

CITY OF NOLANVILLE

FISCAL YEAR 2016-2017 APPROVED BUDGET



THE CITY OF NOLANVILLE

CITY OF NOLANVILLE, TEXAS
ANNUAL BUDGET
FISCAL YEAR OCTOBER 1, 2016 – SEPTEMBER 30, 2017

ADOPTED

September 15, 2016

THE MAYOR AND CITY COUNCIL

David Escobar, Mayor
Butch Reis, Mayor Pro Tem
Joan Hinshaw, Seat 1
Aurelia Ridley, Seat 3
David Williams, Seat 4
James Bilberry, Seat 5

City Manager
Kara Escajeda

Finance Director
Stephen Peters

Calculated Rates

Current Property Tax Rate:	\$0.5054
Operations & Maintenance:	\$0.3781
Debt Service:	\$0.1273

Effective Rate Operations and Maintenance:	\$0.3768
Rollback Rate:	\$0.5261

Adopted Rates

Maintenance & Operations Tax Rate:	\$0.3878
Debt Rate (Interest & Sinking Fund):	\$0.1142
Total Adopted Property Tax Rate:	\$0.5020

This budget will raise more total property taxes than last year's budget by \$67,344 or 7.32%, and of that amount \$67,980 is tax revenue to be raised from new property added to the tax roll this year.



Vision Statement

The Vision of Nolanville is to preserve our small town atmosphere while preparing for growth and future generations; to enhance the beautification of the city, embrace the diversity of its people and improve the quality of life for our citizens. We aspire to be

"A Great Place to Live."

Mission Statement

It is our Mission to promote the health, safety and welfare of our citizens; add value to our community by planning for the future, and encourage community involvement. Being responsive to those we serve, while always striving to improve the quality of life for our citizens, and enhance our dedication towards making the City of Nolanville "A Great Place to Live."

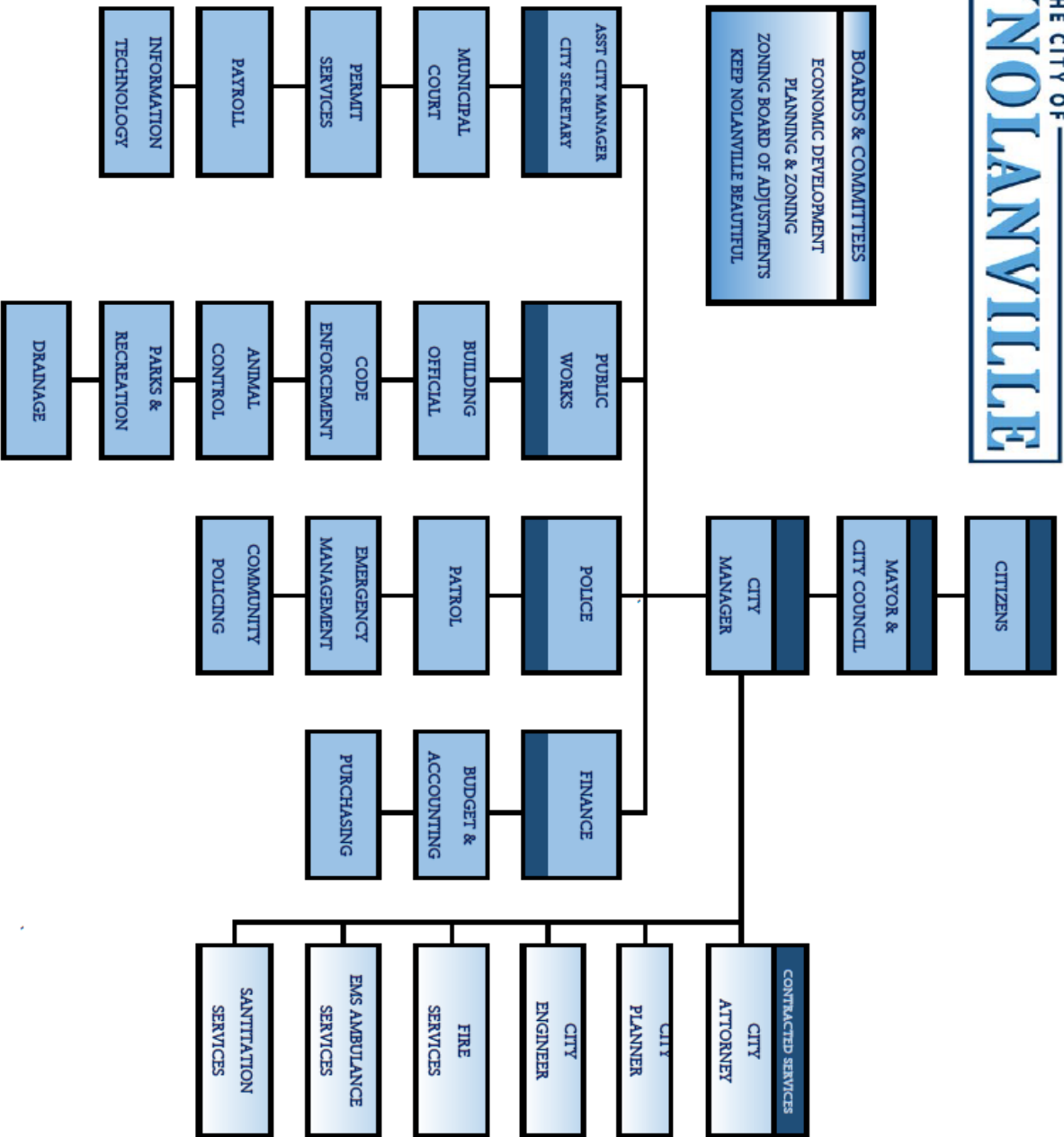
**CITY OF NOLANVILLE, TEXAS
APPROVED BUDGET
FISCAL YEAR 2016-2017**

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Organizational Chart

BUDGET MESSAGE

August 4, 2016

To the Honorable Mayor and Council Members,

The State of the City continues to improve with the focus of responsible growth. Nolanville is “A Great Place to Live” and with a stable property tax rate, more businesses and developers will look this direction. As a result, we must maintain a high standard for new growth established in the City Comprehensive Plan 2015-2030.

Enforcing responsible growth requires organized, updated and clear requirements, therefore, the priority for the next year is ordinance refinement. Currently, the City is undergoing a codification process to increase efficiency, provide ease of public access, improve enforcement, and provide the ability to update ordinances easily. This also prevents redundancies, gaps and inconsistencies between laws. As codification is completed, this is the time to add refinement to subdivision, zoning and building code ordinances that align with our comprehensive plan objectives. The budget reflects an increase in legal services to support this focus. The increase in legal is also necessary for the review of contracts and agreements anticipated with the start of grant construction obtained in the previous year.

The budget this year remains relatively consistent to last year's, however, the City will continue to see improvements in infrastructure. The City will utilize the reserve to reimburse construction costs. We are prepared for unforeseen cost with the construction projects. While these improvements are constructed during the next fiscal year, we must look ahead to the next 5 years in order to seek out additional fund opportunities in order to make improvements without adding to the tax burden. The first step is nominate projects for the Killeen Temple Metropolitan Planning Organization's Master Transportation Plan. The next steps include researching multiple grant opportunities and submitting timely applications for project calls.

Economic Development is a key to reducing the property tax burden. This year, we will focus on the completion of community enhancement projects and improving the aesthetics of Main Street. There will also be increased focus exploring development agreements. Focusing on standards in development and improving the infrastructure will lead to great economic growth.

The City is ready to manage responsible growth with this year's budget proposal.

Budget Purpose

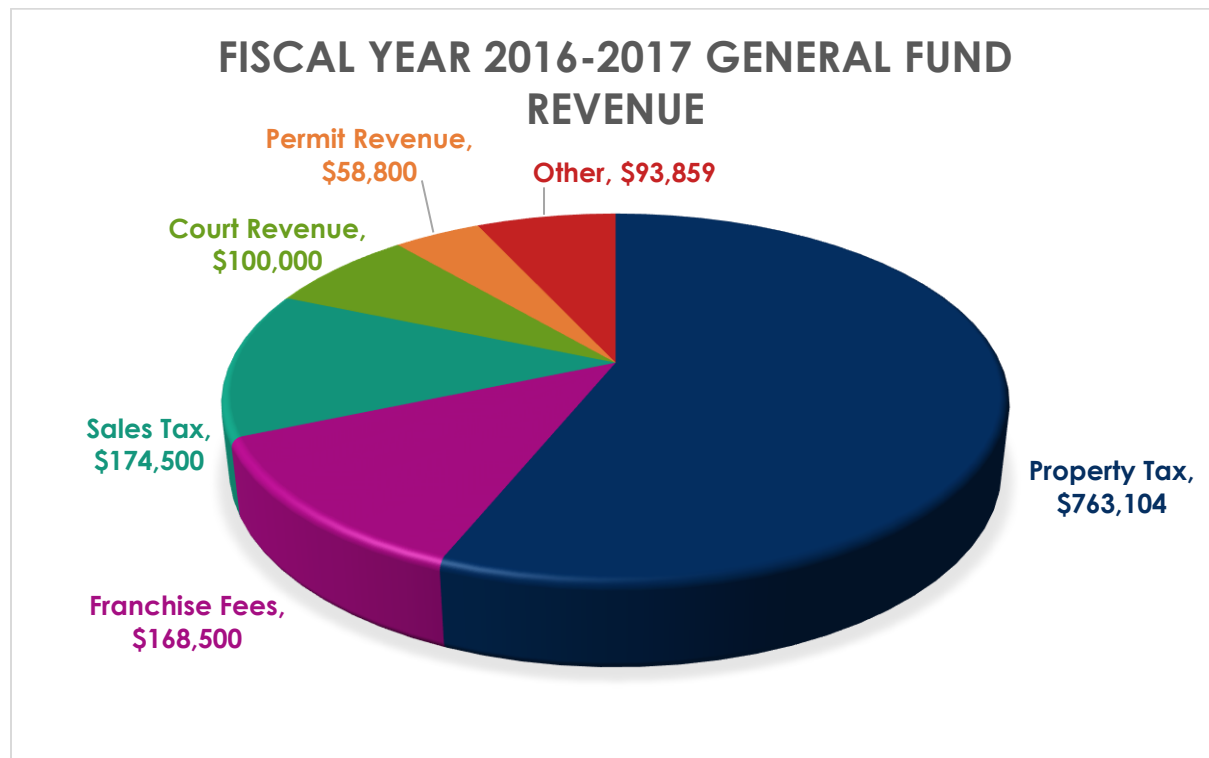
A budget is the translation of the future plans of the organization into financial terms. Adopting the budget and the tax rate are two of the most important processes for the City to go through each year. Processes for each action are designed to give citizens notice and impact of each action. The process also includes an opportunity for people to speak to city council about the budget and the tax rate.

General Fund Reserve Level

The General Fund is unassigned spendable fund balance. The General Fund Reserve today is currently maintained at a balance of \$500,000 which is greater than three months of expenditures for emergencies, unforeseen events, and major economic recessions.

General Fund Revenues Summary

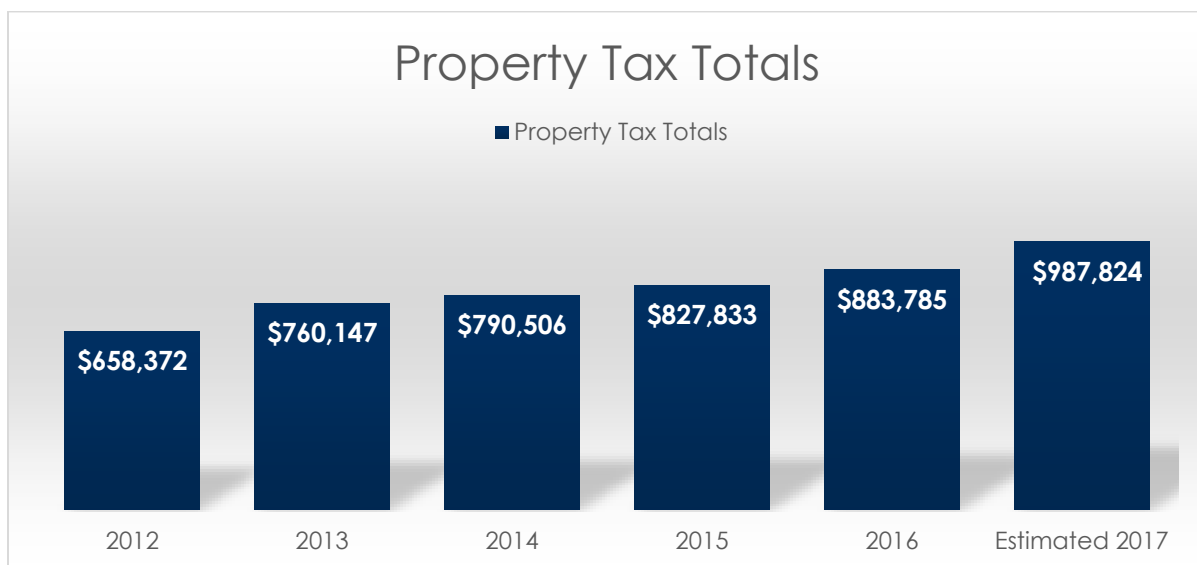
The City's General Fund receives revenue from several sources, with the top three being property tax, franchise fees, and sales tax. The 2016-2017 Proposed Budget anticipates revenues \$113,039 greater than last budget giving a balance of \$1,358,763 in total general fund revenue.



Property Tax

Ad valorem tax is the largest revenue source in the General Fund. The ad valorem tax rate in Nolanville is comprised of two components, Operations and Maintenance (O & M) and the Interest and Sinking (I & S). The O&M provides the revenue for the City's General Fund operations while the I & S provides revenue to pay the City's debt service obligations.

The certified tax roll submitted by Bell County Appraisal District shows an increased appraised value of \$13,029,809 or 7.08% from the fiscal year 2015-2016 certified roll. New property and improvements added in 2016 totaled \$13,542,002. The total property tax rate will decrease slightly to \$0.5020 (.0034 decrease). Of the two components, a \$0.3878 (.0131 increase) totaling \$763,104 will be for Operations and Maintenance and a \$0.1142 (.0131 decrease) totaling \$224,720 in Interest and Sinking. These two components combine to make the total property tax rate. The fiscal year 2016-2017 property tax revenue is estimated to be \$997,824.



Franchise Fees

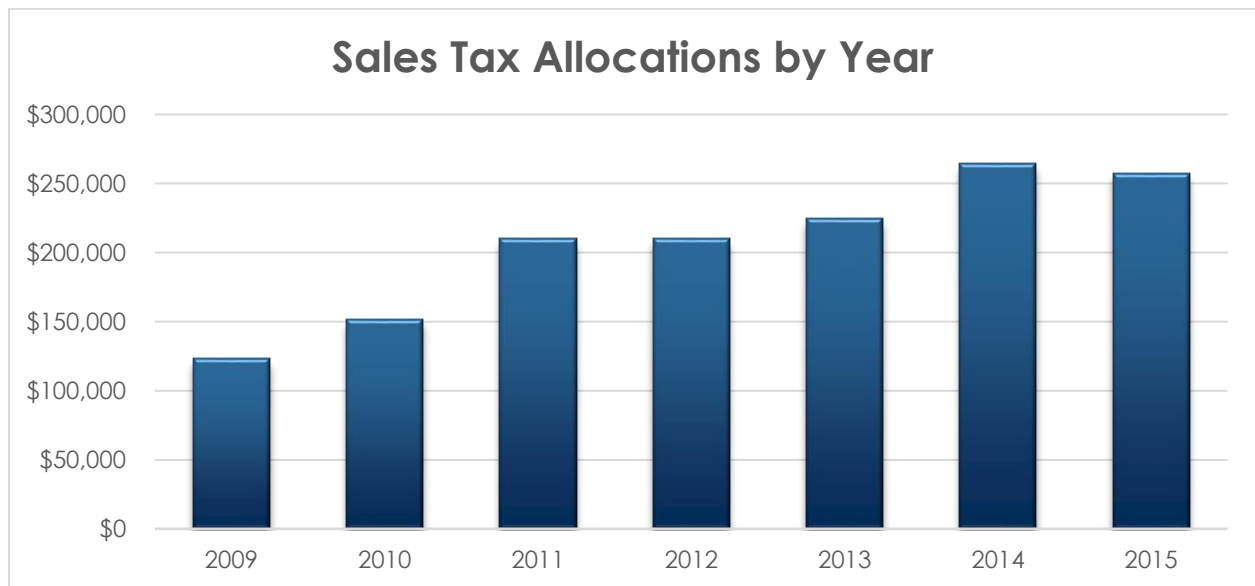
The second largest revenue source in the General Fund is the revenue collected from franchise fees. Franchise fees are collected for the use of the City's right-of-ways by electric, gas, telephone, and other utility companies. The fiscal year 2016-2017 franchise fee revenue is estimated to be \$168,500. The \$13,500 decrease is an adjustment from the amount collected through the City Sanitation contract which provided a monthly cost savings to the consumer.

Sales Tax

Total sales tax collected is allocated in three ways; General Fund (1%), Street Maintenance (.25%) and Economic Development (.25%).

Sales tax is the third greatest revenue source in the General Fund. Sales tax is difficult to predict, but based on historical analysis, the fiscal year 2016-2017 budget contains a conservative estimate at \$174,500. Mixed beverage tax general fund revenue is estimated to be \$4,500 and sales tax estimate is \$170,000.

Street Maintenance Fund and Economic Development sales taxes are both anticipated to yield approximately the same as last year, \$40,000 each. There were multiple commercial properties annexed in 2016 that will impact these totals, these estimations will be considered in next year's budget.



Other Revenues

Other revenue sources include Permits and Municipal Court. Permits are issued prior to construction and pay for the contracted cost associated with inspections to ensure the safety and improve the quality of life for the citizens of Nolanville. Municipal Court revenues are associated with citations issued through the police department, animal services and code enforcement. While the city does collect money from citations issued by the police department, by law, a significant portion of each fine goes to the State of Texas.

Special Revenue Funds

Special Revenue Funds are dedicated funds with revenues intended to fund a specific purpose and restricted. This section includes a summary of these funds with their description.

Court Security Fee revenue can only be used to improve the security and safety of the Municipal Court including security personnel and security-related training.

The Court Technology Fees requires defendants of convicted misdemeanor offenses in municipal court to pay a fee. This fee can be used to maintain and improve technology at the Municipal Court including (1) computer systems; (2) computer networks; (3) computer hardware; (4) computer software; (5) imaging systems; (6) electronic kiosks; (7) electronic ticket writers; and (8) docket management systems.

Crossing Guard Fund is generated from a court cost for parking violation convictions. Funds are dedicated for use to operate school crossing guard program.

Street Maintenance Fund is a dedicated .25% of city sales tax, the revenues which may be spent to repair and maintain existing city streets and sidewalks.

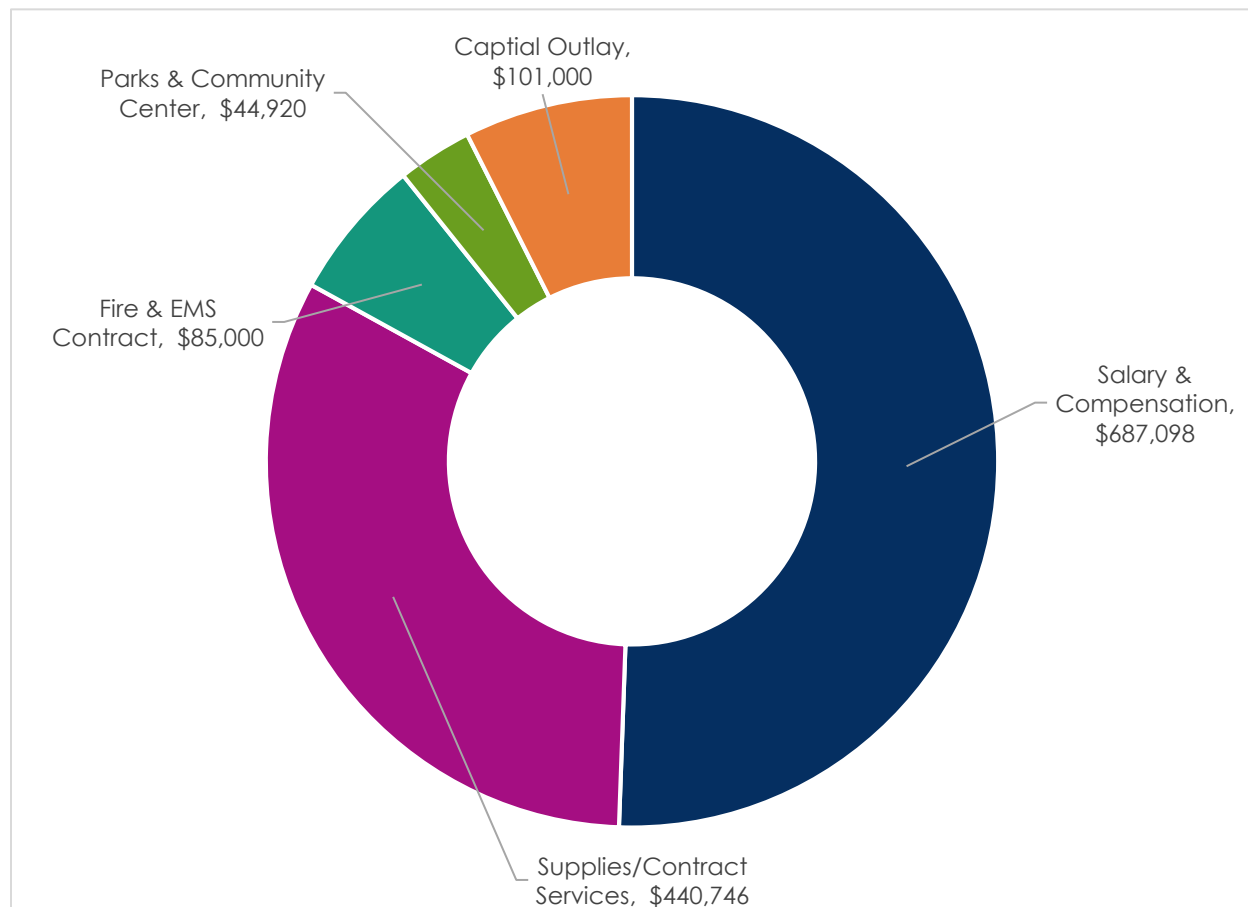
Economic Development Corporation (EDC) Type B is funded by a .25% sales tax. In general, the funds may be spend on development projects and incentives that create primary jobs and authorized projects. Examples of authorized projects include those related to recreation or community facilities. Note: Economic Development Fund is maintained separate from the General Fund, however, EDC budget is included in the adoption of the City Budget Ordinance.

General Fund Expenditures Summary

The Fiscal Year 2016-2017 Proposed Budget includes an increase in General Fund expenditures from the previous fiscal year. The Proposed Budget list the total General Fund Expenditures at \$1,358,763. This is 9.07% increase from the previous year. The anticipated expenditures includes for capital outlays for the Police Department. A transfer from the Unrestricted Reserve for \$61,000 is planned for Municipal Building improvements. Capital Improvements planned in FY 16-17 are funded through match amounts budgeted in Street Maintenance Fund and Economic Development Corporation.

The Budget accounts for City employee salary increase of 3% and increase in Police Officer hourly rate to stay competitive with neighboring cities. The City does not have a merit or step program increases; instead, the percentage of increase is determined annually to ensure that the City of Nolanville retains valued employees and also attracts quality talent.

Expenditures by Category, Fiscal Year 2016-2017



General Fund Debt Services

The City's outstanding indebtedness will be \$1,925,000 as of October 1, 2016. Interest and Sinking (I & S) is collected from property tax revenue and pays the principal, interest, and fees on the current debt. The I & S component for FY 16-17 is \$0.1142 per \$100 of assessed valuation.

SCHEDULE OF OUTSTANDING DEBT

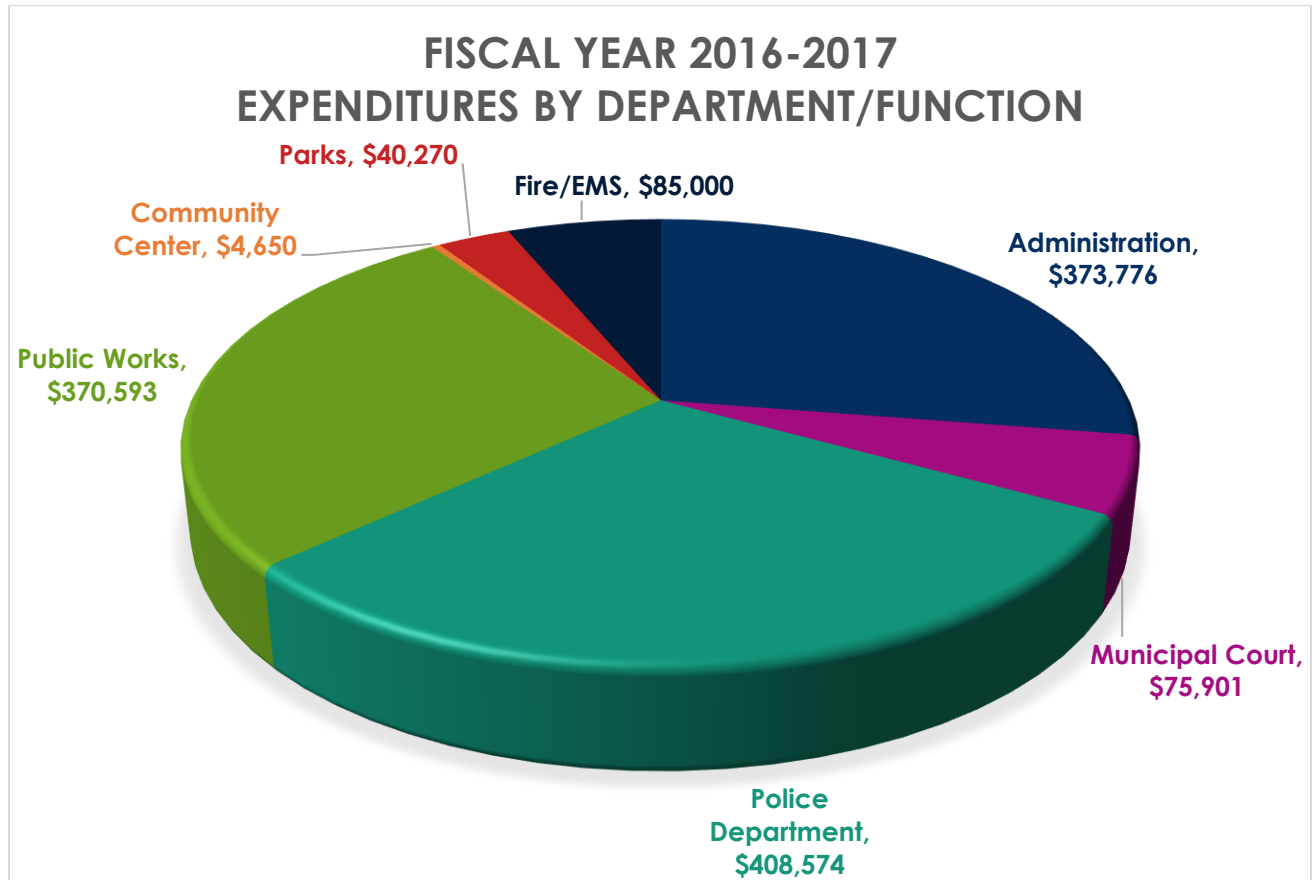
CITY OF NOLANVILLE

2016 TAX YEAR

Description of Debt Service	Principal or Contract payments to be paid	Interest to be paid	Other Amounts to be paid	Total Payments
2007 Series Bonds, Frost Bank Bond Issue (10 th Street Project)	\$80,000.00	\$55,687.50	0	\$135,687.50
2012 Series Certificate of Obligation (Street, Sidewalk and Drainage Projects to include Ave H)	\$60,000.00	\$24,560.00	0	\$84,560.00

TOTAL 2017 Payment:
\$220,247.50

DEPARTMENTAL BUDGETS

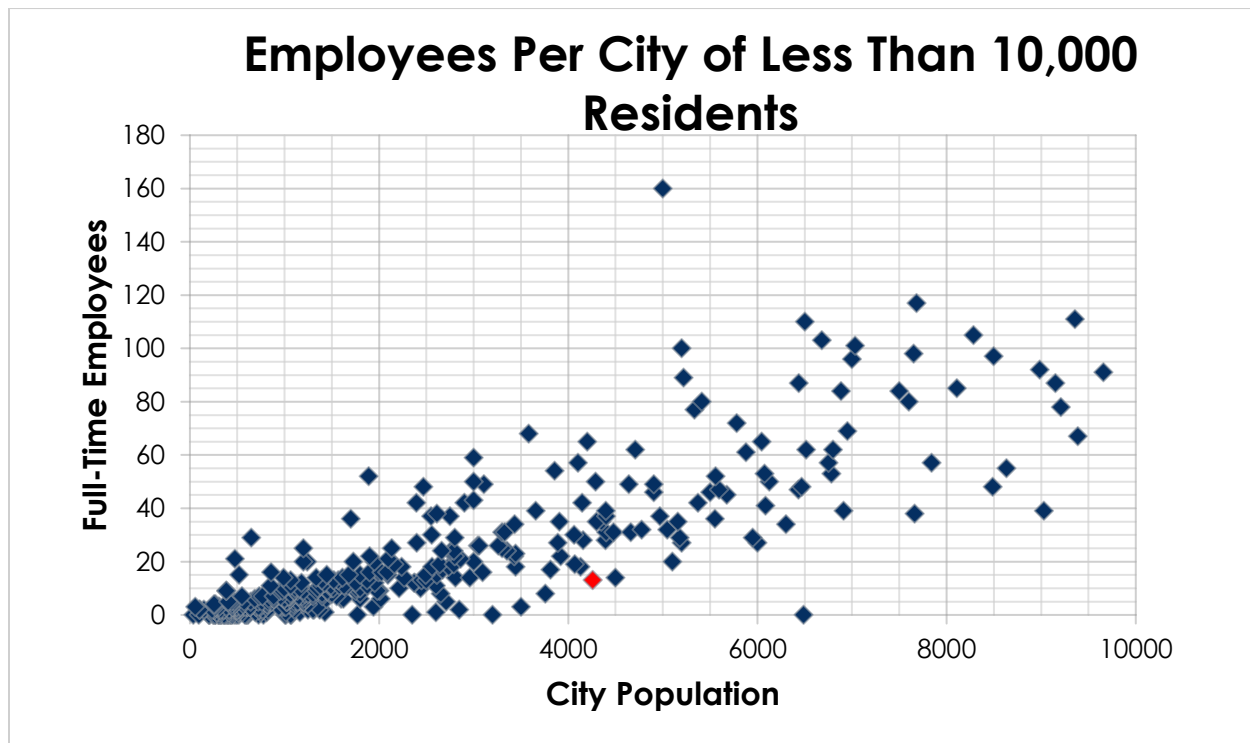


The Municipal Building is located at 101 North 5th Street, Nolanville, Texas 76559. The hours of operation are 8:00AM to 5:00PM, Monday through Friday excluding holidays. All departments can be reached by phone at (254) 698-6335. The City's Website list announcements and department information at <http://ci.nolanville.tx.us/> City Email is cityhall@ci.nolanville.tx.us

Nolanville Personnel Overview Data

Personnel	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Administration					
City Manager	1	1	1	1	1
City Secretary	1	1	1	1	1
Finance Director	.5	.5	.5	.5	.5
Administrative Assistant	1	1	1	1	1
Municipal Court					
Court Clerk	1	1	1	1	1
Deputy Court Clerk					*
Police Department					
Police Chief	1	1	1	1	1
Administrative Assistant	.5	.5	1	1	0
Police Officers	4	5	5	5	6
Public Works					
Public Works Director	1	1	1	1	1
Assistant Public Works Director			1	0	0
Public Works Assistant	2	2	2	2	2
Total Personnel	13	14	15	14.5	14.5

*Temporary Position Programed < 500 hours for the fiscal year



Scatter Chart of 2014 Survey Respondents Showing How the City of Nolanville Compares to Other Cities of Under 10,000 in Total Population. Nolanville is the red diamond.
Source: Texas Municipal League 2014 Fiscal Conditions Survey.

ADMINISTRATION

Department Description

The Administration Department of the City of Nolanville is made up of the City Manager, City Secretary, Finance Director, and an Administrative Assistant. Routine Professional Services fall under the Administrative Budget such as City Planning, Engineering, Building Inspections and Legal.

Expenditures

The administration expenditures total \$373,776 which is a 8.31% increase from the previous year. Personnel expenses account for 49.52% and Supplies/Contracted Services make up 50.47%. An increase in legal services was included to anticipate ordinance improvement and contract reviews. Other increases were a result of increased rates for insurance and use of contract services correlated to growth. A portion of these expenses are reimbursed as a fee for service.

MUNICIPAL COURT

Department Description

Municipal Court duties include Processing, Traffic Citations, Parking Tickets, Class C Misdemeanors, Animal Control Violations, Code Enforcement Violations and other City Ordinance Violations. The Court Clerk serves as the administrative side of the Municipal Court. The responsibilities of the Court Clerk include collecting assessed fines and fees, docketing cases for efficient adjudication, processing filed complaints on time and accurately and responding courteously to requests for information from the public. The Municipal Court provides all persons the right to trial by judge or jury and follows the procedures set forth under Texas law.

Expenditures

The Municipal Court expenditures total \$75,901 which is a 1.15% increase from last fiscal year. Personnel expenses account for 70.68% and Supplies/Contracted Services make up 29.31%. The Court decreased operating expenses approximately \$10,000 by negotiating contract services for prosecution and municipal judge. The slight increase is due to a temporary position in anticipation of increased activity from warrant collection services and temporary underlap in customer service capability next year.

POLICE DEPARTMENT

Department Description

Under the City Charter, the Police Department is charged to preserve the peace, protect life and property, and enforce the local, state and federal statutes. The Nolanville Police Department is a full-service, community law enforcement agency. To accomplish all tasks assigned to the police department, the organization is divided into three functional areas, Administration, Operations (Patrol), and Support Services, which includes fulltime/part-time personnel and volunteers.

Expenditures

The Police Department expenditures total \$408,574 which is a 5.43% increase from last fiscal year. Personnel expenses account for 79.43% and Supplies/Contracted Services make up 20.57%. Capital Outlay expenditures, totaling \$40,000, are dedicated to improving video surveillance and archiving, as well as improving department security. Police Officer salary was increased to enable the Department to be competitive with neighboring cities, the adjustment resulted is a \$22,584 annual increase to the personnel budget.

PUBLIC WORKS

Department Description

Public Works Department is comprised of several functions including Code Enforcement, Animal Services, Building Compliance, Streets, Parks and Recreation. Public Works also has the responsibility of street repairs, cleaning of storm drains, mowing of City property, and maintaining city street signs. It is Public Works goal to provide quality services to help meet the needs of our unique and growing community while at the same time, ensuring the safety of Nolanville Citizens. This is accomplished through careful review and input regarding all permit applications, checking for compliance with all ordinances and local codes, and inspection of all construction work done in Nolanville.

Expenditures

The Public Works expenditures total \$370,593 which is a 42.55%. Personnel expenses

account for 33.40% and Supplies/Contract Services make up 66.59%. This is an 35.53% increase from the previous fiscal year. Line Items were increased particularly in Street Maintenance (\$10,000) and Hazardous Waste Turn In-Supplemental Environmental Program (SEP) (\$18,500). The approved SEP, was directed by Texas Commission of Environmental Quality in lieu of a fine for Storm Water Management Permit Application. Hourly rate for the Assistant Public Works Director increase slightly to add scope of duties to include code enforcement. Capital Outlay for Municipal Building improvements are part of the Public Works budget this year estimated at \$61,000. Planned improvements include window replacement and bathroom renovations.

Fire and EMS Contractual Services

Contract Description

Contractual agreements are made for Fire and Emergency Medical Services for City coverage. An amount of \$35,000 is paid to Central Bell County Fire and Rescue Volunteer Fire Department for fire protection services.

The contractual agreement for ambulance service to the City was secured with Capital Ambulance Service in May 2015 with a 5 year term. On July 27, 2015, Capital was sold to Acadian Ambulance Service and the organization completed a successful one year probationary period. The agreement was transferred on July 21, 2016 for an amount of \$50,000 for the duration of the original contract.

SCHEDULE OF CAPITAL OUTLAYS BY DEPARTMENT

Capital outlay items are expenditures for fixed assets such as equipment, infrastructure improvements and vehicles that are funded from the operating budget. These items generally have a life expectancy of up to 10 years. The total Fiscal Year 2016-2017 Budget for capital outlays is estimated at \$129,000 from various fund sources. The table below is a historical and anticipated list of expenditures by department.

Department	2013-2014	2014-2015	2015-2016	2016-2017
Municipal Building		\$360,000		
Building Purchase		(\$150,000)		
Renovations		(\$150,000)		\$61,000
Storage Building		(\$60,000)		
Information Technology				
Server				\$5,000 ¹
Administration				
Furniture & Equip.	\$4,000			
Municipal Court				
Court Room Security			\$30,000	
Ticket Writers (Technology Fund)				\$20,000
Server (Technology Fund)				\$3,000 ¹
Police Department				
Automobile Cameras		\$11,000		\$30,000
Equipped Police Vehicles			\$40,000	
Weather Siren		\$17,000		
Interrogation Room				\$10,000
Public Works				
School Traffic Lighting		\$22,000		
Community Center Improvement	\$3,050		\$4,500	
Total	\$7,050	\$410,000	\$70,000	\$129,000

1. Shared cost between Court Technology Fund, Administration and Police Department

GENERAL FUND CAPITAL REPLACEMENT PROGRAM

		# of Units In Dept.				Original or Last Original Purchase Year
Item by Department	Service Life		Item Cost	Cost/ Year	2016-2017 Budget	
ADMINISTRATION						
Computers	5	7	\$1,800	\$2,520		2014
File Server**	5	1	\$7,500	\$1,500	\$3,000	2012
TOTAL			\$9,300	\$4,020	\$3,000	
*COURTS						
Technology (Ticket Writers x 2)	10	1	\$20,000	\$2,000	\$20,000	
File Server**					\$3,000	
Cameras/Security	5	1	\$10,000	\$2,000	\$30,000	
TOTAL			\$30,000	\$4,000	\$53,000	
PUBLIC WORKS						
Computers	5	2	\$1,800	\$720		2014
John Deere 790 Tractor	10	1	\$38,000	\$3,800		2000
Mower, Scag 61"	10	1	\$10,000	\$1,000		2015
Mower, Zero Turn Hustler 25/54	7	1	\$13,400	\$1,914		2010
16' C&M Utility Trailer	15	1	\$3,000	\$200		2005
Utility Trailer Dump 14FT	15	1	\$6,000	\$400		2000
F150	7	1	\$25,000	\$3,571		2007
F250	7	1	\$25,000	\$3,571		2011
Mahindra Tractor 4530 w loader	10	1	\$55,000	\$5,500		2006
Backhoe CAT 420E	20	1	\$70,000	\$3,500		2010
TOTAL			\$245,400	\$23,457	\$3,600	
POLICE						
File Server**	5	1	\$7,500	\$1,500	\$3,000	2009
Laptop computers	5	7	\$1,800	\$2,520		2007
Desktop computers	5	5	\$1,800	\$1,800		2007
In-car video recorder	7	3	\$5,150	\$2,207	\$30,000	Varies
Patrol Vehicles	5	5	\$34,000	\$34,000		Varies
Dodge Charger (2012); miles 27,511						2012
Dodge Charger (2012); miles 54,066						2012
Dodge Charger (2013); miles 71,605						2013
Ford Explorer (2016); miles 0			\$36,000			2016
Ford Explorer (1996); miles 225,000						1996
Harris	10	7	\$4,275	\$2,993		2014
Vehicle radar	10	4	\$1,500	\$600		2006
Vehicle Equipment	5	5	\$7,500	\$7,500	\$7,000	Varies
TOTAL			\$99,525	\$53,120	\$40,000	
*GRAND TOTAL				\$80,597	\$46,600	
*Courts not included in totals, separate funding						
**File Servers are being merged between departments and replacement cost split						

CAPITAL IMPROVEMENTS PROGRAM (CIP)

Capital Improvement Projects (CIP) address Nolanville's long-term needs in the form of street repairs, drainage improvements, parks, other public utilities and facilities. These projects are typically scheduled over several years to address the City's ability to pay for the improvements. Capital Improvement Projects are relatively expensive and non-recurring, periodically these improvements are financed with Bonds or Certificates of Obligation.

Mesquite Street and adjacent streets underwent an engineer study July 2015. Estimations for reconstructing the area according to the complete street model were \$1.5 million. Public Works reconstructed the streets and contracted chip seal for a significant cost savings that was paid with operational & maintenance budget from FY 15-16.

Street & Drainage Improvements

The Street Maintenance Fund is an additional source of revenue for street improvements, funded by a 1/4% sales tax, with an anticipated revenue of \$40,000 per year. The starting balance is approximately \$140,000. Public Works department supplements street repairs with an additional \$80,000 for the 2016-2017 budget. Grants from Killeen Temple Metropolitan Planning Organization (KTMPPO) & Texas Department of Transportation (TxDOT) offset expenses when selected for project calls. Calls for projects occur every 2-3 years. The City was awarded two grants last year and will realize a cost savings by combining the procurement and construction activities.

Old Nolanville Road- Safe Routes to School

The Street Maintenance Fund is earmarked for the Safe Route to School project on Old Nolanville Road in 2016. The City applied for Texas Department of Transportation, Transportation Alternative Program to offset the expense, 80% construction is paid by TxDOT and 20% is paid by the City. Total cost of construction is estimated at \$537,092. The City match from Street Maintenance Fund is \$107,000. Improvements include sidewalks, paved bus stop and increased road width with concrete ribbon.

Main Street Connectivity

KTMPPO project call in 2016 yielded a successful submission for a grant that

improves the walkability of Main Street to the Bus Stops with total construction cost estimated at \$596,386. In addition to ADA compliant sidewalks, these improvements include curb & gutter, Fire Station parking resurface and shelters at the bus stops. This project is an 80/20 split and partner agencies, the HOP and BNSF, are contributing an additional \$26,000. The City match of \$119,288 is provided by the Economic Development Corporation.

Priorities for future project calls within the next five years include:

1. Old Nolanville Bridge repair with pedestrian extension and multi-use trail to Highway 190.
2. Multi-use trail from Park to 10th Street.
3. Connection between Warrior's Path and FM 439.
4. Multi-use trail from North Street to Main Street along FM 439.

Capital project that may be considered for future bond issue may be included in a combined infrastructure improvement package to include:

1. Quiet zone requirements for railroad crossings at Jackrabbit, 5th Street and Pleasant Hill. These improvements would improve the safety by leveling tracks widening roads as needed.
2. Bridge repair if grants are not available.
3. Connection between Dober and Mesquite through the City Park.
4. Drainage improvements as recommended by Regional Flood Plain Study recommendations.
5. Overlays on select collectors.
6. Greenspace improvements.
7. Grant match requirements.

Nolanville Greenways

Focus for the FY 2016-2017 is completion of grants awarded for City Park Improvements.

Texas Parks & Wildlife awarded a \$75,000 park grant with a \$75,000 City match. This match was budgeted in the FY 15-16 operational and maintenance budget. This will fund the Splash Pad and Playground improvements. The Economic Development obligated a \$23,000 as overmatch.

The Multi-Use Center in the City Park is possible due to a Texas Department of

Agriculture Grant for \$350,000 with a \$17,500 (5%) match from the Economic Development. Procurement for engineer firm is underway to initiate the design in with anticipated construction starting in November 2016 and completed by May 2017. The Multit-Use Center will be used for YMCA activities, CBCFR meetings & training, NEDC Workforce & Business Resources.

Underbrush clean up on the City's east side of the Park is complete and road construction is underway which will provide a second entrance to the park. The work was in lieu of parkland dedication. The objective is to connect Dober and Mesquite through the park within the next five years. This will also provide the individuals in the Plaza an emergency exit.

Operational & Maintenance FY 16-17 Budget allocates \$40,000 additional park improvements to develop playing fields, landscaping and place additional playground elements.

In order to be competitive for future funding, a parks master plan is required. Greenway improvements projected over the next year includes an application to Texas Parks & Wildlife for a matching trail grant up to \$200,000. Wildwood Estates land dedication will assist in a portion of the required match. Plans include development of a nature observation area in the wetland and trail extending alongside the channel.

CIP Provision Summary

Type & Agency	Construction	Match	Budget Line
Transportation Alternatives Program Old Nolanville Road	\$537,386	\$107,000	Street Maint.
KTMPO Category 7 Grant Main Street Connectivity	\$596,386	\$119,288 \$26,800	EDC Partner
Texas Parks & Wildlife Small Park Grant	\$198,000	\$75,000 \$23,000	FY15/16 Park EDC
Texas Department of Agriculture 2015 Community Enhancement (CE) Fund	\$367,500	\$17,500	EDC

AD Valorem Taxes Analysis
ESTIMATE OF AD VALOREM TAX REVENUE
AND PROPOSED DISTRIBUTION OF COLLECTIONS

Taxable Assessed Valuation	\$ 184,647,031
Proposed Tax Rate of \$100 Valuation	\$ 0.5020
Non-Freeze Tax Levy	\$ 926,928
Freeze Tax Levy	\$ 60,896
Total Tax Levy	\$ 987,824
Estimated Percent of Collections	100%
Estimated Funds from Tax Levy	\$ 987,824

PROPOSED DISTRIBUTION OF ALL TAX COLLECTIONS

	% of Total	Tax Rate	Collections
General Fund	77.25%	\$ 0.3878	763,104
Debt Service Fund	22.75%	\$ 0.1142	224,720
Total	1.0000	\$ 0.5020	987,824

COMPARISON OF PREVIOUS YEARS TAX RATES

Tax Year	General Fund	Debt Service	Total
2016	0.3878	0.1142	0.5020
2015	0.3781	0.1273	0.5054
2014	0.3635	0.1419	0.5054
2013	0.3650	0.1468	0.5118
2012	0.3654	0.1541	0.5195
2011	0.3454	0.1240	0.4694
2010	0.3134	0.1326	0.4460
2009	0.2880	0.2197	0.5077

PROPERTY VALUE ANALYSIS

Tax Year	Assessed Value	Percentage Change	Amount Collected	Percentage Collected
2016	\$ 197,044,479	7.08%		
2015	\$ 184,014,670	3.63%	\$ 883,785	95.67%
2014	\$ 177,576,133	3.15%	\$ 827,833	96.91%
2013	\$ 172,153,826	6.06%	\$ 790,506	97.08%
2012	\$ 162,322,922	5.44%	\$ 760,147	97.20%
2011	\$ 153,943,751	1.57%	\$ 658,372	97.30%
2010	\$ 151,560,633	2.31%	\$ 617,967	97.32%
2009	\$ 148,144,996		\$ 691,971	97.38%

CITY OF NOLANVILLE
Proposed Annual Budget
Fiscal Year 2016 - 2017

	<u>FY 15-16</u> <u>BUDGET</u>	<u>FY 16-17</u> <u>BUDGET</u>
<u>GENERAL FUND</u>		
REVENUES		
Ad Valorem Tax	672,849	763,104
Sales Tax	179,000	174,500
Municipal Court	85,000	100,000
Franchise Fees	182,000	168,500
Permits	60,000	58,800
Public Works	800	1,500
Other Misc Revenues (inc Transfers In)	66,075	92,359
TOTAL REVENUES	1,245,724	1,358,763
EXPENDITURES		
<u>Administration</u>		
Personnel	176,955	185,114
Supplies/Contracted Services	168,150	188,662
Capital Outlay	0	0
Total Administration	345,105	373,776
<u>MUNICIPAL COURT</u>		
Personnel	45,191	53,651
Supplies/Contracted Services	29,850	22,250
Capital Outlay	0	0
Total Municipal Court	75,041	75,901
<u>POLICE DEPARTMENT</u>		
Personnel	301,940	324,524
Supplies/Contracted Services	85,600	44,050
Capital Outlay	0	40,000
Total Police Department	387,540	408,574
<u>EMERGENCY SERVICES</u>		
Fire Services	35,000	35,000
Ambulance Services	50,000	50,000
Total Emergency Services	85,000	85,000
<u>PUBLIC WORKS</u>		
Personnel	116,349	123,809
Supplies/Contracted Services	157,090	185,784
Capital Outlay	0	61,000
Total Public Works	273,439	370,593
<u>COMMUNITY CENTER</u>		
Supplies/Contracted Services	4,600	4,650
Capital Outlay		
Total Community Center	4,600	4,650
<u>PARKS</u>		
Supplies/Contracted Services	75,000	40,270
Capital Outlay		
Total Parks	75,000	40,270
TOTAL EXPENDITURES	1,245,725	1,358,763
REVENUES OVER/(UNDER) EXPENDITURES	(2)	(0)
BEGINNING FUND BALANCE (Estimated)	742,876	702,361
ENDING FUND BALANCE (Estimated)	702,361	702,361

SPECIAL FUNDS	FY 15-16 BUDGET	FY 16-17 BUDGET	ESTIMATED FY 16-17 START BALANCE
DEBT SERVICE FUND			
REVENUES	226,537	224,720	5,735
EXPENDITURES	220,802	224,448	
REVENUES OVER/(UNDER) EXPENDITURES	<u>5,735</u>	<u>273</u>	
COURT SECURITY FUND			
REVENUES	3,000	3,000	26,460
EXPENDITURES	3,000	3,000	
REVENUES OVER/(UNDER) EXPENDITURES	<u>0</u>	<u>0</u>	
COURT TECHNOLOGY FUND			
REVENUES	4,000	4,000	27,118
EXPENDITURES	4,000	23,584	
REVENUES OVER/(UNDER) EXPENDITURES	<u>0</u>	<u>0</u>	
CROSSING GUARD FUND			
REVENUES	5,000	5,000	2,750
EXPENDITURES	5,000	5,000	
REVENUES OVER/(UNDER) EXPENDITURES	<u>0</u>	<u>0</u>	
STREET MAINTENANCE FUND			
REVENUES	43,750	42,500	167,277
EXPENDITURES	67,000	107,418	
REVENUES OVER/(UNDER) EXPENDITURES	<u>(23,250)</u>	<u>(64,918)</u>	
GRANTS FUNDS			
REVENUES	685,725	1,229,727	
EXPENDITURES	685,725	1,229,727	
REVENUES OVER/(UNDER) EXPENDITURES	<u>-</u>	<u>0</u>	
NOLANVILLE ECONOMIC DEVELOPMENT CORP			
REVENUES	40,000	40,000	185,000
EXPENDITURES	77,246	172,017	
REVENUES OVER/(UNDER) EXPENDITURES	<u>-37,246</u>	<u>-132,017</u>	



ORDINANCE No. F 16-09 #1

AN ORDINANCE OF THE CITY OF NOLANVILLE, TEXAS, ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017; PROVIDING THAT ALL PREVIOUS BUDGET ALLOCATIONS SHALL BE SAVED; AND PROVIDING FOR SEVERABILITY AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City of Nolanville is a Home Rule City in the State of Texas; and

WHEREAS, Chapter 102 of the Texas Local Government Code requires that a City budget must be adopted annually; and

WHEREAS, a budget for operating the municipal government of the City of Nolanville for the fiscal year October 1, 2016, to September 30, 2017, has been prepared by Kara Escajeda, City Manager, as Budget Officer for the City of Nolanville, Texas; and

WHEREAS, said budget has been submitted to the City Council by the City Manager in accordance with the City Charter; and

WHEREAS, Notice of a Public Hearing on the Proposed Budget of the City of Nolanville, Texas for the year 2016-2017 has been posted in accordance with Texas Local Government Code Section 102.0065; and

WHEREAS, public hearings were duly held at the time and place as provided for in the notice of such public hearings and all interested persons were given an opportunity to be heard on said proposed budget; and

WHEREAS, the City of Nolanville wishes to adopt the Proposed Budget for the 2016-2017 Fiscal Year;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF NOLANVILLE, TEXAS AS FOLLOWS:

1. APPROVAL OF BUDGET

The proposed budget presented by the City Manager and made available for public review for one month prior to its adoption including all amendments thereto as a result of such review and public hearing is hereby approved and adopted for the fiscal year 2016-2017, as set forth in

Appendix 1 hereof. That the appropriations for the 2016-2017 fiscal year for different administrative units and purposes of the City of Nolanville, Texas be fixed and determined for said fiscal year in accordance with expenditures shown in said budget.

2. FILING OF THE BUDGET

The City Secretary shall attach any required cover page to the adopted budget, file the budget in her office, and post a copy of the budget, including the cover page, on the website of the City of Nolanville. The City Secretary shall post the record vote on the budget on the website until September 30, 2017 (one year).

3. CUMULATIVE CLAUSE

This Ordinance shall be cumulative of all provisions of Ordinances of the City of Nolanville, Texas, except where the provisions of this Ordinance are in direct conflict with the provisions of such Ordinance, in which event the conflicting provisions of such Ordinance are hereby repealed.

4. SEVERABILITY CLAUSE

That if any section, subsection, paragraph, clause, phrase, or provision of this Ordinance shall be adjudged invalid or held unconstitutional, the same shall not affect the validity of this Ordinance as a whole or provision thereof, other than the part as so decided to be invalid or unconstitutional.

5. SAVINGS CLAUSE

That all previous budget Ordinances shall remain in full force and effect, save and except as amended by this Ordinance.

6. ENGROSSMENT & ENROLLMENT

The City Secretary of the City of Nolanville is hereby directed to engross and enroll this Ordinance by copying the caption, publication clause, penalty clause in the minutes of the City Council of the City of Nolanville and by filing this Ordinance in the Ordinance records of the City.

7. PUBLICATION CLAUSE

The City Secretary of the City of Nolanville, Texas is hereby directed to publish in the Official newspaper of the City of Nolanville, the caption, and effective date clause of this Ordinance as required by Section 52.011 of the Texas Local Government Code.

8. EFFECTIVE DATE

The necessity for making and approving a budget for the fiscal year, as required by the laws of the State of Texas, requires that this Ordinance shall take effect immediately from and after its passage, as the law in such case provides.

9. PROPER NOTICE & MEETING

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551. Notice was also provided as required by Chapter 52 of the Texas Local Government Code.

PASSED & APPROVED this, the 15th day of September, 2016 by vote of:

David Escobar __ (aye) __ (nay) to __ (abstention)

Butch Reis ☒ (aye) __ (nay) to __ (abstention)

Joan Hinshaw ☒ (aye) __ (nay) to __ (abstention)

Aurelia Ridley ☒ (aye) __ (nay) to __ (abstention)

David Williams ☒ (aye) __ (nay) to __ (abstention)

James Bilberry ☒ (aye) __ (nay) to __ (abstention)

of the City Council of Nolanville, Texas.

CITY OF NOLANVILLE:



David Escobar, Mayor



ATTEST:



Crystal Briggs, City Secretary



ORDINANCE No. F 16-09 #2

AN ORDINANCE OF THE CITY OF NOLANVILLE, TEXAS, SETTING A PROPERTY (AD VALOREM) TAX RATE AND APPROVING THE FISCAL YEAR 2016-2017 AD VALOREM TAX RATE AND LEVY OF (\$0.5020) PER ONE HUNDRED DOLLARS (\$100) OF ASSESSED VALUATION OF ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY; AND PROVIDING FOR SEVERABILITY AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City of Nolanville is a Home Rule City in the State of Texas; and

WHEREAS, a budget appropriating revenues generated for the use and support of the municipal government of the City of Nolanville has been approved and adopted by the Nolanville City Council as required by Section 102.009 of the Texas Local Government Code

WHEREAS, the Chief Appraiser of the Bell County Tax Appraisal District has prepared and certified the appraisal roll of the City of Nolanville, Texas, said roll being that portion of the approved appraisal roll of the Bell County Tax Appraisal District which list property taxable by the City of Nolanville, Texas; and

WHEREAS, the City Council has complied with all applicable requirements of the Texas Property Tax Code prior to the setting of the tax rate for said City for Fiscal Year 2016-2017.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF NOLANVILLE, TEXAS AS FOLLOWS:

1. APPROVAL OF FISCAL YEAR 2016-2017 TAX RATE & LEVY

That there be and is hereby levied and shall be assessed and collected for the fiscal year 2016-2017, on all taxable property, real, personal and mixed, situated within the City Limits of the City of Nolanville, Texas, and not exempt by the Constitution of the State and valid State Laws,

an ad valorem tax rate of \$0.5020 on each One Hundred Dollars (\$100.00) assessed value of taxable property, and shall be apportioned and distributed as follows:

(a) For the purpose of defraying the current expenses and budget of the municipal government of the City (maintenance and operation), a tax rate of \$0.3878 on each One Hundred Dollars (\$100.00) assessed value of taxable property.

(b) For the purpose of creating a sinking fund to pay the interest and principal on all outstanding bonds or other indebtedness of the City, not otherwise provided for, a tax of \$0.1142 on each One Hundred Dollars (\$100.00) assessed value of taxable property which shall be applied to the payment of such interest and maturities of all outstanding bonds or other indebtedness.

2. PENALTY & INTEREST

All taxes shall become a lien upon the property against which assessed and the City Tax Assessor/Collector for the City of Nolanville, Texas shall by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for the payment of said taxes, penalty and interest collected from such delinquent taxes shall be appropriated for the general fund of the City of Nolanville, Texas.

3. CUMULATIVE CLAUSE

This Ordinance shall be cumulative of all provisions of Ordinances of the City of Nolanville, Texas, except where the provisions of this Ordinance are in direct conflict with the provisions of such Ordinance, in which event the conflicting provisions of such Ordinance are hereby repealed.

4. SEVERABILITY CLAUSE

That if any section, subsection, paragraph, clause, phrase, or provision of this Ordinance shall be adjudged invalid or held unconstitutional, the same shall not affect the validity of this Ordinance as a whole or provision thereof, other than the part as so decided to be invalid or unconstitutional.

5. SAVINGS CLAUSE

That all previous tax rate Ordinances, including exemptions listed therein, shall remain in full force and effect, save and except as amended by this Ordinance.

6. ENGROSSMENT & ENROLLMENT

The City Secretary of the City of Nolanville is hereby directed to engross and enroll this Ordinance by copying the caption, publication clause, penalty clause in the minutes of the City

Council of the City of Nolanville and by filing this Ordinance in the Ordinance records of the City.

7. PUBLICATION CLAUSE

The City Secretary of the City of Nolanville, Texas is hereby directed to publish in the Official newspaper of the City of Nolanville, the caption, and effective date clause of this Ordinance as required by Section 52.011 of the Texas Local Government Code.

8. EFFECTIVE DATE

The necessity for making and approving a tax rate for the fiscal year, as required by the laws of the State of Texas, requires that this Ordinance shall take effect immediately from and after its passage, as the law in such case provides.

9. PROPER NOTICE & MEETING

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551. Notice was also provided as required by Chapter 52 of the Texas Local Government Code.

PASSED & APPROVED this, the 15th day of September, 2016 by vote of:

David Escobar ☐ (aye) ☐ (nay) to ☐ (abstention)

Butch Reis ☒ (aye) ☐ (nay) to ☐ (abstention)

Joan Hinshaw ☒ (aye) ☐ (nay) to ☐ (abstention)

Aurelia Ridley ☒ (aye) ☐ (nay) to ☐ (abstention)

David Williams ☒ (aye) ☐ (nay) to ☐ (abstention)

James Bilberry ☒ (aye) ☐ (nay) to ☐ (abstention)

of the City Council of Nolanville, Texas.

CITY OF NOLANVILLE:


David Escobar, Mayor

ATTEST:


Crystal Briggs, City Secretary



Nolanville Economic Development Corporation

Budget - Fiscal Year 2017

Income

Sales Tax Revenue	\$	40,000.00
Other	\$	-
Total Income	\$	40,000.00

Personnel Expense


Salaries/Wages	\$	-
Payroll Taxes	\$	-
Total Personnel Expense	\$	-

Operating Expense

Dues & Fees	\$	250.00
Insurance	\$	250.00
Legal Fees	\$	1,000.00
Community Development		
Keep Nolanville Beautiful		
Trash-Off	\$	2,000.00
Recycling	\$	2,000.00
Jamboree	\$	2,000.00
Signage	\$	7,500.00
Grant Matching		
33% Texas Parks & Wildlife Small Parks	\$	7,590.00
100% Main Street	\$	119,277.00
Business Development		
Direct Incentives	\$	20,000.00
Office Supplies	\$	1,000.00
Professional Services	\$	3,500.00
Training & Education	\$	1,500.00
Travel & Meals	\$	1,250.00
Administrative Expenses	\$	2,400.00
Rent	\$	-
Meeting Expenses	\$	500.00
Total Operating Expense	\$	172,017.00

Total Expense	\$	172,017.00
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Net Income	\$	(132,017.00)
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EDC President

5/1/2016

Date



EDC Treasurer

7/29/2016

Date

<p style="text-align: center;">City of Nolanville, Texas Financial Policies</p>

<u>Policy No.</u>	<u>Description</u>	<u>Page</u>
1.	Financials	2
2.	Fiscal and Budgetary Policy	3
3.	Operating Budget	3
4.	Revenue Management	4
5.	Expenditure Policies	4
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7.	Debt Management	5
8.	Financial Reserves	6
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17.	Price Quotations	10

Policies 1.-17. presented to City Council, October 6, 2011

Financial Policies and Procedures

1. Financials

A. Bank Depository

The City shall maintain funds in a Bank, designated as its depository for banking services. The initial selection of this depository was done by the City Council vote on _____ and will be reviewed thereafter every three years unless circumstances deem otherwise.

B. Accounts Payable

Four (4) individuals are authorized to sign checks written on the bank depository account: Mayor, City Manager, Assistant City Manager and City Treasurer. All checks greater than \$5,000 require two authorized signatures. No exceptions. Checks less than \$5,000 not signed by the City Manager or Assistant City Manager must be signed by two authorized signers, Mayor and City Treasurer.

C. Accounting

The Treasurer as the City's Chief Financial Officer will be responsible for establishing the structure for the City Chart of Accounts and for assuring that procedures are in place to properly record financial transactions and report the City's financial position. The Treasurer shall provide financial reports to the City Manager monthly.

D. Audit of Accounts

An independent audit of the City accounts will be performed annually. The Auditor is retained by and is accountable directly to the City Council.

2. Fiscal and Budgetary Policy

A. Purpose

The City of Nolanville is committed to financial management through integrity, prudent stewardship, planning, accountability, full disclosure and communication. The broad purpose of the Fiscal and Budgetary Policies is to enable the City to achieve and maintain a long-term stable and positive financial condition, and provide guidelines for the day-to-day planning and operations of the City's financial affairs.

Policy scope generally spans areas of accounting and financial reporting, internal controls, operating budget, revenue management, investment and asset management, debt management and forecasting. This is done in order to:

1. Fairly present and fully disclose the financial position of the City in conformity to generally accepted accounting principles (GAAP) and
2. Demonstrate compliance with finance-related legal and contractual issues in accordance with the Texas Local Government Code and other legal mandates.

3. Operating Budget

A. Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. The "operating budget" is the City's annual financial operating plan. It provides for the payment of expenses incurred as the government works towards its annual goals and the ongoing pursuit of protecting the citizenry, promoting and protecting public health and welfare, and ensuring statutory requirements are followed.

1. Preparation: The budget is developed by staff and elected officials with assistance from the City Treasurer under the responsibility of the City Manager as budget officer.
2. Review: Preliminary budget is submitted for initial review NLT 45 days prior to end of fiscal year. At least two Public Hearings will be held prior to adoption.
3. Adoption: The Final Budget is placed on the agenda for adoption during the last month of the fiscal year (September).

B. Balanced Budget: The goal of the City is to balance the operating budget with current revenues, whereby current revenues would match and fund on-going expenditures. Any excess balances in the operating funds from previous years would be maintained for contingencies or as general reserves.

C. Planning: The budget process will be coordinated so that the major policy issues are identified prior to budget approval date. This will allow adequate time for consideration of appropriate decisions and analysis of financial impacts.

D. Reporting: Summary financial reports will be submitted to the Board on a monthly basis to maintain on-going understanding of current expenditures and income status.

E. Contingency Appropriations: The budget may include contingency appropriations within designated operating lines. These funds are used to offset unexpected maintenance or other expenses. Every effort will be made to minimize the need for contingency funds usage.

4. Revenue Management

A. Types: The city receives revenue from the following sources:

1. Property Taxes. Collected by the Bell County Tax Appraisal District and transmitted to the city via automatic bank drafts as collected.
2. Sales and Use Taxes. Collected by the State Comptroller and transmitted monthly or quarterly to the city via automatic bank drafts.
3. Franchise Fees. The city, by ordinance, has levied fees on certain services being provided to city residents by vendors operating within the city. These fees are paid directly from the vendor to the city on a recurring schedule, normally quarterly.
4. Permit and License Fees: The city assesses fees by ordinance on many services provided by the city and fees for permitting specific functions within the city. These fees are collected by the city and deposited in the city's bank depository.
5. Investment Income. The city makes investments of money not needed for current expenditures. These investments will earn interest and it will be deposited in the bank depository or maintained in the investment account until needed by the city for expenditures.

B. Recording. The treasurer is responsible for recording the revenues received by the city in the books of accounts in a timely manner.

C. Scheduling. The treasurer shall maintain a schedule of all anticipated revenues to insure funds are received when expected.

5. Expenditure Policies

A. Budget Amendments: The Board may authorize with a majority vote, emergency expenditures as an amendment to the original budget.

B. Prompt Payment: All invoices will be approved for payment by Department heads or Mayor, depending on the purchase criteria, and paid within the established terms of the vendor. The treasurer shall make all effort to receive any prompt payment discount.

6. Asset Management

A. Cash Management and Investments: The Council formally approved a separate Investment Policy that complies with the requirements of the Public Funds Investment Act (PFIA) section 2256 of the Texas Local Government Code. This policy is reviewed annually by the City Council and applies to all financial assets held by the City:

1. Statement of Cash Management Philosophy: The City shall maintain a comprehensive cash management program to include the effective collection of all accounts receivable, the prompt deposit of receipts to the City's depository, the payment of obligations, and the prudent investment of idle funds.

2. Objectives: The City's investment program will be conducted to accomplish the following listed in priority order.

- a. Safety of the principal invested.
- b. Liquidity and availability of cash to pay obligations when due.
- c. Receive the highest possible rate of return (yield) consistent with the City's Investment Policy

3. Safekeeping and Custody: Investments may only be purchased through broker/dealers who meet the criteria detailed in the investment policy, which also addresses internal controls related to investments.

B. Fixed Assets: These assets will be reasonably safeguarded and properly accounted for, and prudently insured. See capitalization policy.

7. Debt Management

The City recognizes the primary purpose of capital facilities is to provide services to the community. Any need for financing other than what can be serviced by the City Depository will be considered through usage of:

- a. Grants
- b. Use of Reserve Funds
- c. Use of Current Funds
- d. Short Term Loans
- e. Long Term Bonds

8. Financial Reserves

The City of Nolanville will maintain budgeted minimum reserves in the ending working capital fund balances to provide a secure, healthy financial base for the City in the event of a natural disaster or other emergency, allow stability of City operations should revenues fall short of budgeted projections and provide available resources to implement budgeted expenditures without regard to actual timing of cash flow into the City.

Operating Reserves: The City will maintain reserves in the general fund at a minimum of \$250,000.00.

9. Internal Controls

Whenever possible, written procedures will be established and maintained by the Treasurer for all functions involving cash handling and/or accounting throughout the City. These procedures will embrace the general concepts of fiscal responsibility set forth in this policy statement.

10. Petty Cash Procedures

The City Secretary may keep a petty cash fund amount of \$100.00 in a lockable money box/cash register during operating hours and a lockable file cabinet after hours. The City Secretary shall be responsible for the petty cash. Only the City Secretary is authorized to exchange money from the box/register.

Receipts for all petty cash transactions shall be held in the money box until receipts are tallied, recorded and charged to the appropriate accounts. A check made payable to "Cash" will be written in the amount tallied by the receipts. The City Secretary will be responsible for cashing that check to replenish the petty cash fund balance.

Random audits of the petty cash box shall be made by the City Treasurer or Mayor in the presence of the City Secretary.

The Petty Cash Fund shall not be used to cash checks for any persons.

11. Fixed Asset Capitalization Policy

The following criteria will be utilized by the City of Nolanville:

- The asset must be owned by the City of Nolanville,
- The expected useful life of the asset must be longer than one year, or extend the life of an identifiable existing asset by more than one year,
- The original cost of the asset must be at least \$2,500,
- The asset must be tangible,
- On-going repairs and general maintenance are not capitalized.

New Purchases - All costs associated with bringing the asset into working order will be capitalized as part of the asset cost. This will include start up costs, engineering or consultant type fees as part of the asset cost once the decision or commitment to purchase the asset is made.

Improvements and Replacement - Improvements will be capitalized when they extend the original life of an asset or when they make the asset more valuable than it was originally. The replacement of assets components will normally be expensed unless they are a significant nature and meet all the capitalization criteria.

Inventory - A permanent record will be maintained of the City's fixed assets, including description, cost, and date of acquisition.

Recording - All capital assets will be recorded in the General Fixed Assets Account Group in the city's books of accounts.

12. Accepting Personal Checks

The City of Nolanville will accept personal and company checks from both residents and non-residents of Nolanville. When accepting a check, the following actions must be accomplished:

- a. Check must be made out to the "City of Nolanville".
- b. Check must be dated the date of issuance, (no post dated checks).
- c. The maker of the check must provide a government issued photo ID stating name, birth date, driver's license number, social security number, or other identifying number.
- d. The acceptor of the check shall write the identifying number on the check.
- e. The check may not be written for more than the invoiced amount.

13. Returned Checks

When a check has been returned by the bank to the City stamped "Non-Sufficient Funds", the City Secretary will add a \$25.00 fee to the amount owed and notify the check writer by certified mail of the status of the check and inform the check writer that the money owed will have to be paid by cash, money order, or cashier's check within ten (10) days of the date of the notification letter. If the money owed is not received within ten days, the check shall be submitted to the Bell County Sheriff's office Hot Check Department for criminal prosecution.

When a check has been returned by the bank to the City stamped "Account Closed", the City Secretary will add a \$25.00 fee to the amount owed and notify the check writer by certified mail of the status of the check and inform the check writer that the money owed will have to be paid by cash, money order, or cashier's check within ten (10) days of the date of the notification letter. If the money owed is not received within ten days, the check shall be submitted to the Bell County Sheriff's office Hot Check Department for criminal prosecution.

14. Outstanding Checks

A check written by the City shall be valid for a period of ninety (90) days. If a check has not cleared the bank in sixty (60) days, the Treasurer shall try to ascertain why the check has not been paid. If it is determined that the payee did not receive the check, the City will wait an additional thirty (30) days, then issue a stop payment order and issue a new check to the payee.

15. Bank Card (Credit/Debit) Policy

Bank cards may be used to satisfy court obligations, payment for fines, court costs, etc. A convenience fee based on a schedule provided by the credit card service provider will be added to the obligation. The fee will be added to the individual charge by the provider.

Bank cards may not be used for payment of other city fees, licenses, permits etc. Those payments may only be made using cash, check, or money orders.

16. Purchasing Policy

All purchases made and paid for by City funds are to be used for City purposes only.

Department Heads are authorized to initiate and/or approve purchases for their department as needed according to the following criteria: and, as directed by the following.

A. Purchases less than \$500: (commonly used items for daily operations)

These purchases shall be made utilizing a purchase order approved by the department head. Vendor invoices, tickets, sales slips, etc, notation of item receipt will be submitted to the treasurer for payment.

B. Purchases greater than \$500 and less than \$5,000:

If item or supplies have been budgeted, purchase may be made utilizing a purchase order approved by the City Manager or Assistant City Manager. If item or supplies have not been budgeted, department head must submit the purchase order to the City Manager or Assistant City Manager for approval and possible budget amendment. Vendor invoices, tickets, sales slips, etc, notation of item receipt will be submitted to the treasurer for payment.

C. Purchases \$5,000 or more:

All purchases greater than \$5,000 must be approved by the City Council. See paragraph 17 below for required pricing information. Purchases for supplies and/or services from vendors on an annual basis that exceed \$5,000 shall be approved in advance, at least annually, by the City Council. Examples of these types of actions are: Electricity charges, Health Plans, Insurance charges, Legal Counsel, Judge Expenses, Auditor, etc. Vendor invoices, tickets, sales slips, etc, notation of item receipt will be submitted to the treasurer for payment.

17. Price Quotations

If the anticipated expenditure exceeds \$5,000, the purchase shall not be made until price quotations have been obtained from at least three (3) suppliers. If the goods or services are not available from as many as three (3) suppliers, price quotations shall be obtained from the available suppliers. "No Bid" is considered to be a price quotation.

Prices may be obtained either in writing or by telephone.

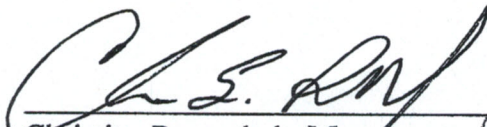
Quotations shall be received for goods and services of comparable quality.

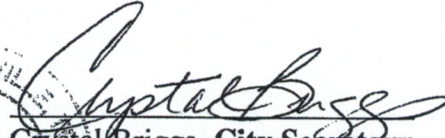
The purchase shall be made from the supplier quoting the lowest price unless cause can be shown as to reason to accept a higher bid.

PASSED & APPROVED this, the 2nd day of October, 2014 by vote of 5 (ayes) 0 (nays) to 0 (abstentions) of the City Council of Nolanville, Texas.

CITY OF NOLANVILLE:

ATTEST:


Christina Rosenthal., Mayor



Crystal Briggs, City Secretary