

FISCAL YEAR 2016 / 2017

BUDGET BOOK

The City of
**Harker
Heights**



The Bright Star Of Central Texas

THE CITY OF HARKER HEIGHTS, TEXAS

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This budget will raise more revenue from property taxes than last year’s budget by an amount of \$446,041 which is a 4.0% increase from last year’s budget. The property tax revenue to be raised from new property added to the tax roll this year is \$303,350.

CITY COUNCIL RECORD VOTE

The members of the governing body voted on the adoption of the budget as follows:

FOR: Hal Schiffman, Place 1; Steve Carpenter, Place 2; Spencer H. Smith, Place 3; John Reider, Place 4; and Jody Nicholas, Mayor Protem

AGAINST: None

PRESENT and not voting: Rob Robinson, Mayor

ABSENT: None

PROPERTY TAX RATES

	<u>FY 2017</u>	<u>FY 2016</u>
Property Tax Rate	0.6770	0.6770
Maintenance & Operations Rate	0.5198	0.5174
Debt Rate*	0.1572	0.1596
Effective Tax Rate*	0.6683	0.6626
Effective Maintenance & Operations Rate*	0.8988	0.8779
Rollback Tax Rate*	0.7502	0.7454

*This rate is calculated by Bell County Appraisal District.

The total amount of municipal debt obligation secured by property taxes for the City of Harker Heights is \$33,428,533.

(Required per Texas Senate Bill 656, passed during the 83rd Legislative Session.)



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Harker Heights
Texas**

For the Fiscal Year Beginning

October 1, 2015

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Harker Heights, Texas for its annual budget for the fiscal year beginning October 1, 2015.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operational guide, a financial plan, and a communications device.

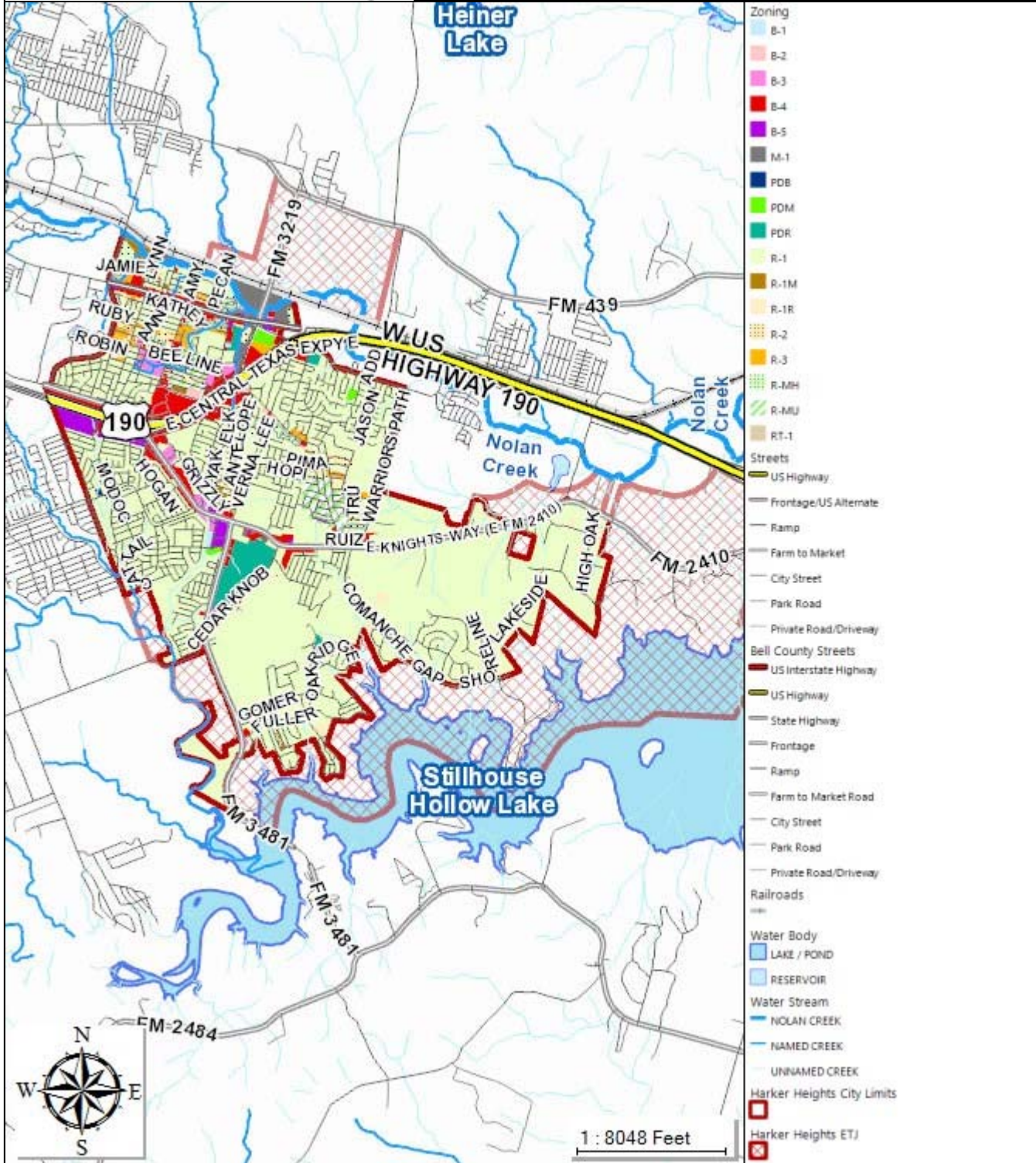
This award is valid for the period of one year. City staff believe our current budget continues to conform to program requirements and is submitting it to GFOA to determine its eligibility for another award.



(Left to Right): Hal Schiffman – Place 1; Steve Carpenter – Place 2; Jody Nicholas – Mayor Pro Tem; Rob Robinson – Mayor; David Mitchell – City Manager; Spencer H. Smith – Place 3; and John Reider – Place 4.

CITY OF HARKER HEIGHTS VISION STATEMENT

*Providing public services that empower people to focus on what matter most:
their goals, hopes and dreams.*



This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. Gov. C. A§2501.102. The user is encouraged to independently verify all information contained in this product. The City of Harker Heights makes no representation or warranty as to the accuracy of this product or to its fitness for a particular purpose. The user: (1) accepts the product AS IS, WITH ALL FAULTS; (2) assumes all responsibility for the use thereof; and (3) releases the City of Harker Heights from any damage, loss, or liability arising from such use.



BUDGET MESSAGE



The City Of Harker Heights

September 13, 2016

305 Miller's Crossing

Harker Heights, Texas 76548

Phone 254/953-5600

Fax 254/953-5614

Dear Mayor and City Council Members:

Mayor

Rob Robinson

The fiscal year 2016-2017 budget is submitted to you in accordance with the City of Harker Heights' Charter and has been filed with the City Secretary. The 2017 fiscal year budget, which begins on October 1, 2016, and ends on September 30, 2017, provides the resources needed to maintain a high level of service to citizens and businesses.

Mayor Protem

Jody Nicholas

The budget is a plan of action that addresses which resources of the City will be used to accomplish objectives that the City Council believes necessary. The budget meets present challenges and helps accomplish opportunities recognized by the City Council, staff, and citizens.

City Council

Hal Schiffman

Steve Carpenter

Spencer H. Smith

John Reider

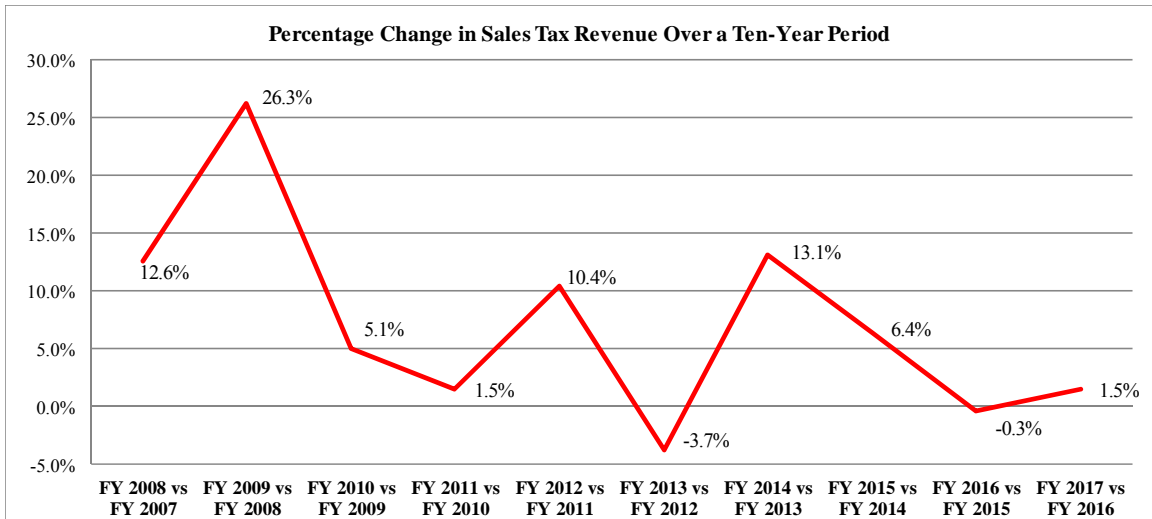
Staff began working on the 2016-2017 budget in March with the distribution of request forms for fixed assets, capital improvements, and personnel to all departments. This year, department heads were asked to provide information for the next five fiscal years so that our long-range plans for fixed assets, capital improvements, and personnel could be updated. Department Heads were then asked to produce a proposed budget for their departments' operating line items. Department expenditures/expenses were discussed in meetings held with the City Manager, Assistant City Manager, Finance Director, and Department Head in order to provide guidance in the preparation of the budget.

Revenues were discussed in separate meetings and included a look at the City's five-year long range plan which depicts projected revenues and expenses for the next five fiscal years and the projected fund balance for the General, Utility, Drainage, and Sanitation Funds. The long-range plans for Capital Improvement funding and expenditures were also reviewed to ensure that money would be available for the projects planned to continue or begin during the 2017 fiscal year. The Capital Improvement long-range plan is also reviewed during the fiscal year in case changes need to be made to funding sources and/or expenditures for projects.

Principal Issues and/or Challenges

The following are some of the items that affect planning and impact the budget process:

- Sales Tax Revenues – As new businesses open in Harker Heights, sales tax revenues are expected to increase. The challenge in planning this line item is determining for how long and how much. The following graph depicts the change in sales tax revenue over the last ten fiscal years. "FY 2008 vs. FY 2007" depicts the change in actual revenue between those fiscal years and this continues until "FY 2017 vs. FY 2016" which depicts the change in the FY 2016-2017 budgeted amount from the FY 2015-2016 projected amount.



Calculated using actual amounts with the exception of FY 2015 (projected amount) and FY 2016 (budgeted amount).

FY 2015-2016 projections for sales tax revenues of \$6,400,000 are less than the budgeted amount of \$6,800,000 by \$400,000 or 6%. This amount is only \$21,000 less than the actual amount received in FY 2014-2015. We have remained conservative in budgeting sales tax at a \$6,500,000 for fiscal year 2016-2017; a 1% increase over the current year’s projection.

- Residential and Commercial Growth – Residential and commercial growth impacts our building permit revenue positively because each project within the City is required to have a permit (see fee schedule for more information on how fees are charged). With the continued construction of new homes in The Evergreens and Tuscan Meadows subdivisions, there have been 119 permits issued for single family homes at \$28,371,988 total valuation from the period of October 1, 2015 to July 31, 2016. At the end of FY 2014-2015, single family home permits totaled 184 with a total valuation of \$41,110,677.

Two family dwellings, or duplexes, have become a practical option for many of our residents who are living in the area for a short time or may not be ready to buy a home. Twenty-two (22) permits were issued for duplexes during FY 2014-2015 with a total valuation of \$3,953,500. From the period of October 1, 2015 to July 31, 2016, 6 permits have been issued with a \$1,087,900 total valuation.

There have been five commercial permits issued through July 31, 2016, with a total valuation of \$2,030,375. One of these permits is for the construction of an auto parts store. At the end of the 2014-2015 fiscal year, there were eight permits issued with a total valuation of \$20,715,000. Construction of two credit unions, two fast food restaurants, a pharmacy and a YMCA building are included in these numbers.

Growth was expected to continue within the City so a \$300,000 budget was set for FY 2015-2016. Falling a bit short of expectations, projections for the FY 2015-2016 have been lowered to \$250,000 or 20% lower than the budgeted amount. We have remained conservative in budgeting for FY 2016-2017 in keeping building permit revenue flat at \$250,000.

- Health Insurance – The cost of health insurance continues to increase nationwide. For FY 2016-2017, health insurance premiums for the City have increased by just 6.6% while dental insurance premiums and vision insurance premiums have remained flat. \$1,197,600 has been budgeted in the General, Utility, Drainage and Sanitation Funds for health insurance coverage which covers the City’s cost of employee coverage. Absorbing the cost of health insurance as it continues to








rise will become even more challenging once growth within the City stabilizes and revenues become more constant.

Strategic Goals

Below are the strategic goals that allow us to improve service and facilities to citizens and businesses of the City and the planning processes that assist us in ensuring these goals are met each year. Planning processes are described in more detail in the following section.

STRATEGIC GOAL

PLANNING PROCESS

Foster the image of Harker Heights as a clean, safe, well-maintained and progressive City		Parks & Recreation Master Plan Comprehensive Plan
Stimulate creation and growth of locally owned businesses		Comprehensive Plan Exploring New Heights Capital Improvement Plan Comprehensive Plan
Enhance and extend infrastructure in anticipation of further planned growth		Water Master Plan Residential Drainage Prioritization Sewer Rehabilitation Mobility 2030 (Thoroughfare Plan)
Expand street maintenance and sewer rehabilitation projects throughout the City		Long-Range Budget Plan Capital Improvement Plan Comprehensive Plan Sewer Rehabilitation
Maintain a long-range Capital Improvement Plan		Capital Improvement Plan
Maintain a multi-year equipment replacement program		Long-Range Budget Plans
Determine and implement methods to better communicate with citizens		Exploring New Heights

Description of Planning Processes

	Description	Purpose	Budget Impact
Long-Range Budget Plans	Includes the current year’s revenue and expenditure or expense projections and future projections.	To facilitate planning for the General, Utility, Drainage and Sanitation Funds.	Guides budget planning to ensure required reserves can be held in the future.
Capital Improvement Plan	Five-year plan that includes expenditures for projects by type and their funding sources.	To identify and record expenditures and funding sources for capital projects.	Planning device for revenues and expenditures to complete planned and projected projects.
Parks & Recreation Master Plan	Ten-year master plan for parks and recreation facilities.	To provide guidelines for future decisions for city-wide parks system; for the acquisition/development of park land to meet current and future needs; establish priorities; and identify possible funding.	Establishes operating and capital expenses required to maintain new and existing facilities.

	Description	Purpose	Budget Impact
Comprehensive Plan	Presents historical data on population, information on natural resources, and goals and objectives of various City departments.	Framework for obtaining the goals and objectives of the City focusing on Land Use, Urban Design, Stormwater Management, Public Safety and Culture & Recreation.	Reminder of goals and objectives set for the future of the City.
Water Master Plan	Identifies the needs of the water and wastewater system.	Makes recommendations of ways to satisfy the needs specified for the water and wastewater system.	Assists in planning water improvement projects. Used in conjunction with the Capital Improvement Plan.
Residential Drainage Prioritization	Lists residential addresses with known drainage issues.	Records areas of the City that have problems with drainage and an estimated cost to correct the issue(s).	Assists in planning drainage projects for upcoming fiscal years. It is used in conjunction with the Capital Improvement Plan.
Sewer Rehabilitation Program	Ten-year plan that includes costs for manhole rehabilitation, line replacement and various construction costs related to these repairs.	Serves as a guide to rehabilitate the sewer lines within the City.	Long-range plan for sewer improvements within the City. It is used in conjunction with the Capital Improvement Plan.
Exploring New Heights	Citizen focus group.	Citizen developed goals and objectives in the areas of quality of life, business & economic development, and infrastructure.	Reminder of goals and objectives to accomplish throughout the City.
Mobility 2030 (Thoroughfare Plan)	Multi-modal update to the thoroughfare plan that includes the street network, sidewalk network, on-street and off-street bicycle network, and mass transit.	Transportation planning document to identify current transportation needs and project future requirements for vehicular and pedestrian mobility within and without the City.	Identified and prioritizes transportation goals and objectives for the current and future needs of the City.

Examples of long and short-term objectives that have been created using the planning processes described above include:

Long-Range Budget Plans/Capital Improvement Plan

Short-Term: Continue funding of a multi-year street maintenance program from current revenues.

Long-Term: Plan infrastructure for future annexations in the City’s extraterritorial jurisdiction.

Parks and Recreation Master Plan/Capital Improvement Plan

Short-Term: Multi-year funding of park improvements from current revenues.

Comprehensive Plan

Long-Term: Ensure the most appropriate land use for all areas of the city.

Water Master Plan

Short-Term: Complete water and wastewater projects to improve storage and processing capabilities.

Long-Term: Establish a long-range water improvement plan based on the Water Master Plan.

Residential Drainage Prioritization

Short-Term: The FEMA Phase 2 Study, completed in September 2014, identified the need to reduce storm water flooding in the north part of the City. Work will include widening drainage channels, culvert improvements, and storm drainage improvements.

Long-Term: Establish a long-range drainage improvement plan based on the drainage criteria manual and listing of drainage problem areas within the City. Utilize the FEMA Phase 2 Study to plan future drainage improvements along the north side of US Highway 190.

Sewer Rehabilitation Program

Short-Term: Sewer mains are currently being reviewed for structural problems and several will be selected to be replaced.

Long-Term: The City completed the tenth and final year of a multi-year program that reduced inflow and infiltration into the sewer system last year fiscal year and plans to redo the flow monitor study to see the impact of the program. The findings will be submitted to the Texas Commission on Environmental Quality (TCEQ) and a new schedule to make any necessary improvements will be made.

Exploring New Heights

Long-Term: Implement suggestions from the Exploring New Heights II committee in an effort to maintain and/or improve services and the quality of life for our citizens.

Thoroughfare Plan

Short-Term: Create and prioritize multi-modal transportation networks integrating streets, sidewalks, on-street and off-street bicycle trails, and mass transit.

Long-Term: Implement street, sidewalk, and bicycle network construction/renovation based on established and periodically updated priority list.

The Budget at a Glance section on the next several pages will go into further details on how different factors guided the development of the 2017 fiscal year budget.

FY 2016-2017 BUDGET AT A GLANCE

General Fund

General Fund revenues are budgeted at \$19,864,700 with the primary revenue sources as follows:

- 1) Ad Valorem Tax is the largest revenue source in the General Fund. The certified taxable value is \$1,699,770,813 which is an increase of \$40,175,910 from the 2015 certified value of \$1,659,294,903. No tax rate increase is included so the budget is prepared based on maintaining the current tax rate of \$0.6770 which will provide \$8,491,200 in maintenance and operation tax revenue.

2016 Tax Rates	
Proposed Tax Rate	.6770
Effective Rate	.6683
Rollback Rate	.7502

#

The effective tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year, based on a tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years. Since the tax rate of \$0.6770 is higher than the effective tax rate, per the Truth in Taxation guidelines, two public hearings are required. The following is a comparison of the 2016 proposed property tax rates of surrounding cities:

Temple	.6572
Belton	.6598
Harker Heights	.6770
Killeen	.7498
Copperas Cove	.797908

- 2) Franchise Fees of \$1,327,000 represents approximately 7% of the total General Fund revenues.
 - a. Cable franchise fees are budgeted at \$311,000, a slight increase over the current year projections;
 - b. Electricity franchise fees are proposed at \$900,000, the same as the current year projections;
 - c. Gas franchise fees are proposed to be \$70,000, up from the \$68,200 projected; and
 - d. Telephone franchise fees are budgeted at \$46,000 for this next year the same as projected for the current year.
- 3) Sales tax revenue is budgeted at \$6,500,000 which is a 1.5% or a \$100,000 increase over the \$6,400,000 projected for FY 2015-2016. The FY 2015-2016 projection was lowered by \$400,000 from the original budgeted amount of \$6,800,000 mainly due to there not being any large new retail stores opening within the City this past year.
- 4) The Court Fine revenue line item is budgeted at \$1,000,000 for FY 2016-2017. The current year projection is lower than budgeted by \$200,000 due to lower ticket volume.
- 5) Ambulance revenues are budgeted at \$650,000 which is \$20,000 higher than the current year projected. No change in rates or fees is proposed.
- 6) Interest Income is budgeted at \$60,000 for FY 2016-2017 which is a small increase over the \$57,500 projected for the current fiscal year and is based on current rates.
- 7) The FY 2016-2017 budget includes the reimbursement from the Texas Department of Transportation (TxDOT) for the completion of the turnaround bridge at US 190 and Knight's Way which is part of the pass through funding program. The City will be reimbursed at \$.20 per vehicle based on the traffic counts during the past year. The minimum to be reimbursed is

\$85,000 and the maximum is \$170,000 annually. Based on the traffic counts the City should receive the maximum reimbursement.

- 8) Transfers that are budgeted to come in from other funds (\$800,000) are as follows:
 - a. Utility Fund - \$450,000;
 - b. Sanitation Fund - \$300,000; and
 - c. Restricted Courts Fund - \$50,000.

Expenditures are budgeted at \$19,850,600 which is an increase of \$170,800 over the \$19,679,800 projected for the current year. Major expenditures are as follows:

- 1) Salaries and benefits total \$14,940,200 and includes:
 - a. A salary adjustment of 2.5% is included for employees;
 - b. The following new positions have been added to FY 2016-2017 budget:
 - i. The Administration Department will add a System Support Coordinator beginning mid-year; and
 - ii. An addition of a Kennel Technician will be added to the Pet Adoption Center effective October 1st.
 - c. Health Insurance premiums are budgeted to increase for FY 2016-2017 by \$84,600; and
 - d. The Texas Municipal Retirement System (TMRS) line item is budgeted at \$1,672,900, an increase of \$87,200 and includes the 2.5% salary adjustment.
- 2) Supplies are proposed at \$709,100 in total. Fuel costs are reflected in the vehicle supply category which is proposed at \$218,400. General supplies are budgeted at \$144,600 which is \$5,100 lower than the \$149,700 projected in the current year. Equipment supplies are budgeted at \$72,100, a decrease of \$10,300 over the current year projection which is mainly due to the purchase of handguns in the current year within the Police Department. Chemical supplies are being held at \$12,200. In total the supply category is proposed to increase \$1,100 over the current year projection.
- 3) The maintenance category is proposed at a total of \$681,500 which is up from the prior year's projection of \$613,900. The vehicle maintenance category is budgeted at \$114,800 which is \$16,000 lower than the current year projection. Building maintenance reflects a \$2,700 increase due to the City Hall and Recreation Center expansions. The equipment maintenance category is increasing by \$85,900 over the current year projections mainly due to the My Permit Now software in the Code Enforcement Department, records management software within the Police Department, case management software at the Pet Adoption Center, and also includes maintenance fees for the software and hardware used in Finance, Courts, and Code Enforcement.
- 4) Utility costs are budgeted at \$522,200 a slight increase from the FY 2015-2016 projected amount of \$519,700.
- 5) Travel and training expenses are budgeted at \$155,100 which is an increase of \$14,000 over the projected amount for FY 2015-2016.
- 6) Contract labor, within the services category, totals \$416,500. A major expense in contract labor is the cost of public safety communications, budgeted at \$377,100, which covers Harker Heights' portion of the Bell County Communications Center. This is an increase of approximately \$37,000 from the previous year.
- 7) Parks and Recreation programs are being budgeted at \$43,000 at the same level as the current year projection.
- 8) Nuisance abatement is budgeted at \$55,000 and allows for demolition of dilapidated houses that are uninhabitable and unsafe.
- 9) State Tax Payments are budgeted at \$275,000 and are in direct correlation to the Court Fine revenue.
- 10) Advertising is set at \$40,400 for the upcoming fiscal year which includes the cost of printing recreation brochures and advertising new and vacant positions within the City.

- 11) A total of \$215,200 is budgeted for Professional Fees down \$4,100 from the prior year's \$219,300 projected. The majority of expenditures in the Professional Fee category includes the following:
 - a. Engineering fees - \$27,000;
 - b. Employee benefit consulting - \$32,000;
 - c. Arbitrage consulting - \$5,700;
 - d. Oncor/Atmos steering committee participation fees - \$5,000;
 - e. Codification of ordinances - \$10,000;
 - f. Drug screens, background checks, polygraph exams, etc. - \$18,000;
 - g. Misc. filing, web hosting fees, and renewals - \$10,000; and
 - h. Bell County Health Department - \$64,300.
- 12) Outside Agency funding totals \$237,400 in the FY2016-2017 budget which is approximately 1.2% of total expenditures. Below is the funding for each organization:
 - a. Transportation (HOP) expenditures of \$36,900 are included in the proposed budget for operations and maintenance of the Hill Country Transit Authority's transit service.
 - b. The proposed budget for FY 2016-2017 includes \$17,000 for the Heart of Texas Defense Alliance which is the same amount budgeted and projected for the end of the current fiscal year.
 - c. Chambers of Commerce expenditures total \$53,500 which is made up of the following:
 - i. \$41,000 is allocated to the Harker Heights Chamber of Commerce; and
 - ii. \$12,500 to the Killeen Chamber of Commerce.
 - d. The proposed budget includes \$50,000 for a contribution to Texas A&M for scholarships.
 - e. The contribution of \$50,000 to the Boys & Girls Club is to support their after-school programs at Union Grove, Eastern Hills Middle School and Harker Heights High School.
 - f. \$5,000 to the Greater Killeen Free Clinic is maintained at the same level as the prior year.
 - g. New to the FY2015-2016 Budget was \$25,000 to the National Mounted Warfare Foundation. This amount has been included in the FY2016-2017 Budget.
- 13) The Youth Task Force line item is budgeted at \$13,000.
- 14) Economic Development expenditures total \$25,000 for FY 2016-2017 which includes the Retail Coach program.
- 15) \$600,500 is budgeted to be expensed to Seton Medical Center based on an incentive agreement to reimburse 100% of property taxes collected for seven years. This budget year will be year four of the seven.
- 16) Transfers out to other funds total \$100,000 to the Capital Improvement Fund.

The proposed budget reflects adding \$9,800 to the fund balance for a total of \$9,086,552 which exceeds the three months of operating reserve requirement of \$4,938,700.

Utility Fund

Utility Fund revenues are budgeted at \$9,277,300. This FY 2016-2017 budget includes no rate increase and an increase of 1% in growth. Amounts shown below for Harker Heights include this increase.

Water and Sewer Rate Comparison			
	3,000 gallons	10,000 gallons	25,000 gallons
Harker Heights	\$38.41	\$82.51	\$130.51
Killeen	\$34.63	\$83.42	\$130.97
Copperas Cove	\$51.16	\$107.86	\$168.61
Temple	\$30.70	\$84.60	\$200.10
Belton	\$35.99	\$91.92	\$166.77

- 1) Water Income is budgeted at \$5,540,200 based on the anticipated growth and usage. Water sales for the current year are expected to slightly exceed the \$5,485,300 projected for the current year.
- 2) \$3,462,100 is budgeted for sewer income and is charged based on water consumption.
- 3) Connect Fees is budgeted at \$100,000 to reflect the continued construction in the area.
- 4) The water supply agreement line item of \$23,000 reflects payments received from Dog Ridge per an agreement that went into effect October 2009. Payments received to date cover the fixed costs incurred by the City. Once meter and waterlines are in place, additional costs will be charged to cover maintenance and operations.
- 5) Penalties have been budgeted at \$100,000 for FY 2017 which is \$8,000 higher the amount projected for the current fiscal year.
- 6) Online payment fees are being held at \$55,000 based on the website usage.
- 7) Interest Income is budgeted at \$15,000 which is based on current rates and is the same as the current year projection.

Expenses for FY 2016-2017 are budgeted at \$9,269,000 which is \$75,900 higher than the \$9,193,100 projected for FY 2015-2016. The major expense items are as follows:

- 1) Salaries and benefits total \$1,237,100 which includes:
 - a. A salary adjustment of 2.5% effective in October;
 - b. No new positions are being added to the Utility Fund;
 - c. Health Insurance is budgeted at \$107,200, an increase of \$10,000 from the current year projected; and
 - d. The Texas Municipal Retirement System (TMRS) line item is budgeted at \$136,400 which is a slight increase over the \$135,500 projected for the current year.
- 2) The Supply category is budgeted at \$126,300, which is the same as the current year's projection.
- 3) The proposed budget includes \$438,400 in maintenance expenses. The major expense in this category is in the repair and maintenance line item which is budgeted at \$150,000 to allow for repairs to pump stations, lift stations, and water and sewer lines. Another major expense in this category are new service meters which will maintain a budget of \$110,000 for new meter installation and continuing with the City's meter replacement program.
- 4) Insurance is budgeted at \$21,700 for FY 2016-2017 and includes supplemental sewage backup coverage. This coverage is designed to reimburse private property owners for damages caused by sewage that backs up from facilities owned or controlled by the City when the sewage backup was not caused by City actions and the City had no prior notice.
- 5) Utilities are budgeted at \$475,000 which is the same amount projected for the current year.
- 6) Contract Labor is budgeted at \$230,000. This line item includes expenses for bacteriological testing, the outsourcing of the printing and mailing of utility bills, and contract labor for lift station repairs, maintenance, etc.
- 7) Bond Expense is budgeted at \$1,725,400 to cover principal and interest payments on outstanding debt.
- 8) A total of \$2,400,000 is budgeted for water purchases. This expense is based on projected water usage and WCID #1 debt payments.

- 9) The major expenses included in the miscellaneous category are as follows:
 - a. \$60,000 for bad debt;
 - b. Audit fees for the Utility Fund at \$27,400;
 - c. Professional fees total \$30,000 for engineering costs related to the Utility Fund; and
 - d. A total of \$66,100 for amortization on advanced refundings related to the Utility Fund.
- 10) Transfers to other funds total \$2,325,000. They comprise of \$450,000 to the General Fund, \$100,000 to the Debt Service Fund, \$400,000 to the Fixed Asset Fund, and \$1,375,000 to the Capital Projects Fund.

The FY 2016-2017 budget reflects increasing the fund balance by \$8,300 for a total fund balance of \$3,335,389 which exceeds the three month operating reserve requirement of \$1,736,000.

Drainage Fund

Drainage Fund revenues are budgeted at \$799,800 for FY 2016-2017. No rate increase is proposed for the 2017 budget.

Expenses for the FY 2016-2017 budget total \$816,700, which includes the following:

- 1) Bond expense totals \$161,200 which reflects our annual amortization of the drainage certificates of obligations principal and interest payments.
- 2) Operating expenses of \$205,500 which includes the 2.5% salary adjustment for all employees and \$40,000 for ground maintenance.
- 3) Transfers total \$450,000 – a transfer of \$200,000 to the Fixed Asset Fund and \$250,000 to the Capital Projects Fund.

A fund balance of \$76,212 will be left in the Drainage Fund at the end of FY 2016-2017.

Sanitation Fund

Revenues in the Sanitation Fund are budgeted at \$2,125,500 for FY 2016-2017. No rate increase is proposed for residential garbage. Centex Waste Management continues to handle the billing of commercial garbage pickup.

FY 2017 Residential Garbage Rate Comparison	
Temple	\$17.54
Copperas Cove	\$18.13*
Harker Heights	\$18.33
Killeen	\$21.41
Belton	\$15.07**

*includes brush pickup, recycling, and bulky item pickup

**includes recycling

Expenses for FY 2016-2017 are budgeted at \$2,142,700.

- 1) The salary adjustment of 2.5% also applies to the position funded by the Sanitation Fund.
- 2) The major expense within this fund is the Garbage Contract line item used to pay Centex Waste Management for residential pickup which is budgeted at \$1,472,900.
- 3) The roll off dumpster line item of \$160,000 which is charged by Centex Waste Management for the pickup of those dumpsters.
- 4) Transfers to other funds total \$400,000 which include \$100,000 to the Fixed Asset Fund and \$300,000 to the Capital Projects Fund.

A fund balance of \$51,439 will be left after reducing it by \$17,200 at the end of the 2017 fiscal year.

Debt Service Fund

Revenues in the Debt Service Fund total \$2,670,900 which is derived mainly from the interest and sinking portion of the ad valorem taxes (\$2,567,900). Expenditures total \$2,703,600 which includes \$2,673,400 in principal and interest payments on debt. A detail of outstanding debt is included in the “Debt Service” section.

The City’s current Standard and Poor’s (S&P) rating is “AA”. S&P views the outlook for this rating as stable and their assessment of the City is based on the following factors:

- 1) Adequate economy;
- 2) Strong management, with “good” financial policies and practices under our Financial Management Assessment methodology, indicating financial practices exist in most areas;
- 3) Very strong budgetary flexibility with an available fund balance in fiscal 2014 of 55% of operating expenditures.
- 4) Strong budgetary performance, with operating surpluses in the general fund and at the total governmental fund level in fiscal 2014;
- 5) Very strong liquidity with total government available cash of 94.9% of total governmental fund expenditures;
- 6) Adequate debt and contingent liability position, with debt service carrying charges at 14.6% of expenditures, as well as rapid amortization, with almost 70% of debt scheduled to be retired in 10 years;
- 7) A strong institutional framework score.

Hotel/Motel Fund

The Hotel/Motel Fund revenues are budgeted at \$70,300 and expenditures for FY 2016-2017 are budgeted at \$20,000 which is comprised of the following:

- 1) Advertising expense of \$7,500 and \$2,500 for promotion of the arts expenses related to the Annual Food and Wine Festival. These expenses total \$10,000 which will cover the cost of reimbursement to the Harker Heights Chamber of Commerce for holding the festival.
- 2) \$5,000 for advertising of other Chamber events which will be treated as a reimbursement to the Harker Heights Chamber of Commerce.
- 3) \$5,000 is budgeted for sporting event expenses.

The ending fund balance for FY 2016-2017 is budgeted at \$92,499. These funds are restricted and may be used only to promote tourism, conventions, and the hotel industry.

Restricted Court Fund

These funds are collected through the municipal court and are restricted for child safety, building security, juvenile case management, administration of justice, and technology for this department. Budgeted revenues for FY 2016-2017 are \$78,900. Expenditures are budgeted at \$54,900 which is reimbursement to the General Fund for bailiff services, a juvenile case manager position, technology, and training expenses and child safety expenditures of \$500.

The proposed ending fund balance for the Restricted Court Fund is \$215,080 for FY 2016-2017.

Employee Benefits Fund

The Employee Benefits Fund was created for the purpose of reducing the premium tax that the City must pay to an insurance carrier for eligible lines of coverage. This fund is a pass through for the collection

and payment of insurance premiums. Revenues reflect interest income of \$200 for an ending fund balance of \$824.

Capital Improvement Fund

Total revenues budgeted in the Capital Improvement Fund for FY 2016-2017 is \$2,309,068 and expenditures are at \$2,289,500. The following is a breakdown of the budgeted expenditures:

Non Bond Revenue Projects:

1) Flow Monitor 18 Sewer Basins, Submit Final Report SSO Initiative	\$140,300
2) Rummel Road Lift Station Ferrous Chloride Dosing System	\$64,000
3) Drainage Master Plan Project Priority #2	\$210,400
4) Central Station Architect/Design	\$150,000
5) Park Improvements	\$100,000
6) Sidewalk along/around Prospector to Vineyard	\$243,800
Miscellaneous Street Projects:	
7) Turn Lane on FM2481 at Fuller Lane	\$325,000
8) Mountain Lion Road Retaining Wall	\$206,000
9) Street Projects	<u>\$850,000</u>
Total Miscellaneous Street Projects	\$1,381,000

The above projects are funded from transfers in from other funds.

Fixed Asset Fund

Budgeted expenditures for fixed asset purchases total \$1,046,100. Some of the major items include:

1) Audio System for the Council Chambers	\$25,000
2) Computer Lease	\$44,500
3) Additional Server Storage	\$50,000
4) Time Sheet Software	\$38,600
5) Vehicle (van) with cages	\$37,800
6) Patrol Vehicles (2) replacements	\$88,400
7) Motorcycle replacement program	\$52,400
8) Handheld Radios	\$36,000
9) Trucks (various departments)	\$85,500
10) Fire Engine/Pumper Lease	\$100,500
11) Lifepak 15 Cardiac Monitor/Defibrillator	\$36,900
12) Library Books & Processing	\$87,000
13) Dump Truck (6 yard)	\$79,500
14) Vac Tron with Jetter and Valve Exerciser	\$100,000
15) Flender Gear Drive at Wastewater Plant	\$51,400

The FY 2016-2017 Budget reflects a total of \$729,400 as transfers into the Fixed Asset Fund and expenditures of \$1,046,100 which will leave an ending balance of \$45,467.

Summary

Harker Heights' citizens and businesses have a choice in where to live or locate. In all we do, we desire to honor that choice by providing outstanding service. The fiscal year 2016-2017 budget is a reflection of that desire. It provides the resources for each City department to provide high levels of service. Personnel and equipment have been added to ensure we maintain focus on providing extraordinary service. The fiscal year 2016-2017 budget continues to provide for a quality compensation

and benefits package for our employees. We are excited to present the 2016-2017 Budget as it is the result of a passion to serve our citizens and businesses.

Revenues for FY 2016-2017 for all funds total \$37,351,000 and expenditures total \$38,198,000. The operating budgets are conservatively developed based on the current economy and expected trends.

Final adoption of the budget and tax rate will be September 13, 2016.

I would like to thank the City Staff and City Council for their dedication in preparing this budget document. Staff looks forward to working with the Council, citizens and businesses in realizing the City's potential.

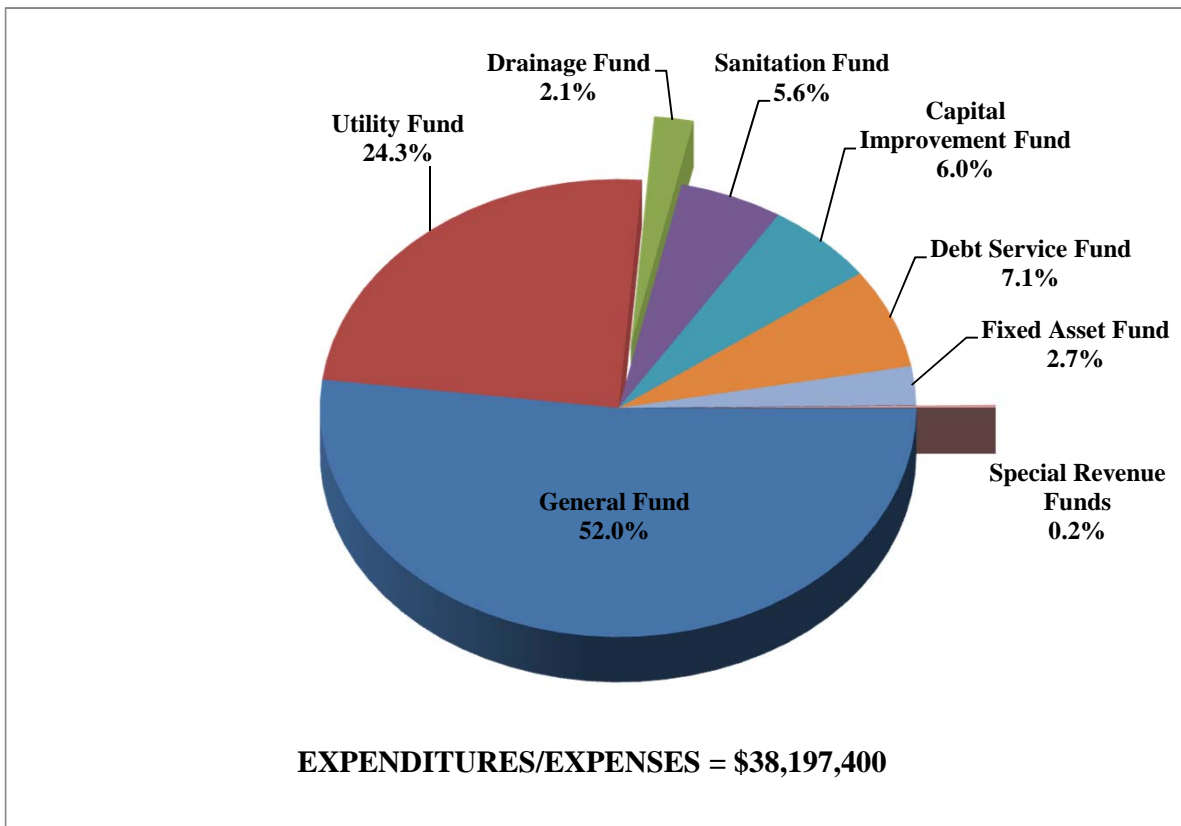
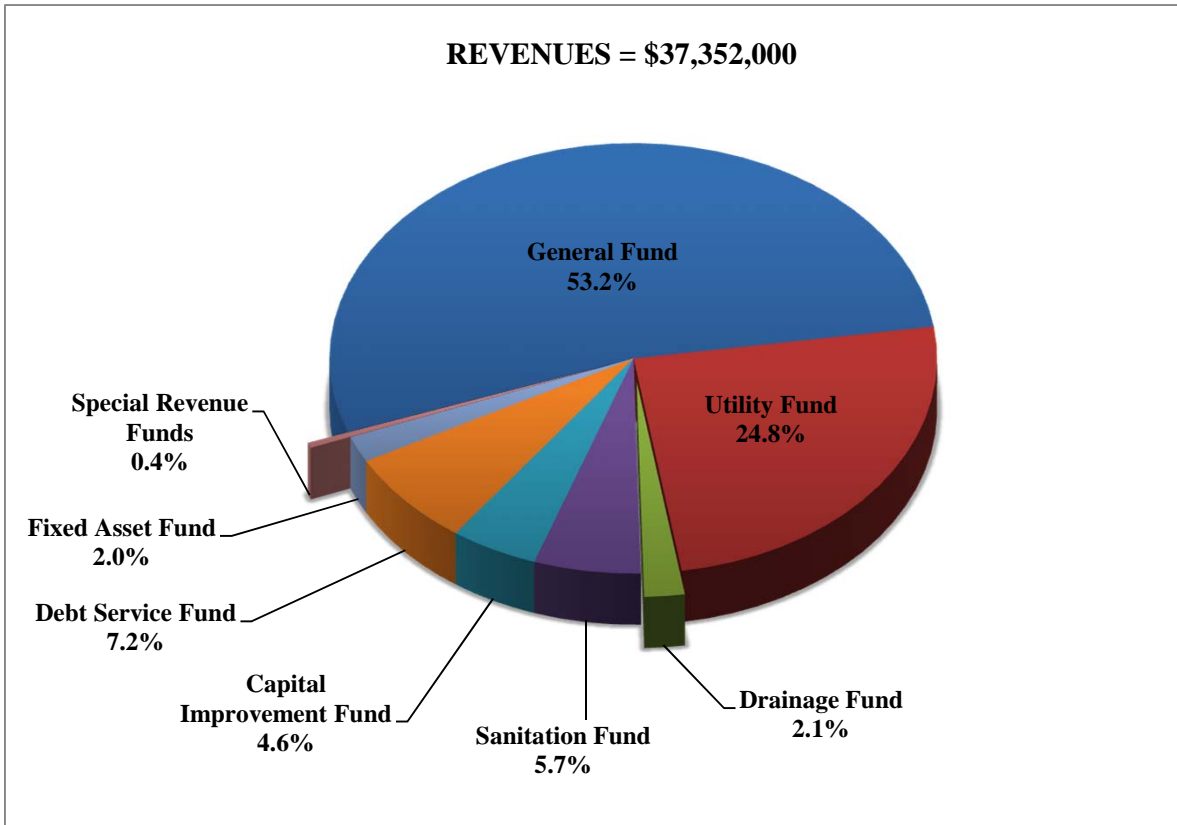
Sincerely,

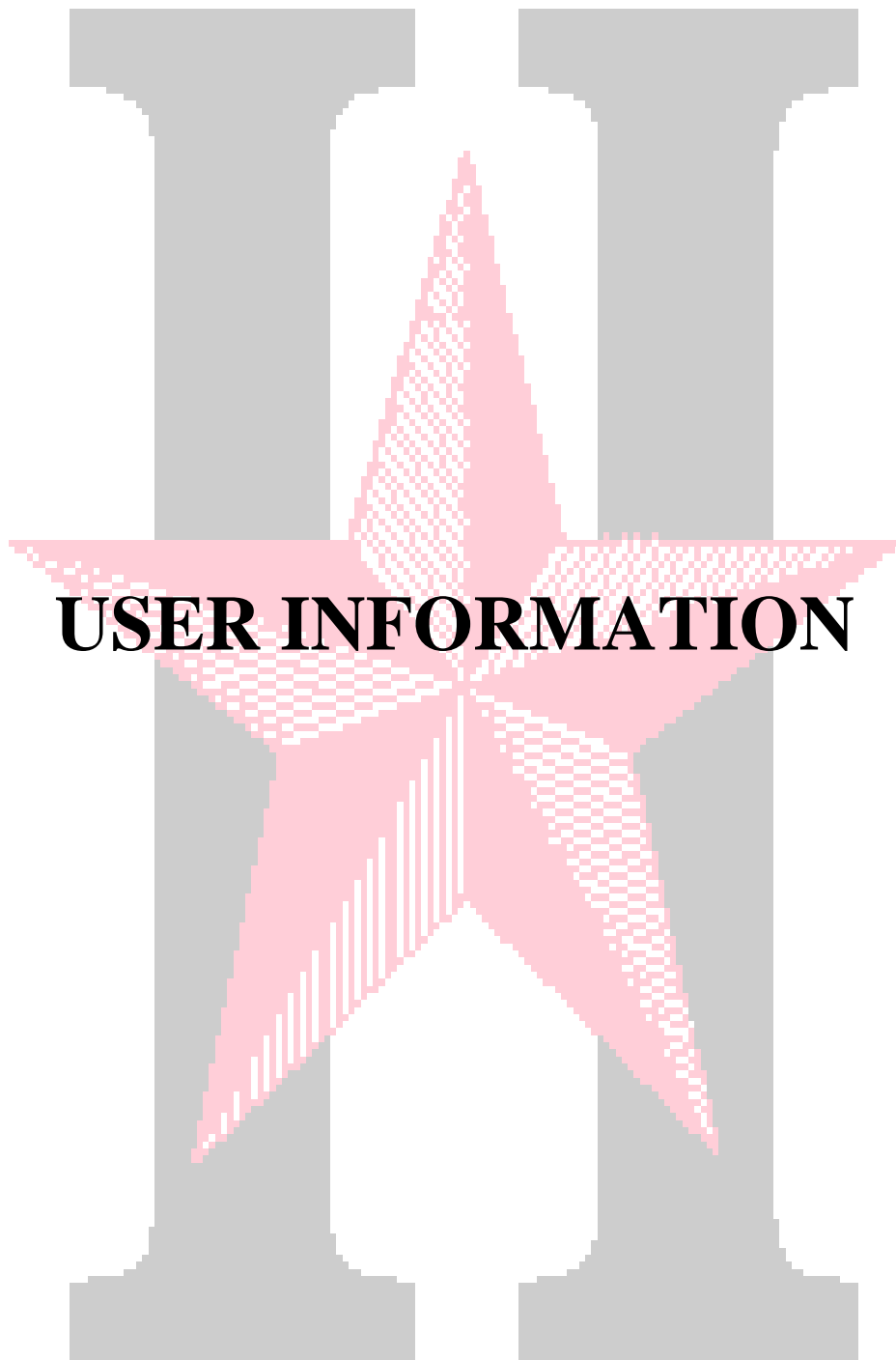
A handwritten signature in blue ink that reads "David R. Mitchell". The signature is written in a cursive style with a large, stylized initial "D".

David R. Mitchell
City Manager

TOTAL REVENUES AND EXPENSES FOR FISCAL YEAR 2016-2017

Percentage of Budget in Each Fund





USER INFORMATION

USER INFORMATION

BUDGET CONTENTS

The annual budget for the City of Harker Heights is comprised of a table of contents and fourteen sections. The book, in its entirety, can be grouped into three broad categories as follows:

Introduction and Information

- The *Table of Contents* indicates the topic, page number location and, in some cases, provides a brief summary.
- The *Budget Message* section includes the letter that accompanies the budget when it is submitted to the City Council. The *Budget at a Glance* that follows provides information about each fund and the significant changes or events affecting that fund.
- The *User Information* section describes what the budget book contains, the City as an organization, and the budget process to include a budget calendar. A summary of City policies are also included here.
- The *Historical/Demographics* section provides a synopsis of the City of Harker Heights' history. It also contains City and area demographic information.
- The *Personnel* section includes the City's organizational chart; a listing of city-wide personnel; and a listing of City officials, staff, boards, and commissions.
- The *Trends and Forecasts* section provides information on what some of the major revenues and expenditures in the City have been and how they are calculated for future fiscal years.

Financial

- The *Budget Summaries* section provides a summary of the budget totals for all budgeted funds for the City.
- The *General Fund, Utility Fund and Other Funds* sections contain detailed budget information for the various Funds and Departments of the City. Included, where applicable, are narratives of the Departments which provide a mission statement or underlying purpose of the Departments, a description of the types of activities or work performed, achievements made during the prior year, objectives for the coming fiscal year, and budget highlights for the various Departments.
- The *Debt Service* section provides payment schedules as well as principal and interest information for the City's general obligation debt (tax supported) and revenue debt (water, wastewater, and drainage).
- The section on the *Fixed Asset Fund* includes a schedule of fixed assets (equipment, vehicles, etc.) contained in the budget listed by Department.
- The *Capital Outlay and Improvements* section provides a schedule of capital improvements (infrastructure) to be made during the coming fiscal year.

Supporting Information

- The *Fee Schedule* is a detailed listing of fees and/or charges for services in effect for the coming fiscal year.
- Copies of the ordinances generated by the budget process can be found in the *Ordinance* section. This includes:
 - Ordinance #2016-21: Adopting and Approving the Budget for Fiscal Year 2016-2017,
 - Ordinance #2016-22: Levying a Tax Rate for the Tax Year 2016, and
 - Ordinance #2016-23: Prescribing and Setting the Fiscal Year 2016-2017 Rates and Charges.
- The *Glossary* provides a listing of some of the words and acronyms in the annual budget book and their meanings.

THE CITY ORGANIZATION

The City of Harker Heights is a home rule City which operates under a Council-Manager form of government. All powers of the City shall be vested in the elective Council which enacts local legislation, adopts budgets, determines policies and employs the City Manager. The City Council consists of a Mayor and five council members who elect one of their members to serve as Mayor-Protempore. The City Manager shall execute the laws and administer the government of the City.

At the end of the next section are the demographics and miscellaneous statistics for the City of Harker Heights.

The City government provides a broad range of goods and services to its citizens. The activities and personnel required to provide these goods and services are organized into broad managerial areas called Funds. Funds are separate fiscal and accounting entities with their own resources and budgets necessary to carry on specific activities and attain certain objectives.

Funds are further organized into functional groups called Departments. A Department is a group of related activities aimed at accomplishing a major City service or program (e.g. Administration). A Department may be further divided into smaller areas called Divisions. Divisions perform specific functions within the Department (e.g. Human Resources is a Division of the Administration Department).

At the head of each Department is a Director who is an officer of the City. Directors have supervision and control of a Department and the Division within it, but are subject to supervision and control of the City Manager. A Department Head may supervise more than one Department.

THE BUDGET PROCESS

In planning the annual budget the City is not only governed by the Truth-in-Taxation guidebooks but also the City Charter. Our City Charter states that the fiscal year shall begin the first day of October and end the last day of September of each calendar year. The fiscal year constitutes the budget and accounting year.

In March, Department Heads receive a copy of the fixed asset items, capital projects, and positions that have been approved as part of the long range plans. They also receive forms to complete to officially request these items. If they have additional items to request that are not a part of the long range plans they may do so with these forms. Each form within each request category is prioritized by the Department Head.

In April, the Finance Department sends out Proposed Budget Worksheets. These worksheets contain information about the Department including historical expenditure amounts, current expenditure and budget amounts, and estimated expenditure amounts for the upcoming fiscal year. This information will aid the Department Heads in increasing or decreasing their line items (i.e. general supplies, vehicle maintenance) for the next fiscal year however, the Department cannot exceed the total budget from the previous year. If the Department feels an increase is necessary, a justification must be provided.

After receiving all budget requests from the Departments, the City Manager and Finance Director conduct a series of meetings with each Department Head to review and discuss them. These meetings, held in May, also assist the City Manager to formulate his priorities.

Budget workshops with the City Council are held during the months of June and July. These workshops are open to the public and are posted per the Open Meeting Law. The workshops allow the City Council to receive input on the budget from the City Manager as well as the Department Heads. It is through these workshops that the City Council forms its priorities for the proposed budget. After these workshops the City Manager formulates a proposed budget with guidance from the Council.

In accordance with the City Charter the proposed budget is presented to the City Council in column format. Opposite the revenue and expenditure items, the actual amount of each item for the last completed fiscal year, the estimated amount for the current fiscal year and the proposed amount for the ensuing fiscal year shall be shown. It is at this meeting that the dates for the Public Hearings and the Adoption of the budget are set. The proposed budget is sent to the Library for patrons to view, is available by request in the Administration office, and is published on the City’s website.

Notices of Public Hearing are published in the newspaper and on the City website at least five days before the hearing. The hearing provides an opportunity for citizens to express their ideas and opinions about the budget to their elected officials. Two public hearings were held for the planning of this budget per Truth-in-Taxation guidelines.

Following the public hearings the budget is ready to adopt. Per the City Charter, “the budget shall be adopted by the favorable vote of a majority of the members of the whole council”. If the budget is not adopted before September 27 the budget submitted by the City Manager shall be deemed to have been finally adopted by the council.

The budget calendar that follows outlines the budget process.

FY 2016-2017 BUDGET AND TAX CALENDAR

Date Due	Event/Requirement/Action
March 31	Budget Kickoff Meeting
April 04	IT Deadline for Technology Related Fixed Asset Requests
May 06	Planning Forms Due – Capital Improvements, Fixed Assets, and Personnel Requests Line Item Worksheets and Data Input Due
May 11	Department Head Presentations of Their Top Five Fixed Asset Requests
May 27	New Outside Agency Applications and All Outside Agency Funding Requests Due
June 02 – 20	Meet with Department Heads separately on their budgets
August 02	Present Proposed Budget to the Council
August 02	Budget Workshop and Discussion
August 09	Record Vote on Tax Rate
August 23	Public hearing on budget and tax rate
September 06	Public hearing on budget and tax rate
September 13	Meeting to adopt the budget, fee schedule, and tax rate

NOTE: The City’s Charter requires one public hearing on the budget. In the event that the City’s proposed tax rate will not raise more property taxes than the prior year’s tax rate, the City is not required to hold two public hearings or publish a notice of tax increase. The City does, however, hold one public hearing on the tax rate in conjunction with the required public hearing on the budget even though it is not required.

AMENDING THE BUDGET: After conducting a public hearing on the proposed budget amendment, the Council may adopt the budget amendment by ordinance and by a favorable vote of a majority of the members of the whole council. In May, a workshop is conducted with the City Council to discuss mid-year

budget adjustments. The City budget may be amended and appropriations altered by ordinance at this time also.

CITY FUNDS

As previously stated, the City is organized into Funds. For financial purposes, a fund is a separate accounting entity with revenues and expenses segregated for the purpose of carrying out a specific purpose or activity. The following table provides additional information about each fund.

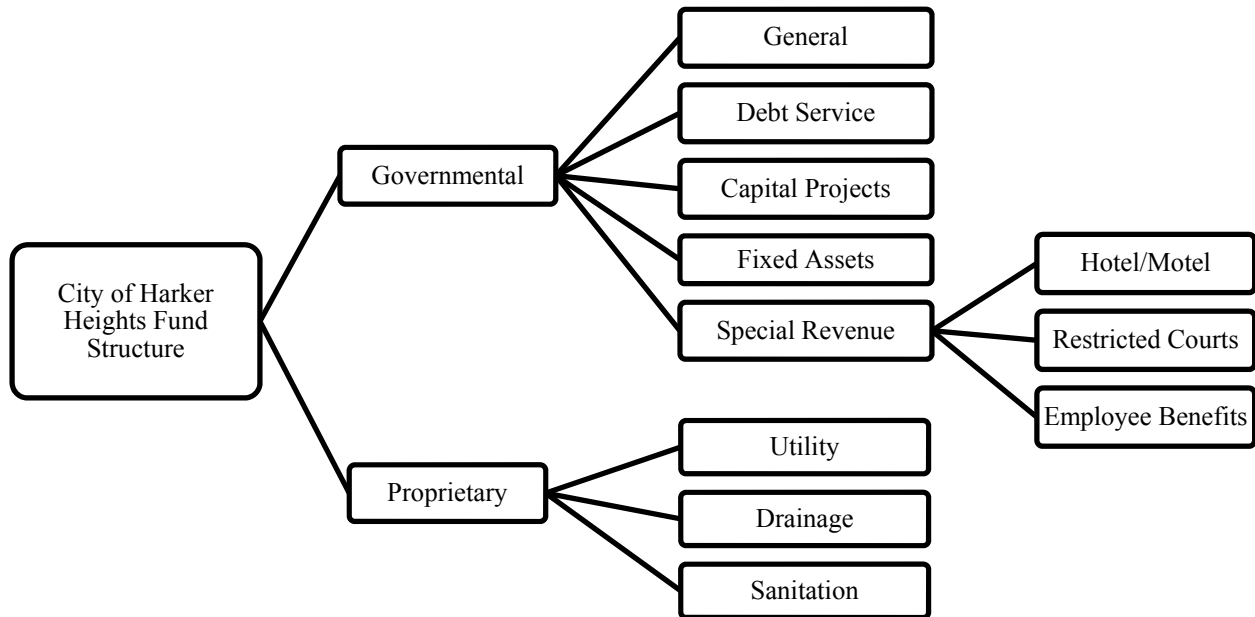
FUND/ FUND TYPE	DESCRIPTION	A	M	B	C
General/ Governmental	Accounts for all transactions not required to be accounted for in any other Fund.	Y	Y	Y	Y
Debt Service/ Governmental	Accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.	Y	Y	Y	Y
Fixed Assets/ Governmental	Accounts for the acquisition of items that cost \$1,000 or more each.	Y	N	Y	N
Capital Projects/ Governmental	Accounts for the acquisition and construction of major capital facilities.	Y	Y	Y	Y
Hotel/Motel/ Special Revenue	Accounts for the levy and utilization of the hotel/motel occupancy tax.	Y	N	Y	Y
Restricted Court/ Special Revenue	Accounts for revenues generated from court fines that are restricted for a specific purpose.	Y	N	Y	Y
Employee Benefits/ Special Revenue	Accounts for the collection and payment of insurance premiums.	Y	N	Y	N
Utility/ Proprietary	Accounts for operations related to providing water and wastewater service to the citizens.	Y	Y	Y	Y
Drainage/ Proprietary	Accounts for operations related to providing drainage service to the citizens.	Y	Y	Y	Y
Sanitation/ Proprietary	Accounts for operations related to providing sanitation service to the residential community.	Y	Y	Y	Y
Fiduciary	Account for resources that are held by the government as a trustee or agent for parties outside the government and cannot be used to support the government's own programs.	N/A	N/A	N/A	N/A

A = Appropriated; M = Major Fund; B = Included in Budget; C = Included in CAFR

The following table shows the funds in which the different departments and functions are located.

GOVERNMENTAL FUNDS		PROPRIETARY FUNDS		
GENERAL	SPECIAL REVENUE	UTILITY	DRAINAGE	SANITATION
City Council City Manager Assistant City Manager/ City Secretary Administration: Human Resources Information Services Municipal Court (80%) Records Management Finance: Accounts Payable Accounts Receivable Auditing Budget Cash Management & Investments Grant Reporting Payroll Purchasing Water Admin (30%) Police: Administration Community Services Criminal Investigations Patrol Planning/Development: Building Inspection Code Enforcement Geographical Information System Planning Fire: Administration Prevention Operations Library Parks & Recreation: Athletic Activities Recreation Activities Parks and Public Grounds Special Events Public Works: Drainage (17%) Streets (85%)	Restricted Courts: Municipal Court (20%)	Public Works: Streets (10%) Water Admin (70%) Water Operations Wastewater	Public Works: Drainage	Public Works: Sanitation

The following provides another view of how the City’s funds are structured:



BUDGET BASIS

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses.

Governmental Funds (General, Special Revenue, Debt Service and Capital Projects) are prepared on a modified accrual basis. This means that revenues are recognized as they are received and expenses are recognized in the period in which the liability is incurred. All of the City’s obligations are budgeted as expenses.

Proprietary Funds (Utility, Drainage, and Sanitation) are budgeted on a full accrual basis. Not only are expenses recognized when a commitment is made, but revenues are also recognized when they are obligated to the City.

The Comprehensive Annual Financial Report (CAFR) shows the status of the City’s finances on the basis of “generally accepted accounting principles” (GAAP). In most cases, this conforms to the way the City prepares its budget. An exception is the treatment of capital outlay in the Proprietary Fund. The budget shows capital outlays as an expense and does not show depreciation expense. The CAFR, however, does not show the capital outlay as an expense in the year of purchase, but rather depreciates the outlay over a number of years.

The City’s Comprehensive Annual Financial Report shows fund expenditures and revenues on both a GAAP basis and budget basis for comparison purposes.

FINANCIAL AND BUDGET POLICIES

The purpose of developing a written financial management policy is to provide the City Manager and staff with guidance in an area that is of prime importance to the citizens of Harker Heights. Following is a brief summary of each of the City's policies.

Budgeting – The City Council shall provide the City Manager with guidance prior to budget preparation as to priority programs that it may want to add, change, or delete. The City Manager shall prepare a proposed budget based on these priorities. The annual budget document shall be comprised of all City funds; each fund shall contain a detailed listing of revenues and expenditures. The departmental budgets within each fund shall contain a list of all personnel positions, proposed expenditures, estimated current year expenditures and actual previous year expenditures by line item.

Balanced Budget – A balanced budget for the City is one where current revenues plus available unreserved fund balances are equal to or greater than current expenditures.

Revenues & Reserves – The City shall budget revenues by analyzing historic revenue amounts for a five year period taking into account the City's current economic development status. The City's fee schedule will be reviewed annually to ensure that fees are consistent with the surrounding areas and that they cover costs incurred by the City to provide specific services. The fund reserve shall be counted as revenue carried forward starting with the next fiscal year budget. A contingency reserve shall be maintained in the major funds at a level sufficient to provide for emergency expenditures and unanticipated revenue shortfalls. They shall also provide a five-year projection for future fiscal years.

Expenditures – The City's expenditures shall be budgeted based on historic expenditure analysis and new expenses. The ten-year long range plan will be used as a focus point for personnel, fixed assets/capital equipment, and capital improvements; revisions will be made as needed. Each department shall look at their operations in relation to historical expenses and planned new costs. The Finance Director shall project positions to include proposed new positions and proposed cost of living adjustments to show what effect it will have on the budget. Benefits shall be projected using the rate changes provided by Texas Municipal Retirement System, Scott & White Health Plan, Internal Revenue Service, etc. Modifications and adjustments will be made as necessary in order to ensure a balanced budget is achieved.

Fund Balance – The minimum fund balance should be 90 days of operating expenditures for the General Fund and the Utility Fund. The intent is for each fund to be self-sufficient; interfund transfers should primarily involve reimbursement for cost or services.

Purchasing – City departments have the responsibility to see that their budget accounts are not overspent. The City utilizes a centralized purchasing system. All purchase requisitions (\$150 - \$499.99) and purchase orders (\$500+) are to be submitted to and approved by the Finance Department. The Finance Director has the authority to approve expenditures of up to \$499.99 for goods, services or public improvements where funds have been appropriated in the current budget. Purchases \$500 or more require approval of the Finance Director and City Manager. Items over \$1,000 require at least three written quotes obtained by the department; items over \$50,000 will be bid out by the Finance Department with assistance from the requesting department.

Cash Management – The Finance Director is responsible for the design and implementation of reliable and effective cash-flow forecasting. The City shall deposit its funds only in a deposit account that is insured by the Federal Deposit Insurance Corporation (FDIC) or fully collateralized by securities which are authorized by law to be used to collateralize the City's deposits. Depositories shall be selected in accordance with state statutes.

Investment – The Finance Director will be responsible for investing City funds in such a manner that the absolute return on invested capital may be maximized while the risk to invested capital is minimized. It is the intent of the City to be in complete compliance with local law and the Texas Public Funds Investment Act. The City’s investments will be reviewed annually by the city’s auditor as part of the annual audit process. It is the policy of the City that all funds shall be managed and invested using the following priorities:

- *Suitability.* Any investment eligible in the investment policy is suitable for all City funds.
- *Safety of Principal.* This is the foremost objective of the City. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.
- *Liquidity.* Portfolio maturities will be structured to meet the obligations of the City first, and then to achieve the highest return of interest consistent with the objectives of this policy.
- *Marketability.* Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash requirement.
- *Diversification.* Diversification will include diversification by maturity and market sector as well as the use of a number of broker/dealers for diversification and market coverage. Competitive bidding will be used and the suitability of each investment decision will be made on the basis of the other objectives.
- *Yield.* The City’s investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City’s risk constraints and the cash flow of the portfolio.
- *Public Trust.* All participants in the City’s investment process shall seek to act responsibly as custodians of the public trust.

Debt Management – Debt shall not be used for current operational expenses. The repayment of debt shall not exceed the useful life of the project or item purchased. Interest earned on revenue obtained from the issuance of debt obligations shall be credited to the benefit of the fund to complete the project or to the benefit of the fund responsible for repayment of the debt. In order to maintain the financial reputation of the City of Harker Heights, the City Council shall seek the assistance of a financial advisor concerning all debt that exceeds one year.

Audit – An independent audit will be conducted annually. The city will produce annual financial statements in accordance with generally accepted accounting procedures as outlined by the Governmental Accounting Standards Board (GASB). The City will produce a Comprehensive Annual Financial Report which meets the requirements for the Government Finance Officers Association’s (GFOA) Certificate of Achievement for Excellence in Financial Reporting. The City has received ten consecutive Certificates of Achievement. The City will also produce an annual budget document, which meets the criteria for GFOA’s Distinguished Budget Presentation Award. The City has received the award for the past fifteen years.



**HISTORY/
DEMOGRAPHICS**

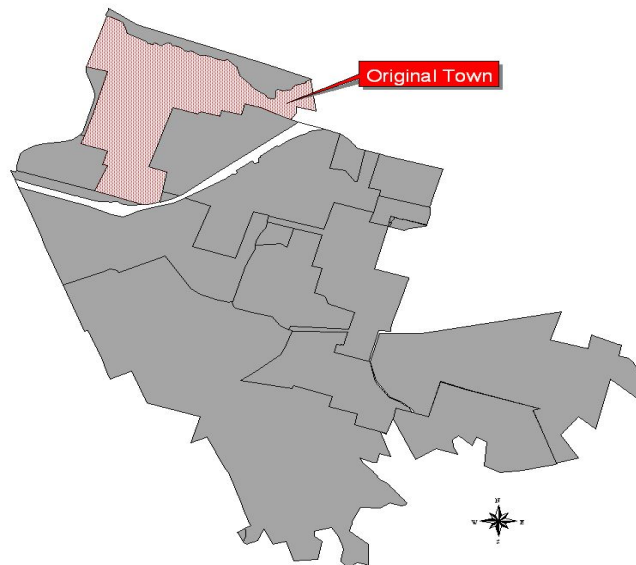
HISTORY OF HARKER HEIGHTS

The land on which the current City of Harker Heights is located drew inhabitants long before the City was incorporated. Native Americans were prevalent in the area long before the first settlers arrived here. No doubt the Native Americans were drawn to the area because of its' natural beauty, just as those who come today. The influence of the Native Americans is seen in street names today, such as Comanche Gap Road. Comanche Gap Road is named for the natural "gap" in the hills that the Native Americans utilized in their travels. This "gap" in the hills was utilized by Native Americans as late as 1870. Indian campsites in the area have been dated to as far back as 200 years. Later in history, cattle drives were said to have commonly come through the City along portions of what is our current FM 2410.

The land comprising the original City of Harker Heights was utilized in the 1940's for its agricultural benefits. However, the original owners of the property, Pinckney R. Cox and Harley Kern, envisioned a town evolving from where their agricultural interests then stood. In 1955, the creation of the Water Control and Improvement District #4 set the stage for water improvements to the 400 acres Cox and Kern owned. The roots of the new city grew further when in 1957 Cox began subdividing the lands and selling lots. Mr. Kern became ill in 1957 and was unable to participate in the subdividing and died later that year. Individuals who purchased lots wanted a water system. Pinckney R. Cox took leadership in getting a water system established for the residents. The water system was in place by 1960. Sometime before the completion of the water system, residents of the area filed a petition for an incorporation election. On September 24, 1960, voters approved the incorporation and the Town of Harker Heights was born. The town took part of its name from one of its' two founders, **Harley Kern**. In October of 1963, Harker Heights officially designated its' name as a city.

The City has been influenced significantly by Fort Hood, a military base that began as Camp Hood back in 1942. In 1951 the Camp received Fort status.

The city at its inception was approximately 950 acres in size. Through various annexations, the city grew from 945 acres to its current size of 9,064 acres. Due to annexations and growth, population increased from a projected 600 in 1960 to today's estimate of over 26,000 residents.



City of Harker Heights
w/ Original Town Identified and Future Annexations in Grey

CITY AND AREA DEMOGRAPHICS

LOCATION

Harker Heights is located in Bell County just off of U.S. Highway 190 approximately 15 miles west of Interstate 35. The cities of Killeen and Nolanville border the city; however, Fort Hood is just a few miles away. The City of Harker Heights is located 60 miles north of Austin, 150 miles northeast of San Antonio, 190 miles northwest of Houston, 65 miles southwest of Waco, and 162 miles southwest of Dallas/Ft. Worth.

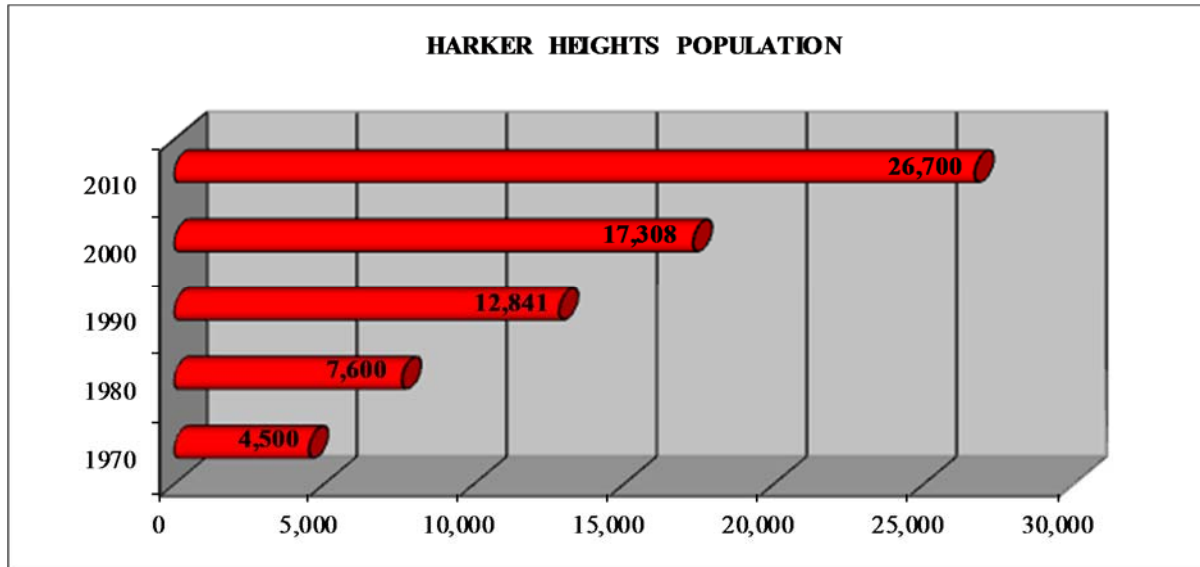


(Source: Mapquest and AltaMap)

CLIMATE

Annual Average High Temperature (degrees Celsius)	96.8
Annual Average Low Temperature (degrees Celsius)	35.5
Annual Rainfall (inches)	34.3
Annual Snowfall (inches)	0.4
Elevation (feet).....	748

The population growth and dynamics of Harker Heights have been shaped by various factors from the natural beauty of the area to the military reservation, Fort Hood, just a few miles away.



Harker Heights' population increased 9,392 people since the last Census was taken.

	1980	1990	2000	2010
Harker Heights	7,600	12,841	17,308	26,700
Belton	10,660	12,476	14,623	18,216
Bell County	157,889	191,144	237,924	310,235

ECONOMIC STATISTICS

Census 2010, Harker Heights:

White	14,145
Black/African American	5,084
American Indian/Alaska Native	136
Asian	1,004
Native Hawaiian/Other Pacific Islander	224
Hispanic/Latino (of any race)	4,920
Two or more races	1,142
Some other race	45
Median Age	31.6

LMCI TRACER/TX Workforce Commission, Killeen-Temple-Fort Hood Metropolitan Statistical Area:

2014 Total Income	\$16,576,889,000
2014 Per Capita Income	\$39,017

LMCI TRACER/TX Workforce Commission, Harker Heights:

2015 Average Unemployment Rate	4.7%
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Bell County Appraisal District, Harker Heights:

2016 Market Value	\$1,940,293,154
2016 Net Taxable Value	\$1,695,035,525
2016 Net Taxable Value, New Property	\$44,807,930
2016 Tax Rate	\$0.6770

EDUCATION

Harker Heights is included in the Killeen Independent School District, which has thirty-two elementary schools, ten middle schools, four high schools, an Early College High School, two alternative schools, the KISD Career Center and several specialized campuses. Located within the boundaries of Harker Heights are three elementary schools, two middle schools and one high school.

In 2012, the Texas Education Agency worked with advisory committees to develop a new rating system based on the State of Texas Assessments of Academic Readiness (STAAR) and a new distinction designations system.

School Name	2015 Accountability Rating	Number of Distinction Designations Earned	Class of 2015 Graduation Rate
Harker Heights Elem.	Met Standard	3 of 6	-
Mountain View Elem.	Met Standard	1 of 6	-
Skipcha Elem.	Met Standard	1 of 6	-
Eastern Hills Middle	Met Standard	1 of 7	-
Union Grove Middle	Met Standard	0 of 7	-
Harker Heights High	Met Standard	0 of 7	97.5%

(Source: TEA Website)

Area Colleges and Universities include:

- Central Texas College – Killeen: A public open-admission community college offering associate degrees and certificate programs in academic, professional and vocational/technical fields. Campuses include the Main Campus in Killeen and campuses in Fort Hood, the Pacific Far East, Europe, and a Continental Campus that provides services at 25 military installations, and participates in a Navy College Program.
- Texas A&M University – Central Texas: Born in the spirit of community cooperation in September 1999 as Tarleton University – Central Texas, Texas A&M University – Central Texas became a standalone university on May 27, 2009 as a member of the Texas A&M University System. It is an upper-level institution offering bachelors and masters degrees; undergraduate degrees in 38 areas and graduate degrees in 26 areas.
- University of Mary Hardin-Baylor – Belton: A Christ-centered institution of higher learning operating in affiliation with the Baptist General Convention of Texas and offering numerous undergraduate and graduate programs.
- Temple College – Temple: A public community college that offers a baccalaureate or higher degree and is a point of access for numerous professional fields such as medicine, law, and education. Campuses include the Main Campus in Temple and centers in Taylor and Cameron.
- University of Texas – Austin: A major research university offering more than 100 undergraduate and 170 graduate degree programs in order to provide superior and comprehensive educational opportunities at the baccalaureate through doctoral and special professional educational levels.

School Name	Enrollment		Degrees	
	Fall 2014	Fall 2015	2013-14	2014-15
Central Texas College (Killeen)*	80,514	15,969	3,885	3,219
Texas A&M Central Texas	2,452	2,522	727	685
University of Mary Hardin-Baylor	3,733	3,898	730	754
Temple College	5,197	n/a	719	n/a
University of Texas, Austin	51,313	50,950	13,982	13,887

*Fall 2014 enrollment number includes online students; Fall 2015 does not
 (Source: School's website, Public Relations and/or Research Departments)

MAJOR EMPLOYERS

<u>Employer</u>	<u>Number of Employees</u>
Killeen Independent School District (Harker Heights Campuses)	722
Wal-Mart Supercenter	537
City of Harker Heights	269
HEB Grocery Store	243
Indian Oaks Retirement Center	186

MAJOR TAXPAYERS

<u>Taxpayer</u>	<u>Taxable Value</u>
HH/Killeen Health System LLC	\$50,128,045
Cole MT Harker Heights TX LLC	\$32,789,000
HH/Killeen Health System LLC	\$28,000,000
Wal-Mart Real Estate Business Trust	\$17,495,874
Oncor Electric Delivery Co LLC	\$11,991,050
Sam's East Inc.	\$9,979,350
HH/Killeen Health System LLC	\$9,094,219
HEB Grocery Company LP	\$6,345,344
Target Corporation	\$5,858,039
Sam's Real Estate Business Trust	\$5,835,997

UTILITIES

Electric: The Transmission and Distribution Utility for Harker Heights is Oncor Electric Delivery Company. Oncor is responsible for delivering electricity, reading the meters, and maintaining poles and wires. Residents of Harker Heights have the ability to choose their Retail Electric Providers. This is the company who sells and bills for the electricity as well as provides customer service. The website powertochoose.org allows residents to research these providers along with their rates for free.

Gas: The sole natural gas provider in Harker Heights is Atmos Energy.

<u>Water Supply:</u>	Supplier	City of Harker Heights
	Water Source	WCID #1-Surface Water
	Maximum Daily Capacity	13.5 Million Gallons
	Daily Average Consumption	4.2 Million Gallons

<u>Sewer System:</u>	Operator	City of Harker Heights
	Treatment Plant	Activated Sludge
	Maximum Daily Capacity	3.0 Million Gallons
	Daily Average Treatment	2.8 Million Gallons

TRANSPORTATION

Highways – U.S. Highway 190 passes through Harker Heights. Highway 190 enables easy travel to the neighboring cities to the west. Traveling east on Highway 190 will take you to Interstate Highway 35. IH-35 links the City to some of Texas' larger cities such as Austin, San Antonio, and the Dallas/Fort Worth area.

Air – Killeen/Fort Hood Regional Airport is located in the heart of Texas, adjacent to Fort Hood. It offers direct, non-stop commercial airline service daily via American (flying to/from Dallas/Fort Worth International Airport), United (flying to/from George Bush Intercontinental Airport in Houston), and Delta (flying to/from Hartsfield-Jackson International Airport in Atlanta, Georgia).

**CITY OF HARKER HEIGHTS
MISCELLANEOUS STATISTICS**

Date of Incorporation: 1960

Form of Government: Home Rule

	Sep 2016	Sep 2015	Sep 2014	Sep 2013	Sep 2012
Number of employees (excluding police and fire):					
Classified	108	106	100	99	96
Exempt	18	18	18	18	18
Area in square miles	15.7	15.4	15.4	15.4	15.4
Name of Government Facilities and Services:					
Miles of streets	145.40	145.64	144.16	140.00	166.49
Number of street lights	1,470	1,445	1,438	1,141	1,262
Culture and Recreation:					
Recreation Center	1	1	1	1	1
Parks	8	8	8	7	6
Park acreage	194	194	194	194	177
Swimming pools	1	1	1	1	1
Library:					
Annual Circulation	176,788	199,529	166,256	165,405	152,117
Fire Protection:					
Number of stations	2	2	2	2	2
Number of fire personnel and officers	45	45	44	44	44
Number of calls answered	3,930	4,049	3,547	3,627	3,643
Number of inspections conducted	444	600	800	933	540
Police Protection:					
Number of stations	1	1	1	1	1
Number of police personnel and officers	62	61	63	63	63
Number of patrol units	20	20	20	17	17
Number of trailers	3	3	3	3	3
Number of law violations:					
Physical arrests	2,386	1,173	1,496	1,320	1,593
Traffic violations	2,979	3,916	8,126	8,800	8,776
Parking violations	27	42	27	58	139
Sewage System:					
Miles of sanitary sewers	131.33	130.36	125.92	121.43	120.62
Miles of storm sewers	9.5	9.5	9.5	9	9
Number of treatment plants	1	1	1	1	1
Number of service connections	9,228	8,959	8,842	8,586	8,580
Daily average treatment in gallons	2,780,000	1,940,000	1,790,000	1,880,000	1,760,000
Maximum daily capacity of treatment plant in gallons	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Water System:					
Miles of water mains	187.10	179.13	177.55	172.66	171.13
Number of service connections	10,638	10,384	10,006	9,666	9,740
Number of fire hydrants	1,102	1,102	1,101	1,090	1,080
Daily average consumption in gallons	4,162,500	4,000,000	3,953,600	4,325,315	4,534,268
Maximum daily capacity of plant in gallons	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000
Facilities and services not included in the primary government:					
Education:					
Number of elementary schools	3	3	3	3	3
Number of elementary school instructors	179	178	170	115	154
Number of secondary schools	3	3	3	3	3
Number of secondary school instructors	243	243	243	236	237

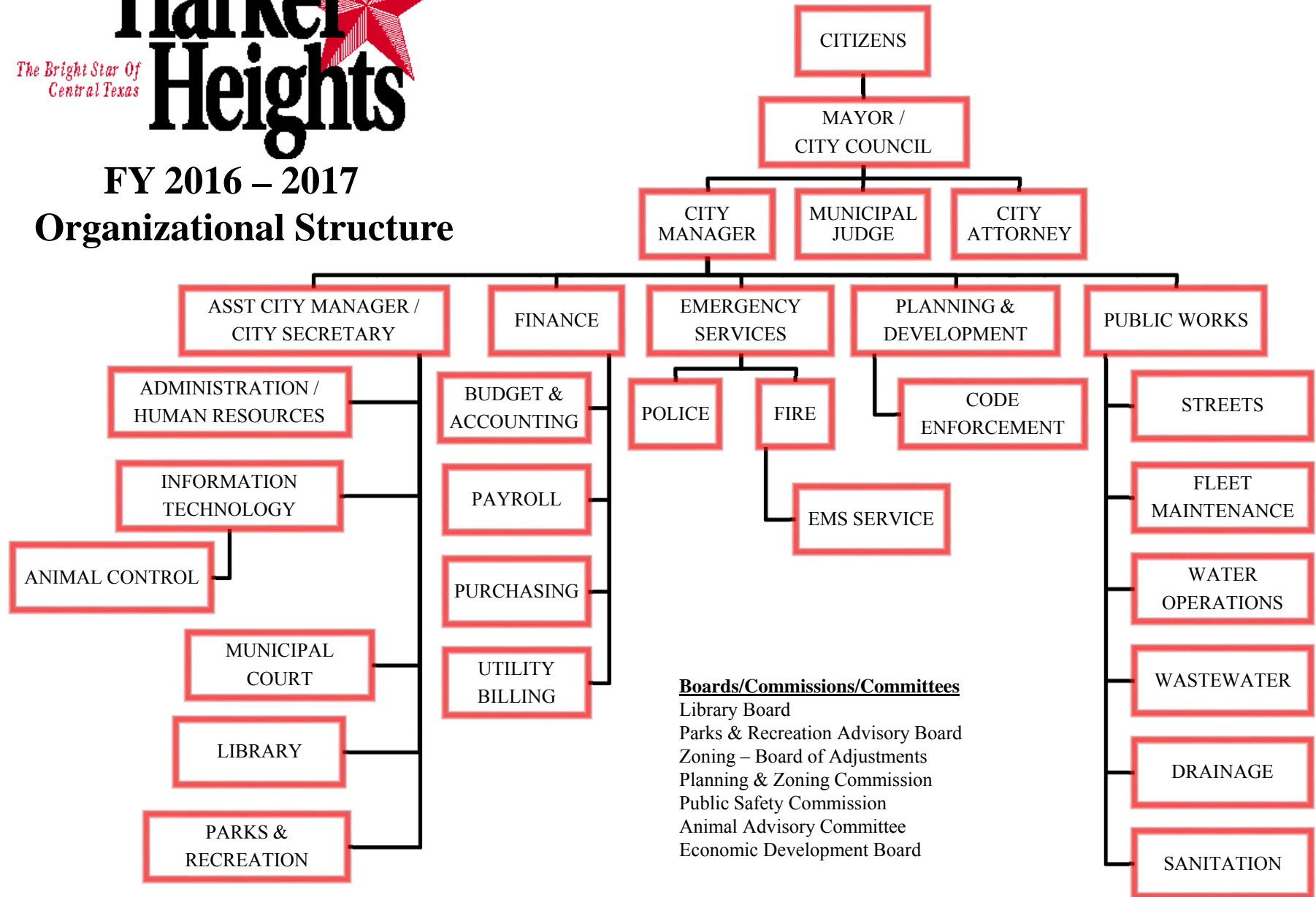


PERSONNEL



FY 2016 – 2017

Organizational Structure



CITY OF HARKER HEIGHTS PERSONNEL

NUMBER OF FULL-TIME POSITIONS BY DEPARTMENT

	FY 2014-15	FY 2015-16	FY 2016-17
Administration	9	10	11
Finance	8	8	8
Pet Adoption Center	5	6	7
Police	59	60	60
Municipal Courts	9	9	9
Development & Planning	4	4	4
Code Enforcement	5	5	5
Fire Administration	4	4	4
Fire Operations	40	40	40
Library	6	6	6
Parks & Recreation	29	29	29
Public Works	3	3	3
Streets	7	7	7
Maintenance	4	4	4
Water Operations	10	10	10
Wastewater	8	8	8
Drainage	3	3	3
Sanitation	1	1	1
	214	217	219

NUMBER OF PART-TIME POSITIONS BY DEPARTMENT

	FY 2014-15	FY 2015-16	FY 2016-17
Police	2	2	2
Municipal Courts	1	1	1
Fire Administration	1	1	1
Library	7	7	7
Parks & Recreation	5	5	5
	16	16	16

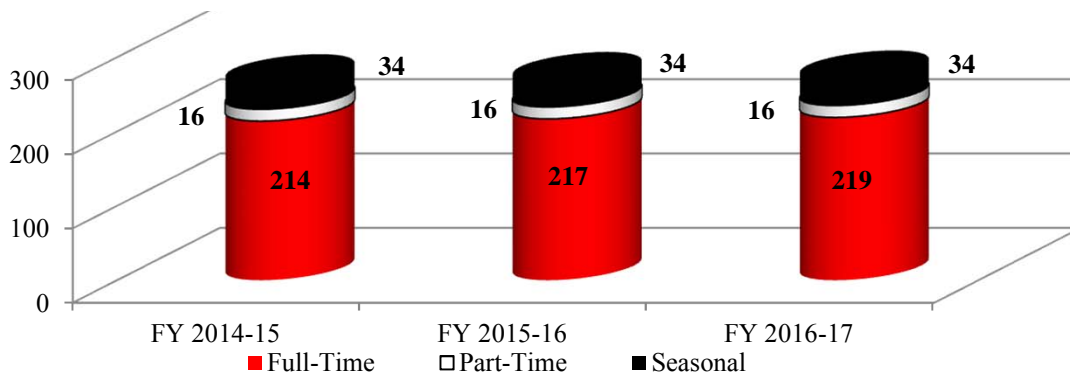
NUMBER OF SEASONAL POSITIONS BY DEPARTMENT

	FY 2014-15	FY 2015-16	FY 2016-17
Library	2	2	2
Parks & Recreation	32	32	32
	34	34	34

TOTAL POSITIONS	264	267	269
------------------------	------------	------------	------------

CHANGES IN PERSONNEL

During the 2017 fiscal year the City of Harker Heights will add a Kennel Technician to the Pet Adoption Center at the beginning of the year and a System Support Coordinator to Administration at mid-year.



PERSONNEL LISTING
Three Year Comparison of the Number of Positions

FY 2014-15 FY 2015-16 FY 2016-17

ADMINISTRATION DEPARTMENT

Full-Time:

City Manager	1	1	1
Assistant City Manager/City Secretary	1	1	1
Human Resource Director	1	1	1
Information Services Director	1	1	1
Senior System Support Specialist	1	1	1
System Support Technician	0	1	1
System Support Coordinator	0	0	1
Administrative Assistant	1	1	1
Human Resource Coordinator	1	1	1
Records Management Coordinator	1	1	1
Human Resource Clerk	1	1	1
Total Administration Department	9	10	11

FINANCE DEPARTMENT

Full-Time:

Finance Director	1	1	1
Assistant Finance Director	1	1	1
Finance Coordinator	1	1	1
Payroll Specialist	1	1	1
Account Clerk	1	1	1
Utility Billing Clerk	2	2	2
Customer Service Clerk	1	1	1
Total Finance Department	8	8	8

PET ADOPTION CENTER

Full-Time:

Pet Adoption Center Manager	1	1	1
Pet Adoption Center Supervisor	1	1	1
Pet Adoption Center Coordinator	0	1	1
Animal Services Officer	3	3	3
Kennel Technician	0	0	1
Total Pet Adoption Center Department	5	6	7

POLICE DEPARTMENT

Full-Time:

Police Chief	1	1	1
Deputy Police Chief	1	1	1
Lieutenant	3	3	3
Detective	4	4	4
Sergeant	6	7	7
Corporal	6	6	6
Police Officers	29	29	29
Social Worker	1	1	1
Call Taker	5	5	5

PERSONNEL LISTING
Three Year Comparison of the Number of Positions

	FY 2014-15	FY 2015-16	FY 2016-17
POLICE DEPARTMENT, continued			
Administrative Assistant/Clerk	2	2	2
Records Clerk	1	1	1
Subtotal	59	60	60
Part-Time:			
Call Taker (PT)	2	2	2
Total Police Department	61	62	62

MUNICIPAL COURTS DEPARTMENT

Full-Time:			
Municipal Judge	1	1	1
Alternate Judge	1	1	1
Court Administrator	1	1	1
Clerk of the Court	1	1	1
Juvenile Case Manager	1	1	1
Deputy Court Clerk	2	2	2
City Marshal	1	1	1
Warrant Officer	1	1	1
Subtotal	9	9	9
Part-time:			
Customer Service Clerk	1	1	1
Total Municipal Courts Department	10	10	10

PLANNING & DEVELOPMENT DEPARTMENT

Full-Time:			
Planning & Development Director	1	1	1
Planner/GIS System	1	1	1
Planner	1	1	1
Secretary	1	1	1
Total Planning & Development Department	4	4	4

CODE ENFORCEMENT DEPARTMENT

Full-Time:			
Building Official	1	1	1
Building Inspector	1	1	1
Code Enforcement Officer	2	2	2
Secretary	1	1	1
Total Code Enforcement Department	5	5	5

FIRE ADMINISTRATION DEPARTMENT

Full-Time:			
Fire Chief	1	1	1
Deputy Fire Chief/Fire Marshal	1	1	1
Fire Inspector/Investigator	1	1	1
Administrative Assistant	1	1	1
Subtotal	4	4	4

PERSONNEL LISTING
Three Year Comparison of the Number of Positions

FY 2014-15 FY 2015-16 FY 2016-17

FIRE ADMINISTRATION DEPARTMENT, continued

Part-Time:

Billing Clerk (PT)	1	1	1
Total Fire Administration Department	5	5	5

FIRE OPERATIONS DEPARTMENT

Full-Time:

Deputy Fire Chief	1	1	1
Captain - Firefighter/Paramedic	3	3	3
Lieutenant - Firefighter/Paramedic	3	3	3
Firefighter/Paramedic/EMT	27	27	27
Firefighter/Paramedic/EMT Driver/Pump Operator	6	6	6
Total Fire Operations Department	40	40	40

LIBRARY DEPARTMENT

Full-Time:

Library Director	1	1	1
Children's Librarian	1	1	1
Reference Librarian	2	2	2
Library Clerk	2	2	2
Subtotal	6	6	6

Part-Time:

Library Clerk (PT)	5	5	5
Library Page (PT)	2	2	2
Subtotal	7	7	7

Seasonal:

Summer Library Page	2	2	2
Total Library Department	15	15	15

PARKS & RECREATION DEPARTMENT

Full-Time:

Parks & Rec Director	1	1	1
Recreation Superintendent	1	1	1
Parks & Public Grounds Supervisor	1	1	1
Administrative Assistant	1	1	1
Recreation Services Specialist/Event Coordinator	1	1	1
Athletic Coordinator	2	2	2
Activities Coordinator	1	1	1
Activities Specialist	1	1	1
Crew Leader - Athletics	1	1	1
Crew Leader - Parks/Public Grounds	1	1	1
Light Equipment Operator - Athletics	3	3	3
Light Equipment Operator - Parks/Public Grounds	10	10	10
Custodian	5	5	5
Subtotal	29	29	29

PERSONNEL LISTING
Three Year Comparison of the Number of Positions

FY 2014-15 FY 2015-16 FY 2016-17

PARKS & RECREATION DEPARTMENT, continued

Part-Time:			
Recreation Aide (PT)	5	5	5
Seasonal:			
Spring Break Day Camp Worker	3	3	3
Summer Day Camp Leader	2	2	2
Summer Day Camp Assistants	8	8	8
Ball Crew	3	3	3
Water Safety Instructor	2	2	2
Swimming Pool Lifeguards	10	10	10
Aquatic Supervisor	2	2	2
Aquatic Cashier	2	2	2
Subtotal	32	32	32
Total Parks & Recreation Department	66	66	66

PUBLIC WORKS DEPARTMENT

Full-Time:			
Public Works Director	1	1	1
Utilities Superintendent	1	1	1
Customer Relations Supervisor	0	0	1
Administrative Assistant	1	1	0
Total Public Works Department	3	3	3

STREET DEPARTMENT

Full-Time:			
Sign Supervisor	1	1	1
Heavy Equipment Operator	3	3	3
Light Equipment Operator	3	3	3
Total Street Department	7	7	7

MAINTENANCE DEPARTMENT

Full-Time:			
Maintenance Supervisor	1	1	1
Welder	1	1	1
Mechanic	1	1	1
Mechanic's Helper	1	1	1
Total Maintenance Department	4	4	4

WATER OPERATIONS DEPARTMENT

Full-Time:			
Water Field Supervisor	1	1	1
Crew Leader	1	1	1
Maintenance Technician I	3	3	3
Water Service Worker	4	4	4
Inventory/Line Locator	1	1	1
Total Water Operations Department	10	10	10

PERSONNEL LISTING
 Three Year Comparison of the Number of Positions

FY 2014-15 FY 2015-16 FY 2016-17

WASTEWATER DEPARTMENT

Full-Time:

Chief Plant Operator	1	1	1
FOG Collection/Field Supervisor	1	1	1
Collections Operator	1	1	1
Maintenance Technician I	5	5	5
Total Wastewater Department	8	8	8

DRAINAGE DEPARTMENT

Full-Time:

Drainage/Street Supervisor	1	1	1
Light Equipment Operator	2	2	2
Total Drainage Department	3	3	3

SANITATION DEPARTMENT

Full-Time:

Maintenance Technician I	1	1	1
Total Sanitation Department	1	1	1

TOTAL ALL DEPARTMENTS

264 267 269

**CITY OF HARKER HEIGHTS
LIST OF PRINCIPAL OFFICIALS**

CITY COUNCIL

Rob Robinson Mayor
Jody Nicholas..... Mayor Protempore
Hal Schiffman Council Member
Steve Carpenter Council Member
Spencer H. Smith Council Member
John Reider Council Member

APPOINTED OFFICIALS

David R. Mitchell City Manager
Burk Roberts City Attorney
Tony Kosta..... City Judge
Patricia Brunson..... Assistant City Manager/City Secretary
Alberta S. Barrett Finance Director
Michael Gentry Police Chief
Paul Sims Fire Chief
Jerry Bark..... Parks & Recreation Director
Lisa Youngblood..... Library Director
Mark Hyde Public Works Director
Joseph Molis Development & Planning Director

PLANNING & ZONING COMMISSION / BUILDING STANDARDS COMMISSION

<u>Name</u>	<u>Term Expires</u>
Stephen Watford	2018
Jeff Petzke.....	2018
Darrel T. Charlton.....	2018
Jan Anderson.....	2019
Noel Webster	2019
David L. Kingsley.....	2019
D. Austin Ruiz	2019
Larry Robison	2020
Jeff Orlando	2020

Dustin King – Alternate #1 Daniel Ray Northingto II – Alternate #2
Klint Dailey – Alternate #3 Ken Cox – Alternate #4
VACANT – Alternate #5

ZONING BOARD OF ADJUSTMENT

<u>Name</u>	<u>Term Expires</u>
David L. Brown	2018
Chris Diem.....	2018
Brian Brannock.....	2018
David A. McClure.....	2019
Charles P. Sweeney.....	2019

Raymond Hamden – Alternate #1 Paul J. Perugini – Alternate #2
VACANT – Alternate #3 VACANT – Alternate #4

PUBLIC SAFETY COMMISSION

<u>Name</u>	<u>Term Expires</u>
John Footman.....	2018
Jennifer McCann.....	2018
Jerris Mapes	2019
Louis Best	2020
Jack Palmer	2020

Chris McClure – Alternate #1 Shane Hodyniak II – Alternate #2

LIBRARY BOARD

<u>Name</u>	<u>Term Expires</u>
Jeannette H. Dreher.....	2017
Consuelo Samarripa.....	2017
Richard D. Lamb.....	2018
Julianna Greene.....	2019
Peggy L. Murphey.....	2019
Krystal Arriola.....	2019
Ursula Pirtle.....	2020

Jessica Casey – Alternate #1

VACANT – Alternate #2

PARKS & RECREATION ADVISORY BOARD

<u>Name</u>	<u>Term Expires</u>
Margaret A. Cleghorn.....	2018
Angie Wilson.....	2018
Jennifer McCann.....	2018
Patrick W. Kerr.....	2018
Branden C. Mann.....	2019
Eva Keagle.....	2019

VACANT – Alternate #1

VACANT – Alternate #2

ANIMAL ADVISORY COMMITTEE

<u>Name</u>	<u>Term Expires</u>
Alberta Musgrove.....	2018
Dr. Brad Buckley.....	2018
Sue Wilson.....	2018
Jessica Giese.....	2019
Dr. Patricia Darnell.....	2020

Finni Dirr – Alternate #1

George N. Grammas – Alternate #2

Susan Mooney – Alternate #3

Mary Brandt – Alternate #4

ECONOMIC DEVELOPMENT CORPORATION BOARD

<u>Name</u>	<u>Term Expires</u>
Hal Schiffman.....	2017
Spencer H. Smith.....	2017
Mike Aycock.....	2017
David R. Mitchell.....	2017
Bobby Hoxworth.....	2018
Steve Carpenter.....	2018
Jim Wright.....	2018



BUDGET SUMMARIES

COMBINED SUMMARY OF ESTIMATED REVENUES, EXPENDITURES AND FUND BALANCES
(shown in thousands)

	GOVERNMENTAL FUNDS					PROPRIETARY FUNDS				SPECIAL REVENUE FUNDS				ALL FUNDS
	General	Fixed Asset	Capital Improv	Debt Service	Total	Utility	Drainage	Sanitation	Total	Hotel/ Motel	Restricted Courts	Employee Ben Trust	Total	Grand Total
Unallocated Reserve as of 9/30/2015	9,049	856	11,111	108	21,124	3,323	111	105	3,539	106	167	0	273	24,936
<u>PROJECTED:</u>														
2015-16 Revenues	19,707	1,125	2,847	4,716	28,395	9,197	784	2,087	12,068	67	79	0	146	40,609
2015-16 Expenditures	19,679	1,619	13,383	4,786	39,467	9,193	802	2,123	12,118	131	55	0	186	51,771
Addition to (Use of) Fund Balance	28	(494)	(10,536)	(70)	(11,072)	4	(18)	(36)	(50)	(64)	24	0	(40)	(11,162)
Estimated Unallocated Reserve as of 9/30/2016	9,077	362	575	38	10,052	3,327	93	69	3,489	42	191	0	233	13,774
<u>PROPOSED:</u>														
2016-17 Revenues	19,865	729	1,735	2,671	25,000	9,277	800	2,125	12,202	70	79	0	149	37,351
2016-17 Expenditures	19,855	1,046	2,290	2,703	25,894	9,269	817	2,143	12,229	20	55	0	75	38,198
Addition to (Use of) Fund Balance	10	(317)	(555)	(32)	(894)	8	(17)	(18)	(27)	50	24	0	74	(847)
Estimated Unallocated Reserve as of 9/30/2017	9,087	45	20	6	9,158	3,335	76	51	3,462	92	215	0	307	12,927
Less Restricted Funds: Restricted Reserve Requirement	(4,939)				(4,939)	(1,736)			(1,736)	(92)	(215)		(307)	(307) (6,675)
Total Unrestricted Funds	4,148	45	20	6	4,219	1,599	76	51	1,726	0	0	0	0	5,945

The table above shows projected revenues and expenditures for the current year, budgeted revenues and expenditures for the budget year, and their effect on the City's unallocated reserves (or fund balance). The City's current restricted fund amounts and reserve requirements are then deducted from the estimated unallocated reserve for the total unrestricted funds remaining.

SUMMARY OF SOURCES AND USES

(Graphs displaying the percentage of total budget for each category are on the next page.)

	GOVERNMENTAL FUNDS				PROPRIETARY FUNDS			SPECIAL REVENUE FUNDS			ALL FUNDS
	General	Fixed Asset	Capital Improv	Debt Service	Utility	Drainage	Sanitation	Hotel/ Motel	Restricted Courts	Employee Ben Trust	Grand Total
BEGINNING FUND BALANCE											
PROJECTED AS OF 9/30/16	9,076,752	362,167	574,012	38,371	3,327,089	93,112	68,639	42,199	191,080	624	13,774,045
SOURCES:											
Ad Valorem Taxes	8,491,200	0	0	2,567,900	0	0	0	0	0	0	11,059,100
Franchise Fees	1,327,000	0	0	0	0	0	160,000	0	0	0	1,487,000
Other Taxes	6,665,000	0	0	0	0	0	0	70,000	0	0	6,735,000
Licenses & Permits	301,000	0	0	0	0	0	0	0	0	0	301,000
Fines & Fees	1,967,000	0	0	0	9,260,300	799,400	1,964,000	0	78,500	0	14,069,200
Interest	60,000	0	10,000	3,000	15,000	400	500	300	400	200	89,800
Transfers	800,000	729,400	1,725,000	100,000	0	0	0	0	0	0	3,354,400
Grants	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	253,500	0	0	0	2,000	0	1,000	0	0	0	256,500
TOTAL SOURCES	19,864,700	729,400	1,735,000	2,670,900	9,277,300	799,800	2,125,500	70,300	78,900	200	37,352,000
USES:											
Personnel Service	14,940,200	0	0	0	1,237,100	132,900	52,000	0	0	0	16,362,200
Supplies	709,100	0	0	0	126,300	11,500	1,500	0	0	0	848,400
Maintenance	681,500	0	0	0	438,400	44,500	2,000	0	0	0	1,166,400
Insurance	149,500	0	0	0	21,700	1,900	800	0	0	0	173,900
Services	2,015,300	0	0	0	807,600	5,700	1,636,400	0	0	0	4,465,000
Miscellaneous	1,249,300	0	0	30,200	2,587,500	9,000	50,000	20,000	0	0	3,946,000
Capital Improvement Projects	0	0	2,289,500	0	0	0	0	0	0	0	2,289,500
Reserves/Transfers	110,000	1,046,100	0	0	2,325,000	450,000	400,000	0	54,900	0	4,386,000
Debt Services	0	0	0	2,673,400	1,725,400	161,200	0	0	0	0	4,560,000
TOTAL USES	19,854,900	1,046,100	2,289,500	2,703,600	9,269,000	816,700	2,142,700	20,000	54,900	0	38,197,400
ESTIMATED ADDITION (USE)											
OF FUND BALANCE	9,800	(316,700) ¹	(554,500) ²	(32,700) ³	8,300	(16,900)	(17,200)	50,300 ⁴	24,000	200	(845,590)
PROJECTED ENDING FUND											
BALANCE AS OF 9/30/17	9,086,552	45,467	19,512	5,671	3,335,389	76,212	51,439	92,499	215,080	824	12,928,645

¹ Since transfers into the Fixed Asset Fund are less than the expenses planned, the City will use \$316,700 of Fixed Asset Fund's fund balance to purchase equipment and vehicles for the City.

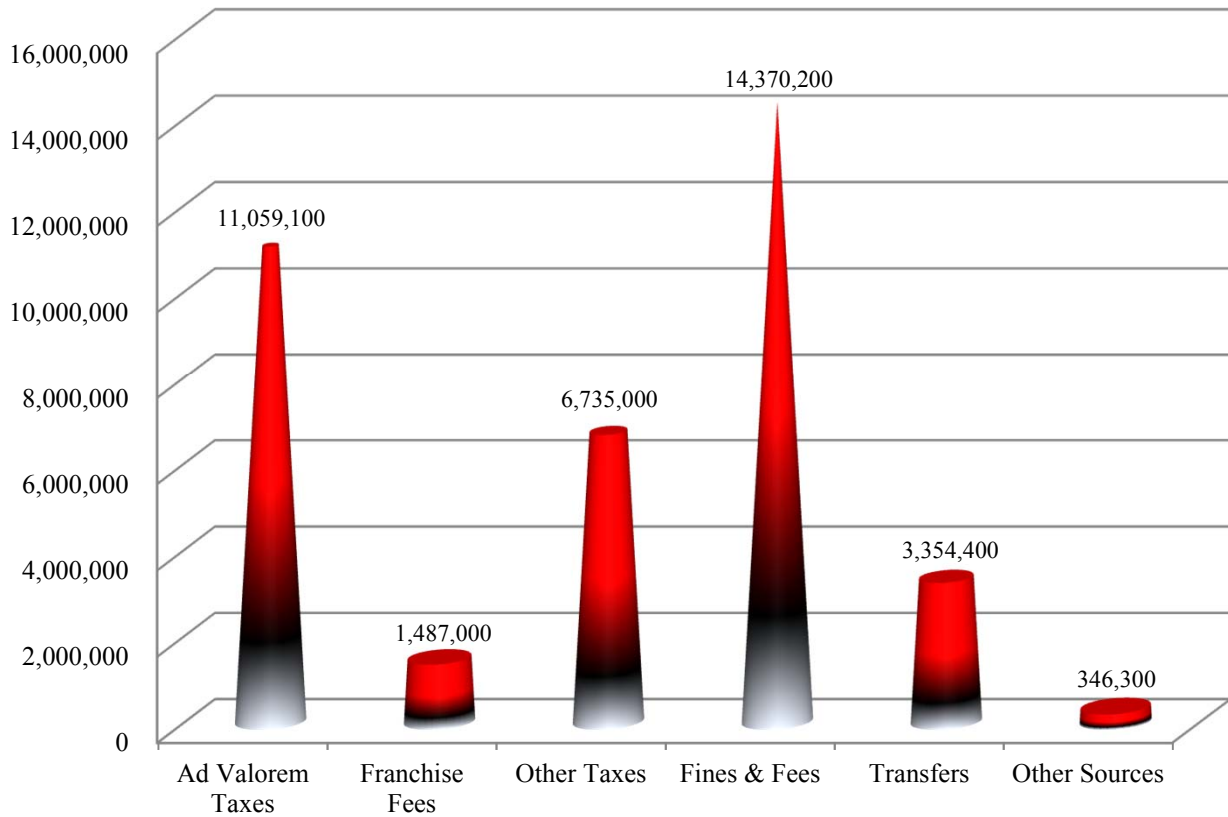
² As projects funded by the 2008, 2011, and 2014 Series Bonds are completed, \$554,500 of the Capital Improvement Funds' fund balance will be used.

³ As principal and interest payments for debt rise and property values remain nearly flat, more of the fund balance for Debt Service must be used to make those payments.

⁴ Due to the completion of the lease payments on the land purchase during the 2016 fiscal year, the Hotel/Motel Fund is adding more to the fund balance for FY 2017 than its beginning fund balance.

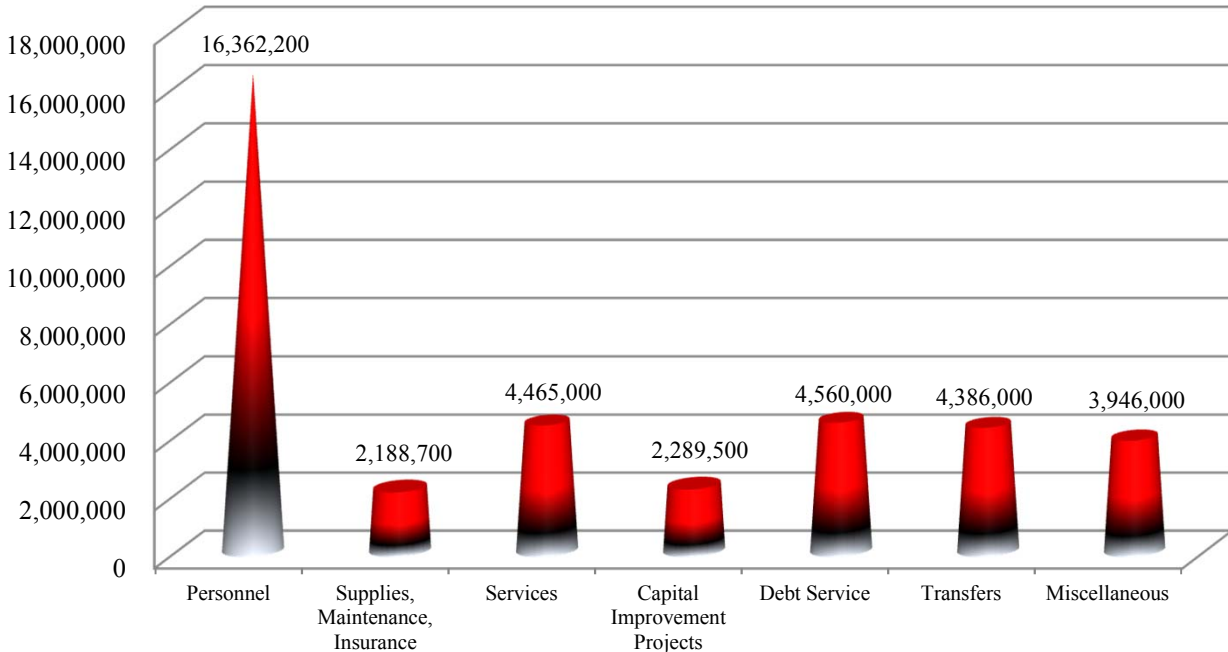
TOTAL REVENUES FOR ALL FUNDS

Total Fines & Fees exceed Ad Valorem Taxes by \$3,311,100.



TOTAL EXPENDITURES FOR ALL FUNDS

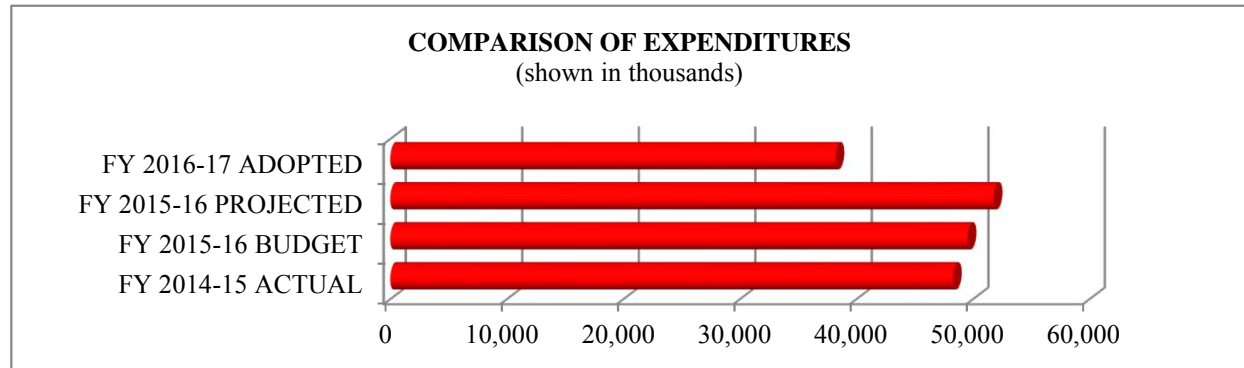
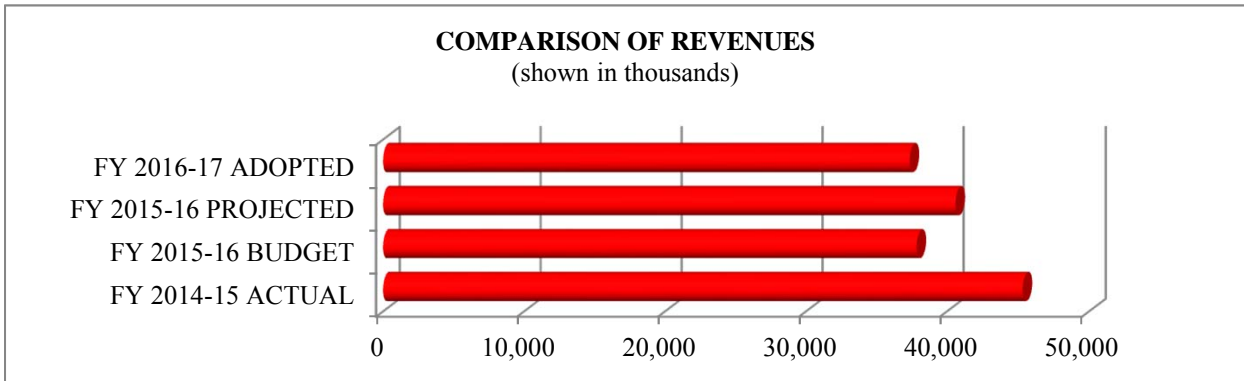
Personnel and Capital Improvement Projects are major expense categories for the City.



BUDGET SUMMARY - ALL FUNDS

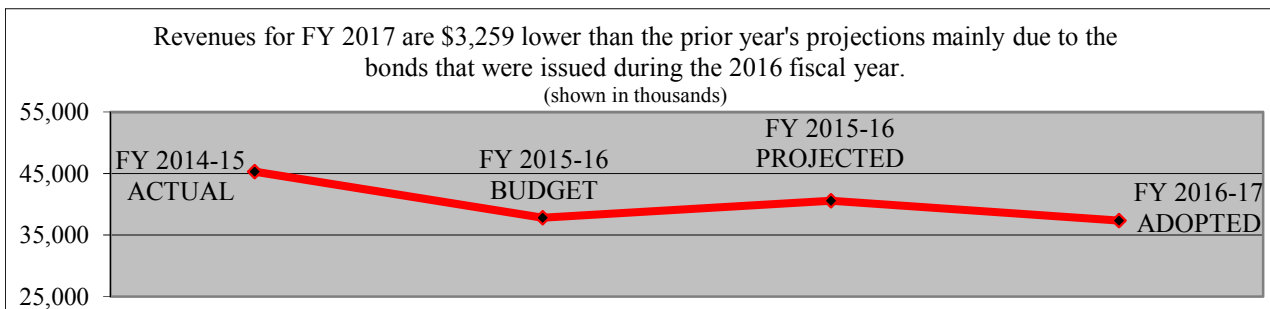
	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
REVENUES				
General Fund	20,594,350	20,009,200	19,707,400	19,864,700
Utility Fund	8,784,915	9,182,500	9,197,500	9,277,300
Drainage Fund	771,731	780,500	784,100	799,800
Sanitation Fund	2,012,888	2,076,800	2,087,000	2,125,500
Capital Improvement Fund	2,560,740	2,125,000	2,846,500	1,735,000
Debt Service Fund	9,158,909	2,600,900	4,716,200	2,670,900
Fixed Asset Fund	1,304,300	925,000	1,125,000	729,400
Hotel/Motel Fund	75,724	76,000	67,300	70,300
Restricted Courts Fund	66,102	69,200	79,300	78,900
Employee Benefits Trust Fund	159	100	200	200
TOTAL REVENUES	45,329,818	37,845,200	40,610,500	37,352,000

EXPENDITURES				
General Fund	20,112,878	19,997,800	19,679,800	19,854,900
Utility Fund	9,035,946	9,186,000	9,193,100	9,269,000
Drainage Fund	741,128	813,400	801,600	816,700
Sanitation Fund	2,068,190	2,123,200	2,122,700	2,142,700
Capital Improvement Fund	5,792,873	13,231,200	13,383,100	2,289,500
Debt Service Fund	9,157,163	2,679,700	4,785,600	2,703,600
Fixed Asset Fund	1,094,768	1,357,000	1,618,500	1,046,100
Hotel/Motel Fund	158,803	91,700	131,500	20,000
Restricted Courts Fund	115,300	55,000	55,500	54,900
Employee Benefits Trust Fund	0	0	0	0
TOTAL EXPENDITURES	48,277,049	49,535,000	51,771,400	38,197,400



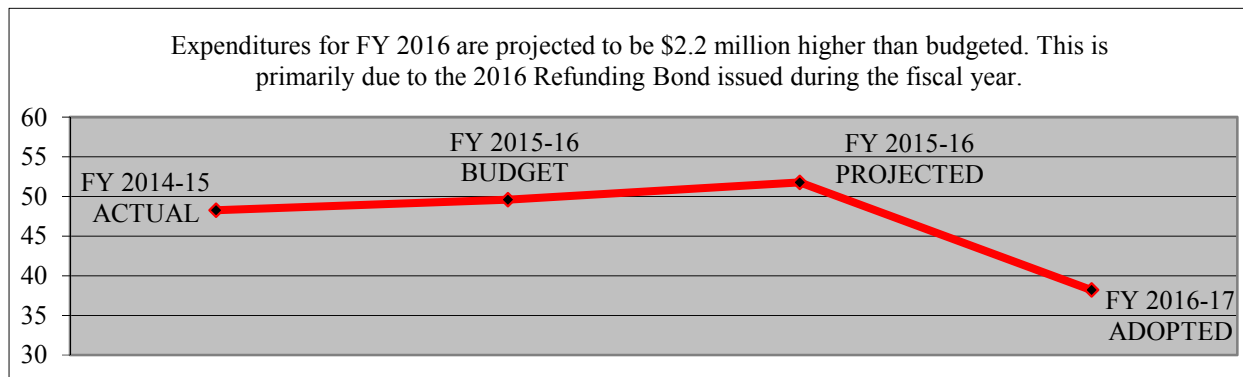
DETAILED COMPARISON OF REVENUES

	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
AD VALOREM TAX				
General Fund	8,023,825	8,251,000	8,251,000	8,491,200
Debt Service Fund	2,488,624	2,545,100	2,545,100	2,567,900
	10,512,449	10,796,100	10,796,100	11,059,100
FRANCHISE FEES				
General Fund	1,342,068	1,364,000	1,324,200	1,327,000
Sanitation Fund	124,567	150,000	160,000	160,000
	1,466,635	1,514,000	1,484,200	1,487,000
OTHER TAXES				
General Fund	6,625,332	7,011,000	6,562,000	6,665,000
Special Revenue Funds	75,371	75,800	67,000	70,000
	6,700,703	7,086,800	6,629,000	6,735,000
LICENSES, PERMITS, FINES & FEES				
General Fund	2,271,902	2,395,000	2,137,800	2,268,000
Utility Fund	8,753,009	9,166,500	9,180,400	9,260,300
Drainage Fund	771,502	780,300	783,700	799,400
Sanitation Fund	1,886,755	1,925,500	1,925,500	1,964,000
Special Revenue Funds	65,842	69,000	78,900	78,500
	13,749,010	14,336,300	14,106,300	14,370,200
INTEREST INCOME				
General Fund	34,678	30,000	57,500	60,000
Utility Fund	9,406	10,000	15,000	15,000
Drainage Fund	229	200	400	400
Sanitation Fund	352	300	500	500
Capital Improvement Fund	10,740	5,000	10,000	10,000
Debt Service Fund	688	800	2,700	3,000
Special Revenue Funds	772	500	900	900
	56,865	46,800	87,000	89,800
TRANSFERS & MISCELLANEOUS				
General Fund	2,296,545	958,200	1,374,900	1,053,500
Utility Fund	22,500	6,000	2,100	2,000
Drainage Fund	0	0	0	0
Sanitation Fund	1,214	1,000	1,000	1,000
Debt Service Fund	100,000	55,000	55,000	100,000
Fixed Asset Fund	1,304,300	925,000	1,125,000	729,400
Capital Improvement Fund	2,550,000	2,120,000	2,836,500	1,725,000
Special Revenue Funds	0	0	0	0
	6,274,559	4,065,200	5,394,500	3,610,900
BONDS ISSUED				
Debt Service Fund	6,569,597	0	2,113,400	0
	6,569,597	0	2,113,400	0
TOTAL REVENUES	45,329,818	37,845,200	40,610,500	37,352,000



DETAILED COMPARISON OF EXPENDITURES

	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE				
General Fund	13,418,311	14,478,200	14,093,400	14,940,200
Utility Fund	1,116,531	1,219,400	1,198,600	1,237,100
Drainage Fund	124,983	125,800	126,000	132,900
Sanitation Fund	53,925	50,900	52,900	52,000
	14,713,750	15,874,300	15,470,900	16,362,200
SUPPLIES & MAINTENANCE				
General Fund	1,125,909	1,341,700	1,321,900	1,390,600
Utility Fund	567,403	640,400	574,200	564,700
Drainage Fund	46,070	64,000	56,000	56,000
Sanitation Fund	3,040	4,000	4,500	3,500
	1,742,422	2,050,100	1,956,600	2,014,800
INSURANCE & SERVICES				
General Fund	2,762,397	2,291,200	1,968,800	2,164,800
Utility Fund	833,777	823,500	834,900	829,300
Drainage Fund	5,655	10,600	7,600	7,600
Sanitation Fund	1,561,919	1,596,300	1,594,300	1,637,200
	5,163,748	4,721,600	4,405,600	4,638,900
DEBT SERVICE				
Utility Fund	1,341,060	1,785,800	1,741,500	1,725,400
Drainage Fund	161,115	158,500	158,500	161,200
Debt Service Fund	2,541,934	2,679,700	2,654,900	2,703,600
	4,044,109	4,624,000	4,554,900	4,590,200
BOND ESCROW & ISSUANCE				
Debt Service	6,615,229	0	2,130,700	0
	6,615,229	0	2,130,700	0
TRANSFERS, MISCELLANEOUS & RESERVES				
General Fund	2,806,261	1,886,700	2,295,700	1,359,300
Utility Fund	5,177,175	4,716,900	4,843,900	4,912,500
Drainage Fund	403,305	454,500	453,500	459,000
Sanitation Fund	449,306	472,000	471,000	450,000
Fixed Asset Fund	1,094,768	1,417,300	1,618,500	1,046,100
Capital Improvement Fund	5,792,873	13,231,200	13,383,100	2,289,500
Debt Service Fund	0	0	0	0
Special Revenue Fund	274,103	146,700	187,000	74,900
	15,997,791	22,325,300	23,252,700	10,591,300
TOTAL EXPENDITURES	48,277,049	49,595,300	51,771,400	38,197,400



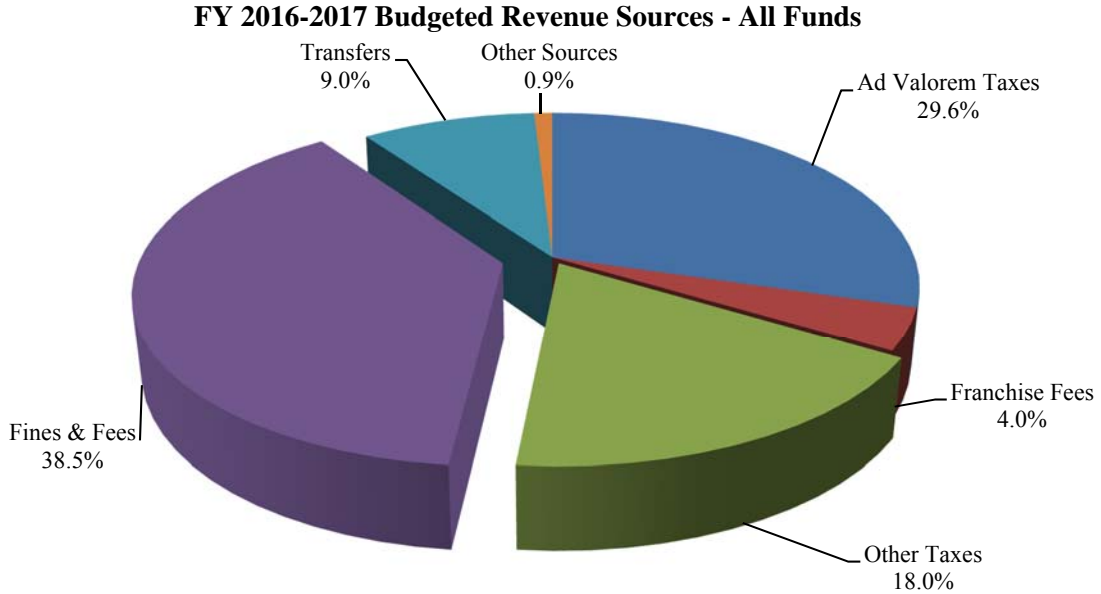


**TRENDS AND
FORECASTS**

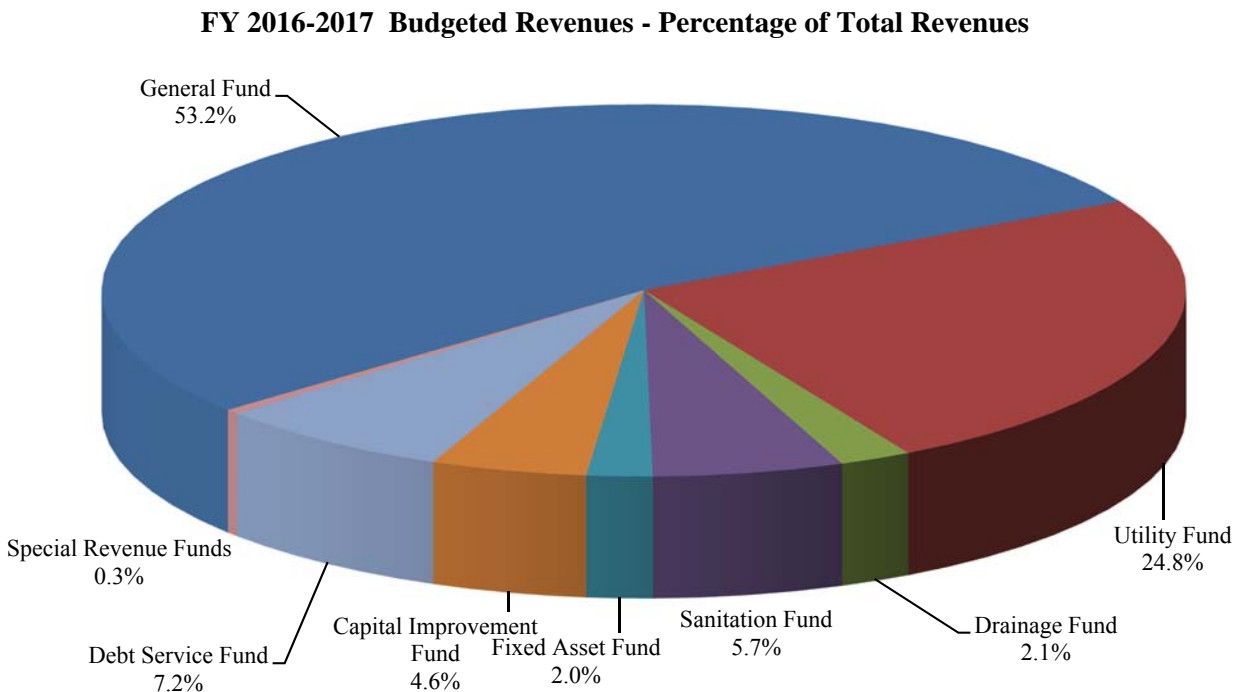
TRENDS AND FORECASTS

REVENUES

The graph below depicts the percentage of each major revenue source compared to the total revenues for all funds of \$37,352,000. Major revenue sources for the City are fines and fees (38.5%), ad valorem taxes (29.6%), and other taxes (18.0%).

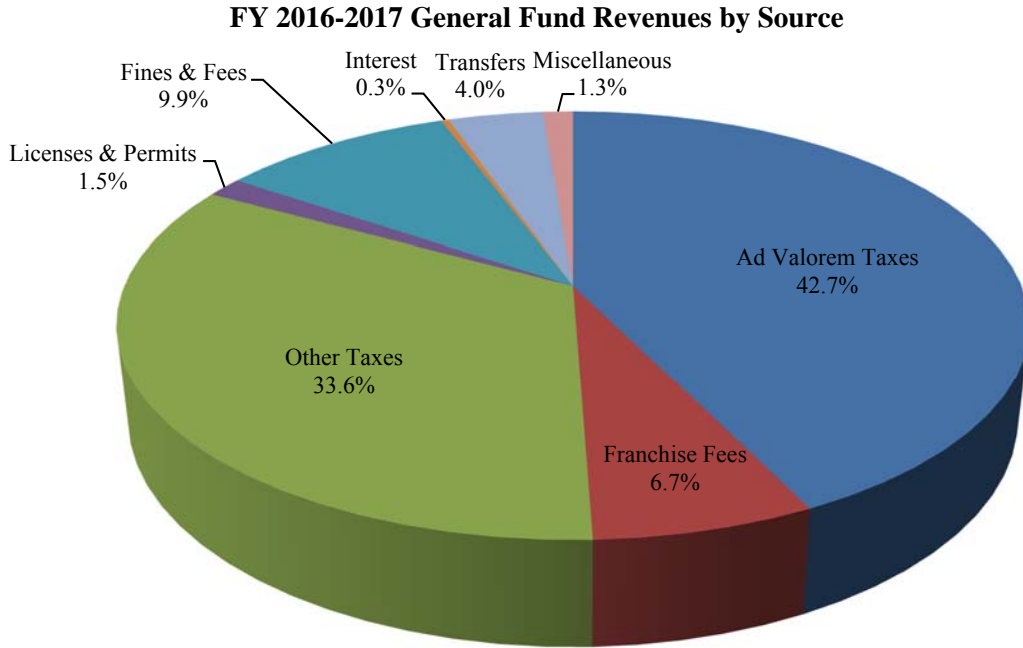


The General and Utility Funds have the greatest amount of revenues budgeted at 53.2% and 24.8% of total revenues respectively. The following pages discuss major revenue sources within the two funds as well as their underlying assumptions and trends.



GENERAL FUND REVENUES

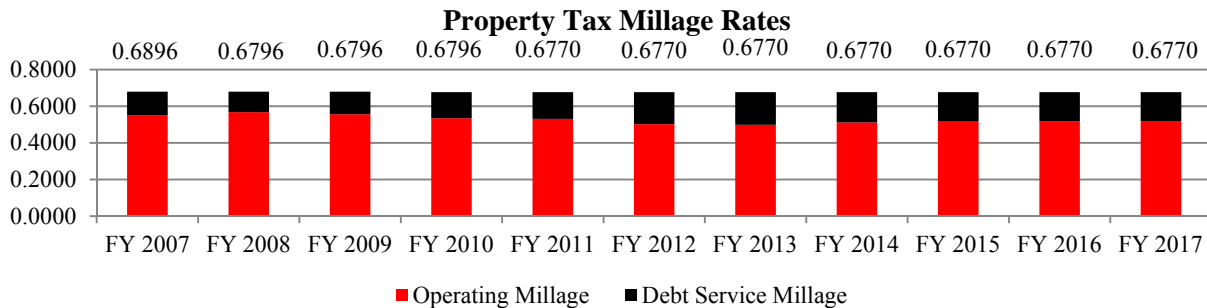
General Fund revenues at \$19,864,700 make up 53.2% of the City's total revenues (\$37,352,000) for the 2016-2017 fiscal year. Major revenue sources for the City of Harker Heights in the General Fund are ad valorem taxes (42.7%), other taxes (33.6%), fines and fees (9.9%) and franchise fees (6.7%) as shown in the graph below.



Ad Valorem Tax

Ad valorem or property tax is the largest revenue source of the General Fund at 42.7% of the total revenue. The City works closely with Bell County Tax Appraisal District (BCAD) in setting a tax rate for the year. They help to ensure that our publications are published and public hearings are held in accordance with the Texas Local Government Code and Texas Tax Code. BCAD is also responsible for sending out tax statements and collecting tax payments on our behalf. Debt payments that will be made during the fiscal year are part of the calculation to determine the Interest and Sinking part of the tax rate which covers those payments. The maintenance and operations rate must be enough to sustain operations and services for the upcoming year.

The City of Harker Heights has been able to maintain the same total tax rate for seven years, lowering it from \$0.6996 to \$0.6896 in FY05-06, to \$0.6796 in FY06-07 and to \$0.6770 in FY09-10. The overall benefit is to the citizens of Harker Heights who continue to receive the same quality services that they have become accustomed to without an increase in the tax rate.



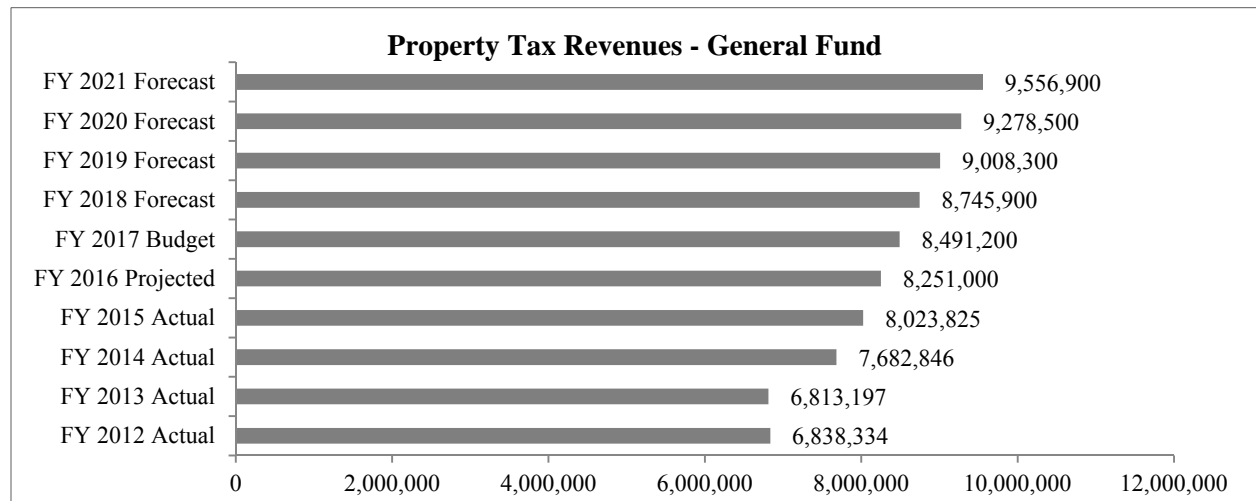
The certified 2016 taxable value per BCAD is \$1,699,770,813 which is an increase of \$40,175,910 or 2% from the 2015 taxable value. The current tax revenue was calculated using a maintenance and operations tax rate of \$0.5198 per \$100 of taxable value and a collection rate of 96% as follows:

Total Taxable Value	\$ 1,699,770,813
Proposed Tax Rate per \$100 valuation	<u>0.6770</u>
Gross Revenues from Taxes	11,507,448
Estimated Percentage of Collections	<u>96%</u>
Estimated Funds from Tax Levy	11,047,150
Estimated Delinquent Tax Collections	<u>12,000</u>
Total Estimated Tax Collections	<u><u>\$ 11,059,150</u></u>

Distribution of Tax Revenue	Tax Rate	Total
Maintenance and Operations	0.5198	\$ 8,491,206
Interest and Sinking	<u>0.1572</u>	<u>2,567,945</u>
Total	<u><u>0.6770</u></u>	<u><u>\$ 11,059,150</u></u>

Property tax revenue forecasts are determined using an estimate of three percent for growth each year. In April, BCAD holds an annual meeting to discuss preliminary values, which are normally very conservative, and City Staff adjusts its calculations accordingly. Each BCAD regional appraiser also discusses what developments occurred during the year, what will be completed next year, and the property sales for their respective regions.

The following graph shows the history of property tax revenues in the General Fund, what is budgeted for Fiscal Year 2017, and the current projections for the future.



Estimated continued growth is the reason behind the increase in property tax revenue projections over the next four years.

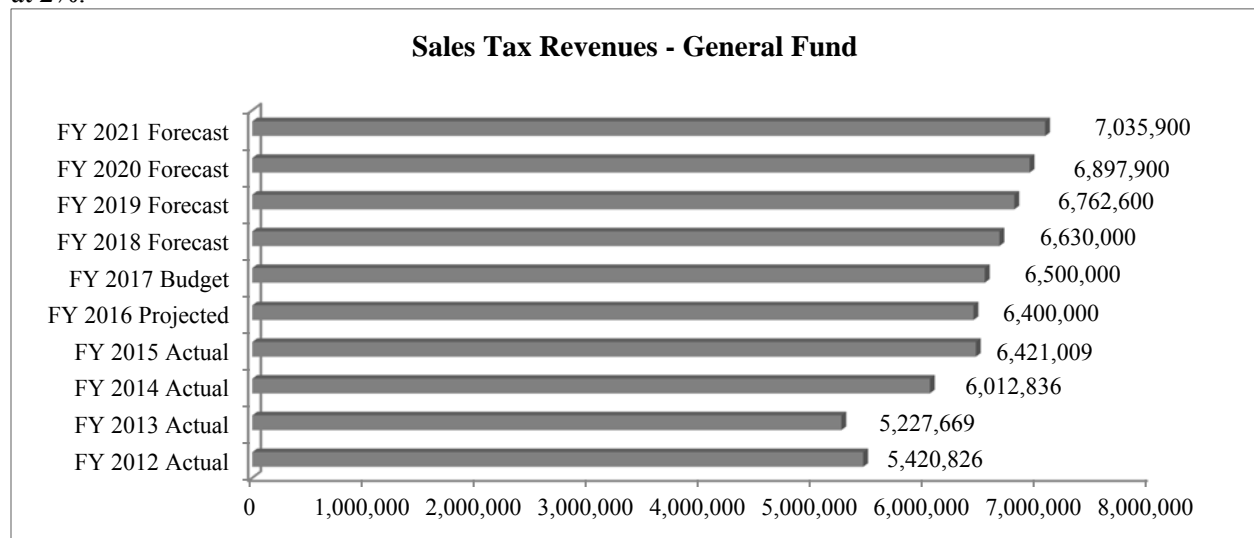
The Interest and Sinking portion of the tax rate is budgeted in the Debt Service Fund. As stated earlier, this portion of taxes received by the City is used to make payments on the debt obligations it has issued. See the “Debt Service” section for detailed information on the City’s debt.

Other Taxes

The Other Taxes category consists of Sales Tax, Mixed Drink Tax, and Bingo Tax.

Sales Tax – The State of Texas imposes a state sales and use tax of 6.25%. Cities, counties, transit authorities, and special purpose districts can impose an additional local sales and use tax of up to 2% for a combined state and local tax rate of up to 8.25%. The City of Harker Heights has imposed this additional local sales tax option and receives its portion of sales and use tax revenues from the Texas Comptroller’s Office on a monthly basis.

When budgeting sales tax revenue for the upcoming budget year, the prior year’s projections as well as any permits issued for upcoming commercial businesses are taken into consideration. During the 2014-2015 fiscal year construction began on two credit unions, two fast food restaurants, a pharmacy and a YMCA building. Fiscal year 2016 saw the construction of an auto parts store, clubhouse, and the start of three other commercial properties. Forecasts for sales tax properties for FY 2018 to FY 2021 are projected to increase at 2%.



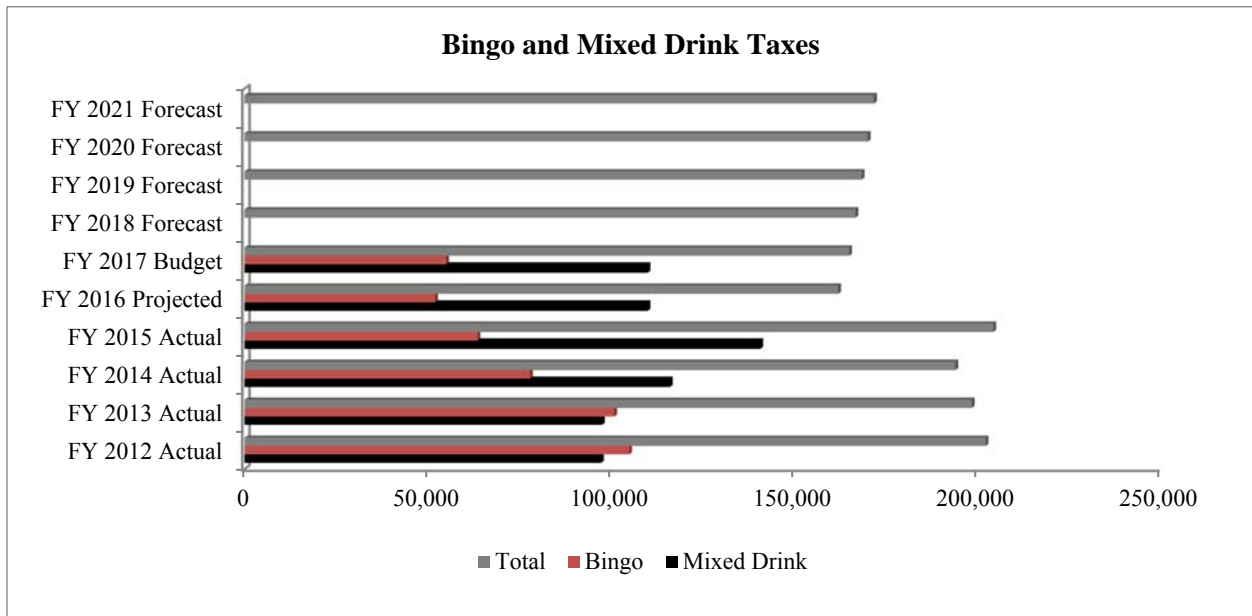
Sales tax revenues are projected to increase by 8% between FY 2017 and FY 2021.

Mixed Drink Tax & Bingo Tax – The mixed drink tax is a gross receipts tax imposed on the amount received from the sale, preparation or service of mixed beverages. It is paid to the Texas Comptroller of Public Accounts who in turn remits a portion back to the City. Prior to January 2014, the mixed beverage gross receipts tax was 14%. Beginning on January 1, 2014, the tax was lowered to 6.7% and a mixed beverage sales tax rate of 8.25% was implemented and passed on to the consumer.

Bingo taxes are collected by the Texas Lottery Commission and distributed on a quarterly basis by their Charitable Bingo Operations Division. Each authorized organization collects a fee in the amount of 5 percent of the value of a prize worth more than \$5. A county or municipality is entitled to 50% of the prize fee paid to the Texas Lottery Commission unless both the county and municipality have imposed a bingo tax. In this instance, both the county and municipality receive 25% of the fee collected.

When forecasting, the mixed drink and bingo tax line items are looked at as one piece because they are the smaller of our tax revenue line items in the General Fund. A one percent increase is added each year to the actual of both taxes combined and then, based on prior year activity, that increase is distributed accordingly between them.

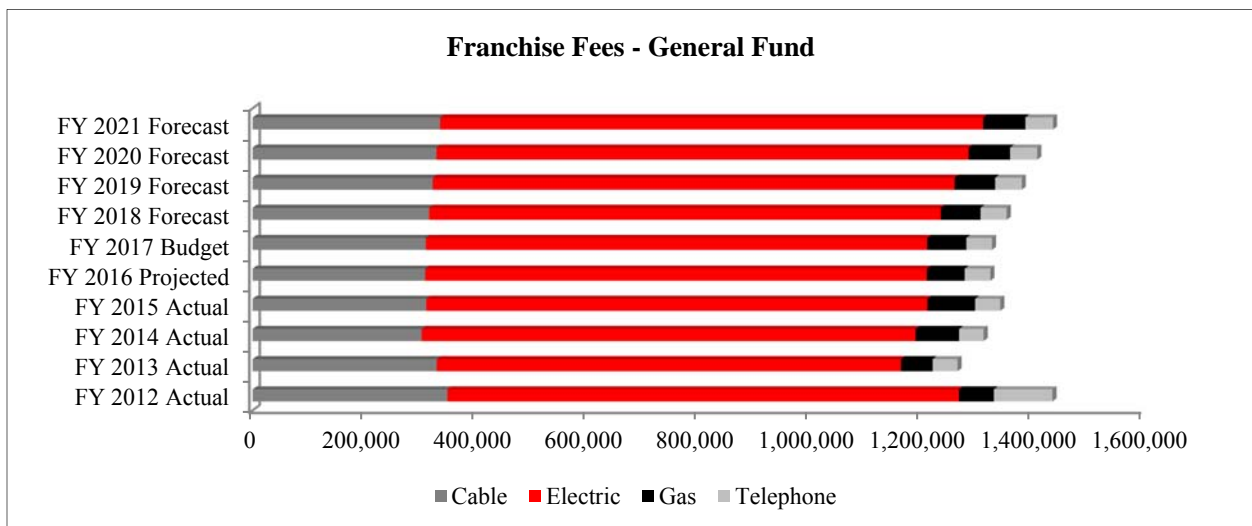
The graph below shows how the prior year actuals, FY 2016 projection and FY 2017 budgeted amounts compare. Forecasts are shown in total amounts only because it has not been decided how the 1% increases will be allocated between the two line items.



Franchise Fees (*Cable, Gas, Telephone, and Electricity*)

A franchise fee is an agreed upon reimbursement amount paid by utility and/or cable companies to the city for usage of the city’s right of way. The current electric franchise fee is paid based on the number of kilowatt hours whereas as those for gas, telephone and cable are based on a percentage of gross receipts. (The Sanitation Fund also has franchise fee revenue for garbage which is based on a percentage of gross receipts.)

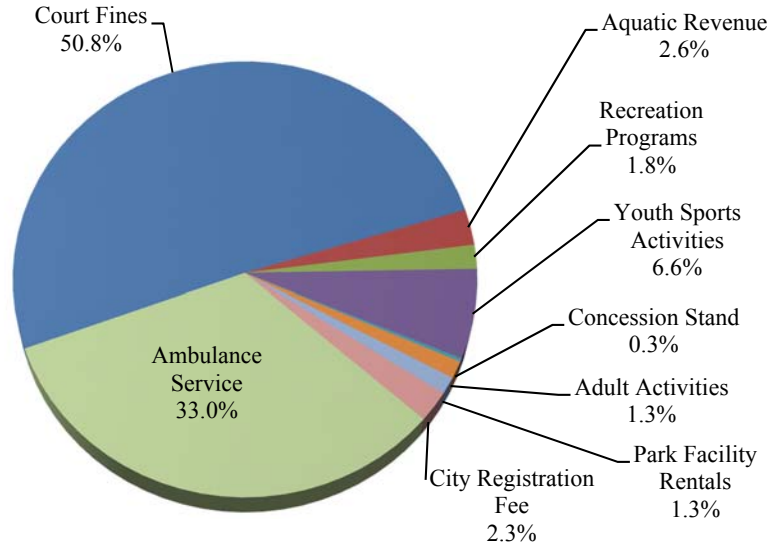
As Harker Heights continues to experience growth, we can also assume that usage of utilities will also increase in the area. Two percent is added to the prior year’s amount each year in order to project future revenues for this category. The following graph depicts the FY 2017 budgeted amount as well as actual revenues prior to and projections for future years. The increase in FY 2012 was due to additional fees collected for the electric franchise through an audit.



Fines and Fees

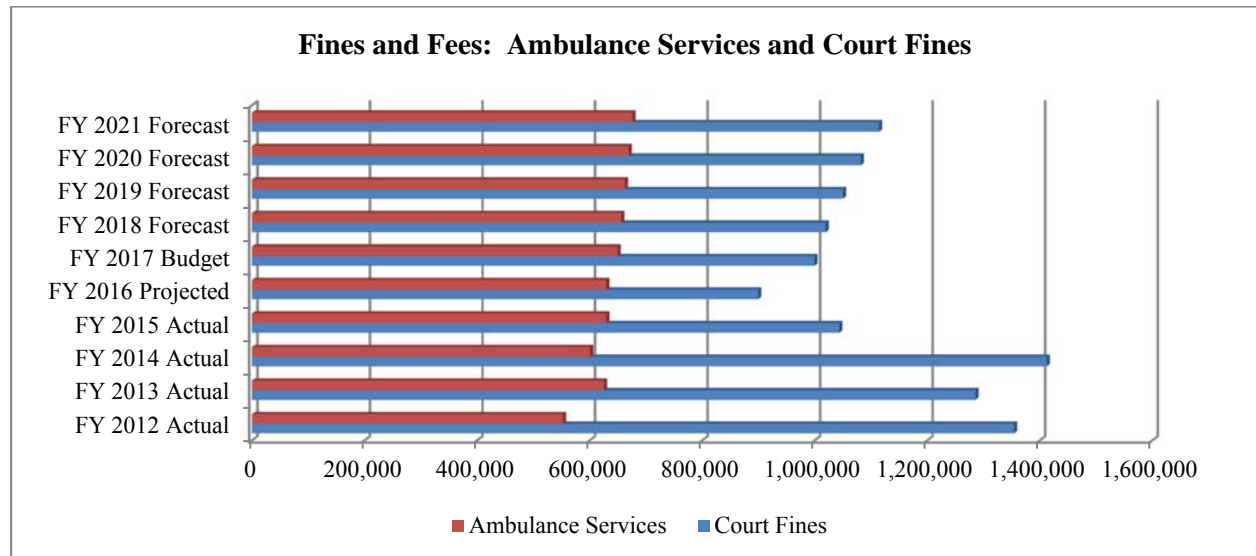
The Fines and Fees category consists of Court Fines, Ambulance Service, Parks & Recreation Fees and City Registrations.

FY 2016-2017 Fines and Fees - General Fund



Court Fines – The FY 2015-2016 budget totaled \$1,100,000 and is projected to be \$900,000 at fiscal year-end. \$1,000,000 will be budgeted for the 2017 fiscal year. This line item is forecasted to increase by one percent each year. The number of police personnel and number of tickets written greatly influence this line item.

Ambulance Service – This line item is being raised from the \$630,000 budgeted in FY 2015-2016 to \$650,000 for FY 2016-2017. Collections for ambulance services have been more consistent over the past three fiscal years and the City has projected a one percent increase for each fiscal year that follows.



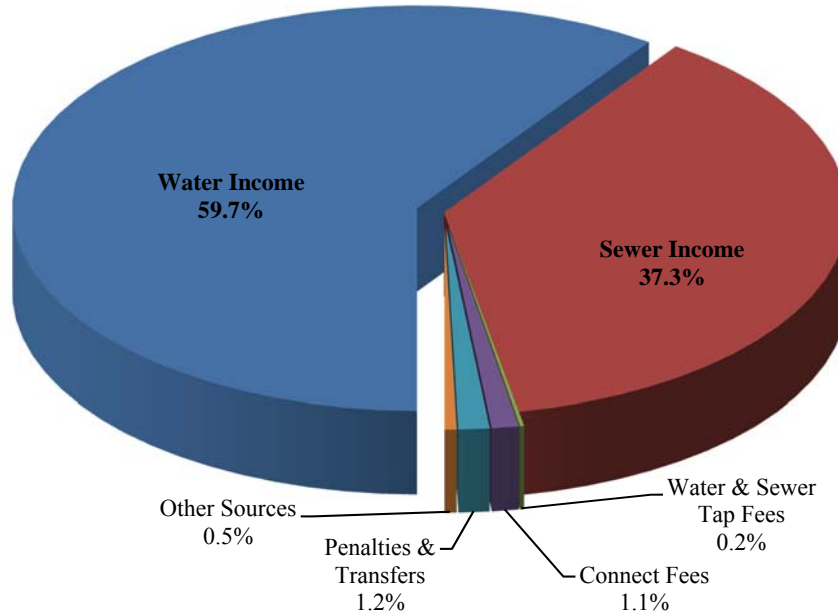
Actual, projected, budgeted and forecasted amounts for the ambulance services and court fines line items.

A listing of all revenue sources in the General Fund can be found in the “General Fund” section.

UTILITY FUND REVENUES

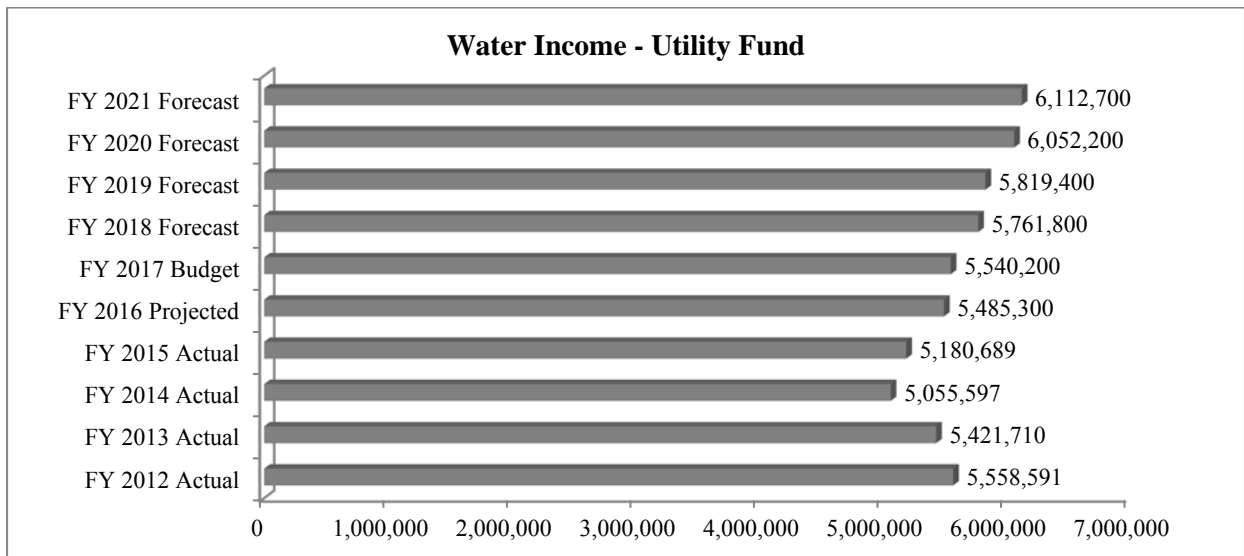
Utility Fund revenues at \$9,277,300 make up 24.8% of the City’s \$37,352,000 in total revenues for FY 2016-2017 with the major revenue sources water income (59.7%) and sewer income (37.3%) as shown in the graph below.

FY 2016-2017 Utility Fund Revenues by Source



Water Income

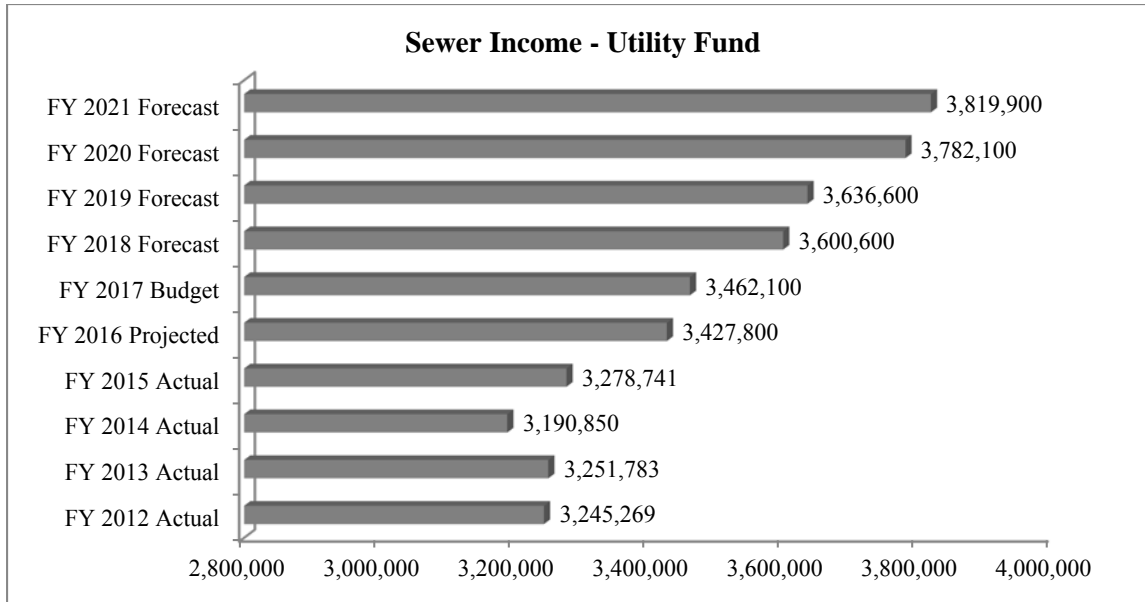
Water income is very elastic and depends a great deal on what the weather does. A target for water income has been developed using historical income data. For the 2017 fiscal year, there was no increase in water rates however a 1% growth rate adjustment was made to assist in the calculation of the budgeted amount. Forecasts for water income include a flat one percent growth rate and a rate increase of three percent every other year. If a rate increase is deemed unnecessary (i.e. revenues are appropriately covering the expenses), then the alternating rate increases are adjusted for the following years.



Water Income is projected to increase by 10% (\$572,500) between FY 2017 and FY 2021.

Sewer Income

Billable gallons for sewer are computed based on water consumption. No rate increase was made to sewer fees however a 1% growth rate adjustment was made to assist in the calculation of the budgeted amount. Sewer income is forecasted in the same way as water income, with a one percent increase for growth each year and a three percent alternating rate increase. As in water income, if a rate increase is deemed unnecessary, the alternating years are adjusted accordingly.



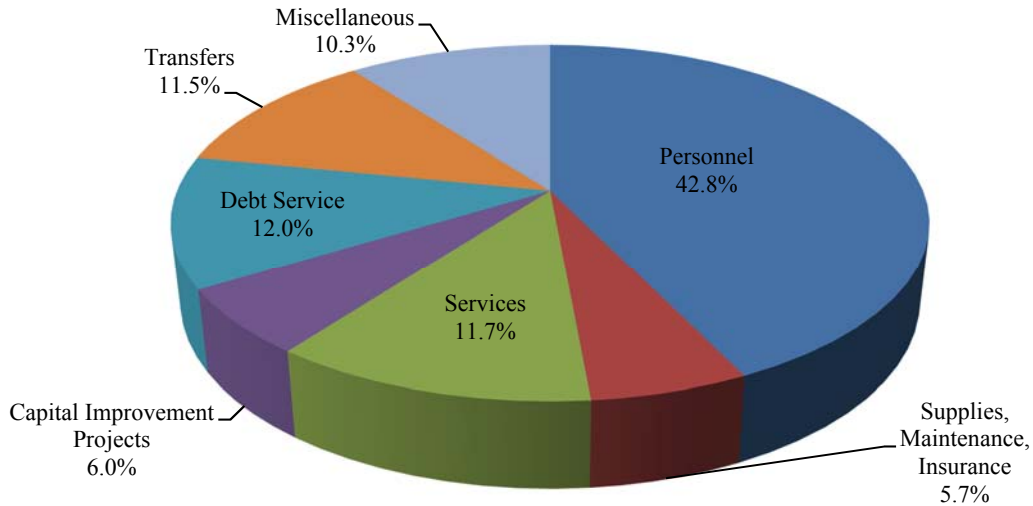
Sewer Income is expected to increase by 10% (\$357,800) between FY 2017 and FY 2021.

A complete listing of all revenue sources in the Utility Fund can be found in the “Utility Fund” section.

EXPENDITURES/EXPENSES

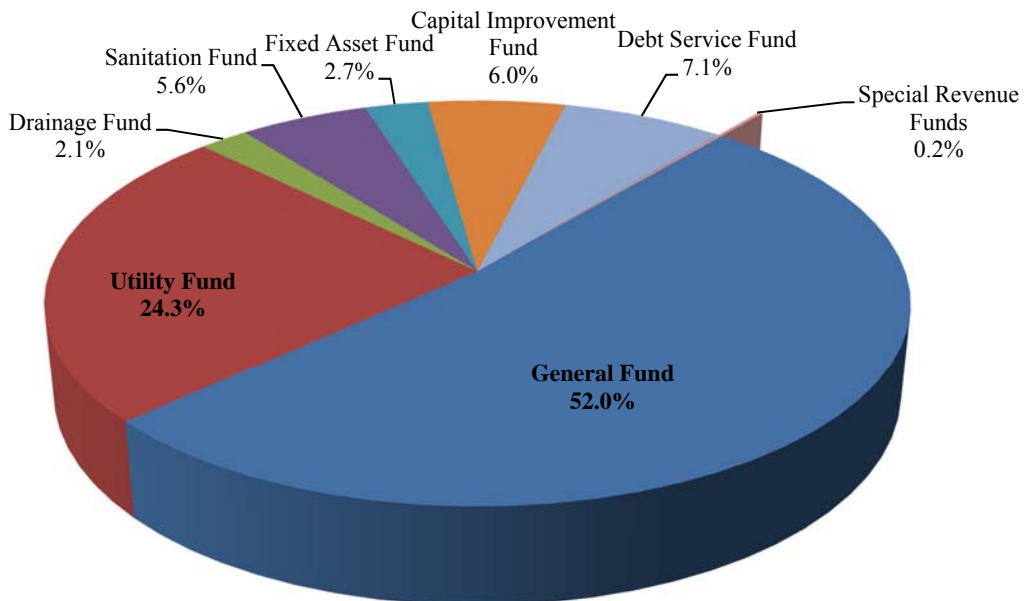
The graph below depicts the percentage of each expenditure/expense for all funds compared to the total expenditures/expenses (“use”) of \$38,197,400. The largest use of City funds is personnel expenses at 42.8% (\$16,362,200) followed by Debt Service at 12.0% (\$4,560,000).

FY 2016-2017 Budgeted Expenditures/Expenses - All Funds



The General, Utility, and Capital Improvement Funds have the greatest amount of expenditures/expenses budgeted at 52.0%, 24.3% and 6.0% of the budget respectively. The General and Utility Fund’s major uses will be discussed on the following pages; Capital Improvement Fund projects are discussed in detail in the “Capital Outlay and Improvements” section.

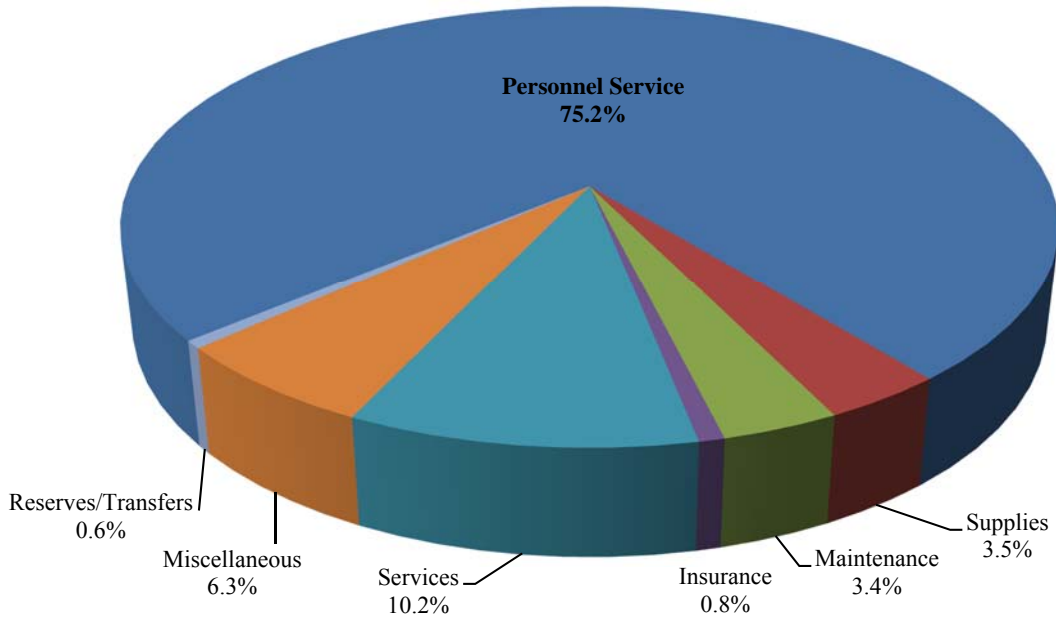
FY 2016-2017 Budgeted Expenditures/Expenses - Percentage of Total



GENERAL FUND EXPENDITURES

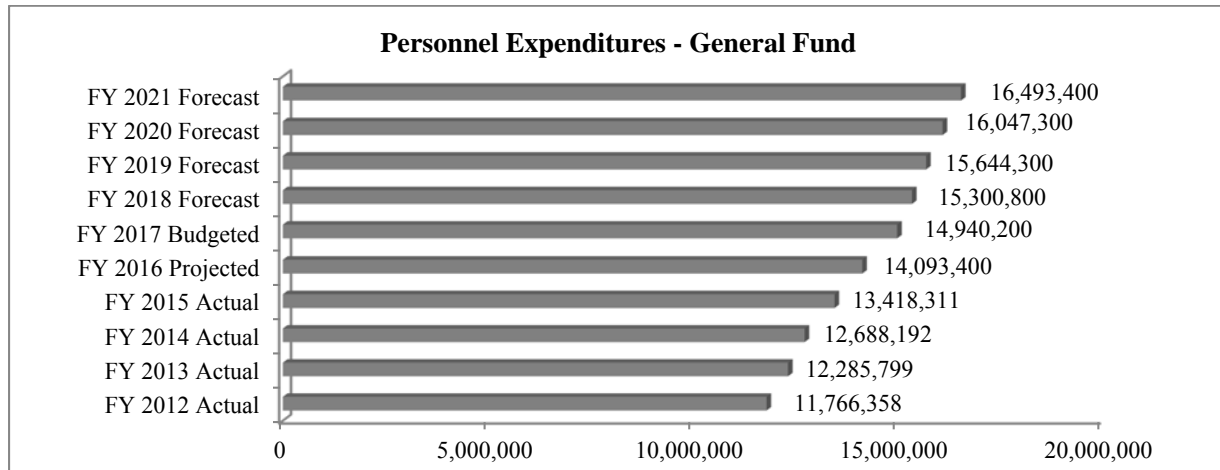
At \$19,854,900, General Fund expenditures make up 52.0% of the City's total uses. Major uses, as indicated in the graph below, are personnel service (75.2%) and services (10.2%).

FY 2016-2017 General Fund Expenditures by Use



Personnel Service

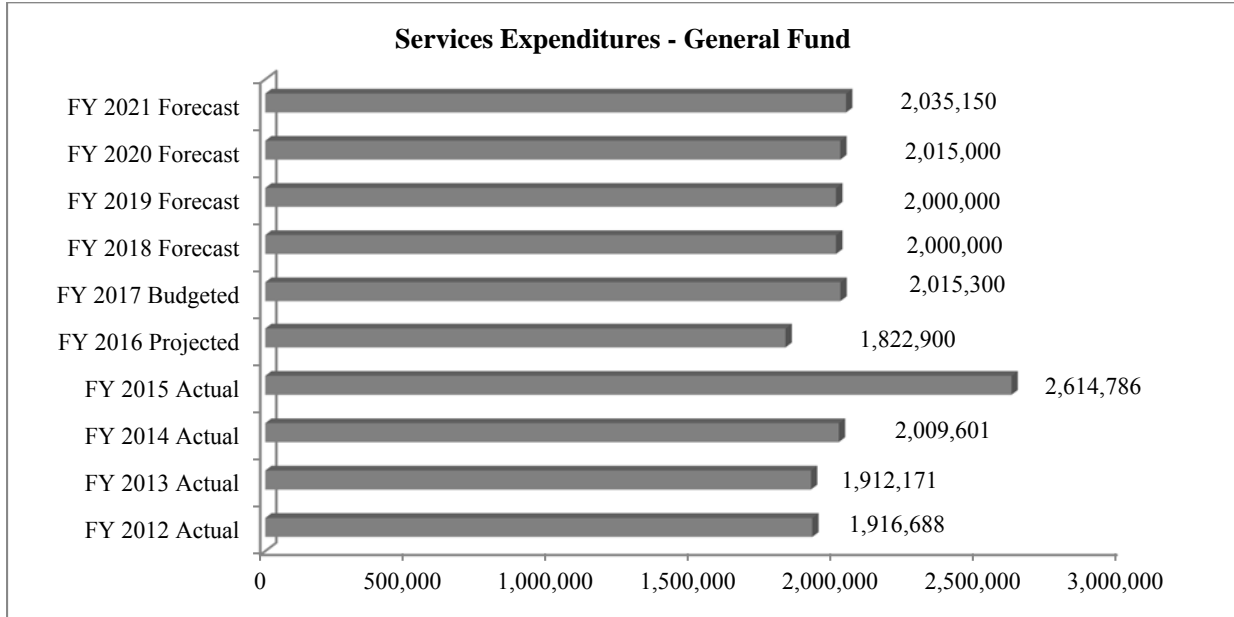
Total personnel services for the 2017 fiscal year are budgeted at \$14,940,200, an increase of \$846,800 or 6% over the prior year's projection. This increase is due to a 2.5% percent salary adjustment for all employees as well the addition of a Kennel Technician to the Pet Adoption Center at the beginning of the fiscal year and a System Support Coordinator to the Administration Department at mid-year. In forecasting for personnel service a two percent increase is added to the prior year's total. This is adjusted later during budget planning as it is confirmed whether a salary adjustment will be given, new employees will be hired, worker's compensation and retirement rates will increase, and based on changes to the health insurance coverage.



FY 2017's budgeted personnel expenditures show an increase of 27% in this line item since FY 2012.

Services

The Services category at a total of \$2,015,300 for the 2017 fiscal year contains many different line items the largest of which are Utilities (\$522,200) and Contract Labor (\$416,500). For forecasting purposes, the category of Services is projected to increase 1% each fiscal year. Adjustments are made as needed to keep in line with the projection or increase/decrease it if necessary.

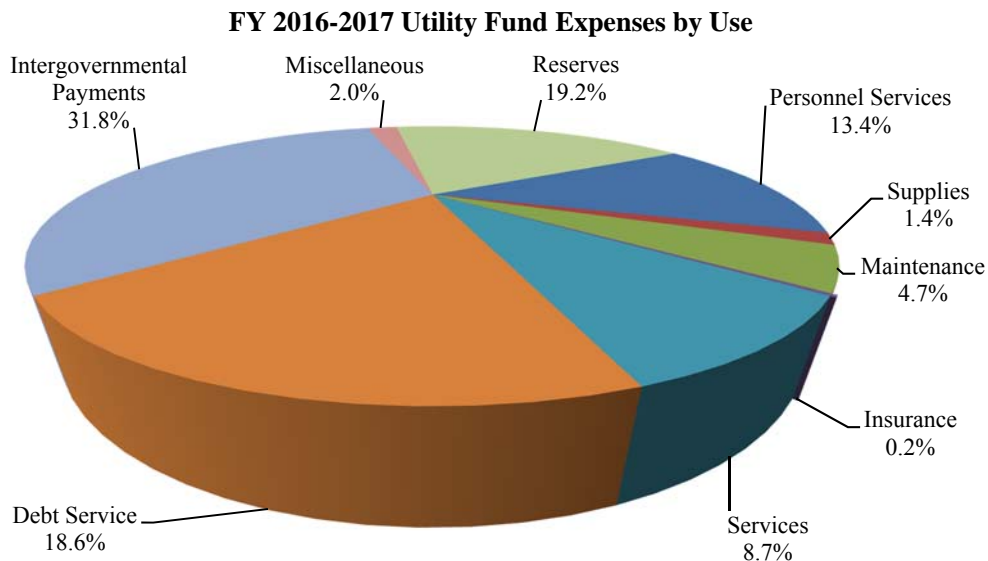


Depicts how the Services category may grow over the next four fiscal years.

A listing of all expenditures in the General Fund can be found in the “General Fund” section.

UTILITY FUND EXPENSES

At \$9,269,000, Utility Fund expenses make up 24.3% of the City’s total uses. Major uses, as indicated in the graph below, are Intergovernmental Payments (31.8%), Reserves (19.2%), and Debt Service (18.6%),



Intergovernmental Payments

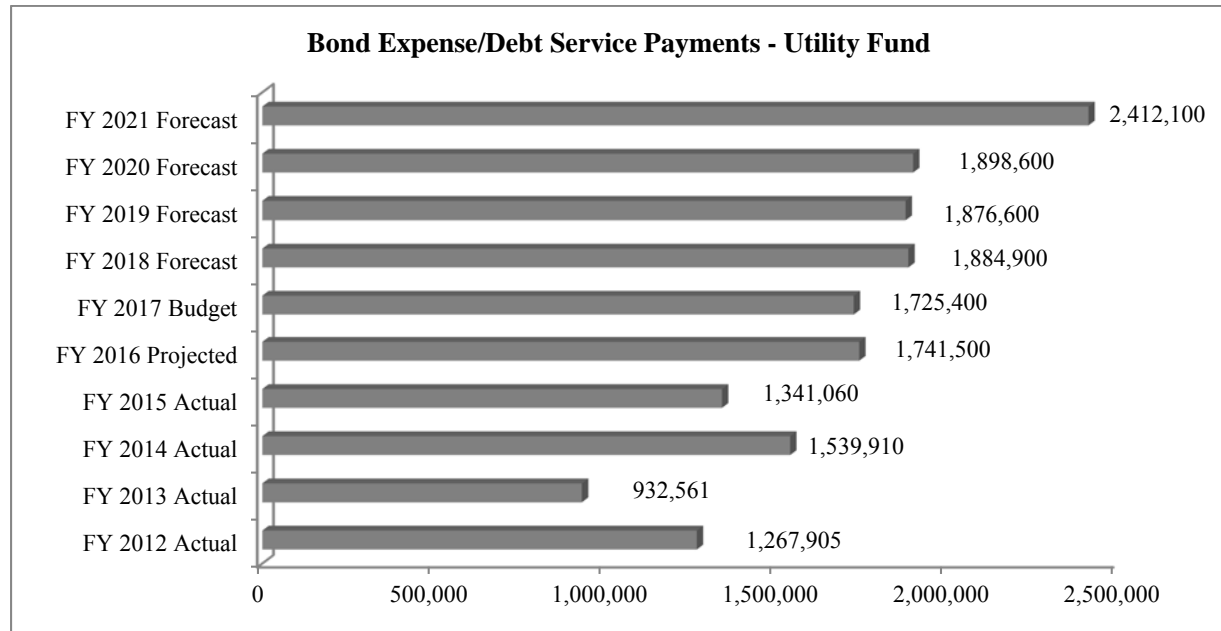
Intergovernmental Payments includes a transfer to the General Fund in the amount of \$450,000, a transfer to the Debt Service Fund in the amount of \$100,000 and water purchases of \$2,400,000. Transfers are forecasted at a flat amount and are adjusted during budget planning based on the needs of the City. Water purchases are planned based on payments scheduled to be made to the Water Control and Improvement District #1 (WCID #1) as the City’s portion of the debt they’ve incurred to improve the water system. It also includes purchases to the Brazos River Authority (and WCID #1) for water consumption.

Reserves

Reserves total \$1,775,000 in the Utility Fund and include transfers to the Fixed Asset (\$400,000) and Capital Project (\$1,375,000) Funds. Transfers are forecasted at a flat amount and are adjusted during budget planning based on the needs of the City.

Debt Service

Debt principal and interest payments for the 2016 fiscal year are projected at \$1,741,500, a decrease of \$44,300 from the budgeted amount of \$1,785,800. This is due to the Series 2016 General Obligation Refunding Bonds issued in March 2016. The FY 2016-2017 bond expense is budgeted at \$1,725,400 for this same reason. See the “Debt Service” section for additional details on the City’s debt.



A complete listing of all expenses in the Utility Fund can be found in the “Utility Fund” section.



GENERAL FUND

**REVENUE SUMMARY
GENERAL FUND**

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
TAXES						
700 Tax Receipts	7,941,200	8,023,825	8,251,000	8,186,986	8,251,000	8,491,200
701 Discounts	0	0	0	0	0	0
TOTAL TAXES	7,941,200	8,023,825	8,251,000	8,186,986	8,251,000	8,491,200
FRANCHISE FEES						
080 Cable Franchise Fees	310,000	311,949	310,000	153,194	310,000	311,000
081 Electricity Franchise Fees	910,000	899,354	918,000	500,705	900,000	900,000
082 Gas Franchise Fees	90,000	85,577	90,000	30,750	68,200	70,000
083 Telephone Franchise Fees	46,000	45,188	46,000	23,225	46,000	46,000
TOTAL FRANCHISE FEES	1,356,000	1,342,068	1,364,000	707,874	1,324,200	1,327,000
OTHER TAXES						
707 Mixed Drink Tax	105,000	140,743	141,000	56,098	110,000	110,000
708 Bingo Tax	80,000	63,580	70,000	25,551	52,000	55,000
709 Sales Tax	5,974,000	6,421,009	6,800,000	3,208,425	6,400,000	6,500,000
TOTAL OTHER TAXES	6,159,000	6,625,332	7,011,000	3,290,074	6,562,000	6,665,000
LICENSES AND PERMITS						
022 Platting and Rezoning	15,000	12,328	10,000	17,330	30,000	30,000
051 Building Permits	230,000	274,414	300,000	123,956	250,000	250,000
052 Contractor's Registration	25,000	18,300	25,000	8,025	18,000	20,000
053 Fire Permit Revenue	0	0	0	0	500	1,000
TOTAL LICENSES AND PERMITS	270,000	305,042	335,000	149,311	298,500	301,000
FINES AND FEES						
016 Court Fines	1,350,000	1,043,935	1,100,000	446,942	900,000	1,000,000
036 Aquatic Revenue	40,000	47,087	40,000	0	52,000	52,000
037 Recreation Programs	35,000	27,871	35,000	6,199	35,000	35,000
038 Youth Sports Activities	140,000	127,145	150,000	74,500	130,000	130,000
039 Concession Stand	5,000	5,317	5,000	1,582	5,000	5,000
040 Adult Activities	30,000	22,417	30,000	(68)	17,300	25,000
041 Park Facility Rentals	25,000	25,346	25,000	9,882	25,000	25,000
050 City Registration Fee	45,000	37,560	45,000	27,895	45,000	45,000
101 Ambulance Service	600,000	630,182	630,000	257,697	630,000	650,000
TOTAL FINES AND FEES	2,270,000	1,966,860	2,060,000	824,629	1,839,300	1,967,000
MISCELLANEOUS						
010 Credit Card Fees	(40,000)	(41,087)	(45,000)	(18,908)	(40,000)	(40,000)
011 Technology Fee - My Permit Now	0	0	14,000	0	1,500	10,000
015 Cash Over (Short)	0	(27)	0	6	0	0
020 Interest Income	25,000	34,678	30,000	32,282	57,500	60,000
021 Miscellaneous Income	25,000	18,825	20,000	9,002	18,000	20,000
023 Taxable Income	10,000	12,576	12,000	6,279	13,000	13,000
025 Miscellaneous A/R Income	0	0	0	0	0	0
030 Insurance Proceeds	0	67,603	0	28,845	187,600	0
031 Settlement of Claim	0	7,379	0	280	500	0
032 Gain on Sale of Asset	0	0	0	0	0	0
042 Discounts - Youth Sports	0	(35)	0	(5)	0	0
055 Street Paving Payments	0	2,906	0	0	0	0
056 Public Nuisance Assmt Pmt	0	13,215	0	4,647	15,000	0
058 False Alarm Fees	0	895	0	875	2,000	0
070 Grant Revenue	13,200	759,077	13,200	5,530	12,800	73,900
071 Contributions	0	0	0	0	0	0
100 Ambulance Collection Fees	(80,000)	(93,395)	(90,000)	(46,675)	(90,000)	(48,400)
102 Reimburse Bell County	5,000	2,941	3,000	5,095	5,100	5,000
112 Animal Control	18,000	15,025	16,000	14,265	30,000	30,000
113 Auction Abandoned Property	0	5	0	0	0	0
114 Child Safety Fund	40,000	35,393	40,000	1,810	1,800	0
116 State Seizure Funds	0	0	0	0	0	0

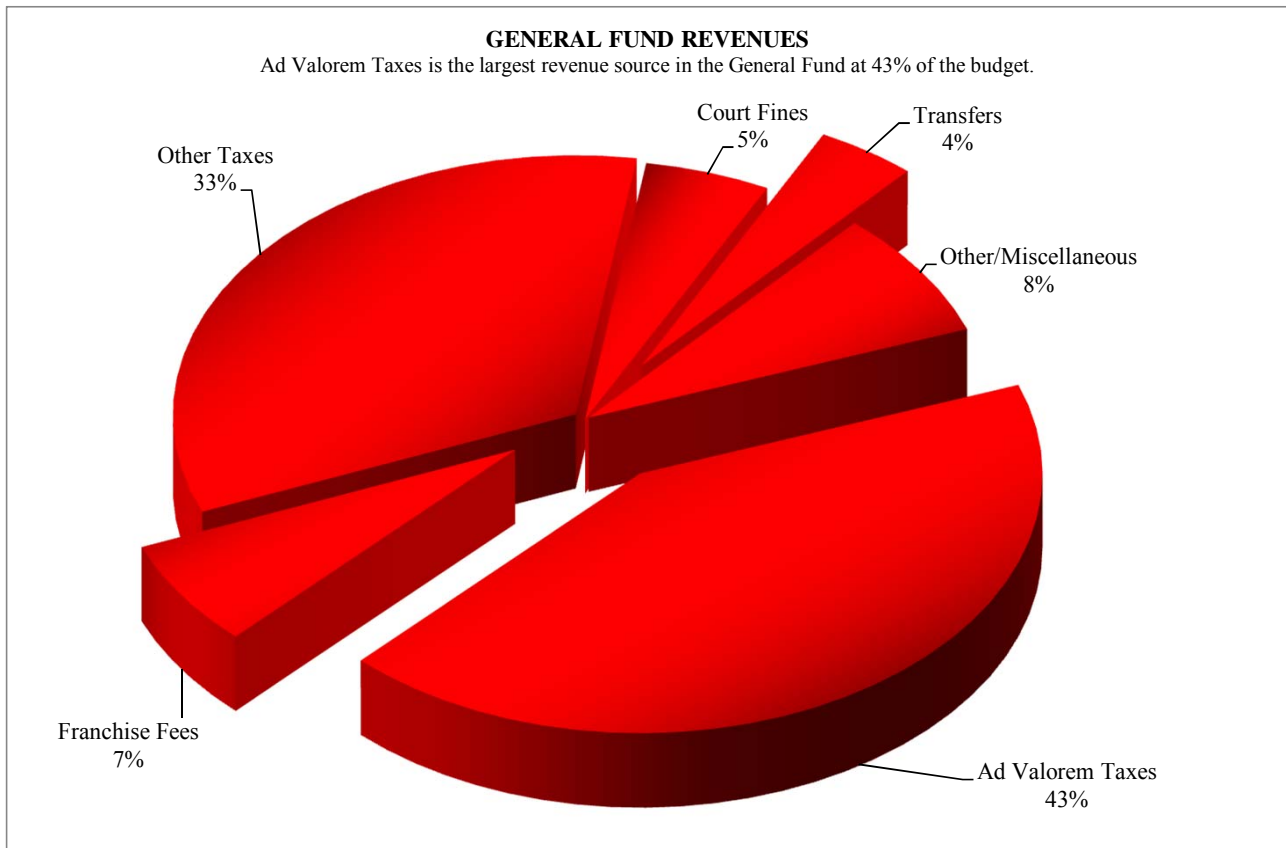
**REVENUE SUMMARY
GENERAL FUND**

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
201 Net Value of Investments	0	0	0	0	0	0
400 Donations	0	4,223	0	670	1,000	0
401 Donations - Police	0	8,444	0	6,155	7,000	0
403 Donations - Library	0	25	0	356	600	0
404 Donations - Parks & Recreation	0	10,041	0	4,147	6,000	0
405 Donations - Nat'l Night Out	0	0	0	0	0	0
406 Donations - Pet Adoption Center	0	9,676	0	13,891	20,000	20,000
600 Lease Agreement Proceeds	0	477,840	0	208,000	208,000	0
602 Reimb from TxDOT PTF Program	170,000	170,000	170,000	0	170,000	170,000
802 Transfer from Water	450,000	450,000	450,000	50,000	450,000	450,000
803 Transfer from Drainage	0	0	0	0	0	0
804 Transfer from Sanitation	300,000	300,000	300,000	25,000	300,000	300,000
812 Transfer from Restricted Courts	65,000	65,000	55,000	5,000	55,000	50,000
TOTAL MISCELLANEOUS	1,001,200	2,331,223	988,200	356,547	1,432,400	1,113,500
TOTAL REVENUES	18,997,400	20,594,350	20,009,200	13,515,421	19,707,400	19,864,700
BEGINNING FUND BALANCE	8,363,341	8,567,680	8,514,687	9,049,152	9,049,152	9,076,752
INCREASE/DECREASE	104,700	481,472	11,400	3,979,732	27,600	9,800
ENDING FUND BALANCE	8,468,041	9,049,152	8,526,087	13,028,884	9,076,752	9,086,552

FUND BALANCE REQUIREMENT

(Three Months Operating Expense)

4,938,700



**EXPENDITURE SUMMARY
GENERAL FUND**

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	9,895,100	9,788,713	10,447,000	5,011,143	10,163,300	10,809,300
002 Overtime	370,800	346,103	371,400	214,752	400,400	382,400
003 Worker's Compensation	147,700	143,650	171,800	152,332	149,600	149,600
004 Health Insurance	831,600	855,722	1,044,100	492,016	985,100	1,069,700
005 Social Security	785,400	776,436	827,700	384,290	809,300	856,300
006 Retirement	1,580,600	1,507,687	1,616,200	767,438	1,585,700	1,672,900
TOTAL PERSONNEL SERVICE	13,611,200	13,418,311	14,478,200	7,021,971	14,093,400	14,940,200
SUPPLIES						
010 Office	85,000	80,809	94,200	41,560	86,700	89,700
011 Vehicle	373,600	258,662	291,000	96,910	214,000	218,400
012 General	132,800	131,803	147,400	65,951	149,700	144,600
013 Equipment	63,900	46,088	83,900	35,733	82,400	72,100
014 Uniforms	77,400	68,293	85,100	31,249	81,500	90,600
015 Recreational	7,000	3,992	5,000	2,032	4,000	6,000
016 Chemical	18,000	12,672	12,200	3,846	12,200	12,200
019 K-9 Supplies	6,000	3,253	6,000	2,441	4,000	4,000
028 Pet Adoption Center	10,000	10,835	12,000	6,101	17,000	15,000
029 Medical	49,700	49,983	53,900	29,418	56,500	56,500
TOTAL SUPPLIES	823,400	666,390	790,700	315,241	708,000	709,100
MAINTENANCE						
020 Vehicle	96,300	123,218	118,500	70,382	130,800	114,800
021 Building	93,500	91,136	100,000	48,037	106,400	109,100
022 Equipment	109,600	107,917	153,800	56,818	183,000	268,900
023 Ground	183,800	137,248	178,700	111,783	193,700	188,700
TOTAL MAINTENANCE	483,200	459,519	551,000	287,020	613,900	681,500
INSURANCE						
030 Property/Liability	149,200	147,611	153,800	140,519	145,900	149,500
TOTAL INSURANCE	149,200	147,611	153,800	140,519	145,900	149,500
SERVICES						
033 Contingency	0	0	0	0	0	0
035 Unemployment Payments	0	28,372	0	0	0	0
036 Election Expense	10,000	3,684	10,000	201	1,500	10,000
040 Utilities	575,200	534,339	549,000	222,335	519,700	522,200
041 Dues and Subscriptions	44,900	38,342	46,500	22,996	44,500	45,100
042 Travel and Training	151,200	121,532	159,800	73,271	141,100	155,100
043 Impound Expense	400	580	400	0	400	400
045 Telephone	70,100	59,802	69,700	26,861	67,800	66,400
046 Equipment Rental	37,200	24,959	39,700	20,835	45,700	39,300
047 Contract Labor	317,600	321,697	432,100	180,299	392,500	416,500
051 Online Transaction Fees	5,100	6,101	6,000	2,742	6,300	6,300
059 Adaptive Sports	14,200	8,710	10,000	2,066	10,000	10,000
060 Tree City USA	10,000	6,930	10,000	1,429	8,000	10,000
061 Reimburse by Donations	2,000	4,453	3,000	2,564	4,500	4,500
065 Trophies and Awards	19,700	19,147	19,700	6,012	19,700	19,700
066 Uniforms and Equipment (Rec)	57,000	53,148	57,000	15,258	57,000	57,000
067 Parks and Recreation Programs	46,500	39,309	43,000	24,038	40,000	43,000
068 Team Travel	2,400	560	2,400	0	2,400	3,000
069 Adult Sports	6,000	4,507	6,000	920	6,000	6,000
070 Other Expense (Grants)	28,300	757,452	34,200	773	14,500	90,000
075 LEOSE Training	4,800	4,111	5,000	304	5,000	5,000
081 Bank Fees	25,000	1,016	5,000	454	1,000	1,000
083 Audit Fees	25,000	26,650	27,500	6,000	27,400	27,500

**EXPENDITURE SUMMARY
GENERAL FUND**

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
084 Tax Appraisal Contract	80,000	91,702	97,400	46,740	94,600	96,100
086 Nuisance Abatement	60,000	39,165	60,000	12,920	40,000	55,000
087 State Tax Payments	495,000	375,782	407,000	149,616	250,000	275,000
102 Medical Director Contract	27,900	22,915	10,300	6,600	6,600	28,400
104 Fire Prevention	5,700	5,487	5,700	2,972	5,700	6,700
105 Safety Training	1,800	1,254	1,000	180	1,000	1,100
400 Public Awareness	20,000	13,080	20,000	809	10,000	15,000
TOTAL SERVICES	2,143,000	2,614,786	2,137,400	829,195	1,822,900	2,015,300
MISCELLANEOUS						
090 Legal Fees	81,000	73,344	81,000	38,204	97,000	99,000
091 Advertising	44,900	32,278	43,400	19,007	38,900	40,400
092 Professional Fees	171,900	193,281	205,000	140,344	219,300	215,200
093 Medical Expense	2,000	0	0	0	0	0
094 Lawsuit Settlement	0	33,572	0	0	0	0
103 State Seizure	0	0	0	0	0	0
401 Transportation (HOP)	31,200	31,200	32,600	32,600	32,600	36,900
402 Heart of TX Defense Alliance	17,000	17,000	17,000	17,000	17,000	17,000
403 Chambers of Commerce	53,500	53,500	53,500	26,750	53,500	53,500
404 Youth Task Force	10,000	6,410	13,000	10,500	13,000	13,000
405 Economic Development	12,500	12,397	38,500	36,000	38,500	25,000
406 Texas A&M Contribution	50,000	50,000	50,000	0	50,000	50,000
408 Boys & Girls Club Contribution	50,000	50,000	50,000	0	50,000	50,000
409 Greater Killeen Free Clinic	5,000	5,000	5,000	5,000	5,000	5,000
410 Nat'l Mounted Warfare Found.	0	0	25,000	25,000	25,000	25,000
600 Pitney Bowes Lease	2,200	2,196	2,200	1,098	2,200	2,200
601 Xerox Lease - Int	0	0	0	0	0	0
602 Xerox Lease - Prin	0	0	0	0	0	16,600
TOTAL MISCELLANEOUS	531,200	560,178	616,200	351,503	642,000	648,800
RESERVES/TRANSFERS						
007 Reserve for Personnel	10,000	21,384	15,000	1,592	10,000	10,000
252 Reimb: Market Heights	0	0	0	0	0	0
254 Reimb: Seton Medical	600,500	588,413	600,500	588,648	588,700	600,500
259 Reimb: YMCA Parking Lot	141,000	141,064	0	0	0	0
260 Reimb: Texas Mattress	0	0	0	0	0	0
800 Transfer to Fixed Assets	0	595,222	300,000	0	500,000	0
805 Transfer to Capital Projects	300,000	800,000	300,000	0	500,000	100,000
806 Transfer to Debt Service	100,000	100,000	55,000	0	55,000	0
TOTAL RESERVES/TRANSFERS	1,151,500	2,246,083	1,270,500	590,240	1,653,700	710,500
GRAND TOTAL	18,892,700	20,112,878	19,997,800	9,535,689	19,679,800	19,854,900

CITY COUNCIL

The City of Harker Heights is a home rule city which operates under a Council-Manager form of government. All powers of the City shall be vested in the elective Council which enacts local legislation, adopts budgets, determines policies and employs the City Manager. The City Council consists of a Mayor and five Council Members who elect one of their members to serve as Mayor-Protempore.

The City government provides a broad range of goods and services to its citizens. The activities and personnel required to provide these goods and services are organized into broad managerial areas. The primary objective of City government is to provide services to the citizens at the lowest reasonable cost.

MISSION STATEMENT

To create a positive atmosphere which encourages meaningful involvement and participation of all citizens and community groups; to demonstrate community leadership through effective and ethical local government; and to encourage high quality and cost effective services and facilities to meet the needs of our citizens.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Complete the prioritization and final approval of the Pedestrian Mobility Plan.
 - Plan approved by Council and prioritization of pedestrian projects underway by staff for Council review.
- Conduct a joint meeting with Killeen Independent School District.
 - Meeting was held on October 19, 2015.
- Hold a Council Retreat.
 - Council retreat held on August 4, 2016.

FY 2015-2016 OBJECTIVES

- Complete the prioritization and final approval of the Pedestrian Mobility Plan.
- Conduct a joint meeting with Killeen Independent School District.
- Hold a Council retreat.

CITY COUNCIL

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	6,000	6,060	6,000	3,000	6,000	6,000
005 Social Security	500	471	500	230	500	500
TOTAL PERSONNEL SERVICE	6,500	6,531	6,500	3,230	6,500	6,500
SUPPLIES						
010 Office	0	0	0	0	0	0
012 General	12,000	13,102	12,000	7,599	14,000	14,000
TOTAL SUPPLIES	12,000	13,102	12,000	7,599	14,000	14,000
SERVICES						
036 Election Expense	10,000	3,684	10,000	201	1,500	10,000
041 Dues and Subscriptions	1,000	213	1,000	600	1,000	1,000
042 Travel and Training	15,000	12,212	15,000	705	15,000	15,000
TOTAL SERVICES	26,000	16,109	26,000	1,506	17,500	26,000
MISCELLANEOUS						
090 Legal Fees	6,000	4,110	6,000	2,340	6,000	6,000
401 Transportation (HOP)	31,200	31,200	32,600	32,600	32,600	36,900
402 Heart of TX Defense Alliance	17,000	17,000	17,000	17,000	17,000	17,000
403 Chambers of Commerce	53,500	53,500	53,500	26,750	53,500	53,500
406 Texas A&M Contribution	0	0	0	0	0	50,000
408 Boys & Girls Club Contr	50,000	50,000	50,000	0	50,000	50,000
409 Greater Killeen Free Clinic	5,000	5,000	5,000	5,000	5,000	5,000
410 Nat'l Mounted Warfare Found.	0	0	25,000	25,000	25,000	25,000
TOTAL MISCELLANEOUS	162,700	160,810	189,100	108,690	189,100	243,400
FIXED ASSET TRANSFERS						
701 Land and Improvements	0	0	0	0	0	0
702 Building and Improvements	0	0	0	0	0	0
705 Equipment	0	0	0	0	0	25,000
706 Furniture and Fixtures	0	0	0	0	0	0
TOTAL FIXED ASSET TRANSFERS	0	0	0	0	0	25,000
GRAND TOTAL	207,200	196,552	233,600	121,025	227,100	314,900

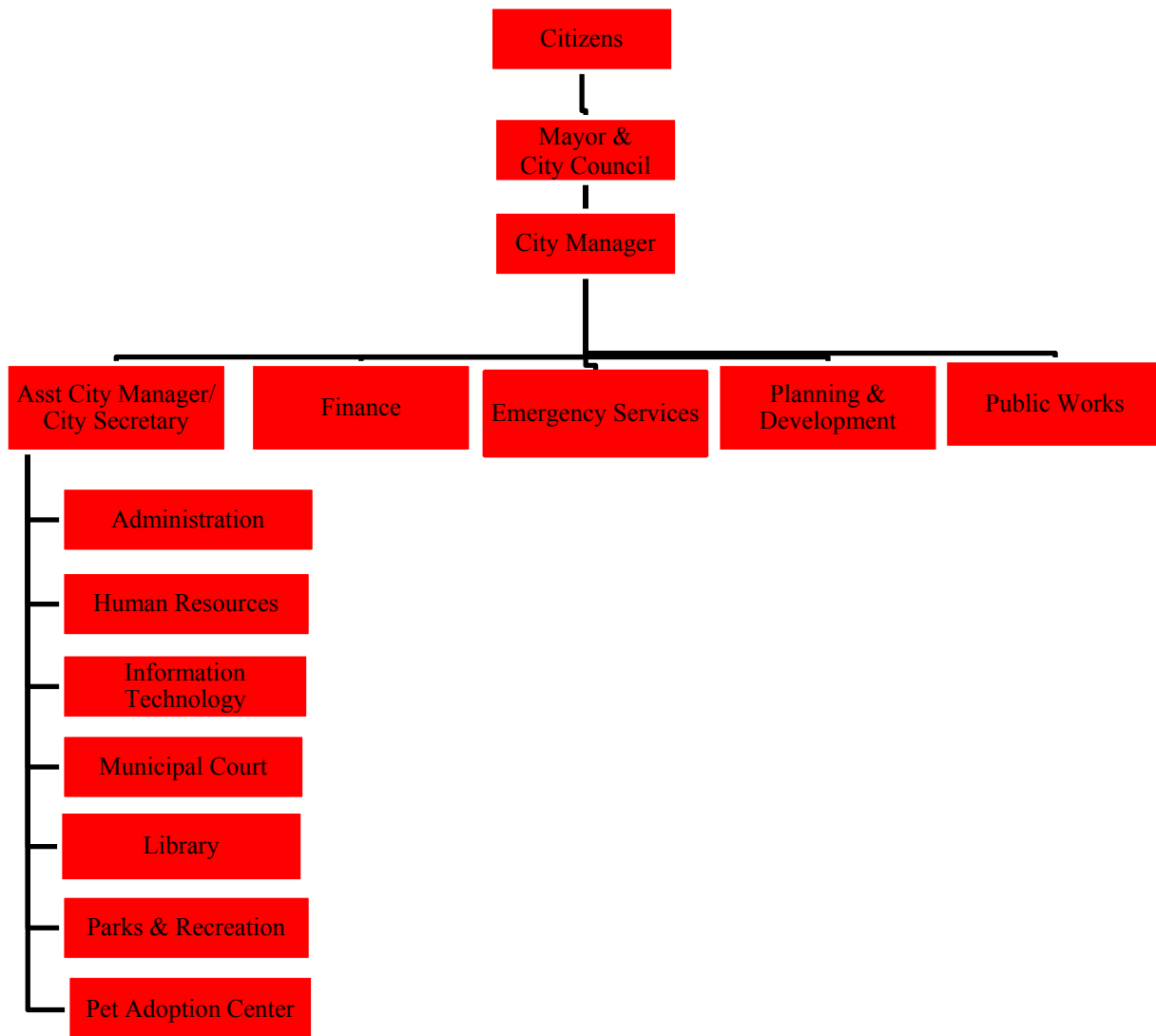
ADMINISTRATION

The City Administration Department includes the City Manager, Assistant City Manager, Human Resource Director, Technology Director, System Support Technician, Administrative Assistant, Human Resource Coordinator, Records Management Coordinator, Human Resource Clerk and all Pet Adoption Center personnel.

The City Manager is responsible for the operation of the City. This includes planning, budgeting, supervision of employees and providing quality services to residents of the City. He is appointed by the City Council and accountable to that body.

The Assistant City Manager supervises the Administrative Department staff, Parks and Recreation, Library, Court, Human Resources, Information Technology, Pet Adoption Center, and is responsible for City Secretary functions.

ORGANIZATIONAL CHART



PROGRESS ON FY 2015-2016 OBJECTIVES

- Complete the City Hall and Recreation Center renovations.
 - Renovations are 90% complete due to heavy rains early in the project.
- Oversee engineering/architecture of Central Fire Station.
 - Architect/engineer selected and design of renovation/expansion is underway.
- Test the use of tablets for agendas/Council meetings.
 - IT staff is preparing to migrate staff and Council to tablets.
- Work with The Retail Coach to recruit retail businesses to the City.
 - Work continues with The Retail Coach on a number of retail businesses.

FY 2016-2017 OBJECTIVES

- Complete the City Hall and Recreation Center renovations.
- Oversee engineering/architecture and the beginning of construction of Central Fire Station.
- Test the use of tablets for agendas/Council meetings.
- Work with The Retail Coach to recruit retail businesses to the City.
- Hold a staff retreat.
- Hold an Exploring New Heights session.

PERFORMANCE MEASURES - ADMINISTRATION

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
Number of full time employees	14	14	16	17	20
OUTPUTS:					
Agenda minutes prepared	28	37	28	26	27
Ordinances published, codified	22	33	25	38	35
Resolutions processed	39	40	35	46	48
Requests for information processed	206	512	300	524	600
# of Council workshops held	18	21	26	17	20
# of Council meeting held	28	29	28	26	27
# of Developer Agreements signed	1	0	1	1	1
EFFECTIVENESS/EFFICIENCY:					
% of agenda packets delivered by Friday	100%	100%	100%	100%	100%
% of information requests satisfied	100%	100%	100%	100%	100%

PERFORMANCE MEASURES – INFORMATION TECHNOLOGY

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimate
OUTPUTS:					
# of servers supported	10	14	16	16	20
# of computers/laptops supported	165	165	175	170	175
# of users supported	190	190	200	190	200
# of printers/scanners supported	82	80	82	80	82
# of applications supported	28	28	32	32	34
# of specialty systems supported	10	10	14	15	15
EFFECTIVENESS:					
% of support hours	75	80	75	75	75
% of project hours	25	20	25	25	25
EFFICIENCY:					
Average month requests closed	150	175	190	189	200
# of work orders closed	1,800	2,105	2,280	2,269	2,400

PERFORMANCE MEASURES – HUMAN RESOURCES

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
OUTPUTS:					
# of job fairs participated in	2	2	2	2	2
# of criminal background checks	700	1,013	1,000	883	900
# of pre-employment drug screening	74	60	30	59	50
EFFECTIVENESS:					
# of exit interviews conducted	15	15	11	11	15
# of HR website hits	60,000	47,387	50,000	52,925	50,000
EFFICIENCY:					
Employee Turnover Rate	3%	3%	4%	4%	4%

ADMINISTRATION

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	641,000	651,556	723,500	366,938	738,400	778,500
002 Overtime	8,000	7,261	8,000	1,689	8,000	8,000
003 Worker's Compensation	6,900	6,634	8,300	7,079	7,900	7,400
004 Health Insurance	50,400	51,941	65,900	32,320	65,000	74,900
005 Social Security	49,600	50,650	56,000	25,009	57,100	60,200
006 Retirement	100,500	103,642	109,900	55,448	112,000	118,200
TOTAL PERSONNEL SERVICE	856,400	871,684	971,600	488,483	988,400	1,047,200
SUPPLIES						
010 Office	1,500	1,310	1,500	302	1,500	1,500
012 General	20,000	18,435	20,000	9,057	20,000	20,000
013 Equipment	0	0	1,500	0	500	1,300
TOTAL SUPPLIES	21,500	19,745	23,000	9,359	22,000	22,800
MAINTENANCE						
022 Equipment	10,000	8,497	15,800	4,317	55,000	80,000
TOTAL MAINTENANCE	10,000	8,497	15,800	4,317	55,000	80,000
INSURANCE						
030 Property/Liability	6,900	6,660	7,400	6,765	7,100	7,400
TOTAL INSURANCE	6,900	6,660	7,400	6,765	7,100	7,400
SERVICES						
035 Unemployment Payments	0	307	0	0	0	0
040 Utilities	40,000	33,376	40,000	13,068	36,700	39,200
041 Dues and Subscriptions	12,000	10,683	12,000	4,212	11,000	11,000
042 Travel and Training	10,000	13,020	14,000	8,425	14,000	14,000
045 Telephone	15,000	12,597	21,700	5,486	21,700	22,000
046 Equipment Rental	2,200	2,682	3,100	1,357	2,500	2,300
047 Contract Labor	4,000	0	0	0	0	0
070 Other Expense (Grants)	0	750,000	0	0	0	0
081 Bank Fees	25,000	1,016	5,000	454	1,000	1,000
400 Public Awareness	20,000	13,080	20,000	809	10,000	15,000
TOTAL SERVICES	128,200	836,761	115,800	33,811	96,900	104,500
MISCELLANEOUS						
090 Legal Fees	55,000	50,832	55,000	28,387	73,000	75,000
091 Advertising	20,000	13,460	20,000	8,540	15,000	15,000
092 Professional Fees	94,000	102,599	117,000	52,958	115,500	110,000
093 Medical Expense	2,000	0	0	0	0	0
094 Lawsuit Settlement	0	33,572	0	0	0	0
404 Youth Task Force	10,000	6,410	13,000	10,500	13,000	13,000
405 Economic Development	12,500	12,397	38,500	36,000	38,500	25,000
406 Texas A&M Contribution	50,000	50,000	50,000	0	50,000	0
600 Pitney Bowes Lease	2,200	2,196	2,200	1,098	2,200	2,200
601 Xerox Lease - Prin	0	0	0	0	0	6,800
602 Xerox Lease - Int	0	0	0	0	0	0
TOTAL MISCELLANEOUS	245,700	271,466	295,700	137,483	307,200	247,000
FIXED ASSET TRANSFERS						
603 Dell Computer Lease - Prin	0	0	0	41,600	41,600	41,600
604 Dell Computer Lease - Int	0	0	0	295	300	2,900
701 Land and Improvements	0	1,685	0	0	0	0
702 Building and Improvements	0	0	0	0	0	0
705 Equipment	238,000	220,816	153,400	259,369	283,500	88,600
706 Furniture and Fixtures	0	0	0	0	0	0
TOTAL FIXED ASSET TRANSFERS	238,000	222,501	153,400	301,264	325,400	133,100
GRAND TOTAL	1,506,700	2,237,314	1,582,700	981,482	1,802,000	1,642,000

FINANCE

The Finance Department is composed of a Finance Director, Assistant Finance Director, Finance Coordinator, Payroll Specialist, Account Clerk, two Utility Billing Clerks, and a Customer Service Clerk.

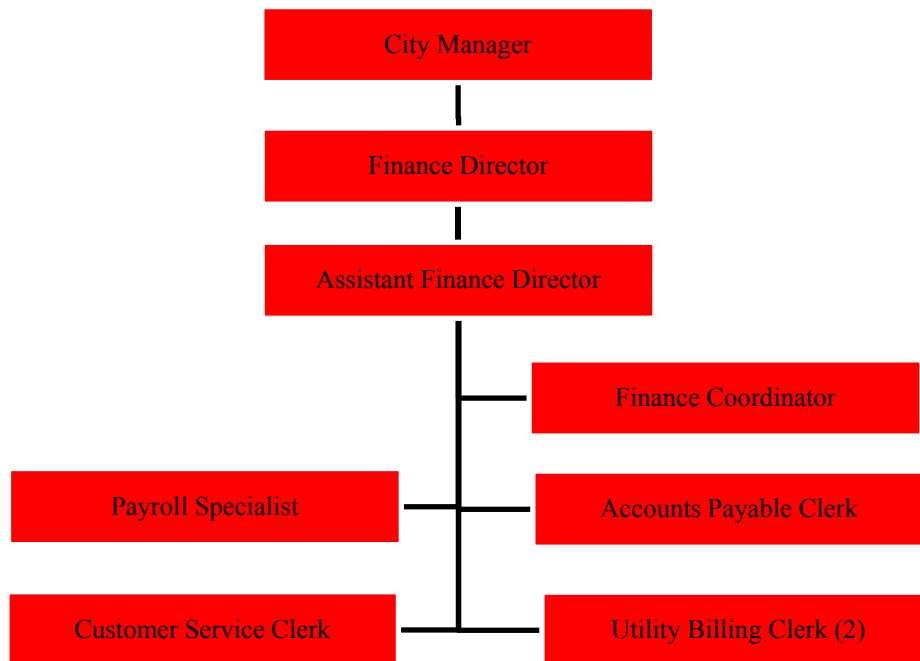
The responsibility of the Finance Department is to develop and implement financial accounting policies and procedures; to protect and optimize the financial resources of the City; and to provide a sound accounting system for safeguarding the City's assets through the recording and reporting of financial transactions in a manner consistent with Generally Accepted Accounting Principles (GAAP) and legally mandated standards.

Included in the Finance Department are the utility accounting and collection, purchasing, accounts payable, accounts receivable, payroll, investments, cash management, budgeting and auditing functions.

GOALS AND OBJECTIVES

The primary goal of the Finance Department is to protect and optimize the financial resources of the City, and to provide a sound accounting system for safeguarding the City's assets. The department strives to achieve this through a collaborative effort with the other departments and staff. It is also a goal of the Finance Department to provide accurate and compliant budgeting, accounting and payroll services to City departments in order to manage the City's resources and meet federal, state and GASB requirements.

ORGANIZATIONAL CHART



FY 2015-2016 ACHIEVEMENTS

- Received Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the twenty-first consecutive year.
- Received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for the twentieth consecutive year.
- Completed financing for the Series 2016 Refunding Obligation in the amount of \$6,470,000.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Clean-up the accounts payable vendor listing to ensure that there are no duplicate vendors on the list as well as deleting vendors that have not been used since September 30, 2009.
 - This will remain an objective for the 2017 fiscal year.
- Continue to implement internal auditing procedures.
 - Ongoing. This will remain as an objective for the Finance Department.
- Continue to audit department's fixed assets to ensure all assets are recorded.
 - Ongoing.
- Complete financial trend monitoring report.
 - Ongoing. Prior year data will need to be added to the data that has already been gathered. The next step will be to create graphs and prepare a narrative.
- Implement CAFR Statement Builder program as part of the audit process for the 2016 fiscal year.
 - Data was input from the 2015 fiscal year to setup the CAFR Statement Builder program.
- Oversee and manage the City Hall and Recreation Center renovations
 - City Hall and Recreation Center renovations were nearly completed during the fiscal year.

FY 2016-2017 OBJECTIVES

- Clean-up the accounts payable vendor listing to ensure that there are no duplicate vendors on the list as well as deleting vendors that have not been used since September 30, 2009.
- Continue to implement internal auditing procedures.
- Continue to audit department's fixed assets to ensure all assets are recorded.
- Complete financial trend monitoring report.
- Complete Series 2017 Issuance.

PERFORMANCE MEASURES - FINANCE

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of full-time personnel	5	5	5	5	5
OUTPUTS:					
CAFR prepared	Yes	Yes	Yes	Yes	Yes
Official Budget Book prepared	Yes	Yes	Yes	Yes	Yes
# of purchase orders processed	1,150	1,609	1,635	1,770	1,800
# of accounts payable transactions	14,100	14,038	14,200	14,323	14,500
# of vendors paid electronically	65	70	75	70	75
# of bid openings held	10	15	10	15	10
EFFECTIVENESS:					
Received GFOA's CAFR Award	Yes	Yes	Yes	Yes	Yes
Received GFOA's Budget Award	Yes	Yes	Yes	Yes	Yes
Standard & Poor's Rating	AA	AA	AA	AA	AA
Average # of days to process requisitions to purchase order status	1.5	1.5	1.5	1.0	1.0
EFFICIENCY:					
# of purchase orders per employee	230.0	321.8	327.0	354.0	360.0

PERFORMANCE MEASURES – UTILITY ADMINISTRATION

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of full-time personnel*	3	3	3	3	3
OUTPUTS:					
# of active accounts	11,000	10,384	10,500	10,638	10,800
Total amount billed (in thousands)	\$11,200	\$11,255	\$11,500	11,797	12,000
# of utility bills outsourced	110,000	97,894	98,500	127,918	130,000
# of second notices mailed	21,500	21,058	21,000	25,826	27,000
# of e-bills sent	15,000	18,665	20,000	22,199	25,000
# of service orders processed	13,000	14,418	15,000	13,234	14,000
# of payments processed in-house	112,000	111,008	112,000	111,023	111,000
# of payments water related	105,000	104,636	105,000	105,227	107,000
# of payments processed via electronic submission to bank	30,000	27,407	28,000	22,562	23,000
# of payments made through website	24,500	26,100	30,000	29,382	32,000
# of payments processed as bank or credit card draft	16,000	17,115	18,000	19,717	21,000
# of payments made via IVR	New	New	5,000	5,615	8,000
# of past due phone notifications sent	16,200	17,346	18,000	17,640	18,000
# of successful notification deliveries	8,000	8,076	9,000	6,169	8,000

PERFORMANCE MEASURES – UTILITY ADMINISTRATION, CONTINUED

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
EFFECTIVENESS:					
% of bills processed as scheduled	100%	96%	100%	98%	100%
% of payments processed via electronic submission to bank	27%	25%	25%	20%	21%
% of payments processed made through website	22%	24%	27%	26%	29%
% of payments processed as bank or credit card draft	14%	15%	16%	18%	19%
% of payments made via IVR	New	New	4%	5%	7%
% of payments that are water related	94%	94%	94%	95%	96%
% of bills/second notices outsourced	84%	82%	82%	83%	83%
% of successful notification delivery	49%	47%	50%	35%	50%
EFFICIENCY:					
# of utility billing accounts per employee	3,666.7	3,461.3	3,500.0	3,546.0	3,600.0
# of service orders per billing clerk	6,500.0	7,209.0	7,500.0	6,617.0	7,000.0
# of in-house payments per Utility employee	37,333.3	37,005.7	37,333.3	37,007.7	37,000.0

FINANCE

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	316,400	326,715	341,600	171,551	346,300	356,800
002 Overtime	2,500	525	2,500	2,225	3,500	3,500
003 Worker's Compensation	4,200	4,073	4,600	4,028	4,000	4,100
004 Health Insurance	35,400	37,254	42,900	20,967	42,000	44,400
005 Social Security	24,400	24,776	26,300	12,321	26,800	27,600
006 Retirement	49,400	50,365	51,700	26,139	52,500	54,200
TOTAL PERSONNEL SERVICE	432,300	443,708	469,600	237,231	475,100	490,600
SUPPLIES						
010 Office	8,000	6,793	8,000	2,191	7,000	7,000
012 General	15,000	12,410	15,000	5,540	12,000	13,800
TOTAL SUPPLIES	23,000	19,203	23,000	7,731	19,000	20,800
MAINTENANCE						
022 Equipment	20,000	21,041	22,000	14,332	21,900	22,900
TOTAL MAINTENANCE	20,000	21,041	22,000	14,332	21,900	22,900
INSURANCE						
030 Property/Liability	4,300	4,168	4,300	3,784	4,000	4,300
TOTAL INSURANCE	4,300	4,168	4,300	3,784	4,000	4,300
SERVICES						
035 Unemployment Payments	0	0	0	0	0	0
041 Dues and Subscriptions	2,000	1,310	2,000	1,296	2,000	2,000
042 Travel and Training	10,000	5,288	10,000	3,444	7,500	9,000
045 Telephone	1,800	1,521	1,800	770	1,800	1,800
047 Contract Labor	7,000	3,430	3,500	1,716	3,500	3,500
083 Audit Fees	25,000	24,150	25,000	6,000	24,900	25,000
084 Tax Appraisal Contract	80,000	91,702	97,400	46,740	94,600	96,100
TOTAL SERVICES	125,800	127,401	139,700	59,966	134,300	137,400
FIXED ASSET TRANSFERS						
603 Dell Computer Lease - Prin	0	0	0	0	0	0
604 Dell Computer Lease - Int	0	0	0	0	0	0
702 Building and Improvements	0	0	0	0	0	0
705 Equipment	0	0	0	10,800	10,800	0
706 Furniture and Fixtures	0	0	0	0	0	0
TOTAL FIXED ASSET TRANSFERS	0	0	0	10,800	10,800	0
GRAND TOTAL	605,400	615,521	658,600	333,844	665,100	676,000

PET ADOPTION CENTER AND ANIMAL SERVICES

The City Pet Adoption Center is supervised by the Assistant City Manager. The Technology Director assists the Assistant City Manager in overseeing operations and personnel. In August of 2014 the Animal Control Unit was transferred from the Police Department Administration Division and placed under operational control of the Assistant City Manager. Fiscal Year 2015 the Animal Control Unit was reorganized as the Pet Adoption Center and Animal Services.

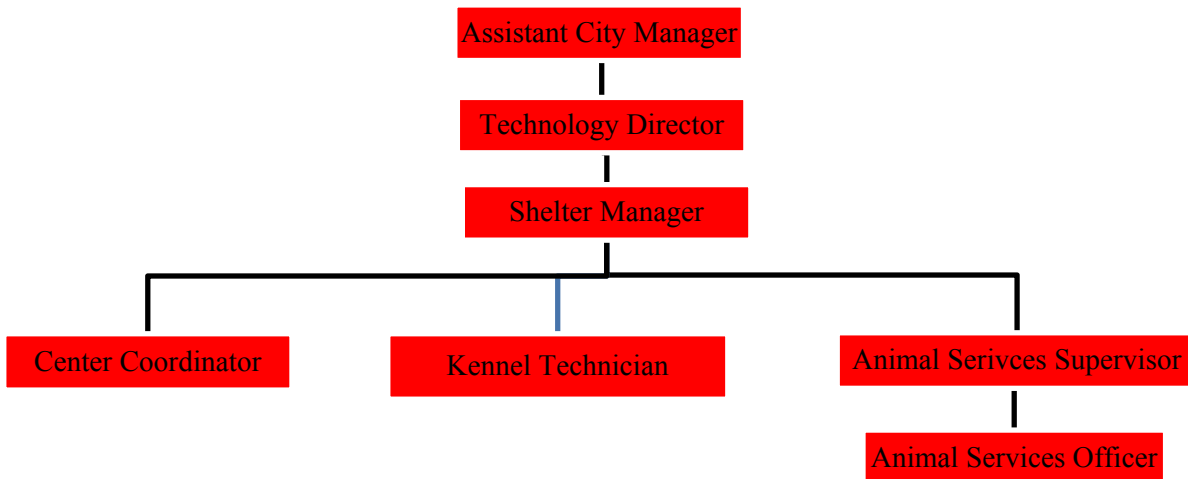
GOALS AND OBJECTIVES

The Pet Adoption Center and Animal Services has two primary functions:

- Center Operations – care, support, and adoption of animals located at the Center.
- Animal Services – helps residents and businesses located in the City with animal related issues. Additionally, Animal Services supports other City Departments with animal issues.

The Pet Adoption Center consists of six (6) personnel. This includes a Shelter Manager, Center Coordinator, Animal Services Supervisor, and three (3) Animal Services Officers.

ORGANIZATIONAL CHART



FY 2015-2016 ACHIEVEMENTS

- We raised more than \$20,297.30 in donations enabling the Pet Adoption Center to spay and neuter approximately 405 animals.
- Implemented a new suite of software to assist in animal tracking.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Make improvements to the dog yard.
 - Concrete foundation and shade cover was added to the dog yard.
- Implement a microchipping program at the Center.
 - All dogs and cats adopted from the shelter are now microchipped.
- Continue to grow our donation program to support our spay/neuter initiative.
 - Created a donation website to provide an easier way for donations to be made.

FY 2016-2017 OBJECTIVES

- Start a remodel of the Pet Adoption Center which will include a surgery suite and additional workspace.
- Replace the radio system used by the Animal Services Officers to ensure they have reliable communication.
- Update the Pet Adoption Center website to include some mobile enhancements and improvements to the donation page.
- Enhance several of the City’s Code of Ordinances with regard to animal and public safety.

PERFORMANCE MEASURES – ANIMAL CONTROL

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
Number of full-time personnel	4	5	6	6	7
OUTPUTS:					
Number Impounded:					
Dogs	1,000	1,225	1,000	1,204	1,000
Cats	600	932	600	1008	600
# of calls for service handled	2,300	2,939	2,850	2,761	2,850
EFFECTIVENESS/EFFICIENCY:					
Percentage Adopted:					
Dogs	70%	59%	70%	54%	70%
Cats	70%	64%	70%	44%	70%
Percentage Returned to Owner:					
Dogs	N/A	30%	10%	32%	10%
Cats	N/A	2%	5%	3%	5%
Percentage Euthanized:					
Dogs	10%	2%	10%	3%	10%
Cats	20%	16%	20%	16%	20%

PET ADOPTION CENTER

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	148,700	155,990	171,300	81,061	174,900	236,400
002 Overtime	7,800	9,511	7,800	7,948	18,000	18,000
003 Worker's Compensation	3,800	3,732	5,000	4,394	4,500	5,200
004 Health Insurance	22,000	15,724	26,800	8,920	18,000	23,200
005 Social Security	11,400	11,180	13,700	6,784	14,800	19,500
006 Retirement	23,000	22,499	26,900	13,388	28,900	38,200
TOTAL PERSONNEL SERVICE	216,700	218,636	251,500	122,495	259,100	340,500
SUPPLIES						
010 Office	800	1,609	2,000	1,558	3,400	3,700
011 Vehicle	10,500	6,259	8,000	2,214	8,000	8,900
012 General	0	3,792	4,200	1,819	9,500	4,000
013 Equipment	1,000	253	3,600	1,339	5,100	3,500
014 Uniforms	1,200	1,335	4,600	1,906	3,500	3,800
028 Animal Care Supplies	10,000	10,870	12,000	6,101	17,000	15,000
TOTAL SUPPLIES	23,500	24,118	34,400	14,937	46,500	38,900
MAINTENANCE						
020 Vehicle	3,000	1,439	2,000	374	1,000	1,000
021 Building	5,000	10,616	12,000	6,702	13,000	14,000
022 Equipment	3,000	2,385	2,700	525	2,700	5,500
TOTAL MAINTENANCE	11,000	14,440	16,700	7,601	16,700	20,500
INSURANCE						
030 Property/Liability	3,900	3,711	4,500	4,032	4,200	4,500
TOTAL INSURANCE	3,900	3,711	4,500	4,032	4,200	4,500
SERVICES						
035 Unemployment Payments	0	0	0	0	0	0
040 Utilities	25,000	28,059	25,000	8,560	18,000	18,000
041 Dues and Subscriptions	300	0	300	0	300	300
042 Travel and Training	3,000	2,746	9,700	864	5,000	9,700
045 Telephone	2,100	299	1,000	53	500	500
046 Equipment Rental	0	0	0	0	0	0
047 Contract Labor	0	0	0	0	0	0
051 Online Fees	0	21	0	61	300	300
070 Other Expense (Grants)	0	0	0	0	0	0
TOTAL SERVICES	30,400	31,125	36,000	9,538	24,100	28,800
MISCELLANEOUS						
091 Advertising	0	(118)	500	203	500	1,900
092 Professional Fees	0	9,551	7,000	12,464	20,000	18,000
TOTAL MISCELLANEOUS	0	9,433	7,500	12,667	20,500	19,900
FIXED ASSET TRANSFERS						
702 Building and Improvements	0	0	26,300	10,397	9,900	0
705 Equipment	0	0	15,800	0	17,200	22,900
706 Furniture and Fixtures	0	0	0	0	0	0
707 Vehicles	0	0	23,000	0	23,200	37,800
TOTAL FIXED ASSET TRANSFERS	0	0	65,100	10,397	50,300	60,700
GRAND TOTAL	285,500	301,463	415,700	181,667	421,400	513,800

POLICE DEPARTMENT

The Police Department is a service and community oriented law enforcement agency that strives to assure each citizen the opportunity to live and work peacefully in Harker Heights, free from criminal acts. The Department is responsible for the protection of life and property, the enforcement of City ordinances, State laws, some federal regulations, the apprehension of suspects, and the recovery and return of stolen property. Additionally, the Department is responsible for assisting prosecutors in the investigation and presentation of criminal cases. These efforts are administered through a community-oriented and problem-solving approach that endeavors to integrate every available resource toward identifying and solving crime related problems and issues.

The Police Chief directs an organization composed of fifty-one sworn personnel and eleven civilian employees. Additionally, the Department utilizes volunteers to serve as patrol augmentation through a "Citizens on Patrol" program as well as joint police-community problem solving teams. The Department is divided into three Divisions, each headed by a commander and other supervisors as required. Those Divisions are Patrol, Criminal Investigations, and Administration. The Police Chief directly supervises the Deputy Chief of Police, Professional Standards Sergeant, an Administrative Assistant and the Healthy Homes Coordinator.

The Administrative Division is responsible for the administration, control, support, and coordination of all Department Divisions. Additionally, the Communications and Records Sections are included in the Administrative Division as is the Community Services Section.

The Patrol Division is the largest within the Police Department and is responsible for routine patrol, initial call response, crime prevention and interdiction, traffic enforcement, motor vehicle accident investigation, home and business patrol, and problem identification and solution. The Division is managed by a Commander and consists of three patrol shifts, each headed by a Sergeant and a Corporal as well as a Special Operations Section headed by a Sergeant and a Corporal.

The Criminal Investigations Division is charged with the responsibility of investigating those crimes not prevented or interdicted. The Division is headed by a Commander and consists of the General Investigations Section and the Special Investigations Section, each supervised by a Sergeant. The Division handles the storage and maintenance of confiscated property and evidence, crime analysis and statistics as well as other traditional investigative responsibilities such as the interview of witnesses, victims and suspects, preparation of warrant affidavits and case files, and courtroom testimony.

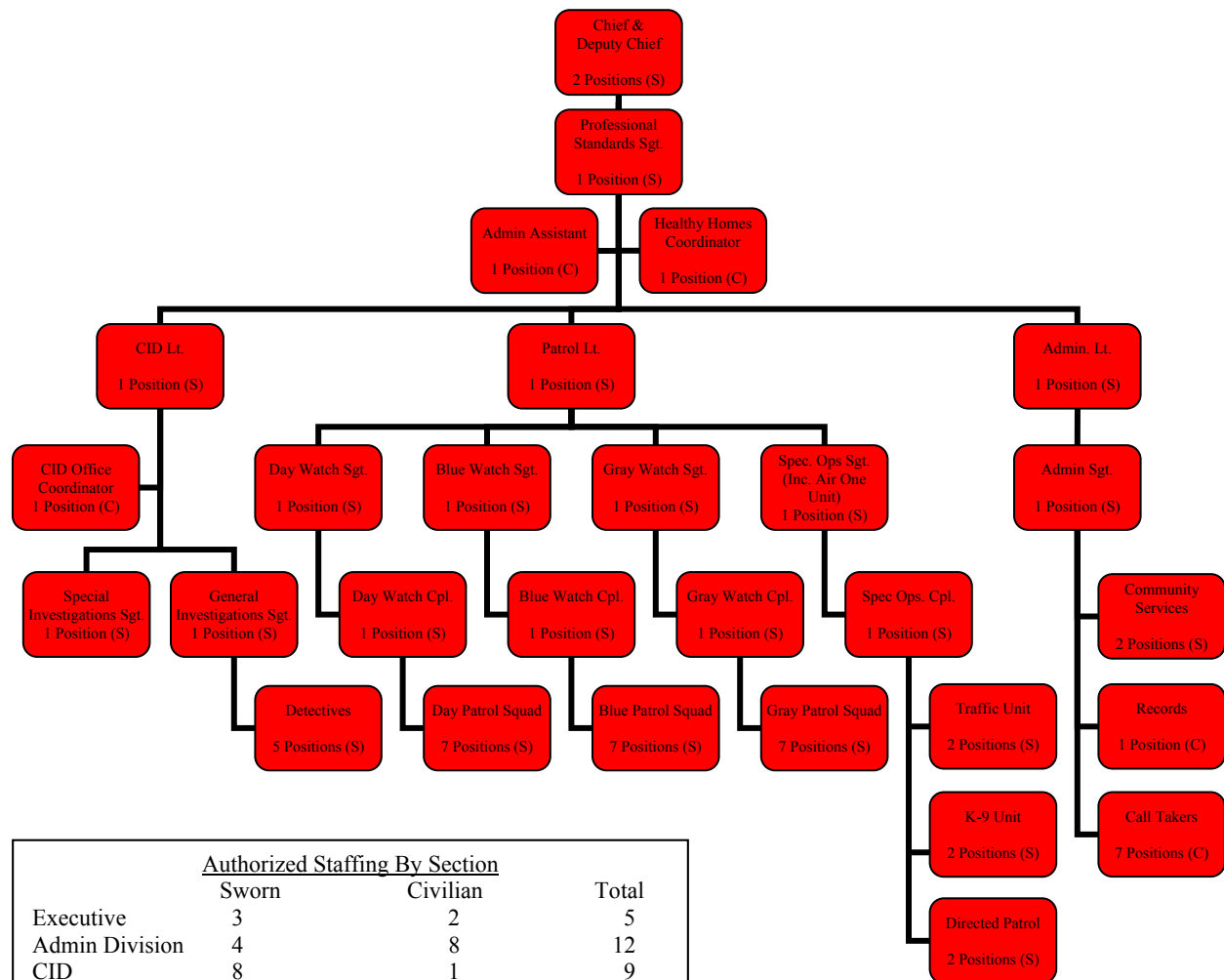
The Community Services Section, a part of the Administration Division, is overseen by a Commander and a Sergeant and consists of two additional officers. These officers are responsible for those functions which facilitate the community-oriented or problem-solving efforts of the Department. Specifically, the Section provides various crime prevention services such as crime prevention inspections and education programs. Additionally, the Division surveys the community, coordinates the Citizen's Police Academy, communicates with the schools, oversees neighborhood watch programs, and coordinates problem solving teams. These officers are also available to be assigned to shifts and serve to augment the Patrol forces after business hours if required.

The Department has a high level of training and specialized capabilities to better serve the community. Among the special abilities available are traffic accident reconstruction, special weapons and tactics, hostage negotiations, intoxilyzer operators, forensic and investigative hypnosis, forensic handwriting analysis, fingerprint classification and comparison, advanced crime scene investigations, bicycle and foot patrols, investigative statement analysis, and various other skills.

GOALS AND OBJECTIVES

The Department works to formulate programs that serve to improve the relationship and cooperation between the police and the citizenry. Citizen's Police Academy, National Night Out, Citizens on Patrol, problem solving teams, neighborhood watch, crime prevention and education programs, school liaisons, and similar efforts build a strong relationship and positive interface with the people of the community. These efforts, along with aggressive enforcement efforts to solve specific and detrimental crime problems, forge a partnership in the community.

HHPD Organizational Chart



	<u>Authorized Staffing By Section</u>		Total
	Sworn	Civilian	
Executive	3	2	5
Admin Division	4	8	12
CID	8	1	9
Patrol Division	<u>36</u>	<u>0</u>	<u>36</u>
Total	51	11	62

FY 2015-2016 ACHIEVEMENTS

- Continued the “Healthy Homes Program” with success for the 5th year.
- Continued the National Night Out event for the 20th year.
- Provided a secure and safe shopping environment in retail areas during peak shopping periods through “Operation Safe Shopper” for the 8th year.
- Selected and assigned the Department’s first “Professional Standards” Sergeant to oversee the licensing and training of the Department’s Staff.
- Maintained the “Best Practices Recognition Program” and achieved our first “Re-recognition” through the program. The Department is one of approximately 160 in the State to attain this honor and one of approximately 50 to have attained “Recognition” twice.
- Staffed and outfitted the Department’s K9 unit by the donation of a police working dog from the Belton Police Department along with the purchase of another working dog.
- Sought and attained a grant for the purchase of body-worn camera systems for the Department to be purchased in the upcoming fiscal year.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Enhance the Department’s organizational structure with the addition of a Professional Standards Sergeant.
 - Objective completed with the assignment of an experienced Sergeant to this roll.
- Continue the fleet replacement program with the purchase of one patrol and one K-9 vehicle.
 - Objective completed.
- Progress the Department’s K-9 capabilities with purchase of one trained K-9 and the training of one handler (roll-over from FY-15).
 - Objective completed with the purchase of one working dog and the donation of another.
- Obtain and implement “Live Scan” an electronic means of capturing fingerprints in a digitized format which then transmits them to the FBI for identification analysis.
 - Objective completed.
- Replace all Department original purchased handguns with new 4th generation Glock 22 pistols.
 - Objective completed.

FY 2016-2017 OBJECTIVES

- Update the Department’s radio inventory with the purchase of a series of P25 compatible hand held radios to move toward full P25 compliance.
- Update the Motor Units with the purchase of three new motorcycles and attendant equipment.
- Continue the fleet replacement and enhancement program with the purchase of two new patrol vehicles.
- Outfit the patrol forces with body worn camera systems through an awarded grant.
- Purchase new firing range amenities with special “popper” style targets.
- Purchase additional patrol rifles and handguns to enhance the inventory.
- Enhance the Criminal Investigations capability with the purchase of portable scene lighting, tenting for scene protection and diagramming software.

PERFORMANCE MEASURES – POLICE DEPARTMENT

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of sworn personnel authorized	51	51	51	51	51
# of non-sworn personnel authorized	11	11	11	11	11
OUTPUTS:					
# of CAD events handled	53,000	53,205	54,600	61,764	63,000
# of criminal cases investigated (UCR Part 1 & 2)	4,200	4,010	3,936	4,504	4,000
# of bookings (arrests not turned over to other agencies)	1,400	1,173	1,200	2,386	1,800
# of murder cases (raw numbers)	0	2	0	0	0
# of burglaries (raw numbers)	250	146	120	150	200
# of larcenies (raw numbers)	650	579	570	617	600
# of traffic stops	9,000	6,071	5,139	4,246	6,000
# of motor vehicle crashes	550	526	550	510	500
EFFECTIVENESS:					
Average Priority 1 call to dispatch time	1:00	1:37	1:30	2:16	1:30
Average Priority 1 dispatch to arrival time	5:00	4:23	5:00	4:42	5:00
# of community services events/ programs	200	305	200	150	200
# of neighborhood watch groups	12	8	10	9	10
EFFICIENCY:					
Part 1 Index Crimes per 100,000 population (UCR Crime Rate)	3,500.0	2,859.8	2,545.0	3,031	3,100
# of internal training classes	15	20	25	20	25
# of hiring processes	2	3	3	5	3
Sworn retention rate	100%	94%	96%	88%	95%
Civilian retention rate	88%	73%	88%	37%	75%
Sworn Staffing Level	N/A	88%	92%	82%	95%
Civilian Staffing Level	N/A	90%	95%	92%	95%

POLICE

FY 2016-17

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	3,209,500	3,121,041	3,479,200	1,611,831	3,250,300	3,593,000
002 Overtime	237,200	232,265	237,200	150,861	260,000	240,000
003 Worker's Compensation	45,000	43,688	51,100	45,652	45,000	45,700
004 Health Insurance	237,700	240,109	306,200	137,325	277,000	314,700
005 Social Security	264,300	257,380	284,300	130,038	268,500	293,200
006 Retirement	534,900	512,282	558,200	263,938	526,500	576,100
TOTAL PERSONNEL SERVICE	4,528,600	4,406,765	4,916,200	2,339,645	4,627,300	5,062,700
SUPPLIES						
010 Office	22,200	20,173	23,000	9,106	20,000	21,000
011 Vehicle	189,500	131,669	130,000	53,805	107,000	108,000
012 General	30,000	36,291	34,000	19,701	38,000	38,000
013 Equipment	23,000	12,080	32,000	13,574	32,000	22,900
014 Uniforms	16,800	14,223	17,000	9,355	20,000	23,000
019 K-9 Supplies	6,000	3,253	6,000	2,441	4,000	4,000
028 Pet Adoption Center	0	(35)	0	0	0	0
TOTAL SUPPLIES	287,500	217,654	242,000	107,982	221,000	216,900
MAINTENANCE						
020 Vehicle	22,500	48,074	45,000	37,130	67,000	50,000
021 Building	8,000	8,979	8,000	3,599	14,600	12,500
022 Equipment	2,000	2,319	3,200	496	8,000	56,500
TOTAL MAINTENANCE	32,500	59,372	56,200	41,225	89,600	119,000
INSURANCE						
030 Property/Liability	45,700	45,178	46,000	42,254	44,000	45,000
TOTAL INSURANCE	45,700	45,178	46,000	42,254	44,000	45,000
SERVICES						
035 Unemployment Payments	0	13,795	0	0	0	0
040 Utilities	85,000	35,717	40,000	14,462	30,000	30,000
041 Dues and Subscriptions	5,200	5,164	5,500	4,334	6,500	6,900
042 Travel and Training	32,000	32,620	35,000	29,117	35,000	38,000
043 Impound Expense	400	580	400	0	400	400
045 Telephone	25,700	22,058	22,000	10,766	22,000	20,000
046 Equipment Rental	2,200	1,497	2,200	624	2,200	2,200
047 Contract Labor	290,200	298,258	389,500	170,014	360,600	382,500
070 Other Expense (Grants)	15,300	7,452	20,700	773	13,600	84,000
075 LEOSE Training	3,800	3,199	4,000	110	4,000	4,000
083 Audit Fees	0	2,500	2,500	0	2,500	2,500
TOTAL SERVICES	459,800	422,840	521,800	230,200	476,800	570,500
MISCELLANEOUS						
091 Advertising	0	0	0	0	0	0
092 Professional Fees	7,700	11,519	7,700	4,435	11,000	14,400
103 State Seizure	0	0	0	0	0	0
601 Xerox Lease - Prin	0	0	0	0	0	2,700
602 Xerox Lease - Int	0	0	0	0	0	0
TOTAL MISCELLANEOUS	7,700	11,519	7,700	4,435	11,000	17,100
FIXED ASSET TRANSFERS						
609 COBAN Lease - Prin	87,800	87,831	89,500	89,483	89,500	0
610 COBAN Lease - Int	3,400	3,334	1,700	1,682	1,700	0
702 Building and Improvements	0	68,518	0	0	0	0
705 Equipment	14,000	15,545	29,000	43,500	43,500	36,000
706 Furniture and Fixtures	0	0	0	0	0	0
707 Vehicles	101,000	113,545	113,600	4,018	126,300	140,800
TOTAL FIXED ASSET TRANSFERS	206,200	288,773	233,800	138,683	261,000	176,800
GRAND TOTAL	5,568,000	5,452,101	6,023,700	2,904,424	5,730,700	6,208,000

MUNICIPAL COURT

The Municipal Court consists of two divisions: the Court and the Office of the Court Administrator. The Court consists of one part-time and one alternate Judge; the Office of the Court Administrator consists of the Court Administrator, a Court Clerk, two Deputy Court Clerks, a Juvenile Case Manager, a City Marshal, a Warrant Officer and a part-time Customer Service Clerk.

The Court enforces, fairly and efficiently, all alleged violations of the law filed with the Court by the Police Department, Code Enforcement, citizens and other law enforcement agencies. The Court also assesses all fines and collects court costs. The Court magistrates and arraigns all defendants and provides trials, both bench and jury, when requested. The Court also issues emergency protective orders in qualifying family violence cases and has the authority to conduct a marriage ceremony. Cases heard by the Court include: City Ordinance violations and Class C misdemeanor cases involving violation of the Transportation Code, Penal Code, Health and Safety Code, Alcohol Beverage Code and Family Code. Pre-Trial/Docket Call is held once every month, Trials are held approximately two times a month as required and arraignments are held weekly. Juvenile hearings are held twice a month and Teen Court is held once a month. Defendants are arraigned and magistered at the Police Department, as required, approximately six to seven times weekly.

The Office of the Court Administrator maintains all court records; initiates and processes correspondence with defendants; serves as Court Clerk during trials and teen court; prepares complaints; issues warrants of arrest, subpoenas, and summons; and collects and accounts for all fees and fines.

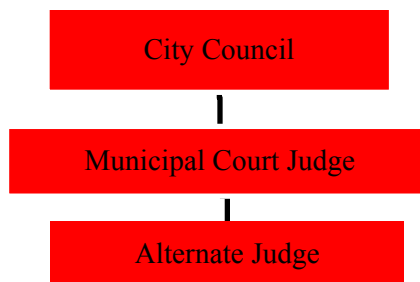
The City Marshal and Warrant Officer serve as bailiffs during arraignments, trials and teen court. They provide building security to ensure the safety of all citizens and employees. They serve all process issuing out of the Court to include warrants of arrest, subpoenas, and summons.

GOALS AND OBJECTIVES

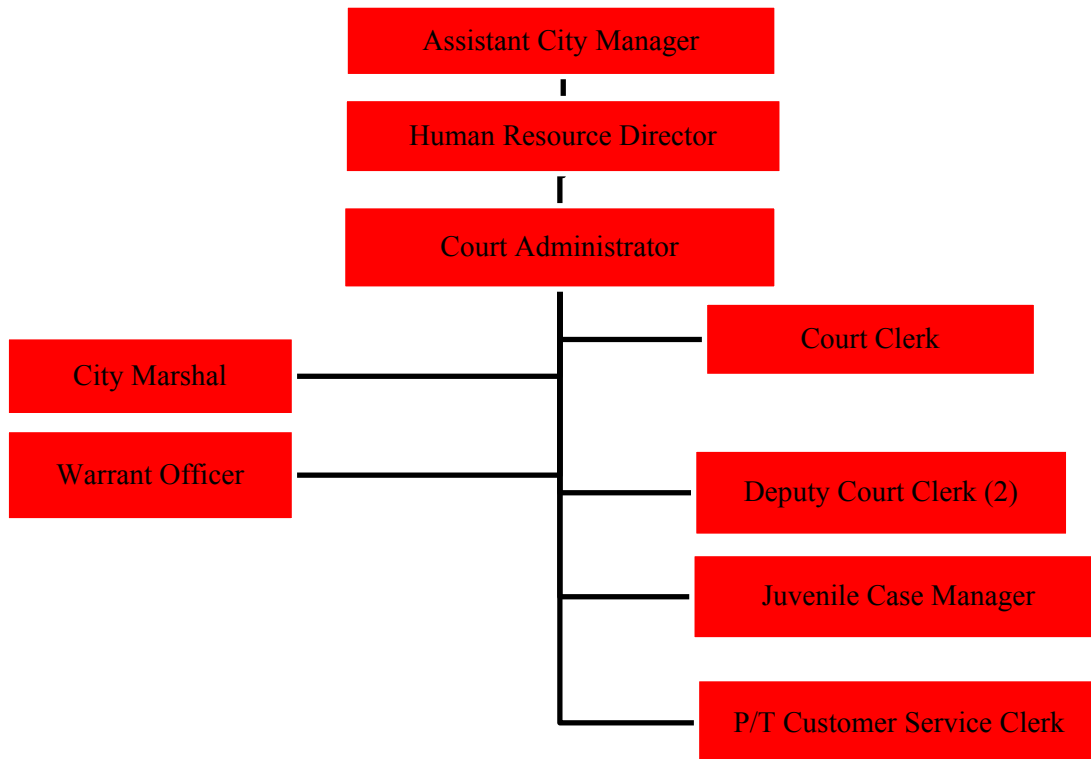
- Expedition and Timeliness – Develop and implement standard operating procedures for scheduling and the timely processing of cases.
- Equity, Fairness & Integrity – Develop court procedures that faithfully adhere to relevant laws, procedural rules and established policies that promote compliance with court orders.
- Independence and Accountability – Recruit and retain a professional, well-trained, customer service oriented workforce to better serve the needs of the public.

ORGANIZATIONAL CHARTS

The Court



Office of the Court Administrator



FY 2015-2016 ACHIEVEMENTS

- The Municipal Court received an honorable mention for outstanding effort toward Traffic Safety.
- Successful presentation of our Teen Court program at the 2016 TML conference.
- Developed a partnership with WATCH D.O.G.S. a program that allows court staff to do outreach at Mountain View Elementary School in Harker Heights.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Consider outsourcing delinquent cases to assist in the collection of outstanding judgments.
 - o Completed.
- Begin process of having all police department citations filed electronically with the Court.
 - o Completed.
- Participate or host a car seat check event for citizens.
 - o Completed.

FY 2016-2017 OBJECTIVES

- Produce a Teen Court web page with helpful information for both volunteers and participants.
- Create a community service reference guide for defendants to increase compliance.
- Begin the process of utilizing a metal detector to strengthen court room security for trial and court hearings.

PERFORMANCE MEASURES

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
Number of full-time employees	7	7	7	7	7
Number of part-time employees	1	0	1	1	1
Number of judges	2	2	2	2	2
# of training hours per employee	20	18	20	20	20
OUTPUTS:					
# of citations	8,700	4,495	5,000	3,006	3,000
# of cases disposed	8,000	5,000	5,500	4,674	3,500
# of code violations filed	800	758	800	870	800
Dismissed After Completion:					
# of driver safety courses	800	556	600	393	300
# of compliance dismissals	600	210	300	91	100
# of proof of financial responsibility	300	71	100	67	100
# of deferred dispositions	250	149	200	66	60
# of juveniles dismissed by teen court	40	28	30	33	40
EFFECTIVENESS:					
Percent of code violations where compliance is achieved	50%	95%	90%	**	**
Collection Rate:					
# of cases satisfied by community service	100	85	80	92	100
# of cases satisfied by jail credit	500	470	400	412	400
# of cases waived for indigency	30	23	50	31	30
*Collection Agency (MVBA):					
# of cases placed	New	New	New	14,867	800
# of cases resolved	New	New	New	688	500
# of cases paid in full	New	New	New	602	500
# of cases still in collection	New	New	New	14,179	13,000
EFFICIENCY:					
# of crime prevention reviews	10	8	8	10	15
# of attendees at reviews	100	556	300	995	500
Employee retention rate	100%	95%	100%	100%	100%
% of employees with formal professional development plan	100%	95%	100%	100%	100%
Average # of payments per day	60	40	50	27	30
Average # of online payments per month	160	128	130	69	100

** No longer being tracked

COURTS

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	347,800	350,419	355,300	180,466	364,400	367,800
002 Overtime	10,000	7,278	10,000	3,552	8,000	10,000
003 Worker's Compensation	6,500	6,294	8,300	7,324	7,500	7,000
004 Health Insurance	32,100	32,850	38,700	19,501	38,700	40,500
005 Social Security	27,400	28,039	27,900	13,848	28,500	28,900
006 Retirement	55,400	45,444	54,900	22,615	55,900	56,800
TOTAL PERSONNEL SERVICE	479,200	470,324	495,100	247,306	503,000	511,000
SUPPLIES						
010 Office	8,000	8,545	8,000	4,326	8,000	9,000
011 Vehicle	10,000	4,702	7,000	1,153	3,500	5,000
012 General	12,000	10,763	13,500	5,417	11,000	12,000
014 Uniforms	2,000	1,186	2,000	912	2,000	3,300
TOTAL SUPPLIES	32,000	25,196	30,500	11,808	24,500	29,300
MAINTENANCE						
020 Vehicle	1,500	1,102	1,500	178	1,000	1,500
022 Equipment	16,100	13,278	23,900	7,643	23,900	24,800
TOTAL MAINTENANCE	17,600	14,380	25,400	7,821	24,900	26,300
INSURANCE						
030 Property/Liability	6,400	6,701	7,300	6,680	6,900	7,000
TOTAL INSURANCE	6,400	6,701	7,300	6,680	6,900	7,000
SERVICES						
035 Unemployment Payments	0	2,278	0	0	0	0
041 Dues and Subscriptions	1,000	600	1,000	543	1,000	1,000
042 Travel and Training	7,100	7,086	7,100	4,696	7,100	7,600
045 Telephone	2,000	1,650	2,000	788	2,000	2,000
087 State Tax Payments	495,000	375,782	407,000	149,616	250,000	275,000
TOTAL SERVICES	505,100	387,396	417,100	155,643	260,100	285,600
MISCELLANEOUS						
090 Legal Fees	20,000	18,402	20,000	7,477	18,000	18,000
092 Professional Fees	1,000	203	1,000	51	500	500
TOTAL MISCELLANEOUS	21,000	18,605	21,000	7,528	18,500	18,500
FIXED ASSET TRANSFERS						
609 COBAN Lease - Prin	3,900	3,912	3,900	3,986	3,900	0
610 COBAN Lease - Int	200	148	200	75	200	0
705 Equipment	54,300	56,344	0	0	0	4,400
706 Furniture and Fixtures	0	0	0	0	0	0
707 Vehicles	0	0	0	0	0	0
TOTAL FIXED ASSET TRANSFERS	58,400	60,404	4,100	4,061	4,100	4,400
GRAND TOTAL	1,119,700	983,006	1,000,500	440,847	842,000	882,100

PLANNING AND DEVELOPMENT – PLANNING DIVISION

The Planning and Development maintains a staff of nine (9) persons that are divided into two departments: Planning and Code Enforcement. These departments have three general areas:

- Planning and GIS – Zoning, GIS, land use regulations, comprehensive planning, transportation planning, economic development, commercial and residential development.
- Code Enforcement – helps residents and businesses learn about and comply with City ordinances.
- Building and Commercial Business Regulations – focused on educating builders, citizens, and contractors on the various local, state and international codes adopted by the City Council.

Planning Division positions include the Director of Planning and Development, Administrative Assistant, City Planner, and the City Planner/GIS Coordinator. The Planning Staff is focused on establishing the highest level of service to the citizens.

In addition to the tasks related to code enforcement and building inspection, the department is responsible for the following specific areas:

Zoning Administration

The zoning regulations and districts have been made in accordance with a comprehensive plan for the purpose of promoting health, safety, morals, and the general welfare of the city. They have been designed to lessen the congestion in the streets; to secure safety from fire, panic, or other dangers; to provide adequate light and air; to prevent the overcrowding of land; to avoid concentration of population; to facilitate the adequate provision of transportation, water, sewage, schools, parks, and other public requirements. They have been made with reasonable consideration, among other things, to the character of the district and its peculiar suitability for particular uses, and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout the city.

Typical zoning administration activities may include zoning changes, conditional use applications, variances and special acceptances.

Subdivision Administration

The Subdivision Regulations are designed to ensure that all land is developed or redeveloped in an orderly fashion that is governed by quality engineering and design standards. A typical subdivision plat review will examine building lots, streets, alleys, easements, parks or other tracts intended to be dedicated for public use. Plat review is State enabled through the Texas Local Government Code.

Thoroughfares

The department is responsible for preparation of the Transportation Thoroughfare Plan. The department processes requests pertaining to the creation, abandonment, or closure of streets, alleys, sidewalks, easements, or public rights-of-way. City ordinances mandate that many of these require review and approval by the Planning and Zoning Commission and City Council.

Comprehensive Plan Development

A comprehensive plan defines what the City could be in the future. It not only identifies the physical future through land use and thoroughfare guidelines but also the desired levels of future public facilities and services. The plan identifies issues and opportunities, which may be translated into future policy guidelines. The plan is comprehensive because it includes the following elements: population, economy, land use and thoroughfare system, urban design, natural resources, storm-water management, fire protection, police protection, community development, library system, parks and recreation, water services, waste services, etc.

Data Management System

The department maintains information contained in several databases including Geographical Information Systems (GIS) data. Examples include information pertaining to activity/annexation history/demographic changes, etc.

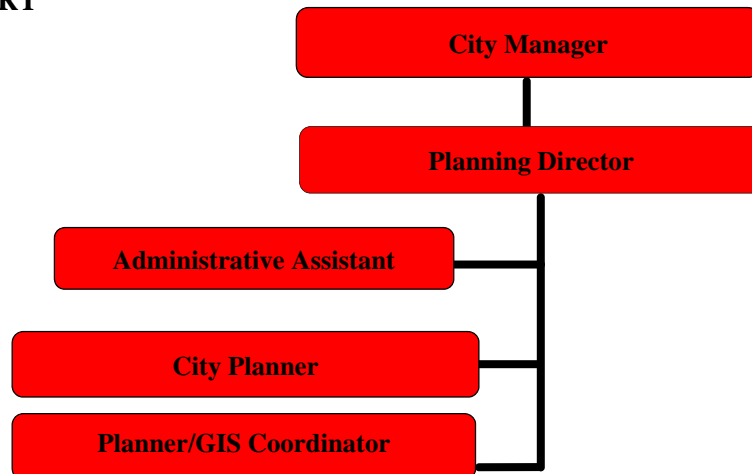
Other areas the Department is responsible for include:

- Ordinance preparations
- Food dealers permits
- Business registrations
- Annexation studies
- Solicitors’ permits
- Taxicab/limousine permits
- Mapping
- Special events permits
- Alcohol licensing

GOALS AND OBJECTIVES

Planning and Development’s primary goal is to oversee the safe and orderly development of the City. To achieve this, we strive to promote a welcoming atmosphere to citizens, builders, developers, city staff members, and anyone else with planning needs. Emphasis is placed on providing prompt customer service that is aligned with all applicable State and City code requirements.

ORGANIZATIONAL CHART



FY 2015-2016 ACHIEVEMENTS

- Held multiple workshops with the Planning & Zoning Commission for Northside Redevelopment Strategies and updates to the City’s Comprehensive Plan.
- Significantly reduced errors in 9-1-1 GIS street data.
- Completed Film Friendly policies and procedures.
- Implemented a cross-training program among all staff members.
- Completed Section II of Mobility 2030 to include Sidewalk Plan.
- Annexed ± 155.08 acres of land located in the southern ETJ areas.
- Updated the Existing Land Use Map.
- Adopted a Credit Access Business Ordinance.
- Updated and adopted the new 2015 Building and Fire Codes.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Complete update of the Existing Land Use Map and the Future Land Use Map.
 - Completed Existing Land Use map update. Future Land Use map update is ongoing.
- Complete Annexation of south-western areas of the City.
 - Completed.
- Begin conversion of existing and legacy plats and plans to digital format.
 - Ongoing and expected to completed in the next few months.
- Begin update to the 2007 Comprehensive Plan.
 - Ongoing – being done in sections. North side of the City is the first priority. Staff is coordinating with all stakeholders to create a sustainable and effective comprehensive plan update.
- Adoption of Section II of Mobility 2030 document.
 - Section II is completed to include Sidewalk Plan. Work is ongoing for remaining sections.
- Update of the Sign section of the Code of Ordinances.
 - Research is ongoing to create a litigation free sign ordinance primarily due to the Supreme Court ruling on sign regulations in cities.
- Investigate a “Dark Skies” initiative and a hill preservation initiative.
 - Tabled pending further review.
- Develop and implement zoning overlay districts for other parts of the City.
 - Work is ongoing to create a new zoning district R1-I (Single Family Infill Dwelling District). Staff is also working to create another overlay district on Veterans Memorial Boulevard.

FY 2016-2017 OBJECTIVES

- Complete update of the Future Land Use Map.
- Amend the Zoning Ordinance to establish the R1-I (Single Family Infill Dwelling District) zone, to conditionally allow R1-I lots in certain other zones, to modify the R-MU District to require larger setbacks and lot sizes, and to provide preliminary R1-R Zoning for newly annexed tracts.
- Complete conversion of exiting and legacy plats and plans to digital format.
- Continue update to the 2007 Comprehensive Plan.
- Continue adoption of other sections of Mobility 2030 document.
- Update of the Sign section in the Code of Ordinances.
- Investigate a “Dark Skies” initiative and a hill preservation initiative.
- Develop and implement overlay districts for other parts of the City.
- Complete and adopt Donation Boxes ordinance.
- Prioritize Side Walk Plan in Mobility 2030 Section II

PERFORMANCE MEASURES

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
Number of full time employees	4	4	4	4	4
OUTPUTS:					
# of subdivision requests processed	16	32	30	22	20
# of zoning cases processed	17	18	15	23	25
# of conditional use requests processed	4	3	3	2	5
# of annexations processed	0	0	1	1	3
# of business licenses processed	110	99	100	97	95
EFFECTIVENESS:					
% of applications approved	98%	100%	100%	100%	100%
% applications completed w/in time limits	100%	100%	100%	100%	100%
EFFICIENCY:					
# of plan reviews	25	27	30	9	15

PLANNING & DEVELOPMENT

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	277,000	198,459	237,800	119,583	245,500	240,100
002 Overtime	400	373	900	269	900	900
003 Worker's Compensation	3,000	2,962	3,300	2,929	3,000	2,900
004 Health Insurance	18,600	17,011	22,300	11,188	22,300	23,500
005 Social Security	21,200	15,294	18,300	8,925	18,800	18,400
006 Retirement	43,000	30,370	35,900	18,028	37,000	36,200
TOTAL PERSONNEL SERVICE	363,200	264,469	318,500	160,922	327,500	322,000
SUPPLIES						
010 Office	6,000	3,752	6,000	2,923	4,000	4,000
012 General	4,500	2,875	5,400	899	3,700	4,000
TOTAL SUPPLIES	10,500	6,627	11,400	3,822	7,700	8,000
MAINTENANCE						
022 Equipment	2,000	1,700	3,100	3,100	3,100	3,100
TOTAL MAINTENANCE	2,000	1,700	3,100	3,100	3,100	3,100
INSURANCE						
030 Property/Liability	3,100	2,924	3,000	2,710	2,800	3,000
TOTAL INSURANCE	3,100	2,924	3,000	2,710	2,800	3,000
SERVICES						
035 Unemployment Payments	0	11,898	0	0	0	0
041 Dues and Subscriptions	1,500	816	1,500	585	1,500	1,500
042 Travel and Training	6,000	4,124	4,000	1,918	6,000	6,000
045 Telephone	1,500	1,491	1,500	756	1,500	1,500
TOTAL SERVICES	9,000	18,329	7,000	3,259	9,000	9,000
MISCELLANEOUS						
091 Advertising	3,500	2,347	3,500	2,139	4,000	4,000
092 Professional Fees	8,000	8,175	8,000	6,130	8,000	8,000
TOTAL MISCELLANEOUS	11,500	10,522	11,500	8,269	12,000	12,000
FIXED ASSET TRANSFERS						
705 Equipment	10,000	10,500	10,000	0	9,700	0
706 Furniture and Fixtures	0	0	0	0	0	0
707 Vehicles	0	0	0	0	0	0
TOTAL FIXED ASSET TRANSFERS	10,000	10,500	10,000	0	9,700	0
GRAND TOTAL	409,300	315,071	364,500	182,082	371,800	357,100

PLANNING AND DEVELOPMENT - CODE ENFORCEMENT AND BUILDING DIVISIONS

The Planning and Development maintains a staff of nine (9) persons that are divided into two departments: Planning and Code Enforcement. These departments have three general areas:

- Planning and GIS – Zoning, GIS, land use regulations, comprehensive planning, transportation planning, economic development, commercial and residential development.
- Code Enforcement – helps residents and businesses learn about and comply with City ordinances.
- Building and Commercial Business Regulations – focused on educating builders, citizens, and contractors on the various local, state and international codes adopted by the City Council.

The Code Enforcement and Building Divisions of the Planning & Development Department are responsible for the enforcement of City ordinances governing public nuisance and construction processing within the City. The division is staffed by the Building Official, Building Inspector, two Code Enforcement Officers, and one secretary.

Permit Requests

The Building Official's secretary receives and reviews all permit requests, then forwards the forms to the Building Official for review. The Building Official reviews the permit applications to ensure that the activity or proposed construction complies with City ordinances. Upon approval, the permits are distributed to the applicants and the information gets entered into the appropriate database. Most permits are processed within 24 hours. (The Building Official's secretary processes all solicitor permit requests.)

Inspections

The Building Official and Building Inspector are in charge with carrying out all necessary building inspections within the City. The City maintains an informational hotline that is used to assist applicants in a timely manner. The hotline is monitored by the Building Official's secretary, calls made before 8:30 a.m. will be placed on the morning inspection log (8:30 – 12:00 p.m.) Calls made before 1:30 p.m. will be placed on the afternoon log (1:30 – 5:00 p.m.)

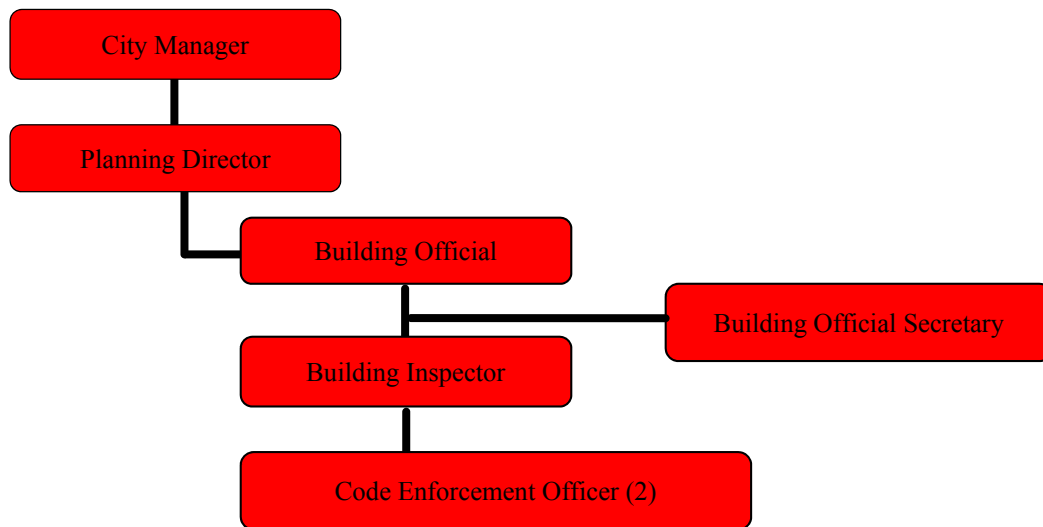
Variances

The Building Official is responsible for processing all variance requests and presenting the staff report to the Zoning Board of Adjustment (ZBA).

GOALS AND OBJECTIVES

Code Enforcement is charged with code compliance within the City. Code Enforcement Officers remain proactive by routinely patrolling the City looking for code violations. Citizen complaints take precedent over routine patrols, and as such, are investigated immediately. The Code Enforcement and Building Division's primary goal is to ensure that the City's codes are observed. While the Code Enforcement Officers remain primarily focused on existing residences and businesses, the Building Official concentrates more on new commercial and residential activities.

ORGANIZATIONAL CHART



FY 2015 – 2016 ACHIEVEMENTS

- Continued to implement aggressive enforcement of junked vehicles, tall grass and weeds, trash in yards, and other nuisances within the City.
- Implemented and commenced the use of web-based permitting software to allow more transparent and swift review of plans and permit applications.
- Utilized GIS to improve efficiency and effectiveness by locating and prioritizing substandard structures.
- Implemented a cross-training program among all staff members.
- Adopted the 2015 International Building Codes.
- Forwarded five (5) structures for mitigation hearings to the Building and Standards Commission.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Continue to promptly address all complaints while educating citizens on City ordinances.
 - Ongoing process which has begun to use the GIS to identify trouble spots.
- Obtain and implement web-based permitting software.
 - Completed.
- Adopt the 2015 International Building Codes.
 - Completed.
- Begin conversion of existing and legacy plans to digital format.
 - Ongoing; expected to be completed in few months.
- Continue to aggressively identify and forward substandard structures to the Building and Standards Commission.
 - Ongoing; using the GIS to strategically identify and investigate structures.

- Update backflow prevention ordinances.
 - Ongoing.
- Update and augment the Noise Ordinance.
 - Tabled pending further review.
- Create and enforce Water Use and Nuisance Ordinances.
 - Tabled pending further review.

FY 2016- 2017 OBJECTIVES

- Continue conversion of existing and legacy plans to digital format.
- Continue to aggressively identify and forward substandard structures to the Building and Standards Commission
- Update backflow prevention ordinances.
- Update and augment the Noise Ordinance.
- Create and enforce Water Use and Nuisance Ordinances.
- Create a Donation Box Ordinance

PERFORMANCE MEASURES

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of full time employees	5	5	5	5	5
OUTPUTS:					
# of building permits reviewed	2,000	2,500	3,000	2,382	2,500
# of variance requests processed	1	1	1	2	2
# of food dealer permits processed	175	165	175	141	150
# of code violation notices	2,500	3,000	3,200	4,537	3,000
# of residential permits issued	200	187	190	214	200
# of commercial permits issued	50	45	60	9	25
Construction value (in thousands)	\$85,000	\$66,000	\$70,000	\$78,000	\$75,000
EFFECTIVENESS:					
# of days to review residential/commercial permits	1	1	1	1	1
# of days to review new commercial permits	14	14	14	14	14
# of structures found to be substandard	10	10	15	5	10
EFFICIENCY:					
% of substandard structures demolished	25%	25%	30%	80%	50%
% of inspections made on request date	100%	100%	100%	100%	100%

CODE ENFORCEMENT

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	281,800	285,359	293,100	144,048	292,800	299,700
002 Overtime	300	0	600	0	300	300
003 Worker's Compensation	3,800	3,702	4,000	3,662	3,700	3,700
004 Health Insurance	23,400	24,739	28,300	12,867	24,700	24,100
005 Social Security	21,600	21,974	22,500	10,682	22,400	23,000
006 Retirement	43,700	43,920	44,100	21,668	44,000	45,100
TOTAL PERSONNEL SERVICE	374,600	379,694	392,600	192,927	387,900	395,900
SUPPLIES						
010 Office	6,000	7,779	8,500	5,997	10,000	10,000
011 Vehicle	5,000	2,959	5,000	889	2,500	2,500
012 General	3,000	2,167	6,100	2,986	6,100	3,000
TOTAL SUPPLIES	14,000	12,905	19,600	9,872	18,600	15,500
MAINTENANCE						
020 Vehicle	2,000	2,500	2,000	211	2,500	2,000
022 Equipment	4,000	3,599	27,200	3,778	15,000	26,000
TOTAL MAINTENANCE	6,000	6,099	29,200	3,989	17,500	28,000
INSURANCE						
030 Property/Liability	3,800	3,672	3,700	3,374	3,500	3,500
TOTAL INSURANCE	3,800	3,672	3,700	3,374	3,500	3,500
SERVICES						
035 Unemployment Payments	0	0	0	0	0	0
041 Dues and Subscriptions	1,500	1,390	3,500	938	2,000	2,500
042 Travel and Training	6,100	7,139	8,100	6,239	8,100	8,100
045 Telephone	1,500	1,476	1,500	741	1,500	1,500
086 Nuisance Abatement	60,000	39,165	60,000	12,920	40,000	55,000
TOTAL SERVICES	69,100	49,170	73,100	20,838	51,600	67,100
MISCELLANEOUS						
092 Professional Fees	61,200	61,234	64,300	64,306	64,300	64,300
TOTAL MISCELLANEOUS	61,200	61,234	64,300	64,306	64,300	64,300
FIXED ASSET TRANSFERS						
705 Equipment	15,000	1,335	0	0	0	0
706 Furniture and Fixtures	0	0	0	0	0	0
707 Vehicles	20,000	18,368	0	0	0	22,600
TOTAL FIXED ASSET TRANSFERS	35,000	19,703	0	0	0	22,600
GRAND TOTAL	563,700	532,477	582,500	295,306	543,400	596,900

FIRE DEPARTMENT

The Fire Chief/Emergency Management Coordinator (EMC) leads an organization comprised of forty-five personnel including Firefighter/Paramedics, Firefighter/EMTs, a Deputy Fire Chief of Operations/Asst. EMC, a Deputy Fire Chief/Fire Marshal/Asst. EMC as well as a Deputy Fire Marshal. The administrative staff includes an Executive Assistant and a part-time Administrative Clerk. There are currently three divisions within the department that consist of Administration, Operations and Prevention.

The Administrative Division is responsible for the overall management, control, coordination, and support of all Divisions. These responsibilities encompass budget development and oversight, apparatus, equipment and facilities maintenance, Fire & EMS records management, and Fire & EMS equipment management.

The Operations Division is tasked with providing fire suppression, rescues, both vehicle extrication and specialized. In addition, they are responsible for providing Advanced Life Support (ALS) and basic emergency medical care to resident and non-residents of our community. These services are provided twenty-four (24) hours a day, seven (7) days a week, with two front-line state-of-the-art mobile intensive care units and one reserve ambulance. The fleet also includes one Quint "ladder" truck, one front-line Class "A" pumper, one Class "A" reserve pumper, two brush trucks, one boat for high water rescues, a mobile command center vehicle and two administrative vehicles. The Operation Division responds to over 4,000 responses for assistance each year.

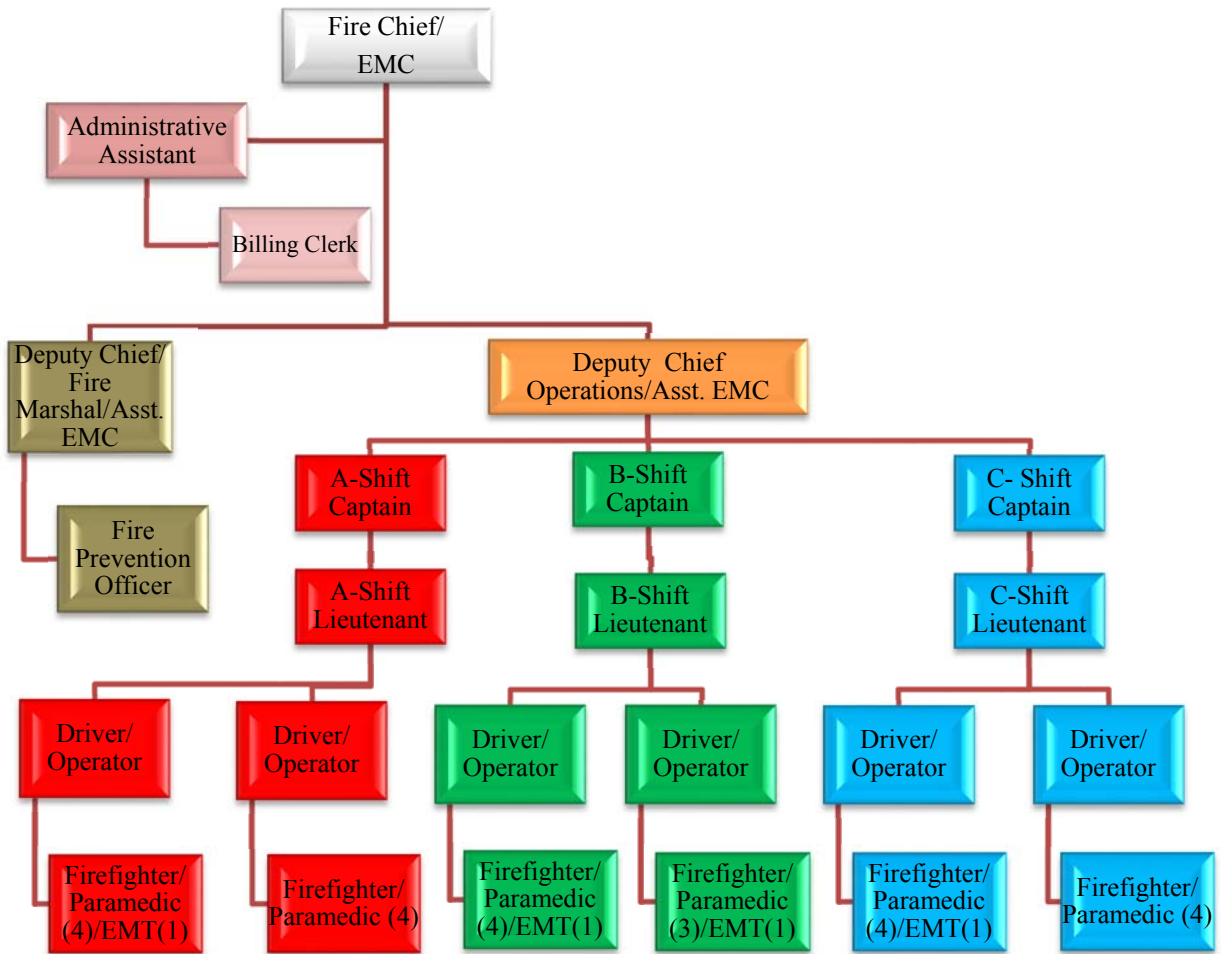
The Prevention Division is staffed with one Deputy Fire Chief/Fire Marshal/Asst. EMC and one Deputy Fire Marshal. The duties of the Fire Marshal's office include fire prevention, fire and arson investigation, fire inspections, plans review, emergency management, and community services. While the city has around 1100 existing businesses, this division provides fire inspections for approximately 600 new and existing businesses each year. Furthermore, training in fire prevention for local businesses and schools, and performs emergency management and disaster training for the entire City.

The Fire Department works diligently to provide the best possible training for all of its personnel at the highest possible levels when possible. Furthermore, not only do we keep all employees mentally challenged we strive to maintain a high level of physical fitness through an established wellness program.

GOALS AND OBJECTIVES

It is the mission of the Harker Heights Fire Department to provide, with care and concern, the highest quality Fire/Rescue/EMS care and service to all persons for whom the City of Harker Heights is responsible. We will accomplish our mission through prevention, education, emergency response, and other emergency and non-emergency related activities. We will actively participate in our community, serve as role models and strive to effectively and efficiently utilize all necessary resources at our command to provide a product deemed excellent to our citizens.

ORGANIZATIONAL CHART



CURRENT STAFFING LEVELS

Staffing	Central Station		Station 2	
	Engine 1	Medic 1	Quint 2	Medic 2
Maximum Staffing 13 Shift Personnel	Captain, Driver/Operator, 3 Firefighter/Paramedics	2 Firefighter/ Paramedics	Lieutenant, Driver/Operator, 2 Firefighter/ Paramedics	2 Firefighter/ Paramedics
Normal Staffing 11 Shift Personnel	Captain, Driver/Operator, 2 Firefighter/Paramedics	2 Firefighter/ Paramedics	Lieutenant, Driver/Operator, 2 Firefighter/ Paramedic	2 Firefighter/ Paramedics
Minimum Staffing 10 Shift Personnel	Captain, Driver/Operator, Firefighter/Paramedic	2 Firefighter/ Paramedics	Lieutenant, Driver/Operator Firefighter/Paramedic	2 Firefighter/ Paramedics

FY 2015-2016 ACHIEVEMENTS

- The Harker Heights Fire Department has received the American Heart Association's Mission: Lifeline EMS Award for the third consecutive year. This award recognizes its commitment and success in implementing specific quality improvement measures for the treatment of patients who suffer a severe heart attack. This is the second consecutive year that we have received the award.
- Hired architectural firm, Architectural Edge, to develop conceptual plans for the design of the new Central Fire Station.
- Purchased a new brush truck that has allowed us to be more flexible and useful during brush fires that encompass rougher terrains. This purchase allowed us to replace a 1996 Ford F550 brush truck to keep in-line with replacing our aging fleet.
- Purchased and implemented a new patient care reporting system, ePCR, in order to enhance the level of data collection and analysis and also allows for an interface with our dispatch software to allow for electronic downloads. Furthermore this program has allowed for the improvement of our billing processes in order to increase our collection rates.
- Began a program to install auto load systems in existing ambulance fleet.

PROGRESS ON FY 2015-2016 GOALS & OBJECTIVES

- Continue to research and purchase land and equipment as well as staffing for Fire Station #3.
 - This project is still in motion and getting closer to identifying the location the new station will be located.
- Continue to research and budget for the renovation and enlarging of Central Fire Station.
 - Received funding to hire architect to develop conceptual drawings and assist in the hiring of a Construction Manager at Risk (CMAR).
- Continue to replace aging fleet with the main priority on fire apparatus.
 - Purchased new Brush truck.
- Establish a system of issuing permits for plan review, construction of various fire protection systems and operational processes that pose a significant fire hazard
 - Implemented new web based permitting system, My Permits Now, in conjunction with the Building Officials office, to allow for a more stream-lined approach to collecting and storing data and the issuing of permits.
- In conjunction with the Building Official's Office amend and present for adoption by the City Council the 2015 edition of the International Codes (IBC, IFB, IRC etc.).
 - Implemented with great success! These updated codes will allow us to be more up to date with industry standards.
- Increase inspection productivity with additional personnel, by updating software and the implementation of mobile applications for field use.
 - This goal was unable to be obtained due to budgetary constraints.
- Improve ambulance billing service payments reliability and increase collection rates.
 - Changed billing services agency and are currently in the transition phase of this project.

- Implement Phase 1 of the Wildland Urban interface project and create fire breaks within that area.
 - In cooperation with the Army Corps of Engineers, we began to work with the city GIS department to improve the mapping and marking of trails with physical identifiers as well as identifying improved road access for emergency apparatus that included the improvement of the main entrance into Dana Peak hike and bike trails.

FY 2016-2017 GOALS & OBJECTIVES

- Work towards the development of a five year strategic plan.
- Enhance the current employee evaluation process to include training for supervisory personnel.
- Replace 2009 ambulance that was due to be remounted in the 15/16 BY.
- Beginning of the remodel/reconstruction process of Central Fire Station with approximately 75% completion by end of fiscal year.
- Identify and purchase land for Fire station #3.
- Continuation of the identifying of specific units within the aging fleet for future replacement.
- Increase the capabilities to perform more fire and life safety inspections by up to 50% with the use of shift personnel through specifically designed programs.
- Revisit mid-budget year the possible purchase of inspection software, in order to provide a more modern approach to business inspection, data collection and business preplanning!
- Work towards the creation of a new coloring contest to involve KISD 4th, 5th and 6th grade students.
- Enhance inter agency cooperation between local hospitals and Harker Heights Fire department to allow for the exchange of pertinent patient information in order to improve billing and quality assurance measures.
- Enhance the knowledge, skills and abilities of all department personnel through various mediums in order to better prepare them as they continue to progress in their careers and to also better prepare us as an organization for succession planning.

PERFORMANCE MEASURES

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of full time employees – field	39	39	39	39	39
# of full time employees – administrative	5	5	5	5	5
# of part time employees – administrative	1	1	1	1	1
# of firefighter/paramedics	43	39	39	39	41
# of firefighter/EMTs	0	4	4	4	2
# of master/advanced/intermediate firefighters	3/16/12	2/14/13	2/14/15	2/15/12	2/16/11
OUTPUTS:					
# of fire incident responses	770	845	820	733	754
# of Emergency Medical Service responses	2,800	3,204	3,100	3,197	3,292
# of fire inspections	900	600	800	450	675
# of fire prevention presentations	70	66	65	63	65
Total attendance at fire prevention presentation	6,500	6,000	6,000	6,200	6,500
# of Fire Investigations	20	21	20	25	20
# Plans Reviews / Plats	New	New	New	New	22
EFFECTIVENESS:					
Average response time – fire rescue (include non-emergency)	5:00	5:31	5:15	4:54	5.00
Average response time – Emergency Medical Service	5:17	5:33	5:20	5:32	5:30
EFFICIENCY:					
% of ambulance billing collections	45%	43%	55%	43%	50%
% of budget compared to assessed property value	0.219%	0.233%	0.245%	0.238%	0.234%
Retention rate	96%	89%	93%	91%	93%
ISO Rating (1-10 with 1 being best rating)	3	3	3	3	3
ISO Rating comparison to other communities nationwide (Low percentage is desired)	Top 5%	Top 8%	Top 7%	Top 3%	Top 3%

FIRE & EMS ADMINISTRATION

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	316,400	317,322	325,200	162,703	322,100	330,100
002 Overtime	400	0	400	0	200	200
003 Worker's Compensation	3,400	3,332	4,000	3,662	3,600	3,300
004 Health Insurance	21,400	20,938	25,600	12,390	23,200	23,600
005 Social Security	24,200	24,098	24,900	12,063	24,700	25,300
006 Retirement	49,100	47,162	48,900	23,644	48,300	49,600
TOTAL PERSONNEL SERVICE	414,900	412,852	429,000	214,462	422,100	432,100
SUPPLIES						
010 Office	8,700	8,617	7,500	5,023	7,500	7,900
012 General	2,100	2,117	1,800	2,055	2,100	2,000
TOTAL SUPPLIES	10,800	10,734	9,300	7,078	9,600	9,900
MAINTENANCE						
021 Building	13,000	10,900	12,500	6,721	12,500	12,600
022 Equipment	200	349	200	60	100	100
023 Ground	0	0	0	0	0	0
TOTAL MAINTENANCE	13,200	11,249	12,700	6,781	12,600	12,700
INSURANCE						
030 Property/Liability	33,400	33,817	33,400	30,359	31,500	32,000
TOTAL INSURANCE	33,400	33,817	33,400	30,359	31,500	32,000
SERVICES						
035 Unemployment Payments	0	0	0	0	0	0
040 Utilities	30,800	30,382	32,000	12,816	26,000	26,000
041 Dues and Subscriptions	9,100	9,331	8,200	5,750	7,900	7,400
042 Travel and Training	10,000	9,154	9,500	1,796	8,800	9,000
045 Telephone	9,400	10,340	9,400	3,822	8,500	8,800
046 Equipment Rental	1,200	1,149	1,200	574	1,200	1,200
070 Other Expense (Grants)	0	0	0	0	0	0
075 LEOSE Training	1,000	912	1,000	194	1,000	1,000
102 Medical Director Contract	27,900	22,915	10,300	6,600	6,600	28,400
104 Fire Prevention	5,700	5,487	5,700	2,972	5,700	6,700
105 Safety Training	1,800	1,254	1,000	180	1,000	1,100
TOTAL SERVICES	96,900	90,924	78,300	34,704	66,700	89,600
MISCELLANEOUS						
601 Xerox Lease - Prin	0	0	0	0	0	0
602 Xerox Lease - Int	0	0	0	0	0	0
TOTAL MISCELLANEOUS	0	0	0	0	0	0
FIXED ASSET TRANSFERS						
702 Building and Improvements	0	0	0	0	0	0
705 Equipment	0	2,157	0	0	0	0
706 Furniture and Fixtures	0	0	0	0	0	0
707 Vehicles	0	0	0	0	0	0
TOTAL FIXED ASSET TRANSFERS	0	2,157	0	0	0	0
GRAND TOTAL	569,200	561,733	562,700	293,384	542,500	576,300

FIRE & EMS OPERATIONS

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	2,217,100	2,255,611	2,310,400	1,127,158	2,233,000	2,351,700
002 Overtime	85,000	75,416	85,000	42,885	85,000	85,000
003 Worker's Compensation	29,700	28,878	33,100	29,295	28,800	29,500
004 Health Insurance	185,800	194,220	226,100	108,869	218,000	236,800
005 Social Security	176,100	176,474	183,200	85,808	177,300	186,400
006 Retirement	356,500	359,077	359,800	176,238	347,700	366,300
TOTAL PERSONNEL SERVICE	3,050,200	3,089,676	3,197,600	1,570,253	3,089,800	3,255,700
SUPPLIES						
011 Vehicle	58,000	40,905	45,000	15,884	35,000	35,000
012 General	6,600	7,318	6,500	4,819	8,200	6,200
013 Equipment	14,900	12,775	20,000	9,998	20,000	19,100
014 Uniforms	34,900	32,801	39,500	7,717	35,000	38,500
029 Medical	49,700	49,983	53,900	29,418	56,500	56,500
TOTAL SUPPLIES	164,100	143,782	164,900	67,836	154,700	155,300
MAINTENANCE						
020 Vehicle	40,000	37,754	30,800	9,801	20,000	25,000
022 Equipment	12,100	11,117	15,700	7,432	17,300	14,000
TOTAL MAINTENANCE	52,100	48,871	46,500	17,233	37,300	39,000
SERVICES						
042 Travel and Training	33,200	14,673	28,300	6,070	15,000	20,000
046 Equipment Rental	0	0	0	0	7,000	0
070 Other Expense (Grants)	0	0	0	0	0	0
TOTAL SERVICES	33,200	14,673	28,300	6,070	22,000	20,000
FIXED ASSET TRANSFERS						
613 Fire Truck Lease - Prin	0	0	92,400	92,423	92,400	94,000
614 Fire Truck Lease - Int	0	0	8,100	8,067	8,100	6,500
705 Equipment	95,300	127,918	12,500	0	13,600	36,900
707 Vehicles	75,000	480,937	133,000	0	369,600	0
TOTAL FIXED ASSET TRANSFERS	170,300	608,855	246,000	100,490	483,700	137,400
GRAND TOTAL	3,469,900	3,905,857	3,683,300	1,761,882	3,787,500	3,607,400

STEWART C. MEYER HARKER HEIGHTS PUBLIC LIBRARY

The Library is composed of one full-time Library Director, two full-time Reference Librarians, one full-time Children's Librarian, two full-time Library Clerks, five part-time Library Clerks, two Student Library Pages for 15 hours per week for the entire year, and two Summer Student Library Pages for 15 hours each per week for the ten weeks in the summer.

The Stewart C. Meyer Harker Heights Public Library has adopted the City's Vision as its Vision Statement: *Providing public services that empower people to focus on what matters most – their goals, hopes, and dreams.*

The Library is a dynamic resource for encouraging lifelong learning and reading enjoyment. Whether in the Library facility or through the aid of technological advances, the Library provides opportunities for its patrons to enrich their lives.

The Harker Heights Public Library provides patrons with opportunities for personal growth through education, information, and recreation. Patrons look to the Library to fulfill the following needs:

- *Lifelong Learning* – Patrons will have a variety of resources they need to explore topics of personal interests and continue to learn throughout their lives.
- *Reading, Viewing, and Listening for Pleasure* – Patrons will have access to materials in a variety of formats to enhance leisure times and will enjoy the assistance of professionals in making choices among the many available options.
- *Early Literacy* – Preschool children will have programs and services designed to ensure that they will enter school equipped with the necessary means to learn reading, writing, and listening skills.
- *Public Access to Internet and Computer Use* – Patrons will have high-speed access to the digital world without unnecessary restrictions. The Library's staff will provide patrons with opportunities to enhance computer use, online searching, and specific computer programs.
- *Comfortable Public and Virtual Spaces* – Patrons will have safe and welcoming physical places to interact with others, to sit quietly, and to enjoy programming. Additionally, patrons will have accessible virtual spaces that provide information, education, and recreation as well as support for social networking.
- *Reference and Education Support* – Patrons will have services and support needed to answer questions on a broad array of topics and resources needed to succeed in education.
- *Community Resources* – Residents will have a central source for information about the wide variety of programs, services, and activities provided by local agencies and organizations.
- *Employment and Business Development* – Adults, teens, entrepreneurs, businesses, and non-profit organizations will have tools to help identify career and funding opportunities and to develop and maintain strong, viable, and well prepared organizations.

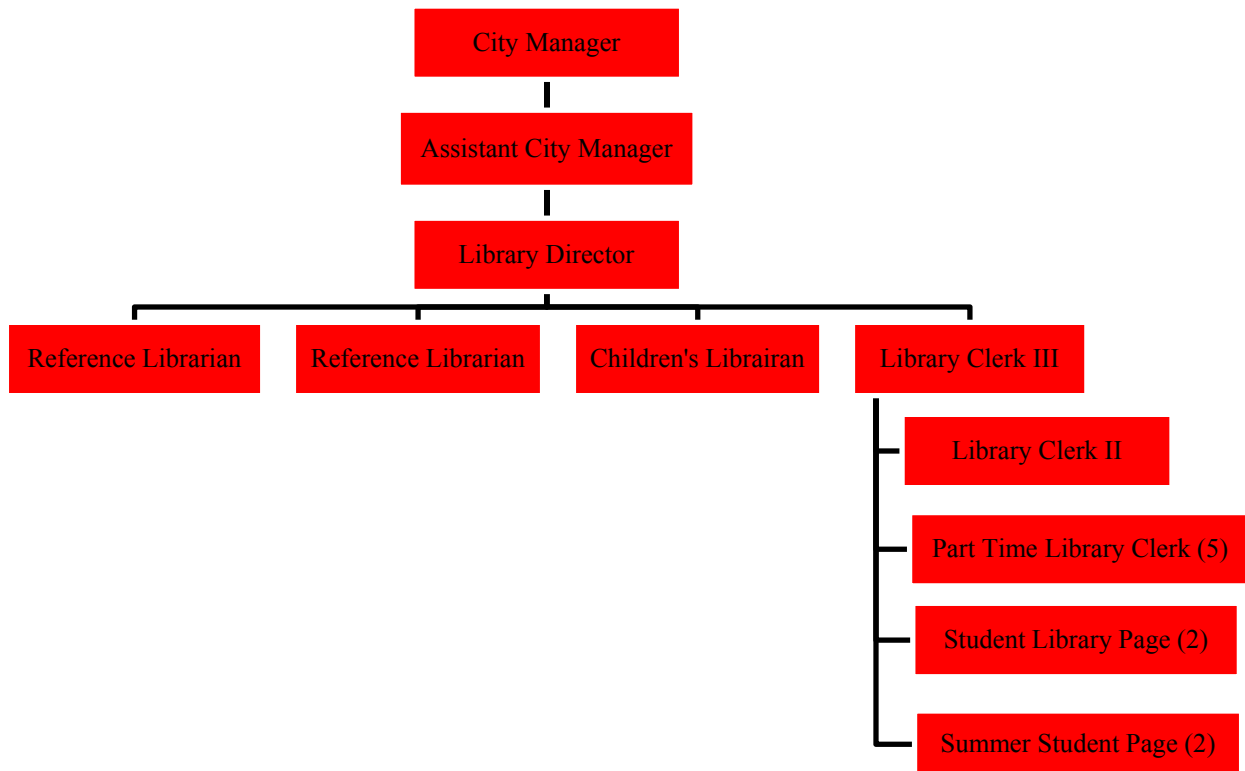
GOALS AND OBJECTIVES

In order to encourage literacy and lifelong learning, the Library selects, acquires, catalogs, organizes, and distributes print and non-print material for the residents of Harker Heights. The Library encourages its use among its patrons through provision of quality materials on a variety of subjects, through a large amount of programming on topics of interest to its patrons, through excellent reference and readers' advisory assistance to patrons of all ages, through provision of comfortable and inviting surroundings, and through publicity. The Library also strives to reach out to the community through involvement in committees, attendance at community functions, and outreach to schools, daycares, and organizations.

The Library continues to expand its many roles. Known for excellent children's services, the Library continues to reach out to adults and young adults in our community and to utilize technology and other avenues for improved services and marketing. Working with community organizations and area schools will prove essential for continued relevance in programming.

The Library continues to hone its collections. Specific and careful collection development will give patrons access to the best materials in a wide variety of topics. Internet access assists the Library's ability to provide research capabilities. Included within these improved collections will be an expanded e-content that can be available to our patrons 24/7 and carefully planned monograph Reference Collections.

ORGANIZATIONAL CHART



FY 2015-2016 ACHIEVEMENTS

- Received the 2015 Achievement of Excellence in Libraries Award from the Texas Municipal Library Director’s Association
- Library Director presented a variety of programs for other professionals including “Encouraging Creativity” and “Embedded Librarianship”
- Planned and implemented new programs such as Princess Tea Party, Little STEAMERS, Young Adult COSPLAY, etc.
- Continued cooperation with schools by hosting a summer Leadership Camp for a local elementary school.
- Facilitated the Harker Heights High School and Knights of the Round Table Teen Job Fair

PROGRESS ON FY 2015-2016 OBJECTIVES

- Continue to focus on improving the Library’s online and social media presence through website content changes, blogs, and social media.
 - Updated the Library’s Virtual Library online, moved the Library’s homepage to the Virtual Library and simplified and condensed online content for ease of use.
- Implement Investigate, implement, and publicize innovative “STEAM” (Sciences, Technologies, Engineering, Arts, and Mathematics) programming.
 - Researched “STEAM” programs, science supplies, etc., attended “STEAM” related training, added “STEAM” activities to our Youth Arts Festival, provided a Little STEAMERS program for preschoolers, received a grant to pursue making the Library a “Family Place” for early literacy, STEAM concepts, life skills, etc., and provided outreach program on robotics and circuits to area schools.
- Implement an “outward looking” survey strategy for determining the needs and wishes of our community.
 - Trained staff and volunteers to administer “outward looking” survey in community, provided both short and long survey versions for patrons, participated in a City wide “Town Hall” meeting, and compiled preliminary results to be used to design a new long range plan.
- Improve the Library’s Reference Collection through mindful weeding and collection development.
 - Began process of weeding old and unattractive reference books in both children’s and adults departments, purchased online resources to provide 24/7 access for informational needs, and purchased a small number of updated reference materials for the adult and children’s departments.
- Provide new and innovative cooperative programming with other institutions.
 - Worked with Copperas Cove Public Library to trade “programs” during our Summer Reading Club; worked with Texas A &M University, Central Texas College, Killeen ISD, and other area public libraries to plan and present a community read program including book discussions, film nights, dramatic presentations, a dance, displays, and other activities regarding “The Great Gatsby”; worked with Harker Heights Elementary to provide science related programming at the school; and worked with Killeen ISD, the Harker Heights Chamber of Commerce, and other City Departments to provide a Teen Job Fair at the Harker Heights High School.

FY 2016-2017 OBJECTIVES

- Continue to focus on improving the Library’s online and social media presence.
- Investigate, implement, and publicize innovative “Family Place” programs, services, and collections.
- Institute a major reconfiguration of the Library facility and collections.
- Institute a new parenting collection.
- Provide new and innovative programs and services for businesses and entrepreneurs.

PERFORMANCE MEASURES

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY16 Actual	FY17 Estimated
INPUTS:					
# of full time employees	6	6	6	6	6
# of part time employees	7	7	7	7	7
# of seasonal employees (summer)	2	2	2	2	2
OUTPUTS:					
# of patrons visiting the library	73,000	77,198	75,000	71,581	73,000
# of in-Library programs held	700	877	800	810	800
# of program attendance in-Library	20,000	25,093	23,000	22,365	23,000
# of electronic resources viewed	16,000	47,698	50,000	18,151	20,000
# of print, audio, and video titles circulated	145,000	144,702	145,000	150,084	150,000
# of ebooks / eaudiobooks circulated	4,000	7,129	7,000	8,553	8,000
Total circulation (usage)	165,000	199,529	200,000	176,788	180,000
# of physical materials renewed	15,000	16,677	16,000	16,559	16,500
# of physical materials purchased	5,000	4,979	4,500	5,448	5,000
Donations added	800	1108	800	901	900
Computer usage	45,000	44,324	45,000	51,878	50,000
# of times directional assistance given	6,000	8,209	6,000	8,373	8,000
# of reference questions	18,000	18,432	18,000	16,192	18,000
EFFECTIVENESS:					
% increase in total circulation	5.0%	20.4%	5.0%	-11.3%	2.0%
% increase in computer usage	5.0%	-.004%	5.0%	17%	5.0%
% increase in reference assistance	2.0%	2.5%	2.0%	12.1%	2.0%
% increase in program attendance	3.0%	-9.9%	3.0%	-10.8%	2.0%
EFFICIENCY:					
Average daily walk-in visits	250	255	250	237	240
# of in-house programs per FTE	75	80	75	77	80
# of reference/information transactions handled per FTE	2,000	2,421	2,000	2,339	2,000

LIBRARY

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	357,600	353,708	373,800	181,450	370,800	384,600
002 Overtime	200	0	0	0	0	0
003 Worker's Compensation	7,200	7,034	10,800	9,521	7,600	7,700
004 Health Insurance	23,800	29,846	33,500	16,589	33,500	34,900
005 Social Security	27,400	27,587	28,600	13,697	28,400	29,400
006 Retirement	55,400	42,051	56,100	21,277	55,600	57,800
TOTAL PERSONNEL SERVICE	471,600	460,226	502,800	242,534	495,900	514,400
SUPPLIES						
010 Office	11,800	10,816	12,400	5,610	11,800	12,500
012 General	17,500	14,523	18,800	4,690	15,000	16,500
TOTAL SUPPLIES	29,300	25,339	31,200	10,300	26,800	29,000
MAINTENANCE						
021 Building	9,500	6,545	9,500	2,049	6,500	6,500
022 Equipment	3,700	2,619	3,500	1,172	2,500	2,500
023 Ground	500	0	400	0	400	400
TOTAL MAINTENANCE	13,700	9,164	13,400	3,221	9,400	9,400
INSURANCE						
030 Property/Liability	7,100	6,857	9,300	8,595	8,800	8,800
TOTAL INSURANCE	7,100	6,857	9,300	8,595	8,800	8,800
SERVICES						
035 Unemployment Payments	0	0	0	0	0	0
040 Utilities	32,400	27,394	30,000	10,959	27,000	27,000
041 Dues and Subscriptions	3,400	2,902	3,600	1,860	3,400	3,600
042 Travel and Training	3,300	3,053	3,100	1,179	3,300	3,200
045 Telephone	1,800	259	400	60	400	400
046 Equipment Rental	3,600	2,427	4,000	1,173	3,600	4,400
047 Contract Labor	6,400	6,071	6,500	1,318	6,400	6,500
070 Other Expense (Grants)	3,000	0	3,500	0	900	6,000
TOTAL SERVICES	53,900	42,106	51,100	16,549	45,000	51,100
MISCELLANEOUS						
091 Advertising	4,400	3,995	4,400	973	4,400	4,500
601 Xerox Lease - Prin	0	0	0	0	0	3,700
602 Xerox Lease - Int	0	0	0	0	0	0
TOTAL MISCELLANEOUS	4,400	3,995	4,400	973	4,400	8,200
FIXED ASSET TRANSFERS						
701 Land and Improvements	0	0	0	0	0	0
702 Building and Improvements	0	0	10,000	0	10,000	0
705 Equipment	0	4,515	0	0	0	6,600
706 Furniture and Fixtures	0	0	0	0	0	0
708 Board Purchases	0	0	0	0	0	0
709 Books	87,000	85,702	90,000	53,335	90,000	87,000
TOTAL FIXED ASSET TRANSFERS	87,000	90,217	100,000	53,335	100,000	93,600
GRAND TOTAL	667,000	637,904	712,200	335,507	690,300	714,500

PARKS AND RECREATION

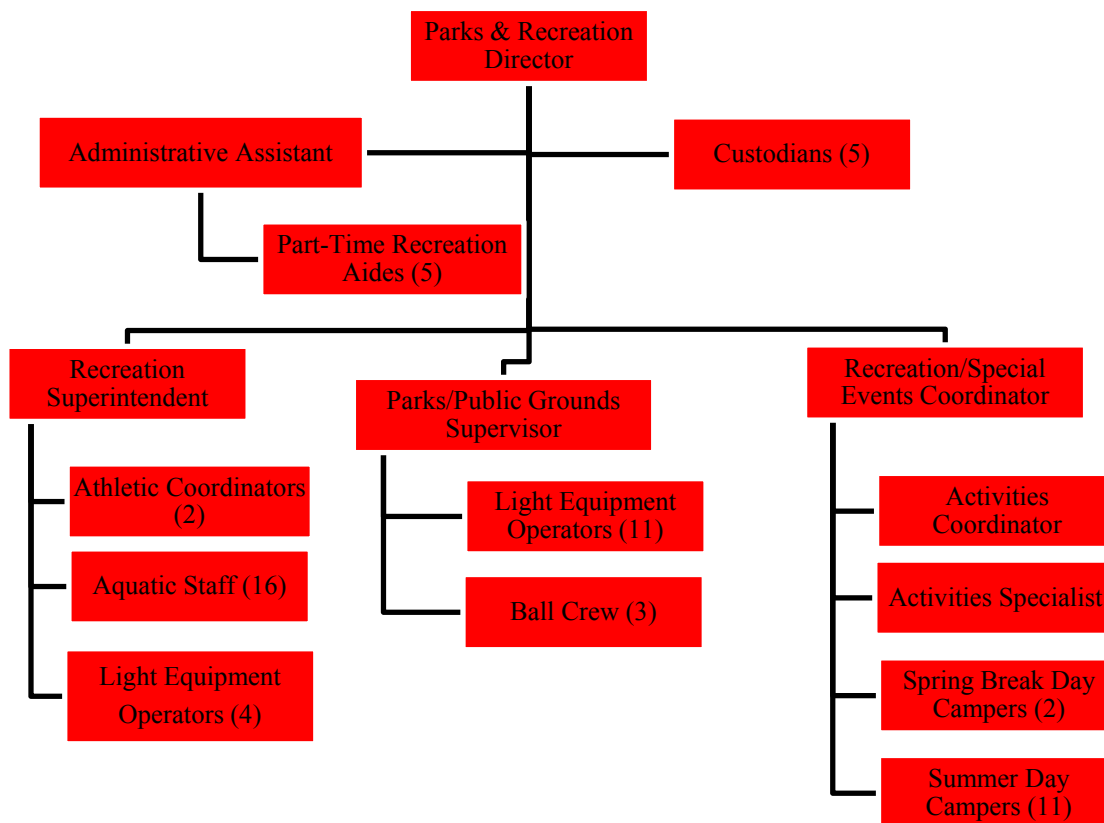
The Parks and Recreation Department is comprised of a Director of Parks and Recreation, an Administrative Assistant, a Recreation Superintendent, two Athletic Coordinators, a Recreation-Events Coordinator, an Activities Coordinator, an Activities Specialist, a Parks & Public Grounds Supervisor, fifteen Light Equipment Operators, and five Custodians. Numerous part-time employees are hired during the summer to assist with the summer day camps, aquatic programs, open swim, and athletic field maintenance.

GOALS AND OBJECTIVES

The responsibility of Parks and Recreation is to operate and maintain the Recreation and Athletic facilities and programs as well as mow and maintain right of ways, Recreation Center, Activity Center, City Hall, Library, Police Department, Fire Department, Booker green space, Cardinal green space, Kern Park, Goode-Connell Park, Carl Levin City Park, Skipcha Park, 2410 Community Park, Purser Park, and Summit Soccer Complex. The Department conducts and administers youth, senior, and adult programs/activities, youth and adult adaptive programs, maintains playgrounds and playing surfaces, and sponsors/co-sponsors numerous special events for the community.

The Department strives to increase and improve the quality of the outdoor/indoor programming opportunities in Harker Heights. This objective is accomplished through good public relations with community support and cooperation by enhancing the base of activities in coordination with the growth demand of the city.

ORGANIZATIONAL CHART



FY 2015-2016 ACHIEVEMENTS

- Increased Senior Program activities and participants.
- Increased youth program participants in all sports.
- Increased attendance and participation in Superhero Program.
- Development of construction documents for Comanche Gap.
- Installation of landscape median within 2410 overlay.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Develop construction documents of Phase 1 for Comanche Gap Park.
 - Complete and awaiting construction.
- Develop replacement plan for park amenities.
 - Ongoing, staff continues with recommendations.
- Develop policies for private partners utilization of public space
 - Ongoing, staff continues to collaborate with other agencies.
- Develop methods for Parks Master Plan Update.
 - Ongoing, justification of allocated funding approved.

FY 2016-2017 OBJECTIVES

- Develop Parks Master Plan update.
- Develop policies for private partners utilization of public space.
- Develop strategy and plan for replastering the swimming pool.
- Develop a marketing strategy for the department.



New Adult Athletics Program - Kickball 2016

PERFORMANCE MEASURES

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of full time employees	29	29	29	29	28
# of part time employees	5	5	5	5	5
# of seasonal employees (summer)	30	30	30	30	30
OUTPUTS:					
# of municipal acres maintained	240	240	242	240	240
# of ROW acres maintained	90	90	90	90	90
# of medians maintained	11	12	12	12	12
# of acres irrigated	108	108	112	112	112
# of playground units	11	12	12	12	12
# of recreation program participants	1,800	1,750	1,800	1,833	1,850
# of youth recreation programs provided	14	13	14	19	19
# of adult/senior recreation programs provided	16 / 27	10 / 25	16 / 27	15 / 23	16 / 25
# of special events provided	30	32	32	28	28
# of spring/summer day camp sessions	8	8	8	8	8
# of spring/summer day camp attendees	195	195	195	182	188
# of youth leagues/participants	8 / 3,000	7 / 3,091	7 / 3,000	9 / 3,400	9 / 3,200
# of adult leagues/participants	2 / 1,400	2 / 1,400	2 / 1,000	2 / 1,400	2 / 1,000
# of sports camps/participants	3 / 350	3 / 250	3 / 250	6 / 326	6 / 325
# of 5ks held/participants	2 / 600	2 / 580	2 / 600	3 / 602	3 / 1,800
EFFECTIVENESS:					
# of park rentals	270	227	230	284	290
# of activity center rentals	830	830	830	1,524	1,550
# of pool rentals	25	19	18	25	30
Public swim attendance	12,470	20,443	18,000	14,469	14,000
Swim lesson attendance	241	225	230	235	230
# of dive ins held	4	4	4	1	1
Dive in attendance	600	625	600	80	80
EFFICIENCY:					
# of acres maintained per full time light equipment employee	21.82	21.82	22.00	21.82	21.82
% of youth recreation programs conducted compared to services offered	100%	100%	100%	100%	100%
% of adult/senior recreation programs conducted compared to services offered	100%	100%	100%	95%	100%

PARKS & RECREATION

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	1,199,300	1,203,555	1,232,100	580,084	1,244,100	1,264,900
002 Overtime	8,000	5,908	8,000	1,412	8,000	8,000
003 Worker's Compensation	24,000	23,325	28,100	24,900	24,000	23,200
004 Health Insurance	122,100	130,784	152,700	75,411	150,800	150,500
005 Social Security	92,400	94,227	94,900	43,766	96,600	97,400
006 Retirement	178,700	162,481	178,300	82,103	189,400	183,000
TOTAL PERSONNEL SERVICE	1,624,500	1,620,280	1,694,100	807,676	1,712,900	1,727,000
SUPPLIES						
010 Office	8,500	9,703	13,800	3,489	11,000	10,600
011 Vehicle	46,000	35,444	46,000	10,865	24,000	25,000
012 General	7,000	8,207	7,000	2,202	7,000	8,000
013 Equipment	10,000	9,865	12,800	6,024	12,800	10,000
014 Uniforms	12,000	10,842	12,000	5,296	11,000	12,000
015 Recreational	7,000	3,992	5,000	2,032	4,000	6,000
016 Chemical	18,000	12,672	12,200	3,846	12,200	12,200
TOTAL SUPPLIES	108,500	90,725	108,800	33,754	82,000	83,800
MAINTENANCE						
020 Vehicle	7,000	8,861	11,900	5,582	9,000	10,000
021 Building	55,000	51,553	55,000	27,350	55,000	60,500
022 Equipment	16,000	15,825	16,000	2,470	13,000	13,000
023 Ground	58,000	56,281	63,000	38,650	63,000	63,000
TOTAL MAINTENANCE	136,000	132,520	145,900	74,052	140,000	146,500
INSURANCE						
030 Property/Liability	24,200	23,934	24,800	22,805	23,500	24,000
TOTAL INSURANCE	24,200	23,934	24,800	22,805	23,500	24,000
SERVICES						
035 Unemployment Payments	0	94	0	0	0	0
040 Utilities	100,000	102,836	100,000	43,616	100,000	100,000
041 Dues and Subscriptions	6,300	4,671	6,300	2,355	6,300	6,300
042 Travel and Training	7,700	5,990	8,200	5,782	8,200	8,200
045 Telephone	1,500	907	1,500	343	1,000	1,000
046 Equipment Rental	8,000	7,467	9,200	5,640	9,200	9,200
047 Contract Labor	0	7,190	15,000	5,638	13,000	13,000
051 ActiveNet Transaction Fees	5,100	6,080	6,000	2,681	6,000	6,000
059 Adaptive Sports	14,200	8,710	10,000	2,066	10,000	10,000
060 Tree City USA	10,000	6,930	10,000	1,429	8,000	10,000
061 Living Legacy	2,000	4,453	3,000	2,564	4,500	4,500
065 Trophies and Awards	19,700	19,147	19,700	6,012	19,700	19,700
066 Uniforms and Equipment (Rec)	57,000	53,148	57,000	15,258	57,000	57,000
067 Parks and Recreation Programs	46,500	39,309	43,000	24,038	40,000	43,000
068 Team Travel	2,400	560	2,400	0	2,400	3,000
069 Adult Sports	6,000	4,507	6,000	920	6,000	6,000
070 Other Expense (Grants)	10,000	0	10,000	0	0	0
TOTAL SERVICES	296,400	271,999	307,300	118,342	291,300	296,900
MISCELLANEOUS						
091 Advertising	17,000	12,594	15,000	7,152	15,000	15,000
601 Xerox Lease - Prin	0	0	0	0	0	3,400
602 Xerox Lease - Int	0	0	0	0	0	0
TOTAL MISCELLANEOUS	17,000	12,594	15,000	7,152	15,000	18,400
FIXED ASSET TRANSFERS						
701 Land and Improvements	0	614	0	0	0	0
702 Building and Improvements	5,000	1,400	0	0	0	0
705 Equipment	10,000	10,810	48,200	12,625	33,500	26,000
706 Furniture and Fixtures	0	0	0	0	0	0
707 Vehicles	35,200	34,033	0	0	0	35,800
TOTAL FIXED ASSET TRANSFERS	50,200	46,857	48,200	12,625	33,500	61,800
GRAND TOTAL	2,256,800	2,198,909	2,344,100	1,076,406	2,298,200	2,358,400

PUBLIC WORKS

The Public Works Department consists of a Director of Public Works, a Utility Superintendent, and an Administrative Assistant. The divisions that function under the Public Works Department include Streets and Fleet Maintenance, described in detail here; Water and Wastewater in the Utility Fund section; Drainage and Sanitation can be found in the Other Funds section.

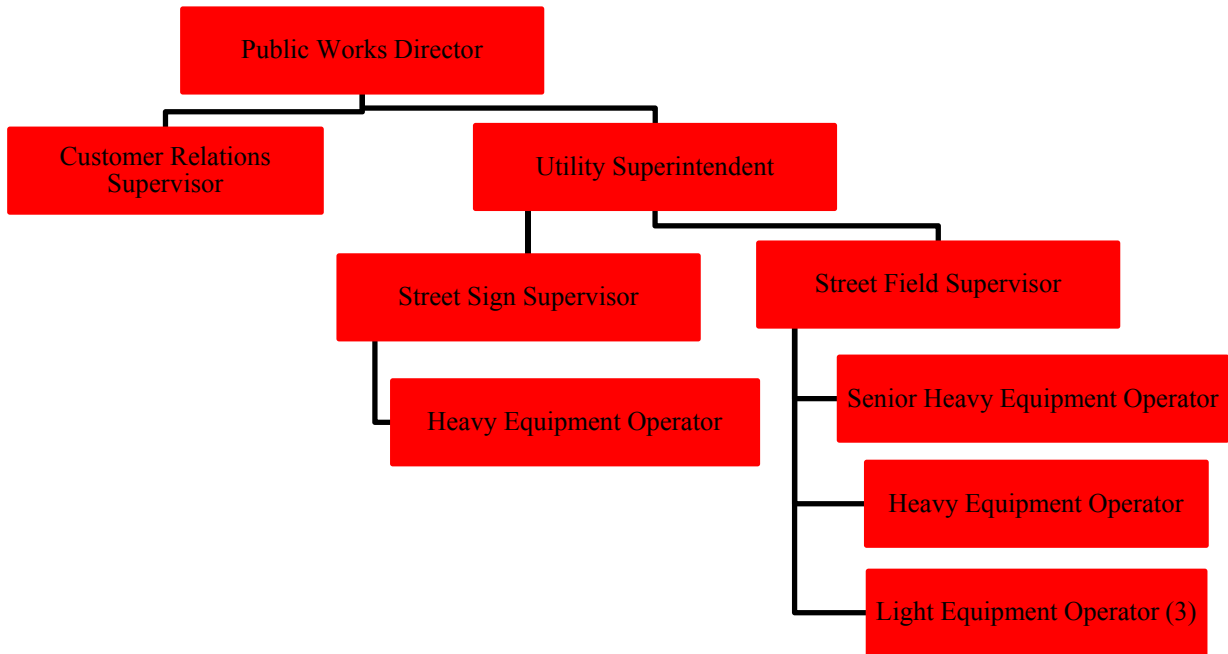
STREET DEPARTMENT

The Street Department makes minor repairs to City streets such as asphaltting potholes, replacing curb and gutter, repairing utility cuts, and blading non-hard surface streets. All major projects are contracted out. The Department consists of a Street Field Supervisor, Sign Supervisor, two Heavy Equipment Operators and four Light Equipment Operators.

GOALS AND OBJECTIVES

The Street Department strives to provide sufficient maintenance and improvements of pavements, curb and gutter, and traffic signs and markings to ensure structurally sound riding surfaces on streets and to provide that all streets in the City have hard surface pavement.

ORGANIZATIONAL CHART



FY 2015-2016 ACHIEVEMENTS

- Completed one month of the annual Crack Seal Program (10 lane miles).
- Completed a one month Motor Grader Program.
- Helped prepare and inspect the 2015-2016 Street Capital Improvement Projects: Amy Lane, Pecan Drive and Comanche Gap Road.

- Assisted Parks Department with tree cleanup at 2410 Park and Fire Department with Bike / walking trails at Comanche Gap Corp Park.
- Repaired 175' of highway guard rail and 18 poles on Old Nolanville Road.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Maintain recycled asphalt streets.
 - 10% complete, work is ongoing.
- In house reconstruction of roads.
 - 10% complete, work is ongoing.
- Repair damaged City sidewalks.
 - Identified 150 feet of sidewalk repair for the 2015 fiscal year. Work is ongoing.
- Repair Driveway approaches and curbs.
 - 20% complete, work is ongoing.

FY 2016-2017 OBJECTIVES

- Continue the annual Crack Seal Program.
- Help prepare and inspect the 2016-2017 Street Improvement Program.
- In house maintenance of recycled asphalt streets, reconstruction of streets and repair damaged City sidewalks.
- Replace defective concrete valley gutters.
- Repair all Water and Sewer utility cuts, pot holes and asphalt level ups within 30 working days of receiving the work order.

PERFORMANCE MEASURES

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of full time employees:	10	10	10	10	10
Public Works Administration	3	3	3	3	3
Street Department	7	7	7	7	7
OUTPUTS:					
# of street utility cuts	120	58	100	75	100
# of pot hole repairs	400	460	450	400	450
Miles of street reconstruction	3.0	2.6	3.0	3.4	2.5
Miles of crack sealing	15	12	13	10	12
Linear feet of sidewalk repair	75	0	50	0	50
EFFECTIVENESS:					
# of employees per square mile	4	4	4	4	4

SIGN SHOP

The Sign Shop is a branch of the Street Department responsible for street signs, road markings, street sweeping and herbicide application to streets and sidewalks. This branch is headed by the Sign Supervisor and also consists of a Heavy Equipment Operator II.

FY 2015-2016 ACHIEVEMENTS

- Removed graffiti from ditches and bridges, trimmed tree limbs obstructing signs, controlled algae in street intersections and applied herbicide to grass growing on joints in sidewalks and curb & gutters.
- Swept all city streets on a 6 times and passed out door hangers to keep grass off the street and out of storm water drains
- Replaced faded street signs and added raised pavement markers city wide.
- Replaced painted road markings with thermoplastic markings.
- Continued night time sign reflectivity program and began reporting street lights that are out. This improves city wide safety.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Street Sweeping.
 - Ongoing, 2,370 Miles were swept during the 2016 fiscal year.
- Herbicide Program.
 - Ongoing, 1,172 gallons were applied during the 2016 fiscal year.
- Night Time Reflectivity Program.
 - 100% complete.
- School Zone Lights and Crosswalks.
 - 100% complete.
- Street Light Operation check.
 - 100% complete.

FY 2016-2017 OBJECTIVES

- Continue removing graffiti from ditches and bridges, trimming tree limbs obstructing signs, control algae in street intersections and apply herbicide to grass growing on joints in sidewalks and curb & gutters.
- Continue sweeping all city streets on a regular schedule, passing out door hangers to keep grass off the street and out of storm water drains.
- Continue replacing raised pavement markers as needed and replacing painted road markings with thermoplastic markings city wide.
- Continue the night time sign reflectivity program and reporting street lights that are out citywide.
- Continue maintaining all TXDOT exit ramps, entrance ramps, turnarounds and islands.

PERFORMANCE MEASURES

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
OUTPUTS:					
# of street signs installed	500	450	500	430	500
# of stop signs installed	25	20	25	23	26
# of yield signs installed	8	4	8	5	5
# of poles set	200	100	200	101	111
Linear feet of thermoplastic installed	80	25	80	50	75
Gallons of herbicide sprayed	1,000	2,000	1,000	1,172	1,000
Miles of street swept	1,728	1,704	1,728	2,370	2400
Miles of residential street swept	1,256	1,269	1,256	1,765	1256
Miles of arterial and collector miles swept	472	435	472	650	650
EFFICIENCY:					
# of residential street sweeping cycles per year. (288 miles/cycle)	6	6	6	6	6
# of arterial and collector street sweeping cycles per year	52	48	52	48	50

STREETS

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	399,400	384,783	414,600	205,757	415,600	431,300
002 Overtime	10,000	7,206	10,000	3,845	8,000	8,000
003 Worker's Compensation	7,200	7,034	7,900	6,957	7,000	7,000
004 Health Insurance	40,800	41,106	53,100	25,875	51,900	55,700
005 Social Security	31,300	30,153	32,500	15,358	32,400	33,600
006 Retirement	63,400	60,797	63,800	31,587	63,500	66,000
TOTAL PERSONNEL SERVICE	552,100	531,079	581,900	289,379	578,400	601,600
SUPPLIES						
010 Office	3,000	1,358	3,000	816	2,000	2,000
011 Vehicle	50,000	31,287	45,000	11,856	30,000	30,000
012 General	3,000	2,432	3,000	2,241	3,000	3,000
013 Equipment	9,000	7,502	8,000	1,668	6,000	9,300
014 Uniforms	7,500	5,341	7,000	4,258	7,000	7,000
TOTAL SUPPLIES	72,500	47,920	66,000	20,839	48,000	51,300
MAINTENANCE						
020 Vehicle	20,000	23,379	25,000	17,049	30,000	25,000
021 Building	2,500	2,247	2,500	1,605	4,300	2,500
022 Equipment	20,000	25,167	20,000	11,215	20,000	20,000
023 Ground	125,000	80,913	115,000	73,126	130,000	125,000
TOTAL MAINTENANCE	167,500	131,706	162,500	102,995	184,300	172,500
INSURANCE						
030 Property/Liability	7,300	7,031	7,100	6,451	6,800	7,000
TOTAL INSURANCE	7,300	7,031	7,100	6,451	6,800	7,000
SERVICES						
035 Unemployment Payments	0	0	0	0	0	0
040 Utilities	260,000	274,981	280,000	118,013	280,000	280,000
041 Dues and Subscriptions	1,400	1,249	1,400	353	1,400	1,400
042 Travel and Training	5,300	2,970	5,300	1,768	6,100	5,300
045 Telephone	4,600	4,516	4,300	2,122	4,300	4,300
046 Equipment Rental	20,000	9,737	20,000	11,467	20,000	20,000
047 Contract Labor	10,000	6,748	17,600	1,613	9,000	11,000
TOTAL SERVICES	301,300	300,201	328,600	135,336	320,800	322,000
FIXED ASSETS TRANSFERS						
701 Land and Improvements	0	1,416	0	0	0	0
702 Building and Improvements	0	0	0	0	0	0
705 Equipment	8,800	7,283	155,900	0	155,900	0
706 Furniture and Fixtures	0	0	0	0	0	0
707 Vehicles	52,000	0	0	45,541	45,500	106,600
TOTAL FIXED ASSET TRANSFERS	60,800	8,699	155,900	45,541	201,400	106,600
GRAND TOTAL	1,161,500	1,026,636	1,302,000	600,541	1,339,700	1,261,000

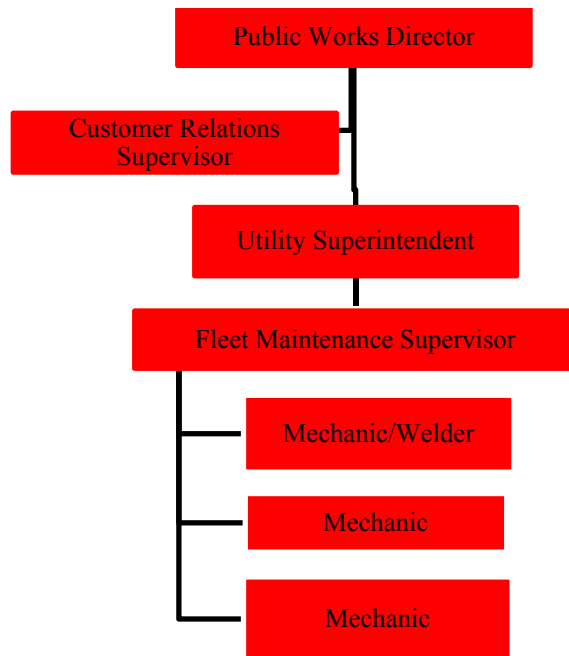
FLEET MAINTENANCE DEPARTMENT

The Fleet Maintenance Department provides welding, scheduled and unscheduled repairs on any city equipment, performs yearly safety inspections on all city vehicles, provides repair parts and petroleum products, emergency repairs and service to all departments. The Department consists of a Maintenance Supervisor, Welder/Mechanic, and two Mechanics.

GOALS AND OBJECTIVES

The Fleet Maintenance Department strives to provide timely support for all city vehicles and equipment which includes performing annual vehicle inspections. Submits purchase orders for parts and repairs for over \$250.00. The department assists with various bids as well by preparing vehicle and equipment specifications as needed to ensure we are purchasing the best product.

ORGANIZATIONAL CHART



FY 2015-2016 ACHIEVEMENTS

- Completed the Maintenance Shop building extension.
- Purchased additional test equipment for better diagnostics on city equipment.
- Mechanics continuing education.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Maintenance Building Extension.
 - 90% complete.
- Update test equipment, test large trucks and backhoes.
 - 10% complete.
- Build work bench in storage room and more storage cabinets for automotive manuals.
 - 25% complete.
- Continue automotive education and customer service training.
 - Ongoing.
- Continue annual inspection of all city vehicles.
 - 100% complete and will be a yearly objective.

FY 2016-2017 OBJECTIVES

- Begin construction of office addition, when funding is available in budget.
- Provide timely support for all city vehicles and equipment.
- Continue automotive education.
- Continue annual inspection of all city vehicles.

PERFORMANCE MEASURES

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of full time employees	4	4	4	4	4
OUTPUTS:					
# of fleet serviced (vehicles/equipment)	418	416	418	1,508	1,520
# of departments serviced	11	11	11	14	14
# of work orders completed	1,250	1,278	1,280	1,540	1,545
EFFECTIVENESS:					
Fleet units in operation	98%	97%	98%	97%	98%
# of vehicles/equipment serviced per mechanic	110	106	110	377	380
EFFICIENCY:					
# of jobs completed per mechanic	312.5	319.5	320.0	385.0	386.0

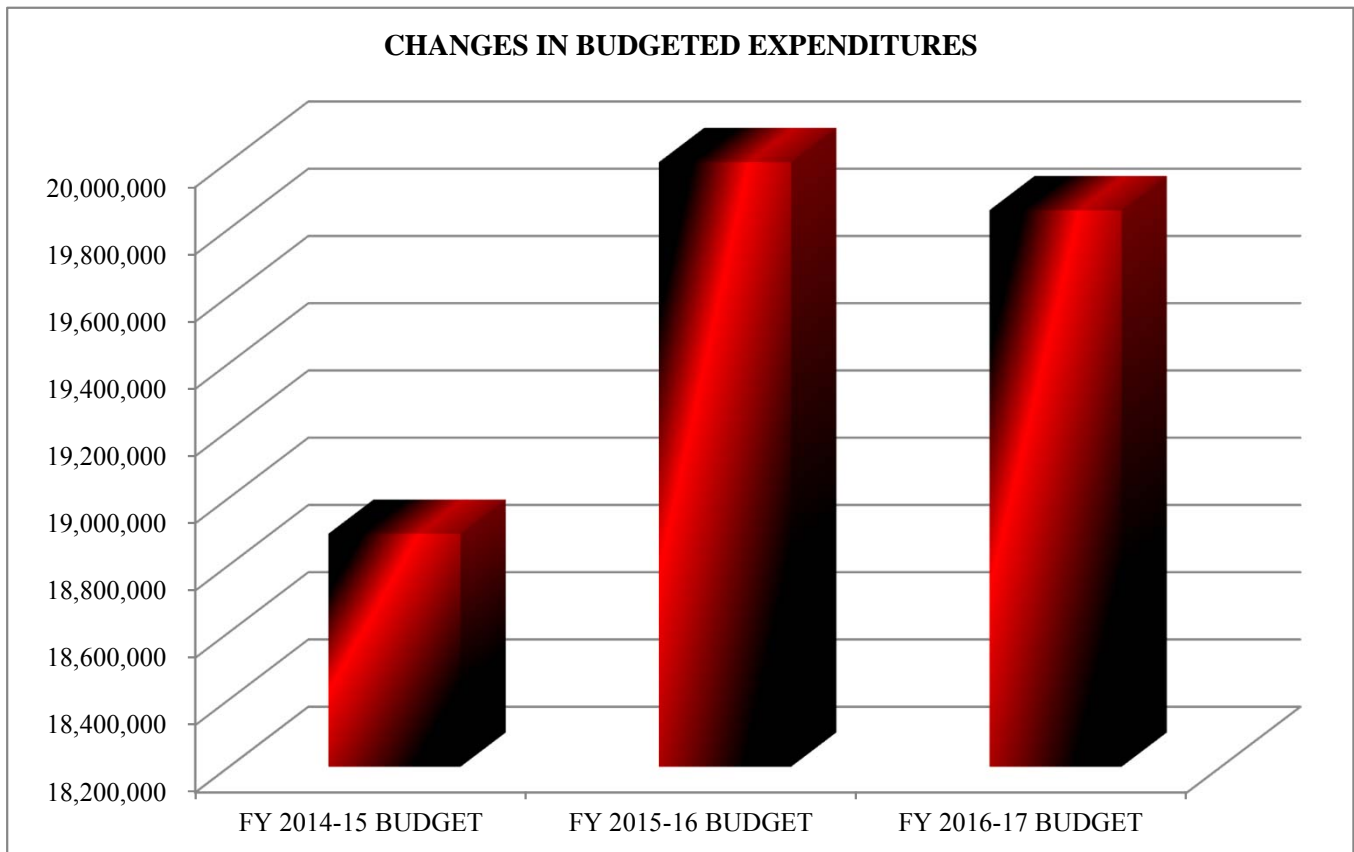
Note: Total # of Fleet vehicles/equipment serviced includes all Fleet vehicles/equipment worked on beginning with FY 16 Actual numbers.

MAINTENANCE

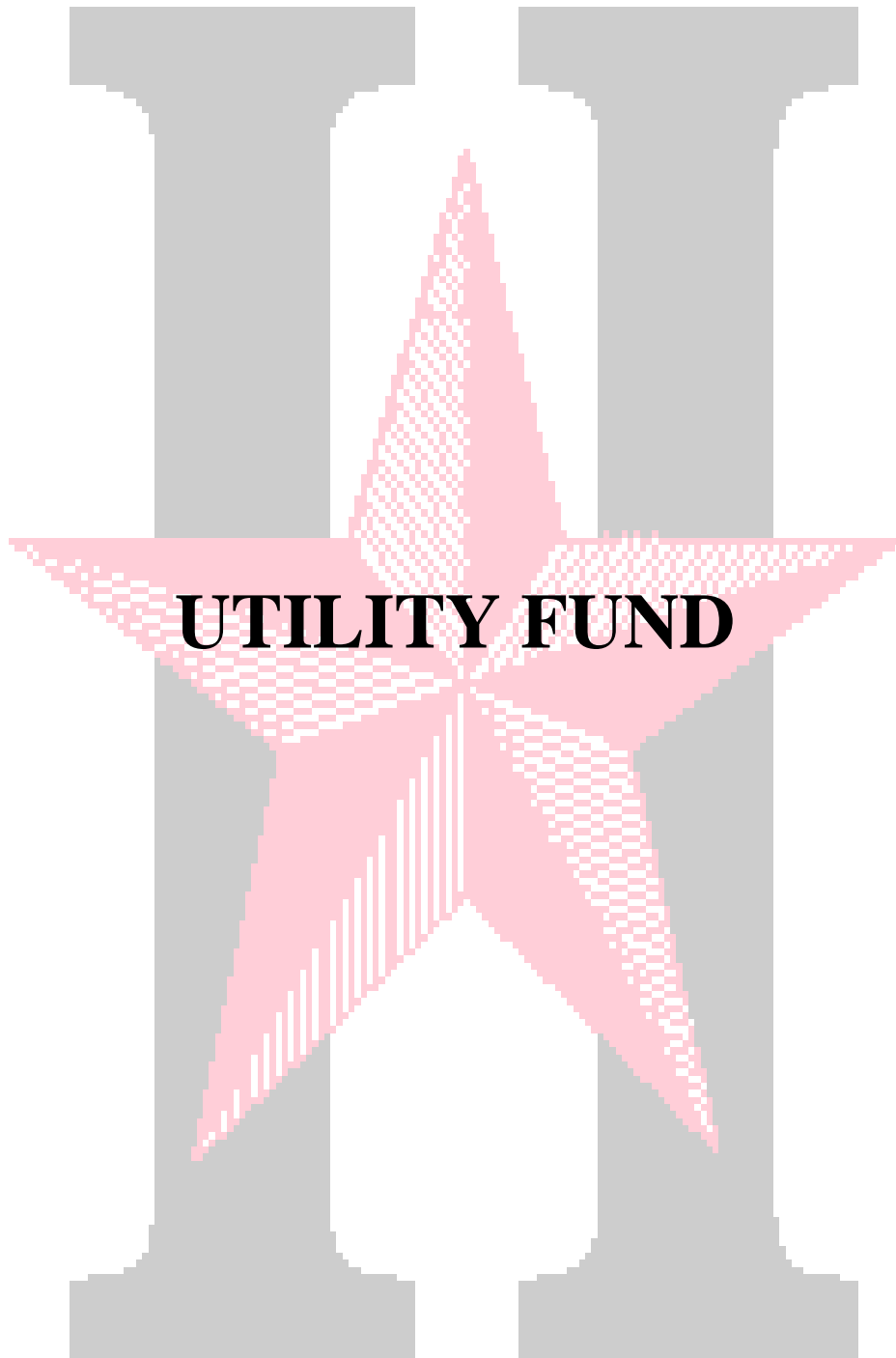
	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICE						
001 Salaries	177,100	178,135	183,100	75,513	159,100	168,400
002 Overtime	1,000	360	1,000	66	500	500
003 Worker's Compensation	3,000	2,962	3,300	2,929	3,000	2,900
004 Health Insurance	18,100	19,200	22,000	9,794	20,000	22,900
005 Social Security	13,600	14,133	14,100	5,761	12,500	12,900
006 Retirement	27,600	27,597	27,700	11,365	24,400	25,400
TOTAL PERSONNEL SERVICE	240,400	242,387	251,200	105,428	219,500	233,000
SUPPLIES						
010 Office	500	354	500	219	500	500
011 Vehicle	4,600	5,437	5,000	244	4,000	4,000
012 General	100	(2,629)	100	(3,074)	100	100
013 Equipment	6,000	3,613	6,000	3,130	6,000	6,000
014 Uniforms	3,000	2,565	3,000	1,805	3,000	3,000
TOTAL SUPPLIES	14,200	9,340	14,600	2,324	13,600	13,600
MAINTENANCE						
020 Vehicle	300	109	300	57	300	300
021 Building	500	296	500	11	500	500
022 Equipment	500	21	500	278	500	500
023 Ground	300	54	300	7	300	300
TOTAL MAINTENANCE	1,600	480	1,600	353	1,600	1,600
INSURANCE						
030 Property/Liability	3,100	2,958	3,000	2,710	2,800	3,000
TOTAL INSURANCE	3,100	2,958	3,000	2,710	2,800	3,000
SERVICES						
040 Utilities	2,000	1,594	2,000	841	2,000	2,000
041 Dues and Subscriptions	200	13	200	170	200	200
042 Travel and Training	2,500	1,457	2,500	1,268	2,000	2,000
045 Telephone	3,200	2,688	2,600	1,154	2,600	2,600
047 Contract Labor	0	0	0	0	0	0
TOTAL SERVICES	7,900	5,752	7,300	3,433	6,800	6,800
FIXED ASSET TRANSFERS						
702 Building and Improvements	0	0	0	0	0	0
705 Equipment	0	0	0	0	0	0
707 Vehicles	0	0	0	0	0	0
TOTAL FIXED ASSET TRANSFERS	0	0	0	0	0	0
GRAND TOTAL	267,200	260,917	277,700	114,248	244,300	258,000

**GENERAL FUND
STATEMENT OF EXPENDITURES**

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
City Council	207,200	196,552	233,600	121,025	227,100	314,900
Administration	1,506,700	2,237,314	1,582,700	981,482	1,802,000	1,642,000
Finance	605,400	615,521	658,600	333,844	665,100	676,000
Pet Adoption Center	285,500	301,463	415,700	181,667	421,400	513,800
Police	5,568,000	5,452,101	6,023,700	2,904,424	5,730,700	6,208,000
Courts	1,119,700	983,006	1,000,500	440,847	842,000	882,100
Planning & Development	409,300	315,071	364,500	182,082	371,800	357,100
Code Enforcement	563,700	532,477	582,500	295,306	543,400	596,900
Fire & EMS Administration	569,200	561,733	562,700	293,384	542,500	576,300
Fire & EMS Operations	3,469,900	3,905,857	3,683,300	1,761,882	3,787,500	3,607,400
Library	667,000	637,904	712,200	335,507	690,300	714,500
Parks & Recreation	2,256,800	2,198,909	2,344,100	1,076,406	2,298,200	2,358,400
Streets	1,161,500	1,026,636	1,302,000	600,541	1,339,700	1,261,000
Maintenance	267,200	260,917	277,700	114,248	244,300	258,000
Reserve for Personnel	10,000	21,384	15,000	1,592	10,000	10,000
Reimbursement:						
Market Heights	0	0	0	0	0	0
Seton Medical Center	600,500	588,413	600,500	588,648	588,700	600,500
YMCA Parking Lot	141,000	141,064	0	0	0	0
Texas Mattress	0	0	0	0	0	0
Transfer to Fixed Assets	(915,900)	(763,444)	(716,500)	(677,196)	(979,900)	(822,000)
Transfer to Capital Projects	300,000	800,000	300,000	0	500,000	100,000
Transfer to Debt Service	100,000	100,000	55,000	0	55,000	0
GRAND TOTAL	18,892,700	20,112,878	19,997,800	9,535,689	19,679,800	19,854,900







UTILITY FUND

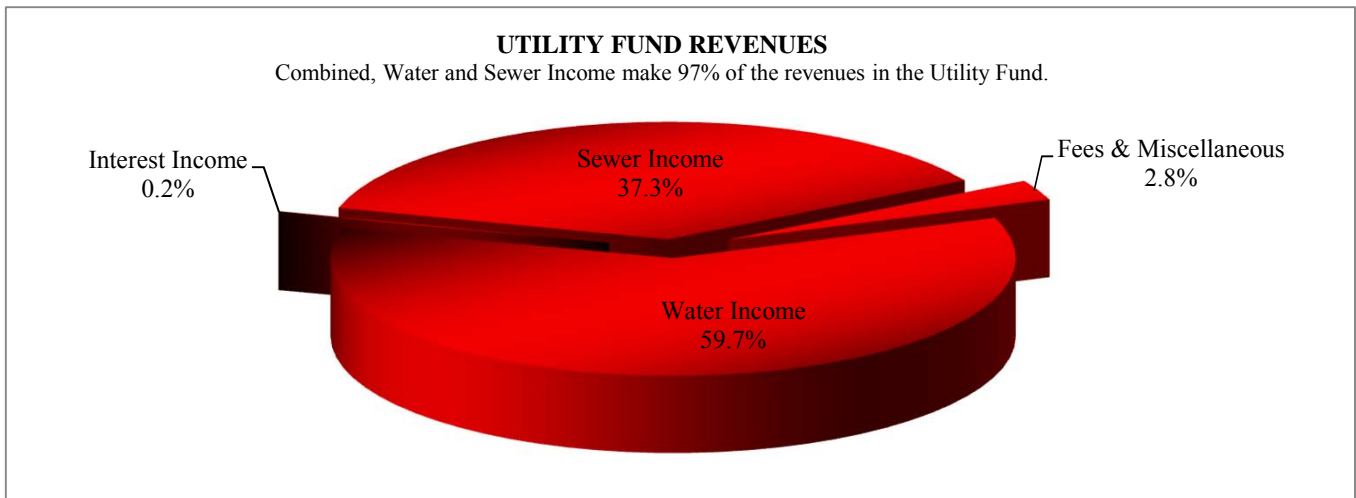
UTILITY FUND REVENUES

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
SALES						
001 Water Income	5,792,700	5,180,689	5,460,000	2,437,594	5,485,300	5,540,200
002 Sewer Income	3,287,700	3,278,741	3,419,500	1,644,093	3,427,800	3,462,100
007 Water Tap Fees	22,000	42,450	25,000	5,503	10,000	10,000
008 Sewer Tap Fees	15,000	13,188	15,000	3,384	5,000	5,000
009 Connect Fees	125,000	92,572	100,000	63,250	116,700	100,000
059 Water Supply Agreement	25,000	27,390	27,000	23,701	23,700	23,000
TOTAL SALES	9,267,400	8,635,030	9,046,500	4,177,525	9,068,500	9,140,300
MISCELLANEOUS						
005 Transfers, Turn On/Off	18,000	16,366	15,000	7,633	15,000	15,000
006 Penalties	110,000	92,640	100,000	45,240	92,000	100,000
010 Credit Card Fees	(40,000)	(43,071)	(45,000)	(24,602)	(50,000)	(50,000)
011 Online Payment Fees	50,000	52,176	50,000	28,040	55,000	55,000
015 Cash Over (Short)	0	(132)	0	(88)	(100)	0
020 Interest Income	10,000	9,406	10,000	7,180	15,000	15,000
021 Miscellaneous Income	5,000	4,418	5,000	1,170	2,000	2,000
022 Other Income	1,000	505	1,000	0	0	0
030 Insurance Proceeds	0	17,577	0	90	100	0
032 Gain on Sale of Assets	0	0	0	0	0	0
057 Assessment Income	0	0	0	0	0	0
201 Net Value of Investments	0	0	0	0	0	0
805 Transfer from Capital Projects	0	0	0	0	0	0
TOTAL MISCELLANEOUS	154,000	149,885	136,000	64,663	129,000	137,000
TOTAL REVENUES	9,421,400	8,784,915	9,182,500	4,242,188	9,197,500	9,277,300
BEGINNING FUND BALANCE	4,625,052	3,573,720	3,623,776	3,322,689	3,322,689	3,327,089
INCREASE/DECREASE	9,900	(251,031)	(3,500)	1,435,699	4,400	8,300
ENDING FUND BALANCE	4,634,952	3,322,689	3,620,276	4,758,388	3,327,089	3,335,389

FUND BALANCE REQUIREMENT

(Three Months Operating Expense)

\$ 1,736,000

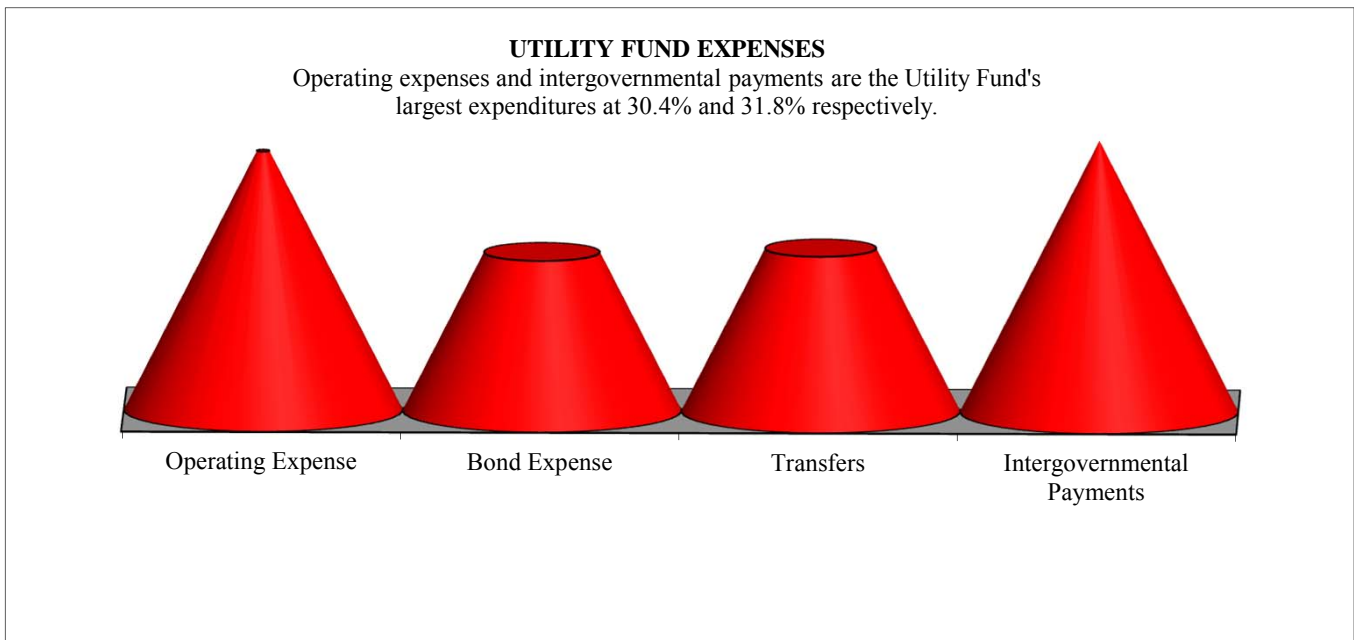


UTILITY FUND EXPENSE SUMMARY

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICES						
001 Salaries	780,000	753,795	820,400	409,193	812,300	839,100
002 Overtime	65,000	74,637	67,500	36,142	69,000	69,000
003 Workers Compensation	16,100	15,921	17,700	15,746	15,600	15,900
004 Health Insurance	82,600	86,447	112,500	47,751	97,200	107,200
005 Social Security	64,700	63,964	67,900	33,362	69,000	69,500
006 T.M.R.S.	130,800	121,767	133,400	67,041	135,500	136,400
TOTAL PERSONNEL SERVICE	1,139,200	1,116,531	1,219,400	609,235	1,198,600	1,237,100
SUPPLIES						
010 Office	43,500	30,881	39,300	16,698	39,300	39,300
011 Vehicle	60,000	41,705	60,000	15,468	45,000	45,000
012 General	8,000	9,899	12,000	4,845	12,000	12,000
013 Equipment	6,000	4,996	10,700	221	6,000	6,000
017 Belt Press	20,000	15,329	20,000	7,747	15,000	15,000
018 Lab	9,000	6,223	9,000	4,970	9,000	9,000
TOTAL SUPPLIES	146,500	109,033	151,000	49,949	126,300	126,300
MAINTENANCE						
020 Vehicle	32,000	64,329	32,000	24,286	40,000	32,000
021 Building	4,000	1,744	4,000	107	1,500	3,000
022 Equipment	69,500	89,829	91,400	39,054	94,400	91,400
023 Ground	2,000	1,186	2,000	78	2,000	2,000
024 Repair & Maintenance	155,000	158,760	155,000	63,952	150,000	150,000
025 New Service Meters	110,000	97,296	110,000	55,311	110,000	110,000
026 UV Lights	35,000	26,881	35,000	20,221	35,000	35,000
027 Odor Control Chemical	60,000	18,345	60,000	2,524	15,000	15,000
TOTAL MAINTENANCE	467,500	458,370	489,400	205,533	447,900	438,400
INSURANCE						
030 Property/Liability	22,200	21,591	21,700	20,648	21,700	21,700
TOTAL INSURANCE	22,200	21,591	21,700	20,648	21,700	21,700
SERVICES						
014 Uniforms	12,000	9,065	13,500	7,798	13,500	13,500
035 Unemployment	0	0	0	0	0	0
040 Utilities	455,000	480,075	475,000	199,911	475,000	475,000
041 Dues/Subscriptions	2,100	1,843	2,100	523	1,100	2,100
042 Travel & Training	16,100	11,609	16,100	8,819	16,800	15,300
045 Telephone	14,200	12,808	13,100	6,184	13,100	13,100
046 Equipment Rental	16,000	18,008	11,000	763	11,000	11,000
047 Contract Labor	190,000	234,087	225,000	132,022	235,100	230,000
085 State Fees	40,000	44,691	46,000	40,696	47,600	47,600
TOTAL SERVICES	745,400	812,186	801,800	396,716	813,200	807,600
BOND EXPENSE	1,839,400	1,341,060	1,785,800	273,864	1,741,500	1,725,400
INTERGOVERNMENTAL PMTS						
801 Transfer to General Fund	450,000	450,000	450,000	50,000	450,000	450,000
806 Transfer to Debt Service Fund	0	0	0	0	0	100,000
200 Water Purchases	2,366,400	2,569,006	2,400,000	890,561	2,355,000	2,400,000
TOTAL INTERGOVERNMENTAL	2,816,400	3,019,006	2,850,000	940,561	2,805,000	2,950,000

UTILITY FUND EXPENSE SUMMARY

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
MISCELLANEOUS						
080 Bad Debt	70,000	56,259	80,000	32,377	60,000	60,000
083 Audit Fees	25,000	24,150	25,000	6,000	27,400	27,400
091 Advertising	3,000	4,053	3,000	2,708	4,500	4,000
092 Professional Fees	30,000	29,675	110,000	36,393	137,100	30,000
32x Issuance Costs	0	26,856	0	57,545	57,500	0
306 Amortization Adv Refunding	31,900	42,176	48,900	24,960	52,400	66,100
TOTAL MISCELLANEOUS	159,900	183,169	266,900	159,983	338,900	187,500
RESERVES						
800 Transfer to Fixed Assets	475,000	475,000	300,000	0	300,000	400,000
805 Transfer to Capital Projects	1,600,000	1,500,000	1,300,000	150,000	1,400,000	1,375,000
Contingency	0	0	0	0	0	0
TOTAL RESERVES	2,075,000	1,975,000	1,600,000	150,000	1,700,000	1,775,000
TOTAL EXPENSES	9,411,500	9,035,946	9,186,000	2,806,489	9,193,100	9,269,000



UTILITY DEPARTMENT

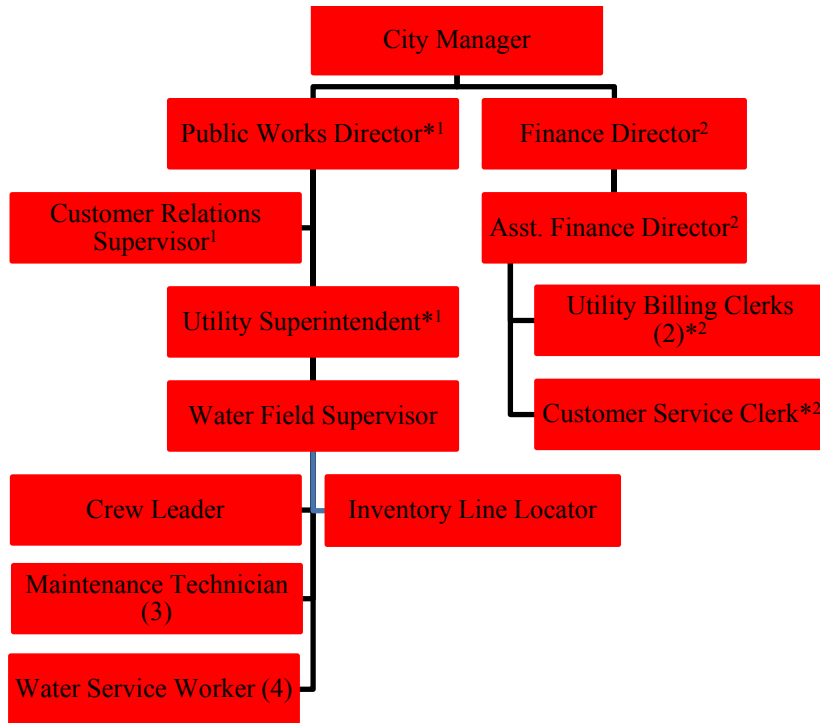
The Utility Department functions under the Public Works Department and consists of three sections – Water Administration, Water Operations and Wastewater. The *Administration* section consists of the Public Works Director, Utility Superintendent, two Utility Billing Clerks, and a Customer Service Clerk. They are responsible for the control, support, and coordination of all activities handled by the Utility Department. *Water Operations* is headed by a Water Field Supervisor with three Maintenance Crewmen, one Meter Reader Crew Leader, and four Meter Readers. A Chief Plant Operator is in charge of the *Wastewater Department* and has five Maintenance Technicians, a Collections Operator and a F.O.G. Collection/Field Supervisor on his staff. Maintaining the Wastewater Treatment Plant and Collection System is their major job duty.

WATER OPERATIONS

ORGANIZATIONAL CHART

*indicates Administration Section

¹indicates Streets Department, ²Finance Department



FY 2015-2016 ACHIEVEMENTS

- Continued annual water tanks video inspections and cleaning as needed.
- Maintain chlorine residuals by deep cycling tanks and flushing water mains to reduce water age.
- Assisted contractors with waterline relocation on Amy Lane.
- Relocate utilities on FM 2410 to be clear of the FM 2410 highway widening project.
- Changed out 1,200 old or inaccurate residential water meters within the city.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Continue to maintain the water distribution system.
 - 100% of leaks repaired to date.
- Continue meter change-out program with a goal of 100 change outs per month.
 - Ongoing; the north and south sides of the City are complete.
- Continue valve location and exercise program by updating maps using GPS technology and requisitioning valve exercising equipment and adding personnel.
 - Staffing only allows 10% of this to get done.
- Provide technical assistance to the community as needed by visiting with customers to answer any questions they might have. Also informing the community of changes in water availability or outages by door hangers, Public Service Announcements, and First Call System.
 - 100% complete.
- Continue to maintain and upgrade pump stations and water storage facilities by maintaining the appearance of the water yards by cutting the grass regularly, monitoring the pumps and motors daily and by draining, cleaning and inspecting the inside of the tanks annually.
 - 40% complete.

FY 2016-2017 OBJECTIVES

- Upgrade Verna Lee Pump Station VFD's.
- The Inventory/Locator employee is working to upgrade the City distribution maps by locating valves, fire hydrants, and flush assemblies. Improve inventory control and monthly reporting, and to maintain small equipment maintenance and control (e.g. trash pumps, generators, and tapping guns).
- Continue with our meter change out programs; continue testing meters for accuracy to help lower water loss in the water distribution system.
- Paint the Verna Lee Pump Station ground storage tank and pump station piping.
- Train new water distribution maintenance personnel on backhoe operation and leak repair.
- Continue to improve the inventory system as efficiently as we can by reducing the number of parts on hand and using suppliers to restock quicker.

PERFORMANCE MEASURES

Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of full time employees	9	10	10	10	10
OUTPUTS:					
# of water taps installed	50	25	50	26	50
# of sewer taps installed	10	17	10	8	10
# of water leaks repaired	100	62	100	64	100
# of Bac-T samples collected	415	435	415	360	415
# of utility lines located	1,800	1993	1,800	2,085	2,500
# of meters read	118,000	118,000	118,000	125,338	126,000
EFFECTIVENESS:					
# of old meters changed out	1,200	1,162	1,200	1,238	1,200
# of new meter sets	250	243	250	216	250
Response to water line breaks within one hour	100%	100 %	100%	100 %	100%
EFFICIENCY:					
# of meters read weekly per employee	650	650	650	602	606
Average # of old meters changed out per month	100	97	100	103	100
Average # of new meter sets per month	20	20	20	18	21

WATER ADMINISTRATION

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICES						
001 Salaries	180,200	180,171	185,800	92,127	189,700	192,200
002 Overtime	1,000	813	1,500	1,418	3,000	3,000
003 Workers Compensation	2,600	2,592	2,900	2,563	2,500	2,600
004 Health Insurance	7,100	11,295	19,000	6,226	12,700	14,200
005 Social Security	13,900	14,036	14,300	7,027	14,700	14,900
006 T.M.R.S.	28,100	26,732	28,100	14,128	28,900	29,300
TOTAL PERSONNEL SERVICES	232,900	235,639	251,600	123,489	251,500	256,200
SUPPLIES						
010 Office	40,000	28,841	35,800	14,992	35,800	35,800
012 General	3,000	4,269	6,000	2,831	6,000	6,000
TOTAL SUPPLIES	43,000	33,110	41,800	17,823	41,800	41,800
MAINTENANCE						
022 Equipment	64,500	68,762	86,400	34,075	86,400	86,400
TOTAL MAINTENANCE	64,500	68,762	86,400	34,075	86,400	86,400
INSURANCE						
030 Property/Liability	2,500	2,425	2,500	2,270	2,500	2,500
TOTAL INSURANCE	2,500	2,425	2,500	2,270	2,500	2,500
SERVICES						
035 Unemployment	0	0	0	0	0	0
041 Dues & Subscriptions	300	322	300	170	300	300
042 Travel & Training	4,000	2,183	4,000	816	2,500	4,000
045 Telephone	2,000	1,463	1,500	748	1,500	1,500
047 Contract Labor	35,000	54,948	60,000	26,362	55,100	60,000
TOTAL SERVICES	41,300	58,916	65,800	28,096	59,400	65,800
BOND EXPENSE						
Principal Payments	1,114,400	795,000	1,156,600	0	1,156,600	1,205,800
301 Interest Expense	725,000	546,060	629,200	273,864	584,900	519,600
TOTAL BOND EXPENSE	1,839,400	1,341,060	1,785,800	273,864	1,741,500	1,725,400
INTERGOVERNMENTAL PMTS						
801 Transfer to General Fund	450,000	450,000	450,000	50,000	450,000	450,000
806 Transfer to Debt Service Fund	0	0	0	0	0	100,000
TOTAL INTERGOVERNMENTAL	450,000	450,000	450,000	50,000	450,000	550,000
MISCELLANEOUS						
080 Bad Debt	70,000	56,259	80,000	32,377	60,000	60,000
083 Audit Fees	25,000	24,150	25,000	6,000	27,400	27,400
091 Advertising	3,000	4,053	3,000	2,708	4,500	4,000
092 Professional Fees	30,000	29,675	110,000	36,393	137,100	30,000
306 Amortization Advance Refunding	31,900	42,176	48,900	24,960	52,400	66,100
330 Issuance Cost	0	26,856	0	57,545	57,500	0
TOTAL MISCELLANEOUS	159,900	183,169	266,900	159,983	338,900	187,500
TRANSFERS						
Transfer to Fixed Assets	31,000	5,000	6,700	7,208	7,200	3,400
TOTAL TRANSFERS	31,000	5,000	6,700	7,208	7,200	3,400
GRAND TOTALS	2,864,500	2,378,081	2,957,500	696,808	2,979,200	2,919,000

WATER OPERATIONS

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICES						
001 Salaries	320,600	317,614	343,900	177,633	344,200	350,600
002 Overtime	40,000	48,503	40,000	20,429	40,000	40,000
003 Workers Compensation	7,500	7,405	8,300	7,324	7,300	7,400
004 Health Insurance	43,800	43,447	50,600	22,912	45,800	47,200
005 Social Security	27,600	27,834	29,400	14,661	30,100	29,900
006 T.M.R.S.	55,800	53,665	57,700	29,791	59,000	58,700
TOTAL PERSONNEL SERVICES	495,300	498,468	529,900	272,750	526,400	533,800
SUPPLIES						
010 Office	1,000	923	1,000	588	1,000	1,000
011 Vehicle	40,000	27,732	40,000	10,017	30,000	30,000
012 General	1,000	1,302	1,000	184	1,000	1,000
013 Equipment	4,000	3,077	8,700	221	4,000	4,000
TOTAL SUPPLIES	46,000	33,034	50,700	11,010	36,000	36,000
MAINTENANCE						
020 Vehicle	17,000	15,443	17,000	9,165	20,000	17,000
021 Building	2,000	378	2,000	15	500	1,000
022 Equipment	2,000	18,748	2,000	3,459	5,000	2,000
023 Ground	1,000	656	1,000	0	1,000	1,000
024 Repair & Maintenance	75,000	67,175	75,000	34,488	70,000	70,000
025 New Service Meters	110,000	97,296	110,000	55,311	110,000	110,000
TOTAL MAINTENANCE	207,000	199,696	207,000	102,438	206,500	201,000
INSURANCE						
030 Property/Liability	7,700	7,524	7,400	6,774	7,400	7,400
TOTAL INSURANCE	7,700	7,524	7,400	6,774	7,400	7,400
SERVICES						
014 Uniforms	6,000	4,389	7,500	3,464	7,500	7,500
035 Unemployment	0	0	0	0	0	0
040 Utilities	185,000	187,853	185,000	70,091	185,000	185,000
041 Dues/Subscriptions	900	820	900	183	300	900
042 Travel & Training	6,300	4,979	6,300	4,148	6,300	6,300
045 Telephone	3,000	2,428	3,000	992	3,000	3,000
046 Equipment Rental	1,000	220	1,000	763	1,000	1,000
047 Contract Labor	35,000	41,276	40,000	8,997	40,000	40,000
085 State Fees	20,000	19,131	20,000	21,582	21,600	21,600
TOTAL SERVICES	257,200	261,096	263,700	110,220	264,700	265,300
INTERGOVERNMENTAL PMTS						
200 Water Purchases	2,366,400	2,569,006	2,400,000	890,561	2,355,000	2,400,000
TOTAL INTERGOVERNMENTAL	2,366,400	2,569,006	2,400,000	890,561	2,355,000	2,400,000
FIXED ASSETS						
Transfer to Fixed Assets	0	18,129	10,300	0	10,400	127,100
TOTAL FIXED ASSETS	0	18,129	10,300	0	10,400	127,100
GRAND TOTALS	3,379,600	3,586,953	3,469,000	1,393,753	3,406,400	3,570,600

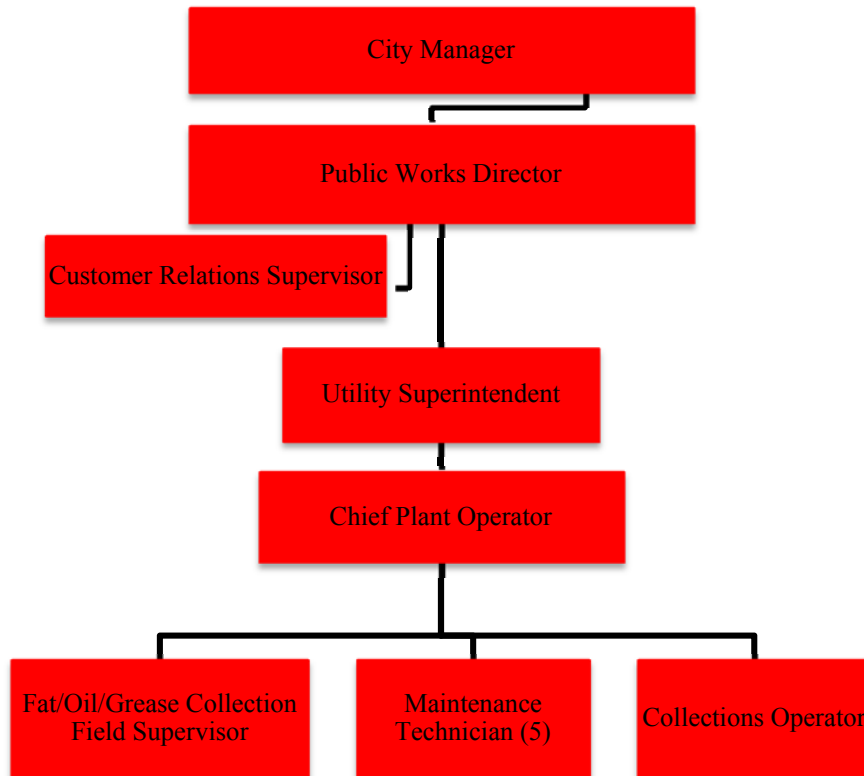
WASTEWATER TREATMENT PLANT AND COLLECTION SYSTEM

GOALS AND OBJECTIVES

The Wastewater Department works to ensure that the operation and maintenance of wastewater facilities, the use of materials, management practices, construction, and all record-keeping and reporting are economically and ethically sound and in the public's best interest. The department is charged with conducting sewer system evaluations, identifying excessive infiltration and inflow into the sanitary sewer system and implementing a timely construction improvement plan to mitigate infiltration and inflow into the collection system.

WASTEWATER TREATMENT PLANT

ORGANIZATIONAL CHART



FY 2015-2016 ACHIEVEMENTS

- Passed TCEQ inspection with no violation or suggested improvements.
- Operator certifications are improving.
- Removed 344 metric tons of cake sludge.
- WWTP crew installed new fine screens and conveyors saving the City over \$200,000.
- Passed all Biomonitoring tests.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Upgrade communications to radio based SCADA system.
 - 60% complete.
- Replace or repair overhead doors in maintenance bays, and overhead lighting.
 - 50% complete.
- Repair spare aerator and have ready to install if another unit fails.
 - Completed one and have another to go.
- Upgrade all operators' certifications to the next level and re-train all employees on confined space entry.
 - 80% complete.
- Upgrade all control panels at the treatment plant.
 - 20% complete.

FY 2016-2017 OBJECTIVES

- Drain and clean the A-Plant serpentine aeration basin.
- Replace bar screens with updated automated system.
- Continue preventative maintenance systems.
- Replace all wiring running through underground conduit throughout plant and clean conduit to alleviate electrical problems we have been experiencing.
- Upgrade communications to radio based SCADA system.

WASTEWATER COLLECTION SYSTEM

FY 2015-2016 ACHIEVEMENTS

- Reached the goal of cleaning 15% of the sanitary sewer lines annually as outlined in the TCEQ Sanitary Sewer Overflow Initiative agreement.
- Videotaped 5300 feet of drainage and sewer pipe combined.
- Repaired sewer lines and MH in Basin 09 and 04 as part of our Annual Sanitary Sewer Overflow (SSO) program.
- Responded to 12 sewer calls.
- Surveyed all restaurants in the City and have 20 with FOG Compliance goals.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Continue sanitary sewer surveys.
 - Sanitary sewer surveys were conducted by engineer.
- Continue cleaning maintenance sewer lines, and storm sewers.
 - Completed 100,000 linear feet of cleaning.

- Closed Circuit Television (CCTV) and Smoked Tested Sewer.
 - Videotaped 5,300 feet of line for the 2015-2016 fiscal year.
- Continue with manhole upgrades.
 - Identified fifteen manholes to upgrade in fiscal year 2015.
- Continue implementation of the ten-year Sanitary Sewer Overflow initiative.
 - Finished year nine of the ten-year Sanitary Sewer Overflow initiative.

FY 2016-2017 OBJECTIVES

- Continue cleaning maintenance sewer lines.
- Repair Ring and Lid on manholes and continue manhole upgrades.
- Locate and repair inflow/infiltration.
- Complete manhole rehabilitation and private service line cleanout repairs.
- Continue odor control on collections systems.

LIFT STATIONS

FY 2015-2016 ACHIEVEMENTS

- Continued grease control at lift stations.
- Started air relief valve maintenance program.
- Constructed new lift station, gravity line and force main from Rummel Road to Granite Trail in the annexed area.
- Complete engineering and started SCADA upgrades to 13 remaining lift stations.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Continue camera lines throughout the City.
 - 60% complete.
- Clean all lift stations twice per year.
 - 100% complete.
- Meet or exceed annual line cleaning goals.
 - 100% complete.
- Reduce number of overflows on city mains.
 - 60% complete.
- Clean 76 storm water catch basins.
 - 50% complete.

FY 2016-2017 OBJECTIVES

- Rebuild each pump for all lift stations
- Clean grease from lift stations twice per year.

- Continue upgrade communications to radio based SCADA system.
- Install Wilo mixer and railing system at Fawn Valley Lift Station.
- Install by-passes at all lift stations.

PERFORMANCE MEASURES

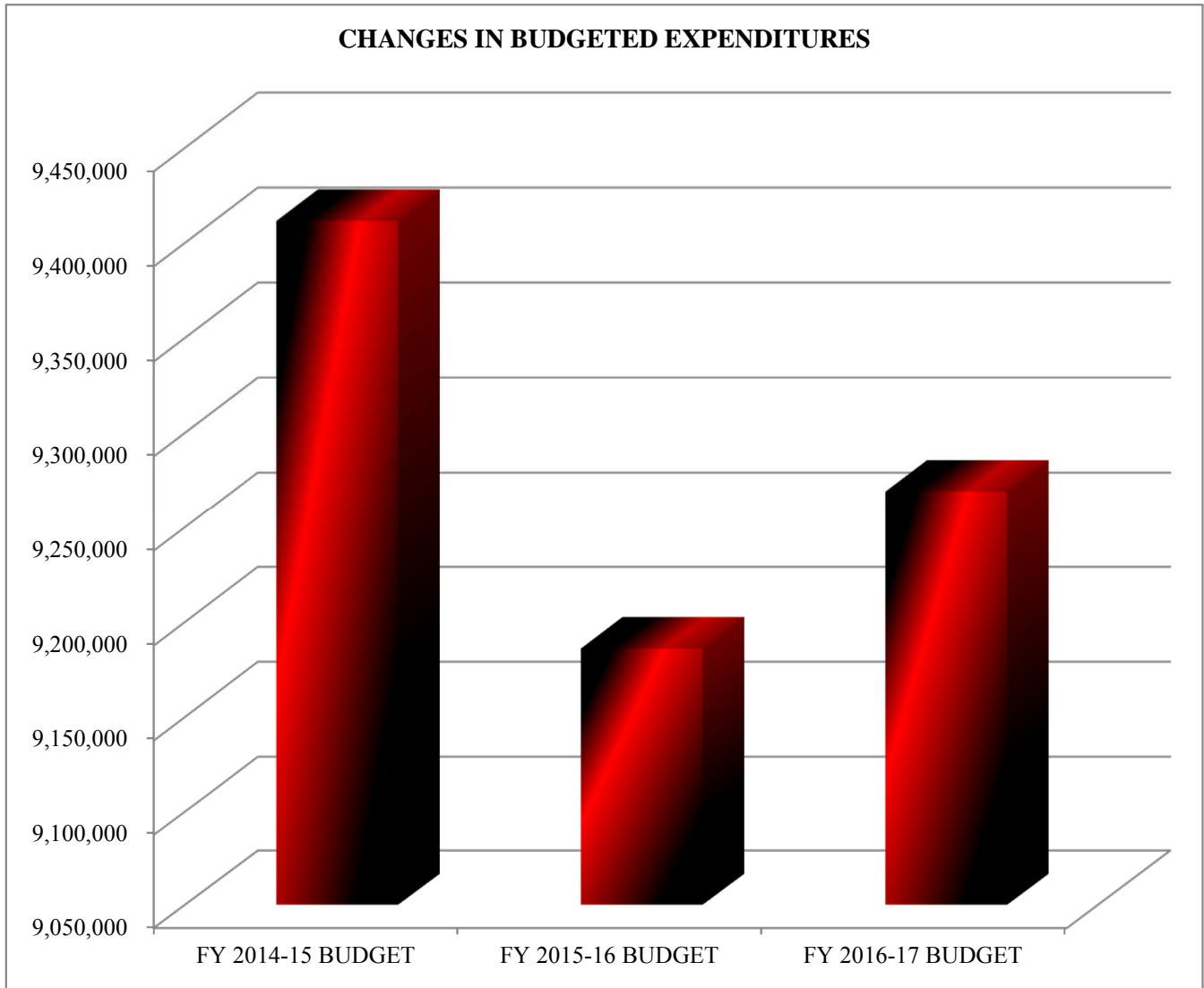
Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of full time employees	8	8	8	8	8
OUTPUTS:					
# of manholes repaired (in-house)	15	9	10	12	10
# of manholes repaired (contracted)	30	0	30	36	25
# of lift station repairs	3	3	5	54	5
# of lift stations cleaned	14	14	14	14	14
Feet of sewer lines cleaned	100,188	100,188	100,188	103,315	100,188
Camera of sewer lines (feet)	2,000	5,300	2,000	2,856	3,000
Feet of sewer lines repaired	1,400	240	1,400	2,978	2,500
# of storm water catch basins cleaned	50	60	50	50	50
EFFECTIVENESS:					
% compliance with all requirements	100%	100%	100%	100%	100%
% compliance with all water quality monitoring	100%	100%	100%	100%	100%
Feet of sewer line cleaned per day	425	458	425	315	450
# of wastewater overflows	25	12	25	32	25
Response to stoppages within one hour	100%	100%	100%	100%	100%
EFFICIENCY:					
% of manholes repaired in-house	20%	100%	20%	100%	20%
Lab costs per million gallons	\$5,000	\$5,300	\$5,500	\$5,300	\$5,500

WASTEWATER

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
PERSONNEL SERVICES						
001 Salaries	279,200	256,010	290,700	139,433	278,400	296,300
002 Overtime	24,000	25,321	26,000	14,295	26,000	26,000
003 Workers Compensation	6,000	5,924	6,500	5,859	5,800	5,900
004 Health Insurance	31,700	31,705	42,900	18,613	38,700	45,800
005 Social Security	23,200	22,094	24,200	11,674	24,200	24,700
006 T.M.R.S.	46,900	41,370	47,600	23,122	47,600	48,400
TOTAL PERSONNEL SERVICES	411,000	382,424	437,900	212,996	420,700	447,100
SUPPLIES						
010 Office	2,500	1,117	2,500	1,118	2,500	2,500
011 Vehicle	20,000	13,973	20,000	5,451	15,000	15,000
012 General	4,000	4,328	5,000	1,830	5,000	5,000
013 Equipment	2,000	1,919	2,000	0	2,000	2,000
017 Belt Press	20,000	15,329	20,000	7,747	15,000	15,000
018 Lab	9,000	6,223	9,000	4,970	9,000	9,000
TOTAL SUPPLIES	57,500	42,889	58,500	21,116	48,500	48,500
MAINTENANCE						
020 Vehicle	15,000	48,886	15,000	15,121	20,000	15,000
021 Building	2,000	1,366	2,000	92	1,000	2,000
022 Equipment	3,000	2,319	3,000	1,520	3,000	3,000
023 Ground	1,000	530	1,000	78	1,000	1,000
024 Repair & Maintenance	80,000	91,585	80,000	29,464	80,000	80,000
026 UV Lights	35,000	26,881	35,000	20,221	35,000	35,000
027 Odor Control Chemical	60,000	18,345	60,000	2,524	15,000	15,000
TOTAL MAINTENANCE	196,000	189,912	196,000	69,020	155,000	151,000
INSURANCE						
030 Property/Liability	12,000	11,642	11,800	11,604	11,800	11,800
TOTAL INSURANCE	12,000	11,642	11,800	11,604	11,800	11,800
SERVICES						
014 Uniforms	6,000	4,676	6,000	4,334	6,000	6,000
035 Unemployment	0	0	0	0	0	0
040 Utilities	270,000	292,222	290,000	129,820	290,000	290,000
041 Dues/Subscriptions	900	701	900	170	500	900
042 Travel & Training	5,800	4,447	5,800	3,855	8,000	5,000
045 Telephone	9,200	8,917	8,600	4,444	8,600	8,600
046 Equipment Rental	15,000	17,788	10,000	0	10,000	10,000
047 Contract Labor	120,000	137,863	125,000	96,663	140,000	130,000
085 State Fees	20,000	25,560	26,000	19,114	26,000	26,000
TOTAL SERVICES	446,900	492,174	472,300	258,400	489,100	476,500
FIXED ASSETS						
Transfer to Fixed Assets	73,300	176,163	323,500	0	329,000	69,300
TOTAL FIXED ASSETS	73,300	176,163	323,500	0	329,000	69,300
GRAND TOTALS	1,196,700	1,295,204	1,500,000	573,136	1,454,100	1,204,200

**UTILITY FUND
STATEMENT OF EXPENDITURES**

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
Water Administration	2,864,500	2,378,081	2,957,500	696,808	2,979,200	2,919,000
Water Operations	3,379,600	3,586,953	3,469,000	1,393,753	3,406,400	3,570,600
Wastewater	1,196,700	1,295,204	1,500,000	573,136	1,454,100	1,204,200
Reserve for Personnel	0	0	0	0	0	0
Vactor Truck Lease Payment	0	0	0	0	0	0
Transfer to Fixed Assets	370,700	275,708	(40,500)	(7,208)	(46,600)	200,200
Transfer to Capital Projects	1,600,000	1,500,000	1,300,000	150,000	1,400,000	1,375,000
Contingencies	0	0	0	0	0	0
GRAND TOTAL	9,411,500	9,035,946	9,186,000	2,806,489	9,193,100	9,269,000





OTHER FUNDS

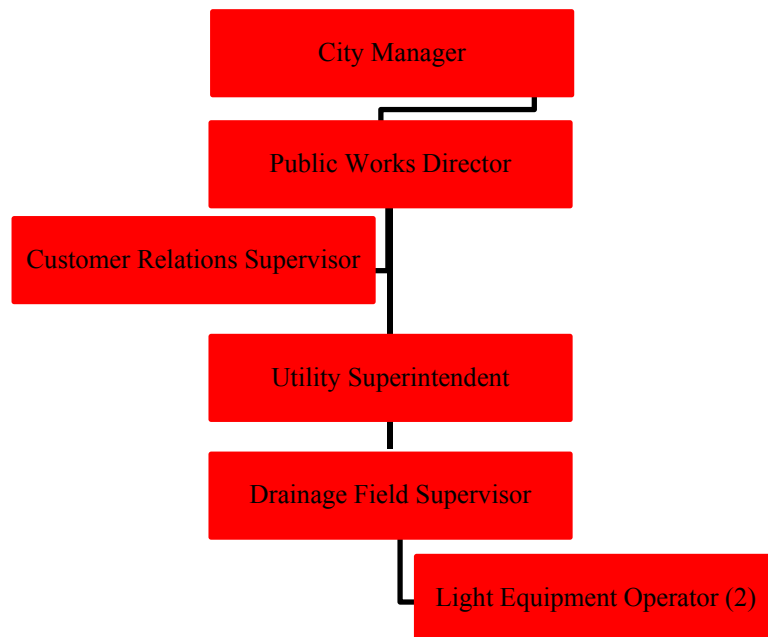
DRAINAGE UTILITY DEPARTMENT

The Drainage Utility Department is supervised by the Public Works Director and the Utility Superintendent. This Department is headed by the Street, Drainage and Sanitation Supervisor and also consists of two Light Equipment Operators.

GOALS AND OBJECTIVES

The Drainage Department works to provide sufficient maintenance and make improvements to drainage ways, channels, or streams so that run-off water will conform substantially to such water course. Erosion, silting, and flooding are important concerns in the maintenance of the City's drainage and storm sewer systems. The Department performs necessary maintenance whenever a potential problem is identified.

ORGANIZATIONAL CHART



FY 2015-2016 ACHIEVEMENTS

- Extended storm drain on Pawnee Drive.
- Installed 70 feet of gabion wall in Clore drainage channel.
- Replaced grates with 3 - table top inlets at Pima (2) and Chaparral (1).
- Due to the heavy spring rains, routine maintenance of drainage features was higher than normal this year.
- Continued certifying herbicide applicator technicians.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Assist with residential drainage problems.
 - 100% complete.
- Accepted the CVS Pharmacy earthen drainage channel and included it on the routine mowing list.
 - 25% complete.
- Reconstruct Prospector Trail and Modoc Drive earthen drainage channels.
 - 7% complete.
- Install concrete flumes on Modoc Drive, Mountain Lion Road and Cattail Circle drainage channels.
 - 10% complete.
- Increase the earthen channel cleaning city-wide.
 - 25% complete.

FY 2016-2017 OBJECTIVES

- Purchase or rent a motor grader for routine maintenance grading.
- Reshape earthen channels city-wide and increase the earthen channel cleaning program.
- Mow all earthen swales and drainage channels city wide at least twice each year.
- Install retaining walls in earthen channels as needed.
- Continue the Backhoe Training Program (certifications for multiple operators).

PERFORMANCE MEASURES

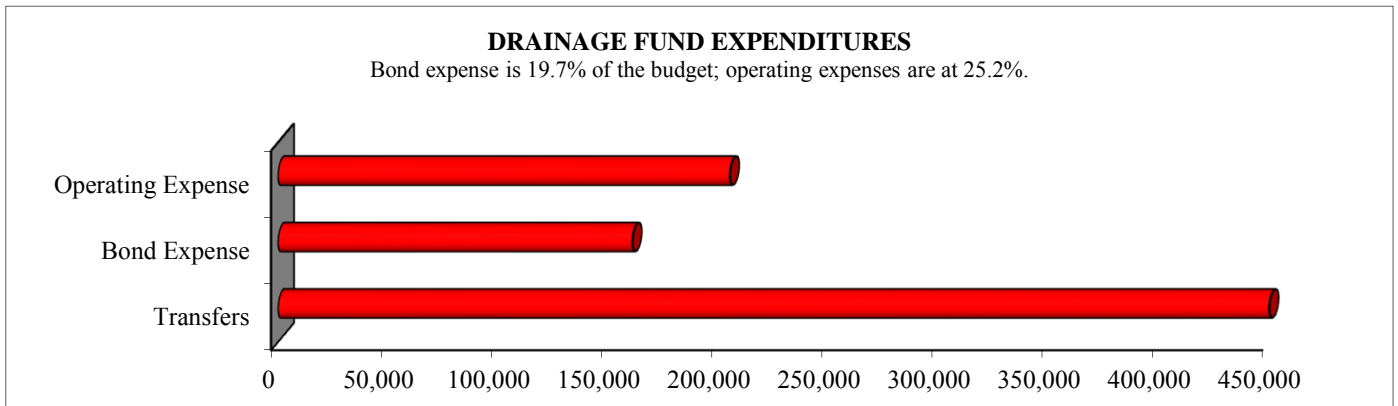
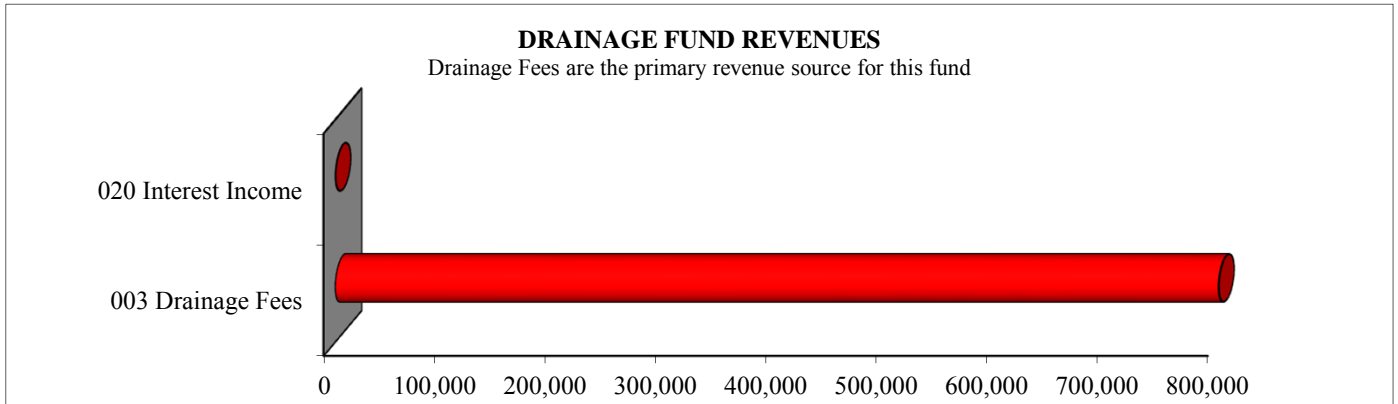
Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of full time employees	3	3	3	3	3
OUTPUTS:					
# of catch basins cleaned and inspected	480	480	480	480	480
# of earthen channels reshaped (feet)	3,000	3000	3,000	3,000	3,000
# of concrete valley gutters installed (in-house)	10	1	10	3	5
# of concrete valley gutters installed (contractor)	0	0	0	0	0
# of driveway culverts installed	7	5	7	4	3
# of storm/emergency responses	4	2	4	2	2
EFFECTIVENESS:					
EFFICIENCY:					
% of concrete valley gutters installed in-house	50%	80%	100%	100%	100%

DRAINAGE FUND

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
BEGINNING BALANCE	69,294	80,009	91,309	110,612	110,612	93,112
REVENUES						
003 Drainage Fees	765,000	771,502	780,300	391,486	783,700	799,400
020 Interest Income	100	229	200	241	400	400
021 Miscellaneous Income	0	0	0	0	0	0
022 Other Income	0	0	0	0	0	0
030 Insurance Proceeds	0	0	0	0	0	0
TOTAL REVENUES	765,100	771,731	780,500	391,727	784,100	799,800
OPERATING EXPENSES						
PERSONNEL SERVICES						
001 Salaries	86,900	90,889	90,800	45,566	90,700	91,700
002 Overtime	2,500	3,063	2,500	1,518	3,000	3,000
003 Workers Compensation	1,900	1,851	2,100	1,831	1,800	1,800
004 Health Insurance	7,800	9,262	9,300	4,646	9,300	15,000
005 Social Security	6,800	6,793	7,100	3,330	7,200	7,200
006 T.M.R.S.	13,800	13,125	14,000	7,083	14,000	14,200
TOTAL PERSONNEL SERVICE	119,700	124,983	125,800	63,974	126,000	132,900
SUPPLIES						
011 Vehicle	9,000	4,397	9,000	2,327	6,000	6,000
012 General	500	231	500	154	500	500
013 Equipment	8,000	5,051	8,000	519	5,000	5,000
TOTAL SUPPLIES	17,500	9,679	17,500	3,000	11,500	11,500
MAINTENANCE						
020 Vehicle	5,000	2,725	5,000	453	3,000	3,000
022 Equipment	1,500	5,805	1,500	899	1,500	1,500
023 Ground	40,000	27,861	40,000	17,342	40,000	40,000
TOTAL MAINTENANCE	46,500	36,391	46,500	18,694	44,500	44,500
INSURANCE						
030 Property/Liability	2,000	1,882	1,900	1,710	1,900	1,900
TOTAL INSURANCE	2,000	1,882	1,900	1,710	1,900	1,900
SERVICES						
014 Uniforms	1,500	1,226	2,300	787	2,300	2,300
041 Dues/Subscriptions	400	299	400	170	400	400
042 Travel & Training	1,500	886	1,000	736	1,000	1,000
046 Equipment Rental	5,000	1,362	5,000	111	2,000	2,000
TOTAL SERVICES	8,400	3,773	8,700	1,804	5,700	5,700
BOND EXPENSE						
Principal Payments	102,300	102,346	102,900	0	102,900	108,900
301 Interest Expense	64,700	64,682	61,200	30,606	61,200	57,700
306 Amortization Bond Issue	(5,900)	(5,913)	(5,600)	(2,824)	(5,600)	(5,400)
321 Issuance Cost - 2003	0	0	0	0	0	0
325 Issuance Cost - 2008	0	0	0	0	0	0
326 Issuance Cost - 2012	0	0	0	0	0	0
TOTAL BOND EXPENSES	161,100	161,115	158,500	27,782	158,500	161,200

DRAINAGE FUND

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
MISCELLANEOUS						
080 Bad Debt	4,000	2,858	4,000	1,640	3,500	4,000
091 Advertising	500	447	500	0	0	0
092 Professional Fees	0	0	0	0	0	5,000
TOTAL MISCELLANEOUS	4,500	3,305	4,500	1,640	3,500	9,000
RESERVES						
800 Transfer to Fixed Assets	150,000	150,000	200,000	50,000	200,000	200,000
801 Transfer to General Fund	0	0	0	0	0	0
802 Transfer to Water	0	0	0	0	0	0
805 Transfer to Capital Projects	250,000	250,000	250,000	50,000	250,000	250,000
806 Transfer to Debt Service	0	0	0	0	0	0
TOTAL RESERVES	400,000	400,000	450,000	100,000	450,000	450,000
TOTAL EXPENSES	759,700	741,128	813,400	218,604	801,600	816,700
INCREASE/DECREASE	5,400	30,603	(32,900)	173,123	(17,500)	(16,900)
ENDING BALANCE	74,694	110,612	58,409	283,735	93,112	76,212



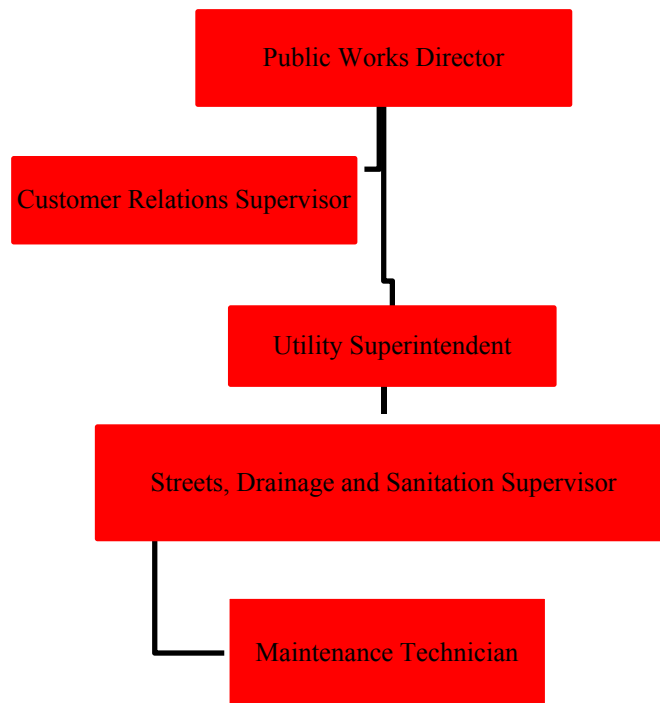
SANITATION DEPARTMENT

The Sanitation Department falls under the Public Works Director and the Utility Superintendent. The Street, Drainage and Sanitation Field Supervisor is in charge of the Sanitation Department which consists of one full-time Maintenance Technician. The Sanitation Department was created during the 2008-2009 fiscal year to take the place of curb side brush and bulky item pickup. The facility is open four days per week and includes recycling.

GOALS AND OBJECTIVES

The Drop Site & Recycling Facility receives brush, bulky items and recyclables from Harker Heights' residents. As a free service, the Drop Site encourages residents to keep their yards and curb lines free of brush and bulky items.

ORGANIZATIONAL CHART



FY 2015-2016 ACHIEVEMENTS

- Maintained and organized an attractive site that is functional and cost effective.
- The usage of the Recycling Facility continues to grow.
- Grade the site to improve customer access and attractiveness.
- Continue contract brush grinding and hauling.
- Customer usage continues to increase.

PROGRESS ON FY 2015-2016 OBJECTIVES

- Fence in the Drop Site/Recycling Center property.
 - 25% complete.

- Continue stock piling free brush mulch for public use.
 - 100% complete for the 2016 fiscal year.

FY 2016-2017 OBJECTIVES

- Begin using a laptop to track the type of use at the Drop Site.
- Install car ramps for recycling containers.
- Continue stock piling free brush mulch for public use.
- Improve customer service by training staff.
- Add a restroom for staff for sanitary reasons.

PERFORMANCE MEASURES

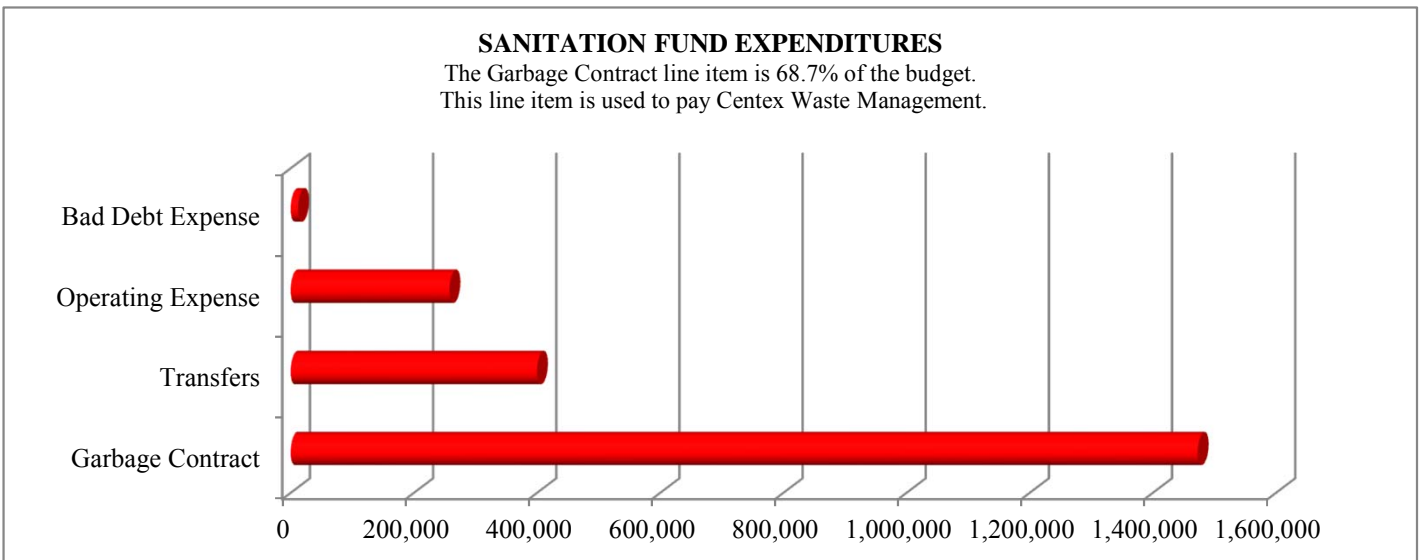
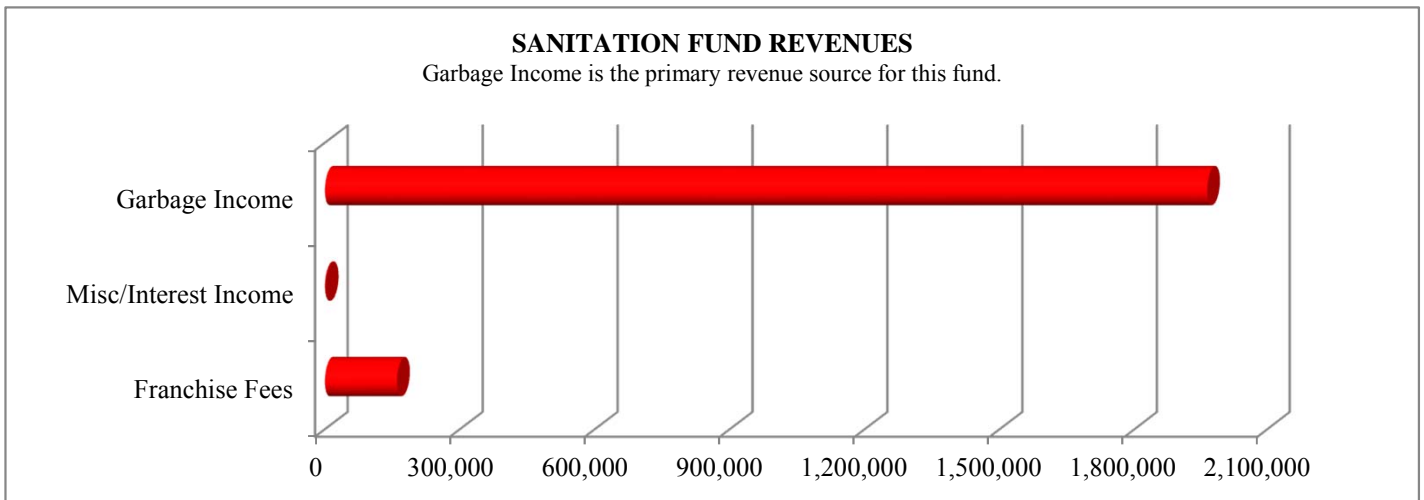
Type of Measure/Description	FY 15 Estimated	FY 15 Actual	FY 16 Estimated	FY 16 Actual	FY 17 Estimated
INPUTS:					
# of full time employees	1	1	1	1	1
OUTPUTS:					
# of brush drop offs	9,500	6,322	7,500	7,065	7,500
# of bulky items dropped off	12,000	9,812	10,000	9,588	10,000
# of dumpsters recycled	175	239	250	252	260
# of dumpsters landfill	450	433	450	497	500
Tons of brush chipped	5,000	3,793	4,000	4,239	4,500
EFFECTIVENESS:					
% of Households using the Station	40%	32%	35%	34%	35%
EFFICIENCY:					
Average wait time per customer (minutes)	<5	<3	<5	<3	<5

SANITATION FUND

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
BEGINNING BALANCE	99,858	159,641	107,841	104,339	104,339	68,639
REVENUES:						
004 Garbage Income	1,866,600	1,886,755	1,925,500	952,409	1,925,500	1,964,000
020 Interest Income	200	352	300	293	500	500
021 Miscellaneous Income	1,000	1,214	1,000	628	1,000	1,000
084 Franchise Fees	139,100	124,567	150,000	86,378	160,000	160,000
TOTAL REVENUES	2,006,900	2,012,888	2,076,800	1,039,708	2,087,000	2,125,500
OPERATING EXPENSES						
PERSONNEL SERVICES						
001 Salaries	31,100	31,546	31,400	16,430	32,400	31,700
002 Overtime	3,500	5,770	5,000	2,770	5,500	5,500
003 Workers Compensation	800	740	800	732	700	700
004 Health Insurance	700	6,894	5,400	2,922	5,700	5,700
005 Social Security	2,600	3,085	2,800	1,418	2,900	2,800
006 T.M.R.S.	5,400	5,890	5,500	2,888	5,700	5,600
TOTAL PERSONNEL SERVICE	44,100	53,925	50,900	27,160	52,900	52,000
SUPPLIES						
012 General	1,000	639	1,000	0	1,000	500
013 Equipment	1,500	253	1,000	235	1,000	1,000
TOTAL SUPPLIES	2,500	892	2,000	235	2,000	1,500
MAINTENANCE						
022 Equipment	2,500	2,148	2,000	1,537	2,500	2,000
023 Ground	0	0	0	0	0	0
TOTAL MAINTENANCE	2,500	2,148	2,000	1,537	2,500	2,000
INSURANCE						
030 Property/Liability	800	734	800	673	800	800
TOTAL INSURANCE	800	734	800	673	800	800
SERVICES						
014 Uniforms	800	461	800	295	800	800
040 Utilities	300	298	300	121	300	300
042 Travel & Training	500	0	500	65	500	500
045 Telephone	500	817	800	398	800	800
046 Equipment Rental	1,100	1,040	1,100	480	1,100	1,100
048 Roll Off Dumpster	150,000	152,078	150,000	80,808	160,000	160,000
050 Garbage Contract	1,364,900	1,406,491	1,442,000	712,946	1,430,000	1,472,900
TOTAL SERVICES	1,518,100	1,561,185	1,595,500	795,113	1,593,500	1,636,400
MISCELLANEOUS						
049 Brush Grinding	20,000	10,000	20,000	10,500	20,000	20,000
052 Mulch Hauling	5,000	5,000	5,000	5,500	8,000	8,000
080 Bad Debt Expense	12,000	9,306	12,000	5,556	12,000	12,000
092 Professional Fees	5,000	0	10,000	500	6,000	10,000
TOTAL MISCELLANEOUS	42,000	24,306	47,000	22,056	46,000	50,000

SANITATION FUND

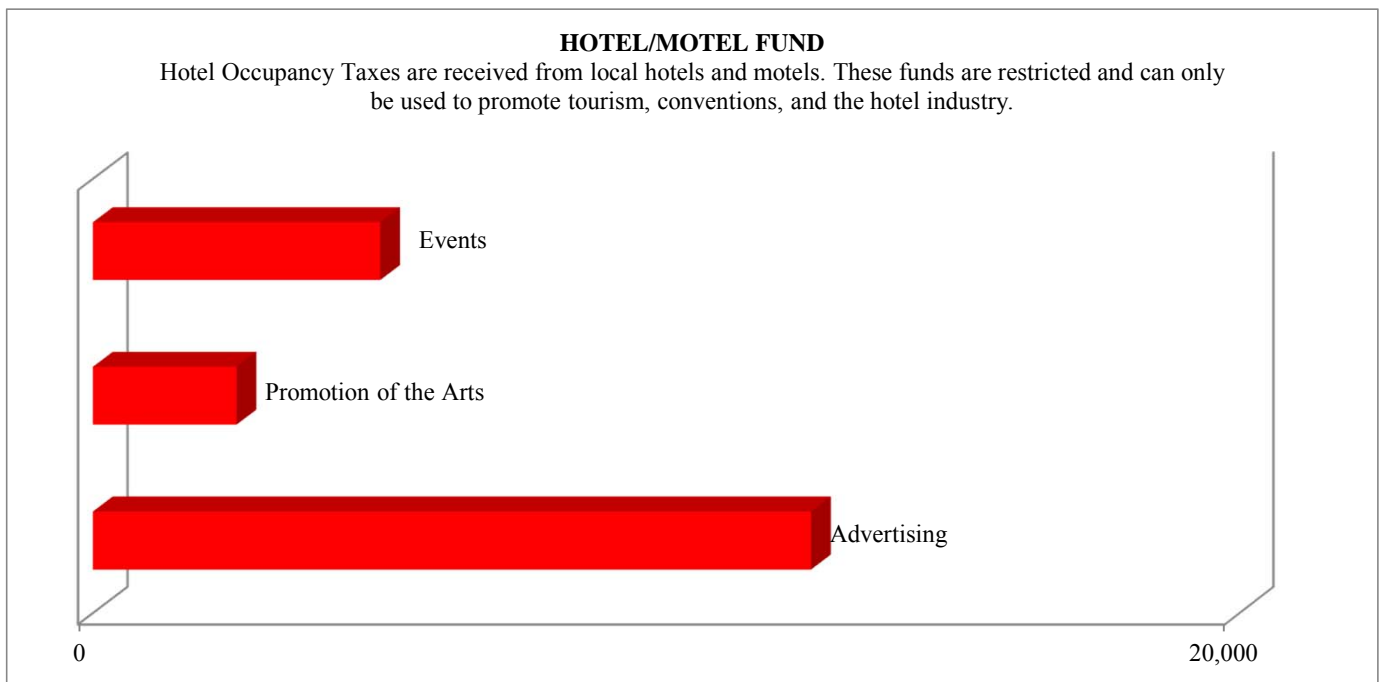
	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
RESERVES						
800 Transfer to Fixed Assets	125,000	125,000	125,000	25,000	125,000	100,000
801 Transfer to General Fund	300,000	300,000	300,000	0	300,000	300,000
TOTAL RESERVES	425,000	425,000	425,000	25,000	425,000	400,000
TOTAL EXPENSES	2,035,000	2,068,190	2,123,200	871,774	2,122,700	2,142,700
INCREASE/DECREASE	(28,100)	(55,302)	(46,400)	167,934	(35,700)	(17,200)
ENDING FUND BALANCE	71,758	104,339	61,441	272,273	68,639	51,439





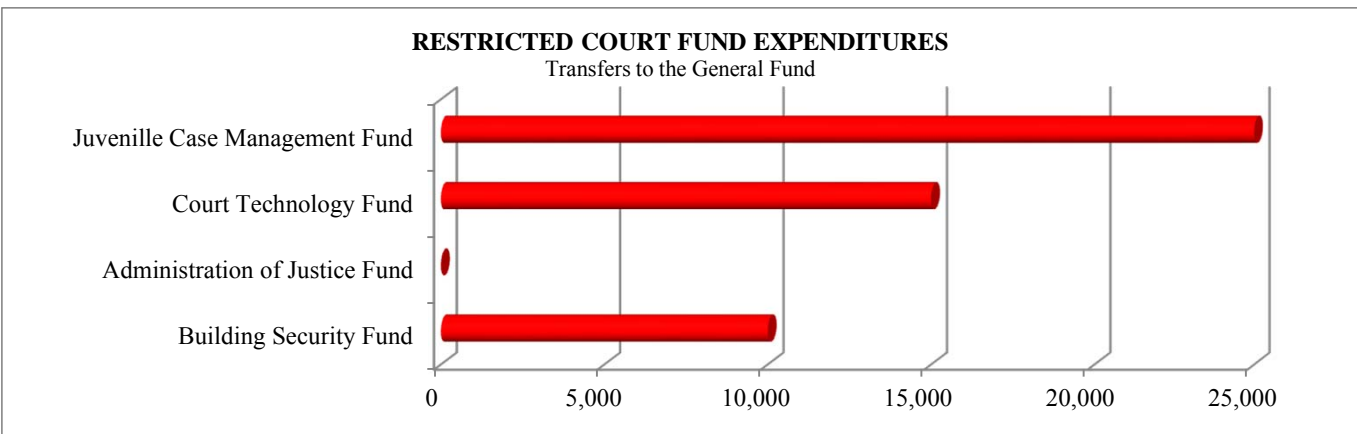
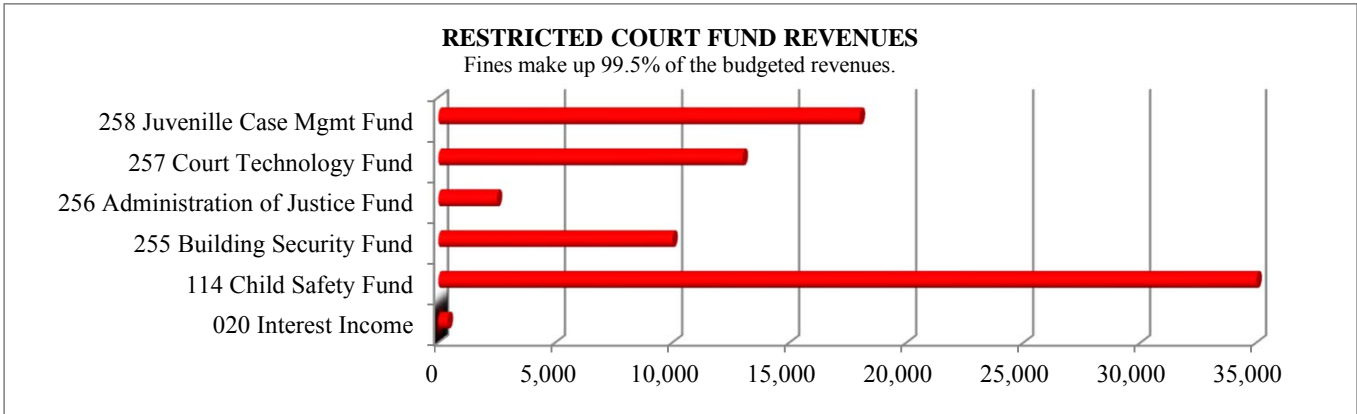
HOTEL MOTEL FUND

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
BEGINNING FUND BALANCE	163,930	189,478	37,278	106,399	106,399	42,199
REVENUES:						
706 Hotel Tax Revenue	70,000	75,371	75,800	23,087	67,000	70,000
020 Interest Income	100	353	200	134	300	300
022 Other Income	0	0	0	0	0	0
201 Net Value of Investments	0	0	0	0	0	0
TOTAL REVENUES	70,100	75,724	76,000	23,221	67,300	70,300
EXPENDITURES:						
Chamber Events	5,000	5,000	5,000	2,488	5,000	5,000
Food & Wine Festival	7,500	7,500	7,500	3,737	7,500	7,500
Miscellaneous Advertising	0	0	0	0	0	0
091 Advertising	12,500	12,500	12,500	6,225	12,500	12,500
Tournaments	5,000	5,043	6,500	0	5,000	5,000
094 Events Total	5,000	5,043	6,500	0	5,000	5,000
Food & Wine Festival	2,500	2,500	2,500	1,275	2,500	2,500
095 Promotion of the Arts	2,500	2,500	2,500	1,275	2,500	2,500
092 Comanche Gap Hist Park Dev	15,000	68,622	0	6,753	41,300	0
701 Land	70,200	70,138	70,200	0	70,200	0
710 Other Improvements	0	0	0	0	0	0
Historical Restoration/Preservation	85,200	138,760	70,200	6,753	111,500	0
TOTAL EXPENSES	105,200	158,803	91,700	14,253	131,500	20,000
INCREASE/DECREASE	(35,100)	(83,079)	(15,700)	8,968	(64,200)	50,300
ENDING FUND BALANCE	128,830	106,399	21,578	115,367	42,199	92,499



RESTRICTED COURT FUND

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
BEGINNING FUND BALANCE	212,764	216,478	170,378	167,280	167,280	191,080
REVENUES:						
020 Interest Income	100	260	200	207	400	400
114 Child Safety Fund	0	0	0	33,785	34,800	35,000
255 Building Security Fund	20,000	14,703	15,000	6,138	9,900	10,000
256 Administration of Justice Fund	4,000	3,569	4,000	1,545	2,500	2,500
257 Court Technology Fund	28,000	19,590	20,000	8,164	13,200	13,000
258 Juvenile Case Mgmt Fund	36,000	27,980	30,000	11,400	18,500	18,000
TOTAL REVENUES	88,100	66,102	69,200	61,239	79,300	78,900
EXPENDITURES						
Court Technology Fund	54,300	0	0	0	0	4,400
800 Transfers to Fixed Asset Fund	54,300	0	0	0	0	4,400
Building Security Fund	15,000	15,000	10,000	5,000	10,000	10,000
Administration of Justice Fund	0	0	0	0	0	0
Court Technology Fund	20,000	70,300	15,000	0	15,000	15,000
Juvenile Case Management Fund	30,000	30,000	30,000	0	30,000	25,000
801 Transfers to General Fund	65,000	115,300	55,000	5,000	55,000	50,000
Child Safety Fund	0	0	0	0	500	500
TOTAL EXPENDITURES	119,300	115,300	55,000	5,000	55,500	54,900
INCREASE/DECREASE	(31,200)	(49,198)	14,200	56,239	23,800	24,000
ENDING FUND BALANCE	181,564	167,280	184,578	223,519	191,080	215,080



EMPLOYEE BENEFITS FUND

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
BEGINNING FUND BALANCE	217	265	365	424	424	624
REVENUES						
Interest Income	60	159	100	89	200	200
TOTAL REVENUES	<u>60</u>	<u>159</u>	<u>100</u>	<u>89</u>	<u>200</u>	<u>200</u>
INCREASE/DECREASE	<u>60</u>	<u>159</u>	<u>100</u>	<u>89</u>	<u>200</u>	<u>200</u>
ENDING FUND BALANCE	<u><u>277</u></u>	<u><u>424</u></u>	<u><u>465</u></u>	<u><u>513</u></u>	<u><u>624</u></u>	<u><u>824</u></u>

The Employee Benefits Fund was created to reduce the premium tax paid by the City to an insurance carrier for eligible lines of coverage. It is a pass-through account for the collection and payment of insurance premiums.

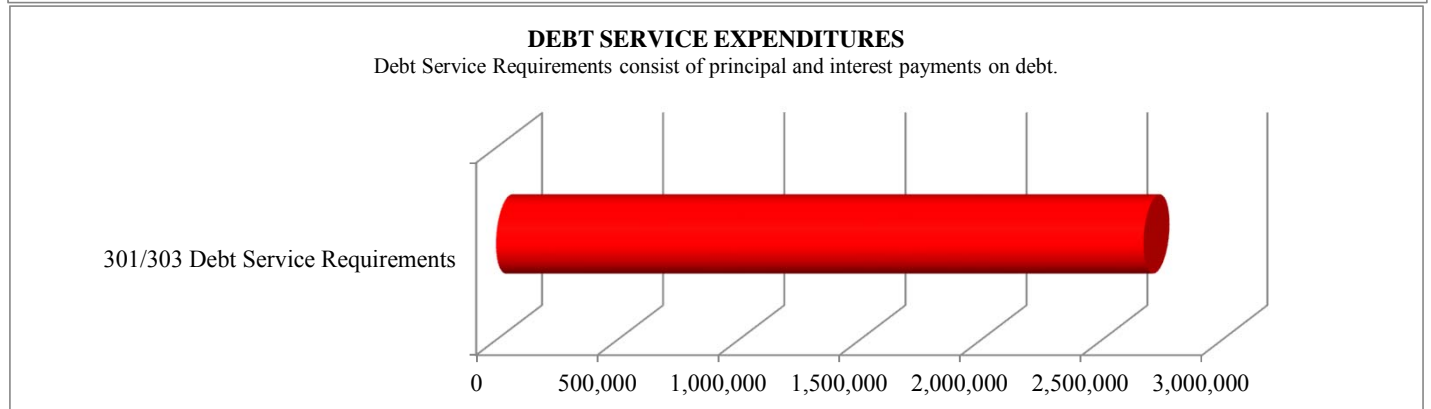
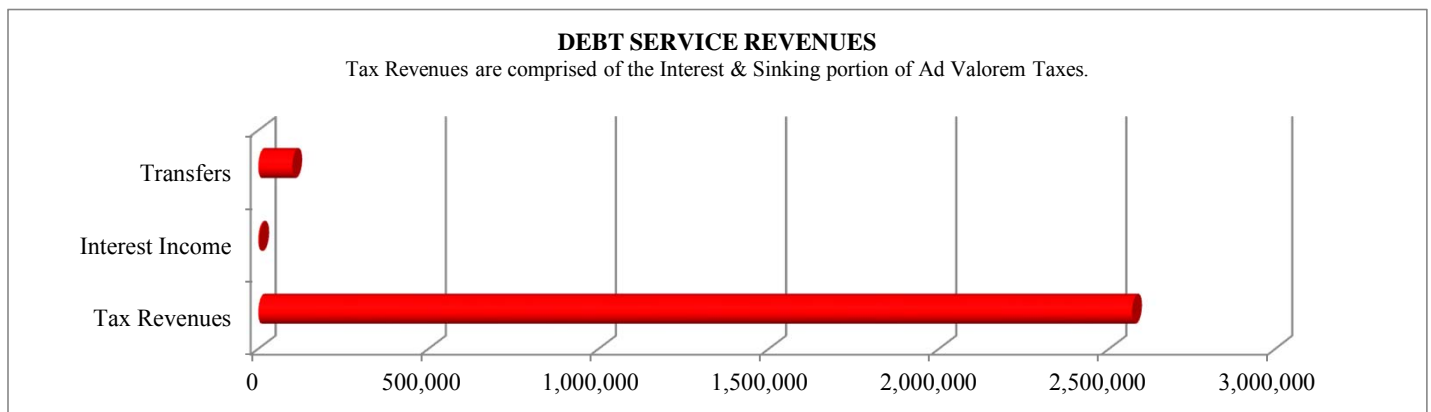




DEBT SERVICE

DEBT SERVICE FUND

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
BEGINNING FUND BALANCE	26,337	106,025	82,725	107,771	107,771	38,371
REVENUES:						
020 Interest Income	1,000	688	800	1,241	2,700	3,000
021 Miscellaneous Income	0	0	0	0	0	0
200 Gain on Investments	0	0	0	0	0	0
301 Refunding Bonds Issued	0	6,569,597	0	2,113,400	2,113,400	0
700 Tax Revenues	2,463,700	2,488,624	2,545,100	2,425,344	2,545,100	2,567,900
801 Transfer from General Fund	100,000	100,000	55,000	0	55,000	0
802 Transfer from Utility Fund	0	0	0	0	0	100,000
803 Transfer from Drainage Fund	0	0	0	0	0	0
805 Transfer from Bond Fund	0	0	0	0	0	0
TOTAL REVENUES	2,564,700	9,158,909	2,600,900	4,539,985	4,716,200	2,670,900
EXPENDITURES:						
084 BCAD Fees	27,000	28,452	30,200	14,414	30,200	30,200
301/303 Debt Service Requirements	2,588,500	2,513,482	2,649,500	584,144	2,624,700	2,673,400
304 Refunded Bond Escrow Agent	0	0	0	110,859	110,900	0
305 Refunded Bond Escrow	0	6,550,775	0	1,995,000	1,995,000	0
320 Bond Issuance Cost	0	64,454	0	24,822	24,800	0
802 Transfer to Utility Fund	0	0	0	0	0	0
TOTAL EXPENDITURES	2,615,500	9,157,163	2,679,700	2,729,239	4,785,600	2,703,600
INCREASE/DECREASE	(50,800)	1,746	(78,800)	1,810,746	(69,400)	(32,700)
ENDING FUND BALANCE	(24,463)	107,771	3,925	1,918,517	38,371	5,671



BONDED DEBT

The cost of acquisition for large capital items and the construction of infrastructure sometimes exceed the amount of funding available from operating revenues and resources. When this occurs, the City may issue debt obligations called "bonds". The difference between a bond and a note payable is that bonds are issued for longer periods and require greater legal formality. Some bonds may also require voter approval.

General Obligation Bonds

The City of Harker Heights has two types of bonds outstanding (general obligation and revenue bonds). General obligation bonds are backed by the full faith and credit of the City; in other words, the bonds are guaranteed by a pledge of taxes. A schedule of the City's outstanding general obligation bond issues will follow.

Revenue Bonds

Revenue bonds are payable from a specific source of revenue and do not affect the tax rate. Revenue bonds typically have a "coverage" requirement pursuant to the particular bond covenants. Coverage is the ratio of net pledged revenues to related debt service for a specific year. A schedule of outstanding revenue bond issues will follow.

Debt Limit

No direct funded debt limitation is imposed on the City under current State law or the City's Home Rule Charter. Article XI, Section 5 of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate of \$2.50 per \$100 assessed valuation for all City purposes. The City operates under a Home Rule Charter which adopts the constitutional provisions.

Debt Limitation Summary

• Constitutional Ad Valorem Tax Limitation (per \$100):	\$2.50 per \$100
• Attorney General Administrative Limitation on Ad Valorem Tax Debt/I&S Tax:	\$1.50 per \$100
• 2016 Taxable Assessed Valuation	\$1,699,770,813
• 2016 Total Tax Rate (per \$100)	\$0.6770
• 2016 I&S Tax Rate (per \$100)	\$0.1572
• Maximum Annual Ad Valorem Tax Debt Service, 2017	\$2,673,385*
• Equivalent I&S Tax Rate Required to Service Maximum Debt:	\$0.1573 per \$100
• Percentage of Ad Valorem Tax Debt Service Self-Supporting:	42.50%

*Excludes self-supporting debt

ACTUAL DEBT MARGIN

The certified 2016 taxable value per BCAD is \$1,699,770,813 which is an increase of \$40,175,910 or 2% from the 2015 taxable value. The current tax revenue was calculated using a maintenance and operations tax rate of \$0.5198 per \$100 of taxable value and a collection rate of 96% as follows:

Total Taxable Value	\$ 1,699,770,813
Proposed Tax Rate per \$100 valuation	<u>0.6770</u>
Gross Revenues from Taxes	11,507,448
Estimated Percentage of Collections	<u>96%</u>
Estimated Funds from Tax Levy	11,047,150
Estimated Delinquent Tax Collections	<u>12,000</u>
Total Estimated Tax Collections	<u>\$ 11,059,150</u>

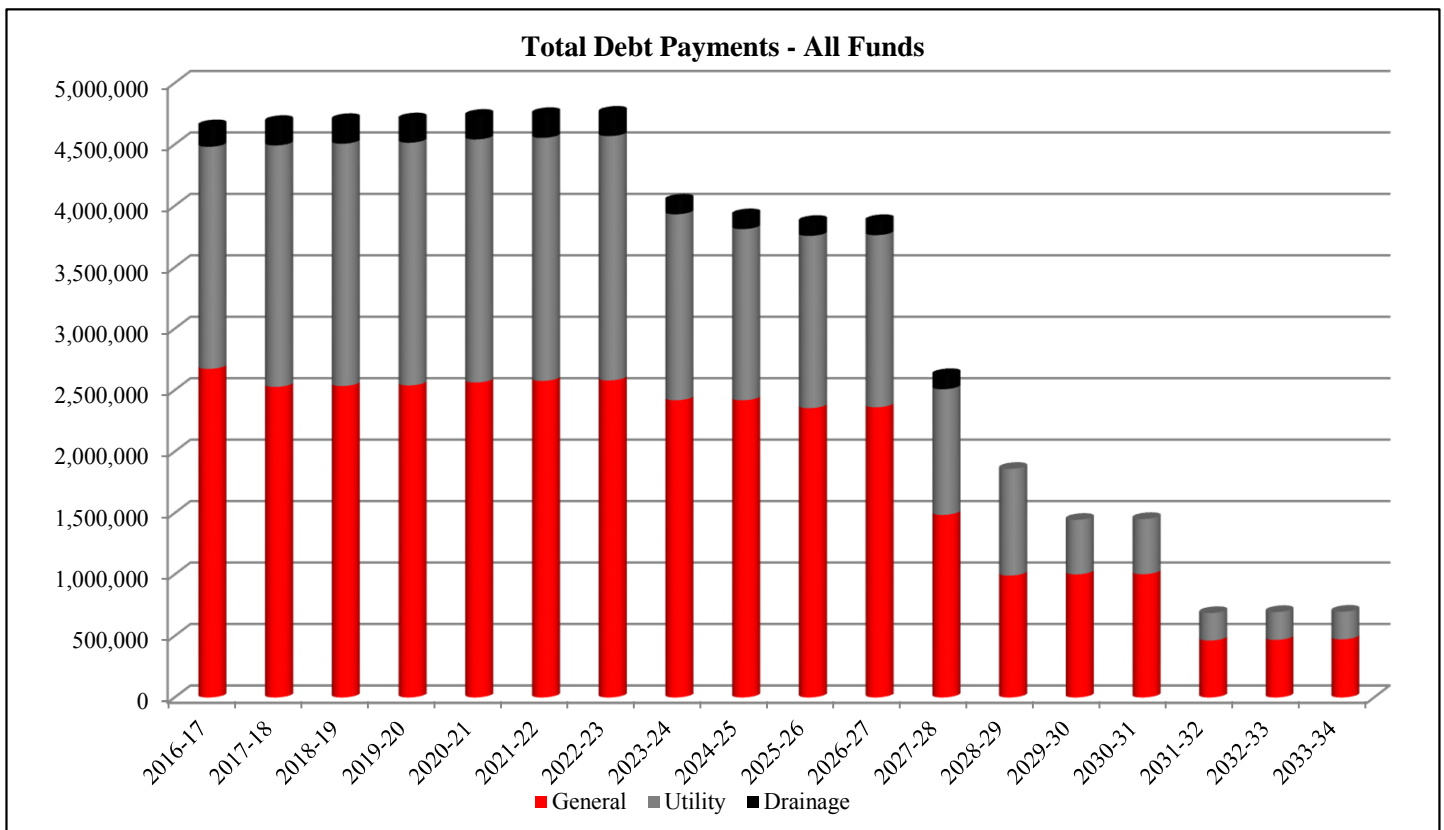
	Tax Rate	Total
Distribution of Tax Revenue		
Maintenance and Operations	0.5198	\$ 8,491,206
Interest and Sinking	<u>0.1572</u>	<u>2,567,945</u>
Total	<u>0.6770</u>	<u>\$ 11,059,150</u>

In February 2012, Standard & Poor’s raised the City of Harker Heights’ underlying rating from “AA-” to “AA” on our outstanding general obligation debt. The raised rating was based on the continued tax base growth, very strong financial position with healthy reserves, and low tax rate coupled with limited capital needs.

The following pages contain the City’s bond schedules. They provide detail for each issuance to include the ratings the City was issued at the time of issuance.

City of Harker Heights Debt Summary

Fiscal Year	GENERAL			UTILITY			DRAINAGE		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2016-17	1,790,269	883,116	2,673,385	1,205,807	601,700	1,807,507	108,924	57,731	166,655
2017-18	1,695,800	831,222	2,527,022	1,397,399	567,678	1,965,077	136,802	53,630	190,432
2018-19	1,747,905	786,483	2,534,388	1,443,715	528,060	1,971,775	143,380	48,693	192,073
2019-20	1,799,747	739,403	2,539,150	1,484,242	490,674	1,974,916	146,010	43,499	189,509
2020-21	1,879,222	683,420	2,562,642	1,532,665	445,789	1,978,454	153,114	38,226	191,340
2021-22	1,951,064	625,011	2,576,075	1,578,192	399,453	1,977,645	160,744	32,681	193,425
2022-23	2,015,538	564,255	2,579,793	1,636,614	351,693	1,988,307	162,848	26,846	189,694
2023-24	1,925,000	493,210	2,418,210	1,215,000	298,395	1,513,395	90,000	20,950	110,950
2024-25	1,995,000	422,828	2,417,828	1,140,000	253,159	1,393,159	95,000	17,179	112,179
2025-26	2,000,000	353,737	2,353,737	1,190,000	211,930	1,401,930	100,000	13,198	113,198
2026-27	2,085,000	276,151	2,361,151	1,235,000	165,604	1,400,604	105,000	9,008	114,008
2027-28	1,290,000	195,277	1,485,277	905,000	117,520	1,022,520	110,000	4,609	114,609
2028-29	845,000	146,325	991,325	785,000	82,725	867,725			
2029-30	885,000	116,225	1,001,225	390,000	53,075	443,075			
2030-31	920,000	82,750	1,002,750	410,000	38,400	448,400			
2031-32	415,000	47,950	462,950	200,000	22,950	222,950			
2032-33	435,000	33,425	468,425	210,000	15,950	225,950			
2033-34	455,000	18,200	473,200	215,000	8,600	223,600			
26,129,545	7,298,988	33,428,533	18,173,634	4,653,355	22,826,989	1,511,822	366,250	1,878,072	



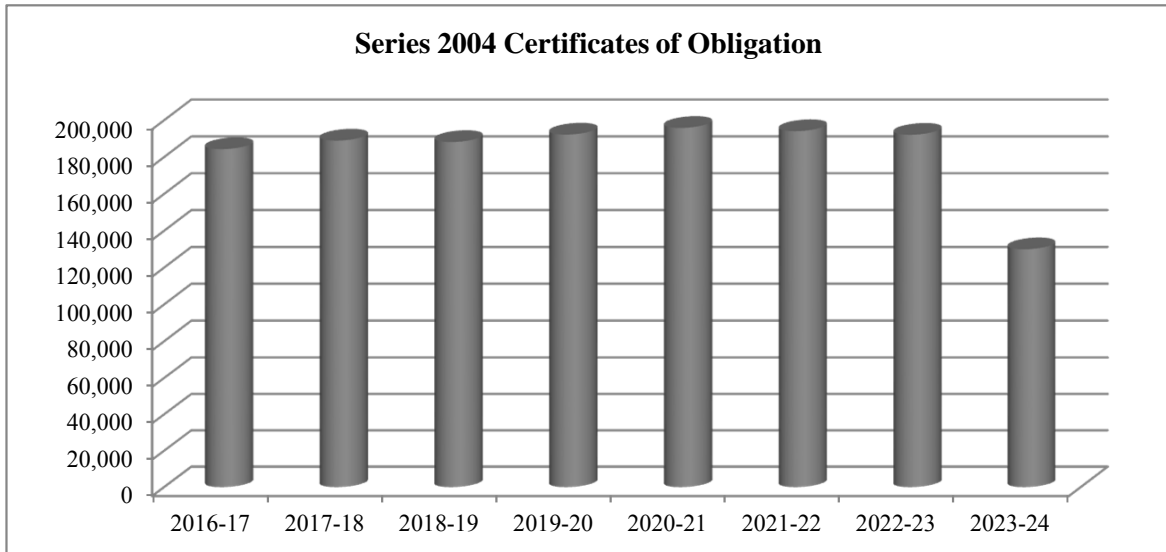
**Combination Tax & Utility System Revenue
Certificates of Obligation
Series 2004**

Dated: October 1, 2004
Original Value: \$2,000,000
Coupon Rate: 3.980%
Ratings at Issuance: "BBB+" Standard and Poor's

UTILITY

Fiscal Year	Principal	Interest	Total
2016-17	135,000	49,352	184,352
2017-18	145,000	43,979	188,979
2018-19	150,000	38,208	188,208
2019-20	160,000	32,238	192,238
2020-21	170,000	25,870	195,870
2021-22	175,000	19,104	194,104
2022-23	180,000	12,139	192,139
2023-24	125,000	4,975	129,975
	1,240,000	225,865	1,465,865

Water and Sewer Improvements to include:
New Water Mains
Water Line Extensions
Water Line Rehab and Repair
Sewer Line Improvements

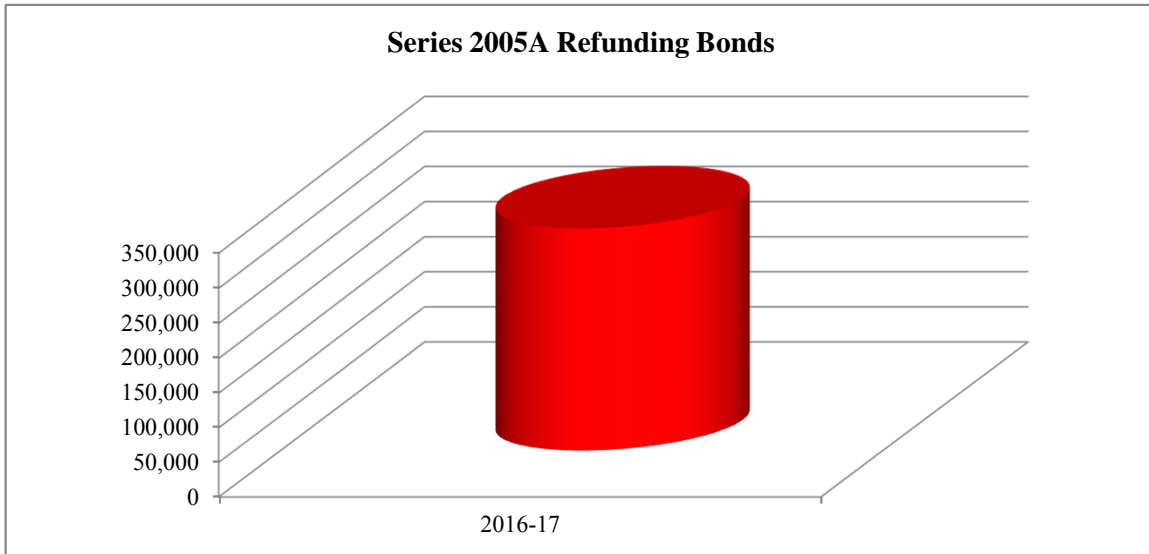


**General Obligation
Refunding Bonds
Series 2005A**

Dated: May 1, 2005
Original Value: \$2,370,000
Coupon Rate: 4.320%
Ratings at Issuance: "A-" Standard and Poor's

GENERAL			
Fiscal Year	Principal	Interest	Total
2016-17	305,000	13,176	318,176
	305,000	13,176	318,176

Advance refund on outstanding
Series 1997 Certificates of Obligation



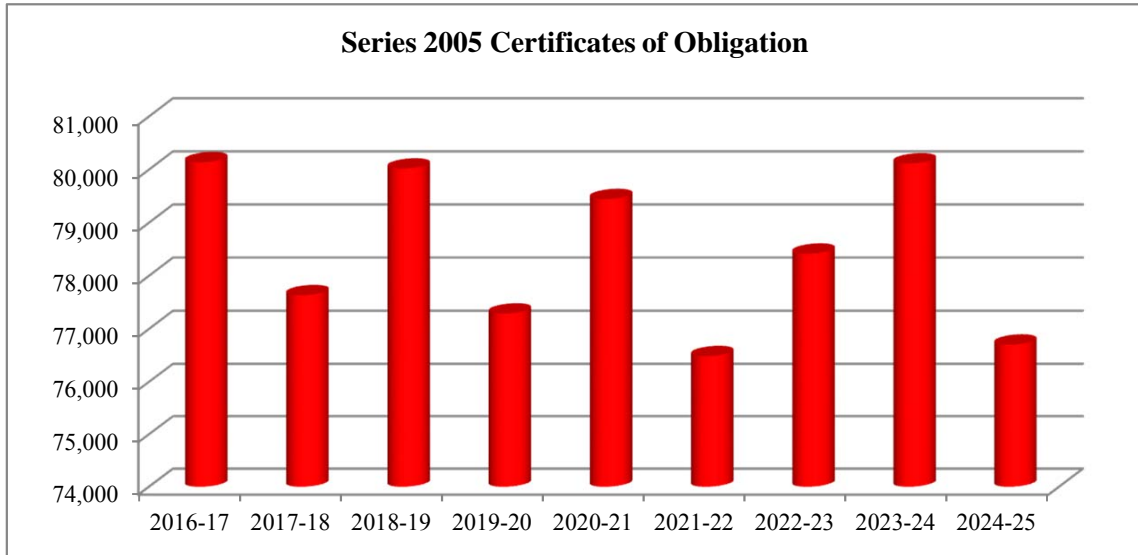
**Combination Tax & Utility System Revenue
Certificates of Obligation
Series 2005**

Dated: May 1, 2005
Original Value: \$1,000,000
Coupon Rate: 4.550%
Ratings at Issuance: "A-" Standard and Poor's

GENERAL

Fiscal Year	Principal	Interest	Total
2016-17	55,000	25,139	80,139
2017-18	55,000	22,636	77,636
2018-19	60,000	20,020	80,020
2019-20	60,000	17,290	77,290
2020-21	65,000	14,446	79,446
2021-22	65,000	11,489	76,489
2022-23	70,000	8,418	78,418
2023-24	75,000	5,118	80,118
2024-25	75,000	1,706	76,706
	580,000	126,262	706,262

Construction of:
New Police Building
Library/Community Center Building
Senior Citizens' Building
Recreation Center
and land purchases relating thereto



**Combination Tax & Utility System Revenue
Certificates of Obligation
Series 2008**

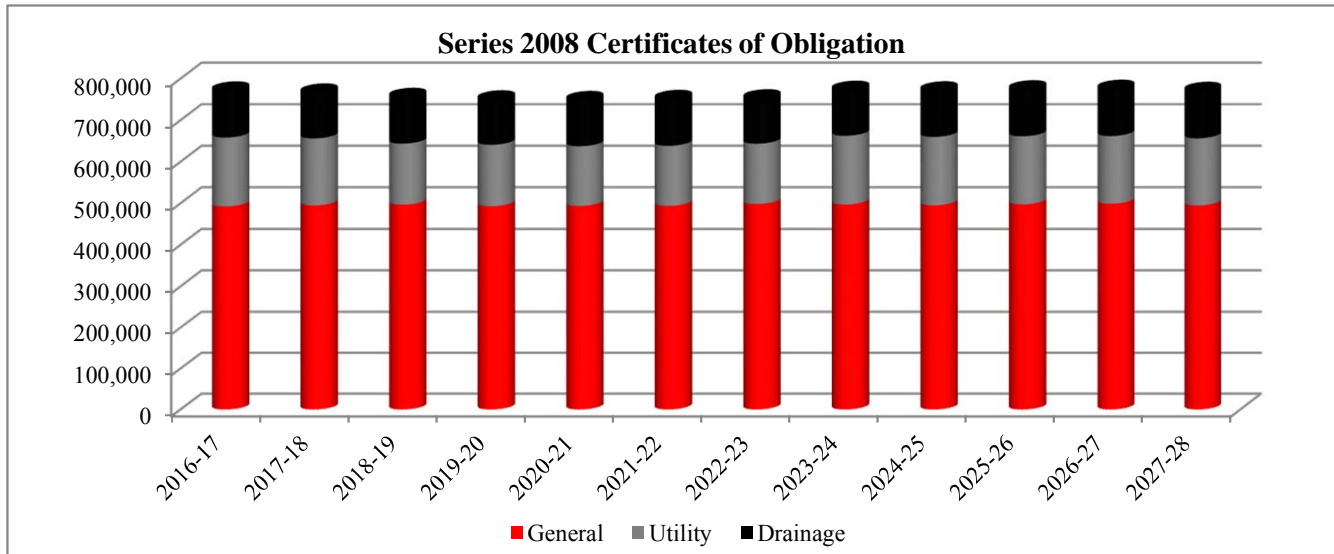
Dated: October 1, 2008
Original Value: \$9,500,000
Coupon Rate: 4.190%
Ratings at Issuance: "A+" Standard and Poor's

Fiscal Year	GENERAL			UTILITY			DRAINAGE		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2016-17	300,000	192,740	492,740	105,000	60,546	165,546	70,000	43,576	113,576
2017-18	315,000	180,170	495,170	105,000	56,146	161,146	70,000	40,643	110,643
2018-19	330,000	166,972	496,972	95,000	51,746	146,746	75,000	37,710	112,710
2019-20	340,000	153,145	493,145	100,000	47,766	147,766	75,000	34,568	109,568
2020-21	355,000	138,899	493,899	100,000	43,576	143,576	80,000	31,425	111,425
2021-22	370,000	124,024	494,024	105,000	39,386	144,386	85,000	28,073	113,073
2022-23	390,000	108,521	498,521	110,000	34,986	144,986	85,000	24,511	109,511
2023-24	405,000	92,180	497,180	135,000	30,377	165,377	90,000	20,950	110,950
2024-25	420,000	75,210	495,210	140,000	24,721	164,721	95,000	17,179	112,179
2025-26	440,000	57,612	497,612	145,000	18,855	163,855	100,000	13,198	113,198
2026-27	460,000	39,176	499,176	150,000	12,779	162,779	105,000	9,008	114,008
2027-28	475,000	19,902	494,902	155,000	6,495	161,495	110,000	4,609	114,609
	4,600,000	1,348,551	5,948,551	1,445,000	427,379	1,872,379	1,040,000	305,450	1,345,450

City Hall Annex
Athletic Complex Phase 2
Park Projects
Street Projects

Water Main Improvements
Waterline Extensions
Sewer Rehabilitation

Residential Drainage Projects

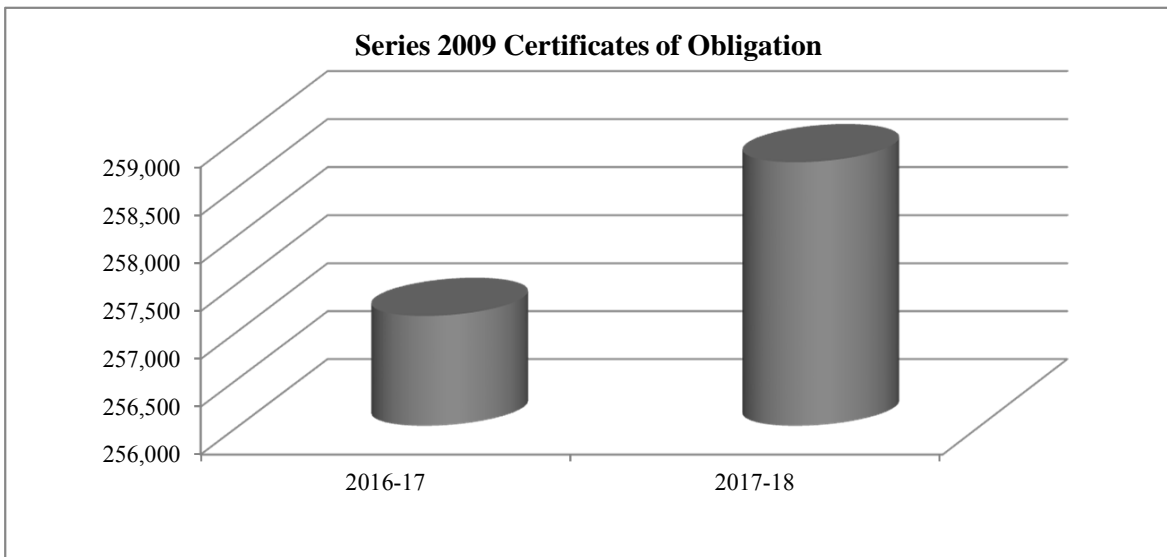


**Combination Tax & Utility System Revenue
Certificates of Obligation
Series 2009**

Dated: August 1, 2009
Original Value: \$5,000,000
Coupon Rate: 3.500% - 4.500%
Ratings at Issuance: "AA-" Standard and Poor's

Fiscal Year	UTILITY		
	Principal	Interest	Total
2016-17	240,000	17,150	257,150
2017-18	250,000	8,750	258,750
	490,000	25,900	515,900

Maintenance Yard Pump Station
Water and Wastewater System Improvements

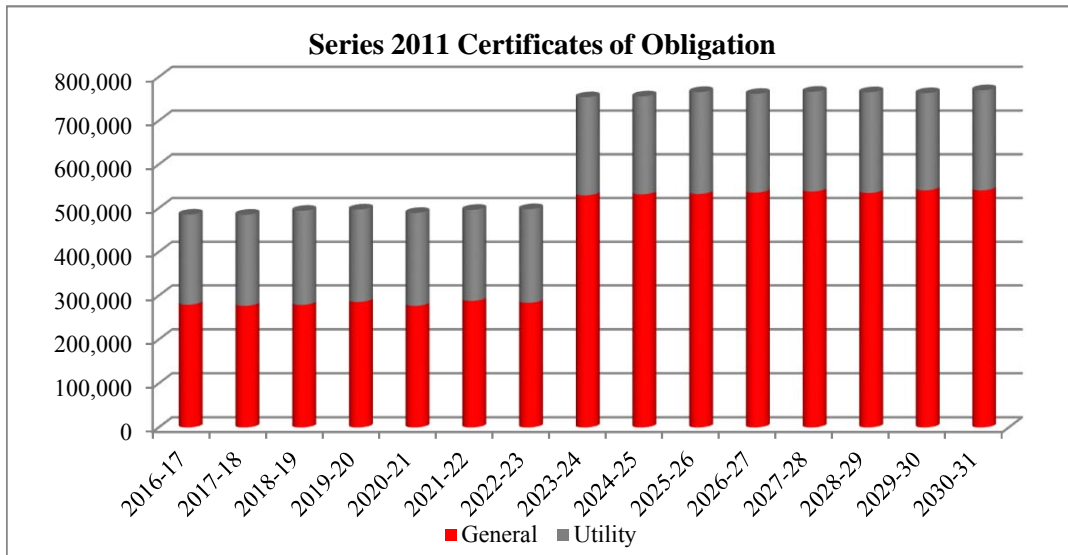


**Combination Tax & Utility System Revenue
Certificates of Obligation
Series 2011**

Dated: March 1, 2011
Original Value: \$8,000,000
Coupon Rate: 2.000% - 4.000%
Ratings at Issuance: "AA-" Standard and Poor's

Fiscal Year	GENERAL			UTILITY		
	Principal	Interest	Total	Principal	Interest	Total
2016-17	115,000	164,437	279,437	120,000	85,787	205,787
2017-18	115,000	161,850	276,850	125,000	83,087	208,087
2018-19	120,000	158,975	278,975	135,000	79,962	214,962
2019-20	130,000	155,675	285,675	135,000	76,250	211,250
2020-21	125,000	151,775	276,775	140,000	72,200	212,200
2021-22	140,000	148,025	288,025	140,000	68,000	208,000
2022-23	140,000	143,825	283,825	150,000	63,800	213,800
2023-24	390,000	139,450	529,450	165,000	59,112	224,112
2024-25	405,000	126,775	531,775	170,000	53,750	223,750
2025-26	420,000	112,600	532,600	185,000	47,800	232,800
2026-27	440,000	95,800	535,800	185,000	40,400	225,400
2027-28	460,000	78,200	538,200	195,000	33,000	228,000
2028-29	475,000	59,800	534,800	205,000	25,200	230,200
2029-30	500,000	40,800	540,800	205,000	17,000	222,000
2030-31	520,000	20,800	540,800	220,000	8,800	228,800
	4,495,000	1,758,787	6,253,787	2,475,000	814,148	3,289,148

Street, Road & Highway Improvements Water & Sewer System Improvements
Park Project Improvements

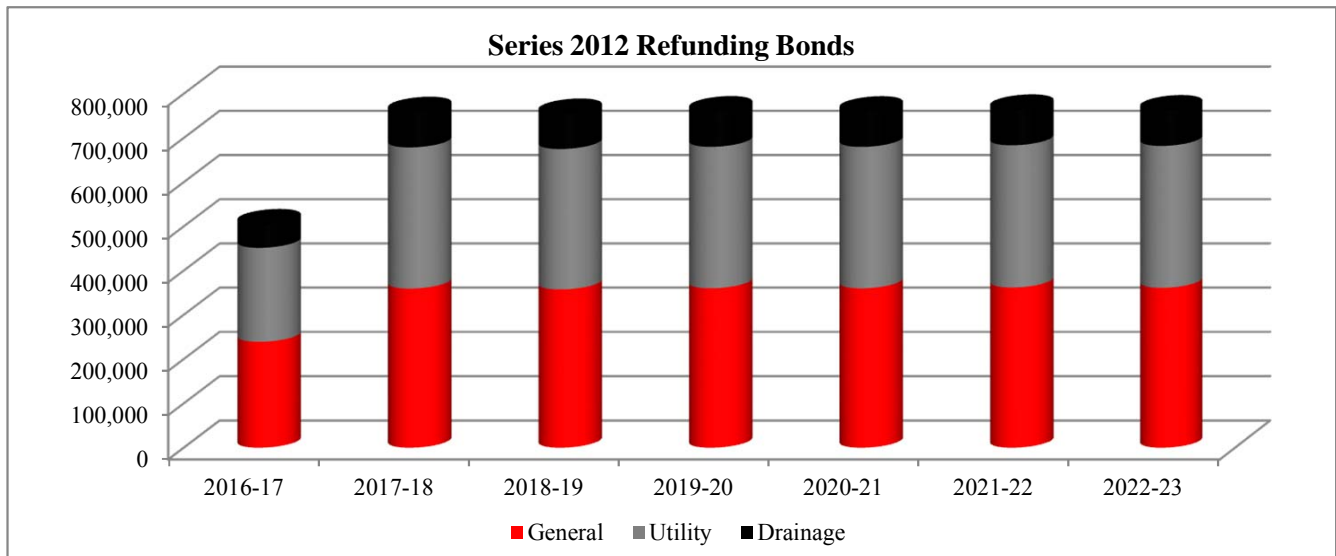


**General Obligation
Refunding Bonds
Series 2012**

Dated: February 1, 2012
Original Value: \$6,250,000
Coupon Rate: 0.350% - 3.000%
Ratings at Issuance: "AA" Standard and Poor's

Fiscal Year	GENERAL			UTILITY			DRAINAGE		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2016-17	175,269	63,736	239,005	155,807	56,659	212,466	38,924	14,155	53,079
2017-18	300,800	58,478	359,278	267,399	51,985	319,384	66,802	12,987	79,789
2018-19	307,905	49,454	357,359	273,715	43,963	317,678	68,380	10,983	79,363
2019-20	319,747	40,218	359,965	284,242	35,751	319,993	71,010	8,931	79,941
2020-21	329,222	30,625	359,847	292,665	27,224	319,889	73,114	6,801	79,915
2021-22	341,064	20,748	361,812	303,192	18,444	321,636	75,744	4,608	80,352
2022-23	350,538	10,516	361,054	311,614	9,349	320,963	77,848	2,335	80,183
	2,124,545	273,775	2,398,320	1,888,634	243,375	2,132,009	471,822	60,800	532,622

Advance Refunding on Outstanding Series 1999 Refunding Bonds
Partial Refunding of Series 2003 Certificates of Obligations and
Series 2003A General Obligation Refunding Bonds

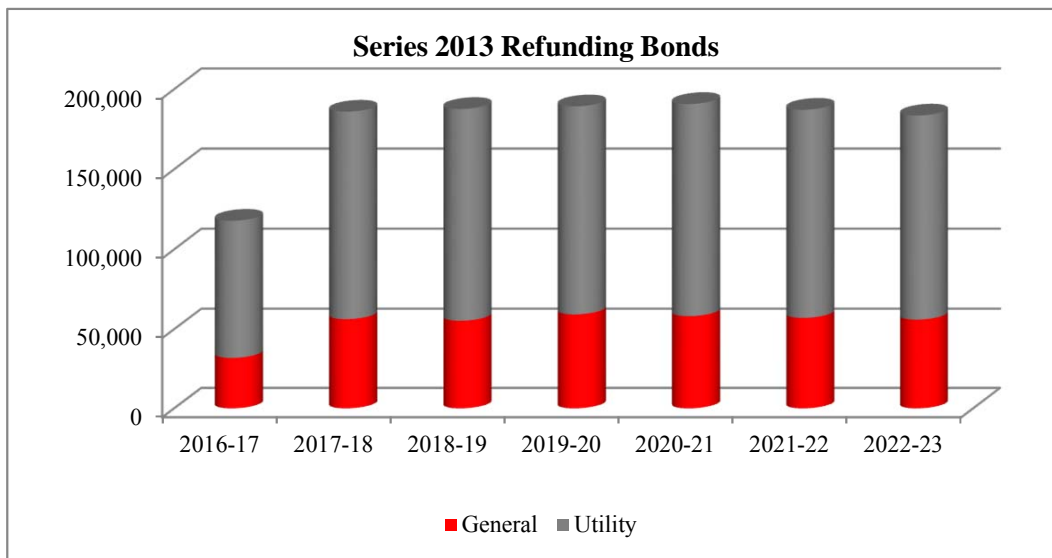


**General Obligation
Refunding Bonds
Series 2013**

Dated: May 15, 2013
Original Value: \$1,460,000
Coupon Rate: 1.500% - 2.000%
Ratings at Issuance: "AA" Standard and Poor's

Fiscal Year	GENERAL			UTILITY		
	Principal	Interest	Total	Principal	Interest	Total
2016-17	25,000	6,900	31,900	70,000	16,000	86,000
2017-18	50,000	6,400	56,400	115,000	14,600	129,600
2018-19	50,000	5,400	55,400	120,000	12,300	132,300
2019-20	55,000	4,400	59,400	120,000	9,900	129,900
2020-21	55,000	3,300	58,300	125,000	7,500	132,500
2021-22	55,000	2,200	57,200	125,000	5,000	130,000
2022-23	55,000	1,100	56,100	125,000	2,500	127,500
	345,000	29,700	374,700	800,000	67,800	867,800

Refinance of the Series 2003 Certificates of Obligations and
Series 2003A General Obligation Refunding Bonds



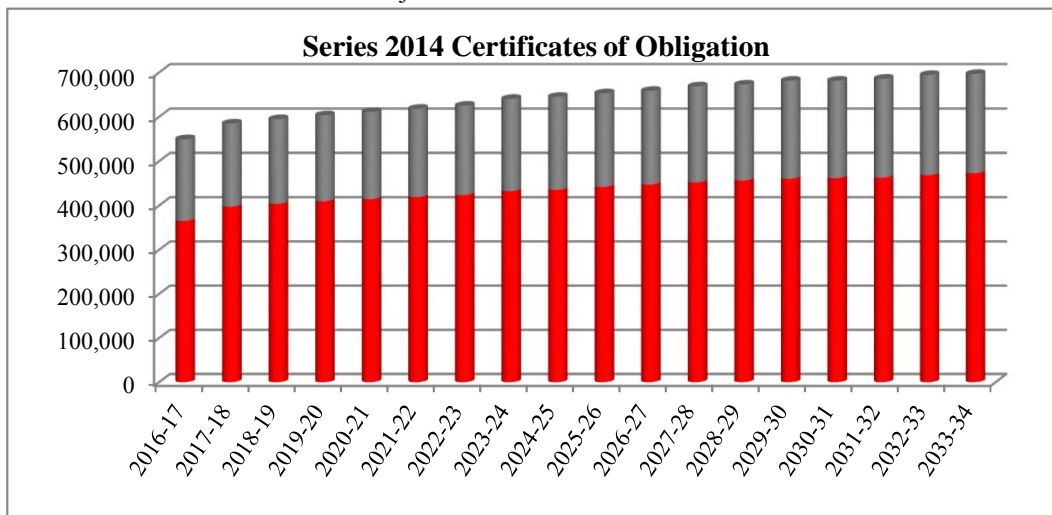
**Combination Tax & Utility System Revenue
Certificates of Obligation
Series 2014**

Dated: January 15, 2014
Original Value: \$9,000,000
Coupon Rate: 1.500% - 4.000%
Ratings at Issuance: "AA" Standard and Poor's

Fiscal Year	GENERAL			UTILITY		
	Principal	Interest	Total	Principal	Interest	Total
2016-17	200,000	165,513	365,513	105,000	79,031	184,031
2017-18	235,000	162,513	397,513	110,000	77,456	187,456
2018-19	245,000	158,987	403,987	115,000	75,806	190,806
2019-20	255,000	154,700	409,700	120,000	73,794	193,794
2020-21	265,000	149,600	414,600	125,000	71,394	196,394
2021-22	275,000	144,300	419,300	130,000	68,894	198,894
2022-23	285,000	138,800	423,800	135,000	66,294	201,294
2023-24	300,000	132,387	432,387	145,000	63,256	208,256
2024-25	310,000	125,262	435,262	150,000	59,813	209,813
2025-26	325,000	117,125	442,125	155,000	55,875	210,875
2026-27	340,000	107,375	447,375	160,000	51,225	211,225
2027-28	355,000	97,175	452,175	170,000	46,425	216,425
2028-29	370,000	86,525	456,525	175,000	41,325	216,325
2029-30	385,000	75,425	460,425	185,000	36,075	221,075
2030-31	400,000	61,950	461,950	190,000	29,600	219,600
2031-32	415,000	47,950	462,950	200,000	22,950	222,950
2032-33	435,000	33,425	468,425	210,000	15,950	225,950
2033-34	455,000	18,200	473,200	215,000	8,600	223,600
	5,850,000	1,977,212	7,827,212	2,795,000	943,763	3,738,763

Street & Road Improvements
City Hall Expansion/Renovation
Park Projects

Water & Sewer System Improvements

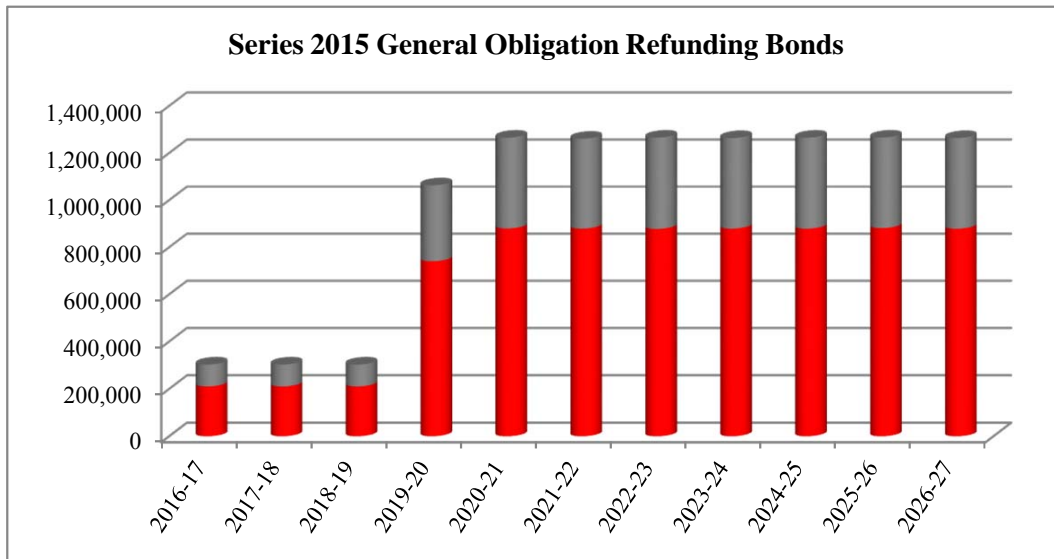


**General Obligation
Refunding Bonds
Series 2015**

Dated: February 15, 2015
Original Value: \$8,400,000
Coupon Rate: 3.000% - 4.000%
Ratings at Issuance: "AA" Standard and Poor's

Fiscal Year	GENERAL			UTILITY		
	Principal	Interest	Total	Principal	Interest	Total
2016-17		210,675	210,675		92,125	92,125
2017-18		210,675	210,675		92,125	92,125
2018-19		210,675	210,675		92,125	92,125
2019-20	530,000	210,675	740,675	230,000	92,125	322,125
2020-21	685,000	194,775	879,775	300,000	85,225	385,225
2021-22	705,000	174,225	879,225	305,000	76,225	381,225
2022-23	725,000	153,075	878,075	320,000	67,075	387,075
2023-24	755,000	124,075	879,075	330,000	54,275	384,275
2024-25	785,000	93,875	878,875	345,000	41,075	386,075
2025-26	815,000	66,400	881,400	355,000	29,000	384,000
2026-27	845,000	33,800	878,800	370,000	14,800	384,800
	5,845,000	1,682,925	7,527,925	2,555,000	736,175	3,291,175

Partial refinance of the Series 2006 Combination Tax and Utility
System Revenue Certificates of Obligation.

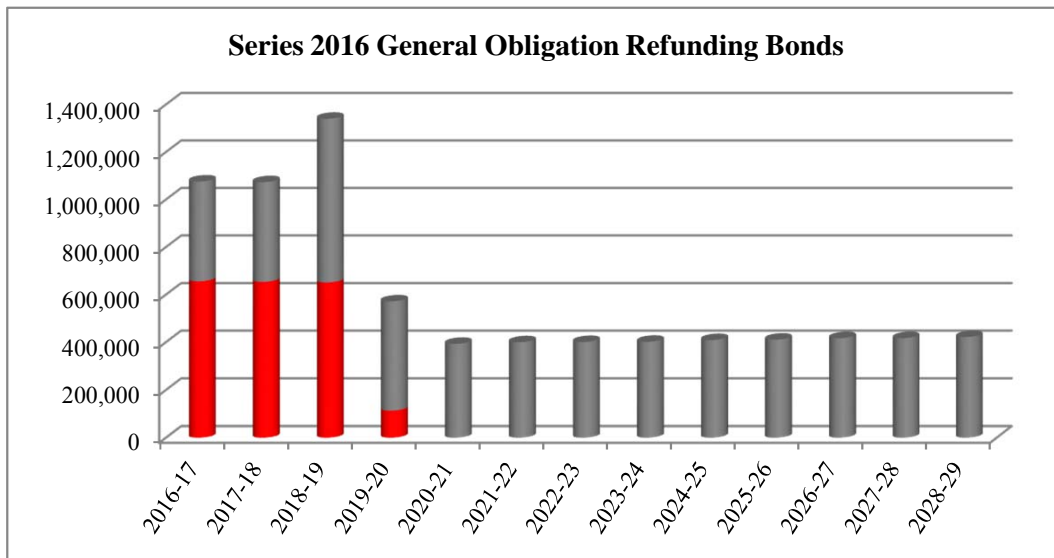


**General Obligation
Refunding Bonds
Series 2016**

Dated: March 1, 2016
Original Value: \$6,470,000
Coupon Rate: 2.000% - 4.000%
Ratings at Issuance: "AA" Standard and Poor's

Fiscal Year	GENERAL			UTILITY		
	Principal	Interest	Total	Principal	Interest	Total
2016-17	615,000	40,800	655,800	275,000	145,050	420,050
2017-18	625,000	28,500	653,500	280,000	139,550	419,550
2018-19	635,000	16,000	651,000	555,000	133,950	688,950
2019-20	110,000	3,300	113,300	335,000	122,850	457,850
2020-21				280,000	112,800	392,800
2021-22				295,000	104,400	399,400
2022-23				305,000	95,550	400,550
2023-24				315,000	86,400	401,400
2024-25				335,000	73,800	408,800
2025-26				350,000	60,400	410,400
2026-27				370,000	46,400	416,400
2027-28				385,000	31,600	416,600
2028-29				405,000	16,200	421,200
	1,985,000	88,600	2,073,600	4,485,000	1,168,950	5,653,950

Refinance the Series 2006 and Series 2009 Combination Tax and Utility System Revenue Certificates of Obligation.







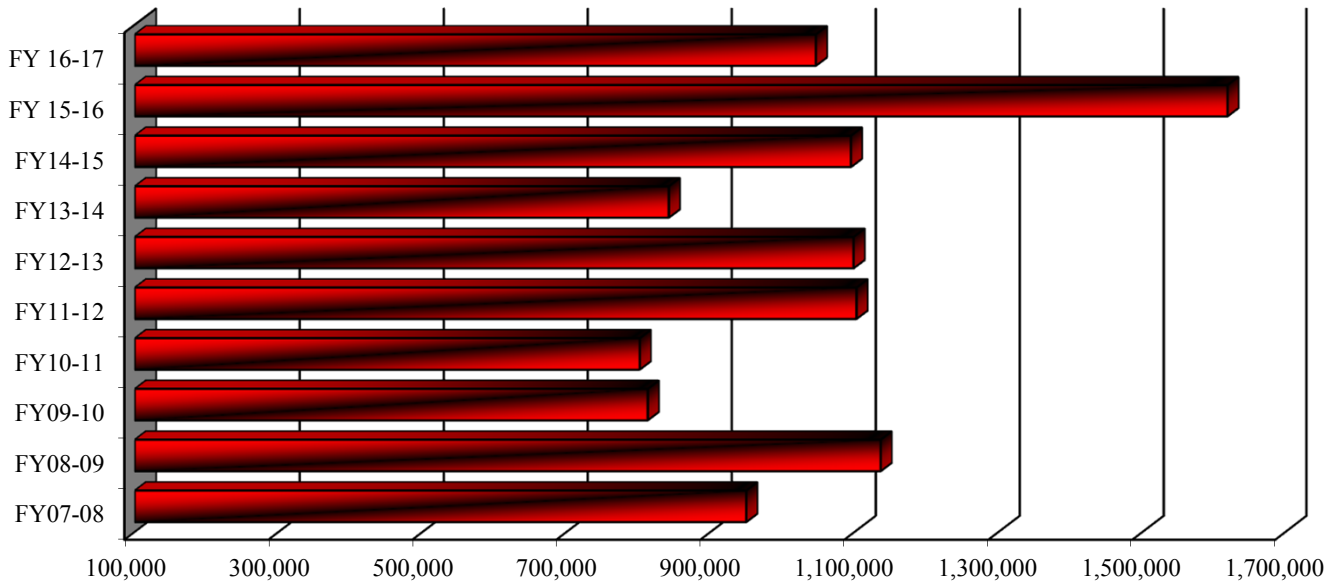
FIXED ASSET FUND

FIXED ASSET FUND

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
BEGINNING FUND BALANCE	280,097	646,154	562,199	855,686	855,686	362,186
Transfer from General Fund	0	500,000	300,000	0	500,000	0
Transfer from Utility Fund	475,000	475,000	300,000	0	300,000	400,000
Transfer from Drainage Fund	150,000	150,000	200,000	50,000	200,000	200,000
Transfer from Sanitation Fund	125,000	125,000	125,000	25,000	125,000	100,000
Reimb from Restr Courts Fund	54,300	54,300	0	0	0	4,400
Reimb from Restr PEG Cable Fees	0	0	0	0	0	25,000
TOTAL TRANSFERS	804,300	1,304,300	925,000	75,000	1,125,000	729,400
Fixed Asset Purchases	(1,029,200)	(1,094,768)	(1,417,300)	(684,404)	(1,618,500)	(1,046,100)
TOTAL PURCHASES	(1,029,200)	(1,094,768)	(1,417,300)	(684,404)	(1,618,500)	(1,046,100)
ENDING FUND BALANCE	55,197	855,686	69,899	246,282	362,186	45,486

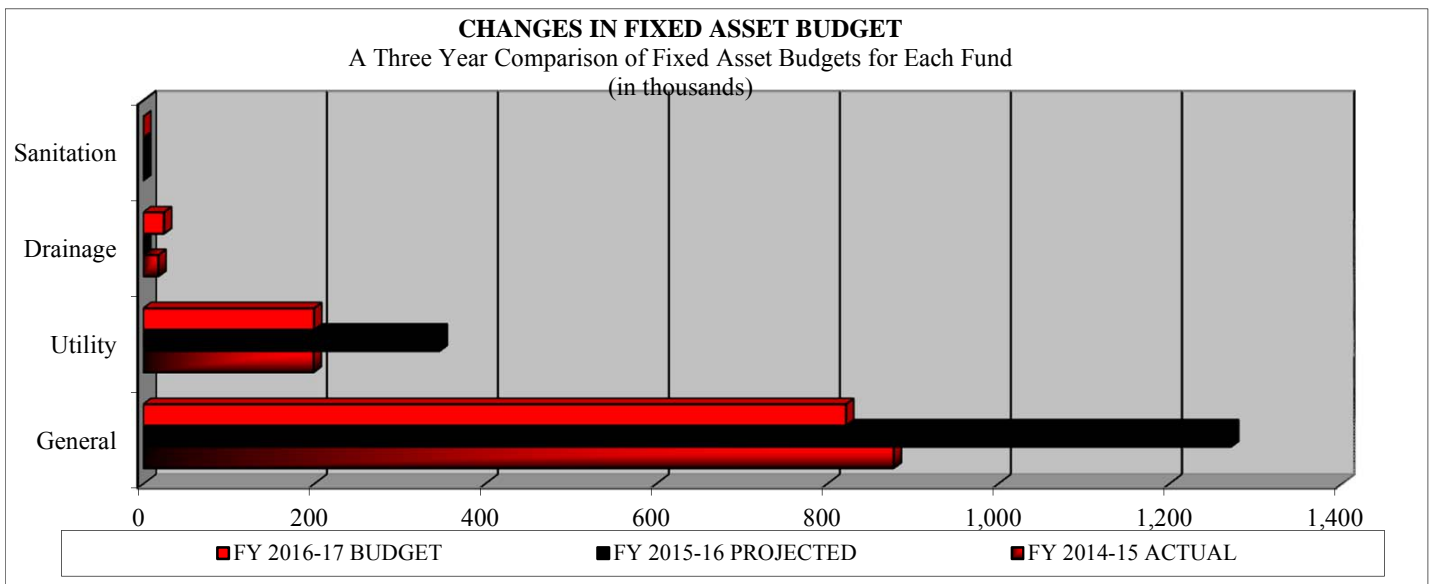
FIXED ASSET PURCHASES BY FISCAL YEAR

The 2017 budget proposes spending \$572,400 less than the projected amount for 2016.



FIXED ASSETS SUMMARY BY FUND

	FY 2014-15 BUDGET	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	FY 2015-16 MID-YEAR	FY 2015-16 PROJECTED	FY 2016-17 ADOPTED BUDGET
GENERAL FUND						
City Council	0	0	0	0	0	25,000
Administration	238,000	222,501	153,400	301,264	117,400	133,100
Finance	0	0	0	10,800	10,800	0
Pet Adoption Center	0	0	65,100	10,397	50,300	60,700
Police	206,200	288,773	233,800	138,683	261,000	176,800
Courts	58,400	60,404	4,100	4,061	4,100	4,400
Planning & Development	10,000	10,500	10,000	0	9,700	0
Code Enforcement	35,000	19,703	0	0	0	22,600
Fire/EMS Administration	0	2,157	0	0	0	0
Fire/EMS Operations	170,300	127,918	246,000	100,490	483,700	137,400
Library	87,000	90,217	100,000	53,335	100,000	93,600
Parks & Recreation	50,200	46,857	48,200	12,625	33,500	61,800
Streets	60,800	8,699	155,900	45,541	201,400	106,600
Maintenance	0	0	0	0	0	0
TOTAL GENERAL FUND	915,900	877,729	1,016,500	677,196	1,271,900	822,000
UTILITY FUND						
Water Administration	31,000	5,000	67,000	7,208	7,200	3,400
Water Operations	0	18,129	10,300	0	10,400	127,100
Wastewater Operations	73,300	176,163	323,500	0	329,000	69,300
TOTAL UTILITY FUND	104,300	199,292	400,800	7,208	346,600	199,800
DRAINAGE FUND						
Drainage	9,000	17,747	0	0	0	24,300
TOTAL DRAINAGE FUND	9,000	17,747	0	0	0	24,300
SANITATION FUND						
Sanitation	0	0	0	0	0	0
TOTAL SANITATION FUND	0	0	0	0	0	0
GRAND TOTAL	1,029,200	1,094,768	1,417,300	684,404	1,618,500	1,046,100



FY 2016-2017 FIXED ASSET PURCHASES BY DEPARTMENT

CITY COUNCIL

Audio System for Council Chambers	25,000
	<hr/> 25,000

ADMINISTRATION/INFORMATION TECHNOLOGY

Computer Lease	44,500
Additional Storage	50,000
Time Sheet Software	38,600
	<hr/> 133,100

PET ADOPTION CENTER

Van with Cages	37,800
Radios	22,900
	<hr/> 60,700

POLICE

(2) Replacement Patrol Cars	88,400
(3) Replacement Motorcycles	52,400
(10) Replacement Radios	36,000
	<hr/> 176,800

COURTS

Portable Walk Through Metal Detector	4,400
	<hr/> 4,400

CODE ENFORCEMENT

Truck	22,600
	<hr/> 22,600

FIRE OPERATIONS

Pumper Fire Truck Lease	100,500
Lifepack 15 Cardiac Monitor/Defibrillator	36,900
	<hr/> 137,400

LIBRARY

Books and Processing	87,000
iPad Pro 32 GB with Wall Mounts	6,600
	<hr/> 93,600

PARKS & RECREATION

Truck	35,800
(2) Portable Light Towers	26,000
	<hr/> 61,800

STREETS

Six Yard Dump Truck	79,500
Truck	27,100
	<hr/> 106,600

GENERAL FUND SUBTOTAL **822,000**

WATER ADMINISTRATION

Canon CR-190I Duplex 190PPM Scanner	3,400
	<hr/> 3,400

WATER OPERATIONS

Vac Tron with Jetter and Valve Exerciser	100,000
Truck	27,100
	<hr/> 127,100

WASTEWATER

XSBN 250 Gearbox #1	51,400
Trimmier Creek Lift Station Triplex Wet Well Mixer	17,900
	<hr/> 69,300

UTILITY FUND SUBTOTAL **199,800**

DRAINAGE

Scag Mower	10,400
Grader Attachment for S590 Bobcat Skid Steer	6,900
Stump Griner Attachment for S590 Skid Steer	7,000
	<hr/> 24,300

DRAINAGE FUND SUBTOTAL **24,300**

GRAND TOTAL FOR ALL FUNDS **1,046,100**





**CAPITAL OUTLAY
& IMPROVEMENTS**

CAPITAL IMPROVEMENT PROGRAM

A capital improvement program is a multi-year plan identifying capital projects to be funded during the planning period. Capital improvements are assets which are considered major purchases or improvement programs that generally have a life span of ten or more years or improvements that are not normally funded through the operating budgets.

Capital improvement funds provide for items such as major construction or reconstruction of streets, libraries, parks or the purchase of major equipment. A capital project is major construction, acquisition, or renovation activities. Projects in the plan have included water distribution projects, wastewater collection projects, drainage projects, building improvements, parks projects, and street projects.

The capital improvement program budget is prepared and presented for approval at the same time as the operating budget in order to assess accurately the impact of a project on operating costs. The capital improvement fund is budgeted in a multi-year format however only the current year is formally adopted. The Finance Director projects capital improvement expenses based on the requests made by Department Heads. Revenue sources, shown in the chart below, include certificates of obligation, transfers in from other funds, and grant funds. (See “Debt Service” Section for details on the dollar amounts of bonds and the projects they are funding.)

Following is a project summary listing major capital projects planned for the City. A detailed summary of each project follows the summary listing and includes a description of the project, the funding source of the project, project appropriations and operating budget impact. A schedule detailing revenue sources and the projects they are funding ends this section.

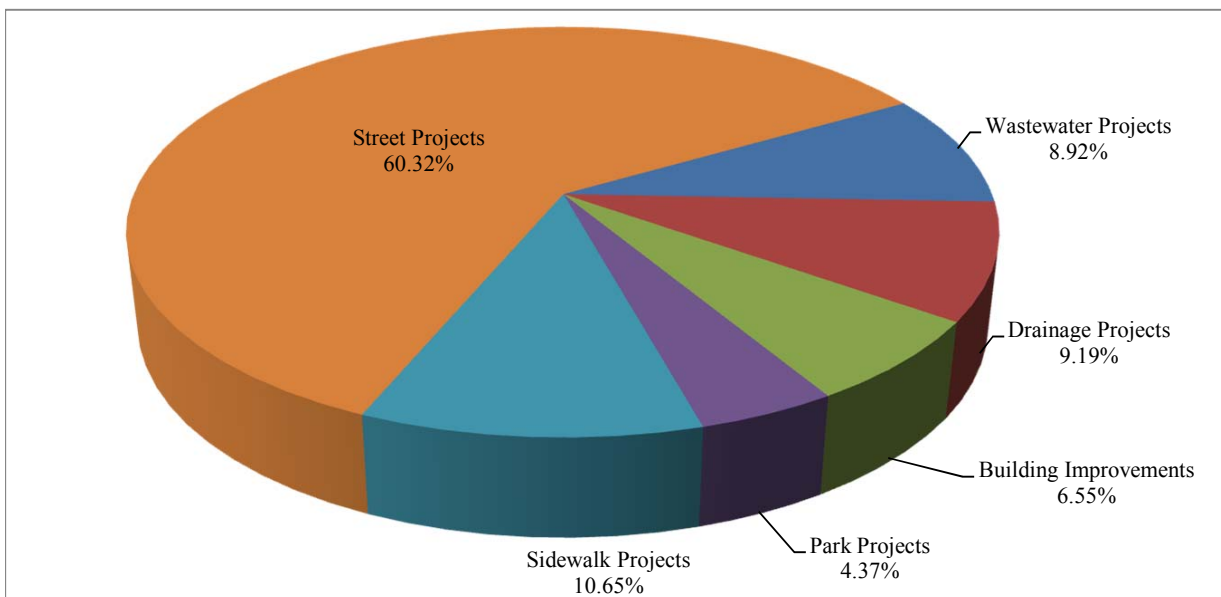
FY 2016 - 2017 Capital Improvement Project Funding Sources

Proceeds from the Series 2008, 2011, and 2014 Bonds were spent during the 2016 fiscal year.
Projects for the 2017 fiscal year will be funded by transfers from the General (\$100,000), Utility (\$1,37



CAPITAL IMPROVEMENT PROJECT SUMMARY

WATER PROJECTS	
TOTAL WATER PROJECTS	0
WASTEWATER PROJECTS	
Flow Monitor 18 Sewer Basins, Submit Final Report SSO Initiative	140,300
Rummel Road Lift Station Ferrous Chloride Dosing System	64,000
TOTAL WASTEWATER PROJECTS	204,300
DRAINAGE PROJECTS	
Drainage Master Plan CIP #2	210,400
TOTAL DRAINAGE PROJECTS	210,400
BUILDING IMPROVEMENTS	
Central Fire Station Renovation (Architectural and Design Phase)	150,000
TOTAL BUILDING IMPROVEMENTS	150,000
PARK PROJECTS	
Park Improvement Projects	100,000
TOTAL PARK PROJECTS	100,000
SIDEWALK PROJECTS	
Sidewalk - Prospector to Vineyard	243,800
TOTAL PARK PROJECTS	243,800
STREET PROJECTS	
Turn Lane on FM3481 @ Fuller Lane	325,000
Mountain Lion Road Retaining Wall	206,000
Miscellaneous Street Projects	850,000
TOTAL STREET PROJECTS	1,381,000
GRANT PROJECTS	
TOTAL GRANT PROJECTS	0
TOTAL CAPITAL IMPROVEMENT PROJECTS	2,289,500



Project Name: Flow Monitor 18 Sewer Basins and Submit Final Report on SSO Initiative

Project Description: The City-wide flow monitoring and final report are requirements in the ten-year Sanitary Sewer Overflow (SSO) Initiative Agreement with the Texas Commission on Environmental Quality (TCEQ). For 60 days, from March to April 2017, the City is required to flow monitor 18 sanitary sewer basins and issue a final report to the TCEQ on the City's ten-year Sanitary Sewer Initiative. This will end the ten-year SSO Initiative Agreement with TCEQ.

Project Code: Maintenance

Council Goal: Expand street maintenance and sewer rehabilitation projects throughout the City.

Funding Source	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Funding
2008 Bond	0	0	0	0	0	0	0	0
2011 Bond	0	0	0	0	0	0	0	0
2014 Bond	0	0	0	0	0	0	0	0
Transfer	0	0	140,300	250,000	250,000	250,000	250,000	1,140,300
Grant	0	0	0	0	0	0	0	0
Total	0	0	140,300	250,000	250,000	250,000	250,000	1,140,300

Project Costs	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Costs
Planning/Design	0	0	140,300	0	0	0	0	140,300
Engineering	0	0	0	50,000	50,000	50,000	50,000	200,000
Site Improvement	0	0	0	0	0	0	0	0
Construction	0	0	0	200,000	200,000	200,000	200,000	800,000
Total	0	0	140,300	250,000	250,000	250,000	250,000	1,140,300

Operating Budget Impact	Line Item:	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Estimated Impact
	Personnel	0	0	0	0	0	0
	Operations	0	0	0	0	0	0
	Maintenance	0	0	0	0	0	0
	Debt Service	0	0	0	0	0	0
	Other	140,300	250,000	250,000	250,000	250,000	1,140,300
	Total	140,300	250,000	250,000	250,000	250,000	1,140,300

The Texas Commission on Environmental Quality will probably request the City of Harker Heights to enter into another ten year Sanitary Sewer Overflow Initiative Agreement in 2018. The forecasted amounts shown is an estimate for wastewater system rehabilitation should an agreement be made.

Project Name: Rummel Road Lift Station Ferrous Chloride Dosing System

Project Description: Ferrous Chloride is used in sanitary sewer lift stations to neutralize hydrogen sulfide gas in force mains which causes objectionable odors. The dosing system includes a 2,500 gallon bulk chemical tank and feed pump. Since the Rummel Road Lift Station pumps into the Evergreen Lift Station and Evergreen pumps into the Trimmier Lift Station, the chemical dosing system will be a benefit to all three.

Project Code: Enhancement

Council Goal: Enhance and extend infrastructure in anticipation of further planned growth.

Funding Source	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Funding
2008 Bond	0	0	0	0	0	0	0	0
2011 Bond	0	0	0	0	0	0	0	0
2014 Bond	0	0	0	0	0	0	0	0
Transfer	0	11,000	64,000	0	0	0	0	75,000
Grant	0	0	0	0	0	0	0	0
Total	0	11,000	64,000	0	0	0	0	75,000

Project Costs	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Costs
Planning/Design	0	11,000	0	0	0	0	0	11,000
Engineering	0	0	0	0	0	0	0	0
Site Improvement	0	0	0	0	0	0	0	0
Construction	0	0	64,000	0	0	0	0	64,000
Total	0	11,000	64,000	0	0	0	0	75,000

Operating Budget Impact	Line Item:	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Estimated Impact
	Personnel	0	0	0	0	0	0
Operations	60,000	60,000	60,000	60,000	60,000	300,000	
Maintenance	0	0	0	0	0	0	
Debt Service	0	0	0	0	0	0	
Other	64,000	0	0	0	0	64,000	
Total	124,000	60,000	60,000	60,000	60,000	60,000	364,000

The Odor Control Chemical line item is projected to increase \$60,000 in future years in order to supply the new system.

Project Name: Drainage Master Plan CIP #2

Project Description: CIP #2 was identified in the FEMA Phase 2 Study to reduce storm water flooding in the north part of the City. This project will widen the drainage channel from Indian Oaks Drive to Clore Road. Culvert improvements at Clore Road, Beeline Road and Robin Lane will also be constructed along with storm drainage improvements at Cherokee Drive, Elbert Lane and Cardinal Lane.

Project Code: Maintenance

Council Goal: Expand street maintenance and sewer rehabilitation projects throughout the City.

Funding Source	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Funding
2008 Bond	0	0	0	0	0	0	0	0
2011 Bond	0	0	0	0	0	0	0	0
2014 Bond	0	0	0	0	0	0	0	0
Transfer	0	0	210,400	276,000	231,700	231,700	256,300	1,206,100
Grant	0	0	0	0	0	0	0	0
Total	0	0	210,400	276,000	231,700	231,700	256,300	1,206,100

Project Costs	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Costs
Planning/Design	0	0	32,000	0	0	0	0	32,000
Engineering	0	0	0	0	0	0	0	0
Site Improvement	0	0	0	0	0	0	0	0
Construction	0	0	178,400	276,000	231,700	231,700	256,300	1,174,100
Total	0	0	210,400	276,000	231,700	231,700	256,300	1,206,100

Operating Budget Impact	Line Item:	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Estimated Impact
	Personnel	0	0	0	0	0	0
Operations	0	0	0	0	0	0	0
Maintenance	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(25,000)
Debt Service	0	0	0	0	0	0	0
Other	210,400	276,000	231,700	231,700	256,300	256,300	1,206,100
Total	205,400	271,000	226,700	226,700	251,300	251,300	1,181,100

General area of work for this project.



Project Name: Central Fire Station Renovation

Project Description: Central Fire Station was built in 1985. The planned renovation project would improve the overall aesthetics of the interior and exterior to match other City buildings recently built around Central Station. Currently, all that has been budgeted is the architectural and design phases of the project.

Project Code: Enhancement

Council Goal: Foster the image of Harker Heights as a clean, safe, well-maintained and progressive City.

Funding Source	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Funding
2008 Bond	0	0	0	0	0	0	0	0
2011 Bond	0	0	0	0	0	0	0	0
2014 Bond	0	0	0	0	0	0	0	0
Transfer	0	100,000	150,000	0	0	0	0	250,000
Grant	0	0	0	0	0	0	0	0
Total	0	100,000	150,000	0	0	0	0	250,000

Project Costs	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Costs
Planning/Design	0	100,000	150,000	0	0	0	0	250,000
Engineering	0	0	0	0	0	0	0	0
Site Improvement	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0
Total	0	100,000	150,000	0	0	0	0	250,000

Operating Budget Impact	Line Item:	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Estimated Impact
	Personnel	0	0	0	0	0	0
	Operations	0	0	0	0	0	0
	Maintenance	0	0	0	0	0	0
	Debt Service	0	0	0	0	0	0
	Other	150,000	0	0	0	0	150,000
	Total	150,000	0	0	0	0	150,000



Central Fire Station located on Indian Trail.

Project Name: Park Improvements

Project Description: This budget will be used to continue improvements and development to the parks, athletics, greenways, and other open space areas within the City of Harker Heights' parks system. Assessments are conducted yearly on the existing parks to help identify the necessity of renovations of current amenities as well as plans for new construction to enhance the parks.


















































Project Code: Enhancement

Council Goal: Foster the image of Harker Heights as a clean, safe, well-maintained and progressive City.

Funding Source	FY 2015 Actual	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Funding
2008 Bond	0	0	0	0	0	0	0	0
2011 Bond	0	0	0	0	0	0	0	0
2014 Bond	0	0	0	0	0	0	0	0
Transfer	67,409	87,100	100,000	100,000	100,000	100,000	100,000	654,509
Grant	0	0	0	0	0	0	0	0
Total	67,409	87,100	100,000	100,000	100,000	100,000	100,000	654,509

Project Costs	FY 2015 Actual	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Costs
Planning/Design	0	0	0	0	0	0	0	0
Engineering	0	0	0	0	0	0	0	0
Site Improvement	67,409	87,100	30,000	30,000	30,000	30,000	30,000	304,509
Construction	0	0	70,000	70,000	70,000	70,000	70,000	350,000
Total	67,409	87,100	100,000	100,000	100,000	100,000	100,000	654,509

Operating Budget Impact	Line Item:	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Estimated Impact
	Personnel	0	0	0	0	0	0
	Operations	0	0	0	0	0	0
	Maintenance	0	0	0	0	0	0
	Debt Service	0	0	0	0	0	0
	Other	100,000	100,000	100,000	100,000	100,000	500,000
Total	100,000	100,000	100,000	100,000	100,000	500,000	

		Acreage	Park Type	Amphitheater	Restrooms	Pavilions	Picnic Units	Play Units	Swimming Pool	Open Play Area	Fishing Pond	Gazebo	Grills	Jogging/Walking	Basketball	Soccer	Baseball / Softball	Frisbee Golf	Dog Park
Booker Greenspace 594 N. Ann Blvd.		1	N																
Cardinal Greenspace 233 E. Cardinal		1	N																
Carl Levin Park 400 Miller's Crossing		35	C																
Harker Heights Community Park 1501 E. FM 2410		62	A/C																
Kern Field 220 E. Kothay Rd.		2	A																
Kern Park 400 S. Ann Blvd.		8	N																
Skipcha Park 515 Prosperator Trail		5	J																
Summit Soccer Complex 401 N. Amy Lane		33	A																
Purser Family Park 100 West Mountain Lion Road		32	C																
Goode / Connell Park 110 East Beeline		15	N																
Total Acreage		194																	

A = Athletic / C = Community Park / J = Joint Use Park / N = Neighborhood Park

Current parks and their amenities.

Project Name: Sidewalk from Prospector to Vineyard Trail

Project Description: Construction of a six foot wide sidewalk along FM 3481 from Prospector Trail to Vineyard Trail. This project will include an 80 foot long by 8 foot wide pedestrian bridge.

Project Code: Enhancement

Council Goal: Enhance and extend infrastructure in anticipation of further planned growth.

Funding Source	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Funding
2008 Bond	0	0	0	0	0	0	0	0
2011 Bond	0	0	0	0	0	0	0	0
2014 Bond	0	0	0	0	0	0	0	0
Transfer	0	0	243,800	243,800	0	0	0	487,600
Grant	0	0	0	0	0	0	0	0
Total	0	0	243,800	243,800	0	0	0	487,600

Project Costs	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Costs
Planning/Design	0	0	0	0	0	0	0	0
Engineering	0	0	20,000	0	0	0	0	20,000
Site Improvement	0	0	0	0	0	0	0	0
Construction	0	0	223,800	243,800	0	0	0	467,600
Total	0	0	243,800	243,800	0	0	0	487,600

Operating Budget Impact	Line Item:	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Estimated Impact
	Personnel	0	0	0	0	0	0
Operations	0	0	0	0	0	0	
Maintenance	0	0	0	0	0	3,000	3,000
Debt Service	0	0	0	0	0	0	
Other	243,800	243,800	0	0	0	487,600	
Total	243,800	243,800	0	0	0	3,000	490,600



Project Name: Turn Lane on FM3481 @ Fuller Lane

Project Description: Construct a left turn lane on FM 3481 for Gomer Lane, Fuller Lane and Del Ray Drive. According to the Texas Department of Transportation, the intersection at FM 3481 and Fuller Lane does not meet the warrant requirements for a traffic signal light and the proposed left turn lane will increase the safety of motorists.

Project Code: Enhancement

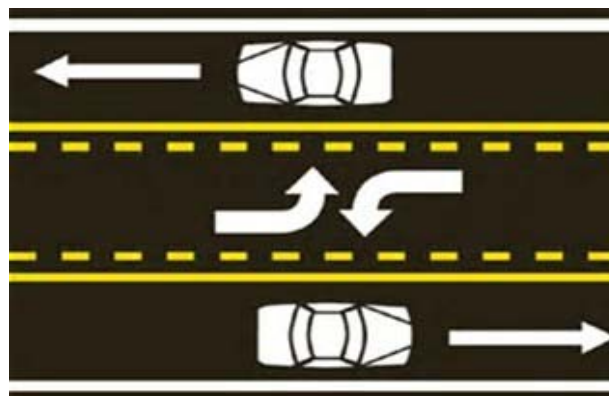
Council Goal: Enhance and extend infrastructure in anticipation of further planned growth.

Funding Source	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Funding
2008 Bond	0	0	0	0	0	0	0	0
2011 Bond	0	0	0	0	0	0	0	0
2014 Bond	0	0	0	0	0	0	0	0
Transfer	0	0	0	0	0	0	0	0
Grant	0	0	325,000	0	0	0	0	325,000
Total	0	0	325,000	0	0	0	0	325,000

Project Costs	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Costs
Planning/Design	0	0	0	0	0	0	0	0
Engineering	0	0	0	0	0	0	0	0
Site Improvement	0	0	0	0	0	0	0	0
Construction	0	0	325,000	0	0	0	0	325,000
Total	0	0	325,000	0	0	0	0	325,000

Operating Budget Impact	Line Item:	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Estimated Impact
	Personnel	0	0	0	0	0	0
	Operations	0	0	0	0	0	0
	Maintenance	0	0	0	0	0	0
	Debt Service	0	0	0	0	0	0
	Other	325,000	0	0	0	0	325,000
	Total	325,000	0	0	0	0	325,000

The Texas Department of Transportation would assume all future maintenance costs once the project is completed and accepted therefore this project will have no operating budget impact to the City other than the cost of the project.



Project Name: Mountain Lion Road Retaining Wall

Project Description: Remove and replace 840 linear feet of wooden cross-tie retaining wall along Mountain Lion Road that is falling apart.

Project Code: Maintenance

Council Goal: Expand street maintenance and sewer rehabilitation projects throughout the City.

Funding Source	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Funding
2008 Bond	0	0	0	0	0	0	0	0
2011 Bond	0	0	0	0	0	0	0	0
2014 Bond	0	0	0	0	0	0	0	0
Transfer	0	0	206,000	0	0	0	0	206,000
Grant	0	0	0	0	0	0	0	0
Total	0	0	206,000	0	0	0	0	206,000

Project Costs	Actual Through FY 2015	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Costs
Planning/Design	0	0	28,000	0	0	0	0	28,000
Engineering	0	0	0	0	0	0	0	0
Site Improvement	0	0	0	0	0	0	0	0
Construction	0	0	178,000	0	0	0	0	178,000
Total	0	0	206,000	0	0	0	0	206,000

Operating Budget Impact	Line Item:	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Estimated Impact
	Personnel	0	0	0	0	0	0
	Operations	0	0	0	0	0	0
	Maintenance	100	100	100	100	100	500
	Debt Service	0	0	0	0	0	0
	Other	206,000	0	0	0	0	206,000
	Total	206,100	100	100	100	100	100

The City anticipates having to remove graffiti in the future and will budget for that expense.

Project Name: Miscellaneous Street Projects

Project Description: Funds are budgeted annually to improve and maintain streets within the city. Street improvements include engineering, surveying and construction of designated streets. Street maintenance includes reconstruction, overlay or chip seal of designated streets.

Project Code: Maintenance

Council Goal: Expand street maintenance and sewer rehabilitation projects throughout the City.

Funding Source	FY 2015 Actual	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Funding
2008 Bond	0	0	0	0	0	0	0	0
2011 Bond	0	0	0	0	0	0	0	0
2014 Bond	0	0	0	0	0	0	0	0
Transfer	76,397	1,422,900	850,000	900,000	1,000,000	1,300,000	1,000,000	6,549,297
Grant	0	0	0	0	0	0	0	0
Total	76,397	1,422,900	850,000	900,000	1,000,000	1,300,000	1,000,000	6,549,297

Project Costs	FY 2015 Actual	FY 2016 Projections	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Project Costs
Planning/Design	0	0	0	0	0	0	0	0
Engineering	76,397	200,000	100,000	100,000	100,000	100,000	100,000	776,397
Site Improvement	0	0	0	0	0	0	0	0
Construction	0	1,222,900	750,000	800,000	900,000	1,200,000	900,000	5,772,900
Total	76,397	1,422,900	850,000	900,000	1,000,000	1,300,000	1,000,000	6,549,297

Operating Budget Impact	Line Item:	FY 2017 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	Total Estimated Impact
	Personnel	0	0	0	0	0	0
	Operations	0	0	0	0	0	0
	Maintenance	125,000	150,000	150,000	175,000	200,000	800,000
	Debt Service	0	0	0	0	0	0
	Other	850,000	900,000	1,000,000	1,300,000	1,000,000	5,050,000
	Total	975,000	1,050,000	1,150,000	1,475,000	1,200,000	5,850,000



A street inventory has been developed to include all of the streets in the City. A yearly budget addresses ongoing City-wide street maintenance.





FEE SCHEDULE

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

The City of Harker Heights reserves the right to add a 25% administrative fee for any services provided by contract.

ADMINISTRATIVE FEES

Paper Copy (per page/side)	\$0.10
Nonstandard Copies.....	See Texas Administrative Code Rule §70.3
Franchise Fee for Taxicab (per vehicle, per year)	\$25.00
Garage Sale Permit (limited to 2 per year, per address)	\$5.00
Returned Check/Returned ACH/Credit Card Chargeback Fee.....	\$30.00
Sexually Oriented Business	
• Application (one-time fee).....	\$500.00
• Work Permit	\$25.00
• Replacement	\$10.00
• Renewal (annual).....	\$250.00
Solicitor Permit.....	\$200.00
• Itinerate Merchant.....	additional \$50 per employee
Special Event Application Fee (non-refundable).....	\$15.00
Grass Cutting Private Property (Nuisance Abatement)	actual cost + \$100; \$200 minimum
Graffiti Abatement (per hour).....	\$50.00

ADMINISTRATIVE ABATEMENT OF SEDIMENTATION

Applies to individual homebuilders and requires them to have in place measures to prevent silt runoff into City streets per the erosion-sedimentation control ordinance.

Street Sweeper (per hour).....	\$100.00
Dump Truck (per hour)	\$50.00
Front Loader (per hour).....	\$50.00
Backhoe (per hour).....	\$50.00
Water Truck (per hour).....	\$50.00
Traffic Control (per hour; includes flagman, vehicle and traffic devices).....	\$50.00
Each additional flagman (per hour)	\$25.00

BUILDING PERMITS

Where construction is commenced before a permit is obtained, the permit fees may be doubled.

New Building Construction	
• One and Two Family Dwellings (per square foot under roof).....	\$0.10
Plus Technology/Convenience Fee – My Permit Now (per permit).....	\$5.50
<i>Fee does not include permits for fences, irrigation, accessory buildings or swimming pools. Permits included are structure, electrical, mechanical, plumbing, flat work, plan review, and certificate of occupancy. Inspections included are t-electrical pole; plumbing rough-in; foundation; FMEP framing, mechanical, electrical and plumbing; two story water test; energy (insulation); conditional final; and final.</i>	
• Multi-family, Commercial, and Other Construction (per square foot under roof).....	\$0.15
Plus Technology/Convenience Fee – My Permit Now (per permit).....	\$10.00
<i>Excludes shell buildings, warehouses and parking garages. Fee does not include permits for fences, signs, accessory buildings, irrigation or swimming pools. Permits included are structure, electrical, plumbing, flat work, certificate of occupancy, and landscaping and plan review. Inspections included are t-electrical pole; plumbing rough-in; foundation; FMEP framing, mechanical, electrical and plumbing; two story water test; energy (insulation); conditional final; landscaping inspection; parking requirements inspection; and final.</i>	
▪ Plan Reviews Requiring Outside Consultation	cost + \$25.00

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

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▪ Projects requiring more than one inspection per phase (i.e. several plumbing inspections of the same type due to size of the project) (per inspection).....	\$10.00
• Multi-family (over four living units), Hotels, Motels, and Commercial Buildings with Multiple Tenants (excluding shell buildings).....	add \$40.00 to multi-family cost for added inspections
Plus Technology/Convenience Fee – My Permit Now (per permit).....	\$10.00
Additions to Floor Area	
• One and Two Family Dwellings.....	same as for new construction, minimum of \$25.00
Plus Technology/Convenience Fee – My Permit Now (per permit).....	\$5.00
• All Others	same as for new construction
Plus Technology/Convenience Fee – My Permit Now (per permit).....	\$5.00
Shell Buildings	
<i>Fee is for shell buildings without interior finish, warehouses, and/or parking garages. Fee does not include fences, signs, accessory buildings, irrigation or swimming pools. Permits included are structure, flatwork, and landscaping and plan review.</i>	
• Per Square Foot Under Roof.....	\$0.08
Plus Technology/Convenience Fee – My Permit Now (per permit).....	\$10.00
• Plan Reviews Requiring Outside Consultation.....	cost + \$25.00
• Projects requiring more than one inspection per phase (i.e. several plumbing inspections of the same type due to size of the project) (per inspection)	\$10.00
Any Remodeling, Alterations, Repairs, Replacements, Fences, Swimming Pools, Accessory Buildings, Irrigation and Signs, etc. <i>Projects not involving an addition to floor area.</i>	
Applicable Permit Fee Below Plus Technology/Convenience Fee – My Permit Now (per permit).....	\$1.00
• Valuation up to \$1,000.....	\$25.00
• Valuation \$1,001 to \$2,000.....	\$35.00
• Valuation \$2,001 to \$3,000.....	\$45.00
• Valuation \$3,001 to \$4,000.....	\$55.00
• Valuation \$4,001 to \$5,000.....	\$65.00
• Valuation \$5,001 to \$6,000.....	\$75.00
• Valuation \$6,001 to \$7,000.....	\$85.00
• Valuation \$7,001 to \$8,000.....	\$95.00
• Valuation \$8,001 to \$9,000.....	\$105.00
• Valuation \$9,001 to \$10,000.....	\$115.00
• Per \$1,000 thereafter.....	additional \$10.00
Demolition/Move Structure Permits	
• Per structure.....	\$25.00
• Plus Technology/Convenience Fee – My Permit Now (per permit).....	\$1.00
Re-inspection Fees (per re-inspection)	\$50.00
Working Without Permits.....	\$250.00

EXAMINATIONS, LICENSES, PERMITS, SPECIAL INSPECTIONS, AND ADMINISTRATIVE FEES

Fees over 60 days late may be doubled to cover additional administrative costs.

Alcohol License (per year).....	½ of TABC Fee
City Registration/Business License	\$25.00
Contractor Registration Fee (per year)	\$75.00
Flood Plain Development Permits.....	\$50.00
Food Dealer’s Permit (initial and renewals).....	\$50.00

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

The City of Harker Heights reserves the right to add a 25% administrative fee for any services provided by contract.

Manufactured Housing Park License.....	\$100.00
<i>(Replaces license fee for City Registration/Business License)</i>	
Manufactured Home Permits	
• Application for Certificate of Occupancy.....	inspection cost + \$50.00
• Replacement	inspection cost + \$50.00
Occupation Taxes (as authorized by State law)	
• Certificate of Occupancy inspection (existing buildings).....	\$50.00
• Special investigation	\$30.00
• Reports rendered pursuant to any special investigation.....	\$30.00
• Re-inspection of any failed inspection.....	\$50.00
Request to Zoning Board of Adjustment and Appeals	\$150.00
Plan Review	
• Done by City personnel	one-half of base permit fee
• Done by other agencies.....	actual cost + handling fee of \$10.00
Planning and Zoning Fees	
• Rezoning Request	\$200.00
• Conditional Use Permit.....	\$200.00
• Development Concept Plan	\$50.00
• Site Preparation Permit.....	\$25.00
• All Other Plats (Replats, Development, Amendments, etc.).....	\$3.00/acre + \$150.00
• Subdivision Plat – Preliminary	\$25.00/lot + \$500.00
• Subdivision Plat – Final.....	\$150.00
• Sound Amplification Permit (per year).....	\$25.00
• Zoning Verification Letter.....	\$10.00
• Planning Maps (arc view)	
▪ 8 ½” x 11” maps.....	\$5.00
▪ 11” x 17” maps.....	\$10.00
▪ 17” x 22” maps to 22” x 40” maps.....	\$20.00
▪ 34” x 44” maps.....	\$25.00
Public Works Construction Inspection Fees	
• All inspections	\$25.00
• All inspections after regular business hours, weekends, and Holidays (per hour).....	\$50.00
Temporary Storage Unit Permit	\$25.00
Temporary Use Permits	
• Long Term Seasonal Sales	
▪ Administrative Fee.....	\$25.00
▪ Inspection Cost.....	\$10.00
▪ Re-inspection Cost	\$35.00
• Short Tem Seasonal Sales	
▪ Administrative Fee.....	\$10.00
▪ Inspection Cost.....	\$10.00
▪ Re-inspection Cost	\$35.00
Heavy Vehicle Residential Parking Permit	\$25.00

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

The City of Harker Heights reserves the right to add a 25% administrative fee for any services provided by contract.

LIBRARY

Copy Fee (per page)	\$0.10
Lost or Damaged Book.....	Price of Book + Processing Fee
New Card Replacement.....	\$3.00
Overdue Book (per day)	\$0.05
Printing Fee (per page)	\$0.10
Processing Fee	
• Hardback Book Replacement	\$5.00
• Paperback Book Replacement	\$1.00
Replacement Fee	
• CD Album, View Case, or Playaway Case.....	\$5.00
• DVD Case.....	\$1.00
• Spine or Barcode.....	\$1.00
• VIEW Cord.....	\$15.00

PARKS AND RECREATION

Youth Sports Registration	
• Resident	\$35.00
• Non-Resident	\$45.00
Multiple Registration Cost Incentive (Youth team registrations only; refers to permanent address, same day sign-up)	
• Resident	
▪ 1 st participant.....	\$35.00
▪ 2 nd participant.....	\$30.00
▪ 3 rd participant and every participant thereafter.....	\$25.00
• Non-Resident	
▪ 1 st participant.....	\$45.00
▪ 2 nd participant.....	\$40.00
▪ 3 rd participant and every participant thereafter.....	\$35.00
Facility Rentals	
• Recreation Center Daily Use (for use of amenities such as basketball and volleyball courts)	
▪ Resident	
○ Students (Age 17 and under).....	FREE
○ Adults (Age 18 – 54).....	FREE
○ Seniors (Age 55 and up).....	FREE
▪ Non-Resident	
○ Students (Age 17 and under).....	\$3.00
○ Adults (Age 18 – 54).....	\$5.00
○ Seniors (Age 55 and up).....	\$3.00
• Pavilion	
▪ Resident	
○ Refundable Deposit.....	\$100.00
○ Rental	\$25.00
▪ Non-Resident	
○ Refundable Deposit.....	\$100.00
○ Rental	\$65.00

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

The City of Harker Heights reserves the right to add a 25% administrative fee for any services provided by contract.

- Gazebo
 - Resident \$15.00
 - Non-Resident \$25.00
- Amphitheatre
 - Resident
 - Refundable Deposit \$100.00
 - Rental \$25.00
 - Lights (2 hour block)..... \$15.00
 - Lights (each additional hour over 2 hours)..... \$10.00
 - Non-Resident
 - Refundable Deposit \$100.00
 - Rental \$65.00
 - Lights (2 hour block)..... \$25.00
 - Lights (each additional hour over 2 hours)..... \$10.00
- Athletic Fields
 - Resident
 - Refundable Deposit \$100.00
 - Rental \$25.00
 - Lights (per field)..... \$25.00
 - Field Attendant (per hour)..... \$15.00
 - Non-Resident
 - Refundable Deposit \$250.00
 - Rental \$50.00
 - Lights (per field)..... \$50.00
 - Field Attendant (per hour)..... \$30.00
- Athletic Fields – Tournament Package
 - Resident
 - Refundable Deposit \$200.00
 - Rental \$150.00
 - Field Attendant (per hour)..... \$100.00
 - Non-Resident
 - Refundable Deposit \$200.00
 - Rental \$150.00
 - Field Attendant (per hour)..... \$150.00
- Activities Center Meeting Rooms
 - Refundable Rental Deposit \$200.00
 - Room A
 - Military Sponsored Event (per hour)..... \$30.00
 - Non-Profit Organization (paperwork identifying Tax ID # required) (per hour) \$30.00
 - Community Services (per hour) \$40.00
 - For Profit Business (per hour)..... \$50.00
 - Room B
 - Military Sponsored Event (per hour)..... \$15.00
 - Non-Profit Organization (paperwork identifying Tax ID # required) (per hour) \$15.00
 - Community Services (per hour) \$15.00
 - For Profit Business (per hour)..... \$30.00

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

The City of Harker Heights reserves the right to add a 25% administrative fee for any services provided by contract.

- Room C
 - Military Sponsored Event (per hour)..... \$15.00
 - Non-Profit Organization (paperwork identifying Tax ID # required) (per hour) \$15.00
 - Community Services (per hour) \$20.00
 - For Profit Business (per hour)..... \$30.00
- Room D
 - Military Sponsored Event (per hour)..... \$15.00
 - Non-Profit Organization (paperwork identifying Tax ID # required) (per hour) \$15.00
 - Community Services (per hour) \$20.00
 - For Profit Business (per hour)..... \$30.00

Aquatics

- Daily Admission Fees
 - Resident
 - Child (Age 2 – 17)..... \$2.00
 - Adult (Age 18 – 54) \$3.00
 - Senior (Age 55 and up) \$2.00
 - Non-Resident
 - Child (Age 2 – 17)..... \$3.00
 - Adult (Age 18 – 54) \$5.00
 - Senior (Age 55 and up) \$2.00
- Swimming Passes

Pass will be good for the current swimming season. Passes will not cover City Sponsored Special Events.

 - Resident
 - Individual \$40.00
 - Family (2 – 5 persons)..... \$60.00
 - Each additional pass over 5 persons \$5.00
 - Seniors (Age 55 and up)..... \$15.00
 - Replacement Pass..... \$5.00
 - Non-Resident
 - Individual \$60.00
 - Family (2 – 5 persons)..... \$125.00
 - Each additional pass over 5 persons \$5.00
 - Seniors (Age 55 and up)..... \$15.00
 - Replacement Pass..... \$5.00
- Swimming Lessons
 - Resident \$30.00
 - Non-Resident \$40.00
- Pool Rental \$100.00
 - Refundable Deposit..... \$50.00
 - Lifeguard(s) (per lifeguard, per hour) \$15.00

Lifeguard fee is payable to the lifeguard(s) on the night of pool rental.

Community Garden Plots

Plot lease begins from date fee is paid.

- Resident
 - Six Month Lease \$12.50
 - Twelve Month Lease..... \$25.00

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

The City of Harker Heights reserves the right to add a 25% administrative fee for any services provided by contract.

- Non-Resident
 - Six Month Lease \$15.00
 - Twelve Month Lease..... \$30.00
 - ActiveNet Online Service Charges
 - Payments less than \$150.00 6.5% + \$0.50
 - Payments \$150.00 to \$499.99 3.5% + \$5.00
 - Payments \$500.00 or more 2.5% + \$10.00
- Minimum Service Charge of \$1.00*

PET ADOPTION CENTER

- Adoption Fees
 - Dogs and Cats (not spayed/neutered and without rabies vaccination)..... \$10.00
 - Dogs and Cats (spayed/neutered with rabies vaccination)..... \$35.00

Adoption fees will be waived during events approved by the City Manager up to four times per calendar year.
- Cremation Fee
 - Animals up to 50 pounds \$30.00
 - Animals 51 to 100 pounds \$60.00
 - Animals 101 pounds or more..... \$80.00
- Impound Fees (plus kennel fees)
 - Class A (dog or cat)
 - First Impound..... \$20.00
 - Second Impound (within one year from first)..... \$40.00
 - Third Impound (within one year from first)..... \$80.00
 - Class B (goats, sheep, labs, pigs or animals of same approximate size and weight)..... \$25.00
 - Class C (cattle, calves, horses, mules or animals of same approximate size and weight)..... \$40.00
 - Class D (wild or exotic animals) \$100.00
 - Class E (birds)..... \$20.00
- Kennel Fees (per day)
 - Class A (dog or cat)..... \$5.00
 - Class B (goats, sheep, labs, pigs or animals of same approximate size and weight) boarding costs + \$10.00
 - Class C (cattle, calves, horses, mules or animals of same approximate size and weight) boarding costs + \$20.00
 - Class D (wild or exotic animals) boarding costs + \$100.00
 - Class E (birds)..... \$5.00
- Microchipping Fee \$15.00
- Quarantine Fee \$10.00

PUBLIC SAFETY / FIRE DEPARTMENT

- Emergency Service Fees
 - Ambulance Calls
 - Basic Life Support \$500.00 + \$10.00/loaded mile
 - Advanced Life Support 1 \$600.00 + \$10.00/loaded mile
 - Advanced Life Support 2 \$700.00 + \$10.00/loaded mile
 - Out of City Calls \$800.00 + \$10.00/loaded mile
 - Ambulance Transport (per mile; mileage from leaving station to returning station) \$10.00
 - Treatment/No Transport – City Call \$125.00
 - Treatment/No Transport – Out of City..... \$700.00
 - Private Ambulance Registration Fee \$100.00

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

The City of Harker Heights reserves the right to add a 25% administrative fee for any services provided by contract.

- Fire Response

For hazardous materials, fire and major incident responses to include controlled burns permitted or not permitted which the Fire Department considers to be out of control or fires as a result of arson.

▪ Pumper (per hour or part thereof, minimum 1 hour, not including personnel)	\$400.00
▪ Tanker (per hour or part thereof, minimum 1 hour, not including personnel)	\$300.00
▪ Support Vehicles (per hour or part thereof, not including personnel).....	\$200.00
▪ Personnel (per hour or part thereof to include fire, police, etc.).....	\$50.00
▪ Water – City Supplied (per 1,000 gallons; calculated by pumping time and rate).....	\$10.00
▪ Ambulance Standby (per hour or part thereof, minimum 1 hour, includes personnel)	\$600.00
Fire Report Copy (per copy).....	\$2.00
Fire Investigative Report (per report).....	\$5.00

PUBLIC SAFETY / FIRE PREVENTION

An additional \$5.00 fee per permit will be charged for the My Permit Now Technology/Convenience Fee.

Plan Review (Fire Code) – Construction of Multifamily, Commercial and Other	\$50.00
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Fee includes plan review, any necessary meetings, final inspection and approval.

Fire Protection System Permits

Fees include plan review, any necessary meetings, witnessing tests, final inspection and approval. For large projects done in phases, the initial permit fee will cover the first phase and each additional phase will be charged \$10.00.

- Fire Alarm System (maximum fee of \$1,000.00)
 - Up to 200 devices (flat fee)..... \$150.00
 - Each additional device over 200 \$1.00
 - First re-inspection or witnessed test..... no charge
 - Subsequent re-inspections or witnessed test 50% of the original permit fee
- Fixed Fire Suppression
 - Initial permit..... \$50.00
 - First re-inspection or witnessed test..... no charge
 - Subsequent re-inspections or witnessed test 50% of the original permit fee
- Fixed Piping Systems (sprinklers, standpipes, etc.)
 - 0 – 12,000 square feet \$150.00
 - 12,001 + square feet..... \$200.00
 - First re-inspection or witnessed test..... no charge
 - Subsequent re-inspections or witnessed test 50% of the original permit fee

Fuel Storage Tanks

▪ Tank installation (per tank, includes pressure test)	\$75.00
▪ Line Pressure Test (per tank)	\$25.00
▪ Tank Removal (per tank)	\$25.00

Life and Fire Safety Evaluations/Fire Inspections (Annual)

- Business
 - Annual Inspection no charge
 - First Re-inspection no charge
 - Second Re-inspection..... \$50.00
 - Subsequent Re-inspections (each at the discretion of the officer)..... citation issued or \$50.00
- Licensed Facilities
 - Hospitals \$150.00

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

The City of Harker Heights reserves the right to add a 25% administrative fee for any services provided by contract.

- Nursing Homes, Group Homes, Day Cares, Assisted Living Centers, and Private Schools
 - Occupancy of up to 50 persons \$50.00
 - Occupancy of 50 + persons \$100.00
- Foster and Adoptive Homes
 - Annual Inspection no charge
 - First Re-Inspection no charge
 - Second Re-Inspection..... \$30.00
 - Subsequent Re-inspections (each at the discretion of the officer)..... citation issued or \$30.00

Operational Permits and Inspections

- Burn Permits (includes initial site inspection)
 - Commercial/Land Development \$150.00
 - Residential (annual permit)..... \$50.00
- Carnival/Circus Safety Inspections..... \$150.00
- Carbon Dioxide Systems \$25.00
- Fire Flows (conducted by the Fire Department) \$100.00
- Fireworks (Outdoor Public Display)
 - Permit Fee (requires insurance coverage of at least \$300,000)..... \$250.00
- Food Booth \$50.00
- Mobile Food Vendor..... \$100.00
- Hazardous Material Handling, Storage and/or Processing \$50.00
- Portable Outdoor Gas Fired Heating Appliances..... \$25.00
- Assembly Permit (annual permit) \$25.00
- Tent Permit
 - Occupancy of 0 – 100 persons \$50.00
 - Occupancy of 100 + persons..... \$100.00
- Tire Storage and/or Scraping (annual permit)..... \$50.00
- Welding/Cutting (Hot Work)..... \$50.00

Other permits and/or inspections not listed above that are required by the most currently adopted International Fire Code or its references will be assessed a minimum charge of \$25.00 plus the total amount of time utilized in plan reviews, code research, inspection(s) and documentation at the currently adopted response personnel rate.

PUBLIC SAFETY / POLICE DEPARTMENT

- Accident Reports \$6.00
- Copy of Police Report (per page)..... \$0.10
- Fingerprint Cards (per card) \$5.00
- Record Checks
 - Residents..... no charge
 - Non-Residents \$5.00
 - Recruiters/Federal Agencies no charge
- Taxicab Permits
 - Initial..... \$20.00
 - Renewal \$10.00
 - Duplicates (each) \$4.00
- Alarm Systems
 - False burglar alarm (per incident)..... \$50.00
 - False robbery alarm (per incident)..... \$75.00

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

The City of Harker Heights reserves the right to add a 25% administrative fee for any services provided by contract.

- False fire alarm (per incident)..... \$75.00
- False emergency medical alarm (per incident) \$75.00
- Failure to timely respond to alarm site (per incident) \$50.00
- Monitoring financial institution alarms (per month)..... \$50.00

STREETS

- Culvert Installation
- 10 – 12 yards base material (not including culvert)..... \$150.00
 - Each additional yard base material (per yard) \$6.00
- Curb Replacement (per linear foot) \$25.00
- Road Boring (per linear foot) \$50.00
- Street Cut Restoration (per linear foot) \$15.00
- Street Cutting Permit \$50.00

UTILITY SERVICES

Water Services

Water Deposit

- Residential (single one-family dwellings and small commercial businesses with hand pick-up)..... \$55.00
Deposits will not be taken on new homes until the home is finalized. Residential deposits are refunded when the account is terminated or in the month of June with one year of good history, whichever comes first.
- Commercial \$200.00
Commercial deposits are refunded when the account is terminated.

Water Rates

These rates are applicable to all sales or service of water. All leakage between a meter and a building is the responsibility of the owner, tenant, or occupant of the building. Sprinkler meters are charged the base fee plus the per 1,000 gallon usage charge; they are not charged for sewer.

- Inside Harker Heights CCN
 - Base Rate / Per 1,000 Gallons of Water Consumption \$10.28 / \$3.20
- Outside Harker Heights CCN
 - Base Rate / Per 1,000 Gallons of Water Consumption \$20.56 / \$6.40

Sewer Services

Anyone receiving City water service and connected to City sewer must pay sewer charges regardless of whether the building is occupied or not. There is a 10,000 gallon cap for residential customers for sewer services.

Sewer Rates

- Inside Harker Heights CCN
 - First 3,000 Gallons / Per 1,000 Gallons of Water Consumption..... \$18.53 / \$3.10
- Outside Harker Heights CCN
 - First 3,000 Gallons / Per 1,000 Gallons of Water Consumption..... \$37.06 / \$6.20

Other Utility Services Fees

- Delinquent/Late Charge..... \$15.00
- Fire Hydrant Meters
- Deposit..... \$750.00
 - Monthly Fee..... \$50.00
- Meter Accuracy Test Requests
- Meter Found to be Faulty.....no charge

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

The City of Harker Heights reserves the right to add a 25% administrative fee for any services provided by contract.

• 5/8 inch X 3/4 inch and 3/4 inch X 3/4 inch meters.....	\$60.00
• 1 inch meters.....	\$60.00
• 1 ½ inch and 2 inch meters	\$150.00
• 3 inch meters.....	\$200.00
• 4 inch meters.....	\$250.00
Online Bill Pay Convenience Fee.....	\$2.00
Request for Services – Water/Sewer	
<i>These services include turn on/off at the customer’s request, checking for a leak per customer request, and sewer blockages on the customer’s side.</i>	
• During Working Hours (per trip).....	\$15.00
• Non-Duty Hours (per trip)	\$30.00
Reread Requests	
• Original Read Incorrect	no charge
• Original Read Correct.....	\$10.00
Sewer Overflow on Private Lines	
• Vactor/Jetrodder (per hour)	\$100.00
• Backhoe (per hour)	\$50.00
• Dump Truck (per hour).....	\$50.00
• Front Loader (per hour)	\$50.00
• Pickup Truck (per hour)	\$50.00
• Each Additional Employee (per hour)	\$25.00
Water Transfer.....	\$15.00
Water Turn On	
• New deposit or transfer of service	no charge
• Second Trip Fee.....	\$25.00

Water Distribution and Wastewater Collection System Connection Fees

Prior to the installation of a water or sewer tap the customer requesting same shall deposit with the City a sum equal to such actual cost as estimated by the City. A ¾” water meter will be installed for new or existing property. Water meters larger than ¾” will be installed on approved water demand information.

• New Property	
▪ Meter Tap.....	\$275
▪ Sewer Tap	\$275
• Existing Property (In addition to the fees listed above for New Property)	
▪ ¾” line diameter (water only)	materials/street cut + \$300.00
▪ 1” line diameter (water only)	materials/street cut + \$300.00
▪ 1 ½” line diameter (water only)	materials/street cut + \$400.00
▪ 2” line diameter (water only)	materials/street cut + \$500.00
▪ 4” line diameter (water and sewer)	materials/street cut + \$750.00
▪ 6” line diameter (water only)	materials/street cut + \$1,500.00
▪ 8” line diameter (water only)	materials + \$1,500.00

NOTE: Sewer lines above 4” will require a quote.

Drainage Rates

Single Family Detached Dwellings (includes manufactured homes).....	\$6.00
Other Residential Properties	
• Duplex (per unit).....	\$2.88

**CITY OF HARKER HEIGHTS FEE SCHEDULE
OCTOBER 1, 2016 TO SEPTEMBER 30, 2017**

The City of Harker Heights reserves the right to add a 25% administrative fee for any services provided by contract.

• Triplex (per unit).....	\$2.74
• Four Unit Dwelling (per unit).....	\$2.57
• Five Unit Dwelling (per unit).....	\$2.30
• Six Unit Dwelling (per unit).....	\$2.04
• Seven Unit Dwelling (per unit).....	\$1.78
• Eight Unit Dwelling (per unit).....	\$1.51
• Nine Units or More (per unit).....	\$2.04
Non-Residential Developed Property	
• Buildings Up to 2,500 sq. ft.	\$7.20
• Buildings 2,501 to 10,000 sq. ft.	\$14.40
• Buildings 10,001 to 50,000 sq. ft.	\$28.80
• Buildings 50,001 to 100,000 sq. ft.	\$43.20
• Buildings More Than 100,000 sq. ft.	\$60.00

Sanitation Rates

Residential Garbage Collection (per month)	\$18.33
Commercial Garbage Collection	handled by Centex Waste Management



ORDINANCES

STATE OF TEXAS

COUNTY OF BELL

CITY OF HARKER HEIGHTS

AN ORDINANCE ADOPTING AND APPROVING A BUDGET FOR THE CITY OF HARKER HEIGHTS, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016, TO SEPTEMBER 30, 2017.

WHEREAS, a budget for the Fiscal Year 2016 – 2017 has been prepared for the City of Harker Heights, Texas; and

WHEREAS, public notices of the public hearing(s) upon this budget have been duly and legally made as required by law; and

WHEREAS, the aforementioned public hearing(s) on the proposed budget were held in accordance with the published notices; and

WHEREAS, after full and final consideration and the public hearing on said budget, it is the consensus of opinion that the proposed budget should be approved.

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Harker Heights, Texas:

SECTION I.

The Budget as filed with the City Secretary for the fiscal year beginning October 1, 2016, to September 30, 2017, is ratified, adopted, and approved.

SECTION II.

Total revenues are budgeted at \$37,352,000. Expenses including Capital Improvement Funds from previous years are budgeted at \$38,197,400.

SECTION III.

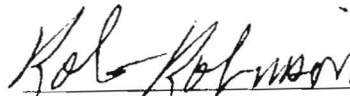
This budget will raise more revenue from property taxes than last year’s budget by an amount of \$446,041 which is a 4.0% increase from last year’s budget. The property tax revenue to be raised from new property added to the tax roll this year is \$303,350.

SECTION IV.

Table VIII of the Table of Special Ordinances, Code of Harker Heights, is hereby amended by adding the following entry:

<u>Ordinance No.</u>	<u>Date Passed</u>	<u>Description</u>
2016- 21	September 13, 2016	An Ordinance Adopting and Approving a Budget for the City of Harker Heights, Texas for the Fiscal Year Beginning October 1, 2016 to September 30, 2017.

PASSED AND APPROVED by the City Council of the City of Harker Heights this 13th day of September, 2016, at a meeting which the City Council finds to have been held in strict accordance with the requirements of the Texas Open Meetings Act.

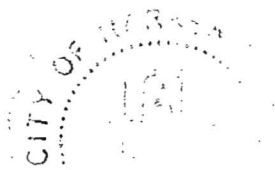


Rob Robinson, Mayor

ATTEST:



Patricia Brunson, City Secretary



STATE OF TEXAS

COUNTY OF BELL

CITY OF HARKER HEIGHTS

AN ORDINANCE LEVYING A TAX RATE FOR THE CITY OF HARKER HEIGHTS, TEXAS FOR THE TAX YEAR 2016.**BE IT ORDAINED**, by the City Council of the City of Harker Heights, Texas:**SECTION I.**

That we the City Council of the City of Harker Heights do hereby levy or adopt the tax rate of \$0.6770 per \$100 valuation for the City for Tax Year 2016 as follows:

\$0.5198 for the purpose of maintenance and operation,
 \$0.1572 for the payment of principal and interest, and
 \$0.6770 for the total tax rate.

A \$10,000 exemption is adopted for residents who are at least sixty-five (65) years old and who are owners of an occupied homestead.


The tax assessor-collector is hereby authorized to assess and collect the taxes of the City of Harker Heights in accordance with this ordinance.

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

Table VIII of the Table of Special Ordinances, Code of Harker Heights, is hereby amended by adding the following entry:

<u>Ordinance No.</u>	<u>Date Passed</u>	<u>Description</u>
2016-22	September 13, 2016	An Ordinance Levying a Tax Rate for the City of Harker Heights, Texas for the Tax Year 2016.

PASSED AND APPROVED by the City Council of the City of Harker Heights this 13th day of September, 2016 at a meeting which the City Council finds to have been held in strict accordance with the requirements of the Texas Open Meetings Act.


 Rob Robinson, Mayor

ATTEST:


 Patricia Brunson, City Secretary

(CITY SEAL)

ORDINANCE NO. 2016-23

STATE OF TEXAS

COUNTY OF BELL

CITY OF HARKER HEIGHTS

AN ORDINANCE PRESCRIBING AND SETTING THE FISCAL YEAR 2016 – 2017 RATES AND CHARGES OF THE CITY OF HARKER HEIGHTS, TEXAS; PENALTIES FOR NON-PAYMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, a fee schedule for the fiscal year 2016 – 2017 has been prepared for the City of Harker Heights, Texas; and

WHEREAS, the proposed fee schedule has been discussed during the public hearing held for the budget; and

WHEREAS, after full and final consideration it is the consensus of opinion that the proposed fee schedule should be approved.

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Harker Heights, Texas:

SECTION I.

That the City Council approves the rates and charges proposed for Fiscal Year 2016 – 2017 which is attached hereto and incorporated herein as Attachment A.

SECTION II.

Penalty: Any person, firm or corporation who violates any provisions of this ordinance shall be guilty of a misdemeanor and, upon conviction, shall be fined in an amount not exceeding one thousand dollars (\$1,000). Each day on which a violation of, or failure to comply with, this ordinance shall constitute a separate violation and shall be punishable as such, the City also is entitled to pursue all other criminal and civil remedies to which it is entitled under the authority of other statutes or other ordinances.

SECTION III.

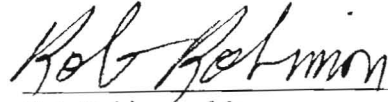
This ordinance shall become effective on October 1, 2016 and shall apply to all fees charged on or after that date. This ordinance shall not affect any charge prior to its effective date regardless of whether said fees have been paid in whole or in part.

SECTION IV.

Table VIII of the Table of Special Ordinances, Code of Harker Heights, is hereby amended by adding the following entry:

<u>Ordinance No.</u>	<u>Date Passed</u>	<u>Description</u>
2016-23	September 13, 2016	An Ordinance Prescribing and Setting the Fiscal Year 2016 – 2017 Rates and Charges of the City of Harker Heights, Texas; Penalties for Non-Payment; and Providing an Effective Date.

PASSED AND APPROVED by the City Council of the City of Harker Heights this 13th day of September, 2016 at a meeting which the City Council finds to have been held in strict accordance with the requirements of the Texas Open Meetings Act.



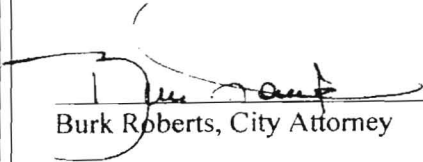
Rob Robinson, Mayor

ATTEST:



Patricia Brunson, City Secretary

APPROVED AS TO FORM:



Burk Roberts, City Attorney



Attachment A - City of Harker Heights Fee Schedule, which was incorporated as part of Ordinance No. 2016-23: An Ordinance Prescribing and Setting the Fiscal Year 2016-2017 Rates and Charges of the City of Harker Heights, Texas; Penalties for Non-Payment; and Providing an Effective Date, can be found in the Fee Schedule Section, page 183.



GLOSSARY

GLOSSARY OF TERMS AND ACRONYMS

800 MHZ SYSTEM – A system to receive all 911 emergency calls.

ACCRUAL BASIS – The basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

ACH – see Automated Clearing House.

ACTIVITY – Departmental efforts which contribute to the achievement of a specific set of program objectives; the smallest unit of the program budget.

AD VALOREM TAX – Also known as property taxes, they are levied on both real and personal property according to the property's valuation and the tax rate.

ADVANCED REFUNDING – A transaction in which new debt is issued to provide monies to pay interest on old, outstanding debt as it becomes due and to pay the principal on the old debt either as it matures or at an earlier call date. An advance refunding occurs before the maturity or call date of the old debt, and the proceeds of the new debt are invested until the maturity or call date of the old debt. Most advance refunding result in defeasance of debt.

AED – see automatic external defibrillator.

AGENCY FUNDS – One of four types of fiduciary funds. Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resource to individuals, private organizations, or other governments.

ALLOT – To divide an appropriation into amounts which may be encumbered or expended during an allotment period.

ANNUALIZE – Taking changes that occurred mid-year and calculating their cost for the full year, for the purpose of preparing an annual budget.

APPROPRIATION – A legal authorization to incur obligations and to make expenditures for specific purposes.

ARBITRAGE – The simultaneous purchase and sale of the same or an equivalent security in order to profit from price discrepancies. In government finance, the most common occurrence of arbitrage involves the investment of the proceeds from the sale of tax-exempt securities in a taxable money market instrument that yields a higher rate, resulting in interest revenue in excess of interest costs.

ASSESSED VALUATION – The valuation set upon real estate and certain personal property by the Assessor as a basis for levying property taxes.

ASSESSMENT RATIO – The ratio at which the tax rate is applied to the tax base.

ASSET – Resources owned or held by a government which has monetary value.

ATTRITION – A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.

AUDIT – An unbiased examination and evaluation of the financial statements of an organization.

AUTHORIZED POSITIONS – Employee positions in the adopted budget to be filled during the year.

AUTOMATED CLEARING HOUSE – The direct fund transfer authorization from one bank account to another.

AUTOMATIC EXTERNAL DEFIBRILLATOR – A device about the size of a laptop computer that analyzes the heart's rhythm for any abnormalities and, if necessary, directs the rescuer to deliver an electrical shock to the victim.

AVAILABLE (UNDESIGNATED) FUND BALANCE – This refers to the funds remaining from the prior year which are available for appropriation and expenditure in the current year.

BALANCED BUDGET – Budget in which income equals expenditure.

BASE BUDGET – Cost of continuing the existing levels of service in the current budget year.

BCAD – see Bell County Appraisal District.

BEGINNING FUND BALANCE – Cash available in a fund from the prior year after payment of the prior year's expenses and deductions for prior year encumbrances.

BELL COUNTY APPRAISAL DISTRICT – Appraisal District responsible for appraising all real and business personal property within Bell County. The district appraises property according to the Texas Property Tax Code and the Uniform Standards of Professional Appraisal Practices.

BOND – A long term I.O.U. or promise to pay. It is a promise to repay a specified amount of money (the face amount of the bond) on a particular date (the maturity date). Bonds are primarily used to finance capital projects.

BOND, GENERAL OBLIGATION (G.O.) – Bond backed by the full faith, credit and taxing power of the government.

BOND, REVENUE – Bond backed only by the revenues from a specific enterprise or project, such as a hospital or toll road.

BOND REFINANCING – The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

BONDED DEBT – The portion of indebtedness represented by outstanding bonds.

BRAC – Base Realignment and Closure.

BUDGET – A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period.

BUDGETARY BASIS – This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.

BUDGET CALENDAR – Schedule of key dates which a government follows in the preparation and adoption of the budget.

BUDGETARY CONTROL – The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

BUDGET MESSAGE – Opening section of the Annual Budget that provides the City Council and public with an overview of the most important aspects of the budget.

CAD – Computer Aided Dispatch, method of dispatching emergency services through the use of a computer.

CADET – see Crimes Analysis, Directed Enforcement and Technology.

CAFR – see Comprehensive Annual Financial Report.

CAPITAL ASSETS – Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

CAPITAL BUDGET – The appropriation of bonds or operating revenue for improvements to facilities, and other infrastructure.

CAPITAL EXPENDITURE – A payment made or to be made for the acquisition of a long-term asset such as land, buildings, or equipment.

CAPITAL IMPROVEMENT FUND – The governmental fund that accounts for the acquisition and construction of major capital facilities.

CAPITAL IMPROVEMENTS – Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

CAPITAL IMPROVEMENT PROGRAM – A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

CAPITAL OUTLAY – Fixed assets which have a value of \$500 or more and have a useful economic lifetime of more than one year; or, assets of any value if the nature of the item is such that it must be controlled for custody purposes as a fixed asset.

CAPITAL PROJECT – Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life. Also known as capital improvements.

CAPITAL RESERVE – An account used to segregate a portion of the government's equity to be used for future capital program expenditures. The amount of capital reserve is roughly equal to the government's annual equipment depreciation and an amount identified as being needed for future capital acquisition.

CASH BASED ACCOUNTING – A basis of accounting in which transactions are recognized only when cash is increased or decreased.

CERTIFICATE OF OBLIGATION (C.O.) – This type of bond is backed by the full faith, credit and taxing power of the government.

CIP – see Capital Improvement Program.

CMP – Corrugated metal pipe.

CO – see Certificate of Obligation.

COLA – see Cost of Living Adjustment.

COLLECTIVE BARGAINING AGREEMENT – A legal contract between the employer and a verified representative of a recognized bargaining unit for specific terms and conditions of employment (e.g., hours, working conditions, salary, fringe benefits, and matters affecting health and safety of employees).

COMMODITIES – Expendable items that are consumable or have a short life span. Examples include office supplies, gasoline, minor equipment, and asphalt.

COMPREHENSIVE ANNUAL FINANCIAL REPORT – A financial report that encompasses all funds and component units of the government. The CAFR should contain (a) the basic financial statements and required supplementary information, (b) combining statements to support columns in the basic financial statements that aggregate information from more than one fund or component unit, and (c) individual fund statements as needed.

CONSTANT OR REAL DOLLARS – The presentation of dollar amounts adjusted for inflation to reflect the real purchasing power of money as compared to a certain point in time in the past.

CONSUMER PRICE INDEX – A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in cost of living (i.e., economic inflation).

CONTINGENCY – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

CONTRACTUAL SERVICES – Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.

COST OF LIVING ADJUSTMENT – An increase in salaries to offset the effect of inflation on compensation.

COUNCIL-MANAGER GOVERNMENT – Form of government where an elected city council is responsible for making policy, passing ordinances, voting appropriations, and having overall supervisory authority in the city government. In such a government, the mayor performs strictly ceremonial duties or acts as a member and presiding officer of the council.

CPI – see Consumer Price Index.

CRIME ANALYSIS, DIRECTED ENFORCEMENT AND TECHNOLOGY – The Property Crimes Interdiction Program started by the Harker Heights Police Department in 2008 to catch property criminals.

DEBT LIMIT – The maximum amount of gross net of debt which is legally permitted.

DEBT SERVICE – The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

DEBT SERVICE FUND – Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

DEDICATED TAX – A tax levied to support a specific government program or purpose.

DEFEASANCE – The netting of outstanding liabilities and related assets on the statement of position.

DEFERRED REVENUE – Resource inflows that do not yet meet the criteria for revenue recognition. Unearned amounts are always reported as deferred revenue. In governmental funds, earned amounts also are reported as deferred revenue until they are available to liquidate liabilities of the current period.

DEFICIT – The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

DEPARTMENT – The basic organization unit of government which is functionally unique in its delivery of services.

DEPRECIATION – Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

DEVELOPED-RELATED FEES – Those fees and charges generated by building, development and growth in a community. Included are building and street permits, development review fees, and zoning, platting and subdivision fees.

DISBURSEMENT – The expenditure of monies from an account.

DISTINGUISHED BUDGET PRESENTATION AWARDS PROGRAM – A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

DRAINAGE FUND – Enterprise fund that accounts for operations related to providing drainage service.

ELECTRONIC TRANSACTION SYSTEMS CORPORATION – An international corporation supporting merchants in all forms of electronic processing to include credit and debit card processing.

EMPLOYEE BENEFITS – Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pension, medical, and life insurance plans.

EMS – Emergency Medical Service.

EMT – Emergency Medical Technician.

ENCUMBRANCE – The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

ENDING FUND BALANCE – The unencumbered cash remaining in a fund at the end of the fiscal year.

ENTERPRISE FUND – A proprietary fund used to report an activity for which a fee is charged to external users for goods or services.

ENTITLEMENTS – Payments to which local governmental units are entitled, pursuant to an allocation formula determined by the agency providing the monies, usually the state or the federal government.

ETS – see Electronic Transaction Systems Corporation.

EXPENDITURE – The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

EXPENSE – Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

FIDUCIARY FUNDS – Fund used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. This includes pension trust funds, investment trust funds, private-purpose trust funds and agency funds.

FINANCIAL RESOURCES – Resources that are or will become available for spending. Financial resources include cash and resources ordinarily expected to be converted to cash (e.g., receivables, investments). Financial resources also may include inventories and prepaids because they prevent the need to expend current available financial resources.

FISCAL ACCOUNTABILITY – Government responsibility to justify that their actions in the current period have complied with public decisions concerning the raising and spending of public moneys in the short term (usually one budgetary cycle or one year).

FISCAL POLICY – A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs, and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

FISCAL YEAR – A twelve-month period designated as the operating year for accounting and budgeting purposes. (October 1 thru September 30)

FIXED ASSETS – Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

FRANCHISE FEES – A fee paid by public service businesses for use of City streets, alleys and property in providing their services to the citizens. Services include electricity, telephone, natural gas, taxicabs, ambulances, and cable television.

FRINGE BENEFITS – see Employee Benefits.

FTE – see Full-Time Equivalent Position.

FULL FAITH AND CREDIT – A pledge of a government's taxing power to repay debt obligations.

FULL-TIME EQUIVALENT POSITION – A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be the equivalent to .5 of a full-time position

FUNCTION – A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (e.g., public safety).

FUND – A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity.

FUND BALANCE – The difference between assets and liabilities reported in a governmental fund.

FY – Fiscal Year.

GAAP – see General Accepted Accounting Principles.

GASB – see Governmental Accounting Standards Board.

GENERAL ACCEPTED ACCOUNTING PRINCIPLES – Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

GENERAL FUND – One of the five governmental fund types that typically serves as the chief operating fund. The general fund is used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION BOND – Bond backed by the full faith, credit and taxing power of the government.

GEOGRAPHIC INFORMATION SYSTEM – System that combines maps with data and organizes them in useful and meaningful ways. This data could include, but is not limited to, city limits, zoning, or land use.

GFOA – see Government Finance Officer’s Association.

GIS - see geographic information system.

GO – see General Obligation Bond.

GOAL – A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

GOVERNMENT FINANCE OFFICERS’ ASSOCIATION – An association of public finance professionals founded in 1906 as the Municipal Finance Officers Association. The GFOA has played a major role in the development and promotion of GAAP for state and local government since its inception and has sponsored the Certificate of Achievement for Excellence in Financial Reporting Program since 1946.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD – Establishes and improves standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

GOVERNMENTAL FUNDS – Funds used to account for tax-supported activities. The five types of governmental funds are general, special revenue, debt service, capital projects and permanent funds.

GPS – Global Positioning System, a worldwide navigation system that uses information received from orbiting satellites.

GRANTS – A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

HOUSE BILL 3195 – House Bill passed during the 80th Legislative Session requiring the city council or county commissioner’s court to identify at the budget stage that the proposed budget anticipates raising

more total property taxes than the year before. The bill also requires a separate ratification vote to adopt a budget that raises more total property taxes than in the previous year.

HOME RULE – This status shifts responsibility for local government decisions from the state level to the local level.

HOTEL/MOTEL FUND – Special revenue fund that accounts for the levy and utilization of the hotel/motel occupancy tax.

HOURLY – An employee who fills a temporary or short-term position. Such employees provide contingency staffing for government operations during peak workloads, or to address temporary staffing needs. Hourly employees are paid on a per-hour basis, and receive limited benefits.

INDIRECT COST – A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

INFRASTRUCTURE – The physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

INTERFUND TRANSFERS – The movement of monies between funds of the same governmental entity.

INTERGOVERNMENTAL REVENUE – Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

INTERNAL SERVICE CHARGES – The charges to user departments for internal services provided by another government agency, such as data processing, or insurance funded from a central pool.

INTERNAL SERVICE FUND – A proprietary fund used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

KILLEEN INDEPENDENT SCHOOL DISTRICT – Local School District serving the cities of Killeen, Harker Heights, and Nolanville.

KISD – see Killeen Independent School District.

LAPSING APPROPRIATION – An appropriation made for a certain period of time, generally for the budget year. At the end of the specified period, any unexpected or unencumbered balance lapses or ends, unless otherwise provide by law.

LEGAL DEBT MARGIN – The excess of the amount of debt legally authorized over the amount of debt outstanding.

LEVY – To impose taxes for the support of government activities.

LINE-ITEM BUDGET – A budget prepared along departmental lines that focuses on what is to be bought.

LONG-TERM DEBT – Debt with a maturity of more than one year after the date of issuance.

MAJOR FUND – A fund whose total assets, liabilities, revenues or expenditures/expenses are at least 10 percent of the corresponding total assets, liabilities, revenues or expenditures/expenses for all funds of that category or type (governmental or enterprise).

MARKET RATE OF RETURN – The average yield of the current three-month US Treasury Bill.

MATERIALS AND SUPPLIES – Expendable materials and operating supplies necessary to conduct departmental operations.

MDT – Mobile Data Terminal.

MEMORIAL FUND – Special revenue fund that accounts for revenues generated for scholarships to high school graduates pursuing a career in law enforcement.

MILL – The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of assessed property valuation.

MODIFIED ACCRUAL BASIS OF ACCOUNTING – Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

NIGHT OPTICS – This is the brand name for the night vision units installed in patrol vehicles as part of the CADET program.

NET BUDGET – The legally adopted budget less all interfund transfers and interdepartmental charges.

NOMINAL DOLLAR – The presentation of dollar amounts not adjusted for inflation. Adjusting for inflation would be done to reflect the real purchasing power of money today.

NON-MAJOR FUND – A fund whose total assets, liabilities, revenues or expenditures/expenses is less than 10 percent of the corresponding total assets, liabilities, revenues or expenditures/expenses for all funds of that category or type (governmental or enterprise).

NOPTIC – see Night Optics.

OBJECT OF EXPENDITURE – Expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, asphalt, and furniture.

OBJECTIVE – Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

OBLIGATIONS – Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

OPEN MEETING LAW – Law that states that every regular, special, or called meeting of a governmental body shall be open to the public. Written notice of the time, date, place, and subject of each meeting must be posted in an accessible place to the general public at least 72 hours before the meeting.

OPERATING EXPENSES – The cost for personnel, materials, and equipment required for a department to function.

OPERATING REVENUE – Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

ORDINANCE – A bylaw of a municipality enacted by the governing body of the governmental entity.

OUTPUT INDICATOR – A unit of work accomplished, without reference to the resources required to do the work (e.g., number of permits issued, number of refuse collections made, or number of burglary arrests made). Output indicators do not reflect the effectiveness or efficiency of the work performed.

PASS-THROUGH GRANTS – Grants and other financial assistance received by a governmental entity to transfer to or spend on behalf of a secondary recipient.

PAY-AS-YOU-GO BASIS – A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.

PERFORMANCE BUDGET – A budget where expenditures are based primarily on measurable performance of activities and work programs.

PERFORMANCE INDICATORS – Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

PERFORMANCE MEASURE – Data collected to determine how effective or efficient a program is in achieving its objectives.

PERMANENT FUNDS – A fiduciary fund type used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry.

PERSONNEL SERVICES – Expenditures for salaries, wages, and fringe benefits of a government's employees.

PRIMARY GOVERNMENT – Term used in connection with defining the financial reporting entity; a state government or general purpose local government. Also, a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. The primary government is the focus of the financial reporting entity.

PRIOR-YEAR ENCUMBRANCES – Obligations from previous fiscal years in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

PROGRAM – A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.

PROGRAM BUDGET – A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

PROGRAM PERFORMANCE BUDGET – A method of budgeting whereby the services provided to the residents are broken down in identifiable service programs or performance units. A unit can be a department, a division, or a workgroup. Each program has an identifiable service or output and objectives

to effectively provide the service. The effectiveness and efficiency of providing the service by the program is measured by performance indicators.

PROGRAM REVENUE (INCOME) – Revenues earned by a program, including fees for services, license and permit fees, and fines.

PROPRIETARY FUNDS – Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

PSI – pounds per square inch.

PURPOSE – A broad statement of the goals, in terms of meeting public service needs, that a department is organized to meet.

RESERVE – An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

RESOLUTION – A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

RESOURCES – Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

RESTRICTED COURT FUND – Special revenue fund that account for revenues generated from court fines and that are restricted for a specific purpose.

REVENUE – Sources of income financing the operations of government.

REVENUE BOND – Bond backed only by the revenues from a specific enterprise or project, such as a hospital or toll road.

SANITATION FUND – Enterprise fund that accounts for operations related to providing sanitation service.

SCADA – Supervisory Controlled Acquisition Data Access, a software system.

SENATE BILL 656 – Senate Bill passed during the 83rd Legislative Session requiring the adopted budget contain a cover page that includes a statement that the describes the budget as either raising more or less revenue from property taxes than the prior year’s budget and by what dollar amount and percentage. It must also include the dollar amount of property tax revenue that is going to be raised from new property added to the tax roll.

SERVICE LEASE – A lease under which the lessor maintains and services the asset.

SERVICE LEVEL – Services or products which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

SINKING FUND – The sum set apart from the income of the City and allowed to accumulate in order to ultimately pay off a debt.

SITE-BASED BUDGETING – A decentralized budget process whereby budget preparation and development are based on individual school (and departmental) sites.

SOP – see Standard Operating Procedures.

SOURCE OF REVENUE – Revenues are classified according to their source or point of origin.

SPECIAL ASSESSMENT – A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

SPECIAL REVENUE FUND – A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

STANDARD OPERATING PROCEDURES – Step-by-step instructions on how to perform a task or job.

SUPPLEMENTAL APPROPRIATION – An additional appropriation made by the governing body after the budget year or biennium has started.

SUPPLEMENTAL REQUESTS – Programs and services which departments would like to have added (in priority order) over their target budget, or if revenue received is greater than anticipated.

TARGET BUDGET – Desirable expenditure levels provided to departments in developing the coming year's recommended budget. Based on the prior year's adopted budget, excluding one-time expenditures, projected revenues, and reserve requirements.

TAX ANTICIPATION NOTE – Short-term, interest-bearing note issued by a government in anticipation of tax revenues to be received at a later date. The note is retired from the tax revenues to which it is related.

TAX LEVY – The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

TAXABLE VALUE – The assessed value less allowable exemptions resulting in an amount to which the tax rate is applied to determine property taxes due.

TAXES – Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

TCEQ – see Texas Commission of Environmental Quality.

TEXAS COMMISSION OF ENVIRONMENTAL QUALITY – Environmental agency for the state of Texas.

TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL – An interlocal agency offering worker's compensation, liability and property protection to Texas political subdivisions.

TEXAS MUNICIPAL RETIREMENT SYSTEM – Qualified retirement plan under Section 401 of the Internal Revenue Code, serving over 800 cities and 133,000 members, retirees, and beneficiaries.

TML or TML-IRP – see Texas Municipal League Intergovernmental Risk Pool.

TMRS – see Texas Municipal Retirement System.

TRANSFERS IN/OUT – Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

UCR – Uniform Crime Report, a national program administered by the Department of Justice that counts crimes reported to the police.

UNENCUMBERED BALANCE – The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

UNRESERVED FUND BALANCE – The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

USER CHARGES – The payment of a fee for direct receipt of a public service by the party who benefits from the service.

UTILITY FUND – Enterprise fund that accounts for operations related to providing water and wastewater.

VARIABLE COST – A cost that increases/decreases with increases or decreases in the amount of service provided such as the payment of a salary.

VFD – Variable frequency drive, an electrical panel that speeds and slows an electric motor's rpm's.

WCID #1 – see Water Control and Improvement District No 1.

WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 – Provides water to the residents of Harker Heights/Bell County.

WILO MIXER – A brand of mixer used to mix the wastewater in lift stations to keep grease and solids in suspension so they are pumped out.

WORKING CASH – Excess of readily available assets over current liabilities. Or cash on hand equivalents which may be used to satisfy cash flow needs.

WORKLOAD INDICATOR – A unit of work to be done (e.g., number of permit applications received, the number of households receiving refuse collection service, or the number of burglaries to be investigated).

WORK YEARS – The amount of personnel resources required for a program expressed in terms of the "full-time equivalent" number of employees. One "work year" is equal to one full-time, year-round employee. For most categories, this equals 2,080 hours year (40 hours per week times 52 weeks). The number of hours a part-time employee is budgeted to work during the year is divided by 2,080 to arrive at the equivalent number of "work years" for the position.

