
City of Lufkin, Texas

Annual Operating Budget



Fiscal Year 2017-2018

ANNUAL OPERATING BUDGET

FOR FISCAL YEAR
OCTOBER 1, 2017 - SEPTEMBER 30, 2018



Bob F. Brown
Mayor

City Council

Guessippina Bonner
Ward 1

Robert Shankle
Ward 2

Lynn Torres
Ward 3

Mark Hicks
Ward 4

Rocky Thigpen
Ward 5

Sarah Murray
Ward 6

Keith Wright, City Manager
Belinda Melancon, Director of Finance



S.B. 656 Notice

This budget will raise more total property taxes than last year's budget by \$113,188 (1.2%), and of that amount \$111,065 is tax revenue to be raised from new property added to the tax roll this year.

On September 19, 2017, the members of the governing body voted on the budget as follows:

For:	Bob F. Brown, Mayor	Mark Hicks
	Guessippina Bonner	Rocky Thigpen
	Robert Shankle	Sarah Murrah
	Lynn Torres	

Against:

Present and not voting:

Absent:

Property Tax Rate Comparison

	2017-2018	2016-2017
Property Tax Rate:	\$0.531135/100	\$0.529942/100
Effective Tax Rate:	\$0.531135/100	\$0.529942/100
Effective Maintenance & Operation Tax Rate:	\$0.381135/100	\$0.379942/100
Rollback Tax Rate:	\$0.855416/100	\$0.645344/100
Debt Rate:	\$0.150000/100	\$0.150000/100

Total debt obligation for City of Lufkin secured by property taxes: \$51,525,000



CITY OF LUFKIN

Vision Statement

Guided by City Council Leadership, we will be an organization that offers an excellent quality of life for its citizens.

Our Mission

To meet the needs of the citizens.

Our Values

We will COMMUNICATE -

Throughout the organization
To create solutions
Everyone's input is valued

We will have INTEGRITY -

We are trustworthy
We have a willingness to serve
We have a commitment to fairness

We will be held ACCOUNTABLE -

We accept responsibility for our actions and results

We will strive for TEAMWORK -

We will work together harmoniously toward common goals

We will demonstrate a strong WORK ETHIC -

We display a daily effort in applying required skills to complete assigned tasks

We will be INNOVATIVE –

We encourage and support change through seeking better ways to do our jobs



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Keith N. Wright
City Manager
City of Lufkin



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September 18, 2017

Honorable Mayor and City Council Members:

Submitted herewith is the Fiscal 2017/2018 Operating Budget for the City of Lufkin. This budget, being conservative, maintains current service levels.

The major highlights of this budget are:

- Adoption of ad valorem tax rate of 53.1135 cents per \$100 valuation, which is the effective tax rate of 53.1135 cents per \$100 valuation. The breakdown will be \$.381135 for Maintenance & Operation and \$.15 for debt service. The adopted Fiscal 2018 tax rate increased from the adopted Fiscal 2017 rate of 52.9942 per \$100 valuation by .1193. This increase affected the Maintenance and Operations portion.
- A decrease of \$6,708,076 or 0.31% in the City's assessed property values primarily decreases in commercial and industry. New property values, of which primarily are commercial, account for \$6,708,076.
- A Solid Waste rate study performed during FY 2016 indicated a need for an increase in sanitation rates. An increase of \$1.00 for residential sanitation rates was applied in FY 2017 budget and an additional \$1.00 increase for residential sanitation rates is budgeted for FY 2018.
- A decrease in General Fund revenues of 1.13% from the prior year adopted budget.
- A decrease in General Fund appropriations of .29% from the prior year adopted budget.
- An increase in planned rolling stock equipment purchases of 76.62% from prior year adopted budget. Maintenance performed on the rolling stock delayed acquisitions for 1 to 2 years, causing a high percentage of purchases in FY 2018.

Issues Affecting the Budget

The challenges faced in this budget cycle were trying to meet department's requests for additional equipment and maintain staff salaries at a positive standpoint. Efforts to increase efficiencies and reduce costs have been ongoing by all departments the past few years and it is becoming increasingly difficult to maintain the same level of service at the current funding levels and still provide adequate compensation and benefits at market rates for employees.

Property tax values saw only minor increases, due to the lack of new construction; also, sales tax revenues are trending downwards to reflect a slight decrease in tax revenues. To remain

adaptable, flexible, and responsive to the citizens of Lufkin, departments were given operating budget targets with little or no increase in funding.

Declining revenue is a major issue that will be addressed so that the budget will not face even greater deficits. The City encourages local investment in the economy by supporting local business growth and thereby positively affecting the tax base of the community.

STRATEGIC PLANNING

The City identified capital projects for Fiscal 2018 based on the cost and length of the projects. In order to keep up with environmental regulations, the City has chosen the following projects with a cost over \$100,000: Meter replacements, boiler replacement, and recoating of the final clarifier. Other smaller projects include: Water line replacements at Arena Street, Linkwood Area, and Card Drive.

ACCOMPLISHMENTS

General Government

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Lufkin, Texas for its annual budget for the fiscal year beginning October 1, 2016. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We will submit our current budget to determine its eligibility for another award.

Public Safety

Public Safety is a priority in the City of Lufkin. The Communications Department which answers and dispatches all 911 calls for both the City Police and Fire/EMS units for the surrounding volunteer fire departments within the County. The Police Department responded to 40,700 citizen calls for the Fiscal 2016 year, while the Fire Department responded to 3,855 fire and 8,500 EMS calls. For Fiscal 2016, the Police Department received various grants totaling \$55,493 and the Fire Department received \$49,645 in grants and local donations.

Culture and Recreation

The Parks and Recreation Department received grants from local groups totaling \$11,915 for fiscal year 2016. These funds improved playing fields in the various parks.

Public Works

The City of Lufkin received several grants related to infrastructure projects, which are in progress. They included the U.S. EPA Grant for Water Infrastructure and Treatment Capacity in the amount of \$825,000; the Texas Community Development Block Grant for Inez Tims Det Pond improvements in the amount of \$275,000; and the 2013 Statewide Transportation Enhancement Program for sidewalks in the amount of \$1,313,512.

FISCAL YEAR 2018 BUDGET SUMMARY

Fund Balance, Net Position and Working Capital Reserves

The projected General Fund revised balance at the conclusion of Fiscal Year 2016/2017 is \$9,889,890. The projected fund balance at the end of Fiscal Year 2017/2018 is \$9,186,325, which includes \$323,149 of unassigned fund balance and \$510,280 of non-spendable fund balance. The twenty-five percent (25%) Fund Balance Reserve is \$8,352,896; therefore, the projected Fund Balance at the conclusion of Fiscal Year 2018 is \$833,429 above the required policy reserve. This excess provides the City with the capacity to respond to unexpected declines in revenue streams or meet some unexpected increases in expenditures as the economy dictates. The table below reflects projected fund balances, reserves, and amount over or under the reserve.

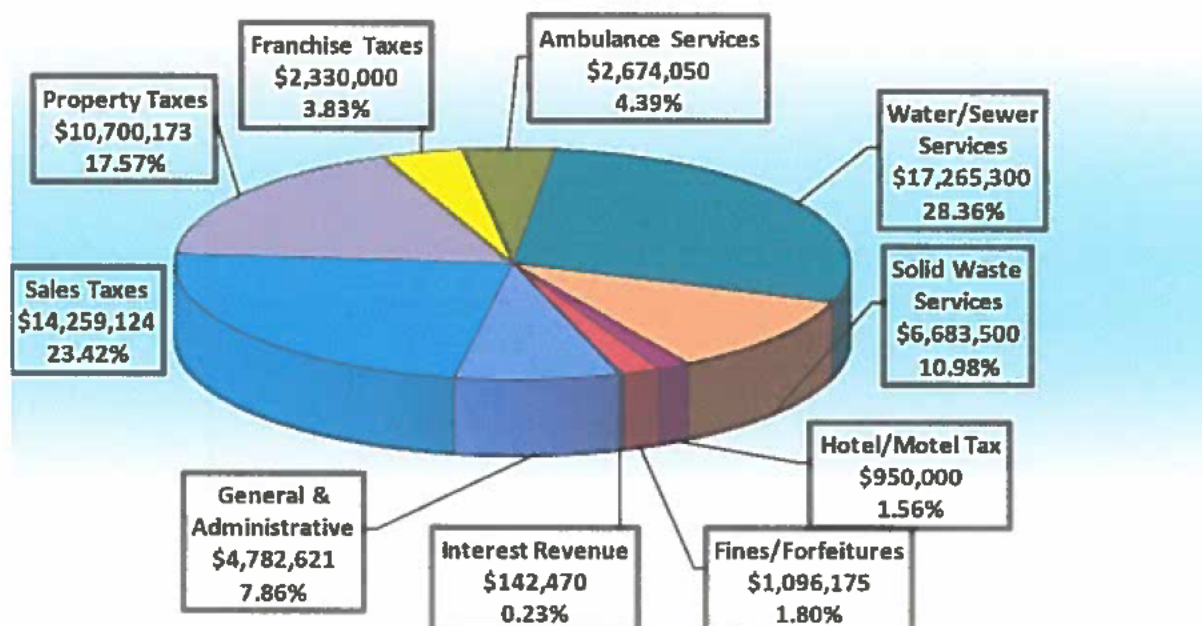
Fund	Projected Original Balance 9/30/17	Projected Revised Balance 9/30/17	Projected Original Balance 9/30/18	FY 2018 Policy Reserve
General Fund	9,443,306	9,889,890	9,186,325	8,352,896
Water/Wastewater Fund	4,485,328	3,992,446	3,976,917	2,178,377
Solid Waste Fund	4,644,972	4,894,700	4,884,215	839,498
Hotel/ Motel Tax Fund	(178,083)	10,795	4,434	151,570
Special Recreation Fund	94,372	91,306	91,915	57,108
Pines Theater Special Events	(6,999)	(16,400)	(37,772)	-
Zoo Building Fund	1,017,846	1,336,529	1,391,440	-
Court Security / Technology Fund	5,481	28,901	43,391	-
Main Street/Comm Dev Dwntrwn	20,067	32,946	36,141	-
Animal Control-Kurth Grant Fund	135,798	51,662	12,862	-
Animals Attic Gift Shop Fund	18,082	23,324	21,474	-
General Obligation Debt Service Fund	1,107,098	1,806,925	1,769,109	-
Equipment Acquisition Fund	7,971,879	7,836,193	7,496,015	-
Economic Development Fund	8,153,755	8,153,933	8,234,062	-
Lufkin Convention & Visitor Bureau ¹	60,916	243,989	160,073	-
Total Budgeted Fund Balances	36,973,818	38,377,139	37,270,601	-

- (1) Lufkin Convention & Visitor Bureau (LCVB) is a component unit of the City created during Fiscal Year 2010 with the primary objective to create maximum hotel occupancy within the City. Of the \$513,380 revenue, 78% derives from Hotel/Motel tax revenue included in the Hotel/Motel Tax Fund.

Revenues

Total budgeted revenues are \$69,399,664 less interfund transfers of \$9,021,600 for a net of \$60,378,064. A comparison to prior fiscal year adopted net revenue of \$60,284,880 indicates an increase of \$93,184. The major sources of revenue include sales taxes, property taxes, franchise taxes, ambulance services, water and sewer services, solid waste services, hotel/motel taxes, and fines/forfeitures. These revenue sources comprise 93% of the total revenue and are reflected in the chart below.

Major Revenues (Net of Transfers)



Fiscal 2018 projected sales tax revenue slightly decreased from the prior years' adopted sales tax revenue by \$122,968 or -.86%. Lufkin is a regional medical, shopping and entertainment hub for nine surrounding counties and has been designated as a certified retirement community.

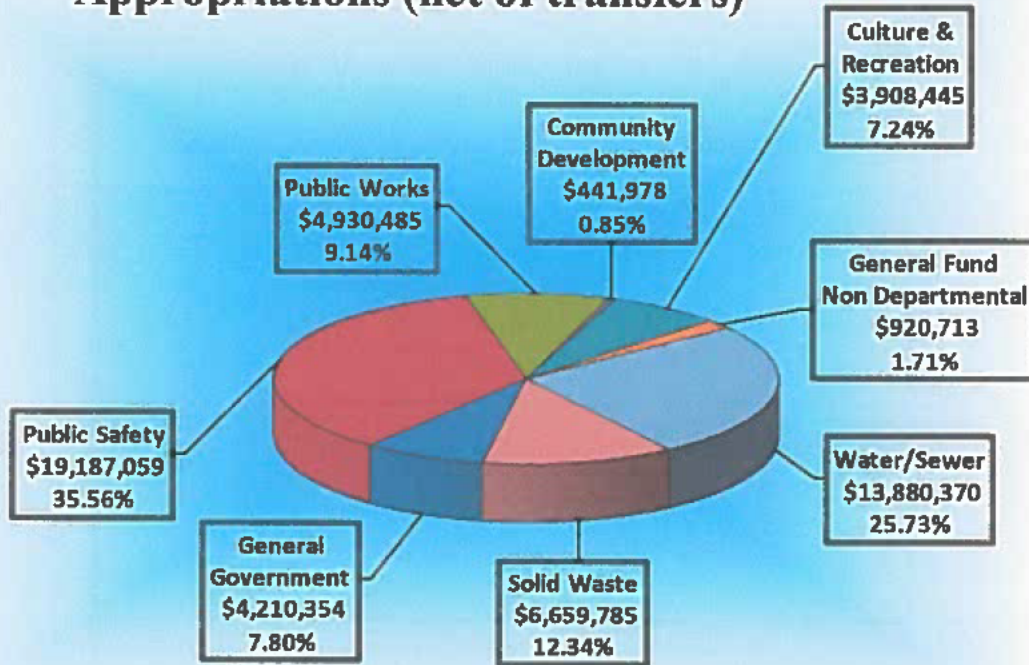
The tax rate of 53.1135 cents per \$100 valuation was adopted, which is a slight increase in rate from the previous year. The rate adopted is the effective tax rate of 53.1135 cents per \$100 valuation.

Per a Solid Waste rate study, the residential rate for garbage collection increased from \$15.48, plus tax per month to \$16.48, plus tax per month beginning October 1, 2017.

Appropriations

Total budgeted appropriations for Fiscal Year 2018 are \$70,506,202 less interfund transfers of \$9,021,600 for a net appropriation balance of \$61,484,602 as compared to net appropriations of \$60,281,044 for the prior year resulting in an increase of \$1,203,558 or 1.99% across all budgeted funds. The main categories of appropriations are depicted in the chart that follows.

Appropriations (net of transfers)



CAPITAL IMPROVEMENT PROJECTS

In addition to projects funded from bond proceeds and/or grants, several pieces of equipment were identified as needing replaced during the annual review. These replacements totaled \$786,180 from Water & Wastewater Renewal and Replacement Fund, and \$1,931,363 from the Equipment Amortization and Replacement Fund.

UNCERTAINTIES

A number of uncertainties surrounding these projections could alter the annual outcome during the period of the forecast.

- **Sales Tax-** comprises approximately 24% of the revenues. The City's conservative management in prior years has resulted in a fund balance above the reserve, which is projected to be sufficient to sustain any minimal sales tax decline during fiscal year 2018. The economy for the City is expected to decrease to some extent due to inflation (growth rate of prices) and unemployment.
- **Water and Sewer Revenue** – The residential market segment constitutes approximately 58% of the market while the remainder is comprised of industrial sector (14%), commercial sector (25%), and wholesale and services (3%). The revenues generated from the residential segment are impacted by weather conditions such as rainfall and temperature. Above average rainfall and/or lower temperatures in the summer months could result in less revenue than projected.

SUMMARY

The City of Lufkin is poised to maintain its current workforce and continue providing an efficient level of service to its citizens for Fiscal Year 2018. The City is able to do so by modifying current practices and by using the fund balance, which maintains a conservative fiscal management. This process identifies programs that could be eliminated or delayed, while allowing for new and expanded programs that follow the City's fiscally conservative plan. We commend the collective efforts by all in this process.

Respectfully Submitted,

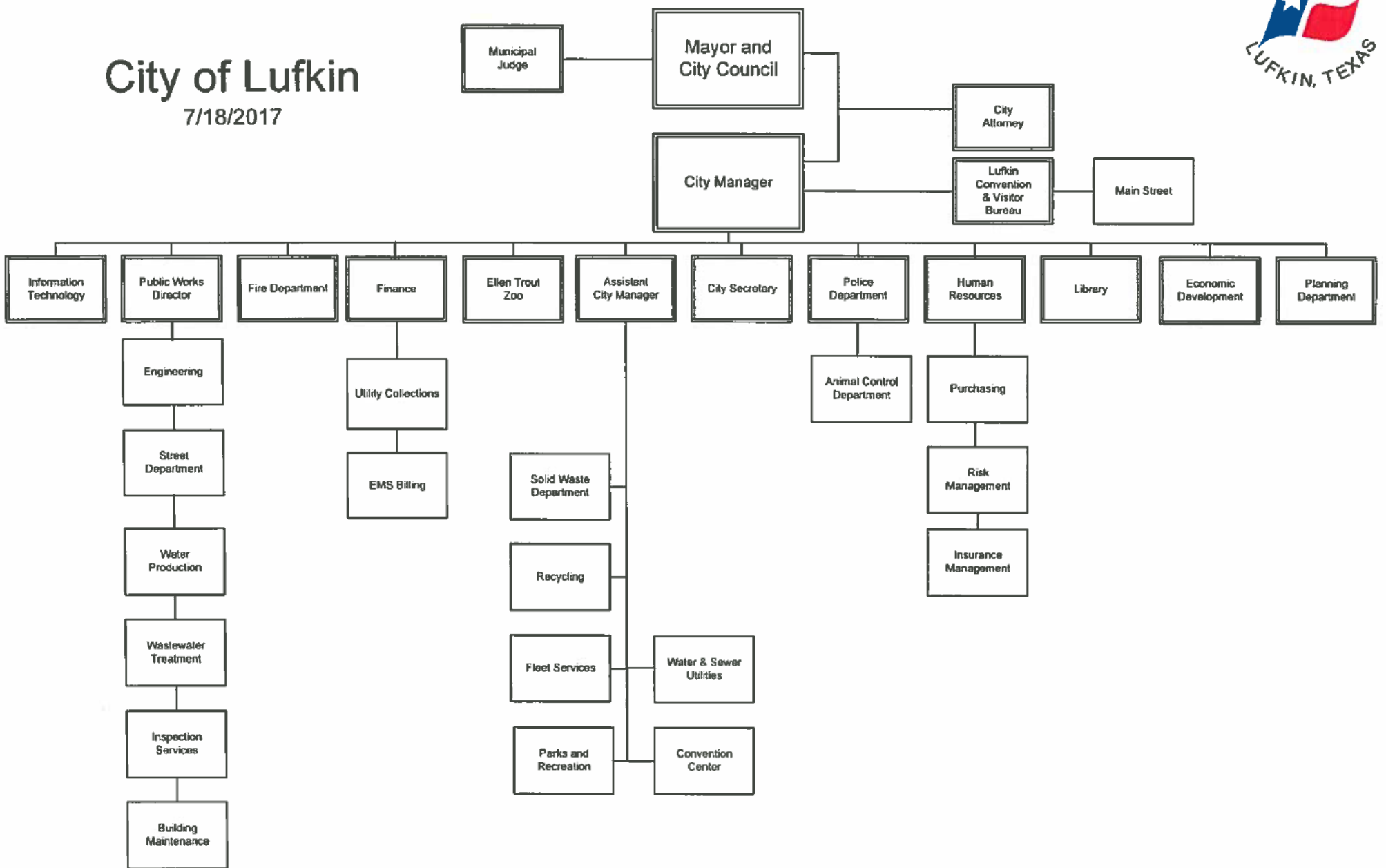


Keith Wright
City Manager



City of Lufkin

7/18/2017



Department Matrix

The table below reflects the correlation between departments and the service centers. Listed across the top are the responsibility centers. Listed along the left side of the matrix are the departments, or service centers. Appropriate areas have been shaded in distinguishing colors to indicate which departmental responsibility centers.

Departments	Responsibility Centers				
	General Governme nt	Public Works	Public Safety	Community Development	Culture & Recreation
General Fund -Maior					
General Government					
City Administration					
Finance					
Legal					
Tax					
Human Resources					
Building Services					
Information Technology					
Police					
Fire					
Municipal Court					
City Marshall					
Inspection Services					
Emergency Management					
Animal Control					
Engineering					
Streets					
Parks and Recreation					
Fleet Maintenance					
Planning & Zoning					
Zoo					
Community Dev/Main St					
Library					
Water/Wastewater-Maior					
Utility Collections					
Wastewater Treatment					
Water Production					
Water/Sewer Utilities					
Solid Waste Fund-Maior					
Solid Waste					
Recycling					
Special Revenue Fund					
Convention Center					
Special Recreation					
Pines Theater					
Zoo Building					
Court					
Animal Control Kurth					
Animal Attic Gift Shop					
Community Dev/Dwtwn					
Component Units					
Economic Development					
LCVB					



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Lufkin
Texas**

For the Fiscal Year Beginning

October 1, 2016



Executive Director



READER’S GUIDE TO THE 2017-2018 CITY OF LUFKIN OPERATING BUDGET

OVERVIEW

The **READER’S GUIDE** is intended to facilitate the readability of the Fiscal 2018 Operating Budget by the citizens of Lufkin. It is designed to enhance the effectiveness of this document as a communications device. The Introduction section includes the City Manager’s letter of transmittal to the City Council. Included in this section are the following subjects:

- *Organization of the Budget Document*
- *City of Lufkin Profile*
- *Description of Fund Structure and City Finances*
- *The Operating Budget Calendar*
- *The Budget Process*
- *Long-Range Financial Planning*
- *Strategic Planning*
- *Key Revenue Assumptions and Trends*
- *Guide to the Detail Budget Pages*

ORGANIZATION OF THE BUDGET DOCUMENT

A brief summary of the information contained in the various sections of the budget document is outlined below:

The **MANAGER’S MESSAGE** is a formal transmittal letter designed to summarize key budget decisions and major initiatives of the Fiscal 2017 Budget.

The **READER’S GUIDE** provides information pertaining to the various sections located in this document. This section provides demographic and local economic information about the City of Lufkin, describes the fund structure of the City, explains the budget process and budget calendar, describes the key revenue assumptions, explains the strategic planning process, describes the process of adopting and amending the budget, and explains the detail budget pages.

The **BUDGET OVERVIEW** discusses major revenue and expenditure projections, including primary strategies planned for operations in Fiscal 2018 and the financial plan for achieving them. Also, a summary of the ending working capital for each fund is provided along with a discussion of how the current budget relates to the City’s Financial Policies.

The **FUND SUMMARIES** section provides historical and graphical comparisons and budgeted projections for all revenues and expenditures within each fund.

The **DETAIL SECTION** provides the budget detail for each department and departmental division within the appropriate fund category. The budget detail includes financial and personnel data, departmental/divisional mission statements, descriptions of service, objectives and performance measures.

The **DEBT SERVICE** section provides a listing of the City’s outstanding general obligation and Water/Wastewater Fund debt.

The **CAPITAL IMPROVEMENTS PROGRAM** section summarizes the Fiscal 2018 Capital Improvements Program (CIP) emphasizing the impact of capital projects on the operating budget.

The **APPENDIX** contains ordinances adopting this budget, establishing the tax rate for the current Fiscal year, and raising residential garbage collection charges, provides a copy of the City Financial Policies, a glossary of frequently used terms, chart of accounts, personnel historical comparisons and General and Administrative (G&A) allocation calculations.

CITY OF LUFKIN PROFILE



The City of Lufkin is located on US Highway 59, 120 miles north of Houston, 166 miles southeast of Dallas and 110 miles southwest of Shreveport, Louisiana. As the County Seat of Angelina County, Lufkin enjoys a strong retail, commercial and industrial base. Known as a progressive city, Lufkin offers its citizens an abundance of recreational opportunities. Its natural resources (including pine and hardwood forests, lakes and rivers), provide opportunities for hunting, fishing and water sports. A rich heritage, strong civic pride and a government committed to community development make Lufkin the perfect place for commercial and residential life.

Climate

Average temperature in January - low 38°, high 59°.

Average temperature in July - low 72°, high 94°.

Average precipitation – 38.9 inches per year.

Population

Lufkin is the commercial hub of a ten county rural market region, serving over 300,000 residents. Population in the county during the last thirty-five years has grown by thirty-eight percent, twenty-seven percent growth occurred in the City of Lufkin. The following table reflects population growth for Lufkin and Angelina County over the last four decades.

Population Growth					
	1980	1990	2000	2010	2015
City of Lufkin	28,562	30,206	32,709	35,067	36,333
Angelina County	63,987	69,884	80,130	86,771	88,255

City Government

The City of Lufkin is a Home Rule city operating as a Council-Manager form of government. The Council consists of a Mayor and six council members. The City provides fire and police protection. The City's current ISO Public Protection Classification is four based on scale of one to ten with one being the best. Standard and Poor's and Moody's Investment Service have rated the City's General Obligation bonds AA- and Aa2 respectively, and the Revenue bonds are rated AA- and Aa2.

Education

The Lufkin Independent School District operates twelve elementary schools, one junior high school, and one high school. Total LISD enrollment is 8,232 students. One Charter school and three private schools also serve the area.

Angelina College, a two-year college established in 1968, offers exemplary nursing and technical training programs to its students. Fall 2016 enrollment totaled approximately 5,927 of which 53% are from outside the county and 44% are full-time students. In addition, there are 707 enrolled in Community Services classes offered by the College in 2016-2017.

Stephen F. Austin State University, located in Nacogdoches, 20 miles north of Lufkin, is a four-year university offering courses in many different fields. Total enrollment is approximately 12,954 students for the fall 2017 semester.

Community Facilities and Attractions

The Pitser Garrison Convention Center is located on the corner of 2nd and Paul streets offering meeting, banquet and concert facilities currently with a capacity of 2,000 expanded to provide disaster sheltering.

Kurth Memorial Library, located on Raguet Street in Lufkin, houses the Ora McMullen Genealogical Collection.

Ellen Trout Zoo, located on the north side of Loop 287 at Ellen Trout Drive, is an impressive, accredited zoo facility featuring many exotic animals.

Downtown Lufkin is the site of many dining establishments, unique retail shops and antique collections. Main Street is an integral part of the Downtown experience hosting events throughout the year.

The Texas Forestry Museum, located at 1903 Atkinson Drive, and the Museum of East Texas, located across from the Convention Center, provide a pictorial and narrative history of the East Texas area.

The Pines Theatre is a 431-seat multi-use venue operated by the City of Lufkin in the historic downtown district. The Pines offers a variety of programming to entertain patrons of all ages.

Recreation

Parks and recreational opportunities include ten public parks, one swimming pool, 2 spray play pads, three golf courses, and 14 tennis courts.

Lake Sam Rayburn, located southeast of Lufkin, is the largest manmade lake in Texas with 560 miles of shoreline impacting five counties.

Lufkin is nestled between two National forests; Angelina National Forest located southeast of Lufkin impacts four counties and Davy Crockett National Forest located west of Lufkin impacts

two counties. The forests provide plenty of fresh air and spaces for hunting, fishing, camping, swimming, hiking and horseback riding.

US Corps of Engineers also has nine facilities for recreational use within an easy 50 mile drive of Lufkin. The activities available at each facility vary but the following activities are available at one or more: camping, swimming, fishing, hunting, canoeing, kayaking, hiking, biking, bird watching, and horseback riding. Many of the facilities provide access to Lake Sam Rayburn.

Neches Davy Crockett Paddling Trail is a 9.2 mile stretch of the Neches River well known for the Neches River Rendezvous, an annual float trip hosted by the Lufkin/Angelina County Chamber of Commerce and the Lufkin Convention and Visitors Bureau.

This river segment is great for a family outing with a float time of 3 to 6 hours (depending on water level, flow rate and wind speed) even though there are occasional logjams and snags to avoid, especially when water is low. A variety of water types including quiet pools and several small riffles are present. There are no man-made obstructions.

Golf facilities include Crown Colony Golf Course and the Lufkin Country Club. The Crown Colony course is rated as one of the top destination golf course in Texas by Golf Week in 2004. The Lufkin Country Club opened in 1935 offers a scenic 18-hole course.

Utilities

Several retail electric providers provide electric service to the City and surrounding area offering ample electric power supply at competitive rates to residential, commercial and industrial customers.

Oncor Electric Delivery provides electric transmission and distribution services to the area. Deregulation of the electric industry required TU Electric to split its corporate structure into two companies: a regulated company (the wires portion, i.e. Oncor); and a deregulated company (the electric production portion, i.e. TXU Energy).

CenterPoint Energy provides natural gas service to both residential and commercial/industrial customers within the City.

The City of Lufkin provides water, sewer, solid waste and recycling services to all customers within the city.

Consolidated Communications Telephone Company offers a 100% digital switching, fiber optic network with SONET.

Suddenlink Cable Company provides television, internet, phone, and security services for businesses as well as residential customers.

Transportation

Private airport service is available at Angelina County Airport, which offers a 100 ft. by 5,400 ft. lighted, grooved asphalt runway. Nine over-the-road carriers serve the area. The Angelina &

Neches River and Union Pacific Railroads provide rail service. The District provides local bus transportation to various locations within the city as well as commuter service to Nacogdoches and Diboll.

Taxation

The Angelina County Appraisal District appraises property within Angelina County. Ad valorem taxes are assessed per \$100 of assessed value. Tax rates of the various taxing entities for Fiscal 2018 are reflected in the following table.

Fiscal 2018 Ad Valorem Tax Rates	
Taxing Entity	Tax Rate per \$100 Assessed Value
Angelina County	\$0.458803
City of Lufkin	\$0.531135
Lufkin Independent School District	\$1.213000
Angelina College	\$0.180992
Total	\$2.383930

Major Employers

The ten largest employers within the county employ 26.50% of the workforce in the area. The ten largest employers are reflected in the following table.

Major Employers of Angelina County			
	# of Employees	Rank	Percentage of Total City Employment
Lufkin ISD	1000+	1	10.4%
Pilgrim's Pride	1000+	2	8.11%
Brookshire Brothers/Polk Oil	1000+	3	7.04%
Lufkin State Supporting Living Center	1000+	4	7.04%
CHI St. Lukes Health Memorial	1000+	5	7.04%
Woodland Heights Medical Systems	500-999	6	3.09%
Georgia Pacific	500-999	7	3.70%
City of Lufkin	400-500	8	3.10%
Walmart	400-500	9	3.00%
Angelina County	400-500	10	2.70%

CITY OF LUFKIN
FY2018 BUDGET PREPARATION
CALENDAR OF EVENTS

<u>DATE</u>	<u>ACTION</u>	<u>RESPONSIBILITY</u>	<u>DESCRIPTION</u>
Scheduled as needed	HTE Training		Training will be held in the department requesting the training.
April 25, 2017	Budget Kickoff Room 102 @11am	Department Heads, Applicable Staff and Budget Team	Initial budget meeting to establish guidelines for the FY2018 budget process, budget format, requirements, and distribute budget instruction manuals and materials.
May 16, 2017	Send Budget Review Schedule to Department Heads	Laura Flores	Schedule of meetings will be developed and sent to department heads.
May 19, 2017	Draft FY2018 Departmental updated forms due to Finance Dept.	Department Heads and applicable staff	Draft FY2018 Departmental Budget forms due to Finance Dept. including UPDATED Mission Statements, Description of Services, Work Program, and Performance Measures. Departmental Budget Pages will be generated, reviewed and returned for corrections during Departmental Budget Reviews.
May 19, 2017	FY 2017 Revised Revenue Estimates and Budget Expenditure Estimates	Department Heads and Applicable Staff	Completed Revenue estimates and current year annualized expenditures are due in HTE from responsible departments.
May 19, 2017	Completed FY2018 Revenue Estimates and Budget Drafts and Supplemental Requests	Finance Department	Departmental FY2018 budget drafts due to be completed in HTE. Finance will begin to prepare for budget review.
May 22, 2016	Change Security	All Departments	Change Authority in HTE so that no further changes can be made to the FY2018 Revised Revenues and Expenditures and FY2018 Proposed Revenue Estimates and Expenditures by the Departments.

May 26, 2017	Computer Setup	Finance Department	Coordinate Computer Setup for Room 202 for Budget Reviews.
May 30 – June 10, 2017	Departmental FY2018 Budget and Supplemental Request Reviews Rm 202	City Manager, Department Heads, Staff, & Budget Team	Staff and Budget Team to meet with each Department Head to review departmental budgets. Draft Departmental Budget Pages will be returned for corrections at each Departmental Review.
June 16, 2017	Completed FY2018 Departmental Budget Page Due to Finance Dept.	Department Heads and Applicable Staff	Completed FY2018 Departmental Budget Page due to Finance Dept. including <u>UPDATED</u> Mission Statements, Description of Services, Work Program, and Performance Measures.
July 26, 2017	Council Budget Workshop	City Council & City Staff	Council review of departmental budget requests
July 25, 2017 (by July 31, 2017)	Receive Certified Property Values	Chief Appraiser	Complete Ad Valorem revenue projections for budget.
August 1, 2017	File Draft Budget	Budget Officer	A copy of the Draft Budget Book is filed with the municipal clerk and is available for inspection by the public and published on the City's website.
August 1, 2017	Set public hearing on Draft Budget	City Council	Council sets date for public hearing on budget.
August 4, 2017	Effective and Rollback Tax Rates Published	Tax Assessor/Collector /Finance Director	The effective tax rate for fiscal 2017 is published in the local newspaper.
August 4, 2017	Publish notice of budget hearing	Budget team	Publish notice of budget hearing in local newspaper and on the City of Lufkin website.
August 15, 2017	Budget Submission to Council	City Manager	Draft Budget and transmittal letter submitted to City Council.
	Public Hearing*	City Council	A public hearing is held by Council to receive public input regarding the FY 2017/2018 Operating Budget.
	Discussion on Tax Rate*		If proposed tax rate exceeds the effective rate or rollback rate take

August 27, 2016	Notice of Proposed Tax Rate	City Secretary/Finance Director	record vote. 1 st ¼ Page notice in newspaper, Website and TV. Must be published at least 7 days before public hearings. Must run 60 second notice on public TV at least 5 times per day between 7 am and 9 pm for at least 7 days.
September 5, 2017	1 st Reading of Budget Ordinance*	City Council	First reading of Budget Ordinance.
	1 st Reading of Solid Waste Ordinance*		First reading of proposed ordinance amending Code of Ordinances making changes to raise the rates for residential garbage collection and providing an effective date.
	1 st Reading of the Proposed Tax Rate		First reading of proposed tax rate.
September 19, 2017	2 nd Reading of Budget Ordinance*	City Council	Second reading of Budget Ordinance and adoption.
	2 nd Reading of Solid Waste Ordinance*		Second reading of proposed ordinance amending Code of Ordinances making changes to raise the rates for residential garbage collection and providing an effective date, and adoption.
	2 nd Reading of the Proposed Tax Rate*		Seconding reading of the proposed tax rate and adoption.
December 5, 2017	Distribution of Final Budget Document	Budget Team	Final Budget Document published and distributed.

* Requires 72 hour Open Meeting Notice



DESCRIPTION OF FUND STRUCTURE AND CITY FINANCES

Governmental accounting systems are operated on a “fund” basis. A fund is defined as a Fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The funds contained in this budget are segregated into two *Fund Types: Governmental Funds and Proprietary Funds*. Governmental funds are used for most government activities while proprietary funds are based on the premise that the city service will be conducted as a business with user fees covering expenditures. Listed below are descriptions of the funds maintained by the City and included in this document.

This budget was developed and will be implemented and monitored on a modified accrual basis with some exceptions as listed below in the section titled “Comparison between Budget and Financial Reporting”. The proprietary funds budget was developed and will be implemented and monitored on an accrual basis of accounting in most cases. Exceptions are listed below in the section titled “Comparison between Budget and Financial Reporting”.

Budgetary control is maintained at the category, or object class, level (personnel services, supplies, maintenance, etc.) for each department. Open encumbrances lapse at September 30th of each year. Those encumbrances carried forward to the next fiscal year are re-appropriated in the subsequent year and the budget is increased to reflect these carried forward encumbrances. Unspent and unencumbered appropriations lapse at the end of the Fiscal year.

GOVERNMENTAL FUNDS

General Fund – accounts for all financial resources except those to be accounted for in another fund. Property and other taxes, franchise fees, fines, licenses and fees for services provide the resources necessary to fund the typical municipal services such as Public Safety, Parks and Leisure, Administration, Public Works and Community Development activities. The General Fund budget is prepared on a modified accrual basis wherein the City’s obligations, due within the current budget year, are budgeted as expenditures, but revenues are budgeted only to the extent they will be available and measurable.

Special Revenue Funds – account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City budgets eight special revenue funds. The Hotel/Motel Tax Fund receives its primary revenues from hotel/motel tax revenues. The Ellen Trout Zoo Building Fund receives admissions fees and donations from Zoo patrons to be used specifically for improvements and exhibits to the Zoo. The Special Recreation Fund receives user fees from athletic associations and leagues for maintenance of the athletic fields and facilities. The Pines Theater Special Events Fund is used to account for the financial transactions associated with a series of cultural events to be held at the recently renovated

historic Pines Theater. The Municipal Court Security/Technology Fund receives a set fee from each fine collected in Municipal Court. These funds are used to purchase security equipment as well as salaries for security employees and to purchase computer equipment and software for the Municipal Court. The Main Street/Community Development Downtown Fund is supported from events, entertainment and festivals that take place in the City's downtown area. The Animal Control Kurth Grant Fund is supported solely by the Kurth Foundation. These funds are to be used for the support of the Kurth Memorial Animal Shelter. The Animal's Attic Gift Shop revenues are strictly donations. These contributions are used to purchase vaccines and medicines for animals in the Shelter. The special revenue funds are governmental fund types and therefore these budgets are prepared on a modified accrual basis as outlined in the General Fund section above.

Debt Service Fund – accounts for the accumulation of monies that are set aside to pay principal, interest and fees on debt incurred through the sale of bonds and other debt instruments. Proceeds from these tax and revenue supported bonds are used to make long-term capital improvements to streets, drainage systems, water, wastewater and solid waste projects. The Debt Service Fund is classified as a governmental fund type and its budget is therefore prepared on a modified accrual basis as stated in the General Fund section above.

Capital Project Funds – account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed directly by proprietary funds. The Capital Project Funds are classified as governmental fund types and their budgets are therefore prepared on a modified accrual basis as previously stated in the General Fund section.

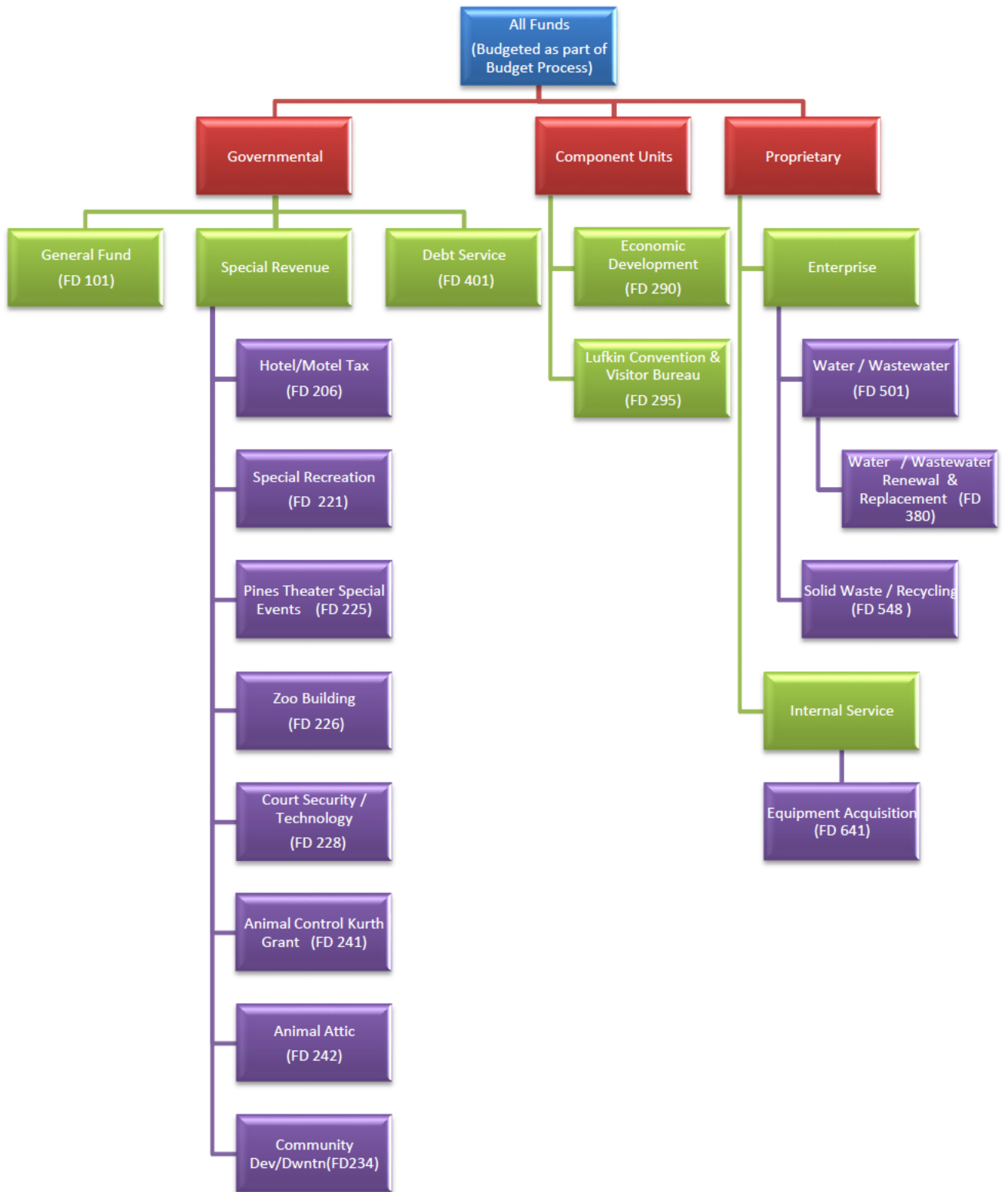
Component Units - The Economic Development Fund receives its revenue from a portion of the sales taxes collections received by the City. These funds are for the economic development and promotion of business within the City. The Lufkin Convention and Visitor Bureau receives the majority of its funding from the Hotel/Motel Tax Fund. These funds are to promote tourism and create maximum hotel occupancy within the City of Lufkin.

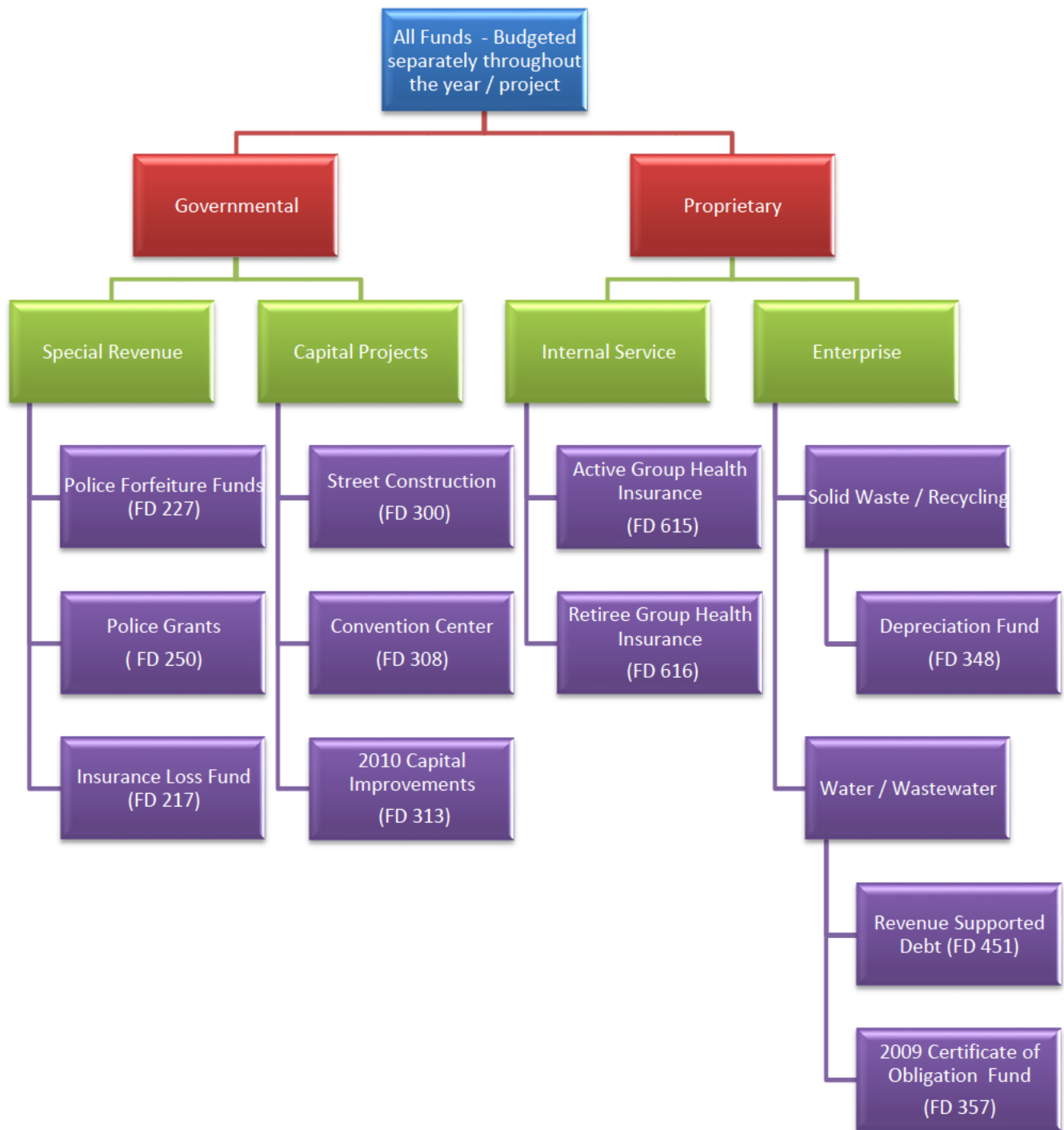
PROPRIETARY FUNDS

Enterprise Funds – account for operations that are financed and operated in a manner similar to private business in that the cost of providing goods and services (expenses, including depreciation) to the general public be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, manage control, accountability or other purposes. The Water/Wastewater Fund and the Solid Waste & Recycling Fund are enterprise funds maintained by the City of Lufkin. The budget basis for enterprise funds is on an accrual basis, with the exceptions noted earlier. Expenses of these funds are recognized as encumbrances when a commitment is made. Revenues are recognized when they are obligated to the City (for example, water user fees are recognized as revenues when service is provided).

Internal Service Fund - The Equipment Acquisition and Replacement Fund revenues are transferred from the departments and are accrued from the depreciation of equipment. Accumulated funds are to be used to replace and purchase new equipment, vehicles and machinery.

Funds Structure





COMPARISON BETWEEN BUDGET AND FINANCIAL REPORTING

The Comprehensive Annual Financial Report (CAFR) of the City shows the status of the City's finances on the basis of GAAP. In most cases this conforms to the way in which the City prepares its budget. Exceptions are as follows:

- A** Compensated absences liabilities that are expected to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) as opposed to being expended when paid (Budget).
- B** General and Administrative charges (G&A) are recognized as direct expenses of the Enterprise Funds, Water/Wastewater and Solid Waste/Recycling and Component Units, Economic Development Fund and Lufkin Convention & Visitors Bureau on a GAAP basis as opposed to being accounted for and funded by operating transfers into the General Fund from the Water/Wastewater and Solid Waste/Recycling Enterprise Funds and Economic Development component unit on the Budget basis.
- C** Principal payments on long-term debt within the Enterprise Funds are applied to the outstanding liability on a GAAP basis, as opposed to being expended on a Budget basis.
- D** Capital outlay within the Enterprise Funds are recorded as assets on a GAAP basis and expended on a Budget basis
- E** Depreciation expense is recorded on a GAAP basis only.
- F** The CAFR shows fund expenses and revenues on a GAAP basis.
- G** Interest income within the Enterprise Funds recorded on a GAAP basis in the CAFR but recorded in the budget in the period in which the interest is expected to be received.
- H** Gains and losses on the disposal of fixed assets are recorded on a GAAP basis only.

BUDGET PROCESS

DEFINITION AND AUTHORITY

The budget is an essential element of financial planning, control and evaluation for the City and reflects and supports the policies and direction provided by Council. Budget appropriations are matched with anticipated revenues to fund expenditures necessary to provide citizen services while maintaining unencumbered fund balances consistent with Council Financial Policies. The City Charter establishes the City's Fiscal year as October 1st through September 30th. By Charter, the City Manager is required to submit to Council, at least forty-five days prior to the end of the Fiscal year, a proposed budget reflecting a complete financial plan for the ensuing Fiscal year. The Council is required to adopt the budget no later than the twenty-seventh day of September.

BUDGET PREPARATION

The City's budget process consists of four major phases that are followed in order to obtain the desired results. They include:

1. Planning/Preparation
2. Administrative Review
3. Presentation/Approval
4. Execution/Monitoring

These four phases comprise the budget cycle:

BUDGET PLANNING/PREPARATION

The Planning/Preparation phase of the budget cycle begins in January. At this point the administrative staff begins formulating goals and assessing needs for the coming budget year. Once these goals are agreed upon and needs have been identified, budget instructions are created for departments to follow. These instructions, departmental budget files, budget forms, and other budget information are distributed to department heads in a "Budget Kickoff Meeting" that is held in the month of April. Departmental budgets are completed and returned to the Finance Department by a specific date in mid-May. Strategic planning retreat is held off-site in mid-July for council members, city manager and department heads to address capital improvements and program changes that may impact department operating budgets.

BUDGET REVIEW

Administrative Review occurs in late May/early June once departmental budgets are returned to the Finance Department. They are reviewed for content and mathematical accuracy by Finance staff. Necessary corrections and changes are made and departmental budgets are forwarded to administrative staff for review. The administrative staff schedules meetings with each individual department head. At this meeting they turn in and justify departmental work plans for the coming year and explain how their plans accomplish Council priorities as well as present justification for their requests. These Departmental budgets are then reviewed by the City Manager, where suggestions for improvement are made; items are eliminated that do not meet

effectiveness tests, and whether supplemental requests are a necessity for the upcoming budget year.

BUDGET PRESENTATION/ADOPTION

The adoption process begins with staff presentation to Council of an overview of the revenues, expenditures and fund balances of each operating fund of the City, a summary of major changes such as rate and fee increases/decreases, and recommendations regarding organization-wide salary adjustments. The Council is provided a detail listing of all departmental requests and significant changes. At this time, Council decisions are made based on previous performance and overall necessity. During the month of August and September, City Council holds public hearings on the budget that allow citizens to voice their opinions and concerns on all aspects of the preliminary budget. After citizen input has been received, staff prepares the final budget and City Council formally adopts the budget prior to the 27th of September. Should the Council not take action on or prior to the twenty-seventh day of September, the budget, as submitted, is deemed adopted by the Council.

BUDGET EXECUTION/MONITORING

The budget process then moves into the Execution/Monitoring phase. This phase requires the administrative staff to review the adopted budget and note any policy or program changes Council may have made that differ from the preliminary budget. These are reviewed and discussed with department heads. The adopted budget becomes effective on October 1st for the new Fiscal year. During the ensuing twelve-month period, the budget is under review to ensure that spending levels are maintained at, or below, the budget allowances.

BUDGET AMENDMENT

The City Charter, Article V, Section 3, Appropriations, provides for a budget amendment process. It states, in part,

“The Council may transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another, at any time. The City Manager shall have authority, with council approval, to transfer appropriation balances from one expenditure account to another within a single office, department or agency.”

Thus, if during the year situations arise whereby additional funds are needed by a department; a Budget Amendment Request is prepared and submitted to Council for approval stating the reasons that additional funds are required.

If only line item changes are required within a departmental budget, the department head submits a Budget Adjustment Request to the City Manager for approval. The Request reflects the account(s) from which funds are requesting to be transferred and the account(s) to which funds will be transferred. Reasons for the transfer are stated, and the City Manager approves or disapproves the request. All approved changes are forwarded to the Finance Department for entry into the financial system.

LONG-RANGE FINANCIAL PLANNING

The City's commitment to long-term fiscal stability has been challenged over the past several years due to the economic downturn and loss of sales tax revenue, which currently makes up approximately 40% of the General Fund budget. The City has managed to overcome the budget deficits with contingency plans such as reducing expenditures and by delaying hiring vacant positions by 90 days. Through this contingency the City has maintained a strong fund balance with excess of \$ 1,065,967 over required reserves.

Developing the City of Lufkin long-range plans requires several steps to project revenues and expenditures that extends beyond the budget year.

Step 1: Mobilization Phase. In this phase, the City will develop its financial plan for the future. Planning includes:

- a. Assessing Economic Conditions
- b. Identifying City Spending Priorities
- c. Creating Economic Growth

Step 2: The Analysis Phase. In this phase, the City will develop long-term projections. The Five-Year Forecast estimate a 2% growth in overall revenues and expenditures. The following chart outlines the City's forecast of General Fund revenues and expenditures for budget Fiscal 2018 and projected for Fiscal 2019 through Fiscal 2023. The projections show the potential for challenging future budget preparation, as growth in expenditures is projected to outpace growth in revenues.

Step 3: The decision Phase. In this phase, the City will create strategies to create economic growth based upon the scope and analysis previously done.

Step 4: The execution Phase. In this phase, the City along with council members and staff will put the long-range planning into place.

It is important to realize that the projections represent conservative growth, assuming that City services remain at their current service levels with existing staff and operating budget. Projections include cost escalation for expenditures to accurately represent the reality the City will face if no further budget modifications are made.

The City has the possibility of significant growth to the tax base, franchise fees and water sales with the construction of a large power plant. It is estimated that construction will take approximately two years. Additional boost to the economy during construction may be seen but has not been a consideration in long-range planning. Upon completion of the project, the City's goals and long-range planning could change significantly with the potential revenue increase.

GENERAL FUND -FIVE YEAR FORECAST
FY2019-2023

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
	<u>Actual</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
Taxes	\$20,275,604	\$20,781,382	\$20,810,288	\$21,226,494	\$21,651,024	\$22,084,044	\$22,525,725	\$22,976,239
Franchise taxes	2,466,089	2,397,000	2,330,000	2,376,600	2,424,132	2,472,615	2,522,067	2,572,508
Licenses & permits	298,120	308,970	245,700	250,614	255,626	260,739	265,954	271,273
Charges for service	2,656,647	2,686,765	2,674,050	2,727,531	2,782,082	2,837,723	2,894,478	2,952,367
Fines & forfeitures	1,170,750	1,095,675	1,096,175	1,118,099	1,140,460	1,163,270	1,186,535	1,210,266
Miscellaneous revenue	503,785	388,810	368,760	376,135	383,658	391,331	399,158	407,141
Inter-governmental revenue	-	19,000	22,956	-				
Sub-Total	27,370,995	27,677,602	27,547,929	28,075,472	28,636,982	29,209,722	29,793,916	30,389,794
Intra-governmental revenue	4,792,877	5,403,610	5,088,988	5,190,768	5,294,583	5,400,475	5,508,484	5,618,654
Total Revenues & Transfers	\$32,163,872	\$33,081,212	\$32,636,917	\$33,266,240	\$33,931,565	\$34,610,196	\$35,302,400	\$36,008,448
Personnel services	\$ 24,123,945	\$ 25,024,638	\$ 24,962,692	\$ 25,461,946	\$ 25,971,185	\$ 26,490,608	\$ 27,020,421	\$ 27,560,829
Supplies	1,818,201	1,708,887	1,614,276	1,646,562	1,679,493	1,713,083	1,747,344	1,782,291
Equipment maintenance	1,860,550	2,091,037	1,984,741	2,024,436	2,064,925	2,106,223	2,148,347	2,191,314
Miscellaneous services	4,169,481	4,228,376	4,243,186	4,328,050	4,414,611	4,502,903	4,592,961	4,684,820
Sundry charges	147,150	145,250	145,750	143,944	143,944	143,944	143,944	143,944
Debt service	39,799	90,881	90,882	30,000	30,000	30,000	30,000	30,000
Transfers out	217,500	220,289	370,056	225,000	225,000	225,000	225,000	225,000
Capital outlay	-	-	-	-	-	-	-	-
Total Operating Expenditures	\$32,376,626	\$33,509,358	\$33,411,583	\$33,859,937	\$34,529,157	\$35,211,761	\$35,908,017	\$36,618,199
Surplus(Deficit)	(212,754)	(428,146)	(774,666)	(593,697)	(597,592)	(601,565)	(605,617)	(609,751)
Surplus(Deficit) as Percentage of Operating Budget	-0.66%	-1.29%	-2.37%	-1.78%	-1.76%	-1.74%	-1.72%	-1.69%

STRATEGIC PLANNING

The Lufkin City Council is elected to set policy and make decisions regarding City services to its citizens. In so doing, the Council must set priorities they believe are in the best interest and represent the desires of the citizens they represent. A retreat is held, early in the budget process each year, in which Council and staff discuss concerns, short and long term needs, philosophies and policies. Through these planning sessions and discussions, Council is able to develop a prioritized ranking of those needs they believe to be most important to the community and provide staff direction with which to formulate the coming year's budget.

The first Council Retreat was held in May 1999. The focus of the retreat was to identify community needs, establishing priorities, developing goals and identifying objectives for meeting those goals. Primary to this process was adoption of a continuing capital improvements program (CIP) tailored to address specific goals. Subsequently, these goals were reorganized and non-CIP items were added to create a more complete strategic planning model. As certain projects were completed, unforeseen significant needs were moved to the forefront and other less critical projects were delayed. Ultimately, the once five-year CIP has evolved into a continuous plan which is updated each budget year.

In Fiscal 2018 the City of Lufkin has initiated a vision for the future of Lufkin. The Comprehensive Plan is in phase one, The Baseline Analysis, of the process.

The Comprehensive Plan is developed in four phases:

1. Baseline Analysis: The starting point for plan development. Demographic and socioeconomic data are collected along with data on land use, community form, transportation, and community services. This starting point provides context for plan recommendations and serves as a benchmark for measuring plan implementation.
2. Comprehensive Plan Development: The heart of the Comprehensive Plan is the Future Land Use Map which identifies how and where the community should grow. This map is supported by the Plan Elements: Transportation and Mobility, Local Prosperity, Parks and Recreation, Community Facilities and Services, Quality of Life, Natural Resources, and Cultural Resources.
3. Implementation Strategy Development: This element includes a Short Term Work Plan, a matrix outlining specific projects and steps (and their costs) the City and City partners intend to take over the first few fiscal years of plan implementation.
4. Adoption / Implementation / Monitoring: As an official policy document, the Plan is adopted by the City Council. Following adoption, the plan is implemented according to the Implementation Strategy. Annual monitoring will ensure that the plan remains relevant and meets the needs of the community.

The goals and objectives including those originally established by Council in 1999, objectives covered in subsequent conferences, and aspects that staff feels are imperative to the overall fitness of the city are listed in the following pages. This is the status of these projects as of Fiscal year-end 2017. Completed Objectives are in blue.

Goal: Improve drainage and correct problems within the City of Lufkin

Objectives:

1. Continue to monitor development within the City in order to insure that all drainage requirements are being met.
2. Maintain all regional detention facilities and remove volume as needed to meet the needs of new development.
3. Evaluate possible construction of two regional detention ponds.

Status:

- | | |
|-------------|--|
| Objective 1 | All new developments are required to complete and submit a drainage study if the impervious improvements exceed 14,000 square feet or if under that amount, there has been isolated flooding situations. All drainage studies are maintained by the Engineering Department and may be utilized by other developers as needed. |
| Objective 2 | Developers are allowed to purchase volume from the regional detention facilities if the development is within close enough proximity of the pond. This practice helps to offset the cost of on-site detention and assists the developer in not having to use valuable developable land for detention. The developer submits the standard drainage study and then requests that they be allowed to purchase volume from that pond within the closest tributary. The City then contracts out the actual removal of volume from the pond as required. |
| Objective 3 | The Engineering Department will continue to evaluate possible funding sources, whether through CIP monies or grants provided through FEMA. |

Goal: Develop and implement street improvements for better mobility within the city.

Objectives:

1. Conduct inventory of all streets and classify by quality standards Street Improvement Plan. This is a perpetual project.
2. Prepare recommendations for street overlay program and submit to Council by March of each year.
3. Implement improvements to the central business district that were approved in the TEA 21-grant award.
4. Continue schedule of activities for street improvements approved by voters in the 2001 May election.
5. Continue schedule of activities for street improvements approved during 2010 & 2012 capital improvements planning sessions.

Status:

- | | |
|-------------|--|
| Objective 1 | An inventory of all streets has been completed utilizing the US Corp of Engineers computer program, "MicroPaver". A pavement condition index |
|-------------|--|

was developed for each street. This activity is now an ongoing part of the street maintenance program and an inventory is completed every two years.

- Objective 2 A prioritized list of street construction is currently being developed using two categories – reconstruction and overlay. This list is presented to Council in March each year.
- Objective 3 The Downtown Sidewalk and Improvement Project – funded by Texas Department of Transportation through the T21 grant was completed in Fiscal 2006
- Objective 4 Voters approved a bond proposal of four streets in May 2001. The streets include Abney Avenue, Angelina Street, Lotus Lane, and Whitehouse Drive. Angelina construction was completed in 2004. Abney Street construction was completed in April 2006. Whitehouse Drive construction was finished in June 2007. Lotus Lane was completed in 2009.
- Objective 5A Street projects identified to be funded by 2010 bond issue proceeds are Columbine Drive storm drain replacement, Carrol Avenue bridge replacement, Fuller Springs Drive street reconstruction, and Sayers Street reconstruction. Design and survey phase has begun on projects and is funded by proceeds from the reimbursement resolution.
- Objective 5B Tentative street projects identified to be funded by 2012 bond issue proceeds are Joyce Lane Reconstruction, North Brentwood Extension, Knight Avenue Reconstruction, Champions Drive Reconstruction, Carriage Drive Reconstruction, Moffett Road Reconstruction, Pershing Avenue Reconstruction, Third Street Reconstruction, Windsor Drive Reconstruction, Jones Street Reconstruction, Hill Street Reconstruction, Spence Street Reconstruction, Tom Temple Street Reconstruction, and Atkinson Drive Street Reconstruction. Also, a Monopole Replacement and the Fire Department Storage building.
- Objective 5C Tentative street projects identified to be funded by 2015 bond issue proceeds are Whitehouse Drive West and McHale/Chester streets culver replacement.

Goal: Provide safe, secure environment for citizens of Lufkin.

Objectives:

1. Provide vehicular rotation schedule for public safety vehicles.
2. Replace fire rescue pumpers and provide rotation schedule for ambulance replacements through CIP planning.

3. Expand community and neighborhood policing projects on an ongoing basis.
4. Coordinate with Angelina College in developing a fire academy for training new personnel and recruits.
5. Increase fire staff to accommodate the two man in-two man out rule established by Texas State Legislature.
6. Construct new Fire Station on Old Union Road. Relocate existing Fire Station #4 to a more efficient area.
7. Replacement of Fire vehicles in a timely manner to avoid costly maintenance and downtime from worn out equipment.
8. Acquire grants to assist with the purchase of new Fire equipment for emergency situations.
9. Combine and relocate Fire Station #1 and Fire Station #3 to improve operational efficiency, effectiveness and possibly upgrade the ISO rating from 4 to an ISO rating of 3 or 2.
10. Raze and reconstruct Fire Station #5 at present location to provide for future organizational growth and add functionality for a modern fire department. The current station is strategically located but is in a deteriorating condition which does not allow for expansion and is not suitable to house modern fire apparatus.

Status:

- Objective 1 Both the Fire and Police departments have developed rotation schedules for their fleets and, as budget constraints allow, have been able to maintain the rotation schedules. Rotation of vehicles according to rotation schedules is ongoing.
- Objective 2A A fire pumper was purchased and placed in service during the summer of 2000. An ambulance replacement schedule was developed and placed into the Capital Improvements Program for funding. Five have been purchased. One replacement fire pumper was purchased during Fiscal 2008. Two fire med units and remounts were ordered in Fiscal 2010 to be funded from Equipment Amortization and Replacement Fund.
- Objective 2B Proposal is being developed for apparatus rotation. Example: With five stations, ordering one pumper every four years will provide a 20-year life span for equipment. Some current apparatuses are older than the 20-year replacement goal.
- Objective 3 In 1999, there were three active neighborhood associations in Lufkin. The Community Policing Officers became active in these groups and have assisted in organizing ten total associations. A patrol Lieutenant is assigned to those neighborhood associations in his area of town to address the needs of the citizens. Each patrol officer is also assigned a registered sex offender to monitor their location and activity should they commit any law violations.

- Objective 4 A Fire Academy has been successfully developed at Angelina College. Recruits can receive Fire and EMT Basic certification through the Academy. Paramedic training is also available through the College EMS training program.
- Objective 5 This item is on hold pending future funding. One firefighter position was added in Fiscal 2010 to accommodate scheduling.
- Objective 6 Land was purchased in Fiscal 2002. City staff and a local architect firm are working on a new Fire Station Design on Old Union Road, which will replace existing Station #4 on the Southwest Loop. The new station was complete in Fiscal 2008.
- Objective 7 A ladder truck was purchased and delivered during Fiscal 2006. One fire pumper was purchased during Fiscal 2008. The purchases of one fire engine and one rescue truck were purchased from Fiscal 2012 bond proceeds. One fire engine is tentatively scheduled for replacement in Fiscal 2015 to be paid from bond proceeds.
- Objective 8 Various Homeland Security grants have been awarded. The Fire Department has purchased equipment that will be useful in a number of emergency situations.
- Objective 9 Land was purchased in July 2010 with funding from Certificates of Obligation to be issued in October 2010. Design and plan completed since using same design and plans from Station #4. Construction completed in Fiscal 2012.
- Objective 10 Reconstruction of Station #5 in progress and should be complete FY 2014 with funds from bond issue proceeds.

Goal: Establish reliable, broad based communications for public safety and citizen information purposes.

Objectives:

1. Upgrade and replace the current police communications system. Project to include purchase and installation of a new radio system for data transmission, which allows field reports to be transmitted electronically, as well as “on-line” driver’s license and license plate checks from the field.
2. Complete the update of each City department’s web site. Provide training for one staff member from each department in Microsoft Front Page to maintain the department’s web page.

3. Expand online services for citizen use: including online building permits, inquiry and payment of utility accounts, recreation class schedules, fine payments, and ambulance service fee payments.
4. The Police Department has budgeted to purchase a radio voting system that will allow a greater area of radio reception in the recently annexed regions. The project is estimated to be completed in the early part of Fiscal 2010.

Status:

- Objective 1A Staff negotiated with AT&T to build a CDPD system. The “build out” was completed in March 2001. Hardware and software were purchased for police vehicles. The project was complete in May 2002 and is operational.
- Objective 1B In 2004, AT&T upgraded the Police Departments existing CDPD network to a GPRS network, which greatly exceeded the capabilities of the previous CDPD network by providing many enhanced benefits and services such as a wider coverage area and higher-speed data transfer.
- Objective 1C In 2011, the Police Departments received a DETCOG Homeland Security Grant in the amount of \$132,803 to upgrade to digital radio equipment for officers. Radio upgrade began in FY 2013 and should be complete along with a monopole replacement in FY 2014.
- Objective 2 The City’s website was updated in Fiscal 2006 and is maintained by the City’s Webmaster. Requests for updates by the departments are forwarded to the Webmaster on a continual basis.
- Objective 2A The City’s website was updated providing citizens of Lufkin access to up to date information on crimes and police-involved incidents that occur within the Lufkin city limits via Crime Reports at www.crimereports.com.
- Objective 3 The City implemented an on-line interactive application in Fiscal 2002 that allows utility customers to view and pay their bills via the Internet. The City’s Municipal Court system is now a live site and is now capable of paying fines on-line, as well as in person.
- Objective 3A The City purchased Autocite ticket writers to automate the process of ticket writing in the Police Department to ticket collection in Municipal Court Department.
- Objective 4 The City has budgeted to purchase a radio voting system in Fiscal 2008. The project was completed in Fiscal 2008.

Goal: Provide increased beautification and quality of life projects for the citizens and visitors of Lufkin.

Objectives:

1. Implement improvements to the Kit McConnico Park as outlined in the Park Master Plan. Complete Phase 1B project by Spring 2005.
2. Develop entryway beautification program by utilizing the Angelina/Beautiful Clean program and funding from TxDOT grant program. Continue maintenance contracts and projects that will work toward presenting Lufkin as a clean and beautiful city.
3. Seek certification as a National Main Street City through the Texas Main Street Program and the Texas Historic Commission.
4. Develop funding sources for increased color, planting and maintenance of public areas, major travel corridors and entryways.
5. Renovate Morris Frank Park adding softball field lighting, T-ball field expansion and parking lot expansion in Fiscal 2012.
6. Replace current City Pride signs and add three additional signs to welcome visitors to the City.
7. Construct extension to Azalea Trail providing alternative access and mobility to City parks and major commercial retail outlets.
8. Renovate Brandon Park basketball court, install lighting, replace pavilion and install new playground and site furniture.

Status:

- Objective 1 Construction is complete for the Phase 1B portion of the project. Improvements include four lighted baseball fields, four lighted soccer fields, concession and restroom facilities, parking lots and utility improvements. League play for soccer and adult softball are scheduled to begin in September 2005. Maintenance programs are in place and being modified as needed. The Deep East Texas Recreational Route Coalition has completed a 3.5 mile section of trail in Kit McConnico Park. The grand opening will be October 13, 2007. The trail is used for mountain bikes, jogging, walking and nature studies.
- Objective 2 The City was given responsibility for maintaining state highway rights-of-way for Fiscal 2001 and subsequent years. Maintenance is provided by contract. The Tree Board has suggested increased pruning of street trees for safety. Ornamental trees will be pruned with cooperation of Angelina Beautiful Clean. The City continues to work with beautification groups to provide new projects, maintain existing projects, and plan for future projects.
- Objective 3 The City's Main Street Director submitted an application to the Texas Main Street Program for consideration as a National Main Street City. The City was awarded that recognition and has received that award for the past six years.

- Objective 4 Increased maintenance standards and funding for programs, increased awareness in litter programs and beautification by all groups using City facilities is a result of the continued cooperative efforts with Angelina Beautiful Clean and the Lufkin Landscape Taskforce.
- a. Wildflowers and trees were planted at Ellen Trout Park.
 - b. Kiwanis Park had new azaleas planted along Tulane.
 - c. The main parking lot was improved at Morris Frank Park.
 - d. Kit McConnico Park play equipment was installed in 2005.
 - e. The Landscape Task Force has started constructing various projects of their master plan for Chambers Park in 2005. The projects were completed with new trees, spray play cover, painting of all structures, improved tennis parking area, new fencing along Pershing Street, and a new mural was completed on the Boy Scout House.
 - f. New projects at US 59 South and US 59 North will create new landscape opportunities for entryways into the City of Lufkin when completed. These projects will begin in 2007 and 2008 with completion in 3 to 4 years.
 - g. Gaslight Boulevard was renovated in late 2007. It was a Lufkin Landscape Task Force project that needed additional plant material and maintenance.
- Objective 5 Lighting of the Morris Frank Park girls' softball fields was completed in Fiscal 2010 using proceeds from the bond reimbursement resolution to allow the fields to be more fully utilized and enhance the attraction of tournaments to the area. The T-ball field expansion was completed in Fiscal 2013 and funded by 2010 bond proceeds. The Morris Frank Parking Lot expansion originally scheduled for Fiscal 2012 was completed in Fiscal 2011 will and will provide overflow parking for all activities at Morris Frank Park.
- Objective 6 The City Pride signs welcoming visitors will be replaced in Fiscal 2012 with three additional signs added and will be funded by 2010 bond issue proceeds. Due to annexation of properties over time, the current signs are no longer at edge of the city limits and will be relocated to the properties at the edge of the city limits. This was completed in Fiscal 2012.
- Objective 7 The Azalea Trail extension is planned to be $\frac{3}{4}$ mile long and connect the current trail with major commercial/retail centers. The extension is tentatively scheduled to be funded from the 2015 bond issue. This project was completed in Fiscal Year 2014.
- Objective 8 The Brandon Park renovations to the basketball court include new poles and backboards, restriping the surface, adding lighting as well as replacing the current pavilion and installing new playground equipment. The renovation is tentatively scheduled to be funded from the 2012 bond issue, and should be complete in FY 2014.

Goal: Maintain the Ellen Trout Zoo to be deemed worthy of its slogan as the “Finest Small City Zoo in the Nation.”

Objectives:

1. Expand current facilities to accommodate upcoming features and increased attendance.
2. Develop funding for new exhibits through private and public donations and new innovations.
3. Develop and create new exhibits to increase attendance and interest in the zoo.
4. Construct Ellen Trout Zoo-Walking Trail around Ellen Trout Lake to provide an additional recreational area.
5. Construct Zoo commissary for storing and preparing animal food to increase efficiency.

Status:

Objective 1A The parking area was expanded in Fiscal 2002 to alleviate the overcrowded parking situation.

Objective 1B Restrooms were added in Fiscal 2004 to the new African area to provide patrons with facilities in the back area of the zoo. These were opened to the public in May 2004 and have received very favorable reviews.

Objective 2 The Zoo increased admission fees in April 2003 to shoulder the burden of increasing costs on both the implementation of new exhibits and recurring costs on the city's General Fund. These fees were increased again in July 2007.

Objective 3A The zoo will begin expansion with the development of an African area. This area has since completed both a giraffe and White rhino exhibit in Fiscal 2001. The giraffe exhibit has had a new arrival with the birth of a new male giraffe in late 2002.

Objective 3B The hippoquarium and crocodile exhibits were completed during 2003. These exhibits are fully functional and the zoo has already increased the hippopotamus population with the birth of a new hippo in late September 2003.

Objective 3C A new primate and Komodo dragon exhibit was completed during Fiscal 2004. Plans are underway for the outdoor portion of this exhibit to be completed in the future. An African aviary was constructed in 2005 by the Lufkin Rotary Club and took the place of the scheduled primate exhibit.

Objective 3D In late 2004 work began on the botanical exhibit and was completed in April 2005. This exhibit is dedicated to the memory of Nancy Wannamacher. This will also provide the public with additional seating.

- Objective 3E Design and fundraising began for the new Education Center and office complex at a new location in the southern part of the zoo near the newly completed parking lot. Fundraising was completed and construction was completed in Fiscal 2010.
- Objective 3F A new outdoor exhibit was constructed for the Zoo's five Chinese alligators by the Lufkin Rotary club in 2006.
- Objective 4 The Ellen Trout Zoo walking trail was eliminated from the 2012 bond fund planning.
- Objective 5 Scheduled for construction in Fiscal 2013 to be funded by fund balance from the Zoo Building Fund and should be complete in FY 2017.

Goal: Refurbish the existing, near thirty-year old Convention Center while keeping the establishment accessible and functional for scheduled events. In Fiscal year 2011, remodel, expand and update the existing Convention Center to house and shelter large groups in times of emergencies to be funded by Hurricane Ike grant funding in coordination with Angelina County.

Objectives:

1. Replace existing equipment and fixtures such as the HVAC unit, moveable walls, telescoping.
2. Update the color scheme by replacing the upholstery on seating, carpeting and drapes in the stage area.
3. Improve the lighting equipment by adding additional, up to date, stage lighting.
4. Replace the sound system with a system that will provide greater sound quality and new technology.
5. Tint windows in the Front Lobby Reception Area to help with cooling costs.
6. Replace Lobby Entrance doors to satisfy safety and building codes.
7. Install WIFI and a Mounted Projector in Main Events Room.
8. Remodel and refurbish Dressing Rooms and back entry halls. Install gate for better security of equipment in Master Control Room and Kitchen.
9. Upgrade Landscaping.
10. Add outdoor Christmas Decorations.
11. Remodel, expand and update the existing Convention Center.

Status:

- Objective 1A A new HVAC unit replaced the 25-year-old unit in Fiscal 2001. This new unit is more energy efficient by only heating and cooling areas as needed.

- Objective 1B New movable walls replaced non-functioning existing walls in Fiscal 2002. The new walls are reliable and provide, on a consistent basis, areas that are more accommodating to patrons.
- Objective 1C Telescoping seating replaced damaged seating in Fiscal 2002. The new seating provided a safer place for patrons to sit and the new design is easier to operate for Civic Center employees.
- Objective 1D The sound system was replaced in Fiscal 2006. The new system will provide a better sound and will have new technological advances that the current one lacks.
- Objective 2A When the telescoping seating mechanism was changed, the color scheme for the existing seating was also updated to reflect an elegantly modern scheme. This update was completed in Fiscal 2002.
- Objective 2B The worn carpet in the Civic Center was replaced in March of 2004.
- Objective 2C The stage curtain and back drapes were replaced in Fiscal 2006. This step completed the color scheme change.
- Objective 3 Eight new Stage Lights were replaced in FY 2006. Stage Lights were placed intermittently alongside remaining front-track stage lights of the area. These new lights provide a better quality of lighting with greater control of maneuverability for customers.
- Objective 4 The Sound System was replaced in 2006. It consists of new mixers, equalizers, amplifiers, speakers and other sound equipment including relocating the Master Sound Rack. Replacing this System has added a greater quality of service for our customers during their events.
- Objective 5 The glass areas of the Front Lobby Reception area were tinted in Fiscal 2007 from floor to ceiling with a bronze Llumar Window Film with a 10 year warranty. This process allows the Lobby area better insulation in the winter and summer months respectively.
- Objective 6 Eight Front Lobby Entrance Doors were replaced in Fiscal 2007 with bronze tinted anodized aluminum frames, and bronze tempered glass. Each door included new panic bars; continuous hinges with inside dogable exit devices; outside key-locks; thresholds; and weather stripping. There is one handicap door for ADA compliance.
- Objective 7A As an added feature to our customers, WIFI was installed in the Main Events Room for using during events in Fiscal 2007.

- Objective 7B To maximize space and use, a Mounted Projector was installed in 2007 in the Main Events Room. The projector is operated by remote from a specified laptop. This project included wiring cable to strategic areas of the room to allow the customer to be able to conduct their presentation from various angles throughout the room to meet their accommodation needs.
- Objective 8A The Ladies' and Men's restroom was remodeled in FY 2007, which included replacing water damaged sheetrock, existing toilets, sinks, vanity and doors. The existing showers were replaced with ADA approved showers with seating. The Dressing Rooms were painted and appropriately attractive décor was added for ambiance. The remodeling of the dressing rooms has greatly enhanced the customer's enjoyment in using these rooms for their events when needed.
- Objective 8B The back entry areas were painted and wainscoted with vinyl paneling; including replacing the vinyl bases with newer material.
- Objective 8C A gate was installed and is kept locked at all times to secure the master control areas from public access. This area houses the Civic Center's main computer equipment, main electrical boxes, and telephone equipment along with the hot water heater.
- Objective 9A Soil in the flowerbed area has been upgraded with a mixture of sand and compost for future planting and healthy growth. This was completed in FY 2007.
- Objective 9B In Fiscal 2008, brick retaining walls were placed on both north and south side areas. New landscaping was completed including new magnolia trees.
- Objective 10 In Fiscal 2008 the addition of Christmas decorations in the form of holiday signage and other festive lights on the front Plaza and surrounding outside areas of the building were added. This included installation of adequate electrical outlets and other equipment for proper hanging. This will add a festive and colorful ambiance to the Civic Center as customers celebrate the Holidays.
- Objective 11 Expand Convention Center to over twice original size to house and shelter large groups in times of emergencies to be funded by Hurricane Ike grant funding in coordination with Angelina County. This was completed in FY 2013.

Goal: Instill a love for reading in the community, while maintaining the new state of the art Kurth Memorial Library facility.

Objectives:

1. Acquire reading materials that encourage reading and increasing knowledge in an innovative, welcoming environment.
2. Provide educational programs to the community.

Status:

- Objective 1 The Library is under the constant process of providing an ethnic diversity to its shelves through obtaining books written in Spanish. Also, books on audio to assist beginning readers provide the community with opportunity. As the need arises, the library is prepared to acquire books of varying ethnic cultures as to inspire a love of reading.
- Objective 2 The Library is committed in providing quality educational programs for school children. This allows children opportunities to visit the library with peers, and will hopefully instill an appreciation of books that will continue for years. The Library also instructs the community using the Internet as a learning tool.

Goal: Implement improvements to the Emergency Management System as to provide a safe environment for the citizens of Lufkin.

Objective:

1. Continue to improve the mitigation, response and recovery activities of the Emergency Management office.

Status:

- Objective 1A The National Weather Service designates the City of Lufkin as a Storm Ready community. This means that the city is ready to respond in the event that hazardous weather threatens.
- Objective 1B The city expended the Office of Domestic Preparedness Grant of \$277,000 in improving the equipment capabilities of the Fire, Police, Public Works Administration, and the Emergency Management Departments.
- Objective 1C A Mitigation Action Plan has been developed as required by the State of Texas and FEMA.
- Objective 1D Everbridge Incident Notification service was implemented in Fiscal 2011 to resolve incidents more quickly, increase awareness and safety, reduce communication costs, gain operational efficiencies and improve compliance and reporting.

Goal: Develop operational procedures as to improve the collection of waste throughout the city.

Objectives:

1. Revise the Solid Waste Collection Ordinance for the City of Lufkin.

2. Reconstruct the collection routes
3. To implement the different Solid Waste and Special Collections programs. (Commercial Dumpster Program, Residential Cart upgrade and a Work Order system.)
4. To implement a new rate structure for Special Collections.

Status:

- Objective 1 Information has been collected from other cities. Staff will work as a team on the update. Target date for completion is the end of October 2007.
- Objective 2 Route audits have been performed. GPS equipment has been installed on each collection vehicle to gather statistical information. Further planning of the routes will result in increased efficiency.
- Objective 3 The commercial dumpster program has been implemented. The Residential cart upgrade will allow citizens to upgrade from the previously issued 65 gallon cart to a 96 gallon cart. This program began in early 2008.
- Objective 4 Special Collections will go to a “work order only” system as well a rate structure being developed for collections over 2-yards. This project began mid-year 2008. The “Litter Critter” service was added in Fiscal 2011 to provide residential customers with short-term access to dumpster program at residences.

Goal: Improve the operations of the City of Lufkin Recycling Department.

Objectives:

1. Complete the study of and install automated equipment for upgrading the recycling process.
2. Continue to monitor wastewater disposal with emphasis on the feasibility of bio-solids composting.
3. Implement educational opportunities in the community through the use of the Recycling Coordinator.

Status:

- Objective 1 The City’s Recycling process is expected to continue with the installation of a new baler in Fiscal 2007 and with the addition of part-time employees to process recyclables in Fiscal 2008.
- Objective 2 The Composting Operation was terminated in Fiscal 2007. The operation was reviewed and it was determined that composting was not a cost effective operation for the City.
- Objective 3 Educational opportunities are ongoing, and include schools, civic organizations, business groups and neighborhood associations. Expanding

regional recycling efforts, along with commercial recycling education and participation, will be a focus. Applications for grants have been and will continue to be submitted with DETCOG to fund local and regional programs.

Goal: Attract new businesses and provide positive growth to the City of Lufkin and surrounding area.

Objectives:

1. Propose an Economic Development (ED) Plan.
2. Develop funding for ED Plan.
3. Implement ED Plan by Summer 2004.
4. Develop Lufkin Business Park

Status:

Objective 1A Proposed during Council discussions late Fiscal 2003.

Objective 1B Workshop was scheduled for early Fiscal 2004. The citizens voted to implement the ED plan in February 2004.

Objective 2 Determination for the funding was determined after workshop. Funding has been determined to be $\frac{1}{8}$ of a cent from a portion of the sales tax revenue.

Objective 3 Implementation of the ED began in the summer of 2004, with the appointment of a Board of Directors for the Economic Development Corporation.

Objective 4A Land was purchased during Fiscal year 2009 and Fiscal 2010 for the Lufkin Business Park.

Objective 4B Old Moffett road construction and reconstruction behind the property to the new TxDOT turnaround has been approved to be funded by an EDA grant. Water and sewer lines, drainage and road entrances for the 1st phase of the construction has been approved.

Objective 4C One business has began operations in the Industrial Business Park with return of loan payments.

Objective 4D Angelina Tank began operations in FY 2012 in the Shell Building.

KEY REVENUE ASSUMPTIONS AND TRENDS FOR FISCAL 2018

On an ongoing basis throughout the Fiscal year, finance staff monitors and reviews all revenues at a detailed level regarding collection versus budget estimate, and probability of collection. Early in the budget process, a complete set of revenue assumptions are prepared by the department responsible for the revenue. Revenue estimates are based on trends of prior year's revenues and adjusted for various assumptions in the current budget year. These assumptions provide the basis for revenue projections throughout the budget process and include the expectations for local economic and population growth and expected service levels.

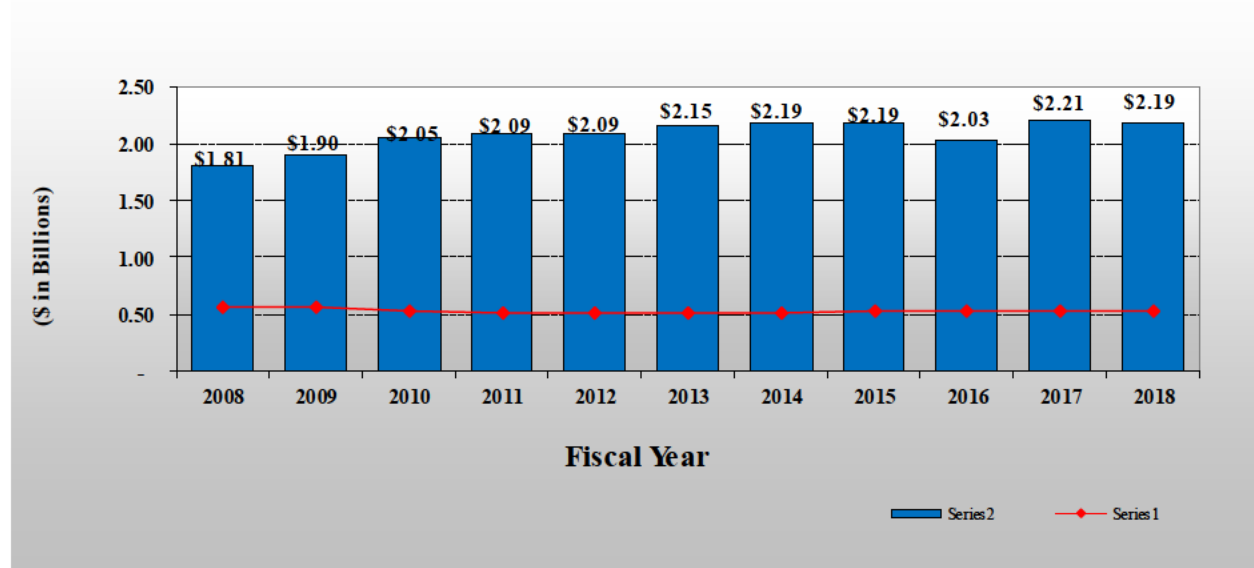
The City of Lufkin receives revenues from a variety of sources. The Budget Overview section of this document provides a detailed explanation of the individual revenues for each fund. This section highlights the major revenues included in this year's budget for the major funds.

GENERAL FUND

AD VALOREM TAXES AND ASSESSED PROPERTY VALUES

The City's property tax is levied each October 1, based on the assessed value of all real and business personal property located within the City. The Angelina County Appraisal District establishes and certifies the appraised values at or near 100% of estimated market value. Homeowners aged 65 and over, disabled persons and veterans are eligible, and may qualify for tax exemptions. The Angelina County Appraisal District can provide additional information on the eligibility requirements for these exemptions.

Assessed Property Values Ten Year History



Ad valorem tax revenue is determined by two major factors: the total assessed value established by the Appraisal District and the tax rate established by the Lufkin City Council. The assessed property values have decreased during the past year however new property was added that allowed the City the capacity to adopt the effective tax rate of \$0.531135 per \$100 valuation.

The City's total certified assessed property value for Fiscal 2018 is \$2,194,747,857 according to the Appraisal District. The City's tax rate for Fiscal 2018 is \$0.531135 per \$100 valuation. The Fiscal 2018 operating and maintenance tax rate of \$0.381135 per \$100 valuation will generate \$7,452,400 of ad valorem tax revenue to the General Fund projecting a 98% collection rate. Ad valorem tax revenue is the second largest revenue source to the General Fund, accounting for 22.78% of total projected revenue for Fiscal 2018. The General Fund allocation of total ad valorem tax revenue equals approximately 71.76% of total ad valorem tax collections; the remaining 28.24% is allocated to the General Obligation Debt Service Fund for the retirement of bond indebtedness.

The table below provides a ten-year history of Lufkin's ad valorem tax rate, levy, and collections, as well as the projected tax collection and distribution of revenues for Fiscal 2018, or tax year 2017.

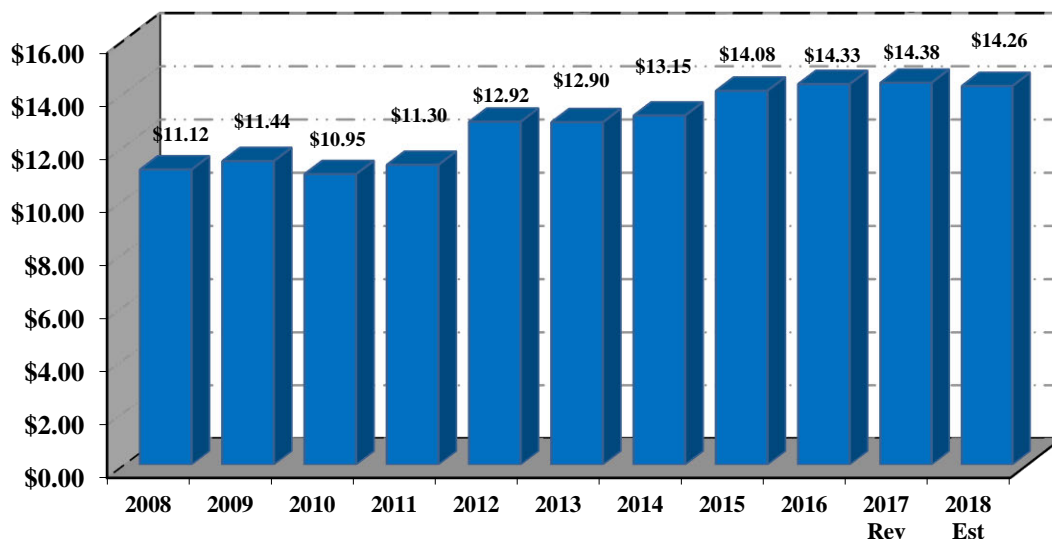
ANALYSIS OF TAX COLLECTIONS							
Tax Roll	Tax Rate per \$100/value	Tax Levy	Current Collections	Current Collections to Tax Levy	Delinquent Collections Including Penalty & Interest	Total Collections	Total Collections/Current Collections
2008	0.555400	9,768,773	9,498,223	97.23%	328,374	9,909,330	101.44%
2009	0.533800	9,893,510	9,680,139	97.84%	77,722,541	87,402,680	883.43%
2010	0.513800	9,725,704	9,479,079	97.46%	440,775	9,919,854	102.00%
2011	0.513800	9,880,019	9,498,096	96.13%	210,318	9,708,414	96.76%
2012	0.503800	9,850,889	9,552,443	96.97%	259,729	9,812,172	97.57%
2013	0.503800	9,931,262	9,737,126	98.05%	611,741	10,348,867	106.28%
2014	0.523800	10,311,645	10,102,616	97.97%	224,963	10,327,579	102.20%
2015	0.523800	10,551,727	10,307,189	97.68%	254,990	10,632,911	103.16%
2016	0.529942	10,615,673	10,428,061	98.23%	330,317	10,758,378	103.17%
2017	0.531135	10,385,173					
Fiscal 2018		Tax Rate		Distribution		Revenues	
General Fund		\$0.381135		71.76%		\$7,452,400	
Debt Service Fund		\$0.1500		28.24%		\$2,932,773	
TOTAL		\$0.531135		100.00%			

SALES TAXES

The City of Lufkin receives 1.5% of the 8.25% sales tax revenue paid to the Texas State Comptroller for the sale of all taxable goods and services within the City limits. Of the 1.5% received from the state, 0.125% was approved by voters in 2004 to be allocated to Lufkin Economic Development Corporation; a 4B corporation organized under the State's Economic Development Corporation Act, and 0.375% was approved in 2004 for property tax relief. Sales tax revenue continues to be the largest revenue source for the City's General Fund, representing 42.90% of total revenues.

Revenues from sales taxes are projected to decrease slightly in Fiscal 2018. The total projected sales tax revenue is \$14,259,124, .86% below the revised estimate for Fiscal 2017. However, the net projected sales tax revenue is estimated to be \$13,070,864. This net amount reflects the allocation of \$1,188,260 to Lufkin Economic Development Corporation. The chart below reflects sales tax collections for the last ten years. The estimated revenue for FY 2018 is net of the Economic Development allocation.

Sales Tax Collections Ten Year History



FRANCHISE FEES

The City of Lufkin maintains agreements with various utilities that require them to compensate the City for use of City streets, alleys and easements. The franchise agreements require the utilities to compensate the City between 2% and 4% of their gross receipts for use of the City's rights-of-way. Total franchise and agreement fees for Fiscal 2018 are anticipated to be \$2,330,000 which is slightly lower than the revised revenue estimate of \$2,352,684 for Fiscal 2017.

WATER/WASTEWATER FUND

The City provides water and sewer services to its citizens for which it collects monthly charges. These charges are based on metered water consumption multiplied by the appropriate water and wastewater rates. The 2007 Water Rate Study by Freese and Nichols was re-evaluated for FY 2016 and it was determined that an increase of 6% for water and sewer rates would increase operating capital. For FY 2018 no increase was implemented to water and sewer rates.

Water/Wastewater revenue includes charges for water and wastewater consumption as well as fees for water and sewer taps, water meters, service connections and wastewater pretreatment testing. Total Fiscal 2017 revised water and wastewater revenues are estimated to be \$17,419,935, an increase of .77% above Fiscal 2016 actual revenues of \$17,286,698. Fiscal 2018 revenue is projected to be \$17,411,486 a .05% decrease from the Fiscal 2017 revised revenue.

SOLID WASTE AND RECYCLING FUND

The City of Lufkin is the exclusive provider of solid waste and recycling services for residential, commercial and industrial corporate citizens. Charges for service are billed on a monthly basis to all users. Residential garbage is picked up once weekly on Mondays or Tuesdays and recycled materials are picked up once weekly on Thursdays or Fridays. Commercial and industrial customer garbage and recycled materials are picked up on predetermined route schedules based on customer pickup frequency.

A Solid Waste rate study was performed during FY 2016. Results of this study indicated a need for an increase in rates. Rates have not increased since FY 1999. An increase of \$1.00 for residential sanitation rates was implemented for FY 2017. Per rate study, an additional \$1.00 increase for residential sanitation rates is included for FY 2018. Total revenues for the Fund are estimated to be \$6,705,500, a slight increase above Fiscal 2017 revised estimate of \$6,558,248 due to a slight increase in residential collections.

HOTEL/MOTEL TAX FUND

The City receives hotel/motel tax receipts that are generated from a 7% tax levy added to the cost of occupancy on hotel and motel rooms within the City. State law restricts use of these tax receipts to tourism promotion, capital construction, operation of recreation facilities, and cultural activities. The City has nine-teen hotels, motels, and bed and breakfasts within its taxing jurisdiction. These are expected to generate \$950,000 of hotel/motel tax receipts in Fiscal 2018, same as the Fiscal 2017 estimate of \$950,000. The City actually received for Fiscal 2016 \$1,150,324 in hotel/motel occupancy tax. Revenue from this Hotel/Motel Occupancy tax is used to promote tourism and the hotel/motel industry as well as the Convention Center.

SPECIAL RECREATION FUND

The Special Recreation Fund was established several years ago as a self-supporting unit wherein recreation activity costs are supported through user fees. This fund provides Parks' management segregated cost data to assist in determining the adequacy of the fees and facilitate tracking costs of the various activities.

Revenues are derived from user fees charged for softball, volleyball, basketball, gymnastics, recreation classes, baseball, concessions, and special events. Total Fiscal 2018 revenues for the Recreation Fund are projected to be \$457,470, an increase of 1.38% from the revised Fiscal 2017 estimate of \$451,260 and are estimated to be sufficient to cover the costs of operation and provide a fund balance of \$91,915.

PINES THEATER SPECIAL EVENTS FUND

The Pines Theater Special Events Fund was established by a sponsorship from the Lufkin Convention & Visitor Bureau as a mechanism to fund a series of cultural events and promote the historic Pines Theater. The series of events scheduled in Fiscal 2018 are designed to bring culture and arts to our residents along with attracting visitors to the community. The Fiscal 2018 projected revenue is \$150,963 to be generated from contributions, concessions, souvenir sales, playbill ads and admission/ticket sales for the events.

ELLEN TROUT ZOO BUILDING FUND

The Ellen Trout Zoo Building Fund was established as a funding mechanism to make capital improvements and expand the Zoo through additional exhibits. Sources of revenue include admission fees, donations, animal sales and adoptions, and other miscellaneous fees.

Revenue for Fiscal 2018 is projected to be \$338,110 which is an increase from the Fiscal 2017 revised estimate of \$335,410.

A GUIDE TO THE DETAIL BUDGET PAGES


1. **Fund** – The Fiscal entity in which the department operates.
2. **Department** – The department in which the division operates.
3. **Mission Statement** – The departmental commitment to the citizens and organization in meeting the needs of the community.
4. **Description of Services** – A short overview and explanation of the services provided to the organization and/or citizens by the department.
5. **Fiscal 2018 Work Program** – The major planned accomplishments for the coming Fiscal year.
6. **Performance Measures** – Specific quantitative measures of work performed within a department.

3

4

2

Fiscal Year
2018



General Government

1

GENERAL FUND

MISSION

The mission of the City Council is to provide effective, efficient and responsive local government through the establishment of policies reflecting community needs and goals. Simply put "to meet the needs of the citizens".

DESCRIPTION OF SERVICES PROVIDED

The department of General Government includes the City Council and City Secretary. The City Secretary provides the following services:

- Maintaining minutes of City Council meetings and records of the City
- Preparing Council Agenda Packets
- Issuing licenses and permits for alcohol sales and vendors

The City Council consists of a mayor, elected at-large and six council members, each representing a separate Ward. The Council meets twice a month to address issues brought before it regarding policies and governance. The Council provides policy direction to the City Manager and staff in the delivery of services to the citizens of Lufkin.

2018 WORK PROGRAM

The Lufkin City Council has established goals and objectives to provide consistent and high quality services to the citizens and businesses in Lufkin. This includes the implementation of the next phase of the Capital Improvement Program. The City Secretary's office will continue to provide services to both Administration and City Council as well as complete projects to include the electronic storage and preservation of the City's records.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015 2016 Actual	2016 2017 Revised	2017 2018 Budget
Number of City Council Agenda Packets Prepared	648	650	650
Number of City Council Packets prepared & distributed by Friday deadline	648	650	650
% of City Council Packets prepared & distributed on Friday before meeting	100%	100%	100%
Number of Vendor Permits issued	25	28	30
Number of Vendor licenses with errors	0	0	0
Percentage of correctly issued vendor licenses	100%	100%	100%

A GUIDE TO THE DETAIL BUDGET PAGES

7. **Expenditures** – Summary budget data by expenditure category for personnel services, benefits, supplies, maintenance of structures and equipment, miscellaneous services, sundry charges, debt service and capital outlay.
8. **Authorized Positions** – Full time and part time position listings for current and past budget years.
9. **Significant Changes** – Highlights of proposed major changes, enhancements of service or a new service, method of improving efficiency or effectiveness of an existing service for the coming budget year.

FUND		DEPARTMENT		General Government	
7	EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
	Personnel Services	97,450	96,276	99,255	99,470
	Benefits	35,132	38,603	39,333	39,336
	Supplies	17,400	27,535	25,535	20,350
	Miscellaneous Services	73,795	99,315	91,747	97,255
	Sundry Charges	106,432	112,970	114,970	112,970
	TOTAL	330,209	374,699	370,840	369,381
8	AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
	City Secretary	1	1	1	1
	Executive Secretary	1	1	1	1
	FULL TIME	2	2	2	2
	PART TIME	0	0	0	0
	TOTAL	2	2	2	2
9	SIGNIFICANT CHANGES				

A GUIDE TO THE DETAIL BUDGET PAGES

10. Division – The cost center that provides the activity, function or services.

11. Division Description – The division’s primary service responsibility and mission.

12. Expenditures - Summary division budget data by expenditure category for personnel services, benefits, supplies, maintenance of structures and equipment, miscellaneous services, sundry charges, debt service and capital outlay.

13. Authorized Positions - Full time and part time position listings for current and past budget years for the division.


10

Fiscal Year
2018

DIVISION: City Council


GENERAL FUND

11



DIVISION DESCRIPTION

- The City Council, consisting of a Mayor and six Council members, serves as the legislative and policy-making body of the City.
- The City Council meets twice per month in regular session to address issues brought before it.
- The Council passes all ordinances, approves major expenditure items and adopts the City of Lufkin's Annual Budget, which includes the Capital Improvement Program.



Council Chambers at City Hall

12

EXPENDITURES

	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	14,714	25,235	23,735	18,300
Miscellaneous Services	65,785	90,040	82,290	87,440
Sundry Charges	106,432	112,970	114,970	112,970
TOTAL	186,931	228,245	220,995	218,710

13

AUTHORIZED POSITIONS

	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions within this division				
FULL TIME				
PART TIME				
TOTAL				

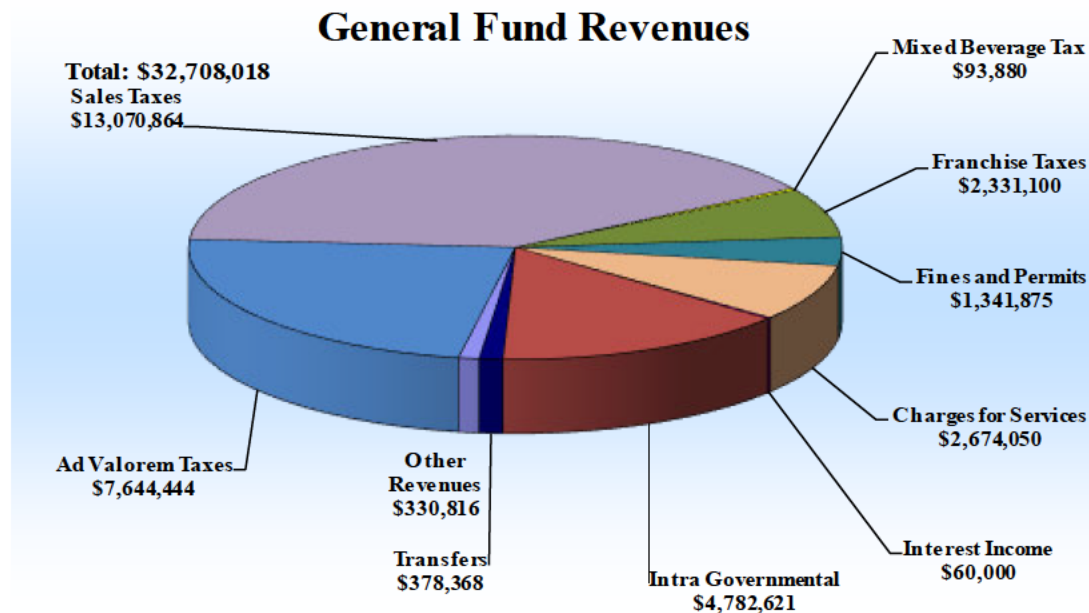


GENERAL FUND

REVENUES

The General Fund consists of eight major revenue classifications: **Taxes** – include Ad Valorem, Sales, and Mixed Beverage Taxes; **Franchise Taxes** – paid to the City by utility companies for the right to use rights-of-way; **Licenses and Permits** – consist of fishing, chauffeur, and peddler's licenses and permits for buildings, signs and various other uses; **Charges for Service** – include Emergency Medical Service (EMS) and false alarm fees; **Fines and Forfeitures** - fines assessed for misdemeanor traffic, parking, animal control, code enforcement violations, business licenses, permit and inspection fees; **Other Revenues** – include animal shelter fees, park fees, and inter-governmental revenue such as grants received from other governmental agencies; **Interest income** – consists of interest income from investment of idle cash; and, **Transfers** of Intra-Governmental Revenue – revenues received from other funds within the City for services provided.

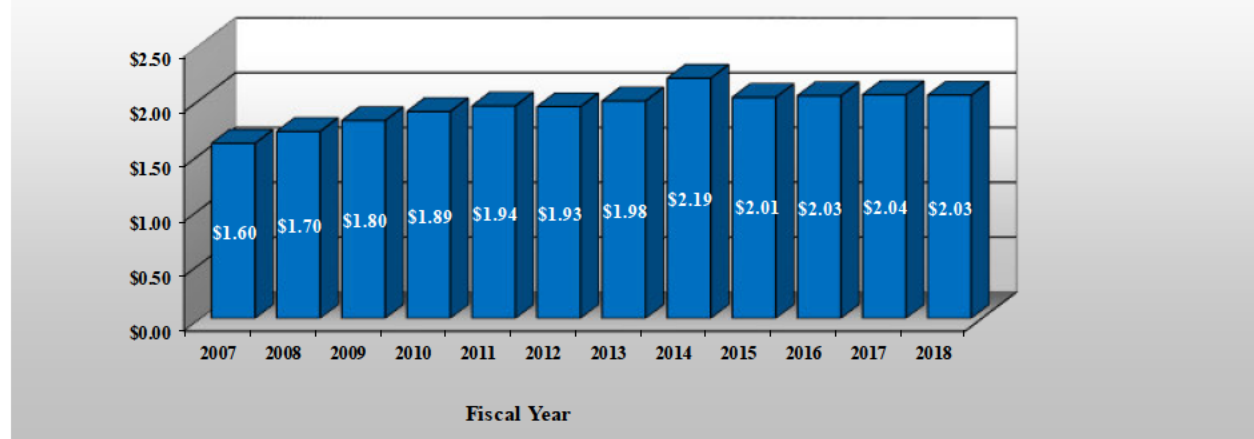
Revenues for Fiscal 2018 are projected to be \$32,708,018. This represents a 1.42% decrease below revised estimates for Fiscal 2017 of \$33,177,537 and a 1.31% decrease from the Fiscal 2016 actual revenues of \$33,070,427. The following graph represents total revenues by major category.



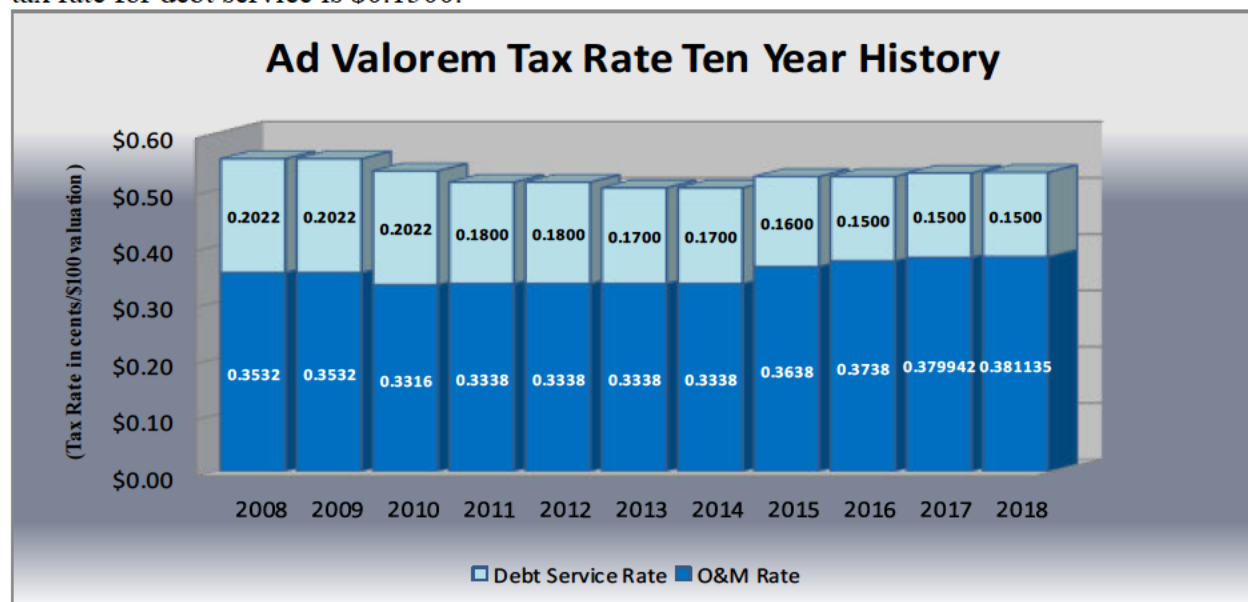
AD VALOREM TAXES

Ad valorem taxes are the City's second largest General Fund revenue source and are based on assessed property values. The City's taxable assessed property value (before freeze) for Fiscal 2018 is \$2,034,876,699, a decrease of .23% over the previous year's tax roll. Stable construction values of approximately \$14 million, and \$34.5 million of property reappraisals, by the Angelina County Appraisal District, are the reason for the decrease. The following graph represents a ten-year history of property values for the City of Lufkin.

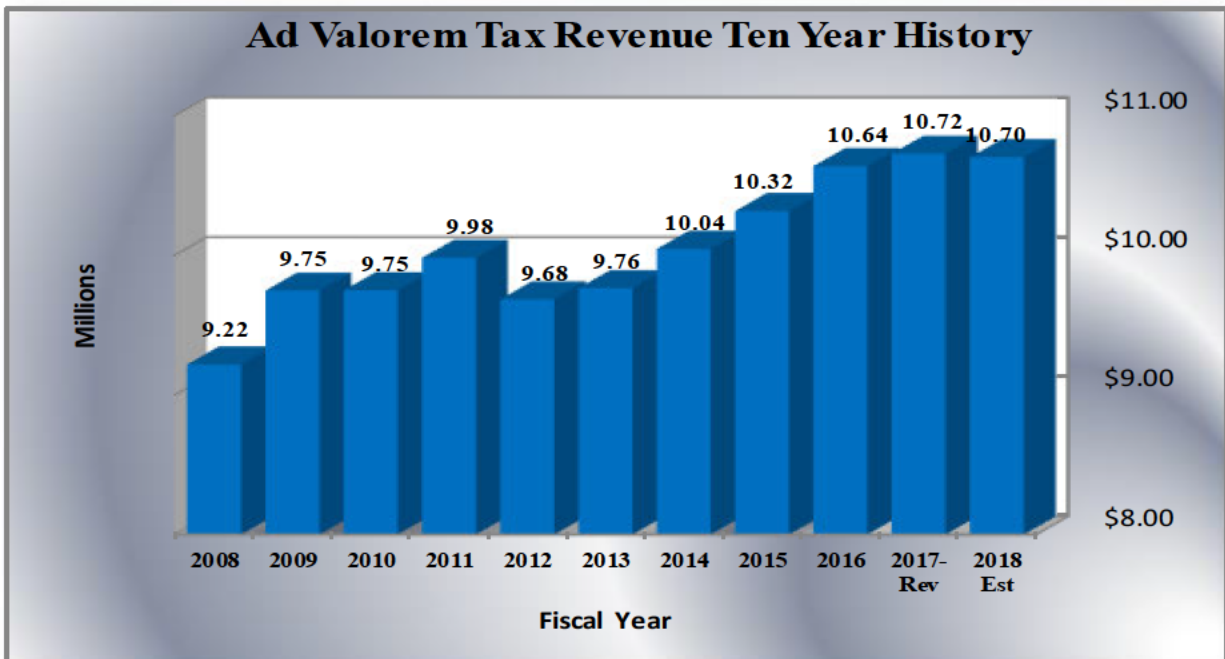
Taxable Assessed Property Values Ten Year History



Ad Valorem taxes are divided between general operating and maintenance requirements and general obligation debt service. The City's tax rate for Fiscal 2018 is \$0.531135 per \$100 of assessed property values. The tax rate for general operations for Fiscal 2018 is \$0.381135; the tax rate for debt service is \$0.1500.



Ad Valorem tax revenue for operating and maintenance purposes (excluding delinquent taxes, penalty and interest) is projected to be \$7,452,000, a decrease of .54% under Fiscal 2017 original budget of \$7,492,553. Ad Valorem tax revenue for debt service purposes is projected to be \$2,932,773. Total revenue from ad valorem taxes, including penalty and interest, is estimated to be \$10,700,173 as compared to \$10,639,865 for Fiscal 2017. This increase is primarily due to new taxable and revaluation. Ad Valorem taxes represent approximately 23.37% of all General Fund revenues. The following graph reflects the City's ad valorem tax revenue history for the most recent 10-year period.



SALES TAXES

Sales Tax is the largest revenue source of the General Fund and makes up 40% of all General Fund revenues. Sales tax is estimated to be \$13,070,864 in Fiscal 2018, a slight decrease from the revised estimate for Fiscal 2017 of \$13,183,584 and a .86% increase from Fiscal 2016 actual collections of \$13,270,130. The City receives one and one-half cents for each dollar used to purchase goods and services within the City. Several years ago, Texas passed legislation to allow cities the option of increasing the local sales tax from 0.1% to 1.5%. This adoption, in 1987 was approved by voters, and required cities to reduce the property tax rate by an amount equal to the additional sales tax revenue. In 2004, the rate for reduction of property tax relief was modified from 0.005% to 0.00375% and the difference of 0.00125% was allocated for economic development.

City of Lufkin voters approved a portion of this half-cent increase, beginning in December 2004, to be set-aside. One-eighth of every penny collected in sales tax is allocated to an Economic Development program, which is designed to attract new businesses to the area to stimulate local economy. In Fiscal 2018, \$1,188,260 is budgeted for this program.

FRANCHISE FEES

Franchise fees are paid to the City of Lufkin by local utilities (Oncor Electric Delivery, Centerpoint Energy, Consolidated Communications, Sudden-Link Cable, and all taxi cab services) for the right to use city streets, alleys, and rights-of-way. The franchise agreements require the utilities to compensate the City between 2% and 4% of their gross receipts. The City had maintained an Industrial District Agreement which provided an annual payment per year with a paper manufacturer that sold operations during 2010 and did not remit payments to the City through 2012. The City reinstituted proceedings to annex the property and surrounding property which border the Industrial Rail Park in Fiscal 2013. Total franchise and agreement fees for Fiscal 2018 are anticipated to be \$2,331,100, which is 2.79% less than the Fiscal 2017 revised estimate. The table below reflects a five-year history of Franchise Fee collections for the City of Lufkin.

Source	Actual Fiscal 2014	Actual Fiscal 2015	Actual Fiscal 2016	Revised Fiscal 2017	Estimated Fiscal 2018
Oncor Electric	\$1,538,361	\$1,547,385	\$1,519,456	\$1,448,539	\$1,450,000
Centerpoint Energy	290,366	287,965	233,243	235,000	235,000
Consolidated Communications	277,071	312,036	223,713	264,500	264,500
Sudden-Link Cable	347,673	287,942	268,358	270,000	270,000
Various	0	45,598	49,826	1,100	1,100
Video Service Fees	0	0	89,507	86,000	86,000
Verdant Ind	0	0	00	48,645	24,500
Electric Delivery Case	16,959	0	0	0	0
Total	\$2,470,430	\$2,480,926	\$2,384,103	\$2,353,784	\$2,331,100

FINES AND PERMITS

The City operates a Municipal Court that collects fines for class “C” misdemeanors, traffic violations, parking tickets, warrant fees, and code enforcement violations. The Municipal Court Judge, appointed by Council, assesses the fines. Estimated revenues, including red light fines, for Fiscal 2018 are \$1,096,175, a .96% increase from the revised estimate of \$1,085,802 for Fiscal 2017. The increase in revenue over the past four years is attributed the utilization of the Omni System and the Red Light Camera System. The Omni system connects the city to several state databases, which enables the City to collect a higher percentage of fines. The City implemented a Red Light Camera System which began operation in Fiscal 2008. Licenses and Permits include fees charged for business licenses, general construction permits, inspection of electrical, plumbing and mechanical installations, as well as code enforcement and other miscellaneous fees. This revenue makes up approximately .75% of the total General Fund revenues and is estimated to be \$245,700 for Fiscal 2018, an 8.56% increase over the revised estimate of \$226,321 for Fiscal 2017. Building permits and inspection fees are anticipated to level out, for the next Fiscal year, based on several planned projects and developments.

CHARGES FOR SERVICE

The City of Lufkin provides emergency medical service (EMS) to Lufkin citizens and parts of Angelina County. A fee is collected from citizens who use this service and the County is charged a contract fee of \$237,000 for EMS services provided in the County. Beginning April 2014 the City of Lufkin began in house billing for EMS ambulance services. The City's EMS service fees are projected to total \$2,400,000 for Fiscal 2018. Actual ambulance fees collected in Fiscal 2016 was \$2,524,121

INTEREST INCOME

Interest income consists of interest income from investment of idle cash primarily in pooled funds, money market funds and Certificates of Deposit with a maximum maturity of two years. The interest projection for Fiscal 2018 is projected to be \$60,000. The investment rate for Fiscal 2018 is projected to be 0.65%.

OTHER REVENUES

Miscellaneous revenues include Animal Shelter fees, Park revenues, Library fine/fees, and income from charges for accident reports, records checks, zone changes, city housing rental, salary reimbursement, and grants from federal, state and local agencies for various public safety, recreational and community-oriented programs. These revenues are expected to generate \$330,816 for Fiscal 2018, a decrease of \$83,255 from the Fiscal 2017 revised estimate of \$414,071.

TRANSFERS - INTRA-GOVERNMENTAL REVENUES

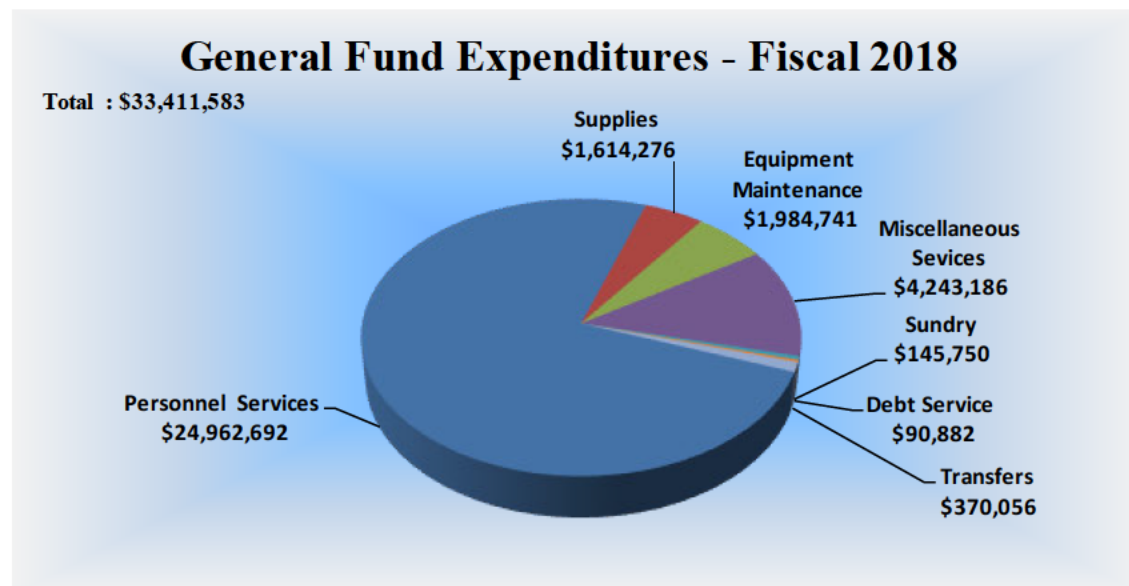
Intra-governmental revenues represent transfers among Funds and General and Administrative charges assessed by the General Fund to other funds in recognition of services rendered such as administration, personnel, accounting, data processing, etc. These revenues are projected to total \$4,782,621 in General and Administrative and \$378,368 in transfers from other funds in Fiscal 2018, totaling \$5,160,988 a decrease of 4.58% below the Fiscal 2017 revised estimate of \$5,408,610.

EXPENDITURES

General Fund expenditures for Fiscal 2018 are estimated to be \$33,411,583, which is \$356,465 or 1.06% less than revised totals for Fiscal 2017 of \$33,768,048. The following table provides a comparison of departmental expenditures by organizational classification. Detailed departmental expenditures, excluding transfers, are provided in the detail budget pages.

GENERAL FUND EXPENDITURE COMPARISON BY CATEGORY				
Category	FY 2016 Actual	FY 2017 Revised	FY 2018 Budget	% Change Budget/ Revised
General Government	\$3,909,633	\$4,184,239	\$4,210,354	.62%
Public Safety	19,372,453	19,347,740	19,187,059	-.083%
Public Works	4,788,209	5,348,594	4,930,485	-7.82%
Culture and Recreation	3,898,420	3,915,692	3,908,445	-.019%
Community Development	420,860	427,243	254,527	-40.43%
Non-Departmental	1,269,812	544,540	920,713	-32.04%
Total	\$ 33,759,387	\$ 33,768,048	\$ 33,411,583	-1.06%

Expenditures are separated into major categories for analysis and control. These categories include Personnel Services, Benefits, Materials and Supplies, Equipment and Structure Maintenance, Miscellaneous Services, Sundry Charges, Debt Service, and Capital Outlay. The following chart depicts the General Fund Expenditures by major category for Fiscal 2018.



PERSONNEL SERVICES

This category of expenditures includes salaries and benefits for all employees within the General Fund. Included in Personnel Services are salaries, overtime pay, certificate pay, car allowance, and longevity pay. Benefits include social security payments, retirement, and employee health insurance. Personnel Services remains the General Fund's largest expenditure and accounts for 74.71% of total General Fund expenditures for Fiscal 2018. Total personnel services expenditures are estimated to be \$24,962,692, a .36% decrease from the revised Fiscal 2017 estimate of \$25,053,993. Fiscal year 2018 includes budgeted salaries and benefits for whole year while Fiscal 2017 revised budget is reduced for the impact of vacancies that occur throughout the year.

SUPPLIES

Supplies are defined as articles or commodities that are consumed or materially altered when used and include office supplies, publications (blueprints, catalogs, magazines, newspapers, etc.), postage, printing, stationary, food supplies, vehicle fuels, minor tools (hand tools, axes, etc.), minor utensils (brooms, cones, glassware, etc.), cleaning supplies, medical supplies and all new equipment, not meeting the City's capitalization policy. Supplies represent 4.83% of all General Fund expenditures and are projected to be \$1,614,276 in Fiscal 2018. This is a 3.06% decrease below the revised estimate for Fiscal 2017 of \$1,665,277.

EQUIPMENT & STRUCTURE MAINTENANCE

All expenditures for the maintenance and repair of equipment and structures fall into this category. Equipment includes furniture, machinery, equipment (backhoes, tub grinders, fuel trailers, playground equipment, lawn mowers, etc.), small instruments (survey equipment, calculators, etc.), motor vehicles, books, meters, computer and copy machines, and telephone equipment. Structure expenditures include materials and commodities purchased in their existing state to be used in the course of maintaining buildings and structures owned by the City, as well as, contracts for maintenance and repairs of these items. Structures include items such as bridges, sanitary sewers, storm sewers, streets, swimming pools, and parking lots. These expenditures are estimated to be \$1,984,741 for Fiscal 2018, a decrease of 15.96% below the Fiscal 2017 revised estimate of \$2,361,728. This category of expenditures is 5.94% of total appropriations in the General Fund.

MISCELLANEOUS SERVICES

Miscellaneous Services include activities performed by persons or entities other than municipal employees or departments. They are typically performed under contract to the City and include items such as communications (messaging, telephones, etc.), insurance, advertising, freight service, electricity, heating fuel, and custodial services. This category of expenditures represents 12.70% of General Fund expenditures and is estimated to be \$4,243,186 for Fiscal 2018. This is a .38% increase from the Fiscal 2017 revised estimate of \$4,226,993.

SUNDRY CHARGES

Sundry Charges are those expenditures for which the City of Lufkin has a legal or moral obligation and include items such as contributions, gratuities, damages, witness fees, and other such charges. The City contributes funding to several local non-profit organizations. Several of the larger contributions go to City/County Health Unit, and the Transit System. Total sundry expenditures are estimated to be \$145,750 for Fiscal 2018, a decrease of 2.11% from the revised estimate of \$148,887 for Fiscal 2017.

DEBT SERVICE AND TRANSFERS

Debt Service represents lease purchase payments for capital assets and transfers to other funds supported by General Fund monies. This category costs of \$460,938 increased for Fiscal 2018 from the revised estimate for Fiscal 2017 of 311,170 due to a note payable for a phone system upgrade and bunker gear for the Fire Department.

CAPITAL OUTLAY

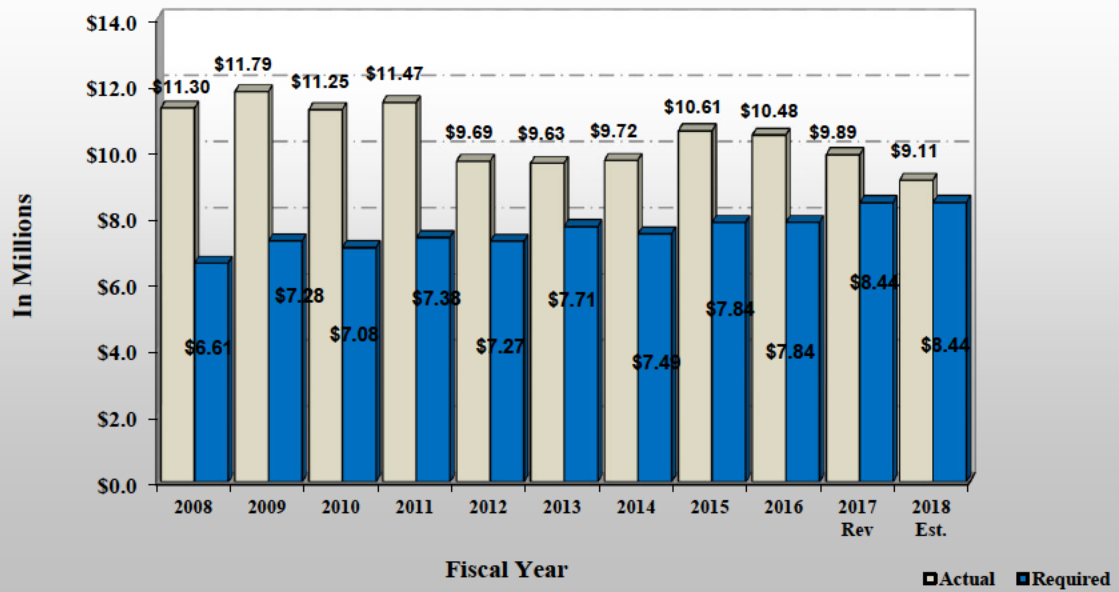
Capital Outlay expenditures include items of a permanent nature, having a life of more than one year and costing in excess of \$5,000. This includes items such as land, equipment, buildings, and structures. This category of costs varies from year to year depending upon departmental needs for new or replacement capital. No capital outlay was budgeted for Fiscal 2018.

FUND BALANCE

The City's Financial Policies require that the General Fund maintain a fund balance that is equivalent of 90 days or 25% of the original annual adopted General Fund Expenditure Budget. However, during the development of the Fiscal 2004-2005 Budget, Council modified the policy to enable the City to reduce the fund balance requirement up to 5% as considered necessary. This balance is reserved for use in emergency situations such as natural disasters, for additional budget appropriations, unanticipated expenditure needs or for other uses so identified by Council as appropriate. More importantly, the fund balance is maintained to reflect the City's Fiscal strength and financial commitment to its citizens, financial institutions and bondholders. The fund balance of the General Fund for Fiscal 2018 is estimated to be \$9,186,325, of which \$8,352,896 is the required reserve and a negative \$703,565 is assigned fund balance. The projected fund balance represents approximately 101 days of expenses or 25% of General Fund expenditures. The City has consistently met its fund balance policy for the last ten years and is committed to continuing that trend.

The following graph provides a ten-year history of fund balance for the City's General Fund compared to the fund balance required by Council Financial Policies. The actual fund balances in each Fiscal year exceeded the required fund balances because actual departmental expenditures were less than the amounts budgeted. In each year there were unspent budgeted funds resulting from employee vacancies and uncompleted projects in the various departments. These projects were completed in the subsequent years. Revenues are budgeted conservatively resulting in actual revenues exceeding estimates; contributing to the increase in the difference.

General Fund Balance Actual vs. Required Ten Year History



WATER/WASTEWATER FUND

REVENUES

The City provides water and sewer service to residents within the city limits and provides wholesale water to several adjacent communities. In January 1999, the City assumed ownership and operating responsibility for the Burke Water Supply Corporation, which provides water needs to the Burke community and surrounding area. The City currently pumps water from 24 (twenty-four) ground water wells that have thus far met the needs of the City's water customers.

Additionally, the City owns water rights on Lake Sam Rayburn for up to 28,000 acre-feet of water per day. The City entered into a water storage contract with the United States for 43,000 acre-feet on Sam Rayburn in 1970 and 1976. The 1970 contract grants the City 18,000 acre-feet of storage for present water supply and the 1976 contract grants an additional 25,000 acre-feet of storage for future water demands. In 2003 the City completed a comprehensive water needs assessment and an evaluation of future water demands. During Fiscal 2010, the City acquired Kurth Lake and the Abitibi Water Well Field which tripled its daily production capacity. Therefore, it does not anticipate the need to begin withdrawing water from Lake Rayburn until sometime after 2041.

Water/Wastewater Revenue Comparisons					
Revenue	Fiscal 2016 Actual	Fiscal 2017 Budget	Fiscal 2017 Revised	Fiscal 2018 Budget	% Change Revised to Budget
Water Revenues	\$ 9,119,178	\$ 9,190,810	\$ 9,245,000	\$ 9,245,000	0.00%
Wastewater Revenues	7,140,115	7,575,460	7,720,000	7,720,000	0.00%
Water Connections	87,205	75,000	75,000	75,000	0.00%
Sewer Connections	19,638	26,000	22,000	22,000	0.00%
Service Charges	185,536	170,000	190,000	180,000	-5.26%
Misc. Revenue	50,226	11,300	27,863	23,300	-16.38%
Interest Income	16,519	12,000	16,500	17,000	3.03%
Intra-Governmental	119,803	123,572	123,572	129,186	1.54%
Total Revenues	\$17,286,698	\$17,184,142	\$17,419,835	\$17,411,486	-0.05%

The table above reflects a comparison of Water/Wastewater Fund revenues for Fiscal 2016 actual, Fiscal 2017 (budget and revised), and Fiscal 2018 budget estimate. Fiscal 2018 total revenues are estimated to be \$17,411,486, a decrease of 0.05% under Fiscal 2017 revised estimates of \$17,419,835.

Water revenues for Fiscal 2018 are estimated to be \$9,245,000, same as the Fiscal 2017 revised estimate. Wastewater revenues of \$7,720,000 are estimated to remain constant from the Fiscal 2017. There are no rate changes for Water/Sewer rates for Fiscal 2018. The City Council approved a 6% increase in both water and sewer rates as proposed in the earlier rate study for Fiscal 2016 to boost the health of fund balances. The rate study provided information for future

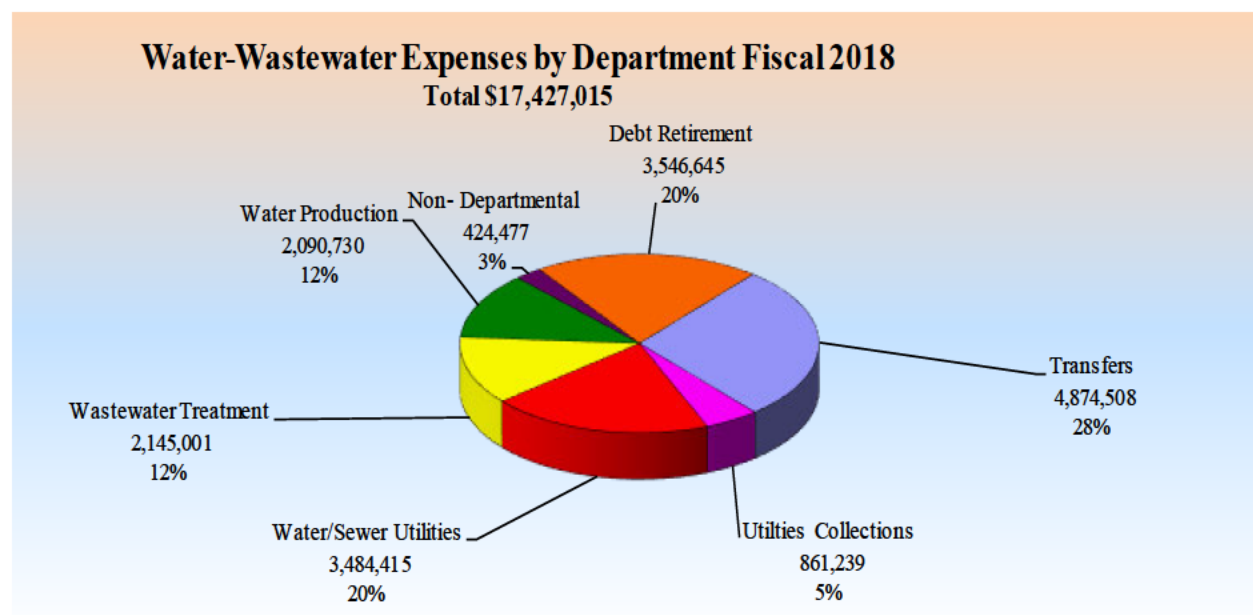
increases over a period of several years according to anticipated growth and expansion in the City and to cover the cost of the Abitibi Water Well field and Kurth Lake acquisition.

Other revenues include new water and sewer connections, service charges, sewer pre-treatment testing charges, interest income and miscellaneous revenues. These revenue estimates combined equal \$317,300 or 4.24% less than the Fiscal 2017 revised estimates of \$331,363.

An Intra-governmental transfer of \$129,186 is from the Solid Waste Fund. This transfer represents an administrative charge recognizing the collection of sanitation fees for the Solid Waste/Recycling Fund. These revenues are collected through the Utility Collections department.

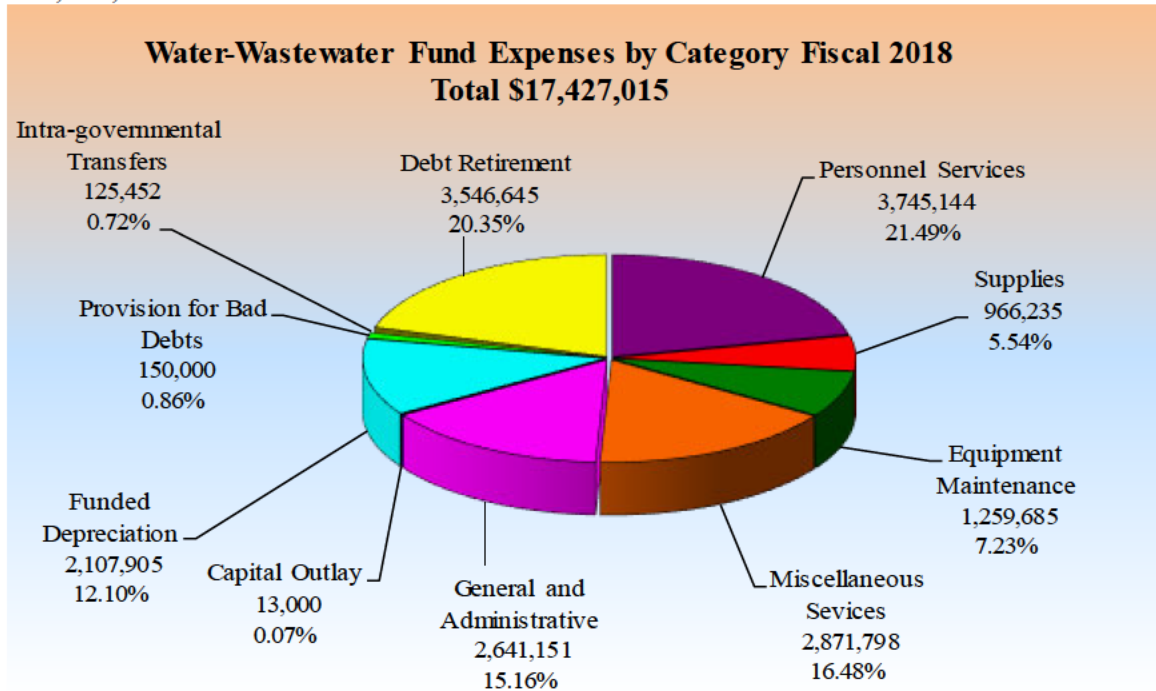
EXPENSES

The Water/Wastewater Fund expenses for Fiscal 2018 are estimated to decrease .05% from revised estimates for Fiscal 2017. Total projected expenses are estimated to be \$17,427,015 compared to the revised estimate for Fiscal 2017 of \$17,735,449. The Water/Wastewater Fund consists of five departments: Utility Collections, Water Production, Wastewater Treatment, Water/Sewer Utilities and Non-Departmental. Other expenses include Intra-governmental and Debt Retirement Transfers.



Departmental expenses are divided into major categories to assist managers in analyzing and controlling their departmental costs. As discussed in the General Fund Expenditure section, these categories include Personnel Services, Benefits, Supplies, Equipment and Structure Maintenance, Miscellaneous Services, Sundry Charges, Debt Service, and Capital Outlay.

The following chart provides a breakdown of expenses by category. Total expenses are \$17,427,015.



PERSONNEL SERVICES

Personnel Services include salary and benefit costs for all employees within the Water/Wastewater Fund. Expenses for Fiscal 2018 are estimated to be \$3,745,144 and represent an increase of 5.88% above Fiscal 2017 revised estimates of \$3,537,074. Some vacant positions were filled by contracted services through temporary agencies for 90 days prior to hiring of the individuals. The funds are budgeted for 100% filled positions and then amounts are transferred from salary budgets to contracted services budgets during the year as vacancies occur and invoices are paid to the temp contractors.

SUPPLIES

Supplies are defined as articles or commodities that are consumed or materially altered when used and include office supplies, publications (blueprints, catalogs, magazines, newspapers, etc.), postage, printing, stationary, food supplies, vehicle fuels, minor tools (hand tools, axes, etc.), minor utensils (brooms, cones, glassware, etc.), cleaning supplies, medical supplies and all new equipment, not meeting the city's capitalization policy. Materials and supplies are estimated to be \$966,235 in Fiscal 2018 compared to \$940,260 for the Fiscal 2017 revised estimate. This is a 2.76% increase.

EQUIPMENT& STRUCTURE MAINTENANCE

Expenses for the maintenance of equipment and structures fall into this category. Total expenses for Fiscal 2018 are estimated to be \$1,259,685 which represents a 1.33% increase from the revised estimate of \$1,243,173 for Fiscal 2017.

MISCELLANEOUS SERVICES

Miscellaneous Services includes a variety of expenses such as electricity, temporary employees, credit card merchant fees, telephone communications, water / wastewater testing services, custodial services, advertising, and other expenses. Expenses in this category are estimated to be \$2,871,798. The original budget for Fiscal 2017 budget of \$2,930,705 was then revised to \$2,970,150 due to an increase in special services expenses of \$34,445 for special sewer testing within our local industries. The Pineywoods Groundwater Conservation District, which encompasses Angelina and Nacogdoches Counties and includes representatives of both counties, the cities of Lufkin and Nacogdoches and the business community, formed July 2001, to monitor ground water use and conduct usage and recharge studies of the Carrizo-Wilcox Aquifer, from which Lufkin gets all of its water requirements. Fees for these services are derived come from this category.

SUNDRY CHARGES

Sundry Charges include legal and moral obligations of the City and include contributions, gratuities, judgments, bad debts, etc., incurred by the City. No expenses are expected for this category for Fiscal 2018. This is based on several years of past experience of collection of total water and sewer revenues. The City continues to maintain an excellent utility billing collection rate.

CAPITAL OUTLAY

Capital Outlay includes physical assets having a life of more than one year and a value greater than \$5,000. For FY2018, purchase of a new HD Line printer at a cost of \$13,000 for Utility Collections department is included in the budget.

INTRA-GOVERNMENTAL CHARGES

Intra-Governmental Charges include Intra-governmental transfers, General and Administrative (G&A) Charges and Funded Depreciation transfers to the Water/Wastewater Renewal/Replacement Fund.

Intra-governmental transfers for Fiscal 2018 are expected to be \$125,452 a decrease of \$440,066 from revised Fiscal 2017.

G&A charges represent amounts charged for services provided by certain General Fund departments to departments in the Water/Wastewater Fund and are made to cover the cost of accounting, purchasing, information technology, fleet maintenance, engineering, and human resources assistance. The amount budgeted for Fiscal 2018 is \$2,641,151 and is derived by formula. This amount is based on the budgeted costs of service departments within the General Fund. An allocation table of G&A calculations can be found in the Appendix, on page 328 of this document.

Depreciation transfers to the Water/Wastewater Renewal & Replacement Fund represent cash transfers in an amount equal to actual depreciation expense incurred in the operating fund in the

second preceding year. These cash transfers are restricted in use. Approximately three-fourths the amount transferred each year may be used for replacement of capital items. The other one-fourth is retained to provide future funding for major plant replacements. The transfer for Fiscal 2018 is budgeted at \$2,107,905 a decrease of .11% from the revised Fiscal 2017 estimate.

TRANSFERS TO DEBT SERVICE

This category of expenses includes transfers to the Revenue Bond Retirement and Reserve Fund for payment of long term debt issued by the City's Utility System. Transfers of \$3,546,645 will be made in Fiscal 2018. This is a decrease of \$231,360 from the revised estimate of \$3,778,005 and is attributable to continued borrowings relating to the asbestos cement water line replacement project. Standard and Poor's and Moody's Investment Service have rated the City's Revenue Supported bonds AA- and Aa2, respectively. A comprehensive discussion of Utility System debt can be found in the Debt Service Fund section of this document.

WORKING CAPITAL BALANCE

Council Financial Policies require that the City's Enterprise Funds maintain a working capital balance of 45 days of budgeted expenses or \$2,178,377. The working capital balance in the Water/Wastewater Fund is projected to be \$3,976,917 in Fiscal 2018, which is \$15,529 less than the working capital of \$3,992,446 for the Fiscal 2017 revised amount.

SOLID WASTE AND RECYCLING FUND

REVENUES

The City's Solid Waste and Recycling departments provide both residential and commercial solid waste service to the entire city. The Solid Waste and Recycling Fund includes revenues from residential collection service, commercial and roll-off container collection services, garbage bag sales, sale of recycled materials, miscellaneous and interest revenues. Total revenues for Fiscal 2018 are estimated to be \$6,705,500, a 2.25% increase from Fiscal 2017 revised estimates of \$6,558,332. Collection revenues comprise approximately 72.68% of total revenues in the Solid Waste and Recycling Fund. An explanation of each revenue source and comparison with the Fiscal 2017 revised estimate follows.

SOLID WASTE AND RECYCLING FUND Comparison of Collection Revenues			
Collection Classification	Fiscal 2017 Revised	Fiscal 2018 Budget	% Change Budget To Revised
Residential Collections	\$ 2,090,000	\$ 2,284,000	9.28%
Commercial Collections	2,350,000	2,350,000	0.00%
Commercial Cart Pickups	240,000	240,000	0.00%
Commercial Non-Compacted Pick ups	750,000	750,000	0.00%
Commercial Compacted Roll-Offs	420,000	420,000	0.00%
Commercial Special Pickups	35,000	40,000	14.29%
Sanitation Container Revenues	110,000	110,000	0.00%
Sale of Recycled Materials	400,000	350,000	-12.50%
Miscellaneous Income	140,248	139,500	-.53%
Interest Income	23,000	22,000	-4.35%
Total Revenues	\$6,558,248	\$ 6,705,500	2.25%

SANITATION COLLECTION REVENUES

Sanitation collection includes one solid waste and one recycling pickup per week to residential customers in the City. Commercial collection service includes two-, three-, four-, six- and eight-yard containers that are picked up on a predefined commercial route schedule that allows the customer to choose the frequency, size and number of containers he/she requires. The preceding table provides a comparison of Fiscal 2017 revised revenues to Fiscal 2018 projected revenues.

A rate increase of \$1.00 for residential sanitation rates in Fiscal 2018 is included in this budget. Collection revenues for Fiscal 2018 are projected to be \$4,874,000, which include residential, commercial, and sanitation cart collections.

RESIDENTIAL COLLECTION REVENUES

Residential revenues of \$2,284,000 are estimated to increase for Fiscal 2018 as that of Fiscal 2017 revised due to rate increase approved by Council.

COMMERCIAL COLLECTION REVENUES

Commercial Collection includes commercial front load containers, 90 gallon can pickups, roll off containers (both compacted and non-compacted), special pickups that include customer requests outside their regular route pickup, requested pickups outside the city limits and recycling pickups. Total commercial collection revenues for Fiscal 2018 are anticipated to be \$2,350,000, same as Fiscal 2017.

SANITATION CONTAINER REVENUES

The Solid Waste Department previously purchased two-, three-, four-, six- and eight-yard commercial containers in bulk quantities for resale to its commercial customers at slightly above the City's cost. The dumpsters are City of Lufkin property and are rented to commercial customers for a monthly fee. Revenue from the rental of these containers is recorded in this account. Sanitation container program revenue estimates for Fiscal 2018 are projected to be \$240,000 with no change from the 2017 revised revenue.

SALE OF RECYCLED MATERIALS

Recycled materials include paper products, aluminum and metal cans, plastics and compost. Sales of these materials fluctuate with market demand and thus can fluctuate widely from year to year. The revised revenues for 2017 were estimated at \$400,000. Revenue estimates for Fiscal 2018 are projected at \$350,000 due primarily to stable demand and market price for paper products.

INTEREST INCOME

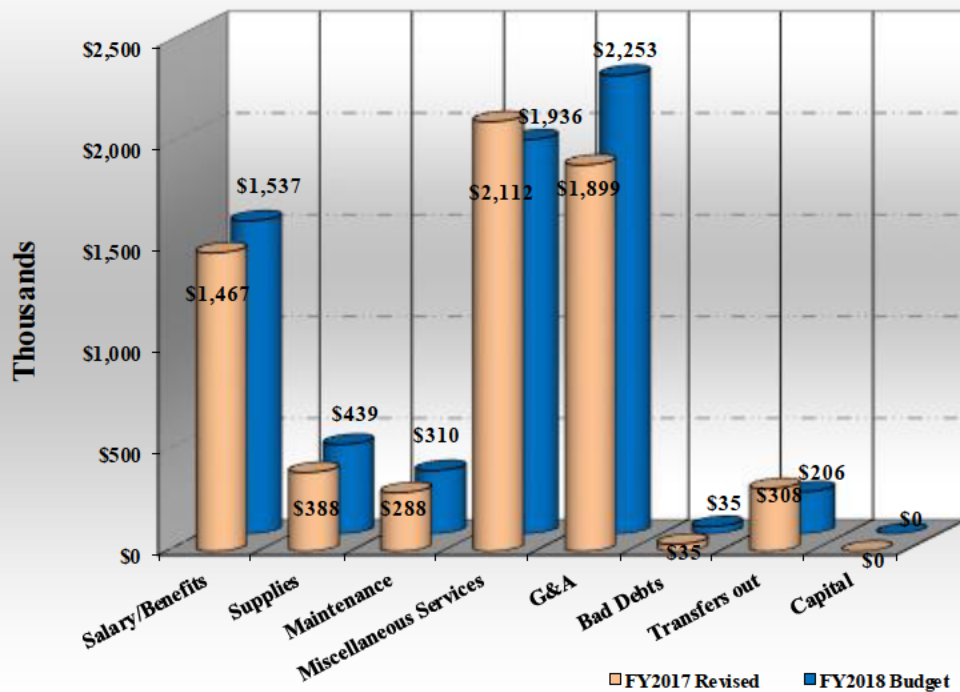
Interest Income is earned from the investment of idle funds. Interest income for Fiscal 2018 is estimated to be \$22,000 a decrease of \$1,000 from Fiscal 2017. The total *amount* budgeted is estimated to decrease because interest income is calculated on a budget or cash basis. Lower rates of return in the marketplace necessitated a change in investment instruments moving from those with quarterly interest payments to Certificates of Deposit which pay interest at maturity; in some instances this may be two years later.

EXPENSES

The Solid Waste and Recycling Fund include two operating departments: Solid Waste and Recycling. These departments are responsible for the pickup and disposal of disposable and recyclable materials within the City of Lufkin. These departments are located at the Southpark Business Park on FM 819 between Loop 287 and US 59 South.

Expenses for the Fund are projected to increase 3.36% from Fiscal 2017 revised estimates of \$6,497,972 to the Fiscal 2018 budget estimate, \$6,715,985. The following graph reflects a comparison of Fiscal 2017 revised and Fiscal 2018 budget estimates by expenditure category.

Solid Waste-Recycling Fund Comparison by Expense Category



The following narrative provides an explanation of expenses.

PERSONNEL SERVICES

Personnel Services include salary and benefit costs for all employees within the Solid Waste/Recycling Fund. Expenses for Fiscal 2018 are estimated to be \$1,537,179 and represent an increase of 4.77% from Fiscal 2017 revised estimates of \$1,467,193.

SUPPLIES

In Fiscal 2018, expenses for materials and supplies are estimated to be \$438,900 an increase of 13.21% above the revised estimate of \$387,700 for Fiscal 2016. This increase reflects increases for motor vehicle fuel, general supplies, uniform expense, books and equipment purchases.

EQUIPMENT & STRUCTURE MAINTENANCE

The Solid Waste and Recycling Fund runs a fleet of automated garbage trucks equipped with sophisticated hydraulics and mobile data terminals that require both routine and non-routine maintenance of a technical nature. An increase of 7.63% is anticipated in this expense category. The Fiscal 2018 estimate is \$310,250 compared to the revised estimate for Fiscal 2017 of \$288,250.

MISCELLANEOUS SERVICES

The major expenditure in miscellaneous services is county landfill charges the City pays for use of the Angelina County Landfill. Prior to Fiscal year 2013, these charges were based on cubic yards of refuse dumped at the landfill site. In Fiscal 2012 a five year inter-local agreement was instituted between the City and the County with the rate set at \$22.00 per ton to be adjusted annually based on 75% of the Consumer Price Index at Houston, Texas on June 1st of each succeeding year. Miscellaneous Services expenses for Fiscal 2018 are estimated to be \$1,935,820 representing a decrease of 8.33% below the Fiscal 2017 revised estimate of \$2,111,804.

CAPITAL OUTLAY

No capital outlay was estimated for Fiscal 2018.

INTRA-GOVERNMENTAL CHARGES

Intra-Governmental Charges include General and Administrative (G&A) charges, and transfers to the General Obligation Debt Service Fund. Total charges for Fiscal 2018 are projected to be, \$2,493,836, an increase above the revised estimate of \$2,242,540 from Fiscal 2017 due to increasing general and administrative charges.

General and Administrative charges represent charges for service by certain General Fund departments to departments in the Solid Waste & Recycling Fund and are made to cover the cost of accounting, purchasing, data processing, engineering, and human resources assistance. This expenditure is derived by formula and is \$2,252,636 for Fiscal 2018, an increase of 18.61% above the revised 2017 amount. An allocation table of G&A calculations can be found in the Appendix on page 329.

WORKING CAPITAL BALANCE

City Financial Policies require that the City's Enterprise Funds maintain a working capital balance of 45 days of budgeted expenses. The working capital balance in the Solid Waste & Recycling Fund is projected to be \$4,884,215 in Fiscal 2018, which exceeds the required working capital balance of \$839,498 by \$4,044,717.

OTHER FUNDS

There are eight other funds for which the City Council appropriates Fiscal expenditures. They are the Hotel/Motel Tax Fund, the Special Recreation Fund, the Pines Theater Special Events Fund, the Ellen Trout Zoo Building Fund, the Court Security/Technology Fund, Main Street/Community Development Improvement Fund, The Animal Control Kurth Grant and the Animal Attic Gift Funds.

The Hotel/Motel Tax Fund is used to provide funding for the operation and maintenance of the Pitser Garrison Convention Center. Space in the Convention Center is leased to various organizations for business conferences, concerts, organizational meetings and school graduations. Operation of the Museum of East Texas, Texas Forestry Museum, Lufkin Visitor and Convention Bureau, and the Angelina County Exposition Center are partially funded by revenues from the Hotel/Motel Tax Fund, i.e. hotel/motel taxes.

The Special Recreation Fund was established to account for the revenues and operating and maintenance expenses of the baseball, softball, basketball, gymnastics and other athletic leagues. Approximately 5,000 adults and children participate in the various programs offered by the recreation staff. Revenues generated by these recreation and sports programs are retained by the fund to pay operating and maintenance expenses and to upgrade facilities.

The Pines Theater Special Events Fund is used to account for a series of events hosted by the Lufkin Convention and Visitor Bureau and scheduled to be held at the newly renovated historic Pines Theater downtown. The events are designed to increase cultural awareness and promote tourism in the area.

The Ellen Trout Zoo Building Fund is used to account for donations to the Zoo and for revenues generated from admissions receipts. These funds are used to make physical improvements to the Zoo and to acquire animals for display.

The Court Security/Technology Fund was developed as a Municipal Court fund. The Security revenues generated are used to finance items for the purpose of providing security services for the building housing the Municipal Court. The Technology revenues are to be used exclusively for the purchase and maintenance of computer systems including network, hard, software, imaging systems, electronic kiosks, electronic ticket writers and document management systems for the Municipal Court.

Main Street/Community Development Fund was created to promote downtown Lufkin. Main Street Lufkin produces several annual events throughout the year which attract thousands, among these are the Annual Downtown Hoedown Festival, Downtown Halloween Trick or Treat and the festive Main Street Lufkin Lighted Christmas Parade.

The Animal Control Kurth Grant Fund is used to account for contributions received from the Kurth Foundation for the financing and benefit of the Kurth Memorial Animal Shelter and Animal Services.

The Animal Control Animal Attic Gift Shop Fund was developed to account for donations to the Kurth Memorial Animal Shelter and the use of such donations in support of the animals in the shelter.

HOTEL/MOTEL TAX FUND

REVENUES

The Hotel/Motel Tax Fund collects revenues from several sources such as hotel/motel occupancy tax, fees from use of the Convention Center, and services offered to patrons by the Convention Center such as equipment usage, security and concessions. Total estimated revenue for Fiscal 2018 is projected to be \$1,206,200, a 3.25% decrease from the Fiscal 2017 revised estimate of \$1,246,765. This slight difference is primarily due to a decrease in hotel/motel occupancy and transfers from other funds.

HOTEL/MOTEL OCCUPANCY TAX

The City charges a 7% room rental occupancy tax to hotels and motels within the City of Lufkin and its extraterritorial jurisdiction. The City divides this revenue among four different organizations as depicted in chart on page 78. The hotel/motel occupancy tax revenue is projected to be \$950,000 in Fiscal 2018, same as the revised Fiscal 2017.

RENTAL AND USE FEES

Fees received from rental of the Convention Center facilities are projected to be \$140,000 for Fiscal 2018, a decrease of \$10,000 from the revised estimate of Fiscal 2017.

ALCOHOLIC BEVERAGE SALES

In FY 2011 the Convention Center obtained a liquor permit and began serving alcoholic beverages at events in efforts to better control consumption on the premises. Sales are projected to be \$40,000 for Fiscal 2018, a minimal decrease from the revised Fiscal 2017 sales projection.

OTHER REVENUES AND FEES

Other revenues and fees include security fees, concessions, equipment replacement charges, and miscellaneous revenue. For a fee, the Convention Center offers security services and provides refreshment concessions to those renters requesting the service. In the event Convention Center equipment is broken or destroyed during use by renters, they are required to pay an equipment replacement fee. These revenues and fees, taken together, are estimated to total \$76,000 as compared to the revised budget \$121,565 in Fiscal 2017. This decrease is mainly attributable to a lower transfer amount, new fees for additional services such as audio video, equipment usage, crew set-up/breakdown, and beverage service.

INTEREST INCOME

Interest income is earned from investment of idle cash invested in pools and CD's. The investment rate for Fiscal 2018 is estimated to be 0.50%, providing revenues of \$200.

EXPENDITURES

PERSONNEL SERVICES

Personnel Services which includes salaries and benefits for Fiscal 2018 are projected to be \$348,266. This is a slight increase of 0.75% from revised Fiscal 2017.

SUPPLIES

Materials and supplies expenditures are anticipated to be \$35,100 in Fiscal 2018, a decrease of .85% below the Fiscal 2017 revised estimate of \$35,400. For Fiscal 2016 a projector and screen was purchased to enhance services to the newly renovated Convention Center.

EQUIPMENT & STRUCTURE MAINTENANCE

The Convention Center maintains sound equipment, heating and air conditioning equipment, and stage equipment. Fiscal 2018 expenditures are projected to be \$24,500 compared to the revised Fiscal 2017 estimate of \$24,200. Expenditures of kitchen equipment and radio repairs have made this category increase for this budget year.

MISCELLANEOUS SERVICES

Miscellaneous services include items such as electricity, heating fuel, building insurance, custodial services and other contract services. The Fiscal 2018 estimate of \$184,447, an increase from the Fiscal 2017 revised estimate of \$189,877 largely due to decrease charges in electricity costs, temp employees and other miscellaneous expenses associated with the expanded facilities.

SUNDRY CHARGES

Council allocates a portion of the hotel/motel tax to several local agencies in support of economic development, tourism and community enhancement. These agencies include the Angelina County Exposition Center – 14.3% of actual hotel/motel tax receipts, the Museum of East Texas – 7% of hotel/motel tax receipts capped at budget amount, the Texas Forestry Museum - 5% hotel/motel taxes capped at budget amount, and the newly formed Lufkin Visitor and Convention Bureau – 42% of actual hotel/motel tax receipts. The chart on the subsequent page reflects the Fiscal 2016 actual; Fiscal 2017 original and revised; and Fiscal 2018 budget amounts for these activities.

CAPITAL OUTLAY

There are no capital expenditures scheduled for Fiscal 2018.

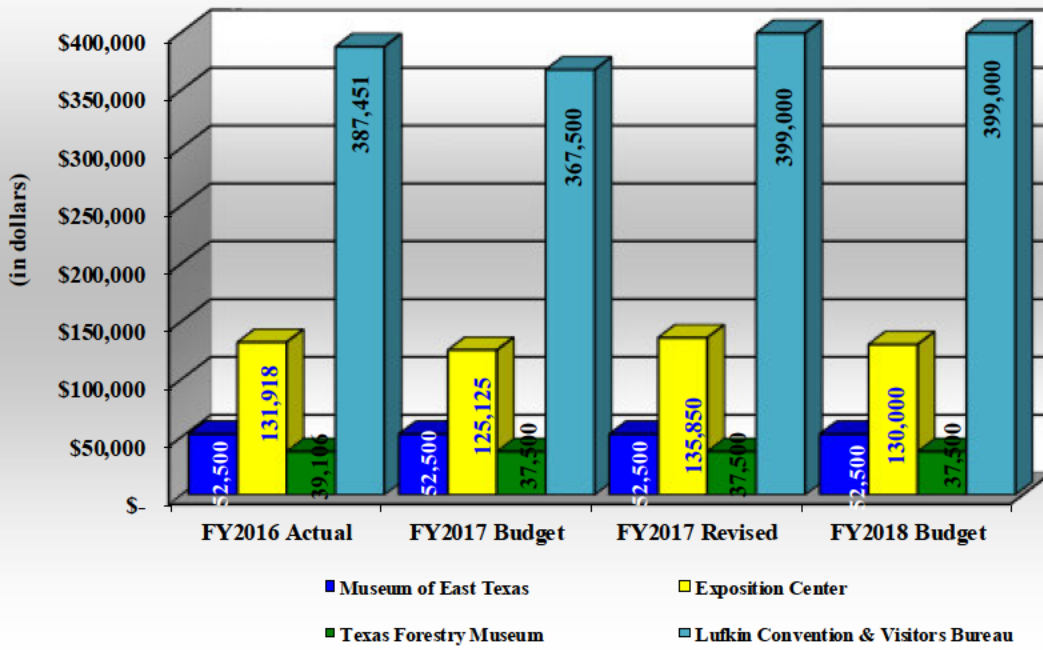
TRANSFERS

A transfer of \$873 is budgeted for Fiscal 2018. A transfer of \$2,917 to the General Fund for the Arts Alliance contribution was budgeted for Fiscal 2016 actual amount.

FUND BALANCE

The fund balance for the Convention Center Fund is estimated to be \$4,434 for Fiscal 2018. City Financial Policies require a fund balance equal to 12.5% of expenditures, or \$151,570.

Convention Center Agency Contributions



SPECIAL RECREATION FUND

REVENUES

The Special Recreation Fund generates revenues from user charges and fees charged to participants in City sponsored league play such as baseball, softball, volleyball, basketball, gymnastics leagues and concession revenues. Total revenue is projected to be \$457,470 in Fiscal 2018, which is a 1.38% increase from Fiscal 2017 revised estimate of \$451,260.

BASEBALL

The Parks and Recreation Department manages various baseball teams with scheduled games throughout the year. Also, baseball tournaments are held in the City's parks enhancing the baseball programs. The revenues for Fiscal 2018 are projected to be \$74,410, a slight increase of \$7,910 from the revised estimate of \$68,000 for Fiscal 2017.

SOFTBALL

Softball leagues have grown in popularity during the past decade. This growth has resulted in increased revenues. The Fiscal 2018 estimated revenue is projected to be \$135,000 same as the Fiscal 2017 revised estimate.

VOLLEYBALL

Volleyball has decreased in popularity and generates very little or no revenue. For Fiscal 2018, revenue is projected at \$4,995, same as the Fiscal 2017 revised estimate.

BASKETBALL

Basketball remains a steady income generator for the Special Recreation Fund. Estimated revenue for Fiscal 2018 of \$28,925 is an increase of 1.96% from the Fiscal 2017 revised revenue estimate of \$28,370.

FOOTBALL

Football is a new sports program added for Fiscal Year 2018. The program is projected to recruit 120 players at \$65.00 each for a total of \$7,800.

GYMNASTICS

Gymnastics, taught at the Recreation Center, is projected to generate revenues of \$34,800 for Fiscal 2018. This estimate is a 1.83% increase from the Fiscal 2017 revised estimate of \$34,175.

SPECIAL EVENTS

Fiscal 2017 original budget for Special events was increased mid-year to account for new events such as Daddy Daughter Dance. For Fiscal 2018, this category will be expected to collect \$6,500 for Special Events.

CONCESSION REVENUES

Concession operations were also assumed with the baseball program to help defray costs associated with the operation of the program. The Fiscal 2018 revenues are projected to be \$135,000 which is the same as the revised Fiscal 2017 estimate.

OTHER REVENUES

The Special Recreation Fund also generates revenues from recreation classes, other miscellaneous sources, as well as investment of idle funds. These revenues are projected to be \$29,440 for Fiscal 2018 an increase by \$120 from the Fiscal year 2017 revised estimate of 37,120.

INTEREST INCOME

Interest income for Fiscal 2018 is estimated to be \$600, the same amount budgeted for the Fiscal 2017 revised estimate.

EXPENDITURES

PERSONNEL SERVICES

Personnel Services include salary and benefit costs for all employees within the Recreation Fund. Employees in this category are mainly part-time concession workers. Expenses for Fiscal 2018 are estimated to be \$48,002. This category of expenditures is expected to decrease from the Fiscal 2017 revised estimate.

SUPPLIES

All equipment, used in sports and recreation leagues, is purchased from this expenditure category, and is projected to be \$122,915 in Fiscal 2018. This is a decrease of 4.40% from the Fiscal 2017 revised estimate of \$128,575.

EQUIPMENT & STRUCTURE MAINTENANCE

Expenditures in this category are projected to decrease from \$19,900 in Fiscal 2017 to \$19,650 in Fiscal 2018. This represents an decrease of 1.26%, which is primarily due to controlled expenditures for ball park field repairs and maintenance.

MISCELLANEOUS SERVICES

Miscellaneous Services expenditures are estimated to increase by 5.14% in Fiscal 2018 to \$206,525, compared with the revised estimate of \$196,431 for Fiscal 2017. These expenditures fluctuate from year to year depending on program participation, which is projected to increase.

SUNDRY CHARGES

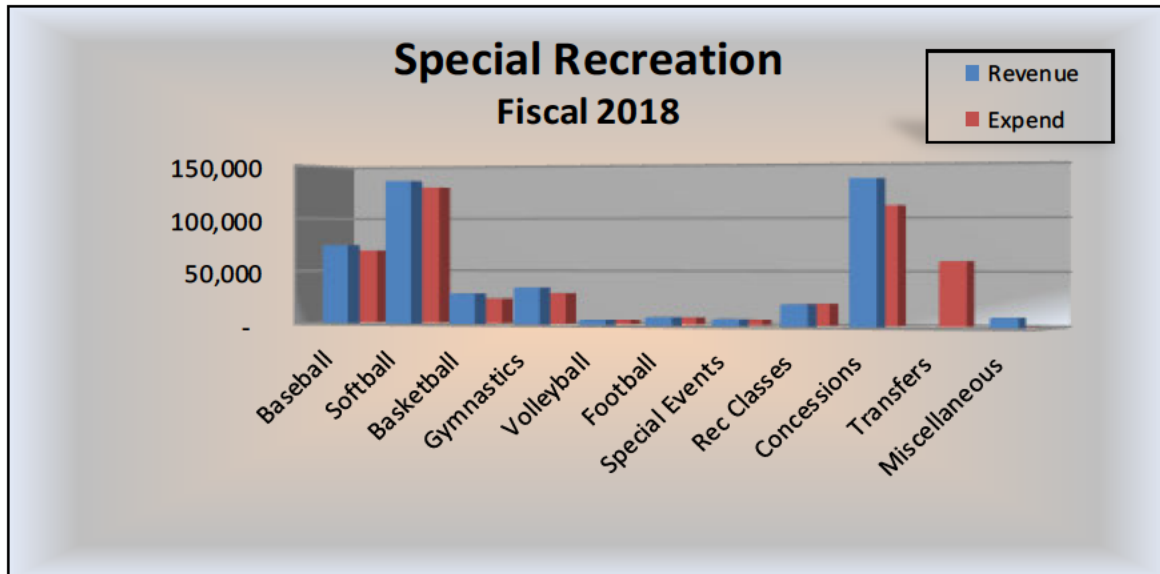
There are no expenditures anticipated in this category.

CAPITAL OUTLAY

There are no Capital Outlay budgeted in 2018.

INTRA-GOVERNMENTAL TRANSFERS

Transfers to the General Fund totaling \$59,769 are budgeted to reimburse the General Fund for projected salary costs of an athletic coordinator and recreation specialist positions.



FUND BALANCE

City Financial Policies require a fund balance in the Recreation Fund of 12.5% of expenditures, which for Fiscal 2018 is \$57,108. The fund balance estimate for Fiscal 2018 is \$91,915, which is \$34,807 above the required balance.

PINES THEATER SPECIAL EVENTS FUND

REVENUES

The Pines Theater Special Events Fund collects revenues from several sources. Total estimated revenue for Fiscal 2018 is projected to be \$150,963. Several events intending to entice tourists to the beautiful East Texas area are scheduled throughout the coming fiscal year.

ADMISSION/TICKET SALES

Admissions and ticket sales for the special events are projected to generate \$88,013, 58.3% of the total budgeted revenue for Fiscal 2018.

CONCESSIONS

Concession sales for the special events held at the Pines Theater are projected to yield \$15,000.

USE FEES

Use fees for the special events held at the Pines Theater are projected to yield \$29,000.

OTHER REVENUES

Other revenues generated from private contributions, souvenir sales, playbill ads, and interest are projected to yield the remaining \$18,950 or 12.55% of the total projected revenue. These revenues could also be from alcoholic beverage sales for Pines Presents, movies, weddings, concerts, and private rentals.

EXPENDITURES

PERSONNEL SERVICES

No personnel salaries or benefits are charged to this fund.

SUPPLIES

Supplies for Fiscal 2018 are projected to be \$16,625 of which theatre supplies accounts for 12.03% and concession supplies accounts for 87.97%.

EQUIPMENT MAINTENANCE

Equipment maintenance for Fiscal 2018 are projected to be \$3,570 for painting of the stage, carpet cleaning done twice a year, and projector maintenance.

MISCELLANEOUS SERVICES

Miscellaneous Services expenditures are estimated to be \$152,140 for Fiscal 2018 of which \$100,000 is budgeted for entertainers and \$38,715 is for advertising, tickets, temps for events and \$13,425 for various miscellaneous expenses.

FUND BALANCE

This fund is intended to operate primarily on a breakeven basis. The fund balance is projected to be a negative \$37,772 at the end of Fiscal 2018.

ELLEN TROUT ZOO BUILDING FUND

REVENUES

The Ellen Trout Zoo Building Fund is used to record transactions associated with new construction, renovation, upgrades and expansion to the Ellen Trout Zoo facilities. Revenues are generated from admission fees, sales of animals, safari classes, animal adoptions, concessions, miscellaneous revenue, interest income and donations. Revenues for Fiscal 2018 total \$338,110 of which approximately 89% is generated from admission fees. Donations vary from year to year, but are usually less than \$1,000 per year.

ADMISSION FEES

Admission fees were increased beginning October 1, 2015 for Fiscal 2016. New fees are \$7 for adults and \$3.50 for children between the ages of 4 and 11. (Children under 4 are admitted free.) Revenues budgeted for Fiscal 2018 are projected to be the same as revised Fiscal 2017 of \$300,000.

DONATIONS

Individuals and organizations such as “Friends of the Zoo” make donations. Donors are given free passes to the Ellen Trout Zoo and to other zoos around the country. Projected revenue donations for Fiscal 2018 is estimated at \$1,000.

SAFARI CLASSES

The Zoo holds educational safari classes that provide the student an inside look at the care and handling of the animals and operation of the Zoo. The fees charged for these classes are applied to the cost of providing them. Fees were projected to be \$26,110 in Fiscal 2018 same as revised Fiscal 2017.

ANIMAL ADOPTION DONATIONS

Zoo patrons make animal adoption donations to help support their favorite animal at the Zoo. The funds are used to purchase food and supplies for the animal, and a plaque is erected with the donor’s name. These donations vary year to year ranging from \$645 to \$5,455 and are conservatively estimated for Fiscal 2018 to be \$1,000.

MISCELLANEOUS REVENUES

These revenues include sale of animals, concessions and other miscellaneous items that the Zoo Building Fund receives. Total combined miscellaneous revenues for Fiscal 2018 are estimated to be \$2,000.

INTEREST INCOME

Interest income is anticipated to be \$8,000 for Fiscal 2018 which is the same as the Fiscal year 2017 revised estimate. This is based on an investment rate of 0.50%.

EXPENDITURES

PERSONNEL SERVICES

No personnel salaries or benefits are charged to this fund.

SUPPLIES

Supplies include plant and landscape materials and educational supplies used in various Zoo educational programs. Expenditures are expected to be \$84,400 in Fiscal 2018, reflecting a decrease of \$21,800 from the revised Fiscal 2017 budget of \$106,200.

EQUIPMENT & STRUCTURE MAINTENANCE

Expenditures in this category are projected at \$135,400 for Fiscal 2018 of which \$44,000 is budgeted for general repairs and \$91,400 to repair various structures and exhibits .

MISCELLANEOUS SERVICES

Miscellaneous services are projected to be \$34,800 for Fiscal 2018. A zoo master plan was began in Fiscal 2017 to improve landscaping in the zoo areas.

SUNDRY CHARGES

There are no expenditures budgeted in this category.

INTRA-GOVERNMENTAL TRANSFERS

A transfer to the General Fund of \$28,599 is budgeted for projected payroll costs of a full-time laborer position.

CAPITAL OUTLAY

There are no expenditures budgeted in this category.

FUND BALANCE

City Financial Policies require the Zoo Building Fund to maintain a fund balance of zero or greater because this fund serves as a construction fund for zoo expansion projects and depends heavily on contributions for its income. However, excess funds are retained from year to year and applied to various projects or used as grant matches. The Fund has maintained fund balances in previous years and is anticipated to have a fund balance of \$1,391,440 at Fiscal 2018 year-end.

COURT SECURITY/TECHNOLOGY FUND

REVENUES

The Court Security/Technology Fund revenues are generated through the Municipal Court. By Ordinance an assessment of \$7.00 is included in the cost of each fine. \$3.00 of each assessment is to be used for security and \$4.00 is to be used for technology purposes in the Municipal Court. Fiscal year 2018 revenues are estimated to remain the same as previous year budget of \$40,000.

EXPENDITURES

PERSONNEL SERVICES

No personnel salaries or benefits are charged to this fund.

SUPPLIES

Court Security supplies are anticipated to be \$5,460 in Fiscal 2018, an increase of \$355 from Fiscal year 2017 revised estimate of \$5,105. Supplies in this category include purchases to outfit the City Marshal's ammunition, supply, and uniform needs.

EQUIPMENT & STRUCTURE MAINTENANCE

Expenditures in Fiscal 2018 in this category are expected to remain the same as prior year revised amount of \$17,340. Expenditures in this category will be for Computer program maintenance fees and security camera repairs as needed.

MISCELLANEOUS SERVICES

Anticipated costs of miscellaneous services are \$2,710 for Fiscal 2018 which is an decrease of \$166 below the Fiscal 201 revised estimate of \$2,866. Travel & Training and Dues & membership are expensed in this category.

SUNDRY CHARGES

There are no expenditures budgeted in this category.

CAPITAL OUTLAY

There are no expenditures budgeted in this category in Fiscal 2018.

INTRA-GOVERNMENTAL TRANSFERS

There are no expenditures budgeted in this category in Fiscal 2018.

FUND BALANCE

City Financial Policies requires the Court Security/Technology Fund to maintain a fund balance of zero or greater. However, excess funds are retained from year to year and applied to various security, and technology equipment purchases. The revised Fiscal 2017 ending fund balance was estimated at \$42,776 with an anticipated fund balance of \$51,256 for Fiscal 2018.

MAIN STREET/COMM DEV DWNTN FUND

REVENUES

The revenues for this fund are strictly contributions received from the City's Hoedown Booth rentals and memberships. Current Year revenues are estimated to be \$22,645.

EXPENDITURES

SUPPLIES

Expenditures in this category such as event supplies, lights, signs, and food supplies are expected to be \$5,450 in Fiscal 2018.

MISCELLANEOUS SERVICES

Expenditures in the category are for event costs, entertainment, landscaping, and advertising. Fiscal year 2018 expenditures are expected to be \$14,000.

ANIMAL CONTROL KURTH GRANT FUND

REVENUES

The revenues for this fund are strictly contributions received as a grant through the Kurth Foundation in support of the Kurth Memorial Animal Shelter and interest earnings on those funds. Current Year revenues are estimated to be \$91,200.

EXPENDITURES

MISCELLANEOUS SERVICES

Expenditures for this category are expected to be \$40,000 for Fiscal 2018. Monies will be used to provide spay and neutering services.

INTRA-GOVERNMENTAL TRANSFERS

Expenditures in the fund are for the non-salaried operations of the Kurth Memorial Animal Shelter. Fiscal year 2017 expenditures include a transfer to the General Fund to subsidize the costs of supplies needed for shelter operations. The transfer to the General Fund is budgeted at \$90,000 for Fiscal 2018.

ANIMAL ATTIC GIFT FUND

REVENUES

Animal Attic Gift Fund revenues are donations received from individuals for the support of animals at the shelter. Current year revenues are expected to be approximately \$15,150, which is comprised of donations and interest income.

EXPENDITURES

SUPPLIES

Expenditures in this category is for purchasing a chicken coop at \$1,000 for this budget year.

EQUIPMENT MAINTENANCE

Expenditures for Fiscal 2018 is \$6,000 in this category are for trench drain covers.

CAPITAL OUTLAY

Expenditures for Fiscal 2018 in this category are expected to be \$10,000 for the purchase of an 8 foot animal control slide-in unit.

COMPONENT UNITS

There are two component units for which the City appropriates Fiscal expenditures. *These governmental fund types are budgeted on a modified accrual basis wherein obligations of the Component units are budgeted as expenditures but revenues are recognized and recorded when they are available and become measurable.*

The Economic Development Fund is a Component Unit and was established to account for the sales tax portion allocated to economic development within the City. Revenues to the fund are derived from 1/8th of each cent of sales tax collections in the City.

The Lufkin Convention and Visitor Bureau was formed in 2010 with the primary objective to create maximum hotel occupancy within the city through a marketing program aimed at attracting and securing overnight visitors who will spend money in the Lufkin area.

ECONOMIC DEVELOPMENT FUND – COMPONENT UNIT (Discretely Presented)

REVENUES

Revenues for the Economic Development Fund are derived from the City's Sales Tax Revenues and interest income. 1/8 of each cent of the City's Sales Tax Revenues is dedicated to the Economic Development Fund. Revenues for Fiscal 2018 are anticipated to be \$1,502,739. This is a decrease below the Fiscal 2017 revised estimate of \$1,512,187 due to decrease in sales tax revenue.

EXPENDITURES

PERSONNEL SERVICES

Salaries and benefits for the Economic Development Fund including non-departmental portions are anticipated to be \$211,726 in Fiscal 2018. In FY 2018, budget was increased to hire an Economic Development director and specialist positions. In FY2017 the director duties were performed by the administration.

SUPPLIES

Expenditures for supplies are anticipated to be \$10,440 in Fiscal 2018 slightly increasing from the \$9,750 revised estimate for Fiscal 2017.

EQUIPMENT & STRUCTURE MAINTENANCE

There are no expenditures budgeted in this category.

MISCELLANEOUS SERVICES

Anticipated costs of miscellaneous services are \$242,635 for Fiscal 2018, above the Fiscal 2017 revised estimate of \$234,705 by 3.38%.

SUNDRY CHARGES

Sundry charges include incentives paid by the Economic Development Fund. The Fiscal 2018 estimate is \$19,000 and \$15,330 from the non-departmental sundry charges. Total sundry charges for Fiscal 2018 is \$3,820 higher than the \$30,510 for Fiscal 2017 revised.

CAPITAL OUTLAY

There are no expenditures budgeted in this category.

DEBT SERVICE

Note interest payments to Banc Corp South for Angelina Manufacturing in Fiscal 2108 are \$185,479.

NON-DEPARTMENTAL

Non-departmental expenditures may include personnel services, miscellaneous services, sundry charges, debt service expenses, and transfers. General and administrative expenses are transferred to the General Fund to reimburse for services provided by other departments such as accounting, purchasing, data processing and human resources assistance within the City. General and administrative fees for Fiscal year 2018 are \$15,330. An allocation table of G&A calculations can be found in the Appendix on page 330.

FUND BALANCE

Council Financial Policies requires the Economic Development Fund to maintain a fund balance of zero or greater. However, excess funds are retained from year to year and are applied to the fund balance for future expansion projects to boost the economy and development of business within the City of Lufkin. The anticipated fund balance at Fiscal 2018 year-end is \$8,234,062.

LUFKIN CONVENTION AND VISITOR BUREAU – COMPONENT UNIT (Discretely Presented)

REVENUES

Revenues for the Lufkin Convention and Visitor Bureau (LCVB) are derived from the City's Hotel/Motel Tax. Forty-two percent (\$399,000) of the hotel/motel occupancy tax collected and recorded in the Hotel/Motel Tax Fund is allocated to the Lufkin Convention and Visitor Bureau. Total revenues for Fiscal 2018 are anticipated to be \$513,380, which includes estimated interest earnings of \$1,200 and revenues from various events of \$34,600.

EXPENDITURES

PERSONNEL SERVICES

Salaries and benefits for the LCVB are anticipated to be \$243,215 in Fiscal 2017, increasing by \$86,815 from the Fiscal 2017 revised estimate of \$156,400. This increase is due to a newly added division of Main Street to this fund. The position of Main Street director will be funded by a transfer from the General Fund.

SUPPLIES

Expenditures for supplies are anticipated to increase to \$7,756 in Fiscal 2018 from the revised estimate of \$6,050 for Fiscal 2017.

EQUIPMENT & STRUCTURE MAINTENANCE

There are no expenditures budgeted in this category.

MISCELLANEOUS SERVICES

Anticipated costs of miscellaneous services are \$342,685 for Fiscal 2018, above the Fiscal 2017 revised estimate of \$300,650 by 13.98%.

SUNDRY CHARGES

Anticipated costs for sundry charges for Fiscal year 2018 are \$3,640, which is \$1,860 more than the revised estimate for Fiscal 2017 of \$1,780.

CAPITAL OUTLAY

There are no expenditures budgeted in this category.

NON-DEPARTMENTAL

A contingency of \$100,000 was set aside for necessities as approved by the Lufkin Convention and Visitor Bureau Board. General and administrative expenses are transferred to the General Fund to reimburse for services provided by other departments such as accounting, purchasing, data processing and human resources assistance within the City. General and administrative fees

for Fiscal year 2018 are \$2,690. An allocation table of G&A calculations can be found in the Appendix on page 331.

FUND BALANCE

The Council has not adopted any fund balance policies for the LCVB. Expenditures are budgeted based on revenue projections. The fund balance for LCVB is projected to be a \$160,073 at the end of Fiscal year 2018.

CITY OF LUFKIN

Fiscal Year 2017-2018

The total Fiscal 2017-2018 net budget appropriations for all funds are \$61,484,602 excluding capital projects in the Water/Wastewater Depreciation Fund and Solid Waste Depreciation Fund. This is an increase of \$1,203,558 above the Fiscal 2016-2017 approved budget of \$60,231,044. Details of the major components of the increases and decreases of the revised budget to proposed budget are summarized below and explained in the individual Fund narratives following this summary.

Summary of Major Changes, Fiscal 2017 Budget to Fiscal 2018 Budget	
Salaries and Benefits	217,874
Supplies	-7,065
Structure and Equipment Maintenance	-34,706
Miscellaneous Services	-100,939
Sundry Charges	209,452
Economic Development Incentives	-0-
Debt Service	228,064
Capital Outlay	740,878
TOTAL	1,253,558

Position changes after adoption of the Fiscal 2016-2017 budget and for the Fiscal 2018 budget include the following:

Position	Department	Status
Deputy City manager	City Administration	FT Position for FY2018
Assistant to City Manager	City Administration	FT position for FY2018
Legal Assistant	Legal	Position eliminated.
Assistant to City Attorney	Legal	FT position for FY2108
Main Street Director	Main Street	Position move to Lufkin Convention & Visitor B.

**CITY OF LUFKIN, TEXAS
TOTAL OPERATING BUDGET RESOURCES
FISCAL 2018**

	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018
GENERAL FUND					
Full Time	348	353	354	355	350
Part Time	19	18	17	17	17
Total	367	371	371	372	367

WATER-WASTEWATER FUND					
Full Time	71	71	70	70	72
Part Time	2	2	2	2	2
Total	73	73	72	72	74

SOLID WASTE-RECYCLING FUND					
Full Time	33	33	33	33	34
Part Time	0	0	0	0	0
Total	33	33	33	33	34

CONVENTION CENTER FUND					
Full Time	8	8	8	8	8
Part Time	0	0	0	0	0
Total	8	8	8	8	8

COURT SECURITY-TECHNOLOGY FUND					
Full Time	0	0	0	0	0
Part Time	0	0	0	0	0
Total	0	0	0	0	0

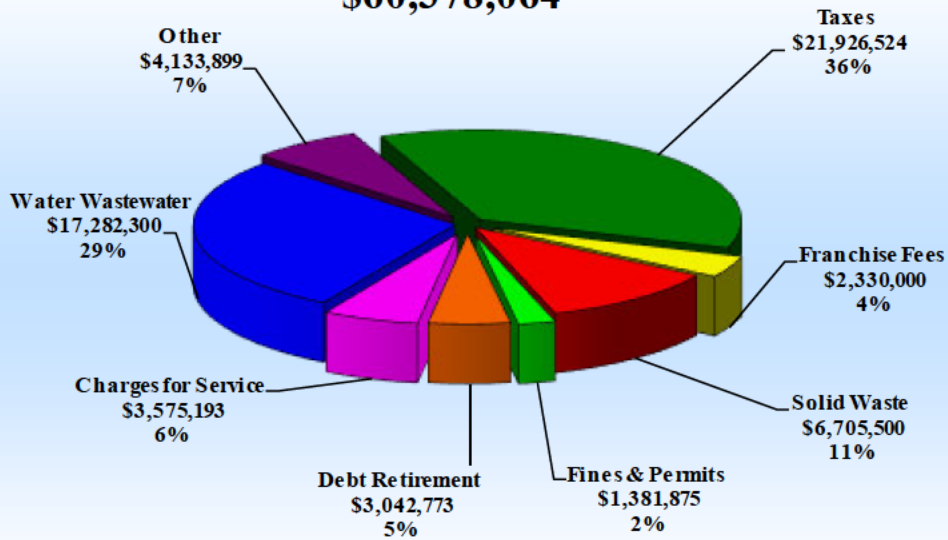
SPECIAL RECREATION FUND					
Full Time	0	0	0	0	0
Part Time	25	25	25	25	25
Total	0	0	0	0	0

ECONOMIC DEVELOPMENT FUND					
Full Time	2	2	2	2	2
Part Time	0	0	0	0	0
Total	2	2	2	2	2

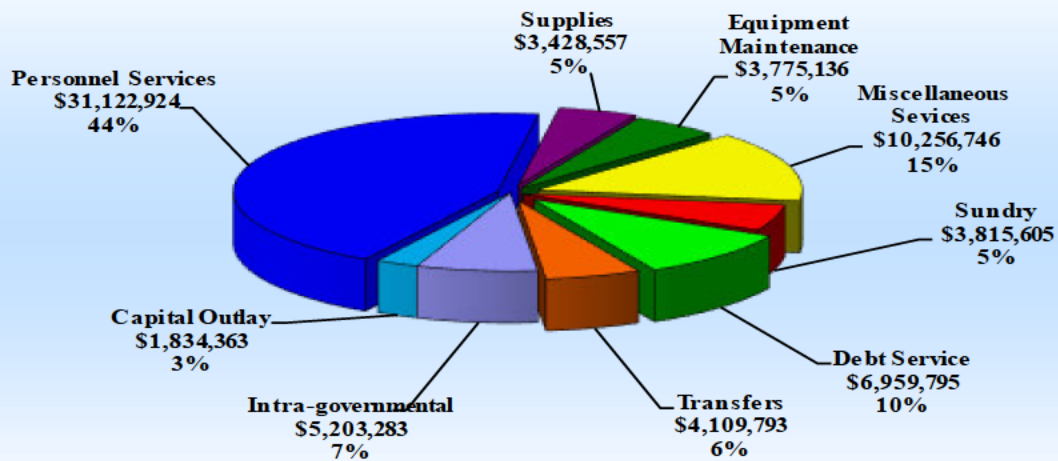
LUFKIN CONVENTION & VISITOR BUREAU					
Full Time	2	2	2	2	3
Part Time	0	0	0	0	0
Total	2	2	2	2	3

CITY WIDE TOTAL					
Full Time	464	469	469	470	469
Part Time	46	45	44	44	44
Total	510	514	513	514	513

Combined Budget Resources \$60,378,064



Combined Budget Expenditures \$61,484,602



CITY OF LUFKIN
COMBINED FUNDS SUMMARY
Fiscal Year 2018 Operating Budget

	<u>FY2016</u> <u>Actual</u>	<u>FY2017</u> <u>Budget</u>	<u>FY2017</u> <u>Adjusted</u>	<u>FY2018</u> <u>Budget</u>
Beginning Balances				
General Fund	\$ 11,169,361	\$ 9,871,452	\$ 10,480,401	\$ 9,889,890
Water/Wastewater Fund	3,428,154	4,730,853	4,307,960	3,992,446
Solid Waste Disposal Fund	4,735,655	4,802,387	4,833,939	4,894,700
Hotel/Motel Tax Fund	(225,075)	(187,635)	(15,584)	10,795
Special Recreation Fund	86,410	74,111	92,769	91,306
Pines Theater Special Events Fund	23,168	(7,027)	(14,887)	(16,400)
Ellen Trout Zoo Fund	1,812,718	987,654	1,418,823	1,336,529
Court Security/Technology Fund	12,484	3,436	14,212	28,901
Heritage Festival Contribution	23,211	18,822	27,933	32,946
Animal Control-Kurth Grant Fund	229,918	134,598	105,462	51,662
Animals Attic Gift Shop Fund	40,372	28,522	38,764	23,324
General Obligation Debt				
Service Fund	1,811,937	1,268,478	1,406,542	1,806,925
Equipment Acquisition & Repl Fund	994,672	608,001	784,824	1,370,449
Sub-Total Operating Funds	<u>\$ 24,142,985</u>	<u>\$ 22,333,652</u>	<u>\$ 23,481,158</u>	<u>\$ 23,513,473</u>
Economic Development Fund	8,230,177	7,874,493	8,550,058	8,153,933
Lufkin Convention & Visitor Bureau	214,914	123,250	269,213	243,989
Total Beginning Balances	<u>\$ 32,588,076</u>	<u>\$ 30,331,395</u>	<u>\$ 32,300,429</u>	<u>\$ 31,911,395</u>
Revenues and Transfers In				
General Fund	\$ 33,070,427	\$ 33,081,212	\$ 33,177,537	\$ 32,708,018
Water/Wastewater Fund	17,286,698	17,184,142	17,419,935	17,411,486
Solid Waste Disposal Fund	6,469,005	6,472,332	6,558,248	6,705,500
Hotel/Motel Tax Fund	1,391,917	1,187,150	1,246,765	1,206,200
Special Recreation Fund	413,915	485,955	451,260	457,470
Pines Theater Special Events Fund	155,052	172,863	152,441	150,963
Ellen Trout Zoo Fund	432,620	312,291	335,410	338,110
Court Security/Technology Fund	34,953	40,000	40,000	40,000
Heritage Festival Contribution	19,642	18,945	22,713	22,645
Animal Control-Kurth Grant Fund	117,064	146,200	91,200	91,200
Animals Attic Gift Shop Fund	11,559	10,150	15,628	15,150
General Obligation Debt				
Service Fund	16,074,321	6,365,179	6,897,217	6,645,618
Equipment Acquisition & Repl Fund	1,903,181	1,814,776	1,816,276	1,591,185
Sub-Total Operating Funds	<u>\$ 77,380,354</u>	<u>\$ 67,291,195</u>	<u>\$ 68,224,630</u>	<u>\$ 67,383,545</u>
Economic Development Fund	1,296,940	1,490,009	1,512,187	1,502,739
Lufkin Convention & Visitor Bureau	464,614	417,150	439,656	513,380
Total Revenues & Transfers In	<u>\$ 79,141,908</u>	<u>\$ 69,198,354</u>	<u>\$ 70,176,473</u>	<u>\$ 69,399,664</u>
Less: Interfund Transfers in	<u>8,092,868</u>	<u>8,917,474</u>	<u>9,363,587</u>	<u>9,021,600</u>
Net Budget Revenue	<u>\$ 71,049,040</u>	<u>\$ 60,280,880</u>	<u>\$ 60,812,886</u>	<u>\$ 60,378,064</u>
Total Funds Available	<u><u>\$103,637,116</u></u>	<u><u>\$ 90,612,275</u></u>	<u><u>\$ 93,113,315</u></u>	<u><u>\$ 92,289,459</u></u>

CITY OF LUFKIN
COMBINED FUNDS SUMMARY
Fiscal Year 2018 Operating Budget

	<u>FY2016</u> <u>Actual</u>	<u>FY2017</u> <u>Budget</u>	<u>FY2017</u> <u>Adjusted</u>	<u>FY2018</u> <u>Budget</u>
Appropriations and Transfers Out				
General Fund	\$ 33,759,387	\$ 33,509,358	\$ 33,768,048	\$ 33,411,583
Water/Wastewater Fund	16,406,892	17,429,667	17,735,449	17,427,015
Solid Waste Disposal Fund	6,370,721	6,629,747	6,497,487	6,715,985
Hotel/Motel Tax Fund	1,182,426	1,177,598	1,220,386	1,212,561
Special Recreation Fund	407,556	465,694	452,723	456,861
Pines Theater Special Events Fund	193,107	172,835	153,954	172,335
Ellen Trout Zoo Fund	826,515	282,099	417,704	283,199
Court Security/Technology Fund	33,225	37,955	25,311	25,510
Heritage Festival Contribution	14,920	17,700	17,700	19,450
Animal Control-Kurth Grant Fund	241,520	145,000	145,000	130,000
Animals Attic Gift Shop Fund	13,167	20,590	31,068	17,000
General Obligation Debt				
Service Fund	16,479,716	6,526,559	6,496,834	6,683,434
Equipment Acquisition & Repl Fund	2,113,029	1,093,485	1,230,651	1,931,363
Sub-Total Operating Funds	<u>\$ 78,042,181</u>	<u>\$ 67,508,287</u>	<u>\$ 68,192,315</u>	<u>\$ 68,486,296</u>
Economic Development Fund	977,059	1,210,747	1,908,312	1,422,610
Lufkin Convention & Visitor Bureau	410,315	479,484	464,880	597,296
Total Appropriations & Transfers Out	<u>79,429,555</u>	<u>69,198,518</u>	<u>70,565,507</u>	<u>70,506,202</u>
Less: Interfund Transfers Out	<u>8,092,868</u>	<u>8,917,474</u>	<u>9,363,587</u>	<u>9,021,600</u>
Net Budget Appropriations	<u>\$ 71,336,687</u>	<u>\$ 60,281,044</u>	<u>\$ 61,201,920</u>	<u>\$ 61,484,602</u>
Ending Balances				
General Fund	10,480,401	9,443,306	9,889,890	9,186,325
Water/Wastewater Fund	4,307,960	4,485,328	3,992,446	3,976,917
Solid Waste Disposal Fund	4,833,939	4,644,972	4,894,700	4,884,215
Hotel/Motel Tax Fund	(15,584)	(178,083)	10,795	4,434
Special Recreation Fund	92,769	94,372	91,306	91,915
Pines Theater Special Events Fund	(14,887)	(6,999)	(16,400)	(37,772)
Ellen Trout Zoo Fund	1,418,823	1,017,846	1,336,529	1,391,440
Court Security/Technology Fund	14,212	5,481	28,901	43,391
Main Street/Comm Dev Downtown	27,933	20,067	32,946	36,141
Animal Control-Kurth Grant Fund	105,462	135,798	51,662	12,862
Animals Attic Gift Shop Fund	38,764	18,082	23,324	21,474
General Obligation Debt				
Service Fund	1,406,542	1,107,098	1,806,925	1,769,109
Equipment Acquisition & Repl Fund	784,824	1,329,292	1,370,449	1,030,271
Sub-Total Operating Funds	<u>\$ 23,481,158</u>	<u>\$ 22,116,560</u>	<u>\$ 23,513,473</u>	<u>\$ 22,410,722</u>
Economic Development Fund	8,550,058	8,153,755	8,153,933	8,234,062
Lufkin Convention & Visitor Bureau	269,213	60,916	243,989	160,073
Total Ending Balances	<u>32,300,429</u>	<u>30,331,231</u>	<u>31,911,395</u>	<u>30,804,857</u>
Total Funds Applied	<u>\$103,637,116</u>	<u>\$ 90,612,275</u>	<u>\$ 93,113,315</u>	<u>\$ 92,289,459</u>

CITY OF LUFKIN
SUMMARY OF MAJOR REVENUES AND EXPENDITURES
Fiscal Year 2018 Operating Budget

	General Fund	Water/ Wastewater Fund	Solid Waste Disposal Fund	Hotel / Motel Fund	Special Recreation Fund	Pines Theater Special Events Fund	Ellen Trout Zoo Fund	Court Security Technology Fund
Estimated Revenues								
Sales taxes	\$ 13,070,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ad valorem taxes	7,667,400	-	-	-	-	-	-	-
Other Taxes	94,980	-	-	950,000	-	-	-	-
Franchise taxes	2,330,000	-	-	-	-	-	-	-
Water/ Wastewater revenue	-	17,265,300	-	-	-	-	-	-
Solid Waste revenue	-	-	6,683,500	-	-	-	-	-
Licenses & permits	245,700	-	-	-	-	-	-	-
Charges for service	2,674,050	-	-	3,000	454,870	117,163	326,110	-
Use Fees	-	-	-	140,000	-	29,000	-	-
Fines & forfeitures	1,096,175	-	-	-	-	-	-	40,000
Alcohol Beverage Sales	-	-	-	40,000	-	-	-	-
LCVB event revenue	-	-	-	-	-	-	-	-
Equipment Charges	-	-	-	-	-	-	-	-
Miscellaneous revenue	307,860	-	-	23,000	2,000	4,800	4,000	-
Interest Revenue	60,000	17,000	22,000	200	600	-	8,000	-
Inter-governmental revenue	-	-	-	-	-	-	-	-
Sub-Total	<u>\$ 27,547,029</u>	<u>\$ 17,282,300</u>	<u>\$ 6,705,500</u>	<u>\$ 1,156,200</u>	<u>\$ 457,470</u>	<u>\$ 150,963</u>	<u>\$ 338,110</u>	<u>\$ 40,000</u>
Other Financing Source								
Transfers	378,368	-	-	50,000	-	-	-	-
General & Administrative	4,782,621	129,186	-	-	-	-	-	-
Total Financing Sources	<u>5,160,989</u>	<u>129,186</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Estimated Available Resources	<u>32,708,018</u>	<u>17,411,486</u>	<u>6,705,500</u>	<u>1,206,200</u>	<u>457,470</u>	<u>150,963</u>	<u>338,110</u>	<u>40,000</u>
Estimated Expenditures								
Personnel services	24,962,692	3,770,596	1,537,179	349,514	48,002	-	-	-
Supplies	1,614,276	966,235	438,900	35,100	122,915	16,625	84,400	5,460
Equipment maintenance	1,984,741	1,259,685	310,250	24,500	19,650	3,570	135,400	17,340
Miscellaneous services	4,243,186	2,871,798	1,935,820	184,447	206,525	152,140	34,800	2,710
Sundry charges	145,750	2,257,905	35,000	619,000	-	-	-	-
Other Expenditures	291,476	-	-	-	-	-	-	-
Debt service	90,882	-	-	-	-	-	-	-
Capital outlay	-	13,000	-	-	-	-	-	-
Total Operating Expenditures	<u>33,333,003</u>	<u>11,139,219</u>	<u>4,257,149</u>	<u>1,212,561</u>	<u>397,092</u>	<u>172,335</u>	<u>254,600</u>	<u>25,510</u>
Other Financing Use								
Transfers	78,580	3,646,645	206,200	-	59,769	-	28,599	-
Intra-governmental	-	2,641,151	2,252,636	-	-	-	-	-
Total Other Financing Uses	<u>78,580</u>	<u>6,287,796</u>	<u>2,458,836</u>	<u>-</u>	<u>59,769</u>	<u>-</u>	<u>28,599</u>	<u>-</u>
Estimated Change in Fund Balance	<u>(703,565)</u>	<u>(15,529)</u>	<u>(10,485)</u>	<u>(6,361)</u>	<u>609</u>	<u>(21,372)</u>	<u>54,911</u>	<u>14,490</u>
Estimated Fund Balance - Beginning	9,889,890	3,992,446	4,894,700	10,795	91,306	(16,400)	1,336,529	28,901
Estimated Fund Balance - Ending	<u>9,186,325</u>	<u>3,976,917</u>	<u>4,884,215</u>	<u>4,434</u>	<u>91,915</u>	<u>(37,772)</u>	<u>1,391,440</u>	<u>43,391</u>

MainStreet Comm Dev.Dwntwn Fund	Animal Control Fund	Animal's Attic Gift Shop Fund	Debt Service Fund	Equipment Acq & Repl Fund	Economic Development Fund	Lufkin CVB Fund	Total Budgeted Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,188,260	\$ -	\$ 14,259,124
-	-	-	3,032,773	-	-	-	10,700,173
-	-	-	-	-	-	-	1,044,980
-	-	-	-	-	-	-	2,330,000
-	-	-	-	-	-	-	17,265,300
-	-	-	-	-	-	-	6,683,500
-	-	-	-	-	-	-	245,700
-	-	-	-	-	-	-	3,575,193
-	-	-	-	-	-	-	169,000
-	-	-	-	-	-	-	1,136,175
-	-	-	-	-	-	-	40,000
-	-	-	-	-	-	31,650	31,650
-	-	-	-	1,585,185	-	-	1,585,185
22,525	90,000	15,000	-	-	298,479	401,950	1,169,614
120	1,200	150	10,000	6,000	16,000	1,200	142,470
-	-	-	-	-	-	-	-
<u>\$ 22,645</u>	<u>\$ 91,200</u>	<u>\$ 15,150</u>	<u>\$ 3,042,773</u>	<u>\$ 1,591,185</u>	<u>\$ 1,502,739</u>	<u>\$ 434,800</u>	<u>\$ 60,378,064</u>
-	-	-	3,602,845	-	-	78,580	4,109,793
-	-	-	-	-	-	-	4,911,807
-	-	-	3,602,845	-	-	78,580	9,021,600
22,645	91,200	15,150	6,645,618	1,591,185	1,502,739	513,380	69,399,664
-	-	-	-	-	211,726	243,215	31,122,924
5,450	-	1,000	-	120,000	10,440	7,756	3,428,557
14,000	-	6,000	-	-	-	-	3,775,136
-	40,000	-	-	-	242,635	342,685	10,256,746
-	-	-	-	-	757,000	950	3,815,605
-	-	-	-	-	-	-	291,476
-	-	-	6,683,434	-	185,479	-	6,959,795
-	-	10,000	-	1,811,363	-	-	1,834,363
19,450	40,000	17,000	6,683,434	1,931,363	1,407,280	594,606	61,484,602
-	-	-	-	-	-	-	-
-	90,000	-	-	-	-	-	4,109,793
-	-	-	-	-	15,330	2,690	4,911,807
-	90,000	-	-	-	15,330	2,690	9,021,600
-	-	-	-	-	-	-	-
3,195	(38,800)	(1,850)	(37,816)	(340,178)	80,129	(83,916)	(1,106,538)
-	-	-	-	-	-	-	-
32,946	51,662	23,324	1,806,925	1,370,449	8,153,933	243,989	31,911,395
36,141	12,862	21,474	1,769,109	1,030,271	8,234,062	160,073	30,804,857

CITY OF LUFKIN
GENERAL FUND SUMMARY
Fiscal Year 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 11,169,361	\$ 9,871,452	\$ 10,480,401	\$ 9,889,890
Revenues				
Taxes	21,036,636	20,781,382	20,952,684	20,833,244
Franchise taxes	2,382,981	2,397,000	2,352,684	2,330,000
Licenses & permits	321,834	308,970	226,321	245,700
Charges for service	2,813,904	2,686,765	2,677,365	2,674,050
Fines & forfeitures	1,063,801	1,095,675	1,085,802	1,096,175
Miscellaneous revenue	553,564	388,810	446,665	367,860
Inter-governmental revenue	106,203	19,000.00	27,406	-
Sub-Total	28,278,923	27,677,602	27,768,927	27,547,029
Intra-governmental revenue	4,791,504	5,403,610	5,408,610	5,160,989
Total Revenues & Transfers	33,070,427	33,081,212	33,177,537	32,708,018
Total Funds Available	\$ 44,239,788	\$ 42,952,664	\$ 43,657,938	\$ 42,597,908
Expenditures				
Personnel services	\$ 24,962,057	\$ 25,024,638	\$ 25,053,993	\$ 24,962,692
Supplies	1,736,315	1,708,887	1,665,277	1,614,276
Equipment maintenance	1,903,432	2,091,037	2,361,728	1,984,741
Miscellaneous services	3,839,179	4,228,376	4,226,993	4,243,186
Sundry charges	122,941	145,250	148,887	145,750
Debt service	0	90,881	90,881	90,882
Transfers out	1,167,416	220,289	220,289	370,056
Capital outlay	28,047	-	-	-
Total Operating Expenditures	33,759,387	33,509,358	33,768,048	33,411,583
Excess(deficiency) of revenues over expenditures	(688,960)	(428,146)	(590,511)	(703,565)
Fund balance ending	10,480,401	9,443,306	9,889,890	9,186,325
Total Funds Applied	\$ 44,239,788	\$ 42,952,664	\$ 43,657,938	\$ 42,597,908
General government	\$ 3,909,633	\$ 4,177,994	\$ 4,184,239	\$ 4,210,354
Public safety	19,372,453	18,656,005	19,347,740	19,187,059
Public works	4,788,209	5,184,946	5,348,594	4,930,485
Culture and recreation	3,898,420	4,095,236	3,915,692	3,908,445
Community development	420,860	434,701	427,243	254,527
Non departmental	202,396	740,187	324,251	550,657
Transfers	1,167,416	220,289	220,289	370,056
Total Departmental Expenditures	33,759,387	33,509,358	33,768,048	33,411,583
Excess(deficiency) of revenues over expenditures	(688,960)	(428,146)	(590,511)	(703,565)
Fund balance ending	10,480,401	9,443,306	9,889,890	9,186,325
Total Funds Applied	\$ 44,239,788	\$ 42,952,664	\$ 43,657,938	\$ 42,597,908
Fund balance requirements	8,439,847	8,377,340	8,442,012	8,352,896
Amount over Policy	\$ 2,040,554	\$ 1,065,967	\$ 1,447,878	\$ 833,429

**CITY OF LUFKIN
GENERAL FUND
REVENUE BY SOURCE
Fiscal Year 2018 Operating Budget**

SOURCE OF REVENUE	FY2016 <u>Actual</u>	FY2017 <u>Budget</u>	FY2017 <u>Adjusted</u>	FY2018 <u>Budget</u>
Taxes				
Ad Valorem - current year	\$ 7,432,761	\$ 7,492,553	\$ 7,460,000	\$ 7,452,400
Ad Valorem - prior year	122,180	95,000	120,000	120,000
Penalty & interest	94,691	95,000	95,000	95,000
Sales taxes	14,476,505	14,190,359	14,382,092	14,259,124
Economic development trf	(1,206,375)	(1,182,530)	(1,198,508)	(1,188,260)
Mixed beverage taxes	115,752	90,000	93,000	93,880
Taxicab tax	1,122	1,000	1,100	1,100
Total Taxes	21,036,636	20,781,382	20,952,684	20,833,244
Franchise Taxes				
Electric franchise taxes	▼ 1,519,456	\$ 1,520,000	1,448,539	\$ 1,450,000
Gas franchise taxes	233,243	270,000	235,000	235,000
Communications franchise taxes	268,719	260,000	264,500	264,500
Cable franchise taxes	272,056	280,000	270,000	270,000
Other	▼ 89,507	67,000	134,645	110,500
Total Franchise Taxes	2,382,981	2,397,000	2,352,684	2,330,000
Licenses & Permits				
Building permits & inspect. fees	189,317	\$ 180,000	120,000	\$ 130,000
Plumbing permits & inspect. fees	19,627	15,575	11,806	13,000
Heat/Vent permits & inspect. fees	19,599	16,585	17,340	17,000
Electrical permits & inspect. fees	24,227	19,880	12,037	15,000
Other permits	65,205	73,110	61,864	67,025
Other licenses	3,859	3,820	3,274	3,675
Total Licenses & Permits	321,834	308,970	226,321	245,700
Charges for Service				
EMS ambulance fees	2,524,121	2,400,000	2,400,000	2,400,000
County EMS/ambulance fees	236,265	236,265	236,265	237,000
Miscellaneous charges-EMS	21,212	16,500	9,000	6,500
Miscellaneous charges-Other	32,306	34,000	32,100	30,550
Total Charges for Services	2,813,904	2,686,765	2,677,365	2,674,050
Fines & Forfeitures				
Court fines	772,594	822,500	812,627	816,000
Parking meter fines	25	175	175	175
Red light fines	291,182	273,000	273,000	280,000
Total Fines & Forfeitures	1,063,801	1,095,675	1,085,802	1,096,175
Miscellaneous Revenues				
Parks	27,159	26,000	29,000	29,500
Library	22,674	27,000	18,000	23,000
Zoo	104,016	103,000	103,000	103,000
Animal shelter fees	78,271	81,050	67,900	66,900
Sale of Property	31,826	-	44,768	-
Salvage & auction	75,559	-	300	-

CITY OF LUFKIN
GENERAL FUND
REVENUE BY SOURCE
Fiscal Year 2018 Operating Budget

SOURCE OF REVENUE	FY2016 <u>Actual</u>	FY2017 <u>Budget</u>	FY2017 <u>Adjusted</u>	FY2018 <u>Budget</u>
Miscellaneous Revenues-continued				
Zone changes	2,100	2,300	1,500	2,000
Rent on city property	23,760	25,260	25,260	25,260
Salary reimbursement	8,472	10,000	10,000	10,000
Miscellaneous	21,214	63,200	69,937	48,200
Prior Year Refunds	85,817	1,000	17,000	-
Interest income	72,696	50,000	60,000	60,000
Total Miscellaneous Revenues	553,564	388,810	446,665	367,860
Inter-Governmental Grant Revenue				
Federal/State Grant Rev.	-	-	-	-
TCLEOSE Grant-Police	5,260	-	5,149	-
TSAH Reg Advise Council	808	-	-	-
Bulletproof Vest Partnership Grant	10,500	-	-	-
TCLEOSE Grant-Fire	910	-	918	-
Justice Assist Grants	13,483	-	-	-
ICAC Atty General Grant		-	-	-
TIFMAS Grant Asst Program	28,252	-	5,885	-
Cannabis Removal Grant		19,000	-	-
Cinco De Mayo Contrib	1,000	-	1,000	-
Georgia Pacific Contrib	16,000	-	-	-
DETRAC	18,075	-	11,455	-
TLL Temple Foundation		-	-	-
Other Contributions	11,915	-	2,999	-
Total Inter-Governmental Revenue	106,203	19,000	27,406	-
Intra-Governmental Revenues				
Transfers	651,733	1,173,761	1,178,761	378,368
General & administrative	4,139,771	4,229,849	4,229,849	4,782,621
Total Intra-Governmental Revenues	4,791,504	5,403,610	5,408,610	5,160,989
TOTAL REVENUE SOURCES	\$ 33,070,427	\$ 33,081,212	\$ 33,177,537	\$ 32,708,018

CITY OF LUFKIN
GENERAL FUND
EXPENDITURES BY DEPARTMENT
Fiscal Year 2018 Operating Budget

Department	FY2016 <u>Actual</u>	FY2017 <u>Budget</u>	FY2017 <u>Adjusted</u>	FY2018 <u>Budget</u>
General government	\$ 330,209	\$ 374,699	\$ 370,840	\$ 369,381
City Administration	503,875	528,415	531,441	532,788
Finance	754,710	790,634	790,320	782,361
Legal	270,937	303,467	288,454	308,088
Tax	197,426	198,800	211,676	221,370
Human resources	421,886	456,899	447,589	450,175
Building Services	284,682	316,094	324,101	325,676
City Marshall	532	87,679	86,038	86,644
Information technology	1,145,376	1,121,307	1,133,780	1,133,871
Police	9,523,237	9,212,347	9,468,890	9,357,382
Municipal court	484,594	427,320	442,367	435,307
Fire	8,062,753	7,682,927	8,079,708	8,048,542
Inspection services	543,363	554,242	558,347	553,756
Emergency Management	45,243	50,620	52,995	49,855
Animal control	713,263	728,549	745,433	742,217
Parks	1,745,810	1,804,498	1,766,925	1,760,845
Zoo	1,521,158	1,642,723	1,486,485	1,481,244
Library	631,452	648,015	662,282	666,356
Fleet services	355,806	366,765	399,126	410,926
Engineering	753,581	767,575	778,914	652,715
Streets	3,678,822	4,050,606	4,170,554	3,866,844
Planning	240,345	252,111	258,091	254,527
Main street	180,515	182,590	169,152	-
Non-departmental	202,396	740,187	324,251	550,657
Transfers out	1,167,416	220,289	220,289	370,056
Total Departmental Expenditures	\$ 33,759,387	\$ 33,509,358	\$ 33,768,048	\$ 33,411,583
Excess(deficiency) of revenues over expenditures	(688,960)	(428,146)	(590,511)	(703,565)
Fund balance ending	10,480,401	9,443,306	9,889,890	9,186,325
Total Funds Applied	\$ 44,239,788	\$ 42,952,664	\$ 43,657,938	\$ 42,597,908
Fund balance requirements	8,439,847	8,377,340	8,442,012	8,352,896
Amount over policy	\$ 2,040,554	\$ 1,065,967	\$ 1,447,878	\$ 833,429

CITY OF LUFKIN
WATER/ WASTEWATER OPERATING ENTERPRISE FUND
Fiscal Year 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Working Capital Balance	\$ 3,428,154	\$ 4,730,853	\$ 4,307,960	\$ 3,992,446
Revenues				
Water service revenue	9,119,178	9,190,810	9,245,000	9,245,000
Sewer service charges	7,688,593	7,575,460	7,720,000	7,720,000
Sub-Total	16,807,771	16,766,270	16,965,000	16,965,000
Water connections	87,205	75,000	75,000	75,000
Sewer connections	19,638	26,000	22,000	22,000
Service charges	185,536	170,000	190,000	180,000
Miscellaneous revenues	50,226	11,300	27,863	23,300
Interest income	16,519	12,000	16,500	17,000
Sub-Total	359,124	294,300	331,363	317,300
Inter/Intra-governmental revenues	119,803	123,572	123,572	129,186
Total Revenues	17,286,698	17,184,142	17,419,935	17,411,486
Total Funds Available	\$ 20,714,852	\$ 21,914,995	\$ 21,727,895	\$ 21,403,932
Expenditures				
Personnel services	\$ 3,086,516	\$ 3,729,343	\$ 3,537,074	\$ 3,770,596
Supplies	924,229	932,895	940,260	966,235
Equipment maintenance	1,298,706	1,238,045	1,243,173	1,259,685
Miscellaneous services	2,609,678	2,930,705	2,970,150	2,871,798
Sundry charges	-	-	-	-
General and administrative	2,385,669	2,440,991	2,440,991	2,641,151
Funded depreciation	2,110,278	2,110,278	2,110,278	2,107,905
Provision for bad debts	408,523	150,000	150,000	150,000
Capital outlay	-	-	-	13,000
Intra-governmental transfers	453,845	565,518	565,518	100,000
Transfers to debt retirement	3,129,448	3,331,892	3,778,005	3,546,645
Total	16,406,892	17,429,667	17,735,449	17,427,015
Change in Net Position	879,806	(245,525)	(315,514)	(15,529)
Working capital balance ending	4,307,960	4,485,328	3,992,446	3,976,917
Total Funds Applied	\$ 20,714,852	\$ 21,914,995	\$ 21,727,895	\$ 21,403,932

CITY OF LUFKIN
WATER/ WASTEWATER OPERATING ENTERPRISE FUND
Fiscal Year 2018 Operating Budget

Expenditures by Department	FY2016 <u>Actual</u>	FY2017 <u>Budget</u>	FY2017 <u>Adjusted</u>	FY2018 <u>Budget</u>
Utility collections	\$ 751,034	\$ 823,814	\$ 844,312	\$ 861,239
Wastewater treatment	2,091,600	2,174,030	2,226,288	2,145,001
Water production	1,832,075	2,018,956	2,063,717	2,090,730
Water / Sewer Utilities	3,095,614	3,479,037	3,281,863	3,484,415
Provision for bad debts	408,523	150,000	150,000	150,000
Non-departmental	148,806	335,151	274,477	274,477
Total Departmental Expenditures	8,327,652	8,980,988	8,840,657	9,005,862
Funded depreciation	2,110,278	2,110,278	2,110,278	2,107,905
General and administrative	2,385,669	2,440,991	2,440,991	2,641,151
Intra-governmental transfers	453,845	565,518	565,518	125,452
Transfers to debt retirement	3,129,448	3,331,892	3,778,005	3,546,645
Total Intra-Governmental Transfers	8,079,240	8,448,679	8,894,792	8,421,153
Total Expenditures	16,406,892	17,429,667	17,735,449	17,427,015
Excess(deficiency) of revenues over expenditures	879,806	(245,525)	(315,514)	(15,529)
Working capital balance ending	4,307,960	4,485,328	3,992,446	3,976,917
Total Funds Applied	\$ 20,714,852	\$ 21,914,995	\$ 21,727,895	\$ 21,403,932
Working capital balance requirement	2,050,862	2,178,708	2,178,708	2,178,377
Amount over policy	\$ 2,257,099	\$ 2,306,620	\$ 1,813,738	\$ 1,798,540

CITY OF LUFKIN
WATER/ WASTEWATER DEPRECIATION FUND
Fiscal Year 2018 Operating Budget

Depreciation Fund Requests

Department	Description	Amount
Utility Collections	Meter replacement & Installation of 2 Fixed Read Ant.	220,000
Utility Collections	Carpet Replacement in Utility Collection offices	8,500
Parks	Mosquito Fogger	6,500
Parks	Roof replacement Morris Frank restroom	18,240
Sewer Utilities	Boiler #3 Replacement	170,000
Wastewater Treatment	Gravity Thickener Repair	25,000
Wastewater Treatment	Fiinal Clarifier	135,000
Sewer Utilities	Lift Station Repairs	21,000
Sewer Utilities	Camera Van Supplement	60,000
Sewer Utilities	McElroy Fusion Machine	36,000
Water Production	Arena Street Water Line Replacement	26,800
Water Production	Linkwood area Water Line Replacements	24,400
Water Production	Card Drive Water Line Replacements	40,740
Water Production	Electric Hoist for Water Plant #3	10,000
Water Production	Replace Booster Pump #6 @ Water Plant #1	20,000
Total		\$ 822,180

CITY OF LUFKIN
SOLID WASTE & RECYCLING OPERATING ENTERPRISE FUND
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Working Capital Balance	\$ 4,735,655	\$ 4,802,387	\$ 4,833,939	\$ 4,894,700
Revenues				
Residential collections	1,982,456	2,130,632	2,090,000	2,284,000
Dumpster collections	2,418,084	2,360,000	2,350,000	2,350,000
Cart collections	248,758	240,000	240,000	240,000
Rolloff non-compacted	773,310	700,000	750,000	750,000
Rolloff compacted	434,874	450,000	420,000	420,000
Special pickups	44,916	30,000	35,000	40,000
Rent recycling dumpsters	112,668	110,000	110,000	110,000
Sale of recycled materials	286,802	305,000	400,000	350,000
Dumpster rental	120,834	115,000	115,000	115,000
Miscellaneous income	21,631	16,700	25,248	24,500
Interest income	24,672	15,000	23,000	22,000
Sale of property	-	-	-	-
Salvage & Auction	-	-	-	-
Total revenues	6,469,005	6,472,332	6,558,248	6,705,500
Total Funds Available	\$ 11,204,660	\$ 11,274,719	\$ 11,392,187	\$ 11,600,200
Expenditures				
Personnel services	\$ 1,536,742	\$ 1,546,685	\$ 1,467,193	\$ 1,537,179
Supplies	374,579	494,950	387,700	438,900
Equipment maintenance	270,507	250,750	288,250	310,250
Miscellaneous services	1,993,249	2,094,822	2,111,804	1,935,820
Sundry charges	-	-	-	-
Total operating expenditures	4,175,077	4,387,207	4,254,947	4,222,149
General and administrative	1,858,875	1,899,140	1,899,140	2,252,636
Provision for bad debts	196,852	35,000	35,000	35,000
Transfers to other funds	84,917	250,000	250,000	150,000
Transfers to debt retirement	55,000	58,400	58,400	56,200
Total expenditures	6,370,721	6,629,747	6,497,487	6,715,985
Excess(deficiency) of revenues over expenditures	98,284	(157,415)	60,761	(10,485)
Ending working capital	4,833,939	4,644,972	4,894,700	4,884,215
Total Funds Applied	\$ 11,204,660	\$ 11,274,719	\$ 11,392,187	\$ 11,600,200

CITY OF LUFKIN
SOLID WASTE & RECYCLING OPERATING ENTERPRISE FUND
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
Departmental Expenditures	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Solid waste disposal department	\$ 3,696,796	\$ 3,798,532	\$ 3,726,353	\$ 3,646,288
Recycling department	468,942	555,760	520,303	556,751
Non-departmental	9,339	32,915	8,291	19,110
Total departmental expenditures	4,175,077	4,387,207	4,254,947	4,222,149
Transfers to other funds	84,917	250,000	250,000	150,000
General and administrative	1,858,875	1,899,140	1,899,140	2,252,636
Provision for bad debts	196,852	35,000	35,000	35,000
Sub-Total	2,140,644	2,184,140	2,184,140	2,437,636
Transfers to debt retirement	55,000	58,400	58,400	56,200
Total expenditures	6,370,721	6,629,747	6,497,487	6,715,985
Excess(deficiency) of revenues over expenditures	98,284	(157,415)	60,761	(10,485)
Ending working capital	4,833,939	4,644,972	4,894,700	4,884,215
Total Funds Applied	\$ 11,204,660	\$ 11,274,719	\$ 11,392,187	\$ 11,600,200
Working capital balance requirement	785,431	828,718	828,718	839,498
Amount over policy	\$ 4,048,508	\$ 3,816,254	\$ 4,065,982	\$ 4,044,717

CITY OF LUFKIN
SOLID WASTE DEPRECIATION FUND
Fiscal Year 2018 Operating Budget

Depreciation Fund Requests

Department	Description	Amount
Solid Waste	Curatto Can	40,000
Solid Waste	Rear Loader- Special Collections	160,118
Total		<u>\$ 200,118</u>

CITY OF LUFKIN
HOTEL/MOTEL TAX FUND
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ (225,075)	\$ (187,635)	\$ (15,584)	\$ 10,795
Revenues				
Hotel/Motel occupancy tax	1,150,324	875,000	950,000	950,000
Other revenues & fees	1,535	950	1,565	1,500
Use Fees	119,764	150,000	130,000	140,000
Concessions	1,482	2,000	1,000	1,500
Miscellaneous revenues	(3,256)	0	-	-
Equipment replacement charges	4,800	9,000	7,000	8,000
Security fees	11,533	15,000	12,000	15,000
Alcoholic Beverage sales	35,381	35,000	45,000	40,000
Pines Theater Concessions	-	-	-	-
Pines Theater Admissions/Ticket Sales	-	-	-	-
Transfers	70,000	100,000	100,000	50,000
Interest income	354	200	200	200
Total Revenues	1,391,917	1,187,150	1,246,765	1,206,200
Total Funds Available	\$ 1,166,842	\$ 999,515	\$ 1,231,181	\$ 1,216,995
Expenditures				
Personnel services	\$ 341,355	\$ 343,266	\$ 346,059	\$ 348,641
Supplies	41,572	35,900	35,400	35,100
Equipment maintenance	22,504	25,000	24,200	24,500
Miscellaneous services	164,708	190,807	189,877	184,447
Sundry charges	609,370	582,625	624,850	619,000
Capital outlay	-	-	-	-
Transfers to other funds	2,917	-	-	873
Total Departmental Expenditures	1,182,426	1,177,598	1,220,386	1,212,561
Excess(deficiency) of revenues over expenditures	209,491	9,552	26,379	(6,361)
Fund balance ending	(15,584)	(178,083)	10,795	4,434
Total Funds Applied	\$1,166,842	\$999,515	\$1,231,181	\$1,216,995
Expenditures by Department				
Civic Center	\$ 553,380	\$ 578,390	\$ 585,779	\$ 587,431
Museum of East Texas	52,500	52,500	52,500	52,500
Exposition Center	131,918	125,125	135,850	130,000
Texas Forestry Museum	37,500	37,500	37,500	37,500
Lufkin Convention & Tourism Bureau	387,451	367,500	399,000	399,000
Non-departmental	19,676	16,583	9,757	6,130
Total Departmental Expenditures	1,182,425	1,177,598	1,220,386	1,212,561
Excess(deficiency) of revenues over expenditures	209,492	9,552	26,379	(6,361)
Fund balance ending	(15,583)	(178,083)	10,795	4,434
Total Funds Applied	\$ 1,166,842	\$ 999,515	\$ 1,231,181	\$ 1,216,995
Fund balance requirement	147,803	147,200	147,200	151,570
Amount over policy	\$ (163,386)	\$ (325,283)	\$ (136,405)	\$ (147,136)

**CITY OF LUFKIN
RECREATION FUND
Fiscal 2018 Operating Budget**

	<u>FY2016 Actual</u>	<u>FY2017 Budget</u>	<u>FY2017 Adjusted</u>	<u>FY2018 Budget</u>
Beginning Balance	\$ 86,410	\$ 74,111	\$ 92,769	\$ 91,306
Revenues				
Recreation Classes	18,748	18,900	19,800	20,440
Softball	134,689	149,850	135,000	135,000
Volleyball	683	4,995	4,995	4,995
Basketball	25,613	29,925	28,370	28,925
Gymnastics	33,968	34,175	34,175	34,800
Football	-	-	7,800	7,800
Special events	5,342	5,800	8,000	6,500
Miscellaneous income	(359)	2,000	2,020	2,000
Baseball	67,791	82,910	68,000	74,410
Concessions	118,823	150,000	135,000	135,000
Contributions	8,000	7,000	7,500	7,000
Interest income	617	400	600	600
Total Revenues	413,915	485,955	451,260	457,470
Total Funds Available	\$ 500,325	\$ 560,066	\$ 544,029	\$ 548,776

Expenditures				
Personnel services	\$ 39,788	\$ 47,975	\$ 48,048	\$ 48,002
Supplies	105,300	123,860	128,575	122,915
Equipment maintenance	17,505	19,900	19,900	19,650
Miscellaneous services	185,193	214,190	196,431	206,525
Capital outlay	-	-	-	-
Transfers	59,770	59,769	59,769	59,769
Total Expenditures	407,556	465,694	452,723	456,861
Excess(deficiency) of revenues over expenditures	6,359	20,261	(1,463)	609
Fund balance ending	92,769	94,372	91,306	91,915
Total Funds Applied	\$ 500,325	\$ 560,066	\$ 544,029	\$ 548,776

	<u>FY2016 Actual</u>	<u>FY2017 Budget</u>	<u>FY2017 Adjusted</u>	<u>FY2018 Budget</u>
Expenditures by Activity				
Softball	\$ 121,096	\$ 139,050	\$ 133,300	\$ 129,800
Volleyball	1,309	3,545	3,545	3,670
Basketball	19,442	23,070	20,676	23,270
Football	-	-	5,115	6,320
Gymnastics	26,309	28,845	28,845	28,645
Special events	3,594	5,125	7,875	4,750
Recreation classes	20,511	17,575	19,750	20,025
Baseball	61,118	77,440	62,500	69,310
Concessions	94,407	111,275	111,348	111,302
Transfers	59,769	59,769	59,769	59,769
Total Departmental Expenditures	407,555	465,694	452,723	456,861
Excess(deficiency) of revenues over expenditures	6,360	20,261	(1,463)	609
Fund balance ending	92,770	94,372	91,306	91,915
Total Funds Applied	\$ 500,325	\$ 560,066	\$ 544,029	\$ 548,776
Policy reserve	50,944	58,212	58,212	57,108
Amount over policy	\$ 41,826	\$ 36,160	\$ 33,094	\$ 34,807

CITY OF LUFKIN
PINES THEATER SPECIAL EVENTS FUND
Fiscal 2018 Operating Budget

	<u>FY2016</u> <u>Actual</u>	<u>FY2017</u> <u>Budget</u>	<u>FY2017</u> <u>Adjusted</u>	<u>FY2018</u> <u>Budget</u>
Beginning Balance	\$ 23,168	\$ (7,027)	\$ (14,887)	\$ (16,400)
Revenues				
Contributions	3,512	2,800	1,700	2,300
Concessions	17,295	21,500	15,000	15,000
Use Fees	25,301	29,000	29,000	29,000
Souvenir Sales	-	150	150	150
Playbill Ads	12,425	20,000	12,325	14,000
Miscellaneous	2,656	4,000	6,253	2,500
Admissions/ Ticket Sales	93,815	95,313	88,013	88,013
Interest income	48	100	-	-
Total Revenues	155,052	172,863	152,441	150,963
Total Funds Available	\$ 178,220	\$ 165,836	\$ 137,554	\$ 134,563

Expenditures				
Supplies	\$ 14,072	\$ 21,125	\$ 14,125	\$ 16,625
Equipment maintenance	2,905	3,570	3,570	3,570
Miscellaneous services	176,130	148,140	136,259	152,140
Total Expenditures	193,107	172,835	153,954	172,335
Excess(deficiency) of revenues over expenditures	(38,055)	28	(1,513)	(21,372)
Fund balance ending	(14,887)	(6,999)	(16,400)	(37,772)
Total Funds Applied	\$ 178,220	\$ 165,836	\$ 137,554	\$ 134,563

	<u>FY2016</u> <u>Actual</u>	<u>FY2017</u> <u>Budget</u>	<u>FY2017</u> <u>Adjusted</u>	<u>FY2018</u> <u>Budget</u>
Expenditures by Activity				
Special Events	\$ 193,109	\$ 172,835	\$ 153,954	\$ 172,335
Total Departmental Expenditures	193,109	172,835	153,954	172,335
Excess(deficiency) of revenues over expenditures	(38,057)	28	(1,513)	(21,372)
Fund balance ending	(14,889)	(6,999)	(16,400)	(37,772)
Total Funds Applied	\$ 178,220	\$ 165,836	\$ 137,554	\$ 134,563

CITY OF LUFKIN
ELLEN TROUT ZOO BUILDING FUND
Fiscal 2018 Operating Budget

	<u>FY2016</u> <u>Actual</u>	<u>FY2017</u> <u>Budget</u>	<u>FY2017</u> <u>Adjusted</u>	<u>FY2018</u> <u>Budget</u>
Beginning Balance	\$ 1,812,718	\$ 987,654	\$ 1,418,823	\$ 1,336,529
Revenues				
Admission fees	336,485	270,000	300,000	300,000
Safari classes	23,622	28,111	26,110	26,110
Miscellaneous revenues	219	2,225	100	1,000
Donations	56,263	1,350	500	1,000
Sale of animals	3,255	1,335	200	1,000
Animal adoption donations	2,965	2,270	500	1,000
Interest income	9,811	7,000	8,000	8,000
Total Revenues	432,620	312,291	335,410	338,110
Total Funds Available	<u>\$ 2,245,338</u>	<u>\$ 1,299,945</u>	<u>\$ 1,754,233</u>	<u>\$ 1,674,639</u>
Expenditures				
Supplies	\$ 71,897	\$ 84,400	\$ 106,200	\$ 84,400
Equipment maintenance	145,391	139,200	221,100	135,400
Miscellaneous services	36,782	29,900	61,805	34,800
Capital Outlay	543,846	-	-	-
Transfers out	28,599	28,599	28,599	28,599
Total Expenditures	826,515	282,099	417,704	283,199
Excess(deficiency) of revenues over expenditures	(393,895)	30,192	(82,294)	54,911
Fund balance ending	1,418,823	1,017,846	1,336,529	1,391,440
Total Funds Applied	<u>\$ 2,245,338</u>	<u>\$ 1,299,945</u>	<u>\$ 1,754,233</u>	<u>\$ 1,674,639</u>

CITY OF LUFKIN
COURT SECURITY/TECHNOLOGY FUND
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 12,484	\$ 3,436	\$ 14,212	\$ 28,901
Revenues				
Other	34,946	40,000	40,000	40,000
General Fund Transfer	-	-	-	-
Interest income	7	-	-	-
Total Revenues	34,953	40,000	40,000	40,000
Total Funds Available	\$ 47,437	\$ 43,436	\$ 54,212	\$ 68,901

Expenditures				
Supplies	\$ 2,989	\$ 4,405	\$ 5,105	\$ 5,460
Equipment maintenance	28,768	30,840	17,340	17,340
Miscellaneous services	1,468	2,710	2,866	2,710
Transfer to general fund	-	-	-	-
Total Expenditures	33,225	37,955	25,311	25,510
Excess(deficiency) of revenues over expenditures	1,728	2,045	14,689	14,490
Fund balance ending	14,212	5,481	28,901	43,391
Total Funds Applied	\$ 47,437	\$ 43,436	\$ 54,212	\$ 68,901

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Technology Fund				
Beginning Balance	\$ (9,871)	\$ (1,161)	\$ (18,933)	\$ (13,873)
Revenues	19,955	23,000	23,000	23,000
Expenditures	29,017	31,440	17,940	16,990
Excess(deficiency) of revenues over expenditures	(9,062)	(8,440)	5,060	6,010
Fund balance ending	(18,933)	(9,601)	(13,873)	(7,863)

Security Fund				
Beginning Balance	\$ 22,355	\$ (38,553)	\$ 33,147	\$ 42,776
Revenues	14,998	17,000	17,000	17,000
Expenditures	4,206	6,515	7,371	8,520
Excess(deficiency) of revenues over expenditures	10,792	10,485	9,629	8,480
Fund balance ending	33,147	(28,068)	42,776	51,256
Total Funds Applied	\$ 47,437	\$ 286	\$ 54,214	\$ 68,903

CITY OF LUFKIN
Main Street/Comm Dev. Downtown Impr
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 23,211	\$ 18,822	\$ 27,933	\$ 32,946
Revenues				
Other	-	-	-	-
Contributions	370	-	75	-
Hoedown Booth Rental	11,415	11,220	14,843	14,850
Mainstreet Memberships	7,725	7,675	7,675	7,675
Interest income	132	50	120	120
Total Revenues	19,642	18,945	22,713	22,645
Total Funds Available	\$ 42,853	\$ 37,767	\$ 50,646	\$ 55,591
Expenditures				
Supplies	\$ 5,245	\$ 6,200	\$ 6,200	\$ 5,450
Miscellaneous services	9,675	11,500	11,500	14,000
Total Expenditures and transfers	14,920	17,700	17,700	19,450
Excess(deficiency) of revenues over expenditures	4,722	1,245	5,013	3,195
Fund balance ending	27,933	20,067	32,946	36,141
Total Funds Applied	\$ 42,853	\$ 37,767	\$ 50,646	\$ 55,591

CITY OF LUFKIN
ANIMAL CONTROL-KURTH GRANT FUND
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 229,918	\$ 134,598	\$ 105,462	\$ 51,662
Revenues				
Other	115,832	145,000	90,000	90,000
Interest income	1,232	1,200	1,200	1,200
Total Revenues	117,064	146,200	91,200	91,200
Total Funds Available	<u>\$ 346,982</u>	<u>\$ 280,798</u>	<u>\$ 196,662</u>	<u>\$ 142,862</u>
Expenditures				
Miscellaneous services	\$ -	\$ -	\$ -	\$ 40,000
Equipment maintenance	50,000	-	-	-
Transfer to general fund	191,520	145,000	145,000	90,000
Total Expenditures and transfers	241,520	145,000	145,000	130,000
Excess(deficiency) of revenues over expenditures	(124,456)	1,200	(53,800)	(38,800)
Fund balance ending	105,462	135,798	51,662	12,862
Total Funds Applied	<u>\$ 346,982</u>	<u>\$ 280,798</u>	<u>\$ 196,662</u>	<u>\$ 142,862</u>

CITY OF LUFKIN
ANIMALS ATTIC GIFT SHOP
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 40,372	\$ 28,522	\$ 38,764	\$ 23,324
Revenues				
Donations	11,322	10,000	15,478	15,000
Spay / Neuter Contributions	-	-	-	-
Interest income	237	150	150	150
Total Revenues	11,559	10,150	15,628	15,150
Total Funds Available	<u>\$ 51,931</u>	<u>\$ 38,672</u>	<u>\$ 54,392</u>	<u>\$ 38,474</u>
Expenditures				
Supplies	-	-	-	1,000
Equipment Maintenance	\$ 700	\$ -	\$ -	\$ 6,000
Capital outlay	-	-	-	10,000
Transfers	-	-	5,000	-
Miscellaneous services	12,467	20,590	26,068	-
Total Expenditures	<u>\$ 13,167</u>	<u>\$ 20,590</u>	<u>\$ 31,068</u>	<u>\$ 17,000</u>
Excess(deficiency) of revenues over expenditures	<u>(1,608)</u>	<u>(10,440)</u>	<u>(15,440)</u>	<u>(1,850)</u>
Fund balance ending	<u>38,764</u>	<u>18,082</u>	<u>23,324</u>	<u>21,474</u>
Total Funds Applied	<u>\$ 51,931</u>	<u>\$ 38,672</u>	<u>\$ 54,392</u>	<u>\$ 38,474</u>

CITY OF LUFKIN
ECONOMIC DEVELOPMENT FUND
COMPONENT UNIT
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 8,230,177	\$ 7,874,493	\$ 8,550,058	\$ 8,153,933
Revenues				
Sales tax	1,206,375	1,182,530	1,198,508	1,188,260
Rental revenue	70,929	298,479	298,479	298,479
Salary Reimbursements	5,000	0	-	-
Other revenue	(2,853)	-	200	-
Interest income	17,489	9,000	15,000	16,000
Total Revenues	1,296,940	1,490,009	1,512,187	1,502,739
Total Funds Available	\$ 9,527,117	\$ 9,364,502	\$ 10,062,245	\$ 9,656,672
Expenditures				
Personnel services	\$ 74,465	\$ 56,789	\$ 53,810	\$ 211,726
Supplies	6,748	14,750	9,750	10,440
Capital Outlay	-	-	235,184	-
Miscellaneous services	185,710	184,345	234,705	242,635
Sundry charges	32,700	30,510	30,510	19,000
General and Administrative				15,330
Specialized activity	632,000	564,000	664,000	738,000
Debt Service	45,436	185,478	185,478	185,479
Transfers	-	174,875	494,875	-
Total Expenditures	977,059	1,210,747	1,908,312	1,422,610
Excess(deficiency) of revenues over expenditures	319,881	279,262	(396,125)	80,129
Fund balance ending	8,550,058	8,153,755	8,153,933	8,234,062
Total Funds Applied	\$ 9,527,117	\$ 9,364,502	\$ 10,062,245	\$ 9,656,672

CITY OF LUFKIN
LUFKIN CONVENTION & VISITOR BUREAU
COMPONENT UNIT
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 214,914	\$ 123,250	\$ 269,213	\$ 243,989
Revenues				
Contribution from Hotel/Motel T	387,451	367,500	399,000	399,000
Souvenir Sales	190	150	210	150
Corks & Forks Event	5,684	6,000	7,300	6,500
Lufkin's Bistro	28,390	15,000	21,953	20,000
Yule Love Lufkin Christmas	22,522	25,000	4,080	-
Farm Feast Event	12,989	3,000	2,613	5,000
Other revenue	5,001	-	3,300	2,950
General Fund	-	-	-	78,580
Interest income	2,387	500	1,200	1,200
Total Revenues	464,614	417,150	439,656	513,380
Total Funds Available	\$ 679,528	\$ 540,400	\$ 708,869	\$ 757,369
Expenditures				
Personnel services	\$ 152,911	\$ 156,354	\$ 156,400	\$ 243,215
Supplies	4,924	8,250	6,050	7,756
Miscellaneous services	251,150	313,100	300,650	342,685
General and Administrative	1,330	1,780	1,780	2,690
Sundry charges	-	-	-	950
Total Expenditures	410,315	479,484	464,880	597,296
Excess(deficiency) of revenues over expenditures	54,299	(62,334)	(25,224)	(83,916)
Fund balance ending	\$ 269,213	\$ 60,916	\$ 243,989	\$ 160,073
Total Funds Applied	\$ 679,528	\$ 540,400	\$ 708,869	\$ 757,369

CITY OF LUFKIN
DEBT SERVICE FUND
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 1,811,937	\$ 1,268,478	\$ 1,406,542	\$ 1,806,925
Revenues				
Current year collections	2,987,208	3,052,312	3,049,812	3,032,773
Interest income	18,183	8,000	11,000	10,000
Other-Transfer from Water/Wastewater Fund	3,129,448	3,246,467	3,778,005	3,546,645
Other-Transfer from Solid Waste/Recycling Fund	55,000	58,400	58,400	56,200
Other Revenue	13,447	-	-	-
Other financing sources-proceeds	9,871,035	-	-	-
Total Revenues	16,074,321	6,365,179	6,897,217	6,645,618
Total Funds Available	\$ 17,886,258	\$ 7,633,657	\$ 8,303,759	\$ 8,452,543
Expenditures				
Principal payments	\$ 4,535,000	\$ 4,695,000	\$ 4,685,000	\$ 5,020,000
Interest payments	1,916,340	1,822,559	1,802,834	1,657,084
Debt service fees	135,750	9,000	9,000	6,350
Other Financing Uses	9,892,626	-	-	-
Total Expenditures	16,479,716	6,526,559	6,496,834	6,683,434
Excess(deficiency) of revenues over expenditures	(405,395)	(161,380)	400,383	(37,816)
Fund balance ending	1,406,542	1,107,098	1,806,925	1,769,109
Total Funds Applied	\$ 17,886,258	\$ 7,633,657	\$ 8,303,759	\$ 8,452,543

CITY OF LUFKIN
EQUIPMENT ACQUISITION AND REPLACEMENT FUND
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Working Capital	\$ 994,672	\$ 608,001	\$ 784,824	\$ 1,370,449
Revenues				
Interest income	11,492	3,500	5,000	6,000
Miscellaneous income	104,402	-	-	-
Equipment replacement charge-General Fund	748,979	773,278	773,278	823,051
Equipment replacement charge-Water/Wastewater	248,745	246,967	246,967	133,716
Equipment replacement charge-Solid Waste	789,563	791,031	791,031	628,418
Total Revenues	1,903,181	1,814,776	1,816,276	1,591,185
Total Funds Available	\$ 2,897,853	\$ 2,422,777	\$ 2,601,100	\$ 2,961,634
Expenditures				
Police	\$ 384,884	\$ 58,000	\$ 67,130	\$ 428,500
Fire	195,102	189,250	166,800	216,000
Inspections	-	-	-	15,750
Animal Control	22,841	-	-	18,500
Engineering	20,290	-	-	-
Parks	111,842	42,306	43,254	88,698
Zoo	5,712	-	-	-
Streets	466,904	433,015	531,293	44,344
Solid waste disposal	-	230,000	266,878	616,198
Recycling	94,654	-	-	-
Utility collections	20,290	15,045	15,045	-
Water distribution	-	102,800	117,182	-
Wastewater treatment	27,897	-	-	216,377
Water production	-	-	-	-
Sewer collection	-	23,069	23,069	-
Water/Sewer Utilities	752,198	-	-	286,996
Non Departmental	10,415	-	-	-
Total Expenditures	2,113,029	1,093,485	1,230,651	1,931,363
Excess(deficiency) of revenues over expenditures	(209,848)	721,291	585,625	(340,178)
Ending Working Capital	784,824	1,329,292	1,370,449	1,030,271
Total Funds Applied	\$ 2,897,853	\$ 2,422,777	\$ 2,601,100	\$ 2,961,634
Expenditures				
Supplies	\$ -	\$ 25,000	\$ 25,000	\$ 120,000
Miscellaneous services	10,415	-	-	-
Capital Outlay	2,102,614	1,068,485	1,205,651	1,811,363
Total expenditures	2,113,029	1,093,485	1,230,651	1,931,363
Total Fund Applied	\$ 2,897,853	\$ 2,422,777	\$ 2,601,100	\$ 2,961,634



Fiscal Year
2018



GENERAL FUND

The General Fund is the operating fund of the City and accounts for all revenues and expenditures not accounted for in other funds. It accounts for a wide variety of revenues and finances a broad range of governmental services. Primarily ad valorem taxes, general sales taxes, franchise taxes, charges for services, and other miscellaneous revenues support the General Fund. General Fund expenditures support major governmental functions and include General Government and Administrative Services, Public Safety, Public Works, Community Development, and Cultural and Recreational Services. The City of Lufkin strives to maintain the highest levels of service at the least possible cost to its citizens. Service levels are maintained through sound decision-making practices. This provides for the allocation of funds in the best possible manner.

The budget basis of the General Fund and general government type funds is prepared on a modified accrual basis. Briefly this means that obligations of the City are budgeted as expenditures, but revenues are recognized when they become available and measurable.

The following section provides an overview of each department within the General Fund. Here, departmental expenditures, mission statements, descriptions of services, Fiscal 2018 work programs, performance measures, personnel summaries, and division breakdowns, can be found. By reading this information, one should better understand the responsibilities of each department, the department's goals for Fiscal 2018, and the extent to which each department is meeting those goals. A line item breakdown of all departmental expenditures can be obtained by contacting the City of Lufkin Finance Department.

General Government Departments include the following:

- **General Government**
- **City Administration**
- **Finance**
- **Legal**
- **Tax**
- **Human Resources**
- **Building Services**
- **Information Technology**



GENERAL FUND

MISSION

The mission of the City Council is to provide effective, efficient and responsive local government through the establishment of policies reflecting community needs and goals. Simply put "to meet the needs of the citizens".

DESCRIPTION OF SERVICES PROVIDED

The department of General Government includes the City Council and City Secretary. The City Secretary provides the following services:

- Maintaining minutes of City Council meetings and records of the City
- Preparing Council Agenda Packets
- Issuing licenses and permits for alcohol sales and vendors

The City Council consists of a mayor, elected at-large and six council members, each representing a separate Ward. The Council meets twice a month to address issues brought before it regarding policies and governance. The Council provides policy direction to the City Manager and staff in the delivery of services to the citizens of Lufkin.

2018 WORK PROGRAM

The Lufkin City Council has established goals and objectives to provide consistent and high quality services to the citizens and businesses in Lufkin. This includes the implementation of the next phase of the Capital Improvement Program. The City Secretary's office will continue to provide services to both Administration and City Council as well as complete projects to include the electronic storage and preservation of the City's records.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of City Council Agenda Packets Prepared	648	650	650
Number of City Council Packets prepared & distributed by Friday deadline	648	650	650
% of City Council Packets prepared & distributed on Friday before meeting	100%	100%	100%
Number of Vendor Permits issued	25	28	30
Number of Vendor licenses with errors	0	0	0
Percentage of correctly issued vendor licenses	100%	100%	100%

FUND	General	DEPARTMENT			General Government
EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget	
Personnel Services	97,450	96,276	99,255	99,470	
Benefits	35,132	38,603	39,333	39,336	
Supplies	17,400	27,535	25,535	20,350	
Miscellaneous Services	73,795	99,315	91,747	97,255	
Sundry Charges	106,432	112,970	114,970	112,970	
TOTAL	330,209	374,699	370,840	369,381	

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget	
City Secretary	1	1	1	1	
Executive Secretary	1	1	1	1	
FULL TIME	2	2	2	2	
PART TIME	0	0	0	0	
TOTAL	2	2	2	2	
SIGNIFICANT CHANGES					

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

General Government / City Council

GENERAL FUND

DIVISION: City Council

DIVISION DESCRIPTION

- The City Council, consisting of a Mayor and six Council members, serves as the legislative and policy-making body of the City.
- The City Council meets twice per month in regular session to address issues brought before it.
- The Council passes all ordinances, approves major expenditure items and adopts the City of Lufkin's Annual Budget, which includes the Capital Improvement Program.



Council Chambers at City Hall

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	14,714	25,235	23,735	18,300
Miscellaneous Services	65,785	90,040	82,290	87,440
Sundry Charges	106,432	112,970	114,970	112,970
TOTAL	186,931	228,245	220,995	218,710

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions within this division				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

General Government / City Secretary

GENERAL FUND

DIVISION: City Secretary

licenses to all taxicab operations occurring within the City of Lufkin. The City receives two percent (2%) of all gross receipts from the operation of all limousines or taxicabs in the City of Lufkin.

DIVISION DESCRIPTION

- The City Secretary's office is responsible for providing service to the City Council, maintaining the minutes of City Council meetings and records of the City, preparing council agenda packets, and issuing licenses and permits to vendors.
- The City Secretary is the Records Retention Officer for the City of Lufkin.
- The City Secretary is the Election Administrator for the City of Lufkin and is responsible for supervising and conducting all City elections.
- The City Secretary is responsible for issuing
- The City Secretary receives monies for the license, application and processing of alcohol sales in the City of Lufkin.
- The City Secretary issues and maintains titles for all vehicles in the City of Lufkin fleet.
- The City Secretary maintains all contract and agreements for the City of Lufkin, including franchise agreements.
- The City Secretary accepts all payments of franchise fees to the City of Lufkin.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	97,450	96,276	99,255	99,470
Benefits	35,132	38,603	39,333	39,336
Supplies	2,686	2,300	1,800	2,050
Miscellaneous Services	8,010	9,275	9,457	9,815
TOTAL	143,278	146,454	149,845	150,671
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
City Secretary	1	1	1	1
Executive Secretary	1	1	1	1
FULL TIME	2	2	2	2
PART TIME	0	0	0	0
TOTAL	2	2	2	2

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

City Administration

GENERAL FUND

MISSION

The mission of the City Administration's Office is to administer the policies and directives established by the City Council, through efficient, effective management of the organization, and to uphold the organizational values stated in the mission statement.

DESCRIPTION OF SERVICES PROVIDED

- City Administration includes the City Manager who is appointed by the City Council and is the executive officer of the City as well as the Assistant City Manager.
- The Manager provides overall management of the City organization and is responsible for implementing the policies and goals established by the City Council.
- The City Administration's responsibilities include planning, organizing and overseeing all city operations and advising Council on the city's current and future needs.

WORK PROGRAM

- In Fiscal 2018, the City Manager will work in conjunction with the City Council to continue a Capital Improvement Plan for the City of Lufkin and master plan for Ellen Trout Zoo.
- In addition, the City Manager will provide continuous oversight of the City operations to maintain financial stability during the current economic climate.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of citizen complaints	380	375	245
Number of citizen complaints responded to within two business days	342	350	230
Respond to citizen complaints and requests within two business days 90% of time	90%	90%	90%
Number of semi-monthly project status reports and council updates completed	24	24	24
Number of council meetings held	24	24	24
Prepare agenda for Council meetings within required time-line 100% of time	100%	100%	100%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	363,542	371,926	376,479	378,078
Benefits	103,649	107,254	108,272	108,340
Supplies	11,172	14,560	13,380	13,560
Miscellaneous Services	25,512	34,175	32,810	32,310
Sundry Charges	0	500	500	500
TOTAL	503,875	528,415	531,441	532,788
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
City Manager	1	1	1	1
Deputy City Manager	1	1	1	1
Assistant to the City Manager	0	0	0	1
Executive Secretary	1	1	1	1
FULL TIME	3	3	3	4
PART TIME	0	0	0	0
TOTAL	3	3	3	4
SIGNIFICANT CHANGES				
FY2018– Assistant City Manager title was changed to Deputy City Manager. Assistant to the City Manager position added.				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Finance Department

GENERAL FUND

MISSION

The mission of the Finance Department is to assist our customers in solving their issues and concerns, while providing accurate and timely recording of financial transactions for the City in accordance with Generally Accepted Accounting Principles and to review and improve the efficiency and effectiveness of the City's financial practices.

DESCRIPTION OF SERVICES PROVIDED

- Pay vendors for goods and services provided to the City
- Invoice customers for goods or services provided by the City (excluding Utility)
- Establish and maintain banking relationships
- Process Bi-weekly payroll
- Coordinate the City's annual audit and produce the City's Comprehensive Annual Financial Report
- Manage the City's Investment Policy.
- Assist departments with executing their financial duties as needed

- Provide training on new procedures, new systems and to new employees as requested
- Assist departments receiving grants with financial reporting requirements
- Coordinate preparation of the Annual Operating Budget and provide support to the Capital Improvement Program development and maintenance

WORK PROGRAM

- Make further revisions to the City's Budget Document format in fiscal year 2018.
- Complete the fiscal year 2017 audit and prepare the Comprehensive Annual Financial Report within the required time frame.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of Vendor Payments processed annually	7,927	8,625	8,500
Number of vendor invoices processed within 2 days of receipt	16,850	17,273	17,010
Process approved vendor payments within two business days of receipt 90% of time.	100%	100%	100%
Number of monthly operating and capital project financial statements completed	24	24	24
Number of monthly financial reports completed by the 6th work day of the month	24	24	24
Prepare monthly financial statements by 8th working day of month 90% of the time	100%	100%	100%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	385,814	392,330	391,186	392,240
Benefits	168,685	172,564	173,881	166,436
Supplies	29,127	35,100	34,600	34,600
Maintenance of Equipment	25,954	27,455	27,455	27,455
Miscellaneous Services	144,891	163,185	163,198	161,630
Capital Outlay	-	-	-	-
Sundry Charges	239	-	-	-
TOTAL	754,710	790,634	790,320	782,361
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Director of Finance	1	1	1	1
Accountant-Senior	1	1	1	1
Accounts Supervisor	1	1	1	1
Accounting Technician-Entry	1	1	1	1
Accounting Technician-Adv	2	2	2	2
Accounting Journeyman 1	1	1	1	1
Accounting Tech Adv-EMS	2	2	2	2
Accounting Tech Entry-EMS	1	1	1	1
FULL TIME	10	10	10	10
PART TIME	0	0	0	0
TOTAL	10	10	10	10
SIGNIFICANT CHANGES				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Finance Department

GENERAL FUND

DIVISION: Finance

DIVISION DESCRIPTION

- Conducts the financial business of the City including Accounts Payable, Accounts Receivable, Grant management, and maintain Fixed Assets.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	303,340	304,125	310,067	310,844
Benefits	126,138	127,982	130,665	130,678
Supplies	16,619	20,400	20,400	20,400
Maintenance of Equipment	4,474	5,975	5,975	5,975
Miscellaneous Services	124,551	140,080	140,080	137,930
Sundry Charges	239	-	-	-
TOTAL	575,361	598,562	607,187	605,827
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Director of Finance	1	1	1	1
Accountant-Senior	1	1	1	1
Accounts Supervisor	1	1	1	1
Accounting Technician-Entry	1	1	1	1
Accounting Technician-Adv	2	2	2	2
Accounting Tech Journeyman	1	1	1	1
FULL TIME	7	7	7	7
PART TIME	0	0	0	0
TOTAL	7	7	7	7

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Finance Department

GENERAL FUND

DIVISION: EMS Billing

DIVISION DESCRIPTION

- Responsible for billing for the utilization of the City's EMS service within the City and the county. Filing patient insurance and collection of payments.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	82,474	88,205	81,119	81,396
Benefits	42,547	44,582	43,216	35,758
Supplies	12,508	14,700	14,200	14,200
Maintenance of Equipment	21,480	21,480	21,480	21,480
Miscellaneous Services	20,340	23,105	23,118	23,700
TOTAL	176,913	177,896	186,745	192,072

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Accounting Tech Adv-EMS	2	2	2	2
Accounting Tech Entry EMS	1	1	1	1
FULL TIME	3	3	3	3
PART TIME	0	0	0	0
TOTAL	3	3	3	3



GENERAL FUND

LEGAL DEPARTMENT

MISSION

The mission of the City Attorney is to be the legal adviser to the City Manager, the City Council, or any committee thereof, all official boards and commissions and all city officers and employees with respect to any legal question involving an official duty or any legal matter pertaining to the affairs of the City of Lufkin.

DESCRIPTION OF SERVICES PROVIDED

- The City Attorney oversees all legal matters of the City, ensures the efficient operation of the City's Municipal Court Prosecution Services.
- The City Attorney serves as the Police and Fire Department Legal Advisor.

- The City Attorney as the Police Legal Advisor provides legal advice and counsel to the Lufkin Police Department, and instructs its officers on every-changing laws and court rulings.

WORK PROGRAM

The City Attorney will continue to represent the city in all litigation and controversies and prosecute all cases brought before the Lufkin Municipal Court. The City Attorney will approve as to form in writing all proposed ordinances before they shall be adopted, or file with the city council, in writing, his objection thereto. The City Attorney will advise the city council, the city manager and all the departments of the City concerning new or proposed state or federal legislation, and to represent the City before all legislative bodies in matters affecting the City. The City Attorney will continue in his role as legal advisor and counselor to the Lufkin Police Department and Fire Department.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2014-2015 Actual	2015-2016 Revised	2016-2017 Budget
Number of cases litigated in Municipal Court	362	384	550
Number of city ordinances, amendments to ordinances, and resolutions prepared and / or approved	66	46	70
Respond to City departmental requests for legal advice within 2 working days after receiving the request 90% of time	100%	100%	100%
Number of civil service matters and general litigation handled.	35	40	45
Number of legal opinions and memorandums written	40	35	45
Review and approve Economic Development agreements and contracts in a timely manner 100% of the time	100%	100%	100%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	181,291	181,942	185,599	209,301
Benefits	57,971	60,100	61,850	67,598
Supplies	4,025	4,820	4,250	4,750
Miscellaneous Services	27,650	50,605	36,755	26,439
TOTAL	270,937	303,467	288,454	308,088
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Attorney	1	1	1	1
Assistant City Attorney	0	0	0	1
Legal Assistant	1	1	1	0
FULL TIME	2	2	2	2
PART TIME	0	0	0	0
TOTAL	2	2	2	2
SIGNIFICANT CHANGES				
FY2018-Legal Assistant position was eliminated. Assistant Attorney was added to Legal department positions.				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Tax Department

GENERAL FUND

TAX DEPARTMENT

This department is used solely for the purpose of accumulating costs associated with contractual services for Tax appraisal, assessment and collection.

MISSION

The mission of the Tax Department is assess and collect all ad valorem taxes payable to the City of Lufkin.

DESCRIPTION OF SERVICES PROVIDED

- The City contracts with the Angelina County Appraisal District and the County Tax Office to assess, bill and collect its ad valorem taxes.
- As the County Tax Office collects tax payments, the payments are wire transferred to the City's depository bank.

WORK PROGRAM

FUND **General** DEPARTMENT **Tax**

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Miscellaneous Services	197,426	198,800	211,676	221,370
TOTAL	197,426	198,800	211,676	221,370
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this department.				
FULL TIME				
PART TIME				
TOTAL				



GENERAL FUND

MISSION

The City of Lufkin Human Resources Department administers employee benefits and provides personnel support to the various city departments in order to hire and maintain a quality workforce to serve the citizens of Lufkin.

DESCRIPTION OF SERVICES PROVIDED

- The Human Resources Department provides centralized personnel services for all City of Lufkin departments.
- The department provides guidance and direction to support the Purchasing Policy to ensure that all departments operate within the guidelines set forth by the City Council.
- The HR department administers salary and wage studies, reviews and recommends changes to employee benefits and administers risk management, workers compensation, retirement, and unemployment functions.
- The HR Director is the Civil Service Director for the Civil Service employees of the City of Lufkin.

WORK PROGRAM

- The Human Resources Department will continue to screen new applications systematically in order to provide quality candidates in a timely manner in support of the City departments' work force needs.
- Employee injury claims will be reported promptly to the City's insurance carrier in order to quickly meet the medical needs of the employees and contain workers compensation costs.
- Human Resources will continue to update and provide forms on the intranet site as well as provided in the HR lobby area for convenience of the employees.
- Human Resources will continue to review the Employee Handbook to update and better inform employees and supervisors.
- Risk Management will continue to handle and track liability claims not handled by TML-IRP.
- The Fire Pension administrator will be working with PensionEZ to maintain one administrative system for Lufkin Fire Pension.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of workers compensation claims submitted to insurance carrier annually	70	65	77
Number of workers compensation claims submitted to insurance carrier annually within 2 working days of receipt	68	63	74
Workers compensation claims reported to insurance carrier within 2 working days of receipt.	97%	97%	96%
Number of applications received annually	859	700	800
Number of applications screened annually within 5 working days of receipt	859	700	800
Applications screened within 5 working days of receipt.	100%	100%	100%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	243,164	249,199	243,433	254,678
Benefits	96,782	107,060	106,206	108,822
Supplies	7,773	17,750	17,750	15,650
Miscellaneous Services	45,198	52,290	49,600	39,925
Sundry Charges	28,969	30,600	30,600	31,100
TOTAL	421,886	456,899	447,589	450,175
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Human Resources Director	1	1	1	1
Human Resources Assistant	1	1	1	1
Risk Management Assistant	1	1	1	1
Clerk Journeyman	2	2	2	2
City Hall Receptionist	0	0	1	1
FULL TIME	5	5	6	6
PART TIME	0	0	0	0
TOTAL	5	5	6	6
SIGNIFICANT CHANGES				
For Fiscal Year 2017 City Hall receptionist position was added during mid year reviews.				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Building Services

GENERAL FUND

MISSION

The mission of the Building Services Department is to maintain a clean, safe and comfortable environment for the citizens, visitors and employees of the City of Lufkin.

DESCRIPTION OF SERVICES PROVIDED

The Building Services Department performs cleaning and maintenance tasks within the various City facilities.

These tasks include:

- Cleaning offices, meeting areas, public areas, stairways, restrooms and hallways
- Emptying trash, replacing trash bags, collecting recyclable material
- Sweep, mop, buff, vacuum or clean all floors located within city hall and municipal court buildings
- Dust all furniture and fixtures as required
- Wash and disinfect all washroom floors, toilets, toilet seats, urinals and hand wash sinks
- Replenish toilet tissue, hand towels and soap as needed
- Clean all entrances and exits including glass, doors and hardware
- Keep outside areas near exits and entrance

free of debris

- Clean, wash and disinfect drinking fountains
- Wash all finger marks from walls, doors, light fixtures, hardware and glass
- Perform and/or report any maintenance repairs or issues
- Take mail to mailbox each afternoon
- Other items deemed necessary by department head

WORK PROGRAM

The fiscal year 2018 goal for the Building Services department is to continue to provide a clean, safe and healthy work environment for city employees and guests to the City of Lufkin, Texas City Hall building and the new Municipal Court building.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Total Square Feet of Municipal Buildings	68,940	68,940	68,940
Office Space Footage Cleaned daily per <u>FTE</u>	28,470	28,470	28,470
Office Space Footage Cleaned daily perm <u>PTE</u>	3,000	3,000	3,000
Supply Cost per Total Square Feet of Municipal Buildings	1.59	1.59	1.59
Total number of preventable accidents/ health issues due to unkempt conditions	0	0	0

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	56,766	57,050	58,107	58,370
Benefits	28,773	28,644	30,594	30,606
Supplies	20,403	24,100	23,600	23,600
Maintenance of Equipment	54,834	72,500	77,000	77,500
Miscellaneous Services	123,906	133,800	134,800	135,600
TOTAL	284,682	316,094	324,101	325,676
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Custodian	3	3	3	3
FULL TIME	2	2	2	2
PART TIME	1	1	1	1
TOTAL	3	3	3	3
SIGNIFICANT CHANGES				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Building Services / Building Maintenance

GENERAL FUND

DIVISION: Building Maintenance

DIVISION DESCRIPTION

The Building Maintenance department is responsible for the care and maintenance of the Lufkin City Hall building. The City Hall building includes the offices of the Mayor, City Manager, Deputy City Manager, Human Resources, Public Works, Planning, City Engineer, Finance, Information Technology, Utility Collections, Main Street, Inspection Services, Police Department, and the Municipal Court building.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	56,766	57,050	58,107	58,370
Benefits	28,773	28,644	30,594	30,606
Supplies	18,252	21,600	21,100	21,100
Maintenance of Equipment	50,178	64,500	69,000	69,500
Miscellaneous Services	123,906	133,800	134,800	135,600
TOTAL	277,875	305,594	313,601	315,176
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Custodians	3	3	3	3
FULL TIME	2	2	2	2
PART TIME	1	1	1	1
TOTAL	3	3	3	3

Fiscal Year
2018



CITY OF LUFKIN, TEXAS
Building Services / Police Building

FUND:

DEPARTMENT: Building Services

DIVISION: Police Building

DIVISION DESCRIPTION

The Police Building Division is the cost center for the care and maintenance of the Lufkin Police Southbase building.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	2,151	2,500	2,500	2,500
Maintenance of Equipment	4,656	8,000	8,000	8,000
Miscellaneous Services	-	-	-	-
TOTAL	6,807	10,500	10,000	10,500
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions authorized for this division.				
FULL TIME				
PART TIME				
TOTAL				



GENERAL FUND

MISSION

The City of Lufkin IT Department is committed to facilitating the use of information by employees and citizens through providing a computing environment that supports the decision making process.

DESCRIPTION OF SERVICES PROVIDED

- The IT Department is responsible for maintaining the City's computer systems, which include a Wide Area Network connecting 18 remote sites by wireless broadband and 3 remote sites by fiber optic cable, with over 450 workstations and more than 500 telephones connected by twisted pair cable. The system is comprised of one iSeries server, one NaviLine server, 19 Windows 2003 servers, 10 Windows 2008 servers, 18 Windows 2012 servers and 11 Linux servers.
- The department is responsible for equipment installation, network management, data fault protection, internal and Internet email services, World Wide Web services and groupware, all of which are running on internal servers. Additionally, the department is responsible for the maintenance and troubleshooting of the citywide telephone system (both desk phones and cellular phones), and advises department heads and administrators regarding cellular phone plans, equipment and usage.
- The department provides advice to users on information systems, maintains a training program to assist users to become self-sufficient, maintains a trouble desk to assist users with problems, and has a hardware repair facility capable of repairing most PC failures.
- The IT Department is responsible for maintaining the City's computer systems, which include a Wide

Area Network connecting 18 remote sites by wireless broadband and 3 remote sites by fiber optic cable, with over 450 workstations and more than 500 telephones connected by twisted pair cable. The system is comprised of one iSeries server, one NaviLine server, 19 Windows 2003 servers, 10 Windows 2008 servers, 18 Windows 2012 servers and 11 Linux servers.

- In addition, the IT Department is responsible for programming on the City's Public Access Channel (Suddenlink Channel 15), and for coordinating the installation and maintenance of the City wide public Wi-Fi network.
- The IT Department is committed to assisting the employees of the City of Lufkin with innovative information services designed to improve productivity and efficiency.

WORK PROGRAM

For the fiscal year 2018, the IT Department will concentrate on developing, testing and implementing the following initiatives: an expansion to our City Hall/Police Station building access system which will bring all code secured doors into one system; enhancements to the redundancy and failover capabilities of the wireless network; expansion of our Channel 15 broadcast capabilities, both on-air and across the Web; investigate new Web 2.0 Social Networking applications to enhance client productivity; upgrade to the latest version of SunGard Public Sector (HTE) software; make modifications to the current layout of the server room to allow for increased efficiency; add new services and features to the City's messaging systems, thereby enhancing productivity of City employees; maintenance and modifications to our physical plant to enhance the structured cabling and air conditioning system in the server room; investigate new backup software to enhance our current backup strategy and overcome some shortcomings in our existing backup software; and structured auditing of the security of our network, both physical and electronic. In addition, we will continue to upgrade NetMotion and Crimes softwares as needed to implement enhanced authentication for the Police Department in order to meet CJIS requirements.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
iSeries/NaviLine logon and resources available for 90% of customer base for greater than 90% of the day	98%	99%	99%
Local Area Network traffic exchanged within City Hall and fiber-connected remote facilities for greater than 90% of the day	98%	99%	99%
Wide Area Network traffic exchanged between City Hall and 90% of Remote Facilities for greater than 90% of each day for 100% of days	96%	98%	99%
Number of websites hosted	72	74	74
Hosted websites available for 95%+ of the day for 360+ days per year	100%	100%	100%
90% of Help Desk Tickets closed within one week of submission	85%	85%	90%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	444,471	443,289	451,983	452,697
Benefits	161,824	163,715	167,494	167,501
Supplies	176,544	89,980	88,580	82,005
Maintenance of Equipment	234,351	255,993	255,993	265,958
Miscellaneous Services	128,186	168,330	169,730	165,710
TOTAL	1,145,376	1,121,307	1,133,780	1,133,871
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Director	1	1	1	1
Systems Analyst	3	3	3	3
System Technician	1	1	1	1
System Specialist	1	1	1	1
IT Technician	1	1	1	1
FULL TIME	7	7	7	7
PART TIME	0	0	0	0
TOTAL	7	7	7	7
SIGNIFICANT CHANGES				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

PUBLIC SAFETY

Public Safety Departments include the following:

- **Police Department**
- **Fire Department**
- **Municipal Court**
- **City Marshall**
- **Inspection Services**
- **Emergency Management**
- **Animal Control**

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Police Department

GENERAL FUND

MISSION

The Lufkin Police Department is committed to the reduction of crime and the fear of crime by working with the community to preserve life and protect property, maintain human rights and promote individual responsibility. We are dedicated to safeguarding public confidence and providing a safe place for all to live, work and raise families.

DESCRIPTION OF SERVICES PROVIDED

- Protect constitutional guarantees
- Identify criminal offenders and criminal activity and, where appropriate, to apprehend offenders and participate in subsequent court proceedings
- Reduce the opportunity for the commission of some crime through preventive patrol and other measures
- Aid individuals who are in danger of physical harm
- Facilitate the movement of people and vehicles
- Assist those who cannot care for themselves
- Resolve conflict
- Identify problems that are potentially serious law enforcement or governmental problems
- Create and maintain a feeling of security in the community

- Promote and preserve civil order; and to provide other services on an emergency basis

WORK PROGRAM

The Lufkin Police Department plans to take the following steps to meet our citizen's needs and evolving expectations:

1. Training – New and inexperienced personnel require a great deal of training to be fully ready to meet the challenges they will face. A significant percentage of our personnel are new and inexperienced. One specific topic that all LPD officers will attend this year is Tactical De-escalation Techniques. This is training designed to improve an officers communication and negotiation skills with the goal of decreasing the need to engage in physical force techniques. Other, cost conscious training options will be used to bring all of our personnel up to the level needed for optimum performance.
2. Retention of Personnel – The City of Lufkin has done a tremendous job in giving us tools and options to attract and hire enough personnel to fully staff our sworn positions. We will have to remain diligent and be creative to avoid fallen behind in the area of retention. We will explore all reasonable options to make LPD a great place to stay.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Total calls for service	40,700	43,900	45,400
Comply with all applicable Texas Police Chiefs Association best practices standards to achieve recognized status	85%	85%	88%
Emergency responses under 2 minutes	58%	66%	65%
Non-emergency responses under 6 minutes	76%	80%	84%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	6,100,763	6,031,534	6,119,218	6,007,332
Benefits	2,240,171	2,085,562	2,250,729	2,228,135
Supplies	499,946	359,465	328,257	338,022
Maintenance of Equipment	133,699	161,685	189,185	167,685
Miscellaneous Services	548,658	573,101	580,501	615,208
Sundry Charges	-	1,000	1,000	1,000
Capital Outlay	-	-	-	-
TOTAL	9,523,237	9,212,347	9,468,890	9,357,382
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Police Chief	1	1	1	1
Assistant Police Chief	1	1	1	1
Administrative Assistant	1	1	1	1
Police Special Services Manager	1	1	1	1
Police Relations Specialist	1	1	1	1
Police Lieutenant	6	6	6	6
Police Sergeant	6	6	6	6
Police Corporal	6	6	6	6
Police Officer	57	57	57	57
Police Communications Supervisor	1	1	1	1
Police Communications Operator	13	13	13	13
Police Crime Scene Technician	3	3	3	3
Clerk-Journeyman	2	2	2	2
Clerk Apprentice	0	0	1	1
Terminal Agency Coordinator	1	1	1	1
Police GEO Base Manager	1	1	0	0
FULL TIME	100	100	100	100
PART TIME	1	1	1	1
TOTAL	101	101	101	101
FY2016: Police Lieutenant position hired as a Patrol Officer. Two Police Sergeant positions hired as a Patrol officer. Added one Police officer positions. Added a Public relations Specialist. Added one Part-Time Communication Operator. FY 2017: Midyear position changes-Police GEO Base Manager position closed. Opened Clerk Apprentice position. FY 2018: No anticipated significant changes.				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Police Department / Administration

GENERAL FUND

DIVISION: Administration

DIVISION DESCRIPTION

The Administration Division is charged with the organization, direction, and control of all resources of the City of Lufkin Police Department.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	345,643	346,998	373,093	345,701
Benefits	121,836	121,318	128,518	122,365
Supplies	141,166	39,315	37,275	34,040
Maintenance of Equipment	73,070	94,185	88,185	86,685
Miscellaneous Services	181,796	167,075	174,475	184,480
Sundry Charges	-	1,000	1,000	1,000
Capital Outlay	-	-	-	-
TOTAL	863,511	769,891	802,546	774,271
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Police Chief	1	1	1	1
Assistant Police Chief	1	1	1	1
Administrative Assistant	1	1	1	1
Public Relations Specialist	1	1	1	1
Police Special Services Manager	1	1	1	1
FULL TIME	5	5	5	5
PART TIME	0	0	0	0
TOTAL	5	5	5	5

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Police Department / Patrol

GENERAL FUND

DIVISION: Patrol

DIVISION DESCRIPTION

The primary responsibility of the Patrol Division is the protection of the lives and property of the citizens of Lufkin and the safe, orderly flow of traffic.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	3,611,374	3,435,017	3,501,064	3,434,299
Benefits	1,303,337	1,192,882	1,289,526	1,278,826
Supplies	283,477	269,700	245,532	255,532
Maintenance of Equipment	42,947	42,000	75,500	55,500
Miscellaneous Services	275,190	288,355	288,355	303,500
Sundry	-	-	-	-
TOTAL	5,516,325	5,227,954	5,399,977	5,327,657

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Police Lieutenant	4	4	4	4
Police Sergeant	4	4	4	4
Police Corporal	4	4	4	4
Police Officer—Patrol	44	44	44	44
FULL TIME	56	56	56	56
PART TIME	0	0	0	0
TOTAL	56	56	56	56

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Police Department / Communication

GENERAL FUND

DIVISION: Communication

DIVISION DESCRIPTION

The Communications Division's primary function is to receive calls for service and relay that information to the proper Police and Fire personnel.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	649,112	691,765	706,571	709,291
Benefits	260,640	255,738	267,327	267,020
Supplies	22,716	8,750	8,750	8,750
Maintenance of Equipment	8,273	17,500	17,500	17,500
Miscellaneous Services	1,554	5,500	5,500	5,500
Capital Outlay	-	-	-	-
TOTAL	942,295	979,253	1,005,648	1,008,061

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Police Lieutenant	1	1	1	1
Police Communications Supervisor	1	1	1	1
Police Communications Operator	13	13	13	13
FULL TIME	14	14	14	14
PART TIME	1	1	1	1
TOTAL	15	15	15	15

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Police Department / CID & Narcotics

GENERAL FUND

DIVISION: CID & Narcotics

DIVISION DESCRIPTION

The CID and Narcotics Division is responsible for the follow up investigation of criminal offenses and the investigation into illegal narcotic transactions.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	1,383,821	1,447,868	1,437,676	1,415,231
Benefits	505,794	467,139	518,373	512,978
Supplies	52,121	41,200	36,200	39,200
Maintenance of Equipment	9,409	8,000	8,000	8,000
Miscellaneous Services	81,359	102,471	102,471	112,028
TOTAL	2,032,504	2,066,678	2,102,720	2,087,437

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Police Lieutenant	1	1	1	1
Police Sergeant	2	2	2	2
Police Corporal	2	2	2	2
Police Officer—Investigators	13	13	13	13
Police Crime Scene Investigator	3	3	3	3
Clerk-Journeyman	1	1	1	1
Property Room Clerk	0	0	0	0
FULL TIME	22	22	22	22
PART TIME	0	0	0	0
TOTAL	22	22	22	22

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Police Department / Support Services

GENERAL FUND

DIVISION: Support Services

DIVISION DESCRIPTION

The Support Services division includes records retention and geo-base services.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	110,813	109,886	100,814	102,810
Benefits	48,564	48,485	46,985	46,946
Supplies	466	500	500	500
Miscellaneous Services	8,759	9,700	9,700	9,700
TOTAL	162,369	164,556	165,827	168,571

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Clerk Journeyman	1	1	1	1
Clerk Apprentice	0	0	1	1
Terminal Agency Coordinator	1	1	1	1
Police GEO Base Manager	1	1	0	0
FULL TIME	3	3	3	3
PART TIME	0	0	0	0
TOTAL	3	3	3	3

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Fire Department

GENERAL FUND

MISSION

The mission of the Lufkin Fire Department is to protect lives and property through a variety of public safety services under the direction of the City of Lufkin.

DESCRIPTION OF SERVICES PROVIDED

The Lufkin Fire Department provides all hazards response and mitigation services to the community through:

- Risk reduction analysis and planning
- Public awareness and education campaigns
- Fire suppression
- Emergency medical response
- Technical rescue
- Hazardous materials response
- Plans review
- Fire and life safety code enforcement
- Fire investigation activities

WORK PROGRAM

The Lufkin Fire Department will strive to meet the following goals during the 2017-18 budget year:

Develop fire and injury prevention strategies to

reduce morbidity and mortality in the community based on statistical review and analysis of root cause. Increase inspections, and training to comply with our ISO 2 rating. Enhance disaster readiness through network development and training. Continue succession planning and education.



Aerial Platform Truck purchased with Grant Funds

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Total Number of EMS Responses	8,500	8,438	9,402
Total Number of Fire Responses	3855	3923	3874
Respond to emergency incidents within the City of Lufkin within 5 minutes 90% of the time.	75%	80%	85%
Total Number of Structure Fires	68	62	45
Total Number of Structure Fire related Deaths	1	0	0
Strive to ensure that there are 0 civilian deaths due to structure fires within the City of Lufkin 100% of the time.	100%	100%	100%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	5,224,337	5,115,352	5,227,611	5,161,667
Benefits	1,833,084	1,663,068	1,857,663	1,856,096
Supplies	370,019	394,175	417,638	403,150
Maintenance of Equipment	221,038	128,165	211,026	206,664
Miscellaneous Services	368,061	382,067	365,670	420,865
Sundry Charges	27	100	100	100
Capital Outlay	13,187	-	-	-
TOTAL	8,062,753	7,682,927	8,079,708	8,048,542
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Fire Chief	1	1	1	1
Assistant Fire Chief	1	1	1	1
Clerk –Senior Level	1	1	1	1
Maintenance Worker	1	0	0	0
Battalion Chief	5	5	5	5
Captain	18	18	18	18
Lieutenant	15	15	15	15
Firefighters	39	39	39	39
FULL TIME	81	80	80	80
PART TIME	0	0	0	0
TOTAL	81	80	80	80
SIGNIFICANT CHANGES				
FY2016- Maintenance Worker salary expenditure is paid out of Water/Sewer Department.				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Fire Department / Fire Administration

GENERAL FUND

DIVISION: Fire Administration

DIVISION DESCRIPTION

The Fire Administration Division provides overall management and direction for the department, develops policies and procedures for operations, and coordinates training. Fire Administration also provides quality assurance review for all EMS calls, and procures all medical supplies, bunker gear, fire and rescue equipment, and hazardous material mitigation supplies and special operations equipment.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	474,190	449,842	455,732	457,382
Benefits	166,445	146,598	153,035	153,231
Supplies	15,468	19,600	16,808	18,790
Maintenance of Equipment	26,950	5,100	20,311	12,599
Miscellaneous Services	121,519	122,335	122,535	124,344
Capital Outlay	13,187	-	-	-
TOTAL	817,759	743,475	768,421	766,346

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Fire Chief	1	1	1	1
Assistant Fire Chief	1	1	1	1
Administrative Assistant	1	1	1	1
Maintenance Worker	1	0	0	0
Battalion Chief	1	1	1	1
Captains	2	2	2	2
FULL TIME	7	6	6	6
PART TIME	0	0	0	0
TOTAL	7	6	6	6

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Fire Department / Fire Services

GENERAL FUND

DIVISION: Fire Services

DIVISION DESCRIPTION

The Fire Services Division responds to emergency incidents within the City of Lufkin including fires, hazardous material incidents, and technical rescues, assists the Fire Prevention Division in pre-fire planning of commercial buildings, and provides Advance Life Support EMS support to the City of Lufkin as well as ALS EMS/technical rescue to Angelina County. In addition, the Fire Services Division also offers public education through station tours, school demonstrations, and civic group presentations. The Fire Services Division also performs EMS standby for certain events upon request.



EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	4,609,121	4,489,883	4,613,230	4,541,851
Benefits	1,650,568	1,466,690	1,651,389	1,648,741
Supplies	342,221	365,335	391,790	373,740
Maintenance of Equipment	193,300	119,240	186,890	190,490
Miscellaneous Services	237,996	252,001	238,986	290,986
Capital Outlay	-	-	-	-
TOTAL	7,033,206	6,693,449	7,082,285	7,045,808
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Battalion Chief	3	3	3	3
Captain	15	15	15	15
Lieutenant	15	15	15	15
Firefighter	39	39	39	39
FULL TIME	72	72	72	72
PART TIME	0	0	0	0
TOTAL	72	72	72	72

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Fire Department / Fire Prevention

GENERAL FUND

DIVISION: Fire Prevention

DIVISION DESCRIPTION

The Fire Prevention Division is responsible for the inspection of commercial structures for fire and life safety matters; plan review for commercial building, fire sprinkler, and fire alarm permit applications; investigation of fires to determine the cause and origin; collection and presentation of evidence for the prosecution of arson cases; maintain the state fire reporting system; provide training and materials for fire prevention education; assist

with public relations; and enforce the Smoking Pollution Control Ordinance.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	141,026	175,627	158,649	162,434
Benefits	49,07	49,480	53,239	54,124
Supplies	12,330	9,240	9,040	10,620
Maintenance of Equipment	788	3,825	3,825	3,575
Miscellaneous Services	8,546	7,731	4,149	5,535
Sundry Charges	27	100	100	100
TOTAL	211,788	246,003	229,002	236,388
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Battalion Chief—Fire Marshall	1	1	1	1
Captain—Fire Inspector	1	1	1	1
FULL TIME	2	2	2	2
PART TIME	0	0	0	0
TOTAL	2	2	2	2

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Municipal Court

GENERAL FUND

MISSION

The mission of the Municipal Court is to apply facts and laws to each complaint in the manner that is both uniform and fair, in order to meet the needs of the citizens of Lufkin.

The Municipal Court will continue to work with Linebarger Goggan Blair & Sampson LLP Services on collection cases. Municipal Court will also continue participating in the Omni program and will conduct annual warrant sweeps to hold defendants accountable for their actions.

DESCRIPTION OF SERVICES PROVIDED

- The Municipal Court provides a service to the public that is part of the criminal justice system, which deters unacceptable and illegal conduct, while ensuring that each individual is treated with courtesy and dignity, and is informed of his/her obligations and options under the law.
- Municipal Court is responsible for processing all complaints with diligence and efficiency so that all laws are enforced uniformly.
- The Court is responsible for maintaining accurate records regarding complaints filed and funds received.
- Municipal Court is responsible for maintaining records for criminal justice purposes and preparing monthly reports for the State of Texas and the City of Lufkin.

WORK PROGRAM

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of Citations Filed	7,052	7,500	8,000
Number of Citations Deferred	798	850	850
% of Citations Deferred	11%	11%	11%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	282,098	233,629	235,703	232,616
Benefits	118,839	102,163	104,515	103,846
Supplies	16,252	19,959	19,580	16,670
Maintenance of Equipment	211	-	-	-
Miscellaneous Services	67,194	71,569	82,569	82,175
TOTAL	484,594	427,320	442,367	435,307
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Municipal Court Judge	1	1	1	1
Municipal Court Administrator	1	1	1	1
Court Clerk Deputy	4	4	4	4
City Marshall	1	0	0	0
Warrant Officer (Part time)	1	0	0	0
FULL TIME	7	6	6	6
PART TIME	1	0	0	0
TOTAL	8	6	6	6
SIGNIFICANT CHANGES				
FY 2016-City Marshall and Warrant Officer (part time) were moved to City Marshall department in the General Fund.				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

City Marshal

GENERAL FUND

MISSION

The mission of the Lufkin City Marshal's Office is to conduct a professional law enforcement agency that is fair and equal to all people. To maintain security for the Lufkin Municipal Court and to serve and protect the citizens of Lufkin and Angelina County.
To have a positive atmosphere for the citizens we come in contact with on a daily basis.

WORK PROGRAM

The Lufkin City Marshal's office will continue to provide safety and security for the City's Municipal Court and the citizens of Lufkin and Angelina. The Marshal's office will also continue to operate all areas of the Red-light Safety program and continue to serve the cities warrants and to serve and protect the people with fair and equal justice.

DESCRIPTION OF SERVICES PROVIDED

- The Marshal's office is to provide a safe and secure court.
- To continuously serve the cities class C warrants..
- To manage and operate the ATS red-light camera systems.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of Warrants Issued	8,418	9,000	9,000
Number of Warrant Sweeps per year	1	1	1
Number of Warrants Resolved during warrant sweep periods	829	858	900

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	448	53,407	53,005	53,043
Benefits	84	21,009	20,392	20,376
Supplies	-	9,427	8,805	9,405
Maintenance of Equipment	-	-	-	-
Miscellaneous Services	-	3,536	3,536	3,520
TOTAL	532	87,679	86,038	86,644
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
City Marshall	0	1	1	1
Warrant Officer (Part time)	0	1	1	1
FULL TIME	0	1	1	1
PART TIME	0	1	1	1
TOTAL	0	2	2	2
SIGNIFICANT CHANGES				
FY 2016-New department for City Marshall and Warrant Officer (part time).				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Inspection Services

GENERAL FUND

MISSION

The mission of Inspection Services Department is to enhance and protect the public health, safety, and welfare through the review, inspection, and enforcement of City and State Codes as they relate to public improvements with, building, fire and code enforcement.

building codes, communicating local ordinance requirements to customers, educating and training the public as well as contractors. Inspection Services also provides interpretive support to the construction industry regarding methods and materials of construction and their compliance with the building codes.

DESCRIPTION OF SERVICES PROVIDED

The Inspection Services Department consists of three areas of responsibility. The major areas of consideration are building, fire, and administration of related codes.

- The Building Code Division's duties include reviewing new and renovated projects for compliance with State and local building, plumbing, mechanical, gas and electrical codes.
- Fire Code responsibilities include inspecting for compliance of national as well as local adopted ordinances, inspecting buildings and housings, and enforcing fire code complaints.
- Building Code enforcement responsibilities include administering departmental policies, ordinances and codes, accepting and processing all building permit requests, responding to customer inquiries regarding

WORK PROGRAM

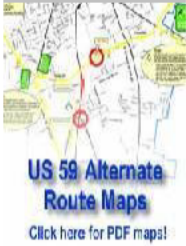
The Department's primary goals are to seek and understand the concerns of the citizens of Lufkin, to establish reasonable timelines, and to provide the quality and professionalism that is essential to ensuring a safe built environment. In addition to simultaneously minimizing bureaucratic barriers to residents and businesses. The Department will continue striving to meet citizens expectations of excellence by reducing plan review times while maintaining a high level of compliance. Code Enforcement will continue taking an aggressive stance in requiring sub-standard structures be removed or repaired throughout the City according to local laws and ordinances.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Total Number Construction Plans Reviewed	511	481	496
Total Number of Construction Plans Reviewed in 3 Business Days or Less	418	413	472
Review Construction Plans Within 3 Business Days 95% of Time	82%	90%	95%
Total Number of Code Enforcement Complaints	1,865	1,608	1,737
Total Number of Code Enforcement Complaints Investigated Within 8 Hours of Call	1,772	1,528	1,702
Investigate Complaints Within 8 Hours of Call 95% of the Time	97%	98%	98%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	338,339	338,759	345,280	346,177
Benefits	142,083	142,201	144,622	144,497
Supplies	17,478	20,950	17,730	16,860
Maintenance of Equipment	1,007	1,500	1,000	1,500
Miscellaneous Services	44,456	50,832	49,715	44,722
TOTAL	543,363	554,242	558,347	553,756
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Inspection Services Director	1	1	1	1
Clerk-Journeyman	1	1	1	1
Plan Reviewer	1	1	1	1
Building Inspector	2	2	2	2
Code Enforcement Officer	3	3	3	3
FULL TIME	8	8	8	8
PART TIME	0	0	0	0
TOTAL	8	8	8	8
SIGNIFICANT CHANGES				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Emergency Management

GENERAL FUND

MISSION

To protect the citizens of the City of Lufkin and provide continuity of government in time of disaster.

DESCRIPTION OF SERVICES PROVIDED

- Overall operation and control of city departments in responding to natural or man made disasters.
- Oversight of operation of Emergency Operations Center for City of Lufkin. Coordinate emergency operations with Angelina County.

WORK PROGRAM

The Emergency Management Department is readily available to plan and operate public shelter facilities for evacuees as needed. The department is also continuing to improve public awareness of potential disasters that may affect citizens of Lufkin in a timely manner.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Complete statewide Hurricane preparedness exercise	1	1	1
Develop pandemic virus response	1	1	1
Complete WEB EOC Training	1	1	1
Attend Management Training Regional Meetings	2	2	2

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	2,570	1,320	1,320	1,320
Miscellaneous Services	42,673	49,300	51,675	48,535
TOTAL	45,243	50,620	52,995	49,855
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no authorized positions for this department				
FULL TIME				
PART TIME				
TOTAL				
SIGNIFICANT CHANGES				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Animal Control

GENERAL FUND

MISSION

The mission of the Lufkin Animal Control Department is to protect the health and safety of our residents through the prevention of rabies, enforcement of state and local animal related laws, and promotion of responsible pet ownership. The objective of every Animal Control employee is to provide outstanding service to the public and to protect animals and promote their humane treatment.

DESCRIPTION OF SERVICES PROVIDED

- Enforce local animal related ordinances through education, warnings, and citations.
- Promote responsible pet ownership through educational programs with local schools and community groups.
- Provide the community with adoption services for unclaimed and unwanted animals utilizing all forms of media to promote our animals.
- Co-operation with the Animal Rescue and Animal Welfare organizations to re-home unwanted pets.
- Manage the Kurth Memorial Animal Shelter meeting state standards and providing care for approximately 8,000 animals a year.
- Release domesticated animals and pets to owners whenever possible and appropriate.
- Relieve pain and suffering of animals.
- Animal Control officers respond to a variety of animal related situations from livestock to domestic animals.

Animal Control will provide quick and efficient response to all requests for service by citizens. Provide education programs to community groups and schools on bite prevention, rabies awareness and responsible pet ownership. Shelter staff will focus on delivering the best and most humane care possible for all animals that enter the shelter while providing excellent customer services to the public. Work with volunteers to operate adoption events and other special events to promote our animals an re-home as many as possible.



Animal Control Facility in Lufkin, Texas

WORK PROGRAM

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of animals received at shelter	5,012	4,800	5,000
Number of animals adopted	961	1,200	1,200
Number of animals reclaimed	423	450	500
Number of animals sent to rescue	586	600	650
Number of animals euthanized	2,581	2,200	2,000
Euthanasia rate	51%	46%	40%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	365,662	360,874	368,877	376,332
Benefits	171,417	161,860	172,101	173,831
Supplies	55,711	67,290	65,290	65,700
Maintenance of Equipment	12,890	17,500	18,500	18,000
Miscellaneous Services	107,583	121,025	120,665	108,354
TOTAL	713,263	728,549	745,433	742,217
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Animal Control Director	1	1	1	1
Animal Control Supervisor Assistant	1	1	1	1
Clerk Journeyman	1	1	1	1
Animal Control Officer-Lead	1	1	1	1
Animal Control Officer	3	3	3	3
Laborer	4	4	4	4
FULL TIME	11	11	11	11
PART TIME	0	0	0	0
TOTAL	10	11	11	11
SIGNIFICANT CHANGES				
There are no significant changes planned for 2018.				

Fiscal Year
2018



Public Works Departments include the following:

- **Engineering**
- **Streets**
- **Fleet Maintenance**

CITY OF LUFKIN, TEXAS

PUBLIC WORKS



GENERAL FUND

MISSION

The mission of the Engineering Department is to provide quality professional engineering services to the various departments of the City of Lufkin for the construction of Public Works and Public Utilities projects at the most efficient cost possible.

DESCRIPTION OF SERVICES PROVIDED

- The Engineering Department provides complete engineering design services for Public Works, Public Utilities, Ellen Trout Zoo and Parks projects, which include water and sewer main extensions and repairs, water and sewer plant improvements, drainage improvements, and street maintenance improvements.
- The department also reviews building permits and ensures that all construction is in accordance with City Ordinances and other government agencies; issues water and sewer taps for new utility service for the public and handles floodplain and floodway management.
- The Engineering Department completes surveys for designs for the Engineering department and also for private engineering and architect firms.
- The Engineering Department provides other

services such as plat administration and review, issuance of utility permits, and state road permits.

- The GIS (Geographical Information System) is in the Engineering Department. It supplies and maintains information for the City's water and sewer utilities, planning, property boundaries, streets, addressing, easements, right-of-ways, floodplain and floodway, and drainage. It also does map production.
- The survey crew provides information for GIS mapping.

WORK PROGRAM

The Engineering Department will strive to ensure plats are reviewed within seven days of receipt and permits for construction are approved in a timely manner. Complete surveys and designs for Capital Improvement Projects and others as the need arises.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of Plats reviewed	35	35	36
Plat reviews are Completed within 7 days 90% of the time.	97%	95%	95%
Number of Permits Reviewed	335	310	310
Approve Permits for Construction within 2 days 90% of the time.	95%	93%	93%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	472,202	475,472	484,484	391,875
Benefits	178,381	182,940	186,582	149,822
Supplies	11,506	15,405	15,405	15,460
Maintenance of Equipment	17,809	19,950	19,950	21,290
Miscellaneous Services	63,223	73,808	72,493	74,268
Capital	10,460	-	-	-
TOTAL	753,581	767,575	778,914	652,715
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
City Engineer / Director of Public Utilities	1	1	1	1
Clerk - Sr. Level	1	1	1	1
Engineering Tech II	1	1	1	1
Construction Inspector	2	2	2	0
Survey Crew Chief	1	1	1	1
GIS Coordinator	1	1	1	1
Engineering Tech I	1	1	1	1
GPS Technician	1	1	1	1
FULL TIME	9	9	9	7
PART TIME	0	0	0	0
TOTAL	9	9	9	7
SIGNIFICANT CHANGES				
FY2018: The Construction inspector positions/expense distribution will be moved to Water/Sewer.				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Street Department

GENERAL FUND

MISSION

The mission of the Street Department is to provide quality streets, drainage, and traffic control devices, for the citizens of Lufkin.

WORK PROGRAM

The Street Department will continue to maintain streets, right-of-ways, detention ponds, drainage systems, and traffic control devices. The department will strive to complete the 2018 Street Overlay List.

DESCRIPTION OF SERVICES PROVIDED

- The Street Department consists of 34 full time employees that maintain and repair 211.4 miles of streets. This includes street overlays, pothole patching and utility cuts, crack sealing, and base repair.
- The department constructs new full-depth asphalt streets on lime-stabilized sub-grade along with some street reconstruction.
- The department also constructs and maintains the drainage systems consisting of detention ponds, open ditches, creeks, channels, storm drains, drainage culverts, inlets, curbs, and gutters.
- The department sweeps streets, maintains right-of-ways by mowing, edging, application of herbicide and maintains traffic control devices including signs, signal lights, school flashers and pavement markings.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of street overlay projects completed annually	18	23	18
Number of street overlay projects completed within 1 week of due date	15	18	16
Street overlay projects completed within 1 week of due date 70% of time	83%	78%	88%
Feet of open channels cleaned	22,310	18,625	20,500
Feet of open channels cleaned within 3 weeks of inspection	19,187	16,204	17,630
Open channels cleaned within 3 weeks of inspection 80% of time	86%	87%	86%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	1,081,676	1,053,619	1,048,317	1,100,320
Benefits	483,484	518,920	521,240	533,974
Supplies	173,720	218,650	190,795	182,270
Maintenance of Equipment	973,779	1,243,650	1,394,880	1,041,150
Miscellaneous Services	961,763	1,015,767	1,015,322	1,009,130
Capital Outlay	4,400	-	-	-
TOTAL	3,678,822	4,050,606	4,170,554	3,866,844
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Street Superintendent	1	1	1	1
Assistant Superintendent	1	1	1	1
Administrative Assistant	1	1	1	1
Crew Leader III	3	3	3	3
Crew Leader II	2	2	2	2
Light Equipment Operator	2	2	2	2
Heavy Equipment Operator	3	3	3	3
General Craftsman	1	1	1	1
Concrete Technician	1	1	1	1
Driver II	8	8	8	8
Street Sweeper Operator	2	2	2	2
Street Mowing Technician	2	2	2	2
Utility Technician	2	2	2	2
Maintenance Worker	5	5	5	5
Laborer I (part-time)	1	1	1	1
FULL TIME	34	34	34	34
PART TIME	1	1	1	1
TOTAL	35	35	35	35
SIGNIFICANT CHANGES				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Street / Administration

GENERAL FUND

DIVISION: Administration

DIVISION DESCRIPTION

The Administration Division is responsible for the direction and supervision of all Street Department projects and personnel. This division also maintains departmental records of projects and prepares the budget.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	167,342	165,952	169,133	169,265
Benefits	63,327	61,604	63,373	63,692
Supplies	6,279	5,660	5,280	5,280
Maintenance of Equipment	650	750	750	750
Miscellaneous Services	12,653	14,790	14,845	14,770
Capital Outlay	4,400	-	-	-
TOTAL	254,651	248,756	253,381	253,757
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Street Superintendent	1	1	1	1
Assistant Street Superintendent	1	1	1	1
Administrative Assistant	1	1	1	1
FULL TIME	3	3	3	3
PART TIME	0	0	0	0
TOTAL	3	3	3	3

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Street / Street & Drainage Repair

GENERAL FUND

DIVISION: Street & Drainage Repair

DIVISION DESCRIPTION

The Repair Division is responsible for all street and drainage repairs, such as patching potholes and repairing utility cuts and storm drains. The division also maintains and constructs new drainage systems.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	284,156	289,423	260,620	298,854
Benefits	130,913	146,571	140,260	149,590
Supplies	31,109	39,195	31,195	31,195
Maintenance of Equipment	260,345	321,650	313,125	321,650
Miscellaneous Services	45,177	59,086	58,586	52,872
TOTAL	751,700	855,925	803,786	854,161
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Crew Leader III	1	1	1	1
Crew Leader II	1	1	1	1
Heavy Equipment Operator	1	1	1	1
Concrete Technician	1	1	1	1
Driver II	2	2	2	2
Utilities Technician	2	2	2	2
Maintenance Worker	2	2	2	2
FULL TIME	10	10	10	10
PART TIME	0	0	0	0
TOTAL	10	10	10	10

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Street / Street Maintenance

GENERAL FUND

DIVISION: Street Maintenance

DIVISION DESCRIPTION

The Maintenance Division maintains all streets which includes street reconstruction, street overlays, and crack sealing.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	337,065	317,570	338,915	330,897
Benefits	150,703	167,737	173,894	171,770
Supplies	47,145	67,195	60,720	52,195
Maintenance of Equipment	663,306	872,250	1,034,505	672,250
Miscellaneous Services	821,606	857,296	857,296	853,956
TOTAL	2,019,825	2,282,048	2,465,330	2,081,068
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Crew Leader III	1	1	1	1
Heavy Equipment Operator	2	2	2	2
Crew Leader II	1	1	1	1
Light Equipment Operator	1	1	1	1
Driver II	6	6	6	6
FULL TIME	11	11	11	11
PART TIME	0	0	0	0
TOTAL	11	11	11	11

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Street / ROW & Traffic Control

GENERAL FUND

DIVISION: ROW & Traffic Control

DIVISION DESCRIPTION

This division is responsible for street sweeping and right-of-way maintenance including mowing, edging, and herbicide application throughout the City. The division also maintains all traffic control devices and pavement markings.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	293,113	280,674	279,649	301,304
Benefits	138,541	143,008	143,713	148,922
Supplies	89,187	106,600	93,600	93,600
Maintenance of Equipment	49,478	49,000	46,500	46,500
Miscellaneous Services	82,327	84,595	84,595	87,532
Capital Outlay	-	-	-	-
TOTAL	652,646	663,877	648,057	677,858
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Crew Leader III	1	1	1	1
General Craftsman	1	1	1	1
Light Equipment Operator	1	1	1	1
Sweeper Operator/Driver II	2	2	2	2
Mowing Technician	2	2	2	2
Maintenance Worker	3	3	3	3
Labor-Part Time Seasonal	1	1	1	1
FULL TIME	10	10	10	10
PART TIME	1	1	1	1
TOTAL	11	11	11	11

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Fleet Services

GENERAL FUND

MISSION

The mission of the Fleet Services Department is to provide the best possible service to the City departments through high quality maintenance and mechanical repair of City vehicles and equipment in the most efficient, timely, and cost effective manner possible.

WORK PROGRAM

Fleet Services personnel will continue to strive to complete preventative maintenance within scheduled timeframe. Also fleet personnel will strive to process all fuel and maintenance charges within thirty days or less.

DESCRIPTION OF SERVICES PROVIDED

- The Fleet Services Department services and maintains the City's vehicles and equipment as well as maintains quality control standards through repair records.
- All city vehicles and equipment undergo routine preventive maintenance in order to ensure fleet reliability and safety.
- A parts inventory is kept on site to provide a faster turnaround time to the City departments.
- Pool vehicles are kept for departments to use in the event an extra is needed.



Fleet Maintenance Facility for City of Lufkin

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2014-2015 Actual	2015-2016 Revised	2017-2018 Budget
Total number of new work orders	1,817	1,840	1,855
Total number of preventive maintenance work orders	385	400	425
Completed Preventative Maintenance within schedule 90% of the time.	90%	95%	95%
Total number of fuel charges processed monthly.	1,700	1,725	1,715
% of fuel charges processed in 30 days.	100%	100%	100%
% of fuel charges processed monthly 90% of the time.	90%	95%	95%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	216,302	216,294	240,723	248,015
Benefits	98,238	97,333	112,215	114,048
Supplies	20,187	20,850	18,450	19,850
Maintenance of Equipment	18,255	14,850	9,050	12,050
Miscellaneous Services	16,550	17,438	18,688	16,963
Sundry Charges	-13,726	-	-	-
TOTAL	355,806	366,765	399,126	410,926
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Fleet Garage Supervisor	1	1	1	1
Warehouse Clerk	1	1	1	1
Equipment Mechanic	4	4	4	4
Foreman	1	1	1	1
FULL TIME	7	7	7	7
PART TIME	0	0	0	0
TOTAL	7	7	7	7
SIGNIFICANT CHANGES				

**Fiscal Year
2018**



The Community Development Departments include the following:

- **Planning and Zoning**
- **Community Development / Mainstreet**

CITY OF LUFKIN, TEXAS

COMMUNITY DEVELOPMENT

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Planning & Zoning

GENERAL FUND

MISSION

The mission of the Planning and Zoning Department is to promote quality growth and development that will serve the current and future needs of Lufkin in a proactive manner.

DESCRIPTION OF SERVICES PROVIDED

- The Planning and Zoning (P&Z) Department serves the public by providing technical assistance relating to adopted land use regulations and serving in an advisory role to developers along with performing subdivision, zoning, permit review and annexations.
- The Department is responsible for making recommendations to the P&Z Commission and City Council on matters pertaining to the development of the City.
- The P&Z Department is the City's liaison to local entities endeavoring to retain, expand, and attract business to Lufkin and provide affordable housing opportunities.

In fiscal year 2018, Planning and Zoning department will focus on continued evaluation and adoption, where appropriate, of development ordinances; serve as an assistant to professional developers; the general public and the governing body related to land use; implement Green Initiatives in Lufkin in support of community sustainability; while continuing staff development and education to stay informed of current trends in Planning on the local, state, and national level. Respond to citizen interest in developing a long range Trails program with an emphasis on walkability of the downtown area while planning for a healthy, active city.

WORK PROGRAM

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of Plat reviews completed	45	40	401
Number of plat reviews completed within 2 business days	40	35	35
Complete all plat reviews within 2 business days, 95% of time	98%	95%	95%
Number of Zoning Cases	25	20	20
Number of zoning cases meeting legal documentation deadlines	25	20	20
Complete zoning case deadlines, 90% of the time	95%	95%	95%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	164,074	159,130	163,622	162,464
Benefits	54,759	61,141	59,266	62,283
Supplies	5,593	7,550	12,608	9,550
Maintenance of Equipment	-	4,900	4,800	4,900
Miscellaneous Services	14,919	19,390	17,295	15,330
Sundry Charges	1,000	-	500	-
TOTAL	240,345	252,111	258,091	254,527
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Planning & Zoning Director	1	1	1	1
Assistant City Planner	1	1	1	1
Clerk - Journeyman	1	1	1	1
FULL TIME	3	3	3	3
PART TIME	0	0	0	0
TOTAL	3	3	3	3
SIGNIFICANT CHANGES				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Community Development

GENERAL FUND

Beginning fiscal year 2018, the Main Street department will be merged with Lufkin Convention and Visitors Bureau (LCVB) to continue to promote the City's downtown Main Street programs, events, and beautification.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of community events	12	12	-
Number of community events with sponsorships	12	12	-
% of community events sponsored with a minimum 50% sponsorship rate	100%	100%	-
Total number of downtown properties available for lease and/or sale logged and posted to website.	12	12	-
Number of new businesses referred for tax abatement, etc.	1	0	-
Log 90% of downtown properties available for lease and sale and refer new businesses for tax abatement.	100%	100%	-

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	117,315	117,313	105,178	-
Benefits	50,716	49,929	49,026	-
Supplies	3,565	4,367	4,367	-
Miscellaneous Services	8,919	10,981	10,581	-
Incentives	-	-	-	-
TOTAL	180,515	182,590	169,152	-
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Main Street Director	1	1	1	0
Clerk-Journeyman	1	1	1	0
Maintenance Worker	1	1	1	0
FULL TIME	3	3	3	0
PART TIME	0	0	0	0
TOTAL	3	3	3	0
SIGNIFICANT CHANGES				
FY2018: Community Development/Main Street department will be eliminated. Director position moved to LCVB. Clerk-Journeyman was eliminated. Maintenance worker position/expense distribution transferred to Solid Waste Dept.				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

CULTURE AND RECREATION

The Cultural and Recreational Departments include the following:

- **Parks and Recreation Department**
- **Ellen Trout Zoo**
- **Kurth Memorial Library**



GENERAL FUND

MISSION

The mission of the Parks & Recreation Department is to ensure safe, clean, and enjoyable parks and recreation facilities through programs that will accommodate the leisure needs of the citizens of Lufkin.

DESCRIPTION OF SERVICES PROVIDED

- The Parks and Recreation Department maintains park grounds, equipment, and support facilities in all city parks.
- The department coordinates seasonal projects, sports leagues, special events, and leisure activities with independent organizations to meet the increasing demand for leisure activities in the local parks.
- Additional duties of the department include landscape maintenance of several public buildings and right-of-ways, delivering bleachers and tables for numerous city events, fogging for mosquitoes, and assisting with tournament scheduling and maintenance.

on the restroom facility at boy's baseball at Morris Frank Park. The Department will continue to make improvements to the restrooms at Grace Dunne Richardson Park. New plumbing fixtures will be installed at the restrooms at Kit McConnico Park. The Department will continue to make improvements to the baseball/softball fields. The Parks Department will be working with Lufkin Landscape Task Force at beautifying Gaslight Blvd. The City will be trying to build an outdoor skate park at Kiwanis Park. The Parks Department will be working with the Angelina Rotary Club at installing three new water fountains at Kiwanis Park. The Parks Department will be making improvements to the Azalea Trail with better lighting and adding asphalt where needed. The Department will continue to cut dead trees in all parks, grind stumps and add saw dust to all playgrounds

WORK PROGRAM

The Parks Department will be replacing the roof

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of Participants in Recreation Programs	1,500	1,800	1,900
Number of Athletic Tournaments Sponsored	7	7	7
Fully utilize 50% of Recreational Facilities, 75% of time	75%	75%	75%
Number of Park and Playground Inspections Performed	36	36	36
Number of Pesticide Applications 95% of time	95%	95%	95%
Parks will meet Inspection Guidelines, 95% of time	95%	95%	95%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	743,715	762,950	701,282	736,443
Benefits	343,073	361,408	377,103	373,074
Supplies	84,112	132,484	128,484	115,594
Maintenance of Equipment	173,707	103,344	113,344	100,744
Miscellaneous Services	401,203	444,232	446,632	434,910
Sundry Charges	-	80	80	80
Capital Outlay	-	-	-	-
TOTAL	1,745,810	1,804,498	1,766,925	1,760,845

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Director—Parks & Leisure	1	1	1	1
Assistant Director Parks	1	1	1	1
Parks Superintendent	1	1	1	1
Clerk Senior Level	1	1	1	1
Crew Leader I	2	2	2	2
Crew Leader II	1	1	1	1
Laborer	16	16	16	16
Custodian/Building Maintenance	2	2	2	2
Downtown Center Supervisor (P/T)	1	1	1	1
Recreation Specialist	2	2	2	2
Lifeguard (P/T)	3	3	3	3
League Supervisor (P/T)	1	1	1	1
FULL TIME	27	27	27	27
PART TIME	5	5	5	5
TOTAL	32	32	32	32

SIGNIFICANT CHANGES

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**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

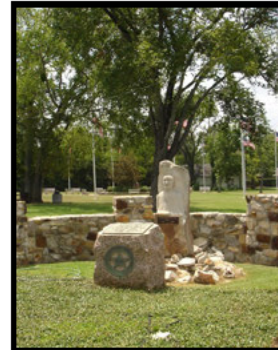
Parks and Recreation / Administration

GENERAL FUND

DIVISION: Administration

DIVISION DESCRIPTION

The Administration division includes office and recreation staff and is responsible for the direction of the Parks and Recreation Department. This also includes a recreational staff that is supported by the General Fund and the Parks Advisory Board appointed by City Council.



Bronaugh Park

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	224,355	239,199	243,794	245,262
Benefits	89,962	91,748	96,559	96,710
Supplies	3,292	5,470	5,470	5,060
Miscellaneous Services	17,159	22,936	22,936	22,031
Sundry Charges	-	80	80	80
TOTAL	334,768	359,433	368,839	369,143

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Director—Parks & Leisure	1	1	1	1
Assistant Director—Parks	1	1	1	1
Clerk Senior Level	1	1	1	1
Downtown Center Supervisor (P/T)	1	1	1	1
Recreation Specialist	2	2	2	2
League Supervisor (P/T)	1	1	1	1
Lifeguard (P/T)	3	3	3	3
FULL TIME	5	5	5	5
PART TIME	5	5	5	5
TOTAL	10	10	10	10

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Parks and Recreation / Park Maintenance

GENERAL FUND

DIVISION: Park Maintenance

DIVISION DESCRIPTION

The Park Maintenance division includes employees and expenses for the maintenance of parks, recreation facilities, community centers, beautification projects, fogging, maintaining ball fields and special events hosted by the City or special interest groups within the City.



Big Climber at Kiwanis Park

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	519,360	523,751	457,488	491,181
Benefits	253,111	269,660	280,544	276,364
Supplies	80,820	127,014	123,014	110,534
Maintenance of Equipment	173,707	103,344	113,344	100,744
Miscellaneous Services	384,044	421,296	423,696	412,879
Capital Outlay	-	-	-	-
TOTAL	1,411,042	1,445,065	1,398,086	1,391,702
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Parks Superintendent	1	1	1	1
Crew Leader I	2	2	2	2
Crew Leader II	1	1	1	1
Laborer	16	16	16	16
Custodian / Building Maintenance	2	2	2	2
FULL TIME	22	22	22	22
PART TIME	0	0	0	0
TOTAL	22	22	22	22



GENERAL FUND

MISSION

The mission of the Ellen Trout Zoo is to cultivate an appreciation of the natural world, to provide environmental education, to promote wildlife conservation and to offer nature oriented recreation for everyone.

DESCRIPTION OF SERVICES PROVIDED

- The Ellen Trout Zoo houses and exhibits a representative collection of living organisms and attracts visitors mainly from throughout East Texas and western Louisiana.
- The Zoo receives visitors from throughout the US and many foreign countries.
- The Zoo also has an active, multifaceted educational program focusing on wildlife, environmental, conservation, and science education issues.
- The Zoo is involved in breeding programs for significant species and partnering with government and private entities to support conservation initiatives on locally impacted species.
- Researchers are encouraged to utilize the collection for the advancement of biological knowledge.

WORK PROGRAM

The Ellen Trout Zoo's top priorities will continue to be: housing and exhibiting a diverse, representative collection of animals; maintaining high quality animal care and management standards; and serv-

ing the needs of guests and visitors. We will continue the Zip Code Survey to track visitors and to understand these demographics and the economic benefit of the Zoo to the community. The new Education Center will continue the educational programming that we offer for area schools as well as for out of town schools that utilize the zoo. We will also continue to offer opportunities for environmental training for area teachers. This facility will also provide a venue for conservation, science and natural resource management meetings. Planning for the great ape exhibit will proceed as well as initiating the process for a new Master Plan for the zoo.



Education Center / Admin Complex at Ellen Trout Zoo in Lufkin, Texas

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Total number of visitors to Zoo annually	131,610	149,425	140,000
Total number of visitors to Zoo annually from outside Angelina County	75,018	80,690	72,800
% of visitors from other counties	57%	54%	52%
Total number of people in Zoo programs	10,000	10,000	10,000
Total number of Zoo programs sponsored by organizations other than the City	4	4	4
% of Zoo Exhibitions & Facilities majority funded by outside organizations	95%	95%	95%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	796,764	857,764	705,447	715,068
Benefits	370,838	388,237	366,108	366,257
Supplies	191,454	202,200	207,903	204,960
Maintenance of Equipment	4,405	4,200	4,200	4,000
Miscellaneous Services	157,697	190,322	202,827	190,959
TOTAL	1,521,158	1,642,723	1,486,485	1,481,244
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Zoo Director	1	1	1	1
Education Services Director	1	1	1	1
General Curator	1	1	1	1
Zoo Veterinarian	1	1	1	1
Clerk Journeyman	1	1	1	1
Collection Manager	4	4	4	4
Assistant Collection Manager	3	3	3	3
Zoo Keepers	4	5	5	5
Crewleader II	1	1	1	1
Maintenance Worker	3	3	3	3
Cashier	2	2	2	2
Office Assistant (P/T)	1	1	1	1
Educator / Interpreter	1	1	1	1
Seasonal Zoo Attendants(P/T)	2	1	1	1
FULL TIME	23	24	24	24
PART TIME	3	2	2	2
TOTAL	26	26	26	26
SIGNIFICANT CHANGES				
FY2016: Zoo Keeper was added.				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Kurth Memorial Library

GENERAL FUND

MISSION

The library exists to provide excellent information services, improve literacy and promote lifelong learning for all citizens of Angelina County by providing up-to-date information on all subjects, in a variety of formats, representing varying viewpoints, and by providing a well-trained, service-oriented staff.

DESCRIPTION OF SERVICES PROVIDED

- The Library selects, purchases, organizes, catalogs, stores, preserves and maintains information.

The Library organizes, stores and retrieves information in a variety of formats.

- The Library disseminates information, for education, self-improvement, business, medical, hobby, research, study and pleasure.
- The Library provides educational and

enrichment programs to encourage literacy among all citizens and encourages lifelong learning.

WORK PROGRAM

The primary goals of the Kurth Memorial Library for the fiscal year 2018 are to develop and implement a new strategic plan to provide the community with services over the next 5 years.

Ongoing goals include increasing the library's visibility and scope within the community through advertising and collaboration and continuing to improve existing outreach and programming services.



WORKLOAD INDICATORS & PERFORMANCE MEASURES

	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of Help Desk Requests	95,620	80,000	85,000
Total Circulation and In-House Use	322,964	260,000	290,000
Number of Patron Visits	129,441	130,000	130,000
Number of Materials Processed (New, reprocessed, Withdrawn)	31,571	26,000	25,000
Number of Programs for Public	571	530	500
Patron attendance at Program	24,366	35,000	30,000

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	353,289	353,321	363,378	366,294
Benefits	161,294	162,424	166,634	167,792
Supplies	17,758	20,950	20,950	20,950
Maintenance of Equipment	31,493	35,045	35,045	35,545
Miscellaneous Services	67,618	76,275	76,275	75,775
TOTAL	631,452	648,015	662,282	666,356
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Library Director	1	1	1	1
Assistant Library Director	1	1	1	1
Clerk-Entry Level	4	4	4	4
Library Assistant	2	2	2	2
Library Assistant IT-Tech	1	1	1	1
Library Aide (Part time)	5	5	5	5
Library Assistant (Summer)	1	1	1	1
Custodian	1	1	1	1
FULL TIME	10	10	10	10
PART TIME	6	6	6	6
TOTAL	16	16	16	16
SIGNIFICANT CHANGES				
Materials budget contributed by Board was cut by about 33%. Technology budget contributed by Board was cut by about 66%.				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Non—Departmental

GENERAL FUND

MISSION

Non-departmental expenditures represent expenditures that are unique in nature, apply to the fund in total, or represent expenditures that apply to all departments.

DESCRIPTION OF SERVICES PROVIDED

This is a non-operational department established for the purpose of handling items that apply to the fund as a whole, not to specific individual departments.

Items included as expenditures are bad debt expenses, software payments, insurance payments and contingency accounts.

WORK PROGRAM

Budgeted in the department for Fiscal year 2018 are the following items:

Unemployment Insurance Claims	\$ 10,000
Liability Insurance Premium	\$ 147,233
Contingency Amount	\$ 75,000
Lease Payments: Principal and Interest	\$ 90,882
Retiree Insurance Premium Transfer	\$ 165,000

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	-	417,073	-	227,542
Benefits	298	10,000	10,000	10,000
Miscellaneous Services	202,098	222,233	222,233	222,233
Sundry Charges	-	-	1,137	-
Debt Service	-	90,881	90,881	90,882
Transfer	1,167,416	220,289	220,289	370,056
TOTAL	1,369,812	960,476	544,540	920,713
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				
SIGNIFICANT CHANGES				





WATER/WASTEWATER FUND

The Water/Wastewater Fund is used to account for the provision of water and wastewater services to residents of the City. All activities necessary to provide water/wastewater services are included in this fund. Accounting activities are similar to commercial accounting in that revenues and expenses are accounted for on a full accrual basis, depreciation expense is recognized on the income statement, and all costs are recovered through user charges.

The Water/Wastewater Fund contains four departments: Utility Collections, Wastewater Treatment, Water Production and Water/Sewer Utilities.

Utility Collections is responsible for billing and collecting water, wastewater, and solid waste revenues, and collects in excess of \$21 million each year.

The Wastewater Treatment department is responsible for treating all wastewater from the wastewater collection system. The treatment plant is a waste activated sludge plant with a treatment capacity of 11.3 million gallons per day. The plant experiences an average daily flow of over 6 million gallons and maintains a laboratory and staff to test industrial waste discharge to ensure compliance with effluent discharge limits and pre-treatment standards.

The Water Production department is responsible for maintaining adequate water supplies for the City of Lufkin. There are currently twenty-four water wells that provide water for the City, with four ground and five elevated storage tanks as reserves.

The Water/Sewer Utilities department maintains the wastewater collection system. Its primary function is repair and replacement of existing water and sewer lines, but is also responsible for new water and sewer taps, installing extension lines, and infiltration/inflow correction.

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Utility Collections

WATER / WASTEWATER FUND

MISSION

The mission of the Utility Collection Department is to provide accurate and timely utility billings, collections and record keeping while insuring prompt deposit of revenues for the benefit of the City in its efforts to provide services to the citizens of Lufkin.

DESCRIPTION OF SERVICES PROVIDED

- The Utility Collection Department performs meter reading, billing and collection functions. Approximately 15,450 meters are read per month.
- Meter readers also disconnect services on non-deposit accounts and provide this information to service personnel.
- Service personnel develop routes, connect and disconnect services for nonpayment of bills, perform customer requested inspections and check for leaks as required.
- Office personnel maintain customer accounts, perform customer billing functions, collect customer deposits, maintain billing records, prepare work orders and coordinate new customer services.

- They also assist customers with billing inquiries and receive customer payments.

WORK PROGRAM

The Utility Collections department will continue to develop employees customer service expertise with available resources and applicable training materials. The department will provide and maintain information regarding meter change-out procedures and scheduling to ensure optimal application of meter reliability and accuracy of billing information. The department will also interface with appropriate departments to maintain current radio frequency reading effectiveness.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Total number of bills generated monthly.	15,300	15,350	15,450
Total accurate number of bills generated monthly within 2 working days of cycle billing date.	15,250	15,350	15,450
Bill all active utility customers on a monthly basis within 99% accuracy level within 2 working days of cycle date.	100%	100%	100%
Total number of customer requested connects/disconnects on Monthly basis.	462	476	500
Number of connects/disconnects completed within one working day of request	457	476	500
Performed connects/disconnects within one working day of request 98% of time.	98%	98%	100%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	414,668	411,610	419,718	420,579
Benefits	124,498	188,917	191,902	191,878
Supplies	97,686	101,060	97,060	97,060
Maintenance of Equipment	11,373	18,980	17,340	20,420
Miscellaneous Services	102,809	103,247	118,292	118,302
Capital Outlay	-	-	-	13,000
TOTAL	751,034	823,814	844,312	861,239
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Director of Utility Collections	1	1	1	1
Office Manager	1	1	1	1
Accounting Tech Entry	2	2	2	2
Utility Billing Clerk	3	3	3	3
Crew Leader III	1	1	1	1
Maintenance Worker	2	2	2	2
Meter Reader	2	2	2	2
FULL TIME	12	12	12	12
PART TIME	0	0	0	0
TOTAL	12	12	12	12
SIGNIFICANT CHANGES				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Utility Collections / Billing and Collection

WATER / WASTEWATER FUND

DIVISION: Billing and Collection

DIVISION DESCRIPTION

The Billing and Collection division includes departmental administration, utility billing, and collection activities. The administrative function is responsible for the day-to-day management, policy formulation, and planning activities of the department. Billing and collection activities include utility bill processing and mailing, collection of utility payments, and cash reconciliation of billing and collection.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	261,489	258,448	263,414	263,928
Benefits	73,887	116,244	118,205	118,214
Supplies	83,680	79,760	79,760	79,760
Maintenance of Equipment	4,599	8,170	6,530	7,510
Miscellaneous Services	92,151	88,885	105,155	104,050
Capital	-	-	-	13,000
TOTAL	515,806	551,507	573,064	586,462
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Director of Utility Collections	1	1	1	1
Office Manager	1	1	1	1
Account Technician Entry	2	2	2	2
Utility Billing Clerk	3	3	3	3
FULL TIME	7	7	7	7
PART TIME	0	0	0	0
TOTAL	7	7	7	7

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Utility Collections / Meter Reading

WATER / WASTEWATER FUND

DIVISION: Meter Reading

DIVISION DESCRIPTION

The Meter Reading division is responsible for reading residential and commercial water meters throughout the city, disconnecting service for non-payment of utility bill, performing customer requested inspections, responding to customer questions and/or concerns, connection/disconnection of services as requested by customer and reviewing questionable readings prior to billing.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	153,179	153,162	156,304	156,651
Benefits	50,611	72,673	73,697	73,664
Supplies	14,006	21,300	17,300	17,300
Maintenance of Equipment	6,774	10,810	10,810	12,910
Miscellaneous Services	10,658	14,362	13,137	14,252
TOTAL	235,228	272,307	271,248	274,777

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Crew Leader	1	1	1	1
Maintenance Worker	2	2	2	2
Meter Reader	2	2	2	2
FULL TIME	5	5	5	5
PART TIME	0	0	0	0
TOTAL	5	5	5	5

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Wastewater Treatment

WATER / WASTEWATER FUND

MISSION

The mission of the Wastewater Treatment Plant is to evaluate and treat sewage in order to meet the standards set forth by the TCEQ and the EPA to allow for safe streams and rivers.

DESCRIPTION OF SERVICES PROVIDED

- Wastewater Treatment is responsible for the operation and maintenance of the treatment plant.
- The plant is a conventional waste activated sludge plant with a treatment capacity of 11.3 million gallons per day with an average flow of 6.3 million gallons per day.
- Activated sludge is transferred to three 700,000 gallon anaerobic digesters, held for 15 days at 100 to 105 degrees F. The anaerobic sludge is de-watered by a belt press then trucked to a permitted beneficial land use site.
- The plant effluent is discharged into Hurricane Creek.

WORK PROGRAM

The staff of the WWTP will continue to operate and maintain the plant so that all standards set by TCEQ are met. The maintenance division will repair and maintain the structures, equipment and grounds of the Wastewater Treatment Plant. The plant employees will continue to maintain the Plant grounds to provide a positive appearance to the Public.



Wastewater Treatment Plant Aeration Basin

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of gallons sewage treated annually	2,068,388	1,856,737,400	1,908,451,550
Total number of Lab test performed	23,999	23,438	23,143
TCEQ Monthly BOD Permit Value, Max 10mg/L	4	4	4
Number of tons of dry solids removed	893	751	803
Average treatment cost per ton of dry solids removed	\$94	\$84	\$82
TCEQ Monthly TSS Permit, Max Value 15 mg/ L	8	6	6

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	701,445	739,808	774,955	721,794
Benefits	223,733	339,777	327,520	323,672
Supplies	261,063	266,365	265,365	280,915
Maintenance of Equipment	253,294	178,500	185,768	185,500
Miscellaneous Services	652,065	649,580	672,680	633,120
TOTAL	2,091,600	2,174,030	2,226,288	2,145,001

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Director Utility Plant Operations	1	1	1	1
Asst. Director Utility Plant Operations	1	1	1	1
Office Manager	1	1	1	1
Environmental Manager	1	1	1	1
Environmental Technician	1	1	1	1
Lab Supervisor	1	1	1	1
Lab Technician	1	1	1	1
Operator II	1	1	1	1
Operator III	4	4	4	4
Truck Driver	1	1	1	1
Utility Worker	3	3	3	3
Maintenance Mechanic I	1	1	1	1
Maintenance Mechanic II	1	1	1	1
Maintenance Mechanic III	1	1	1	1
Electrical Maintenance Tech	1	1	1	1
Grounds Maintenance (Summer)	1	1	1	1
FULL TIME	20	20	20	20
PART TIME	1	1	1	1
TOTAL	21	21	21	21

SIGNIFICANT CHANGES

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Wastewater Treatment / Administration

WATER / WASTEWATER FUND

DIVISION: Administration

DIVISION DESCRIPTION

The Administration Division supports all inter-departmental goals, receives additional training on environmental compliance regulations, implements all environmental regulation upgrades, collaborates with Plant Lab personnel on daily analysis, instructs and guides the operators and mechanics, implements and enforces the City's Pretreatment Program.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	247,243	244,405	288,444	236,121
Benefits	60,479	97,262	101,870	96,695
Supplies	9,660	10,265	10,265	10,265
Maintenance of Equipment	938	1,000	1,000	1,000
Miscellaneous Services	485,580	493,635	494,635	497,150
TOTAL	803,900	846,567	896,214	841,231
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Director Utility Plant Operations	1	1	1	1
Asst. Director Utility Plant Operations	1	1	1	1
Office Manager	1	1	1	1
Environmental Manager	1	1	1	1
Environmental Technician	1	1	1	1
FULL TIME	5	5	5	5
PART TIME	0	0	0	0
TOTAL	5	5	5	5

Fiscal Year

2018



CITY OF LUFKIN, TEXAS

Wastewater Treatment / Operations

WATER / WASTEWATER FUND

DIVISION: Operations

DIVISION DESCRIPTION

The Operations Division is responsible for the efficient operation of the Wastewater Control Plant. The Division strives to meet goals established by the Administrative Division and the Administration of the City of Lufkin. Each operator is responsible for the plant effluent and biosolids disposal ensuring there is no state or federal violation

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	174,285	179,042	164,930	174,161
Benefits	51,880	77,583	73,894	77,597
Supplies	182,372	192,750	192,750	207,050
Miscellaneous Services	581	3,000	4,500	4,500
TOTAL	409,118	452,375	436,074	463,308
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Operator II	1	1	1	1
Operator III	4	4	4	4
FULL TIME	5	5	5	5
PART TIME	0	0	0	0
TOTAL	5	5	5	5

Fiscal Year
2018



WATER / WASTEWATER FUND

DIVISION: Maintenance

DIVISION DESCRIPTION

The Maintenance Division is responsible for maintaining and repairing equipment and tools associated with the Wastewater Treatment Plant and Water Plant.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	211,868	246,287	240,659	239,223
Benefits	75,197	117,122	116,463	116,054
Supplies	41,310	42,300	41,300	42,300
Maintenance of Equipment	252,356	177,500	184,768	184,500
Miscellaneous Services	43,422	43,545	43,545	22,070
TOTAL	624,153	626,754	626,735	604,147
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Maintenance Mechanic I	1	1	1	1
Maintenance Mechanic II	1	1	1	1
Maintenance Mechanic III	1	1	1	1
Electrical Maintenance Tech	1	1	1	1
Utility Worker	3	3	3	3
Truck Driver	1	1	1	1
Grounds Maintenance (Summer)	1	1	1	1
FULL TIME	8	8	8	8
PART TIME	1	1	1	1
TOTAL	9	9	9	9

Wastewater Treatment / Maintenance

CITY OF LUFKIN, TEXAS

Fiscal Year
2018



WATER / WASTEWATER FUND

DIVISION: Laboratory

DIVISION DESCRIPTION

The Laboratory Division is responsible for testing samples to ensure that the effluent and industrial pretreatment samples is consistent with standards set by Local, State and Federal statutes.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	68,049	70,074	80,922	72,289
Benefits	36,177	47,810	35,293	33,326
Supplies	27,721	21,050	21,050	21,300
Miscellaneous Services	122,482	109,400	130,000	109,400
TOTAL	254,429	248,334	267,265	236,315
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Laboratory Supervisor	1	1	1	1
Laboratory Technician	1	1	1	1
FULL TIME	2	2	2	2
PART TIME	0	0	0	0
TOTAL	2	2	2	2

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Water Production

WATER / WASTEWATER FUND

MISSION

The mission of the Water Production Department is to provide the citizens and the industries of the City of Lufkin with safe, dependable, and inexpensive water for public consumption and adequate fire protection.

DESCRIPTION OF SERVICES PROVIDED

- The Water Production staff is responsible for the maintenance and operation of the City of Lufkin Water Treatment Plant #1, #2, #3, twenty-three water wells, four one-million gallon capacity ground storage tanks, three two-million gallon capacity ground storage tank, and four elevated storage tanks with a combined capacity of four-million gallons. The total water storage capacity for the City of Lufkin is fourteen million gallons with the Water Plant #3 coming on line in late 2016.
- The operation of these units will consistently meet or exceed State mandated regulations.

WORK PROGRAM

The Water Plant staff will ensure that all drinking water standards are met, perform preventative maintenance on all equipment, and ensure that the Plants, Elevated Tanks and Well grounds are maintained to provide a positive appearance to the Public.

The Water System will be maintained to ensure a consistent quality and quantity of drinking water that meets or surpasses all requirements by the State of Texas.



Water Storage Tank on Whitehouse Drive

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Total gallons water pumped into distribution	2,725,899,000	2,736,209,000	2,731,054,000
Total Amount of Chlorine Used to Treat Water (in tons)	178	178	190
Monthly bacterial test are negative 100% of the time	100%	100%	100%
Operation & Maintenance Cost per million gallons of Water delivered to Distribution	\$763	\$565	\$730

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	42,787	45,124	45,743	50,323
Benefits	20,974	24,661	26,003	24,896
Supplies	275,915	273,800	314,300	314,800
Maintenance of Equipment	120,225	137,000	137,000	137,000
Miscellaneous Services	1,372,164	1,538,371	1,510,671	1,563,711
TOTAL	1,832,075	2,018,956	2,063,717	2,090,730
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Operator II	1	1	1	1
Grounds Maintenance (Summer)	1	1	1	1
FULL TIME	1	1	1	1
PART TIME	1	1	1	1
TOTAL	2	2	2	2
SIGNIFICANT CHANGES				

Fiscal Year
2018



WATER / WASTEWATER FUND

DIVISION: Operations

DIVISION DESCRIPTION

The Operations Division is responsible for the operation of the water system ensuring a high quality drinking water is provided to the citizens and industry of Lufkin at the lowest possible cost.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	42,797	45,124	45,743	50,323
Benefits	20,974	24,661	26,003	24,896
Supplies	263,461	256,800	299,300	299,300
Miscellaneous Services	1,368,723	1,534,930	1,537,230	1,560,270
TOTAL	1,695,955	1,861,515	1,908,276	1,934,789
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Operator II	1	1	1	1
Grounds Maintenance (Summer)	1	1	1	1
FULL TIME	1	1	1	1
PART TIME	1	1	1	1
TOTAL	2	2	2	2

Fiscal Year**2018****CITY OF LUFKIN, TEXAS**

Water Production / Maintenance

WATER / WASTEWATER FUND

DIVISION: Maintenance**DIVISION DESCRIPTION**

The Maintenance Division is responsible for maintaining all of the equipment, including water wells.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	12,454	17,000	15,000	15,500
Maintenance of Equipment	120,225	137,000	137,000	137,000
Miscellaneous Services	3,441	3,441	3,441	3,441
TOTAL	136,120	157,441	155,441	155,941
AUTHORIZED POSITIONS	2016-2017 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Water/Sewer Utilities

WATER / WASTEWATER FUND

these functions in as timely and accurate manner as possible.

MISSION

The mission of the Water and Sewer Utility Department is to provide the citizens of Lufkin with the highest quality and reliable service. Our goal is to operate in a cost effective manner by maintaining the water distribution system and sewer collection system with minimum interruptions of service.

WORK PROGRAM

The Water and Wastewater Utility Department goals are to operate in a cost effective manner by maintaining the water distribution system and sewer collection system with minimum interruptions of service to the citizens of Lufkin.

DESCRIPTION OF SERVICES PROVIDED

- The Water and Sewer Utility Department is responsible for all water distribution and sewer collection functions.
- The service responsibilities include maintenance of water and sewer mains, water and sewer taps, fire hydrant repair, pipe bursting, repair or replace broken mains, unstop sewer mains, dead end flushing of water mains, code enforcement of backflow preventers, and grease trap pumping.
- The department strives to meet the needs of the citizens on a daily basis by performing

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of new water taps annually	175	136	112
Number of water leaks repaired annually	422	456	376
Water taps completed within 10 days of request 95% of the time	93%	95%	82%
Number of sewage stoppages annually	413	434	396
Feet of sewer main televised annually	32,557	35,316	36,417
Repair water leaks within 3 days of request 80% of the time	87%	86%	74%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	1,183,756	1,334,446	1,203,121	1,389,164
Benefits	372,150	584,326	548,112	622,838
Supplies	289,565	291,670	263,535	273,460
Maintenance of Equipment	913,814	903,565	903,065	916,765
Miscellaneous Services	336,329	365,030	364,030	282,188
Capital Outlay	-	-	-	-
TOTAL	3,095,614	3,479,037	3,281,863	3,484,415
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Water / Sewer Director	1	1	1	1
Assistant Director	1	1	1	1
Warehouse Clerk	1	1	1	1
Code Enforcement Officer	1	1	1	1
Clerk Journeyman	1	1	1	1
Clerk Apprentice	1	1	1	1
Maintenance Supervisor	1	1	1	1
CrewLeader II	2	2	2	2
CrewLeader III	3	3	3	3
Light Equipment Operator	7	7	7	7
Heavy Equipment Operator	1	1	1	1
Laborer	6	6	6	6
Electrician	1	1	1	1
Lift Station Operator	1	1	1	1
PLC Technician	1	1	1	1
Construction Supervisor	1	1	1	1
Water Utility Customer Service Inspector	1	1	1	1
Maintenance Worker	0	1	1	1
Laborer	6	6	6	6
FULL TIME	37	38	38	38
PART TIME	0	0	0	0
TOTAL	38	37	37	37
SIGNIFICANT CHANGES				
FY2016 Revised: Closed HE Operator, Light Equip Operator, and Crewleader III. Added Maintenance Supervisor and Construction Supervisor.				
FY2016: Hydrant maintenance worker was transferred to Water/Sewer from Fire Dept.				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Water/Sewer Utilities/Administration

WATER / WASTEWATER FUND

of service to the water distribution and sewer collections systems.

DIVISION: Water/Sewer Administration

DIVISION DESCRIPTION

The Water / Sewer Utilities Department strive to provide the citizens of Lufkin with thigh quality and reliable service. Prepares, submits and oversees an annual budget. Ensures compliance with policies and procedures. Strives to operate in a cost effective manner with minimum interruptions

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	215,016	305,914	245,167	245,254
Benefits	70,506	134,766	100,086	105,702
Supplies	22,848	26,680	23,545	24,970
Maintenance of Equipment	12,952	15,230	14,730	28,430
Miscellaneous Services	73,318	88,140	87,140	87,075
TOTAL	394,640	570,730	470,668	491,431
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Water / Sewer Utilities Director	1	1	1	1
Assistant Director	1	1	1	1
Warehouse Clerk	1	1	1	1
Code Enforcement Officer	1	1	1	1
Maintenance Supervisor	1	1	1	1
Clerk Journeyman	1	1	1	1
Clerk Apprentice	1	1	1	1
Maintenance Worker-Hydrant	0	1	1	1
FULL TIME	7	8	8	8
PART TIME	0	0	0	0
TOTAL	7	8	8	8

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Water/Sewer Utilities/Water Utilities

WATER / WASTEWATER FUND

DIVISION: Water Utilities

DIVISION DESCRIPTION

The Water Utilities department is responsible for all water utility functions. This responsibility encompasses services such as maintenance of the water distribution system, meter services, water taps, fire hydrant repair, repairs or replacement of broken water lines, locating water lines for utilities

and contractors, carrying out the radio read meter change out program. The Water Distribution department is responsible for extending water lines to accommodate the growth of the City. The Water Distribution Department continuously strives to meet the needs of the citizens on a daily basis by performing these functions in as timely and accurate manner as possible.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	410,517	439,447	396,492	480,302
Benefits	144,235	211,074	194,614	230,992
Supplies	63,923	77,510	67,510	67,510
Maintenance of Equipment	531,925	533,130	533,130	533,130
Miscellaneous Services	53,889	53,928	53,928	35,338
TOTAL	1,204,489	1,315,089	1,245,674	1,347,272
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Crew Leader III	1	1	1	1
Crew Leader II	2	2	2	2
Light Equipment Operator	3	3	3	3
Maintenance Worker	2	2	2	2
Water Utility Customer Service Inspector	1	1	1	1
Laborer	6	6	6	6
FULL TIME	15	15	15	15
PART TIME	0	0	0	0
TOTAL	15	15	15	15

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Water/Sewer Utilities/Sewer Utilities

WATER / WASTEWATER FUND

DIVISION: Sewer Utilities

DIVISION DESCRIPTION

The Sewer Collections Department is responsible for all sewer utilities functions. The responsibility encompasses services such as maintenance of the sewer collections system, cleaning sewer lines, sewer taps, manhole repair, repair or replacement of broken sewer lines, locating sewer lines for oth-

er utilities and contractors. Televising of sewer lines, daily inspections of sewer lift stations. The sewer collections department is responsible for extending sewer lines to accommodate the growth of the City. The sewer collections Department continuously strives to meet the needs of the citizens on a daily basis by performing these functions in a timely and accurate manner as possible.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	558,223	589,085	561,462	663,608
Benefits	157,409	238,486	253,412	286,144
Supplies	202,794	187,480	172,480	180,980
Maintenance of Equipment	368,937	355,205	355,205	355,205
Miscellaneous Services	209,122	222,962	222,962	159,775
Capital Outlay	-	-	-	-
TOTAL	1,496,485	1,593,218	1,565,521	1,645,712
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Crew Leader III	2	2	2	2
Light Equipment Operator	4	4	4	4
Heavy Equipment Operator	1	1	1	1
Electrician	1	1	1	1
Lift Station Operator	1	1	1	1
PLC Technician	1	1	1	1
Construction Supervisor	1	1	1	1
Maintenance Worker	4	4	4	4
FULL TIME	15	15	15	15
PART TIME	0	0	0	0
TOTAL	15	15	15	15

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Non—Departmental

WATER / WASTEWATER FUND

MISSION

Non-departmental expenditures represent expenditures that are unique in nature, apply to the fund in total, or represent expenditures that apply to all departments.

DESCRIPTION OF SERVICES PROVIDED

This is a non-operational department established for the purpose of handling items that apply to the fund as a whole, not to specific individual departments. Items included as expenditures are bad debt expenses, software payments, insurance payments and contingency accounts.

WORK PROGRAM

Budgeted in the department for fiscal year 2018 are the following items:

Liability Insurance Premium	\$ 124,477
Contingency Amount	\$ 150,000
Allowance for Uncollectible Accounts	\$ 150,000
General and Administrative Charges	\$2,641,151
Funded Depreciation Transfers	\$2,107,905
Debt Service Transfers	\$3,546,645
Transfer to General Fund	\$ 100,000

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	-	60,674	-	25,452
Benefits	2,495	-	-	-
Miscellaneous Services	146,311	274,477	274,477	274,477
Sundry Charges	4,904,470	4,701,269	4,701,269	4,899,056
Transfers	3,583,293	3,897,410	4,343,523	3,646,645
TOTAL	8,636,569	8,933,830	9,319,269	8,845,630
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				



Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Solid Waste / Recycling Fund

SOLID WASTE AND RECYCLING FUND

The Solid Waste and Recycling Fund is an enterprise fund that is used to account for the activities of the Solid Waste and Recycling services. All activities required to provide these services are included in this fund. Accounting activities of the Solid Waste and Recycling Fund are recorded similar to commercial accounting in that full accrual accounting is utilized.

The Solid Waste department provides twice weekly pickup of residential garbage and recycled materials. One pickup includes household garbage only; the other pickup includes only recycled materials. The department also provides pickup of yard trimmings, brush and white goods to residential customers at no charge. Commercial customers are provided two-, three-, four-, six-, or eight-cubic yard container service, picked up one to five times weekly, based on customer selection.

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Solid Waste Department

SOLID WASTE / RECYCLING FUND

MISSION

The mission of the Solid Waste Department is to provide waste and debris pickup for both residences and businesses within the City of Lufkin as efficient and safe as possible.

DESCRIPTION OF SERVICES PROVIDED

- The Solid Waste Department provides solid waste collection for residential customers utilizing a fully automated collection system. This service is provided through a once a week household garbage collection and a once a week single stream recyclables collection.
- Commercial and Industrial customers located within the City of Lufkin are offered front-load type and roll-off type (compacted and non-compacted) service with an available service frequency from once a week to up to six times weekly.
- Yard trimmings, brush, and junk collections are available to homeowners at no extra cost by submitting a work order request.
- The Litter Critter is a small dumpster that is rented by residential customers for small household cleanups, household remodels, and garage cleanouts.
- Litter Abatement crew collects trash from City

of Lufkin right of ways and some special events hosted by the City of Lufkin.

WORK PROGRAM

To continue to monitor the Special Collections division and evaluate possible changes. This collection is very costly and the Residential Collections revenue is struggling to subsidize this program.



The Litter Critter

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Number of residential customers served	11,100	11,100	11,900
Number of commercial customers served	891	880	885
Complete scheduled routes within specified timeframes, 95% of time	96%	96%	96%
Complete work orders within one week, 95% of time.	68%	65%	65%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	856,493	859,964	830,662	852,134
Benefits	450,304	401,507	403,550	408,190
Supplies	323,274	437,950	333,500	384,400
Maintenance of Equipment	241,327	202,750	238,250	257,750
Miscellaneous Services	1,825,398	1,896,361	1,920,391	1,743,814
Transfers	-	-	-	-
TOTAL	3,696,796	3,798,532	3,726,353	3,646,288

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Solid Waste Director	1	1	1	1
Solid Waste Assistant Director	1	1	1	1
Clerk –Journeyman	2	2	2	2
Driver II	14	14	14	14
Driver III	3	3	3	3
Maintenance Mechanic/Welder	1	1	1	1
Fleet Service Writer	1	1	1	1
Laborer	2	2	2	2
Maintenance Worker	1	1	1	2
FULL TIME	26	26	26	27
PART TIME	0	0	0	0
TOTAL	26	26	26	27

SIGNIFICANT CHANGES

FY18– Maintenance Worker was added to Solid Waste authorized positions.

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Solid Waste / Administration

SOLID WASTE / RECYCLING FUND

DIVISION: Administration

DIVISION DESCRIPTION

The Administration division is responsible for providing overall management, planning and direction of the daily activities of the Solid Waste and Recycling Departments.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	163,521	165,559	168,760	198,221
Benefits	79,817	71,170	72,196	86,442
Supplies	24,614	24,700	27,200	28,100
Maintenance of Equipment	6,007	2,500	3,500	12,250
Miscellaneous Services	41,323	55,615	70,510	56,560
TOTAL	315,282	319,544	342,166	381,573
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Solid Waste Director	1	1	1	1
Solid Waste Assistant Director	1	1	1	1
Clerk –Journeyman	2	2	2	2
Maintenance Worker	0	0	0	1
FULL TIME	4	4	4	5
PART TIME	0	0	0	0
TOTAL	4	4	4	5

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Solid Waste / Residential Collections

SOLID WASTE / RECYCLING FUND

DIVISION: Residential Collections

DIVISION DESCRIPTION

The residential collections division provides once a week pickup of solid waste and recyclable materials. This collection is performed by fully automated trucks using 96 gallon capacity carts.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	163,345	185,668	191,920	191,539
Benefits	101,842	90,839	92,612	92,641
Supplies	92,675	133,300	104,800	124,800
Maintenance of Equipment	73,046	75,250	80,250	95,000
Miscellaneous Services	594,825	561,037	606,037	606,037
TOTAL	1,025,733	1,046,094	1,075,619	1,110,017
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Driver II	5	5	5	5
Driver III	1	1	1	1
FULL TIME	6	6	6	6
PART TIME	0	0	0	0
TOTAL	6	6	6	6

Fiscal Year
2018



SOLID WASTE / RECYCLING FUND

DIVISION: Commercial Collection

DIVISION DESCRIPTION

The Commercial Collection Division is responsible for providing garbage and recycling collection for the commercial establishments in the City on a regularly scheduled basis as selected by the customer.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	241,079	253,822	233,784	235,567
Benefits	127,854	115,700	110,915	110,896
Supplies	113,642	155,800	114,400	125,300
Maintenance of Equipment	109,442	80,000	89,500	90,500
Miscellaneous Services	665,051	667,225	666,360	503,748
TOTAL	1,257,068	1,272,547	1,214,959	1,066,011
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Driver II	4	4	4	4
Driver III	2	2	2	2
SW Fleet Service	1	1	1	1
Maintenance Mechanic/Welder	1	1	1	1
FULL TIME	8	8	8	8
PART TIME	0	0	0	0
TOTAL	8	8	8	8

Fiscal Year
2018



SOLID WASTE / RECYCLING FUND

DIVISION: Special Collections

DIVISION DESCRIPTION

The Special Collections division is responsible for collecting yard waste and junk. These items are to be collected according to a work order system schedule. Items with work orders will be given priority over items placed curbside with no work order.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	218,877	192,912	164,685	165,114
Benefits	101,858	91,874	85,849	85,855
Supplies	24,689	34,050	28,600	29,100
Maintenance of Equipment	23,516	20,000	30,000	25,000
Miscellaneous Services	168,343	216,810	191,810	191,795
TOTAL	537,283	555,646	500,944	496,864
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Driver II	3	3	3	3
Laborer	2	2	2	2
Maintenance Worker	1	1	1	1
FULL TIME	6	6	6	6
PART TIME	0	0	0	0
TOTAL	6	6	6	6

Fiscal Year
2018



SOLID WASTE /RECYCLING FUND

DIVISION: Roll-off Collections

DIVISION DESCRIPTION

The Roll-Off Division provides commercial, industrial and construction waste collection services within the City of Lufkin. This service is performed by utilizing 20, 30 or 40 cubic yard roll-off type collection boxes.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	69,671	62,003	71,513	61,693
Benefits	38,933	31,924	41,978	32,356
Supplies	67,654	90,100	58,500	77,100
Maintenance of Equipment	29,316	25,000	35,000	35,000
Miscellaneous Services	355,856	395,674	385,674	385,674
TOTAL	561,430	604,701	592,665	591,823
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Driver II	2	2	2	2
FULL TIME	2	2	2	2
PART TIME	0	0	0	0
TOTAL	2	2	2	2

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Solid Waste / Recycling

SOLID WASTE / RECYCLING FUND

MISSION

The mission of the Recycling Department is to establish and perform a Recycling Program that works with the City and Regional Solid Waste Plans.

neighboring counties and other purchasing decisions that promote efficiencies within the department.

DESCRIPTION OF SERVICES PROVIDED

- The Regional Recycling Center works in conjunction with the Solid Waste collection divisions within the Solid Waste department.
- This department receives and process all recyclable material that is delivered to the Recycling Center.
- This material is sorted by the different types and then run through a baler. The baled material is then sold to various recyclers.

WORK PROGRAM

The Recycling Department will continue to promote the Recycling program through education and public awareness. The department will evaluate proposals to reduce costs such as reducing the recyclable materials collected from



Sorting recyclables at the Lufkin Recycling Center

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Average number of tons of recyclables collected per day	12	12	12
Average number of cubic yards of solid waste collected monthly	15,325	15,335	15,335
Tons of material sold and shipped from the Recycling Center.	2,760	2,800	3,000
Number of residents that participate in annual tire day	390	375	400

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	131,016	165,179	142,656	169,560
Benefits	97,833	94,411	89,325	95,476
Supplies	51,305	57,000	54,200	54,500
Maintenance of Equipment	29,180	48,000	50,000	52,500
Miscellaneous Services	159,608	191,170	184,122	184,715
TOTAL	468,942	555,760	520,303	556,751
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Crew Leader II	1	1	1	1
Laborer	5	5	5	5
Maintenance Worker	1	1	1	1
FULL TIME	7	7	7	7
PART TIME	0	0	0	0
TOTAL	7	7	7	7
SIGNIFICANT CHANGES				

Fiscal Year
2018



SOLID WASTE / RECYCLING FUND

MISSION

Non-departmental expenditures represent expenditures that are unique in nature, apply to the fund in total, or represent expenditures that apply to all departments.

WORK PROGRAM

Budgeted in the department for fiscal year 2018 are the following items:

Liability Insurance Premium	\$ 7,291
Allowance for Uncollectible Accounts	\$ 35,000
General and Administrative Charges	\$2,252,636
Debt Service Fund	\$ 56,200
Transfer-General Fund	\$ 100,000
Transfer-Convention Center	\$ 50,000

DESCRIPTION OF SERVICES PROVIDED

This is a non-operational department established for the purpose of handling items that apply to the fund as a whole, not to specific individual departments. Items included as expenditures are bad debt expenses, software payments, insurance payments and contingency accounts.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	-	24,624	-	10,819
Benefits	1,096	1,000	1,000	1,000
Miscellaneous Services	8,243	7,291	7,291	7,291
Sundry Charges	2,055,727	1,934,140	1,934,140	2,287,636
Transfers	139,917	308,400	308,400	206,200
TOTAL	2,204,983	2,275,455	2,250,831	2,512,946
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Non—Departmental

CITY OF LUFKIN, TEXAS





OTHER FUNDS

HOTEL/MOTEL TAX FUND

The Hotel/Motel Tax Fund is a special revenue fund that accounts for the activities of the Pitsier Garrison Convention Center, and contributes to the Museum of East Texas, Lufkin Convention and Tourism Bureau, Angelina County Exposition Center, and Texas Forestry Museum. Primary funding is generated from the Hotel/Motel Occupancy Tax; user fees are also set to cover cost of use.

SPECIAL RECREATION FUND

The Special Recreation Fund is a special revenue fund that accounts for recreational activities sponsored by the City's Park Department, which include softball, volleyball, and basketball leagues, as well as, gymnastics. Funds are used for operation and maintenance of the ball fields and recreation center.

PINES THEATER SPECIAL EVENTS

The Pines Theater Special Event Fund is a special revenue fund that accounts for a series of cultural events planned for the newly renovated Pines Theater downtown.

ZOO BUILDING FUND

The Zoo Building Fund is a special revenue fund that accounts for donations, gate receipts, other miscellaneous revenues and operating expenses for the purchase of animals, facilities repair, and capital expansion.

COURT SECURITY/TECHNOLOGY FUND

The Court Security/Technology Fund is a special revenue fund that accounts for the Security/Technology fee collected on all Municipal Court Fines. The revenues collected support the salary for the Part-time City Marshall as well as the purchase of computer equipment for the Municipal Court.

COMMUNITY DEV/DOWNTOWN FESTIVAL

The Community Dev/Dwntn Festival Fund is a special revenue fund that accounts for funds raised at the City supported multi-cultural annual festival.

ANIMAL CONTROL KURTH GRANT FUND

The Animal Control Kurth Grant Fund is a special revenue fund that accounts for the contributions made to the Kurth Memorial Animal Shelter from the Kurth Foundation.

ANIMAL ATTIC GIFT FUND

The Animal Attic Gift Fund is a special revenue fund that accounts for donations and other miscellaneous revenues. These funds are used for the purchase of veterinary equipment and animal care supplies.

EQUIPMENT ACQUISITION AND REPLACEMENT FUND

The Equipment Acquisition and Replacement Fund is an internal service fund that accounts for the depreciation cost on all rolling stock type vehicles, machinery and equipment. The accumulated depreciation is transferred to this fund annual to accumulate for the purpose of replacing and acquiring new equipment.

The governmental fund types are budgeted on a modified accrual basis wherein obligations of the City are budgeted as expenditures but revenues are recognized and recorded when they are available and become measurable.

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Hotel/Motel Tax Fund - Pitser Garrison Convention Center

HOTEL / MOTEL TAX FUND

MISSION

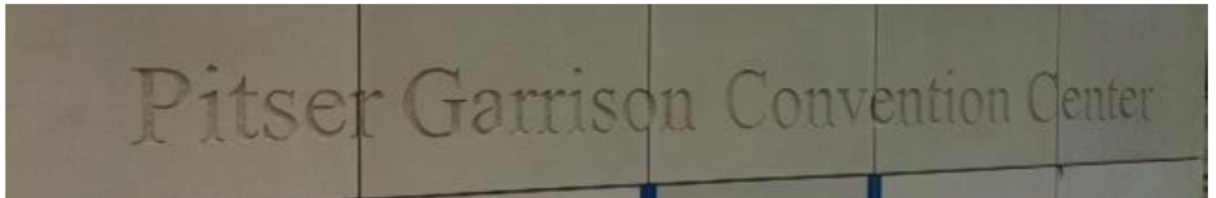
The mission of the Pitser Garrison Civic Center is to provide a safe, beneficial, and enjoyable facility for special events and concerts for citizens, tourists and visitors to Lufkin.

DESCRIPTION OF SERVICES PROVIDED

- The Pitser Garrison Civic Center provides a meeting place for events such as seminars, receptions, banquets, concerts, and many other gatherings.
- The Center provides a full catering kitchen, stage, sound system, concession area, dressing areas, and auxiliary equipment such as a piano, microphones, tape and CD players, podiums, spotlights, and screens.
- The staff is available to serve the customer in complete set-up, including tables and chairs, custodial, security, and maintenance services.

WORK PROGRAM

The work program for the 2016 Fiscal year is to continually train the staff to acquire the utmost efficiency in all aspects of the Convention Center and train all staff to operate all equipment without assistance, when circumstances arise. We are striving to keep all Saturdays filled, with the goal of additional rentals on Friday or Sunday. Our rental goal is to add two multi-day, mid-week conferences and have at least one become an annual event. We will continue to search for out-of-town renters to bring more revenue to the City as a whole as well as the Convention Center.



WORKLOAD INDICATORS & PERFORMANCE MEASURES			
Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Total Number of Days Rented	175	186	200
Total Number of Events	127	198	250
Percentage of Multi-day Rentals	36%	38%	40%
Total of Annual Rentals	55	58	65
Total Number of Kitchen Rentals	63	99	110
Percentage of Multi-day Annual Rentals with Hotel Stays	26%	35%	40%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	229,359	224,453	226,947	227,754
Benefits	111,996	118,813	119,112	120,887
Supplies	41,572	35,900	35,400	35,100
Maintenance of Equipment	22,504	25,000	24,200	24,500
Miscellaneous Services	164,708	190,807	189,877	184,447
Sundry	609,369	582,625	624,850	619,000
Transfers	2,918	-	-	873
TOTAL	1,182,425	1,177,598	1,220,386	1,212,561

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Convention Center Director	1	1	1	1
Assistant Director	1	1	1	1
Crew Leader	1	1	1	1
Laborer	5	5	5	5
FULL TIME	8	8	8	8
PART TIME	0	0	0	0
TOTAL	8	8	8	8

SIGNIFICANT CHANGES

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Hotel/Motel Tax Fund - Tax Appropriations

HOTEL / MOTEL TAX FUND

MISSION

The mission of the Hotel/Motel Tax Fund is to help provide funding to entities within the City of Lufkin which help promote tourism, provide educational experiences as well as entertainment for the citizens, and visitors of the City.

The Fiscal year 2018 appropriations budget for the entities is as follows:

The Museum of East Texas	\$ 52,500
George H. Henderson Exposition Center	\$130,000
Texas Forestry Museum	\$ 37,500
Lufkin Convention and Visitor Bureau	\$399,000

DESCRIPTION OF SERVICES PROVIDED

- The Hotel/Motel Tax Fund helps to provide funding for the Museum of East Texas, George H. Henderson Exposition Center, Texas Forestry Museum and Lufkin Convention and Tourism Bureau.
- The funding from the Hotel/Motel Tax Fund is used for operational support of the facilities of these entities.

WORK PROGRAM

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Sundry Charges	609,369	582,625	624,850	619,000
TOTAL	609,369	582,625	624,850	619,000
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this department.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Hotel / Motel Tax Fund—Non departmental

HOTEL / MOTEL TAX FUND

MISSION

Non-Departmental expenditures represent expenditures that are unique in nature, apply to the fund in total, or represent expenditures that apply to all departments.

Continue providing accurate estimates for items budgeted in this department.

Non-departmental budgets include the following items:

Liability Insurance Premium \$ 3,757

DESCRIPTION OF SERVICES PROVIDED

This is a non-operational department established for the purpose of handling items that apply to the fund as a whole, not to specific individual departments. Items included as expenditures are bad debt expenses, liability and unemployment insurance.

WORK PROGRAM

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	6,835	6,826	-	2,373
Miscellaneous Services	9,924	9,757	9,757	3,757
Transfers	2,917	-	-	-
TOTAL	19,676	16,583	9,757	6,130
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this department.				
FULL TIME				
PART TIME				
TOTAL				



SPECIAL RECREATION FUND

MISSION

The mission of the Recreation Department is to add to the quality of life by accommodating the leisure needs of all ages through sporting and recreational activities, and special events that are safe and enjoyable.

with the Texas USA, TAAF and FASA.

- The Recreation Department is also in charge of the annual Easter Egg Hunt, July 4th Extravaganza, the annual Mizuno girl's fast-pitch softball tournament, and the Daddy/Daughter Dance.

DESCRIPTION OF SERVICES PROVIDED

- The Recreation Department offers a wide variety of sporting events, recreation classes, and special events for all ages.
- Instructors are evaluated through observation and parent evaluation, which assist in ensuring customer satisfaction.
- All leagues are monitored for safety.
- The Department is responsible for registration of participants, receiving fees, park reservations, securing gym space, swimming pool, and working

WORK PROGRAM

The Department will continue to offer a wide variety of recreation programs this year. Softball will continue to increase teams using the Kit McConnico fields. The 4th of July Extravaganza hosted by Love and Associates Law Firm will be a planning priority this year. The Department looks forward to working with K-Fox Radio to increase participation in the annual Easter Egg Hunt. The Daddy/Daughter Dance will be a big attraction in 2018. The Department is working hard at trying to bring baseball tournaments to Lufkin.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
This is a non-operational department			

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	36,370	44,000	44,046	44,000
Benefits	3,418	3,975	4,002	4,002
Supplies	105,300	123,860	128,575	122,915
Maintenance of Equipment	17,505	19,900	19,900	19,650
Miscellaneous Services	185,193	214,190	196,431	206,525
Transfers	59,769	59,769	59,769	59,769
TOTAL	407,555	465,694	452,723	456,861

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Concession Stand Workers	25	25	25	25
FULL TIME	-	-	-	-
PART TIME	25	25	25	25
TOTAL	25	25	25	25

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Recreation / Softball

SPECIAL RECREATION FUND

DIVISION: Softball

DIVISION DESCRIPTION

This division is for youth and adult softball leagues. The teams participating in the program pay league fees and direct costs for field use. Maintenance of the fields is provided through the park maintenance budget.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	24,083	23,200	30,200	23,050
Maintenance of Equipment	11,738	14,000	14,000	13,750
Miscellaneous Services	85,275	101,850	89,100	93,000
TOTAL	121,096	139,050	133,300	129,800
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Recreation / Volleyball

SPECIAL RECREATION FUND

DIVISION: Volleyball

DIVISION DESCRIPTION

This division is for the volleyball leagues. The teams participating in the program pay league fees and direct costs for field use. Maintenance of the fields is provided through the park maintenance budget.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	744	1,875	1,875	2,000
Miscellaneous Services	565	1,670	1,670	1,670
TOTAL	1,309	3,545	3,545	3,670
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Recreation / Basketball

SPECIAL RECREATION FUND

DIVISION: Basketball

DIVISION DESCRIPTION

This division is provided for youth and adult basketball programs.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	4,495	7,070	6,600	7,170
Miscellaneous Services	14,947	16,000	14,046	16,100
TOTAL	19,442	23,070	20,676	23,270
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2018**



SPECIAL RECREATION FUND

DIVISION: Football

DIVISION DESCRIPTION

This division is provided for youth football programs.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	-	-	1,900	2,060
Miscellaneous Services	-	-	3,215	4,260
TOTAL	-	-	5,115	6,320
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Recreation / Gymnastics

SPECIAL RECREATION FUND

DIVISION: Gymnastics

DIVISION DESCRIPTION

Gymnastics is one of the largest classes in the recreation program. Revenues assist with instructor's pay and new equipment as needed.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	1,195	2,100	2,100	1,900
Miscellaneous Services	25,114	26,745	26,745	26,745
TOTAL	26,309	28,845	28,845	28,645
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2018



SPECIAL RECREATION FUND

DIVISION: Special Events

DIVISION DESCRIPTION

This division is for activities planned and sponsored by the Parks and Recreation department. Currently, our special events include the Annual Easter Egg Hunt, Punt, Pass and Kick, kickball tournament, and the July 4th Extravaganza. Donations, sponsors, vendors, and user fees provide funding for this division.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	803	1,750	1,750	1,250
Miscellaneous Services	2,791	3,375	6,125	3,500
TOTAL	3,594	5,125	7,875	4,750
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Recreation / Recreation Classes

SPECIAL RECREATION FUND

DIVISION: Recreation Classes

DIVISION DESCRIPTION

This division is for payment of instructors and expenses related to the recreation activities offered through the Recreation Program.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	89	475	350	425
Miscellaneous Services	20,422	17,100	19,400	19,600
TOTAL	20,511	17,575	19,750	20,025
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Recreation / Baseball

SPECIAL RECREATION FUND

DIVISION: Baseball

DIVISION DESCRIPTION

This division accounts for youth baseball which is our largest youth sport. Registration fees pay for umpires, equipment, uniforms, sanction fees, and insurance are paid from this division.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	19,272	24,090	20,500	21,760
Maintenance of Equipment	5,767	5,900	5,900	5,900
Miscellaneous Services	36,079	47,450	36,100	41,650
TOTAL	61,118	77,440	62,500	69,310
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Recreation / Concessions

SPECIAL RECREATION FUND

DIVISION: Concessions

DIVISION DESCRIPTION

This division is responsible for the concession stand at Kit McConnico Park and the boys and girls complex at Morris Frank Park. All workers are City employees and are scheduled by the Parks Department. Revenue brought in pays for supplies, merchandise, and employees.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	36,370	44,000	44,046	44,000
Benefits	3,418	3,975	4,002	4,002
Supplies	54,619	63,300	63,300	63,300
TOTAL	94,407	111,275	111,348	111,302
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Concession Stand Worker	25	25	25	25
FULL TIME	-	-	-	-
PART TIME	25	25	25	25
TOTAL	25	25	25	25

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Recreation—Non departmental

SPECIAL RECREATION FUND

MISSION

Non-Departmental expenditures represent expenditures that are unique in nature, apply to the fund in total, or represent expenditures that apply to all departments.

Continue providing accurate estimates for items budgeted in this department.

Non-departmental budgets include the following items:

Transfer to General Fund \$ 59,769

DESCRIPTION OF SERVICES PROVIDED

This is a non-operational department established for the purpose of handling items that apply to the fund as a whole, not to specific individual departments. Items included as expenditures are bad debt expenses, liability and unemployment insurance.

WORK PROGRAM

Description		2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
This is a non operational department and does not have performance measures.				
EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Transfers	59,770	59,769	59,769	59,769
TOTAL	59,770	59,769	59,769	59,769
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				



Pines Theater Special Events

MISSION

The mission of the Pines Theater Special Events fund is to host a series of cultural events and to promote the use of the historical Pines Theater.

total of 12 movies will have been shown.

- From October—September 2017, a total of 8 shows will have been presented through The Pines Presents.
- From October 2016-September 2017 The Pines has been rented a total of 102 times. This includes private rentals for weddings, corporate events, engagement parties, and other musical events, schools, etc.

DESCRIPTION OF SERVICES PROVIDED

- The Pines Theater Special Events Fund was created in fiscal year 2012 from a sponsorship by Lufkin Convention & Visitor Bureau to promote a series of special events at The Pines and help bring culture and arts to our residents along with attracting visitors to our community.
- The Pines Theatre host movies every month throughout the year.
- The Pines Theatre Venue is rented for various social events including weddings, recitals, banquets, award ceremonies and school programs.
- From October 2016 through September 2017, a

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description		2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
This is a non-operational department				
EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	14,072	21,125	14,125	16,625
Maintenance of Equipment	2,905	3,570	3,570	3,570
Miscellaneous Services	176,130	148,140	136,249	152,140
TOTAL	193,107	172,835	153,954	172,335
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Ellen Trout Zoo

ZOO BUILDING FUND

MISSION

The mission of the Zoo Building Fund is to provide financial assistance to the Ellen Trout Zoo in order to help make the zoo a diverse, enjoyable and safe facility for all of the animals, visitors and staff.

DESCRIPTION OF SERVICES PROVIDED

- The Zoo Building Fund is supported by donations, admission fees, Adopt-An-Animal and other revenue generated by the zoo.
- These revenues are used for facility improvements and animal purchases.
- Since 1976, all exhibits, animal purchases, much of the landscaping and many other improvements have been made possible by public support of the zoo and by the utilization of this fund.
-

WORK PROGRAM

Zoo improvements including major exhibit renovations, landscaping projects, animal acquisitions, plant acquisitions, and other physical plant projects are functions of the Zoo Building Fund work program. Funding capital projects and the implementation of the Zoo's Master Plan are other important aspects of the Zoo Building Fund work program. The Zoo Building Fund aids the development of naturalistic, emersion exhibits to create an exciting experience for zoo guests and for the welfare of the animals. Civic club projects and the ever-popular Summer Zoo Safari and Jr. Zookeeper programs are also accomplished by the use of this fund.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description		2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
This is a non-operational department				
EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	71,897	84,400	106,200	84,400
Maintenance of Equipment	145,391	139,200	221,100	135,400
Miscellaneous Services	36,782	29,900	61,805	34,800
Capital Outlay	543,846	-	-	-
Transfers	28,599	28,599	28,599	28,599
TOTAL	826,515	282,099	417,704	283,199
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Municipal Court

COURT SECURITY / TECHNOLOGY FUND

MISSION

This is a designated fund within the Department of Municipal Court.

WORK PROGRAM

The technology portion of the fund is to be used exclusively to purchase or maintain computer systems, computer networks, computer hardware, computer software, imaging systems, electronic kiosks, electronic ticket takers, and document management systems for Municipal Court.

The Security portion of the fund is to be used to finance items when used for the purpose of providing security services for the building housing the Municipal Court.

DESCRIPTION OF SERVICES PROVIDED

- These funds are used to purchase security and technology improvements to the Court.
- A seven dollar fee is collected on every traffic citation and on every state law and city ordinance violation filed in the court for this fund.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description		2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
This is a non-operational department				
EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	2,989	4,405	5,105	5,460
Maintenance of Equipment	28,768	30,840	17,340	17,340
Miscellaneous Services	1,468	2,710	2,866	2,710
Transfers	-	-	-	-
TOTAL	33,225	37,955	25,311	25,510
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Municipal Court / Technology

COURT SECURITY / TECHNOLOGY FUND

DIVISION: Technology

DIVISION DESCRIPTION

This portion of the Court Security/Technology Fund allows for the purchase of equipment, hardware and software for use within the Municipal Court.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	324	950	950	-
Maintenance of Equipment	28,693	30,490	16,990	16,690
TOTAL	29,017	31,440	17,940	16,990

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Municipal Court / Security

COURT SECURITY / TECHNOLOGY FUND

DIVISION: Security

DIVISION DESCRIPTION

This division of the Court Security/Technology Fund allows for the expenditures related to the security of the Municipal Court including salaries, uniforms and benefits for a bailiff as well as security equipment and installation.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	2,663	3,455	4,155	5,460
Maintenance of Equipment	75	350	350	350
Miscellaneous Services	1,468	2,710	2,866	2,710
TOTAL	4,206	6,515	7,371	8,520
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Non—Departmental

COURT SECURITY / TECHNOLOGY FUND

MISSION

Non-departmental expenditures represent expenditures that are unique in nature, apply to the fund in total, or represent expenditures that apply to all departments.

ments. Items included as expenditures are bad debt expenses, software payments, and insurance.

DESCRIPTION OF SERVICES

This is a non-operational department established for the purpose of handling items that apply to the fund as a whole, not to specific individual depart-

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Transfers	-	-	-	-
TOTAL	-	-	-	-
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2018



Community Development/Downtown

DESCRIPTION OF SERVICES

This is a non-operational department established for the purpose of handling items that apply to the fund as a whole, not to specific individual departments.

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	5,245	6,200	6,200	5,450
Miscellaneous Services	9,675	11,500	11,500	14,000
TOTAL	14,920	17,700	17,700	19,450
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Animal Control

ANIMAL CONTROL—KURTH GRANT FUND

MISSION

This is a designated fund used exclusively for Animal Control.

WORK PROGRAM

There is no work program associated with this fund.

The following items are budgeted in this department:

DESCRIPTION OF SERVICES PROVIDED

The Kurth Grant Fund benefits the Animal Shelter in the purchase of supplies and equipment necessary for shelter operations. This benefits not only the citizens of Lufkin, but also all Angelina County citizens.

Transfer to General Fund \$90,000

Description		2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
This is a non-operational department.				
EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Miscellaneous Services	-	-	-	40,000
Maintenance of Equipment	50,000	-	-	-
Transfers	191,520	145,000	145,000	90,000
TOTAL	241,520	145,000	145,000	130,000
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Animal Control

ANIMAL'S ATTIC GIFT SHOP FUND

MISSION

This is a designated fund used exclusively for Animal Control.

WORK PROGRAM

There is no work program associated with this fund.

DESCRIPTION OF SERVICES PROVIDED

Donations to the Shelter are used to purchase vaccinations, medications and other supplies necessary for operation of the Shelter and treatment of animals within the Shelter.

Description		2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
This is a non-operational department.				
EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	-	-	-	1,000
Maintenance of Equipment	700	-	-	6,000
Capital Outlay	-	-	-	10,000
Transfers	-	-	5,000	-
Miscellaneous Services	12,467	20,590	26,068	-
TOTAL	13,167	20,590	31,068	17,000
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Equipment Amortization

EQUIPMENT ACQUISITION AND REPLACEMENT FUND

MISSION

This fund allows for the accumulation of the depreciation on equipment to allow for acquisition and / or replacement of equipment, vehicles and machinery except for those items with long life expectancy.

department under the management of the Human Resources Department..

WORK PROGRAM

In fiscal year 2018, the City will continue analyzing the condition of equipment for replacement within the established guidelines. Adjustments will be made as necessary to provide the most efficient use of resources.

DESCRIPTION OF SERVICES PROVIDED

The Public Works Director coordinates with the participating departments to determine the equipment replacement schedules and estimated useful lives and estimated cost of equipment purchased. The disposal of equipment is coordinated with the City's purchasing

Description		2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
This is a non-operational department.				
EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Supplies	-	25,000	25,000	120,000
Miscellaneous Services	10,415	-	-	-
Capital Outlay	2,102,614	1,068,485	1,205,651	1,811,363
TOTAL	2,113,029	1,093,485	1,230,651	1,931,363
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

COMPONENT UNITS

COMPONENT UNITS

ECONOMIC DEVELOPMENT FUND– COMPONENT UNIT

The Economic Development Fund is a discretely presented component unit that accounts for a portion of sales revenues designated for economic development projects.

LUFKIN CONVENTION AND VISITORS BUREAU – COMPONENT UNIT

The Lufkin Convention and Visitor Bureau was formed in 2010 with the primary objective to create maximum hotel occupancy within the city through a marketing program aimed at attracting and securing overnight visitors who will spend money in the Lufkin area.

The governmental fund types are budgeted on a modified accrual basis wherein obligations of the City are budgeted as expenditures but revenues are recognized and recorded when they are available and become measurable.

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Economic Development Corp.

ECONOMIC DEVELOPMENT FUND – COMPONENT UNIT

The Economic Development Fund accounts for a portion of revenues designated for economic development projects. This fund receives its revenue from a portion of the sales taxes collections received by the City and the funds are designated for the economic development and promotion of business within the City.

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Economic Development Corp.

ECONOMIC DEVELOPMENT FUND

MISSION

The mission of the Economic Development Department is to promote growth and diversification of the local economy by fostering an environment that encourages business retention as well as new business development. This department focuses primarily on the industrial, corporate headquarters, call center, and health care sectors for creating quality jobs (at or above the current prevailing wage), and secondarily engages in retail and entertainment recruitment to improve residents overall quality of life.

DESCRIPTION OF SERVICES PROVIDED

- Provide Economic Development services to the City of Lufkin and surrounding service area. Economic Development by definition is the creation of jobs and expansion and diversification of the tax base of the community.
- To this end the Economic Development Department will provide services in the following areas: Development of Economic Development program that is competitive and flexible, retention and expansion of local primary job sector companies, recruitment of new primary job sector companies, land acquisition and development, developer relations, strategic and comprehensive planning assistance, marketing of the City of Lufkin and Lufkin area.

- The Economic Development Department will also assist with other types of development within the service area as applicable in all designated development focus areas.
- The Economic Development Department will work closely with other City departments to ensure Lufkin is proactive and development friendly for the community's long term economic health.

WORK PROGRAM

The Economic Development Department will embark on the following Program of Work in Fiscal 2017: focus on the areas of Business Retention and Expansion (BRE), market the City of Lufkin for prospective business recruitment, reply to economic development leads from all sources as appropriate; continue with the pre-development of land owned by the EDC, manage legislative council for the community, assist with grant opportunities as needed for the community, represent the City with local and statewide committees, boards, commissions and liaison with other community stakeholders on behalf of the City of Lufkin.

Description	2014-2015 Actual	2015-2016 Revised	2016-2017 Budget
Total number of business retention and expansion visits with local industry annually	12	12	12
Total number of recruiting activities attended annually (trade shows, trade missions, prospect visits, special events)	5	5	5
Total number of prospect projects worked on annually (leads responded to, RFP's responded to etc.)	20	20	20
Total number of stakeholder communications annually including newsletters, speaking engagements, articles	24	24	24
Follow – up with all qualified contacts from each event within 24 hours after the event 90% of the time	95%	95%	100%

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	39,091	33,936	32,353	153,208
Benefits	35,374	22,853	21,457	58,518
Economic Development Incentives	632,000	564,000	664,000	738,000
Supplies	6,748	14,750	9,750	10,440
Miscellaneous Services	185,710	184,345	234,705	242,635
Capital Outlay	-	-	235,184	-
Transfers	-	174,875	494,875	-
Debt Service	45,436	185,478	185,478	185,479
Sundry Charges	32,700	30,510	30,510	34,330
TOTAL	977,059	1,210,747	1,908,312	1,422,610

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Director of Economic Development	1	1	1	1
Clerk Senior Level	1	1	1	1
FULL TIME	2	2	2	2
PART TIME	0	0	0	0
TOTAL	2	2	2	2

SIGNIFICANT CHANGES

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Economic Development / Non-departmental

ECONOMIC DEVELOPMENT FUND

MISSION

Non-Departmental expenditures represent expenditures that are unique in nature, apply to the fund in total, or represent expenditures that apply to all departments.

DESCRIPTION OF SERVICES PROVIDED

This is a non-operational department established for the purpose of handling items that apply to the fund as a whole, not to specific individual departments. Items included as expenditures are bad debt expenses, liability and unemployment insurance.

WORK PROGRAM

Continue providing accurate estimates for items budgeted in this department.

Non-departmental budget includes the following item:

Personnel Services	\$
Insurance	\$ 2,600
General and Administrative Charges	\$ 15,330
Debt Service	\$185,479

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	-	790	-	-
Miscellaneous Services	10,375	2,600	-	2,600
Sundry Charges	13,700	11,510	11,510	15,330
Transfers	-	174,875	494,875	-
Debt Service	45,436	185,478	185,478	185,479
TOTAL	69,511	375,253	691,863	203,409

AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2018**



CITY OF LUFKIN, TEXAS

Lufkin Convention & Visitors Bureau

LUFKIN CONVENTION & VISITORS BUREAU FUND

MISSION

The primary objective of the Lufkin Convention and Visitors Bureau (LCVB) is to create maximum hotel occupancy within the city through a marketing program aimed at attracting and securing overnight visitors who will spend money in the Lufkin area.

registration assistance, name badges, promotional items, welcome bags, city tours and other activities.

WORK PROGRAM

Lufkin Convention and Visitor Bureau (LCVB) will continue the tabletop advertising campaign in addition to utilizing social media and national magazines such as Texas Parks and Wildlife, Texas Highways and Texas Monthly to get the word out that Lufkin, Texas is a great place to visit in efforts to increase tourism business to the community.

LCVB will also continue to sponsor events that enhance the tourism industry such as the angling CAST tournament; and recreational activities such as the Pineywoods Purgatory and Neches River Rendezvous that have participation rates from outside the county of 50% or more.

LCVB will also be actively soliciting convention business and supplying local hotels/motels with visitor's guides and maps of the area attractions.

LCVB will continue to build on annual events such as Lufkin's Bistro, Corks and Forks, Angelina County AirFest, Yule Love Lufkin, among others and reach out to outlying areas to bring visitors to the community for these events.

DESCRIPTION OF SERVICES PROVIDED

- The LCVB will promote the city, attract meetings, bring convention and tourism business to the community.
- The LCVB will enhance the growth and development of Lufkin and Angelina County by increasing visitor and convention business.
- The LCVB will contribute to the identity and economic well being of Lufkin.
- The LCVB will take a leadership role with the community and business partners to provide an outstanding visitor experience. We will create and maintain up to date brochures and other materials relative to the hospitality industry.
- The LCVB will participate in trade shows and travel industry activities designed to reach consumers and meeting planners.
- The LCVB will coordinate services for groups which may include any or all of the following:

Description	2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
Total number of events promoted	70	80	80
Total number of events promoted with greater than 50% participation from outside the county.	20	20	19
Promote events that have a participation rate from outside the county 75% of the time	15	15	19
Total number of advertising campaigns completed within the fiscal year	10	12	14
Total number of advertising campaigns with a 20% response rate	7	8	9
Complete advertising campaigns with a 20% response rate 75% of the time	7	7	9

EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	108,356	112,967	112,430	197,664
Benefits	44,555	43,387	43,970	45,551
Supplies	4,924	8,250	6,050	7,756
Sundry	1,330	1,780	1,780	3,640
Miscellaneous Services	251,150	313,100	300,650	342,685
TOTAL	410,315	479,484	464,880	597,296
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
LCVB Director	1	1	1	1
Clerk Senior Level	1	1	1	1
FULL TIME	2	2	2	2
PART TIME	0	0	0	0
SIGNIFICANT CHANGES				

Fiscal Year
2018



CITY OF LUFKIN, TEXAS

Lufkin Convention & Visitor Bureau / Non-departmental

LUFKIN CONVENTION & VISITORS BUREAU FUND

MISSION

Non-Departmental expenditures represent expenditures that are unique in nature, apply to the fund in total, or represent expenditures that apply to all departments.

DESCRIPTION OF SERVICES PROVIDED

This is a non-operational department established for the purpose of handling items that apply to the fund as a whole, not to specific individual departments. Items included as expenditures general and administrative expenses and contingency.

WORK PROGRAM

Continue providing accurate estimates for items budgeted in this department.

Non-departmental budget includes the following item:

General and Administrative Charges	\$ 2,690
Contingency requiring Board Approval	\$100,000

Description		2015-2016 Actual	2016-2017 Revised	2017-2018 Budget
This is a non operational department and does not have performance measures.				
EXPENDITURES	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
Personnel Services	-	2,637	-	951
Miscellaneous Services	-	100,000	50,000	100,000
Sundry Charges	1,330	1,780	1,780	2,690
TOTAL	1,330	104,417	51,780	103,641
AUTHORIZED POSITIONS	2015-2016 Actual	2016-2017 Approved	2016-2017 Revised	2017-2018 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

DEBT SERVICE FUND

The City of Lufkin finances long term capital projects by issuing bonds. Projects such as street construction and improvements; park construction; building; and drainage projects are financed with general obligation bonds and certificates of obligation. Both of these debt instruments are repaid through ad valorem taxes collected by the City. General obligation bonds are voter-approved bonds for specific purposes. Certificates of obligation are authorized by the City Council and do not require a vote of the citizens.

Projects for water, wastewater and solid waste purposes such as water and sewer line construction; water and wastewater treatment plant construction; and major equipment purchases are financed with certificates of obligation or revenue bonds. These bonds are repaid through the revenues collected from user fees charged for services provided. From time to time, combination tax and revenue certificates of obligation are issued for purposes of general government (tax supported) and utilities (revenue supported). This debt is repaid through both ad valorem tax collections and utility revenues in the same proportion as the debt is issued.

The City of Lufkin issues general obligation bonds and certificates of obligation for a term of generally twenty years. The Debt Service Fund accounts for the accumulation of resources for, and the payment of general long-term debt principal and interest. The resources of this fund are generated by a tax levy based on property values and transfers from utility funds for their share of outstanding debt.

The State of Texas limits the ad valorem tax rate to \$2.50 per \$100 valuation. Lufkin's maximum rate, as set by City Charter, is \$1.75. The current ad valorem tax rate is \$0.529942 and the proposed rate for FY 2018 is \$0.531135. Although there is no other legal debt limit, the City's policy is to maintain a general obligation debt limit wherein the total outstanding tax-supported debt shall not exceed 5% of the total annual taxable assessed valuation of taxable property. The City's net taxable assessed valuation for Fiscal 2018 is \$2,034,876,699, which, when calculated, provides a policy debt limit of \$101,743,835. The City's total estimated outstanding debt for Fiscal 2018 is \$51,915,000.

Additional tests of indebtedness include Net Debt per Capita (\$) and Ratio of Net Debt to Assessed Value (%). According to the 2010 census, the City's population is 36,830. Based on this figure, the ratios are as follows:

$$\text{Net Debt Per Capita} = \frac{\$51,915,000 \text{ (Net Direct Debt)}}{36,830 \text{ (Population)}} = \$1,410$$

$$\text{Ratio of Net Debt to Taxable Assessed Value} = \frac{\$51,915,000 \text{ (Net Direct Debt)}}{\$2,034,876,699 \text{ (Assessed Value)}} = 2.55 \%$$

The subsequent table reflects the allocation of the property tax levy between Debt Service and General Fund Operations for Fiscal 2018 and the previous four years.

	<u>Fiscal 2013</u>	<u>Fiscal 2015</u>	<u>Fiscal 2016</u>	<u>Fiscal 2017</u>	<u>Fiscal 2018</u>
Debt Service Fund	\$0.170000	\$0.160000	\$0.150000	\$0.150000	\$0.150000
General Fund	<u>\$0.338000</u>	<u>\$0.363800</u>	<u>\$0.373800</u>	<u>\$0.379942</u>	<u>\$0.381135</u>
Total Tax Rate	<u>\$0.503800</u>	<u>\$0.523800</u>	<u>\$0.523800</u>	<u>\$0.529942</u>	<u>\$0.531135</u>

The steady increase in taxable value related to both property reappraisals and new construction value additions has allowed the City to maintain a stable tax rate with minimal increases. A tax increase of $\frac{3}{4}$ cent as well as a shift of one cent from the operating and maintenance portion of the tax rate to debt service was included in the Fiscal 2000 budget to fund the 1999 Capital Improvements Program. In May 2001, citizens approved a \$7,686,322 Street Bond Program (2001 Street Bond Program) that required a 6.4-cent tax increase to fund. As a result, tax increases of 2.2 cents per year in Fiscal 2002 and 2003 have been approved in the debt service portion of the tax rate. The third, and final, increase was included in Fiscal 2004 and amounted to a 2-cent increase. In Fiscal 2010 the effective tax rate was adopted reducing the tax rate by 2.16 cents. For Fiscal 2011 an additional 2.0 cent reduction was implemented, and in Fiscal 2013 a 1-cent reduction further offsets the increases imposed by the Street Bond Program. In Fiscal 2015 a 2-cent increase and a shift of 1-cent from I&S to M&O was implemented to make changes in the pay scales of the Police and Fire Departments. In Fiscal 2016 an additional 1-cent shift from I&S to M&O has allowed the City to prepare for possible downturns in the local economy, associated with the downsizing and potential closing of a local industry. No adjustments are planned for Fiscal 2018.

Council adopted a Continuing Capital Improvements Program (CIP) in the fall of 1999 to be financed with Certificates of Obligation (CO). Four bond issues have been sold; one in Fiscal 2000 for \$4,400,000, a second in Fiscal 2002 for \$9,450,000, and a third in September 2003 for \$1,700,000, and a fourth in Fiscal 2004 for \$8,200,000 and a final issue of \$7,610,000 in June 2007. A new Capital Improvements Program (CIP) was developed and implementation began during FY2010. The second phase began in FY 2013 with a bond issue of \$7,100,000.

Debt Service Fund is used to account for the accumulation of revenues, i.e. ad valorem taxes and interest income, for the payment of principal and interest on general long-term debt. The first schedule, on page 264 reflects the City's Debt Service Fund. The fund balance in the Debt Service Fund is maintained so that funds can be accumulated to pay the City's general long-term debt obligations with a minimum impact on the tax rate. Consequently, the amount remaining in the fund balance will vary from year to year with the bond financing activity of the City. The minimum fund balance goal to be maintained by the City is 10% of debt service for that year.

The tables, on pages 265-275, detail the Debt Service Fund and each current outstanding bond issue that is owed by the City. The tables show the date of issue, the years remaining on the payment schedule, and the amount of principal and interest due in each year. The first debt service table is a summary of all outstanding issues.

REVENUE BOND DEBT SERVICE

Revenue bond debt service is paid from the revenues of the Utility System. Standard and Poor's and Moody's Investment Service have rated the City's Certificate of Obligation bonds AA- and A1, respectively. Total outstanding debt at October 1, 2017 is \$51,915,000.

The City entered into agreements with the Army Corps of Engineers in 1970 and 1976 to purchase surface water for present and future water supply rights from Lake Sam Rayburn. The 1970 agreement included the purchase of 18,000 acre-feet of water from the Corps at a cost of \$220,000. The purchase price, financed by a note payable, spans a period of over 50 years at 2.591% interest. As of January 1, 2014 the City had repaid \$184,327. The balance of \$14,820 is scheduled for payment, in full, on January 1, 2019. The second agreement entered into with the Corps was for the

purchase of 25,000 acre-feet of water. The total cost of this purchase was \$305,600 to be repaid over a 40-year period at an interest rate of 2.591%. This note has been paid in full.

The Texas Commission on Environmental Quality (TCEQ) has sanctioned the City to replace approximately 54 miles of asbestos cement water pipe. This project was expected to take six years to complete at a cost of approximately \$16.0 million. The City has received approval from the Texas Water Development Board (TWDB) for a \$16.0 million loan with which to replace these lines. The loan takes the form of a bond issue, which the TWDB sells. The City draws on these funds at regular intervals, at which time interest begins to accrue on the drawn funds. The first draw was dated November 1, 2000 in the amount of \$715,000. Draw #2, dated July 2002, amounted to \$1,960,000; draw #3, filed with the TWDB in September 2002 amounted to \$1,600,000; draw #4, dated May 2003 for \$1,835,000; draw #5, dated December 2003 for \$1,210,000; draw #6, dated December 2004 for \$845,000; draw #7, dated April 2006 for \$1,065,000; draw #8, dated December 2006 for \$2,660,000; draw #9, dated March 2007 for \$1,065,000, draw #10, dated April 2008 for \$1,075,000 and draw #11 dated August 2009 for \$1,215,000. Draw #11 completed funding for the water line replacement project. In Fiscal 2011 these bonds were refunded as part of the 2010 General Obligation Refunding Bonds.

The CIP includes approximately \$6.8 million of water and sewer projects. These projects are financed with combination tax and revenue certificates of obligation. This debt is reflected in the General Obligation Debt Service Fund as part of the tax supported debt; however, funds from the Water/Wastewater Utility are transferred to the Debt Service Fund each year to cover the debt service associated with any revenue-supported projects. Consequently, of the \$9.75 million issued in Fiscal 2002, \$1.9 million was for water and wastewater projects. In Fiscal 2004, \$8.2 million was issued with \$2.2 million for water and wastewater projects and in Fiscal 2007, \$5.87 million was issued with \$1.21 million for water and wastewater projects. This was the final issue for the CIP. The amount to be transferred to the Debt Service Fund in Fiscal 2014 is \$3,786,264. During Fiscal 2009, the City issued \$17.4 million Certificates of Obligation in addition to using \$3 million of accumulated Water/Wastewater reserve funds to purchase Kurth Lake, Abitibi water well field and fund various sewer projects totaling approximately \$5 million as required by TCEQ. In Fiscal 2014 an issue of \$5,100,000 was made in certificates of obligation to complete the I&I projects.

The tables relating to Revenue Bond debt on page 276 include information on the two outstanding notes payable owed by the City. The tables reflect the date of issue, the years remaining on the payment schedule, and the amount of principal and interest due in each year.

CITY OF LUFKIN
DEBT SERVICE FUND
Fiscal 2018 Operating Budget

	FY2016	FY2017	FY2017	FY2018
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 1,811,937	\$ 1,268,478	\$ 1,406,542	\$ 1,806,925
Revenues				
Current year collections	2,987,208	3,052,312	3,049,812	3,044,518
Interest income	18,183	8,000	11,000	10,000
Other-Transfer from Water/Wastewater Fund	3,129,448	3,246,467	3,778,005	3,546,645
Other-Transfer from Solid Waste/Recycling Fund	55,000	58,400	58,400	56,200
Other Revenue	13,447	-	-	(11,745)
Other financing sources-proceeds	9,871,035	-	-	-
Total Revenues	16,074,321	6,365,179	6,897,217	6,645,618
Total Funds Available	<u>\$ 17,886,258</u>	<u>\$ 7,633,657</u>	<u>\$ 8,303,759</u>	<u>\$ 8,452,543</u>
Expenditures				
Principal payments	\$ 4,535,000	\$ 4,695,000	\$ 4,685,000	\$ 5,020,000
Interest payments	1,916,340	1,822,559	1,802,834	1,657,084
Debt service fees	135,750	9,000	9,000	6,350
Other Financing Uses	9,892,626	-	-	-
Total Expenditures	16,479,716	6,526,559	6,496,834	6,683,434
Excess(deficiency) of revenues over expenditures	(405,395)	(161,380)	400,383	(37,816)
Fund balance ending	1,406,542	1,107,098	1,806,925	1,769,109
Total Funds Applied	<u>\$ 17,886,258</u>	<u>\$ 7,633,657</u>	<u>\$ 8,303,759</u>	<u>\$ 8,452,543</u>

**GENERAL OBLIGATION BONDS
DEBT REQUIREMENTS
SUMMARY
Fiscal 2018 Operating Budget**

Issue	Purpose	Principal Outstanding 10/1/2017	Requirements for Fiscal 2018			
			Principal	Interest	Paying Agent Fees	Total
2009	C.O./Utility Improvements	7,175,000	820,763	671,150	6,750	8,673,663
2010	C.O. Improvements	7,115,000	1,156,900	1,156,900	10,500	9,439,300
2010	G.O. Refunding Bond	4,810,000	236,400	236,400	3,000	5,285,800
2011	G.O. Refunding Bond	4,935,000	162,235	162,235	5,250	5,264,720
2012	C.O. Improvements	5,900,000	551,972	551,972	8,800	7,012,744
2013	C.O. Improvements	4,250,000	643,153	673,153	8,800	5,575,106
2014	G.O. Refunding Bond	4,085,000	274,000	274,000	6,000	4,639,000
2015	G.O. Refunding Bond	4,900,000	437,325	437,325	7,500	5,782,150
2016	G.O. Refunding Bond	8,745,000	1,537,675	1,390,700	12,750	11,686,125
Total		<u>\$51,915,000</u>	<u>\$5,820,423</u>	<u>\$5,553,835</u>	<u>\$69,350</u>	<u>\$63,358,608</u>

GENERAL OBLIGATION BONDS
ANNUAL DEBT SERVICE REQUIREMENTS
All Series

Fiscal Year	<u>Principal</u>	<u>Interest 15-Feb</u>	<u>Interest 15-Aug</u>	<u>Paying Agent Fees</u>	<u>Total</u>
2018	5,020,000	837,136	849,948	6,350	6,713,434
2019	5,210,000	763,885	745,785	6,350	6,726,020
2020	5,345,000	686,497	666,247	6,350	6,704,094
2021	4,850,000	605,198	578,448	6,350	6,039,996
2022	3,965,000	521,248	493,223	5,600	4,985,071
2023	3,205,000	454,907	436,082	5,600	4,101,589
2024	3,290,000	402,073	382,198	5,600	4,079,871
2025	3,080,000	346,723	325,723	4,850	3,757,296
2026	2,585,000	290,224	268,199	4,100	3,147,523
2027	2,710,000	240,478	224,803	3,350	3,178,631
2028	2,305,000	199,009	182,884	2,600	2,689,493
2029	2,395,000	159,818	143,243	2,600	2,700,661
2030	2,030,000	122,240	111,590	2,600	2,266,430
2031	2,105,000	89,515	78,715	2,600	2,275,830
2032	1,500,000	55,587	44,262	1,850	1,601,699
2033	1,525,000	33,960	22,485	1,850	1,583,295
2034	795,000	11,925	0	750	807,675
Total	<u>\$51,915,000</u>	<u>\$5,820,423</u>	<u>\$5,553,835</u>	<u>\$69,350</u>	<u>\$63,358,608</u>

DEBT SERVICE
SCHEDULE OF REQUIREMENTS
CERTIFICATES OF OBLIGATION BONDS
Series 2009

Original Issue: \$ 17,400,000

Dated: March 12, 2009

Interest Rate: 4.62%

Fiscal		Interest	Interest	Paying	
<u>Year</u>	<u>Principal</u>	<u>15-Feb</u>	<u>15-Aug</u>	<u>Agent</u>	<u>Total</u>
2018	675,000	149,613	137,800	750	963,163
2019	700,000	137,800	125,200	750	963,750
2020	725,000	125,200	110,700	750	961,650
2021	775,000	110,700	95,200	750	981,650
2022	800,000	95,200	78,800	750	974,750
2023	825,000	78,800	60,650	750	965,200
2024	850,000	60,650	41,525	750	952,925
2025	900,000	41,525	21,275	750	963,550
2026	925,000	21,275	-	750	947,025
Totals	<u>\$7,175,000</u>	<u>\$820,763</u>	<u>\$671,150</u>	<u>\$6,750</u>	<u>\$8,673,663</u>

**DEBT SERVICE
SCHEDULE OF REQUIREMENTS
CERTIFICATES OF OBLIGATION BONDS
Series 2010**

Original Issue: \$ 9,145,000

Dated: November 15, 2010

Interest Rate: 2.0 - 4.0%

Fiscal		Interest	Interest	Paying	
<u>Year</u>	<u>Principal</u>	<u>15-Feb</u>	<u>15-Aug</u>	<u>Agent</u>	<u>Total</u>
2018	390,000	142,300	142,300	750	675,350
2019	405,000	134,500	134,500	750	674,750
2020	425,000	126,400	126,400	750	678,550
2021	435,000	117,900	117,900	750	671,550
2022	455,000	109,200	109,200	750	674,150
2023	470,000	100,100	100,100	750	670,950
2024	495,000	90,700	90,700	750	677,150
2025	515,000	80,800	80,800	750	677,350
2026	530,000	70,500	70,500	750	671,750
2027	555,000	59,900	59,900	750	675,550
2028	570,000	48,800	48,800	750	668,350
2029	600,000	37,400	37,400	750	675,550
2030	620,000	25,400	25,400	750	671,550
2031	650,000	13,000	13,000	750	676,750
Totals	<u>\$7,115,000</u>	<u>\$1,156,900</u>	<u>\$1,156,900</u>	<u>\$10,500</u>	<u>\$9,439,300</u>

DEBT SERVICE
SCHEDULE OF REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS
Series 2010

Original Issue: \$12,130,000

Dated: November 15, 2010

Interest Rate: 2.0 - 4.0%

Fiscal		Interest	Interest	Paying	
<u>Year</u>	<u>Principal</u>	<u>15-Feb</u>	<u>15-Aug</u>	<u>Agent</u>	<u>Total</u>
2018	1,195,000	96,200	96,200	750	1,388,150
2019	1,260,000	72,300	72,300	750	1,405,350
2020	1,315,000	47,100	47,100	750	1,409,950
2021	1,040,000	20,800	20,800	750	1,082,350
Totals	<u>\$4,810,000</u>	<u>\$236,400</u>	<u>\$236,400</u>	<u>\$3,000</u>	<u>\$5,285,800</u>

**DEBT SERVICE
SCHEDULE OF REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS
Series 2011**

Original Issue: \$9,680,000

Dated: December 15, 2011

Interest Rate: 2.0 - 2.5%

Fiscal		Interest	Interest	Paying	
<u>Year</u>	<u>Principal</u>	<u>15-Feb</u>	<u>15-Aug</u>	<u>Agent</u>	<u>Total</u>
2018	1,110,000	51,050	51,050	750	1,212,850
2019	1,105,000	39,950	39,950	750	1,185,650
2020	1,125,000	28,900	28,900	750	1,183,550
2021	470,000	17,650	17,650	750	506,050
2022	485,000	12,950	12,950	750	511,650
2023	325,000	7,797	7,797	750	341,344
2024	315,000	3,938	3,938	750	323,626
Totals	<u>\$4,935,000</u>	<u>\$162,235</u>	<u>\$162,235</u>	<u>\$5,250</u>	<u>\$5,264,720</u>

DEBT SERVICE
SCHEDULE OF REQUIREMENTS
CERTIFICATES OF OBLIGATION BONDS
Series 2012

Original Issue: \$7,100,000

Dated: December 15, 2012

Interest Rate: 2.0 - 4.0%

Fiscal		Interest	Interest	Paying	
<u>Year</u>	<u>Principal</u>	<u>15-Feb</u>	<u>15-Aug</u>	<u>Agent</u>	<u>Total</u>
2018	325,000	57,844	57,844	550	441,238
2019	325,000	56,219	56,219	550	437,988
2020	325,000	53,781	53,781	550	433,112
2021	325,000	51,344	51,344	550	428,238
2022	350,000	48,094	48,094	550	446,738
2023	350,000	44,594	44,594	550	439,738
2024	350,000	41,094	41,094	550	432,738
2025	350,000	37,594	37,594	550	425,738
2026	375,000	34,094	34,094	550	443,738
2027	375,000	30,344	30,344	550	436,238
2028	375,000	26,594	26,594	550	428,738
2029	400,000	22,844	22,844	550	446,238
2030	400,000	18,844	18,844	550	438,238
2031	425,000	14,344	14,344	550	454,238
2032	425,000	9,563	9,563	550	444,676
2033	425,000	4,781	4,781	550	435,112
Totals	<u>\$5,900,000</u>	<u>\$551,972</u>	<u>\$551,972</u>	<u>\$8,800</u>	<u>\$7,012,744</u>

**DEBT SERVICE
SCHEDULE OF REQUIREMENTS
CERTIFICATES OF OBLIGATION BONDS
Series 2013**

Original Issue: \$5,100,000

Dated: December 31, 2013

Interest Rate: 2.5 - 3.45%

Fiscal		Interest	Interest	Paying	
<u>Year</u>	<u>Principal</u>	<u>15-Feb</u>	<u>15-Aug</u>	<u>Agent</u>	<u>Total</u>
2018	215,000	65,954	95,954	550	377,458
2019	220,000	63,266	63,266	550	347,082
2020	225,000	60,516	60,516	550	346,582
2021	230,000	57,704	57,704	550	345,958
2022	235,000	54,829	54,829	550	345,208
2023	240,000	51,891	51,891	550	344,332
2024	250,000	48,891	48,891	550	348,332
2025	255,000	45,454	45,454	550	346,458
2026	265,000	41,055	41,055	550	347,660
2027	275,000	36,484	36,484	550	348,518
2028	285,000	34,740	34,740	550	355,030
2029	290,000	26,824	26,824	550	344,198
2030	300,000	21,821	21,821	550	344,192
2031	310,000	16,646	16,646	550	343,842
2032	320,000	11,299	11,299	550	343,148
2033	335,000	5,779	5,779	550	347,108
Totals	<u>\$4,250,000</u>	<u>\$643,153</u>	<u>\$673,153</u>	<u>\$8,800</u>	<u>\$5,575,106</u>

**DEBT SERVICE
SCHEDULE OF REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS
Series 2014**

Original Issue: \$5,350,000

Dated: July, 2014

Interest Rate: 2.0-3.0%

Fiscal		Interest	Interest	Paying	
<u>Year</u>	<u>Principal</u>	<u>15-Feb</u>	<u>15-Aug</u>	Agent	<u>Total</u>
2018	455,000	54,325	54,325	750	564,400
2019	475,000	49,775	49,775	750	575,300
2020	460,000	45,025	45,025	750	550,800
2021	480,000	40,425	40,425	750	561,600
2022	525,000	33,225	33,225	750	592,200
2023	545,000	25,350	25,350	750	596,450
2024	565,000	17,175	17,175	750	600,100
2025	580,000	8,700	8,700	750	598,150
Totals	<u>\$4,085,000</u>	<u>\$274,000</u>	<u>\$274,000</u>	<u>\$6,000</u>	<u>\$4,639,000</u>

**DEBT SERVICE
SCHEDULE OF REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS
Series 2015**

Original Issue: \$4,970,000

Dated: May 19, 2015

Interest Rate: 2.0 - 3.0%

Fiscal		Interest	Interest	Paying	
<u>Year</u>	<u>Principal</u>	<u>15-Feb</u>	<u>15-Aug</u>	<u>Agent</u>	<u>Total</u>
2018	440,000	72,875	72,875	750	586,500
2019	500,000	68,475	68,475	750	637,700
2020	515,000	63,475	63,475	750	642,700
2021	645,000	58,325	58,325	750	762,400
2022	650,000	48,650	48,650	750	748,050
2023	405,000	38,900	38,900	750	483,550
2024	415,000	32,825	32,825	750	481,400
2025	430,000	26,600	26,600	750	483,950
2026	440,000	18,000	18,000	750	476,750
2027	460,000	9,200	9,200	750	479,150
Totals	<u>\$4,900,000</u>	<u>\$437,325</u>	<u>\$437,325</u>	<u>\$7,500</u>	<u>\$5,782,150</u>

DEBT SERVICE
SCHEDULE OF REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS
Series 2016

Original Issue: \$9,080,000

Dated: May 1, 2016

Interest Rate: 3.0 - 5.0%

Fiscal		Interest	Interest	Paying	
Year	Principal	15-Feb	15-Aug	Agent	Total
				Fees	
2018	215,000	146,975	141,600	750	504,325
2019	220,000	141,600	136,100	750	498,450
2020	230,000	136,100	130,350	750	497,200
2021	450,000	130,350	119,100	750	700,200
2022	465,000	119,100	107,475	750	692,325
2023	45,000	107,475	106,800	750	260,025
2024	50,000	106,800	106,050	750	263,600
2025	50,000	106,050	105,300	750	262,100
2026	50,000	105,300	104,550	750	260,600
2027	1,045,000	104,550	88,875	750	1,239,175
2028	1,075,000	88,875	72,750	750	1,237,375
2029	1,105,000	72,750	56,175	750	1,234,675
2030	710,000	56,175	45,525	750	812,450
2031	720,000	45,525	34,725	750	801,000
2032	755,000	34,725	23,400	750	813,875
2033	765,000	23,400	11,925	750	801,075
2034	795,000	11,925	-	750	807,675
Totals	<u><u>\$8,745,000</u></u>	<u><u>\$1,537,675</u></u>	<u><u>\$1,390,700</u></u>	<u><u>\$12,750</u></u>	<u><u>\$11,686,125</u></u>

**WATER/WASTEWATER
DEBT REQUIREMENTS
SUMMARY
Fiscal 2018**

Notes Payable to Army Corp of Engineers

	<u>Remaining Balance</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Annual Payment</u>
1/1/1970 Present Water Supply	\$14,820	\$6,604	\$1,095	\$7,699

**NOTE PAYABLE
SCHEDULE OF REQUIREMENTS
U.S. Army Corp of Engineers
1.25% Storage-Present Water Supply 18,000 Acre-Feet**

Original Note: \$220,000
Date: January 1, 1970

Interest Rate: 2.591%

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Outstanding</u>
Paid to-date	\$205,182	\$145,527	\$350,709	\$14,820
1/1/2018	7,315	384	7,699	7,505
1/1/2019	7,505	194	7,699	-

CAPITAL FUNDS

CAPITAL IMPROVEMENTS PROGRAM

➤ TAX SUPPORTED FUNDS

Tax supported funds are governmental fund types that are budgeted on a project basis which may span more than one year. Any funds not spent in current year will automatically be carried forward to the next year until the project is completed. The project is generally discussed as part of the capital improvements program during strategic planning and adopted during the budget process. Funding sources include transfers from operating funds, general obligation bond issues, certificates of obligation issues, grants and donations. Some projects may be approved or modified during the course of the year through budget amendments as necessitated by changing events.

➤ REVENUE SUPPORTED FUNDS

Revenue supported funds are enterprise fund types that are budgeted on a project basis which may span more than one year. Any funds not spent in current year will automatically be carried forward to the next year until the project is completed. The project is generally discussed as part of the capital improvements program during strategic planning and adopted during the budget process. Funding sources include revenue bonds, transfers from enterprise funds, certificates of obligation issues, state revolving fund bonds, grants and donations. Some projects may be approved or modified during the course of the year through budget amendments as necessitated by changing events.

RENEWAL AND REPLACEMENT FUNDS

The City maintains two renewal and replacement funds: the Water/Wastewater Renewal & Replacement Fund and the Solid Waste/Recycling Renewal & Replacement Fund. These funds were established in fiscal 1996 to provide long-term funding to replace exhausted equipment and to provide funds for replacement and/or expansion of plant facilities. Cash transfers from the Water/Wastewater Fund in an amount equal to the second preceding year's depreciation charges less the amount required for the Equipment Acquisition and Replacement Fund, fund this Fund. The City Council modified the policy effective October 1, 2009 to reserve 25% of the actual cash transfer for system expansion. The City Council modified the policy for the Solid Waste/Recycling Renewal & Replacement Fund to eliminate any funding requirements in fiscal 2007 and thereafter with the implementation of the Equipment Acquisition and Replacement Fund which is used to replace rolling stock for the City. Projects will continue to be funded from the Solid Waste/Recycling Renewal & Replacement Fund until all reserves are depleted.

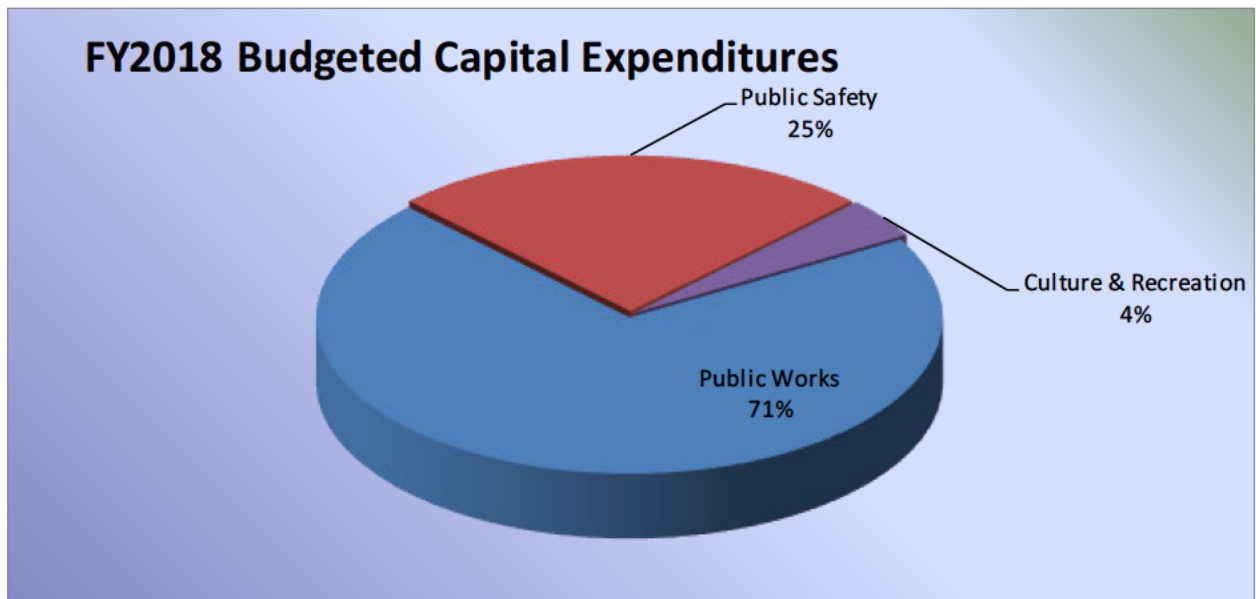
EQUIPMENT ACQUISITION AND REPLACEMENT FUND

The Equipment Acquisition and Replacement Fund is an internal service fund that accounts for the depreciation cost on all rolling stock type vehicles, machinery and equipment. An amount equivalent to the annual straight line depreciation expense is prorated and transferred to this fund on a monthly basis for the purpose of accumulating funds necessary to replace and acquire new equipment. These expenditures are completed within the budget year and are adopted as part of the annual operating budget process.

2018 Budgeted Capital Expenditures (New Projects)

Responsibility Center	Included in Operating Budget	Included in CIP - Tax Supported	Included in CIP - Revenue Supported	Included in Solid Waste Depreciation Fund	Included in Water/ Wastewater Renewal & Replacement Fund	Included in Equipment Acquisition & Replacement Fund	Total
General Government	-	-	-	-	-	-	-
Public Works	-	-	-	-	761,440	1,163,915	1,925,355
Public Safety	-	-	-	-	-	678,750	678,750
Community Development	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	24,740	88,698	113,438
Total	\$ -	\$ -	\$ -	\$ -	\$ 786,180	\$ 1,931,363	\$ 2,717,543

The summary does not include projects funded by grants, contributions from outside sources, or capital budgets for component units.



CAPITAL IMPROVEMENTS PROGRAM

The Capital Improvements Program (CIP) is a long-range capital budget typically covering a three to ten year time frame and including major capital purchases and/or construction projects that are funded through bonds, operating revenues, grants or other funding mechanisms.

The City of Lufkin established a Continuing Capital Improvements Program in 1999. This tentative ten-year program was approved by Council and updated in November 2008 with a five year program. Non routine equipment purchases and/or projects included in the CIP are required to have a life of more than 15 years and a minimum cost of \$50,000. Bonds and Certificates of Obligation (CO's) typically fund expenditures meeting this definition, although occasionally grants and donations will also fund expenditures meeting this definition.

Certificates of Obligation are issued periodically to provide adequate cash for planned projects and equipment purchases. In addition, transfers may be made from other funds to provide sources to pay for planned capital expenditures.

The CIP contains the following categories:

- **Tax Supported Projects** – funded by the debt portion of the ad valorem taxes collected annually or governmental fund balance. Tax supported projects fall into the following sub-categories:
 - **General Government** – includes projects related to Administration, Finance and/or projects common to multiple governmental fund departments.
 - **Public Safety** – includes Police, Fire, Municipal Court, Animal Control and Inspection Services projects.
 - **Culture and Recreation** – includes Parks, Zoo, Library, and Civic Center projects.
 - **Public Works** – includes streets and drainage, curb and gutter, sidewalk construction.
- **Revenue supported projects** are funded by revenues of the enterprise funds, i.e. Water/Wastewater and Solid Waste/Recycling and fall into the following sub-categories:
 - **Water** – includes water and water production projects such as transmission and distribution water lines, water line relocation, and water wells.
 - **Wastewater** – includes wastewater treatment plant construction projects, installation of transmission and collection sewer lines, and sewer line relocations.
 - **Solid Waste** – includes capital projects relating specifically to solid waste collection activities.
 - **Recycling** – includes capital projects relating specifically to recycling activities such as building construction and equipment purchases.

Tax Supported Projects

The table on the next page reflects details of the City's non-routine FY2010 thru FY2017 capital expenditures and FY2015 budgeted capital expenditures arranged by responsibility center. Non-routine significant capital projects may or may not have an impact on the operating budget. Operating impacts may include personnel, supplies and service cost depending on the project. The impact on the annual maintenance and operation (M&O) costs is listed in the table and defined as follows:

Positive (P)	The project is expected to reduce operating costs or generate income to offset additional costs.
Negligible (N)	The impact on the operating budget will be minimal and additional operating costs are expected to be less than \$5,000.
Moderate (M)	There will be an impact on the operating budget of the affected department and the additional operating costs are expected to increase between \$5,001 and \$25,000.
High (H)	The operating costs are expected to exceed \$25,001.

An asterisk (*) in the M & O Impact column indicates the project is described in more detail in the pages that follow the table below.

Capital Projects - New, In Progress & Future Planned								
Project	Project Budget	Actual 2015 & Prior	Actual FY2016	Actual FY2017	Budget FY2018	Under/(Over) Budget	Planned Projects after FY2018	M&O Impact
General Government:								
City Hall Renovations & Security Upgrade ⁽³⁾	799,482	-	66,211	823,015	-	(89,744)	-	N
City Hall Elevator Renovations	93,503	-	49,875	49,875	-	-	-	N
Comprehensive Plan 2016	254,750	-	-	239,982	14,768	-	-	N
Subtotal	1,147,735	0	116,086	1,112,872	14,768	-89,744	-	
Public Safety:								
Police Dept Parking Lot/s	26,980	-	-	27,395	-	-	-	N
Subtotal	26,980	0	0	27,395	0	0	0	
Public Works:								
Knight Avenue Reconstruction ⁽²⁾	120,000	12,489	1,360	-	-	-	-	N
Inez Tims Det Pond ⁽¹⁾	275,000	-	-	22,768	252,232	-	-	M
Sybil Street	320,000	-	-	42,461	277,539	-	-	N
Atkinson Drive Reconstruction	105,000	-	128,829	-	-	-	-	
Lufkin Avenue Reconstruction	120,000	-	-	96,752	23,248	-	-	
Subtotal	940,000	12,489	1,360	65,229	553,019	0	0	
Culture & Recreation:								
Skate Park @ Kiwanis Park	175,000	-	-	174,872	-	128	-	
Brandon Park Restrooms	47,000	-	-	50,000	-	(3,000)	-	
Ellen Trout Zoo Commissary ⁽¹⁾	744,171	194,424	573,308	-	-	-	-	P
Subtotal	966,171	194,424	573,308	224,872	0	-2,872	0	
Total	3,080,886	206,913	690,754	1,430,368	567,787	-92,616	0	

Projects highlighted in blue are completed.

(1) These projects are funded from grants or contributions

(2) These projects are funded by 2012 Certificate of Obligation Bonds issued December 2012

(3) These projects are funded by transfer from General Fund

The City Council had several planning sessions to review capital projects. Some projects that were included in CIP for future years were removed from future plans by the current administration and others added in their place.

REVENUE SUPPORTED PROJECTS

Revenue Supported Capital Projects - New, In Progress & Future Planned								
Project	Project Budget	Actual 2015 & Prior	Actual FY2016	Actual FY2017	Budget FY2018	Under/(Over) Budget	Planned Projects after FY2018	M&O Impact
Leach Street Reconstruction	275,000	-	-	119,353	-	-	-	P
Water Plant #3	1,758,510	547,669	1,209,241	-	-	-	-	P
24" Water Line Hwy 103E to Hwy 59S	1,219,734	600,172	515,094	-	-	-	-	*
Kit McConnico I/I Project G	240,000	20,628	-	-	219,372	-	-	P
Kit McConnico I/I Project H	630,000	13,069	131,048	39,310	446,573	-	-	
Kit McConnico I/I Project I	690,000	-	-	72,707	617,293	-	-	
Central I & I - Project F	250,000	-	-	-	250,000	-	-	M
Total	5,063,244	1,181,538	1,855,383	231,370	1,533,238	0	0	

Projects highlighted in blue are completed.

Water and wastewater rates have increased by 6% in fiscal years 2010, 2011 and 2012 and none for 2013, 2014, and 2015; however, in order for the Water/Wastewater Fund to meet obligations, the fourth increase of 6% was implemented in Fiscal 2016 budget. The fund maintains a 45 day working cash balance as required by Council Financial Policies. The rate increases were based on study conducted by Freese & Nichols, Inc. and adopted by City Council for fiscal years 2016. No increase was adopted for Fiscal 2017 and 2018.

Proper maintenance of water and sewer lines will in effect reduce long-term cost for the Water and Wastewater Fund. Although there are some operating cost for these projects, the City will benefit long term in that lines will be kept in operation for longer periods of time with proper maintenance.

WATER/WASTEWATER RENEWAL & REPLACEMENT FUND

Each year as part of the budget process, utility fund departments prepare replacement equipment requests for *routine* capital projects to be funded from the Renewal & Replacement Funds. The City Manager, along with applicable staff, reviews these requests, rank as to importance, and present results to Council for approval. A list of items approved is reflected in the following tables for the Water/Wastewater Renewal and Replacement Fund. Completed items for previous year are shown in blue.

Department	Description	Budget	Expended
WWTP/Water Prod	Fiscal 2009-2011 Completed Projects	5,741,947	5,741,947
	Fiscal 2012 Completed Projects	916,130	783,608
	Fiscal 2013 Completed Projects	2,858,665	2,223,033
	Fiscal 2014 Completed Projects	2,902,750	2,602,748
	Fiscal 2015 Completed Projects	1,363,563	1,357,668
	Fiscal 2016 Completed Projects	735,895	718,212
	Pineywoods Academy Sewer Line	20,000	19956
	24" Water Line 103E-59S	765,000	773421
	SCADA Equipment	10,000	2,708
	BOD & TSS Study	25,000	21,330
	Digester, Press, & Preair Maintenance	139,213	106,521
	WWTP Pumps	59,528	-0-
	2 20" Utility Trailers & Jet Cam	30,000	29,650
	Water Plant #3 @ Abitibi	341,490	345,661
	Yard Piping	11,000	2,206
	Painting ground Storage Tank #5	450,000	360,476
	Well Rehabilitation @ Abitibi Well Fld	100,000	118,120
	Road Resurfacing at Water Plant	33,000	18,736
	Lift St. Repair FM 1194	30,000	12,923
	<i>Subtotal</i>	<i>16,533,181</i>	<i>15,238,924</i>
Added Fiscal 2017:	Meter Replacement	218,000	214,924
	Sungard mobile work order service	21,615	19,619
	Replace Boiler #1 @ WWTP	158,000	158,000
	Recoat Final Clarifier, Wires	135,000	1,310
	Polymer Injection for Centrifuge	45,000	31,849
	Jet machine/Vac Truck	200,000	213,070
	Electric Lift with Boom	11,000	9,565
	Ditch Witch	16,000	15,980
	2 Heavy Duty Trailers	11,000	8,600
	Turner St. Line Replacement	9,600	9580
	John Kolb Rd. Line Replacement	30,000	30,000
	Pershing area Line Replacement	15,600	15,600
	Replace 2 soft starts for pumps	20,000	19,412
	Replace Cathodic Protection System	14,500	14,300
	Replace Booster Pump #3 #WP#2	12,500	12,500
	Repair fence erosion @ WP#1	36,000	3,623
	Replace Chorine Scale system @ WP#1	32,600	32,490
	Overlay of Kurth Lake Road	73,000	72956
	Chlorine Contact Basin	920,000	4,774
	Water Well#6 Pump Repair	128,410	128,410
	<i>Subtotal</i>	<i>2,107,825</i>	<i>1,016,562</i>

Department	Description	Budget	Expended
Added Fiscal 2018	Meter Replacement	220,000	-0-
	Carpet Replacement in Utility Collections	8,500	-0-
	Mossquito Fogger-Parks	6,500	-0-
	Roof replacement-Morris Frank Park	18,240	-0-
	Boiler #3 Replacement	170,000	-0-
	Gravity Thickener Repair	25,000	-0-
	Final Clarifier	135,000	-0-
	Lift St Repair	21,000	-0-
	Camera Van Supplement	60,000	-0-
	McElroy Fusion Machine	36,000	-0-
	Arena Street Water Line Replacement	26,800	-0-
	Linkwood area Water Line Replacement	24,400	-0-
	Card Drive Water Line Replacement	40,740	-0-
	Electric Hoist for Water Plant #3	10,000	-0-
	Replace booster Pump #6 @ WP#1	20,000	-0-
	<i>Subtotal</i>	<i>822,180</i>	<i>-0-</i>
	Total	\$19,463,186	\$16,255,486

SOLID WASTE DEPRECIATION FUND

The Solid Waste/Recycling Depreciation Funds are being depleted and will no longer be funded.

EQUIPMENT ACQUISITION & REPLACEMENT FUND

REVENUES

Revenues for the Equipment Acquisition and Replacement Fund are charged to the Departmental budgets to cover the cost of annual depreciation on the City's rolling stock or other machinery and equipment. After a one time initial transfer in from the General, Water/Wastewater and Solid Waste funds in fiscal 2006, annual replacement cost on each piece of equipment will be recorded in this fund until such time as the equipment is ready for replacement. All machinery and equipment is placed on a schedule for replacement based upon anticipated life of the equipment. Revenues for fiscal 2018 are anticipated to be \$1,585,185.

EXPENDITURES

SUPPLIES

Expenditures for fiscal year 2018 are projected to be \$120,000 of patrol supplies.

EQUIPMENT & STRUCTURE MAINTENANCE

There are no equipment and structure maintenance projected for either Fiscal 2017.

MISCELLANEOUS SERVICES

There are no miscellaneous services expenditures charged to this account for Fiscal 2018.

CAPITAL OUTLAY

All expenditures in the fund are *routine* capital in nature with the exception of the fleet vehicles that the City maintains for employees occasional use while conducting City business. The fiscal 2018 estimated expenditures are \$1,931,363.

Department	Item to be purchased	Amount
Police Dept	Equipment	120,000
Police Dept	6- Chevy Tahoe	210,000
Police Dept	Ford F350 Van Crime Scene	18,500
Police Dept	4- Ford Fusions	80,000
Fire Dept	Chevrolet Med Unit	200,000
Fire Dept	Stryker Stretcher	16,000
Inspections	Ford F-150 Truck	15,750
Animal Control	Ford F-150 Truck	18,500
Solid Waste	Peterbilt Front Loader	235,000
Solid Waste	Peterbilt Front Loader	230,000
Solid Waste	Ford F-150 Truck	16,198
Solid Waste	Peterbilt Roll-off Truck	135,000
Street Dept	Ford F-250 Truck w/Utility	23,500
Street Dept	John Deere 4WD Tractor	20,844
Parks	Tractor and mower	72,500
Parks	Truck	16,198
Water W Treatment	John Deere 450G Dozer	85,000
Water W Treatment	Freightline FL112 Dump Truck	112,000
Water W Treatment	Ford F-150Van Small SUV	19,377
Water/Sewer	John Deere Excavator	53,996
Water/Sewer	Ford F250 4WD Utility Ext Cab	28,000
Water/Sewer	Ford Van w/TV Insp System	130,000
Water/Sewer	Freightliner Single Axle 6YD Dump	75,000
Total		<u>\$1,931,363</u>

WORKING CAPITAL BALANCE

City Financial Policies require the Equipment Acquisition & Replacement Fund to maintain a working capital balance of zero or greater. However, excess funds are retained from year to year to be applied toward future purchases. The anticipated working capital balance at fiscal 2018 year-end is \$1,030,271

CAPITAL IMPROVEMENTS PROGRAM

SUMMARY OF COMPLETED PROJECTS

FISCAL 2006-2017

General Government Projects

- \$948,000 – Wireless Wide area Network and Ethernet phone system include installation of wireless connections from the City Hall complex to 16 nodes, or outlying City offices. The telephony portion of the project is installed “on top of” the wireless portion of the project. The project was completed in May 2002 and saves the City approximately \$120,000 annually with a payback of about 6 years.
- \$5,103,500 – Main Street Downtown Project includes both City and TEA 21 State Grant funds. The grant was approved in fiscal 2001 and includes construction of period lighting, sidewalk renovation and park benches. The City’s portion will be used for street reconstruction throughout the downtown district.
- \$1,717,796 – Pines Theatre Renovation includes renovations to the old downtown area Pines Theatre. A new marquee, roofing and interior remodel complete plans for a downtown attraction that may feature plays, dinner theatre and much more. Renovations completed in November 2012 and grand opening was held December 1, 2012.
- \$398,000- Fair Housing Plan Study completed in Fiscal 2014.
- \$619,423-CDBG Pinewood Parks Apt completed in Fiscal 2014.
- \$264,005-Lubbock Street completed in Fiscal 2014.
- \$398,000-Radio Upgrade completed in Fiscal 2015.
- \$1,028,519-Denman Ave Drainage completed in Fiscal 2016.

Public Safety Projects

- \$313,300 – Pumper Unit an additional unit was purchased in fiscal 2007.
- \$1,185,475 – Fire Station #4 A newly constructed fire station to replace the existing Fire Station #4 was completed during fiscal 2008.
- \$464,718 – Pumper Engine #7 was replaced in fiscal 2011 funded by Certificates of Obligation funds issued in October 2010.
- \$480,600 – Rescue #1 replacement was purchased in fiscal 2012 funded by Certificates of Obligation issued in 2010.
- \$107,716- Fire Station #1 Renovations completed in fiscal 2013 to fire station funded by grant monies.

- \$1,739,130-2010 TXDOT Sidewalk Construction completed in Fiscal 2014.
- \$1,291,604-Municipal Court Building completed in Fiscal 2014.
- \$1,278,081-Reconstruction of Fire Station #5 completed in Fiscal 2014.
- \$116,723-Fire Dept. Storage Building completed in Fiscal 2016.
- \$27,395-Police Dept. Parking lot completed in Fiscal 2017.

Culture & Recreation Projects

- \$3,569,000 – Kit McConnico Park Improvements includes engineering, design, and construction of the Kit McConnico Park improvements as part of the Parks Master Plan. This project was completed in FY 2005.
- \$1,368,829 – Zoo Education Center was completed in fiscal 2009.
- \$142,457 – Kit McConnico Parking Lot expansion was completed in fiscal 2010.
- \$91,893 – Ellen Trout Zoo Train Renovation was completed in fiscal 2010.
- \$137,842 – Ellen Trout Zoo Maintenance Facility was completed in fiscal 2010.
- \$70,191- Ellen Trout Zoo Hay Barn was completed in fiscal 2010.
- \$128,635 – Girls Softball Restroom Renovation was completed in fiscal 2010.
- \$129,965 – Morris Frank Park Girls Softball Field Lighting was completed in fiscal 2010 as part of the October 2010 debt issue.
- \$436,157 - Ellen Trout Zoo Circle Drive was completed in fiscal 2011.
- \$38,612 – Kit McConnico Bleacher Cover was completed in fiscal 2011.
- \$147,582 – Morris Frank Parking Lot was completed in fiscal 2011 funded by Certificates of Obligation funds issued in October 2010.
- \$158,380-Façade on Parks and Recreation Building was completed in Fiscal 2012.
- \$130,979-Brandon Bark Renovations was completed in Fiscal 2014.
- \$5,366-Morris Frank Park Sidewalk-Girls. Project completed Fiscal 2014.
- \$2,409-Bronaugh Park Amphitheatre Seating. Project completed Fiscal 2014.
- \$82,662-Convention Center Restroom Renovation was completed in Fiscal 2015.
- \$3,000-Azalea Trail Asphalt at Grace Dunne. Project completed Fiscal 2015.

- \$35,000-Dog Park Grace Dunne Richardson Park. Project completed Fiscal 2015.
- \$50,000-Brandon Park restroom completed in Fiscal 2017

Public Works

- \$6,972,743 – Various Street Improvement Projects:
 - \$235,300 – Church St Drainage P&D was completed in 2009.
 - \$90,200 – Bob & Mize Street P&D was completed in FY 2007
 - \$338,900 – Humason Street P&D was added to CIP in FY 2006; work began in FY 2007 and was completed in FY 2008.
 - \$120,000 – Ellis Street P&D was completed in fiscal 2008.
 - \$4,554,382 – Whitehouse Drive Extension was added to CIP in FY 2003. Construction completed in FY 2009.
 - \$3,199,723 – US59 ROW Acquisition was completed in FY 2009.
- \$1,530,600 – Abney Street P&D Construction was completed in FY 2006.
- \$3,114,039 – Lotus Lane P&D was completed in 2009.
- \$1,353,275 – Whitehouse Street P&D construction began in FY 2006 with completion in early FY 2007.
- \$170,783 – White Oak Drive Bridge Replacement was completed in FY 2010.
- \$112,952 – Groesbeck Avenue Bridge Reconstruction was completed in FY 2010.
- \$49,410 - Allendale Storm Sewer project was completed in FY 2011 funded by Certificates of Obligation issued in October 2010.
- \$43,044 – Denman Avenue Reconstruction was completed in FY 2011 funded by transfer from General Fund.
- \$418,370 – Milling Machine was purchased in FY 2012 funded by transfer from General Fund.
- \$320,464- Asphalt Paving Machine was purchased in FY 2012 funded by transfer from General Fund.
- \$92,999 - Columbine Drive Storm Sewer was completed in FY 2012 funded by Certificate of Obligations issued in 2010.
- \$168,528- Carrol Ave Bridge Replacement was completed in FY 2012 funded by Certificates of Obligations issued in 2010.
- \$1,801,273- Sayers Street Reconstruction was completed in FY 2012 funded by Certificates of Obligations issued in 2010.
- \$2,584,850- Fuller Springs Drive Reconstruction was completed in FY 2012 funded by Certificates of Obligations issued in 2010.
- \$615,000 – Highway 59 Landscape was completed in FY 2012 funded by grant from Temple Foundation.

- \$187,760 – Tymco Street Sweeper purchased in FY 2013.
- \$188,072 – Champions Drive Reconstruction was completed in FY 2013.
- \$142,603 – Pershing Ave Reconstruction was completed in FY 2013.
- \$143,487 – Windsor Drive Reconstruction was completed in FY 2013.
- \$736,148- North Brentwood Drive Extension was completed in Fiscal 2014.
- \$275,000-Lubbock Street Reconstruction was completed in Fiscal 2014.
- \$701,221-Joyce Lane Reconstruction was completed in Fiscal 2014.
- \$237,572-Carriage Drive Reconditioning was completed in Fiscal 2014.
- \$167,500-Angelina Street Reconstruction was completed in Fiscal 2015.

Water Projects

- \$17,147,905 – Asbestos Cement Line Replacement is a five-year project that includes approximately 57 miles of asbestos cement water lines and is approximately 100% complete. Construction began in fiscal 2001 and completed in fiscal 2009. Also included is the Ellen Street Ground Storage Tank rehabilitation project completed in fiscal 2009 at \$541,350 and Crown Colony water line replacement costing \$2,202,336 completed in FY 2009 of the \$17 million total. This project was completed in 2009.
- \$67,500 – Water Plant Control System was completed in early FY 2007.
- \$965,000 – Water Well #15 consists of drilling and construction. The project was completed in FY 2005.
- \$846,000 – Main Street Downtown Project replacement of water and sewer lines in the central business district and is being done simultaneously with the street, sidewalk, and period lighting project. The project was completed in FY 2005.
- \$154,420 – Mantooth Water Line Replacement has been engineered and the construction phase has not yet been set.
- \$297,000 – Abney Utility Relocation portion of the Abney Street reconstruction was completed in FY 2005.
- \$72,500 – Whitehouse Utility Relocation was completed in FY 2006.
- \$375,000 – Lotus Lane Utility Relocation is projected was completed in FY 2008.
- \$15,133,211 – Kurth Lake and Abitibi Water Wells purchased in FY 2009.

- \$1,316,000 – Waterline to Diboll was completed in FY 2012 for a total cost of \$964,530 and funded by Wastewater Depreciation Fund.
- \$1,490,000-Rehabilitation of Two 2 Million Ground Storage Tanks completed in Fiscal 2014.
- \$515,063-Lift Water Wells was completed in Fiscal 2014.
- \$31,954-Lift Water Well No.29. Project completed Fiscal 2015.
- \$88,257-Kurth Lake Boat Ramp, Dam Repair, and piers. Projects completed in Fiscal 2017.

Wastewater Projects

- \$978,000 – Kit McConnico Force Main consists of constructing sewer force main from the Kit McConnico complex to the appropriate lift station. Construction was complete in FY 2005.
- \$102,300 – Kit McConnico Utility Relocation was completed in FY 2005.
- \$737,050 – Equalization Basin & Head Works includes construction of an additional storm water lagoon at the treatment facility and adjustments and over sizing to piping and pumping facilities to accommodate the additional lagoon. Project began construction during FY 2003 and completed in FY 2010.
- \$760,000 – Chlorine Contact Basin includes construction of a unit identical to the existing unit which will increase treatment capacity and allow for repairs to the old unit. This project was implemented in FY 2005 and is continuing.
- \$117,012- Copeland Street Sewer Lift Station was completed in FY 2010.
- \$66,228 – Kit McConnico Lift Station Pump was completed in FY 2010.
- \$655,000-Digester Rebuild was completed in FY 2011 for a total cost of \$654,770.
- \$156,450 – SSCS U.S. Highway 69 Annexed Area was completed in FY 2011 for total cost of \$140,273.
- \$1,232,470- US Highway 59 Lift Station and Line Extension was completed in FY 2012 for a total cost of \$939,574.
- \$1,028,730- Kit McConnico I/I Project K was completed in FY 2012 for a total cost of \$789,652.
- \$1,756,910-Water Plant #3 completed in Fiscal 2017.
- \$1,115,266-24” Water Line Hwy 103E. to Hwy 59S completed in FY 2017.

Water/Wastewater Renewal & Replacement Projects

- \$1,770,592 – Radio Frequency (RF) Meter Reading Project benefits the Utility Collections department and encompasses purchase and installation of hardware (RF meters, computers) and software for remote meter reading via vehicle. The third phase of this project was completed in FY 2008.
- \$45,200 – Kiln St. Water Line Replacement to replace existing water line will be constructed in FY 2007 and was completed in FY 2008.
- \$210,000 – Sybil Street Utility Replacement began in fiscal 2007 with completion in FY 2008.
- \$425,000 – Chestnut/Denman Water Line Replacement the process of replacing existing lines began in FY 2007 and was completed during fiscal 2008.
- \$23,045 – Infrared Camera was purchased in FY 2006 to replace existing equipment.
- \$230,000 – Belt Press was replaced to upgrade and maintain the life of the wastewater treatment facility.
- \$35,000 – Weir Baffles will be replaced in order to create a fully functional operation at the wastewater treatment facility this project began in FY 2006 and marked completion in FY 2008.
- \$60,000 – Replace Kit McConnico Parking Lot to replace damaged portion of new parking lot – damaged by utility construction. This was completed in FY 2006.
- \$45,000 – 1½ Ton Truck was purchased to replace existing equipment in FY 2006.
- \$165,000 – Motor Grader to replace existing motor grader was purchased in FY 2006.
- \$2,993,775 – Highway 59 South Utility Line Replacement was completed in FY 2009.
- \$58,855 – Solids Handling Building Roof Repair – was completed in FY 2009.
- \$24,689 – Implant Water Pump Replacement was completed in FY 2009.
- \$24,300 – Primary Sludge Pump was purchased in FY 2009.
- \$76,650 – Winch 12-ton Pipebursting Machine was purchased in FY 2009.
- \$24,400 – PW Building Security System was purchased in FY 2009.
- \$128,014- Rehabilitation of One Million Gallon Tank WTP was completed in FY 2010.

- \$1,131,821 – Sam Rayburn Waterline Project to provide water from Sam Rayburn Dam to City of Lufkin was abandoned in FY 2011 due to the capacity provided by the Abitibi Water Well Field purchase.
- \$300,089 – ML King/Raguet Sewer Line project was completed in FY 2011.
- \$49,733 – Raw Sewage Pump purchased in FY 2013.
- \$39,895 – Secondary Return Pump purchased in FY 2013.
- \$1,378,267 – Highway 59 North Utility Relocation completed FY 2013.
- \$76,000-Raw Sewage Pump completed in Fiscal 2014.
- \$53,395-Return Activated Sludge Pump completed in Fiscal 2014.
- \$67,500-Car Wash at Public works completed in Fiscal 2015.
- \$130,997-Walden Ct. Lift Station replacement completed in Fiscal 2015.
- \$141,607-Spur Plaza Sewer Extension completed in Fiscal 2015.
- \$119,229-Cured in Place Line Equipment completed in Fiscal 2016.
- \$29,406-Oletta Line Replacement-completed in Fiscal 2016.
- \$72,956-Kurth Lake Road Improvements completed in Fiscal 2017.

Solid Waste & Recycling Renewal & Replacement Projects

- \$2,730,243 – Public Works Facility will house the Street, Water Distribution and Sewer Collection departments, as well as, serve as Emergency Management Operations center. A warehousing area was included in the facility. This project began the engineering and design phase in FY 2006; construction was completed in FY 2009.
- \$1,769,467 – Storage Facility for recycling was constructed in FY 2009 to add storage for recyclables as well as remodeling and expansion of the Solid Waste Facility.
- \$332,160 – Two Fuel Station complexes were completed in FY 2010 to provide fueling stations for City vehicles, eliminating the need for the City to contract for fuel purchases other than bulk fuel.
- \$30,874-Curatto Can purchase in Fiscal 2016.

ORDINANCE NO. 4697

**AN APPROPRIATIONS ORDINANCE ADOPTING A BUDGET FOR THE
FISCAL YEAR BEGINNING OCTOBER 1, 2017, AND ENDING
SEPTEMBER 30, 2018.**

WHEREAS, The City Charter of the City of Lufkin requires an Appropriations Ordinance be passed by the City Council each year showing revenue of the City from all sources and the expenditures to the various purposes for the fiscal year;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS;

SECTION I

That the City manager's proposed budget be adopted in compliance with provisions of Article 5, Section 2 of the City Charter.

SECTION II

That there is hereby appropriated the sum of \$33,411,583 to the General Fund for the payment of operating expenditures and necessary capital outlay for the City Government including assigned fund balance of a negative \$818,056 and contingency account of \$75,000 for use by the City Manager.

SECTION III

That there is hereby appropriated the sum of \$6,683,434 to the Debt Service Fund for the payment of principal and interest on General Obligation Bonds of the City and for redeeming such bonds as they mature.

SECTION IV

That there is hereby appropriated the sum of \$17,427,015 to the Water/Wastewater Fund for operating expenses and necessary capital outlay for the Water and Wastewater Departments including a contingency account of \$150,000 for use by the City Manager.

SECTION V

That there is hereby appropriated the sum of \$2,107,905 from the Water/Wastewater operating fund to the Water/Wastewater Renewal and Replacement Fund, to be exclusively utilized for long term capital improvements and maintenance, including equipment, distribution system, production and treatment facilities, repair, rehabilitation and renovation.

SECTION VI

That there is hereby appropriated the sum of \$3,546,645 from the Water/Wastewater Fund shall be transferred to the General Obligation Debt Service Fund for the purpose of paying interest and principal on that portion of General Obligation Bonds and fees utilized for Water/Wastewater Fund purposes.

SECTION VII

That there is hereby appropriated the sum of \$6,571,984 to the Solid Waste & Recycling Enterprise Fund for operating expenses and necessary capital outlay for the Solid Waste and Recycling Departments.

SECTION VIII

That there is hereby appropriated the sum of \$56,200 from the Solid Waste & Recycling operating fund to the General Obligation Debt Service Fund for retirement of that portion of General Obligation Bonds and fees utilized for Solid Waste & Recycling Fund purposes.

SECTION IX

That there is hereby appropriated the sum of \$1,212,561 to the Hotel/Motel Tax Fund for operating expenditures and necessary capital outlay utilized for Hotel/Motel Tax Fund purposes including assigned fund balance of a negative \$6,361.

SECTION X

That there is hereby appropriated the sum of \$172,335 to the Pines Theater Special Events Fund for operating expenditures and necessary capital outlay.

SECTION XI

That there is hereby appropriated the sum of \$283,199 to the Ellen Trout Zoo Building Fund for operating expenditures and necessary capital outlay.

SECTION XII

That there is hereby appropriated the sum of \$456,861 to the Special Recreation Fund for operating expenses and necessary capital outlay.

SECTION XIII

That there is hereby appropriated the sum of \$25,510 to the Court Security/Technology Fund for operating expenses and necessary capital outlay.

SECTION XIV

That there is hereby appropriated the sum of \$130,000 to the Animal Control-Kurth Grant Fund for operating expenses and necessary capital outlay including assigned fund balance of negative \$38,800.

SECTION XV

That there be appropriated the sum of \$19,450 to the Main Street/Community Dev Impr for operating expenses and necessary capital outlay including assigned fund balance of \$3,195.

SECTION XVI

That there be appropriated the sum of \$1,422,610 to the Economic Development Fund for operating expenses and necessary capital outlay.

SECTION XVI

That there be appropriated the sum of \$597,296 to the Lufkin Convention & Visitor Bureau Fund (LCVB) for operating expenses and necessary capital outlay and including assigned fund balance of negative \$83,916 and contingency account of \$100,000 for use with approval of LCVB board.

SECTION XVII

That there is hereby appropriated the sum of \$786,180 to be expended for certain capital and maintenance items from the Water/Wastewater Renewal and Replacement Fund.

SECTION XVIII

That there is hereby appropriated the sum of \$1,967,363 to be expended for certain capital items from the Equipment Acquisition and Replacement Fund.

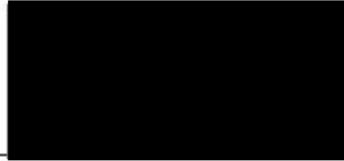
SECTION XIX

That there is hereby appropriated the sum of \$200,118 to be expended for certain capital items from the Solid Waste & Recycling Operating Enterprise Fund.

SECTION XX

That this ordinance shall be and become effective on October 1, 2017.

PASSED AND APPROVED on First Reading by the City Council of the City of Lufkin, Texas on this the 5th day of September, 2017.



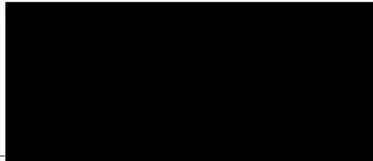
Bob F. Brown, Mayor

ATTEST:



Kara Atwood, City Secretary

PASSED AND APPROVED on Second Reading by the City Council of the City of Lufkin, Texas on this the 19th day of September, 2017.



Bob F. Brown, Mayor

ATTEST:



Kara Atwood, City Secretary



Bruce W. Green, City Attorney



ORDINANCE NO. 4198

AN ORDINANCE LEVYING TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF LUFKIN AND PROVIDING FOR THE DEBT SERVICE FUND FOR THE FISCAL YEAR 2018 AND APPORTIONING EACH LEVY FOR THE SPECIFIC PURPOSE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS;

SECTION I

- 1. That there is hereby levied and there shall be collected for the use and support of the municipal government of the City of Lufkin, Texas and to provide Debt Service Funds for the year Two-Thousand-Eighteen (2018) upon all property, real, personal, and mixed, within the corporate limits of said City subject to taxation, a tax of fifty three eleven and thirty-five ten-thousandths cents (\$0.531135), on each One Hundred Dollars (\$100.00) valuation of property. Said tax so levied and apportioned to the specific purpose herein set forth:
- 2. For the maintenance and support of the general government, (General Fund), \$0.381135 on each One Hundred Dollars (\$100.00) valuation of property;

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

- 3. For the Debt Service Fund \$0.1500 on each One Hundred Dollars (\$100.00) valuation of property to be apportioned as follows:

Combination Tax & Revenue	
Certificates of Obligation	Series 2009
Combination Tax & Revenue	
Certificates of Obligation	Series 2010
General Obligation Refunding Bonds	Series 2010
General Obligation Refunding Bonds	Series 2011
Certificates of Obligation	Series 2012
Certificates of Obligation	Series 2013
General Obligation Refunding Bonds	Series 2014
General Obligation Refunding Bonds	Series 2015
General Obligation Refunding Bonds	Series 2016
Total	\$0.1500

SECTION II

All monies collected under this Ordinance for the specific items herein named, be and the same are hereby appropriated and set apart for the specific purpose indicated in each item and the Assessor and Collector of Taxes and the Director of Finance shall so keep these accounts as to readily and distinctly show the amount on hand at any time belonging to such funds. It is hereby made the duty of the Assessor and Collector of Taxes and every person collecting money for the City of Lufkin to deliver to the Director of Finance at the time of depositing of 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.

SECTION III


That this Ordinance shall take effect and be in force on October 1, 2017.

PASSED AND APPROVED on First Reading by the City Council of the City of Lufkin, Texas on this the 5th day of September, 2017.



Bob F. Brown, Mayor

ATTEST:




Kara Atwood, City Secretary

PASSED AND APPROVED on Second Reading by the City Council of the City of Lufkin, Texas on this the 19th day of September, 2017.



Bob F. Brown, Mayor

ATTEST:



Kara Atwood, City Secretary

Bruce W. Green, City Attorney

ORDINANCE NO. 4699

AN ORDINANCE AMENDING ORDINANCE NO. 3795 OF THE CODE OF ORDINANCES OF THE CITY OF LUFKIN, TEXAS (CODIFIED AS CHAPTER 13, SECTION 13.02.041; RAISING RESIDENTIAL GARBAGE COLLECTION CHARGES; REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lufkin is a Texas Home-Rule Municipality as that term is defined by state law; and

WHEREAS, the Lufkin City Council has determined that residential garbage collection rates require an increase to more fully and adequately cover the cost of service.

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

That Ordinance No. 3795 of the City of Lufkin, as recorded in Chapter 13, Section 13.02.041 of the Code of Ordinances of the City of Lufkin, Texas, be amended to raise the rate for residential garbage collection from \$15.48, plus tax per month to \$16.48, plus tax per month.

SECTION 1: Conflicting Ordinances. All ordinances or parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.


SECTION 2: Proper notice and meeting. It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required 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. Notice was also provided as required by Chapter 52 of the Texas Local Government Code.

SECTION 3. Effective Date. This Ordinance shall take effect and be in force on October 1, 2017.

PASSED AND APPROVED on First Reading by the City Council of the City of Lufkin, Texas on this the 5th day of September, 2017.


Bob F. Brown, Mayor

ATTEST:


Kara Atwood, City Secretary

PASSED AND APPROVED on Second Reading by the City Council of the City of Lufkin, Texas on this the 19th day of September, 2017.


Bob F. Brown, Mayor

ATTEST:


Kara Atwood, City Secretary


Bruce W. Green, City Attorney

APPENDIX

FINANCIAL POLICY GUIDELINES

Financial policies are followed in the day-to-day financial management of the City. These policies provide critical guidelines to be followed in the budget preparation process in an effort to ensure the City's continued financial stability. These policies are reviewed annually with the City Council Finance Sub-Committee and updated as economic and financial conditions change. These policies follow.

CITY OF LUFKIN COUNCIL FINANCIAL POLICIES

PURPOSE AND NEED FOR POLICY

The City Council desires to establish a statement of written policy for the City of Lufkin that shall provide a framework for prudent management of the City's financial resources.

The written policy shall demonstrate to the citizens of Lufkin, the financial community, and the bond rating agencies that the City of Lufkin is committed to a strong fiscal operation. The policy shall also provide precedents for future policy makers and financial managers on common financial goals and strategies.

POLICY

1. The City of Lufkin shall maintain an operating position in all governmental funds such that annual expenditures shall not exceed annual resources, including fund balances.
2. The City of Lufkin shall maintain an operating position in all proprietary funds such that annual expenses shall not exceed annual resources, including working cash balances.
3. The City shall protect the physical assets of the City to ensure the value, integrity and utility of these major investments of the City's resources.
4. This policy shall be reviewed and updated periodically and will be presented to the City Council for approval of any significant changes.
5. The following sections outline the procedures and guidelines for accomplishing this policy.

OPERATING CONDITION

1. A multi-year financial forecast shall be prepared annually projecting revenues and expenditures for all operating funds. This forecast shall be used as a planning tool in developing the following year's operating budget.
2. Rates, fees and charges for service shall be reviewed annually and adjusted as necessary to respond to cost increases or other changing circumstances.

3. Activities within enterprise funds shall be budgeted so that revenues support cost of service, satisfy bond covenants, and provide adequate levels of working capital.
4. Insurance coverage shall be examined annually to ensure that policy limits are adequate and in compliance with bonds covenants.
5. Estimated costs and funding sources shall be identified prior to any project being submitted for Council approval.

DEBT MANAGEMENT

1. Debt shall not be used for funding operating expenses.
2. Bonds shall be sold only to finance long-term capital projects.
3. An asset or project shall not be financed over a period longer than the estimated useful life of that asset or project.
4. An analysis will be provided to Council disclosing estimated annual operating expenses associated with any capital project or asset financed by debt.
5. City staff shall prepare a multi-year Capital Improvement Program (CIP), updated annually, which will meet the anticipated growth requirements of the City. The Council as a guide for staff shall adopt the CIP in planning the subsequent year's capital and financing needs.
6. Total outstanding tax-supported debt shall not exceed five percent (5%) of the total annual assessed valuation of taxable property.
7. Budgeted employer costs for retirement (Texas Municipal Retirement System-TMRS) shall be reviewed and any excess amounts shall be reserved and applied toward future cost adjustments. (Effective October 1,

DEPRECIATION FUND

The City shall maintain a Water & Sewer Depreciation Fund. This Fund shall be financed by systematic budgeted transfers approved by Council each year and will be equal to the actual annual depreciation expense recorded for the second preceding fiscal year of the fiscal year in which the fund will be budgeted. The following guidelines will be followed in administration of this Fund. (Effective October, 1, 2009)

1. Approximately twenty-five percent (25%) of the actual annual transfer of cash to this Fund shall be retained and reserved for future system expansion.
2. Approximately seventy-five percent (75%) of the actual annual transfer of cash to this Fund shall be available and may be used for the renewal or replacement of maintenance or capital items.

FINANCIAL CONDITION

The City's goal shall be to maintain balances of immediately accessible cash and investments in each operating fund for cash flow purposes. These balances shall be established during each annual budget process according to the guidelines outlined below.

1. Governmental Fund Types

- General Fund - An amount equal to approximately twenty-five percent (25%) of original adopted budgeted expenditures shall be reserved as Fund Balance. The City Council has authorized up to five percent (5%) reduction to (20%) in the reserve to support the implementation of the Economic Development Sales Tax initiative approved by election in February of 2004. The Fund Balance continues above the 25% goal. Should some portion of the 5% reduction be required in future years, a repayment policy will be established.
- Civic Center Fund - An amount equal to approximately twelve and one-half percent (12.5%) of original adopted budgeted expenditures shall be reserved as Fund Balance. Should the Civic Center Fund develop cash balances insufficient to meet operating needs, the City Manager or Finance Director are authorized to advance such working capital as needed from the General Fund not to exceed a cumulative amount of \$75,000.
- Special Recreation Fund - An amount equal to approximately twelve and one-half percent (12.5%) of original adopted budgeted expenditures shall be reserved as Fund Balance.

2. Proprietary Fund Types:

- Water & Sewer Fund - An amount equal to at least twelve and one-half percent (12.5%) of original adopted budgeted expenditures shall be reserved as Working Capital Balance.
- Solid Waste Fund - An amount equal to at least twelve and one-half percent (12.5%) of original adopted budgeted expenditures shall be reserved as Working Capital Balance.

3. Other Funds and Fund Types:

Other Governmental and Proprietary Funds not specifically referred to above shall be fully self-supporting to the extent that the fund balance, working capital or retained earnings of each fund shall be zero or greater. The City Manager and Finance Director are authorized to advance up to \$50,000 to the various grants received by the City in anticipation of reimbursement of such amounts. The City Manager or Finance Director is authorized to advance up to \$50,000 to the Medical Savings Fund to cover cash flow needs.

4. The Insurance Loss Fund shall be actuarially determined and periodically reviewed to evaluate experience and degree of risk assumptions.

ASSET MANAGEMENT

1. In addition to anticipated growth requirements of the City, the multi-year Capital Improvement Program will be developed and presented in March of each year that identifies major infrastructure repair and rehabilitation needs.

2. The City will prepare and maintain a facilities master plan. This document will serve as a management tool to project space needs including construction and/or modification of facilities.
3. Repair, renovation and maintenance shall be regularly performed to protect the life of the assets and to ensure their safety and utility. A systematic program of routine and preventive maintenance shall be developed based on need identification and prioritization.
4. The Annual Operating Budget will provide sufficient funding levels for ongoing maintenance of the infrastructure.

ACCOUNTING, AUDITING AND FINANCIAL MANAGEMENT

1. Accounting systems shall produce information that is consistent with generally accepted accounting principles for governmental entities.
2. An independent public accounting firm shall conduct an annual comprehensive audit of all funds.
3. Net revenues of the Water & Sewer Fund shall be maintained at a level sufficient to cover average annual debt service requirements by 1.25 times.

RESPONSIBILITY AND AUTHORITY

The City Manager shall have accountability to the City Council concerning the financial strategies outlined in this policy.

Glossary of Terms

ACCRUAL ACCOUNTING - a basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.

AD VALOREM TAX - a tax levied on the assessed value of real property (also known as “property taxes”).

AMORTIZATION - building up of a fund over a period of time to replace productive assets at the end of their useful lives through a series of equal periodic payments.

APPRAISED VALUE - a valuation set upon real estate or other property by County Property Appraiser as a basis for levying taxes.

APPROPRIATION - a specific amount of money authorized by the City Council to make expenditures or incur obligations for specific purposes, frequently used as an interchangeable term with “expenditures”.

APPROPRIATION ORDINANCE - the official enactment, by City Council, to legally authorize City staff to obligate and expend resources.

BALANCED BUDGET - a budget in which estimated revenues equal estimated expenditures.

BOND - a written promise to pay a specific sum of money, called “face value” or “principal,” at a specified date in the future, called “maturity date,” together with periodic interest at a specific rate.

BONDED DEBT - the portion of the indebtedness representing outstanding bonds

BUDGET - a financial plan, for a specified period, of operations that matches all planned revenues and expenditures with the services provided to the residents of the City.

BUDGET CALENDAR - the schedule of key dates that the City follows in the preparation and adoption of the budget.

BUDGET DOCUMENT - the instrument used by the budget-making authority to present a comprehensive financial plan of operations for the City Council.

BUDGET MESSAGE - the opening section of the budget from the City Manager, which provides the City Council with a general summary of the most important aspects of the budget.

BUDGETARY CONTROL - the control of the management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

CALCULATED EFFECTIVE TAX RATE - State Law prescribes a formula for calculating the effective tax rate for cities. The net effect is to produce a tax rate that goes down when property values rise. It is intended to generate approximately the same amount of revenues as the previous year.

CAPITAL IMPROVEMENTS PROGRAM (CIP) - a multiyear plan that forecasts spending for all capital projects including buildings, equipment, and future accommodations.

CAPITAL PROJECTS FUND - A fund created to account for all financial resources to be used for the acquisition or the construction of major capital facilities or equipment.

CAPITAL OUTLAYS - expenditures which result in the acquisition of or the addition of fixed assets.

CERTIFICATES OF OBLIGATION (CO's) - tax supported bonds that are similar to general obligation bonds and can be issued after meeting strict publication requirements and with final approval of the City Council.

CITY COUNCIL - The Mayor and six (6) Council members acting as the legislative and policymaking body of the City.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) - A financial report that encompasses all funds and component units of the government. The CAFR should contain (a) the basic financial statements and required supplementary information, (b) combining statements to support columns in the basic financial statements that aggregate information from more than one fund or component unit, and (c) individual fund statements as needed. The CAFR is the governmental unit's official annual report and also should contain introductory information, schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, and statistical data. The CAFR of a public employee retirement system or an investment pool also should provide information on investments. Likewise, the CAFR of a public employee retirement system should provide actuarial information.

CONTRACTUAL SERVICES - services performed for the City by individuals, businesses, or utilities.

CURRENT TAXES - taxes levied and due within the fiscal year.

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

DELINQUENT TAXES - taxes that remain unpaid after the due date has passed.

DEPARTMENT - a major organizational unit of the City that holds responsibility for one or more divisions.

DEPRECIATION – the allocation of the cost of an asset over its estimated useful life.

DIVISION - a major organizational unit of the City that holds responsibility for one or more activities.

ENCUMBRANCE - the commitment of appropriated funds to purchase an item or service. To set aside funds for disbursement.

ENTERPRISE FUND - a fund established to account for operations of the water and sewer systems. It is operated in a manner similar to a private business enterprise.

ESTIMATED REVENUE - the amount of revenues projected to be collected in the fiscal year.

EXPENDITURES - a decrease in the net financial resources of the City due to the acquisition of goods and services.

EFFECTIVE TAX RATE- consists of last year's adjusted taxes after the taxes on lost property are removed. This is then divided by the current year's adjusted tax base.

FISCAL YEAR - a 12-month period to which the Annual Budget applies. The City of Lufkin Fiscal Year begins on October 1 and ends on September 30.

FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) – The authoritative accounting and financial reporting standard-setting body for business enterprises and not-for-profit organizations. The FASB is the direct successor of the Committee on Accounting Procedure and the Accounting Principles Board. The GASB and its predecessors have elected to apply a number of the FASB's standards, as well as those of its predecessors, to state and local governments.

FRANCHISE FEE - a fee paid by public service utilities for use of public property in providing their services.

FUND - an accounting entity with a self-balancing set of accounts that record the financial transactions for specific activities or government functions.

FUND ACCOUNTING - a governmental accounting system that is organized and operated under funds.

FUND BALANCE- the difference between assets and liabilities reported in a governmental fund.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) - Generally Accepted Accounting Principles determines through common practice or as set forth by the Governmental Accounting Standards Board, Financial Accounting Standards Board, or various other accounting standards setting bodies.

GENERAL FUND - the fund used to account for all financial resources except those required to be accounted for by other funds.

GENERAL OBLIGATIONS BOND (GOB) - bonds that finance a variety of public projects with the full faith and credit of the City.

GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) - An association of public finance professionals founded in 1906 as the Municipal Finance Officers Association. The GFOA has played a major role in the development and promotion of GAPP for state and local government since its inception and has sponsored the Certificate of Achievement for Excellence in Financial Reporting Program since 1946.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) - The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the National Council on Governmental Accounting.

GOVERNMENTAL FUNDS – funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt services funds, capital projects funds, and permanent funds.

GRANT - a contribution by a government or other organization to support a particular function.

INFRASTRUCTURE - the underlying permanent foundation or basic framework.

INTEREST EARNINGS - the earnings from available funds invested during the year.

INTERGOVERNMENTAL REVENUES - revenues transferred from other governments, such as grants, entitlements, etc.

LIABILITIES - debts or other legal obligations arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date.

LONG-TERM DEBT - unmatured debt of a government expected to be repaid from government funds.

MAINTENANCE - all materials or contract expenditures covering repairs and upkeep of City buildings, machinery, equipment, systems, and land.

MATERIALS AND SUPPLIES - materials necessary to conduct departmental activities.

MODIFIED ACCRUAL ACCOUNTING - a basis of accounting in which revenues are recognized in the period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

OPERATING BUDGET - plans of current expenditures and the proposed means of financing them. Law requires the establishment and use of an annual operating budget.

PART-TIME - employees who work less than 30 hours per week and are not entitled to full-time employee benefits.

PERFORMANCE MEASURES - Specific quantitative and/or qualitative measures of work performed within an activity or program.

PERSONNEL SERVICES - the costs associated with compensating employees for their labor. This includes salaries and fringe benefits.

PROPERTY TAXES - used to describe all revenues received from current taxes, delinquent taxes, penalties, and interest on delinquent taxes. Levied according to property valuation and tax rate.

RESERVE - an account used to indicate that a portion of a fund balance is restricted for a specific purpose.

REVENUE - funds that a government receives as income.

RETAINED EARNINGS - earned surplus or accumulated earnings or unappropriated profit.

RISK MANAGEMENT - an organized attempt to protect a government's assets against accidental loss.

SPECIAL REVENUE FUND - a fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

SUNDRY CHARGES - includes items that are not in the supply or maintenance category. May be for services provided by private businesses, public utilities, contract labor, outside consultants, or damages against the City.

TAX BASE - the total value of all real and personal property in the City as of January 1st each year, as certified by the Appraisal Review Board. This represents net value after exemptions.

TAX LEVY - the product when the tax base multiplies the tax rate per one hundred dollars.

TAX RATE - set by council and made up of two (2) components: debt service and operations rates.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) - Water and wastewater placed emitted or extracted from the state's water ways, such as but not limited to, lakes and streams is governed by this state legislative body.

TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS) - This system is an agency created by the State of Texas and administered in accordance with the Texas Municipal Retirement System Act, Subtitle G of Title 8, government code as a retirement and disability pension system for municipal employees in the State of Texas. As much, TMRS is a public trust fund, which has the responsibility of administering the System in accordance with the TMRS Act and bears a fiduciary obligation to the State of Texas, the TMRS member cities and the public employees who are its beneficiaries.

WORKING CAPITAL – is the amount of current assets less current liabilities.

Chart of Accounts

Revised 05/26/16

10. Personnel Services

- 10-01: Supervisor salaries** – Supervisors, whether salaried or hourly, include full-time managers, assistant managers, administrative managers, department heads, foremen and supervisors. Salaries, including vacation pay, of individuals filling these types of positions are budgeted and charged to this account.
- 10-02: Clerical salaries** - Clerical positions include full-time secretarial, administrative assistant, clerical (all types), office assistants and office aides. Salaries, including vacation pay, of individuals filling these types of positions are budgeted and charged to this account.
- 10-03: Operational salaries** – Operational positions are non-supervisory professional positions and positions that perform operational aspects for the department and include accountants, animal officers and attendants, fire fighters, police officers, IT technicians, inspections personnel, librarians, skilled labor, semi-skilled labor, laborers, operators, meter readers, electricians, and other like titles. Salaries, including vacation pay, of individuals filling these types of positions are budgeted and charged to this account.
- 10-04: Maintenance salaries** – Maintenance positions are defined as positions that perform various types of maintenance as opposed to performing operational functions. These include grounds maintenance, maintenance mechanic, equipment operator, skilled labor, semi-skilled labor, laborers and any other positions that provide maintenance functions. Salaries, including vacation pay, of individuals filling these types of positions are budgeted and charged to this account.
- 10-05: Part-time/temporary salaries** – Part-time/temporary employees are employees of the City and work less than 40 hours per week on a regular basis. Salary costs of all employees classified as part-time/temporary are charged and budgeted to this account. (Does not include contract labor.)
- 10-06: Relief/step-up pay** – Relief/step-up pay occurs when an employee of a lower payroll rank fills the job a higher payroll rank for a temporary time frame. This frequently occurs within the fire department. Salary costs for relief/step-up pay are charged and budgeted to this account.
- 10-07: Accrued sick leave** – Accrued sick leave is sick leave that has been earned but not yet taken. It is a liability to the City and is recorded at the end of the fiscal year for each department. This is **not**, however, a budgeted account.
- 10-08: Overtime** – Overtime is typically defined as hours worked in excess of 40 hours per week; for fire employees, overtime are hours worked in excess of 212 hours in a 28-day cycle; and, overtime for police officers is hours worked in excess of 160hours in a 28-day cycle. Overtime pay is budgeted and charged to this account.
- 10-09: Certification pay** – Certification pay is additional pay awarded certain positions that require advanced training. (Please check with Human Resources for a list of positions requiring certification.) All certification pay is budgeted and charged to this account.
- 10-10: Longevity** – Longevity pay represents pay incentive for years of service. An employee receives \$8 per month per year of service after his/her first year of employment. Longevity pay is budgeted and recorded in this account.

- 10-11: Sick leave** – Sick leave is provided for full-time employees absent due to illness. Sick leave is **not** budgeted since it cannot be estimated. When sick leave is taken, however, it is charged to this account as opposed to the employee's home salary account.
- 10-12: Vacation pay** – Vacation pay represents pay received for vacation. Vacation leave is **not** budgeted. When vacation leave is taken, however, it is charged to this account as opposed to the employee's home salary account. Vacation leave is earned as written in the Employee Handbook.
- 10-15: Car allowance** – Certain positions receive car allowances either because the employee uses his/her personal vehicle in conducting City business or as a condition of employment. Car allowance is budgeted and recorded in this account.
- 10-16: Cleaning/Clothing allowance** – Certain Police Department positions receive cleaning and/or allowances for the maintenance of their uniforms and for clothing required for specific investigative positions.
- 10-99: Temporary Employees** – Individuals who are considered temporary employees but are working in budgeted positions are budgeted and charged to this account.

11. Benefits

- 11-01: FICA** – FICA is the City's contribution/match toward the employees Social Security contribution. All employees, except certain fire civil service employees are required to participate in Social Security. The rate of contribution is computed by multiplying total salary (including overtime, step-up and other pay), certificate pay, longevity pay and car allowance by the appropriate rate as dictated by the Federal Government. All FICA costs are budgeted and charged to this account.
- 11-02: Retirement** – Retirement is the City's contribution/match toward employees' retirement, which includes Texas Municipal Retirement System (TMRS). The City matches the TMRS employee retirement contribution on a 2 to 1 basis. The City contribution rate fluctuates from year to year. All City TMRS contributions are budgeted and charged to this account.
- 11-03: Workers compensation** – Workers compensation is the premium cost to the City for carrying workers compensation coverage on employees. This premium cost is budgeted and charged to this account.
- 11-04: Health/life insurance** – Health/life insurance includes the contribution to the Group Health Insurance Fund from the various departments of the City for full-time employee health and life insurance coverage. This is a benefit paid by the City on behalf of the employee. Health/life insurance premiums are budgeted and charged to this account.
- 11-05: Unemployment insurance** – Unemployment insurance represents premium cost to pay the unemployment insurance coverage for employees. This account is used to budget and charge unemployment insurance premiums.
- 11-07: Sick leave incentive** – Sick leave incentive is a monetary reward given to employees for excellent attendance. Amounts paid for sick leave incentive are budgeted and charged to this account.
- 11-12: Firemen's Retirement** – Retirement is City's contribution toward employees' retirement in the Firemen's Pension Fund. All City Firemen's Pension Fund contributions are budgeted and charged to this account.

20. Supplies

- 20-01: Supplies** – Supplies are expendable materials used in routine operations. Included are calculator tape, pens, pencils, copy paper, envelopes, forms, exam forms/booklets, batteries (with the exception of rolling stock and items with unit numbers), computer supplies and software, chemicals, cleaning, light bulbs, A/C filters, medical, animal, shop, testing, education, and **metal or descriptive signage**. Christmas lights and decorations, recreation and like items, such as gloves, volleyball nets, belt clips. **Halloween candy for downtown trick or treat, breakroom and kitchen supplies should be budgeted in this line item**. Hardware and lumber used to board up houses. This does not include lumber and hardware such as nails, screws, etc. used in maintenance and repair of City property and equipment. All supplies are budgeted and charged to this account.
- 20-03: Food supplies** - Food supplies represent foodstuffs to be consumed in the course of business. They include: coffee, water, soft drinks, and foods purchased for consumption at City meetings or functions. Food supplies purchased and consumed under these guidelines are budgeted and charged to this account. *Meals consumed while traveling on city business are charged to account 50-06, Travel and Training. Food items purchased for resale in concessions stands are charged to 20-33. Food for City sponsored programs and public events should be budgeted in 50-40.*
- 20-04: Uniforms** – Uniforms include City provided work, fire and police uniforms as well as uniform allowances for employees required to wear uniforms. Uniform costs, such as Sam Brown Keepers, and hard hats are budgeted and charged to this account. Rain coats, rubber boots and other personal protection equipment are charged to this account.
- 20-06: Motor vehicle fuel** - Motor vehicle fuels include gasoline and diesel fuels consumed by the City's fleet in the execution of City duties. Motor vehicle fuel is budgeted and charged to this account.
- 20-17: Books and Other publications**– This account represents books, publications, periodicals, newspaper and other printed materials used in the normal course of business. Included in this account are legal and professional volumes, and library patron books – the value and purpose of which extends over many years. Books meeting these criteria are budgeted and charged to this account. Subscriptions to the Lufkin Daily News are charged to this account. *Advertising and promotions paid to Lufkin Daily News are charged to account 50-04.*
- 20-21: Equipment** – Equipment includes office, communications, technical, operational and maintenance equipment **not meeting capitalization criteria**. It includes items such as printers, calculators, hand tools, small motors, shop equipment, tool boxes for vehicles, telephone equipment, engineering tools and equipment, desks, chairs, file cabinets, credenzas, equipment, park maintenance equipment, Zoo animals, Recycle cans, air conditioners, etc. Equipment items are budgeted and charged to this account.
- 20-30: Bar Supplies – Only for Convention Center, the Pines and LCVB use.** Bar supplies includes all the miscellaneous supplies need to stock the alcoholic beverage bar at the Convention Center excluding all beverages.
- 20-31: Alcoholic Beverages – Only for Convention Center, the Pines and LCVB use.**
- 20-32: Non-Alcoholic Beverages – Only for Convention Center, the Pines and LCVB use.**

- 20-33: Concessions Food & Supply** - Food and supplies purchased for use in the resale of food items from concession stands. This includes food, drinks and containers used to in their respective sale such as cups, paper plates, wax paper wraps, Styrofoam containers, etc. This does not include cleaning products such as soap, paper towels, Clorax, Lysol, etc.

40. Machinery/Equipment Maintenance

- 40-01: Buildings maintenance** – Buildings maintenance includes the repair and maintenance of City buildings as opposed to capital improvements. If the work is contracted, this includes materials and labor. Items include painting, plumbing, lighting fixtures, lumber and hardware for repair, window glass, electrical repair, roof repair, etc. Buildings maintenance items are budgeted and charged to this account.
- 40-02: Machinery/equipment maintenance** – Machinery and equipment include the maintenance and/or repair of office, construction and field machinery and equipment such as backhoes, graders, and other off-road machinery and equipment; bush hogs and mowers, calculators, defibrillators, guns, air packs, power hand tools; fixed machinery and equipment such as tub grinders, chlorinators, generators, time clocks, satellite screens, kitchen equipment, air conditioners. This account also includes parts and maintenance agreements. If the work is contracted, this includes materials and labor. Machinery/equipment repair and maintenance is budgeted and charged to this account.
- 40-03: Structures maintenance** – Structures maintenance includes repair and maintenance to structures (as opposed to capital improvements) such as water & sewer lines, streets, bridges, sidewalks, parking lots, drainage, pools, ball fields, tennis courts, fences and other similar structures (Does not include buildings). If the work is contracted, this includes materials and labor. Structure maintenance items are budgeted and charged to this account.
- 40-04: Motor vehicles** – Motor vehicles includes the maintenance and/or repair costs to licensed, on-road vehicles such as scheduled and unscheduled maintenance and repair, parts and supplies as well as commercial repairs. Motor vehicles maintenance/repair is budgeted and charged to this account. Includes deductibles paid for insurance related repairs.
- 40-05: Furniture/fixtures maintenance** – This account has been deleted and combined with either 40-01 or 40-02.
- 40-18: Telephone/communications equipment maintenance** - Telephone/ communications equipment includes maintenance and repair of phone systems, cellular phones, pagers, faxes, modems, mobile radios, TVs, cameras, VCRs, tape recorders, other similar equipment as well as maintenance agreements on such equipment. If the work is contracted, this includes materials and labor. Telephone/communications equipment maintenance is budgeted and charged to this account.
- 40-20: Computer equipment maintenance**– This account includes maintenance and/or repair of desktop, laptop, mainframe, and network computers; servers, routers, wireless antennas, lines, switches, (personal computer) printers, scanners, and other equipment associated with computer equipment. If the work is contracted, this includes materials and labor. It also includes maintenance agreements for both hardware and software and annual software license renewals. Computer equipment maintenance is budgeted and charged to this account.
- 40-21: Reproduction equipment maintenance** - Reproduction equipment includes copiers and combination copier/printer/scanner/fax equipment that are usually stand-alone pieces of equipment. If the work is contracted, this includes materials and labor. Costs associated with the maintenance, repair of reproduction equipment, as well as maintenance agreements are budgeted and charged to this account.

50. Services

- 50-01: Communication services** – Communication services include monthly charges for telephone service (including long-distance), pagers, cellular phones, telegraph, cable and/or satellite TV, Internet and messenger service. Costs of communication services are budgeted and charged to this account.
- 50-02: Office and Equipment rental** – Equipment rental includes the cost of renting any equipment or office space on a recurring basis for a fee. It also includes tool allowance provided by the City to mechanics. Office, construction and field equipment such as copier usage, copier leases, printers, cable, notary bonds and renewals, backhoes, tractors, portable toilet rentals, etc. are budgeted and charged to this account.
- 50-03: Insurance-** Insurance expense allocated from prepaid insurance account.
- 50-04: Special services** – Special services include accounting, legal, engineering, insurance, advertising, medical exams, background checks, license checks, permit renewals, recording deeds, sports officials' contract services, special investigations, jury duty, court costs, temporary personnel services, janitorial services and rug rental/cleaning services, landscape services, and other similar services. The cost of special services is budgeted and charged to this account.
- 50-05: Economic Development Corporation Only: Marketing Incentives**
- 50-06: Travel and training** – Travel and training includes transportation, registration, meals, lodging and incidentals associated with required job training, professional conferences and similar job related events. The cost associated with travel/training, as well as local mileage reimbursement for business use of personal vehicle is budgeted and charged to this account.
- 50-12: Freight and delivery service** – Freight/delivery service includes transportation costs associated with product delivery to the City FOB shipping point, FedEx, UPS and other similar services. The cost of freight and delivery service is budgeted and charged to this account.
- 50-13: Dues and memberships** – Professional membership dues, including notary and other required license, in work related organizations, directly related membership subscriptions to professional periodicals, and other expenses are budgeted and charged to this account
- 50-14: Landfill charges** – Charges incurred to dispose of solid waste at the County landfill are budgeted and charged to this account.
- 50-21: Sewer service** – Sewer service includes the sewer treatment service provided by City sewer treatment facilities. Costs incurred for sewer treatment service is budgeted and charged to this account.
- 50-22: Sanitation service** – Sanitation service consists of solid waste and recycling pickup services. Costs incurred for sanitation services are budgeted and charged to this account.

- 50-23: Electric service** – Electric service includes electric power, meter sets and related services provided by electric power companies. Costs incurred for these services are budgeted and charged to this account.
- 50-24: Heating fuel service** – Costs incurred for natural gas, propane, butane and other heating fuel service are budgeted and charged to this account.
- 50-40: Special Events** – Costs incurred in the production of Special Events such as Bistro, Corks and Forks, Tire Day, Electronic Recycling Day, **Downtown Hoedown, Library Programs, Zoo Programs**, The Pines special events, etc. to capture the total costs of the event. **This also includes City sponsored programs and public events like July 4th**. This includes all supplies, rentals, food, and drinks specifically for the event. This does not include consumable supplies which may be used for multiple events.
- 50-41: Equipment Amortization** – Costs incurred for the replacement of equipment. Budgeted amounts will be transferred to the Equipment Acquisition and Replacement Fund annually.

60. Other Charges

- 60-01: Contributions, gratuities and rewards** – Items such as donations, contributions, prizes, and floral arrangements are budgeted and charged to this account.
- 60-04: Judgments and damages** - Judgments and damages include payment of legal judgments awarded against the City and damages to property by the City either negotiated or awarded by the courts. Costs incurred for judgments and damages are budgeted and charged to this account.
- 60-08: Other charges** - This account includes miscellaneous charges not otherwise classified. Costs of this nature are budgeted and charged to this account.
- 60-50: Bad debts** - Bad debts are debts, notes and/or accounts receivables that are judged to be uncollectable. Bad debts should be budgeted and charged to this account.
- 60-55: General & administrative charges** – General and administrative (G&A) charges represent services provided by departments of one Fund to departments of another Fund. G&A charges are budgeted and charged to this account.

70. Debt Service (Finance Use Only)

- 70-01: Lease payment - principal** - This account is used to record the principal portion of a lease purchase payment.
- 70-02: Lease payment - interest** - This account is used to record the interest portion of a lease purchase payment.
- 70-03: Debt service - principal** - This account is used to record the principal portion of a debt service payment.
- 70-04: Debt service - interest** - This account is used to record the interest portion of a debt service payment.

72. Transfer Accounts (Finance Use Only)

- 72-01: General Fund** - This account is used to record transfers to the General Fund.

- 72-02: Special Recreation Fund** - This account is used to record transfers to the Special Recreation Fund.
- 72-03: 1998 Tax & Rev CO's** - This account is used to record transfers to the 1998 Tax & Revenue Certificates of Obligation Fund.
- 72-09: Park Improvement Fund** - This account is used to record transfers to the Park Improvement Fund.
- 72-17: Insurance Loss Fund** - This account is used to record transfers to the Insurance Loss Fund.
- 72-20: Civic Center Fund** - This account is used to record transfers to the Civic Center Fund.
- 72-21: Group Hospital Insurance Fund** - This account is used to record transfers to the Group Hospital Insurance Fund.
- 72-23: Home Grant Fund** - This account is used to record transfers to the Home Grant Fund.
- 72-24: Animal Control-Kurth Grant** - This account is used to record transfers to the Animal Control Kurth Grant Fund.
- 72-30: Street Construction Fund** - This account is used to record transfers to the Street Construction Fund. (Street Const Fund)
- 72-45: Revenue Bond Debt Service Fund** - This account is used to record transfers to the Revenue Bond Debt Service Fund (Rev Bad Debt Svc Fund).
- 72-53: Asbestos Pipe Replacement Fund** - This account is used to record transfers to the Asbestos Pipe Replacement Fund (Asbestos Pipe Replacement Fund).
- 72-54: 1997 Water & Sewer Improvements Fund** - This account is used to record transfers to the 1997 Water & Sewer Improvements Fund. (1997 Water & Sewer Improvement Fund).
- 72-80: Water/Wastewater Renewal & Replacement Fund** - This account is used to record transfers to the Water/Wastewater Renewal and Replacement Fund (Water/Wastewater R&R Fund).
- 72-81: Water Construction Fund** - This account is used to record transfers to the Water Construction Fund (Water Const Fund).
- 72-82: Sewer Construction Fund** - This account is used to record transfers to the Sewer Construction Fund (Sewer Const Fund).
- 72-84: Solid Waste Renewal & Replacement Fund** - This account is used to record transfers to the Solid Waste & Recycling Renewal and Replacement Fund (Solid Waste R&R Fund).

80. Land & Improvements

- 80-01: Land** – This account is used to budget and record the purchase of land and associated costs such as appraisals, negotiations, surveys, abstracts, deed recordings, etc.
- 80-02: Improvements other than building** – Improvements other than buildings include grading, leveling, inspections, first sodding, plantings, terracing, etc. Expenditures associated with these items are budgeted and charged to this account.
- 80-03: Engineering & design** – Engineering and design includes architectural, engineering and design services associated with construction and purchase of capital assets. Expenditures for these services are budgeted and charged to this account.

81. Buildings and Structures

- 81-01: Buildings** – Buildings includes major repair and/or construction of new buildings that meet the City's capitalization policy. Buildings also include structures enclosing pumps, wells or electrical equipment, but not the equipment. Expenditures for buildings are budgeted and charged to this account.
- 81-02: Streets, structures** – Streets, structures include streets, roadways, bridges, culverts, sidewalks and associated items. Expenditures of this nature are budgeted and charged to this account.
- 81-06: Drainage improvements** – Drainage improvements include storm sewers, drains, detention ponds and other items associated with the transfer and control of rainwater. Costs associated with drainage improvements are budgeted and charged to this account.
- 81-08: Utility relocation** – Utility relocation includes relocation of water, sewer, electric and other utility lines. Expenditures of this nature are budgeted and charged to this account.
- 81-10: Water storage facilities** – Water storage facilities include ground and elevated water storage tanks, supports, foundations, buildings, outbuildings. This account does not include piping, pumping and other equipment required for storage construction. Costs associated with water storage facilities are budgeted and charged to this account.
- 81-11: Water treatment facilities** – Water treatment facilities include buildings, holding structures, piping, retaining structures, purification structures; does not include equipment. Costs associated with water treatment facilities, i.e. buildings and structures, are budgeted and charged to this account.
- 81-13: Water transmission, distribution lines** – This account includes transmission and distribution lines used to transport potable water from water wells to treatment facilities and from treatment facilities to end-users. The cost includes the ditch digging, preparation, laying of the line, pressure testing, covering and other costs necessary to deliver potable water from the source to the end user, whether performed by force labor or contractor. All costs associated with water transmission and distribution line construction are budgeted and charged to this account.
- 81-14: Water wells** – Costs of water wells includes platform construction, drilling rigging, outbuildings and other items associated with the building and structure of water wells, but do not include the equipment and machinery necessary for operation. Costs meeting this definition are budgeted and charged to this account.
- 81-16: Wastewater treatment facilities** – Wastewater treatment facilities include the buildings, holding ponds and structures, treatment structures. Not included in this account is machinery and equipment attached to the structures and buildings necessary for operation. Costs meeting this definition are budgeted and charged to this account.
- 81-17: Sewer collection lines** – Sewer collection lines includes the cost of ditch digging, preparation, laying of the line, pressure testing, covering and other costs necessary to transport wastewater from the source to the treatment facility, whether performed by force labor or contractor. Costs meeting this definition are budgeted and charged to this account.
- 81-30: Sewer lift stations** – Sewer lift stations include the station structure and all costs associated with its construction. It does not include machinery and equipment necessary for operation of the lift station. All costs meeting this definition are budgeted and charged to this account.

- 81-40: Other** – This account is used to record all buildings and structures that do not meet the definitions of other Buildings and Structures accounts, and includes structures such as swimming pools, tennis courts, parking lots, play equipment, etc. Costs meeting this definition are budgeted and charged to this account

82. Machinery and Equipment

- 82-01: Furniture and fixtures** - Furniture and fixtures used in this context are defined as equipment, and include desks, chairs, credenzas, tables and similar items meeting the City's capitalization policy. Costs meeting this definition are budgeted and charged to this account.
- 82-02: Machinery & equipment** - Machinery and equipment include off-road machinery and equipment, i.e. backhoes, graders, bush hogs, tractor mowers; fixed machinery, i.e. tub grinders, generators, pumps; office equipment, i.e. paper shredders, calculators, copiers and playground equipment. This account does not include water and wastewater treatment machinery and equipment or computer equipment (meeting capitalization policy), which are covered in other accounts. Costs meeting this definition are budgeted and charged to this account.
- 82-04: Motor vehicles** - Motor vehicles include licensed on-road vehicles, such as automobiles, dump trucks, pickups, tractor-trailer rigs, etc. Costs meeting this definition are budgeted and charged to this account.
- 82-06: Water system equipment** – Water treatment equipment include all machinery and equipment necessary to produce, treat and convey water to meet potable water standards and includes pumps, chlorinators, clarifiers, gauges, etc. Costs meeting this definition are budgeted and charged to this account.
- 82-08: Wastewater treatment equipment** - Wastewater system equipment includes all machinery and equipment necessary to convey and treat wastewater to meet TNRCC standards and includes pumps, chlorinators, clarifiers, digesters, gauges, etc. Costs meeting this definition are budgeted and charged to this account.
- 82-12: Meters & sets** – Meters and sets include the cost of setting the meters and boxes, including material and labor. Costs of meters and sets are budgeted and charged to this account.
- 82-13: Communications equipment** – Communications equipment includes purchase and installation costs of communication systems (telephone, computer, radio frequency) and individual equipment exceeding capitalization criteria. Costs meeting this definition are budgeted and charged to this account.
- 82-14: Software** – Software meeting the City's capitalization criteria are to be budgeted and charged to this account.
- 82-28: Books** – Books include legal volumes, patron library book collections, rare book collections and other volumes and collections that meet the city's capitalization policy. Items meeting this definition are budgeted and charged to this account.
- 85-99: Reclassification to PP&E** - This account is used to reclassify fixed assets from various funds to fixed assets in the fixed asset system, and is used only by the Finance department.

FIXED ASSET POLICY

(Abridged Version)

NEED FOR POLICY:

The City does not have established procedures to account for the purchase, transfer and disposal of its property and equipment (fixed assets). These fixed assets represent a significant resource to the City for accomplishing its services to the citizens.

PURPOSE OF POLICY:

This policy establishes comprehensive guidelines to account for the acquisition, transfer and disposal of fixed assets for all City departments and ensure that the current physical characteristics of property are accurately reflected in City records.

POLICY:

Fixed Assets are long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, improvements other than buildings, and land. For purposes of this policy, capitalization of an asset must meet the following criteria:

1. \$5,000 on tangible personal property (furniture, fixtures, vehicles, computers, off road equipment, etc)
2. \$50,000 on **new** infrastructure including water, sewer, streets, bridges, storm water lines etc.,
3. For **improvements** to buildings, machinery & equipment, and vehicles the capital outlay must be greater than \$10,000 and either extend the useful life for 10 years or be greater than 10% of the original cost of the asset

Example: Replace engine in backhoe for \$13,500 and original cost was \$121,700—over \$10,000 and greater than 10% of the original cost = capital. If cost of the engine was less than \$12,170 and was not expected to extend the life for 10 years, the replacement would be maintenance.

Example: Replace roof on Main Fire Station for \$27,000, original cost was \$18,000—over \$10,000 and greater than 10% of the original cost and will more than likely extend the useful life for 10 years = capital.

Fixed asset acquisitions shall be reviewed and only items meeting the City's capitalization criteria (fixed asset definition) shall be charged to capital accounts.

Generally Accepted Accounting Principles (GAAP) will be followed in recording fixed asset purchases (direct and capital lease), construction work-in-progress, asset retirement, accumulated depreciation and depreciation expense.

MAJOR FIXED ASSET CATEGORIES:

Summary of Major Fixed Asset Categories:

Land 80-01: Is real property for which the City holds the title. The land cost includes appraisals, survey costs, recording fees and other charges necessary to acquire the land.

Buildings 81-01: Is a structure with a foundation and a roof that may or may not have full enclosure.

Improvements other than buildings 81-02 through 81-40: Are those that are not specifically identifiable as the costs to build a building. Assets that are normally included in this category are grading, paving, fencing, playground and picnic equipment, landscaping, irrigation systems, concrete work, miscellaneous structures, plumbing and electrical. Also included are utility improvements such as water and sewer transmission, distribution and collection lines, lift stations, pumping stations, etc.

Machinery and equipment 82-02: Is property that is complete within itself and is not a component (HVAC, plumbing, electrical, etc) of a building. Machinery and equipment such as backhoes, graders, caterpillars, bulldozers, portable generators, copiers, PCs, PC systems, table saws, welding machines, are examples of items included here.

Computer Software 82-14: *(A component of Machinery and equipment)*

Computer software, fixed assets, are purchased programmed computer instructions (application software) having a cost of at least \$10,000 and a useful life of greater than one year. Software developed by City staff is not recorded as a fixed asset unless it meets certain criteria to be determined.

Vehicles 82-04: Is road worthy equipment required to be licensed such as a car, bus, pickup truck, dump truck, motorcycle, or van used for transportation of City employees in the performance of their job duties.

****FIXED ASSETS PURCHASED UNDER CAPITAL LEASE:** (Not in Use in FY 2015)

A leased item must meet one (1) or more of the following criteria to be considered a fixed asset:

- ❖ **Transfer of ownership:** Ownership transfers to the City by the end of the lease term.
- ❖ **Lease purchase option:** Lease has a bargain purchase option (i.e. substantially less than fair market value).
- ❖ **Lease term:** The lease term is 75% or more of the leased property's estimated economic life.
- ❖ **Present value:** The present value of the minimum lease payment at the inception of the lease, excluding executory cost, is 90% or more of the fair market value of the leased property.

ASSET ACQUISITION AND COST BASIS DETERMINATION:

Definition of Acquisition: Obtaining title to a fixed asset by direct purchase, capital lease agreement, construction, donation, transfer, improvement, or condemnation.

- ❖ **Direct purchase:** the purchase price plus the costs necessary to place the asset in use.
- ❖ **Capital Lease:** the lesser of the present value of lease payments or the fair value of the leased property. If no interest rate is stated in the lease, the discount rate should be the incremental borrowing rate for the City as determined by the Finance Department.
- ❖ **Construction:** the costs incurred during construction of an asset including those costs necessary to place the asset in service.
- ❖ **Developer Contributions:** the developer's cost basis for the construction of the asset.
- ❖ **Donation:** the fair market value of the asset on the date of the donation; the assessed value shall be used for land donations.
- ❖ **Transfer:** transfers between departments or locations are recorded at a cost no greater than net book value (cost less accumulated depreciation), the basis in the City's records at the time of transfer.
- ❖ **Improvements:** costs for asset improvements are added to the cost basis if they result in one of the following changes:
 - Additional or more valuable asset services
 - Extension of economic life of the asset
- ❖ **Condemnation:** fixed assets acquired through condemnation or the right of eminent domain is recorded at the cost deemed to be fair compensation for the property.

Cost Basis by Asset Category:

- ❖ **Land:** includes the acquisition price, legal and title fees, survey, appraisal and recording fees, any unpaid taxes assumed, negotiation costs, etc.
- ❖ **Buildings:** include acquisition cost, costs of all fixtures permanently attached and made part of the building, and any other costs required to prepare the asset for its intended use. The recorded cost for a constructed building includes contractor payments, in-house labor cost, professional fees for architects, attorneys, appraisers, and financial advisors, damage claims, insurance, and other costs incurred during the period of construction required to prepare the asset for its intended use.

- ❖ **Improvements other than buildings:** include construction costs, including materials and labor and other charges incurred to prepare the asset for its intended use.
- ❖ **Machinery and Equipment:** include acquisition cost plus trade-in allowance, freight, taxes, installation costs, and other charges incurred to place the asset in use.

PCs/PC Systems: include equipment, software, and other costs incurred to prepare the asset for its intended use with some distinct rules and exceptions:

- All hardware costs for a new PC system (even if purchased from different vendors) is included in the cost of the fixed asset if the total value is \$1,000 or more.
- Printers are recorded as a separate fixed asset if the cost is \$1,000 or more; otherwise, printers may be recorded as a controllable (see Appendix B) asset or not recorded at all.
- The cost of individual PC components such as monitors and upgrades not purchased as part of the new system will be recorded as a separate fixed asset if the cost is \$1,000 or more.
- If PC systems include software that is not separately priced by the vendor, the software is considered to have no cost value and is recorded as part of the fixed asset.

Computer Software: include contract price, payments for modifications, training, etc. required to prepare the software for use.

- ❖ **Vehicles:** include the purchase price of the vehicle, delivery charges and any of the ancillary costs required to put the vehicle in service.

CONTROLLABLE ASSETS:

Definition: A controllable asset is an asset that does not meet the City's criteria for a fixed asset, but due to the nature of the item, such as high likelihood of theft or compliance with state or federal guidelines, greater accountability is required. A controllable asset is tangible property with a value of less than \$1,000 and an expected useful life of one year or more. A minimum value of \$500 is recommended for recording controllable assets.

Responsibility: The department director will work with Finance to determine what additional types of assets should be included on the system as controllable assets. Basic criteria for determining that an asset is a controllable asset are:

- ❖ Will the loss of the asset be obvious or will you need a fixed asset inventory to determine that it is missing?
- ❖ Do state or federal guidelines require it to be tracked?
- ❖ Is the nature of the asset such that it needs to be tracked?
- ❖ Is the asset likely to be missing in this department's environment?

Departments may have other criteria that need to be considered due to their specific operations.

Controllable assets are subject to the same requirements as fixed assets regarding security, maintenance, and utilization. The owner department assumes responsibility for tracking and recording controllable assets. Controllable assets will not be reported in the City's audited financial statements.

City of Lufkin

Five- Year Personnel History

Department	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018
General Government					
Full Time	2	2	2	2	2
Part Time	0	0	0	0	0
Total	2	2	2	2	2
Administration					
Full Time	3	3	3	3	3
Part Time	0	0	0	0	0
Total	3	3	3	3	3
Finance					
Full Time	7	10	10	10	10
Part Time	0	0	0	0	0
Total	7	10	10	10	10
Legal					
Full Time	2	2	2	2	2
Part Time	0	0	0	0	0
Total	2	2	2	2	2
Municipal Court					
Full Time	7	7	7	6	6
Part Time	1	1	1	0	0
Total	8	8	8	6	6
City Marshall					
Full Time	0	0	0	1	1
Part Time	0	0	0	1	1
Total	0	0	0	2	2
Human Resources					
Full Time	5	5	5	6	6
Part Time	0	0	0	0	0
Total	5	5	5	6	6

City of Lufkin
Five- Year Personnel History
(Continued)

Department	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018
Building Services					
Full Time	2	2	2	2	2
Part Time	0	1	1	1	1
Total	2	3	3	3	3
Information Technology					
Full Time	6	7	7	7	7
Part Time	0	0	0	0	0
Total	6	7	7	7	7
Police					
Full Time	99	99	100	100	100
Part Time	1	1	1	1	1
Total	100	100	101	101	101
Fire					
Full Time	81	81	80	80	80
Part Time	0	0	0	0	0
Total	81	81	80	80	80
Inspection Services					
Full Time	8	8	8	8	8
Part Time	0	0	0	0	0
Total	8	8	8	8	8
Animal Control					
Full Time	10	10	11	11	11
Part Time	0	0	0	0	0
Total	10	10	11	11	11
Engineering					
Full Time	9	9	9	9	7
Part Time	0	0	0	0	0
Total	9	9	9	9	7

City of Lufkin
Five-Year Personnel History
(Continued)

Department	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018
Streets					
Full Time	34	34	34	34	34
Part Time	1	1	1	1	1
Total	35	35	35	35	35
Parks & Recreation					
Full Time	27	27	27	27	27
Part Time	5	5	5	5	5
Total	32	32	32	32	32
Fleet Maintenance					
Full Time	7	7	7	7	7
Part Time	0	0	0	0	0
Total	7	7	7	7	7
Planning & Zoning					
Full Time	3	3	3	3	3
Part Time	0	0	0	0	0
Total	3	3	3	3	3
Community Development (Main Street)					
Full Time	3	3	3	3	0
Part Time	0	0	0	0	0
Total	3	3	3	3	0
Ellen Trout Zoo					
Full Time	24	24	24	24	24
Part Time	3	3	2	2	2
Total	27	27	26	26	26
Kurth Memorial Library					
Full Time	9	10	10	10	10
Part Time	8	6	6	6	6
Total	17	16	16	16	16

City of Lufkin
Five-Year Personnel History
(Continued)

Department	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018
Utility Collections					
Full Time	12	12	12	12	12
Part Time	0	0	0	0	0
Total	12	12	12	12	12
Wastewater Treatment					
Full Time	20	20	20	20	20
Part Time	1	1	1	1	1
Total	21	21	21	21	21
Water Production					
Full Time	1	1	1	1	1
Part Time	1	1	1	1	1
Total	2	2	2	2	2
Water/Sewer Utilities					
Full Time	38	38	37	37	39
Part Time	0	0	0	0	0
Total	38	38	37	37	39
Solid Waste					
Full Time	26	26	26	26	27
Part Time	0	0	0	0	0
Total	26	26	26	26	27
Recycling					
Full Time	7	7	7	7	7
Part Time	0	0	0	0	0
Total	7	7	7	7	7

City of Lufkin
Five-Year Personnel History
(Continued)

Department	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018
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Convention Center

Full Time	8	8	8	8	8
Part Time	0	0	0	0	0
Total	8	8	8	8	8

Special Recreation Fund

Full Time	0	0	0	0	0
Part Time	25	25	25	25	25
Total	25	25	25	25	25

Economic Development

Full Time	2	2	2	2	2
Part Time	0	0	0	0	0
Total	2	2	2	2	2

Lufkin Convention & Visitor Bureau

Full Time	2	2	2	2	3
Part Time	0	0	0	0	0
Total	2	2	2	2	3

Total Full Time	464	469	469	470	469
Total Part Time	46	45	44	44	44
Total Employees	510	514	513	514	513

CITY OF LUFKIN
WATER/WASTEWATER FUND
Fiscal 2016, 2017 and Fiscal 2018 General & Administrative Charges Comparison

Cost Center	Costs Allocated						EST.	
	Percent to General		FY 2016 Budget	Percent to General		FY 2017 Budget	Percent to General	FY 2018 Budget
City Council/City Secretary	23%	\$	81,864.36	23%	\$	86,180.77	25%	\$ 92,345.25
City Administration	35%	\$	176,243.55	35%	\$	182,857.15	42%	\$ 223,770.96
Finance	36%	\$	273,577.68	36%	\$	284,628.24	40%	\$ 312,944.40
Legal	26%	\$	75,644.92	26%	\$	78,901.42	30%	\$ 92,426.40
Human Resources/Purchasing	43%	\$	173,578.96	43%	\$	191,221.00	45%	\$ 202,578.75
Municipal Building	16%	\$	49,788.32	16%	\$	50,575.04	20%	\$ 65,135.20
Information Technology	33%	\$	379,097.73	33%	\$	370,031.31	35%	\$ 396,854.85
Fire Department ⁽¹⁾								
Inspection Services	42%	\$	228,253.20	42%	\$	232,781.64	45%	\$ 249,190.20
Emergency Management	25%	\$	12,387.50	25%	\$	12,655.00	25%	\$ 12,463.75
Engineering	63%	\$	468,173.16	63%	\$	483,572.25	65%	\$ 424,264.75
Street	9%	\$	344,204.55	9%	\$	346,554.54	11%	\$ 425,352.84
Fleet Maintenance	33%	\$	<u>122,855.37</u>	33%	\$	<u>121,032.45</u>	35%	<u>\$ 143,824.10</u>
Total to General		\$	<u>2,385,669.30</u>		\$	<u>2,440,990.81</u>		<u>\$ 2,641,151.45</u>

¹ Hydrant Maintenance

CITY OF LUFKIN
SOLID WASTE & RECYCLING FUND
Fiscal 2016, 2017 and Fiscal 2018 General & Administrative Charges Comparison

Cost Center	Costs Allocated						EST.	FY2018 Budget
	Percent to General	FY 2016 Budget	Percent to General	FY 2017 Budget	Percent to General	FY 2018 Budget		
City Council/City Secretary	17%	\$ 60,508.44	17%	\$ 63,698.83	20%	\$ 73,876.20	369,381	
City Administration	42%	\$ 211,492.26	42%	\$ 219,428.58	40%	\$ 213,115.20	532,788	
Finance	33%	\$ 250,779.54	33%	\$ 260,909.22	38%	\$ 297,297.18	782,361	
Legal	30%	\$ 87,282.60	30%	\$ 91,040.10	30%	\$ 92,426.40	308,088	
Human Resources/Purchasing	40%	\$ 161,468.80	40%	\$ 177,880.00	35%	\$ 157,561.25	450,175	
Municipal Building	6%	\$ 18,670.62	6%	\$ 18,965.64	5%	\$ 16,283.80	325,676	
Information Technology	33%	\$ 379,097.73	33%	\$ 370,031.31	35%	\$ 396,854.85	1,133,871	
Emergency Management	25%	\$ 12,387.50	25%	\$ 12,655.00	25%	\$ 12,463.75	49,855	
Engineering	12%	\$ 89,175.84	12%	\$ 92,109.00	25%	\$ 163,178.75	652,715	
Street	8%	\$ 305,959.60	8%	\$ 308,048.48	14%	\$ 536,021.92	3,866,844	
Fleet Maintenance	33%	\$ 122,855.37	33%	\$ 121,032.45	40%	\$ 164,370.40	410,926	
Main Street	22%	<u>\$ 39,394.08</u>	22%	<u>\$ 39,769.84</u>	22%	<u>\$ -</u>	<u>-</u>	
Total to General		\$ 1,739,072.38		\$ 1,775,568.45		\$ 2,123,449.70		
Transfer to Water and Sewer Fund	15%	<u>\$ 119,803.35</u>	15%	<u>\$ 123,572.10</u>	15%	<u>\$ 129,185.85</u>		
		<u>\$ 1,858,875.73</u>		<u>\$ 1,858,875.73</u>		<u>\$ 2,252,635.55</u>		

CITY OF LUFKIN
ECONOMIC DEVELOPMENT
Fiscal 2018 General & Administrative Charges Comparison

Cost Center	FY2018 Dept Budget	Dept Budget as Percent of Total General Fund Appropriation (\$33246531)	Economic Development to Total General Fund Appropriation	Estimated FY2018 Budget
City Council/City Secretary	\$ 369,381	1.11%	\$ 60,550	\$ 670
City Administration	\$ 532,788	1.60%	\$ 60,550	\$ 970
Finance	\$ 782,361	2.35%	\$ 60,550	\$ 1,420
Legal	\$ 308,088	0.93%	\$ 60,550	\$ 560
Human Resources/Purchasing	\$ 450,175	1.35%	\$ 60,550	\$ 820
Municipal Building	\$ 325,676	0.98%	\$ 60,550	\$ 590
Information Technology	\$ 1,133,871	3.41%	\$ 60,550	\$ 2,070
Engineering	\$ 652,715	1.96%	\$ 60,550	\$ 1,190
Street	\$ 3,866,844	11.63%	\$ 60,550	\$ 7,040
Total to General	<u>\$ 8,421,899</u>			<u>\$ 15,330</u>

Economic Development Budget FY2018	1,418,790
General Fund Budget FY2018	33,246,531
Relationship between Economic Development/General Fund Appropriation i	4.27%
Relationship between Economic Development/General Fund Appropriation i	<u>60,550</u>

CITY OF LUFKIN
LUFKIN CONVENTION & VISITOR BUREAU
Fiscal 2018 General & Administrative Charges Comparison

Cost Center	FY2018 Dept Budget	Dept Budget as Percent of Total General Fund Appropriation	LCVB Total to Total General Fund Appropriation	Estimated FY2018 Budget
City Council/City Secretary	\$ 369,381	1.11%	\$ 10,660	\$ 120
City Administration	\$ 532,788	1.60%	\$ 10,660	\$ 170
Finance	\$ 782,361	2.35%	\$ 10,660	\$ 250
Legal	\$ 308,088	0.93%	\$ 10,660	\$ 100
Human Resources/Purchasing	\$ 450,175	1.35%	\$ 10,660	\$ 140
Municipal Building	\$ 325,676	0.98%	\$ 10,660	\$ 100
Information Technology	\$ 1,133,871	3.41%	\$ 10,660	\$ 360
Engineering	\$ 652,715	1.96%	\$ 10,660	\$ 210
Street	\$ 3,866,844	11.63%	\$ 10,660	\$ 1,240
Total to General	<u>\$ 8,421,899</u>			<u>\$ 2,690</u>

Lufkin Convention & Visitor Bureau Budget FY2018	595,435
General Fund Budget FY2018	33,246,531
Relationship between LCVB / General Fund Appropriation in %	1.79%
Relationship between LCVB / General Fund Appropriation in \$	<u>10,660</u>

