

CITY OF CELINA, TEXAS

ORDINANCE NO. 2010-39

AN ORDINANCE OF THE CITY OF CELINA, TEXAS ADOPTING AND APPROVING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010 AND ENDING SEPTEMBER 30, 2011, AND MAKING APPROPRIATIONS FOR EACH DEPARTMENT, PROJECT AND ACCOUNT; PROVIDING FOR EXPENDITURES OF FUNDS; PROVIDING FOR FILING OF DOCUMENTS; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to the laws of the State of Texas and the Home Rule Charter of the City of Celina, Texas ("Celina"), the City Manager has submitted to the City Council the proposed budget of the revenues and expenditures for conducting the affairs of Celina and providing a complete financial plan for the fiscal year beginning October 1, 2010 and ending September 30, 2011 and has caused to be filed with the City Secretary (the "budget").

WHEREAS, the budget shows as definitely as possible each of the various projects for which appropriations are set up in the budget, and the estimated amount of money carried in the budget for each of such projects; and

WHEREAS, public notice of a public hearing on the proposed annual budget, stating the date, time, and place and subject matter of the public hearing, was given as required by the laws of the State of Texas; and

WHEREAS, the City Council has studied the budget and listened to the comments received at the public hearing and has determined that the budget attached hereto is in the best interest of the City of Celina.

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

SECTION 1
BUDGET ADOPTED

The budget attached hereto as exhibit "A" and incorporated herein by this reference is approved and adopted for the fiscal year beginning October 1, 2010 and ending September 30, 2011; and there is hereby appropriated from the funds indicated and for such purposes, respectively, such sums of money for such projects, operations, activities, purchases and other expenditures as proposed in the attached budget.

SECTION 2
EXPENDITURE OF FUNDS

(A) No expenditure of the funds of the City shall hereafter be made except in compliance with the budget and applicable state law; provided, however, that in case of grave public necessity emergency expenditures to meet unusual and unforeseen conditions, which could not by reasonable, diligent thought and attention have been included in the original budget, may from time to time be authorized by the City Council as amendments to the original budget.

(B) Prior to the expenditure of any monies in the emergency reserve fund, the question of the expenditure of such monies shall be submitted to the City Manager, who shall review the proposed expenditure and timely make its recommendation to the City Council.

(C) Specific authority is hereby given to the City Manager to transfer appropriations budgeted from one account classification or activity to another within any individual department or activity; and , to transfer appropriations from designated appropriations to any individual department or activity.

SECTION 3
FILING OF BUDGET AND ORDINANCE REQUIRED

The City Manager shall file or cause to be filed a true and correct copy of the approved budget, along with this Ordinance, with the City Secretary and in the office of the County Clerk of Collin County, Texas.

SECTION 4
CUMULATIVE REPEALER CLAUSE

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on the date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 5
SAVINGS CLAUSE

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting the City budget, which have secured at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the court.

SECTION 6
SEVERABILITY

The provisions of this Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in whole, or in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority's decision or enactment.

SECTION 7
PUBLICATION CLAUSE

The City Secretary of the City of Celina is hereby directed to publish in the Official Newspaper of the City of Celina, the Caption and Effective Date Clause of this Ordinance as required by the Home Rule Charter.

SECTION 8
ENGROSSMENT AND ENROLLMENT

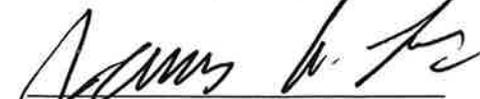
The City Secretary is hereby directed to engross and enroll this Ordinance by copying the exact Caption, Publication Clause and effective Date Clause in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 9
EFFECTIVE DATE

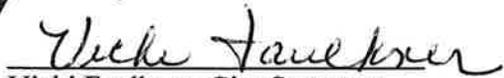
This Ordinance shall become effective from and after its date of passage in accordance with law.

IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas,
this the 13th day of September 2010.



Jim Lewis, Mayor



Vicki Faulkner, City Secretary



FY2011 PROPOSED ANNUAL OPERATING BUDGET



7/30/2010

As Proposed by the City Manager

HB 3195 Statement:

This budget will raise less total property taxes than last year's budget by \$63,581.31, or negative 2.1%, and of that amount \$45,105.55 is tax revenue to be raised from new property added to the tax roll this year.

FY2011 Proposed Annual Operating Budget

AS PROPOSED BY THE CITY MANAGER

AS SUBMITTED TO:

The Honorable Jim Lewis
Mayor

Sean Terry
Mayor Pro-Tem

City Council Members
Brad Glendening
Dewey Isham
Wayne Nabors
Dick Smith
Bill Webber

AS PROPOSED AND SUBMITTED BY:

Jason Gray
City Manager

and

Jay Toutounchian
Director of Finance

INTRODUCTION

It's my pleasure to submit to you, for your consideration, the City of Celina Fiscal Year 2011 Proposed Operating Budget. This budget has been developed with the goal of providing a wide range of quality public services to our community with the goal of continually increasing the quality of life engendered by the citizens of Celina through efficient and effective fiscal, personnel, and capital management in accordance with your stated goals and priorities.

The total combined budget of \$11,903,424 represents a decrease of \$553,514 from the originally adopted FY2010 budget.

Local, regional and national economic factors continue to make for significant local government budgeting challenges. Decreasing property and sales tax collections and slightly increasing costs have made balancing the FY2011 budget more difficult than ever. Although total General Fund revenues will be decreasing, I have asked my staff to help provide a balanced budget with a proposed 64.5¢ property tax rate without significantly impacting our quality level of service. For funding to be adequate for the Utility Fund, however, I am recommending with this budget that you adopt the approximately 15% additional increase to water and sewer rates that were recommended by our rate analyst, and an approximately 3% increase to the current trash and recycling fees. The rates as currently adopted would operate the fund essentially at a break-even level, but the working capital reserve (fund balance) in the fund is dangerously low, and may be negative by the end of FY2010. In order to enable the fund to reach a reasonable level of reserve, you will have to consider adopting the recommended increase. This recommendation was identified in the 2010 water and sewer rate study, and the adopted rates are performing essentially as expected.

The proposed FY2011 Operating Budget is a balanced budget and is presented in accordance with the City's Home Rule Charter. The Budget represents a series of balances constructed between revenues and expenditures and between prioritized operational needs and long-term community investment strategies.

The Budget is designed as a management guide, an executive planning document, and a financial report. It helps to identify future needs, sets of objectives for the coming year, and defines the purposes and resources to achieve those objectives.

Over the years, the City of Celina budget document has evolved from a simple financial report with proposals for expenditures and estimates for revenues into what has become the most comprehensive annual document concerning planned programs, operations, and budgetary policies that influence the fiscal state of the City.

The budget, therefore, is the most important working and planning tool used by the City Council and staff to determine and communicate the levels of service, maintenance, and infrastructure determined by the City Council to be necessary for the community.

The City employs a fund accounting structure. The identity and functions of these funds are:

- General Fund - to account for the resources and expenditures related to the generally recognized governmental services and/or functions provided by the various City departments, including: the Library Services Department, Office of the City Secretary, Development Services, Administration, Municipal Court, Fire and Emergency Medical Services, Public Works (including Street Maintenance and Drainage), Police, Parks & Recreation, and Main Street - a governmental fund type.
- Debt Service Fund – to account for the accumulation of resources for, and the payment of, general long term debt principal and interest - a governmental fund type.

- General Capital Improvement Projects Fund – to account for the financial resources associated with multi-year and/or major capital improvement projects to be funded from non-utility revenues – a governmental fund type.
- Utility Fund - to account for all the activities required for the provision of water and sanitary sewer (through Public Works) and sanitation collection and disposal services to the residents of the City - a proprietary fund type.
- Utility Capital Improvement Fund - to account for the financial resources associated with multi-year and/or major capital improvement projects to be funded from utility revenues – a proprietary fund type.
- Impact Fees Fund – to account for the resources and expenditures of the Water and Sewer Impact fees that have been or expect to be collected – a proprietary type fund.
- Economic Development Corporation Fund - to account for the resources and expenditures related to the Section 4A Economic Development Corporation – a governmental type fund.
- Community Development Corporation Fund - to account for the resources and expenditures related to the Section 4B Community Development Corporation – a governmental type fund.

This budget document was prepared by staff to encompass the concurrent development of: 1) market based pay plans; 2) operations and maintenance (O&M) line-item costs sufficient to provide desired service levels; and 3) a capital and infrastructure maintenance program to achieve your stated goals.

In the coming sixty days, the City Council and community will be afforded several opportunities to become familiar with and ask questions about the proposed budget. My goal and the goal of my staff is to present information transparently, accurately, and timely. In addition, we will provide a high level of analysis with any question or request for clarification received from the City Council or the community during the budget adoption process. In addition to the August 9th regular City Council meeting at which this budget will be formally presented, the City Council will hold at least two public hearings on the budget, at least two public hearings on the proposed tax rate, we will take out advertisements in a local newspaper, and we will post the proposed budget on the City's website, and provide an electronic and/or hard copy to anyone who requests it in person, by phone, email, or fax.

The following pages are intended to serve as an open and transparent guide to the planned operations for the City of Celina for the 2011 Fiscal Year. If you have any questions about the proposed budget, please do not hesitate to contact me at any time.

Sincerely,



Jason Gray
City Manager

BUDGET SUMMARY

This budget, including proposed expenditures and transfers out, totals \$11,903,424. The budget estimates current revenues and transfers in of \$9,860,622, or \$2,042,802 less than planned expenditures. The proposed FY2011 budget is fully funded with current revenues, with the exception of a planned spend-down of debt service fund which has excess reserves, a planned spend-down of the general capital fund for construction-in-progress (CIP) projects, including the design of Frontier Parkway, and a planned spend-down of the utility capital fund for CIP projects including the Carter Ranch Wastewater Relief line and planned improvements at the existing wastewater treatment plant. The projected combined beginning fund balance of all funds at October 1, 2010 is \$3,446,353. The projected ending fund balance of all funds at September 30, 2011 is \$1,403,551, for a net decrease of \$2,042,802.

The following table provides estimated beginning fund balances, estimated revenues and transfers in, proposed expenses and transfers out and estimated ending fund balances for FY2011, for all funds:

Combined Budget Summary

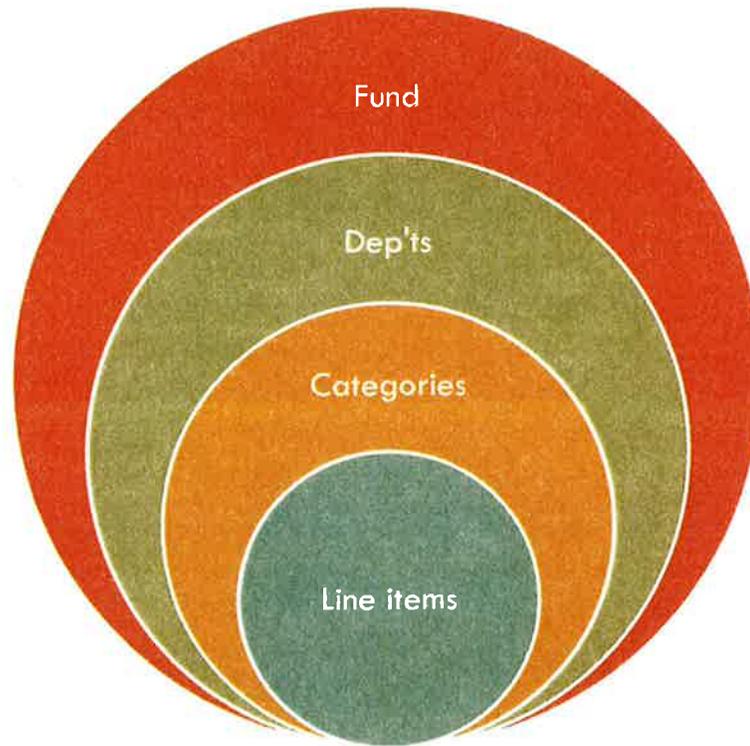
Fund	10/1/2010 Projected Balance	Current Revenues	Transfers In	Operating Expenses	Capital Outlay	Transfers Out	9/30/2011 Projected Balance
General Fund	\$790,028	\$3,870,684	\$75,000	\$3,943,233	\$-	\$-	\$792,480
Debt Service Fund	\$508,260	\$273,163	\$1,173,382	\$1,696,545	\$-	\$-	\$258,260
General CIP Fund	\$376,933	\$-	\$-	\$-	\$350,000	\$-	\$26,933
Utility Fund	\$(245,090)	\$4,201,393	\$-	\$2,670,265	\$-	\$1,080,881	\$205,157
Impact Fees Fund	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Utility CIP Fund	\$1,938,340	\$-	\$-	\$-	\$1,900,000	\$-	\$38,340
CCDC	\$1,406	\$137,000	\$-	\$-	\$-	\$137,500	\$906
CEDC	\$76,476	\$130,000	\$-	\$95,000	\$-	\$30,000	\$81,476
TOTALS	\$3,446,353	\$8,612,241	\$1,248,382	\$8,405,042	\$2,250,000	\$1,248,381	\$1,403,551

The departmental summaries that follow roll into this combined budget summary, and represent units of the organization arranged within the Funds of the City. As discussed at our summer work session, the budget we are proposing for each department is broken down into six categories of expenditures. Individual line items roll into the categories and staff will use a line item budget for day-to-day financial management. The six categories are:

- Personnel – accounts for the full cost of salaries and all benefits of our people. New this year, this category also includes expenses incident to personnel, such as travel, training, and uniforms.
- Legal & Professional – accounts for operating expenses associated with outside consultation with professionals such as attorneys, engineers, and consultants.
- Materials & Supplies – accounts for consumable operating supplies, including expenses such as office supplies, chemicals, ammunition, medical supplies, etc.

- Maintenance – includes operating expenses for goods and services necessary for the operation and maintenance of our facilities, equipment, and tools including things like fuel, oil changes, tires, vehicle repairs, hardware and software maintenance agreements, etc.
- Utility Expenses – accounts for the cost of purchasing utilities such as electricity, phone lines, and natural gas.
- Other Operational Expenses – accounts for the variety of other expenses that occur on a day to day basis, including things like property insurance, postage, equipment rental, advertising, library materials, office cleaning, and rent, etc.

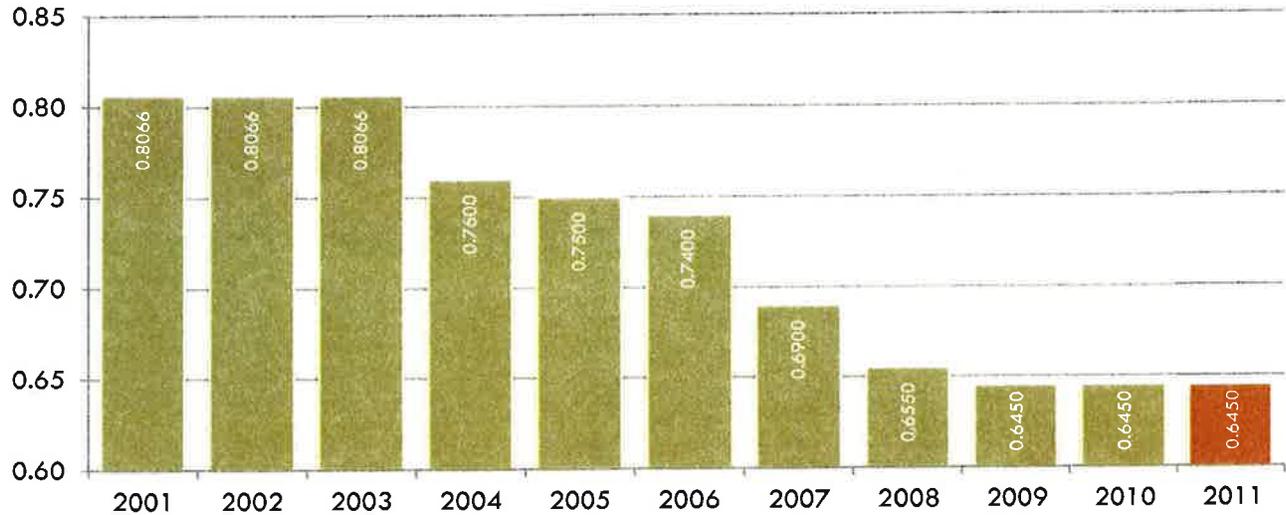
The following graphic is intended to solidify an understanding of the organizing financial structure used to develop this proposed budget. Line items roll into categories, which in turn roll into the departments, which in turn roll into the funds. The budget ordinance that we will present to you in September will request that you appropriate resources at the fund level. These different levels carry different levels of authorization and necessary approval. In the event that a Fund appears that it will exceed the amount that the Council has enacted by ordinance, we will request that you adopt a budget amending ordinance. However, because you do not approve a department-level budget ordinance, if the fund will not be exceeded but an individual department funding level will exceed the level presented in this document, staff will notify the Council, but no formal action will be required. Any budget adjustments below the department level will be managed at a staff level.



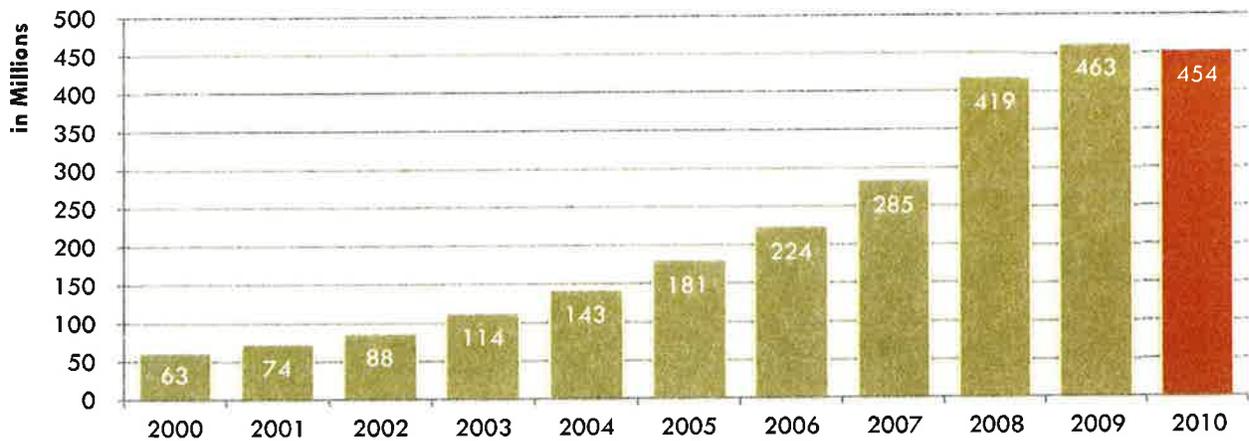
AD VALOREM TAX SUMMARY

For the current fiscal year, the City Council adopted a 64.5¢ tax rate per \$100 of property valuation. This budget proposes to maintain the existing tax rate. While there was modest tax base growth in new improvements and annexations of just under \$7 million, the value of properties that existed on the tax roll last year decreased by \$16,564,192, for a net taxable value loss of \$9,875,841, or about 2.12%. Charts showing the historical property tax rate and taxable values, respectfully, follow:

Property Tax Rate History (Fiscal Years)



Total Appraised Value History (Tax Years)



SUMMARY OF CERTIFIED ASSESSED VALUE

The Collin Central Appraisal District and Denton Central Appraisal District issued a certified assessed value for the City of Celina at \$453,846,095, which includes a small percentage that are still under review, but have been conservatively estimated.

Breakdown of FY2011 Assessed Value

FY10 AV	Change in Existing Prop	% Change	+New Improvements	+Annexations	-ARB Adjust.	=FY11 AV
\$463,721,936	(\$16,564,192)	(2.1%)	\$6,907,105	\$86,773	(\$305,527)	\$453,846,095

SUMMARY OF SIGNIFICANT PROPOSED PERSONNEL ACTIONS

Market-Based Compensation Scale Policy

It is the intent of this budget to adequately compensate our people in respect to what the market is demanding we pay for the services that they provide. Within the development of this budget we surveyed the marketplace and found no need for market-based compensation adjustments. The market analysis is to consider the range of compensation necessary in the marketplace to attract and keep qualified people for the positions that we have and will be reviewed annually and adjusted accordingly.

Merit-Based Compensation Scale Policy

In conformance with a combined market and merit compensation design, we are budgeting 3% of salaries for merit-based pay adjustments. Please note that this was done for budgeting purposes only and does not reflect the actual plan for individual compensation changes in the coming fiscal year. The merit-based adjustments will be dependent solely upon the performance of each person, and will range from 0% to 6%.

New Proposed Positions

While the current economic conditions have limited growth in general, and therefore limited the number of new personnel required to maintain a high level of service, some areas continue to operate below an adequate level of staffing. I am recommending the addition of two staff for FY2011 – a Street and Drainage Superintendent in the general Fund and a Sewer Maintenance Worker in the Utility Fund. The addition of a Street and Drainage Superintendent in the Public Works Department will allow us to address an item that has been very high on the priority and goal lists of the City Council over the past several years. The department currently has two maintenance workers and works with no field supervision or outside professional experience in maintaining, improving, and operating our street and drainage system. While they have done a laudable job with the resources they have available, it is clear that we still have significant street and drainage maintenance issues across the city. The addition of this field superintendent will greatly impact our ability to provide a higher level of service in this critical area. This position is proposed to be funded beginning April 1, 2011.

The only other new position that I am recommending is the addition of one Maintenance Worker in the Sewer Division. The Division currently operates with one Superintendent and one Maintenance Worker. The addition of one Maintenance Worker in the division will create the ability for the Sewer Superintendent to better focus on the more technical aspects of operating the wastewater treatment plant in a way that is compliant with state and federal regulations. Due partly to the lack of adequate staffing in the Division, our plant has been

FY2011 Proposed Annual Operating Budget

penalized by the Texas Commission on Environmental Quality, and we must increase our ability to effectively operate the plant and the wastewater collection system. This position is proposed to be funded beginning January 1, 2011.

Significant Changes to Existing Positions

Another significant change is the un-freezing of the currently vacant Police Officer Position that was frozen when the position became open. Under the proposed budget, the Police Department would be funded to hire the position beginning in January of 2011.

Finally, a less significant, but notable change is in moving our two current contract Library Clerks to regular part-time employees. This is being proposed in order to ensure compliance with IRS regulations governing the classification of independent contractors versus employees.

SUMMARY OF SIGNIFICANT CHANGES IN FUND BALANCES

The amount of resources available for funding the annual budget is a vital element of budget development. The City is in the position of funding each year's budget with current revenues and planned spend downs of any particular fund balances.

In an effort to standardize the reporting of financial information from both a budgetary and financial reporting aspect, we will recognize undesignated unreserved fund balance in the General Fund and unrestricted net assets in the Utility Fund as available expendable financial resources for City operations. For budgetary representation purposes, Fund Balance refers to undesignated unreserved fund balance and net assets depending upon fund type. Level of reserve is calculated based upon the expected fund balance at the end of the fiscal year divided by the current operating expenses.

Because each fund has unique characteristics regarding the ability to forecast revenues and expenditures, different levels of fund balances are appropriate. Staff recommends the following level of reserves as targets for each budget year, and to the right is the level of estimated fund balance at the end of this proposed budget period (September 30, 2011):

Fund	Fund Title	Recommended Level of Reserve	Estimated Level of Reserve (9/30/2011)
102	General Fund	25%	20%
103	Debt Service Fund	10%	15%
104	General Fund - Capital Project Fund	0%	8%
202	Utility Fund	33%	5%
203	Impact Fees Fund	0%	0%
204	Utility - Capital Project Fund	0%	2%

While the General Fund balance is still below the recommended level, the proposed budget does not call for a significant planned increase due to the current economic conditions. Of particular note is the increase in the Utility Fund balance. While the proposed budget still projects it significantly below the recommended reserve

level of 33%, the balance position will be considerably improved upon from the approximate 5% fund balance projected at the beginning of FY2011. The fund is projected to be able to add about \$500,000 to the reserve according to this proposed budget. This is due primarily to the adopted and planned water and sewer rate increases which will begin to show positive net cash results in FY2011. In FY2012 and further out, we will continue to watch the revenue recovery of the utility fund, and will recommend a decrease in rates as soon as it is financially feasible.

GENERAL FUND SUMMARY OF SIGNIFICANT CHANGES

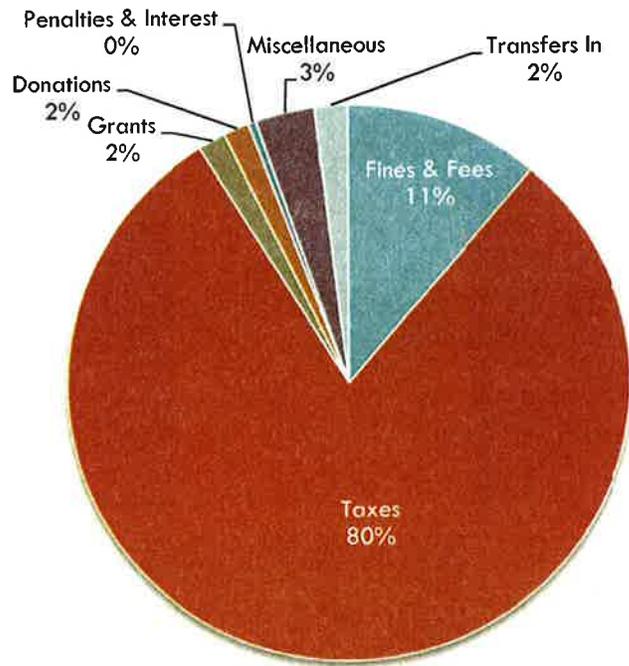
Summary of Significant Changes in General Fund Revenues

Funding of the FY2011 Proposed General Fund Budget is by means of current revenues and a nominal transfer in from the utility fund for general and administrative functions. Revenues in the proposed budget have been projected using existing trends, with these notable changes.

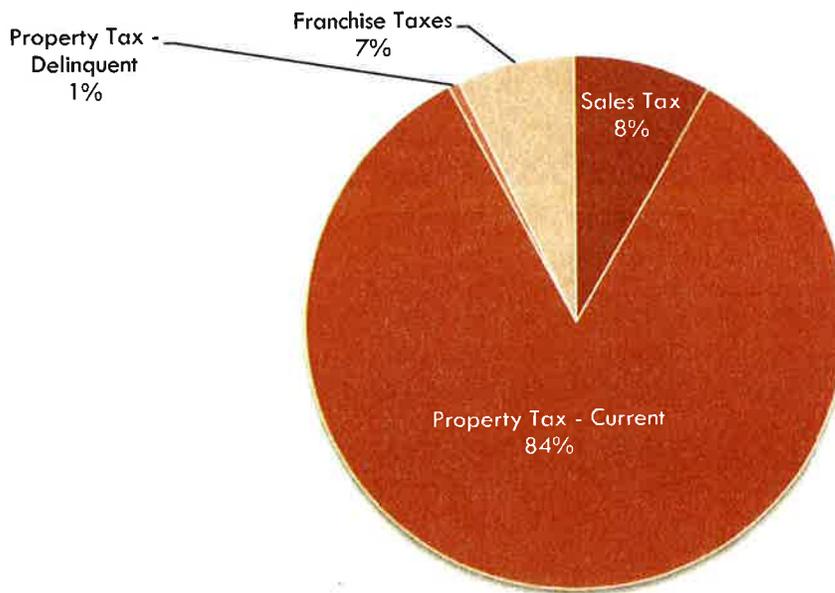
- Overall, I am estimating General Fund revenues of \$3,945,684 for FY2011. This represents an approximate 3% decrease from the FY2010 budget and nearly a 6% decrease from the FY2009 actual revenues. This is due to a combination of a decrease in assessed value, a decrease in sales tax collection, and a continued slow economy impacting new building permits. In addition, I am proposing to decrease the transfer into the General Fund from the Utility Fund by \$250,000 in order to better position the Utility Fund, and to begin the transition to a franchise fee. This \$250,000 decrease in General Fund revenue is being offset by tax revenues as we are proposing to use \$250,000 of the Debt Service Fund reserve to pay current debt liabilities, which, in effect, decreases our necessary debt portion of the tax rate and redirects those taxes into the General Fund.
- Property tax revenues increase in the proposed budget only due to the reallocation of debt service tax rate and maintenance and operations tax rate made possible by the use of \$250,000 in debt service reserve. Use of this reserve allows for a lower debt service rate and higher maintenance and operations rate. I propose that we continue this trend for two years as we spend down a significant reserve in the Debt Service Fund, which will help the cash position of the Utility Fund.
- We are expecting to receive approximately \$50,000 less in grant funding for FY2011 due to our current SAFER grant now being in its third year of funding. As you may recall, the funding level decreases each year.
- Finally, our Library Services Contract will contribute approximately \$16,000 in additional revenues this year due to the Town of Prosper agreeing to a full year extension of that agreement.

On the following page are charts demonstrating the projected sources of revenue for the General Fund.

Sources of General Fund Revenues



Breakdown of Tax Revenues



Summary of Significant Changes in General Fund Expenditures

You will find a categorical summary of each department proposed budget later in this document, with a few minor exceptions, the proposed expenditures for FY2011 are designed to maintain the current level of operational and maintenance services:

In all departments, we have moved all expenditures related to personnel into the Personnel category. Previously, training, travel, and uniforms were included in the Other Operating Expenses category. This change will make the Personnel category seem artificially high for this transition year.

Library Services – While expenditures are proposed to increase by 9% over the FY2010 estimate, the increase is due primarily to the reflection of a full year of library clerk services made both possible and necessary through our Library Director agreement with the Town of Prosper. When the increase in revenues is factored in, the net expense change in Library Services is actually decreased by 7.5%.

City Secretary’s Office – The local option election scheduled for November of this year will cause the expenses of the City Secretary’s office to increase about 8% over the current year end estimates. This election will cost about \$11,200.

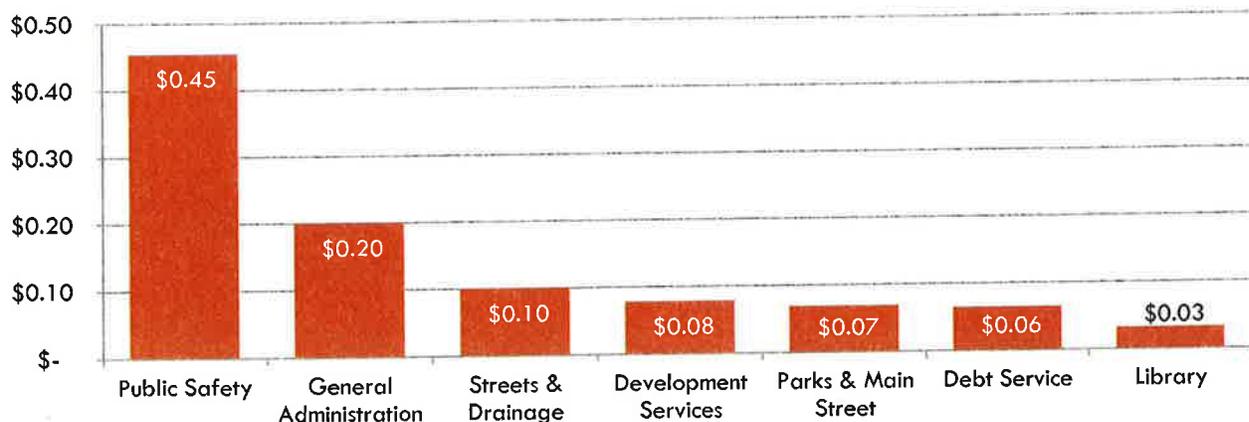
Administration – Due to the current scarcity of resources, I am proposing that the City no longer sponsor either the Celina Balloon Festival or the Main Street Golf Tournament. The decrease in the Administration Department is due to this change and decreasing proposed legal services to match current spending levels.

Fire Department – Although we have discussed the possibility of opening a second fire station in the southern portion of the City, the proposed budget does not have adequate funding for this new program. We are currently exploring other options to effectively decrease the response times into our southernmost neighborhoods.

Public Works – The proposed addition of a full time Streets and Drainage Superintendent is the primary cause for this budget to increase slightly over previously budgeted levels, although due to the substantial engineering work done as part of the 2010 bond election, the proposed budget is about a 3% decrease from current spending levels.

Police Department – The lack of funding for any new vehicles or equipment causes a substantial 6% decrease in the proposed Police budget from current spending levels.

How a Tax Dollar is Spent



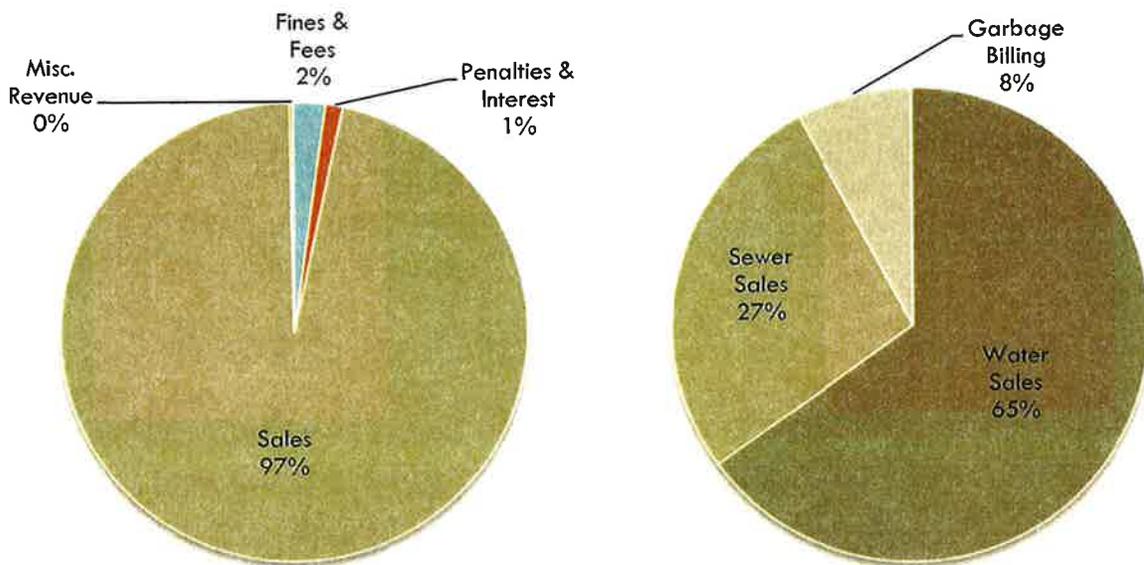
UTILITY FUND SUMMARY OF SIGNIFICANT CHANGES

Summary of Significant Changes in Utility Fund Revenues

Funding for the FY2011 Utility Fund budget is by means of current revenues. This represents a significant change in the trend over the past three years as the fund had become dependent upon a dwindling reserve to fund current operations.

- The projected water and sewer revenues in the proposed budget assume adoption of the approximate 15% rate increase recommended for year two of our 2010 rate study. Without this proposed rate increase, the fund will struggle to just break even in FY2011.
- Over the past three years, the City has been able to absorb a nearly 10% increase in the contract cost to collect trash and recycling. The projected revenues in this area also assume a 3% increase in the cost to customers for this service. Without this proposed rate increase, the trash and recycling revenues will not fully recover the cost of the service.

Utility Fund Revenues and Breakdown of Sales



Summary of Significant Changes in Utility Fund Expenses

While you will find categorical department summaries in the following pages, the proposed level of expenditures in the Utility Fund are designed to essentially maintain the existing level of service.

- Water Purchase Rate Increase – Our overall rate to purchase water from Upper Trinity Regional Water District is increasing by about 5%. We expect to pay about \$40,000 more for the same amount of water in FY2011 than we did in FY2010.

- Addition of a Maintenance Worker position in the Sewer Division – The fully loaded cost for adding the proposed Maintenance Worker position to the Sewer Division, beginning in January, is about \$27,000. The addition of this position is intended to ensure that we are enabled to reach a level of service in sewer collection and treatment of which we can be proud. Currently, the level of service is inadequate, due at least partially to the lack of resources over the past several years.

Following are the fund and departmental pages for each of our operating units. These pages provide a significant amount of detail about the planned operations and programs that are being proposed. In addition, we will provide the City Council with detailed line item budgets, including the original department requests. Until then, I am looking forward to working with you in the coming weeks to finalize our FY2011 budget to ensure that it addresses the service level requirements of our citizens and meets your goals and expectations. If I can be of any assistance in any way, please do not hesitate to contact me.

General Fund Schedule of Revenue

Revenue Category	FY2008 Actual YE	FY09 YE Actual	FY2010 Approved	FY10 Actual (6/30/2010)	FY10 YE Estimate	FY2011 Estimate
Fines & Fees	\$ 527,949	\$ 416,328	\$ 458,780	\$ 306,137	\$ 374,488	\$ 442,200
Court Fines	123,413	99,994	80,000	60,207	80,276	\$ 85,000
Court Security	2,810	2,527	1,760	1,132	1,766	\$ 2,000
Court Technology	3,747	3,349	2,400	1,857	2,408	\$ 2,500
Court Time Pay	1,835	1,217	1,120	808	1,124	\$ 1,200
Court DD	1,602	2,928	1,500	(252)	1,500	\$ 1,500
Park Fees	8,000	7,000	7,000	7,000	7,000	\$ -
Permits	158,300	85,951	80,000	115,788	125,437	\$ 125,000
Development Fees	118,616	12,533	35,000	22,115	25,000	\$ 30,000
EMS Fees	109,627	200,828	250,000	97,482	129,976	\$ 195,000
Taxes	\$ 2,638,357	\$ 3,029,508	\$ 2,995,414	\$ 2,761,893	\$ 2,981,762	\$ 3,155,644
Sales Tax	284,026	263,520	260,000	184,712	253,340	\$ 260,000
Property Tax - Current	2,119,513	2,492,945	2,510,414	2,321,517	2,472,758	\$ 2,654,144
Property Tax - Delinquent	21,485	53,010	20,000	35,880	35,880	\$ 20,000
Franchise Taxes	213,333					
Electric Franchise		139,252	139,000	146,589	146,589	\$ 147,000
Gas Franchise		44,369	44,000	46,353	46,353	\$ 47,000
Phone Franchise		29,678	15,000	19,259	19,259	\$ 20,000
Cable Franchise		6,733	7,000	7,583	7,583	\$ 7,500
Grants	\$ 14,418	\$ 238,314	\$ 117,000	\$ 131,104	\$ 172,689	\$ 63,240
FD Training Grant	-	126,255	-	-	-	\$ -
Safer Grant	-	110,979	117,000	75,415	117,000	\$ 63,240
Police Grants	-	1,080	-	55,689	55,689	\$ -
Donations	\$ 112,249	\$ 58,591	\$ 72,500	\$ 32,825	\$ 33,182	\$ 58,500
Main Street Special Event	21,898	2,209	15,000	2,882	2,882	\$ 10,000
Main Street Golf Tournament	53,009	42,455	40,000	29,644	30,000	\$ 30,000
Main Street Donations	4,460	-	5,000	-	-	\$ -
Park Donations	1,080	-	2,500	-	-	\$ 2,500
Police Donations	6,702	-	-	-	-	\$ -
Fire Department Donations	25,100	1,000	-	300	300	\$ -
County Library Funds	-	12,927	10,000	-	-	\$ 16,000
Penalties & Interest	\$ 30,455	\$ 22,176	\$ 20,000	\$ 12,141	\$ 16,188	\$ 17,000
Interest Income	30,455	22,176	20,000	12,141	16,188	\$ 17,000
Miscellaneous	\$ 839,311	\$ 130,597	\$ 87,655	\$ 162,927	\$ 194,576	\$ 134,100
Police Reports	2,689	340	350	410	547	\$ 500
County Rebate of CS	3,078	3,141	3,400	2,415	3,220	\$ 3,100
Collin County Fire Fees	37,288	60,205	46,405	22,587	45,174	\$ 46,500
Denton County Fire Fees	-	10,000	10,000	-	-	\$ 11,000
Capital Lease Proceeds	316,986	-	-	-	-	\$ -
Insurance Proceeds	10,578	2,233	-	1,390	1,390	\$ -
Sale of Fixed Assets	18,798	2,801	-	73,589	73,589	\$ -
Property Rental	-	225	-	-	-	\$ -
Park Usage Fees	9,983	11,135	10,000	13,023	13,023	\$ 13,000
Health Inspection Fees	5,070	5,015	4,500	6,350	6,500	\$ 6,000
Fire Inspection Fees	4,208	1,250	1,500	1,135	1,300	\$ 1,500
Alarm Permits	2,100	1,875	1,500	2,450	2,500	\$ 2,000
Miscellaneous Income	13,532	32,377	10,000	17,578	18,000	\$ 17,500
Settlement Reimbursement	415,000	-	-	-	-	\$ -
Library Services Contract	-	-	-	22,000	29,333	\$ 33,000
Transfers In	\$ 300,000	\$ 300,000	\$ 325,000	\$ 243,750	\$ 325,000	\$ 75,000
Total Revenues	\$ 4,462,739	\$ 4,195,514	\$ 4,076,349	\$ 3,650,778	\$ 4,097,885	\$ 3,945,684

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General Fund Summary of Expenditures

Activity Area	FY2008 Actual	FY09 YE Actual	FY2010 Approved	FY10 Actual (6/30/2010)	FY10 YE Estimate	FY2011 Proposed
City Secretary's Office	83,581	102,530	104,012	79,734	107,307	\$ 115,879
Development Services	294,179	372,519	326,984	255,603	343,631	\$ 329,866
Administration	1,025,133	897,077	810,101	549,758	720,319	\$ 730,491
Court	69,663	72,524	76,712	52,260	70,138	\$ 75,177
Fire	1,069,470	1,056,115	977,041	792,781	1,044,885	\$ 957,746
Public Works	245,449	367,887	412,870	334,201	435,502	\$ 422,753
Police	594,680	858,401	936,938	721,452	941,872	\$ 883,613
Parks	315,078	233,774	241,762	164,785	235,582	\$ 232,740
Main Street	142,089	47,672	57,697	48,317	57,165	\$ 57,369
Library	-	-	127,358	85,141	126,577	\$ 137,599
Transfers Out	300,000	100,000	-	-	-	\$ -
Total Expenditures	\$ 4,139,322	\$ 4,108,500	\$ 4,071,475	\$ 3,084,032	\$ 4,082,976	\$ 3,943,233

FY 2011 Departmental Summary



Fund:
Department:
Account Group:

General Fund
Library Services
102-508

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ -	\$ 64,726	\$ 64,740	\$ 96,745	49%
Legal & Professional	\$ -	\$ 10,000	\$ 20,989	\$ -	-100%
Materials & Supplies	\$ -	\$ 4,500	\$ 5,310	\$ 4,500	-15%
Maintenance	\$ -	\$ 5,500	\$ 5,000	\$ 3,000	-40%
Utilities	\$ -	\$ 6,500	\$ 7,212	\$ 10,920	51%
Other Operating Expenses	\$ -	\$ 36,132	\$ 23,326	\$ 22,434	-4%
Total Expenditures	\$ -	\$ 127,358	\$ 126,577	\$ 137,599	9%

Personnel	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Library Director	0	1	1	1	0
Library Clerk	0	0.5	0.85	0.85	0.35
Total Personnel	0	1.5	1.85	1.85	0.35

Notes: FY2009 Budget was included in Administration Department (\$85,000).

Key Points of Proposed Budget

1. Proposed budget allows for fully functional public library service.
2. Other Operating Expenses category includes \$15,000 for purchase of new books, media, and periodicals.
3. Personnel and Legal/Professional categories reflect change of contract Library Clerks to part-time employees.
4. FY2010 included 6 months of Library Clerks (consistent with Prosper agreement at the time). Prosper agreement will be in place for the full 12 months of FY2011, increasing expenses by \$10,608, a cost which is covered by the Prosper agreement.
5. Direct Library revenues in FY2010 = \$29,333. Direct Library revenues in FY2011 = \$49,000.
6. Because of increase in direct revenues, although the overall Library budget increased 9%, real net change is decrease of 7.5% from FY2010.

FY 2011 Departmental Summary



Fund:
 Department:
 Account Group:

General Fund
 City Secretary's Office
 102-509

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ 77,646	\$ 79,507	\$ 80,623	\$ 84,667	5%
Legal & Professional	\$ 2,749	\$ 3,000	\$ 3,000	\$ 1,850	-38%
Materials & Supplies	\$ 2,673	\$ 1,750	\$ 2,050	\$ 1,145	-44%
Maintenance	\$ 837	\$ 850	\$ 809	\$ 750	-7%
Utilities	\$ 7,163	\$ 6,605	\$ 5,347	\$ 5,500	3%
Other Operating Expenses	\$ 11,463	\$ 12,300	\$ 15,478	\$ 21,967	42%
Total Expenditures	\$ 102,530	\$ 104,012	\$ 107,307	\$ 115,879	8%

Personnel	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
City Secretary	1	1	1	1	0
Total Personnel	1	1	1	1	0

Notes:

Key Points of Proposed Budget

1. No significant changes to programs or personnel proposed for FY2011.
2. Increase in budget is reflective of additional estimated \$11,200 to contract with Collin County to administer the local option election scheduled for November.

FY 2011 Departmental Summary



Fund:
Department:
Account Group:

General Fund
Development Services
102-510

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ 128,009	\$ 206,463	\$ 205,100	\$ 218,900	7%
Legal & Professional	\$ 224,011	\$ 77,100	\$ 97,130	\$ 88,500	-9%
Materials & Supplies	\$ 4,025	\$ 3,500	\$ 8,195	\$ 1,500	-82%
Maintenance	\$ 61	\$ 1,500	\$ 1,219	\$ 2,800	130%
Utilities	\$ 5,704	\$ 9,421	\$ 8,028	\$ 9,321	16%
Other Operating Expenses	\$ 10,709	\$ 29,000	\$ 23,959	\$ 8,845	-63%
Total Expenditures	\$ 372,519	\$ 326,984	\$ 343,631	\$ 329,866	-4%

Personnel	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Director of Planning	1	1	1	1	0
Permit Technician	1	1	0.75	0.75	0
Codes Enforcement Officer	0	0	1	1	0
Total Personnel	0	2	2.75	2.75	0

Notes:

Key Points of Proposed Budget

1. Legal & Professional is over budget in FY2010 due to contract inspections, which is covered by an increase in permit revenue.
2. No significant changes in personnel or operations planned for FY2011.

FY 2011 Departmental Summary



Fund:
Department:
Account Group:

General Fund
Administration
102-511

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ 299,002	\$ 355,925	\$ 350,338	\$ 369,004	19%
Legal & Professional	\$ 240,323	\$ 202,500	\$ 96,096	\$ 133,200	-16%
Materials & Supplies	\$ 4,748	\$ 6,750	\$ 12,476	\$ 7,250	42%
Maintenance	\$ 17,948	\$ 12,385	\$ 11,071	\$ 11,150	-31%
Utilities	\$ 8,118	\$ 8,738	\$ 7,136	\$ 8,150	8%
Other Operating Expenses	\$ 326,938	\$ 223,804	\$ 243,202	\$ 201,737	-32%
Total Expenditures	\$ 897,077	\$ 810,101	\$ 720,319	\$ 730,491	-10%

	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Personnel					
City Manager	1	1	1	1	0
City Secretary	1	0	0	0	0
Director of Finance	1	1	1	1	0
Assistant to the City Manager	0	1	0	0	0
Senior Administrative Assistant	0	0	1	1	0
Total Personnel	3	3	3	3	0

Notes:

Key Points of Proposed Budget

1. Decrease in funding level due primarily to decrease in legal services.
2. Other Operating Expenses category is relatively high due to the cost of leasing the City Hall/Library/Senior Center.
3. Decrease in Other Operating Expense category due to stopping sponsoship of Celina Balloon Festival and Main Street Golf Tournament.

FY 2011 Departmental Summary



Fund:
 Department:
 Account Group:

General Fund
 Municipal Court
 102-512

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ 47,235	\$ 48,482	\$ 45,553	\$ 50,695	11%
Legal & Professional	\$ 10,952	\$ 10,952	\$ 10,950	\$ 11,171	2%
Materials & Supplies	\$ 2,458	\$ 3,300	\$ 532	\$ 2,000	276%
Maintenance	\$ 61	\$ 1,628	\$ 3,410	\$ 2,112	-38%
Utilities	\$ 7,391	\$ 7,300	\$ 5,877	\$ 6,100	4%
Other Operating Expenses	\$ 4,427	\$ 5,050	\$ 3,816	\$ 3,100	-19%
Total Expenditures	\$ 72,524	\$ 76,712	\$ 70,138	\$ 75,177	7%

	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Personnel					
Court Clerk	1	1	1	1	0
Total Personnel	1	1	1	1	0

Notes:

Key Points of Proposed Budget

1. Includes continued funding of Municipal Court operations with no significant changes.

FY 2011 Departmental Summary



Fund:
Department:
Account Group:

General Fund
Fire & EMS
102-513

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ 702,396	\$ 767,991	\$ 722,281	\$ 766,490	6%
Legal & Professional	\$ 71,956	\$ 53,000	\$ 101,723	\$ 53,000	-48%
Materials & Supplies	\$ 30,320	\$ 34,500	\$ 32,551	\$ 30,500	-6%
Maintenance	\$ 47,123	\$ 37,750	\$ 52,503	\$ 49,750	-5%
Utilities	\$ 27,623	\$ 27,150	\$ 26,716	\$ 26,250	-2%
Other Operating Expenses	\$ 176,697	\$ 56,650	\$ 109,111	\$ 31,756	-71%
Total Expenditures	\$ 1,056,115	\$ 977,041	\$ 1,044,885	\$ 957,746	-8%

Personnel	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Fire Chief (Contract)	0.5	0.5	0.5	0.5	0
Firefighter	9	9	9	9	0
Fire Marshal/Chief Bldg Official	1	1	1	1	0
EMS Division Chief	1	1	1	1	0
Total Personnel	11.5	11.5	11.5	11.5	0

Notes:

Key Points of Proposed Budget

1. Does not include funding for operations for the proposed Station #2.
2. FY2010 estimates include purchase and equipping of new engines and truck.
3. Decrease in funding level is consistent with no significant new equipment or programs.

FY 2011 Departmental Summary



Fund:
Department:

General Fund
Public Works
(Streets & Drainage)

Account Group:

102-514

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ 137,686	\$ 166,461	\$ 159,958	\$ 207,463	30%
Legal & Professional	\$ 98,674	\$ 133,029	\$ 148,029	\$ 101,540	-31%
Materials & Supplies	\$ 14,591	\$ 16,100	\$ 18,333	\$ 13,350	-27%
Maintenance	\$ 11,337	\$ 11,600	\$ 11,576	\$ 11,200	-3%
Utilities	\$ 83,327	\$ 81,880	\$ 86,110	\$ 85,950	0%
Other Operating Expenses	\$ 22,272	\$ 3,800	\$ 11,495	\$ 3,250	-72%
Total Expenditures	\$ 367,887	\$ 412,870	\$ 435,502	\$ 422,753	-3%

	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Personnel					
Director of Public Works	1	1	1	1	0
Street & Drainage Superintendent	0	0	0	1	1
Maintenance Worker	2	2	2	2	0
Contract Labor	0	0.5	0.5	0	-0.5
Total Personnel	3	3.5	3.5	4	0.5

Notes: Utilities expense includes electricity for street lighting.

Key Points of Proposed Budget

1. Includes a new position of Street & Drainage Superintendent to provide field-level supervision to the crew.
2. Continues contract mowing program.
3. FY2010 estimate is over budget due primarily to engineering work associated with 2010 bond election.
4. We are investigating different animal control options rather than contracting with Collin County to potentially save up to \$5,000.

FY 2011 Departmental Summary



Fund:
Department:
Account Group:

General Fund
Police
102-515

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ 644,439	\$ 714,922	\$ 686,503	\$ 744,465	8%
Legal & Professional	\$ 15,401	\$ 26,391	\$ 26,217	\$ 33,098	26%
Materials & Supplies	\$ 13,687	\$ 14,500	\$ 11,493	\$ 10,500	-9%
Maintenance	\$ 34,423	\$ 28,500	\$ 36,108	\$ 34,200	-5%
Utilities	\$ 14,016	\$ 10,900	\$ 11,575	\$ 11,400	-2%
Other Operating Expenses	\$ 136,435	\$ 141,725	\$ 169,977	\$ 49,950	-71%
Total Expenditures	\$ 858,401	\$ 936,938	\$ 941,872	\$ 883,613	-6%

Personnel	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Police Chief	1	1	1	1	0
Lieutenant/Investigator	1	1	1	1	0
Sergeant	1	1	1	1	0
Corporal	1	1	1	1	0
Patrol Officer	3	5	5	5	0
School Resource Officer	0	1	0	0	0
Total Personnel	7	10	9	9	0

Notes: Open position in FY2010 currently frozen accounts for underspending in personnel.

Key Points of Proposed Budget

1. Decrease Other Operating Expense funding is due primarily to no purchase or lease of new vehicles.
2. Position that is currently frozen will be opened for hiring in January 2011.
3. Funding level reflects no significant change in operations or personnel.

FY 2011 Departmental Summary



Fund:
Department:
Account Group:

General Fund
Parks
102-516

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ 144,754	\$ 150,247	\$ 149,422	\$ 157,301	5%
Legal & Professional	\$ 5,840	\$ 6,000	\$ 6,000	\$ -	-100%
Materials & Supplies	\$ 31,652	\$ 32,950	\$ 30,605	\$ 27,251	-11%
Maintenance	\$ 14,283	\$ 12,650	\$ 12,436	\$ 12,150	-2%
Utilities	\$ 28,375	\$ 30,665	\$ 28,303	\$ 27,838	-2%
Other Operating Expenses	\$ 8,870	\$ 9,250	\$ 8,817	\$ 8,200	-7%
Total Expenditures	\$ 233,774	\$ 241,762	\$ 235,582	\$ 232,740	-1%

Personnel	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Park Superintendent	1	1	1	1	0
Crew Leader	1	1	1	1	0
Maintenance Worker	1	1	1	1	0
Total Personnel	3	3	3	3	0

Notes:

Key Points of Proposed Budget

1. Decrease in spending reflects discontinuation of contract labor for summer help.
2. Otherwise, funding level reflects no significant new programs or personnel.
3. Based on revenue levels at mid-year, we will reconsider contract labor position.

FY 2011 Departmental Summary



Fund:
Department:
Account Group:

General Fund
Main Street
102-517

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ -	\$ -	\$ -	\$ 1,850	NA
Legal & Professional	\$ 21,818	\$ 24,000	\$ 24,000	\$ 24,000	0%
Materials & Supplies	\$ 1,125	\$ 2,100	\$ 1,050	\$ 1,800	71%
Maintenance	\$ -	\$ -	\$ 114	\$ 200	75%
Utilities	\$ 479	\$ 2,017	\$ 2,451	\$ 2,719	11%
Other Operating Expenses	\$ 24,250	\$ 29,580	\$ 29,550	\$ 26,800	-9%
Total Expenditures	\$ 47,672	\$ 57,697	\$ 57,165	\$ 57,369	0%

Personnel	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Main Street Manager (Contract)	1	0.5	0.5		0
Total Personnel	1	0.5	0.5		0

Notes:

Key Points of Proposed Budget

- Proposed budget allows for continued funding of Main Street Program with no significant changes.
- Cost of Main Street Program, net of revenues, is estimated at \$17,369.

Utility Fund Schedule of Revenue

Revenue Category	FY2008 Actual YE	FY09 YE Actual	FY2010 Approved	FY10 Actual (6/30/2010)	FY10 YE Estimate	FY2011 Estimate
Fines & Fees	\$ 83,402	\$ 248,499	\$ 61,066	\$ 100,246	\$ 126,618	\$ 93,867
Water Tower Rental Fees	25,750	37,250	40,349	38,910	51,867	\$ 51,867
Water Impact Fees	-	123,214	-	-	-	\$ -
Sewer Impact Fees	-	61,607	-	-	-	\$ -
Reconnect/Disconnect Fee	5,960	-	-	9,480	12,324	\$ 10,000
Customer Service Fees	26	-	-	715	951	\$ 500
Transfer Fees	1,150	-	-	825	1,097	\$ 1,000
Water Taps	50,916	26,428	20,717	49,916	59,899	\$ 30,000
Sewer Taps	(400)	-	-	400	480	\$ 500
Penalties & Interest	\$ 137,558	\$ 63,439	\$ 60,901	\$ 38,401	\$ 51,073	\$ 50,000
Penalties	56,953	48,519	45,040	36,151	48,080	\$ 47,500
Interest Income	80,606	14,920	15,861	2,250	2,993	\$ 2,500
Sales	\$ 2,368,086	\$ 2,375,422	\$ 2,745,365	\$ 1,727,262	\$ 2,930,986	\$ 4,047,526
Water Sales	1,598,567	1,571,234	1,849,254	1,033,367	1,913,181	\$ 2,637,563
Sewer Sales	546,556	558,996	596,111	471,745	717,903	\$ 1,095,067
Garbage Billing	222,962	245,192	300,000	222,149	299,902	\$ 314,897
Miscellaneous Revenue	\$ 14,343	\$ 3,839	\$ 2,677	\$ 12,902	\$ 14,525	\$ 10,000
Radio Read Reserve	4,872	1,972	1,392	4,872	6,494	\$ 5,000
Bond Proceeds	-	-	-	-	-	\$ -
Insurance Proceeds	-	-	-	-	-	\$ -
Sales of Fixed Assets	-	-	-	-	-	\$ -
Contributions	-	-	-	-	-	\$ -
Miscellaneous Income	9,471	1,868	1,285	8,030	8,030	\$ 5,000
Total Revenues	\$ 2,603,390	\$ 2,691,199	\$ 2,870,009	\$ 1,878,811	\$ 3,123,202	\$ 4,201,393

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Utility Fund Summary of Expenditures

Activity Area	FY2008 Actual	FY09 YE Actual	FY2010	FY10	FY2011 Estimate	
			Approved Budget	FY10 Actual (6/30/2010)		Estimate (6/1/2010)
Water Department	2,109,399	2,403,515	2,629,676	2,023,073	2,598,327	\$ 2,479,154
Sewer Department	963,916	766,528	919,716	631,723	816,548	\$ 886,357
Trash & Recycling Collection	198,115	213,784	297,780	197,229	295,843	\$ 310,635
Total	\$ 3,271,431	\$ 3,383,827	\$ 3,847,172	\$ 2,852,024	\$ 3,710,718	\$ 3,676,146

FY 2011 Departmental Summary



Fund:
Department:
Account Group:

Utility Fund
Water
202-521

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ 198,959	\$ 204,173	\$ 220,485	\$ 215,591	-2%
Legal & Professional	\$ 4,888	\$ 7,400	\$ 19,069	\$ 25,000	31%
Materials & Supplies	\$ 57,700	\$ 92,700	\$ 102,242	\$ 90,700	-11%
Maintenance	\$ 27,817	\$ 43,250	\$ 78,112	\$ 72,400	-7%
Utilities	\$ 202,922	\$ 197,970	\$ 194,059	\$ 198,450	2%
Other Operating Expenses	\$ 1,911,229	\$ 2,084,183	\$ 1,984,360	\$ 1,877,013	-5%
Total Expenditures	\$ 2,403,515	\$ 2,629,676	\$ 2,598,327	\$ 2,479,154	-5%

Personnel	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Water Plant Operator	1	1	1	1	0
Maintenance Worker	2	2	2	2	0
Utility Billing Clerk	1	1	1	1	0
Total Personnel	4	4	4	4	0

Notes:

Key Points of Proposed Budget

1. UTRWD water cost increasing by about 4%.
2. Transfer out to general fund decreased by \$175,000 to enable utility fund balance to increase, and to move towards franchise fee model.
3. Materials and Supplies category continues meter change-out program, changing out 10% of water meters with automatic meter reading technology.
4. Debt service cost decreased by approximately \$45,000 in FY2011.
5. Revenue projections for water include an approximate 15% increase in rates, consistent with planned increase identified in 2010 rate study.
6. Proposed budget includes purchase and equipping of an emergency response trailer, including generator, work lights, etc.

FY 2011 Departmental Summary



Fund:
Department:
Account Group:

Utility Fund
Sewer
202-522

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ 95,666	\$ 105,505	\$ 107,321	\$ 132,227	23%
Legal & Professional	\$ 3,200	\$ 2,000	\$ -	\$ 17,000	NA
Materials & Supplies	\$ 14,250	\$ 19,900	\$ 16,919	\$ 19,900	18%
Maintenance	\$ 14,000	\$ 31,950	\$ 61,847	\$ 64,200	4%
Utilities	\$ 48,675	\$ 53,700	\$ 56,302	\$ 57,400	2%
Other Operating Expenses	\$ 590,737	\$ 706,661	\$ 574,158	\$ 595,630	4%
Total Expenditures	\$ 766,528	\$ 919,716	\$ 816,548	\$ 886,357	9%

Personnel	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Wastewater Plant Operator	1	1	1	1	0
Maintenance Worker	1	1	1	2	1
Total Personnel	2	2	2	3	1

Notes: FY2010 estimate reflects Carter Ranch WW Relief line not being completed.

Key Points of Proposed Budget

1. FY2011 proposed amount adds one Maintenance Worker to the Sewer Division.
2. Other Operating Expenses includes 9 months of regional sewer service through the Carter Ranch WW Relief line.
3. UTRWD cost to treat sewer decreased by nearly 29%.
4. Revenue projections for sewer include an approximate 15% increase in rates, consistent with planned increase identified in 2010 rate study.

FY 2011 Departmental Summary



Fund:
Department:
Account Group:

Utility Fund
Trash & Recycling
202-522

Expenditures	FY2009 Actual	FY2010 Budget	FY2010 Estimate	FY2011 Proposed	Percent Change
Personnel	\$ -	\$ -	\$ -	\$ -	NA
Legal & Professional	\$ 213,784	\$ 297,780	\$ 295,843	\$ 310,635	5%
Materials & Supplies	\$ -	\$ -	\$ -	\$ -	NA
Maintenance	\$ -	\$ -	\$ -	\$ -	NA
Utilities	\$ -	\$ -	\$ -	\$ -	NA
Other Operating Expenses	\$ -	\$ -	\$ -	\$ -	NA
Total Expenditures	\$ 213,784	\$ 297,780	\$ 295,843	\$ 310,635	5%

Personnel	FY2009 Budget	FY2010 Proposed	FY2010 Estimate	FY2011 Proposed	Change
Total Personnel	0	0	0	0	0

Notes: Significant change from FY2009-FY2010 was the addition of recycling service.

Key Points of Proposed Budget

1. Proposed budget includes estimated 3% increase in cost, plus addition of approximately 40 homes.
2. Revenues estimates associated with trash & recycling assume a 3% rate increase to cover the cost increases recognized over the past three years.

CITY OF CELINA COMBINED BUDGET SUMMARY

FY2011

Fund	Fund Title	Estimated Beginning Balance (10/1/10)	Revenues	Inter-fund Transfers In	Operating Expenses	Capital Outlay	Inter-fund Transfers Out	Estimated Ending Balance (9/30/2011)
102	General Fund	\$ 790,028	\$ 3,870,684	\$ 75,000	\$ 3,943,233	\$ -	\$ -	\$ 792,480
103	Debt Service Fund	\$ 508,260	\$ 273,163	\$ 1,173,382	\$ 1,696,545	\$ -	\$ -	\$ 258,260
104	General Fund - Capital Project Fund	\$ 376,933	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ 26,933
202	Utility Fund	\$ (245,990)	\$ 4,201,393	\$ -	\$ 2,670,265	\$ -	\$ 1,080,881	\$ 205,157
203	Impact Fees Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
204	Utility - Capital Project Fund	\$ 1,938,340	\$ -	\$ -	\$ -	\$ 1,900,000	\$ -	\$ 38,340
CDC	Community Development Corporation	\$ 1,406	\$ 137,000	\$ -	\$ -	\$ -	\$ 137,500	\$ 906
EDC	Economic Development Corporation	\$ 76,476	\$ 130,000	\$ -	\$ 95,000	\$ -	\$ 30,000	\$ 81,476
TOTALS		\$3,446,353	\$8,612,241	\$1,248,382	\$8,405,042	\$2,250,000	\$1,248,381	\$1,403,551