

**CITY OF FREDERICKSBURG
CITY COUNCIL MEETING**

MONDAY, AUGUST 15, 2016 ~ 6:00 p.m.

Law Enforcement Center ~ 1601 East Main Street

Linda Langerhans, Mayor
Graham Pearson, Council Member
Charlie Kiehne, Council Member

Gary Neffendorf, Council Member
Bobby Watson, Council Member
Kent Myers, City Manager

(REQUEST ALL PAGERS AND PHONES BE TURNED OFF, EXCEPT EMERGENCY ON-CALL PERSONNEL)

A G E N D A

CALL TO ORDER.

PLEDGE OF ALLEGIANCE.

Page Ref

1. EMPLOYEE RECOGNITIONS

2. PUBLIC HEARINGS

- | | |
|--|-------|
| A. <u>PUBLIC HEARING</u> - FY 2016-2017 Budget | 1-61 |
| B. <u>PUBLIC HEARING</u> - Z-1608 by Kevin Spraggins, on behalf of Terry Hartcraft, for a Conditional Use Permit to Allow Convenience Storage in the C-2 Commercial Zoning District on Property Located at 730 Brehmer Lane | 62-69 |
| C. <u>PUBLIC HEARING</u> - Z-1609 by James Griffin of Brown and Ortiz PC, on behalf of William Varney for the Following Actions on Property Located at 407 Whitney Street:
1. Land Use Plan Change from Low Density Residential to Commercial
2. Zoning Change from R-1 Single Family Residential to C-1 Neighborhood Commercial
3. Conditional Use Permit to Allow Limited Retail and Limited Restaurant Uses on Said Property | 70-79 |
| D. <u>PUBLIC HEARING</u> - Z-1610 by Sean Heep for a Zoning Change on Property Located at 328 Morning Glory Drive from R-1 Single Family Residential to R-1A, Single Family Small Lot Zoning | 80-85 |

3. ORDINANCES - RESOLUTIONS - ACTION ITEMS

- | | |
|--|--------|
| A. Receive Recommendation and Consider Z-1608 | |
| B. Receive Recommendation and Consider Ordinances Re: Z-1609 | |
| C. Receive Recommendation and Consider Ordinance Re: Z-1610 | |
| D. Consider Ordinance Re: Tax Limited Notes - Animal Shelter Financing | 86-128 |

4. INDIVIDUAL ITEMS FOR CONSIDERATION AND POSSIBLE ACTION

- | | |
|---|---------|
| A. Receive and Accept 2016 Effective and Rollback Tax Rate Calculation | 129-144 |
| B. Discuss Property Tax Rate, Take Record Vote on Proposed Tax Rate, and Schedule Special Public Hearings, if necessary | 145-146 |
| C. Consider Budget Amendment Re: Prior Year Golf Course Deficits | 147-149 |
| D. Consider Settlement Re: Hahn Well Litigation | |

5. **CITY MANAGERS REPORT**
 - A. Animal Shelter construction
 - B. Orchard Oaks Subdivision
 - C. Ft Martin Scott Utility Improvements
6. **ITEMS FOR FUTURE AGENDAS**
7. **PUBLIC COMMENTS** This time is for citizens to address the City Council on issues and items of concern not on this agenda. There will be no City Council action at this time.
8. **COUNCIL COMMENTS** - No discussion or action may take place
9. **EXECUTIVE SESSION** - Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.086 (Economic Development).

A. Executive Session - Consultation with Attorney - Hahn Well Litigation
10. **ADJOURN**



CITY COUNCIL MEMO

DATE: August 15, 2016
TO: Mayor and City Council
FROM: Laura Hollenbeak, Director of Finance
SUBJECT: Public Hearing on FY 2017 Budget

Summary:

A public hearing on the proposed FY 2017 City Budget is scheduled at Monday's Council meeting in order to meet the requirement of State law.

Recommendation:

It is recommended that Council accept public comments on the Budget and direct staff to make any changes to the Budget as a result of the public comments.

Background / Analysis:

State law requires the Council to conduct a public hearing on the annual budget prior to adoption. This public hearing has been advertised in the local paper and on the City's web-site.

Attachments:

None



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Raura Hollenbeak

Department Approval

NT zp

City Manager Approval

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The City of Fredericksburg



City of Fredericksburg
Proposed City Budget
FY 2017
August 5, 2016

For Discussion Purposes Only
Revision 2

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August 4, 2016

Mayor and City Council

I am pleased to present the revised 2017 City Budget for your review and consideration. A number of changes have been made to the proposed Budget based upon Council comments at five budget work sessions over the past month. These changes are listed in an attachment to this budget document.

This revised Budget will be presented and discussed at a public hearing on August 15. The purpose of this public hearing is to obtain citizen input on the budget. This revised Budget has also been posted on the City website so that local citizens can review it prior to the hearing.

In the development of this year's Budget, we focused on several strategic goals which I believe are very critical to the continued progress of our community. This includes (1) maintain a strong financial condition in accordance with our financial management policies; (2) continue efforts to preserve and protect the excellent quality of life that we all enjoy; (3) improve and upgrade City infrastructure; (4) provide key technology enhancements that improve efficiencies; (5) provide the highest possible level of customer services; and (6) retain focus on planned quality community growth and development.

The budget process started at the May City Council Retreat when the Council discussed some of your major budget priorities for the coming year. Each City Department then developed their proposed budget based upon your priorities. This was followed by a series of meetings involving each Department Head, the Finance Department staff and the City Manager. During these meetings a number of different changes were made to the budget requests for each City Department including reductions in certain expenses that were requested.

This revised Budget includes several new projects and programs that were discussed at the recent budget work sessions. These new items are discussed in this budget message. I believe that, when added to our current programs and services, these new initiatives will help ensure that Fredericksburg will continue to progress during the coming year.


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Budget Overview

The total proposed 2017 City Budget is \$43,713,288 including all City funds. As shown on the budget summary page, revenues exceed expenses in the proposed Budget by \$131,558. The proposed Budget represents about a \$2.3 million reduction (-5.08%) from the 2016 amended Budget of \$46,054,744. However, please keep in mind that a large number of budget amendments were approved earlier this year. This included the costs for land purchases and expenses to cover capital projects that were not completed in the prior fiscal year.

This year we have identified only one major project (office/lab building at the Water Reclamation Plant) that will not be completed this year. We have allocated partial funding for this project this year and partial funding next year. We do not expect that additional budget amendments will be needed in the coming year for unfinished capital projects.

As you well know, the City is dedicated to a high level of customer services. In order to meet this goal we should continue to consider the need for additions to our city staffing to keep up with increased citizen's needs. In addition, we also make sure that we offer a competitive compensation package that will allow us to continue to attract and retain a high quality level of City employees.

Last year we added four positions including two positions in the Fire Department (Fire Chief and Firefighter), one Journeyman position in the Electric Department and an Executive Assistant serving the City Manager and Public Works Director. We also eliminated two positions at the Golf Course Grill which resulted in a net gain of two employees last year. This year we discussed a number of different requests for new personnel. This revised Budget includes three additional positions, an additional Firefighter/Paramedic, a Historic Preservation Planner and an IT Specialist. The Historic Preservation Planner is anticipated to start employment in January and the IT Specialist should begin work next summer.

The Budget also reallocates personnel costs for three of our current management positions that were discussed at the May City Council Retreat. This includes the Public Works/Utilities Director who is proposed for reclassifying as Assistant City Manager/Public Works Director. Also, the salary of the Fire Chief is proposed to be divided between the Fire and EMS Departments due to his management responsibility over EMS effective in the coming year. And the Emergency Management Director is proposed for reclassifying as Director of Community Support with responsibility over Emergency Management and several new functions such as special events and special projects.

In terms of employee compensation, we have included funding for the full implementation of the recent salary survey that has been discussed over the past several months. Also included in the Budget are the expenses for a cost of living increase (1%) and a merit increase for qualified employees (2%) which would both be effective on January 1.

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Our employee health insurance fund is in sound financial condition at this time. We have been able to rebuild the balance in this fund in the past year. Therefore, this proposed Budget does not include any funding for increases in health insurance costs for either the City or the employees who have dependent coverage. In addition, there are no changes to employee benefits included in the proposed Budget.

General Fund

The total General Fund budget proposed for 2017 is \$12,721,677 which represents a decrease of about \$1 million from the 2016 amended Budget. However, please keep in mind that the amended budget included several carry-over expenses from the prior year as well as the land purchase (\$524,200) previously mentioned.

The General Fund budget includes funding for services such as Police, Fire, Parks, Street, Engineering, Health, Development Services and Municipal Court. It also includes funding for administrative services such as the City Manager, Human Resources, City Secretary, IT and Finance. Some of these services are jointly funded by the County and were discussed at the August 1 joint meeting between the City Council and County Commissioners.

With regard to General Fund revenues, we have included the revenue projected from adoption of the current property tax rate of .2313 per \$100 valuation. This proposed rate will be voted on by the Council at the August 15 Council meeting. If the Council votes to increase the effective tax rate of .2203 per \$100 valuation, then the City is required to have two public hearings on the tax rate. These hearings are scheduled for August 24 and 31 at 6:00 p.m. at City Hall.

With regard to other General Fund revenues such as sales taxes, we have tried to be conservative in our projections. For example, in the proposed Budget we are only projecting a \$150,000 (2.8%) increase in sales tax revenues over our projected revenues for this year. So far this year our sales tax revenues have increased about 4% over the prior year.

With regard to user fees, the only fee increases we are proposing in the General Fund are for parks services. This includes an increase in RV Park fees and increases to pavilion rental fees. The City recently conducted a survey of the fees charged by other cities in this area and we were below market with many of these fees.

We have not included any fee increases for building and development as this would have a detrimental impact on our ability to encourage affordable housing. Also no increases are currently recommended to health fees, EMS fees, animal control fees and other user fees.

The proposed General Fund Budget includes a number of changes and improvements as well as new equipment purchases. This includes the following:



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1. Increase in salaries for Mayor and Council that were approved in recent Charter election.
2. Addition of architectural services that might be needed during the year for City Hall, Fire Station and Police Station improvements (\$25,000).
3. Improvements to Security State Bank and Trust building for City offices (\$50,000).
4. Replacement of gate at Consolidated Warehouse (\$60,000) with the costs shared by major City departments.
5. Additional maintenance and operational costs for new Animal Shelter projected to open next summer.
6. Purchase of new Police vehicles that are part of the vehicle replacement program (\$204,505).
7. Replacement of ½ of the SCBA breathing apparatus in the Fire Department (lease purchase).
8. Initiation of new Arundo Donax control program (\$25,000).
9. Initiation of bridge guardrail upgrade program (\$25,000).
10. Purchase of new Street Sweeper and ½ of cost for purchase of new Asphalt Zipper (lease purchase).
11. Continuation of sidewalk repair program (\$100,000) and downtown sidewalk repair program (\$50,000).
12. Additional parks consulting services for new sports complex (\$25,000).
13. Repainting Adelsverein at Marktplatz and resurfacing of tennis courts at Lady Bird Johnson Park.
14. Purchase of modular restroom facility for Cross Mountain Park (\$138,000) using parks donation funds and parks dedication fees.
15. Purchase of new base station for survey equipment in the Engineering Division (\$24,000).
16. Preparation of new major thoroughfare plan (\$120,000) and downtown parking plan (\$35,000).

In terms of General Fund services that are jointly funded by the County, the funding for the Health Department is projected to increase from \$45,600 to \$49,200. The Fire Department Budget is proposed for an increase of about \$149,200 during 2017. If approved, this will require an increase in funding from the County from \$320,100 to \$381,100.

Electric Fund

The total Electric Fund Budget proposed for 2017 is \$13,014,963 compared to the current Budget of \$13,831,425. The primary reason for this decrease is that we are being more

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conservative in projecting our electric sales for next year based upon our projected sales for this year. We will continue to monitor these sales during the next month or two and may recommend that these revenue estimates be increased prior to adoption of the Budget.

We are proposing no increase in electric rates next year because our Electric Fund continues to be in a very solid financial condition with no major capital expenses projected in the near future. For example, we are now projecting that the Electric Fund will increase its fund balance by about \$298,500 this year. In the proposed 2017 Budget, we have included an excess of about \$26,900 of revenues over expenses.

As previously mentioned, we added one new Electric employee to the current budget. However, this position has not been filled for most of the year. We would like to keep this position in the Budget and fill it in the next several months. Other changes to this Fund include a major reduction in legal costs due to the resolution of the CTEC lawsuit. We are also proposing that ½ of the costs for the new meter data management system be included in the Electric Fund Budget at a cost of \$120,000.

Water Fund

The Water Fund Budget is always a challenge to prepare due to fluctuations in water sales that we experience each year for both residential and commercial customers. For example, we started the year with very slow sales through May. However, it now appears that sales in June and July will experience major increases. However, we are still taking a very conservative approach in projecting water sales to residential customers this year and next year.

The total Water Fund Budget proposed for 2017 is \$6,202,446 which represents about a \$627,039 decrease from the current budget of \$6,829,485. There is no increase in any water or sewer fees proposed in the 2017 Budget for our utility customers. However, we are proposing an increase in the treated effluent rates charged to Boot Ranch to cover our increasing costs for providing services to this area. Our engineering consultant is still preparing this rate information and it will be available for Council review next month.

We plan on updating the numbers in the previous rate study this winter and may recommend water and/or sewer rate increases in the 2018 Budget. In the meantime, the Water Fund is in good financial condition. For example, the 2016 Budget included the use of about \$700,000 from the fund balance and it looks like we will use very little of this balance. The proposed 2017 Budget includes a slight surplus even though several major capital projects are included as described below.

We have made a large number of major upgrades to our water and sewer system over the past 3-4 years. It is important that we keep up with these improvements so that we can continue to offer quality and dependable utility services to our growing population. Therefore, we are proposing several major changes and improvements in the proposed Water Fund Budget for 2017 including the following:

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1. Effluent SO2 treatment moved from Golf Course to Water Fund (\$30,000).
2. Replacement of the Boot Ranch pump station (\$50,000).
3. Carry-over of ½ of the expenses for the Water Reclamation Plant modular office/lab building (\$225,000).
4. Meter data management system with ½ of the cost shared with Electric Fund (\$120,000).
5. New MLSS Pump Station (\$1,000,000).
6. Bell Street waterline rehab project (\$250,000).
7. Purchase of sewer press machine, mini-excavator, 2 emergency generators, dump truck and ½ of costs for asphalt zipper (lease purchases).

Golf Fund

The Golf Fund continues to offer a number of financial challenges with this year's deficit supported by the General Fund estimated at \$425,000. The proposed Budget for next year will require General Fund support of \$200,000 as discussed at our recent budget work session. Over the next several months we plan on implementing several new initiatives which we hope will result in increased revenues at the Golf Course. We will keep the Council updated on the progress with these initiatives and how they impact Golf Course revenues.

The total Golf Fund Budget proposed for next year is \$1,489,664 which represents a decrease from the 2016 Golf Fund Budget of \$1,622,551. The primary reason for this decrease is that we have eliminated the remaining expenses for the grill operations.

In the proposed Budget we are recommending several increases to the fees charged at the Golf Course including a \$1 increase in cart rental fees and a \$1 per bucket increase at the Golf Range. We have also added in revenues that we expect to collect from the new private operator of the Red Bird Grill.

Major changes in the Golf Fund include lease purchase of a new greens mower and new golf carts. As previously mentioned, we are moving the effluent SO2 expenses (\$30,000) to the Water Fund. We have also included expenses (\$10,000) for an independent consultant review of the Golf Course operations.

Solid Waste Fund

Our Solid Waste Fund continues to perform well from a financial standpoint and no solid waste rate increases are proposed in the 2017 Budget. For example, we had projected a \$223,000 loss in the Solid Waste Fund this year due to the completion of the landfill cell improvements. However, it appears that the Fund will be close to a break-even point this year.

The proposed Solid Waste Fund Budget for next year is \$2,501,758 which will result in a surplus of about \$20,942. This represents about \$45,296 decrease from the 2016 Budget of \$2,547,054. The primary reason for this decrease is the completion of the landfill cell and the purchase of the used scraper that are both included in the current Budget.

Major changes in this Fund that are included in the proposed Budget include the creation of a landfill replacement fund at \$200,000 per year. This will allow us to place these funds in reserve to cover the costs of the next landfill cell in about 5-6 years. We are also proposing the lease purchase of several new major equipment items including a new garbage truck, chipper and compactor.

EMS Fund

This is another Fund that represented some major budgetary challenges this year due to several reasons. This includes the fact that our number of delinquent accounts has increased over the past year. We are also experiencing an increase in non-emergency transport services from the Hospital that impacts our personnel costs.

The total proposed 2017 EMS Budget is \$2,283,832 which represents an increase of about \$276,407 over the current EMS budget of \$2,007,425. If the Budget is approved, it will require an increase in both City and County funding from \$442,700 to \$598,500 and \$454,900, respectively. Earlier this summer we performed an EMS fee study which found that our fees are currently at market rates and no fee increases are proposed in the new Budget.

The proposed Budget includes ½ of the funding for the new Firefighter/Paramedic position previously mentioned. In addition, funding has been included for new billing software and the lease purchase of another ambulance remount. As noted above, we are experiencing major problems with uncollected EMS accounts. As a result, the proposed Budget includes an increase in this expense account from \$198,000 to \$350,000.

Tourism Fund

The Tourism Fund is proposed for an increase from \$2,711,663 that is currently budgeted to \$2,870,539 in the proposed 2017 Budget. The proposed Budget will result in a surplus of \$46,961 during the coming year.

One of the major changes in this Fund is the inclusion of both the revenues and expenses for major improvements to Marktplatz. The total expense for these improvements of \$125,000 will be somewhat offset with revenues from several organizations totaling \$37,500. Over the next several years the revenues will continue for these improvements with no additional expenses.

Other major changes in the proposed Tourism Fund Budget include a reduction in capital expenses for improvements to Fort Martin Scott. The only project recommended for the Fort during the coming year is a new parking lot with a connecting trail to the Fort at a total cost of

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\$19,000. In addition, the CVB has requested \$95,000 during the coming year to completely revamp their website. Funding for distribution to local organizations for their promotional activities is recommended to remain at the current level of \$450,000.

Drainage Fund

The City retained a consulting engineer to develop a listing of major drainage projects needed throughout the City. Additional funding for these improvements, along with a new vegetation management program, was discussed during the recent budget work sessions. This will require a new fee structure to fund both the improvements and the new vegetation management program. At this time, we have not included any new expenses in the Drainage Fund. The only cost is the annual payment on the outstanding GO bonds with revenues from property taxes and the current \$1 per month charge placed on utility bills.

Food and Wine Festival

As shown in the attached Budget, the Food and Wine Festival lost about \$60,000 last year due to the rainout of the event and the first payment for the Marktplatz improvements. The proposed 2017 Budget for the Food and Wine Festival is \$187,700. This includes a full payment of \$25,000 for Marktplatz improvements and a surplus of \$3,175.

Emergency Management Fund

This is the fund that supports our emergency management program with funding support from a FEMA grant and joint funding from the City and County. The total Emergency Management Fund Budget in 2017 is proposed at \$155,209 compared to the current Budget of \$135,300. This will require an increase in funding from both the City and County from \$50,750 in 2016 to \$61,000 in 2017. The major reasons for this increase include the purchase of new software and the reallocation of the salary for the supervisor of this Division from 33% to 50% of salary and benefits.

Health Insurance Fund

The final major fund included in the Budget is our Health Insurance Fund which has realized major improvements in the past year as a result of a decrease in major claims. The total Health Insurance Fund Budget is proposed for a decrease from \$1,608,800 to \$1,516,000 in 2017.

We look forward to the public input at the August 15 public hearing on the budget. Following this hearing, we look forward to making any other changes to the Budget that the Council would like to offer prior to the approval of the Budget next month.

Kent Myers
City Manager

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City of Fredericksburg
2017 Budget



FY 2017 Budgeted Revenues vs Budgeted Expenditures	FY 2017 Budgeted Revenues	FY 2017 Budgeted Expenditures	Revenues in Excess (Deficiency) of Expenditures
Governmental Funds			
Administrative	10,994,158	1,967,646	9,026,512
Police	161,350	4,609,163	(4,447,813)
Fire	374,000	917,377	(543,377)
Street	50,000	2,351,942	(2,301,942)
Park	655,300	1,727,544	(1,072,244)
Development Services	114,700	517,723	(403,023)
Health	144,000	193,085	(49,085)
Municipal Court	62,000	177,439	(115,439)
Engineering	-	259,758	(259,758)
Sub-total	12,555,508	12,721,677	(166,169)
Food & Wine Fest	190,875	187,700	3,175
Total Governmental Funds	12,746,383	12,909,377	(162,994)
Special Revenue Funds			
Tourism	2,917,500	2,870,539	46,961
Police Forfeiture	1,000	1,000	-
Emergency Management	155,315	155,209	106
Total Special Revenue Funds	3,073,815	3,026,748	47,067
Enterprise Funds			
Electric	13,041,900	13,014,963	26,937
Water & Sewer	6,218,400	6,202,446	15,954
Golf	1,489,600	1,489,664	(64)
Solid Waste	2,522,700	2,501,758	20,942
EMS	2,283,900	2,283,832	68
Drainage	143,100	63,500	79,600
Total Enterprise Funds	25,699,600	25,556,163	143,437
Internal Service Funds			
Health Insurance	1,616,148	1,516,000	100,148
Total Internal Service Funds			
Debt Service	708,900	705,000	3,900
Total All Funds	43,844,846	43,713,288	131,558

City of Fredericksburg
2017 Budget



**Budget Revenues
Comparisons by Fund**

	2015 Actual	2016 Budget	2017 Budget	Variance 2017 vs. 2016 Budget	
Governmental Funds					
General Fund	11,948,460	11,926,400	12,555,508	629,108	5.27%
FFWF	204,556	213,950	190,875	(23,075)	-10.79%
Total Governmental Funds	12,153,016	12,140,350	12,746,383	606,033	4.99%
Special Revenue Funds					
Tourism	2,470,350	2,631,300	2,917,500	286,200	10.88%
Police Forfeiture	8,555	2,000	1,000	(1,000)	-50.00%
Emergency Management	143,860	135,300	155,315	20,015	14.79%
Total Special Revenue Funds	2,622,765	2,768,600	3,073,815	305,215	11.02%
Enterprise Funds					
Electric	13,532,980	13,953,500	13,041,900	(911,600)	-6.53%
Water and Sewer	7,683,449	6,139,800	6,218,400	78,600	1.28%
Golf	1,374,241	1,544,600	1,489,600	(55,000)	-3.56%
Solid Waste	2,436,991	2,323,800	2,522,700	198,900	8.56%
EMS	2,048,378	2,007,600	2,283,900	276,300	13.76%
Drainage	142,157	142,300	143,100	800	0.56%
Total Enterprise Funds	27,218,195	26,111,600	25,699,600	(412,000)	-1.58%
Internal Service Funds					
Health Insurance	1,759,971	1,626,000	1,616,148	(9,852)	-0.61%
Total Internal Service Funds	1,759,971	1,626,000	1,616,148	(9,852)	-0.61%
Debt Service	623,551	626,700	708,900	82,200	13.12%
Total All Funds	44,377,498	43,273,250	43,844,846	571,596	1.32%

City of Fredericksburg
2017 Budget



**Budget Expenditures
Comparisons by Fund**

	2015 Actual	2016 Budget	2017 Budget	Variance 2017 vs. 2016 Budget	
Governmental Fund					
Administrative	1,929,563	2,318,675	1,967,646	(351,029)	-15.14%
Police	4,050,877	4,415,425	4,609,163	193,738	4.39%
Fire	732,883	858,100	917,377	59,277	6.91%
Street	2,168,982	3,065,833	2,351,942	(713,891)	-23.29%
Park	2,294,921	2,067,934	1,727,544	(340,390)	-16.46%
Development Services	433,430	442,925	517,723	74,798	16.89%
Health	167,978	181,900	193,085	11,185	6.15%
Municipal Court	143,597	158,800	177,439	18,639	11.74%
Engineering	196,025	231,000	259,758	28,758	12.45%
Sub-total	12,118,256	13,740,592	12,721,677	(1,018,915)	-7.42%
Food and Wine Festival	192,221	181,550	187,700	6,150	3.39%
Total Governmental Fund	12,310,477	13,922,142	12,909,377	(1,012,765)	-7.27%
Special Revenue Funds					
Tourism	2,490,066	2,711,663	2,870,539	158,876	5.86%
Police Forfeiture	1,875	4,000	1,000	(3,000)	-75.00%
Emergency Management	121,909	135,300	155,209	19,909	14.71%
Total Special Revenue Funds	2,613,850	2,850,963	3,026,748	175,785	6.17%
Enterprise Funds					
Electric	13,534,383	13,831,425	13,014,963	(816,462)	-5.90%
Water and Sewer	11,462,837	6,829,485	6,202,446	(627,039)	-9.18%
Golf	1,795,103	1,622,551	1,489,664	(132,887)	-8.19%
Solid Waste	2,934,876	2,547,054	2,501,758	(45,296)	-1.78%
EMS	1,768,222	2,007,425	2,283,832	276,407	13.77%
Drainage	188,109	213,500	63,500	(150,000)	-70.26%
Total Enterprise Funds	31,683,530	27,051,440	25,556,163	(1,495,277)	-5.53%
Internal Service Funds					
Health and Life Insurance	1,597,208	1,608,000	1,516,000	(92,000)	-5.72%
Total Internal Service Funds	1,597,208	1,608,000	1,516,000	(92,000)	-5.72%
Debt Service	619,274	622,200	705,000	82,800	13.31%
Total All Funds	48,824,339	46,054,744	43,713,288	(2,341,456)	-5.08%

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**The City of
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GENERAL FUND REVENUES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
01-00-4101-00	Current Ad Valorem Taxes	2,614,676	2,675,500	2,491,100	2,810,000
01-00-4102-00	Delinquent Ad Valorem Taxes	166,665	180,500	206,000	179,000
01-00-4103-00	Penalty & Interest	19,615	23,000	27,500	20,500
01-00-4104-00	Gross Rec Tax-Time Warner	162,544	160,000	162,500	162,500
01-00-4105-00	GrossRecTax-Phone-Verizon,etc	173,862	172,000	177,000	180,000
01-00-4106-00	Gross Rec Tax - Atmos Energy	132,611	140,000	135,000	140,000
01-00-4107-00	In Lieu Of Taxes	1,892,300	1,800,000	1,710,968	1,742,640
01-00-4108-00	1 1/2 % City Sales Tax	5,160,997	5,250,000	5,300,000	5,450,000
01-00-4110-00	Mixed Drinks Tax	122,723	126,000	135,000	140,000
01-00-4113-00	Franchise Tax-CTEC	75,191	78,000	80,000	80,000
01-00-4120-00	Occupational Licenses	25,651	22,000	25,000	25,000
01-00-4121-00	Dog Licenses	925	1,100	800	800
01-00-4122-00	Building Permits	86,497	75,000	95,000	75,000
01-00-4125-00	Gas Inspections & Permits	1,081	1,200	1,200	1,200
01-00-4150-00	Interest Income	9,442	9,400	19,400	20,000
01-00-4163-00	Zoning Fees, Etc	14,890	14,000	12,000	12,000
01-00-4164-00	Temporary Use Permit	325	500	500	500
01-00-4165-00	Miscellaneous Adm Revenues	17,475	16,000	16,000	16,000
01-00-4166-00	Misc Taxable Sales-Copies, etc	3,286	2,000	1,500	2,000
01-00-4167-00	Lease Inc-Cell Tower-City Hall	5,508	5,500	5,618	5,618
01-00-4169-00	Lease Income - 308 E Austin	2,100	2,100	2,100	2,100
01-00-4171-00	Lease Income - GCAD	-	12,000	-	-
01-00-4175-00	FCVB Maintenance Reimbursement	30,000	30,000	30,000	30,000
01-00-4176-00	Lease Income - 301 Friendship	-	-	6,250	12,000
01-00-4180-00	Municipal Court Cost Revenue	32,090	62,000	62,000	62,000
01-00-4181-00	Proceeds -Sale of Fixed Assets	75	-	1,400	1,000
01-00-4201-00	Police Fines	89,647	72,000	85,000	85,000
01-00-4202-00	Parking Fines	220	400	450	450
01-00-4210-00	LEOSE Annual Allocation	2,553	2,500	2,553	2,500
01-00-4211-00	Open Records-Accident,Incident	2,749	2,500	2,300	2,000
01-00-4213-00	Animal Control Revenue	9,551	10,000	7,254	8,000
01-00-4214-00	Animal Control Donation	840	1,000	350	400
01-00-4251-00	STEP Grant	4,102	7,000	7,000	7,000
01-00-4258-00	Grant - Dept of Justice	-	-	26,062	-
01-00-4265-00	Miscellaneous Police Revenues	16,373	4,000	6,500	6,000
01-00-4266-00	Summer Youth Program	45	200	-	-
01-00-4280-00	Child Safety Program	10,789	12,000	12,625	12,000
01-00-4281-00	Proceeds -Sale of Fixed Assets	5,550	1,000	5,500	8,000
01-00-4282-00	FISD Police Officer Reimburse	30,000	30,000	30,000	30,000
01-00-4301-00	County Of Gillespie-Fire Contr	329,400	322,000	274,500	331,900
01-00-4315-00	Firehouse Recovery Revenues	13,796	13,000	37,200	40,000
01-00-4365-00	Miscellaneous Fire Dept Rev	-	-	100	100
01-00-4381-00	Proceeds -Sale of Fixed Assets	-	1,000	1,000	2,000
01-00-4401-00	Paving & Construction	-	2,000	2,000	2,000
01-00-4403-00	Brush Hauling	1,880	1,500	1,500	1,500
01-00-4465-00	Miscellaneous Street Dept Rev	10,255	5,000	5,000	5,000
01-00-4481-00	Proceeds -Sale of Fixed Assets	11,200	1,000	9,500	41,500
01-00-4500-00	Pioneer Pavilion	11,735	14,000	12,000	16,000
01-00-4501-00	Tatsch & Open Air Pavilions	25,813	27,500	24,000	30,000
01-00-4502-00	Camping	326,902	340,000	350,000	375,000
01-00-4505-00	Baseball	810	2,000	1,650	2,000
01-00-4506-00	Swimming - Park Pool	31,528	17,000	18,000	18,000
01-00-4507-00	Swimming - Town Pool	4,570	8,000	5,000	7,000

01-00-4508-00	Swimming - Registration Fees	525	600	575	-
01-00-4509-00	Soccer	1,100	1,100	1,000	1,100
01-00-4510-00	Concessions	-	600	-	-
01-00-4515-00	Donations - Parks & Recreation	1,355	-	-	-
01-00-4520-00	Adelsverein Halle Rental	4,350	4,000	2,500	3,000
01-00-4521-00	Kinder Halle	3,250	3,500	3,000	3,000
01-00-4522-00	Oktoberfest Halle	2,850	2,000	1,000	1,500
01-00-4523-00	Market Square Kitchen Rental	75	200	200	200
01-00-4530-00	Park Dedication Fee	3,500	-	48,000	40,000
01-00-4540-00	Fort Martin Scott Revenue	22,163	17,000	10,000	12,000
01-00-4541-00	Ft Martin Scott Souvenir Sales	615	1,000	1,500	1,500
01-00-4558-00	Market Square Wi-Fi	13,500	-	-	-
01-00-4559-00	Lease Income - MS - Misc	200	100	-	-
01-00-4560-00	Lease Income - Mkt Sq - SSB	22,016	5,500	16,510	-
01-00-4565-00	Miscellaneous Park Revenue	7,513	1,000	16,000	1,000
01-00-4581-00	Proceeds -Sale of Fixed Assets	1,190	-	6,900	6,000
NEW	Transfer in from Park Dedication Fees	-	-	-	138,000
01-00-4765-00	Misc Revenue - Development Ser	37,837	-	2,900	1,000
01-00-4800-00	Health Fees	93,270	88,000	94,000	94,000
01-00-4801-00	County Health Contribution 1/2	40,800	46,600	45,600	49,200
01-00-4810-00	Food Handler's Class Revenue	840	400	400	400
01-00-4865-00	Miscellaneous Revenue - Health	675	400	4,000	400
General Fund Revenues		11,948,460	11,926,400	11,884,965	12,555,508

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ADMINISTRATIVE DEPT EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
01-20-1010-00	Salary - Elected Officials	16,800	16,800	16,800	23,400
01-20-1015-00	Regular Wages-City Attorney	17,994	18,500	18,600	19,200
01-20-1016-00	Wages - City Attorney Billings	25,646	28,000	29,300	29,300
01-20-1020-00	Regular Wages-Mun Judge & Clerk	3,441	-	-	-
01-20-1030-00	Regular Wages-Office Employees	319,185	379,200	392,000	418,367
01-20-1035-00	Regular Wages-Engineering	(462)	-	-	-
01-20-1050-00	Regular Wages - Part Time Emp	2,494	2,000	1,800	2,000
01-20-1060-00	Longevity	4,505	4,900	5,100	5,000
01-20-1070-00	Overtime Wages	16,914	15,000	15,000	13,000
01-20-2020-00	Social Security	28,578	35,600	36,613	39,035
01-20-2030-00	Retirement - TMRS	38,659	42,900	44,206	46,935
01-20-2060-00	Insurance - Hospitalization	48,333	53,500	55,200	56,609
01-20-2090-00	Professional Org - Personal	2,195	1,200	1,500	1,500
01-20-2100-00	Prof Education & Training	5,603	12,500	13,500	15,000
01-20-2204-00	Collection Fees - Del Taxes	5,547	7,000	3,700	-
01-20-3010-00	Utilities	15,160	20,000	20,000	20,000
01-20-3020-00	Telephone	1,383	3,500	2,000	2,000
01-20-3030-00	Office Supplies & Forms	5,455	6,500	6,500	6,500
01-20-3040-00	Postage, Freight, Etc	2,753	3,500	3,500	3,500
01-20-3050-00	Ads & Public Notices	3,314	3,500	3,500	3,500
01-20-3060-00	Protocol & Social	9,431	8,500	9,000	9,500
01-20-3070-00	Travel Expenses	8,153	9,000	9,000	9,000
01-20-3080-00	Prof Org & Assoc - City	3,546	4,200	4,700	4,700
01-20-3090-00	Books, Periodicals, Etc	565	1,000	600	700
01-20-3100-00	Safety	75	500	500	500
01-20-3120-00	Audit Expenses	5,500	5,500	5,500	5,600
01-20-3130-00	Legal Expenses	43,656	43,000	42,000	43,000
01-20-3140-00	Contract Professional Services	73,042	148,100	35,000	50,000
01-20-3142-00	GCAD - Prop Tax Collection	53,592	32,100	33,000	33,200
01-20-3160-00	TML Conventions	4,358	4,000	4,000	4,000
01-20-3190-00	Miscellaneous Adm Expenses	9,255	7,000	3,000	3,000
01-20-3200-00	City Share - Appr Dist Exp	59,433	65,400	68,200	69,100
01-20-3220-00	Insurance & Bonds	5,098	4,700	4,700	2,100
01-20-3274-00	City Contribution - Dispatch	10,023	-	-	-
01-20-3275-00	City Contr-Emg Medical Serv	350,900	442,700	416,400	598,500
01-20-3276-00	City Contrib - Emerg Mgt	55,000	50,750	47,510	61,000
01-20-3280-00	Chamber Of Comm Contribution	5,000	5,000	5,000	5,000
01-20-4010-00	Communications	994	15,000	15,000	11,000
01-20-4020-00	Janitorial/Housekeeping	3,008	3,000	3,900	4,000
01-20-4030-00	General Property Maintenance	78,263	26,000	30,000	95,000
01-20-4035-00	Visitor Info Center Maint	11,298	10,000	10,000	10,000
01-20-4036-00	Maintenance 308 E Austin	685	18,500	1,000	2,000
01-20-4040-00	Small Tools & Equipment	2,750	8,800	7,000	8,800
01-20-4060-00	Office Machines Maintenance	1,799	2,800	2,800	3,000
01-20-4065-00	Office Equipment Rental	-	500	500	500
01-20-4070-00	Computer/Software Maintenance	19,525	18,625	18,625	19,000
01-20-4250-00	Election Expenses	2,169	2,500	4,600	6,000
01-20-4410-00	Gasoline, Oil, & Lubrication	1,110	1,500	1,500	1,500
01-20-4430-00	Vehicle Maint	177	400	700	500
01-20-4435-00	Fleet Lease	739	2,600	2,600	2,600
01-20-5059-00	Land Purch-Mitchell-Friendship	298,892	-	-	-
01-20-5071-00	Land Purchase - 301 Friendship Ln	-	524,200	524,200	-
01-20-5261-00	IT Warehouse Improvements	2,828	-	-	-

01-20-6004-00	T-fer to Golf (prior deficit)	-	-	423,877	-
01-20-6005-00	T-fer to Golf(current deficit)	<u>245,200</u>	<u>198,700</u>	<u>425,000</u>	<u>200,000</u>
	Administrative Dept Expenditures	1,929,563	2,318,675	2,828,231	1,967,646

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POLICE DEPT EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
01-22-1015-00	Regular Wages - City Attorney	-	-	-	-
01-22-1016-00	Wages - City Attorney Billings	1,803	7,500	7,500	7,500
01-22-1030-00	Regular Wages-Police Employee	1,952,465	2,025,800	2,025,800	2,148,600
01-22-1050-00	Regular Wages - Part-time Emp	7,256	21,000	16,700	22,500
01-22-1060-00	Longevity	21,852	21,500	20,800	22,100
01-22-1070-00	Overtime & Holiday Pay	119,363	132,800	125,000	132,800
01-22-2020-00	Social Security	154,329	169,000	167,979	178,513
01-22-2030-00	Retirement-TMRS	210,978	210,300	209,412	223,705
01-22-2040-00	Uniforms And Clothing	29,497	39,700	37,000	32,400
01-22-2060-00	Insurance - Hospitalization	276,383	287,400	281,000	279,500
01-22-2090-00	Prof Org - Personal	4,054	4,100	4,000	5,540
01-22-2100-00	Prof Education & Training	26,066	34,000	32,000	34,000
01-22-3020-00	Telephone	-	1,000	1,020	1,100
01-22-3030-00	Office Supplies & Forms	5,755	6,400	5,200	6,000
01-22-3040-00	Postage, Freight, Etc	1,368	1,700	1,700	1,700
01-22-3050-00	Ads & Public Notices	2,033	1,500	500	1,500
01-22-3060-00	Protocol & Social	7,392	7,500	7,200	7,500
01-22-3070-00	Travel Expenses	17,415	24,000	23,000	24,000
01-22-3090-00	Books, Periodicals, Etc	2,481	3,500	1,200	2,500
01-22-3100-00	Safety	375	3,000	1,500	3,000
01-22-3130-00	Legal Expenses	6	3,000	-	3,000
01-22-3140-00	Contract Professional Services	4,306	9,100	8,200	3,000
01-22-3170-00	Summer Youth Program Expenses	1,932	3,000	2,800	3,000
01-22-3190-00	Miscellaneous Police Expenses	18,847	21,000	18,000	21,000
01-22-3220-00	Insurance & Bonds	53,717	58,900	59,400	62,700
01-22-3274-00	City Contribution - Dispatch	40,072	371,700	371,700	456,600
01-22-4010-00	Communications	60,321	60,700	60,700	53,000
01-22-4020-00	Janitorial/Housekeeping	-	200	-	200
01-22-4030-00	General Property Maintenance	1,754	1,500	500	15,500
01-22-4070-00	Computer/Software Maintenance	132,051	218,925	218,925	205,000
01-22-4210-00	Firing Range Expenses	1,411	2,000	1,600	2,000
01-22-4211-00	LEOSE Expenditures	-	-	4,000	2,000
01-22-4230-00	Animal Control Expenses	31,270	19,000	18,000	25,000
01-22-4250-00	Weapons Maintenance & Supplies	22,917	39,000	42,000	36,400
01-22-4270-00	Police Equipment & Supplies	32,614	91,000	78,000	86,200
01-22-4410-00	Gasoline, Oil, & Lubrication	72,177	88,000	48,000	60,000
01-22-4420-00	Vehicle Maintenance - Autos	27,483	35,000	25,000	30,000
01-22-4500-00	City Share - LEC Expenses	488,000	102,700	102,700	113,600
01-22-4600-00	Substation Expenses	8,182	10,000	7,250	10,000
01-22-5240-00	Police Vehicles	65,346	197,000	192,153	204,505
01-22-5280-00	Animal Shelter	-	-	113,200	-
01-22-6010-00	Principal - Software - Chase	64,387	-	-	-
01-22-6020-00	Interest - Software - Chase	1,346	-	-	-
01-22-6221-00	700 Radio System - Principal	81,682	80,100	80,100	81,000
01-22-6222-00	700 Radio System - Interest	190	1,900	1,900	1,000
Police Dept Expenditures		4,050,877	4,415,425	4,422,638	4,609,163

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FIRE DEPT EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
01-23-1016-00	Wages - City Attorney Billings	122	-	-	-
01-23-1030-00	Regular Wages-Full Time Emp	272,660	350,200	288,844	336,041
01-23-1050-00	Regular Wages-Part-time Emp	19,884	25,000	18,000	30,000
01-23-1060-00	Longevity	2,419	1,500	1,500	1,500
01-23-1070-00	Overtime Wages	18,737	9,000	3,000	9,000
01-23-2020-00	Social Security	22,926	29,500	23,818	28,805
01-23-2030-00	Retirement-TMRS	29,641	34,700	28,190	33,545
01-23-2040-00	Uniforms And Clothing	2,677	3,800	4,000	4,000
01-23-2050-00	Car Allowance	-	-	6,055	8,400
01-23-2060-00	Insurance - Hospitalization	41,852	32,500	39,354	48,786
01-23-2090-00	Professional Org - Personal	3,250	3,200	3,200	3,200
01-23-2100-00	Prof Education & Training	1,218	7,500	7,500	20,000
01-23-2220-00	Firemen's Pension Fund Contr	45,382	46,000	42,000	42,000
01-23-2230-00	Medical Exams	339	1,500	300	1,500
01-23-2240-00	Firemen Recertification	933	1,000	1,100	1,200
01-23-3010-00	Utilities	10,699	12,000	12,000	12,000
01-23-3020-00	Telephone	919	2,000	200	1,800
01-23-3030-00	Office Supplies & Forms	327	500	1,300	800
01-23-3040-00	Postage, Freight, Etc	142	500	500	500
01-23-3050-00	Advertising & Notices	1,357	400	200	400
01-23-3060-00	Protocol & Social	2,083	3,000	3,000	3,000
01-23-3070-00	Travel Expenses	9,032	14,500	12,000	17,500
01-23-3090-00	Books, Periodicals, Etc	1,134	2,000	1,000	2,000
01-23-3100-00	Safety	30	500	300	500
01-23-3140-00	Contract Professional Services	1,363	2,800	5,300	2,500
01-23-3150-00	Fire Prevention Materials	752	1,000	800	1,000
01-23-3190-00	Miscellaneous Fire Dept Exp	149	2,500	2,500	2,500
01-23-3220-00	Insurance & Bonds	12,859	12,700	16,000	12,100
01-23-3250-00	Conventions	-	500	500	500
01-23-3274-00	City Contribution - Dispatch	10,023	21,300	21,300	26,100
01-23-4010-00	Communications Expenses	27,456	28,000	24,000	24,000
01-23-4020-00	Janitorial/Housekeeping	2,462	2,500	3,300	2,500
01-23-4030-00	General Property Maintenance	12,145	17,000	8,000	20,000
01-23-4040-00	Small Tools & Equipment	9,470	12,000	12,000	12,000
01-23-4060-00	SCBA Maintenance	3,629	7,500	7,500	7,500
01-23-4070-00	Computer/Software Maintenance	3,602	4,000	7,000	9,800
01-23-4090-00	Ladder Maintenance	3,160	3,100	3,100	3,100
01-23-4150-00	Personal Equipment	21,053	20,000	20,000	20,000
01-23-4210-00	Fire Department Supplies	5,715	8,500	8,500	8,500
01-23-4410-00	Gasoline, Oil, & Lubrication	10,811	14,000	14,000	14,000
01-23-4430-00	Vehicle Maintenance - Trucks	30,845	30,000	30,000	30,000
01-23-6023-00	Principal -Fire Marshal Pickup	11,309	11,200	9,500	9,600
01-23-6024-00	Interest - Fire Marshal Pickup	26	300	300	200
01-23-6221-00	Principal - 700 Radios	7,977	7,800	6,600	6,700
01-23-6222-00	Interest - 700 Radios	19	200	200	100
01-23-6230-00	Principal - Pumper - Chase	61,576	62,800	62,800	64,000
01-23-6231-00	Interest - Pumper - Chase	8,720	7,600	7,600	6,400
NEW	Principal - SCBA Breathing Apparatus	-	-	-	26,200
NEW	Interest - SCBA Breathing Apparatus	-	-	-	1,600
Fire Dept Expenditures		732,883	858,100	768,161	917,377



STREET DEPT EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
01-24-1015-00	Regular Wages - City Attorney	-	-	-	-
01-24-1016-00	Wages - City Attorney Billings	3,084	2,400	3,400	-
01-24-1030-00	Regular Wages-Full Time Emp	577,142	615,200	615,200	660,600
01-24-1050-00	Regular Wages-Part Time Emp	2,150	10,000	4,000	10,000
01-24-1060-00	Longevity	14,214	14,900	15,200	14,400
01-24-1070-00	Overtime Wages	26,153	30,000	30,000	30,000
01-24-2020-00	Social Security	44,788	51,500	51,087	54,698
01-24-2030-00	Retirement - Tmrs	62,827	63,700	63,791	68,244
01-24-2040-00	Uniforms And Clothing	7,529	8,700	8,700	9,500
01-24-2060-00	Insurance - Hospitalization	117,127	117,400	114,000	120,000
01-24-2090-00	Professional Org - Personal	89	300	300	300
01-24-2100-00	Prof. Education & Training	587	500	500	500
01-24-3010-00	Utilities	20,386	25,000	22,000	22,000
01-24-3020-00	Telephone	678	900	900	900
01-24-3030-00	Office Supplies & Forms	826	1,100	1,000	1,000
01-24-3040-00	Postage, Freight, Etc.	-	100	100	100
01-24-3050-00	Ads & Public Notices	1,339	600	600	600
01-24-3060-00	Protocol & Social	2,207	2,000	2,000	2,000
01-24-3070-00	Travel Expenses	134	1,000	1,000	1,000
01-24-3090-00	Books, Periodicals, Etc.	-	200	200	200
01-24-3100-00	Safety	6,786	9,600	9,600	8,000
01-24-3130-00	Legal Expenses	726	-	-	-
01-24-3140-00	Contract Professional Services	34,045	27,600	12,000	20,000
01-24-3190-00	Miscellaneous Street Dept.exp.	684	2,500	2,000	1,000
01-24-3220-00	Insurance & Bonds	27,179	34,900	33,400	33,400
01-24-4010-00	Communications	3,012	600	6,000	8,700
01-24-4020-00	Janitorial/housekeeping	822	1,500	1,000	1,000
01-24-4030-00	General Property Maintenance	4,236	3,500	6,000	11,500
01-24-4040-00	Small Tools & Equipment	3,662	5,200	3,000	4,000
01-24-4060-00	Office Machines Maintenance	1,149	700	1,200	1,200
01-24-4070-00	Computer/Software Maintenance	17,640	12,125	12,125	30,900
01-24-4240-00	Street Supplies	6,062	8,000	8,000	6,000
01-24-4245-00	Sign Materials	16,582	30,000	30,000	15,000
01-24-4250-00	Street & Bridge Maintenance	15,101	21,600	21,600	26,600
01-24-4255-00	Street Lighting Power	9,460	9,400	9,400	9,400
01-24-4270-00	Street Marking Paint	8,755	15,000	15,000	10,000
01-24-4330-00	Emulsion	195,093	200,000	108,000	150,000
01-24-4340-00	Rock - Grade 5	91,632	96,000	96,000	96,000
01-24-4345-00	Limestone	32,918	20,000	30,000	30,000
01-24-4350-00	Premix - Type 1A	100,913	175,000	175,000	175,000
01-24-4360-00	Shop Materials & Supplies	21,515	20,000	15,000	20,000
01-24-4410-00	Gasoline, Oil, & Lubrication	42,551	50,000	40,000	40,000
01-24-4430-00	Vehicle Maintenance - Trucks	5,608	9,000	9,000	4,000
01-24-4435-00	Fleet Lease	22,810	36,500	36,500	47,200
01-24-4440-00	Tractor/heavy Equipment Maint.	55,402	45,000	45,000	45,000
01-24-4450-00	Other Equipment Maintenance	800	1,000	1,000	1,000
01-24-5235-00	Dump Truck	86,537	-	-	-
01-24-5409-00	Orange Street Construction	24,348	-	-	-
01-24-5410-00	Brehmer Lane	170,884	265,608	265,608	-
01-24-5413-00	Discharge Structure & Channel	-	292,800	310,000	-
01-24-5420-00	T Signal-HeritageHill/TxRanger	5,193	-	-	-
01-24-5464-00	Equipment	104,661	-	-	-
01-24-5465-00	Sidewalks	97,069	100,000	100,000	100,000
01-24-5466-00	Fuel Island	21,223	-	-	-
01-24-5467-00	Downtown Sidewalk Repairs	-	50,000	50,000	50,000
01-24-5468-00	South Milam St Rehabilitation	-	350,000	320,000	-
01-24-5469-00	Trailer for Dump Truck	-	28,000	24,500	-

01-24-5470-00	Thermoplastic Striping Machine	-	30,000	10,000	-
01-24-5471-00	Sand Spreader Attachment	-	12,500	-	-
01-24-5472-00	Tractor for Shredder	-	40,000	40,000	-
01-24-6406-00	Principal-Oil Distributor Trk	52,538	51,500	48,500	49,100
01-24-6407-00	Interest-Oil Distributor Trk	123	1,200	1,200	600
01-24-6408-00	Principal - Dump Truck	-	39,000	37,800	37,100
01-24-6409-00	Interest - Dump Truck	-	3,000	200	900
01-24-6410-00	Principal - Bobcat	-	20,000	19,200	18,900
01-24-6411-00	Interest - Bobcat	-	2,000	100	500
NEW	Asphalt Zipper	-	-	-	-
NEW	Downtown Parking Plan	-	-	-	35,000
NEW	Master Thoroughfare Plan	-	-	-	120,000
NEW	Herbicide for Arundo Donax Control	-	-	-	25,000
NEW	Bridge Guardrail Upgrade Program	-	-	-	25,000
NEW	Principal - Sweeper	-	-	-	75,200
NEW	Interest - Sweeper	-	-	-	4,600
NEW	Principal - Asphalt Zipper	-	-	-	18,000
NEW	Interest - Asphalt Zipper	-	-	-	1,100
Street Dept Expenditures		2,168,982	3,065,833	2,886,911	2,351,942

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PARK DEPT EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
01-25-1015-00	Regular Wages - City Attorney	-	-	-	-
01-25-1016-00	Wages - City Attorney Billings	2,756	3,000	2,500	3,000
01-25-1030-00	Regular Wages-full Time Emp.	379,372	443,900	468,300	490,100
01-25-1050-00	Regular Wages - Part Time Emp	113,236	115,600	130,000	130,000
01-25-1060-00	Longevity	6,667	6,500	6,500	5,400
01-25-1070-00	Overtime Wages	28,504	24,000	23,500	24,000
01-25-2020-00	Social Security	40,504	45,400	48,256	49,916
01-25-2030-00	Retirement-tmr	42,712	45,900	48,127	50,578
01-25-2040-00	Uniforms And Clothing	4,609	4,200	4,815	4,500
01-25-2050-00	Car Allowance	8,997	9,800	8,175	8,400
01-25-2060-00	Insurance-hospitalization	77,485	90,600	90,700	86,600
01-25-2090-00	Professional Org - Personal	705	500	500	500
01-25-2100-00	Prof. Education & Training	835	2,000	1,500	2,000
01-25-3010-00	Utilities	185,139	170,000	179,000	180,000
01-25-3020-00	Telephone	3,203	3,000	3,790	3,800
01-25-3030-00	Office Supplies & Forms	1,602	1,800	1,700	1,800
01-25-3040-00	Postage, Freight, Etc.	108	300	250	300
01-25-3050-00	Advertising & Public Notices	2,069	2,000	1,900	2,000
01-25-3060-00	Protocol & Social	2,995	2,600	4,500	3,000
01-25-3070-00	Travel Expenses	1,404	2,000	3,600	2,000
01-25-3090-00	Books, Periodicals, Etc	169	200	200	200
01-25-3100-00	Safety	1,117	1,000	2,100	2,100
01-25-3130-00	Legal Expenses	13	-	150	-
01-25-3140-00	Contract Professional Services	15,113	3,900	7,000	30,000
01-25-3190-00	Miscellaneous Expenses	532	-	62	-
01-25-3220-00	Insurance & Bonds	15,803	17,100	17,000	19,800
01-25-3280-00	Telephone - Swimming Pools	1,301	1,000	1,530	1,550
01-25-4010-00	Communications	3,206	4,000	4,360	5,800
01-25-4020-00	Janitorial/housekeeping	13,922	17,000	16,630	17,000
01-25-4030-00	General Property Maintenance	15,464	14,000	13,500	24,000
01-25-4040-00	Small Tools & Equipment	17,421	16,000	18,000	16,000
01-25-4060-00	Office Machines Maintenance	459	300	360	300
01-25-4066-00	Cable TV - Campgrounds	17,266	20,000	21,165	21,000
01-25-4070-00	Computer/Software Maintenance	799	700	8,600	2,400
01-25-4080-00	Roads & Grounds Maintenance	16,734	28,000	26,500	28,000
01-25-4100-00	Market Square Expenses	40,143	40,000	35,000	35,000
01-25-4105-00	Market Square Wi-Fi	19,542	-	30	-
01-25-4110-00	Ft Martin Scott Maintenance	20,677	11,000	60,000	23,700
01-25-4111-00	Ft Martin Scott Souvenirs	636	500	800	800
01-25-4180-00	July 4th Fireworks	15,000	16,000	16,000	16,000
01-25-4190-00	Miscellaneous Park Dept. Exp.	1,355	1,500	1,100	1,500
01-25-4200-00	Pavilion Maintenance	10,566	11,000	8,000	8,000
01-25-4220-00	Refuse Supplies	1,158	2,000	1,800	2,000
01-25-4230-00	Swimming Pools Expenses	35,986	40,000	39,000	40,000
01-25-4260-00	Sports Facilities Maintenance	21,409	21,000	20,250	21,000
01-25-4265-00	Playground Maintenance	2,169	4,000	3,600	4,000
01-25-4270-00	General Operations	20,704	6,000	6,500	6,000
01-25-4275-00	Contract Tree Trimming	4,650	4,000	4,300	4,000
01-25-4276-00	Christmas Decorations Repair	9,796	20,000	19,000	20,000
01-25-4285-00	Tree Care & Replacement	3,008	5,000	4,800	5,000
01-25-4340-00	Comfort Stations	1,502	1,200	1,100	1,200
01-25-4410-00	Gasoline, Oil, & Lubrication	23,063	30,000	14,000	15,000

01-25-4430-00	Vehicle Maintenance - Trucks	4,215	4,100	4,500	4,100
01-25-4435-00	Fleet Lease	2,771	41,000	41,000	52,700
01-25-4440-00	Tractor/heavy Equipment Maint.	14,510	5,000	4,200	2,500
01-25-4450-00	Other Equipment Maintenance	6,079	3,000	6,000	3,000
01-25-4544-00	Ft Martin Scott Event Expenses	-	17,000	7,500	3,000
01-25-5022-00	Mower	5,949	-	-	-
01-25-5092-00	Ft Martin S Connect to Rangers	3,461	-	-	-
01-25-5094-00	Playground Shade Covers	-	-	-	-
01-25-5519-00	Infield Groomer	18,991	-	-	-
01-25-5521-00	RV Campgrounds Improv Phase I	24,166	620,834	282,000	-
01-25-5522-00	Land Purch-Heinemann-Friendshp	391,035	-	-	-
01-25-5523-00	Parks Master Plan	-	11,500	11,746	-
01-25-5524-00	Utility Vehicle	-	9,000	8,920	-
01-25-5525-00	Repaint Adelsverein	-	35,000	-	35,000
01-25-5526-00	Hydraulic Hole Digger	-	5,000	-	-
01-25-5527-00	Replace Bathroom Partitions #4	-	7,000	6,454	7,000
NEW	Tennis Court Improvements	-	-	-	35,000
NEW	Baseball Field C - Replace fencing/backstop	-	-	-	28,000
NEW	Lady Bird Park Curbing	-	-	-	-
NEW	Oakcrest Park Improvements - Planning	-	-	-	-
NEW	Cross Mountain Park Restroom Facility	-	-	-	138,000
NEW	Bucket Truck - 40'	-	-	-	-
Lease Purchase	Principal - Bucket Truck - 40'	-	-	-	-
Lease Purchase	Interest - Bucket Truck - 40'	-	-	-	-
01-25-6011-00	T-fer to Capital Projects-Pool	570,159	-	-	-
Park Dept Expenditures		2,294,921	2,067,934	1,772,370	1,727,544

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DEVELOPMENT SERVICES DEPT EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
01-27-1015-00	Regular Wages - City Attorney	-	-	-	-
01-27-1016-00	Wages - City Attorney Billings	15,531	17,000	14,000	14,000
01-27-1040-00	Regular Wages -Planning & Bldg	229,934	246,000	285,300	301,800
01-27-1050-00	Regular Wages - Part Time	-	1,200	-	-
01-27-1060-00	Longevity	1,329	1,600	1,600	1,500
01-27-1070-00	Overtime Wages	42	300	-	-
01-27-2020-00	Social Security	17,656	20,400	23,019	24,273
01-27-2030-00	Retirement - TMRS	24,820	25,500	28,916	30,750
01-27-2040-00	Uniforms & Clothing	-	-	-	-
01-27-2060-00	Insurance - Hospitalization	31,657	33,300	31,500	39,500
NEW	Car Allowance	-	-	-	4,500
01-27-2090-00	Professional Org - Personal	2,327	2,900	2,900	3,000
01-27-2100-00	Prof Education & Training	2,550	5,000	3,000	5,000
01-27-3020-00	Telephone	-	500	500	500
01-27-3030-00	Office Supplies & Forms	3,045	4,000	3,000	3,000
01-27-3040-00	Postage, Freight, Etc	-	100	100	100
01-27-3050-00	Ads & Public Notices	136	300	500	500
01-27-3060-00	Protocol & Social	1,336	2,000	2,000	3,000
01-27-3070-00	Travel Expenses	3,736	3,500	4,500	5,000
01-27-3090-00	Books, Periodicals, Etc	-	500	500	500
01-27-3130-00	Legal Expenses	2,614	4,500	4,000	4,000
01-27-3135-00	Nuisance Abatement	10,103	5,000	4,000	4,000
01-27-3140-00	Contract Professional Services	21,975	900	2,000	2,000
01-27-3220-00	Insurance & Bonds	6,703	3,500	3,500	2,200
01-27-4010-00	Communications	4,348	6,500	6,500	8,900
01-27-4040-00	Small Tools & Equipment	794	3,000	2,000	2,000
01-27-4070-00	Computer/Software Maintenance	25,499	17,625	17,625	28,800
01-27-4410-00	Gasoline, Oil, & Lubrication	1,068	2,500	2,000	2,500
01-27-4430-00	Vehicle Maintenance	1,214	1,000	1,000	1,500
01-27-4435-00	Fleet Lease	-	6,800	6,800	12,400
01-27-4710-00	Wayfinding Sign Maintenance	15	2,500	2,000	2,500
01-27-4720-00	Historic Building Maintenance	25,000	25,000	12,500	10,000
Development Services Dept Expenditures		433,430	442,925	465,260	517,723

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HEALTH DEPT EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
01-28-1015-00	Regular Wages - City Attorney	-	-	-	-
01-28-1016-00	Wages - City Attorney Billings	705	800	1,600	1,600
01-28-1030-00	Regular Wages-Full Time Emp	112,676	118,300	118,300	129,000
01-28-1060-00	Longevity	828	1,000	1,000	1,100
01-28-1070-00	Overtime Wages	-	500	500	500
01-28-2020-00	Social Security	7,748	9,300	9,287	10,113
01-28-2030-00	Retirement-TMRS	11,512	11,600	11,667	12,797
01-28-2040-00	Uniforms And Clothing	-	-	-	-
01-28-2060-00	Insurance-Hospitalization	16,101	16,300	16,300	16,300
01-28-2090-00	Professional Org - Personal	398	650	500	500
01-28-2100-00	Prof Education & Training	3,929	4,500	4,500	1,500
01-28-3020-00	Telephone	-	250	300	300
01-28-3030-00	Office Supplies & Forms	377	500	575	575
01-28-3040-00	Postage, Freight, Etc.	-	400	-	400
01-28-3050-00	Advertising & Public Notices	185	400	300	300
01-28-3060-00	Protocol & Social	185	400	300	350
01-28-3070-00	Travel Expenses	632	1,600	1,500	1,500
01-28-3090-00	Books, Periodicals, Etc	-	200	100	100
01-28-3100-00	Safety	10	100	-	100
01-28-3130-00	Legal Expenses	8	300	100	250
01-28-3140-00	Contract Professional Services	79	500	350	400
01-28-3213-00	Credit Card/Bank Fees	1,723	1,700	2,200	-
01-28-3220-00	Insurance & Bonds	-	-	300	2,400
01-28-4005-00	Health Dept Supplies	34	300	300	300
01-28-4010-00	Communications	1,142	1,500	2,000	3,300
01-28-4030-00	General Property Maintenance	21	200	-	200
01-28-4040-00	Small Tools & Equipment	311	2,200	2,000	800
01-28-4070-00	Computer/Software Maintenance	884	1,800	1,800	2,000
01-28-4410-00	Gasoline, Oil, & Lubrication	1,001	1,000	900	1,000
01-28-4430-00	Vehicle Maintenance	58	1,000	200	1,000
01-28-4435-00	Fleet Lease	-	4,600	3,100	4,400
01-28-5010-00	Furniture & Fixtures	7,433	-	-	-
Health Dept Expenditures		167,978	181,900	179,979	193,085

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MUNICIPAL COURT EXPENDITURES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
01-29-1016-00	Wages City Attorney Billings	8,201	3,000	3,200	3,200
01-29-1020-00	Regular Wages-Mun Judge & Clerk	77,909	84,200	92,100	91,700
NEW	Part Time Wages - Judge Heupel	-	-	-	3,000
01-29-1060-00	Longevity	772	900	900	1,000
01-29-1070-00	Overtime Wages	-	-	69	-
01-29-2020-00	Social Security	6,395	6,800	7,365	7,566
01-29-2030-00	Retirement - TMRS	8,745	8,500	9,251	9,574
01-29-2060-00	Insurance - Hospitalization	8,450	8,200	8,200	8,200
01-29-2090-00	Professional Org - Personal	300	400	400	400
01-29-2100-00	Prof Education & Training	200	800	800	800
01-29-3030-00	Office Supplies & Forms	1,487	1,500	1,800	1,700
01-29-3040-00	Postage, Freight, Etc	1,127	2,700	1,750	2,700
01-29-3050-00	Ads & Public Notices	110	-	-	-
01-29-3060-00	Protocol & Social	27	200	200	200
01-29-3070-00	Travel Expenses	1,145	1,100	1,200	1,200
01-29-3090-00	Books, Periodicals, Etc	103	300	300	300
01-29-3100-00	Safety	155	400	400	400
01-29-3140-00	Contract Professional Services	786	1,100	1,100	1,100
01-29-3190-00	Misc Municipal Court Expenses	-	200	200	200
01-29-3213-00	Credit Card/Bank Fees	-	1,700	1,700	1,700
NEW	Insurance & Bonds	-	-	-	200
01-29-3273-00	City Contr Mun Court Rent	2,925	3,200	3,200	3,200
01-29-3278-00	City Contr Mun Court Info Sys	23,299	14,700	22,000	22,000
01-29-4040-00	Small Tools & Equipment	621	700	700	700
01-29-4065-00	Office Equipment Rental	703	700	700	700
01-29-4070-00	Computer/Software Maintenance	138	17,500	17,500	15,700
Municipal Court Expenditures		143,597	158,800	175,035	177,439

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ENGINEERING DEPT EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
01-30-1035-00	Regular Wages - Engineering	125,812	110,200	129,600	121,800
01-30-1050-00	Regular Wages - Part Time Emp	-	2,500	2,500	2,500
01-30-1060-00	Longevity	1,296	1,400	1,100	800
01-30-1070-00	Overtime Wages	5,790	3,500	3,500	3,000
01-30-2020-00	Social Security	10,030	9,000	10,458	9,800
01-30-2030-00	Retirement - TMRS	13,369	11,100	12,897	12,158
01-30-2060-00	Insurance - Hospitalization	13,910	10,700	16,300	13,400
01-30-2090-00	Professional Org - Personal	447	2,500	1,000	1,000
01-30-2100-00	Prof Education & Training	1,273	5,400	3,100	4,000
01-30-3030-00	Office Supplies & Forms	808	7,100	200	200
01-30-3040-00	Postage, Freight, Etc	-	200	200	200
01-30-3050-00	Ads & Public Notices	196	200	200	200
01-30-3060-00	Protocol & Social	607	500	500	500
01-30-3070-00	Travel Expenses	952	2,500	2,000	2,000
01-30-3080-00	Prof Org & Assoc - City	-	1,000	500	500
01-30-3090-00	Books, Periodicals, Etc	-	200	200	200
01-30-3100-00	Safety	10	200	200	200
01-30-3140-00	Contract Professional Services	610	700	500	500
01-30-3220-00	Insurance & Bonds	-	-	-	600
01-30-4010-00	Communications	5,484	5,500	6,800	12,000
01-30-4040-00	Small Tools & Equipment	832	2,000	2,700	1,500
01-30-4060-00	Office Machines Maintenance	769	4,000	1,200	1,200
01-30-4067-00	Storage Rental Fee	2,580	2,800	2,800	2,800
01-30-4070-00	Computer/Software Maintenance	9,854	7,300	7,300	16,100
01-30-4300-00	Engineering Supplies & Exp	-	500	500	500
01-30-4410-00	Gasoline, Oil & Lubrication	1,143	1,500	1,000	1,200
01-30-4430-00	Vehicle Maintenance	252	1,000	200	100
NEW	Fleet Lease	-	-	-	15,800
NEW	Base Station for GPS Survey Equipment	-	-	-	24,000
01-30-5100-00	Update Aerial Photos	-	11,500	11,000	11,000
01-30-5101-00	Survey/GPS Equipment	-	26,000	16,000	-
Engineering Dept Expenditures		196,025	231,000	234,454	259,758
Total General Fund Expenditures		12,118,256	13,740,592	13,733,039	12,721,677
General Fund Excess (Deficit)		(169,796)	(1,814,192)	(1,848,074)	(166,169)

City of Fredericksburg
FY 2017 Budget Analysis



**The City of
Fredericksburg**

ELECTRIC FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
02-00-4101-00	Residential Sales	5,389,152	5,563,500	5,000,000	5,200,000
02-00-4102-00	Commercial Sales	7,571,430	7,856,800	7,200,000	7,350,000
02-00-4104-00	Public Streets & Hwy Lights	49,017	53,100	43,000	45,000
02-00-4106-00	Security Lights	82,868	84,900	86,500	86,500
02-00-4110-00	Forfeited Discounts	93,459	109,200	79,000	80,000
02-00-4114-00	Temporary Fee	2,850	2,500	2,200	2,500
02-00-4115-00	Transformer Fee	9,600	6,500	5,500	5,500
02-00-4125-00	Electric Permits & Inspections	12,495	13,400	8,600	9,000
02-00-4140-00	Fiber Optic Lease	29,876	30,000	30,000	30,000
02-00-4150-00	Interest Income	3,484	3,700	3,500	3,500
02-00-4165-00	Miscellaneous Elect Revenue	232,735	175,000	200,000	175,000
02-00-4170-00	Christmas Lights	865	900	900	900
02-00-4179-00	Debt Proceeds - Golf Course	54,000	54,000	54,000	54,000
02-00-4181-00	Proceeds -Sale of Fixed Assets	1,150	-	-	-
	Electric Fund Revenues	13,532,980	13,953,500	12,713,200	13,041,900

ELECTRIC FUND EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
02-21-1015-00	Regular Wages - City Attorney	7,198	7,400	7,400	7,700
02-21-1016-00	Wages - City Attorney Billings	15,952	10,000	3,000	3,000
02-21-1030-00	Regular Wages-Full Time Emp	727,725	810,100	790,000	883,930
02-21-1050-00	Regular Wages - Part Time Emp	2,494	2,500	2,500	2,500
02-21-1060-00	Longevity	9,073	9,700	9,600	10,900
02-21-1070-00	Overtime & Stand-by Wages	52,970	58,000	58,000	58,000
02-21-2020-00	Social Security	60,388	68,700	66,593	73,901
02-21-2030-00	Retirement-TMRS	82,848	86,100	83,415	93,270
02-21-2040-00	Uniforms & Clothing	3,245	3,000	3,000	4,200
02-21-2050-00	Car Allowance	8,762	9,600	8,900	9,000
02-21-2060-00	Insurance-Hospitalization	93,775	92,300	93,500	108,010
02-21-2090-00	Professional Org - Personal	751	800	800	800
02-21-2100-00	Prof Education & Training	3,395	13,700	11,000	11,000
02-21-2206-00	Customer Collections & Records	1,517	2,000	2,000	2,000
02-21-3010-00	Utilities	19,776	14,000	12,000	14,000
02-21-3020-00	Telephone	3,108	6,000	3,500	6,000
02-21-3030-00	Office Supplies & Forms	10,761	15,000	7,500	10,000
02-21-3040-00	Postage, Freight, Etc	12,118	12,000	10,500	12,000
02-21-3050-00	Advertising & Public Notices	4,876	4,400	2,000	4,000
02-21-3060-00	Protocol & Social	4,911	10,000	10,000	10,000
02-21-3070-00	Travel Expenses	7,960	10,500	5,000	10,500
02-21-3080-00	Prof Org & Assoc - City	4,432	6,000	5,000	5,000
02-21-3090-00	Books Periodicals, Etc	-	500	200	200
02-21-3100-00	Safety	7,627	8,500	7,300	8,500
02-21-3120-00	Audit Expenses	4,500	4,500	4,500	4,600
02-21-3130-00	Legal Expenses	150,681	25,000	25,000	10,000
02-21-3140-00	Contract Prof Services	57,667	26,300	30,000	35,000
02-21-3160-00	Economic, Ind & Bus Dev	40,000	56,000	56,000	56,000
02-21-3190-00	Miscellaneous Elect Dept Exp	19,537	8,000	15,000	15,000
02-21-3200-00	Uncollectible Accounts	17,243	19,000	19,000	19,000
02-21-3203-00	Bad Debt Recovery	(5,018)	(6,500)	(8,500)	(8,500)
02-21-3213-00	Bank Fees	5,032	4,700	5,300	5,300
02-21-3220-00	Insurance & Bonds	11,896	11,900	12,600	12,600
02-21-3250-00	In Lieu Of Taxes	1,082,600	1,116,300	1,017,056	1,043,352
02-21-3274-00	City Contribution - Dispatch	2,515	10,600	10,500	13,100
02-21-4010-00	Communications	13,867	20,000	20,000	15,000
02-21-4020-00	Janitorial/Housekeeping	3,515	3,500	3,500	3,500
02-21-4030-00	General Property Maintenance	12,911	17,000	13,000	23,000
02-21-4040-00	Small Tools & Equipment	17,236	20,000	23,000	20,000
02-21-4041-00	Tool Repair	273	1,500	500	1,500
02-21-4060-00	Office Equipment Maintenance	6,730	6,000	7,100	7,100
02-21-4065-00	Office Equipment Rental	2,315	1,800	3,600	3,600
02-21-4070-00	Computer/Software Maintenance	61,864	81,625	81,625	83,500
02-21-4230-00	Street Light Maintenance	45,185	3,000	14,000	3,000
02-21-4239-00	Street Lighting Power	49,029	45,000	45,000	45,000
02-21-4240-00	Power Purchases	9,015,915	9,231,500	8,100,000	8,250,000
02-21-4241-00	Transmission Provider Fees	1,302,458	1,308,000	1,380,000	1,438,300
02-21-4251-00	Inventory Shrinkage	(21,695)	-	-	-
02-21-4270-00	Contract Tree Trimming	75,710	80,000	76,000	80,000
02-21-4280-00	Meter Maintenance & Expenses	13,566	8,000	9,600	10,000
02-21-4290-00	Transformer Maintenance	44,262	4,000	55,000	50,000
02-21-4300-00	Underground Line Maintenance	5,910	2,000	2,000	2,000
02-21-4310-00	Overhead Line Maintenance	21,474	20,000	20,000	20,000
02-21-4312-00	Christmas Lights	2,499	3,000	3,000	3,000
02-21-4330-00	Maint Of Station Equipment	939	1,000	1,000	1,000
02-21-4362-00	Fiber Optic Network Maint	5,066	-	-	-
02-21-4364-00	Pole Maintenance	19,909	2,000	8,000	2,000
02-21-4375-00	Fiber Optic Network Maint	1,949	1,000	1,000	1,000
02-21-4410-00	Gasoline, Oil, & Lubrication	16,781	27,900	9,000	10,000

02-21-4430-00	Vehicle Maintenance - Trucks	26,072	29,400	22,000	29,000
02-21-4435-00	Fleet Lease	739	2,600	2,600	2,600
02-21-5210-00	Inventory Purchases	409	270,000	100,000	182,000
02-21-5227-00	TX Rangers Secondary Elec Serv	13,803	-	-	-
02-21-5240-00	Meters	6,900	-	-	-
02-21-5250-00	Transformers	50,037	-	-	-
02-21-5262-00	Fiber Optic Network	10,509	-	-	-
NEW	SCADA	-	-	-	15,000
02-21-5364-00	Pole, Towers, & Fixtures	36,962	-	-	-
02-21-5365-00	Overhead Conductors & Devices	17,162	-	-	-
02-21-5366-00	Underground Conduit	2,116	-	-	-
02-21-5367-00	Underground Conductors	13,137	-	-	-
02-21-5373-00	Street Lighting & Signal Sys	38,847	40,000	25,000	40,000
02-21-5374-00	Street Light Hardware	(407)	-	-	-
02-21-5380-00	Meter Data Management System	-	65,000	-	120,000
02-21-5390-00	Work Order System	29,889	-	-	-
02-21-6200-00	Principal - Bucket Truck(3 yr)	37,520	-	-	-
02-21-6201-00	Interest - Bucket Truck (3 yr)	705	-	-	-
Electric Fund Expenditures		13,534,383	13,831,425	12,414,689	13,014,963
Electric Fund Excess (Deficit)		(1,403)	122,075	298,511	26,937

City of Fredericksburg
FY 2017 Budget Analysis



**The City of
Fredericksburg**

WATER FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
03-00-4102-00	Water Connection Charges	11,400	11,600	11,000	12,100
03-00-4103-00	Water Permits & Inspections	15,482	17,700	14,000	15,400
03-00-4105-00	Water Sales - Residential	1,830,847	2,000,000	1,900,000	1,900,000
03-00-4106-00	Water Sales - Multi Family	101,845	99,900	100,000	100,000
03-00-4107-00	Water Sales - Commercial	929,259	905,600	980,000	980,000
03-00-4110-00	Forfeited Discounts	41,084	46,000	44,000	44,000
03-00-4118-00	Effluent Sales	27,484	13,400	30,000	48,000
03-00-4150-00	Interest Income	2,659	2,400	3,000	3,000
03-00-4161-00	City Farm Lease-Meier	1,800	600	-	-
03-00-4165-00	Miscellaneous Water Revenue	6,101	8,300	3,000	3,000
03-00-4181-00	Proceeds -Sale of Fixed Assets	41,440	-	15,600	62,000
03-00-4200-00	Effluent Sales On Demand	5,274	3,700	5,500	5,500
03-00-4202-00	Sewer Connection Charges	15,650	13,900	6,200	6,800
03-00-4205-00	Sewer Sales - Residential	1,352,113	1,475,500	1,550,000	1,550,000
03-00-4206-00	Sewer Sales - Multi Family	125,972	129,300	130,000	130,000
03-00-4207-00	Sewer Sales - Commercial	1,011,572	1,072,300	1,080,000	1,080,000
03-00-4265-00	Miscellaneous Sewer Revenue	36,479	36,600	36,600	36,600
03-00-4361-00	Water Sales - Warehouse	1,467	1,400	-	-
03-00-4500-00	Water Impact Fee	1,972,192	143,300	150,000	121,000
03-00-4505-00	Sewer Impact Fee	153,328	158,300	180,000	121,000
	Water Fund Revenues	7,683,449	6,139,800	6,238,900	6,218,400

WATER FUND EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
03-21-1015-00	Regular Wages - City Attorney	7,198	7,400	7,400	7,700
03-21-1016-00	Wages - City Attorney Billings	9,304	1,600	9,800	8,000
03-21-1030-00	Reg. Wages-full Time Emp.	924,415	976,500	967,334	981,999
03-21-1050-00	Regular Wages - Part Time Emp	2,494	1,000	1,500	1,000
03-21-1060-00	Longevity	14,022	13,400	13,200	13,100
03-21-1070-00	Overtime & Stand-by Wages	97,114	85,000	90,000	90,000
03-21-2020-00	Social Security	78,178	83,000	83,326	84,288
03-21-2030-00	Retirement - Tmrs	107,222	104,200	104,531	106,557
03-21-2040-00	Uniforms & Clothing	8,890	8,000	8,000	8,000
03-21-2050-00	Car Allowance	8,982	9,800	9,200	9,200
03-21-2060-00	Insurance - Hospitalization	162,588	160,800	160,800	161,706
03-21-2090-00	Professional Org. - Personal	1,195	1,500	1,500	1,500
03-21-2100-00	Prof. Education & Training	6,940	11,200	11,000	11,000
03-21-3010-00	Utilities	19,007	24,000	24,000	24,000
03-21-3020-00	Telephone	4,096	10,000	7,500	7,500
03-21-3030-00	Office Supplies & Forms	9,212	12,000	10,000	10,000
03-21-3040-00	Postage, Freight, Etc.	12,291	16,000	13,000	13,000
03-21-3050-00	Advertising & Public Notices	5,097	6,500	2,000	3,000
03-21-3060-00	Protocol & Social	6,851	4,000	7,000	7,000
03-21-3070-00	Travel Expenses	4,074	9,000	2,000	5,000
03-21-3080-00	Prof. Org. & Assoc. - City	75	500	1,300	1,300
03-21-3090-00	Books, Periodicals, Etc.	-	1,000	500	500
03-21-3101-00	Safety	5,688	7,300	9,000	9,000
03-21-3120-00	Audit Expense	4,000	4,000	4,000	4,100
03-21-3130-00	Legal Expense	26,154	20,000	125,000	20,000
03-21-3140-00	Contract Prof. Services	41,880	27,800	10,000	15,000
03-21-3160-00	Econ., Ind. & Bus. Development	10,000	14,000	14,000	14,000
03-21-3200-00	Uncollectible Accounts	5,365	7,000	5,500	5,500
03-21-3210-00	Hahn Well Lease Payments	6,000	6,000	6,000	6,000
03-21-3213-00	Bank Fees	5,032	5,000	5,200	5,200
03-21-3220-00	Insurance & Bonds	25,305	28,800	30,300	34,200
03-21-3250-00	In Lieu Of Taxes	614,700	491,200	499,112	497,472
03-21-3262-00	Interest Exp - 2008 Tax Lmtd	19,122	-	-	-
03-21-3274-00	City Contribution - Dispatch	2,515	10,600	10,600	13,100
03-21-4010-00	Communications	19,577	18,600	18,600	24,800
03-21-4020-00	Janitorial/housekeeping	3,879	4,000	6,000	4,000
03-21-4030-00	General Property Maintenance	10,114	12,000	12,000	22,000
03-21-4040-00	Small Tools & Equipment	19,883	40,000	30,000	23,000
03-21-4060-00	Office Machines Maintenance	6,752	7,000	7,000	7,000
03-21-4065-00	Office Equipment Rental	2,314	-	1,500	2,000
03-21-4070-00	Computer/software Maintenance	56,356	64,625	64,625	68,300
03-21-4160-00	Fluoridation Expenses	7,754	7,000	10,000	7,000
03-21-4170-00	Water Testing	11,376	12,000	20,000	12,000
03-21-4171-00	Sewage Testing	37,749	30,000	36,000	37,000
03-21-4175-00	Water System Permit Fees	12,992	15,000	15,000	15,000
03-21-4176-00	Wastewater System Permit Fees	15,602	16,000	16,000	16,000
03-21-4190-00	Misc. Water & Sewer Expenses	4,039	5,000	2,500	2,500
03-21-4200-00	Water Service Maintenance	9,111	5,000	11,000	10,000
03-21-4220-00	Power Purchases - Wells	199,272	196,000	196,000	196,000
03-21-4230-00	Fire Hydrant Maintenance	2,315	3,000	2,000	3,000
NEW	Effluent SO2 Treatment	-	-	-	30,000
03-21-4240-00	Water Main Maintenance	15,429	3,500	5,000	5,000
03-21-4250-00	Water Pump Equip. Maintenance	98,289	75,000	82,000	50,000
03-21-4254-00	Boot Ranch Effluent Line Maint	38,604	35,000	30,000	50,000
03-21-4255-00	Lady Bird Effluent Sys Maint	6,620	12,000	8,000	10,000
03-21-4260-00	Water Meter Maintenance	2,500	2,000	1,000	2,000
03-21-4270-00	Tank & Tower Maintenance	79	6,000	1,100	3,000
03-21-4280-00	Chlorinator Maintenance	14,633	15,000	6,000	6,000
03-21-4290-00	Sewer Plant Maintenance	97,655	250,000	160,000	175,000

03-21-4291-00	Sewer Lift Station Maintenance	69,794	75,000	75,000	125,000
03-21-4305-00	Manhole Maintenance	-	-	3,000	3,500
03-21-4320-00	Pumping Power - Sewer	160,079	160,000	160,000	160,000
03-21-4340-00	Sewer Main Maintenance	7,596	7,000	7,500	5,000
03-21-4341-00	Sewer Line Maint/reimbursement	4,762	2,500	2,500	2,500
03-21-4350-00	Sewer Plant Supplies	76,110	100,000	100,000	100,000
03-21-4360-00	Sewer Service Maintenance	1,992	2,100	2,100	2,000
03-21-4410-00	Gasoline, Oil, & Lubrication	31,712	35,000	25,000	22,000
03-21-4430-00	Vehicle Maintenance - Trucks	3,803	5,900	2,000	2,000
03-21-4435-00	Fleet Lease	8,199	57,000	57,000	36,000
03-21-4440-00	Tractor/heavy Equipment Maint.	14,914	15,000	7,500	10,000
03-21-4450-00	Other Equipment Maintenance	2,459	4,000	2,000	2,000
03-21-4610-00	Transfer Out to Fund 26	5,625,337	-	-	-
03-21-5210-00	Inventory Purchases	69,835	50,000	22,500	35,000
03-21-5250-00	Other Capital Items	29,889	15,900	1,500	5,000
03-21-5280-00	Water Meters	6,353	15,000	15,000	15,000
03-21-5301-00	Water Mains	36,084	50,000	7,500	8,000
03-21-5302-00	Water Taps	10,890	2,500	1,000	2,000
03-21-5303-00	Sewer Mains	471	50,000	2,500	8,000
03-21-5304-00	Sewer Taps	2,952	2,000	1,200	2,000
03-21-5305-00	Manholes	-	3,000	1,500	3,000
03-21-5306-00	Fire Hydrants	-	2,000	500	2,000
03-21-5311-00	Knauth Well	291,991	523,100	523,100	-
03-21-5313-00	SCADA	76,798	75,000	75,000	25,000
03-21-5381-00	Reclaimed Water Master Plan	870	74,130	88,410	-
03-21-5382-00	WasteWaterCollectionMasterPlan	2,064	147,936	147,936	-
03-21-5383-00	Fbg Inn&Stes LiftStation Rehab	26,876	48,124	-	48,124
03-21-5384-00	Water Master Plan	10,330	139,670	169,670	-
03-21-5385-00	Hahn Well Rehab	1,177	-	-	-
03-21-5386-00	Boerner Well #3 Rehab	34,455	-	-	-
03-21-5387-00	Boerner Well #4 Rehab	38,074	-	-	-
03-21-5388-00	Lower Crabapple Water Line	52,536	650,000	650,000	-
03-21-5408-00	Land Purchase - Water Easement	14,671	-	-	-
03-21-5409-00	WWTP Office / Lab / Workshop	-	450,000	225,000	225,000
03-21-5410-00	San Antonio St Sewer Line Repl	-	175,000	-	-
03-21-5411-00	Camera Equipment	-	80,000	89,000	-
03-21-5412-00	TDS&Chloride Remediation Study	-	50,000	50,000	-
NEW	Meter Data Management System	-	-	-	120,000
NEW	MLSS Pump Station	-	-	-	1,000,000
NEW	Bell Street Water Line Rehab Project	-	-	-	250,000
03-21-6120-00	Principal - Backhoe	36,046	35,400	35,400	35,800
03-21-6121-00	Interest - Backhoe	84	800	800	400
03-21-6301-00	Principal-2008 Ltd Tax Notes	1,145,000	-	-	-
03-21-6310-00	Principal - 2012 GO Refunding	245,000	245,000	245,000	250,000
03-21-6311-00	Interest - 2012 GO Refunding	9,625	7,500	7,500	4,900
03-21-6312-00	Principal - 2013 Revenue Bonds	-	275,000	275,000	285,000
03-21-6313-00	Interest - 2013 Revenue Bonds	201,305	197,100	197,100	188,400
Lease Purchase	Principal - Asphalt Zipper	-	-	-	18,000
Lease Purchase	Interest - Asphalt Zipper	-	-	-	1,100
Lease Purchase	Principal - Sewer Press Machine	-	-	-	147,100
Lease Purchase	Interest - Sewer Press Machine	-	-	-	9,000
Lease Purchase	Principal - Dump Truck	-	-	-	32,700
Lease Purchase	Interest - Dump Truck	-	-	-	2,000
Lease Purchase	Principal - 2 Emergency Generators	-	-	-	32,700
Lease Purchase	Interest - 2 Emergency Generators	-	-	-	2,000
Lease Purchase	Principal - Mini Excavator	-	-	-	14,800
Lease Purchase	Interest - Mini Excavator	-	-	-	900
Water Fund Expenditures		11,462,837	6,829,485	6,270,645	6,202,446
Water Fund Excess (Deficit)		(3,779,388)	(689,685)	(31,745)	15,954

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**The City of
Fredericksburg**

GOLF FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
04-00-4101-00	Green Fees	545,584	707,000	589,000	817,800
04-00-4102-00	Golf Cart Rental Fees	208,214	280,000	235,000	252,000
04-00-4103-00	Driving Range Revenues	31,447	35,000	34,000	35,000
04-00-4104-00	Concession Revenues	176,668	147,300	20,500	-
04-00-4108-00	Meeting Room Revenue	3,425	5,000	4,500	6,000
04-00-4119-00	Lease Income - Grill	-	-	4,000	7,200
04-00-4150-00	Interest Income	93	100	100	100
04-00-4161-00	Transfer From General Fund	245,200	198,700	848,877	200,000
04-00-4165-00	Miscellaneous Golf Revenues	(119)	5,000	500	500
04-00-4181-00	Proceeds -Sale of Fixed Assets	3,300	-	-	-
04-00-4700-00	Merchandise Sales	150,249	155,000	155,000	160,000
04-00-4702-00	Club Rental	5,020	5,000	5,000	5,000
04-00-4704-00	Ball Retrieval	30	1,500	1,500	1,500
04-00-4706-00	Handicap Dues	5,130	5,000	4,500	4,500
	Golf Fund Revenues	1,374,241	1,544,600	1,902,477	1,489,600

GOLF COURSE EXPENDITURES - MAINTENANCE

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
04-41-1015-00	Regular Wages - City Attorney	-	-	-	-
04-41-1016-00	Wages - City Attorney Billings	842	1,000	-	-
04-41-1030-00	Regular Wages - Full-time	317,060	341,900	364,200	399,650
04-41-1040-00	Regular Wages - Part-time Emp.	8,031	30,000	-	5,000
04-41-1060-00	Longevity	4,631	5,100	5,100	5,700
04-41-1070-00	Overtime Wages	4,874	6,000	3,500	6,000
04-41-2020-00	Social Security	24,684	29,400	28,519	31,851
04-41-2030-00	Retirement - T.m.r.s.	33,149	34,100	35,826	39,819
04-41-2040-00	Uniforms Expense	4,351	4,000	3,600	4,000
04-41-2050-00	Gas Allowance	-	-	-	-
04-41-2060-00	Insurance - Hospitalization	58,291	60,900	69,200	69,900
04-41-2090-00	Prof. Org. - Personal	947	1,000	1,000	1,000
04-41-2100-00	Prof. Education & Training	250	1,000	500	1,000
04-41-3010-00	Utilities	12,425	15,000	7,000	10,000
04-41-3020-00	Telephone	2,364	3,500	3,000	3,500
04-41-3030-00	Office Supplies & Expenses	686	1,000	500	1,000
04-41-3040-00	Postage, Freight, Etc.	1,259	1,350	1,200	1,350
04-41-3050-00	Advertising & Public Notices	347	2,500	250	1,000
04-41-3060-00	Protocol & Social	465	1,500	1,400	1,500
04-41-3070-00	Travel	8,130	8,000	7,800	8,000
04-41-3080-00	Prof. Org. & Assoc. - City	50	1,000	250	500
04-41-3090-00	Books, Periodicals, Etc	-	500	-	500
04-41-3100-00	Safety	1,401	2,500	1,600	2,500
04-41-3120-00	Audit Expenses	500	750	750	800
04-41-3130-00	Legal Expenses	6	200	-	200
04-41-3140-00	Contract Professional Services	2,153	4,600	2,500	14,600
04-41-3213-00	Credit Card/Bank Fees	8,360	-	-	-
04-41-3220-00	Insurance & Bonds	7,087	10,050	10,100	9,800
04-41-4010-00	Communications	1,695	2,000	2,000	3,200
04-41-4020-00	Janitorial & Housekeeping	628	1,600	1,000	1,600
04-41-4030-00	General Property Maint.	24,395	82,451	82,451	10,000
04-41-4031-00	Club House Maintenance	2,527	2,000	1,500	2,000
04-41-4040-00	Small Tools & Equipment	5,152	4,000	3,000	4,000
04-41-4060-00	Office Equipment Maint.	-	600	-	500
04-41-4065-00	Office Equipment Rental	583	800	800	800
04-41-4070-00	Computer/software Maintenance	5,757	6,000	6,000	6,000
04-41-4220-00	Golf Cart Maint.	2,966	2,800	2,800	2,800
04-41-4230-00	Sprinkler System Maint.	12,772	6,500	6,500	6,500
04-41-4231-00	Pump Station Maintenance	550	3,000	1,000	3,000
04-41-4232-00	Effluent SO2 Treatment	30,162	30,000	30,000	-
04-41-4235-00	Biological Pond Maintenance	4,375	4,200	4,200	4,200
04-41-4240-00	Course & Greens Maint.	17,597	17,000	17,000	17,000
04-41-4241-00	Fertilizer	14,862	16,000	15,000	16,000
04-41-4242-00	Chemicals	18,047	25,000	20,000	25,000
04-41-4243-00	Seed	8,195	8,200	7,800	8,200
04-41-4244-00	Sand	6,080	15,000	6,000	15,000
04-41-4245-00	Soil Analysis & Treatment	480	1,500	800	1,500
04-41-4250-00	General Operations	52	500	-	500
04-41-4270-00	Driving Range Expenses	6,688	8,500	5,000	8,500
04-41-4285-00	Tree Care & Replacement	12	5,000	1,000	5,000
04-41-4410-00	Gasoline, Oil, & Lubrication	24,324	25,000	14,000	18,000
04-41-4430-00	Vehicle Maint. - Trucks	432	-	100	100
04-41-4435-00	Fleet Lease	5,450	6,000	6,000	6,000
04-41-4440-00	Tractor/equipment Maint.	1,018	1,600	1,000	1,600
04-41-4441-00	Mower Maintenance	15,130	15,000	15,000	15,000
04-41-4450-00	Other Equipment Maintenance	2,089	1,700	1,200	1,700
04-41-4451-00	Maintenance Equipment Lease	25,463	50,000	84,000	83,500
04-41-4999-00	Disposals	134,427	-	-	-
04-41-6083-00	Principal - Cart Lease 2012	44,029	45,700	-	-

04-41-6084-00	Interest - Cart Lease 2012	6,692	5,100	-	-
04-41-6085-00	Principal - Solid Waste Loan	44,600	45,100	45,100	45,500
04-41-6086-00	Interest - Solid Waste Loan	9,400	8,900	8,900	8,500
04-41-6087-00	Principal - Electric Loan	44,600	45,100	45,100	45,500
04-41-6088-00	Interest - Electric Loan	9,400	8,900	8,900	8,500
04-41-6089-00	Principal - Mowers - Prof Turf	8,567	9,000	9,000	11,500
04-41-6090-00	Interest - Mowers - Prof Turf	1,379	1,000	1,000	600
04-41-6091-00	Principal - Sprayer - TCF 2015	-	-	2,638	6,700
04-41-6092-00	Interest - Sprayer - TCF 2015	-	-	-	1,700
Golf Course Expenditures - Maintenance		1,042,915	1,077,601	1,003,584	1,014,869

GOLF COURSE EXPENDITURES - GOLF SHOP

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
04-42-1030-00	Regular Wages - Full-time	163,493	139,600	148,300	147,550
04-42-1040-00	Regular Wages - Part-time Emp.	22,164	28,000	16,000	18,000
04-42-1060-00	Longevity	2,987	1,400	1,900	1,600
04-42-1070-00	Overtime Wages	1,690	3,000	1,500	3,000
04-42-2020-00	Social Security	14,497	13,200	12,829	13,016
04-42-2030-00	Retirement - T.m.r.s.	16,905	13,900	14,578	14,728
04-42-2040-00	Uniforms Expense	304	1,000	1,000	1,000
04-42-2060-00	Insurance - Hospitalization	32,334	28,500	31,200	28,500
04-42-2090-00	Prof. Org. - Personal	584	-	-	-
04-42-2100-00	Prof. Education & Training	808	1,000	200	1,000
04-42-3010-00	Utilities	7,319	12,000	15,000	15,000
04-42-3020-00	Telephone	2,435	3,000	3,000	3,000
04-42-3030-00	Office Supplies & Expenses	3,361	6,000	9,000	9,000
04-42-3040-00	Postage, Freight, Etc.	1,260	1,350	1,700	1,700
04-42-3050-00	Advertising & Public Notices	1,251	6,500	4,000	6,500
04-42-3060-00	Protocol & Social	1,044	1,600	1,000	1,600
04-42-3070-00	Travel	2,578	2,500	1,700	2,500
04-42-3080-00	Prof. Org. & Assoc. - City	110	-	125	200
04-42-3090-00	Books, Periodicals, Etc	-	200	-	200
04-42-3100-00	Safety	969	400	400	400
04-42-3120-00	Audit Expenses	500	750	750	800
04-42-3140-00	Contract Professional Services	3,209	4,000	4,000	4,000
04-42-3213-00	Credit Card/Bank Fees	8,360	25,600	25,600	25,000
04-42-3220-00	Insurance & Bonds	6,131	10,050	10,100	9,800
04-42-4010-00	Communications	4,571	4,000	7,000	11,300
04-42-4020-00	Janitorial & Housekeeping	4,273	11,500	7,500	11,500
04-42-4030-00	General Property Maint.	3,655	22,000	15,000	22,000
04-42-4031-00	Club House Maintenance	4,349	6,000	6,000	6,000
04-42-4032-00	Cable Tv	1,002	2,400	2,400	2,400
04-42-4033-00	Security Alarm Monitoring Fee	145	400	400	400
04-42-4040-00	Small Tools & Equipment	1,013	1,500	1,500	1,500
04-42-4060-00	Office Equipment Maint.	-	500	-	500
04-42-4065-00	Office Equipment Rental	600	1,600	1,000	1,600
04-42-4070-00	Computer/software Maintenance	2,013	5,500	5,500	6,500
04-42-4250-00	General Operations	175	500	1,250	500
04-42-4258-00	COGS - Pro Shop	45	-	-	-
04-42-4259-00	COGS - Pro Shop(Non Inventory)	3,721	2,500	2,200	2,500
04-42-4261-00	Grill Supplies	-	2,000	3,800	-
04-42-5210-00	Inventory Purchases - Retail	112,822	100,000	117,600	100,000
04-42-5211-00	Inventory Purchases - Beverage	-	56,000	-	-
04-42-5212-00	Inventory Purchases - Food	-	25,000	-	-
Golf Course Expenditures - Golf Shop		432,673	544,950	475,032	474,795

GOLF COURSE EXPENDITURES - GRILL

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
04-43-1030-00	Regular Wages - Full-time	100,041	-	-	-
04-43-1040-00	Regular Wages - Part-time Emp.	13,579	-	-	-
04-43-1060-00	Longevity	603	-	-	-
04-43-1070-00	Overtime Wages	1,272	-	-	-
04-43-2020-00	Social Security	8,674	-	-	-
04-43-2030-00	Retirement - T.m.r.s.	10,239	-	-	-
04-43-2040-00	Uniforms Expense	2	-	-	-
04-43-2060-00	Insurance - Hospitalization	25,535	-	-	-
04-43-3010-00	Utilities	7,319	-	-	-
04-43-3020-00	Telephone	2,209	-	-	-
04-43-3030-00	Office Supplies & Expenses	1,224	-	-	-
04-43-3040-00	Postage, Freight, Etc.	709	-	-	-
04-43-3050-00	Advertising & Public Notices	122	-	-	-
04-43-3060-00	Protocol & Social	170	-	-	-
04-43-3100-00	Safety	643	-	-	-
04-43-3120-00	Audit Expenses	500	-	-	-
04-43-3213-00	Credit Card/Bank Fees	8,360	-	-	-
04-43-3220-00	Insurance & Bonds	6,131	-	-	-
04-43-4010-00	Communications	305	-	-	-
04-43-4020-00	Janitorial & Housekeeping	6,992	-	-	-
04-43-4030-00	General Property Maint.	3,417	-	-	-
04-43-4031-00	Club House Maintenance	6,810	-	-	-
04-43-4032-00	Cable Tv	2,037	-	-	-
04-43-4033-00	Security Alarm Monitoring Fee	145	-	-	-
04-43-4060-00	Office Equipment Maint.	84	-	-	-
04-43-4065-00	Office Equipment Rental	583	-	-	-
04-43-4070-00	Computer/software Maintenance	1,899	-	-	-
04-43-4250-00	General Operations	360	-	-	-
04-43-4261-00	Grill Supplies	6,279	-	-	-
04-43-5210-00	Inventory Purchases - Food	45,841	-	-	-
04-43-5211-00	Inventory Purchases - Beverage	46,546	-	-	-
Golf Course Expenditures - Grill		308,626	-	-	-

GOLF COURSE EXPENDITURES - MEETING ROOM

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
04-44-3010-00	Utilities	7,319	-	-	-
04-44-4020-00	Janitorial & Housekeeping	2,340	-	-	-
04-44-4030-00	General Property Maintenance	1,230	-	-	-
	Golf Course Expenditures - Meeting Room	10,889	-	-	-
	Total Golf Course Expenditures	1,795,103	1,622,551	1,478,617	1,489,664
	Golf Course Excess (Deficit)	(420,862)	(77,951)	423,860	(64)

City of Fredericksburg
FY 2017 Budget Analysis



**The City of
Fredericksburg**

SOLID WASTE FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
05-00-4101-00	Garbage Collection Revenues	901,771	900,000	914,300	920,000
05-00-4102-00	Landfill Fees	1,417,230	1,330,000	1,400,000	1,400,000
05-00-4103-00	Recycling Revenues	21,786	23,000	30,000	30,000
05-00-4104-00	Com Garbage Hauling Permit	150	200	200	200
05-00-4110-00	Forfeited Discounts	10,482	11,200	10,100	10,100
05-00-4150-00	Interest Income	3,058	2,400	2,400	2,400
05-00-4165-00	Miscellaneous Revenue	7,114	1,000	-	-
05-00-4167-00	Debt Proceeds - Golf Course	54,000	54,000	54,000	54,000
05-00-4181-00	Proceeds -Sale of Fixed Assets	21,400	2,000	24,000	106,000
	Solid Waste Fund Revenues	2,436,991	2,323,800	2,435,000	2,522,700

SOLID WASTE FUND EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
05-21-1015-00	Regular Wages - City Attorney	3,599	3,700	-	3,900
05-21-1016-00	Wages - City Attorney Billings	1,109	-	300	-
05-21-1030-00	Regular Wages - Full-time Emp.	726,648	695,300	702,200	753,899
05-21-1050-00	Regular Wages - Part-time Emp.	2,494	1,000	9,500	1,000
05-21-1060-00	Longevity	10,873	9,200	9,200	9,400
05-21-1070-00	Overtime Wages	58,706	56,000	56,000	56,000
05-21-2020-00	Social Security	59,218	58,600	59,456	63,051
05-21-2030-00	Retirement - T.m.r.s.	80,928	73,500	73,776	79,686
05-21-2040-00	Uniforms & Clothing	7,007	6,000	6,000	6,000
05-21-2060-00	Ins. - Hospitalization	130,674	129,700	129,700	132,706
05-21-2090-00	Professional Org. - Personal	256	1,200	1,200	1,200
05-21-2100-00	Prof. Education & Training	1,741	2,300	3,300	2,300
05-21-3010-00	Utilities	14,284	15,000	15,000	15,000
05-21-3020-00	Telephone	2,996	5,000	5,000	5,000
05-21-3030-00	Office Supplies & Exp.	9,990	12,000	12,000	12,000
05-21-3040-00	Postage, Freight, Etc.	14,010	12,000	12,000	12,000
05-21-3050-00	Ads & Public Notices	2,526	1,000	1,000	1,000
05-21-3060-00	Protocol & Social	3,154	2,500	2,500	2,500
05-21-3070-00	Travel Exp.	1,607	2,000	2,000	2,000
05-21-3080-00	Prof. Org & Assoc. - City	75	-	-	-
05-21-3090-00	Books, Periodicals, Etc	-	100	-	-
05-21-3100-00	Safety	1,732	3,000	3,000	4,000
05-21-3120-00	Audit Expenses	2,500	2,500	2,500	2,500
05-21-3130-00	Legal Expenses	774	-	-	-
05-21-3140-00	Contract Professional Services	8,109	12,400	5,000	4,000
05-21-3190-00	Miscellaneous Landfill Expense	2,720	3,500	1,000	1,000
05-21-3200-00	Uncollectible Accounts	925	1,000	1,000	1,000
05-21-3213-00	Bank Fees	5,032	4,400	5,300	5,300
05-21-3220-00	Insurance & Bonds	16,327	20,800	24,400	25,000
05-21-3250-00	In Lieu Of Taxes	195,000	185,900	194,800	201,816
05-21-4000-00	Permit Fees	23,360	35,000	30,000	30,000
05-21-4010-00	Communications	5,635	5,000	5,000	7,500
05-21-4020-00	Janitorial/housekeeping	3,350	3,000	4,000	4,000
05-21-4030-00	General Property Maintenance	25,602	15,000	15,000	15,000
05-21-4031-00	Dumpster Maintenance	26,216	27,000	27,000	27,000
05-21-4032-00	Trash Can Maintenance	1,900	2,000	2,000	2,000
05-21-4040-00	Small Tools & Equipment	1,420	3,000	3,000	3,000
05-21-4060-00	Office Machine Maintenance	6,051	4,000	4,300	4,000
05-21-4065-00	Office Equipment Rental	2,314	3,800	3,800	3,800
05-21-4070-00	Computer/software Maintenance	23,698	26,825	26,825	16,800
05-21-4260-00	Landfill Expenses	175	-	-	-
05-21-4265-00	Recycling Expenses	16,480	28,000	28,000	20,000
05-21-4266-00	Grinding Of Debris	32,914	35,000	31,650	45,000
05-21-4268-00	Tire Disposal	1,738	6,000	6,000	6,000
05-21-4270-00	Water Monitoring Exp.	33,985	30,000	30,000	30,000
05-21-4271-00	Methane Gas Monitoring Exp.	15,661	15,000	16,000	16,000
05-21-4360-00	Materials & Supplies	5,160	6,000	6,000	6,000
05-21-4410-00	Gasoline	83,209	90,000	55,000	65,000
05-21-4430-00	Vehicle Maintenance	4,289	10,000	5,000	5,000
05-21-4431-00	AGC Maintenance	37,116	40,000	30,000	35,000
05-21-4432-00	Chipper Maintenance	11,942	8,000	8,000	8,000
05-21-4433-00	Leaf Loader Maintenance	7,195	8,000	8,000	8,000
05-21-4435-00	Fleet Lease	493	16,700	16,700	22,600
05-21-4440-00	Tractor-heavy Equipment Maint	20,033	50,000	20,000	25,000
05-21-4510-00	Fund Landfill Closure Reserve	-	54,000	54,000	54,000
05-21-5038-00	Cell #7	837,147	291,429	293,000	-
05-21-5172-00	New Office Building - FY 2015	43,847	-	-	-
05-21-5173-00	New Scale - FY 2015	61,645	-	-	-
05-21-5390-00	Work Order Management System	9,963	-	-	-

05-21-5553-00	Rebuild Existing Scraper	-	185,000	177,500	-
NEW	Replace Chipper	-	-	-	-
NEW	Replace 2010 Garbage Truck	-	-	-	-
NEW	Replace Compactor	-	-	-	-
NEW	Fund Landfill Cell Development	-	-	-	200,000
05-21-6025-00	Principal-Chipper Truck\$88,000	119,545	-	-	-
05-21-6026-00	Interest - Chipper Truck	2,247	-	-	-
05-21-6500-00	Principal - 953 D Track Loader	65,524	66,400	66,400	-
05-21-6501-00	Interest - 953 D Track Loader	1,770	900	900	-
05-21-6502-00	Principal-924 Wheel Loader-Cat	37,233	37,300	37,300	37,800
05-21-6503-00	Interest-924 Wheel Loader-Cat	1,006	1,000	1,000	500
05-21-6504-00	Principal - Leaf Loader	-	61,000	60,100	58,900
05-21-6505-00	Interest - Leaf Loader	-	2,700	200	1,400
05-21-6506-00	Principal -SideLoad GarbageTrk	-	58,000	66,000	64,800
05-21-6507-00	Interest -SideLoad Garbage Trk	-	2,400	300	1,500
Lease Purchase	Principal - Chipper Truck	-	-	-	18,700
Lease Purchase	Interest - Chipper Truck	-	-	-	1,200
Lease Purchase	Principal - Garbage Truck	-	-	-	103,000
Lease Purchase	Interest - Garbage Truck	-	-	-	6,300
Lease Purchase	Principal - Compactor	-	-	-	137,300
Lease Purchase	Interest - Compactor	-	-	-	8,400
Solid Waste Fund Expenditures		2,934,876	2,547,054	2,475,107	2,501,758
Solid Waste Fund Excess (Deficit)		(497,885)	(223,254)	(40,107)	20,942

City of Fredericksburg
FY 2017 Budget Analysis



**The City of
Fredericksburg**

EMS FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
06-00-4101-00	Ems Revenues	2,008,852	1,800,000	1,900,000	1,900,000
06-00-4102-00	City Funds	350,900	442,700	416,400	598,500
06-00-4103-00	County Funds	350,900	442,700	416,400	454,900
06-00-4150-00	Interest Income	69	50	50	50
06-00-4165-00	Miscellaneous Ems Revenue	1,317	500	50	50
06-00-4170-00	Donations	140	100	500	400
06-00-4181-00	Proceeds -Sale of Fixed Assets	10,035	2,500	2,000	1,000
06-00-4200-00	Grant - Swt Trauma Grant	1,944	6,000	2,000	2,000
06-00-4215-00	LCRA Grant Revenue	24,000	-	-	-
06-00-4302-00	Medicare Disallowed	(514,610)	(500,000)	(465,000)	(480,000)
06-00-4303-00	Medicaid Disallowed	(85,390)	(76,800)	(74,000)	(74,000)
06-00-4304-00	Other Disallowed	(99,779)	(110,150)	(118,900)	(119,000)
	EMS Fund Revenues	2,048,378	2,007,600	2,079,500	2,283,900

EMS FUND EXPENDITURES

Account Number	Description	2015 Actual	2016 Adopted	2016 Projected	2017 Approved by CM
06-21-1015-00	Regular Wages - City Attorney	-	1,000	-	-
06-21-1016-00	Wages - City Attorney Billings	82	-	1,000	2,000
06-21-1030-00	Regular Wages-full Time Emp	608,942	600,800	600,800	676,205
06-21-1050-00	Reg Wages - Part Time Emp	51,829	70,000	70,000	70,000
06-21-1060-00	Longevity	6,599	7,500	7,500	7,900
06-21-1070-00	Overtime	285,340	266,000	266,000	266,000
06-21-2020-00	Social Security	69,992	72,300	72,315	78,191
06-21-2030-00	Retirement - Tmrs	90,582	84,100	84,116	92,164
06-21-2040-00	Uniforms & Clothing	5,704	9,000	9,000	6,000
06-21-2060-00	Insurance-hospitalization	123,060	105,600	113,200	120,847
06-21-2090-00	Professional Org - Personal	600	500	500	500
06-21-2100-00	Prof Education & Training	5,166	5,500	6,000	12,500
06-21-2110-00	Prof Education Instructor	250	3,000	1,000	1,000
06-21-2221-00	Medical Vaccinations & Tests	-	1,500	1,500	1,500
06-21-2240-00	Ems Re-certification	1,868	1,500	1,500	2,200
06-21-3010-00	Utilities	17,760	17,000	14,000	15,000
06-21-3020-00	Telephone	3,727	8,000	6,000	6,000
06-21-3030-00	Office Supplies & Forms	4,356	5,000	4,300	5,000
06-21-3040-00	Postage, Freight, Etc	2,561	3,500	3,500	3,500
06-21-3050-00	Advertising & Public Notices	1,698	1,200	1,200	1,200
06-21-3060-00	Protocol & Social	4,050	5,000	3,500	5,000
06-21-3070-00	Travel Expenses	7,843	9,000	9,000	12,500
06-21-3080-00	Prof Org & Assoc - City	450	2,000	2,000	2,000
06-21-3090-00	Books, Periodicals, Etc	-	300	300	300
06-21-3100-00	Safety	1,394	2,200	2,200	2,200
06-21-3120-00	Audit Expenses	3,000	3,000	3,000	3,100
06-21-3130-00	Legal Expenses	16	600	-	-
06-21-3140-00	Contract Prof Services	3,855	6,900	6,900	6,900
06-21-3150-00	First Responder Reimbursement	1,296	2,000	2,000	2,500
06-21-3190-00	Miscellaneous Ems Expense	31,676	2,000	-	-
06-21-3200-00	Uncollectible Accounts	203,077	198,000	320,000	350,000
06-21-3201-00	Bad Debt Recovery	(5,675)	(4,500)	(7,319)	(10,000)
06-21-3213-00	Credit Card/Bank Fees	2,355	2,500	4,000	4,000
06-21-3220-00	Insurance & Bonds	19,935	25,000	26,900	23,000
06-21-3250-00	Conventions	1,105	2,000	2,000	2,000
06-21-3274-00	City Contribution - Dispatch	-	116,800	116,800	143,500
06-21-4010-00	Communication Expenses	16,704	17,000	17,000	15,500
06-21-4020-00	Janitorial/housekeeping	2,888	4,500	4,500	4,500
06-21-4021-00	Hazardous Waste Disposal	-	-	-	725
06-21-4025-00	Ems Medical Equipment	42,098	48,000	48,000	48,000
06-21-4030-00	General Property Maintenance	6,197	17,000	14,000	19,000
06-21-4032-00	TV Service	626	-	1,500	1,500
06-21-4040-00	Small Tools & Equipment	4,831	4,500	3,000	3,000
06-21-4050-00	Ems Equipment Maintenance	9,690	13,000	7,000	13,000
06-21-4060-00	Office Equipment Maintenance	1,307	2,000	1,000	1,500
06-21-4070-00	Computer/software Maintenance	17,939	47,125	24,125	50,000
06-21-4150-00	Disposable Linen	1,956	2,500	2,500	2,500
06-21-4160-00	Disinfecting Chemicals	202	2,000	2,000	2,000
06-21-4170-00	Oxygen	2,610	2,500	3,000	3,500
06-21-4410-00	Diesel, Oil & Lubrication	28,462	33,500	24,000	28,000
06-21-4430-00	Vehicle Maintenance	13,499	14,000	14,000	14,000
NEW	Ambulance Remount	-	-	-	-
06-21-6221-00	Principal - 700 Radios	10,749	10,600	8,900	9,000
06-21-6222-00	Interest - 700 Radios	25	300	300	100
06-21-6600-00	Principle - Ambulance - HCB	51,976	53,000	53,000	-
06-21-6601-00	Int Exp - Ambulance - HCB	1,973	1,000	1,000	-
06-21-6604-00	Prinicpal - 4 Heart Monitors	-	45,000	45,400	44,500
06-21-6605-00	Interest - 4 Heart Monitors	-	2,000	200	1,100
06-21-6606-00	Principal - Ambulance Remount	-	50,000	50,100	49,200

06-21-6607-00	Interest - Ambulance Remount	-	2,100	200	1,200
Lease Purchase	Principal - Ambulance Remount	-	-	-	54,000
Lease Purchase	Interest - Ambulance Remount	-	-	-	3,300
EMS Fund Expenditures		1,768,222	2,007,425	2,079,438	2,283,832
EMS Fund Excess (Deficit)		280,156	175	62	68

City of Fredericksburg
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**The City of
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TOURISM FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
07-00-4109-00	7% Hotel Occupancy Tax	2,469,095	2,630,000	2,697,000	2,878,000
NEW	Marktplatz Imp - Pledges/Donations	-	-	12,500	37,500
07-00-4150-00	Interest Income	1,254	1,300	1,900	2,000
	Tourism Fund Revenues	2,470,350	2,631,300	2,711,400	2,917,500

TOURISM FUND EXPENDITURES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
07-21-1050-00	Regular Wages - Part-time Emp	682	10,700	14,700	14,700
07-21-2020-00	Social Security	52	800	1,125	1,125
07-21-3259-00	Hotel Tax Dist - CVB 5/7	1,784,300	1,878,600	1,926,429	2,055,714
07-21-3260-00	Hotel Tax Distributions	412,500	450,000	450,000	450,000
07-21-3262-00	Hotel Tax Dist -Golf Marketing	45,000	45,000	45,000	45,000
07-21-3263-00	Tax Dist - CVB Bldg Maint	30,194	30,000	30,000	30,000
07-21-3264-00	Tax Dist - CVB Bldg Improv	75,000	-	-	110,000
07-21-3265-00	Hotel Tax Dist-Ft Martin Scott	142,337	176,563	176,563	19,000
07-21-3267-00	Tax Dist - CVB Grounds Maint	-	20,000	20,000	20,000
07-21-3268-00	Hotel Tax Dist - Markplatz Improvements	-	100,000	100,000	125,000
	Tourism Fund Expenditures	2,490,066	2,711,663	2,763,816	2,870,539
	Tourism Fund Excess (Deficit)	(19,716)	(80,363)	(52,416)	46,961



DRAINAGE FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
10-00-4101-00	Current Ad Valorem Taxes	60,252	57,700	73,500	57,600
10-00-4102-00	Delinquent Ad Valorem Taxes	3,454	5,900	4,100	5,800
10-00-4103-00	Penalty & Interest	495	900	600	600
10-00-4110-00	Forfeited Discounts	688	700	700	700
10-00-4150-00	Interest Income	1,213	1,200	1,500	1,500
10-00-4250-00	Drainage Utility Revenues	76,056	75,900	76,900	76,900
	Drainage Fund Revenues	142,157	142,300	157,300	143,100

DRAINAGE FUND EXPENDITURES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
10-21-3130-00	Legal Expenses	221	-	200	-
10-21-3140-00	Contract Professional Services	100	-	100	-
10-21-3200-00	Bad Debt Expense	93	-	100	100
10-21-4068-00	Discharge Structure & Channel	55,274	-	-	-
10-21-4900-00	Drainage Projects	69,202	-	-	-
10-21-5100-00	Master Drainage Plan	-	150,000	168,244	-
10-21-6079-00	Principal-2010 Ref GO I&S Bond	55,320	56,700	56,700	58,000
10-21-6082-00	Interest-2010 Ref GO I&S Bonds	7,901	6,800	6,800	5,400
	Drainage Fund Expenditures	188,109	213,500	232,144	63,500
	Drainage Fund Excess (Deficit)	(45,952)	(71,200)	(74,844)	79,600

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FFWF FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
11-00-0433-00	Transfer from Tourism Fund 7	-	-	20,000	-
11-00-1000-00	Gate	87,772	95,000	5,600	85,000
11-00-1005-00	Booth Fees	9,600	10,000	6,500	6,600
11-00-1010-00	Souvenirs	6,307	7,000	300	6,300
11-00-1015-00	Wine Sales	49,783	46,000	2,500	46,000
11-00-1020-00	Auction	13,040	14,000	50	10,000
11-00-1025-00	Patron Party	15,579	16,500	16,200	16,700
11-00-1030-00	Friday Party	12,732	10,800	11,000	11,000
11-00-1035-00	Thursday Party	3,411	4,000	3,500	4,000
11-00-1040-00	Cooking School	2,936	2,000	1,500	1,000
11-00-1911-00	25 @ 5	-	650	300	625
11-00-1932-00	Paver Sales	225	-	200	-
11-00-1940-00	Donations	2,167	7,000	3,000	3,000
11-00-4150-00	Interest Income	586	500	450	450
11-00-4165-00	Miscellaneous Revenue	417	500	200	200
FFWF Fund Revenues		204,556	213,950	71,300	190,875

FFWF FUND EXPENDITURES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
11-25-0001-00	Wine	34,240	36,000	4,200	38,000
11-25-0002-00	Souvenirs	4,219	5,500	4,200	3,000
11-25-0003-00	Wine Glasses	19,352	11,000	4,000	10,000
11-25-0004-00	Advertising/Production	33,340	17,000	26,400	20,000
11-25-0005-00	Management Fees	22,800	24,900	23,100	24,900
11-25-0006-00	Patron Party	15,962	15,000	15,100	15,000
11-25-0007-00	Friday Party	9,412	11,100	10,800	10,900
11-25-0008-00	Entertainment/Sound	6,250	6,700	1,000	6,700
11-25-0009-00	Rentals/Tents	10,491	11,000	12,300	12,300
11-25-0011-00	Set-up	1,595	1,700	1,600	1,700
11-25-0012-00	Clean-up	1,409	1,800	1,000	2,000
11-25-0013-00	Security	2,806	2,800	1,800	2,800
11-25-0014-00	Electrical	1,266	1,500	750	1,500
11-25-0015-00	Postage	2,097	2,500	2,000	2,500
11-25-0016-00	Printing	879	2,500	150	500
11-25-0017-00	Signs & Banners	143	500	900	500
11-25-0018-00	Supplies	1,067	1,200	150	800
11-25-0019-00	Auction	1,731	1,000	1,000	1,000
11-25-0020-00	Misc Labor	600	600	100	600
11-25-0021-00	Miscellaneous	11,105	500	500	500
11-25-0022-00	Bank Charges	1,313	1,500	800	200
11-25-0023-00	Thursday Night Party	1,974	700	2,600	2,800
11-25-0024-00	Cooking School	2,175	2,200	500	2,000
11-25-0025-00	Administration Expense	-	2,000	6,400	2,000
11-25-1021-00	Food And Winefest Expenses	(3)	350	-	500
11-25-1022-00	Market Sq Pledge Improvements	-	20,000	10,600	25,000
11-25-1040-00	Fund Cash Drawers	6,000	-	-	-
FFWF Fund Expenditures		192,221	181,550	131,950	187,700
FFWF Fund Excess (Deficit)		12,335	32,400	(60,650)	3,175

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EMERGENCY MANAGEMENT FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
14-00-4101-00	Fema	33,845	33,800	33,845	33,300
14-00-4102-00	County Funds	55,000	50,750	47,510	61,000
14-00-4103-00	City Funds	55,000	50,750	47,510	61,000
14-00-4150-00	Interest Income	16	-	15	15
Emergency Management Fund Revenues		143,860	135,300	128,880	155,315

EMERGENCY MANAGEMENT FUND EXPENDITURES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
14-21-1016-00	Wages - City Attorney Billings	1,156	3,000	600	1,000
14-21-1030-00	Regular Wages-full Time Emp.	68,700	72,100	71,100	90,300
14-21-1060-00	Longevity	287	400	400	500
14-21-1070-00	Overtime Wages	926	1,000	800	-
14-21-2020-00	Social Security	4,910	5,900	5,577	7,023
14-21-2030-00	Retirement-tmrs	7,149	7,400	7,006	8,886
14-21-2060-00	Insurance-hosp. Ins.	8,891	9,000	9,000	9,000
14-21-2090-00	Professional Org.-personal	385	600	600	600
14-21-2100-00	Prof. Education & Training	674	800	800	800
14-21-3011-00	Shelter Management	5,000	5,000	5,000	5,000
14-21-3020-00	Telephone	1,246	3,000	1,500	1,500
14-21-3030-00	Office Supplies	274	800	800	800
14-21-3040-00	Postage, Freight, Etc.	8	100	100	100
14-21-3050-00	Advertising & Notices	194	400	400	400
14-21-3060-00	Protocal & Social	2,300	2,800	2,500	2,200
14-21-3070-00	Travel Expenses	5,198	4,300	4,500	4,800
14-21-3090-00	Books, Periodicals, Etc.	-	200	100	200
14-21-3140-00	Contract Professional Services	44	400	400	400
14-21-3150-00	Emer Mgt Materials	1,845	3,500	3,000	3,500
14-21-3220-00	Insurance & Bonds	-	-	100	300
14-21-3250-00	Conventions	-	1,000	900	1,000
14-21-4010-00	Communications Expense	10,908	10,500	10,000	10,500
14-21-4070-00	Computer/software Maintenance	566	100	2,600	4,900
14-21-4090-00	Dtn Comp Maint	-	500	-	-
14-21-4410-00	Gasoline, Oil, & Lubrication	1,130	1,500	800	1,000
14-21-4430-00	Vehicle Maintenance	119	1,000	300	500
Emergency Management Fund Expenditures		121,909	135,300	128,883	155,209
Emergency Management Excess (Deficit)		21,951	-	(3)	106

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DEBT SERVICE FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
15-00-4150-00	Interest Income	98	100	100	100
15-00-4204-00	Curr Taxes-Gen Obl Bonds	590,416	590,700	720,600	671,000
15-00-4205-00	Del Taxes-Gen Obl Bonds	29,502	31,800	43,000	34,100
15-00-4206-00	Penalty & Int-Gen Obl Bonds	3,535	4,100	7,600	3,700
	Debt Service Fund Revenues	623,551	626,700	771,300	708,900

DEBT SERVICE FUND EXPENDITURES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
15-21-3030-00	Bank Fees	-	-	-	-
15-21-6079-00	Principal-2010 Ref GO I&S Bond	359,681	368,400	368,400	377,100
15-21-6082-00	Interest-2010 Ref GO I&S Bonds	51,374	44,200	44,200	35,000
15-21-6304-00	Principal - 2012 GO Bonds	125,000	130,000	130,000	135,000
15-21-6305-00	Interest - 2012 GO Bonds	83,220	79,600	79,600	75,800
NEW	2016 Tax Limited Notes - Animal Shelter	-	-	-	82,100
	Debt Service Fund Expenditures	619,274	622,200	622,200	705,000
	Debt Service Fund Excess (Deficit)	4,277	4,500	149,100	3,900

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POLICE FORFEITURE FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
17-00-4101-00	Forfeiture Revenue	8,541	2,000	1,000	1,000
17-00-4150-00	Interest Income	14	-	-	-
	Police Forfeiture Fund Revenues	8,555	2,000	1,000	1,000

POLICE FORFEITURE FUND EXPENDITURES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
17-22-3190-00	Miscellaneous Expenses	375	-	-	-
17-22-4200-00	Office Rental	1,500	-	-	-
17-22-5005-00	Police Dept Equipment	-	4,000	4,000	1,000
	Police Forfeiture Fund Expenditures	1,875	4,000	4,000	1,000
	Police Forfeiture Fund Excess (Deficit)	6,680	(2,000)	(3,000)	-



HEALTH INSURANCE INTERNAL SERVICE FUND REVENUES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
50-00-4000-00	Employee Hosp Premium Revenue	1,266,445	1,315,100	1,250,800	1,283,548
50-00-4005-00	Dependent Hosp Premium Revenue	260,029	302,400	275,800	291,100
50-00-4015-00	Cobra	19,635	8,100	7,400	-
50-00-4025-00	Stop Loss Refunds-specific	208,915	-	33,000	40,000
50-00-4150-00	Interest Income	561	400	1,700	1,500
50-00-4165-00	Miscellaneous Revenue	4,386	-	-	-
	Health Ins Internal Serv Fund Revenues	1,759,971	1,626,000	1,568,700	1,616,148

HEALTH INSURANCE INTERNAL SERVICE FUND EXPENDITURES

<u>Account Number</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Adopted</u>	<u>2016 Projected</u>	<u>2017 Approved by CM</u>
50-21-2000-00	Administration Fees	69,439	65,000	62,000	63,000
50-21-3005-00	Specific Stop Loss Reinsurance	216,263	218,000	230,000	230,000
50-21-3010-00	Aggregate Stop Loss Reinsuranc	12,552	14,000	12,000	14,000
50-21-3140-00	Contract Professional Services	28,959	30,000	30,000	30,000
50-21-3190-00	Misc Expenses	18,690	20,000	29,000	24,000
50-21-4000-00	Claims Paid	960,276	1,000,000	1,000,000	1,000,000
50-21-4010-00	Claims - Prescription Drugs	300,005	270,000	161,000	165,000
50-21-4015-00	Claims - RX Drug Rebate	(8,975)	(9,000)	(28,600)	(10,000)
	Health Ins Internal Serv Fund Expenditures	1,597,208	1,608,000	1,495,400	1,516,000
	Health Ins Internal Serv Fund Excess (Deficit)	162,763	18,000	73,300	100,148

Fund Balance Analysis - General Fund

	<u>General Fund</u>
Cash Portion of Fund Balance at 9/30/2015	\$ 6,203,211.65
FY 2016 Estimated Revenues	11,884,965.00
FY 2016 Estimated Expenditures	13,733,039.00
Estimated Cash Portion of Fund Balance at 9/30/2016	<u>\$ 4,355,137.65</u>
Fund Balance Reserve Requirement	3,433,259.75
Over (Under) Reserve at 9/30/2016	921,877.90
FY 2017 Projected Revenues	12,555,508.00
FY 2017 Projected Expenditures	12,721,677.00
Estimated Cash Portion of Fund Balance at 9/30/2017	<u>\$ 4,188,968.65</u>
Fund Balance Reserve Requirement	3,180,419.25
Over (Under) Reserve at 9/30/2017	1,008,549.40

Fund Balance Analysis - Electric Fund

	<u>Electric Fund</u>
Cash Portion of Fund Balance at 9/30/2015	\$ 1,095,767.55
FY 2016 Estimated Revenues	12,713,200.00
FY 2016 Estimated Expenditures	12,414,689.00
Estimated Cash Portion of Fund Balance at 9/30/2016	<u>\$ 1,394,278.55</u>
Fund Balance Reserve Requirement	733,672.25
Over (Under) Reserve at 9/30/2016	660,606.30
FY 2017 Projected Revenues	13,041,900.00
FY 2017 Projected Expenditures	13,014,963.00
Estimated Cash Portion of Fund Balance at 9/30/2017	<u>\$ 1,421,215.55</u>
Fund Balance Reserve Requirement	831,665.75
Over (Under) Reserve at 9/30/2017	589,549.80

* Power Purchase and Transmission Provider Fees are not included in the Fund Balance Reserve Requirement.

Fund Balance Analysis - Water & Wastewater Fund

	<u>Water</u>
Cash Portion of Fund Balance at 9/30/2015	\$ 4,733,639.80
FY 2016 Estimated Revenues	6,238,900.00
FY 2016 Estimated Expenditures	6,270,645.00
Estimated Cash Portion of Fund Balance at 9/30/2016	<u>\$ 4,701,894.80</u>
Fund Balance Reserve Requirement	1,567,661.25
Over (Under) Reserve at 9/30/2016	3,134,233.55
FY 2017 Projected Revenues	6,218,400.00
FY 2017 Projected Expenditures	6,202,446.00
Estimated Cash Portion of Fund Balance at 9/30/2017	<u>\$ 4,717,848.80</u>
Fund Balance Reserve Requirement	1,550,611.50
Over (Under) Reserve at 9/30/2017	3,167,237.30

* Estimated cash portion of fund balance at 9/30/15 includes \$3,277,863 of Water & Sewer Impact Fees which are restricted for Capital Improvements.

Fund Balance Analysis - Solid Waste Fund

	<u>Solid Waste</u>
Cash Portion of Fund Balance at 9/30/2015	\$ 1,227,506.01
FY 2016 Estimated Revenues	2,435,000.00
FY 2016 Estimated Expenditures	2,475,107.00
Estimated Cash Portion of Fund Balance at 9/30/2016	<u>\$ 1,187,399.01</u>
Fund Balance Reserve Requirement	618,776.75
Over (Under) Reserve at 9/30/2016	568,622.26
FY 2017 Projected Revenues	2,522,700.00
FY 2017 Projected Expenditures	2,501,758.00
Estimated Cash Portion of Fund Balance at 9/30/2017	<u>\$ 1,208,341.01</u>
Fund Balance Reserve Requirement	625,439.50
Over (Under) Reserve at 9/30/2017	582,901.51

Fund Balance Analysis - Drainage Fund

	<u>Drainage</u>
Cash Portion of Fund Balance at 9/30/2015	\$ 146,542.61
FY 2016 Estimated Revenues	157,300.00
FY 2016 Estimated Expenditures	232,144.00
Estimated Cash Portion of Fund Balance at 9/30/2016	<u>\$ 71,698.61</u>
Fund Balance Reserve Requirement	58,036.00
Over (Under) Reserve at 9/30/2016	13,662.61
FY 2017 Projected Revenues	143,100.00
FY 2017 Projected Expenditures	63,500.00
Estimated Cash Portion of Fund Balance at 9/30/2017	<u>\$ 151,298.61</u>
Fund Balance Reserve Requirement	15,875.00
Over (Under) Reserve at 9/30/2017	135,423.61

**Capital Expenditure Requests
FY 2017**

Dept.	Description	G/L Account	Requested	Approved by CM	Lease Purchase
Police	Police Vehicles	01-22-5240-00	\$ 204,505	\$ 204,505	
Fire	SCBA Breathing Apparatus (1/2)	New Account	80,000	27,800	Yes - 3 Yrs
Street	Sidewalks	01-24-5465-00	100,000	100,000	
Street	Downtown Sidewalk Repairs	01-24-5467-00	50,000	50,000	
Street	Asphalt Zipper (1/2 with Water)	New Account	55,000	19,100	Yes - 3 Yrs
Street	Master Thoroughfare Plan	New Account	120,000	120,000	
Street	Herbicide for Arundo Donax Control	New Account	25,000	25,000	
Street	Bridge Guardrail Upgrade Program	New Account	25,000	25,000	
Street	Tool Carrier Truck	New Account	188,000	-	
Street	Sweeper	New Account	230,000	79,800	Yes - 3 Yrs
Street	Downtown Parking Plan	New Account	35,000	35,000	
Park	Playground Shade Covers	01-25-5094-00	40,000	-	
Park	Bleachers	01-25-5518-00	40,000	-	
Park	Repaint Adelsverein	01-25-5525-00	35,000	35,000	
Park	Replace Bathroom Partitions #4	01-25-5527-00	7,000	7,000	
Park	Baseball Field C - Replace fencing/backstop	New Account	28,000	28,000	
Park	Pioneer Pavilion Parking Lot Paving	New Account	40,000	-	
Park	Pioneer Pavilion A/C & Sound System	New Account	45,000	-	
Park	Lady Bird Curbing	New Account	28,000	-	
Park	Oakcrest Park Improvements- Planning	New Account	25,000	-	
Park	Public Address System for Marktplatz	New Account	50,000	-	
Park	Marktplatz Turf Replacement	New Account	125,000	-	
Park	Fort Martin Scott - Parking Lot & Trail Head	New Account	19,000	-	
Park	Cross Mountain Park Restroom Facility	New Account	88,000	138,000	
Park	Bucket Truck 40'	New Account	110,000	-	Yes - 3 Yrs
Park	Tennis Court Improvements	New Account	35,000	35,000	
Engineering	Base Station for GPS Survey Equipment	New Account	24,000	24,000	
Engineering	Update Aerial Photos	01-30-5100-00	11,000	11,000	
GENERAL FUND TOTALS			\$ 1,862,505	\$ 964,205	

Electric	SCADA	New Account	\$ 15,000	\$ 15,000	
Electric	Street Lighting & Signal Sys	02-21-5373-00	40,000	40,000	
Electric	Meter Data Management System	02-21-5380-00	120,000	120,000	
ELECTRIC TOTALS			\$ 175,000	\$ 175,000	

Water	Water Meters	03-21-5280-00	\$ 15,000	\$ 15,000	
Water	Water Mains	03-21-5301-00	25,000	8,000	
Water	Water Taps	03-21-5302-00	2,000	2,000	
Water	Sewer Mains	03-21-5303-00	25,000	8,000	
Water	Sewer Taps	03-21-5304-00	2,000	2,000	
Water	Manholes	03-21-5305-00	3,000	3,000	
Water	Fire Hydrants	03-21-5306-00	2,000	2,000	
Water	SCADA	03-21-5313-00	25,000	25,000	
Water	Fbg Inn & Suites Lift Station Rehab	03-21-5383-00	48,124	48,124	
Water	WWTP Office / Lab / Workshop	03-21-5409-00	225,000	225,000	
Water	San Antonio St Sewer Line Replacement	03-21-5410-00	175,000	-	
Water	Meter Data Management System	New Account	120,000	120,000	
Water	Secondary Water Supply to HCMH	New Account	100,000	-	
Water	MLSS Pump Station	New Account	1,000,000	1,000,000	
Water	Bell Street Water Line Rehab	New Account	250,000	250,000	
Water	Sewer Press Machine	New Account	450,000	156,100	Yes - 3 Yrs
Water	Dump Truck	New Account	100,000	34,700	Yes - 3 Yrs
Water	2 Emergency Generators	New Account	100,000	34,700	Yes - 3 Yrs
Water	Mini Excavator	New Account	45,000	15,700	Yes - 3 Yrs
Water	Hydro Excavator	New Account	80,000	-	
Water	Asphalt Zipper (1/2 with Street)	New Account	55,000	19,100	Yes - 3 Yrs
WATER/SEWER TOTALS			\$ 2,847,124	\$ 1,968,424	

Solid Waste	Chipper	New Account	\$ 57,000	\$ 19,900	Yes - 3 Yrs
Solid Waste	Garbage Truck	New Account	315,000	109,300	Yes - 3 Yrs
Solid Waste	Compactor	New Account	420,000	145,700	Yes - 3 Yrs
SOLID WASTE TOTALS			\$ 792,000	\$ 274,900	

EMS	Ambulance Remount	New Account	\$ 165,000	\$ 57,300	Yes - 3 Yrs
EMS TOTALS			\$ 165,000	\$ 57,300	

GRAND TOTALS			\$ 5,841,629	\$ 3,439,829	
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CITY COUNCIL MEMO

DATE: August 9, 2016

TO: Mayor and City Council

FROM: Brian Jordan, AICP

SUBJECT: Conditional Use Permit for Convenience Storage in C-2, Commercial District (Z-1608)

Summary:

The applicant is proposing a project consisting of a taxidermy shop, retail and convenience storage at 730 S. Brehmer Lane. The property is approximately 1.12 acres in size and is currently vacant. Access will be available from Brehmer Lane initially and Sunrise Street in the future. Utilities are currently available to serve the property. The property is surrounded by commercial to the north, east and west, with vacant undeveloped land to the south. Surrounding zoning is C-2 to the north, east and west, and R-2 to the south (see attached exhibit).

Recommendation:

The Planning and Zoning Commission voted unanimously in favor of recommending approval of the Conditional Use Permit for Convenience Storage. Staff concurs with the Commission's recommendation of approval. One letter received in support and none in opposition to the request.

Background / Analysis:

See attached Zoning Brief for request Z-1608.

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The City of Fredericksburg

Attachments:

Zoning Brief, Site Plan, Zoning Map, and Aerial Map of Subject Property.

Department Approval



City Manager Approval


The City of Fredericksburg

CONDITIONAL USE PERMIT BRIEF

Request Z-1608

Applicant/Owner: Terry Hartcraft
Location: 730 S. Brehmer Lane
Existing Zoning: C-2, Commercial
Request: Conditional Use Permit for Convenience Storage in C-2, Commercial District.

Site Plan Overview:

- The property has approximately 265' of frontage on Brehmer Lane, and approximately 186' of frontage on the future extension of Sunrise Street, totaling approximately 1.12 acres.
- The property is currently vacant.
- The applicant intends to develop the site with a retail building for a taxidermy and a salon, along with convenience storage buildings.
- The property is surrounded by commercial to the north, east, and west, with vacant undeveloped land to the south.
- Surrounding zoning is C-2 to the north, east and west, and R-2 to the south.
- Building coverage is estimated at 24% of the site, maximum is 80%.
- Impervious coverage is estimated at 70% of the site, maximum is 85%.

Review and Evaluation Criteria:

A. CONFORMANCE WITH APPLICABLE REGULATIONS:

- Affirmative (see attached Site Plan).

B. COMPATIBILITY WITH EXISTING OR PERMITTED USES IN ABUTTING SITES:

- The proposed use would seem compatible with uses in the vicinity.

C. POTENTIALLY UNFAVORABLE EFFECTS OR IMPACTS ON OTHER EXISTING OR PERMITTED USES ON ABUTTING PROPERTY:

- We do not expect the proposed use to have a negative affect on adjacent properties.

D. MODIFICATIONS TO THE SITE PLAN WHICH WOULD RESULT IN INCREASED COMPATIBILITY AND WOULD MITIGATE POTENTIALLY UNFAVORABLE IMPACTS:

- None.

Let

- E. SAFETY AND CONVENIENCE OF VEHICULAR AND PEDESTRIAN CIRCULATION IN THE VICINITY:**
- Access will be provided by two driveways on Brehmer Lane.
 - In addition, when Sunrise Street is constructed, a driveway is designed to provide access.
- F. PROTECTION OF PERSONS AND PROPERTY FROM EROSION, FLOOD OR WATER DAMAGE, FIRE, NOISE, GLARE:**
- NA.
- G. LOCATION OF LIGHTING AND TYPE OF SIGNS; THE RELATION OF SIGNS TO TRAFFIC CONTROL AND ADVERSE EFFECTS OF SIGNS ON ADJACENT PROPERTIES:**
- No specific information is provided on the type of lighting to be utilized. All exterior lighting shall be ordinance compliant.
- H. ADEQUACY AND CONVENIENCE OF OFF STREET PARKING AND LOADING FACILITIES:**
- Adequate parking is proposed.
- I. DETERMINATION THAT THE PROPOSED USE IS IN ACCORDANCE WITH THE OBJECTIVES OF THESE ZONING REGULATIONS AND PURPOSES OF THE ZONE IN WHICH THE SITE IS LOCATED:**
- We believe the proposed use of convenience storage meets the purpose of the zoning.
- J. DETERMINATION THAT THE PROPOSED USE WILL COMPLY WITH EACH OF THE APPLICABLE PROVISIONS OF THE ZONING ORDINANCE:**
- Affirmative.
- K. DETERMINATION THAT THE PROPOSED USE AND SITE DEVELOPMENT, TOGETHER WITH ANY MODIFICATIONS APPLICABLE, THERETO, WILL BE COMPATIBLE WITH EXISTING OR PERMITTED USES IN THE VICINITY:**
- Affirmative.
- L. DETERMINATION THAT ANY CONDITIONS APPLICABLE TO APPROVAL ARE THE MINIMUM NECESSARY TO MINIMIZE POTENTIALLY UNFAVORABLE IMPACTS ON NEARBY USES AND TO ENSURE COMPATIBILITY OF THE PROPOSED USE WITH EXISTING OR PERMITTED USES IN THE SAME DISTRICT AND THE SURROUNDING AREA:**
- Affirmative

M. DETERMINATION THAT THE PROPOSED USE TOGETHER WITH THE CONDITIONS APPLICABLE THERETO, WILL NOT BE DETRIMENTAL TO THE PUBLIC HEALTH, SAFETY, OR WELFARE OR MATERALLY INJURIOUS TO PROPERTIES OR IMPROVEMENTS IN THE VICINITY:

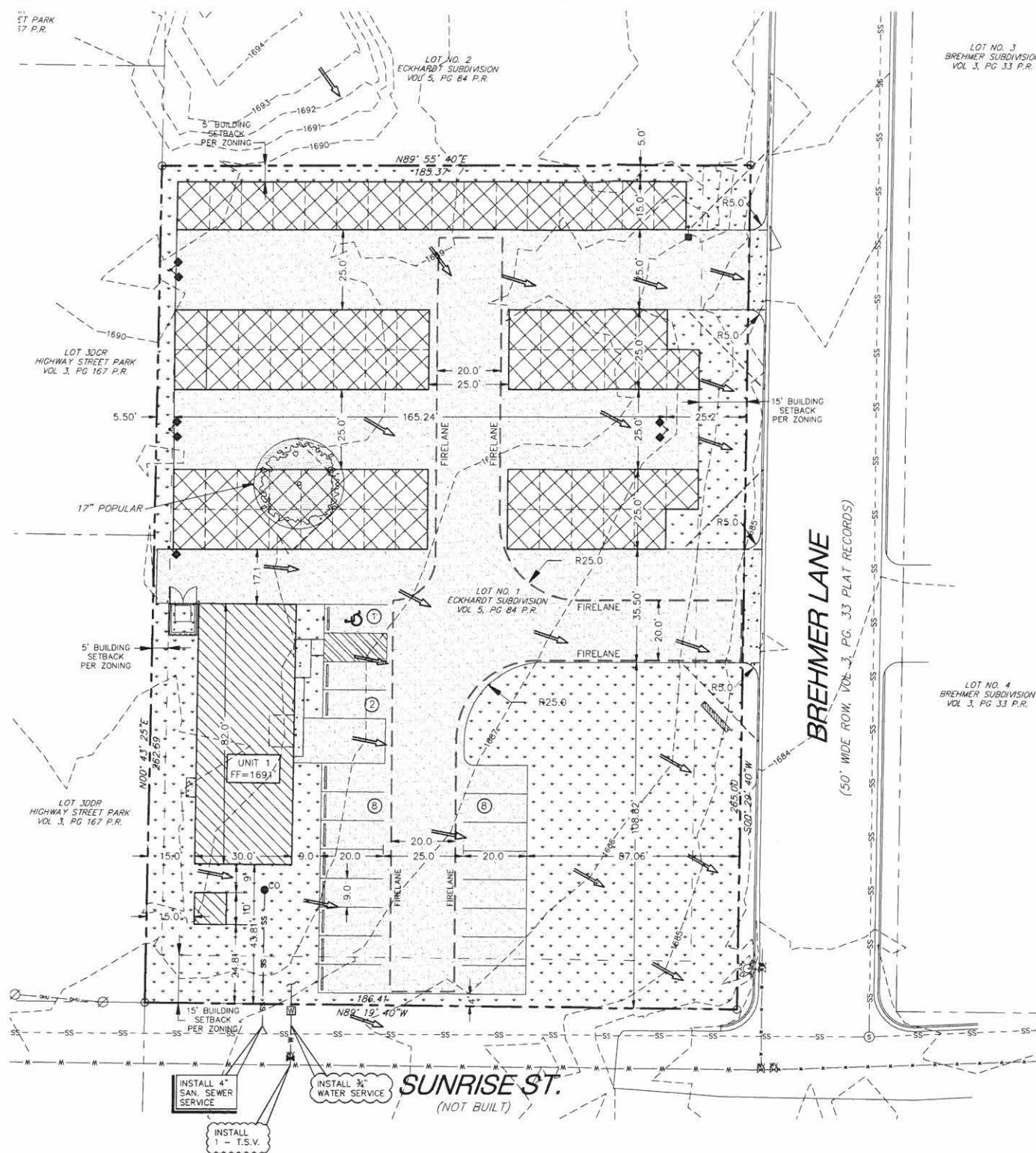
- Affirmative

OPPOSITION/SUPPORT OF REQUEST: One letter received in support, none in opposition.

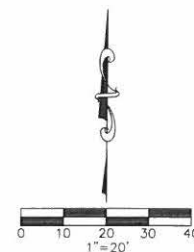
PLANNING AND ZONING COMMISSION RECOMMENDATION: The Commission voted unanimously to recommend approval, conditioned upon approval of a Landscape Plan prior to issuance of a building permit.

STAFF RECOMMENDATION: Staff concurs with the Commission's recommendation of approval.

ZONED	C2 – COMMERCIAL
TOTAL SITE AREA	49,035 sq. ft. / 1.13 Ac.
MINIMUM LOT AREA	5,000 sq. ft. / 0.23 Ac.
MINIMUM LOT WIDTH	50 ft.
MAXIMUM BUILDING HEIGHT ALLOWED	3 STORIES, 38 FT.
PROPOSED TOTAL BUILDINGS AREA	11,900 SQ. FT. / 0.27 AC.
PROPOSED INDOOR STORAGE BUILDINGS AREA	9,400 SQ. FT. / 0.21 AC.
PROPOSED PROFESSIONAL BUILDINGS AREA	2,500 SQ. FT. / 0.06 AC.
MAXIMUM BUILDING COVERAGE ALLOWED	80%
LOT BUILDING COVERAGE PROVIDED	24%
SETBACKS:	
FRONT YARD	15 FEET
INTERIOR SIDE YARD	0 FEET
STREET SIDE YARD	15 FEET
REAR YARD	0 FEET
PERVIOUS AREA	
IMPERVIOUS AREA	14,935 sq. ft. / 0.34 Ac.
MAXIMUM IMPERVIOUS PERCENTAGE ALLOWED	34,100 sq. ft. / 0.78 Ac.
PROPOSED IMPERVIOUS PERCENTAGE	85%
PROFESSIONAL OFFICE PARKING SPACES REQUIRED (1 SPACE PER 400 S.F.)	70%
INDOOR STORAGE PARKING SPACES REQUIRED (1 SPACE PER 1000 S.F.)	6
TOTAL PARKING SPACES REQUIRED	9
TOTAL PARKING SPACES PROVIDED	19
HANDICAP PARKING SPACES REQUIRED	1
HANDICAP PARKING SPACES PROVIDED	1



1. THIS DRAWING AND SERVICES BY VEI DO NOT INCLUDE SUBMISSION TO ARCHITECTURAL BARRIERS FOR ADA REVIEW. REVIEW, IF REQUIRED, IS BY OTHERS.
2. SIDEWALK FROM HANDICAP PARKING AREA TO BUILDING ENTRANCES MUST COMPLY WITH ALL ADA GUIDELINES.
3. THE DRAWING AND SERVICES BY VEI DO NOT INCLUDE "AS-BUILT" INSPECTIONS NOR SERVICES POST DELIVERY OF THIS DRAWING.
4. ALL DIMENSIONS ARE MEASURED BACK TO BACK OF CURB UNLESS OTHERWISE NOTED.
5. ALL BUILDING DIMENSIONS DERIVED FROM ARCHITECTURAL DRAWINGS. DUE TO THE INHERENT INACCURACY OF REPRODUCTION, DO NOT SCALE FROM THESE DRAWINGS.
6. CONTRACTOR SHALL VERIFY ALL DIMENSIONS WITH ARCHITECT AND OWNER PRIOR TO START OF CONSTRUCTION.
7. REBERGTON LANE IS AN APPROXIMATE CITY LANE. THE CONTRACTOR SHALL DETERMINE THE EXACT LOCATION OF ALL EXISTING UTILITIES BEFORE COMMENCING WORK. THE CONTRACTOR IS FULLY RESPONSIBLE FOR ANY AND ALL DAMAGES WHICH MAY OCCUR DURING CONSTRUCTION.
8. FIRE LANE SHALL BE MARKED PER CITY STANDARDS.
9. THIS IS NOT A PROPERTY SURVEY. ANY QUESTIONS CONCERNING PROPERTY CORNERS, PROPERTY LINES, PROPERTY BOUNDARIES AND/OR SET BACKS SHOULD BE DIRECTED TO AND/OR VERIFIED BY A REGISTERED PROFESSIONAL LAND SURVEYOR.
10. PROPOSED USE: COMMERCIAL SITE (RETAIL/ PROFESSIONAL).
11. STORM WATER DETENTION REQUIREMENTS WILL BE MET BY THE EXISTING CONSOLIDATED WAREHOUSE REGIONAL DETENTION FACILITY.
12. THE CITY WILL PROVIDE THE WATER AND SANITARY SEWER TAPS AT NO EXPENSE TO THE OWNER. IMPACT FEES WILL BE THE RESPONSIBILITY OF THE OWNER AT THE TIME OF ISSUANCE OF A BUILDING PERMIT.
13. ALL EXTERIOR LIGHT FIXTURES SHALL COMPLY WITH THE CITY ORDINANCE.
14. THE PROPOSED DRIVE APPROACHES ARE CONSTRUCTED PER CITY STANDARDS.



LOCATION MAP
NOT TO SCALE

	PROPERTY BOUNDARY		PROPOSED BUILDING AREA
	ADJACENT PROPERTY BOUNDARY		PROPOSED ASPHALT PAVING
	EXISTING WATER LINE		PROPOSED CONCRETE
	EXISTING SANITARY SEWER		PROPOSED HANDICAP PARKING STRIPE
	EXISTING OVERHEAD UTILITIES (ELECTRIC, TELEPHONE, CATV)		LANDSCAPE AREAS
	BUILDING SETBACK LINE		PROPOSED FIRE LANE
	PROPERTY CORNER FOUND		PROPOSED CONCRETE CURB & GUTTER
	EXISTING WATER VALVE		PROPOSED HANDICAP SPACE
	EXISTING MANHOLE		PROPOSED NUMBER OF PARKING SPACES
	EXISTING TREE TO BE REMOVED		PROPOSED DUMPSTER
	EXISTING FIRE HYDRANT		PROPOSED MONUMENT SIGN
			PROPOSED SECURITY LIGHTS
			PROPOSED WATER METER
			PROPOSED CLEANOUT
			TAPPING SLEEVE AND VALVE
			DRAINAGE AREA FLOW DIRECTION

A SITE PLAN FOR

HARTCRAFT RETAIL/STORAGE FACILITY

LOT 1, 1.12± ACRE TRACT, VOL. 5, PG. 84,
GILLESPIE COUNTY PLAT RECORDS,
GILLESPIE COUNTY, TEXAS

TERRY HARTCRAFT	OWNER
CONTACT: TERRY HARTCRAFT	
P.O. BOX 2446	(830) 456-2734
FREDERICKSBURG, TX 78624	

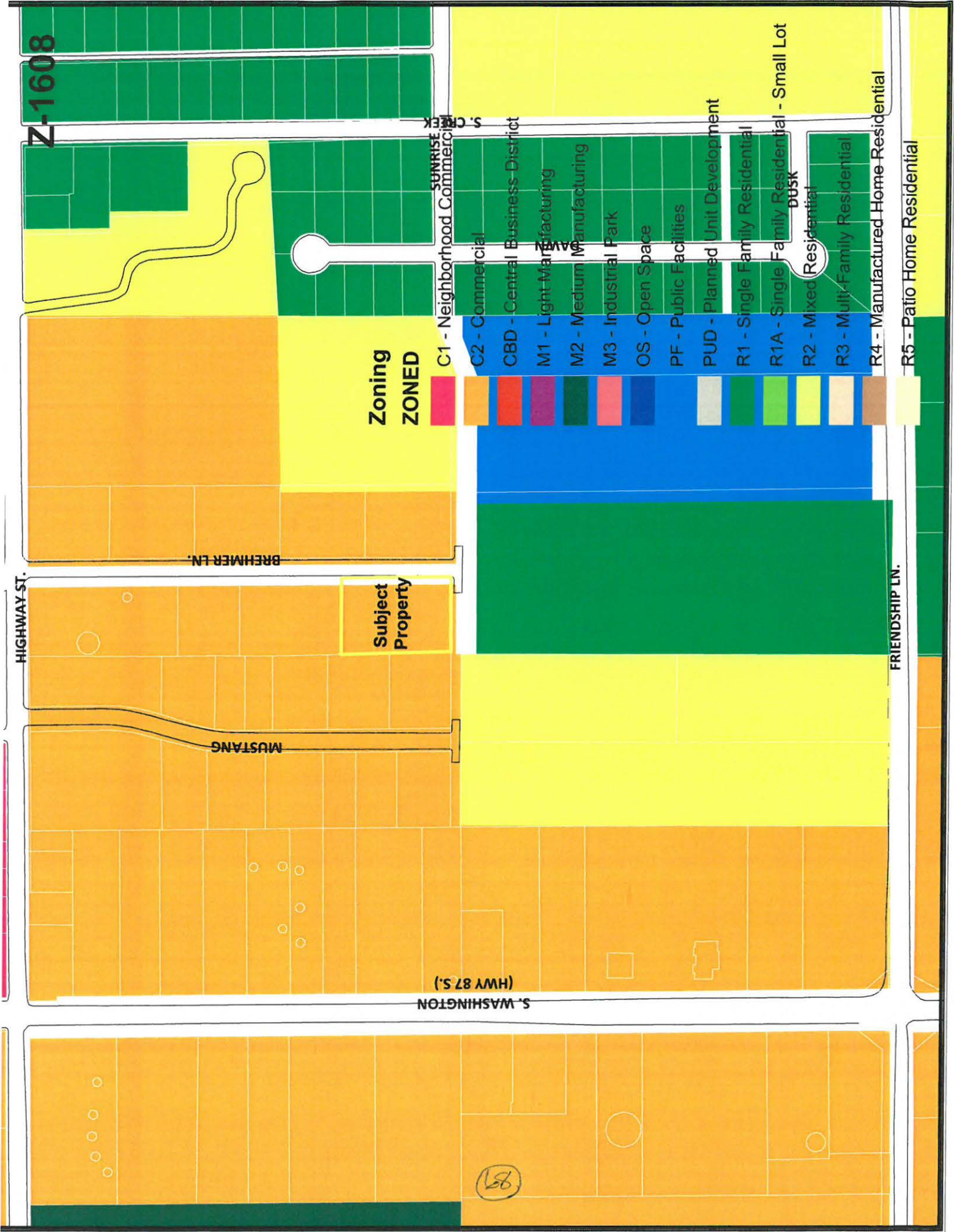
VEI CONSULTING ENGINEERS ENGINEER

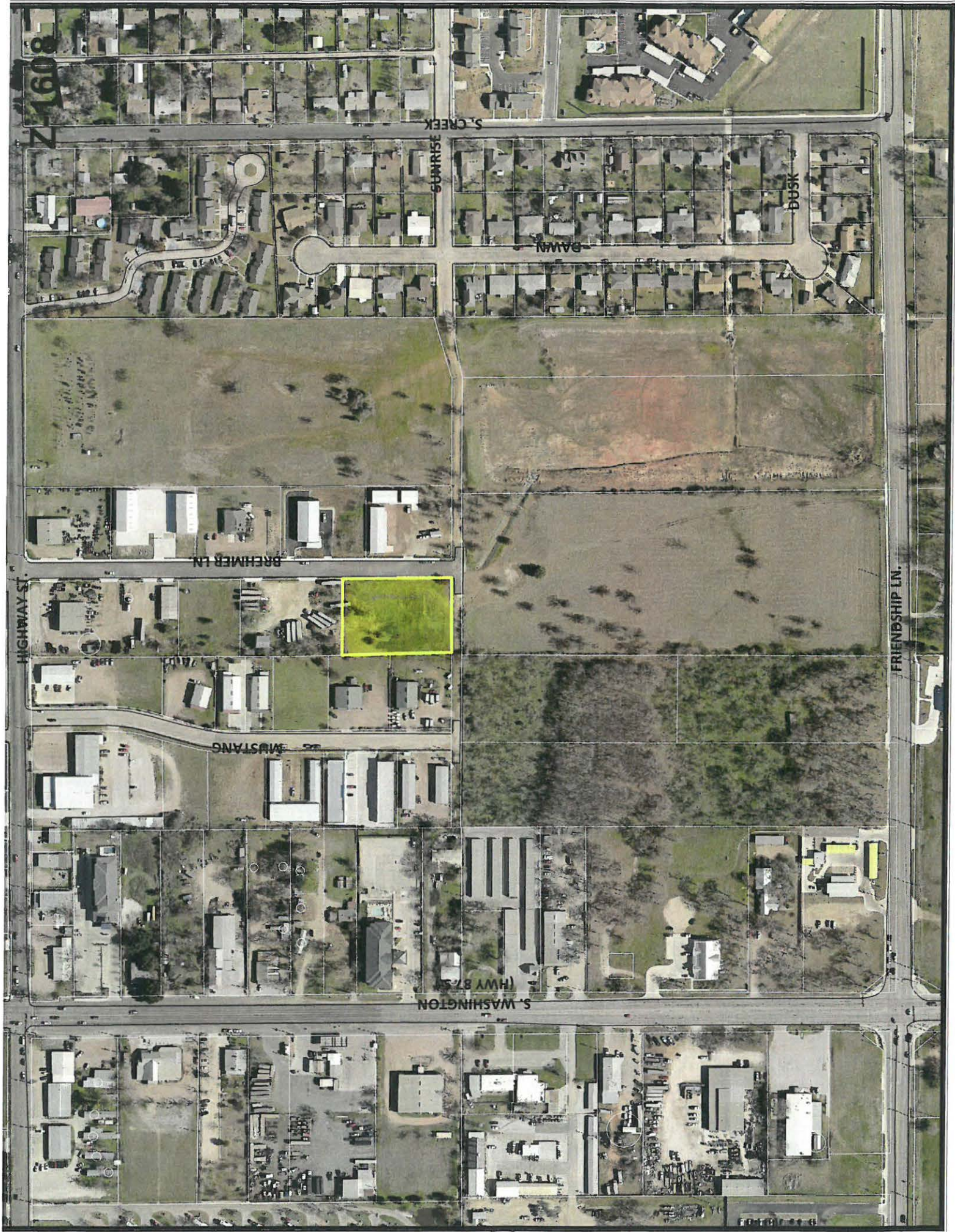
CONTACT: KEVIN W. SPRAGGINS, P.E. (830) 997-4744
507-D E. HIGHWAY ST. FAX: (830) 997-6967
FREDERICKSBURG, TX 78624 Texas Registration # F-165

FILE NO: 16073

DATE: 07/22/2016

SHEET: SP (1 OF 1)





Z-1608

S. CREEK

SUNRISE

DAWN

BASK

BREIMER LN.

HIGHWAY ST.

MUSTANG

S. WASHINGTON
(HWY 87.5)

FRIENDSHIP LN.

(69)



CITY COUNCIL MEMO

DATE: August 9, 2016

TO: Mayor and City Council

FROM: Brian Jordan, AICP

SUBJECT: 1. Change in the Land Use Plan from Residential to Commercial, 2. Change in zoning from R-1 to C-1, and 3. Conditional Use Permit for Limited Retail and Limited Restaurant Use at 407 Whitney Street (Z-1609).

Summary:

The applicant is proposing to change the land use and zoning on property at 407 Whitney Street along with a request for a Conditional use Permit to allow limited retail and limited restaurant use. The limited retail would allow the continuation of the Urban Herbal business and the limited restaurant use would allow cooking classes. The property is approximately 0.81 acres in size and has frontage on Whitney Street and Blue Bird Street. The property contains a residence, gardens, greenhouse and small retail area for the Urban Herbal business. Property to the north, west and south is primarily residential and to the east is the Herb Farm which includes a spa, B&B's and restaurant. The zoning of the surrounding property is R-1 to the west, north and south, and PUD to the east (see attached exhibit).

Recommendation:

The Planning and Zoning Commission voted unanimously in favor of recommending approval of Land Use Plan from residential to commercial and zoning from R-1 to C-1 Neighborhood Commercial and the Conditional Use Permit for limited retail and limited restaurant use. Staff concurs with the Commission's recommendation of approval.

We have received 5 letters in support and 1 letter in opposition to the request from property owners within 200' of the subject property. The one letter in opposition does represent more than 20% of the land within the notification area. Therefore, a super majority vote of the Council will be necessary to

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The City of Fredericksburg

override the opposition and approve the request. In addition, the applicant has provided over 200 letters in support of the change from other individuals from a variety of locations.

Background / Analysis:

See attached Zoning Brief for request Z-1609.

Attachments:

Zoning Brief, Land Use Plan Map, Zoning Map, Site Plan and Aerial Map of Subject Property.

Department Approval


City Manager Approval

(71)

The City of Fredericksburg

LAND USE PLAN AND ZONING CHANGE BRIEF

Rezoning Request # Z-1609

OWNER: William K. Varney

APPLICANT: James B. Griffin

LOCATION: 407 Whitney Street (see attached map)

SIZE: 0.81 acres (35,284 square feet)

EXISTING ZONING: R-1 Single Family Residential

PROPOSED CHANGE:

1. Change in Land Use from Low Density Residential to Commercial,
2. Change in Zoning from R-1 to C-1,
3. Conditional Use Permit for Limited Retail and Limited Restaurant Use.

FINDINGS:

- The property contains a residence, gardens, greenhouse and small retail area for the Urban Herbal business.
- The property has frontage on Whitney Street and Blue Bird Street (see attached plat).
- Property to the north, west and south is primarily residential and to the east is the Herb Farm which includes a spa, B&B's and restaurant.
- Access to the property will continue to be from Blue Bird Street.
- Water and Sanitary Sewer Utilities are currently available to serve the subject property.
- The zoning of surrounding property is R-1 to the west, north and south, and PUD to the east (see attached exhibit).
- The Land Use Plan identifies the subject property as Low Density Residential.

LAND USE PLAN: The subject property, along with properties to the west across Blue Bird Street and north across Whitney Street are designated as Low Density Residential. This use is representative of traditional single-family detached dwelling units. The areas designated for low density residential land use are generally not adjacent to major thoroughfares or incompatible land uses, and are in proximity to existing single family residential land use. The plan states that within these areas, the City should encourage a range of lot sizes and housing types in order to promote increased housing diversity and affordability.

The applicant is proposing to change the land use plan to Commercial, to match the designation of the property to the east. While the Commercial designation does not distinguish between types of uses, the nature of the commercial activities on the subject property are be light in nature and compatible with the surrounding neighborhood.

ZONING: The applicant is requesting a change in zoning from R-1 to C-1 Neighborhood Commercial. The subject property has been utilized as a business, with intermittent lapses, since annexed into the City in 1999. Originally, the Herb Farm property and the subject property were all one property. After being divided, the Herb Farm applied and secured a PUD zoning to allow them to add several B&B's and a spa. In our opinion, the request to change this property to C-1 is a reasonable extension of the commercial activities within the vicinity, and does not represent a spot zoning.

Conditional Use Permit Review and Evaluation Criteria:

A. CONFORMANCE WITH APPLICABLE REGULATIONS:

- Aside from existing structures encroaching into the setbacks, the site conforms to the proposed C-1 Neighborhood Commercial zoning (see attached Site Plan).

B. COMPATIBILITY WITH EXISTING OR PERMITTED USES IN ABUTTING SITES:

- The Limited Restaurant use is for cooking classes involving food preparation in limited quantities and of a personal nature. This use is characterized by limited traffic, noise and parking. The Limited Retail sales are for sale of herbal products grown on site, located adjacent to the residence. Goods are bought in limited quantities and are of a personal nature.

C. POTENTIALLY UNFAVORABLE EFFECTS OR IMPACTS ON OTHER EXISTING OR PERMITTED USES ON ABUTTING PROPERTY:

- Since the use is really not changing, we do not expect the proposed use to have a negative effect on adjacent properties.

D. MODIFICATIONS TO THE SITE PLAN WHICH WOULD RESULT IN INCREASED COMPATIBILITY AND WOULD MITIGATE POTENTIALLY UNFAVORABLE IMPACTS:

- None.

E. SAFETY AND CONVENIENCE OF VEHICULAR AND PEDESTRIAN CIRCULATION IN THE VICINITY:

- Access to the site will remain the same from Blue Bird Street.

F. PROTECTION OF PERSONS AND PROPERTY FROM EROSION, FLOOD OR WATER DAMAGE, FIRE, NOISE, GLARE:

- NA.

G. LOCATION OF LIGHTING AND TYPE OF SIGNS; THE RELATION OF SIGNS TO TRAFFIC CONTROL AND ADVERSE EFFECTS OF SIGNS ON ADJACENT PROPERTIES:

- No specific information is provided on the type of lighting to be utilized. All exterior lighting shall be ordinance compliant.

H. ADEQUACY AND CONVENIENCE OF OFF STREET PARKING AND LOADING FACILITIES:

- The existing parking area will be utilized. Adequate parking is proposed. The entrance drive shall meet City Standards and the parking spaces shall be marked with curb stops.

I. DETERMINATION THAT THE PROPOSED USE IS IN ACCORDANCE WITH THE OBJECTIVES OF THESE ZONING REGULATIONS AND PURPOSES OF THE ZONE IN WHICH THE SITE IS LOCATED:

- We believe the proposed use of limited restaurant and retail activities meets the purpose of the zoning.

J. DETERMINATION THAT THE PROPOSED USE WILL COMPLY WITH EACH OF THE APPLICABLE PROVISIONS OF THE ZONING ORDINANCE:

- Affirmative.

K. DETERMINATION THAT THE PROPOSED USE AND SITE DEVELOPMENT, TOGETHER WITH ANY MODIFICATIONS APPLICABLE, THERETO, WILL BE COMPATIBLE WITH EXISTING OR PERMITTED USES IN THE VICINITY:

- Affirmative.

L. DETERMINATION THAT ANY CONDITIONS APPLICABLE TO APPROVAL ARE THE MINIMUM NECESSARY TO MINIMIZE POTENTIALLY UNFAVORABLE IMPACTS ON NEARBY USES AND TO ENSURE COMPATIBILITY OF THE PROPOSED USE WITH EXISTING OR PERMITTED USES IN THE SAME DISTRICT AND THE SURROUNDING AREA:

- Affirmative

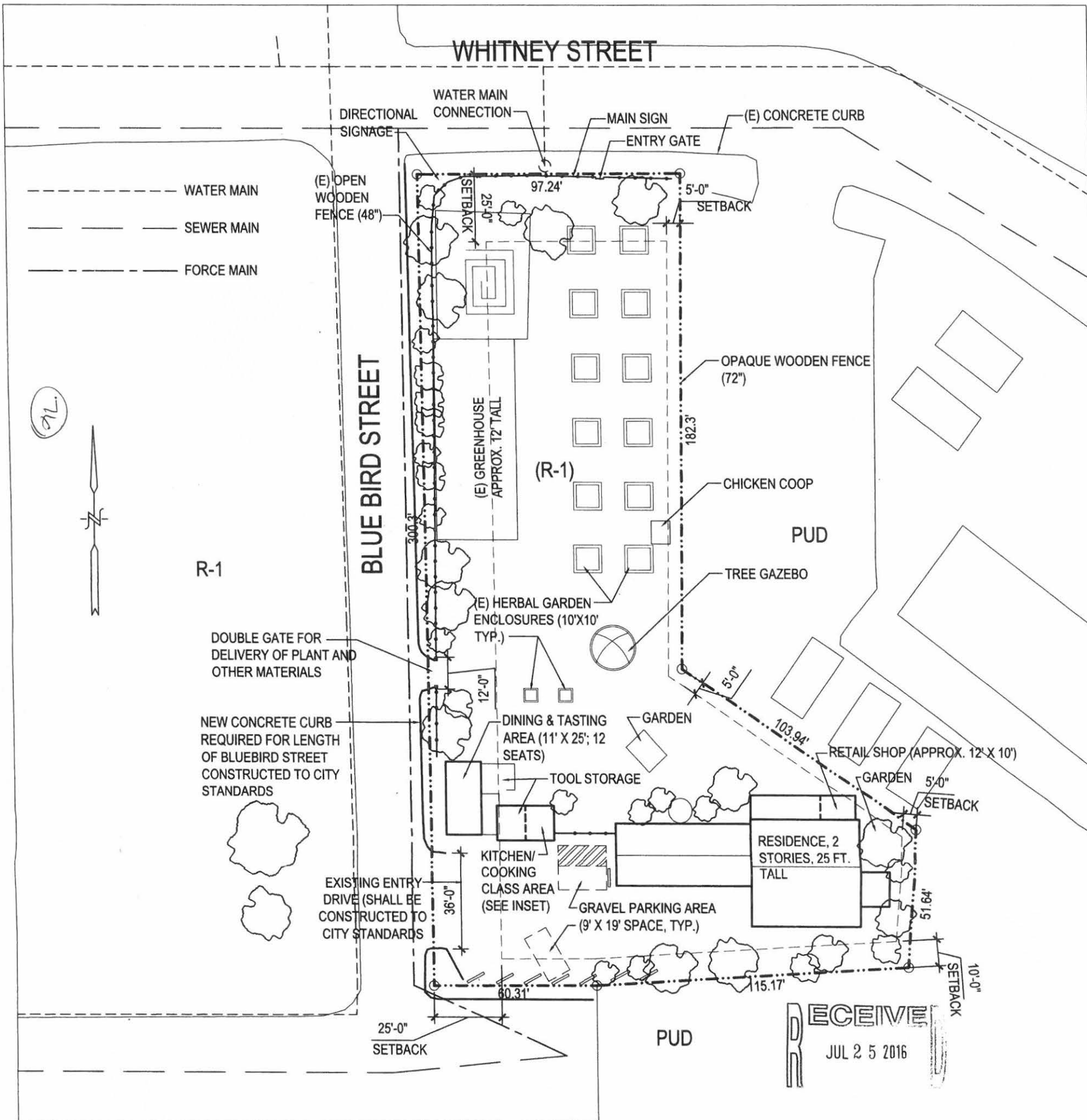
M. DETERMINATION THAT THE PROPOSED USE TOGETHER WITH THE CONDITIONS APPLICABLE THERETO, WILL NOT BE DETRIMENTAL TO THE PUBLIC HEALTH, SAFETY, OR WELFARE OR MATERALLY INJURIOUS TO PROPERTIES OR IMPROVEMENTS IN THE VICINITY:

- Affirmative

OPPOSITION/SUPPORT OF REQUEST: Five letters have been received in support and 1 letter in opposition of this request. In addition, the applicant has provided over 200 letters in support of the changes proposed from individuals outside the notification area.

PLANNING AND ZONING COMMISSION RECOMMENDATION: The Commission voted unanimously to recommend approval of the change in the Land Use Plan from Low Density Residential to Commercial, the rezone from R-1 to C-1 and the Conditional Use Permit for Limited Retail and Limited Restaurant.

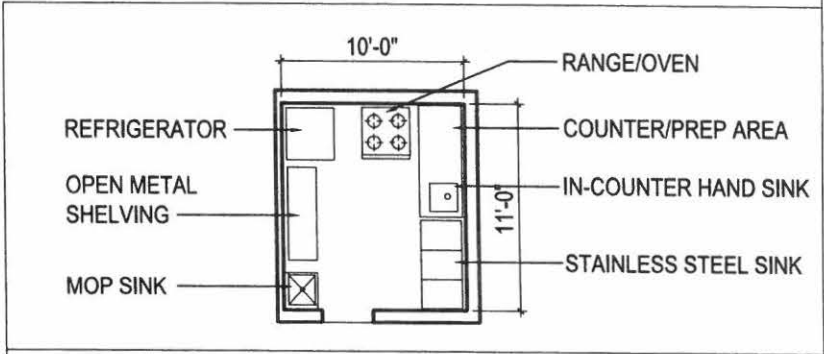
STAFF RECOMMENDATION: Staff concurs with the Commission's recommendation of approval.



SUMMARY TABLE

• CURRENT ZONING	R-1 SINGLE FAMILY PROPERTY
• PROPOSED ZONING	C-1 WITH CONDITIONAL USE FOR LIMITED RETAIL AND LIMITED RESTAURANT USES.
• TOTAL SITE AREA	35,283.6 S.F. / 0.81 ACRES
• MINIMUM LOT AREA	7,500 S.F. / 0.17 ACRES
• MINIMUM LOT WIDTH	70 FT.
• MAXIMUM BUILDING HEIGHT ALLOWED	3 STORIES / 38E FT.
• PROPOSED TOTAL BUILDINGS AREA	4,075 S.F.
• MAXIMUM BUILDING COVERAGE ALLOWED	50%
• LOT BUILDING COVERAGE PROVIDED	12%
• SETBACKS:	
•• FRONT YARD	25 FT.
•• INTERIOR SIDE YARD	5 FT.
•• STREET SIDE YARD	25 FT.
•• REAR YARD	10 FT.
• PERVIOUS AREA	31,208.6 S.F. / 0.72 ACRES
• IMPERVIOUS AREA	6,275 S.F. / 0.14 ACRES
• MAX. IMPERVIOUS % ALLOWED	70%
• PROPOSED IMPERVIOUS %	18%
• PARKING SPACES REQUIRED	5 SPACES
• PARKING SPACES PROVIDED	8 SPACES
• HANDICAP PARKING SPACES REQUIRED	1 SPACE
• HANDICAP PARKING SPACES PROVIDED	1 SPACE

- THE LIMITED RESTAURANT USE IS FOR COOKING CLASSES (SEE ENLARGED INSET FOR KITCHEN AREA), INVOLVING FOOD PREPARATION IN LIMITED QUANTITIES AND OF A PERSONAL NATURE. THIS USE IS CHARACTERIZED BY LIMITED TRAFFIC, NOISE, AND PARKING. HOURS OF OPERATION ARE TYPICALLY NOT LATER THAN 10 P.M. WITH NO DRIVE-THRU AND SHIELDED FROM ADJACENT NEIGHBORHOOD.
- THE LIMITED RETAIL SALES ARE FOR SALE OF HERBAL PRODUCTS GROWN ON SITE, LOCATED ADJACENT TO THE RESIDENCE. GOODS ARE BOUGHT IN LIMITED QUANTITIES AND ARE OF A PERSONAL NATURE. THIS IS CHARACTERIZED BY LIMITED TRAFFIC, NOISE, AND PARKING.



KITCHEN/COOKING CLASS AREA SCALE: 1" = 10'

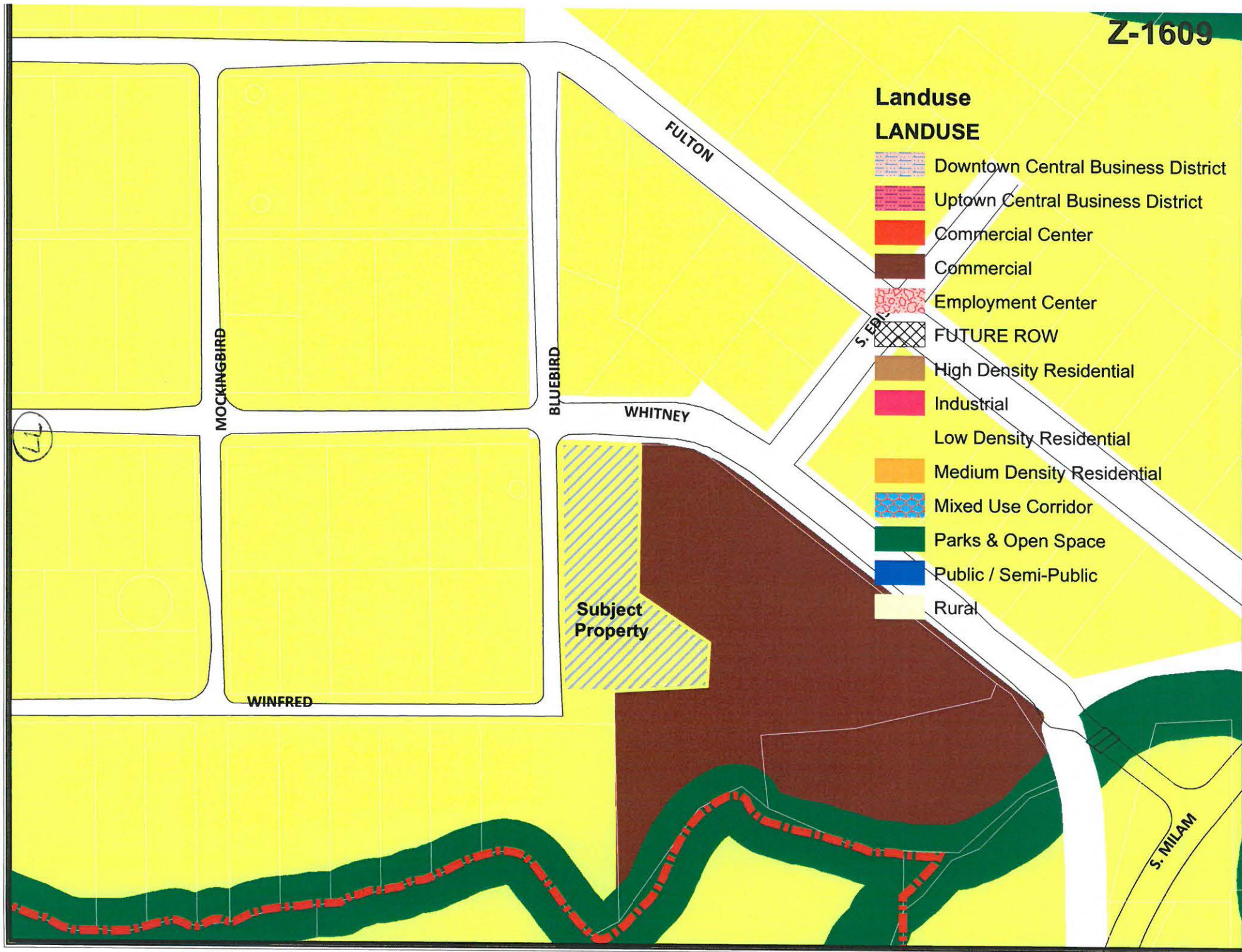
SITE PLAN: 407 WHITNEY ST.

SCALE: 1" = 40'

DRAWN: JULY 5, 2016
BY: JAMES MCKNIGHT, DESIGNER
OWNER: WILLIAM K. VARNEY

Landuse LANDUSE

-  Downtown Central Business District
-  Uptown Central Business District
-  Commercial Center
-  Commercial
-  Employment Center
-  FUTURE ROW
-  High Density Residential
-  Industrial
-  Low Density Residential
-  Medium Density Residential
-  Mixed Use Corridor
-  Parks & Open Space
-  Public / Semi-Public
-  Rural



Zoning

ZONED

C1 - Neighborhood Commercial

C2 - Commercial

CBD - Central Business District

M1 - Light Manufacturing

M2 - Medium Manufacturing

M3 - Industrial Park

OS - Open Space

PF - Public Facilities

PUD - Planned Unit Development

R1 - Single Family Residential

R1A - Single Family Residential - Small Lot

R2 - Mixed Residential

R3 - Multi-Family Residential

R4 - Manufactured Home Residential

R5 - Patio Home Residential

FULTON

WHITNEY

BLUEBIRD

MOCKINGBIRD

WINFRED

Subject
Property

S. MILAM

Z-1609





CITY COUNCIL MEMO

DATE: August 9, 2016

TO: Mayor and City Council

FROM: Brian Jordan, AICP

SUBJECT: Change in the Zoning from R-1 Single family Residential to R1-A Small Lot Residential at 328 Morning Glory Drive (Z-1610).

Summary:

The applicant is proposing to change the zoning on approximately 4.19 acres of land with frontage on Morning Glory Drive and N. Milam Street. The property consists of 2 lots and water and sanitary sewer are available to serve the tract. Property to the north is outside the city limits and other properties are residential. The zoning of the surrounding property is R-1 (see attached exhibit) and the land use plan identifies the subject property as low density residential (see attached exhibit).

Recommendation:

The Planning and Zoning Commission voted 6-1 in favor of recommending denial of the zoning change from R-1 to R1-A. Staff concurs with the Commission's recommendation of denial unless the proper district could be established. A super majority vote of the Council will be required to override the recommendation made by the Planning and Zoning Commission.

One letter has been received in support and seven letters in or opposition of the request have been received. The objection letters do not represent 20% of the land within the notification area.

80

The City of Fredericksburg

Background / Analysis:

See attached Zoning Brief for request Z-1610.

Attachments:

Zoning Brief, Land Use Plan Map, Zoning Map, and Aerial Map of Subject Property.

Department Approval


City Manager Approval

The City of Fredericksburg

LAND USE PLAN AND ZONING CHANGE BRIEF

Rezoning Request # Z-1610

OWNER/APPLICANT: Sean Heep on behalf of Sandra Heep

LOCATION: 328 Morning Glory Drive and 1501 N. Milam Street (see attached map)

SIZE: 4.19 acres

EXISTING ZONING: R-1 Single Family Residential

PROPOSED CHANGE: Change in Zoning from R-1 Single Family Residential to R1-A Small Lot Residential

FINDINGS:

- The property consists of 2 lots. Ms. Heep lives in the house located on Milam Street and the remainder of the property is undeveloped.
- The property has frontage on Milam Street and Morning Glory Drive. (see attached plat)
- Property to the north is outside the city limits and other surrounding properties are residential.
- Access to the property is available from Milam Street and Morning Glory Drive.
- Water and Sanitary Sewer Utilities are currently available to serve the subject property.
- The zoning of surrounding property is R-1(see attached exhibit).
- The Land Use Plan identifies the subject property as Low Density Residential.

LAND USE PLAN: All properties within the vicinity of the subject property are designated as Low Density Residential. This use is representative of traditional single-family detached dwelling units. The areas designated for low density residential land use are generally not adjacent to major thoroughfares or incompatible land uses, and are in proximity to existing single family residential land use. The plan states that within these areas, the City should encourage a range of lot sizes and housing types in order to promote increased housing diversity and affordability.

ZONING: The applicants are requesting a change in zoning to the R1-A, Small Lot Residential zoning district. So, while the land use of single-family residential is not changing, the density and size of lots would change. And, since the applicants only control a portion of the property within the neighborhood, it is not recommended that the subject property be considered on its own. In our opinion, this would clearly represent a form of spot zoning. It was suggested if the Commission is inclined to consider the R1-A zoning, that a larger district be created.

OPPOSITION/SUPPORT OF REQUEST: One letter has been received in support and Seven letters in opposition to this request.

PLANNING AND ZONING COMMISSION RECOMMENDATION: The Commission voted 6-1 in favor of recommending denial of the request to change the zoning from R-1 to R1-A.

STAFF RECOMMENDATION: Staff concurs with the Commission recommendation of denial of this request.

Landuse
LANDUSE

-  Downtown Central Business District
-  Uptown Central Business District
-  Commercial Center
-  Commercial
-  Employment Center
-  FUTURE ROW
-  High Density Residential
-  Industrial
-  Low Density Residential
-  Medium Density Residential
-  Mixed Use Corridor
-  Parks & Open Space
-  Public / Semi-Public
-  Rural

Subject Property

Subject Property

CROSS MTN DR.

MORNING GLORY DR.

CANDLELIGHT CIRCLE

CANDLELIGHT COVE

N. WILLIAM (RR 965)

TIMBERIDGE DR.

TRAILMOOR DR.

BROADMOOR DR.

GLENMOOR DR.

ELM SEAMOOR DR.

WESTMOOR DR.

Subject Property

Zoning ZONED

MORNING GLORY C1 - Neighborhood Commercial

~~N. MILAM (RR 965)~~

~~CROSS MTN DR.~~

CANDLELIGHT CIRCLE

CANDLELIGHT COVE

BROADMOOR DR.

ELM
SEAM
DR.

GLENMOOR
DR.

TIMBERIDGE DR.

DR.

Profit/Development

Residential

Family Residential - Small Lot

ential

Residential

and Home Residential

Residential

Z-1610



N. MILAM (RR 965)

MORNING GLORY DR.

CROSS MTN DR.

1 inch = 189 feet

CANDLELIGHT CIR

CANDLELIGHT COVE

TRAIL MOON DR.

TRAIL RIDGE DR.



CITY COUNCIL MEMO

DATE: August 4, 2016
TO: Mayor and City Council
FROM: Kent Myers, City Manager
SUBJECT: Limited Tax Notes-Animal Shelter Financing

Summary:

Based upon City Council direction last month, the City's Financial Advisor has moved forward to solicit bids for the financing of \$1,535,000 Limited Tax Notes for construction of the new Animal Shelter.

Recommendation:

The City's Financial Advisor, Dan Wegmiller, will present the bids for this financing at the City Council meeting. He will provide his recommendations at the Council meeting

Background / Analysis:

Last month the City Council approved a resolution instructing City staff and our Financial Advisor to move forward on securing bids for the \$1,535,000 Limited Tax Notes for the new Animal Shelter. Over the past two weeks, these bids have been solicited from a number of area financial institutions. The bids will be opened on August 12 and presented at the August 15 meeting for your consideration.

The attached ordinance includes several blanks that will need to be filled in once the bids are opened on Friday. This information will be provided to you at the Council meeting.

Attachments:

(86)

The City of Fredericksburg

Ordinance approving the Limited Tax Notes

Department Approval


City Manager Approval

(87)

The City of Fredericksburg

NORTON ROSE FULBRIGHT

July 28, 2016

Via E-Mail

Norton Rose Fulbright US LLP
300 Convent Street, Suite 2100
San Antonio, Texas 78205-3792
United States

Kent Myers
City Manager
City of Fredericksburg
126 West Main St.
Fredericksburg, Texas 78624

W. Jeffrey Kuhn
Partner
Direct line +1 210 270 7131
w.jeffrey.kuhn@nortonrosefulbright.com

Tel +1 210 224 5575
Fax +1 210 270 7205
nortonrosefulbright.com

Re: City of Fredericksburg, Texas Tax Notes, Series 2016

Dear Kent:

I enclose as Exhibit A to this letter the agenda item to be utilized in preparing the agenda for the August 15, 2016 regular meeting of the City Council. Thank you for coordinating with City officials to ensure that this agenda item is posted in accordance with the provisions of the Texas Open Meetings Act. I also enclose as Exhibit B the suggested motion for this item.

I also enclose a draft copy of the Ordinance for inclusion in the City Council's agenda packets. Please send any comments to this Ordinance to me as soon as possible so that it may be finalized.

Lastly, I enclose Exhibit A and Exhibit B in Word format for your convenience.

Thank you, in advance, for your prompt attention to this matter. If I can provide any additional assistance concerning this matter, please do not hesitate to contact me.

Very truly yours,



W. Jeffrey Kuhn

WJK/jcq
Enclosures

cc: Ms. Pat McGowan (City of Fredericksburg, Texas)
Mr. Dan Wegmiller (Specialized Public Finance Inc.)
Mr. Jeff Garland (Specialized Public Finance Inc.)
Mr. James P. Plummer (Firm)
Mr. Clay Binford (Firm)
Ms. Stephanie V. Leibe (Firm)
Mr. Adam Harden (Firm)
Mr. Arnold Cantu III (Firm)
Ms. Lauren N. Ferrero (Firm)

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Kent Myers
July 28, 2016
Page 2

 NORTON ROSE FULBRIGHT

Mr. Matthew A. Lee (Firm)
Mr. Clay Chrisman (Firm)

EXHIBIT A

CONSIDERATION AND APPROVAL OF AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS AUTHORIZING THE ISSUANCE OF "CITY OF FREDERICKSBURG, TEXAS TAX NOTES, SERIES 2016", LEVYING AN ANNUAL AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, FOR THE PAYMENT OF THE OBLIGATIONS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE OBLIGATIONS; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE AND INVESTMENT LETTER; COMPLYING WITH THE LETTER OF REPRESENTATIONS PREVIOUSLY EXECUTED WITH THE DEPOSITORY TRUST COMPANY; AUTHORIZING THE EXECUTION OF ANY NECESSARY ENGAGEMENT AGREEMENTS WITH THE CITY'S FINANCIAL ADVISORS AND/OR BOND COUNSEL; AND PROVIDING AN EFFECTIVE DATE

EXHIBIT B

A MOTION BY COUNCILMEMBER _____ AND SECONDED BY
COUNCILMEMBER _____ THAT THE CITY COUNCIL ADOPT AN
ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF
FREDERICKSBURG, TEXAS TAX NOTES, SERIES 2016"

EXHIBIT A

CONSIDERATION AND APPROVAL OF AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS AUTHORIZING THE ISSUANCE OF "CITY OF FREDERICKSBURG, TEXAS TAX NOTES, SERIES 2016", LEVYING AN ANNUAL AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, FOR THE PAYMENT OF THE OBLIGATIONS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE OBLIGATIONS; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE AND INVESTMENT LETTER; COMPLYING WITH THE LETTER OF REPRESENTATIONS PREVIOUSLY EXECUTED WITH THE DEPOSITORY TRUST COMPANY; AUTHORIZING THE EXECUTION OF ANY NECESSARY ENGAGEMENT AGREEMENTS WITH THE CITY'S FINANCIAL ADVISORS AND/OR BOND COUNSEL; AND PROVIDING AN EFFECTIVE DATE

EXHIBIT B

A MOTION BY COUNCILMEMBER _____ AND SECONDED BY
COUNCILMEMBER _____ THAT THE CITY COUNCIL ADOPT AN
ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF
FREDERICKSBURG, TEXAS TAX NOTES, SERIES 2016"

ORDINANCE NO. _____

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS AUTHORIZING THE ISSUANCE OF "CITY OF FREDERICKSBURG, TEXAS TAX NOTES, SERIES 2016", LEVYING AN ANNUAL AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, FOR THE PAYMENT OF THE OBLIGATIONS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE OBLIGATIONS; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE AND INVESTMENT LETTER; COMPLYING WITH THE LETTER OF REPRESENTATIONS PREVIOUSLY EXECUTED WITH THE DEPOSITORY TRUST COMPANY; AUTHORIZING THE EXECUTION OF ANY NECESSARY ENGAGEMENT AGREEMENTS WITH THE CITY'S FINANCIAL ADVISORS AND/OR BOND COUNSEL; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, pursuant to the provisions of Chapter 1431, as amended, Texas Government Code (the *Act*), the City Council (the *Governing Body*) of the City of Fredericksburg, Texas (the *City* or the *Issuer*) is authorized and empowered to issue anticipation notes to pay contractual obligations incurred or to be incurred for the construction of any public works, for the purchase of materials, supplies, equipment, machinery, buildings, lands, and rights-of-way for the Issuer's authorized needs and purposes, and for professional services, including services provided by tax appraisal engineers, engineers, architects, attorneys, auditors, mapmakers, financial advisors, and fiscal agents; and

WHEREAS, in accordance with the provisions of the Act, the Governing Body hereby finds and determines that anticipation notes should be issued and sold at this time to finance the costs of paying contractual obligations to be incurred for (1) construct and equip a new animal control facility and (2) the payment of professional services related to the design, construction, landscaping, and financing of the aforementioned projects; and

WHEREAS, the Governing Body hereby finds and determines that the issuance of anticipation notes is in the best interests of the residents of the Issuer, now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS THAT:

SECTION 1: Authorization - Designation - Principal Amount - Purpose. General obligation notes of the Issuer shall be and are hereby authorized to be issued in the aggregate principal amount of _____ AND NO/100 DOLLARS (\$ _____), to be designated and bear the title of "CITY OF FREDERICKSBURG, TEXAS TAX NOTES, SERIES 2016" (the *Obligations*), for the purpose of providing funds for (1) construct and equip a new animal control facility and (2) the payment of professional services related to the design, construction, landscaping, and financing of the aforementioned projects, all in conformity with the laws of the State of Texas, particularly Chapter 1431, as amended, Texas

Government Code, an ordinance adopted by the Governing Body on August 15, 2016, and the City's Home Rule Charter.

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Dated Date. The Obligations shall be issued as fully registered obligations, without coupons, shall be dated August 1, 2016 (the *Dated Date*) and shall be issued in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof (within a Stated Maturity), shall be lettered "R-" and numbered consecutively from one (1) upward and principal shall become due and payable on February 15 in each of the years and in principal amounts (the *Stated Maturities*) and bear interest on the unpaid principal amounts from the Closing Date, or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, to the earlier of redemption or Stated Maturity, at the per annum rates, while Outstanding (hereinafter defined), in accordance with the following schedule:

<u>Years of Stated Maturity</u>	<u>Principal Amounts (\$)</u>	<u>Interest Rates (%)</u>
2017		
2018		
2019		
2020		
2021		
2022		
2023		

The Obligations shall bear interest on the unpaid principal amounts from the Closing Date (hereinafter defined), or from the most recent Interest Payment Date to which interest has been paid or duly provided for, Stated Maturity, while Outstanding, at the rates per annum shown in the above schedule (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Obligations shall be payable on February 15 and August 15 in each year, commencing February 15, 2017 (the *Interest Payment Date*), while the Obligations are Outstanding.

SECTION 3: Payment of Obligations - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Obligations, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable, without exchange or collection charges to the Holder (as hereinafter defined), appearing on the registration and transfer books maintained by the Paying Agent/Registrar (hereinafter defined), in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and such payment of principal of, premium, if any, and interest on the Obligations shall be without exchange or collection charges to the Holder (as hereinafter defined) of the Obligations.

The selection and appointment of _____, _____, _____ (the *Paying Agent/Registrar*), to serve as the initial Paying Agent/Registrar for the Obligations is hereby approved and confirmed, and the Issuer agrees and covenants to cause to be kept and maintained

at the corporate trust office of the Paying Agent/Registrar books and records (the *Security Register*) for the registration, payment, and transfer of the Obligations, all as provided herein, in accordance with the terms and provisions of a Paying Agent/Registrar Agreement, attached, in substantially final form, as Exhibit A hereto, and such reasonable rules and regulations as the Paying Agent/Registrar and the Issuer may prescribe. The Issuer covenants to maintain and provide a Paying Agent/Registrar at all times while the Obligations are Outstanding, and any successor Paying Agent/Registrar shall be (i) a national or state banking institution or (ii) an association or a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers. Such Paying Agent/Registrar shall be subject to supervision or examination by federal or state authority and authorized by law to serve as a Paying Agent/Registrar.

The Issuer reserves the right to appoint a successor Paying Agent/Registrar upon providing the previous Paying Agent/Registrar with a certified copy of a resolution or ordinance terminating such agency. Additionally, the Issuer agrees to promptly cause a written notice of this substitution to be sent to each Holder of the Obligations by United States mail, first-class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of, premium, if any, and interest on the Obligations, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable only to the registered owner of the Obligations appearing on the Security Register (the *Holder* or *Holders*) maintained on behalf of the Issuer by the Paying Agent/Registrar as hereinafter provided (i) on the Record Date (hereinafter defined) for purposes of payment of interest on the Obligations, (ii) on the date of surrender of the Obligations for purposes of receiving payment of principal thereof upon redemption of the Obligations or at the Obligations' Stated Maturity, and (iii) on any date for any other purpose. The Issuer and the Paying Agent/Registrar, and any agent of either, shall treat the Holder as the owner of an Obligation for purposes of receiving payment and all other purposes whatsoever, and neither the Issuer nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

Principal of and premium, if any, on the Obligations shall be payable only upon presentation and surrender of the Obligations to the Paying Agent/Registrar at its corporate trust office (provided, however, with respect to principal payments prior to the final Stated Maturity, the Obligations need not be surrendered to the Paying Agent/Registrar, who will merely document this payment on an internal ledger maintained by the Paying Agent/Registrar). Interest on the Obligations shall be paid to the Holder whose name appears in the Security Register at the close of business on the last business day of the month next preceding an Interest Payment Date for the Obligations (the *Record Date*) and shall be paid (i) by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, by the Paying Agent/Registrar, to the address of the Holder appearing in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by the Holder at the Holder's risk and expense.

If the date for the payment of the principal of, premium, if any, or interest on the Obligations shall be a Saturday, a Sunday, a legal holiday, or a day on which banking institutions in the city where the corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next

succeeding day which is not such a day. The payment on such date shall have the same force and effect as if made on the original date any such payment on the Obligations was due.

In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a *Special Record Date*) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the *Special Payment Date* - which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder of an Obligation appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4: Redemption.

A. Optional Redemption. The Obligations having Stated Maturities on and after February 15, 2021 shall be subject to redemption prior to Stated Maturity, at the option of the Issuer, on February 15, 2020, or on any date thereafter, as a whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar), at the redemption price of par plus accrued interest to the date of redemption.

B. Exercise of Redemption Option. At least forty-five (45) days prior to a date set for the redemption of Obligations (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the Issuer shall notify the Paying Agent/Registrar of its decision to exercise the right to redeem Obligations, the principal amount of each Stated Maturity to be redeemed, and the date set for the redemption thereof. The decision of the Issuer to exercise the right to redeem Obligations shall be entered in the minutes of the governing body of the Issuer.

C. Selection of Obligations for Redemption. If less than all Outstanding Obligations of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall select at random and by lot the Obligations to be redeemed, provided that if less than the entire principal amount of an Obligation is to be redeemed, the Paying Agent/Registrar shall treat such Obligation then subject to redemption as representing the number of Obligations Outstanding which is obtained by dividing the principal amount of such Obligation by \$5,000.

D. Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Obligations, a notice of redemption shall be sent by United States mail, first-class postage prepaid, in the name of the Issuer and at the Issuer's expense, by the Paying Agent/Registrar to each Holder of an Obligation to be redeemed, in whole or in part, at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Obligations, (ii) identify the Obligations to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv)

state that the Obligations, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Obligations, or the principal amount thereof to be redeemed, shall be made at the corporate trust office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder.

If an Obligation is subject by its terms to redemption and has been called for redemption and notice of redemption thereof has been duly given or waived as herein provided, such Obligation (or the principal amount thereof to be redeemed) so called for redemption shall become due and payable, and if money sufficient for the payment of such Obligations (or of the principal amount thereof to be redeemed) at the then applicable redemption price is held for the purpose of such payment by the Paying Agent/Registrar, then on the redemption date designated in such notice, interest on the Obligations (or the principal amount thereof to be redeemed) called for redemption shall cease to accrue and such Obligations shall not be deemed to be Outstanding in accordance with the provisions of this Ordinance. This notice may also be published once in a financial publication, journal, or reporter of general circulation among securities dealers in the City of New York, New York (including, but not limited to, *The Bond Buyer* and *The Wall Street Journal*), or in the State of Texas (including, but not limited to, *The Texas Bond Reporter*).

E. Transfer/Exchange of Obligations. Neither the Issuer nor the Paying Agent/Registrar shall be required (1) to transfer or exchange any Obligation during a period beginning forty-five (45) days prior to the date fixed for redemption of the Obligations or (2) to transfer or exchange any Obligation selected for redemption, provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance of an Obligation which is subject to redemption in part.

SECTION 5: Execution - Registration. The Obligations shall be executed on behalf of the Issuer by its Mayor under the seal of the Issuer reproduced or impressed thereon and attested by its City Secretary. The signature of any of said officers on the Obligations may be manual or facsimile. Obligations bearing the manual or facsimile signatures of individuals who were, at the time of the Dated Date, the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or either of them shall cease to hold such offices prior to the delivery of the Obligations to the Purchasers (hereinafter defined), all as authorized and provided in Chapter 1201, as amended, Texas Government Code.

No Obligation shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Obligation either a certificate of registration substantially in the form provided in Section 8C, executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent by manual signature, or a certificate of registration substantially in the form provided in Section 8D, executed by the Paying Agent/Registrar by manual signature, and either such certificate upon any Obligation shall be conclusive evidence, and the only evidence, that such Obligation has been duly certified or registered and delivered.

SECTION 6: Registration - Transfer - Exchange of Obligations - Predecessor Obligations. A Security Register relating to the registration, payment, transfer, or exchange of

the Obligations shall at all times be kept and maintained by the Issuer at the corporate trust office of the Paying Agent/Registrar, and the Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of every owner of the Obligations, or, if appropriate, the nominee thereof, issued under and pursuant to the provisions of this Ordinance. Any Obligation may, in accordance with its terms and the terms hereof, be transferred or exchanged for Obligations of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Obligation to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for transfer of any Obligation at the corporate trust office of the Paying Agent/Registrar, the Issuer shall execute and the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Obligations of authorized denominations and having the same Stated Maturity and of a like interest rate and aggregate principal amount as the Obligation or Obligations surrendered for transfer.

At the option of the Holder, Obligations may be exchanged for other Obligations of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Obligations surrendered for exchange upon surrender of the Obligations to be exchanged at the corporate trust office of the Paying Agent/Registrar. Whenever any Obligations are so surrendered for exchange, the Issuer shall execute, and the Paying Agent/Registrar shall register and deliver, the Obligations to the Holder requesting the exchange.

All Obligations issued upon any transfer or exchange of Obligations shall be delivered at the corporate trust office of the Paying Agent/Registrar, or be sent by registered mail to the Holder at his request, risk, and expense, and upon the delivery thereof, the same shall be the valid and binding obligations of the Issuer, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Obligations surrendered upon such transfer or exchange.

All transfers or exchanges of Obligations pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Obligations canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be Predecessor Obligations, evidencing all or a portion, as the case may be, of the same debt evidenced by the new Obligation or Obligations registered and delivered in the exchange or transfer therefor. Additionally, the term Predecessor Obligations shall include any Obligation registered and delivered pursuant to Section 17 in lieu of a mutilated, lost, destroyed, or stolen Obligation which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Obligation.

SECTION 7: Initial Obligations. The Obligations herein authorized shall be initially issued as a single fully registered Obligation in the aggregate principal amount of \$ _____ with principal installments to become due and payable as provided in Section 2 hereof and numbered T-1 (the *Initial Obligations*), and the Initial Obligations shall be registered in the name of the Purchasers (defined herein) or the designee thereof. The Initial Obligations shall be the Obligations submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the Purchasers. Any time after the delivery of the Initial Obligations, the Paying Agent/Registrar, pursuant to written instructions from the Purchasers, or the designee thereof, shall cancel the Initial Obligations delivered hereunder and exchange therefor Definitive Obligations of like kind and of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the Purchasers, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 8: FORMS.

A. Forms Generally. The Obligations, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Obligations shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and may have such letters, numbers, or other marks of identification (including insurance legends in the event the Obligations, or any Stated Maturities thereof, are insured and identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of Bond Counsel (hereinafter referenced)) thereon as may, consistent herewith, be established by the Issuer or determined by the officers executing the Obligations as evidenced by their execution thereof. Any portion of the text of any Obligation may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Obligation.

The definitive Obligations shall be printed, lithographed, or engraved, produced by any combination of these methods, or produced in any other similar manner, all as determined by the officers executing the Obligations as evidenced by their execution thereof, but the Initial Obligation(s) submitted to the Attorney General of the State of Texas may be typewritten or photocopied or otherwise reproduced.

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B. Form of Definitive Obligation.

REGISTERED
NO. _____

REGISTERED
PRINCIPAL AMOUNT
\$ _____

United States of America
State of Texas
County of Gillespie
CITY OF FREDERICKSBURG, TEXAS
TAX NOTES, SERIES 2016

Dated Date:
August 1, 2016

Interest Rate: _____

Stated Maturity: _____

CUSIP NO: _____

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ DOLLARS

The City of Fredericksburg, Texas (the *Issuer*), a body corporate and a municipal corporation in the County of Gillespie, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner specified above, or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount specified above (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on the unpaid Principal Amount hereof from the Closing Date, or from the most recent interest payment date to which interest has been paid or duly provided for until such Principal Amount has become due and payment thereof has been made or duly provided for, to Stated Maturity, while Outstanding, at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 of each year commencing February 15, 2017.

Principal on this Obligation shall be payable to the Registered Owner hereof (the *Holder*), upon presentation and surrender (provided, however, with respect to principal payments prior to the final Stated Maturity, the Obligations need not be surrendered to the Paying Agent/Registrar, who will merely document this payment on an internal ledger maintained by the Paying Agent/Registrar), at the corporate trust office of the Paying Agent/Registrar executing the registration certificate appearing hereon or a successor thereof. Interest shall be payable to the Holder of this Obligation (or one or more Predecessor Obligations, as defined in the Ordinance hereinafter referenced) whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the last business day of the month next preceding each interest payment date. All payments of principal of and interest on this Obligation shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

This Obligation is one of the series specified in its title issued in the aggregate principal amount of \$_____ (the *Obligations*) pursuant to an ordinance adopted by the Governing Body of the Issuer (the *Ordinance*), for the purpose of (1) construct and equip a new animal control facility and (2) the payment of professional services related to the design, construction, landscaping, and financing of the aforementioned projects, all in conformity with the laws of the State of Texas, including Chapter 1431, as amended, Texas Government Code, an ordinance adopted by the Governing Body on August 15, 2016, and the Issuer's Home Rule Charter.

As provided in the Ordinance, the Obligations having Stated Maturities on and after February 15, 2021 shall be subject to redemption prior to Stated Maturity, at the option of the Issuer, on February 15, 2020, or on any date thereafter, as a whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar), at the redemption price of par plus accrued interest to the date of redemption; provided, however, that at least thirty (30) days prior written notice shall be sent to the Holder of the Obligations to be redeemed by United States mail, first-class postage prepaid, and subject to the terms and provisions relating thereto contained in the Ordinance. If this Obligation is subject to redemption prior to Stated Maturity and is in a denomination in excess of \$5,000, portions of the principal sum hereof in installments of \$5,000 or any integral multiple thereof may be redeemed, and, if less than all of the principal sum hereof is to be redeemed, there shall be issued, without charge therefor, to the Holder hereof, upon the surrender of this Obligation to the Paying Agent/Registrar at its corporate trust office, a new Obligation or Obligations of like Stated Maturity and interest rate in any authorized denominations provided in the Ordinance for the then unredeemed balance of the principal sum hereof.

If this Obligation (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption has been duly given, then upon such redemption date this Obligation (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if the money for the payment of the redemption price, and the interest accrued on the principal amount to be redeemed to the date of redemption is held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed. In the event of a partial redemption of the principal amount of this Obligation, payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of this Obligation to the corporate trust office of the Paying Agent/Registrar and, there shall be issued to the registered owner hereof, without charge, a new Obligation or Obligations of like maturity and interest rate in any authorized denominations provided in the Ordinance for the then unredeemed balance of the principal sum hereof. If this Obligation is called for redemption, in whole or in part, the Issuer or the Paying Agent/Registrar shall not be required to issue, transfer, or exchange this Obligation within forty-five (45) days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

The Obligations of this series are payable from the proceeds of an annual ad valorem tax levied upon all taxable property within the Issuer within the limitations prescribed by law.

Reference is hereby made to the Ordinance, a copy of which is on file in the corporate trust office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Obligations; the terms and conditions relating to the transfer or exchange of the Obligations; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the Issuer and the Paying Agent/Registrar; the terms and provisions upon which this Obligation may be redeemed or discharged at or prior to the Stated Maturity thereof, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions specified in the Ordinance. Capitalized terms used herein have the same meanings assigned in the Ordinance.

This Obligation, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register upon presentation and surrender at the corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Holder hereof, or his duly authorized agent, and thereupon one or more new fully registered Obligations of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

The Issuer and the Paying Agent/Registrar, and any agent of either, shall treat the Holder hereof whose name appears on the Security Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Obligation as the owner hereof for purposes of receiving payment of principal hereof at its Stated Maturity, or its redemption, in whole or in part, and (iii) on any other date as the owner hereof for all other purposes, and neither the Issuer nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a *Special Record Date*) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the *Special Payment Date* - which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to the issuance of this Obligation in order to render the same a legal, valid, and binding obligation of the Issuer have been performed, exist, and have been done, in regular and due time, form, and manner, as required by the laws of the State of Texas and the Ordinance, and that issuance of the Obligations does not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of, premium if any, and interest on the Obligations by the levy of a tax as aforesated. In case any provision in this Obligation or any application thereof shall be deemed invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and

provisions of this Obligation and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the Issuer has caused this Obligation to be duly executed under its official seal.

CITY OF FREDERICKSBURG, TEXAS

By: _____
Mayor

ATTEST:

City Secretary

(CITY SEAL)

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C. *Form of Registration Certificate of Comptroller of Public Accounts to Appear on Initial Obligations Only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER OF §
PUBLIC ACCOUNTS §
§ REGISTER NO. _____
THE STATE OF TEXAS §

I HEREBY CERTIFY that this Obligation has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____

Comptroller of Public Accounts
of the State of Texas

(SEAL)

*NOTE TO PRINTER: Not to appear on printed Obligations.

D. Form of Certificate of Paying Agent/Registrar to Appear on Definitive Obligations Only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Obligation has been duly issued under the provisions of the within-mentioned Ordinance; the Obligation or Obligations of the above-entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

Registered this date: _____, _____, _____, as
Paying Agent/Registrar

By: _____
Authorized Signature

E. Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto
(Print or typewrite name, address, and zip code of transferee): _____

(Social Security or other identifying number): _____
the within Obligation and all rights thereunder, and hereby irrevocably constitutes and appoints
_____ attorney to transfer the within Obligation on the books kept for
registration thereof, with full power of substitution in the premises.

DATED: _____

NOTICE: The signature on this assignment must
correspond with the name of the registered owner as it
appears on the face of the within Obligation in every
particular.

Signature guaranteed:

F. The Initial Obligations shall be in the respective forms set forth in paragraph B of
this Section, except that the form of a single fully registered Initial Obligation shall be modified
as follows:

- (i) immediately under the name of the Obligation(s) the headings "Interest Rate
_____" and "Stated Maturity _____" shall both be completed "as shown below";
- (ii) the first two paragraphs shall read as follows:

Registered Owner: _____

Principal Amount: _____

The City of Fredericksburg, Texas (the *Issuer*), a body corporate and municipal
corporation in the County of Gillespie, State of Texas, for value received, acknowledges itself
indebted to and hereby promises to pay to the order of the Registered Owner named above, or the
registered assigns thereof, the Principal Amount specified above on the fifteenth day of February
in each of the years and in principal amounts and bearing interest at per annum rates in
accordance with the following schedule:

Years of <u>Stated Maturity</u>	Principal <u>Amounts (\$)</u>	Interest <u>Rates (%)</u>
------------------------------------	----------------------------------	------------------------------

(Information to be inserted from
schedule in Section 2 hereof).

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the Closing Date (anticipated to occur on September 13, 2016) or from the most recent interest payment date to which interest has been paid or duly provided for until the Principal Amount has become due and payment thereof has been made or duly provided for, to the earlier of redemption or to Stated Maturity, while Outstanding, at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 of each year, commencing February 15, 2017.

Principal of this Obligation shall be payable to the Registered Owner hereof (the *Holder*), upon its presentation and surrender, to Stated Maturity, while Outstanding (provided, however, with respect to principal payments prior to the final Stated Maturity, the Obligations need not be surrendered to the Paying Agent/Registrar, who will merely document this payment on an internal ledger maintained by the Paying Agent/Registrar), at the corporate trust office of _____, _____, _____ (the *Paying Agent/Registrar*). Interest shall be payable to the Holder of this Obligation whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the last business day of the month next preceding each interest payment date. All payments of principal of and interest on this Obligation shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder hereof.

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G. Insurance Legend. If bond insurance is obtained by the Issuer or the Purchasers for the Obligations, the definitive Obligations and the Initial Obligations shall bear an appropriate legend as provided by the insurer.

SECTION 9: Definitions. For all purposes of this Ordinance (as defined below), except as otherwise expressly provided or unless the context otherwise requires: (i) the terms defined in this Section have the meanings assigned to them in this Section, and certain terms used in Sections 19 and 36 of this Ordinance have the meanings assigned to them in such Sections, and all such terms include the plural as well as the singular; (ii) all references in this Ordinance to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of this Ordinance as originally adopted; and (iii) the words "herein", "hereof", and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision.

A. The term *Authorized Officials* shall mean the Mayor, Mayor Pro Tem, the City Manager, the Director of Finance, and/or the City Secretary.

B. The term *Closing Date* shall mean the date of physical delivery of the Initial Obligations in exchange for the payment in full by the Purchasers.

C. The term *Issuer* shall mean the City of Fredericksburg, Texas located in the County of Gillespie, Texas and, where appropriate, the Governing Body of the Issuer.

D. The term *Debt Service Requirements* shall mean, as of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the Issuer as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest at the maximum rate permitted by the terms thereof and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to Stated Maturity, the principal amounts thereof will be redeemed prior to Stated Maturity in accordance with the mandatory redemption provisions applicable thereto.

E. The term *Depository* shall mean an official depository bank of the Issuer.

F. The term *Government Securities*, as used herein, shall mean (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by, the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; or (iv) any additional securities and obligations hereafter authorized by the laws of

the State of Texas as eligible for use to accomplish the discharge of obligations such as the Obligations.

G. The term *Holder* or *Holders* shall mean the registered owner, whose name appears in the Security Register, for any Obligation.

H. The term *Interest Payment Date* shall mean the date interest is payable on the Obligations, being February 15 and August 15 of each year, commencing February 15, 2017, while any of the Obligations remain Outstanding.

I. The term *Obligation Fund* shall mean the special Fund created and established by the provisions of Section 10 of this Ordinance.

J. The term *Obligations* shall mean the \$_____ "CITY OF FREDERICKSBURG, TEXAS TAX NOTES, SERIES 2016" authorized by this Ordinance.

K. The term *Ordinance* shall mean this ordinance finally adopted by the Governing Body of the Issuer on August 15, 2016.

L. The term *Outstanding* when used in this Ordinance with respect to Obligations shall mean, as of the date of determination, all Obligations issued and delivered under this Ordinance, except:

(1) those Obligations canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Obligations for which payment has been duly provided by the Issuer in accordance with the provisions of Section 21 of this Ordinance; and

(3) those Obligations that have been mutilated, destroyed, lost, or stolen and replacement Obligations have been registered and delivered in lieu thereof as provided in Section 17 of this Ordinance.

M. The term *Purchasers* shall mean the initial purchasers of the Obligations named in Section 18 of this Ordinance.

N. The term *Stated Maturity* shall mean the annual principal payments of the Obligations payable on February 15 of each year, as set forth in Section 2 of this Ordinance.

SECTION 10: Obligation Fund – Investments. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption, and retirement of the Obligations, there shall be and is hereby created a special Fund to be designated "TAX NOTES, SERIES 2016, INTEREST AND SINKING FUND" (the *Obligation Fund*), which Fund shall be kept and maintained at the Depository, and money deposited in such Fund shall be used for no other purpose and shall be maintained as provided in Section 19. Authorized Officials of the Issuer are hereby authorized and directed to make withdrawals from the Obligation Fund sufficient to pay the principal of, premium, if any, and interest on the Obligations as the same become due and payable, or the purchase price thereof, and shall cause to be transferred to the Paying

Agent/Registrar from money on deposit in the Obligation Fund an amount sufficient to pay the amount of principal and/or interest stated to mature on the Obligations, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the business day next preceding each interest and principal payment date for the Obligations.

Pending the transfer of funds to the Paying Agent/Registrar, money in any Fund created and established pursuant to the provisions of this Ordinance, at the option of the Issuer, may be placed in time deposits, certificates of deposit, guaranteed investment contracts, or similar contractual agreements, as permitted by the provisions of the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code, secured (to the extent not insured by the Federal Deposit Insurance Corporation) by obligations of the type hereinafter described, or be invested, as authorized by any law, including investments held in book-entry form, in securities including, but not limited to, direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or invested in indirect obligations of the United States of America, including, but not limited to, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, Farmers Home Administration, Federal Home Loan Mortgage Association, Small Business Administration, or Federal Housing Association; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from such Fund will be available at the proper time or times. All interest and income derived from deposits and investments in any fund established pursuant to the provisions of this Ordinance shall be credited to, and any losses debited to, such Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Obligations.

SECTION 11: Tax Levy. To provide for the payment of the Debt Service Requirements on the Obligations being (i) the interest on the Obligations and (ii) a sinking fund for their redemption at Stated Maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied for the current year and each succeeding year thereafter while the Obligations or any interest thereon shall remain Outstanding, a sufficient tax, within the limitations prescribed by law, on each one hundred dollars' valuation of taxable property in the Issuer, adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Obligation Fund and are thereafter pledged to the payment of the Obligations. The Governing Body hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay such Debt Service Requirements, it having been determined that the existing and available taxing authority of the Issuer for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness and other obligations of the Issuer.

SECTION 12: Deposits to Obligation Fund – Surplus Obligation Proceeds. The Issuer hereby covenants and agrees to cause to be deposited in the Obligation Fund prior to a principal and interest payment date for the Obligations, from the annual levy of an ad valorem tax or from

other lawfully available funds, amounts sufficient to fully pay and discharge promptly each installment of interest and principal of the Obligations as the same accrues or matures or comes due by reason of Stated Maturity.

Accrued interest, if any, received from the Purchasers of the Obligations shall be deposited to the Obligation Fund. In addition, any surplus proceeds from the sale of the Obligations, including investment income thereon, not expended for authorized purposes, as described in Section 1 hereof, shall be deposited in the Obligation Fund, and such amounts so deposited shall reduce the sum otherwise required to be deposited in said Fund from ad valorem taxes.

SECTION 13: Security of Funds. All money on deposit in the Funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested as provided herein) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and money on deposit in such Funds shall be used only for the purposes permitted by this Ordinance.

SECTION 14: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the Issuer covenants and agrees particularly that in the event the Issuer (a) defaults in the payments to be made to the Obligation Fund or (b) defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Ordinance, the Holders of any of the Obligations shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the Issuer and other officers of the Issuer to observe and perform any covenant, condition, or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 15: Notices to Holders – Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first-class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Holders. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 16: Cancellation. All Obligations surrendered for payment, transfer, redemption, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the Issuer, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The Issuer may at any time deliver to the Paying Agent/Registrar for cancellation any Obligations previously certified or registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Obligations so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Obligations held by the Paying Agent/Registrar shall be destroyed as directed by the Issuer.

SECTION 17: Mutilated, Destroyed, Lost, and Stolen Obligations. If (1) any mutilated Obligation is surrendered to the Paying Agent/Registrar, or the Issuer and the Paying Agent/Registrar receive evidence to their satisfaction of the destruction, loss, or theft of any Obligation, and (2) there is delivered to the Issuer and the Paying Agent/Registrar such security or indemnity as may be required to save each of them harmless, then, in the absence of notice to the Issuer or the Paying Agent/Registrar that such Obligation has been acquired by a bona fide purchaser, the Issuer shall execute and, upon its request, the Paying Agent/Registrar shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Obligation, a new Obligation of the same Stated Maturity and interest rate and of like tenor and principal amount, bearing a number not contemporaneously Outstanding.

In case any such mutilated, destroyed, lost, or stolen Obligation has become or is about to become due and payable, the Issuer in its discretion may, instead of issuing a new Obligation, pay such Obligation.

Upon the issuance of any new Obligation or payment in lieu thereof, under this Section, the Issuer may require payment by the Holder of a sum sufficient to cover any tax or other governmental charge imposed in relation thereto and any other expenses (including attorney's fees and the fees and expenses of the Paying Agent/Registrar) connected therewith.

Every new Obligation issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Obligation shall constitute a replacement of the prior obligation of the Issuer, whether or not the mutilated, destroyed, lost, or stolen Obligation shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Obligations.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Obligations.

SECTION 18: Sale of Obligations - Purchase and Investment Letters Approval – Use of Proceeds. The Obligations authorized by this Ordinance are hereby sold by the Issuer to _____, _____, _____ (the *Purchaser*, having all the rights, benefits, and obligations of a Holder), in accordance with the provisions of a Purchase and Investment Letter (the *Purchase Contract*), dated August 15, 2016 attached hereto as Exhibit B and incorporated hereby by reference as a part of this Ordinance for all purposes. The pricing and terms of the sale of the Obligations are hereby found and determined to be the most advantageous reasonably

obtainable by the Issuer. The Initial Obligations shall be registered in the name of _____ . The Mayor of the Issuer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the Issuer and as the act and deed of this Governing Body, and in regard to the approval and execution of the Purchase Contract, the Governing Body hereby finds, determines and declares that the representations, warranties, and agreements of the Issuer contained in the Purchase Contract are true and correct in all material respects and shall be honored and performed by the Issuer. Delivery of the Obligations to the Purchasers shall occur as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of the Purchase Contract.

Proceeds from the sale of the Obligations shall be applied as follows:

(1) Accrued interest, if any, received from the Purchasers shall be deposited into the Obligation Fund.

(2) The balance of the proceeds derived from the sale of the Obligations (after paying costs of issuance) shall be deposited into the special construction account or accounts created for the projects to be constructed with the proceeds of the Obligations. This special construction account shall be established and maintained at the Depository and shall be invested in accordance with the provisions of Section 10 of this Ordinance. Interest earned on the proceeds of the Obligations pending completion of construction of the projects financed with such proceeds shall be accounted for, maintained, deposited, and expended as permitted by the provisions of Chapter 1201, as amended, Texas Government Code, or as required by any other applicable law. Thereafter, such amounts shall be expended in accordance with Section 12 of this Ordinance.

SECTION 19: Covenants to Maintain Tax-Exempt Status.

A. Definitions. When used in this Section, the following terms have the following meanings:

Closing Date shall mean the date of physical delivery of the Initial Obligations in exchange for the payment in full by the Purchasers.

Code means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

Computation Date has the meaning set forth in Section 1.148-1(b) of the Regulations.

Gross Proceeds means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Obligations.

Investment has the meaning set forth in Section 1.148-1(b) of the Regulations.

Nonpurpose Investment means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Obligations are invested and which is not acquired to carry out the governmental purposes of the Obligations.

Rebate Amount has the meaning set forth in Section 1.148-1(b) of the Regulations.

Regulations means any proposed, temporary, or final Income Tax Regulations issued pursuant to sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Obligations. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

Yield of

(1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(2) the Obligations has the meaning set forth in Section 1.148-4 of the Regulations.

B. Not to Cause Interest to Become Taxable. The Issuer shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Obligations to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Issuer receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Obligation, the Issuer shall comply with each of the specific covenants in this Section.

C. No Private Use or Private Payments. Except to the extent that it will not cause the Obligations to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the Issuer shall at all times prior to the last Stated Maturity of Obligations:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Obligations, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Obligations or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the Issuer or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

D. No Private Loan. Except to the extent that it will not cause the Obligations to become “private activity bonds” within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the Issuer shall not use Gross Proceeds of the Obligations to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (i) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (ii) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (iii) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

E. Not to Invest at Higher Yield. Except to the extent that it will cause the Obligations to become “arbitrage bonds” within the meaning of section 148 of the Code and the Regulations and rulings thereunder, the Issuer shall not at any time prior to the final Stated Maturity of the Obligations directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, materially exceeds the Yield of the Obligations.

F. Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the Issuer shall not take or omit to take any action which would cause the Obligations to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

G. Information Report. The Issuer shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

H. Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder or except to the extent the Issuer complies with Subsection J of this Section:

(1) The Issuer shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last Outstanding Obligation is discharged. However, to the extent permitted by law, the Issuer may commingle Gross Proceeds of the Obligations with other money of the Issuer, provided

that the Issuer separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the Issuer shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The Issuer shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Obligations until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Obligations by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the Issuer shall pay to the United States out of the Obligation Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Obligations equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The Issuer shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

I. Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the Issuer shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Obligations, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection H of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Obligations not been relevant to either party.

J. No Rebate Required. The Issuer need not comply with the covenants and duties imposed by the provisions of Subsection H. of this Section if:

(1) the Issuer is a governmental unit with general taxing powers;

(2) 95% of the Net Proceeds of the Obligations and all income from the investment thereof will be used for the governmental activities of the Issuer;

(3) the aggregate face amount, within the meaning of Section 1.148-8(c)(1) of the Regulations, of all debt obligations (other than private activity bonds) issued or expected to be issued by the Issuer or any subordinate entity in the calendar year in which the Obligations are issued is not reasonably expected to exceed \$5,000,000; and

K. the Issuer otherwise satisfies the requirements of paragraph (4)(c) of section 148(f) of the Code and Section 1.148-8 of the Regulations and rulings thereunder.

L. Obligations Not Hedge Bonds.

(1) The Issuer reasonably expects to spend at least 85% of the spendable proceeds of the Obligations within three years after such Obligations are issued.

(2) Not more than 50% of the proceeds of the Obligations will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

M. Elections. The Issuer hereby directs and authorizes any Authorized Official, either or any combination of the foregoing, to make such elections in the Certificate as to Tax Exemption or similar or other appropriate certificate, form, or document permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Obligations. Such elections shall be deemed to be made on the Closing Date.

N. Qualified Tax-Exempt Obligations. The Issuer hereby designates the Obligations as *qualified tax-exempt obligations* for purposes of section 265(b) of the Code. In furtherance of such designation, the Issuer represents, covenants and warrants the following: (a) during the calendar year in which the Obligations are issued, the Issuer (including any subordinate entities) has not designated nor will designate obligations, which when aggregated with the Obligations, will result in more than \$10,000,000 of "qualified tax-exempt obligations" being issued; (b) the Issuer reasonably anticipates that the amount of tax-exempt obligations issued during the calendar year 2016 by the Issuer (including any subordinate entities) will not exceed \$10,000,000; and (c) the Issuer will take such action or refrain from such action as is necessary in order that the Obligations will not be considered "private activity bonds" within the meaning of section 141 of the Code.

SECTION 20: Control and Custody of Obligations. The Mayor shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas and shall take and have charge and control of the Obligations pending their approval by the Attorney General of the State of Texas, the registration thereof by the Comptroller of Public Accounts of the State of Texas and the delivery of the Obligations to the Purchasers.

Furthermore, any Authorized Official, either or all, are hereby authorized and directed to furnish and execute such documents relating to the Issuer and its financial affairs as may be necessary for the issuance of the Obligations, the approval of the Attorney General of the State of Texas and their registration by the Comptroller of Public Accounts of the State of Texas and, together with the Issuer's financial advisors, Bond Counsel, and the Paying Agent/Registrar,

make the necessary arrangements for the delivery of the Initial Obligations to the Purchasers and the initial exchange thereof for definitive Obligations.

SECTION 21: Satisfaction of Obligation of Issuer. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Obligations, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the Issuer to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Obligations, or any principal amount(s) thereof, shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Obligations or the principal amount(s) thereof at Stated Maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, and/or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have, in the case of a net defeasance, been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any money deposited therewith, if any, to pay when due the principal of and interest on such Obligations, or the principal amount(s) thereof, on or prior to, the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. In the event of a gross defeasance of the Obligations, the Issuer shall deliver a certificate from its financial advisor, the Paying Agent/Registrar, or another qualified third party concerning the deposit of cash and/or Government Securities to pay, when due, the principal of, redemption premium (if any), and interest due on any defeased Obligations. The Issuer covenants that no deposit of money or Government Securities will be made under this Section and no use made of any such deposit which would cause the Obligations to be treated as arbitrage bonds within the meaning of section 148 of the Code (as defined in Section 19 hereof).

Any money so deposited with the Paying Agent/Registrar, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Obligations, or any principal amount(s) thereof, or interest thereon with respect to which such money has been so deposited shall be remitted to the Issuer or deposited as directed by the Issuer. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Obligations and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Obligations, such money was deposited and is held in trust to pay shall upon the request of the Issuer be remitted to the Issuer against a written receipt therefor, subject to the unclaimed property laws of the State of Texas.

Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem defeased Obligations that is made in conjunction with the payment arrangements specified in subsection (i) or (ii) above shall not be irrevocable, provided that: (1) in the proceedings providing for such defeasance, the Issuer expressly reserves the right to call the defeased Obligations for redemption; (2) gives notice of the reservation of that right to the owners of the defeased Obligations immediately following the defeasance;

(3) directs that notice of the reservation be included in any redemption notices that it authorizes; and (4) at the time of the redemption, satisfies the conditions of (i) or (ii) above with respect to such defeased debt as though it was being defeased at the time of the exercise of the option to redeem the defeased Obligations, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the defeased Obligations.

SECTION 22: Printed Opinion. The Purchasers' obligation to accept delivery of the Obligations is subject to its being furnished a final opinion of Norton Rose Fulbright US LLP, San Antonio, Texas, as Bond Counsel, approving certain legal matters as to the Obligations, said opinion to be dated and delivered as of the date of initial delivery and payment for such Obligations. Printing of a true and correct copy of this opinion on the reverse side of each of the Obligations, with appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary of the Issuer is hereby approved and authorized.

SECTION 23: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Obligations. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Obligations shall be of no significance or effect as regards the legality thereof, and neither the Issuer nor attorneys approving said Obligations as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Obligations.

SECTION 24: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 25: Ordinance a Contract; Amendments - Outstanding Obligations. The Issuer acknowledges that the covenants and obligations of the Issuer herein contained are a material inducement to the purchase of the Obligations. This Ordinance shall constitute a contract with the Holders from time to time, shall be binding on the Issuer and its successors and assigns, and shall not be amended or repealed by the Issuer so long as any Obligation remains Outstanding except as permitted in this Section. The Issuer may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Issuer may, with the written consent of Holders holding a majority in aggregate principal amount of the Obligations then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided, however that, without the consent of all Holders of Outstanding Obligations, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, and interest on the Obligations, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, or interest on the Obligations, (2) give any preference to any Obligation over any other Obligation, or (3) reduce the aggregate principal amount of Obligations required for consent to any such amendment, addition, or rescission.

SECTION 26: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the Issuer, Bond Counsel, Paying Agent/Registrar, and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being

intended to be and being for the sole and exclusive benefit of the Issuer, Bond Counsel, the Paying Agent/Registrar, and the Holders.

SECTION 27: Inconsistent Provisions. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

SECTION 28: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 29: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 30: Severability. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Governing Body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 31: Incorporation of Preamble Recitals. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Governing Body.

SECTION 32: Authorization of Paying Agent/Registrar Agreement. The Governing Body of the Issuer hereby finds and determines that it is in the best interest of the Issuer to authorize the execution of a Paying Agent/Registrar Agreement concerning the payment, exchange, registration, and transferability of the Obligations. A copy of the Paying Agent/Registrar Agreement is attached hereto, in substantially final form, as Exhibit A and is incorporated by reference to the provisions of this Ordinance.

SECTION 33: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is finally adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 34: Unavailability of Authorized Publication. If, because of the temporary or permanent suspension of any newspaper, journal, or other publication, or, for any reason, publication of notice cannot be made meeting any requirements herein established, any notice required to be published by the provisions of this Ordinance shall be given in such other manner and at such time or times as in the judgment of the Issuer or of the Paying Agent/Registrar shall most effectively approximate such required publication and the giving of such notice in such manner shall for all purposes of this Ordinance be deemed to be in compliance with the requirements for publication thereof.

SECTION 35: No Recourse Against Issuer Officials. No recourse shall be had for the payment of principal of, premium, if any, or interest on any Obligation or for any claim based thereon or on this Ordinance against any official of the Issuer or any person executing any Obligation.

SECTION 36: Continuing Disclosure Undertaking.

Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

Rule means SEC Rule 15c2-12, as amended from time to time.

SEC means the United States Securities and Exchange Commission.

The Obligations are being sold pursuant to a private placement with the Purchasers, generally in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof, to less than thirty-five sophisticated investors, and therefore SEC Rule 15c2-12 is not applicable to the offering of the Obligations. Accordingly, no contract to provide continuing disclosure information after the issuance of the Obligations has been made by the Issuer with investors.

SECTION 37: Book-Entry Only System.

The Obligations may initially be registered so as to participate in a securities depository system (the *DTC System*) with the Depository Trust Company, New York, New York, or any successor entity thereto (*DTC*), as set forth herein. Each Stated Maturity of the Obligations shall be issued (following cancellation of the Initial Obligations described in Section 7) in the form of a separate single definitive Obligation. Upon issuance, the ownership of each such Obligation shall be registered in the name of Cede & Co., as the nominee of DTC, and all of the Outstanding Obligations shall be registered in the name of Cede & Co., as the nominee of DTC. The Issuer and the Paying Agent/Registrar are authorized to execute, deliver, and take the actions set forth in such letters to or agreements with DTC as shall be necessary to effectuate the DTC System, including the Letter of Representations attached hereto as Exhibit C (the *Representation Letter*).

With respect to the Obligations registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any broker-dealer, bank, or other financial institution for which DTC holds the Obligations from time to time as securities depository (a *Depository Participant*) or to any person on behalf of whom such a Depository Participant holds an interest in the Obligations (an *Indirect Participant*). Without limiting the immediately preceding sentence, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any Depository Participant with respect to any ownership interest in the Obligations, (ii) the delivery to any Depository Participant or any other person, other than a registered owner of the Obligations, as shown on the Security Register, of any notice with respect to the Obligations, including any notice of redemption, or (iii) the delivery to any Depository Participant or any Indirect Participant or any other Person, other than a Holder of an Obligation, of any amount with respect to principal of, premium, if any, or interest on the Obligations. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a bond certificate evidencing the obligation of the

Issuer to make payments of principal, premium, if any, or interest on the Obligations pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the Holder, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

In the event that (a) the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the Representation Letter shall be terminated for any reason, or (c) DTC or the Issuer determines that it is in the best interest of the beneficial owners of the Obligations that they be able to obtain certificated Obligations, the Issuer shall notify the Paying Agent/Registrar, DTC, and the Depository Participants of the availability within a reasonable period of time through DTC of bond certificates, and the Obligations shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC. At that time, the Issuer may determine that the Obligations shall be registered in the name of and deposited with a successor depository operating a securities depository system, as may be acceptable to the Issuer, or such depository's agent or designee, and if the Issuer and the Paying Agent/Registrar do not select such alternate securities depository system then the Obligations may be registered in whatever name or names the Holders of Obligations transferring or exchanging the Obligations shall designate, in accordance with the provisions hereof.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Obligation is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Obligation and all notices with respect to such Obligation shall be made and given, respectively, in the manner provided in the Representation Letter.

SECTION 38: Further Procedures. The officers and employees of the Issuer are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Issuer all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the initial sale and delivery of the Obligations, the Paying Agent/Registrar Agreement, and the Purchase Contract. In addition, prior to the initial delivery of the Obligations, any Authorized Official and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Obligations by the Texas Attorney General's office. In case any officer of the Issuer whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 39: Contracts with Financial Advisor and/or Bond Counsel. The City Council authorizes the Mayor and/or the City Manager, or their designees, to take all actions necessary to execute any necessary financial advisory contracts with Specialized Public Finance Inc., as the

financial advisor to the Issuer (the *Financial Advisor*). The Issuer understands that under applicable federal securities laws and regulations that the Issuer must have a contractual arrangement with its Financial Advisor relating to the sale, issuance, and delivery of the Obligations. In addition, the City Council also authorizes the Mayor and/or the City Manager, or their designees, to take all actions necessary to execute any necessary engagement agreement with Norton Rose Fulbright US LLP, as the Bond Counsel to the Issuer.

SECTION 40: Accounting Reports. The Issuer shall provide annually to the Purchasers, for so long as they are the holder of the Obligations, within 270 days after the end of each fiscal year ending in or after 2015, financial information and operating data with respect to the Issuer; provided that such financial statements so to be provided shall be (1) prepared in accordance with the generally accepted accounting principles, or such other accounting principles as the Issuer may be required to employ from time to time pursuant to Texas law or regulations, and (2) audited, if the Issuer commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the Issuer shall provide (1) unaudited financial statements for the applicable fiscal year within 270 days after the end of such fiscal year, and (2) audited financial statements for the applicable fiscal year to the Purchasers when and if the audit report on such statements become available.

SECTION 41: Issuer's Consent to Provide Information and Documentation to the Texas MAC. The Municipal Advisory Council of Texas (the *Texas MAC*), a non-profit membership corporation organized exclusively for non-profit purposes described in section 501(c)(6) of the Internal Revenue Code and which serves as a comprehensive financial information repository regarding municipal debt issuers in Texas, requires provision of written documentation regarding the issuance of municipal debt by the issuers thereof. In support of the purpose of the Texas MAC and in compliance with applicable law, the Issuer hereby consents to and authorizes any Authorized Representative, Bond Counsel to the Issuer, and/or Financial Advisor to the Issuer to provide to the Texas MAC information and documentation requested by the Texas MAC relating to the Obligations; provided, however, that no such information and documentation shall be provided prior to the Closing Date. This consent and authorization relates only to information and documentation that is a part of the public record concerning the issuance of the Obligations.

SECTION 42: Retention of Placement Agent. The Issuer has retained William Blair & Company as the Placement Agent relating to the pricing, sale, and closing of the Obligations.

SECTION 43: Effective Date. Pursuant to the provisions of Section 1201.028, as amended, Texas Government Code, this Ordinance shall be effective immediately upon adoption, notwithstanding any provision in the Issuer's Home Rule Charter to the contrary concerning a multiple reading requirement for the adoption of ordinances.

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PASSED AND ADOPTED by the City Council of the City of Fredericksburg, Texas, this the 15th day of August, 2016.

CITY OF FREDERICKSBURG, TEXAS

Mayor

ATTEST:

City Secretary

(CITY SEAL)

I, the undersigned, City Attorney of the City of Fredericksburg, Texas, hereby certify that I read, passed upon, and approved as to form and legality the foregoing Ordinance prior to its adoption and passage as aforesaid.

Pat McGowan, City Attorney

INDEX TO EXHIBITS

Exhibit A	Paying Agent/Registrar Agreement
Exhibit B	Purchase Contract
Exhibit C	DTC Letter of Representations

EXHIBIT A

Paying Agent/Registrar Agreement

See Tab No. __

EXHIBIT B

Purchase Contract

See Tab No. __

EXHIBIT C

DTC Letter of Representations

See Tab No. __



CITY COUNCIL MEMO

DATE: August 15, 2016

TO: Mayor and City Council

FROM: Laura Hollenbeak, Director of Finance

SUBJECT: Receive and Accept 2016 Effective and Rollback Tax Rate Calculations

Summary:

Truth-in-Taxation requires cities to calculate two rates after receiving a certified appraisal roll from the chief appraiser – the effective tax rate and the rollback tax rate. Both rates are calculated by Scott Fair, Chief Appraiser for the Gillespie Central Appraisal District.

Effective Tax Rate

The effective tax rate is a calculated rate that would provide the taxing unit with about the same amount of revenue it received in the prior year on properties taxed in both years. If property values rise, the effective tax rate goes down and if property values decrease, the effective tax rate increases.

Although the actual calculation can become more complicated, a taxing unit's effective tax rate is a calculated rate generally equal to the prior year's taxes divided by the current taxable value of properties that were on the tax roll last year. The resulting tax rate, used for comparison only, shows the relation between the prior year's revenue and the current year's values.

The 2016 Effective Tax Rate has been calculated at \$0.2203 per \$100 of property value.

Rollback Tax Rate

The rollback tax rate is a calculated maximum rate allowed by law without voter approval. A taxing unit's rollback tax rate is a calculated rate that divides the overall property taxes into two categories – M&O and debt service, also called interest and sinking.

If a taxing unit adopts a tax rate higher than the rollback tax rate, voters in the taxing unit can circulate a petition calling for an election to limit the size of the tax increase.

The 2016 Rollback Tax Rate has been calculated at \$0.2435 per \$100 of property value.

Recommendation:

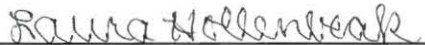
City Staff has reviewed the computation of the Effective and Rollback Tax Rates and is in agreement that they have accurately been calculated. Staff recommends that the council accept both rate calculations..

Background / Analysis:

The 2016 Effective and Rollback Tax Rate Worksheets are included for your review.

Attachments:

2016 Effective and Rollback Tax Rate Worksheets



Department Approval



City Manager Approval

2016 Effective Tax Rate Worksheet

City of Fredbg

See pages 13 to 16 for an explanation of the effective tax rate.

1. 2015 total taxable value. Enter the amount of 2015 taxable value on the 2015 tax roll today. Include any adjustments since last year's certification; exclude Section 25.25(d) one-third over-appraisal corrections from these adjustments. This total includes the taxable value of homesteads with tax ceilings (will deduct in line 2) and the captured value for tax increment financing (will deduct taxes in line 14). ¹	\$1,569,337,700
2. 2015 tax ceilings. Counties, Cities and Junior College Districts. Enter 2015 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other units enter "0" If your taxing units adopted the tax ceiling provision in 2015 or prior year for homeowners age 65 or older or disabled, use this step. ²	\$355,832,334
3. Preliminary 2015 adjusted taxable value. Subtract line 2 from line 1.	\$1,213,505,366
4. 2015 total adopted tax rate.	\$0.231300/\$100
5. 2015 taxable value lost because court appeals of ARB decisions reduced 2015 appraised value. A. Original 2015 ARB values: \$0 B. 2015 values resulting from final court decisions: - \$0 C. 2015 value loss. Subtract B from A. ³	\$0
6. 2015 taxable value, adjusted for court-ordered reductions. Add line 3 and line 5C.	\$1,213,505,366
7. 2015 taxable value of property in territory the unit deannexed after January 1, 2015. Enter the 2015 value of property in deannexed territory. ⁴	\$0
8. 2015 taxable value lost because property first qualified for an exemption in 2015. Note that lowering the amount or percentage of an existing exemption does not create a new exemption or reduce taxable value. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, "goods-in-transit" exemptions. A. Absolute exemptions. Use 2015 market value: \$580,110 B. Partial exemptions. 2016 exemption amount or 2016 percentage exemption times 2015 value: + \$1,048,025 C. Value loss. Add A and B. ⁵	\$1,628,135

1 Tex. Tax Code § 26.012(14)

2 Tex. Tax Code § 26.012(14)

3 Tex. Tax Code § 26.012(13)

4 Tex. Tax Code § 26.012(15)

5 Tex. Tax Code § 26.012(15)

2016 Effective Tax Rate Worksheet (continued)

City of Fredbg

9.	2015 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2016. Use only those properties that first qualified in 2016; do not use properties that qualified in 2015. A. 2015 market value: \$0 B. 2016 productivity or special appraised value: - \$0 C. Value loss. Subtract B from A. ⁶	\$0
10.	Total adjustments for lost value. Add lines 7, 8C and 9C.	\$1,628,135
11.	2015 adjusted taxable value. Subtract line 10 from line 6.	\$1,211,877,231
12.	Adjusted 2015 taxes. Multiply line 4 by line 11 and divide by \$100.	\$2,803,072
13.	Taxes refunded for years preceding tax year 2015. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2015. Types of refunds include court decisions, Tax Code § 25.25(b) and (c) corrections and Tax Code § 31.11 payment errors. Do not include refunds for tax year 2015. This line applies only to tax years preceding tax year 2015. ⁷	\$3,362
14.	Taxes in tax increment financing (TIF) for tax year 2015. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the unit has no 2016 captured appraised value in Line 16D, enter "0". ⁸	\$0
15.	Adjusted 2015 taxes with refunds and TIF adjustment. Add lines 12 and 13, subtract line 14. ⁹	\$2,806,434
16.	Total 2016 taxable value on the 2016 certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in line 18). These homesteads includes homeowners age 65 or older or disabled. ¹⁰ A. Certified values only: \$1,682,296,595 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$0	

6 Tex. Tax Code § 26.012(15)

7 Tex. Tax Code § 26.012(13)

8 Tex. Tax Code § 26.03(c)

9 Tex. Tax Code § 26.012(13)

10 Tex. Tax Code § 26.012(15)

2016 Effective Tax Rate Worksheet (continued)

City of Fredbg

16. (cont.)	C. Pollution control exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control property: - \$0 D. Tax increment financing: Deduct the 2016 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2016 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in line 21 below.¹¹ - \$0 E. Total 2016 value. Add A and B, then subtract C and D. \$1,682,296,595	
17.	Total value of properties under protest or not included on certified appraisal roll.¹² A. 2016 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value.¹³ \$6,761,981 B. 2016 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included at appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value.¹⁴ + \$0	

11 Tex. Tax Code § 26.03(c)

12 Tex. Tax Code § 26.01(c)

13 Tex. Tax Code § 26.04 and 26.041

14 Tex. Tax Code § 26.04 and 26.041

2016 Effective Tax Rate Worksheet (continued)

City of Fredbg

17. (cont.)	C. Total value under protest or not certified. Add A and B.	\$6,761,981
18.	2016 tax ceilings. Counties, cities and junior colleges enter 2016 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter "0". If your taxing units adopted the tax ceiling provision in 2015 or prior year for homeowners age 65 or older or disabled, use this step. ¹⁵	\$379,887,894
19.	2016 total taxable value. Add lines 16E and 17C. Subtract line 18.	\$1,309,170,682
20.	Total 2016 taxable value of properties in territory annexed after January 1, 2008. Include both real and personal property. Enter the 2016 value of property in territory annexed. ¹⁶	\$278,100
21.	Total 2016 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2015. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after January 1, 2015 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2016. ¹⁷	\$35,244,560
22.	Total adjustments to the 2016 taxable value. Add lines 20 and 21.	\$35,522,660
23.	2016 adjusted taxable value. Subtract line 22 from line 19.	\$1,273,648,022
24.	2016 effective tax rate. Divide line 15 by line 23 and multiply by \$100. ¹⁸	\$0.2203/\$100
25.	COUNTIES ONLY. Add together the effective tax rates for each type of tax the county levies. The total is the 2016 county effective tax rate. ¹⁹	\$/\$100

15 Tex. Tax Code § 26.012(6)

16 Tex. Tax Code § 26.012(17)

17 Tex. Tax Code § 26.012(17)

18 Tex. Tax Code § 26.04(c)

19 Tex. Tax Code § 26.04(d)

A county, city or hospital district that adopted the additional sales tax in November 2015 or in May 2016 must adjust its effective tax rate. *The Additional Sales Tax Rate Worksheet* on page 39 sets out this adjustment. Do not forget to complete the *Additional Sales Tax Rate Worksheet* if the taxing unit adopted the additional sales tax on these dates.

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2016 Rollback Tax Rate Worksheet

City of Fredbg

See pages 17 to 21 for an explanation of the rollback tax rate.

26.	2015 maintenance and operations (M&O) tax rate.	\$0.176100/\$100
27.	2015 adjusted taxable value. Enter the amount from line 11.	\$1,211,877,231
28.	2015 M&O taxes. A. Multiply line 26 by line 27 and divide by \$100. \$2,134,115 B. Cities, counties and hospital districts with additional sales tax: Amount of additional sales tax collected and spent on M&O expenses in 2015. Enter amount from full year's sales tax revenue spent for M&O in 2015 fiscal year, if any. Other units, enter "0." Counties exclude any amount that was spent for economic development grants from the amount of sales tax spent. + \$1,786,766 C. Counties: Enter the amount for the state criminal justice mandate. If second or later year, the amount is for increased cost above last year's amount. Other units, enter "0." + \$0 D. Transferring function: If discontinuing all of a department, function or activity and transferring it to another unit by written contract, enter the amount spent by the unit discontinuing the function in the 12 months preceding the month of this calculation. If the unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the unit operated the function. The unit discontinuing the function will subtract this amount in H below. The unit receiving the function will add this amount in H below. Other units, enter "0." +/- \$0	

2016 Rollback Tax Rate Worksheet (continued)

City of Fredbg

28. (cont.)	E. Taxes refunded for years preceding tax year 2015: Enter the amount of M&O taxes refunded during the last budget year for tax years preceding tax year 2015. Types of refunds include court decisions, Section 25.25(b) and (c) corrections and Section 31.11 payment errors. Do not include refunds for tax year 2015. This line applies only to tax years preceding tax year 2015. + \$2,677 F. Enhanced indigent health care expenditures: Enter the increased amount for the current year's enhanced indigent health care expenditures above the preceding tax year's enhanced indigent health care expenditures, less any state assistance. + \$0 G. Taxes in tax increment financing (TIF): Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the unit has no 2016 captured appraised value in Line 16D, enter "0." - \$0 H. Adjusted M&O Taxes. Add A, B, C, E and F. For unit with D, subtract if discontinuing function and add if receiving function. Subtract G. \$3,923,558	
29.	2016 adjusted taxable value. Enter line 23 from the Effective Tax Rate Worksheet.	\$1,273,648,022
30.	2016 effective maintenance and operations rate. Divide line 28H by line 29 and multiply by \$100.	\$0.3080/\$100
31.	2016 rollback maintenance and operation rate. Multiply line 30 by 1.08. (See lines 49 to 52 for additional rate for pollution control expenses.	\$0.3326/\$100

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2016 Rollback Tax Rate Worksheet (continued)

City of Fredbg

32.	Total 2016 debt to be paid with property taxes and additional sales tax revenue. "Debt" means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year and (4) are not classified in the unit's budget as M&O expenses. A: Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. List the debt in Schedule B: Debt Service.	\$768,190
	B: Subtract unencumbered fund amount used to reduce total debt.	-\$0
	C: Subtract amount paid from other resources.	-\$0
	D: Adjusted debt. Subtract B and C from A.	\$768,190
33.	Certified 2015 excess debt collections. Enter the amount certified by the collector.	\$148,892
34.	Adjusted 2016 debt. Subtract line 33 from line 32.	\$619,298
35.	Certified 2016 anticipated collection rate. Enter the rate certified by the collector. If the rate is 100 percent or greater, enter 100 percent.	100.000000%
36.	2016 debt adjusted for collections. Divide line 34 by line 35.	\$619,298
37.	2016 total taxable value. Enter the amount on line 19.	\$1,309,170,682
38.	2016 debt tax rate. Divide line 36 by line 37 and multiply by \$100.	\$0.0473/\$100
39.	2016 rollback tax rate. Add lines 31 and 38.	\$0.3799/\$100
40.	COUNTIES ONLY. Add together the rollback tax rates for each type of tax the county levies. The total is the 2016 county rollback tax rate.	\$/\$100

A taxing unit that adopted the additional sales tax must complete the lines for the *Additional Sales Tax Rate*. A taxing unit seeking additional rollback protection for pollution control expenses completes the *Additional Rollback Protection for Pollution Control*.

Additional Sales Tax Rate Worksheet

City of Fredbg

41.	Units that adopted the sales tax in August or November 2015, or in January or May 2016. Enter the Comptroller's estimate of taxable sales for the previous four quarters. Units that adopted the sales tax before August 2015, skip this line.	\$0
42.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. UNITS THAT ADOPTED THE SALES TAX IN AUGUST OR NOVEMBER 2015, OR IN JANUARY OR MAY 2016. Multiply the amount on line 41 by the sales tax rate (.01, .005, or .0025, as applicable) and multiply the result by .95. -OR- UNITS THAT ADOPTED THE SALES TAX BEFORE AUGUST 2015. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$1,786,766
43.	2016 total taxable value. Enter the amount from line 37 of the <i>Rollback Tax Rate Worksheet</i> .	\$1,309,170,682
44.	Sales tax adjustment rate. Divide line 42 by line 43 and multiply by \$100.	\$0.1364/\$100
45.	2016 effective tax rate, unadjusted for sales tax. Enter the rate from line 24 or 25, as applicable, on the <i>Effective Tax Rate Worksheet</i> .	\$0.2203/\$100
46.	2016 effective tax rate, adjusted for sales tax. UNITS THAT ADOPTED THE SALES TAX IN AUGUST OR NOVEMBER 2015, OR IN JANUARY OR MAY 2016. Subtract line 45 from line 46. -OR- UNITS THAT ADOPTED THE SALES TAX BEFORE AUGUST 2015. Enter line 46, do not subtract.	\$0.2203/\$100
47.	2016 rollback tax rate, unadjusted for sales tax. Enter the rate from line 39 or 40, as applicable, of the rollback tax rate worksheet.	\$0.3799/\$100
48.	2016 rollback tax rate, adjusted for sales tax. Subtract line 44 from line 47.	\$0.2435/\$100

If the additional sales tax rate increased or decreased from last year, contact the Comptroller's office for special instructions on calculating the sales tax projection for the first year after the rate change.

Additional Rollback Protection for Pollution Control Worksheet City of Fredbg

49.	Certified expenses from TCEQ. Enter the amount certified in the determination letter from TCEQ. The taxing unit shall provide its assessor with a copy of the letter. See Part 3, the Rollback Rate, for more details.	\$0
50.	2016 total taxable value. Enter the amount from line 37 of the <i>Rollback Tax Rate Worksheet</i> .	\$1,309,170,682
51.	Additional rate for pollution control. Divide line 49 by line 50 and multiply by 100.	\$0.0000/\$100
52.	2016 rollback tax rate, adjusted for pollution control. Add line 51 to one of the following lines (as applicable): line 39, line 40 (counties) or line 48 (units with the additional sales tax).	\$0.2435/\$100

2016 Notice of Effective Tax Rate
Worksheet for Calculation of Tax Increase/Decrease

Entity Name: City of Fredbg

Date: 07/27/2016

1. 2015 taxable value, adjusted for court-ordered reductions. Enter line 6 of the Effective Tax Rate Worksheet.	\$1,213,505,366
2. 2015 total tax rate. Enter line 4 of the Effective Tax Rate Worksheet.	0.231300
3. Taxes refunded for years preceding tax year 2015. Enter line 13 of the Effective Tax Rate Worksheet.	\$3,362
4. Last year's levy. Multiply Line 1 times Line 2 and divide by 100. To the result, add Line 3.	\$2,810,200
5. 2016 total taxable value. Enter Line 19 of the Effective Tax Rate Worksheet.	\$1,309,170,682
6. 2016 effective tax rate. Enter line 24 of the Effective Tax Rate Worksheet or Line 47 of the Additional Sales Tax Rate Worksheet.	0.220300
7. 2016 taxes if a tax rate equal to the effective tax rate is adopted. Multiply Line 5 times Line 6 and divide by 100.	\$2,884,103
8. Last year's total levy. Sum of line 4 for all funds.	\$2,810,200
9. 2016 total taxes if a tax rate equal to the effective tax rate is adopted. Sum of line 7 for all funds.	\$2,884,103
10. Tax Increase (Decrease). Subtract Line 8 from Line 9.	\$73,903

City of Fredbg

Tax Rate Recap for 2016 Tax Rates

Description of Rate	Tax Rate Per \$100	Tax Levy This is calculated using the Total Adjusted Taxable Value (line 19) of the Effective Tax Rate Worksheet	Additional Tax Levy Compared to <u>last year's tax levy</u> of 3,629,878	Additional Tax Levy Compared to <u>effective tax rate levy</u> of 2,884,103
Last Year's Tax Rate	0.231300	\$3,028,112	\$-601,766	\$144,009
Effective Tax Rate	0.220300	\$2,884,103	\$-745,775	\$0
Notice & Hearing Limit*	0.220300	\$2,884,103	\$-745,775	\$0
Rollback Tax Rate	0.243500	\$3,187,831	\$-442,047	\$303,728
Proposed Tax Rate	0.000000	\$0	\$-3,629,878	\$-2,884,103

Effective Tax Rate Increase in Cents per \$100

0.00	0.220300	2,884,103	-745,775	0
0.50	0.225300	2,949,562	-680,317	65,459
1.00	0.230300	3,015,020	-614,858	130,917
1.50	0.235300	3,080,479	-549,399	196,376
2.00	0.240300	3,145,937	-483,941	261,834
2.50	0.245300	3,211,396	-418,482	327,293
3.00	0.250300	3,276,854	-353,024	392,751
3.50	0.255300	3,342,313	-287,565	458,210
4.00	0.260300	3,407,771	-222,107	523,668
4.50	0.265300	3,473,230	-156,648	589,127
5.00	0.270300	3,538,688	-91,190	654,585
5.50	0.275300	3,604,147	-25,731	720,044
6.00	0.280300	3,669,605	39,727	785,502
6.50	0.285300	3,735,064	105,186	850,961
7.00	0.290300	3,800,522	170,644	916,419
7.50	0.295300	3,865,981	236,103	981,878
8.00	0.300300	3,931,440	301,561	1,047,337
8.50	0.305300	3,996,898	367,020	1,112,795
9.00	0.310300	4,062,357	432,479	1,178,254
9.50	0.315300	4,127,815	497,937	1,243,712
10.00	0.320300	4,193,274	563,396	1,309,171
10.50	0.325300	4,258,732	628,854	1,374,629
11.00	0.330300	4,324,191	694,313	1,440,088
11.50	0.335300	4,389,649	759,771	1,505,546
12.00	0.340300	4,455,108	825,230	1,571,005
12.50	0.345300	4,520,566	890,688	1,636,463
13.00	0.350300	4,586,025	956,147	1,701,922
13.50	0.355300	4,651,483	1,021,605	1,767,380
14.00	0.360300	4,716,942	1,087,064	1,832,839
14.50	0.365300	4,782,401	1,152,522	1,898,297

- *Notice & Hearing Limit Rate: This is the highest tax rate that may be adopted without notices and a public hearing. It is the lower of the rollback tax rate or the effective tax rate.
- School Districts: The school tax rate limit is \$1.50 for M&O, plus \$0.50 for 'New' debt plus a rate for 'Old' debt. 'Old' debt is debt authorized to be issued at an election held on or before April 1, 1991, and issued before September 1, 1992. All other debt is 'New' debt.

Tax Levy: This is calculated by taking the adjusted taxable value (line 19 of Effective Tax Rate Worksheet), multiplying by the appropriate rate, such as the Effective Tax Rate and dividing by 100.

For School Districts: This is calculated by taking the adjusted taxable value (line 34 of the Rollback Tax Rate Worksheet), multiplying by the appropriate rate, dividing by 100 and then adding this year's frozen tax levy on homesteads of the elderly.

Additional Levy Last Year: This is calculated by taking Last Year's taxable value (line 3 of Effective Tax Rate Worksheet), multiplying by Last Year's tax rate (line 4 of Effective Tax Rate Worksheet) and dividing by 100.

For School Districts: This is calculated by taking Last Year's taxable value, subtracting Last Year's taxable value for the elderly, multiplying by Last Year's tax rate, dividing by 100 and adding Last Year's tax ceiling.

Additional Levy This Year: This is calculated by taking the current adjusted taxable value, multiplying by the Effective Tax Rate and dividing by 100.

For School Districts: This is calculated by taking the adjusted taxable value (line 34 of the Rollback Tax Rate Worksheet), multiplying by the Effective Tax Rate, dividing by 100 and adding This Year's tax ceiling.

COUNTIES ONLY: All figures in this worksheet include ALL County Funds. Tax Levy amounts are the sum of each Fund's Taxable Value X each Fund's Tax Rate.

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2016 Property Tax Rates in City of Fredbg

This notice concerns 2016 property tax rates for City of Fredbg. It presents information about three tax rates. Last year's tax rate is the actual rate the taxing unit used to determine property taxes last year. This year's *effective* tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's *rollback* tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

Last year's tax rate:

Last year's operating taxes	\$2,695,822
Last year's debt taxes	\$845,028
Last year's total taxes	\$3,540,850
Last year's tax base	\$1,211,877,231
Last year's total tax rate	0.231300/\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$2,806,434
÷ This year's adjusted tax base (after subtracting value of new property)	\$1,273,648,022
= This year's effective tax rate	0.220300/\$100

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate and/or enhanced indigent health care expenditures)	\$3,923,558
÷ This year's adjusted tax base	\$1,273,648,022
= This year's effective operating rate	0.308000/\$100
× 1.08 = this year's maximum operating rate	0.332600/\$100
+ This year's debt rate	0.047300/\$100
= This year's rollback rate	0.379900/\$100

A hospital district or city that collects the additional sales tax to reduce property taxes, including one that collects the tax for the first time this year, must insert the following lines:

-Sales tax adjustment rate	0.136400/\$100
=Rollback tax rate	0.243500/\$100

Statement of Increase/Decrease

If City of Fredbg adopts a 2016 tax rate equal to the effective tax rate of 0.220300 per \$100 of value, taxes would increase compared to 2015 taxes by \$ 73,903.

Schedule C - Expected Revenue from Additional Sales Tax

(For hospital districts, cities and counties with additional sales tax to reduce property taxes)

In calculating its effective and rollback tax rates, the unit estimated that it will receive \$ 1,786,766 in additional sales and use tax revenues. **For County:**
The county has excluded any amount that is or will be distributed for economic development grants from this amount of expected sales tax revenue.

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at 101 West Main St, Room 101A, Fredericksburg, TX 78624.

Name of person preparing this notice: Scott Fair

Title: Chief Appraiser

Date prepared: July 26, 2016



CITY COUNCIL MEMO

DATE: August 15, 2016

TO: Mayor and City Council

FROM: Laura Hollenbeak, Director of Finance

SUBJECT: Discuss property tax rate, take record vote on proposed tax rate, and schedule special public hearings, if necessary.

Summary:

A taxing unit's governing body must follow Legislative guidelines for proposing and adopting a tax rate. If the tax rate proposed by the governing body exceeds the effective tax rate or rollback rate, whichever is lower, they must publish a public hearing notice, post a website notice and hold two public hearings.

Scott Fair, the Gillespie Central Appraisal District Tax Assessor / Collector, calculates the effective and rollback tax rates. The effective tax rate is defined as the rate that imposes the same total property taxes as last year on properties taxed in both years. The rollback tax rate is the highest tax rate that could be adopted before taxpayers can start rollback procedures. The 2016 rollback tax rate is \$0.2435 per \$100 valuation.

The effective tax rate for 2016 is \$0.2203 per \$100 valuation, down from last year's actual rate of \$0.2313. The effective tax rate is significant in that any proposed tax rate above that number requires two additional public hearings on the proposed rate prior to adoption of the tax rate.

Recommendation:

The Council needs to establish a proposed tax rate by taking a record vote at the August 15, 2016 Council Meeting. It is important to note that after the public hearing on the FY 2017 Budget, the Council can adopt the effective tax rate or a lower rate, but cannot adopt a rate higher than the effective rate without taking a record vote and conducting two additional Public Hearings.

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The City of Fredericksburg

The motion should be to approve the proposed property tax rate of \$0.____, a rate that is ____% above the effective tax rate of \$0.2203, as presented.

If the tax rate proposed by the governing body exceeds the effective tax rate or rollback rate, whichever is lower, they must publish a public hearing notice, post a website notice and hold two public hearings.

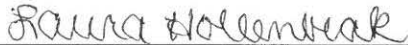
In a second motion, if necessary, the Council will move to schedule two Public Hearings on Tax Increase for Wednesday, August 24th and Wednesday, August 31st.

Background / Analysis:

Please review the attached 2016 Effective and Rollback Tax Rate Calculations prepared by Scott Fair.

Attachments:

2016 Effective and Rollback Tax Rate Calculations



Department Approval

City Manager Approval

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The City of Fredericksburg



CITY COUNCIL MEMO

DATE: August 15, 2016

TO: Mayor and City Council

FROM: Laura Hollenbeak, Director of Finance

SUBJECT: Budget Amendment in FY 2016 for Prior Year Golf Course Deficit

Summary:

During the FY 2016 Mid-Year Budget review and during the FY 2017 Budget workshops, Council discussed funding the Golf Course prior year deficit of \$423,877 in this fiscal year. FY 2015 audited deficit of \$322,840 and FY 2014 audited deficit of \$101,037.

Recommendation:

Staff recommends that Council consider approving the proposed FY 2016 budget amendment to fund the Golf Course prior year's deficit.

Background / Analysis:

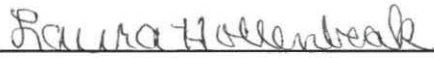
The City Charter allows amending the City budget in the case of public necessity as determined and declared by the City Council. Amendments to the budget may be caused by changes in original projections, omissions, or unanticipated variables.

Attachments:

FY 2016 Budget Amendment Proposed Change

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The City of Fredericksburg



Department Approval



City Manager Approval

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The City of Fredericksburg

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FY 2016 August Budget Amendments - August 15, 2016 Council Meeting

G/L Account	Description	2016 Budget	2016 Proposed	Amendment	Notes
Administration Expenditures					
01-20-6004-00	T-fer to Golf (prior deficit)	-	423,877.00	423,877.00	Fund FY 2015 audited deficit \$322,840 & FY 2014 audited deficit \$101,037
	Administration Expenditures	-	423,877.00	423,877.00	
Golf Fund Revenues					
04-00-4161-00	Transfer from General Fund	198,700.00	622,577.00	423,877.00	Fund FY 2015 audited deficit \$322,840 & FY 2014 audited deficit \$101,037
	Golf Fund Revenues	198,700.00	622,577.00	423,877.00	

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