

RESOLUTION NO: 2016-10-20B

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS RATIFYING ADOPTION OF THE 2016-17 ANNUAL OPERATING BUDGET BY THE OVERTON ECONOMIC DEVELOPMENT CORPORATION (OEDC) ON OCTOBER 4, 2016.

THE STATE OF TEXAS §
COUNTY OF RUSK §

WHEREAS, the OMDD met on October 4, 2016 to consider adoption of the Operating Budget for FY 2016-17; and

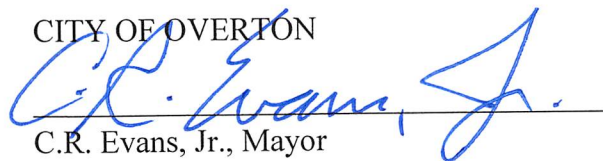
WHEREAS, after consideration of the proposed budget the OMDD Board adopted of the Operating Budget for FY 2016-17 by unanimous vote;

NOW, THEREFORE, BE IT RESOLVED THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS THAT:

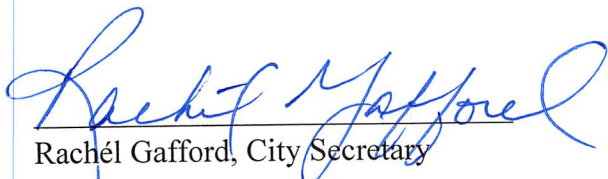
The City Council of the City of Overton ratifies and approves the FY 2016-17 Fiscal Year Operating Budget of the Overton Economic Development Corporation as adopted by them and as shown in Exhibit A of this Resolution that is attached hereto and becomes a part hereof for all purposes.

APPROVED AND RESOLVED BY THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS ON THIS 20TH DAY OF OCTOBER, 2016.

CITY OF OVERTON


C.R. Evans, Jr., Mayor

ATTEST:


Rachel Gafford, City Secretary

APPROVED AS TO FORM AND LEGALITY:

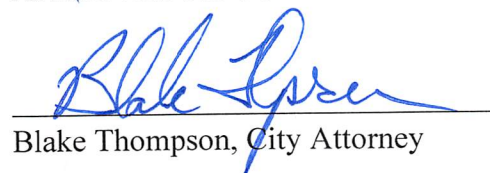

Blake Thompson, City Attorney





EXHIBIT A

Transmittal of Agenda Items for
OEDC Meeting 10-04-2016

Items#: VI.1

Subject: Consideration and possible action on Proposed Annual Operating and Capital Improvement Budgets for the Overton Economic Development Corporation for Fiscal Year 2016-17

Initiator: City Manager

Presenter: Charles Cunningham

Discussion:

Despite the fact that there are very few line items or significant non routine items in OEDC's annual Operating Budget, it is still necessary to prepare an annual budget for Board consideration and approval for consideration and adoption by the Board.

The principal source of revenue is sales tax receipts anticipated for the next fiscal year. Amounts estimated for the 2016-17 year are based on historical collections with particular emphasis placed on the last two years inasmuch as receipts for this time period has shown a slow erosion over time in spite of the fact that the City has approved by vote of its citizens, to add beer, wine and mixed drink sales to its tax base. This is reflective of the down turn in the economy due to lower prices for oil. Prospects for improvements in the near to mid-term are not encouraging so the overall estimates for 2016-17 are reduced from the prior year. A copy of a table that shows monthly collections for the previous 10 years plus estimates for 2016-17 are shown.

Anticipated "Interest Income" has been reduced because it is a function of the amount of idle funds available for investing and since the Board will be spending down some of the reserves set aside for capital projects that are underway, there will be less of a balance that will draw less interest.

Operating expenditure have been adjusted based on past experience and anticipated activities for the coming year. For example audit fees have more than doubled because it is expected that we will be able to catch up this year on at least three.

The Capital Improvement Budget was prepared based on projects already underway with the remaining balances that will be expended this year. That is not to say that other projects may not be added later on or adjustments to current projects made. However, this represents the starting point for the 2016-17 Fiscal Year.

OEDC Annual Operating Budget FY 2016-17

General Operating Funds

Revenue

Taxes - State Sales Taxes

SubTotal Taxes

Other Revenue

Interest Income

General Op. Revenue - Total

Expenditures

Office Supplies and Services

Insurance and Bonds

Travel Expenses

Training /Travel

Legal & Audit

Bldg. Maintenance

Contract Services (City & ONLCC)

General Op Expenditures Total

Difference

Capital Improvement Funds

Source of Funding

Reserves

Total CIP Funding

Expenditures

1 Replace water/sewer lines & repave alleyways.

#1a Holland Street Sewer/Water line replacement

2 Reconstruct /re-pave intersections

3 Dam Improvements # 1

4 Spillway & Overflow Channel.

5 Improvements to WWTP Contact Pond

Total CIP Expenditures

	Projected EOY 2016	Adopted FY 2017	Current Month Oct	Year-to- date	Revised Amended	% Re- maining
Taxes - State Sales Taxes	100,707	97,978	-	-	-	0%
SubTotal Taxes	100,707	97,978	-	-	-	0%
Other Revenue						
Interest Income	4,643	3,000	-	-	-	0%
General Op. Revenue - Total	105,350	100,978	-	-	-	0%
	Projected EOY 2016	Adopted FY 2017	Current Month Oct	Year-to- date (July)	Revised Amended	% Re- maining
Office Supplies and Services	600	650	-	-	-	0%
Insurance and Bonds	326	342	-	-	-	0%
Travel Expenses	-	500	-	-	-	0%
Training /Travel	-	500	-	-	-	0%
Legal & Audit	1,000	2,500	-	-	-	0%
Bldg. Maintenance	950	500	-	-	-	0%
Contract Services (City & ONLCC)	19,800	19,800	-	-	-	0%
General Op Expenditures Total	23,866	24,792	-	-	-	0%
<u>Difference</u>	81,484	76,186	-	-	-	
	Projected EOY 2016	Adopted FY 2017	Current Month Oct	Year-to- date	Revised Amended	% Re- maining
Reserves	-	797,404	-	-	-	
Total CIP Funding	188,637	714,559	-	-	-	
	Projected EOY 2016	Adopted FY 2017	Current Month Oct	Year-to- date	Revised Amended	% Re- maining
# 1 Replace water/sewer lines & repave alleyways.	13,280	266,720	-	-	-	0%
#1a Holland Street Sewer/Water line replacement	5,524	114,476	-	-	-	0%
# 2 Reconstruct /re-pave intersections	13,408	42,876	-	-	-	0%
# 3 Dam Improvements # 1	29,357	99,643	-	-	-	0%
# 4 Spillway & Overflow Channel.	2,068	147,932	-	-	-	0%
# 5 Improvements to WWTP Contact Pond	125,000	42,912	-	-	-	0%
Total CIP Expenditures	188,637	714,559	-	-	-	0%

OEDC - 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	6,003.30	8,062.59	4,831.06	4,682.75	6,072.43	5,256.54	3,585.95	6,943.05	4,644.50	4,457.41	7,318.02	4,077.80	65,935
2005	5,032.02	7,157.54	4,269.73	4,009.98	7,237.21	4,468.95	4,251.12	8,301.77	3,808.76	5,768.88	7,567.22	4,300.87	66,174
2006	5,471.21	7,394.06	5,962.34	6,461.59	7,609.56	6,094.92	5,099.74	8,607.05	5,383.43	6,212.80	8,643.22	5,484.14	78,424
2007	6,428.89	10,313.52	5,758.55	6,060.05	8,688.18	5,717.98	6,177.06	8,771.01	6,498.72	5,396.99	8,173.35	5,608.73	83,593
2008	6,210.06	9,556.27	6,130.44	8,466.27	9,871.70	6,863.51	7,744.39	10,842.17	7,281.82	8,072.71	11,236.89	10,526.01	102,802
2009	8,282.00	12,228.94	8,298.01	8,067.42	11,275.68	9,111.47	7,161.07	10,291.64	7,731.60	7,403.81	17,669.81	8,456.64	115,978
2010	8,488.43	7,530.84	7,703.13	4,809.81	7,837.44	5,653.66	5,860.02	10,162.95	6,920.41	6,475.91	9,682.20	6,339.69	87,465
2011	6,213.94	8,853.75	6,722.99	5,646.68	9,101.06	7,925.30	6,388.33	10,415.97	7,964.54	6,475.87	9,512.91	6,885.12	92,106
2012	6,994.02	9,861.72	6,717.48	6,561.39	10,277.19	6,561.72	6,666.99	8,178.06	6,452.82	6,908.88	9,282.90	6,759.72	91,223
2013	7,069.59	9,744.90	7,393.65	8,015.70	9,646.23	7,113.48	8,177.07	9,619.83	7,647.75	8,129.55	10,596.96	7,595.61	100,750
2014	8,601.30	10,186.93	8,638.60	7,988.64	12,492.48	6,801.30	7,929.24	12,199.77	8,141.76	8,316.53	11,656.66	8,092.36	111,046
2015	8,601.29	10,187.26	8,638.59	7,322.30	11,413.64	7,086.39	8,210.70	11,147.57	9,846.05	7,649.84	11,141.84	8,028.46	109,274
Actual 2016	8,739.31	11,028.47	8,790.44	6,998.85	11,217.37	6,387.06	6,638.05	9,756.58	6,636.08	6,779.35	10,391.44	7,544.00	100,907
Est. 2016	8,841.89	10,472.22	8,880.23	7,527.12	11,732.90	7,284.61	8,440.37	11,459.39	8,456.27	7,863.82	10,308.00	7,427.31	108,694
Actual 2017													-
Est. 2017	8,485.61	10,708.33	8,535.27	6,795.68	10,891.74	6,201.65	6,445.35	9,473.36	6,443.44	6,582.55	10,089.79	7,325.00	97,978
% Diff Est/Act	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
\$ Diff Est/ Act	-8,485.61	-10,708.33	-8,535.27	-6,795.68	-10,891.74	-6,201.65	-6,445.35	-9,473.36	-6,443.44	-6,582.55	-10,089.79	-7,325.00	-97,978
											11453.5	8253.03	118,642