</b>                           |                            |                               |                            |
| 010-5-230-3040 COMMUNICATIONS             | \$ 1,940                   | \$ 1,900                      | \$ -                       |
| 010-5-230-3050 UTILITIES - ELECTRIC       | -                          | 475                           | -                          |
| 010-5-230-3080 MEMBERSHIP & SUBSCRIPTIONS | 600                        | 940                           | -                          |
| 010-5-230-3082 TRAVEL AND TRAINING        | 391                        | 194                           | -                          |
| 010-5-230-3110 ADVERTISING                | 922                        | 2,307                         | -                          |
| <b>TOTAL SERVICES</b>                     | <b>\$ 3,852</b>            | <b>\$ 5,816</b>               | <b>\$ -</b>                |
| <b>MAINTENANCE AND REPAIR</b>             |                            |                               |                            |
| 010-5-230-4120 EQUIPMENT AND MACHINERY    | \$ 95                      | \$ 100                        | \$ -                       |
| <b>TOTAL MAINTENANCE AND REPAIR</b>       | <b>\$ 95</b>               | <b>\$ 100</b>                 | <b>\$ -</b>                |
| <b>TOTAL PURCHASING:</b>                  | <b>\$ 66,286</b>           | <b>\$ 70,363</b>              | <b>\$ -</b>                |

**MUNICIPAL COURT**

|                                       | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                      |                            |                               |                            |
| 010-5-250-1010 SALARIES               | \$ 182,461                 | \$ 190,993                    | \$ 196,652                 |
| 010-5-250-1020 OVERTIME               | 816                        | 501                           | 500                        |
| 010-5-250-1030 LONGEVITY              | 1,077                      | 2,500                         | 1,800                      |
| 010-5-250-1031 INCENTIVE              | 5,025                      | 5,400                         | 6,900                      |
| 010-5-250-1036 CELL PHONE ALLOWANCE   | 200                        | 600                           | 600                        |
| 010-5-250-1040 SOCIAL SECURITY        | 14,475                     | 15,294                        | 15,794                     |
| 010-5-250-1050 HEALTH INSURANCE       | 24,138                     | 30,001                        | 26,962                     |
| 010-5-250-1060 UNEMPLOYMENT INSURANCE | 4,337                      | 3,001                         | -                          |

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL (CONTINUED)</b>            |                            |                               |                            |
| 010-5-250-1061 WORKER'S COMPENSATION    | \$ 1,798                   | \$ 1,501                      | \$ -                       |
| 010-5-250-1070 RETIREMENT               | 23,078                     | 27,243                        | 28,230                     |
| <b>TOTAL PERSONNEL</b>                  | <b>\$ 257,405</b>          | <b>\$ 277,033</b>             | <b>\$ 277,438</b>          |
| <b>SUPPLIES AND MATERIALS</b>           |                            |                               |                            |
| 010-5-250-2010 OFFICE SUPPLIES          | \$ 1,140                   | \$ 2,300                      | \$ 2,300                   |
| 010-5-250-2020 POSTAGE                  | 1,198                      | 1,201                         | 1,300                      |
| 010-5-250-2040 UNIFORMS AND APPAREL     | 522                        | 800                           | 800                        |
| 010-5-250-2060 PUBLICATIONS             | -                          | 200                           | 250                        |
| 010-5-250-2070 GASOLINE AND OIL         | 1,092                      | 1,201                         | 1,400                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b>     | <b>\$ 3,951</b>            | <b>\$ 5,701</b>               | <b>\$ 6,050</b>            |
| <b>SERVICES</b>                         |                            |                               |                            |
| 010-5-250-3016 JURY EXPENSE             | \$ 936                     | \$ 1,100                      | \$ 1,200                   |
| 010-5-250-3017 MUNICIPAL PROSECUTORS    | -                          | 2,601                         | 1,500                      |
| 010-5-250-3040 COMMUNICATIONS           | 3,522                      | 3,501                         | 3,500                      |
| 010-5-250-3082 TRAVEL AND TRAINING      | 4,071                      | 3,751                         | 4,500                      |
| 010-5-250-3110 ADVERTISING              | 650                        | 250                           | 200                        |
| 010-5-250-3112 PRINTING SERVICES        | 876                        | 750                           | 1,000                      |
| 010-5-250-3210 FINANCIAL SERVICE CHARGE | 897                        | 1,500                         | 1,700                      |
| 010-5-250-3220 INSURANCE AND BONDS      | 71                         | -                             | 75                         |
| 010-5-250-3330 CONTRACT SERVICES        | 55,863                     | 56,576                        | 56,575                     |
| <b>TOTAL SERVICES</b>                   | <b>\$ 66,887</b>           | <b>\$ 70,028</b>              | <b>\$ 70,250</b>           |
| <b>MAINTENANCE AND REPAIR</b>           |                            |                               |                            |
| 010-5-250-4110 MOTOR VEHICLES           | \$ 945                     | \$ 801                        | \$ 1,000                   |
| 010-5-250-4120 EQUIPMENT AND MACHINERY  | 517                        | -                             | -                          |
| <b>TOTAL MAINTENANCE AND REPAIR</b>     | <b>\$ 1,462</b>            | <b>\$ 801</b>                 | <b>\$ 1,000</b>            |
| <b>MAINTENANCE OF EQUIPMENT</b>         |                            |                               |                            |
| 010-5-250-4520 SOFTWARE MAINTENANCE     | \$ 281                     | \$ 200                        | \$ 500                     |
| <b>TOTAL MAINTENANCE OF EQUIPMENT</b>   | <b>\$ 281</b>              | <b>\$ 200</b>                 | <b>\$ 500</b>              |
| <b>EQUIPMENT</b>                        |                            |                               |                            |
| 010-5-250-8015 COMPUTER EQUIPMENT       | \$ 126                     | \$ 1,101                      | \$ -                       |
| <b>TOTAL EQUIPMENT</b>                  | <b>\$ 126</b>              | <b>\$ 1,101</b>               | <b>\$ -</b>                |
| <b>TOTAL MUNICIPAL COURT:</b>           | <b>\$ 330,112</b>          | <b>\$ 354,864</b>             | <b>\$ 355,238</b>          |

**MANAGEMENT INFORMATION SYSTEMS**

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>SUPPLIES AND MATERIALS</b>          |                    |                       |                    |
| 010-5-260-2010 OFFICE SUPPLIES         | \$ 8,302           | \$ 7,029              | \$ 7,000           |
| 010-5-260-2020 POSTAGE                 | -                  | 100                   | 100                |
| <b>TOTAL SUPPLIES AND MATERIALS</b>    | <b>\$ 8,302</b>    | <b>\$ 7,129</b>       | <b>\$ 7,100</b>    |
| <b>SERVICES</b>                        |                    |                       |                    |
| 010-5-260-3040 COMMUNICATIONS          | 1,489              | 2,001                 | 2,000              |
| 010-5-260-3042 INTERNET SERVICES       | 6,251              | 5,000                 | 5,000              |
| 010-5-260-3330 CONTRACT SERVICES       | 47,150             | 52,000                | 52,000             |
| <b>TOTAL SERVICES</b>                  | <b>\$ 54,890</b>   | <b>\$ 59,001</b>      | <b>\$ 59,000</b>   |
| <b>MAINTENANCE AND REPAIR</b>          |                    |                       |                    |
| 010-5-260-4120 EQUIPMENT AND MACHINERY | 31,254             | 24,000                | 25,000             |
| <b>TOTAL MAINTENANCE AND REPAIR</b>    | <b>\$ 31,254</b>   | <b>\$ 24,000</b>      | <b>\$ 25,000</b>   |
| <b>MAINTENANCE OF EQUIPMENT</b>        |                    |                       |                    |
| 010-5-260-4520 SOFTWARE MAINTENANCE    | 45,319             | 40,000                | 40,000             |
| <b>TOTAL MAINTENANCE OF EQUIPMENT</b>  | <b>\$ 45,319</b>   | <b>\$ 40,000</b>      | <b>\$ 40,000</b>   |
| <b>EQUIPMENT</b>                       |                    |                       |                    |
| 010-5-260-8015 COMPUTER EQUIPMENT      | \$ 29,087          | \$ 32,001             | \$ 15,000          |
| 010-5-260-8016 COMPUTER SOFTWARE       | 8,595              | 6,000                 | 5,000              |
| <b>TOTAL EQUIPMENT</b>                 | <b>\$ 37,682</b>   | <b>\$ 38,001</b>      | <b>\$ 20,000</b>   |
| <b>INTERFUND ACTIVITY</b>              |                    |                       |                    |
| 010-5-260-9510 EQUIPMENT CONTRIBUTION  | \$ 49,941          | \$ 49,941             | \$ 38,913          |
| <b>TOTAL INTERFUND ACTIVITY</b>        | <b>\$ 49,941</b>   | <b>\$ 49,941</b>      | <b>\$ 38,913</b>   |
| <b>TOTAL MIS:</b>                      | <b>\$ 227,388</b>  | <b>\$ 218,072</b>     | <b>\$ 190,013</b>  |

**INTERFUND SERVICES**

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>SUPPLIES AND MATERIALS</b>            |                    |                       |                    |
| 010-5-270-2020 POSTAGE                   | \$ 27              | \$ -                  | \$ -               |
| <b>TOTAL SUPPLIES AND MATERIALS</b>      | <b>\$ 27</b>       | <b>\$ -</b>           | <b>\$ -</b>        |
| <b>SERVICES</b>                          |                    |                       |                    |
| 010-5-270-3200 WAREHOUSE SERVICES        | \$ 32,863          | \$ 30,622             | \$ 28,000          |
| 010-5-270-3210 FINANCIAL SERVICE CHARGE  | 28                 | -                     | -                  |
| 010-5-270-3211 INVESTMENT SERVICE CHARGE | 10,000             | 5,000                 | -                  |

|                                     | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|-------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>SERVICES (CONTINUED)</b>         |                            |                               |                            |
| 010-5-270-3220 INSURANCE AND BONDS  | \$ 144,852                 | \$ 146,232                    | \$ 150,000                 |
| 010-5-270-3225 PARTIAL PROPERTY TAX | -                          | 40                            | -                          |
| <b>TOTAL SERVICES</b>               | <b>\$ 187,742</b>          | <b>\$ 181,894</b>             | <b>\$ 178,000</b>          |
| <b>CAPITAL OUTLAY</b>               |                            |                               |                            |
| 010-5-270-7452 CAPGEMINI BUILDING   | 60,000                     | 60,000                        | 60,000                     |
| <b>TOTAL CAPITAL OUTLAY</b>         | <b>\$ 60,000</b>           | <b>\$ 60,000</b>              | <b>\$ 60,000</b>           |
| <b>INTERFUND ACTIVITY</b>           |                            |                               |                            |
| 010-5-270-9012 TRSF TO AIRPORT FUND | \$ 25,000                  | \$ 25,000                     | \$ -                       |
| 010-5-270-9075 TRSF TO RETAIL FUND  | -                          | 1,000,000                     | -                          |
| <b>TOTAL INTERFUND ACTIVITY</b>     | <b>\$ 25,000</b>           | <b>\$ 1,025,000</b>           | <b>\$ -</b>                |
| <b>TOTAL INTERFUND SERVICES:</b>    | <b>\$ 272,770</b>          | <b>\$ 1,266,894</b>           | <b>\$ 238,000</b>          |

## 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.

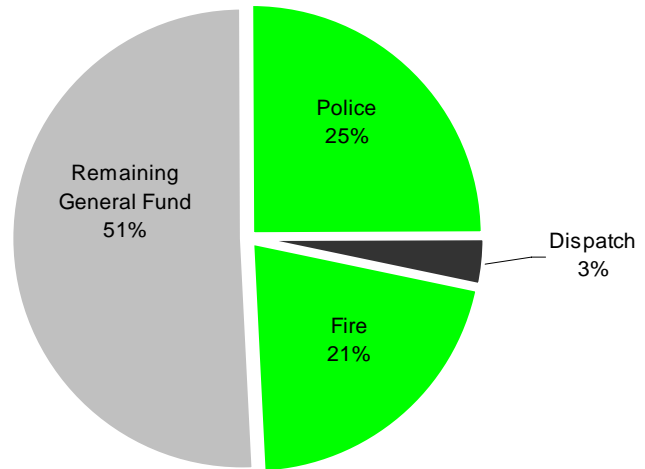
### ANIMAL CONTROL

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

### COMMUNICATIONS

Communications is responsible for communications within the City Police and

## Public Safety Department Expenditures Related to the General Fund



between the police and the public as well as other forces. The Communication department is considered the first responders for city wide emergencies.

### 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. Fire Suppression is considered the heart of the fire department operation with the majority of fire department positions and specialized equipment being funded from this division.

### EMERGENCY MANAGEMENT

Our Emergency Management department keeps the "Palestine Emergency Operations Plan" updated as required by FEMA. The department conducts annual response exercises (drills) with a strong emphasis on hazardous materials transported and stored within the city limits.

**PUBLIC SAFETY**

|                                     | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|-------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                    |                            |                               |                            |
| 010-5-309-1010 SALARIES             | \$ -                       | \$ -                          | \$ 133,531                 |
| 010-5-309-1030 LONGEVITY            | -                          | -                             | 3,528                      |
| 010-5-309-1031 INCENTIVE            | -                          | -                             | 5,100                      |
| 010-5-309-1036 CELL PHONE ALLOWANCE | -                          | -                             | 600                        |
| 010-5-309-1040 SOCIAL SECURITY      | -                          | -                             | 10,921                     |
| 010-5-309-1050 HEALTH INSURANCE     | -                          | -                             | 23,445                     |
| 010-5-309-1070 RETIREMENT           | -                          | -                             | 21,571                     |
| <b>TOTAL PERSONNEL</b>              | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ 198,696</b>          |
| <b>SUPPLIES AND MATERIALS</b>       |                            |                               |                            |
| 010-5-309-2010 OFFICE SUPPLIES      | \$ -                       | \$ -                          | \$ 1,400                   |
| 010-5-309-2020 POSTAGE              | -                          | -                             | 100                        |
| 010-5-309-2030 JANITORIAL           | -                          | -                             | 100                        |
| 010-5-309-2080 SMALL TOOLS          | -                          | -                             | 100                        |
| <b>TOTAL SUPPLIES AND MATERIALS</b> | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ 1,700</b>            |
| <b>SERVICES</b>                     |                            |                               |                            |
| 010-5-309-3220 INSURANCE            | \$ -                       | \$ -                          | \$ 71                      |
| <b>TOTAL SERVICES</b>               | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ 71</b>               |
| <b>TOTAL PUBLIC SAFETY:</b>         | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ 200,467</b>          |

**POLICE ADMINISTRATION**

|                                       | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                      |                            |                               |                            |
| 010-5-310-1010 SALARIES               | \$ 227,722                 | \$ 245,631                    | \$ 124,306                 |
| 010-5-310-1020 OVERTIME               | 16,007                     | 4,660                         | -                          |
| 010-5-310-1030 LONGEVITY              | 2,844                      | 3,456                         | 2,016                      |
| 010-5-310-1031 INCENTIVE              | 8,400                      | 9,438                         | 4,200                      |
| 010-5-310-1034 UNIFORM ALLOWANCE      | 6,138                      | 7,751                         | -                          |
| 010-5-310-1036 CELL PHONE ALLOWANCE   | 960                        | 2,888                         | 1,920                      |
| 010-5-310-1040 SOCIAL SECURITY        | 20,512                     | 20,371                        | 10,132                     |
| 010-5-310-1050 HEALTH INSURANCE       | 32,242                     | 41,025                        | 29,765                     |
| 010-5-310-1060 UNEMPLOYMENT INSURANCE | 6,273                      | 4,397                         | -                          |
| 010-5-310-1061 WORKER'S COMPENSATION  | 8,174                      | 9,882                         | -                          |
| 010-5-310-1070 RETIREMENT             | 37,846                     | 40,234                        | 20,012                     |
| <b>TOTAL PERSONNEL</b>                | <b>\$ 367,118</b>          | <b>\$ 389,732</b>             | <b>\$ 192,351</b>          |
| <b>SUPPLIES AND MATERIALS</b>         |                            |                               |                            |
| 010-5-310-2010 OFFICE SUPPLIES        | \$ 792                     | \$ 4,581                      | \$ 1,000                   |
| 010-5-310-2020 POSTAGE                | 557                        | 400                           | 450                        |
| 010-5-310-2030 JANITORIAL SUPPLIES    | -                          | -                             | 65                         |
| 010-5-310-2040 UNIFORMS AND APPAREL   | 944                        | -                             | 1,000                      |



|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>SUPPLIES AND MATERIALS (CONTINUED)</b>  |                    |                       |                    |
| 010-5-310-2063 SPECIAL ACTIVITIES          | \$ 1,647           | \$ 2,500              | \$ 2,500           |
| 010-5-310-2070 FUEL                        | 2,458              | 4,001                 | 2,000              |
| 010-5-310-2080 SMALL TOOLS AND EQUIPMENT   | 111                | 325                   | 225                |
| <b>TOTAL SUPPLIES AND MATERIALS</b>        | <b>\$ 6,510</b>    | <b>\$ 11,808</b>      | <b>\$ 7,240</b>    |
| <b>SERVICES</b>                            |                    |                       |                    |
| 010-5-310-3030 PROFESSIONAL SERVICES       | \$ 985             | \$ 2,801              | \$ 1,300           |
| 010-5-310-3040 COMMUNICATIONS              | 2,768              | 4,000                 | 4,000              |
| 010-5-310-3080 MEMBERSHIP AND SUBSCRIPTION | 1,447              | 1,000                 | 1,200              |
| 010-5-310-3082 TRAVEL AND TRAINING         | 4,227              | 5,139                 | 4,700              |
| 010-5-310-3112 PRINTING SERVICES           | 56                 | 100                   | 570                |
| 010-5-310-3220 INSURANCE AND BONDS         | 71                 | -                     | -                  |
| <b>TOTAL SERVICES</b>                      | <b>\$ 9,554</b>    | <b>\$ 13,040</b>      | <b>\$ 11,770</b>   |
| <b>MAINTENANCE AND REPAIR</b>              |                    |                       |                    |
| 010-5-310-4110 MOTOR VEHICLES              | \$ 615             | \$ 2,501              | \$ 1,500           |
| 010-5-310-4120 EQUIPMENT AND MACHINERY     | 1,339              | 1,500                 | 1,500              |
| <b>TOTAL MAINTENANCE AND REPAIR</b>        | <b>\$ 1,954</b>    | <b>\$ 4,001</b>       | <b>\$ 3,000</b>    |
| <b>MAINTENANCE AND EQUIPMENT</b>           |                    |                       |                    |
| 010-5-310-4510 FIXTURES AND EQUIPMENT      | \$ 593             | \$ 465                | \$ 1,000           |
| 010-5-310-4520 SOFTWARE MAINTENANCE        | 2,148              | 600                   | 600                |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>     | <b>\$ 2,741</b>    | <b>\$ 1,065</b>       | <b>\$ 1,600</b>    |
| <b>TOTAL POLICE ADMINISTRATION:</b>        | <b>\$ 387,876</b>  | <b>\$ 419,645</b>     | <b>\$ 215,961</b>  |

## POLICE PATROL

|                                       | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|---------------------------------------|---------------------|-----------------------|---------------------|
| <b>PERSONNEL</b>                      |                     |                       |                     |
| 010-5-320-1010 SALARIES               | \$ 1,009,063        | \$ 954,092            | \$ 1,039,428        |
| 010-5-320-1020 OVERTIME               | 160,086             | 185,375               | 75,000              |
| 010-5-320-1021 STEP OVERTIME          | -                   | 10,001                | 10,000              |
| 010-5-320-1030 LONGEVITY              | 4,470               | 5,076                 | 6,840               |
| 010-5-320-1031 INCENTIVE              | 27,915              | 47,008                | 38,190              |
| 010-5-320-1032 SHIFT PAY              | 15,475              | 20,800                | 28,200              |
| 010-5-320-1034 UNIFORM ALLOWANCE      | -                   | 25                    | -                   |
| 010-5-320-1040 SOCIAL SECURITY        | 90,270              | 92,920                | 91,621              |
| 010-5-320-1050 HEALTH INSURANCE       | 254,822             | 406,024               | 293,925             |
| 010-5-320-1060 UNEMPLOYMENT INSURANCE | 27,428              | 16,864                | -                   |
| 010-5-320-1061 WORKER'S COMPENSATION  | 40,054              | 24,709                | -                   |
| 010-5-320-1070 RETIREMENT             | 177,757             | 183,533               | 180,966             |
| <b>TOTAL PERSONNEL</b>                | <b>\$ 1,807,341</b> | <b>\$ 1,946,427</b>   | <b>\$ 1,764,170</b> |
| <b>SUPPLIES AND MATERIALS</b>         |                     |                       |                     |
| 010-5-320-2010 OFFICE SUPPLIES        | \$ 1,758            | \$ 362                | \$ 1,758            |
| 010-5-320-2020 POSTAGE                | 434                 | 434                   | 500                 |

|  | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|--|---------------------|-----------------------|---------------------|
| <b>SUPPLIES AND MATERIALS (CONTINUED)</b>  |                     |                       |                     |
| 010-5-320-2030 JANITORIAL SUPPLIES         | \$ -                | \$ 100                | \$ 100              |
| 010-5-320-2040 UNIFORMS AND APPAREL        | 23,193              | 24,750                | 20,250              |
| 010-5-320-2063 SPECIAL ACTIVITIES          | 196                 | 1,200                 | 700                 |
| 010-5-320-2070 FUEL                        | 51,003              | 66,100                | 60,000              |
| 010-5-320-2080 SMALL TOOLS AND EQUIPMENT   | 17,770              | 26,341                | 16,000              |
| 010-5-320-2083 ARSENAL                     | 7,174               | 6,001                 | 6,000               |
| <b>TOTAL SUPPLIES AND MATERIALS</b>        | <b>\$ 101,530</b>   | <b>\$ 125,289</b>     | <b>\$ 105,308</b>   |
| <b>SERVICES</b>                            |                     |                       |                     |
| 010-5-320-3030 PROFESSIONAL SERVICES       | 1,361               | 1,672                 | 1,500               |
| 010-5-320-3035 MEDICAL RELATED SERVICES    | 140                 | 2,000                 | -                   |
| 010-5-320-3040 COMMUNICATIONS              | 8,031               | 6,646                 | 8,000               |
| 010-5-320-3080 MEMBERSHIP AND SUBSCRIPTION | 1,111               | 2,000                 | 2,000               |
| 010-5-320-3082 TRAVEL AND TRAINING         | 13,163              | 21,351                | 16,350              |
| 010-5-320-3112 PRINTING SERVICES           | 1,683               | 3,001                 | 2,000               |
| 010-5-320-3220 INSURANCE AND BONDS         | 71                  | -                     | -                   |
| 010-5-320-3310 EQUIPMENT RENTAL AND LEASE  | 14,099              | 6,000                 | 15,200              |
| <b>TOTAL SERVICES</b>                      | <b>\$ 39,659</b>    | <b>\$ 42,669</b>      | <b>\$ 45,050</b>    |
| <b>MAINTENANCE AND REPAIR</b>              |                     |                       |                     |
| 010-5-320-4010 BUILDINGS AND STRUCTURES    | \$ 651              | \$ -                  | \$ -                |
| 010-5-320-4110 MOTOR VEHICLES              | 25,581              | 29,401                | 30,000              |
| 010-5-320-4120 EQUIPMENT AND MACHINERY     | 13,089              | 19,610                | 15,000              |
| <b>TOTAL MAINTENANCE AND REPAIR</b>        | <b>\$ 39,321</b>    | <b>\$ 49,011</b>      | <b>\$ 45,000</b>    |
| <b>MAINTENANCE AND EQUIPMENT</b>           |                     |                       |                     |
| 010-5-320-4510 FIXTURE AND EQUIPMENT       | \$ 2,582            | \$ 3,001              | \$ 2,000            |
| 010-5-320-4540 AUTO REPAIR OUTSIDE LABOR   | 3,765               | 3,650                 | -                   |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>     | <b>\$ 6,347</b>     | <b>\$ 6,651</b>       | <b>\$ 2,000</b>     |
| <b>INTERFUND ACTIVITY</b>                  |                     |                       |                     |
| 010-5-320-9511 EQUIPMENT USER FEE          | 9,096               | 60,297                | 60,296              |
| <b>TOTAL INTERFUND ACTIVITY</b>            | <b>\$ 9,096</b>     | <b>\$ 60,297</b>      | <b>\$ 60,296</b>    |
| <b>TOTAL POLICE PATROL:</b>                | <b>\$ 2,003,293</b> | <b>\$ 2,230,343</b>   | <b>\$ 2,021,824</b> |

## **POLICE CID**

|                          | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--------------------------|--------------------|-----------------------|--------------------|
| <b>PERSONNEL</b>         |                    |                       |                    |
| 010-5-330-1010 SALARIES  | \$ 387,470         | \$ 331,120            | \$ 326,687         |
| 010-5-330-1020 OVERTIME  | 21,649             | 32,853                | 26,000             |
| 010-5-330-1030 LONGEVITY | 7,722              | 8,136                 | 5,544              |
| 010-5-330-1031 INCENTIVE | 34,916             | 39,834                | 29,616             |
| 010-5-330-1032 SHIFT PAY | -                  | 150                   | -                  |

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>PERSONNEL (CONTINUED)</b>               |                    |                       |                    |
| 010-5-330-1034 UNIFORM ALLOWANCE           | \$ 3,650           | \$ 3,900              | \$ -               |
| 010-5-330-1036 CELL PHONE ALLOWANCE        | 1,050              | 3,000                 | 3,600              |
| 010-5-330-1040 SOCIAL SECURITY             | 34,126             | 30,967                | 29,946             |
| 010-5-330-1050 HEALTH INSURANCE            | 68,899             | 85,689                | 95,054             |
| 010-5-330-1060 UNEMPLOYMENT INSURANCE      | 10,542             | 7,232                 | -                  |
| 010-5-330-1061 WORKER'S COMPENSATION       | 15,681             | 11,892                | -                  |
| 010-5-330-1070 RETIREMENT                  | 63,720             | 55,888                | 54,270             |
| <b>TOTAL PERSONNEL</b>                     | <b>\$ 649,424</b>  | <b>\$ 610,662</b>     | <b>\$ 570,717</b>  |
| <b>SUPPLIES AND MATERIALS</b>              |                    |                       |                    |
| 010-5-330-2010 OFFICE SUPPLIES             | \$ 2,576           | \$ 1,000              | \$ 1,000           |
| 010-5-330-2020 POSTAGE                     | 1,112              | 1,400                 | 1,400              |
| 010-5-330-2030 JANITORIAL SUPPLIES         | -                  | -                     | 60                 |
| 010-5-330-2040 UNIFORMS AND APPAREL        | 1,704              | 2,024                 | 3,500              |
| 010-5-330-2050 MEDICAL SUPPLIES            | -                  | -                     | 50                 |
| 010-5-330-2062 POLICE INFORMANT            | -                  | 1,000                 | 2,000              |
| 010-5-330-2070 FUEL                        | 10,135             | 15,001                | 11,000             |
| 010-5-330-2080 SMALL TOOLS AND EQUIPMENT   | 817                | 901                   | 900                |
| <b>TOTAL SUPPLIES AND MATERIALS</b>        | <b>\$ 16,344</b>   | <b>\$ 21,326</b>      | <b>\$ 19,910</b>   |
| <b>SERVICES</b>                            |                    |                       |                    |
| 010-5-330-3030 PROFESSIONAL SERVICES       | \$ 5,325           | \$ 16,000             | \$ 6,000           |
| 010-5-330-3040 COMMUNICATIONS              | 5,983              | 4,000                 | 4,000              |
| 010-5-330-3080 MEMBERSHIP AND SUBSCRIPTION | 171                | 886                   | 886                |
| 010-5-330-3082 TRAVEL AND TRAINING         | 15,636             | 13,641                | 12,000             |
| 010-5-330-3112 PRINTING SERVICES           | 405                | 550                   | 550                |
| 010-5-330-3220 INSURANCE AND BONDS         | 621                | 300                   | 675                |
| 010-5-330-3310 EQUIPMENT RENTAL AND LEASE  | 3,837              | -                     | 3,836              |
| <b>TOTAL SERVICES</b>                      | <b>\$ 31,977</b>   | <b>\$ 35,377</b>      | <b>\$ 27,947</b>   |
| <b>MAINTENANCE AND REPAIR</b>              |                    |                       |                    |
| 010-5-330-4110 MOTOR VEHICLES              | \$ 6,117           | \$ 4,501              | \$ 4,500           |
| 010-5-330-4120 EQUIPMENT AND MACHINERY     | 6,301              | 7,500                 | 7,500              |
| <b>TOTAL MAINTENANCE AND REPAIR</b>        | <b>\$ 12,418</b>   | <b>\$ 12,001</b>      | <b>\$ 12,000</b>   |
| <b>MAINTENANCE AND EQUIPMENT</b>           |                    |                       |                    |
| 010-5-330-4510 FIXTURES AND EQUIPMENT      | \$ 1,738           | \$ 2,001              | \$ 2,000           |
| 010-5-330-4560 RADIO AND RADAR EQUIPMENT   | -                  | 300                   | -                  |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>     | <b>\$ 1,738</b>    | <b>\$ 2,301</b>       | <b>\$ 2,000</b>    |
| <b>EQUIPMENT</b>                           |                    |                       |                    |
| 010-5-330-8015 COMPUTER EQUIPMENT          | \$ (875)           | \$ -                  | \$ -               |
| <b>TOTAL EQUIPMENT</b>                     | <b>\$ (875)</b>    | <b>\$ -</b>           | <b>\$ -</b>        |
| <b>TOTAL POLICE CID:</b>                   | <b>\$ 711,026</b>  | <b>\$ 681,666</b>     | <b>\$ 632,574</b>  |

**ANIMAL CONTROL**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                           |                            |                               |                            |
| 010-5-340-1010 SALARIES                    | \$ 47,652                  | \$ 52,449                     | \$ 52,395                  |
| 010-5-340-1020 OVERTIME                    | 4,283                      | 6,001                         | 6,000                      |
| 010-5-340-1030 LONGEVITY                   | 1,596                      | 1,872                         | 2,016                      |
| 010-5-340-1031 INCENTIVE                   | 3,650                      | 5,940                         | 3,240                      |
| 010-5-340-1036 CELL PHONE ALLOWANCE        | 400                        | 1,200                         | 1,200                      |
| 010-5-340-1040 SOCIAL SECURITY             | 4,322                      | 5,161                         | 4,961                      |
| 010-5-340-1050 HEALTH INSURANCE            | 11,820                     | 12,285                        | 12,079                     |
| 010-5-340-1060 UNEMPLOYMENT INSURANCE      | 1,310                      | 791                           | -                          |
| 010-5-340-1061 WORKER'S COMPENSATION       | 1,117                      | 674                           | -                          |
| 010-5-340-1070 RETIREMENT                  | 7,911                      | 10,194                        | 9,799                      |
| <b>TOTAL PERSONNEL</b>                     | <b>\$ 84,061</b>           | <b>\$ 96,567</b>              | <b>\$ 91,690</b>           |
| <b>SUPPLIES AND MATERIALS</b>              |                            |                               |                            |
| 010-5-340-2010 OFFICE SUPPLIES             | \$ -                       | \$ 100                        | \$ 100                     |
| 010-5-340-2020 POSTAGE                     | -                          | 100                           | 100                        |
| 010-5-340-2040 UNIFORMS AND APPERAL        | 1,431                      | 1,490                         | 1,500                      |
| 010-5-340-2050 MEDICAL SUPPLIES            | -                          | 100                           | 100                        |
| 010-5-340-2051 ANIMAL MEDICAL SUPPLI       | 1,425                      | 5,440                         | 5,440                      |
| 010-5-340-2070 FUEL                        | 4,327                      | 4,000                         | 4,000                      |
| 010-5-340-2080 SMALL TOOLS AND EQUIPMENT   | 795                        | 2,000                         | 1,000                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b>        | <b>\$ 7,978</b>            | <b>\$ 13,231</b>              | <b>\$ 12,240</b>           |
| <b>SERVICES</b>                            |                            |                               |                            |
| 010-5-340-3040 COMMUNICATIONS              | \$ 3,902                   | \$ 3,500                      | \$ 3,500                   |
| 010-5-340-3050 ELECTRIC UTILITIES          | 19,514                     | 25,000                        | 21,000                     |
| 010-5-340-3051 CITY UTILITIES              | 1,110                      | 3,092                         | 4,000                      |
| 010-5-340-3080 MEMBERSHIP AND SUBSCRIPTION | 100                        | 300                           | 300                        |
| 010-5-340-3082 TRAVEL AND TRAINING         | 580                        | 2,800                         | 1,000                      |
| 010-5-340-3112 PRINTING SERVICES           | -                          | 600                           | 500                        |
| 010-5-340-3330 CONTRACT SERVICES           | 23,928                     | 25,000                        | 25,000                     |
| <b>TOTAL SERVICES</b>                      | <b>\$ 49,134</b>           | <b>\$ 60,293</b>              | <b>\$ 55,300</b>           |
| <b>MAINTENANCE AND REPAIR</b>              |                            |                               |                            |
| 010-5-340-4110 MOTOR VEHICLES              | \$ 1,274                   | \$ 2,001                      | \$ 2,000                   |
| 010-5-340-4120 EQUIPMENT AND MACHINERY     | 4,399                      | 5,001                         | 5,000                      |
| <b>TOTAL MAINTENANCE AND REPAIR</b>        | <b>\$ 5,673</b>            | <b>\$ 7,002</b>               | <b>\$ 7,000</b>            |
| <b>SUNDRY</b>                              |                            |                               |                            |
| 010-5-340-5200 ANIMAL FOOD                 | \$ -                       | \$ 1,001                      | \$ 500                     |
| <b>TOTAL SUNDRY</b>                        | <b>\$ -</b>                | <b>\$ 1,001</b>               | <b>\$ 500</b>              |
| <b>TOTAL ANIMAL CONTROL:</b>               | <b>\$ 146,846</b>          | <b>\$ 178,093</b>             | <b>\$ 166,730</b>          |

**COMMUNICATIONS**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                           |                            |                               |                            |
| 010-5-350-1010 SALARIES                    | \$ 159,611                 | \$ 193,286                    | \$ 212,105                 |
| 010-5-350-1020 OVERTIME                    | 34,336                     | 20,001                        | 3,500                      |
| 010-5-350-1030 LONGEVITY                   | 1,770                      | 2,808                         | 3,312                      |
| 010-5-350-1031 INCENTIVES                  | 2,850                      | 5,850                         | 7,000                      |
| 010-5-350-1032 SHIFT PAY                   | 2,850                      | 3,600                         | 4,800                      |
| 010-5-350-1036 CELL PHONE ALLOWANCE        | 200                        | 350                           | 600                        |
| 010-5-350-1040 SOCIAL SECURITY             | 15,159                     | 18,072                        | 17,696                     |
| 010-5-350-1050 HEALTH INSURANCE            | 36,868                     | 85,696                        | 62,784                     |
| 010-5-350-1060 UNEMPLOYMENT INSURANCE      | 4,602                      | 2,987                         | -                          |
| 010-5-350-1061 WORKER'S COMPENSATION       | 580                        | 377                           | -                          |
| 010-5-350-1070 RETIREMENT                  | 24,211                     | 34,065                        | 34,952                     |
| <b>TOTAL PERSONNEL</b>                     | <b>\$ 283,036</b>          | <b>\$ 367,092</b>             | <b>\$ 346,749</b>          |
| <b>SUPPLIES AND MATERIALS</b>              |                            |                               |                            |
| 010-5-350-2010 OFFICE SUPPLIES             | \$ 727                     | \$ 1,001                      | \$ 1,000                   |
| 010-5-350-2020 POSTAGE                     | 27                         | 20                            | 50                         |
| 010-5-350-2040 UNIFORMS AND APPAREL        | -                          | 1,582                         | 200                        |
| 010-5-350-2080 SMALL TOOLS AND EQUIPMENT   | 2,560                      | 1,690                         | 2,500                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b>        | <b>\$ 3,313</b>            | <b>\$ 4,293</b>               | <b>\$ 3,750</b>            |
| <b>SERVICES</b>                            |                            |                               |                            |
| 010-5-350-3030 PROFESSIONAL SERVICES       | \$ 2,974                   | \$ -                          | \$ -                       |
| 010-5-350-3040 COMMUNICATIONS              | 21,476                     | 12,001                        | 10,000                     |
| 010-5-350-3080 MEMBERSHIP AND SUBSCRIPTION | 388                        | 506                           | 700                        |
| 010-5-350-3082 TRAVEL AND TRAINING         | 4,315                      | 4,142                         | 4,000                      |
| 010-5-350-3220 INSURANCE AND BONDS         | -                          | -                             | 300                        |
| 010-5-350-3310 EQUIPMENT RENTAL            | -                          | 16,706                        | 4,700                      |
| <b>TOTAL SERVICES</b>                      | <b>\$ 29,154</b>           | <b>\$ 33,355</b>              | <b>\$ 19,700</b>           |
| <b>MAINTENANCE AND EQUIPMENT</b>           |                            |                               |                            |
| 010-5-350-4510 EQUIPMENT MAINTENANCE       | \$ 1,143                   | \$ 1,000                      | \$ 2,100                   |
| 010-5-350-4520 SOFTWARE MAINTENANCE        | 24,888                     | 29,039                        | 34,702                     |
| 010-5-350-4560 RADIO EQUIPMENT             | 7,662                      | 12,000                        | 15,000                     |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>     | <b>\$ 33,693</b>           | <b>\$ 42,039</b>              | <b>\$ 51,802</b>           |
| <b>EQUIPMENT</b>                           |                            |                               |                            |
| 010-5-350-8010 FURNITURE AND OFFICE EQ     | \$ 5,757                   | \$ -                          | \$ -                       |
| 010-5-350-8015 COMPUTER EQUIPMENT          | -                          | 6,000                         | -                          |
| <b>TOTAL EQUIPMENT</b>                     | <b>\$ 5,757</b>            | <b>\$ 6,000</b>               | <b>\$ -</b>                |
| <b>TOTAL COMMUNICATIONS:</b>               | <b>\$ 354,953</b>          | <b>\$ 452,779</b>             | <b>\$ 422,001</b>          |

**FIRE ADMINISTRATION**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                         |                            |                               |                            |
| 010-5-410-1010 SALARIES                  | \$ 130,652                 | \$ 132,351                    | \$ 65,000                  |
| 010-5-410-1030 LONGEVITY                 | 3,432                      | 4,680                         | 1,800                      |
| 010-5-410-1031 INCENTIVE                 | 12,324                     | 10,824                        | 5,100                      |
| 010-5-410-1036 CELL PHONE ALLOWANCE      | 200                        | 350                           | 600                        |
| 010-5-410-1040 SOCIAL SECURITY           | 10,792                     | 11,312                        | 5,546                      |
| 010-5-410-1050 HEALTH INSURANCE          | 27,491                     | 36,661                        | 14,883                     |
| 010-5-410-1060 UNEMPLOYMENT INSURANCE    | 3,355                      | 2,051                         | -                          |
| 010-5-410-1061 WORKER'S COMPENSATION     | 3,589                      | 2,219                         | -                          |
| 010-5-410-1070 RETIREMENT                | 20,241                     | 22,342                        | 10,955                     |
| <b>TOTAL PERSONNEL</b>                   | <b>\$ 212,076</b>          | <b>\$ 222,789</b>             | <b>\$ 103,884</b>          |
| <b>SUPPLIES AND MATERIALS</b>            |                            |                               |                            |
| 010-5-410-2010 OFFICE SUPPLIES           | \$ 2,882                   | \$ 3,201                      | \$ 2,000                   |
| 010-5-410-2020 POSTAGE                   | 122                        | 50                            | 50                         |
| 010-5-410-2030 JANITORIAL SUPPLIES       | 48                         | 125                           | 50                         |
| 010-5-410-2040 UNIFORMS AND APPAREL      | 416                        | 601                           | 600                        |
| 010-5-410-2070 FUEL                      | 2,938                      | 4,000                         | 4,500                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b>      | <b>\$ 6,406</b>            | <b>\$ 7,977</b>               | <b>\$ 7,200</b>            |
| <b>SERVICES</b>                          |                            |                               |                            |
| 010-5-410-3035 MEDICAL RELATED SERVICES  | \$ -                       | \$ -                          | \$ 300                     |
| 010-5-410-3040 COMMUNICATIONS            | 6,224                      | 6,500                         | 6,500                      |
| 010-5-410-3050 ELECTRIC UTILITIES        | 6,104                      | 5,000                         | 3,300                      |
| 010-5-410-3051 CITY UTILITIES            | 112                        | 801                           | 500                        |
| 010-5-410-3070 UNIFORM SERVICES          | 66                         | -                             | -                          |
| 010-5-410-3082 TRAVEL AND TRAINING       | 1,275                      | 800                           | 2,500                      |
| <b>TOTAL SERVICES</b>                    | <b>\$ 13,781</b>           | <b>\$ 13,102</b>              | <b>\$ 13,100</b>           |
| <b>MAINTENANCE AND REPAIR</b>            |                            |                               |                            |
| 010-5-410-4010 BUILDINGS AND STRUCTURES  | \$ 89                      | \$ 600                        | \$ 600                     |
| 010-5-410-4110 MOTOR VEHICLES            | 744                        | 800                           | 600                        |
| 010-5-410-4120 EQUIPMENT AND MACHINERY   | 1,970                      | 4,000                         | 4,000                      |
| <b>TOTAL MAINTENANCE AND REPAIR</b>      | <b>\$ 2,803</b>            | <b>\$ 5,401</b>               | <b>\$ 5,200</b>            |
| <b>MAINTENANCE AND EQUIPMENT</b>         |                            |                               |                            |
| 010-5-410-4560 RADIO AND RADAR EQUIPMENT | 40                         | 500                           | 500                        |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>   | <b>\$ 40</b>               | <b>\$ 500</b>                 | <b>\$ 500</b>              |
| <b>TOTAL FIRE ADMINISTRATION:</b>        | <b>\$ 235,106</b>          | <b>\$ 249,768</b>             | <b>\$ 129,884</b>          |

## FIRE SUPPRESSION

|  | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|--|---------------------|-----------------------|---------------------|
| <b>PERSONNEL</b>                         |                     |                       |                     |
| 010-5-420-1010 SALARIES                  | \$ 1,475,875        | \$ 1,441,252          | \$ 1,427,856        |
| 010-5-420-1020 OVERTIME                  | 11,565              | 25,001                | 25,000              |
| 010-5-420-1030 LONGEVITY                 | 27,201              | 35,640                | 35,496              |
| 010-5-420-1031 INCENTIVE                 | 77,908              | 74,398                | 78,144              |
| 010-5-420-1040 SOCIAL SECURITY           | 116,185             | 120,587               | 119,837             |
| 010-5-420-1050 HEALTH INSURANCE          | 371,259             | 489,837               | 378,563             |
| 010-5-420-1060 UNEMPLOYMENT INSURANCE    | 36,496              | 20,971                | -                   |
| 010-5-420-1061 WORKER'S COMPENSATION     | 39,035              | 22,430                | -                   |
| 010-5-420-1070 RETIREMENT                | 220,182             | 238,177               | 236,698             |
| <b>TOTAL PERSONNEL</b>                   | <b>\$ 2,375,706</b> | <b>\$ 2,468,294</b>   | <b>\$ 2,301,594</b> |
| <b>SUPPLIES AND MATERIALS</b>            |                     |                       |                     |
| 010-5-420-2010 OFFICE SUPPLIES           | \$ 1,199            | \$ 1,200              | \$ 1,200            |
| 010-5-420-2020 POSTAGE                   | 156                 | 101                   | 200                 |
| 010-5-420-2030 JANITORIAL SUPPLIES       | 5,285               | 4,501                 | 4,500               |
| 010-5-420-2031 CHEMICALS                 | -                   | 600                   | 600                 |
| 010-5-420-2040 UNIFORMS AND APPAREL      | 7,813               | 7,501                 | 8,500               |
| 010-5-420-2070 FUEL                      | 14,451              | 16,500                | 17,000              |
| <b>TOTAL SUPPLIES AND MATERIALS</b>      | <b>\$ 28,904</b>    | <b>\$ 30,403</b>      | <b>\$ 32,000</b>    |
| <b>SERVICES</b>                          |                     |                       |                     |
| 010-5-420-3035 MEDICAL RELATED SERVICES  | \$ 83               | \$ 300                | \$ 500              |
| 010-5-420-3040 COMMUNICATIONS            | 5,614               | 5,001                 | 5,000               |
| 010-5-420-3050 ELECTRIC UTILITIES        | 29,203              | 30,000                | 30,000              |
| 010-5-420-3051 CITY UTILITIES            | 1,176               | 2,500                 | 2,500               |
| 010-5-420-3070 UNIFORM SERVICES          | 154                 | 1,467                 | -                   |
| 010-5-420-3082 TRAVEL AND TRAINING       | 1,594               | 6,900                 | 6,500               |
| <b>TOTAL SERVICES</b>                    | <b>\$ 37,822</b>    | <b>\$ 46,168</b>      | <b>\$ 44,500</b>    |
| <b>MAINTENANCE AND REPAIR</b>            |                     |                       |                     |
| 010-5-420-4010 BUILDINGS AND STRUCTURES  | \$ 1,259            | \$ 3,501              | \$ 4,000            |
| 010-5-420-4110 MOTOR VEHICLES            | 17,415              | 16,001                | 16,000              |
| 010-5-420-4120 EQUIPMENT AND MACHINERY   | 32,593              | 33,000                | 34,000              |
| <b>TOTAL MAINTENANCE AND REPAIR</b>      | <b>\$ 51,267</b>    | <b>\$ 52,502</b>      | <b>\$ 54,000</b>    |
| <b>MAINTENANCE AND EQUIPMENT</b>         |                     |                       |                     |
| 010-5-420-4560 RADIO AND RADAR EQUIPMENT | \$ -                | \$ 1,400              | \$ 1,400            |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>   | <b>\$ -</b>         | <b>\$ 1,400</b>       | <b>\$ 1,400</b>     |
| <b>INTERFUND ACTIVITY</b>                |                     |                       |                     |
| 010-5-420-9511 EQUIPMENT USER FEE        | \$ -                | \$ 10,000             | \$ 60,000           |
| <b>TOTAL INTERFUND ACTIVITY</b>          | <b>\$ -</b>         | <b>\$ 10,000</b>      | <b>\$ 60,000</b>    |
| <b>TOTAL FIRE SUPPRESSION:</b>           | <b>\$ 2,493,700</b> | <b>\$ 2,608,767</b>   | <b>\$ 2,493,494</b> |

**EMERGENCY MANAGEMENT**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                         |                            |                               |                            |
| 010-5-430-1010 SALARIES                  | \$ 60,430                  | \$ 59,912                     | \$ 57,512                  |
| 010-5-430-1030 LONGEVITY                 | 1,800                      | 1,800                         | 1,800                      |
| 010-5-430-1031 INCENTIVE                 | 3,612                      | 6,012                         | 6,012                      |
| 010-5-430-1036 CELL PHONE ALLOWANCE      | 200                        | 350                           | 600                        |
| 010-5-430-1040 SOCIAL SECURITY           | 5,001                      | 5,181                         | 5,043                      |
| 010-5-430-1050 HEALTH INSURANCE          | 7,627                      | 10,409                        | 6,040                      |
| 010-5-430-1060 UNEMPLOYMENT INSURANCE    | 1,515                      | 876                           | -                          |
| 010-5-430-1061 WORKER'S COMPENSATION     | 1,620                      | 937                           | -                          |
| 010-5-430-1070 RETIREMENT                | 9,136                      | 10,233                        | 9,961                      |
| <b>TOTAL PERSONNEL</b>                   | <b>\$ 90,941</b>           | <b>\$ 95,710</b>              | <b>\$ 86,968</b>           |
| <b>SUPPLIES AND MATERIALS</b>            |                            |                               |                            |
| 010-5-430-2010 OFFICE SUPPLIES           | \$ 2,382                   | \$ 500                        | \$ 100                     |
| 010-5-430-2020 POSTAGE                   | 19                         | 25                            | 100                        |
| 010-5-430-2030 JANITORIAL SUPPLIES       | 54                         | 50                            | -                          |
| 010-5-430-2040 UNIFORMS AND APPAREL      | 206                        | 250                           | 250                        |
| 010-5-430-2070 FUEL                      | 717                        | 1,200                         | 1,000                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b>      | <b>\$ 3,377</b>            | <b>\$ 2,026</b>               | <b>\$ 1,450</b>            |
| <b>SERVICES</b>                          |                            |                               |                            |
| 010-5-430-3040 COMMUNICATIONS            | \$ 347                     | \$ 400                        | \$ 500                     |
| 010-5-430-3082 TRAVEL AND TRAINING       | 663                        | 703                           | 750                        |
| <b>TOTAL SERVICES</b>                    | <b>\$ 1,009</b>            | <b>\$ 1,103</b>               | <b>\$ 1,250</b>            |
| <b>MAINTENANCE AND REPAIR</b>            |                            |                               |                            |
| 010-5-430-4110 MOTOR VEHICLES            | \$ 2                       | \$ 2                          | \$ 500                     |
| 010-5-430-4120 EQUIPMENT AND MACHINERY   | 493                        | 600                           | 700                        |
| <b>TOTAL MAINTENANCE AND REPAIR</b>      | <b>\$ 495</b>              | <b>\$ 602</b>                 | <b>\$ 1,200</b>            |
| <b>MAINTENANCE AND EQUIPMENT</b>         |                            |                               |                            |
| 010-5-430-4560 RADIO AND RADAR EQUIPMENT | \$ -                       | \$ 250                        | \$ 300                     |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>   | <b>\$ -</b>                | <b>\$ 250</b>                 | <b>\$ 300</b>              |
| <b>TOTAL EMERGENCY MANAGEMENT:</b>       | <b>\$ 95,823</b>           | <b>\$ 99,691</b>              | <b>\$ 91,168</b>           |



## PUBLIC WORKS

Public Works contains several budgetary departments as well as separate funds for airport and sanitation. The public works department is considered the core function of municipal government operations. A majority of this City's public works division resources go into maintaining an extensive street transportation system that is utilized by the entire county region. The airport is another transportation system under the direction of public works and also serves as an important transport center for the region. Other department responsibilities include the city's fleet maintenance and broad aspects of project engineering.

The major budgetary divisions include: Street Department, Fleet Maintenance, Engineering, Airport and Refuse Disposal. The following is a summary of the General Fund related 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.

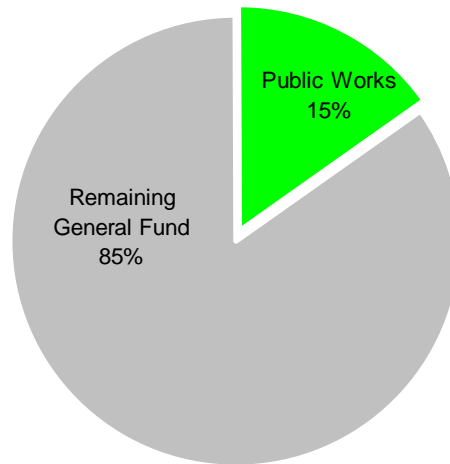
### FLEET MAINTENANCE

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

**Public Works Department Expenditures Related to the General Fund**



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.

### OTHER RESPONSIBILITIES

The Department has other areas of responsibility. Public Works includes the airport operation and sanitation operation that are financially administered outside of the general fund. The budget for these operations can be found along with the following funds, each as its separate fund. The Airport Fund, Fund 240, is located within the City's "Special Revenue Funds" and the Sanitation Fund, Fund 620, is located under the City's "Enterprise Funds."

Also several of the capital improvement funds are managed by Public Works and the department determines what infrastructure is in need of improvement or replacement. The determinations of current improvements are critical to the safety and the efficiency of the City. The future determination of infrastructure also plays a key role in quality-of-life matters. Annually the department is responsible for overseeing the engineering and construction on major infrastructure projects as well as providing a long-term capital improvement plan.

**PUBLIC WORKS ADMINISTRATION**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                       |                            |                               |                            |
| 010-5-510-1010 SALARIES                | \$ 113,459                 | \$ 119,638                    | \$ 112,311                 |
| 010-5-510-1030 LONGEVITY               | 444                        | 720                           | 576                        |
| 010-5-510-1033 CAR ALLOWANCE           | 4,800                      | 5,200                         | 4,800                      |
| 010-5-510-1036 CELL PHONE ALLOWANCE    | 200                        | 600                           | 600                        |
| 010-5-510-1040 SOCIAL SECURITY         | 8,843                      | 9,689                         | 9,049                      |
| 010-5-510-1050 HEALTH INSURANCE        | 18,848                     | 24,465                        | 26,547                     |
| 010-5-510-1060 UNEMPLOYMENT INSURANCE  | 2,727                      | 1,533                         | -                          |
| 010-5-510-1061 WORKER'S COMPENSATION   | 7,495                      | 4,347                         | -                          |
| 010-5-510-1070 RETIREMENT              | 15,738                     | 19,138                        | 17,873                     |
| <b>TOTAL PERSONNEL</b>                 | <b>\$ 172,555</b>          | <b>\$ 185,330</b>             | <b>\$ 171,756</b>          |
| <b>SUPPLIES AND MATERIALS</b>          |                            |                               |                            |
| 010-5-510-2010 OFFICE SUPPLIES         | \$ 3,094                   | \$ 4,501                      | \$ 3,500                   |
| 010-5-510-2020 POSTAGE                 | 360                        | 463                           | 650                        |
| <b>TOTAL SUPPLIES AND MATERIALS</b>    | <b>\$ 3,454</b>            | <b>\$ 4,964</b>               | <b>\$ 4,150</b>            |
| <b>SERVICES</b>                        |                            |                               |                            |
| 010-5-510-3040 COMMUNICATIONS          | \$ 2,731                   | \$ 2,750                      | \$ 2,750                   |
| 010-5-510-3080 MEMBERSHIP AND CERTIFIC | 748                        | 773                           | 800                        |
| 010-5-510-3082 TRAVEL AND TRAINING     | 1,195                      | 1,407                         | 3,500                      |
| <b>TOTAL SERVICES</b>                  | <b>\$ 4,674</b>            | <b>\$ 4,930</b>               | <b>\$ 7,050</b>            |
| <b>MAINTENANCE AND REPAIR</b>          |                            |                               |                            |
| 010-5-510-4120 EQUIPMENT AND MACHINERY | \$ 100                     | \$ 45                         | \$ -                       |
| <b>TOTAL MAINTENANCE AND REPAIR</b>    | <b>\$ 100</b>              | <b>\$ 45</b>                  | <b>\$ -</b>                |
| <b>TOTAL PUBLIC WORKS ADMIN</b>        | <b>\$ 180,782</b>          | <b>\$ 195,269</b>             | <b>\$ 182,956</b>          |

**STREET MAINTENANCE**

|                                       | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                      |                            |                               |                            |
| 010-5-520-1010 SALARIES               | \$ 261,055                 | \$ 262,794                    | \$ 266,687                 |
| 010-5-520-1020 OVERTIME               | 5,007                      | 6,521                         | 9,000                      |
| 010-5-520-1030 LONGEVITY              | 5,505                      | 6,696                         | 6,408                      |
| 010-5-520-1031 INCENTIVE              | 2,975                      | 3,600                         | 5,880                      |
| 010-5-520-1036 CELL PHONE ALLOWANCE   | 1,665                      | 5,520                         | 5,520                      |
| 010-5-520-1040 SOCIAL SECURITY        | 20,266                     | 21,656                        | 22,452                     |
| 010-5-520-1050 HEALTH INSURANCE       | 72,469                     | 105,803                       | 74,034                     |
| 010-5-520-1060 UNEMPLOYMENT INSURANCE | 6,315                      | 3,698                         | -                          |
| 010-5-520-1061 WORKER'S COMPENSATION  | 23,479                     | 13,813                        | -                          |
| 010-5-520-1070 RETIREMENT             | 35,749                     | 41,635                        | 43,208                     |
| <b>TOTAL PERSONNEL</b>                | <b>\$ 434,485</b>          | <b>\$ 471,737</b>             | <b>\$ 433,189</b>          |

|   | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|---|---------------------|-----------------------|---------------------|
| <b>SUPPLIES AND MATERIALS</b>             |                     |                       |                     |
| 010-5-520-2010 OFFICE SUPPLIES            | \$ 80               | \$ 43                 | \$ -                |
| 010-5-520-2030 JANITORIAL SUPPLIES        | 803                 | 860                   | 860                 |
| 010-5-520-2031 CHEMICALS                  | 6,560               | 7,501                 | 7,500               |
| 010-5-520-2040 UNIFORMS AND APPAREL       | 4,846               | 5,001                 | 5,000               |
| 010-5-520-2061 SAFETY MATERIALS           | 5,010               | 3,708                 | 5,000               |
| 010-5-520-2070 FUEL                       | 24,713              | 50,001                | 50,000              |
| 010-5-520-2080 SMALL TOOLS AND EQUIPMENT  | 9,324               | 10,500                | 10,000              |
| 010-5-520-2120 TRAFFIC SIGNS              | -                   | -                     | -                   |
| <b>TOTAL SUPPLIES AND MATERIALS</b>       | <b>\$ 51,337</b>    | <b>\$ 77,613</b>      | <b>\$ 78,360</b>    |
| <b>SERVICES</b>                           |                     |                       |                     |
| 010-5-520-3040 COMMUNICATIONS             | \$ 6,040            | \$ 3,919              | \$ 4,200            |
| 010-5-520-3050 ELECTRIC UTILITIES         | 432,835             | 477,500               | -                   |
| 010-5-520-3051 CITY UTILITIES             | -                   | 7,000                 | -                   |
| 010-5-520-3052 STREET LIGHTS              | -                   | -                     | 477,500             |
| 010-5-520-3082 TRAVEL AND TRAINING        | 3,089               | 4,501                 | 4,500               |
| 010-5-520-3310 EQUIPMENT RENTAL AND LEASE | 4,158               | 4,000                 | 4,000               |
| 010-5-520-3330 CONTRACT SERVICES          | 4,530               | 6,000                 | 5,000               |
| 010-5-520-3331 CHIP SEAL OUTSOURCE        | 53,687              | -                     | 75,000              |
| 010-5-520-3332 CRACK SEAL OUTSOURCE       | 38,400              | 33,750                | 38,400              |
| <b>TOTAL SERVICES</b>                     | <b>\$ 542,739</b>   | <b>\$ 536,670</b>     | <b>\$ 608,600</b>   |
| <b>MAINTENANCE AND REPAIR</b>             |                     |                       |                     |
| 010-5-520-4010 BUILDINGS AND STRUCTURES   | \$ 20               | \$ 501                | \$ 500              |
| 010-5-520-4020 STREET MAINTENANCE         | 171,045             | 170,000               | 170,000             |
| 010-5-520-4021 STREET SIGNS               | 38,126              | 37,896                | 30,000              |
| 010-5-520-4110 MOTOR VEHICLES             | 25,317              | 25,602                | 18,500              |
| 010-5-520-4120 EQUIPMENT AND MACHINERY    | 1,971               | 4,001                 | 4,000               |
| <b>TOTAL MAINTENANCE AND REPAIR</b>       | <b>\$ 236,478</b>   | <b>\$ 237,999</b>     | <b>\$ 223,000</b>   |
| <b>MAINTENANCE AND EQUIPMENT</b>          |                     |                       |                     |
| 010-5-520-4510 FIXTURES AND EQUIPMENT     | \$ -                | \$ 500                | \$ 500              |
| 010-5-520-4550 ORNAMENTAL STREET LIG      | 5,106               | 9,000                 | 8,000               |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>    | <b>\$ 5,106</b>     | <b>\$ 9,500</b>       | <b>\$ 8,500</b>     |
| <b>INTERFUND ACTIVITY</b>                 |                     |                       |                     |
| 010-5-520-9510 EQUIP. PURCHASE CONTR      | \$ -                | \$ 956                | \$ -                |
| 010-5-520-9511 EQUIPMENT USER FEE         | 50,004              | 25,835                | 21,110              |
| <b>TOTAL INTERFUND ACTIVITY</b>           | <b>\$ 50,004</b>    | <b>\$ 26,791</b>      | <b>\$ 21,110</b>    |
| <b>TOTAL STREET MAINTENANCE</b>           | <b>\$ 1,320,149</b> | <b>\$ 1,360,311</b>   | <b>\$ 1,372,759</b> |

**FLEET MAINTENANCE**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                         |                            |                               |                            |
| 010-5-540-1010 SALARIES                  | \$ 85,326                  | \$ 87,630                     | \$ 89,659                  |
| 010-5-540-1020 OVERTIME                  | 348                        | 2,100                         | 1,000                      |
| 010-5-540-1030 LONGEVITY                 | 2,808                      | 3,168                         | 3,384                      |
| 010-5-540-1031 INCENTIVE                 | -                          | 4,800                         | -                          |
| 010-5-540-1035 TOOL ALLOWANCE            | 2,600                      | 2,400                         | 4,800                      |
| 010-5-540-1036 CELL PHONE ALLOWANCE      | 400                        | 1,200                         | 1,200                      |
| 010-5-540-1040 SOCIAL SECURITY           | 6,603                      | 7,658                         | 7,653                      |
| 010-5-540-1050 HEALTH INSURANCE          | 27,183                     | 34,882                        | 29,484                     |
| 010-5-540-1060 UNEMPLOYMENT INSURANCE    | 2,096                      | 1,254                         | -                          |
| 010-5-540-1061 WORKER'S COMPENSATION     | 2,662                      | 1,592                         | -                          |
| 010-5-540-1070 RETIREMENT                | 12,647                     | 15,126                        | 15,116                     |
| <b>TOTAL PERSONNEL</b>                   | <b>\$ 142,672</b>          | <b>\$ 161,810</b>             | <b>\$ 152,296</b>          |
| <b>SUPPLIES AND MATERIALS</b>            |                            |                               |                            |
| 010-5-540-2010 OFFICE SUPPLIES           | \$ 30                      | \$ -                          | \$ -                       |
| 010-5-540-2030 JANITORIAL SUPPLIES       | 25                         | 601                           | 600                        |
| 010-5-540-2040 UNIFORMS AND APPAREL      | 1,521                      | 2,001                         | 2,000                      |
| 010-5-540-2070 FUEL                      | 2,557                      | 8,201                         | 3,000                      |
| 010-5-540-2080 SMALL TOOLS AND EQUIPMENT | 3,632                      | 4,500                         | 4,000                      |
| 010-5-540-2081 MINOR SHOP SUPPLIES       | 6,894                      | 7,001                         | 7,000                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b>      | <b>\$ 14,659</b>           | <b>\$ 22,303</b>              | <b>\$ 16,600</b>           |
| <b>SERVICES</b>                          |                            |                               |                            |
| 010-5-540-3040 COMMUNICATIONS            | 2,322                      | 2,360                         | 2,360                      |
| <b>TOTAL SERVICES</b>                    | <b>2,322</b>               | <b>2,360</b>                  | <b>2,360</b>               |
| <b>MAINTENANCE AND REPAIR</b>            |                            |                               |                            |
| 010-5-540-4010 BUILDINGS AND STRUCTURES  | \$ 153                     | \$ 1,000                      | \$ 1,000                   |
| 010-5-540-4110 MOTOR VEHICLES            | 5,790                      | 6,001                         | 6,000                      |
| 010-5-540-4120 EQUIPMENT AND MACHINERY   | 1,336                      | 7,223                         | 5,600                      |
| <b>TOTAL MAINTENANCE AND REPAIR</b>      | <b>\$ 7,279</b>            | <b>\$ 14,224</b>              | <b>\$ 12,600</b>           |
| <b>MAINTENANCE AND EQUIPMENT</b>         |                            |                               |                            |
| 010-5-540-4520 SOFTWARE MAINTENANCE      | 2,018                      | 4,000                         | 4,000                      |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>   | <b>\$ 2,018</b>            | <b>\$ 4,000</b>               | <b>\$ 4,000</b>            |
| <b>EQUIPMENT</b>                         |                            |                               |                            |
| 010-5-540-8010 FIXTURES AND EQUIPMENT    | \$ 3,095                   | \$ -                          | \$ 1,300                   |
| 010-5-540-8020 MACHINERY                 | -                          | -                             | 500                        |
| <b>TOTAL EQUIPMENT</b>                   | <b>\$ 3,095</b>            | <b>\$ -</b>                   | <b>\$ 1,800</b>            |
| <b>TOTAL FLEET MAINTENANCE</b>           | <b>\$ 172,046</b>          | <b>\$ 204,697</b>             | <b>\$ 189,656</b>          |

**ENGINEERING**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                           |                            |                               |                            |
| 010-5-560-1010 SALARIES                    | \$ 122,412                 | \$ 125,534                    | \$ 125,923                 |
| 010-5-560-1020 OVERTIME                    | 3,767                      | 3,000                         | -                          |
| 010-5-560-1030 LONGEVITY                   | 1,290                      | 1,656                         | 1,872                      |
| 010-5-560-1031 INCENTIVES                  | -                          | 4,200                         | 4,200                      |
| 010-5-560-1036 CELL PHONE ALLOWANCE        | 400                        | 1,200                         | 1,200                      |
| 010-5-560-1040 SOCIAL SECURITY             | 9,396                      | 10,052                        | 10,189                     |
| 010-5-560-1050 HEALTH INSURANCE            | 26,956                     | 34,882                        | 29,484                     |
| 010-5-560-1060 UNEMPLOYMENT INSURANCE      | 2,928                      | 1,798                         | -                          |
| 010-5-560-1061 WORKERS COMPENSATION        | 2,048                      | 1,241                         | -                          |
| 010-5-560-1070 RETIREMENT                  | 17,668                     | 19,853                        | 20,126                     |
| <b>TOTAL PERSONNEL</b>                     | <b>\$ 186,864</b>          | <b>\$ 203,415</b>             | <b>\$ 192,994</b>          |
| <b>SUPPLIES AND MATERIALS</b>              |                            |                               |                            |
| 010-5-560-2010 OFFICE SUPPLIES             | \$ 2,536                   | \$ 3,501                      | \$ 3,000                   |
| 010-5-560-2020 POSTAGE                     | 61                         | 500                           | 500                        |
| 010-5-560-2070 FUEL                        | 2,375                      | 3,200                         | 3,200                      |
| 010-5-560-2080 SMALL TOOLS AND EQUIPMENT   | 623                        | 119                           | 1,800                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b>        | <b>\$ 5,594</b>            | <b>\$ 7,320</b>               | <b>\$ 8,500</b>            |
| <b>SERVICES</b>                            |                            |                               |                            |
| 010-5-560-3030 PROFESSIONAL SERVICES       | \$ 13,301                  | \$ 20,001                     | \$ 15,000                  |
| 010-5-560-3040 COMMUNICATIONS              | 2,784                      | 4,161                         | 3,000                      |
| 010-5-560-3080 MEMBERSHIP AND SUBSCRIPTION | 215                        | 500                           | 500                        |
| 010-5-560-3082 TRAVEL AND TRAINING         | 4,075                      | 1,149                         | 3,000                      |
| 010-5-560-3310 EQUIPMENT RENTAL/LEAS       | -                          | -                             | 2,000                      |
| <b>TOTAL SERVICES</b>                      | <b>\$ 20,374</b>           | <b>\$ 25,810</b>              | <b>\$ 23,500</b>           |
| <b>MAINTENANCE AND REPAIR</b>              |                            |                               |                            |
| 010-5-560-4110 MOTOR VEHICLES              | \$ 1,372                   | \$ 1,001                      | \$ 1,500                   |
| 010-5-560-4120 EQUIPMENT AND MACHINERY     | 495                        | -                             | -                          |
| <b>TOTAL MAINTENANCE AND REPAIR</b>        | <b>\$ 1,867</b>            | <b>\$ 1,001</b>               | <b>\$ 1,500</b>            |
| <b>MAINTENANCE AND EQUIPMENT</b>           |                            |                               |                            |
| 010-5-560-4510 FIXTURES AND EQUIPMENT      | \$ -                       | \$ -                          | \$ 3,000                   |
| 010-5-560-4520 SOFTWARE MAINTENANCE        | 4,555                      | 5,791                         | 6,050                      |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>     | <b>\$ 4,555</b>            | <b>\$ 5,791</b>               | <b>\$ 9,050</b>            |
| <b>EQUIPMENT</b>                           |                            |                               |                            |
| 010-5-560-8010 FURNITURE AND EQUIPME       | \$ 294                     | \$ -                          | \$ -                       |
| 010-5-560-8015 COMPUTER EQUIPMENT          | 200                        | -                             | -                          |
| <b>TOTAL EQUIPMENT</b>                     | <b>\$ 494</b>              | <b>\$ -</b>                   | <b>\$ -</b>                |
| <b>TOTAL ENGINEERING</b>                   | <b>\$ 219,749</b>          | <b>\$ 243,336</b>             | <b>\$ 235,544</b>          |

## COMMUNITY SERVICES

Community Services contains several budgetary departments and maintains the major budgetary divisions that include: Park Maintenance and Cemetery Maintenance, Facility Maintenance, Library Visitor's Center, and Civic Center.

### PARKS

The 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. The city has 8 baseball diamonds that are open to the community and supports an organized 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 get extensive use due to their popularity and can be reserved for private parties.

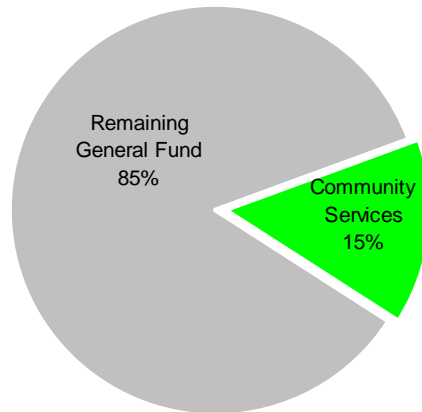
### CEMETERY MAINTENANCE

The maintenance of the cemetery is important to the community and families it serves. The department is responsible for maintaining several city owned cemeteries and coordinates park operation services along with responsibilities relating to cemetery maintenance. The Cemetery Maintenance Division maintains New Addition, East Hill, Old Town, Middle and Memorial. Maintaining the City's cemeteries is a daunting task to perpetually preserve the City's most important historic sites. The cemetery maintenance crews take great care and respect in preserving these landmarks for all to revere those who have preceded us in the inevitable and final passing of life.

### 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. Other Facilities have been acquired in recent years. The Mall was acquired in fiscal year 2010 and the facility is maintained by Community Services. Due to the complexity of the Mall

### Community Services Department Expenditures Related to the General Fund



operation, this facility has its own fund (retail fund).

### LIBRARY

The Palestine Library has an extensive community history that began in 1882. The First Library was located on Avenue A and in 1910 a library began to grow with an organized library association and funding from the City of Palestine. The Carnegie Foundation gave \$15,000 for a new library building dedicated in 1914. The Library remained at this location for 71 years. The Carnegie building is one of the very few Carnegie buildings remaining in Texas. The Palestine School Board agreed to give the Alamo School building and land to the City of Palestine for a library in 1983. The Alamo School location opened for business on 1986. Then, in the summer of 2009, the Alamo School roof collapsed. City Council approved the purchase of the Palestine Mall with a portion of the Mall to serve as the new location of the Palestine 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.

**PARKS**

|                               |                                     | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|-------------------------------|-------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>              |                                     |                            |                               |                            |
| 010-5-610-1010                | SALARIES                            | \$ 223,160                 | \$ 291,576                    | \$ 245,548                 |
| 010-5-610-1020                | OVERTIME                            | 7,069                      | 10,000                        | 10,000                     |
| 010-5-610-1030                | LONGEVITY                           | 4,413                      | 5,256                         | 5,688                      |
| 010-5-610-1036                | CELL PHONE ALLOWANCE                | 1,320                      | 3,960                         | 3,960                      |
| 010-5-610-1040                | SOCIAL SECURITY                     | 17,350                     | 23,474                        | 20,287                     |
| 010-5-610-1050                | HEALTH INSURANCE                    | 49,301                     | 61,224                        | 53,228                     |
| 010-5-610-1060                | UNEMPLOYMENT INSURANCE              | 5,406                      | 2,987                         | -                          |
| 010-5-610-1061                | WORKER'S COMPENSATION               | 7,189                      | 4,012                         | -                          |
| 010-5-610-1070                | RETIREMENT                          | 25,954                     | 32,692                        | 33,235                     |
|                               | <b>TOTAL PERSONNEL</b>              | <b>\$ 341,161</b>          | <b>\$ 435,180</b>             | <b>\$ 371,946</b>          |
| <b>SUPPLIES AND MATERIALS</b> |                                     |                            |                               |                            |
| 010-5-610-2010                | OFFICE SUPPLIES                     | \$ 2                       | \$ 118                        | \$ -                       |
| 010-5-610-2030                | JANITORIAL SUPPLIES                 | 5,211                      | 5,500                         | 5,500                      |
| 010-5-610-2031                | CHEMICALS                           | 8,032                      | 8,638                         | 9,500                      |
| 010-5-610-2040                | UNIFORMS AND APPAREL                | 1,576                      | 5,950                         | 3,275                      |
| 010-5-610-2063                | SPECIAL ACTIVITIES                  | 21,913                     | 24,001                        | 24,000                     |
| 010-5-610-2070                | FUEL                                | 19,331                     | 20,000                        | 20,000                     |
| 010-5-610-2080                | SMALL TOOLS AND EQUIPMENT           | 8,691                      | 8,800                         | 8,800                      |
|                               | <b>TOTAL SUPPLIES AND MATERIALS</b> | <b>\$ 64,756</b>           | <b>\$ 73,007</b>              | <b>\$ 71,075</b>           |
| <b>SERVICES</b>               |                                     |                            |                               |                            |
| 010-5-610-3040                | COMMUNICATIONS                      | \$ 5,921                   | \$ 3,500                      | \$ 3,500                   |
| 010-5-610-3050                | ELECTRIC UTILITIES                  | 110,449                    | 104,000                       | 104,000                    |
| 010-5-610-3051                | CITY UTILITIES                      | 15,840                     | 33,000                        | 23,000                     |
| 010-5-610-3082                | TRAVEL AND TRAINING                 | 38                         | 4,001                         | 3,000                      |
| 010-5-610-3110                | ADVERTISING                         | 350                        | -                             | -                          |
| 010-5-610-3310                | EQUIPMENT RENTAL AND LEASE          | 652                        | 1,001                         | 1,000                      |
| 010-5-610-3330                | CONTRACT SERVICES                   | 3,200                      | 5,200                         | 1,000                      |
| 010-5-610-3331                | BENNETT POOL/YMCA SER               | 59,958                     | 73,001                        | 63,000                     |
|                               | <b>TOTAL SERVICES</b>               | <b>\$ 196,407</b>          | <b>\$ 223,703</b>             | <b>\$ 198,500</b>          |
| <b>MAINTENANCE AND REPAIR</b> |                                     |                            |                               |                            |
| 010-5-610-4010                | BUILDINGS AND STRUCTURES            | \$ 53,639                  | \$ 73,403                     | \$ 60,000                  |
| 010-5-610-4011                | INSURANCE REPLACEMENT               | -                          | 24,500                        | -                          |
| 010-5-610-4031                | POOL MAINTENANCE                    | -                          | 2,760                         | -                          |
| 010-5-610-4110                | MOTOR VEHICLES                      | 21,729                     | 16,101                        | 16,100                     |
| 010-5-610-4120                | EQUIPMENT AND MACHINERY             | 3,916                      | 15,000                        | 8,000                      |
|                               | <b>TOTAL MAINTENANCE AND REPAIR</b> | <b>\$ 79,284</b>           | <b>\$ 131,764</b>             | <b>\$ 84,100</b>           |
| <b>SUNDRY</b>                 |                                     |                            |                               |                            |
| 010-5-610-5200                | FOOD                                | \$ 69,122                  | \$ 47,963                     | \$ 56,000                  |
|                               | <b>TOTAL SUNDRY</b>                 | <b>\$ 69,122</b>           | <b>\$ 47,963</b>              | <b>\$ 56,000</b>           |
| <b>INTERFUND ACTIVITY</b>     |                                     |                            |                               |                            |
| 010-5-610-9511                | EQUIPMENT USER FEE                  | \$ 9,737                   | \$ 5,680                      | \$ 9,737                   |
|                               | <b>TOTAL INTERFUND ACTIVITY</b>     | <b>\$ 9,737</b>            | <b>\$ 5,680</b>               | <b>\$ 9,737</b>            |
|                               | <b>TOTAL PARKS</b>                  | <b>\$ 760,468</b>          | <b>\$ 917,297</b>             | <b>\$ 791,358</b>          |

**CEMETERY**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                          |                            |                               |                            |
| 010-5-620-1010 SALARIES                   | \$ 50,368                  | \$ 92,136                     | \$ 61,520                  |
| 010-5-620-1020 OVERTIME                   | 2,297                      | 1,628                         | 1,628                      |
| 010-5-620-1030 LONGEVITY                  | 990                        | 1,152                         | 1,224                      |
| 010-5-620-1036 CELL PHONE ALLOWANCE       | 200                        | 600                           | 600                        |
| 010-5-620-1040 SOCIAL SECURITY            | 4,104                      | 7,261                         | 4,970                      |
| 010-5-620-1050 HEALTH INSURANCE           | 5,679                      | 6,143                         | 6,040                      |
| 010-5-620-1060 UNEMPLOYMENT INSURANCE     | 1,260                      | 428                           | -                          |
| 010-5-620-1061 WORKER'S COMPENSATION      | 2,696                      | 924                           | -                          |
| 010-5-620-1070 RETIREMENT                 | 4,434                      | 5,228                         | 5,260                      |
| <b>TOTAL PERSONNEL</b>                    | <b>\$ 72,028</b>           | <b>\$ 115,499</b>             | <b>\$ 81,242</b>           |
| <b>SUPPLIES AND MATERIALS</b>             |                            |                               |                            |
| 010-5-620-2031 CHEMICALS                  | \$ 1,612                   | \$ 1,500                      | \$ 1,500                   |
| 010-5-620-2040 UNIFORMS AND APPAREL       | 350                        | 520                           | 520                        |
| 010-5-620-2070 FUEL                       | 3,139                      | 5,801                         | 5,000                      |
| 010-5-620-2080 SMALL TOOLS AND EQUIPMENT  | 2,136                      | 2,501                         | 2,500                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b>       | <b>\$ 7,236</b>            | <b>\$ 10,322</b>              | <b>\$ 9,520</b>            |
| <b>SERVICES</b>                           |                            |                               |                            |
| 010-5-620-3082 TRAVEL AND TRAINING        | 178                        | 500                           | 500                        |
| 010-5-620-3310 EQUIPMENT RENTAL AND LEASE | -                          | 500                           | 500                        |
| <b>TOTAL SERVICES</b>                     | <b>\$ 178</b>              | <b>\$ 1,000</b>               | <b>\$ 1,000</b>            |
| <b>MAINTENANCE AND REPAIR</b>             |                            |                               |                            |
| 010-5-620-4010 BUILDINGS AND STRUCTURES   | \$ 2,039                   | \$ 2,729                      | \$ 3,000                   |
| 010-5-620-4110 MOTOR VEHICLES             | 8                          | 4,000                         | 3,000                      |
| 010-5-620-4120 EQUIPMENT AND MACHINERY    | 5,056                      | 3,501                         | 3,500                      |
| <b>TOTAL MAINTENANCE AND REPAIR</b>       | <b>\$ 7,102</b>            | <b>\$ 10,229</b>              | <b>\$ 9,500</b>            |
| <b>TOTAL CEMETERY</b>                     | <b>\$ 86,545</b>           | <b>\$ 137,050</b>             | <b>\$ 101,262</b>          |

**FACILITY MAINTENANCE**

|                                       | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                      |                            |                               |                            |
| 010-5-640-1010 SALARIES               | \$ 18,626                  | \$ 21,360                     | \$ 21,393                  |
| 010-5-640-1020 OVERTIME               | 8                          | 1,000                         | 1,000                      |
| 010-5-640-1030 LONGEVITY              | 174                        | 288                           | 360                        |
| 010-5-640-1040 SOCIAL SECURITY        | 1,443                      | 1,733                         | 1,741                      |
| 010-5-640-1050 HEALTH INSURANCE       | 5,688                      | 6,143                         | 6,040                      |
| 010-5-640-1060 UNEMPLOYMENT INSURANCE | 431                        | 284                           | -                          |
| 010-5-640-1061 WORKER'S COMPENSATION  | 723                        | 476                           | -                          |
| 010-5-640-1070 RETIREMENT             | 2,599                      | 3,423                         | 3,438                      |
| <b>TOTAL PERSONNEL</b>                | <b>\$ 29,692</b>           | <b>\$ 34,707</b>              | <b>\$ 33,972</b>           |



|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>SUPPLIES AND MATERIALS</b>          |                    |                       |                    |
| 010-5-640-2010 OFFICE SUPPLIES         | \$ 11              | \$ -                  | \$ -               |
| 010-5-640-2030 JANITORIAL SUPPLIES     | 8,611              | 8,051                 | 8,855              |
| 010-5-640-2040 UNIFORMS AND APPAREL    | 608                | 501                   | 500                |
| <b>TOTAL SUPPLIES AND MATERIALS</b>    | <b>\$ 9,230</b>    | <b>\$ 8,551</b>       | <b>\$ 9,355</b>    |
| <b>SERVICES</b>                        |                    |                       |                    |
| 010-5-640-3020 AUDITS, CONTRACTS, SPEC | \$ -               | \$ -                  | \$ -               |
| 010-5-640-3030 PROFESSIONAL SERVICES   | 7,269              | 10,000                | 5,000              |
| 010-5-640-3040 COMMUNICATIONS          | 137                | -                     | -                  |
| 010-5-640-3050 ELECTRIC UTILITIES      | 73,773             | 60,001                | 60,000             |
| 010-5-640-3051 CITY UTILITIES          | 4,097              | 8,342                 | 12,000             |
| 010-5-640-3082 TRAVEL AND TRAINING     | -                  | 500                   | 500                |
| 010-5-640-3320 RENTAL OF REAL ESTATE   | 10,951             | 11,000                | 11,000             |
| 010-5-640-3512 REAGAN HIGH BLDG.       | 15,000             | 15,000                | 15,000             |
| 010-5-640-3513 SENIOR CENTER           | 32,814             | 34,304                | -                  |
| <b>TOTAL SERVICES</b>                  | <b>\$ 144,040</b>  | <b>\$ 139,147</b>     | <b>\$ 103,500</b>  |
| <b>MAINTENANCE AND REPAIR</b>          |                    |                       |                    |
| 010-5-640-4010 BUILDINGS, STRUCTURES   | \$ 77,621          | \$ 98,300             | \$ 100,000         |
| <b>TOTAL MAINTENANCE AND REPAIR</b>    | <b>\$ 77,621</b>   | <b>\$ 98,300</b>      | <b>\$ 100,000</b>  |
| <b>TOTAL FACILITY MAINTENANCE</b>      | <b>\$ 260,583</b>  | <b>\$ 280,706</b>     | <b>\$ 246,827</b>  |

## VISITOR CENTER

|                                       | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---------------------------------------|--------------------|-----------------------|--------------------|
| <b>PERSONNEL</b>                      |                    |                       |                    |
| 010-5-650-1010 SALARIES               | \$ 501             | \$ 20,098             | \$ -               |
| 010-5-650-1040 SOCIAL SECURITY        | 23                 | 1,537                 | -                  |
| 010-5-650-1060 UNEMPLOYMENT INSURANCE | -                  | 304                   | -                  |
| 010-5-650-1061 WORKER'S COMPENSATION  | -                  | 38                    | -                  |
| <b>TOTAL PERSONNEL</b>                | <b>\$ 524</b>      | <b>\$ 21,977</b>      | <b>\$ -</b>        |
| <b>SUPPLIES AND MATERIALS</b>         |                    |                       |                    |
| 010-5-650-2010 OFFICE SUPPLIES        | \$ -               | \$ 1,501              | \$ -               |
| 010-5-650-2020 POSTAGE                | -                  | 3,001                 | -                  |
| 010-5-650-2030 JANITORIAL SUPPLIES    | -                  | 301                   | -                  |
| <b>TOTAL SUPPLIES AND MATERIALS</b>   | <b>\$ -</b>        | <b>\$ 4,802</b>       | <b>\$ -</b>        |
| <b>SERVICES</b>                       |                    |                       |                    |
| 010-5-650-3030 PROFESSIONAL SERVICES  | \$ -               | \$ 2,000              | \$ -               |
| 010-5-650-3040 COMMUNICATIONS         | -                  | 5,000                 | -                  |
| 010-5-650-3050 ELECTRIC UTILITIES     | 55                 | 6,500                 | -                  |
| 010-5-650-3051 CITY UTILITIES         | -                  | 800                   | -                  |
| 010-5-650-3060 JANITORIAL SERVICES    | -                  | 600                   | -                  |

|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>SERVICES (CONTINUED)</b>               |                    |                       |                    |
| 010-5-650-3082 TRAVEL AND TRAINING        | -                  | 1,000                 | -                  |
| 010-5-650-3112 PRINTING SERVICES          | -                  | 5,001                 | -                  |
| 010-5-650-3210 FINANCIAL SERVICE CHARGE   | -                  | 300                   | -                  |
| 010-5-650-3310 EQUIPMENT RENTAL AND LEASE | -                  | 2,001                 | -                  |
| 010-5-650-3330 CONTRACT SERVICES          | -                  | 1,501                 | -                  |
| 010-5-650-3340 SALES, PROMOTIONS AND      | 605                | 1,481                 | -                  |
| <b>TOTAL SERVICES</b>                     | <b>\$ 660</b>      | <b>\$ 26,185</b>      | <b>\$ -</b>        |
| <b>MAINTENANCE AND REPAIR</b>             |                    |                       |                    |
| 010-5-650-4010 BUILDINGS AND STRUCTURES   | -                  | 2,000                 | -                  |
| <b>TOTAL MAINTENANCE AND REPAIR</b>       | <b>\$ -</b>        | <b>\$ 2,000</b>       | <b>\$ -</b>        |
| <b>MAINTENANCE AND EQUIPMENT</b>          |                    |                       |                    |
| 010-5-650-4520 SOFTWARE MAINTENANCE       | -                  | 1,500                 | -                  |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>    | <b>\$ -</b>        | <b>\$ 1,500</b>       | <b>\$ -</b>        |
| <b>EQUIPMENT</b>                          |                    |                       |                    |
| 010-5-650-8010 FURNITURE AND OFFICE EQ    | -                  | 501                   | -                  |
| 010-5-650-8015 COMPUTER EQUIPMENT         | -                  | 1,201                 | -                  |
| <b>TOTAL EQUIPMENT</b>                    | <b>\$ -</b>        | <b>\$ 1,702</b>       | <b>\$ -</b>        |
| <b>TOTAL VISITOR CENTER</b>               | <b>\$ 1,184</b>    | <b>\$ 58,166</b>      | <b>\$ -</b>        |

#### **CIVIC CENTER**

|                                       | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---------------------------------------|--------------------|-----------------------|--------------------|
| <b>PERSONNEL</b>                      |                    |                       |                    |
| 010-5-660-1010 SALARIES               | \$ 1,375           | \$ 53,433             | \$ -               |
| 010-5-660-1020 OVERTIME               | -                  | 9,248                 | -                  |
| 010-5-660-1030 LONGEVITY              | -                  | 719                   | -                  |
| 010-5-660-1031 INCENTIVES             | -                  | 1,200                 | -                  |
| 010-5-660-1036 CELL PHONE ALLOWANCE   | -                  | 650                   | -                  |
| 010-5-660-1040 SOCIAL SECURITY        | 76                 | 4,284                 | -                  |
| 010-5-660-1050 HEALTH INSURANCE       | -                  | 23,597                | -                  |
| 010-5-660-1060 UNEMPLOYMENT INSURANCE | -                  | 848                   | -                  |
| 010-5-660-1061 WORKER'S COMPENSATION  | -                  | 557                   | -                  |
| 010-5-660-1070 RETIREMENT             | -                  | 8,463                 | -                  |
| <b>TOTAL PERSONNEL</b>                | <b>\$ 1,451</b>    | <b>\$ 102,999</b>     | <b>\$ -</b>        |

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>SUPPLIES AND MATERIALS</b>              |                    |                       |                    |
| 010-5-660-2010 OFFICE SUPPLIES             | \$ 10              | \$ 501                | \$ -               |
| 010-5-660-2020 POSTAGE                     | -                  | 101                   | -                  |
| 010-5-660-2030 JANITORIAL SUPPLIES         | -                  | 3,000                 | -                  |
| 010-5-660-2220 SPECIAL EVENT MATERIA       | -                  | 2,000                 | -                  |
| <b>TOTAL SUPPLIES AND MATERIALS</b>        | <b>\$ 10</b>       | <b>\$ 5,602</b>       | <b>\$ -</b>        |
| <b>SERVICES</b>                            |                    |                       |                    |
| 010-5-660-3040 COMMUNICATIONS              | \$ 23              | \$ 1,000              | \$ -               |
| 010-5-660-3050 ELECTRIC UTILITIES          | 4,395              | 50,001                | -                  |
| 010-5-660-3051 CITY UTILITIES              | -                  | 5,165                 | -                  |
| 010-5-660-3060 JANITORIAL SERVICES         | -                  | 27                    | -                  |
| 010-5-660-3080 MEMBERSHIP AND SUBSCRIPTION | -                  | 500                   | -                  |
| 010-5-660-3082 TRAVEL AND TRAINING         | -                  | 500                   | -                  |
| 010-5-660-3210 FINANCIAL SERVICE CHARGE    | -                  | 50                    | -                  |
| 010-5-660-3211 INVESTMENT SERVICE CHARGE   | -                  | 50                    | -                  |
| 010-5-660-3310 EQUIPMENT RENTAL AND LEASE  | -                  | 2,001                 | -                  |
| 010-5-660-3330 CONTRACT SERVICES           | 40                 | 2,000                 | -                  |
| 010-5-660-3340 SALES, PROMOTIONS AND       | -                  | 121                   | -                  |
| <b>TOTAL SERVICES</b>                      | <b>\$ 4,458</b>    | <b>\$ 61,415</b>      | <b>\$ -</b>        |
| <b>MAINTENANCE AND REPAIR</b>              |                    |                       |                    |
| 010-5-660-4010 BUILDINGS AND STRUCTURES    | \$ -               | \$ 24,998             | \$ -               |
| <b>TOTAL MAINTENANCE AND REPAIR</b>        | <b>\$ -</b>        | <b>\$ 24,998</b>      | <b>\$ -</b>        |
| <b>MAINTENANCE AND EQUIPMENT</b>           |                    |                       |                    |
| 010-5-660-4510 FIXTURES AND EQUIPMENT      | \$ -               | \$ 1,254              | \$ -               |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>     | <b>\$ -</b>        | <b>\$ 1,254</b>       | <b>\$ -</b>        |
| <b>EQUIPMENT</b>                           |                    |                       |                    |
| 010-5-660-8010 FURNITURE AND OFFICE EQ     | \$ -               | \$ 3,035              | \$ -               |
| 010-5-660-8015 COMPUTER EQUIPMENT          | -                  | 429                   | -                  |
| <b>TOTAL EQUIPMENT</b>                     | <b>\$ -</b>        | <b>\$ 3,464</b>       | <b>\$ -</b>        |
| <b>TOTAL CIVIC CENTER</b>                  | <b>\$ 5,918</b>    | <b>\$ 199,731</b>     | <b>\$ -</b>        |

## LIBRARY

|                                | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--------------------------------|--------------------|-----------------------|--------------------|
| <b>PERSONNEL</b>               |                    |                       |                    |
| 010-5-710-1010 SALARIES        | \$ 371,886         | \$ 340,000            | \$ 326,064         |
| 010-5-710-1020 OVERTIME        | 5,047              | 276                   | 6,600              |
| 010-5-710-1030 LONGEVITY       | 2,994              | 5,328                 | 4,536              |
| 010-5-710-1031 INCENTIVE       | 1,200              | 1,200                 | 1,200              |
| 010-5-710-1040 SOCIAL SECURITY | 28,303             | 28,467                | 25,888             |

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL (CONTINUED)</b>               |                            |                               |                            |
| 010-5-710-1050 HEALTH INSURANCE            | \$ 90,464                  | \$ 111,889                    | \$ 74,168                  |
| 010-5-710-1060 UNEMPLOYMENT INSURANCE      | 8,770                      | 7,657                         | -                          |
| 010-5-710-1061 WORKER'S COMPENSATION       | 2,016                      | 1,741                         | -                          |
| 010-5-710-1070 RETIREMENT                  | 51,839                     | 55,202                        | 48,996                     |
| <b>TOTAL PERSONNEL</b>                     | <b>\$ 562,519</b>          | <b>\$ 551,760</b>             | <b>\$ 487,452</b>          |
| <b>SUPPLIES AND MATERIALS</b>              |                            |                               |                            |
| 010-5-710-2010 OFFICE SUPPLIES             | \$ 20,830                  | \$ 18,001                     | \$ 19,000                  |
| 010-5-710-2020 POSTAGE                     | 5,488                      | 2,000                         | 6,500                      |
| 010-5-710-2030 JANITORIAL SUPPLIES         | 3,133                      | 2,528                         | -                          |
| 010-5-710-2040 UNIFORMS AND APPAREL        | 335                        | 90                            | -                          |
| 010-5-710-2060 PUBLICATIONS - STAFF        | 450                        | 600                           | 700                        |
| 010-5-710-2070 FUEL                        | 300                        | 500                           | -                          |
| <b>TOTAL SUPPLIES AND MATERIALS</b>        | <b>\$ 30,536</b>           | <b>\$ 23,719</b>              | <b>\$ 26,200</b>           |
| <b>SERVICES</b>                            |                            |                               |                            |
| 010-5-710-3040 COMMUNICATIONS              | \$ 13,706                  | \$ 15,845                     | \$ 5,450                   |
| 010-5-710-3042 INTERNET                    | -                          | -                             | 22,000                     |
| 010-5-710-3050 ELECTRIC UTILITIES          | 51,082                     | 26,001                        | 50,000                     |
| 010-5-710-3051 CITY UTILITIES              | 1,435                      | 2,713                         | -                          |
| 010-5-710-3080 MEMBERSHIP AND SUBSCRIPTION | 7,391                      | 10,001                        | 10,000                     |
| 010-5-710-3082 TRAVEL AND TRAINING         | 4,391                      | 8,400                         | 5,000                      |
| 010-5-710-3110 ADVERTISING                 | 1,575                      | 2,501                         | 1,000                      |
| 010-5-710-3112 PRINTING SERVICES           | 1,639                      | 3,000                         | 3,000                      |
| 010-5-710-3210 FINANCIAL SERVICE CHARGE    | 509                        | 632                           | 800                        |
| 010-5-710-3310 EQUIPMENT RENTAL AND LEASE  | 5,829                      | 6,601                         | 6,600                      |
| 010-5-710-3330 CONTRACT SERVICES           | 9,845                      | 14,001                        | 13,275                     |
| <b>TOTAL SERVICES</b>                      | <b>\$ 97,402</b>           | <b>\$ 89,693</b>              | <b>\$ 117,125</b>          |
| <b>MAINTENANCE AND REPAIR</b>              |                            |                               |                            |
| 010-5-710-4010 BUILDINGS AND STRUCTURES    | \$ 6,633                   | \$ 7,501                      | \$ 2,000                   |
| 010-5-710-4015 COLLAPSED ROOF EXPENS       | 23,031                     | 35,001                        | -                          |
| 010-5-710-4120 EQUIPMENT AND MACHINERY     | 2,616                      | 6,600                         | 5,200                      |
| <b>TOTAL MAINTENANCE AND REPAIR</b>        | <b>\$ 32,279</b>           | <b>\$ 49,102</b>              | <b>\$ 7,200</b>            |
| <b>MAINTENANCE AND EQUIPMENT</b>           |                            |                               |                            |
| 010-5-710-4520 SOFTWARE MAINTENANCE        | \$ 20,593                  | \$ 27,500                     | \$ 24,660                  |
| <b>TOTAL MAINTENANCE AND EQUIPMENT</b>     | <b>\$ 20,593</b>           | <b>\$ 27,500</b>              | <b>\$ 24,660</b>           |
| <b>EQUIPMENT</b>                           |                            |                               |                            |
| 010-5-710-8010 FURNITURE AND OFFICE EQ     | \$ 36,926                  | \$ 12,422                     | \$ -                       |
| 010-5-710-8012 GRANT FUNDING               | 10,597                     | 13,812                        | -                          |
| 010-5-710-8015 COMPUTER EQUIPMENT          | -                          | 9,360                         | 9,000                      |
| 010-5-710-8050 LIBRARY BOOKS - CAPIT       | 69,373                     | 66,501                        | 66,500                     |
| <b>TOTAL EQUIPMENT</b>                     | <b>\$ 116,895</b>          | <b>\$ 102,094</b>             | <b>\$ 75,500</b>           |
| <b>INTERFUND ACTIVITY</b>                  |                            |                               |                            |
| 010-5-710-9515 FACILITY FEE                | \$ -                       | \$ -                          | \$ 18,750                  |
| <b>TOTAL INTERFUND ACTIVITY</b>            | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ 18,750</b>           |
| <b>TOTAL LIBRARY</b>                       | <b>\$ 860,225</b>          | <b>\$ 843,869</b>             | <b>\$ 756,887</b>          |

## DEVELOPMENT SERVICES

### DEVELOPMENT SERVICES

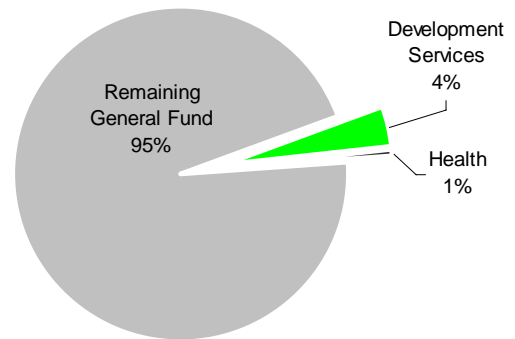
Development Services Department is responsible for orderly development of our City and for protecting the health, safety, and quality of life of the citizens through implementation of the City's Master Plan Policies and regulation of land and building development. In addition, the department facilitates a development course of action that supports the current policies of growth, and safety. This department is responsible for community planning and granting the authority to develop land, construct facilities, and occupy buildings. The extent of this governing authority is responsible for all components of the City's Master Plan, annexation, neighborhood capacity building, rights determination, subdivision mapping/parcel addressing, zoning and subdivision administration, building codes enforcement, contractor licensing and registration, and landscaping. Since City development involves partnerships with other City departments and outside agencies, the department seeks to facilitate the coordination of these reviews to provide responsive customer service throughout the development process and to produce neighborhood and community plans that include broad goals and action steps for appropriate land use. The department reviews major codes and makes recommendations to the respective boards which oversee them; and enforces the codes and responds to related complaints. The mission of the Development Services division is to provide oversight and administrative

resources for the constantly changing challenges of urban design and safety.

### HEALTH

The health department is a division of Development Services that focuses on issues related to the general health of the citizenry. This department performs food inspection and approves food licensing within the City of Palestine. Also this department examines environmental conditions that may have a potential effect upon the well-being of Palestine's inhabitants. Contamination of the air, ground, water, and food may cause disease or death. The department assists in preventing or containing such conditions.

#### General Fund Expenditures Related to Development Services



## ECONOMIC DEVELOPMENT

### ECONOMIC DEVELOPMENT ADMINISTRATION

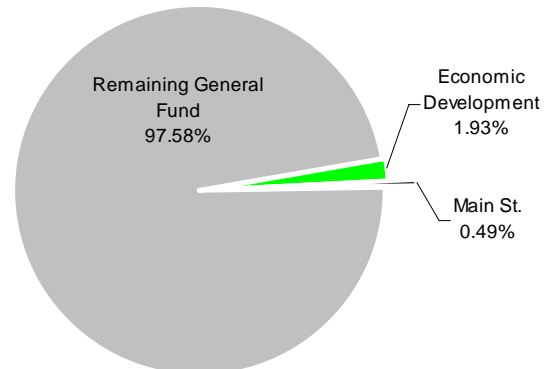
Recently the City Council and the Economic Development Corporation adopted the Angelou Economic Development Strategic Plan. The City restructured the existing organization of PEDC in order to improve the effectiveness of its goals and overall vision. The city contracts with the Economic Development Corporation to provide operational services for the board. Under this structure, an annual contract provides funding from 4B tax for two city employees, travel and operations that will be directly related to economic development activities. The city also appropriates funding from hotel occupancy tax to support the Marketing Manager and cost for the promotion of tourism.

recruitment and retention, tourism, and the general revitalization of the downtown area. This process must also support a comprehensive master plan, specific to neighborhoods and dedicated to preserving historical districts. The current Main Street Division is relocated under the Economic Development Department. The main street manager will report directly to the economic development director.

### MAIN STREET

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

#### General Fund Expenditures Related to Economic Development



**DEVELOPMENT SERVICES**

|                                     |                             | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|-------------------------------------|-----------------------------|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                    |                             |                            |                               |                            |
| 010-5-810-1010                      | SALARIES                    | \$ 241,511                 | \$ 254,813                    | \$ 252,857                 |
| 010-5-810-1020                      | OVERTIME                    | 1,051                      | 5,000                         | 5,000                      |
| 010-5-810-1030                      | LONGEVITY                   | 4,020                      | 4,752                         | 5,184                      |
| 010-5-810-1031                      | INCENTIVE                   | 4,800                      | 8,450                         | 6,000                      |
| 010-5-810-1036                      | CELL PHONE ALLOWANCE        | 800                        | 2,400                         | 2,400                      |
| 010-5-810-1040                      | SOCIAL SECURITY             | 18,535                     | 21,293                        | 20,765                     |
| 010-5-810-1050                      | HEALTH INSURANCE            | 56,634                     | 84,963                        | 64,477                     |
| 010-5-810-1060                      | UNEMPLOYMENT INSURANCE      | 5,769                      | 3,473                         | -                          |
| 010-5-810-1061                      | WORKER'S COMPENSATION       | 1,772                      | 1,053                         | -                          |
| 010-5-810-1070                      | RETIREMENT                  | 34,815                     | 42,055                        | 41,015                     |
| <b>TOTAL PERSONNEL</b>              |                             | <b>\$ 369,706</b>          | <b>\$ 428,252</b>             | <b>\$ 397,698</b>          |
| <b>SUPPLIES AND MATERIALS</b>       |                             |                            |                               |                            |
| 010-5-810-2010                      | OFFICE SUPPLIES             | \$ 5,372                   | \$ 8,200                      | \$ 5,550                   |
| 010-5-810-2020                      | POSTAGE                     | 11,969                     | 11,001                        | 9,000                      |
| 010-5-810-2040                      | UNIFORMS AND APPAREL        | 402                        | 1,500                         | 1,200                      |
| 010-5-810-2070                      | FUEL                        | 5,442                      | 7,401                         | 5,500                      |
| 010-5-810-2080                      | SMALL TOOLS AND EQUIPMENT   | 971                        | 1,301                         | 1,300                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b> |                             | <b>\$ 24,156</b>           | <b>\$ 29,403</b>              | <b>\$ 22,550</b>           |
| <b>SERVICES</b>                     |                             |                            |                               |                            |
| 010-5-810-3040                      | COMMUNICATIONS              | \$ 4,044                   | \$ 6,000                      | \$ 4,000                   |
| 010-5-810-3080                      | MEMBERSHIP AND SUBSCRIPTION | 470                        | 1,000                         | 1,000                      |
| 010-5-810-3082                      | TRAVEL AND TRAINING         | 9,528                      | 13,500                        | 13,500                     |
| 010-5-810-3112                      | PRINTING SERVICES           | 106                        | 700                           | 1,700                      |
| 010-5-810-3330                      | CONTRACT SERVICES           | 52,630                     | 65,000                        | 60,000                     |
| <b>TOTAL SERVICES</b>               |                             | <b>\$ 66,778</b>           | <b>\$ 86,201</b>              | <b>\$ 80,200</b>           |
| <b>MAINTENANCE AND REPAIR</b>       |                             |                            |                               |                            |
| 010-5-810-4110                      | MOTOR VEHICLES              | \$ 226                     | \$ 2,200                      | \$ 2,200                   |
| 010-5-810-4120                      | EQUIPMENT AND MACHINERY     | 660                        | 2,801                         | 2,800                      |
| <b>TOTAL MAINTENANCE AND REPAIR</b> |                             | <b>\$ 887</b>              | <b>\$ 5,001</b>               | <b>\$ 5,000</b>            |
| <b>TOTAL DEVELOPMENT SERVICES</b>   |                             | <b>\$ 461,527</b>          | <b>\$ 548,857</b>             | <b>\$ 505,448</b>          |

**HEALTH**

|                        |                        | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|------------------------|------------------------|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>       |                        |                            |                               |                            |
| 010-5-830-1010         | SALARIES               | \$ 44,340                  | \$ 44,283                     | \$ 44,283                  |
| 010-5-830-1020         | OVERTIME               | 939                        | 2,500                         | 2,500                      |
| 010-5-830-1030         | LONGEVITY              | 1,761                      | 1,872                         | 1,944                      |
| 010-5-830-1031         | INCENTIVE              | 1,200                      | 1,800                         | 3,000                      |
| 010-5-830-1036         | CELL PHONE ALLOWANCE   | 200                        | 600                           | 600                        |
| 010-5-830-1040         | SOCIAL SECURITY        | 3,655                      | 3,906                         | 4,003                      |
| 010-5-830-1050         | HEALTH INSURANCE       | 5,688                      | 6,143                         | 6,040                      |
| 010-5-830-1060         | UNEMPLOYMENT INSURANCE | 1,110                      | 641                           | -                          |
| 010-5-830-1061         | WORKER'S COMPENSATION  | 473                        | 273                           | -                          |
| 010-5-830-1070         | RETIREMENT             | 6,700                      | 7,714                         | 7,907                      |
| <b>TOTAL PERSONNEL</b> |                        | <b>\$ 66,067</b>           | <b>\$ 69,732</b>              | <b>\$ 70,277</b>           |

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>SUPPLIES AND MATERIALS</b>              |                    |                       |                    |
| 010-5-830-2010 OFFICE SUPPLIES             | \$ 133             | \$ 980                | \$ 980             |
| 010-5-830-2020 POSTAGE                     | 351                | 1,001                 | 500                |
| 010-5-830-2031 CHEMICALS                   | 2,459              | 3,000                 | 2,500              |
| 010-5-830-2040 UNIFORMS AND APPAREL        | -                  | 200                   | 200                |
| 010-5-830-2070 FUEL                        | 93                 | 1,601                 | 500                |
| 010-5-830-2080 SMALL TOOLS AND EQUIPMENT   | -                  | 500                   | 500                |
| <b>TOTAL SUPPLIES AND MATERIALS</b>        | <b>\$ 3,035</b>    | <b>\$ 7,282</b>       | <b>\$ 5,180</b>    |
| <b>SERVICES</b>                            |                    |                       |                    |
| 010-5-830-3030 PROFESSIONAL SERVICES       | \$ 1,100           | \$ 2,000              | \$ 1,200           |
| 010-5-830-3031 CONSULTANT SERVICES         | -                  | (25,946)              | -                  |
| 010-5-830-3040 COMMUNICATIONS              | 2,628              | 3,051                 | 3,050              |
| 010-5-830-3050 ELECTRIC UTILITIES          | 100                | -                     | -                  |
| 010-5-830-3080 MEMBERSHIP AND SUBSCRIPTION | 50                 | 1,180                 | 590                |
| 010-5-830-3082 TRAVEL AND TRAINING         | 2,234              | 4,651                 | 3,350              |
| 010-5-830-3112 PRINTING SERVICES           | 486                | 570                   | 570                |
| 010-5-830-3220 INSURANCE AND BONDS         | -                  | -                     | -                  |
| <b>TOTAL SERVICES</b>                      | <b>\$ 6,598</b>    | <b>\$ (14,495)</b>    | <b>\$ 8,760</b>    |
| <b>MAINTENANCE AND REPAIR</b>              |                    |                       |                    |
| 010-5-830-4110 MOTOR VEHICLES              | \$ -               | \$ 451                | \$ 200             |
| 010-5-830-4120 EQUIPMENT AND MACHINERY     | 95                 | 100                   | 100                |
| <b>TOTAL MAINTENANCE AND REPAIR</b>        | <b>\$ 95</b>       | <b>\$ 551</b>         | <b>\$ 300</b>      |
| <b>SUNDRY</b>                              |                    |                       |                    |
| 010-5-830-5200 FOOD                        | \$ -               | \$ 150                | \$ -               |
| <b>TOTAL SUNDRY</b>                        | <b>\$ -</b>        | <b>\$ 150</b>         | <b>\$ -</b>        |
| <b>TOTAL HEALTH</b>                        | <b>\$ 75,795</b>   | <b>\$ 63,221</b>      | <b>\$ 84,517</b>   |

#### **ECONOMIC DEVELOPMENT ADM**

|                                       | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---------------------------------------|--------------------|-----------------------|--------------------|
| <b>PERSONNEL</b>                      |                    |                       |                    |
| 010-5-860-1010 SALARIES               | \$ -               | \$ 118,488            | \$ 155,024         |
| 010-5-860-1030 LONGEVITY              | -                  | -                     | 288                |
| 010-5-860-1033 CAR ALLOWANCE          | -                  | 5,200                 | 5,200              |
| 010-5-860-1036 CELL PHONE ALLOWANCE   | -                  | 1,920                 | 600                |
| 010-5-860-1040 SOCIAL SECURITY        | -                  | 11,834                | 12,242             |
| 010-5-860-1050 HEALTH INSURANCE       | -                  | 18,428                | 20,641             |
| 010-5-860-1060 UNEMPLOYMENT INSURANCE | -                  | 1,176                 | -                  |
| 010-5-860-1061 WORKER'S COMPENSATION  | -                  | 141                   | -                  |
| 010-5-860-1070 RETIREMENT             | -                  | 23,373                | 24,344             |
| <b>TOTAL PERSONNEL</b>                | <b>\$ -</b>        | <b>\$ 180,560</b>     | <b>\$ 218,339</b>  |

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>SUPPLIES AND MATERIALS</b>            |                    |                       |                    |
| 010-5-860-2010 OFFICE SUPPLIES           | \$ 623             | \$ 6,001              | \$ 6,000           |
| 010-5-860-2020 POSTAGE                   | -                  | 3,000                 | 3,000              |
| 010-5-860-2080 SMALL TOOLS AND EQUIPMENT | 30                 | 2,501                 | 2,500              |
| <b>TOTAL SUPPLIES AND MATERIALS</b>      | <b>\$ 654</b>      | <b>\$ 11,502</b>      | <b>\$ 11,500</b>   |
| <b>SERVICES</b>                          |                    |                       |                    |
| 010-5-860-3030 PROFESSIONAL SERVICES     | \$ 250             | \$ 5,001              | \$ 5,000           |
| 010-5-860-3031 CONSULTANT SERVICES       | -                  | 1,000                 | 2,000              |
| 010-5-860-3040 COMMUNICATIONS            | 41                 | 5,000                 | 5,000              |
| 010-5-860-3050 UTILITIES                 | -                  | 1,425                 | -                  |
| 010-5-860-3080 MEMBERSHIP / SUBSCRIP     | -                  | 2,500                 | 2,500              |
| 010-5-860-3082 TRAVEL AND TRAINING       | -                  | 15,000                | 500                |
| 010-5-860-3110 ADVERTISING               | -                  | 25,000                | -                  |
| 010-5-860-3112 PRINTING SERVICES         | -                  | 5,001                 | 7,500              |
| <b>TOTAL SERVICES</b>                    | <b>\$ 291</b>      | <b>\$ 59,927</b>      | <b>\$ 22,500</b>   |
| <b>TOTAL ECONOMIC DEVELOPMENT ADM</b>    | <b>\$ 945</b>      | <b>\$ 251,989</b>     | <b>\$ 252,339</b>  |

## MAIN STREET

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>PERSONNEL</b>                         |                    |                       |                    |
| 010-5-880-1010 SALARIES                  | \$ 56,814          | \$ 58,781             | \$ 32,386          |
| 010-5-880-1030 LONGEVITY                 | 123                | 216                   | 72                 |
| 010-5-880-1036 CELL PHONE ALLOWANCE      | 320                | 960                   | -                  |
| 010-5-880-1040 SOCIAL SECURITY           | 4,378              | 4,513                 | 1,846              |
| 010-5-880-1050 HEALTH INSURNACE          | 5,904              | 6,143                 | 6,040              |
| 010-5-880-1060 UNEMPOLYMENT INSURANC     | 1,312              | 784                   | -                  |
| 010-5-880-1061 WORKER'S COMPENSATION     | 165                | 99                    | -                  |
| 010-5-880-1070 RETIREMENT                | 7,915              | 8,915                 | 4,904              |
| <b>TOTAL PERSONNEL</b>                   | <b>\$ 76,931</b>   | <b>\$ 80,411</b>      | <b>\$ 45,248</b>   |
| <b>SUPPLIES AND MATERIALS</b>            |                    |                       |                    |
| 010-5-880-2010 OFFICE SUPPLIES           | \$ 582             | \$ 2,500              | \$ 1,000           |
| 010-5-880-2020 POSTAGE                   | 608                | 1,900                 | 1,000              |
| 010-5-880-2080 SMALL TOOLS AND EQUIPMENT | 161                | 100                   | 100                |
| <b>TOTAL SUPPLIES AND MATERIALS</b>      | <b>\$ 1,351</b>    | <b>\$ 4,500</b>       | <b>\$ 2,100</b>    |
| <b>SERVICES</b>                          |                    |                       |                    |
| 010-5-880-3020 AUDITS,CONTRACTS,SPEC     | \$ -               | \$ -                  | \$ -               |
| 010-5-880-3030 PROFESSIONAL SERVICES     | 1,000              | -                     | -                  |
| 010-5-880-3031 CONSULTANT SERVICES       | 18,999             | 6,373                 | 2,000              |
| 010-5-880-3040 COMMUNICATIONS            | 3,287              | 2,400                 | 2,000              |
| 010-5-880-3051 CITY UTILITIES            | -                  | 110                   | -                  |



|  | ACTUAL<br>FYE 2009   | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011   |
|--|----------------------|-----------------------|----------------------|
| <b>SERVICES (CONTINUED)</b>              |                      |                       |                      |
| 010-5-880-3080 MEMBERSHIP / SUBSCRIP     | \$ 1,280             | \$ 1,400              | \$ 1,400             |
| 010-5-880-3082 TRAVEL AND TRAINING       | 2,572                | 8,001                 | 8,000                |
| 010-5-880-3110 ADVERTISING/PROMOTION     | 897                  | 2,500                 | 2,500                |
| 010-5-880-3112 PRINTING SERVICES         | 2,471                | 2,000                 | 1,000                |
| 010-5-880-3330 CONTRACT SERVICES         | -                    | -                     | -                    |
| <b>TOTAL SERVICES</b>                    | <b>\$ 30,506</b>     | <b>\$ 22,784</b>      | <b>\$ 16,900</b>     |
| <b>SUNDRY</b>                            |                      |                       |                      |
| 010-5-880-5200 FOOD PROVISION            | -                    | -                     | 500                  |
| <b>TOTAL SUNDRY</b>                      | <b>\$ -</b>          | <b>\$ -</b>           | <b>\$ 500</b>        |
| <b>TOTAL MAIN STREET</b>                 | <b>\$ 108,788</b>    | <b>\$ 107,695</b>     | <b>\$ 64,748</b>     |
| <b>**** TOTAL FUND EXPENSES ****</b>     | <b>\$ 12,922,430</b> | <b>\$ 15,325,393</b>  | <b>\$ 12,977,485</b> |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ (482,283)</b>  | <b>\$ (1,650,827)</b> | <b>\$ 40,040</b>     |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 2,950,448</b>  | <b>\$ 1,299,621</b>   | <b>\$ 1,339,661</b>  |

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**DEBT SERVICE FUND**

## GENERAL DEBT SERVICE FUND

The General Debt Service Fund accounts for the accumulation and payment of the principal and interest payment on long-term debt secured by the general taxing powers of the jurisdiction. Debt service funds are expendable each fiscal year to handle debt service payments to offset that year's debt obligation. The first portion of the ad valorem (property) tax rate is required to be calculated and levied to meet the required amount that satisfies annual debt service requirements in order to secure the financial obligation and maintain a positive credit rating.

Municipal bonds are issued by the City to raise funds it cannot or does not desire to pay for immediately with funds on hand. This debt is governed by an extensive system of Federal and State regulations. The issuer of a municipal bond receives a cash payment at the time of issuance in exchange for a promise to repay the investors who provide the cash payment over time.

Because of the special tax-exempt status of most municipal bonds, investors usually accept lower interest payments than on other types of borrowing (assuming comparable risk). This makes the issuance of bonds an attractive source of financing, as the borrowing rate available in the open market is frequently lower than what is available through other borrowing channels.

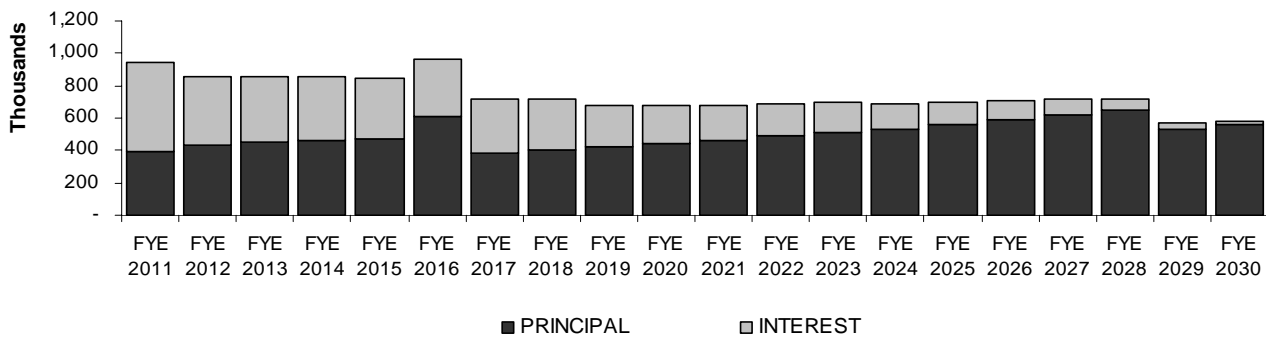
The City issued \$2 Million of general obligation bonds in 2006 that included several capital projects listed in CIP Fund 671. In 2008 the City issued additional certificates relating to relocation of water lines. Then in 2010 the City issued debt for the Library/Retail Center and a second debt instrument for a South Pressure Plane Water Tower. Except for the 2006 debt, the remaining is reimbursed by enterprise funds from water and retail revenue.

### Summary Schedule of Debt Requirements General Obligation Debt

|               | Principal           | Interest            | Fiscal Total         |
|---------------|---------------------|---------------------|----------------------|
| 2011          | 390,000             | 550,589             | 940,589              |
| 2012          | 430,000             | 422,679             | 852,679              |
| 2013          | 450,000             | 408,017             | 858,017              |
| 2014          | 460,000             | 392,028             | 852,028              |
| 2015          | 475,000             | 374,784             | 849,784              |
| 2016          | 610,000             | 353,324             | 963,324              |
| 2017          | 388,000             | 332,396             | 720,396              |
| 2018          | 405,000             | 315,364             | 720,364              |
| 2019          | 423,000             | 252,596             | 675,596              |
| 2020          | 443,000             | 237,086             | 680,086              |
| 2021          | 463,000             | 219,847             | 682,847              |
| 2022          | 488,000             | 201,665             | 689,665              |
| 2023          | 514,000             | 182,418             | 696,418              |
| 2024          | 530,000             | 162,159             | 692,159              |
| 2025          | 557,000             | 140,901             | 697,901              |
| 2026          | 586,000             | 118,403             | 704,403              |
| 2027          | 619,000             | 94,644              | 713,644              |
| 2028          | 649,000             | 69,573              | 718,573              |
| 2029          | 530,000             | 42,990              | 572,990              |
| 2030          | 562,000             | 14,661              | 576,661              |
| <b>Total:</b> | <b>\$ 9,972,000</b> | <b>\$ 4,886,124</b> | <b>\$ 14,858,124</b> |

### CURRENT REQUIREMENTS - FYE 2011

|                                 | PRINCIPAL         | INTEREST          | TOTAL             | AMOUNT OUTSTANDING  |
|---------------------------------|-------------------|-------------------|-------------------|---------------------|
| 2006 Certificates of Obligation | \$ 195,000        | \$ 49,508         | \$ 244,508        | \$ 1,305,000        |
| 2008 Certificates of Obligation | 75,000            | 71,765            | 146,765           | 1,890,000           |
| 2010 Taxable CO - Mall          | -                 | 188,283           | 188,283           | 1,875,000           |
| 2010 Tax Exempt CO - Library    | -                 | 70,449            | 70,449            | 902,000             |
| 2008 Certificates of Obligation | 120,000           | 170,584           | 290,584           | 4,000,000           |
| <b>Total:</b>                   | <b>\$ 390,000</b> | <b>\$ 550,589</b> | <b>\$ 940,589</b> | <b>\$ 9,972,000</b> |



**DEBT SERVICE REVENUES**

|                                     | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|-------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE</b>       | <b>91,978</b>              | <b>93,757</b>                 | <b>107,157</b>             |
| <b>PROPERTY TAX</b>                 |                            |                               |                            |
| 310-4-1001 AD VALOREM TAXES         | \$ 371,675                 | \$ 391,974                    | \$ 940,589                 |
| 310-4-1002 DELINQUENT TAX REVENUE   | 17,033                     | 7,000                         | 5,000                      |
| 310-4-1003 PENALTY & INTEREST TAXES | 971                        | 4,500                         | 2,500                      |
| <b>TOTAL PROPERTY TAX</b>           | <b>\$ 389,678</b>          | <b>\$ 403,474</b>             | <b>\$ 948,089</b>          |
| <b>OTHER INCOME</b>                 |                            |                               |                            |
| 310-4-1901 INTEREST ON INVESTMENTS  | \$ 909                     | \$ 1,500                      | \$ 300                     |
| <b>TOTAL OTHER INCOME</b>           | <b>\$ 909</b>              | <b>\$ 1,500</b>               | <b>\$ 300</b>              |
| <b>**** TOTAL REVENUE ****</b>      | <b>\$ 390,587</b>          | <b>\$ 404,974</b>             | <b>\$ 948,389</b>          |
| <b>**** TOTAL FUNDS AVAIL ****</b>  | <b>\$ 482,565</b>          | <b>\$ 498,731</b>             | <b>\$ 1,055,546</b>        |

**DEBT SERVICE ADMINISTRATION**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>SUNDRY</b>                            |                            |                               |                            |
| 310-5-284-5140 PRINCIPAL - CO 2006       | \$ 180,000                 | \$ 190,000                    | \$ 195,000                 |
| 310-5-284-5141 PRINCIPAL - CO 2008       | 40,000                     | 70,000                        | 75,000                     |
| 310-5-284-5144 PRINCIPAL - CO 2010 B     | -                          | -                             | 120,000                    |
| 310-5-284-5150 INTEREST - CO 2006        | 64,985                     | 57,000                        | 49,508                     |
| 310-5-284-5151 INTEREST - CO 2008        | 103,823                    | 74,574                        | 71,765                     |
| 310-5-284-5152 INTEREST - TAX CO 2010    | -                          | -                             | 188,283                    |
| 310-5-284-5153 INTEREST - T/E CO 2010    | -                          | -                             | 70,449                     |
| 310-5-284-5154 INTEREST - CO 2010 B      | -                          | -                             | 170,584                    |
| <b>TOTAL SUNDRY</b>                      | <b>\$ 388,808</b>          | <b>\$ 391,574</b>             | <b>\$ 940,589</b>          |
| <b>TOTAL DEBT ADMINISTRATION</b>         | <b>\$ 388,808</b>          | <b>\$ 391,574</b>             | <b>\$ 940,589</b>          |
| <b>**** TOTAL FUND EXPENSES ****</b>     | <b>\$ 388,808</b>          | <b>\$ 391,574</b>             | <b>\$ 940,589</b>          |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ 1,779</b>            | <b>\$ 13,400</b>              | <b>\$ 7,800</b>            |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 93,757</b>           | <b>\$ 107,157</b>             | <b>\$ 114,957</b>          |

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**SPECIAL REVENUE FUNDS**

**HOTEL OCCUPANCY TAX FUND**

The purpose of the hotel occupancy tax is to raise revenue in effort to attract a tourist who is defined as an individual who travels from a different municipality, county, state, or country for the pleasure, recreation, education, or culture in the vicinity of Palestine.

Revenue from hotel occupancy tax is a funding source that is dedicated for the promotion of tourism and the convention and hotel industry. The City owns and operates a civic center facility that is primarily used to host conventions and meetings. The civic center complex includes a large auditorium, exhibition hall, small meeting rooms and off street parking. The City also owns and operates a visitor information center used to distribute or disseminate information to tourists. Both the operations are supported by the hotel occupancy tax.

Hotel occupancy tax funding may be used for the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and

sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms. Currently the City of Palestine contracts with the Chamber of Commerce to offer arts and cultural services to the community that meet the requirements of the occupancy tax. For several years the Chamber of Commerce has promoted the arts in concurrence with major city festivals. The fund also supports the promotion of *Embrace the Arts* which is a series that includes several applications of the arts that is open to the public. Additionally the fund supports a marketing program in concurrence with economic development in order to attract tourists to Palestine.

Other hotel occupancy tax uses may include historical restoration and preservation projects. This tax application may be used for preservation activities, advertising or promotional programs to encourage tourists to visit preserved historic sites or museums. Palestine may also use this tax for the promotion expenses directly related to a sporting event in which the majority of participants are tourists and increase economic activity at hotels and motels within Palestine.

**OCCUPANCY TAX FUND REVENUE**

|                                      | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE:</b>       | \$ 124,653                 | \$ 70,966                     | \$ 76,767                  |
| <b>OTHER INCOME</b>                  |                            |                               |                            |
| 150-4-1901 INTEREST ON INVESTMENTS   | \$ 350                     | \$ 321                        | \$ 1,000                   |
| 150-4-1921 HOTEL/MOTEL OCCUPANCY TAX | 381,692                    | 367,908                       | 375,000                    |
| 150-4-1930 CIVIC AUDITORIUM RENTAL   | 30,886                     | -                             | 28,000                     |
| <b>TOTAL OTHER INCOME</b>            | <b>\$ 412,928</b>          | <b>\$ 368,228</b>             | <b>\$ 404,000</b>          |
| <b>TOTAL REVENUE</b>                 | <b>\$ 412,928</b>          | <b>\$ 368,228</b>             | <b>\$ 404,000</b>          |
| <b>TOTAL FUNDS AVAILABLE</b>         | <b>\$ 537,581</b>          | <b>\$ 439,194</b>             | <b>\$ 480,767</b>          |



**MARKETING**

Marketing works to promote Palestine as a visitor destination by working with local businesses and organizations to create events and activities that build the local economy. Palestine is a place where visitors and residents relax while enjoying a variety of recreation, dining, shopping and lodging opportunities in a scenic and historic town. Tourism marketing is a joint partnership with Economic Development and the funding for a marketing manager is supported by occupancy tax dollars from this fund. These dedicated funds for marketing personnel are transferred to the economic development division within the General Fund. Although the funding transferred is equal to the marketing manager salary, the actual purpose of this transfer is to use a collaboration of marketing talent from the Economic Development division to ensure that hotel related tourism continues to prosper in Palestine.

west end of downtown as the gateway to providing visitors with information on the area's attractions, lodgings, maps, and other items relevant to local tourism. The Center is ultimately supported by occupancy tax revenue.

**CIVIC CENTER**

The Palestine Civic Center serves as an outstanding community performing arts center, accessible to all, where people may be educated, entertained and enlightened. The Civic Center is open to the public for all events, with a large meeting room accommodating up to 500, and an auditorium with seating for 1,400. Carnegie Library offers a smaller area with historic flair. Other private facilities are available, as well, with historic bed and breakfast establishments and a variety of motels available to ensure a comfortable getaway.

**VISITOR CENTER**

The Visitor Center serves the public for local assistance in planning an area visit. The Visitor Center is located at the

**MARKETING**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>SUPPLIES AND MATERIALS</b>            |                            |                               |                            |
| 150-5-110-2210 PROMOTIONAL SUPPLIES      | \$ -                       | \$ -                          | \$ 5,000                   |
| <b>TOTAL SUPPLIES AND MATERIALS</b>      | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ 5,000</b>            |
| <b>SERVICES</b>                          |                            |                               |                            |
| 150-5-110-3030 PROFESSIONAL SERVICES     | \$ -                       | \$ 12,000                     | \$ 12,000                  |
| 150-5-110-3042 INTERNET WEBSITE          | -                          | -                             | 5,000                      |
| 150-5-110-3082 TRAVEL AND TRAINING       | -                          | -                             | 5,000                      |
| 150-5-110-3110 ADVERTISING               | -                          | -                             | 37,500                     |
| 150-5-110-3112 PRINTING                  | -                          | -                             | 7,000                      |
| 150-5-110-3340 EVENT AND PROMOTIONS      | -                          | -                             | 8,000                      |
| 150-5-110-3360 TRADE SHOWS               | -                          | -                             | 5,000                      |
| <b>TOTAL SERVICES</b>                    | <b>\$ -</b>                | <b>\$ 12,000</b>              | <b>\$ 79,500</b>           |
| <b>SUNDRY</b>                            |                            |                               |                            |
| 150-5-110-5050 ART AND CULTURAL PROJECTS | \$ -                       | \$ 16,000                     | \$ 15,000                  |
| <b>TOTAL SUNDRY</b>                      | <b>\$ -</b>                | <b>\$ 16,000</b>              | <b>\$ 15,000</b>           |
| <b>INTERFUND ACTIVITY</b>                |                            |                               |                            |
| 150-5-110-9010 TRANSFER TO GENERAL FUND  | \$ -                       | \$ 334,427                    | \$ 67,102                  |
| <b>TOTAL INTERFUND ACTIVITY</b>          | <b>\$ -</b>                | <b>\$ 334,427</b>             | <b>\$ 67,102</b>           |
| <b>TOTAL MARKETING</b>                   | <b>\$ -</b>                | <b>\$ 362,427</b>             | <b>\$ 166,602</b>          |

**VISITOR CENTER**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                          |                            |                               |                            |
| 150-5-750-1010 SALARIES AND WAGES         | \$ 70,822                  | \$ -                          | \$ 20,097                  |
| 150-5-750-1036 CELL PHONE ALLOWANCE       | 320                        | -                             | -                          |
| 150-5-750-1040 SOCIAL SECURITY            | 5,737                      | -                             | 1,537                      |
| 150-5-750-1050 HEALTH INSURANCE           | 5,943                      | -                             | -                          |
| 150-5-750-1060 UNEMPLOYMENT INSURANCE     | 1,760                      | -                             | -                          |
| 150-5-750-1061 WORKER'S COMPENSATION      | 218                        | -                             | -                          |
| 150-5-750-1070 RETIREMENT                 | 8,340                      | -                             | -                          |
| <b>TOTAL PERSONNEL</b>                    | <b>\$ 93,141</b>           | <b>\$ -</b>                   | <b>\$ 21,634</b>           |
| <b>SUPPLIES AND MATERIALS</b>             |                            |                               |                            |
| 150-5-750-2010 OFFICE SUPPLIES            | \$ 2,702                   | \$ -                          | \$ 1,500                   |
| 150-5-750-2020 POSTAGE                    | 4,204                      | -                             | 1,500                      |
| 150-5-750-2030 JANITORIAL SUPPLIES        | 146                        | -                             | 300                        |
| <b>TOTAL SUPPLIES AND MATERIALS</b>       | <b>\$ 7,051</b>            | <b>\$ -</b>                   | <b>\$ 3,300</b>            |
| <b>SERVICES</b>                           |                            |                               |                            |
| 150-5-750-3030 PROFESSIONAL SERVICES      | \$ 11,445                  | \$ -                          | \$ 2,000                   |
| 150-5-750-3040 COMMUNICATIONS             | 6,347                      | -                             | 5,000                      |
| 150-5-750-3050 UTILITIES - ELECTRIC       | 457                        | -                             | 3,500                      |
| 150-5-750-3051 UTILITIES - CITY           | 23                         | -                             | 800                        |
| 150-5-750-3060 JANITORIAL SERVICES        | -                          | -                             | 300                        |
| 150-5-750-3080 MEMBERSHIP & SUBSCRIPTIONS | 450                        | -                             | -                          |
| 150-5-750-3082 TRAVEL AND TRAINING        | 6,747                      | -                             | -                          |
| 150-5-750-3112 PRINTING SERVICES          | 25,200                     | -                             | 5,000                      |
| 150-5-750-3310 EQUIPMENT RENTAL / LEASE   | 3,532                      | -                             | 2,000                      |
| 150-5-750-3330 CONTRACT SERVICES          | 1,138                      | -                             | 1,500                      |
| 150-5-750-3340 SALES AND PROMOTIONS       | 10,338                     | -                             | -                          |
| 150-5-750-3410 WAREHOUSE SERVICES         | 11                         | -                             | -                          |
| <b>TOTAL SERVICES</b>                     | <b>\$ 65,689</b>           | <b>\$ -</b>                   | <b>\$ 20,100</b>           |
| <b>MAINTENANCE &amp; REPAIR</b>           |                            |                               |                            |
| 150-5-750-4010 BUILDINGS AND STRUCTURES   | \$ 3,445                   | \$ -                          | \$ 3,500                   |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b>     | <b>\$ 3,445</b>            | <b>\$ -</b>                   | <b>\$ 3,500</b>            |
| <b>EQUIPMENT</b>                          |                            |                               |                            |
| 150-5-750-8015 COMPUTER EQUIPMENT         | \$ 3,060                   | \$ -                          | \$ 600                     |
| <b>TOTAL EQUIPMENT</b>                    | <b>\$ 3,060</b>            | <b>\$ -</b>                   | <b>\$ 600</b>              |
| <b>TOTAL VISITOR CENTER</b>               | <b>\$ 172,387</b>          | <b>\$ -</b>                   | <b>\$ 49,134</b>           |

**CIVIC CENTER**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                            |                            |                               |                            |
| 150-5-751-1010 SALARIES AND WAGES           | \$ 59,586                  | \$ -                          | \$ 54,481                  |
| 150-5-751-1012 TEMPORARY EMPLOYMENT         | -                          | -                             | -                          |
| 150-5-751-1020 OVERTIME                     | 32,569                     | -                             | -                          |
| 150-5-751-1030 LONGEVITY                    | 486                        | -                             | 864                        |
| 150-5-751-1031 INCENTIVES                   | 700                        | -                             | 1,200                      |
| 150-5-751-1036 CELL PHONE ALLOWANCE         | 320                        | -                             | 1,560                      |
| 150-5-751-1040 SOCIAL SECURITY              | 6,829                      | -                             | 4,445                      |
| 150-5-751-1050 HEALTH INSURANCE             | 23,040                     | -                             | 14,602                     |
| 150-5-751-1060 UNEMPLOYMENT INSURANCE       | 2,180                      | -                             | -                          |
| 150-5-751-1061 WORKER'S COMPENSATION        | 2,005                      | -                             | -                          |
| 150-5-751-1070 RETIREMENT                   | 13,143                     | -                             | 8,780                      |
| <b>TOTAL PERSONNEL</b>                      | <b>\$ 140,857</b>          | <b>\$ -</b>                   | <b>\$ 85,932</b>           |
| <b>SUPPLIES AND MATERIALS</b>               |                            |                               |                            |
| 150-5-751-2010 OFFICE SUPPLIES              | \$ 1,034                   | \$ -                          | \$ 600                     |
| 150-5-751-2020 POSTAGE                      | 24                         | -                             | 150                        |
| 150-5-751-2030 JANITORIAL SUPPLIES          | 2,601                      | -                             | 3,200                      |
| 150-5-751-2220 SPECIAL EVENT MATERIAL       | 948                        | -                             | 2,400                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b>         | <b>\$ 4,607</b>            | <b>\$ -</b>                   | <b>\$ 6,350</b>            |
| <b>SERVICES</b>                             |                            |                               |                            |
| 150-5-751-3040 COMMUNICATIONS               | \$ 1,859                   | \$ -                          | \$ 1,000                   |
| 150-5-751-3050 UTILITIES - ELECTRIC         | 45,750                     | -                             | 50,000                     |
| 150-5-751-3051 UTILITIES - CITY             | 806                        | -                             | 5,000                      |
| 150-5-751-3080 MEMBERSHIP & SUBSCRIPTIONS   | 125                        | -                             | 500                        |
| 150-5-751-3082 TRAVEL AND TRAINING          | -                          | -                             | 750                        |
| 150-5-751-3210 FINANCIAL SERVICE CHAR       | 227                        | -                             | 300                        |
| 150-5-751-3211 INVESTMENT SERVICE CHARGE    | -                          | -                             | 50                         |
| 150-5-751-3310 EQUIPMENT RENTAL / LEASE     | 1,691                      | -                             | 2,000                      |
| 150-5-751-3330 CONTRACT SERVICES            | 1,447                      | -                             | 2,000                      |
| <b>TOTAL SERVICES</b>                       | <b>\$ 51,905</b>           | <b>\$ -</b>                   | <b>\$ 61,600</b>           |
| <b>MAINTENANCE &amp; REPAIR</b>             |                            |                               |                            |
| 150-5-751-4010 BUILDINGS AND STRUCTURES     | \$ 34,696                  | \$ -                          | \$ 25,000                  |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b>       | <b>\$ 34,696</b>           | <b>\$ -</b>                   | <b>\$ 25,000</b>           |
| <b>MAINTENANCE - EQUIPMENT</b>              |                            |                               |                            |
| 150-5-751-4510 EQUIPMENT MAINTENANCE        | \$ 270                     | \$ -                          | \$ 2,500                   |
| <b>TOTAL MAINTENANCE - EQUIPMENT</b>        | <b>\$ 270</b>              | <b>\$ -</b>                   | <b>\$ 2,500</b>            |
| <b>EQUIPMENT</b>                            |                            |                               |                            |
| 150-5-751-8010 FURNITURE & OFFICE EQUIPMENT | \$ -                       | \$ -                          | \$ 500                     |
| 150-5-751-8015 COMPUTER EQUIPMENT           | 523                        | -                             | -                          |
| <b>TOTAL EQUIPMENT</b>                      | <b>\$ 523</b>              | <b>\$ -</b>                   | <b>\$ 500</b>              |
| <b>TOTAL CIVIC CENTER</b>                   | <b>\$ 232,857</b>          | <b>\$ -</b>                   | <b>\$ 181,882</b>          |
| <b>TOTAL FUND EXPENSES</b>                  | <b>\$ 405,244</b>          | <b>\$ 362,427</b>             | <b>\$ 397,618</b>          |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>    | <b>\$ 7,684</b>            | <b>\$ 5,801</b>               | <b>\$ 6,382</b>            |
| <b>PROJECTED ENDING FUND BALANCE</b>        | <b>\$ 132,337</b>          | <b>\$ 76,767</b>              | <b>\$ 83,149</b>           |

**PALESTINE ECONOMIC DEVELOPMENT CORPORATION**

The Palestine Economic Development Corporation is a Type B tax taxing entity that has established a corporation under the rules of the Economic Development Act to administer the sales and use tax funds. The city's governing body must appoint seven directors. Three of the seven directors cannot be employees, officers or members of the city's governing body. The other four directors may be—but are not required to be—members of the governing body or city employees. All directors are appointed to a two-year term under §4B. The directors of a corporation authorized under §4B must be residents of the city authorizing the sales tax if the city's population is 20,000 or more. There is no city residency requirement for §4B directors in cities with less than 20,000 population as long as the director is a resident of the county in which the majority of the city is located, or resides within 10 miles of the city and is in a county which borders the county in which a majority of the city is located. The board of directors serves at the pleasure of the governing body and must conduct meetings within the city's boundaries.

The tax provides cities with a wider range of uses for the tax revenues because it is intended to give communities an opportunity to undertake a project for quality of life improvements, including economic development that will attract and retain primary employers. Before spending Type B sales tax revenue, a corporation is required to hold at least one public hearing on the proposed project that

will be funded by this tax. The tax is primarily intended for manufacturing and industrial development, and cities may use the money raised by this sales tax to acquire or pay for land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements for other specific purposes.

A Type B city may use money raised by this sales tax for a wide variety of projects including land, buildings, equipment, facilities expenditures and improvements related to projects defined in Type A or found by the board of directors to be required or suitable for use for other specific uses.

If a project of this nature would require an expenditure of more than \$10,000, the governing body of the city creating the corporation would have to adopt a resolution authorizing the project after giving the resolution at least two separate readings.

Sewer utilities and site improvements are also allowable infrastructure that all development corporations may fund to promote new or expanded business development.

Type B corporations may, following a separate election to gain voter approval, spend Type B sales tax for a water supply, water conservation program or to clean up contaminated property.

**CORPORATION REVENUES**

|   | <b>ESTIMATED<br/>2009-2010</b> | <b>BUDGET<br/>2010-2011</b> |
|---|--------------------------------|-----------------------------|
| <b>BEGINNING FUND BALANCE</b>               | \$ 1,545,693                   | \$ 1,520,189                |
| <b>REVENUE</b>                              |                                |                             |
| 215-4-1013 CORPORATION SALES TAX            | \$ 970,000                     | \$ 980,000                  |
| 215-4-1802 CAP GEMINI - CITY CONTRIBUTION   | 60,000                         | 60,000                      |
| 215-4-1810 PRODUCT CONCEPT DEVELOPMENT LOAN | 9,512                          | 9,512                       |
| 215-4-1901 INTEREST REVENUE                 | 10,000                         | 10,000                      |
| <b>TOTAL REVENUE</b>                        | <b>\$ 1,049,512</b>            | <b>\$ 1,059,512</b>         |
| <b>TOTAL FUNDS AVAILABLE:</b>               | <b>\$ 2,595,205</b>            | <b>\$ 2,579,701</b>         |

## PALESTINE ECONOMIC DEVELOPMENT OPERATIONS

Recently the City restructured the existing organization of PEDC in order to improve the effectiveness of its goals and overall vision. The city contracts with the Economic Development Corporation to provide operational services for the board. The following budget is related to the operations under the direction of the PEDC Board.

The Corporation has budgeted \$15,000 for professional services. Professional services do include legal and engineering assistance and can include consulting or special studies. The corporation may spend no more than ten percent of the corporate annual revenues for promotional purposes. However the Attorney General opinion allows promotional expenditures to carry over from one year to the next. The marketing line items below are designated as remaining promotional expenditures of the corresponding year. The maintenance and repair of the business park includes the landscaping and utility cost for operating the Business Park at \$35,000 and this line item has sufficient funding for minor annual enhancements. PEDC currently has two separate loan obligations. The Cap Gemini loan is a long term debt associated with the construction of the Call Center and the second long term loan is for the Willow Creek Business Park.

### SPECIAL SERVICES

PEDC Special Services are projects that are quality of life improvements that will attract and retain primary employers. The tax is primarily intended for manufacturing and industrial development, and cities may use the money raised by this sales tax to acquire or pay for land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements for other specific purposes. If a project of this nature would require an expenditure of more than \$10,000, the governing body of the city must adopt a resolution authorizing the project. The following budget is special services projects of the Palestine Economic Development Corporation.

### COMMUNITY GRANTS

PEDC has historically offered grants for community projects. Projects have included renovations to the Texas Theater and improvements to Reagan Park.

### FAÇADE GRANTS

Façade grants are a matching grant for the improvements of business structures within the Main Street District. The grant only includes improvements to the facades of existing structures and is initially approved by the Main Street Board.

### CORPORATION OPERATIONS

|                                       |                             | ESTIMATED<br>2009-2010 | BUDGET<br>2010-2011 |
|---------------------------------------|-----------------------------|------------------------|---------------------|
| <b>SERVICES</b>                       |                             |                        |                     |
| 215-5-110-3030                        | PROFESSIONAL SERVICES       | \$ 45,528              | \$ 15,000           |
| 215-5-110-3082                        | TRAVEL AND TRAINING         | -                      | 15,000              |
| 215-5-110-3151                        | MARKETING - FYE 07          | -                      | 55,806              |
| 215-5-110-3152                        | MARKETING - FYE 08          | -                      | 19,895              |
| 215-5-110-3153                        | MARKETING - FYE 09          | -                      | 35,000              |
| 215-5-110-3154                        | MARKETING - FYE 10          | 60,000                 | -                   |
| 215-5-110-3155                        | MARKETING - FYE 11          | -                      | 30,000              |
| 215-5-110-3330                        | CONTRACT SERVICES           | 191,710                | 151,237             |
| <b>TOTAL SERVICES</b>                 |                             | <b>\$ 297,238</b>      | <b>\$ 321,938</b>   |
| <b>MAINTENANCE AND OPERATIONS</b>     |                             |                        |                     |
| 215-5-110-4010                        | BUSINESS PARK               | \$ 33,000              | \$ 35,000           |
| 215-5-110-4050                        | OFFICE SUPPLIES             | -                      | 1,000               |
| 215-5-110-5200                        | FOOD AND MEETING PROVISIONS | -                      | 1,000               |
| 215-5-110-8010                        | BUSINESS PARK               | 3,000                  | -                   |
| 215-5-110-8011                        | OFFICE EQUIPMENT            | -                      | 2,000               |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b> |                             | <b>\$ 36,000</b>       | <b>\$ 39,000</b>    |
| <b>DEBT SERVICE</b>                   |                             |                        |                     |
| 215-5-110-5001                        | CAP GEMINI LOAN             | \$ 327,646             | \$ 327,646          |
| 215-5-110-5002                        | WCBP LOAN                   | 187,497                | 187,497             |
| <b>TOTAL SUNDRY</b>                   |                             | <b>\$ 515,143</b>      | <b>\$ 515,143</b>   |
| <b>TOTAL OPERATIONS</b>               |                             | <b>\$ 848,381</b>      | <b>\$ 876,081</b>   |

**SPECIAL PROJECT SERVICES**

|                               |                                    | <b>ESTIMATED<br/>2009-2010</b> | <b>BUDGET<br/>2010-2011</b> |
|-------------------------------|------------------------------------|--------------------------------|-----------------------------|
| <b>SPECIAL SERVICES</b>       |                                    |                                |                             |
| 215-5-111-5001                | WEISSKER MANUFACTURING             | \$ 10,000                      | \$ 10,000                   |
| 215-5-111-5002                | MOUNTIAN PURE INCENTIVE            | -                              | 45,000                      |
| 215-5-111-5007                | CARTMELL HOME INCENTIVE            | 51,692                         | -                           |
| 215-5-111-5009                | BUSINESS PARK DETENTION POND       | -                              | 300,000                     |
| 215-5-111-5011                | BUSINESS RETENTION SIMINAR         | 30,000                         | 25,000                      |
| 215-5-111-5013                | WATER LINE EXTENSION (SPP PROJECT) | 148,774                        | -                           |
| 215-5-111-5015                | TDA CAPITAL FUND PROJECT REPAYMENT | 25,946                         | -                           |
| 215-5-111-5071                | SPRING STREET LIGHTS               | 3,397                          | -                           |
| <b>TOTAL SPECIAL SERVICES</b> |                                    | <b>\$ 269,809</b>              | <b>\$ 380,000</b>           |

**COMMUNITY DEVELOPMENT PROGRAM**

|  |                             | <b>ESTIMATED<br/>2009-2010</b> | <b>BUDGET<br/>2010-2011</b> |
|--|-----------------------------|--------------------------------|-----------------------------|
| <b>COMMUNITY DEVELOPMENT PROGRAM</b>       |                             |                                |                             |
| 215-5-112-5063                             | COMMUNITY DEVELOPMENT GRANT | \$ 50,000                      | \$ 25,000                   |
| <b>TOTAL COMMUNITY DEVELOPMENT PROGRAM</b> |                             | <b>\$ 50,000</b>               | <b>\$ 25,000</b>            |

**FACADE PROGRAM**

|  |  | <b>ESTIMATED<br/>2009-2010</b> | <b>BUDGET<br/>2010-2011</b> |
|--|--|--------------------------------|-----------------------------|
| <b>FACADE PROGRAM</b>                    |  |                                |                             |
| 215-5-113-5081                           | FACADE GRANT - GREGG LINK BUILDING       | \$ -                           | \$ 158,876                  |
| 215-5-113-5082                           | FACADE GRANT - HANKS BUILDING            | 2,302                          | -                           |
| 215-5-113-5087                           | FACADE GRANT - DUNCAN BUILDING           | 50,000                         | -                           |
| 215-5-113-5088                           | FACADE GRANT - FARRIS BUILDINGS          | 19,400                         | 10,556                      |
| 215-5-113-5089                           | FY 10/11 ANNUAL FAÇADE IMPROVEMENT FUNDS | -                              | 25,000                      |
| 215-5-113-5090                           | FACADE GRANT - CALHOUN BUILDING          | -                              | 25,000                      |
| 215-5-113-5091                           | FACADE GRANT - TEXAS THEATER             | -                              | 5,960                       |
| <b>TOTAL FACADE PROGRAM</b>              |  | <b>\$ 71,702</b>               | <b>\$ 225,392</b>           |
| <b>TOTAL FUND EXPENSES</b>               |  | <b>\$ 1,239,892</b>            | <b>\$ 1,506,473</b>         |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> |  | <b>\$ (190,380)</b>            | <b>\$ (446,961)</b>         |
| <b>PROJECTED ENDING FUND BALANCE</b>     |  | <b>\$ 1,355,313</b>            | <b>\$ 1,073,228</b>         |

## AIRPORT FUND

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

### AIRPORT FUND REVENUE

|                                       | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---------------------------------------|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE:</b>        | (130,912)          | (58,355)              | (80,068)           |
| <b>LEASES AND RENTALS</b>             |                    |                       |                    |
| 240-4-1601 HANGER RENTAL FEES         | \$ 34,045          | \$ 20,000             | \$ 25,000          |
| 240-4-1602 LAND LEASE FEES            | 8,375              | 6,000                 | 8,000              |
| 240-4-1604 HOUSE RENTAL FEES          | -                  | 8,000                 | 5,000              |
| <b>TOTAL LEASES AND RENTALS</b>       | <b>\$ 42,420</b>   | <b>\$ 34,000</b>      | <b>\$ 38,000</b>   |
| <b>OTHER AGENCIES</b>                 |                    |                       |                    |
| 240-4-1804 STATE & FEDERAL GRANTS     | \$ 48,710          | \$ -                  | \$ -               |
| <b>TOTAL OTHER AGENCIES</b>           | <b>\$ 48,710</b>   | <b>\$ -</b>           | <b>\$ -</b>        |
| <b>OTHER INCOME</b>                   |                    |                       |                    |
| 240-4-1901 INTEREST ON INVESTMENTS    | \$ 171             | \$ 500                | \$ 500             |
| 240-4-1905 MISCELLANEOUS SALES        | 8,252              | 10,000                | 8,200              |
| 240-4-1907 CALL OUT FEE               | 450                | 400                   | 400                |
| 240-4-1919 SALE OF FUEL               | 332,852            | 386,000               | 335,000            |
| 240-4-1941 TRANSFER FROM GENERAL FUND | 25,000             | 25,000                | -                  |
| <b>TOTAL OTHER INCOME</b>             | <b>\$ 366,726</b>  | <b>\$ 421,900</b>     | <b>\$ 344,100</b>  |
| <b>TOTAL REVENUE</b>                  | <b>\$ 457,856</b>  | <b>\$ 455,901</b>     | <b>\$ 382,100</b>  |
| <b>TOTAL FUNDS AVAILABLE</b>          | <b>\$ 326,944</b>  | <b>\$ 397,546</b>     | <b>\$ 302,032</b>  |

### AIRPORT OPERATIONS

|                                       | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---------------------------------------|--------------------|-----------------------|--------------------|
| <b>PERSONNEL</b>                      |                    |                       |                    |
| 240-5-110-1010 SALARIES AND WAGES     | \$ 35,781          | \$ 34,513             | \$ 33,810          |
| 240-5-110-1020 OVERTIME               | 299                | 100                   | -                  |
| 240-5-110-1030 LONGEVITY              | 96                 | 216                   | 288                |
| 240-5-110-1036 CELL PHONE ALLOWANCE   | 200                | 600                   | 600                |
| 240-5-110-1040 SOCIAL SECURITY        | 2,712              | 2,703                 | 2,654              |
| 240-5-110-1050 HEALTH INSURANCE       | 5,688              | 6,143                 | 6,040              |
| 240-5-110-1060 UNEMPLOYMENT INSURANCE | 814                | 517                   | -                  |
| 240-5-110-1061 WORKER'S COMPENSATION  | 103                | 88                    | -                  |
| 240-5-110-1070 RETIREMENT             | 3,711              | 4,200                 | 4,104              |
| <b>TOTAL PERSONNEL</b>                | <b>\$ 49,404</b>   | <b>\$ 49,080</b>      | <b>\$ 47,496</b>   |

|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>SUPPLIES AND MATERIALS</b>               |                    |                       |                    |
| 240-5-110-2010 OFFICE SUPPLIES              | \$ 784             | \$ 1,000              | \$ 1,500           |
| 240-5-110-2011 COST OF SALES                | 8,420              | 8,000                 | 8,000              |
| 240-5-110-2020 POSTAGE                      | 71                 | 439                   | 200                |
| 240-5-110-2030 JANITORIAL SUPPLIES          | 476                | 501                   | 1,000              |
| 240-5-110-2031 CHEMICALS                    | 825                | 1,500                 | 1,500              |
| 240-5-110-2040 UNIFORMS AND APPAREL         | -                  | 250                   | 250                |
| 240-5-110-2070 GASOLINE AND OIL             | 285                | 1,000                 | 500                |
| 240-5-110-2072 AVIATION/JET FUEL            | 220,919            | 300,000               | 225,000            |
| <b>TOTAL SUPPLIES AND MATERIALS</b>         | <b>\$ 231,780</b>  | <b>\$ 312,692</b>     | <b>\$ 237,950</b>  |
| <b>SERVICES</b>                             |                    |                       |                    |
| 240-5-110-3030 PROFESSIONAL SERVICES        | \$ 1,144           | \$ 1,000              | \$ 1,000           |
| 240-5-110-3040 COMMUNICATIONS               | 8,524              | 7,800                 | 7,800              |
| 240-5-110-3050 UTILITIES - ELECTRIC         | 12,806             | 14,001                | 14,000             |
| 240-5-110-3051 UTILITIES - CITY             | 209                | 501                   | 500                |
| 240-5-110-3082 TRAVEL AND TRAINING          | 505                | 1,062                 | 1,100              |
| 240-5-110-3200 RETAIL ITEMS                 | 87                 | -                     | -                  |
| 240-5-110-3210 FINANCIAL SERVICE CHARGE     | 1,059              | 2,264                 | -                  |
| 240-5-110-3330 CONTRACT SERVICES            | 295                | 6,600                 | 6,600              |
| 240-5-110-3410 WAREHOUSE SERVICES           | 5                  | 53                    | -                  |
| <b>TOTAL SERVICES</b>                       | <b>24,634</b>      | <b>33,280</b>         | <b>31,000</b>      |
| <b>MAINTENANCE &amp; REPAIR</b>             |                    |                       |                    |
| 240-5-110-4010 BUILDINGS AND STRUCTURES     | \$ 11,274          | \$ 6,000              | \$ 6,000           |
| 240-5-110-4110 MOTOR VEHICLES               | 3,517              | 2,000                 | 2,000              |
| 240-5-110-4120 EQUIPMENT & MACHINERY        | 10,337             | 7,012                 | 3,000              |
| 240-5-110-4310 SEWER SYSTEM MAINTENANCE     | -                  | 2,000                 | 2,000              |
| 240-5-110-4450 OTHER MAINTENANCE & RE       | -                  | 15,000                | 15,000             |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b>       | <b>25,128</b>      | <b>\$ 32,012</b>      | <b>\$ 28,000</b>   |
| <b>MAINTENANCE - EQUIPMENT</b>              |                    |                       |                    |
| 240-5-110-4510 EQUIPMENT MAINTENANCE        | \$ 4,834           | \$ 3,000              | \$ 3,000           |
| 240-5-110-8010 FURNITURE & OFFICE EQUIPMENT | 1,969              | -                     | -                  |
| <b>TOTAL EQUIPMENT</b>                      | <b>\$ 6,803</b>    | <b>\$ 3,000</b>       | <b>\$ 3,000</b>    |
| <b>INTERFUND ACTIVITY</b>                   |                    |                       |                    |
| 240-5-110-9510 EQUIP. PURCHASE CONT.        | \$ 47,550          | \$ 47,551             | \$ -               |
| <b>TOTAL INTERFUND ACTIVITY</b>             | <b>\$ 47,550</b>   | <b>\$ 47,551</b>      | <b>\$ -</b>        |
| <b>TOTAL AIRPORT OPERATIONS</b>             | <b>\$ 385,298</b>  | <b>\$ 477,614</b>     | <b>\$ 347,446</b>  |
| <b>TOTAL FUND EXPENSES</b>                  | <b>\$ 385,298</b>  | <b>\$ 477,614</b>     | <b>\$ 347,446</b>  |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>    | <b>\$ 72,558</b>   | <b>\$ (21,713)</b>    | <b>\$ 34,654</b>   |
| <b>PROJECTED ENDING FUND BALANCE</b>        | <b>\$ (58,355)</b> | <b>\$ (80,068)</b>    | <b>\$ (45,414)</b> |



## MUNICIPAL COURT BUILDING SECURITY AND TECHNOLOGY FUNDS

The Court Building Security Fund is designated as Fund Number 250 for fiscal year ending 2010. The Code of Criminal Procedure allows municipalities to collect a fee of \$3.00 as a cost of court from anyone convicted of a misdemeanor offense. The article provides that the funds may be used to finance items for the purpose of providing security services for municipal courts. The City of Palestine court security fees provide the court with security items and training necessary to operate a secure court proceeding.

The Court Technology Fund is created with the intent of saving valuable time, making processes more expedient and easier to manage. The Texas State Legislature allows municipal governments to create a municipal court technology fund that requires an offender of a misdemeanor offense to pay a technology fee as a cost of court. Proceeds are to be used for the purchase of court technological enhancements. The City is currently using several technology tools that improve the processes of municipal court.

### MUNICIPAL COURT SECURITY FUND

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE:</b>           | \$ 11,280          | \$ 15,546             | \$ 22,556          |
| <b>REVENUES</b>                          |                    |                       |                    |
| 250-4-1409 COURT SECURITY FEES           | \$ 6,175           | \$ 8,000              | \$ 8,000           |
| 250-4-1901 INTEREST ON INVESTMENTS       | -                  | 10                    | -                  |
| <b>TOTAL REVENUE</b>                     | <b>\$ 6,175</b>    | <b>\$ 8,010</b>       | <b>\$ 8,000</b>    |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ 17,454</b>   | <b>\$ 23,556</b>      | <b>\$ 30,556</b>   |
| <b>EXPENSES</b>                          |                    |                       |                    |
| 250-5-110-3082 TRAVEL AND TRAINING       | \$ (661)           | \$ 1,000              | \$ 1,000           |
| 250-5-110-8051 SECURITY EQUIPMENT        | 2,569              | -                     | 3,500              |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ 1,909</b>    | <b>\$ 1,000</b>       | <b>\$ 4,500</b>    |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ 4,266</b>    | <b>\$ 7,010</b>       | <b>\$ 3,500</b>    |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 15,546</b>   | <b>\$ 22,556</b>      | <b>\$ 26,056</b>   |

### MUNICIPAL COURT TECHNOLOGY FUND

|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE:</b>              | \$ 15,467          | \$ 6,263              | \$ (600)           |
| <b>REVENUES</b>                             |                    |                       |                    |
| 260-4-1410 COURT TECHNOLOGY FEES            | \$ 8,230           | \$ 10,700             | \$ 10,700          |
| <b>TOTAL REVENUE</b>                        | <b>\$ 8,230</b>    | <b>\$ 10,700</b>      | <b>\$ 10,700</b>   |
| <b>TOTAL FUNDS AVAILABLE</b>                | <b>\$ 23,697</b>   | <b>\$ 16,963</b>      | <b>\$ 10,100</b>   |
| <b>EXPENSES</b>                             |                    |                       |                    |
| 260-5-110-8050 COMPUTER EQUIPMENT           | \$ 6,734           | \$ 6,862              | \$ -               |
| 260-5-110-9010 TRSF TO GENERAL FUND         | 4,300              | 4,300                 | 4,300              |
| 260-5-110-9510 EQUIP. PURCHASE CONTRIBUTION | 6,400              | 6,400                 | 6,400              |
| <b>TOTAL FUND EXPENSES</b>                  | <b>\$ 17,434</b>   | <b>\$ 17,563</b>      | <b>\$ 10,700</b>   |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>    | <b>\$ (9,204)</b>  | <b>\$ (6,862)</b>     | <b>\$ -</b>        |
| <b>PROJECTED ENDING FUND BALANCE</b>        | <b>\$ 6,263</b>    | <b>\$ (600)</b>       | <b>\$ (600)</b>    |

**OTHER SPECIAL REVENUE FUNDS**

**COMMUNITY FOREST**

The community forest land was used as a source for the municipal water supply until 1968. Since then it has served many functions including recreation, education, sustainable timber harvesting, and wildlife habitat. Currently the City of Palestine is budgeted to develop a responsible and ecologically sensitive long-term forest management master plan which would provide revenues for the development and continued acquisition of managed forest land. This plan is to harvest timber on a sustainable basis; enhance the integrity of the ecology; and provide forest recreational and educational opportunities for the community.

**LIBRARY MEMORIAL FUND**

Memorial donations are accepted to purchase new items for the Palestine Public Library. Donations are accepted and accounted for in this fund in support of the public library, to honor or memorialize a friend or loved one, and to show support of a special event. Funds may designate the item to be purchased, or suggest a particular subject area. The Palestine Public Library Board and staff administer the Memorial Fund and greatly appreciate the many generous donations. The books purchased and received through the Memorial Fund have enhanced the Library's collection.

**FORFEITURE PROGRAMS**

The Department of Justice's Asset Forfeiture Program is a nationwide law enforcement program that continues to be an effective and powerful strategy in the fight against crime. The primary mission of the Department of Justice

Asset Forfeiture Program is to make use of asset forfeiture powers in a manner that improves public safety and security. This is accomplished by removing the proceeds of crime and other assets relied upon by criminals and their associates to perpetuate their criminal activity against our society. Asset forfeiture has the power to disrupt or dismantle criminal organizations that would persist if only with the power to convict and incarcerate specific individuals. The Palestine Police Department also receives monies from local property forfeited due to criminal activity. The Texas Code of Criminal Procedures, Articles 59.06, 18.17, and 47.01, authorizes State of Texas seizures.

**PERPETUAL CEMETERY FUND**

Old cemeteries are markers of human history. They are sources of history and they tell us a great deal about ourselves culturally and socially. Therefore, is important that cemeteries are responsibly maintained. The City of Palestine affords a basic perpetual fund to maintain City the owned cemeteries in order to preserve our local heritage. This perpetual fund is applied to sustain the following: East Hill, Old, Memorial, Middle, New Addition, and New Addition Annex. The resources for this fund have not been established as a permanent fund in the sense that only earnings from the resource are used and not the principal. It is the intent that the City creates an interest only perpetual fund to maintain the cemetery operations. Currently, the daily maintenance is supported through the General Fund Community Services Department. Continued revenues from the sale of cemetery lots will depend on future cemetery additions.

**COMMUNITY FOREST**

|  | <b>ACTUAL</b>   |         | <b>ESTIMATED</b> |          | <b>BUDGET</b>   |        |
|--|-----------------|---------|------------------|----------|-----------------|--------|
|  | <b>FYE 2009</b> |         | <b>FYE 2010</b>  |          | <b>FYE 2011</b> |        |
| <b>BEGINNING FUND BALANCE</b>            | \$              | -       | \$               | 102,575  | \$              | 82,825 |
| <b>REVENUES</b>                          |                 |         |                  |          |                 |        |
| 011-4-1001 SALE OF TIMBER                | \$              | 102,575 | \$               | -        | \$              | -      |
| 011-4-1901 INTEREST REVENUE              |                 | -       |                  | 250      |                 | 250    |
| <b>TOTAL REVENUE</b>                     | \$              | 102,575 | \$               | 250      | \$              | 250    |
| <b>TOTAL FUNDS AVAILABLE</b>             | \$              | 102,575 | \$               | 102,825  | \$              | 83,075 |
| <b>EXPENSES</b>                          |                 |         |                  |          |                 |        |
| 011-5-110-3030 PROFESSIONAL SERVICES     | \$              | -       | \$               | -        | \$              | -      |
| 011-5-110-7450 LAND PURCHASE             |                 | -       |                  | 20,000   |                 | -      |
| <b>TOTAL FUND EXPENSES</b>               | \$              | -       | \$               | 20,000   | \$              | -      |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | \$              | 102,575 | \$               | (19,750) | \$              | 250    |
| <b>PROJECTED ENDING FUND BALANCE</b>     | \$              | 102,575 | \$               | 82,825   | \$              | 83,075 |

**LIBRARY MEMORIAL FUND**

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE</b>            | \$ 20,595          | \$ 15,786             | \$ 15,836          |
| <b>REVENUES</b>                          |                    |                       |                    |
| 060-4-1901 INTEREST REVENUE              | \$ -               | \$ 50                 | \$ 50              |
| 060-4-1912 CONTRIBUTIONS                 | 9,115              | 20,000                | 10,000             |
| <b>TOTAL REVENUE</b>                     | <b>\$ 9,115</b>    | <b>\$ 20,050</b>      | <b>\$ 10,050</b>   |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ 29,710</b>   | <b>\$ 35,836</b>      | <b>\$ 25,886</b>   |
| <b>EXPENSES</b>                          |                    |                       |                    |
| 060-5-110-7451 MEMORIAL FUND EXPENSE     | \$ 13,924          | \$ 20,000             | \$ 10,000          |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ 13,924</b>   | <b>\$ 20,000</b>      | <b>\$ 10,000</b>   |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ (4,809)</b>  | <b>\$ 50</b>          | <b>\$ 50</b>       |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 15,786</b>   | <b>\$ 15,836</b>      | <b>\$ 15,886</b>   |

**POLICE CONFISCATED MONEY**

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE:</b>           | \$ 23,527          | \$ 23,075             | \$ 23,925          |
| <b>REVENUE</b>                           |                    |                       |                    |
| 360-4-1822 FORFEITED MONIES              | \$ 770             | \$ 500                | \$ 500             |
| 360-4-1901 INTEREST ON INVESTMENTS       | \$ 137             | \$ -                  | \$ -               |
| 360-4-1955 TRANSFER FROM OTHER FUNDS     | -                  | 350                   | -                  |
| <b>TOTAL REVENUE</b>                     | <b>\$ 908</b>      | <b>\$ 850</b>         | <b>\$ 500</b>      |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ 24,434</b>   | <b>\$ 23,925</b>      | <b>\$ 24,425</b>   |
| <b>EXPENSES</b>                          |                    |                       |                    |
| 360-5-110-8050 EQUIPMENT                 | \$ 1,359           | \$ -                  | \$ -               |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ 1,359</b>    | <b>\$ -</b>           | <b>\$ -</b>        |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ (451)</b>    | <b>\$ 850</b>         | <b>\$ 500</b>      |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 23,075</b>   | <b>\$ 23,925</b>      | <b>\$ 24,425</b>   |

**FEDERAL FORFEITURE FUNDS**

|                                    | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|------------------------------------|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE:</b>     | \$ 68,322          | \$ 45,074             | \$ 32,324          |
| <b>REVENUE</b>                     |                    |                       |                    |
| 370-4-1901 INTEREST ON INVESTMENTS | \$ 197             | \$ 250                | \$ 50              |
| 370-4-1910 FORFEITURES             | 447                | 1,000                 | 500                |
| <b>TOTAL REVENUE</b>               | <b>\$ 645</b>      | <b>\$ 1,250</b>       | <b>\$ 550</b>      |
| <b>TOTAL FUNDS AVAILABLE</b>       | <b>\$ 68,966</b>   | <b>\$ 46,324</b>      | <b>\$ 32,874</b>   |

|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>EXPENSES</b>                           |                    |                       |                    |
| 370-5-110-8030 FIREARMS TRAINING FACILITY | \$ -               | \$ 14,000             | \$ -               |
| 370-5-110-8050 EQUIPMENT/MACHINERY        | 23,892             | -                     | -                  |
| <b>TOTAL FUND EXPENSES</b>                | <b>\$ 23,892</b>   | <b>\$ 14,000</b>      | <b>\$ -</b>        |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>  | <b>\$ (23,247)</b> | <b>\$ (12,750)</b>    | <b>\$ 550</b>      |
| <b>PROJECTED ENDING FUND BALANCE</b>      | <b>\$ 45,074</b>   | <b>\$ 32,324</b>      | <b>\$ 32,874</b>   |

**PERPETUAL CEMETERY**

|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE:</b>              | <b>\$ 142,316</b>  | <b>\$ 142,031</b>     | <b>\$ 141,321</b>  |
| <b>REVENUE</b>                              |                    |                       |                    |
| 400-4-1708 CEMETERY LOT SALES               | \$ -               | \$ 3,800              | \$ 5,000           |
| 400-4-1901 INTEREST ON INVESTMENTS          | 1,014              | 500                   | 500                |
| <b>TOTAL REVENUE</b>                        | <b>\$ 1,014</b>    | <b>\$ 4,300</b>       | <b>\$ 5,500</b>    |
| <b>TOTAL FUNDS AVAILABLE</b>                | <b>\$ 143,331</b>  | <b>\$ 146,330</b>     | <b>\$ 146,821</b>  |
| <b>EXPENSES</b>                             |                    |                       |                    |
| 400-5-110-3211 INVESTMENT SERVICE CHARGE    | \$ -               | \$ 500                | \$ -               |
| 400-5-110-7451 CEMETERY SUPPLIES            | -                  | 2,000                 | -                  |
| 400-5-110-8010 GROUNDS                      | -                  | 1,208                 | -                  |
| 400-5-110-9010 TRSF TO GENERAL FUND         | 600                | 600                   | 600                |
| 400-5-110-9510 EQUIP. PURCHASE CONTRIBUTION | 700                | 700                   | 700                |
| <b>TOTAL FUND EXPENSES</b>                  | <b>\$ 1,300</b>    | <b>\$ 5,009</b>       | <b>\$ 1,300</b>    |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>    | <b>\$ (286)</b>    | <b>\$ (709)</b>       | <b>\$ 4,200</b>    |
| <b>PROJECTED ENDING FUND BALANCE</b>        | <b>\$ 142,031</b>  | <b>\$ 141,321</b>     | <b>\$ 145,521</b>  |



**INTERNAL SERVICE FUNDS**

## **INTERNAL SERVICE FUNDS**

Governmental organizations frequently elect to provide certain services on an in-house basis rather than utilize private vendors. This efficiency is generally a result of the economies of scale and convenience of location which result from consolidating the process in-house. The Internal Service Funds contain departments and divisions that primarily provide services and support to other City departments. The net cost of these overhead departments/divisions is assessed against the operational funds based on their personnel and materials and services budgets. The assessment is the major source of revenue for this fund. The budgeted requirements are equal to the resources that are estimated to be available during the budget year. The City recognizes that revenues generated are not covering current expenditures in the near future. There has been numerous cost saving measures taken to bring expenditure totals in line with revenues generated by these funds.

### **CENTRAL WAREHOUSE**

This fund is self-supporting and records revenue only for the services it provides. The prices of items ordered through the warehouse system are established so as to cover the cost of providing the service. The revenue assumptions are that the Warehouse Fund will produce enough revenue to cover expenses recorded within the fund.

### **HEALTH INSURANCE FUND**

The City of Palestine has a self insurance arrangement whereby an employer provides health and disability benefits to employees with its own funds. This is different from fully insured plans where the employer contracts an insurance company to cover the employees and dependents. Under this plan, the employer assumes the direct risk for payment of the claims for benefits. The terms of eligibility and coverage are set forth in a plan document which includes provisions similar to those found in a typical group health insurance policy. The City has mitigated the financial risk of self funding claims under the plan by purchasing stop loss insurance from an insurance carrier. These policies provide for risk retention limitations on a specific claim basis. The City has this fund through the creation of an employee pool and distributes claim pay outs. The City contracts with a third party for assistance in claims adjudication and payment. Third Party Administrators provide these and other services, such as access to preferred provider networks, prescription drug card programs, utilization review and the stop loss insurance market.

### **FLEXIBLE SPENDING FUND**

A Flexible Spending Account allows an employee to set aside a portion of his or her earnings to pay for qualified expenses for medical expenses and dependent care. Money deducted from an employee's pay into this fund is not subject to payroll taxes, resulting in a substantial payroll tax savings.

### **EQUIPMENT REPLACEMENT FUND**

This fund is a central fund for the purchase and replacement of large equipment and rolling stock. A majority of the equipment purchased through this fund is a lease purchase. The contributions of items through the equipment replacement fund are established so as to cover the cost of financing particular equipment. Ultimately this fund should support the replacement cost of existing equipment, functioning as a true equipment replacement fund.

### **WORKERS' COMPENSATION FUND**

Workers' compensation is a form of insurance that provides compensation medical care for employees who are injured in the course of employment. The program is to improve working conditions and provide an economic safety net for employees. Texas employers have the unique ability to opt out of the Workers' Compensation system. Nonsubscription has proven to be a highly successful alternative to the traditional run workers' compensation systems. However, a nonsubscribers still need insurance coverage in the event of workplace injury and funding for Workers' compensation injuries has been created as an internal service fund.

### **UNEMPLOYMENT FUND**

Unemployment Fund is a form of insurance that provides compensation post-employees who are eligible for employment. The program is to provide an economic safety net for post-employees. In general, the Program provides unemployment benefits to eligible workers who are unemployed through no fault of their own as determined under State law, and meet other eligibility requirements of State law. Unemployment insurance payments are intended to provide temporary financial assistance to unemployed workers. The unemployment fund has been created as an internal service fund within the annual city budget. The Unemployment Insurance program helps counter economic fluctuations. The increased amount of payments to unemployed workers puts additional funds into the economy and dampens the effect of earnings losses.

**CENTRAL WAREHOUSE REVENUE**

|                                       | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---------------------------------------|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE:</b>        | \$ 142,997         | \$ 122,195            | \$ 130,712         |
| <b>CHARGES FOR SERVICE</b>            |                    |                       |                    |
| 500-4-1750 OPERATION FEES             | \$ 44,659          | \$ 55,000             | \$ 50,000          |
| <b>TOTAL CHARGES FOR SERVICE</b>      | <b>\$ 44,659</b>   | <b>\$ 55,000</b>      | <b>\$ 50,000</b>   |
| <b>OTHER INCOME</b>                   |                    |                       |                    |
| 500-4-1915 GENERAL FUND SALES         | \$ 186,151         | \$ 195,000            | \$ 195,000         |
| 500-4-1975 CIVIC CENTER/TOURISM FUNDS | 2,366              | 3,500                 | -                  |
| 500-4-1976 SANITATION SALES           | 30,491             | 40,000                | 25,000             |
| 500-4-1977 WASTEWATER FUND SALES      | 22,242             | 30,000                | 25,000             |
| 500-4-1979 WATER FUND SALES           | 55,363             | 52,000                | 55,000             |
| 500-4-1984 AIRPORT SALES              | 613                | 500                   | 750                |
| 500-4-1988 FITNESS GRANT I SALES      | 498                | -                     | -                  |
| <b>TOTAL OTHER INCOME</b>             | <b>\$ 297,723</b>  | <b>\$ 321,000</b>     | <b>\$ 300,750</b>  |
| <b>TOTAL REVENUE</b>                  | <b>\$ 342,382</b>  | <b>\$ 376,000</b>     | <b>\$ 350,750</b>  |
| <b>TOTAL FUNDS AVAILABLE</b>          | <b>\$ 485,379</b>  | <b>\$ 498,194</b>     | <b>\$ 481,462</b>  |

**CENTRAL WAREHOUSE SERVICES**

|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>PERSONNEL</b>                        |                    |                       |                    |
| 500-5-110-1010 SALARIES AND WAGES       | \$ 30,839          | \$ 28,208             | \$ 44,283          |
| 500-5-110-1030 LONGEVITY                | 504                | 72                    | 2,088              |
| 500-5-110-1040 SOCIAL SECURITY          | 2,409              | 2,164                 | 3,547              |
| 500-5-110-1050 HEALTH INSURANCE         | 5,925              | 6,143                 | 6,040              |
| 500-5-110-1060 UNEMPLOYMENT INSURANCE   | 723                | 372                   | -                  |
| 500-5-110-1061 WORKER'S COMPENSATION    | 91                 | 47                    | -                  |
| 500-5-110-1070 RETIREMENT               | 4,357              | 4,274                 | 7,007              |
| <b>TOTAL PERSONNEL</b>                  | <b>\$ 44,848</b>   | <b>\$ 41,279</b>      | <b>\$ 62,965</b>   |
| <b>SUPPLIES AND MATERIALS</b>           |                    |                       |                    |
| 500-5-110-2010 OFFICE SUPPLIES          | \$ 1,322           | \$ 701                | \$ 700             |
| <b>TOTAL SUPPLIES AND MATERIALS</b>     | <b>\$ 1,322</b>    | <b>\$ 701</b>         | <b>\$ 700</b>      |
| <b>SERVICES</b>                         |                    |                       |                    |
| 500-5-110-3040 COMMUNICATIONS           | \$ 2,440           | \$ 2,500              | \$ 2,500           |
| 500-5-110-3050 UTILITIES - ELECTRIC     | 15,804             | 19,000                | 18,000             |
| 500-5-110-3051 UTILITIES - CITY         | -                  | 1,000                 | 1,000              |
| 500-5-110-3082 TRAVEL AND TRAINING      | -                  | 1,200                 | 1,200              |
| 500-5-110-3110 ADVERTISING              | -                  | -                     | 1,975              |
| 500-5-110-3112 PRINTING SERVICES        | 65                 | 150                   | 150                |
| 500-5-110-3310 EQUIPMENT RENTAL / LEASE | 1,352              | 1,501                 | 1,500              |
| <b>TOTAL SERVICES</b>                   | <b>\$ 19,661</b>   | <b>\$ 25,351</b>      | <b>\$ 26,325</b>   |

|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>CAPITAL OUTLAY</b>                       |                    |                       |                    |
| 500-5-110-7050 INVENTORY PURCHASES          | \$ 297,180         | \$ 300,001            | \$ 300,000         |
| <b>TOTAL CAPITAL OUTLAY</b>                 | <b>\$ 297,180</b>  | <b>\$ 300,001</b>     | <b>\$ 300,000</b>  |
| <b>EQUIPMENT</b>                            |                    |                       |                    |
| 500-5-110-8010 FURNITURE & OFFICE EQUIPMENT | \$ 174             | \$ 150                | \$ -               |
| <b>TOTAL EQUIPMENT</b>                      | <b>\$ 174</b>      | <b>\$ 150</b>         | <b>\$ -</b>        |
| <b>TOTAL FUND EXPENSES</b>                  | <b>\$ 363,184</b>  | <b>\$ 367,482</b>     | <b>\$ 389,990</b>  |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>    | <b>\$ (20,802)</b> | <b>\$ 8,517</b>       | <b>\$ (39,240)</b> |
| <b>PROJECTED ENDING FUND BALANCE</b>        | <b>\$ 122,195</b>  | <b>\$ 130,712</b>     | <b>\$ 91,472</b>   |

#### **EQUIPMENT REPLACEMENT**

|   | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|---|---------------------|-----------------------|---------------------|
| <b>BEGINNING FUND BALANCE:</b>              | <b>\$ 1,748,596</b> | <b>\$ 1,630,850</b>   | <b>\$ 1,845,970</b> |
| <b>REVENUES</b>                             |                     |                       |                     |
| 540-4-1706 SALE OF EQUIPMENT                | \$ 5,900            | \$ 5,000              | \$ 5,000            |
| 540-4-1901 INTEREST ON INVESTMENTS          | 3,313               | 5,000                 | 1,000               |
| 540-4-1902 INSURANCE RECOVERIES             | 646                 | 3,000                 | -                   |
| 540-4-1905 LEASE PROCEEDS                   | -                   | 193,352               | -                   |
| 540-4-1996 GF EQUIPMENT USER FEE            | 118,778             | 131,166               | 190,056             |
| 540-4-1996 WF EQUIPMENT USER FEE            | 16,409              | 21,409                | 21,409              |
| 540-4-1996 WW EQUIPMENT USER FEE            | 52,320              | 34,771                | 59,608              |
| 540-4-1996 OTHER FUNDS - EQUIPMENT USER FEE | 97,350              | 97,350                | 49,800              |
| <b>TOTAL REVENUE</b>                        | <b>\$ 294,716</b>   | <b>\$ 491,048</b>     | <b>\$ 326,873</b>   |
| <b>TOTAL FUNDS AVAILABLE</b>                | <b>\$ 2,043,312</b> | <b>\$ 2,121,898</b>   | <b>\$ 2,172,843</b> |
| <b>EXPENSES</b>                             |                     |                       |                     |
| 540-5-110-3211 INVESTMENT SERVICE CHARGE    | \$ 3,554            | \$ 675                | \$ 900              |
| 540-5-110-5599 DEPRECIATION                 | 350,446             | -                     | -                   |
| 530-5-110-8040 VEHICLES AND EQUIPMENT       | 15,344              | -                     | -                   |
| 530-5-110-8043 EQUIPMENT LEASE              | 43,118              | 275,253               | 320,873             |
| <b>TOTAL FUND EXPENSES</b>                  | <b>\$ 412,462</b>   | <b>\$ 275,928</b>     | <b>\$ 321,773</b>   |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>    | <b>\$ (117,746)</b> | <b>\$ 215,120</b>     | <b>\$ 5,100</b>     |
| <b>PROJECTED ENDING FUND BALANCE</b>        | <b>\$ 1,630,850</b> | <b>\$ 1,845,970</b>   | <b>\$ 1,851,070</b> |



**HEALTH INSURANCE**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE:</b>            | \$ (538,663)               | \$ (748,353)                  | \$ (424,919)               |
| <b>REVENUES</b>                           |                            |                               |                            |
| 530-4-1901 INTEREST ON INVESTMENTS        | \$ 345                     | \$ 450                        | \$ 450                     |
| 530-4-1955 TRANSFER FROM OTHER FUNDS      | 65,000                     | -                             | 35,000                     |
| 530-4-1960 STOP LOSS RECOVERIES           | 176,765                    | 290,000                       | 250,000                    |
| 530-4-1980 EMPLOYEE/EMPLOYER CONTRIBUTION | 1,780,493                  | 2,172,685                     | -                          |
| 530-4-1981 EMPLOYER CONTRIBUTION          | -                          | -                             | 1,704,991                  |
| 530-4-1982 EMPLOYEE CONTRIBUTION          | -                          | -                             | 250,000                    |
| <b>TOTAL OTHER INCOME</b>                 | <b>\$ 2,022,603</b>        | <b>\$ 2,463,134</b>           | <b>\$ 2,240,441</b>        |
| <b>TOTAL REVENUE</b>                      | <b>\$ 2,022,603</b>        | <b>\$ 2,463,134</b>           | <b>\$ 2,240,441</b>        |
| <b>TOTAL FUNDS AVAILABLE</b>              | <b>\$ 1,483,940</b>        | <b>\$ 1,714,781</b>           | <b>\$ 1,815,522</b>        |
| <b>EXPENSES</b>                           |                            |                               |                            |
| 530-5-110-3030 PROFESSIONAL SERVICES      | \$ 28,941                  | \$ 400,000                    | \$ 400,000                 |
| 530-5-110-3034 FITNESS SERVICES           | -                          | 5,800                         | 35,000                     |
| 530-5-110-3330 CONTRACT SERVICES          | -                          | 29,200                        | 20,000                     |
| 530-5-110-9601 MEDICAL/LIFE INS PREMIUM   | 2,203,352                  | 1,704,700                     | 1,780,000                  |
| <b>TOTAL FUND EXPENSES</b>                | <b>\$ 2,232,293</b>        | <b>\$ 2,139,700</b>           | <b>\$ 2,235,000</b>        |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>  | <b>\$ (209,690)</b>        | <b>\$ 323,434</b>             | <b>\$ 5,441</b>            |
| <b>PROJECTED ENDING FUND BALANCE</b>      | <b>\$ (748,353)</b>        | <b>\$ (424,919)</b>           | <b>\$ (419,478)</b>        |

**FLEXIBLE SPENDING FUND**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE</b>             | \$ -                       | \$ -                          | \$ -                       |
| <b>REVENUES</b>                           |                            |                               |                            |
| 535-4-1901 INTEREST ON INVESTMENTS        | \$ -                       | \$ 10                         | \$ 10                      |
| 535-4-1980 EMPLOYEE/EMPLOYER CONTRIBUTION | -                          | 39,205                        | -                          |
| 535-4-1982 EMPLOYEE CONTRIBUTION          | -                          | -                             | 40,000                     |
| <b>TOTAL REVENUE</b>                      | <b>\$ -</b>                | <b>\$ 39,215</b>              | <b>\$ 40,010</b>           |
| <b>TOTAL FUNDS AVAILABLE</b>              | <b>\$ -</b>                | <b>\$ 39,215</b>              | <b>\$ 40,010</b>           |
| <b>EXPENSES</b>                           |                            |                               |                            |
| 535-5-110-3210 FINANCIAL SERVICE CHARGE   | \$ -                       | \$ 10                         | \$ 10                      |
| 535-5-110-9601 FLEX SPENDING PREMIUMS     | -                          | 39,205                        | 40,000                     |
| <b>TOTAL FUND EXPENSES</b>                | <b>\$ -</b>                | <b>\$ 39,215</b>              | <b>\$ 40,010</b>           |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>  | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ -</b>                |
| <b>PROJECTED ENDING FUND BALANCE</b>      | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ -</b>                |

**WORKERS COMPENSATION FUND**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE</b>            | <b>316,655</b>             | <b>335,862</b>                | <b>269,615</b>             |
| <b>REVENUES</b>                          |                            |                               |                            |
| 560-4-1901 INTEREST ON INVESTMENTS       | \$ 1,623                   | \$ 900                        | \$ 300                     |
| 560-4-1903 INSURANCE PREMIUMS            | 16,554                     | -                             | -                          |
| 560-4-1941 TRANSFER FROM GENERAL FUND    | 163,864                    | 100,546                       | -                          |
| 560-4-1942 TRANSFER FROM WATER FUND      | 20,292                     | 11,166                        | -                          |
| 560-4-1943 TRANSFER FROM WASTEWATER      | 9,923                      | 5,945                         | -                          |
| 560-4-1944 TRSF FROM CIVIC CTR/TOURIS    | 2,213                      | 9                             | -                          |
| 560-4-1981 TRANSFER FROM WAREHOUSE       | 91                         | 47                            | -                          |
| 560-4-1982 TRSF FROM AIRPORT FUND        | 103                        | 65                            | -                          |
| 560-4-1983 TRANSFER FROM SANITATION      | 4,776                      | 3,577                         | -                          |
| 560-4-1984 TRANSFER FROM FITNESS GRANT   | 1                          | -                             | -                          |
| 560-4-1985 TRANSFER FROM PEDC            | 196                        | 7                             | -                          |
| 560-4-1986 TRANSFER FROM RETAIL FUND     | -                          | 27                            | -                          |
| <b>TOTAL REVENUE</b>                     | <b>\$ 219,636</b>          | <b>\$ 122,289</b>             | <b>\$ 300</b>              |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ 536,292</b>          | <b>\$ 458,151</b>             | <b>\$ 269,915</b>          |
| <b>EXPENSES</b>                          |                            |                               |                            |
| 560-5-110-1090 EMPLOYEE APPRECIATION     | \$ -                       | \$ -                          | \$ 6,000                   |
| 560-5-110-3220 INSURANCE PREMIUMS-TML    | 135,429                    | 151,036                       | 150,000                    |
| 560-5-110-7442 ADMINISTRATIVE EXPENSE    | -                          | 2,500                         | 2,500                      |
| 560-5-110-9075 TRANSFER TO OTHER FUND    | 65,000                     | 35,000                        | 35,000                     |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ 200,429</b>          | <b>\$ 188,536</b>             | <b>\$ 193,500</b>          |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ 19,207</b>           | <b>\$ (66,247)</b>            | <b>\$ (193,200)</b>        |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 335,862</b>          | <b>\$ 269,615</b>             | <b>\$ 76,415</b>           |

**UNEMPLOYMENT FUND**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE</b>            | <b>288,495</b>             | <b>438,497</b>                | <b>467,870</b>             |
| <b>REVENUE</b>                           |                            |                               |                            |
| 561-4-1901 INTEREST ON INVESTMENTS       | \$ 803                     | \$ 610                        | \$ 500                     |
| 561-4-1941 TRANSFER FROM GENERAL FUND    | 146,058                    | 88,790                        | -                          |
| 561-4-1942 TRANSFER FROM WATER FUND      | 14,342                     | 8,147                         | -                          |
| 561-4-1943 TRANSFER FROM WASTEWATER      | 7,417                      | 4,763                         | -                          |
| 561-4-1944 TRSF FROM CIVIC CTR/TOURIS    | 3,868                      | 72                            | -                          |
| 561-4-1981 TRANSFER FROM WAREHOUSE       | 723                        | 372                           | -                          |
| 561-4-1982 TRSF FROM AIRPORT FUND        | 814                        | 517                           | -                          |
| 561-4-1983 TRANSFER FROM SANITATION      | 1,492                      | 1,029                         | -                          |
| 561-4-1984 TRANSFER FROM FITNESS GRANT   | 9                          | -                             | -                          |
| 561-4-1985 TRANSFER FROM PEDC FUND       | 1,503                      | 56                            | -                          |
| 561-4-1986 TRANSFER FROM RETAIL FUND     | -                          | 16                            | -                          |
| <b>TOTAL REVENUE</b>                     | <b>\$ 177,029</b>          | <b>\$ 104,373</b>             | <b>\$ 500</b>              |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ 465,524</b>          | <b>\$ 542,870</b>             | <b>\$ 468,370</b>          |
| <b>EXPENSES</b>                          |                            |                               |                            |
| 561-5-110-9604 CLAIMS/UNEMPLOYMENT       | \$ 27,027                  | \$ 75,000                     | \$ 100,000                 |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ 27,027</b>           | <b>\$ 75,000</b>              | <b>\$ 100,000</b>          |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ 150,002</b>          | <b>\$ 29,373</b>              | <b>\$ (99,500)</b>         |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 438,497</b>          | <b>\$ 467,870</b>             | <b>\$ 368,370</b>          |



**ENTERPRISE FUNDS**

**WATER FUND**

**REVENUES**

The Water Fund is a business enterprise fund that is only supported with the revenues achieved through the sale of water to its customers. 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. Apartment houses or multi-family dwellings or multi-unit buildings designed to house two or more families are charged and billed at the multifamily rate unless each unit is separately metered. Also, mobile home parks and trailer courts are charged and billed at the commercial rate unless each unit is separately metered.

**WATER OPERATIONS** Water Operations include expenses related to financial activity of the actual fund such as inter-fund transfers, financial charges, depreciation, and bad debt. Some of the activity in this fund is related to year end closing that adjust the funds assets and liabilities that cannot be accounted as a planned revenue or expenditure to the adopted budget.

**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.

**CUSTOMER SERVICE**

The Customer Service Division is responsible for the

revenue collection covering the three major city enterprise funds. Wastewater and Sanitation Funds contribute to the overall cost of this division. This division is also responsible for recording and verifying consumption usage of water and calculating customer billing on a monthly basis. This division manages approximately 7,700 accounts.

**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.

**WATER FUND REVENUE**

|                                   | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|-----------------------------------|---------------------|-----------------------|---------------------|
| <b>BEGINNING FUND BALANCE</b>     | \$ 4,811,685        | \$ 6,058,729          | \$ 6,019,957        |
| <b>PROPERTY TAX</b>               |                     |                       |                     |
| 600-4-1040 CASH OVER/SHORT        | \$ 5,731            | \$ -                  | \$ -                |
| <b>TOTAL PROPERTY TAX</b>         | <b>\$ 5,731</b>     | <b>\$ -</b>           | <b>\$ -</b>         |
| <b>CHARGES FOR SERVICE</b>        |                     |                       |                     |
| 600-4-1709 WATER METERED SALES    | \$ 2,396,213        | \$ 2,900,000          | \$ 2,912,000        |
| 600-4-1716 BULK WATER SALES       | 906                 | 1,221                 | 1,800               |
| 600-4-1718 WATER TAPS             | 18,598              | 15,000                | 21,000              |
| 600-4-1722 SERVICE FEES (TURN-ON) | 38,581              | 33,000                | 38,000              |
| 600-4-1725 TAMPERING FEE          | -                   | 1,800                 | 2,200               |
| 600-4-1727 OTHER                  | 13,367              | 20,000                | 20,000              |
| 600-4-1733 PENALTY WATER BILLING  | 41,757              | 50,000                | 50,000              |
| <b>TOTAL CHARGES FOR SERVICE</b>  | <b>\$ 2,509,422</b> | <b>\$ 3,021,021</b>   | <b>\$ 3,045,000</b> |

|  | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|--|---------------------|-----------------------|---------------------|
| <b>OTHER AGENCIES</b>                    |                     |                       |                     |
| 600-4-1813 WATER AUTHORITY REIMBURSEMENT | \$ 28,608           | \$ 30,000             | \$ 8,200            |
| 600-4-1814 TXDOT REIMBURSEMENT           | 24,247              | -                     | -                   |
| <b>TOTAL OTHER AGENCIES</b>              | <b>\$ 52,855</b>    | <b>\$ 30,000</b>      | <b>\$ 8,200</b>     |
| <b>OTHER INCOME</b>                      |                     |                       |                     |
| 600-4-1901 INTEREST ON INVESTMENTS       | \$ 2,932            | \$ 5,000              | \$ 3,000            |
| 600-4-1943 TRANSFER FROM WASTEWATER      | 125,000             | 125,000               | 125,000             |
| 600-4-1945 TRANSFER FROM SANITATION      | 125,000             | 125,000               | 125,000             |
| 600-4-1951 TRANSFER FROM CIP FUNDS       | 1,089,435           | -                     | -                   |
| <b>TOTAL OTHER INCOME</b>                | <b>\$ 1,342,367</b> | <b>\$ 254,999</b>     | <b>\$ 253,000</b>   |
| <b>TOTAL REVENUE</b>                     | <b>\$ 3,910,375</b> | <b>\$ 3,306,021</b>   | <b>\$ 3,306,200</b> |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ 8,722,060</b> | <b>\$ 9,364,750</b>   | <b>\$ 9,326,157</b> |

#### **WATER OPERATIONS**

|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>SUPPLIES AND MATERIALS</b>               |                    |                       |                    |
| 600-5-110-2020 POSTAGE                      | \$ 278             | \$ 256                | \$ 300             |
| <b>TOTAL SUPPLIES AND MATERIALS</b>         | <b>278</b>         | <b>256</b>            | <b>300</b>         |
| <b>SERVICES</b>                             |                    |                       |                    |
| 600-5-110-3051 UTILITIES - CITY             | \$ -               | \$ 5,500              | \$ -               |
| 600-5-110-3210 FINANCIAL SERVICE CHARGE     | 7,830              | 4,408                 | 8,000              |
| 600-5-110-3211 INVESTMENT SERVICE CHARGE    | -                  | 2,500                 | 2,500              |
| 600-5-110-3220 INSURANCE AND BONDS          | -                  | -                     | -                  |
| 600-5-110-3410 WAREHOUSE SERVICES           | 8,304              | 9,992                 | 10,000             |
| <b>TOTAL SERVICES</b>                       | <b>\$ 16,135</b>   | <b>\$ 22,400</b>      | <b>\$ 20,500</b>   |
| <b>SUNDRY</b>                               |                    |                       |                    |
| 600-5-110-5030 BAD DEBT EXPENSE             | \$ 27              | \$ 523                | \$ 10,000          |
| 600-5-110-5400 BAD DEBT EXPENSE             | (36,876)           | 46,351                | -                  |
| 600-5-110-5410 INTEREST EXPENSE-WATER       | 63,484             | -                     | -                  |
| 600-5-110-5412 INTEREST EXP-2003 A N        | 28,318             | -                     | -                  |
| 600-5-110-5599 DEPRECIATION EXPENSE WATER   | 387,585            | -                     | -                  |
| <b>TOTAL SUNDRY</b>                         | <b>\$ 442,538</b>  | <b>\$ 46,874</b>      | <b>\$ 10,000</b>   |
| <b>INTERFUND ACTIVITY</b>                   |                    |                       |                    |
| 600-5-110-9010 TRSF TO GENERAL FUND         | \$ 147,222         | \$ 147,974            | \$ 440,749         |
| 600-5-110-9070 TRSF UTILITY DEBT SERVICE    | 9,159              | 387,215               | 385,246            |
| 600-5-110-9510 EQUIP. PURCHASE CONTRIBUTION | 5,300              | 5,300                 | 5,300              |
| 600-5-110-9698 TRSF TO WTR CIP              | -                  | 200,000               | -                  |
| <b>TOTAL INTERFUND ACTIVITY</b>             | <b>\$ 161,681</b>  | <b>\$ 740,489</b>     | <b>\$ 831,295</b>  |
| <b>TOTAL WATER OPERATIONS</b>               | <b>\$ 620,632</b>  | <b>\$ 810,018</b>     | <b>\$ 862,095</b>  |

**WATER ADMINISTRATION**

|                                     |                        | <b>ACTUAL</b>    | <b>ESTIMATED</b>  | <b>BUDGET</b>     |
|-------------------------------------|------------------------|------------------|-------------------|-------------------|
|                                     |                        | <b>FYE 2009</b>  | <b>FYE 2010</b>   | <b>FYE 2011</b>   |
| <b>PERSONNEL</b>                    |                        |                  |                   |                   |
| 600-5-111-1010                      | SALARIES AND WAGES     | \$ 16,163        | \$ 66,389         | \$ 61,984         |
| 600-5-111-1030                      | LONGEVITY              | 783              | 864               | 936               |
| 600-5-111-1033                      | CAR ALLOWANCE          | 4,800            | 5,200             | 4,800             |
| 600-5-111-1036                      | CELL PHONE ALLOWANCE   | 200              | 600               | 600               |
| 600-5-111-1040                      | SOCIAL SECURITY        | 5,254            | 5,589             | 5,226             |
| 600-5-111-1050                      | HEALTH INSURANCE       | 5,688            | 6,143             | 6,040             |
| 600-5-111-1060                      | UNEMPLOYMENT INSURANCE | 1,555            | 906               | -                 |
| 600-5-111-1061                      | WORKER'S COMPENSATION  | 2,575            | 1,487             | -                 |
| 600-5-111-1070                      | RETIREMENT             | 9,384            | 11,130            | 10,323            |
| <b>TOTAL PERSONNEL</b>              |                        | <b>\$ 46,402</b> | <b>\$ 98,309</b>  | <b>\$ 89,909</b>  |
| <b>SUPPLIES AND MATERIALS</b>       |                        |                  |                   |                   |
| 600-5-111-2010                      | OFFICE SUPPLIES        | \$ 442           | \$ 1,400          | \$ 500            |
| 600-5-111-2020                      | POSTAGE                | 5,110            | 2,871             | 2,870             |
| <b>TOTAL SUPPLIES AND MATERIALS</b> |                        | <b>\$ 5,553</b>  | <b>\$ 4,271</b>   | <b>\$ 3,370</b>   |
| <b>SERVICES</b>                     |                        |                  |                   |                   |
| 600-5-111-3040                      | COMMUNICATIONS         | \$ 2,107         | \$ 2,500          | \$ 2,500          |
| 600-5-111-3082                      | TRAVEL AND TRAINING    | 2,394            | 3,601             | 3,600             |
| 600-5-111-3112                      | PRINTING SERVICES      | 925              | 1,500             | 1,500             |
| <b>TOTAL SERVICES</b>               |                        | <b>\$ 5,426</b>  | <b>\$ 7,601</b>   | <b>\$ 7,600</b>   |
| <b>TOTAL ADMINISTRATION</b>         |                        | <b>\$ 57,381</b> | <b>\$ 110,180</b> | <b>\$ 100,879</b> |

**CUSTOMER SERVICE**

|                                     |                        | <b>ACTUAL</b>     | <b>ESTIMATED</b>  | <b>BUDGET</b>     |
|-------------------------------------|------------------------|-------------------|-------------------|-------------------|
|                                     |                        | <b>FYE 2009</b>   | <b>FYE 2010</b>   | <b>FYE 2011</b>   |
| <b>PERSONNEL</b>                    |                        |                   |                   |                   |
| 600-5-240-1010                      | SALARIES AND WAGES     | \$ 148,221        | \$ 137,147        | \$ 128,903        |
| 600-5-240-1012                      | TEMPORARY EMPLOYMENT   | -                 | -                 | -                 |
| 600-5-240-1020                      | OVERTIME               | 2,911             | 5,000             | 5,000             |
| 600-5-240-1030                      | LONGEVITY              | 648               | 1,224             | 864               |
| 600-5-240-1031                      | INCENTIVE              | 950               | 1,200             | 4,200             |
| 600-5-240-1036                      | CELL PHONE ALLOWANCE   | 325               | 1,200             | 1,200             |
| 600-5-240-1040                      | SOCIAL SECURITY        | 11,257            | 11,152            | 10,723            |
| 600-5-240-1050                      | HEALTH INSURANCE       | 32,132            | 47,161            | 44,086            |
| 600-5-240-1060                      | UNEMPLOYMENT INSURANCE | 3,460             | 1,931             | -                 |
| 600-5-240-1061                      | WORKER'S COMPENSATION  | 2,554             | 1,207             | -                 |
| 600-5-240-1070                      | RETIREMENT             | 19,539            | 22,027            | 21,179            |
| <b>TOTAL PERSONNEL</b>              |                        | <b>\$ 221,998</b> | <b>\$ 229,249</b> | <b>\$ 216,155</b> |
| <b>SUPPLIES AND MATERIALS</b>       |                        |                   |                   |                   |
| 600-5-240-2010                      | OFFICE SUPPLIES        | \$ 13,006         | \$ 17,000         | \$ 17,000         |
| 600-5-240-2020                      | POSTAGE                | 40,160            | 42,000            | 42,000            |
| 600-5-240-2031                      | CHEMICALS              | 7                 | 101               | 100               |
| 600-5-240-2040                      | UNIFORMS AND APPAREL   | 520               | 900               | 900               |
| 600-5-240-2070                      | GASOLINE AND OIL       | 4,903             | 5,500             | 5,500             |
| 600-5-240-2080                      | SMALL TOOLS AND EQUIP. | 2,464             | 2,001             | 3,000             |
| <b>TOTAL SUPPLIES AND MATERIALS</b> |                        | <b>\$ 61,061</b>  | <b>\$ 67,502</b>  | <b>\$ 68,500</b>  |

|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>SERVICES</b>                         |                    |                       |                    |
| 600-5-240-3030 PROFESSIONAL SERVICES    | \$ 641             | \$ 2,000              | \$ 2,000           |
| 600-5-240-3040 COMMUNICATIONS           | 4,269              | 4,500                 | 4,500              |
| 600-5-240-3050 UTILITIES - ELECTRIC     | 2,923              | 3,001                 | 3,000              |
| 600-5-240-3082 TRAVEL AND TRAINING      | 2,528              | 6,079                 | 4,000              |
| 600-5-240-3112 PRINTING SERVICES        | 385                | 1,001                 | 1,000              |
| 600-5-240-3220 INSURANCE AND BONDS      | -                  | 100                   | 100                |
| 600-5-240-3310 EQUIPMENT RENTAL / LEASE | 4,312              | 6,000                 | 6,000              |
| <b>TOTAL SERVICES</b>                   | <b>\$ 15,057</b>   | <b>\$ 22,681</b>      | <b>\$ 20,600</b>   |
| <b>MAINTENANCE &amp; REPAIR</b>         |                    |                       |                    |
| 600-5-240-4110 MOTOR VEHICLES           | \$ 3,367           | \$ 2,800              | \$ 2,800           |
| 600-5-240-4120 EQUIPMENT AND MACHINERY  | 4,757              | 3,001                 | 3,000              |
| 600-5-240-4220 WATER METERS             | 73,328             | 75,001                | 60,000             |
| 600-5-240-4450 KIOSK SYSTEM             | -                  | -                     | 4,000              |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b>   | <b>\$ 81,452</b>   | <b>\$ 80,802</b>      | <b>\$ 69,800</b>   |
| <b>MAINTENANCE - EQUIPMENT</b>          |                    |                       |                    |
| 600-5-240-4520 SOFTWARE MAINTENANCE     | \$ 2,143           | \$ 1,300              | \$ 1,300           |
| <b>TOTAL MAINTENANCE - EQUIPMENT</b>    | <b>\$ 2,143</b>    | <b>\$ 1,300</b>       | <b>\$ 1,300</b>    |
| <b>EQUIPMENT</b>                        |                    |                       |                    |
| 600-5-240-8510 KIOSK SYSTEM             | \$ -               | \$ -                  | \$ -               |
| <b>TOTAL EQUIPMENT</b>                  | <b>\$ -</b>        | <b>\$ -</b>           | <b>\$ -</b>        |
| <b>TOTAL CUSTOMER SERVICE</b>           | <b>\$ 381,710</b>  | <b>\$ 401,534</b>     | <b>\$ 376,355</b>  |

#### **WATER TREATMENT**

|                                       | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---------------------------------------|--------------------|-----------------------|--------------------|
| <b>PERSONNEL</b>                      |                    |                       |                    |
| 600-5-570-1010 SALARIES AND WAGES     | \$ 281,588         | \$ 223,071            | \$ 224,645         |
| 600-5-570-1020 OVERTIME               | 46,568             | 48,400                | 48,400             |
| 600-5-570-1030 LONGEVITY              | 5,325              | 6,120                 | 6,768              |
| 600-5-570-1031 INCENTIVE              | 8,900              | 10,750                | 11,000             |
| 600-5-570-1036 CELL PHONE ALLOWANCE   | 400                | 1,200                 | 1,200              |
| 600-5-570-1040 SOCIAL SECURITY        | 21,380             | 19,855                | 22,339             |
| 600-5-570-1050 HEALTH INSURANCE       | 52,183             | 61,320                | 62,784             |
| 600-5-570-1060 UNEMPLOYMENT INSURANCE | 6,514              | 3,572                 | -                  |
| 600-5-570-1061 WORKER'S COMPENSATION  | 10,642             | 5,733                 | -                  |
| 600-5-570-1070 RETIREMENT             | 39,302             | 39,218                | 44,123             |
| <b>TOTAL PERSONNEL</b>                | <b>\$ 472,803</b>  | <b>\$ 419,239</b>     | <b>\$ 421,259</b>  |

|   | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|---|---------------------|-----------------------|---------------------|
| <b>SUPPLIES AND MATERIALS</b>               |                     |                       |                     |
| 600-5-570-2010 OFFICE SUPPLIES              | \$ 2,181            | \$ 3,001              | \$ 2,000            |
| 600-5-570-2030 JANITORIAL SUPPLIES          | 751                 | 1,801                 | 1,000               |
| 600-5-570-2031 CHEMICALS                    | 292,266             | 288,000               | 288,000             |
| 600-5-570-2040 UNIFORMS AND APPAREL         | 2,677               | 3,000                 | 3,000               |
| 600-5-570-2061 SAFETY MATERIALS             | 201                 | 1,000                 | 1,000               |
| 600-5-570-2070 GASOLINE AND OIL             | 6,353               | 10,000                | 10,000              |
| 600-5-570-2080 SMALL TOOLS AND EQUIP.       | 2,123               | 3,000                 | 4,000               |
| <b>TOTAL SUPPLIES AND MATERIALS</b>         | <b>\$ 306,552</b>   | <b>\$ 309,803</b>     | <b>\$ 309,000</b>   |
| <b>SERVICES</b>                             |                     |                       |                     |
| 600-5-570-3032 SPECIAL STUDIES              | \$ 14,509           | \$ 15,271             | \$ 15,000           |
| 600-5-570-3040 COMMUNICATIONS               | 7,088               | 7,501                 | 7,500               |
| 600-5-570-3050 UTILITIES - ELECTRIC         | 333,323             | 356,501               | 356,500             |
| 600-5-570-3082 TRAVEL AND TRAINING          | 4,283               | 10,301                | 5,000               |
| 600-5-570-3310 EQUIPMENT RENTAL / LEASE     | 120                 | 1,240                 | 1,240               |
| 600-5-570-3341 PLANT TOURS                  | -                   | 2,000                 | 2,000               |
| 600-5-570-3420 RIVER AUTHORITY FEES         | 150,433             | 152,657               | 152,656             |
| 600-5-570-3430 TCEQ PERMITTING              | 13,491              | 19,204                | 6,000               |
| <b>TOTAL SERVICES</b>                       | <b>\$ 523,246</b>   | <b>\$ 564,674</b>     | <b>\$ 545,896</b>   |
| <b>MAINTENANCE &amp; REPAIR</b>             |                     |                       |                     |
| 600-5-570-4010 BUILDINGS AND STRUCTURES     | \$ 1,754            | \$ 2,202              | \$ 2,000            |
| 600-5-570-4110 MOTOR VEHICLES               | 1,417               | 5,000                 | 5,000               |
| 600-5-570-4120 EQUIPMENT & MACHINERY        | 34,008              | 42,019                | 33,000              |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b>       | <b>\$ 37,178</b>    | <b>\$ 49,221</b>      | <b>\$ 40,000</b>    |
| <b>CAPITAL OUTLAY</b>                       |                     |                       |                     |
| 600-5-570-7447 EASEMENT ACQUISITION         | \$ -                | \$ 10,001             | \$ 10,000           |
| <b>TOTAL CAPITAL OUTLAY</b>                 | <b>\$ -</b>         | <b>\$ 10,001</b>      | <b>\$ 10,000</b>    |
| <b>EQUIPMENT</b>                            |                     |                       |                     |
| 600-5-570-8020 MACHINERY                    | \$ -                | \$ 17,000             | \$ -                |
| <b>TOTAL EQUIPMENT</b>                      | <b>\$ -</b>         | <b>\$ 17,000</b>      | <b>\$ -</b>         |
| <b>INTERFUND ACTIVITY</b>                   |                     |                       |                     |
| 600-5-570-9510 EQUIP. PURCHASE CONTRIBUTION | \$ -                | \$ 935                | \$ -                |
| 600-5-570-9511 EQUIPMENT USER FEE           | 11,109              | 11,109                | 11,109              |
| <b>TOTAL INTERFUND ACTIVITY</b>             | <b>\$ 11,109</b>    | <b>\$ 12,044</b>      | <b>\$ 11,109</b>    |
| <b>TOTAL WATER TREATMENT</b>                | <b>\$ 1,350,889</b> | <b>\$ 1,381,982</b>   | <b>\$ 1,337,264</b> |



**WATER DISTRIBUTION**

|  |                          | <b>ACTUAL</b>       | <b>ESTIMATED</b>    | <b>BUDGET</b>       |
|--|--------------------------|---------------------|---------------------|---------------------|
|  |                          | <b>FYE 2009</b>     | <b>FYE 2010</b>     | <b>FYE 2011</b>     |
| <b>PERSONNEL</b>                         |                          |                     |                     |                     |
| 600-5-571-1010                           | SALARIES AND WAGES       | \$ 101,500          | \$ 123,306          | \$ 120,569          |
| 600-5-571-1020                           | OVERTIME                 | 17,446              | 15,001              | 30,000              |
| 600-5-571-1030                           | LONGEVITY                | 612                 | 720                 | 1,080               |
| 600-5-571-1031                           | INCENTIVE                | 5,550               | 4,975               | 4,800               |
| 600-5-571-1036                           | CELL PHONE ALLOWANCE     | 400                 | 1,200               | 2,760               |
| 600-5-571-1040                           | SOCIAL SECURITY          | 9,104               | 11,083              | 12,180              |
| 600-5-571-1050                           | HEALTH INSURANCE         | 27,055              | 40,396              | 37,931              |
| 600-5-571-1060                           | UNEMPLOYMENT INSURANCE   | 2,813               | 1,738               | -                   |
| 600-5-571-1061                           | WORKER'S COMPENSATION    | 4,521               | 2,739               | -                   |
| 600-5-571-1070                           | RETIREMENT               | 16,960              | 21,892              | 24,057              |
| <b>TOTAL PERSONNEL</b>                   |                          | <b>\$ 185,961</b>   | <b>\$ 223,050</b>   | <b>\$ 233,377</b>   |
| <b>SUPPLIES AND MATERIALS</b>            |                          |                     |                     |                     |
| 600-5-571-2010                           | OFFICE SUPPLIES          | \$ 142              | \$ 1,000            | \$ 500              |
| 600-5-571-2030                           | JANITORIAL SUPPLIES      | 816                 | 1,001               | 1,000               |
| 600-5-571-2040                           | UNIFORMS AND APPAREL     | 1,918               | 1,918               | 1,500               |
| 600-5-571-2070                           | GASOLINE AND OIL         | 11,771              | 14,200              | 14,200              |
| 600-5-571-2080                           | SMALL TOOLS AND EQUIP.   | 4,346               | 8,000               | 8,000               |
| <b>TOTAL SUPPLIES AND MATERIALS</b>      |                          | <b>\$ 18,993</b>    | <b>\$ 26,120</b>    | <b>\$ 25,200</b>    |
| <b>SERVICES</b>                          |                          |                     |                     |                     |
| 600-5-571-3040                           | COMMUNICATIONS           | \$ 888              | \$ 1,500            | \$ 1,500            |
| 600-5-571-3050                           | UTILITIES - ELECTRIC     | 557                 | 1,000               | -                   |
| 600-5-571-3051                           | UTILITIES - CITY         | 123                 | 407                 | -                   |
| 600-5-571-3082                           | TRAVEL AND TRAINING      | 30                  | -                   | -                   |
| 600-5-571-3310                           | EQUIPMENT RENTAL / LEASE | -                   | 1,500               | 1,500               |
| 600-5-571-3330                           | CONTRACT SERVICES        | -                   | 284,000             | -                   |
| 600-5-571-3331                           | TANK MAINTENANCE SERVICE | -                   | -                   | 284,000             |
| <b>TOTAL SERVICES</b>                    |                          | <b>\$ 1,598</b>     | <b>\$ 288,407</b>   | <b>\$ 287,000</b>   |
| <b>MAINTENANCE &amp; REPAIR</b>          |                          |                     |                     |                     |
| 600-5-571-4010                           | BUILDINGS & STRUCTURES   | \$ -                | \$ 501              | \$ 500              |
| 600-5-571-4110                           | MOTOR VEHICLES           | 4,512               | 6,000               | 6,000               |
| 600-5-571-4120                           | EQUIPMENT & MACHINERY    | 799                 | 1,000               | 1,000               |
| 600-5-571-4210                           | WATER SYSTEM MAINTENANCE | 38                  | -                   | -                   |
| 600-5-571-4450                           | WATER LINE REPAIR        | 39,625              | 76,000              | 70,000              |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b>    |                          | <b>\$ 44,973</b>    | <b>\$ 83,501</b>    | <b>\$ 77,500</b>    |
| <b>CAPITAL OUTLAY</b>                    |                          |                     |                     |                     |
| 600-5-571-7040                           | WATER SYSTEMS            | \$ 1,193            | \$ 15,000           | \$ -                |
| <b>TOTAL CAPITAL OUTLAY</b>              |                          | <b>\$ 1,193</b>     | <b>\$ 15,000</b>    | <b>\$ -</b>         |
| <b>INTERFUND ACTIVITY</b>                |                          |                     |                     |                     |
| 600-5-571-9511                           | EQUIPMENT USER FEE       | \$ -                | \$ 5,001            | \$ 5,000            |
| <b>TOTAL INTERFUND ACTIVITY</b>          |                          | <b>\$ -</b>         | <b>\$ 5,001</b>     | <b>\$ 5,000</b>     |
| <b>TOTAL WATER DISTRIBUTION</b>          |                          | <b>\$ 252,718</b>   | <b>\$ 641,079</b>   | <b>\$ 628,077</b>   |
| <b>TOTAL FUND EXPENSES</b>               |                          | <b>\$ 2,663,331</b> | <b>\$ 3,344,793</b> | <b>\$ 3,304,670</b> |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> |                          | <b>\$ 1,247,044</b> | <b>\$ (38,772)</b>  | <b>\$ 1,530</b>     |
| <b>PROJECTED ENDING FUND BALANCE</b>     |                          | <b>\$ 6,058,729</b> | <b>\$ 6,019,957</b> | <b>\$ 6,021,487</b> |

**WASTEWATER FUND**

**REVENUES**

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. The rate includes a "winter average," usage for each user as the arithmetical average of the amount of water for which bills were issued during the previous winter period. The winter period is formulated between December 1 and March 31. If a user was not a customer for the entire previous 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. 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. Wastewater revenues are dependent on several factors and actual revenues can fluctuate significantly from the projected budget. It is important that revenues are examined during the fiscal year in order to meet budget requirements of this fund.

**WASTEWATER OPERATIONS**

Wastewater Operations include expenses related to financial activity of the actual fund such as inter-fund transfers, financial charges, depreciation, and bad debt. Some of the activity in this fund is related to year end closing that adjust the funds assets and liabilities that cannot be accounted as a planned revenue or expenditure to the adopted budget.

**WASTEWATER UTILITY ADMINISTRATION**

The Utility Department is an operation covering two major city enterprise funds. The Water Utility Administration is budgeted within the water fund. Prior to fiscal year ending

2009, the utility administration cost was split between both the water and wastewater fund. Currently this department is fully supported under the water fund since it is difficult to financially administer a split division across funds. Other cost adjustments are incorporated to compensate the counterpart fund.

**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.

**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 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. The following personnel allocation has changed from the prior year. Two full time equivalent positions have been transferred to the newly created Compliance Monitoring Division.

**COMPLIANCE MONITORING**

The Environmental Protection Agency and Texas Commission on Environmental Quality requires strict guidelines concerning the treatment of wastewater. This division is responsible for meeting all Federal and State rules and regulations relating to wastewater discharge.

**WASTEWATER FUND REVENUE**

|                                   | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|-----------------------------------|---------------------|-----------------------|---------------------|
| <b>BEGINNING FUND BALANCE</b>     | \$ (1,131,175)      | \$ 300,011            | \$ 227,714          |
| <b>CHARGES FOR SERVICE</b>        |                     |                       |                     |
| 610-4-1711 SEWER SERVICE CHARGES  | \$ 2,349,149        | \$ 2,390,000          | \$ 2,390,000        |
| 610-4-1717 SEWER SUR CHARGE       | 1,012,096           | 950,000               | 1,010,000           |
| 610-4-1719 SEWER TAPS             | 4,570               | 45,000                | 15,000              |
| 610-4-1727 SEPTAGE FEES AND OTHER | 12,964              | 24,152                | 17,000              |
| <b>TOTAL CHARGES FOR SERVICE</b>  | <b>\$ 3,378,778</b> | <b>\$ 3,409,151</b>   | <b>\$ 3,432,000</b> |

|                                      | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|--------------------------------------|---------------------|-----------------------|---------------------|
| <b>OTHER INCOME</b>                  |                     |                       |                     |
| 610-4-1901 INTEREST ON INVESTMENTS   | \$ 2,305            | \$ 5,000              | \$ 1,000            |
| 610-4-1955 TRANSFER FROM OTHER FUNDS | 906,119             | -                     | -                   |
| <b>TOTAL OTHER INCOME</b>            | <b>\$ 908,425</b>   | <b>\$ 5,000</b>       | <b>\$ 1,000</b>     |
| <br>                                 |                     |                       |                     |
| <b>TOTAL REVENUE</b>                 | <b>\$ 4,287,203</b> | <b>\$ 3,414,151</b>   | <b>\$ 3,433,000</b> |
| <br>                                 |                     |                       |                     |
| <b>TOTAL FUNDS AVAILABLE</b>         | <b>\$ 3,156,028</b> | <b>\$ 3,714,162</b>   | <b>\$ 3,660,714</b> |

### WASTEWATER OPERATIONS

|  | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|--|---------------------|-----------------------|---------------------|
| <b>SERVICES</b>                          |                     |                       |                     |
| 610-5-110-3210 FINANCIAL SERVICE CHARGE  | \$ 11,997           | \$ 11,956             | \$ 12,000           |
| 610-5-110-3211 INVESTMENT SERVICE CHARGE | -                   | 1,000                 | 500                 |
| 610-5-110-3220 INSURANCE AND BONDS       | 750                 | 15,000                | -                   |
| 610-5-110-3410 WAREHOUSE SERVICES        | 3,336               | 9,958                 | 5,000               |
| <b>TOTAL SERVICES</b>                    | <b>\$ 16,083</b>    | <b>\$ 37,915</b>      | <b>\$ 17,500</b>    |
| <br>                                     |                     |                       |                     |
| <b>SUNDRY</b>                            |                     |                       |                     |
| 610-5-110-5040 LICENSE FEES              | \$ -                | \$ -                  | \$ 35,000           |
| 610-5-110-5400 BAD DEBT EXPENSE          | 18,634              | 16,366                | -                   |
| 610-5-110-5412 INTEREST EXP-2003         | 450,509             | -                     | -                   |
| 610-5-110-5414 INTEREST EXP-2003 REF     | 44,111              | -                     | -                   |
| 610-5-110-5599 DEPRECIATION EXPENSE      | 777,627             | -                     | -                   |
| <b>TOTAL SUNDRY</b>                      | <b>\$ 1,290,881</b> | <b>\$ 16,366</b>      | <b>\$ 35,000</b>    |
| <br>                                     |                     |                       |                     |
| <b>INTERFUND ACTIVITY</b>                |                     |                       |                     |
| 610-5-110-9010 TRSF TO GENERAL FUND      | \$ 3,400            | \$ 3,400              | \$ 3,400            |
| 610-5-110-9050 TRANSFER TO WATER FUND    | 125,000             | 125,000               | 125,000             |
| 610-5-110-9070 TRSF UTILITY DEBT SERV    | 8,432               | 1,469,845             | 1,655,637           |
| 610-5-110-9698 TRANSFER TO WTR-CIP       | -                   | 185,000               | -                   |
| <b>TOTAL INTERFUND ACTIVITY</b>          | <b>\$ 136,832</b>   | <b>\$ 1,783,244</b>   | <b>\$ 1,784,037</b> |
| <br>                                     |                     |                       |                     |
| <b>TOTAL WASTEWATER OPERATIONS</b>       | <b>\$ 1,443,796</b> | <b>\$ 1,837,525</b>   | <b>\$ 1,836,537</b> |

**WASTEWATER COLLECTION**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                        |                            |                               |                            |
| 610-5-580-1010 SALARIES AND WAGES       | \$ 111,553                 | \$ 127,286                    | \$ 128,280                 |
| 610-5-580-1020 OVERTIME                 | 28,606                     | 45,000                        | 30,000                     |
| 610-5-580-1030 LONGEVITY                | 606                        | 1,368                         | 1,080                      |
| 610-5-580-1031 INCENTIVE                | 6,000                      | 7,950                         | 8,400                      |
| 610-5-580-1036 CELL PHONE ALLOWANCE     | 450                        | 1,800                         | 3,000                      |
| 610-5-580-1040 SOCIAL SECURITY          | 11,730                     | 14,030                        | 13,063                     |
| 610-5-580-1050 HEALTH INSURANCE         | 28,543                     | 30,713                        | 47,884                     |
| 610-5-580-1060 UNEMPLOYMENT INSURANCE   | 3,561                      | 1,953                         | -                          |
| 610-5-580-1061 WORKER'S COMPENSATION    | 5,893                      | 3,123                         | -                          |
| 610-5-580-1070 RETIREMENT               | 21,464                     | 27,712                        | 25,802                     |
| <b>TOTAL PERSONNEL</b>                  | <b>\$ 218,407</b>          | <b>\$ 260,936</b>             | <b>\$ 257,509</b>          |
| <b>SUPPLIES AND MATERIALS</b>           |                            |                               |                            |
| 610-5-580-2030 JANITORIAL SUPPLIES      | \$ 210                     | \$ 443                        | \$ 300                     |
| 610-5-580-2031 CHEMICALS                | 4,355                      | 6,400                         | 6,400                      |
| 610-5-580-2040 UNIFORMS AND APPAREL     | 2,265                      | 2,801                         | 2,800                      |
| 610-5-580-2070 GASOLINE AND OIL         | 8,879                      | 18,700                        | 9,000                      |
| 610-5-580-2080 SMALL TOOLS AND EQUIP.   | 262                        | 2,001                         | 2,000                      |
| <b>TOTAL SUPPLIES AND MATERIALS</b>     | <b>\$ 15,972</b>           | <b>\$ 30,345</b>              | <b>\$ 20,500</b>           |
| <b>SERVICES</b>                         |                            |                               |                            |
| 610-5-580-3040 COMMUNICATIONS           | \$ 3,102                   | \$ 2,500                      | \$ 2,500                   |
| 610-5-580-3050 UTILITIES - ELECTRIC     | 60,555                     | 80,500                        | 80,500                     |
| 610-5-580-3082 TRAVEL AND TRAINING      | 3,470                      | 9,001                         | 6,000                      |
| 610-5-580-3310 EQUIPMENT RENTAL / LEASE | 1,739                      | 5,000                         | 5,000                      |
| <b>TOTAL SERVICES</b>                   | <b>\$ 68,866</b>           | <b>\$ 97,002</b>              | <b>\$ 94,000</b>           |
| <b>MAINTENANCE &amp; REPAIR</b>         |                            |                               |                            |
| 610-5-580-4110 MOTOR VEHICLES           | \$ 5,546                   | \$ 6,001                      | \$ 6,000                   |
| 610-5-580-4120 EQUIPMENT & MACHINERY    | 58                         | -                             | 5,000                      |
| 610-5-580-4310 SEWER LINE MAINTENANCE   | 68,882                     | 82,578                        | 60,000                     |
| 610-5-580-4311 SEWER PLANT MAINTENANCE  | -                          | 1,043                         | -                          |
| 610-5-580-4312 LIFT STATION MAINTENANCE | 69,354                     | 60,001                        | 60,000                     |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b>   | <b>\$ 143,840</b>          | <b>\$ 149,623</b>             | <b>\$ 131,000</b>          |
| <b>CAPITAL OUTLAY</b>                   |                            |                               |                            |
| 610-5-580-7040 SEWER SYSTEMS            | \$ 193                     | \$ 22                         | \$ -                       |
| 610-5-580-7447 EASEMENT AQUISION        | -                          | 10,000                        | 10,000                     |
| <b>TOTAL CAPITAL OUTLAY</b>             | <b>\$ 193</b>              | <b>\$ 10,022</b>              | <b>\$ 10,000</b>           |
| <b>INTERFUND ACTIVITY</b>               |                            |                               |                            |
| 610-5-580-9511 EQUIPMENT USER FEE       | \$ 38,292                  | \$ 45,580                     | \$ 45,580                  |
| <b>TOTAL INTERFUND ACTIVITY</b>         | <b>\$ 38,292</b>           | <b>\$ 45,580</b>              | <b>\$ 45,580</b>           |
| <b>TOTAL WASTEWATER COLLECTION</b>      | <b>\$ 485,569</b>          | <b>\$ 593,508</b>             | <b>\$ 558,589</b>          |

**WASTEWATER TREATMENT**

|                                       |                          | <b>ACTUAL</b>     | <b>ESTIMATED</b>  | <b>BUDGET</b>     |
|---------------------------------------|--------------------------|-------------------|-------------------|-------------------|
|                                       |                          | <b>FYE 2009</b>   | <b>FYE 2010</b>   | <b>FYE 2011</b>   |
| <b>PERSONNEL</b>                      |                          |                   |                   |                   |
| 610-5-581-1010                        | SALARIES AND WAGES       | \$ 135,296        | \$ 95,010         | \$ 92,620         |
| 610-5-581-1020                        | OVERTIME                 | 30,223            | 20,000            | 20,000            |
| 610-5-581-1030                        | LONGEVITY                | 699               | 864               | 1,080             |
| 610-5-581-1031                        | INCENTIVE                | 6,725             | 5,325             | 4,500             |
| 610-5-581-1036                        | CELL PHONE ALLOWANCE     | 500               | 2,100             | 1,200             |
| 610-5-581-1040                        | SOCIAL SECURITY          | 12,534            | 9,365             | 9,134             |
| 610-5-581-1050                        | HEALTH INSURANCE         | 35,076            | 30,609            | 29,484            |
| 610-5-581-1060                        | UNEMPLOYMENT INSURANCE   | 3,855             | 1,721             | -                 |
| 610-5-581-1061                        | WORKER'S COMPENSATION    | 4,031             | 1,728             | -                 |
| 610-5-581-1070                        | RETIREMENT               | 22,580            | 18,495            | 18,041            |
| <b>TOTAL PERSONNEL</b>                |                          | <b>\$ 251,520</b> | <b>\$ 185,217</b> | <b>\$ 176,059</b> |
| <b>SUPPLIES AND MATERIALS</b>         |                          |                   |                   |                   |
| 610-5-581-2010                        | OFFICE SUPPLIES          | \$ 977            | \$ 1,500          | \$ 500            |
| 610-5-581-2030                        | JANITORIAL SUPPLIES      | 1,091             | 1,001             | 1,000             |
| 610-5-581-2031                        | CHEMICALS                | 77,744            | 51,001            | 51,000            |
| 610-5-581-2040                        | UNIFORMS AND APPAREL     | 1,997             | 2,100             | 2,100             |
| 610-5-581-2050                        | MEDICAL SUPPLIES         | -                 | 150               | 150               |
| 610-5-581-2070                        | GASOLINE AND OIL         | 10,358            | 8,001             | 8,000             |
| 610-5-581-2080                        | SMALL TOOLS AND EQUIP.   | 2,953             | 4,000             | 4,000             |
| <b>TOTAL SUPPLIES AND MATERIALS</b>   |                          | <b>\$ 95,120</b>  | <b>\$ 67,753</b>  | <b>\$ 66,750</b>  |
| <b>SERVICES</b>                       |                          |                   |                   |                   |
| 610-5-581-3032                        | SPECIAL STUDIES          | \$ 18,695         | \$ -              | \$ -              |
| 610-5-581-3040                        | COMMUNICATIONS           | 5,896             | 5,001             | 5,000             |
| 610-5-581-3050                        | UTILITIES - ELECTRIC     | 206,106           | 219,001           | 219,000           |
| 610-5-581-3051                        | UTILITIES - CITY         | 34,034            | 46,149            | 15,000            |
| 610-5-581-3065                        | SLUDGE COLLECTION        | 168,093           | 175,001           | 175,000           |
| 610-5-581-3082                        | TRAVEL AND TRAINING      | 2,744             | 5,001             | 3,000             |
| 610-5-581-3310                        | EQUIPMENT RENTAL / LEASE | -                 | 2,000             | 2,000             |
| 610-5-581-3430                        | TCEQ PERMITTING          | 25,660            | 47,875            | 27,000            |
| <b>TOTAL SERVICES</b>                 |                          | <b>\$ 461,228</b> | <b>\$ 500,027</b> | <b>\$ 446,000</b> |
| <b>MAINTENANCE &amp; REPAIR</b>       |                          |                   |                   |                   |
| 610-5-581-4010                        | BUILDINGS AND STRUCTURES | \$ 1,788          | \$ 2,000          | \$ 2,000          |
| 610-5-581-4110                        | MOTOR VEHICLES           | 4,251             | 3,001             | 3,000             |
| 610-5-581-4120                        | EQUIPMENT & MACHINERY    | 57,965            | 30,000            | 30,000            |
| 610-5-581-4310                        | SEWER SYSTEM MAINTENAN   | -                 | 4                 | -                 |
| 610-5-581-4311                        | SEWER PLANT MAINTENANCE  | 37,131            | 60,001            | 60,000            |
| 610-5-581-4312                        | GRIT DISPOSAL            | 214               | -                 | -                 |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b> |                          | <b>\$ 101,349</b> | <b>\$ 95,006</b>  | <b>\$ 95,000</b>  |
| <b>EQUIPMENT</b>                      |                          |                   |                   |                   |
| 610-5-581-8015                        | COMPUTER EQUIPMENT       | \$ -              | \$ 1,250          | \$ 1,250          |
| <b>TOTAL EQUIPMENT</b>                |                          | <b>\$ -</b>       | <b>\$ 1,250</b>   | <b>\$ 1,250</b>   |
| <b>INTERFUND ACTIVITY</b>             |                          |                   |                   |                   |
| 610-5-581-9511                        | EQUIPMENT USER FEE       | \$ 14,028         | \$ 14,028         | \$ 14,028         |
| <b>TOTAL INTERFUND ACTIVITY</b>       |                          | <b>\$ 14,028</b>  | <b>\$ 14,028</b>  | <b>\$ 14,028</b>  |
| <b>TOTAL WASTEWATER TREATMENT</b>     |                          | <b>\$ 923,245</b> | <b>\$ 863,281</b> | <b>\$ 799,087</b> |

**COMPLIANCE MONITORING**

|  | <b>ACTUAL</b>            |                     | <b>ESTIMATED</b>    |                     | <b>BUDGET</b>   |
|--|--------------------------|---------------------|---------------------|---------------------|-----------------|
|  | <b>FYE 2009</b>          |                     | <b>FYE 2010</b>     |                     | <b>FYE 2011</b> |
| <b>PERSONNEL</b>                         |                          |                     |                     |                     |                 |
| 610-5-582-1010                           | SALARIES AND WAGES       | \$ 1,958            | \$ 77,173           | \$ 77,828           |                 |
| 610-5-582-1020                           | OVERTIME                 | -                   | 8,500               | 8,500               |                 |
| 610-5-582-1030                           | LONGEVITY                | -                   | 1,872               | 1,944               |                 |
| 610-5-582-1031                           | INCENTIVE                | -                   | -                   | 600                 |                 |
| 610-5-582-1036                           | CELL PHONE ALLOWANCE     | -                   | 700                 | 1,200               |                 |
| 610-5-582-1040                           | SOCIAL SECURITY          | 185                 | 6,697               | 6,697               |                 |
| 610-5-582-1050                           | HEALTH INSURANCE         | -                   | 25,379              | 12,079              |                 |
| 610-5-582-1060                           | UNEMPLOYMENT INSURANCE   | -                   | 1,089               | -                   |                 |
| 610-5-582-1061                           | WORKER'S COMPENSATION    | -                   | 1,325               | -                   |                 |
| 610-5-582-1070                           | RETIREMENT               | -                   | 13,229              | 13,228              |                 |
| <b>TOTAL PERSONNEL</b>                   |                          | <b>\$ 2,143</b>     | <b>\$ 135,965</b>   | <b>\$ 122,076</b>   |                 |
| <b>SUPPLIES AND MATERIALS</b>            |                          |                     |                     |                     |                 |
| 610-5-582-2010                           | OFFICE & LABORATORY      | \$ -                | \$ -                | \$ 2,000            |                 |
| 610-5-582-2030                           | JANITORIAL SUPPLIES      | -                   | -                   | 1,000               |                 |
| 610-5-582-2031                           | CHEMICALS                | -                   | -                   | 2,500               |                 |
| 610-5-582-2070                           | GASOLINE AND OIL         | 630                 | 4,000               | 4,500               |                 |
| 610-5-582-2080                           | SMALL TOOLS AND EQUIP.   | -                   | -                   | 500                 |                 |
| <b>TOTAL SUPPLIES AND MATERIALS</b>      |                          | <b>\$ 630</b>       | <b>\$ 4,000</b>     | <b>\$ 10,500</b>    |                 |
| <b>SERVICES</b>                          |                          |                     |                     |                     |                 |
| 610-5-582-3032                           | SPECIAL STUDIES          | \$ 150              | \$ 20,001           | \$ 25,000           |                 |
| 610-5-582-3040                           | COMMUNICATIONS           | -                   | -                   | 2,500               |                 |
| 610-5-582-3082                           | TRAVEL AND TRAINING      | 167                 | 167                 | 3,000               |                 |
| <b>TOTAL SERVICES</b>                    |                          | <b>\$ 317</b>       | <b>\$ 20,168</b>    | <b>\$ 30,500</b>    |                 |
| <b>MAINTENANCE &amp; REPAIR</b>          |                          |                     |                     |                     |                 |
| 610-5-582-4010                           | BUILDINGS AND STRUCTURES | \$ 12               | \$ 2,000            | \$ 4,000            |                 |
| 610-5-582-4110                           | MOTOR VEHICLES           | -                   | -                   | 5,000               |                 |
| 610-5-582-4120                           | EQUIPMENT & MACHINERY    | 305                 | 30,001              | 10,000              |                 |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b>    |                          | <b>\$ 317</b>       | <b>\$ 32,001</b>    | <b>\$ 19,000</b>    |                 |
| <b>TOTAL COMPLIANCE MONITORING</b>       |                          | <b>\$ 3,407</b>     | <b>\$ 192,134</b>   | <b>\$ 182,076</b>   |                 |
| <b>TOTAL FUND EXPENSES</b>               |                          | <b>\$ 2,856,017</b> | <b>\$ 3,486,448</b> | <b>\$ 3,376,289</b> |                 |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> |                          | <b>\$ 1,431,186</b> | <b>\$ (72,297)</b>  | <b>\$ 56,711</b>    |                 |
| <b>PROJECTED ENDING FUND BALANCE</b>     |                          | <b>\$ 300,011</b>   | <b>\$ 227,714</b>   | <b>\$ 284,425</b>   |                 |

## UTILITY DEBT SERVICE FUND

The modern water industry operates sophisticated and costly water and wastewater networks and sewage treatment plants. In order for this enterprise operation to function efficiently, the City must support a ratio of debt leverage.

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.

These revenue bonds are a special type of municipal bonds significant by their assurance of repayment exclusively from revenues produced by a particular revenue-generating enterprise associated with the purpose of the bonds. Unlike general obligation bonds, only the revenues specified in the legal agreement between the bond holder and bond issuer are necessary to be used for repayment of the principal and interest of the bonds; other revenues such as property tax revenues and the general credit of the issuing agency are not encumbered; and because the pledge of security is not as distinguished as that of general obligation bonds, revenue bonds may carry a somewhat higher interest rate than general obligation bonds. However, revenue bonds are usually considered the second-most secure type of municipal bonds.

A majority of the debt that the City now retains is related to financing the collection of wastewater for proper treatment. Clean water is an obvious importance in every community and the Clean Water Act is the directive of surface water quality for all communities within the United States. The statute exists in an effort to reduce discharges into natural waterways and finance municipal wastewater treatment and distribution systems. The original efforts of the Clean Water Act focused on regulating discharges from facilities such as municipal sewage plants. Starting in the 1980s, EPA efforts to address polluted runoff increased significantly. Unfortunately, the City of Palestine did not address the EPA's concern during this time period and has received stronger mandates requiring specific action and instituting capital projects to improve the current sanitary sewer system. These mandated improvements necessitate an extensive amount of debt in order to

### Bond Schedule No. 1 Revenue Bond Series 95-A

|        | Principal    | Interest   | Fiscal Total |
|--------|--------------|------------|--------------|
| 2011   | \$ 385,000   | \$ 94,153  | \$ 479,153   |
| 2012   | 405,000      | 77,213     | 482,213      |
| 2013   | 420,000      | 59,190     | 479,190      |
| 2014   | 440,000      | 40,500     | 480,500      |
| 2015   | 460,000      | 20,700     | 480,700      |
| Total: | \$ 2,110,000 | \$ 291,756 |              |

### Bond Schedule No. 2 Revenue Bond - Series 1999

|        | Principal  | Interest   | Fiscal Total |
|--------|------------|------------|--------------|
| 2011   | \$ 80,000  | \$ 45,362  | \$ 125,362   |
| 2012   | 80,000     | 41,283     | 121,283      |
| 2013   | 85,000     | 37,203     | 122,203      |
| 2014   | 90,000     | 32,782     | 122,782      |
| 2015   | 95,000     | 28,102     | 123,102      |
| 2016   | 100,000    | 23,067     | 123,067      |
| 2017   | 105,000    | 17,767     | 122,767      |
| 2018   | 110,000    | 12,150     | 122,150      |
| 2019   | 115,000    | 6,210      | 121,210      |
| Total: | \$ 860,000 | \$ 243,926 |              |

### Bond Schedule No. 3 Revenue Bond - 2002 (Meter Change-Out)

|        | Principal  | Interest  | Fiscal Total |
|--------|------------|-----------|--------------|
| 2011   | \$ 185,013 | \$ 11,851 | \$ 196,864   |
| 2012   | 176,664    | 3,794     | 180,458      |
| Total: | \$ 361,677 | \$ 15,645 |              |

### Bond Schedule No. 4 Revenue Bond 2003-A (Refunding Portion)

|        | Principal    | Interest   | Fiscal Total |
|--------|--------------|------------|--------------|
| 2011   | \$ 280,000   | \$ 42,988  | \$ 322,988   |
| 2012   | 295,000      | 34,938     | 329,938      |
| 2013   | 300,000      | 26,088     | 326,088      |
| 2014   | 245,000      | 16,713     | 261,713      |
| 2015   | 250,000      | 8,750      | 258,750      |
| Total: | \$ 1,370,000 | \$ 129,477 |              |

meet timelines determined by the State and Federal agencies that are responsible for enforcing this act.

The City has completed the first phase of the mandated improvements and is progressing through the second phase during the current fiscal year. Additional debt will be needed to meet the mandate requirement which calls for prudent financial leverage for several future years.

**Bond Schedule No. 5  
Revenue Bond - Series 2003 (SSES 1)**

|               | Principal           | Interest          | Fiscal Total |
|---------------|---------------------|-------------------|--------------|
| 2011          | \$ 345,000          | \$ 93,835         | \$ 438,835   |
| 2012          | 345,000             | 86,935            | 431,935      |
| 2013          | 355,000             | 79,518            | 434,518      |
| 2014          | 155,000             | 71,530            | 226,530      |
| 2015          | 160,000             | 67,810            | 227,810      |
| 2016          | 240,000             | 63,810            | 303,810      |
| 2017          | 245,000             | 57,570            | 302,570      |
| 2018          | 250,000             | 50,955            | 300,955      |
| 2019          | 260,000             | 43,955            | 303,955      |
| 2020          | 390,000             | 36,415            | 426,415      |
| 2021          | 400,000             | 24,910            | 424,910      |
| 2022          | 410,000             | 12,710            | 422,710      |
| <b>Total:</b> | <b>\$ 3,555,000</b> | <b>\$ 689,953</b> |              |

**Bond Schedule No. 6  
Revenue Bond 2003-A (New Money Portion)**

|               | Principal         | Interest          | Fiscal Total |
|---------------|-------------------|-------------------|--------------|
| 2011          | \$ 50,000         | \$ 30,648         | \$ 80,648    |
| 2012          | 55,000            | 29,210            | 84,210       |
| 2013          | 55,000            | 27,560            | 82,560       |
| 2014          | 55,000            | 25,841            | 80,841       |
| 2015          | 60,000            | 24,053            | 84,053       |
| 2016          | 60,000            | 21,954            | 81,954       |
| 2017          | 65,000            | 19,794            | 84,794       |
| 2018          | 65,000            | 17,438            | 82,438       |
| 2019          | 70,000            | 15,000            | 85,000       |
| 2020          | 70,000            | 12,287            | 82,287       |
| 2021          | 75,000            | 9,487             | 84,487       |
| 2022          | 75,000            | 6,393             | 81,393       |
| 2023          | 80,000            | 3,300             | 83,300       |
| <b>Total:</b> | <b>\$ 835,000</b> | <b>\$ 242,965</b> |              |

**Bond Schedule No. 7  
Revenue Bond - Series 2006 (SSES 2A)**

|               | Principal         | Interest          | Fiscal Total |
|---------------|-------------------|-------------------|--------------|
| 2011          | \$ 40,000         | \$ 18,985         | \$ 58,985    |
| 2012          | 40,000            | 18,065            | 58,065       |
| 2013          | 40,000            | 17,125            | 57,125       |
| 2014          | 40,000            | 16,165            | 56,165       |
| 2015          | 45,000            | 15,165            | 60,165       |
| 2016          | 45,000            | 14,018            | 59,018       |
| 2017          | 45,000            | 12,848            | 57,848       |
| 2018          | 45,000            | 11,655            | 56,655       |
| 2019          | 50,000            | 10,440            | 60,440       |
| 2020          | 50,000            | 9,065             | 59,065       |
| 2021          | 50,000            | 7,665             | 57,665       |
| 2022          | 50,000            | 6,265             | 56,265       |
| 2023          | 55,000            | 4,840             | 59,840       |
| 2024          | 55,000            | 3,245             | 58,245       |
| 2025          | 55,000            | 1,623             | 56,623       |
| <b>Total:</b> | <b>\$ 705,000</b> | <b>\$ 167,168</b> |              |

The bond schedules numbered as 5, 7 and 8 are debt related to the EPA requirements for wastewater improvements. The purpose of these bonds is for the reconstruction of the wastewater collection system. Additional debt is for water line relocations on US Route 79 and Texas Loop 256

**Bond Schedule No. 8  
Revenue Bond - Series 2007 (SSES 2B)**

|               | Principal           | Interest          | Fiscal Total |
|---------------|---------------------|-------------------|--------------|
| 2011          | \$ 200,000          | \$ 95,636         | \$ 295,636   |
| 2012          | 205,000             | 91,638            | 296,638      |
| 2013          | 210,000             | 87,538            | 297,538      |
| 2014          | 210,000             | 83,126            | 293,126      |
| 2015          | 215,000             | 78,716            | 293,716      |
| 2016          | 220,000             | 74,094            | 294,094      |
| 2017          | 225,000             | 69,254            | 294,254      |
| 2018          | 230,000             | 64,192            | 294,192      |
| 2019          | 235,000             | 58,902            | 293,902      |
| 2020          | 240,000             | 53,380            | 293,380      |
| 2021          | 250,000             | 47,620            | 297,620      |
| 2022          | 255,000             | 41,620            | 296,620      |
| 2023          | 260,000             | 35,374            | 295,374      |
| 2024          | 265,000             | 28,874            | 293,874      |
| 2025          | 275,000             | 22,116            | 297,116      |
| 2026          | 280,000             | 14,966            | 294,966      |
| 2027          | 290,000             | 7,686             | 297,686      |
| <b>Total:</b> | <b>\$ 4,065,000</b> | <b>\$ 954,732</b> |              |



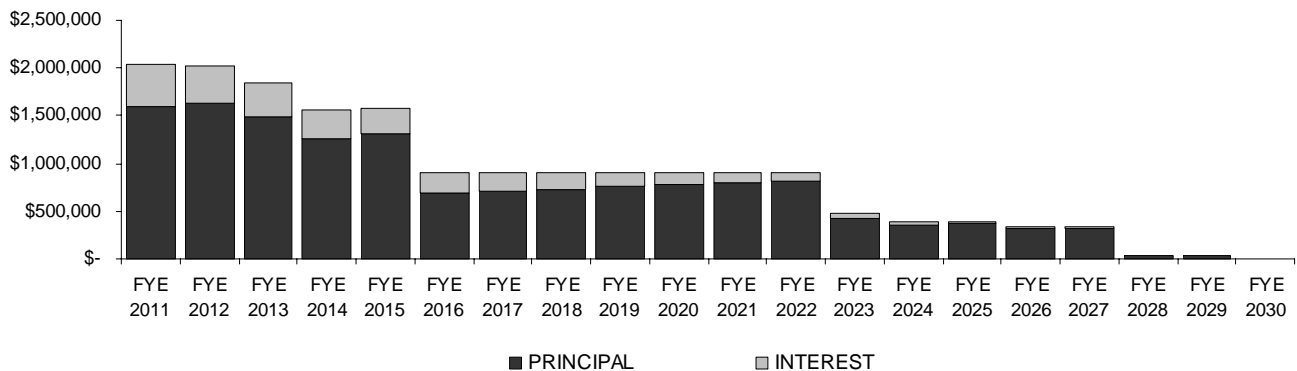
Below is the aggregate debt for the Utility Debt Service Fund. Years of neglect has required the City to reinvest heavily back into the aging water and sanitary sewer system. Exemplified here is a total of eight separate bonds associated with the aggregate utility debt schedule. The first portion of debt scheduled to retire is the bond associated with the meter change-out program in FYE 2012. Two additional bonds are scheduled to retire in FYE 2015. The debt capacity will drop in half, allowing the City to go for further debt financing as leverage for needed capital projects that are programmed as replacement or improvements to the existing utility system. A second drop in debt obligation is illustrated in the graph below and will occur after 2022. The last of the long term debt currently shown is scheduled to retire in FYE 2029.

### Aggregate Utility Debt

|      | Principal | Interest |           |
|------|-----------|----------|-----------|
| 2011 | 1,590,013 | 450,868  | 2,040,881 |
| 2012 | 1,626,664 | 400,321  | 2,026,985 |
| 2013 | 1,490,000 | 351,230  | 1,841,230 |
| 2014 | 1,260,000 | 303,355  | 1,563,355 |
| 2015 | 1,310,000 | 259,631  | 1,569,631 |
| 2016 | 690,000   | 212,803  | 902,803   |
| 2017 | 710,000   | 192,556  | 902,556   |
| 2018 | 730,000   | 171,113  | 901,113   |
| 2019 | 760,000   | 148,450  | 908,450   |
| 2020 | 780,000   | 124,264  | 904,264   |
| 2021 | 805,000   | 101,839  | 906,839   |
| 2022 | 820,000   | 78,126   | 898,126   |
| 2023 | 425,000   | 53,586   | 478,586   |
| 2024 | 355,000   | 41,083   | 396,083   |
| 2025 | 365,000   | 31,390   | 396,390   |
| 2026 | 315,000   | 21,234   | 336,234   |
| 2027 | 325,000   | 12,519   | 337,519   |
| 2028 | 40,000    | 3,380    | 43,380    |
| 2029 | 40,000    | 1,700    | 41,700    |

### CURRENT REQUIREMENTS - FYE 2011

|                    | PRINCIPAL |                  | INTEREST  |                | TOTAL     |                  | October 1, 2010<br>DEBT BALANCE |
|--------------------|-----------|------------------|-----------|----------------|-----------|------------------|---------------------------------|
| Bond Schedule No.1 | \$        | 385,000          | \$        | 94,153         | \$        | 479,153          | \$ 2,110,000                    |
| Bond Schedule No.2 |           | 80,000           |           | 45,362         |           | 125,362          | 860,000                         |
| Bond Schedule No.3 |           | 185,013          |           | 11,851         |           | 196,864          | 361,677                         |
| Bond Schedule No.4 |           | 280,000          |           | 42,988         |           | 322,988          | 1,370,000                       |
| Bond Schedule No.5 |           | 345,000          |           | 93,835         |           | 438,835          | 3,555,000                       |
| Bond Schedule No.6 |           | 50,000           |           | 30,648         |           | 80,648           | 835,000                         |
| Bond Schedule No.7 |           | 40,000           |           | 18,985         |           | 58,985           | 705,000                         |
| Bond Schedule No.8 |           | 200,000          |           | 95,636         |           | 295,636          | 4,065,000                       |
| Bond Schedule No.9 |           | 25,000           |           | 17,410         |           | 42,410           | 575,000                         |
| <b>Total:</b>      | <b>\$</b> | <b>1,590,013</b> | <b>\$</b> | <b>450,868</b> | <b>\$</b> | <b>2,040,881</b> | <b>\$ 14,436,677</b>            |



**UTILITY DEBT SERVICE**

|                                     | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|-------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE</b>       | \$ 484,344                 | \$ 507,267                    | \$ 519,518                 |
| <b>OTHER INCOME</b>                 |                            |                               |                            |
| 615-4-1901 INTEREST ON INVESTMENTS  | \$ 5,332                   | \$ 5,000                      | \$ 5,000                   |
| 615-4-1942 TRANSFER FROM WATER FUND | 9,158                      | 387,215                       | 385,246                    |
| 615-4-1943 TRANSFER FROM WASTEWATER | 8,433                      | 1,469,845                     | 1,655,637                  |
| <b>TOTAL OTHER INCOME</b>           | <b>\$ 22,923</b>           | <b>\$ 1,862,060</b>           | <b>\$ 2,045,883</b>        |
| <b>TOTAL REVENUE</b>                | <b>\$ 22,923</b>           | <b>\$ 1,862,060</b>           | <b>\$ 2,045,883</b>        |
| <b>TOTAL FUNDS AVAILABLE</b>        | <b>\$ 507,267</b>          | <b>\$ 2,369,327</b>           | <b>\$ 2,565,401</b>        |

**UTILITY DEBT SERVICE ADMINISTRATION**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>DEBT ADMINISTRATION</b>                          |                            |                               |                            |
| 615-5-280-5140 PRINCIPAL - 2002 W METER CHANGEOUT   | \$ -                       | \$ 88,647                     | \$ 92,507                  |
| 615-5-280-5150 INTEREST - 2002 METER CHANGEOUT      | -                          | 9,786                         | 5,926                      |
| 615-5-281-5140 PRINCIPAL - 2003 W REFUNDING         | -                          | 244,200                       | 248,640                    |
| 615-5-281-5150 INTEREST - 2003 WATER REFUNDING      | -                          | 44,583                        | 38,173                     |
| 615-5-282-5140 PRINCIPAL - 1995 SERIES 95A          | -                          | 370,000                       | 385,000                    |
| 615-5-282-5150 INTEREST - 1995 SERIES 95A           | -                          | 110,247                       | 94,153                     |
| 615-5-283-5140 PRINCIPAL - SERIES 1999              | -                          | 75,000                        | 80,000                     |
| 615-5-283-5150 INTEREST - SERIES 1999               | -                          | 49,113                        | 45,362                     |
| 615-5-284-5140 PRINCIPAL - 2002 W W METER CHANGEOUT | -                          | 88,647                        | 92,507                     |
| 615-5-284-5150 INTEREST - 2002 W W METER CHANGEOUT  | -                          | 9,786                         | 5,926                      |
| 615-5-285-5140 PRINCIPAL - 2003 NEW MONEY           | -                          | 50,000                        | 50,000                     |
| 615-5-285-5150 INTEREST - 2003 NEW MONEY            | -                          | 31,960                        | 30,648                     |
| 615-5-286-5140 PRINCIPAL - 2003 W W REFUNDING       | -                          | 30,800                        | 31,360                     |
| 615-5-286-5150 INTEREST - 2003 W W REFUNDING        | -                          | 5,623                         | 4,815                      |
| 615-5-287-5140 PRINCIPAL - 2003 SSES 1              | -                          | 150,000                       | 345,000                    |
| 615-5-287-5150 INTEREST - 2003 SSES 1               | -                          | 96,535                        | 93,835                     |
| 615-5-288-5140 PRINCIPAL - 2006 SSES 2              | -                          | 40,000                        | 40,000                     |
| 615-5-288-5150 INTEREST - 2006 SSES 2               | -                          | 19,885                        | 18,985                     |
| 615-5-289-5140 PRINCIPAL - 2007 SSES 2b             | -                          | 195,000                       | 200,000                    |
| 615-5-289-5150 INTEREST - 2007 SSES 2b              | -                          | 99,440                        | 95,636                     |
| 615-5-290-5140 PRINCIPAL - 2009 SSES 2c             | -                          | 25,000                        | 25,000                     |
| 615-5-290-5150 INTEREST - 2009 SSES 2c              | -                          | 15,557                        | 17,410                     |
| <b>TOTAL FUND EXPENSES</b>                          | <b>\$ -</b>                | <b>\$ 1,849,809</b>           | <b>\$ 2,040,883</b>        |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>            | <b>\$ 22,923</b>           | <b>\$ 12,251</b>              | <b>\$ 5,000</b>            |
| <b>PROJECTED ENDING FUND BALANCE</b>                | <b>\$ 507,267</b>          | <b>\$ 519,518</b>             | <b>\$ 524,518</b>          |

## SANITATION FUND

### REVENUES

The Sanitation Fund is a business enterprise fund that supported with the revenues from solid waste collection. The City contracts with a third party for solid waste collection and the sanitation fees are to be paid with the customer water bills. After fees are collected, the contractor is paid in accordance with the contract. This fund also supports the operation of street sanitation. Council adopted a street sanitation fee to support maintenance and cleaning of city streets. Residential solid waste curbside collection is provided twice a week and commercial poly-cart collection is also provided twice a week. The Sanitation Fund also supports a commercial container service. The service fees are contingent on the size of the commercial container and the weekly frequency it is collected.

### SANITATION OPERATIONS

Sanitation Operations include expenses related to financial activity of the actual fund such as inter-fund transfers, financial charges, depreciation, and bad debt. Some of the activity in this fund is related to year end closing that adjust the funds assets and liabilities that cannot be accounted as a planned revenue or expenditure to the adopted budget.

### SOLID WASTE COLLECTION

This program is responsible for the solid waste collection expense and street sanitation operation. The City has two street sweepers within the fleet that maintain curbed and guttered streets. This division also affords periodic maintenance of open bar ditches.

### SANITATION FUND REVENUE

|   | ACTUAL<br>FYE 2009  | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011  |
|---|---------------------|-----------------------|---------------------|
| <b>BEGINNING FUND BALANCE</b>           | 52,642              | (39,879)              | 95,373              |
| <b>CHARGES FOR SERVICE</b>              |                     |                       |                     |
| 620-4-1715 SANITATION COLLECTION CHARGE | \$ 1,684,184        | \$ 1,704,000          | \$ 1,772,000        |
| 620-4-1721 COLLECTION BAG SALES         | 30,602              | 33,000                | 33,000              |
| 620-4-1722 CLEAN STREETS PROGRAM        | 135,659             | 135,000               | 135,000             |
| <b>TOTAL CHARGES FOR SERVICE</b>        | <b>\$ 1,850,445</b> | <b>\$ 1,872,000</b>   | <b>\$ 1,940,000</b> |
| <b>OTHER INCOME</b>                     |                     |                       |                     |
| 620-4-1901 INTEREST ON INVESTMENTS      | \$ 600              | \$ 1,000              | \$ 800              |
| <b>TOTAL OTHER INCOME</b>               | <b>\$ 600</b>       | <b>\$ 1,000</b>       | <b>\$ 800</b>       |
| <b>TOTAL REVENUE</b>                    | <b>\$ 1,851,045</b> | <b>\$ 1,873,000</b>   | <b>\$ 1,940,800</b> |
| <b>TOTAL FUNDS AVAILABLE</b>            | <b>1,903,687</b>    | <b>1,833,121</b>      | <b>2,036,173</b>    |

### SANITATION OPERATION

|                                   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|-----------------------------------|--------------------|-----------------------|--------------------|
| <b>SERVICES</b>                   |                    |                       |                    |
| 620-5-110-3410 WAREHOUSE SERVICES | \$ 4,574           | \$ 5,295              | \$ 5,000           |
| <b>TOTAL SERVICES</b>             | <b>\$ 4,574</b>    | <b>\$ 5,295</b>       | <b>\$ 5,000</b>    |

|                                       | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>SUNDRY</b>                         |                            |                               |                            |
| 620-5-110-5030 BAD DEBT EXPENSE       | \$ -                       | \$ 10,172                     | \$ -                       |
| 620-5-110-5400 BAD DEBT EXPENSE       | (4,829)                    | 4,829                         | 5,000                      |
| <b>TOTAL SUNDRY</b>                   | <b>\$ (4,829)</b>          | <b>\$ 15,001</b>              | <b>\$ 5,000</b>            |
| <b>INTERFUND ACTIVITY</b>             |                            |                               |                            |
| 620-5-110-9010 TRSF TO GENERAL FUND   | \$ 1,700                   | \$ 1,701                      | \$ 1,700                   |
| 620-5-110-9050 TRANSFER TO WATER FUND | 125,000                    | 125,001                       | 125,000                    |
| <b>TOTAL INTERFUND ACTIVITY</b>       | <b>\$ 126,700</b>          | <b>\$ 126,701</b>             | <b>\$ 126,700</b>          |
| <b>TOTAL SANITATION OPERATIONS</b>    | <b>\$ 126,445</b>          | <b>\$ 146,997</b>             | <b>\$ 136,700</b>          |

### **SOLID WASTE COLLECTION**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>PERSONNEL</b>                             |                            |                               |                            |
| 620-5-550-1010 SALARIES AND WAGES            | \$ 54,528                  | \$ 48,254                     | \$ 46,049                  |
| 620-5-550-1020 OVERTIME                      | 8,887                      | 9,152                         | 8,500                      |
| 620-5-550-1030 LONGEVITY                     | 1,896                      | 3,960                         | 1,800                      |
| 620-5-550-1036 CELL PHONE ALLOWANCE          | 400                        | 1,200                         | 1,200                      |
| 620-5-550-1040 SOCIAL SECURITY               | 4,881                      | 5,215                         | 4,403                      |
| 620-5-550-1050 HEALTH INSURANCE              | 15,655                     | 24,472                        | 20,922                     |
| 620-5-550-1060 UNEMPLOYMENT INSURANCE        | 1,492                      | 1,029                         | -                          |
| 620-5-550-1061 WORKER'S COMPENSATION         | 4,776                      | 3,577                         | -                          |
| 620-5-550-1070 RETIREMENT                    | 8,078                      | 10,301                        | 8,696                      |
| <b>TOTAL PERSONNEL</b>                       | <b>\$ 100,592</b>          | <b>\$ 107,160</b>             | <b>\$ 91,570</b>           |
| <b>SUPPLIES AND MATERIALS</b>                |                            |                               |                            |
| 620-5-550-2027 DOWNTOWN RECEPTACLES          | \$ 2,975                   | \$ 3,000                      | \$ 1,000                   |
| 620-5-550-2070 GASOLINE AND OIL              | 5,667                      | 11,200                        | 5,800                      |
| 620-5-550-2130 GARBAGE BAGS                  | 26,467                     | 35,500                        | 26,500                     |
| <b>TOTAL SUPPLIES AND MATERIALS</b>          | <b>\$ 35,109</b>           | <b>\$ 49,700</b>              | <b>\$ 33,300</b>           |
| <b>SERVICES</b>                              |                            |                               |                            |
| 620-5-550-3063 RESIDENTIAL COLLECTION        | \$ 740,099                 | \$ 630,875                    | \$ 740,100                 |
| 620-5-550-3064 COMMERCIAL COLLECTION         | 877,969                    | 731,815                       | 878,030                    |
| 620-5-550-3065 CITY WIDE CLEAN-UP COLLECTION | 10,863                     | 20,000                        | 10,900                     |
| 620-5-550-3330 CONTRACT SERVICES             | 8,788                      | 6,000                         | 6,000                      |
| <b>TOTAL SERVICES</b>                        | <b>\$ 1,637,719</b>        | <b>\$ 1,388,690</b>           | <b>\$ 1,635,030</b>        |
| <b>MAINTENANCE &amp; REPAIR</b>              |                            |                               |                            |
| 620-5-550-4110 MOTOR VEHICLES                | \$ 1,002                   | \$ 2,501                      | \$ 1,500                   |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b>        | <b>\$ 1,002</b>            | <b>\$ 2,501</b>               | <b>\$ 1,500</b>            |

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>INTERFUND ACTIVITY</b>                |                            |                               |                            |
| 620-5-550-9511 EQUIPMENT USER FEE        | \$ 42,700                  | \$ 42,700                     | \$ 42,700                  |
| <b>TOTAL INTERFUND ACTIVITY</b>          | <b>\$ 42,700</b>           | <b>\$ 42,700</b>              | <b>\$ 42,700</b>           |
| <b>TOTAL SOLID WASTE COLLECTION</b>      | <b>\$ 1,817,122</b>        | <b>\$ 1,590,752</b>           | <b>\$ 1,804,100</b>        |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ 1,943,567</b>        | <b>\$ 1,737,749</b>           | <b>\$ 1,940,800</b>        |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ (92,522)</b>         | <b>\$ 135,252</b>             | <b>\$ -</b>                |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ (39,879)</b>         | <b>\$ 95,373</b>              | <b>\$ 95,373</b>           |

## RETAIL FUND

### REVENUES

The Retail Fund is a business enterprise fund that supported with the revenues from retail lease space within the Palestine Mall. The lease revenue collected supports the operation of the retail facility and the debt created to purchase this property. The purpose of this operation is to support the library and Texas State Technical College.

### RETAIL ADMINISTRATION

Retail Administration includes expenses related to the operation of the Mall facility. This division includes a Facility Manager and expenses for annual maintenance and upkeep of this facility.

### FACILITY CAPITAL IMPROVEMENTS

This program is responsible for the improvements related to establishing the facility as a city enterprise. This vision is to support new business development to Palestine with the creation of a local Texas State Technical College. Other improvements are scheduled within this budgeted fund that supports this overall vision. Several divisions and a separate library CIP fund are linked to this facility and project. The complexity of this Fund and separation of financing is due to legal statutes and project obligations.

### RETAIL FUND REVENUES

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE</b>              | \$ -               | \$ -                  | \$ 883,359         |
| <b>CHARGES FOR SERVICE</b>                 |                    |                       |                    |
| 625-4-1705 RETAIL RENTAL/LEASE             | \$ -               | \$ 19,922             | \$ -               |
| 625-4-1705. DOGWOOD DINER                  | -                  | (800)                 | -                  |
| 625-4-1705. COMMUNITY SERVICES             | -                  | 4,200                 | 7,200              |
| 625-4-1705. BON APPIET CAFE                | -                  | -                     | 4,792              |
| 625-4-1705. LAM'S ORIENTAL GIFT SHOP       | -                  | 4,550                 | 7,800              |
| 625-4-1705. T-NAILS MANICURE SALON         | -                  | 4,550                 | 7,800              |
| 625-4-1705. DEPARTMENT OF VETERANS AFFAIRS | -                  | 104,989               | 179,976            |
| 625-4-1705. BLUE CROSS                     | -                  | 58,924                | -                  |
| 625-4-1705. JC PENNY                       | -                  | 57,130                | 97,937             |
| 625-4-1705. PAIN CARE CLINICS, P.A.        | -                  | 28,000                | 48,000             |
| 625-4-1705. AARON'S                        | -                  | 20,797                | 35,653             |
| 625-4-1705. BURKES                         | -                  | 30,000                | 60,000             |
| 625-4-1705. CARNIVAL EVENTS                | -                  | 4,500                 | 4,500              |
| <b>TOTAL CHARGES FOR SERVICE</b>           | \$ -               | \$ 336,762            | \$ 453,658         |
| <b>OTHER AGENCIES</b>                      |                    |                       |                    |
| 625-4-1819 PEDC CONTRIBUTION               | \$ -               | \$ 200,000            | \$ -               |
| <b>TOTAL OTHER AGENCIES</b>                | \$ -               | \$ 200,000            | \$ -               |
| <b>OTHER INCOME</b>                        |                    |                       |                    |
| 625-4-1901 INTEREST ON INVESTMENTS         | \$ -               | \$ 533                | \$ 250             |
| 625-4-1905 BOND PROCEEDS                   | -                  | -                     | -                  |
| 625-4-1941 TRANSFER FROM GENERAL FUND      | -                  | 1,000,000             | -                  |
| 625-4-1996 GF FACILITY USER FEE            | -                  | -                     | 18,750             |
| <b>TOTAL OTHER INCOME</b>                  | \$ -               | \$ 1,000,533          | \$ 19,000          |
| <b>TOTAL REVENUE</b>                       | \$ -               | \$ 1,537,295          | \$ 472,658         |
| <b>TOTAL FUNDS AVAILABLE</b>               | \$ -               | \$ 1,537,295          | \$ 1,356,017       |

**RETAIL FUND ADMINISTRATION**

|                                       |                           | <b>ACTUAL</b>   | <b>ESTIMATED</b> | <b>BUDGET</b>     |
|---------------------------------------|---------------------------|-----------------|------------------|-------------------|
|                                       |                           | <b>FYE 2009</b> | <b>FYE 2010</b>  | <b>FYE 2011</b>   |
| <b>PERSONNEL</b>                      |                           |                 |                  |                   |
| 625-5-110-1010                        | SALARIES AND WAGES        | \$ -            | \$ -             | \$ 21,076         |
| 625-5-110-1020                        | OVERTIME                  | -               | 5,696            | -                 |
| 625-5-110-1030                        | LONGEVITY                 | -               | -                | 216               |
| 625-5-110-1040                        | SOCIAL SECURITY           | -               | 436              | 1,629             |
| 625-5-110-1050                        | HEALTH INSURANCE          | -               | 166              | -                 |
| 625-5-110-1060                        | UNEMPLOYMENT INSURANCE    | -               | 131              | -                 |
| 625-5-110-1061                        | WORKER'S COMPENSATION     | -               | 365              | -                 |
| 625-5-110-1070                        | RETIREMENT                | -               | 861              | 3,217             |
| <b>TOTAL PERSONNEL</b>                |                           | <b>\$ -</b>     | <b>\$ 7,656</b>  | <b>\$ 26,138</b>  |
| <b>SUPPLIES AND MATERIALS</b>         |                           |                 |                  |                   |
| 625-5-110-2030                        | JANITORIAL SUPPLIES       | \$ -            | \$ 2,500         | \$ 4,000          |
| 625-5-110-2040                        | UNIFORMS AND APPAREL      | -               | -                | 500               |
| 625-5-110-2080                        | SMALL TOOLS AND EQUIP.    | -               | 2,000            | 2,000             |
| <b>TOTAL SUPPLIES AND MATERIALS</b>   |                           | <b>\$ -</b>     | <b>\$ 4,500</b>  | <b>\$ 6,500</b>   |
| <b>SERVICES</b>                       |                           |                 |                  |                   |
| 625-5-110-3030                        | PROFESSIONAL SERVICES     | \$ -            | \$ 6,410         | \$ 2,000          |
| 625-5-110-3050                        | UTILITIES - ELECTRIC      | -               | 26,792           | 48,000            |
| 625-5-110-3051                        | UTILITIES - GAS AND WATER | -               | 1,000            | 1,500             |
| 625-5-110-3052                        | COMMUNICATIONS            | -               | 567              | 900               |
| 625-5-110-3210                        | FINANCIAL SERVICE CHARGE  | -               | 537              | 250               |
| 625-5-110-3220                        | INSURANCE AND BONDS       | -               | -                | 15,000            |
| 625-5-110-3330                        | CONTRACT SERVICES         | -               | 5,000            | 3,000             |
| <b>TOTAL SERVICES</b>                 |                           | <b>\$ -</b>     | <b>\$ 40,306</b> | <b>\$ 70,650</b>  |
| <b>MAINTENANCE &amp; REPAIR</b>       |                           |                 |                  |                   |
| 625-5-110-4010                        | BUILDINGS AND STRUCTURE   | \$ -            | \$ 20,000        | \$ 35,000         |
| 625-5-110-4120                        | EQUIPMENT & MACHINERY     | -               | -                | 1,000             |
| <b>TOTAL MAINTENANCE &amp; REPAIR</b> |                           | <b>\$ -</b>     | <b>\$ 20,000</b> | <b>\$ 36,000</b>  |
| <b>TOTAL RETAIL FUND ADMIN.</b>       |                           | <b>\$ -</b>     | <b>\$ 72,462</b> | <b>\$ 139,288</b> |

**CAPITAL PROJECT-RETAIL**

|                                     |                   | <b>ACTUAL</b>   | <b>ESTIMATED</b> | <b>BUDGET</b>   |
|-------------------------------------|-------------------|-----------------|------------------|-----------------|
|                                     |                   | <b>FYE 2009</b> | <b>FYE 2010</b>  | <b>FYE 2011</b> |
| <b>CAPITAL OUTLAY</b>               |                   |                 |                  |                 |
| 625-5-111-7401                      | ARCHITECTURAL     | \$ -            | \$ 6,000         | \$ -            |
| 625-5-111-7402                      | ENGINEERING       | -               | 2,000            | -               |
| 625-5-111-7403                      | CONSTRUCTION      | -               | 12,000           | -               |
| 625-5-111-7404                      | FACILITY PURCHASE | -               | -                | -               |
| <b>TOTAL CAPITAL OUTLAY</b>         |                   | <b>\$ -</b>     | <b>\$ 20,000</b> | <b>\$ -</b>     |
| <b>TOTAL CAPITAL PROJECT-RETAIL</b> |                   | <b>\$ -</b>     | <b>\$ 20,000</b> | <b>\$ -</b>     |

**CAPITAL PROJECT - COLLEGE**

|                                      | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>CAPITAL OUTLAY</b>                |                            |                               |                            |
| 625-5-112-7401 ARCHITECTURAL         | \$ -                       | \$ 106,500                    | \$ -                       |
| 625-5-112-7402 ENGINEERING           | -                          | 35,500                        | -                          |
| 625-5-112-7403 CONSTRUCTION          | -                          | 213,000                       | -                          |
| 625-5-112-7404 FACILITY PURCHASE     | -                          | -                             | -                          |
| <b>TOTAL CAPITAL OUTLAY</b>          | <b>\$ -</b>                | <b>\$ 355,000</b>             | <b>\$ -</b>                |
| <b>TOTAL CAPITAL PROJECT-COLLEGE</b> | <b>\$ -</b>                | <b>\$ 355,000</b>             | <b>\$ -</b>                |

**CAPITAL PROJECT - EARLY COLLEGE HIGH SCHOOL**

|                                   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|-----------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>CAPITAL OUTLAY</b>             |                            |                               |                            |
| 625-5-113-7401 ARCHITECTURAL      | \$ -                       | \$ 22,500                     | \$ -                       |
| 625-5-113-7402 ENGINEERING        | -                          | 7,500                         | -                          |
| 625-5-113-7403 CONSTRUCTION       | -                          | 4,500                         | -                          |
| 625-5-113-7404 FACILITY PURCHASE  | -                          | -                             | -                          |
| <b>TOTAL CAPITAL OUTLAY</b>       | <b>\$ -</b>                | <b>\$ 34,500</b>              | <b>\$ -</b>                |
| <b>TOTAL CAPITAL PROJECT-ECHS</b> | <b>\$ -</b>                | <b>\$ 34,500</b>              | <b>\$ -</b>                |

**CAPITAL PROJECT - PUBLIC SPACE**

|                                     | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|-------------------------------------|----------------------------|-------------------------------|----------------------------|
| <b>CAPITAL OUTLAY</b>               |                            |                               |                            |
| 625-5-114-7401 ARCHITECTURAL        | \$ -                       | \$ 36,000                     | \$ -                       |
| 625-5-114-7402 ENGINEERING          | -                          | 12,000                        | -                          |
| 625-5-114-7403 CONSTRUCTION         | -                          | 72,000                        | -                          |
| 625-5-114-7404 FACILITY PURCHASE    | -                          | -                             | -                          |
| <b>TOTAL CAPITAL OUTLAY</b>         | <b>\$ -</b>                | <b>\$ 120,000</b>             | <b>\$ -</b>                |
| <b>TOTAL CAPITAL PROJECT-PUBLIC</b> | <b>\$ -</b>                | <b>\$ 120,000</b>             | <b>\$ -</b>                |



**RETAIL DEBT SERVICE**

|   | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|---|----------------------------|-------------------------------|----------------------------|
| <b>SUNDRY</b>                               |                            |                               |                            |
| 625-5-116-5010 BOND FEES                    | \$ -                       | \$ 1,000                      | \$ -                       |
| 625-5-116-5140 PRINCIPAL                    | -                          | 16,133                        | 67,727                     |
| 625-5-116-5150 INTEREST                     | -                          | 34,842                        | 57,955                     |
| <b>TOTAL SUNDRY</b>                         | <b>\$ -</b>                | <b>\$ 51,975</b>              | <b>\$ 125,682</b>          |
| <b>INTERFUND ACTIVITY</b>                   |                            |                               |                            |
| 625-5-116-9010 TRANSFER TO GENERAL FUND     | \$ -                       | \$ -                          | \$ 258,732                 |
| 625-5-116-9075 TSFR TO GENERAL DEBT SERVICE | -                          | -                             | -                          |
| <b>TOTAL INTERFUND ACTIVITY</b>             | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ 258,732</b>          |
| <b>TOTAL RETAIL DEBT SERVICE</b>            | <b>\$ -</b>                | <b>\$ 51,975</b>              | <b>\$ 384,414</b>          |
| <b>TOTAL FUND EXPENSES</b>                  | <b>\$ -</b>                | <b>\$ 653,937</b>             | <b>\$ 523,702</b>          |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>    | <b>\$ -</b>                | <b>\$ 883,359</b>             | <b>\$ (51,044)</b>         |
| <b>PROJECTED ENDING FUND BALANCE</b>        | <b>\$ -</b>                | <b>\$ 883,359</b>             | <b>\$ 832,315</b>          |

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**CAPITAL PROJECT FUNDS**

## CAPITAL IMPROVEMENTS

The Capital Improvement Program (CIP) is budgeted funds that are identified as capital projects with anticipated funding set aside to assist in the planning and scheduling of finances for projects needed for planning, designing, and constructing the established projects. Typically, a CIP project has a dollar amount over \$10,000. The CIP is a format by which the City uses to review the funding of desired capital improvements that compete for scarce financial resources. Generally, there are two primary sources of funding for capital improvements - revenues

sources (various) and the issuance of City bonds. Other sources such as grant funding may supplement the funding for projects. Revenue sources range from general and special revenue to enterprise revenue. The issuance of City bonds is another major source of funding for capital improvements. Issuing bonds is not only a common practice among cities; it is the primary and most widely accepted method of funding large capital projects for municipalities throughout the nation.

### GENERAL CAPITAL IMPROVEMENT FUND 670

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE:</b>             | <b>219,625</b>     | <b>125,568</b>        | <b>30,199</b>      |
| <b>REVENUE</b>                             |                    |                       |                    |
| 670-4-1901 INTEREST ON INVESTMENTS         | \$ 2,181           | \$ 300                | \$ -               |
| <b>TOTAL INCOME</b>                        | <b>\$ 2,181</b>    | <b>\$ 300</b>         | <b>\$ -</b>        |
| <b>TOTAL REVENUE</b>                       | <b>\$ 2,181</b>    | <b>\$ 300</b>         | <b>\$ -</b>        |
| <b>TOTAL FUNDS AVAILABLE</b>               | <b>\$ 221,806</b>  | <b>\$ 125,868</b>     | <b>\$ 30,199</b>   |
| <b>EXPENDITURES</b>                        |                    |                       |                    |
| 670-5-110-7040.005 CARNEGIE IMPROVEMENTS   | \$ 688             | \$ -                  | \$ -               |
| 670-5-110-7040.072 REAGAN PARK             | 21,205             | 10,000                | 30,000             |
| 670-5-110-7040.077 RUSK                    | 500                | -                     | -                  |
| 670-5-110-7040.082 ECONOMIC DEVELOPMENT    | 73,845             | -                     | -                  |
| 670-5-110-7040.700 EMERGENCY SERV. UPGRADE | -                  | 85,669                | -                  |
| <b>TOTAL IMPROVEMENTS</b>                  | <b>\$ 96,238</b>   | <b>\$ 95,669</b>      | <b>\$ 30,000</b>   |
| <b>TOTAL FUND EXPENSES</b>                 | <b>\$ 96,238</b>   | <b>\$ 95,669</b>      | <b>\$ 30,000</b>   |

### SERIES 2006 CAPITAL IMPROVEMENT FUND 671

|                                    | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|------------------------------------|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE:</b>     | <b>230,426</b>     | <b>231,129</b>        | <b>207,158</b>     |
| <b>REVENUE</b>                     |                    |                       |                    |
| 671-4-1901 INTEREST ON INVESTMENTS | \$ 1,339           | \$ 350                | \$ -               |
| <b>TOTAL INCOME</b>                | <b>\$ 1,339</b>    | <b>\$ 350</b>         | <b>\$ -</b>        |
| <b>TOTAL REVENUE</b>               | <b>\$ 1,339</b>    | <b>\$ 350</b>         | <b>\$ -</b>        |
| <b>TOTAL FUNDS AVAILABLE</b>       | <b>\$ 231,765</b>  | <b>\$ 231,479</b>     | <b>\$ 207,158</b>  |

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>EXPENDITURES</b>                      |                            |                               |                            |
| 671-5-110-7040.005 CARNEGIE IMPROVEMENTS | \$ -                       | \$ 9,900                      | \$ 35,000                  |
| 671-5-110-7040.042 BENNETT PARK FENCING  | -                          | -                             | 20,000                     |
| 671-5-110-7040.044 ATHLETIC FIELD LIGHTS | -                          | -                             | 20,000                     |
| 671-5-110-7040.068 CITY LAKE             | 636                        | -                             | -                          |
| 671-5-110-7040.072 DOWNTOWN MASTER PLAN  | -                          | -                             | 50,000                     |
| 671-5-110-7040.083 AIRPORT IMPROVEMENTS  | -                          | 14,421                        | 68,579                     |
| <b>TOTAL IMPROVEMENTS</b>                | <b>\$ 636</b>              | <b>\$ 24,321</b>              | <b>\$ 193,579</b>          |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ 636</b>              | <b>\$ 24,321</b>              | <b>\$ 193,579</b>          |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ 703</b>              | <b>\$ (23,971)</b>            | <b>\$ (193,579)</b>        |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 231,129</b>          | <b>\$ 207,158</b>             | <b>\$ 13,579</b>           |

**SOUTH PRESSURE PLANE CAPITAL IMPROVEMENT FUND 672**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE:</b>           | -                          | -                             | 6,020,000                  |
| <b>REVENUE</b>                           |                            |                               |                            |
| 672-4-1901 INTEREST ON INVESTMENTS       | \$ -                       | \$ 20,000                     | \$ 10,000                  |
| 672-4-1901 INTERGOVERNMENTAL REVENUE     | -                          | 2,000,000                     | -                          |
| 672-4-1901 BOND PROCEEDS                 | -                          | 4,000,000                     | -                          |
| <b>TOTAL INCOME</b>                      | <b>\$ -</b>                | <b>\$ 6,020,000</b>           | <b>\$ 10,000</b>           |
| <b>TOTAL REVENUE</b>                     | <b>\$ -</b>                | <b>\$ 6,020,000</b>           | <b>\$ 10,000</b>           |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ -</b>                | <b>\$ 6,020,000</b>           | <b>\$ 6,030,000</b>        |
| <b>EXPENDITURES</b>                      |                            |                               |                            |
| 672-5-110-7441 ENGINEERING               | \$ -                       | \$ -                          | \$ 1,200,000               |
| 672-5-110-7040.620 ELEVATED TANK         | -                          | -                             | 2,200,000                  |
| 672-5-110-7040.621 PUMP STATION          | -                          | -                             | 1,025,000                  |
| 672-5-110-7040.622 PIPELINE              | -                          | -                             | 700,000                    |
| 672-5-110-7040.623 SCADA SYSTEM          | -                          | -                             | 200,000                    |
| 672-5-110-7040.624 SYSTEM IMPROVEMENTS   | -                          | -                             | 200,000                    |
| 672-5-110-7040.625 LAND PURCHASE         | -                          | -                             | 100,000                    |
| 672-5-110-9499 TRANSFER TO CIP 681       | -                          | -                             | 120,227                    |
| <b>TOTAL IMPROVEMENTS</b>                | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ 5,745,227</b>        |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ 5,745,227</b>        |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ -</b>                | <b>\$ 6,020,000</b>           | <b>\$ (5,735,227)</b>      |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ -</b>                | <b>\$ 6,020,000</b>           | <b>\$ 284,773</b>          |

**LIBRARY CAPITAL IMPROVEMENT FUND 673**

|  | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|--|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE:</b>           | -                  | -                     | -                  |
| <b>REVENUE</b>                           |                    |                       |                    |
| 673-4-1901 PROJECT PROCEEDS              | -                  | 630,000               | -                  |
| <b>TOTAL INCOME</b>                      | \$ -               | \$ 630,000            | \$ -               |
| <b>TOTAL REVENUE</b>                     | \$ -               | \$ 630,000            | \$ -               |
| <b>TOTAL FUNDS AVAILABLE</b>             | \$ -               | \$ 630,000            | \$ -               |
| <b>EXPENDITURES</b>                      |                    |                       |                    |
| 673-5-110-7401 ARCHITECTURAL             | \$ -               | \$ 189,000            | \$ -               |
| 673-5-110-7403 CONSTRUCTION              | -                  | 441,000               | -                  |
| <b>TOTAL IMPROVEMENTS</b>                | \$ -               | \$ 630,000            | \$ -               |
| <b>TOTAL FUND EXPENSES</b>               | \$ -               | \$ 630,000            | \$ -               |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | \$ -               | \$ -                  | \$ -               |
| <b>PROJECTED ENDING FUND BALANCE</b>     | \$ -               | \$ -                  | \$ -               |

**WATER CAPITAL IMPROVEMENT FUND 680**

|   | ACTUAL<br>FYE 2009 | ESTIMATED<br>FYE 2010 | BUDGET<br>FYE 2011 |
|---|--------------------|-----------------------|--------------------|
| <b>BEGINNING FUND BALANCE:</b>              | 822,600            | 497,895               | 690,412            |
| <b>REVENUE</b>                              |                    |                       |                    |
| 680-4-1901 INTEREST ON INVESTMENTS          | \$ 3,791           | \$ 2,317              | \$ 1,500           |
| 680-4-1901 TRANSFER FROM WATER              | -                  | 200,000               | -                  |
| <b>TOTAL INCOME</b>                         | \$ 3,791           | \$ 202,317            | \$ 1,500           |
| <b>TOTAL REVENUE</b>                        | \$ 3,791           | \$ 202,317            | \$ 1,500           |
| <b>TOTAL FUNDS AVAILABLE</b>                | \$ 826,391         | \$ 700,212            | \$ 691,912         |
| <b>EXPENDITURES</b>                         |                    |                       |                    |
| 680-5-110-7040.015 MEDICAL DRIVE WATER LINE | \$ -               | \$ 9,800              | \$ -               |
| 680-5-110-7040.026 SLUDGE REMOVAL           | -                  | -                     | 200,000            |
| 680-5-110-7040.028 MEDIA FILTER             | -                  | -                     | 60,000             |
| 680-5-110-7040.029 POTASSIUM FEEDER         | -                  | -                     | 170,000            |
| 680-5-110-7040.038 WATER PLANT SECURITY     | -                  | -                     | 25,000             |
| 680-5-110-7040.040 WATER PLANT IMPROVEMENTS | -                  | -                     | 10,000             |
| 680-5-110-9499 AUDIT RELATED TRANSFER       | 328,496            | -                     | -                  |
| <b>TOTAL IMPROVEMENTS</b>                   | \$ 328,496         | \$ 9,800              | \$ 465,000         |
| <b>TOTAL FUND EXPENSES</b>                  | \$ 328,496         | \$ 9,800              | \$ 465,000         |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b>    | \$ (324,705)       | \$ 192,517            | \$ (463,500)       |
| <b>PROJECTED ENDING FUND BALANCE</b>        | \$ 497,895         | \$ 690,412            | \$ 226,912         |

**SERIES 2008 WATER CAPITAL IMPROVEMENT FUND 681**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE:</b>           | 1,551,904                  | 1,543,400                     | 559,825                    |
| <b>REVENUE</b>                           |                            |                               |                            |
| 681-4-1901 INTEREST ON INVESTMENTS       | \$ 15,237                  | \$ 5,000                      | \$ 1,500                   |
| 681-4-9001 TRANSFER FROM CIP 672         | -                          | -                             | 120,227                    |
| <b>TOTAL INCOME</b>                      | <b>\$ 15,237</b>           | <b>\$ 5,000</b>               | <b>\$ 121,727</b>          |
| <b>TOTAL REVENUE</b>                     | <b>\$ 15,237</b>           | <b>\$ 5,000</b>               | <b>\$ 121,727</b>          |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ 1,567,141</b>        | <b>\$ 1,548,400</b>           | <b>\$ 681,552</b>          |
| <b>EXPENDITURES</b>                      |                            |                               |                            |
| 681-5-110-7040.008 UTILITY EASEMENTS     | \$ -                       | \$ -                          | \$ 20,000                  |
| 681-5-110-7040.018 SPP PROJECT           | 24,971                     | 95,256                        | -                          |
| 681-5-110-7040.026 SLUDGE REMOVAL        | (1,230)                    | -                             | 200,000                    |
| 681-5-110-7040.035 US 79 RELOCATE        | -                          | 768,338                       | 300,000                    |
| 681-5-110-7040.036 LOOP 256 RELOCATE     | -                          | 124,981                       | -                          |
| <b>TOTAL IMPROVEMENTS</b>                | <b>\$ 23,741</b>           | <b>\$ 988,575</b>             | <b>\$ 520,000</b>          |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ 23,741</b>           | <b>\$ 988,575</b>             | <b>\$ 520,000</b>          |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ (8,504)</b>          | <b>\$ (983,575)</b>           | <b>\$ (398,273)</b>        |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 1,543,400</b>        | <b>\$ 559,825</b>             | <b>\$ 161,552</b>          |

**WASTEWATER CAPITAL IMPROVEMENT FUND**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE:</b>           | 145,277                    | 100,887                       | 26,387                     |
| <b>REVENUE</b>                           |                            |                               |                            |
| 690-4-1901 INTEREST ON INVESTMENTS       | \$ 410                     | \$ 500                        | \$ 100                     |
| 690-4-1943 TRANSFER FROM WASTEWATER      | -                          | 185,000                       | -                          |
| <b>TOTAL INCOME</b>                      | <b>\$ 410</b>              | <b>\$ 185,500</b>             | <b>\$ 100</b>              |
| <b>TOTAL REVENUE</b>                     | <b>\$ 410</b>              | <b>\$ 185,500</b>             | <b>\$ 100</b>              |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ 145,687</b>          | <b>\$ 286,387</b>             | <b>\$ 26,487</b>           |
| <b>EXPENDITURES</b>                      |                            |                               |                            |
| 690-5-110-7040.008 UTILITY EASEMENTS     | \$ 4,505                   | \$ -                          | \$ -                       |
| 690-5-110-7040.010 PARK STREET EXTENTION | 3,230                      | 260,000                       | -                          |
| 690-5-110-9499 AUDIT RELATED TRANSFER    | 37,065                     | -                             | -                          |
| <b>TOTAL IMPROVEMENTS</b>                | <b>\$ 44,800</b>           | <b>\$ 260,000</b>             | <b>\$ -</b>                |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ 44,800</b>           | <b>\$ 260,000</b>             | <b>\$ -</b>                |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ (44,390)</b>         | <b>\$ (74,500)</b>            | <b>\$ 100</b>              |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 100,887</b>          | <b>\$ 26,387</b>              | <b>\$ 26,487</b>           |

**SSES CAPITAL IMPROVEMENT FUND 771**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE:</b>           | 4,596,983                  | 3,737,072                     | 3,767,072                  |
| <b>REVENUE</b>                           |                            |                               |                            |
| 771-4-1901 INTEREST ON INVESTMENTS       | \$ 9,143                   | \$ 30,000                     | \$ 10,000                  |
| <b>TOTAL INCOME</b>                      | <b>\$ 9,143</b>            | <b>\$ 30,000</b>              | <b>\$ 10,000</b>           |
| <b>TOTAL REVENUE</b>                     | <b>\$ 9,143</b>            | <b>\$ 30,000</b>              | <b>\$ 10,000</b>           |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ 4,606,126</b>        | <b>\$ 3,767,072</b>           | <b>\$ 3,777,072</b>        |
| <b>EXPENDITURES</b>                      |                            |                               |                            |
| 771-5-110-7441 ENGINEERING               | \$ -                       | \$ -                          | \$ -                       |
| 771-5-110-7440 CONSTRUCTION              | -                          | -                             | 3,743,000                  |
| 771-5-110-9499 AUDIT RELATED TRANSFER    | 869,054                    | -                             | -                          |
| <b>TOTAL IMPROVEMENTS</b>                | <b>\$ 869,054</b>          | <b>\$ -</b>                   | <b>\$ 3,743,000</b>        |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ 869,054</b>          | <b>-</b>                      | <b>\$ 3,743,000</b>        |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ (859,911)</b>        | <b>\$ 30,000</b>              | <b>\$ (3,733,000)</b>      |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 3,737,072</b>        | <b>\$ 3,767,072</b>           | <b>\$ 34,072</b>           |

**SSES CAPITAL IMPROVEMENT FUND 772**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE:</b>           | -                          | 29                            | 1,029                      |
| <b>REVENUE</b>                           |                            |                               |                            |
| 772-4-1901 INTEREST ON INVESTMENTS       | \$ 29                      | \$ 1,000                      | \$ 100                     |
| 772-4-1901 PROJECT PROCEEDS              | -                          | 600,000                       | -                          |
| <b>TOTAL INCOME</b>                      | <b>\$ 29</b>               | <b>\$ 601,000</b>             | <b>\$ 100</b>              |
| <b>TOTAL REVENUE</b>                     | <b>\$ 29</b>               | <b>\$ 601,000</b>             | <b>\$ 100</b>              |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ 29</b>               | <b>\$ 601,029</b>             | <b>\$ 1,129</b>            |
| <b>EXPENDITURES</b>                      |                            |                               |                            |
| 772-5-110-7440 CONSTRUCTION              | \$ -                       | \$ 600,000                    | \$ -                       |
| <b>TOTAL IMPROVEMENTS</b>                | <b>\$ -</b>                | <b>\$ 600,000</b>             | <b>\$ -</b>                |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ -</b>                | <b>\$ 600,000</b>             | <b>\$ -</b>                |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ 29</b>               | <b>\$ 1,000</b>               | <b>\$ 100</b>              |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ 29</b>               | <b>\$ 1,029</b>               | <b>\$ 1,129</b>            |



**SOUTH JACKSON CAPITAL IMPROVEMENT FUND 667**

|  | <b>ACTUAL<br/>FYE 2009</b> | <b>ESTIMATED<br/>FYE 2010</b> | <b>BUDGET<br/>FYE 2011</b> |
|--|----------------------------|-------------------------------|----------------------------|
| <b>BEGINNING FUND BALANCE:</b>           | -                          | -                             | 250,000                    |
| <b>REVENUE</b>                           |                            |                               |                            |
| 667-4-1901 INTERGOVERNMENTAL REVENUE     | \$ -                       | \$ 250,000                    | \$ -                       |
| <b>TOTAL INCOME</b>                      | <b>\$ -</b>                | <b>\$ 250,000</b>             | <b>\$ -</b>                |
| <b>TOTAL REVENUE</b>                     | <b>\$ -</b>                | <b>\$ 250,000</b>             | <b>\$ -</b>                |
| <b>TOTAL FUNDS AVAILABLE</b>             | <b>\$ -</b>                | <b>\$ 250,000</b>             | <b>\$ 250,000</b>          |
| <b>EXPENDITURES</b>                      |                            |                               |                            |
| 667-5-110-7440 CONSTRUCTION              | \$ -                       | \$ -                          | \$ 250,000                 |
| <b>TOTAL IMPROVEMENTS</b>                | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ 250,000</b>          |
| <b>TOTAL FUND EXPENSES</b>               | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ 250,000</b>          |
| <b>REVENUE OVER/(UNDER) EXPENDITURES</b> | <b>\$ -</b>                | <b>\$ 250,000</b>             | <b>\$ (250,000)</b>        |
| <b>PROJECTED ENDING FUND BALANCE</b>     | <b>\$ -</b>                | <b>\$ 250,000</b>             | <b>\$ -</b>                |

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**BUDGET GLOSSARY**

## GLOSSARY

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**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 service 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 non-enterprise 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.