



# City of Melissa

Fiscal Year 2008 – 2009  
Operating Budget

# **CITY OF MELISSA, TEXAS**



## **OPERATING BUDGET**

**FISCAL YEAR 2009  
OCTOBER 1, 2008 - SEPTEMBER 30, 2009**

**AS SUBMITTED TO  
THE MAYOR AND THE CITY COUNCIL**

**MAYOR  
DAVID DORMAN**

**MAYOR PRO TEM  
DAN TROTT**

**CITY COUNCIL MEMBERS  
RANDY KAISER  
STAN MERCER  
BILL REYNOLDS  
SHARON WEIDEMAN**

### **STAFF:**

**CITY ADMINISTRATOR – JASON LITTLE  
FINANCE DIRECTOR – GAIL DANSBY  
CITY SECRETARY – LINDA BANNISTER  
POLICE CHIEF – DUANE SMITH  
FIRE CHIEF – DAVID WRIGHT  
DEVELOPMENT & NEIGHBORHOOD SERVICES DIRECTOR – DANA NIXON  
CITY LIBRARIAN – JAN CLARK  
PUBLIC WORKS DIRECTOR – JEFF HOGAN, P.E.  
CITY ENGINEER – BOB HELMBERGER, P.E.**

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# OVERVIEW



December 3, 2008

Mayor David Dorman  
City Council Members  
Community of Melissa, Texas

To the Honorable Mayor and City Council:

On behalf of the entire Management Team, I am pleased to present to you the Fiscal Year 2009 (FY 09) City of Melissa Annual Budget. The City Budget is, in essence, the Financial Plan for the ensuing year and will serve as a wealth of information about the City and its many programs.

We have come a long way. By all measures, Melissa is a city on the rise and continues to attract new residents at a brisk pace. The 2000 Census estimated the population to be 1,350, while the 2008 population estimate is roughly 5,000 residents. Even with the national economic slowdown, people continue to relocate to Melissa in large numbers because it is a great place to live and raise a family, and the City has taken the initiative through comprehensive planning to define what it wants to look like in the face of the future growth.

### **Budget Purpose**

The budget is meant to serve the following four major purposes:

1. To serve as a **Policy Guide**, as promulgated by the City Council.
2. To serve as an **Operating Guide** for management staff to aid in the control of financial resources, while complying with State requirements for General Law cities and generally accepted accounting principles for government.
3. To present the City's **Financial Plan** for the fiscal year, illustrating appropriations and projected revenues by which the appropriations are funded.
4. To serve as a **Communication Document** for the citizens of Melissa who wish to understand how the City operates and the methods used to finance those operations.

As readers will notice from this point forward, the document looks much different than it did in years past as a result of the four purposes stated above. The City will submit this document to the Government Finance Officers Association of America for review and consideration for the Distinguished Budget Award, which would be the first for the City of Melissa.

## **Summary of the Fiscal Year 2009 Budget**

The FY 09 Approved Budget totals \$6,338,644. The property tax revenue within the FY08 budget is based on an ad valorem tax rate of \$.61, an increase of \$.09 in accordance with the bond election approved by voters in November 2007. Even with the new rate, the City of Melissa is competitive with the tax rates of cities within Collin County.

In the Water Fund, a 4% increase was approved for users of the Country Ridge Water System. Since 2006 when the City purchased the Country Ridge water system, the rates have been frozen. The 4% increase is a conservative attempt to ensure the water rates pay for the operations and maintenance of the system. In addition, the City system was utilized by the Country Ridge system to supplement water since the demand within the community exceeded its supply. Since the connection has been made to the City system and has been used throughout 2008, the City desires to move towards one water rate fee over time. While no future increases are contemplated at this time, the City Council is committed to review the water and wastewater rates annually to ensure the rates are competitive in the area and will support the water and wastewater system.

Like any community, the City of Melissa has many needs and desires but limited resources. Resource constraints compel a community to set priorities. The City Council's goal setting session in February of each year develops the priorities that are heavily weighted in the budget. The funding priorities for FY09 are listed below with narrative on the top priorities.

- Debt
- Reserves
- Personnel/Benefits Adjustments
- Operations & Maintenance
- Capital

**Debt Planning** – This budget was created under the zero based budgeting methodology, where department's request start at zero and build to the requested level using justification. The first priority in the allocation of funds in the FY 09 budget was to fund the debt associated with the bond sales for the first phase of the water/wastewater and transportation capital improvement programs. The City envisioned kicking off this implementation in the FY 08 budget for water and wastewater, but delayed the implementation due to the slowdown in the residential water meter growth. In November 2007, the citizens of Melissa approved a 19.1 million bond program for transportation projects throughout Melissa.

The FY 09 budget had the approved \$.09 tax rate increase to fund the transportation programs, for which bonds have been sold and the initial projects are currently underway.

**Reserves** – After the appropriate funds were allocated to the current and proposed debt liabilities, the City prefunded a reserve level that will allow the City

to reserve funds to meet the reserve fund policy of a 90 day reserve balance. At the end of FY 09, it appears that Melissa will be at the 90 day level or very close.

**Employee Retention and Recruitment** – In many, if not all, public entities, personnel costs make up a large percentage of the budget. In Melissa, over 38% is attributed to personnel services. With growing cities, the challenge is to not only attract quality employees who can be an integral part of the overall team, but to retain those who provide services with pride and dedication. Compounding this is the fact that small cities have a hard time maintaining a salary and benefit system that can compete with the larger, more developed communities. In Melissa, employees are asked to serve a multitude of functions in order to meet the needs of the citizens and businesses in the community, and the City's goal is to create a salary and benefit structure that attracts and retains employees. In the FY 09 budget, two significant actions are included: an across the board cost of living adjustment in the amount of 5% (net 4% due to the TMRS adjustment), and an increase in the Texas Municipal Retirement System from 6% to 7%. These simultaneous actions are consistent with the actions of years past in that benefits adjustments are considered against the marketplace and incremental adjustments are made. Melissa now stands very competitive against most area cities in terms of overall benefits. Salary levels will continue to be an issue, and this will be addressed as well over time. The FY 08 budget salary levels were compared against a salary classification system that was created internally using data from area cities and cities throughout the State of Texas. This toll will be updated annually and used to justify potential market adjustments and potential reclassifications.

**Infrastructure maintenance** - The budget includes substantial allocation of dollars for infrastructure maintenance, particularly the street maintenance line items. The City will continue to focus on patching and repairing where needed; however, the City developed a comprehensive rehabilitation program, which provides for a significant rehabilitation program that will be based on an evaluation and prioritization of all existing road repairs throughout the City.

**Capital Improvement Plan Implementation** – The result of the Comprehensive Plan adopted by the City Council in July 2006 allowed staff to look at the future land use of Melissa and begin to define how the City will get to that place in the future. The City submitted five pressing road projects in Melissa to Collin County to be considered at their November 2007 bond election. The City received 50% funding for four of the five projects. By consolidating these projects with several other road needs, the City will be able to leverage funding from other sources. The City Council requested that this opportunity be placed before the voters in November 2007 and over 65% of those that voted approved the bond program. The City Council also reviewed the water and wastewater needs for the City's further development and has initiated a water rate study to see how the water rates would support the ongoing operation of the existing water and wastewater systems, as well as the new systems needed.



**Acknowledgment**

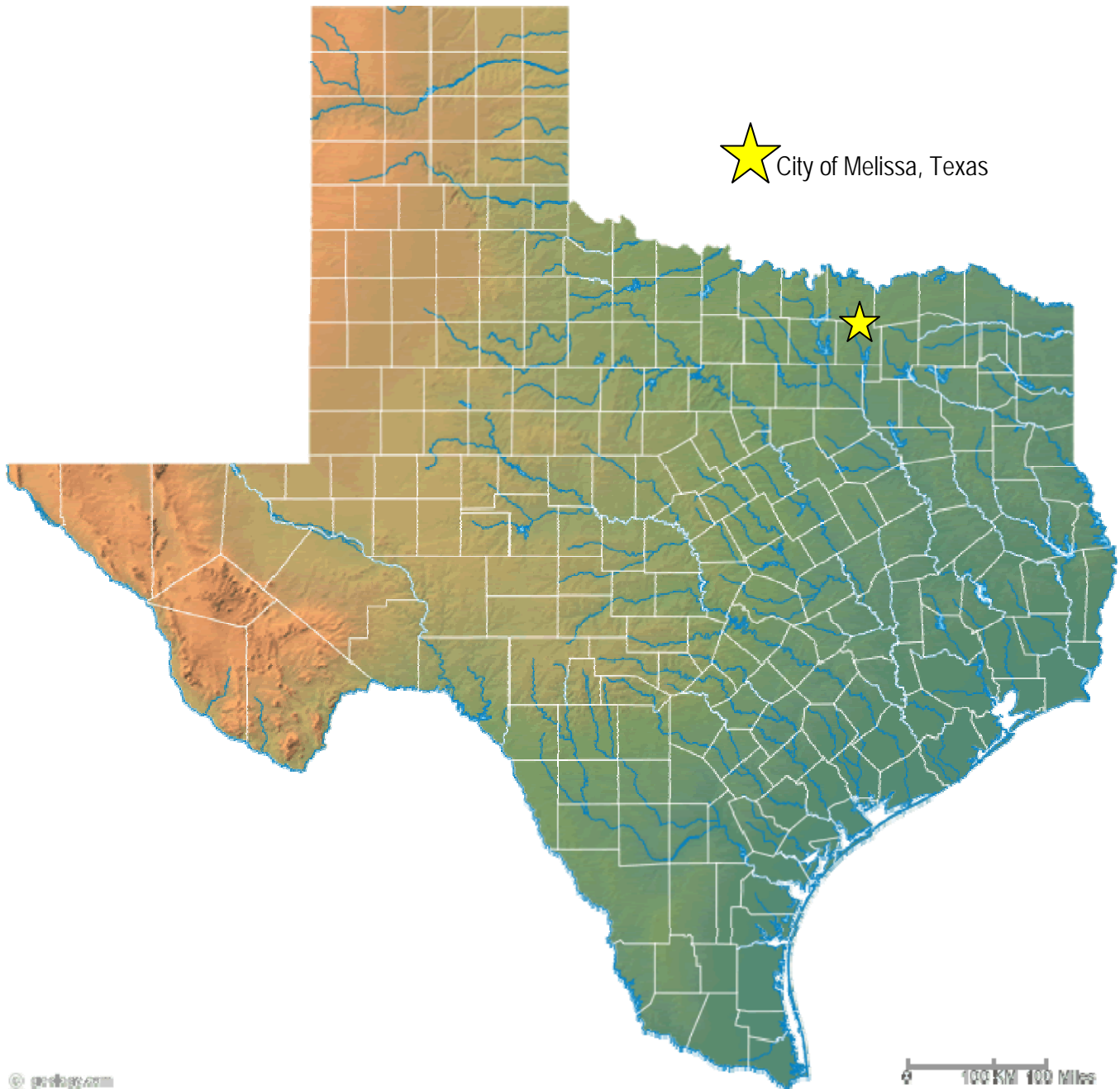
Overall, every effort has been made within the Fiscal Year 2009 budget to allocate resources in a sound manner that enables the effective delivery of municipal services for the safety, health, and welfare of the citizens of the City of Melissa. The City Administration sincerely appreciates the cooperation and assistance of the City Council and staff in crafting the Fiscal Year 2009 budget.

Finally, as always, we look forward to your comments and suggestions as to this budget presentation so that we may continue to refine the document so it will be as readable and useful as possible to the City Council and to the community.

Respectfully submitted,

Jason Little  
City Administrator

The City of Melissa is a fast growing North Texas community with a population of approximately 5,000. Melissa is located thirty-eight miles north of downtown Dallas. Situated in north east Collin County, Melissa is in a dynamic growth area with a region encompassing nine counties and spanning one hundred miles with a population of over four million. The close proximity to Dallas and its suburbs offer easy access to all parts of the Metroplex, including Fort Worth, and other areas of Texas as well.



## **City of Melissa Vision**

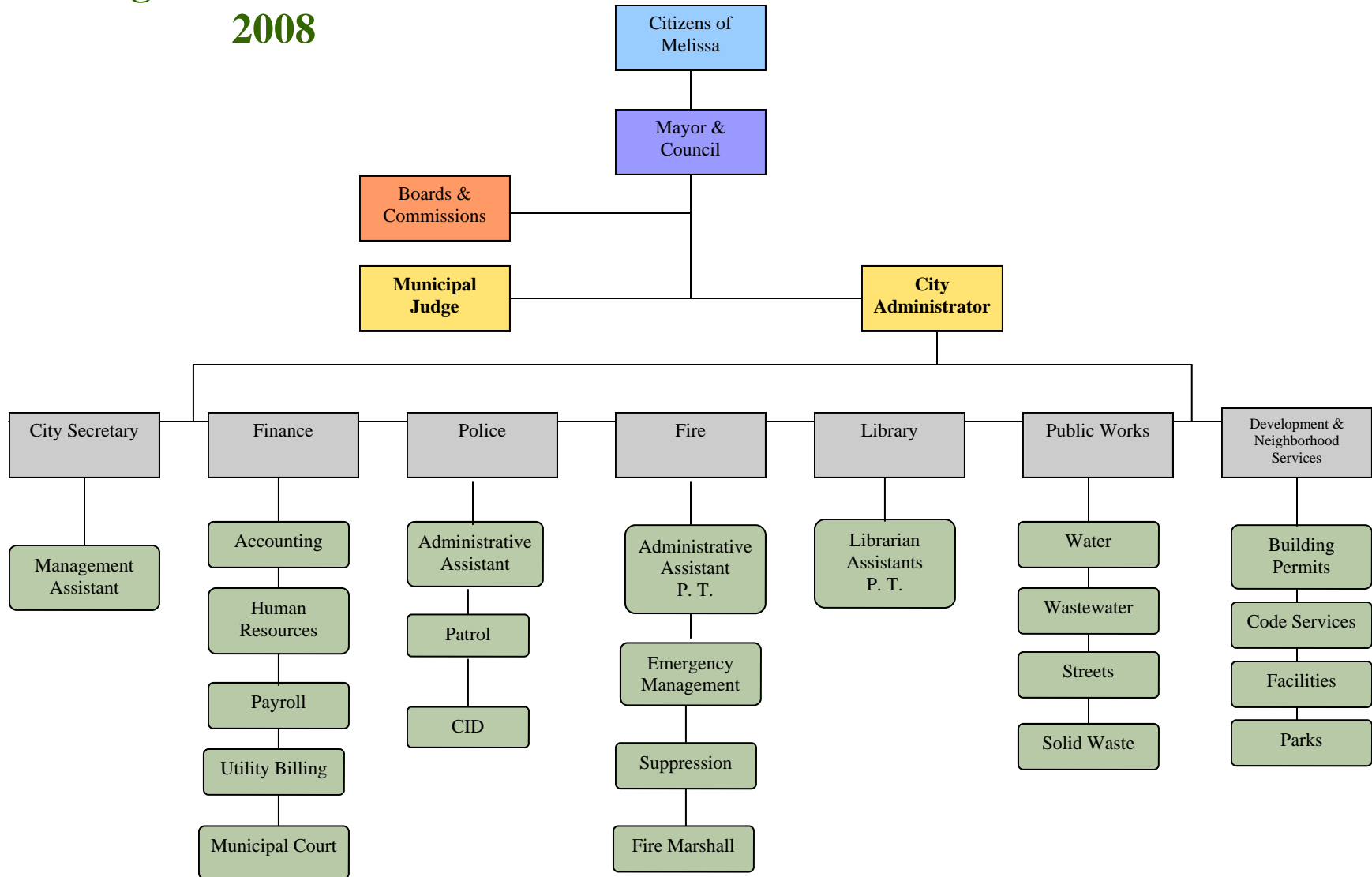
Professional citizen-servants leading a growing community by providing responsible public administration and reliable municipal services; enforcing reasonable standards of development and safety which protect property values and ensure a quality community atmosphere; dedicated to fiscal responsibility and stewardship based on honesty, integrity, fairness, and accountability with service above self and excellence in all we do.

## **City of Melissa Mission**

Serve the citizens of Melissa by prosecuting a system of government through which our citizens and businesses prosper.

- Ensure a safe, quality environment for residents and businesses.
- Provide effective, reasonable priced municipal services and administration.
- Establish and enforce reasonable standards pertinent to the City with all due respect for established State and Federal laws.
- Control development to ensure opportunity for growth, retention of property values, and preservation of our rural heritage with an emphasis on city beautification.
- Maintain a vision of the future and plan for services, which support that vision.
- Execute these responsibilities in harmony with our neighbor communities, State and Federal government without discrimination based on race, color, creed, or national origin.

# City of Melissa Organizational Chart 2008



# BUDGET PROCESS



# City of Melissa Budget Calendar

## February

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February 19  
City Council Goal Setting Work Session

## May

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May 20  
Budget Direction & Forms  
Distributed to Departments

## June

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June 6  
Department Budgets Submitted

Administration Conducts  
Budget Reviews

## July

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July 22  
Draft Budget Distributed for  
Work Session

July 26  
Budget Work Session

Week of July 28  
Receipt of Certified Tax Roll

## August/September

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August 12, 26 and September 2 & 9  
Public Hearings  
Budget & Tax Rate Adopted

# Budget Preparation Procedures and Policies

The City Council held its annual planning session prior to budget completion to identify specific issues within the community that the Council would like to strategically address over time. With the expected growth, Council Members reviewed such issues as infrastructure capacity of Melissa for the next ten and twenty years, major projects to be completed during the next five years and other community issues that must be addressed on a long term scope.

The Budget Preparation Manual was distributed on May 20, 2008 to all members of the management team. At the front of the Budget Preparation Manual is the Budget Preparation/FY 09 message from the City Administrator. The standard forms to be used, along with item by item instructions, were part of the Budget Preparation Manual.

The City of Melissa accounting records for all Governmental Funds are accounted for using the modified accrual basis and the Enterprise Funds are accounted for using the accrual basis of the accounting in accordance with generally accepted accounting principals.

Each department director submitted to the City Administrator a budget of estimated expenditures for the coming fiscal year. These expenditure projections were reviewed extensively for accuracy, justification, and cost-effectiveness. The City Administrator also reviewed the key indicators of

performance, benchmarks and objectives on all budgets submitted.

The City Administrator, upon completing all necessary reviews of the budget, submitted the preliminary document to the City Council during a one day session at the end of July. Key points of 08-09 programs of services were presented by the City Administrator and staff. An overview of funds and major revenue sources were discussed. The CIP dominated the presentation, followed by department overviews.

Three public hearings concerning the budget and proposed tax rate were conducted before adoption. Prior to the public hearings, a draft copy of the budget is placed for public review with the City Secretary. Information about the budget ordinance is published in the local newspaper. The budget may be adopted after the first Monday in September.

During the fiscal year, the Finance Director is responsible for overall budgetary control while the management team retains responsibility for departmental budgetary performance.

Departmental appropriations that have not been expended by the end of the fiscal year shall become part of the undesignated fund balance. The City Administrator is authorized to transfer budgeted amounts within and among departments at the fund level. Any revisions that alter total expenditures must be approved by the City Council.

## **Summary of Financial Policies**

### **Financial Planning Policies**

1. **Balanced Budget** – Each year the budget for each fund shall be balanced. Total resources available, including fund balances plus projected revenue, shall be equal to or greater than the projected expenditures for the coming year. In the event a budget deviates from being presented as balanced, full disclosure and City Council approval will be required including the factors affecting the budget such as economic factors or emergency capital expenditures.

2. **Long-Range Planning** – The City will annually prepare a Five-Year Forecast for each fund. The forecast will include estimated operating costs and revenues of future capital improvements included in the capital budget.

3. **Asset Inventory** – Fixed assets include equipment, computers, furniture and vehicles. Once purchased, all capital items are maintained in the physical inventory until disposed. All vehicles are maintained for maximum life and use through each department's fleet management and maintenance programs.

### **Revenue Policies**

1. **Revenue Diversification** - The City will strive to identify new revenue streams for the organization. These fees will be reviewed by the City Council in conjunction with the budget process.

2. **Fees and Charges** - In conjunction with the annual budget process, departments will review the cost of providing services against the fee charged. For those services which the costs exceed the fees collected, the City Council will be represented analysis for each proposed fee increase. The City Council will be the determinate of if the fees are amended, but the responsibly for the identification of these fees will be the organization.

3. **Use of One-time Revenues** – Use of one-time revenues will be reserved for the highest priorities of the current budget to include any revenue shortfalls impacting current budget, reducing and managing debt, use in considering one-time capital purchases and fund balance reserves. One-time revenues will not be used to maintain or establish ongoing expenditures.

4. **Revenue Collections** – The City will maintain an aggressive policy of collecting all moneys due to the City.

### **Expenditure Policies**

1. **Debt Capacity, Issuance, and Management** - The City of Melissa strives to manage debt issuance by reviewing the Maintenance and Operations allocation against the Interest and Sinking allocation. The City will strive to maintain a 65/35% ratio. This ratio is a guide only and may be amended as our growing communities needs dictate; however, this policy will be used as a measuring device before any debt is issued.



**2. Reserve or Stabilization Accounts** – Unreserved, undesignated fund balance equal to three months annually budgeted expenditures of General Fund and Enterprise Fund maintained for the purpose of providing for emergency and other unplanned expenditures and revenue shortfalls.

**3. Operating/Capital Expenditure Accountability** - The City of Melissa will review expenditures monthly and align City's adopted Fiscal Management Plan that outlines appropriate budget strategies in light of the economic conditions. In addition, the City Council will be presented quarterly reports and an annual alignment action item.

# FUND OVERVIEW



# General Fund

## Revenue Projections

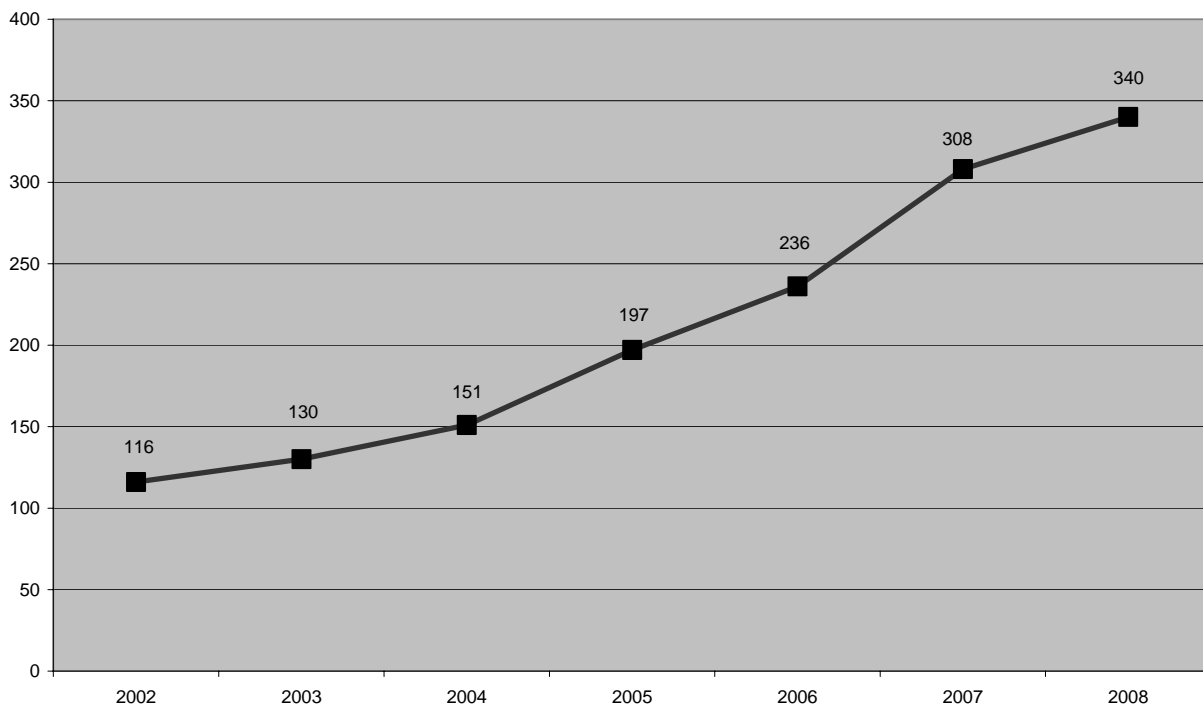
The City receives revenues from many sources, most of which must be accounted for separately and their identity kept intact. Revenue projections in the FY 09 budget are estimated using historical information, data collected from various sources including the State Controller, and numerous financial advisors. Trends in sales taxes, home prices, and interest rates are examined. We utilize historical data plus a general sense of the economic status of the local community to help predict future revenues. When combined with various data and other indicators noted above, the City normally produces a reasonably good but financially conservative picture of the near future.

General Fund revenue estimates are lower than the previous year by approximately \$340,319 due to the separation /creation of the TIF fund with \$104,329 of revenue and the General Fund Debt Service Fund revenue of \$874,305.

## Property Values

According to Collin County Central Appraisal District, the total assessed value in the City of Melissa is over \$340 million, an overall increase of \$32 million from the preceding year. Assessed property values have risen \$224 million since 2002, as illustrated in the following graph:

**Assessed Property Values (in millions)**



### Proposed Tax Rate

Property Tax is by far the largest source of revenue in the City of Melissa General Fund. Property tax is collected by the County and distributed to the City. The City increased the property tax rate from \$.52 to \$.61 in accordance with the voter approved transportation bond program. Previously, the City maintained a steady \$.52 tax rate for the three preceding years. The average single family home value is estimated at \$208,000, an increase from \$205,000 in the previous year. With the existing property tax rate of \$.61, the average single family residence in Melissa would have a City property tax in the amount of \$1,268.

Listed below is a historical table depicting the recent history of the City of Melissa property tax rate and associated values.

	Tax Rate	Valuation (\$)
1997	0.32	45,000,000
1998	0.32	49,000,000
1999	0.32	60,000,000
2000	0.42	78,000,000
2001	0.42	97,000,000
2002	0.43	116,000,000
2003	0.437	130,000,000
2004	0.49	151,000,000
2005	0.52	197,000,000
2006	0.52	236,000,000
2007	0.52	308,000,000
2008	0.61	340,000,000

As you can see in the chart below, Melissa's tax rate is very competitive in comparison to other cities within the area.

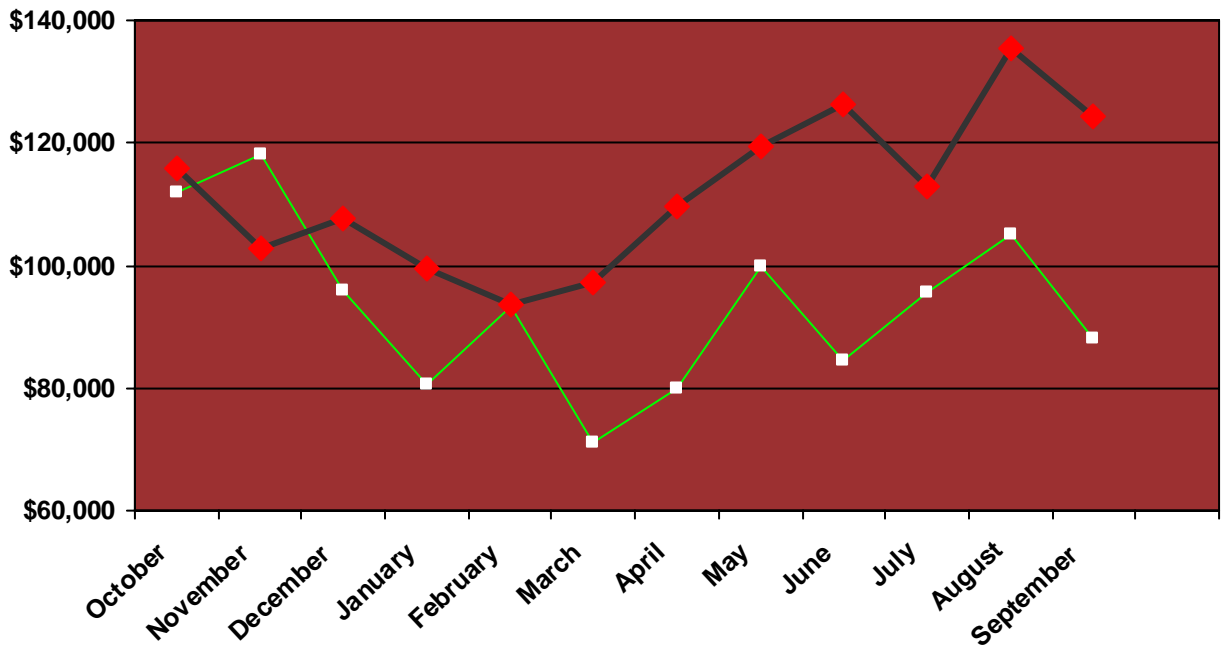
### Fiscal Year 2008 Tax Rates

City	O & M	I&S	Total Rate
Wylie	0.562	0.3369	0.899
Celina	0.541	0.1035	0.645
<b>Melissa</b>	<b>0.435</b>	<b>0.175</b>	<b>0.610</b>
McKinney	0.407	0.179	0.586
Farmersville	0.425	0.1535	0.579
Richardson	0.363	0.2123	0.575
Anna	0.479	0.0955	0.575
Allen	0.4236	0.1323	0.556
Prosper	0.305	0.2149	0.520
Plano	0.327	0.1467	0.474

## Sales Tax

Sales Tax is the second largest source of revenue to the City's General Fund, making up \$650,000 or 19% of total revenues. The City's portion of sales tax is actually split between the 4A and 4B corporations, making the total sales tax collected by the City in excess of \$1.3 million. Sales Tax dipped in 2007, but exceeded the budgeted amount in 2008. While there is no definitive relationship between sales tax collected and building permits issued, there seems to be a correlation between the two due to the focus of the City's retail sales in building materials and supplies.

GENERAL FUND  
*Sales Tax Receipts*  
Comparison to Previous Year



## General Fund Expenditures

The General Fund budget, \$3,190,742 for FY 09, is approximately \$243,908 less than the FY 08 budget due to the shift of M&O dollars to I&S dollars to help fund the bond sales for transportation projects.

The General Fund budget prioritizes its spending as follows:

Function	General Fund Budget Total	Percentage of Total
Administration	\$500,681	16%
Non Departmental	\$404,360	13%
Building Maintenance	\$64,017	2%
Dev & Neighborhood Services	\$408,776	13%
Fire	\$329,269	10%
Library	\$121,882	4%
Municipal Court	\$327,329	10%
Parks	\$166,225	5%
Police	\$682,294	21%
Streets	\$185,909	6%

## Personnel Services Overview

The total Personnel Services account for 47% of the General Fund budget since debt has now been segregated into its own fund. The FY 09 budget allows the addition of one full time position of a Fire Chief and will be eligible for hire after October 1, 2008. The remaining increases in Personnel Services are to provide an across the board cost of living increase and the adjustment of the Texas Municipal Retirement System from 6% to 7%.

General Fund	FY 07	FY 08	FY 09
Administration	4.0	4.0	4.0
Building Maintenance	1.0	1.0	1.0
Dev & Neighborhood Services	3.0	3.0	3.0
Fire	0.0	0.5	1.5
Library	2.0	2.5	2.5
Municipal Court	2.5	2.5	2.5
Parks	1.0	1.0	1.0
Police	13.0	13.5	13.5
Streets	1.0	1.0	1.0
<b>General Fund Total</b>	<b>28</b>	<b>29</b>	<b>30</b>

## Operations Overview

The Operational line items cover all associated costs for providing services and conducting the normal course of business. The line items total 49% of the General Fund budget, an equivalent level with the previous year. No expansion of services or programs was approved in the budget, and an emphasis of efficiencies will be the focus for departments in the FY 09 budget.

### **Capital Overview**

Capital line items cover large, one time purchases or the cost for the payment for large pieces of equipment or vehicles over time. In FY 09, 3% of the General Fund budget is allocated to routine capital purchases. All capital allocations with the General Fund and Enterprise Fund are for routine purchases consisting of annual payments for equipment such as patrol cars and fire apparatus, and public works equipment including backhoe and skid loader. Exclusive of the continual cost for previous purchases, the FY 09 budget will designate funds to purchase routine equipment such as a police cruiser and a new Fire Engine.

Non routine expenses in this budget are to fund the debt service payments for the following projects:

Title	Fund	Design	Construction
Melissa Road Phase 2b	General - Road	X	
Throckmorton Road E Reconstruction	General - Road	X	X
Fannin Road Reconstruction	General - Road	X	X
Annual Budget for Rehab Projects	General - Road	X	X
CR 418	General - Road	X	

### **Debt Management**

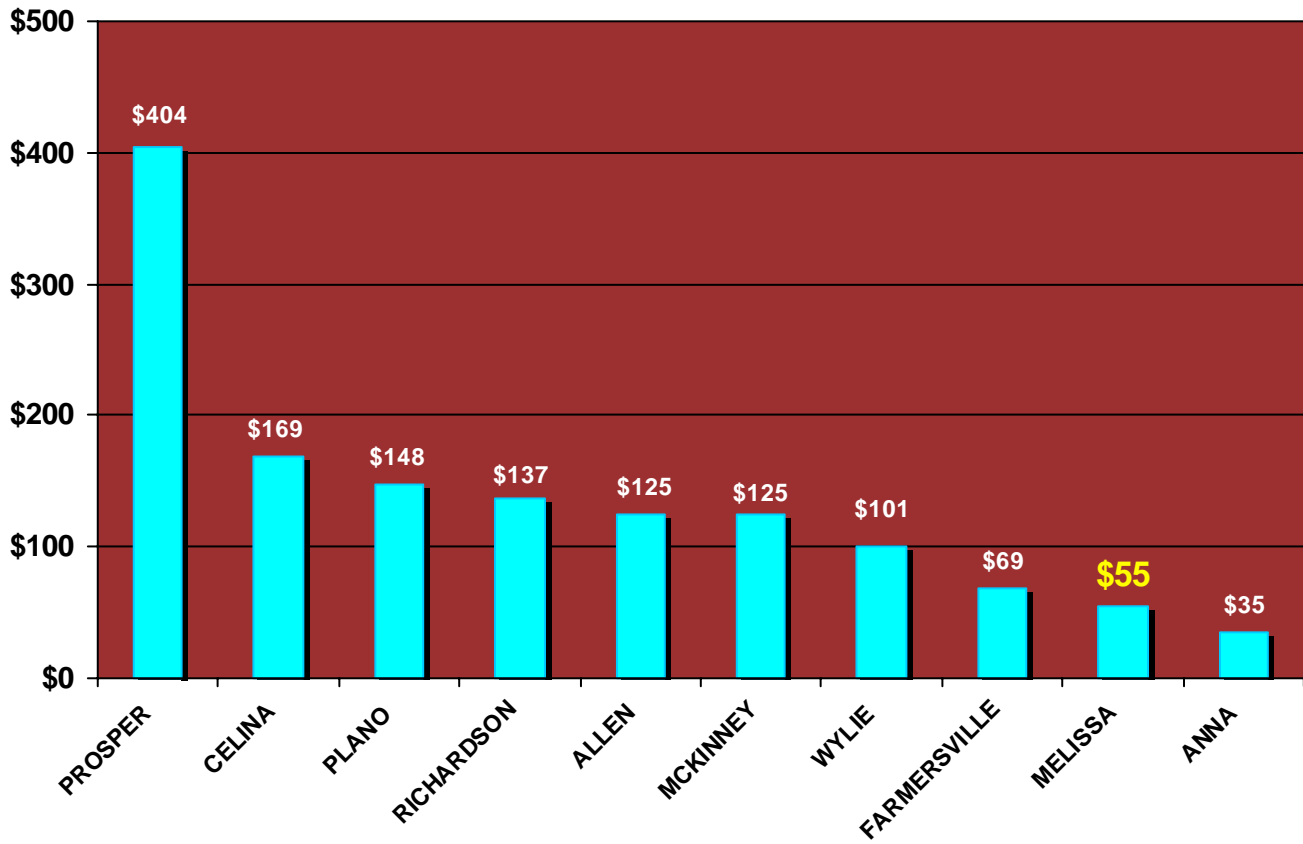
The City has adopted debt management policies and reviews them in conjunction with the budget process. They are included in the debt section of this document.

The City's debt consists of certificates of obligations to fund a variety of city projects. The dollars associated with covering the City's debt payment constitutes \$874,168, in the General Debt Services Fund budget. Funding sources include general taxes, 4A and 4B contributions, and transfers in from the TIF Fund.

The debt outstanding as of September 30, 2008 is detailed in the table titled "City of Melissa Debt Service Summary."

It is again important to note how Melissa stands in comparison with area cities on the debt rate. The chart below illustrates, the City of Melissa is at the bottom of the debt rate per capita comparison.

## 2008 Debt Per Capita





# Water Fund

## Revenue Projections

The City of Melissa's enterprise fund is commonly referred to as the Water Fund. The revenues derived from any enterprise fund is designed to cover the cost of providing these services to the residents and businesses located in Melissa. In FY 09, water revenues are estimated to be approximately \$1,580,682 and wastewater charges are estimated at \$605,517. Water and wastewater rates were reviewed by a water rate study that was conducted in the summer of 2008. Since 2006 when the City purchased the Country Ridge water system, the rates have been frozen. The 4% increase is a conservative attempt to ensure the water rates pay for the operations and maintenance of the system. In addition, the City system was utilized by the Country Ridge system to supplement water since the demand within the community exceeded its supply. Since the connection has been made to the City system and has been used throughout 2008, the City desires to move towards one water rate fee over time. While no future increases are contemplated at this time, the City Council is committed to review the water and wastewater rates annually to ensure the rates are competitive in the area and will support the water and wastewater system.

## Expenditures

The FY 09 budget reflects a increase in the amount of water that will be purchased from the North Texas Municipal Water District due to a higher level of consumption per meter.

The Water Fund Budget is distributed as following:

Function	Enterprise Fund Budget Total	Percentage of Total
Water	\$1,713,187	73%
Wastewater	\$279,276	12%
Utility Billing	\$172,720	7%
Garbage	\$183,840	8%

### Personnel Services Overview

The total Personnel Services account for 14% of the Enterprise Fund budget. The FY 09 budget has no new positions funded. The remaining increases in Personnel Services are to provide an across the board cost of living increase and the adjustment of the Texas Municipal Retirement System from 6% to 7%.

Enterprise Fund	FY 07	FY 08	FY 09
Water	3.0	3.0	3.0
Wastewater	1.0	1.0	1.0
Utility Billing	3.0	3.0	3.0
<b>Enterprise Fund Total</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

### Operations Overview

The Operational line items cover all associated costs for providing services and conducting the normal course of business. The line items total 55% of the Enterprise Fund budget, an equivalent level with the previous year. No expansion of services or programs was approved in the budget, and an emphasis of efficiencies will be the focus for departments in the FY 09 budget.

### Capital Improvements

Capital line items cover large, one time purchases or the cost for the payment for large pieces of equipment or vehicles over time. In FY 09, 1% of the Enterprise Fund budget is allocated to routine capital purchases. All capital allocations with the Enterprise Fund are for routine purchases consisting of annual payments for equipment such as public works equipment including backhoe and skid loader. No additional capital purchases are allocated in the FY 09 budget.

This year represents the first year of the City's Capital Improvement Program. The ten year planning program will look over time and anticipated, plan, and construct the necessary improvements for the water and wastewater system. In this fiscal year, the City has budgeted over \$2,215,000 in appropriations for water and wastewater system improvements and expansion. Non routine expenses in this budget are to fund the debt service payments for the following projects:

Title	Fund	Design	Construction
Berry Road Water Line	Enterprise - Water	X	
City of Melissa south take point	Enterprise - Water	X	X
FM 2933 water main from SH121 to FM545	Enterprise - Water	X	
Southwest mains	Enterprise - Water	X	
East water facility transmission lines	Enterprise - Water	X	X
Stiff Creek Sewer Improvements	Enterprise - Sewer	X	
Davis Road gravity sewer interceptor	Enterprise - Sewer	X	

# FINANCIAL SUMMARY



# CITY OF MELISSA

## TOTAL FUNDS BUDGET OVERVIEW

	ACTUAL FY07	ADOPTED FY08	ESTIMATED FY08	PROPOSED FY09
<b>REVENUES</b>				
General Fund	3,637,415	4,325,230	4,117,009	3,446,161
Water Fund	2,258,673	2,313,556	2,334,112	2,370,039
TIF #1				104,329
General Debt Svc Fund				874,305
Utility Debt Svc Fund				922,310
Transportation Construction Fund				17,350
Utility Construction Fund				10,000
<b>Total Revenues</b>	<b>5,896,088</b>	<b>6,638,786</b>	<b>6,451,121</b>	<b>7,744,494</b>
 Bond Proceeds		7,480,000	7,480,000	7,445,000
Grant Proceeds	226,784			4,081,581
Other	700,000	650,000	650,000	
<b>TOTAL</b>	<b>6,822,872</b>	<b>14,768,786</b>	<b>14,581,121</b>	<b>19,271,075</b>
<b>APPROPRIATIONS</b>				
General Fund	5,697,649	5,680,668	5,679,286	3,190,743
Water Fund	1,632,681	3,037,507	3,064,158	2,349,022
TIF #1				44,895
General Debt Svc Fund				874,167
Utility Debt Svc Fund				922,310
Transportation Construction Fund				9,311,581
Utility Construction Fund				2,215,000
<b>Total Appropriations</b>	<b>7,330,330</b>	<b>8,718,175</b>	<b>8,743,444</b>	<b>18,907,718</b>
 <b>UNDESIGNATED FUNDS</b>	<b>511,178</b>	<b>954,178</b>	<b>954,178</b>	<b>1,209,596</b>

Bond Proceeds budgeted for 2008-09 were realized, funded and budget amendments made in 07-08. Budget amendment to follow for 2008-09 budget.

# CITY OF MELISSA

## GENERAL FUND SUMMARY - By Dept.

	ACTUAL FY07	ADOPTED FY08	ESTIMATED FY08	PROPOSED FY09
<b>REVENUES</b>				
Current Property Taxes	1,222,950	1,585,730	1,585,293	1,350,995
Delinquent Property Taxes	30,825	32,700	32,904	30,000
Penalties & Interest	18,605	16,000	16,418	15,000
Fines	450,059	450,000	440,154	480,000
Sales Tax	565,640	670,000	671,859	650,000
Franchise Fees/Taxes	128,023	131,900	131,981	115,000
Licenses & Permits	392,053	212,800	223,721	164,500
Fire Department Insurance Reimbursement	8,901	17,000	16,930	15,000
Platting & Development	-	71,050	70,489	146,750
Lease Revenue	42,000	42,000	42,000	42,000
Transfer In	215,527	451,720	230,340	199,223
Interest	205,032	130,000	134,010	150,000
Park Maintenance/Support	45,970	42,180	42,180	40,000
Fire Dept/Collin County	37,876	30,000	30,617	30,000
Misc Income	33,381	90,429	96,411	-
Collin County/ Library	16,060	17,000	16,971	16,000
Library Donations	-	-	-	-
Lone Star Grant/Library	1,707	4,193	4,202	1,693
Gates HUG Grant - Library	6,250	-	-	-
Lease Purchase Proceeds	-	207,528	207,528	-
Grant Proceeds	226,784	123,000	123,000	-
Bond Proceeds	-	5,230,000	5,230,000	-
Other Revenue	916,556	-	-	-
<b>Total Revenues</b>	<b>4,564,199</b>	<b>9,555,230</b>	<b>9,347,008</b>	<b>3,446,161</b>
<b>APPROPRIATIONS</b>				
Administration	3,247,603	3,110,911	3,222,790	500,681
Non-Departmental				404,360
Development & Neighborhood Services	399,714	372,623	367,800	408,776
Parks	597,441	290,606	190,738	166,225
Municipal Court	316,837	319,922	323,236	327,329
Police	624,333	653,310	660,223	682,294
Streets	150,477	211,707	211,670	185,909
Fire	202,194	557,627	547,842	329,269
Library	86,043	109,897	103,865	121,882
Building Maintenance	73,008	54,065	51,120	64,017
<b>Total</b>	<b>5,697,650</b>	<b>5,680,668</b>	<b>5,679,284</b>	<b>3,190,742</b>
<b>UNDESIGNATED FUNDS</b>	<b>511,178</b>	<b>954,178</b>	<b>954,178</b>	<b>1,209,596</b>

# CITY OF MELISSA

## GENERAL FUND SUMMARY- By Category

	ACTUAL FY07	ADOPTED FY08	ESTIMATED FY08	PROPOSED FY09
<b>REVENUES</b>				
Current Property Taxes	1,222,950	1,585,730	1,585,293	1,350,995
Delinquent Property Taxes	30,825	32,700	32,904	30,000
Penalties & Interest	18,605	16,000	16,418	15,000
Fines	450,059	450,000	440,154	480,000
Sales Tax	565,640	670,000	671,859	650,000
Franchise Fees/Taxes	128,023	131,900	131,981	115,000
Licenses & Permits	392,053	212,800	223,721	164,500
Fire Department Insurance Reimbursement	8,901	17,000	16,930	15,000
Platting & Development	-	71,050	70,489	146,750
Lease Revenue	42,000	42,000	42,000	42,000
Transfer In	215,527	451,720	230,340	199,223
Interest	205,032	130,000	134,010	150,000
Park Maintenance/Support	45,970	42,180	42,180	40,000
Fire Dept/Collin County	37,876	30,000	30,617	30,000
Misc Income	33,381	90,429	96,411	-
Collin County/ Library	16,060	17,000	16,971	16,000
Library Donations	-	-	-	-
Lone Star Grant/Library	1,707	4,193	4,202	1,693
Gates HUG Grant - Library	6,250	-	-	-
Lease Purchase Proceeds	-	207,528	207,528	-
Grant Proceeds	226,784	123,000	123,000	-
Bond Proceeds	-	5,230,000	5,230,000	-
Other Revenue	916,556	-	-	-
<b>Total Revenues</b>	<b>4,564,199</b>	<b>9,555,230</b>	<b>9,347,008</b>	<b>3,446,161</b>
<b>APPROPRIATIONS</b>				
Personnel Services	1,220,549	1,311,208	1,328,904	1,500,959
Operations	4,156,998	2,618,199	2,730,968	1,578,897
Capital	101,128	1,282,743	1,407,768	110,888
Debt Service	218,974	468,518	211,646	-
<b>Total</b>	<b>5,697,649</b>	<b>5,680,668</b>	<b>5,679,286</b>	<b>3,190,744</b>
<b>UNDESIGNATED FUNDS</b>	<b>511,178</b>	<b>954,178</b>	<b>954,178</b>	<b>1,209,596</b>

# CITY OF MELISSA

## WATER FUND SUMMARY-By Division

	ACTUAL FY07	ADOPTED FY08	ESTIMATED FY08	PROPOSED FY09
<b>REVENUES</b>				
Water Sales	961,645	1,224,191	1,211,459	1,296,182
Meter Installation Fee	6,650	3,650	3,650	-
Penalties & Reconnects	53,495	50,000	50,727	40,000
Water Tap Fees	263,750	126,000	137,000	202,500
Meter Sales	210	-	1,120	-
Water/Sewer Capital Improvements		-	-	-
Sewer Sales	340,532	362,508	363,491	407,517
Sewer Tap Fees	246,250	124,000	131,675	198,000
Throckmorton/Trinity River Funding 4A/4B	61,912	191,906	191,906	
Garbage Sales	106,234	129,549	129,580	139,305
Garbage Administration	33,798	34,312	40,515	44,535
Bond Proceeds	-	2,250,000	2,250,000	
Interest	62,750	40,000	44,604	42,000
Franchise fees	3,899	6,280	6,281	-
Misc Income	117,548	671,160	672,105	-
<b>Total Revenues</b>	<b>2,258,673</b>	<b>5,213,556</b>	<b>5,234,113</b>	<b>2,370,039</b>
<b>APPROPRIATIONS</b>				
Water	1,318,637	1,943,028	2,083,787	1,713,187
Wastewater	177,856	758,952	640,283	279,276
Garbage	136,188	163,861	173,765	183,840
Utility Billing	-	171,666	166,323	172,720
<b>Total</b>	<b>1,632,681</b>	<b>3,037,507</b>	<b>3,064,158</b>	<b>2,349,023</b>
<b>UNDESIGNATED FUNDS</b>		<b>400,000</b>	<b>400,000</b>	<b>400,000</b>

# CITY OF MELISSA

## FUND BALANCE OVERVIEW

	ACTUAL FY07	ADOPTED FY08	ESTIMATED FY08	PROPOSED FY09
<b>BEGINNING FUND BALANCE</b>	253,888	511,178	511,178	954,178
<b>APPROPRIATIONS TO OPERATING BUDGET</b>				
<b>UNDESIGNATED FUNDS</b>	257,290	443,000	443,000	255,418
<b>ENDING FUND BALANCE</b>	<b>511,178</b>	<b>954,178</b>	<b>954,178</b>	<b>1,209,596</b>
<b># of Days of Operating Funds</b>	<b>39</b>	<b>73</b>	<b>73</b>	<b>93</b>



**2007 TOTAL TAX RATE FOR MELISSA  
COMPARED TO TOTAL TAX RATES FOR OTHER AREA CITIES  
(PER \$100)**

City of Murphy.....	\$ 0.518300
Town of Prosper.....	\$ 0.520000
City of Allen.....	\$ 0.556000
City of Anna.....	\$ 0.575000
City of Farmersville..	\$ 0.578958
City of McKinney.....	\$ 0.585500
<b>City of Melissa.....</b>	<b>\$ 0.610000</b>
City of Celina.....	\$ 0.645000
City of Princeton.....	\$ 0.728394
City of Wylie.....	\$ 0.898900

Entity	2007 Tax Rate	2008 Tax Rate	2008 M & O (Operations)	I & S (Debt)
City of Murphy	0.468300	0.518300	0.334089	0.184211
<b>City of Melissa</b>	<b>0.520000</b>	<b>0.610000</b>	<b>0.434902</b>	<b>0.175098</b>
Town of Prosper	0.520000	0.520000	0.305011	0.214989
City of Allen	0.557000	0.556000	0.423695	0.132305
City of Anna	0.575000	0.575000	0.479546	0.095542
City of McKinney	0.585500	0.585500	0.406500	0.179000
City of Farmersville	0.605165	0.578958	0.425396	0.153562
City of Princeton	0.649600	0.728394	0.439990	0.288404
City of Celina	0.655000	0.645000	0.541480	0.103520
City of Wylie	0.733250	0.898900	0.561950	0.336950

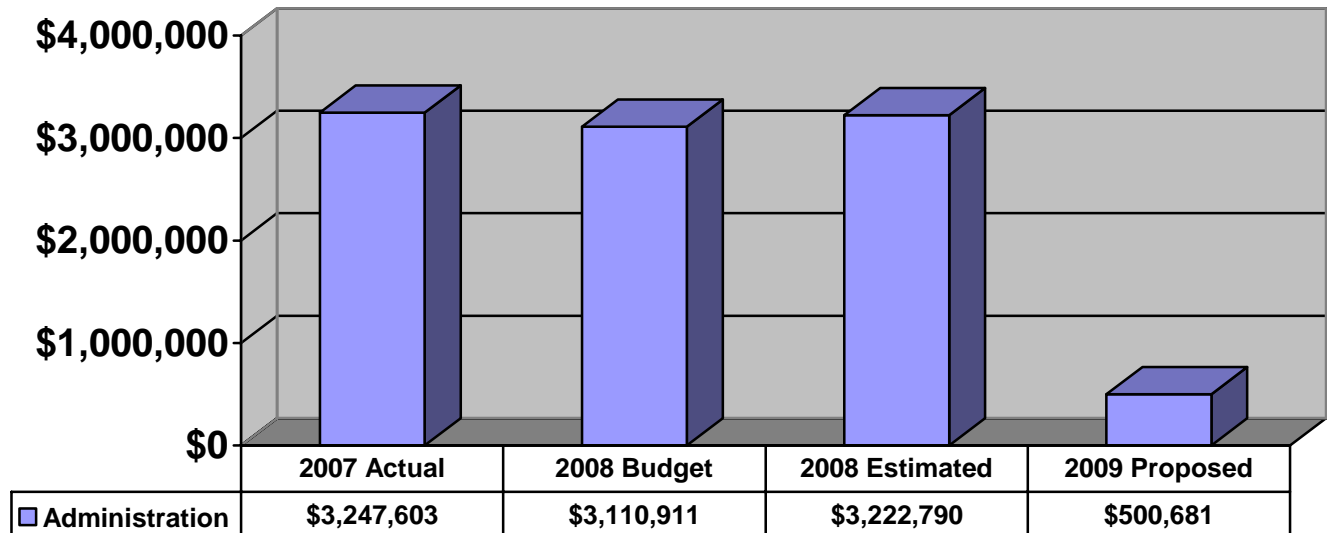
# OPERATING BUDGET



# ADMINISTRATION SUMMARY

## 2008-09

### Administration Budget Summary

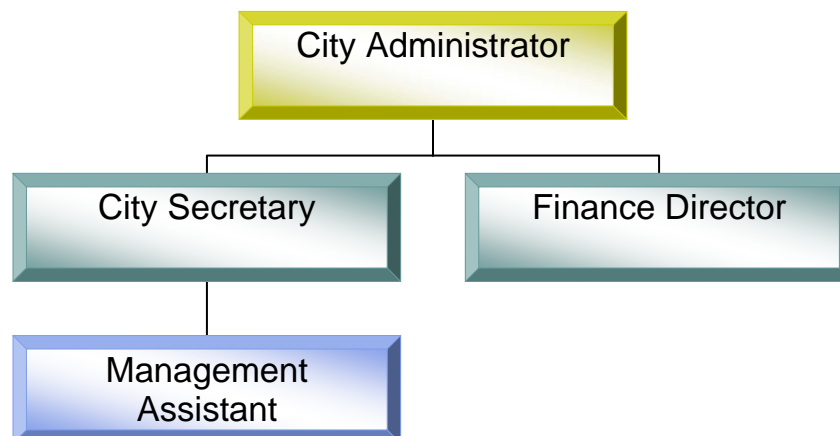


\*2008-09 Budget created and separated budgets for Non-departmental expenses, Capital Improvements and Debt Service.

#### SERVICE OVERVIEW:

The Administration Department Staff coordinates the operational aspects of the City and facilitates the efforts of the City Administrator, City Council, and support roles in responding to the needs of the residents of Melissa. The overall Administration Budget reflects no change in the personnel schedule and line item/categorical increases reflect the maintenance of the services currently offered by the City of Melissa. The Finance Department provides planning and direction for the City's financial activities, including accounting, budgeting, payroll, accounts payable, utility billing, financial reporting, and debt administration. The Finance Department coordinates with the external auditor, hired by City Council, to monitor internal controls and provide financial reporting to the citizens of Melissa, the Council, the City Administrator, City Department heads, bond holders, MIEDC, MCEDC and other Boards and Commissions.

#### DEPARTMENTAL STRUCTURE:








<u>FUND</u>	<u>DEPARTMENT</u>	<u>NUMBER</u>
General	Administration	01

#### **PURPOSE STATEMENT:**

It is the mission of the Administration Office to implement the policies established by the City Council, recommend cost effective alternatives for providing City services and meeting Community needs, and provide general management and oversight for the operation of all other City departments. It is the further mission of the Administration Office to provide financial accountability to the City Council and the residents of the City of Melissa.

#### **GOALS & OBJECTIVES**

-  To monitor effectiveness of all City Operations.
-  To provide Mayor and City Council with administrative support necessary to implement policy.
-  To respond to citizen's concerns in a timely manner.
-  To communicate clearly and effectively with the City Council and to communicate with the organization on Council policy and direction.
-  Provide financial reporting with generally accepted accounting principles that receives the Government Finance Officer's Association (GFOA) Certificate of Achievement.

#### **KEY INDICATORS OF PERFORMANCE:**

	<b>FY 07 Actual</b>	<b>FY08 Estimate</b>	<b>FY09 Projection</b>
Successful completion of budget, strategic planning, and comprehensive plan implementation.	yes	yes	yes
% of General Fund Budgeted Revenues realized	103%	106%	100%
Fund Balance objectives (General Fund) achieved	Yes	Yes	Yes

**FUND**  
General

**DEPARTMENT**  
Administration

**NUMBER**  
01

ITEM	2006-07 Actual	2007-08 Budget	2008-09 Budget
			Proposed

**EXPENDITURES:**

Personnel	\$275,287	\$301,359	\$369,296
Operations	\$2,750,978	\$1,593,599	\$131,385
Capital	\$2,364	\$855,500	
Debt Service	<u>\$218,974</u>	<u>\$360,453</u>	
Total	\$3,247,603	\$3,110,911	\$500,681*

\*2008-09 Budget created and separated budgets for Non-departmental expenses, Capital Improvements and Debt Service.

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**PERSONNEL SCHEDULE:**

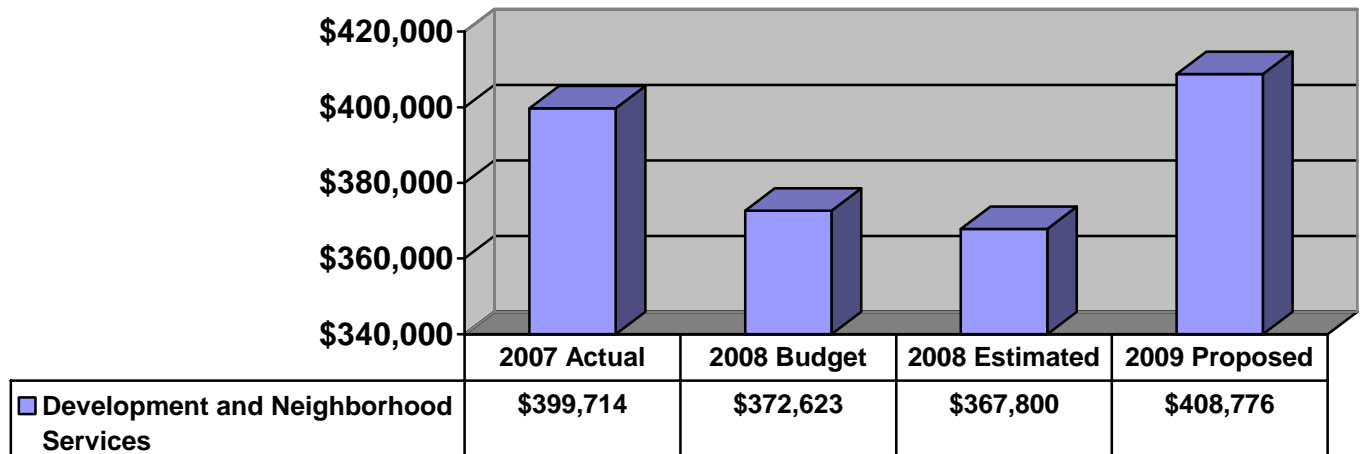
Title	FY 07	FY 08	FY 09
City Administrator	1	1	1
City Secretary	1	1	1
Finance Director	1	1	1
Management Assistant	1	1	1

**FY 09**

Full Time – 4  
Part Time – 0

# DEVELOPMENT AND NEIGHBORHOOD SERVICES SUMMARY 2008-09

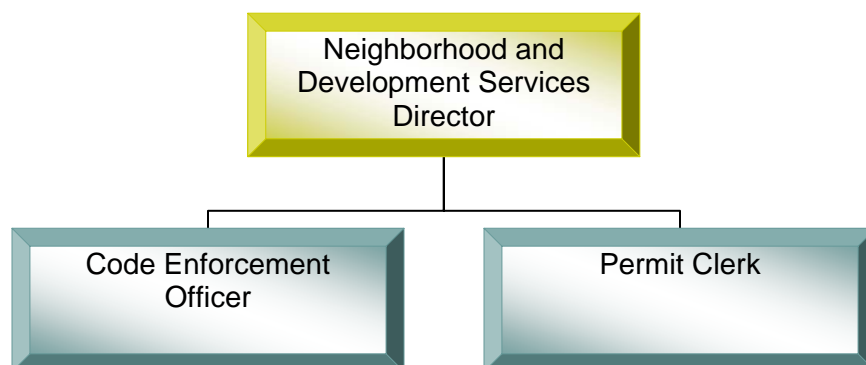
## Development and Neighborhood Services Budget Summary



### SERVICE OVERVIEW:

The Development and Neighborhood Services Staff coordinates the planning, zoning, permitting and code services of the City. The overall Development and Neighborhood Services Budget reflects the line item/categorical increases reflect the maintenance of the services currently offered by the City of Melissa. Development and Neighborhood Services provides project assistance to citizens, builders and developers. Code Enforcement strives to encourage high community standards by assisting and encouraging citizens to comply with city codes and ordinances.

### DEPARTMENTAL STRUCTURE:







<u>FUND</u>	<u>DEPARTMENT</u>	<u>NUMBER</u>
General	Development and Neighborhood Services	02

#### PURPOSE STATEMENT:

It is the mission of the Development and Neighborhood Services Department to provide planning, zoning and permitting services ensuring quality development and construction in the City of Melissa, and to encourage high community standards for all citizens through consistent enforcement of the City of Melissa codes and ordinances.

#### GOALS & OBJECTIVES:

-  To provide quality customer service at every level.
-  To maintain strong relationships with applicable boards and commissions.
-  To respond to citizen's concerns in a timely manner.
-  To communicate clearly and effectively to citizens the standards and requirements for enforcement of codes and ordinances.

#### KEY INDICATORS OF PERFORMANCE:

	<u>FY 07</u> <u>Actual</u>	<u>FY08</u> <u>Estimate</u>	<u>FY09</u> <u>Projection</u>
% of Inspections Performed Within 24 hours of Request	100%	100%	100%
% of Code Complaints Investigated Within 24 hours of Receipt	90%	95%	95%

#### ACTIVITY WORKLOAD:

Number of Permits Issued	162	128	134
Number of Substandard Buildings Identified	1	1	N/A
Number Junk Vehicle Complaints Investigated	3	49	N/A
Number Trash/Debris Complaints Investigated	35	45	N/A
Number of Weed Complaints Investigated	192	218	N/A
Number of Sign Complaints Investigated	41	17	N/A

**FUND**  
General

**DEPARTMENT**  
Development and Neighborhood Services

**NUMBER**  
02

ITEM	2006-07 Actual	2007-08 Revised	2008-09 Budget
			Proposed

**EXPENDITURES:**

Personnel	\$126,613	\$137,973	\$146,136
Operations	\$273,101	\$229,350	\$259,140
Capital	_____	<u>\$5,300</u>	<u>\$3,500</u>
Total	\$399,714	\$372,623	\$408,776

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**PERSONNEL SCHEDULE:**

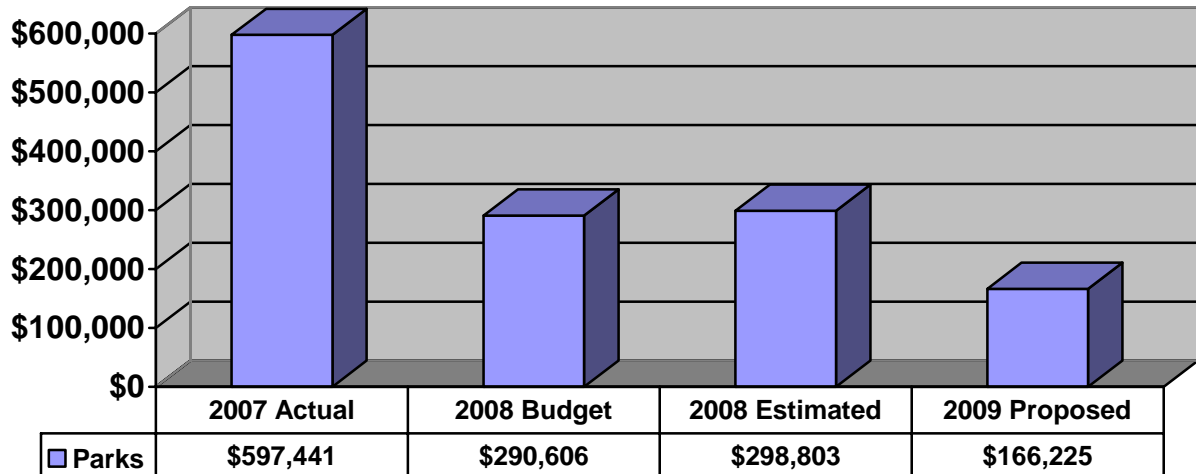
Title	<b>FY 07</b>	<b>FY 08</b>	<b>FY 09</b>
Coordinator	1	1	1
Code Enforcement Officer	1	1	1
Permit Clerk	1	1	1

**FY 09**  
Full Time – 3  
Part Time – 0



# PARKS SUMMARY 2008-09

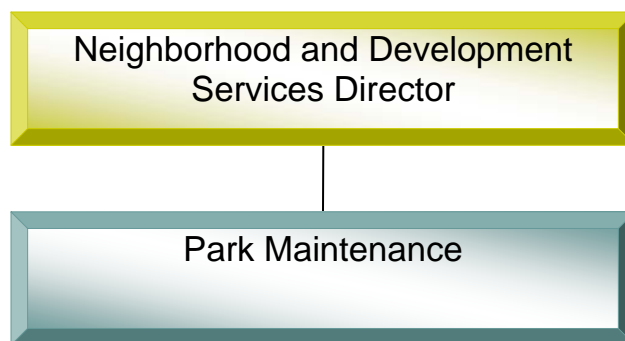
## Parks Budget Summary



### SERVICE OVERVIEW:

The Parks Department maintains the grounds, playground equipment, and city recreation facilities. The Parks Department works as a liaison between the city and maintenance contractors. The overall Parks budget reflects no change in the personnel schedule and line item/categorical increases reflect the maintenance of the services currently offered by the City of Melissa. The City of Melissa has added several residential lots in the last year, all which require maintenance.

### DEPARTMENTAL STRUCTURE:



**FUND**  
General




**DEPARTMENT**  
Parks

**NUMBER**  
04

**PURPOSE STATEMENT:**

The Parks Department strives to provide a safe, well-maintained environment at each park location for the public to enjoy.

**GOALS & OBJECTIVES:**

-  To provide safe and well maintained parks and public recreation facilities.
-  To respond to citizen's concerns in a timely manner.
-  To have open communication with the Park Board through the Development Services Coordinator.

**KEY INDICATORS OF PERFORMANCE:**

	<b>FY 07 Actual</b>	<b>FY08 Estimate</b>	<b>FY09 Projection</b>
% of Park Maintenance Completed On-Schedule	not tracked	90%	95%
% of Time Spent on Special Projects (not maintenance related)	not tracked	20%	20%

**ACTIVITY WORKLOAD:**

Acres of Parks/Grounds Maintained	not tracked	31	31
Hours Spent Maintaining Existing Parks/Recreation Facilities	not tracked	3860	4000

*FYM – First Year Measure*

**FUND**  
General

**DEPARTMENT**  
Parks

**NUMBER**  
04

ITEM	2006-07 Actual	2007-08 Budget	2008-09 Budget
			Proposed

**EXPENDITURES:**

Personnel	\$44,540	\$39,256	\$42,725
Operations	\$546,125	\$138,285	\$123,500
Capital	\$6,776	\$5,000	--
Debt	_____	<u>\$108,065</u>	_____
Total	\$597,441	\$290,606	\$166,225

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**PERSONNEL SCHEDULE:**

Title  
Maintenance Worker

**FY 07**

1

**FY 08**

1

**FY 09**

1

**FY 09**

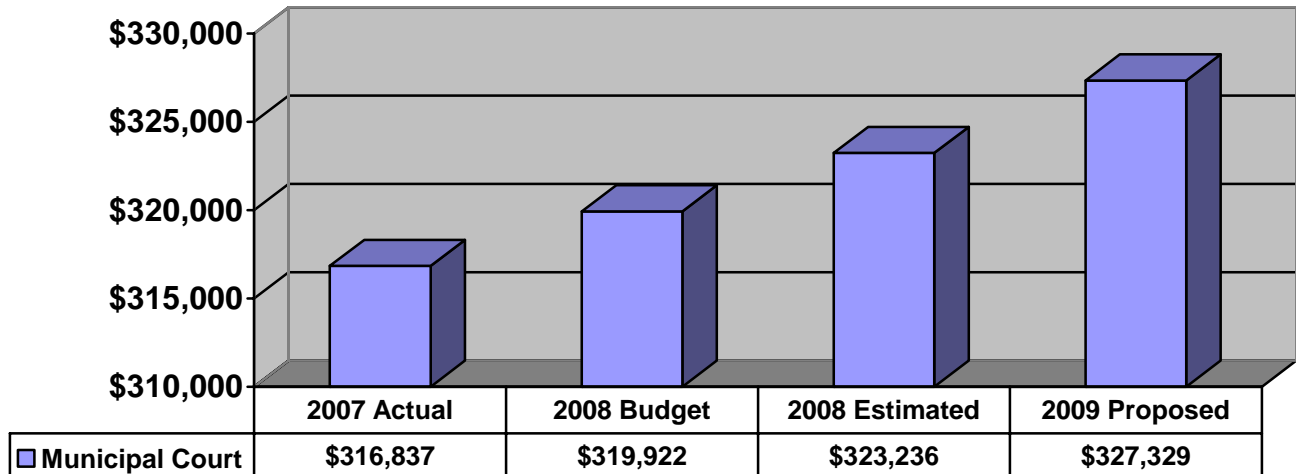
Full Time – 1

Part Time – 0

# MUNICIPAL COURT SUMMARY

## 2008-09

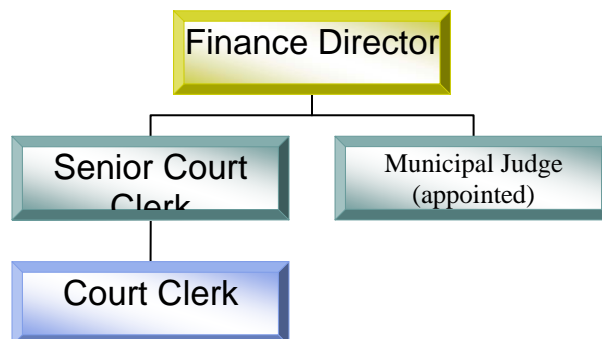
### Municipal Court Budget Summary



#### SERVICE OVERVIEW:

The Municipal Court division is responsible for the judicial processing of Class C misdemeanors that originate from traffic citations, citizen complaints, code violations, and misdemeanor arrests, occurring within the jurisdiction of the City of Melissa. Municipal Court processing is governed by the Texas Code of Criminal Procedure and the Code of Judicial Conduct. The Court prepares dockets, schedules trials, records and collects fine payments, and issues warrants for Violation of Promise to Appear and Failure to Appear. The Municipal Court Judge is appointed by the City Council and is responsible for holding arraignments, juvenile, show cause and trial dockets.

#### DEPARTMENTAL STRUCTURE:



<u>FUND</u>	<u>DEPARTMENT</u>	<u>NUMBER</u>
General	Municipal Court	05

**PURPOSE STATEMENT:**

The purpose of the Municipal Court is to provide timely, impartial, and accurate processing of complaints and violations filed with the City of Melissa Municipal Court; to courteously respond to requests for information from the public; and to perform responsible collection of assessed fines and fees and efficient docketing of cases for adjudication.

**GOALS & OBJECTIVES:**

- ✚ Develop a policy and procedure handbook to improve employee training and ensure consistency in managing court processes.
- ✚ Development of Court Clerks through pursuing certification through the Court Clerk Certification Program.
- ✚ To continue to participate in area and state-wide Warrant Round Ups.
- ✚ To more actively pursue outstanding warrants.

**KEY INDICATORS OF PERFORMANCE:**

	<b>FY 07 Actual</b>	<b>FY08 Estimate</b>	<b>FY09 Projection</b>
Number of Warrants cleared	670	515	1,000
Warrants cleared through Warrant Round Up	48	41	55
Warrant fine revenue collected during Warrant Round Ups	\$24,834	\$20,526	\$25,000
% of Cases Disposed/Completed	70%	51%	75%

**ACTIVITY WORKLOAD:**

Number of cases filed	3,870	4,168	5,000
Number of cases scheduled for court appearance	1,723	1,989	2,200
Number of warrants issued	1,243	668	1,300
Municipal Court fine revenue retained by City	\$304,494	\$283,085	\$322,500

**FUND**  
General

**DEPARTMENT**  
Municipal Court

**NUMBER**  
05

ITEM	2006-07 Actual	2007-08 Revised	2008-09 Budget
			Proposed

**EXPENDITURES:**

Personnel	\$129,684	\$132,767	\$132,464
Operations	\$187,153	\$187,155	\$194,865
Capital	_____	_____	_____
Total	\$316,837	\$319,922	\$327,329

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**PERSONNEL SCHEDULE:**

<b>Title</b>	<b>FY 07</b>	<b>FY 08</b>	<b>FY 09</b>
Senior Court Clerk	1	1	1
Court Clerk	1	1	1
Municipal Court Judge (PT)	1	1	1

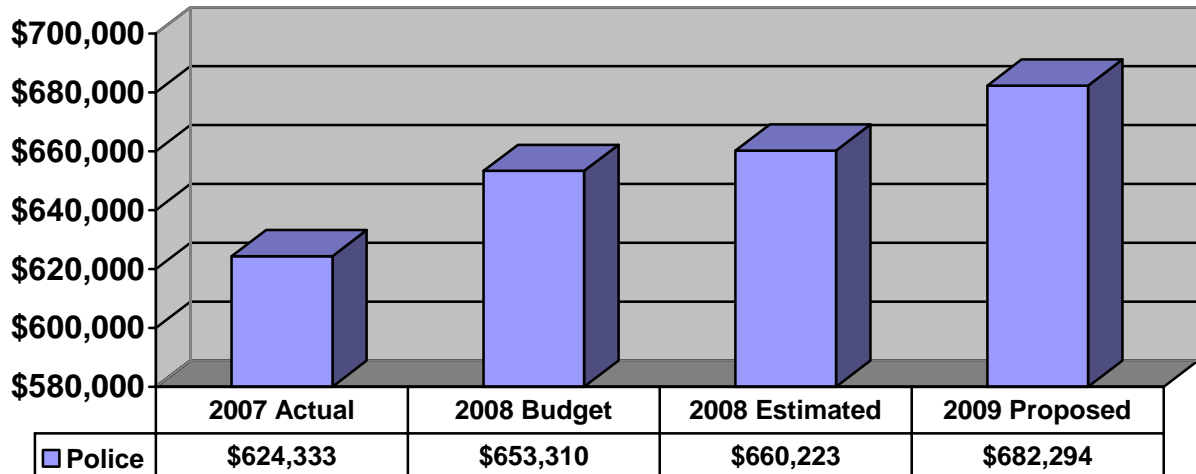
**FY 09**

Full Time – 2

Part Time – 1

# POLICE SUMMARY 2008-09

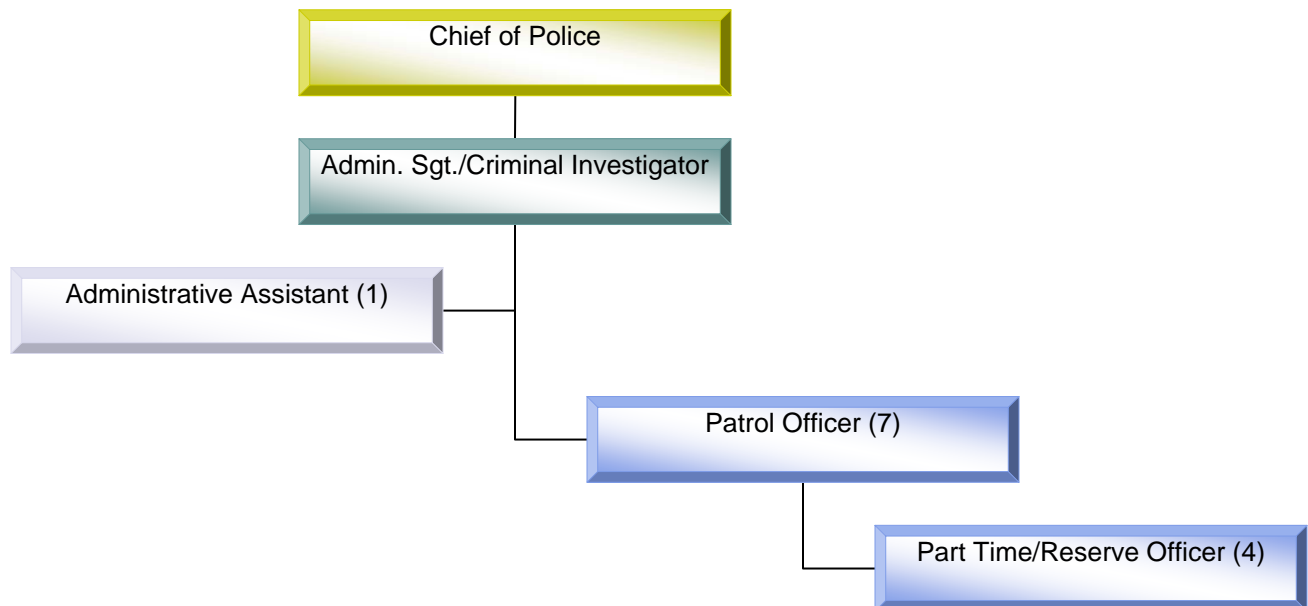
## Police Budget Summary



### SERVICE OVERVIEW:

The Police Department Service provides protection of life and property to the citizens of Melissa. The Budget reflects a reduction in the personnel schedule. The line item/categorical increases reflect the maintenance of the services currently offered by the City of Melissa.

### DEPARTMENTAL STRUCTURE:



**FUND**  
General





**DEPARTMENT**  
Police

**NUMBER**  
06

**PURPOSE STATEMENT:**

The Melissa Police Department is committed to promoting an atmosphere of safety within the City of Melissa. The Police Department accomplishes this by providing "high visibility patrols", aggressive law enforcement, a sincere response to each citizen's request, establishing clear communication from the citizen to the Police Service, acting upon the citizen's need of police service and maintaining a daily working relationship to minimize crime in our community thus preserving the quality of life for the citizens of Melissa.

**GOALS & OBJECTIVES:**

-  To protect the Citizens of Melissa and their property.
-  To continue to foster relationships with the community through special programs such as National Night Out.
-  To provide the Citizens of Melissa with the most professional police services available.
-  To increase needed resources to ensure all service calls are answered in a safe, timely manner.

**KEY INDICATORS OF PERFORMANCE:**

	<b>FY 07 Actual</b>	<b>FY08 Estimate</b>	<b>FY09 Projection</b>
Average Number Officer Initiated Calls as a % of Total Calls	Not Tracked	67%	60%
Cases Received/Cleared	414/282 -68%	425/267 - 63%	500/300 -67%

**ACTIVITY WORKLOAD:**

Calls for Service	5,601	6,490	7,520
Traffic Stops	4,266	4,658	5,086
Citations Issued	3,088	4,275	4,879



**FUND**  
General

**DEPARTMENT**  
Police

**NUMBER**  
06

ITEM	2006-07 Actual	2007-08 Revised	2008-09 Budget
			Proposed

**EXPENDITURES:**

Personnel	\$453,341	\$480,537	\$523,775
Operations	\$115,339	\$133,099	\$121,139
Capital	<u>\$55,653</u>	<u>\$39,674</u>	<u>\$37,380</u>
Total	\$624,333	\$653,310	\$682,294

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**PERSONNEL SCHEDULE:**

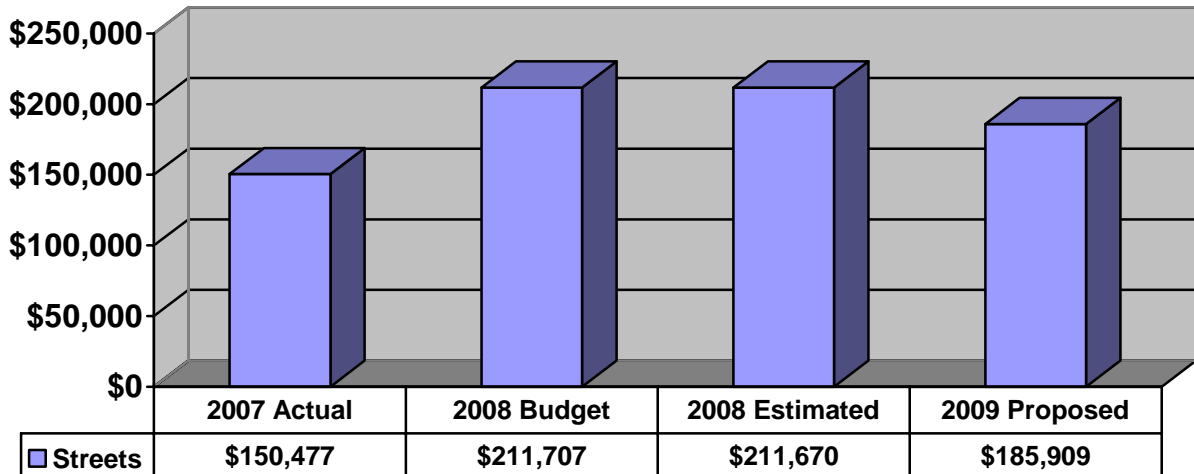
Title	FY 07	FY 08	FY 09
Chief of Police	1	1	1
Sergeant	1	1	1
Criminal Investigator	1	1	0
Patrol Officer	5	5	6.5
Administrative Assistant	1	1.5	1
Reserve Officer	4	4	4

**FY 09**

Full Time Officer – 8  
Full Time Civilian – 1  
Part Time Officer – 1  
Part Time Civilian – 0  
Reserve Officer - 4

# STREETS SUMMARY 2008-09

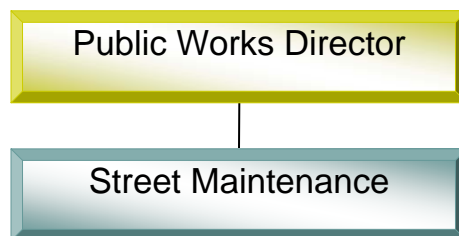
## Streets Budget Summary



### SERVICE OVERVIEW:

The Street Department maintains all the streets and drainage within the city limits. The overall street budget reflects no change in the personnel schedule and line item/categorical increases reflect the maintenance of the services currently offered by the City of Melissa. The street department is expecting to increase its amount of road repairs this next year and continue to improve road signs and street markings.

### DEPARTMENTAL STRUCTURE:



<u>FUND</u>	<u>DEPARTMENT</u>	<u>NUMBER</u>
General	Streets	07

#### PURPOSE STATEMENT:

The Street Department is committed to maintaining streets and roads that are smooth, pot-hole free, and safe for the citizens of Melissa and all who pass through.

#### GOALS & OBJECTIVES:

- ✚ Finish chip sealing the streets in the core of Melissa.
- ✚ Expand the number of street repairs and seal coat by 30%
- ✚ To respond to citizen's concerns in a timely manner.
- ✚ Develop a street repair maintenance program.

#### KEY INDICATORS OF PERFORMANCE:

	<b>FY 07 Actual</b>	<b>FY08 Estimate</b>	<b>FY09 Projection</b>
% of Annual Line Mile Scheduled Maintenance Completed	not tracked	not tracked	FYM
% of Emergency Calls Responded to Within 4 Hours	not tracked	95%	95%

#### ACTIVITY WORKLOAD:

Number of Street Signs Installed	not tracked	30	50
Tons of Hot Mix Asphalt Concrete Used	not tracked	205	75
Tons of HMAC Used for Street Failure Patches	not tracked	23	30

**FUND**  
General

**DEPARTMENT**  
Streets

**NUMBER**  
07

ITEM	2006-07 Actual	2007-08 Revised	2008-09 Budget
			Proposed

**EXPENDITURES:**

Personnel	\$37,410	\$41,782	\$43,309
Operations	\$113,067	\$162,925	\$142,600
Capital	_____	\$7,000	_____
Total	\$150,477	\$211,707	\$185,909

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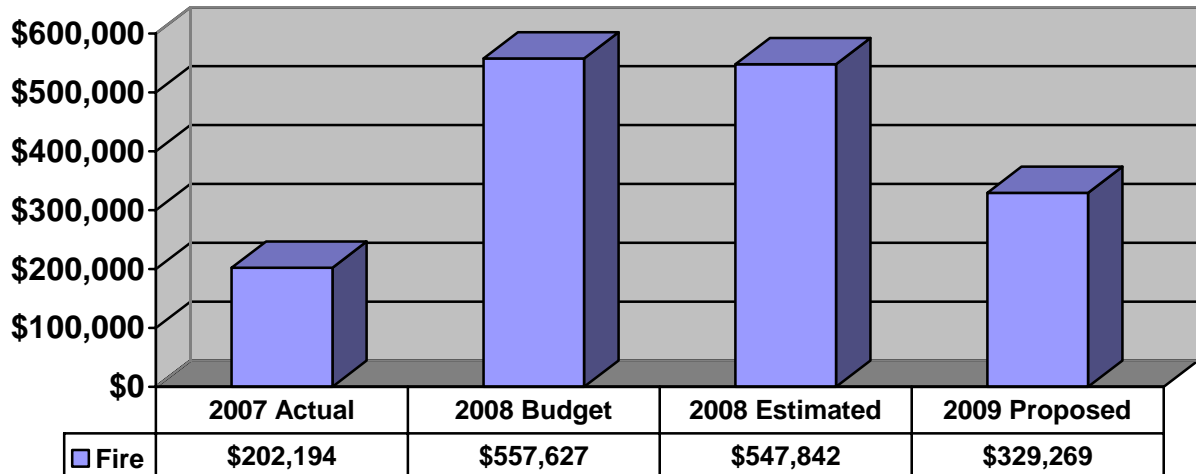
**PERSONNEL SCHEDULE:**

Title	FY 07	FY 08	FY 09
Maintenance Technician	1	1	1

**FY 09**  
Full Time – 1  
Part Time – 0

# FIRE SUMMARY 2008-09

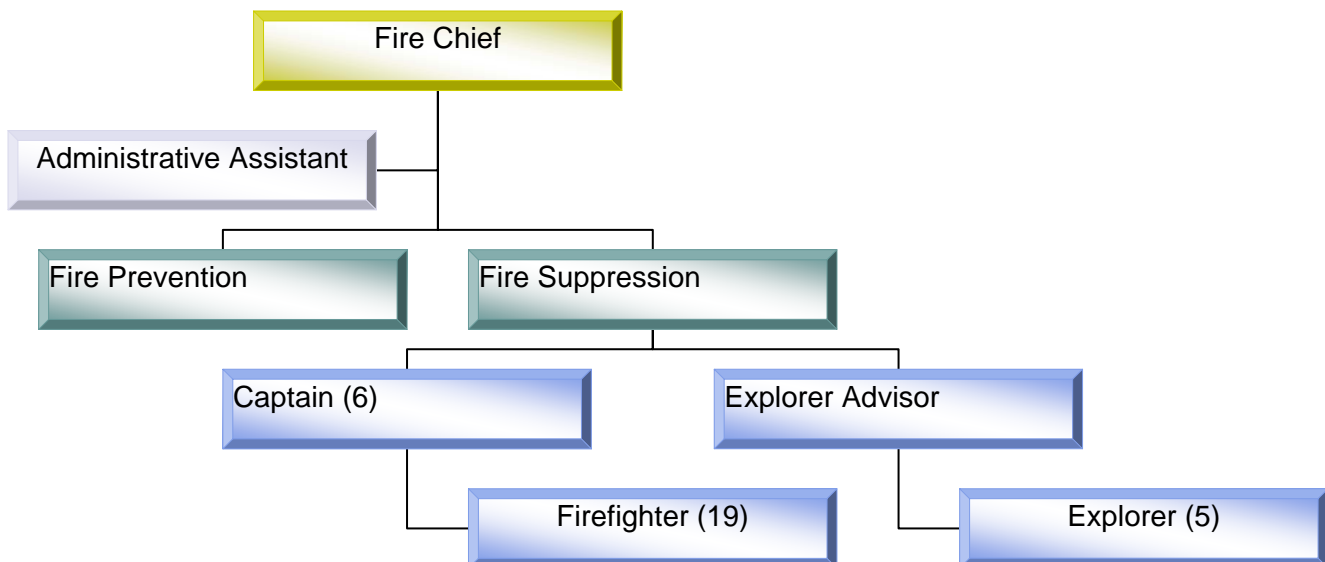
## Fire Budget Summary



### SERVICE OVERVIEW:

The Melissa Volunteer Fire Department responds to all fire, rescue, and medical emergencies in the City of Melissa. The Fire Department also assumes the responsibility of ensuring the fire codes and ordinances are followed by contractors in the construction process and are adhered by the commercial businesses in their operations. The Fire Department promotes fire safety in the community through interaction and programs in the schools and community. This Fire Department budget reflects the personnel, training, and equipment that are necessary for the resolution of incidents and catastrophes that are possible in a fast growing community. The Fire Department is also addressing the ISO rate which has consequently lowered insurance rates for all citizens and business owners in the city.

### DEPARTMENTAL STRUCTURE:



**FUND**  
General

**DEPARTMENT**  
Fire

**NUMBER**  
08






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**PURPOSE STATEMENT:**

The Mission of the Melissa Volunteer Fire Department is to provide the most timely incident response and the most efficient incident control possible to the citizens of the City of Melissa. It is the mission to ensure all citizens who call for assistance in a time of need can depend and be assured of having the best possible incident management and emergency medical assistance possible regardless of time called or personnel responding.

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**GOALS & OBJECTIVES:**

-  To provide the best emergency incident resolution possible for the citizens of Melissa.
  -  To provide the best training for a volunteer fire department personnel.
  -  To equip the Melissa fire department fire personnel with the best equipment possible.
  -  To ensure codes and ordinances are followed to the best advantage of the city.
  -  To ensure all firefighters return home safely after every call.
- 

**KEY INDICATORS OF PERFORMANCE:**

	<b>FY 07 Actual</b>	<b>FY08 Estimate</b>	<b>FY09 Projection</b>
<u>Fire Suppression:</u>			
Total Runs per year:	438	407	525
Total Training hours per year	3246	1070	3000
Certifications earned by firefighters	14	7	10
<u>Fire Prevention:</u>			
ISO Rank	7/9	3	3
Certificate of Occupancies issued:	9	15	3
Total structures condemned	1	4	3

FUND  
General

DEPARTMENT  
Fire

NUMBER  
08

ITEM	2006-07 Actual	2007-08 Revised	2008-09 Budget
			Proposed

EXPENDITURES:

Personnel	\$49,281	\$50,690	\$98,480
Operations	\$117,172	\$136,668	\$160,781
Capital	<u>\$35,741</u>	<u>\$370,269</u>	<u>\$70,008</u>
Total	\$202,194	\$557,627	\$329,269

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PERSONNEL SCHEDULE:

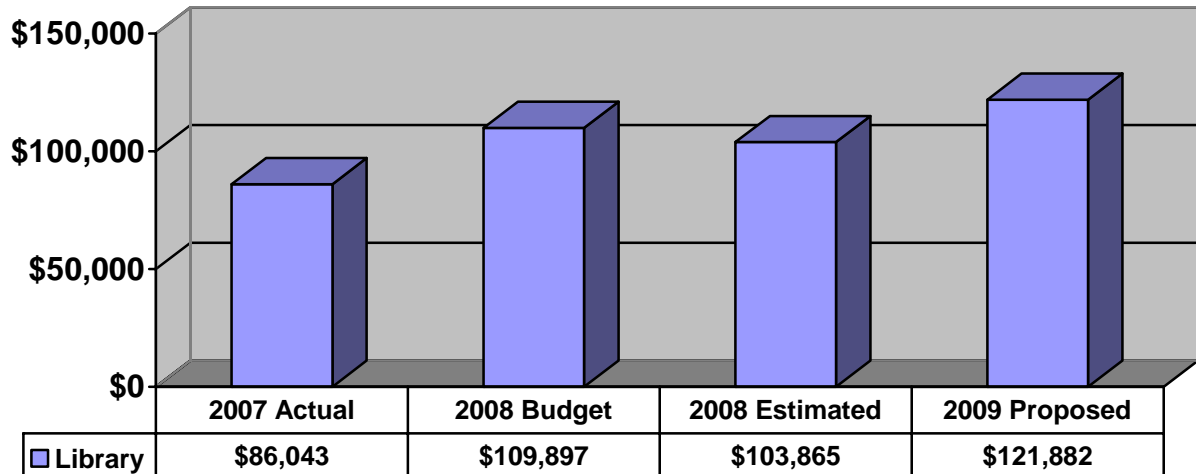
Title	FY 07	FY 08	FY 09
Fire Chief	1	1	1
Administrative Assistant	0	1	1
Firefighters	25	25	25

FY 09

Full Time –	1
Part Time –	1
Contract-	0
Volunteers-	25

# LIBRARY SUMMARY 2008-09

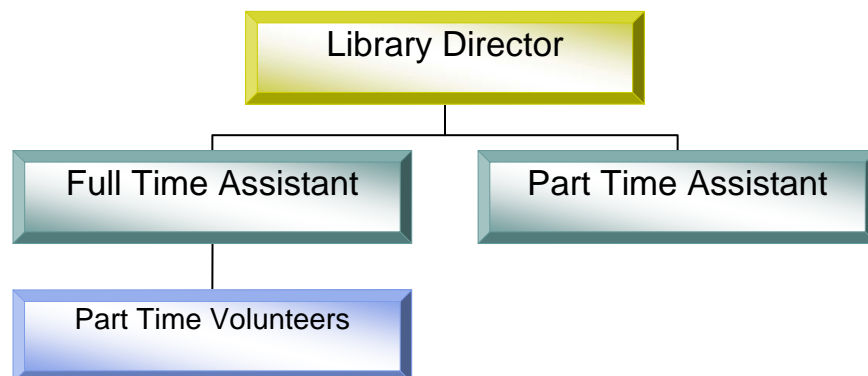
## Library Budget Summary



### SERVICE OVERVIEW:

The Melissa Public Library strives to offer the best possible service to our patrons. The overall Melissa Public Library Budget reflects the line item/categorical increases reflect the maintenance of the services. In FY 08, the City has lost collection development funding from NETLS. The funding from Lone Star Direct Aid may be increased as well as the Collin County money but those figures are unknown at this time.

### DEPARTMENTAL STRUCTURE:









<u>FUND</u>	<u>DEPARTMENT</u>	<u>NUMBER</u>
General	Library	10

**PURPOSE STATEMENT:**

The mission of the Melissa Public Library is to enrich the community by providing resources to aid in the pursuit of information and provide recreation and cultural enhancement using print, various media products, electronic access and planned quality programs available to all. The Melissa Public Library adheres to its logo—a global reach with local touch.

**GOALS & OBJECTIVES:**

-  Ensure that library resources are available to all
-  Promote high quality programs and services.
-  Provide public access to information technology
-  Promote community involvement and encourage diversity

**KEY INDICATORS OF PERFORMANCE:**

	<b>FY 07 Actual</b>	<b>FY08 Estimate</b>	<b>FY09 Projection</b>
Rate of Collection Turnover	1.00	1.25	1.50
Circulation Per Capita	7.00	10.00	13.00

**ACTIVITY WORKLOAD:**

Number of Items Circulated	20,000	25,000	30,000
Number of Library Visitors	11,000	13,000	15,000
Library Program Attendance	3,600	3,650	3,700

**FUND**  
General

**DEPARTMENT**  
Library

**NUMBER**  
10

ITEM	2006-07 Actual	2007-08 Revised	2008-09 Budget
			Proposed

**EXPENDITURES:**

Personnel	\$67,920	\$88,304	\$97,380
Operations	\$18,123	\$21,593	\$24,502
Capital	_____	_____	_____
Total	\$86,043	\$109,897	\$121,882

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**PERSONNEL SCHEDULE:**

Title	FY 07	FY 08	FY 09
Library Director	1	1	1
Part Time Assistant	2	1	1
Full Time Assistant	0	1	1

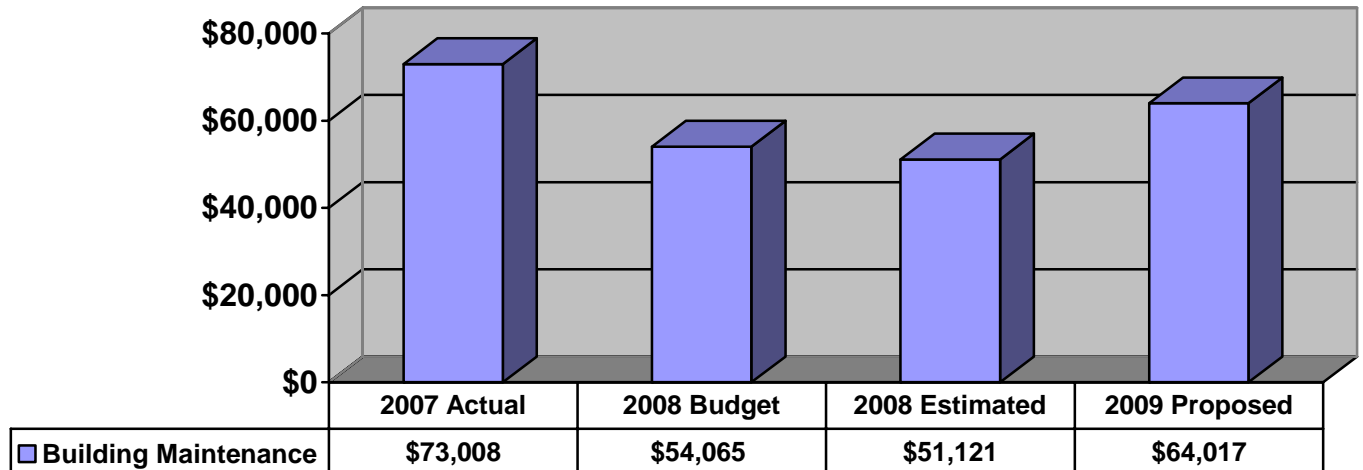
**FY 09**

Full Time – 2  
Part Time – 1

# BUILDING MAINTENANCE SUMMARY

## 2008-09

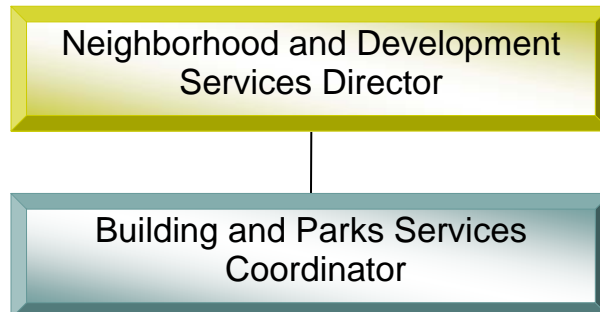
### Building Maintenance Budget Summary



#### SERVICE OVERVIEW:

The Building Maintenance department oversees all the maintenance and repairs for eight city facilities. The overall Building Maintenance Budget reflects no change in the personnel schedule and line item/categorical increases reflect the maintenance of the services currently offered by the City of Melissa.

#### DEPARTMENTAL STRUCTURE:






<u>FUND</u>	<u>DEPARTMENT</u>	<u>NUMBER</u>
General	Building Maintenance	11

**PURPOSE STATEMENT:**

The mission of Building Maintenance is to provide a service for the employees of the City of Melissa to ensure a safe, comfortable, and accommodating work place.

**GOALS & OBJECTIVES:**

-  To maintain city facilities insuring a safe, comfortable environment for citizens and staff.
-  To continue to improve the appearance of city parks and grounds.
-  To respond to citizen's concerns in a timely manner.

**KEY INDICATORS OF PERFORMANCE:**

	<b>FY 07 Actual</b>	<b>FY08 Estimate</b>	<b>FY09 Projection</b>
% of Non-Emergency Service Calls Responded to Within 3 Days	not tracked	85%	90%
% of Emergency Service Calls Responded to Within 24 Hours	not tracked	100%	100%

**ACTIVITY WORKLOAD:**

Number of Request for Service (Work Orders)	140	150	150
Total Square Footage of Buildings and Facilities Maintained	23,299	23,299	23,299
Number of Building and Facilities Maintained	8	8	8

**FUND**  
General

**DEPARTMENT**  
Building Maintenance

**NUMBER**  
11

ITEM	2006-07 Actual	2007-08 Revised	2008-09 Budget
			Proposed

**EXPENDITURES:**

Personnel	\$36,473	\$38,540	\$47,392
Operations	\$36,535	\$15,525	\$16,625
Capital	_____	_____	_____
Total	\$73,008	\$54,095	\$64,017

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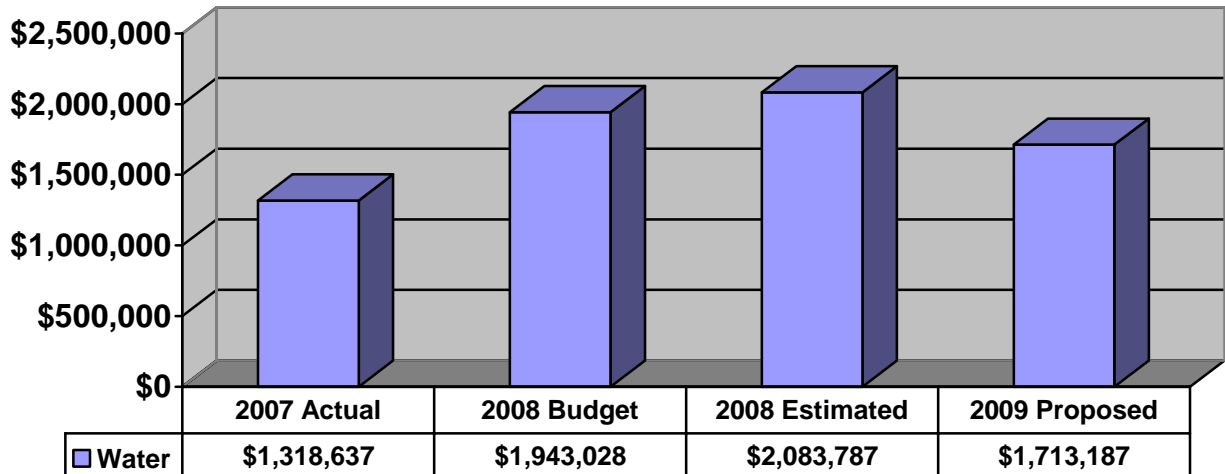
**PERSONNEL SCHEDULE:**

Title	FY 07	FY 08	FY 09
Building & Parks Service Coordinator	1	1	1

**FY 09**  
Full Time – 1  
Part Time – 0

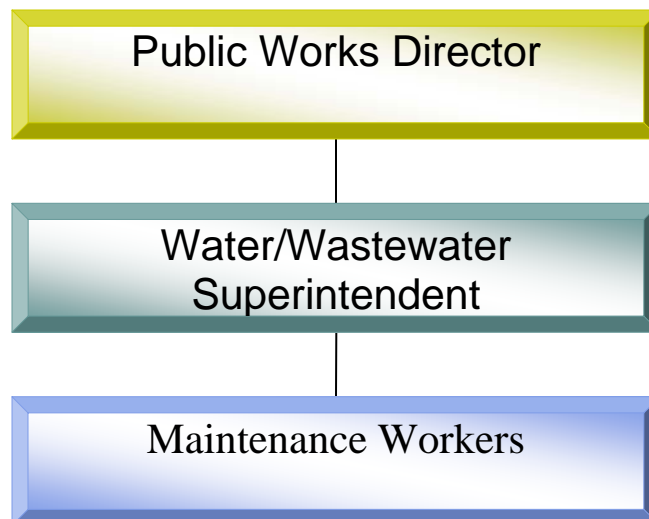
# WATER SUMMARY 2008-09

## Water Budget Summary



### SERVICE OVERVIEW:

The Water Department maintains and repairs a complex water system of valves fire hydrants and customer service meters. While regulating system pressure and water volume through calculated pump efficiencies, tower elevations and electronic controls. The water department maintains adequate pressure and volume with as little interruption in service as possible. The Water Department meets or exceeds regulations set by TCEQ. The City of Melissa water department maintains the highest water quality possible. Water Department budget reflects no change in the personnel schedule and line item/categorical increases reflect the maintenance of the services currently offered by the City of Melissa.



**FUND**

Water

**DEPARTMENT**

Water




**NUMBER**

14

**PURPOSE STATEMENT:**

To provide the highest quality product as possible and provide continuous service without interruptions.

**GOALS & OBJECTIVES:**

-  Continue to have no positive E-coli samples.
-  Finish firefly program and meter change out in Downtown Areas
-  Respond to customer complaints in a timely matter

**KEY INDICATORS OF PERFORMANCE:**

	<b>FY 07 Actual</b>	<b>FY08 Estimate</b>	<b>FY09 Projection</b>
All meter have been installed with in 72 hours	not tracked	80%	80%
Customer complaints have been addressed with in 24-72 hours or less	not tracked	100	100
Repaired leaks with in 24 hours or less of notification	not tracked	85	85

**ACTIVITY WORKLOAD:**

Meters installed	not tracked	not tracked	121
Customer complaints	not tracked	not tracked	FYM

**FUND**

Water

**DEPARTMENT**

Water

**NUMBER**

14

ITEM	*2006-07 Actual	*2007-08 Revised	2008-09 Budget
			Proposed

**EXPENDITURES:**

Personnel	\$329,262	\$197,599	\$198,557
Operations	\$792,401	\$796,714	\$799,240
Capital	\$11,387	\$569,253	\$21,972
Debt Service	<u>\$185,587</u>	<u>\$379,462</u>	<u>\$693,418</u>
Total	\$1,318,637	\$1,943,028	\$1,713,187

*\* 2007-08 Budget will distribute line items differently than were done in previous years; therefore comparisons will be carried forward. 2008-2009 Budget begins the first year of the CIP program with associated debt service.*

**PERSONNEL SCHEDULE:**

Title	FY 07	FY 08	FY 09
Public Works Director	1	1	1
Water/Wastewater Superintendent	1	1	1
Maintenance Worker	3	3	3

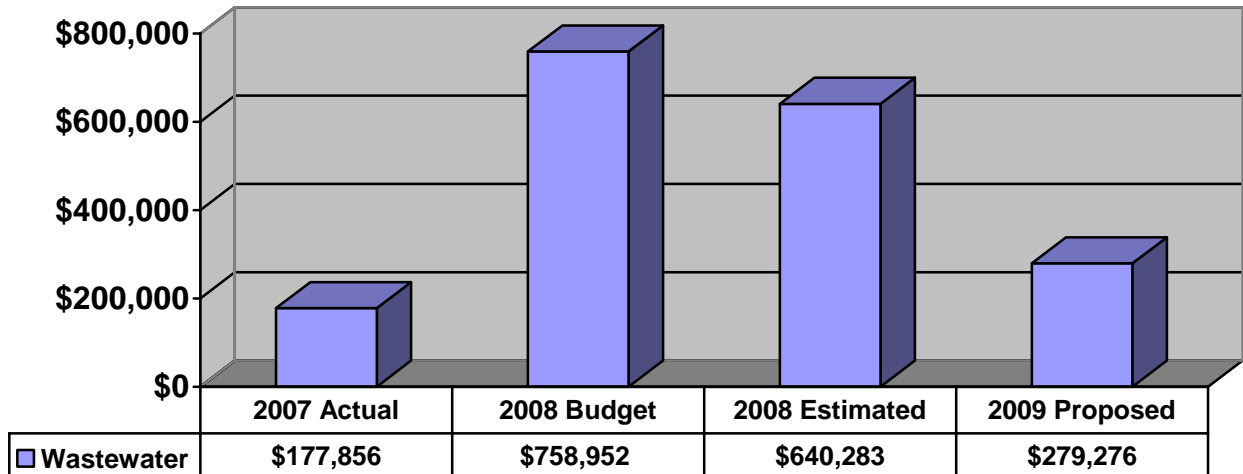
**FY09**

Full Time – 4  
Contract - 1



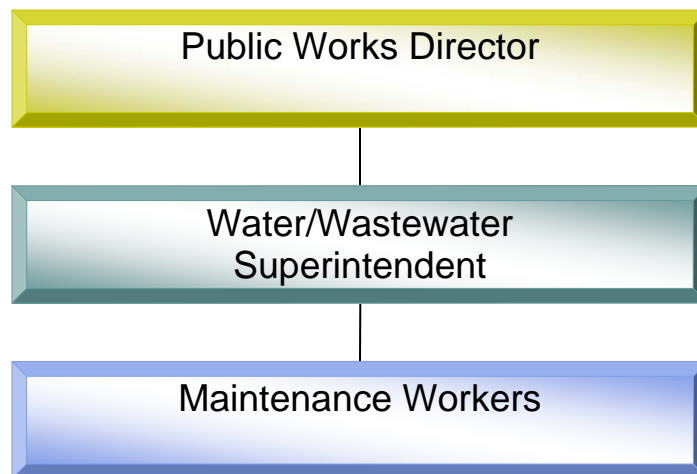
# WASTEWATER SUMMARY 2008-09

## Wastewater Budget Summary



### SERVICE OVERVIEW:

The wastewater department maintains and repairs the cities wastewater lines and lifts stations through constant electronic metering and visual checks of the system. City Council, and support roles in responding to the needs of the residents of Melissa. The wastewater department plans on adding more monitoring equipment to help identify problems faster.



**FUND**

Water

**DEPARTMENT**

Wastewater






**NUMBER**

15

**PURPOSE STATEMENT:**

To provide a wastewater collection service that is continues, safe, and reliable.

**GOALS & OBJECTIVES:**

-  To have smoke testing preformed on the East Fork line.
-  Reduce infiltration by physical checks and maintenance program.
-  To respond to citizen's concerns in a timely manner.
-  Develop a preventive maintenance program.
-  Add SCADA to the lift stations.

**KEY INDICATORS OF PERFORMANCE:**

	<b>FY 07 Actual</b>	<b>FY08 Estimate</b>	<b>FY09 Projection</b>
Response to customer calls with 24/72 hours	not tracked	100%	100%
Work orders identified and solved	not tracked	24	40

**ACTIVITY WORKLOAD:**

Sewer camera Program (based on new installs)	Not tracked	not tracked	FYM
Track number of sewer stoppage.	Not tracked	24	30

**FUND**

Water

**DEPARTMENT**

Wastewater

**NUMBER**

15

ITEM	2006-07 Actual	2007-08 Revised	2008-09 Budget
			Proposed

**EXPENDITURES:**

Personnel	\$0	\$0	\$0
Operations	\$127,522	\$247,075	\$279,276
Debt Service	\$50,334	\$191,877	--
Capital	_____	<u>\$320,000</u>	_____
Total	\$177,856	\$758,952	\$279,276

**PERSONNEL SCHEDULE:**

Title	FY 07	FY 08	FY 09
Public Works Director	1	1	1
Lead Water/wastewater	1	1	1
Maintenance Workers	3	3	3

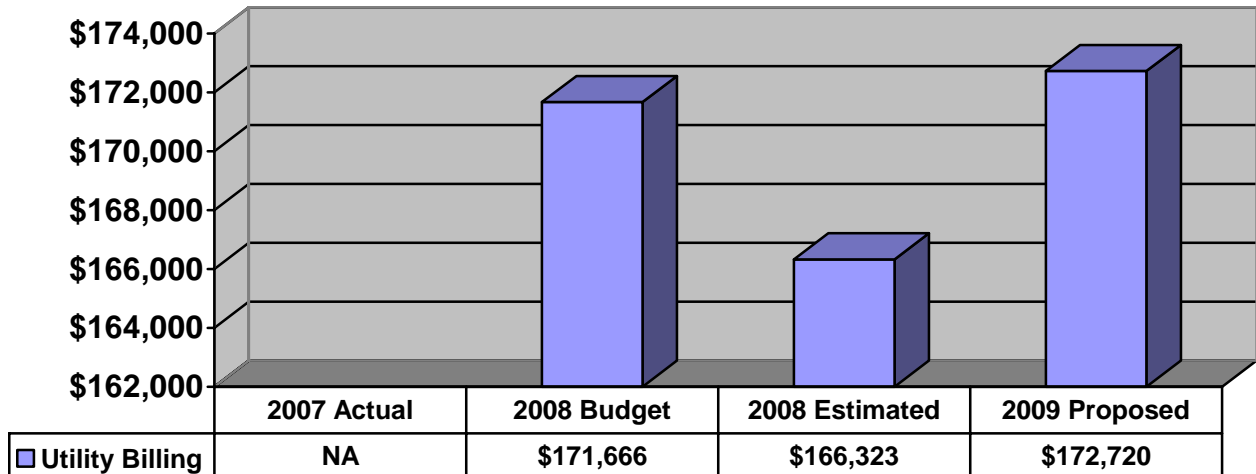
**FY09**

Full Time – 4

Contract – 1

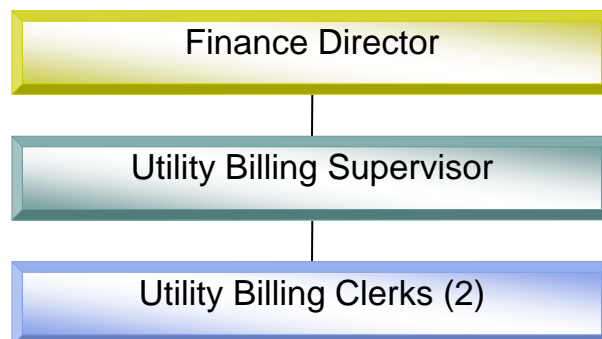
# UTILITY BILLING SUMMARY 2008-09

## Utility Billing Budget Summary



### SERVICE OVERVIEW:

The Utility Billing division bills and collects for all City utility services and contracted solid waste services and processes requests for new service connections. The staff ensures the timely and accurately billing of accounts and responds to customer requests for information and issues quickly and fairly. The water rates are established through Water Rate Studies performed at the request of and adopted by the City Council. The Utility Billing division bases policy and procedures in accordance with rules established by the Texas Commission on Environmental Quality (TCEQ).



**FUND**

Water

**DEPARTMENT**

Utility Billing





**NUMBER**

24

**PURPOSE STATEMENT:**

The Utility Billing division is responsible for providing accurate and timely utility billing and customer service to all water, wastewater and solid waste customers in a prompt, friendly and courteous manner.

**GOALS & OBJECTIVES:**

-  To reduce the error rate in customer billing data which will consequently reduce the number of customer inquiries/complaints.
-  To have all personnel cross-trained in all office operations.
-  Increase emphasis on customer service and UB related training.
-  To increase efforts to optimize receivable accounting accuracy and Finance interface.

**KEY INDICATORS OF PERFORMANCE:**

	<b>FY 07 Actual</b>	<b>FY08 Estimate</b>	<b>FY09 Projection</b>
Percentage of customers using automated bank drafts	16%	11%	11%
Number of hours of training	44	8	64

**ACTIVITY WORKLOAD:**

Number of Water Accounts	1,487	1,761	1,881
Number of Automatic Bank Draft customers	231	202	202

**FUND**

Water

**DEPARTMENT**

Utility Billing

**NUMBER**

24

ITEM	*2006-07 Actual	*2007-08 Revised	2008-09 Budget
			Proposed

**EXPENDITURES:**

Personnel	NA	\$124,087	\$134,315
Operations	NA	\$47,579	\$38,405
Capital	<u>NA</u>	_____	_____
Total	N/A	\$171,666	\$172,720

*\* 2007-08 Budget will distribute line items differently than were done in previous years; therefore comparisons will be carried forward.*

**PERSONNEL SCHEDULE:**

Title	FY 07	FY 08	FY 09
Utility Billing Supervisor	1	1	1
Utility Billing Clerk	2	2	2

**FY09**

Full Time – 3

Part Time – 0

# PERSONNEL OVERVIEW



## Personnel Overview: 3 Year Data

General Fund	FY 07	FY 08	FY 09
Administration	4.0	4.0	4.0
Building Maintenance	1.0	1.0	1.0
Dev & Neighborhood Services	3.0	3.0	3.0
Fire	0.0	0.5	1.5
Library	2.0	2.5	2.5
Municipal Court	2.5	2.5	2.5
Parks	1.0	1.0	1.0
Police	13.0	13.5	13.5
Streets	1.0	1.0	1.0
<b>General Fund Total</b>	<b>28</b>	<b>29</b>	<b>30</b>
Enterprise Fund	FY 07	FY 08	FY 09
Water	3.0	3.0	3.0
Wastewater	1.0	1.0	1.0
Utility Billing	3.0	3.0	3.0
<b>Enterprise Fund Total</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

As you can see from the table above, the City of Melissa personnel numbers have not grown in accordance with the city growth rate. Since the year 2000, the City has grown on average approximately 20% a year. Over the past three years, the growth rate has slowed due to the national economic climate, but the City growth rate has still exceeded ten percent. In comparison, over the past three fiscal years, the employees for the City have grown only 7%. The net effect is that the City's employees are providing a high level of services to more residents annually without the offset of more employees to do the work. The City Council recognizes this and has committed to enhancing the salary and benefits package for the employees.





## City of Melissa General Compensation Plan

EFFECTIVE: JULY 23, 2008

Grade	Position Title	Pay Type	CLASSIFICATIONS		
			Low	Midpoint	High
<b>PT</b> <b>(20 hr/wk)</b>	Library Assistant (PT)	Monthly	\$720.00	\$1,203.73	\$1,687.45
	Fire Dept. Admin. Asst. (PT)	Annual	\$8,640.00	\$14,444.70	\$20,249.40
		Hourly	\$9.00	\$15.05	\$21.09
<b>1</b>	Maintenance Worker	Monthly	\$1,866.68	\$2,411.72	\$2,956.76
	Utility Billing Clerk	Annual	\$22,400.10	\$28,940.61	\$35,481.12
		Hourly	\$10.77	\$13.91	\$17.06
<b>2</b>	Municipal Court Clerk	Monthly	\$2,053.34	\$2,652.89	\$3,252.44
	Librarian	Annual	\$24,640.11	\$31,834.67	\$39,029.23
	Permit Clerk	Hourly	\$11.85	\$15.31	\$18.76
<b>3</b>	Police Department Secretary	Monthly	\$2,258.68	\$2,918.18	\$3,577.68
	Building & Parks Services Coordinator	Annual	\$27,104.12	\$35,018.14	\$42,932.16
		Hourly	\$13.03	\$16.84	\$20.64
<b>4</b>	Utility Billing Supervisor/ Accounting Assistant	Monthly	\$2,484.54	\$3,210.00	\$3,935.45
	Code Enforcement Officer	Annual	\$29,814.53	\$38,519.95	\$47,225.37
		Hourly	\$14.33	\$18.52	\$22.70
<b>5</b>	Senior Court Clerk	Monthly	\$2,733.00	\$3,531.00	\$4,328.99
	Management Assistant	Annual	\$32,795.99	\$42,371.95	\$51,947.91
		Hourly	\$15.77	\$20.37	\$24.97
<b>6</b>	Senior Librarian (Library Dir.)	Monthly	\$2,916.67	\$3,839.28	\$4,761.89
	Police Officer	Annual	\$35,000.04	\$46,071.36	\$57,142.68
		Hourly	\$16.83	\$22.15	\$27.47
<b>7</b>	Public Works Superintendent	Monthly	\$3,306.93	\$4,272.50	\$5,238.08
		Annual	\$39,683.15	\$51,270.06	\$62,856.97
		Hourly	\$19.08	\$24.65	\$30.22
<b>8</b>	Police-Sergeant	Monthly	\$3,637.62	\$4,699.76	\$5,761.89
	Dev. & Neighborhood Services Director	Annual	\$43,651.46	\$56,397.06	\$69,142.67
		Hourly	\$20.99	\$27.11	\$33.24
<b>9</b>		Monthly	\$4,001.38	\$5,169.73	\$6,338.08
		Annual	\$48,016.61	\$62,036.77	\$76,056.93
		Hourly	\$23.08	\$29.83	\$36.57
<b>10</b>	City Secretary	Monthly	\$4,401.52	\$5,686.70	\$6,971.89
		Annual	\$52,818.27	\$68,240.45	\$83,662.62
		Hourly	\$25.39	\$32.81	\$40.22
<b>11</b>	Finance Director	Monthly	\$4,841.67	\$6,255.37	\$7,669.07
	Fire Chief	Annual	\$58,100.09	\$75,064.49	\$92,028.89
		Hourly	\$27.93	\$36.09	\$44.24
<b>12</b>	Police Chief	Monthly	\$5,325.84	\$6,880.91	\$8,435.98
		Annual	\$63,910.10	\$82,570.94	\$101,231.78
		Hourly	\$30.73	\$39.70	\$48.67
<b>13</b>		Monthly	\$5,858.43	\$7,569.00	\$9,279.58
		Annual	\$70,301.11	\$90,828.03	\$111,354.95
		Hourly	\$33.80	\$43.67	\$53.54
<b>14</b>		Monthly	\$6,444.27	\$8,325.90	\$10,207.54
		Annual	\$77,331.22	\$99,910.84	\$122,490.45
		Hourly	\$37.18	\$48.03	\$58.89
<b>15</b>	City Administrator	Monthly	\$7,088.70	\$9,158.49	\$11,228.29
		Annual	\$85,064.35	\$109,901.92	\$134,739.49
		Hourly	\$40.90	\$52.84	\$64.78
<b>16</b>		Monthly	\$7,797.57	\$10,074.34	\$12,351.12
		Annual	\$93,570.78	\$120,892.11	\$148,213.44
		Hourly	\$44.99	\$58.12	\$71.26

# City of Melissa Benefit Summary

## As of October 1, 2008

### Insurance

*TML IEBP (Texas Municipal League Intergovernmental Employee Benefit Pool)*

Health and Dental

Employee is 100% covered by the City for Health and Dental

Employee shares cost of dependant coverage

**Life Insurance through The Standard (1x Salary Employer paid)**

Optional additional Life Insurance up to 3 times employee's annual salary

**Optional Life Insurance for dependents**

**Employee Assistance Program Plan – Employer Paid**

**Long Term Disability insurance offered with a Buy-up Plan**

**Optional Vision coverage available**

**Open Enrollment October 1<sup>st</sup>**

### Retirement

*TMRS (Texas Municipal Retirement System)*

**7%** Mandatory employee contribution

City matches 2 to 1

*Social Security*

City participates & matches

### Deferred Compensation Program

*ICMA Retirement Corporation or Security Benefit Group*

Pre-Tax Savings plan - 457

No Match from the City

### Supplemental Insurance - AFLAC

Plan year begins Nov. 1<sup>st</sup>

### Flexible Spending – Cafeteria Plan - Administered by AFLAC

Pre-Tax

Health Insurance Premiums, Medical & Dependent Care

Plan year begins Nov. 1<sup>st</sup>

### Workers Compensation – TML

### Time off

10 Holidays

3 Personal Days after 90 days

2 Week of Vacation – 1-4 years of service, eligible after 6 months

3 Weeks of Vacation – 5-9 years of service

4 Weeks of Vacation – 10+ years of service

48 Hours of sick time each calendar year – eligible after 6 months

96 Hours of Extended Illness accrued annually

**Longevity Pay** - \$4.00 per month for each full month employed after 1 year service

**Over Time Hours** - Cash or Compensatory Time

**Other** - Direct Deposit (optional)

# CAPITAL OVERVIEW



## **Capital Overview**

As mentioned in the fund narratives, Capital line items cover large, one time purchases or the cost for the payment for large pieces of equipment or vehicles over time. In FY 09, 3% of the General Fund budget is allocated to routine capital purchases. All capital allocations with the General Fund and Enterprise Fund are for routine purchases consisting of annual payments for equipment such as patrol cars and fire apparatus, and public works equipment including backhoe and skid loader. Exclusive of the continual cost for previous purchases, the FY 09 budget will designate funds to purchase routine equipment such as a police cruiser and a new Fire Engine.

Non routine expenses in this budget are to fund the debt service payments for the following projects. A brief description, along with the funding source and total allocated in the previous debt sale follow the table. For debt service costs, please see chart entitled "City of Melissa Debt Service Summary."(page 71)

Title	Fund	Design	Construction
Melissa Road Phase 2b	General - Road	X	
Throckmorton Road E Reconstruction	General - Road	X	X
Fannin Road Reconstruction	General - Road	X	X
Annual Budget for Rehab Projects	General - Road	X	X
CR 418	General - Road	X	
Berry Road Water Line	Enterprise - Water	X	
City of Melissa south take point	Enterprise - Water	X	X
FM 2933 water main from SH121 to FM545	Enterprise - Water	X	
Southwest mains	Enterprise - Water	X	
East water facility transmission lines	Enterprise - Water	X	X
Stiff Creek Sewer Improvements	Enterprise - Sewer	X	
Davis Road gravity sewer interceptor	Enterprise - Sewer	X	

### **Melissa Road Phase 2b**

Funding Source: Ad Valorem Tax Rate

FY09 Allocation: \$306,578

Description: The funds for this project will be used for the design, right of way acquisition, and utility relocation for the second phase of the Melissa Road expansion. The second phase will construct Melissa Road from its current terminus at Highway 5 and connect to State Highway 121. This project will be considered for construction when the appropriate private development necessitates the expansion.

### **Throckmorton Road E Reconstruction**

Funding Source: Ad Valorem Tax Rate

FY09 Allocation: \$1,629,727

Description: This project will reconstruct the eastern portion of Throckmorton Road east of State Highway 5. This project will reconstruct the DART railroad crossing to allow for safer ingress and egress for the concrete batching plants and their associated traffic. These funds are for the design, right of way acquisition, utility relocation, and construction. The project is anticipated to be awarded in late 2008 and be completed in the 2009 calendar year.

#### **Fannin Road Reconstruction**

Funding Source: Ad Valorem Tax Rate

FY09 Allocation: \$2,053,288

Description: This project will reconstruct Fannin Road from State Highway 5 to the Melissa Road intersection. The road will be widened to 27 feet with 31 feet intersections and incorporate the first phase of the city's hike and trail system, which will give the children and residents of the Hunters Ridge community a safe walking system to the school district facilities along Fannin Road. A portion of this project is being funded through the Texas department of Transportation. Construction for the road is anticipated to begin and be completed in 2009, with the trail construction following immediately after the road completion.

#### **Annual Budget for Rehab Projects**

Funding Source: Ad Valorem Tax Rate

FY09 Allocation: \$254,546

Description: Included in the 2007 Transportation Bond Election was a commitment to create an organization rehabilitation program for the existing roads within the Melissa community. The initial review of the roads would be condensed into a road inventory survey to help identify and prioritize how the rehabilitation funds could be used. The initial rehabilitation project will be the widening of East Graves Street, which now serves a major connection to the Liberty subdivision where the new elementary school is located.

#### **CR 418**

Funding Source: Ad Valorem Tax Rate

FY09 Allocation: \$758,304

Description: Funds for this project will be used for the design, right of way acquisition, and utility relocation for the widening of County Road 418. Like the Melissa Road project, the actual construction will begin when an economic need is identified.

#### **Berry Road Water Line Funding**

Funding Source: Water Rates

FY09 Allocation: \$100,000

Description: This project will fund the design and right of way acquisition in order to get City water facilities in the 121 corridor.

#### **FM 2933 water main from SH121 to FM545**

Funding Source: Water Rates

FY09 Allocation: \$182,000

Description: This project will fund the design and right of way acquisition in order to get City water facilities in the northern and eastern corridors of Highway 121.

**Southwest mains**

Funding Source: Water Rates

FY09 Allocation: \$342,000

Description: This project will fund the design and right of way acquisition in order to get City water facilities near the intersection of State Highway 121 and US Highway 75.

**East water facility transmission lines**

Funding Source: Water Rates

FY09 Allocation: \$900,000

Description: This project will fund the design and right of way acquisition, and construction of a water line to serve the northern 121 area. This line will provide fire flow protection to the area and to the North Texas Municipal Water District's Regional Landfill facility. Construction is anticipated to begin and be completed in 2009.

**Stiff Creek Sewer Improvements**

Funding Source: Water Rates

FY09 Allocation: \$487,000

Description: This is a companion project of the FM 2933 water main project and will fund the design and right of way acquisition in order to get City sewer facilities in the northern and eastern corridors of Highway 121.

**Davis Road gravity sewer interceptor**

Funding Source: Water Rates

FY09 Allocation: \$162,000

Description: This is a companion project of the Southwest water main project and will fund the design and right of way acquisition in order to get City sewer facilities near the intersection of State Highway 121 and US Highway 75.

# DEBT SERVICE SUMMARY



## **Debt Service Summary**

During the summer of 2008, the City initiated the first phase of its transportation and water capital improvement plan. In doing so, the City was critically evaluated by both Standard and Poor's and Moody's Investor Services for the appropriate bond rating. The table below shows the increases awarded to the City by both agencies. Enclosed in this section is also the press release related to the rating increases, as well as some facts on how the City of Melissa compares with industry standards reviewed by Standard and Poor's.

Rating Agency	Previous Rate	New Rate
Moody's	Baa2	Baa1
Standard and Poor's	BBB-	A

According to the Government Finance Officers Association of America, "Debt management policies are written guidelines and restrictions that affect the amount and type of debt issued by a state or local government, the issuance process, and the management of a debt portfolio. A debt management policy improves the quality of decisions, provides justification for the structure of debt issuance, identifies policy goals, and demonstrates a commitment to long-term financial planning, including a multi-year capital plan. Adherence to a debt management policy signals to rating agencies and the capital markets that a government is well managed and should meet its obligations in a timely manner.

Debt levels and their related annual costs are important long-term obligations that must be managed within available resources. An effective debt management policy provides guidelines for a government to manage its debt program in line with those resources."

The following are the City of Melissa's policies related to debt and debt management as reviewed and approved by the Melissa City Council. These policies are reviewed annually during the budget process and are amended as needed.

- The City of Melissa strives to manage debt issuance by reviewing the Maintenance and Operations allocation against the Interest and Sinking allocation. The City will strive to maintain a 65/35% ratio. This ratio is a guide only and may be amended as our growing communities needs dictate; however, this policy will be used as a measuring device before any debt is issued.
- Debt will be considered for any purpose that municipalities can fund in accordance with State Law of Texas. Under the direction of the City's financial advisor, any debt type and structure will be considered. Ideally, any debt sold should address a need identified in one of the City's Capital Improvements Plans. The CIP's should be reviewed if any debt is sold that is not included in the plans so that the governing body understands what may be postponed.



- Debt should not be considered if it exceeds 25 years, unless a market standard exists to fund the project at a longer term.
- If excess funds exist after addressing and maintenance and operations, including reserve allocations and debt service commitments, outstanding debt principal amounts should be reviewed to make advance payments to buy down obligation. This scenario is reviewed during the budget process and approved by the City Council.
- Methods for debt sales will be reviewed and recommended through the City's financial advisor, with approval by the City Council.
- Bond proceed shall be placed in the highest interest bearing account the City has access to, as long as the invested funds are fully collateralized.

### Summary of Current Year Liabilities – Debt

Fund	FY 09 Principal	FY 09 Interest	Total FY 09 Payment
General	\$390,000	\$484,167	\$874,167
Enterprise	\$302,500	\$561,890	\$839,349



## FOR IMMEDIATE RELEASE

**August 12, 2008**

For more information contact:  
Jason Little, City Administrator

972-838-2338

[jlittle@cityofmelissa.com](mailto:jlittle@cityofmelissa.com)

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# City of Melissa Receives Lower Bond Ratings

## Improved Ratings to Save Dollars over Life of Bonds

Melissa, Texas – The City of Melissa were recently reviewed and rated by Standard & Poor's and Moody's Investor Services for the issuance of bond dollars to fund the first phase of the transportation and water/wastewater capital improvement program, and as a result, the City will be able to borrow money at a better rate than in previous years, due largely to the City Council's responsible spending policies and the safe reserve the City keeps on hand for emergencies.

When a city is rated by these agencies, the city's financial statements, budget, and current debt are reviewed, as well as many other economic and financial factors.

Standard & Poor's, which provides credit ratings and other financial analysis, recently upgraded the City's rating from BBB- to A, an almost unheard of increase of four places in the bond ratings. Standard and Poor's rating reports said: "Standard & Poor's Ratings Services raised its standard long-term rating and underlying rating (SPUR) on Melissa, Texas' existing general obligation (GO) debt to 'A' from 'BBB-' based on the city's improving and much stronger financial position." David Medanich, the City's financial advisor and Vice Chairman of First Southwest Company said, "That [the four place increase to A from BBB-] is rare. It is an accomplishment the city should be very proud of."

Moody's also increased the City's bond rating from Baa2 to Baa1, also on the findings of the financial position of the City of Melissa.

"This is good news for residents because the rating is a reflection of how the City is managing public funds," said City Administrator Jason Little. "It doesn't mean the City has extra money to spend, but like our individual credit rating, it says that the City and City Council are making sound financial decisions."

This higher bond rating should allow the City to secure a lower interest rate thus saving thousands of dollars over the term of the bond.       ###

City of Melissa  
2008-2009 Budget  
Debt Service Summary

					2008-2009 Payable				as of 10/01/08
Date	Description	Maturity Date	Principal	Principal	Interest	Fiscal Total	Commitment	O/S Principal	
<b>Utility Debt Service Fund Obligations</b>									
12/19/2000	General Obligation Refunding Bonds Refinancing \$275,000 Series 1988 CO and \$50,000 Series 1987 CO, plus expenses	9/30/2009	\$ 350,000	\$ 35,000	\$ 1,872.50	\$ 36,872.50	Water Fund	\$ 35,000	
12/19/2000	Combination Tax and Revenue CO Water Tower	9/30/2021	\$ 1,475,000	\$ 60,000	\$ 77,230.00	\$ 137,230.00	Water Fund	\$ 1,325,000	
1/15/2005	Contract Revenue Bonds, Series 2005 Greater Texoma Utility Authority (Collin-Grayson Project) Cities of Anna, Howe, Melissa and Van Alstyne	9/30/2029	\$ 2,800,000	\$ 70,000	\$ 132,222.50	\$ 202,222.50	Water Fund	\$ 2,545,000	
				\$ 17,500	\$ 33,055.63	\$ 50,555.63	Divided by 4 Cities	\$ 636,250	
5/31/2006	Combination Tax and Revenue CO, Series 2006 \$615k - Country Ridge Water Supply purchase, plus expenses \$1,120,000 - Melissa Rd, plus expenses \$515k - Town Center Architect fees, plus expenses	2/15/2026	\$ 2,250,000					\$ 2,140,000	
				\$ 20,000	\$ 27,895.00	\$ 47,895.00	Water Fund		
				\$ 40,000	\$ 50,462.50	\$ 90,462.50	EDC 4A		
					\$ 24,895.00	\$ 24,895.00	TIF		
7/15/2006	State Participation Assistance Calculations GTUA-Collin Grayson Project - w/Anna, Howe and Van Alstyne	9/30/2040	\$ 8,675,000		\$ 25,041.12	\$ 25,041.12	Water Fund	\$ 8,675,000	
11/1/2006	Contract Revenue Bonds, Series 2006 (TWDB-SRF) Melissa-Anna Interceptor Project Throckmorton-Trinity River Sewer Project 4A/4B funding	9/30/2026 (GTUA reserve)	\$ 1,745,000	\$ 65,000	\$ 56,252.50 \$ 24,474.72	\$ 121,252.50 \$ 24,474.72	EDC 4A/4B	\$ 1,620,000	
			\$ -			\$ (126,142.00)			
2/20/2007	Contract Revenue Bonds, Series 2007 GTUA-Collin Grayson Project - w/Anna, Howe and Van Alstyne (GTUA reserve)	9/30/2020	\$ 5,000,000	\$ 20,000 \$ 5,000	\$ 260,533.00 \$ 65,133.25 \$ 17,256.96	\$ 280,533.00 \$ 70,133.25 \$ 17,256.96	Water Fund Divided by 4 Cities	\$ 4,990,000 \$ 1,247,500	
1/31/2008	Contract Revenue Bonds, Series 2007 (CWSRF) Melissa-Anna Interceptor Project Throckmorton-Trinity River Sewer Project 4A/4B funding	9/30/2028 (GTUA reserve)	\$ 1,105,000	\$ 35,000	\$ 40,410.00 \$ 16,188.72	\$ 75,410.00 \$ 16,188.72	EDC 4A/4B	\$ 1,105,000	
			\$ -			\$ (78,500.00)			
8/12/2008	Certificate of Obligations/Contract Revenue, Series 2008 Water/Wastewater CIP Phase 1		\$ 2,250,000	\$ 65,000	\$ 235,000.00	\$ 300,000.00	Water Fund		
<b>Utility Debt Service Fund Obligations Summary Totals</b>				<u>\$ 302,500</u>	<u>\$ 561,890</u>	<u>\$ 839,349</u>			
<b>General Debt Service Fund Obligations</b>									
7/24/2001	Combination Tax and Revenue CO Zadow Park	9/30/2011	\$ 835,000	\$ 95,000	\$ 13,925.00	\$ 108,925.00	CDC 4B	\$ 290,000	
9/24/2004	Combination Tax and Revenue CO Melissa Rd Phase I	9/30/2024	\$ 1,400,000	\$ 55,000	\$ 57,058.75	\$ 112,058.75	General Fund	\$ 1,300,000	
6/17/2005	Combination Tax and Revenue CO Melissa Rd - \$525,000 and Fire Station - \$400,000, plus expenses	9/30/2025	\$ 950,000	\$ 35,000	\$ 34,337.50	\$ 69,337.50	General Fund	\$ 855,000	
12/29/2005	Combination Tax and Revenue CO, Series 2005A Fire Station \$100k, Tennis Courts \$250k, BMP \$144k, Hunter's Ridge Park \$5k, Historical House \$300k, plus expenses	2/15/2026	\$ 825,000	\$ 30,000	\$ 30,577.50	\$ 60,577.50	CDC 4B	\$ 770,000	
5/31/2006	Combination Tax and Revenue CO, Series 2006 \$615k - Country Ridge Water Supply purchase, plus expenses \$1,120,000 - Melissa Rd, plus expenses \$515k - Town Center Architect fees, plus expenses	2/15/2026	\$ 2,250,000					\$ 2,140,000	
				\$ 20,000	\$ 27,895.00	\$ 47,895.00	Water Fund		
				\$ 40,000	\$ 50,462.50	\$ 90,462.50	EDC 4A		
					\$ 24,895.00	\$ 24,895.00	TIF		
8/12/2008	General Obligation Bonds, Series 2008 Transportation Bond CIP - Bond Election Nov 07	9/30/2028	\$ 5,290,000	\$ 135,000	\$ 272,911.00	\$ 407,911.00	General Fund	\$ 5,290,000	
<b>General Debt Service Fund Obligations Summary Totals</b>				<u>\$ 390,000</u>	<u>\$ 484,167</u>	<u>\$ 874,167</u>			

# OUTSOURCED SERVICES



# **Outsourced Services**

## **Information Technology**

The City contracts an independent technology consultant to provide IT management services to all City departments, including network administration, hardware installation and support, and systems support on an as needed basis.

## **City Attorney**

Abernathy, Roeder, Boyd & Joplin P.C. serves as our City Attorneys providing legal advice and services in all phases of City business.

## **Animal Control**

The City contracts with Collin County to help enforce state and city laws regarding the care and keeping of domestic animals in the City. They investigate animal abuse complaints, impound and quarantine animals as appropriate, and collect and dispose of dead animals. Our budgeted expenditure is divided by two components: animal control services and animal shelter construction, operation, and use.

## **Ambulance**

The City contracts with Collin County to furnish ambulance and emergency medical services.

## **Planning and Engineering**

R&B Associates merged and joined Bucher, Willis & Ratliff Corporation this past year. R&B Associates has served as our principal City Engineer for the past 9 years. Bucher, Willis & Ratliff provides professional planning, engineering and architectural services for our roads, parks, water and wastewater projects, Capital Improvement Plans and development.

Bucher Willis & Ratliff provides all the inspections of public improvements for streets, drainage, and utility construction projects. Inspectors review construction activities to ensure quality compliance for infrastructure projects associated with developers, as well as public improvements constructed by the City.

## **Building Inspection**

Bureau Veritas (formally Graham Marcus) provides plan reviews and inspections for compliance with all City building codes such as electrical, plumbing, etc. for all residential and commercial construction in the City.

# REFERENCE



**City of Melissa, Texas  
BOARDS AND COMMISSIONS  
DESCRIPTIONS AND FUNCTIONS  
2008- 2009**

**BOARD OF ADJUSTMENTS:**

5 Members; two year staggered terms. 4 Alternate members  
Generally meets 3<sup>rd</sup> Monday of each month at 7:00 p.m.; City of Melissa Municipal Center, 901 State Highway 121.  
Serves as an appeal body for individuals seeking variances to the Zoning Ordinances or to a decision made by an administrative official enforcing the ordinance.

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**PLANNING AND ZONING BOARD:**

7 Members; two year terms.  
Meets on the 3<sup>rd</sup> Thursday of each month at 7:00 p.m. at City of Melissa Municipal Center, 901 State Highway 121.  
Reviews and considers submitted site plans and plats; makes recommendations to City Council on Zoning Ordinance amendments, Comprehensive Plan Amendments, Specific Use Permits and rezoning requests.

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**MELISSA PARK ADVISORY BOARD:**

7 Members; two year terms.  
Meets on the 2<sup>nd</sup> Thursday of each month at 7:00 p.m. at City of Melissa Municipal Center, 901 State Hwy 121  
Advises City Council on Park related matters.

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**LIBRARY ADVISORY BOARD:**

7 Members; two year terms  
Meets 1<sup>st</sup> Thursday of each month at 7:00 p.m. at Melissa Christian Church 1708 W. Harrison St.  
Advises City Council in matters related to Library Services

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**4B ( MELISSA COMMUNITY AND ECONOMIC DEVELOPMENT CORPORATION):**

7 Members; two year terms  
Meets on the 4<sup>th</sup> Thursday of each month at 7:00 p.m. at City of Melissa Municipal Center, 901 State Hwy 121  
Identifies and funds community facilities and related projects to maintain and enhance the quality of life in Melissa.

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**4A (MELISSA INDUSTRIAL AND ECONOMIC DEVELOPMENT CORPORATION):**

5 Members; three year terms  
Meets when necessary at The Barker House, 1501 West Harrison, Melissa, TX.  
Leads, directs and coordinates the broad-based expansion of the city's business tax base and promotes sustainable job growth, thereby continuously enhancing the quality of life for the citizens of the Melissa area.



20081015001226730

10/15/2008 11:43:33 AM OR 1/15

**CITY OF MELISSA, TEXAS****ORDINANCE NO: 08-44**

**AN ORDINANCE OF THE CITY OF MELISSA, TEXAS APPROVING THE BUDGET FIGURES FOR FISCAL YEAR 2008-2009; ADOPTING A BUDGET AND APPROPRIATING RESOURCES FOR THE CITY OF MELISSA, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2008; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; PROVIDING FOR THE FILING OF THE BUDGET IN THE OFFICE OF THE COLLIN COUNTY CLERK; PROVIDING FOR AN EFFECTIVE DATE OF THIS ORDINANCE; AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.**

WHEREAS, pursuant to the laws of the State of Texas, the Mayor of the City of Melissa, Texas ("Melissa") has submitted to the City Council of the City of Melissa, Texas (the "City Council") the proposed budget of the revenues and the expenditures for conducting the affairs of Melissa and providing a complete financial plan for the fiscal year beginning October 1, 2008 and ending September 30, 2009 and has filed the same with the City Secretary (the "budget"). A copy of the budget is attached hereto as Exhibit "A" and incorporated herein for all purposes; and

WHEREAS, a public hearing was held by the City Council on said budget on September 2, 2008, at which time said budget was fully considered, and interested taxpayers were given the opportunity to be heard by the City Council; and

WHEREAS, the City Council has studied the budget and listened to the comments of the taxpayers at the public hearings and has investigated and determined that adoption of the budget is in the best interest of Melissa; and

WHEREAS, the City Council finds that all legal notices, hearings, procedures and publishing requirements for the adoption of the budget have been performed or completed in the manner and form set forth by law.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MELISSA, TEXAS:

**SECTION 1: Findings Incorporated.** The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

**SECTION 2: Adoption of Budget.** The proposed budget estimate of revenues and expenditures for Melissa, attached hereto as Exhibit "A", as submitted by the Mayor and appropriated by the City Council for the fiscal year beginning October 1, 2008 and ending September 30, 2009, is hereby approved and adopted.

**SECTION 3: Appropriation of Funds.** The sums below are hereby appropriated from the respective funds for the payment of expenditures on behalf of Melissa as established in the approved budget:



Fiscal Year 2009

General Fund	\$ 3,446,161.00
Water Fund	1,655,604.00
General Debt Service	874,167.00
Utility Debt Service	922,310.00
Transportation Construction	9,311,581.00
Utility Construction	2,215,000.00
TIF #1	44,895.00

SECTION 4: Savings/ Repealing Clause. All provisions of any ordinance in conflict with this Ordinance are hereby repealed; but such repeal shall not abate any pending prosecution for violation of the repealed Ordinance, nor shall the repeal prevent prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of conflicting ordinances shall remain in full force and effect.

SECTION 5: Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. Melissa hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

SECTION 6: Filing of Budget. The City Secretary shall file a true and correct copy of the approved budget in the office of the Collin County Clerk.

SECTION 7: Effective Date. This Ordinance shall become effective from and after its passage and publication.



DAVID E. DORMAN, MAYOR

ATTESTED TO AND  
CORRECTLY RECORDED BY:



  
LINDA BANNISTER, City Secretary



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**City of Melissa**

901 State Hwy. 121  
P.O. Box 409  
Melissa, TX 75454

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Phone: 972-838-2338  
Fax: 972-837-4524  
Cityofmelissa.com

# **City of Melissa Proposed 2008-09 General Fund Budget Cover Page**

**This budget will raise more total property taxes than last year's budget by \$450,415 and of that amount \$138,207 is tax revenue to be raised from new property added to the tax roll this year.**

## **Public Hearing Schedule:**

**Tax Rate #1 Public Hearing – August 26, 2008,  
7:00 pm, Melissa Municipal Center**

**Tax Rate #2 Public Hearing – September 2, 2008,  
6:00 pm, Melissa Municipal Center**

**Budget Public Hearing – September 2, 2008,  
6:00 pm, Melissa Municipal Center**

**Adoption of Tax Rate and 08-09 Budgets –  
September 9, 2008, 7:00 pm,  
Melissa Municipal Center**





City of Melissa													2008-2009	
General Fund Budget													Proposed Budget	
2008-2009 - Proposed														
		Administration	Non-Departmental	Development & Neighborhood Svcs	Parks	Municipal Court	Police	Streets	Fire	Library	Building Maintenance			
		10,000	-	-	-	-	2,500	-	3,500	250	3,000		19,250	
5376	Bldg - Repairs/Maintenance													
5375	Vehicle - Repairs/Maintenance			2,400	1,700		12,500	3,000	7,943		1,000		28,543	
5385	Vehicle Fuel			1,500	3,500		35,000	4,000	6,500		3,500		54,000	
5554	Loan Star Grant Purchases			-	-		-	-	-	4,202	-		4,202	
5557	Other Library Grant Purchases			-	-		-	-	-	-	-		-	
5556	Library Inventory Purchases			-	-		-	-	-	6,700	-		6,700	
5504	Bob Miller Park Cookbook Expense			-	-		-	-	-	-	-		-	
5501	Zadow Park Phase II			-	-		-	-	-	-	-		-	
5502	Bob Miller Park Phase II			-	-		-	-	-	-	-		-	
5503	Hunter's Ridge Park			-	-		-	-	-	-	-		-	
5505	Park Expenses			-	8,000		-	-	-	-	-		8,000	
5506	Park Maintenance			-	-		-	-	-	-	-		-	
5615	Fire Station Construction			-	-		-	-	-	-	-		-	
5618	Condemned Property Demolition			-	-		-	-	6,000	-	-		6,000	
5509	Property Tax exp			-	-		-	-	-	-	-		-	
5571	Fine Collection Expense			-	-	13,500	-	-	-	-	-		13,500	
5572	Disposition Services			-	-	4,000	-	-	-	-	-		4,000	
5575	Inmate Boarding			-	-	10,000	-	-	-	-	-		10,000	
5576	National Night Out			-	-	-	4,000	-	-	-	-		4,000	
5240	City Council			-	-	-	-	-	-	-	-		-	
5250	Election Expense	7,000		-	-	-	-	-	-	-	-		7,000	
5500	Miscellaneous Expense			-	-	-	-	-	-	-	-		-	
5580	Other Expenses			-	-	-	-	-	-	-	-		-	
5444	Purchase of Meters/Firefly equip			-	-	-	-	-	-	-	-		-	
5445	Purchase of Water			-	-	-	-	-	-	-	-		-	
5465	Sewer/Pump Utilities			-	-	-	-	-	-	-	-		-	
5446	Sewer Treatment Svc			-	-	-	-	-	-	-	-		-	
5475	Water Testing			-	-	-	-	-	-	-	-		-	
5448	Tap Discounts			-	-	-	-	-	-	-	-		-	
5750	Garbage Expense			-	-	-	-	-	-	-	-		-	
5600	Garbage Tax Expense			-	-	-	-	-	-	-	-		-	
5650	Garbage - Transfer General Fund			-	-	-	-	-	-	-	-		-	
5640	Street Repairs			-	-	-	-	30,000	-	-	-		30,000	
5650	Street Signs			-	-	-	-	2,500	-	-	-		2,500	
5950	Transfer Out			-	-	-	-	-	-	-	-		-	
	Reserved Fund Balance		255,418	-	-	-	-	-	-	-	-		255,418	
	Total Operations Expenditures	131,385	659,778	259,140	123,500	194,865	121,139	142,600	180,781	24,502	16,626		1,834,316	
Capital														
5530	Capital Outlay Vehicle - Debt Service			-	-	-	37,380	-	70,008	-	-		107,388	
5535	Capital Water Line			-	-	-	-	-	-	-	-		-	
5620	Capital Outlay Building			-	-	-	-	-	-	-	-		-	
5625	Capital Outlay-CCN Area			-	-	-	-	-	-	-	-		-	
5670	Capital Outlay Material			-	-	-	-	-	-	-	-		-	
5466	Capital Outlay - Throckmorton Crk Sewer Line Proj			-	-	-	-	-	-	-	-		-	
	Transportation CIP - Throckmorton Rd													
	Transportation CIP - CR 418			3,500	-	-	-	-	-	-	-		-	
5910	Capital Outlay				-	-	-	-	-	-	-		3,500	











City of Melissa			
Melissa Tax Increment Financing Zone #1 Fund			
2008-2009 - Proposed			
			2008-2009
			Proposed Budget
<b>Beginning Fund Balance (estimated)</b>			<b>21,651</b>
<b>Revenues</b>			
	4110	Current Property Taxes	<b>71,238</b>
		County's Participation - Property Taxes (2008)	<b>14,306</b>
		County's Participation - Property Taxes (2007)	<b>11,705</b>
		County's Participation - Property Taxes (2006)	<b>7,079</b>
		<b>Total Revenues</b>	<b>104,329</b>
<b>Expenditures</b>			
<b>Debt Service</b>			
		Transfer to Debt Fund for CO 2006, Town Center Architecture Fees	<b>24,895</b>
		Professional Services	<b>20,000</b>
		<b>Total Capital Project Expenditures</b>	<b>44,895.00</b>
		<b>Revenues less Expenditures</b>	<b>59,434.07</b>
		<b>Ending Fund Balance</b>	<b>81,085.30</b>

City of Melissa					
General Debt Service Fund					
2008-2009 - Proposed					
					2008-2009
					Proposed Budget
Beginning Fund Balance - I & S Acct					25,000.00
Revenues					
4110	Current Property Taxes - I & S Portion				589,445
4315	Transfer In				
	EDC 4A - Series 2006 CO - Melissa Rd	90,462.50			
	Transfer In - EDC 4A Total				90,462.50
	EDC 4B - Series 2001 CO - Zadow Park	108,925.00			
	EDC 4B - Series 2005A CO - Fire St/Tennis/Barker/BMP	60,577.50			
	Transfer In - EDC 4B Total				169,502.50
	TIF - Series 2006 CO - Town Center Architect	24,895.00			
	Transfer In - TIF Fund Total				24,895.00
	Total Revenues				874,304.96
Expenditures					
Debt Service					
		Principal	Interest	Reserve	
5560	Debt Service - Series 2001 CO - Zadow Park	95,000.00	13,925.00		
5660	Debt Service - Series 2004 CO - Melissa Rd	55,000.00	57,058.75		
	Debt Service - Series 2005 - CO - Mel Rd/Fire St	35,000.00	34,337.50		
	Debt Service - Series 2005A CO - Fire St/Tennis/Barker/BMP	30,000.00	30,577.50		
	Debt Service - Series 2006 CO - Melissa Rd 1,120,000 4A	40,000.00	50,462.50		
5678	Debt Service - Series 2006 CO - Town Center Arch 515K TIF	-	24,895.00		
	Debt Service - Series 2008 GO - Transportation Bond	135,000.00	272,911.00		
		390,000.00	484,167.25	-	
	Principal Reduction				390,000.00
	Interest				484,167.25
	Paying Agent Fees/Other				-
	Total Debt Service Expenditures				874,167.25
	Ending Fund Balance				25,137.71

City of Melissa					
Utility Debt Service Fund					
2008-2009 - Proposed					
					2008-2009
					Proposed Budget
Revenues					
4315	Transfer In				
	Water Fund - Series 2000 GO	36,872.50			
	Water Fund - Series 2000 Combo Tax/Rev CO	137,230.00			
	Water Fund - Series 2005 - Rev Bond GTUA CGMA	50,555.63			
	Water Fund - Series 2006 CO - Country Ridge	47,895.00			
	Water Fund - 2006 State Part Assist-GTUA - CGMA	25,041.12			
	Water Fund - Series 2007 Rev Bond - GTUA CGMA	87,390.21			
	Water Fund - Series 2008 Combo Tax/Rev CO - CIP	300,000.00			
	Water Fund - Reserves supplement TR/TC Sewer	8,433.94			
	Transfer In - Water Fund Total				
	EDC 4A - Throckmorton/Trinity River Commitment	114,446.00			693,418.40
	Transfer In - EDC 4A Total				114,446.00
	EDC 4B - Throckmorton/Trinity River Commitment	114,446.00			
	Transfer In - EDC 4B Total				114,446.00
	Total Revenues				922,310.40
Expenditures					
Debt Service					
		Principal	Interest	Reserve	
5672	Debt Service - Series 2000 GO Water Upgrade	35,000.00	1,872.50		
5675	Debt Service- Series 2000 CO - Water Tower	60,000.00	77,230.00		
	Debt Service - Series 2005 - Rev Bond GTUA CGMA	17,500.00	33,055.63		
5677	Debt Service - Series 2006 CO - Country Ridge 615k Water	20,000.00	27,895.00		
	Debt Service - 2006 State Part Assist-GTUA - CGMA	-	25,041.12		
5373	Debt Service - Series 2006 - Rev Bond GTUA TR/TC Sewer	65,000.00	56,252.50	24,474.72	
	Debt Service - Series 2007 Rev Bond - GTUA - CGMA	5,000.00	65,133.25	17,256.96	
	Debt Service - Series 2007 Rev Bond - GTUA TR/TC Sewer	35,000.00	40,410.00	16,188.72	
	Debt Service - Series 2008 Combo Tax/Rev - Water/Wastewater CIP	65,000.00	235,000.00		
		302,500.00	561,890.00	57,920.40	
	Principal Reduction				302,500.00
	Interest				561,890.00
	Paying Agent Fees/Other				57,920.40
	Total Debt Service Expenditures				922,310.40

City of Melissa		
Transportation Construction Fund		
2008-2009 - Proposed		
		<b>2008-2009</b>
		<b>Proposed Budget</b>
<b>Beginning Fund Balance (estimated)</b>		<b>1,372,609</b>
<b>Revenues</b>		
4225	Bond Proceeds - General Obligation 2008	<b>5,230,000</b>
	TEA Grant - Fannin Road	<b>963,581</b>
	Collin County Bond Program - Melissa Rd Phase 2b	<b>456,000</b>
	Collin County Bond Program/Developer - Throckmorton Road	<b>2,662,000</b>
	Interest Income	<b>10,000</b>
	Road Escrow	<b>7,350</b>
	<b>Total Revenues</b>	<b>9,328,931</b>
<b>Expenditures</b>		
<b>Capital Improvement Appropriations</b>		
	Fannin Road (East/West TEA Grant)	<b>3,016,869</b>
	Throckmorton Road East of Hwy 5	<b>4,291,727</b>
	Melissa Road Phase 2b	<b>762,578</b>
	County Road 418	<b>758,304</b>
	Annual Budget for Rehab Projects	<b>254,546</b>
	Impact Fee Study/TDM Signalization Plan and Access Mgmt Plan	<b>164,975</b>
	Bond Issuance Costs	<b>62,582</b>
	Reimbursement Resolution - 2007-08 expenditures**	
	<b>Total Expenditures</b>	<b>9,311,581.00</b>
	<b>Ending Fund Balance</b>	<b>1,389,959.00</b>
	<b>** Reimbursement Resolution #08-35 provides for the reimbursement of design/engineering/easement acquisition costs occuring before sale of bonds. Reimbursable expenses have been disbursed during 07-08 and will be reflected before year end.</b>	

City of Melissa			
Utility Construction Fund			
2008-2009 - Proposed			
			<b>2008-2009</b>
			<b>Proposed Budget</b>
<b>Beginning Fund Balance (estimated)</b>			<b>1,272,000</b>
<b>Revenues</b>			
	4225	Bond Proceeds - Combo Tax and Revenue CO 2008	<b>2,215,000</b>
		Interest	<b>10,000</b>
		<b>Total Revenues</b>	<b>2,225,000</b>
<b>Expenditures</b>			
<b>Capital Improvements Appropriations</b>			
		Berry Road Water Line	<b>100,000</b>
		FM 2933 Water Main from SH121 to FM 545	<b>182,000</b>
		Southwest Mains	<b>342,000</b>
		East Water Facility Transmission Lines	<b>900,000</b>
		Stiff Creek Sewer Improvements	<b>487,000</b>
		Davis Road Gravity Sewer Interceptor	<b>162,000</b>
		Bond Issuance Costs	<b>42,000</b>
		Reimbursement Resolution - 2007-08 expenditures**	
		<b>Total Expenditures</b>	<b>2,215,000.00</b>
		<b>Ending Fund Balance</b>	<b>1,282,000.00</b>
		** Reimbursement Resolution #08-35 provides for the reimbursement of design/engineering/easement acquisition costs occurring before sale of bonds. Reimbursable expenses have been disbursed during 07-08 and will be reflected before year end.	

Filed and Recorded  
 Official Public Records  
 Stacey Kemp, County Clerk  
 Collin County, TEXAS  
 10/15/2008 11:43:33 AM  
 \$72.00 BNOPP  
 20081015001226730



*Stacey Kemp*

AN ORDINANCE OF THE CITY OF MELISSA, TEXAS LEVYING TAXES FOR THE 2008 TAX YEAR AT THE RATE OF \$0.6100 PER ONE HUNDRED DOLLARS (\$100.00) ASSESSED VALUE ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF MELISSA, TEXAS; PROVIDING FOR A DATE ON WHICH SUCH TAXES BECOME DUE AND DELINQUENT TOGETHER WITH PENALTIES AND INTEREST THEREON; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; PROVIDING FOR AN EFFECTIVE DATE OF THIS ORDINANCE; AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.

WHEREAS, the City Council of the City of Melissa, Texas (hereinafter referred to as the "City") hereby finds that the tax for the fiscal year beginning October 1, 2008, and ending September 30, 2009, hereinafter levied for current expenditures of the City and the general improvements of the City and its property must be levied to provide the revenue requirements of the budget for the ensuing year; and

WHEREAS, the City Council has approved, by a separate ordinance to be adopted on the 9<sup>th</sup> day of September, 2008, the budget for the fiscal year beginning October 1, 2008, and ending September 30, 2009; and

WHEREAS, all statutory and constitutional requirements concerning the levying and assessing of ad valorem taxes have been complied with.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MELISSA, TEXAS:

SECTION 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2: Tax Levied. There is hereby levied and ordered to be assessed and collected for the fiscal year beginning October 1, 2008, and ending September 30, 2009, and for each fiscal year thereafter until it be otherwise provided by and ordained on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Melissa, Texas, and not exempt from taxation by the Constitution of the State and valid State laws, an ad valorem tax for the general operations of the City at a rate of \$0.6100 on each One Hundred Dollars (\$100.00) assessed value of taxable property, and shall be apportioned and distributed as follows:

- a. For the purpose of defraying the current expenses of the municipal government of the City, a tax of \$0.434902 on each One Hundred Dollars (\$100.00) assessed value of all taxable property.
- b. For the purpose of creating an interest and sinking fund to pay the interest and principal on all outstanding debt, capital lease payments, and related fees of the City, not otherwise provided for, a tax of \$0.175098 on each One Hundred Dollars (\$100.00) assessed value of all taxable property, within the City which

WILLIAM C. CRAWFORD  
K. M. ALLEN  
APP. DIST. TAMM

shall be applied to the payment of such interest and maturities of all outstanding debt.

Total tax rate of \$0.6100 is based on one hundred percent (100%) market value on each One Hundred Dollars (\$100.00) of all taxable property within said City.

**THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.**

SECTION 3: Due Date of Taxes. The taxes assessed and levied hereby are payable anytime after the approval and publication of this Ordinance and not later than January 31 of the year following the year in which the taxes are assessed. The penalties and interest provided for herein shall accrue after January 31 of the year following the year in which the taxes are assessed. However, if the entire taxes due as provided herein are paid in full by January 31 of the year following the year in which the taxes are assessed, no penalty or interest shall be due.

SECTION 4: Penalties and Interest. A delinquent tax shall incur the maximum penalty and interest authorized by Section 33.01, Texas Property Tax Code, to-wit: a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1<sup>st</sup> of the year in which it becomes delinquent.

Provided, however, a tax that is delinquent on July 1<sup>st</sup> of the year in which it becomes delinquent shall incur a total penalty of twelve percent (12%) of the amount of the delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax shall also accrue interest at a rate of one percent (1%) for each month or portion of a month the tax remains unpaid. Taxes that remain delinquent on July 1 of the year in which they become delinquent shall incur an additional penalty of fifteen percent (15%) of the amount of taxes, penalty and interest due; such additional penalty is to defray the costs of collection as authorized by Section 6.30, Texas Property Tax Code.

SECTION 5: Place of Payment/Collection. Taxes are payable at the office of the City Tax Assessor/Collector. The City shall have available all rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 6: Tax Roll. The tax roll, as presented to the City Council, together with any supplement thereto, is hereby accepted.

SECTION 7: Rollback Taxes. All rollback taxes collected during the 2008 fiscal year shall be deposited only in the General Fund of the City of Melissa, Texas and said funds shall not be allocated, in whole or in part, to the Debt Service fund of the City.

SECTION 8: Savings/Repealing Clause. All provisions of any ordinance in conflict with this Ordinance are hereby repealed; but such repeal shall not abate any pending prosecution for violation of the repealed Ordinance, nor shall the repeal prevent prosecution from being



commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of conflicting ordinances shall remain in full force and effect.

SECTION 9: Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. City hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

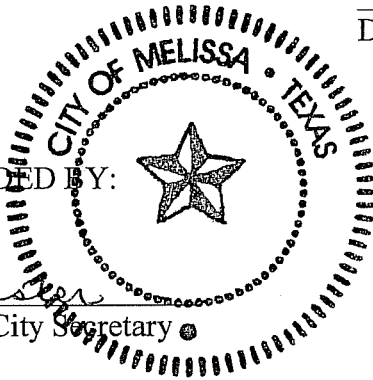
SECTION 10: This Ordinance shall become effective from and after its adoption and publication as required by law.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MELISSA, TEXAS, ON THIS 9<sup>th</sup> DAY OF SEPTEMBER, 2008.

  
\_\_\_\_\_  
DAVID E. DORMAN, MAYOR

ATTESTED TO AND  
CORRECTLY RECORDED BY:

  
\_\_\_\_\_  
LINDA BANNISTER, City Secretary



Date of Publication: Sept 11 - 12, 2008, *The McKinney Courier-Gazette*

City of Melissa  
2008-09 Tax Rate Worksheet Summary

	2003	2004	2005	2006	2007	2008
Total adopted tax rate	0.437969	0.490215	0.52	0.52	0.52	0.610
Adjusted General Fund Taxable \	\$ 133,672,246	\$ 150,556,320	\$ 195,444,270	\$ 230,728,295	\$ 298,519,057	\$ 324,879,227
TIF Taxable Value				\$ 5,779,103	\$ 9,555,428	\$ 11,678,398
Total Taxable Value				\$ 236,507,398	\$ 308,189,642	\$ 336,557,625
Average Residence	\$ 211,087	\$ 206,849	\$ 206,061	\$ 208,600	\$ 205,100	\$ 207,500
Ave Res Tax	\$ 924.50	\$ 1,014.00	\$ 1,071.52	\$ 1,084.72	\$ 1,066.52	\$ 1,265.75
Total Debt Levy		\$ 64,262	\$ 133,975	\$ 185,058	\$ 180,798	\$ 589,307.25
Adjusted taxes	\$ 585,443	\$ 738,050	\$ 1,016,310	\$ 1,199,787	\$ 1,552,299	\$ 1,981,763
97% collection rate					\$ 1,505,730	\$ 1,922,310
Maint. & Operation tax rate	\$ 0.437969	0.447532	0.452115	0.441754	0.461336	0.434902
Debt tax rate	\$ -	0.042683	0.067885	0.078246	0.058664	0.175098
	\$ 0.437969	0.490215	0.520000	0.520000	0.520000	0.610000
Rollback rate	0.466936	0.497347	0.467764	0.533749	0.497403	0.654812
Effective tax rate		0.414382	0.405557	0.483003	0.478243	0.504726
TIF tax				\$ 30,051.34	\$ 49,688.23	\$ 71,238.23
50% of County's .245				\$ 7,079.40	\$ 11,705.40	\$ 14,306.04
				\$ 37,130.74	\$ 61,393.62	\$ 85,544.27

## MELISSA CITY COUNCIL INPUT QUESTIONNAIRE 2008 – scoring sheet

**Directions: Circle the response which most closely reflects your opinion**

I – Response by City Council

I – Response by City Staff

1. Utility rates should be structured to accommodate some new improvements and some replacements.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
II //	IIII /			/	

2. Utility improvements / expansions to serve new development should be principally funded by the new development to be served and to a lesser extent by Utility System debt.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
I //	IIII //	I /			

5. Utility system replacement / enhancement of aging and undersized infrastructure should be funded by system revenues and system debt.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
III //	II /	I		/	

3. Financial reserves are not important for small cities.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
				II /	IIII ///

7. A working capital reserve is needed to maintain operations during slow revenue collection periods.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
II ///	IIII /				

29. Bond ratings and related fiscal management concerns are not concerns for small cities.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
				I	IIII ///

4. It is important to encourage annexation when possible and actively promote property annexation.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
II //	I //	III			

6. New Development should be strongly encouraged to annex prior to development approval, whenever possible.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
III //	II //	I			

8. New Development should be charged a pro rata share of associated utility and capacity consumed.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
III ///	II	I /			

12. New Development that is not contiguous to existing infrastructure should be responsible for off-site utility connections.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
I ///	III /	I			

9. Boards and Commissions should act in a manner consistent with City goals and objectives.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
IIII ///	I				

11. The City Council and Administration should work to find consensus on most issues.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
III /	III //	/			

15. The City Administrator should be involved in helping the City Council to frame public policy.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
II ///	II /	II			

16. Participation in joint regional and area endeavors with other Cities is not worth the effort.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
				II /	III ///

10. The City's Economic Development Program is effective.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
I /	III /	I //			

17. The recently completed comprehensive plan is adequate to guide all of Melissa's future development decisions.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
	II	I //	II /	I /	

23. The Comprehensive plan should include sections for future land, Building, thoroughfare, and utility system needs.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
III //	III /	/			

22. It is not necessary for small cities to plan for facilities other than utility and street infrastructure since growth will bring the means to provide for the need.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
	I	II		I /	II ///

27. A plan for staffing city services as the community grows would be a highly desirable for future budget planning.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
II //	III //				

19. City – School cooperative activities should be pursued only if the City receives benefits equal to those received by the ISD.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
/	I	I /	I /	III	/

20. Joint school and city cooperative efforts should be pursued in order to better utilize community resources.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
III	//	III //			

24. The City should provide for almost every service desired by the citizenry.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
	I		II //	III /	/

25. Failure to exercise caution in deciding to add new city services can result in fiscal distress and budgetary shortfalls.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
II	///	III /	I		

26. Growth will provide plenty of funds to add new city services.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
	I		III //	II //	

13. Residential development is self-sustaining and it is not important for the City to pursue commercial and industrial development.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
					IIIIII //

18. The City should focus on providing only the basic community services for the next several years.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
/		III //	I /	II	

14. The City should aggressively pursue collecting delinquent taxes.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
I	///	III /	II		

21. Care must be exercised in the issuance of long-term debt (bonds, certificates or obligation, etc) so as to maintain a balance of City resources for current operations and debt service.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
	/				

28. The City Council should consider calling a bond election for major thoroughfare and other capital construction projects only if it can be funded without a tax increase.

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree
	/	/		/	/

30. The ability to leverage local funds and secure substantial matching funds should be a major consideration in prioritizing projects (those that can be leveraged versus those where leveraging is not available).

Strongly agree	agree	mildly agree	mildly disagree	disagree	strongly disagree

# GLOSSARY OF TERMS

**ACTIVITY:** A service performed by a department or division.

**AD VALOREM TAX:** A tax computed from the assessed evaluation of land and improvements.

**ASSETS:** Resources owned or held by the city, which have monetary value.

**BALANCED BUDGET:** A balanced budget occurs when the total sum of money a government collects in a year is equal to the amount it spends on goods, services, and debt interest.

**BUDGET:** The city's financial plan for a specific fiscal year that contains both the estimated revenue to be received during the year and the proposed expenditures to be incurred to achieve related objectives.

**DEBT SERVICE FUND:** A fund used to account for the monies set aside for the payment of interest and principal to holder's of the city's general obligation and revenue bonds, the sale of which finances long term capital improvements, such as facilities, streets and drainage, parks and water/wastewater systems.

**DEPARTMENT:** A functional unit of the city containing one or more divisions or activities.

**DIVISION:** A section of a department.

**ENCUMBRANCES:** Obligations in the form of purchase orders, contracts or salary commitments which are chargeable to appropriation and for which a part of the appropriation is reserved. When paid, the encumbrance is liquidated.

**ENTERPRISE FUND:** A fund established for operations that are financed and operated in a manner similar to private business enterprises- where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**EXPENDITURES:** The cost of goods received or services rendered whether cash payments have been made or encumbered.

**FUND:** A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objective in accordance with special regulations, restrictions, or limitations.

**FUND BALANCE:** The excess of a fund's current assets over its current liabilities; sometimes called working capital in enterprise funds. A negative fund balance is often referred to as a deficit.

**GENERAL FUND:** The fund used to account for all financial resources except those required to be accounted for in another fund.

**GENERAL OBLIGATION DEBT:** Monies owed on interest and principal to holders of the city's general obligation bonds. The debt is supported by revenue provided from real property which is assessed through the taxation power of the local government unit.

**LIABILITIES:** Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.

**OPERATING BUDGET:** Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of the city are controlled.

**PERFORMANCE MEASURES:** Specific quantitative measure of work performed within an activity or program. They may also measure results obtained through an activity or program.

**PURPOSE STATEMENT:** The mission statement articulates the Department's purpose both for those in the organization and for the public.

**POSITION:** A full-time employee working at least 40 hours per week. For example, an activity requiring three full-time and one part-time employees would have 3 ½ positions.

**RESERVE:** An account used to indicate that a portion of fund resources is restricted for a specific purpose, or is not available for appropriation and subsequent spending.

**REVENUES:** All amounts of money received by a government from external sources.

**SUPPLEMENTAL REQUESTS:** A request to budget an activity above current service levels in order to achieve increased or additional objectives.

**TAX RATE:** A percentage applied to all taxable property to raise general revenues. It is derived by dividing the total tax levy by the taxable net property valuation.

**TAXES:** Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.