



CITY OF HORSESHOE BAY

SEPTEMBER 20, 2016

To: Mayor and City Council 

Thru: Stan R. Farmer, City Manager

From: Larry O. Anderson, Finance Director

RE: Discuss, Consider And Take Action Regarding General Fund Budget Amendment for Fire Department All-Terrain Vehicle, Fire Department Radios, Police Department Hand Held Radios and Development Services Scanner

As in past fiscal years staff is requesting that Council consider spending surplus fiscal year end funds for capital items needed and identified through needs assessments and the capital improvement budget. Therefore, staff is requesting the Council discuss, consider and take action on an ordinance approving a FY 2016 General Fund budget amendment for purchase of: all-terrain vehicle and radios for the Fire Department; handheld radios for the Police Department; and a scanner for the Development Services Department with FY 2016 funds.

The all-terrain vehicle will be equipped with a rescue bed to facilitate rescue operations in rugged terrain for the new hiking trails under construction. The Fire Department has experienced communication issues with the radios currently being used and new radios will help alleviate these issues. Cost of the all-terrain vehicle with rescue bed is \$17,750. The cost of eight new radios is \$36,250 less the trade-in value of the old radios in the amount of \$3,250 for a net cost of \$33,000.

The Police Department has also had issues with its current radios and requests approval for the purchase of twelve mobile radios. The cost of the radios is \$40,950, but the Police Department has been approved for a grant in the amount of \$23,150. The grant, along with the trade-in value for the old radios in the amount of \$4,800, leaves a net cost to the City of \$13,000.

The Development Services Department is in need of replacing a very old scanner with a new large format scanner to assist in scanning of maps, blue prints and large documents at a cost of \$8,500.

Staff requests the City Council approve the FY 2016 General Fund Budget Amendment in the net amount of \$72,250 for the purposes stated above.

Enclosures: Ordinance and General Fund Budget Amendment Schedule

CITY OF HORSESHOE BAY

ORDINANCE NO. ORD _____

GENERAL FUND BUDGET AMENDMENT

AN ORDINANCE OF THE CITY OF HORSESHOE BAY APPROVING AND ADOPTING AN AMENDMENT TO THE GENERAL FUND BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2015 AND ENDING ON SEPTEMBER 30, 2016

WHEREAS, on September 15, 2015, the City Council of the City of Horseshoe Bay (Council) adopted Ordinance ORD 15-09-15B approving a budget for the current fiscal year beginning October 1, 2015, and ending September 30, 2016; and

WHEREAS, the City Council finds and determines it is prudent to amend the Budget due to unforeseen conditions that have occurred in the City; and

WHEREAS, circumstances have arisen during the fiscal year which have, or will require the expenditure of additional funds in some of the line items in the budget, and for which there is more than adequate funding in other line items of the budget; and

WHEREAS, the City Council now finds it in the best interest of the City of Horseshoe Bay and its residents to amend the adopted budget for the General Fund, as set forth in Exhibit "A", based on the review and analysis provided by the Finance Director

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

I.

That the City Council of the City of Horseshoe Bay hereby approves the General Fund budget amendment for the current fiscal year beginning October 1, 2015, and ending September 30, 2016, attached hereto as Exhibit A.

II.

This Ordinance shall take effect and be in force from and after its approval and publication, as may be required by law.

III.

Should any part of this Ordinance be declared invalid, for any reason, such invalidity shall not affect the remainder of this Ordinance.

IV.

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

ADOPTED AND APPROVED on this 20th day of September, 2016 by a vote of the City Council of the City of Horseshoe Bay, Texas.

CITY OF HORSESHOE BAY, TEXAS

Stephen T. Jordan, Mayor

ATTEST:

Teresa L. Moore, City Secretary

EXHIBIT A

City of Horseshoe Bay

FY2016 GENERAL FUND

BUDGET AMENDMENT

September 20, 2016

Fund	Account Code	Dept. Code	Account Title	Current Budget	Budget Amendment	Revised Budget
REVENUE						
2	40180	8000	Other Income - Grant	0	23,150	23,150
TOTAL REVENUE				0	23,150	23,150
EXPEDITURES						
2	50958	5000	Capital - Fire Department	0	50,750	50,750
2	50958	8000	Capital - Police Department	0	36,150	36,150
2	50958	9500	Capital - Development Services	0	8,500	8,500
TOTAL EXPENDITURES				0	95,400	95,400
ENDING BALANCE				0	(72,250)	(72,250)



CITY OF HORSESHOE BAY

SEPTEMBER 20, 2016

To: Mayor and City Council 

From: Jeff Koska, Director of Community Services

RE: Discuss, Consider and Take Action Regarding Utility Fund Budget Amendment for Improvements to the Recycle Center

As discussed at the September 6, 2016 Council Meeting, to improve the safety, traffic flow and convenience for our Recycling Center, staff is requesting Council to approve a Budget amendment to utilize remaining Routine Capital Funds to complete construction of an unloading ramp, paving and traffic lane marking at the Center.

Staff have received estimates to complete the project of \$65,000. Enclosed is the proposed Budget Amendment to transfer funds to cover the costs for Recycling Center Improvement Project.

Staff is requesting Council to authorize the Recycling Center Improvement Project to be funded not to exceed \$65,000 by a budget amendment for a line item transfer from Wastewater Line Extension CIP project within the FY2016 Utilities CIP Budget.

Enclosure: Ordinance
Budget Amendment

CITY OF HORSESHOE BAY

ORDINANCE NO. ORD

UTILITY FUND BUDGET AMENDMENT

AN ORDINANCE OF THE CITY OF HORSESHOE BAY APPROVING AND ADOPTING AN AMENDMENT TO THE UTILITY FUND BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2015 AND ENDING ON SEPTEMBER 30, 2016

WHEREAS, on September 15, 2015, the City Council of the City of Horseshoe Bay (Council) adopted Ordinance ORD 15-09-15B approving a budget for the current fiscal year beginning October 1, 2015, and ending September 30, 2016; and

WHEREAS, the City Council finds and determines it is prudent to amend the Budget due to unforeseen conditions that have occurred in the City; and

WHEREAS, circumstances have arisen during the fiscal year which have, or will require the expenditure of additional funds in some of the line items in the budget, and for which there is more than adequate funding in other line items of the budget; and

WHEREAS, the City Council now finds it in the best interest of the City of Horseshoe Bay and its residents to amend the adopted budget for the Utility Fund, as set forth in Exhibit "A", based on the review and analysis provided by the Finance Director.

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

I.

That the City Council of the City of Horseshoe Bay hereby approves the Utility Fund budget amendment for the current fiscal year beginning October 1, 2015, and ending September 30, 2016, attached hereto as Exhibit A.

II.

This Ordinance shall take effect and be in force from and after its approval and publication, as may be required by law.

III.

Should any part of this Ordinance be declared invalid, for any reason, such invalidity shall not affect the remainder of this Ordinance.

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

ADOPTED AND APPROVED on this 20th day of September, 2016 by a vote of the City Council of the City of Horseshoe Bay, Texas.

CITY OF HORSESHOE BAY, TEXAS

Stephen T. Jordan, Mayor

ATTEST:

Teresa L. Moore, City Secretary

EXHIBIT A

City of Horseshoe Bay

FY2016 UTILITY FUND
BUDGET AMENDMENT

September 20, 2016

Fund	Account Code	Dept. Code	Account Title	Current Budget	Budget Amendment	Revised Budget
EXPEDITURES						
1	14136	076	Wastewater Mainline Extensions	150,000	(65,000)	85,000
1	(To Be Assigned)		Recycling Center Improvement Project	-	65,000	65,000
TOTAL EXPEDITURES				150,000	-	150,000



CITY OF HORSESHOE BAY

SEPTEMBER 20, 2016

To: Mayor and City Council 
Thru: Stan R. Farmer, City Manager
From: Larry O. Anderson, Finance Director
RE: Conduct a Public Hearing Regarding Proposed Budget

State Law requires the governing body hold a public hearing before adopting the annual budget. The purpose of the hearing is to allow the public to express their opinions regarding the proposed budget prior to its adoption.

All required notices regarding the hearing were published and the proposed budget has been made available for inspection at City Hall and on the City's website.

If anyone wishes to comment on the proposed budget, they may do so at this time.

Upon completion of the hearing, the next item on the agenda is for the Council to consider adoption of the proposed budget for the Fiscal Year October 1, 2016 through September 30, 2017.

Enclosures: None



CITY OF HORSESHOE BAY

SEPTEMBER 20, 2016

To: Mayor and City Council *[Signature]*
 Thru: Stan R. Farmer, City Manager
 From: Larry O. Anderson, Finance Director
 RE: Discuss, Consider and Take Action Regarding Approval of an Ordinance to Adopt Budget for Fiscal Year October 1, 2016 through September 30, 2017

The Proposed Budget was filed with the City Secretary on August 12, 2016 and reviewed by the City Council at the August 30, 2016 Budget Workshop.

Changes for Final Budget

General Fund

41,250	Proposed Budget Revenue over Expenditures
250	Increase in Administrative Fee revenue
(500)	Increase in expenditures for Auditing
(4,250)	Increase in expenditures for Municipal Court
<u>(3,000)</u>	Increase in expenditure for Animal Shelter
33,750	Final Budget Revenue over Expenditures

Utility Fund

(3,709,000)	Proposed Budget Revenue over Expenditures
246,000	Increase in Water Production Revenue
146,000	Increase in Wastewater Revenue
10,000	Increase in Solid Waste Revenue
<u>(250)</u>	Increase in Administrative Fee Expenditure
(3,307,250)	Final Budget Revenue over Expenditures

The staffing levels in Section II of the Ordinance were revised to reflect the current personnel positions.

All required notices have been published, and the required Budget Hearing will be conducted prior to adopting the budget.

Staff is very appreciative of the Council's support for this budget that generously provides the necessary resources to carry out the goals, objectives, and initiatives of the City. Staff is also very grateful for the Council's approval of the merit increases and excellent benefit package for the employees.

Staff recommends approval of the Ordinance to Adopt the Budget for FY 10-01-16 through 09-30-17.

Enclosures: Ordinance to Adopt the Budget for Fiscal Year 10-01-16 through 09-30-17
Final Budget

CITY OF HORSESHOE BAY

ORDINANCE NO. _____

ORDINANCE ADOPTING 2017 BUDGET

AN ORDINANCE ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING 10-1-2016 AND ENDING 9-30-2017 IN ACCORDANCE WITH LAWS OF THE STATE OF TEXAS, APPROPRIATING THE VARIOUS AMOUNTS THEREOF, AND REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE

- WHEREAS**, pursuant to Chapter 102.001 (b) of the Texas Local Government Code, the City Manager of a municipality may serve as Budget Officer for the governing body of the municipality and shall prepare each year a municipal budget to cover the proposed expenditures of the municipal government for the succeeding year; and
- WHEREAS**, the City Manager of the City of Horseshoe Bay serves as the Budget Officer for the City and has submitted to the City Council a Proposed Budget of the revenues of said City and the expenses of conducting the affairs thereof; and
- WHEREAS**, said Proposed Budget and all supporting schedules was filed with the City Secretary on August 12, 2016; and
- WHEREAS**, required Notices of Public Hearings were published in the Horseshoe Bay Beacon and in the Highlander Newspaper and also posted on the City's website in accordance with Section 102.0065 of the Local Government Code; and
- WHEREAS**, the City Manager has submitted to the City Council a Final Budget consistent with the changes to the revenues and expenditures of the Proposed Budget that the City Council recommended at the Public Meeting held on August 30, 2016; and
- WHEREAS**, the Mayor conducted the Public Hearing on the Proposed Budget on September 20, 2016; and
- WHEREAS**, the Final Budget for FY 2017 reflects slightly more property tax revenue compared to the Final Budget for FY 2016; and
- WHEREAS**, the total City property tax rate for FY 2017 and FY 2016 is \$0.25 per \$100 valuation. The following are data related to the tax rate for FY 2017: Adopted rate - \$0.25; Effective tax rate - \$0.23734; Rollback tax rate - \$0.26970; Maintenance and operations tax rate - \$0.2086; Effective maintenance and operations tax rate - \$0.22634; and debt rate - \$0.0414.

WHEREAS, the total amount of City Certificates of Obligation secured by property taxes in aggregate will be \$10,690,000 at September 30, 2016.

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

That the Final Budget for the fiscal year beginning October 1, 2016 and ending September 30, 2017 is hereby approved and adopted, thereby providing in summary for the following:

I.

All Funds Revenues

\$6,879,500	General Fund ad valorem maintenance and operations tax levy and other revenues
\$6,795,000	Utility Fund estimated water, wastewater, and solid waste service fees and other revenues
\$ 20,000	Trail Park Fund transfer in
\$ 746,000	Debt Service Fund ad valorem interest and sinking tax levy and interest
<u>\$4,020,000</u>	Certificates of Obligation
\$18,460,500	Total All Funds Revenues

All Funds Expenditures

\$7,845,750	General Fund estimated total maintenance and operations
\$10,102,250	Utility Fund estimated operations, debt service, capital, and major projects expenditures
\$ 20,000	Trail Park Fund capital program
\$ 745,250	Debt Service fund payment of principal and interest
<u>\$711,000</u>	Capital Projects Fund estimated street improvements expenditures
\$19,424,250	Total All Funds Expenditures

A copy of the FY2017 Final Budget Summary for the above funds is attached hereto and made a part hereof for all purposes.

II.

The Final Budget includes funding for the following approved City Staff:

The total City Staff will be 81 full-time employees at the beginning of the FY 2017 broken down as follows: 28 Community Services; 20 Police Dept.; 17 Fire Dept.; 5 Development Service/Code Enforcement; 4 Finance Dept.; 1 Animal Control; 1 Public Works Director; and 5 City Manager's Office (City Manager, City Secretary, HR Administrator, IT Administrator, GIS Administrator).

III.

This Ordinance shall take effect and be in force from and after its approval and publication, as may be required by law.

IV.

Should any part of this Ordinance be declared invalid, for any reason, such invalidity shall not affect the remainder of this Ordinance.

V.

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

ADOPTED AND APPROVED on this 20th day of September, 2016 by a 5-0 record vote of the City Council of the City of Horseshoe Bay, Texas. The following Council Members voted to approve the FY 2017 Final Budget: Craig Haydon, Mayor Pro Tem, Cynthia Clinesmith, David Pope, Reagan Lambert and Jerry Gray. Pursuant to the City Charter the Mayor is only eligible to vote in case of a tie.

CITY OF HORSESHOE BAY, TEXAS

Stephen T. Jordan, Mayor

ATTEST:

Teresa L. Moore, TRMC
City Secretary

CITY OF HORSESHOE BAY

FY 2017 FINAL BUDGET SUMMARY

GENERAL FUND

<u>REVENUE</u>	FY 2016 PROJECTED ACTUALS	FY 2017 FINAL BUDGET
TOTAL REVENUE	6,709,650	6,879,500
Proceeds From Certificates of Obligation for purchase of fire engines		1,000,000
<u>EXPENDITURES</u>		
Administration	1,794,500	1,762,000
Fire	1,807,250	1,860,000
Police	1,748,250	1,828,500
Animal Control	138,500	155,500
Development Services	309,750	401,750
Streets Maintenance	227,750	220,000
Mowing & Clearing	488,000	512,000
Capital Program	130,400	1,106,000
TOTAL EXPENDITURES	6,644,400	7,845,750
REVENUES OVER EXPENDITURES	65,250	33,750

UTILITY FUND

<u>REVENUE</u>	FY 2016 PROJECTED ACTUALS	FY 2017 FINAL BUDGET
TOTAL REVENUE	6,321,000	6,795,000
<u>EXPENDITURES</u>		
Administration	1,982,500	2,216,500
Water Production	849,500	813,500
Water Distribution	646,250	643,250
Wastewater Treatment	318,000	367,500
Wastewater Collection	865,000	880,000
Solid Waste	634,500	691,500
Debt Service - Principal	640,000	840,000
Capital Program	565,000	670,000
Major Projects	1,390,000	2,980,000
TOTAL EXPENDITURES	7,890,750	10,102,250
REVENUES OVER EXPENDITURES	(1,569,750)	(3,307,250)

STREET IMPROVEMENTS CAPITAL PROJECT FUND

<u>REVENUE</u>	FY 2016 PROJECTED ACTUALS	FY 2017 FINAL BUDGET
Beginning Fund Balance	-	-
Interest on Investments	500	-
	<hr/>	<hr/>
TOTAL REVENUE	500	-
 <u>EXPENDITURES</u>		
Project Management	109,500	111,000
Capital Program	2,405,000	600,000
	<hr/>	<hr/>
TOTAL EXPENDITURES	2,514,500	711,000
REVENUES OVER EXPENDITURES	(2,514,000)	(711,000)

HORSESHOE CREEK TRAIL PARK CAPITAL PROJECT FUND

<u>REVENUE</u>	FY 2016 PROJECTED ACTUALS	FY 2017 FINAL BUDGET
Beginning Fund Balance	-	-
TP&W Trail Grant	110,250	-
Transfer In From General Fund	27,750	20,000
	<hr/>	<hr/>
TOTAL REVENUE	138,000	20,000
 <u>EXPENDITURES</u>		
Capital Program	138,000	20,000
	<hr/>	<hr/>
TOTAL EXPENDITURES	138,000	20,000
REVENUES OVER EXPENDITURES	-	-

DEBT SERVICE FUND

<u>REVENUE</u>	FY 2016 PROJECTED ACTUALS	FY 2017 FINAL BUDGET
TOTAL REVENUE	724,750	746,000
<u>EXPENDITURES</u>		
Debt Service Interest - Series 2011	154,750	148,500
Debt Service Principal - Series 2011	270,000	275,000
Debt Service Interest - Series 2014	155,000	152,250
Debt Service Principal - Series 2014	145,000	150,000
Debt Service Interest - Series 2016	-	19,500
TOTAL EXPENDITURES	724,750	745,250
REVENUES OVER EXPENDITURES	-	750

CITY OF HORSESHOE BAY

GENERAL FUND
FINAL BUDGET SUMMARY
FISCAL YEAR 2016 - 2017

BEGINNING UNRESTRICTED FUND BALANCE	4,013,000
REVENUES:	
Ad Valorem Taxes	3,720,250
Ad Valorem Taxes - Penalty & Interest/Other	22,500
Sales Tax	800,000
PEC Franchise Tax	180,000
Mixed Beverage Tax	46,750
Administration	660,500
Fire	318,000
Emergency Service District	9,000
Police	5,250
Development Services	109,000
Street Maintenance	581,750
Mowing & Clearing	400,000
Municipal Court	14,500
Interest From Investments	12,000
TOTAL REVENUES	<u>6,879,500</u>
Proceeds From Issuance of CO's	1,000,000
TOTAL FUNDS AVAILABLE	<u>11,892,500</u>
EXPENDITURES:	
Operating Expenditures:	
Administration	1,762,000
Fire	1,860,000
Police	1,828,500
Animal Control	155,500
Development Services	401,750
Street Maintenance	220,000
Mowing & Clearing	512,000
Capital Expenditures	1,106,000
TOTAL EXPENDITURES	<u>7,845,750</u>
ENDING UNRESTRICTED FUND BALANCE	<u>4,046,750</u>

CITY OF HORSESHOE BAY

GENERAL FUND FINAL CAPITAL EXPENDITURES
FISCAL YEAR 2016 - 2017

5000	FIRE	
	Two Fire Engines	1,000,000
8000	POLICE	
	Replacement of one non-pursuit vehicle	26,000
	Replace six computers and software	7,300
	Purchase six body and twelve in-car cameras and accessories	15,700
	Purchase six digital Taser weapons	8,100
	Purchase eight Motorola mobile radios	23,900
	GENERAL EQUIPMENT REPLACEMENT	<u>25,000</u>
	TOTAL FY2017 CAPITAL EXPENDITURES	<u><u>1,106,000</u></u>

CITY OF HORSESHOE BAY

GENERAL FUND FINAL BUDGET

From 10/1/2016 To 9/30/2017

Account Code	Account Title	FY 2016 Projected Actuals	FY 2017 Final Budget
OPERATING REVENUE			
1000	ADMINISTRATION		
40170	Administrative Fees	490,750	602,250
40180	Other Income	10,000	15,000
40185	Other Income-Permits	250	250
40193	Municipal Court Revenue	14,000	14,500
40194	Traffic Fines	50,000	42,500
Total 1000 ADMINISTRATION		565,000	674,500
5000	FIRE		
40180	Other Income	3,000	113,000
40186	Other Income-Pub/Sfty Donation	6,000	5,000
40506	Fire Fighting Services	200,000	200,000
Total 5000 FIRE		209,000	318,000
6000	EMERGENCY SERVICE DISTRICT		
40191	Llano Co. ESD #1 - Rent	9,000	9,000
Total 6000 EMERGENCY SERVICE DISTRICT		9,000	9,000
7000	TAX		
40160	Property Tax Collected (M & O)	3,707,500	3,720,250
40162	Penalty & Interest (M & O)	22,000	22,500
40163	Mixed Beverage Tax	46,000	46,750
40165	Sales Tax	789,000	800,000
40166	PEC Franchise Tax	162,000	180,000
40180	Other Income	1,500	500
Total 7000 TAX		4,728,000	4,770,000
8000	POLICE		
40180	Other Income	25,150	250
40186	Other Income-Pub/Sfty Donation	5,000	5,000
Total 8000 POLICE		30,150	5,250

CITY OF HORSESHOE BAY

GENERAL FUND

FINAL BUDGET

From 10/1/2016 To 9/30/2017

Account Code	Account Title	FY 2016 Projected Actuals	FY 2017 Final Budget
9500	DEVELOPMENT SERVICES		
40180	Other Income	3,000	4,000
40183	Building Permit Fees	100,000	100,000
40184	Plat Fees	3,000	4,000
40192	Zoning Fees	750	1,000
Total 9500 DEVELOPMENT SERVICES		106,750	109,000
9600	STREET MAINTENANCE		
40165	Sales Tax	131,750	138,750
40207	Pecan Creek Association	3,750	3,750
40208	Applehead POA	5,750	5,750
40209	Applehead Island POA	1,000	1,000
40210	HSB POA	500,000	400,000
40211	Cable Franchise Fees	32,000	32,500
Total 9600 STREET MAINTENANCE		674,250	581,750
9800	MOWING & CLEARING		
40215	Mowing	375,000	400,000
40216	Clearing	500	0
Total 9800 MOWING & CLEARING		375,500	400,000
9999	INTEREST INCOME		
40220	Interest on Investments	12,000	12,000
Total 9999 INTEREST INCOME		12,000	12,000
TOTAL OPERATING REVENUE		6,709,650	6,879,500

CITY OF HORSESHOE BAY

GENERAL FUND FINAL BUDGET

From 10/1/2016 To 9/30/2017

Account Code	Account Title	FY 2016 Projected Actuals	FY 2017 Final Budget
OPERATING EXPENDITURES			
1000	ADMINISTRATION		
50410	Salaries & Wages	487,750	681,250
50411	Overtime	37,500	28,250
50415	Employers FICA Expense	39,000	38,000
50420	Group Insurance Premiums	69,000	69,250
50430	Pension Plan I	30,750	29,000
50432	Pension Plan II	21,750	24,000
50435	Employers Unemployment Expense	5,000	5,000
50500	Accounting & Auditing Expense	16,500	17,000
50505	Professional Services	14,000	13,250
50506	Election Contracts	3,750	4,000
50509	Appraisal/Tax - Burnet	8,500	8,500
50510	Appraisal/Tax - Llano	88,000	90,750
50545	Maintenance Contracts	28,000	30,000
50564	Codification	5,000	5,000
50565	City Council Expense	7,500	5,000
50567	Technology Initiative	0	1,000
50568	Advisory Committees	39,000	10,000
50570	Dispatch Expense	75,000	93,250
50575	Dues, Fees, & Subscriptions	8,000	10,000
50585	Electricity	35,000	35,000
50593	Travel, Training, Schools	26,000	15,000
50595	Fuel & Lubricants	250	250
50596	Employee Awards Program	750	1,000
50610	Property & Liability Ins.	82,000	93,000
50611	Workers' Comp Insurance	84,000	81,000
50620	Legal Expense	75,000	65,000
50621	Contingency	0	75,000
50625	Fireworks	10,000	10,000
50630	M & R - Building	73,500	25,000
50650	M & R - Grounds	10,000	10,000
50685	M & R - Vehicles	2,000	2,000
50753	Merchant Fee - CC	5,000	5,000
50765	Other Expense	5,000	5,000
50775	Postage	10,000	10,000
50780	Printing & Office Supplies	25,000	25,000
50810	Communications	40,000	43,000
50826	Municipal Court	30,000	36,750
50827	Contributions	10,000	10,000
50866	Tree Removal	1,000	5,000
50868	Martin Park	6,000	5,000
50832	Transfer Out To Debt Service Fund	252,250	0
50869	Transfer Out To Horseshoe Creek Trail Fund	27,750	20,000
50870	Fox House Park	0	5,000
50871	Milfoil Treatment	0	17,500
	ADMINISTRATION	1,794,500	1,762,000

CITY OF HORSESHOE BAY

GENERAL FUND FINAL BUDGET

From 10/1/2016 To 9/30/2017

Account Code	Account Title	FY 2016 Projected Actuals	FY 2017 Final Budget
5000	FIRE		
50410	Salaries & Wages	1,098,500	1,075,000
50411	Overtime	64,250	70,000
50412	Salaries - P/T Firefighters	89,000	90,000
50415	Employers FICA Expense	90,000	90,000
50420	Group Insurance Premiums	197,000	198,250
50430	Pension Plan I	75,000	75,000
50432	Pension Plan II	51,000	50,250
50505	Professional Services	6,000	8,000
50545	Maintenance Contracts	5,000	7,250
50548	Contract Services	3,250	5,250
50575	Dues, Fees, & Subscriptions	7,000	7,000
50592	Equipment & Supplies	12,000	33,500
50593	Travel, Training, Schools	26,000	35,000
50594	Fire Protection Gear	10,000	17,500
50595	Fuel & Lubricants	10,000	15,000
50640	M & R - Equipment	16,000	17,500
50685	M & R - Vehicles	25,000	30,000
50765	Other Expense	10,000	11,500
50775	Postage	250	250
50780	Printing & Office Supplies	2,000	2,250
50800	Safety Equipment & Supplies	0	4,000
50829	Public Safety Donations	5,000	5,000
50830	Uniforms	5,000	12,500
Total 5000 FIRE		1,807,250	1,860,000
8000	POLICE		
50410	Salaries & Wages	1,190,750	1,253,500
50411	Overtime	18,000	18,000
50415	Employers FICA Expense	92,500	96,000
50420	Group Insurance Premiums	181,500	181,750
50430	Pension Plan I	76,000	74,500
50432	Pension Plan II	52,750	57,250
50548	Contract Services	9,000	10,000
50575	Dues, Fees, & Subscriptions	8,000	8,000
50592	Equipment & Supplies	6,000	6,000
50593	Travel, Training, Schools	10,500	6,000
50595	Fuel & Lubricants	45,000	57,500
50615	Investigation Contingency	4,000	4,000
50616	Jail Expense	250	250
50640	M & R - Equipment	2,500	2,500
50685	M & R - Vehicles	20,000	21,500
50686	M & R - Weapons	4,000	4,000
50760	Medical	500	1,000
50765	Other Expense	4,000	4,000
50775	Postage	250	250
50780	Printing & Office Supplies	4,750	4,000
50800	Safety Equipment & Supplies	2,500	2,500
50829	Public Safety Donations	5,000	5,000
50830	Uniforms	10,500	11,000
Total 8000 POLICE		1,748,250	1,828,500

CITY OF HORSESHOE BAY

GENERAL FUND FINAL BUDGET

From 10/1/2016 To 9/30/2017

Account Code	Account Title	FY 2016 Projected Actuals	FY 2017 Final Budget
9000	ANIMAL CONTROL		
50410	Salaries & Wages	40,000	42,250
50411	Overtime	2,000	2,000
50415	Employers FICA Expense	3,500	2,750
50420	Group Insurance Premiums	7,500	7,500
50430	Pension Plan I	2,750	2,750
50432	Pension Plan II	1,750	1,750
50502	Animal Shelter	3,500	10,000
50592	Equipment & Supplies	500	500
50593	Travel, Training, Schools	500	500
50595	Fuel & Lubricants	5,000	5,500
50685	M & R - Vehicles	2,500	3,500
50765	Other Expense	500	1,000
50830	Uniforms	500	500
50862	Deer Management	68,000	75,000
Total 9000 ANIMAL CONTROL		138,500	155,500
9500	DEVELOPMENT SERVICES		
50410	Salaries & Wages	154,750	210,000
50411	Overtime	750	1,000
50415	Employers FICA Expense	12,000	16,250
50420	Group Insurance Premiums	41,250	52,000
50430	Pension Plan I	10,750	14,500
50432	Pension Plan II	6,750	9,250
50505	Professional Services	65,000	75,000
50545	Maintenance Contracts	2,000	5,000
50575	Dues, Fees, & Subscriptions	2,000	2,500
50592	Equipment & Supplies	1,000	5,000
50593	Travel, Training, Schools	9,000	3,500
50595	Fuel & Lubricants	250	500
50685	M & R - Vehicles	250	500
50765	Other Expense	1,000	2,000
50777	Advertisements/Notices	1,000	1,250
50780	Printing & Office Supplies	1,500	2,500
50830	Uniforms	500	1,000
Total 9500 DEVELOPMENT SERVICES		309,750	401,750

CITY OF HORSESHOE BAY

GENERAL FUND FINAL BUDGET From 10/1/2016 To 9/30/2017

Account Code	Account Title	FY 2016 Projected Actuals	FY 2017 Final Budget
9600	STREETS MAINTENANCE		
50590	Engineering Fees	5,000	5,000
50854	Street Patching Contract	45,000	45,000
50855	Street Patching Materials	25,000	25,000
50856	Drainage	18,000	15,000
50857	Traffic Signs Contract	22,750	15,000
50858	Traffic Signs Materials	7,000	5,000
50859	Litter Control Contract	15,000	20,000
50865	ROW Maintenance	90,000	90,000
Total 9600 STREETS MAINTENANCE		227,750	220,000
9800	MOWING & CLEARING		
50863	Lot Mowing	488,000	512,000
50864	Lot Clearing	0	0
Total 9800 MOWING & CLEARING		488,000	512,000
TOTAL OPERATING EXPENDITURES		6,514,000	6,739,750
GENERAL EQUIPMENT REPLACEMENT		35,000	
5000	FIRE		
	Purchase of All-Terrain Rescue Vehicle	17,750	
	Purchase of Radios (36,250-3,250 trade-ins)	33,000	
9500	DEVELOPMENT SERVICES		
	Purchase of Scanner	8,500	
8000	POLICE		
	Purchase of twelve mobile radios (40,950-4,800 trade-ins)	36,150	
TOTAL FY 2016 CAPITAL		130,400	
5000	FIRE		
	Purchase of two Fire Engines		1,000,000
8000	POLICE		
	Replacement of one non-pursuit vehicle		26,000
	Replace six computers and software		7,300
	Purchase six body and twelve in-car cameras and accessories		15,700
	Purchase six digital Taser weapons		8,100
	Purchase eight Motorola mobile radios		23,900
GENERAL EQUIPMENT REPLACEMENT			25,000
TOTAL FY 2017 CAPITAL			1,106,000
TOTAL EXPENDITURES		6,644,400	7,845,750
Proceeds From Issuance of CO's For Purchase Of Fire Engines			1,000,000
REVENUE OVER EXPENDITURES		65,250	33,750

CITY OF HORSESHOE BAY

UTILITY FUND
FINAL BUDGET SUMMARY
FISCAL YEAR 2016 - 2017

BEGINNING NET ASSETS	13,721,541
REVENUES:	
Operating Revenues:	
Water Production & Distribution	3,515,500
Wastewater Treatment & Collection	2,449,000
Solid Waste - Collection	825,000
Standby Fees	1,500
Interest From Investments	4,000
TOTAL REVENUES	<u>6,795,000</u>
TOTAL NET ASSETS	<u>20,516,541</u>
EXPENSES:	
Operating Expenses:	
Administration	2,216,500
Water Production & Distribution	1,456,750
Wastewater Treatment & Collection	1,247,500
Solid Waste	691,500
Total Operating Expenses	<u>5,612,250</u>
Depreciation	1,500,000
TOTAL EXPENSES	<u>7,112,250</u>
ENDING NET ASSETS	<u>13,404,291</u>
TOTAL OPERATING REVENUES	6,795,000
TOTAL OPERATING EXPENSES	<u>5,612,250</u>
EXCESS REVENUES OVER EXPENSES	<u>1,182,750</u>
ADDITIONAL EXPENDITURES	
Capital	670,000
Major Projects	2,980,000
Debt Service - Principal	840,000
TOTAL ADDITIONAL EXPENDITURES	<u>4,490,000</u>
NET CASH FLOW	<u>(3,307,250)</u>

CITY OF HORSESHOE BAY

**UTILITY FUND FINAL CAPITAL EXPENDITURES
FISCAL YEAR 2016 - 2017**

FY 2017 CAPITAL EXPENDITURES

Hot Water Pressure Washer	7,000
SCBA Tankless Breather	8,000
South Lift Station Rehab	130,000
Dozer/Track Loader	75,000
Replace Unit 75 Service Truck	35,000
Electrical System Improvements	50,000
Effluent High Pressure Filter	65,000
Water Meter AMI System	<u>300,000</u>
 SUBTOTAL CAPITAL EXPENDITURES	 670,000

FY 2017 MAJOR PROJECTS EXPENDITURES

750,000 Gallon High Storage Water Tank Rehab	380,000
West Water Plant Expansion	<u>2,600,000</u>
 SUBTOTAL MAJOR PROJECTS EXPENDITURES	 2,980,000

TOTAL FY 2017 CAPITAL EXPENDITURES	<u>3,650,000</u>
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CITY OF HORSESHOE BAY

**UTILITY FUND
FINAL BUDGET
From 10/1/2016 To 9/30/2017**

Account Code	Account Title	FY 2016 Projected Actuals	FY 2017 Final Budget
OPERATING REVENUE			
1001	WATER - PRODUCTION		
40110	Water District Service Fees	2,917,000	3,180,000
40111	Water Non-District Service Fee	205,000	221,000
40112	Water Tap Connection Fees	73,250	75,000
40115	Reconnection Fees	8,000	8,000
40116	Temporary Meter Fees	750	1,000
40117	Water & Sewer P & I Service	13,000	13,000
40175	Insurance Proceeds	250	0
40178	Other Income - Leases	11,250	11,500
40180	Other Income	4,750	5,000
40185	Other Income-Permits	1,000	1,000
Total 1001	WATER - PRODUCTION	3,234,250	3,515,500
2001	WASTEWATER - TREATMENT		
40117	Water & Sewer P & I Service	14,750	15,000
40120	Sewer Customer Service Fees	1,900,000	2,066,000
40122	Sewer Tap Connection Fees	58,000	60,000
40124	Sewer Service - Cottonwood Shores	125,000	125,000
40125	Sewer Service - LCMUD#1	50,250	51,000
40127	Grinder Sales	123,000	130,000
40180	Other Income	2,000	2,000
Total 2001	WASTEWATER - TREATMENT	2,273,000	2,449,000
3001	SOLID WASTE - RECYCLING		
40126	Brush Disposal	15,250	26,000
40130	Garbage Fees - Commercial	135,000	136,250
40135	Garbage Fees - Residential	655,000	662,500
40180	Other Income	250	250
Total 3001	SOLID WASTE - RECYCLING	805,500	825,000
4000	STANDBY		
40140	Standby Customer Service Fees	1,500	1,000
40142	Penalty & Interest - Standby	1,750	500
Total 4000	STANDBY	3,250	1,500
9999	INTEREST INCOME		
40220	Interest on Investments	5,000	4,000
Total 9999	INTEREST INCOME	5,000	4,000
TOTAL OPERATING REVENUE		6,321,000	6,795,000

CITY OF HORSESHOE BAY

**UTILITY FUND
FINAL BUDGET
From 10/1/2016 To 9/30/2017**

Account Code	Account Title	FY 2016 Projected Actuals	FY 2017 Final Budget
OPERATING EXPENSE			
1000	ADMINISTRATION		
50410	Salaries & Wages	247,750	273,000
50411	Overtime	3,500	3,000
50415	Employers FICA Expense	19,250	21,000
50420	Group Insurance Premiums	51,500	52,750
50430	Pension Plan I	15,000	17,250
50432	Pension Plan II	11,250	12,250
50505	Professional Services	40,250	67,250
50512	Utility Billing	29,000	29,000
50516	Debt Service - Interest Series 2007	206,500	192,750
50517	Bond Issuance Cost - Series 2007	3,500	3,500
50518	Debt Service Interest-Series 2011	98,250	94,250
50519	Bond Issuance Cost - Series 2011	9,000	9,000
50520	Debt Service Interest-Series 2014	136,750	134,000
	Debt Service Interest-Series 2016	0	68,750
50545	Maintenance Contracts	44,000	45,000
50575	Dues, Fees, & Subscriptions	19,000	19,000
50581	Electricity/Recycle Center	1,250	1,250
50582	Electricity/WW Treatment Plant	152,250	155,000
50583	Electricity/West WTP	57,000	58,000
50585	Electricity/Field Maintenance Facilities	7,000	7,000
50586	Electricity / CWTP	138,000	140,000
50590	Engineering Fees	45,000	45,000
50593	Travel, Training, Schools	22,500	22,500
50596	Employee Awards Program	1,000	1,000
50630	M & R - Building	6,000	15,000
50650	M & R - Grounds	22,000	22,000
50753	Merchant Fee - CC	40,000	40,000
50765	Other Expense	4,000	4,000
50775	Postage	500	500
50780	Printing & Office Supplies	15,000	15,000
50810	Communications	43,500	44,000
50825	Uncollectable Accounts	1,000	1,000
50830	Uniforms	1,250	1,250
50840	Administrative Fees	490,750	602,250
Total 1000	ADMINISTRATION	1,982,500	2,216,500

CITY OF HORSESHOE BAY

**UTILITY FUND
FINAL BUDGET
From 10/1/2016 To 9/30/2017**

<u>Account Code</u>	<u>Account Title</u>	<u>FY 2016 Projected Actuals</u>	<u>FY 2017 Final Budget</u>
1001	WATER - PRODUCTION		
50400	Salaries Water	190,750	161,000
50411	Overtime	22,500	23,000
50415	Employers FICA Expense	16,250	12,500
50420	Group Insurance Premiums	47,250	47,250
50430	Pension Plan I	12,000	10,500
50432	Pension Plan II	9,500	8,250
50535	Bulk Water Purchases	350,000	350,000
50540	Chemicals / Water	75,250	75,000
50548	Contract Services	3,000	3,000
50555	Lab Expense	15,750	16,000
50592	Equipment & Supplies	4,000	4,000
50595	Fuel & Lubricants	7,000	7,000
50640	M & R - Equipment	5,000	5,000
50675	M & R - Plant	76,500	75,000
50685	M & R - Vehicles	3,250	3,500
50765	Other Expense	1,500	1,500
50785	Rent / Lease	2,000	2,000
50800	Safety Equipment & Supplies	4,500	5,500
50830	Uniforms	3,500	3,500
Total 1001	WATER - PRODUCTION	849,500	813,500
1002	WATER - DISTRIBUTION		
50400	Salaries Water	299,750	297,000
50411	Overtime	21,000	22,000
50415	Employers FICA Expense	25,250	22,750
50420	Group Insurance Premiums	69,500	69,500
50430	Pension Plan I	17,500	16,750
50432	Pension Plan II	12,500	13,000
50548	Contract Services	8,000	5,000
50550	Contract Serv-Leak Detect/GPS	14,500	15,000
50592	Equipment & Supplies	19,500	20,000
50595	Fuel & Lubricants	15,000	15,000
50640	M & R - Equipment	8,500	8,500
50685	M & R - Vehicles	7,250	8,000
50725	M & R Materials - Line	43,000	45,000
50726	Street Repair - Paving	30,250	30,000
50730	M & R Materials - WT Tap	16,000	16,000
50755	Meter Expense - New Svc	26,500	27,000
50765	Other Expense	2,250	2,500
50785	Rent / Lease	1,000	1,000
50800	Safety Equipment & Supplies	4,500	4,750
50830	Uniforms	4,500	4,500
Total 1002	WATER - DISTRIBUTION	646,250	643,250

CITY OF HORSESHOE BAY

**UTILITY FUND
FINAL BUDGET
From 10/1/2016 To 9/30/2017**

Account Code	Account Title	FY 2016 Projected Actuals	FY 2017 Final Budget
2001	WASTEWATER - TREATMENT		
50406	Salaries Sewer	127,250	167,500
50411	Overtime	12,500	13,000
50415	Employers FICA Expense	10,750	13,000
50420	Group Insurance Premiums	47,250	47,250
50430	Pension Plan I	8,000	10,750
50432	Pension Plan II	6,250	8,500
50543	Chemicals / WW Treatment	12,750	15,000
50548	Contract Services	3,500	3,500
50555	Lab Expense	12,500	12,500
50592	Equipment & Supplies	3,250	3,500
50595	Fuel & Lubricants	7,500	7,500
50640	M & R - Equipment	5,250	5,500
50675	M & R - Plant	35,500	35,000
50685	M & R - Vehicles	3,000	3,000
50742	Bio Solids - Compost	12,750	12,000
50765	Other Expense	1,000	1,000
50785	Rent / Lease	2,000	2,000
50800	Safety Equipment & Supplies	3,500	3,500
50830	Uniforms	3,500	3,500
Total 2001	WASTEWATER - TREATMENT	318,000	367,500
2002	WASTEWATER - COLLECTION		
50406	Salaries Sewer	299,750	309,250
50411	Overtime	37,000	35,000
50415	Employers FICA Expense	25,250	23,750
50420	Group Insurance Premiums	69,500	71,750
50430	Pension Plan I	17,500	17,500
50432	Pension Plan II	12,500	13,500
50542	Chemicals/Collection System	14,000	15,000
50548	Contract Services	8,000	8,000
50550	Contract Serv-Leak Detect/GPS	15,000	15,000
50592	Equipment & Supplies	20,000	19,000
50595	Fuel & Lubricants	14,000	15,000
50640	M & R - Equipment	9,000	9,000
50645	M & R - Grinder Pump	130,000	130,000
50646	M & R - Grinders Sold	71,250	75,000
50670	M & R - Lift Station	25,000	25,000
50685	M & R - Vehicles	8,000	8,000
50715	M & R Materials - GP Tap	9,500	10,000
50725	M & R Materials - Line	36,500	37,000
50726	Street Repair - Paving	30,250	30,000
50765	Other Expense	2,500	2,750
50785	Rent / Lease	1,500	1,500
50800	Safety Equipment & Supplies	4,500	4,500
50830	Uniforms	4,500	4,500
Total 2002	WASTEWATER - COLLECTION	865,000	880,000

CITY OF HORSESHOE BAY

**UTILITY FUND
FINAL BUDGET
From 10/1/2016 To 9/30/2017**

<u>Account Code</u>	<u>Account Title</u>	<u>FY 2016 Projected Actuals</u>	<u>FY 2017 Final Budget</u>
3001	SOLID WASTE - RECYCLING		
50409	Salaries - Monitor	49,000	50,500
50411	Overtime	1,000	1,000
50415	Employers FICA Expense	4,000	4,000
50420	Group Insurance Premiums	8,000	8,000
50430	Pension Plan I	2,750	2,750
50432	Pension Plan II	750	750
50599	Compactor Service	11,250	12,000
50600	Garbage Service - Commercial	112,250	113,500
50605	Garbage Service - Residential	403,500	457,000
50606	Recycling Service	13,000	13,000
50676	M & R Brush Site	24,000	24,000
50785	Rent / Lease	5,000	5,000
Total 3001	SOLID WASTE - RECYCLING	634,500	691,500
TOTAL OPERATING EXPENSE		<u>5,295,750</u>	<u>5,612,250</u>
REVENUE OVER EXPENSE		<u>1,025,250</u>	<u>1,182,750</u>
ADDITIONAL EXPENDITURES			
FY 2016 CAPITAL EXPENDITURES		565,000	
FY 2016 CAPITAL EXPENDITURES - MAJOR PROJECTS		1,390,000	
FY 2017 CAPITAL EXPENDITURES			
	Hot Water Pressure Washer		7,000
	SCBA Tankless Breather		8,000
	South Lift Station Rehab		130,000
	Dozer/Track Loader		75,000
	Replace Unit 75 Service Truck		35,000
	Electrical System Improvements		50,000
	Effluent High Pressure Filter		65,000
	Water Meter AMI System		300,000
	SUBTOTAL CAPITAL EXPENDITURES		<u>670,000</u>

CITY OF HORSESHOE BAY

**UTILITY FUND
FINAL BUDGET
From 10/1/2016 To 9/30/2017**

<u>Account Code</u>	<u>Account Title</u>	<u>FY 2016 Projected Actuals</u>	<u>FY 2017 Final Budget</u>
FY 2017 MAJOR PROJECTS EXPENDITURES			
	750,000 Gallon High Storage Water Tank Rehab		380,000
	West Water Plant Expansion		<u>2,600,000</u>
	SUBTOTAL MAJOR CAPITAL EXPENDITURES		2,980,000
	TOTAL FY 2017 CAPITAL EXPENDITURES		3,650,000
	DEBT SERVICE - PRINCIPAL SERIES 2007	340,000	355,000
	DEBT SERVICE - PRINCIPAL SERIES 2011	170,000	175,000
	DEBT SERVICE - PRINCIPAL SERIES 2014	130,000	130,000
	DEBT SERVICE - PRINCIPAL SERIES 2016	-	180,000
	TOTAL ADDITIONAL EXPENDITURES	<u>2,595,000</u>	<u>4,490,000</u>
	NET CASH FLOW	<u>(1,569,750)</u>	<u>(3,307,250)</u>

Note: The City will either use currently undedicated funds and /or issue certificates of obligation to fund Capital Expenditures

CITY OF HORSESHOE BAY

STREET IMPROVEMENTS CAPITAL PROJECT FUND
FINAL BUDGET SUMMARY
FISCAL YEAR 2016 - 2017

BEGINNING FUND BALANCE	<u>-</u>
REVENUES:	
Interest From Investments	<u>-</u>
TOTAL REVENUES	<u>-</u>
TOTAL FUNDS AVAILABLE	<u>-</u>
EXPENDITURES:	
Project Management	111,000
Capital Expenditures	<u>600,000</u>
TOTAL EXPENDITURES	<u>711,000</u>
ENDING FUND BALANCE	<u>(711,000)</u>

Note: The City will use currently undedicated funds to continue funding the street improvements project.

CITY OF HORSESHOE BAY

**STREET IMPROVEMENTS CAPITAL PROJECT FUND
FINAL BUDGET**

From 10/1/2015 To 9/30/2016

Account Code	Account Title	FY 2016 Projected Actuals	FY 2017 Final Budget
	BEGINNING FUND BALANCE	-	-
	OPERATING REVENUE		
9999	INTEREST INCOME		
40220	Interest on Investments	500	-
Total 9999	INTEREST INCOME	500	-
	TOTAL OPERATING REVENUE	500	-
	OPERATING EXPENDITURES		
9700	STREET IMPROVEMENTS		
50410	Salaries and Wages	85,250	86,750
50415	Employers FICA Expense	7,000	6,750
50420	Group Insurance Premiums	8,250	8,500
50430	Pension Plan I	4,000	4,000
50432	Pension Plan II	4,000	4,000
50765	Other Expense	500	500
50810	Communications	500	500
Total 9700	STREET IMPROVEMENTS EXPENDITURES	109,500	111,000
	TOTAL OPERATING EXPENDITURES	109,500	111,000
	FY 2016 CAPITAL EXPENDITURES	2,405,000	
	FY 2017 CAPITAL EXPENDITURES		
50961	Street Improvements - CONST.		-
50962	Street Improvements - ENG/SURVEY		-
50965	Seal Coating		600,000
	TOTAL FY 2017 CAPITAL EXPENDITURES		600,000
	TOTAL EXPENDITURES	2,514,500	711,000
	REVENUE OVER EXPENDITURES	(2,514,000)	(711,000)

CITY OF HORSESHOE BAY

**STREET IMPROVEMENTS CAPITAL PROJECT FUND
FINAL CAPITAL EXPENDITURES
FISCAL YEAR 2016 - 2017**

STREET IMPROVEMENTS

50965 Seal Coating

600,000

600,000

TOTAL FY2017 CAPITAL EXPENDITURES

600,000

CITY OF HORSESHOE BAY

HORSESHOE CREEK TRAIL PARK CAPITAL PROJECT FUND
FINAL BUDGET SUMMARY
FISCAL YEAR 2016 - 2017

BEGINNING FUND BALANCE	-
REVENUES:	
TP&W Trail Grant	-
Transfer In from General Fund	20,000
TOTAL REVENUES	<u>20,000</u>
TOTAL FUNDS AVAILABLE	<u>20,000</u>
EXPENDITURES:	
Capital Expenditures	20,000
TOTAL EXPENDITURES	<u>20,000</u>
ENDING FUND BALANCE	<u><u>-</u></u>

CITY OF HORSESHOE BAY

HORSESHOE CREEK TRAIL PARK CAPITAL PROJECT FUND

FINAL BUDGET

From 10/1/2016 To 9/30/2017

	FY 2016 Projected <u>Actuals</u>	FY 2017 Final <u>Budget</u>
BEGINNING FUND BALANCE	-	-
OPERATING REVENUE		
TP&W Trail Grant	110,250	-
Transfer In From General Fund	<u>27,750</u>	<u>20,000</u>
TOTAL OPERATING REVENUE	<u><u>138,000</u></u>	<u><u>20,000</u></u>
OPERATING EXPENDITURES	-	-
TOTAL OPERATING EXPENDITURES	<u>-</u>	<u>-</u>
FY 2017 CAPITAL EXPENDITURES		
Horseshoe Creek Trail Park - CONST.	133,000	20,000
Horseshoe Creek Trail Park - DESIGN	<u>5,000</u>	-
TOTAL FY 2017 CAPITAL EXPENDITURES	138,000	20,000
TOTAL EXPENDITURES	<u><u>138,000</u></u>	<u><u>20,000</u></u>
REVENUE OVER EXPENDITURES	<u><u>-</u></u>	<u><u>-</u></u>

CITY OF HORSESHOE BAY

**HORSESHOE CREEK TRAIL PARK CAPITAL PROJECT FUND
FINAL CAPITAL EXPENDITURES
FISCAL YEAR 2016 - 2017**

Horseshoe Creek Park Trail - CONST.	20,000
Horseshoe Creek Park Trail - DESIGN	-
	<u>20,000</u>
TOTAL FY2017 CAPITAL EXPENDITURES	<u>20,000</u>

CITY OF HORSESHOE BAY

**DEBT SERVICE FUND
FINAL BUDGET SUMMARY
FISCAL YEAR 2016 - 2017**

BEGINNING FUND BALANCE	-
REVENUES:	
Ad Valorem Taxes	745,750
Interest From Investments	250
Transfer In From General Fund	-
	<u>746,000</u>
TOTAL FUNDS AVAILABLE	<u>746,000</u>
EXPENDITURES:	
Debt Service Interest - Series 2011	148,500
Debt Service Principal - Series 2011	275,000
Debt Service Interest - Series 2014	152,250
Debt Service Principal - Series 2014	150,000
Debt Service Interest - Series 2016	19,500
TOTAL EXPENDITURES	<u>745,250</u>
ENDING UNRESTRICTED FUND BALANCE	<u><u>750</u></u>

CITY OF HORSESHOE BAY

DEBT SERVICE FUND

FINAL BUDGET

From 10/1/2016 To 9/30/2017

Account Code	Account Title	FY 2016 Projected Actuals	FY 2017 Final Budget
OPERATING REVENUE			
	Beginning Fund Balance	-	-
40150	Property Tax Collected (I&S)	472,250	745,750
	TOTAL TAX REVENUE	472,250	745,750
INTEREST INCOME			
9999	INTEREST INCOME		
40220	Interest on Investments	250	250
Total 9999	INTEREST INCOME	250	250
40195	Transfer In From General Fund	252,250	-
	TOTAL OPERATING REVENUE	724,750	746,000
OPERATING EXPENDITURES			
50518	Debt Service Interest - Series 2011	154,750	148,500
50520	Debt Service Principal - Series 2011	270,000	275,000
50521	Debt Service Interest - Series 2014	155,000	152,250
50522	Debt Service Principal - Series 2014	145,000	150,000
	Debt Service Interest - Series 2016	-	19,500
Total 7000	TOTAL DEBT SERVICE EXPENDITURES	724,750	745,250
	TOTAL OPERATING EXPENDITURES	724,750	745,250
	REVENUE OVER EXPENDITURES	-	750



CITY OF HORSESHOE BAY

SEPTEMBER 20, 2016

To: Mayor and City Council 
Thru: Stan R. Farmer, City Manager
From: Larry O. Anderson, Finance Director
RE: Discuss, Consider and Take Action to Ratify Property Tax Revenue Increase

Local Government Code Sec. 102.007(c) requires a separate vote by the governing body if a budget is adopted that raises more revenue from property taxes than in the previous year.

Staff recommends City Council approval of a motion to ratify the property tax revenue increase reflected in the adopted FY2017 budget.

Enclosures: None



CITY OF HORSESHOE BAY

SEPTEMBER 20, 2016

To: Mayor and City Council *ASJ*
Thru: Stan R. Farmer, City Manager
From: Larry O. Anderson, Finance Director
RE: Discuss, Consider and Take Action Regarding Approval of an Ordinance to Adopt Tax Rate for 2016 Tax Year

The Ordinance to Adopt the Tax Rate for the 2016 tax year reflects a tax rate of \$.25/\$100 of assessed valuation with a Maintenance and Operations Tax Rate of \$.2086 and an Interest and Sinking Tax Rate of \$.0414.

All required notices have been published and the required public hearings have been held.

Staff recommends approval of the Ordinance to Adopt Tax Rate for 2016.

Enclosures: Ordinance to Adopt Tax Rate for 2016

CITY OF HORSESHOE BAY

ORDINANCE NO. _____

ORDINANCE ADOPTING 2016 TAX RATE

AN ORDINANCE LEVYING AD VALOREM TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF HORSESHOE BAY, TEXAS, AND PROVIDING FOR THE INTEREST AND SINKING FUND FOR THE FISCAL YEAR 2016 - 2017; DIRECTING THE COLLECTION THEREOF; AND, PROVIDING FOR THE TIME OF PAYING THE AD VALOREM TAXES LEVIED AND PROVIDING THAT TAXES BECOME DELINQUENT IF NOT PAID

WHEREAS, pursuant to section 302.001(c) of the Texas Tax Code, a home-rule municipality, such as the City of Horseshoe Bay, Texas ("City"), may levy special or general property taxes for lawful purposes; and

WHEREAS, the City Council of the City of Horseshoe Bay scheduled a meeting to adopt the tax rate on September 20, 2016, and

WHEREAS, all required notices have been published and posted on the City's website; and

WHEREAS, the City Council of the City of Horseshoe Bay ("City Council") finds that the tax hereinafter levied for current expenses of the City and for permanent improvements and/or other specific purposes of the City as named herein must be levied to provide the revenue requirement of the budget for the ensuing year; and

WHEREAS, state law, including but not limited to Chapters 31, 32 and 33 of the Texas Tax Code, provides the due date, delinquency date, penalty, interest and collections provisions for such taxes;

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

I.

That there is hereby levied and there shall be collected for the current expenses of the City, its permanent improvements, and/or other specific purposes of the City as named herein, a tax upon all property, real, personal and mixed, within the corporate limits of said City, and subject to taxation at the rate of \$0.2500 on each One Hundred Dollars (\$100.00) of assessed valuation. Assessed valuation is hereby set at One Hundred Percent (100%) of fair market value of all real property. Said tax being so levied is apportioned to the specific purposes here set forth:

- (1) For the Maintenance and Operation of general government, \$0.2086 on each One Hundred Dollars (\$100) valuation of property, and
- (2) For the Interest and Sinking Fund, \$0.0414 on each One Hundred Dollars (\$100) valuation of property.

This tax rate will raise more tax revenue than last year's tax rate.

II.

That all monies collected under this Ordinance be and the same are hereby appropriated and set apart for the specific purposes indicated herein and in each item of the Annual Budget for the Fiscal Year 2016-2017, and that the Assessor and Collector of Taxes, and the Investment Officer shall keep these accounts so as to readily and distinctly show the amount collected, the amounts expended, and the amount on hand at any time belonging to such accounts. It is hereby made the duty of the Tax Assessor and Collector and the Investment Officer and every person collecting money for the City of Horseshoe Bay to deliver to the Investment Officer at the time of depositing any monies, a statement showing to what fund such deposit should be made and from what source received. All receipts for the City not specifically apportioned by this Ordinance are hereby made payable to the General Fund of the City.

III.

That the ad valorem taxes herein levied shall, unless otherwise excepted by state law, including but not limited to Chapter 31 of the Texas Tax Code, become due on the 1st day of October, 2016 or upon receipt of the tax bill, whichever is earlier, and may be paid up to and including the following January 31st, without penalty, but if not so paid, such taxes shall become delinquent and incur penalties and interest as provided by state law including, but not limited to, Chapter 33 of the Texas Tax Code.

IV.

That the taxes herein levied shall, except as otherwise provided by state law, including but not limited to Chapter 32 of the Texas Tax Code, be a first and prior lien against the property upon which they are assessed and the said first lien shall be superior and prior to all other liens, charges, and encumbrances, and this lien shall be attached to personal property to the same extent and with the same priorities as to real estate.

V.

This Ordinance shall take effect and be in force from and after its approval and publication, as may be required by law.

VI.

Should any part of this Ordinance be declared invalid, for any reason, such invalidity shall not affect the remainder of this Ordinance.

VII.

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

ADOPTED AND APPROVED on this 20th day of September, 2016 by a 5-0 record vote of the City Council of the City of Horseshoe Bay, Texas. The following Council Members voted to adopt the 2016 Tax Rate: Craig Haydon, Mayor Pro Tem, Reagan Lambert, David Pope, Cynthia Clinesmith and Jerry Gray. Pursuant to the City Charter the Mayor is only eligible to vote in case of a tie.

CITY OF HORSESHOE BAY, TEXAS

Stephen T. Jordan, Mayor

ATTEST:

Teresa L. Moore, TRMC
City Secretary



CITY OF HORSESHOE BAY

SEPTEMBER 20, 2016

To: Mayor and City Council 
Thru: Stan Farmer, City Manager
From: Jeffrey A. Koska, Utilities Director
RE: Ordinance Adopting Amending Article A8.00 Utility Fees, Exhibit "A", Effective October 1, 2016

In correlation with the development of the Utility Fund Fiscal Year 2016-2017 Budget, Staff has revised the rates to complement the projected revenue requirements as was discussed at the September 6, 2016 Special Council Meeting.

FY2017 projected revenues need to increase to cover the operational, capital and bond expenses related to Utilities functions. To cover proposed expenses, revenue needs to be increased an additional \$392,000. Staff believes an average rate increase of 9% will be sufficient to meet projected expenses.

Residential garbage rates will increase by 8% over FY 2016 fees based on increases in expenses related to our new garbage and recycling services provider that was the low bidder for services. Residential rates will increase from \$19.73 to \$21.30. All commercial container sizes will not increase over FY2016 fees.

Additionally, increases in fees related to grinder systems, service taps and brush site usage will be charged to cover increased expenses related to manufacture/services price increases and increased facilities maintenance costs.

Staff recommends Council adopt the ordinance to amend Article A8.00 Utility Fees, attached hereto as "Exhibit A", to be Effective October 1, 2016.

Enclosure: Ordinance

CITY OF HORSESHOE BAY

ORDINANCE NO. ORD

AMENDMENT OF ARTICLE A8.00 UTILITY FEES OF THE CITY CODE

AN ORDINANCE OF THE CITY OF HORSESHOE BAY AMENDING ARTICLE A8.00 UTILITY FEES OF THE CITY ESTABLISHING CHARGES AND FEES FOR: WATER SERVICE, SEWER SERVICE, WATER METERS AND SEWER CONNECTIONS, CITY TAP CHARGES, PAYMENT FOR SERVICE, DEPOSITS, PENALTIES FOR DELINQUENT BILLS, GARBAGE COLLECTION FEES AND CHARGES, AND OTHER ITEMS ASSOCIATED WITH THE RATE SCHEDULE OF THE CITY OF HORSESHOE BAY; AND MAKING OTHER PROVISIONS RELATED AND INCIDENTAL THERETO PROVIDING FOR REPEALER, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Mayor and City Council of the City of Horseshoe Bay, Texas recognize the importance and necessity of establishing a Schedule of Rates and Charges that equitably applies to those Customers and Entities that receive Services from the City;

WHEREAS, as authorized under law, and in the best interest of the citizens of Horseshoe Bay, Texas, the Mayor and City Council deems it expedient and necessary to adopt an amended *Article A8.00 Utility Fees* as included under "Exhibit A" of this Ordinance;

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

I. FINDINGS OF FACT

All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council, and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

II. SCHEDULE OF SERVICES AND RATES

The *Article A8.00 Utility Fees* attached hereto as "Exhibit A" is hereby adopted as effective and binding in and for the City of Horseshoe Bay and is incorporated herein for all purposes.

III. REPEAL OF CONFLICTING ORDINANCES

All Ordinances, or other Rate Schedules or Policies of the City, or portions of those Ordinances and/or Policies, that are in conflict with the Provisions of this Ordinance and the amendments to

the "Article A8.00 Utility Fees" (Exhibit A) attached hereto, shall be repealed unto the conflict only and shall otherwise remain in full force and effect.

IV. SEVERABILITY

Should any paragraph or part or section of this Ordinance or the "Article A8.00 Utility Fees" (Exhibit A) be adjudged or held to be illegal or invalid, such severability shall not affect the validity of the remainder of the Ordinance and the "Article A8.00 Utility Fees".

V. EFFECTIVE DATE

This Ordinance and the "Article A8.00 Utility Fees" (Exhibit A) shall be of full force and effect immediately upon the adoption by the City Council of the City of Horseshoe Bay.

ADOPTED AND APPROVED on this 20th day of September, 2016, by the City Council of the City of Horseshoe Bay, Texas.

CITY OF HORSESHOE BAY, TEXAS

Stephen T. Jordan, Mayor

ATTEST:

Teresa L. Moore, TRMC
City Secretary

ARTICLE A8.00 UTILITY FEES

Sec. A8.01 Water service rates

(a) Monthly rates for each active meter or unit (residential, commercial, and/or irrigation).

- (1) The monthly rate includes the base monthly charge - BMC (minimum monthly charge) and the volumetric charge (charge per 1,000 gallons). The BMCs are based on meter sizes, as listed in the following, with a higher charge for larger meters with a higher potential water supply capacity:

3/4" water meter	\$26.98 base monthly charge
1" water meter	\$30.79 base monthly charge
1-1/2" water meter	\$33.95 base monthly charge
2" water meter	\$44.96 base monthly charge
3" water meter	\$128.08 base monthly charge
4" water meter	\$160.78 base monthly charge
6" water meter	\$230.87 base monthly charge

The \$26.98 base monthly charge shall also apply to each residential unit within apartment complexes, condominiums, or other similar group of buildings utilized for residential living quarters, regardless of the actual meter size or existence of a master meter.

(2) Inside the city—Single-family residence.

(A) Base monthly charge (depending upon meter size), plus the volumetric charge.

(B) Volumetric charge.

\$0.00 per 1,000 gallons	Up to 5,000 gallons used (included in BMC)
\$3.89 per 1,000 gallons	From 5,001 up to 10,000 gallons used
\$4.74 per 1,000 gallons	From 10,001 up to 25,000 gallons used
\$5.61 per 1,000 gallons	From 25,001 up to 50,000 gallons used
\$6.76 per 1,000 gallons	From 50,001 up to 100,000 gallons used
\$7.36 per 1,000 gallons	From 100,001 gallons and over used

(C) Multifamily rates. For an apartment complex, condominium, or other similar group of buildings utilized for residential living quarters and billed by master meter, the volumetric charge will be based on the number of residential units and the corresponding amount of water allowed per tier. For example, a complex with six units will receive 30,000 gallons with the BMC, and an additional 30,000 gallons at \$3.89 per 1,000 gallons, an additional 90,000 gallons at \$4.74 per 1,000 gallons, an additional 150,000 gallons at \$5.61 per 1,000 gallons, an additional 300,000 gallons at \$6.76 per thousand gallons and 300,001 gallons' usage and above at \$7.36 per 1,000 gallons.

(4) Outside the city. Rates for all other Hills tracts, Quail Ridge and all other tracts outside the city (wholesale customer rates defined by contract):

(A) Base monthly charge (depending upon the meter size), plus outside service fee of \$24.00 and plus the volumetric charge.

(B) Volumetric charge.

\$0.00 per 1,000 gallons	Up to 5,000 gallons used (included in BMC)
\$7.79 per 1,000 gallons	From 5,001 up to 10,000 gallons used
\$9.21 per 1,000 gallons	From 10,001 up to 25,000 gallons used
\$10.63 per 1,000 gallons	From 25,001 up to 50,000 gallons used
\$12.32 per 1,000 gallons	From 50,001 up to 100,000 gallons used
\$13.46 per 1,000 gallons	From 100,001 gallons and over used

(b) Irrigation rates. Inside irrigation rates, apply to meters utilized for irrigation purposes inside the city:

(1) Base monthly charge (depending upon the meter size), plus the volumetric charge.

(2) Volumetric charge.

\$4.74 per 1,000 gallons	From 0–5,000 gallons used
\$5.34 per 1,000 gallons	From 5,001–10,000 gallons used
\$6.21 per 1,000 gallons	From 10,001–25,000 gallons used
\$7.09 per 1,000 gallons	From 25,001–50,000 gallons used
\$8.83 per 1,000 gallons	From 50,001–100,000 gallons used
\$9.16 per 1,000 gallons	From 100,001 gallons and over used

(c) Commercial. A single meter (less than 2" in size) serving a commercial facility or a master meter (less than 2" in size) serving a commercial complex shall be within the "commercial classification" and be charged as follows:

(1) Base monthly charge (depending upon the meter size), plus the volumetric charge.

(2) Volumetric charge.

\$5.50 per 1,000 gallons	From 0–5,000 gallons used
\$6.38 per 1,000 gallons	From 5,001–10,000 gallons used
\$7.52 per 1,000 gallons	From 10,001–25,000 gallons used
\$8.94 per 1,000 gallons	From 25,001–50,000 gallons used
\$10.63 per 1,000 gallons	From 50,001–100,000 gallons used
\$11.77 per 1,000 gallons	From 100,001 gallons and above used

(d) Large commercial. A single meter (2" and larger) serving a commercial facility or a master meter (2" or larger) serving a commercial complex shall be within the "large commercial classification" and be charged as follows:

(1) Base monthly charge, depending on the meter size and including the 5,000 gallons per residential unit (if applicable), plus the volumetric charge.

(2) Volumetric charge.

\$4.96 per 1,000 gallons	From 5,001–10,000 gallons used
\$5.81 per 1,000 gallons	From 10,001–25,000 gallons used
\$6.65 per 1,000 gallons	From 25,001–50,000 gallons used
\$7.79 per 1,000 gallons	From 50,001–100,000 gallons used
\$8.39 per 1,000 gallons	From 100,001 gallons and above used

All five (5) buildings of the Resort Hotel Complex shall be billed in the same manner as the multifamily units, for the water billing, as outlined in subsections (a)(1) and (a)(2).

(e) Inactive meter and non-metered charges. A special "as needed" charge for tank lots of water for road contractors, builders, etc., will be \$7.79 per 1,000 gallons of usage, as metered by the city.

(f) Reconnection charges.

- (1) All meters or units: \$50.00 for standard working hours.
- (2) All meters or units: \$100.00 for nonstandard working hours.
- (3) A reconnect charge shall be paid in full prior to reactivation of city services.
- (4) A charge of one-half of the applicable reconnect charge may be made for the temporary cut-off and/or cut-on of water service by the city due to extenuating circumstances such as adverse weather or circumstances beyond the reasonable control of the customer or the city.

(g) Flow test charges.

- (1) First test: No charge.
- (2) Additional requested test within two years of the first test if the additional test shows the meter to be accurate: Not to exceed \$30.00.

(h) Water tap charges.

- (1) Residential units will be charged the following for each specific meter connection size (size of the meter will be determined by the city, based on the plumbing code and irrigation water demands (fixture units, landscape area, etc.)).

3/4" connection	\$1,450.00
1" connection	\$1,550.00
1-1/2" connection	\$1,850.00
2" connection	\$2,150.00

- (2) Temporary service water meters.

(A) Setup fee: \$75.00.

(B) Deposit: \$250.00.

Sec. A8.02 Sewer service rates and conditions

(a) Monthly rates for residential customers.

- (1) All residential service inside city and multifamily: \$46.05 per month per unit.
- (2) The residential rate will prevail for builders prior to initial occupancy.

(b) Monthly rates for commercial customers. Meters smaller than 2" in size:

- (1) All commercial service inside city. \$46.05 per month per water meter, which includes 5,000 gallons of water usage, and the applicable volumetric charge.
 - (2) Meter usage over 5,000 gallons: \$6.81 per 1,000 gallons.
 - (3) Each commercial (tenant) having dedicated wastewater facilities connected to a common grinder pump system will be charged a factor (multiplier) to determine the total monthly sewer charges. For example, for inside the city customers six units (tenants) will be charged six fees, i.e., six (6) units x \$46.05 per month, and will be entitled to 30,000 gallons of usage, before being charged an additional rate of \$6.81 per 1,000 gallons.
 - (4) Each commercial facility where there are not individual tenants - non-dedicated wastewater facilities will be charged based on seven fixtures as one unit set. Seven fixtures are defined as a set. Any number of fixtures, more than three, remaining after the total number of fixtures has been divided by seven, will be considered another set. For example, seventeen fixtures would be considered two sets, but eighteen fixtures would be considered three sets. Each set will be charged a basic monthly charge (BMC) of \$46.05.
 - (5) Each commercial account having more than one set of fixtures served by a single water meter will be charged a factor (multiplier) based on the number of sets to determine the total monthly sewer charges. For example, six sets equals 6 x \$46.05 per month, and will be entitled to 30,000 gallons of wastewater, before being charged an additional rate of \$6.81 per 1,000 gallons.
 - (6) Irrigation meters are available and encouraged for commercial applications to reduce sewer expenses to actual sewer usage.
- (c) Monthly rates for large commercial customers—Meters 2" and larger.
- (1) All large commercial inside city. \$46.05 per month per meter, which includes 5,000 gallons of water usage, and the applicable volumetric charge.
 - (2) Meter usage over 5,000 gallons: \$6.27 per 1,000 gallons. (Ordinance 12-11-27A adopted 11/27/12)
- (d) RV'S. Each tank dumped and rinsed:
- | | |
|----------------------|-----------|
| City sewer customers | No Charge |
| All others | \$20.00 |
- (e) Sewer tap charges.
- (1) Residential units will be charged a \$1,300.00 tap fee for each standard 1-1/2" sewer grinder connection required where the collection line is immediately adjacent to the property to be served.
 - (2) Commercial units will be charged the greater of a minimum of \$1,300.00 tap fee for each standard 1-1/2" sewer grinder connection or total costs computed on the basis of actual costs of labor, materials, and equipment usage, plus overhead.
- (f) Sewer grinders. There are several types of sewer grinder pump systems serviced by the city. Depending on the capacity and pressure requirements as determined by the city, they are as follows:

(1) Single-family residence.

- (A) Single grinder pump systems required by each single-family residence and each living unit of a duplex family residence servicing four full baths or less, low pressure unit:
Price: \$2,400.00.
- (B) Single grinder pump systems required by each single-family residence and each living unit of a duplex family residence servicing more than two full baths, high pressure unit:
Price: \$3,300.00.
- (C) Custom designed sewer grinder systems may be required at the discretion of the City based on requirements not adaptable to subsections (A) and (B) above. Installations larger than those listed above will be charged additional costs for specialized materials and equipment required for customized system.

(2) Duplex grinder system required by multifamily complexes and commercial units as follows:

- (A) Multifamily complexes require one (1) duplex system for each group of eight (8) living units or part thereof.
- (B) Commercial units or complexes require a minimum of one (1) duplex system and a duplex system for each group of forty (40) internal sewer drain connections or part thereof, prices:

Low pressure	\$4,450.00
High pressure	\$5,800.00

- (C) Custom designed sewer grinder systems and/or grease traps and pretreatment systems may be required at the discretion of the city based on requirements not adaptable to subsections (A) and (B) above. Installations larger than those listed above will be charged additional costs for specialized materials and equipment required for customized system.

Sec. A8.03 Water and sewer service deposits

- (a) Residential units: \$200.00.
- (b) Commercial connections: \$200.00.
- (c) Temporary meter: \$250.00.

Sec. A8.04 Garbage collection rates

- (a) State and city sales tax is applicable to garbage collection services. This tax will be added to the charges shown following.
- (b) Residential service. All living units with one pickup per week: \$21.30 per month.
- (c) Commercial service.
 - (1) Dumpster size.

	1 Time per wk	2 Time per wk	3 Time per wk	4 Time per wk
1st 2 cubic yards	\$158.00	\$241.00	\$325.00	\$408.00
Each additional	\$133.00	\$200.00	\$265.00	\$333.00
1st 3 cubic yards	\$179.00	\$274.00	\$369.00	\$465.00
Each additional	\$149.00	\$226.00	\$302.00	\$378.00
1st 4 cubic yards	\$198.00	\$305.00	\$412.00	\$519.00
Each additional	\$164.00	\$250.00	\$336.00	\$421.00
1st 6 cubic yards	\$205.00	\$367.00	\$498.00	\$629.00
Each additional	\$171.00	\$300.00	\$405.00	\$510.00
1st 8 cubic yards	\$211.00	\$379.00	\$515.00	\$648.00
Each additional	\$177.00	\$312.00	\$420.00	\$530.00
6 yard compactor	\$519.00	\$783.00	\$1,034.00	\$1,284.00

(2) Minimum monthly charge per unit. Polycart service (90 gallons):

At 1 x per week	\$30.38
Each additional	\$29.87
At 2 x per week	\$57.75
Each additional	\$53.56

Sec. A8.05 Grounds maintenance waste service (Commercial Customers)

Residents are allowed up to 100 cubic yards for a 12-month period without any costs and only is transported by resident themselves. If residents exceed 100 cubic yards' allotment the fees below are applied to additional volumes disposed at the site.

- (a) Annual permit fee: \$75.00.
- (b) 0-200 Cubic Yards - \$1.50 Per Cubic Yard
- (c) 201 to 400 Cubic Yards - \$2.50 Per Cubic Yard
- (d) Over 400 Cubic Yards - \$3.50 Per Cubic Yard

Sec. A8.06 Insufficient funds fees

- (a) A \$35.00 charge will be assessed to all accounts which are paid with a check charged back against the city's deposit account due to insufficient funds.
- (b) A \$35.00 charge will be assessed to all accounts on the automatic debit feature which have payments charged back against the city's deposit account due to insufficient funds.

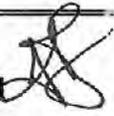
Sec. A8.07 On-site septic facility permit fees

- (a) Standard permit: \$210.00.
- (b) Nonstandard permit: \$410.00.
- (c) Reinspection: One-half of the required permit fee.



CITY OF HORSESHOE BAY

SEPTEMBER 20, 2016

To: Mayor and City Council 
From: Stan R. Farmer, City Manager
RE: Discuss, Consider and Take Action Regarding Approval of Five-Year Capital Plan

At the June 28 and August 30 Budget Workshop, the Council reviewed a Draft FY2017-2021 Five-Year Capital Plan which included Capital Projects for the General Fund, Utility Fund, and Capital Projects Funds—Street Projects and Horseshoe Trail Park.

Staff requests that the City Council approve the FY2017-2021 Five-Year Capital Plan as presented as a planning document only that does not bind future Councils to the projects or time-line listed.

Enclosures: FY2017–FY2021 Five-Year Capital Plan

CITY OF HORSESHOE BAY

FY 2017 FIVE-YEAR CAPITAL PLAN

General Fund Five Year Capital Improvement Plan

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Routine Equipment Replacement	25,000	25,000	25,000	25,000	25,000
Vehicles (Police)	26,000	28,000	90,000	90,000	35,000
Equipment (Police)	55,000	82,000	21,500	21,000	16,000
Equipment Training (Fire)	-	25,000	25,000	25,000	25,000
Fire Engines (2)	1,000,000	-	-	-	-
Pickle Ball/Sport Courts	-	40,000	-	-	-
Total Annual CIP Requirements	1,106,000	200,000	161,500	161,000	101,000

Utility Fund Five Year Capital Improvement Plan

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Routine Equipment/Projects	670,000	750,000	750,000	750,000	750,000
Major Projects					
Summit Rock Effluent Pump and Piping		130,000			
750,000 Gallon High Storage Water Tank Rehab	380,000				
1,500,000 Gallon High Storage Water Tank Rehab				550,000	
West Water Plant Expansion *	2,600,000				
Summit Rock Lift Station *		520,000			
Wastewater Treatment Plant Expansion Eng.*		400,000			
Wastewater Treatment Plant Expansion*			2,500,000	1,000,000	
Central Water Plant Membrane Replacement (2MG)		600,000	250,000		
Applehead Water Line Replacement					
Developer Contribution** (\$7.4 M)	(2,600,000)	(920,000)	(530,000)		
Subtotal - Major Projects	380,000	730,000	2,220,000	1,550,000	
Total Annual CIP Requirements	1,050,000	1,480,000	2,970,000	2,300,000	750,000

*Projects that have a Developer Contribution

**The first \$2M is funded. However, the remainder will be reimbursed from the PID. The City will likely need to set up a receivable and begin accruing interest if the PID is unable to reimburse at the time of construction.

Capital Projects Fund Five-Year Capital Improvement Plan

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Street Projects (Fund 7)	-	-	-	-	-
Seal Coating	600,000	765,000	250,000	220,000	-
Golden Nugget Safety Improvement	-	230,000	-	-	-
Horseshoe Trail Park (Fund 9)	20,000	15,000	15,000	-	-
Total Annual CIP Requirements	620,000	1,010,000	265,000	220,000	-

FY 2017 Capital Plan approved on September 20, 2016 by unanimous vote of the Council of the City of Horseshoe Bay during a regularly scheduled meeting and made a part of the minutes thereof.

Stephen T. Jordan, Mayor



CITY OF HORSESHOE BAY

SEPTEMBER 20, 2016

To: Mayor and City Council *RS*
Thru: Stan R. Farmer, City Manager
From: Larry O. Anderson, Finance Director
RE: Discuss, Consider and Take Action Regarding Approval of Resolution Conducting the Annual Review of the City's Investment Policy and Strategy

Section 2256.005 of the Texas Government Code requires that each governing body of an investing entity adopt an Investment Policy and Investment Strategy and review the same annually. The City's Investment Policy was last reviewed and amended on September 15, 2015.

On June 10, 2014 the City Council approved a Broker/Dealer list per the City Investment Policy.

An amendment was adopted September 15, 2015 to include the new training requirements as revised in Texas Government Code Sec. 2256.008 as amended.

City Manager Stan Farmer and Finance Director Larry Anderson serve as Investment Officers and have reviewed the Investment Policy and Strategy and the City's financial condition and recommend that the City Council Conduct the Annual Review of the City's Investment Policy and Adopt the Resolution to approve the Investment Policy and Strategy with the Investment Policy attached as Exhibit A, with no changes.

Enclosures: Resolution Conducting the Annual Review of the Investment Policy and Strategy with Exhibit A, Investment Policy and Strategy

CITY OF HORSESHOE BAY

RESOLUTION NO. RES _____

REVIEW OF INVESTMENT POLICY AND STRATEGY

**A RESOLUTION OF THE CITY OF HORSESHOE BAY, TEXAS,
CONDUCTING THE ANNUAL REVIEW OF THE CITY'S INVESTMENT
POLICY AND STRATEGY AS REQUIRED BY SECTION 2256.005(e), TEXAS
GOVERNMENT CODE**

WHEREAS, Section 2256.005 (a) of the Texas Government Code requires each governing body of an investing entity to adopt a written Investment Policy and Strategy; and

WHEREAS, Section 2256.005 (e) of the Texas Government Code requires that the Investment Policy and Strategy be reviewed by the governing body not less than annually and shall adopt a written instrument stating that it has reviewed the Investment Policy and Strategy and that the written instrument so adopted shall record any changes made to either the Investment Policy or Investment Strategies; and

WHEREAS, the City Council initially adopted an Investment Policy by unanimous vote at a regularly scheduled City Council Meeting on March 21, 2006; and

WHEREAS, the City Council has reviewed and approved the Investment Policy annually thereafter; and

WHEREAS, the City Council last reviewed and amended the Investment Policy by unanimous vote at a regularly scheduled City Council Meeting on September 15, 2015.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HORSESHOE BAY:

The City Council reviewed the Investment Policy and Strategy of the City of Horseshoe Bay at the regularly scheduled City Council Meeting on September 20, 2016; and

The City Council hereby adopts the Investment Policy and Strategy attached hereto as Exhibit A.

ADOPTED AND APPROVED on this 20th day of September, 2016 by a vote of the City Council of the City of Horseshoe Bay, Texas.

CITY OF HORSESHOE BAY, TEXAS

Stephen T. Jordan, Mayor

ATTEST:

Teresa L. Moore, TRMC
City Secretary

EXHIBIT A

CITY OF HORSESHOE BAY

INVESTMENT POLICY AND STRATEGY

POLICY:

It is the policy of the City to invest public funds in a manner which will provide a reasonable investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds: Texas Government Code Chapter 2256 (the "Act").

SCOPE:

This investment policy applies to all financial assets of the City. These funds will be accounted for in the City's Comprehensive Annual Financial Report and include:

1. General Fund
2. Utility Fund
3. Grant Fund
4. Agency Fund
5. Special Revenue Fund
6. Capital Projects Fund
7. Debt Service Fund

and any other funds created unless specifically designated by the Council.

PRUDENCE:

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The standard states:

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

OBJECTIVE:

The primary objectives, in priority order, of the City's investment activities shall be:

Safety: Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Liquidity: The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

Diversification: Diversification is required in order to reduce and manage potential risk including those on individual securities or market sectors.

Yield: The City's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio. The portfolio reporting will compare the yield on the portfolio to its benchmark

which will be the six-month Treasury Bill for the comparable period. This benchmark was chosen for its comparability to the weighted average maturity limitation on the overall portfolio.

An annual review of the financial condition including the portfolio will be conducted by the Investment Policy Committee, comprised of the Mayor, the City Manager, and the Finance Director.

STRATEGY

The City may maintain one commingled portfolio for investment purposes which incorporates the specific investment strategy considerations and the unique characteristics of the fund groups represented in the portfolio.

- A. **Operating Funds.** The investment strategy for the operating (enterprise and special revenue) and special purpose funds has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. This may be accomplished by purchasing high quality, short- to medium-term maturity securities (0-2 years) which will complement each other in a laddered maturity structure permitting some extension for yield enhancement. The dollar weighted average maturity of the portfolio will be calculated using the stated final maturity date of each security.
- B. **Capital Projects.** The investment strategy for capital project funds will have as its primary objective assurance that anticipated cash flows are matched and provide adequate investment liquidity. At least 10% total liquidity is planned to provide flexibility and for unanticipated project outlays. The stated final maturity dates of securities held may not exceed two years or the estimated project completion date.
- C. **Debt Service Funds.** The investment strategy for debt service funds shall have as its primary objective the assurance of available funds adequate to fund the debt service obligations on a timely basis. The fund is funded as monies are received which should maintain a maximum weighted average maturity of six months. Successive debt service dates will be fully funded before any investment extension. Since payment of debt is one of the highest priorities of the City, safety of principal should be of the highest priority when selecting an investment.
- D. **Debt Service Reserve Funds.** The investment strategy for debt service reserve funds shall have as its primary objective the ability to generate a revenue stream to the debt service funds from high quality securities with a low degree of volatility. Securities should be high credit quality and, except as may be required by the bond ordinance specific to an individual issue, of short to intermediate-term maturities.

The City intends to match investments with projected cash flow and liquidity needs of the City. In no case will the average weighted maturity of the total portfolio exceed six (6) months. The maximum final stated maturity of any investment shall not exceed two years. The six-month Treasury Bill for the comparable reporting time period will be used as the benchmark for the overall portfolio reflecting the City's primary market and the cash flow objectives of the portfolio.

The City shall pursue a conservative portfolio management strategy. Securities may be sold before they mature if market conditions present an opportunity for the City to benefit from the trade, but the strategy will be primarily buy-and-hold. The Investment Officers will continuously monitor the contents of the portfolio, the available markets, and the relative value of competing instruments to adjust the portfolio in response to market conditions.

DELEGATION OF AUTHORITY:

The City Council will designate Investment Officers by Resolution. Management responsibility for the investment program is hereby delegated to the City Manager, who shall establish written procedures for the operation of the investment program consistent with this Investment Policy. The City Manager shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. Investment Officers shall be familiar with this Policy and may not engage in an investment transaction except as provided under the terms of this Policy and the procedures established. Investment Officers will review the Investment Policy annually to suggest any changes necessary to the Council, will monitor all counterparties, and will prepare quarterly reports for the City Council.

The City will provide investment training required by the Act (Sec. 2256.008) for the City's Investment Officers. The Investment Officers shall attend at least one, ten (10) hour training session within twelve months after taking office or assuming duties. Training includes education in investment controls, security risks, strategy risks, market risks, and compliance with the Act. Investment Officers must complete eight (8) hours of investment training in each succeeding two-year period.

Conflicts of Interest

Officers involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. An Investment Officer who has any personal or business relationship with any entity seeking to sell an investment to the City will file a statement disclosing that personal or business interest. The Investment Officer shall file a statement disclosing that relationship, as required by Texas Local Government Code Chapters 171 and 176, as applicable. These statements must be filed with the City Secretary, disclosed to the City Council, and approved by the City Council before any business is transacted with said entity or individual. Investment Officers shall not undertake personal investment transactions with the same individual with which business is conducted on behalf of the City.

City Council Responsibilities

The City Council retains ultimate fiduciary responsibility for the investment program. The Council will annually adopt the Investment Policy and Strategy, designate Investment Officers, approve authorized broker/dealers, provide for training, and quarterly receive and review investment reports.

INTERNAL CONTROLS:

The Investment Officers are responsible for establishing and maintaining an internal control structure that will be reviewed annually with the City's auditor. The internal control structure will be designed to ensure that City assets are protected from loss, theft, or misuse and to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by the Investment Officers.

Procedures should include reference to: safekeeping, repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to the person responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established supporting it.

AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS:

The Investment Officers will provide a list of no less than three brokers / dealers for City Council approval at least annually. Brokers / dealers must be authorized before transactions are made. All brokers / dealers who desire to become qualified for investment transactions will be required to supply the following information which will be maintained by the Investment Officers:

- i. Annual audited financial statements;
- ii. Proof of Financial Industry Regulatory Authority (FINRA) certification;
- iii. FINRA CRD registration number;
- iv. Proof of Texas state registration;
- v. Policy Certification; and
- vi. A completed City questionnaire.

These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except in a qualified public depository as established by state laws.

The Investment Officers will at least annually review the service, financial condition, and registration of brokers / dealers for recommendations to the Council.

An expanded list of counterparties, including local government pools and financial institutions authorized to provide investment transactions, will be maintained by the Investment Officers. This list need not be approved by the City Council because of frequency in bank changes resulting from competitive bids. All pools require specific action by the Council for participation.

The City is under no obligation to transact business with any financial institution or firm.

DEPOSITORIES

City Banking Services Depository

At least every five years, a City banking services depository shall be selected through a competitive request for proposal (RFP) process in accordance with the Texas Government Code 105.017. In selecting this depository, the services, cost of services, credit worthiness, earnings potential, and collateralization by the institution shall be considered. The City may utilize a depository outside the City limits for this purpose. This primary banking services depository will safe-keep securities owned by the City and will not be authorized as a broker for the City in order to perfect delivery versus payment settlement.

Additional Depositories

Time and demand deposits may be purchased from any bank in Texas. Banks seeking to establish eligibility for the City's competitive certificate of depository or demand deposit programs shall submit for review annual financial statements, evidence of federal insurance, and other information as required by the Investment Officers. Deposits exceeding FDIC insurance coverage will require a written depository agreement and collateralization in accordance with this Policy.

AUTHORIZED INVESTMENTS:

City funds may be invested only in the following instruments, as further defined by the Act. If changes are made to the authorized investments in the Act, they will not be authorized for City use until this Policy is amended and adopted by the City Council.

All investments will be made on a competitive basis. To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. The City portfolio will have a maximum weighted average maturity of six (6) months. At all times, liquid funds will represent no less than 10% of the portfolio to meet unanticipated liabilities.

1. Obligation of the United States, its agencies and instrumentalities, excluding mortgage backed securities and with a final stated maturity not to exceed two years.
2. Fully insured or collateralized certificates of deposit of any bank doing business in Texas with a stated maturity date not to exceed eighteen (18) months. Certificates of deposit may be purchased through the CDARS program with a bank in Texas. Collateralized CD must have a depository/collateral agreement in place.
3. AAA-rated, constant dollar local government investment pools which strive to maintain a stable \$1.00 net asset value.
4. Fully collateralized repurchase agreements purchased through a primary government securities dealer, as defined by the Federal Reserve, with a stated maturity not to exceed six (6) months. A "flex" repurchase agreement may be used for bond proceeds beyond six (6) months but must not exceed the expenditure plan of the funds.
5. AAA-rated SEC registered money market mutual funds which strive to maintain a \$1 net asset value.
6. Interest bearing accounts in any bank in Texas fully insured by FDIC or collateralized in accordance with this Policy.

Any investment that requires a minimum rating by this Policy will not qualify as authorized during the period the

investment does not have that minimum rating. Investment Officers shall inform the Council and take all prudent measures to liquidate the downgraded investment in a reasonable time period if ratings have dropped.

Any investment purchased when the investment type was authorized by Policy need not be liquidated if the Policy is modified to un-authorize the investment. The Investment Officers will review the investment and act in a reasonable manner for the overall good of the portfolio(s).

Diversification

The City's investments shall be diversified to eliminate risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. Maturities shall be staggered to avoid undue concentration of assets in a specific maturity sector and maturities selected shall provide for stability of income and reasonable liquidity. Laddered maturities shall be used based on the anticipated cash flow of funds.

COLLATERALIZATION:

Collateralization will be required on three types of investments: demand deposits, certificates of deposit and repurchase agreements.

Time and Demand Bank Deposits – Pledged Collateral

All time and demand deposits shall be collateralized above FDIC coverage in accordance with this Policy. Collateral should be in place before funds are moved into the depository. The total of FDIC insurance and the market value of collateral must be at least 102% of the total principal and accrued interest on deposit daily. The depository is responsible for monitoring and maintaining margins daily.

All pledged securities must be safekept at an independent institution outside the holding company of the pledging bank. Depository institutions pledging collateral against deposits must, in conjunction with the custodial agent, furnish the necessary collateral before deposits are made and receipts provided within one business day. The City's depository will be responsible for monitoring and maintaining collateral levels daily. The independent custodian will provide the City with receipts and a monthly report on the collateral pledged. City representatives will have the right to inspect the records for pledged collateral at any time. Collateral may be substituted; however, any substitution of collateral must be approved in writing by the City.

The City shall have a depository / collateral contract with each bank and that agreement will comply with the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989 (FIRREA) to ensure that the City's security interest in collateral pledged to secure deposits is enforceable against the receiver of a failed financial institution.

Collateral Owned under Repurchase Agreements

Collateral is owned under a repurchase agreement. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the transaction. The collateral shall be held by an independent third party financial institution approved by the City. The counter-party is liable for monitoring and maintaining the collateral and margin daily. A Bond Market Association Master Repurchase Agreement shall be executed for the transaction.

Authorized Collateral

City funds must be secured only by:

- Obligations of the United States Government, its agencies and instrumentalities including mortgage backed securities and CMOs passing the bank test; and
- Obligations issued by any state, its agencies, or political subdivisions rated A or above by one nationally recognized rating agency.

If a depository offers collateral pooling as collateral for deposits, the Investment Officers will analyze the costs and risks of such program to the City. Before entering into a pooled collateral program, the Investment Officers must receive approval from the City Council.

SAFEKEEPING AND CUSTODY:

All security transactions, including collateral for repurchase agreements, entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian approved by the City Manager and an agreement of the terms executed in writing. The third party safekeeping agent shall be required to issue safekeeping receipts to the City clearly indicating the ownership by or pledge to the City.

DIVERSIFICATION:

The City will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the City's total investment portfolio will be invested in a single security type or with a single financial institution.

MAXIMUM MATURITIES:

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than (2) years from the date of purchase.

PERFORMANCE STANDARDS:

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The City's investment strategy is active. Given this strategy, the basis used by the City Manager to determine whether market yields are being achieved shall be the six-month U.S. Treasury Bill and the average Fed Funds rate. The investment program shall seek to augment returns above this threshold consistent with risk limitations identified herein and prudent investment policies.

REPORTING:

The City Manager will include in the monthly statements furnished to the Council a report which shows all investment activity during the current monthly period and an inventory of investments on hand at the end of the period. No less than quarterly, the Investment Officers shall jointly prepare, sign, and submit to the City Council a written quarterly investment report in accordance with the Act (2256.023). Market prices for reports will be obtained from independent sources for the reports.

The City Manager is also charged with the responsibility of including a market report on investment activity and returns in the City's Financial Statements. Such report will include performance and interest earnings.

INVESTMENT POLICY ADOPTION:

The City's investment policy shall be adopted by resolution of the City Council. The policy shall be reviewed annually by the Investment Policy Committee and any modifications made thereto shall be approved by the City Council and included in the adopting resolution.

ADOPTED AND APPROVED on this the 20th day of September, 2016 by a unanimous vote of the City Council of the City of Horseshoe Bay, Texas.

CITY OF HORSESHOE BAY, TEXAS

Stephen T. Jordan, Mayor

ATTEST:

Teresa L. Moore, City Secretary



CITY OF HORSESHOE BAY

SEPTEMBER 20, 2016

To: Mayor and City Council *ARF*
 Thru: Stan R. Farmer, City Manager
 From: Vicki Briggs, Human Resources
 RE: Personnel Policy Revisions: Article XIII, Appendix B: Salary Table and Incentive Pay and Article XIII, Appendix C: Merit Table

Staff requests that the City Council consider approval of the following Personnel Policy revisions:

Article XIII, Appendices – Appendix B: Salary Table & Incentive Pay:

Article V – The Compensation Plan, Section 3 of the Personnel Policy, requires the City Manager to make recommendations for changes to the Salary Tables to the Mayor in August each year, and then the Mayor makes the recommendations to the Council at the September Council Meeting. The Proposed Salary Table and Incentive Pay have been revised to reflect the Salary Ranges recommended in the recent Public Sector Personnel Consultants Salary Survey, which was reviewed by the Council at the June 28, 2016, Workshop. Staff also recommends the addition of three positions: GIS Administrator (63), IT Administrator (63) and Assistant Planner (45), as well as changing Human Resources Administrator (50) position to Human Resources Director (65) and Project Manager (70) to Public Works Director (80).

The Mayor recommends City Council approval of the attached Salary Table and Incentive Pay (Appendix B) with recommended changes redlined, and the omitted positions have been removed.

Article XIII, Appendices – Appendix C: Merit Table:

Section 3 of the Compensation Plan also requires that the City Manager make recommendations for changes to the Merit Table to the Mayor by November each year, and then the Mayor makes the recommendations to the Council. However, Staff recommends approving the Merit Table at this time along with the recommended changes to the Salary Table and Incentive Pay. The Merit Table is a guideline in administering the merit increases for City personnel based on their performance evaluation. At the June 28, 2016 Budget Workshop, the City Council recommended an annual allocation of \$125,000 to be distributed among all of the staff for the merit increases. Utilizing the actual evaluation score of each person from their previous year's performance evaluation, staff prepares an estimated merit increase analysis based on a Proposed Merit Table that will result in an amount as close as possible to the total annual allotment of dollars recommended by the Council. The following is the outcome of the analysis prepared for the FY2017 Budget, based on the recommended Positions and Salary Ranges in the attached Appendix B, and utilizing the current Merit Table, the attached Appendix C, resulting in an annual merit total of \$125,532:

**FULL TIME COMPA-RATIO COMPARISON @ PROPOSED SALARY RANGES
BEFORE EVALUATIONS AND ESTIMATED MERIT INCREASES (OCT 1, 2016)**

COMPA-RATIO	NO. OF EMPLOYEES	% OF EMPLOYEES
Less than 80	7	9%
80 - 89.9	16	21%
90 - 99.9	29	37%
100 - 109.9	23	29%
110 - 120	3	4%
	<hr/> 78	<hr/> 100%

**FULL TIME COMPA-RATIO COMPARISON @ PROPOSED SALARY RANGES
AFTER EVALUATIONS AND ESTIMATED MERIT INCREASES (JAN 1, 2017)**

COMPA-RATIO	NO. OF EMPLOYEES	% OF EMPLOYEES
Less than 80	7	9%
80 - 89.9	8	10%
90 - 99.9	27	35%
100 - 109.9	31	40%
110 - 120	5	6%
	<hr/> 78	<hr/> 100%

TOTAL ANNUAL MERIT COMPENSATION:	\$125,532
TOTAL PERCENTAGE OF INCREASE:	2.9%

The Mayor recommends City Council approval of the attached Merit Table (Appendix C).

The Mayor also requests the authority (consistent with prior years) to make minor adjustments to the Merit Table based on final achievement levels after performance reviews are conducted in December.

**Enclosure: Appendix B: Salary Table
 Appendix B: Incentive Pay
 Appendix C: Merit Table**

APPENDIX B - SALARY TABLE -- REVISED 09-20-2016
EFFECTIVE 10/01/2016

Job Titles by Job Family	Salary Range	ANNUALLY			Hours Per Year	HOURLY		
		Minimum	Midpoint	Maximum		Minimum	Midpoint	Maximum
<u>CITY MANAGEMENT GROUP</u>								
City Manager	95	109,122	135,403	163,684	2080	52.46	65.58	78.69
City Secretary	65	52,023	65,029	78,035	2080	25.01	31.26	37.52
GIS Administrator	62	48,309	60,388	72,463	2080	23.23	29.03	34.84
Human Resources Director	65	52,023	65,029	78,035	2080	25.01	31.26	37.52
IT Administrator	62	48,309	60,388	72,463	2080	23.23	29.03	34.84
Public Works Director	80	75,345	94,182	113,018	2080	36.22	45.28	54.34
<u>ADMINISTRATION</u>								
Finance Director	85	85,246	106,558	127,869	2080	40.98	51.23	61.48
Accounting Supervisor	55	40,641	50,801	60,961	2080	19.54	24.42	29.31
Accounting Clerk	42	29,481	36,852	44,222	2080	14.17	17.72	21.26
Project Administrator	42	29,481	36,852	44,222	2080	14.17	17.72	21.26
<u>DEVELOPMENT SERVICES</u>								
Development Services Director	80	75,345	94,182	113,018	2080	36.22	45.28	54.34
Assistant Planner	45	31,748	39,685	47,622	2080	15.26	19.08	22.90
Dev Svc Tech/Muni Court Clerk	45	31,748	39,685	47,622	2080	15.26	19.08	22.90
Development Services Technician	40	28,061	35,076	42,091	2080	13.49	16.86	20.24
<u>POLICE</u>								
Police Chief	85	85,246	106,558	127,869	2080	40.98	51.23	61.48
Assistant Police Chief	75	66,584	83,243	99,891	2080	32.02	40.02	48.02
Police Detective	65	52,023	65,029	78,035	2223	23.40	29.25	35.10
Police Officer/Shift Commander	65	52,023	65,029	78,035	2223	23.40	29.25	35.10
Police Specialist	58	43,765	54,707	65,648	2223	19.69	24.61	29.53
Code Enforcement Officer	58	43,765	54,707	65,648	2223	19.69	24.61	29.53
Police Officer	58	43,765	54,707	65,648	2223	19.69	24.61	29.53
Police Dispatcher	44	30,974	38,717	46,461	2080	14.89	18.61	22.34
Part-Time Public Safety Clerk	39	27,376	34,221	41,065	2080	13.16	16.45	19.74
<u>ANIMAL CONTROL</u>								
Animal Control Officer	40	28,061	35,076	42,091	2080	13.49	16.86	20.24
<u>FIRE</u>								
Fire Chief	85	85,246	106,558	127,869	2080	40.98	51.23	61.48
Assistant Fire Chief	75	66,584	83,243	99,891	2080	32.02	40.02	48.02
Firefighter/EMT-B/ Shift Commander	65	52,023	65,029	78,035	2756	18.88	23.60	28.31
Firefighter/EMT-B/ Driver	60	45,981	57,476	68,972	2756	16.68	20.85	25.03
Firefighter / EMT-B	55	40,641	50,801	60,961	2756	14.75	18.48	22.12
Part-Time Firefighter	50	35,920	44,900	53,880	2756	13.03	16.29	19.55
<u>COMMUNITY SERVICES</u>								
<u>Administration</u>								
Utilities Director	85	85,246	106,558	127,869	2080	40.98	51.23	61.48
Customer Svc Admin & GIS Manager	55	40,641	50,801	60,961	2080	19.54	24.42	29.31
Utilities Office Manager	50	35,920	44,900	53,880	2080	17.27	21.59	25.90
Customer Service Clerk II	40	28,061	35,076	42,091	2080	13.49	16.86	20.24
Customer Service Clerk I	36	25,422	31,777	38,133	2080	12.22	15.28	18.33
<u>Utilities</u>								
Field Operations Supervisor	86	53,324	66,655	79,986	2080	25.64	32.05	38.45
Plant Operations Supervisor	86	53,324	66,655	79,986	2080	25.64	32.05	38.45
Foreman	62	48,309	60,388	72,463	2080	23.23	29.03	34.84
Senior Electrician Technician	58	43,765	54,707	65,648	2080	21.04	26.30	31.56
Water Conservation Inspector	55	40,641	50,801	60,961	2080	19.54	24.42	29.31
Field / Plant Operator III	58	43,765	54,707	65,648	2080	21.04	26.30	31.56
Field / Plant Operator II	55	40,641	50,801	60,961	2080	19.54	24.42	29.31
Purchasing Technician	48	34,189	42,737	51,284	2080	16.44	20.55	24.66
Asset Software/Hardware Technician	48	34,189	42,737	51,284	2080	16.44	20.55	24.66
Water Quality Technician	48	34,189	42,737	51,284	2080	16.44	20.55	24.66
Field / Plant Operator I	50	35,920	44,900	53,880	2080	17.27	21.59	25.90
Recycle Monitor	40	28,061	35,076	42,091	2080	13.49	16.86	20.24

APPENDIX B - INCENTIVE PAY -- REVISED 09-20-2016
EFFECTIVE 10/01/2016

Department/Job Title/Certifications/Courses	Increase Amount Per Hour
--	--------------------------------

CITY MANAGEMENT GROUP

City Secretary	
Accredited Courses for TRMC Cert	0.40

ADMINISTRATION

Finance Director	
Accounting Supervisor	
Accredited Accounting Course*	0.40

Accounting Clerk	
Accredited Accounting Course*	0.40

DEVELOPMENT SERVICES

Development Services Director	
Dev Svc Tech/Muni Court Clerk	
Accredited Related Course*	0.40

Assistant Planner	
Accredited Related Course*	0.40

Development Services Technician	
Accredited Related Course*	0.40

POLICE

Police Chief	
Assistant Police Chief	
Advanced Certification	0.40
Master Certification	0.40
Arson Certification	0.40

Police Detective	
Intermediate Certification	0.40
Advanced Certification	0.40
Master Certification	0.40
Arson Investigator*	0.40

Police Officer/Shift Commander	
Intermediate Certification	0.40
Advanced Certification	0.40
Master Certification	0.40
Arson Investigator*	0.40

Police Specialist	
Intermediate Certification	0.40
Advanced Certification	0.40
Master Certification	0.40
Arson Investigator*	0.40

Code Enforcement Officer	
Accredited Related Courses*	0.40

Police Officer	
Intermediate Certification	0.40
Advanced Certification	0.40
Master Certification	0.40
Arson Investigator*	0.40

Police Dispatcher	
Accredited Related Course*	0.40

ANIMAL CONTROL

Animal Control Officer	
Certified Animal Control Officer	0.40

FIRE

Fire Chief	
Assistant Fire Chief	
Advanced Certification	0.40

**APPENDIX B - INCENTIVE PAY -- REVISED 09-20-2016
EFFECTIVE 10/01/2016**

Department/Job Title/Certifications/Courses	Increase Amount Per Hour
Master Certification	0.40
Arson Investigator	0.40
Fire Inspector	0.40
Paramedic	0.40

Firefighter/EMT-B/ Shift Commander	
Intermediate Certification	0.40
Advanced Certification	0.40
Master Certification	0.40
Arson Investigator*	0.40
Fire Inspector	0.40
Paramedic	0.40

Firefighter/EMT-B/ Driver	
Intermediate Certification	0.40
Advanced Certification	0.40
Master Certification	0.40
Arson Investigator*	0.40
Fire Inspector	0.40
Paramedic	0.40

Firefighter / EMT-B	
Intermediate Certification	0.40
Advanced Certification	0.40
Master Certification	0.40
Arson Investigator*	0.40
Fire Inspector	0.40
Paramedic	0.40

COMMUNITY SERVICES

Administration

Utilities Director

Customer Svc Admin & GIS Manager	
Accredited Related Course*	0.40

Utilities Office Manager	
Accredited Related Course*	0.40
Water "D" Cert.	0.40
Customer Service "D" Cert.	0.40

Customer Service Clerk II	
TX A&M Agrilife Cust Svc Cert.	0.20
Customer Svc Online Training Series	0.30

Customer Service Clerk I	
TX A&M Agrilife Cust Svc Cert.	0.20
Customer Svc Online Training Series	0.30

Utilities

Field Operations Supervisor	
"A" Water/Wastewater	0.70
"A" Water Distribution	0.70

Plant Operations Supervisor	
"A" Water/Wastewater	0.70
"A" Water Distribution	0.70

**APPENDIX B - INCENTIVE PAY -- REVISED 09-20-2016
EFFECTIVE 10/01/2016**

Department/Job Title/Certifications/Courses	Increase Amount Per Hour
Foreman	
First "B" Cert. W/WW	0.50
Second "B" Cert. W/WW	0.50
First "A" Cert. W/WW	0.70
Second "A" Cert. W/WW	0.70
Senior Electrician Technician	
First "C" Cert. W/WW	0.30
Second "C" Cert. W/WW	0.30
Master Electrician License	0.40
Water Conservation Inspector	
Accredited Related Course*	0.30
Field / Plant Operator III	
Second "B" Cert. W/WW	0.50
First "A" Cert. W/WW	0.70
Second "A" Cert. W/WW	0.70
Field / Plant Operator II	
Second "C" Cert. W/WW	0.30
First "B" Cert. W/WW	0.50
Second "B" Cert. W/WW	0.50
First "A" Cert. W/WW	0.70
Second "A" Cert. W/WW	0.70
Utilities Technicians	
Purchasing Tech	
CPA TX Procurement Cert.	0.50
Asset Software/Hardware Tech	
Completion of three City Works Asset Management Training Courses*	0.50
Water Quality Tech	
Class "C" Certified Lab Analysis	0.50
Field / Plant Operator I	
Water "D" Cert.	0.20
Wastewater "D" Cert.	0.20

Recycle Monitor

*Pre-approval by the Department Head is required prior to course enrollment.

Appendix B, as amended and approved on September 20, 2016 by unanimous vote of the Council of the City Horseshoe Bay of during a regularly scheduled meeting and made a part of the minutes thereof.

Stephen T. Jordan, Mayor

Appendix C Merit Table – Revised 09/20/2016

**CITY OF HORSESHOE BAY
COMPENSATION PLAN
MERIT INCREASE GUIDE
FY2017**

ACHIEVEMENT LEVEL								
COMPA-RATIO			<u>VI</u>	<u>V</u>	<u>IV</u>	<u>III</u>	<u>II</u>	<u>I</u>
	-	79.9	0%	0%	0%	0%	0%	6%
80.0	-	89.9	0%	0%	0%	0%	3%	5%
90.0	-	99.9	0%	0%	0%	0%	3%	4%
100.0	-	109.9	0%	0%	0%	0%	1%	3%
110.0	-	120.0	0%	0%	0%	0%	0%	2%

	ACHIEVEMENT LEVEL	RATING
I	<u>EXCEPTIONAL</u> Performance rarely matched - far exceeds all job requirements.	67.5 - 75
II	<u>ABOVE AVERAGE</u> Performance clearly exceeds job requirements	52.5 - 67
III	<u>MEETS EXPECTATIONS</u> Performance substantially meets job requirements	37.5 - 52
IV	<u>SATISFACTORY</u> Performance meets job requirements	22.5 - 37
V	<u>IMPROVEMENT NEEDED</u> Performance below minimum job requirements	7.5 - 22
VI	<u>UNSATISFACTORY</u> Performance unacceptable - not retainable	0 - 7

Appendix C - Merit Increase Guide amended and approved on September 20, 2016, by unanimous vote of the Council of the City of Horseshoe Bay during a regularly scheduled meeting and made a part of the minutes thereof.

Stephen T. Jordan, Mayor