

CITY OF LA GRANGE



**2016-2017
FISCAL YEAR
ANNUAL OPERATING BUDGET**

City of La Grange

ANNUAL OPERATING BUDGET

October 1, 2016 through September 30, 2017

Janet Moerbe
Mayor

John J. Cernosek
Mayor Pro tem

Deborah Bradley – Councilperson
Bonnie Busch - Councilperson
John Eilert – Councilperson
Pat Janca - Councilperson
Arnold Romberg - Councilperson
Kathy Weishuhn- Councilperson
Violet Zbranek - Councilperson

Shawn Raborn
City Manager

Frank Menefee
Assistant City Manager / Utility Manager

Lisa Oltmann
City Secretary

City of La Grange
2016-2017 Budget
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INTRODUCTION



City of La Grange

155 E. Colorado ★ La Grange, Texas 78945

September 10, 2016

Honorable Mayor and City Council
City of La Grange
La Grange, Texas 78945

Mayor and Council members:

It is again with great pleasure that I submit for your consideration the Annual Operating Budget (2016-2017) for the City of La Grange. This is being done in accordance with Article IX, Section 9.02 of the City of La Grange Charter. This budget reflects the ongoing mission of the La Grange City Council to maintain cost effective programs and services at current levels, while continually focusing on preserving and enhancing the quality of life that is enjoyed by all La Grange Citizens.

The assessed property valuation for 2016 is \$297,462,589, an increase of 7.45% from the 2015 assessed valuation of \$276,833,217. The assessed property evaluation increase included over 2.4 million dollars in new taxable property being added to the tax roll.

The property tax rate for 2016-2017 is proposed to be set at .2093. The rate is apportioned in the following manner (rate expressed per \$100 of assessed property valuation):

	<u>2016-2017</u>
Operations & Maintenance Rate	\$.1447
Debt Service Rate	<u>.0646</u>
TOTAL	\$.2093

A recap of the 2016 - 2017 Budget follows:

	<u>2016-2017</u>
General Fund	\$3,257,132
Utility Fund	9,437,000
Debt Service Fund	<u>192,212</u>
GRAND TOTAL	\$12,886,344

I will close by saying that the staff remains focused on providing quality and efficient public services to the citizens of La Grange. The development of this annual budget required many hours of research and preparation. My sincere appreciation is extended to the Mayor and City Council for your guidance and the staff for their input and efforts.

Thank you for your support, direction, leadership and confidence. I look forward to working with you this coming year.

Respectfully Submitted,



Shawn Raborn
City Manager

No. 16-

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF LA GRANGE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017; APPROPRIATING MONEY TO A SINKING FUND TO PAY INTEREST AND PRINCIPAL DUE ON THE CITY'S INDEBTEDNESS; AND ADOPTING THE ANNUAL BUDGET OF THE CITY OF LA GRANGE FOR THE 2016-2017 FISCAL YEAR WHICH INCLUDES THE GENERAL FUND, THE UTILITY ENTERPRISE FUND AND THE LA GRANGE ECONOMIC DEVELOPMENT CORP. BUDGET.

WHEREAS, the annual budget for the City of La Grange, Texas (appended hereto as Exhibit "A") for the fiscal year beginning October 1, 2016, and ending September 30, 2017, was duly presented to the City Council by the City Manager; and

WHEREAS, a public hearing on said annual budget was ordered by the City Council and will be held on September 12, 2016 and a notice of said public hearing was caused to be given by the City Council; and,

WHEREAS, said notice was published in the Fayette County Record and said public hearing was held according to said notice; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA GRANGE, TEXAS:

SECTION 1: That the appropriations for the fiscal year beginning October 1, 2016 and ending September 30, 2017, for the support of the general government of the City of La Grange, Texas, be fixed and determined for said term in accordance with the expenditures shown in the annual budget of the City of La Grange, Texas for the 2016-2017 fiscal year, which includes the General Fund,

Utility Enterprise Fund and the La Grange Economic Development Corp. budget, a copy of which is appended hereto as Exhibit "A".

SECTION 2: That the budget, as shown in words and figures in Exhibit "A", is hereby approved in all respects and adopted as the budget of the City of La Grange, Texas, for the fiscal year beginning October 1, 2016 and ending September 30, 2017.

SECTION 3: That there is hereby appropriated the amount shown in said budget as necessary to provide for a sinking fund for the payment of the principal and interest and retirement of the bonded debt of said City.

PASSED AND APPROVED on the First Reading hereof on this the 12th day of September, 2016, with 8 Council Members voting in favor hereof and 0 Council Members voting in opposition hereof.

PASSED AND APPROVED on the Second Reading hereof on this the 26th of September, 2016, with ___ Council Members voting in favor hereof and ___ Council Members voting in opposition hereof.

City of La Grange, Texas

By: _____
Janet Moerbe, Mayor

Attest:

Lisa Oltmann, City Secretary

Approved as to Form:

Maria Angela Flores Beck,
City Attorney

No. 16-

AN ORDINANCE LEVYING AD VALOREM TAXES FOR USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF LA GRANGE, TEXAS FOR THE 2016-2017 FISCAL YEAR; PROVIDING FOR APPORTIONING EACH LEVY FOR SPECIFIC PURPOSES; PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID; PROVIDING FOR THE LEVY AND COLLECTION OF OCCUPATION TAXES.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA GRANGE, TEXAS:

SECTION 1: That there is hereby levied and there shall be collected for the use and support of the municipal government of the City of La Grange, Texas, and to provide an Interest and Sinking Fund for the 2016-2017 fiscal year, upon all property, real, personal and mixed, within the corporate limits of said City subject to taxation, a tax of \$.2093 on each \$100.00 valuation of property, said tax being so levied and apportioned to the specific purposes here set forth:

1. For the maintenance and support of the general government (General Fund), \$.1447 on each \$100.00 taxable valuation of property; and
2. For the Interest & Sinking Fund, \$.0646 on each \$100.00 taxable valuation of property.
3. The total tax rate of \$.2093 on each \$100,000 taxable valuation of property is 4.07 percent above the effective tax rate of \$.2011 per \$100.00 taxable valuation of property.

SECTION 2: THIS TAX RATE WILL RAISE LESS TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. The tax rate will decrease for maintenance and operations on a \$100,000 home by approximately \$6.20 (\$144.70 less \$150.90) last year's tax maintenance and operations rate was \$.1509. The total tax rate for last year was .2157.

SECTION 3: That taxes levied under this ordinance shall be due October 1, 2016, and if not paid on or before January 31, 2017, shall immediately become delinquent.

SECTION 4: That all taxes shall become a lien upon the property against which assessed, and the Fayette County Tax Appraisal District is hereby authorized and empowered to enforce the collection of such taxes according to the Constitution and laws of the State of Texas and Ordinances of the City of La Grange, Texas. The Fayette County Tax Appraisal District, by virtue of the tax rolls certified, is hereby authorized and empowered to fix and establish a lien by levying upon such property, whether real, personal or mixed, for payment of said taxes, penalty and interest, and, the interest and penalty collected from such delinquent taxes shall be apportioned to the General Fund of the City of La Grange, Texas. All delinquent taxes shall bear interest from date of delinquency at the rate prescribed by state law.

SECTION 4: That, to the extent permitted by law, there is hereby levied, and it shall be the duty of the Tax Collector of the City of La Grange, Texas, to assess and collect from every person pursuing any occupation now or hereafter taxed by the general laws of the State an annual occupation tax, an amount not to exceed one-half of said annual occupation tax levied by the State of Texas.

PASSED AND APPROVED on the First Reading hereof on this the 12th day of September, 2016, with 8 Council Members voting in favor hereof and 0 Council Members voting in opposition hereof.

PASSED AND APPROVED on the Second Reading hereof on this the 26th day of September, 2016, with _ Council Members voting in favor hereof and _ Council Members voting in opposition hereof.

City of La Grange, Texas

By: _____
Janet Moerbe, Mayor

Attest:

Lisa Oltmann, City Secretary

Approved As to Form:

Maria Angela Flores Beck,
City Attorney

FUND SUMMARIES

**BUDGET
FISCAL YEAR
2016-2017**

	GENERAL FUND	DEBT SERVICE FUND	ELECTRIC FUND	WATER FUND	SEWER FUND	SANITATION FUND	INVESTMENT INCOME	TOTAL
REVENUES	\$ 3,257,132	\$ 192,212	\$ 5,723,000	\$ 1,852,000	\$ 793,000	\$ 1,039,000	\$ 30,000	\$ 12,886,344
DIRECT EXPENDITURES								
OPERATIONS/MAINTENANCE								
MAYOR & COUNCIL	\$ 29,612							\$ 29,612
GENERAL ADMINISTRATION	\$ 419,682							\$ 419,682
STREET & BRIDGE	\$ 247,085							\$ 247,085
FIRE DEPT.	\$ 80,650							\$ 80,650
POLICE DEPT.	\$ 1,140,958							\$ 1,140,958
PARKS	\$ 240,284							\$ 240,284
CEMETERY	\$ 133,622							\$ 133,622
RECREATION	\$ 259,003							\$ 259,003
LIBRARY-MUSEUM/ARCH.	\$ 307,198							\$ 307,198
BUILDING INSPECTION	\$ 60,482							\$ 60,482
COMMUNITY DEVELOPMENT	\$ 88,306							\$ 88,306
VISITORS BUREAU - MAIN STREET	\$ 250,252							\$ 250,252
DEBT SERVICE		\$ 192,212						\$ 192,212
ELECTRIC			\$ 4,842,135					\$ 4,842,135
WATER				\$ 1,483,015				\$ 1,483,015
SEWER					\$ 533,465			\$ 533,465
SANITATION						\$ 993,361		\$ 993,361
SUBTOTAL DEPARTMENTAL	\$ 3,257,132	\$ 192,212	\$ 4,842,135	\$ 1,483,015	\$ 533,465	\$ 993,361	\$ -	\$ 11,301,319
FRANCHISE FEE	\$ -	\$ -	\$ 395,000	\$ 61,500	\$ 38,500	\$ 45,000	\$ -	\$ 540,000
TOTAL DIRECT EXPENSE	\$ 3,257,132	\$ 192,212	\$ 5,237,135	\$ 1,544,515	\$ 571,965	\$ 1,038,361	\$ -	\$ 11,841,319
INDIRECT EXPENDITURES	\$ -	\$ -	\$ 491,161	\$ 303,057	\$ 219,455	\$ 31,351	\$ -	\$ 1,045,024
TOTAL EXPENDITURES	\$ 3,257,132	\$ 192,212	\$ 5,728,296	\$ 1,847,572	\$ 791,421	\$ 1,069,711	\$ -	\$ 12,886,344
NET REVENUES (LOSSES)	\$ (0.00)	\$ -	\$ (5,296)	\$ 4,428	\$ 1,579	\$ (30,711)	\$ 30,000	\$ 0.00

**BUDGET SUMMARY - GENERAL FUND
2016-2017**

ESTIMATED BEGINNING BALANCES OCTOBER 1, 2016:	\$ 1,852,685.00	
		\$1,852,685

REVENUE:

PROPERTY TAXES	\$ 436,200	
TOTAL NON-PROPERTY TAXES	\$ 1,408,982	
TOTAL LICENSES AND PERMITS	\$ 36,150	
FINES, FORFEITURES & PENALTIES	\$ 71,500	
MISCELLANEOUS	\$ 1,281,000	
INTEREST INCOME	\$ 23,300	
GRANTS	\$ -	
		\$3,257,132

EXPENDITURES

MAYOR & COUNCIL	\$ 29,612	
GENERAL ADMINISTRATION	\$ 419,682	
STREET & BRIDGE	\$ 247,085	
FIRE DEPT.	\$ 80,650	
POLICE DEPT.	\$ 1,140,958	
PARKS	\$ 240,284	
CEMETERY	\$ 133,622	
RECREATION	\$ 259,003	
LIBRARY-MUSEUM/ARCH.	\$ 307,198	
BUILDING INSPECTION	\$ 60,482	
COMMUNITY & ECONOMIC DEV.	\$ 88,306	
VISITORS BUREAU - MAIN STREET	\$ 250,252	
		\$3,257,132

ESTIMATED ENDING BALANCE SEPTEMBER 30, 2017:		\$1,852,685
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**BUDGET SUMMARY - UTILITY FUND
2016-2017**

ESTIMATED BEGINNING BALANCES OCTOBER 1, 2016:

TREASURY NOTES	\$	-	
UNAPPROPRIATED CASH ON HAND	\$	<u>2,583,371</u>	
			\$2,583,371

REVENUE:

ELECTRIC SALES	\$	5,723,000	
WATER SALES	\$	1,852,000	
SEWER SALES	\$	793,000	
GARBAGE SALES	\$	1,039,000	
INTEREST EARNED/OTHER INCOME	\$	30,000	
		<u>9,437,000</u>	\$9,437,000

EXPENDITURES

ELECTRIC	\$	4,842,135	
WATER	\$	1,483,015	
SEWER	\$	533,465	
GARBAGE	\$	993,361	
WAREHOUSE/PURCHASING	\$	203,784	
UTILITY ADMINISTRATION	\$	841,240	
INTERFUND TRANSFER	\$	540,000	
		<u>9,437,000</u>	\$9,437,000

ESTIMATED ENDING BALANCE SEPTEMBER 30, 2017:		\$2,583,371
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**BUDGET CAPITAL PROJECTS/PROGRAMS
FISCAL YEAR 2016/2017**

GENERAL / CAPITAL FUND

DEPARTMENT	DESCRIPTION	APPROVED AMOUNT	DEPARTMENT TOTAL
GENERAL ADMINISTRATION	TECHNOLOGY CAPITAL	\$ 25,000	
	CITY FACILITY IMPROVEMENTS	\$ 400,000	
	AIRPORT IMPROVEMENTS	\$ 75,000	
			\$ 500,000
STREET & BRIDGE	STREET/DRAINAGE PROJECTS	\$ 400,000	
			\$ 400,000
FIRE DEPT.	CAPITAL	\$ 10,000	
	FIRE TRUCK RESERVE	\$ 25,000	
			\$ 35,000
POLICE DEPT.	CAPITAL	\$ 10,000	
	VEHICLE - NOTE 2014	\$ 9,156	
	VEHICLE - NOTE 2014	\$ 9,156	
	VEHICLE - NOTE 2014	\$ 9,156	
	VEHICLE - NOTE 2015	\$ 8,872	
	VEHICLE - NOTE 2015	\$ 8,872	
	VEHICLE - NOTE 2015	\$ 8,872	
	VEHICLE - NOTE 2016	\$ 8,800	
	VEHICLE - NOTE 2016	\$ 8,800	
			\$ 81,684
PARKS & RECREATION	RECREATION CENTER	\$ 500,000	
			\$ 500,000
PARKS MAINTENANCE	MOWER NOTE	\$ 2,930	
	MOWER NOTE	\$ 1,212	
	COMMERCIAL MOWER 72" 2014	\$ 4,804	
	TRACTOR NOTE 2015	\$ 6,635	
	CAPITAL	\$ 75,000	
LIBRARY - MUSEUM	CAPITAL	\$ 10,000	\$ 90,581
			\$ 10,000
TOTAL GENERAL FUND CAPITAL			<u>\$ 1,617,265</u>

CAPITAL IMPROVEMENT FUND 91

SOURCE	ACTUAL 2014-2015	BUDGET 2015-2016	ESTIMATED 2015-2016	BUDGET 2016-2017
Fund Balance October 1	\$ 7,664,487	\$ 6,164,619	\$ 6,164,619	\$ 4,548,403
 REVENUES				
TMGC Sponsorship	\$ 1,395,655	\$ -	\$ -	\$ -
CZECH Center Loan	\$ 33,702	\$ -	\$ -	\$ -
INTEREST	\$ 71,506	\$ 55,000	\$ 55,000	\$ 55,000
TMGC Program Income		\$ 1,370,260	\$ 1,370,260	\$ 1,356,280
Grant Reimbursement & Other	\$ -	\$ -	\$ -	\$ -
TEXGAS III Program Income	\$ -	\$ -	\$ -	\$ -
 TOTAL	 \$ 1,500,863	 \$ 1,425,260	 \$ 1,425,260	 \$ 1,411,280
 EXPENDITURES				
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Randolph Recreation Center	\$ 32,700	\$ 400,000	\$ 25,000	\$ 500,000
Street and Drainage Projects	\$ 274,437	\$ 300,000	\$ 275,000	\$ 400,000
Park Facility Enhancements	\$ 12,440	\$ 150,000	\$ 150,000	\$ 75,000
Technology Projects	\$ -	\$ 50,000	\$ 15,000	\$ 25,000
City Facility Improvements	\$ -	\$ 100,000	\$ 25,000	\$ 400,000
Casino Hall Building Restoration	\$ -	\$ 1,425,000	\$ 1,325,000	\$ -
Library Enhancements	\$ 2,500	\$ 35,000	\$ 25,000	\$ 10,000
Police Equipment	\$ 14,500	\$ 15,000	\$ 15,000	\$ 10,000
Fire Equipment Enhancements	\$ 8,500	\$ 10,000	\$ 10,000	\$ 10,000
Fire Truck Reserve	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Utility Improvements	\$ 53,839	\$ 200,000	\$ 200,000	\$ 250,000
Staff Support - Longevity	\$ 45,000	\$ 95,000	\$ 90,000	\$ 95,000
Fire Truck Payment	\$ 50,000	\$ -	\$ -	\$ -
Debt Service - Water Field	\$ -	\$ 40,000	\$ 55,000	\$ 10,000
Airport Capital Improvements	\$ -	\$ 75,000	\$ -	\$ 75,000
Grant Match	\$ 3,000	\$ -	\$ -	\$ -
 TOTAL	 \$ 1,016,916	 \$ 2,920,000	 \$ 2,235,000	 \$ 1,885,000
 Fund Balance Sept. 30	 \$ 8,148,434	 \$ 4,669,879	 \$ 5,354,879	 \$ 4,074,683

**BUDGET CAPITAL PROJECTS/PROGRAMS
FISCAL YEAR 2016-2017**

ENTERPRISE / CAPITAL FUND

DEPARTMENT	DESCRIPTION	APPROVED AMOUNT	DEPARTMENT TOTAL
ELECTRIC	CONSTRUCTION FIXTURES, POLE LINE HARDWARE VEHICLE NOTE 2013 VEHICLE NOTE BUCKET TRUCK 2013	\$ 160,000 \$ 70,000 \$ 5,266 \$ 28,937	\$ 264,203
WATER	TRANSFER OUT/ DEBT METERS CONSTRUCTION WATER WELL UPGRADE VEHICLE - VACTRON 2012 VEHICLE -- SERVICE TRUCK 2014 BACKHOE - NOTE 2015	\$ 70,000 \$ 2,500 \$ 900,000 \$ 70,000 \$ 13,041 \$ 9,605 \$ 11,692	\$ 1,076,838
SEWER	CONSTRUCTION	\$ 205,000	\$ 205,000
SANITATION	VEHICLE NOTE -- 2012 STREET SWEEPER NOTE - 2011	\$ 10,710 \$ 32,490	\$ 43,200

DEPARTMENT	DESCRIPTION	APPROVED AMOUNT	DEPARTMENT TOTAL
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PURCHASING

FORKLIFT NOTE - 2015

\$ 8,117

ENTERPRISE CAPITAL PROJECTS

\$ 1,597,358