

CITY OF OVILLA

*Tom Leverentz, Mayor Pro-Tem
Vacant, Place Two
James Wade, Place Three*

Vacant, Mayor

*Doug Hunt, Place Four
Richard Dormier, Place Five
Randy Whiteman, City Administrator*

Ovilla City Council Agenda

105 S. Cockrell Hill Road, Ovilla, TX 75154

Monday, February 27, 2012

7:00 P.M.

Council Chamber Room

Pursuant to the provisions of Chapter 551 VTCA Government Code, NOTICE is hereby given of a Regular Meeting of the City Council of the City of Ovilla, to be held on **Monday, February 27, 2012** at **7:00 P.M.** in the **City Hall Council Chamber Room, 105 S. Cockrell Hill Road, Ovilla, Texas, 75154**, for the purpose of considering the following items.

1. CALL TO ORDER

- ◆ Invocation
- ◆ Pledge of Allegiance

2. COMMENTS, PRESENTATIONS, ANNOUNCEMENTS & REPORTS

Report on the Ovilla Service League Dinner held on February 17, 2012

◆ **Citizen Comments**

The City Council welcomes comments from Citizens. Those wishing to speak must sign in before the meeting begins. Speakers may speak on any topic, whether on the agenda or not. The City Council cannot act upon, discuss issues raised, or make any decision at this time. Speakers under citizen's comments must observe a three-minute time limit. Inquiries regarding matters not listed on the Agenda may be referred to Staff for research and possible future action.

◆ **Department Activity Reports / Discussion**

◆ Finance Department	Accountant S. Jungman
• Monthly Financials	
◆ Administration	City Administrator R. Whiteman
• Lawsuit update	
• Loop 9 update	

3. CONSENT AGENDA

- ◆ Minutes of the February 13, 2012 Regular Council Meeting.
- ◆ Inter-local Cooperation Contract for the lease of Voting Machines between Ellis County and the City of Ovilla.

The following items may be acted upon in one motion. No separate discussion or action is necessary unless requested by a Council Member, in which event those items will be pulled from the consent agenda for individual consideration.

4. REGULAR AGENDA INDIVIDUAL CONSIDERATION

ITEM 1. Discussion/Action – Consider acceptance of the Annual Financial Audit Report for the year ending September 30, 2011, prepared by Yeldell, Wilson and Company C.P.A., P.C.

- Requested by Administrative Staff

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ITEM 2. Discussion/Action – Consider approval of a bank resolution updating authorized signatures.

- Requested by Administrative Staff

ITEM 3. Discussion/Action – Consider proposal from Henry Farrish regarding the additional audio equipment necessary to complete the Council Chamber room.

- Requested by Council

5. EXECUTIVE SESSION

The City Council of the City of Ovilla, Texas, reserves the right to meet in a closed session on any item listed on this Agenda should the need arise, pursuant to authorization by Texas Government Code, Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), 551.087 (economic development), 418.183 (homeland security).

6. Conflict of Interest

If a Council Member elects to refrain from an item(s) on this agenda, please see the City Secretary for an affidavit prior to the convening of the meeting.

7. Council's Request for Consideration of Future Agenda Items

No action or in-depth discussion may occur during this item. It is intended to provide an opportunity for the Council to inform each other and the public about events and situations that are of general interest.

8. Adjournment

This is to certify that a copy of the Notice of the Regular City Council Meeting for February 27, 2012, was posted on the bulletin board at City Hall, 105 S. Cockrell Hill Road, Ovilla, on the 24th day of February 2012 prior to 6:00 p.m.



Pamela Woodall
City Secretary

CERTIFICATION: I hereby certify that the Ovilla City Council Agenda was removed from the City Hall Bulletin Board, located at 105 S. Cockrell Hill Road, Ovilla, TX 75154, (a place accessible to the public at all times) on the _____ day of _____ 2012, at _____ am/pm, after having been posted for at least 72 continuous hours preceding the scheduled time of the posted meeting.

Pam Woodall, City Secretary

IF YOU OR YOUR REPRESENTATIVE HAVE A DISABILITY THAT REQUIRES SPECIAL ARRANGEMENTS AND YOU PLAN TO ATTEND THIS PUBLIC MEETING, PLEASE CALL THE CITY SECRETARY AT 972-617-7262 WITHIN 24 HOURS OF THE MEETING. REASONABLE ACCOMMODATIONS WILL BE MADE TO MEET YOUR NEEDS AT THE MEETING. PLEASE SILENCE ALL PAGERS, CELL PHONES & OTHER ELECTRONIC EQUIPMENT WHILE THE CITY COUNCIL MEETING IS IN SESSION.



DATE: 02-27-2012

TO: Honorable Mayor and Council Members

FROM: Sharon Jungman

**SUBJECT: Financial Statements
As of January 31, 2012**

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
 October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
Income				34%
4000100 · Taxes				
4000105 · Ad Valorem, Current	1,030,481.13	1,210,000.00	(179,518.87)	85.16%
4000110 · Ad Valorem, Delinquent	5,938.26	15,000.00	(9,061.74)	39.59%
4000113 · Interest/Penalties - Prop Tax	1,366.25	11,000.00	(9,633.75)	12.42%
4000120 · Sales Tax	50,882.52	130,000.00	(79,117.48)	39.14%
4000125 · Sales Tax - Street Improvement	12,720.63	32,000.00	(19,279.37)	39.75%
4000130 · Franchise Tax	14,425.00	142,000.00	(127,575.00)	10.16%
Total 4000100 · Taxes	1,115,813.79	1,540,000.00	(424,186.21)	72.46%
4000200 · Licenses and Permits				
4000208 · Building Permits				
4000210 · Residential Building Permits	3,419.91	2,500.00	919.91	136.8%
4000213 · Fire Inspection Permits	300.00	0.00	300.00	100.0%
4000214 · Misc Building Permits	2,461.15	14,000.00	(11,538.85)	17.58%
Total 4000208 · Building Permits	6,181.06	16,500.00	(10,318.94)	37.46%
4000230 · Plan Review Fee	992.37	4,000.00	(3,007.63)	24.81%
4000260 · Alarm Permits	180.00	1,500.00	(1,320.00)	12.0%
4000270 · Animal Tag Fees	1,582.00	1,000.00	582.00	158.2%
4000272 · Impound Fees	610.00	2,000.00	(1,390.00)	30.5%
4000290 · Misc Licenses and Permits	285.00	2,000.00	(1,715.00)	14.25%
Total 4000200 · Licenses and Permits	9,830.43	27,000.00	(17,169.57)	36.41%
4000400 · Charges for Services				
4000325 · ESD #2	0.00	110,000.00	(110,000.00)	0.0%
4000330 · ESD #4	19,033.62	40,000.00	(20,966.38)	47.58%
4000411 · Copies and Maps	44.15	50.00	(5.85)	88.3%
4000415 · Police Reports	48.00	100.00	(52.00)	48.0%
4000420 · Park Lights	0.00	500.00	(500.00)	0.0%
4000440 · Oak Leaf Animal Control	921.00	1,000.00	(79.00)	92.1%
4000480 · Solid Waste (Garbage)	65,408.92	200,760.00	(135,351.08)	32.58%
4000490 · Misc Charges for Services	1,293.28	2,000.00	(706.72)	64.66%
Total 4000400 · Charges for Services	86,748.97	354,410.00	(267,661.03)	24.48%
4000500 · Fines and Forfeitures				
4000510 · Fines - Police	24,406.29	83,000.00	(58,593.71)	29.41%
4000520 · Fines - Animal Control	0.00	3,000.00	(3,000.00)	0.0%
4000525 · Fines - Code Enforcement	613.00	2,500.00	(1,887.00)	24.52%
4000590 · Misc Fines and Forfeitures	121.04	150.00	(28.96)	80.69%
Total 4000500 · Fines and Forfeitures	25,140.33	88,650.00	(63,509.67)	28.36%
4000800 · Other Revenue				
4000810 · Heritage Day	1,270.00	2,500.00	(1,230.00)	50.8%
4000818 · Lease Proceeds	0.00	1,175.00	(1,175.00)	0.0%
4000820 · Water Tower Lease	21,569.31	80,716.00	(59,146.69)	26.72%
4000840 · Interest Earned	840.69	500.00	340.69	168.14%

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	24,264.86	90,906.00	(66,641.14)	34%
4000870 · Insurance Proceeds	159.59	0.00	159.59	100.0%
4000887 · HOA Revenue	0.00	1,015.00	(1,015.00)	0.0%
4000890 · Misc Other Revenue	425.27	5,000.00	(4,574.73)	8.51%
Total 4000800 · Other Revenue	24,264.86	90,906.00	(66,641.14)	26.69%
 4000900 · Transfers In				
4000925 · Transfer In - 4B-EDC	0.00	2,500.00	(2,500.00)	0.0%
4000930 · Transfer In From W&S Fund	0.00	121,972.00	(121,972.00)	0.0%
4000940 · Transfer in MDD Fund	0.00	500.00	(500.00)	0.0%
Total 4000900 · Transfers In	0.00	124,972.00	(124,972.00)	0.0%
 Total Income	 1,261,798.38	 2,225,938.00	 (964,139.62)	 56.69%
 Gross Profit	 1,261,798.38	 2,225,938.00	 (964,139.62)	 56.69%
 Expense				
10 · Administration				
5101100 · Salaries & Wages				
5101110 · City Administrator	20,578.79	62,034.00	(41,455.21)	33.17%
5101115 · City Secretary	10,533.40	32,075.00	(21,541.60)	32.84%
5101117 · City Accountant	11,078.58	34,625.00	(23,546.42)	32.0%
5101120 · Part Time- Admin. Support	2,305.85	7,566.00	(5,260.15)	30.48%
Total 5101100 · Salaries & Wages	44,496.62	136,300.00	(91,803.38)	32.65%
5102100 · Employee Benefits				
5102110 · Group Insurance	5,613.52	19,480.00	(13,866.48)	28.82%
5102135 · TMRS	2,729.28	8,750.00	(6,020.72)	31.19%
5102160 · Worker's Compensation	309.00	475.00	(166.00)	65.05%
5102170 · Payroll Taxes	936.86	3,250.00	(2,313.14)	28.83%
5102180 · Unemployment Taxes	0.00	1,000.00	(1,000.00)	0.0%
5102196 · Indiv. Membership Dues	377.00	600.00	(223.00)	62.83%
Total 5102100 · Employee Benefits	9,965.66	33,555.00	(23,589.34)	29.7%
5102200 · Special Services				
5102210 · Tax Assessing & Collecting Fees	1,757.00	1,600.00	157.00	109.81%
5102220 · Tax Appraisal Fee	1,505.58	17,000.00	(15,494.42)	8.86%
5102230 · Legal Fees	6,831.02	30,000.00	(23,168.98)	22.77%
5102240 · Audit	4,425.00	6,120.00	(1,695.00)	72.3%
5102250 · Accounting	0.00	1,500.00	(1,500.00)	0.0%
5102260 · Engineering Fees	0.00	1,000.00	(1,000.00)	0.0%
Total 5102200 · Special Services	14,518.60	57,220.00	(42,701.40)	25.37%
5102300 · Contractual Services				
5102310 · Consultant Fees	0.00	20,000.00	(20,000.00)	0.0%
Total 5102300 · Contractual Services	0.00	20,000.00	(20,000.00)	0.0%
 5102500 · Operating Services				

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
 October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	Oct '11 - Jan 12	Budget	\$ Over Budget	34%
5102530 · Custodial Service Contract	1,060.00	3,200.00	(2,140.00)	33.13%
Total 5102500 · Operating Services	1,060.00	3,200.00	(2,140.00)	33.13%
 5102600 · Special Expenses				
5102610 · Election - Payroll	0.00	600.00	(600.00)	0.0%
5102620 · Election - Supplies	334.42	2,200.00	(1,865.58)	15.2%
5102630 · Election Meeting Expense	0.00	100.00	(100.00)	0.0%
5102650 · Codification Book Update	350.00	2,000.00	(1,650.00)	17.5%
Total 5102600 · Special Expenses	684.42	4,900.00	(4,215.58)	13.97%
 5103100 · General Supplies				
5103110 · Office Supplies	1,135.56	7,000.00	(5,864.44)	16.22%
5103140 · Uniforms	54.00	300.00	(246.00)	18.0%
Total 5103100 · General Supplies	1,189.56	7,300.00	(6,110.44)	16.3%
 5103400 · Maintenance Supplies / Parts				
5103410 · Supplies - Custodial	322.63	1,500.00	(1,177.37)	21.51%
5103440 · Maintenance Agreement Expense	0.00	900.00	(900.00)	0.0%
5103460 · Miscellaneous	0.00	200.00	(200.00)	0.0%
Total 5103400 · Maintenance Supplies / Parts	322.63	2,600.00	(2,277.37)	12.41%
 5104200 · Travel Expenses				
5104210 · Travel - Local	120.52	500.00	(379.48)	24.1%
5104220 · Professional Development	427.50	5,000.00	(4,572.50)	8.55%
5104222 · Professional Develop - Council	1,006.93	350.00	656.93	287.69%
5104225 · City Council Meal Expense	0.00	400.00	(400.00)	0.0%
5104230 · Professional Develop - In-House	29.81	100.00	(70.19)	29.81%
Total 5104200 · Travel Expenses	1,584.76	6,350.00	(4,765.24)	24.96%
 5105200 · Data Processing Expenses				
5105230 · Data Proc-Maintenance & Repair	1,081.48	4,500.00	(3,418.52)	24.03%
5105240 · Data Processing - Software	5,561.86	11,350.00	(5,788.14)	49.0%
Total 5105200 · Data Processing Expenses	6,643.34	15,850.00	(9,206.66)	41.91%
 5105300 · Printing Expense				
5105310 · Copier Expense	766.08	5,000.00	(4,233.92)	15.32%
5105320 · Printing - Newsletters	1,102.96	4,800.00	(3,697.04)	22.98%
5105330 · Printing - Forms	137.00	1,800.00	(1,663.00)	7.61%
5105350 · Printing - Other	0.00	500.00	(500.00)	0.0%
Total 5105300 · Printing Expense	2,006.04	12,100.00	(10,093.96)	16.58%
 5105400 · Utilities				
5105410 · Telephone	390.47	1,200.00	(809.53)	32.54%
5105415 · Cellular Phone	329.69	1,000.00	(670.31)	32.97%
5105417 · Internet	240.29	750.00	(509.71)	32.04%
5105450 · Electricity	17,815.61	70,000.00	(52,184.39)	25.45%
Total 5105400 · Utilities	18,776.06	72,950.00	(54,173.94)	25.74%

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
5105500 · Repairs & Bldg Improvements				34%
5105520 · Repairs - Buildings	1,406.53	3,500.00	(2,093.47)	40.19%
5105540 · Repairs - Machinery & Equipment	0.00	1,000.00	(1,000.00)	0.0%
5105590 · Repairs - Other	135.00	500.00	(365.00)	27.0%
Total 5105500 · Repairs & Bldg Improvements	1,541.53	5,000.00	(3,458.47)	30.83%
5105600 · Insurance				
5105610 · Insurance - Property	1,146.00	2,500.00	(1,354.00)	45.84%
5105620 · Insurance - Liability	242.50	780.00	(537.50)	31.09%
5105630 · Insurance - Fidelity Bond	375.00	250.00	125.00	150.0%
5105635 · Public Officials Surety Bonds	0.00	900.00	(900.00)	0.0%
Total 5105600 · Insurance	1,763.50	4,430.00	(2,666.50)	39.81%
5105700 · Other Expenses				
5105705 · Postage	597.39	6,000.00	(5,402.61)	9.96%
5105710 · Cash - Over/Short	0.00	10.00	(10.00)	0.0%
5105725 · Records Management Expense	0.00	1,000.00	(1,000.00)	0.0%
5105730 · City - Memberships	1,345.00	2,100.00	(755.00)	64.05%
5105740 · Advertising	723.29	5,000.00	(4,276.71)	14.47%
5105752 · Pre-Employment Screening	0.00	300.00	(300.00)	0.0%
5105760 · Bank Service Charge	5.00	25.00	(20.00)	20.0%
5105764 · Filing Fees	0.00	250.00	(250.00)	0.0%
5105765 · Miscellaneous	129.57	2,000.00	(1,870.43)	6.48%
Total 5105700 · Other Expenses	2,800.25	16,685.00	(13,884.75)	16.78%
5106400 · Minor Capital Outlay				
5106440 · Machinery & Equipment	0.00	1,000.00	(1,000.00)	0.0%
5106465 · Furniture	0.00	500.00	(500.00)	0.0%
Total 5106400 · Minor Capital Outlay	0.00	1,500.00	(1,500.00)	0.0%
5107400 · Capitalized Assets				
5107440 · Machinery & Equipment	0.00	1,000.00	(1,000.00)	0.0%
5107470 · Audio & Visual Equipment	6,442.77	5,000.00	1,442.77	128.86%
Total 5107400 · Capitalized Assets	6,442.77	6,000.00	442.77	107.38%
5109000 · Reserves				
5109001 · Reserve for Contingency	0.00	86,561.00	(86,561.00)	0.0%
Total 5109000 · Reserves	0.00	86,561.00	(86,561.00)	0.0%
Total 10 · Administration	113,795.74	492,501.00	(378,705.26)	23.11%
20 · Police				
5201100 · Salaries & Wages				
5201120 · Police Chief	18,381.89	60,046.00	(41,664.11)	30.61%
5201143 · Command Staff	14,380.63	47,004.00	(32,623.37)	30.59%
5201150 · Certification Pay	738.40	2,400.00	(1,661.60)	30.77%

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	33,500.92	109,450.00	(75,949.08)	34%
Total 5201100 · Salaries & Wages	33,500.92	109,450.00	(75,949.08)	30.61%
5201400 · Support Salaries				
5201405 · Support Staff	6,454.42	21,337.00	(14,882.58)	30.25%
5201410 · Patrol	70,978.30	235,978.00	(164,999.70)	30.08%
5201415 · Certification Pay	888.50	5,500.00	(4,611.50)	16.16%
5201490 · Overtime	909.98	9,600.00	(8,690.02)	9.48%
Total 5201400 · Support Salaries	79,231.20	272,415.00	(193,183.80)	29.09%
5202100 · Employee Benefits				
5202110 · Group Insurance	11,806.37	79,000.00	(67,193.63)	14.95%
5202135 · TMRS	5,696.18	18,650.00	(12,953.82)	30.54%
5202160 · Worker's Compensation	4,155.00	8,500.00	(4,345.00)	48.88%
5202170 · Payroll Taxes	1,529.58	5,300.00	(3,770.42)	28.86%
5202196 · Membership Dues	0.00	315.00	(315.00)	0.0%
Total 5202100 · Employee Benefits	23,187.13	111,765.00	(88,577.87)	20.75%
5202300 · Contractual Services				
5202355 · Contract Labor - Individual	12.50	500.00	(487.50)	2.5%
5202356 · Gingerbread House	0.00	1,000.00	(1,000.00)	0.0%
5202380 · Dispatch	6,197.50	13,550.00	(7,352.50)	45.74%
Total 5202300 · Contractual Services	6,210.00	15,050.00	(8,840.00)	41.26%
5202500 · Operating Services				
5202540 · Computer Maintenance	93.75	500.00	(406.25)	18.75%
5202560 · Internet Subscriptions	0.00	350.00	(350.00)	0.0%
Total 5202500 · Operating Services	93.75	850.00	(756.25)	11.03%
5202600 · Special Expenses				
5202675 · National Night Out	279.12	500.00	(220.88)	55.82%
Total 5202600 · Special Expenses	279.12	500.00	(220.88)	55.82%
5203100 · General Supplies				
5203110 · Office Supplies	467.09	1,500.00	(1,032.91)	31.14%
5203140 · Uniforms	647.65	1,400.00	(752.35)	46.26%
5203170 · Evidence Gathering	0.00	300.00	(300.00)	0.0%
Total 5203100 · General Supplies	1,114.74	3,200.00	(2,085.26)	34.84%
5203400 · Maintenance Supplies & Parts				
5203410 · Supplies - Custodial	55.45	500.00	(444.55)	11.09%
Total 5203400 · Maintenance Supplies & Parts	55.45	500.00	(444.55)	11.09%
5204200 · Travel Expenses				
5204210 · Travel - Local	5.00	300.00	(295.00)	1.67%
5204220 · Professional Development	0.00	500.00	(500.00)	0.0%
5204270 · Vehicle Expenses	6,152.32	22,000.00	(15,847.68)	27.97%
Total 5204200 · Travel Expenses	6,157.32	22,800.00	(16,642.68)	27.01%

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
5205200 · Data Processing Expenses				34%
5205220 · Data Proc - Equipment Rental	0.00	400.00	(400.00)	0.0%
5205240 · Data Processing - Software	18,326.00	17,850.00	476.00	102.67%
Total 5205200 · Data Processing Expenses	18,326.00	18,250.00	76.00	100.42%
5205300 · Printing Expenses				
5205310 · Copier Expense	432.88	1,500.00	(1,067.12)	28.86%
5205330 · Printing - Forms	0.00	600.00	(600.00)	0.0%
5205350 · Printing - Other	128.49	400.00	(271.51)	32.12%
Total 5205300 · Printing Expenses	561.37	2,500.00	(1,938.63)	22.46%
5205400 · Utilities				
5205410 · Telephone	420.51	1,400.00	(979.49)	30.04%
5205415 · Cellular Phone	460.90	1,700.00	(1,239.10)	27.11%
5205417 · Internet - PD	300.36	950.00	(649.64)	31.62%
5205420 · Wireless Cards	763.08	2,350.00	(1,586.92)	32.47%
Total 5205400 · Utilities	1,944.85	6,400.00	(4,455.15)	30.39%
5205500 · Repairs & Building Improvements				
5205520 · Repairs - Building	34.95	300.00	(265.05)	11.65%
5205540 · Repairs- Machinery & Equipment	295.00	700.00	(405.00)	42.14%
5205550 · Repairs - Vehicles	1,743.61	7,500.00	(5,756.39)	23.25%
Total 5205500 · Repairs & Building Improvements	2,073.56	8,500.00	(6,426.44)	24.4%
5205600 · Insurance				
5205610 · Insurance - Property	725.00	1,060.00	(335.00)	68.4%
5205620 · Insurance - Liability	2,534.50	5,400.00	(2,865.50)	46.94%
5205640 · Insurance - Vehicle	1,175.00	2,500.00	(1,325.00)	47.0%
Total 5205600 · Insurance	4,434.50	8,960.00	(4,525.50)	49.49%
5205700 · Other Expenses				
5205752 · Pre-Employment Screening	0.00	600.00	(600.00)	0.0%
5205742 · Public Relations	12.00	400.00	(388.00)	3.0%
5205765 · Miscellaneous	124.19	1,500.00	(1,375.81)	8.28%
Total 5205700 · Other Expenses	136.19	2,500.00	(2,363.81)	5.45%
5206400 · Minor Capital Outlay				
5206440 · Machinery & Equipment	130.65	650.00	(519.35)	20.1%
5206445 · Personal Protective Equipment	0.00	2,000.00	(2,000.00)	0.0%
Total 5206400 · Minor Capital Outlay	130.65	2,650.00	(2,519.35)	4.93%
5207400 · Capitalized Assets				
5207440 · Machinery & Equipment	0.00	1,000.00	(1,000.00)	0.0%
5207450 · Vehicles	12,090.97	12,370.00	(279.03)	97.74%
Total 5207400 · Capitalized Assets	12,090.97	13,370.00	(1,279.03)	90.43%

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
 October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
Total 20 · Police	189,527.72	599,660.00	(410,132.28)	31.61%
25 · Municipal Court				
5251100 · Salaries & Wages				
5251140 · Municipal Judge	1,760.00	5,280.00	(3,520.00)	33.33%
Total 5251100 · Salaries & Wages	1,760.00	5,280.00	(3,520.00)	33.33%
5251400 · Support Staff				
5251405 · Support Staff	8,438.40	27,945.00	(19,506.60)	30.2%
5251420 · Jury Fees	0.00	108.00	(108.00)	0.0%
5251425 · City Prosecutor	2,302.13	5,000.00	(2,697.87)	46.04%
5251490 · Overtime	237.78	1,000.00	(762.22)	23.78%
Total 5251400 · Support Staff	10,978.31	34,053.00	(23,074.69)	32.24%
5252100 · Employee Benefits				
5252110 · Group Insurance	2,163.96	6,492.00	(4,328.04)	33.33%
5252135 · TMRS	452.03	1,450.00	(997.97)	31.17%
5252160 · Worker's Compensation	54.00	125.00	(71.00)	43.2%
5252170 · Payroll Taxes	118.08	410.00	(291.92)	28.8%
5252196 · Membership Dues	0.00	80.00	(80.00)	0.0%
Total 5252100 · Employee Benefits	2,788.07	8,557.00	(5,768.93)	32.58%
5252300 · Contractual Services				
5252375 · Traffic Fines	17,530.48	34,000.00	(16,469.52)	51.56%
Total 5252300 · Contractual Services	17,530.48	34,000.00	(16,469.52)	51.56%
5252500 · Operating Services				
5252540 · Computer Maintenance	0.00	150.00	(150.00)	0.0%
Total 5252500 · Operating Services	0.00	150.00	(150.00)	0.0%
5253100 · General Supplies				
5253110 · Office Supplies	0.00	75.00	(75.00)	0.0%
5253140 · Uniforms	15.00	50.00	(35.00)	30.0%
Total 5253100 · General Supplies	15.00	125.00	(110.00)	12.0%
5254200 · Travel Expenses				
5254210 · Travel - Local	0.00	25.00	(25.00)	0.0%
5254220 · Professional Development	0.00	50.00	(50.00)	0.0%
Total 5254200 · Travel Expenses	0.00	75.00	(75.00)	0.0%
5255200 · Data Processing Expenses				
5255240 · Data Processing - SW Maint.	1,606.35	1,670.00	(63.65)	96.19%
Total 5255200 · Data Processing Expenses	1,606.35	1,670.00	(63.65)	96.19%
5255300 · Printing Expense				
5255350 · Printing - Other	98.95	200.00	(101.05)	49.48%

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
 October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	98.95	200.00	(101.05)	34%
Total 5255300 · Printing Expense	98.95	200.00	(101.05)	49.48%
5255600 · Insurance				
5255620 · Insurance - Liability	125.00	275.00	(150.00)	45.46%
5255630 · Insurance - Fidelity Bond	0.00	50.00	(50.00)	0.0%
Total 5255600 · Insurance	125.00	325.00	(200.00)	38.46%
5255700 · Other Expenses				
5255752 · Pre-Employment Screening	0.00	100.00	(100.00)	0.0%
5255765 · Miscellaneous	0.00	75.00	(75.00)	0.0%
Total 5255700 · Other Expenses	0.00	175.00	(175.00)	0.0%
Total 25 · Municipal Court	34,902.16	84,610.00	(49,707.84)	41.25%
30 · Fire				
5301100 · Salaries & Wages				
5301125 · Fire Chief	17,327.33	56,632.00	(39,304.67)	30.6%
5301130 · Asst. Fire Chief	9,493.09	32,068.00	(22,574.91)	29.6%
Total 5301100 · Salaries & Wages	26,820.42	88,700.00	(61,879.58)	30.24%
5301400 · Support Salaries				
5301440 · Firefighters	50,036.66	126,000.00	(75,963.34)	39.71%
5301485 · Volunteer Incentive Program	3,340.00	14,000.00	(10,660.00)	23.86%
Total 5301400 · Support Salaries	53,376.66	140,000.00	(86,623.34)	38.13%
5302100 · Employee Benefits				
5302110 · Group Insurance	1,400.00	6,500.00	(5,100.00)	21.54%
5302135 · TMRS	1,398.50	4,550.00	(3,151.50)	30.74%
5302137 · Volunteer Retirement	900.00	4,500.00	(3,600.00)	20.0%
5302160 · Worker's Compensation	4,069.50	8,100.00	(4,030.50)	50.24%
5302170 · Payroll Taxes	4,072.96	11,900.00	(7,827.04)	34.23%
5302196 · Membership Dues	1,540.00	2,500.00	(960.00)	61.6%
Total 5302100 · Employee Benefits	13,380.96	38,050.00	(24,669.04)	35.17%
5302300 · Contractual Services				
5302310 · Consultant Fees	1,250.00	1,600.00	(350.00)	78.13%
5302380 · Dispatch	6,197.50	11,525.00	(5,327.50)	53.77%
5302385 · Emergency Transport Service	30,636.00	59,410.00	(28,774.00)	51.57%
Total 5302300 · Contractual Services	38,083.50	72,535.00	(34,451.50)	52.5%
5302500 · Operating Services				
5302510 · Maintenance Agreements	2,022.35	12,005.00	(9,982.65)	16.85%
5302540 · Computer Maintenance	0.00	2,000.00	(2,000.00)	0.0%
5302570 · Warning System Maintenance	780.00	730.00	50.00	106.85%
5302580 · Generator Maintenance	0.00	1,650.00	(1,650.00)	0.0%
Total 5302500 · Operating Services	2,802.35	16,385.00	(13,582.65)	17.1%

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
 October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
5302600 · Special Expenses				34%
5302675 · National Night Out	289.56	500.00	(210.44)	57.91%
Total 5302600 · Special Expenses	289.56	500.00	(210.44)	57.91%
5303100 · General Supplies				
5303110 · Office Supplies	702.25	2,000.00	(1,297.75)	35.11%
5303140 · Uniforms	1,757.81	4,000.00	(2,242.19)	43.95%
5303160 · Medical Supplies	2,031.94	7,000.00	(4,968.06)	29.03%
5303165 · Medical Support	118.56	1,000.00	(881.44)	11.86%
5303170 · Evidence Gathering	0.00	250.00	(250.00)	0.0%
5303175 · Education Aids	0.00	250.00	(250.00)	0.0%
Total 5303100 · General Supplies	4,610.56	14,500.00	(9,889.44)	31.8%
5303400 · Maintenance Supplies & Parts				
5303410 · Supplies - Custodial	94.70	1,400.00	(1,305.30)	6.76%
5303420 · Building Alarm Maintenance	0.00	420.00	(420.00)	0.0%
Total 5303400 · Maintenance Supplies & Parts	94.70	1,820.00	(1,725.30)	5.2%
5304200 · Travel Expenses				
5304220 · Professional Development	250.00	4,500.00	(4,250.00)	5.56%
5304240 · Medical Training	0.00	1,000.00	(1,000.00)	0.0%
5304270 · Vehicle Expenses	3,447.28	12,000.00	(8,552.72)	28.73%
Total 5304200 · Travel Expenses	3,697.28	17,500.00	(13,802.72)	21.13%
5305200 · Data Processing Expenses				
5305230 · Data Proc-Maintenance & Repair	0.00	1,250.00	(1,250.00)	0.0%
5305240 · Data Processing - Software	1,783.00	2,850.00	(1,067.00)	62.56%
Total 5305200 · Data Processing Expenses	1,783.00	4,100.00	(2,317.00)	43.49%
5305300 · Printing Expense				
5305310 · Copier Expense	960.86	3,300.00	(2,339.14)	29.12%
5305330 · Printing - Forms	0.00	200.00	(200.00)	0.0%
Total 5305300 · Printing Expense	960.86	3,500.00	(2,539.14)	27.45%
5305400 · Utilities				
5305410 · Telephone	744.57	2,100.00	(1,355.43)	35.46%
5305415 · Cellular Phone	1,421.09	4,000.00	(2,578.91)	35.53%
5305417 · Internet - Fire Dept.	540.65	1,750.00	(1,209.35)	30.89%
5305430 · Natural Gas	532.77	2,200.00	(1,667.23)	24.22%
Total 5305400 · Utilities	3,239.08	10,050.00	(6,810.92)	32.23%
5305500 · Repairs & Bldg Improvements				
5305520 · Repairs - Building	1,983.53	5,000.00	(3,016.47)	39.67%
5305540 · Repairs - Machinery & Equipment	2,330.57	19,500.00	(17,169.43)	11.95%
5305545 · Repairs - Apparatus	1,218.05	12,000.00	(10,781.95)	10.15%
5305550 · Repairs - Vehicles	424.39	4,000.00	(3,575.61)	10.61%

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	Oct '11 - Jan 12	Budget	\$ Over Budget	34%
Total 5305500 · Repairs & Bldg Improvements	5,956.54	40,500.00	(34,543.46)	14.71%
5305600 · Insurance				
5305610 · Insurance - Property	26.50	75.00	(48.50)	35.33%
5305620 · Insurance - Liability	10,060.00	8,960.00	1,100.00	112.28%
5305640 · Insurance - Vehicle	5,127.94	11,718.00	(6,590.06)	43.76%
Total 5305600 · Insurance	15,214.44	20,753.00	(5,538.56)	73.31%
5305700 · Other Expenses				
5305705 · Postage	0.00	200.00	(200.00)	0.0%
5305752 · Pre-Employment Screening	335.00	0.00	335.00	100.0%
5305765 · Flags & Miscellaneous	0.00	500.00	(500.00)	0.0%
5305770 · Matching Fire Grant Expense	0.00	400.00	(400.00)	0.0%
Total 5305700 · Other Expenses	335.00	1,100.00	(765.00)	30.46%
5306400 · Minor Capital Outlay				
5306440 · Machinery & Equipment	5,055.07	11,000.00	(5,944.93)	45.96%
5306445 · Personal Protective Equipment	9,837.80	10,500.00	(662.20)	93.69%
Total 5306400 · Minor Capital Outlay	14,892.87	21,500.00	(6,607.13)	69.27%
Total 30 · Fire	185,537.78	491,493.00	(305,955.22)	37.75%
40 · Community Services				
 5401100 · Salaries & Wages				
5401135 · ACO/Code Enforcement Officer	10,436.10	34,200.00	(23,763.90)	30.52%
5401190 · Overtime	32.34	150.00	(117.66)	21.56%
 Total 5401100 · Salaries & Wages	10,468.44	34,350.00	(23,881.56)	30.48%
 5402100 · Employee Benefits				
5402110 · Group Insurance	1,400.00	6,492.00	(5,092.00)	21.57%
5402135 · TMRS	544.17	1,450.00	(905.83)	37.53%
5402160 · Worker's Compensation	154.50	325.00	(170.50)	47.54%
5402170 · Payroll Taxes	162.44	500.00	(337.56)	32.49%
5402190 · License	95.00	200.00	(105.00)	47.5%
 Total 5402100 · Employee Benefits	2,356.11	8,967.00	(6,610.89)	26.28%
 5402300 · Contractual Services				
5402315 · Contract Building Inspections	2,863.26	10,500.00	(7,636.74)	27.27%
5402370 · Impound Fees	495.00	2,000.00	(1,505.00)	24.75%
 Total 5402300 · Contractual Services	3,358.26	12,500.00	(9,141.74)	26.87%
 5402500 · Operating Services				
5402540 · Computer Maintenance	0.00	100.00	(100.00)	0.0%
 Total 5402500 · Operating Services	0.00	100.00	(100.00)	0.0%
 5402600 · Special Expenses				
5402685 · Clean up Day	0.00	100.00	(100.00)	0.0%

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
 October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	Oct '11 - Jan 12	Budget	\$ Over Budget	34%
Total 5402600 · Special Expenses	0.00	100.00	(100.00)	0.0%
 5403100 · General Supplies				
5403110 · Office Supplies	83.15	125.00	(41.85)	66.52%
5403120 · Animal Care	0.00	150.00	(150.00)	0.0%
5403122 · Pet Supplies	0.00	100.00	(100.00)	0.0%
5403140 · Uniforms	261.03	350.00	(88.97)	74.58%
Total 5403100 · General Supplies	344.18	725.00	(380.82)	47.47%
 5403400 · Maintenance Supplies & Parts				
5403460 · Miscellaneous	0.00	100.00	(100.00)	0.0%
Total 5403400 · Maintenance Supplies & Parts	0.00	100.00	(100.00)	0.0%
 5404200 · Travel Expenses				
5404210 · Travel - Local	0.00	25.00	(25.00)	0.0%
5404220 · Professional Development	0.00	200.00	(200.00)	0.0%
5404270 · Vehicle Expenses	380.25	1,400.00	(1,019.75)	27.16%
Total 5404200 · Travel Expenses	380.25	1,625.00	(1,244.75)	23.4%
 5405200 · Data Processing Expenses				
5405230 · Data Proc-Maintenance & Repairs	0.00	100.00	(100.00)	0.0%
Total 5405200 · Data Processing Expenses	0.00	100.00	(100.00)	0.0%
 5405300 · Printing Expense				
5405330 · Printing - Forms	0.00	150.00	(150.00)	0.0%
Total 5405300 · Printing Expense	0.00	150.00	(150.00)	0.0%
 5405400 · Utilities				
5405415 · Cellular Phone	345.54	675.00	(329.46)	51.19%
Total 5405400 · Utilities	345.54	675.00	(329.46)	51.19%
 5405600 · Insurance				
5405610 · Insurance - Property	5.50	35.00	(29.50)	15.71%
5405620 · Insurance - Liability	97.00	194.00	(97.00)	50.0%
5405640 · Insurance - Vehicle	134.00	275.00	(141.00)	48.73%
Total 5405600 · Insurance	236.50	504.00	(267.50)	46.93%
 5405700 · Other Expenses				
5405765 · Miscellaneous	29.98	100.00	(70.02)	29.98%
Total 5405700 · Other Expenses	29.98	100.00	(70.02)	29.98%
 5406400 · Minor Capital Outlay				
5406440 · Machinery & Equipment	45.99	450.00	(404.01)	10.22%
Total 5406400 · Minor Capital Outlay	45.99	450.00	(404.01)	10.22%
 Total 40 · Community Services	17,565.25	60,446.00	(42,880.75)	29.06%

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	Oct '11 - Jan 12	Budget	\$ Over Budget	34%
45 · Solid Waste				
5455400 · Utilities				
5455465 · Solidwaste Pickup (Garbage)	64,539.85	197,450.00	(132,910.15)	32.69%
Total 5455400 · Utilities	64,539.85	197,450.00	(132,910.15)	32.69%
Total 45 · Solid Waste	64,539.85	197,450.00	(132,910.15)	32.69%
50 · Streets				
5501400 · Support Staff				
5501415 · Maintenance Crew	6,959.84	22,100.00	(15,140.16)	31.49%
5501490 · Overtime	257.76	2,000.00	(1,742.24)	12.89%
5501500 · Streets - On Call	350.00	850.00	(500.00)	41.18%
Total 5501400 · Support Staff	7,567.60	24,950.00	(17,382.40)	30.33%
5502100 · Employee Benefits				
5502110 · Group Insurance	2,163.96	6,500.00	(4,336.04)	33.29%
5502135 · TMRS	427.57	1,150.00	(722.43)	37.18%
5502160 · Worker's Compensation	474.00	1,400.00	(926.00)	33.86%
5502170 · Payroll Taxes	112.01	325.00	(212.99)	34.47%
5502190 · License	0.00	85.00	(85.00)	0.0%
Total 5502100 · Employee Benefits	3,177.54	9,460.00	(6,282.46)	33.59%
5502200 · Special Services				
5502260 · Engineering Fees	0.00	500.00	(500.00)	0.0%
5502280 · NCTCOG- SWMP Fees	3,453.00	3,500.00	(47.00)	98.66%
Total 5502200 · Special Services	3,453.00	4,000.00	(547.00)	86.33%
5502600 · Special Expenses				
5502620 · Emergency Clean Up	2,912.04	2,500.00	412.04	116.48%
Total 5502600 · Special Expenses	2,912.04	2,500.00	412.04	116.48%
5503100 · General Supplies				
5503110 · Office Supplies	0.00	100.00	(100.00)	0.0%
5503140 · Uniforms	400.00	400.00	0.00	100.0%
Total 5503100 · General Supplies	400.00	500.00	(100.00)	80.0%
5503400 · Maintenance Supplies & Parts				
5503405 · Drainage Maintenance	0.00	500.00	(500.00)	0.0%
5503420 · Supplies - Street Signs	203.09	1,200.00	(996.91)	16.92%
5503460 · Miscellaneous	8.99	250.00	(241.01)	3.6%
Total 5503400 · Maintenance Supplies & Parts	212.08	1,950.00	(1,737.92)	10.88%
5504200 · Travel Expenses				
5504220 · Professional Development	0.00	500.00	(500.00)	0.0%
5504270 · Vehicle Expenses	1,062.29	4,000.00	(2,937.71)	26.56%
Total 5504200 · Travel Expenses	1,062.29	4,500.00	(3,437.71)	23.61%

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
5505300 · Printing Expense				34%
5505350 · Printing - Other	0.00	300.00	(300.00)	0.0%
Total 5505300 · Printing Expense	0.00	300.00	(300.00)	0.0%
5505500 · Repairs & Bldg Improvements				
5505540 · Repairs - Machinery & Equipment	576.56	3,500.00	(2,923.44)	16.47%
5505550 · Repairs - Vehicles	399.25	3,000.00	(2,600.75)	13.31%
5505560 · Repairs -Street Maint.& Repairs	5,641.76	50,000.00	(44,358.24)	11.28%
5505565 · Repairs - Infrastruct Drainage	0.00	6,000.00	(6,000.00)	0.0%
5505590 · Repairs - Other	0.00	1,500.00	(1,500.00)	0.0%
Total 5505500 · Repairs & Bldg Improvements	6,617.57	64,000.00	(57,382.43)	10.34%
5505600 · Insurance				
5505610 · Insurance - Property	25.00	100.00	(75.00)	25.0%
5505620 · Insurance - Liability	491.00	1,000.00	(509.00)	49.1%
5505640 · Insurance - Vehicle	1,467.50	2,965.00	(1,497.50)	49.49%
Total 5505600 · Insurance	1,983.50	4,065.00	(2,081.50)	48.8%
5505700 · Other Expenses				
5505752 · Pre-Employment Screening	0.00	100.00	(100.00)	0.0%
Total 5505700 · Other Expenses	0.00	100.00	(100.00)	0.0%
5506400 · Minor Capital Outlay				
5506440 · Machinery & Equipment	316.12	8,453.00	(8,136.88)	3.74%
5506445 · Personal Protective Equipment	186.90	300.00	(113.10)	62.3%
5506490 · Other	428.38	500.00	(71.62)	85.68%
Total 5506400 · Minor Capital Outlay	931.40	9,253.00	(8,321.60)	10.07%
5507400 · Capitalized Assets				
5507420 · Buildings	0.00	7,500.00	(7,500.00)	0.0%
5507440 · Machinery & Equipment	0.00	6,500.00	(6,500.00)	0.0%
5507460 · Infrastructure	7,262.64	145,000.00	(137,737.36)	5.01%
Total 5507400 · Capitalized Assets	7,262.64	159,000.00	(151,737.36)	4.57%
Total 50 · Streets	35,579.66	284,578.00	(248,998.34)	12.5%
60 · Parks				
5602400 · Rentals				
5602490 · Rental - Other	983.55	2,700.00	(1,716.45)	36.43%
Total 5602400 · Rentals	983.55	2,700.00	(1,716.45)	36.43%
5602600 · Special Expenses				
5602680 · Heritage Day	0.00	4,000.00	(4,000.00)	0.0%
Total 5602600 · Special Expenses	0.00	4,000.00	(4,000.00)	0.0%
5605400 · Utilities				

City of Ovilla General Fund
Profit & Loss Budget vs. Actual
 October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	792.41	3,000.00	(2,207.59)	34%
5605450 · Electricity	792.41	3,000.00	(2,207.59)	26.41%
Total 5605400 · Utilities	792.41	3,000.00	(2,207.59)	26.41%
 5605500 · Repairs & Bldg Improvements				
5605530 · REPAIRS-IMP OTHER THAN BLDGS	576.57	1,500.00	(923.43)	38.44%
Total 5605500 · Repairs & Bldg Improvements	576.57	1,500.00	(923.43)	38.44%
 5605700 · Other Expenses				
5605765 · Miscellaneous	39.36	200.00	(160.64)	19.68%
Total 5605700 · Other Expenses	39.36	200.00	(160.64)	19.68%
 5606400 · Minor Capital Outlay				
5606410 · Land Improvements	252.33	300.00	(47.67)	84.11%
5606440 · Machinery & Equipment	0.00	500.00	(500.00)	0.0%
Total 5606400 · Minor Capital Outlay	252.33	800.00	(547.67)	31.54%
 5607400 · Capitalized Assets				
5607440 · Machinery & Equipment	0.00	3,000.00	(3,000.00)	0.0%
Total 5607400 · Capitalized Assets	0.00	3,000.00	(3,000.00)	0.0%
 Total 60 · Parks	2,644.22	15,200.00	(12,555.78)	17.4%
 Total Expense	644,092.38	2,225,938.00	(1,581,845.62)	28.94%
 Net Income	617,706.00	0.00	617,706.00	100.0%

Ovilla W&S Utility Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	Oct '11 - Jan 12	Budget	\$ Over Budget	34%
Income				
4000400 · Charges for Services				
4000460 · Water Sales	428,770.71	912,040.00	-483,269.29	47.01%
4000461 · Sewer Service	53,512.33	137,851.00	-84,338.67	38.82%
4000465 · Water & Sewer Penalties	8,590.25	17,000.00	-8,409.75	50.53%
4000471 · Reconnect Fees	1,661.02	5,000.00	-3,338.98	33.22%
4000473 · Connect Fees	650.00	1,500.00	-850.00	43.33%
4000474 · Sewer Fees	446.00	1,100.00	-654.00	40.55%
4000478 · Infrastructure Improvement Fee	18,755.55	55,000.00	-36,244.45	34.1%
Total 4000400 · Charges for Services	512,385.86	1,129,491.00	-617,105.14	45.36%
4000800 · Other Revenue				
4000840 · Interest Earned	971.56	1,500.00	-528.44	64.77%
4000890 · Misc Other Revenue	2,500.00	2,000.00	500.00	125.0%
Total 4000800 · Other Revenue	3,471.56	3,500.00	-28.44	99.19%
Total Income	515,857.42	1,132,991.00	-617,133.58	45.53%
Gross Profit	515,857.42	1,132,991.00	-617,133.58	45.53%
Expense				
70 · Administration				
5701100 · Salaries & Wages				
5701120 · Part Time Admin. Support	543.74	2,534.00	-1,990.26	21.46%
5701110 · City Administrator	4,740.69	20,791.00	-16,050.31	22.8%
5701115 · City Secretary	2,426.55	10,337.00	-7,910.45	23.47%
5701117 · Finance Accountant	2,982.77	11,240.00	-8,257.23	26.54%
5701130 · Public Works Director	13,255.85	46,123.00	-32,867.15	28.74%
Total 5701100 · Salaries & Wages	23,949.60	91,025.00	-67,075.40	26.31%
5702100 · Employee Benefits				
5702110 · Group Insurance	2,163.96	6,500.00	-4,336.04	33.29%
5702135 · TMRS	735.80	2,375.00	-1,639.20	30.98%
5702160 · Worker's Compensation	610.46	1,250.00	-639.54	48.84%
5702170 · Payroll Taxes	192.21	700.00	-507.79	27.46%
Total 5702100 · Employee Benefits	3,702.43	10,825.00	-7,122.57	34.2%
5702200 · Special Services				
5702230 · Legal Fees	0.00	500.00	-500.00	0.0%
5702240 · Audit	4,425.00	4,760.00	-335.00	92.96%
5702250 · Accounting	0.00	1,500.00	-1,500.00	0.0%
Total 5702200 · Special Services	4,425.00	6,760.00	-2,335.00	65.46%
5702300 · Contractual Services /Personnel				
5702310 · Consultant Fees	0.00	5,000.00	-5,000.00	0.0%
Total 5702300 · Contractual Services /Personnel	0.00	5,000.00	-5,000.00	0.0%

Ovilla W&S Utility Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	Oct '11 - Jan 12	Budget	\$ Over Budget	34%
5703100 · General Supplies				
5703110 · Office Supplies	0.00	800.00	-800.00	0.0%
Total 5703100 · General Supplies	0.00	800.00	-800.00	0.0%
5703400 · Maintenance Supplies / Parts				
5703410 · Supplies - Custodial	0.00	150.00	-150.00	0.0%
Total 5703400 · Maintenance Supplies / Parts	0.00	150.00	-150.00	0.0%
5704200 · Travel Expenses				
5704210 · Travel - Local	0.00	200.00	-200.00	0.0%
5704220 · Professional Development	0.00	750.00	-750.00	0.0%
Total 5704200 · Travel Expenses	0.00	950.00	-950.00	0.0%
5705200 · Data Processing Expenses				
5705240 · Data Processing - Software	0.00	1,000.00	-1,000.00	0.0%
Total 5705200 · Data Processing Expenses	0.00	1,000.00	-1,000.00	0.0%
5705300 · Printing Expense				
5705350 · Printing - Other	0.00	250.00	-250.00	0.0%
Total 5705300 · Printing Expense	0.00	250.00	-250.00	0.0%
5705400 · Utilities				
5705410 · Telephone	390.47	1,200.00	-809.53	32.54%
5705415 · Cellular Phone	339.74	1,000.00	-660.26	33.97%
5705417 · Internet	240.28	750.00	-509.72	32.04%
5705450 · Electricity	7,228.28	28,000.00	-20,771.72	25.82%
Total 5705400 · Utilities	8,198.77	30,950.00	-22,751.23	26.49%
5705700 · Other Expenses				
5705705 · Postage	2,076.01	6,000.00	-3,923.99	34.6%
5705740 · Advertising	0.00	500.00	-500.00	0.0%
5705760 · Bank Service Charge	45.00	250.00	-205.00	18.0%
5705765 · Miscellaneous	0.00	100.00	-100.00	0.0%
5705775 · Credit Card Transaction Fee	1,392.89	0.00	1,392.89	100.0%
Total 5705700 · Other Expenses	3,513.90	6,850.00	-3,336.10	51.3%
5706400 · Minor Capital Outlay				
5706440 · Machinery & Equipment	0.00	500.00	-500.00	0.0%
Total 5706400 · Minor Capital Outlay	0.00	500.00	-500.00	0.0%
5709000 · Reserve				
5709003 · Capital Improv. Sewer Reserve	0.00	2,851.00	-2,851.00	0.0%
5709002 · Capital Improv. Water Reserve	0.00	11,040.00	-11,040.00	0.0%
5708215 · Transfer Out - General Fund	0.00	121,972.00	-121,972.00	0.0%
Total 5709000 · Reserve	0.00	135,863.00	-135,863.00	0.0%

Ovilla W&S Utility Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	Oct '11 - Jan 12	Budget	\$ Over Budget	34%
Total 70 · Administration	43,789.70	290,923.00	-247,133.30	15.05%
75 · Water				
5751100 · Salaries & Wages				
5751133 · Superintendent	12,827.59	42,650.00	-29,822.41	30.08%
Total 5751100 · Salaries & Wages	12,827.59	42,650.00	-29,822.41	30.08%
5751400 · Support Salaries				
5751430 · Seasonal Crew	0.00	3,000.00	-3,000.00	0.0%
5751500 · Water - On Call	200.00	850.00	-650.00	23.53%
5751405 · Support Staff	7,783.52	26,900.00	-19,116.48	28.94%
5751415 · Maintenance Crew	12,633.93	46,500.00	-33,866.07	27.17%
5751490 · Overtime	1,244.25	6,000.00	-4,755.75	20.74%
Total 5751400 · Support Salaries	21,861.70	83,250.00	-61,388.30	26.26%
5752100 · Employee Benefits				
5752110 · Group Insurance	4,963.96	21,100.00	-16,136.04	23.53%
5752135 · TMRS	1,669.49	5,000.00	-3,330.51	33.39%
5752160 · Worker's Compensation	1,006.60	2,150.00	-1,143.40	46.82%
5752170 · Payroll Taxes	949.44	1,650.00	-700.56	57.54%
5752190 · Licenses	0.00	285.00	-285.00	0.0%
Total 5752100 · Employee Benefits	8,589.49	30,185.00	-21,595.51	28.46%
5752300 · Contractual Services/Personnel				
5752350 · Contract Labor - Company	670.00	1,000.00	-330.00	67.0%
5752380 · Dispatch	4,355.00	8,460.00	-4,105.00	51.48%
Total 5752300 · Contractual Services/Personnel	5,025.00	9,460.00	-4,435.00	53.12%
5752400 · Rentals				
5752420 · Rental - Machinery & Equipment	0.00	200.00	-200.00	0.0%
5752490 · Rental - Other	0.00	500.00	-500.00	0.0%
Total 5752400 · Rentals	0.00	700.00	-700.00	0.0%
5752500 · Operating Services				
5752580 · Water Testing	245.00	1,200.00	-955.00	20.42%
5752590 · TCEQ Fees	2,739.65	3,000.00	-260.35	91.32%
Total 5752500 · Operating Services	2,984.65	4,200.00	-1,215.35	71.06%
5753100 · General Supplies				
5753140 · Uniforms	1,513.00	1,500.00	13.00	100.87%
Total 5753100 · General Supplies	1,513.00	1,500.00	13.00	100.87%
5753400 · Maintenance Supplies & Parts				
5753460 · Miscellaneous	100.03	250.00	-149.97	40.01%
Total 5753400 · Maintenance Supplies & Parts	100.03	250.00	-149.97	40.01%

Ovilla W&S Utility Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	34%			
5754200 · Travel Expenses				
5754220 · Professional Development	0.00	1,000.00	-1,000.00	0.0%
5754270 · Vehicle Expenses	1,625.81	9,000.00	-7,374.19	18.07%
Total 5754200 · Travel Expenses	1,625.81	10,000.00	-8,374.19	16.26%
5755200 · Data Processing Expenses				
5755230 · Data Proc-Maintenance & Repairs	4,391.25	4,500.00	-108.75	97.58%
5755240 · Data Processing - Software	0.00	500.00	-500.00	0.0%
5755250 · Data Proc - Computer Repair	0.00	500.00	-500.00	0.0%
Total 5755200 · Data Processing Expenses	4,391.25	5,500.00	-1,108.75	79.84%
5755300 · Printing Expenses				
5755310 · Copier Expense	0.00	4,000.00	-4,000.00	0.0%
5755350 · Printing - Other	98.95	1,400.00	-1,301.05	7.07%
Total 5755300 · Printing Expenses	98.95	5,400.00	-5,301.05	1.83%
5755400 · Utilities				
5755415 · Cellular Phone	265.29	1,200.00	-934.71	22.11%
5755460 · Water, wholesale	30,017.63	283,250.00	-253,232.37	10.6%
Total 5755400 · Utilities	30,282.92	284,450.00	-254,167.08	10.65%
5755500 · Repairs & Building Improvements				
5755540 · Repairs- Machinery & Equipment	4,435.26	5,000.00	-564.74	88.71%
5755550 · Repairs - Vehicles	227.99	3,000.00	-2,772.01	7.6%
5755570 · Inventory Expense	4,884.91	16,000.00	-11,115.09	30.53%
5755590 · Repairs - Other	871.08	5,000.00	-4,128.92	17.42%
Total 5755500 · Repairs & Building Improvements	10,419.24	29,000.00	-18,580.76	35.93%
5755600 · Insurance				
5755610 · Insurance - Property	1,941.00	6,900.00	-4,959.00	28.13%
5755620 · Insurance - Liability	687.90	1,450.00	-762.10	47.44%
5755640 · Insurance - Vehicle	1,207.50	2,450.00	-1,242.50	49.29%
Total 5755600 · Insurance	3,836.40	10,800.00	-6,963.60	35.52%
5755700 · Other Expenses				
5755752 · Pre-Employment Screening	0.00	300.00	-300.00	0.0%
Total 5755700 · Other Expenses	0.00	300.00	-300.00	0.0%
5756400 · Minor Capital Outlay				
5756440 · Machinery & Equipment	0.00	2,000.00	-2,000.00	0.0%
5756490 · Other	124.01	500.00	-375.99	24.8%
Total 5756400 · Minor Capital Outlay	124.01	2,500.00	-2,375.99	4.96%
5757400 · Capitalized Assets				
5757470 · Infrastructure - Water	0.00	6,500.00	-6,500.00	0.0%
Total 5757400 · Capitalized Assets	0.00	6,500.00	-6,500.00	0.0%

Ovilla W&S Utility Fund
Profit & Loss Budget vs. Actual
 October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	Oct '11 - Jan 12	Budget	\$ Over Budget	34%
5757900 · Long-Term Debt				
5758225 · Transfer out to Debt Fund	0.00	166,788.00	-166,788.00	0.0%
Total 5757900 · Long-Term Debt	0.00	166,788.00	-166,788.00	0.0%
 Total 75 · Water	 103,680.04	 693,433.00	 -589,752.96	 14.95%
 80 · Sewer				
5801400 · Support Salaries				
5801500 · Sewer - On Call	200.00	850.00	-650.00	23.53%
5801405 · Support Staff	2,410.28	9,300.00	-6,889.72	25.92%
5801415 · Maintenance Crew	14,340.09	50,710.00	-36,369.91	28.28%
5801490 · Overtime	262.95	1,500.00	-1,237.05	17.53%
Total 5801400 · Support Salaries	 17,213.32	 62,360.00	 -45,146.68	 27.6%
5802100 · Employee Benefits				
5802110 · Group Insurance	4,327.92	14,625.00	-10,297.08	29.59%
5802135 · TMRS	847.57	2,800.00	-1,952.43	30.27%
5802160 · Worker's Compensation-Sewer	833.50	2,100.00	-1,266.50	39.69%
5802170 · Payroll Taxes	221.10	875.00	-653.90	25.27%
5802190 · Licenses	0.00	285.00	-285.00	0.0%
Total 5802100 · Employee Benefits	 6,230.09	 20,685.00	 -14,454.91	 30.12%
 5802300 · Contractual Services/Personnel				
5802350 · Contract Labor - Company	250.00	2,000.00	-1,750.00	12.5%
Total 5802300 · Contractual Services/Personnel	 250.00	 2,000.00	 -1,750.00	 12.5%
 5802500 · Operating Services				
5802590 · TCEQ Fees - Sewer	0.00	50.00	-50.00	0.0%
Total 5802500 · Operating Services	 0.00	 50.00	 -50.00	 0.0%
 5803100 · General Supplies				
5803140 · Uniforms	595.91	810.00	-214.09	73.57%
Total 5803100 · General Supplies	 595.91	 810.00	 -214.09	 73.57%
 5803400 · Maintenance Supplies & Parts				
5804200 · Travel Expenses	0.00	200.00	-200.00	0.0%
5804220 · Professional Development	0.00	600.00	-600.00	0.0%
5804270 · Vehicle Expense	168.75	1,600.00	-1,431.25	10.55%
Total 5804200 · Travel Expenses	 168.75	 2,200.00	 -2,031.25	 7.67%
 5805400 · Utilities				
5805450 · Electricity	347.97	2,500.00	-2,152.03	13.92%
5805463 · TRA Wastewater Treatment	13,369.00	42,230.00	-28,861.00	31.66%
Total 5805400 · Utilities	 13,716.97	 44,730.00	 -31,013.03	 30.67%
 5805500 · Repairs & Bldg Improvements				

Ovilla W&S Utility Fund
Profit & Loss Budget vs. Actual
 October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	34%			
5805510 · Repairs - Land Improvements	0.00	300.00	-300.00	0.0%
5805540 · Repairs - Machinery & Equipment	3,178.12	0.00	3,178.12	100.0%
5805570 · Inventory Expense	107.64	750.00	-642.36	14.35%
5805590 · Repairs - Other	3,201.48	5,000.00	-1,798.52	64.03%
Total 5805500 · Repairs & Bldg Improvements	6,487.24	6,050.00	437.24	107.23%
5805600 · Insurance				
5805610 · Insurance - Property	157.00	100.00	57.00	157.0%
5805620 · Insurance - Liability	458.60	1,150.00	-691.40	39.88%
5805640 · Insurance - Vehicle	314.50	100.00	214.50	314.5%
Total 5805600 · Insurance	930.10	1,350.00	-419.90	68.9%
5805700 · Other Expenses				
5805752 · Pre-Employment Screening	0.00	200.00	-200.00	0.0%
Total 5805700 · Other Expenses	0.00	200.00	-200.00	0.0%
5807400 · Capitalized Assets				
5807440 · Machinery & Equipment	0.00	8,000.00	-8,000.00	0.0%
Total 5807400 · Capitalized Assets	0.00	8,000.00	-8,000.00	0.0%
Total 80 · Sewer	45,592.38	148,635.00	-103,042.62	30.67%
Total Expense	193,062.12	1,132,991.00	-939,928.88	17.04%
Net Income	322,795.30	0.00	322,795.30	100.0%

Ovilla Debt Service
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
	Oct '11 - Jan 12	Budget	\$ Over Budget	34%
Income				
4000100 · Taxes				
4000107 · Ad Valorem, Current I & S	355,908.17	517,478.00	(161,569.83)	68.78%
4000111 · Ad Valorem, Delinquent I & S	3,113.88	5,000.00	(1,886.12)	62.28%
4000114 · Interest/Penalties - I & S	693.35	6,000.00	(5,306.65)	11.56%
Total 4000100 · Taxes	359,715.40	528,478.00	(168,762.60)	68.07%
4000800 · Other Revenue				
4000840 · Interest Earned	290.39	1,100.00	(809.61)	26.4%
4000900 · Reduction of Fund Balance	4,623.08	0.00	4,623.08	100.0%
4000930 · Transfer In - Water & Sewer	0.00	166,788.00	(166,788.00)	0.0%
Total 4000800 · Other Revenue	4,913.47	167,888.00	(162,974.53)	2.93%
Total Income	364,628.87	696,366.00	(331,737.13)	52.36%
Expense				
5157900 · Long-Term Debt				
5157930 · Paying Agent Fees	0.00	500.00	(500.00)	0.0%
5157935 · 2011 Bond Issue Principle	0.00	400,000.00	(400,000.00)	0.0%
5157940 · 2011 Bond Issue Interest	0.00	233,425.00	(233,425.00)	0.0%
Total 5157900 · Long-Term Debt	0.00	633,925.00	(633,925.00)	0.0%
5159000 · Reserves				
5159015 · Debt Reserves	0.00	62,441.00	(62,441.00)	0.0%
Total 5159000 · Reserves	0.00	62,441.00	(62,441.00)	0.0%
Total Expense	0.00	696,366.00	(696,366.00)	0.0%
Net Income	364,628.87	0.00	364,628.87	100.0%

City of Ovilla Capital Projects Fund
Profit & Loss Budget vs. Actual

October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
Income				
4000800 · Other Revenue				
4000840 · Interest Earned - Texpool	0.00	1.00	-1.00	0.0%
4000845 · Interest Earned - Texstar	0.42	2.00	-1.58	21.0%
4000850 · Interest Earned - Prosperity	130.35	575.00	-444.65	22.67%
Total 4000800 · Other Revenue	130.77	578.00	-447.23	22.63%
Total Income	130.77	578.00	-447.23	22.63%
Expense				
5879000 · Reserves				
5879010 · Admin Reserves	0.00	578.00	-578.00	0.0%
Total 5879000 · Reserves	0.00	578.00	-578.00	0.0%
Total Expense	0.00	578.00	-578.00	0.0%
Net Income	130.77	0.00	130.77	100.0%

City of Ovilla - Park Impact Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
Income				
4000400 · Charges for Services				
4000460 · Park Impact	1,003.56	670.00	333.56	149.79%
Total 4000400 · Charges for Services	1,003.56	670.00	333.56	149.79%
4000800 · Other Revenue				
4000840 · Interest Earned	8.10	55.00	(46.90)	14.73%
Total 4000800 · Other Revenue	8.10	55.00	(46.90)	14.73%
Total Income	1,011.66	725.00	286.66	139.54%
Expense				
5606400 · Minor Capital Outlay				
5606440 · Machinery and Equipment	0.00	3,000.00	(3,000.00)	0.0%
Total 5606400 · Minor Capital Outlay	0.00	3,000.00	(3,000.00)	0.0%
5609000 · Reserves				
5609035 · Park Impact Reserves	0.00	(2,275.00)	2,275.00	0.0%
Total 5609000 · Reserves	0.00	(2,275.00)	2,275.00	0.0%
Total Expense	0.00	725.00	(725.00)	0.0%
Net Income	1,011.66	0.00	1,011.66	100.0%

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02/16/12
Accrual Basis

**Ovilla W&S Impact Fee Fund
Profit & Loss Budget vs. Actual
October 2011 through January 2012**

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
Income				34%
4000400 · Charges for Services				
4000476 · Water Impact Fee	0.00	3,500.00	(3,500.00)	0.0%
4000477 · Sewer Impact Fee	0.00	1,600.00	(1,600.00)	0.0%
Total 4000400 · Charges for Services	0.00	5,100.00	(5,100.00)	0.0%
4000800 · Other Revenue				
4000840 · Interest Earned	72.99	780.00	(707.01)	9.36%
Total 4000800 · Other Revenue	72.99	780.00	(707.01)	9.36%
Total Income	72.99	5,880.00	(5,807.01)	1.24%
Expense				
5755500 · Repairs				
5755560 · Repairs- Water Lines	0.00	2,000.00	(2,000.00)	0.0%
Total 5755500 · Repairs	0.00	2,000.00	(2,000.00)	0.0%
5859000 · Reserves				
5859020 · Water Impact Fees Reserve	0.00	2,280.00	(2,280.00)	0.0%
5859030 · Sewer Impact Fees Reserve	0.00	1,600.00	(1,600.00)	0.0%
Total 5859000 · Reserves	0.00	3,880.00	(3,880.00)	0.0%
Total Expense	0.00	5,880.00	(5,880.00)	0.0%
Net Income	72.99	0.00	72.99	100.0%

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02/16/12
Accrual Basis

Ovilla 4B Economic Development Corporation
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
Income				34%
4000100 · Taxes				
4000120 · Sales tax	25,441.28	60,000.00	(34,558.72)	42.4%
Total 4000100 · Taxes	25,441.28	60,000.00	(34,558.72)	42.4%
4000800 · Other Revenue				
4000840 · Interest Income	188.31	550.00	(361.69)	34.24%
Total 4000800 · Other Revenue	188.31	550.00	(361.69)	34.24%
Total Income	25,629.59	60,550.00	(34,920.41)	42.33%
Expense				
8102200 · Special Services				
8102220 · Website Support & Maintenance	340.00	5,000.00	(4,660.00)	6.8%
8102230 · Legal Fees	0.00	500.00	(500.00)	0.0%
8102240 · Audit	0.00	1,360.00	(1,360.00)	0.0%
Total 8102200 · Special Services	340.00	6,860.00	(6,520.00)	4.96%
8102300 · Consultant Services				
8102310 · Consultant Fees	1,107.50	7,500.00	(6,392.50)	14.77%
8102350 · Contract Labor	0.00	5,000.00	(5,000.00)	0.0%
Total 8102300 · Consultant Services	1,107.50	12,500.00	(11,392.50)	8.86%
8103100 · General Supplies				
8103110 · Office Supplies	0.00	100.00	(100.00)	0.0%
Total 8103100 · General Supplies	0.00	100.00	(100.00)	0.0%
8104200 · Travel Expense				
8104210 · Travel Expense	600.74	1,500.00	(899.26)	40.05%
8104220 · Professional Development	534.00	1,500.00	(966.00)	35.6%
Total 8104200 · Travel Expense	1,134.74	3,000.00	(1,865.26)	37.83%
8105600 · Insurance				
8105620 · Insurance - Liability	140.00	175.00	(35.00)	80.0%
Total 8105600 · Insurance	140.00	175.00	(35.00)	80.0%
8105700 · Other Expenses				
8105705 · Postage	0.00	200.00	(200.00)	0.0%
8105730 · Memberships	1,100.00	1,100.00	0.00	100.0%
8105765 · Miscellaneous	0.00	1,000.00	(1,000.00)	0.0%
Total 8105700 · Other Expenses	1,100.00	2,300.00	(1,200.00)	47.83%

11:51 AM
02/16/12
Accrual Basis

Ovilla 4B Economic Development Corporation
Profit & Loss Budget vs. Actual
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
8109000 · Reserves				
8109015 · Administrative Reserves	0.00	33,115.00	(33,115.00)	0.0%
8109215 · Transfer Out - General Fund	0.00	2,500.00	(2,500.00)	0.0%
Total 8109000 · Reserves	0.00	35,615.00	(35,615.00)	0.0%
 Total Expense	 3,822.24	 60,550.00	 (56,727.76)	 6.31%
 Net Income	 21,807.35	 0.00	 21,807.35	 100.0%

12:00 PM
02/16/12
Accrual Basis

**Ovilla Municipal Development District
Profit & Loss Budget vs. Actual**
October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
Income				
4000100 · Taxes				
4000120 · Sales tax	6,889.49	15,000.00	-8,110.51	45.93%
Total 4000100 · Taxes	6,889.49	15,000.00	-8,110.51	45.93%
4000800 · Other Revenue				
4000840 · Interest Income	5.50	8.00	-2.50	68.75%
Total 4000800 · Other Revenue	5.50	8.00	-2.50	68.75%
Total Income	6,894.99	15,008.00	-8,113.01	45.94%
Expense				
9102200 · Special Services				
9102230 · Legal Fees	0.00	250.00	-250.00	0.0%
9102240 · Audit	0.00	1,360.00	-1,360.00	0.0%
9102250 · Accounting	0.00	250.00	-250.00	0.0%
Total 9102200 · Special Services	0.00	1,860.00	-1,860.00	0.0%
9102300 · Consultant Services				
9102310 · Consultant Fees	0.00	500.00	-500.00	0.0%
Total 9102300 · Consultant Services	0.00	500.00	-500.00	0.0%
9103100 · General Supplies				
9103110 · Office Supplies	0.00	100.00	-100.00	0.0%
Total 9103100 · General Supplies	0.00	100.00	-100.00	0.0%
9104200 · Travel Expense				
9104220 · Professional Development	0.00	250.00	-250.00	0.0%
Total 9104200 · Travel Expense	0.00	250.00	-250.00	0.0%
9105600 · Insurance				
9105620 · Insurance - Liability	70.00	200.00	-130.00	35.0%
Total 9105600 · Insurance	70.00	200.00	-130.00	35.0%
9105700 · Other Expenses				
9105705 · Postage	0.00	25.00	-25.00	0.0%
Total 9105700 · Other Expenses	0.00	25.00	-25.00	0.0%
9109000 · Reserves				
9109015 · Administrative Reserves	0.00	11,573.00	-11,573.00	0.0%
9109215 · Transfer Out - General Fund	0.00	500.00	-500.00	0.0%
Total 9109000 · Reserves	0.00	12,073.00	-12,073.00	0.0%
Total Expense	70.00	15,008.00	-14,938.00	0.47%
Net Income	6,824.99	0.00	6,824.99	100.0%

Ovilla Police Department Special Fund
Profit & Loss Budget vs. Actual
 October 2011 through January 2012

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
Income				34%
4000800 · Other Revenue				
4000815 · Gifts	752.50	1,000.00	(247.50)	75.25%
Total 4000800 · Other Revenue	752.50	1,000.00	(247.50)	75.25%
Total Income	752.50	1,000.00	(247.50)	75.25%
Expense				
5232600 · Special Expenses				
5232690 · Special Expenses - Other	394.98	1,565.00	(1,170.02)	25.24%
Total 5232600 · Special Expenses	394.98	1,565.00	(1,170.02)	25.24%
5235500 · Repairs and Bldg Improvements				
5235540 · Repairs - Machinery & Equipment	0.00	1,000.00	(1,000.00)	0.0%
Total 5235500 · Repairs and Bldg Improvements	0.00	1,000.00	(1,000.00)	0.0%
5235700 · Other Expense				
5235735 · Official Functions	437.54	1,000.00	(562.46)	43.75%
Total 5235700 · Other Expense	437.54	1,000.00	(562.46)	43.75%
5239000 · Reserves				
5239010 · Administrative Reserves	0.00	(2,565.00)	2,565.00	0.0%
Total 5239000 · Reserves	0.00	(2,565.00)	2,565.00	0.0%
Total Expense	832.52	1,000.00	(167.48)	83.25%
Net Income	(80.02)	0.00	(80.02)	100.0%

**Ovilla Fire Department Auxiliary
Profit & Loss Budget vs. Actual
October 2011 through January 2012**

	Oct '11 - Jan 12	Budget	\$ Over Budget	% of Budget Thru January
Income				
4000800 · Other Revenue				
4000815 · Gifts	680.00	5,000.00	(4,320.00)	13.6%
4000830 · Vending Machines	0.00	100.00	(100.00)	0.0%
4000870 · Reimbursement	1,092.00	0.00	1,092.00	100.0%
Total 4000800 · Other Revenue	1,772.00	5,100.00	(3,328.00)	34.75%
Total Income	1,772.00	5,100.00	(3,328.00)	34.75%
Expense				
5332100 · Employee Benefits				
5332196 · Membership Dues	100.00	100.00	0.00	100.0%
Total 5332100 · Employee Benefits	100.00	100.00	0.00	100.0%
5333400 · Maintenance Supplies and Parts				
5333460 · Supplies - Miscellaneous	1,359.45	2,000.00	(640.55)	67.97%
Total 5333400 · Maintenance Supplies and Parts	1,359.45	2,000.00	(640.55)	67.97%
5334200 · Travel Expenses				
5334220 · Professional Development	0.00	150.00	(150.00)	0.0%
Total 5334200 · Travel Expenses	0.00	150.00	(150.00)	0.0%
5335700 · Other Expense				
5335735 · Official Functions	2,308.05	2,000.00	308.05	115.4%
Total 5335700 · Other Expense	2,308.05	2,000.00	308.05	115.4%
5339000 · Reserve				
5339010 · Admin Reserves	0.00	850.00	(850.00)	0.0%
Total 5339000 · Reserve	0.00	850.00	(850.00)	0.0%
Total Expense	3,767.50	5,100.00	(1,332.50)	73.87%
Net Income	(1,995.50)	0.00	(1,995.50)	100.0%

LOOP 9

NEED FOR A NEW APPROACH

2/22/2012

Topics

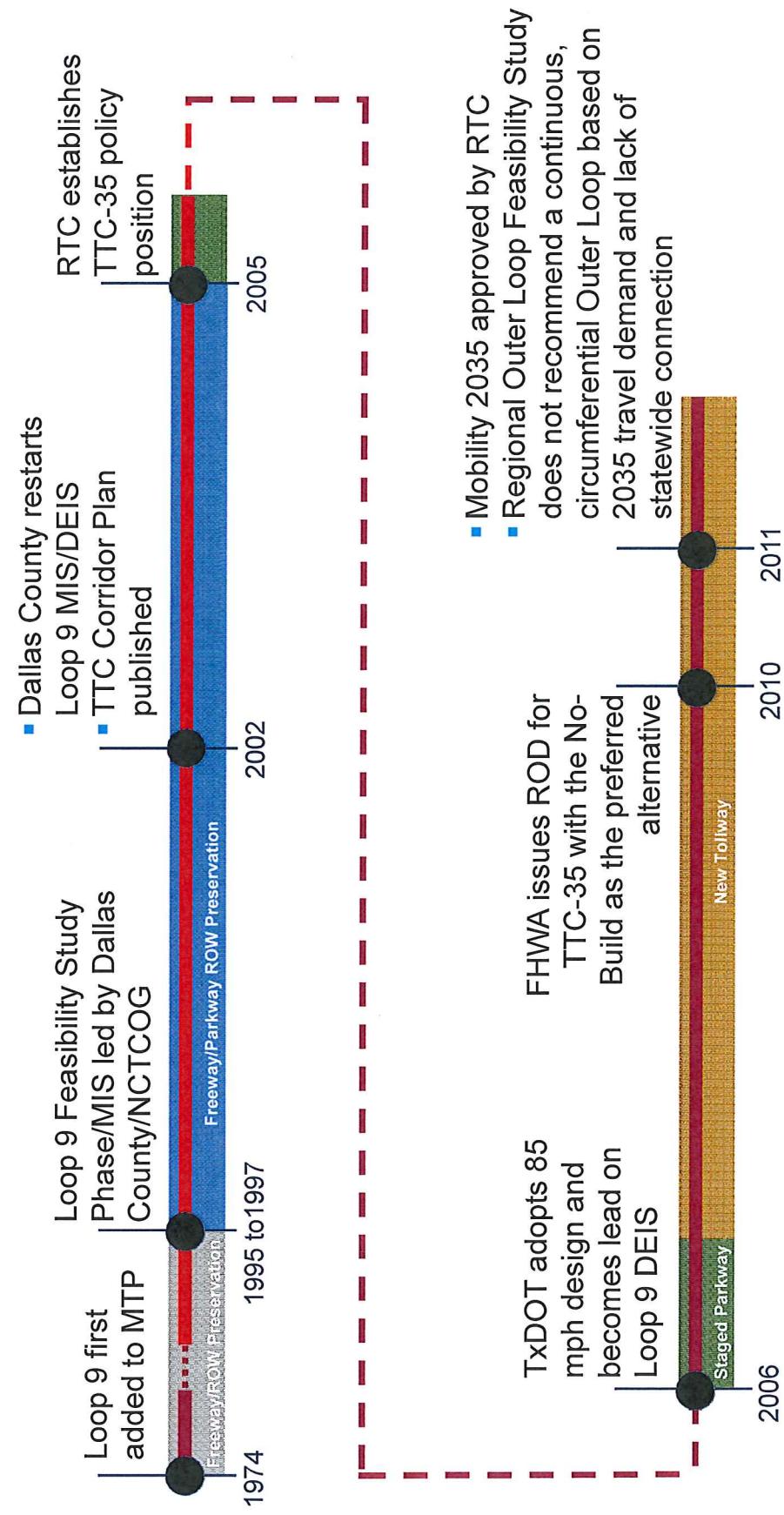
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- Introduction
- Evolution of Loop 9
- Current Status
- Options for Moving Forward
- Suggested Next Steps

EVOLUTION OF LOOP 9



Evolution of Loop 9



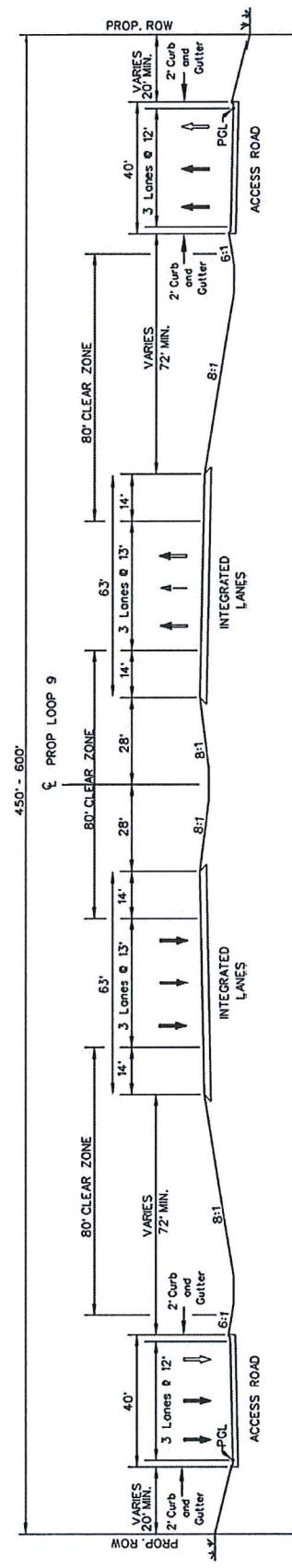
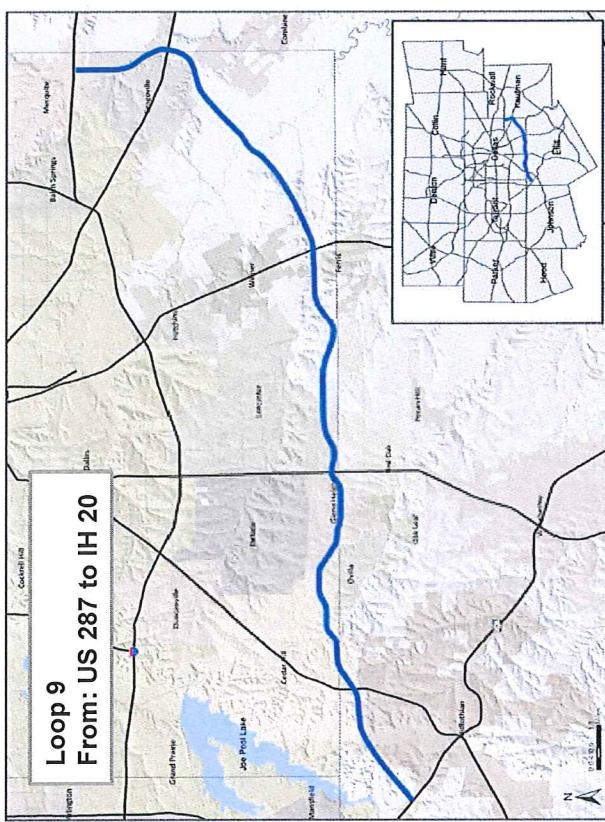
CURRENT STATUS



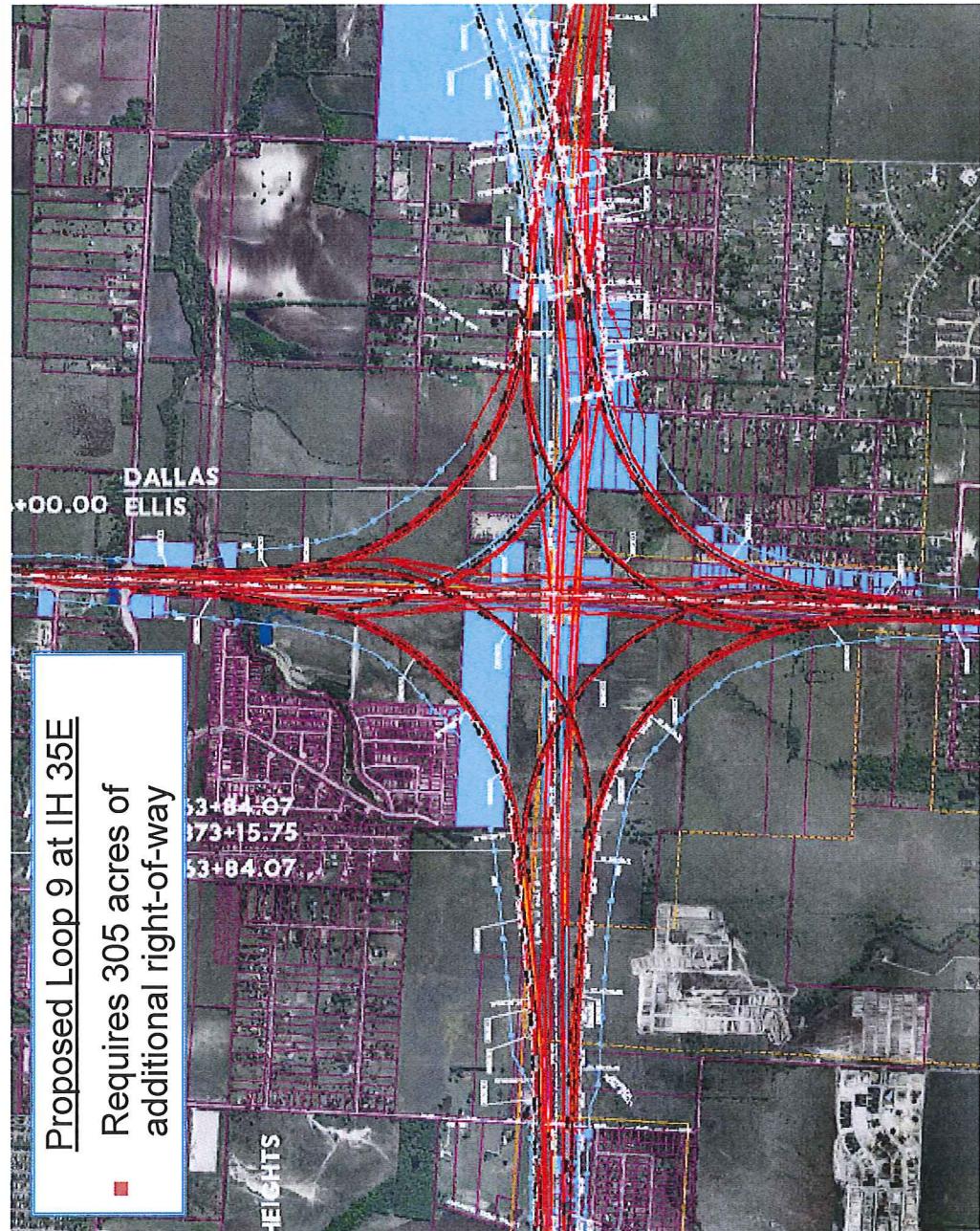
Project Overview

6

- 44 miles long
- Proposed 450 to 600-foot right-of-way
- 85 mph design speed
- Cost: \$5.7 billion



Example Major Interchange

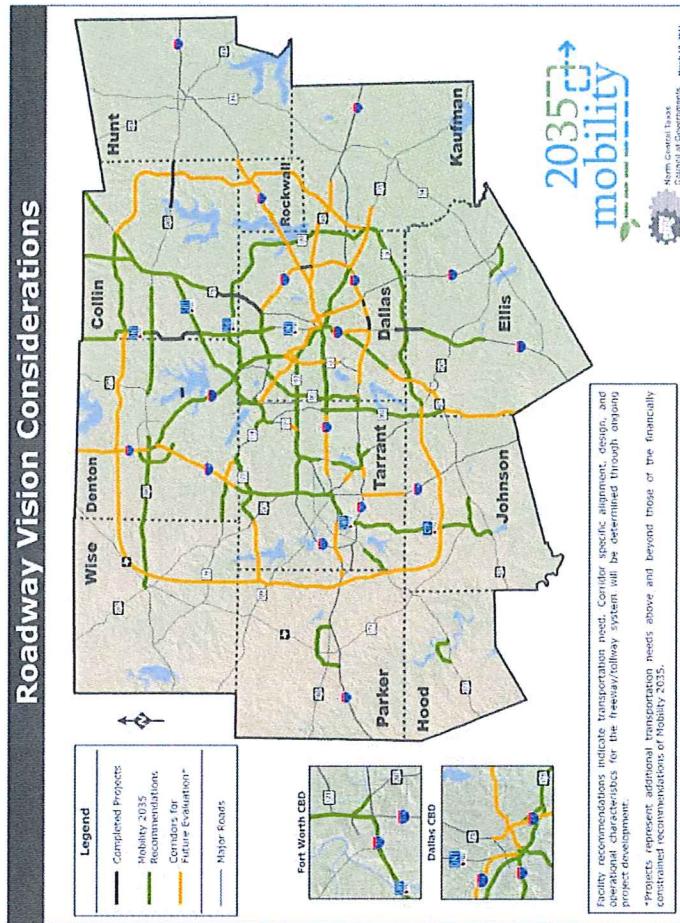


Status of DEIS

- DEIS has gone through FHWA legal review and there were no comments
- Need to revise the DEIS to incorporate Mobility 2035 traffic data and demographics
- Remaining EIS Schedule
 - Revise DEIS: January – April 2012 (four months)
 - FHWA review: May – June 2012 (two months)
 - Public Hearing: August 2012
 - Prepare FEIS: September 2012 – February 2013 (six months)
 - Review and approval: March – December 2013 (nine months)

Review of Traffic Projections

- Greatest reason for lower projected traffic on Loop 9
 - Toll
 - Lack of a facility to the west (Regional Outer Loop)
 - Lack of connection to statewide TTC-35



OPTIONS FOR MOVING
FORWARD

Four Options

- Option 1: Advance the DEIS
- Option 2: Convert DEIS to Tier 1 Document
- Option 3: Stop the Project
- Option 4: Develop New Type of Local Project

Option 1: Advance the DEIS

12

■ Challenges/Implications

- FHWA will likely not approve DEIS for circulation because the project does not meet the warrants for a 6-lane, 85 mph controlled-access facility (i.e., change in need and purpose)
- May require revision of the design and DEIS (estimated to take 2 years)
- FHWA will require a financial plan to identify the source of \$5.7 billion prior to issuing ROD
- Potential legal challenge
- Potential loss of credibility

Option 2: Convert DEIS to a Tier 1 Document

- Challenges/Implications
 - Would allow for corridor preservation and purchase of right-of-way
 - Cannot construct anything, including frontage roads, until another DEIS is completed

Option 3: Stop the Project

14

■ Challenges/Implications

- Corridor will be lost
- Previous work efforts lost
- Potential loss of credibility
- Loss of economic growth

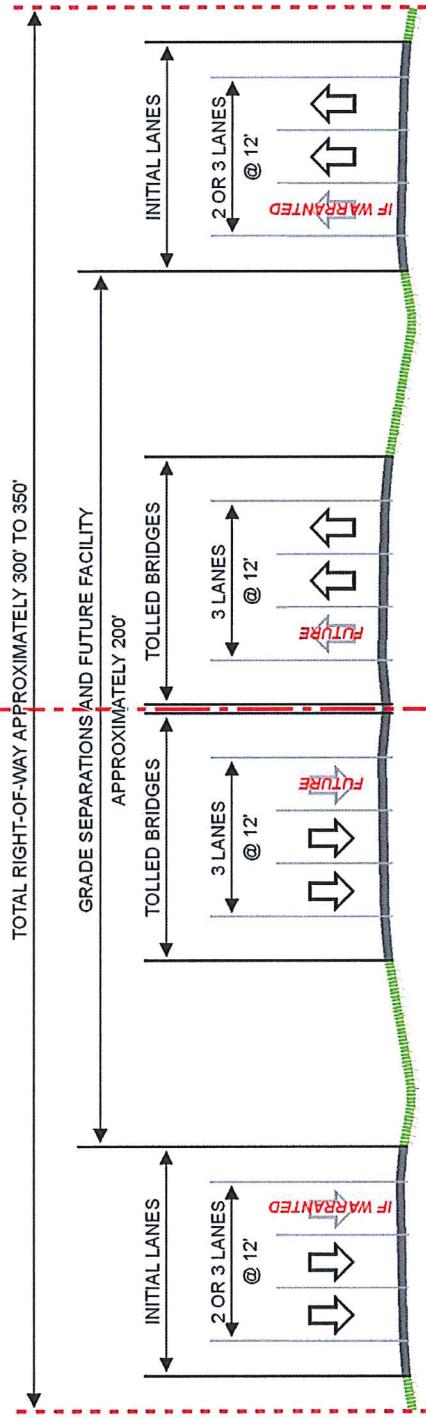
Option 4: Develop New Type of Local Project

- Challenges/Implications
 - Advance project with local and state funds and preserve federal funding options later in time
 - Would allow for local control and opportunities
 - Allows project to be built as needed
 - Would substantially reduce costs and time

New Potential Design

16

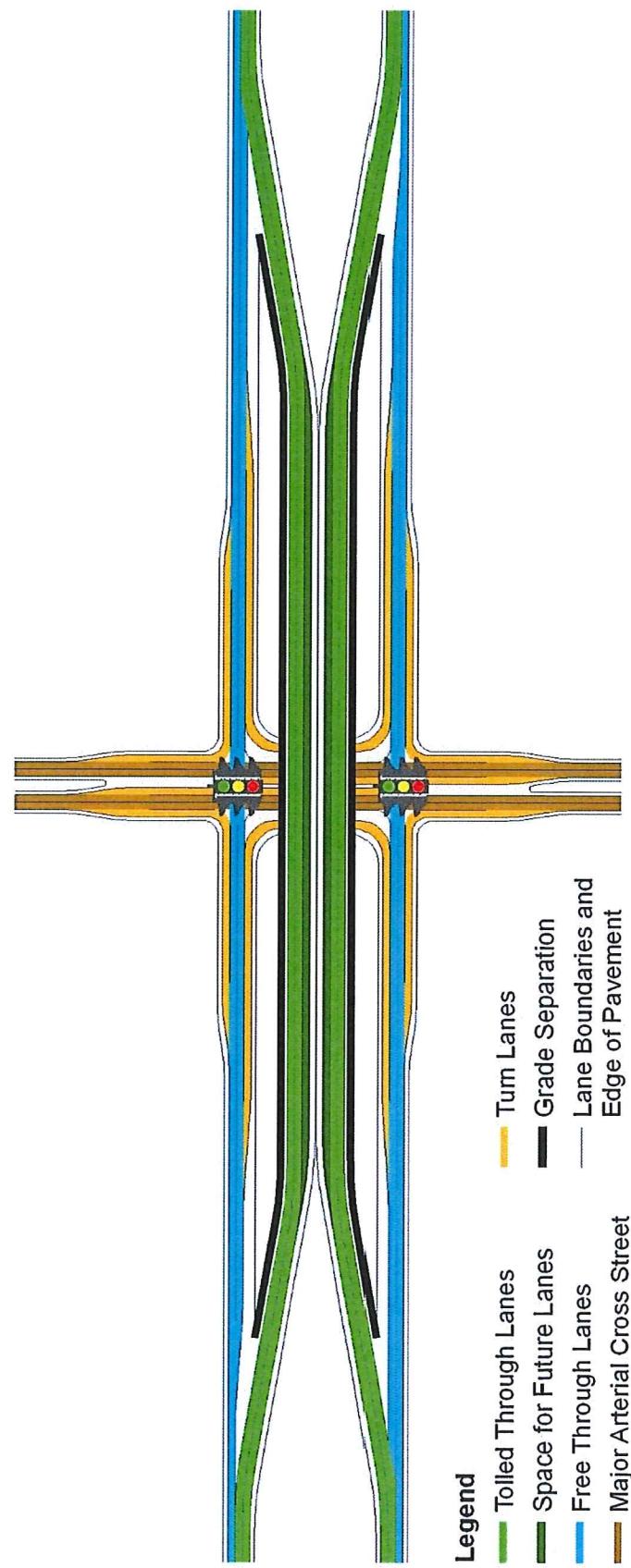
- Elements to include:
 - Context sensitive solutions
 - Access management
 - Flexibility to convert to a full, controlled access facility, if needed
 - New tolling concept



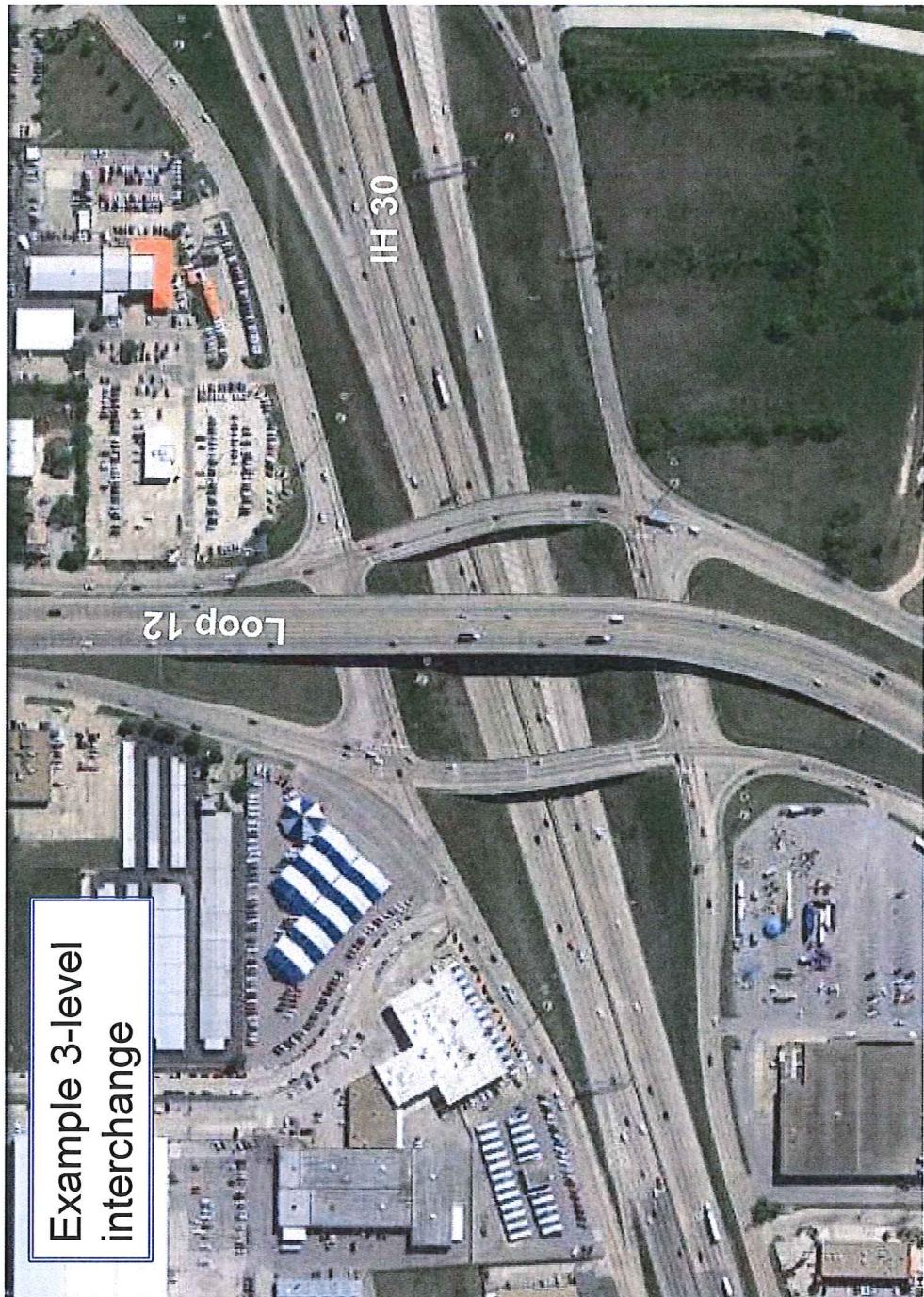
New Potential Design

17

- Could allow for innovative finance approach
 - Toll bridges at cross streets



Interchange Design



Comparison

Element	Current Loop 9	New Concept
Length	44 miles	44 miles
Right-of-Way Width	450 to 600 feet	300 to 350 feet
Design Speed	85 mph	60-65 mph
Interchange Type & Additional Right-of-Way Needed	5-level 305 acres	3-level None
Cost	\$5.7 billion	\$1 to 1.5 billion

SUGGESTED NEXT STEPS

Move Forward with Option 4

- Establish new vision
- Establish new name
- Conduct a feasibility study using information developed for the DEIS
- Conduct engineering/right-of-way studies for priority sections
- Emphasis on US 67 to IH 45 section

Establish New Vision and Name

22

- Advancing a new approach and vision with new opportunities and innovation
- Establish a new identity for the corridor to separate and differentiate the local project from the previous federal project

Conduct Feasibility Study

23

- Study from US 287 to IH 20 to develop an ultimate vision for the corridor
- Use information gathered for DEIS as a starting point
- Use already formed task force (include NTTA)
- Pursue as a state/local project (i.e., de-federalize)
- Have TxDOT as lead agency (use current consultant and contract)

Timeline: 12 to 18 months

Conduct Feasibility Study

24

- Outcome:
 - What type of facility is needed
 - Determine effect to other planned facilities (i.e., FM 664 improvements)
 - Alignment
 - Logical termini
 - Prioritization based on traffic, local needs, and funding
 - Staging (i.e., construction vs. right-of-way preservation)

Funding

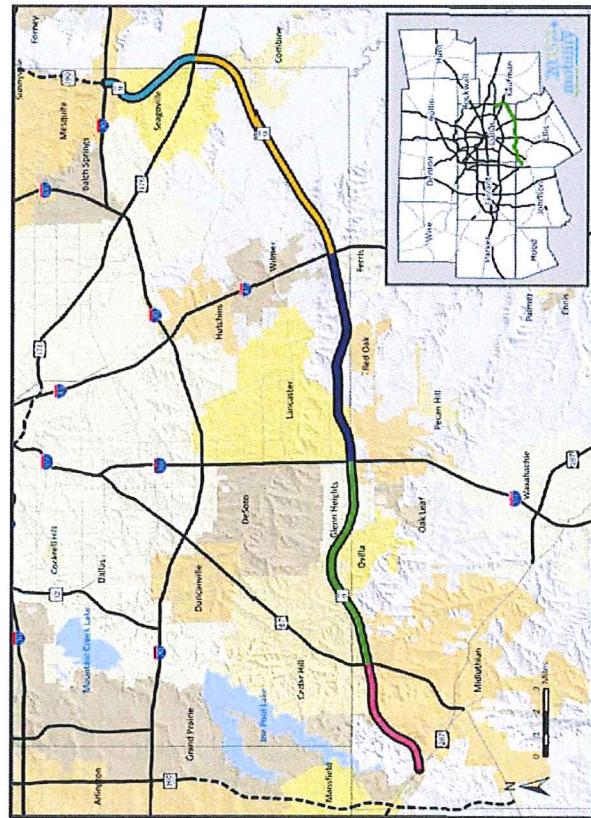
25

- Fund next steps now: \$50 million
- Advance as part of new legislature public-private partnership
- Dallas County initiative (TRZ - Transportation Reinvestment Zone)

Conduct Engineering/Right-of-Way Studies

26

- For highest local priority sections:
 - Identify and secure funding
 - Prepare schematic and state environmental documentation
- Prepare construction plans
- Purchase right-of-way
- Construction



DISCUSSION

CONSENT ITEMS

2 Item(s)

Meeting Date: February 27, 2012

Department: Administration

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Administrative Staff

Attachments:

- ◆ Minutes of the February 13, 2012 Regular Council Meeting.
- ◆ Inter-local Cooperation Contract with Ellis County for the lease of the Auto-Mark.

Agenda Item / Topic:

N/A

Discussion / Justification:

The contract is an annual renewal and requirement for the upcoming elections.

Recommendation / Staff Comments:

Staff recommends approval.

Sample Motion(s):

"I MAKE A MOTION THAT COUNCIL APPROVES/DENIES THE CONSENT ITEMS AS PRESENTED."

"I MAKE A MOTION THAT COUNCIL APPROVES/DENIES THE CONSENT ITEM(S) AS PRESENTED WITH THE EXCEPTION OF _____ TO PULL FOR IMMEDIATE DISCUSSION/ACTION PRIOR TO APPROVAL."

CITY OF OVILLA MINUTES
Monday, 13 February 2012
Regular City Council Meeting
105 S. Cockrell Hill Road, Ovilla, TX 75154

Mayor Pro-Tem Leverenz called the Regular Council Meeting of the Ovilla City Council to order at 7:00 P.M. The following City Council Members were present:

	Tom Leverentz	Mayor Pro-Tem, Place 1
	James Wade	Council Member, Place 3
	Doug Hunt	Council Member, Place 4
	Richard Dormier	Council Member, Place 5
Absent:	Michael Dickey	Council Member, Place 2
	Bill Vansyckle	Mayor

Mayor Pro-Tem Leverenz noted absent members and present members, thus constituting a quorum.

City Administrator Randy Whiteman and various department-head staff members were also present.

Mayor Pro-Tem Leverentz gave the Invocation.
PL4 Hunt led the Pledge of Allegiance.

Comments, Presentations and Reports and Appointments

Mayor Pro-Tem Leverentz began with a personal apology to PL5 Wade for his emotional reaction and his share of an argument between himself and PL5 Wade that had occurred. Mayor PT stated his emotions were sensitive as he had just left visiting with Fire Chief Pickard and was feeling immense concern for Chief Pickard's health. He wished to "mend fences" and work together in a positive light. Mayor Pro-Tem Leverentz also gave personal regret for the incident to Ms Jeania Wade and promised it would never happen again.

Mayor Pro-Tem Leverentz shared information about the upcoming Service League Dinner, scheduled on February 17, 2012, at 6:00p.m., Ovilla Road Baptist Church.

CITIZENS COMMENTS / CITIZENS FORUM:

1. Ms Jeania Wade, Co-owner of Main Street Cleaners read from a prepared document her disappointment and upset with Mayor Pro-Tem Leverentz for the previously mentioned incident that occurred over the past weekend. Ms Wade's typed note is attached.
2. Mr. Phil Lynch distributed copies of his prepared document rebutting Mayor Bill Vansyckle's recent newspaper article boasting of his many accomplishments. Mr. Lynch's document is attached.

◆ Department Activity Reports / Discussion

- Police Department Chief M. Moon
 - Gave Monthly Report and answered Council inquiries.
- Fire Department Asst. Fire Chief P. Brancato
 - Gave Monthly Report and answered Council inquiries.
- Public Works Director B. Piland
 - Gave Monthly Report and answered Council inquiries.

- Finance Department
 - Gave Monthly Municipal Court Report
 - Complimented PW Director Brad Piland and Code Enforcement Mike Dooly for installing chair railing in the Council Chamber room.
- Administration
 - Gave Monthly Reports – Code Enforcement/Animal Control
 - Notice of lawsuit – Advised Council that he (Randy) and Mike Dooly had been served as well as two Ovilla citizens.
 - Shared the status of RFQ's for Annexation map

♦ **CONSENT ITEMS:**

- Minutes of the January 23, 2012 Regular Council Meeting.
- Joint Election Contract with Midlothian for May 12, 2012 Election
- Financial transactions

PL5 Dormer made a motion to pull the Minutes of January 23, 2012 for separate discussion.

PL4 Hunt made a motion to approve the remaining consent items as presented.

PL5 Dormier seconded the motion.

Mayor Pro-Tem Leverentz asked for a record vote by announcement of AYE or NAY.

Present Council announced AYE in favor. No oppositions, no abstentions.

PL2 Dickey was noted absent.

VOTE: The motion carried unanimously: 4-0. The Joint Election Contract with Midlothian and the Financial Transactions were approved.

PL5 Dormier requested to add an attachment (Code of Ethics with numbering)) to the minutes that corresponded to Items 7 & 8.

Mayor Pro-Tem Leverentz made a motion to approve the minutes of January 23, 2012 and to add a key (Council Rules of Procedure with numbering that corresponds to Council's motions on Items 7 & 8) as an attachment to the minutes.

PL4 Hunt seconded the motion.

Mayor Pro-Tem Leverentz asked for a record vote by announcement of AYE or NAY.

Present Council announced AYE in favor. No oppositions, no abstentions.

PL2 Dickey was noted absent.

VOTE: The motion carried unanimously: 4-0. January 23, 2012 minutes were approved.

REGULAR AGENDA

INDIVIDUAL CONSIDERATION:

ITEM 1. **Discussion/Action** – Accept resignations from Mayor Bill Vansyckle and Place Two Council Member Mike Dickey and declare a vacant seat on the council and the vacated Mayoral seat pursuant to Local Government Code Sec. 22.012.

PL3 Wade made a motion that Council accept both resignation letters – from Bill Vansyckle and Kathy Dickey on behalf of Mike Dickey and declare both positions vacant.

PL4 Hunt seconded the motion.

Mayor Pro-Tem Leverentz asked for a record vote by announcement of AYE or NAY.

Present Council announced AYE in favor. No oppositions, no abstentions.

VOTE: The motion carried unanimously: 4-0.

ITEM 2. **Discussion/Action** – Consider a proposed **Ordinance 2012-001** ordering a Special Election to be held on May 12, 2012, a uniform election date, for the election of Mayor and City Council Member Place 2, designate the main and early voting polling place(s), and designates the early voting period dates and hours. (TX Election Code Sections §3.006, §52.093, §85.001, §85.004, §85.007)

*Considepar la **Ordinance 2012-001**, autorizando la elección especial que se llevara cabo el dia 12 de mayo del 2012 con el propósito de elegir un dos posiciones para consejale 2 lugar y Firma del Alcalde y designar las fechas para las elecciones primarias.*

Section 22.010 of the Local Government Code states that if for any reason two or more vacancies on the governing body exist at the same time, a Special Election shall be ordered to fill those vacancies. This election (pending pre-clearance from the DOJ) will be conducted in conjunction with the previously called General Election on May 12, 2012.

PL5 Dormier made a motion that Council approved Ordinance 2012-001 authorizing the Order of a Special Election to fill two vacancies on the governing body of Ovilla, set for the May 12, 2012 Uniform Election Day, to be conducted with the General Election and designating the main and early voting polling places and dates to be the same as the General Election.

PL4 Hunt seconded the motion.

Mayor Pro-Tem Leverentz asked for a record vote by announcement of AYE or NAY.

Present Council announced AYE in favor. No oppositions, no abstentions.

VOTE: The motion carried unanimously: 4-0.

ITEM 3. **Discussion/Action** – Council's deliberation of disciplinary action regarding the Code of Ethics violations of former Mayor Bill Vansyckle. Council may take any action deemed necessary.

- Requested by Council

Council reviewed and considered the email correspondence between the 2010 Presiding Ovilla General Election Judge Charlie Morton and the City Secretary pertaining to electioneering and/or loitering. PL5 advised that with regard to the Council's Code of Ethics and limited censorship, he followed up on this incident and filed with the Secretary of State. With regard to Council's other disciplinary issues concerning harassment of employees, City Administrator Randy Whiteman advised of his communication with TML legal counsel. TML advised that the City Administrator should speak with the named individual (City Secretary Pam Woodall) concerning known incidents and take whatever action he deemed warranted, as per the Personnel Manual. They further advised in lieu of interviewing all employees, that the City should, through a letter, remind all employees of Ovilla's policy pertaining to conduct, behavior and harassment and encourage them to come forward if they feel they have any concerns of their own. The City Administrator informed the Council he determined three separate actions to take against the Mayor to eliminate any future one-on-one contact and therefore opportunities for further harassment. The Council voted to include the actions in their sanctions of the Mayor. The City Administrator's disciplinary actions for the former Mayor were entered into the minutes as an attachment.

PL5 Dormier made a motion that the City Council censor former Mayor Vansyckle for the ethics violations he was found guilty of during the last meeting; to include in the record that Council followed the Presiding Judge's recommendation and filed the loitering charge with the Secretary of State (filed by PL5 Dormier) and incorporate the City Administrator's memo into the minutes and follow through with those recommendations listed in the memo.

*VACANT, Mayor
Tom Leverentz, Mayor Pro-Tem
VACANT, Place Two*

*Doug Hunt, Place Four
James Wade, Place Three
Richard Dormier, Place Five*

PL3 Wade seconded the motion.

Mayor Pro-Tem Leverentz asked for a record vote by announcement of AYE or NAY.

Present Council announced AYE in favor. No oppositions, no abstentions.

VOTE: The motion carried unanimously: 4-0.

ITEM 4. Discussion/Action – Consider and review applicants for possible board appointments to the vacancies on the Economic Development District Board, the Board of Adjustment and the Municipal Development District Board.

- Presented by Administrative staff

The Economic Development Corporation (EDC), Board of Adjustment (BOA) and Municipal Development District (MDD) have all had vacancies for a while. Notices of openings were posted and applications were presented to Council.

PL4 Hunt made a motion that Council appoints Ronald Kingsley to serve out the term of Ed Arnold on the EDC that expires 2012 and appoints Howard Goldstein to serve out the term of George Owens on the EDC that expires 2013.

PL5 Dormier seconded the motion.

Mayor Pro-Tem Leverentz asked for a record vote by announcement of AYE or NAY.

Present Council announced AYE in favor. No oppositions, no abstentions.

VOTE: The motion carried unanimously: 4-0.

PL4 Hunt made a motion that Council appoints Ms Jeanne Ham to serve as an alternate member on the BOA for the completion of the term and place formally held by Louis Grinage-term expires 2013.

PL5 Dormier seconded the motion.

Mayor Pro-Tem Leverentz asked for a record vote by announcement of AYE or NAY.

Present Council announced AYE in favor. No oppositions, no abstentions.

VOTE: The motion carried unanimously: 4-0.

PL4 Hunt made a motion that Council reappoints Charlie Daniel to serve another term on the MDD Board, and appoints John Sawyers to replace Lynn Shortnacy to a term that expires 2013.

PL5 Dormier seconded the motion.

Mayor Pro-Tem Leverentz asked for a record vote by announcement of AYE or NAY.

Present Council announced AYE in favor. No oppositions, no abstentions.

VOTE: The motion carried unanimously: 4-0.

ITEM 5. Discussion/Action – Consider Resolution 2012-002 of the City of Ovilla suspending the March 06, 2012 effective date of ATMOS Energy Corp., Mid-Tex Division requested rate change.

- Presented by Administrative staff

Mr. Gary Thigpen with ATMOS was present to respond to questions from Council. Suspension needed to be adopted before March 06, 2012. This should give the participating cities an opportunity to resolve the rate request with the Company before jurisdiction attaches at the Railroad Commission (RRC) and therefore, support the ACSC suspension efforts.

PL4 Hunt made a motion that Council approves Resolution 2012-002, suspending the March 06, 2012, effective date of ATMOS Energy Corp. Mid-Tex Division requested rate change to permit the city time to study the request.

PL5 Dormier seconded the motion.

Mayor Pro-Tem Leverentz asked for a record vote by announcement of AYE or NAY.

VACANT, Mayor

Tom Leverentz, Mayor Pro-Tem

VACANT, Place Two

Present Council announced AYE in favor. No oppositions, no abstentions.

VOTE: The motion carried unanimously: 4-0.

ITEM 6. Discussion/Action – Council to consider authorizing the City Administrator to solicit for legal representation.

Council had mentioned general dissatisfaction with the City's current legal representation.

PL4 Hunt made a motion that Council authorizes the City Administrator to begin research for alternative legal representation and report his findings.

PL3 Wade seconded the motion.

Mayor Pro-Tem Leverentz asked for a record vote by announcement of AYE or NAY.

Present Council announced AYE in favor. No oppositions, no abstentions.

VOTE: The motion carried unanimously: 4-0.

ITEM 7. Discussion Only – Consider revision(s) to Resolution 2010-013, review and amend the Policy of Governance Process/Rules of Procedure and the Hearing of Complaints, and direct staff to return with an amended resolution for Council consideration.

- Requested by PL5 Dormier

PL5 Dormier suggested a scheduled workshop to share recommended changes to the current policy. Council agreed to submit written suggestions to the City Administrator and allow staff to compile the changes before a planned workshop. Staff would also be allowed to submit written recommendations. Compiled changes should be ready for discussion within the next few scheduled Council meetings.

THERE WAS NO VOTE ON THIS ITEM. DISCUSSION ONLY.

ITEM 8. Discussion/Action – Update Council with audio/visual technical equipment and Council may take any action deemed necessary.

- Presented by Administrative Staff

Mr. Henry Farrish assisted with the audio recording during the previous Council meeting and will provide a quote for additional audio equipment necessary to complete the Council Chamber room. The new mixer board is not compatible with the current equipment. PL3 Wade suggested staff attempt the return the Best Buy E-pads and any other equipment not necessary. City Administrator advised that all E-pads were opened and loaded for use by the city and it was doubtful Best Buy would honor the return/cost reimbursement of them; however, he would contact Best Buy in attempts to return the mixer board.

Mayor Pro-Tem Leverentz made a motion that Council direct the City Administrator to address Best Buy's return policy and ask Mr. Farrish to provide a quote for audio equipment compatible with the current microphones.

PL3 Wade seconded the motion.

Mayor Pro-Tem Leverentz asked for a record vote by announcement of AYE or NAY.

Present Council announced AYE in favor. No oppositions, no abstentions.

VOTE: The motion carried unanimously: 4-0.

Mayor Pro-Tem Leverentz announced that in the future, Council's goal was to address all items on the agenda within 1.5 hours. Hopefully, this would invite more residents if they knew the

meetings were not lasting into the late night hours. Additionally, finalizing an agenda on Monday would expedite meetings.

Council's Request for Consideration of Future Agenda Items

Future agenda items were not considered during this meeting. Mayor Pro-Tem Leverentz asked Council to submit future agenda items to the City Secretary.

Place 5, Dormier:	None
Place 4, Hunt:	None
Place 3, Wade:	None
Mayor/VACANT:	Vacant
Place 2, VACANT:	Vacant
Mayor Pro-Tem Leverentz:	None

Adjournment

PL3 Wade made a motion to adjourn the meeting of February 13, 2012 at 8:18 P.M.

PL4 Hunt seconded the motion.

VOTE: The motion carried unanimously.

Thomas Leverentz, Mayor Pro-Tem

ATTEST:

Pamela Woodall

Approved February 27, 2012

Attachments:

1. Typed note from Ms Jeania Wade given during Citizen's Comments.
2. Typed note prepared by Mr. Lynch given during Citizen's Comments.
3. City Administrator's memo regarding sanctions to the former Mayor as addressed under Item 3.

Good evening everyone...My name is Jeania Wade, I am the owner of Main St. Cleaners located at 711 west main street here in Ovilla.

For those of you who may know me, i do not care to be involved in politics. However, this particular situation I can not let pass, especially when it involves my family. My message is for Mr. Leverentz. You sir, are the most un-educated, arrogant bully i have ever had the displeasure of knowing. For those that may not have yet heard, this past saturday the "acting Mayor," using the city Fire Dept vehicle, did chase down my family in our car, did physically threaten my husband and did disrespect him in the middle of Cockrell Hill road was not at all necessary. It is just another example of how you abuse your council and now your acting Mayor position to manipulate and intimidate other people. We may be poor, we may not rise to your perceived standard, but atleast we do not disrespect other people just because we do not agree with you. You do not own this town, you do not own the fire department, you are just lucky to be in your position right now. MY fear is, and I would like everyone in this room to know that this person, Ovilla's acting Mayor, may continue to be a threat or poise harm to my family or business as he has in the past or in the future. And to you Mr. acting Mayor, i hope that what u did to my family never happens to you or any of your family as you saw fit to impose it upon mine. You sir, are a disgrace to the Fire Dept and the city of Ovilla. You sir, do not in anyway represent me, my family or any other self respecting law abiding citizen in any way, shape or form. You sir, not only owe my family an apology but also the Fire Dept and the city as a whole for your behavior.

Thank you all and good night

Mayor Vacates Office in Disgrace despite the Vansyckle Newspaper Spin Feb. 13, 2012

Last week, in an article by Rita Cook in the Official Ovilla Newspaper, the *Waxahachie Daily Light*, then Mayor Bill Vansyckle listed some of the work he had falsely taken credit for.

We Americans tend to allow politicians to take credit for almost anything if they were merely in or even close to the room when another made it happen. However, given the last three months, you have a right to know the following about the credit Mr. Vansyckle took in his last official writings as Mayor to the Waxahachie Daily Light newspaper.

1. When Bill Vansyckle wrote that he (Vansyckle);

“• Helped to improve the city’s fire insurance ISO rating along with the Ovilla Fire Department bringing resident’s lower insurance rates.” What Mayor Vansyckle should have said was that, *without any urging or help from any elected person in Ovilla*, the ESD hired and fully paid for an outside Study of Ovilla and of the ESD to identify what could be done to lower the ISO ratings of **both** entities. Ovilla Fire Chief Donnie Pickard, without any guidance from any elected official, did the leg work outlined in the Study to get the ISO rate drastically lowered. Thank you, Chief Donnie Pickard and ESD.

2. When Bill Vansyckle wrote that he (Vansyckle);

“• Negotiated lower interest rate on city bonds, lowering the city’s debt and payments.” What Mayor Vansyckle should have said was that while he was Mayor, it was the City Administrator Randy Whiteman and City Accountant Sharon Jungman who came up with the strategy and worked tirelessly together with the bond holders to come up with a plan to restructure the city’s debt. The voting members of the City Council then approved their work. Completely contrary to the Mayor’s newspaper account, *the Mayor did not negotiate anything* having to do with the lower interest rate except allow it to be placed on the Council’s agenda for a vote by the council.

3. We do however need to give credit to Mayor Vansyckle when he speaks in half truths.

“• Initiated renovations at City Hall.” After telling the citizens countless times that an estimated \$5,000.00 renovation would be free to the city, the citizens ended up paying nearly 40% of a \$16,000.00 run away project, all without **ordinance-required City Council approval** of budgetary expenditures for the project.

4. Thank goodness Mr. Vansyckle told the truth when it comes to our cherished Garden Club.

“• Along with the Ovilla Garden Club, installed the Blue Star Monument in Heritage Park honoring the city’s soldiers.”

Before the council begins the task of finality on the Bill Vansyckle episode in Ovilla politics, let’s review what he has done to our reputation in Ellis County. These are the headlines.....

Remember, not one line in any of these articles was generated by any citizen of Ovilla save and except Bill Vansyckle.

In your dealings on this issue this evening, I encourage the council to send a message to any citizen wanting to behave in this manor. Phil Lynch

Council

I visited with the TML Risk Pool attorney and he did not think interviewing all employees was the way to handle the situation. He said I should interview Pam and take recommend whatever action I saw fit. As to everyone else, he agreed that a letter explaining our harassment policy would be sufficed.

I did interview Ms. Woodall and I believe her concerns about harassing and unacceptable behavior towards her from Bill Vansyckle were valid and substantiated. I discussed what actions we could take to create a safe workplace. With that I recommend the following:

1. That Bill Vansyckle will be counseled on his use of foul language and inappropriate comments and also on his outburst, loudness, and veiled threats toward employees.
2. That Bill Vansyckle will have no one-on-one contact with Ms. Woodall by requiring a third person be in the room whenever he addresses her.
3. Inform Bill Vansyckle that any retaliation towards Ms. Woodall for bringing a complaint will not be tolerated.

ELLIS COUNTY ELECTIONS ADMINISTRATION



Jane Anderson
Elections Administrator
jane.anderson@co.ellis.tx.us

7:00 a.m. – 4:00 p.m. Monday – Friday

Tel. 972-923-5195
Fax. 972-923-5194
<http://co.ellis.tx.us>

February 13, 2012

Greetings:

The lease agreement for the handicap voting machine (Auto Mark) is enclosed. Have it signed and return the original with payment to: Elections, 106 S. Monroe St., Waxahachie, TX. 75165. Keep copy for your records.

Make check payable to: Ellis County Treasurer, I will issue a receipt for your payment and forward your check to the County Treasurer.

As a reminder, training for election workers has been scheduled for April 26, 2012 at 6:30 p.m. at my office. There is approximately one hour of training on qualifying the voter, use of the forms and how to set up and use the Auto Mark. Please inform your Election Day workers of this date and time. Some Early Voting Clerks are interested in attending this evening training to update their knowledge.

The voter list and the Auto Mark must be picked up between April 24th and April 26th from 8:00 a.m. – 3:30 p.m. There will be a brief demonstration on setting up and the use of the Auto Mark in my office at 10:00 a.m. on April 26, 2012 for the City/School personnel (usually the early voting clerk) in charge of this task. This is the last day for the handicap voting equipment to be picked up from my office.

As soon you receive the programmed flash card(s) from ES&S, send it/them to me with two test ballots by April 18th at the latest. We will install the card and run an accuracy test. Do not bring the flash card on the day you are picking up your handicap machine. Several did this last year; it puts too much stress on my staff to install, test and ready the 45 pound machines. You should test again after the machine is set up for use. Just remember to write "TEST" on the ballot, date and sign. Store the TEST ballots separate from the other ballots.

Don't forget to call or email me if you are cancelling your election.

Best regards,

Jane Anderson

**INTERLOCAL COOPERATION CONTRACT FOR THE LEASE
OF VOTING MACHINES BETWEEN ELLIS COUNTY, TEXAS AND
CITY OF OVILLA**

THIS AGREEMENT is entered into on this 13th day of February 2012, by and between the County of Ellis, a local government as defined by Article 791.003(4) of the Texas Government Code (herein "County") and City of Ovilla, a local government as defined by Article 791.003(4) of the Texas Government Code, hereinafter referred to as Lessee.

RECITALS:

WHEREAS: Article 123.032(b) of the Texas Election Code provides that a political subdivision may lease equipment from a county in which the political subdivision is wholly or partly situated; and

WHEREAS: Article 123.032(c) of the Texas Election Code provides, with some limitations, that if a political subdivision desires to lease equipment owned by a county in which the political subdivision is wholly or partly situated, the county shall lease the equipment to the political subdivision under the terms agreed to by the parties; and

WHEREAS: County is the owner of certain voting machines identified as AutoMark Model A-100-00; and

WHEREAS: The purpose of Interlocal Agreements is to increase the efficiency and effectiveness of local governments by authorizing them to contract, to the greatest possible extent, with one another and with agencies of the state; and

WHEREAS: The sharing of voting machines constitutes a "governmental function and service," as defined in Article 791.003(3) (N) of the Texas Government Code, in which the contracting parties are mutually interested; and

WHEREAS: The lease constitutes a contract or agreement described in Article 791.011(c)(2) of the Texas Government Code to provide a governmental function or service that each party to the contract is authorized to perform individually; and

WHEREAS: Lessee has expressed its desire to contract with County for the rental of the herein above described voting machines and certifies under Article 791.011(d)(3) of the Texas Government Code, that sufficient funds from current revenues are available to pay the obligation set out herein, in an amount, as required by Article 791.011(e), that fairly compensates County; and

WHEREAS: County is willing to contract with Lessee to enter into an agreement for the lease of said machines upon the terms and conditions set out hereinafter.

AGREEMENT:

NOW THEREFORE, for value received and in consideration of the covenants, conditions, and premises herein contained, the parties agree as follows;

1. County agrees to lease to Lessee the Voting Machines for a fee of **\$324.17** per machine paid in advance. Said payment is for a period of **April 24, 2012** through **May 14, 2012** and is **due by 2:00 p.m. the tenth day before the lease period begins**. Lessee agrees to pay the contract amount, prior to receiving the equipment, and no later than 10 days before the beginning of the lease period.
2. In the event the equipment leased from County to Lessee pursuant to this lease is stolen, lost, damaged, vandalized, destroyed or rendered inoperable, whether intentional or not, Lessee agrees to reimburse County for the full cost of replacement or repair of such equipment. The repair cost shall be determined by the equipment service vendor. The Lessee's payment for repair or replacement costs for damaged or lost equipment, or service cost resulting from same shall be remitted to County by Lessee within thirty (30) days of written notice of loss sent by County to Lessee.
3. County shall supply the Lessee with **ONE (1)** AutoMark Model A-100-00 machines.
4. Lessee is responsible for the following actions or functions:
 - A. Pick-Up of equipment from the Elections Administrator's Office.
 - B. Return of equipment to Elections Administration Office by 4:00 p.m. on the next business day after the election.
 - C. Ordering Optical Scan Ballots for the AutoMark.
 - D. Contacting Election System and Software, Inc., herein ES&S, for coding of AutoMark voting machines.
 - E. Reasonable care to prevent theft of or damage to the AutoMark voting machines.
5. Lessee shall designate individuals at each location to be in charge of operations who will oversee the receipt, care, custody, and control of the machines ("Designated Individuals"). Prior to delivery of the machines, Lessee shall obtain any training necessary for the proper operation and care of the machines for the Designated Individuals.
6. Lessee must designate Individuals for training in the proper operation of the AutoMark machines. ES&S may periodically provide training in the proper use of the AutoMark machines. Designated Individuals should attend such training. The Elections Administrator will also provide training to Lessees and its Designated Individuals. The Lessee shall pay any costs of training Designated Individuals, as well as other personnel it may need to properly and lawfully conduct an election. The Elections Administrator must be satisfied that the Lessee is adequately trained in the operation of the AutoMark machines prior to Lessee or its agent picking up any machines.

7. Lessee assumes full liability for the safekeeping of the Voting Machine(s) and all associated items such as inventory and supplies furnished by Ellis County. The Ellis County Elections Administrator will notify Lessee in writing of any damaged, missing, and unaccounted for machines or associated items and Lessee shall have up to thirty (30) days to research and rectify any discrepancies before payment is due. The Lessee agrees to pay for any destroyed, damaged, or missing machines or associated items.

8. Lessor is not responsible for the operation or accuracy of the machines or for the failure of the machines to operate in a proper or accurate manner. Lessee shall not be responsible for the failure of Lessee or its employees, its Designated Individual, or other agents or representatives to operate the machines properly. Lessee agrees to defend, indemnify, and hold harmless Ellis County from and against any election contest and from and against any and all claims made by any party regarding the accuracy, operation or use of the voting machines in recording or failing to record votes or for any purpose whatsoever or the training or lack of training in the proper use of the machines.

9. Lessee hereby agrees to indemnify and hold harmless County and its officers, officials, and employees from and against any loss, including claims, demands and causes of action and which loss, claim, demand or cause of action resulted from the performance or non-performance of Lessee or its agents, representatives or employees pursuant to the terms of this agreement.

10. This Agreement is entire as to all of the performance to be rendered under it. Breach of any material obligation to be performed by either party shall constitute a breach of the entire Agreement and shall give either party the right to immediately terminate this Agreement.

11. Lessee agrees to notify County of any change in the Designated Individuals within 14 calendar days of such change and will be responsible to assure the proper training of such individuals.

12. Either party hereto may voluntarily terminate this Agreement at any time upon sixty (60) days prior written notice to the other party sent as provided herein. Within seven (7) days after the date of termination, the Lessee shall return to County all Voting Machines, together with associated equipment and supplies.

13. Notice given pursuant to this Agreement shall be in writing and shall be given by United States certified mail, postage prepaid, addressed to the appropriate party as set forth below:

COUNTY: Jane Anderson, Ellis County Elections Administrator
106 S. Monroe St.
Waxahachie, Texas 75165

With a copy to: Patrick Wilson, County Attorney
109 S. Jackson St.
Waxahachie, Texas 75165

LESSEE:	Name of Entity	CITY OF OVILLA
	Name of Contact	PAMELA WOODALL-HIGGINS
	Address for Notice	105 S. COCKRELL HILL ROAD
		OVILLA, TEXAS 75154

The person and address to which notices are to be given may be changed at any time upon written notice to the other party.

14. The term of this Agreement shall continue in full force and effect for one year from the date of the Agreement. However, the agreement may expire at an earlier time through the complete fulfillment of the obligations set forth herein by all parties hereto.

15. This Agreement shall be construed under and in accordance with the laws of the State of Texas. Exclusive venue for any action taken relative to this agreement shall be Ellis County, Texas.

16. Neither party shall assign its rights, nor delegate its duties under this Agreement without prior written consent of the other party. Such unauthorized assignment and/or delegation shall, at the option of the non-assigning and/or non-delegating party be a material breach for which the non-assigning and/or non-delegating party may void this Agreement.

17. The provisions of this Agreement are not intended to create, nor shall they be in any way construed to create, a joint venture, a partnership, agency, or any other similar relationship between the parties. The Lessee acknowledges that it is an independent contractor and that it will be acting as an independent contractor in performing its obligations under this Agreement.

18. Ellis County is not obligated nor is it expected to file, defend the filing of, intervene into, or otherwise join or participate in any way in any litigation that may be filed by or against Lessee relating in any way either directly or indirectly to the use of the leased equipment or any training relating thereto. Should litigation be instituted by any other person or entity, Lessee shall, to the extent permitted by law, hold harmless and indemnify Ellis County against all claims, costs and expenses, including attorney's fees, arising from the use of the leased equipment and/or any training relating thereto, as well as any other action filed against Lessee or Ellis County or the Ellis County Elections Office's actions associated with this agreement.

19. This Agreement shall supersede any and all other agreements for services specified hereunder, whether oral or written.

20. This Agreement shall not be amended or modified, except in writing signed by authorized representatives of the Lessee, County, and the County Elections Office.

21. This agreement replaces all other agreements or contracts, if any, by and between the Parties hereto as they pertain to lease of voting machines.

22. This agreement shall become effective after the authorization and approval of the governing body of Lessee acting through its presiding officer or official and upon approval by the Commissioners Court of Ellis County, Texas, as Lessor, acting through its County Judge.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first written above.

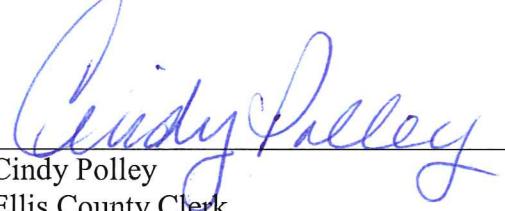
County of Ellis, State of Texas

Lessee:

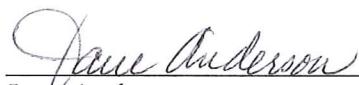

Carol Bush
Ellis County Judge

By: _____
Signature of Authorized Representative

Attest:


Cindy Polley
Ellis County Clerk

Printed Name and Title of Authorized Representative of Lessee (City, School, or Special District)


Jane Anderson
Ellis County Elections Administrator

Name of Lessee (City, School District, or Special District)

Telephone: _____

E-Mail: _____

AGENDA ITEM REPORT

Item(s): 1 (City Secretary use only)

Meeting Date: February 27, 2012

Department: Admin

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Administrative Staff

Attachments:

I. Bound Audit for FY2010-2011 (October 2010 – September 2011)

Agenda Item / Topic:

ITEM I. Discussion/Action – Consider acceptance of the Annual Financial Audit Report for the year ending September 30, 2011, prepared by Yeldell, Wilson and Company, C.P.A., P.C.

- Requested by Administrative Staff

Discussion / Justification:

Mr. Danny Strunc will present Ovilla's Annual Audit Report for the fiscal year ending September 30, 2011 at the Council meeting and will be available for questions.

Recommendation / Staff Comments:

Staff recommends approval.

Sample Motion(s):

"I MAKE A MOTION THAT COUNCIL ACCEPT/DENY THE AUDIT REPORT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2011."

CITY OF OVILLA, TEXAS

ANNUAL FINANCIAL REPORT

Year Ended September 30, 2011

CITY OF OVILLA, TEXAS
ANNUAL FINANCIAL REPORT
Year Ended September 30, 2011

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CITY OF OVILLA, TEXAS
ANNUAL FINANCIAL REPORT
Year Ended September 30, 2011

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Yeldell, Wilson & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS (A PROFESSIONAL CORPORATION)
Members of American Institute of Certified Public Accountants / Members of Private Companies Practice Section

Greer Yeldell, CPA / Glen D. Wilson, CPA

Mary E. Coile, CPA / Brooke Farmer, CPA / Glenda Valek, CPA / Joyce Reeve, CPA / Sandra M. Michalka, CPA

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Ovilla, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Ovilla, Texas, as of and for the year ended September 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City of Ovilla, Texas' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ovilla, Texas, as of September 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 10 and 44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Honorable Mayor and City Council
Page Two

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ovilla, Texas' financial statements as a whole. The combining and individual fund financial statements and schedules and supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Yeldell, Wilson & Co., P.C.

Yeldell, Wilson & Co., P.C.
Certified Public Accountants

February 10, 2012

CITY OF OVILLA, TEXAS

105 South Cockrell Hill Road · Ovilla, Texas 75154 · (972) 617-7262 · FAX (972) 515-3221

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Ovilla, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2011.

FINANCIAL HIGHLIGHTS

- The liabilities of the City exceeded its assets at the close of the most recent fiscal year by \$754,846.
- The City's total net assets increased by \$877,175.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$1,504,670. Over 72% of this total amount, \$1,088,287 is unassigned and available for use within the City's designation and policies.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,088,287 or 45% of the total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, streets, cultural and recreational, solid waste and economic development. The business-type activities of the City include water and sewer operations.

The government-wide financial statements include not only the City itself, but also a legally separate economic development corporation which function for all practical purposes as part of the City, and therefore has been included as a blended component unit as a integral part of the primary government.

The government-wide financial statements can be found on pages 11-12 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories—governmental funds and proprietary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains seven individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General fund and Debt Service fund, both of which are considered to be major funds. Data from the other five funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13-15 of this report.

Proprietary Funds. The City maintains one type of proprietary fund. The enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise fund to account for its water and sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer fund since it is considered to be a major fund of the City.

The basic proprietary fund financial statements can be found on pages 16-18 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19-42 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents combining statements referred to earlier in connection with non-major governmental funds. Combining and individual statements and schedules can be found on pages 43-51 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, liabilities exceeded assets by \$754,846 as of September 30, 2011.

A large portion of the City's net assets reflects its investments in capital assets (e.g., land, buildings, improvements, machinery and equipment, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF OVILLA'S NET ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 2,113,758	\$ 1,576,646	\$ 1,418,276	\$ 940,885	\$ 3,532,034	\$ 2,517,531
Capital assets	2,112,138	1,945,839	3,181,391	3,312,220	5,293,529	5,258,059
Total assets	4,225,896	3,522,485	4,599,667	4,253,105	8,825,563	7,775,590
Long term liabilities	6,072,424	6,185,988	1,483,878	1,530,436	7,556,302	7,716,424
Other liabilities	326,554	122,537	187,861	58,958	514,415	181,495
Total liabilities	6,398,978	6,308,525	1,671,739	1,589,394	8,070,717	7,897,919
Net assets:						
Invested in capital assets, net of related debt	2,100,541	1,822,267	1,712,389	1,925,001	3,812,930	3,747,268
Restricted	416,383	221,736	118,587	225,926	534,970	447,662
Unrestricted	(4,690,006)	(4,830,043)	1,096,952	512,784	(3,593,054)	(4,317,259)
Total net assets (deficit)	\$ (2,173,082)	\$ (2,786,040)	\$ 2,927,928	\$ 2,663,711	\$ 754,846	\$ (122,329)

An additional portion of the City's net assets represents resources that are subject to external restriction on how they may be used.

As noted on pages 8-9, the City's net assets invested in capital assets increased as a result of infrastructure improvements contributed by developers, while long-term debt decreased due to scheduled debt payments being made.

Analysis of the City's Operations. The following table provides a summary of the City's operations for the year ended September 30, 2011. Governmental activities increased the City's net assets by \$612,958 and business-type activities increased the City's net assets by \$264,217.

CITY OF OVILLA'S CHANGES IN NET ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 483,303	\$ 464,472	\$ 1,421,562	\$ 1,025,206	\$ 1,904,865	\$ 1,489,678
Operating grants and contributions	31,489	48,962	-	-	31,489	48,962
Capital grants and contributions	247,622	79,783	-	-	247,622	79,783
General revenues:						
Property tax	1,747,894	1,782,095	-	-	1,747,894	1,782,095
Sales tax	254,606	219,836	-	-	254,606	219,836
Franchise tax	152,286	138,213	-	-	152,286	138,213
Investment earnings	29,422	13,730	9,860	5,412	39,282	19,142
Gain on sale of capital assets	18,669	5,446	-	-	18,669	5,446
Miscellaneous	112,227	106,781	-	-	112,227	106,781
Total revenues	3,077,518	2,859,318	1,431,422	1,030,618	4,508,940	3,889,936
Expenses:						
General government	369,511	410,283	-	-	369,511	410,283
Public safety	1,313,940	1,297,722	-	-	1,313,940	1,297,722
Streets	277,689	267,345	-	-	277,689	267,345
Cultural and recreational	19,769	15,715	-	-	19,769	15,715
Solid waste	192,113	192,244	-	-	192,113	192,244
Economic development	21,233	2,960	-	-	21,233	2,960
Municipal development	1,103	-	-	-	1,103	-
Interest on long-term debt	322,439	298,893	-	-	322,439	298,893
Water and sewer	-	-	1,113,968	996,831	1,113,968	996,831
Total expenses	2,517,797	2,485,162	1,113,968	996,831	3,631,765	3,481,993
Increase in net assets before transfers						
	559,721	374,156	317,454	33,787	877,175	407,943
Transfers	53,237	46,688	(53,237)	(46,688)	-	-
Increase in net asset	612,958	420,844	264,217	(12,901)	877,175	407,943
Net assets - beginning	(2,786,040)	(3,206,884)	2,663,711	2,676,612	(122,329)	(530,272)
Net assets - ending	\$ (2,173,082)	\$ (2,786,040)	\$ 2,927,928	\$ 2,663,711	\$ 754,846	\$ (122,329)

- The majority of the increase in revenue resulted from capital grants for fire equipment of about \$220,000 and an increase in utility billing revenue of about \$400,000.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$1,504,670. Approximately 72% of this total amount \$1,088,287 constitutes unassigned fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to pay for (1) public safety in the amount of \$16,904, (2) cultural and recreational in the amount of \$24,919, (3) economic development in the amount of \$178,245, (4) municipal development in the amount of \$23,443, and (5) debt service in the amount of \$172,872.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,088,287. Unassigned fund balance represents 45% of total general fund expenditures.

The fund balance of the City's general fund decreased \$25,530 during the current fiscal year.

The debt service fund has a total fund balance of \$172,872. The net increase in fund balance during the current year in the debt service fund was \$130,138.

Proprietary Funds. The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Water and Sewer fund at the end of the year amounted to \$1,096,952. Net assets increased in 2011 by \$264,217. Other factors concerning the finances of this fund have already been addressed in the analysis of the City's operations.

General Fund Budgetary Highlights. General fund actual revenues of \$2,328,275 exceeded budgeted revenues of \$2,296,163 by \$32,112.

Budgeted general fund expenditures of \$2,578,889 exceeded actual expenditures of \$2,452,267. This \$126,622 positive variance in expenditures was achieved through a series of expenditure restrictions imposed during the year.

The main components of the difference between original budget and final amended budget can be briefly summarized as follows:

- \$128,000 decrease in property tax revenue
- \$95,000 increase in intergovernmental revenue
- \$19,000 increase in other revenue
- \$11,000 decrease in general government expenditures
- \$74,000 increase in public safety expenditures
- \$151,000 increase in street expenditures
- \$8,000 increase in cultural and recreational

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2011 amounts to \$5,293,529 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and infrastructure.

Major capital asset events during the current fiscal year included the following:

- Machinery and equipment additions of approximately \$333,000.
- Infrastructure improvements of approximately \$62,000.
- Building improvements of approximately \$30,000.

Capital Assets at Year-End Net of Accumulated Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 92,685	\$ 92,685	\$ 86,700	\$ 86,700	\$ 179,385	\$ 179,385
Buildings	195,623	175,014	66,781	43,799	262,404	218,813
Improvements	-	-	2,897,589	3,060,977	2,897,589	3,060,977
Machinery and equipment	896,979	779,430	130,321	120,744	1,027,300	900,174
Infrastructure	926,851	898,710	-	-	926,851	898,710
Total	<u>\$ 2,112,138</u>	<u>\$ 1,945,839</u>	<u>\$ 3,181,391</u>	<u>\$ 3,312,220</u>	<u>\$ 5,293,529</u>	<u>\$ 5,258,059</u>

Additional information on the City of Ovilla's capital assets can be found in note 3 on pages 28-29 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had a total bonded debt of \$7,330,000. Of this amount, \$7,330,000 comprises bonded debt backed by the full faith and credit of the government.

Outstanding Debt at Year End Bonds and Interlocal Agreement Payable

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Certificates of obligation	\$ -	\$ 6,030,000	\$ -	\$ 670,000	\$ -	\$ 6,700,000
General obligation refunding	5,891,321	-	1,438,679	158,000	7,330,000	158,000
Interlocal agreement payable	-	101,100	-	-	-	101,100
Total	<u>\$ 5,891,321</u>	<u>\$ 6,131,100</u>	<u>\$ 1,438,679</u>	<u>\$ 828,000</u>	<u>\$ 7,330,000</u>	<u>\$ 6,959,100</u>

The City's General Obligation Refunding Bonds ratings are listed below.

Standard's & Poor's

General Obligation Refunding

AA+

Additional information on the City of Ovilla's long term-debt can be found in note 3 on pages 30-32 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City Council chose to adopt the Rollback tax rate which was less than the Effective tax rate for 2011-2012. This was possible due to the reduction in debt service and corresponding I&S rate brought about by the restructuring of the City's outstanding debt. The Rollback rate allows the City to recoup some of the lost M&O funds of previous budget years. However, even with the Rollback Tax Rate the projected revenue is still below the previous year's tax revenue. The City received increases from their providers for both wholesale water and sewer treatment. These plus a small increase approved for the City's garbage contractor will be passed on to the residents in the utility rates. These increases only offset the additional charges by the provider. In the budget process revenue projections for FY 2011-2012 are conservative and expenditures have been reduced to bare minimums for the second year in a row.

For 2011-2012 Ovilla is leaner and more efficient. The unusually mild winter has water revenues up for the first quarter of 2011-2012. This, coupled with sales tax revenues that are projected to be up state wide, allows for an optimistic start to the new year. In 2011-2012 the emphasis remains on streets. The Council has partnered with Ellis County to complete an additional mile of street rehabilitation in 2011-2012. From year to year the components of the budget change but the overall goal is constant: the City of Ovilla, with an emphasis on services and economic development, will promote, encourage, guide, provide, and maintain a quality environment in which Ovilla citizens can work, play, learn, and live. The City Council is optimistic that through two years of tight budgetary controls we have weathered the storm and have positioned Ovilla in good shape to participate in the rebounding economy.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Secretary, 105 South Cockrell Hill Rd., Ovilla, Texas 75154.

CITY OF OVILLA, TEXAS
STATEMENT OF NET ASSETS
September 30, 2011

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,555,582	\$ 720,987	\$ 2,276,569
Investments	4,643	1,143	5,786
Receivables (net of allowance for uncollectibles)	116,967	338,373	455,340
Due from other governments	196,030	-	196,030
Internal balances	(20,549)	20,549	-
Inventories	-	15,974	15,974
Deferred charges	261,085	71,989	333,074
Restricted assets:			
Cash and cash equivalents	-	244,416	244,416
Investments	-	4,845	4,845
Capital assets:			
Non-depreciable	92,685	86,700	179,385
Depreciable (net of accumulated depreciation)	2,019,453	3,094,691	5,114,144
Total assets	<u>4,225,896</u>	<u>4,599,667</u>	<u>8,825,563</u>
LIABILITIES			
Accounts payable and other current liabilities	274,962	147,347	422,309
Accrued payroll payable	16,744	4,437	21,181
Accrued interest payable	23,451	5,727	29,178
Due to other governments	10,359	-	10,359
Customer deposits payable	-	30,350	30,350
Unearned revenue	1,038	-	1,038
Noncurrent liabilities:			
Due within one year	384,110	93,385	477,495
Due in more than one year	5,688,314	1,390,493	7,078,807
Total liabilities	<u>6,398,978</u>	<u>1,671,739</u>	<u>8,070,717</u>
NET ASSETS			
Invested in capital assets, net of related debt	2,100,541	1,712,389	3,812,930
Restricted for:			
Public safety	16,904	-	16,904
Cultural and recreational	24,919	-	24,919
Economic development	178,245	-	178,245
Municipal development	23,443	-	23,443
Debt service	172,872	-	172,872
Infrastructure improvements	-	118,587	118,587
Unrestricted	<u>(4,690,006)</u>	<u>1,096,952</u>	<u>(3,593,054)</u>
Total net assets	<u>\$ (2,173,082)</u>	<u>\$ 2,927,928</u>	<u>\$ 754,846</u>

See accompanying notes to financial statements.

CITY OF OVILLA, TEXAS
STATEMENT OF ACTIVITIES
Year Ended September 30, 2011

Function/Program Activities	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Operating		Capital	Governmental Activities	Business Activities	Total	
	Charges for Services	Grants and Contributions	Grants and Contributions				
Primary government							
Governmental activities:							
General government	\$ 369,511	\$ 37,404	\$ 13,551	\$ 27,882	\$ (290,674)	\$ (290,674)	
Public safety	1,313,940	249,692	17,938	219,740	(826,570)	(826,570)	
Streets	277,689	-	-	-	(277,689)	(277,689)	
Cultural and recreational	19,769	1,338	-	-	(18,431)	(18,431)	
Solid waste	192,113	194,869	-	-	2,756	2,756	
Economic development	21,233	-	-	-	(21,233)	(21,233)	
Municipal development	1,103	-	-	-	(1,103)	(1,103)	
Interest on long-term debt	322,439	-	-	-	(322,439)	(322,439)	
Total governmental activities	<u>2,517,797</u>	<u>483,303</u>	<u>31,489</u>	<u>247,622</u>	<u>(1,755,383)</u>	<u>(1,755,383)</u>	
Business-type activities:							
Water and sewer	1,113,968	1,421,562	-	-	-	307,594	
Total business-type activities	<u>1,113,968</u>	<u>1,421,562</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>307,594</u>	
Total primary government	<u>\$ 3,631,765</u>	<u>\$ 1,904,865</u>	<u>\$ 31,489</u>	<u>\$ 247,622</u>	<u>(1,755,383)</u>	<u>307,594</u>	
General revenues:							
Property tax	1,747,894	-	-	-	-	1,747,894	
Sales tax	254,606	-	-	-	-	254,606	
Franchise tax	152,286	-	-	-	-	152,286	
Investment earnings	29,422	9,860	9,860	39,282	-	39,282	
Gain on sale of capital asset	18,669	-	-	-	-	18,669	
Miscellaneous	112,227	-	-	-	-	112,227	
Transfers	53,237	(53,237)	(53,237)	-	-	-	
Total general revenues	<u>2,368,341</u>	<u>(43,377)</u>	<u>2,324,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Change in net assets	612,958	264,217	264,217	877,175	-	877,175	
Net assets - beginning	(2,786,040)	2,663,711	2,663,711	(122,329)	-	(122,329)	
Net assets - ending	<u>\$ (2,173,082)</u>	<u>\$ 2,927,928</u>	<u>\$ 754,846</u>	<u>-</u>	<u>-</u>	<u>-</u>	

See accompanying notes to financial statements.

CITY OF OVILLA, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2011

	General	Debt Service	Other	Total
			Governmental Funds	Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 1,136,556	\$ 201,360	\$ 217,666	\$ 1,555,582
Investments	4,643	-	-	4,643
Receivables (net of allowance for uncollectibles)	104,087	9,066	3,814	116,967
Due from other governments	196,030	-	-	196,030
Due from other funds	10,081	-	15,186	25,267
Total assets	<u>\$ 1,451,397</u>	<u>\$ 210,426</u>	<u>\$ 236,666</u>	<u>\$ 1,898,489</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 274,962	\$ -	\$ -	\$ 274,962
Accrued payroll payable	16,744	-	-	16,744
Due to other funds	15,186	30,630	-	45,816
Due to other governments	10,359	-	-	10,359
Deferred revenue	39,014	6,924	-	45,938
Total liabilities	<u>356,265</u>	<u>37,554</u>	<u>-</u>	<u>393,819</u>
Fund Balances:				
Restricted for:				
Public safety	5,754	-	11,150	16,904
Cultural and recreational	1,091	-	23,828	24,919
Economic development	-	-	178,245	178,245
Municipal development	-	-	23,443	23,443
Debt service	-	172,872	-	172,872
Unassigned	<u>1,088,287</u>	<u>-</u>	<u>-</u>	<u>1,088,287</u>
Total fund balances	<u>1,095,132</u>	<u>172,872</u>	<u>236,666</u>	<u>1,504,670</u>
Total liabilities and fund balances	<u>\$ 1,451,397</u>	<u>\$ 210,426</u>	<u>\$ 236,666</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 2,112,138

Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in governmental funds balance sheet. (23,451)

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. 44,900

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds balance sheet.

Due within one year	\$ (384,110)
Due in more than one year	(5,688,314)
Deferred charges	<u>261,085</u>
	<u>(5,811,339)</u>

Net assets of governmental activities \$ (2,173,082)

See accompanying notes to financial statements.

CITY OF OVILLA, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended September 30, 2011

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Property	\$ 1,148,976	\$ 599,485	\$ -	\$ 1,748,461
Sales	168,885	-	85,721	254,606
Franchise	152,286	-	-	152,286
Licenses and permits	29,223	-	-	29,223
Fines and forfeitures	99,457	-	-	99,457
Charges for current services	353,284	-	-	353,284
Revenues from use of money and property	5,403	23,373	646	29,422
Other	112,227	-	1,338	113,565
Intergovernmental	244,844	-	-	244,844
Contributions and donations	150	-	11,087	11,237
Total revenues	2,314,735	622,858	98,792	3,036,385
EXPENDITURES				
Current:				
General government	385,693	-	-	385,693
Public safety	1,377,406	-	10,699	1,388,105
Streets	447,864	-	-	447,864
Cultural and recreational	19,176	-	-	19,176
Solid waste	192,113	-	-	192,113
Economic development	-	-	21,233	21,233
Municipal development	-	-	1,103	1,103
Debt service:				
Principal retirement	10,875	297,817	-	308,692
Interest and fiscal charges	1,493	323,170	-	324,663
Bond issuance costs	-	149,506	-	149,506
Total expenditures	2,434,620	770,493	33,035	3,238,148
Excess (deficiency) of revenues over (under) expenditures	(119,885)	(147,635)	65,757	(201,763)
OTHER FINANCING SOURCES (USES)				
Transfers in	75,686	-	-	75,686
Transfers out	-	(17,449)	(5,000)	(22,449)
Refunding bonds issued	-	5,959,638	-	5,959,638
Premium on refunding bonds	-	136,084	-	136,084
Payment to refunded bond escrow agent	-	(5,800,500)	-	(5,800,500)
Sale of capital assets	18,669	-	-	18,669
Total other financing sources (uses)	94,355	277,773	(5,000)	367,128
Net change in fund balances	(25,530)	130,138	60,757	165,365
Fund balances at beginning of year	1,120,662	42,734	175,909	1,339,305
Fund balances at end of year	\$ 1,095,132	\$ 172,872	\$ 236,666	\$ 1,504,670

See accompanying notes to financial statements.

CITY OF OVILLA, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended September 30, 2011

Amounts reported for governmental activities in the statement of activities (page 12) are different because:

Net change in fund balance-total governmental funds (page 14)	\$ 165,365
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Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities and changes in net assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlay recorded as capital assets in the current period.

	401,833
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Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in governmental funds.

	(235,534)
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The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bonds issued	\$ (5,959,638)
Bond principal repayments	297,817
Payment to escrow agent for refunding	5,800,500
Bond issue costs	149,506
Bond premium	(136,084)
Amortization of deferred charges	(15,831)
Amortization of bond discount	(696)
Amortization of bond premium	7,162
Interlocal agreement payable retired	101,100
Capital lease obligations retired	10,875
	254,711

Payment of compensated absences is reported as expenditures in the governmental funds when actually paid. However, on the government-wide statement of changes in net assets compensated absences are expensed as they are accrued. Change in the compensated absences liability.

	(7,472)
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Some revenues will not be collected for several months after the city's fiscal year end. These are not considered "available" revenues in the governmental funds until received. Change in amount deferred on Fund statements.

	22,466
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Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net assets, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds. Change in accrued interest.

	11,589
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Change in net assets of governmental activities (page 12)

	<u>\$ 612,958</u>
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See accompanying notes to financial statements.

CITY OF OVILLA, TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUND
September 30, 2011

	Business-type Activities - Enterprise (Water and Sewer) Fund
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 720,987
Investments	1,143
Receivables (net of allowance for uncollectibles)	338,373
Due from other funds	30,630
Inventory	15,974
Total current assets	<u>1,107,107</u>
Noncurrent assets:	
Restricted assets:	
Cash and cash equivalents	244,416
Investments	4,845
Total restricted assets	<u>249,261</u>
Capital assets (net, where applicable of accumulated depreciation)	<u>3,181,391</u>
Total noncurrent assets	<u>3,502,641</u>
Total assets	<u>4,609,748</u>
LIABILITIES	
Current liabilities:	
Accounts payable	147,347
Accrued payroll payable	4,437
Due to other funds	10,081
Accrued interest payable	5,727
Compensated absences	14,876
Customer deposits payable	30,350
Bonds payable	78,509
Total current liabilities	<u>291,327</u>
Noncurrent liabilities:	
Bonds payable	<u>1,390,493</u>
Total noncurrent liabilities	<u>1,390,493</u>
Total liabilities	<u>1,681,820</u>
NET ASSETS	
Invested in capital assets, net of related debt	1,712,389
Restricted for infrastructure improvements	118,587
Unrestricted	1,096,952
Total net assets	<u>\$ 2,927,928</u>

See accompanying notes to financial statements.

CITY OF OVILLA, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUND
Year Ended September 30, 2011

	Business-type Activities - Enterprise (Water and Sewer) Fund
Operating revenues:	
Water sales	\$ 1,176,377
Sewer service charge	160,189
Infrastructure improvement fees	55,315
Miscellaneous	29,681
Total operating revenues	<u>1,421,562</u>
Operating expenses:	
Water administration	130,465
Water expenses	617,038
Sewer expenses	110,947
Depreciation	178,406
Total operating expenses	<u>1,036,856</u>
Operating income	<u>384,706</u>
Nonoperating revenue (expenses):	
Investment earnings	9,860
Interest and fiscal charges	(70,640)
Bond issuance costs	(6,472)
Total nonoperating revenue (expenses)	<u>(67,252)</u>
Income before transfers	317,454
Transfer in	17,449
Transfer out	<u>(70,686)</u>
Change in net assets	264,217
Total net assets - beginning	2,663,711
Total net assets - ending	<u>\$ 2,927,928</u>

See accompanying notes to financial statements.

CITY OF OVILLA, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Year Ended September 30, 2011

	Business-type Activities - Enterprise (Water and Sewer) Fund
Cash flows from operating activities:	
Receipts from customers and users	\$ 1,297,836
Payments to suppliers	(468,973)
Payments to employees	(262,425)
Net cash provided (used) by operating activities	<u>566,438</u>
Cash flows from noncapital financing activities:	
Advances to other funds	(30,630)
Advances from other funds	3,052
Transfers from other funds	17,449
Transfers to other funds	(70,686)
Net cash provided (used) by noncapital financing activities	<u>(80,815)</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(47,577)
Proceeds from bonds, including premium	1,488,594
Bond issuance costs	(36,509)
Principal paid on revenue bond maturities	(118,183)
Deposit to escrow agent for advance bond refunding	(1,416,500)
Interest and fiscal charges paid on revenue bonds	(75,209)
Net cash provided (used) by capital and related financing activities	<u>(205,384)</u>
Cash flows from investing activities:	
Interest on investments	<u>9,860</u>
Net cash provided (used) by investing activities	<u>9,860</u>
Net increase in cash and cash equivalents	290,099
Cash and cash equivalents at beginning of year	<u>681,292</u>
Cash and cash equivalents at end of year	<u>\$ 971,391</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 384,706
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	178,406
(Increase) decrease in accounts receivable	(129,676)
Increase (decrease) in accounts payable and accrued expenses	127,052
Increase (decrease) in customer deposits	5,950
Total adjustments	<u>181,732</u>
Net cash provided by operating activities	<u>\$ 566,438</u>

See accompanying notes to financial statements.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting entity

The City of Ovilla, Texas (the "City") is a general law municipality and was incorporated in 1963. The accompanying financial statements present the activity of the City.

Blended Component Units. Following are descriptions of legally separate component units for which the City is financially accountable that are blended with the City.

The Ovilla 4B Economic Development Corporation was created under Section 4B of the Development Corporation Act of 1979, as amended, Article 5190.6, Vernon's Texas civil statutes, as amended, and is responsible for collecting and disbursing the one-half percent sales tax to be used for economic development within the City. The members of the Corporation's board are appointed by the City. The Corporation is presented as a governmental fund type and has a September 30 year-end.

The Ovilla Municipal Development District was created in accordance with Chapter 377 of the Texas Local Government Code and is responsible for collecting and disbursing the one-quarter percent sales tax to be used for municipal development within the City. The members of the District's board are appointed by the City. The District is presented as a governmental fund type and has a September 30 year-end.

Separate financial statements for the Ovilla 4B Economic Development Corporation and the Ovilla Municipal Development District are not issued.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information of the primary government and its component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement focus, basis of accounting, and financial statement presentation

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, inventories of materials and supplies are considered expenditures when used and debt service expenditures, as well as expenditures related to accumulated unpaid sick pay, are recorded only when payment is due.

Property taxes, when levied for, intergovernmental revenues, when eligibility requirements are met, solid waste collection fees, interest and special assessments associated with the current fiscal year are all considered to be susceptible to accrual (measurable) and so have been recognized as revenues of the current fiscal period, if available. Available has been defined as received within sixty days of the fiscal year end. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The *general fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest and related costs on long-term general obligation debt of governmental funds.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

The City reports the following major proprietary fund:

The *water and sewer fund* accounts for the activities of the sewage pumping stations and collection systems, and the water distribution system.

Private-sector standards of accounting and financial reporting issued on or before November 30, 1989, generally are followed in the government-wide governmental and business type activities to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The City has elected not to apply private-sector guidance issued after November 30, 1989.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the city's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer enterprise fund are charges to customers for sales and services and the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the water and sewer fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Deposits and Investments -

For purposes of the Statement of Cash Flows, the City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the City are reported at fair value.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, and net assets or equity

Receivables and payables -

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivables in excess of sixty days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to .2 percent of outstanding property taxes at year end.

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and personal property. Appraised values are established by the Ellis Central Tax Appraisal District as market value and assessed at 100% of appraised value. Property taxes attach as an enforceable lien on property as of January 1. The Ellis County Tax Assessor/Collector bills and collects the City's property taxes, which are due October 1. Full payment can be made prior to the next January 31 to avoid penalty and interest charges. Over time substantially all property taxes are collected.

Inventory and prepaid items -

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, and net assets or equity (continued)

Restricted assets –

Certain proceeds of the City's enterprise fund bonds are classified as restricted assets on the statement of net assets because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The "bond construction" account is used to report those proceeds of bond issuances that are restricted for use in construction. The "infrastructure impact fees" account is used to segregate resources accumulated for infrastructure improvements.

Capital assets -

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed, net of interest earned on the invested proceeds over the same period.

Property, plant, equipment and infrastructure are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	30-40
Improvements	7-40
Machinery and equipment	3-15
Infrastructure	15-40

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, and net assets or equity (continued)

Compensated absences –

It is the government's policy to permit employees to accumulate earned but unused vacation pay benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Vacation leave shall be taken annually.

Long-term obligations -

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity -

Beginning with fiscal year 2011, the City implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Restricted fund balance—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, liabilities, and net assets or equity (continued)

Unassigned fund balance—amounts that represent fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed, or assigned. Positive balances are reported only in the general fund.

When both restricted and unrestricted resources are available for use, it is the government's policy to use externally restricted resources first, then unrestricted resources - committed, assigned, and unassigned, in order as needed.

In the general fund, the City strives to maintain an adequate General Fund Reserve which shall be at least the equivalent of ninety days of general fund budgeted operating revenues less capital expenditures, budgeted reserves, and one time budgeted expenditures.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and debt service funds. The annual budget for the water and sewer fund is prepared on the budgetary basis of accounting. All annual appropriations lapse at fiscal year end. The legal level of budgetary control is the fund level.

B. Compliance with finance related legal and contractual provisions

The City has no material violations of finance related legal and contractual provisions.

NOTE 3 – DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Deposits – State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or obligations of Texas and its agencies that have a market value of not less than the principal amount of the deposits. The City's deposits were fully insured or collateralized as required by State statutes at September 30, 2011. At year end, the bank balance of the City's deposits was \$2,540,755. Of the bank balance, \$806,206 was covered by federal depository insurance and the remaining balance, \$1,734,549, was covered by collateral pledged in the City's name. The collateral was held in the City's name by the safekeeping department of the pledging bank's agent and had a fair value of approximately \$2,956,000.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 3 – DETAILED NOTES ON ALL FUNDS (continued)

A. Deposits and investments (continued)

Investments – Public funds of the City of Ovilla may be invested in the following obligations: (1) obligations of the United States or its agencies and instrumentalities, excluding mortgage-backed securities, (2) direct obligations of the State of Texas, or its agencies and instrumentalities, (3) other obligations which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, excluding mortgage-related securities, (4) fully insured or collateralized certificates of deposits at a national or state bank with FDIC membership, domiciled within the State of Texas, (5) investment pools meeting the criteria established by section 2256.016 of the Texas Government Code, (6) repurchase agreements, reverse repurchase agreements, bankers' acceptances, and commercial paper provided these instruments are authorized for the City to the extent that they are contained in the portfolios of approved public funds investment pools in which the City invests, and (7) regulated no-load money market mutual funds.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the Public Funds Investment Act, and the actual rating as of year end.

<u>Investment Type</u>	Fair Value	Minimum Legal Rating	Rating as of Year End
TexPool	\$ 308	N/A	AAAm
TexSTAR	10,323	N/A	AAAm
	<u>\$ 10,631</u>		

The City currently invests in 2a7-like pools. The City's investment in TexPool and TexSTAR are not categorized because they are not evidenced by securities that exist in physical or book entry form. The Texas Local Government Investment Pool (TexPool), was created under the Interlocal Cooperation Act, Texas Government Code Ann. Ch. 791 and the Texas Government Code Ann. Ch. 2256. The Texas Treasury Safekeeping Trust Company (the Trust) is trustee of TexPool and is a limited purpose trust company authorized pursuant to Texas Government Code Ann. Section 404.103 for which the Texas State Comptroller is the sole officer, director and shareholder. The advisory board of TexPool is composed of members appointed pursuant to the requirements of the Public Funds Investment Act, Texas Government Code Ann. Ch. 2256.

The daily operations of TexPool are managed by Federated Investors under a contract with the State Comptroller of Public Accounts. The state comptroller maintains oversight responsibility for TexPool including the ability to influence operations, designation of management and accountability for fiscal matters.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 3 – DETAILED NOTES ON ALL FUNDS (continued)

A. Deposits and investments (continued)

TexSTAR is co-administered by First Southwest Asset Management, Inc. and JPMorgan Chase, who provide investment services, participant services and marketing. Custodial, transfer agency, fund accounting and depository services are provided by JP Morgan Chase Bank and/or its subsidiary J.P. Morgan Investor Services Co.

B. Receivables

Receivables as of year end for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Debt Service	Other Governmental	Water and Sewer	Total
Receivables:					
Taxes	\$ 95,035	\$ 13,561	\$ 3,814	\$ -	\$ 112,410
Accounts	19,449	-	-	348,547	367,996
Gross receivables	114,484	13,561	3,814	348,547	480,406
Less: allowance for uncollectibles	(10,397)	(4,495)	-	(10,174)	(25,066)
Net total receivables	\$ 104,087	\$ 9,066	\$ 3,814	\$ 338,373	\$ 455,340

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
Delinquent property taxes receivable (general fund)	\$ 15,984	\$ -
Intergovernmental revenue (general fund)	23,030	1,038
Delinquent property taxes receivable (debt service fund)	6,924	-
Total deferred revenue for governmental funds	\$ 45,938	\$ 1,038

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 3 – DETAILED NOTES ON ALL FUNDS (continued)

C. Capital assets

Capital asset activity for the year ended September 30, 2011, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 92,685	\$ -	\$ -	\$ 92,685
Total capital assets not being depreciated	<u>92,685</u>	<u>-</u>	<u>-</u>	<u>92,685</u>
Capital assets being depreciated:				
Buildings	287,623	30,196	-	317,819
Machinery and equipment	2,366,610	309,616	(5,590)	2,670,636
Infrastructure	1,044,690	62,021	-	1,106,711
Totals capital assets being depreciated	<u>3,698,923</u>	<u>401,833</u>	<u>(5,590)</u>	<u>4,095,166</u>
Less accumulated depreciation for:				
Buildings	(112,609)	(9,587)	-	(122,196)
Machinery and equipment	(1,587,180)	(192,067)	5,590	(1,773,657)
Infrastructure	(145,980)	(33,880)	-	(179,860)
Total accumulated depreciation	<u>(1,845,769)</u>	<u>(235,534)</u>	<u>5,590</u>	<u>(2,075,713)</u>
Total capital assets, being depreciated, net	<u>1,853,154</u>	<u>166,299</u>	<u>-</u>	<u>2,019,453</u>
Governmental activities capital assets, net	<u><u>\$ 1,945,839</u></u>	<u><u>\$ 166,299</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,112,138</u></u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 86,700	\$ -	\$ -	\$ 86,700
Total capital assets not being depreciated	<u>86,700</u>	<u>-</u>	<u>-</u>	<u>86,700</u>
Capital assets being depreciated:				
Buildings	60,587	24,497	-	85,084
Improvements	4,849,490	-	-	4,849,490
Machinery and equipment	305,173	23,080	(1,500)	326,753
Total capital assets being depreciated	<u>5,215,250</u>	<u>47,577</u>	<u>(1,500)</u>	<u>5,261,327</u>
Less accumulated depreciation for:				
Buildings	(16,788)	(1,515)	-	(18,303)
Improvements	(1,788,513)	(163,388)	-	(1,951,901)
Machinery and equipment	(184,429)	(13,503)	1,500	(196,432)
Total accumulated depreciation	<u>(1,989,730)</u>	<u>(178,406)</u>	<u>1,500</u>	<u>(2,166,636)</u>
Total capital assets being depreciated, net	<u>3,225,520</u>	<u>(130,829)</u>	<u>-</u>	<u>3,094,691</u>
Business-type capital assets, net	<u><u>\$ 3,312,220</u></u>	<u><u>\$ (130,829)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,181,391</u></u>

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 3 – DETAILED NOTES ON ALL FUNDS (continued)

C. Capital assets (continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 10,504
Public safety	185,934
Streets	37,572
Cultural and recreational	1,524
Total depreciation expense - governmental activities	<u><u>\$ 235,534</u></u>

Business-type activities:

Water and sewer	\$ 178,406
Total depreciation expense - business-type activities	<u><u>\$ 178,406</u></u>

D. Interfund receivables, payables and transfers

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Water and sewer	\$ 10,081
Nonmajor governmental funds	General	15,186
Water and sewer	Debt service	30,630
		<u><u>\$ 55,897</u></u>

These balances resulted from the lag time between the dates that transactions are recorded in the accounting system and payments between funds are made.

Interfund transfers:

	Transfer In:		
	Water and		
Transfer out:	General	Sewer	Total
Debt Service	\$ -	\$ 17,449	\$ 17,449
Nonmajor Governmental	5,000	-	5,000
Water and Sewer	70,686	-	70,686
	<u><u>\$ 75,686</u></u>	<u><u>\$ 17,449</u></u>	<u><u>\$ 93,135</u></u>

Transfers were primarily used to move funds from the Debt Service Fund to the Water and Sewer Fund for the payment of bonds and from the Water and Sewer Fund to the General Fund for operations.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 3 – DETAILED NOTES ON ALL FUNDS (continued)

E. Lease

Capital –

The City is currently purchasing equipment under lease purchase agreements. The interest on the leases is 5.95%.

The assets acquired through capital leases are as follows:

<u>Asset</u>	Governmental Activities
Machinery and equipment	\$ 34,395
Less: accumulated depreciation	(10,892)
Total	\$ 23,503

Annual debt service requirements to maturity are as follows –

Year Ending <u>September 30</u>	<u>Capital Lease Obligations</u>	
	<u>Governmental Activities</u>	
	Principal	Interest
2012	\$ 11,597	\$ 770
	<u>\$ 11,597</u>	<u>\$ 770</u>

F. Long-term debt

General Obligation Refunding Bonds -

The City issues general obligation refunding bonds to provide funds for the refunding of prior outstanding certificates of obligation. General obligation refunding bonds have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government.

General obligation refunding bonds currently outstanding and reported as liabilities of the City's governmental activities are:

<u>Series</u>	<u>Issue Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Year-end Balances</u>
2011	\$ 5,959,638	8/15/2029	2%-4%	<u>\$ 5,891,321</u>

General obligation refunding bonds currently outstanding and reported as liabilities of the City's business-type activities are:

<u>Series</u>	<u>Issue Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Year-end Balances</u>
2011	\$ 1,455,362	8/15/2029	2%-4%	<u>\$ 1,438,679</u>

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 3 – DETAILED NOTES ON ALL FUNDS (continued)

F. Long-term debt (continued)

Annual debt service requirements to maturity are as follows -

Year Ending September 30	Governmental Activities			Business-type Activities	
	General Obligation Refunding Bonds		Principal	General Obligation Refunding Bonds	
	Principal	Interest		Interest	
2012	\$ 321,491	\$ 187,611	\$ 78,509	\$ 45,815	
2013	321,491	181,181	78,509	44,245	
2014	285,323	174,751	69,677	42,675	
2015	293,360	169,045	71,640	41,281	
2016	301,398	163,178	73,602	39,848	
2017-2021	1,607,455	698,098	392,545	170,478	
2022-2026	1,884,741	408,133	460,259	99,667	
2027-2029	876,062	53,207	213,938	12,993	
	<u>\$ 5,891,321</u>	<u>\$ 2,035,204</u>	<u>\$ 1,438,679</u>	<u>\$ 497,002</u>	

Changes in long-term liabilities –

Long-term liability activity for the year ended September 30, 2011, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Primary Government Governmental activities:					
Bonds payable:					
Certificates of obligation	\$ 6,030,000	\$ -	\$ (6,030,000)	\$ -	\$ -
General obligation refunding bonds	-	5,959,638	(68,317)	5,891,321	321,491
Less deferred amounts:					
For issuance discount	(11,134)	-	696	(10,438)	-
For issuance premium	-	136,084	(7,162)	128,922	-
Total bonds payable	6,018,866	6,095,722	(6,104,783)	6,009,805	321,491
Interlocal agreement payable	101,100	-	(101,100)	-	-
Compensated absences	43,550	20,695	(13,223)	51,022	51,022
Capital leases	22,472	-	(10,875)	11,597	11,597
Governmental activity Long-term liabilities	<u>\$ 6,185,988</u>	<u>\$ 6,116,417</u>	<u>\$ (6,229,981)</u>	<u>\$ 6,072,424</u>	<u>\$ 384,110</u>

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 3 – DETAILED NOTES ON ALL FUNDS (continued)

F. Long-term debt (continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Bonds payable:					
Certificates of obligation	\$ 670,000	\$ -	\$ (670,000)	\$ -	\$ -
Revenue bonds	690,000	-	(690,000)	-	-
General obligation refunding bonds	158,000	1,455,362	(174,683)	1,438,679	78,509
Less deferred amounts:					
For issuance discount	(1,237)	-	77	(1,160)	-
For issuance premium	-	33,232	(1,749)	31,483	-
Total bonds payable	1,516,763	1,488,594	(1,536,355)	1,469,002	78,509
Compensated absences	13,673	5,966	(4,763)	14,876	14,876
Business-type activity					
Long-term liabilities	\$ 1,530,436	\$ 1,494,560	\$ (1,541,118)	\$ 1,483,878	\$ 93,385

General obligation refunding bonds issued for governmental activity purposes are liquidated by the debt service fund. General obligation bonds issued for business-type activities are repaid from those activities.

Governmental compensated absences and capital lease obligations will be liquidated by the general fund. Business-type compensated absences will be liquidated by those activities.

G. Restricted assets

The balances of the restricted asset accounts in the proprietary fund are as follows:

Bond construction account	130,674
Infrastructure impact fees	118,587
	<u>\$ 249,261</u>

NOTE 4 – OTHER INFORMATION

A. Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 – OTHER INFORMATION

B. Commitments

The City has entered into a memorandum of agreement with the City of Dallas, Texas to purchase treated water for a term of thirty years, expiring in 2039. The City pays for water based on the volume received at a flat rate as determined under the contract. The City of Dallas agrees to provide potable water to meet volume and demand requirements of the City. Delivery of potable water are subject to and limited to available system supply and system deliverability, as determined by the Director of Water Utilities of Dallas. If the City ceases to take water from the City of Dallas because other surface water supplies have been developed or acquired, the City shall for five years or the balance of this contract, whichever is less, remain liable for demand charges at the billing level in effect at such cessation.

Actual payments for the year ended September 30, 2011 were \$368,347.

The City has entered into a contract with the Trinity River Authority of Texas - Red Oak Creek Regional Wastewater System to obtain wastewater treatment services, expiring in 2017. In the contract, the Authority agreed to acquire and construct a regional wastewater treatment system to serve the City and other contractual parties, in the area of the watershed or drainage basin of Red Oak Creek, being a tributary of the Trinity River, and located in Ellis and Dallas Counties, Texas. The Trinity River Authority (TRA) is a governmental agency, which is controlled by directors appointed by the governor.

The City is responsible for a proportionate share of the system's annual operation, maintenance and debt service costs for the term of the contract. These costs are determined annually and are payable in monthly installments. The estimated future monthly payment due under the contract at September 30, 2011 totaled \$3,421.

Actual payments for the year ended September 30, 2011 were \$36,180.

The payments to be received from the City of Ovilla, Texas are used as collateral for the bonds issued by TRA to construct the facility.

Complete separate financial statements for the Trinity River Authority may be obtained at Trinity River Authority of Texas, 5300 South Collins, P.O. Box 60, Arlington, Texas 76004.

C. Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor, cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 – OTHER INFORMATION (continued)

D. Texas Municipal Retirement System

Plan Description -

The City provides pension benefits for all of its eligible employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the city are within the options available in the governing state statutes of TMRS.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS; the report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by the System. This report may be obtained from TMRS' website at www.TMRS.com.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	Plan Year 2010	Plan Year 2011
Employee deposit rate	7.0%	7.0%
Matching ratio (city to employee)	1.5 to 1	1.5 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	0% of CPI	0% of CPI

Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the portion of an active member's projected benefit allocated annually; the prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for that city. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Service Credits and Annuity Increases.

The City contributes to the TMRS Plan at an actuarially determined rate, which for 2011 and 2010 was 5.69% and 5.43%, respectively. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect. The annual pension cost and net pension obligation/(asset) are as follows:

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 – OTHER INFORMATION (continued)

D. Texas Municipal Retirement System (continued)

Annual Required Contribution (ARC)	\$ 51,525
Interest on Net Pension Obligation	-
Adjustment to the ARC	-
Annual Pension Cost (APC)	<u>51,525</u>
Contributions Made	<u>(51,525)</u>
Increase (decrease) in net pension obligation	-
Net Pension Obligation/(Asset), beginning of year	-
Net Pension Obligation/(Asset), end of year	<u><u>\$ -</u></u>

Six year historical trend information is as follows:

Fiscal Year Ending	Annual Pension Cost (APC)	Actual Contribution Made	Percentage of APC Contributed	Net Pension Obligation/ (Asset)
2006	\$ 42,282	\$ 42,282	100%	\$ -
2007	52,233	52,233	100%	-
2008	55,804	55,804	100%	-
2009	48,420	48,420	100%	-
2010	49,069	49,069	100%	-
2011	51,525	51,525	100%	-

The required contribution rates for the year ended September 30, 2011 were determined as part of the December 31, 2009 and 2008 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2010, also follows:

Valuation Date	12/31/2008	12/31/2009	12/31/2010-prior to restructuring	12/31/2010- Restructured
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization Method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
GASB 25 Equivalent Single Amortization Period	24.0 years; closed period	22.9 years; closed period	21.6 years; closed period	21.6 years; closed period
Amortization Period for new Gains/Losses	25 years	25 years	25 years	25 years
Asset Valuation Method	Amortized Cost	10-year Smoothed Market	10-year Smoothed Market	10-year Smoothed Market
Actuarial Assumptions:				
Investment Rate of Return*	7.5%	7.5%	7.5%	7.0%
Projected Salary Increases*	Varies by age and service	Varies by age and service	Varies by age and service	Varies by age and service
* Includes Inflation at Cost-of-Living Adjustments	3.0% 0%	3.0% 0%	3.0% 0%	3.0% 0%

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 – OTHER INFORMATION (continued)

D. Texas Municipal Retirement System (continued)

Funded Status and Funding Progress – In June, 2011, SB 350 was enacted by the Texas Legislature, resulting in a restructure of the TMRS funds. This legislation provided for the actuarial valuation to be completed, as if restructuring had occurred on December 31, 2010. In addition, the actuarial assumptions were updated for the new fund structure, based on an actuarial experience study that was adopted by the TMRS Board at their May, 2011 meeting (the review compared actual to expected experience for the four-year period of January 1, 2006 through December 31, 2009). For a complete description of the combined impact of the legislation and new actuarial assumptions, including the effects on TMRS city rates and funding ratios, please see the December 31, 2010 TMRS Comprehensive Annual Financial Report (CAFR).

The schedule of funding progress, presenting multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits, is as follows:

Actuarial Valuation Date	Actuarial			Unfunded			UAAL as a Percentage of Covered Payroll
	Actuarial Value of Assets	Accrued Liability (AAL)	Funded Ratio	AAL (UAAL)	Covered Payroll		
12/31/2005	\$ 654,140	\$ 706,127	92.6%	\$ 51,987	\$ 593,988	8.8%	
12/31/2006	499,847	548,375	91.2%	48,528	689,402	7.0%	
12/31/2007	590,205	706,706	83.5%	116,501	722,025	16.1%	
12/31/2008	722,820	844,686	85.6%	121,866	854,190	14.3%	
12/31/2009	857,209	976,704	87.8%	119,495	845,619	14.1%	
1 12/31/2010	1,006,342	1,114,639	90.3%	108,297	895,775	12.1%	
2 12/31/2010	1,274,261	1,330,913	95.7%	56,652	895,775	6.3%	

1 Actuarial valuation performed under the original fund structure

2 Actuarial valuation performed under the new fund structure

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 – OTHER INFORMATION (continued)

D. Texas Municipal Retirement System (continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation, and reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

E. Texas Emergency Services Retirement System

Plan Description -

The Fire Fighter's Pension Commissioner is the administrator of the Texas Emergency Services Retirement System (TESRS), a cost-sharing multiple employer pension system established and administered by the State of Texas to provide pension benefits for emergency services personnel who serve without significant monetary remuneration. TESRS is considered a component unit of the State of Texas financial reporting entity and is included in the State's financial reports as a pension trust fund. At August 31, 2010 there were 199 member fire or emergency services departments participating in TESRS. Eligible participants include volunteer emergency services personnel who are members in good standing of a participating department.

At August 31, 2010, the pension system membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits*	2,167
Terminated Participants Entitled to Benefits but Not Yet Receiving Them	2,106
Active Participants (Vested and Nonvested)	<u>4,371</u>
	<u>8,644</u>

Senate Bill 411, 65th Legislature, Regular Session (1977), created TESRS and established the applicable benefit provisions. The 79th Legislature, Regular Session (2005), recodified the provisions and gave the TESRS Board of Trustees authority to establish vesting requirements, contribution levels, benefit formulas, and eligibility requirements by board rule. The benefit provisions include retirement benefits as well as death and disability benefits. Members are 50% vested after the tenth year of service, with the vesting percent increasing 10% for each of the next five years of service so that a member becomes 100% vested with 15 years of service.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 – OTHER INFORMATION (continued)

E. Texas Emergency Services Retirement System (continued)

Upon reaching age 55, each vested member may retire and receive a monthly pension equal to his vested percent multiplied by six times the governing body's average monthly contribution over the member's years of qualified service. For years of service in excess of 15 years, this monthly benefit is increased at the rate of 6.2% compounded annually.

On and off-duty death benefits and on-duty disability benefits are dependent on whether or not the member was engaged in the performance of duties at the time of death or disability. Death benefits include a lump sum amount and continuing monthly payments to a member's surviving spouse and dependent children.

Funding Policy -

Contribution provisions were established by S.B. 411, 65th Legislature, Regular Session (1977) and were amended by board rule in 2006. No contributions are required by individual members of participating departments. The governing bodies of participating departments are required to contribute at least the minimum prescribed amount per month for each active member and may contribute more. Additional contributions may be made by a governing body to pay for granting credit for service before the department began participating in TESRS (prior service). The State may also be required to make annual contributions up a limited amount to make TESRS actuarially sound.

Contributions Required and Contributions Made -

The contribution requirement per active emergency services personnel member per month is not actuarially determined. Rather, the minimum contribution provisions were set by board rule. For the fiscal year ending August 31, 2010 total contributions (dues and prior service) of \$2,875,103 were paid into TESRS by the political subdivisions served by the member volunteer emergency services personnel. The state did not appropriate any maximum state contribution for the fiscal year ending August 31, 2010 and 2011. Total contributions made were greater than the contributions required by the state statute and equal to the contributions required based on the August 31, 2008 actuarial valuation.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 – OTHER INFORMATION (continued)

E. Texas Emergency Services Retirement System (continued)

The purpose of the biennial actuarial valuation is to test the adequacy of the contribution arrangement to determine if it is adequate to pay the benefits that are promised. The actuarial valuation as of August 31, 2010 revealed the adequacy of the expected contributions from the political subdivisions (dues and prior service contributions) together with the actual state appropriations for the fiscal year ending August 31, 2010 (\$502,491 to help pay for the System's administrative expenses) and with the assumed continuation of legislative appropriations of (1) the maximum state contribution amount in future years for up to 30 years as is necessary for the System to have a 30-year amortization period, and (2) approximately \$500,000 each year to help pay for the System's administrative expenses. Expected contributions for the fiscal year ending August 31, 2011 are less than the contributions required because of the lag in time between an actuarial valuation that shows the need for maximum state contribution amounts and the appropriations process.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability ¹ - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Total Members Covered	UAAL Per Member Covered
08/31/2005	N/A	N/A	N/A	N/A	N/A	N/A
08/31/2006	\$ 42,268,305	\$ 58,082,828	\$ 15,814,523	72.8%	8,061	1,962
08/31/2007	N/A	N/A	N/A	N/A	N/A	N/A
08/31/2008 ²	60,987,157	64,227,341	3,240,184	95.0%	8,254	393
08/31/2009	N/A	N/A	N/A	N/A	N/A	N/A
08/31/2010 ³	64,113,803	79,953,215	15,839,412	80.2%	8,708	1,819

Notes:

¹ The actuarial accrued liability is based upon the entry age actuarial cost method.

² Changes in actuarial assumptions were reflected in this valuation.

³ Changes in actuarial assumption and method were reflected in this valuation.

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 – OTHER INFORMATION (continued)

E. Texas Emergency Services Retirement System (continued)

Six-year trend information is as follows:

Fiscal Year Ending	Annual Required Contributions (ARC)	Actual Contributions	Percentage of ARC Contributed
08/31/2005	\$ 3,206,300 ¹	\$ 1,891,243 ⁵	59%
08/31/2006	2,753,035 ²	2,753,035 ⁶	100%
08/31/2007	3,162,742 ³	3,162,742 ⁷	100%
08/31/2008	3,160,764 ³	11,239,339 ⁸	356%
08/31/2009	2,698,271 ⁴	2,698,271	100%
08/31/2010	2,875,103 ⁴	2,875,103	100%

¹ Based on the revised August 31, 2004 actuarial valuation.

² Based on the revised August 31, 2004 actuarial valuation.

³ Based on the August 31, 2006 actuarial valuation.

⁴ Based on the August 31, 2008 actuarial valuation.

⁵ A change in billing procedures resulted in a one-time change in the timing of dues contributions, resulting in a typical amount of dues contributions for this fiscal year.

⁶ Includes a state contribution of \$675,307.

⁷ Includes a state contribution of \$709,072.

⁸ Includes a state contribution of \$8,800,000.

Valuation Date	8/31/2008	8/31/2010
Actuarial Cost Method	Entry Age	Entry Age
Amortization Method	Level dollar, open	Level dollar, open
Amortization Period	6 years	30 years
Asset Valuation Method	Market value smoothed by a 5-year deferred recognition method with a 90%/110% corridor on market value	Market value smoothed by a 5-year deferred recognition method with a 80%/120% corridor on market value
Actuarial Assumptions:		
Investment Rate of Return*	8.00% per year, net of investment expenses	7.75% per year, net of investment expenses
Projected Salary Increases	N/A	N/A
* Includes Inflation at Cost-of-Living Adjustments	3.50%	3.50%
	None	None

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 – OTHER INFORMATION (continued)

F. Postemployment Benefits

Program Description:

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS; the report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by the System. This report may be obtained from TMRS' website at www.TMRS.com.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

The City's contributions to the TMRS SDBF for the years ended 2011 and 2010 were \$1,344 and \$1,440, respectively, which equaled the required contributions each year.

Plan / Calendar Year	City's Contribution		Schedule of Contribution Rates		
	Annual Required Contribution	Actual Contribution Made	As a Percentage of Covered Payroll		
			Annual Required Contribution	Actual Contribution Made	Percentage of ARC Contributed
2006	\$ 1,513	\$ 1,513	0.22%	0.22%	100.0%
2007	1,880	1,880	0.26%	0.26%	100.0%
2008	1,281	1,281	0.15%	0.15%	100.0%
2009	1,268	1,268	0.15%	0.15%	100.0%
2010	1,440	1,440	0.19%	0.19%	100.0%
2011	1,344	1,344	0.15%	0.15%	100.0%

CITY OF OVILLA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 – OTHER INFORMATION (continued)

G. Subsequent Events

Subsequent to the end of the year, a lawsuit was filed against the City. Although the outcome of this lawsuit is not presently determinable, in the opinion of the City Administrator the resolution of these matter will not have a material adverse effect on the financial condition of the City.

REQUIRED SUPPLEMENTARY INFORMATION

General Fund

This supplementary schedule is included to supplement the basic financial statements as required by the Governmental Accounting Standards Board.

CITY OF OVILLA, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
Year Ended September 30, 2011

	Budget Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget - Over (Under) Budget
	Original	Final				
REVENUES						
Taxes:						
Property	\$ 1,270,000	\$ 1,142,000	\$ 1,148,976	\$ (1,789)	\$ 1,147,187	\$ 5,187
Sales	154,000	169,000	168,885	(8,985)	159,900	(9,100)
Franchise	136,000	142,000	152,286	(5,748)	146,538	4,538
Licenses and permits	22,000	24,000	29,223	-	29,223	5,223
Fines and forfeitures	74,250	88,100	99,457	(6,257)	93,200	5,100
Charges for current services	354,150	348,175	353,284	(954)	352,330	4,155
Revenues from use of money and property	3,750	750	5,403	(502)	4,901	4,151
Other	94,277	113,792	112,227	14,745	126,972	13,180
Intergovernmental	173,000	268,146	244,844	23,030	267,874	(272)
Contributions and donations	-	200	150	-	150	(50)
Total revenues	<u>2,281,427</u>	<u>2,296,163</u>	<u>2,314,735</u>	<u>13,540</u>	<u>2,328,275</u>	<u>32,112</u>
EXPENDITURES						
Current:						
General government	487,547	476,175	385,693	5,619	391,312	(84,863)
Public safety:						
Fire protection	647,846	686,374	665,192	12,962	678,154	(8,220)
Police protection	568,984	594,041	572,722	17,464	590,186	(3,855)
Municipal court	72,264	80,914	83,637	(5,415)	78,222	(2,692)
Code enforcement	55,154	56,863	55,855	(158)	55,697	(1,166)
Total public safety	<u>1,344,248</u>	<u>1,418,192</u>	<u>1,377,406</u>	<u>24,853</u>	<u>1,402,259</u>	<u>(15,933)</u>
Streets	319,818	471,215	447,864	(480)	447,384	(23,831)
Cultural and recreational	12,500	20,307	19,176	-	19,176	(1,131)
Solid waste	193,000	193,000	192,113	23	192,136	(864)
Debt service:						
Principal retirement	-	-	10,875	(10,875)	-	-
Interest and fiscal charges	-	-	1,493	(1,493)	-	-
Total debt service	-	-	12,368	(12,368)	-	-
Total expenditures	<u>2,357,113</u>	<u>2,578,889</u>	<u>2,434,620</u>	<u>17,647</u>	<u>2,452,267</u>	<u>(126,622)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(75,686)</u>	<u>(282,726)</u>	<u>(119,885)</u>	<u>(4,107)</u>	<u>(123,992)</u>	<u>158,734</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	75,686	75,686	75,686	-	75,686	-
Sale of capital assets	-	-	18,669	-	18,669	18,669
Total other financing sources and uses	<u>75,686</u>	<u>75,686</u>	<u>94,355</u>	<u>-</u>	<u>94,355</u>	<u>18,669</u>
Net change in fund balance	-	(207,040)	(25,530)	(4,107)	(29,637)	177,403
Fund balance at beginning of year	-	207,040	1,120,662	-	1,120,662	913,622
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,095,132</u>	<u>\$ (4,107)</u>	<u>\$ 1,091,025</u>	<u>\$ 1,091,025</u>

Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to be used for specified purposes.

Fire Department Auxiliary - This fund is used to account for donations to the Fire Department which in turn are spent on education, firefighter awards banquet and community services such as National Night Out and Heritage Day.

Park Impact Fees - This fund is used to account for funds received from an impact fee assessed through new building permits and is used to purchase new park equipment and make improvements to our parks.

Police Department Special - This fund is used to account for donations to the Police Department which in turn are spent on education, protective equipment, police awards and community services such as National Night Out and Heritage Day.

Ovilla 4B Economic Development Corporation - This fund is used to account for the Ovilla 4B Economic Development Corporation created under Section 4B of the Development Corporation Act of 1979, as amended, Article 5190.6, Vernon's Texas civil statutes, as amended. The Ovilla 4B Economic Development Corporation initiative is to promote economic development in Ovilla and is currently accumulating funds to spend on future projects.

Ovilla Municipal Development District - This fund is used to account for the Ovilla Municipal Development District, a political subdivision of the State of Texas and the City, created in accordance with Chapter 377 of the Texas Local Government Code (the "Act"). The Ovilla Municipal Development District was established for the purpose of developing and financing all permissible projects prescribed by the Act.

CITY OF OVILLA, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
Year Ended September 30, 2011

	Fire Department Auxiliary	Park Impact Fees	Police Department Special	Ovilla 4B Economic Development Corporation	Ovilla Municipal Development District	Total Nonmajor Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 4,364	\$ 23,828	\$ 6,786	\$ 163,059	\$ 19,629	\$ 217,666
Receivables	-	-	-	-	3,814	3,814
Due from other funds	-	-	-	15,186	-	15,186
Total assets	\$ 4,364	\$ 23,828	\$ 6,786	\$ 178,245	\$ 23,443	\$ 236,666
 LIABILITIES AND FUND BALANCES						
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
 Fund balances:						
Restricted for:						
Public safety	4,364	-	6,786	-	-	11,150
Cultural and recreational	-	23,828	-	-	-	23,828
Economic development	-	-	-	178,245	-	178,245
Municipal development	-	-	-	-	23,443	23,443
Total fund balances	4,364	23,828	6,786	178,245	23,443	236,666
 Total liabilities and fund balances	\$ 4,364	\$ 23,828	\$ 6,786	\$ 178,245	\$ 23,443	\$ 236,666

CITY OF OVILLA, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended September 30, 2011

	Fire Department Auxiliary	Park Impact Fees	Police Department Special	Ovilla 4B Economic Development Corporation	Ovilla Municipal Development District	Total Nonmajor Governmental Funds
REVENUES						
Sales tax	\$ -	\$ -	\$ -	\$ 67,554	\$ 18,167	\$ 85,721
Interest	-	167	-	471	8	646
Other	-	1,338	-	-	-	1,338
Contributions and donations	3,022	-	8,065	-	-	11,087
Total revenues	<u>3,022</u>	<u>1,505</u>	<u>8,065</u>	<u>68,025</u>	<u>18,175</u>	<u>98,792</u>
EXPENDITURES						
Current:						
Public safety	5,680	-	5,019	-	-	10,699
Economic development	-	-	-	21,233	-	21,233
Municipal development	-	-	-	-	1,103	1,103
Total expenditures	<u>5,680</u>	<u>-</u>	<u>5,019</u>	<u>21,233</u>	<u>1,103</u>	<u>33,035</u>
Excess (deficiency) of revenues over expenditures	<u>(2,658)</u>	<u>1,505</u>	<u>3,046</u>	<u>46,792</u>	<u>17,072</u>	<u>65,757</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	-	-	-	<u>(5,000)</u>	-	<u>(5,000)</u>
Total other financing sources (uses)	-	-	-	<u>(5,000)</u>	-	<u>(5,000)</u>
Net change in fund balances	(2,658)	1,505	3,046	41,792	17,072	60,757
Fund balances - beginning	<u>7,022</u>	<u>22,323</u>	<u>3,740</u>	<u>136,453</u>	<u>6,371</u>	<u>175,909</u>
Fund balances - ending	<u>\$ 4,364</u>	<u>\$ 23,828</u>	<u>\$ 6,786</u>	<u>\$ 178,245</u>	<u>\$ 23,443</u>	<u>\$ 236,666</u>

DEBT SERVICE FUND

The *debt service fund* is used to account for the accumulation of resources for the payment of principal and interest on general long-term debt.

CITY OF OVILLA, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget- Over (Under)
	Original	Final	Amounts	Budget
Revenues:				
Property tax	\$ 516,500	\$ 582,000	\$ 599,485	\$ 17,485
Interest	1,250	1,050	23,373	22,323
Total revenues	517,750	583,050	622,858	39,808
Expenditures:				
Principal on bonds	229,500	314,500	297,817	(16,683)
Interest and fiscal charges	280,820	201,281	323,170	121,889
Bond issuance costs	-	-	149,506	149,506
Total expenditures	510,320	515,781	770,493	254,712
Excess (deficiency) of revenues over expenditures	7,430	67,269	(147,635)	(214,904)
Other financing sources (uses):				
Transfers out	-	-	(17,449)	(17,449)
Refunding bonds issued	-	-	5,959,638	5,959,638
Premium on refunding bonds	-	-	136,084	136,084
Payment to refunded bond escrow agent	-	-	(5,800,500)	(5,800,500)
Total other financing sources (uses)	-	-	277,773	277,773
Net change in fund balance	7,430	67,269	130,138	62,869
Fund balance - beginning	-	-	42,734	42,734
Fund balance - ending	\$ 7,430	\$ 67,269	\$ 172,872	\$ 105,603

Proprietary Fund

ENTERPRISE FUND

The City's water and sewer utility operations are accounted for in this fund.

CITY OF OVILLA, TEXAS
SCHEDULE OF OPERATING REVENUES AND EXPENSES -
BUDGET AND ACTUAL
ENTERPRISE FUND - WATER AND SEWER
Year Ended September 30, 2011

	Budget Amounts		Actual GAAP Basis	Adjustments	Actual Budget Basis	Variance with Final Budget Over (Under) Budget	
						Budget Basis	Budget Basis
	WATER OPERATING REVENUES						
Water sales	\$ 849,568	\$ 864,568	\$ 1,176,377	\$ (114,389)	\$ 1,061,988	\$ 197,420	
Sewer service charge	140,000	134,500	160,189	(14,689)	145,500		11,000
Impact fees	1,300	-	-	-	-	-	-
Infrastructure improvement fees	51,500	54,500	55,315	-	55,315		815
Miscellaneous	23,000	23,500	29,681	892	30,573		7,073
TOTAL OPERATING REVENUES	\$1,065,368	\$ 1,077,068	\$1,421,562	\$ (128,186)	\$1,293,376	\$ 216,308	
OPERATING EXPENSES							
Water administration	\$ 154,497	\$ 164,018	\$ 130,465	\$ 21,749	\$ 152,214	\$ (11,804)	
Water expenses	545,068	563,741	617,038	(92,377)	524,661		(39,080)
Sewer expenses	131,329	127,429	110,947	707	111,654		(15,775)
Depreciation	-	-	178,406	(178,406)	-	-	-
TOTAL OPERATING EXPENSES	\$ 830,894	\$ 855,188	\$1,036,856	\$ (248,327)	\$ 788,529	\$ (66,659)	

Supplementary Financial Data

CITY OF OVILLA, TEXAS
MISCELLANEOUS STATISTICAL FACTS
September 30, 2011

Estimated gallons billed (in thousands)	235,251
Estimated gallons purchased (in thousands)	249,219
Percent billed to purchased	94.40%

AGENDA ITEM REPORT

Item(s): 2 (City Secretary use only)

Meeting Date: February 27, 2012

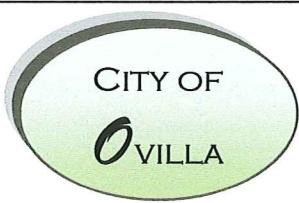
Department: Admin

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Administrative Staff

Attachments:
None
Agenda Item / Topic:
<p>ITEM 2. Discussion/Action – Consider approval of a bank resolution updating authorized signatures.</p> <ul style="list-style-type: none">• Requested by Administrative Staff
Discussion / Justification:
<p>It has been practice to have four authorized signatures on all bank accounts. With the resignation of Bill Vansyckle, there are now only three. Once Council determines if and/or who is selected as the additional authorized signer, the bank will prepare the resolution.</p>
Recommendation / Staff Comments:
Staff recommends approval.
Sample Motion(s):
<p>“I MAKE A MOTION THAT COUNCIL ACCEPT/DENY A BANK RESOLUTION ADDING AN ADDITIONAL MEMBER (PLACE____) TO THE BANK’S AUTHORIZED SIGNATURE CARDS.”</p>



Ovilla City Council

AGENDA ITEM REPORT

Item(s): 3 (City Secretary use only)

Meeting Date: February 27, 2012

Department: Admin

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Administrative Staff

Attachments:

I. Pending proposal - still pending

Agenda Item / Topic:

ITEM 3. Discussion/Action – Consider proposal from Henry Farrish regarding the additional audio equipment necessary to complete the Council Chamber room.

Discussion / Justification:

Recommendation / Staff Comments:

Staff recommends approval.

Sample Motion(s):

"I MAKE A MOTION THAT COUNCIL ACCEPT/DENY THE ADDITIONAL EXPENDITURES NECESSARY TO COMPLETE THE AUDIO OPERATIONS TO THE COUNCIL CHAMBER ROOM."