

CITY OF SNYDER, TEXAS
ORGANIZATIONAL CHART

MAYOR & COUNCIL (7)-----BOARDS AND COMMISSIONS

- CITY MANAGER (1)
 - SECRETARY (1)
- FINANCE (1)
 - FINANCE SECRETARY (1)
- PLANNING & ZONING
 - SUPERINTENDENT (1)
 - INSPECTOR (1)
- MUNICIPAL COURT (2)
- ACCOUNTING (1)
 - SENIOR CLERK (1)
 - LABORER (1)
- DATA PROCESSING (1)
- RECORDS MANAGEMENT (1)
 - CLERK (1)
- POLICE (22)
- ANIMAL CONTROL (3)
- FIRE (10)
- PUBLIC WORKS (1)
 - STREETS (4)
- SANITATION (1)
 - COLLECTION (5)
 - LANDFILL (5)
- WATER & WASTEWATER SUPERVISION (1)
 - SANITARY SEWER (2)
 - SEWAGE TREATMENT (4)
 - WATER PRODUCTION (4)
 - WATER DISTRIBUTION (2)
- UTILITY (1)
 - CLERKS (3)
 - METER CREW (2)
- INTERNAL SERVICE (1)

(85) NUMBER OF FULL TIME EQUIVALENT POSITIONS, EXCLUDING COMMISSION

CITY OF SNYDER, TEXAS
 ANNUAL BUDGET 2011-2012
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THE CITY OF SNYDER, TEXAS

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September 30, 2011

Honorable Mayor and City Council
City of Snyder
Snyder, Texas 79549

Honorable Mayor, Members of City Council and Citizens of Snyder,

The adopted fiscal year 2012 budget is a balance between the City's strategic objectives and available resources. It reflects the diligent efforts of City staff to produce an operating budget plan that is driven by the policies, goals and objectives of City Council. The budget is streamlined to control costs, while maximizing customer-service and service delivery. It is also flexible and adaptable, while maintaining a focus on our core services and fiscal readiness.

We have, after evaluating and prioritizing, compiled an Annual Operating Budget for FY 2011-12 which totals \$16,303,435 an increase of \$1,911,510 or 13.28% over appropriations for FY 2010-11. We seek to maintain the City's present level of municipal services, contribute to Water Fund reserve, and prepare for pending capital expenditures by combining the ad valorem tax rate of .4445 with an increase in water, sewer and sanitation charges. The budget is presented by fund and department within each fund starting with the Governmental Funds, then the Proprietary Funds, and the Fiduciary Fund, as illustrated below:

- I. Governmental Fund Types:
 1. General Fund
 - General Government
 - Administration
 - Finance
 - Planning & Zoning
 - Municipal Court
 - Community Service
 - Accounting
 - Data Processing
 - Records Management
 - Public Safety
 - Police
 - Animal Control
 - Fire
 - Public Works
 - Streets
 2. Special Revenue Funds
 - Motel
- II. Proprietary Fund Types:
 1. Enterprise Fund
 - Sanitation
 - Water & Sewer
 2. Internal Service Funds
 - Central Garage
 - Self-Insurance

III. Fiduciary Fund Types:
D.C.O.S. (not available for current year)

Each fund summary is presented in a past, current and budget year financial position. Each fund is profiled, in detail, by revenue and expenditure. This operating budget has been prepared in accordance with generally accepted accounting principles and practices.

BUDGET DEVELOPMENT

In preparation of this year's operating budget, the Finance Department provided each department with budget packets. The budget packets included a budget calendar, general instructions, personnel evaluations, prior year's actual expenditures, and five-year capital improvement programs.

General instructions provided to department heads were:

Submit and review dates according to Budget Calendar.

Departments were requested to maintain status quo on operational expenses as in the previous FY 10-11.

Departments with capital improvement projects were asked to prioritize those projects and give justification on all requests.

The City had maintained a pay-as-you-go approach to major capital plant improvement, as opposed to bonded indebtedness. In 1989 the City issued a Water and Sewer Revenue Bond for lines to the new State Prison, which retired in July of 2010. The new Sewage Treatment Plant's cost of \$4.375M was funded through the Texas Water Development Board's low interest (5-1/2 - 6%) SRF loan program, and will mature in 2013. In 2010 the City issued Certificates of Obligation in the amount of \$3,495,000 for an energy analysis and service agreement. The bulk of this amount is for an automatic meter reading system for the City. In 1995 the City issued Certificates of Obligation in the amount of \$3.290M for a 5mgd expansion to the water treatment plant. Refunding Bonds in the amount of \$1,340,000 were used for refinancing of the 1995 Series. The Certificates of Obligation will mature in 2025, the Refunding Bonds in 2015.

Normal scale for new employees should be budgeted.

Staff members have reviewed and revised, as necessary, the operational levels of the various departments. The City's five-year Capital Improvement Plan has been updated and utility fees (Water, Sewer & Sanitation) have been reviewed for enterprise deposition. A representative of the City, County and College has reviewed budget requests from the Senior Citizen's Center, an external non-profit agency.

PERSONNEL

The Council allotted 3.63% C.O.L.A. increase to the pay plan in the 11-12 Budget.

REVENUE AND EXPENDITURES

The City's General Fund reflects the stabilization and expansion of the local economy. We have estimated Sales Tax revenue to increase by 9.12% from budgeted FY 10-11. The tax rate for FY 2010 was .4310. Property valuations have increased by 12.53% (\$42,318,528) causing the effective tax rate for FY 11-12 to be .4147. The City has elected to set the FY 11-12 tax rate at .4445.

General Fund expenditures are up \$432,445 (7.99%) over FY 2010-11 budget, with personnel and capital outlay accounting for most of the increase.

Water sales revenue is projected to decrease by 40.50% with no increase in rates. Sewage charges have decreased by 20.65%. Sanitation collection charges have decreased by 25.21%. The maintenance of revenues is necessary to cover operating costs of the wastewater treatment plant and the Subtitle D Landfill. Our Capital Improvements budget increased from \$1,329,260 to \$2,059,145 or 54.87% more than last year. Primary projects include replacing a backhoe (\$84,000), waterlines (\$100,000), a generator at the lift station at the Industrial Park (\$22,000), several pickup trucks at different locations (\$46,000) and drainage improvements (\$75,000), groundwater sampling (\$53,000), and Cell 3A (\$1,000,000) at the landfill, a D6R Dozer (\$365,000), a 33 yard sanitation truck (\$170,000) and a fuel management system at the Garage (\$26,865).

BUDGET AND FISCAL POLICIES

Budget policies, as provided in the Charter of the City of Snyder and applicable to State Statutes were followed:

1. The City Manager, at least sixty (60) days prior to the beginning of each budget year (October 1), shall submit to the City Council a proposed budget and explanatory budget message.
2. The City Council provides at least one public hearing for the general public in which all public comments are heard.
3. The operating budget is legally enacted by the City Council through the passage of an ordinance not later than September 1st of each respective year.
4. Upon written recommendation of the City Manager, the Council may at any time transfer any unencumbered appropriation balance or any portion thereof within a department to another department.
5. Budgeting control is maintained at the departmental level with the assistance of monthly expense reports. The reports list the budgetary items by line, fund, department, etc. The accounting department maintains an encumbrance system incorporated with its purchase order procedure and this allows us to monitor strict cash flow.

FINANCIAL POLICY

The City of Snyder's informal long range financial policy to improve the City's financial position is as follows:

1. Continually update the City's 5-year Capital Improvements Plan and adjust when needed.
2. Seek the Award of Distinguished Budget Presentation in compliance with financial standards established by the Government Finance Officers Association.
3. Continually provide working capital levels in all funds sufficient to meet current operating needs.
4. Maintain equipment and vehicle replacement programs.
5. Maintain an unreserved fund balance equal to 3 months operational expenses.
6. Continue to improve the financial position of the City in order to obtain the best possible bond rating for the City.
7. Continue to finance capital improvement projects in a yearly cash flow pay-as-you-go basis.
8. Compile a comprehensive financial report that seeks to comply with the Certificate of Conformance standards as established by the Government Finance Officers Association.