

Christopher L. Duncan, Mayor

P. O. Box 1309 (337) 527-4500
Sulphur, LA 70664-1309
Fax: (337) 527-4529
Email: mayorsoffice@sulphur.org
Website: www.sulphur.org

April 25, 2011

Honorable Members of the Sulphur City Council
Sulphur, Louisiana

Re: Budget Message

In accordance with the requirements of the Sulphur Home Rule Charter, as amended, and the Local Government Budget Act, I submit herein for your consideration, the budget for the General Fund, Public Utility Fund, Debt Service and Capital Projects for the fiscal year beginning July 1, 2011.

Sales tax revenues are projected to yield \$750,000 more than the 2010-2011 budget year and are used to finance City operations. Also, as provided in the Sales Tax Ordinances, sales tax revenues fund Capital Improvement projects.

Ad valorem tax revenues reflect an increase of approximately \$280,111. This is a result of the recommendation of the Administration to propose the "roll forward" procedure to protect the maximum authorized millage of 15.52 mills. Once the "roll forward" procedure is completed, then the millage levied can be reduced in subsequent years. As 2012 is a reassessment year (and the maximum authorized could be reduced), it is the Administration's goal to ensure the maximum millage authorized for the City is protected.

The General Fund Budget and Public Utility Fund Budget provide for the two percent (2%) longevity pay adjustments. The proposed 2011-2012 budget provides funding for the day to day operation of the various departments in both the General and Public Utility Fund Budgets. No major acquisitions are proposed for this fiscal year.

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For the year 2011-2012, the employer's contribution rates to the various retirement systems that cover the City's employees have increased substantially and will be: Municipal Employee's Retirement System, sixteen and three quarter percent (16.75%); Firefighter's Retirement System, twenty five and one quarter (25.25%); and the Municipal Police Employee's Retirement System, twenty eight percent (28.00%).

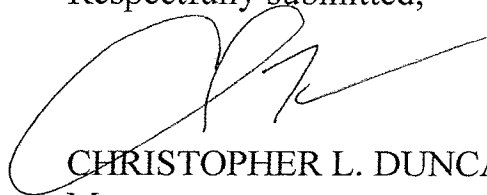
As you know, the City is self-insured on Worker's Compensation Insurance. Since 2007, no funding was required and the line item for this indicated zero dollars budgeted. However, this year's line item for Worker's Compensation (in each department) reflects an amount sufficient to cover each department's share of the yearly contribution, which is expected to be approximately \$365,000.

There was a 23% increase in employee health insurance premiums for the policy period beginning April 1, 2011. The budget, as presented, provides partial funding for increases in the employees' portion.

As indicated in the Budget Ordinance and Public Utility Fund Summary an increase (\$1.00 increase in charges for water service and a \$1.00 increase in charges for sewer collection and treatment) in utility rates is proposed. The Public Utility budget again provides for the continuation of the Utility Assistance Program.

The budget, as presented, was prepared with the participation and cooperation of Department Heads and staff members.

Respectfully submitted,



CHRISTOPHER L. DUNCAN
Mayor

CLD:rw

GENERAL FUND BUDGET
STATEMENT OF REVENUES, EXPENDITURES, AND TRANSFERS

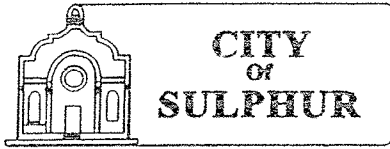
	ACTUAL FY 2009-2010	BUDGET FY 2010-2011	PROPOSED FY 2011-2012
Beginning Fund Balance	9,568,925	8,330,709	7,109,230
I. REVENUES:			
Ad Valorem Tax	1,341,630	1,311,500	1,606,500
Franchise Revenue	1,337,481	1,510,000	1,510,000
License, Permits & Fees	956,004	919,300	921,200
Intergovernmental	1,089,921	1,145,752	1,040,000
Fines & Forfeitures	241,127	223,500	223,500
Int. on Investments	147,365	150,000	100,000
Utility Revenue	1,423,783	1,225,000	1,330,000
Other Revenue	429,097	211,000	153,000
Code Enforcement	27,443	23,000	25,500
SUBTOTAL	6,993,851	6,719,052	6,909,700
TRANSFERS			
Sales Tax Transfer	7,433,718	7,946,000	8,650,000
Capital Projects	50,000	0	0
TOTAL REV. & TRANS.	14,477,569	14,665,052	15,559,700
II. EXPENDITURES:			
Administration	2,401,251	2,297,580	2,558,747
Fire	4,170,625	4,562,645	4,651,507
Inspection	461,376	491,365	424,106
Police	4,503,937	4,676,261	4,895,812
Drug Seizure Fed. & State (PD)	0	17,500	49,500
Streets	3,318,808	3,185,350	3,598,160
Animal Control	231,679	228,634	245,109
Ordinance Enforcement	142,199	151,058	144,188
Shop	270,910	276,138	309,481
Total Expenditures:	15,500,785	15,886,531	16,876,610
TRANSFERS			
Capital Projects	215,000	0	0
TOTAL EXP. & TRANS.	15,715,785	15,886,531	16,876,610
Rev. over/under Exp.	(1,238,216)	(1,221,479)	(1,316,910)
Ending Fund Balance	8,330,709	7,109,230	5,792,320

**SALES TAX FUND BUDGET
STATEMENT OF REVENUES, EXPENDITURES, AND TRANSFERS**

	ACTUAL FY 2009-2010	BUDGET FY 2010-2011	PROPOSED FY 2011-2012
I. REVENUES:			
2 Cent Collections	9,541,598	9,200,000	9,800,000
1/2 Cent Collections	2,385,399	2,300,000	2,450,000
TOTAL REVENUES	11,926,997	11,500,000	12,250,000
II. EXPENDITURES:			
Contracted Services	97,339	100,000	100,000
Cert of Indebtness	33,351	50,000	150,000
Total Expenditures:	130,690	150,000	250,000
TRANSFERS			
General-City Operating	295,973	283,360	308,000
General-Salaries	150,000	150,000	150,000
General-Reserve & Match	6,692,925	7,317,640	7,997,000
General-Streets & Parks	150,000	150,000	150,000
General-Fire Department	45,000	45,000	45,000
WW Plant Debt	1,230,000	1,230,000	1,000,000
Public Work Paygo Fund	1,374,162	855,000	769,000
Water/WW Cap Project	0	690,000	1,371,000
COS Cap Project	1,712,417	479,000	60,000
Public Utility Fund	150,000	150,000	150,000
TOTAL EXP. & TRANS.	11,931,167	11,500,000	12,250,000

**PUBLIC UTILITY FUND BUDGET
STATEMENT OF REVENUES, EXPENDITURES, AND TRANSFERS**

	ACTUAL FY 2009-2010	BUDGET FY 2010-2011	PROPOSED FY 2011-2012
Beginning Fund Balance	74,427,786	68,758,643	68,104,575
I. REVENUES:			
Utility Revenue	4,324,518	4,072,000	4,400,000
Water/Sewer Taps	32,195	18,000	22,000
Contractural services	312,000	312,000	312,000
Interest Earned	110,587	100,000	50,000
Other	100,303	100,000	100,000
SUBTOTAL	4,879,603	4,602,000	4,884,000
TRANSFERS			
Sales Tax Transfer	150,000	150,000	150,000
TOTAL REV. & TRANS.	5,029,603	4,752,000	5,034,000
II. EXPENDITURES:			
Administration	709,441	761,405	873,658
Water Operation	1,671,076	1,010,477	1,344,106
Water Maintenance	444,263	368,194	439,834
Wastewater Operation	4,050,592	1,510,793	3,802,170
Wastewater Maintenance	323,374	255,199	358,683
Total Expenditures:	7,198,746	3,906,068	6,818,451
TRANSFERS			
Debt Redemption	1,500,000	1,500,000	1,230,000
Capital Projects	2,000,000	0	0
TOTAL EXP. & TRANS.	10,698,746	5,406,068	8,048,451
Rev. over/under Exp.	(5,669,143)	(654,068)	(3,014,451)
Ending Fund Balance	68,758,643	68,104,575	65,090,124



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Honorable Members of the Sulphur City Council
Sulphur, Louisiana

Re: Capital Improvement Budget Message

Council Members:

The proposed Capital Projects Budget is designed to address funded ongoing projects and new proposed projects separately under the common functions of (1) Wastewater Operations, (2) Water Production and Distribution, (3) Streets and (4) Other.

New projects include Wastewater Plant Improvements (\$205,000), Miscellaneous Projects – Water (\$176,000), Traffic Marking Project (\$150,000) and Signalization Project (\$50,000).

Additional funds have been budgeted for the following on-going projects: Rehab Sewer Lines (\$150,000), All Lift Stations Improvement Project (\$278,000), Water Distribution (\$207,000), Water Treatment Facility Improvements (\$355,000), General Sidewalk Rehab (\$50,000), Parish Road Reconstruction (\$269,000), Asphaltic Concrete Pavement (ACP) Maintenance (\$250,000) and Bridge Replacements (\$60,000). **Note: Street Overlay projects are now designated as ACP (asphaltic concrete pavement) Maintenance.**

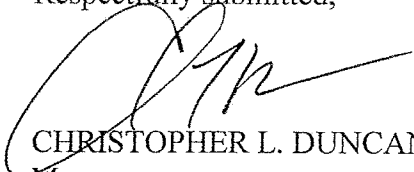
In an effort to combine projects under one heading, several individual projects are now grouped together. **All Lift Stations Improvement Project** proposes improvements not only to ongoing projects, but also to the Sara Street Lift Station (\$190,000) and the Hwy 108 and Arizona Street/Beglis Parkway Lift Stations (\$88,000). The **Wastewater Plant Improvement Project** proposes two projects Auxilliary Flow Supply for UV System (\$130,000) and General W/W Plant Improvements (\$75,000). **Wastewater Collection System Improvement Project** proposes various street sewer rehab improvements (\$150,000). **Water Treatment Facility Improvement Project** proposes Water Well Rehab 2012 (\$50,000), Verdine Plant Improvements (\$50,000), Verdine Plant Ground Storage Tank Constuction (\$205,000) and Replacement of Fluoridation Facilities for Verdine and North Plants (\$50,000).

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Water Distribution Project proposes Woodland Terrace Water Improvements (\$207,000). **All Bridge Replacement Project** includes funding for the ongoing bridge replacement on Pearl, Burton, Elizabeth and Verdine Streets, as well as additional funding for the Crocker Street Bridge (\$60,000).

The Capital Projects Budget is based on available funds. Our goal is to continue providing infrastructure improvements throughout the City.

Respectfully submitted,



CHRISTOPHER L. DUNCAN
Mayor

CLD:rw

CITY OF SULPHUR
2011-2012 CAPITAL PROJECTS BUDGET
ON-GOING PROJECTS - PREVIOUSLY FUNDED

On-Going Projects	Current Project Budget	Expended 03/31/11	Balance 2010-2011
WASTEWATER:			
W/W Coll. Sys. Improv.	1,250,000	533,355	716,645
All Lift Station Improvements	2,400,000	1,691,572	708,428
Upgrade Scada	230,000	201,540	28,460
WW Plant Inst & Sbr Cleaning	449,819	139,966	309,853
TOTAL	4,329,819	2,566,433	1,763,386

WATER:

Water Distribution	592,758	54,918	537,840
Water Treatment Facility Imp.	728,000	505,303	222,697
TOTAL	1,320,758	560,221	760,537

STREETS:

Street Addressing	150,000	125,308	24,692
Safe Routes Sidewalk Projects	510,693	35,005	475,688
Spot Drainage Improvements	329,147	37,296	291,851
Upgrade Traffic Signs	30,000	11,884	18,116
Traffic Plan(Traffic Study Survey)	100,000	99,261	739
Logan St. Project	1,238,000	3,180,550	-1,942,550
General Sidewalk Rehab	50,000	10,899	39,101
I-10 North Frontage Rd	125,000	0	125,000
I-10 High Mast Lighting	600,000	383,054	216,946
Parish Rd Reconstruction	696,000	416,775	279,225
Concrete Rehab	650,000	34,210	615,790
Overlays 2008-2011	1,416,848	627,114	789,734
TOTAL	5,895,688	4,961,356	934,332

OTHER PROJECTS:

City Hall Project	3,970,000	3,364,931	605,069
Pavilion	465,000	504,976	-39,976
Misc. Projects 2008-2009	250,000	256,750	-6,750
Misc. Projects (Street & Sewer)	140,000	0	140,000
All Bridge Replacements	4,679,390	2,369,987	2,309,403
A/C Incinerator	115,000	1,985	113,015
Ruth Street Enhancement	72,000	38,220	33,780
Emergency Response Plan	35,000	33,000	2,000
Police Training Center	750,000	0	750,000
Mayflower Drainage	340,000	516,716	-176,716
Demolish Verdine Water Tower	20,000	8,083	11,917
Upgrade PW Maint. Building	250,000	8,735	241,265
School Crossing/Flashing Lights	68,000	65,550	2,450
TOTAL	11,154,390	7,168,933	3,985,457

GRAND TOTAL:	22,700,655	15,256,943	7,443,712
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Highlighted areas are completed projects as of 3/31/2011

Reimbursement in the amount of \$2,189,635 from LA DOTD for Logan
Reimbursement-30% from CPPJ and 35% from Grav. Drain. For Mayflower

Overlays 2008-2009 and 2009-2010 are complete.

CITY OF SULPHUR
2011-2012 CAPITAL PROJECTS BUDGET
ON-GOING PROJECTS - ADDITIONAL FUNDING

On-Going Projects	Projected Cost Thru 2016	2012	2013	2014	2015	2016
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WASTEWATER:

W/W Coll. Sys. Improv.	1,085,000	150,000	215,000	237,000	246,000	237,000
All Lift Station Improv.	1,575,000	278,000	92,000	315,000	370,000	520,000
TOTAL	2,660,000	428,000	307,000	552,000	616,000	757,000

WATER:

Water Distribution	2,197,000	207,000	355,000	555,000	540,000	540,000
Wtr. Treatment Fac. Imp.	2,833,000	355,000	1,115,000	713,000	250,000	400,000
TOTAL	5,030,000	562,000	1,470,000	1,268,000	790,000	940,000

STREETS:

Gen. Sidewalk Rehab	250,000	50,000	50,000	50,000	50,000	50,000
Parish Rd. Reconstruction	696,000	269,000	0	0	0	0
ACP Maintenance	2,250,000	250,000	500,000	500,000	500,000	500,000
TOTAL	3,196,000	569,000	550,000	550,000	550,000	550,000

OTHER PROJECTS:

Bridge Replacements	2,497,098	60,000	0	0	0	0
TOTAL	2,497,098	60,000	0	0	0	0

GRAND TOTAL:	13,383,098	1,619,000	2,327,000	2,370,000	1,956,000	2,247,000
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**CITY OF SULPHUR
2011-2012 CAPITAL PROJECT BUDGET
NEW PROJECTS**

New Projects	Projected Cost Thru 2016	2012	2013	2014	2015	2016
WASTEWATER:						
W/W Plant Improvements	1,353,000	205,000	470,000	198,000	80,000	400,000
TOTAL	1,353,000	205,000	470,000	198,000	80,000	400,000
WATER:						
Misc. Projects	176,000	176,000	-	-	-	-
TOTAL	176,000	176,000	-	-	-	-
STREETS:						
Traffic Markings	150,000	150,000	-	-	-	-
Signalization Project	50,000	50,000	-	-	-	-
TOTAL	200,000	200,000	-	-	-	-
GRAND TOTAL:	1,729,000	581,000	470,000	198,000	80,000	400,000

**ASPHALT CONCRETE PAVEMENT (ACP)
MAINTENANCE PROGRAM**

YEAR 1 2011-2012

W. Lincoln (Claiborne to S. Crocker)
Starlin
E. Mimosa
Shasta (North)

YEAR 2 2012-2013

Dubach (East of Beverly)
N. Stanford (Burton to W. Lyons)
Invader (Broussard to Starlin)
Mackey
Weekly

YEAR 3 2013-2014

N. Rose Park
Lauren
Phillips (Crocker to McArthur)
Drost (Landry to Leland)
W. Elizabeth (Mackey East)
Brook
Vine (Fairview to Maplewood)

YEAR 4 2014-2015

Vine (Weil to Fairview)
Shasta (South)
N. Crocker (US 90 to W. Burton)
N. Crocker (W. Burton to E. Brimstone)
W. Elizabeth (Mackey West)

YEAR 5 2015-2016

Invader (East of Broussard)
Fasske
Ginny
Adam
N. Crocker (E. Brimstone to Corp. limits North)
Brandi