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# FY 2015-2016 PROPOSED BUDGET PRESENTATION

Public Hearing #1 - August 18, 2015  
Public Hearing #2 – August 25, 2015



### 2015-2016 Priorities

1. Continue to provide a safe Community (**Police, Court and Fire**) – Reverse 9-1-1 and Emergency Notifications
2. Continue to provide a safe and efficient Water Supply to our citizens (**Utility Department**) – Improvements at the Water Treatment Plant (insulation and air conditioning) and mapping water lines on the GIS system.
3. Street maintenance and paving (**Street Department**) Annual Paving Funds with County Co-op, maintenance of streets, selling city owned property on FM 1431, improvements of three main arterials by paving NPR and resurfacing other main streets, purchase street maintenance equipment or outsourcing paving
4. Increase Code Compliance activity by approximately 25%. (**Code Compliance**) Increase efficiency of processes, set goals for increased compliance rates and completion of cases.
5. Water Line Replacement Plan (**Utility Department**)
6. Continue to improve the City's Financial Stability (**Finance Director**)
  - Improve the General Fund balance (Goals is three month operation reserve)
  - Fund the capital replacement plan
  - Continue to improve the city's S&P Rating
  - Debt management
7. Continue to focus on Customer Service and Teamwork (**Department Managers**)
8. Hire and maintain a strong workforce (**Human Resources and Department Managers**)
9. Planning and Vision for the future - **Wildlife Advisory Committee** urban deer management
10. Identify new grants for the city and execution on the current grants (**City Manager and Assistant City Manager**)
11. Improve Communications to the citizens of Granite Shoals (**City Council and City Manager**)
12. Encourage and promote business activities in the city (**City Manager and City Council**)

# OPERATING FUNDS

- General Fund
  - Utility Fund
  - Solid Waste Fund
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# General Fund

Unreserved Fund Balance @ 10/1/2014: \$161,389  
 FY 2015 Projected Change to FB (pg26): \$177,114  
 Projected Fund Balance @ 9/30/2015: \$338,503 **41.58 days**

	FY 2015 Budget	FY 2016 PROPOSED	Increase (Decrease)	% Change
Revenues (pg4)	\$2,944,879	\$2,999,552	\$54,673	2%↑
Expenditures (pg26)	\$2,984,065	\$2,971,112	(\$12,953)	0.4%↓
Non-Departmental (pg5)	123,260	141,991	18,731	15%↑
Animal Control (pg7)	72,942	87,900	14,958	21%↑
Fire (pg10)	461,153	412,089	(49,064)	11%↓
Finance (pg12)	233,902	206,008	(27,894)	12%↓
Code Compliance (pg14)	128,028	138,979	10,951	9%↑
Administration (pg16)	345,330	374,224	28,894	8%↑
Police (pg20)	953,674	994,855	41,181	4%↑
Streets (pg22)	568,393	481,897	(86,496)	15%↓
Parks (pg23)	-0-	67,647	67,647	
Municipal Court (pg25)	97,384	65,522	(31,862)	33%↓

Note – Solid Waste activity has been moved to a separate fund (250)

FY 2016 Proposed BUDGET Surplus (pg26): \$28,440 **3.49 days**  
 Projected Ending Fund Balance @ 9/30/2016: \$366,943 **45.08 days**



## Significant Factors:

- Property Values increased overall by 6%
- Increase Sales Tax for Property Tax relief of \$60,065
- Decrease of M&O from \$.2987 to \$.2920 negative revenue impact of \$49,279
- Animal Control – increase \$15,700 for Christ Yoder Shelter
- Police – 2 Replacement SUVs \$125,344 (offset of 4 year financing); handheld radio for EOC \$5,000
- Streets – Traffic sign replacement \$5,000; Lease Motor Grader \$24,000; Increase Street paving by \$50,000
- Fire – Transfer to equip. reserve for future fire truck - \$25,000
- Admin. – Wildlife Committee Plan \$10,000
- Employee Pay Increases – 3%
- Employee Staffing – Court position reduced to Part-time
- New department – Parks
- Solid Waste moved to new Fund 250

City of Granite Shoals  
2015 - 2016  
CAPITAL REPLACEMENT PLAN - GOVERNMENTAL FUNDS

2015-2016 Governmental Capital Plan

Dept.	Capital Need	Life Remaining	Life Expectancy	Purchase Cost	Replacement Fiscal Year & Cost			
					2014-15	2015-16	2016-17	2017-18
Non-Dept	Roof for City Hall	0	25	42,000	-	✓ 21,500		
Non-Dept	City Hall Computer Server	5	5	5,000				
Non-Dept	Chairs for Council Chamber	0	10	2,500		✓ 2,500		
Fire	SCBA Bottles	0	10	1,000	✓ 2,000	✓ 2,000	2,000	2,000
Fire	SCBA Breathing Systems (replace 1 per year=15)		15	6,000		✓ 6,000	6,000	6,000
Fire	Fire Hose (various sizes)	0	10		✓ 2,000	✓ 2,000	2,000	2,000
Fire	Tires for Engine & Tender Truck	0	5					
Fire	1984 Class A Fire Truck	0	15	395,000	-	✓ 25,000	57,000	57,000
Fire	1995 Support Truck	0	5	40,000			40,000	
Fire	Brush/Skid Unit for Gator		15	5,000				
Fire	Land & Prep for Training Facility		30	30,000				
Fire	Live Burn Training Facility		30	300,000				
Fire	1993 Brush Truck	0	10	89,494	✓ 18,801	✓ 18,801	18,801	18,801
Fire	Fire Facility HVAC Unit (Sleeping Area)	10	10	6,000				
Fire	Fire Facility HVAC Unit	3	10	6,000			6,000	
Fire	Fire Facility HVAC Unit	6	10	6,000				
Police	2007 Ford Crown Victoria Police Interceptor Unit #26	3	5	50,000	✓ 13,154	✓ 13,154	13,154	
Police	2007 Ford Crown Victoria Police Interceptor Unit #27	3	5	50,000	✓ 13,154	✓ 13,154	13,154	
Police	2009 Ford Crown Victoria Police Interceptor Unit #30	4	5	56,750	✓ 14,927	✓ 14,927	14,927	14,927
Police	2009 Ford Crown Victoria Police Interceptor Unit #31	4	5	56,750	✓ 14,927	✓ 14,927	14,927	14,927
Police	2009 Ford Crown Victoria Police Interceptor Unit #28	5	5	62,672		✓ 16,700	16,700	16,700
Police	2009 Ford Crown Victoria Police Interceptor Unit #29	5	5	62,672		✓ 16,700	16,700	16,700
Police	Incident Command Vehicle Unit #32	5	7	N/A				
Police	2002 Ford F250 Animal Control Unit #33	0	7	30,000			30,000	
Police	2012 Chevrolet Tahoe Unit #34	1	5	50,000			12,500	12,500
Police	2011 Ford F-150 Unit #35	1	5	50,000			12,500	12,500
Police	Taser X26 CEWs (replace 3 per year)	0	3	4,000	✓ 4,200	✓ 4,000	4,000	4,000
Police	2 Taser X26 CEWs	1	5	2,800				
Police	Dell Computer Server	0	5	2,000				
Police	Bullet Proof Vests (replace 2 per year)	5	1,000	✓ 2,000	✓ 2,000		2,000	2,000
Police	Police Facility HVAC Unit		10	6,000				
Code	2005 Ranger	2	8	20,000			20,000	
Code	2007 Nissan (replace transmission in FY 2013-14)	4	8	20,000				20,000
Streets	Dump Truck	10	10	81,020	✓ 17,362	✓ 17,362	17,362	17,362
Streets	Motor Grader	0	10	75,000		✓ 24,000	24,000	24,000
Streets	Vehicle	10	10	32,353	✓ 5,324	✓ 5,324	5,324	5,324
Streets	Vehicle	2	10	20,000				20,000
Streets	Vehicle	10	10	29,828	✓ 5,324	✓ 5,324	5,324	5,324
Parks	Vehicle						20,000	
	CONTINGENCY				✓ 20,000	-	-	-
	<b>ANNUAL FUNDING REQUIREMENT</b>				<b>\$ 133,173</b>	<b>\$ 225,373</b>	<b>\$ 374,373</b>	<b>\$ 272,065</b>
	<b>FUNDED in General Fund</b>				<b>\$ 10,200</b>	<b>\$ 89,000</b>	<b>\$ 156,000</b>	<b>\$ 80,000</b>
	<b>FUNDED in Debt Service Fund</b>				<b>\$ 122,973</b>	<b>\$ 136,373</b>	<b>\$ 218,373</b>	<b>\$ 192,065</b>
	Adjusted Taxable Value				\$ 349,151,802			
	Tax Rate Required to Support Annual Funding				\$0.0381	\$0.0609	\$0.1011	\$0.0735
	Increase (Decrease) over Previous Year				\$0.0381	\$0.0227		



## Utility Fund

Retained Earnings @ 10/1/2014: \$3,570,449  
 FY 2014 Projected Change to RE (pg33): 11,256  
 Projected Fund Balance @ 9/30/2015: \$3,581,705

Projected Available Operating Capital @ 9/30/2015:  
 $\$143,551 + 80,105 = \$223,656$  49.57 days

	FY 2015 Budget	FY 2016 PROPOSED	Increase (Decrease)	% Change
Revenues (pg27)	\$1,635,689	\$1,649,120	\$13,431	1%↑
Expenditures (pg33)	\$1,633,588	\$1,646,988	\$13,400	1%↑
Customer Service (pg33)	83,248	84,377	1,129	1%↑
Water (pg31)	1,545,340	1,551,611	6,271	0.4%↑
Other (pg28)	5,000	11,000	6,000	120%↑

FY 2016 Proposed BUDGET Change to Retained Earnings (pg33): \$2,132  
 Projected Ending Retained Earnings @ 9/30/2016 : \$3,583,837

Projected Available Operating Capital @ 9/30/2016:  
 $\$145,683 + 93,905 = \$239,588$  53.10 days



## Significant Factors:

- Begin repayment of AMR Program - \$74,600
- Employee Staffing – no change
- Employee Pay Increases – 3%
- Addition of GIS system annual support - \$4,500
- 15 Membrane Replacements - \$33,000
- Discontinue supplemental transfer to Equipment Reserve – reduction of \$26,600





## Solid Waste Fund

Unreserved Fund Balance @ 10/1/2014: \$-0-  
 FY 2015 Projected Change to FB: \$-0-  
 Projected Fund Balance @ 9/30/2015: \$-0-

	FY 2015 Budget (in General Fund)	FY 2016 PROPOSED	Increase (Decrease)
Revenues (pg4 &34)	579,450	597,400	17,950
Expenditures (pg26 & 35)			
SW Collection	482,400	494,880	12,480
Personnel & Supplies		42,498	
Internal Fees to GF		<u>59,937</u>	
Total Expenditures		597,315	

### Significant Factors:

- Solid Waste activity was previously accounted for in the General Fund. At the guidance of the City's outside Auditors, the Solid Waste activity has been moved to a separate fund
- One Finance position has been moved with the Solid Waste activity
- The Solid Waste Fund includes a Franchise Fee expense and General Administration expense to be paid to the General Fund

FY 2016 Proposed BUDGET Change to FB: \$ 85  
 Projected Ending Fund Balance @ 9/30/2016: \$ 85

# SPECIAL REVENUE FUNDS

- Restricted Parks Fund
  - Hotel Tax Fund
  - Street Maintenance Sales Tax Fund
  - Police Seizure Fund
  - Law Enforcement Education Fund
  - City Wide Cleanup Fund
  - Court Technology Fund
  - Court Building Security Fund
  - Debt Service Fund
-



## Restricted Park Fund

Unreserved Fund Balance @ 10/1/2014: \$116,575  
 FY 2015 Projected Change to FB (pg37): \$(77,280)  
 Projected Fund Balance @ 9/30/2015: \$39,295

	FY 2015 Budget	FY 2016 PROPOSED	Increase (Decrease)
Revenues (pg36)	281,170	41,100	(240,070)
Expenditures (pg37)	280,948	42,500	(238,448)

### Significant Factors:

- New department in GF – Parks
- All parks grants will be completed
- Continue transfer to GF for park maintenance at \$30,000
- Includes park grant application fee
- \$8,000 Parks Committee Projects

FY 2016 Proposed BUDGET Change to FB: \$ (1,400)  
 Projected Ending Fund Balance @ 9/30/2016: \$ 37,895



## Hotel Tax Fund

Unreserved Fund Balance @ 10/1/2014: \$84,139  
 FY 2015 Projected Change to FB (pg39): \$17,052  
 Projected Fund Balance @ 9/30/2015: \$101,191

	FY 2015 Budget	FY 2016 PROPOSED	Increase (Decrease)
Revenues (pg38)	30,000	20,000	(10,000)
Expenditures (pg39)	12,000	12,000	-0-

### Significant Factors:

- Decrease in Registered Short Term Rentals – 23 to 17
- Includes 50<sup>th</sup> Anniversary celebration
- Continues to support Christmas by the Highway

FY 2016 Proposed BUDGET Change to FB: \$ 8,000  
 Projected Ending Fund Balance @ 9/30/2016: \$ 109,191



## Street Maintenance Sales Tax Fund

Unreserved Fund Balance @ 10/1/2014: \$2,026  
 FY 2015 Projected Change to FB (pg41): \$-0-  
 Projected Fund Balance @ 9/30/2015: \$2,026

	FY 2015 Budget	FY 2016 PROPOSED	Increase (Decrease)
Revenues (pg40)	30,000	33,250	3,250
Expenditures (pg41)	30,000	33,250	3,250

### Significant Factors:

- Increased sales tax revenue based on historical factors and partial year collections from new businesses in FY2015

**UPDATED  
8/4/15**

FY 2016 Proposed BUDGET Change to FB: \$ -0-  
 Projected Ending Fund Balance @ 9/30/2016: \$ 2,026



## City Cleanup Fund

Unreserved Fund Balance @ 10/1/2014: \$11,290  
 FY 2015 Projected Change to FB (pg47): \$22,505  
 Projected Fund Balance @ 9/30/2015: \$33,795

	FY 2015 Budget	FY 2016 PROPOSED	Increase (Decrease)
Revenues (pg46)	38,500	19,625	(18,875)
Expenditures (pg47)	23,000	21,650	(1,350)

### Significant Factors:

- FY2016 does not include grant funds
- Proposed reduction in customer monthly fee from \$1 to \$0.75 - \$6,375

FY 2016 Proposed BUDGET Change to FB: \$ (2,025)  
 Projected Ending Fund Balance @ 9/30/2016: \$ 31,770



## Debt Service Fund

Unreserved Fund Balance @ 10/1/2014: \$474,092  
 FY 2015 Projected Change to FB (pg55): \$(58,113)  
 Projected Fund Balance @ 9/30/2015: \$415,979

	FY 2015 Budget	FY 2016 PROPOSED	Increase (Decrease)
Revenues (pg52)	896,037	986,119	90,082
Expenditures (pg55)	983,696	996,871	13,175

### Significant Factors:

- Continue to manage the property tax rate with a minimal draw-down on fund balance

FY 2016 Proposed BUDGET Change to FB: \$ (10,352)  
 Projected Ending Fund Balance @ 9/30/2016: \$ 405,627



# Minor Funds

Fund Name	PROJECTED Fund Balance @ 9/30/2015	FY 2016 PROPOSED Revenues	FY 2016 PROPOSED Expenditures	PROJECTED Fund Balance @ 9/30/2016
Police Seizure Fund (pg42-42)	2,951	-0-	-0-	2,951
Law Enforcement Educ Fund (pg44-45)	3,039	-0-	-0-	3,039
Court Technology Fund (pg48-49)	1,520	2,700	-0-	4,220
Court Building Security Fund (pg50-51)	1,656	2,000	-0-	2,000

# CAPITAL PROJECT FUNDS

- Government Equipment Replacement Fund
  - Utility Equipment Reserve
  - CDBG #713199 KW Water Storage (close FY2015)
  - Automatic Meter Read Project (close FY2015)
-



## Govt. Equip Replace

Unreserved Fund Balance @ 10/1/2014: \$-0-  
 FY 2015 Projected Change to FB (pg59): \$-0-  
 Projected Fund Balance @ 9/30/2015: \$-0-

	FY 2015 Budget	FY 2016 PROPOSED	Increase (Decrease)
Revenues (pg59)	-0-	25,000	25,000
Expenditures	-0-	-0-	-0-

### Significant Factors:

- New fund in FY2016 to be used to set aside money for future capital equipment purchases – in this instance a replacement fire engine.

FY 2016 Proposed BUDGET Change to FB: \$ 25,000  
 Projected Ending Fund Balance @ 9/30/2016: \$ 25,000



## Utility Equipment Reserve Fund

Unreserved Fund Balance @ 10/1/2014: \$40,000  
 FY 2015 Projected Change to FB (pg60): \$40,105  
 Projected Fund Balance @ 9/30/2015: \$80,105

	FY 2015 Budget	FY 2016 PROPOSED	Increase (Decrease)
Revenues (pg60)	40,000	13,800	(26,200)
Expenditures	-0-	-0-	-0-

### Significant Factors:

- Discontinued transfer from UF \$26,200
- \$13,800 – funded with customer assessment \$0.50/month

FY 2016 Proposed BUDGET Change to FB: \$ 13,800  
 Projected Ending Fund Balance @ 9/30/2016: \$ 93,905



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# FY 2015-2016

## 2015 PROPOSED TAX RATE

Public Hearing #1 - August 11, 2015

Public Hearing #2 – August 25, 2015



# Additional Sales Tax for Property Tax Relief

Sales Tax Collections for preceeding 12 months:				Local Sales Tax Rate	
	July	2015	\$ 13,255.68		
	June	2015	\$ 13,345.79		
	May	2015	\$ 15,408.81	1.00%	General
	April	2015	\$ 10,528.63	0.25%	Street Maintenance
	March	2015	\$ 10,570.93	1.25%	Total
	February	2015	\$ 14,849.97		
	January	2015	\$ 11,261.29		
	December	2014	\$ 11,531.21		
	November	2014	\$ 21,227.23		
	October	2014	\$ 11,657.62		
	September	2014	\$ 10,575.83		
	August	2014	\$ 13,854.09		
			<b>\$ 158,067.08</b>		
	Total Sales for preceeding 12 months (Collections/local sales tax rate)		\$ 12,645,366		
	<b>Projected Sales Tax for Property Tax Relief</b> (Total Sales x Additional Sales Tax Rate x 0.95)		<b>\$ 60,065</b>	0.50%	
	Sales Tax Adjusted to Property Tax Rate (Projected Sales Tax / Taxable Value x \$100)		\$0.0162		
	<b>Property Tax Avoidance to Property Owner per \$100,000 valuation</b>		<b>\$16.23</b>		



# 2015-2016 Property Tax Rate

	WITHOUT Sales Tax Adjustment	WITH Sales Tax Adjustment	CHANGE Due to Sales Tax Adjustment
Last Year's Tax Rate	0.51980		
This Year's EFFECTIVE rate	0.49700	0.48080	0.01620
This Year's ROLLBACK rate	0.53710	0.52090	0.01620
This Year's PROPOSED rate		0.52070	
<ul style="list-style-type: none"> <li>• Generates \$3,331</li> <li>• Every penny counts</li> </ul>			



# Taxable Values & Tax Rate Split

	2014 CURRENT	2015 PROPOSED	Change
Taxable Value – over 65	\$86,633,309	\$88,845,731	\$2,212,422
Freeze Levy over 65 (revenue)	\$294,971	\$268,168	\$(26,803)
Taxes w/out Freeze (revenue)	\$450,320	\$462,620	\$12,300
Tax Savings to over 65 Property Owners	\$155,349	\$194,452	\$39,103
Adjusted Taxable Value	\$349,151,802	\$370,163,100	\$21,011,298
Maintenance & Operation	0.29870/\$100	0.29200/\$100	(0.00670)/\$100
Interest & Sinking	0.22110/\$100	0.22870/\$100	0.00760/\$100
Total Tax Rate	0.51980/\$100	0.52070/\$100	0.00090/\$100



## Tax Rates Compared to Other Cities (per \$100 value)

- Marble Falls \$ 0.6483
- Burnet \$ 0.6265
- Cottonwood \$ 0.5438
- Liberty Hill \$ 0.536426
- **Granite Shoals** **\$ 0.5207 (proposed)/\$ 0.5198**
- Horseshoe Bay – Llano \$ 0.5000
- Bertram \$ 0.4810
- Llano \$ 0.4100
- Meadowlakes \$ 0.3206



## Tax Impact on Proposed Rate increase

- Property tax Impact to an owner on \$100,000 property value without the over 65 exemption:

	<u>Current</u>	<u>Proposed</u>
➤ Property Value	\$100,000	\$100,000
➤ Property Tax rate per \$100	<u>x .5198</u>	<u>x .5207</u>
➤ Property Tax	\$ 519.80	\$ 520.70

The increase of property tax is \$0.90 on \$100,000 property

There would be no increase in taxes for the over 65 exemption