

City of Commerce



**Fiscal Year
2018 – 2019
Adopted Budget**

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Recorded Votes for FY 2019 Budget and Tax Rates

This budget will raise more revenue from property taxes than last year's budget by an amount of \$207,377, which is a 8.43 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$34,194.49.

Record Vote on Fiscal Year 2019 Budget

Council Member	For	Against	Abstain
Mayor Wyman Williams	✓		
Mayor Pro Tem Gene Lockhart	✓		
Jean Klaus	✓		
Becky Thompson	✓		
John Weatherford			✓

Record Vote on Fiscal Year 2019 Tax Rate

Council Member	For	Against	Abstain
Mayor Wyman Williams	✓		
Mayor Pro Tem Gene Lockhart	✓		
Jean Klaus	✓		
Becky Thompson	✓		
John Weatherford			✓

Record Vote on Ratification of Fiscal Year 2019 Budget and Tax Rate

Council Member	For	Against	Abstain
Mayor Wyman Williams	✓		
Mayor Pro Tem Gene Lockhart	✓		
Jean Klaus	✓		
Becky Thompson	✓		
John Weatherford			✓

Tax Rates

Type	Rate
Preceding Fiscal Year Adopted Rate (FY 2018)	\$0.82
Property Tax Rate (FY 2019)	\$0.82
Effective Tax Rate (FY 2019)	\$0.761987
Effective Maintenance & Operating Tax Rate (FY 2019)	\$0.574992
Rollback Tax Rate (FY 2019)	\$0.806341
Debt Rate (FY 2019)	\$0.199009

Total debt obligation for Commerce secured by property taxes: \$644,030



September 10, 2018

Mayor and City Council,

It is my pleasure to provide you with the City of Commerce's Adopted Operating Budget for the fiscal year beginning October 1, 2018 and ending September 30, 2019. City staff developed the budget with the goal of providing a range of important services to our community as we continually strive to increase the quality of life enjoyed by our residents and guests alike. The appropriations included in the Fiscal Year 2019 Adopted Budget represent a commitment to efficient and effective fiscal, personnel, and capital management.

The Fiscal Year 2019 Adopted Budget is a balanced budget and is presented in accordance with state and local laws governing our community. The budget represents a series of balances constructed between revenues and expenditures and between operational needs and long-term community investment strategies.

Our Budget will serve as a management guide, a planning document, and a financial report throughout the coming fiscal year. It establishes a system of resource management for the city and provides a framework for the utilization of people, equipment, and other working capital aimed at the facilitated growth and enhancement of our community. As such, it is the most important working and planning tool used by the City Council and city staff to determine the desired level of service, maintenance, and infrastructure necessary to ensure our residents enjoy an abundant life in Commerce.

I look forward to implementing the plans and performing the work included for the coming year through this Budget.

Thank you,

J. Darrek Ferrell

Darrek Ferrell
City Manager

FY 2018 – 2019
Adopted Operating Budget

Budget Summary

Budget Summary

The Adopted Budget for Fiscal Year (FY) 2019 totals approximately \$13 million with \$5 million in the General Fund, \$5 million in the Public Utility Fund, and the balance spread through numerous restricted funds. Additionally, the city has established a Type A Economic Development Corporation that receives oversight from a board of directors appointed by the City Council. The FY 2019 Adopted Budget allocated \$735,148 for the purpose of economic development through the Commerce Economic Development Corporation.

The information that follows is intended to provide a foundational understanding of the city's financial structure. Departmental budgets are composed of several line items, each with an intended purpose. Departmental budgets roll into funds. The budget ordinance that will be presented to the City Council in September will request appropriation of resources at the fund level. These different levels carry different levels of authorization and necessary approval. In the event that a fund appears to have the potential to exceed the amount that the City Council has allocated by ordinance, staff will request that the City Council adopt a budget-amending ordinance. Because the budget is adopted at the fund level, no action will be necessary if an individual department is expected to exceed their budget, as long as the authorized fund level remains intact.

The Property Tax

Also referred to as an ad valorem tax, the City Council sets a tax rate that is levied against all properties within the City limits that have not received an exemption. In Fiscal Year 2019, staff is proposing to maintain the \$0.82 property tax rate that has been constant for the past few years. This year, \$0.6210 would be designated for the maintenance and operations for all General Fund activities and \$0.1854 would be allocated to make required property tax supported debt payments. An additional \$0.0136 is recommended to be used to make a supplemental payment to bonds that were issued in 2006. This will allow the City to save on future interest costs and bring that bond to maturity a full year sooner than originally expected.

Due to an increase in the total appraised value of all property within the city limits, we do expect to realize an increase in our property tax collections this year. At this time, no rate reduction is recommended because the increased property appraisal value is expected to continue. City staff believes that if the current level of growth does continue, as it likely will, the City Council could have the opportunity to reduce the property tax rate without impacting overall stability as soon as next year.

Budgetary Adjustments

The currently Adopted budget has many similarities to those of prior years, but there are a few things that will be recommended changes within this document.

The Adopted Budget reflects the results from efforts made last year to reduce the deficits in funds that have not been balanced in years past. For example, conservative spending in the Hotel Occupancy Tax Fund has resulted in a positive fund balance. Similar measures in FY 2019 will result in the fund balance continuing to grow. Due to increased revenue and conservative spending patterns, the Commerce Municipal Airport is expected to have a positive fund balance while relying less on the support of the General Fund. The Adopted Budget includes a legacy fund for the Volunteer Firemen's Retirement Fund. In FY 2019 there is a plan to

consolidate this fund into the General Fund which will alleviate the need for any transfers and eliminate the negative fund balance.

Due to an increase in code enforcement and an effort to eliminate risks to life, health and safety within the city, there has been an increase in the demolition of substandard structures. With each demolition a lien is placed on the property until the cost of demolition can be recovered. The result of this practice is an initially negative fund balance, but the City plans to continue increasing our efforts to recover these costs.

Additionally, we will continue with the reorganization of the functions of Code Enforcement and the Animal Shelter by allocating the resources for these other two departments in the appropriate places. The currently adopted budget (FY 2018) moved the operations costs to the correct department but left the personnel costs in the Police Department. In the Adopted budget (FY 2019), all allocations, including personnel, have been designated separately for each department.

Staff Compensation

The FY 2019 Adopted Budget includes a 3% increase to salaries for all employees. While this is not the amount needed to bring staff compensation to a level that would be considered competitive for the local labor market, it is a continuation in our efforts to reach a competitive rate. The only funds with personnel allocations are the General Fund, Public Utilities Fund, and the Commerce Economic Development Corporation Fund.

City Staff have traditionally participated in a “buy back” program for 25% of their sick leave balance each December. However, in the administration of this program, the leave was never actually debited from the employees’ leave bank. This resulted in the City incurring a duplicate expense for those hours – once for the buyback and once for when they were actually used by the employee. Further this program was nearly impossible to accurately budget, as there was no way to predict how much leave every employee would have in December of each year.

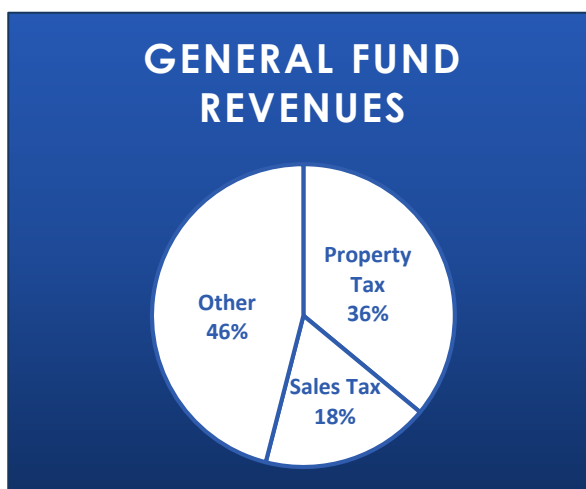
To alleviate this situation the “buy back” program is recommended to transition to a longevity pay program. Employees will receive \$100 in their fifth year of service and \$10 for each additional year of service. This program incentivizes loyalty to the City and provides a more consistent and predictable cost allocation that can be managed in subsequent budgets.

Our anticipated loss ratio for our health benefits in FY 2018 is approximately 70%. This means that for every \$1 paid in premiums, our benefits provider paid out \$0.70 in claims. This has resulted in a slight decrease to overall premiums. Large claims have decreased by 22% from the previous fiscal year, which allows for more stability in the cost of providing employee benefits. This will allow the City to continue funding 100% of the benefit costs for full time employees, and the reduction will be passed on to any employee who pays for the coverage of dependents.

The General Fund

Revenues

The Adopted General Fund Budget relies heavily on property taxes. Fortunately, growth in the local economy shows some stability and provides optimism in this revenue source. The average residential value, after Homestead Exemptions are applied, in Commerce has increased from \$86,884 to \$90,594. That being said, based on the FY 2019 Adopted General Fund expenses, a property needs to be valued at \$195,001 to generate enough revenue from property taxes to pay for the General Fund services provided to that property. This means that most of the residential properties pay for less than half of the services they receive with their property taxes. As such, this cost must be offset with revenue from sales tax and other sources.



Although the Adopted budget for sales tax has been increased from \$920,000 to \$973,000, the proportional contribution of the sales tax in the General Fund has decreased from 23% to 18%. This is an indication that the commercial tax base is not growing as fast as the other revenue sources. However, the frequently quoted adage in economic development is “retail follows rooftops,” and if that is the case, as it has proven to be for many other cities, the City has a reason to be optimistic about the commercial tax base. In the 2018 tax year, the City of Commerce realized approximately \$4.2 million in new construction and single-family homes accounted for \$1.3 million, or roughly 30%, of that development.

The bulk of General Fund revenues is derived from fines and usage fees. City Staff has worked hard to consistently analyze these fees and to apply the costs to the services provided. Changes have been made to the fee ordinance to ensure that we are adequately funding the General Fund. Since this category includes all building permits and inspections, and given the new growth and development mentioned above, this revenue category is expected to remain stable.

Expenses

The FY 2019 Adopted Budget includes a slight deficit in the General Fund for the single year. The Fund remains balanced because of previously accumulated fund balance, but it is not considered structurally balanced. For the past year, City Staff has worked to reduce spending and increase efficiency of operations. As a result of these efforts, the single-year deficit in the FY 2019 Adopted Budget is significantly lower than the single-year deficit incurred in the current FY 2018 budget. In the year to come, City Staff will continue their efforts to find efficiencies within our operations with the goal of establishing a structurally balanced fund.

The most recent City audit identified a gap in funding our retirement contributions, which is not uncommon for cities. This means that if everyone who was eligible to retire decided to retire, we would not be able to fully fund these pensions from our current Texas Municipal Retirement System (TMRS) balances. This situation exists because TMRS provides the City with a minimum allocation to be paid each year, and this amount is designed to cover the number of people reasonably expected to retire. The reasonableness of this amount is based on the assumption that it is highly unlikely that everyone who could retire actually does retire. In FY

2019, the City is proposing to pay the full contribution that would prevent this gap from widening, and future budgets will include modest increases in these payments to begin closing that gap.

Public Utilities Fund

Beginning in Fiscal Year 2019, we will be consolidating the Water Fund and the Wastewater Fund to create a singular Public Utilities Fund. This will reduce the administrative requirements of the utilities and streamline their financial structure. In FY 2019 there is an increase in allocations to repair and improve the current Water and Wastewater facilities and equipment.

In FY 2018, the City reduced an administrative transfer out of the Water and Wastewater Funds to the General Fund from \$800,000 to \$400,000. This reduced transfer allowed for several improvements at both treatment plants and for the resolution of a water quality problem that had persisted for over 2 years prior. However, the General Fund continues to make efforts to recover from the loss of that revenue, and it is recommended that the administrative transfer be increased back to \$600,000 to aid the General Fund in weaning from that subsidy.

In developing the FY 2019 Adopted Budget, Staff prioritized the needs of the Public Utility Fund over the flexibility that the General Fund has received by having this subsidy. The ending fund balance proposed for the Public Utility Fund is approximately 52% of the budgeted expenses, including the \$600,000 transfer. This means that even with the increased transfer, the Public Utility Fund will maintain a fund balance that is more than double the recommended 25% reserve limit.

Conclusion

The City of Commerce has faced some challenges that have led to the period of recovery in which we now find ourselves. Many of the decisions that were made over the last several years did not produce positive results for the growth of the City. However, stemming from the implementation of a strategy to clean up blighted properties in the City, we see property values and our own financial capacity improving.

Similarly, the City's budgetary practices have made progress toward improved capacity and increased financial management. In the last two years, the City has reduced the number of bank accounts and completed the process of reconciling the remaining accounts for the first time in several years. The City moved our bond rating from BBB to an A based on improved financial management practices combined with growth in the local economy. The work we have done to this point has produced positive results for the community.

The City spent FY 2018 striving to build our own capacity for the work that is ahead of us. We found ways to procure new equipment and reduce the ever-increasing maintenance costs of aging capital. We put in place administrative measures designed to control spending and help department directors stay informed about their own budgets. Our utilities took advantage of money that was no longer being pulled away from them, and we implemented strategies that solved issues with water quality and infiltration at the wastewater treatment plant.

The FY 2019 Adopted Budget is a continuation of the same fiscal conservatism that has led to successful improvements elsewhere in the City. In the upcoming year, City Staff intends to develop framework for the implementation of strategies developed in the current fiscal year. We intend to continue taking every

opportunity to improve our own capacity as an organization, and we plan to make strides toward visible improvements in the community, afforded by the work completed over the last few years.

Between August 1 and September 18, the City Council and the community will have several opportunities to become familiar with and to ask questions about the FY 2019 Adopted Budget. Our goal at the City of Commerce is to present the information transparently, accurately, and in a timely manner. In addition, we will make the information as user-friendly and as conveniently available as possible.

We will hold public hearings on the FY 2019 Adopted Budget, and we will take out advertisements in the local newspaper. The budget and related materials will be available on the City's Website and an electronic and/or hard copy will be provided to anyone who requests it in person, by phone, or by email.

All information contained in the following pages is intended to serve as an open and transparent guide to the planned operations of the City of Commerce in Fiscal Year 2019. City Council and community members with questions about the adopted budget are encouraged to contact me at any time.

FY 2018 – 2019
Adopted Operating Budget

Fund Schedules

All Funds Fund Schedule

<i>Fund Type</i>	<i>Beginning Balance</i>	<i>Revenue</i>	<i>Available Funds</i>	<i>Expenses</i>	<i>Ending Balance</i>
<i>Governmental Funds</i>	\$ 1,891,779	5,538,262	7,432,441	5,834,844	\$ 1,597,197
General Fund	1,797,548	5,276,213	7,073,761	5,536,964	1,536,798
Grant Fund	15,005	800	15,805	0	15,805
Volunteer Fire Fund	(9,624)	15,690	6,066	15,600	(9,534)
Explorer Fund	5,571	0	5,571	0	5,571
Airport Fund	4,364	108,909	113,272	112,480	792
Recreation Fund	7,291	68,150	75,441	73,800	1,641
Demolition Fund	(8,531)	35,000	26,469	76,000	(49,531)
Hotel-Motel Fund	32,397	32,000	64,397	20,000	44,397
Municipal Court Security Fund	21,351	100	21,451	0	21,451
Municipal Court Technology Fund	28,806	1,400	30,206	0	30,206
<i>Enterprise Funds</i>	\$ 3,112,402	5,237,988	8,350,390	5,903,047	\$ 2,447,343
Public Utility Fund	3,092,993	5,141,863	8,234,856	5,806,857	2,427,999
Commerce Water District	19,409	96,125	115,534	96,190	19,344
<i>Internal Service Funds</i>	\$ 1,000,592	916,342	1,916,934	874,942	\$ 1,041,992
Equipment & Vehicle Service Fund	917,079	341,098	1,258,177	300,098	958,079
Employee Benefits Trust Fund	83,513	575,244	658,757	574,844	83,913
Sub-total Maintenance & Operating	\$ 6,007,173	11,692,592	17,699,765	12,612,833	\$ 5,086,932
<i>Governmental Capital Project Funds</i>	\$ 617,348	611,050	1,228,398	642,588	\$ 585,810
Debt Service Fund	573,743	611,050	1,184,793	642,588	542,205
Capital Projects Fund	43,605	0	43,605	0	43,605
Total All Funds	\$ 6,624,521	12,303,642	18,928,163	13,255,421	\$ 5,672,742

Component Unit

<i>Commerce Eco Dev Corp Fund</i>	\$ 2,331,921	459,300	2,791,221	735,148	\$ 2,056,073
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General Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 1,918,605	\$ 1,918,605	\$ 1,797,548
REVENUE	4,170,099	4,757,021	5,276,213
TAXES	3,134,970	3,403,048	3,437,054
LICENSES & PERMITS	25,200	62,456	40,750
INTERGOVERNMENTAL	38,500	65,789	30,250
CHARGES FOR SERVICES	45,500	42,945	30,500
RENTS & LEASES	10,900	8,275	8,275
FINES & FORFEITS	115,200	67,374	85,000
MISCELLANEOUS REVENUE	64,500	128,093	120,100
OTHER FINANCING SOURCES	735,329	979,040	1,524,285
AVAILABLE FUNDS	6,088,704	6,675,626	7,073,761
EXPENSES	5,143,947	4,878,078	5,536,964
CITY MANAGER	360,332	349,054	433,439
ADMINISTRATIVE SERVICES	216,693	132,596	225,889
GOVERNMENTAL AFFAIRS	590,378	531,376	533,500
CITY COUNCIL	10,500	3,069	4,500
POLICE	1,631,569	1,498,429	1,462,962
EMERGENCY MANAGEMENT	20,650	20,021	24,000
CODE ENFORCEMENT	24,500	31,227	136,917
ANIMAL CONTROL	49,300	59,138	144,054
COMMUNITY DEVELOPMENT	227,768	205,251	208,323
PARKS & RECREATION	426,175	468,721	433,011
PUBLIC LIBRARY	58,550	56,641	61,450
ECONOMIC DEVELOPMENT	79,308	76,679	81,785
FIRE & EMERGENCY SERVICES	969,785	1,075,647	995,977
MUNICIPAL COURT	65,422	65,537	65,483
PUBLIC WORKS	413,017	304,691	725,674
ENDING FUND BALANCE	\$ 944,757	\$ 1,797,548	\$ 1,536,798

Public Utilities Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 3,771,426	\$ 3,771,426	\$ 3,092,993
REVENUE	4,962,279	4,928,730	5,141,863
LICENSES & PERMITS	8,000	15,545	13,000
INTERGOVERNMENTAL	0	0	0
CHARGES FOR SERVICES	4,565,655	4,433,104	4,492,650
RENTS & LEASES	24,824	23,413	25,613
FINES & FORFEITS	0	0	0
MISCELLANEOUS REVENUE	3,800	115,941	6,600
COOPER LAKE	360,000	340,727	340,000
OTHER FINANCING SOURCES	0	0	264,000
AVAILABLE FUNDS	8,733,705	8,700,156	8,234,856
EXPENSES	4,316,670	5,607,163	5,806,857
UTILITY SERVICES	489,576	1,355,898	1,205,111
WATER SERVICES	1,891,411	2,118,853	2,186,350
WASTEWATER SERVICES	1,031,183	1,080,111	1,387,897
SOLID WASTE SERVICES	904,500	1,052,302	1,027,500
ENDING FUND BALANCE	\$ 4,417,035	\$ 3,092,993	\$ 2,427,999

Public Utility Fund – Major Proprietary Fund; accounts for the operating activities of the City's water, sewer utilities, and solid waste disposal services.

Equipment Service Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 967,337	\$ 967,337	\$ 917,079
REVENUE	155,000	151,120	341,098
RENTS & LEASES	155,000	147,371	300,098
MISCELLANEOUS REVENUE	0	333	500
OTHER FINANCING SOURCES	0	3,416	40,500
AVAILABLE FUNDS	1,122,337	1,118,458	1,258,177
EXPENSES	102,000	201,379	300,098
CAPITAL OUTLAY - EQUIP	102,000	201,379	300,098
ENDING FUND BALANCE	\$ 1,020,337	\$ 917,079	\$ 958,079

Equipment Service Fund - Non-major proprietary fund; accounts for the financing of goods and services provided by the fund to other funds and departments on a cost reimbursement basis.

Debt Service Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 61,193	\$ 61,193	\$ 573,743
REVENUE	607,561	1,119,277	611,050
TAXES	607,561	603,348	611,000
MISCELLANEOUS REVENUE	0	165	50
OTHER FINANCING SOURCES	0	515,764	0
AVAILABLE FUNDS	668,754	1,180,470	1,184,793
EXPENSES	604,371	606,727	642,588
MISCELLANEOUS EXPENSES	604,371	606,727	642,588
ENDING FUND BALANCE	\$ 64,383	\$ 573,743	\$ 542,205

Debt Service Fund – Major Governmental Fund; accounts for the accumulation of financial resources for the payment of principal and interest on the City’s general obligation debt. The City annually levies ad valorem taxes restricted for the retirement of general obligation bonds, capital leases, and interest. This fund reports all such ad valorem taxes collected.

Grant Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 406	\$ 406	\$ 15,005
REVENUE	0	373,089	800
GRANT REVENUE	0	370,174	0
MISCELLANEOUS REVENUE	0	2,915	400
OTHER FINANCING SOURCES	0	0	400
AVAILABLE FUNDS	406	373,495	15,805
EXPENSES	0	358,490	0
SIDEWALK GRANT	0	358,490	0
CENTENNIAL PARK GRANT	0	0	0
ENDING FUND BALANCE	\$ 406	\$ 15,005	\$ 15,805

Grant Fund – Non-major Governmental fund; accounts for the grant funded activities in the City

Volunteer Firemen Retirement Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ (9,696)	\$ (9,696)	\$ (9,624)
REVENUE	18,000	15,672	15,690
INTERGOVERNMENTAL	18,000	15,600	15,600
MISCELLANEOUS REVENUE	0	72	90
AVAILABLE FUNDS	8,304	5,976	6,066
EXPENSES	18,000	15,600	15,600
OTHER SERVICES & CHARGES	18,000	15,600	15,600
ENDING FUND BALANCE	\$ (9,696)	\$ (9,624)	\$ (9,534)

Volunteer Firemen Retirement Fund – Non-major Governmental Fund; accounts for contributions and related expenditures made to the City on behalf of the City's volunteer fire department.

Commerce Municipal Airport Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 7,775	\$ 7,775	\$ 4,364
REVENUE	70,640	116,975	108,909
INTERGOVERNMENTAL	0	5,270	633
RENTALS & LEASES	2,000	1,355	4,076
CHARGES FOR SERVICES	48,500	108,993	103,000
MISCELLANEOUS REVENUE	140	1,358	1,200
OTHER FINANCING SOURCES	20,000	0	0
AVAILABLE FUNDS	78,415	124,750	113,272
EXPENSES	60,575	120,386	112,480
SUPPLIES	30,975	97,763	75,936
PROFESSIONAL SERVICES	3,000	1,463	7,650
MAINTENANCE - BUILDING	4,500	2,286	2,500
MAINTENANCE - EQUIPMENT	4,500	3,320	6,300
OTHER SERVICES & CHARGES	3,100	3,442	6,194
PUBLIC UTILITIES	14,500	12,113	13,900
ENDING FUND BALANCE	\$ 17,840	\$ 4,364	\$ 792

Airport Fund – Non-major Governmental fund; accounts for the activities of the Municipal Airport.

Recreational Programs Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 44,339	\$ 44,339	\$ 7,291
REVENUE	74,075	60,651	68,150
CHARGES FOR SERVICES	61,000	56,817	57,000
MISCELLANEOUS REVENUE	13,075	3,835	11,150
OTHER FINANCING SOURCES	0	8,157	0
AVAILABLE FUNDS	118,414	104,991	75,441
EXPENSES	74,000	97,699	73,800
OTHER SERVICES & CHARGES	55,500	82,495	61,100
MISCELLANEOUS EXPENSES	18,500	15,204	12,700
ENDING FUND BALANCE	\$ 44,414	\$ 7,291	\$ 1,641

Recreation Programs Fund – Non-major Governmental fund; accounts for the operating activities of certain City recreational programs

Demolition Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 10,699	\$ 10,699	\$ (8,531)
REVENUE	59,800	53,659	35,000
TAXES	59,800	52,484	34,500
MISCELLANEOUS REVENUE	0	1,176	500
OTHER FINANCING SOURCES	0	0	0
AVAILABLE FUNDS	70,499	64,358	26,469
EXPENSES	75,000	72,890	76,000
OTHER SERVICES & CHARGES	75,000	72,890	76,000
MISCELLANEOUS EXPENSES	0	0	0
ENDING FUND BALANCE	\$ (4,501)	\$ (8,531)	\$ (49,531)

Demolition Fund – Non-major Governmental fund; captures the cost of removal of blighted properties located within the City.

Commerce Water District Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 19,633	\$ 19,633	\$ 19,409
REVENUE	96,125	95,916	96,125
SERVICES	96,000	95,760	96,000
MISCELLANEOUS REVENUE	125	156	125
AVAILABLE FUNDS	115,758	115,549	115,534
EXPENSES	96,000	96,140	96,190
OTHER SERVICES & CHARGES	96,000	95,950	96,000
MISCELLANEOUS EXPENSES	0	190	190
ENDING FUND BALANCE	\$ 19,758	\$ 19,409	\$ 19,344

Commerce Water District Fund – Non-major Proprietary fund; accounts for the purchase and sale of water to the Sabine Water Authority. Activities of the fund include water purchases, water sales, and administration fees.

Hotel Occupancy Tax Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 14,468	\$ 14,468	\$ 32,397
REVENUE	20,000	37,361	32,000
TAXES	20,000	37,361	32,000
MISCELLANEOUS REVENUE	0	0	0
AVAILABLE FUNDS	34,468	51,828	64,397
EXPENSES	19,431	19,432	20,000
OTHER SERVICES & CHARGES	19,431	19,432	20,000
ENDING FUND BALANCE	\$ 15,036	\$ 32,397	\$ 44,397

Hotel Occupancy Tax Fund – Non-major Governmental fund; accounts for the collections and related expenditures of the City Hotel/Motel Tax.

Municipal Court Security Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 21,294	\$ 21,294	\$ 21,351
REVENUE	2,000	57	100
FINES & FORFEITS	2,000	57	100
OTHER FINANCING SOURCES	0	0	0
AVAILABLE FUNDS	23,294	21,351	21,451
EXPENSES	0	0	0
CAPITAL OUTLAY - EQUIPMENT	0	0	0
ENDING FUND BALANCE	\$ 23,294	\$ 21,351	\$ 21,451

Municipal Court Security Fund – Non-major Governmental fund; accounts for the portion of fines revenue designated for funding security services for the municipal court building.

Municipal Court Technology Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 29,292	\$ 29,292	\$ 28,806
REVENUE	2,000	1,633	1,400
FINES & FORFEITS	2,000	1,633	1,400
OTHER FINANCING SOURCES	0	0	0
AVAILABLE FUNDS	31,292	30,925	30,206
EXPENSES	0	2,119	0
MAINTENANCE - EQUIPMENT	0	2,119	0
ENDING FUND BALANCE	\$ 31,292	\$ 28,806	\$ 30,206

Municipal Court Technology Fund – Non-major Governmental fund; accounts for the portion of fines revenue designated for the purchase or maintenance of technological enhancements for the municipal court building.

Employee Benefits Trust Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 93,926	\$ 93,926	\$ 83,513
REVENUE	617,617	668,414	575,244
TAXES	617,217	667,784	574,844
MISCELLANEOUS REVENUE	400	630	400
AVAILABLE FUNDS	711,543	762,340	658,757
EXPENSES	600,000	678,827	574,844
PERSONNEL SERVICES	600,000	678,827	574,844
ENDING FUND BALANCE	\$ 111,543	\$ 83,513	\$ 83,913

Employee Benefits Trust Fund – Non-major Governmental fund; accounts for contributions and related expenditures made for City employee benefits.

Commerce Economic Development Fund

	FY 2018 ORIGINAL BUDGET	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
BEGINNING BALANCE	\$ 1,984,288	\$ 1,984,288	\$ 2,331,921
REVENUE	493,000	543,226	459,300
TAXES	450,000	476,859	450,000
RENTS & LEASES	35,000	50,000	0
MISCELLANEOUS REVENUE	8,000	16,366	9,300
OTHER FINANCING SOURCES	0	0	0
AVAILABLE FUNDS	2,477,288	2,527,514	2,791,221
EXPENSES	797,808	195,593	735,148
PERSONNEL SERVICES	79,308	79,308	85,905
SUPPLIES	2,000	1,082	2,000
PROFESSIONAL SERVICES	492,300	37,628	393,800
MAINTENANCE - BUILDING	56,000	21,900	60,000
MISCELLANEOUS EXPENSES	6,000	6,000	6,000
OTHER SERVICES & CHARGES	62,200	37,932	75,700
CAP PURCHASE - BUILDING	100,000	11,743	111,743
ENDING FUND BALANCE	\$ 1,679,480	\$ 2,331,921	\$ 2,056,073

Commerce Economic Development Corporation – Component unit; CEDC serves all citizens of the government and is governed by a board appointed by the City Council. The City Council may remove the CEDC board for cause. CEDC is a nonprofit corporation governed by Section 4A of the Texas Development Corporation Act of 1979 and organized for the public purpose of aiding, promoting and furthering economic development within the City of Commerce, Texas.

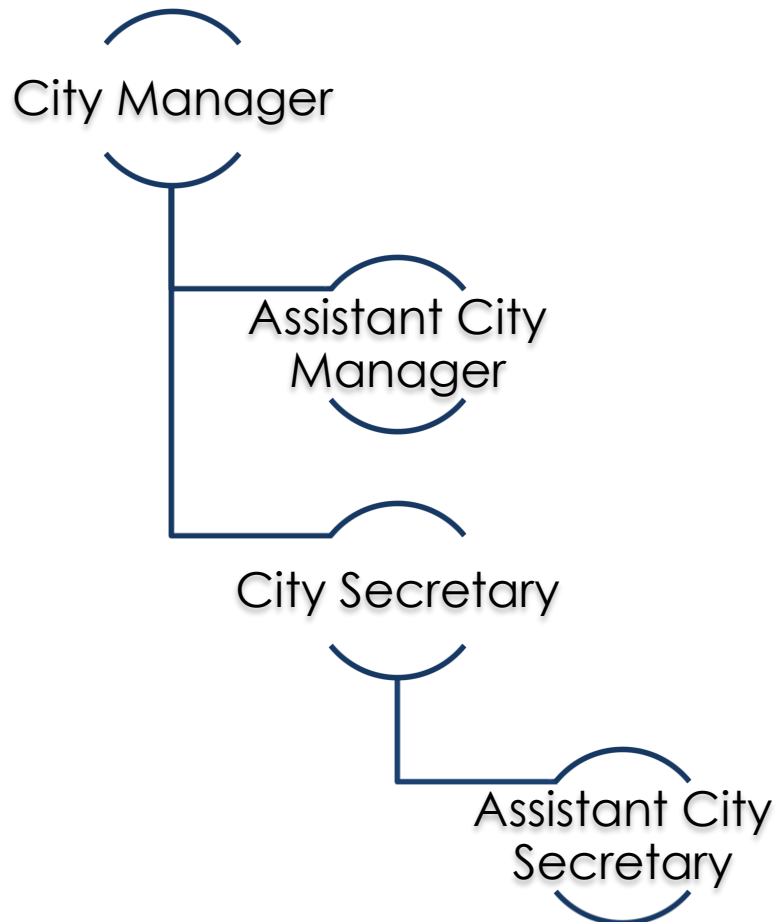
FY 2018 – 2019
Adopted Operating Budget

Department Pages

General Fund

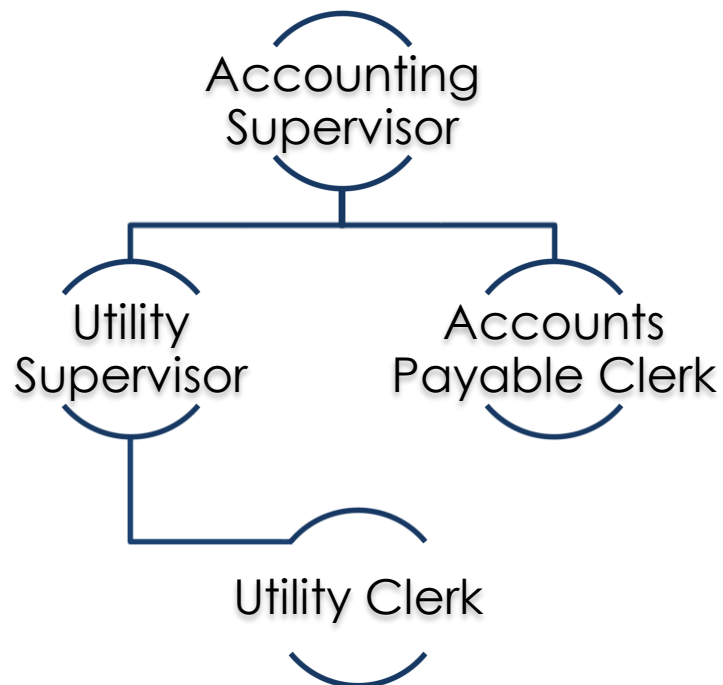
City Manager's Office

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 252,624	\$ 333,367	\$ 422,559
SUPPLIES	183	0	100
MAINTENANCE - EQUIPMENT	1,366	5,564	3,000
OTHER SERVICES & CHARGES	13,542	10,123	7,780
TOTAL	\$ 267,715	\$ 349,054	\$ 433,439



Administrative Services

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 121,198	\$ 129,055	\$ 220,759
SUPPLIES	673	755	1,250
OTHER SERVICES & CHARGES	4,597	2,786	3,880
TOTAL	\$ 126,468	\$ 132,596	\$ 225,889

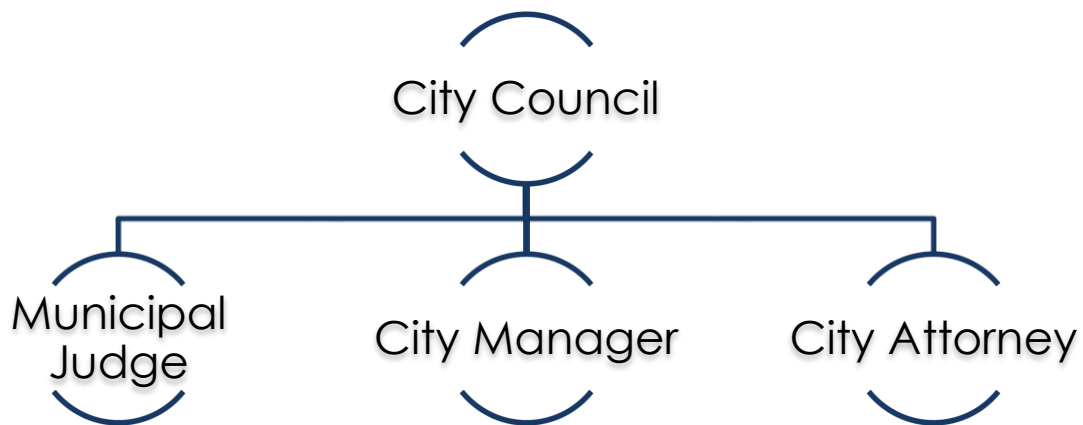


Governmental Affairs

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
SUPPLIES	\$ 19,326	\$ 24,428	\$ 22,500
PROFESSIONAL SERVICES	91,747	159,857	144,403
MAINTENANCE - BUILDING	76,620	22,170	24,000
MAINTENANCE - EQUIPMENT	1,366	12,653	8,720
OTHER SERVICES & CHARGES	229,272	195,234	220,727
PUBLIC UTILITIES	131,905	118,189	113,150
MISCELLANEOUS EXPENSES	12,126	(1,155)	0
TOTAL	\$ 562,361	\$ 531,376	\$ 533,500

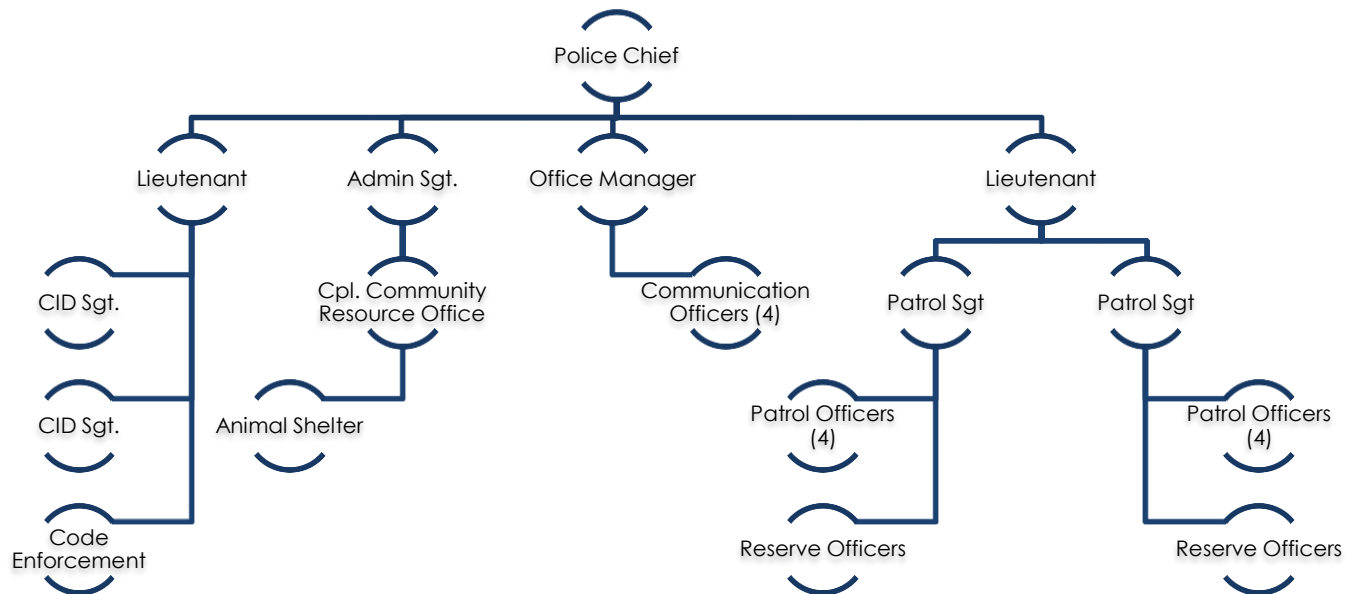
City Council

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 2,720	\$ 231	\$ 0
OTHER SERVICES & CHARGES	3,069	2,838	4,500
TOTAL	\$ 5,789	\$ 3,069	\$ 4,500



Police Department

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 1,205,750	\$ 1,229,310	\$ 1,170,393
SUPPLIES	84,908	90,126	98,520
PROFESSIONAL SERVICES	4,354	40	5,000
MAINTENANCE - EQUIPMENT	69,776	49,384	35,600
OTHER SERVICES & CHARGES	108,998	111,354	135,249
PUBLIC UTILITIES	23,236	18,215	18,200
TOTAL	\$ 1,497,023	\$ 1,498,429	\$ 1,462,962

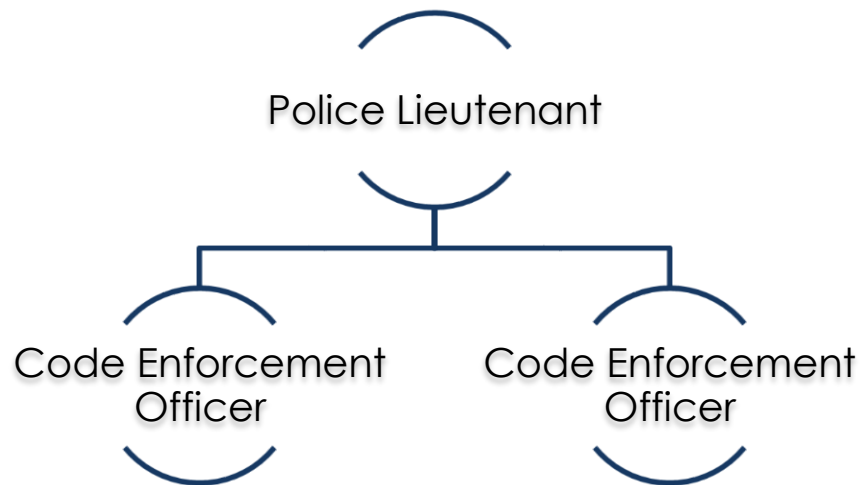


Emergency Management

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 8,661	\$ -	\$ -
SUPPLIES	683	1,065	3,900
MAINTENANCE - EQUIPMENT	3,759	3,356	2,900
OTHER SERVICES & CHARGES	10,464	15,601	17,200
TOTAL	\$ 23,567	\$ 20,021	\$ 24,000

Code Enforcement

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 722	\$ 461	\$ 100,980
SUPPLIES	0	667	2,300
PROFESSIONAL SERVICES	517	19,178	10,000
MAINTENANCE - EQUIPMENT	0	8,150	8,200
OTHER SERVICES & CHARGES	0	2,772	15,437
TOTAL	\$ 1,239	\$ 31,127	\$ 136,917



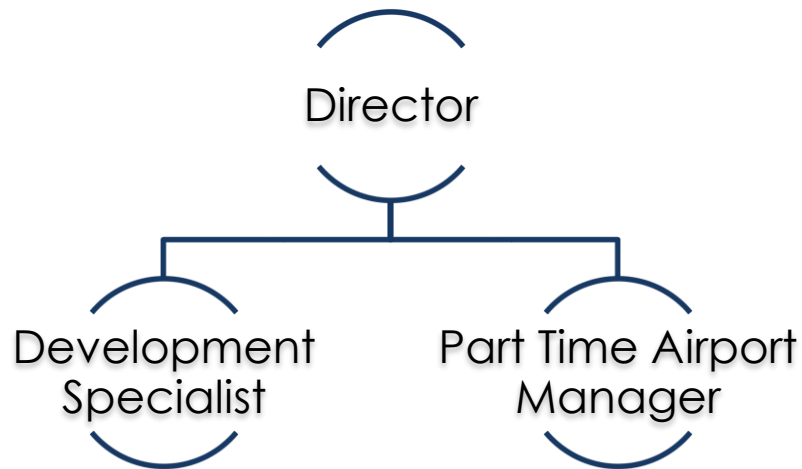
Animal Control

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ -	\$ 1,873	\$ 86,404
SUPPLIES	30,389	36,605	34,350
PROFESSIONAL SERVICES	2,254	7,619	7,000
MAINTENANCE - BUILDING	6,000	6,380	10,000
OTHER SERVICES & CHARGES	0	792	800
PUBLIC UTILITIES	0	5,868	5,500
TOTAL	\$ 38,643	\$ 59,138	\$ 144,054



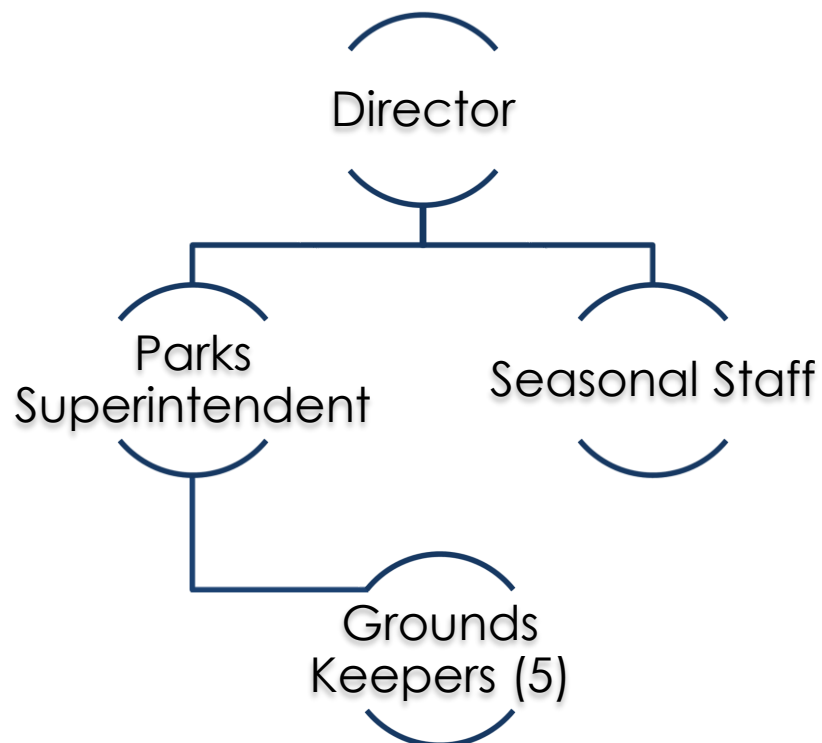
Community Development

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 134,403	\$ 77,409	\$ 143,309
SUPPLIES	2,943	559	800
PROFESSIONAL SERVICES	24,362	101,819	35,000
MAINTENANCE - EQUIPMENT	24,452	10,254	10,203
OTHER SERVICES & CHARGES	16,758	10,529	11,511
PUBLIC UTILITIES	15,695	4,681	7,500
MISCELLANEOUS EXPENSES	0	0	0
TOTAL	\$ 218,613	\$ 205,251	\$ 208,323



Parks & Recreation

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 254,438	\$ 325,963	\$ 310,632
SUPPLIES	21,507	38,656	30,330
MAINTENANCE - BUILDING	3,601	7,622	2,732
MAINTENANCE - EQUIPMENT	26,841	28,373	22,300
OTHER SERVICES & CHARGES	15,719	26,112	32,117
PUBLIC UTILITIES	40,602	33,837	32,400
MISCELLANEOUS EXPENSES	10,000	8,157	2,500
CAPITAL OUTLAY	0	0	0
TOTAL	\$ 372,709	\$ 468,721	\$ 433,011

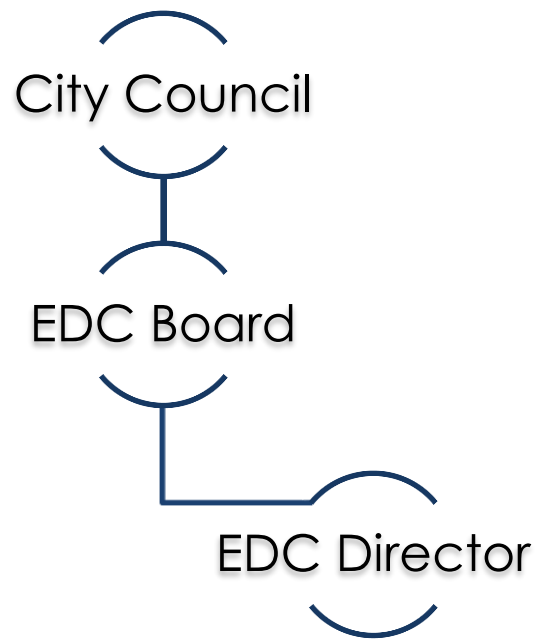


Public Library

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PROFESSIONAL SERVICES	\$ 43,500	\$ 43,500	\$ 43,500
MAINTENANCE - BUILDING	2,898	3,216	4,300
MAINTENANCE - EQUIPMENT	3,656	3,474	3,000
PUBLIC UTILITIES	8,017	6,452	7,650
OTHER SERVICES & CHARGES	0	0	3,000
TOTAL	\$ 58,071	\$ 56,641	\$ 61,450

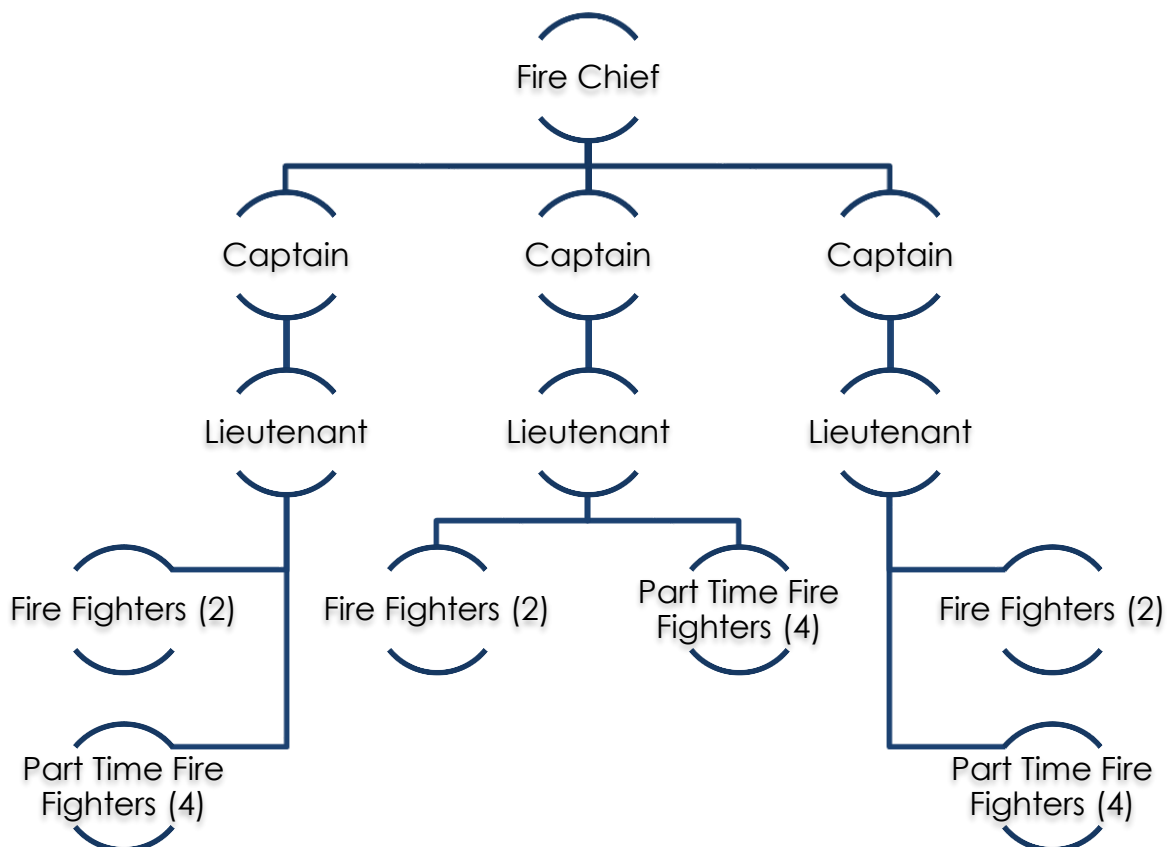
Economic Development

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 74,707	\$ 76,499	\$ 81,785
OTHER SERVICES & CHARGES	4,686	180	0
TOTAL	\$ 79,393	\$ 76,679	\$ 81,785



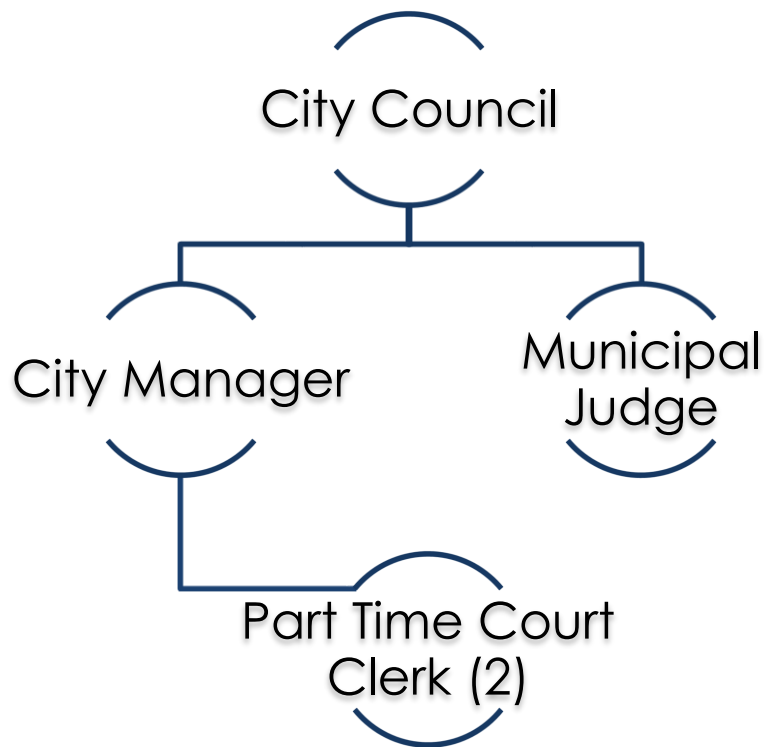
Fire & Emergency Services

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 759,574	\$ 746,339	\$ 792,066
SUPPLIES	44,595	36,701	40,700
PROFESSIONAL SERVICES	16,479	16,457	15,600
MAINTENANCE - BUILDING	211	228	300
MAINTENANCE - EQUIPMENT	42,836	48,154	44,650
OTHER SERVICES & CHARGES	52,869	210,980	82,461
PUBLIC UTILITIES	22,952	16,787	20,200
TOTAL	\$ 939,518	\$ 1,075,647	\$ 995,977



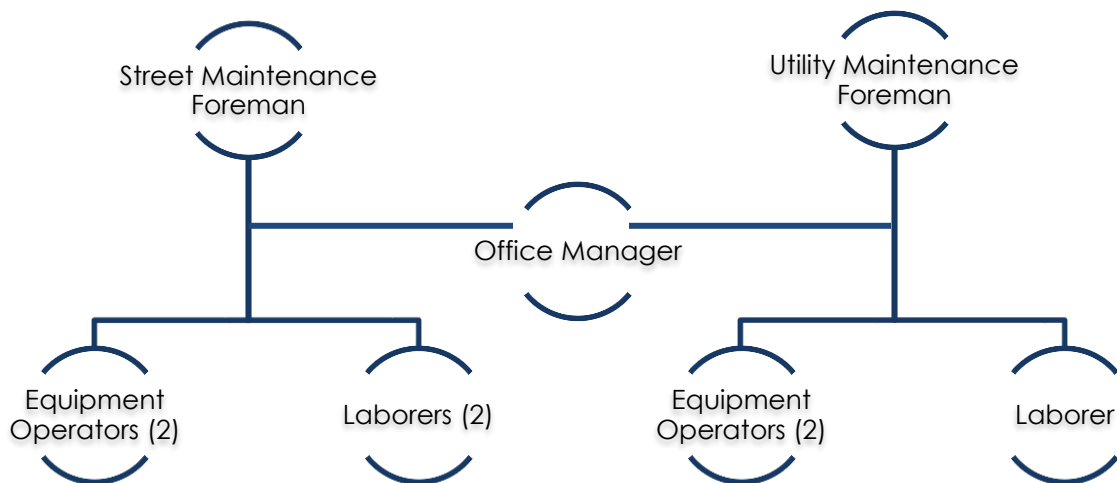
Municipal Court

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 48,556	\$ 37,587	\$ 44,583
SUPPLIES	0	0	800
PROFESSIONAL SERVICES	0	9,531	7,000
MAINTENANCE - EQUIPMENT	2,572	2,807	2,600
OTHER SERVICES	13,511	15,614	10,500
TOTAL	\$ 64,638	\$ 65,537	\$ 65,483



Public Works

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 183,831	\$ 182,044	\$ 484,888
SUPPLIES	28,559	24,533	45,600
MAINTENANCE - BUILDING	95,958	63,411	98,500
MAINTENANCE - EQUIPMENT	67,338	19,988	33,000
OTHER SERVICES & CHARGES	19,923	14,715	57,441
PUBLIC UTILITIES	0	0	6,245
TOTAL	\$ 395,608	\$ 304,691	\$ 725,674



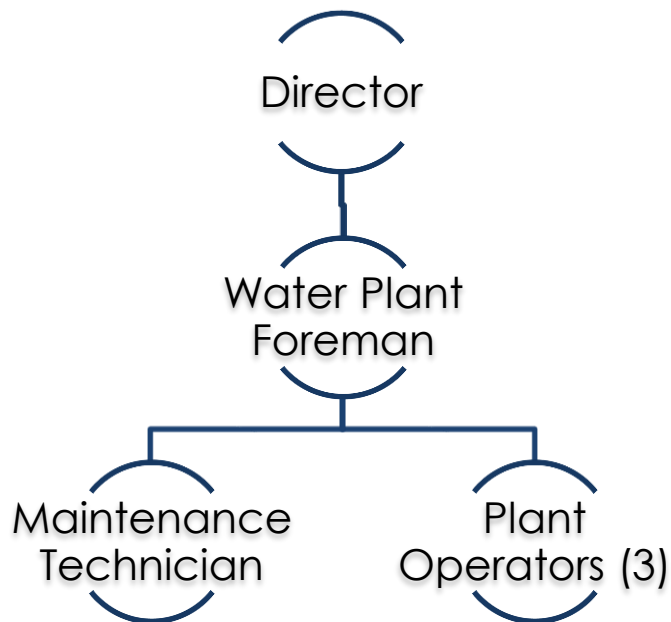
Public Utilities Fund

Utility Services

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 332,802	\$ 325,663	\$ 426,600
SUPPLIES	0	18,745	0
MAINTENANCE - BUILDING	0	56,981	55,000
MAINTENANCE - EQUIPMENT	0	10,942	0
OTHER SERVICES & CHARGES	3,680	33,167	39,563
PUBLIC UTILITIES	0	6,653	0
MISCELLANEOUS EXPENSES	76,760	80,000	230,000
CAPTIAL OUTLAY	826,097	823,747	453,947
TOTAL	\$ 1,239,340	\$ 1,355,898	\$ 1,205,111

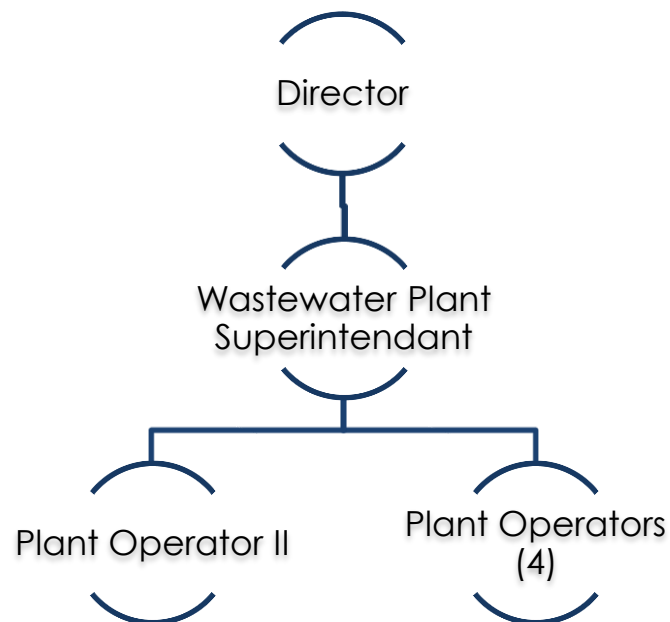
Water Production

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 275,419	\$ 274,778	\$ 312,430
SUPPLIES	80,042	94,968	94,720
PROFESSIONAL SERVICES	15,326	12,760	10,000
MAINTENANCE - BUILDING	78,541	200,897	228,000
MAINTENANCE - EQUIPMENT	26,960	22,179	32,000
OTHER SERVICES & CHARGES	160,163	156,941	185,138
PUBLIC UTILITIES	146,300	181,927	185,000
MISCELLANEOUS EXPENSES	775,040	849,894	766,439
COOPER LAKE EXPENSES	323,660	324,502	325,000
CAPTIAL OUTLAY	0	0	47,622
TOTAL	\$ 1,881,451	\$ 2,118,853	\$ 2,186,350



Wastewater Treatment

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 218,936	\$ 220,728	\$ 243,695
SUPPLIES	32,007	26,989	36,800
PROFESSIONAL SERVICES	10,725	12,150	18,500
MAINTENANCE - BUILDING	50,436	163,303	128,600
MAINTENANCE - EQUIPMENT	11,985	11,748	7,700
OTHER SERVICES & CHARGES	71,500	65,889	71,998
PUBLIC UTILITIES	168,059	115,639	153,700
MISCELLANEOUS EXPENSES	254,942	463,665	370,275
CAPTIAL OUTLAY	0	0	356,629
TOTAL	\$ 818,589	\$ 1,080,111	\$ 1,387,897



Solid Waste Services

	FY 2017 ACTUAL	FY 2018 AMENDED BUDGET	FY 2019 ADOPTED BUDGET
PERSONNEL SERVICES	\$ 19,261	\$ 12,113	\$ 0
PROFESSIONAL SERVICES	919,202	1,010,402	997,500
MISCELLANEOUS EXPENSES	28,584	29,788	30,000
TOTAL	\$ 967,048	\$ 1,052,302	\$ 1,027,500