

SPECIAL CALLED CITY COUNCIL MEETING
August 31, 2017

MINUTES OF THE SPECIAL CALLED MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS THAT WAS HELD AUGUST 31, 2017 AT 7:00 PM IN THE COUNCIL CHAMBERS, CITY HALL, 1200 SOUTH COMMERCE, OVERTON, TEXAS.

PRESENT:

C. R. Evans Jr., Mayor
Philip Cox, Mayor Pro Tem
Jerry Clark
Lawrence Davis
Michael Paul Williams

ABSENT:

John Posey

Also in attendance were, Charles Cunningham, City Manager, Clyde Carter, Police Chief, Wendy Bates, City Comptroller, and Rachél Gafford, City Secretary representing staff.

I. CALL TO ORDER – Mayor Evans called the meeting to order at 7:00 pm

1. Invocation was given by *Mayor Evans*.
2. Pledge of Allegiance was led by *Councilman Williams*

II. CITIZEN FORUM

No one signed up to speak.

III. CITIZEN'S REQUEST

None

IV. CONSENT AGENDA

None

V. OLD BUSINESS

1. City Council to hear and discuss presentation of the FY2017-18 Proposed Budget.

City Manager Cunningham presented a high-level overview presentation (Attachment A) to Council which covered the Proposed FY2017-18 Annual Operating Budget for the City of Overton and the various funds and how the proposed tax rates would be needed to support the City's Operations and Maintenance, Interest and Sinking and Cemetery Operations.

2. City Council to hear and discuss presentation of proposed amendments to Chapter 95 of the Code of Ordinances of the City of Overton in regards to the Juvenile Curfew Ordinance.

Police Chief Carter presented the Juvenile Curfew Re-enactment Ordinance with proposed amendments to the existing ordinance to change the curfew from 11 pm Sunday through Thursday to 10 pm and the change the curfew on Friday and Saturdays from 12 pm to 11 pm. Carter also

stated that the revised ordinance added exceptions to the curfew for example coming from work, a school event or a Theater.

No action required

VI. PUBLIC HEARING

Mayor Evans opened the Public Hearing at 7:58 PM

1. City Council to hear public comments regarding 1st reading of **ORDINANCE NO. 2017-09-07A**; An Ordinance of the City Council of the City Of Overton, Texas, Reenacting and Amending Chapter 95 entitled “Curfew Hours For Minors” of the Code of Ordinances, defining terms, creating hours for curfew for minors, creating offenses for minors, parents of minors, and business establishments violating curfew regulations, providing for enforcement by the Police Department; providing a penalty clause; making various findings and provisions related to the subject; containing a severability clause; repealing all other ordinances in conflict herewith; providing for publication and providing that this ordinance shall be effective from and after September 7, 2017.

City Secretary Gafford made a statement that the actual Ordinance preamble wording had been amended to add the following statement:

“Providing for a penalty of up to \$500 per for each offense”

No citizens comments received

2. City Council to hear public comments regarding 1st reading of **ORDINANCE NO. 2017-09-14C**; An Ordinance Levying Ad Valorem Taxes for Maintenance and Operation and the Interest and Sinking Fund of the Municipal Government of the City of Overton for the 2017-2018 Fiscal Year (Tax Year 2017).

No additional staff report was given

No citizens comments received

3. City Council to hear public comments regarding 1st reading of **ORDINANCE NO. 2017-09-14D**; an Ordinance Levying Ad Valorem Taxes for the Maintenance and Operation of the City of Overton Municipal Cemetery for the 2017-2018 Fiscal Year (Tax Year 2017).

No additional staff report was given

No citizens comments received

Mayor Evans closed the Public Hearing at 7:58 PM

Mayor Evans made the following announcement:

The City Council of the City of Overton will vote on a proposed tax rate for general operation (O & M) and Debt for the 2017 tax year that would increase total tax revenues. The Council will also vote on a proposed tax rate for the Cemetery Operations and Maintenance Fund for the 2017 tax year at 7:00 p.m., Thursday, September 14, 2017 in City Council Chambers located at City Hall, 1200 South Commerce Street, Overton, Texas 75684.

VII. ADJOURNMENT

Councilman Clark made a motion to adjourn.

Mayor Pro Tem Cox seconded the motion.

Mayor Evans called for a vote.

Motion carried 4 – 0 – 0; Councilman Posey absent.

With no further business, the meeting was adjourned at **8:02 PM**

Minutes submitted, approved and/or corrected this **14th** day of **September, 2017.**

CITY OF OVERTON


C. R. Evans, Jr., Mayor

ATTEST:


Rachel Gafford, City Secretary



ATTACHMENT A

City of Overton
FY 2017-18
Operating and
Capital Improvement
Budget



Budget Overview:

The budget is a management tool that facilitates the distribution and use of “**resources**” by converting them to dollar amounts that are then allocated to various programs based on policies established by the City Council.

The quantity of “**resources**” to be distributed are a function of available funding that is determined by the City Council when it establishes tax rates, fees for services and other mechanisms such as short or long term borrowing.

The budget reflects the distribution of such resources by allocating dollar amounts (appropriations) among various programs that are grouped by funding source (funds).

The City's functions are broken down into three operating funds, a debt management fund and special revenue funds.

Budget Overview: (cont.)

- The three “Operating Funds” consist of :

- General Fund
- Utility Fund (Water/Sewer) and
- Cemetery Fund

- The “Debt Management” Fund or Interest and Sinking (I&S), groups fiscal resources used to satisfy annual principal and interests payments on existing or proposed debt.

- “Special Revenue Funds” – Account for use of revenue collected for specific purposes, usually dictated by State statute.

Operating Funds:

General Fund – Resources allocated to this fund manage overall operations; account for collection and disbursement of all funds; provide for public safety, fire protection and ambulance service; facilitate community development; maintain city parks and buildings; and maintain 26 miles of local streets.

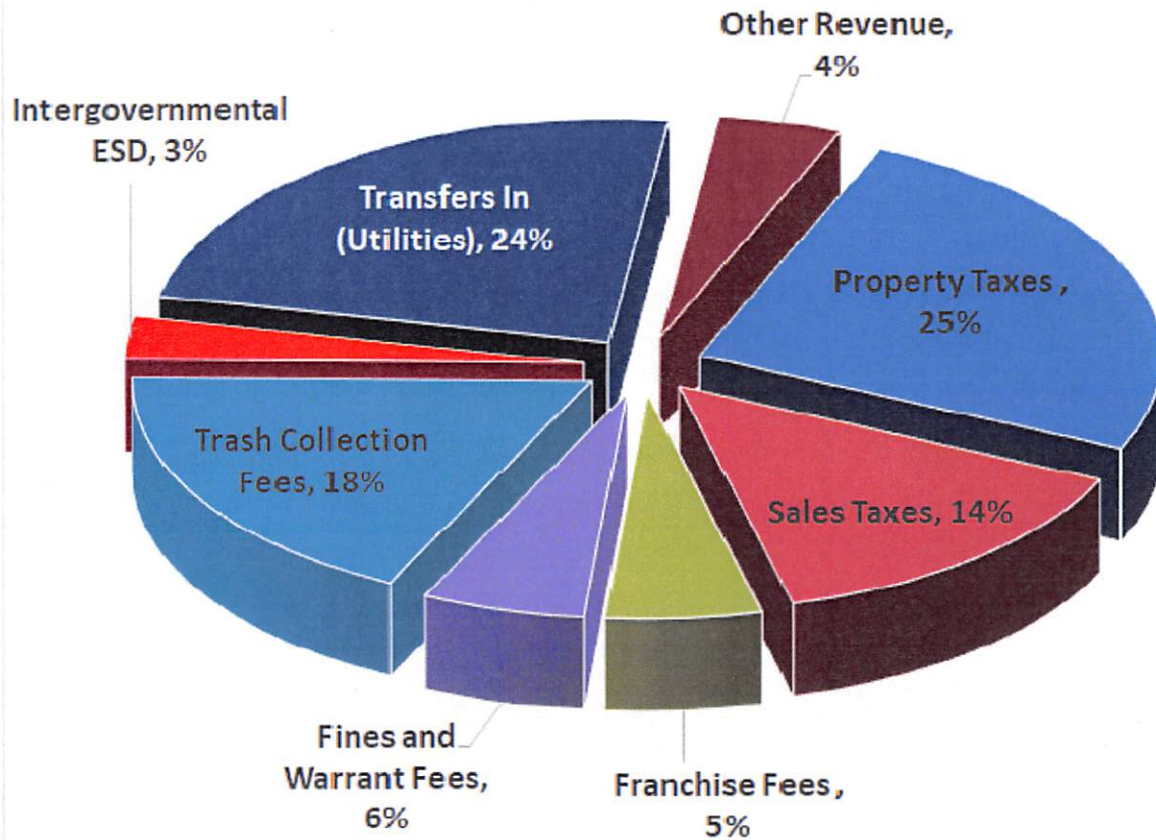
Utility Fund (Water/Sewer) – Resources are used to provide potable water services to over 950 customers and treatment and disposal of wastewater.

Cemetery Fund- Operation and maintenance of the Overton Municipal Cemetery are accounted for in this fund.

General Fund –

- Revenue Sources:
 - Property Tax
 - Sales Tax
 - Fees and Charges
 - Fines
 - Sanitation
 - Transfer In from Utility Fund

GENERAL FUND – Revenue



Comparison with Prior Year

Revenue Source	% of Total		Diff.
	2016-17	2017-18	
Property Taxes	27%	25%	-2%
Sales Taxes	15%	14%	-1%
Franchise Fees	6%	5%	-1%
Fines and Warrant Fees	8%	6%	-2%
Trash Collection Fees	19%	18%	-1%
Intergovernmental ESD	3%	3%	0%
Transfers In (Utilities)	17%	24%	7%
Other Revenue	5%	4%	-1%
	100%	100%	0%

General Fund - Property Tax

	<u>Smith County:</u>	<u>Rusk County:</u>	<u>Total:</u>
<u>Certified Tax Roll FY 2016-17</u>	6,384,263	75,330,800	81,715,063
<u>Certified Tax Roll FY 2017-18</u>	6,493,189	76,063,190	82,556,379
\$ Increase	108,926	732,390	841,316
% Increase	1.71%	0.97%	1.03%

Maximum Tax Rate

- ▶ The O&M Rate that funds general operations of the City:

Last Year's Rate : \$0.410000 per \$100/ assessed valuation

Recommended Rate (FY18): \$0.410000 per \$100/ assessed valuation

Effective Tax Rate: \$0.404558 **Maximum Operating Rate 0.436922**

- ▶ **Total Recommended Rate 0.668000 Total Roll Back Rate 0.724313**

Impact of Rate Increase on Representative Home Values

(Increase Assessed Value by 1.9%)

<u>Home Value</u>	O&M Tax Rate 0.4100 Annual Tax	Difference from Prior Year	Monthly Increase
\$ 50,950	\$ 208.90	\$ 3.89	\$0.32
\$ 73,133 *	\$ 299.85	\$ 5.70	\$0.47
\$ 76,425	\$ 313.34	\$ 5.84	\$0.49
\$ 101,900	\$ 417.79	\$ 7.79	\$0.65
\$ 127,375	\$ 522.24	\$ 9.74	\$0.81
\$ 152,850	\$ 626.69	\$ 11.68	\$0.97

*Average Home Value in Overton

SALES TAX ALLOCATIONS CHART OVERTON TEXAS**City of Overton General Fund - Sales Tax Collection History - Projection**

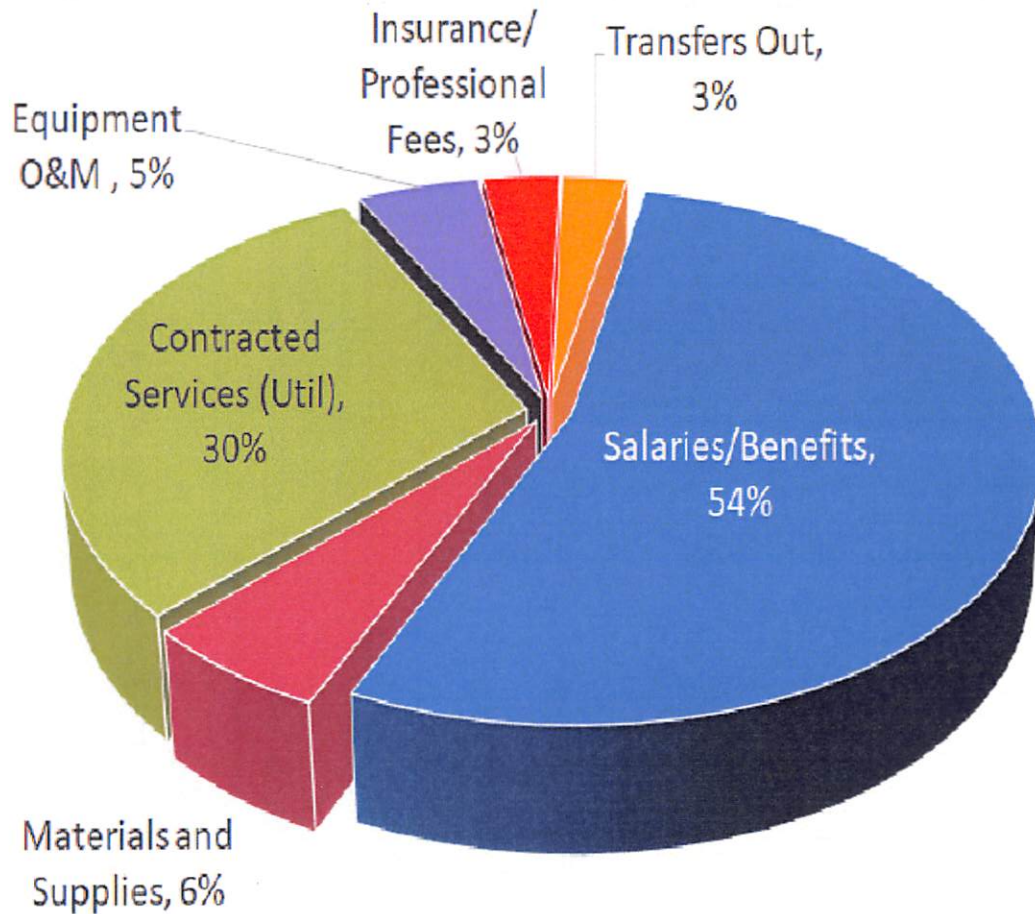
	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Total</u>
2004	12,188.53	16,369.51	9,808.51	9,507.39	12,328.88	10,672.37	7,280.56	14,096.49	9,429.75	9,049.90	14,857.80	8,279.18	133,869
2005	10,216.54	14,581.97	8,668.84	8,141.48	14,693.73	9,073.33	8,631.06	16,855.12	7,732.93	11,712.58	15,363.74	8,732.08	134,353
2006	11,108.21	15,012.19	12,105.36	13,118.99	15,449.72	12,374.52	10,354.02	17,474.92	10,929.99	12,613.88	17,548.37	11,134.46	159,225
2007	13,052.60	20,939.56	11,691.60	12,303.74	17,639.63	11,609.22	12,541.31	17,807.81	13,194.37	10,957.52	16,594.38	11,387.42	169,719
2008	12,608.29	19,402.11	12,446.65	17,189.08	20,042.55	13,935.00	15,723.47	22,012.90	14,784.30	16,390.06	22,814.28	21,370.96	208,720
2009	16,814.97	24,828.46	16,847.46	16,379.30	22,893.04	18,499.05	14,539.14	20,895.15	15,697.48	15,031.99	35,875.06	17,169.55	235,471
2010	17,234.10	15,289.90	15,639.70	9,765.37	15,912.37	11,478.65	11,897.61	20,633.88	14,050.54	13,148.05	19,657.81	12,871.50	177,579
2011	12,616.19	17,975.81	13,649.71	11,464.47	18,477.92	16,090.75	12,970.26	21,147.59	16,170.42	13,147.98	19,314.09	13,978.88	187,004
2012	14,199.98	20,022.28	13,638.52	13,321.61	20,865.81	13,322.28	13,536.01	16,603.94	13,101.18	14,027.12	18,847.10	13,724.28	185,210
2013	14,353.41	19,785.10	15,011.35	16,274.30	19,584.77	14,442.52	16,601.93	19,531.17	15,527.25	16,505.45	21,515.04	15,421.39	204,554
2014	17,600.23	20,129.48	18,723.82	16,219.36	25,363.52	13,808.70	16,098.76	24,769.23	16,530.24	20,482.04	20,482.04	17,321.39	227,529
2015	17,202.61	20,374.55	17,277.22	14,644.62	22,827.32	14,172.80	16,421.42	22,295.18	19,692.13	15,299.70	22,283.72	16,056.95	218,548
2016	17,496.12	22,079.04	17,598.50	14,011.72	22,457.22	12,786.91	13,289.39	19,532.71	13,285.45	13,572.27	20,803.70	15,103.10	202,016
Actual 2017	16,561.31	19,517.42	14,296.32	13,975.47	19,289.21	14,353.29	16,447.11	20,620.35	13,067.42	16,214.88	18,212.02		182,555
Est. 2017	16,971.05	21,416.44	17,070.36	13,591.23	21,783.27	12,403.18	12,890.58	18,946.53	12,886.75	13,164.97	20,179.38	14,649.85	195,954
Actual 2018													
Est. 2018	16,892.54	19,907.77	14,582.25	13,695.96	18,903.43	14,066.23	15,789.23	19,795.54	12,544.72	15,566.27	19,776.00	14,357.01	195,876.94

10 General Fund Revenue	FY 2016-17	Proposed FY 2017-18	Diff. from Current
Taxes	562,736	548,268	(14,468)
Fees for Service	118,480	118,960	480
Other Revenue	60,250	57,325	(2,925)
Municipal Court	94,150	79,650	(14,500)
Public Works- Sanitation Fees	257,077	250,000	(7,077)
General Fund Transfers in	286,354	328,000	41,646
Total Gen. Fund Revenue	1,379,047	1,382,203	3,156

General Fund Expenditures- Departments/Divisions

- Administration
 - Information Technology
 - Planning and Development
 - Municipal Court
- Public Works –
 - Street and infrastructure Maintenance
 - Sanitation (Solid Waste Collection)
- Police Services
 - Operations
 - Dispatch
- Fire Protection & EMS
 - Transfers Out

GENERAL FUND – Expenditures



Comparison with Prior Year

<u>Expenditure Category</u>	<u>% of Total</u>		
	<u>2016-17</u>	<u>2017-18</u>	
Salaries/Benefits	53.8%	56.8%	3%
Materials and Supplies	5.7%	4.3%	-1%
Contracted Services (Util)	29.9%	29.5%	0%
Equipment O&M	5.0%	3.9%	-1%
Insurance/ Professional Fees	3.1%	3.3%	0%
Transfers Out	<u>2.6%</u>	<u>2.2%</u>	<u>0%</u>
	100.0%	100.0%	0%

10 General Fund Expenditures

	FY 2016-17	Proposed FY 2017-18	Diff. from Current
Administration	286,911	320,422	33,511
Information Tech.	33,905	32,000	(1,905)
Municipal Court	52,034	38,897	(13,137)
Planning & Com/Dev	10,378	19,792	9,414
Police - Operations	514,936	411,993	(102,943)
Dispatch Section	-	110,265	110,265
PW- Streets, Parks, Bldg.	155,454	126,173	(29,282)
Sanitation	192,655	196,000	3,345
Fire Dept -EMS Services	91,247	90,414	(833)
Special Event- Donations	4,750	4,750	-
Transfers Out To	35,874	30,165	(5,709)
Total General Fund Expend.	1,378,144	1,380,870	2,726

} Net increase
\$7,322.00



Utility Fund (Water/Sewer) –

Resources are used to provide potable water services to over 950 customers and treatment and disposal of wastewater.

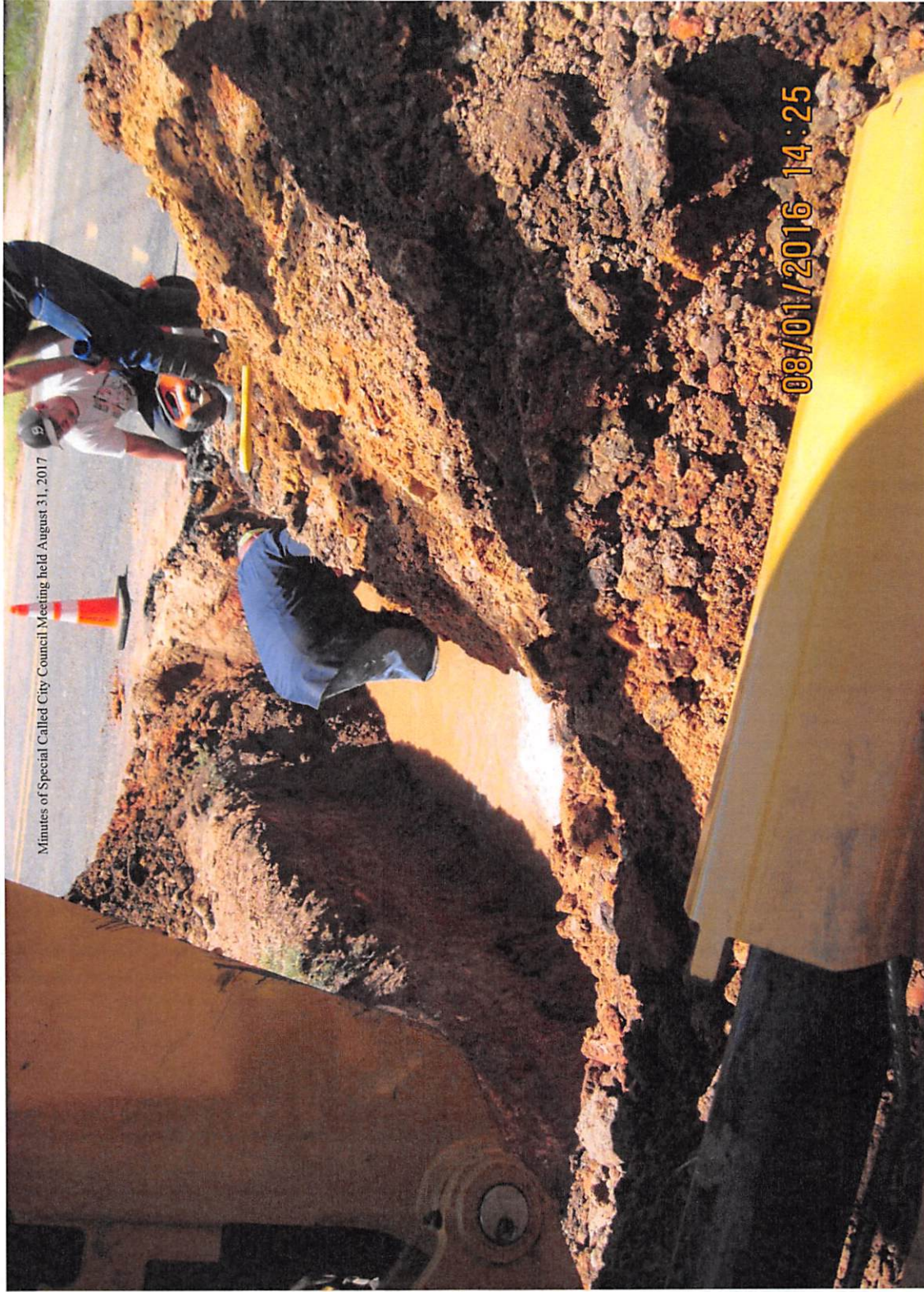
Utility Fund –

- Revenue Sources:

- Water
 - Service and Consumption Fees
 - Tap Fees
 - Connect Fees
 - Late Fees

- Sewer

- Service Fees
- Tap Fees



Minutes of Special Called City Council Meeting held August 31, 2017

Water and Sewer Fund

	<u>Revenue</u>		
	FY 2016-17	Proposed FY 2017-18	Diff. from Current
Water Sales and Service			
Bulk Water sales	2,500	1,000	(1,500)
Water Sales	734,663	735,000	337
Water taps	1,500	2,000	500
Reconnect Fees	3,500	3,500	-
Returned checks fee	1,700	1,000	(700)
Late Fees	17,400	14,000	(3,400)
Connect Fees	12,500	12,500	-
Sub-total Water Sales	773,763	769,000	(4,763)
Sewer Sales and Service			
Sewer Sales and Service	476,461	415,000	(61,461)
Sewer Taps	400	400	-
Sub-total Sewer Sales	476,861	415,400	(61,461)
Water/Sewer Total Revenue	1,250,624	1,184,400	(66,224)

Comparison of Water Rates State-wide of Comparable Water Systems

<u>Water Rates-Rank</u>	<u>Population Group</u>	<u>City Population</u>	<u>Fee for 5,000 Gallons Residential</u>
1	Annetta	2,830	84.60
2	Blue Mound	2,500	80.08
3	Electra	2,791	77.30
4	Early	2,833	64.75
5	Hamlin	2,791	62.00
6	Palmer	2,258	57.20
7	Howe	2,798	56.95
8	West	2,927	55.87
9	Seagraves	2,762	54.00
10	Hudson Oaks	2,160	51.55
11	Idalou	2,337	46.15
12	Jefferson	2,199	45.50
13	Stanton	2,936	44.71
14	Malakoff	2,358	43.40
15	Sonora	2,924	43.15
16	Seymour	2,740	42.65
17	Castroville	2,931	42.19
18	Clarendon	2,026	42.15
19	Glen Rose	2,989	40.60
20	Ferris	2,534	40.00
21	Oiton	2,288	40.00
22	Whitney	2,130	39.15
23	Tahoka	2,662	38.50
24	Hale Center	2,267	38.42
25	Waskom	2,187	38.00
26	Abernathy	2,839	37.00
27	Morton	2,006	37.00
28	Junction	2,574	36.60

Source- TML Survey of
Utility Rates 2017.

<u>Water Rates-Rank</u>	<u>Population Group</u>	<u>City Population</u>	<u>Fee for 5,000 Gallons Residential</u>
29	Dalworthington Ga	2,454	36.10
30	Anson	2,556	35.60
31	Odem	2,611	35.35
32	Lyford	2,611	33.20
33	Panhandle	2,439	33.05
34	Albany	2,043	33.00
35	Mount Vernon	2,753	31.66
36	Poth	2,370	30.40
37	Daingerfield	2,560	30.25
38	Van	2,712	29.00
39	Overton	2,540	28.75
40	Mason	2,139	28.00
41	Waller	2,522	27.50
42	Van Horn	2,063	26.75
43	Kountze	2,147	26.52
44	Memphis	2,290	26.50
45	Kirbyville	2,181	26.40
46	Woodville	2,586	26.00
47	Northlake	2,660	25.00
48	Weimar	2,161	24.81
49	George West	2,631	24.55
50	Marfa	2,703	23.90
51	Schulenburg	2,925	23.35
52	Pinehurst	2,097	22.50
53	Hallettsville	2,598	20.25
54	Shamrock	2,028	20.00
55	Shenandoah	2,770	19.60
56	McCamey	2,062	18.55
57	Shiner	2,139	16.40
58	Pantego	2,750	15.38
Average		2,494.45	37.55
			-23%

Comparison of Sewer Rates State-wide of Comparable Sewer Systems

Sewer Rates Rank	Population Group City Name	City Population	Fee for 5,000 Gallons Residential	Sewer Rates Rank	Population Group City Name	City Population	Fee for 5,000 Gallons Residential
1	Seymour	2,740	80.91	30	Marfa	2,703	25.00
2	Jonestown	2,033	78.00	31	Schulenburg	2,925	24.75
3	Annetta	2,830	55.00	32	Whitney	2,130	23.65
4	Howe	2,798	54.60	33	Waller	2,522	23.50
5	Sonora	2,924	53.22	34	Daingerfield	2,560	23.00
6	Ferris	2,534	47.50	35	Van	2,712	23.00
7	Hudson Oaks	2,160	46.40	36	McCamey	2,062	22.50
8	Malakoff	2,358	41.48	37	Idalou	2,337	21.30
9	Castroville	2,931	40.87	38	Clarendon	2,026	21.05
10	Lavon	2,889	38.00	39	West	2,927	20.40
11	Jefferson	2,199	37.75	40	Lyford	2,611	20.00
12	Mount Vernon	2,753	35.70	41	Hamlin	2,791	20.00
13	Glen Rose	2,989	35.50	42	Overton	2,544	18.30
14	Pinehurst	2,097	34.00	43	Pantego	2,750	17.24
15	Palmer	2,258	34.00	44	Olton	2,288	16.00
16	Panhandle	2,439	30.27	45	Winters	2,974	16.00
17	Northlake	2,660	30.00	46	Hallettsville	2,598	15.75
18	Dalworthington Ga	2,454	29.90	47	Morton	2,006	15.00
19	George West	2,631	29.00	48	Mason	2,139	15.00
20	Tahoka	2,662	28.25	49	Van Horn	2,063	14.50
21	Waskom	2,187	28.00	50	Junction	2,574	13.53
22	Poth	2,370	27.35	51	Seagraves	2,762	13.50
23	Early	2,833	26.90	52	Shenandoah	2,770	13.00
24	Kountze	2,147	26.52	53	Abernathy	2,839	12.50
25	Memphis	2,290	26.50	54	Shiner	2,139	12.41
26	Kirbyville	2,181	26.40	55	Electra	2,791	11.00
27	Woodville	2,586	26.00	56	Shamrock	2,028	10.95
28	Odem	2,611	25.50	57	Anson	2,556	10.00
29	Weimar	2,161	25.00	58	Albany	2,043	7.50
					Average	2,497.84	27.57
							-34%

Source- TML Survey of Utility Rates 2017.

Utility Fund –

• Expenditures:

- Administration
- Water Operations and Maintenance
- Sewer Operations and Maintenance
- Transfers Out
 - Water Revenue
 - Sewer Revenue

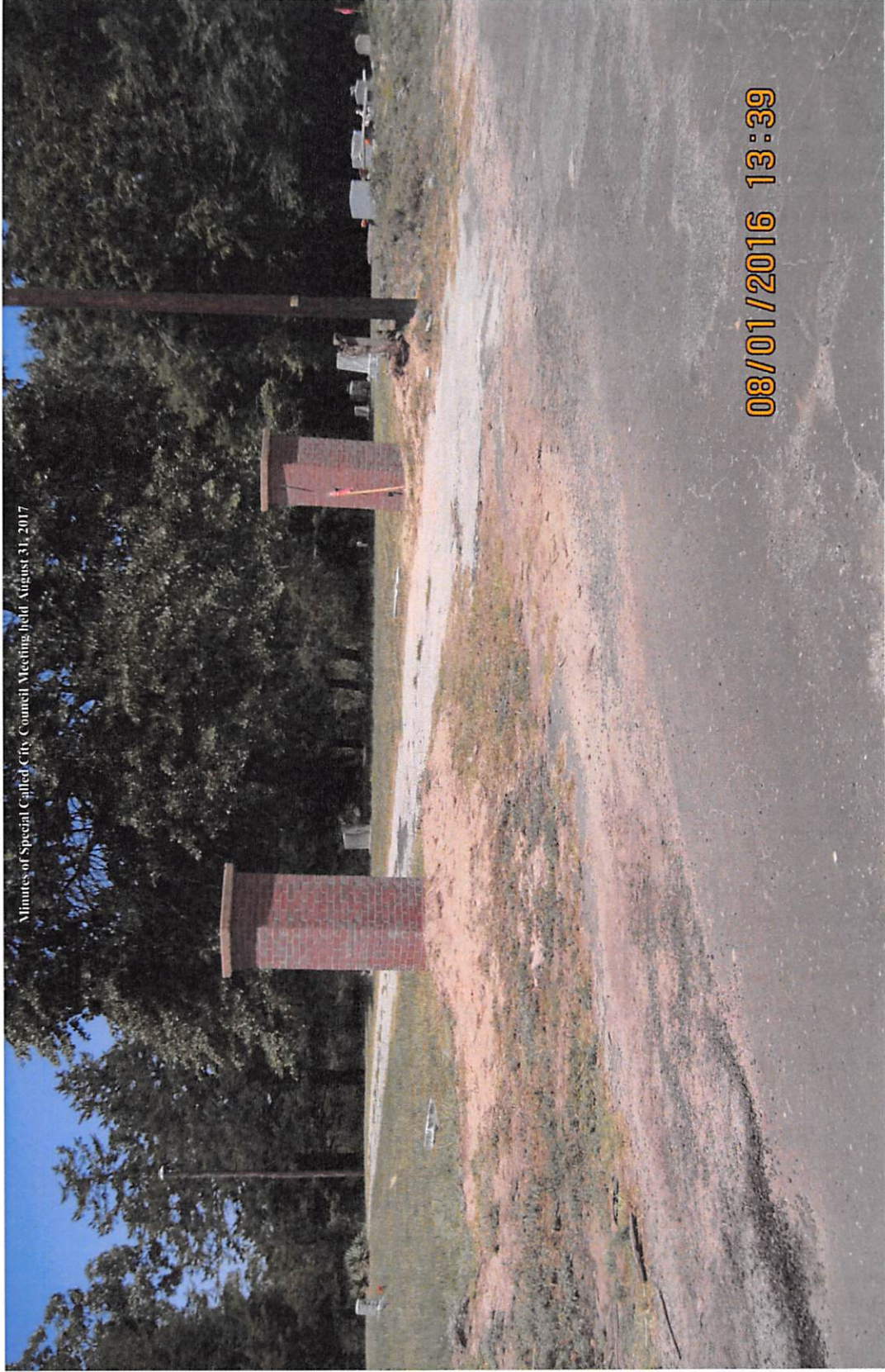


Water and Sewer Fund Expenditures

	FY 2017-18	Proposed FY 2017-18	Diff. from Current
Admin. - UB & Common Expenses	94,376	82,508	(11,869)
Water Operations	284,794	291,712	6,918
Sewer Operations	312,644	240,297	(72,347)
Transfers Out - Water	204,637	266,113	61,476
Transfers Out - Sewer	240,378	300,913	60,535
W/S Fund Total Expenditures	1,136,830	1,181,543	44,713

Water/Sewer Fund

	FY 2017-18	Proposed FY 2017-18	Diff. from Current
Revenue	1,250,624	1,184,400	(66,224)
Expenditures	1,136,830	1,181,543	44,713
Difference	113,794	2,857	





CEMETERY

The operation, maintenance and planned improvements for the Overton Municipal Cemetery are accounted for in this fund.

Cemetery O&M Revenue

	FY 2017-18	Proposed FY 2017-18	Difference
Prop. Taxes-Current	40,858	40,118	(740)
Prop Taxes Delinquent	1,500	900	(600)
Donations	500	800	300
Other Income	1,000	350	(650)
Tax Penalties and Interest	250	500	250
Tax Collection Fees	100	120	20
County Reg Filing Fee	200	400	200
Cemetery Plot Sales	10,000	8,800	(1,200)
Interment Fees	3,500	2,500	(1,000)
Gravesite Location Fee	300	300	-
Marker Deposit Fee	1,650	1,500	(150)
Total Cemetery Revenue	59,858	56,288	(3,570)

Cemetery O&M Tax Rate

	Last Year	Proposed		
	<u>2016-17</u>	<u>2017-18</u>	<u>\$ Change</u>	<u>% Change</u>
	0.0500	0.0500	\$ -	0.00%

Total Assessed Value

Rusk County	76,063,190	77,233,100	1,169,910	1.51%
Smith County	<u>-</u>	<u>6,595,189</u>	<u>6,595,189</u>	
Total	76,063,190	83,828,289	7,765,099	10.21%
Estimated Levy	38,031.60	41,914.14	3,882.55	10.21%

Impact of Rate Increase on Representative Home Values

(Increase Assessed Value by 1.9%)

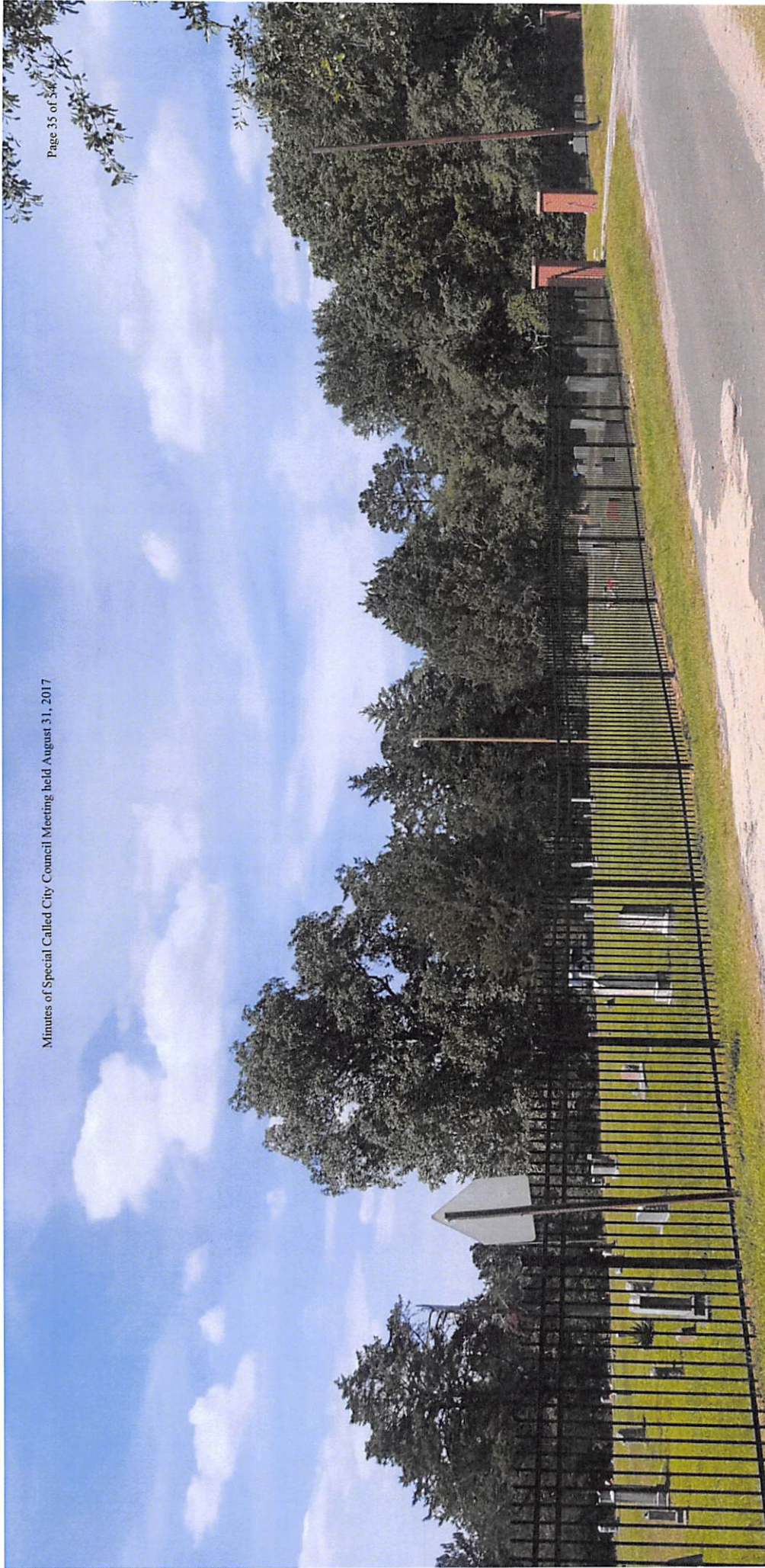
<u>Home Value</u>	Cemetery TAX 0.0500 Annual Tax	Difference from Prior Year	Monthly Increase
\$ 50,950	\$ 25.48	\$ 3.89	\$ 0.32
\$ 73,133 *	\$ 36.57	\$ 5.70	\$ 0.47
\$ 76,425	\$ 38.21	\$ 5.84	\$ 0.49
\$ 101,900	\$ 50.95	\$ 7.79	\$ 0.65
\$ 127,375	\$ 63.69	\$ 9.74	\$ 0.81
\$ 152,850	\$ 76.43	\$ 11.68	\$ 0.97

*Average Home Value in Overton

CEMETERY

Expenditure Category

Salaries/Benefits	13,351	22,900	9,549
Materials and Supplies	4,150	7,688	3,538
Contracted Services (Util)	32,744	21,450	(11,294)
Insurance/ Professional Fees	700	950	250
Transfers Out	7,650	-	(7,650)
	<u>58,595</u>	<u>52,988</u>	<u>(5,607)</u>



Debt Management

The “Debt Management” Fund or Interest and Sinking (I&S), groups fiscal resources used to satisfy annual principal and interests payments on existing or proposed debt.

Two Types of Debt –

1. Debt Obligations resulting from Sale of Bonds
2. Short Term Loans

I & S Fund Revenue Sources

Revenue to satisfy debt service requirements on bonded indebtedness comes principally from ad valorem property taxes generated by a specific tax rate for this purpose.

Tax Rate Comparison

Fiscal Year	<u>2016-17</u>	<u>2017-18</u>	<u>Change</u>	<u>% Change</u>
Debt Rate	0.2380	0.2580	\$ 0.02	7.75%
Assessed Value:				
Smith County	6,384,263	6,493,189	108,926	1.71%
Rusk County	<u>75,330,800</u>	<u>76,063,190</u>	<u>732,390</u>	<u>0.97%</u>
Total	81,715,063	82,556,379	841,316	1.03%
% Increase				
Levy	194,482	212,995	18,514	9.52%
Collection Rate				
	<u>99.50%</u>	<u>95.00%</u>		
	193,509	202,346	8,836	4.57%

Impact of Rate Increase on Representative Home Values

(Increase Assessed Value by 1.9%)

<u>Home Value</u>	Debt Tax Rate 0.2580 <u>Annual Tax</u>	Prior Year Tax Bill	Difference from Prior Year	Monthly Increase
\$ 50,950	\$ 131.45	\$ 129.00	\$ 2.45	\$0.20
\$ 73,133 *	\$ 188.68	\$ 185.10	\$ 3.58	\$0.30
\$ 76,425	\$ 197.18	\$ 193.50	\$ 3.68	\$0.31
\$ 101,900	\$ 262.90	\$ 258.00	\$ 4.90	\$0.41
\$ 127,375	\$ 328.63	\$ 322.50	\$ 6.13	\$0.51
\$ 152,850	\$ 394.35	\$ 387.00	\$ 7.35	\$0.61

*Average Home Value in Overton

Breakdown of Costs by Funding Source

<u>Funding from Debt Portion of Tax Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
Series 2002 CO's	160,000	38,160	198,160	
Series 2003 CO's	25,000	2,237	27,237	
Revenue from Debt Portion of Tax Rate	185,000	40,397	225,397	74%
 <u>Funding from Surplus Water Sewer Revenue</u>				
Refunded Series 2003 CO's	79,000	-	79,000	
Water/Sewer Surplus Revenue	79,000	-	79,000	26%
Total Obligation	264,000	40,397	304,397	100%

Debt Service (I&S) Funds

2002-03 Bonds- <u>Revenue</u>	FY 2017-18	Proposed FY 2017-18
Ad Valorem Taxes	201,582	213,813
Proceeds from Loan	490,000	-
Transfers In Water Fund	17,746	8,242
Transfers In Sewer Fund	17,746	8,242
Total Loan and Transfers	525,492	16,484
	727,074	230,297
<u>Expenditures</u>		
2002 CO Bonds -	201,425	203,060
2003 GO and Refunding Bonds	498,635	-
2003 CO \$400,000	26,613	27,237
Total Bond Debt Service	726,673	230,297

I & S Fund Revenue Sources Short term Loans

Revenue to satisfy loan repayment requirements on short term loans comes principally from transfers from the operating funds.

<u>Debt Service (I&S) Funds</u> <u>Notes and Loans</u> <u>Revenue</u>	FY 2016-17	Proposed
		FY 2017-18
Interest Income	50	50
Transfers In Water	28,826	68,871
Transfers In Sewer	43,326	68,871
Transfers In General Fund	35,874	11,165
Total	108,076	148,957
<u>Expenditures</u>		
EMS Building Loan	11,165	11,165
Texas BAT - Police Vehicles	24,709	-
Unsecured Loan (Equipt)	32,512	32,512
Unsecured Loan (Ref Debt)	39,640	79,280
Unsec. Loan (Util. repairs)	-	26,000
Sub-Total	108,026	148,957

← NEW

Total Debt Service (I&S) Funds

Revenue	835,150	379,254
Expenditures	834,698	379,254
Difference	452	-

Special Revenue Funds

“Special Revenue Funds” – Account for use of revenue collected for specific purposes, usually dictated by State statute.

Court Technology Fund

Court Security Fund

Dedicated Court Rev. Security Fund

Police Seizure Fund

Police Donations - Fund Raisers

Special Revenue Funds

Total Special Revenue Funds

Revenue	16,900	18,200
Expenditures	17,484	14,300
Difference	(584)	3,900

Capital Improvement Funds

General Fund Improvements

- **Street Improvements**

Water System CIP

Sewer System CIP

Capital Acquisition

-Vehicles/Equipt.

General Fund – Street Improvements

General Fund
Street Improvements

FY 2016-17	Proposed FY 2017-18
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Rusk Co. Assistance Program
Revenue

Transfer -In from Water/Sewer

	50,000	50,000
Total	50,000	50,000

Expenditures

Crews Street Repairs
Sweet Gum
North Street
East Henderson

	5,944	10,000
	2,942	5,000
	3,134	10,000
	6,331	25,000
Total	18,351	50,000

Utility Fund – Water CIP

Water System CIP

Revenue

Proceeds from Unsec Loan

Transfer In - Water Fund

Total Revenue Water CIP

	FY 2016-17	Proposed FY 2017-18
Proceeds from Unsec Loan	-	160,000
Transfer In - Water Fund	12,682	-
Total Revenue Water CIP	12,682	160,000

Expenditures

Renovate Well # 7 Ground Storage Tank

Renovate Well # 5 Ground Storage Tank

Chlorination System Well 5 & 7

Total Expenditures Water CIP

Renovate Well # 7 Ground Storage Tank	-	91,895
Renovate Well # 5 Ground Storage Tank	-	64,500
Chlorination System Well 5 & 7	12,682	-
Total Expenditures Water CIP	12,682	156,395

Track No: 645459 Compliance Due Date: 12/31/2017

30 TAC Chapter 290.46(m)(1)(A)

Alleged Violation:

Investigation: 1421052

Comment Date: 06/13/2017

Failure to maintain the exterior/interior coating protection on ground storage tanks #5 and #7.

During the investigation, the investigator documented from the previous tank inspection that both ground storage tank #5 and #7 are in need of recoating both the inside and outside of the tanks. According to 30 TAC 290.46(m)(1)(A) Ground and elevated storage tank inspections must determine that the vents are in place and properly screened, the roof hatches closed and located, flap valves and gasket provide adequate protection against insects, to provide adequate protection to all metal surfaces, and the tank remains in a watertight condition.

Recommended Corrective Action: Please submit compliance documentation by December 31, 2017. The documentation should demonstrate what actions have been taken to correct the violation and may include photographs, purchase orders, results of analyses, etc.

Utility Fund – Sewer CIP

Sewer Fund Capital Improvements Revenue

FY 2016-17

**Proposed
FY 2017-18**

Transfer In Sewer Fund

6,341

18,800

Total Revenue Sewer CIP

6,341

18,800

Expenditures

Chlorination System WWTP

6,341

-

Install Dewatering Tank

-

18,800

Total Expenditures Sewer CIP

6,341

18,800

Capital Acquisition Vehicles and Equipt.

FY 2016-17	Proposed FY 2017-18
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Revenue

Transfer In - from Gen Fund		19,000
McMillan Foundation Grant	-	15,000
Transfer In -Water Fund		8,000
Transfer In -Sewer Fund		8,000
	7,800	18,800
	7,800	68,800

Expenditures

Purchase Pick-up W/S	7,800	-
Purchase Police Unit	-	34,000
Dewatering Tank	-	18,800
(2) Zero turn Riding Mowers		16,000
	7,800	68,800

Total Tax Rate

Impact of Rate Increase on Representative Home Values

(Increase Assessed Value by 1.9%)

<u>Home Value</u>	O&M Tax Rate 0.4100 Annual Tax	Debt Tax Rate 0.2580 Annual Tax	Cemetery TAX 0.0500 Annual Tax	Total Tax Bill	Difference from Prior Year	Monthly Increase
\$ 50,950	\$ 208.90	\$ 131.45	\$ 25.48	\$ 365.82	\$ 6.82	\$0.57
\$ 73,133 *	\$ 299.85	\$ 188.68	\$ 36.57	\$ 525.09	\$ 9.98	\$0.83
\$ 76,425	\$ 313.34	\$ 197.18	\$ 38.21	\$ 548.73	\$ 10.23	\$0.85
\$ 101,900	\$ 417.79	\$ 262.90	\$ 50.95	\$ 731.64	\$ 13.64	\$1.14
\$ 127,375	\$ 522.24	\$ 328.63	\$ 63.69	\$ 914.55	\$ 17.05	\$1.42
\$ 152,850	\$ 626.69	\$ 394.35	\$ 76.43	\$1,097.46	\$ 20.46	\$1.71

*Average Home Value in Overton

Comparison of Tax Rates of Comparable Cities

<u>City</u>	<u>Pop.</u>	<u>Assessed Value</u>	<u>Comb. Tax Rate</u>	<u>Total Debt</u>	<u>Services</u>
1 Anson	2,556	66,714,280	1.1900000	5,204,991	AM GC L LK MB PK S SP W
2 Stanton	2,936	81,757,950	1.1700000	815,000	AP MB PK S SL W ZZ
3 Stratford	2,073	80,452,650	0.9100000	2,610,000	C MB PK S W
4 Quannah	2,641	62,098,870	0.8400000	0	AP C CE MB PK S SL SP W
5 Blue Mound	2,500	72,111,456	0.8062500	21,105,980	L MB PK W
6 Fritch	2,235	69,069,224	0.7126250	5,208,000	L MB PK S SC W
7 Electra	2,791	77,261,262	0.6994780	5,100,000	AP C CE FG GC L LK MB PH PK S SC SP W
8 Pinehurst	2,097	80,959,997	0.6979900	1,454,000	MB PK S W
9 Overton	2,540	82,556,379	0.6680000	1,060,490	C,CE,GC, L, LK,MB, PH,PK,S, W
10 Trinity	2,800	83,837,379	0.6362000	120,765	CE L MB PK S W
11 Idalou	2,337	97,850,306	0.6081700	3,510,000	L MB PK S SL W
12 Shamrock	2,028	71,796,950	0.5070060	0	AP C CE L MB S SL SP W
13 Van Horn	2,063	68,413,960	0.4863040	869,000	CE GC L MB P PK S SP W
14 Vinton	2,082	83,405,557	0.4649670	900,000	MB PK
15 Memphis	2,290	62,133,280	0.4407020	589,200	AM AP C CE L PK S SL SP W
16 Combine	2,107	77,453,019	0.3300000	0	MB
Average	2,380	76,117,032	0.6979808		

QUESTIONS?