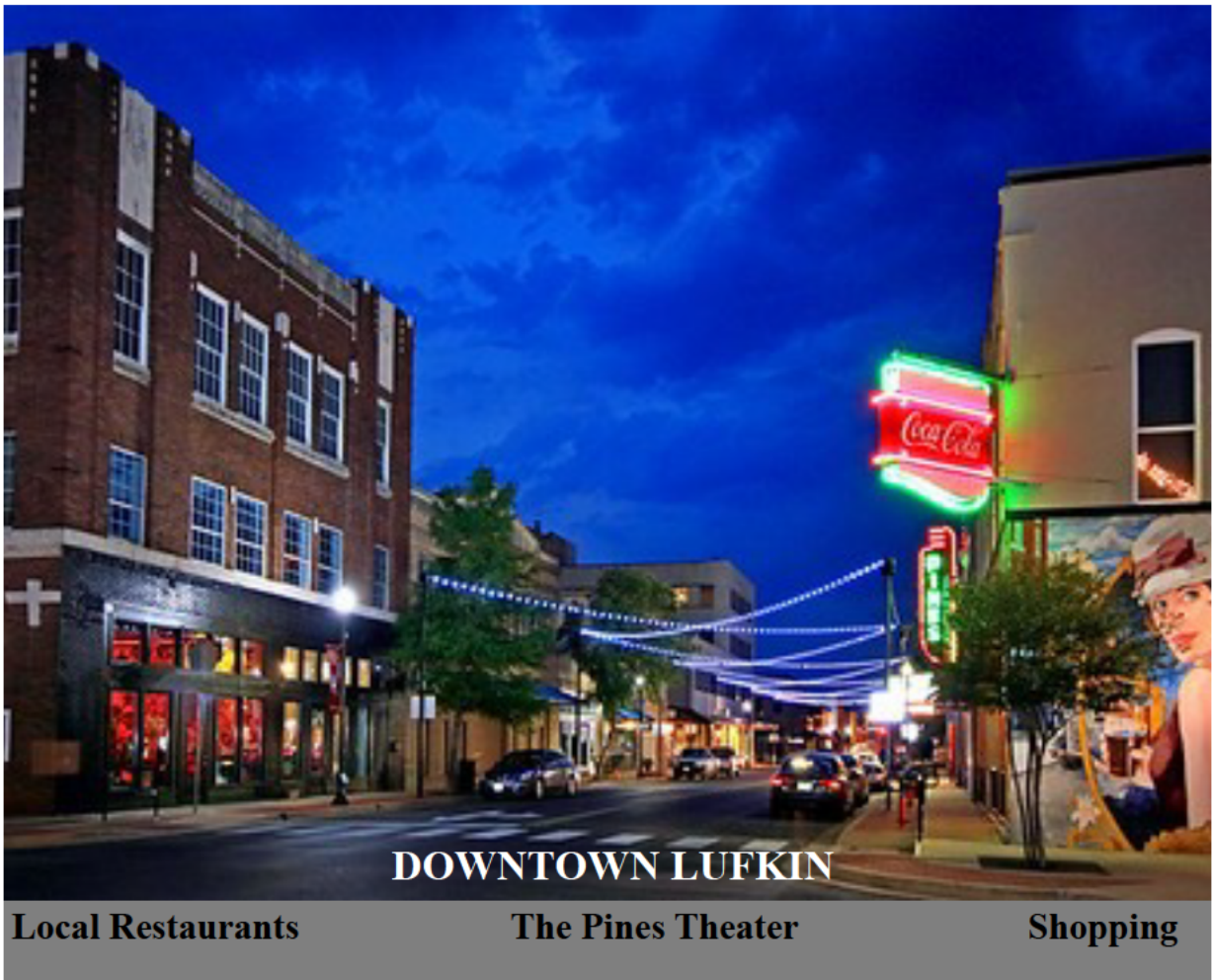

City of Lufkin, Texas

Annual Operating Budget



Fiscal Year 2018-2019

ANNUAL OPERATING BUDGET

FOR FISCAL YEAR
OCTOBER 1, 2018 - SEPTEMBER 30, 2019



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 \$331,382 (3.5%), and of that amount \$149,801 is tax revenue to be raised from new property added to the tax roll this year.

On September 11, 2018, the members of the governing body voted on the budget as follows:

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

Against:

Present and not voting:

Absent: Guessippina Bonner

Property Tax Rate Comparison

	2018-2019	2017-2018
Property Tax Rate:	\$0.531135/100	\$0.531135/100
Effective Tax Rate:	\$0.520049/100	\$0.532168/100
Effective Maintenance & Operation Tax Rate:	\$0.381464/100	\$0.390883/100
Rollback Tax Rate:	\$0.833658/100	\$0.857090/100
Debt Rate:	\$0.150000/100	\$0.150000/100

Total debt obligation for City of Lufkin secured by property taxes: \$ 46,840,000.



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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Lufkin, Texas 75902-0190
(936) 633-0211
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Email: kwright@cityoflufkin.com

September 11, 2018

Honorable Mayor and City Council Members:

Submitted herewith is the Fiscal 2018/2019 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 greater than the effective tax rate of 52.0049 cents per \$100 valuation. The breakdown will be \$.381135 for Maintenance & Operation and \$.15 for debt service.
- This budget will raise more revenue from property taxes than last year's budget by an amount of \$331,382. New property tax revenue, of which primarily are commercial, added to the tax roll this year is \$149,801.
- Three percent increase for all City employees effective 10/01/2018.
- New fee for use of credit cards in all departments except Utility Collections.
- An increase in General Fund revenues of 2.29% from the prior year adopted budget.
- An increase in General Fund appropriations of 2.20% from the prior year adopted budget.
- An increase in planned rolling stock equipment purchases of 6.88% from prior year adopted budget.
-

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

Sales tax revenues are trending upwards to reflect a slight increase in economy movement. Although major industries have decreased employment, 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 2019 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, 2017. 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 43,900 citizen calls for the Fiscal 2018 year, while the Fire Department responded to 3,923 fire and 8,500 EMS calls. For Fiscal 2018, the Police Department received various grants totaling \$206,418 and the Fire Department received \$71,548 in grants and local donations.

Culture and Recreation

The Parks and Recreation Department received grants from local groups totaling \$7,00 for fiscal year 2018. 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 are 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. Both projects were completed in Fiscal 2018.

FISCAL YEAR 2019 BUDGET SUMMARY

Fund Balance, Net Position and Working Capital Reserves

The projected General Fund revised balance at the conclusion of Fiscal Year 2017/2018 is \$10,272,510. The projected fund balance at the end of Fiscal Year 2018/2019 is \$9,582,136, which includes \$526,844 of unassigned fund balance and \$518,296 of non-spendable fund balance. The twenty-five percent (25%) Fund Balance Reserve is \$9,582,136; therefore, the projected Fund Balance at the conclusion of Fiscal Year 2019 is \$1,045,140 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.

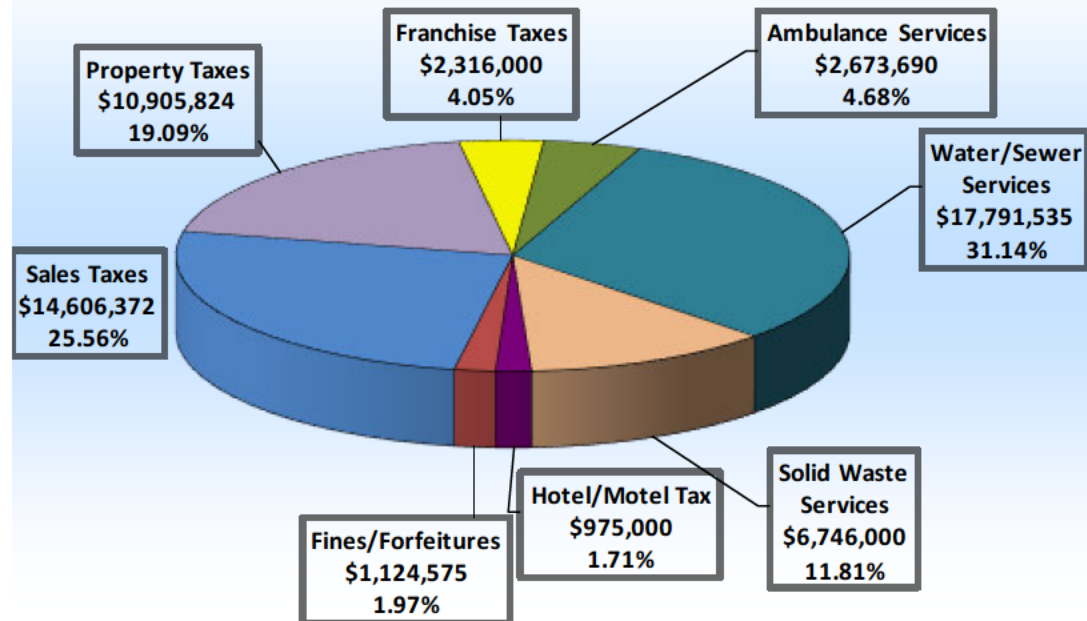
Fund	Projected Original Balance 9/30/18	Projected Revised Balance 9/30/18	Projected Original Balance 9/30/19	FY 2019 Policy Reserve
General Fund	9,739,045	10,272,510	9,582,136	8,536,996
Water/Wastewater Fund	3,976,917	4,427,996	4,331,051	2,255,424
Solid Waste Fund	4,884,215	5,028,212	4,875,097	867,139
Hotel/ Motel Tax Fund	(193,996)	44,953	53,493	146,276
Special Recreation Fund	91,915	109,499	109,268	54,683
Pines Theater Special Events	(37,772)	(41,001)	(56,456)	-
Zoo Building Fund	1,391,440	1,535,609	1,597,825	-
Court Security / Technology Fund	43,391	33,331	61,066	-
Main Street/Comm Dev Dwntrwn	36,141	28,844	27,204	-
Animal Control-Kurth Grant Fund	12,862	48,394	13,894	-
Animals Attic Gift Shop Fund	21,474	47,222	62,622	-
General Obligation Debt Service Fund	1,769,109	1,802,777	1,978,912	-
Equipment Acquisition Fund	6,910,410	7,060,617	7,077,494	-
Economic Development Fund	8,237,062	8,239,838	7,903,204	-
Lufkin Convention & Visitor Bureau¹	160,073	340,403	340,351	-
Total Budgeted Fund Balances	37,042,286	38,979,204	37,957,161	-

- (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 \$465,580 revenue, 75% derives from Hotel/Motel tax revenue included in the Hotel/Motel Tax Fund.

Revenues

Total budgeted revenues are \$71,618,935 less interfund transfers of \$9,283,806 for a net of \$62,335,129. A comparison to prior fiscal year adopted net revenue of \$60,378,064 indicates an increase of \$1,957,065. 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 91.66% of the total revenue and are reflected in the chart below.

Major Revenues (Net of Transfers)



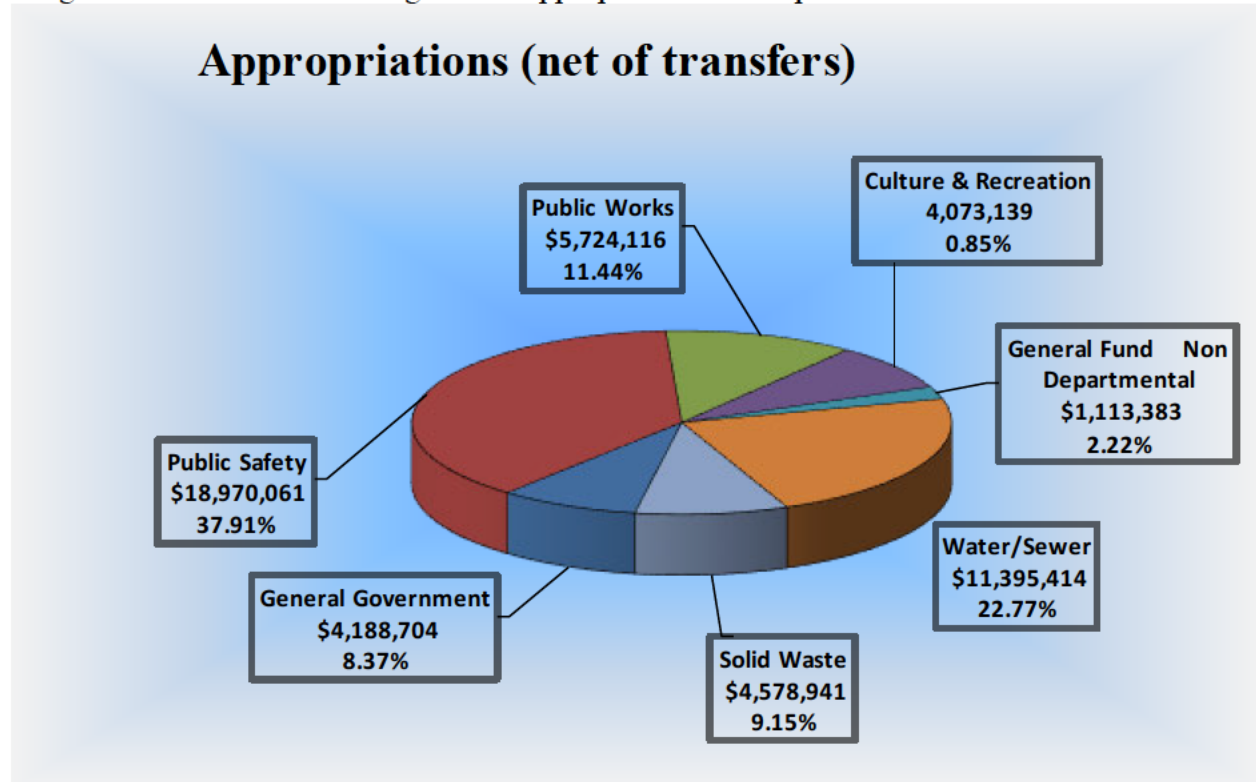
Fiscal 2019 projected sales tax revenue increased from the prior years' adopted sales tax revenue by \$347,248 or 2.38%. Lufkin is a regional medical, shopping and entertainment hub for nine surrounding counties and has been designated as a certified retirement community.

The tax rate of 53.1135 cents per \$100 valuation was adopted for Fiscal 2019. A slight increase is expected due to new property and increase in valuations.

Revenue from Water/Sewer services is expected to slightly increase due to new services and increase need for this type of service.

Appropriations

Total budgeted appropriations for Fiscal Year 2019 are \$72,640,978 less interfund transfers of \$9,281,806 for a net appropriation balance of \$63,359,172 as compared to net appropriations of \$61,484,602 for the prior year resulting in an increase of \$1,874,570 or 2.96% across all budgeted funds. The main categories of appropriations are depicted in the chart that follows.



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 \$1,098,698 from Water & Wastewater Renewal and Replacement Fund, and \$2,056,134 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 23% 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 2019.

- **Water and Sewer Revenue** - The residential market segment constitutes approximately 85% of the market while the remainder is comprised of industrial sector (1%), commercial sector (11%), 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 2019. 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,



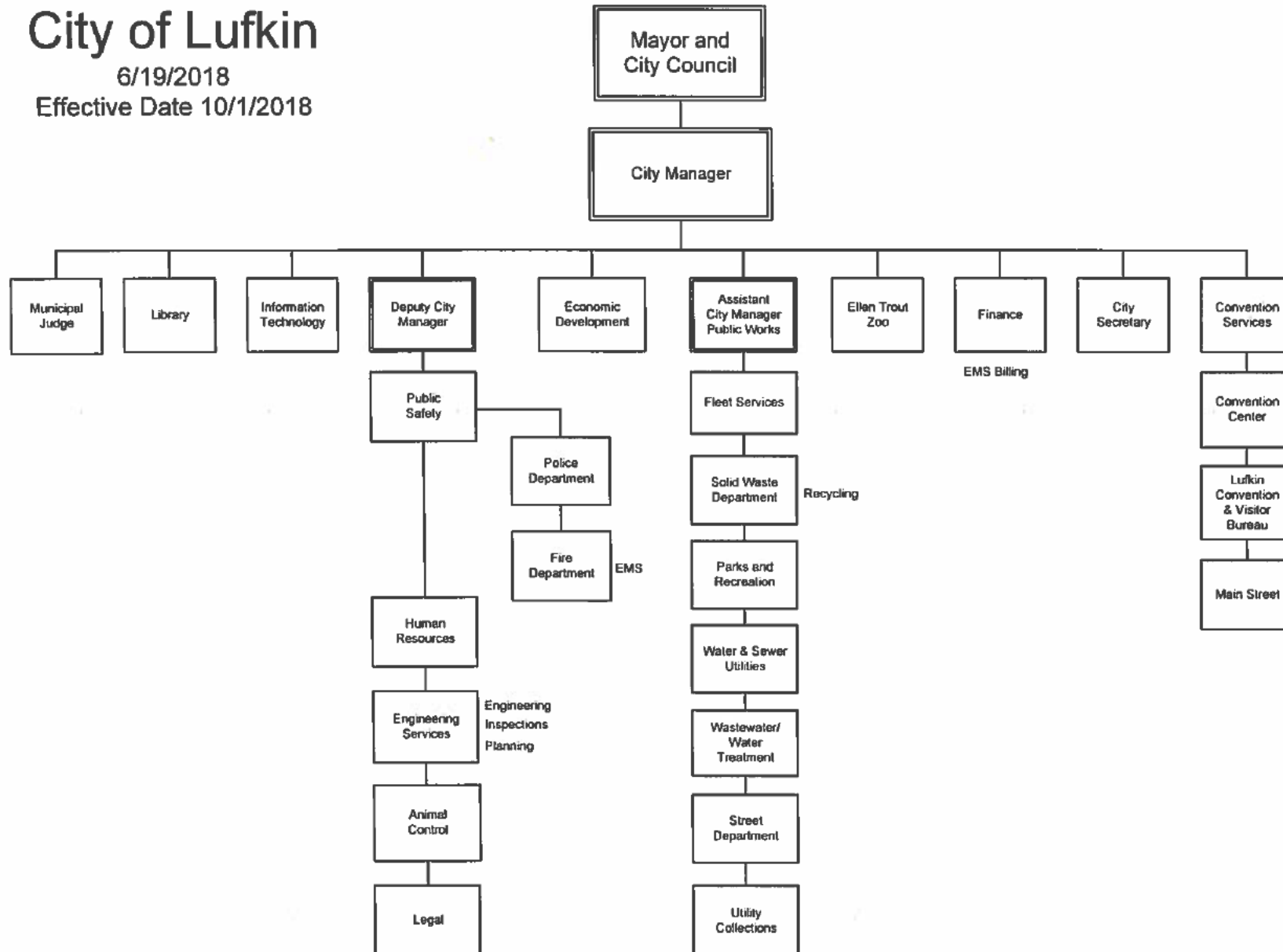
Keith Wright
City Manager



City of Lufkin

6/19/2018

Effective Date 10/1/2018



Chain of Command:
City Manager
Deputy City Manager
Assistant City Manager
Director Public Safety

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, 2017



Executive Director



READER’S GUIDE TO THE 2018-2019 CITY OF LUFKIN OPERATING BUDGET

OVERVIEW

The **READER’S GUIDE** is intended to facilitate the readability of the Fiscal 2019 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*
- *The Operating Budget Calendar*
- *Description of Fund Structure and City Finances*
- *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 2019 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 2019 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 2019 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 largest community between Houston to the South and Tyler to the North and serves a broad service area for jobs, education, entertainment, governmental services, medical services and retail shopping. This creates a daytime population estimated at over 100,000. 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 8,266 students. One Charter school and three private schools also serve the area.

Angelina College, a two-year public college established in 1968, offers exemplary nursing and technical training programs to its students. Fall 2017 enrollment totaled approximately 5,215 of which 43% are from outside the county and 31% are full-time students. In addition, there are 707 enrolled in Community Services classes offered by the College in 2017-2018.

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 12,614 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 2019 are reflected in the following table.

Fiscal 2019 Ad Valorem Tax Rates	
Taxing Entity	Tax Rate per \$100 Assessed Value
Angelina County	\$0.437121
City of Lufkin	\$0.531135
Lufkin Independent School District	\$1.45000
Angelina College	\$0.180992
Total	\$2.599248

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 County Employment
Lufkin ISD	1000+	1	2.34%
Pilgrim's Pride	1000+	2	1.98%
Brookshire Brothers/Polk Oil	1000+	3	1.67%
Lufkin State Supporting Living Center	1000+	4	1.67%
CHI St. Lukes Health Memorial	1000+	5	1.64%
Woodland Heights Medical Systems	500-999	6	.88%
Georgia Pacific	500-999	7	.83%
City of Lufkin	400-500	8	.70%
Walmart	400-500	9	.68%
Angelina County	400-500	10	.61%

CITY OF LUFKIN
FY2019 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 16, 2018	Budget Kickoff Room 102 @ 2 pm	Department Heads, Applicable Staff and Budget Team	Initial budget meeting to establish guidelines for the FY2019 budget process, budget format, requirements, and distribute budget instruction manuals and materials.
May 1, 2018	Send Budget Review Schedule to Department Heads	Laura Flores	Schedule of meetings will be developed and sent to department heads.
May 18, 2018	Draft FY2019 Departmental updated forms due to Finance Dept.	Department Heads and applicable staff	Draft FY2019 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 11, 2018	FY 2018 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 11, 2018	Completed FY2019 Revenue Estimates and Budget Drafts and Supplemental Requests	Finance Department	Departmental FY2019 budget drafts due to be completed in HTE. Finance will begin to prepare for budget review.
May 14, 2018	Change Security	All Departments	Change Authority in HTE so that no further changes can be made to the FY2018 Revised Revenues and Expenditures and FY2019 Proposed Revenue Estimates and Expenditures by the Departments.

May 17, 2018	Computer Setup	Finance Department	Coordinate Computer Setup for Room 202 for Budget Reviews.
May 21 – 25, 2018	Departmental FY2019 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 5, 2018	Mid-Year Budget Amendment to Council	Finance Department, City Manager	Presentation of FY2018 Revised Budget, Mid-Year Budget Amendment to City Council for Approval.
June 15, 2018	Completed FY2019 Departmental Budget Page Due to Finance Dept.	Department Heads and Applicable Staff	Completed FY2019 Departmental Budget Page due to Finance Dept. including <u>UPDATED</u> Mission Statements, Description of Services, Work Program, and Performance Measures.
July 24, 2018	Council Budget Workshop	City Council & City Staff	Council review of departmental budget requests
July 25, 2018 (by July 31, 2018)	Receive Certified Property Values	Chief Appraiser	Complete Ad Valorem revenue projections for budget.
August 7, 2018	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 7, 2018	Set public hearing on Draft Budget	City Council	Council sets date for public hearing on budget.
August 10, 2018	Effective and Rollback Tax Rates Published	Tax Assessor/Collector /Finance Director	The effective tax rate for fiscal 2019 is published in the local newspaper.
August 10, 2018	Publish notice of budget hearing	Budget team	Publish notice of budget hearing in local newspaper and on the City of Lufkin website.
August 15, 2018	Notice of Proposed Tax Rate	City Secretary/Finance Director	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.

August 21, 2018	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 2018/2019 Operating Budget.
	1 st Reading of Budget Ordinance*	City Council	First reading of Budget Ordinance.
	1 st Public Hearing on Tax Rate*	City Council	First public hearing on proposed tax rate.
September 11, 2018 (requires special called meeting of City Council) @ Noon	2 nd Public Hearing* on Tax Rate	City Council	Second public hearing on proposed tax rate.
	1 st Reading of Tax Rate Ordinance	City Council	First reading of Tax Rate Ordinance
September 18, 2018	2 nd Reading of Budget Ordinance*	City Council	Second reading of Budget Ordinance and adoption.
	2 nd Reading of Tax Rate Ordinance	City Council	Second reading of Tax Rate Ordinance and adoption.
December 4, 2018	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.

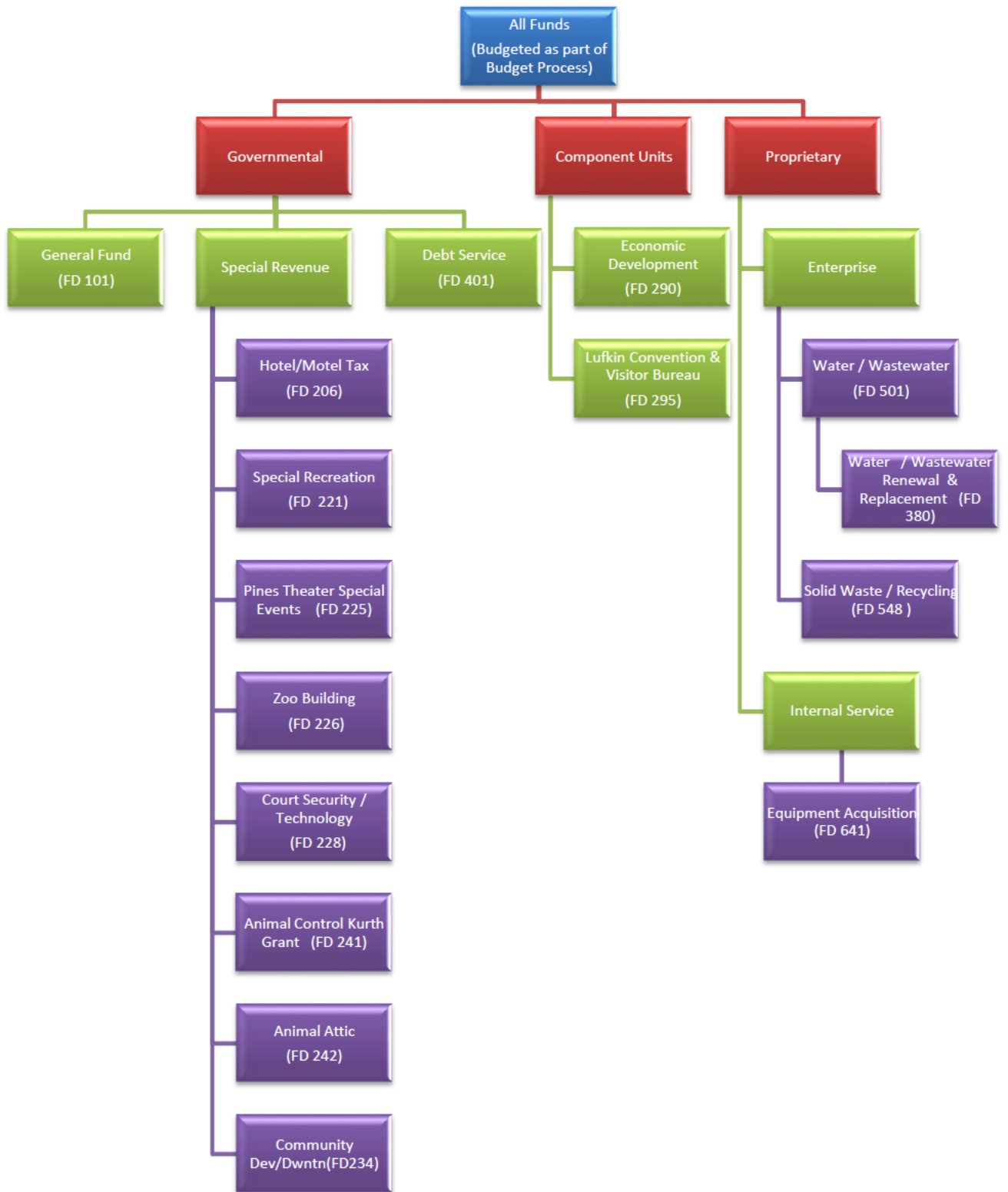
Component Units - The Economic Development Fund receives its revenue from a portion of the sales taxes collections received by the City. These funds are for the economic development and promotion of business within the City. The Lufkin Convention and Visitor Bureau receives the majority of its funding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

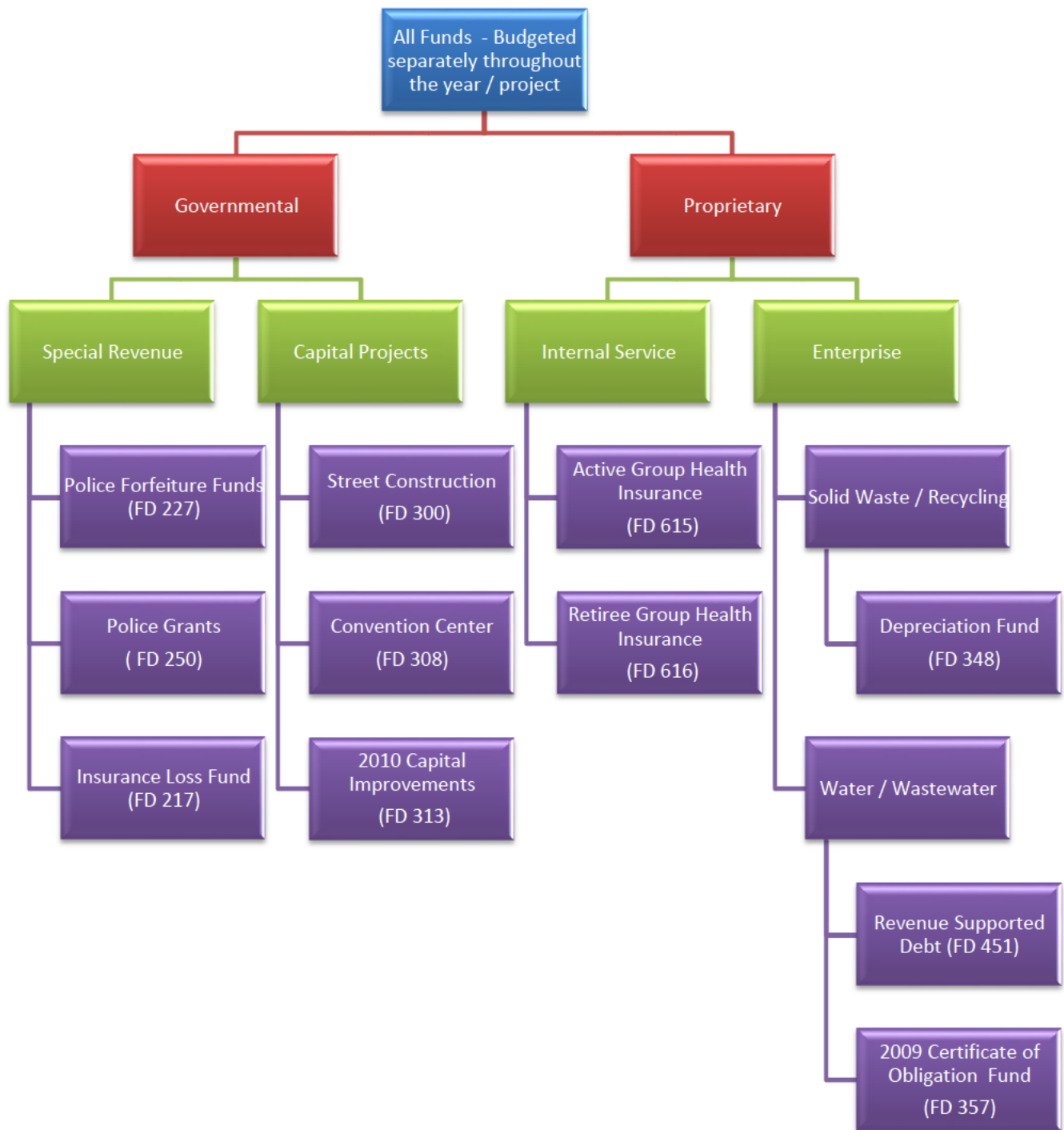
PROPRIETARY FUNDS

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	1,679,498	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.

The Lufkin Comprehensive Plan is in phase one, The Baseline Analysis, of the process.

The Comprehensive Plan will be developed in four phases:

1. Baseline Analysis: The starting point for plan development. A Steering Committee was appointed by Council to assist in the process. 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 coordinating provision of public services, investing in infrastructure, decision-making events for land development, managing growth for a rational pattern of land use and similar activities.
3. Implementation Strategy Development: This element will consider areas for residential, industrial, and mixed uses, commercial activities and public places.
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.

In 2018, the City of Lufkin initiated a vision for the future of Lufkin by developing a new guide, the Lufkin Comprehensive Plan.

LUFKIN COMPREHENSIVE PLAN VISION

CREATE IDEAL LIVABILITY IN LUFKIN

Small Town Feel

Celebrating and protecting our small-town feel, values, and spirit

Community Development

Fostering community development and a culture of service

Education

Supporting education at all stages of life

Services

Providing effective, and efficient services

Infrastructure

Maintaining and building infrastructure that addresses the primary concerns of utilities, mobility, and safety

Natural Resources

Increasing accessibility and connecting the natural spaces and resources of the community

Connected

Perpetually striving for a more walkable, bikeable city with paths and places

Economics

Retaining and attracting businesses that provide our residents with economic opportunity

Partnerships

Partnering with entities and organizations who support the people, mobility, economic development, green space, and preservation of Lufkin

Growth

Planning for growth in a managed way that incorporates and connects communities, and increases value for the City as a whole

Below is a summary of each of the Comprehensive Plan sections.



LAND USE

01

Goal 1. Create Focus Area destinations that draw users to Lufkin and foster opportunities for coordinated, well-planned growth and development that is consistent with the Comprehensive Plan while preserving the existing character of Lufkin.

Short Term (Years 1-3)

Objective 1.1 Working with the Planning and Zoning Commission, study the existing Zoning Ordinance and develop a Zoning District designation for the Medical and Education Districts. Coordinate boundary designation with feasibility study of Public Improvement Districts for these areas (as discussed in Local Economy section).

Objective 1.2 Develop design guidelines for the Medical and Education Districts, which utilize established architectural character to influence new construction within those districts.

Objective 1.3 Study the Central Business District and consider expansion of the boundaries to include the Downtown Transition area described in the Future Land Use Map.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin

Mid Term (Years 4-5)

Objective 1.4 Perform review of the commercial design guidelines (Year 4) and make recommendations for modifications, based on overall performance.

Objective 1.5 Develop design guidelines for the Central Business District, which utilize established architectural character to influence new construction within those districts.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin

Long Term (Years 6-10)

Objective 1.6 Continue to update and amend the Future Land Use Map as conditions change in Land Use.

Objective 1.7 Continue to study City of Lufkin boundaries, monitor new growth within the ETJ and plan for annexation to control growth within the ETJ.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin

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02 Goal 2. Incorporate increased beautification and quality of life projects for the citizens and visitors of Lufkin, while enhancing the existing infrastructure, gateways and districts within the community.

Short Term (Years 1-3)

Objective 2.1 Working with Parks and Recreation and Engineering Departments, develop typical park standards for neighborhood and regional park development, as well as typical trail standards. Incorporate these standards into the Subdivision Ordinance.

Objective 2.2 Study the City of Lufkin Subdivision Ordinance and work to incorporate park land dedication and development policy. Present revisions to the City Council for consideration.

Objective 2.3 Study City of Lufkin site development requirements and work to incorporate open space and trail dedication and development policy into commercial and industrial site development standards.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin

Mid Term (Years 4-5)

Objective 2.4 Study the City of Lufkin sign regulations. Consider District specific signage, which reflects the specific character of the District. Incorporate recommendations and present to City Council for consideration.

Objective 2.5 Study the City of Lufkin Zoning Map. Consider rezoning property along the Loop for Light and Heavy Industrial in coordination with the Future Land Use Map.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin

Long Term (Years 6-10)

Objective 2.6 Review the sign regulations (Year 7) and make recommendations for modifications, based on overall performance.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin

03

Goal 3. Encourage more dense development with a mix of uses to maximize buildable area and facilitate the multi-generational mix and inclusion of people.

Short Term (Years 1-3)

Objective 3.1 Study area regulations within the residential (small, medium and large), duplex and apartment dwelling districts within the existing Zoning Ordinance to consider modification of yard depth, minimum area and maximum densities to allow for increased densities in residential and multi-family districts.

Objective 3.2 Consider converting the apartment and duplex dwelling districts to a multi-family district designation.

Objective 3.3 Present revisions to City Council after recommendation from the Planning and Zoning Commission.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin

Mid Term (Years 4-5)

Objective 3.4 Study current Schedule of Permitted Uses within the existing Zoning Ordinance and incorporate recommendations within the Land Use Designations to promote growth in accordance with the Future Land Use Map.

Objective 3.5 Consider the adoption of a smaller minimum square foot requirement for residential structures. Consideration should also be made for the adoption of Appendix Q of the 2018 Residential Building Code, addressing tiny house construction.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin

Long Term (Years 6-10)

Objective 3.6 Encourage infill and redevelopment within existing areas of the City by limiting utility extensions to areas outside of the City of Lufkin.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin

Goal 4. Support the creation of incentives for rehabilitation of properties around Districts (Employment, Residential and Commercial) and Mixed Use Centers.

Short Term (Years 1-3)

Objective 4.1 Establish annual joint workshop with City Council, Lufkin EDC and Planning and Zoning Commission to discuss opportunities to work together to guide redevelopment of areas in the community. During the meetings, work to address issues related to conflicts between land use policy and community/economic development goals.

Objective 4.2 Establish annual work plan for each board as a result of joint workshops and designate staff to report back to each board on quarterly progress. More consistent communication between boards and Council will ensure policy is supported once it reaches Council level.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin

Mid Term (Years 4-5)

Objective 4.3 Conduction review and performance of rehabilitation incentives within the community and make recommendations to adjust, as appropriate.

Objective 4.4 In coordination with goals of the Housing and Local Economy sections, work to identify properties ideal for residential redevelopment. Work with local housing developers to promote these properties as opportunities for development.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin

Long Term (Years 6-10)

Objective 4.6 Consider the addition of a mixed-use definition or land use designation which would allow for the co-location of multiple uses within one property. Consider district specific mix of uses, appropriate for the long-term growth of these areas.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin



TRANSPORTATION SYSTEMS AND CIRCULATION

01

Goal 1. Provide a balanced transportation system, which will effectively serve the existing and projected needs of the City in a safe, effective, expeditious and economical manner.

Short Term (Years 1-3)

Objective 1.1 Enhance City of Lufkin mapping information to provide accurate and accessible information to the public related to transportation, including bus routes, shelters, and planned improvements. Ensure this information is prominent on City of Lufkin website.

Objective 1.2 Establish annual public meeting with TXDOT and Brazos Transit District to hear concerns from residents, announce route changes and other system improvements. Concerns addressed should be presented back to the City Council for accountability of rider/public driven system improvements.

Objective 1.3 Study and evaluate the implementation of policy which would eliminate curb cuts along major arterials in Lufkin. This can improve overall safety and circulation within the system.

Objective 1.4 Perform an assessment of all roadways within the City of Lufkin and prioritize the study and reconfiguration of dangerous or confusing intersections. Allocate funding for roadway safety enhancements and partner with TXDOT for funding. Priority should be placed on the conflicts listed on page 40 of this section.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, TXDOT, Brazos Transit District

Mid Term (Years 4-5)

Objective 1.5 Allocate funding annually for roadway safety enhancements and partner with TXDOT for funding.

Objective 1.6 Work with Brazos Transit to allocate funding annually for bus shelter enhancements along the bus routes.

Objective 1.7 Monitor plans for I-69 development and make adjustments to the Thoroughfare Plan as appropriate.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, TXDOT, Brazos Transit District

Long Term (Years 6-10)

Objective 1.8 Establish annual review of Thoroughfare Plan and update as appropriate.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin

Goal 2. Optimize mobility and decrease dependency on vehicular transportation by creating a more walkable and bikeable environment. **Goal 3.** Create pedestrian and bicycle linkages between residential neighborhoods, linear greenbelts, schools, public administrative facilities, commercial districts, medical districts and other activity centers, where possible.

Short Term (Years 1-3)

Objective 2/3.1 Evaluate City of Lufkin subdivision and development standards and incorporate policy to require the construction of sidewalk and bike lane improvements with new subdivision and commercial development. Present policy changes to City Council for consideration.

Objective 2/3.2 Evaluate Developer Incentives to consider further incentivize residential projects which incorporate sidewalk and bike lane improvements.

Objective 2/3.3 Work with LISD and the Chamber of Commerce create a Bike to School/Work Day to raise awareness of cycling in the community.

Objective 2/3.4 Work with LISD to create priorities for sidewalk development to improve sidewalk infrastructure around schools.

Objective 2/3.5 Establish Council policy to allocate a certain percentage of transportation funding toward sidewalk and bike lane development in Lufkin. Include construction of these facilities along any new road projects and implement the Sidewalk and Trail Improvements in accordance with the Phased Sidewalk Implementation Map on page 49.

Time-Frame: FY 2019-2021

Funding Source: TXDOT, City of Lufkin

Partners: City of Lufkin, Lufkin ISD, Chamber of Commerce

Mid Term (Years 4-5)

Objective 2/3.6 Allocate funding for sidewalk and bike lane improvements in Districts (Medical, Education, Downtown) and North Lufkin.

Objective 2/3.7 Establish annual review of Sidewalk and Trail Improvements Plan and update as appropriate.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin

Long Term (Years 6-10)

Objective 2/3.8 Working with the Lufkin CVB and Parks and Recreation, host monthly fun runs and cycling events which promote walkability and bikeability in Lufkin.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin, Lufkin CVB

04

Goal 4. Develop a multi-modal transportation system in the city, which could accommodate different transportation modes, provide alternative transportation modes other than cars to places in the city and ETJ.

Short Term (Years 1-3)

Objective 4.1 Improve convenience of the Brazos Transit by moving to a fixed stop system.

Objective 4.2 Coordinate with Brazos Transit to identify funding for Bus Shelters to coordinate with fixed stops along Brazos Transit routes.

Objective 4.3 Work with Brazos Transit to consider adding bike racks to the front of buses used in Lufkin.

Objective 4.4 Identify opportunities for improving existing sidewalk infrastructure for individuals with disabilities. Allocate funding for these improvements to coordinate with public improvements in Districts (Medical, Education, Downtown).

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin,

Mid Term (Years 4-5)

Objective 4.5 Consider a bike share program in Lufkin with docking stations at Education, Downtown and Medical Districts, along with other key destinations within the City.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin

Long Term (Years 6-10)

Objective 4.6 Establish annual assessment process for evaluating transportation system accessibility. Allocate funding to increase accessibility, based on results of the assessment.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin



PLACEMAKING AND COMMUNITY FORM

01

Goal 1. Perform beautification and quality of life projects for the citizens and visitors of Lufkin, while enhancing the existing infrastructure, gateways, and districts within the community.

Short Term (Years 1-3)

Objective 1.1 Develop standard gateway enhancements with landscaping, for the gateway opportunities in opportunity analysis (page 56).

Objective 1.2 Allocate funding for the implementation of a minimum of one gateway enhancement annually.

Objective 1.3 Work with Lufkin Landscape Taskforce to develop standards landscaping and signage enhancements for public park properties and prioritize based on age of existing signage and visibility. Allocate funding to enhance park gateways/signage, based on established priorities.

Objective 1.4 Identify potential sites for parklette/food truck opportunities Downtown. Work with the Lufkin Economic Development Corporation (LEDC) to allocate funding for the development.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, Lufkin Landscape Taskforce, Lufkin Economic Development Corporation (LEDC)

Mid Term (Years 4-5)

Objective 1.5 Allocate funding annually for the relocation of overhead utility lines, underground. Priority should be placed on Downtown, Medical and Education Districts.

Objective 1.6 Study parking demand in Downtown Lufkin and identify a site for a future parking garage. Work with Angelina County to jointly fund the construction of the structure to support County office/courthouse parking.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Angelina County

Long Term (Years 6-10)

Objective 1.7 Establish annual assessment process for evaluating visual quality of state roadways and communicate results of the assessment to TXDOT. Work with TXDOT to improve conditions and provide landscaping for priority projects, as appropriate.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin, TXDOT

02

Goal 2. Build on the strength of public spaces during development of commercial and industrial areas, which strengthen the community's social connections, sense of community and enhance place. (Examples of such areas include a Medical District, Education District, and Downtown)

Short Term (Years 1-3)

Objective 2.1 Host a Community Event public meeting to propose ideas for other community events and discuss relocating certain events to the North Lufkin area. Upon public feedback, present to City Council for consideration.

Objective 2.2 Allocate funding for trail development in coordination with Medical, Education, and Downtown Districts. Priority should be placed on working with Angelina College to extend the trail on their campus to the Azalea Trail. Secondary trail development should occur within the Medical District.

Objective 2.3 Work with the Art in Public Places organization to identify opportunities for artwork installation within the Medical, Education and Downtown District. Once opportunities are identified, allocate funding for one piece annually.

Objective 2.4 Develop an art and culture walk to connect all murals and public art. Develop marketing materials (print map, electronic map) along with interpretive elements. Advertise through Lufkin CVB and City of Lufkin websites.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin

Mid Term (Years 4-5)

Objective 2.5 Allocate funding for Education District Gateway Signage (Per Opportunity Analysis, Page 70), designed comparably to the standard gateways.

Objective 2.6 Allocate funding for Medical District Gateway Signage (Per Opportunity Analysis, Page 66-67), designed comparably to the standard gateways.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin

Long Term (Years 6-10)

Objective 2.6 Establish one additional annual festival, celebrating the heritage of Lufkin and arts and culture.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin

Goal 3. In order to maintain place and character, attention must be paid to beautification and enhancement of gateways, corridors, and neighborhoods. The enhancement of these spaces should include landscaping, hardscaping, wayfinding and lighting.

Short Term (Years 1-3)

Objective 3.1 Work with Planning and Zoning Commission to study and develop commercial design guidelines for Downtown and commercial corridors, including landscaping, signage, screening, materials and buffering requirements. After development, recommend to City Council for consideration.

Objective 3.2 Working with Planning and Zoning Commission, study and develop landscaping requirements for residential front yards, with minimum of 15% requirement. After development, recommend to City Council for consideration.

Objective 3.3 Incorporate corridor beautification recommendations into Capital Improvement Plans. Allocate funding for these improvements along with the public improvements in Districts (Medical, Education, Downtown).

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin

Mid Term (Years 4-5)

Objective 3.4 Working with the Planning and Zoning Commission, study policy guiding residential lot orientation away from major thoroughfares. After development, recommend to City Council for consideration.

Objective 3.5 Working with TXDOT, study the realignment of Frank Avenue, From First to Fourth Streets to include a landscaped median and dedicated turn lanes. Allocate funding to participate in the enhancement of this corridor (pages 59-63).

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, TXDOT

Long Term (Years 6-10)

Objective 3.6 Allocate funding for Downtown Gateway signage, designed comparably to the standard gateways.

Objective 3.7 Establish two annual beautification events in the community. These can range from a Keep Texas Beautiful Trash-Off event or Big Event, enlisting volunteers to provide gateway, district, and neighborhood cleanup (litter pick-up, lawncare and exterior improvements to residential and commercial property).

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin



NATURAL RESOURCES

01 Goal 1. Preserve and enhance Lufkin's natural resources through policy, which maintains the existing tree canopy and natural areas within the community.

Short Term (Years 1-3)

Objective 1.1 Work with the Lufkin Parks Board to launch a public education process on sustainable community development goals. The board can work to educate the community on sustainability and solicit input on the support for sustainable policy.

Objective 1.2 Identify opportunities within the Parks and Recreation Department facilities to incorporate tree and natural space preservation. Install interpretive signage to educate the community on the value of tree and natural space in the Lufkin community.

Objective 1.3 Work with the Planning and Zoning Commission to evaluate Lufkin development standards and identify opportunities to enhance policy which would maintain the existing tree canopy and natural areas within Lufkin.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, Parks Board, Planning and Zoning Commission

Mid Term (Years 4-5)

Objective 1.4 Working with the Parks Board and Planning and Zoning Commission, facilitate a series of community meetings with targeted stakeholders to discussed proposed policy changes.

Objective 1.5 Present proposed policy for adoption upon recommendation from Parks Board and Planning and Zoning Commission.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Parks Board, Planning and Zoning Commission

Long Term (Years 6-10)

Objective 1.6 Work with Lufkin CVB and Parks Board to identify regional outdoor recreation events to draw people to the Lufkin Parks.

Objective 1.7 Work with the Lufkin Economic Development Corporation (EDC) to develop a business incentive program which incentivizes tree and open space preservation through new site development.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin, Lufkin CVB, Parks Board, Lufkin EDC

02

Goal 2. Guide future growth and development through subdivision and zoning ordinances, which provide for park, open space and trail opportunities, while protecting and preserving the natural environment.

Short Term (Years 1-3)

Objective 2.1 Work with the Lufkin Parks Board to launch a public education process on sustainable community development goals. The board can work to educate the community on sustainability and solicit input on the support for sustainable policy.

Objective 2.2 Work with the Parks Board and Planning and Zoning Commission to evaluate Lufkin development standards and identify opportunities to enhance policy which would provide for park, open space, and trail opportunities within Lufkin.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, Parks Board, Planning and Zoning Commission

Mid Term (Years 4-5)

Objective 2.3 Working with the Parks Board and Planning and Zoning Commission, facilitate a series of community meetings with targeted stakeholders to discussed proposed policy changes.

Objective 2.4 Present proposed policy for adoption upon recommendation from Parks Board and Planning and Zoning Commission.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Parks Board, Planning and Zoning Commission

Long Term (Years 6-10)

Objective 2.5 Work with the Lufkin Economic Development Corporation (EDC) to develop a business incentive program which incentivize park, open space and trail preservation through new site development.

Time-Frame: FY 2024-2028

Funding Source: Hotel Occupancy Tax Revenue

Partners: Lufkin CVB, City of Lufkin, Lufkin ISD, Angelina College

03

Goal 3. Encourage the preservation of the existing character of Lufkin through Low Impact Design standards which retain the natural systems of the community, including the water and parks systems.

Short Term (Years 1-3)

Objective 3.1 Work with the Lufkin Parks Board to launch a public education process on sustainable community development goals.

Objective 3.2 Identify opportunities within the Parks and Recreation Department facilities to incorporate Low Impact Development into public facilities and parks. Install interpretive signage to educate the community on the value of Low Impact Development in the Lufkin community.

Objective 3.3 Work with the Planning and Zoning Commission to evaluate Lufkin development standards and identify opportunities to enhance policy which would require Low Impact Development within Lufkin.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, Parks Board, Planning and Zoning Commission

Mid Term (Years 4-5)

Objective 3.4 Working with the Parks Board and Planning and Zoning Commission, facilitate a series of community meetings with targeted stakeholders to discussed proposed policy changes.

Objective 3.5 Present proposed policy for adoption upon recommendation from Parks Board and Planning and Zoning Commission.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Parks Board, Planning and Zoning Commission

Long Term (Years 6-10)

Objective 3.6 Work with the Lufkin Economic Development Corporation (EDC) to develop a business incentive program which incentivizes tree and open space preservation through new site development.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin, Lufkin CVB, Parks Board, Lufkin EDC

04

Goal 4. Develop a network of pedestrian and bicycle ways throughout the Lufkin area to include an interconnected system of paths, trails, lanes, and routes that are multi-purpose, accessible, convenient and connect parks, schools, workplaces, shopping, open spaces and other destinations.

Short Term (Years 1-3)

Objective 4.1 Work with the Lufkin Parks Board to further prioritize trail development from the Proposed Trails Map (page 82).

Objective 4.2 Work with the Parks Board and Planning to identify funding opportunities for trail development in Lufkin. Identify priorities and match to Texas Parks and Wildlife and/or Texas Department Of Transportation grant opportunities.

Objective 4.3 Working with the Parks Board, facilitate a series of community meetings with targeted stakeholders to discussed proposed trails to raise awareness of planning efforts and identify opportunities for private partnerships for development.

Time-Frame: FY 2019-2021

Funding Source: Trail Grants

Partners: City of Lufkin, Parks Board

Mid Term (Years 4-5)

Objective 4.3 Continue to work to implement the Lufkin Parks and Recreation and Programs Master Plan. The implementation of new programs should include opportunities to promote trails and trail development in Lufkin.

Objective 4.4 Continue to work with Parks Department Facility Staff to ensure high quality maintenance programs are enacted to ensure community facilities are clean and attractive for visitors. This should include regular trail maintenance.

Time-Frame: FY 2022-2023

Funding Source: Trail Grants

Partners: City of Lufkin, Parks Board

Long Term (Years 6-10)

Objective 4.5 Work with Angelina College and Lufkin ISD to develop future trails which connect neighborhoods to schools and Angelina College to the Downtown.

Objective 4.6 Evaluate opportunities to require trail rights of way dedication and development fee dedication, through subdivision development. This will enable the community to develop the trail system in accordance with growth of the community.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin, Lufkin ISD, Angelina College, Parks Board



HISTORIC AND CULTURAL RESOURCES

01

Goal 1. Promote and enhance the historic and cultural resources within the City of Lufkin by formalizing an art in public places program to enhance public spaces and cultural districts.

Short Term (Years 1-3)

Objective 1.1 Develop an Art in Public Places (AIPP) board to formalize the implementation of public art in the City of Lufkin.

Objective 1.2 Work with the AIPP board to develop a public arts implementation plan for the City of Lufkin. This plan would evaluate locations for the long term instillation of public art and further developing the cultural assets of the community, such as the Pines Theatre.

Objective 1.3 Allocate annual funding of the public arts implementation plan to invest in public art installations.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: Lufkin CVB, City of Lufkin

Mid Term (Years 4-5)

Objective 1.4 Develop annual calls for artists, customizing the requests based on annual implementation plan for public art (example, call for artists for public art installation at Medical District West Gateway).

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: Lufkin CVB, City of Lufkin

Long Term (Years 6-10)

Objective 1.5 Engage in joint planning efforts between Lufkin CVB and AIPP Board to develop special events to draw tourism to the community, around public art.

Objective 1.6 Develop a youth art program by working collaboratively with Lufkin ISD and Lufkin Parks and Recreation to develop a pipeline of local artists invested in furthering the mission of the AIPP Board. The art from the youth art program shall be utilized to enhance public spaces and parks, while raising awareness of the arts in Lufkin.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: Lufkin CVB, City of Lufkin, Lufkin ISD

02 Goal 2. Create value for historic and cultural resources by providing educational opportunities and local historic designation programs in order to tell the story of the community's rich heritage and place.

Short Term (Years 1-3)

Objective 2.1 Work with community organizations to evaluate the potential boundaries of a Cultural District which incorporates the North Lufkin neighborhood. Once the boundaries are established, establish a formal name and adopt the District formally by ordinance.

Objective 2.2 Establish district signage concept and incorporate into existing street signage (see Cultural District Signage Concept, page 93).

Objective 2.3 Work with Angelina County Historical Commission to establish a Local History Designation Program including signage, program parameters and Implementation Plan (see Local History Designation Signage Concept, page 94) which identifies historically significant structures and sites for long term preservation.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: Lufkin CVB, City of Lufkin, Angelina County Historical Commission

Mid Term (Years 4-5)

Objective 2.4 Initiate a feasibility study for the development of a heritage museum for the City of Lufkin including potential site, cost and mission.

Objective 2.5 Allocate annual funding of the Local History Designation Program Implementation Plan and work with the Angelina County Historical Commission for annual implementation of plan tasks.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: Lufkin CVB, City of Lufkin, Angelina County Historical Commission

Long Term (Years 6-10)

Objective 2.6 Work with Lufkin ISD and Angelina County Historical Commission to develop youth programs for historic and cultural enhancement. The program can assist in developing a pipeline of talent dedicated to the preservation of historic and cultural resources within the City of Lufkin.

Objective 2.7 Allocate funding of the Lufkin Heritage Museum and develop the Museum in accordance with the feasibility study.

Objective 2.8 Engage in joint planning efforts between Lufkin CVB and Angelina County Historical Commission to develop special events to draw tourism to the community, around local history and culture.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: Lufkin CVB, City of Lufkin, Lufkin ISD, Angelina County Historical Commission

03

Goal 3. Continue to implement proactive planning efforts for the redevelopment of special districts and corridors in order to maintain the area's character and heritage while creating an environment for revitalization and community pride.

Short Term (Years 1-3)

Objective 3.1 Work with Lufkin Economic Development Corporation to develop RFQ for boutique hotel development and operation from private hotelier chains, to be located in Downtown Lufkin adjacent to the Convention Center.

Objective 3.2 Work with Lufkin Economic Development Corporation to establish a public private partnership structure for the development of the boutique hotel in Downtown Lufkin adjacent to the Convention Center.

Objective 3.3 Solicit responses to the RFQ and begin to negotiate an agreement with developer for hotel.

Time-Frame: FY 2019-2021

Funding Source: Sales Tax Revenue

Partners: Lufkin CVB, City of Lufkin, Lufkin Economic Development Corporation

Mid Term (Years 4-5)

Objective 3.4 Develop marketing plan for Convention Center to attract mid-sized conferences to increase tourism, hotel stays and Convention Center use.

Objective 3.5 Develop two more annual festivals with heritage and art themes to enhance tourism, hotel stays and Convention Center use.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: Lufkin CVB, City of Lufkin

Long Term (Years 6-10)

Objective 3.6 Work with Lufkin ISD and Angelina College to develop hospitality career development programming which utilizes the Hotel and Convention Center as a training facility. In doing so, the community will develop a pipeline of talent centered around the hospitality industry.

Objective 3.7 Develop a Regional Cultural Resource Management Board to continue to collaborate on long term historic and cultural development for Lufkin and Angelina County.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: Lufkin CVB, City of Lufkin, Lufkin ISD, Angelina College



LOCAL ECONOMY

01

Goal 1 (Continued). Provide opportunities to support a diverse range of business types and sizes through strategic investments in business recruitment, retention and development programs.

Long Term (Years 6-10)

Objective 1.10 Continue to support business incubation, workforce development and business support through available programs.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin, Angelina College Small Business Development Association and Lufkin Economic Development Corporation (LEDC)

02 Goal 2. Develop training and city infrastructure to attract and retain destination oriented, population serving businesses within the Central Business District.

Short Term (Years 1-3)

Objective 2.1 Working with the local business support coalition, identify a site in downtown for a business incubator and/or a co-working space to enable small business startups to cost effectively start a business.

Objective 2.2 Evaluate existing development policy for City of Lufkin to ensure a wide variety of uses and densities are allowed within the Central Business District. Upon evaluation, address any issues through recommendations to the Planning and Zoning Commission.

Objective 2.3 Develop a Downtown Business Development grant program administered through LEDC to assist businesses and property owners downtown with life safety and other property improvements to incentivize downtown investment.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, Angelina College Small Business Development Association and Lufkin Economic Development Corporation (LEDC)

Mid Term (Years 4-5)

Objective 2.4 Work with Lufkin CVB and Chamber of Commerce to host a destination-oriented business development training for businesses downtown. Funding for the program could be allocated from LEDC.

Objective 2.5 Establish a customer service certification training program through Lufkin CVB. This training would be oriented toward training employees in downtown businesses to enhance customer experiences. Funding for the program could be allocated from LEDC.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Angelina College Small Business Development Association and Lufkin Economic Development Corporation (LEDC), Lufkin CVB, Chamber of Commerce

Long Term (Years 6-10)

Objective 2.6 Work to support the development of a downtown business association which would provide communication to downtown businesses priorities/strategies for downtown development and provide training for business development.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin, Angelina College Small Business Development Association and Lufkin Economic Development Corporation (LEDC), Lufkin CVB, Chamber of Commerce

03

Goal 3. Support and explore the feasibility of Public Improvement Districts or Tax Increment Reinvestment Zones for the purpose of targeting investment and generating revenue to support public improvements within distressed areas of the community.

Short Term (Years 1-3)

Objective 3.1 Develop an Economic Development Policy for the City of Lufkin. The policy should outline the types of financing districts the community would support, along with criteria for consideration and an application form.

Objective 3.2 Utilize the opportunity analyses for the Medical, Education and Downtown Districts to study the boundaries and feasibility of establishing a Public Improvement District or Tax Increment Reinvestment Zone. The feasibility analysis should consider a financing plan for public improvements and recommendations on which districts to pursue for development. Partner with CHI St. Luke's Health Memorial to explore public/private partnership opportunities and business specific needs related to housing and workforce.

Objective 3.3 Meet with major employers and property owners within Districts to present results of the district feasibility analysis. Discuss how long range investment plans for the major employers or property owners could coincide District establishment. Determine opportunities for specific economic development policy to be established within each district, to incentivize development.

Objective 3.4 Work with Lufkin ISD, Angelina County, and Angelina College to discuss long term present results of district feasibility analysis and discuss collaboration among taxing entities for long term development of these districts.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, Lufkin Economic Development Corporation (LEDC), Angelina County, Angelina College, Lufkin ISD, CHI St. Luke's Health Memorial

Mid Term (Years 4-5)

Objective 3.5 Develop strategies for business recruitment and public improvements within established districts and begin to execute these strategies as investment and development occurs.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Lufkin Economic Development Corporation (LEDC), Angelina County, Angelina College, Lufkin ISD, CHI St. Luke's Health Memorial

Long Term (Years 6-10)

Objective 3.6 Establish annual review process for district performance. Review should consider effectiveness of programs as it relates to increased investment within each district. Based on review, make adjustments to programs and communication as appropriate.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin, Lufkin Economic Development Corporation (LEDC), Angelina County, Angelina College, Lufkin ISD, CHI St. Luke's Health Memorial

04 Goal 4. Enhance communication to the public, developers, and local businesses regarding Lufkin's economic development strategies and policy.

Short Term (Years 1-3)

Objective 4.1 Create content for the City of Lufkin website which outlines Downtown Business Development and Developer Incentives. Restructure website where this information is easier to access and more prominent.

Objective 4.2 Develop a one year public information campaign for social media, television and radio advertising Downtown Business Development and Developer Incentives. Evaluate effectiveness after year one and adjust or continue based on responsiveness of developers.

Objective 4.3 Work with LEDC to develop print marketing material to send to regional developers communicating Downtown Business Development and Developer Incentives.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, Chamber of Commerce, Lufkin Economic Development Corporation (LEDC)

Mid Term (Years 4-5)

Objective 4.4 Establish annual review process for Downtown Business Development and Developer Incentives programs. Review should consider effectiveness of programs as it relates to increased investment in Downtown and residential development. Based on review, make adjustments to programs and communication as appropriate.

Objective 4.5 Ensure economic development staff are members of regional real estate and development organizations and regularly attend and participate in events.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Chamber of Commerce, Lufkin Economic Development Corporation (LEDC)

Long Term (Years 6-10)

Objective 4.6 Ensure Chamber of Commerce and economic development staff are members of Houston-area real estate and development organizations and participate in events. Active membership and participation will raise awareness of development opportunities within the City of Lufkin.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin, Chamber of Commerce, Lufkin Economic Development Corporation (LEDC)



HOUSING

01

Goal 1. Increase home ownership through the development of a network of developers, builders, community organizations and lenders within the community.

Short Term (Years 1-3)

Objective 1.1 Develop standard selection of home plans available for public use on energy efficient/economic structures for first time home buyers. Work with local developers and builders to promote these home building practices.

Objective 1.2 Establish a home ownership coalition in Lufkin consisting of developers, builders and lenders, churches and work with the coalition to establish goals related to home ownership education and connect local resources (such as grants and financing) to potential home owners.

Objective 1.3 Organize annual workshops in cooperation with rental housing units to provide information to residents on how to transition from rental housing to home ownership.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, Lufkin Economic Development Corporation (LEDC), Lufkin ISD

Mid Term (Years 4-5)

Objective 1.4 Work with Lufkin ISD to incorporate home ownership education into school curriculum.

Objective 1.5 Work with Habitat for Humanity to establish a local affiliate who can serve as a partner to City of Lufkin in increasing home ownership for the community. Work with Habitat to target investment in areas of community which provide significant residential infill opportunity.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Lufkin ISD

Long Term (Years 6-10)

Objective 1.6 Establish annual review of HOME program and allocate increased funding, when appropriate.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin

02

Goal 2. Continue to promote the City of Lufkin as an ideal location for affordable, residential development for starter homes and young families.

Short Term (Years 1-3)

Objective 2.1 Enhance City of Lufkin mapping and housing development information to provide accurate and accessible information to the public related to relocation. Ensure this information is prominent on City of Lufkin website.

Objective 2.2 Work with Lufkin ISD and LEDC to develop marketing strategy to improve perception of the community as an ideal location for affordable, residential development and an ideal location for young families.

Objective 2.3 Meet with local developers and assess perceptions and attitudes toward developing in Lufkin. Work to address these perceptions with marketing or incentives.

Objective 2.4 Work with Lufkin ISD, Angelina County, and Angelina College to communicate incentives and initiatives of City of Lufkin to promote the community.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, Lufkin Economic Development Corporation (LEDC), Angelina County, Angelina College, Lufkin ISD

Mid Term (Years 4-5)

Objective 2.5 Identify and participate in home builder conferences and trade shows across the state in order to promote building and living in Lufkin.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Lufkin Economic Development Corporation (LEDC), Angelina County, Angelina College, Lufkin ISD

Long Term (Years 6-10)

Objective 2.6 Establish annual review process for evaluating Lufkin marketing campaigns to ensure effectiveness. Use current residential development and Lufkin ISD enrollment to evaluate effectiveness.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin

03

Goal 3. Promote housing rehabilitation and encourage infill development in established residential neighborhoods by supporting partnerships and incentives for this purpose.

Short Term (Years 1-3)

Objective 3.1 Establish a HOME program for the City of Lufkin.

Objective 3.2 Develop a list of properties which are ideal candidates for demolition. Allocate funding for the demolition of these structures on an annual basis.

Objective 3.3 In conjunction with demolished property initiatives, develop a program to assist with legal assistance to clear up property ownership issues, in order to further spur the redevelopment of blighted properties.

Objective 3.4 Allocate funding for targeted transportation improvements (sidewalk, bus shelters) within Wards 1 and 3 to enhance neighborhood connectivity and support housing rehabilitation an infill development.

Time-Frame: FY 2019-2021

Funding Source: Federal HOME program

Partners: City of Lufkin, Angelina County, Lufkin ISD

Mid Term (Years 4-5)

Objective 3.5 Working with Angelina County and Lufkin ISD to develop a land bank for tax delinquent properties which can be assembled for residential infill projects. Allocated targeted infrastructure to support these infill projects.

Objective 3.6 Expand code compliance programs to include monthly neighborhood meetings to discuss how code compliance can work with property owners to improve neighborhood conditions. Work to transform property maintenance programs to become more resident driven.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Angelina County, Angelina College, Lufkin ISD

Long Term (Years 6-10)

Objective 3.7 Develop marketing to promote neighborhood revitalization strategies to enhance the image of Lufkin as a proactive, developer friendly community.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin

04

Goal 4. Develop and market a comprehensive, competitive, developer incentive program for residential development in Lufkin.

Short Term (Years 1-3)

Objective 4.1 Identify communities of comparable size/character and evaluate strategies they have used to develop incentives for residential development.

Objective 4.2 Upon evaluation, expand current residential development incentives (consider waiving permit and impact fees, where appropriate or participating in public infrastructure development).

Objective 4.3 Host residential developer summit to introduce the expanded residential development incentives.

Objective 4.4 Work with Lufkin ISD, Angelina County, and Angelina College to discuss long term impact of residential incentives and address potential impacts.

Objective 4.5 To coincide Medical, Education and Downtown District development, identify specific housing products appropriate for these districts. Work with LEDC to perform market analysis for these residential products and use market analysis to recruit developers to respond to needs presented in market analysis.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, Angelina County, Angelina College, Lufkin ISD, Lufkin Economic Development Corporation (LEDC)

Mid Term (Years 4-5)

Objective 4.6 Monitor and evaluate effectiveness of residential development incentives. Modify programs as appropriate.

Objective 4.6 Coordinate specific incentives within Districts to coincide District plans for incentives. Ensure these incentives are appropriate for residential projects and public improvements support these projects.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin

Long Term (Years 6-10)

Objective 4.8 As positive impacts of residential development incentives become evident, consider decreasing incentives or modifying.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin



COMMUNITY FACILITIES AND SERVICES

01

Goal 1. The City of Lufkin continues to ensure public services and facilities adequately serve the needs of residents and businesses within the City of Lufkin, and that such services and facilities are adaptable to future growth.

Short Term (Years 1-3)

Objective 1.1 Establish annual joint meeting with Library Board, Friends of the Kurth Memorial Library, Library Staff, and Lufkin City Council to prioritize needs/tasks for annual implementation, related to the Library Master Plan. Allocate funding for Capital Improvements as appropriate.

Objective 1.2 Establish annual joint meeting with Friends of Ellen Trout Zoo, Zoo Staff, and Lufkin City Council to prioritize needs/tasks for annual implementation, related to the Library Master Plan. Allocate funding for Capital Improvements as appropriate.

Objective 1.3 Continue to monitor and implement Regional Storm Water Management Plan.

Time-Frame: FY 2019-2021

Funding Source: Friends of the Ellen Trout Zoo, Friends of the Kurth Memorial Library, Grants

Partners: City of Lufkin, Friends of Ellen Trout Zoo, Library Board, Friends of the Kurth Memorial Library

Mid Term (Years 4-5)

Objective 1.4 Initiate feasibility study to evaluate Police Department and Communication needs at existing station to determine the long term facility needs of Police and Communication Departments.

Objective 1.5 Initiate feasibility study for new Recreation Center as part of the implementation of the Parks and Recreation Master Plan.

Objective 1.6 Allocate funding for the upgrading of communication equipment for police and fire departments.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Deep East Texas Council of Governments

Long Term (Years 6-10)

Objective 1.6 Update the Parks and Recreation Master Plan by 2026.

Objective 1.7 Allocate funding for Recreation Center Design and Construction.

Objective 1.8 Allocate funding for Police Department and Communications Facility Design and Construction.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin, Deep East Texas Council of Governments

02 Goal 2. In keeping with Lufkin's interest in continuing to build on its strengths, the community recognizes the unique existing character of Lufkin, and builds public facilities in accordance with community design standards in order to provide a sense of community identity, both functionally and aesthetically.

Short Term (Years 1-3)

Objective 2.1 Work with Planning and Zoning Commission and City Council to establish Lufkin character and community design standards. Once standards are developed, present to City Council for adoption via ordinance.

Objective 2.2 Appoint a design review committee of both City Staff and board representatives to provide guidance for architectural concepts for future public facilities.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin

Mid Term (Years 4-5)

Objective 2.3 Develop an RFQ for architectural services for the Remodel of Fire Station #2 and utilize community design standards for the architectural design.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin

Long Term (Years 6-10)

Objective 2.4 Establish annual review for the community design standards.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin

03

Goal 3. Ensure future community facilities and service needs are met through sound long-range and fiscal planning which utilized user fees, impact fees or other means of generating revenue to support these facilities and services.

Short Term (Years 1-3)

Objective 3.1 Work with an engineering consultant to perform an analysis of the total capacity, the level of current usage, and commitments for usage of capacity of the existing capital improvements, for the City of Lufkin Waste Water and Water systems.

Objective 3.2 Utilize the Waste Water and Water systems analysis to develop an Impact Fee structure for Residential, Commercial and Industrial development within the City of Lufkin and its ETJ.

Objective 3.3 Conduct a market study to find opportunities for potential sale of City of Lufkin water resources as well as fiscal impact to City.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin

Mid Term (Years 4-5)

Objective 3.4 Initiate feasibility study to evaluate Waste Water Treatment Facility needs to determine the long-term needs of the Facility and evaluate the need for a future Waste Water Treatment Facility.

Objective 3.5 Initiate feasibility study to evaluate Surface Water Treatment Facility needs to determine the long-term needs of the Facility and evaluate the need for a future Surface Water Treatment Facility.

Objective 3.6 Develop and present to City Council an Impact Fee Ordinance for consideration.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin

Long Term (Years 6-10)

Objective 3.7 Based on the feasibility studies for Water/Wastewater System needs, allocate funding as part of the Capital Improvement Plan for Waste Water Treatment Facility and Surface Water Treatment Facility.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin

04

Goal 4. When evaluating future community facility needs, priority should be placed on evaluating existing underutilized or brownfield sites for infill and redevelopment opportunities. The City should evaluate public-private partnership or public financing mechanisms, to find productive uses for these sites while enhancing community land use goals.

Short Term (Years 1-3)

Objective 4.1 Work with the Lufkin Economic Development Corporation (EDC) to develop a list of Brownfield sites within the City of Lufkin.

Objective 4.2 Prioritize Brownfield sites based on urgency for redevelopment. Consider factors such as proximity to Downtown, Education and Medical Districts, visibility and proximity to major corridors.

Objective 4.3 Work with the Lufkin Economic Development Corporation, City of Lufkin and Angelina College to evaluate the opportunity to develop a Public Safety Joint Training Facility for fire fighting, emergency response, firearms training, and tactical driving training.

Objective 4.4 Initiate feasibility study for new Public Safety Joint Training Facility.

Time-Frame: FY 2019-2021

Funding Source: N/A

Partners: City of Lufkin, Lufkin EDC, Angelina College, Deep East Texas Council of Governments

Mid Term (Years 4-5)

Objective 4.4 Initiate Master Planning process for Public Safety Joint Training Facility. Allocate funding for the development of the Facility.

Objective 4.5 Identify Brownfield sites appropriate for Recreation Center and Police and Communications Department Facility. Work on public-private partnership/mixed use development leveraging the investment for these public facilities to redevelop the Brownfield sites.

Time-Frame: FY 2022-2023

Funding Source: N/A

Partners: City of Lufkin, Lufkin EDC, Angelina College, Deep East Texas Council of Governments

Long Term (Years 6-10)

Objective 4.6 Work with Lufkin CVB to market the Joint Training Facility as a state-wide destination for Public Safety Training.

Time-Frame: FY 2024-2028

Funding Source: N/A

Partners: City of Lufkin, Lufkin EDC, Angelina College, Deep East Texas Council of Governments

KEY REVENUE ASSUMPTIONS AND TRENDS FOR FISCAL 2019

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.

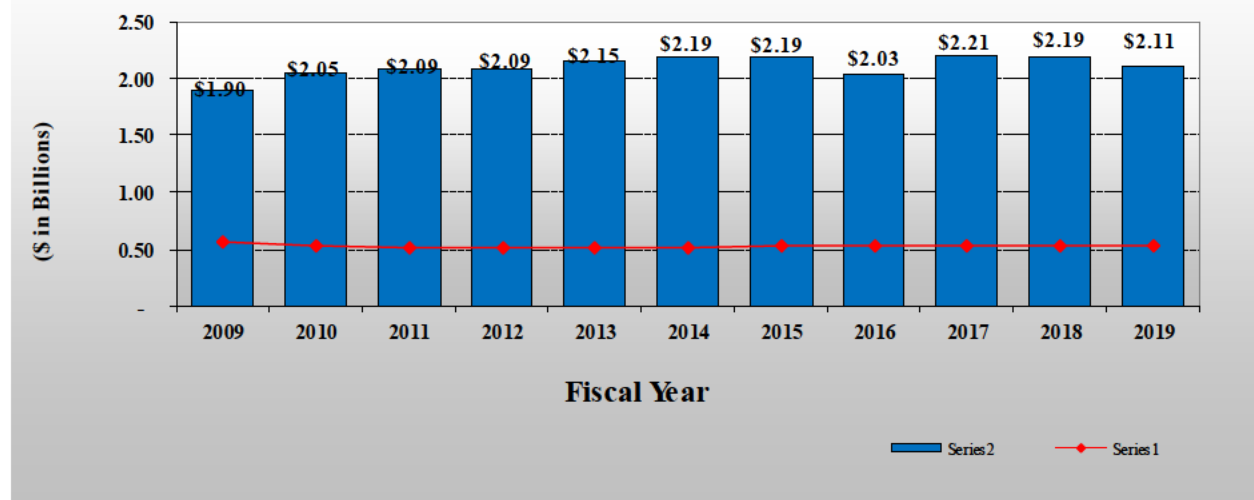
The City of Lufkin receives revenues from a variety of sources. The Budget Overview section of this document provides a detailed explanation of the individual revenues for each fund. This section highlights the major revenues included in this year's budget for the major funds.

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 tax rate of \$0.531135 per \$100 valuation.

The City's total certified assessed property value for Fiscal 2019 is \$2,109,105,463 according to the Appraisal District. The City's tax rate for Fiscal 2019 is \$0.531135 per \$100 valuation. The Fiscal 2019 operating and maintenance tax rate of \$0.381135 per \$100 valuation will generate \$7,603,563 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 2019. 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 2019, or tax year 2018.

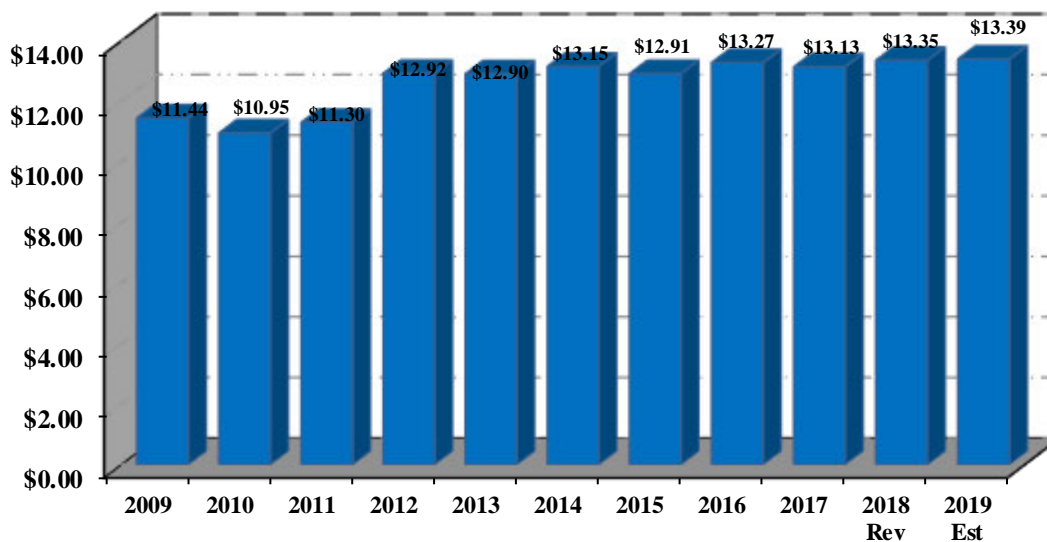
ANALYSIS OF TAX COLLECTIONS							
Tax Roll	Tax Rate per \$100/value	Tax Levy	Current Collections	Current Collections to Tax Levy	Delinquent Collections Including Penalty & Interest	Total Collections	Total Collections/Current Collections
2009	0.533800	9,893,510	9,680,139	97.84%	77,722,541	87,402,680	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	10,644,205	10,446,818	98.15%	344,633	10,791,451	103.30%
2018	0.531135	10,595,824					
Fiscal 2019		Tax Rate		Distribution		Revenues	
General Fund		\$0.381135		71.76%		\$7,603,563	
Debt Service Fund		\$0.1500		28.24%		\$2,992,261	
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 40.02% of total revenues.

Revenues from sales taxes are projected to increase slightly in Fiscal 2019. The total projected sales tax revenue is \$14,606,372, .31% more than the revised estimate for Fiscal 2018. However, the net projected sales tax revenue is estimated to be \$13,389,174. This net amount reflects the allocation of \$1,217,198 to Lufkin Economic Development Corporation. The chart below reflects sales tax collections for the last ten years. The chart below reflects the estimated revenue for FY 2019 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 2019 are anticipated to be \$2,316,000 which is slightly lower than the revised revenue estimate of \$2,274,713 for Fiscal 2018.

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 2019 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 2018 revised water and wastewater revenues are estimated to be \$17,933,231, increase of 6.37% above Fiscal 2018 actual revenues of \$16,858,592. Fiscal 2019 revenue is projected to be \$17,946,443 a .07% decrease from the Fiscal 2018 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 \$6,784,000, a slight increase above Fiscal 2018 revised estimate of \$6,787,226 due to a slight increase in residential collections. No increase was implemented for FY 2019.

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 \$975,000 of hotel/motel tax receipts in Fiscal 2019, slight increase from the Fiscal 2018 estimate of \$965,000. The City actually received for Fiscal 2017 \$971,576 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 2019 revenues for the

Recreation Fund are projected to be \$437,230, a decrease of 2.93% from the revised Fiscal 2018 estimate of \$450,405 and are estimated to be sufficient to cover the costs of operation and provide a fund balance of \$109,915.

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 2019 are designed to bring culture and arts to our residents along with attracting visitors to the community. The Fiscal 2019 projected revenue is \$146,040 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 2019 is projected to be \$346,795 which is an increase from the Fiscal 2018 revised estimate of \$,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 2019 Work Program** – The major planned accomplishments for the coming Fiscal year.
6. **Performance Measures** – Specific quantitative measures of work performed within a department.

The diagram illustrates the layout of the Lufkin City General Government budget page. It features a vertical header on the left with the text "CITY OF LUFKIN, TEXAS" and "General Government". The main content area is divided into several sections, each with a numbered callout:

- 1** points to the **GENERAL FUND** section.
- 2** points to the **General Government** header.
- 3** points to the **Fiscal Year 2019** section.
- 4** points to the **DESCRIPTION OF SERVICES PROVIDED** section.
- 5** points to the **2019 WORK PROGRAM** section.
- 6** points to the **WORKLOAD INDICATORS & PERFORMANCE MEASURES** section.

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
- Maintain all City vehicle records and registrations
- Conduct Annual Municipal Elections
- 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

2019 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. The City Secretary's office will continue to provide services to 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	2016-2017 Actual	2017-2018 Revised	2018-2019 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.

7	FUND	General	DEPARTMENT		General Government	
		EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
		Personnel Services	100,146	99,470	96,163	99,974
		Benefits	38,756	39,336	35,580	39,365
		Supplies	21,977	20,350	19,800	18,950
		Miscellaneous Services	78,714	97,255	94,965	93,235
		Sundry Charges	111,194	112,970	114,970	114,970
		TOTAL	350,787	369,381	361,478	366,494

8		AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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 2019	GENERAL FUND				
11		DIVISION: City Secretary				
		DIVISION DESCRIPTION				
		<ul style="list-style-type: none"> 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 				
		<ul style="list-style-type: none"> 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. 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. 				
12	General Government / City Secretary <small>CITY OF LUFKIN, TEXAS</small>	EXPENDITURES				
		Personnel Services	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
		Benefits	100,146	99,470	96,163	99,974
		Supplies	38,756	39,336	35,580	39,365
		Miscellaneous Services	1,134	2,050	1,800	1,950
			6,614	9,815	9,275	9,095
		TOTAL	146,650	150,671	142,818	150,384
13		AUTHORIZED POSITIONS				
		City Secretary	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
		Executive Secretary	1	1	1	1
		FULL TIME	2	2	2	2
		PART TIME	0	0	0	0
		TOTAL	2	2	2	2

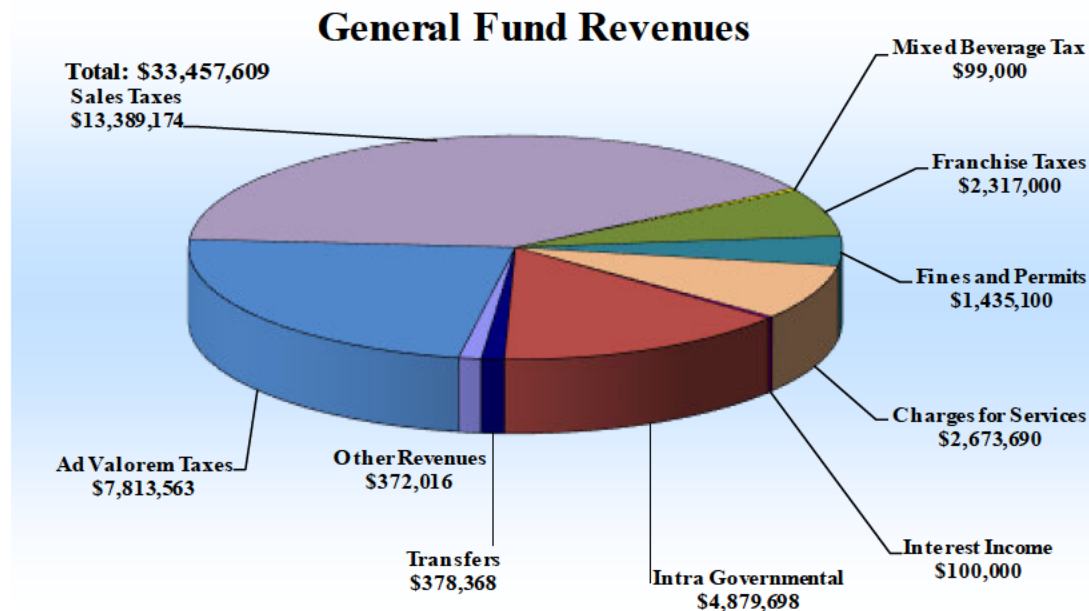


GENERAL FUND

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.

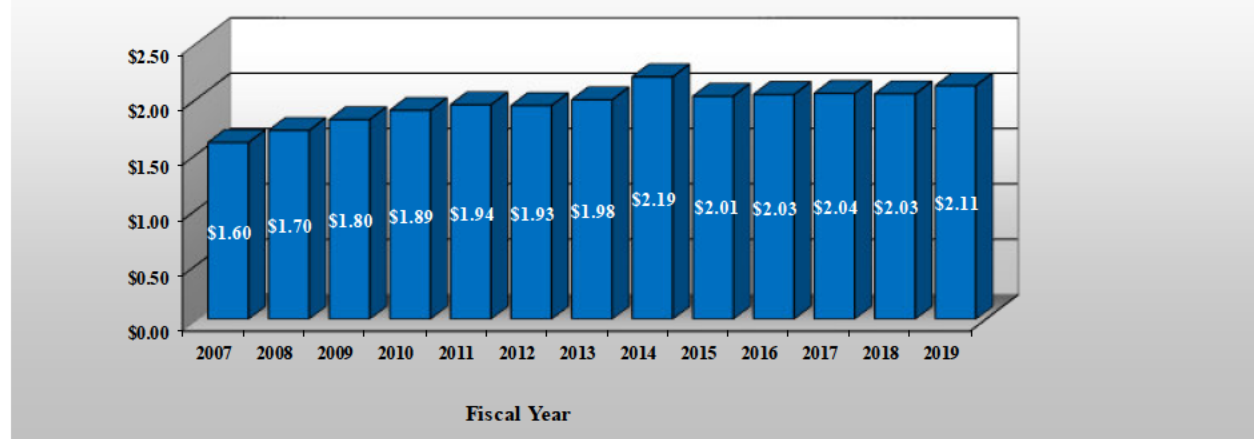
Revenues for Fiscal 2019 are projected to be \$33,457,609. This represents a .71% increase above the revised estimates for Fiscal 2018 of \$33,222,903 and a .13% decrease from the Fiscal 2017 actual revenues of \$33,502,396. The following graph represents total revenues by major category.



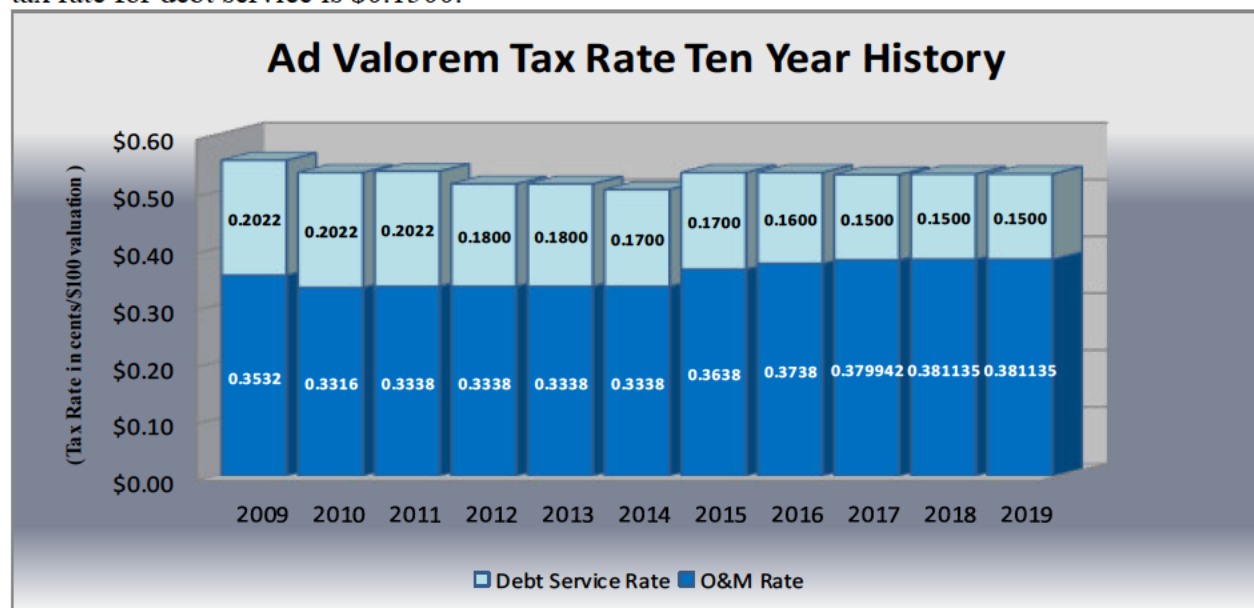
AD VALOREM TAXES

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 2019 is \$2,109,105,463, a decrease of .23% over the previous year's tax roll. Stable construction values and property reappraisals, by the Angelina County Appraisal District, are the reason for the increase. The following graph represents a ten-year history of property values for the City of Lufkin.

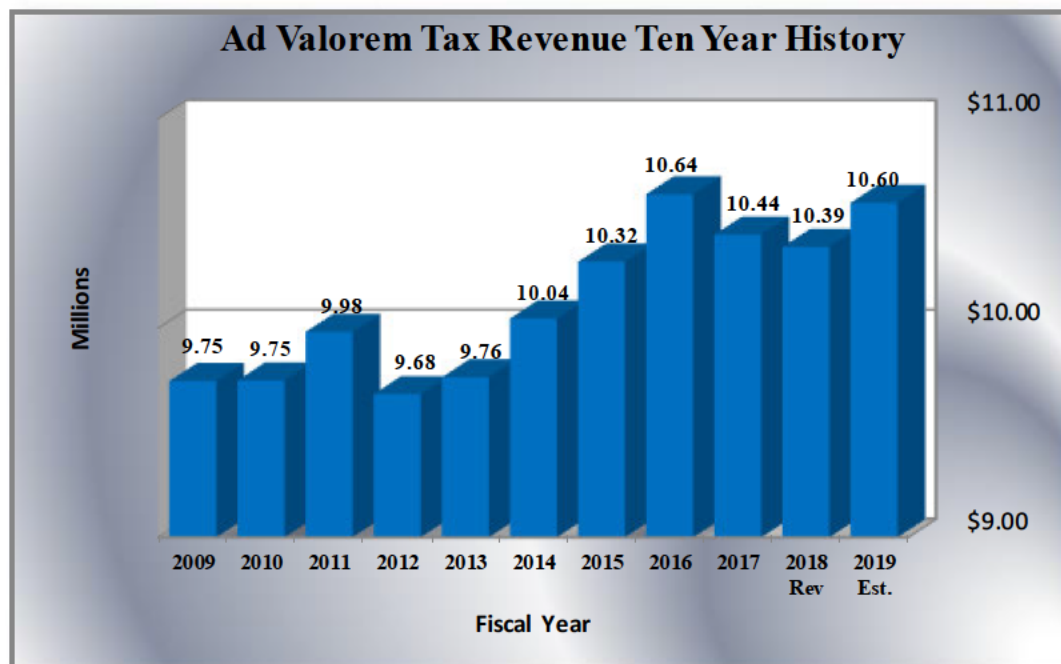
Taxable Assessed Property Values Ten Year History



Ad Valorem taxes are divided between general operating and maintenance requirements and general obligation debt service. The City's tax rate for Fiscal 2019 is \$0.531135 per \$100 of assessed property values. The tax rate for general operations for Fiscal 2019 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 \$7,603,563, an increase of .54% under Fiscal 2018 original budget of \$7,492,553. Ad Valorem tax revenue for debt service purposes is projected to be \$2,452,400. Total revenue from ad valorem taxes, including penalty and interest, is estimated to be \$10,595,824 as compared to \$10,385,173 for Fiscal 2018. This increase is primarily due to new taxable and revaluation. Ad Valorem taxes represent approximately 22.73% 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 \$13,389,174 in Fiscal 2019, a slight increase from the revised estimate for Fiscal 2018 of \$13,347,248 and a 1.98% increase from Fiscal 2017 actual collections of \$13,129,660. 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 2019, \$1,217,198 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 2019 are anticipated to be \$2,317,000, which is 1.82% more than the Fiscal 2018 revised estimate. The table below reflects a five-year history of Franchise Fee collections for the City of Lufkin.

Source	Actual Fiscal 2015	Actual Fiscal 2016	Actual Fiscal 2017	Revised Fiscal 2018	Estimated Fiscal 2019
Oncor Electric	\$1,547,385	\$1,519,456	\$1,448,539	\$1,409,165	\$1,450,000
Centerpoint Energy	287,965	233,243	241,477	245,000	245,000
Sudden-Link Cable	288,044	268,719	264,579	265,548	266,000
Consolidated Comm/Various	290,613	272,056	270,109	250,000	250,000
Taxi Cab	1,393	1,122	1,342	1,100	1,000
Video Service Fees	65,526	89,507	85,769	80,500	80,500
Verdant Ind	0	00	48,645	24,500	24,500
Electric Delivery Case	0	0	0	0	0
Total	\$2,480,926	\$2,384,103	\$2,360,460	\$2,275,813	\$2,317,000

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 2019 are \$1,089,575, a 1.40% decrease from the revised estimate of \$1,105,020 for Fiscal 2018. 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 1.03% of the total General Fund revenues and is estimated to be \$345,525 for Fiscal 2019, a 3.27% decrease under the revised estimate of \$353,905 for Fiscal 2018. 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 \$240,965 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 2019. Actual ambulance fees collected in Fiscal 2017 was \$2,481,575.

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 2019 is projected to be \$100,000. The investment rate for Fiscal 2019 is projected to be 2.12%.

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 \$372,016 for Fiscal 2019, a decrease of \$62,694 from the Fiscal 2018 revised estimate of \$434,710.

TRANSFERS - INTRA-GOVERNMENTAL REVENUES

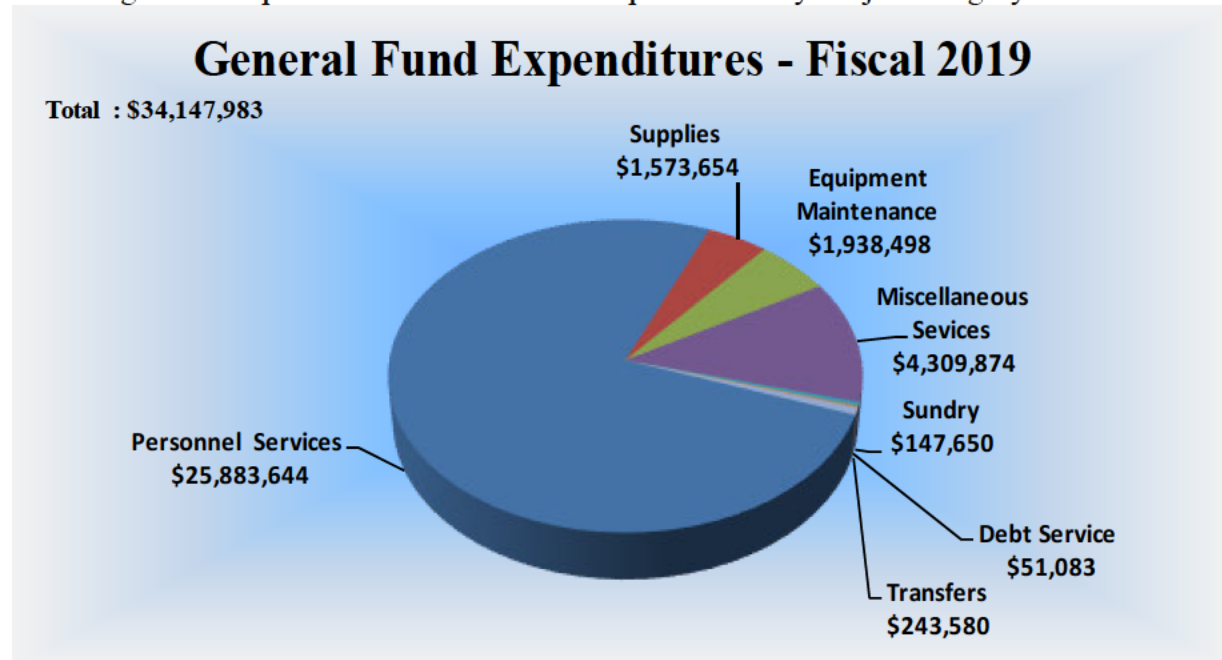
Intra-governmental revenues represent transfers among Funds and General and Administrative charges assessed by the General Fund to other funds in recognition of services rendered such as administration, personnel, accounting, data processing, etc. These revenues are projected to total \$4,879,698 in General and Administrative and \$378,368 in transfers from other funds in Fiscal 2019, totaling \$5,258,066 an increase of 1.05% below the Fiscal 2018 revised estimate of \$5,203,527.

EXPENDITURES

General Fund expenditures for Fiscal 2019 are estimated to be \$34,147,983, which is \$754,973 or 2.26% more than revised totals for Fiscal 2018 of \$33,393,010. 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 2017 Actual	FY 2018 Revised	FY 2019 Budget	% Change Budget/ Revised
General Government	\$3,980,285	\$4,217,122	\$4,023,704	-4.59%
Public Safety	19,531,371	19,187,059	19,392,908	-2.18%
Public Works	5,221,263	4,970,850	5,724,116	15.15%
Culture and Recreation	3,919,926	3,903,498	4,073,139	4.35%
Community Development	429,173	210,489	-	-
Non-Departmental	458,168	697,143	1,356,963	83%
Total	\$ 33,540,186	\$33,393,010	\$34,147,983	2.03%

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 2019.



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 75.79% of total General Fund expenditures for Fiscal 2019. Total personnel services expenditures are estimated to be \$25,883,644, a 3.95% increase from the revised Fiscal 2018 estimate of \$24,899,421. Fiscal year 2019 includes budgeted salaries and benefits for whole year while Fiscal 2018 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 4.61% of all General Fund expenditures and are projected to be \$1,573,654 in Fiscal 2019. This is a 4.98% decrease below the revised estimate for Fiscal 2018 of \$1,656,158.

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 \$1,938,498 for Fiscal 2019, a decrease of 5.30% below the Fiscal 2018 revised estimate of \$2,046,974. This category of expenditures is 5.67% 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 12.62% of General Fund expenditures and is estimated to be \$4,309,874 for Fiscal 2019. This is a 3.04% increase from the Fiscal 2018 revised estimate of \$4,182,656.

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 \$147,650 for Fiscal 2019, an increase of .54% from the revised estimate of \$146,863 for Fiscal 2018.

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 \$294,663 decreased for Fiscal 2019 from the revised estimate for Fiscal 2018 of \$460,938 due to a note payable for a phone system upgrade and bunker gear for the Fire Department.

CAPITAL OUTLAY

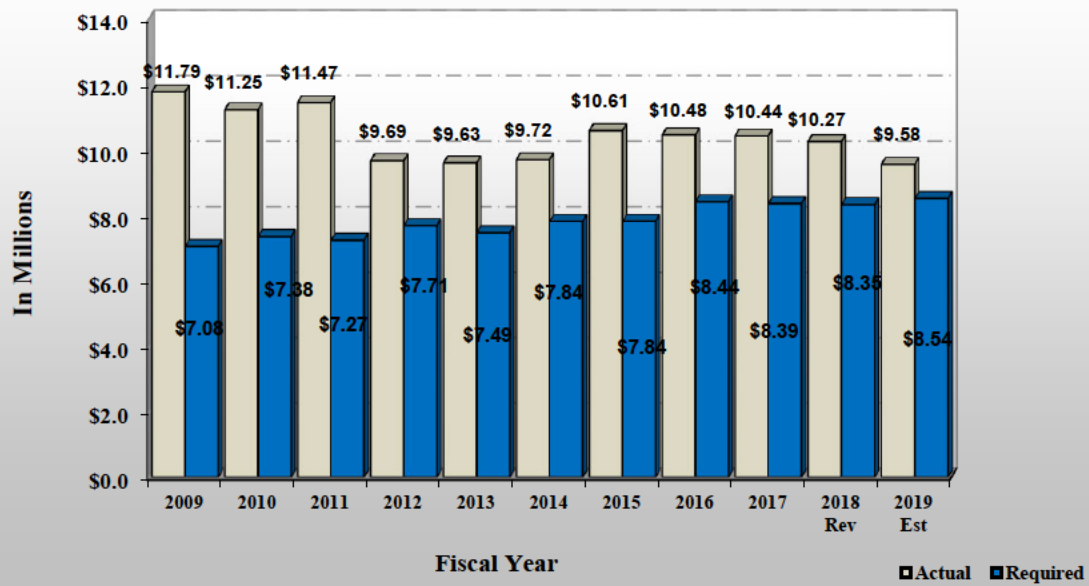
Capital Outlay expenditures include items of a permanent nature, having a life of more than one year and costing in excess of \$5,000. This includes items such as land, equipment, buildings, and structures. This category of costs varies from year to year depending upon departmental needs for new or replacement capital. No capital outlay was budgeted for Fiscal 2019.

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 2019 is estimated to be \$9,582,136, of which \$8,536,996 is the required reserve and a negative \$690,374 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 2017 Actual	Fiscal 2018 Budget	Fiscal 2018 Revised	Fiscal 2019 Budget	% Change Revised to Budget
Water Revenues	\$ 8,733,836	\$ 9,245,000	\$ 9,398,635	\$9,398,635	0.00%
Wastewater Revenues	7,548,471	7,720,000	8,040,000	8,040,000	0.00%
Water Connections	87,497	75,000	75,000	75,000	0.00%
Sewer Connections	22,173	22,000	22,000	22,000	0.00%
Service Charges	215,285	180,000	235,000	230,000	-2.13%
Misc. Revenue	97,801	23,300	12,500	25,900	107.20%
Interest Income	29,957	17,000	21,000	23,500	11.90%
Intra-Governmental	123,572	129,186	129,186	131,408	1.72%
Total Revenues	\$16,858,592	\$17,411,486	\$17,933,321	\$17,946,443	.07%

The table above reflects a comparison of Water/Wastewater Fund revenues for Fiscal 2017 actual, Fiscal 2018 (budget and revised), and Fiscal 2019 budget estimate. Fiscal 2019 total revenues are estimated to be \$17,946,443, an increase of 0.07% over Fiscal 2018 revised estimates of \$17,933,321.

Water revenues for Fiscal 2019 are estimated to be \$9,398,635, same as the Fiscal 2018 revised estimate. Wastewater revenues of \$8,040,000 are estimated to remain constant from the Fiscal 2018. There are no rate changes for Water/Sewer rates for Fiscal 2019. 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

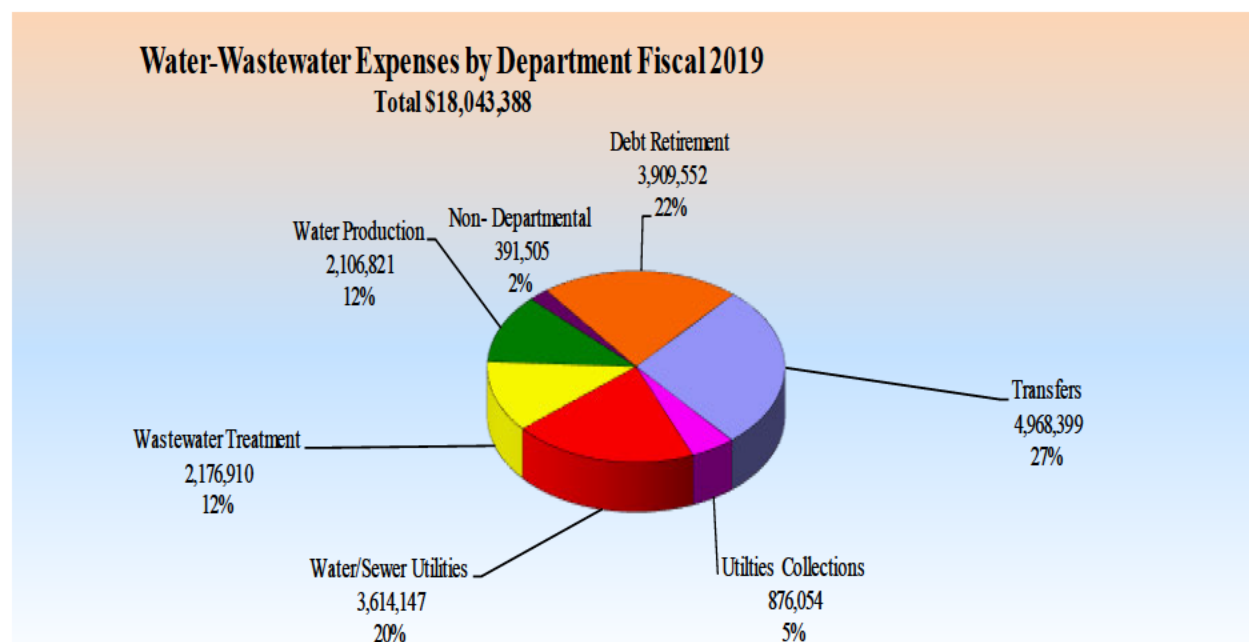
increases over a period of several years according to anticipated growth and expansion in the City and to cover the cost of the Abitibi Water Well field and Kurth Lake acquisition.

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 \$376,400 or 2.98% more than the Fiscal 2018 revised estimates of \$365,500.

An Intra-governmental transfer of \$131,408 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.

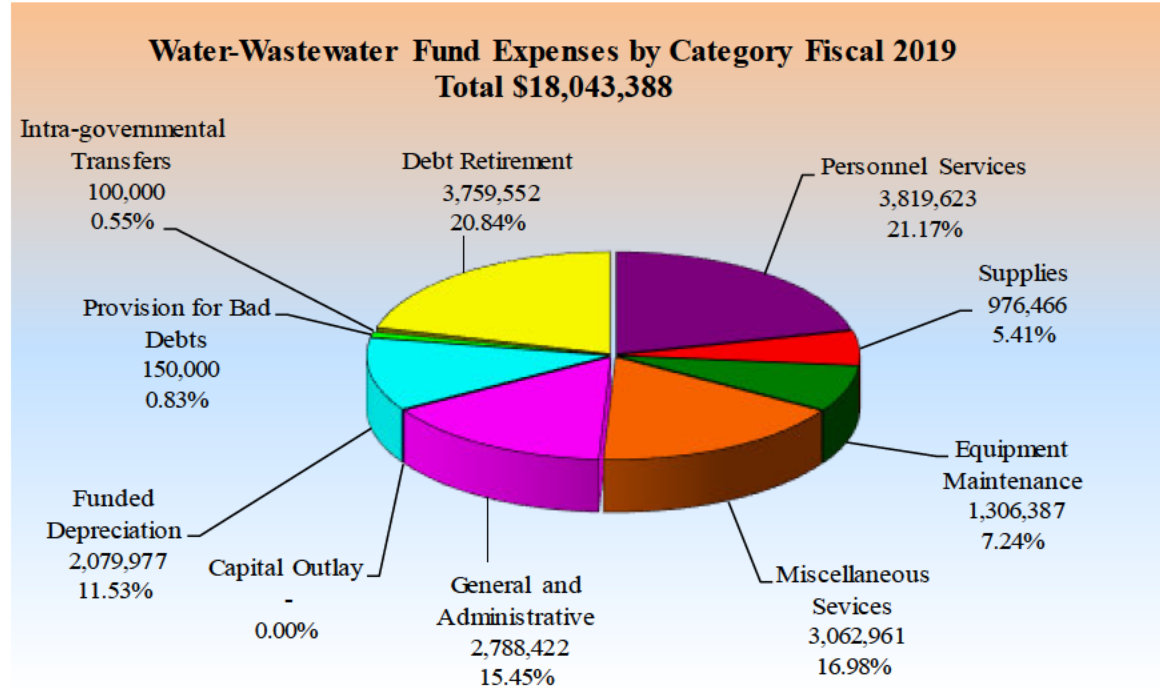
EXPENSES

The Water/Wastewater Fund expenses for Fiscal 2019 are estimated to increase 3.91% from revised estimates for Fiscal 2018. Total projected expenses are estimated to be \$18,043,388 compared to the revised estimate for Fiscal 2018 of \$17,364,066. 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 \$18,043,388.



PERSONNEL SERVICES

Personnel Services include salary and benefit costs for all employees within the Water/Wastewater Fund. Expenses for Fiscal 2019 are estimated to be \$3,819,623 and represent an increase of 7.14% above Fiscal 2018 revised estimates of \$3,565,124. 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 \$976,466 in Fiscal 2019 compared to \$961,481 for the Fiscal 2018 revised estimate. This is a 1.5% increase.

EQUIPMENT & STRUCTURE MAINTENANCE

Expenses for the maintenance of equipment and structures fall into this category. Total expenses for Fiscal 2019 are estimated to be \$1,306,387 which represents a .68% increase from the revised estimate of \$1,297,625 for Fiscal 2018.

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 \$3,062,961. The original budget for Fiscal 2018 budget of \$2,871,798 was then revised to \$2,879,943 due to an increase in special services expenses of about \$8,400 for a Aquahawk Portal system. 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 2019. 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 FY2019, there are no purchases budgeted under capital outlay.

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 2019 are expected to be \$100,000 a decrease of \$62,500 from revised Fiscal 2018.

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 2019 is \$2,788,422 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 341 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 2019 is budgeted at \$2,079,977 a decrease of 1.32% from the revised Fiscal 2018 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 \$3,759,552 will be made in Fiscal 2019. This is an increase of \$205,208 from the revised estimate of \$3,554,344 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 \$2,255,424. The working capital balance in the Water/Wastewater Fund is projected to be \$4,331,051 in Fiscal 2019, which is \$96,945 more than the working capital of \$4,427,996 for the Fiscal 2018 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 2019 are estimated to be \$6,784,000, a .05% decrease from Fiscal 2018 revised estimates of \$6,787,226. Collection revenues comprise approximately 71.86% of total revenues in the Solid Waste and Recycling Fund. An explanation of each revenue source and comparison with the Fiscal 2018 revised estimate follows.

SOLID WASTE AND RECYCLING FUND Comparison of Collection Revenues			
Collection Classification	Fiscal 2018 Revised	Fiscal 2019 Budget	% Change Budget To Revised
Residential Collections	\$ 2,235,000	\$ 2,235,000	0.00%
Commercial Collections	2,400,000	2,400,000	0.00%
Commercial Cart Pickups	240,000	240,000	0.00%
Commercial Non-Compacted Pick ups	760,000	760,000	0.00%
Commercial Compacted Roll-Offs	420,000	420,000	0.00%
Commercial Special Pickups	40,000	40,000	0.00%
Sanitation Container Revenues	115,000	115,000	0.00%
Sale of Recycled Materials	400,000	400,000	0.00%
Miscellaneous Income	142,226	136,000	-22.87%
Interest Income	35,000	38,000	8.75%
Total Revenues	\$ 6,787,226	\$ 6,784,000	-.05%

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 2018 revised revenues to Fiscal 2019 projected revenues.

A rate increase of \$1.00 for residential sanitation rates in Fiscal 2018 is included in this budget. No rate increase is budgeted for Fiscal 2019. Collection revenues for Fiscal 2019 are projected to be \$4,875,000, which include residential, commercial, and sanitation cart collections.

RESIDENTIAL COLLECTION REVENUES

Residential revenues of \$2,235,000 are estimated to remain constant for Fiscal 2019 from that of Fiscal 2018 revised.

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 2019 are anticipated to be \$2,400,000, same as revised Fiscal 2018.

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 2019 are projected to be \$240,000 with no change from the 2018 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 2018 are estimated at \$400,000 with no change to the Fiscal 2019 budget.

INTEREST INCOME

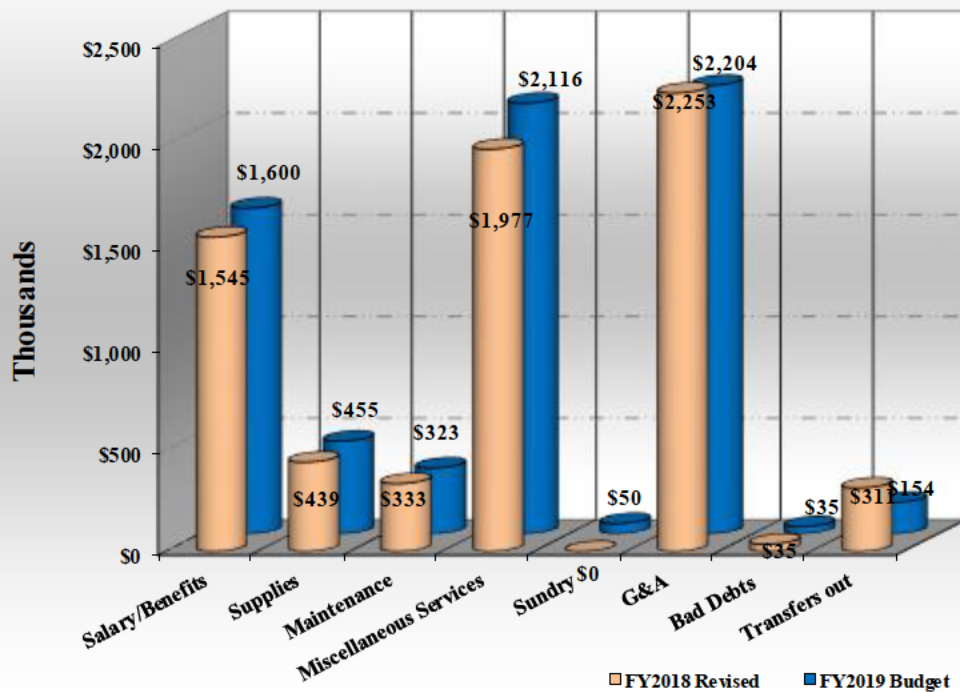
Interest Income is earned from the investment of idle funds. Interest income for Fiscal 2019 is estimated to be \$38,000 an increase of \$3,000 from revised Fiscal 2018. The total *amount* budgeted is estimated to increase because interest rate on investment have begun to rise. Interest to these fund is calculated on a budget or cash basis. 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 .65% from Fiscal 2018 revised estimates of \$6,892,075 to the Fiscal 2019 budget estimate, \$6,937,115. The following graph reflects a comparison of Fiscal 2018 revised and Fiscal 2019 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 2019 are estimated to be \$1,599,916 and represent an increase of 3.58% from Fiscal 2018 revised estimates of \$1,544,626.

SUPPLIES

In Fiscal 2019, expenses for materials and supplies are estimated to be \$455,018 an increase of 3.7% above the revised estimate of \$438,768 for Fiscal 2018. 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. A decrease of 3.04% is anticipated in this expense category. The Fiscal 2019 estimate is \$322,886 compared to the revised estimate for Fiscal 2018 of \$333,000.

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 2019 are estimated to be \$2,116,121 representing an increase of 7.05% above the Fiscal 2018 revised estimate of \$1,976,807.

CAPITAL OUTLAY

No capital outlay was estimated for Fiscal 2019.

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 2019 are projected to be, \$2,393,174, a decrease from the revised estimate of \$2,598,844 from Fiscal 2018 due to decrease transfers to other funds.

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 \$2,203,974 for Fiscal 2019. An allocation table of G&A calculations can be found in the Appendix on pag

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 \$4,875,097 in Fiscal 2019, which exceeds the required working capital balance of \$867,139 by \$4,007,958.

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, the Angelina Arts Alliance, 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 2019 is projected to be \$1,178,751, a 2.38% decrease from the Fiscal 2018 revised estimate of \$1,207,439. 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 five different organizations as depicted in chart on page 95. The hotel/motel occupancy tax revenue is projected to be \$975,000 in Fiscal 2019, a \$10,000 increase from the revised Fiscal 2018.

RENTAL AND USE FEES

Fees received from rental of the Convention Center facilities are projected to be \$140,000 for Fiscal 2019, an increase of \$10,000 from the revised estimate of Fiscal 2018.

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 2019, same as the revised Fiscal 2018 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 \$23,351 as compared to the revised budget \$72,064 in Fiscal 2018. 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 2019 is estimated to be 0.50%, providing revenues of \$400.

EXPENDITURES

PERSONNEL SERVICES

Personnel Services which includes salaries and benefits for Fiscal 2019 are projected to be \$355,818. This is a slight increase of 3.93% from revised Fiscal 2018.

SUPPLIES

Materials and supplies expenditures are anticipated to be \$31,686 in Fiscal 2019, an increase of .64% above the Fiscal 2018 revised estimate of \$31,486.

EQUIPMENT & STRUCTURE MAINTENANCE

The Convention Center maintains sound equipment, heating and air conditioning equipment, and stage equipment. Fiscal 2019 expenditures are projected to be \$24,500 compared to the revised Fiscal 2018 estimate of \$35,500. 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 2019 estimate of \$179,207, a decrease from the Fiscal 2018 revised estimate of \$179,947. Expenses have been constant in this category.

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, the Lufkin Visitor and Convention Bureau – 42% of actual hotel/motel tax receipts, and Angelina Arts Alliance - capped at budget amount. The chart on the subsequent page reflects the Fiscal 2017 actual; Fiscal 2018 original and revised; and Fiscal 2019 budget amounts for these activities.

CAPITAL OUTLAY

There are no capital expenditures scheduled for Fiscal 2019.

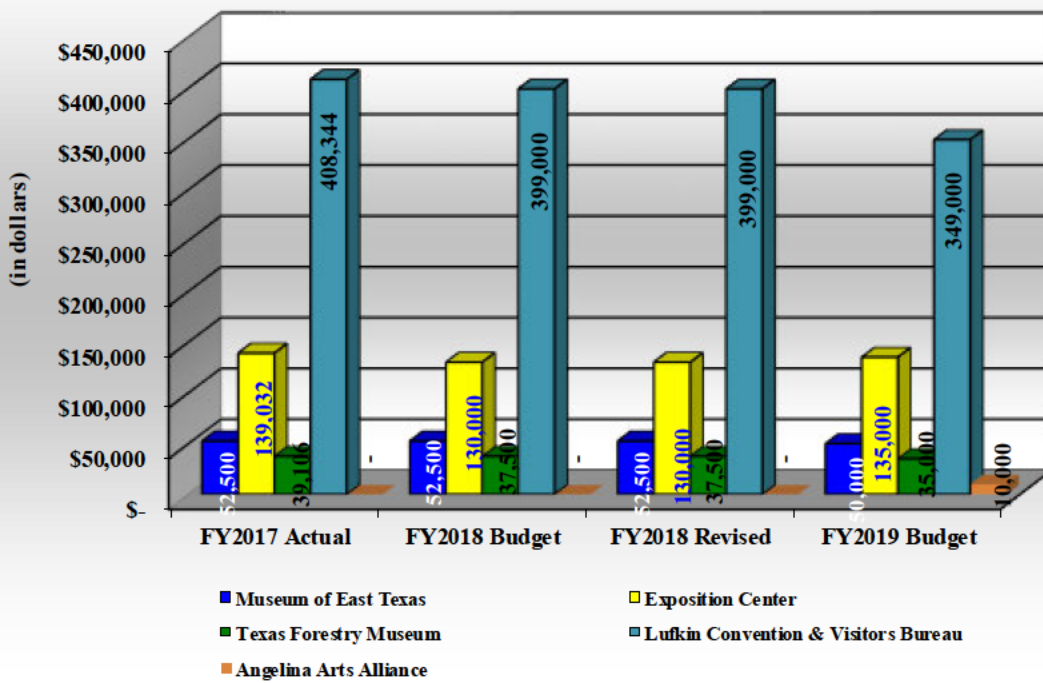
TRANSFERS

There are no transfers budgeted for Fiscal 2019.

FUND BALANCE

The fund balance for the Convention Center Fund is estimated to be \$53,493 for Fiscal 2019. City Financial Policies require a fund balance equal to 12.5% of expenditures, or \$146,276.

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 \$437,230 in Fiscal 2019, which is a 2.93% decrease from Fiscal 2018 revised estimate of \$450,405.

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 2019 are projected to be \$65,050, a slight increase of \$1,050 from the revised estimate of \$64,000 for Fiscal 2018.

SOFTBALL

Softball leagues have grown in popularity during the past decade. This growth has resulted in increased revenues. The Fiscal 2019 estimated revenue is projected to be \$136,470 slight decrease from the Fiscal 2018 revised estimate of \$142,000.

VOLLEYBALL

Volleyball has decreased in popularity and generates very little or no revenue. For Fiscal 2019, revenue is projected at \$8,140, an increase from the Fiscal 2018 revised estimate.

BASKETBALL

Basketball remains a steady income generator for the Special Recreation Fund. Estimated revenue for Fiscal 2019 of \$27,300 is an increase of 23.31% from the Fiscal 2018 revised revenue estimate of \$22,140.

FOOTBALL

Football is a new sports program added for Fiscal Year 2018. The Football program is not budgeted for Fiscal Year 2019.

GYMNASTICS

Gymnastics, taught at the Recreation Center, is projected to generate revenues of \$20,510 for Fiscal 2019. This estimate is a 2.55% increase from the Fiscal 2018 revised estimate of \$20,000.

SPECIAL EVENTS

Events such as the Daddy Daughter Dance, City wide Easter egg hunt, and 4th of July Extravaganza is expected to generate revenues to fund these events. For Fiscal 2019, this category will be expected to collect \$7,500 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 2019 revenues are projected to be \$135,000 which is the same as the revised Fiscal 2018 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 \$36,260 for Fiscal 2019 an increase by \$3,190 from the Fiscal year 2018 revised estimate of \$33,070.

INTEREST INCOME

Interest income for Fiscal 2019 is estimated to be \$1,000, which is \$100 more than what was budgeted for the Fiscal 2018 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 2019 are estimated to be \$48,002.

SUPPLIES

All equipment, used in sports and recreation leagues, is purchased from this expenditure category, and is projected to be \$119,720 in Fiscal 2019. This is a decrease of 4.01% from the Fiscal 2018 revised estimate of \$124,725.

EQUIPMENT & STRUCTURE MAINTENANCE

Expenditures in this category are projected to decrease from \$17,750 in Fiscal 2018 to \$19,700 in Fiscal 2019. This represents an increase of 10.99%, which is primarily due to controlled expenditures for ball park field repairs and maintenance.

MISCELLANEOUS SERVICES

Miscellaneous Services expenditures are estimated to increase by 2.73% in Fiscal 2019 to \$190,270, compared with the revised estimate of \$185,220 for Fiscal 2018. These expenditures fluctuate from year to year depending on program participation, which is projected to increase.

SUNDRY CHARGES

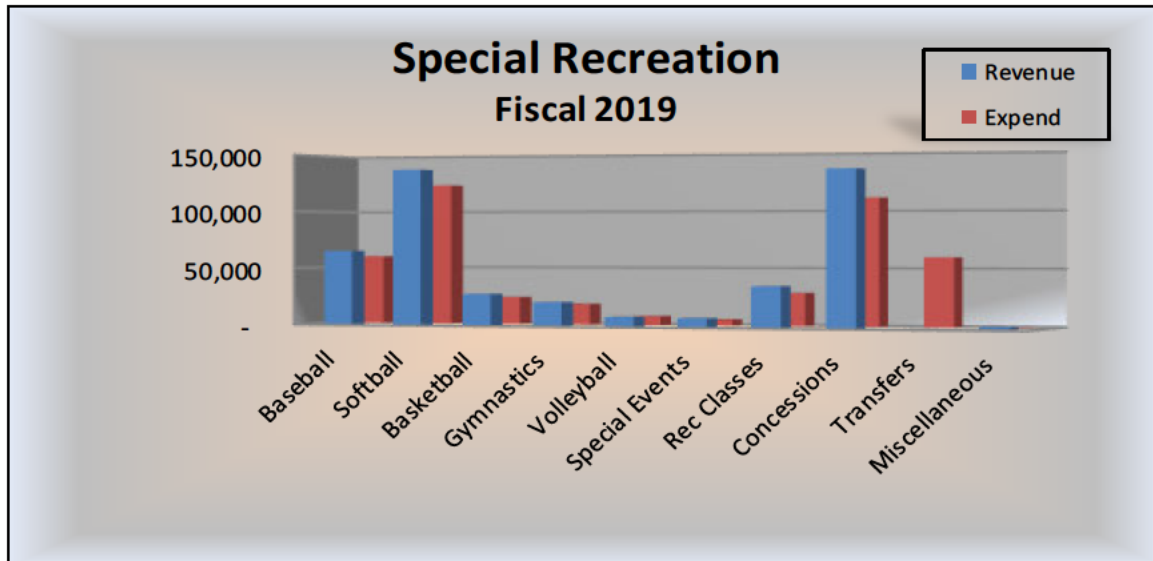
There are no expenditures anticipated in this category.

CAPITAL OUTLAY

There are no Capital Outlay budgeted in 2019.

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 2019 is \$54,683. The fund balance estimate for Fiscal 2019 is \$109,268, which is \$54,585 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 2019 is projected to be \$146,040. 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 \$84,013, 57.5% of the total budgeted revenue for Fiscal 2019.

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 \$30,000.

OTHER REVENUES

Other revenues generated from private contributions, souvenir sales, playbill ads, and interest are projected to yield the remaining \$17,027 or 11.66% of the total projected revenue. These revenues could also be 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 2019 are projected to be \$13,700 of which theatre supplies accounts for 8.76% and concession supplies accounts for 91.24%.

EQUIPMENT MAINTENANCE

Equipment maintenance for Fiscal 2019 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 \$144,225 for Fiscal 2019 of which \$100,000 is budgeted for entertainers and \$20,000 is for advertising, tickets, temps for events and \$24,225 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 \$56,456 at the end of Fiscal 2019.

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 2019 total \$346,795 of which approximately 87% 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 2019 are projected to be the same as revised Fiscal 2018 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 2019 is estimated at \$1,320.

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 \$25,720 in Fiscal 2019, an increase \$2,560 from the revised Fiscal 2018.

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 2019 to be \$2,360.

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 2019 are estimated to be \$2,000.

INTEREST INCOME

Interest income is anticipated to be \$14,000 for Fiscal 2019 which is higher than the Fiscal year 2018 revised estimate. Investment rate of return has begun to increase in Fiscal 2018 and 2019.

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 \$117,680 in Fiscal 2019, reflecting a decrease of \$8,320 from the revised Fiscal 2018 budget of \$126,000.

EQUIPMENT & STRUCTURE MAINTENANCE

Expenditures in this category are projected at \$101,500 for Fiscal 2019 of which \$44,000 is budgeted for general repairs and \$57,500 to repair various structures and exhibits .

MISCELLANEOUS SERVICES

Miscellaneous services are projected to be \$36,800 for Fiscal 2019. 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 \$1,597,825 at Fiscal 2019 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 2019 revenues are estimated to remain the same as previous year budget of \$35,100.

EXPENDITURES

PERSONNEL SERVICES

No personnel salaries or benefits are charged to this fund.

SUPPLIES

Court Security supplies are anticipated to be \$3,240 in Fiscal 2019, a decrease of \$500 from Fiscal year 2018 revised estimate of \$3,740. Supplies in this category include purchases to outfit the City Marshal's ammunition, supply, and uniform needs.

EQUIPMENT & STRUCTURE MAINTENANCE

Expenditures in Fiscal 2019 in this category are expected to decrease significantly due to reduced Computer program maintenance fees and security camera repairs. For 2019, \$1,415 was budgeted in this category.

MISCELLANEOUS SERVICES

Anticipated costs of miscellaneous services are \$2,710 for Fiscal 2019 which is an decrease of \$1,080 below the Fiscal 2018 revised estimate of \$1,630. 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 2019.

INTRA-GOVERNMENTAL TRANSFERS

There are no expenditures budgeted in this category in Fiscal 2019.

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 2018 ending fund balance was estimated at \$33,331 with an anticipated fund balance of \$61,066 for Fiscal 2019.

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 \$17,810.

EXPENDITURES

SUPPLIES

Expenditures in this category such as event supplies, lights, signs, and food supplies are expected to be \$5,450 in Fiscal 2019.

MISCELLANEOUS SERVICES

Expenditures in the category are for event costs, entertainment, landscaping, and advertising. Fiscal year 2019 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 \$95,500.

EXPENDITURES

EQUIPMENT MAINTENANCE

Expenditures for this category are expected to be \$40,000 for Fiscal 2019. Monies will be used for new puppy kennels.

INTRA-GOVERNMENTAL TRANSFERS

Expenditures in the fund are for the non-salaried operations of the Kurth Memorial Animal Shelter. Fiscal year 2018 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 2019.

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 \$15,400, which is comprised of donations and interest income.

EXPENDITURES

No expenditures were budgeted for Fiscal 2019. There may possibly be a revision at a later time during the year as needs arise.

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 2019 are anticipated to be \$1,674,233. This is an increase above the Fiscal 2018 revised estimate of \$1,382,384 due to increase in sales tax revenue and loan proceeds projected.

EXPENDITURES

PERSONNEL SERVICES

Salaries and benefits for the Economic Development Fund are anticipated to be \$202,760 in Fiscal 2019.

SUPPLIES

Expenditures for supplies are anticipated to be \$8,752 in Fiscal 2019 decreasing from the \$16,261 revised estimate for Fiscal 2018.

EQUIPMENT & STRUCTURE MAINTENANCE

There are no expenditures budgeted in this category.

MISCELLANEOUS SERVICES

Anticipated costs of miscellaneous services are \$250,719 for Fiscal 2019, below the Fiscal 2018 revised estimate of \$287,735 by 12.86%.

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 2109 are \$189,476.

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 2019 are \$15,910. An allocation table of G&A calculations can be found in the Appendix on page 343.

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 2019 year-end is \$7,903,204.

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 (\$349,000) 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 2019 are anticipated to be \$465,580, which includes estimated interest earnings of \$2,800, transfers from the General Fund of \$78,580, and revenues from various events of \$35,200.

EXPENDITURES

PERSONNEL SERVICES

Salaries and benefits for the LCVB are anticipated to be \$251,151 in Fiscal 2019, increasing by \$2,238 from the Fiscal 2018 revised estimate of \$249,013. A 3% increase in salaries & wages is budgeted for Fiscal 2019. The position of Main Street director is funded by a transfer from the General Fund.

SUPPLIES

Expenditures for supplies are anticipated to increase to \$8,106 in Fiscal 2019 from the revised estimate of \$11,167 for Fiscal 2018.

EQUIPMENT & STRUCTURE MAINTENANCE

There are no expenditures budgeted in this category.

MISCELLANEOUS SERVICES

Anticipated costs of miscellaneous services are \$203,4755 for Fiscal 2019, below the Fiscal 2018 revised estimate of \$227,547 by .11%.

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

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 2019 are \$2,800. An allocation table of G&A calculations can be found in the Appendix on page 344.

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 \$340,351 at the end of Fiscal year 2019.



CITY OF LUFKIN

Fiscal Year 2018-2019

The total Fiscal 2018-2019 net budget appropriations for all funds are \$63,359,172 excluding capital projects in the Water/Wastewater Depreciation Fund and Solid Waste Depreciation Fund. This is an increase of \$1,874,570 above the Fiscal 2017-2018 approved budget of \$61,484,602. 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 2018 Budget to Fiscal 2019 Budget		
Salaries and Benefits	Increase	1,038,090
Supplies	Decrease	-115,085
Structure and Equipment Maintenance	Decrease	-42,680
Miscellaneous Services	Increase	292,036
Sundry Charges	Increase	519,272
Economic Development Incentives	Increase	590,000
Debt Service	Increase	37,642
Capital Outlay	Increase	271,71

Position changes after adoption of the Fiscal 2018 budget and for the Fiscal 2019 budget include the following:

Position	Department	Status
Accounts Supervisor	Finance	FT Position closed.
Accounting Tech-Adv	Finance	FT position for FY2018
Inspection Director	Inspections	FT Position Closed.
All Inspections Dept.	Engineering Svcs.	Positions in Eng Svcs.
All Planning & Zoning	Engineering Svcs	Positions in Eng. Svcs.
Fleet Director	Fleet	FT Position –FY18.

**CITY OF LUFKIN, TEXAS
TOTAL OPERATING BUDGET RESOURCES
FISCAL 2019**

	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
GENERAL FUND					
Full Time	353	355	355	348	347
Part Time	18	18	17	17	17
Total	371	373	372	365	364

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

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

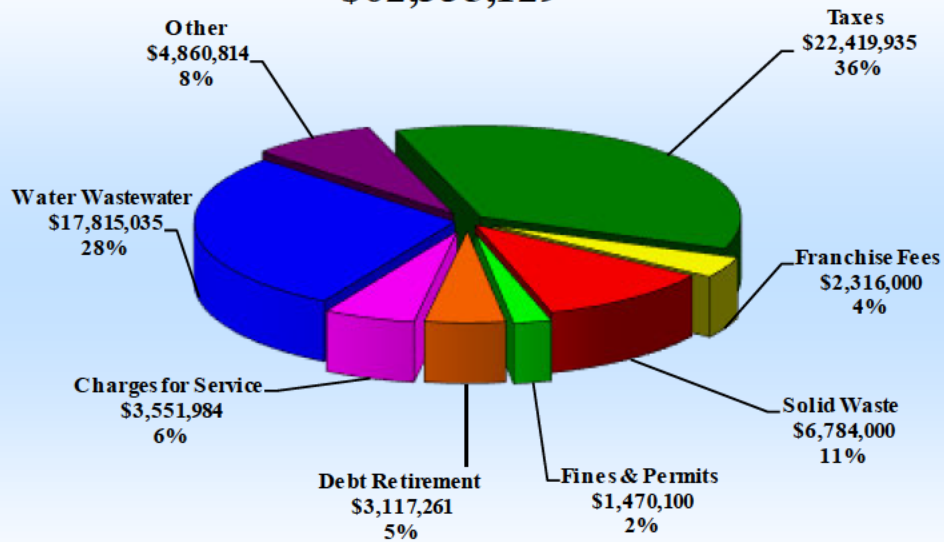
SPECIAL RECREATION FUND					
Full Time	0	0	0	0	0
Part Time	25	25	25	25	25
Total	0	0	0	0	0

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

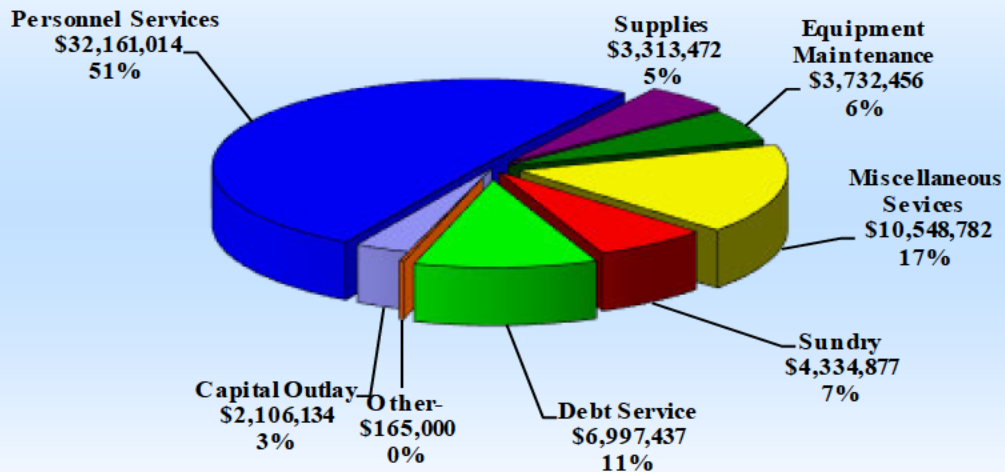
LUFKIN CONVENTION & VISITOR BUREAU					
Full Time	2	2	2	3	3
Part Time	0	0	0	0	0
Total	2	2	2	3	3

CITY WIDE TOTAL					
Full Time	468	470	471	467	466
Part Time	45	45	44	44	44
Total	513	515	515	511	510

Combined Budget Resources \$62,335,129



Combined Budget Expenditures \$63,359,172



CITY OF LUFKIN
COMBINED FUNDS SUMMARY
Fiscal Year 2019 Operating Budget

	<u>FY2017</u> <u>Actual</u>	<u>FY2018</u> <u>Budget</u>	<u>FY2018</u> <u>Adjusted</u>	<u>FY2019</u> <u>Budget</u>
Beginning Balances				
General Fund	\$ 10,480,400	\$ 10,442,610	\$ 10,442,617	\$ 10,272,510
Water/Wastewater Fund	4,122,911	3,992,446	3,858,741	4,427,996
Solid Waste Disposal Fund	5,073,271	4,894,700	5,133,061	5,028,212
Hotel/Motel Tax Fund	(15,584)	(187,635)	45,805	44,953
Special Recreation Fund	92,767	91,306	94,560	109,499
Pines Theater Special Events Fund	(14,887)	(16,400)	(20,237)	(41,001)
Ellen Trout Zoo Fund	1,418,823	1,336,529	1,617,153	1,535,609
Court Security/Technology Fund	14,213	28,901	20,851	33,331
Heritage Festival Contribution	27,933	32,946	34,608	28,844
Animal Control-Kurth Grant Fund	105,462	51,662	57,919	48,394
Animals Attic Gift Shop Fund	38,764	23,324	43,480	47,222
General Obligation Debt				
Service Fund	1,406,542	1,806,925	1,828,093	1,802,777
Equipment Acquisition & Repl Fund	7,147,828	7,250,588	7,453,227	7,060,617
Sub-Total Operating Funds	\$ 29,898,443	\$ 29,747,902	\$ 30,609,878	\$ 30,398,963
Economic Development Fund	8,553,534	8,156,933	8,455,055	8,239,838
Lufkin Convention & Visitor Bureau	268,584	243,989	310,424	340,403
Total Beginning Balances	\$ 38,720,561	\$ 38,148,824	\$ 39,375,357	\$ 38,979,204
Revenues and Transfers In				
General Fund	\$ 33,502,396	\$ 32,708,018	\$ 33,222,903	\$ 33,457,609
Water/Wastewater Fund	16,858,592	17,411,486	17,933,321	17,946,443
Solid Waste Disposal Fund	6,743,894	6,705,500	6,787,226	6,784,000
Hotel/Motel Tax Fund	1,275,832	1,206,200	1,207,439	1,178,751
Special Recreation Fund	414,228	457,470	450,405	437,230
Pines Theater Special Events Fund	139,669	150,963	146,732	146,040
Ellen Trout Zoo Fund	372,877	338,110	338,105	346,795
Court Security/Technology Fund	28,090	40,000	35,100	35,100
Heritage Festival Contribution	24,001	22,645	13,580	17,810
Animal Control-Kurth Grant Fund	97,457	91,200	90,475	95,500
Animals Attic Gift Shop Fund	21,580	15,150	34,797	15,400
General Obligation Debt				
Service Fund	16,733,380	6,645,618	6,658,118	6,933,013
Equipment Acquisition & Repl Fund	2,004,888	1,591,185	1,648,077	2,085,431
Sub-Total Operating Funds	\$ 78,216,884	\$ 67,383,545	\$ 68,566,278	\$ 69,479,122
Economic Development Fund	1,270,100	1,502,739	1,382,384	1,674,233
Lufkin Convention & Visitor Bureau	467,750	513,380	520,396	465,580
Total Revenues & Transfers In	\$ 79,954,734	\$ 69,399,664	\$ 70,469,058	\$ 71,618,935
Less: Interfund Transfers in	9,413,588	9,021,600	9,196,837	9,281,806
Net Budget Revenue	\$ 70,541,146	\$ 60,378,064	\$ 61,272,221	\$ 62,337,129
Total Funds Available	\$109,261,707	\$ 98,526,888	\$100,647,578	\$101,316,333

CITY OF LUFKIN
COMBINED FUNDS SUMMARY
Fiscal Year 2019 Operating Budget

	<u>FY2017</u> <u>Actual</u>	<u>FY2018</u> <u>Budget</u>	<u>FY2018</u> <u>Adjusted</u>	<u>FY2019</u> <u>Budget</u>
Appropriations and Transfers Out				
General Fund	\$ 33,540,186	\$ 33,411,583	\$ 33,393,010	\$ 34,147,983
Water/Wastewater Fund	17,122,762	17,427,015	17,364,066	18,043,388
Solid Waste Disposal Fund	6,684,104	6,715,985	6,892,075	6,937,115
Hotel/Motel Tax Fund	1,214,443	1,212,561	1,208,291	1,170,211
Special Recreation Fund	412,435	456,861	435,466	437,461
Pines Theater Special Events Fund	145,019	172,335	167,496	161,495
Ellen Trout Zoo Fund	174,547	283,199	419,649	284,579
Court Security/Technology Fund	21,452	25,510	22,620	7,365
Heritage Festival Contribution	17,326	19,450	19,344	19,450
Animal Control- Kurth Grant Fund	145,000	130,000	100,000	130,000
Animals Attic Gift Shop Fund	16,864	17,000	31,055	-
General Obligation Debt				
Service Fund	16,311,829	6,683,434	6,683,434	6,756,878
Equipment Acquisition & Repl Fund	1,699,489	1,931,363	2,040,687	2,068,554
Sub-Total Operating Funds	<u>\$ 77,505,456</u>	<u>\$ 68,486,296</u>	<u>\$ 68,777,193</u>	<u>\$ 70,164,479</u>
Economic Development Fund	1,368,579	1,422,610	1,597,601	2,010,867
Lufkin Convention & Visitor Bureau	425,910	597,296	490,417	465,632
Total Appropriations & Transfers Out	<u>79,299,945</u>	<u>70,506,202</u>	<u>70,865,211</u>	<u>72,640,978</u>
Less: Interfund Transfers Out	<u>9,413,588</u>	<u>9,021,600</u>	<u>9,196,837</u>	<u>9,281,806</u>
Net Budget Appropriations	<u>\$ 69,886,357</u>	<u>\$ 61,484,602</u>	<u>\$ 61,668,374</u>	<u>\$ 63,359,172</u>
Ending Balances				
General Fund	10,442,610	9,739,045	10,272,510	9,582,136
Water/Wastewater Fund	3,858,741	3,976,917	4,427,996	4,331,051
Solid Waste Disposal Fund	5,133,061	4,884,215	5,028,212	4,875,097
Hotel/Motel Tax Fund	45,805	(193,996)	44,953	53,493
Special Recreation Fund	94,560	91,915	109,499	109,268
Pines Theater Special Events Fund	(20,237)	(37,772)	(41,001)	(56,456)
Ellen Trout Zoo Fund	1,617,153	1,391,440	1,535,609	1,597,825
Court Security/Technology Fund	20,851	43,391	33,331	61,066
Main Street/Comm Dev Dwntrwn	34,608	36,141	28,844	27,204
Animal Control- Kurth Grant Fund	57,919	12,862	48,394	13,894
Animals Attic Gift Shop Fund	43,480	21,474	47,222	62,622
General Obligation Debt				
Service Fund	1,828,093	1,769,109	1,802,777	1,978,912
Equipment Acquisition & Repl Fund	7,453,227	6,910,410	7,060,617	7,077,494
Sub-Total Operating Funds	<u>\$ 30,609,871</u>	<u>\$ 28,645,151</u>	<u>\$ 30,398,963</u>	<u>\$ 29,713,606</u>
Economic Development Fund	8,455,055	8,237,062	8,239,838	7,903,204
Lufkin Convention & Visitor Bureau	310,424	160,073	340,403	340,351
Total Ending Balances	<u>39,375,350</u>	<u>37,042,286</u>	<u>38,979,204</u>	<u>37,957,161</u>
Total Funds Applied	<u>\$109,261,707</u>	<u>\$ 98,526,888</u>	<u>\$100,647,578</u>	<u>\$101,316,333</u>

CITY OF LUFKIN
SUMMARY OF MAJOR REVENUES AND EXPENDITURES
Fiscal Year 2019 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	\$ 13,389,174	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ad valorem taxes	7,813,563	-	-	-	-	-	-	-
Other Taxes	100,000	-	-	975,000	-	-	-	-
Franchise taxes	2,316,000	-	-	-	-	-	-	-
Water/ Wastewater revenue	-	17,791,535	-	-	-	-	-	-
Solid Waste revenue	-	-	6,746,000	-	-	-	-	-
Licenses & permits	345,525	-	-	-	-	-	-	-
Charges for service	2,673,690	-	-	3,351	435,210	114,013	325,720	-
Use Fees	-	-	-	140,000	-	30,000	-	-
Fines & forfeitures	1,089,575	-	-	-	-	-	-	35,000
LCVB event revenue	-	-	-	-	-	-	-	-
Equipment Charges	-	-	-	-	-	-	-	-
Miscellaneous revenue	372,016	-	-	60,000	1,020	2,002	7,075	-
Interest Revenue	100,000	23,500	38,000	400	1,000	25	14,000	100
Sub-Total	\$ 28,199,543	\$ 17,815,035	\$ 6,784,000	\$ 1,178,751	\$ 437,230	\$ 146,040	\$ 346,795	\$ 35,100
Other Financing Source								
Transfers	378,368	-	-	-	-	-	-	-
General & Administrative	4,879,698	131,408	-	-	-	-	-	-
Total Financing Sources	5,258,066	131,408	-	-	-	-	-	-
Estimated Available Resources	33,457,609	17,946,443	6,784,000	1,178,751	437,230	146,040	346,795	35,100
Estimated Expenditures								
Personnel services	25,883,644	3,819,623	1,599,916	355,818	48,002	-	-	-
Supplies	1,573,654	976,466	455,018	31,686	119,720	13,700	117,680	3,240
Equipment maintenance	1,938,498	1,306,387	322,886	24,500	19,700	3,570	101,500	1,415
Miscellaneous services	4,309,874	3,062,961	2,116,121	179,207	190,270	144,225	36,800	2,710
Sundry charges	147,650	2,229,977	35,000	579,000	-	-	-	-
Transfers	165,000	-	-	-	-	-	-	-
Debt service	51,083	-	-	-	-	-	-	-
Capital outlay	-	-	50,000	-	-	-	-	-
Total Operating Expenditures	34,069,403	11,395,414	4,578,941	1,170,211	377,692	161,495	255,980	7,365
Other Financing Use								
Transfers	78,580	3,859,552	154,200	-	59,769	-	28,599	-
Intra-governmental	-	2,788,422	2,203,974	-	-	-	-	-
Total Other Financing Uses	78,580	6,647,974	2,358,174	-	59,769	-	28,599	-
Estimated Change in Fund Balance	(690,374)	(96,945)	(153,115)	8,540	(231)	(15,455)	62,216	27,735
Estimated Fund Balance - Beginning	10,272,510	4,427,996	5,028,212	44,953	109,499	(41,001)	1,535,609	33,331
Estimated Fund Balance - Ending	9,582,136	4,331,051	4,875,097	53,493	109,268	(56,456)	1,597,825	61,066

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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,217,198	\$ -	\$ 14,606,372
-	-	-	3,092,261	-	-	-	10,905,824
-	-	-	-	-	-	-	1,075,000
-	-	-	-	-	-	-	2,316,000
-	-	-	-	-	-	-	17,791,535
-	-	-	-	-	-	-	6,746,000
-	-	-	-	-	-	-	345,525
-	-	-	-	-	-	-	3,551,984
-	-	-	-	-	-	-	170,000
-	-	-	-	-	-	-	1,124,575
-	-	-	-	-	-	32,200	32,200
-	-	-	-	2,071,431	-	-	2,071,431
17,560	95,000	15,000	-	-	443,035	352,000	1,364,708
250	500	400	25,000	14,000	14,000	2,800	233,975
\$ 17,810	\$ 95,500	\$ 15,400	\$ 3,117,261	\$ 2,085,431	\$ 1,674,233	\$ 387,000	\$ 62,335,129
-	-	-	3,813,752	-	-	78,580	4,270,700
-	-	-	-	-	-	-	5,011,106
-	-	-	3,813,752	-	-	78,580	9,281,806
17,810	95,500	15,400	6,931,013	2,085,431	1,674,233	465,580	71,616,935
-	-	-	-	-	202,760	251,251	32,161,014
5,450	-	-	-	-	8,752	8,106	3,313,472
14,000	40,000	-	-	-	-	-	3,772,456
-	-	-	-	12,420	250,719	203,475	10,508,782
-	-	-	-	-	1,343,250	-	4,334,877
-	-	-	-	-	-	-	165,000
-	-	-	6,756,878	-	189,476	-	6,997,437
-	-	-	-	2,056,134	-	-	2,106,134
19,450	40,000	-	6,756,878	2,068,554	1,994,957	462,832	63,359,172
-	90,000	-	-	-	-	-	4,270,700
-	-	-	-	-	15,910	2,800	5,011,106
-	90,000	-	-	-	15,910	2,800	9,281,806
(1,640)	(34,500)	15,400	174,135	16,877	(336,634)	(52)	(1,024,043)
28,844	48,394	47,222	1,802,777	7,060,617	8,239,838	340,403	38,979,204
27,204	13,894	62,622	1,976,912	7,077,494	7,903,204	340,351	37,955,161

CITY OF LUFKIN
GENERAL FUND SUMMARY
Fiscal Year 2019 Operating Budget

	FY2017	FY2018	FY2018	FY2019
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 10,480,400	\$ 10,442,610	\$ 10,442,617	\$ 10,272,510
Revenues				
Taxes	20,943,839	20,833,244	21,088,248	21,302,737
Franchise taxes	2,359,118	2,330,000	2,274,713	2,316,000
Licenses & permits	330,141	245,700	353,905	345,525
Charges for service	2,765,940	2,674,050	2,672,780	2,673,690
Fines & forfeitures	1,107,146	1,096,175	1,105,020	1,089,575
Miscellaneous revenue	462,813	367,860	453,691	472,016
Inter-governmental revenue	129,789	-	71,019	-
Sub-Total	28,098,786	27,547,029	28,019,376	28,199,543
Intra-governmental revenue	5,403,610	5,160,989	5,203,527	5,258,066
Total Revenues & Transfers	33,502,396	32,708,018	33,222,903	33,457,609
Total Funds Available	\$ 43,982,796	\$ 43,150,628	\$ 43,665,520	\$ 43,730,119
Expenditures				
Personnel services	\$ 25,461,526	\$ 24,962,692	\$ 24,899,421	\$ 25,883,644
Supplies	1,565,105	1,614,276	1,656,158	1,573,654
Equipment maintenance	2,174,132	1,984,741	2,046,974	1,938,498
Miscellaneous services	3,897,652	4,243,186	4,182,656	4,309,874
Sundry charges	144,362	145,750	146,863	147,650
Debt service	-	90,882	90,882	51,083
Transfers out	297,409	370,056	370,056	243,580
Capital outlay	-	-	-	-
Total Operating Expenditures	33,540,186	33,411,583	33,393,010	34,147,983
Excess(deficiency) of revenues over expenditures	(37,790)	(703,565)	(170,107)	(690,374)
Fund balance ending	10,442,610	9,739,045	10,272,510	9,582,136
Total Funds Applied	\$ 43,982,796	\$ 43,150,628	\$ 43,665,520	\$ 43,730,119
General government	\$ 3,980,285	\$ 4,210,354	\$ 4,217,122	\$ 4,023,704
Public safety	19,531,371	19,187,059	19,392,908	18,970,061
Public works	5,221,263	4,930,485	4,970,850	5,724,116
Culture and recreation	3,919,926	3,908,445	3,903,498	4,073,139
Community development	429,173	254,527	210,489	-
Non departmental	237,879	550,657	328,087	1,113,383
Transfers	220,289	370,056	370,056	243,580
Total Departmental Expenditures	33,540,186	33,411,583	33,393,010	34,147,983
Excess(deficiency) of revenues over expenditures	(37,790)	(703,565)	(170,107)	(690,374)
Fund balance ending	10,442,610	9,739,045	10,272,510	9,582,136
Total Funds Applied	\$ 43,982,796	\$ 43,150,628	\$ 43,665,520	\$ 43,730,119
Fund balance requirements	8,385,047	8,352,896	8,352,896	8,536,996
Amount over Policy	\$ 2,057,564	\$ 1,386,149	\$ 1,919,614	\$ 1,045,140

CITY OF LUFKIN
GENERAL FUND
REVENUE BY SOURCE
Fiscal Year 2019 Operating Budget

SOURCE OF REVENUE	FY2017	FY2018	FY2018	FY2019
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Taxes				
Ad Valorem - current year	\$ 7,486,922	\$ 7,452,400	\$ 7,452,400	\$ 7,603,563
Ad Valorem - prior year	135,778	120,000	120,000	120,000
Penalty & interest	94,806	95,000	70,000	90,000
Sales taxes	14,323,266	14,259,124	14,560,634	14,606,372
Economic development trf	(1,193,606)	(1,188,260)	(1,213,386)	(1,217,198)
Mixed beverage taxes	95,331	93,880	97,500	99,000
Taxicab tax	1,342	1,100	1,100	1,000
Total Taxes	20,943,839	20,833,244	21,088,248	21,302,737
Franchise Taxes				
Electric franchise taxes	1,448,539	\$ 1,450,000	\$ 1,409,165	\$ 1,450,000
Gas franchise taxes	241,477	235,000	245,000	245,000
Cable franchise taxes	264,579	270,000	265,548	266,000
Communications franchise taxes	270,109	264,500	250,000	250,000
Other	134,414	110,500	105,000	105,000
Total Franchise Taxes	2,359,118	2,330,000	2,274,713	2,316,000
Licenses & Permits				
Building permits & inspect. fees	207,785	\$ 130,000	\$ 240,000	\$ 230,000
Plumbing permits & inspect. fees	14,673	13,000	13,000	13,000
Electrical permits & inspect. fees	18,477	15,000	15,000	15,000
Heat/Vent permits & inspect. fees	16,441	17,000	17,000	17,000
Other permits	66,692	67,025	66,725	66,825
Other licenses	6,073	3,675	2,180	3,700
Total Licenses & Permits	330,141	245,700	353,905	345,525
Charges for Service				
EMS ambulance fees	2,481,575	2,400,000	2,400,000	2,400,000
County EMS/ambulance fees	240,695	237,000	240,695	240,965
Miscellaneous charges-EMS	6,149	6,500	4,000	4,400
Miscellaneous charges-Other	37,521	30,550	28,085	28,325
Total Charges for Services	2,765,940	2,674,050	2,672,780	2,673,690
Fines & Forfeitures				
Court fines	837,871	816,000	834,970	819,500
Parking meter fines	115	175	50	75
Red light fines	269,160	280,000	270,000	270,000
Total Fines & Forfeitures	1,107,146	1,096,175	1,105,020	1,089,575
Miscellaneous Revenues				
Parks	23,371	29,500	25,000	26,000
Library	16,753	23,000	18,000	18,000
Zoo	103,147	103,000	104,029	103,000
Animal shelter fees	72,751	66,900	61,473	66,173
Sale of Property	44,768	-	4,750	-
Salvage & auction	25,591	-	-	-

CITY OF LUFKIN
GENERAL FUND
REVENUE BY SOURCE
Fiscal Year 2019 Operating Budget

SOURCE OF REVENUE	FY2017 <u>Actual</u>	FY2018 <u>Budget</u>	FY2018 <u>Adjusted</u>	FY2019 <u>Budget</u>
Miscellaneous Revenues-continued				
Zone changes	2,700	2,000	1,500	1,500
Rent on city property	25,260	25,260	25,260	25,260
Salary reimbursement	11,632	10,000	-	-
Miscellaneous	55,585	48,200	123,679	132,083
Prior Year Refunds	(17,801)	-	-	-
Interest income	99,056	60,000	90,000	100,000
Total Miscellaneous Revenues	462,813	367,860	453,691	472,016
Inter-Governmental Grant Revenue				
Federal/State Grant Rev.	-	-	-	-
TCLEOSE Grant-Police	5,149	-	5,104	-
TSAH Reg Advise Council	-	-	-	-
Bulletproof Vest Partnership Grant	5,313	-	6,070	-
TCLEOSE Grant-Fire	918	-	911	-
Justice Assist Grants	-	-	-	-
ICAC Atty General Grant	-	-	-	-
TIFMAS Grant Asst Program	47,224	-	1,875	-
Cannabis Removal Grant	-	-	-	-
Cinco De Mayo Contrib	1,000	-	1,000	-
Georgia Pacific Contrib	8,000	-	-	-
DETRAC	13,667	-	-	-
TLL Temple Foundation	-	-	-	-
Other Contributions	48,518	-	56,059	-
Total Inter-Governmental Revenue	129,789	-	71,019	-
Intra-Governmental Revenues				
Transfers	1,173,761	378,368	420,906	378,368
General & administrative	4,229,849	4,782,621	4,782,621	4,879,698
Total Intra-Governmental Revenues	5,403,610	5,160,989	5,203,527	5,258,066
TOTAL REVENUE SOURCES	\$ 33,502,396	\$ 32,708,018	\$ 33,222,903	\$ 33,457,609

CITY OF LUFKIN
GENERAL FUND
EXPENDITURES BY DEPARTMENT
Fiscal Year 2019 Operating Budget

Department	FY2017 <u>Actual</u>	FY2018 <u>Budget</u>	FY2018 <u>Adjusted</u>	FY2019 <u>Budget</u>
General government	\$ 350,787	\$ 369,381	\$ 361,478	\$ 366,494
City Administration	522,791	532,788	719,308	683,899
Finance	755,356	782,361	777,996	787,244
Legal	293,206	308,088	119,446	120,327
Tax	205,500	221,370	221,370	221,370
Human resources	443,104	450,175	442,571	428,617
Building Services	290,536	325,676	371,185	317,491
City Marshall	80,408	86,644	86,492	82,029
Information technology	1,119,005	1,133,871	1,117,276	1,016,233
Police	9,592,472	9,357,382	9,556,857	9,569,311
Municipal court	446,280	435,307	408,160	395,328
Fire	8,063,501	8,048,542	8,097,746	8,217,198
Inspection services	553,929	553,756	532,382	-
Emergency Management	46,220	49,855	49,610	51,755
Animal control	748,561	742,217	748,153	736,469
Parks	1,681,939	1,760,845	1,727,657	1,793,790
Zoo	1,585,132	1,481,244	1,517,141	1,612,617
Library	652,855	666,356	658,700	666,732
Fleet services	383,464	410,926	478,543	500,545
Engineering	766,566	652,715	641,718	1,412,828
Streets	4,071,233	3,866,844	3,850,589	3,810,743
Planning	243,877	254,527	210,489	-
Main street	185,296	-	-	-
Non-departmental	237,879	550,657	328,087	1,113,383
Interfund Transfers	-	78,580	78,580	78,580
Transfers out	220,289	291,476	291,476	165,000
Total Departmental Expenditures	\$ 33,540,186	\$ 33,411,583	\$ 33,393,010	\$ 34,147,983
Excess(deficiency) of revenues over expenditures	(37,790)	(703,565)	(170,107)	(690,374)
Fund balance ending	10,442,610	9,739,045	10,272,510	9,582,136
Total Funds Applied	\$ 43,982,796	\$ 43,150,628	\$ 43,665,520	\$ 43,730,119
Fund balance requirements	8,385,047	8,352,896	8,352,896	8,536,996
Amount over policy	\$ 2,057,564	\$ 1,386,149	\$ 1,919,614	\$ 1,045,140

CITY OF LUFKIN
WATER/ WASTEWATER OPERATING ENTERPRISE FUND
Fiscal Year 2019 Operating Budget

	FY2017	FY2018	FY2018	FY2019
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Working Capital Balance	\$ 4,122,911	\$ 3,992,446	\$ 3,858,741	\$ 4,427,996
Revenues				
Water service revenue	8,733,836	9,245,000	9,398,635	9,398,635
Sewer service charges	7,548,471	7,720,000	8,040,000	8,040,000
Sub-Total	16,282,307	16,965,000	17,438,635	17,438,635
Water connections	87,497	75,000	75,000	75,000
Sewer connections	22,173	22,000	22,000	22,000
Service charges	215,285	180,000	235,000	230,000
Miscellaneous revenues	97,801	23,300	12,500	25,900
Interest income	29,957	17,000	21,000	23,500
Sub-Total	452,713	317,300	365,500	376,400
Inter/Intra-governmental revenues	123,572	129,186	129,186	131,408
Total Revenues	16,858,592	17,411,486	17,933,321	17,946,443
Total Funds Available	<u>\$ 20,981,503</u>	<u>\$ 21,403,932</u>	<u>\$ 21,792,062</u>	<u>\$ 22,374,439</u>
Expenditures				
Personnel services	\$ 3,155,476	\$ 3,770,596	\$ 3,565,124	\$ 3,819,623
Supplies	907,541	966,235	961,481	976,466
Equipment maintenance	1,251,328	1,259,685	1,297,625	1,306,387
Miscellaneous services	2,810,943	2,871,798	2,879,943	3,062,961
Sundry charges	19,833	-	-	-
General and administrative	2,440,991	2,641,151	2,641,151	2,788,422
Funded depreciation	2,110,278	2,107,905	2,107,905	2,079,977
Provision for bad debts	82,849	150,000	150,000	150,000
Capital outlay	-	13,000	43,993	-
Intra-governmental transfers	565,518	100,000	162,500	100,000
Loss on Disposal Fixed Assets				
Transfers to debt retirement	3,778,005	3,546,645	3,554,344	3,759,552
Total	17,122,762	17,427,015	17,364,066	18,043,388
Change in Net Position	(264,170)	(15,529)	569,255	(96,945)
Working capital balance ending	3,858,741	3,976,917	4,427,996	4,331,051
Total Funds Applied	<u>\$ 20,981,503</u>	<u>\$ 21,403,932</u>	<u>\$ 21,792,062</u>	<u>\$ 22,374,439</u>

CITY OF LUFKIN
WATER/ WASTEWATER OPERATING ENTERPRISE FUND
Fiscal Year 2019 Operating Budget

Expenditures by Department	FY2017 <u>Actual</u>	FY2018 <u>Budget</u>	FY2018 <u>Adjusted</u>	FY2019 <u>Budget</u>
Utility collections	\$ 765,127	\$ 861,239	\$ 877,522	\$ 876,054
Wastewater treatment	2,011,368	2,145,001	2,095,127	2,176,910
Water production	1,927,849	2,090,730	2,088,345	2,106,821
Water / Sewer Utilities	3,109,148	3,484,415	3,380,068	3,614,147
Provision for bad debts	82,849	150,000	150,000	150,000
Non-departmental	331,629	299,929	314,803	391,505
Total Departmental Expenditures	8,227,970	9,031,314	8,905,865	9,315,437
Funded depreciation	2,110,278	2,107,905	2,107,905	2,079,977
General and administrative	2,440,991	2,641,151	2,641,151	2,788,422
Intra-governmental transfers	565,518	100,000	162,500	100,000
Transfers to debt retirement	3,778,005	3,546,645	3,546,645	3,759,552
Total Intra-Governmental Transfers	8,894,792	8,395,701	8,458,201	8,727,951
Total Expenditures	17,122,762	17,427,015	17,364,066	18,043,388
Excess(deficiency) of revenues over expenditures	(264,170)	(15,529)	569,255	(96,945)
Working capital balance ending	3,858,741	3,976,917	4,427,996	4,331,051
Total Funds Applied	\$ 20,981,503	\$ 21,403,932	\$ 21,792,062	\$ 22,374,439
Working capital balance requirement	2,140,345	2,178,377	2,178,377	2,255,424
Amount over policy	\$ 1,718,396	\$ 1,798,540	\$ 2,249,619	\$ 2,075,628

CITY OF LUFKIN
WATER/ WASTEWATER DEPRECIATION FUND
Fiscal Year 2019 Operating Budget

Depreciation Fund Requests

I	Description	Amount
General Government	Installation of 2 Fixed Read Ant.	22,230
General Government	Water Rate Study FY19	60,000
Public Safety	LifePak	32,915
Public Safety	Lucas Device	15,755
Public Safety	Move TR Tower to Armory	32,500
Public Safety	SCBA & Air Mask Pur FY19	263,598
Parks & Recreation	Top Dresser for Fields	13,500
Park & Recreation	Kiwanis Park Water Ft (3)	9,000
Convention Center	Carpet Cleaner Convention Center	15,000
Water/Wastewater Treatment	Zero Turn Mower WWTP	10,000
Water/Wastewater Treatment	Resurface Floor Admin Bldg	20,000
Water/Wastewater Treatment	Auto Sampler Final Effluen	6,800
Water Utilities	Meter Replacements	195,000
Water Utilities	Palm Harbor Line Repl	5,400
Water Utilities	Forest Pk Line Replacement	22,000
Water Utilities	Joplin Line Replacement	5,000
Water Utilities	Freezer for Sock Liners	25,000
Water Utilities	Air Compressor Sock Liners	55,000
Water Utilities	Sandblast & Paint GST#1	20,000
Water Utilities	Sandblast & Paint GST#2	28,000
Water Utilities	Water Well#3 Rehab FY19	242,000
Total		\$ 1,098,698

CITY OF LUFKIN
SOLID WASTE & RECYCLING OPERATING ENTERPRISE FUND
Fiscal 2019 Operating Budget

	FY2017	FY2018	FY2018	FY2019
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Working Capital Balance	\$ 5,073,271	\$ 4,894,700	\$ 5,133,061	\$ 5,028,212
Revenues				
Residential collections	2,108,699	2,284,000	2,235,000	2,235,000
Dumpster collections	2,420,594	2,350,000	2,400,000	2,400,000
Cart collections	253,138	240,000	240,000	240,000
Rolloff non-compacted	692,495	750,000	760,000	760,000
Rolloff compacted	440,089	420,000	420,000	420,000
Special pickups	50,792	40,000	40,000	40,000
Rent recycling dumpsters	126,685	110,000	115,000	115,000
Sale of recycled materials	446,996	350,000	400,000	400,000
Dumpster rental	119,880	115,000	115,000	115,000
Miscellaneous income	33,918	24,500	27,226	21,000
Interest income	50,608	22,000	35,000	38,000
Sale of property	-	-	-	-
Salvage & Auction	-	-	-	-
Total revenues	6,743,894	6,705,500	6,787,226	6,784,000
Total Funds Available	\$ 11,817,165	\$ 11,600,200	\$ 11,920,287	\$ 11,812,212
Expenditures				
Personnel services	\$ 1,572,544	\$ 1,537,179	\$ 1,544,626	\$ 1,599,916
Supplies	358,601	438,900	438,768	455,018
Equipment maintenance	319,077	310,250	333,000	322,886
Miscellaneous services	2,034,989	1,935,820	1,976,807	2,116,121
Sundry charges	144,234	-	-	50,000
Total operating expenditures	4,429,445	4,222,149	4,293,201	4,543,941
General and administrative	1,899,140	2,252,636	2,252,636	2,203,974
Provision for bad debts	47,119	35,000	35,000	35,000
Transfers to other funds	250,000	150,000	255,038	100,000
Transfers to debt retirement	58,400	56,200	56,200	54,200
Total expenditures	6,684,104	6,715,985	6,892,075	6,937,115
Excess(deficiency) of revenues over expenditures	59,790	(10,485)	(104,849)	(153,115)
Ending working capital	5,133,061	4,884,215	5,028,212	4,875,097
Total Funds Applied	\$ 11,817,165	\$ 11,600,200	\$ 11,920,287	\$ 11,812,212

CITY OF LUFKIN
SOLID WASTE & RECYCLING OPERATING ENTERPRISE FUND
Fiscal 2019 Operating Budget

	FY2017	FY2018	FY2018	FY2019
Departmental Expenditures	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Solid waste disposal department	\$ 3,799,315	\$ 3,646,288	\$ 3,700,016	\$ 3,848,561
Recycling department	476,096	556,751	526,589	546,987
Non-departmental	154,034	19,110	66,596	148,393
Total departmental expenditures	4,429,445	4,222,149	4,293,201	4,543,941
Transfers to other funds	250,000	150,000	255,038	100,000
General and administrative	1,899,140	2,252,636	2,252,636	2,203,974
Provision for bad debts	47,119	35,000	35,000	35,000
Sub-Total	2,196,259	2,437,636	2,542,674	2,338,974
Transfers to debt retirement	58,400	56,200	56,200	54,200
Total expenditures	6,684,104	6,715,985	6,892,075	6,937,115
Excess(deficiency) of revenues over expenditures	59,790	(10,485)	(104,849)	(153,115)
Ending working capital	5,133,061	4,884,215	5,028,212	4,875,097
Total Funds Applied	\$ 11,817,165	\$ 11,600,200	\$ 11,920,287	\$ 11,812,212
Working capital balance requirement	824,068	839,498	839,498	867,139
Amount over policy	\$ 4,308,993	\$ 4,044,717	\$ 4,188,714	\$ 4,007,958

CITY OF LUFKIN
HOTEL/MOTEL TAX FUND
Fiscal 2019 Operating Budget

	FY2017 <u>Actual</u>	FY2018 <u>Budget</u>	FY2018 <u>Adjusted</u>	FY2019 <u>Budget</u>
Beginning Balance	\$ (15,584)	\$ (187,635)	\$ 45,805	\$ 44,953
Revenues				
Hotel/Motel occupancy tax	971,576	950,000	965,000	975,000
Other revenues & fees	2,432	1,500	1,581	2,351
Use Fees	144,722	140,000	130,000	140,000
Concessions	922	1,500	400	1,000
Miscellaneous revenues	866	-	83	-
Equipment replacement charges	6,000	8,000	8,000	8,000
Security fees	10,125	15,000	12,000	12,000
Alcoholic Beverage sales	38,972	40,000	40,000	40,000
Pines Theater Concessions	-	-	-	-
Pines Theater Admissions/Ticket Sales	-	-	-	-
Transfers	100,000	50,000	50,000	-
Interest income	217	200	375	400
Total Revenues	1,275,832	1,206,200	1,207,439	1,178,751
Total Funds Available	\$ 1,260,248	\$ 1,018,565	\$ 1,253,244	\$ 1,223,704
Expenditures				
Personnel services	\$ 341,536	\$ 349,514	\$ 342,358	\$ 355,818
Supplies	26,054	35,100	31,486	31,686
Equipment maintenance	19,112	24,500	35,500	24,500
Miscellaneous services	190,365	184,447	179,947	179,207
Sundry charges	637,376	619,000	619,000	579,000
Capital outlay	-	-	-	-
Transfers to other funds	-	-	-	-
Total Departmental Expenditures	1,214,443	1,212,561	1,208,291	1,170,211
Excess(deficiency) of revenues over expenditures	61,389	(6,361)	(852)	8,540
Fund balance ending	45,805	(193,996)	44,953	53,493
Total Funds Applied	\$1,260,248	\$1,018,565	\$1,253,244	\$1,223,704
Expenditures by Department				
Civic Center	\$ 572,581	\$ 587,431	\$ 583,948	\$ 579,107
Museum of East Texas	52,500	52,500	52,500	50,000
Exposition Center	139,032	130,000	130,000	135,000
Texas Forestry Museum	37,500	37,500	37,500	35,000
Lufkin Convention & Tourism Bureau	408,344	399,000	399,000	349,000
Angelina Arts Alliance	-	-	-	10,000
Non-departmental	4,486	6,130	5,343	12,104
Total Departmental Expenditures	1,214,443	1,212,561	1,208,291	1,170,211
Excess(deficiency) of revenues over expenditures	61,389	(6,361)	(852)	8,540
Fund balance ending	45,805	(193,996)	44,953	53,493
Total Funds Applied	\$ 1,260,248	\$ 1,018,565	\$ 1,253,244	\$ 1,223,704
Fund balance requirement	151,805	151,570	151,570	146,276
Amount over policy	\$ (106,000)	\$ (345,566)	\$ (106,617)	\$ (92,783)

**CITY OF LUFKIN
RECREATION FUND
Fiscal 2019 Operating Budget**

	FY2017 Actual	FY2018 Budget	FY2018 Adjusted	FY2019 Budget
Beginning Balance	\$ 92,767	\$ 91,306	\$ 94,560	\$ 109,499
Revenues				
Recreation Classes	18,892	20,440	32,000	35,240
Softball	144,376	135,000	142,000	136,470
Volleyball	18	4,995	4,995	8,140
Basketball	28,366	28,925	22,140	27,300
Gymnastics	25,883	34,800	20,000	20,510
Football	-	7,800	7,800	-
Special events	4,610	6,500	11,500	7,500
Miscellaneous income	(6)	2,000	1,070	1,020
Baseball	57,320	74,410	64,000	65,050
Concessions	129,324	135,000	135,000	135,000
Contributions	4,500	7,000	9,000	-
Interest income	945	600	900	1,000
Total Revenues	414,228	457,470	450,405	437,230
Total Funds Available	\$ 506,995	\$ 548,776	\$ 544,965	\$ 546,729

Expenditures				
Personnel services	\$ 45,036	\$ 48,002	\$ 48,002	\$ 48,002
Supplies	111,187	122,915	124,725	119,720
Equipment maintenance	13,270	19,650	17,750	19,700
Miscellaneous services	182,172	206,525	185,220	190,270
Capital outlay	-	-	-	-
Sundry Charges	1,000	-	-	-
Transfers	59,770	59,769	59,769	59,769
Total Expenditures	412,435	456,861	435,466	437,461
Excess(deficiency) of revenues over expenditures	1,793	609	14,939	(231)
Fund balance ending	94,560	91,915	109,499	109,268
Total Funds Applied	\$ 506,995	\$ 548,776	\$ 544,965	\$ 546,729

	FY2017 Actual	FY2018 Budget	FY2018 Adjusted	FY2019 Budget
Expenditures by Activity				
Softball	\$ 118,257	\$ 129,800	\$ 130,250	\$ 123,600
Volleyball	-	3,670	3,670	7,500
Basketball	20,520	23,270	20,000	23,700
Football	-	6,320	0	0
Gymnastics	23,626	28,645	18,025	17,945
Special events	6,989	4,750	7,775	5,100
Recreation classes	20,142	20,025	27,425	28,625
Baseball	57,627	69,310	57,250	59,920
Concessions	105,505	111,302	111,302	111,302
Transfers	59,769	59,769	59,769	59,769
Total Departmental Expenditures	412,435	456,861	435,466	437,461
Excess(deficiency) of revenues over expenditures	1,793	609	14,939	(231)
Fund balance ending	94,560	91,915	109,499	109,268
Total Funds Applied	\$ 506,995	\$ 548,776	\$ 544,965	\$ 546,729
Policy reserve	51,554	57,108	57,108	54,683
Amount over policy	\$ 43,006	\$ 34,807	\$ 52,391	\$ 54,585

CITY OF LUFKIN
PINES THEATER SPECIAL EVENTS FUND
Fiscal 2019 Operating Budget

	<u>FY2017</u> <u>Actual</u>	<u>FY2018</u> <u>Budget</u>	<u>FY2018</u> <u>Adjusted</u>	<u>FY2019</u> <u>Budget</u>
Beginning Balance	\$ (14,887)	\$ (16,400)	\$ (20,237)	\$ (41,001)
Revenues				
Contributions	1,757	2,300	2,307	2,000
Concessions	12,928	15,000	15,000	15,000
Use Fees	24,896	29,000	29,000	30,000
Playbill Ads	12,325	14,000	8,925	12,500
Alcoholic Beverage Sales	2,150	2,500	2,500	2,500
Miscellaneous	3,760	150	-	2
Admissions/ Ticket Sales	81,853	88,013	89,000	84,013
Interest income	-	-	-	25
Total Revenues	139,669	150,963	146,732	146,040
Total Funds Available	\$ 124,782	\$ 134,563	\$ 126,495	\$ 105,039

Expenditures				
Supplies	\$ 12,414	\$ 16,625	\$ 13,700	\$ 13,700
Equipment maintenance	4,426	3,570	3,570	3,570
Miscellaneous services	128,179	152,140	150,226	144,225
Total Expenditures	145,019	172,335	167,496	161,495
Excess(deficiency) of revenues over expenditures	(5,350)	(21,372)	(20,764)	(15,455)
Fund balance ending	(20,237)	(37,772)	(41,001)	(56,456)
Total Funds Applied	\$ 124,782	\$ 134,563	\$ 126,495	\$ 105,039

	<u>FY2017</u> <u>Actual</u>	<u>FY2018</u> <u>Budget</u>	<u>FY2018</u> <u>Adjusted</u>	<u>FY2019</u> <u>Budget</u>
Expenditures by Activity				
Special Events	\$ 145,019	\$ 172,335	\$ 167,496	\$ 161,495
Total Departmental Expenditures	145,019	172,335	167,496	161,495
Excess(deficiency) of revenues over expenditures	(5,350)	(21,372)	(20,764)	(15,455)
Fund balance ending	(20,237)	(37,772)	(41,001)	(56,456)
Total Funds Applied	\$ 124,782	\$ 134,563	\$ 126,495	\$ 105,039

CITY OF LUFKIN
ELLEN TROUT ZOO BUILDING FUND
Fiscal 2019 Operating Budget

	<u>FY2017</u> <u>Actual</u>	<u>FY2018</u> <u>Budget</u>	<u>FY2018</u> <u>Adjusted</u>	<u>FY2019</u> <u>Budget</u>
Beginning Balance	\$ 1,418,823	\$ 1,336,529	\$ 1,617,153	\$ 1,535,609
Revenues				
Admission fees	332,167	300,000	300,000	300,000
Safari classes	25,472	26,110	23,160	25,720
Miscellaneous revenues	672	1,000	105	1,055
Donations	450	1,000	100	1,320
Sale of animals	195	1,000	10	2,340
Animal adoption donations	1,715	1,000	2,230	2,360
Interest income	12,206	8,000	12,500	14,000
Total Revenues	372,877	338,110	338,105	346,795
Total Funds Available	<u>\$ 1,791,700</u>	<u>\$ 1,674,639</u>	<u>\$ 1,955,258</u>	<u>\$ 1,882,404</u>
Expenditures				
Supplies	\$ 48,918	\$ 84,400	\$ 126,000	\$ 117,680
Equipment maintenance	57,140	135,400	194,000	101,500
Miscellaneous services	39,890	34,800	71,050	36,800
Capital Outlay	-	-	-	-
Transfers out	28,599	28,599	28,599	28,599
Total Expenditures	174,547	283,199	419,649	284,579
Excess(deficiency) of revenues over expenditures	198,330	54,911	(81,544)	62,216
Fund balance ending	1,617,153	1,391,440	1,535,609	1,597,825
Total Funds Applied	<u>\$ 1,791,700</u>	<u>\$ 1,674,639</u>	<u>\$ 1,955,258</u>	<u>\$ 1,882,404</u>

CITY OF LUFKIN
COURT SECURITY/TECHNOLOGY FUND
Fiscal 2019 Operating Budget

	FY2017	FY2018	FY2018	FY2019
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 14,213	\$ 28,901	\$ 20,851	\$ 33,331
Revenues				
Other	28,073	40,000	35,000	35,000
General Fund Transfer	-	-	-	-
Interest income	17	-	100	100
Total Revenues	28,090	40,000	35,100	35,100
Total Funds Available	<u>\$ 42,303</u>	<u>\$ 68,901</u>	<u>\$ 55,951</u>	<u>\$ 68,431</u>
Expenditures				
Supplies	\$ 2,182	\$ 5,460	\$ 3,740	\$ 3,240
Equipment maintenance	16,301	17,340	17,250	1,415
Miscellaneous services	2,969	2,710	1,630	2,710
Transfer to general fund	-	-	-	-
Total Expenditures	21,452	25,510	22,620	7,365
Excess(deficiency) of revenues over expenditures	6,638	14,490	12,480	27,735
Fund balance ending	20,851	43,391	33,331	61,066
Total Funds Applied	<u>\$ 42,303</u>	<u>\$ 68,901</u>	<u>\$ 55,951</u>	<u>\$ 68,431</u>
Technology Fund				
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ (17,683)	\$ (1,161)	\$ (17,823)	\$ (14,673)
Revenues	16,061	23,000	20,050	20,050
Expenditures	16,201	16,990	16,900	1,065
Excess(deficiency) of revenues over expenditures	(140)	6,010	3,150	18,985
Fund balance ending	(17,823)	4,849	(14,673)	4,312
Security Fund				
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 31,895	\$ (38,553)	\$ 38,672	\$ 48,002
Revenues	12,028	17,000	15,050	15,050
Expenditures	5,251	8,520	5,720	6,300
Excess(deficiency) of revenues over expenditures	6,777	8,480	9,330	8,750
Fund balance ending	38,672	(30,073)	48,002	56,752
Total Funds Applied	<u>\$ 42,301</u>	<u>\$ 286</u>	<u>\$ 55,949</u>	<u>\$ 68,429</u>

CITY OF LUFKIN
Main Street/Comm Dev. Downtown Impr
Fiscal 2019 Operating Budget

	FY2017	FY2018	FY2018	FY2019
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 27,933	\$ 32,946	\$ 34,608	\$ 28,844
Revenues				
Other	-	-	-	-
Contributions	75	-	55	60
Hoedown Booth Rental	14,293	14,850	6,800	10,000
Mainstreet Memberships	6,675	7,675	4,000	5,000
Market Days	2,745	-	2,500	2,500
Interest income	213	120	225	250
Total Revenues	24,001	22,645	13,580	17,810
Total Funds Available	<u>\$ 51,934</u>	<u>\$ 55,591</u>	<u>\$ 48,188</u>	<u>\$ 46,654</u>
Expenditures				
Supplies	\$ 4,818	\$ 5,450	\$ 5,873	\$ 5,450
Miscellaneous services	12,508	14,000	13,471	14,000
Total Expenditures and transfers	17,326	19,450	19,344	19,450
Excess(deficiency) of revenues over expenditures	6,675	3,195	(5,764)	(1,640)
Fund balance ending	34,608	36,141	28,844	27,204
Total Funds Applied	<u>\$ 51,934</u>	<u>\$ 55,591</u>	<u>\$ 48,188</u>	<u>\$ 46,654</u>

CITY OF LUFKIN
ANIMAL CONTROL-KURTH GRANT FUND
Fiscal 2019 Operating Budget

	FY2017	FY2018	FY2018	FY2019
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 105,462	\$ 51,662	\$ 57,919	\$ 48,394
Revenues				
Other	96,711	90,000	90,000	95,000
Interest income	746	1,200	475	500
Total Revenues	97,457	91,200	90,475	95,500
Total Funds Available	<u>\$ 202,919</u>	<u>\$ 142,862</u>	<u>\$ 148,394</u>	<u>\$ 143,894</u>
Expenditures				
Supplies	\$ -	\$ -	\$ 10,000	\$ -
Miscellaneous services	-	40,000	-	-
Equipment maintenance	-	-	-	40,000
Transfer to general fund	145,000	90,000	90,000	90,000
Total Expenditures and transfers	<u>145,000</u>	<u>130,000</u>	<u>100,000</u>	<u>130,000</u>
Excess(deficiency) of revenues over expenditures	<u>(47,543)</u>	<u>(38,800)</u>	<u>(9,525)</u>	<u>(34,500)</u>
Fund balance ending	<u>57,919</u>	<u>12,862</u>	<u>48,394</u>	<u>13,894</u>
Total Funds Applied	<u>\$ 202,919</u>	<u>\$ 142,862</u>	<u>\$ 148,394</u>	<u>\$ 143,894</u>

CITY OF LUFKIN
ANIMALS ATTIC GIFT SHOP
Fiscal 2019 Operating Budget

	FY2017	FY2018	FY2018	FY2019
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 38,764	\$ 23,324	\$ 43,480	\$ 47,222
Revenues				
Donations	21,242	15,000	24,000	15,000
Spay / Neuter Contributions	-	-	10,477	-
Interest income	338	150	320	400
Total Revenues	21,580	15,150	34,797	15,400
Total Funds Available	<u>\$ 60,344</u>	<u>\$ 38,474</u>	<u>\$ 78,277</u>	<u>\$ 62,622</u>
Expenditures				
Supplies	\$ -	\$ 1,000	\$ 1,000	\$ -
Equipment Maintenance	-	6,000	6,000	-
Capital outlay	-	10,000	10,000	-
Transfers	-	-	-	-
Miscellaneous services	16,864	-	14,055	-
Total Expenditures	<u>\$ 16,864</u>	<u>\$ 17,000</u>	<u>\$ 31,055</u>	<u>\$ -</u>
Excess(deficiency) of revenues over expenditures	<u>4,716</u>	<u>(1,850)</u>	<u>3,742</u>	<u>15,400</u>
Fund balance ending	<u>43,480</u>	<u>21,474</u>	<u>47,222</u>	<u>62,622</u>
Total Funds Applied	<u>\$ 60,344</u>	<u>\$ 38,474</u>	<u>\$ 78,277</u>	<u>\$ 62,622</u>

CITY OF LUFKIN
ECONOMIC DEVELOPMENT FUND
COMPONENT UNIT
Fiscal 2019 Operating Budget

	FY2017	FY2018	FY2018	FY2019
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 8,553,534	\$ 8,156,933	\$ 8,455,055	\$ 8,239,838
Revenues				
Sales tax	1,193,606	1,188,260	1,213,386	1,217,198
Rental revenue	63,951	298,479	156,498	156,498
Loan Proceeds	-	-	-	286,537
Interest income	12,543	16,000	12,500	14,000
Total Revenues	1,270,100	1,502,739	1,382,384	1,674,233
Total Funds Available	\$ 9,823,634	\$ 9,659,672	\$ 9,837,439	\$ 9,914,071
Expenditures				
Personnel services	\$ 52,048	\$ 211,726	\$ 153,213	\$ 202,760
Supplies	7,208	10,440	16,261	8,752
Capital Outlay	153,726	-	-	-
Miscellaneous services	220,163	242,635	287,735	250,719
Sundry charges	19,000	19,000	19,000	15,250
Specialized activity	378,873	738,000	820,670	1,328,000
Debt Service	31,176	185,479	185,479	189,476
General & Administrative	11,510	15,330	15,330	15,910
Transfers	494,875	-	99,913	-
Total Expenditures	1,368,579	1,422,610	1,597,601	2,010,867
Excess(deficiency) of revenues over expenditures	(98,479)	80,129	(215,217)	(336,634)
Fund balance ending	8,455,055	8,237,062	8,239,838	7,903,204
Total Funds Applied	\$ 9,823,634	\$ 9,659,672	\$ 9,837,439	\$ 9,914,071

CITY OF LUFKIN
LUFKIN CONVENTION & VISITOR BUREAU
COMPONENT UNIT
Fiscal 2019 Operating Budget

	FY2017	FY2018	FY2018	FY2019
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 268,584	\$ 243,989	\$ 310,424	\$ 340,403
Revenues				
Contribution from Hotel/Motel T	408,344	399,000	399,000	349,000
Souvenir Sales	390	150	250	200
Corks & Forks Event	7,300	6,500	2,285	0
Lufkin's Bistro	29,993	20,000	25,000	25,000
Yule Love Lufkin Christmas	4,080	-	-	-
Farm Feast Event	8,863	5,000	8,000	7,000
Other revenue	5,375	2,950	4,881	3,000
General Fund	-	78,580	78,580	78,580
Interest income	3,405	1,200	2,400	2,800
Total Revenues	467,750	513,380	520,396	465,580
Total Funds Available	\$ 736,334	\$ 757,369	\$ 830,820	\$ 805,983
Expenditures				
Personnel services	\$ 168,879	\$ 244,166	\$ 249,013	\$ 251,251
Supplies	8,935	7,755	11,167	8,106
Miscellaneous services	246,316	342,685	227,547	203,475
Sundry charges	1,780	2,690	2,690	2,800
Total Expenditures	425,910	597,296	490,417	465,632
Excess(deficiency) of revenues over expenditures	41,840	(83,916)	29,979	(52)
Fund balance ending	\$ 310,424	\$ 160,073	\$ 340,403	\$ 340,351
Total Funds Applied	\$ 736,334	\$ 757,369	\$ 830,820	\$ 805,983

CITY OF LUFKIN
DEBT SERVICE FUND
Fiscal 2019 Operating Budget

	FY2017 <u>Actual</u>	FY2018 <u>Budget</u>	FY2018 <u>Adjusted</u>	FY2019 <u>Budget</u>
Beginning Balance	\$ 1,406,542	\$ 1,806,925	\$ 1,828,093	\$ 1,802,777
Revenues				
Current year collections	3,052,878	3,032,773	3,032,773	3,092,261
Interest income	25,496	10,000	22,500	25,000
Other-Transfer from Water/Wastewater Fund	3,778,005	3,546,645	3,546,645	3,759,552
Other-Transfer from Solid Waste/Recycling Fund	58,400	56,200	56,200	56,200
Other financing sources-proceeds	9,818,601	-	-	-
Total Revenues	16,733,380	6,645,618	6,658,118	6,933,013
Total Funds Available	<u>\$ 18,139,922</u>	<u>\$ 8,452,543</u>	<u>\$ 8,486,211</u>	<u>\$ 8,735,790</u>
Expenditures				
Principal payments	\$ 4,685,000	\$ 5,020,000	\$ 5,020,000	\$ 5,397,000
Interest payments	1,802,833	1,657,084	1,657,084	1,352,146
Debt service fees	134,000	6,350	6,350	7,732
Other Financing Uses	9,689,996	-	-	-
Total Expenditures	16,311,829	6,683,434	6,683,434	6,756,878
Excess(deficiency) of revenues over expenditures	421,551	(37,816)	(25,316)	176,135
Fund balance ending	1,828,093	1,769,109	1,802,777	1,978,912
Total Funds Applied	<u>\$ 18,139,922</u>	<u>\$ 8,452,543</u>	<u>\$ 8,486,211</u>	<u>\$ 8,735,790</u>

CITY OF LUFKIN
EQUIPMENT ACQUISITION AND REPLACEMENT FUND
Fiscal 2019 Operating Budget

	<u>FY2017</u> <u>Actual</u>	<u>FY2018</u> <u>Budget</u>	<u>FY2018</u> <u>Adjusted</u>	<u>FY2019</u> <u>Budget</u>
Beginning Working Capital	\$ 7,147,828	\$ 7,250,588	\$ 7,453,227	\$ 7,060,617
Revenues				
Interest income	17,983	6,000	12,500	14,000
Miscellaneous income	175,627	-	50,392	-
Equipment replacement charge-General Fund	773,279	823,051	823,051	986,080
Equipment replacement charge-Water/Wastewater	246,968	133,716	133,716	307,542
Equipment replacement charge-Solid Waste	791,031	628,418	628,418	777,809
Total Revenues	2,004,888	1,591,185	1,648,077	2,085,431
Total Funds Available	\$ 9,152,716	\$ 8,841,773	\$ 9,101,304	\$ 9,146,048
Expenditures				
Police	\$ 42,130	\$ 428,500	\$ 449,131	\$ 412,432
Fire	166,800	216,000	220,099	205,000
Inspections	-	15,750	15,750	-
Animal Control	-	18,500	23,172	-
Streets	542,963	44,344	57,918	241,588
Parks	57,812	88,698	89,182	8,636
Zoo	-	-	-	8,478
Utility collections	31,869	-	-	-
Water distribution	126,653	-	-	-
Wastewater treatment	-	216,377	212,779	-
Sewer collection	32,270	-	-	-
Water/Sewer Utilities	-	286,996	312,926	-
Solid Waste	266,878	616,198	651,819	1,150,000
Recycling	-	-	-	30,000
Depreciation Expense	419,693	-	-	-
Non Departmental	12,421		7,911	12,420
Total Expenditures	1,699,489	1,931,363	2,040,687	2,068,554
Excess(deficiency) of revenues over expenditures	305,399	(340,178)	(392,610)	16,877
Ending Working Capital	7,453,227	6,910,410	7,060,617	7,077,494
Total Funds Applied	\$ 9,152,716	\$ 8,841,773	\$ 9,101,304	\$ 9,146,048
Expenditures				
Supplies	\$ -	\$ 120,000	\$ 120,000	\$ 120,000
Miscellaneous services	12,421	-	7,911	12,420
Sundry Charges				
Capital Outlay	1,687,068	1,811,363	1,912,776	1,936,134
Total expenditures	1,699,489	1,931,363	2,040,687	2,068,554
Total Fund Applied	\$ 9,152,716	\$ 8,841,773	\$ 9,101,304	\$ 9,146,048

Fiscal Year
2019



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 2019 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 2019, 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
- Maintain all City vehicle records and registrations
- Conduct Annual Municipal Elections
- 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.

2019 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. The City Secretary's office will continue to provide services to 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	2016-2017 Actual	2017-2018 Revised	2018-2019 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget	
Personnel Services	100,146	99,470	96,163	99,974	
Benefits	38,756	39,336	35,580	39,365	
Supplies	21,977	20,350	19,800	18,950	
Miscellaneous Services	78,714	97,255	94,965	93,235	
Sundry Charges	111,194	112,970	114,970	114,970	
TOTAL	350,787	369,381	361,478	366,494	

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019**



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.



EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	20,843	18,300	18,000	17,000
Miscellaneous Services	72,100	87,440	85,690	84,140
Sundry Charges	111,194	112,970	114,970	114,970
TOTAL	204,137	218,710	218,660	216,110

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions within this division				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



CITY OF LUFKIN, TEXAS

General Government / City Secretary

GENERAL FUND

DIVISION: City Secretary

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 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.
- 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	100,146	99,470	96,163	99,974
Benefits	38,756	39,336	35,580	39,365
Supplies	1,134	2,050	1,800	1,950
Miscellaneous Services	6,614	9,815	9,275	9,095
TOTAL	146,650	150,671	142,818	150,384
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019**



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 2019, 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	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Number of citizen complaints	380	375	245
Number of citizen complaints responded to within two business days	342	350	185
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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	377,537	378,078	532,565	501,617
Benefits	108,681	108,340	140,373	138,757
Supplies	10,747	13,560	14,085	12,560
Miscellaneous Services	25,637	32,310	31,785	30,465
Sundry Charges	189	500	500	500
TOTAL	522,791	532,788	719,308	683,899
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
City Manager	1	1	1	1
Deputy City Manager	1	1	1	1
Assistant to the City Manager	0	0	1	1
Executive Secretary	1	1	1	1
FULL TIME	3	3	4	4
PART TIME	0	0	0	0
TOTAL	3	3	4	4
SIGNIFICANT CHANGES				
FY2018 revision added a position of Assistant to the City Manager to the City Administration department.				

**Fiscal Year
2019**



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 2019.
- Complete the fiscal year 2018 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	386,999	392,240	392,756	395,841
Benefits	171,070	166,436	166,676	167,278
Supplies	29,940	36,600	33,994	33,850
Maintenance of Equipment	24,479	27,455	27,455	27,455
Miscellaneous Services	147,703	161,630	157,030	162,820
Sundry Charges	165	-	85	-
TOTAL	755,356	782,361	777,996	787,244

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Director of Finance	1	1	1	1
Accountant-Senior	1	1	1	1
Accounts Supervisor	1	1	0	0
Accounting Technician-Entry	1	1	1	1
Accounting Technician-Adv	2	2	3	3
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

FY18 Revised: Accounts Supervisor position was eliminated and opened Accounting Tech –Advance.

**Fiscal Year
2019**



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	306,275	310,844	309,364	312,517
Benefits	128,343	130,678	130,405	130,987
Supplies	14,032	20,400	19,953	19,850
Maintenance of Equipment	2,999	5,975	5,975	5,975
Miscellaneous Services	121,751	137,930	136,930	140,820
Sundry Charges	165	-	85	-
TOTAL	573,565	605,827	602,712	610,149
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Director of Finance	1	1	1	1
Accountant-Senior	1	1	1	1
Accounts Supervisor	1	1	0	0
Accounting Technician-Entry	1	1	1	1
Accounting Technician-Adv	2	2	3	3
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
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	80,724	81,396	83,392	83,324
Benefits	42,727	35,758	36,271	36,291
Supplies	10,908	14,200	14,041	14,000
Maintenance of Equipment	21,480	21,480	21,480	21,480
Miscellaneous Services	25,592	23,700	20,100	22,000
TOTAL	181,791	176,534	175,284	177,095

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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	2016-2017 Actual	2017-2018 Revised	2018-2019 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	188,351	209,301	63,571	63,096
Benefits	60,504	67,598	24,686	24,642
Supplies	3,384	4,750	4,750	4,750
Miscellaneous Services	40,967	26,439	26,439	27,839
TOTAL	293,206	308,088	119,446	120,327
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Attorney	1	1	0	0
Assistant City Attorney	0	1	1	1
Legal Assistant	1	0	0	0
FULL TIME	2	2	1	1
PART TIME	0	0	0	0
TOTAL	2	2	1	1
SIGNIFICANT CHANGES				
FY2018-Legal Assistant position was eliminated. Assistant Attorney was added to Legal department positions. FY2018 Revised-City Attorney position was not budgeted.				

**Fiscal Year
2019**



CITY OF LUFKIN, TEXAS

Tax Department

GENERAL FUND

TAX DEPARTMENT

WORK PROGRAM

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.

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

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Miscellaneous Services	197,426	198,800	211,676	221,370
TOTAL	197,426	198,800	211,676	221,370
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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 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 Department provides training services and information for department heads and staff.
- The HR Director is the Civil Service Director for the Civil Service employees of the City of Lufkin. Through Civil Service, the HR Department administers Fire and Police entrance exams as well as Fire and Police promotional exams.

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.
- HR will continue to create and adjust duties for the City Hall Receptionist in order to better serve the citizens who visit City Hall.
- Human Resources will administer and maintain quality employee benefits and assist those employees in the utilization of these benefits.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Number of workers compensation claims submitted to insurance carrier annually	67	60	65
Number of workers compensation claims submitted to insurance carrier annually within 2 working days of receipt	67	60	65
Workers compensation claims reported to insurance carrier within 2 working days of receipt.	100%	100%	100%
Number of applications received annually	871	900	900
Number of applications screened annually within 5 working days of receipt	871	900	900
Applications screened within 5 working days of receipt.	100%	100%	100%

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	254,898	254,678	249,514	246,736
Benefits	104,848	108,822	107,632	107,156
Supplies	13,802	15,650	9,200	9,250
Miscellaneous Services	41,778	39,925	45,125	34,375
Sundry Charges	27,778	31,100	31,100	31,100
TOTAL	443,104	450,175	442,571	428,617
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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	1	1	1	1
FULL TIME	6	6	6	6
PART TIME	0	0	0	0
TOTAL	6	6	6	6
SIGNIFICANT CHANGES				
For Fiscal Year 2017 City Hall receptionist position was added during mid year reviews.				

**Fiscal Year
2019**



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 2019 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	2016-2017 Actual	2017-2018 Revised	2018-2019 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	58,103	58,370	64,777	56,679
Benefits	29,264	30,606	30,220	30,312
Supplies	20,982	23,600	20,600	22,600
Maintenance of Equipment	63,121	77,500	119,038	75,750
Miscellaneous Services	119,066	135,600	136,550	132,150
TOTAL	290,536	325,676	371,185	317,491
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019**



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	58,103	58,370	64,777	56,679
Benefits	29,264	30,606	30,220	30,312
Supplies	18,543	21,100	18,100	20,100
Maintenance of Equipment	56,722	69,500	111,038	67,750
Miscellaneous Services	119,066	135,600	136,550	132,150
TOTAL	281,698	315,176	360,685	306,991
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	2,439	2,500	2,500	2,500
Maintenance of Equipment	6,399	8,000	8,000	8,000
TOTAL	8,838	10,500	10,500	10,500
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	451,644	452,697	444,623	444,584
Benefits	166,105	167,501	165,756	165,756
Supplies	86,981	82,005	99,033	82,205
Maintenance of Equipment	255,261	265,958	254,988	156,358
Miscellaneous Services	159,014	165,710	152,876	167,330
TOTAL	1,119,005	1,133,871	1,117,276	1,016,233
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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				



Public Safety Departments include the following:

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

**Fiscal Year
2019**



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 – To maintain a professional agency, officers must be trained to the national industry standard. The department plans to go beyond the State mandates and provide tactical, mental health, report preparation, and communication training with the Lufkin Fire Department on active attack response.
2. Personnel – You can only have a professional agency with good people. We plan on making the officers' jobs as safe and fulfilling as possible. This will be done by providing the officers with state of the art equipment and taking steps to recruit and retain to maximum staffing levels.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Total calls for service	43,900	45,400	47,200
Comply with all applicable Texas Police Chiefs Association best practices standards to achieve recognized status	85%	88%	88%
Emergency responses under 2 minutes	66%	65%	71%
Non-emergency responses under 6 minutes	80%	84%	84%

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	6,315,644	6,007,332	6,148,373	6,151,485
Benefits	2,308,936	2,228,135	2,247,888	2,251,728
Supplies	294,071	338,022	383,988	339,822
Maintenance of Equipment	163,990	167,685	164,600	170,100
Miscellaneous Services	509,721	615,208	612,008	655,176
Sundry Charges	110	1,000	-	1,000
TOTAL	9,592,472	9,357,382	9,556,857	9,569,311
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	369,838	345,701	365,909	389,686
Benefits	128,965	122,365	122,465	122,465
Supplies	34,990	34,040	83,936	35,240
Maintenance of Equipment	71,900	86,685	83,600	83,600
Miscellaneous Services	150,073	184,480	184,480	163,790
Sundry Charges	110	1,000	-	1,000
TOTAL	755,876	774,271	840,390	795,781
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Police Chief	1	1	1	1
Director of Public Safety	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
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	3,723,533	3,434,299	3,549,282	3,534,275
Benefits	1,341,987	1,278,826	1,220,984	1,222,460
Supplies	219,899	255,532	251,602	255,532
Maintenance of Equipment	68,761	55,500	57,500	61,000
Miscellaneous Services	275,082	303,500	306,500	372,267
TOTAL	5,629,262	5,327,657	5,385,868	5,445,534

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	676,675	709,291	705,649	699,251
Benefits	270,622	267,020	258,276	261,091
Supplies	7,414	8,750	8,750	8,750
Maintenance of Equipment	13,282	17,500	17,500	17,500
Miscellaneous Services	5,418	5,500	2,500	5,500
TOTAL	973,411	1,008,061	992,675	992,092

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	1,446,618	1,415,231	1,425,057	1,424,086
Benefits	521,036	512,978	599,130	598,317
Supplies	31,264	39,200	39,200	39,800
Maintenance of Equipment	10,047	8,000	6,000	8,000
Miscellaneous Services	74,165	112,028	112,028	107,119
TOTAL	2,083,130	2,087,437	2,181,415	2,177,322

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
FULL TIME	22	22	22	22
PART TIME	0	0	0	0
TOTAL	22	22	22	22

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	98,980	102,810	102,476	104,187
Benefits	46,326	46,946	47,033	47,395
Supplies	504	500	500	500
Miscellaneous Services	4,983	9,700	6,500	6,500
TOTAL	150,793	159,956	156,509	158,582

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Clerk Journeyman	1	1	1	1
Clerk Apprentice	1	1	1	1
Terminal Agency Coordinator	1	1	1	1
FULL TIME	3	3	3	3
PART TIME	0	0	0	0
TOTAL	3	3	3	3

**Fiscal Year
2019**



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 2018-19 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. Embrace the newly formed Public Safety concept to enhance emergency response.



Aerial Platform Truck purchased with Grant Funds

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Total Number of EMS Responses	8,500	9,402	9,464
Total Number of Fire Responses	3923	3874	3468
Respond to emergency incidents within the City of Lufkin within 5 minutes 90% of the time.	80%	85%	85%
Total Number of Structure Fires	62	45	27
Total Number of Structure Fire related Deaths	1	1	1
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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	5,221,299	5,161,667	5,224,594	5,205,700
Benefits	1,873,397	1,856,096	1,859,202	1,896,571
Supplies	398,739	403,150	408,010	381,895
Maintenance of Equipment	212,089	206,664	181,964	191,710
Miscellaneous Services	357,977	420,865	423,876	541,322
Sundry Charges	-	100	100	-
TOTAL	8,063,501	8,048,542	8,097,746	8,217,198
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Fire Chief	1	1	1	1
Assistant Fire Chief	1	1	1	1
Clerk –Senior Level	1	1	1	1
Battalion Chief	5	5	5	5
Captain	18	18	18	18
Lieutenant	15	15	15	15
Firefighters	39	39	39	39
FULL TIME	80	80	80	80
PART TIME	0	0	0	0
TOTAL	80	80	80	80

SIGNIFICANT CHANGES

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Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	458,297	457,382	463,984	464,555
Benefits	159,257	153,231	153,588	152,361
Supplies	13,549	18,790	28,250	16,260
Maintenance of Equipment	19,517	12,599	13,899	12,939
Miscellaneous Services	118,658	124,344	124,344	131,384
TOTAL	769,278	766,346	784,065	777,499

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Fire Chief	1	1	1	1
Assistant Fire Chief	1	1	1	1
Clerk-Senior Level	1	1	1	1
Battalion Chief-Training Officer	1	1	1	1
Fire Captain-EMS Coordinator	1	1	1	1
Fire Captain-Logistics Officer	1	1	1	1
FULL TIME	6	6	6	6
PART TIME	0	0	0	0
TOTAL	6	6	6	6

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	4,623,157	4,541,851	4,610,151	4,591,246
Benefits	1,664,048	1,648,741	1,650,486	1,696,769
Supplies	378,786	373,740	370,740	358,215
Maintenance of Equipment	190,622	190,490	164,490	175,771
Miscellaneous Services	236,916	290,986	292,986	402,412
TOTAL	7,093,529	7,045,808	7,088,853	7,224,413
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	139,845	162,434	150,459	149,899
Benefits	50,092	54,124	55,128	47,441
Supplies	6,404	10,620	9,020	7,420
Maintenance of Equipment	1,950	3,575	3,575	3,000
Miscellaneous Services	2,403	5,535	6,546	7,526
Sundry Charges	-	100	100	-
TOTAL	200,694	236,388	224,828	215,286
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019**



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.

WORK PROGRAM

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.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Number of Citations Filed	8,416	7,500	8,000
Number of Citations Deferred	1,230	1,200	1,200
% of Citations Deferred	15%	15%	15%
Number of Warrant Sweeps per year	1	1	1
Number of Warrants resolved during warrant Sweep periods	858	274	800

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	238,096	232,616	216,827	227,791
Benefits	104,396	103,846	99,508	102,377
Supplies	14,311	16,670	13,245	17,270
Miscellaneous Services	89,477	82,175	78,580	47,890
TOTAL	446,280	435,307	408,160	395,328

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Municipal Court Judge	1	1	1	1
Court Administrator	1	1	1	1
Court Clerk Deputy	4	4	4	4
FULL TIME	6	6	6	6
PART TIME	1	0	0	0
TOTAL	6	6	6	6

SIGNIFICANT CHANGES



GENERAL FUND

MISSION

The mission of the Lufkin City Marshall'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 Marshall'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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	54,648	53,043	53,005	53,043
Benefits	18,165	20,376	20,849	20,391
Supplies	5,980	9,405	8,768	4,055
Maintenance of Equipment	447	300	300	1,500
Miscellaneous Services	1,068	3,520	3,520	3,040
TOTAL	80,308	86,644	86,492	82,029
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
City Marshall	1	1	1	1
Warrant Officer (Part time)	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
2019



CITY OF LUFKIN, TEXAS

Inspection Services

GENERAL FUND

FY 2019- Inspections Department will be budgeted as a division of Engineering Services.

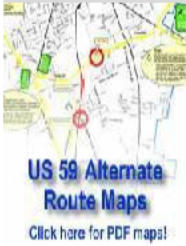
Mission, Description of Services Provided, and Work Program are listed within the Engineering Services Department.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Total Number Construction Plans Reviewed	480	461	-
Total Number of Construction Plans Reviewed in 3 Business Days or Less	464	420	-
Review Construction Plans Within 3 Business Days 95% of Time	96%	91%	-
Total Number of Code Enforcement Complaints	2,131	1,535	-
Total Number of Code Enforcement Complaints Investigated Within 8 Hours of Call	2,067	1,489	-
Investigate Complaints Within 8 Hours of Call 95% of the Time	97%	97%	-

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	346,690	346,177	328,639	-
Benefits	145,894	144,497	143,476	-
Supplies	15,418	16,860	13,050	-
Maintenance of Equipment	1,162	1,500	1,500	-
Miscellaneous Services	44,765	44,722	45,717	-
TOTAL	553,929	553,756	532,382	-
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Inspection Services Director	1	1	1	0
Clerk-Journeyman	1	1	1	0
Plan Reviewer	1	1	1	0
Building Inspector	2	2	2	0
Code Enforcement Officer	3	3	3	0
FULL TIME	8	8	8	0
PART TIME	0	0	0	0
TOTAL	8	8	8	0
SIGNIFICANT CHANGES				
FY19-The Inspection Services Department budget and positions will be moved to Engineering Services.				

**Fiscal Year
2019**



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	2016-2017 Actual	2017-2018 Revised	2018-2019 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	306	1,320	1,320	1,320
Miscellaneous Services	45,914	48,535	48,290	50,435
TOTAL	46,220	49,855	49,610	51,755
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no authorized positions for this department				
FULL TIME				
PART TIME				
TOTAL				
SIGNIFICANT CHANGES				



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.

WORK PROGRAM

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

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Number of animals received at shelter	4,547	4,700	5,000
Number of animals adopted	1,216	1,150	1,200
Number of animals reclaimed	380	400	500
Number of animals sent to rescue	630	1,100	650
Number of animals euthanized	1,957	2,200	2,000
Euthanasia rate	43%	46%	40%

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	381,933	376,332	377,384	378,424
Benefits	177,859	173,831	178,081	168,409
Supplies	63,324	65,700	65,700	63,800
Maintenance of Equipment	16,328	18,000	18,475	18,000
Miscellaneous Services	109,117	108,354	108,513	107,836
TOTAL	748,561	742,217	748,153	736,469
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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	11	11	11	11
SIGNIFICANT CHANGES				
There are no significant changes planned for 2019.				

Fiscal Year
2019



CITY OF LUFKIN, TEXAS

PUBLIC WORKS

Public Works Departments include the following:

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

**Fiscal Year
2019**



CITY OF LUFKIN, TEXAS

Engineering

GENERAL FUND

MISSION

The mission of the Engineering Division 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.

The mission of Inspection Services Division 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.

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

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	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Number of Plats reviewed	35	48	30
Plat reviews are Completed within 7 days 90% of the time.	97%	94%	90%
Number of Permits Reviewed	335	267	300
Approve Permits for Construction within 2 days 90% of the time.	95%	94%	90%

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	483,239	391,875	393,044	869,687
Benefits	186,006	149,822	150,022	342,257
Supplies	12,967	15,460	13,430	39,415
Maintenance of Equipment	17,158	21,290	19,780	24,125
Miscellaneous Services	67,196	74,268	65,442	137,344
TOTAL	766,566	652,715	641,718	1,412,828

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
City Engineer / Director of Engineering Services	1	1	1	1
Clerk - Sr. Level	1	1	1	1
Engineering Tech II	1	1	1	1
Construction Inspector	2	0	0	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
Clerk Journeyman-Inspections	0	0	0	1
Plan Review Env. Compliance-Inspection	0	0	0	1
Building Inspector	0	0	0	2
Code Enforcement Officer-Inspections	0	0	0	3
Planning and Zoning Director	0	0	0	1
Assistant City Planner	0	0	0	1
FULL TIME	9	7	7	16
PART TIME	0	0	0	0
TOTAL	9	7	7	16

SIGNIFICANT CHANGES

FY2018: The Construction inspector positions/expense distribution will be moved to Water/Sewer.
FY2019: Inspection Services and Planning and Zoning Department's budgets moved to Engineering Services.

Engineering Svcs/Engineering

GENERAL FUND

DIVISION: Engineering

DIVISION DESCRIPTION

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.

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	483,239	391,875	393,044	393,767
Benefits	186,006	149,822	150,022	150,302
Supplies	12,967	15,460	13,430	15,135
Maintenance of Equipment	17,158	21,290	19,780	20,415
Miscellaneous Services	67,196	74,268	65,442	80,182
TOTAL	766,566	652,715	641,718	659,801
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
City Engineer / Director of Engineering Services	1	1	1	1
Clerk - Sr. Level	1	1	1	1
Engineering Tech II	1	1	1	1
Construction Inspector	2	0	0	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	7	7	7
PART TIME	0	0	0	0
TOTAL	9	7	7	7

Fiscal Year
2019

CITY OF LUFKIN, TEXAS

Engineering Svcs/Inspections

GENERAL FUND

DIVISION: Inspections

building permit requests, responding to customer inquiries regarding 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.

DIVISION DESCRIPTION

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

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	-	-	-	338,453
Benefits	-	-	-	141,952
Supplies	-	-	-	15,850
Maintenance of Equipment	-	-	-	1,500
Miscellaneous Services	-	-	-	41,057
TOTAL	-	-	-	538,812
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Clerk-Journeyman	0	0	0	1
Plan Reviewer	0	0	0	1
Building Inspector	0	0	0	2
Code Enforcement Officer	0	0	0	3
FULL TIME	0	0	0	7
PART TIME	0	0	0	0
TOTAL	0	0	0	7

Fiscal Year
2019

CITY OF LUFKIN, TEXAS

Engineer Svcs/Planning & Zoning

GENERAL FUND

DIVISION: Planning & Zoning

The Department is responsible for making recommendations to the P&Z Commission and City Council on matters pertaining to the development of the City.

DIVISION DESCRIPTION

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 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.

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	-	-	-	137,467
Benefits	-	-	-	48,659
Supplies	-	-	-	8,430
Maintenance of Equipment	-	-	-	2,210
Miscellaneous Services	-	-	-	16,105
TOTAL	-	-	-	212,871
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Planning & Zoning Director	0	0	0	1
Assistant City Planner	0	0	0	1
FULL TIME	0	0	0	2
PART TIME	0	0	0	0
TOTAL	3	3	3	3

**Fiscal Year
2019**



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 2019 Street Overlay List.

DESCRIPTION OF SERVICES PROVIDED

- The Street Department consists of 33 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	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Number of street overlay projects completed annually	24	19	21
Number of street overlay projects completed within 1 week of due date	21	16	19
Street overlay projects completed within 1 week of due date 70% of time	87%	84%	90%
Feet of open channels cleaned	15,945	15,305	15,500
Feet of open channels cleaned within 3 weeks of inspection	14,230	13,575	13,905
Open channels cleaned within 3 weeks of inspection 80% of time	89%	88%	89%

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	1,048,777	1,100,320	1,059,808	1,088,609
Benefits	492,012	533,974	513,250	523,268
Supplies	224,361	182,270	182,270	182,270
Maintenance of Equipment	1,257,595	1,041,150	1,093,900	1,038,900
Miscellaneous Services	971,368	1,009,130	1,001,361	977,696
Capital Outlay	77,120	-	-	-
TOTAL	4,071,233	3,866,844	3,850,589	3,810,743
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Director of Street/Traffic Engineer	1	1	1	1
Assistant Superintendent	1	1	1	1
Administrative Assistant	1	1	1	1
Crew Leader III	3	2	2	2
Crew Leader II	2	3	3	3
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	10	10	10	10
Street Mowing Technician	2	2	2	2
Utility Technician	2	2	2	2
Maintenance Worker	5	4	4	4
Laborer I (part-time)	1	1	1	1
FULL TIME	34	33	33	33
PART TIME	1	1	1	1
TOTAL	35	34	34	34

SIGNIFICANT CHANGES

FY2018– Street Maintenance Division: Crew Leader III closed. One position added to Crew Leader II.
 -ROW & Traffic Control Division: Maintenance worker was closed. Street Superintendent name change to Director of Street/Traffic Engineer.

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	169,623	169,265	232,075	203,283
Benefits	64,760	63,692	65,757	71,246
Supplies	4,562	5,280	5,280	5,280
Maintenance of Equipment	550	750	750	750
Miscellaneous Services	13,547	14,770	16,580	16,760
Capital Outlay	4,400	-	-	-
TOTAL	330,162	253,757	320,442	297,319
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019**



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	273,813	298,854	269,768	295,553
Benefits	131,040	149,590	142,801	149,386
Supplies	29,936	31,195	31,195	31,195
Maintenance of Equipment	305,028	321,650	306,650	321,650
Miscellaneous Services	58,288	52,872	52,872	52,872
TOTAL	798,105	854,161	803,286	850,656
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	332,292	330,897	290,158	321,263
Benefits	154,253	171,770	169,429	169,429
Supplies	60,664	52,195	52,195	52,195
Maintenance of Equipment	910,600	672,250	740,000	670,000
Miscellaneous Services	820,703	853,956	847,377	849,560
TOTAL	2,278,512	2,081,068	2,099,159	2,062,447
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Heavy Equipment Operator	2	2	2	2
Crew Leader II	1	2	2	2
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
2019**



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	273,049	301,304	267,807	268,510
Benefits	141,959	148,922	135,263	133,207
Supplies	129,199	93,600	93,600	93,600
Maintenance of Equipment	41,417	46,500	46,500	46,500
Miscellaneous Services	78,830	87,532	84,532	58,504
TOTAL	664,454	677,858	627,702	600,321

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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	2	2	2
Labor-Part Time Seasonal	1	1	1	1
FULL TIME	10	9	9	9
PART TIME	1	1	1	1
TOTAL	11	10	10	10

**Fiscal Year
2019**



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	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Total number of new work orders	2,053	2,025	2,035
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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	244,777	248,015	299,706	314,400
Benefits	114,131	114,048	132,424	135,842
Supplies	19,852	19,850	21,200	23,600
Maintenance of Equipment	7,202	12,050	8,550	8,100
Miscellaneous Services	13,631	16,963	16,663	18,603
Sundry Charges	-16,129	-	-	-
TOTAL	383,464	410,926	478,543	500,545

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Fleet Director	0	0	1	1
Fleet Garage Supervisor	1	1	0	0
Lead Equipment Mechanic	0	0	1	1
Warehouse Clerk	1	1	1	1
Equipment Mechanic	4	4	4	4
Emergency Vehicle Tech	1	1	1	1
FULL TIME	7	7	8	8
PART TIME	0	0	0	0
TOTAL	7	7	8	8

SIGNIFICANT CHANGES

FY2018– Fleet Director position added. Fleet Garage Supervisor position closed. New position was added for Lead Equipment Mechanic.

**Fiscal Year
2019**



CITY OF LUFKIN, TEXAS

COMMUNITY DEVELOPMENT

The Community Development Departments include the following:

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

Fiscal Year
2019



CITY OF LUFKIN, TEXAS

Planning & Zoning

GENERAL FUND

Beginning fiscal year 2019, Planning and Zoning is budgeted as a Division of Engineering Services.

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.

WORK PROGRAM

In fiscal year 2019, 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.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Number of Plat reviews completed	45	40	-
Number of plat reviews completed within 2 business days	40	35	-
Complete all plat reviews within 2 business days, 95% of time	98%	95%	-
Number of Zoning Cases	25	20	-
Number of zoning cases meeting legal documentation deadlines	25	20	-
Complete zoning case deadlines, 90% of the time	95%	95%	-

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	158,145	162,464	137,275	-
Benefits	56,304	62,283	48,709	-
Supplies	10,457	9,550	8,200	-
Maintenance of Equipment	3,376	4,900	1,200	-
Miscellaneous Services	15,235	15,330	15,105	-
TOTAL	243,877	254,527	210,489	-

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Planning & Zoning Director	1	1	1	0
Assistant City Planner	1	1	1	0
Clerk - Journeyman	1	1	0	0
FULL TIME	3	3	2	0
PART TIME	0	0	0	0
TOTAL	3	3	2	0

SIGNIFICANT CHANGES

FY2018 Revised-Clerk –Journeyman position closed.
FY2019 –Planning and Zoning department budgeted with Engineering Services.

Fiscal Year
2019



CITY OF LUFKIN, TEXAS

Community Development

GENERAL FUND

Beginning fiscal year 2018, the Main Street department 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	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Number of community events	12	-	-
Number of community events with sponsorships	12	-	-
% of community events sponsored with a minimum 50% sponsorship rate	100%	-	-
Total number of downtown properties available for lease and/or sale logged and posted to website.	12	-	-
Number of new businesses referred for tax abatement, etc.	1	-	-
Log 90% of downtown properties available for lease and sale and refer new businesses for tax abatement.	100%	-	-

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	121,064	-	-	-
Benefits	52,440	-	-	-
Supplies	3,067	-	-	-
Miscellaneous Services	8,725	-	-	-
TOTAL	185,296	-	-	-
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Main Street Director	1	-	-	-
Clerk-Journeyman	1	-	-	-
Maintenance Worker	1	-	-	-
FULL TIME	3	-	-	-
PART TIME	0	-	-	-
TOTAL	3	-	-	-
SIGNIFICANT CHANGES				
FY2018: Community Development/Main Street department was eliminated. Director position moved to LCVB. Clerk-Journeyman was eliminated. Maintenance worker position/expense distribution transferred to Solid Waste Dept.				

**Fiscal Year
2019**



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.

WORK PROGRAM

The Parks The Parks Department will be working with DET-TRAC at developing two more miles of trails at Kit McConnico Park. The Department will be making improvements to the restrooms at Ellen Trout, Jones and Kiwanis park by applying epoxy to the floors. The Parks Department will be honoring the Little League National Champions by putting up a picture of the team at Morris Frank Park. The Department will continue make improvements to the baseball, soccer and baseball fields. The Parks Department will begin taking over maintenance on Gaslight Blvd in 2019. The Department will continue to cut dead trees in all parks, grind stumps and add saw dust to all playgrounds. The Parks Department will be working with TEX-DOT on contract mowing for 17 acres on HWY 59 North.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Number of Participants in Recreation Programs	1,700	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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	752,653	736,443	717,763	766,435
Benefits	342,712	373,074	365,530	392,795
Supplies	95,345	115,594	107,464	107,355
Maintenance of Equipment	112,124	100,744	113,844	98,744
Miscellaneous Services	379,050	434,910	422,976	428,381
Sundry Charges	55	80	80	80
TOTAL	1,681,939	1,760,845	1,727,657	1,793,790
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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	15	15
Custodian/Building Maintenance	2	2	1	1
Electric Utility	0	0	1	1
Recreation Specialist	2	2	2	2
Downtown Center Supervisor (P/T)	1	1	1	1
Lifeguard (P/T)	3	3	3	3
League Supervisor (P/T)	1	1	1	1
FULL TIME	27	27	26	26
PART TIME	5	5	5	5
TOTAL	32	32	31	31
SIGNIFICANT CHANGES				
FY2018-Electrice Utility Journeyman created in Parks. Close 1 custodian position. Close 3 labor positions. Open 2 laborer positions in 102 rate.				

Fiscal Year
2019



CITY OF LUFKIN, TEXAS

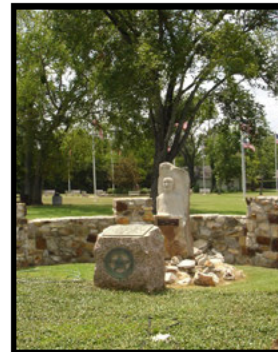
Parks and Recreation / Administration

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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	239,426	245,262	238,397	245,310
Benefits	94,369	96,710	94,577	99,384
Supplies	3,704	5,060	5,360	5,330
Miscellaneous Services	25,367	22,031	21,731	22,372
Sundry Charges	55	80	80	80
TOTAL	362,921	369,143	360,145	372,476

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019**



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	513,227	491,181	479,366	521,125
Benefits	248,343	276,364	270,953	293,411
Supplies	91,641	110,534	102,104	102,025
Maintenance of Equipment	112,124	100,744	113,844	98,744
Miscellaneous Services	353,683	412,879	401,245	406,009
TOTAL	1,319,018	1,391,702	1,367,512	1,421,314
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Parks Superintendent	1	1	1	1
Crew Leader I	2	2	2	2
Crew Leader II	1	1	1	1
Laborer	16	16	15	15
Custodian / Building Maintenance	2	2	1	1
FULL TIME	22	22	21	21
PART TIME	0	0	0	0
TOTAL	22	22	21	21



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 welfare and management standards; and

serving 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 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. Fund raising for the great ape exhibit will proceed as well as looking for ways to implement zoo's new Master Plan.



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

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	816,740	715,068	762,811	836,183
Benefits	375,398	366,257	365,181	389,544
Supplies	207,535	204,960	204,105	204,741
Maintenance of Equipment	3,509	4,000	3,760	3,750
Miscellaneous Services	181,950	190,959	181,284	178,399
TOTAL	1,585,132	1,481,244	1,517,141	1,612,617
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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	7	7	7	7
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	26	26	26	26
PART TIME	2	2	2	2
TOTAL	28	28	28	28
SIGNIFICANT CHANGES				

**Fiscal Year
2019**



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.

- The Library provides educational, cultural and enrichment programs to encourage literacy and lifelong learning in a variety of non-traditional locations.

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.

WORK PROGRAM

The primary goals of the Kurth Memorial Library for the fiscal year 2019 are to find funding to implement our new 5-year plan. 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

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Number of Help Desk Requests	70,379	100,000	100,000
Total Circulation and In-House Use	281,281	275,000	290,000
Number of Patron Visits	119,583	130,620	130,000
Number of Materials Processed (New, reprocessed, Withdrawn)	21,213	25,000	25,000
Number of Programs for Public (In-house & Outreach)	639	670	675
Patron attendance at Programs	24,825	25,200	26,000

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	365,769	366,294	362,988	369,812
Benefits	166,208	167,792	168,142	168,785
Supplies	16,559	20,950	19,950	19,950
Maintenance of Equipment	35,931	35,545	37,620	36,250
Miscellaneous Services	68,388	75,775	70,000	71,935
TOTAL	652,85	666,356	658,700	666,732
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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				
.				

**Fiscal Year
2019**



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 2019 are the following items:

Unemployment Insurance Claims	\$ 10,000
Liability Insurance Premium	\$ 147,233
Contingency Amount	\$ 75,000
Lease Payments: Principal and Interest	\$ 51,083
Retiree Insurance Premium Transfer	\$ 165,000

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	-	227,542	-	738,315
Benefits	1,188	10,000	10,000	10,000
Miscellaneous Services	215,691	222,233	223,181	222,233
Sundry Charges	21,000	-	28	-
Debt Service	-	90,882	90,882	90,882
Transfer	220,289	370,056	370,056	243,580
TOTAL	458,168	920,713	698,143	1,356,963
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



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 UThe Utility Collection Department performs meter reading, billing and collection functions. Approximately 15,500.
- 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	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Total number of bills generated monthly.	15,300	15,500	15,560
Total accurate number of bills generated monthly within 2 working days of cycle billing date.	15,350	15,500	15,560
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	474
Number of connects/disconnects completed within one working day of request	462	476	474
Performed connects/disconnects within one working day of request 98% of time.	98%	98%	100%

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	418,805	420,579	417,198	416,803
Benefits	125,156	191,878	193,472	191,177
Supplies	90,775	97,060	96,160	96,160
Maintenance of Equipment	16,852	20,420	23,610	27,410
Miscellaneous Services	113,539	118,302	134,082	144,504
Capital Outlay	-	13,000	13,000	-
TOTAL	765,127	861,239	877,522	876,054
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	261,575	263,928	262,628	261,419
Benefits	74,294	118,214	117,970	117,765
Supplies	76,315	79,760	79,760	79,760
Maintenance of Equipment	6,354	7,510	7,510	9,330
Miscellaneous Services	102,515	104,050	111,050	110,625
Capital	-	13,000	13,000	-
TOTAL	521,053	586,462	591,918	578,899
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	157,230	156,651	154,570	155,384
Benefits	50,862	73,664	75,502	73,412
Supplies	14,460	17,300	16,400	16,400
Maintenance of Equipment	10,498	12,910	16,100	18,080
Miscellaneous Services	11,024	14,252	23,032	33,879
TOTAL	244,074	274,777	285,604	297,155

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019**



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	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Number of gallons sewage treated annually	1,997,968,000	1,941,590,800	1,908,451,550
Total number of Lab test performed	23,471	22,316	22,893
TCEQ Monthly BOD Permit Value, Max 10mg/L	4	3	3
Number of tons of dry solids removed	918	1,018	968
Average treatment cost per ton of dry solids removed	\$90	\$140	\$115
TCEQ Monthly TSS Permit, Max Value 15 mg/ L	6	6	6

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	714,467	721,794	686,940	725,484
Benefits	210,823	323,672	307,152	316,623
Supplies	248,229	280,915	279,915	281,450
Maintenance of Equipment	195,836	185,500	188,000	181,500
Miscellaneous Services	642,013	633,120	633,120	671,853
TOTAL	2,011,368	2,145,001	2,095,127	2,176,910

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Director Utility Plant Operations	1	1	1	1
Asst. Director Utility Plant Operations	1	1	1	1
Administrative Assistant	1	1	1	1
Environmental Manager	1	1	1	1
Environmental Technician	1	1	1	1
Lab Manager	1	1	1	1
Microbiologist Journeyman	1	1	1	1
Operator II	1	1	1	1
Operator III	4	4	4	4
Driver II	1	1	1	1
Maintenance Worker	3	3	3	3
Crew Leader II	1	1	1	1
Maintenance Mechanic	2	2	2	2
Electrical Maintenance Tech	1	0	0	0
Grounds Maintenance (Summer)	1	1	1	1
FULL TIME	20	19	19	19
PART TIME	1	1	1	1
TOTAL	21	20	20	20

SIGNIFICANT CHANGES

FY2018-Electrical Maintenance Tech position closed.

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	230,720	236,121	214,476	239,414
Benefits	60,245	96,695	91,258	97,344
Supplies	10,840	10,265	10,265	10,800
Maintenance of Equipment	259	1,000	1,000	1,000
Miscellaneous Services	463,109	497,150	497,150	500,565
TOTAL	765,173	841,231	814,149	849,123
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Director Utility Plant Operations	1	1	1	1
Asst. Director Utility Plant Operations	1	1	1	1
Administrative Assistant	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
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	151,506	174,161	175,427	176,800
Benefits	51,199	77,597	77,559	78,081
Supplies	172,081	207,050	207,050	207,050
Miscellaneous Services	5,490	4,500	4,500	4,500
TOTAL	380,276	463,308	464,536	466,431
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



CITY OF LUFKIN, TEXAS

Wastewater Treatment / Maintenance

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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	261,257	239,223	224,734	236,789
Benefits	77,518	116,054	104,985	107,851
Supplies	44,327	42,300	41,300	42,300
Maintenance of Equipment	195,577	184,500	187,000	180,500
Miscellaneous Services	43,560	22,070	22,070	53,188
TOTAL	622,239	604,147	580,089	620,628
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Driver II	1	1	1	1
Maintenance Worker	3	3	3	3
Crew Leader III	1	1	1	1
Electrical Maintenance Tech	1	0	0	0
Maintenance Mechanic	2	2	2	2
Grounds Maintenance (Summer)	1	1	1	1
FULL TIME	8	7	7	7
PART TIME	1	1	1	1
TOTAL	9	8	8	8

Fiscal Year
2019



CITY OF LUFKIN, TEXAS

Wastewater Treatment / Laboratory

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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	70,984	72,289	72,303	72,481
Benefits	21,861	33,326	33,350	33,347
Supplies	20,981	21,300	21,300	21,300
Miscellaneous Services	129,854	109,400	109,400	113,600
TOTAL	243,680	236,315	236,353	240,728
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Laboratory Manager	1	1	1	1
Microbiologist Journeyman	1	1	1	1
FULL TIME	2	2	2	2
PART TIME	0	0	0	0
TOTAL	2	2	2	2

**Fiscal Year
2019**



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 affordable 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 Plants #1, #2 & #3, twenty-three water wells, four one-million gallon capacity ground storage tanks, three two-million gallon capacity ground storage tanks, 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.
- 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	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Total gallons water pumped into distribution	2,735,023	2,774,598,000	2,754,810,000
Total Amount of Chlorine Used to Treat Water (in tons)	179	202	210
Monthly bacterial test are negative 100% of the time	100%	100%	100%
Operation & Maintenance Cost per million gallons of Water delivered to Distribution	\$707	\$675	\$730

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	45,699	50,323	50,323	51,573
Benefits	20,835	24,896	24,896	26,522
Supplies	313,675	314,800	311,800	324,900
Maintenance of Equipment	140,348	137,000	137,000	139,500
Miscellaneous Services	1,407,292	1,563,711	1,564,326	1,564,326
TOTAL	1,927,849	2,090,730	2,088,345	2,106,821
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



CITY OF LUFKIN, TEXAS

Water Production / Operations

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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	45,699	50,323	50,323	51,573
Benefits	20,835	24,896	24,896	26,522
Supplies	299,170	299,300	299,300	307,400
Miscellaneous Services	1,403,851	1,560,270	1,560,885	1,560,885
TOTAL	1,769,555	1,934,789	1,935,404	1,946,380
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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

2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	14,505	15,500	12,500	17,500
Maintenance of Equipment	140,348	137,000	137,000	139,500
Miscellaneous Services	3,441	3,441	3,441	3,441
TOTAL	158,294	155,941	152,941	160,441
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2019**



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	2016-2017 Actual	2017-2018 Revised	2018-2019 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	1,227,432	1,389,164	1,286,910	1,382,220
Benefits	379,736	622,838	597,595	621,651
Supplies	254,862	273,460	272,610	272,960
Maintenance of Equipment	898,292	916,765	949,015	929,515
Miscellaneous Services	348,826	282,188	273,938	407,801
TOTAL	3,109,148	3,484,415	3,380,068	3,614,147

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
Project Planner	0	1	1	1
Hydrant Maintenance	1	1	1	1
Construction Inspector	0	2	2	2
Water Utility Customer Service Inspector	1	1	1	1
Crew Leader II	2	2	2	2
Crew Leader III	2	2	2	2
Laborer	5	5	5	5
Maintenance Worker	6	6	6	6
Light Equipment Operator	7	7	7	7
PLC Advance Tech	1	1	1	1
Construction Supervisor	1	1	1	1
Elect Utility Journeyman	1	1	1	1
Heavy Equipment Operator	3	3	3	3
Lift Station Operator	1	1	1	1
Maintenance Supervisor	1	1	1	1
FULL TIME	37	40	40	40
PART TIME	0	0	0	0
TOTAL	37	40	40	40

SIGNIFICANT CHANGES

FY2018-Two Construction Inspector positions budget in Water/Sewer department previously budget in Fire Department.
Project Planner position opened.

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	246,016	245,254	263,467	295,848
Benefits	66,586	105,702	114,642	126,841
Supplies	21,957	24,970	24,120	24,470
Maintenance of Equipment	13,786	28,430	30,680	21,180
Miscellaneous Services	75,597	87,075	78,825	86,370
TOTAL	423,942	491,431	511,734	554,709
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
Clerk Journeyman	1	1	1	1
Project Planner	0	1	1	1
Maintenance Worker-Hydrant	1	1	1	1
FULL TIME	6	7	7	7
PART TIME	0	0	0	0
TOTAL	6	7	7	7

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	380,309	480,302	437,656	510,409
Benefits	144,243	230,992	220,671	237,338
Supplies	58,972	67,510	67,510	67,510
Maintenance of Equipment	524,161	533,130	533,130	533,130
Miscellaneous Services	53,444	35,338	35,338	57,998
TOTAL	1,161,129	1,347,272	1,294,305	1,406,385
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Construction Inspector	0	2	2	2
Crew Leader II	2	2	2	2
Crew Leader III	1	1	1	1
Maintenance Worker	2	2	2	2
Light Equipment Operator	3	3	3	3
Water Utility Customer Service Inspector	1	1	1	1
Laborer	5	5	5	5
FULL TIME	14	16	16	16
PART TIME	0	0	0	0
TOTAL	14	16	16	16

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	601,107	663,608	585,787	575,963
Benefits	168,907	286,144	262,282	257,472
Supplies	173,933	180,980	180,980	180,980
Maintenance of Equipment	360,345	355,205	385,205	375,205
Miscellaneous Services	219,785	159,775	159,775	263,433
TOTAL	1,524,077	1,645,712	1,574,029	1,653,053

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Crew Leader III	1	1	1	1
Light Equipment Operator	4	4	4	4
Heavy Equipment Operator	3	3	3	3
Electric Utility Journeyman	1	1	1	1
Lift Station Operator	1	1	1	1
PLC Technician	1	1	1	1
Maintenance Supervisor	1	1	1	1
Construction Supervisor	1	1	1	1
Maintenance Worker	4	4	4	4
FULL TIME	17	17	17	17
PART TIME	0	0	0	0
TOTAL	17	17	17	17

Fiscal Year
2019



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 2019 are the following items:

Liability Insurance Premium	\$ 124,477
Contingency Amount	\$ 150,000
Allowance for Uncollectible Accounts	\$ 150,000
General and Administrative Charges	\$2,788,422
Funded Depreciation Transfers	\$2,079,977
Debt Service Transfers	\$3,759,552
Transfer to General Fund	\$ 100,000

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	-	25,452	-	87,570
Benefits	12,523	-	638	-
Supplies	-	-	996	996
Equipment Maintenance	-	-	-	28,462
Miscellaneous Services	299,273	274,477	274,477	274,477
Sundry Charges	7,041,470	4,899,056	4,899,056	5,018,399
Debt Service	-	-	7,699	-
Transfers	4,343,523	3,646,645	3,709,145	3,859,552
Capital Outlay	-	-	30,993	-
TOTAL	11,696,789	8,845,630	8,923,004	9,269,456

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				



Fiscal Year
2019



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
2019**



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	2016-2017 Actual	2017-2018 Revised	2018-2019 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	856,739	852,134	884,939	884,421
Benefits	484,397	408,190	412,813	413,942
Supplies	310,083	384,400	384,900	400,350
Maintenance of Equipment	274,775	257,750	280,500	263,250
Miscellaneous Services	1,873,321	1,743,814	1,736,864	1,886,598
TOTAL	3,799,315	3,646,288	3,700,016	3,848,561

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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 Technician	1	1	1	1
Laborer	2	2	2	2
Maintenance Worker	1	2	2	2
FULL TIME	26	27	27	27
PART TIME	0	0	0	0
TOTAL	26	27	27	27

SIGNIFICANT CHANGES

FY18– Maintenance Worker budgeted in Solid Waste which was previously in Main Street.

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	171,810	198,221	197,971	198,325
Benefits	85,801	86,442	83,533	86,450
Supplies	25,895	28,100	40,100	27,250
Maintenance of Equipment	3,563	12,250	12,000	2,000
Miscellaneous Services	58,712	56,560	47,760	45,420
TOTAL	345,781	381,573	384,364	359,445
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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	1	1	1
FULL TIME	4	5	5	5
PART TIME	0	0	0	0
TOTAL	4	5	5	5

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	184,130	191,539	191,835	193,987
Benefits	108,509	92,641	92,394	92,567
Supplies	93,879	124,800	102,800	105,000
Maintenance of Equipment	94,962	95,000	116,000	100,250
Miscellaneous Services	616,254	606,037	606,037	606,037
TOTAL	1,097,734	1,110,017	1,109,066	1,097,841
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	248,118	235,567	267,326	264,590
Benefits	140,242	110,896	115,540	116,846
Supplies	107,036	125,300	125,550	145,500
Maintenance of Equipment	104,875	90,500	90,500	96,000
Miscellaneous Services	675,438	503,748	513,598	691,472
TOTAL	1,275,709	1,066,011	1,112,514	1,314,408
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Driver II	4	4	4	4
Driver III	2	2	2	2
SW Fleet Technician	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
2019



CITY OF LUFKIN, TEXAS

Solid Waste / Special Collections

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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	192,508	165,114	166,114	166,150
Benefits	102,343	85,855	85,946	85,805
Supplies	27,342	29,100	34,350	34,800
Maintenance of Equipment	29,073	25,000	27,000	30,000
Miscellaneous Services	163,931	191,795	183,795	183,795
TOTAL	515,197	496,864	497,205	500,550
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



CITY OF LUFKIN, TEXAS

Solid Waste / Roll-off Collections

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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	60,173	61,693	61,693	61,369
Benefits	47,502	32,356	32,400	32,274
Supplies	55,931	77,100	82,100	87,800
Maintenance of Equipment	42,302	35,000	35,000	35,000
Miscellaneous Services	358,986	385,674	385,674	359,874
TOTAL	564,894	591,823	596,867	576,317
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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

2019



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	2016-2017 Actual	2017-2018 Revised	2018-2019 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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	130,857	169,560	154,112	170,775
Benefits	100,424	95,476	91,762	95,680
Supplies	48,518	54,500	53,500	54,300
Maintenance of Equipment	44,302	52,500	52,500	54,000
Miscellaneous Services	151,995	184,715	174,715	172,232
TOTAL	476,096	556,751	526,589	546,987
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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
2019



CITY OF LUFKIN, TEXAS

Non—Departmental

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.

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 2019 are the following items:

Liability Insurance Premium	\$ 7,291
Allowance for Uncollectible Accounts	\$ 35,000
General and Administrative Charges	\$2,203,974
Debt Service Fund	\$ 54,200
Transfer-General Fund	\$ 100,000

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	-	10,819	-	35,098
Benefits	127	1,000	1,000	-
Supplies	-	-	-	368
Equipment Maintenance	-	-	-	5,636
Miscellaneous Services	9,673	7,291	65,228	57,291
Sundry Charges	2,090,493	2,287,636	2,287,636	2,288,974
Transfers	308,400	206,200	311,238	154,200
TOTAL	2,408,699	2,512,946	2,665,470	2,541,567

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				





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
2019**



CITY OF LUFKIN, TEXAS
**Hotel/Motel Tax Fund - Pitser Garrison
Convention Center**

HOTEL / MOTEL TAX FUND

MISSION

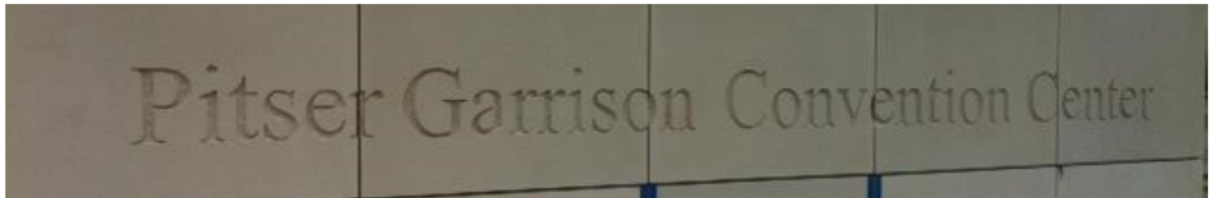
The mission of the Pitser Garrison Civic Center is to provide a safe, beneficial, and enjoyable facility for special events and concerts for citizens, tourists and visitors to Lufkin.

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 2019 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	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Total Number of Days Rented	192	205	198
Total Number of Events	212	220	218
Percentage of Multi-day Rentals	40%	40%	40%
Total of Annual Rentals	83	88	82
Total Number of Kitchen Rentals	91	82	76
Percentage of Multi-day Annual Rentals with Hotel Stays	38%	35%	37%

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	223,857	228,627	222,771	236,431
Benefits	117,679	120,887	119,587	119,387
Supplies	26,054	35,100	31,486	31,686
Maintenance of Equipment	19,112	24,500	35,500	24,500
Miscellaneous Services	190,365	184,447	179,947	179,207
Sundry	637,376	619,000	619,000	579,000
TOTAL	1,214,443	1,212,561	1,208,291	1,170,211

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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

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Fiscal Year
2019



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 2019 appropriations budget for the entities is as follows:

The Museum of East Texas	\$ 50,000
George H. Henderson Exposition Center	\$135,000
Texas Forestry Museum	\$ 35,000
Lufkin Convention and Visitor Bureau	\$349,000
Angelina Arts Alliance	\$ 10,000

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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Sundry Charges	637,376	619,000	619,000	579,000
TOTAL	637,376	619,000	619,000	579,000
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this department.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2019**



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.

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 budgets include the following items:

Liability Insurance Premium \$ 3,757

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	-	2,373	1,500	8,261
Supplies	-	-	86	86
Miscellaneous Services	4,486	3,757	3,757	3,757
TOTAL	4,486	6,130	5,343	12,104

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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 2019. The Department is working hard at trying to bring baseball tournaments to Lufkin. The Department will continue to search for new classes and instructors to teach these classes.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
This is a non-operational department			

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	41,245	44,000	44,046	44,000
Benefits	3,791	4,002	4,002	4,002
Supplies	111,187	122,915	124,725	119,720
Maintenance of Equipment	13,270	19,650	17,750	19,700
Miscellaneous Services	182,172	206,525	185,220	190,270
Sundry	1,000	-	-	-
Transfers	59,770	59,769	59,769	59,769
TOTAL	412,435	456,861	435,466	437,461

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Concession Stand Workers	25	25	25	25
FULL TIME	-	-	-	-
PART TIME	25	25	25	25
TOTAL	25	25	25	25

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	24,423	23,050	30,050	23,400
Maintenance of Equipment	7,775	13,750	13,750	13,750
Miscellaneous Services	86,059	93,000	86,450	86,450
TOTAL	118,257	129,800	130,250	123,600
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	-	2,000	2,000	3,000
Miscellaneous Services	-	1,670	1,670	4,500
TOTAL	-	3,670	3,670	7,500
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



CITY OF LUFKIN, TEXAS

Recreation / Basketball

SPECIAL RECREATION FUND

DIVISION: Basketball

DIVISION DESCRIPTION

This division is provided for youth and adult basketball programs.

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	6,545	7,170	7,800	8,100
Miscellaneous Services	13,975	16,100	12,200	15,600
TOTAL	20,520	23,270	20,000	23,700
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



CITY OF LUFKIN, TEXAS

Recreation / Football

SPECIAL RECREATION FUND

DIVISION: Football

DIVISION DESCRIPTION

This division is provided for youth football programs.

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	-	2,060	-	-
Miscellaneous Services	-	4,260	-	-
TOTAL	-	6,320	-	-
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	421	1,900	1,900	1,700
Miscellaneous Services	23,205	26,745	16,125	16,245
TOTAL	23,626	28,645	18,025	17,945
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	977	1,250	1,250	1,475
Miscellaneous Services	6,012	3,500	6,525	3,625
TOTAL	6,989	4,750	7,775	5,100
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2019**



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	318	425	425	425
Miscellaneous Services	19,824	19,600	27,000	28,200
TOTAL	20,142	20,025	27,425	28,625
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2019**



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	18,035	21,760	18,000	18,320
Maintenance of Equipment	5,495	5,900	4,000	5,950
Sundry	1,000	-	-	-
Miscellaneous Services	33,097	41,650	35,250	35,650
TOTAL	57,627	69,310	57,250	59,920

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	41,245	44,000	44,000	44,000
Benefits	3,791	4,002	4,002	4,002
Supplies	60,469	63,300	63,300	63,300
TOTAL	105,505	111,302	111,302	111,302
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Concession Stand Worker	25	25	25	25
FULL TIME	-	-	-	-
PART TIME	25	25	25	25
TOTAL	25	25	25	25

**Fiscal Year
2019**



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.

WORK PROGRAM

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.

Description		2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
This is a non operational department and does not have performance measures.				
EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Transfers	59,769	59,769	59,769	59,769
TOTAL	59,769	59,769	59,769	59,769
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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.

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 Theater works closely with schools to show movies during the school year primarily around the end of the year and Christmas.
- The Pines Theatre Venue is rented for various social events including weddings, recitals, banquets, award ceremonies and school programs.
- From October 2017 through September 2018, a total of 7 movies will have been shown.
- From October—September 2018, a total of 8 shows will have been presented through The Pines Presents.
- From October -September 2018 The Pines has been rented a total of 101 times. This includes private rentals for weddings, corporate events, engagement parties, and other musical events, schools, etc.

WORKLOAD INDICATORS & PERFORMANCE MEASURES

Description		2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
This is a non-operational department				
EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	12,414	16,625	13,700	13,700
Maintenance of Equipment	4,426	3,570	3,570	3,570
Miscellaneous Services	128,179	152,140	150,226	144,225
TOTAL	145,019	172,335	167,796	161,495
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2019**



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		2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
This is a non-operational department				
EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	48,918	84,400	126,000	117,680
Maintenance of Equipment	57,140	135,400	194,000	101,500
Miscellaneous Services	39,890	34,800	71,050	36,800
Transfers	28,599	28,599	28,599	28,599
TOTAL	174,547	283,199	419,649	284,579

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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		2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
This is a non-operational department				
EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	2,182	5,460	3,740	3,340
Maintenance of Equipment	16,301	17,340	17,250	1,415
Miscellaneous Services	2,969	2,710	1,630	2,710
TOTAL	21,452	25,510	22,620	7,365

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Maintenance of Equipment	16,201	16,690	16,900	1,065
TOTAL	16,201	16,690	16,900	1,065

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	2,182	5,460	3,740	3,240
Maintenance of Equipment	100	350	350	350
Miscellaneous Services	2,969	2,710	1,630	2,710
TOTAL	5,251	8,520	5,720	6,300
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Transfers	-	-	-	-
TOTAL	-	-	-	-
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

**Fiscal Year
2019**



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	4,818	5,450	5,873	5,450
Miscellaneous Services	12,508	14,000	13,471	14,000
TOTAL	17,326	19,450	19,344	19,450
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

CITY OF LUFKIN, TEXAS

Community Dev/Dwntwn Festival

**Fiscal Year
2019**



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		2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
This is a non-operational department.				
EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	-	-	10,000	-
Miscellaneous Services	-	40,000	-	-
Maintenance of Equipment	-	-	-	40,000
Transfers	145,000	90,000	90,000	90,000
TOTAL	145,000	130,000	100,000	130,000
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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		2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
This is a non-operational department.				
EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	-	1,000	1,000	-
Maintenance of Equipment	-	6,000	6,000	-
Capital Outlay	-	10,000	10,000	-
Miscellaneous Services	16,864	-	14,055	-
TOTAL	16,864	17,000	31,055	-

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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 2019, 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		2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
This is a non-operational department.				
EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Supplies	-	120,000	120,000	120,000
Miscellaneous Services	12,421	-	7,911	12,420
Capital Outlay	1,687,068	1,811,363	1,912,776	1,936,134
TOTAL	1,699,489	1,931,363	2,040,687	2,068,554
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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
2019**



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
2019**



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	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	27,986	153,208	107,434	148,216
Benefits	24,062	58,518	45,779	54,544
Economic Development Incentives	378,873	738,000	820,670	1,328,000
Supplies	7,208	10,440	16,261	8,752
Miscellaneous Services	220,163	242,635	287,735	250,719
Capital Outlay	153,726	-	-	-
Transfers	494,875	-	99,913	-
Debt Service	31,176	185,479	185,479	189,476
Sundry Charges	30,510	34,330	34,330	31,160
TOTAL	1,368,579	1,422,610	1,597,601	2,010,867

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Director of Economic Development	1	1	1	1
Econ Development Specialist	0	0	1	1
Clerk Senior Level	1	1	0	0
FULL TIME	2	2	2	2
PART TIME	0	0	0	0
TOTAL	2	2	2	2

SIGNIFICANT CHANGES

FY18– Econ Development Specialist position replaced Clerk Senior Level.

Fiscal Year
2019



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	\$ 5,064
Insurance	\$ 2,600
General and Administrative Charges	\$ 15,910
Debt Service	\$189,476

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	-	-	-	5,064
Supplies	-	-	22	22
Miscellaneous Services	3,047	2,600	2,600	2,600
Sundry Charges	11,510	15,330	15,330	15,910
Transfers	494,875	-	99,913	-
Debt Service	31,176	185,479	185,479	189,476
TOTAL	540,608	203,409	303,344	213,072
AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				



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.

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:

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, Jam and Toast, Pour and Explore, Farm Feast and the Angelina County AirFest, among others and reach out to outlying areas to bring visitors to the community for these events.

Description	2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
Total number of events promoted	80	80	90
Total number of events promoted with greater than 50% participation from outside the county.	20	15	16
Promote events that have a participation rate from outside the county 75% of the time	15	15	16
Total number of advertising campaigns completed within the fiscal year	12	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	8	8

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	116,094	177,432	182,481	184,719
Benefits	52,785	66,734	66,532	66,532
Supplies	8,935	7,755	11,167	8,106
Sundry	1,780	2,690	2,690	2,800
Miscellaneous Services	246,316	342,685	227,547	203,475
TOTAL	425,910	597,296	490,417	465,632

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
LCVB Director	1	1	1	1
Main Street Director	0	1	1	1
Clerk Senior Level	1	1	1	1
FULL TIME	2	3	3	3
PART TIME	0	0	0	0

SIGNIFICANT CHANGES				
FY2018-Main Street budgeted in Lufkin Convention & Visitors Bureau Department. Community Development/Main Street department was eliminated. Director position moved to LCVB. Clerk-Journeyman was eliminated. Maintenance worker position/expense distribution transferred to Solid Waste Dept.				

Fiscal Year
2019



CITY OF LUFKIN, TEXAS

Lufkin Convention & Visitor Bureau / Administration

LUFKIN CONVENTION & VISITORS BUREAU FUND

Division: Administration

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	115,450	119,084	123,884	121,076
Benefits	52,633	45,551	45,485	45,485
Supplies	8,935	4,850	8,540	4,940
Miscellaneous Services	246,316	231,900	217,435	189,900
TOTAL	423,334	401,385	395,344	361,401

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



LUFKIN CONVENTION & VISITORS BUREAU FUND

Division: Main Street

CITY OF LUFKIN, TEXAS

Lufkin Convention & Visitor Bureau / Main Street

EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	644	57,397	58,597	57,493
Benefits	152	21,183	21,047	21,047
Supplies	-	2,905	2,605	3,134
Miscellaneous Services	-	10,785	10,112	13,575
TOTAL	796	92,270	92,361	95,249

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
There are no positions assigned to this division.				
FULL TIME				
PART TIME				
TOTAL				

Fiscal Year
2019



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 \$ 2,800

Description		2016-2017 Actual	2017-2018 Revised	2018-2019 Budget
This is a non operational department and does not have performance measures.				
EXPENDITURES	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 Budget
Personnel Services	-	951	-	6,150
Supplies	-	-	22	32
Miscellaneous Services	-	100,000	-	-
General & Administrative	1,780	2,690	2,690	2,800
TOTAL	1,780	103,641	2,712	8,982

AUTHORIZED POSITIONS	2016-2017 Actual	2017-2018 Approved	2017-2018 Revised	2018-2019 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 \$0.531135 and the proposed rate for FY 2019 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 2019 is \$2,109,036,273, which, when calculated, provides a policy debt limit of \$105,451,814. The City's total estimated outstanding debt for Fiscal 2019 is \$46,840,000

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:

$$\text{Net Debt Per Capita} = \frac{\$46,840,000 \text{ (Net Direct Debt)}}{36,830 \text{ (Population)}} = \$1,272$$

$$\text{Ratio of Net Debt to Taxable Assessed Value} = \frac{\$46,840,000 \text{ (Net Direct Debt)}}{\$2,109,036,273 \text{ (Assessed Value)}} = 2.22 \%$$

The subsequent table reflects the allocation of the property tax levy between Debt Service and General Fund Operations for Fiscal 2019 and the previous four years.

	<u>Fiscal 2015</u>	<u>Fiscal 2016</u>	<u>Fiscal 2017</u>	<u>Fiscal 2018</u>	<u>Fiscal 2019</u>
Debt Service Fund	\$0.160000	\$0.150000	\$0.150000	\$0.150000	\$0.150000
General Fund	<u>\$0.363800</u>	<u>\$0.373800</u>	<u>\$0.379942</u>	<u>\$0.381135</u>	<u>\$0.381135</u>
Total Tax Rate	<u>\$0.523800</u>	<u>\$0.523800</u>	<u>\$0.529942</u>	<u>\$0.531135</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 2019.

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 286 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 287-298, 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, 2018 is \$46,840,000.

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 \$7,699 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 299 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 2019 Operating Budget

	FY2017	FY2018	FY2018	FY2019
	<u>Actual</u>	<u>Budget</u>	<u>Adjusted</u>	<u>Budget</u>
Beginning Balance	\$ 1,406,542	\$ 1,806,925	\$ 1,828,093	\$ 1,802,777
Revenues				
Current year collections	3,052,878	3,032,773	3,032,773	3,092,261
Interest income	25,496	10,000	22,500	25,000
Other-Transfer from Water/Wastewater Fund	3,778,005	3,546,645	3,546,645	3,759,552
Other-Transfer from Solid Waste/Recycling Fund	58,400	56,200	56,200	56,200
Other financing sources-proceeds	9,818,601	-	-	-
Total Revenues	16,733,380	6,645,618	6,658,118	6,933,013
Total Funds Available	<u>\$ 18,139,922</u>	<u>\$ 8,452,543</u>	<u>\$ 8,486,211</u>	<u>\$ 8,735,790</u>
Expenditures				
Principal payments	\$ 4,685,000	\$ 5,020,000	\$ 5,020,000	\$ 5,397,000
Interest payments	1,802,833	1,657,084	1,657,084	1,352,146
Debt service fees	134,000	6,350	6,350	7,732
Other Financing Uses	9,689,996	-	-	-
Total Expenditures	16,311,829	6,683,434	6,683,434	6,756,878
Excess(deficiency) of revenues over expenditures	421,551	(37,816)	(25,316)	176,135
Fund balance ending	1,828,093	1,769,109	1,802,777	1,978,912
Total Funds Applied	<u>\$ 18,139,922</u>	<u>\$ 8,452,543</u>	<u>\$ 8,486,211</u>	<u>\$ 8,735,790</u>

**GENERAL OBLIGATION BONDS
DEBT REQUIREMENTS
SUMMARY
Fiscal 2019 Operating Budget**

Issue	Purpose	Principal Outstanding 10/1/2018	Requirements for Fiscal 2019			
			Principal	Interest	Paying Agent Fees	Total
2009	C.O./Utility Improvements	700,000	700,000	12,600	750	713,350
2010	C.O. Improvements	3,300,000	405,000	269,000	750	674,750
2010	G.O. Refunding Bond	3,615,000	1,260,000	144,600	750	1,405,350
2011	G.O. Refunding Bond	3,825,000	1,105,000	79,900	750	1,185,650
2012	C.O. Improvements	5,575,000	325,000	112,438	550	437,988
2013	C.O. Improvements	4,035,000	220,000	126,532	550	347,082
2014	G.O. Refunding Bond	3,630,000	475,000	99,550	750	575,300
2015	G.O. Refunding Bond	4,460,000	500,000	136,950	750	637,700
2016	G.O. Refunding Bond	8,530,000	220,000	277,700	750	498,450
2017	G.O. Refunding Bond	9,170,000	55,000	229,875	750	285,625
Total		<u>\$46,840,000</u>	<u>\$5,265,000</u>	<u>\$1,489,145</u>	<u>\$7,100</u>	<u>\$6,761,245</u>

GENERAL OBLIGATION BONDS
ANNUAL DEBT SERVICE REQUIREMENTS
All Series

Fiscal Year	Principal	Interest 15-Feb	Interest 15-Aug	Paying Agent Fees	Total
2019	5,265,000	753,623	735,523	7,100	6,761,245
2020	5,385,000	675,685	669,935	6,350	6,736,970
2021	4,880,000	601,236	589,986	6,350	6,077,572
2022	3,980,000	524,736	513,111	5,600	5,023,447
2023	3,205,000	466,645	465,970	5,600	4,143,215
2024	3,270,000	423,711	422,961	5,600	4,122,272
2025	3,035,000	379,186	378,436	4,850	3,797,472
2026	2,520,000	263,749	262,999	4,100	3,050,848
2027	2,710,000	224,528	208,853	3,350	3,146,731
2028	2,300,000	185,834	169,709	2,600	2,658,143
2029	2,380,000	149,568	132,993	2,600	2,665,161
2030	2,010,000	115,215	104,565	2,600	2,232,380
2031	2,080,000	85,890	75,090	2,600	2,243,580
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	\$46,840,000	\$4,951,077	\$4,796,878	\$63,750	\$56,651,705

**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>
2019	700,000	12,600	0	750	713,350
Totals	<u>\$700,000</u>	<u>\$12,600</u>	<u>\$0</u>	<u>\$750</u>	<u>\$713,350</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>
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	100,000	2,000	2,000	750	104,750
Totals	<u>\$3,300,000</u>	<u>\$761,600</u>	<u>\$761,600</u>	<u>\$6,000</u>	<u>\$4,829,200</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>
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>\$3,615,000</u>	<u>\$140,200</u>	<u>\$140,200</u>	<u>\$2,250</u>	<u>\$3,897,650</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>	Agent	<u>Total</u>
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>\$3,825,000</u>	<u>\$111,185</u>	<u>\$111,185</u>	<u>\$4,500</u>	<u>\$4,051,870</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>
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>\$5,575,000</u>	<u>\$494,128</u>	<u>\$494,128</u>	<u>\$8,250</u>	<u>\$6,571,506</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>
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>\$4,035,000</u>	<u>\$577,199</u>	<u>\$577,199</u>	<u>\$8,250</u>	<u>\$5,197,648</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>	<u>Agent</u>	<u>Total</u>
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>\$3,630,000</u>	<u>\$219,675</u>	<u>\$219,675</u>	<u>\$5,250</u>	<u>\$4,074,600</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>	Agent	<u>Total</u>
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>\$4,460,000</u>	<u>\$364,450</u>	<u>\$364,450</u>	<u>\$6,750</u>	<u>\$5,195,650</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	
<u>Year</u>	<u>Principal</u>	<u>15-Feb</u>	<u>15-Aug</u>	<u>Agent</u>	<u>Total</u>
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>\$8,530,000</u>	<u>\$1,390,700</u>	<u>\$1,249,100</u>	<u>\$12,000</u>	<u>\$11,181,800</u>

**DEBT SERVICE
SCHEDULE OF REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS
Series 2017**

Original Issue: \$9,080,000

Dated: October 5, 2017

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>
2019	55,000	114,938	114,938	750	285,625
2020	765,000	114,388	114,388	750	994,526
2021	805,000	106,738	106,738	750	1,019,226
2022	815,000	98,688	98,688	750	1,013,126
2023	825,000	90,538	90,538	750	1,006,826
2024	830,000	82,288	82,288	750	995,326
2025	855,000	73,988	73,988	750	1,003,726
2026	1,290,000	63,300	63,300	750	1,417,350
2027	555,000	43,950	43,950	750	643,650
2028	565,000	35,625	35,625	750	637,000
2029	585,000	27,150	27,150	750	640,050
2030	600,000	18,375	18,375	750	637,500
2031	625,000	9,375	9,375	750	644,500
Totals	<u>\$9,170,000</u>	<u>\$879,340</u>	<u>\$879,341</u>	<u>\$9,750</u>	<u>\$10,938,431</u>

**WATER/WASTEWATER
DEBT REQUIREMENTS
SUMMARY
Fiscal 2019**

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	\$7,505	\$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	\$212,497	\$145,911	\$358,408	\$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.

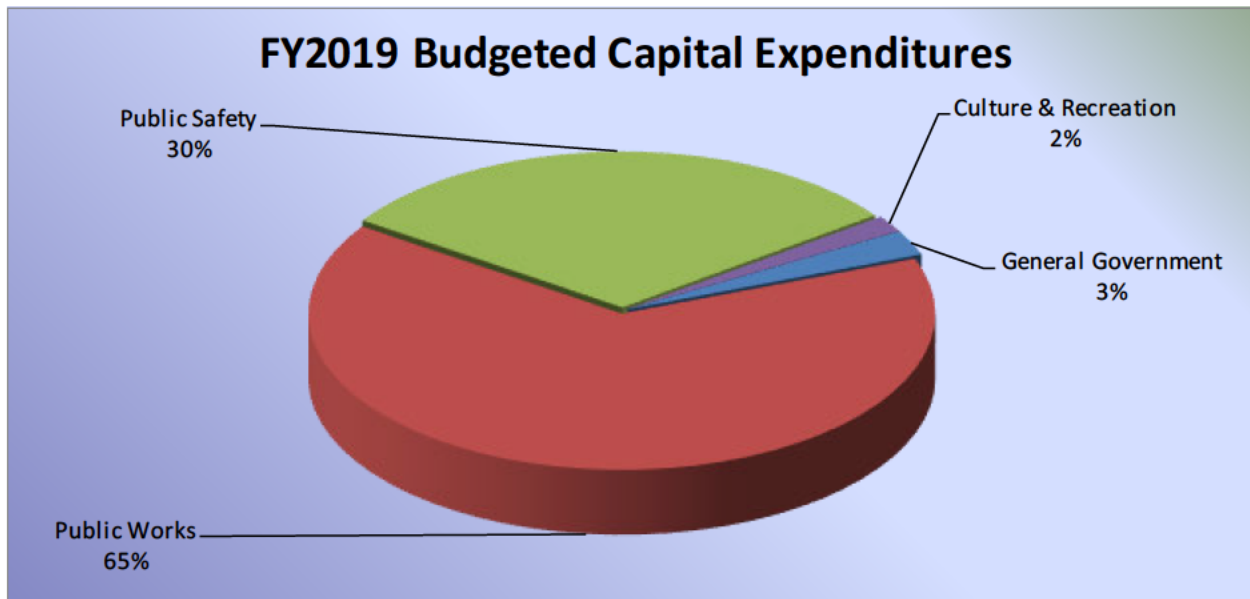
EQUIPMENT ACQUISITION AND REPLACEMENT FUND

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.

2019 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	-	-	-	-	82,230.00		82,230
Public Works	-	-	-	-	634,200	1,421,588	2,055,788
Public Safety	-	-	-	-	344,768.00	617,432	962,200
Community Development	-	-	-	-	-		-
Culture & Recreation	-	-	-	-	37,500	17,114	54,614
Total	\$ -	\$ -	\$ -	\$ -	\$ 1,098,698	\$ 2,056,134	\$ 3,154,832

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 following table reflects details of the City's non-routine FY2010 thru FY2018 capital projects 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.

Capital Projects - New, In Progress & Future Planned					
Project	Project Budget	Revised Budget	To-date as of September 30, 2018	Budget Expend for FY2019	Percent Complete
General Government:					
City Hall Renovations & Security Upgrade ⁽²⁾	725,000	799,842	893,789	-	112%
Comprehensive Plan 2016	254,750	254,750	255,310	-	100%
IBM I Series Replacement	52,375	52,375	51,025	1,350	97%
Scanflow Store Upgrade	20,800	20,800	-	20,800	0%
Subtotal	1,052,925	1,127,767	1,200,124	22,150	
Public Safety:					
Subtotal	0	0	0	0	
Public Works:					
Knight Avenue Reconstruction	120,000	120,000	13,849	106,151	12%
Inez Tims Det Pond ⁽¹⁾	275,000	275,000	287,925	-	105%
Sybil Street	320,000	544,913	533,863	11,050	98%
Lufkin Avenue Reconstruction	120,000	120,000	96,752	23,248	81%
Subtotal	835,000	939,913	835,637	140,449	
Culture & Recreation:					
Library Internet Upgrade	44,801	44,801	39,974	4,827	89%
Ellen Trout Zoo Commissary ⁽¹⁾	744,171	772,840	772,840	-	100%
Subtotal	788,972	817,641	812,814	4,827	
Total	2,676,897	2,885,321	2,848,575	167,426	

Projects highlighted in blue are completed.

(1) These projects are funded from grants or contributions

(2) 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	Revised Budget	To-date Expend as of September 30, 2018	Budget Expend for FY2019	Percent complete
Leach Street Reconstruction	157,483	157,483	154,717	2,766	98%
Sybil Street	117,517	117,517	66,767	50,750	57%
Kit McConnico I/I Project G	240,000	240,000	20,630	219,370	9%
Kit McConnico I/I Project H	630,000	630,000	205,713	424,287	33%
Kit McConnico I/I Project I	690,000	690,000	162,591	527,409	24%
Central I & I - Project F	250,000	250,000	-	250,000	0%
Total	2,085,000	2,085,000	610,418	1,474,582	

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, 2018 and 2019.

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.

OPERATING BUDGET IMPACT

Tax Supported Projects have a negligible impact on the City's operating budget. Meaning the impact will be minimal and expenses are estimated to increase by \$10,000 or less.

On the other hand, Revenue Supported Projects mainly have a positive effect on the City's operating budget. This type of projects reduce operating costs or generate income to offset any additional expense.

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
	Fiscal 2017 Completed Projects	2,763,928	2,354,202
	Fixed Read Antenna/Meter	218,000	216,966
	Work Order Sys-Util Coll	21,615	19,619
	Chlorine Contact Basin	920,000	36,917
	Repair Fence Erosion WP#1	36,000	3,623
	Kurth Lake Road Improvements	73,000	72,956
	Paint GS Tank #5 @ WP#2	450,000	360,476
	<i>Subtotal</i>	<i>19,001,493</i>	<i>16,491,975</i>
Added Fiscal 2018:	Fixed Read Antenna/Meter	220,000	218,758
	Carpet Replacement in Utility Collections	8,500	8,487
	Library AC Unit Replacement	11,000	10,960
	Mossquito Fogger-Parks	6,500	6,975
	Roof replacement-Morris Frank Park	18,240	11,675
	Recoat Final Clarifier	270,000	255,171
	Boiler #3 Replacement	170,000	159,976
	Hurricane CRK Moyno Pump	81,656	81,656
	Lift St Repair	21,000	20,096
	Camera Van Supplement	60,000	60,000
	McElroy Fusion Machine	36,000	-0-
	Leach Street Improvement	61,000	-0-
	Arena Street Water Line Replacement	26,800	26,719
	Linkwood area Water Line Replacement	24,400	23,997
	Card Drive Water Line Replacement	40,740	40,532
	Electric Hoist WP#3	10,000	8,798
	Replace booster Pump #6 @ WP#1	20,000	16,565
	Phosphate Containment Pjt	15,000	15,000
	<i>Subtotal</i>	<i>1,100,836</i>	<i>965,365</i>

Department	Description	Budget	Expended
Added Fiscal 2019:	Installation of 2 Fixed Read Ant	22,230	-0-
	Water Rate Study	60,000	-0-
	Life Pak	32,915	-0-
	Lucas Device	15,755	-0-
	Move TR Tower to Armory	32,500	-0-
	SCBA & Air Mask Pur FY19	263,598	-0-
	Top Dresser for Fields	13,500	-0-
	Kiwanis Park Water Ft (3)	9,000	-0-
	Carpet Cleaner Convention Center	15,000	-0-
	Zero Turn Mower WWTP	10,000	-0-
	Resurface Floor Admin Bldg	20,000	-0-
	Auto Sampler Final Efflu	6,800	-0-
	Meter replacements	195,000	-0-
	Palm Harbor Line Replacement	5,400	-0-
	Forest Pk Line Replacement	22,000	-0-
	Joplin Line Replacement	5,000	-0-
	Freezer for Sock Liner	25,000	-0-
	Air Compressor Sock Liners	55,000	-0-
	Sandblast & Paint GST#1	20,000	-0-
	Sandblast & Paint GST#2	28,000	-0-
	Water Well #3 Rehab FY19	242,000	-0-
	<i>Subtotal</i>	<i>1,098,698</i>	<i>-0-</i>
	Total	\$21,201,027	\$17,457,340

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 2019 are anticipated to be \$2,056,134.

EXPENDITURES

MISCELLANEOUS SERVICES

There are no miscellaneous services expenditures charged to this account for Fiscal 2019.

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 2019 estimated expenditures are \$2,056,134.

Department	Item to be purchased	Amount
Police Dept	Equipment	120,000
Police Dept	6- Chevy Tahoe	235,108
Police Dept	3 Chevy Impala	57,324
Fire Dept	Chevrolet 3500 Med Unit	205,000
Solid Waste	3- Peterbilt-Heil Residential Truck	825,000
Solid Waste	Peterbilt Front Loader	325,000
Solid Waste	Ford F-250 4DR 4WD	30,000
Solid Waste	2 Peterbilt Dump Trucks	241,588
Parks	Kawasaki Mule W/Ext Bed	8,636
Zoo	Cushman Titan Easygo Cart	8,478
Total		<u>\$2,056,134</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 2019 year-end is \$1,655,693.

ORDINANCE NO. 4724

AN APPROPRIATIONS ORDINANCE ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018, AND ENDING SEPTEMBER 30, 2019 AND ADOPTING A CONVENIENCE FEE OF 3.00% PER TRANSACTION FOR THE ACCEPTANCE OF CREDIT CARD PAYMENTS.

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; and

WHEREAS, in the interest of fiscal responsibility and conservation, the City Council has determined that it is in the best interest of the City of Lufkin, Texas, to adopt a fee charged for the convenience of making credit card payments to the City; and

WHEREAS, with the intent to provide persons with a more convenient service and adequate means to accept payment by credit card of a fee, fine, court cost or other charges; and

WHEREAS, the City Council finds that it will be advantageous, beneficial, and in the best interest of the citizens of Lufkin to accept credit/debit cards, but to charge such a fee to cover the costs charged to the City by the credit card companies and the security services involved with credit/debit card payments; and

WHEREAS, in order to provide the convenient service of accepting credit cards, but to offset the City's costs associated with the provision of such service.

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 \$34,147,983 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 \$690,374 and contingency account of \$75,000 for use by the City Manager.

SECTION III

That there is hereby appropriated the sum of \$6,756,878 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 \$18,043,388 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 \$2,079,977 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 \$3,759,552 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 \$6,937,115 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 \$50,000 from the Solid Waste & Recycling Enterprise operating fund to the Solid Waste 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 IX

That there is hereby appropriated the sum of \$54,200 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 X

That there is hereby appropriated the sum of \$1,170,211 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 XI

That there is hereby appropriated the sum of \$161,495 to the Pines Theater Special Events Fund for operating expenditures and necessary capital outlay.

SECTION XII

That there is hereby appropriated the sum of \$284,579 to the Ellen Trout Zoo Building Fund for operating expenditures and necessary capital outlay.

SECTION XIII

That there is hereby appropriated the sum of \$437,461 to the Special Recreation Fund for operating expenses and necessary capital outlay.

SECTION XIV

That there is hereby appropriated the sum of \$7,365 to the Court Security/Technology Fund for operating expenses and necessary capital outlay.

SECTION XV

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 \$34,500.

SECTION XVI

That there be appropriated the sum of \$19,450 to the Main Street/Community Development Improvements Fund for operating expenses and necessary capital outlay including assigned fund balance of negative \$1,640.

SECTION XVII

That there be appropriated the sum of \$2,010,867 to the Economic Development Fund for operating expenses and necessary capital outlay.

SECTION XVIII

That there be appropriated the sum of \$465,632 to the Lufkin Convention & Visitor Bureau Fund (LCVB) for operating expenses and necessary capital outlay and including assigned fund balance of negative \$52.

SECTION XIX

That there is hereby appropriated the sum of \$856,698 to be expended for certain capital and maintenance items from the Water/Wastewater Renewal and Replacement Fund.

SECTION XX

That there is hereby appropriated the sum of \$2,068,554 to be expended for certain capital items from the Equipment Acquisition and Replacement Fund.

SECTION XXI

That there is hereby appropriated the sum of \$60,960 to be expended for certain capital items from the Solid Waste & Recycling Operating Enterprise Fund.

SECTION XXII

That the City Council hereby authorizes any City official who collects fees, fines, court costs, or other charges to accept payment by credit card and collect a fee for processing the payment by credit card.

- (A) The fee charged for processing the payment by credit card shall be 3.00% of the actual total transaction cost.
- (B) If, for any reason, a payment by credit card is not honored by the credit card company on which the funds are drawn, the City may collect a service charge from the person who owes the fee, fine, court cost, or other charge. The service charge is in addition to the original processing fee and shall be the same amount as the City charges for the collection of a check drawn on an account with insufficient funds.
- (C) The City official collecting a processing fee or charge under this Section shall deposit the fee or charge in the general fund of the City.

That this ordinance shall be and become effective on October 1, 2018.

PASSED AND APPROVED on First Reading by the City Council of the City of Lufkin, Texas on this the 21st day of August, 2018.



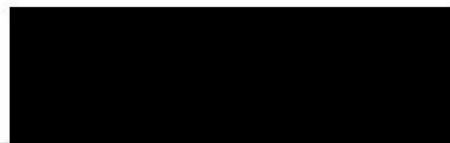
Bob F. Brown, Mayor

ATTEST



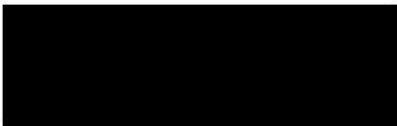
Kara Andrepont, City Secretary

PASSED AND APPROVED on Second Reading by the City Council of the City of Lufkin, Texas on this the 11th day of September, 2018.



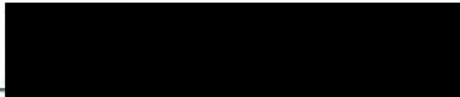
Bob F. Brown, Mayor

ATTEST:



Kara Andrepont, City Secretary

APPROVED AS TO FORM:



Bruce W. Green, City Attorney

ORDINANCE NO. 4727

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 2019 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 (2019) 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
General Obligation Refunding Bonds	Series 2017
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, 2018.


PASSED AND APPROVED on First Reading by the City Council of the City of Lufkin, Texas on this the 11th day of September, 2018.


Bob F. Brown, Mayor

ATTEST:


Kara Andrepont, City Secretary

PASSED AND APPROVED on Second Reading by the City Council of the City of Lufkin, Texas on this the 18th day of September, 2018.


Bob F. Brown, Mayor
ATTEST:
Kara Andrepont, City Secretary

APPROVED AS TO FORM:


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 06/06/18

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, 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, notary bonds and renewals, 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.

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50-24: Heating fuel service – Costs incurred for water service (Kurth Lake) are budgeted and charged to this account.

50-25: Water 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 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
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	4	4
Part Time	0	0	0	0	0
Total	3	3	3	4	4
Finance					
Full Time	10	10	10	10	10
Part Time	0	0	0	0	0
Total	10	10	10	10	10
Legal					
Full Time	2	2	2	1	1
Part Time	0	0	0	0	0
Total	2	2	2	1	1
Municipal Court					
Full Time	7	7	6	6	6
Part Time	1	1	0	0	0
Total	8	8	6	6	6
City Marshall					
Full Time	0	0	1	1	1
Part Time	0	0	1	1	1
Total	0	0	2	2	2
Human Resources					
Full Time	5	5	6	6	6
Part Time	0	0	0	0	0
Total	5	5	6	6	6

City of Lufkin
Five- Year Personnel History
(Continued)

Department	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
Building Services					
Full Time	2	2	2	2	2
Part Time	1	1	1	1	1
Total	3	3	3	3	3
Information Technology					
Full Time	7	7	7	7	7
Part Time	0	0	0	0	0
Total	7	7	7	7	7
Police					
Full Time	99	100	100	100	100
Part Time	1	1	1	1	1
Total	100	101	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	0
Part Time	0	0	0	0	0
Total	8	8	8	8	0
Animal Control					
Full Time	10	11	11	11	11
Part Time	0	0	0	0	0
Total	10	11	11	11	11
Engineering					
Full Time	9	9	9	7	16
Part Time	0	0	0	0	0
Total	9	9	9	7	16

City of Lufkin
Five- Year Personnel History
(Continued)

Department	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
Streets					
Full Time	34	34	34	33	33
Part Time	1	1	1	1	1
Total	35	35	35	34	34
Parks & Recreation					
Full Time	27	27	27	26	26
Part Time	5	5	5	5	5
Total	32	32	32	31	31
Fleet Maintenance					
Full Time	7	7	7	8	8
Part Time	0	0	0	0	0
Total	7	7	7	8	8
Planning & Zoning					
Full Time	3	3	3	2	0
Part Time	0	0	0	0	0
Total	3	3	3	2	0
Community Development (Main Street)					
Full Time	3	3	3	0	0
Part Time	0	0	0	0	0
Total	3	3	3	0	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	10	10	10	10	10
Part Time	6	6	6	6	6
Total	16	16	16	16	16

City of Lufkin
Five-Year Personnel History
(Continued)

Department	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
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	19	19
Part Time	1	1	1	1	1
Total	21	21	21	20	20
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	37	37	38	40	40
Part Time	0	0	0	0	0
Total	37	37	38	40	40
Solid Waste					
Full Time	26	26	26	27	27
Part Time	0	0	0	0	0
Total	26	26	26	27	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 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
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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	3	3
Part Time	0	0	0	0	0
Total	2	2	2	3	3

Total Full Time	468	470	471	467	466
Total Part Time	45	45	44	44	44
Total Employees	513	515	515	511	510

CITY OF LUFKIN
WATER/WASTEWATER FUND
Fiscal 2017, 2018 and Fiscal 2019 General & Administrative Charges Comparison

Cost Center	Costs Allocated						EST.
	Percent to General	FY 2017 Budget	Percent to General	FY 2018 Budget	Percent to General	FY 2019 Budget	
City Council/City Secretary	23%	\$ 86,180.77	25%	\$ 92,345.25	25%	\$ 90,373.50	
City Administration	35%	\$ 182,857.15	42%	\$ 223,770.96	42%	\$ 287,237.58	
Finance	36%	\$ 284,628.24	40%	\$ 312,944.40	40%	\$ 314,897.60	
Legal	26%	\$ 78,901.42	30%	\$ 92,426.40	29%	\$ 34,894.83	
Human Resources/Purchasing	43%	\$ 191,221.00	45%	\$ 202,578.75	44%	\$ 188,591.48	
Municipal Building	16%	\$ 50,575.04	20%	\$ 65,135.20	20%	\$ 63,498.20	
Information Technology	33%	\$ 370,031.31	35%	\$ 396,854.85	35%	\$ 284,153.45	
Fire Department ⁽¹⁾							
Inspection Services	42%	\$ 232,781.64	45%	\$ 249,190.20	42%	\$ -	
Emergency Management	25%	\$ 12,655.00	25%	\$ 12,463.75	25%	\$ 12,938.75	
Engineering	63%	\$ 483,572.25	65%	\$ 424,264.75	65%	\$ 917,464.60	
Street	9%	\$ 346,554.54	11%	\$ 425,352.84	11%	\$ 419,181.73	
Fleet Maintenance	33%	\$ 121,032.45	35%	\$ 143,824.10	35%	\$ 175,190.75	
Total to General		<u>\$ 2,440,990.81</u>		<u>\$ 2,641,151.45</u>		<u>\$ 2,788,422.47</u>	

¹ Hydrant Maintenance

CITY OF LUFKIN
SOLID WASTE & RECYCLING FUND
Fiscal 2017, 2018 and Fiscal 2019 General & Administrative Charges Comparison

Cost Center	Costs Allocated						EST.
	Percent to General	FY 2017 Budget	Percent to General	FY 2018 Budget	Percent to General	FY 2019 Budget	
City Council/City Secretary	17%	\$ 63,698.83	20%	\$ 73,876.20	20%	\$ 72,298.80	
City Administration	42%	\$ 219,428.58	40%	\$ 213,115.20	35%	\$ 239,364.65	
Finance	33%	\$ 260,909.22	38%	\$ 297,297.18	35%	\$ 275,535.40	
Legal	30%	\$ 91,040.10	30%	\$ 92,426.40	30%	\$ 36,098.10	
Human Resources/Purchasing	40%	\$ 177,880.00	35%	\$ 157,561.25	35%	\$ 150,015.95	
Municipal Building	6%	\$ 18,965.64	5%	\$ 16,283.80	5%	\$ 15,874.55	
Information Technology	33%	\$ 370,031.31	35%	\$ 396,854.85	25%	\$ 202,966.75	
Emergency Management	25%	\$ 12,655.00	25%	\$ 12,463.75	25%	\$ 12,938.75	
Engineering	12%	\$ 92,109.00	25%	\$ 163,178.75	24%	\$ 338,756.16	
Street	8%	\$ 308,048.48	14%	\$ 536,021.92	14%	\$ 533,504.02	
Fleet Maintenance	33%	\$ 121,032.45	40%	\$ 164,370.40	39%	\$ 195,212.55	
Main Street	22%	<u>\$ 39,769.84</u>	22%	<u>\$ -</u>	22%	<u>\$ -</u>	
Total to General		\$ 1,775,568.45		\$ 2,123,449.70		\$ 2,072,565.68	
Transfer to Water and Sewer Fund	15%	<u>\$ 123,572.10</u>	15%	<u>\$ 129,185.85</u>	15%	<u>\$ 131,408.10</u>	
		<u>\$ 1,858,875.73</u>		<u>\$ 2,252,635.55</u>		<u>\$ 2,203,973.78</u>	

CITY OF LUFKIN
ECONOMIC DEVELOPMENT
Fiscal 2019 General & Administrative Charges Comparison

Cost Center	FY2019 Dept Budget	Dept Budget as Percent of Total General Fund Appropriation (\$33246531)	Economic Development to Total General Fund Appropriation	Estimated FY2019 Budget
City Council/City Secretary	\$ 361,494	1.09%	\$ 60,550	\$ 660
City Administration	\$ 683,899	2.06%	\$ 60,550	\$ 1,250
Finance	\$ 787,244	2.37%	\$ 60,550	\$ 1,430
Legal	\$ 120,327	0.36%	\$ 60,550	\$ 220
Human Resources/Purchasing	\$ 428,617	1.29%	\$ 60,550	\$ 780
Municipal Building	\$ 317,491	0.95%	\$ 60,550	\$ 580
Information Technology	\$ 811,867	2.44%	\$ 60,550	\$ 1,480
Engineering	\$ 1,411,484	4.25%	\$ 60,550	\$ 2,570
Street	\$ 3,810,743	11.46%	\$ 60,550	\$ 6,940
Total to General	<u>\$ 8,733,166</u>			<u>\$ 15,910</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 2019 General & Administrative Charges Comparison

Cost Center	FY2019 Dept Budget	Dept Budget as Percent of Total General Fund Appropriation	LCVB Total to Total General Fund Appropriation	Estimated FY2019 Budget
City Council/City Secretary	\$ 361,494	1.09%	\$ 10,660	\$ 120
City Administration	\$ 683,899	2.06%	\$ 10,660	\$ 220
Finance	\$ 787,244	2.37%	\$ 10,660	\$ 250
Legal	\$ 120,327	0.36%	\$ 10,660	\$ 40
Human Resources/Purchasing	\$ 428,617	1.29%	\$ 10,660	\$ 140
Municipal Building	\$ 317,491	0.95%	\$ 10,660	\$ 100
Information Technology	\$ 811,867	2.44%	\$ 10,660	\$ 260
Engineering	\$ 1,411,484	4.25%	\$ 10,660	\$ 450
Street	\$ 3,810,743	11.46%	\$ 10,660	\$ 1,220
Total to General	<u>\$ 8,733,166</u>			<u>\$ 2,800</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>