

TOWN OF LAKEWOOD VILLAGE

ORDINANCE NO. 17-02

AN ORDINANCE OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS ADOPTING AND APPROVING THE BUDGET FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2017 AND TERMINATING ON SEPTEMBER 30, 2018, AND MAKING APPROPRIATIONS FOR EACH DEPARTMENT PROJECT AND ACCOUNT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the Town of Lakewood Village, Texas (the “Town”) has caused to be filed with the Town Secretary a budget to cover all proposed expenditures of the government of the Town for the fiscal year beginning October 1, 2017 and terminating September 30, 2018, and

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

WHEREAS, said budget has been filed with the Town Secretary and available for inspection by any taxpayer, and

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

WHEREAS, such public hearing was held on July 13, 2017, and August 10, 2017 prior approval of which date being hereby ratified and confirmed by the Town Council, and all those wishing to speak on the budget were heard, and

WHEREAS, the Town Council has studied said budget and listened to the comments of the taxpayers at the public hearing held therefore and has determined that the budget attached hereto is in the best interest of the Town of Lakewood Village.

NOW, THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS:

1. That the budget attached hereto as Exhibit “A” and incorporated herein for all purposes is adopted for the fiscal year beginning October 1, 2017 and ending September 30, 2018; and such purposes, respectively such sums of money for such projects, operations, activities, purchases and other expenditures as proposed in the attached budget.
2. That no expenditures of the funds of the Town shall hereafter be made except in compliance with such budget, except in case of grave necessity, emergency expenditures to meet unusual or unforeseen conditions, which could not, by reasonable, diligent thought and attention, have included in the original budget, may from time to time be authorized by the Town Council as amendments to the original budget.

3. That the Mayor shall file or cause to be filed a true and correct copy of said budget, along with this ordinance with the Town Secretary.
4. The necessity of adopting and approving a proposed budget for the next fiscal year as required by the laws of the State of Texas, require that this ordinance shall take effect immediately from and after its passage, and it is accordingly so ordained.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS, on this 10th day of August 2017.

Dr. Mark E. Vargus
MAYOR

ATTESTED:

Linda Asbell, TRMC
Town Secretary



**TOWN OF LAKEWOOD VILLAGE, TEXAS
FISCAL YEAR 2017-2018
ANNUAL BUDGET**

This budget will raise more Maintenance and Operations revenue from property taxes than last year's budget by an amount of \$15,393, which is a 6.9 percent increase from last year's M&O budget. The M&O revenue to be raised from new property added to the tax roll this year is \$3,388.

This budget will raise more Debt Servicing revenue from property taxes than last year's budget by an amount of \$3,078, which is a 6.9 percent increase from last year's I&S budget. The I&S revenue to be raised from new property added to the tax roll this year is \$678.

Debt obligations were reduced by \$149,000 in the prior year and now total \$1,178,000. Scheduled Interest and Principle payments on debt in 2018 will be \$175,910. Of this amount, Debt Servicing revenue will pay \$47,396 and M&O funds of \$128,514 will be used to pay the remainder. The amount of M&O funds used in debt payments is 54 percent of the Maintenance and Operations total revenue.

RECORD OF VOTE ON PROPOSAL TO CONSIDER ADOPTION OF BUDGET

POSITION	NAME	FOR	AGAINST	PRESENT and not voting	ABSENT
Mayor	Dr. Mark E. Vargus			X	
Mayor Pro-Tem	Ed Reed	X			
Council Member #1	Elizabeth Shields		X		
Council Member #2	Dan Tantalo		X		
Council Member #4	Gary Newsome	X			
Council Member #5	Clint Bushong	X			

PROPERTY TAX RATE COMPARISON (Rates expressed per \$100 of value)

TAX RATE	TAX YEAR 2016	TAX YEAR 2017
Property Tax Rate	\$0.300000/\$100	\$0.300000/\$100
Effective Tax Rate	\$0.290901/\$100	\$0.283159/\$100
Effective Maintenance and Operations Tax Rate	\$0.262617/\$100	\$0.235966/\$100
Debt Rate	\$0.050000/\$100	\$0.050000/\$100
Rollback Tax Rate	\$0.460518/\$100	\$0.304843/\$100

PROPERTY TAX RATE COMPARISON (Rates expressed per \$100 of value)

DEBT ISSUE	PRINCIPAL	INTEREST	TOTAL
2014 Certificates of Obligation	0.05	0	0.05

2017-2018 BUDGET SUMMARY

Exhibit A

	BUDGET	Actual	BUDGET	Actual	BUDGET	YTD (9 mo.)	BUDGET
CASH BUDGET	2015	2015	2016	2016	2017	30-Jun-17	2018
General Fund Revenues	\$382,160	\$409,141	\$402,650	\$431,479	\$415,400	\$419,413	\$446,300
General Fund Operating Expenses	\$215,170	\$233,168	\$224,900	\$331,681	\$204,375	\$214,170	\$254,400
General Fund Debt Servicing	\$166,526	\$166,084	\$172,800	\$172,850	\$173,925	\$162,204	\$175,900
General Fund Surplus	\$464	\$9,889	\$4,950	(\$73,052)	\$37,100	\$43,039	\$16,000
Utility Fund Revenues	\$323,120	\$335,690	\$315,320	\$319,515	\$319,960	\$235,258	\$335,000
Utility Fund Operating Expenses	\$203,960	\$208,516	\$207,000	\$225,069	\$225,110	\$202,308	\$238,500
CAPX and Engineer	\$0	\$44,529	\$81,000	\$159,063	\$110,000	\$113,016	\$75,000
Utility Fund Surplus/Deficit	\$119,160	\$82,645	\$27,320	(\$64,617)	(\$15,150)	(\$80,066)	\$21,500
Utility Fund Operating Cash Flow	\$127,174		\$94,446		\$32,950		\$96,500
(excluding Engineer and CAPX)							

GENERAL FUND REVENUES

		Discretionary (V)									
		Steady-State (F)									
		Uncontrollable (V)									
		BUDGET	Actual	BUDGET	Actual	BUDGET	YTD (9 mo.)	BUDGET			
		2015	2015	2016	2016	2017	30-Jun-17	2018			
OPERATING REVENUES											
4000	<i>Tax Income</i>	\$194,000	\$191,273	\$210,000	\$210,347	\$218,800	\$218,143	\$240,000			
	<i>Debt Servicing (\$0.05)</i>	\$38,600	\$38,703	\$42,000	\$42,105	\$43,800	\$45,648	\$48,000			
4005	<i>Sales Tax</i>	\$25,000	\$31,030	\$28,000	\$30,007	\$30,000	\$32,425	\$34,000			
4010	<i>Interest</i>	\$800	\$1,854	\$1,000	\$1,044	\$500	\$346	\$700			
4101	<i>Building Permits- New</i>	\$41,000	\$48,698	\$30,000	\$25,001	\$30,000	\$22,601	\$30,000			
4102	<i>CO/CSI Inspections</i>	\$3,600	\$3,150	\$2,500	\$3,750	\$3,000	\$1,625	\$2,000			
4103	<i>Contractor Registrations</i>	\$600	\$750	\$600	\$1,025	\$600	\$950	\$1,000			
4104	<i>Sprinkler Permits</i>	\$300	\$925	\$300	\$400	\$400	\$450	\$400			
4105	<i>Fence Permits</i>	\$500	\$525	\$300	\$500	\$300	\$350	\$400			
4106	<i>Reinspect Fees</i>	\$2,000	\$2,400	\$2,000	\$8,125	\$3,000	\$2,375	\$3,000			
4107	<i>Pool Permits</i>	\$1,000	\$3,375	\$1,000	\$1,450	\$1,000	\$750	\$1,000			
4108	<i>Flatwork Permits</i>	\$600	\$750	\$600	\$675	\$400	\$600	\$600			
4109	<i>Plumbing Permit</i>	\$300	\$1,225	\$1,000	\$750	\$500	\$1,000	\$1,000			
4110	<i>Electrical Permits</i>	\$1,000	\$1,325	\$1,000	\$1,475	\$1,000	\$700	\$1,000			
4111	<i>Replating Fees</i>			\$0	\$250		\$250				
4112	<i>Building Permits - Remodel</i>				\$4,875	\$2,500	\$1,500	\$2,000			
4113	<i>Miscellaneous Permits</i>	\$500	\$2,200	\$500	\$1,950	\$1,000	\$2,475	\$2,000			
4120	<i>Preliminary Plat Fees</i>			\$0	\$1,400						
4201	<i>Franchise Fee</i>	\$29,000	\$35,323	\$34,000	\$32,261	\$32,000	\$26,437	\$30,000			
4202	<i>Pet Registration</i>		\$70		\$45		\$25				
4204	<i>Town Hall</i>	\$100	\$150	\$100	\$50	\$100	\$50				
4950	<i>Miscellaneous Revenues</i>	\$2,300	\$4,011	\$4,000	\$2,641	\$2,500	\$6,755	\$4,000			
4207	<i>Utility Fee for Services-LWV</i>	\$35,260	\$35,260	\$38,000	\$38,000	\$38,000	\$27,000	\$38,000			
4208	<i>Utility Fee for Services-Rocky Pt</i>	\$4,200	\$4,200	\$4,250	\$5,300	\$4,000	\$3,150	\$4,200			
4301	<i>Code Enforcement</i>		\$904		\$1,000		\$374				
4302	<i>Court Costs Fees</i>										
4401	<i>Mowing Abatement Fees</i>	\$500		\$500	\$1,084						
4402	<i>Lien Reciepts</i>	\$1,000	\$1,040	\$1,000	\$6,888	\$2,000	\$23,434	\$3,000			
4800	<i>Asset Sales</i>				\$9,081						
TOTAL OPERATING FUNDS		\$382,160	\$409,141	\$402,650	\$431,479	\$415,400	\$419,413	\$446,300			

GENERAL FUND EXPENSES

	Discretionary (V)									
	Steady-State (F)									
	Uncontrollable (V)									
	BUDGET	Actual	BUDGET	Actual	BUDGET	YTD (9 mo.)	BUDGET			
	2015	2015	2016	2016	2017	30-Jun-17	2018			
Operating Expenses										
5001	Office Supplies	\$1,000	\$2,470	\$1,000	\$1,418	\$1,200	\$934	\$1,200		
5002	Postage	\$200	\$151	\$200	\$46	\$100	\$276	\$100		
5003	Computers Maintenance	\$1,000	\$197	\$200	\$180	\$300	\$982	\$500		
5007	Advertising	\$300	\$369	\$300	\$1,146	\$875	\$369	\$400		
5008	Elections	\$2,000	\$2,832	\$3,000	\$3,168	\$3,000	\$2,620	\$3,000		
5011	Town Engineer	\$0	\$0	\$0	\$780	\$0				
5012	Attorney Fees	\$20,000	\$45,200	\$50,000	\$90,001	\$20,000	\$24,349	\$60,000		
5013	Accounting Fees	\$10,500	\$10,500	\$10,500	\$10,500	\$10,800	\$10,800	\$11,300		
5014	Fire/EMS	\$26,000	\$28,750	\$29,000	\$38,100	\$30,000	\$12,450	\$25,000		
5016	Building Inspections	\$18,000	\$23,625	\$18,000	\$26,100	\$18,000	\$16,300	\$18,000		
5021	Town Maintenance	\$4,000	\$7,408	\$4,000	\$7,525	\$4,000	\$9,200	\$6,000		
5022	Street Repair			<=== Moved to Road Maintenance Fund ===>						
5024	Animal Control	\$200	\$365	\$200	\$300	\$300	\$185	\$300		
5025	Parks/Recreation/Playground	\$35,000	\$8,746	\$8,000	\$4,454	\$12,000	\$2,588	\$10,000		
5026	Town Mowing	\$2,000	\$3,110	\$1,500	\$3,900	\$2,500	\$3,457	\$3,500		
5027	Town Hall Improvements	\$1,000	\$0	\$1,000	\$1,052	\$1,000	\$700	\$4,000		
5031	Telephone/Telecom	\$1,700	\$1,249	\$1,600	\$2,068	\$1,600	\$1,157	\$1,600		
5032	Electricity	\$6,680	\$6,421	\$6,800	\$6,013	\$6,500	\$4,411	\$6,500		
5033	Propane	\$800	\$466	\$600	\$590	\$600	\$271	\$600		
5041	Abatement Mowing	\$700	\$1,158	\$700	\$1,414					
5051	Payroll	\$57,000	\$57,262	\$60,000	\$60,000	\$63,000	\$47,125	\$65,000		
5055	Benefits - Insurance	\$8,000	\$7,853	\$8,200	\$8,037	\$8,200	\$6,358	\$8,400		
5056	Payroll Tax Expense	\$4,400	\$3,719	\$4,600	\$3,902	\$4,800	\$3,336	\$5,000		
5057	Benefits- Retirement	\$2,900	\$3,000	\$3,000	\$3,000	\$3,150	\$3,150	\$6,500		
5058	UF Payroll Tax Sharing		\$657		\$1,117	\$1,000	\$931	\$1,200		
5061	Appraisal District	\$1,300	\$1,568	\$1,300	\$1,629	\$1,300	\$1,233	\$1,000		
5070	Capital Improvements	\$0	\$1,245	\$0	\$7,400	\$0	\$8,369			
5071	Drainage Improvements				\$3,600	\$0		\$5,000		
5085	Town Functions	\$2,000	\$1,122	\$1,500	\$2,329	\$2,500	\$1,412	\$2,000		
5101	Continuing Education	\$1,500	\$955	\$1,000	\$225	\$500	\$509	\$1,000		
5102	Travel Meeting Expenses	\$2,400	\$3,433	\$3,600	\$3,124	\$3,000	\$1,736	\$3,000		
5103	Membership Dues	\$500	\$1,209	\$1,000	\$1,210	\$1,000	\$933	\$1,000		
5200	Contingency Fund	\$3,000	\$1,711	\$3,000	\$28,457	\$3,000	\$44,065	\$3,000		
5280	Municipal Court									
	Court Attorney Fees	\$1,000		\$1,000						
	Lien Recording Fees	\$90	\$317	\$100	\$346	\$150	\$364	\$300		
	Abatements		\$6,100		\$8,550		\$3,600			
TOTAL OPERATING EXPENSES		\$215,170	\$233,168	\$224,900	\$331,681	\$204,375	\$214,170	\$254,400		
\$5,075	Debt Servicing (Principle)	\$128,000	\$128,000	\$145,000	\$145,000	\$149,000	\$149,000	\$154,000		
\$5,076	Debt Servicing (Interest)	\$38,526	\$38,084	\$27,800	\$27,850	\$24,925	\$13,204	\$21,900		
TOTAL EXPENDITURES		\$381,696	\$399,252	\$397,700	\$504,531	\$378,300	\$376,374	\$430,300		

UTILITY FUND REVENUES

	Discretionary (V)									
	Steady-State (F)									
	Uncontrollable (V)									
	BUDGET	Actual	BUDGET	Actual	BUDGET	YTD (9 mo.)	Seasonal Change	BUDGET		
	2015	2015	2016	2016	2017	30-Jun-17	from Prior Year	2018		
OPERATING REVENUES										
<i>Water Revenue</i>	\$160,000	\$143,978	\$150,000	\$147,433	\$154,000	\$102,372	7.6%	\$160,000		
<i>Sewer Revenue</i>	\$101,000	\$102,248	\$104,000	\$102,550	\$102,000	\$78,216	6.5%	\$106,000		
<i>Solid Waste</i>	\$44,000	\$44,615	\$46,000	\$44,562	\$46,000	\$34,318	7.6%	\$50,000		
<i>Late Fees</i>	\$4,000	\$4,359	\$4,000	\$3,184	\$3,000	\$2,740	17.5%	\$3,500		
<i>USACE - OLW</i>						\$6,000				
<i>Sendziak Restitution</i>	\$2,500	\$27,007								
<i>Miscellaneous</i>	\$1,000	\$5,859	\$1,000	\$4,389	\$1,000	\$1,833		\$2,000		
<i>Water Tap Fees</i>	\$4,725	\$3,150	\$4,725	\$8,075	\$6,300	\$4,725		\$6,300		
<i>Meter Set Fees</i>	\$1,170	\$780	\$1,170	\$1,950	\$1,560	\$390		\$1,560		
<i>Sewer Tap Fees</i>	\$3,825	\$2,550	\$3,825	\$6,375	\$5,100	\$3,825		\$5,100		
<i>Interest</i>	\$500	\$855	\$600	\$907	\$600	\$247		\$540		
<i>MDD LOC Interest</i>	\$400	\$289		\$90	\$400	\$592				
TOTAL OPERATING FUNDS	\$323,120	\$335,690	\$315,320	\$319,515	\$319,960	\$235,258		\$335,000		

UTILITY FUND EXPENDITURES

	Discretionary (V)								
	Steady-State (F)								
	Uncontrollable (V)								
		BUDGET	Actual	BUDGET	Actual	BUDGET	YTD (9 mo.)	BUDGET	
		2015	2015	2016	2016	2017	30-Jun-17	2018	
Operating Expenses									
<i>Office Supplies</i>		\$2,000	\$1,145	\$1,500	\$2,258	\$2,000	\$515	\$1,500	
<i>Postage</i>		\$1,500	\$1,415	\$1,800	\$1,653	\$2,000	\$380	\$1,500	
<i>Insurance</i>		\$5,600	\$4,622	\$4,600	\$4,928	\$5,200	\$5,137	\$6,000	
<i>TCEQ Licensing Fees (Water)</i>		\$450	\$484	\$500	\$484	\$500	\$588	\$600	
<i>TCEQ Licensing Fees (Sewer)</i>		\$1,250	\$1,250	\$1,250	\$3,565	\$1,250	\$1,250	\$1,300	
<i>Fee for Administrative Services</i>		\$35,260	\$35,260	\$38,000	\$38,000	\$38,000	\$27,000	\$36,000	
<i>Software Licensing Fees</i>		\$700	\$750	\$750	\$720	\$1,000	\$780	\$1,000	
<i>Operator Salaries</i>		\$36,600	\$36,600	\$36,600	\$36,600	\$42,200	\$30,600	\$42,200	
<i>Solid Waste</i>		\$40,000	\$37,704	\$42,000	\$41,131	\$42,000	\$27,421	\$43,000	
<i>GIS Mapping</i>		\$2,000	\$92		\$320		\$500	\$500	
<i>Contract Labor</i>		\$8,000	\$2,424		\$168				
<i>Sewer Scheduled Maintenance</i>		\$1,000	\$3,285	\$1,000	\$3,800	\$3,000	\$3,890	\$10,000	
<i>Water Scheduled Maintenance</i>		\$0	\$0	\$1,000	\$1,680	\$2,000	\$2,752	\$5,000	
<i>Laboratory (Sewer)</i>		\$4,500	\$4,281	\$4,500	\$4,190	\$4,000	\$2,964	\$4,000	
<i>Laboratory (Water)</i>		\$600	\$1,629	\$500	\$535	\$600	\$895	\$1,000	
<i>Water Repairs</i>		\$10,000	\$12,444	\$10,000	\$1,725	\$10,000	\$3,132	\$10,000	
<i>Sewer Repairs</i>		\$10,000	\$11,176	\$10,000	\$19,345	\$10,000	\$49,737	\$10,000	
<i>Meter Set Fee</i>			\$675		\$1,500	\$1,560	\$885	\$1,000	
<i>Sewer Tap Install</i>					\$1,800				
<i>Water Equipment</i>		\$2,500	\$2,016	\$2,000	\$7,757	\$4,000	\$5,343	\$4,000	
<i>Sewer Equipment</i>		\$500	\$0	\$1,000	\$4,172	\$4,000	\$1,250	\$2,000	
<i>Chemicals (Water)</i>		\$800	\$767	\$1,000	\$1,625	\$1,000	\$776	\$1,000	
<i>Chemicals (Sewer)</i>		\$500	\$1,122	\$800	\$211	\$200	\$426	\$300	
<i>Electricity (Water)</i>		\$17,000	\$18,045	\$17,000	\$14,739	\$15,000	\$11,883	\$15,000	
<i>Electricity (Sewer)</i>		\$21,000	\$20,131	\$21,000	\$17,160	\$18,000	\$10,287	\$17,000	
<i>Payroll</i>			\$8,306	\$8,000	\$14,597	\$16,000	\$13,335	\$23,000	
<i>Contingency Fund</i>		\$1,000	\$2,893	\$1,000	\$406	\$1,000	\$582	\$1,000	
<i>Sludge Removal (Sewer)</i>		\$1,200	\$0	\$1,200	\$0	\$600		\$600	
TOTAL OPERATING EXPENSES		\$203,960	\$208,516	\$207,000	\$225,069	\$225,110	\$202,308	\$238,500	
<i>Capital Improvements</i>			\$43,759	\$51,000	\$92,063	\$70,000	\$80,354	\$65,000	
<i>Engineer</i>			\$770	\$30,000	\$67,000	\$40,000	\$32,662	\$10,000	
TOTAL EXPENDITURES		\$203,960	\$253,045	\$288,000	\$384,132	\$335,110	\$315,324	\$313,500	

ROAD MAINTENANCE FUND

	BUDGET	BUDGET	Actual		BUDGET	2017 YTD	Projected		BUDGET
	2015	2016	2016		2017	30-Jun	9/30/2017		2018
Revenues									
<i>Town (0.5% sales tax)</i>	\$3,200	\$7,000	\$14,214		\$15,000	\$13,088	\$17,000		\$17,000
<i>MDD</i>	\$2,720	\$4,700			\$8,500				
<i>Franchise Fee - Residential</i>	\$5,160	\$5,160	\$5,048		\$10,000	\$3,887	\$5,050		\$5,000
<i>Franchise Fee - Commercial</i>	\$900	\$900	\$4,015		\$4,000	\$2,990	\$4,100		\$4,000
<i>Interest</i>	\$30	\$30	\$85		\$100	\$33	\$60		\$100
	\$12,010	\$17,790	\$23,362		\$37,600	\$19,998	\$26,210		\$26,100
Expenses									
<i>Maintenance</i>	\$0	\$0	(\$25,000)		\$0	\$0	(\$25,000)		\$0
<i>Beginning Fund Balance</i>	\$1,000	\$7,000	\$8,097		\$6,459	\$6,459	\$6,459		\$7,669
<i>Revenues</i>	\$12,010	\$17,790	\$23,362		\$37,600	\$19,998	\$26,210		\$26,100
<i>Expenses</i>	\$0	\$0	(\$25,000)		\$0		(\$25,000)		\$0
Ending Fund Balance	\$13,010	\$24,790	\$6,459		\$44,059	\$26,457	\$7,669		\$33,769

DEBT SERVICING FUND

<i>Debt Servicing Fund</i>		<i>Loan Balance</i>	
Starting: OCT-01-2015	\$166	CO Balance: OCT-01-2015	\$1,472,000
Interest	\$42	Principle Payments	(\$145,000)
D/S Tax	\$41,966	Interest Payments	(\$27,850)
GF Transfer	\$131,000	CO Balance: SEP-30-2016	\$1,327,000
Bond Payment	(\$159,646)		
Bond Payment	(\$13,204)		
Fee	(\$300)		
Ending: SEP-30-2016	\$23		
Starting: OCT-01-2016	\$23	CO Balance: OCT-01-2016	\$1,327,000
Interest	\$20	Principle Payments	(\$149,000)
Tax	\$44,397	Interest Payments	(\$24,925)
GF Transfer	\$130,425	CO Balance: SEP-30-2017	\$1,178,000
Bond Payment	(\$162,204)		
Bond Payment	(\$11,721)		
Fee	(\$300)		
Ending: SEP-30-2017	\$640		
Starting: OCT-01-2017	\$640	CO Balance: OCT-01-2017	\$1,178,000
Interest	\$20	Principle Payments	(\$154,000)
Tax	\$48,000	Interest Payments	(\$21,910)
GF Transfer	\$127,550	CO Balance: SEP-30-2018	\$1,024,000
Bond Payment	(\$165,721)		
Bond Payment	(\$10,189)		
Fee	(\$300)		
Ending: SEP-30-2018	\$0		