



CITY OF LAKE JACKSON

75TH

DIAMOND JUBILEE

A large, stylized diamond-shaped graphic in shades of blue and white. The number '75' is prominently displayed in the center in a large, green, serif font. Above the '75' is the word 'TH' in a smaller, green, sans-serif font. Below the '75' is a banner with the words 'DIAMOND JUBILEE' in a green, serif font. At the bottom of the diamond is a silhouette of a tree.

Annual Budget & Program of Services 2018-2019
Adopted by the Honorable Mayor & City Council
September 4, 2018

CITY OF LAKE JACKSON

Fiscal Year 2018–2019

Budget Cover Page

This budget will raise more revenue from property taxes than last year's budget by an amount of \$625,764, which is a 8.83 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$436,298.

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

FOR:

Matthew Broaddus
R.L. “Buster” Buell
Gerald Roznovsky
Tim Scott
Vinay Singhania
Bob Sipple

AGAINST:

PRESENT and not voting:

ABSENT:

Property Tax Rate Comparison

| | 2018-2019 | 2017-2018 |
|--|------------------|------------------|
| Property Tax Rate: | \$0.335200/100 | \$0.337500/100 |
| Effective Tax Rate: | \$0.325475/100 | \$0.326276/100 |
| Effective Maintenance & Operations Tax Rate: | \$0.221297/100 | \$0.218101/100 |
| Rollback Tax Rate: | \$0.346158/100 | \$0.343574/100 |
| Debt Rate: | \$0.107158/100 | \$0.108025/100 |

Total debt obligation for CITY OF LAKE JACKSON secured by property taxes:
\$32,295,000





City of

LAKE JACKSON

Enchantment



THIS DOCUMENT WAS PREPARED BY THE
OFFICE OF THE CITY MANAGER.

FOR FURTHER INFORMATION, CALL OR WRITE:

CITY OF LAKE JACKSON
25 OAK DRIVE
LAKE JACKSON, TX 77566
(979) 415-2407

CITY COUNCIL

The City of Lake Jackson operates under the Council/Manager form of government. Your City Council consists of a mayor and five council members, who serve two year staggered terms, and are elected on an “at-large” basis. Your City Council meets every first and third Monday of the month at 6:30 p.m. in City Hall. You are invited to attend any of these meetings. Operating under a Home Rule Charter and the Council/Manager plan, the City Council is the legislative body of your city government. The City Council appoints the City Manager who is responsible for the general administration of the City on a daily basis. The City Council appoints the City Attorney and Municipal Judges. Council also appoints the members of all the various boards and commissions, who volunteer their time and energy to the City.



First row left to right: Councilmember Matthew Broaddus, Mayor Bob Sipple, & City Manager William P. Yenne. Second row left to right: City Attorney Sherri Russell, Councilmembers Tim Scott, Gerald Roznovsky, Vinay Singhania, and Ralph “Buster” Buell, III, & City Secretary Alice Rodgers.

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LAKE JACKSON

City of Enchantment



City of Enchantment

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Lake Jackson

Texas

For the Fiscal Year Beginning

October 1, 2017

Christopher P. Morrill

Executive Director

ADOPTED TRANSMITTAL LETTER



LAKE JACKSON

City of Enchantment



ADOPTED TRANSMITTAL LETTER



CITY OF LAKE JACKSON

25 Oak Drive • Lake Jackson, Texas 77566 • (979) 415-2400 • Fax (979) 297-9804

October 1, 2018

Dear Citizen,

I am pleased to present to you the adopted fiscal year 2018-2019 annual budget. This budget represents over six months of effort by our City Council and City Staff. This transmittal letter discusses changes made to the proposed budget submitted to City Council on July 2, 2018.

THE BUDGET PROCESS

In January of each year the City Council, interested citizens and city staff meet to review the city's visioning process. City Council establishes vision elements and 3-5 years objectives. City staff then looks at what goals can be set during the fiscal year to work toward achieving the objectives and "vision" set by City Council. Through the "vision and goal setting process" City Council reconfirmed the vision for our city:

"Our vision is to create an ideal community to live, work and play for all."

This visioning process, along with a pre-budget capital project workshop helped set the objectives and goals of the City Council for staff to follow in preparation of the FY2018-2019 budget.

Beginning in April of each year, Directors and Department Heads meet with the Budget Staff (composed of the City Manager, Assistant City Manager, Finance Director, and Assistant to the City Manager) to discuss their proposed budget requests. The Budget Staff reviews and considers these requests and balances them to meet projected revenues. The Budget Staff then prepares the proposed budget and work document. The proposed budget was submitted to the City Council on July 2, 2018.

Each year at least one public budget workshop is held in which the City Council, Budget Staff, Department Heads and interested citizens discuss the proposed budget. This year the workshop was held on July 14th. This workshop was open to the public and the press. The proposed budget and major issues facing the city were discussed in detail during this workshop and at subsequent regular city council meetings.

Reviewing the Manager's Letter, which was submitted to the City Council with the proposed budget and work document on July 2, 2018, will provide you with a good overview of the proposed budget. The following pages of this letter will discuss the changes to the proposed budget made by City Council.

FY2018-19 BUDGET CHANGES

General Fund

Certified Taxable Value/Tax Rate

The only changes to the fiscal year 2018-2019 budget relate to the certified taxable value and the proposed tax rate.

ADOPTED TRANSMITTAL LETTER

As a result of higher than expected property values the proposed tax rate is dropping from the current 33.75 cents \$100 assessed value to 33.52 cents.

We received the certified appraised values from the Brazoria County Appraisal District on July 24, 2018. Based on preliminary appraised values we had projected values to be \$2,285,431,300. I had also anticipated that new properties added to the tax rolls would be \$50 million. Well, the certified total appraised value came in at \$2,313,579,608. And, of this value \$130 million was the result of new properties be added to the tax rolls.

For FY2018-2019 I had proposed keeping the tax rate the same as the current rate of 33.75 cents. Based on the preliminary calculations the effective rate (the tax rate needed to bring in the same tax revenues as the previous year) was 31.594 cents. Therefore, keeping the tax rate at 33.75 cents was an increase of 6.8% over the effective rate.

But because of the better than anticipated appraised number and the much better than expected “new” property values, the final effective tax rate is 32.5475 cents.

The tax rate needed to fund the proposed General Operating Fund budget dropped to 33.52 cents. This amounts to a 2.99% increase over the final effective tax rate.

By reading the manager’s letter submitted on July 2, 2018 with the proposed FY2018-2019 budget you will see what the purpose for which the additional revenue was needed. In a nutshell, it is to fund two additional police dispatchers, an administrative sergeant in the PD and to increase the number and the pay for our school crossing guards.

In summary the changes are:

1. The certified appraised value is \$2,313,599,608; of which \$130 million is attributed to new properties added to the tax roll.
2. The increase of values on existing property is 4%.
3. The proposed tax rate will drop from 33.75 cents to 33.52 cents. The 33.52 cent tax rate is 2.99% more than the effective tax rate of 32.5475 cents

Utility Fund

There are no changes to the Utility Operating Budget as proposed on July 2, 2018.

CONCLUSION

As I mentioned in my manager's letter when I submitted the proposed budget to City Council on July 2, 2018, this budget is primarily a public safety budget. The majority of the increased costs are related to Police and Fire.

This budget process went very smoothly again this year. And, much of the credit for this goes to the Strategic Planning process we have been using for the past dozen years or so.

Our local economy remains very strong. I remain very optimistic about our city's short and long-term future.

ADOPTED TRANSMITTAL LETTER

I continue to be grateful for the guidance provided by City Council throughout the budget process. They have put in many long hours in developing and ultimately adopting this budget.

I want to thank my budget staff (Modesto Mundo, Assistant City Manager; Pam Eaves, Finance Director; and, John Boehm, Assistant to the City Manager) for their dedication to this city and for putting this final document together.

I also want to thank all our city employees and our volunteers (especially our volunteer fire fighters) for their hard work and their dedication to serving the citizens of Lake Jackson.

Finally, the ultimate thank you goes to our citizens for your continued support and in providing the resources needed to meet the goals and objectives set in this budget.

We have been celebrating our city's 75th birthday during 2018, and the various events held to commemorate this milestone were excellent.

Lake Jackson has a great future ahead of us. The best is yet to come!

Sincerely,



William P. Yenne
City Manager

AMENDMENTS TO PROPOSED BUDGET



LAKE JACKSON

City of Enchantment



AMENDMENTS TO PROPOSED BUDGET

Resolution No. 18-R-914

WHEREAS, the City of Lake Jackson City Council adopted a budget for the City of Lake Jackson, Texas, for the fiscal year 2018-19 in September 2018; and

WHEREAS, the City has experienced severe roof leaks at Fire Station No. 1 and has estimated the cost to repair the roof at \$600,000; and

WHEREAS, further roof leaks could cause damage to the interior and interrupt emergency operations;

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LAKE JACKSON, TEXAS:

That the City Council hereby amends the budget as filed with the City Secretary for the fiscal year beginning October 1, 2018 through September 30, 2019, as follows:

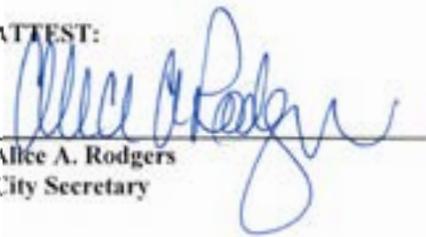
Increase the following expenditures in the General Projects Fund:

Fire Station No. 1 Emergency Roof Repairs \$600,000

PASSED AND APPROVED on this 15th day of October 2018.


Bob Sippic, Mayor

ATTEST:


Alice A. Rodgers
City Secretary

APPROVED AS TO FORM:


Sherri Russell
City Attorney

ORDINANCES ADOPTING BUDGET



LAKE JACKSON

City of Enchantment



BUDGET RESOLUTION

RESOLUTION 18-R-805

A RESOLUTION ADOPTING THE BUDGET FOR THE CITY OF LAKE JACKSON, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019

WHEREAS, on July 2, 2018, the City Manager of the City of Lake Jackson submitted the proposed Budget for the City of Lake Jackson Fiscal Year 2018-2019 to the City Council; and

WHEREAS, on July 2, 2017, the City Manager of the City of Lake Jackson filed with the City Secretary the proposed Budget for the City of Lake Jackson Fiscal Year 2018-2019; and

WHEREAS, on August 27, 2018, a public hearing on the budget was duly held and all interested persons were given an opportunity to be heard for or against any item thereof.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LAKE JACKSON, TEXAS:

SECTION 1: That the City Council hereby adopts and approves the budget as filed with the City Secretary and amended for the fiscal year beginning October 1, 2018 through September 30, 2019 and hereby appropriates the amounts as specified therein at the fund level.

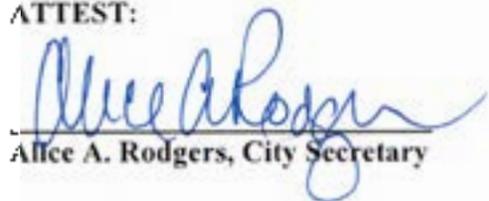
SECTION 2: That the City Manager shall cause copies of the budget to be filed with the City Secretary and the County Clerk of Brazoria County.

PASSED AND APPROVED 30th day of September, 2018.



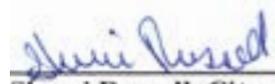
Bob Sipple, Mayor

ATTEST:



Alice A. Rodgers, City Secretary

APPROVED AS TO FORM:



Sherri Russell, City Attorney

AD VALOREM TAX RATE ORDINANCE

ORDINANCE NO. 18-2162

AN ORDINANCE LEVYING THE AD VALOREM TAX OF THE CITY OF LAKE JACKSON, TEXAS ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY, NOT EXEMPT BY LAW; PROVIDING REVENUES FOR PAYMENT OF CURRENT MUNICIPAL EXPENSES, AND FOR INTEREST AND SINKING FUNDS ON OUTSTANDING CITY OF LAKE JACKSON BONDS; PROVIDING FOR ENFORCEMENT OF COLLECTION; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE, AND PROVIDING THAT THE CHARTER RULE REQUIRING THAT THE ORDINANCE BE READ AT TWO SEPARATE REGULAR MEETINGS BE SUSPENDED.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LAKE JACKSON, TEXAS:

Section 1: That under the authority of the Charter of the City of Lake Jackson, Texas, and the laws of the State of Texas, there is hereby levied for the fiscal year October 1, 2018 through September 30, 2019, on all taxable property situated within the corporate limits of the City of Lake Jackson, and not exempt by the Constitution and Laws of the State of Texas or by Sections 5 and 6 of the Ordinance, a tax of \$ 3352 on each \$100 assessed value of all taxable property.

Section 2: That of the total tax \$ 225042 on each \$100 assessed value shall be distributed to the General Fund of the City to fund maintenance and operation expenditures of the City.

Section 3: That of the total tax \$ 107158 on each \$100 assessed value shall be distributed to pay the City's debt service as provided by Section 26.04 of the Texas Tax Code.

Section 4: This tax rate will raise more taxes for Maintenance and Operations than last year's tax rate. The tax rate will effectively be raised by 3.05% and will raise taxes for Maintenance and Operations on a \$100,000 home by approximately -\$1.44.

Section 5: That for enforcement of the collection of taxes hereby levied, the City of Lake Jackson shall have available all rights and remedies provided by law.

Section 6: All moneys collected under this ordinance for the specific items therein named, shall be and the same are appropriated and set apart for the specific purpose indicated in the City Budget and the City shall keep these accounts so as to readily and distinctly show the amount collected, and the amounts expended and the amounts on hand at any time belonging to such funds. All receipts for the City not specifically apportioned by the Ordinance are hereby made payable to the General Fund of the City.

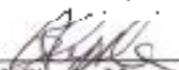
Section 7: That if any section, subsection, paragraph, sentence, clause, phrase or word in this ordinance, or application thereof to any person or circumstance is held invalid by any court of

AD VALOREM TAX RATE ORDINANCE

competent jurisdiction, such holding shall not affect or impair any remaining portions or provisions of this ordinance and the City Council of the City of Lake Jackson, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

Section 8: Upon the affirmative vote of all Council members present, the rule requiring ordinances to be read at two separate regular meetings is hereby suspended and this ordinance shall be passed and become effective from and after the date of its adoption on its first reading.

PASSED AND APPROVED on the first and final reading this 4th day of September, 2018



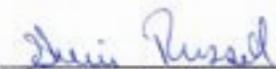
Bob Simms, Mayor
City of Lake Jackson

ATTEST:



Alice A. Rodgers, City Secretary

APPROVED AS TO FORM:



Sherri Russell, City Attorney

READER'S GUIDE



LAKE JACKSON

City of Enchantment



BUDGET SCHEDULE

2018-2019 Budget Schedule

| | |
|-----------------------|--|
| November 15, 2017 | Staff Goals/Visioning Session |
| January 15, 2018 | Martin Luther King Holiday |
| January 22, 2018 | Goals/Visioning Workshop with City Council (5-8 pm) |
| February 12, 2018 | Goals/Visioning Workshop with City Council (5-8 pm) |
| March 23, 2017 | Strict Deadline - New & Updated CIP Projects submitted by Dept. Heads & Directors |
| March 30, 2018 | Good Friday Holiday |
| April 4, 2018 | Goals, Objectives, & Performance Measures Kickoff. Distribute Budget Pages to Department Heads – Staff (9 am) |
| April 18, 2018 | Budget Kickoff. Distribute Budget Worksheets to Department Heads – Staff (9 am) |
| April 23, 2018 | CIP Workshop with City Council (5-8 pm) |
| April 27, 2018 | Strict Deadline – Goals and Accompl. & YTD Perform. Measures submitted by Dept. Heads & Directors |
| April 30-May 9, 2018 | Review Goals and Accompl. & YTD Perform. Measures submitted by Dept. Heads & Directors |
| May 9, 2018 | Strict Deadline – Department Heads Submit Budget Request(s) to City Manager |
| May 14-18, 2018 | Budget Hearings with Department Heads & Budget Staff |
| May 21-June 8, 2018 | Budget Staff prepares Preliminary Budget Requests |
| May 28, 2018 | Memorial Day Holiday |
| June 11–June 29, 2018 | Proposed Budget Request Prepared for Presentation to City Council |
| July 2, 2018 | Regular City Council Meeting – Proposed Budget Delivered to City Council |
| July 3, 2018 | File Proposed Budget with City Secretary and LJ Library; Add to Website |
| July 4, 2018 | Independence Day Holiday |
| July 14, 2018 | Saturday Budget Workshop |
| July 16, 2018 | Regular City Council Meeting – Discussion Item on Agenda for Proposed Budget |
| July 21, 2018 | Saturday Budget Workshop # 2 (If Necessary) |
| July 24, 2018 | Receive Certified Appraisal Roll, Calculate Effective Tax Rate |
| August 6, 2018 | Publish Effective Tax Rate |
| August 6, 2018 | Regular Council Meeting – Council will discuss tax rate; if proposed tax rate will exceed the rollback rate or the effective tax rate (whichever is lower), Schedule a public hearing for August 20 & 27 and take record vote to place a proposal to adopt the tax rate on the agenda of September 4th meeting (specifying rate); Call public hearing for Budget on August 27th by Resolution. |
| August 13, 2018 | Notice of Public Hearing on Tax Increase – is the first quarter-page notice in newspaper and on TV and Website published at least 7 days before public hearing. |
| August 17, 2018 | 72-hour Open Meetings Notice for Public Hearing on Tax Rate & 10 day Newspaper Notice on Budget Public Hearing (required by charter). |
| August 20, 2018 | Regular Council Meeting – First Public Hearing on Tax Rate (council announced date, time & place of vote) |
| August 20, 2018 | Notice of Vote on Tax Rate published before meeting to adopt tax rate - is the second quarter-page notice in newspaper before meeting and published on TV and Website at least 7 days before meeting. |
| August 24, 2018 | 72-hour Open Meetings Notice for City Council to adopt Budget and Tax Rate |
| August 27, 2018 | Special Council Meeting-Second Public Hearing on Tax Rate Increase and announce meeting to Adopt Tax Rate on September 6th. Public Hearing on Budget, announce meeting to Adopt Budget on September 5th. |
| August 28, 2018 | Public notice of vote in paper, on internet, and on cable channel. |
| September 3, 2018 | Labor Day Holiday |
| September 4, 2018 | Regular Council Meeting: a) Final Adoption of Budget by Resolution. b) Adopt Tax Rate by Ordinance. |
| October 1, 2018 | New Fiscal Year Begins |



City of Lake Jackson • 25 Oak Drive • Lake Jackson, Texas 77566
(979)415-2400 • Fax: (979)297-9804

To: Directors, Department Heads and Supervisors
From: William P. Yenne, City Manager
Date: April 15, 2018
Re: FY 2018-2019 Budget

FY 17-18

We are having a solid fiscal year so far for FY17-18. I believe we will meet our budgeted revenue projections. While on the expenditure side we are looking good overall. We are still feeling some of the effects of Hurricane Harvey/Brazos River Flood. But, again, we should be within projections.

FY 18-19

For FY18-19 I expect modest growth in property tax, sales tax and industrial district revenue. We will also likely see modest growth from fees generated revenues as we adjust various fees we charge for services. This was one of the main points of discussion with City Council during our Strategic Plan review.

On the expenditure side we will focus on completing the current pay plan adjustment program that we paused this past year.

As far as new employees, my goal is to see if we can fund two additional dispatchers for the Police Department and fund an Administrative Sergeant position for the communications area.

Other than the above-mentioned changes, the rest of the budget will basically remain as is, with appropriate adjustments for increased costs where needed.

Capital Projects

We held our Capital Projects workshop with City Council on April 23rd• We have a lot of projects on-going or scheduled to start in FY17-18 and FY18-19.

We have a full slate of Utility Projects on the boards as we work to upgrade our utility infrastructure.

We also have a full schedule of General Capital Projects on tap. We will begin the Woodland Park s/d residential street project in 2018. And, we will sell the final \$9 million of the \$16 million bond issue approved in 2016. This \$9 million will fund the next major portion of our Downtown Revitalization project.

We will also be addressing a number of smaller drainage/flood projects identified as a result of the Brazos River Flood. We are also continuing with major drainage/flood studies that address the lower Brazos River, the Bastrop Bayou and the drainage on the eastside of town.

BUDGET KICK-OFF MEMO

75th Anniversary

We have been celebrating our city's Diamond Jubilee in 2018. We have held very successful events commemorating and celebrating this important milestone. A great thanks to our 75th anniversary committee for all their hard work.

Conclusion

As always, I ask you to look hard at your budget and help find ways to do things better while being as cost effective as possible.

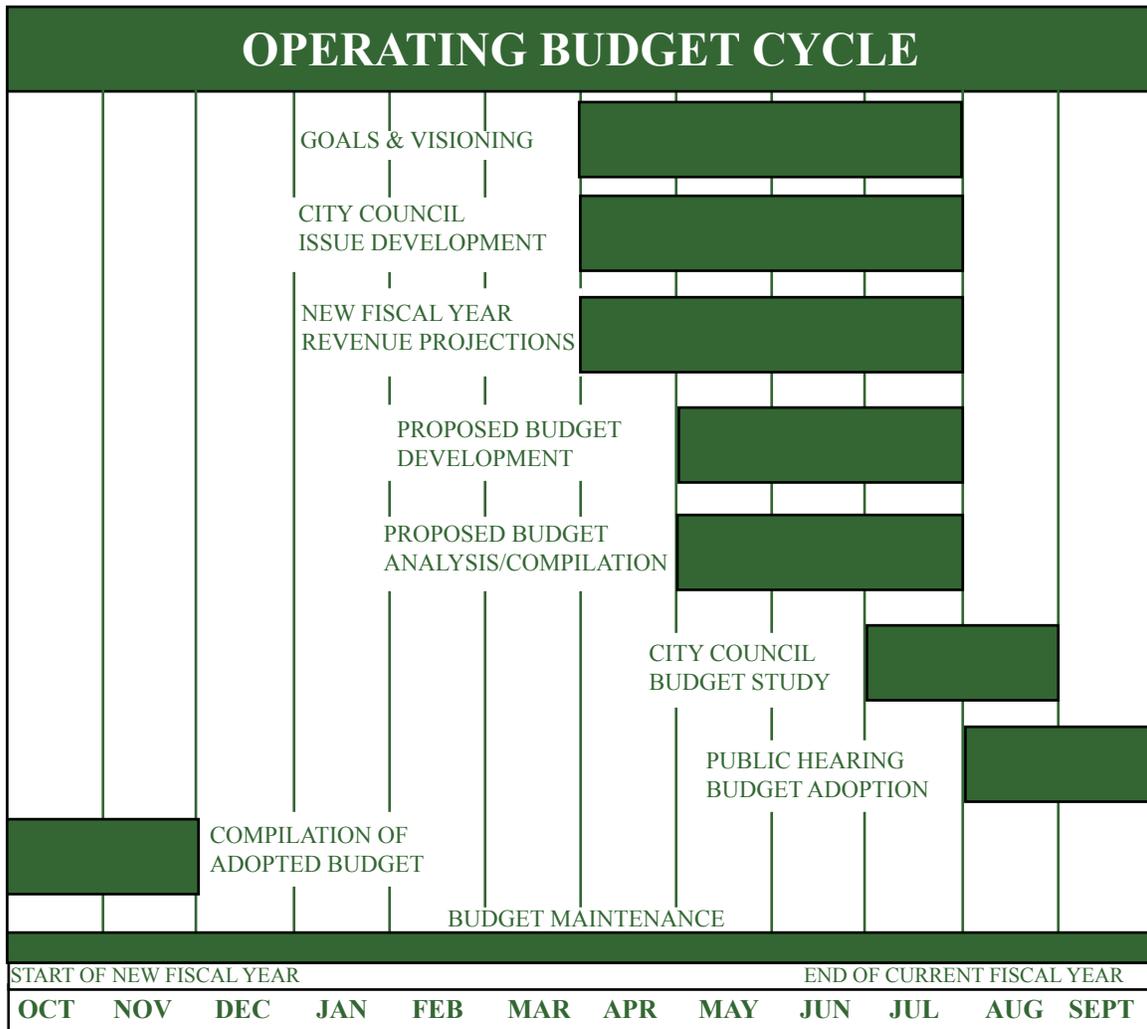
I do want to thank all of you again for the remarkable job you and all our employees did during the Brazos River Flood caused Hurricane Harvey.

Please follow the budget calendar faithfully and meet all the listed deadlines. I look forward to working with you to prepare the FY18-19 budget.

INTRODUCTION TO THE READER'S GUIDE

The Reader's Guide provides an overview of the City of Lake Jackson's budget process, financial structure and budget basis. Also included in this section are the Charter Directives and Financial Policies related to budgeting.

The City of Lake Jackson has prepared a budget designed to meet the highest standards of performance in municipal budgeting. The budget presentation format, which includes line item detail as directed by the charter, features goals, accomplishments and performance measures for each department. A program description and summary of major budget changes is also included for each department to quickly inform the reader of the responsibilities of the department and budget considerations for the department. Various budget summaries, statistical information, and detailed revenue sources are provided to help the reader assess the budget and make comparisons to prior years. The Manager's Message describes in detail the significant budget issues facing the Council and Staff in the upcoming budget year and future years. The message also provides an overview of the proposed budget. The budget process and organization of the budget itself are described below.



BUDGET PROCESS

The City of Lake Jackson uses a hybrid performance/program oriented budgeting process.

1. City Council Issue Development

Early in the year, the City Council reviews the City's Goal and Visioning process and considers goals to meet the established vision elements. Also, a capital improvements workshop is held to establish the capital project priorities for the coming fiscal year. Council priorities and goals are incorporated into the proposed budget. Major issues are fully addressed in the "Manager's Message" section of this document.

2. Revenue Projection

The budget revenue projection for the new fiscal year begins midyear of the current fiscal year. This projection is made by the City's Budget Committee (comprised of the City Manager, Assistant City Manager, Finance Director, and Assistant to the City Manager) with the help of department directors and supervisors. Projections are based upon consultations with state and local agencies, trend analysis, anticipated changes in the local and regional economy, and discussions with directly associated staff members. Although beginning earlier, the budget revenue projection occurs concurrently with departmental budget development and extends until the budget is adopted based upon the receipt of any new information.

3. Proposed Budget Development

During budget development at the department level, the City's Budget Committee works with department directors and supervisors to analyze requests, provide advice, and lend assistance. Staff work sessions are held to discuss and develop goals and performance measures which tie in to council set goals and priorities.

4. Proposed Budget Analysis/Compilation

Once departmental budget requests are completed, the Budget Committee meets with each department to review and discuss their funding request.

Given revenue projections and funding requirements, requests are proposed for funding according to ranking received by the Budget Committee. At this time the funding level is weighed against available resources, and a tax rate increase/decrease may or may not be recommended depending upon Council program priorities and issues previously expressed in the budget process.

5. City Council Budget Study

Several budget work sessions, which are open to the public, are held with the City Council to review and discuss the proposed budget. At the work sessions, the City Manager reviews major issues and presents an overview of the budget and department directors present their budget to the City Council.

6. Public Hearing/Budget Adoption

A public hearing on the budget and tax rate is held in August prior to final budget consideration. At said hearing, citizens or any other individual may make formal comment either for or against the proposed budget. The public also has the opportunity to attend City Council budget work sessions occurring in July and possibly August.

Budget adoption occurs in September after City Council deliberations and the public hearing. City Council may take action to modify the proposed budget per its discretion. The City Council also adopts a tax rate to support adopted funding levels.

7. Compilation of Adopted Budget/Budget Maintenance

An adopted budget is compiled and published during the first months of the new fiscal year. The adopted budget in the form of an amended proposed budget is available for public inspection in late September. Ledger accounts are prepared for the new fiscal year prior to October 1.

Budget maintenance is a year round activity of department directors and the budget committee. Spending control mechanisms include monthly review of expenditures by the department directors, supervisors, and budget committee. Also, all purchase requisitions are compared to the line item and departmental budget prior to approval. Beginning in January, monthly budget analysis reports are prepared to present budget versus estimated expenditure variances. These reports are reviewed by staff to identify any major expenditure variances. Monthly reports are prepared for City Council. Department heads are instructed that expenditures for individual line items may exceed the budgeted amount as long as the department's total expenditures remain less than the budgeted amount.

8. Budget Amendment

In some cases department expenditures may exceed the budgeted amount so long as the fund as a whole remains within the budgeted amount. This is the case because the budget is adopted at the fund level. A budget amendment is presented to Council for approval only if the budget for an individual fund is being changed or projects added to the capital funds.

9. Program Goals and Measures

Finally, program goals and measures are evaluated during the fiscal year to determine effectiveness of program activities and levels of appropriate funding and effectiveness in meeting the vision and vision elements established by City Council.

ORGANIZATION OF THE BUDGET

BUDGET SUMMARIES

The Budget Summaries section is designed to provide a quick overview of the budget for all funds of the City. This section includes the following schedules:

Combined Funds Summary - Presents the total budgeted revenues and expenditures for each fund. Transfers between funds are subtracted from the total to indicate total dollars in and out of the City.

All Funds Revenues by Category - Presents a breakdown of all City revenues by category and presents it graphically.

All Funds Expenditures by Category - Presents a breakdown of all City expenditures by category and presents it graphically.

Governmental Fund Types Projected Fund Balances - Summarizes the projected beginning and ending governmental funds. This schedule is useful in determining whether fund balances are maintained at sufficient levels.

Proprietary Fund Types Projected Cash Balances - Summarizes the projected beginning and ending cash balance for each of the proprietary funds. This schedule is useful in determining whether cash balances are maintained at sufficient levels.

Personnel Summary by Department - Summarizes authorized positions for the current budget and previous three years. Explains what positions have been added, deleted, or reclassified.

Operating Funds Summary - Presents the combined revenues and expenditures for the General & Utility Operating Funds. Presents a more detailed breakout of expenditures.

General Fund Revenues by Category - Presents a breakout of the General Operating Fund revenues by category and presents it graphically.

General Fund Expenditures by Category - Presents a breakdown of all General Operating Fund expenditures by category. Includes a summary of General Fund authorized personnel.

Utility Fund Revenue by Category - Presents a breakout of the Utility Operating Fund revenues by category and presents it graphically.

Utility Fund Expenditures by Category - Presents a breakdown of all Utility Operating Fund expenditures by category. Includes a summary of Utility Fund authorized personnel.

Summary of Capital Items - Summarizes all capital expenditures.

ORGANIZATION OF THE BUDGET

GENERAL AND UTILITY FUND DEPARTMENT DETAIL

The detail for each department includes the following information:

Organizational Chart - Shows the organizational structure for each department or program.

Personnel Summary - Shows the positions or personnel resources budgeted to carry out services.

Program Description - Outlines the duties and responsibilities performed by the department. It is provided to enable the reader to understand the function of each department.

Goals and Objectives - Provides a summary of specific goals they wish to achieve during the coming fiscal year. They should have a specific time frame or measurable achievement.

Performance Measures - Include performance measures, as well as workload indicators, that reflect each department's major activities and how they are connected to the City Council's Vision Elements and Objectives. Workload measures also indicate the amount of work that has been done in the past and projected workload levels for the current and future years. Performance measures may also include productivity indicators. Productivity indicators reflect how well a program is performing its activities to meet the needs of the public and the organization. They should measure productivity, effectiveness, efficiency, or the impact of a service provided. While workload indicators indicate "how much" activity the department is performing, productivity indicators identify "how well" the department is performing. These indicators should be able to be tracked with a reasonable amount of time and effort.

Resources - Highlights fees and revenues that are generated as a result of department activities. In many departments, a change in level of activity will have an impact on associated revenues. This section highlights that relationship.

Expenditures - Shows the category of expenditures for each of the department's programs as compared year over year.

Major Budget Changes - Identifies significant changes in funding levels and organizational alignment. This section also details major new programs and items proposed for funding.

SUMMARY OF FINANCIAL FUND ACCOUNTING

The City uses individual funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and achieve fiscal accountability by segregating transactions related to certain government functions and activities.

A fund is a fiscal and accounting entity with a self-balancing set of accounts. A separate fund may be established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The two types of funds utilized in the City's Comprehensive Annual Financial Report (CAFR) are *Governmental* and *Proprietary*. For the City's day-to-day operations, and for budgetary purposes, some of the funds reported in the CAFR are broken down into sub-funds. Each of the sub-funds budgets is established independently. The following is an explanation of the City's use of funds.

GOVERNMENTAL FUND TYPES

General Fund

The *General Fund* is the City's primary operating fund. The *General Fund* is presented as a major fund in the basic financial statements of the CAFR. It accounts for all financial resources of the City, except those required to be accounted for in another fund. The principal sources of revenues of the *General Fund* are property taxes, sales taxes, franchise taxes, permit fees, and fines. Expenditures are tax supported activities such as general government, finance, public safety, public works, parks, and recreation. For budgetary purposes, the *General Fund* of the City is comprised of: the General Operating Fund, Equipment Replacement Fund, Unemployment Insurance Fund, Special Events Fund, the General Contingency Fund, and the Parks Fund. Each of these funds is budgeted independently, with the emphasis on the General Operating Fund. The City's financial policy is to always budget the operating fund as balanced. Revenues equal expenditures. According to the City Charter, the expenditures of the General Operating Fund budget shall not exceed the total estimated resources (prospective income plus cash on hand).

Special Revenue Funds

The *Special Revenue Funds* are used to account for specific resources and expenditures that are legally restricted for particular purposes. Special Revenue funds include: the Motel Occupancy Tax Fund, the Economic Development Fund, Public Education and Government Programming (PEG) Fund, and the Police Seizure Fund. In the CAFR, the Economic Development Fund is presented as a major fund.

Debt Service Fund

The *Debt Service Funds* are used to account for the accumulation of resources for the annual payment of debt principal and interest, and to provide a reserve for such payment. Debt Service Funds include: General Debt Service, Economic Development Debt Service, Golf Course Debt Service, and the Utility Debt Service. A cash basis budget is adopted for each of these funds. In the CAFR, the General Debt Service fund is included as a major fund. The Golf Course Debt Service and the Economic Development Debt Service are presented combined with other non-major governmental funds. Utility Debt Service is included as part of the Utility Fund in the proprietary fund statements.

SUMMARY OF FINANCIAL FUND ACCOUNTING

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition, construction, or repair of major capital facilities and equipment other than those financed by proprietary funds. These funds include the General Projects Fund, the 2010 Infrastructure Improvement Fund, the 2013 Downtown Revitalization Fund, and the 2014 Economic Incentives Infrastructure Fund, and the 2016-2017 Infrastructure Improvement Fund. In the 2017 CAFR, the 2014 Economic Incentives Infrastructure Fund and the 2016-2017 Infrastructure Improvement Fund will likely be included as major funds.

PROPRIETARY FUND TYPES

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. Such funds are to be financed or recovered primarily through user charges. The City has two Enterprise Funds: the Utility Fund and the Golf Course Operating Fund. For budgetary purposes, the Utility Fund includes the following sub-funds: Utility Operating Fund, Utility Contingency, Utility Debt Service, Utility Projects, the 2013 Water and Sewer Construction Fund, the 2016 Sewer Construction Fund., and the 2017 Water and Sewer Bond Construction Fund. Each of these funds is budgeted independently with emphasis on the Utility Operating Fund.

SUMMARY OF FINANCIAL STRUCTURE

GOVERNMENTAL FUNDS

General Fund Sub-Funds

General Operating Fund - This fund includes the maintenance and operations portion of the tax revenues and tax supported activities such as Police, Fire, Drainage, Streets, Parks, and Recreation. This fund is annually budgeted to “balance” or is prepared so that revenues equal expenditures.

Equipment Replacement Fund - Each department has a budgeted transfer to this fund. The transfer amount is based on the equipment used by the department, the original cost of the equipment and its estimated useful life. Accumulated resources in this fund are then used to purchase new and replacement equipment. This fund is not necessarily budgeted to be balanced. In some years revenues may exceed expenditures and vice versa. Budgeted equipment purchases may carryover to following budget year if not completed in the current year.

Unemployment Insurance Fund - If necessary, each department has a budgeted transfer to this fund. The transfer amount is roughly based on the number of employees in the department. Accumulated resources are used to pay unemployment claims.

Special Events Fund - Money is transferred to this fund from the Motel Occupancy Tax Fund to assist with the payment of Festival of Lights expenditures. The General Fund also transfers money here to pay for the Fourth of July expenditures. This fund is not necessarily budgeted to be balanced. In some years revenues may exceed expenditures and vice versa.

General Contingency Fund - This fund contains money to be used in case of emergency or special situation. The City seeks to maintain a fund balance that is at least 3% of the General Fund budgeted expenditures.

Park Fund - This fund accounts for revenue received from donations in lieu of parkland. This fund’s revenue may also be supplemented by year-end transfers from the General Fund. The Parks Board is responsible for establishing the budget and funds are normally budgeted as projects which may carryover fiscal years. This fund is not typically budgeted as balanced.

Special Revenue Funds

Motel Occupancy Fund - This fund accounts for the revenue received from the tax on motel rooms. The use of this revenue is limited and is therefore accounted for separately. This fund is not necessarily budgeted to be balanced.

Police Seizure Fund - This fund is used to account for monies obtained through a federal equitable share program for assistance in federal narcotics investigations and monies obtained from local narcotics investigations, authorized by state chapter 59 code of criminal procedure (C.C.P.). These monies must be used for law enforcement purposes as set forth in Chapter 59 C.C.P. and the federal equitable sharing agreement. Permissible uses include cost associated with: investigations, training, detention facilities, equipment, travel & transportation, awards, and memorials for law enforcement personnel, drug and gang awareness programs, matching funds in a federal grant program, transfers to other law enforcement agencies, accounting, and language assistance services.

SUMMARY OF FINANCIAL STRUCTURE

Public, Educational and Governmental (PEG) Programming Fund - this fund is used to account for PEG cable television fees. The expenditures are restricted to PEG access facilities.

Economic Development Fund - This fund accounts for the revenues received from the additional 1/2¢ sales tax. Items budgeted in this fund are typically debt service transfers and smaller “cash” projects which may carryover fiscal years. This fund is not budgeted as balanced. Our objective is to establish a fund balance equal to the next year’s debt service requirements.

Debt Service Funds

General Debt Service Fund - This fund includes the debt service tax revenues and the debt service expenditures related to tax supported General Obligation Bonds.

Golf Course Debt Service Fund - Money is transferred to this fund from the Economic Development Fund and the Golf Course Operating Fund to pay debt service on bonds issued to construct the golf course. This fund is budgeted as balanced and is reduced to zero once a year.

Economic Development Debt Service Fund - Money is transferred to this fund from the Economic Development Fund to pay debt service on Certifications of Obligations issued to construct recreation and economic development related projects.

Capital Projects Funds

General Projects Fund - The major revenue source for this fund is year-end transfers from the General Operating Fund. Accumulated resources are used for a variety of capital projects that are identified by staff, then rated and prioritized by the City Council. Funding for additional projects is approved annually through the budget process. Expenditures for approved projects may occur over multiple fiscal years. Additional projects may be added during the budget process, if there are funds remaining after the completion of previously approved projects. The goal is to maintain at least \$500,000 in the fund.

Multi-Year Funds - This includes all Governmental construction funds funded by the issuance of bonds or Certificates of Obligation.

SUMMARY OF FINANCIAL STRUCTURE

PROPRIETARY FUNDS

Proprietary Funds are considered to be similar to a business enterprise. Expenditures are supported by user fees and charges. The specific funds which make up the proprietary fund type are:

Utility Fund Sub-Funds

Utility Operating Fund - This fund includes the revenues from water, sewer, and sanitation charges. It includes the expenditures related to providing these services. This fund is annually budgeted so that revenues equal expenditures.

Utility Contingency Fund - This fund contains money to be used in case of emergency or special situation. The City seeks to maintain a fund balance of at least 3% of the Utility Operating Fund budgeted expenditures. This fund typically has no budgeted expenditures.

Utility Debt Service Fund - Money is transferred to this fund from the Utility Operating Fund to provide for the payment of utility related debt service and to provide a reserve for that payment. This fund is not budgeted to be “balanced” but revenue and expenditure amounts are close to the same amount.

Utility Project Fund - This fund receives transfers of budget savings from the Utility Operating Fund. Accumulated resources are used for a variety of water and sewer projects that are identified by staff, then rated and prioritized by the City Council. Funding for additional projects is approved annually through the budget process. Expenditures for approved projects may occur over multiple fiscal years. Additional projects may be added during the budget process, if there are funds remaining after the completion of previously approved projects. The goal is to maintain at least \$500,000 in the fund balance.

Golf Course Funds

Golf Course Operating Fund - This fund accounts for the revenues and expenditures of the Wilderness Golf Course which opened May of 2004. The course is managed and operated for the City by KemperSports.

Basis of Accounting

The City of Lake Jackson uses governmental and proprietary fund types to account for its activities. All fund structures and accounting standards used for financial reporting are in compliance with Generally Accepted Accounting Principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB) and other recognized professional standards.

The City's accounting records for *governmental funds* are maintained on a modified accrual basis. Under this basis of accounting, revenues are recognized when they are susceptible to accrual (i.e. 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 (usually within 60 days of fiscal year-end). Ad valorem tax, sales tax, franchise tax, and interest revenues are susceptible to accrual. Licenses and permits, charges for services, fines and forfeiture revenues are recorded as revenues when received in cash because they are generally not measurable until they are received. Expenditures are recorded when the related liability is incurred.

Accounting records for the City's *proprietary funds* are maintained on the accrual basis. Revenues are recognized when earned and expenses are recognized when the liabilities are incurred.

Basis of Budgeting

The City Charter requires that the city budget be presented in a line-item budget format. This involves listing the revenue or expenditure "line-item" and showing what was earned or expended in this line item in the previous year; what the budget is for that line item for the current fiscal year; what the projection for that line item for the current year is estimated to be; and, what the line item is proposed to be for the new fiscal year.

We faithfully follow this format in our proposed budget document. However, we also present the budget in a "modified-program" budget basis. Here we state the goals and objectives set by the City Council, through the strategic planning process, and how we plan to address those goals in the proposed budget.

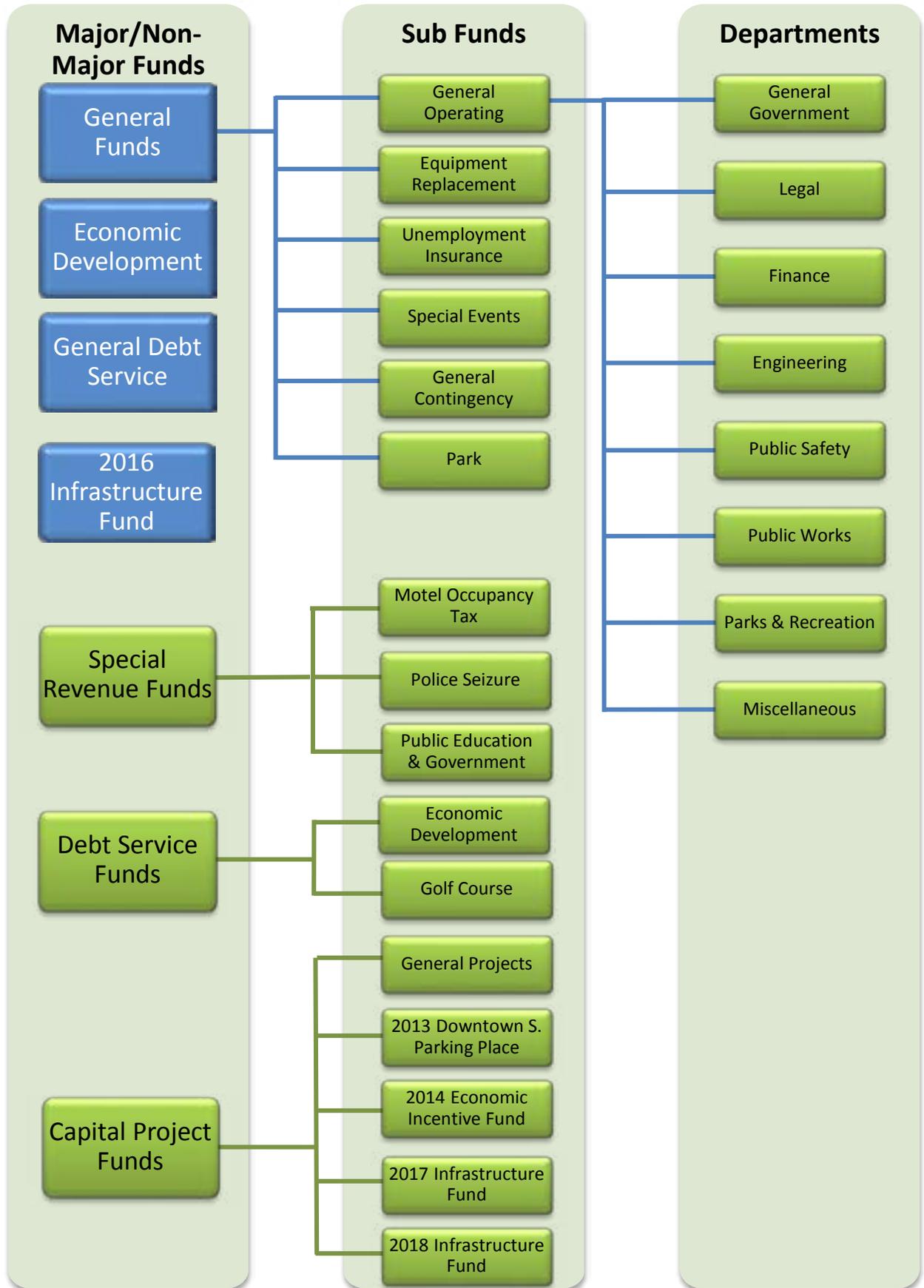
We also use some performance-based budgeting tools to track our success at meeting these organizational goals and objectives. This includes setting workload and performance measures for our various budget units. The reader will also see elements of target or outcome based budgeting techniques in this document.

From an accounting standpoint the City prepares its annual budget using concepts compatible with the modified accrual basis of accounting. Similar to the accounting basis, the budgetary basis recognizes revenues in the accounting period in which they become available and measurable. Expenditures (expenses) are budgeted in the accounting period in which the fund liability is incurred. The major differences between the budgetary and accounting basis are that:

- Interest expense on long-term debt is budgeted when due.
 - Depreciation is not budgeted.
 - Encumbrances are treated as budgetary expenditures in the year the commitment to purchase is made; as opposed to when the goods or services are received (accounting basis).
 - Capital outlay is budgeted during the year the expenditure will occur.

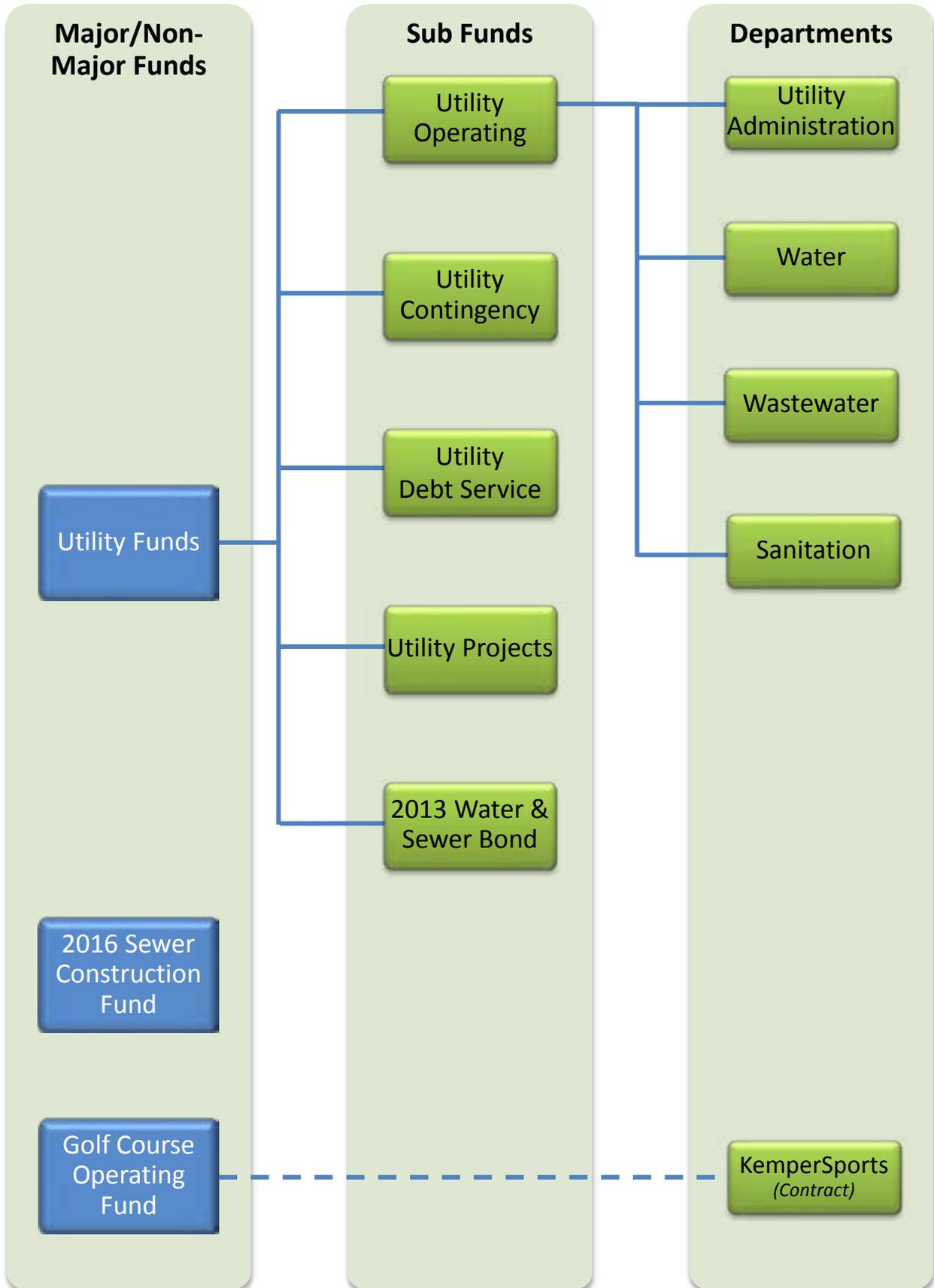
Budgets for the proprietary funds are prepared on the accrual basis of accounting, with certain exceptions, under which revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

GOVERNMENTAL FUNDS STRUCTURE



* Blue boxes indicate "Major" Funds

PROPRIETARY FUNDS STRUCTURE



* Blue boxes indicate "Major" Funds

Residents Enjoying the Interactive Fountain During the Spring Concert Series



DIRECTIVES & POLICIES



LAKE JACKSON

City of Enchantment



FINANCIAL POLICY

SUBJECT:

REVENUES

1. Development of Revenue Projection. Revenues are budgeted conservatively using an objective approach to analyze historical data and inherent trends. Adjustments are made to account for known events and projected economic activity within the city and surrounding areas

Additionally, a five year projection of revenues will be performed as part of the debt capacity analysis. This analysis is updated at least annually. It is utilized to plan the timing and amount of future bond issues so as to have the least possible impact on the overall tax rate.

2. User Charges and Fees.

General Fund. As part of the budget process, user charges and fees will be examined and compared to the cost of providing the services to facilitate City Council's policy decision regarding the level of support to be provided. For services that provide significant indirect benefits to the community, the City will not budget to recover the full cost of those services with user fees; but will subsidize the cost of providing the services using other general revenues. Factors in setting of fees shall include but not be limited to: market and competitive pricing, effect on demand for services, and impact on users.

Enterprise Funds. Utility rates and other fund user fees shall be set at levels sufficient to cover (direct and indirect) operating costs, meet debt obligations and debt service coverage, provide pay-as-you-go funding for utility (capital) projects, and provide adequate levels of working capital.

Additionally, for each of the operations accounted for by this fund a detail proforma will be presented projecting revenues and expenditures for three years.

3. Non-recurring Revenues. Non-recurring revenues sources, such as a one-time revenue remittance, can only be budgeted/used to fund non-recurring expenditures, such as capital equipment purchases and small capital projects.

SUBJECT:

EXPENDITURES

1. Budgeted expenditures in the General Operating Fund and Utility Operating Fund will not exceed projected revenues.
2. Core services will be budgeted in order that outstanding quality services will be provided. Generally, only when known increases in revenues are going to take place or are planned (such as increased fees or industrial district revenue) will new or expanded services be considered.
3. The capitalization threshold for fixed assets is \$5,000. Minor purchases with a unit cost under \$5,000 are included in the operating budget of the department making the request. The capitalization threshold of \$5,000 will be applied to individual items, rather than to a group of similar items.
4. Capital equipment purchases exceeding \$5,000 are budgeted in the Equipment Replacement Fund. Other projects (drainage, street, facility, water, and wastewater) are budgeted in the General Projects Fund and the Utility Projects Fund, if funds are available. Larger projects, typically those over \$500,000, are funded by issuing some form of debt (i.e. bonds), and are budgeted in multi-year bond construction funds.

SUBJECT: INVESTMENTS

As adopted by the City Council, it is the policy of the City of Lake Jackson that the administration and investment of funds be handled as its highest public trust. Investments shall be made in a manner that will provide the maximum security of principal invested, employing limitations on maturities and diversification of the portfolio, while meeting the daily cash flow needs of the City; and conforming to all applicable Federal, State, and local government statutes governing the investment of public funds. The receipt of a market rate of return will be secondary to safety and liquidity requirements. It is the intent of the City to pursue a passive investment strategy in which investments are held to maturity as opposed to an active strategy in which investments are sold prior to maturity. The earnings from investment will be used in a manner that best serves the public trust and interest of the City.

The investment policy applies to all financial assets of the City. These funds are accounted for in the City's Comprehensive Annual Financial Report and include the General, Special Revenue, Debt Service, Capital Projects, and Proprietary Funds. All cash of the various funds (excluding bond funds) are combined into the pooled cash fund for efficiency and maximum investment opportunity. Interest revenue derived from the pooled cash fund is allocated to the participating funds (monthly) based on the relative cash balance of each fund. Bond funds are invested in separate investment pool accounts. Maintaining these funds in separate accounts simplifies the calculation necessary for the reporting of arbitrage earnings. All funds in the pooled cash fund are to be administered in accordance with this policy.

The primary objectives, in priority order, of the City's investment activities shall be preservation and safety of principal, liquidity, and yield.

SUBJECT: FUND BALANCE

GOVERNMENTAL FUND BALANCE

Fund Balance measures the net financial resources available to finance expenditures of future periods. There are five categories of Fund Balance in all governmental funds – not all will always be present. The fund balance categories are defined below:

1. Non-spendable – cannot be spent because of the form (i.e. inventory)
2. Restricted - portion of fund balance that reflects external constraints on spending imposed by constitution, laws of other governments, creditors, or grantors.
3. Committed – portion of fund balance that reflects constraints that the City has imposed upon itself by a formal action of the City Council. City Council will impose constraint prior to the end of the fiscal year. To date, City Council has committed the total fund balance of the General Contingency Funds for emergency use and in the event purchases cannot be accommodated through current year savings.
4. Assigned – portion of fund balance that reflects funds intended to be used for specific purposes. The assignment of funds is delegated to the City Manager and the Finance Director.
5. Unassigned – portion of fund balance that are not contained in the other classifications.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly unassigned fund balance.

FINANCIAL POLICY

GENERAL FUND UNASSIGNED FUND BALANCE

The City's Unassigned General Fund Balance will be maintained to provide the City with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The Unassigned General Fund Balance may only be appropriated by resolution of the City Council. The City shall strive to maintain a yearly Unassigned Fund Balance in the General Operating Fund in a range equal to 25% - 33% of budgeted expenditures for the General Operating Fund.

At the end of the fiscal year, the General Operating Fund Balance will be reviewed as to where it falls within the desired range. If the fund balance is deemed adequate, excess funds will be transferred to the General Capital Projects Fund or other funds as approved by City Council. Should the actual amount fall below the desired range, the City shall create a plan to restore the appropriate levels.

General Debt Service Fund. This fund is treated as a combination interest and sinking fund and reserve fund for each of general obligation debt issues. The maximum reserve balance for each of the issues being the lower of 1) average annual debt service x 1.25, 2) maximum yearly payment, or 3) 10% of principal. The fund balance must stay under the maximum allowed reserve so that this fund maintains bona fide debt service fund status for arbitrage calculation purposes. All money in this fund has been raised from the assessment of property taxes for the purposes of debt service. As such, they may only be used for debt service.

Economic Development Fund. The Lake Jackson Development Corporation established a target fund balance for this fund equal to the succeeding years debt service requirement. Because the primary source of income for this fund is sales tax, the Corporation board wanted to protect against the possibility of a downturn in revenue.

Equipment Replacement Fund. The fund balance in this fund is tied to specific pieces of equipment for which a reserve for replacement is provided.

Unemployment Insurance Fund. The City will seek to maintain a fund balance in this fund such that the interest earnings are sufficient to pay any claims.

Motel Occupancy Tax Fund. There is no designated desired fund balance. Currently, City Council has chosen to spend down the fund balance and then operate year to year on revenues recovered.

Park Fund. This fund receives payment from developers when actual parkland is not provided for their residential development. Also this fund receives proceeds from the sale of parkland as authorized by the voters. No specific minimum fund balance is set for this fund.

General Contingency Fund. The City seeks to maintain a balance in this fund equal to at least 3% of its respective operating fund's budgeted expenditures. This fund will be maintained strictly for emergency use and will only be used in the event that purchases cannot be accommodated through current year savings.

General Projects Fund. The City will seek to maintain a minimum balance of \$500,000 in this fund. These balances will allow for the completion of necessary but unforeseen projects that may occur during the year.

ENTERPRISE FUND BALANCE

Utility Operating Fund. The City will seek to maintain a working capital (current assets minus current liabilities) balance equal to 25% to 33% of budgeted expenditures for the Utility Operating Fund. Again, maintaining a balance at this level provides a source of funds in the event of an unexpected budget shortfall or in case of disaster. At the end of the current fiscal year we anticipate a positive budget variance in the Utility Fund. After determining the desired fund balance in the Utility fund, the remainder of the positive budget balance is transferred to the Utility Capital Projects Fund or other funds as directed by City Council.

Utility Debt Service Fund. The Utility Debt Service Fund is used for the accumulation of resources for the payment of Water and Sewer Revenue Bonds and also to provide a reserve as provided by the City's bond ordinances. These ordinances currently require the City to maintain a reserve equal to the succeeding fiscal year's principal and interest payment. Upon the issuance of additional debt, the ordinances allow the reserve to be raised to the required level over 60 months. Additionally, each month there must be deposited in the fund 1/6th of the next maturing interest and 1/12th of the next maturing principal.

Utility Projects Fund. The City will seek to maintain a minimum balance of \$500,000 in this fund. These balances will allow for the completion of necessary but unforeseen projects that may occur during the year.

Utility Contingency. The City seeks to maintain a balance in this fund equal to at least 3% of its respective operating fund's budgeted expenditures. This fund will be maintained strictly for emergency use and will only be used in the event that purchases cannot be accommodated through current year savings.

SUBJECT: FUNDING OF CAPITAL PROJECTS & EQUIPMENT PURCHASES

The City desires to fund as many Capital Projects and equipment purchases as possible on a pay as you go basis. Larger projects, typically those over \$500,000, will be accomplished by the issuance of General Obligation Bonds. To accomplish this goal the City has established three funds, the General Projects Fund, the Utility Projects Fund, and the Equipment Replacement Fund.

The primary revenue source for the General and Utility Projects Fund is year-end transfers from their respective operating funds. After taking into consideration any desired growth in the fund balance, positive budget variances are transferred to the capital projects funds. In budgeting for these funds a capital improvement plan is maintained and updated at least annually. City staff, with input from City Council and citizens continually assesses potential projects that will require funding. The City desires to maintain a fund balance of \$500,000 in each of the capital project funds. However, these funds are typically budgeted to end the year with a fund balance greater than this to enable City Council to approve some urgent projects that arise during the year.

The Equipment Replacement Fund is the primary source of funds for all of the City's equipment purchases, both replacements and additions. Rather than budget for equipment purchases in each department, each department pays a calculated amount into the equipment replacement fund on a yearly basis. This strategy prevents severe fluctuations in the operating funds from year to year created by the purchase of expensive equipment. Each department's payment to the equipment replacement fund is budgeted in a line item labeled transfer to Equipment Replacement. The amount a department budgets as their transfer is calculated based on the equipment used by the department, the equipment's estimated cost and its estimated useful life. Each year the city typically budgets \$1.0 to \$2.0 million in equipment purchases.

FINANCIAL POLICY

SUBJECT: PLANNING & STRUCTURE OF CITY DEBT

The City's capital improvement plan calls for all but the largest, typically at least \$500,000, projects to be financed on a pay as you go basis through the General and Utility Projects funds. For larger projects the City will issue three types of debt instruments: General Obligation Bonds, Certificates of Obligation and Revenue Bonds.

General Obligation Bonds. The principal and interest on these bonds is paid with tax revenues. Any projects funded by the issuance of these bonds will be voted on by the citizens. Before the citizens vote, a detailed analysis and projection of the impact on the tax rate will be performed. The citizens will be informed via city newsletter, public meeting and other media what this potential impact on the tax rate is.

Certificates of Obligation. The principal and interest on these bonds is paid with revenue from the half-cent sales tax (Economic Development Fund). As part of the Lake Jackson Development's Corporation process, projects greater than \$500,000 funded with Certificates of Obligation will have two public hearings before being approved. State law does not permit these additional half cent sales tax projects to be voted on individually. The ability to issue new debt to be repaid from the half-cent sales tax is based on the ability of the fund to make the principal and interest payments and still maintain a balance equal to the succeeding years principal and interest payment.

Revenue Bonds. The principal and interest on these bonds is paid with net revenues of the water and sewer system. A reserve fund, as required by bond ordinances, equal to the succeeding years principal and interest payment is maintained. However, if a surety bond is allowed to secure the payment of bonds this may be purchased in lieu of a reserve fund.

Sale of Bonds. The sale of bonds is coordinated by the City's financial advisors using a competitive bidding process.

Bond Rating. When issuing new bonds the City will seek bond ratings from two recognized rating agencies. Standard & Poor's (S&P) rating on the City's bonds are "AA+" on the General Obligations and "AA" on the Revenue Bonds.

Moody's Investor Service has the City's bonds rated as Aa2.

Debt Service Schedule. The repayment schedule on each new series of bonds issued is structured with level principal payments rather than level debt payments. This results in a declining debt service schedule. The annual debt service amount will only increase from year to year if new bonds are sold.

SUBJECT: ACCOUNTING, AUDITING & FINANCIAL REPORTING POLICIES

1. The City will maintain a high standard of accounting practices in conformance with Generally Accepted Accounting Principals (GAAP) for governmental entities as promulgated by the Governmental Accounting Standards Board (GASB).

2. An independent firm of certified public accountants will perform an annual financial and compliance audit according to Generally Accepted Auditing Standards (GAAS) and will publicly issue an opinion which will be incorporated in the Comprehensive Annual Financial Report.
3. Provide timely information including comparisons of expenditures to budgeted amounts to all department heads and directors.

SUBJECT: CLASSIFICATION & COMPENSATION PROGRAM

The City's Performance Pay Plan aims to accomplish the following: recognize individual performance; equitably compensate employees based upon the market value of a position and the type of work performed; and attract, retain, and motivate competent employees.

The City has committed to study the market every three to five years and surveys cities based on a population range of 20,000 to 75,000 across the state and supplements with private sector data when appropriate.

The goal of the compensation plan is to set the midpoint for each benchmarked position to the median of actual market salaries. Ranges are then built around the established midpoint and vary from 30% to 60%. Market adjustments are effective October 1st of each year as the budget allows.

As part of its goal to recognize individual performance, evaluations for all employees are completed once each year. Merit increases are based on an employee's past annual performance. New employees are eligible for merit increase during the annual evaluation period if they have completed six months of employment with the City.

CHARTER DIRECTIVES

SUBJECT: FISCAL YEAR

The fiscal year of the City of Lake Jackson shall begin on the first day of October and shall end on the last day of September of each calendar year. Such fiscal year shall also constitute the budget and accounting year.

SUBJECT: BUDGET PRESENTATIONS

The City Manager, between sixty and ninety days prior to the beginning of each fiscal year, shall submit to the Council a proposed budget, which budget shall provide a complete financial plan for the fiscal year, and shall contain the following:

- (a) A budget message, explanatory of the budget, which message shall contain an outline of the proposed financial policies of the City for the fiscal year, shall set forth the reasons for salient changes from the previous fiscal year in expenditure and revenue items, and shall explain any major changes in financial policy.
- (b) A consolidated statement of anticipated receipts and proposed expenditures for all funds.
- (c) An analysis of property valuations.
- (d) An analysis of tax rate.
- (e) Tax levies and tax collections by years for at least five years.
- (f) General fund resources in detail.
- (g) Special fund resources in detail.
- (h) Summary of proposed expenditures by function, department, and activity.
- (i) (Deleted Election April 7, 1956.).
- (j) Detailed summary of expenditures shown separately for each activity to support the summaries, (h) and (i) above. Such estimates of expenditures are to include an itemization of positions showing the number of persons having each title.
- (k) A revenue and expense statement for all types of bonds.
- (l) A description of all bond issues outstanding, showing rate of interest, date of issue, maturity date, amount authorized, amount issued and amount outstanding.
- (m) A schedule of requirements for the principal and interest of each issue of bonds.
- (n) The appropriation ordinance.
- (o) The tax levying ordinance.

SUBJECT: ANTICIPATED REVENUES

In preparing the budget, the City Manager shall place in parallel columns opposite the several items of revenue: the actual amount of each item for the last completed fiscal year, the estimated amount for the current fiscal year, and the proposed amount for the ensuing fiscal year.

SUBJECT: PROPOSED EXPENDITURES

The City Manager in preparation of the budget shall place in parallel columns opposite the various items of expenditures: the actual amount of such items of expenditures for the last completed fiscal year, the estimated amount for the current fiscal year and the proposed amount for the ensuing fiscal year.

SUBJECT: PUBLIC RECORD

The budget and all supporting schedules shall be filed with the person performing the duties of City Secretary, submitted to the City Council and shall be a public record. The City Manager shall provide copies for distribution to all interested persons.

SUBJECT: PUBLIC HEARING

At the meeting of the City Council at which the budget is submitted, the City Council shall fix the time and place of public hearing on the budget and shall cause to be published in the official newspaper of the City of Lake Jackson, a notice of the hearing setting forth the time and place thereof at least ten (10) days before the date of such hearing. (Ord. No. 76-580, ~ 1, 2,-16-76)

At the time and place set forth in the notice required by Section 9.06, or at any time and place to which such public hearing shall from time to time be adjourned, the City Council shall hold a public hearing on the submitted budget, not earlier than the fourteenth day nor later than the third day before the date of final adoption of the budget as provided in Section 9.10, and all interested persons shall be given an opportunity to be heard for or against any item or the amount of any item therein contained. (Ord. No. 82-840, ~ 1, 2-1-82; Ord. No. 918, ~ 1, 2-6-84; Ord. No. 86-996, ~ 1, 2-3-86)

Editor's note - Ord. No. 86-996, ~ 1, adopted February 3, 1986, amended ~ 9.07 of the charter to read as set out herein. Said amendment was approved at referendum held April 5, 1986.

After the conclusion of such public hearing, the City Council may insert new items or may increase or decrease the items of the budget, except items in proposed expenditures fixed by law, but where it shall increase the total proposed expenditures, it shall also provide for an increase in the total anticipated revenue to at least equal such proposed expenditures.

SUBJECT: BUDGET ADOPTION

Vote required for adoption.

The budget shall be adopted by the favorable vote of majority of the members of the whole City Council. The budget shall be finally adopted prior to the beginning of the fiscal year, and should the City Council fail to so adopt a budget, then the existing budget together with its tax-levying ordinance and its appropriation ordinance, shall remain in effect for the ensuing fiscal year, but only until such time as the Council passes a budget and tax-levying ordinance for the new fiscal year. (Ord. No. 82-840, ~ 1, 2-1-82)

Effective date of budget; certification; copies made available.

Upon final adoption, the budget shall be in effect for the fiscal year. A copy of the budget, as finally adopted, shall be filed with the person performing the duties of City Secretary and the County Clerk of Brazoria County. The final budget shall be printed or otherwise reproduced and copies shall be made available for the use of all offices, departments and agencies and for the use of interested persons and civic organizations.

Budget establishes appropriations.

From the effective date of the budget, the several amounts stated therein as proposed expenditures shall be and become appropriated to the several objects and purposes therein named.

CHARTER DIRECTIVES

Budget establishes amount to be raised by property tax.

From the effective date of the budget, the amount stated therein as the amount to be raised by property tax shall constitute a determination of the amount of the levy for the purposes of the City in the corresponding tax year; provided, however, that in no event shall such levy exceed the legal limit provided by the laws and constitution of the State of Texas.

SUBJECT: CONTINGENT APPROPRIATION

Provisions shall be made in the annual budget and in the appropriation ordinance for a contingent appropriation in an amount not more than three per centum of the budget, to be used in case of unforeseen items of expenditure. Such contingent appropriation shall be under the control of the City Manager and distributed by him, after approval of the City Council. Expenditures from this appropriation shall be made only in case of established emergencies and detailed account of such expenditures shall be recorded and reported.

SUBJECT: BALANCE BUDGET REQUIREMENT

The total estimated expenditures of the general fund and debt service fund shall not exceed the total estimated resources of each fund (prospective income plus cash on hand). The classification of revenue and expenditure accounts shall conform as nearly as local conditions will permit to the uniform classification as promulgated by the National Committee on Governmental Accounting or some other nationally accepted classification.

SUBJECT: EMERGENCY APPROPRIATION

The City budget may be amended and appropriations altered in accordance therewith in cases of public necessity, the actual fact of which shall have been declared by the City Council.

SUBJECT: TAXATION

Tax limitation.

The City Council shall have the power under the provisions of the state law to levy, assess and collect an annual tax upon real and personal property within the City to the maximum provided by the Constitution and general laws of the State of Texas. However, the City Council shall not make, permit, or approve any increase in ad valorem taxes in any one year exceeding five (5) percent of the City's immediate prior year's ad valorem tax without approval by the electorate at an election held for that purpose. Such five (5) percent limitation shall not prevent increased taxations of taxable property when subsequent improvements are made, not prevent taxation of annexed property, nor shall it effect, limit or apply to debt service requirements and bond obligations. (Ord. No. 80-726, ~ 1, 2-11-80)

VISION



LAKE JACKSON

City of Enchantment



City of Enchantment

the

VISION to make

LAKEJACKSON

an ideal community to live, work and play for all.

LAKEJACKSON **STRATEGIC PLAN 2018-21**



The Lake Jackson City Council has conducted strategic planning workshops for nine years. The purpose of these sessions is to focus on the results of the previous year and prepare a new Plan for the upcoming five years.

There are five Vision Elements that make up the Strategic Plan. Each Vision Element contains a series of objectives set by the City Council. Each objective has a series of goals prepared by the City staff and approved by the City Council. The goals are action steps intended to move the City toward implementation and completion of the stated Council Objectives.

MISSION STATEMENT

It is the MISSION of the City of Lake Jackson to be a leader among cities and in the region at large in delivering outstanding quality services to all citizens through innovative and efficient use of resources.

VISION STATEMENT

Our Vision is to create an ideal community to live, work and play for all.

VISION ELEMENTS

- Enable Growth and Revitalization
- Enhance Communication
- Maintain Infrastructure
- Maintain a Well Managed City
- Enhance Quality of Life

STRATEGIC PLAN PROCESS & CALENDAR



Since 2006, the City Council has met, deliberated and established new priorities for the coming year. The establishment of new priorities sets the stage for budget formation beginning in April of each year.

The strategic planning process is used to develop, implement and monitor the actions necessary to achieve the results outlined in the City's Strategic Plan.

The following pages highlight the City's priorities and show how each of the goals align with Lake Jackson's vision for the future.

VISION ELEMENTS

- Enable Growth & Revitalization
- Enhance Communication
- Maintain Infrastructure
- Maintain A Well Managed City
- Enhance Quality of Life

1 Enable Growth & Revitalization

Promote quality growth following the established Master Plan

1. Facilitate the Development of New Housing

Status

- 1.1.1 Convert TEEX findings into marketable data to assist in the recruitment of residential land developers.
- 1.1.2 Study the feasibility of extending North Yaupon to aid residential development.

2. Expand City's Economic Development Initiatives

- 1.2.1 Convert TEEX findings into marketable data that will assist in telling the success and opportunities for businesses in Lake Jackson.
- 1.2.2 Pursue retail business prospects identified in Buxton Study.

3. Facilitate the Revitalization of Downtown

- 1.3.1 Design Phase 4 infrastructure improvements for the Downtown Area (That Way, N. Parking Place, and Circle Way from Oak Drive to That Way.
- 1.3.2 Begin conceptual design of Madge Griffith Park that includes regional amenities and study desirability & feasibility of expanding the park.

4. Facilitate Development of Property Surrounding the Airport

- 1.4.1 Work with County to support development of airport business park.
- 1.4.2 Construct new water well and elevated water tank near airport. 2020

5. Facilitate Redevelopment of Older Neighborhoods

- 1.5.1 Reduce the number of substandard structures to create safer neighborhoods.
- 1.5.2 Target Neighborhood & Code Enforcement Clean-ups to reduce code violations.
- 1.5.3 Incentives to encourage reinvestment in older **residential** properties.
- 1.5.4 Complete street, water and sewer improvements in the Woodland Park subdivision. Under Design
- 1.5.5 Consider incentives/infrastructure to assist Lake Wood Manor redevelopment.
- 1.5.6 Implement single-family rental inspection program.

2 Enhance Communication

Build relationships through communication, technology and training

1. Improve Communication Externally & Internally

Status

- 2.1.1 Collaborate with BISD to create content that informs citizens through video. In Progress
- 2.1.2 Establish annual meeting with TXDOT Area Engineer's Office
- 2.1.3 **Establish a civic leadership training academy**
- 2.1.4 Build relationships with local builders & contractors through public education.
- 2.1.5 Improve the usability **and readability** of the City's Website.
- 2.1.6 Supplement printed newsletters with electronic one-page updates to residents.
- 2.1.7 **Create Public Information Officer to improve communication efforts**

2. Improve Interaction between City Council & Boards

- 2.2.1 Continue to maintain Council Liaisons for all Boards and Commissions On-going
- 2.2.2 Report regularly on progress of the Strategic Plan to **City Council and** Boards and Commissions

3 Maintain Infrastructure

Maintain existing facilities and infrastructure at current high standards

1. Upgrade and Maintain Infrastructure, Facilities & Equipment Status

- 3.1.1 Complete Willow/Blossom Drainage Project. Dec 2018
- 3.1.2 Provide safe, well maintained, and energy efficient facilities.
- 3.1.3 Conduct feasibility study of expansion of City Hall and new Animal Shelter. RFQ – Feb 18
- 3.1.4 Perform condition assessment of sanitary sewer basin 1 & 6 and initiate repairs to reduce infiltration and inflows. In-Progress
- 3.1.5 Complete Plantation Bridge Crossover near Sea Center. Summer 18
- 3.1.6 Prepare for next revenue bond issue for Utility Infrastructure Priorities.
- 3.1.7 Review and begin to plan for expansion needs at City Service Center for Utilities, Public Works, PD and Southern Brazoria County Transit. Under Study
- 3.1.8 Focus on key facilities in need of remodeling updates so that their appearance and useful life is improved
- 3.1.9 Prepare for next G.O. bond election (i.e. City Hall, Animal Shelter and other identified projects).

2. Improve Drainage in existing neighborhoods and watersheds

- 3.2.1 Complete Master Drainage Plan for the East side of Lake Jackson.
- 3.2.2 Participate in Brazos River Study
- 3.2.3 Participate in Bastrop Bayou Study
- 3.2.4 **Improve drainage at Jackson Oaks II, Northwood and Brazos Canal**

4 Maintain a Well Managed City

Promote a culture of innovation and service.

3. Hire and Retain Qualified Employees

Status

- | | | |
|-------|--|---------------|
| 4.1.1 | Study and recommend improvements to employee leave benefits that assist in employee retention (vacation, sick leave, longevity pay, etc.). | On-going |
| 4.1.2 | Provide in-house training to improve manager skills in three key areas: interviewing, evaluating employees, and goal setting. | |
| 4.1.3 | Maintain merit increase ranges at 2-3-4 percent. | Implemented |
| 4.1.4 | Study the feasibility of a Police Cadet Program to improve recruitment of Sworn Personnel. | |
| 4.1.5 | Benchmark salary midpoints from 50 th to 65 th percentile over next 5 years. | Salary Survey |

4. Provide Training Opportunities for Employees

- 4.2.1 Offer preparatory supervision classes to prepare potential managers.
- 4.2.2 Work with other local entities to provide regional training at a shared cost.

5. Improve Areas of Operations

- 4.3.1 Expand use of handheld computers to improve productivity in the field, i.e. code enforcement, inspections, playground inspections, etc.
- 4.3.2 Continue to improve GIS database of water, sanitary, and storm water facilities.
- 4.3.3 **Maintain 3-5 year Staffing Plan to address service improvements**
- 4.3.4 **Review competitiveness of Certificate Pay Policy**
- 4.3.5 **Study updates to service fees: water & sewer taps, building codes, park and rec.**

5 Enhance Quality of Life

Provide an excellent quality of life for all Lake Jackson citizens.

1. Enhance the Safety of Our Citizens

Status

- 5.1.1 Increase Traffic Safety on roadways, i.e. - continue to install signal preemption systems for emergency vehicles (Opticom). 2023
- 5.1.2 Continue to improve efforts to retain & recruit volunteer firefighters **and explore feasibility of daytime shift coverage with full-time personnel.**
- 5.1.3 Integrate Text to 911, will expedite need for additional Dispatcher. Dec 2018

2. Assist BISD in Addressing Issues Facing the District

- 5.2.1 Explore possibilities with BISD of shared sports/park facilities **and playgrounds.**

3. Provide Quality Parks and Recreation Opportunities

- 5.3.1 Implement a 5-year plan that aggressively improves existing Park and Recreation facilities. On-going
- 5.3.2 Contract additional mowing so that Park crews can improve the maintenance of sports recreational facilities.

4. Provide Community with Affordable-Family Oriented Activities

- 5.4.1 Expand use of Hotel Occupancy Tax revenues to offer more activities and events for visitors. Preparing Strategic Plan
- 5.4.2 Continue to expand special event and program offerings.
- 5.4.3 Develop scholarship program for low-income children to attend recreation programs, i.e. swim lessons.
- 5.4.4 Open Farmers Market at Carriage Square Spring 2019. Assigned to Sandra Oliver
- 5.4.5 **Explore feasibility of Children’s Science Museum**
- 5.4.6 **Explore feasibility of minor-league baseball facility**

5. Provide Citizens with Reliable Public Transportation System

- 5.5.1 Work with Southern Brazoria County Transit to develop 30-minute routes. Under Study
- 5.5.2 Work with Southern Brazoria County Transit to develop plan to house their administrative offices and bus fleet at the City Service Center. Under Study

Lake Jackson Water Tower



MANAGER'S MESSAGE



LAKE JACKSON

City of Enchantment



MANAGER'S MESSAGE

The Manager's Message is submitted as part of the Proposed Budget on July 2, 2018. Later, the Adopted Budget Transmittal Letter is published in the opening pages of this document, and itemizes any changes to the Proposed Budget as approved by the City Council.

The Manager's Message outlines major issues facing the City now and in the future. This section also provides a general overview of this City's financial status, as well as a discussion of proposed revenues and expenditures.



CITY OF LAKE JACKSON

25 Oak Drive • Lake Jackson, Texas 77566 • (979) 415-2400 • Fax (979) 297-9804

July 2, 2018

The Honorable Mayor and City Council,

It is my honor to present for your review and consideration the proposed Fiscal Year 2018-2019 Annual Budget and Work Document.

Diamond Jubilee

During 2018 we are celebrating our city's Diamond Jubilee. To honor our 75 years the Diamond Jubilee Committee, led by David Howarth and Tere Sandlin, have done a remarkable job at organizing various special events throughout the year.

Highlights to date have included several concerts (with more to come); a car show; and our big downtown parade and celebration on April 14th. We also held a very well attended reception for our "pioneers" and their families. A pioneer is a person who was here in 1943- the year of our founding. The reception was held at our Civic Center. A great time was had by all.

A real treat was the locally produced "Coming Home" concert held at the Clarion at Brazosport College. Local grown talent such as Zack Kibodeaux, Greg Essington and the Blue Water Highway Band; Claire Kibodeaux; Christian Wiggs; Robert Ellis; and Cole Degges headlined a wonderful evening of music and memories. Will Hearn produced and performed in the amazing show. All who attended these two concerts were left in awe by the talent our area has produced.

Great thanks go to the sponsors of our various events: Dow, BASF, Freeport LNG, Turner Industries, Olin, TDECU, Don Davis, SI Group, HEB, Brazosport Tire, Courtyard by Marriott, Best Western Plus, Killum Pest Control, Braskem, Franklin State Farm, All-State, PC Care, Shin-Tech, O'Reilly's and Yaklin Ford.

We opened the time capsules left by our 50th and 60th anniversary committees. The contents of the time capsules led us on a wonderful trip down memory lane.

We will bury another time capsule in January 2019 to be opened at our 100th anniversary in April 2043.

Again, many thanks to our hard-working Diamond Jubilee Committee.

Hurricane Harvey/Brazos River Flood

We are still dealing with the aftermath of Hurricane Harvey and the massive Brazos River Flood we experienced in late August and early September of 2017.

MANAGER'S MESSAGE

The massive flooding of the Brazos River was about a “500 year” event and is the greatest Brazos River flood seen since 1913. The amount of water we saw far eclipsed what we experienced in 2016 and also in 1991/1992.

At one-point flood waters filled streets threatening nearly 1,000 homes. In the end two homes on Spanish Oaks flooded and there was water in a number of garages in the Jackson Oaks 2 subdivision on our northwest side of town.

Costs to fight and recover from the flood event exceeded \$2 million. Of this \$555,200 was expended in FY17-18. This affected our budget. But overall, I still expect us to end FY17-18 in the black.

We are working with FEMA and our insurance carrier to recover some of our costs. FEMA reimbursements take some time. We just received our final reimbursement from Hurricane Ike. Ike occurred in 2008. We just recently received an initial reimbursement from the 2016 flood. We have filed the paperwork seeking reimbursement for some of the costs related to the 2017 flood.

Insurance has paid for a portion of the repairs to the golf course. In fact, damage to the golf course amounts to about one half of the costs we experienced with the 2017 flood.

We also are working to address immediate and long-term solutions to problems we experienced during the flood. Along with the Velasco Drainage District, we made drainage improvements to the Jackson Oaks 2 s/d and these were completed in June 2018.

In the proposed budget we will be addressing improvements to the Northwood s/d and also to northeast Lake Jackson to help mitigate local flooding issues there.

We are also the lead party in a \$240,000 flood study of the Bastrop Bayou. Participants in the study are Lake Jackson, Brazoria County, Angleton Drainage District, and Velasco Drainage District. Our contribution to the study is \$140,000. The study should be complete in the spring of 2019. Our hope is that a project or series of projects are identified that will help improve/mitigate flooding affecting the Bastrop Bayou.

We learned a lot of lessons from the 2017 flood and will be working to make improvements that will help mitigate future flooding impacts on our city and our area.

The Proposed FY18-19 Budget at a glance

As was the case back in FY16-17, the FY18-19 budget is a “public safety” budget.

General Fund

The FY18-19 General Fund Operating Budget is proposed at \$21,678,805. This is a \$1,186,233 (5.8%) increase over the FY17-18 adopted budget.

Of this \$1.1 million increase, \$609,061 (51.3%) is related to the Police Department. Three new employees are included in the proposed budget. These include two new dispatchers and one new Administrative Sergeant position.

Also, costs related to replacing portions of the police fleet have increased the Police Department's contributions to the Equipment Replacement Fund by \$205,999.

The new budget includes a 2% market salary increase across the board, as well as merit raises that will range from 2% to 4% depending on an employee's evaluation.

There are increases for property and liability insurance, maintenance contracts and for our Animal Shelter.

Utility Operating Budget

The proposed Utility Operating Budget for FY18-19 is \$13,790,303. This is \$626,525 (4.7%) more than the adopted FY17-18 budget.

The largest single increase for the Utility Fund Operating budget is \$459,610 in additional transfers to the General Fund. These transfers cover costs for services the General Fund provides the Utility Operating Fund such as: administrative costs related to personnel, purchasing, finance and the like.

These transfers have remained the same over the years, as the Utility Fund Administrative struggled with revenues. But over the last several years we have done a much better job of adjusting water and sewer fees in order to cover costs. The Utility Fund is in much better financial shape, and the new transfer amounts more accurately reflect the costs the Utility Fund owes the General Fund for services.

The next largest increase in the proposed FY18-19 Utility Operating budget is for employee raises. Utility Fund employees will also see a 2% market increase, and then be eligible for a 2%, 3% or 4% merit raise based on their individual evaluation.

These raises, and increased costs in the various benefits totals \$203,100.

Property Tax Rate

I am once again proposing to keep the current tax rate of 33.75 cents/\$100 valuation.

Based on very preliminary valuation estimates, the "effective rate" to bring in the same property tax revenues as last year would be 31.594 cents. So, keeping the tax rate at 33.75 cents is 6.8% more than the "effective rate". The "rollback" rate is 34.894 cents.

Keeping the tax rate the same helps raise just over \$200,000 to help pay for a portion of the increased costs to fund the 3 new Police positions, pay raises and the like.

Also affecting the tax rate this year is \$189,138 in increased debt service payments for FY18-19. In December 2018 we will sell the remaining \$9 million from the \$16.0 million bonds approved

MANAGER'S MESSAGE

by the voters in 2016. This final \$9 million issue will pay for the next phase of our downtown street improvements.

Sales Tax

I anticipate we will collect about 3% more sales tax in FY18-19 than we are projected to collect in FY17-18.

This is based on strong growth in our local economy, which continues.

Utility Rates

Utility rates will rise about 2% in FY18-19. The Brazosport Water Authority is increasing rates by 7 cents per thousand gallons (from \$3.05/1000 to \$3.12/1000). Our rate increase will pass along the BWA rate increase and cover \$123,428 in additional utility debt payments. As you know, we have been selling a series of revenue bonds to help finance much needed improvements to our utility infrastructure, and to extend water/sewer service to the airport area.

FY 2017-2018 In Review

As mentioned earlier, Hurricane Harvey and the resulting massive Brazos River flood significantly affected our FY 17-18 budget. As previously noted some \$555,200 in flood related costs were expended in FY17-18. Also as a result of the flood we are working on a number of drainage projects and drainage studies to help mitigate future flooding incidents.

In spite of the flood, our area continues to prosper. This shows the resilience of the people of Brazoria County.

Our economy remains strong.

Health Care

Rapidly increasing health insurance premiums was one of our biggest challenges we faced in FY17-18.

In FY16-17 our health insurance premiums went up 18%. In FY17-18 the initial estimate from our provider (TML-IEBP-Texas Municipal League Intergovernmental Employee Benefits Pool) projected an increase of another 20%.

These increases were based on the overall national climate of volatile health insurance, as well as heavy use, by employees, of emergency rooms for basic health issues. Also, we had experienced a spate of very expensive health issues with a handful of employees.

Working with Jose Sanchez, Human Resources Director, we set out to find more cost-effective solutions.

Eventually, we negotiated the 20% increase down to about 10% with TML-IEBP. In exchange for that reductions we committed to improving overall preventative health care for our employees.

To that end, we negotiated with Brazoria County so that our employees and dependents were eligible to use their health care clinic in Angleton. Employees were asked to pay about \$30/month toward their health insurance premiums (employees were covered at 100% prior to this. However, employees covered their dependent care at 100%. The City has not, and still does not pay toward dependent care). This amount would be reduced to \$10/month if the employee did a health risk assessment (what use to be called a physical) at the clinic, or with their own doctor.

We still budgeted a 20% health insurance increase in FY17-18. Half went to the premium increase and the other half went to “buying” into the County Health Clinic.

It is still too soon to determine if the clinic will truly help reduce costs. But, the initial results are promising. Employees and their dependents are making very good use of the clinic. And employees doing a “health risk assessment” have gone from a handful under the old system to over half of our employees doing their health risk assessments.

For FY18-19 the TML-IEBP has pegged our increase in premiums at 5%. This is better, but not where we ultimately want to be. Our goal is to lower these annual increases.

While this discussion has been about the cost, the best benefit is that our employees and their dependents are getting access to quality health care. Visits to the ER are down. Employees are better informed about their health and the steps needed to maintain a healthy lifestyle.

It will still take about three years to really see if this effort is successful. But, so far, so good.

A fallout of this health premium increase was that we could not provide the employee raise we had planned in order to keep our pay plan competitive. We did provide for a merit raise-but our compensation plan overall stayed the same.

Area Economy

The Dow Texas Innovation Center is fully functioning now and provides a world class facility for some 2,000 employees. People from all over the world are coming to this remarkable research and development facility. Located adjacent to downtown, this facility is helping to re-invigorate our downtown area.

Industrial expansion in our area continues. While new facilities/plants open, more are being planned. Also, work continues on the massive Freeport LNG complex on Quintana island. It is estimated that while our city's permanent population is just under 30,000 people, we see a daytime population of close to 60,000 people. This is one of the reasons our sales tax revenues improved sharply in FY17-18. Our retail sector is doing very, very well. And, more businesses are choosing to come to Lake Jackson.

Lake Jackson Projects

The Brazos Mall has seen a major upgrade of over \$20 million. The new TJ Maxx, Home Goods, ULTA, and Ashley Furniture wing has really boosted sales at the mall.

MANAGER'S MESSAGE

The new Courtyard by Marriott opened adjacent to the mall. And, according to its owner, is doing extremely well. I understand that Lake Jackson is the smallest city in the nation to have a Courtyard by Marriott. That is a tribute to the economic vitality of our area. Lake Jackson is the shopping hub for all of Southern Brazoria County.

The new Staybridge Suites (also adjacent to the mall) opened in June of this year. We expect this property will also be highly successful and we appreciate the faith the developers of these properties have shown in our city.

As hotels go, we also have the new Woodspring Suites under construction near the corner of SH288/332 and Plantation Drive.

Also under construction is a new retail building on the Target tract. This building will house a Jimmy Johns, a Smoothie King and possibly an ice cream parlor.

More businesses are opening downtown as well. The largest recent addition is the Heritage Bank building, which houses not only the bank, but also an attorney's office and a title company. Located on South Parking Place, this beautiful new facility is helping to transform our downtown area.

Speaking of South Parking Place, we have completed that phase of our downtown revitalization plan. South Parking Place is looking great. The pavilion built there will attract many activities to this area of downtown. This will include a possible farmers market, craft shows, concerts and other events. This redeveloped area has provided improved, well lighted and much needed parking for our busy downtown.

We will be starting work on the next phase of our downtown revitalization effort in 2019. This project will upgrade and replace North Parking Place, the rest of That Way street in downtown, and that portion of Circle Way between That Way and Oak Drive. This \$9 million project was authorized by the voters in 2016.

Our growth has not been limited to the business sector. Our residential growth continues as well. The Creekside subdivision has already started building its last phase. And, there is renewed interest in the "Alden" subdivision. This is the 987-acre tract just north of the city which holds great potential for our city. It is hoped we can make progress on this development next year.

As you know, we have extended water and sewer service to the airport area and that infrastructure would serve the Alden subdivision as well.

We are currently working with Brazoria County on the planned business park to be located next to the airport. This was the primary reason for extending utility service to the airport.

While the airport has not yet connected to our utilities, the Wayne Scott unit of the Texas Department of Criminal Justice has connected to our sewer service. TDCJ is an important new customer for us, and we have seen them send us as much as a half a million gallons of sewage a day to our system. This is helping generate new revenues for our utility system.

Other projects of note include the new Plantation Drive bridge (also authorized by the voters in 2016). The bridge will be done this summer and will complete the “4 laning” of Plantation Drive from Medical Drive to SH288/332.

The new traffic signal at Oak and Circle Way near city hall will also be done early this summer. It should already be complete. But, the vendor making the poles and masts to hold the new signals went out of business. We had to order these poles from another company. This delayed the project several months.

The Woodland Park subdivision residential street redevelopment project is out for bid and should start construction this summer as well. Streets affected include Hickory, Lotus, Bois D' Arc, Lotus Court and a portion of Oleander.

Again, in spite of Hurricane Harvey and the resulting Brazos River flood, our city has made significant progress in FY17-18. Let's look at how we fared financially in FY17-18.

FY17-18 Operating Budget Review

General Operating Fund

I am projecting that revenues for FY17-18 in the General Operating fund will be \$20,689,962. This is \$197,390 (1%) higher than the adopted budget of \$20,492,572. This \$197,390 increase is primarily due to better than anticipated sales tax revenues (\$85,000), increased Municipal Court fine revenue (\$50,800) and slightly higher Industrial District revenues (\$15,828).

Sales tax numbers are up across the board this year, but were also positively affected by the opening of TJ Maxx, Home Goods, ULTA and Ashley Furniture at the Brazos Mall. I believe the two home improvement stores (Lowe's and Home Depot) have seen increased business from area residents recovering from the flood.

Municipal Court fine revenue is up after several down years. Fine revenues had been down the last few years as we saw turnover and injuries affect our traffic division. We now are fully staffed, including the two new positions authorized in FY16-17. This has resulted in increased traffic enforcement and consequentially additional fine revenue.

On the expenditure side, I expect expenses to be at \$20,674,844 or \$182,272 (0.9%) more than the FY17-18 budget of \$20,492,572.

The reason we expect to exceed the FY17-18 budget is the \$555,200 spent on flood recovery in this fiscal year.

If we had not had these flood expenditures in FY17-18, we would be projecting to end the year \$570,299 to the good!

MANAGER'S MESSAGE

General Operating Fund (estimated at 9/30/18)

| | <u>FY 17-18 Budget</u> | <u>FY 17-18 Projected</u> | <u>Difference</u> |
|------------------|------------------------|---------------------------|-------------------|
| Revenues | \$20,492,572 | \$20,689,962 | \$197,390 |
| Expenditures | <u>\$20,492,572</u> | <u>\$20,674,844</u> | <\$182,272> |
| Excess <Deficit> | 0 | \$15,118 | \$15,118 |

Utility Operating Fund

I anticipate Utility Operating Fund revenues of \$13,392,616 in FY17-18. This is \$228,838 (1.7%) more than the FY17-18 budget of \$13,163,778.

This increase is basically due to the new sewer revenues generated when the Wayne Scott unit of the Texas Department of Criminal Justice (TDCJ) connected to the sewer lines extended north to serve TDCJ and the airport.

Expenditures are projected at \$12,767,160, \$396,618 or 3% less than the FY17-18 budget.

The savings is attributed to, primarily, employee turnover.

Utility Operating Fund (estimated at 9/30/18)

| | <u>FY 17-18 Budget</u> | <u>FY 17-18 Projected</u> | <u>Difference</u> |
|------------------|------------------------|---------------------------|-------------------|
| Revenues | \$13,163,778 | \$13,392,616 | \$228,838 |
| Expenditures | <u>\$13,163,778</u> | <u>\$12,767,160</u> | <u>\$396,618</u> |
| Excess <Deficit> | 0 | \$625,456 | \$625,456 |

Year End Transfers

Each year we take positive operating fund balances and add some to the operating fund balance and put the rest as a transfer to our General or Utility Capital Projects Fund.

The General Operating Fund is projected to only be \$15,118 to the good at 9/30/18. So, I propose that simply remain in the General Operating Fund balance. There will be no transfer to General Capital Projects.

For the Utility Operating Fund, I propose that we take \$125,456 of the projected \$625,456 and apply that to the Utility Operating Fund balance. I suggest we transfer the remaining \$500,000 to Utility Capital Projects.

Preparing the FY2018-19 Budget

Goals and Objectives

For the past eleven years (since 2007) City Council and staff meet in January and February to go through our formalized goals and visioning process. From these sessions Council reviews and if necessary revises our annual strategic plan. This plan is the precursor for the budget process and sets the overall goals and objectives for the upcoming budget. This year City Council met on January 20, 2018 and February 12, 2018. In preparation for the annual goals and visioning sessions with City Council, the city staff met on November 15, 2017 to review our progress on the previous year's goals and objectives and to prepare key questions for Council consideration. The staff met again on January 31, 2018 to review Council's feedback from the "Council only"

session on January 22nd. Then Council and staff met jointly on February 12th to finalize the goals and objectives for FY2018-2019.

City Council reaffirmed our vision statement, which is:

“Our vision is to create an ideal community to live, work and play for all”.

Council also reaffirmed our mission statement:

“It is the mission of the City of Lake Jackson to be a leader among cities and in the region at large in delivering outstanding quality services to all citizens through innovative and efficient use of resources”

City Council renewed their commitments to infrastructure upgrades and expansions; public safety; and, keeping city employees at the “forefront” related to compensation and benefits. Council was supportive of finalizing the implementation of our compensation improvement plan

Other priorities of the City Council include:

- The eastside drainage master plan project
- Participate in Bastrop Bayou study
- Improve flood protection in Jackson Oaks 2, Northwood and Brazos Canal area
- Construct new water tower and water well near airport
- Emphasize development in the airport area supporting the proposed business park
- Continue efforts to attract mid to high end single family residential housing to Lake Jackson
- Promote economic development, pursue business prospects identified in Buxton study
- Work on implementing the Master Plan and Park’s Master Plan
- Explore options toward transitioning to a paid Fire Department
- Implement single-family rental inspection program

The final version of the FY2018-2019 strategic plan can be found under the “Vision” tab in this document. You will note that the strategic plan is fully incorporated into this budget document.

The FY 2018-2019 Budget

Major Issues

2016 Bond Issue

In May 2016 voters overwhelmingly approved five bond propositions totaling \$16 million. To lessen the impact of this bond issue on our tax rate, we scheduled the sale of these bonds over a three-year period.

We sold the first \$3 million of these bonds in the fall of 2016. This \$3 million provided funding for proposition 2 (\$1 million for the Plantation Drive bridge project); Proposition 4 (\$800,000) to provide drainage improvements in the Willow Drive, Daisy and Blossom area; Proposition 5

MANAGER'S MESSAGE

(\$500,000) for a traffic signal and right turn lanes at the busy intersection of Circle Way and Oak Drive near City Hall; and, \$450,000 to design the residential street work in Woodland Park (Proposition 3). Streets included in this design work are all or portions of Oleander, Hickory, South Yaupon, Bois D Arc, Lotus and Lotus Court. Also, \$250,000 in additional funding was provided to complete the previously approved South Parking Place project downtown.

In late 2017 we sold the second phase of the approved bond issue. This was for \$4 million. This will pay for the reconstruction of the streets previously mentioned in the Woodland Park subdivision. And, this is funding the design of the next phase of the downtown project which was approved in Proposition 1.

The plan is to sell the final \$9 million of the 2016 bond issue in late 2018 to construct the next phase of the downtown revitalization project. This next phase will include the remainder of That Way street in downtown; the portion of Circle Way from That Way to Oak Drive; and North Parking Place.

As noted, the South Parking Place project was completed in May 2018. It was the last piece of the previous phase of our downtown revitalization project. We will consider the final phase (s) of downtown in a potential bond issue in 2020.

Potential Debt Issues (2018-2026)

| Year | General Fund | Utility Fund | ½ Cent | Total |
|--------------|---------------------|---------------------|---------------------|-------------------|
| 2018 | 9,000,000 | | | 9,000,000 |
| 2019 | | 5,000,000 | 4,600,000 | 9,600,000 |
| 2020 | 6,250,000 | | | 6,250,000 |
| 2021 | | | | 0 |
| 2022 | 6,250,000 | 2,500,000 | | 8,750,000 |
| 2023 | | | | 0 |
| 2024 | 6,250,000 | 2,500,000 | | 8,750,000 |
| 2025 | | | 6,000,000 | 6,000,000 |
| 2026 | 6,250,000 | 2,500,000 | | 8,750,000 |
| Total | \$34,000,000 | \$12,500,000 | \$10,600,000 | 57,100,000 |

As you can see in the chart above we are contemplating taking a bond issue to voters in May 2020. The current thinking is a bond issue totaling about \$25 million.

Currently we are working with a design architect to develop preliminary concepts and costs for an addition/remodeling of City Hall; a new evidence area at the Police Department; and a “city only” Animal Services Facility.

Our current City Hall (the third in our city’s history) was built in 1978 and was last added on to in 1988. This facility has served us well. But, it is time for an addition and remodeling to make more efficient use of the space available.

The police evidence area needs expanding. It specifically needs an area to store and process vehicles.

We are nearing the end of our 20-year contract with the cities of Clute and Freeport, and with the Brazoria County SPCA (BC-SPCA) for our joint animal facility. The contract ends in 2023.

Some 15-20 years ago I reached out to neighboring cities and the Brazoria County SPCA to consider a joint animal facility. A number of cities were contemplating new animal facilities, as was the BC-SPCA.

Ultimately the cities of Lake Jackson, Clute and Freeport, and the BC-SPCA created a partnership to build a "Southern Brazoria County Animal Shelter" which would serve the three cities and their residents. The BC-SPCA was also a partner in the facility. The BC-SPCA, by contract, was then chosen to operate the facility for the partnership under the terms of the contract.

The current animal shelter facility was designed to hold a maximum of about 150 animals. It was designed to be a "10 day" facility. After 10 days the animals still at the facility would become the sole property of the BC-SPCA. The plan was after 10 days that those animals would be moved to the BC-SPCA shelter in Angleton.

Shortly after the new Southern Brazoria County shelter was finished, the BC-SPCA unexpectedly closed their Angleton facility. They moved into the SBCAS. Their plan was to build another SPCA facility. Unfortunately, that has not happened yet.

Fast forward to today and the shelter designed for about 150 animals now holds two to three times that number of animals. And, as a result of such heavy usage, the building is not holding up well.

The BC-SPCA has announced plans to build a new \$4.5 to \$6 million animal shelter. The City of Lake Jackson has offered property on Canna Lane near the existing facility for this new shelter. This will be separate from the city facility. So, the current thinking is when the current contract ends in 2023 that the partners will go their separate ways.

That doesn't mean that there still won't be a relationship with the BC-SPCA, but we will operate separate facilities.

It has become apparent that the "law enforcement" component of a city animal services facility conflicts with some of the goals of the SPCA.

The plan now is that the City of Lake Jackson will build its own animal services facility. This will house lost pets and strays and other animals picked up by our animal control officers. This facility will also house animals taken as the result of animal abuse cases. The facility would also handle animals involved in bite cases or asked to be held by the court.

MANAGER'S MESSAGE

We would work to re-unite lost pets with their owners and take care of the strays brought to the facility for a period of time – say 5 to 10 days.

Once the timeline has run we would work with the BC-SPCA in hopes that they would then take these unclaimed animals to their facility to be adopted out.

We need to plan now so that our new facility is in place before our current contract expires.

Other projects will also be considered for this 2020 bond issue. These would include drainage projects, residential street projects; maybe another phase of our downtown project; and, other projects that may be considered.

The plan is to put together a citizen bond task force in 2019. This group of volunteers would work with City Council and city staff to put together a proposed bond issue that would go to the voters in May 2020.

Tax Rate

I am proposing to keep our property tax rate at 33.75 cents/\$100 assessed valuation.

The Appraisal District has set our estimated property values as of May 17, 2018 at \$2,375,223,367. Once appeals by taxpayers are completed we believe the final number will be \$2,185,431,300. This is a substantial increase over the final FY 2017-2018 values of \$2,098,790,748. This is a 8.9% (\$186,640,552) increase in overall values from FY17-18. Of this \$186,640,552, \$50 million is estimated to be new values added to the tax roll for FY 18-19. This means \$136,640,552 or 6.5% is due to the increase of existing property values over FY17-18 values.

Based on this information we have calculated the “effective tax rate” per the state mandated formula to be 31.594 cents for FY18-19. The “rollback” tax rate calculates to be 34.894cents.

The 33.75 cent tax rate is comprised of 22.9606 cents for general operations and 10.7894 cents for debt service.

The 22.9606 cents rate for operations generates \$5,247,495. The Dow property tax rebate for FY18-19 is proposed to be \$599,252 and the HEB property tax rate rebate is expected to be \$50,000. When these rebate payments are removed, this will leave \$4,598,243 to be used for General Operations.

The debt service rate is decreasing slightly from 10.8025 cents in FY17-18 to 10.7894 cents in FY18-19. This raises the necessary \$2,465,835 to make our FY18-19 debt service payment.

The operations tax rate of 22.9606 cents is basically the same as the 22.9475 cent operations rate in FY17-18.

The proposed 33.75 cents tax rate is 6.8% higher than the FY18-19 “effective tax rate” of 31.594 cents.

MANAGER'S MESSAGE

Utility Rates

The Brazosport Water Authority has announced a rate increase of 7 cents for FY18-19. Therefore, the rate we pay per thousand gallons for our annual allotment of 730 million gallons is going up from \$3.05/1000 gallons to \$3.12/1000.

We anticipate our sanitation disposal rate will increase 2.07% as allowed in our current contract.

I am proposing the following rate increases for FY18-19:

Residential Rates

| | <u>Current Rates</u> | <u>Proposed FY18-19 Rates</u> |
|------------------------|----------------------|-------------------------------|
| Water Base Rate | \$13.25/month | \$13.50/month |
| 2,000-20,000 Gallons | \$4.20/tgal | \$4.30/tgal |
| Over 20,000 Gallons | \$4.70/tgal | \$4.80/tgal |
| Sewer Base Rate | \$13.40/month | \$13.65/month |
| Over 2,000 Gallons | \$4.50/tgal | \$4.60/tgal |
| Sanitation Rate | \$17.00/month | \$17.35/month |
| Recycle Rate | \$2.45/month | \$2.50/month |
| State Sales Tax | <u>\$1.60/month</u> | <u>\$1.64/month</u> |
| Total Base Bill | \$47.70/month | \$48.64/month |

| <u>Avg. Residential Utility Bill</u> | <u>Current Rates</u> | <u>Proposed FY18-19 Rates</u> |
|--------------------------------------|----------------------|-------------------------------|
| Water (5,000 gallons) | \$25.85 | \$26.40 |
| Sewer (5,000 gallons) | \$26.90 | \$27.45 |
| Sanitation | \$17.00 | \$17.35 |
| Recycling | \$2.45 | \$2.50 |
| State Sales Tax | \$1.60 | \$1.64 |
| Total Bill 5,000 Gals. | \$73.80/month | \$75.34/month |

Multi-family/commercial

The only change to the above rates for water and sewer is that the base rates for 2,000 gallons for water will be \$27.00/month and for sewer \$27.30/month for commercial and multi-family accounts.

New Employees/Upgrades

I am recommending three new employees for the Police Department for FY18-19. Including benefits, the cost will be:

| | |
|-------------------------|-----------------|
| Administrative Sergeant | \$92,236 |
| Dispatcher | \$51,510 |
| Dispatcher | <u>\$51,510</u> |
| | \$195,256 |

MANAGER'S MESSAGE

We are also increasing crossing guard hours and pay (by 25 cents/hour to \$15.25/hr) for an increase of \$19,620. There are a number of employee reclassifications proposed for FY18-19. They are:

| | |
|---|----------------|
| Regrade Acct. Manager to Controller (Finance) | \$7,351 |
| Regrade System Analyst to Lead System Analyst (Finance) | \$2,544 |
| Regrade System Analyst to Lead System Analyst (Finance) | \$2,291 |
| Regrade Court Clerk to Deputy Court Clerk (Court) | <u>\$1,377</u> |
| | \$13,563 |

I am also recommending a part-time custodian for our Garage/Service Center for \$15,602.

The new dispatchers will help with the increased call volume and help relieve the current dispatchers. We have “just enough” dispatchers to cover shifts. So, if one is off sick or vacation another dispatcher must cover that shift. These new dispatchers will help alleviate that problem, as well as handle the increasing call volume.

The Administrative Sergeant will provide additional supervisory help for the communications division (this includes dispatch). Currently the Administrative Lieutenant supervises this area.

As you know, I have asked Lt. Sidebottom (Admin. Lt.) to take on the duties of Assistant Emergency Management Coordinator (EMC). For years I have functioned as the sole EMC for the city. The demands for this function have increased exponentially over the years. So, working with Chief Park, we asked Lt. Sidebottom to accept these additional responsibilities. In time the plan is for LT. Sidebottom to ultimately become the EMC for our city. The other personnel change requests are pretty straight forward.

Working with the school district, the times for various school crossings have increased. And, at some locations we are doubling up on the number of crossing guards presently to safely cross the school children. Also, we are giving a modest 25 cent per hour increase for each guard.

The part-time custodian at the Service Center will help with a multitude of small things that need to be done to keep the Service Center in tip-top shape.

Toni Truly, Accounting Manager has taken on more and more responsibilities. The request is to make her title Controller to more accurately reflect her job duties.

Currently in our IT Department we have one MIS Manager and four system analysts (2 at City Hall and 2 at the PD). We would like to make our two senior system analysts each a Lead System Analyst. One would be at City Hall, the other at the PD.

Then we would like to make our senior Court Clerk into a Lead Deputy Court Clerk commiserate with their skills and to provide deputy assistance to the Municipal Court Clerk.

COMPENSATION

As previously mentioned, we had to suspend the final year of our five-year plan to improve employee compensation because of the 20% increase in health care costs last year.

In FY18-19 I am proposing a 2% market increase for all positions. I also recommend merit raises ranging from 2% to 4% depending on an employee's individual evaluation. This will close out the current 5-year plan. Included in the FY18-19 budget is \$35,000 to hire a consultant to help us with our next evaluation of our compensation plan.

Overall, this final year of the 5-year plan will cost the General Operating Fund \$494,500 and the Utility Operating Fund \$171,800.

Highlights of the FY2018-2019 Budget

- The combined General and Utility Operating budget for FY2018-2019 is proposed to be \$35,469,108. This is \$1,812,758 (5.4%) more than the FY17-18 adopted budget of \$33,656,350.
- The General Operating Budget is proposed to be \$21,678,805 for FY18-19. This is \$1,186,233 (5.8%) higher than the FY17-18 budget of \$20,492,572.
- The Utility Operating Budget for FY18-19 is proposed to be \$13,790,303. This is 626,525 (4.8%) greater than the adopted FY17-18 budget of \$13,163,778.
- The proposed tax rate remains at 33.75 cents for FY18-19. The proposed tax rate is 6.8% higher than the effective tax rate of 31.594 cents. The proposed "rollback" tax rate is 34.894 cents.
- Appraised property values, after appeals, are expected to be \$2,285,431,300. This is 8.9% (\$186,640,552) more than the final FY17-18 appraised value of \$2,098,790,748. New values contained within the proposed FY18-19 appraised values is estimated at \$50 million.
- Utility rates are projected to go up by about 2%.
- The Brazosport Water Authority rate for the water we buy is increasing from \$3.05/1000 gallons to \$3.12/1000 gallons. This is a 2.2% increase.
- I am recommending a 2% market increase for all positions and merit raises ranging from 2% to 4%. Cost to the General Operating Fund is \$494,500. Cost to the Utility Operating Fund is \$171,800.
- The Police Department budget is increasing \$609,061 to \$6,753,757. This is a 9.9% increase over the FY17-18 budget of \$6,144,696. Three new positions, employee raises and increased contributions to the Equipment Replacement Fund (a good portion of the police patrol fleet was replaced in FY17-18) comprise the majority of this increase.

MANAGER'S MESSAGE

- Transfers from the Utility Fund to the General Fund are increasing by \$457,610 in FY18-19. This more accurately reflects the cost of General Fund services (Human Resources, Personnel, Finance, Administration) provided to the Utility Fund.
- Sales tax revenue to the General Operating fund is estimated to be \$6,882,480 in FY18-19. This is \$222,480 more than the \$6,600,000 budgeted in FY17-18.
- Industrial District revenues are projected to be \$4,594,532 in FY18-19. This is 2.07% (the CPI-U for the 12 months from Dec 2016 to Dec 2017) more than the \$4,501,354 collected in FY17-18.
- Municipal Court fine revenue is projected to be \$515,000 in FY18-19. This is about what we anticipate collecting in FY17-18, and \$48,500 more than the FY17-18 budget of \$466,500.
- At the April 2018 Capital Projects Workshop City Council authorized \$763,000 in General Capital Projects and \$120,000 in Utility Capital Projects.

General Operating Fund FY2018-2019 Revenues

Property Tax

The Brazoria County Appraisal District has estimated our assessed value at \$2,375,223,367 – 13.2% over last year’s certified tax roll of \$2,098,790,748. I anticipate property owner appeals will reduce the final value (which we generally receive in late July) to \$2,285,431,300 or about 8.9% more than the FY17-18 certified roll.

I have estimated that \$50 million of the values comes from properties or improvements being added to the tax roll. If that is the case, and you remove that \$50 million from the estimate to determine the existing property value for FY17-18 we are talking a 6.5% increase in assessed values on existing properties. The history of value increase and decreases of existing properties from year to year is:

Assessed Value Increase (Decrease) for Existing Property Year to Year

| | | | | | |
|------|-------|------|---------|------|-------|
| 2001 | 4.60% | 2007 | 1.21% | 2013 | 0.60% |
| 2002 | 3.02% | 2008 | 0.79% | 2014 | 3.60% |
| 2003 | 3.70% | 2009 | <0.40%> | 2015 | 6.70% |
| 2004 | 2.65% | 2010 | <2.40%> | 2016 | 9.77% |
| 2005 | 1.88% | 2011 | <3.90%> | 2017 | 4.80% |
| 2006 | 1.64% | 2012 | 0.80% | 2018 | 3.44% |

*This chart updated in September, 2018 to reflect the increased property values provided by BCAD in late July, 2018.

The actual cost to any single taxpayer will depend on whether their individual appraised value increases, decreases, or remains the same.

Tax Rate

I am recommending maintaining our 33.75 cent tax rate. Based on the State calculated “effective tax rate” for FY18-19 of 31.594 cents, keeping the 33.75 cent tax rate is there by “increasing” the tax rate 6.5% from the “effective tax rate”. The “rollback rate” is estimated at 34.894.

I am recommending a maintenance and operations rate of 22.9606 cents, up slightly from FY17-18 rate of 22.9475 cents. The debt service rate for FY2018-2019 will be 10.7894 down ever so slightly from the FY17-18 rate of 10.8025 cents. This is how our tax rate compares with other communities:

| <u>City</u> | <u>Population</u> | <u>Tax Rate</u> | <u>City</u> | <u>Population</u> | <u>Tax Rate</u> |
|---------------|-------------------|-----------------|-----------------|-------------------|-----------------|
| Galena Park | 10,900 | 1.04 | Galveston | 47,800 | 0.56 |
| Baytown | 75,418 | 0.82 | Friendswood | 38,479 | 0.52 |
| Alvin | 24,300 | 0.79 | Katy | 15,013 | 0.49 |
| Brazoria | 3,100 | 0.79 | La Marque | 14,600 | 0.49 |
| Deer Park | 32,100 | 0.72 | Rosenberg | 33,188 | 0.46 |
| La Porte | 34,654 | 0.71 | Conroe | 63,032 | 0.42 |
| Angleton | 19,280 | 0.71 | Bellaire | 17,849 | 0.42 |
| Pearland | 101,900 | 0.68 | Dickinson | 18,700 | 0.41 |
| Bay City | 17,700 | 0.66 | Tomball | 10,800 | 0.34 |
| Richwood | 5,100 | 0.63 | Lake Jackson | 28,000 | .3352 |
| Clute | 10,500 | 0.63 | Santa Fe | 12,300 | 0.33 |
| Freeport | 12,800 | 0.63 | West University | 15,369 | 0.32 |
| Missouri City | 70,185 | 0.60 | Sugar Land | 84,511 | 0.32 |
| Texas City | 41,600 | 0.60 | Webster | 10,700 | 0.32 |
| Houston | 2,099,700 | 0.59 | Humble | 15,500 | 0.21 |
| Pasadena | 152,735 | 0.58 | Stafford | 19,900 | 0.00 |
| Manvel | 8,939 | 0.57 | | | |
| League City | 90,983 | 0.57 | | | |
| Seabrook | 12,649 | 0.57 | | | |

*This chart updated in September, 2018 to reflect the lower tax rate adopted by City Council.

Sales Tax

I anticipate sales tax receipts to end FY17-18 at \$6,685,000 up from the \$6,600,000 million we budgeted in FY17-18. I am budgeting sales tax revenues to be \$6,882,480 in FY18-19. This is a proposed 3% increase.

MANAGER'S MESSAGE

The following chart shows our sales tax collection history since 1999:

| Fiscal Year | one cent sales tax | half cent sales tax | One cent sales tax percentage growth |
|------------------|--------------------|---------------------|--------------------------------------|
| 1999 | \$3,460,834 | \$1,730,417 | 3.52% |
| 2000 | 3,601,981 | 1,800,991 | 4.08% |
| 2001 | 3,673,682 | 1,896,841 | 1.99% |
| 2002 | 3,778,512 | 1,889,256 | 2.85% |
| 2003 | 3,726,533 | 1,863,267 | <1.38%> |
| 2004 | 3,810,459 | 1,905,230 | 2.25% |
| 2005 | 3,914,130 | 1,957,065 | 2.72% |
| 2006 | 4,261,667 | 2,130,834 | 8.88% |
| 2007 | 4,618,469 | 2,309,235 | 8.37% |
| 2008 | 4,553,842 | 2,337,052 | <1.40%> |
| 2009 | 4,634,553 | 2,408,688 | 1.77% |
| 2010 | 4,432,443 | 2,277,196 | <4.36%> |
| 2011 | 4,562,725 | 2,355,777 | 2.94% |
| 2012 | 4,772,141 | 2,457,990 | 4.59% |
| 2013 | 5,098,359 | 2,619,312 | 6.73% |
| 2014 | 5,226,636 | 2,752,237 | 2.62% |
| 2015 | 6,276,467 | 3,138,233 | 20.00% |
| 2016 | 6,454,920 | 3,227,460 | <1.3>% |
| 2017 | 6,377,917 | 3,188,958 | 3.0% |
| 2018 (projected) | 6,685,000 | 3,342,500 | 4.8% |
| 2019 (budgeted) | 6,882,480 | 3,441,240 | 3.0% |

Industrial District

For the first two years of the most recent Industrial District contract (signed in December 2011) the amount each city received was set by contract. In our case we received \$4.1 million in both FY11-12 and FY12-13. The growth factor calculation kicked into play in 2013-2014. The growth factor is either the CPI-U or growth in industrial values as determined by the formula included in the contract as applied to the previous year's payment. The CPI-U for calendar year 2017 was 2.07%. This 2.07% is applied to the \$4,501,354 million payment made in 2017-2018 resulting in an increase of \$93,178 for a total of \$4,594,532 for FY18-19.

Franchise payments

Public utilities who provide services to our residents and use our public right of ways and easements make payments to the City based on State mandated formulas for the use of the public's property. These include electric, gas, cable, telecommunications and our own solid waste service.

For FY 2018-2019 franchise fees are increasing from \$1,722,000 budgeted in FY17-18 to \$1,831,700 in FY18-19, a difference of \$109,700.

The biggest projected increase is from Center Point (electric). This alone represents a \$100,000 increase.

Permit Fees

As growth to our area has peaked and the largest building projects behind us (ie, the Dow Texas Innovation Center), the amount we are collecting for building permits and related fees has leveled off and will drop this next year (for the second year in a row).

We expect to collect \$226,400 in permit fees this year (FY17-18). We had budgeted to receive \$265,300 in FY17-18. I anticipate this permit activity will level off and have budgeted for \$246,000 in permit fees for FY18-19.

Municipal Court Fines

Municipal Court fines have rebounded now that we have a full traffic division. We had budgeted \$490,000 in fine revenues in FY17-18. Projected collections in FY17-18 are \$540,800.

I am budgeting fine revenue at \$540,800 in FY18-19.

Fine revenue primarily covers the cost of our Municipal court operations (proposed at \$439,565 for FY18-19). It does not come close to covering the cost of our Police Department (\$6,753,757 for FY18-19). That is not its intent. The intent is to seek compliance with traffic laws.

Also of note, the State of Texas has tacked on (over the years) a litany of fees to each ticket issued that we must collect and then submit to the State.

General Operating Fund
FY 2018-19 Expenditures

I am recommending a General Operating Budget of \$21,678,805. This is \$1,186,233 (5.8%) more than the FY17-18 budget of \$20,492,572.

I have already discussed the details of the increase in costs recommended for FY18-19.

Here is a summary of the major changes for FY18-19:

- Salary increases \$494,500
- Increase in maintenance contracts \$85,692
- New employees \$210,858
- Equipment replacement transfer \$275,707
- Increase in property/liability insurance \$55,699

MANAGER'S MESSAGE

Utility Operating Fund

The Utility Operating Fund budget for FY 2018-2019 is proposed to be \$13,790,303. This is \$626,525 (4.8%) greater than the \$13,163,778 FY17-18 budget.

Utility Operating Revenues

I have previously discussed the utility rate increases primarily to cover the increase in Brazosport Water Authority rate (7 cents per thousand gallons, up to \$3.12/tgal), increased utility debt service, and to cover employee raises.

The base bill for residential customers will increase 2.0% from \$47.70/month to \$48.64/month. The average residential customer uses 5,000 gallons of water. That cost will increase 1.7% from \$73.80/month to \$75.04/month.

The new water base rate will be \$13.50/month for residential customers. The new multi-family/commercial rate will be \$27.00/month. The residential base sewer will be \$13.65/month, so the multi-family/commercial sewer base rate will be \$27.30/month.

The new base rates for residential customers:

| | <u>FY17-18</u> | <u>FY18-19</u> |
|-------------------------------|-----------------------|-----------------------|
| Water | \$13.25/month | \$13.50/month |
| Sewer | \$13.40/month | \$13.65/month |
| Sanitation | \$17.00/month | \$17.35/month |
| Recycling | \$2.45/month | \$2.50/month |
| State Sales Tax | <u>\$1.60/month</u> | <u>\$1.64/month</u> |
| Total Bill 2,000 Gals. | \$47.70/month | \$48.64/month |

Rates above the base bill increase as follows:

| | <u>FY17-18</u> | <u>FY18-19</u> |
|----------------------|-----------------------|-----------------------|
| Water | | |
| 2,000-20,000 gallons | \$4.20/tgal | \$4.30/tgal |
| Over 20,000 gallons | \$4.70/tgal | \$4.80/tgal |
| Sewer* | | |
| Over 2,000 gallons | \$4.50/tgal | \$4.60/tgal |

*Residential sewer is capped at 15,000 gallons per month

MANAGER'S MESSAGE

The following chart shows how our proposed rates compare with other cities in our region:

| <u>Combined Monthly Rate</u> | <u>5,000 Gals.</u> | <u>Combined Monthly Rate</u> | <u>10,000 Gals.</u> |
|------------------------------|--------------------|------------------------------|---------------------|
| Galveston | 78.85 | Galveston | 141.55 |
| Conroe | 77.34 | Houston | 128.03 |
| Deer Park | 75.83 | Baytown | 125.81 |
| Manvel | 72.00 | Deer Park | 123.08 |
| Brazoria | 71.88 | Brazoria | 112.38 |
| Baytown | 66.33 | Sweeny | 110.05 |
| Clute | 65.80 | Seabrook | 107.87 |
| Pearland | 64.86 | Conroe | 106.44 |
| Houston | 61.84 | Clute | 105.30 |
| Angleton | 61.62 | West Columbia | 103.35 |
| Seabrook | 59.38 | League City | 101.75 |
| League City | 58.28 | Lake Jackson | 98.35 |
| West Columbia | 57.85 | Angleton | 97.34 |
| Sweeny | 57.35 | Webster | 87.87 |
| Bellaire | 55.54 | Manvel | 82.00 |
| West University Place | 54.49 | West University Place | 80.74 |
| Lake Jackson | 53.85 | Freeport | 79.00 |
| Sugarland | 48.78 | Sugarland | 78.08 |
| Humble | 47.20 | Pearland | 75.48 |
| Friendswood | 46.95 | Bellaire | 72.58 |
| Freeport | 42.75 | Friendswood | 72.10 |
| Tomball | 42.73 | Tomball | 71.88 |
| Webster | 42.37 | Rosenburg | 70.08 |
| Rosenburg | 42.08 | La Porte | 66.14 |
| La Porte | 35.64 | Humble | 64.70 |
| Pasadena | 35.00 | Pasadena | 64.25 |
| Katy | 27.62 | Katy | 50.13 |

Utility Operating Fund FY2018-19 Expenditures

I am recommending a Utility Operating Budget of \$13,790,303. This is \$626,525 (4.8%) more than the FY17-18 budget of \$13,163,778.

Here is the summary of the changes for FY18-19:

- Salary increases \$171,000
- Brazosport Water Authority rate increase \$51,100
- Increase in sanitation disposal costs \$20,000

MANAGER'S MESSAGE

- Transfer to Utility Capital Projects \$250,000
- Increase in transfers to General Fund \$459,610

Other Funds Capital Project Funds

Here is what City Council set at the April 23, 2018 Capital Projects Workshop to fund in FY18-19:

The General Capital Projects for FY18-19

| | |
|---|------------------|
| Northwood drainage improvements | \$81,000 |
| Creekside s/d bridge (final payment) | \$70,000 |
| Replace fire bunker gear | \$65,000 |
| Transit system (annual) | \$75,000 |
| A/C replacements (annual) | \$45,000 |
| Sidewalk repairs (annual) | \$35,000 |
| Demo of condemned buildings (annual) | \$20,000 |
| School zone communication upgrade | \$80,000 |
| Slope paving | \$70,000 |
| Civic Center fountain repair | \$65,000 |
| Buxton retail market survey | \$50,000 |
| Records scanning | \$50,000 |
| New a/c for IT/911 equipment room | \$50,000 |
| Stream monitor system (1 st phase) | \$40,000 |
| Traffic signal Priority (Opticom) | \$22,000 |
| Old Angleton Road drainage pad | <u>\$10,000</u> |
| Total | \$763,000 |

Utility Capital Projects

| | |
|--|------------------|
| Water meter replacement program (annual) | <u>\$120,000</u> |
| Total | \$120,000 |

We strive to maintain a \$500,000 balance in each Capital Projects Fund. We are budgeting a \$250,000 transfer to Utility Capital Projects from the Utility Operating Fund.

Bond Projects

As discussed earlier, a \$9 million G.O. bond will be sold in late 2018 to fund the next phase of downtown.

I previously discussed the progress of the second phase of the \$16 million General Obligation Bonds approved by voters in May 2016. These bonds are being sold in three increments. The first \$3 million were sold in late 2016. The next \$4 million was sold in late 2018, and the final \$9 million will be sold in late 2018. Selling the bonds in increments helps us “level off” the impact these bonds have on our tax rate. Also, selling these bonds in increments helps spread out the design and construction in manageable pieces. All projects in the 2016 bond issue should be done by 2020. In 2020, we will consider another general obligation bond issue to help chip away at the nearly \$100 million in identified General Fund infrastructure/facility projects.

We have sold revenue bonds over the last several years that are paying for some \$10 million in utility infrastructure projects.

These include projects to extend water and sewer service to the airport area (complete), improvements to the sewer system and lift station 25 to serve the mall area (complete), Marigold sewer line replacement (in progress), improvements to the sewer lines in the basin 6 area in the vicinity of Roberts Elementary School (in progress), Oak Drive water tower repairs (in progress), booster pump upgrades (in design phase), replace water well #5 (in progress), Lake Forest subdivision sewer rehab (in design phase) and Huisache sewer rehab (in design phase).

We strive to maintain a \$500,000 minimum balance in each Capital Projects Fund. While we are budgeting a \$250,000 transfer to Utility Capital Projects from the Utility Operating Fund, we will likely not be able to transfer funds to the General Capital Projects fund in FY18-19.

Parks Fund

Parks Board funds are dedicated to be used for park and recreation projects. The initial funding for the fund came from the sale of a portion of Dunbar Park to TxDot for the right of way for SH 288 almost 40 years ago. Additional funds came from developers who chose to make a cash payment in lieu of parkland when they developed a subdivision.

Over the years this fund balance has steadily dropped as the Parks Board funded improvements to our parks and youth sports facilities. Every now and then after a “good year” I would recommend a transfer from year end savings to the parks fund. The last time this was done was a \$100,000 transfer in FY 10-11. In May 2014 voters approved the sale of a small park area in the Oak Woods Addition area to HEB. The property sold for \$60,000 and was used for improvements at Morrison Park at Shy Pond.

Anyway, the current fund balance is \$60,899 and there is little prospect for future funding. The Parks board has voted to recommend the following budget for FY18-19:

| | |
|---|-----------------|
| Kid Fish | \$3,000 |
| Community (matching) Park Improvement Funds | \$20,000 |
| Contingency | <u>\$5,000</u> |
| Total | \$28,000 |

This will leave a projected balance of \$32,899 at 9/30/19.

Actually, our parks/recreation system now has a more stable source of funding from the Economic Development (½ cent optional sales tax). These funds have built the Recreation Center, the Civic Center, the Golf Course, the Outdoor Pool and the Youth Sports Complex.

Currently we are using these funds to make major repairs/improvements to our Parks/Recreation system and the Wilderness golf course. We set aside about \$980,000 in FY2017-2018 from the Economic Development Fund to meet the various capital priorities set by the Parks Board and City Council. In FY18-19 the Economic Development Fund will pay \$380,000 toward a dog park; \$50,000 for design of a new skateboard park; and \$130,000 in Golf Course improvements.

MANAGER'S MESSAGE

And as you can see in the potential debt issue chart discussed previously, we have some \$4.6 million in potential ½ cent optional sales tax funds available in FY2019-2020 as we pay off the debt on the Recreation Center, should we choose to issue new debt. Various parks projects identified by the Parks Master Plan will be considered at that time.

Equipment Replacement Fund

For major pieces of equipment- (generally our “rolling stock”) we set aside an annual amount for each designated unit in an effort to provide available funds for when that particular unit needs replacing. This fund has been indispensable in keeping our fleet up to date.

This year I recommend the following purchases:

| <u>Equipment type</u> | <u>Amount</u> |
|---|------------------|
| New CNG pickup (Humane) | \$45,000 |
| Replace patrol vehicles (5) | \$204,000 |
| Replace pickup (unit 824) - streets | \$45,000 |
| Replace tractor (unit 600) - drainage | \$43,000 |
| Replace ambulance (medic 7) | \$275,000 |
| Replace pickup truck (#1005) parks | \$45,000 |
| Replace field groomer (#816) parks | \$17,000 |
| Two (2) new ex mark mower - parks | \$18,000 |
| New pickup -CNG-garage | \$40,000 |
| Replace pickup (640) civic center | \$40,000 |
| New 5000 lb forklift – garage | \$40,000 |
| Replace 1 residential garbage and commercial truck | \$600,000 |
| Replace 2 pickups (762/889) utility admin | \$80,000 |
| Replace wheel loader (833) sanitation | \$175,000 |
| Replace 2 front end loader w/grappler(862/863) sanitation | \$190,000 |
| Computer items | <u>\$251,115</u> |
| | \$2,108,115 |

Motel Occupancy Tax Fund

The city collects a 7% motel occupancy tax on motel room rentals in the city. The State collects an additional 6%. Use of local hotel occupancy tax (HOT) funds is rigidly regulated by the State. These funds can only be used for purposes allowed by State law.

We currently have 6 hotels in operation (Candlewood Suites, the Clarion, Comfort Suites, Super 8, Best Western Plus and Courtyard by Marriott). We also have two additional hotels under construction (Staybridge Suites and Woodspring Suites). Staybridge Suites is scheduled to open June 2018.

We estimate \$595,100 in revenue from our hotels in FY18-19 and an ending balance of \$107,060 at 9/30/19.

MANAGER'S MESSAGE

A new method of distribution of these funds has been approved by City Council. This creates two levels of funds:

The first level of funds would receive a maximum allocation of HOT funds of \$533,200 for fiscal 2018-19 and would be distributed to the following organizations and/or activities:

- Brazosport Convention & Visitors Council; and or individual contractors who will advertise and promote the City – as much as 29%
- Brazosport Fine Arts Council – as much as 14%
- Museum of Natural Science at the Center for Arts and Sciences – as much as 21%
- Lake Jackson Historical Museum – as much as 21%
- Festival of Lights and other types of festivals or events that promote tourism – as much as 14%
- Tourism marketing material – as much as 1%

Any HOT funds collected in excess of \$533,200 would be allocated to Level 2 and could fund projects and/or activities that were lawful under the Hotel Occupancy Tax provisions. If the City did not collect more than the maximum set for Level 1, then there would be no allocation to Level 2 for that fiscal year.

Disbursement of Hotel Occupancy Tax is budgeted as follows in FY18-19:

| <u>HOT Fund Recipient</u> | <u>FY18-19</u> |
|-----------------------------------|------------------|
| Fine Arts Center | \$74,650 |
| Museum of Natural Science | \$111,975 |
| Tourism (chamber) | \$154,630 |
| LJ Historical Museum | \$111,975 |
| Promotion of FOL and other events | \$74,650 |
| Marketing brochure/items | \$5,300 |
| <u>Level 2 funds</u> | <u>\$98,000</u> |
| Total | \$631,210 |

Economic Development Fund

This fund is administered by the Lake Jackson Development Corporation (LJDC). The corporation receives its funding from the ½ cent optional 4B economic development sales tax authorized by voters in May 1995. Use of these funds is restricted to the language on the ballot as approved by the voters and by State law. To fund a project the City Council reviews the initial request. If appropriate, City Council will send the proposal to one or more of our volunteer boards and commissions. City Council will then send the project to the LJDC. The bylaws of LJDC require a public hearing process. The LJDC determines if the project meets the criteria set by the ballot language and State law as an eligible project. The LJDC also determines if funding is available for the proposed project. Then the project is sent back to City Council for consideration and approval.

In FY2013-14 City Council spent considerable time discussing economic development and how to make the LJDC Board a more pro-active board.

MANAGER'S MESSAGE

To this end council revised the by-laws of the LJDC to change the composition of the board, to have this board meet more frequently and to give the board more responsibility in the economic development process. City Council then submitted to the voters in May 2014 a proposition to remove the current restrictive language on what ½ cent optional sales tax economic development funds could be spent on. They asked voters to give the LJDC/City the authority to spend these funds on any of the purposes allowed under state law. This included the hiring of a paid economic development staff (Voters rejected this proposition). The “new” board and the City Council are still restricted to the original ballot language approved by voters in 1995. This ballot language limits the use of our ½ cent funds to “...provisions for payment of the costs of land, buildings, equipment, facilities, improvements and maintenance and operation costs for public park purposes, recreational facilities to be used for sports and entertainment, and for infrastructure improvements for development of new or expanded business enterprises.”

Of course, it was a misnomer that the city was not promoting economic development. Yes, the initial use of the 4B ½ cent optional sales tax went to build recreational opportunities such as the outdoor pool, Recreation Center, Youth Sports Complex, the Wilderness Golf Course, and the Civic Center and Veteran’s Memorial Plaza. Since 2007 the city has used ½ cent funds and other economic development incentives to the tune of some \$28 million to invest in the economic growth of our city. The biggest of these projects is the revitalization of our downtown streets. We have spent or committed some \$20 million to the first three phases. We are planning to spend, over the next 5- 10 years another \$6 million to complete the full replacement of the downtown streets and city utilities. Much of this funding is projected to come from the LJDC.

The LJDC/City provided \$300,000 toward the \$700,000 plus mall entry road off of SH288. This work was completed in 2014. The mall has credited our participation on this road with helping to attract major new tenants to their property. And, it opened up an 8 acre outparcel on part of which The Courtyard by Marriott is located.

We also, along with the use of section 380 tax incentives, have leveraged use of our LJDC funds to pay for public infrastructure for the new Dow Texas Innovation Center (\$2.5 million). This is bringing into the heart of our city 2,000 employees.

We also leveraged the use of \$3 million in LJDC funds to facilitate the redevelopment of the 40-acre Oak Woods addition (HEB) development. We committed up to \$3 million to pay for the public infrastructure upgrades to upgrade this formerly blighted area into a first-class development. We paid for replacing and relocating the old roadways and building new roads, providing new water and sewer lines and providing drainage for the area.

We have used \$1.5 million in LJDC funds to help in the efforts to extend water service to the airport/Alden area. Another \$1.5 million was paid to expand sewer service to this same area as part of a larger \$4.5 million project.

Again, when you combine together the LJDC funds, revenue bonds and tax incentives for all of these projects, our economic development investments since 2007 are in excess of \$30 million.

The LJDC and City Council approved the \$5.5 million needed to pay for the infrastructure improvements necessary to help the Dow Innovation Center and the Oak Woods addition (HEB) projects. Those bonds were sold in late 2014.

The LJDC has held public hearings and is recommending the following “projects” for City Council to approve in the FY18-19 budget.

- Construction of dog park (2nd year-total is \$580,000) \$380,000
- Increase downtown landscape maintenance \$70,000
(From 55,000 to 70,000 annually) S. Parking Place
- Golf Course repairs \$130,000
- Skate park design and repair \$50,000

The ½ cent optional sales tax has been a tremendous benefit to our economic development efforts. Even with the ballot restrictions we have used these funds as intended by the voters and provided outstanding quality of life projects and been instrumental in providing infrastructure improvements to downtown as well as infrastructure public improvements that attracted the likes of Dow Chemical and HEB to our city center.

The Golf Course Fund

The Golf Course was built using ½ cent sales tax funding that is administered by the LJDC. The fund initially provided \$550,000 annually to pay the debt service on the golf course. With the refunding of the Golf Course bonds (refinancing) this amount has decreased annually and in FY18-19 will be \$477,700. Beginning in 2006 LJDC, with council approval, provided \$100,000/yr to build a contingency fund. Over its nearly fourteen (14) years of operation the course has been close to breaking even on operating costs and actually did “make” money in 2008. The highest the fund balance got was \$330,701 in 2008. The aftermath of Hurricane Ike in September 2008 and two difficult years following put the course in the red. The LJDC and council put \$250,000 to the course in FY10-11 to put the course back in the “black”. Beginning in FY2012-2013 a \$150,000 transfer was authorized to support this fund. In FY14-15 \$300,000 was transferred to the Golf Course operating fund. And, in FY15-16, as the result of a substantial Brazos River Flood, which closed the course for about a month or so, \$424,296 was transferred to the Golf Course to cover projected losses. In FY16-17 the Golf Course transfer was \$300,000.

In 2017 another devastating Brazos River flood significantly damaged the golf course. Some \$1 million in damage was done to the course and its facilities – particularly the cart barn. While insurance and eventual FEMA reimbursement will help recover some of the costs, the ½ cent fund is relied on to get the course back up and running. The staff from Kemper Sports at the course did a remarkable job and had the course back operating much sooner than expected. Still, the transfer to cover operating losses at the course was \$500,000 in FY17-18.

For FY18-19 we anticipate returning to the \$300,000 transfer to operating reserves.

For FY18-19 Kemper Sports estimates revenues for the Golf Course to be \$1,489,954, while expenses are proposed to be \$1,729,908 (\$239,954 below revenues). Hence, the need for a

MANAGER'S MESSAGE

\$300,000 transfer from the ½ cent optional sales tax fund. In FY18-19 Kemper is asking for an increase in their management fee from \$89,952 to \$92,196.

The Golf Course stays very busy and Kemper Sports is expecting FY18-19 rounds to be 39,902-about the maximum the course can handle in a year.

Tremendous kudos to the Kemper team for getting the Golf Course back up and running after two major Brazos River flood inundated the course in June of 2016, and again in September 2017. They have done a remarkable job.

We will be doing a number of repairs, funded by the LJDC, including well repairs and lake dredging to remove silt and restore water storage capacity during rain events.

Conclusion

As required by our City Charter, this budget is balanced and presented in a “line-item” format as required by our city charter. The budget is prepared using a modified program budget using performance based and outcome based budgeting techniques. The proposed budget contains my recommendations and projections. The “visioning process” guided my preparation of the budget. I also rely heavily on the advice and participation of my Directors and Department Heads. I am most appreciative of the valuable assistance provided by my budget staff (comprised of myself; Modesto Mundo, Assistant City Manager; Pam Eaves, Finance Director; and John Boehm, Assistant to the City Manager).

We welcome to City Council Mayor Bob Sipple and Councilmember Vinay Singhania. They replace out-going term limited members Mayor Joe Rinehart and Councilmember Will Brooks, to whom we thank for 6 years, each, of service on City Council. We also welcome back Buster Buell for another term on City Council. Both Mayor Sipple and Councilmember Singhania previously served in their respective capacities and “termed out”. They sat out the requisite time period and have been re-elected by the voters.

While this document gives the appearance of the final budget, it is not. Our City Charter requires that I submit a full and balanced detailed budget proposal to you each year. The final adopted budget will be developed through the hard work and input of the City Council, interested citizens, and our dedicated city employees.

As I stress each year, the annual budget is far more than a financial document. The budget is an important planning tool. We set not only next year’s expenditures, we also examine and set our near and long-term goals and objectives. This document shows what we have accomplished and what we hope to accomplish next year and in the years to come.

The budget staff strives to make the budget easy to read and use, yet thorough and comprehensive. As I noted earlier, the City charter requires that I submit the budget to City Council in a “line-item” format. This I do, but we also employ a “modified program based” budget format which reflects how our expenditures work to carry out the overall vision of the city.

We also follow the guidelines established by the Government Finance Officers Association (GFOA) in preparing the annual budget. We have been honored to have received twenty-six (26) consecutive “Distinguished Budget Presentation Awards” from GFOA for our budget documents. Our goal is to receive our 27th award for the final FY2018-2019 budget. Each year GFOA reviewers look at our budget document; grade us on our ability to meet the established guidelines and to make suggestions. We incorporate suggestions made each year by the reviewers as much as we can and still comply with our City charter requirements. Last year you saw a concerted effort to tie all our workload and performance measures to our Strategic Plans goals and objectives.

The FY18-19 General Operating budget is focused on improving the communications department at the Police Department and providing raises for employees across the board. The three new employees at the PD (2 new dispatchers and a new Administrative Sergeant); the proposed raises; and the cost to replace police vehicles and equipment accounts for some 83% (\$979,750) of the overall \$1.2 increase in the General Operating Fund.

It has been and continues to be our goal to maintain a low tax rate, and we have succeeded at that effort over the years. Our 33.75 cent tax rate still is one of the lowest tax rates for cities over 20,000 population in the State of Texas.

When appraised values go up, we strive to reduce the tax rate.

However, this year we need the revenue generated by increased appraisals to help fund the increases I have discussed in this letter. Also, we are selling the last \$9 million of the \$16 million bond issue approved by voters in 2016. This will increase our annual debt service payment.

Keeping our tax rate at 33.75 cents is a 6.8% increase over the “effective rate” of 31.594 cents.

On the Utility Operating side, the \$626,525 increase in the proposed FY18-19 budget provided funding for employee raises, increased debt service payments, increased payments to the Brazosport Water Authority, and increases in the transfers to the General Fund to more accurately cover the cost of administrative services (such as finance, personnel, purchasing, administration) the General Fund provides to the Utility Fund.

Work on our infrastructure continues.

The Plantation Drive bridge will be complete and opened this summer. Work will begin on the Woodland Park s/d residential streets this summer. Repairs to the Oak Drive water tower will be done this summer. Work on the sewer lines in the basin 6 area (the area near O.M. Roberts Elementary and the Plantation and Sycamore area) is underway. The work on the next \$9 million phase of the downtown revitalization program will begin in 2019. We will be making infrastructure improvements throughout our city.

During 2018 we have been and continue to celebrate our city's 75th year.

MANAGER'S MESSAGE

We are proud of our past and optimistic and excited by our future.

Our budget workshop will be held on Saturday July 14, 2018. It will begin at 8am here at City Hall and go until we are finished. All are welcome to attend.

Staff and I have worked hard to address the goals and priorities set by City Council, during the Strategic Plan process, in the preparation of this budget.

Staff and I look forward to working with you and our citizens on developing our final FY18-19 budget.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "William P. Yenne". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

William P. Yenne
City Manager

ORGANIZATIONAL CHARTS

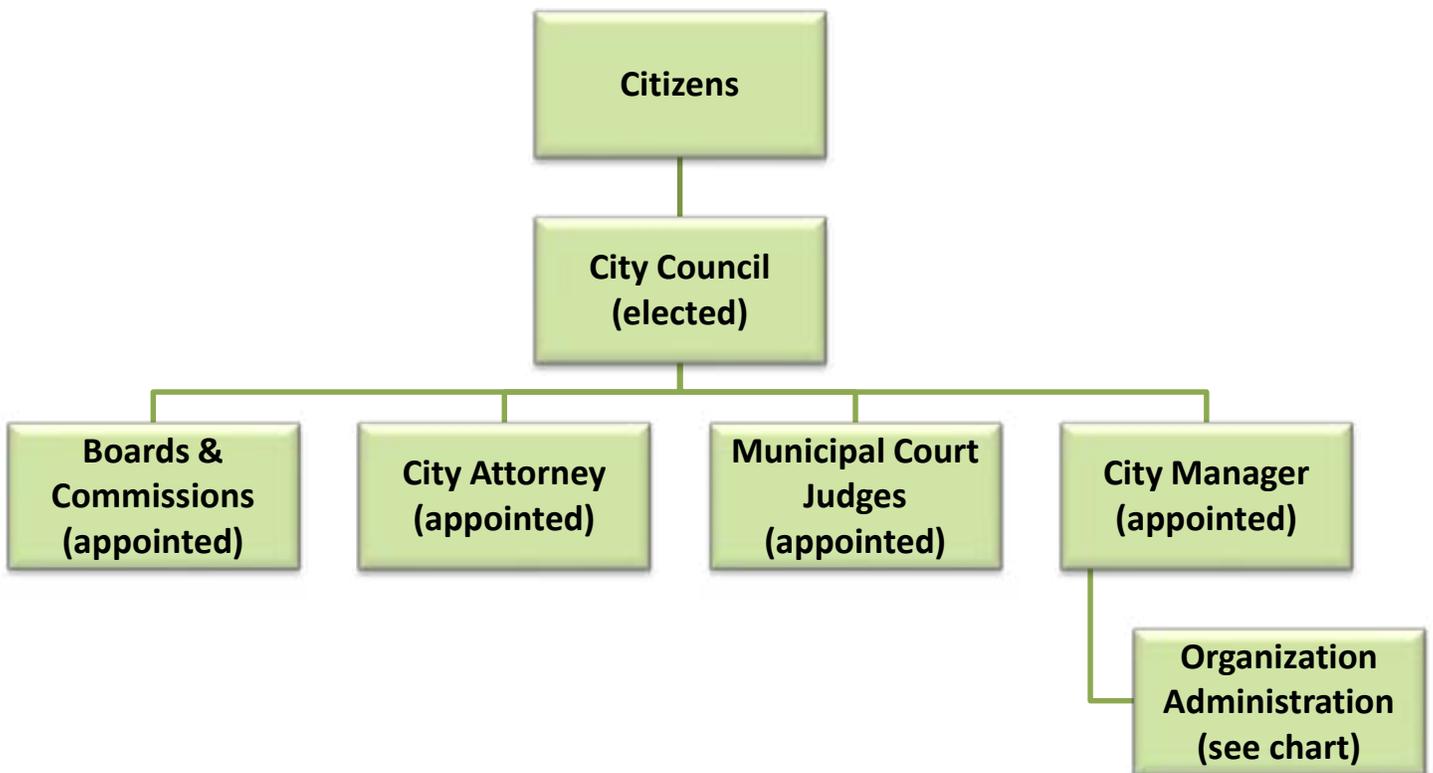


LAKE JACKSON

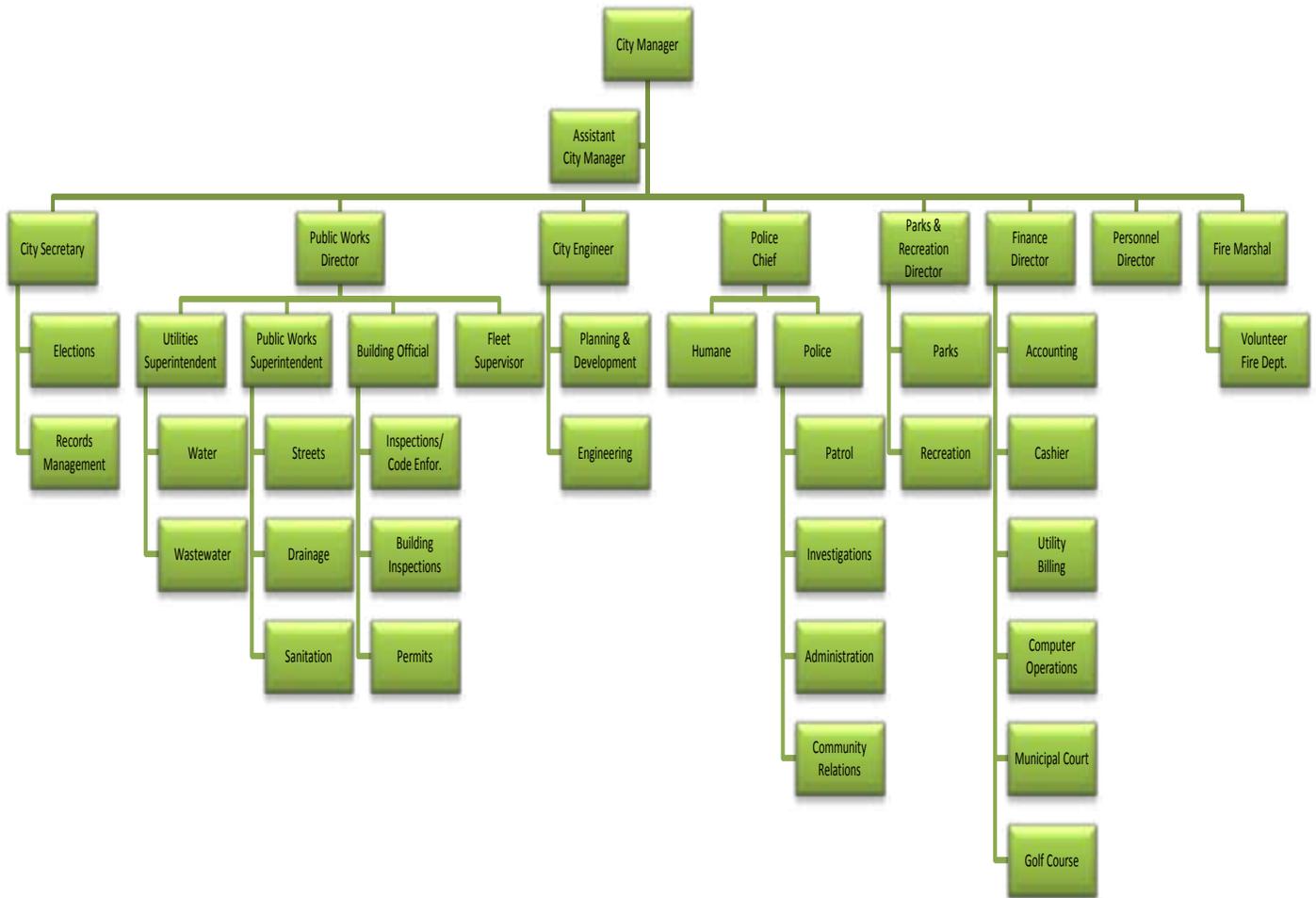
City of Enchantment



"Council-Manager Government"



ORGANIZATIONAL CHART: ADMINISTRATION



Aerial view of Morrison Park at Shy Pond



BUDGET SUMMARIES

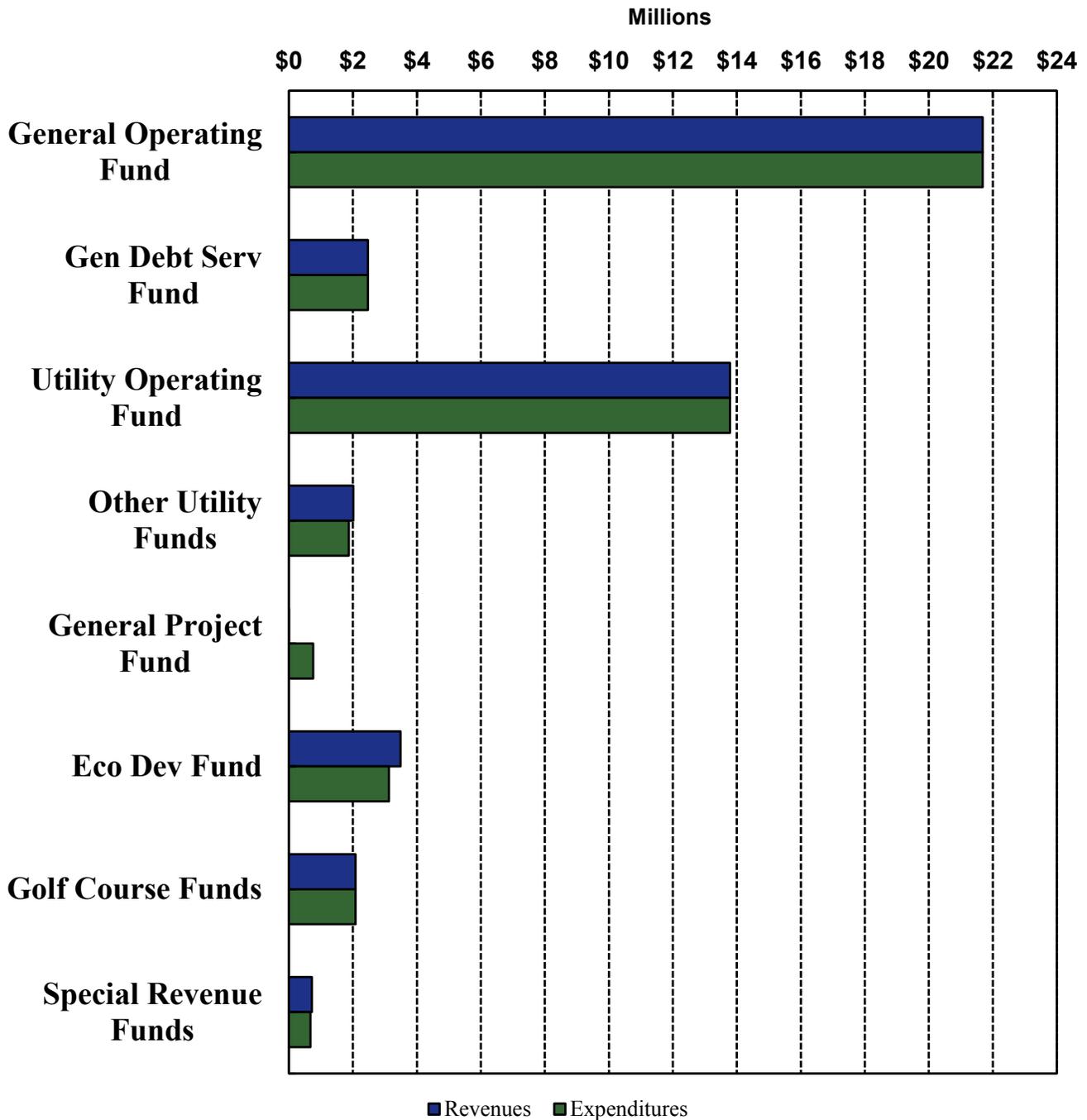


LAKE JACKSON

City of Enchantment



ALL FUNDS REVENUES & EXPENDITURES



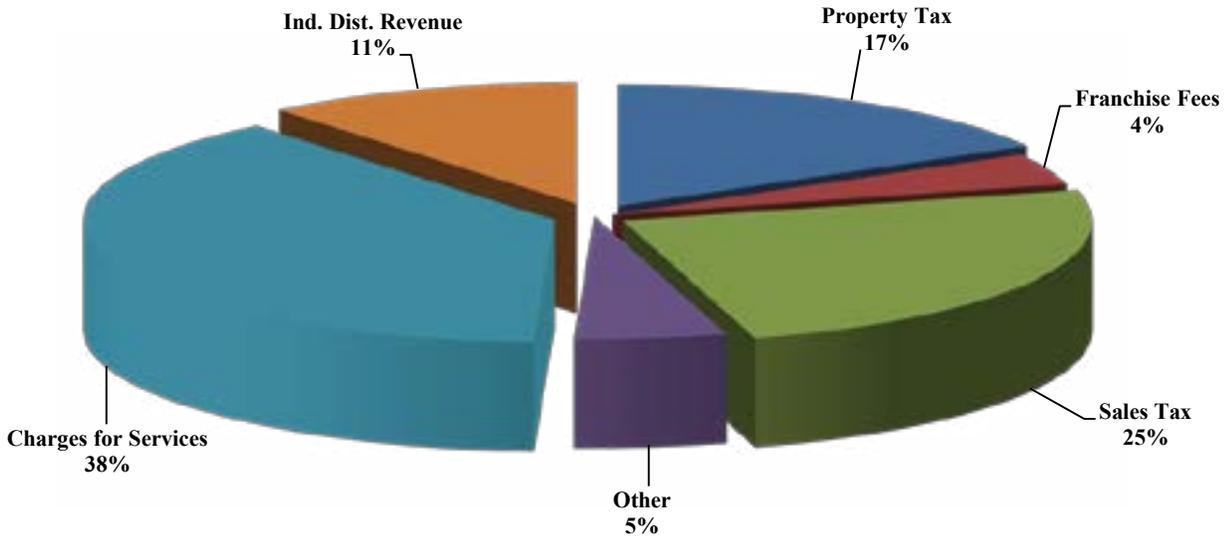
ALL FUNDS SUMMARY

| REVENUES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
|---------------------------|-----------------------------|-----------------------------|------------------------------|-----------------------------|
| GENERAL OPERATING FUND | \$ 19,679,608 | 20,492,572 | 20,689,962 | 21,678,805 |
| OTHER GENERAL FUNDS | 2,158,467 | 1,992,254 | 2,099,447 | 2,169,758 |
| GEN DEBT SERV FUND | 2,214,014 | 2,285,197 | 2,293,197 | 2,474,335 |
| GENERAL PROJECT FUND | 328,494 | 23,000 | 23,100 | 5,000 |
| UTILITY OPERATING FUND | 13,331,554 | 13,163,778 | 13,392,616 | 13,790,303 |
| OTHER UTILITY FUNDS | 1,361,242 | 1,881,415 | 1,889,835 | 2,009,263 |
| ECONOMIC DEVELOPMENT FUND | 3,267,803 | 3,976,500 | 3,976,500 | 3,492,000 |
| GOLF COURSE FUNDS | 1,899,838 | 2,300,608 | 2,132,099 | 2,079,521 |
| SPECIAL REVENUE FUNDS | 643,385 | 717,652 | 706,798 | 715,350 |
| | | | | |
| SUBTOTAL | \$ 44,884,405 | \$ 46,832,976 | \$ 47,203,554 | \$ 48,414,335 |
| INTERFUND TRANSFERS | (5,010,794) | (5,689,779) | (5,682,472) | (6,228,421) |
| TOTAL | \$ <u>39,873,611</u> | \$ <u>41,143,197</u> | \$ <u>41,521,082</u> | \$ <u>42,185,914</u> |

| EXPENDITURES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
|---------------------------|-----------------------------|-----------------------------|------------------------------|-----------------------------|
| GENERAL OPERATING FUND | \$ 20,057,357 | \$ 20,492,572 | \$ 20,674,844 | \$ 21,678,805 |
| OTHER GENERAL FUNDS | 1,843,620 | 2,169,275 | 2,356,302 | 2,273,615 |
| GEN DEBT SERV FUND | 2,169,688 | 2,285,200 | 2,285,197 | 2,474,335 |
| GENERAL PROJECT FUND | 1,028,265 | 1,641,285 | 1,676,997 | 763,000 |
| UTILITY OPERATING FUND | 12,165,420 | 13,163,778 | 12,767,160 | 13,790,303 |
| OTHER UTILITY FUNDS | 2,011,608 | 2,020,819 | 2,288,069 | 1,866,975 |
| ECONOMIC DEVELOPMENT FUND | 3,461,658 | 4,502,895 | 4,524,871 | 3,134,178 |
| GOLF COURSE FUNDS | 2,031,434 | 2,091,811 | 2,016,979 | 2,079,451 |
| SPECIAL REVENUE FUNDS | 700,367 | 683,122 | 613,218 | 666,210 |
| | | | | |
| SUBTOTAL | \$ 45,469,417 | \$ 49,050,757 | \$ 49,203,637 | \$ 48,726,872 |
| INTERFUND TRANSFERS | (5,010,794) | (5,689,779) | (5,682,472) | (6,228,421) |
| TOTAL | \$ <u>40,458,623</u> | \$ <u>43,360,978</u> | \$ <u>43,521,165</u> | \$ <u>42,498,451</u> |

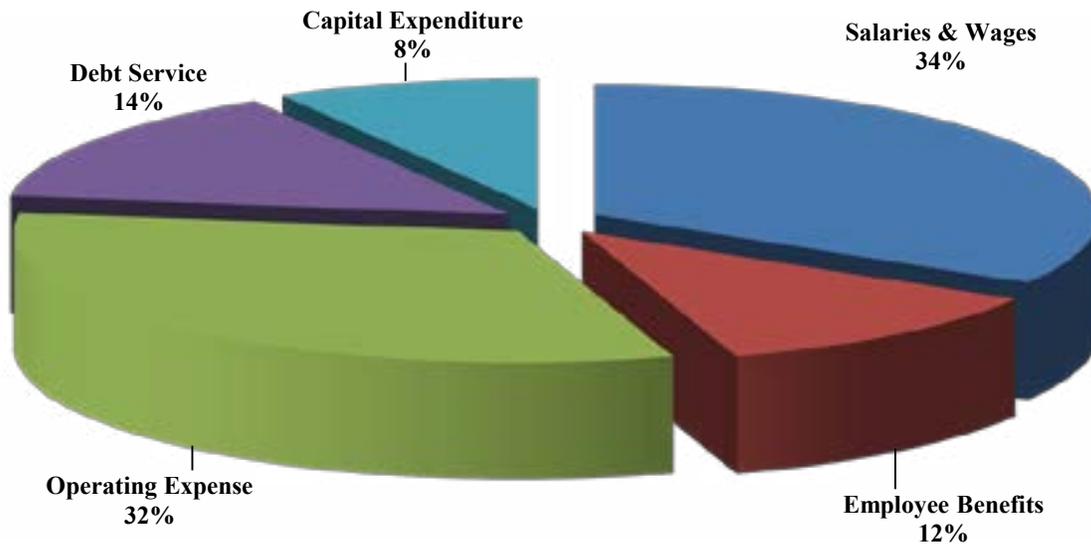
ALL FUNDS REVENUES BY CATEGORY

| REVENUES | 2016-17 ACTUAL | 2017-18 BUDGET | 2017-18 ESTIMATED | 2018-19 ADOPTED |
|-----------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| PROPERTY TAX | \$ 6,087,819 | \$ 6,665,123 | \$ 6,665,123 | \$ 7,064,078 |
| CITY SALES & USE TAX | 9,489,694 | 9,937,500 | 10,022,500 | 10,362,480 |
| MOTEL OCCUPANCY TAX | 539,553 | 590,102 | 586,448 | 595,000 |
| FRANCHISE FEES | 1,687,768 | 1,708,000 | 1,721,704 | 1,761,700 |
| INDUSTRIAL DISTRICT REVENUE | 4,394,560 | 4,485,526 | 4,501,354 | 4,594,532 |
| LICENSES & PERMITS | 358,408 | 399,800 | 443,400 | 458,200 |
| CHARGES FOR SERVICES | 15,498,054 | 15,656,930 | 15,613,809 | 16,209,623 |
| MUNICIPAL COURT FINES | 535,114 | 516,000 | 585,800 | 578,300 |
| INTERGOVERNMENTAL | 46,422 | 63,000 | 63,000 | 43,000 |
| INTEREST | 504,215 | 143,030 | 215,750 | 183,201 |
| MISCELLANEOUS | 732,005 | 978,186 | 1,102,194 | 335,800 |
| TOTAL REVENUES | \$ 39,873,611 | \$ 41,143,197 | \$ 41,521,082 | \$ 42,185,914 |



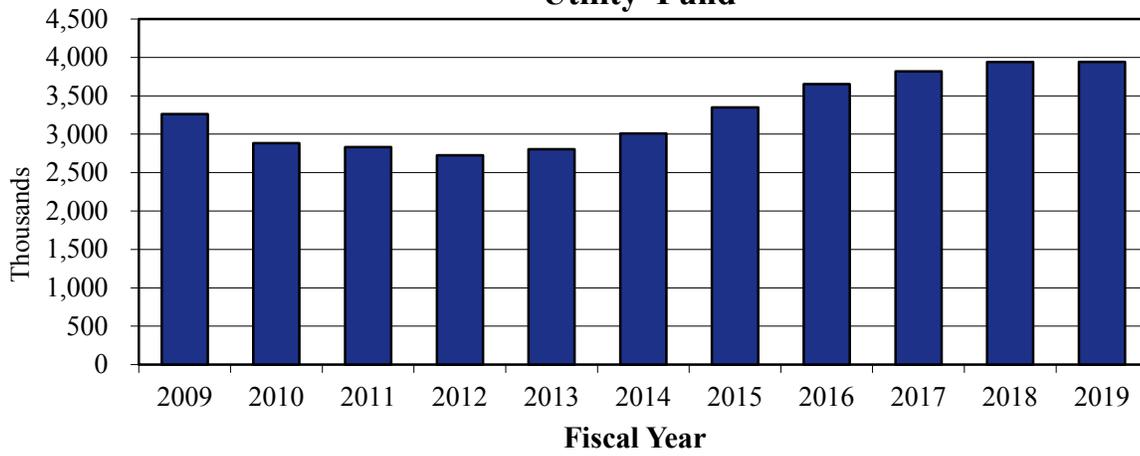
ALL FUNDS EXPENDITURES BY CATEGORY

| <i>EXPENDITURES</i> | 2016-17 ACTUAL | 2017-18 BUDGET | 2017-18 ESTIMATED | 2018-19 ADOPTED |
|----------------------------------|-----------------------------|-----------------------------|------------------------------|-----------------------------|
| SALARIES & WAGES | \$ 12,619,661 | \$ 13,623,204 | \$ 13,165,781 | \$ 14,284,878 |
| EMPLOYEE BENEFITS | 4,055,952 | 4,682,762 | 4,329,817 | 4,866,542 |
| OPERATING EXPENSES | 14,037,805 | 13,485,810 | 14,071,854 | 13,682,448 |
| DEBT SERVICE | 5,925,720 | 5,778,103 | 5,778,100 | 6,075,488 |
| CAPITAL PROJECTS | 2,057,637 | 3,767,096 | 4,072,034 | 1,443,000 |
| EQUIPMENT PURCHASES | 1,761,848 | 2,024,003 | 2,103,579 | 2,146,095 |
| <i>TOTAL EXPENDITURES</i> | \$ <u>40,458,623</u> | \$ <u>43,360,978</u> | \$ <u>43,521,165</u> | \$ <u>42,498,451</u> |



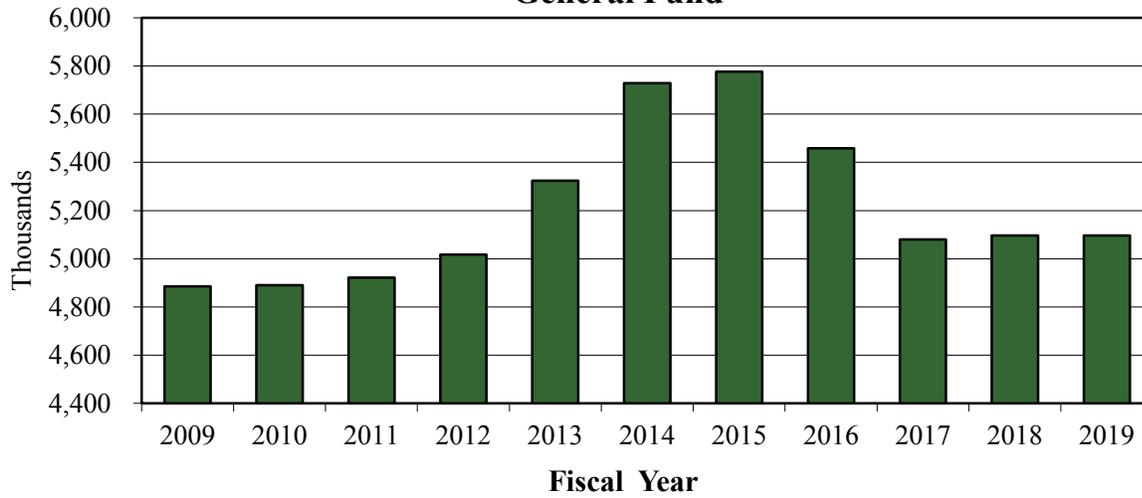
FUND BALANCE HISTORY & PROJECTIONS

Working Capital Balance Utility Fund



Working capital balances are used for the proprietary funds because; for our City, working capital balances best represent the available resources with which to fund current expenditures.

Fund Balance General Fund



GENERAL FUNDS BALANCE ANALYSIS

| | GENERAL OPERATING FUND | GENERAL DEBT SERVICE | GENERAL CAPITAL PROJECTS | EQUIPMENT REPLACEMENT FUND |
|---------------------------------------|------------------------------|----------------------------|--------------------------------|----------------------------------|
| FUND BALANCE 9-30-16 | \$ 6,758,696 | 685,096 | 2,044,549 | 6,284,424 |
| TRANSFERS TO CAPITAL | | | | |
| TO GENERAL CAPITAL PROJECTS | (1,300,000) | | 1,300,000 | |
| TO UTILITY PROJECTS | 0 | | | |
| REVENUES FISCAL YEAR 2017 | 19,679,608 | 2,214,014 | 328,493 | 2,022,989 |
| EXPENDITURES FISCAL YEAR 2017 | <u>20,057,357</u> | <u>2,169,689</u> | <u>1,028,265</u> | <u>1,658,477</u> |
| FUND BALANCE 9-30-17 | \$ 5,080,947 | \$ 729,421 | \$ 2,644,777 | \$ 6,648,936 |
| TRANSFERS TO CAPITAL | | | | |
| TO GENERAL PROJECTS | | | | |
| TO UTILITY PROJECTS | | | | |
| TO GOLF COURSE FUND | | | | |
| TO GENERAL CONTINGENCY | | | | 0 |
| FUND BALANCE AFTER CAPITAL TRANSFERS | <u>5,080,947</u> | <u>729,421</u> | <u>2,644,777</u> | <u>6,648,936</u> |
| FISCAL 2018 PROJECTED REVENUES | | | | |
| TRANSFERS IN | | | | |
| FROM GENERAL OPERATING | 0 | 0 | 0 | 1,168,696 |
| FROM UTILITY OPERATING | 0 | 0 | 450,000 | 657,423 |
| ADMINISTRATIVE TRANSFERS | | | | |
| FROM GENERAL CONTINGENCY | 0 | 0 | 0 | 0 |
| FROM UTILITY FUND | 540,390 | 0 | 0 | |
| FROM ECONOMIC DEVL. FUND | 350,000 | 0 | 0 | |
| ALL OTHER REVENUE | 19,799,572 | 2,293,197 | 23,100 | 33,240 |
| | <u>20,689,962</u> | <u>2,293,197</u> | <u>473,100</u> | <u>1,859,359</u> |
| FISCAL 2018 PROJECTED EXPENDITURES | | | | |
| TRANSFERS OUT | | | | |
| TO SPECIAL EVENTS FUND | 35,000 | 0 | 0 | 0 |
| TO EQUIPMENT REPLACEMENT | 1,168,696 | 0 | 0 | 0 |
| ALL OTHER EXPENDITURES | 19,471,148 | 2,285,197 | 1,676,997 | 2,027,052 |
| | <u>20,674,844</u> | <u>2,285,197</u> | <u>1,676,997</u> | <u>2,027,052</u> |
| PROJECTED FUND BALANCE 9-30-18 | 5,096,065 | 737,421 | 1,440,880 | 6,481,243 |
| PROJECTED TRANSFERS TO CAPITAL | | | | |
| TO GENERAL CAPITAL PROJECTS | 0 | 0 | | 0 |
| TO PARKS FUND | 0 | 0 | 0 | 0 |
| FUND BALANCE AFTER CAPITAL TRANSFERS | <u>5,096,065</u> | <u>737,421</u> | <u>1,440,880</u> | <u>6,481,243</u> |
| 2019 BUDGETED REVENUES | | | | |
| TRANSFERS IN | | | | |
| FROM GENERAL OPERATING | 0 | 0 | 0 | 1,451,363 |
| FROM UTILITY OPERATING | 0 | 0 | 0 | 556,945 |
| ADMINISTRATIVE TRANSFERS | | | | |
| FROM UTILITY FUND | 1,000,000 | 0 | 0 | 0 |
| FROM ECONOMIC DEVL. FUND | 350,000 | 0 | 0 | 0 |
| FROM GENERAL CONTINGENCY | 0 | 0 | 0 | 0 |
| ALL OTHER REVENUE | 20,328,805 | 2,474,335 | 5,000 | 25,000 |
| | <u>21,678,805</u> | <u>2,474,335</u> | <u>5,000</u> | <u>2,033,308</u> |
| BUDGETED EXPENDITURES | | | | |
| TRANSFERS OUT | | | | |
| TO SPECIAL EVENTS FUND | 25,000 | 0 | 0 | 0 |
| TO CAPITAL PROJECTS | 0 | 0 | 0 | 0 |
| TO EQUIPMENT REPLACEMENT | 1,451,363 | 0 | 0 | 0 |
| ALL OTHER EXPENDITURES | 20,202,442 | 2,474,335 | 763,000 | 2,043,850 |
| | <u>21,678,805</u> | <u>2,474,335</u> | <u>763,000</u> | <u>2,043,850</u> |
| BUDGETED FUND BALANCE 9-30-19 | \$ <u>5,096,065</u> | \$ <u>737,421</u> | \$ <u>682,880</u> | \$ <u>6,470,701</u> |
| TARGET FUND BALANCE | RANGE | \$ 0 | \$ 500,000 | \$ |
| Low 25% of Operating Budget | \$ 5,419,701 | | | |
| High 33% of Operating Budget | \$ 7,154,006 | | | |

UTILITY FUNDS BALANCE ANALYSIS

| | UTILITY OPERATING FUND | UTILITY DEBT SERVICE | UTILITY PROJECTS FUND |
|---|------------------------------|----------------------------|-----------------------------|
| FUND BALANCE 9-30-16 | \$ 4,026,086 | 2,428,639 | 1,495,141 |
| TRANSFERS TO CAPITAL | | | |
| UTILITY CAPITAL PROJECTS | 375,000 | | 375,000 |
| FROM GENERAL FUND | | | 0 |
| FUND BALANCE AFTER CAPITAL TRANSFERS | 3,651,086 | | 1,870,141 |
| REVENUES INCLUDING TRANSFERS | 13,331,552 | 1,356,858 | 2,593 |
| EXPENDITURES INCLUDING TRANSFERS | 12,165,420 | 1,509,842 | 501,766 |
| FUND BALANCE 9-30-17 | \$ 4,817,218 | 2,275,655 | 1,370,968 |
| TRANSFERS TO CAPITAL | | | |
| GENERAL PROJECTS FUND | 450,000 | 0 | |
| UTILITY CAPITAL PROJECTS | 550,000 | 0 | 550,000 |
| FUND BALANCE AFTER CAPITAL TRANSFERS | 3,817,218 | 2,275,655 | 1,920,968 |
| 2018 PROJECTED REVENUES | | | |
| TRANSFERS IN | | | |
| FROM UTILITY OPERATING | 0 | 1,619,335 | 250,000 |
| FROM GENERAL FUND | | | |
| ALL OTHER REVENUE | 13,392,616 | 10,000 | 8,000 |
| | 13,392,616 | 1,629,335 | 258,000 |
| 2018 PROJECTED EXPENDITURES | | | |
| TRANSFERS OUT | | | |
| ADMINISTRATIVE TRANSFER | | | |
| TO GENERAL FUND | 540,390 | | |
| TO UTILITY DEBT SERVICE | 1,619,335 | | |
| TO UTILITY CONTINGENCY | 0 | | |
| TO UTILITY CAPITAL PROJECTS | 0 | | |
| TO EQUIPMENT REPLACEMENT | 657,423 | | |
| ALL OTHER EXPENDITURES | 9,950,012 | 1,600,819 | 687,250 |
| | 12,767,160 | 1,600,819 | 687,250 |
| PROJECTED FUND BALANCE 9-30-18 | 4,442,674 | 2,304,171 | 1,491,718 |
| PROJECTED TRANSFERS TO CAPITAL | | | |
| TO UTILITY CAPITAL PROJECTS | 500,000 | 0 | |
| FUND BALANCE AFTER CAPITAL TRANSFERS | 3,942,674 | 2,304,171 | 1,491,718 |
| 2019 BUDGETED REVENUES | | | |
| TRANSFERS IN | | | |
| FROM UTILITY OPERATING | | 1,742,763 | 250,000 |
| FROM ECONOMIC DEVL. FUND | | | |
| ALL OTHER REVENUE | 13,790,303 | 6,500 | 8,000 |
| | 13,790,303 | 1,749,263 | 258,000 |
| 2019 BUDGETED EXPENDITURES | | | |
| TRANSFERS OUT | | | |
| ADMINISTRATIVE TRANSFER | | | |
| TO GENERAL FUND | 1,000,000 | | |
| TO UTILITY DEBT SERVICE | 1,742,763 | | |
| TO UTILITY CAPITAL PROJECTS | 250,000 | | |
| TO EQUIPMENT REPLACEMENT | 556,945 | | |
| ALL OTHER EXPENDITURES | 10,240,595 | 1,746,975 | 120,000 |
| | 13,790,303 | 1,746,975 | 120,000 |
| BUDGETED FUND BALANCE 9-30-19 | \$ 3,942,674 | \$ 2,306,459 | \$ 1,629,718 |
| TARGET FUND BALANCE | RANGE | \$ 2,289,563 | \$ 500,000 |
| Low 25% of Operating Budget | \$ 3,447,576 | | |
| High 33% of Operating Budget | \$ 4,550,800 | | |

OTHER FUNDS BALANCE ANALYSIS

| | ECONOMIC DEVELOPMENT FUND | MOTEL OCCUPANCY FUND | PARK FUND |
|--------------------------------------|---------------------------------|----------------------------|--------------|
| FUND BALANCE 9-30-17 | \$ 1,708,061 | \$ 74,822 | \$ 87,574 |
| PROJECTED REVENUES | | | |
| TRANSFERS IN | | | |
| FROM ECONOMIC DEVL. FUND | 0 | 0 | 0 |
| FROM GENERAL FUND | 0 | 0 | 0 |
| ALL OTHER REVENUE | 3,976,500 | 586,548 | 925 |
| | 3,976,500 | 586,548 | 925 |
| PROJECTED EXPENDITURES | | | |
| TRANSFERS OUT | | | |
| TO SPECIAL EVENTS FUND | 0 | 72,828 | 0 |
| TO GOLF COURSE DEBT SERVICE | 488,800 | 0 | 0 |
| TO GOLF COURSE OPERATING | 500,000 | 0 | 0 |
| TO GENERAL FUND | 350,000 | 0 | 0 |
| ALL OTHER EXPENDITURES | 2,223,773 | 451,523 | 27,600 |
| | 4,524,871 | 520,200 | 27,600 |
| FUND BALANCE 9-30-18 | 1,159,690 | 141,170 | 60,899 |
| BUDGETED REVENUES | | | |
| TRANSFERS IN | | | |
| FROM ECONOMIC DEVL. FUND | 0 | 0 | 0 |
| ALL OTHER REVENUE | 3,492,000 | 595,100 | 0 |
| | 3,492,000 | 595,100 | 0 |
| BUDGETED EXPENDITURES | | | |
| TRANSFERS OUT | | | |
| TO SPECIAL EVENTS | 0 | 74,650 | 0 |
| TO GOLF COURSE DEBT SERVICE | 477,700 | 0 | 0 |
| TO GOLF COURSE OPERATING | 300,000 | | |
| TO GENERAL FUND | 350,000 | 0 | 0 |
| ALL OTHER EXPENDITURES | 2,228,841 | 438,475 | 28,000 |
| | 3,134,178 | 631,210 | 28,000 |
| BUDGETED FUND BALANCE 9-30-19 | \$ 1,517,512 | \$ 105,060 | \$ 32,899 |
| TARGET FUND BALANCE | 1,349,140 | None | None |

PERSONNEL SUMMARY BY DEPARTMENT

| <i>GENERAL FUND</i> | 2014-15 FT | 2015-16 FT | 2016-17 FT | 2017-18 FT | 2018-19 FT |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|
| ADMINISTRATION | 10.50 | 11.50 | 12.50 | 12.50 | 12.50 |
| FINANCE | 10.00 | 10.00 | 10.00 | 11.00 | 11.00 |
| TAX | | | | | |
| MUNICIPAL COURT | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| LEGAL | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| POLICE | 60.00 | 60.00 | 62.00 | 62.00 | 65.00 |
| FIRE | 1.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| HUMANE | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| ENGINEERING | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| STREET | 6.83 | 6.83 | 6.83 | 6.83 | 6.83 |
| DRAINAGE | 14.83 | 14.83 | 14.83 | 14.83 | 14.83 |
| BUILDING/CODE ENFORCEMENT | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 |
| PARKS | 13.50 | 13.50 | 13.50 | 13.50 | 13.50 |
| RECREATION | 13.50 | 13.50 | 14.50 | 14.50 | 14.50 |
| GARAGE | 9.00 | 9.00 | 9.00 | 9.00 | 9.50 |
| LIBRARY | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| CIVIC CENTER | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| TOTAL GENERAL FUND | 164.16 | 166.16 | 170.16 | 171.16 | 174.66 |
| | 2014-15 FT | 2015-16 FT | 2016-17 FT | 2017-18 FT | 2017-18 FT |
| <i>UTILITY FUND</i> | | | | | |
| UTILITY ADMINISTRATION | 6.00 | 6.00 | 8.00 | 8.00 | 8.00 |
| WATER PRODUCTION | 11.50 | 12.00 | 12.00 | 12.00 | 12.00 |
| WATER DISTRIBUTION | | | | | |
| WASTEWATER COLLECTION | 20.00 | 20.50 | 20.50 | 20.50 | 20.50 |
| WASTEWATER TREATMENT | | | | | |
| SANITATION | 25.34 | 25.34 | 25.34 | 25.34 | 25.34 |
| TOTAL UTILITY FUND | 62.84 | 63.84 | 65.84 | 65.84 | 65.84 |
| TOTAL ALL FUNDS COMBINED | 227.00 | 230.00 | 236.00 | 237.00 | 240.50 |

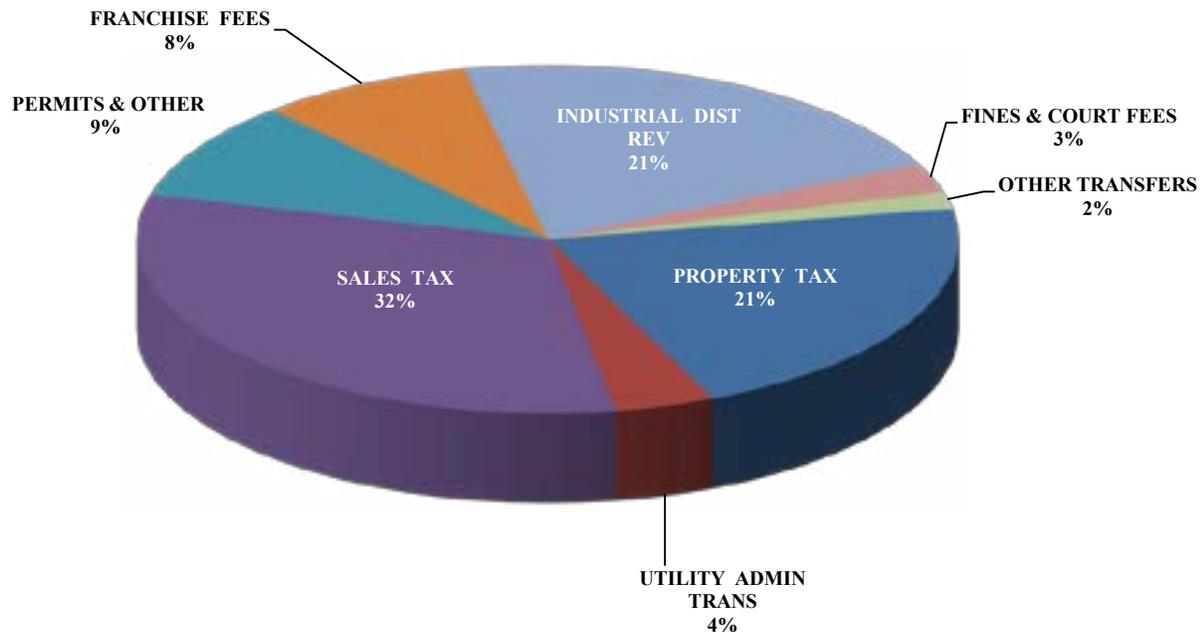
OPERATING FUNDS SUMMARY

| REVENUE | 2016 - 17 | 2017 - 18 | 2017 - 18 | 2018 - 19 |
|----------------------------|----------------------|-------------------|-------------------|-------------------|
| | ACTUAL | BUDGETED | ESTIMATED | ADOPTED |
| General Fund Resources | \$ 19,679,608 | 20,492,572 | 20,689,962 | 21,678,805 |
| Utility Operating Revenues | 13,331,552 | 13,163,778 | 13,392,616 | 13,790,303 |
| Total Revenue | \$ 33,011,160 | 33,656,350 | 34,082,578 | 35,469,108 |

| EXPENDITURES | 2016 - 17 | 2017 - 18 | 2017 - 18 | 2018 - 19 |
|---------------------------------------|----------------------|-------------------|-------------------|-------------------|
| | ACTUAL | BUDGETED | ESTIMATED | ADOPTED |
| Salaries & Wages | \$ 11,546,269 | 12,613,187 | 12,107,863 | 13,221,450 |
| Group Insurance | 1,497,359 | 1,953,100 | 1,756,728 | 2,008,400 |
| Employer FICA | 871,132 | 956,000 | 894,054 | 996,100 |
| Retirement Contribution | 1,565,829 | 1,570,600 | 1,511,964 | 1,647,400 |
| Workers Compensation | 109,896 | 164,000 | 133,664 | 171,200 |
| Other Employee Benefits | 2,451 | 24,062 | 18,407 | 28,442 |
| Contract Labor | 414,570 | 142,000 | 280,415 | 166,600 |
| Salary Compensation Study | - | - | - | 35,000 |
| Emergency Medical Services | 317,678 | 337,000 | 337,000 | 337,000 |
| Animal Shelter Management | 157,734 | 158,461 | 158,461 | 175,000 |
| Fire fighting services | 21,130 | 50,000 | 30,000 | 50,000 |
| Recycling & Waste Disposal | 1,005,179 | 1,060,000 | 1,075,000 | 1,080,000 |
| Sludge Disposal | 55,114 | 66,000 | 85,000 | 80,000 |
| Street marking & Improvement | 123,180 | 150,000 | 150,000 | 150,000 |
| Contract Mowing | 448,473 | 467,400 | 467,400 | 487,000 |
| Contract Cleaning | 142,631 | 155,700 | 144,670 | 144,670 |
| Braz. Cty Water Conservation District | 20,579 | 27,000 | 27,000 | 30,000 |
| Other Prof / Tech Services | 423,516 | 580,265 | 567,491 | 627,305 |
| Water / Wastewater State Fees | 77,593 | 82,500 | 77,415 | 82,500 |
| Maintenance & Repair | | | | |
| Water System | 143,648 | 295,200 | 245,000 | 290,200 |
| Wastewater System & Plant | 365,263 | 367,430 | 347,430 | 367,430 |
| Street & Drainage System | 70,832 | 84,000 | 84,000 | 84,000 |
| Fleet Vehicles and Equipment | 511,925 | 416,300 | 459,692 | 462,300 |
| Other Maintenance & Repair | 1,130,072 | 1,227,212 | 1,306,442 | 1,387,809 |
| BWA - Water | 2,146,200 | 2,226,500 | 2,220,400 | 2,277,600 |
| Other Property Services | 210,262 | 211,360 | 177,050 | 177,061 |
| Property & Liability Insurance | 540,439 | 561,848 | 596,829 | 630,287 |
| Other Purchased Services | 369,759 | 580,281 | 564,424 | 594,744 |
| Electricity & Natural Gas | 1,586,731 | 1,333,840 | 1,334,260 | 1,151,904 |
| General Supplies | 1,374,755 | 1,454,310 | 1,384,602 | 1,468,655 |
| Capital Outlay | 79,791 | 63,000 | 73,299 | 32,980 |
| Flood Related Expenditures | 1,098,344 | | 555,200 | |
| Transfers | | | | |
| To General Fund | 540,390 | 540,390 | 540,390 | 1,000,000 |
| To Equipment Replacement | 1,920,551 | 1,833,069 | 1,826,119 | 2,008,308 |
| To Special Events Fund | 25,000 | 35,000 | 35,000 | 25,000 |
| To Utility Debt Service | 1,308,502 | 1,619,335 | 1,619,335 | 1,742,763 |
| To Utility Projects | - | 250,000 | 250,000 | 250,000 |
| Total Expenditures | \$ 32,222,777 | 33,656,350 | 33,442,004 | 35,469,108 |

GENERAL FUND REVENUES BY CATEGORY

| <i>REVENUE</i> | 2016 - 17 ACTUAL | 2017 -18 BUDGET | 2017 -18 ESTIMATED | 2018 -19 ADOPTED |
|----------------------------------|----------------------|----------------------|-----------------------|----------------------|
| Property Tax | \$ 3,976,175 | \$ 4,388,426 | \$ 4,388,426 | \$ 4,598,243 |
| Sales Tax | 6,300,736 | 6,600,000 | 6,685,000 | 6,882,480 |
| Other Taxes | 143,358 | 144,500 | 160,000 | 157,500 |
| Franchise Fees | 1,707,847 | 1,722,000 | 1,743,704 | 1,831,700 |
| Industrial District Revenue | 4,394,560 | 4,485,526 | 4,501,354 | 4,594,532 |
| Licenses and Permits | 420,206 | 460,800 | 423,400 | 442,200 |
| Civic Center / Jasmine Hall Fees | 295,775 | 296,480 | 270,685 | 278,500 |
| Recreation Fees | 940,929 | 961,150 | 943,650 | 982,150 |
| Fines and Court Fees | 535,603 | 516,000 | 585,800 | 578,300 |
| Intergovernmental | 46,422 | 43,000 | 43,000 | 43,000 |
| Grants | 9,679 | 14,600 | 10,000 | 10,500 |
| Utility Administrative Fee | 438,390 | 438,390 | 438,390 | 850,000 |
| Interest and Other | 119,928 | 71,700 | 146,553 | 79,700 |
| Transfer from Econ. Devl. Fund | 350,000 | 350,000 | 350,000 | 350,000 |
| Total General Fund | \$ 19,679,608 | \$ 20,492,572 | \$ 20,689,962 | \$ 21,678,805 |



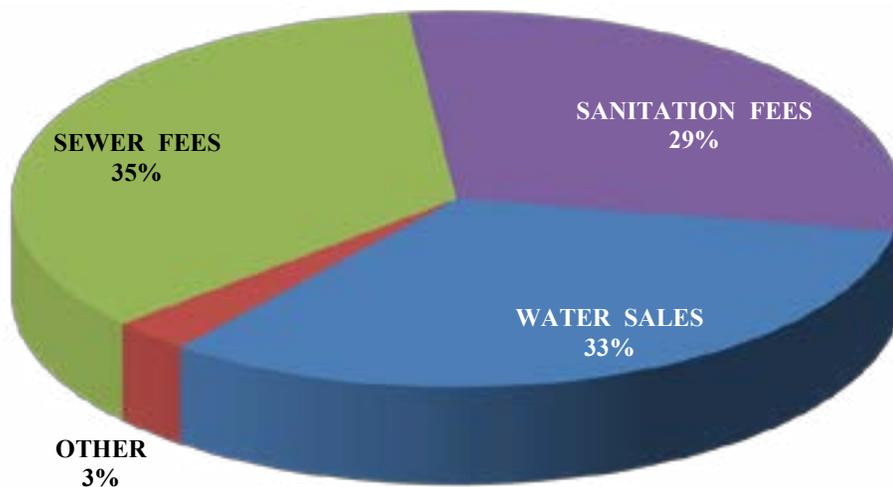
GENERAL FUND EXPENDITURES BY CATEGORY

| EXPENDITURES | 2016 - 17 ACTUAL | 2017 - 18 BUDGET | 2017 - 18 ESTIMATED | 2018 - 19 ADOPTED |
|----------------------------------|-----------------------------|-----------------------------|--------------------------------|------------------------------|
| SALARIES & WAGES | \$ 9,263,690 | \$ 9,917,487 | \$ 9,687,169 | \$ 10,462,450 |
| EMPLOYEE BENEFITS | 2,990,912 | 3,540,862 | 3,309,977 | 3,699,942 |
| OPERATING EXPENSES | 6,461,769 | 5,790,567 | 6,430,703 | 6,007,070 |
| CAPITAL OUTLAY | 49,899 | 33,000 | 43,299 | 32,980 |
| INTERFUND TRANSFERS: | | | | |
| EQUIPMENT REPLACEMENT | 1,266,088 | 1,175,656 | 1,168,696 | 1,451,363 |
| SPECIAL EVENTS FUND | 25,000 | 35,000 | 35,000 | 25,000 |
| <i>Total General Fund</i> | \$ 20,057,358 | \$ 20,492,572 | \$ 20,674,844 | \$ 21,678,805 |

| AUTHORIZED PERSONNEL | FISCAL 2014 - 15 | FISCAL 2016 - 17 | FISCAL 2017 - 18 | FISCAL 2018 - 19 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SERVICE / MAINTENANCE | 41.00 | 42.00 | 42.00 | 42.50 |
| OFFICE / CLERICAL | 21.00 | 20.00 | 20.00 | 20.00 |
| TECHNICAL | 29.00 | 29.00 | 29.00 | 31.00 |
| SWORN PERSONNEL | 40.00 | 42.00 | 42.00 | 43.00 |
| PROFESSIONAL | 7.00 | 10.00 | 11.00 | 11.00 |
| MANAGEMENT / SUPERVISION | 28.16 | 27.16 | 27.16 | 27.16 |
| TOTAL FT EMPLOYEES | 166.16 | 170.16 | 171.16 | 174.66 |
| SPECIAL AGREEMENT | 2.00 | 2.00 | 2.00 | 2.00 |
| TEMPORARY / SEASONAL | 24.23 | 23.18 | 23.18 | 23.27 |
| <i>Total General Fund Personnel</i> | 192.39 | 195.34 | 196.34 | 199.93 |

UTILITY FUNDS REVENUES BY CATEGORY

| <i>REVENUE</i> | 2016 - 17 ACTUAL | 2017 - 18 BUDGET | 2017 - 18 ESTIMATED | 2018 - 19 ADOPTED |
|-------------------------------------|----------------------|----------------------|------------------------|----------------------|
| Plumbing Permits | \$ 17,287 | \$ 20,000 | \$ 16,200 | \$ 16,000 |
| Tap Fees | 74,555 | 50,000 | 49,300 | 50,000 |
| Administrative Fees | 188,715 | 195,500 | 210,400 | 200,400 |
| Water Fees (net of Sr,discount) | 4,528,223 | 4,429,482 | 4,463,530 | 4,526,880 |
| Sewer Fees (net of Sr. discount) | 4,444,307 | 4,290,177 | 4,570,000 | 4,798,350 |
| Sanitation Fees | 3,923,534 | 4,035,033 | 3,966,745 | 4,071,522 |
| Miscellaneous | 118,581 | 123,586 | 53,441 | 69,600 |
| Interest | 36,350 | 20,000 | 63,000 | 57,551 |
| <i>Total Utility Revenue</i> | \$ 13,331,552 | \$ 13,163,778 | \$ 13,392,616 | \$ 13,790,303 |



UTILITY FUND EXPENDITURES BY CATEGORY

| <i>EXPENDITURES</i> | 2016 - 17 ACTUAL | 2017 - 18 BUDGET | 2017 - 18 ESTIMATED | 2018 - 19 ADOPTED |
|----------------------------------|-----------------------------|-----------------------------|--------------------------------|------------------------------|
| SALARIES & WAGES | \$ 2,697,149 | \$ 2,837,700 | \$ 2,701,109 | \$ 2,925,600 |
| EMPLOYEE BENEFITS | 1,055,755 | 1,126,900 | 1,004,840 | 1,151,600 |
| OPERATING EXPENSES | 5,879,268 | 6,102,040 | 5,964,063 | 6,163,395 |
| CAPITAL OUTLAY | 29,892 | 30,000 | 30,000 | 0 |
| INTERFUND TRANSFERS: | | | | |
| GENERAL FUND | | | | |
| ADMIN FEE - SANITATION | 127,100 | 127,100 | 127,100 | 300,000 |
| ADMIN FEE - WATER W/WATER | 311,290 | 311,290 | 311,290 | 550,000 |
| FRANCHISE FEE | 102,000 | 102,000 | 102,000 | 150,000 |
| EQUIPMENT REPLACEMENT | 654,464 | 657,413 | 657,423 | 556,945 |
| UTILITY PROJECTS | 0 | 250,000 | 250,000 | 250,000 |
| UTILITY DEBT SERVICE | 1,308,502 | 1,619,335 | 1,619,335 | 1,742,763 |
| <i>Total Utility Fund</i> | \$ 12,165,420 | \$ 13,163,778 | \$ 12,767,160 | \$ 13,790,303 |

| <i>AUTHORIZED PERSONNEL</i> | FISCAL 2015 - 16 | FISCAL 2016 - 17 | FISCAL 2017 - 18 | FISCAL 2018 - 19 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| SERVICE / MAINTENANCE | 41.00 | 43.00 | 43.00 | 43.00 |
| OFFICE / CLERICAL | 5.00 | 5.00 | 5.00 | 5.00 |
| TECHNICAL | 10.00 | 10.00 | 10.00 | 10.00 |
| PROFESSIONAL | 0.00 | 0.00 | 0.00 | 0.00 |
| MANAGEMENT / SUPERVISION | 7.84 | 7.84 | 7.84 | 7.84 |
| TEMP / SEASONAL | 0.00 | 0.00 | 0.00 | 0.00 |
| <i>Total Utility Fund Personnel</i> | 63.84 | 65.84 | 65.84 | 65.84 |

SUMMARY OF CAPITAL ITEMS

Typically, capital items are defined as any one item exceeding \$5,000 in cost, which has a useful life of more than one year. Based on the cost of a capital item, they may be budgeted in one of several funds.

Capital items costing less than \$5,000 are usually budgeted in the operating budget of the department making the request under a line-item called Capital Outlay - Equipment or Capital Outlay -Furniture & Fixtures.

Equipment replacement purchases are budgeted in the Equipment Replacement Fund. Each department then has a line-item in their budget called Operating Transfer - Equipment Replacement Fund. Each department is required to transfer money to the Equipment Replacement Fund based on the Equipment purchased for that department and its estimated useful life.

Drainage, street, facility, water and wastewater projects are budgeted in the General Projects Fund and the Utility Projects Fund if money is available. These funds accumulate money primarily from “budget savings” occurring in the operating funds.

Larger projects, typically those over \$500,000, are funded by issuing some form of debt, i.e., bonds. These expenditures are budgeted in multi-year bond construction funds.

Summary of Capital Purchases included in the FY 2018-19 Budget

Equipment Replacement Fund Purchases (see Other Funds Tab) \$2,168,115

Once again the largest purchases proposed for FY 18-19 are for a replacement residential garbage truck (\$300,000) and a replacement commercial garbage truck (\$300,000). We replaced two garbage trucks in FY17-18 as well. The Sanitation Department is also replacing a wheel loader (\$175,000) and two front-end loaders with grappler for \$95,000 each.

The Police Department is replacing five vehicles totaling \$204,000.

We are also proposing to replace Medic 7 (ambulance) for \$275,000.

Computer related items add another \$251,115 to the budget.

The rest of the FY18-19 Equipment Replacement budget is to replace a number of pick-ups and mowing equipment.

General & Utility Projects additional projects (see Capital Projects Tab) \$1,063,000

We have a number of smaller drainage projects proposed in the General Projects in FY 18-19. These include a Northwood s/d drainage project (\$81,000); Starting a multi-year stream monitoring program (first year to add electronic stream gauge \$40,000); and \$10,000 for a pump pad and discharge pipe under Old Angleton Road.

We are into the second year (\$50,000) of the Buxton Retail Marketing Plan. We have the final of five \$70,000 payments to pay for the Creekside s/d bridge included in FY 18-19. We also have our annual allotment to replace fire bunker gear and air packs (\$65,000).

Also added for FY18-19 is \$80,000 to improve the communication system for our many school zone flashing lights.

On the Utility Project side we have \$180,000 for the new chemical building at Beechwood and \$120,000 for replacement water meters.

Total Capital Expenditures from annually budgeted funds: \$32,980

Recently Completed Renovations to South Parking Place



MAJOR REVENUES



LAKE JACKSON

City of Enchantment

City of
Enchantment



MAJOR REVENUE SOURCES

PROPERTY TAX

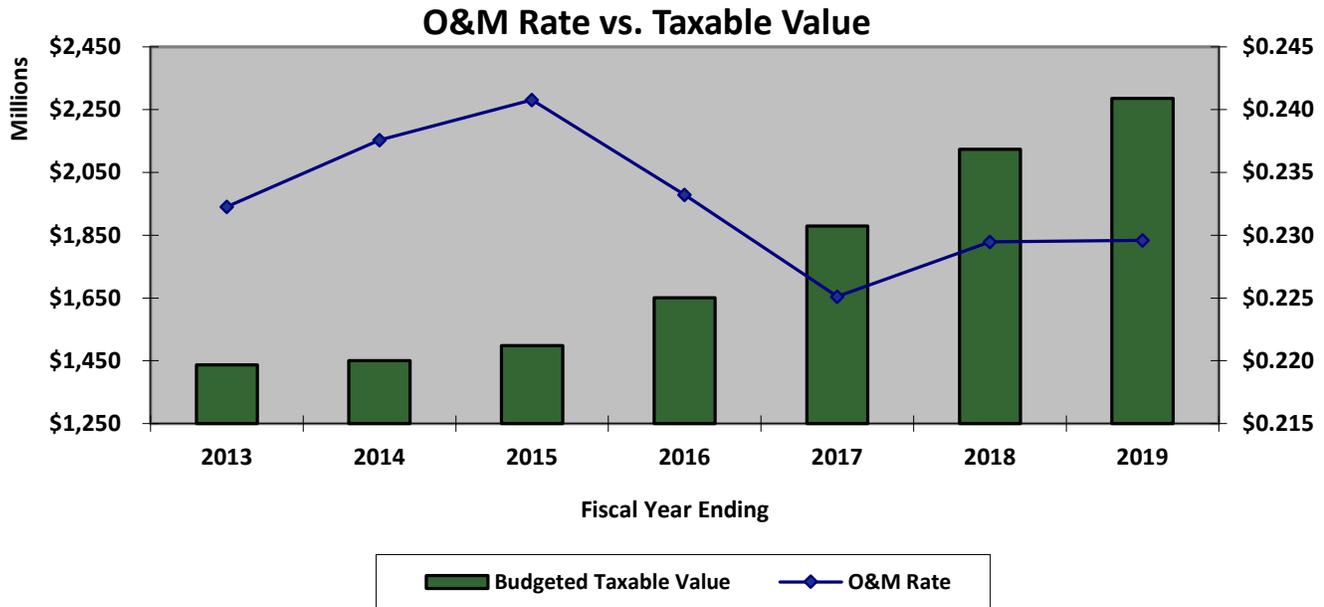
FY 2018-19

| | |
|--------------------------|---------------------|
| General Fund Budget | \$ 4,598,243 |
| Debt Service Fund Budget | \$ 2,465,835 |
| Total Property Taxes | <u>\$ 7,064,078</u> |

Property taxes (ad valorem) attach as an enforceable lien on property as of each January 1st. The city’s property tax is levied each October 1st on the assessed value listed as of January 1st for all real and business personal property located in the City. Assessed values are established by the Central Appraisal District of Brazoria County at 100% of the estimated market value and certified by the Appraisal Review Board. Pursuant to state law, individual residential values cannot increase more than 10% annually. The FY 2018-19 (2018 Tax Year) certified net taxable value from the Brazoria County Appraisal District (including estimated values on appeals not yet resolved) is \$2,301,112,111. This is a 9.6% increase from the prior year’s current adjusted net taxable value.

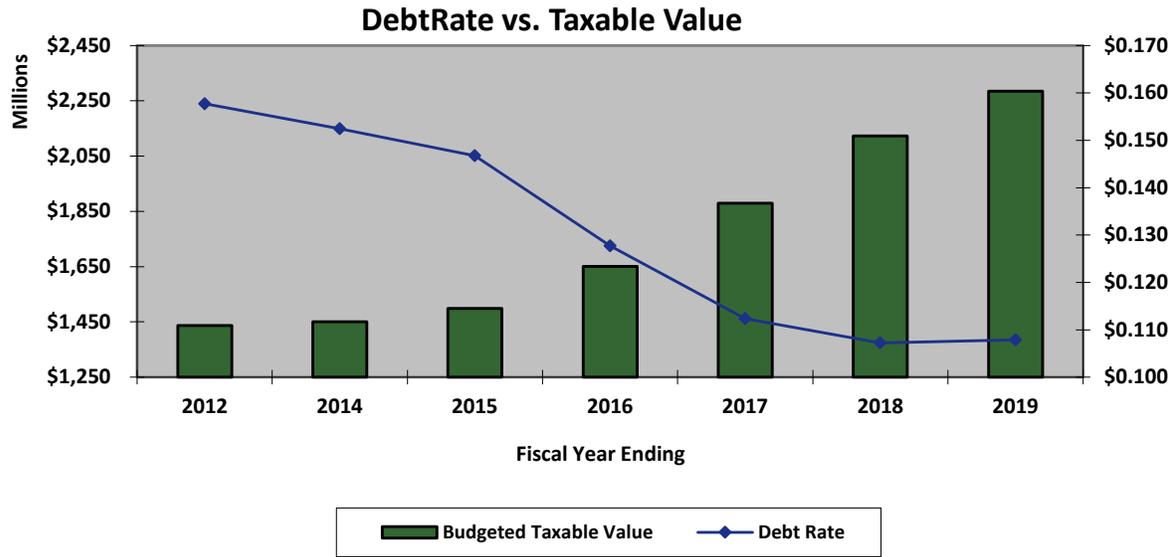
The City sets a tax rate on the basis of cents per \$100 of valuation. The tax rate is comprised of two components – the operations and maintenance (O&M) rate and the debt service rate. The O&M rate provides for the operation and maintenance of general government functions such as Police, Humane, Fire, EMS, Code Enforcement, Building Permits, Drainage, Streets, Parks, and Recreation. This portion of the tax rate is recorded as revenue in the General Operating Fund.

Property Tax



The other component is the debt service rate. Revenue generated by the debt service rate is recorded in the Debt Service Fund. The debt rate is based on generating revenues sufficient to pay the principal and interest due on general obligation bonds. The issuance of all General Obligation Bonds are approved by the voters. All citizens are made aware of the projected increase in the tax rate the issuance of bonds will generate.

MAJOR REVENUE SOURCES



Although there is no statutory debt limit for small municipalities, truth-in-taxation criterion does specify a maximum tax rate that a city may assess. Debt service requirements must be met first, followed by operation and maintenance. The property tax rate to meet these needs cannot exceed \$2.50 per \$100 of assessed valuation.

AD VALOREM TAX REVENUES

| Fiscal Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 Proj. | 2019 Budget |
|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund | \$3,351,088 | \$3,466,594 | \$3,615,756 | \$3,773,881 | \$3,979,475 | \$4,806,722 | \$5,247,495 |
| Debt Service Fund | \$2,258,417 | \$2,208,460 | \$2,190,688 | \$2,087,252 | \$2,112,160 | \$2,276,697 | 2,465,835 |
| Total | \$5,609,505 | \$5,675,054 | \$5,806,444 | \$5,861,133 | \$6,091,635 | \$7,083,419 | \$7,713,330 |

SALES TAX

| | <u>FY 2018-19</u> |
|---|----------------------------|
| <i>General Fund Budget</i> | <i>\$ 6,960,000</i> |
| <i>Economic Development Fund Budget</i> | <i><u>3,480,000</u></i> |
| <i>Total Sales Tax Revenue</i> | <i><u>\$10,440,000</u></i> |

The sales tax rate in the City of Lake Jackson is 8.25% of taxable goods or services sold or delivered within the boundaries of the City. The tax is collected by businesses making the sale and is remitted to the State Comptroller of Public Accounts. Of the 8.25% tax rate, the State retains 6.25% and distributes 1.5% to the City and .5% to Brazoria County.

MAJOR REVENUE SOURCES

1.00% is used for the City’s general operating purposes, and is the largest revenue source of the General Fund, accounting for approximately 32.2% of General Fund revenues.

0.50% is allocated to the Lake Jackson Development Corporation (LJDC), the City’s 4B Economic Development Corporation. Voters approved adding this additional ½ cent to the sales tax on May 6, 1995. As specified on the ballot, the use of this revenue is limited to payment of the costs of land, building, equipment, facilities, improvements and maintenance and operation costs for public park purposes, recreational facilities to be used for sports and entertainment, and for infrastructure improvements for development of new or expanded business enterprises. The LJDC provides financing services entirely to the City. The LJDC is considered a blended component unit for financial reporting purposes and is reported as if it were part of the City’s operations. The ½ cent (0.50%) of sales tax revenue and expenditures are accounted for in the Economic Development Fund.

0.50% is imposed by Brazoria County.

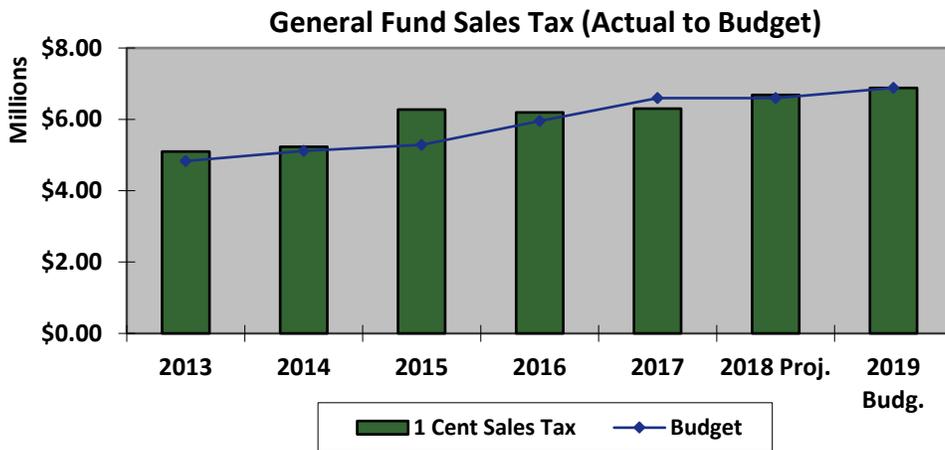
6.25% is retained by the State Comptroller of Public Accounts.

8.25% Total Sales Tax Rate

Aggregate historical data, adjusted for any known changes to the base, is used to project future sales tax revenues. Currently we are projecting fiscal year 2018 to surpass the 2018 budget by 1.6% (\$160,000). For FY 2018-19, sales tax receipts are expected to continue to modestly grow. As a result, for FY 2018-19 we are expecting \$10.5 million in sales tax revenues (\$7.0 million in General Fund, \$3.5 million Economic Development Fund).

This is a 3.3% increase (\$200,000 General Fund, \$142,500).

SALES TAX

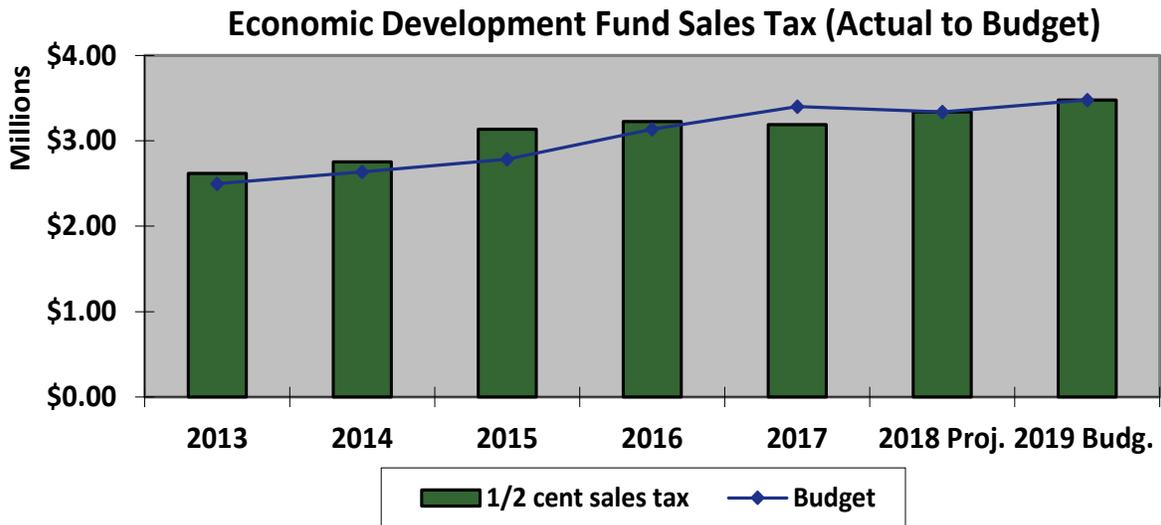
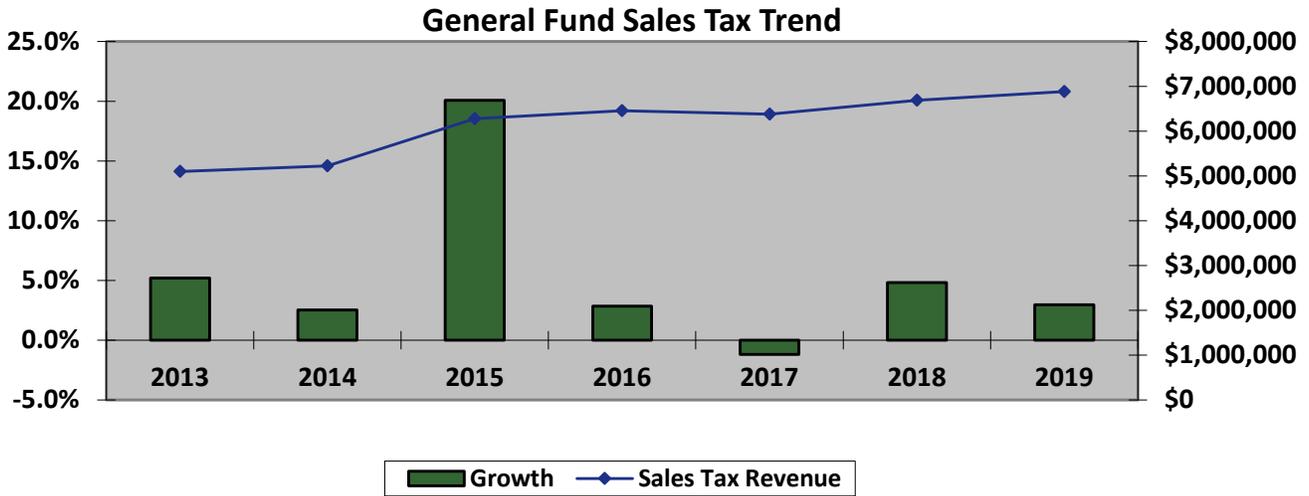


Sales Tax Agreements affecting the General Fund:

Additionally, the State of Texas allows cities to enter into incentive agreements for companies to locate to the City and report sales tax collections from the City for local collections. In return, the City grants a portion of the collections to the company in the form of an incentive payment. The City currently has two incentive agreements (Brazos Mall & HEB) and the City’s net receipts under these agreements are estimated to exceed \$110,000 in fiscal 2018-19.

MAJOR REVENUE SOURCES

A new incentive agreement with the Brazos Mall has been negotiated and a major expansion is underway. The city has anticipated only a modest increase in sales tax revenues from Brazos Mall for the FY 2018-19 budget.



AD VALOREM TAX REVENUES

| Fiscal Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 Proj. | 2019 Budget |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General Fund | \$3,351,088 | \$3,466,594 | \$3,615,756 | \$3,773,881 | \$3,979,475 | \$4,806,722 | \$5,247,495 |
| Debt Service Fund | \$2,258,417 | \$2,208,460 | \$2,190,688 | \$2,087,252 | \$2,112,160 | \$2,276,697 | 2,465,835 |

MAJOR REVENUE SOURCES

FRANCHISE FEES

| | |
|-------------------------------------|----------------------------|
| | <u>FY 2018-19</u> |
| <i>General Fund Budget</i> | <i>\$ 1,881,700</i> |
| <i>PEG Fund Budget</i> | <u><i>82,500</i></u> |
| <i>Total Franchise Fee Revenues</i> | <u><i>\$ 1,964,200</i></u> |

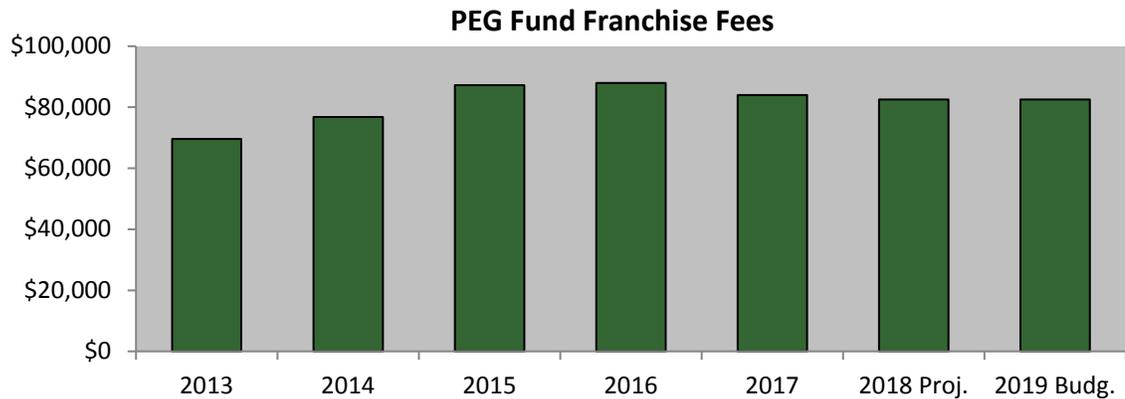
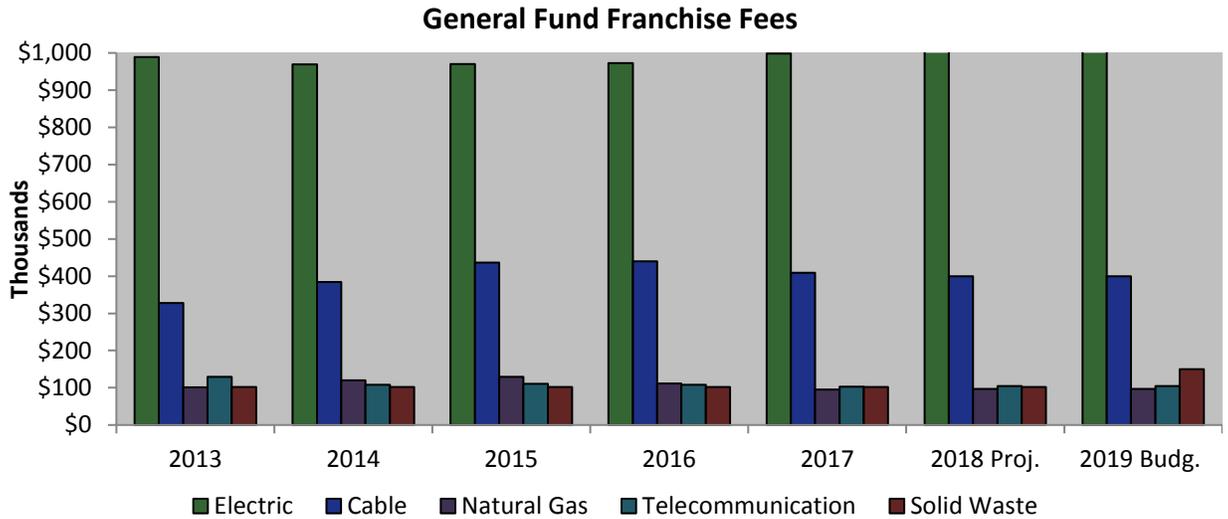
The City of Lake Jackson maintains franchise agreements with utilities that use the City's right-of-ways (ROW) to conduct their business. The agreements contain a franchise fee clause, which requires the utilities to compensate the City for use of ROW. Generally, the fees are based upon a percentage of a utility's gross receipts or a per-unit of usage charge (generated by customers located within the City's corporate limits that range from 2% - 5%). These revenues are accounted for in the General Operating Fund.

- Electric Franchise fees are charged for use of city streets and ROW's. These fees are received monthly and are based on kilowatt hours delivered within Lake Jackson city limits.
- Gas Franchise fees are charged for use of city streets and ROW's. This fee is based on a percentage of gross revenue.
- Telecommunication Franchise fees are received from Certificated Telecommunications Providers based on the number of lines within the municipality and the rate for each category of line calculated monthly. Fee-per-access line is regulated by the Public Utility Commission.
- Cable Television Franchise fees are paid to the City for use of city streets and ROWs. Payments are made quarterly and are based on a percentage of the cable operator's gross receipts. The General Operating Fund receives payments equivalent to 5% of the cable operator's gross receipts. An additional 1% of the cable operator's gross receipts for cable television are restricted –by law -- for capital cost related to public, educational, and governmental (PEG) programming. These revenues are accounted for in the PEG Special Revenue Fund.
- The City's sanitation department provides for the removal of all trash and rubbish. Each residential unit in the City receives regular collection service twice per week and special collection of large items and brush twice per month. To reimburse the General Fund for the "expense" of these services, the City annually transfers funds (\$102,000) from the Utility Fund to the General Fund to reimburse the General Fund for solid waste franchise fees that would be collected if a private company was contracted for these services.

The City's franchise fees are estimated to total \$1,743,704 in FY 2017-18, which is almost identical to the FY 2017-18 projections. Franchise fees are projected to increase by 5.0% (\$87,996) in FY2018-19, with electrical usage increasing by \$100,000. However, cable franchise fees are expected to decrease by \$40,000 based on FY 17-18 projections.

MAJOR REVENUE SOURCES

FRANCHISE FEES



INDUSTRIAL DISTRICT

FY 2018-19

General Fund Budget

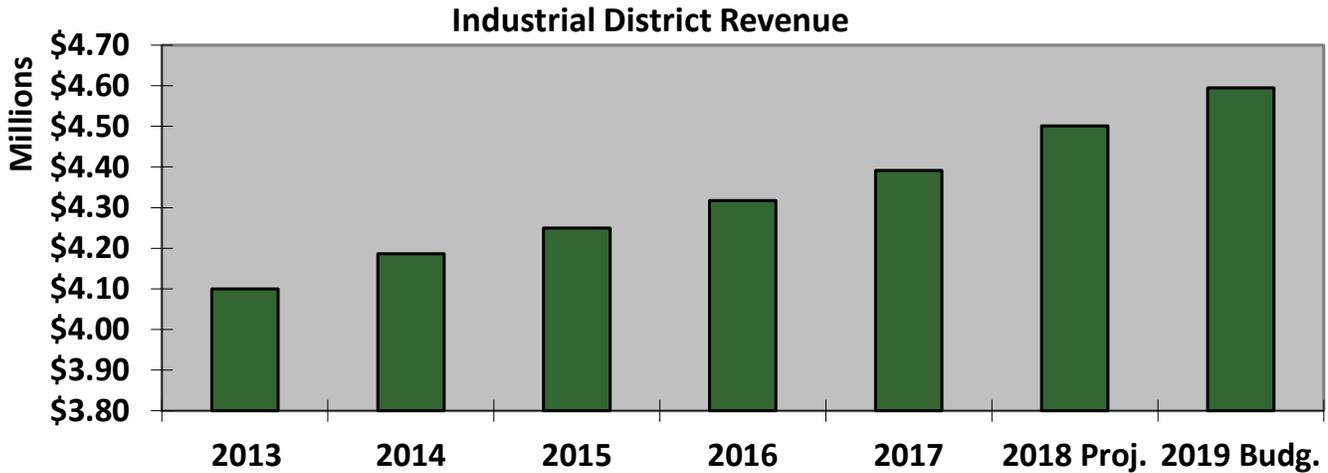
\$ 4,594,532

In concert with the cities of Clute and Freeport, Lake Jackson entered into an industrial district contract with Dow Chemical Company, BASF Corporation, and the Brock Interests. The contract calls for industry to make payments to the cities in lieu of being annexed and paying the full tax rate. In exchange, this relieves the cities from having to provide full city services, such as police and fire, to the industrial complex.

The industrial district contract was renegotiated in December, 2011, and ends December, 2026. Starting in fiscal year 2013-2014, the payments were calculated in accordance with the application of a percentage growth factor, based on the Consumer Price Index – All Urban consumers (“CPI-U”), or on a value based formula, whichever is greater. As a result of this calculation, an increase of 2.1% (\$93,178) will be paid to

MAJOR REVENUE SOURCES

the City of Lake Jackson in fiscal year 2018-2019.



OPERATING TRANSFERS

FY 2018-19
General Fund Budget \$ 1,200,000

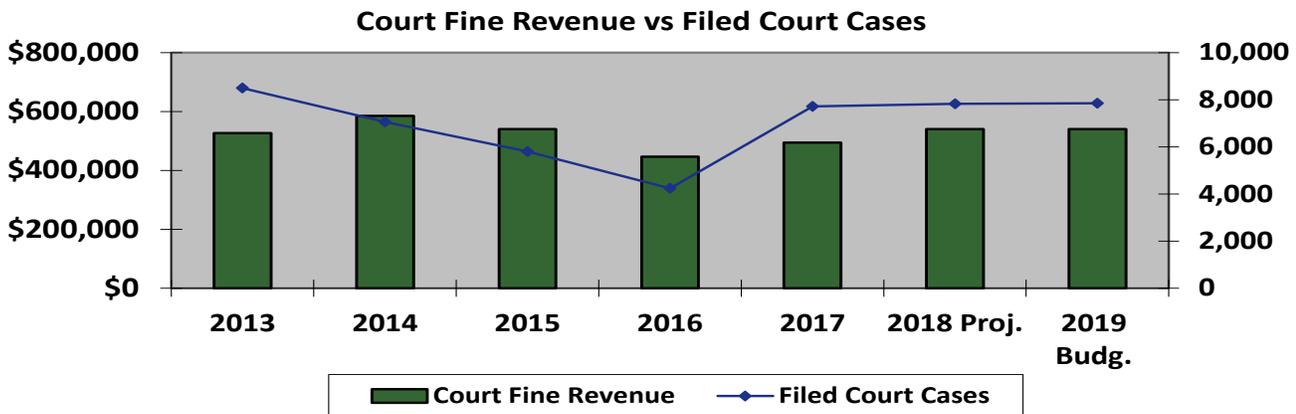
The City’s water, wastewater, and sanitation operations annually reimburse the General Fund for administrative services provided during the year. These include general administration, computer services, personnel services, purchasing services, engineering services, and the like. These transfers insure that the Utility Fund is self supporting and self sufficient. The total of the transfers from the Utility Fund equate to \$850,000.

The General Fund also receives a \$350,000 transfer from the ½ ¢ optional sales tax (Economic Development Fund) to help offset the operating costs of the Recreation Center. Overall, operating transfers will equal \$788,390.

COURT FINES

FY 2018-19
General Fund Budget \$ 540,800

Court fine revenues fluctuate in relation to the number of citations issued and the amount of court fines collected. In FY 2016-17 the City added two new officers to the traffic division. Now that the new traffic division is fully operational, the city has budgeted a higher estimate for court fines by increasing court fine revenue by \$50,800 to \$540,800



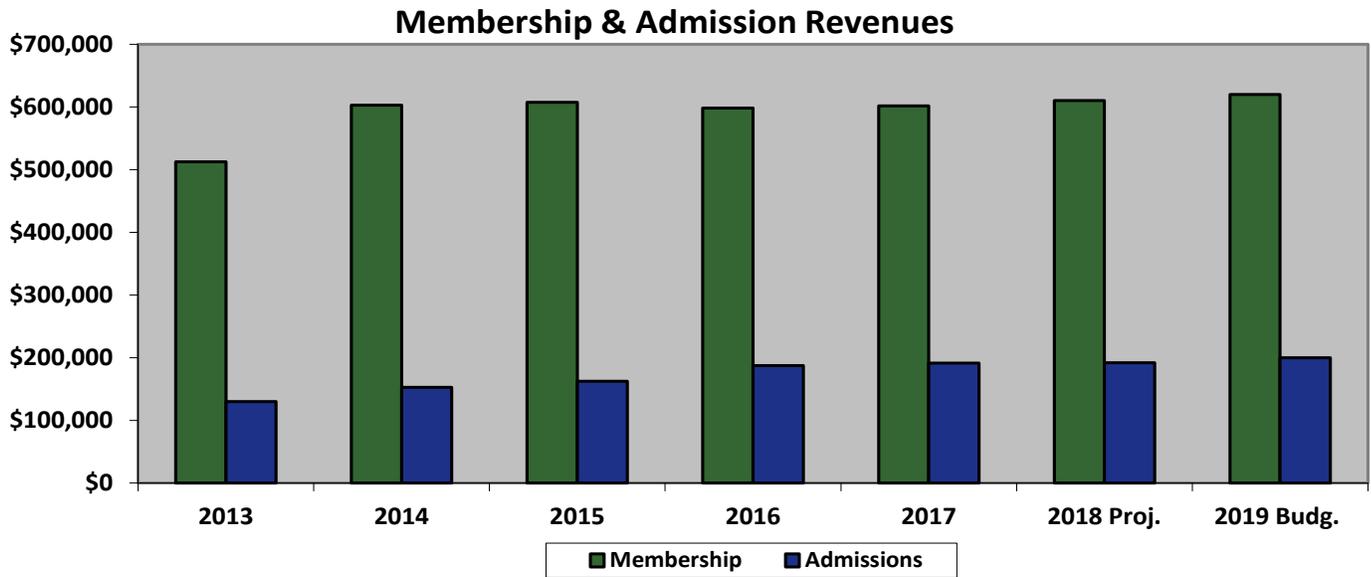
MAJOR REVENUE SOURCES

RECREATION FEES

FY 2018-19
General Fund Budget \$ 952,150

Over 86% (\$821,150) of the recreation revenues are comprised of admissions and memberships. The other 14% (\$131,000) of recreation revenues are primarily comprised of fees collected from the youth and adult programs, as well as the rental of facilities. Membership revenue is contingent upon the number of memberships, and admission revenue is contingent on the number of times non-members utilize the Recreation Center. The FY 2018-19 revenues for memberships and admissions are projected to only slightly increase.

Membership revenue is contingent upon the number of memberships, and admission revenue is contingent on the number of times non-members utilize the Recreation Center. The FY 2018-19 revenues for memberships and admissions are projected to slightly increase by 2.2% (\$18,000).



The other recreation revenues for FY 2018-19 are projected to increase by 15.6% (\$20,500) over the FY 2017-18 projections. This increase is mainly attributed to expanded program offerings.

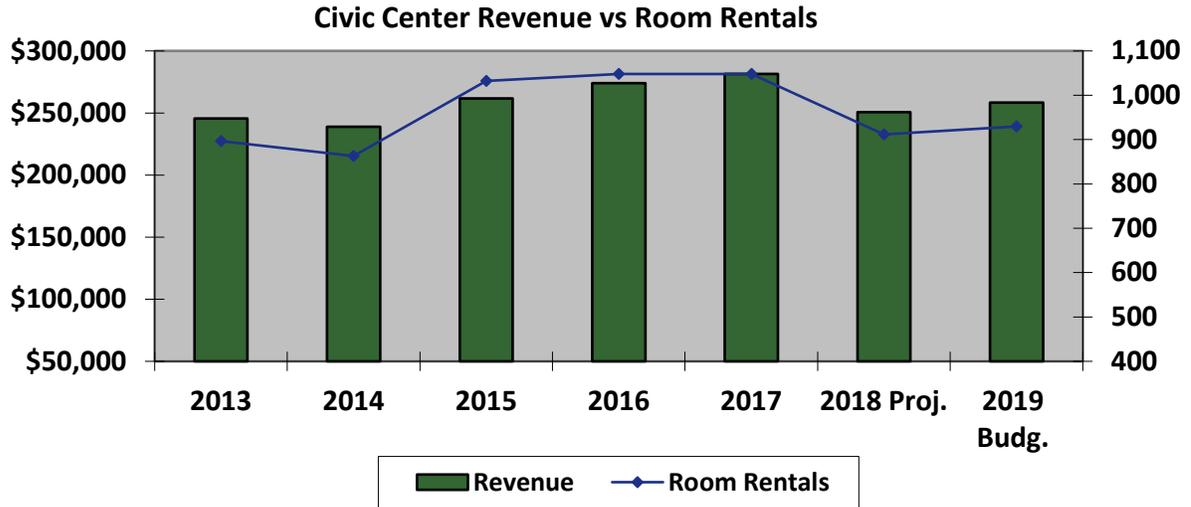
CIVIC CENTER REVENUE

FY 2018-19
General Fund Budget \$ 308,500

Civic Center revenues fluctuate in proportion to the number and type of rented rooms. The City is projecting to collect Civic Center revenues totaling \$250,685 for FY 2017-18 which is \$26,228 below last year's collections. Civic Center's revenues are anticipated to be \$7,815 more than the FY 2017-18 projections.

MAJOR REVENUE SOURCES

CIVIC CENTER REVENUE



PERMITS

| | <u>FY 2018-19</u> |
|----------------------|--------------------------|
| General Fund Budget | \$ 265,000 |
| Utility Fund Budget | <u>16,000</u> |
| Total Permits | <u>\$ 281,000</u> |

Building Permit revenues include fees for the construction, alteration, removal, or demolition of buildings within the City. Building Permit revenue fluctuates based on the amount of building construction and the projected value of the structure.

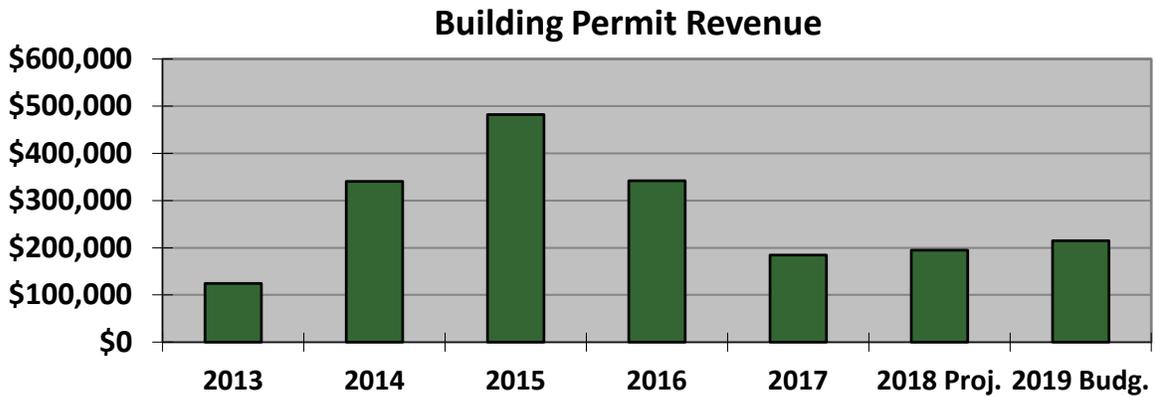
Electrical Permit revenues also include fees for inspection of installation or changes made in the electrical wiring or fixtures for use in connection the production of electrical light or heat for power. Electrical Permit revenue fluctuates based upon the type of electrical work.

Building and Electrical Permit revenues are accounted for in the General Fund.

Plumbing Permit revenues include fees for plumbing work connected with or intended to be connected with the sewer system. Plumbing Permit revenues are accounted for in the Utility Fund.

Permit revenues have normalized after back to back years of large projects such as such as the new A.P. Beutel Elementary, Courtyard by Marriott, Staybridge Suites, and the build out of the R&D Buildings at the Dow Texas Innovation Center and Brazos Mall expansion. We have slightly decreased permit revenue by 3.3% (\$7,200) based on FY 2017-18 projections.

MAJOR REVENUE SOURCES



WATER FEES

FY 2018-19

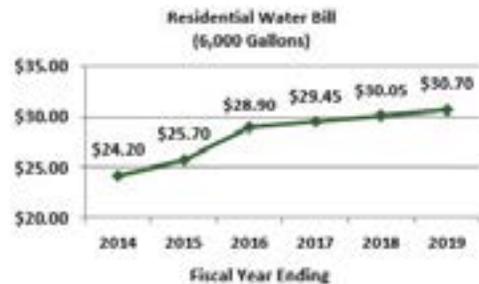
Utility Fund Budget \$ 4,776,880

Water revenues account for \$4,776,880 (35%) of the budgeted utility revenues for FY 2018-19. This rate is set based on generating revenues to cover the cost of purchasing water from the Brazosport Water Authority (BWA), operating 12 water wells, maintaining the water distribution system, and related portions of debt service requirements.

For FY 2018-19 BWA is increasing water rates by 7 cents, from \$3.05/1,000 gallons to \$3.12/1,000 gallons.

These revenues are based on the following water rates

| | |
|--------------------------------|--------------------------|
| Residential Base (2,000 gals.) | \$13.50 per month |
| Commercial Base (2,000 gals.) | \$27.00 per month |
| 2,000 to 20,000 gallons | \$4.30 per 1,000 gallons |
| Over 20,000 gallons | \$4.80 per 1,000 gallons |



We will increase our base rate to \$13.50 for 2,000 gallons and our per thousand to \$4.30 for amounts over the base. As requested by TCEQ, the City will continue to charge ‘tiered’ water rate which adds \$.50 per thousand gallons for usage over 20,000 gallons. We will continue to provide a discount (40% of the base monthly bill) for senior citizens, which is applied to their base water and sewer bill. The city pumps an average of 3 million gallons per day. Our contract with BWA requires the City to purchase 2 million gallons of water per day on a take or pay basis. The difference is made up with well water.

The 2018-19 fiscal year water revenue budget projection is determined by using the City’s customer base of 24 apartment complexes, 414 commercial accounts, 57 institutional accounts, 94 irrigation accounts, and 8,325 residences.

MAJOR REVENUE SOURCES

Utilizing historical trends, we have estimated the following water usages for these customer types:

| CLASS | FY 2018-19 | | Annual Estimated Gallons Over Base | Over Base Dollars | Base Dollars @ \$27.00 per Customer |
|-----------------------------|--------------------------|--|---|--------------------------|---|
| | Avg. No. of Customers | Avg. Gallons Over Base Per Customer /Unit | | | |
| USAGE UNDER 20 TGALS | | | | @\$4.30 per 1,000 | |
| Multi - Family | 24 (3,485 units) | 3.00 | 9,400 | \$40,420 | \$14,258 |
| Commercial | 414 | 27.15 | 27,000 | \$116,100 | \$134,136 |
| Institutional | 57 | 81.00 | 5,500 | \$23,650 | \$18,468 |
| Irrigation | 94 | 22.00 | 8,200 | \$35,260 | \$30,456 |
| Residential | 8,325 | 3.30 | 316,500 | \$1,360,950 | \$1,348,650 |
| USAGE OVER 20 TGALS | | | | @\$4.80 per 1,000 | |
| Multi - Family | | | 116,100 | \$557,280 | |
| Commercial | | | 107,900 | \$517,920 | |
| Institutional | | | 16,700 | \$80,160 | |
| Irrigation | | | 50,000 | \$240,000 | |
| Residential | | | 13,200 | \$63,360 | |
| Dow | | | 17,142 | \$82,282 | |
| Total Water Fees | | | | \$4,663,350 | |

SEWER FEES

Utility Fund Budget FY 2018-19
\$ 4,728,350

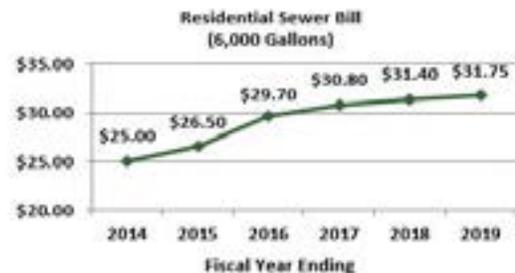
Sewer revenues account for \$4,798,350 (or 35%) of the projected utility revenues for FY 2017-18.

When compared to the FY 2017-18 budget, these rates reflect a \$.15 increase in the residential base rate, a \$.10 increase in the per 1,000 gallon rate, and a \$.30 increase in the commercial base rate.

These revenues are based on the following sewer rates:

- Residential Base (2,000 gals.) \$13.65 per month
- Commercial Base (2,000 gals.) \$27.30 per month
- Over 2,000 gallons \$ 4.60 per 1,000 gallons

*Residential customers are capped at 15,000 gallons/month.



This rate is based on covering the cost of maintaining the city’s wastewater collection and treatment system, which includes 39 lift stations, a 5.89 million gallons per day Wastewater Treatment Plant, as well as any debt service and administration costs allocated to the wastewater system.

MAJOR REVENUE SOURCES

Based on the previously mentioned customer base, revenues from sewer fees are projected as follows:

| CLASS | FY 2018-19 | | Avg. Gallons | Annual | Over Base | Base Dollars |
|-------------------------|-----------------------|--|------------------------------|-----------------------------|----------------------------|------------------------|
| | Avg. No. of Customers | | Over Base Per Customer /Unit | Estimated Gallons Over Base | Dollars @ \$4.60 per 1,000 | @ \$27.30 per Customer |
| SEWER | | | | | | |
| Multi - Family | 24 (3,485 units) | | 3.20 | 125,460 | \$577,116 | \$14,395 |
| Commercial | 400 | | 27.15 | 130,320 | \$599,472 | \$131,040 |
| Institutional | 52 | | 82.00 | 51,168 | \$235,373 | \$17,036 |
| Residential | 8,325 | | 3.20 | 297,942 | \$1,370,533 | \$1,363,635 |
| TDCJ | 91,250 | | | | \$419,750 | |
| Total Sewer Fees | | | | | \$4,728,350 | |

SANITATION FEES

FY 2018-19
Utility Fund Budget \$ 4,071,522

Sanitation fees account for \$4,071,522 or 29% of projected utility revenues for FY 2018-19. These revenues are based on the following sanitation rates:

| | |
|---------------------------|----------------------------|
| Residential Garbage/Trash | \$17.35 per month |
| Residential Recycling | \$ 2.50 per month |
| Apartment Garbage/Trash | \$17.35 per unit per month |
| Apartment Recycling | \$ 1.50 per unit per month |

Dumpster Rates Number Of Pickups Per Week

| | 2x | 3x | 4x | 5x | 6x |
|------------------------|----------|----------|----------|----------|----------|
| 3 Cubic Yard Container | \$75.70 | \$113.40 | \$151.30 | \$189.15 | \$226.90 |
| 4 Cubic Yard Container | \$100.85 | \$151.30 | \$201.70 | \$252.10 | \$302.55 |

Shared Dumpster Rates

| | |
|-----------------|---------|
| Small Business | \$27.90 |
| Medium Business | \$36.35 |
| Large Business | \$44.80 |

These fees are set based on covering the cost of providing residential customers twice weekly garbage collection, once weekly co-mingled recyclable collection, and twice monthly heavy trash collection. Heavy trash collection includes appliances and furniture.

Commercial and apartment customers are provided with side loading dumpsters, which are serviced based on a set schedule.

MAJOR REVENUE SOURCES

The Sanitation Department contains 25 employees and a fleet of 9 residential garbage/recycle trucks, 4 commercial trucks, 2 roll-off trucks, 5 flatbed trucks, 2 landscape loaders, 1 front-end loader, and 1 dumpster container truck.

The 2018-19 budgeted sanitation revenues were determined as follows: Residential

The projected revenue for residential garbage is \$1,733,265.

Residential Recycling

8,325 customers x \$2.50 per month x 12 month = \$249,750.

Apartment/Multi-family Garbage

The projected revenue for apartment and multi-family garbage collection is \$725,577.

Apartment/Multi-family Recycling

The projected revenue for apartment and multi-family recycling is \$62,730.

Commercial Garbage

The projected revenue for commercial garbage is \$798,200.

GENERAL FUND



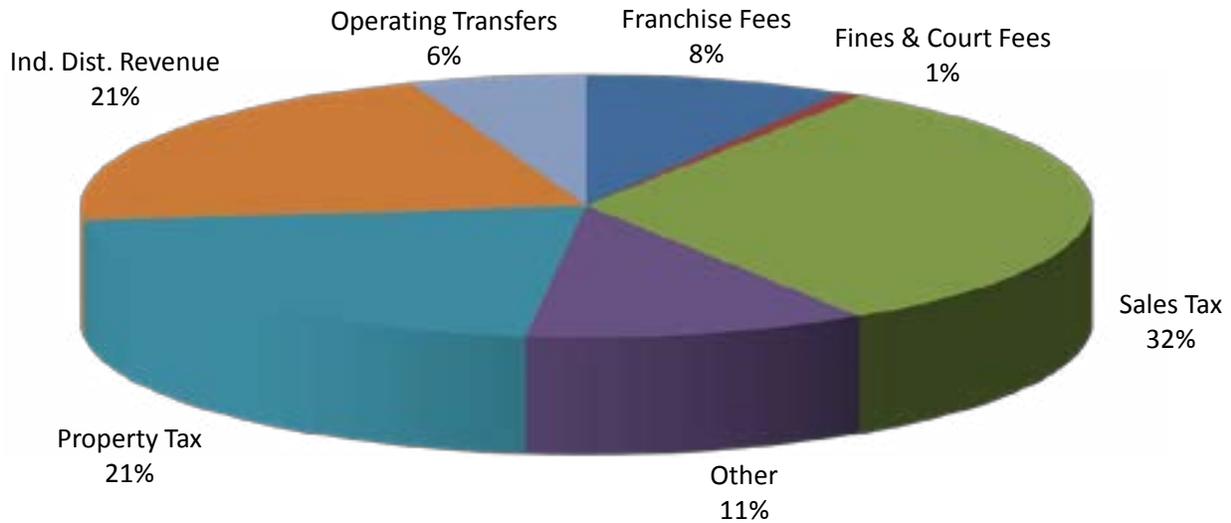
LAKE JACKSON

City of Enchantment

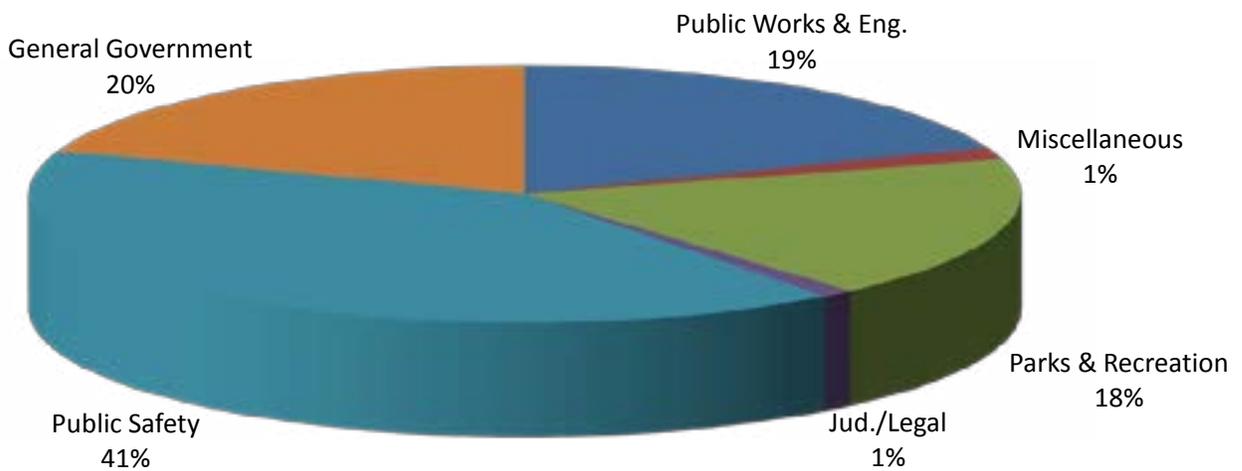


GENERAL FUND REVENUES VS EXPENDITURES

FY 2018-19 Revenues



FY 2018-19 Expenditures



GENERAL FUND BUDGET SUMMARY

| Revenues | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Property Tax | \$3,976,175 | \$4,388,426 | \$4,388,426 | \$4,598,243 |
| Sales Tax | 6,300,736 | 6,600,000 | 6,685,000 | 6,882,480 |
| Other Taxes | 143,358 | 144,500 | 160,000 | 157,500 |
| Franchise Fees | 1,707,847 | 1,722,000 | 1,743,704 | 1,831,700 |
| Industrial District | 4,394,560 | 4,485,526 | 4,501,354 | 4,594,532 |
| Charges for Services | 1,236,704 | 1,257,630 | 1,214,335 | 1,260,650 |
| Licenses & Permits | 420,206 | 460,800 | 423,400 | 442,200 |
| Fines & Court Fees | 535,603 | 516,000 | 585,800 | 578,300 |
| Intergovernmental | 46,422 | 43,000 | 43,000 | 43,000 |
| Miscellaneous | 71,288 | 31,700 | 96,553 | 29,700 |
| Interest | 48,640 | 40,000 | 50,000 | 50,000 |
| Grants | 9,679 | 14,600 | 10,000 | 10,500 |
| Operating Transfers | 788,390 | 788,390 | 788,390 | 1,200,000 |
| Total Resources | \$19,679,608 | \$20,492,572 | \$20,689,962 | \$21,678,805 |
| | | | | |
| Expenditures | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
| General Government Services | | | | |
| Non-Departmental | \$1,083,133 | \$124,400 | \$672,545 | \$140,800 |
| Administration | 1,496,087 | 1,587,513 | 1,614,123 | 1,703,272 |
| Elections | 4,595 | 12,500 | 4,864 | 12,500 |
| Civic Center | 637,786 | 667,615 | 700,918 | 676,386 |
| Legal Services | 197,973 | 213,229 | 217,718 | 225,719 |
| Financial Services | | | | |
| Finance | 1,023,755 | 1,162,839 | 1,155,692 | 1,271,200 |
| Municipal Court | 407,706 | 439,355 | 428,463 | 439,565 |
| Public Safety Services | | | | |
| Police | 5,946,168 | 6,144,696 | 6,047,455 | 6,753,757 |
| Humane | 341,514 | 340,533 | 358,097 | 382,272 |
| Fire | 1,035,022 | 1,087,544 | 1,118,997 | 1,144,966 |
| Emergency Medical Services | 487,532 | 506,821 | 487,135 | 553,845 |
| Engineering Services | 478,836 | 517,351 | 526,668 | 547,450 |
| Public Works Services | | | | |
| Street | 908,609 | 1,102,088 | 1,071,596 | 1,090,075 |
| Drainage | 750,648 | 1,001,625 | 808,121 | 1,050,570 |
| Code Enforcement/Inspections | 619,147 | 644,000 | 640,747 | 655,634 |
| Garage | 751,662 | 776,739 | 777,752 | 807,845 |
| Parks and Recreation Services | | | | |
| Parks | 1,313,591 | 1,407,573 | 1,339,331 | 1,452,740 |
| Recreation | 2,257,680 | 2,424,832 | 2,380,135 | 2,441,925 |
| Miscellaneous Services | | | | |
| KLJB | 30,981 | 55,000 | 54,700 | 60,000 |
| Library | 183,781 | 166,884 | 161,792 | 160,454 |
| Museum | 66,804 | 68,435 | 66,995 | 66,830 |
| Youth Advisory | 9,722 | 16,000 | 16,000 | 16,000 |
| Senior Advisory | 24,625 | 25,000 | 25,000 | 25,000 |
| Total Expenditures | \$20,057,357 | \$20,492,572 | \$20,674,844 | \$21,678,805 |

GENERAL FUND PROJECTED REVENUE

| <i>Revenues - Detail</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|-------------------|-------------------|----------------------|--------------------|
| Property Tax | | | | |
| Ad Valorem Taxes | \$4,249,875 | \$4,836,340 | \$4,388,426 | \$5,247,495 |
| Dow 380 Agreement | -249,818 | -415,875 | | -599,252 |
| HEB 380 Agreement | -23882 | -32039 | | -50,000 |
| Subtotal | 3,976,175 | 4,388,426 | 4,388,426 | 4,598,243 |
| Sales Tax | | | | |
| City Sales & Use Tax | 6,377,917 | 6,675,000 | 6,760,000 | 6,960,000 |
| Mall 380 Agreement | 0 | 0 | 0 | 0 |
| HEB 380 Sales Tax Agreement | (77,181) | (75,000) | (75,000) | (77,520) |
| Subtotal | 6,300,736 | 6,600,000 | 6,685,000 | 6,882,480 |
| Other Taxes | | | | |
| Alcohol Beverage Taxes | 121,918 | 121,000 | 130,000 | 130,000 |
| Criminal Justice Tax | 21,440 | 23,500 | 30,000 | 27,500 |
| Subtotal | 143,358 | 144,500 | 160,000 | 157,500 |
| Franchise Fees | | | | |
| Electric | 998,297 | 980,000 | 1,040,000 | 1,080,000 |
| Natural Gas | 95,367 | 95,500 | 97,204 | 97,200 |
| Telecommunications | 102,577 | 104,500 | 104,500 | 104,500 |
| Cable | 409,606 | 440,000 | 400,000 | 400,000 |
| Solid Waste | 102,000 | 102,000 | 102,000 | 150,000 |
| Subtotal | 1,707,847 | 1,722,000 | 1,743,704 | 1,831,700 |
| Industrial District | 4,394,560 | 4,485,526 | 4,501,354 | 4,594,532 |
| Charges for Services | | | | |
| Recreation Center | 795,886 | 813,650 | 803,150 | 821,150 |
| Outdoor Pool | 6,080 | 6,000 | 6,500 | 6,500 |
| Youth Athletics | 23,778 | 20,000 | 20,000 | 20,000 |
| Youth Programs | 8,403 | 25,000 | 10,000 | 20,000 |
| Adult Programs | 11,225 | 19,500 | 12,000 | 19,500 |
| Aquatics Programs | 39,016 | 30,000 | 35,000 | 35,000 |
| MacLean Sportsplex | 11,591 | 12,000 | 12,000 | 15,000 |
| Misc. Park Use | 14,824 | 10,000 | 15,000 | 15,000 |
| Special Events | 30,126 | 25,000 | 30,000 | 30,000 |
| Civic Center Rentals | 276,913 | 276,480 | 250,685 | 258,500 |
| Jasmine Hall Rentals | 18,862 | 20,000 | 20,000 | 20,000 |
| Subtotal | 1,236,704 | 1,257,630 | 1,214,335 | 1,260,650 |
| Licenses & Permits | | | | |
| Alcohol Beverage License | 4,210 | 3,300 | 4,000 | 4,000 |
| Donation Box License | 200 | 200 | 300 | 200 |
| Wrecker License | 1,500 | 1,500 | 2,200 | 2,000 |

GENERAL FUND PROJECTED REVENUE

| <i>Revenues - Detail</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Licenses & Permits (Cont.) | | | | |
| Health Inspections | 48,444 | 43,000 | 45,000 | 45,000 |
| Apartment Inspection Fee | 79,609 | 81,500 | 80,400 | 80,500 |
| Alarm Fees | 61,938 | 60,000 | 60,000 | 60,000 |
| Building Permits | 184,485 | 222,300 | 195,000 | 215,000 |
| Electrical Permits | 29,669 | 40,000 | 28,000 | 28,000 |
| Peddler Permit | 1,325 | 3,000 | 1,500 | 1,500 |
| Storm Water Permit | 3,915 | 2,500 | 3,000 | 2,500 |
| Sign Permits | 4,911 | 3,500 | 4,000 | 3,500 |
| Subtotal | 420,206 | 460,800 | 423,400 | 442,200 |
| Fines & Court Fees | | | | |
| Municipal Court Fines | 494,563 | 490,000 | 540,800 | 540,800 |
| Court Fees | 41,040 | 26,000 | 45,000 | 37,500 |
| Subtotal | 535,603 | 516,000 | 585,800 | 578,300 |
| Intergovernmental | | | | |
| Brazosport College - SRO | 5,672 | 0 | 0 | 0 |
| Richwood Dispatching | 40,750 | 43,000 | 43,000 | 43,000 |
| Subtotal | 46,422 | 43,000 | 43,000 | 43,000 |
| Miscellaneous | 71,288 | 31,700 | 96,553 | 29,700 |
| Interest | 48,640 | 40,000 | 50,000 | 50,000 |
| Grants | | | | |
| Department of Justice Grants | 6,411 | 7,000 | 6,500 | 7,000 |
| LEOSE - Training | 3,268 | 7,600 | 3,500 | 3,500 |
| Step/DWI Grant | 0 | 0 | 0 | 0 |
| Subtotal | 9,679 | 14,600 | 10,000 | 10,500 |
| Operating Transfers | | | | |
| From Economic Development | 350,000 | 350,000 | 350,000 | 350,000 |
| From Utility Fund: | | | | |
| Admin. Fee - Sanitation | 127,100 | 127,100 | 127,100 | 300,000 |
| Admin. Fee - Water/WW | 311,290 | 311,290 | 311,290 | 550,000 |
| Subtotal | 788,390 | 788,390 | 788,390 | 1,200,000 |
| | \$19,679,608 | \$20,492,572 | \$20,689,962 | \$21,678,805 |

ESTIMATED AD VALOREM TAX COLLECTION & DISTRIBUTION

| | |
|---|----------------------------|
| Assessed Valuation for 2017 as of 4-30-18 | \$ 2,098,790,748 |
| Gain (Loss) in Value | <u>202,321,663</u> |
| Anticipated Assessed Valuation for 2018 | 2,301,112,411 |
| Tax Rate Per \$100 Valuation | 0.3352 |
| Revenue from 2018 Tax Roll | 7,713,329 |
| Estimated Collections | <u>100.0%</u> |
| TOTAL FUNDS AVAILABLE | \$ <u>7,713,328</u> |

SCHEDULE OF TAX LEVY AND COLLECTION RATE

| TAX YEAR | TOTAL | | TAX LEVY | TAX * COLLECTIONS | % COLLECTIONS TO LEVY |
|----------|--------------------|----------|-----------|-------------------|-----------------------|
| | ASSESSED VALUATION | TAX RATE | | | |
| 2002 | 1,116,753,175 | 0.3750 | 4,187,824 | 4,171,444 | 99.609% |
| 2003 | 1,185,429,367 | 0.3703 | 4,389,645 | 4,391,567 | 100.044% |
| 2004 | 1,236,071,214 | 0.3700 | 4,573,463 | 4,578,873 | 100.118% |
| 2005 | 1,273,059,582 | 0.3800 | 4,837,626 | 4,819,017 | 99.615% |
| 2006 | 1,351,219,282 | 0.3700 | 4,999,511 | 4,971,255 | 99.435% |
| 2007 | 1,391,772,727 | 0.3850 | 5,358,325 | 5,371,880 | 100.253% |
| 2008 | 1,460,686,450 | 0.3900 | 5,696,677 | 5,672,153 | 99.570% |
| 2009 | 1,454,833,720 | 0.3900 | 5,673,852 | 5,552,979 | 97.870% |
| 2010 | 1,437,060,336 | 0.3900 | 5,604,535 | 5,647,099 | 100.759% |
| 2011 | 1,419,681,558 | 0.3900 | 5,536,758 | 5,549,653 | 100.233% |
| 2012 | 1,437,118,606 | 0.3900 | 5,604,763 | 5,623,676 | 100.337% |
| 2013 | 1,450,607,167 | 0.3900 | 5,657,368 | 5,675,054 | 100.313% |
| 2014 | 1,498,269,814 | 0.3875 | 5,805,796 | 5,799,654 | 99.894% |
| 2015 | 1,639,706,525 | 0.3600 | 5,902,943 | 5,886,497 | 99.721% |
| 2016 | 1,879,514,589 | 0.3375 | 6,343,362 | 6,342,357 | 99.984% |
| 2017 | * 2,098,790,748 | 0.3375 | 7,083,419 | 6,666,557 * | 94.115% |
| 2018 | ** 2,301,112,411 | 0.3352 | 7,713,329 | | |

* Tax collections as of April 30, 2018

** Projected per appraisal district certificate of estimated value.

PROPOSED DISTRIBUTION OF COLLECTED TAXES

| FUND | ADOPTED TAX RATE 2017 - 18 | PROPOSED TAX RATE 2018 - 19 | PROPOSED AMOUNT 2018 - 19 | % |
|---------------------------|----------------------------------|-----------------------------------|---------------------------------|----------------|
| General Fund | 0.229475 | 0.228042 | \$5,247,495 | 68.03% |
| General Debt Service Fund | 0.108025 | 0.107158 | 2,465,835 | 31.97% |
| TOTAL | \$0.3375 | 0.3352 | \$7,713,328 | 100.00% |

GENERAL GOVERNMENT



LAKE JACKSON

City of Enchantment



GENERAL FUND NON-DEPARTMENTAL - 0900

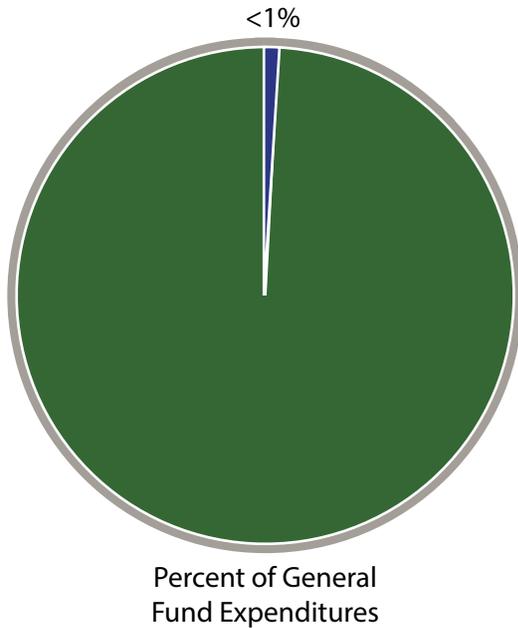
| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 0.00 | 0.00 | 0.00 | 0.00 |

GENERAL FUND NON-DEPARTMENTAL - 0900

PROGRAM DESCRIPTION

Non-Departmental includes transfers to the Special Events Fund (funding for the Annual 4th of July Fireworks Celebration), and year end transfers to the General Projects and Parks Fund. Also, there are expenditures for repairs and the operations costs of the Christmas Lights and the contributions to the Economic Development Alliance for Brazoria County.

BUDGET INFORMATION



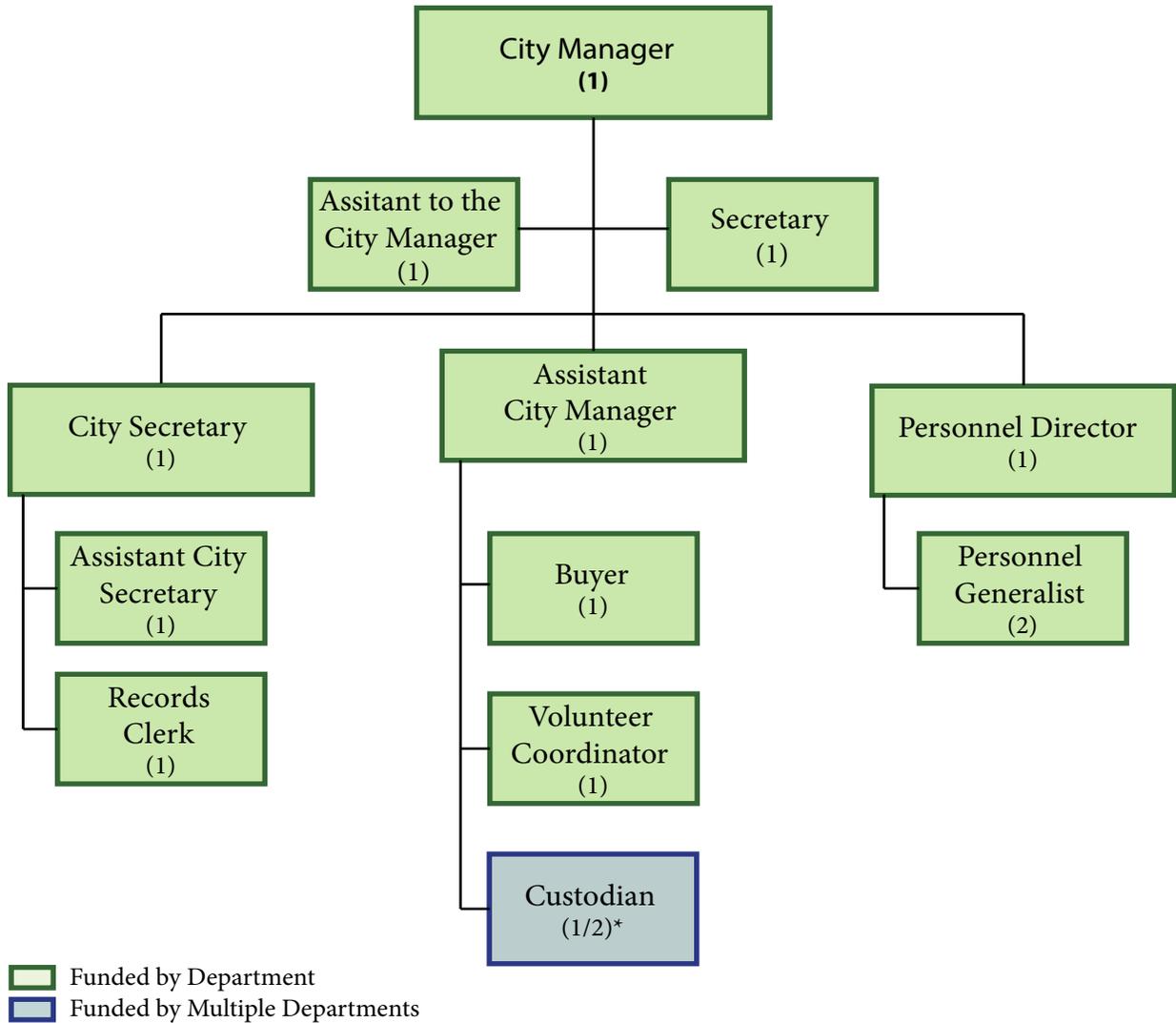
Major Budget Changes

- Increase for Market Data Study for the LJ Development Corporation \$27,000
- Decrease Transfer to Special Events Fund to \$25,000, which will save \$10,000.

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|----------------------------|--------------------|-------------------|----------------------|--------------------|
| General Resources | \$1,083,133 | \$124,400 | \$672,545 | \$140,800 |
| Total Resources | \$1,083,133 | \$124,400 | \$672,545 | \$140,800 |
| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
| Operating Costs | \$1,058,133 | \$89,400 | \$637,545 | \$115,800 |
| Storm Recovery | 0 | 0 | 0 | 0 |
| Transfer to Special Events | 25,000 | 35,000 | 35,000 | 25,000 |
| Total Expenditures | \$1,083,133 | \$124,400 | \$672,545 | \$140,800 |

GENERAL FUND NON-DEPARTMENTAL - 0900

| <i>Expenditures - Detail</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|--|---------------------------|---------------------------|------------------------------|----------------------------|
| Operating Expenses | | | | |
| BISD Busing Assistance | \$12,000 | \$12,000 | \$12,000 | \$12,000 |
| Eco. Dev. Alliance for Brazoria Cnty. | 11,000 | 11,000 | 11,000 | 12,000 |
| Brazoria County Child Advocacy | 7,000 | 7,000 | 7,000 | 7,000 |
| Aviation Task Force | 1,500 | 1,500 | 1,500 | 1,500 |
| Eco. Dev. Market Data Study | 3,065 | 5,000 | 0 | 27,000 |
| Connect CTY | 29,591 | 11,400 | 9,530 | 10,000 |
| Flood Expenditures | 954,043 | 0 | 555,200 | 0 |
| General Supplies | | | | |
| Christmas Lights | 16,244 | 15,000 | 6,400 | 15,000 |
| Awards | 4,927 | 6,600 | 6,600 | 6,600 |
| | 21,171 | 21,600 | 13,000 | 21,600 |
| Gas & Electricity (Christmas Lights) | 2,505 | 3,400 | 1,815 | 1,700 |
| Food Supplies | | | | |
| Miscellaneous | 9,378 | 10,000 | 20,000 | 16,000 |
| Employee Picnic | 6,880 | 6,500 | 6,500 | 7,000 |
| Subtotal | 1,058,133 | 89,400 | 637,545 | 115,800 |
| Transfer to Special Events Fund | 25,000 | 35,000 | 35,000 | 25,000 |
| Total Non-Departmental | \$1,083,133 | \$124,400 | \$672,545 | \$140,800 |



| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 0.50 | 0.50 | 0.50 | 0.50 |
| Office/Clerical | 1.00 | 2.00 | 2.00 | 2.00 |
| Technical | 4.00 | 4.00 | 4.00 | 4.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 2.00 | 2.00 | 2.00 | 2.00 |
| Management/Supervision | 4.00 | 4.00 | 4.00 | 4.00 |
| Temporary/Seasonal | 0.10 | 0.10 | 0.10 | 0.10 |
| TOTAL FTEs | 11.60 | 12.60 | 12.60 | 12.60 |

ADMINISTRATION - 1000

PROGRAM DESCRIPTION

General Government Administration is responsible for general management of the city's affairs as determined by policy established by the City Council. General Government Administration also includes the services of the City Secretary, who is responsible for the filing and retention of all official records and minutes of City Council.

This Department is also comprised of various other internal service operations, such as Purchasing, Personnel, and Risk Management.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enable Growth & Revitalization

CITY COUNCIL OBJECTIVE: Expand City's Economic Development Initiatives

Department Goal: Improve Marketing of City for Business Growth

- | | |
|---|-----------|
| • Create new marketing materials incorporating data collected from TEEX Competitive Assessment. | Jun. 2018 |
|---|-----------|

CITY COUNCIL OBJECTIVE: Facilitate Redevelopment of Older Neighborhoods

Department Goal:

- | | |
|--|---------|
| • Consider incentives/infrastructure improvements to assist Lake Wood Manor Area development | On-hold |
|--|---------|

CITY COUNCIL VISION ELEMENT: Enhance Communication

CITY COUNCIL OBJECTIVE: Improve communication Externally & Internally Through Best Practices and Enhanced Technology

Department Goal: Improve Communication with External Stakeholders

- | | |
|---|-----------|
| • Improve the usability of the City's Website | Aug. 2018 |
|---|-----------|

CITY COUNCIL VISION ELEMENT: Maintain a Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Establish Pay Grade Midpoints that Lead the Market to Attract Top Tier Talent

- | | |
|--|----------|
| • Provide in-house training to improve manager skills in three key areas: interviewing, evaluating employees, and goal setting | Complete |
| • Re-implement merit increase ranges to 2-3-4 percent | Complete |

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal:

- | | |
|--|-------------|
| • Conduct feasibility study of expansion of City Hall and new Animal Shelter | In Progress |
|--|-------------|

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE: Provide Citizens with Reliable Public Transportation System

Department Goal: Improve Communication with External Stakeholders

- | | |
|---|-----------|
| • Work with Southern Brazoria County Transit to develop 30-minute routes | Sep. 2018 |
| • Work with Southern Brazoria County Transit to develop plan to house their administrative offices and bus fleet at the City Service Center | Sep. 2018 |

ADMINISTRATION - 1000

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enable Growth & Revitalization

| | |
|--|-----------|
| CITY COUNCIL OBJECTIVE: Expand City's Economic Development Initiatives | |
| Department Goal: Improve Marketing of City for Business Growth | |
| • Attend two economic development related conferences | Sep. 2019 |
| • Continue working on new marketing materials incorporating data collected from TEEX Competitive Assessment and Buxton study | Jan. 2019 |

CITY COUNCIL VISION ELEMENT: Enhance Communication

| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment | |
| Department Goal: Improve Communication with External Stakeholders | |
| • Improve the visibility and content of the City's Website | Sep. 2019 |
| • Expand partnership with BISD to enhance City PEG video projects | Dec. 2018 |

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Provide Citizens with Reliable Public Transportation System | |
| Department Goal: Improve Communication with External Stakeholders | |
| • Work with Southern Brazoria County Transit to develop plan to house their administrative offices and bus fleet at the City Service Center | Sep. 2019 |

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment | |
| Department Goal: | |
| • Coordinate conceptual design of the next phase of Downtown Revitalization Project (phase 3) | Jan. 2019 |

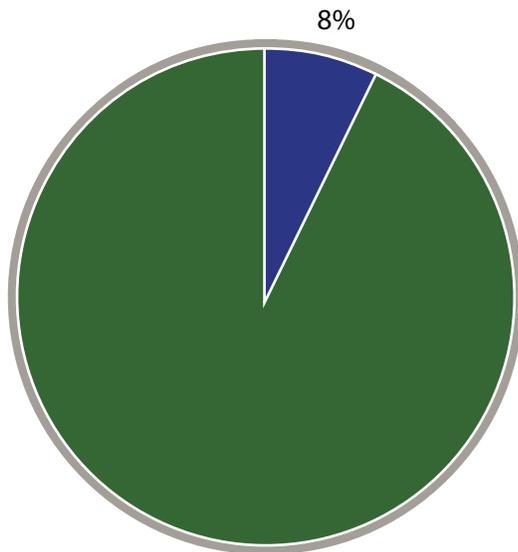
PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enhance Communication

| CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment | | | | |
|---|-----------------|-----------------|-------------------|-----------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| Visits (www.lakejackson-tx.gov) | 262,585 | 500,000 | 552,443 | 600,000 |
| Unique Visits (www.chooselakejackson.com) | 1,856 | 5,000 | 2,211 | 5,000 |

ADMINISTRATION - 1000

BUDGET INFORMATION



Percent of General Fund Expenditures

Major Budget Changes

- Increase Funding for New Compensation Study \$35,000
- Increase Due to Raises \$51,400
- Increase in Contribution to Equipment Replacement Fund \$4,000

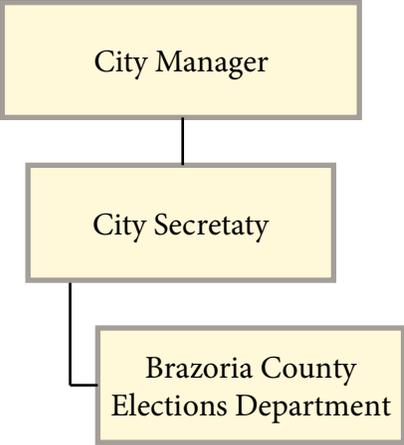
| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|--------------------|--------------------|----------------------|--------------------|
| General Resources | 1,496,087 | 1,587,513 | 1,614,123 | 1,703,272 |
| Total Resources | \$1,496,087 | \$1,587,513 | \$1,614,123 | \$1,703,272 |
| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
| Salaries & Wages | \$919,182 | \$942,600 | \$955,547 | \$994,000 |
| Employee Benefits | 257,229 | 292,960 | 294,254 | 306,700 |
| Operating Expenses | 278,356 | 308,733 | 321,102 | 355,352 |
| Capital Outlay | 0 | 0 | 0 | 0 |
| Operating Transfers | 41,320 | 43,220 | 43,220 | 47,220 |
| Total Expenditures | \$1,496,087 | \$1,587,513 | \$1,614,123 | \$1,703,272 |

ADMINISTRATION - 1000

| <i>Expenditures - Detail</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------------------|-------------------|-------------------|----------------------|--------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$18,474 | \$19,000 | \$19,206 | \$19,600 |
| Office/Clerical | 71,195 | 73,000 | 75,855 | 76,200 |
| Technical | 153,287 | 157,300 | 159,528 | 163,200 |
| Professional | 119,294 | 124,400 | 130,662 | 131,400 |
| Management/Supervision | 545,171 | 555,700 | 555,293 | 590,400 |
| Temp/Seasonal | 867 | 2,400 | 3,883 | 2,400 |
| Council | 7,275 | 7,500 | 7,500 | 7,500 |
| Overtime | 3,619 | 3,300 | 3,620 | 3,300 |
| Subtotal | 919,182 | 942,600 | 955,547 | 994,000 |
| Employee Benefits | | | | |
| Health | 75,463 | 91,800 | 88,936 | 92,900 |
| Life | 870 | 700 | 911 | 700 |
| Dental | 5,553 | 6,000 | 5,816 | 6,200 |
| Long Term Disability | 3,593 | 3,800 | 3,827 | 4,000 |
| Social Security | 61,764 | 65,400 | 65,522 | 67,800 |
| Retirement | 109,087 | 114,500 | 117,469 | 121,600 |
| Tuition Reimbursement | -393 | 8,860 | 10,000 | 11,500 |
| Workers Compensation | 1,292 | 1,900 | 1,773 | 2,000 |
| Subtotal | 257,229 | 292,960 | 294,254 | 306,700 |
| Operating Expenses | | | | |
| Professional Service Fees | | | | |
| Employee Screening | 21,829 | 20,000 | 20,000 | 20,000 |
| Salary Compensation Study | 0 | 0 | 0 | 35,000 |
| Printing | 25,345 | 31,000 | 31,000 | 31,000 |
| Outside Attorney | 0 | 5,000 | 5,000 | 5,000 |
| Codification | 4,600 | 9,000 | 9,000 | 12,000 |
| TML Benefits Administration Fee | 2,987 | 5,000 | 4,000 | 5,000 |
| Consultant-Industrial District Val | 13,667 | 13,700 | 13,700 | 13,700 |
| Consultant-Goal Setting | 5,573 | 6,000 | 7,000 | 6,000 |
| Subtotal | 74,001 | 89,700 | 89,700 | 127,700 |
| Water & Sewer | 4,500 | 4,500 | 4,500 | 4,500 |
| Maintenance & Repair | | | | |
| Buildings - City Hall | 10,161 | 15,000 | 15,000 | 15,000 |
| Heating & Air Conditioning | 1,011 | 2,000 | 2,000 | 2,000 |
| Vehicles | 691 | 500 | 800 | 500 |
| Maintenance Contract | 25,119 | 26,247 | 26,427 | 26,427 |
| Subtotal | \$36,982 | \$43,747 | \$44,227 | \$43,927 |

ADMINISTRATION - 1000

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------------|--------------------|--------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| Rental - Vehicle & Equipment | \$15,636 | \$14,000 | \$14,000 | \$14,000 |
| Insurance | | | | |
| Property | 12,239 | 12,852 | 12,670 | 13,500 |
| Liability | 4,313 | 4,444 | 5,250 | 5,515 |
| Subtotal | 16,552 | 17,296 | 17,920 | 19,015 |
| Communication | 9,044 | 8,750 | 8,750 | 8,750 |
| Advertising | 15,859 | 23,000 | 20,000 | 20,000 |
| Legal Notices | 0 | 0 | 7,500 | 7,500 |
| Training | 10,605 | 22,500 | 22,500 | 23,500 |
| Travel | 12,721 | 10,000 | 10,000 | 13,000 |
| Other Purchased Services | | | | |
| Dues & Memberships | 10,543 | 10,000 | 10,000 | 10,000 |
| Recording | 2,800 | 2,500 | 5,000 | 5,000 |
| Subtotal | 13,343 | 12,500 | 15,000 | 15,000 |
| General Supplies | | | | |
| Office | 11,706 | 12,000 | 12,000 | 12,000 |
| Wearing Apparel | 0 | 0 | 0 | 0 |
| Gasoline & Diesel | 1,092 | 840 | 1,140 | 2,360 |
| Operating | 20,552 | 20,000 | 20,000 | 20,000 |
| Cleaning | 3,409 | 3,500 | 3,500 | 3,500 |
| Subtotal | 36,759 | 36,340 | 36,640 | 37,860 |
| Electricity | 31,604 | 24,400 | 29,365 | 18,600 |
| Miscellaneous | 0 | 0 | 0 | 0 |
| Books & Periodicals | 750 | 2,000 | 1,000 | 2,000 |
| Subtotal | 278,356 | 308,733 | 321,102 | 355,352 |
| Capital Outlay | 0 | 0 | 0 | 0 |
| Operating Transfers | | | | |
| Equipment Replacement | 41,320 | 43,220 | 43,220 | 47,220 |
| Subtotal | 41,320 | 43,220 | 43,220 | 47,220 |
| Total General Administration | \$1,496,087 | \$1,587,513 | \$1,614,123 | \$1,703,272 |



| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 0.00 | 0.00 | 0.00 | 0.00 |

ELECTIONS - 1200

PROGRAM DESCRIPTION

This budget provides for 3 elections, which could include City Official, Charter Amendment, Bond or run-off elections.

The elections are contracted out through the Brazoria County Elections Department. The cost of each election depends on the number of entities holding elections. When possible costs are shared between entities.

The City Secretary's office is budgeted 100% in General Administration (1000).

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enhance Communication & Technology

CITY COUNCIL OBJECTIVE: Improve communication Externally & Internally Through Best Practices and Enhanced Technology

Department Goal: Contract with Brazoria County to Conduct All General, Special Called, & Bond Elections

- Hold general elections and comply with all election laws. Complete

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enhance Communication

CITY COUNCIL OBJECTIVE: Improve communication Externally & Internally Through Best Practices and Enhanced Technology

Department Goal: Contract with Brazoria County to Conduct All General, Special Called, & Bond Elections

- Hold general elections and comply with all election laws. May 2019

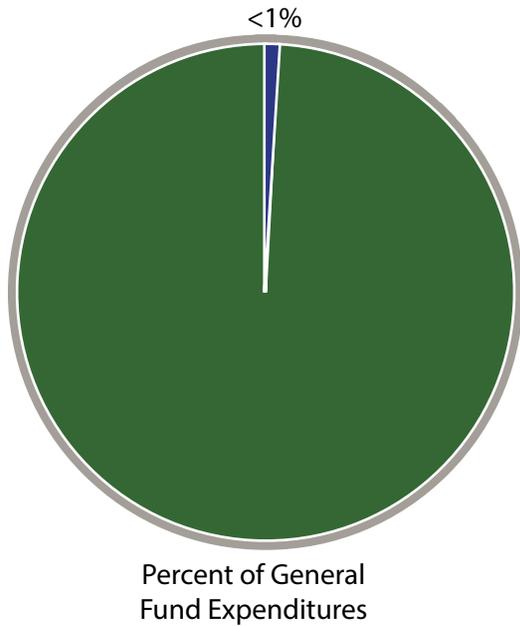
PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enhance Communication

CITY COUNCIL OBJECTIVE: Improve communication Externally & Internally Through Best Practices and Enhanced Technology

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17- 18 Estimate | FY 18-19 Target |
|--------------------------------|--------------------|--------------------|-----------------------|--------------------|
| Number of Registered Voters | 16,887 | 17,500 | 17,181 | 17,500 |
| Voter Turn Out (May Election) | 750 | 3,000 | 2216 | 3,000 |
| Number of Elections Held | 1 | 2 | 1 | 2 |
| Total Cost of Elections | \$4,595 | \$12,500 | \$4,864 | \$12,500 |
| Cost Per Ballot Cast | \$6.13 | \$2.08 | \$2.20 | \$2.08 |

BUDGET INFORMATION



Major Budget Changes

- No Major Budget Changes

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------|-------------------|-------------------|----------------------|--------------------|
|------------------|-------------------|-------------------|----------------------|--------------------|

| | | | | |
|-------------------|---------|----------|---------|----------|
| General Resources | \$4,595 | \$12,500 | \$4,864 | \$12,500 |
|-------------------|---------|----------|---------|----------|

| | | | | |
|------------------------|----------------|-----------------|----------------|-----------------|
| Total Resources | \$4,595 | \$12,500 | \$4,864 | \$12,500 |
|------------------------|----------------|-----------------|----------------|-----------------|

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------|-------------------|-------------------|----------------------|--------------------|
|---------------------|-------------------|-------------------|----------------------|--------------------|

| | | | | |
|--------------------|---------|----------|---------|----------|
| Operating Expenses | \$4,595 | \$12,500 | \$4,864 | \$12,500 |
|--------------------|---------|----------|---------|----------|

| | | | | |
|---------------------------|----------------|-----------------|----------------|-----------------|
| Total Expenditures | \$4,595 | \$12,500 | \$4,864 | \$12,500 |
|---------------------------|----------------|-----------------|----------------|-----------------|

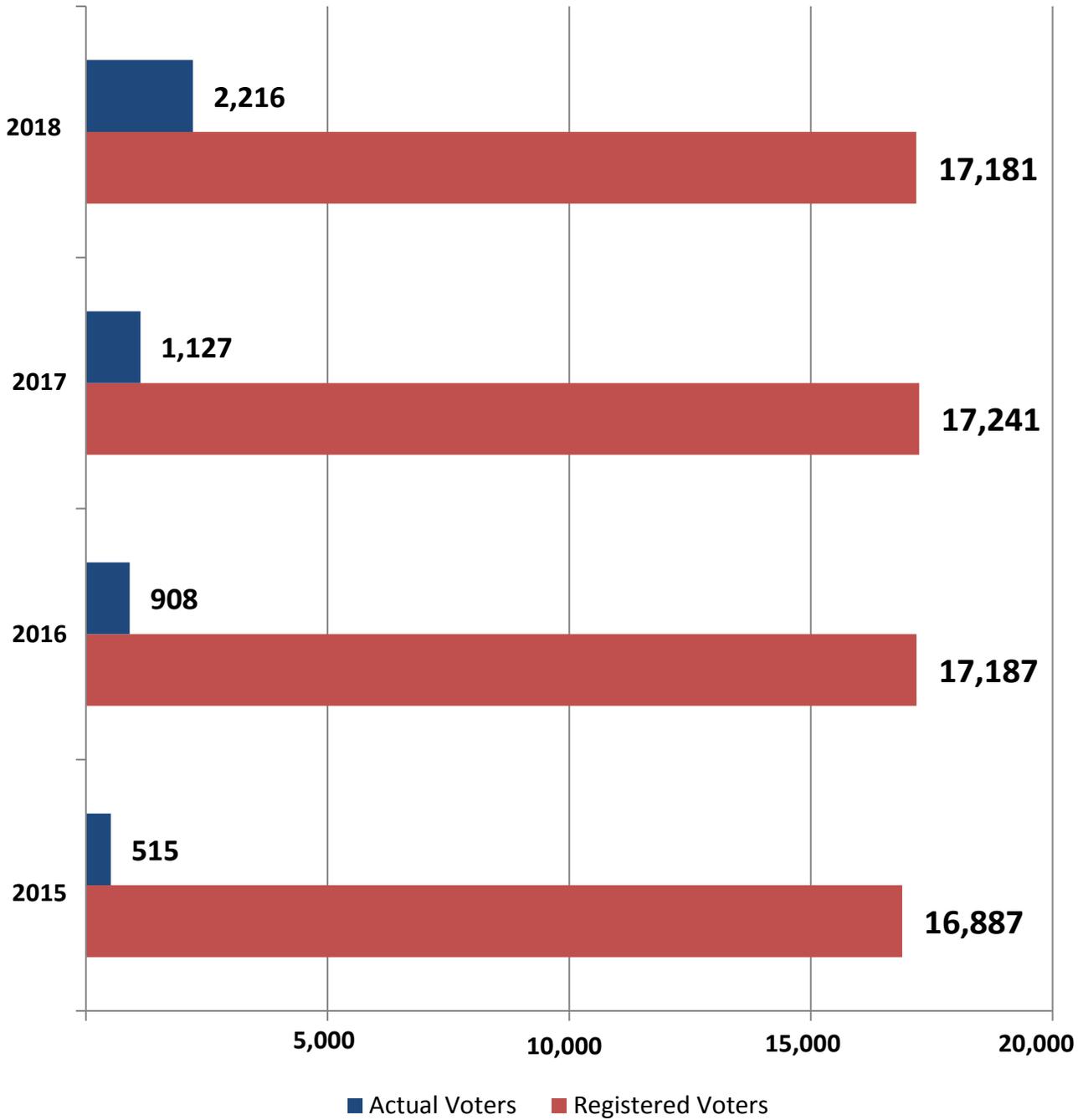
| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|-------------------|-------------------|----------------------|--------------------|
|-------------------------------|-------------------|-------------------|----------------------|--------------------|

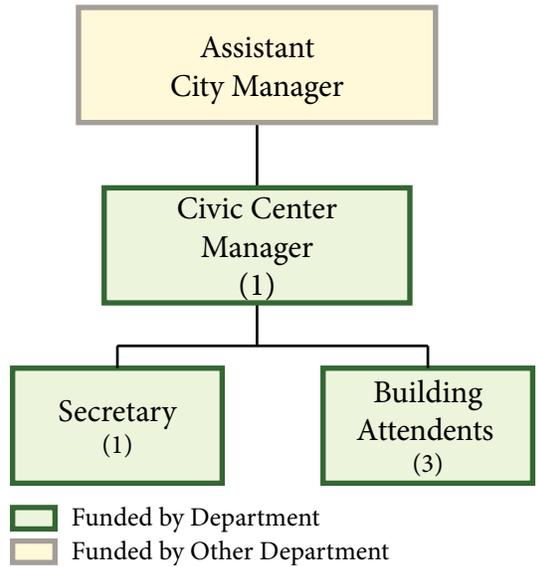
| | | | | |
|---------------------------|--------------|---------------|--------------|---------------|
| Operating Expenses | | | | |
| Election Translator | \$0 | \$0 | \$364 | \$0 |
| Brazoria County Contract | 4,595 | 12,500 | 4,500 | 12,500 |
| Subtotal | 4,595 | 12,500 | 4,864 | 12,500 |

| | | | | |
|------------------------|----------------|-----------------|----------------|-----------------|
| Total Elections | \$4,595 | \$12,500 | \$4,864 | \$12,500 |
|------------------------|----------------|-----------------|----------------|-----------------|

HISTORICAL VOTER TURN OUT - MAY ELECTIONS

Voter Turn Out May Elections





| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 3.00 | 3.00 | 3.00 | 3.00 |
| Office/Clerical | 1.00 | 1.00 | 1.00 | 1.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 1.00 | 1.00 | 1.00 | 1.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 5.00 | 5.00 | 5.00 | 5.00 |

PROGRAM DESCRIPTION

The Civic Center provides approximately 15,500 square feet of meeting room space to the general public, corporate and business community. The center includes a beautifully landscaped outdoor mini-park area with plaza, staging area, and two fountains, that provides a pleasant, enjoyable, attractive atmosphere for weddings, and other special events. The center also provides space for Actions Senior Center and the Senior Citizen Commission.

FY 17-18 GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE: Provide Community with New Affordable & Family Oriented Activities

Department Goal:

| | |
|--------------------------------|-------------|
| • Festival of Lights | Complete |
| • New Year’s Eve Dance | Complete |
| • Senior Fest | Complete |
| • 75th Anniversary Events | In Progress |
| • Spring/Summer Concert Series | Complete |
| • Host TAAF Annual Conference | Complete |

FY 18-19 GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE: Provide Community with New Affordable & Family Oriented Activities

Department Goal:

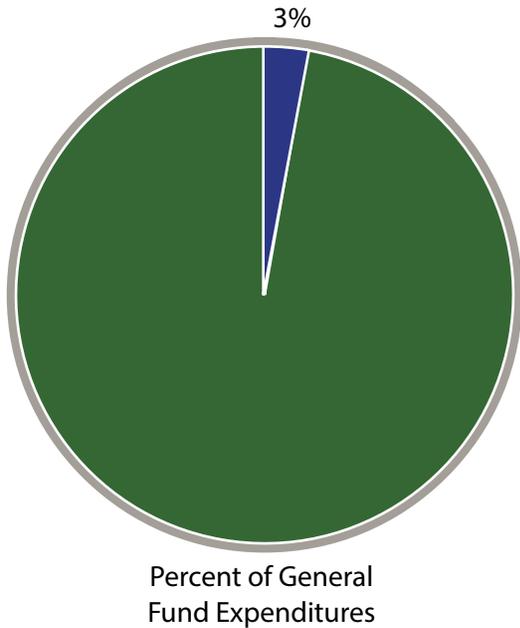
| | |
|-------------------------------------|-----------|
| • Festival of Lights | Nov. 2018 |
| • 75th Anniversary Events | Dec. 2018 |
| • New Year’s Eve Dance | Jan. 2019 |
| • Senior Fest | Feb. 2019 |
| • Spring/Summer Concert Series | Jul. 2019 |
| • Host event on South Parking Place | Sep. 2019 |

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|---|-----------------|-----------------|-------------------|-----------------|
| Number of Civic Center Rentals | 1,048 | 920 | 912 | 930 |
| Number of Days with Customers (Civic) | 340 | 345 | 340 | 345 |
| Number of Jasmine Hall Events | 210 | 221 | 215 | 220 |
| Number of Days with Customers (Jasmine) | 210 | 221 | 215 | 220 |

BUDGET INFORMATION



Major Budget Changes

- Employee Raises \$9,400
- Contract Labor \$3,500
- Decrease in Electricity (\$10,770)

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Civic Center Rental | \$276,913 | \$276,480 | \$250,685 | \$258,500 |
| Jasmine Hall Rental | 18,862 | 20,000 | 20,000 | 20,000 |
| General Resources | 342,011 | 371,135 | 430,233 | 397,886 |
| Total Resources | \$637,786 | \$667,615 | \$700,918 | \$676,386 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | \$197,545 | \$208,100 | \$211,080 | \$221,000 |
| Employee Benefits | 73,166 | 85,200 | 82,922 | 89,600 |
| Operating Expenses | 366,075 | 368,225 | 390,158 | 359,696 |
| Capital Outlay | 0 | 0 | 10,668 | 0 |
| Operating Transfers | 1,000 | 6,090 | 6,090 | 6,090 |
| Total Expenditures | \$637,786 | \$667,615 | \$700,918 | \$676,386 |

CIVIC CENTER - 4500

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|-------------------|-------------------|----------------------|--------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$78,293 | \$85,100 | \$82,987 | \$88,600 |
| Office/Clerical | 40,295 | 41,400 | 44,118 | 44,200 |
| Management/Supervision | 71,290 | 71,600 | 73,975 | 74,700 |
| Overtime | 7,667 | 10,000 | 10,000 | 10,000 |
| Contract Labor | 0 | 0 | 0 | 3,500 |
| Subtotal | 197,545 | 208,100 | 211,080 | 221,000 |
| Employee Benefits | | | | |
| Health | 30,476 | 36,700 | 33,925 | 37,200 |
| Life | 351 | 300 | 356 | 300 |
| Dental | 2,244 | 2,400 | 2,274 | 2,500 |
| Long Term Disability | 788 | 900 | 826 | 900 |
| Social Security | 14,204 | 15,900 | 15,269 | 16,600 |
| Retirement | 23,793 | 25,500 | 25,524 | 26,900 |
| Tuition reimbursement | 0 | 1,400 | 3,000 | 3,000 |
| Workers Compensation | 1,310 | 2,100 | 1,748 | 2,200 |
| Subtotal | 73,166 | 85,200 | 82,922 | 89,600 |
| Operating Expenses | | | | |
| Cleaning | | | | |
| Public Areas | 24,352 | 26,000 | 26,000 | 26,000 |
| Rental Rooms | 43,310 | 50,000 | 50,000 | 50,000 |
| Subtotal | 67,662 | 76,000 | 76,000 | 76,000 |
| Water & Sewer | 18,700 | 18,700 | 18,700 | 18,700 |
| Maintenance & Repair | | | | |
| Building - Civic Center | 75,512 | 70,000 | 90,000 | 70,000 |
| Building - Jasmine Hall | 4,328 | 5,000 | 7,000 | 5,000 |
| Heating & Air Conditioning | 7,322 | 21,000 | 21,000 | 21,000 |
| Vehicles & Equipment | 147 | 300 | 300 | 300 |
| Maintenance Contract | 1,527 | 1,150 | 1,150 | 1,150 |
| Subtotal | 88,836 | 97,450 | 119,450 | 97,450 |
| Rental - Vehicle & Equipment | 2,641 | 2,500 | 1,800 | 1,800 |
| Insurance | | | | |
| Property | 38,296 | 40,210 | 40,000 | 42,225 |
| Liability | 830 | 855 | 1,020 | 1,071 |
| Subtotal | 39,126 | 41,065 | 41,020 | 43,296 |

CIVIC CENTER - 4500

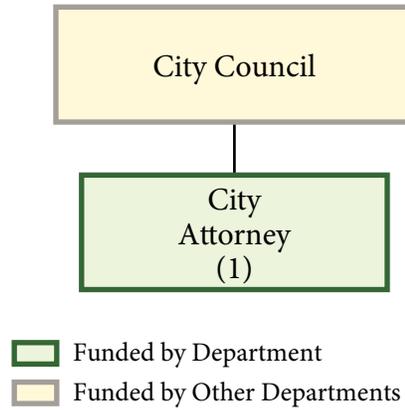
| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Operating Expenses (Cont.) | | | | |
| Communications | 4,111 | 3,000 | 4,000 | 4,000 |
| Advertising | 15,104 | 14,500 | 17,000 | 14,500 |
| Training | 150 | 150 | 215 | 300 |
| Travel | 541 | 500 | 668 | 600 |
| Dues & Memberships | 186 | 250 | 250 | 250 |
| General Supplies | | | | |
| Office | 3,188 | 5,000 | 3,500 | 5,000 |
| Wearing Apparel | 918 | 900 | 900 | 900 |
| Gasoline & Diesel | 437 | 500 | 420 | 460 |
| Operating | 28,446 | 27,500 | 27,500 | 27,500 |
| Miscellaneous | 6,039 | 4,500 | 4,500 | 4,500 |
| Cleaning | 23,046 | 20,000 | 20,000 | 20,000 |
| Subtotal | 62,074 | 58,400 | 56,820 | 58,360 |
| Electricity & Natural Gas | 66,944 | 55,710 | 54,235 | 44,440 |
| Subtotal | 366,075 | 368,225 | 390,158 | 359,696 |
| Capital Outlay | 0 | 0 | 10,668 | 0 |
| Operating Transfers | | | | |
| Equipment Replacement | 1,000 | 6,090 | 6,090 | 6,090 |
| Subtotal | 1,000 | 6,090 | 6,090 | 6,090 |
| Total Civic Center | \$637,786 | \$667,615 | \$700,918 | \$676,386 |

The Intersection of This Way & That Way in Downtown Lake Jackson





LEGAL - 1700



| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 1.00 | 1.00 | 1.00 | 1.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 1.00 | 1.00 | 1.00 | 1.00 |

PROGRAM DESCRIPTION

The City Attorney’s Office provides legal advice and legal services to the City Council, the City’s boards and commissions, and all departments of the City. The City Attorney’s Office also represents the City in litigations; drafts various legal instruments, such as contracts and ordinances; and supervises outside counsel.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enhance Communications

CITY COUNCIL OBJECTIVE:

Department Goal:

- Review and update two chapters in Code of Ordinances. Sep. 2018

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Keep Current on Changes to Municipal Law

- Attend at least two (2) conferences related to municipal law. Complete

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enhance Communications

CITY COUNCIL OBJECTIVE:

Department Goal:

- Review and update two chapters in Code of Ordinances. Sep. 2019

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Keep Current on Changes to Municipal Law

- Attend at least two (2) conferences related to municipal law. Aug. 2019

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enhance Communications

CITY COUNCIL OBJECTIVE: Improve Communication Externally & Internally through Best Practices and Enhanced Technology

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|---|-----------------|-----------------|-------------------|-----------------|
| Average Days to Process Public Information Requests | 4.0 | 5 | 4.2 | 5 |

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

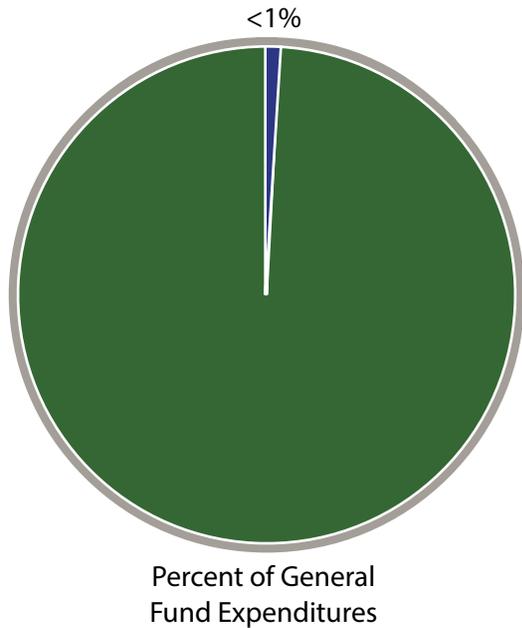
CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|------------------------------------|-----------------|-----------------|-------------------|-----------------|
| Municipal Law Conferences Attended | 3 | 2 | 4 | 2 |

CITY COUNCIL OBJECTIVE:

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|--------------------------------------|-----------------|-----------------|-------------------|-----------------|
| Ordinances Prepared | 29 | 25 | 25 | 25 |
| Cases Set for Trial | 68 | 75 | 50 | 75 |
| Cases Resolved Before Going to Trial | 77% | 80% | 80% | 80% |

BUDGET INFORMATION



Major Budget Changes

- Employee Raises \$10,000

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|-------------------|-------------------|----------------------|--------------------|
| General Resources | \$197,973 | \$213,229 | \$217,718 | \$225,719 |
| Total Resources | \$197,973 | \$213,229 | \$217,718 | \$225,719 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|-------------------|-------------------|----------------------|--------------------|
| Salaries & Wages | \$137,434 | \$141,400 | \$144,148 | \$151,400 |
| Employee Benefits | 33,757 | 36,000 | 37,367 | 37,700 |
| Operating Expenses | 25,982 | 35,029 | 35,403 | 35,819 |
| Operating Transfers | 800 | 800 | 800 | 800 |
| Total Expenditures | \$197,973 | \$213,229 | \$217,718 | \$225,719 |

LEGAL - 1700

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | | | | |
| Management/Supervision | \$137,434 | \$141,400 | \$144,148 | \$151,400 |
| Subtotal | 137,434 | 141,400 | 144,148 | 151,400 |
| Employee Benefits | | | | |
| Health | 6,139 | 7,300 | 7,138 | 7,400 |
| Life | 71 | 100 | 73 | 100 |
| Dental | 452 | 500 | 465 | 500 |
| Long Term Disability | 540 | 600 | 578 | 600 |
| Social Security | 9,878 | 9,900 | 10,441 | 10,100 |
| Retirement | 16,515 | 17,400 | 18,446 | 18,700 |
| Workers Compensation | 162 | 200 | 226 | 300 |
| Subtotal | 33,757 | 36,000 | 37,367 | 37,700 |
| Operating Expenses | | | | |
| Outside Attorney | 13,190 | 20,000 | 20,000 | 20,000 |
| Maintenance Contract | 9 | 0 | 0 | 0 |
| Liability Insurance | 519 | 536 | 700 | 735 |
| Communications | 1,646 | 1,720 | 1,720 | 1,720 |
| Training | 524 | 950 | 1,299 | 1,299 |
| Travel | 667 | 1,800 | 1,800 | 2,100 |
| Other Purchased Services | | | | |
| Dues & Memberships | 965 | 955 | 965 | 965 |
| Internet Subscriptions | 1,599 | 1,635 | 1,419 | 1,500 |
| Subtotal | 2,564 | 2,590 | 2,384 | 2,465 |
| General Supplies | | | | |
| Office | 77 | 500 | 500 | 500 |
| Operating | 1,001 | 800 | 800 | 800 |
| | 1,078 | 1,300 | 1,300 | 1,300 |
| Books & Periodicals | 5,785 | 6,133 | 6,200 | 6,200 |
| Subtotal | 25,982 | 35,029 | 35,403 | 35,819 |
| Operating Transfers | | | | |
| Equipment Replacement | 800 | 800 | 800 | 800 |
| Subtotal | 800 | 800 | 800 | 800 |
| Total Legal | \$197,973 | \$213,229 | \$217,718 | \$225,719 |



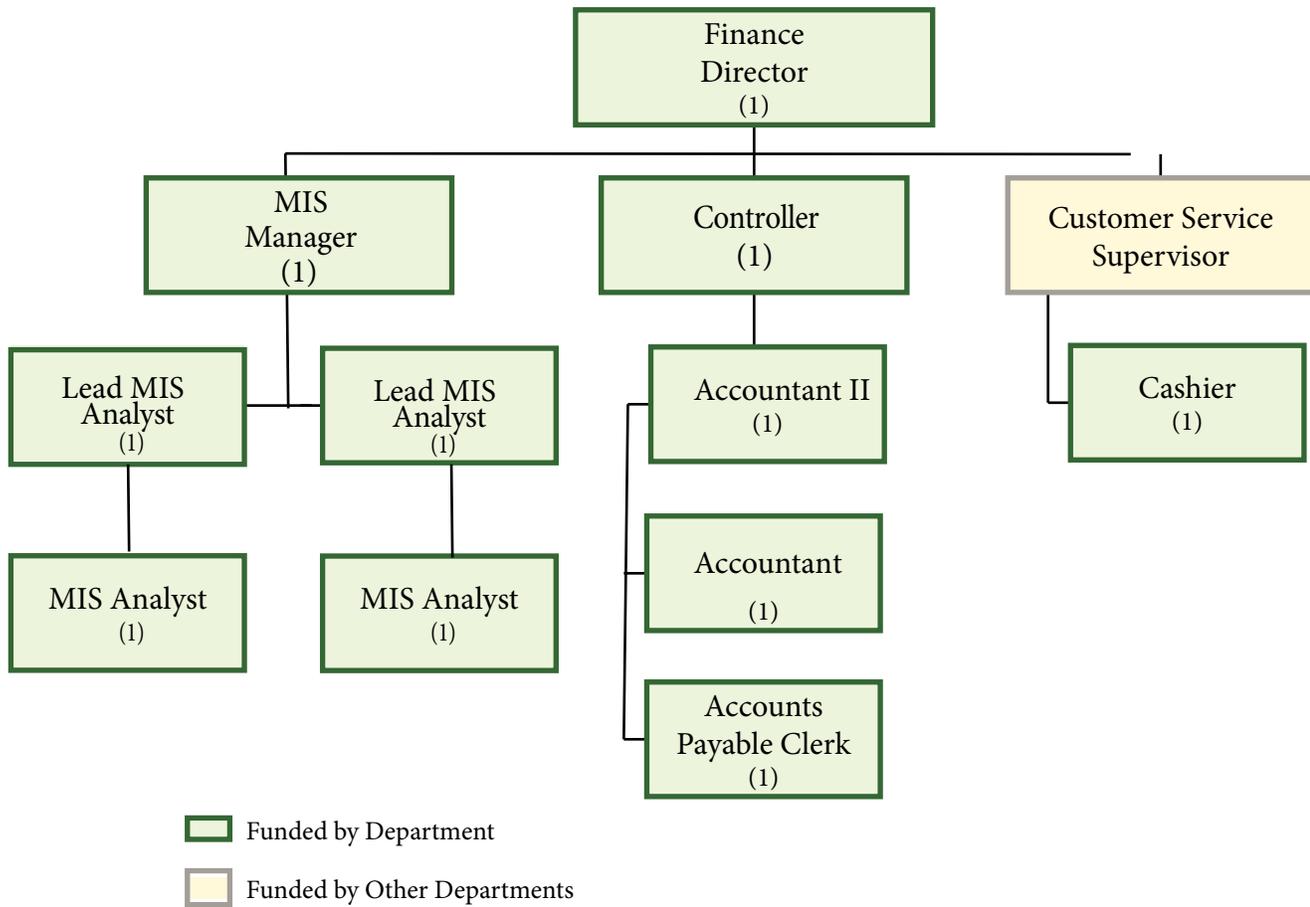
LAKE JACKSON

City of Enchantment

City of Enchantment



FINANCE - 1400



| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 4.00 | 3.00 | 2.00 | 2.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 3.00 | 4.00 | 7.00 | 7.00 |
| Management/Supervision | 3.00 | 3.00 | 2.00 | 2.00 |
| Temporary/Seasonal | 0.15 | 0.15 | 0.15 | 0.15 |
| TOTAL FTEs | 10.15 | 10.15 | 11.15 | 11.15 |

PROGRAM DESCRIPTION

The department records and reports results of financial transactions, prepares various internal and external financial reports, advises management on matters of a financial nature and is responsible for the City’s cash management and investing program.

Personnel in this department are the initial contact point at City Hall for citizen’s inquiries, answering all incoming phone lines, greeting all walk in customers, and serving as central cashier.

This department also provides technology services to all departments.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

| | |
|---|-------------|
| CITY COUNCIL OBJECTIVE: Use New Technologies to Improve Areas of Operations | |
| Department Goal: Enhance Productivity & Streamline Processes to Improve Customer Service | |
| • Implement Code Enforcement mobile Devices | In Progress |
| • Implement warrant interface between Municipal Court & PD | In Progress |
| • Replace handheld citation writers | In Progress |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

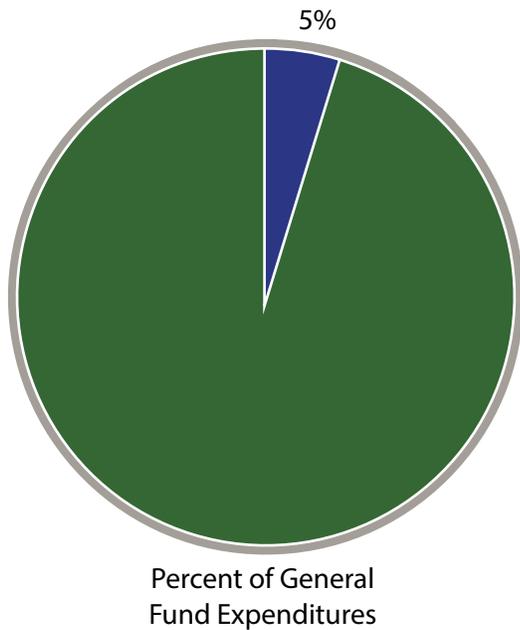
| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Use New Technologies to Improve Areas of Operations | |
| Department Goal: Enhance Productivity & Streamline Process | |
| • Upgrade Document Archive Server (hardware and operating system) | Sep. 2019 |
| • Replace City Hall Network Switches | Sep. 2019 |
| • Upgrade PD Computer Aided Dispatch and Records Management Servers (hardware and operating system) | Sep. 2019 |

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

| CITY COUNCIL OBJECTIVE: | | | | |
|--|-----------------|-----------------|-------------------|-----------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| Standard & Poor G.O. Bond Rating | AA+ Positive | AA+ Positive | AA+ Stable | AA+ Stable |
| Standard & Poor Revenue Bond Rating | AA Stable | AA Stable | AA+ Stable | AA+ Stable |
| Monthly Reports Distributed Within 15 Days of End of Month | 75% | 100% | 83% | 83% |
| Obtain Certificate in Excellence in Financial Reporting | 23th Year | 24th Year | 24th Year | 25th Year |

BUDGET INFORMATION



Major Budget Changes

- Upgrade Accounting Manager to Controller \$7,351
- Employee Raises \$48,862
- Increase in Maintenance Contracts \$22,760

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------|-------------------|-------------------|----------------------|--------------------|
|------------------|-------------------|-------------------|----------------------|--------------------|

| | | | | |
|-------------------|-------------|-------------|-------------|-------------|
| General Resources | \$1,023,755 | \$1,162,839 | \$1,155,692 | \$1,271,200 |
|-------------------|-------------|-------------|-------------|-------------|

| | | | | |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Total Resources | \$1,023,755 | \$1,162,839 | \$1,155,692 | \$1,271,200 |
|------------------------|--------------------|--------------------|--------------------|--------------------|

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------|-------------------|-------------------|----------------------|--------------------|
|---------------------|-------------------|-------------------|----------------------|--------------------|

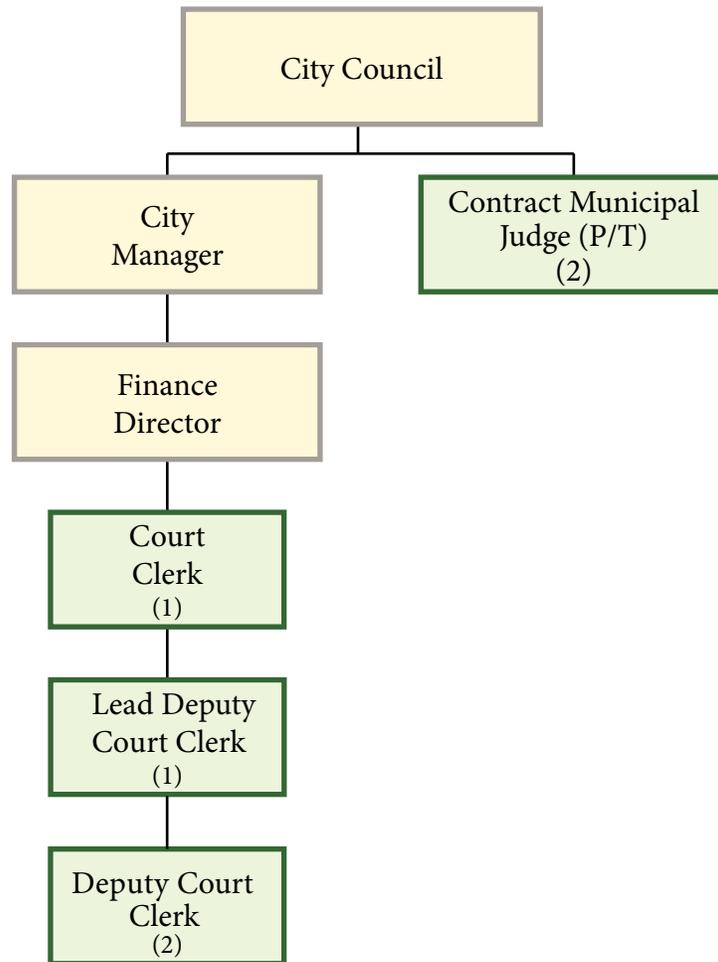
| | | | | |
|---------------------|-----------|-----------|-----------|-----------|
| Salaries & Wages | \$591,519 | \$654,987 | \$655,304 | \$711,200 |
| Employee Benefits | 181,782 | 221,700 | 214,459 | 233,500 |
| Operating Expenses | 216,805 | 253,172 | 252,949 | 284,755 |
| Operating Transfers | 33,649 | 32,980 | 32,980 | 41,745 |

| | | | | |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| Total Expenditures | \$1,023,755 | \$1,162,839 | \$1,155,692 | \$1,271,200 |
|---------------------------|--------------------|--------------------|--------------------|--------------------|

| <i>Expenditures - Details</i> | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
|--------------------------------------|----------------|----------------|------------------|----------------|
| | Actual | Budget | Estimated | Adopted |
| Salaries & Wages | | | | |
| Office/Clerical | \$64,190 | \$67,700 | \$68,623 | \$70,300 |
| Technical | 0 | 0 | 0 | 0 |
| Professional | 256,455 | 304,587 | 295,927 | 335,900 |
| Management/Supervision | 269,355 | 276,500 | 284,554 | 298,800 |
| Temp/Seasonal | 0 | 3,200 | 3,200 | 3,200 |
| Overtime | 1,519 | 3,000 | 3,000 | 3,000 |
| Contract Labor | 0 | 0 | 0 | 0 |
| Subtotal | 591,519 | 654,987 | 655,304 | 711,200 |
| Employee Benefits | | | | |
| Health | 60,097 | 78,700 | 77,968 | 81,800 |
| Life | 684 | 600 | 758 | 600 |
| Dental | 4,424 | 5,300 | 4,840 | 5,500 |
| Long Term Disability | 2,304 | 2,700 | 2,647 | 2,900 |
| Social Security | 42,436 | 51,300 | 46,650 | 54,000 |
| Retirement | 71,150 | 82,000 | 80,610 | 87,500 |
| Tuition Reimbursement | 0 | 0 | 0 | 0 |
| Workers Compensation | 687 | 1,100 | 986 | 1,200 |
| Subtotal | 181,782 | 221,700 | 214,459 | 233,500 |
| Operating Expenses | | | | |
| Professional Service Fees | | | | |
| Tax Appraisals | 44,081 | 46,000 | 47,761 | 52,060 |
| Tax Collections | 3,230 | 4,000 | 3,218 | 3,230 |
| Outside Auditor | 16,383 | 23,000 | 24,650 | 25,000 |
| Arbitrage Review | 16,380 | 18,500 | 18,500 | 18,500 |
| Subtotal | 80,074 | 91,500 | 94,129 | 98,790 |
| Maintenance & Repair | | | | |
| Computer Equipment | 6,332 | 7,000 | 7,000 | 7,000 |
| Non-Fleet Equipment | 0 | 500 | 0 | 0 |
| Maintenance Contracts | 86,119 | 95,320 | 95,320 | 114,260 |
| Subtotal | 92,451 | 102,820 | 102,320 | 121,260 |
| Rental - Equipment | 4,785 | 6,000 | 6,000 | 6,000 |
| Insurance | | | | |
| Property | \$4,576 | \$4,804 | \$4,800 | \$5,040 |
| Liability | 2,425 | 2,498 | 3,300 | 3,465 |
| Subtotal | 7,001 | 7,302 | 8,100 | 8,505 |
| Communication | 13,439 | 13,800 | 13,800 | 14,000 |

FINANCE - 1400

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|--------------------|--------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| Training | 3,883 | 11,000 | 7,850 | 7,850 |
| Travel | 1,194 | 4,500 | 4,500 | 12,000 |
| Dues & Memberships | 1,420 | 1,000 | 1,000 | 1,000 |
| General Supplies | | | | |
| Office | 9,147 | 8,000 | 8,000 | 8,500 |
| Operating | 3,064 | 7,000 | 7,000 | 6,500 |
| Subtotal | 12,211 | 15,000 | 15,000 | 15,000 |
| Books & Periodicals | 347 | 250 | 250 | 350 |
| Subtotal | 216,805 | 253,172 | 252,949 | 284,755 |
| Operating Transfers | | | | |
| Equipment Replacement | 33,649 | 32,980 | 32,980 | 41,745 |
| Subtotal | 33,649 | 32,980 | 32,980 | 41,745 |
| Total Finance | \$1,023,755 | \$1,162,839 | \$1,155,692 | \$1,271,200 |



Funded by Department
 Funded by Other Departments

| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 3.00 | 3.00 | 3.00 | 3.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 1.00 | 1.00 | 1.00 | 1.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 4.00 | 4.00 | 4.00 | 4.00 |

MUNICIPAL COURT - 1100

PROGRAM DESCRIPTION

The Municipal Court is responsible for administering the disposition of Class C Misdemeanor charges brought against persons within the geographical boundaries of the city. The Court Clerk is responsible for the maintenance of the Municipal Court Docket and monitoring collection of fines assessed by the Municipal Judges. The Judges preside over all court hearings, which include docket calls twice per month and jury trials, non-jury trials, juvenile court, and show cause/indigence hearings once per month.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Improve Communication Externally & Internally through Best Practices and Enhanced Technology

Department Goal: Improve Warrant Issuance Process & Comply with All State Laws

| | |
|--|----------|
| • Documents changed to reflect the wording regarding alternative methods of discharging fines and costs. | Complete |
| • Review and update policies/procedures and financial charge codes to reflect changes necessary by the new laws to be effective January 1, 2018. | Complete |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Improve Communication Externally & Internally through Best Practices and Enhanced Technology

Department Goal:

| | |
|---|-----------|
| • Revise Warrant Procedures to determine a more efficient way to process warrants in a timely manner. | Sep. 2019 |
|---|-----------|

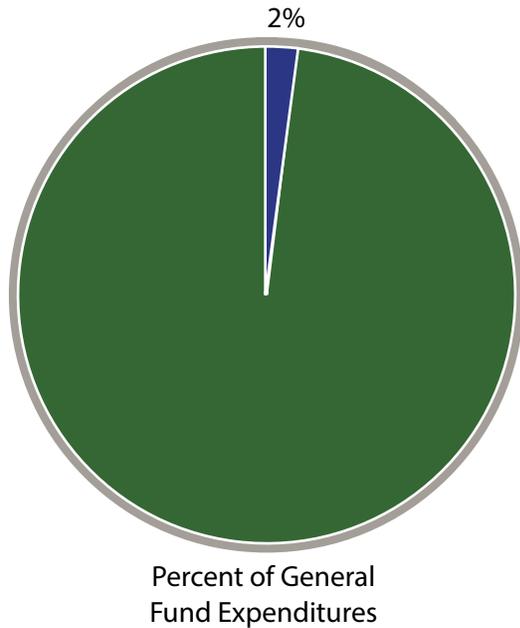
PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|---|-----------------|-----------------|-------------------|-----------------|
| New Cases Filed | 7,724 | 5,800 | 7,835 | 7,850 |
| Failure to Appear Charges Filed | 565 | 540 | 885 | 900 |
| Convicted Dispositions: No Court Appearance | 1,728 | 1,900 | 2,290 | 2,300 |
| Convicted Dispositions: Court Appearance | 1,185 | 1,300 | 1,305 | 1,300 |
| Warrants Outstanding | 6,250 | 6,100 | 6,440 | 6,500 |
| Warrants Issued | 1,825 | 2,500 | 2,990 | 3,000 |
| Amount Collected by Collection Agency | \$255,855 | \$350,000 | \$255,000 | \$300,000 |
| Cases Cleared by Collection Agency | 1,312 | 1,850 | 1,300 | 1,350 |

BUDGET INFORMATION



Major Budget Changes

- Deputy Court Clerk Job Classification Upgrade & Raises \$15,500

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Criminal Justice Tax | \$21,440 | \$23,500 | \$30,000 | \$27,500 |
| Court Fees | 41,040 | 26,000 | 45,000 | 37,500 |
| General Resources | 345,226 | 389,855 | 353,463 | 374,565 |
| Total Resources | \$407,706 | \$439,355 | \$428,463 | \$439,565 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | \$238,311 | \$249,800 | \$257,331 | \$265,300 |
| Employee Benefits | 65,258 | 75,400 | 70,607 | 77,300 |
| Operating Expenses | 80,177 | 90,195 | 76,565 | 73,005 |
| Operating Transfers | 23,960 | 23,960 | 23,960 | 23,960 |
| Total Expenditures | \$407,706 | \$439,355 | \$428,463 | \$439,565 |

MUNICIPAL COURT - 1100

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|-------------------|-------------------|----------------------|--------------------|
| Salaries & Wages | | | | |
| Office/Clerical | \$95,654 | \$99,300 | \$102,088 | \$105,400 |
| Management/Supervision | 65,833 | 66,500 | 68,669 | 71,000 |
| Special Agreement Personnel | 66,976 | 69,000 | 71,574 | 73,900 |
| Overtime | 9,848 | 15,000 | 15,000 | 15,000 |
| Contact Labor | 0 | 0 | 0 | 0 |
| Subtotal | 238,311 | 249,800 | 257,331 | 265,300 |
| Employee Benefits | | | | |
| Health | 24,858 | 29,400 | 27,611 | 29,700 |
| Life | 287 | 300 | 286 | 300 |
| Dental | 1,830 | 1,900 | 1,826 | 2,000 |
| Long Term Disability | 667 | 800 | 688 | 800 |
| Social Security | 16,694 | 19,600 | 18,162 | 20,300 |
| Retirement | 20,597 | 23,000 | 21,664 | 23,700 |
| Tuition Reimbursement | 0 | 0 | 0 | 0 |
| Workers Compensation | 325 | 400 | 370 | 500 |
| Subtotal | 65,258 | 75,400 | 70,607 | 77,300 |
| Operating Expenses | | | | |
| Professional Services | | | | |
| Jury Costs | 276 | 865 | 940 | 865 |
| Contract Cleaning | 7,261 | 16,700 | 5,670 | 5,670 |
| Subtotal | 7,537 | 17,565 | 6,610 | 6,535 |
| Maintenance & Repair | | | | |
| Building | 1,796 | 2,100 | 1,930 | 1,900 |
| Maintenance Contract | 7,858 | 9,250 | 7,700 | 8,560 |
| Subtotal | 9,654 | 11,350 | 9,630 | 10,460 |
| Vehicles & Equipment | 4,769 | 4,295 | 3,185 | 3,185 |
| Insurance | | | | |
| Property | 14,201 | 14,910 | 14,900 | 15,700 |
| Liability | 995 | 1,025 | 1,260 | 1,325 |
| Subtotal | 15,196 | 15,935 | 16,160 | 17,025 |
| Communications | 818 | 720 | 650 | 700 |

MUNICIPAL COURT - 1100

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|-------------------|-------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| Training | 770 | 1,045 | 1,460 | 2,145 |
| Travel | 1,830 | 2,170 | 2,650 | 2,945 |
| Dues & Memberships | 520 | 340 | 340 | 340 |
| General Supplies | | | | |
| Office | 4,044 | 4,500 | 4,010 | 4,200 |
| Operating | 14,485 | 15,850 | 14,290 | 13,895 |
| Cleaning | 3,418 | 3,000 | 1,500 | 1,500 |
| Subtotal | 21,947 | 23,350 | 19,800 | 19,595 |
| Electricity | 17,100 | 13,205 | 15,905 | 10,075 |
| Books & Periodicals | 36 | 220 | 175 | 0 |
| Subtotal | 80,177 | 90,195 | 76,565 | 73,005 |
| Operating Transfers | | | | |
| Equipment Replacement | 23,960 | 23,960 | 23,960 | 23,960 |
| Subtotal | 23,960 | 23,960 | 23,960 | 23,960 |
| Total Municipal Court | \$407,706 | \$439,355 | \$428,463 | \$439,565 |

Lake Jackson Fire Station #1



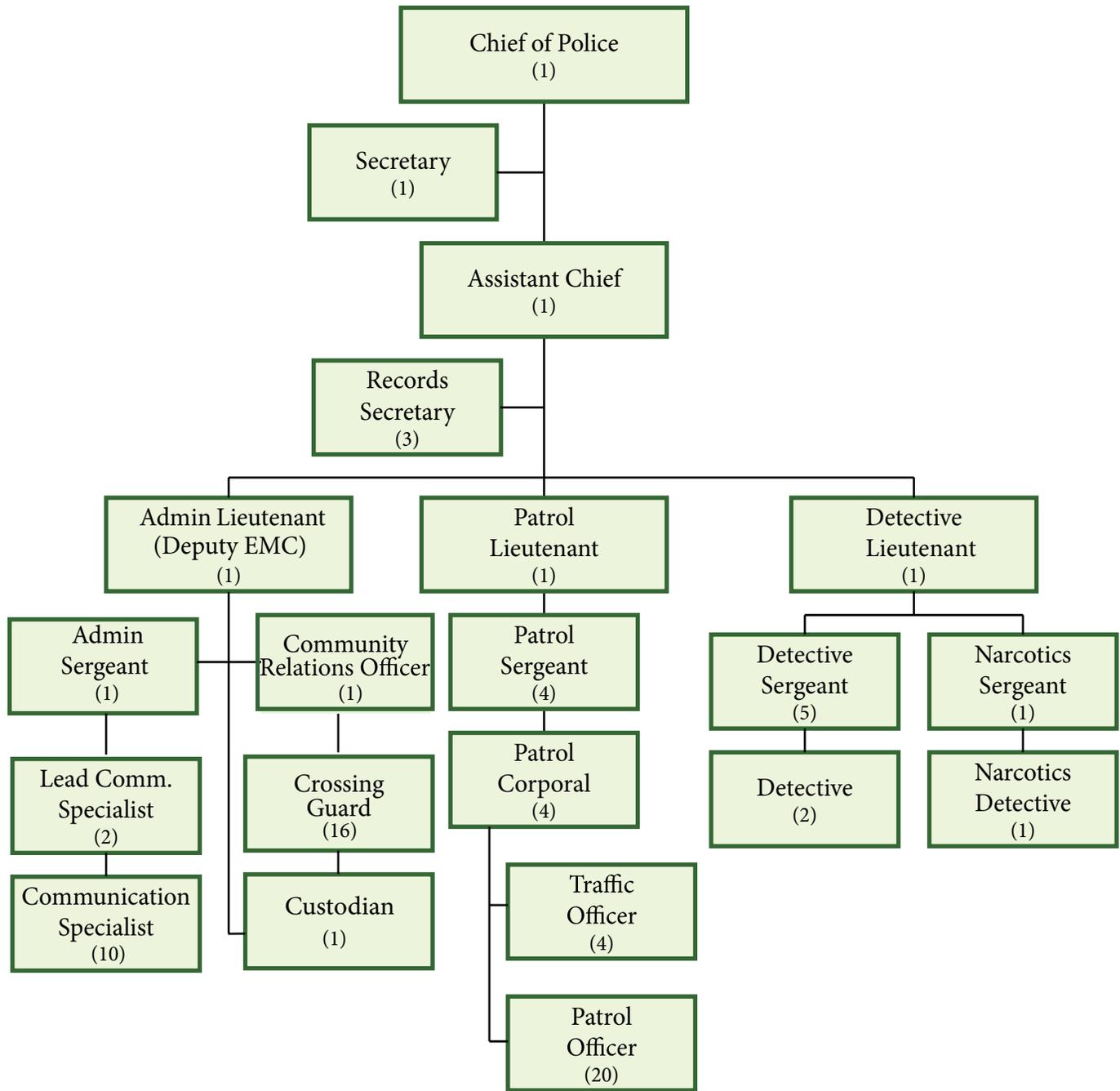
PUBLIC SAFETY



LAKE JACKSON

City of Enchantment





| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 1.00 | 1.00 | 1.00 | 1.00 |
| Office/Clerical | 4.00 | 4.00 | 4.00 | 4.00 |
| Technical | 10.00 | 10.00 | 10.00 | 12.00 |
| Sworn Personnel | 40.00 | 42.00 | 42.00 | 43.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 5.00 | 5.00 | 5.00 | 5.00 |
| Temporary/Seasonal | 2.78 | 2.78 | 2.78 | 3.41 |
| TOTAL FTEs | 62.78 | 64.78 | 64.78 | 68.41 |

POLICE - 2200

PROGRAM DESCRIPTION

It is the mission of the Lake Jackson Police Department to positively impact the quality of life throughout the community by delivering professional and courteous services, preserving the peace, enforcing the law and Constitution, protecting property, and providing a safe environment for all citizens.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens

Department Goal: Reduce the amount of illegal drug traffic in Lake Jackson.

- | | |
|---|----------|
| • Initiate and investigate 30 drug or vice related cases originating in Lake Jackson. | Complete |
| • Outcome: Narcotics and vice efforts extremely active in first year, resulting in 53 cases. We hope to maintain 40 annually, which is very good production. | |

Department Goal: Increase Traffic Safety on City Streets & Thoroughfares

- | | |
|--|----------|
| • Maintain Full Staffing in Traffic Enforcement group for all of this fiscal year, increase enforcement, and enhance safety. | Complete |
| • Outcome: Staffing remained full, and enforcement levels were excellent. Impact in high traffic areas was obvious, and continuing. | |

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Attract highly qualified applicants & decrease time required to fill open positions.

- | | |
|---|----------|
| • Utilize Employee Recruitment Video in a combined effort with face to face recruiting to maintain patrol staffing at a high level. | On-going |
|---|----------|

CITY COUNCIL OBJECTIVE: Use New Technology to Improve Areas of Operations

Department Goal: Implement available technology to enhance safety, service, and transparency.

- | | |
|---|----------|
| • Install new wireless download for patrol video, continue conversion to WatchGuard system as budget permits. | Complete |
| • Work with City & BISD on Employee recruitment video | On-going |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens

Department Goal: Reduce the amount of illegal drug traffic in Lake Jackson.

- | | |
|--|-----------|
| • Initiate and investigate 40 drug or vice related cases originating in Lake Jackson. This goal will be a continuing focus area. | Sep. 2019 |
|--|-----------|

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Attract highly qualified applicants & decrease time required to fill open positions.

- | | |
|--|-----------|
| • Implement a Cadet pilot program (depending on funding) as a proactive solution to reduced numbers of qualified applicants. | Sep. 2019 |
|--|-----------|

| | |
|--|-----------|
| CITY COUNCIL OBJECTIVE: Offer preparatory supervision classes to prepare potential managers | |
| Department Goal: | |
| <ul style="list-style-type: none"> Expand attendance in the Leadership Command College at LEMIT from administration to sergeants, in order to prepare them for the lieutenant's position. | Sep. 2019 |

| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Improve Areas of Operations | |
| Department Goal: | |
| <ul style="list-style-type: none"> Expand capabilities of criminal investigations through upgrading of mobile (cell phone) forensic equipment, and upgrade/enlarge digital evidentiary storage for detectives. | Sep. 2019 |

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

| | |
|--|-----------|
| CITY COUNCIL OBJECTIVE: Focus on Key Facilities in Remodeling Updates | |
| Department Goal: | |
| <ul style="list-style-type: none"> Remodel remaining office space to provide working room for PD IT Services. | Sep. 2019 |

PERFORMANCE MEASURES

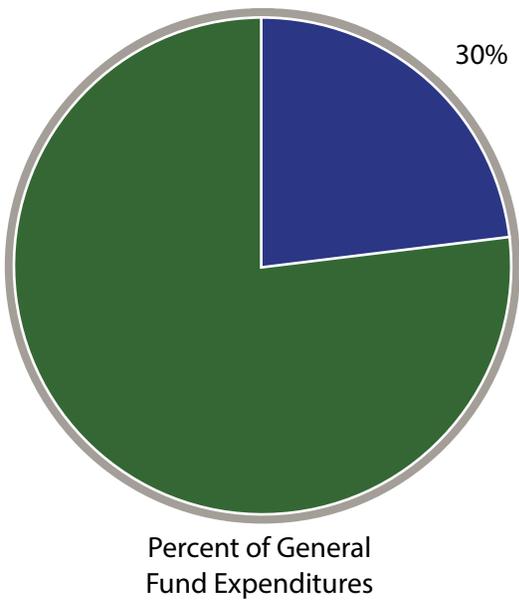
CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

| CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens | | | | |
|--|-----------------|-----------------|-------------------|-----------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| Average Response Time to Priority "P" Calls (minutes) | 4:43 | 5:00 | 4:54 | 5:00 |
| Unit Reaction Time to Priority "P" Calls (minutes) | 4:05 | 4:30 | 4:14 | 4:30 |
| Total Traffic Contacts | 15,781 | 15,500 | 16,000 | 16,000 |
| Percentage of Burglary Cases Solved | 24% | 30% | 25% | 27% |
| Increase Narcotics Enforcement Focus in Lake Jackson(Narcotics Officers Only, LJ Specific) | 53 | 40 | 43 | 40 |

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

| CITY COUNCIL OBJECTIVE: Offer In-House Training Opportunities for Employees | | | | |
|--|-----------------|-----------------|-------------------|-----------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| In-Service & Developmental Training Hours | 7,432.5 | 6,000 | 6,000 | 6,000 |

BUDGET INFORMATION



Major Budget Changes

- Increase Three New Employees (2 Dispatchers, 1 Admin Sergeant) \$195,256
- Employee Raises \$104,100
- Increase in Overtime \$5,500
- Increase in Maintenance Contracts \$45,472
- Increase in Property/Liability Insurance \$16,541
- Increase in Contribution to Equipment Replacement Fund \$205,999

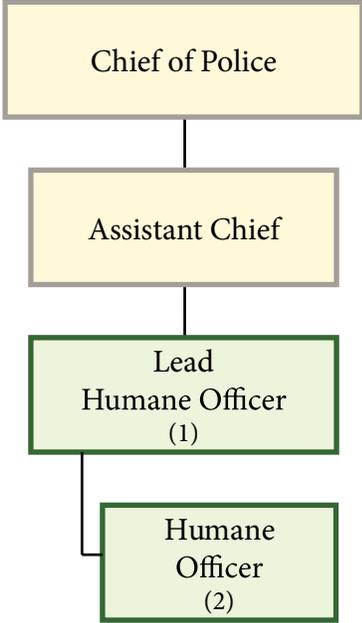
| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Alarm Fees | \$61,938 | \$60,000 | \$60,000 | \$60,000 |
| Peddler Permit | 1,325 | 3,000 | 1,500 | 1,500 |
| Wrecker License | 1,500 | 1,500 | 2,200 | 2,000 |
| B'Port College SRO | 5,672 | 0 | 0 | 0 |
| Richwood Dispatching | 40,750 | 43,000 | 43,000 | 43,000 |
| General Resources | 5,834,983 | 6,037,196 | 5,940,755 | 6,647,257 |
| Total Resources | \$5,946,168 | \$6,144,696 | \$6,047,455 | \$6,753,757 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | \$3,730,483 | \$3,883,500 | \$3,843,267 | \$4,134,300 |
| Employee Benefits | 1,240,604 | 1,328,446 | 1,265,332 | 1,413,100 |
| Operating Expenses | 624,065 | 690,796 | 696,902 | 758,404 |
| Capital Outlay | 0 | 0 | 0 | 0 |
| Operating Transfers | 351,016 | 241,954 | 241,954 | 447,953 |
| Total Expenditures | \$5,946,168 | \$6,144,696 | \$6,047,455 | \$6,753,757 |

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$33,322 | \$33,000 | \$34,061 | \$34,700 |
| Office/Clerical | 162,188 | 164,600 | 169,534 | 172,700 |
| Technical | 428,481 | 426,000 | 456,862 | 488,200 |
| Sworn Personnel | 2,416,567 | 2,568,800 | 2,474,592 | 2,696,000 |
| Management/Supervision | 461,505 | 449,700 | 456,718 | 474,400 |
| Temp/Seasonal | 88,844 | 86,900 | 89,000 | 108,300 |
| Overtime | 139,576 | 154,500 | 162,500 | 160,000 |
| Subtotal | 3,730,483 | 3,883,500 | 3,843,267 | 4,134,300 |
| Employee Benefits | | | | |
| Health | 382,903 | 452,000 | 420,368 | 480,100 |
| Life | 4,380 | 3,600 | 4,389 | 3,700 |
| Dental | 28,145 | 29,700 | 28,030 | 32,200 |
| Long Term Disability | 14,210 | 15,600 | 14,383 | 16,500 |
| Social Security | 297,523 | 295,400 | 288,528 | 314,200 |
| Retirement | 465,951 | 466,200 | 458,843 | 497,600 |
| Tuition Reimbursement | 1,631 | 9,746 | 4,000 | 8,800 |
| Workers Compensation | 45,861 | 56,200 | 46,791 | 60,000 |
| Subtotal | 1,240,604 | 1,328,446 | 1,265,332 | 1,413,100 |
| Operating Expenses | | | | |
| Professional Services | | | | |
| Psychological Examination | 1,720 | 1,200 | 1,200 | 1,200 |
| Volunteer Benefits | 1,686 | 3,000 | 3,000 | 3,000 |
| Forensic Testing | 1,265 | 2,500 | 2,500 | 2,500 |
| Subtotal | 4,671 | 6,700 | 6,700 | 6,700 |
| Water & Sewer | 1,100 | 1,100 | 1,100 | 1,100 |
| Maintenance & Repair | | | | |
| Buildings | 16,314 | 13,000 | 13,000 | 13,000 |
| Heating & Air Conditioning | 25,192 | 14,000 | 14,000 | 14,000 |
| Vehicles | 55,480 | 50,000 | 55,000 | 55,000 |
| Equipment | 1,257 | 5,000 | 3,000 | 5,000 |
| Radios | -97 | 3,000 | 3,000 | 3,000 |
| Furniture & Fixtures | 0 | 1,000 | 1,800 | 1,500 |
| Maintenance Contracts | 127,572 | 176,390 | 167,500 | 221,862 |
| Subtotal | \$225,718 | \$262,390 | \$257,300 | \$313,362 |
| Rental - Vehicle & Equipment | 6,590 | 6,000 | 6,000 | 6,000 |

POLICE - 2200

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|--------------------|--------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| Insurance | | | | |
| Property | 43,781 | 45,969 | 45,700 | 48,270 |
| Liability | 53,187 | 54,590 | 65,550 | 68,830 |
| Fidelity | -1,082 | 0 | 0 | 0 |
| Subtotal | 96,968 | 100,559 | 111,250 | 117,100 |
| Communication | 59,355 | 60,000 | 61,200 | 61,000 |
| Training | 9,684 | 16,267 | 16,267 | 15,833 |
| Travel | 2,887 | 2,500 | 2,500 | 2,500 |
| Dues & Memberships | 950 | 1,280 | 1,280 | 1,280 |
| General Supplies | | | | |
| Office | 10,760 | 13,000 | 13,000 | 13,000 |
| Wearing Apparel | 33,006 | 27,000 | 24,000 | 26,000 |
| Gasoline & Diesel | 86,446 | 75,000 | 70,650 | 83,230 |
| Operating | 14,600 | 45,000 | 45,000 | 45,000 |
| Photography | 899 | 1,500 | 1,500 | 1,500 |
| Firing Range | 7,849 | 15,000 | 15,000 | 15,000 |
| Community Policing | 4,157 | 5,500 | 5,500 | 5,500 |
| Detention Facility | 2,932 | 5,000 | 5,000 | 5,000 |
| Crime Lab | 8,573 | 7,500 | 7,500 | 7,500 |
| Cleaning | 3,862 | 4,000 | 4,000 | 4,000 |
| Subtotal | 173,084 | 198,500 | 191,150 | 205,730 |
| Electricity & Natural Gas | 43,892 | 34,500 | 41,155 | 26,799 |
| Books & Periodicals | 248 | 1,000 | 1,000 | 1,000 |
| Subtotal | 624,065 | 690,796 | 696,902 | 758,404 |
| Capital Outlay | 0 | 0 | 0 | 0 |
| Operating Transfers | | | | |
| Equipment Replacement | 351,016 | 241,954 | 241,954 | 447,953 |
| Subtotal | 351,016 | 241,954 | 241,954 | 447,953 |
| Total Police | \$5,946,168 | \$6,144,696 | \$6,047,455 | \$6,753,757 |



Funded by Department
 Funded by Other Department

| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 3.00 | 3.00 | 3.00 | 3.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 3.00 | 3.00 | 3.00 | 3.00 |

HUMANE - 2500

PROGRAM DESCRIPTION

The Lake Jackson Humane Department is responsible for the enforcement of animal control ordinances, investigation of animal related offenses, and the education of the general public on animal related issues pertaining to health and safety.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Proceed with Animal Shelter Improvements

Department Goal: Improve Animal Intake Procedures at the SPCA Shelter

- Complete Intake Trailer Project Sep. 2018

CITY COUNCIL OBJECTIVE: Proceed with Animal Shelter Improvements

Department Goal: Improve Employee Safety

- Offer rabies preventive vaccinations to employees in animal control services. In progress

CITY COUNCIL VISION ELEMENT: Enhance Communication

CITY COUNCIL OBJECTIVE: Improve communication Externally & Internally Through Best Practices and Enhanced Technology

Department Goal: Increase Animal Safety

- Put on at least one public service animal clinic in partnership with professional care service (vaccination, grooming, animal care). In progress

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire and Retain Qualified Employees

Department Goal: Improve Employee Safety

- Complete project to offer preventive rabies vaccinations to animal control employees. Sep. 2019

CITY COUNCIL VISION ELEMENT: Enhance Communication

CITY COUNCIL OBJECTIVE: Welcome all residents and provide opportunities to become involved in Lake Jackson

Department Goal:

- Author and assemble a welcome packet on animal helps, tips, and ordinances that City Hall can pass out to new residents. Sep. 2019

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Conduct feasibility study of expansion of City Hall and new Animal Shelter

Department Goal:

- Participate in research, evaluation, and implementation of plans for a new Lake Jackson Animal Shelter. Sep. 2019

HUMANE - 2500

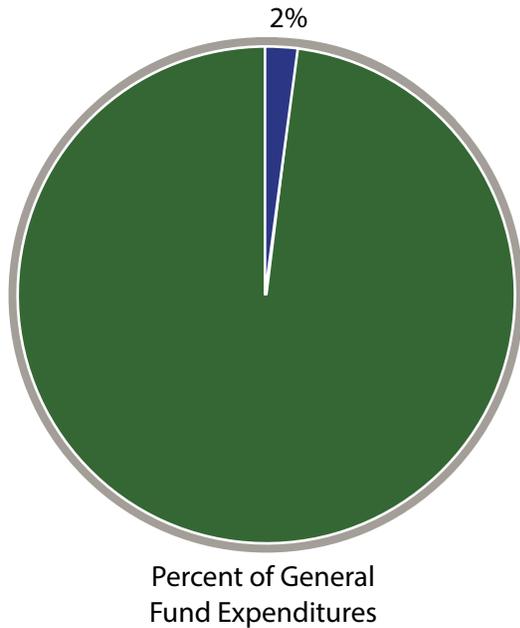
PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens

| PERFORMANCE MEASURE (All goals are to lower the number) | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|--|--------------------|--------------------|----------------------|--------------------|
| Total Animals Collected | 861 | 750 | 800 | 800 |
| Animal Bites Reported | 77 | 75 | 75 | 75 |
| Citations and Warnings Issued | 115 | 180 | 100 | 110 |
| Average Animal Intake Time | 19.92 | <20 | 20 | 20 |

BUDGET INFORMATION



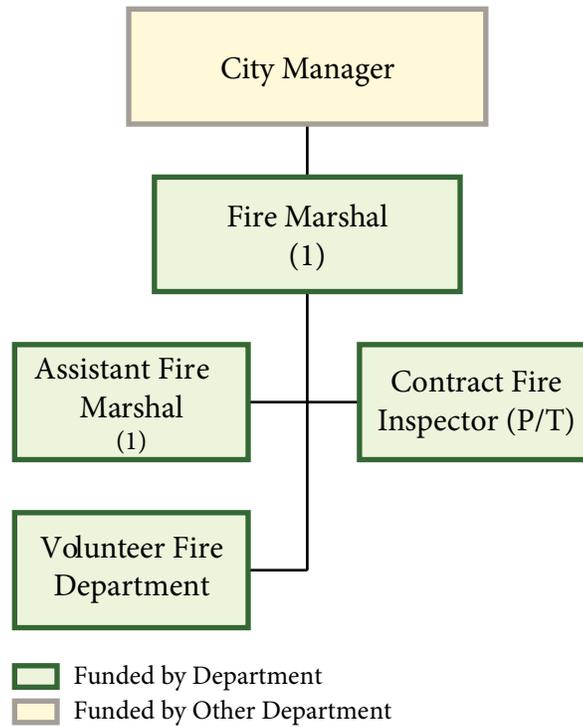
Major Budget Changes

- Employee Raises \$6,000
- Increase in Shelter Management Fee \$16,539
- Added Shelter Repairs \$10,000
- Added Rabies Vaccination Series for 3 ACO's \$3,300
- Increase in Contribution to Equipment Replacement Fund \$3,385

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|-------------------|-------------------|----------------------|--------------------|
| General Resources | 341,514 | 340,533 | 358,097 | 382,272 |
| Total Resources | \$341,514 | \$340,533 | \$358,097 | \$382,272 |
| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
| Salaries & Wages | \$103,663 | \$103,100 | \$107,681 | \$109,250 |
| Employee Benefits | 43,043 | 46,800 | 39,028 | 48,600 |
| Operating Expenses | 186,933 | 182,818 | 203,573 | 213,227 |
| Operating Transfers | 7,875 | 7,815 | 7,815 | 11,195 |
| Total Expenditures | \$341,514 | \$340,533 | \$358,097 | \$382,272 |

HUMANE - 2500

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$100,423 | \$99,500 | \$104,081 | \$105,500 |
| Overtime | 3,240 | 3,600 | 3,600 | 3,750 |
| Subtotal | 103,663 | 103,100 | 107,681 | 109,250 |
| Employee Benefits | | | | |
| Health | 19,108 | 22,000 | 14,063 | 22,300 |
| Life | 221 | 200 | 219 | 200 |
| Dental | 1,409 | 1,400 | 1,396 | 1,500 |
| Long Term Disability | 413 | 400 | 424 | 400 |
| Social Security | 7,845 | 7,900 | 7,965 | 8,400 |
| Retirement | 12,468 | 12,700 | 13,000 | 13,500 |
| Tuition Reimbursement | 0 | 0 | 0 | 0 |
| Workers Compensation | 1,579 | 2,200 | 1,961 | 2,300 |
| Subtotal | 43,043 | 46,800 | 39,028 | 48,600 |
| Operating Expenses | | | | |
| Shelter Management | 157,734 | 158,461 | 158,461 | 175,000 |
| Fleet Vehicles & Equipment | 2,086 | 3,000 | 4,500 | 4,000 |
| Animal Shelter | 10,815 | 0 | 20,000 | 10,000 |
| Insurance | | | | |
| Property | 5,737 | 6,022 | 6,000 | 6,325 |
| Liabilty | 614 | 633 | 1,050 | 1,190 |
| Subtotal | 6,351 | 6,655 | 7,050 | 7,515 |
| Communication | 1,377 | 1,872 | 1,872 | 1,872 |
| Training | 485 | 1,000 | 1,000 | 1,000 |
| Travel | 700 | 550 | 750 | 700 |
| General Supplies | | | | |
| Office | 612 | 150 | 150 | 150 |
| Wearing Apparel | 131 | 1,000 | 1,000 | 1,000 |
| Gasoline & Diesel | 5,007 | 5,630 | 3,790 | 4,190 |
| Operating | 1,635 | 4,500 | 5,000 | 7,800 |
| Subtotal | 7,385 | 11,280 | 9,940 | 13,140 |
| Subtotal | 186,933 | 182,818 | 203,573 | 213,227 |
| Operating Transfers | | | | |
| Equipment Replacement | 7,875 | 7,815 | 7,815 | 11,195 |
| Subtotal | 7,875 | 7,815 | 7,815 | 11,195 |
| Total Humane | \$341,514 | \$340,533 | \$358,097 | \$382,272 |



| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 1.00 | 1.00 | 1.00 | 1.00 |
| Management/Supervision | 1.00 | 1.00 | 1.00 | 1.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 2.00 | 2.00 | 2.00 | 2.00 |

FIRE - 2300

PROGRAM DESCRIPTION

The City's Fire Marshal's Office (FMO) is responsible for fire code enforcement, fire inspections, fire & arson investigations, fire safety education, and other duties as needed. The FMO maintains (2) fire stations and maintenance of all fire apparatus and ambulances. This office is staffed by (1) full time Fire Marshal, (1) Assistant Fire Marshal, and (1) part time contract Fire Inspector.

The City's Volunteer Fire Department is responsible for staffing two (2) fire stations and providing fire fighting activities 24 hours a day, 365 days a year and for assisting with fire safety education and maintenance of all fire apparatus. This department is staffed by (45) volunteers.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens

Department Goal: Provide Programs to the Community that Increase Safety Awareness & Training

| | |
|---|----------|
| • Install 20 Stovetop FireStops extinguishing devices to individuals in need, work with churches etc to enhance the program | Complete |
| • Partner with Volunteer Fire Dept, LJEMS and BISD to fund the "After the Fire" presentation to all graduating seniors in BISD. | Complete |
| • Conduct "Remembering When" program with senior citizens, in nursing homes, & senior living apartments. | Complete |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens

Department Goal: Provide Programs to the Community that Increase Safety Awareness & Training

| | |
|---|-----------|
| • Install 20 Stovetop FireStops extinguishing devices to individuals in need, work with church's etc to enhance the program | Sep. 2019 |
| • Partner with Volunteer Fire Dept, LJEMS and BISD to fund the "After the Fire" presentation to all graduating seniors in BISD. | Apr. 2019 |
| • Conduct "Remembering When" program to older citizens, in nursing homes, senior living apartments. | Sep. 2019 |

PERFORMANCE MEASURES

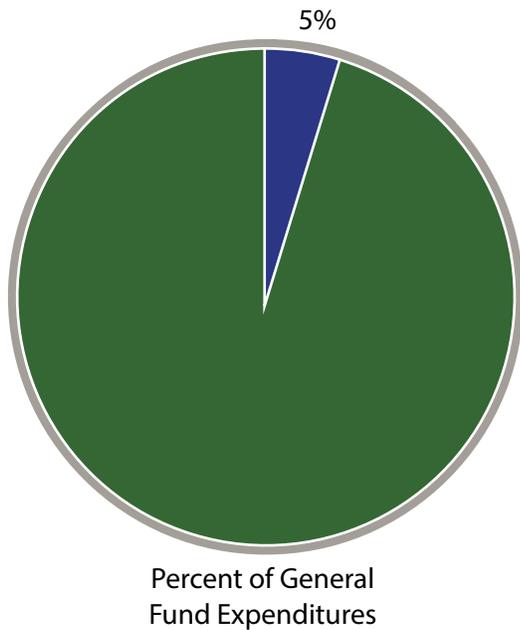
CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

| CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens | | | | |
|---|------------------------|------------------------|--------------------------|------------------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| Total Volunteer Members | 50 | 50 | 43 | 50 |
| Emergency Calls | 550 | 650 | 650 | 650 |
| Fire Investigations | 15 | 15 | 15 | 15 |
| Average Response Time on Fire Calls (minutes) | 6:00 | 6:00 | 7:00 | 7:00 |
| Fire Safety Inspections | 550 | 450 | 550 | 600 |
| Public Fire Safety Education Classes | 60 | 60 | 60 | 60 |

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

| CITY COUNCIL OBJECTIVE: Offer In-House Training Opportunities for Employees | | | | |
|--|------------------------|------------------------|--------------------------|------------------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| Annual Training Hours (FMO) | 122 | 160 | 200 | 160 |

BUDGET INFORMATION



Major Budget Changes

- Increase in Vehicle Maintenance \$18,000
- Increase in Maintenance Contract \$8,000
- Employee Raises \$8,400
- Increase in Travel/Training \$4,500

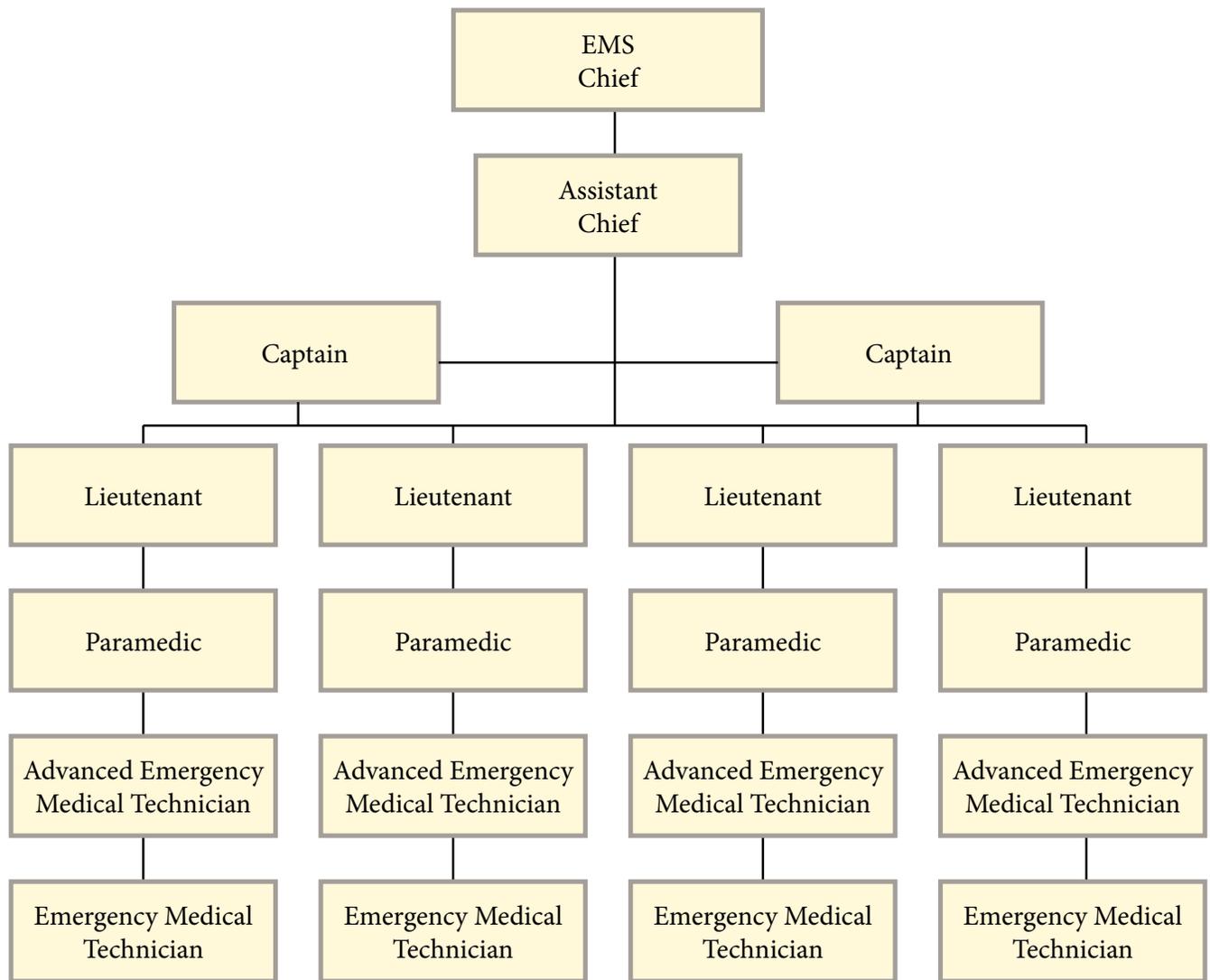
| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| General Resources | \$1,035,022 | \$1,087,544 | \$1,118,997 | \$1,144,966 |
| Total Resources | \$1,035,022 | \$1,087,544 | \$1,118,997 | \$1,144,966 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | \$133,620 | \$137,100 | \$142,037 | \$145,500 |
| Employee Benefits | 101,081 | 135,500 | 135,460 | 137,600 |
| Operating Expenses | 433,745 | 440,923 | 467,479 | 494,236 |
| Operating Transfers | 366,576 | 374,021 | 374,021 | 367,630 |
| Total Expenditures | \$1,035,022 | \$1,087,544 | \$1,118,997 | \$1,144,966 |

| <i>Expenditures - Details</i> | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
|--------------------------------------|----------------|----------------|------------------|----------------|
| | Actual | Budget | Estimated | Adopted |
| Salaries & Wages | | | | |
| Management/Supervision | \$133,620 | \$137,100 | \$142,037 | \$145,500 |
| Temp/Seasonal | 0 | 0 | 0 | 0 |
| Subtotal | 133,620 | 137,100 | 142,037 | 145,500 |
| Employee Benefits | | | | |
| Health | 12,271 | 14,700 | 14,256 | 14,900 |
| Life | 141 | 100 | 146 | 100 |
| Dental | 903 | 1,000 | 931 | 1,000 |
| Long Term Disability | 543 | 600 | 576 | 600 |
| Social Security | 9,943 | 10,500 | 10,556 | 11,100 |
| Retirement | 16,056 | 16,800 | 17,483 | 18,000 |
| Volunteer Retirement | 60,125 | 90,000 | 90,000 | 90,000 |
| Workers Compensation | 1,099 | 1,800 | 1,512 | 1,900 |
| Subtotal | 101,081 | 135,500 | 135,460 | 137,600 |
| Operating Expenses | | | | |
| Professional Service Fees | | | | |
| Volunteer Benefits | 24,253 | 29,000 | 29,000 | 29,000 |
| Fire Fighting Services | 21,130 | 50,000 | 30,000 | 50,000 |
| Crime Lab | 0 | 500 | 500 | 500 |
| Contract Cleaning | 10,576 | 11,000 | 11,000 | 11,000 |
| Fire Code Inspections | 14,000 | 17,000 | 17,000 | 17,000 |
| Subtotal | 69,959 | 107,500 | 87,500 | 107,500 |
| Water & Sewer | 3,200 | 3,200 | 3,200 | 3,200 |
| Maintenance & Repair | | | | |
| Buildings | 30,384 | 25,000 | 25,000 | 25,000 |
| Heating & Air Condition | 1,967 | 6,000 | 6,000 | 6,000 |
| Vehicles | 67,046 | 22,000 | 50,000 | 40,000 |
| Non Fleet Equipment | 2,752 | 5,000 | 5,000 | 5,000 |
| Radios | 2,162 | 7,000 | 7,000 | 7,000 |
| Maintenance Contract | 35,352 | 30,000 | 30,000 | 38,000 |
| Vehicles & Equipment | 4,221 | 5,515 | 5,515 | 5,026 |
| Subtotal | 143,884 | 100,515 | 128,515 | 126,026 |
| Insurance | | | | |
| Property | 36,041 | 37,842 | 37,800 | 39,750 |
| Liability | 27,389 | 28,212 | 42,600 | 44,730 |
| Subtotal | 63,430 | 66,054 | 80,400 | 84,480 |

FIRE - 2300

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|--------------------|--------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| Communications | 7,024 | 7,500 | 7,500 | 7,000 |
| Training | 10,903 | 13,400 | 13,400 | 14,100 |
| Travel | 18,025 | 18,800 | 18,800 | 22,600 |
| Other Purchased Services | | | | |
| Dues & Memberships | 3,380 | 6,174 | 6,174 | 6,124 |
| Fireman Banquet | 2,300 | 2,300 | 2,300 | 2,300 |
| Subtotal | 5,680 | 8,474 | 8,474 | 8,424 |
| General Supplies | | | | |
| Office | 689 | 2,300 | 2,300 | 2,300 |
| Wearing Apparel | 3,442 | 3,500 | 3,500 | 3,500 |
| Program | 4,393 | 5,000 | 5,000 | 5,000 |
| Gasoline & Diesel | 11,846 | 8,500 | 11,120 | 11,840 |
| Operating | 49,616 | 60,000 | 60,000 | 60,000 |
| Photography | 1,000 | 1,000 | 1,000 | 1,000 |
| Cleaning | 1,440 | 3,500 | 3,000 | 3,500 |
| Subtotal | 72,426 | 83,800 | 85,920 | 87,140 |
| Electricity & Natural Gas | 36,666 | 28,680 | 30,770 | 30,766 |
| Books & Periodicals | 2,548 | 3,000 | 3,000 | 3,000 |
| Subtotal | 433,745 | 440,923 | 467,479 | 494,236 |
| Operating Transfers | | | | |
| Equipment Replacement | 366,576 | 374,021 | 374,021 | 367,630 |
| Subtotal | 366,576 | 374,021 | 374,021 | 367,630 |
| Total Fire | \$1,035,022 | \$1,087,544 | \$1,118,997 | \$1,144,966 |



* The City contracts with LJEMS to provide ambulance services.

| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 0.00 | 0.00 | 0.00 | 0.00 |

EMS - 2400

PROGRAM DESCRIPTION

The EMS (Lake Jackson Emergency Medical Service, Inc.) Department is contracted to provide Emergency Medical Services for the City of Lake Jackson. Lake Jackson EMS Inc. is a separate organization and is run by both paid and volunteer staff. LJEMS is responsible for staffing city provided ambulances.

FY 17-18 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens

Department Goal: Provide Programs to the Community that Increase Safety Awareness & Training

| | |
|---|----------|
| <ul style="list-style-type: none"> Provide tourniquets to every BISD Campus where an AED is present & provide "Stop the Bleed" training programs citywide. Severe loss of blood from extremity wounds is a leading cause of preventable death in trauma. | Complete |
| <ul style="list-style-type: none"> Continue 10-Minute CPR Courses. Bystander CPR is invaluable in resuscitation of the pulse-less patient and increases the chance for survivability. | Complete |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens

Department Goal: Provide Programs to the Community that Increase Safety Awareness & Training

| | |
|---|-----------|
| <ul style="list-style-type: none"> Provide tourniquets to every City facility where an AED is present & provide "Stop the Bleed" training programs citywide. Severe loss of blood from extremity wounds is a leading cause of preventable death in trauma. | Sep. 2019 |
| <ul style="list-style-type: none"> Continue 10-Minute CPR Courses. Bystander CPR is invaluable in resuscitation of the pulse-less patient and increases the chance for survivability. | Sep. 2019 |
| <ul style="list-style-type: none"> Remain fully staffed | Sep. 2019 |
| <ul style="list-style-type: none"> Work on establishing call priority system | Sep. 2019 |

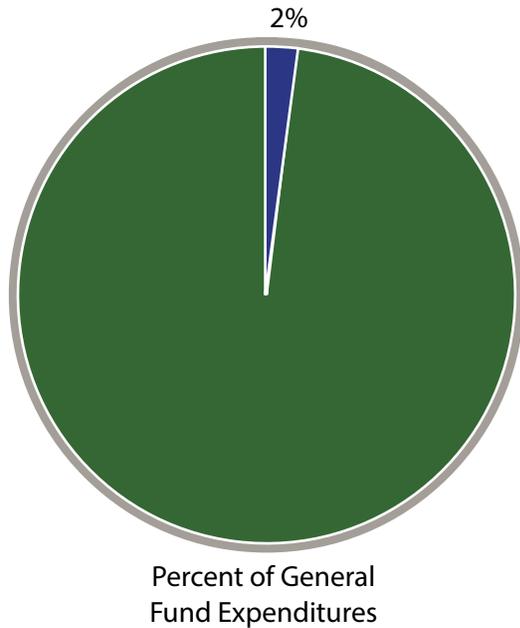
PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|------------------------------------|-----------------|-----------------|-------------------|-----------------|
| Ambulance Calls | 4,141 | 4,000 | 4,074 | 4,000 |
| Average Response Time (minutes) | 4:00 | 4:00 | 4:00 | 4:00 |
| Percentage of Billings Collected | 31% | 31% | 35% | 31% |
| Number of Stand-by Service | 24 | 20 | 20 | 20 |
| Number of Public Education Classes | 32 | 30 | 30 | 30 |
| Public Education Class Attendance | 900 | 1,000 | 500 | 700 |
| Fall Calls | 325 | 375 | 350 | 350 |

BUDGET INFORMATION



Major Budget Changes

- Increase in Equipment Replacement Fund Contribution \$63,420

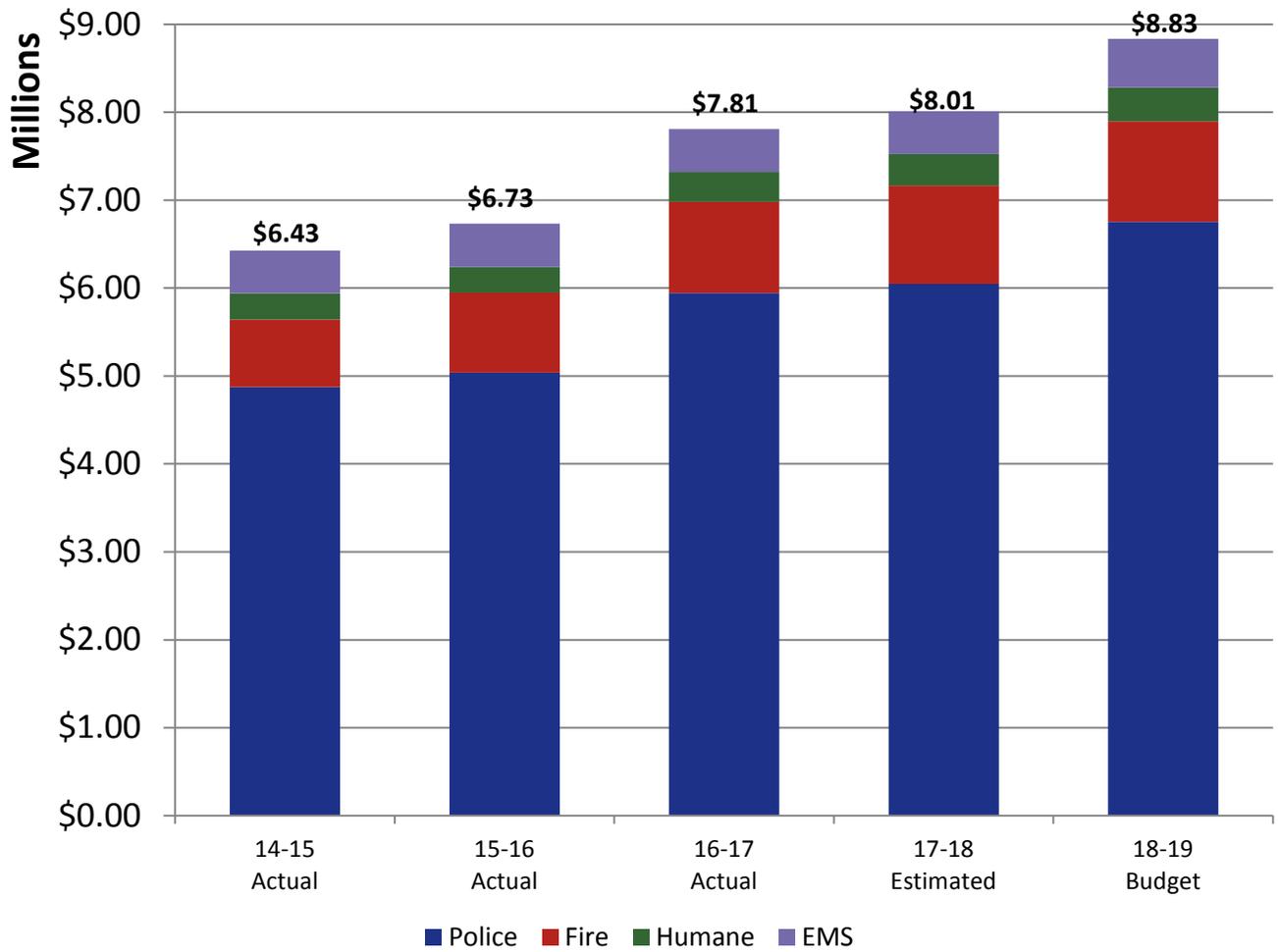
| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|-------------------|-------------------|----------------------|--------------------|
| General Resources | \$487,532 | \$506,821 | \$487,135 | \$553,845 |
| Total Resources | \$487,532 | \$506,821 | \$487,135 | \$553,845 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|-------------------|-------------------|----------------------|--------------------|
| Employee Benefits | \$1,500 | \$2,400 | \$2,400 | \$0 |
| Operating Expenses | 382,060 | 393,586 | 373,900 | 379,590 |
| Operating Transfers | 103,972 | 110,835 | 110,835 | 174,255 |
| Total Expenditures | \$487,532 | \$506,821 | \$487,135 | \$553,845 |

EMS - 2400

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Employee Benefits | | | | |
| Retirement Contribution | \$1,500 | \$2,400 | \$2,400 | \$0 |
| Subtotal | 1,500 | 2,400 | 2,400 | 0 |
| Operating Expenses | | | | |
| EMS Services | 317,678 | 337,000 | 337,000 | 337,000 |
| Maintenance & Repair Vehicles | 23,220 | 15,000 | 25,000 | 20,000 |
| Maintenance Contract | 867 | 1,700 | 1,700 | 12,000 |
| Rental | 28,682 | 29,000 | 0 | 0 |
| Liability Insurance | 4,878 | 5,026 | 4,510 | 4,740 |
| Communication | 1,201 | 2,400 | 2,400 | 2,400 |
| General Supplies | | | | |
| Gasoline & Diesel | 5,419 | 3,460 | 3,290 | 3,450 |
| Operating | 115 | 0 | 0 | 0 |
| Subtotal | 5,534 | 3,460 | 3,290 | 3,450 |
| Subtotal | 382,060 | 393,586 | 373,900 | 379,590 |
| Operating Transfers | | | | |
| Equipment | 17,072 | 0 | 0 | 0 |
| Equipment Replacement | 86,900 | 110,835 | 110,835 | 174,255 |
| Subtotal | 103,972 | 110,835 | 110,835 | 174,255 |
| Total EMS | \$487,532 | \$506,821 | \$487,135 | \$553,845 |

PUBLIC SAFETY - HISTORY OF EXPENDITURES



Construction on Plantation Drive Bridge



ENGINEERING

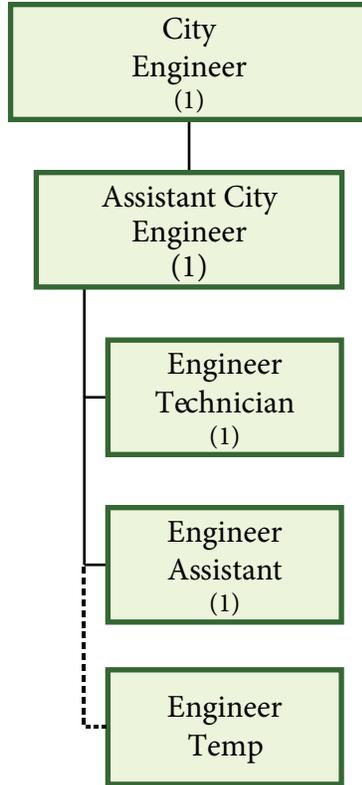


LAKE JACKSON

City of Enchantment

City of
Enchantment





| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 2.00 | 2.00 | 2.00 | 2.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 1.00 | 1.00 | 1.00 | 1.00 |
| Management/Supervision | 1.00 | 1.00 | 1.00 | 1.00 |
| Temporary/Seasonal | 0.34 | 0.34 | 0.34 | 0.34 |
| TOTAL FTEs | 4.34 | 4.34 | 4.34 | 4.34 |

ENGINEERING - 1500

PROGRAM DESCRIPTION

The Engineering Department provides general engineering services for all municipal operations by thorough analysis, investigation and design of plans and specifications, responsible construction management, timely inspections, and enforcement of regulations and standards. The department is also responsible for storing, maintaining, and updating the mapping, platting, plan, and project filing records of the City. In addition, the department assists citizens, businesses, developers, and staff with infrastructure, mapping, and regulatory information.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

| | |
|---|-------------|
| CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment | |
| Department Goal: Provide Infrastructure that Keeps the Community Safe, Promotes Growth, & Improves Quality of Life for Our Residents | |
| • Complete So Parking PI construction contract project and redevelop area as attraction and outdoor event venue | Complete |
| • Coordinate, direct design, review and bid and manage traffic signal installation at Oak Drive & Circle Way | Complete |
| • Participate in Downtown Revitalization design consultant team selection | Complete |
| • Coordinate and oversee completion of Ph 2East Drainage Study | Complete |
| • Coordinate , contract and start of Ph3 East Drainage Study | Complete |
| • Design and bid So. Yaupon drainage ditch and crossings | In Progress |
| • Manage, construction and inspection of Phase 1 So Yaupon Drainage contract project | In Progress |
| • Manage, construction and inspection of Willow Blossom Drainage Improvement contract project | In Progress |
| • Manage, construction and inspection of Woodland Park Street reconstruction contract project | In Progress |
| • Coordinate and oversee completion of Ph 3East Drainage Study | Sep. 2018 |

CITY COUNCIL VISION ELEMENT: Enable Growth & Revitalization

| | |
|---|-------------|
| CITY COUNCIL OBJECTIVE: Facilitate Development of New Housing | |
| Department Goal: | |
| • Review, inspect, and supervise construction of Phase 4 of the Creekside Subdivision | In Progress |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enable Growth & Revitalization

| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Facilitate the Revitalization of Downtown | |
| Department Goal: | |
| • Participate in review, assessment & design of phase 4 infrastructure improvements for the Downtown area | Sep. 2019 |
| CITY COUNCIL OBJECTIVE: Facilitate Development of New Housing | |
| Department Goal: | |
| • Study feasibility of extending North Yaupon to aid residential development | Sep. 2019 |

CITY COUNCIL OBJECTIVE: Facilitate the Revitalization of Downtown

| | |
|---|-----------|
| Department Goal: | |
| • Inspect construction of water and sanitary city maintained utility extension to airport (County projects) | Sep. 2019 |
| • Monitor development progress to determine demand and schedule future water well and storage projects | Sep. 2019 |

CITY COUNCIL OBJECTIVE: Facilitate the Redevelopment of Older Neighborhoods

| | |
|---|-------------|
| Department Goal: Provide Infrastructure that Keeps the Community Safe, Promotes Growth, & Improves Quality of Life for Our Residents | |
| • Complete street, drainage, water and sewer improvements to the Woodland Park area | In Progress |

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

| | |
|---|-------------|
| Department Goal: Provide Infrastructure that Keeps the Community Safe, Promotes Growth, & Improves Quality of Life for Our Residents | |
| • Review, inspect, and supervise construction of Phase 4 of the Creekside Subdivision | Sep. 2019 |
| • Assist in study and G.O. bond election of City Hall and new animal shelter expansion projects | Sep. 2019 |
| • Assist in next revenue bond issue for utility infrastructure | Sep. 2019 |
| • Complete Willow Blossom Drainage project | Sep. 2019 |
| • Complete construction and inspection of Phase 2 South Yaupon Drainage project | In Progress |
| • Complete master drainage plan for east-side Lake Jackson | In Progress |
| • Participate in Brazos River Study | In Progress |
| • Improve flood drainage at Northwood and Brazos Canal | In Progress |

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|--|-----------------|-----------------|-------------------|-----------------|
| City Projects Completed by Estimated Date | 2 | 3 | 4 | 6 |
| City Projects Completed within 10% of Bid Amount | 2 | 3 | 1 | 4 |

CITY COUNCIL VISION ELEMENT: Enable Growth & Revitalization

CITY COUNCIL OBJECTIVES:

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|--|-----------------|-----------------|-------------------|-----------------|
| Number of res/apt project reviewed and facilitated | 8 | 12 | 20 | 14 |
| Number of commercial projects reviewed and facilitated | 15 | 22 | 12 | 13 |

ENGINEERING - 1500

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

| CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment | | | | |
|--|--------------------|--------------------|----------------------|--------------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| City Projects Completed by Estimated Date | 6 | 6 | 9 | 5 |
| City Projects Completed within 10% of Bid Amount | 6 | 4 | 9 | 4 |

CITY COUNCIL VISION ELEMENT: Enable Growth & Revitalization

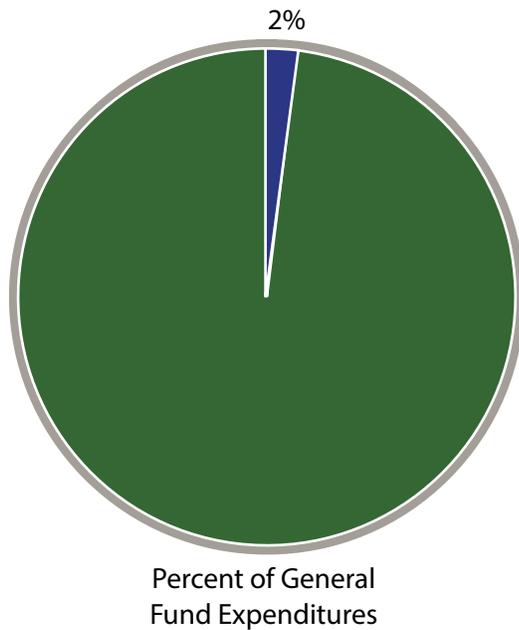
| CITY COUNCIL OBJECTIVES: | | | | |
|--|--------------------|--------------------|----------------------|--------------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| Number of res/apt project reviewed and facilitated | 7 | 14 | 7 | 7 |
| Number of commercial projects reviewed and facilitated | 14 | 13 | 12 | 13 |
| Number of interdepartmental Public Works projects reviewed & facilitated | 3 | 0 | 8 | 8 |
| Number of Engineering assigned Public Works projects prepared/engaged | 7 | 1 | 13 | 4 |

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

| CITY COUNCIL OBJECTIVES: Increase Use of GIS Technology | | | | |
|---|--------------------|--------------------|----------------------|--------------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| GIS Products Added to Engineering Website | 0 | 1 | 0 | 1 |

ENGINEERING - 1500

BUDGET INFORMATION



Major Budget Changes

- Employee Raises \$18,600

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Planning Fees | \$6,228 | \$4,000 | \$4,000 | \$4,000 |
| General Resources | 472,608 | 513,351 | 522,668 | 543,450 |
| Total Resources | \$478,836 | \$517,351 | \$526,668 | \$547,450 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | \$323,237 | \$331,000 | \$340,501 | \$349,600 |
| Employee Benefits | 92,588 | 99,600 | 99,860 | 103,700 |
| Operating Expenses | 54,066 | 70,856 | 77,362 | 78,255 |
| Operating Transfers | 8,945 | 15,895 | 8,945 | 15,895 |
| Total Expenditures | \$478,836 | \$517,351 | \$526,668 | \$547,450 |

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | | | | |
| Technical | \$94,163 | \$95,700 | \$100,772 | \$101,200 |
| Professional | 89,294 | 91,700 | 94,831 | 96,700 |
| Management/Supervision | 133,380 | 133,100 | 134,398 | 141,200 |
| Temp/Seasonal | 6,243 | 10,500 | 10,500 | 10,500 |
| Overtime | 157 | 0 | 0 | 0 |
| Subtotal | 323,237 | 331,000 | 340,501 | 349,600 |
| Employee Benefits | | | | |
| Health | 24,552 | 29,400 | 28,166 | 29,700 |
| Life | 283 | 200 | 291 | 200 |
| Dental | 1,807 | 1,900 | 1,861 | 2,000 |
| Long Term Disability | 1,256 | 1,300 | 1,338 | 1,400 |
| Social Security | 24,186 | 24,200 | 24,894 | 25,100 |
| Retirement | 38,629 | 39,400 | 41,226 | 41,900 |
| Tuition Reimbursement | 1,213 | 2,400 | 1,200 | 2,400 |
| Workers Compensation | 662 | 800 | 884 | 1,000 |
| Subtotal | 92,588 | 99,600 | 99,860 | 103,700 |
| Operating Expenses | | | | |
| Technology Services | 25,440 | 25,000 | 30,500 | 28,000 |
| Maintenance & Repair | | | | |
| Vehicle | 1,525 | 1,000 | 1,000 | 1,000 |
| Non-Fleet Equipment | 0 | 550 | 550 | 550 |
| Maintenance Contract | 11,166 | 16,400 | 15,040 | 15,290 |
| Subtotal | 12,691 | 17,950 | 16,590 | 16,840 |
| Insurance | | | | |
| Property | 3,565 | 3,743 | 3,700 | 3,950 |
| Liability | 1,762 | 1,813 | 2,010 | 2,115 |
| Subtotal | 5,327 | 5,556 | 5,710 | 6,065 |
| Communication | 2,349 | 2,100 | 2,100 | 2,100 |
| Training | 710 | 3,850 | 3,850 | 3,850 |
| Travel | 127 | 2,700 | 2,700 | 2,700 |
| Dues & Memberships | 740 | 1,200 | 832 | 1,200 |

ENGINEERING - 1500

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|-------------------|-------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| General Supplies | | | | |
| Office | 3,213 | 3,500 | 3,500 | 3,500 |
| Gas & Diesel | 864 | 0 | 920 | 1,020 |
| Fuel - CNG | 571 | 900 | 2,560 | 3,180 |
| Operating | 2,034 | 8,100 | 8,100 | 9,800 |
| Subtotal | 6,682 | 12,500 | 15,080 | 17,500 |
| Books & Periodicals | 0 | 0 | 0 | 0 |
| Subtotal | 54,066 | 70,856 | 77,362 | 78,255 |
| Operating Transfers | | | | |
| Equipment Replacement | 8,945 | 15,895 | 8,945 | 15,895 |
| Subtotal | 8,945 | 15,895 | 8,945 | 15,895 |
| Total Engineering | \$478,836 | \$517,351 | \$526,668 | \$547,450 |

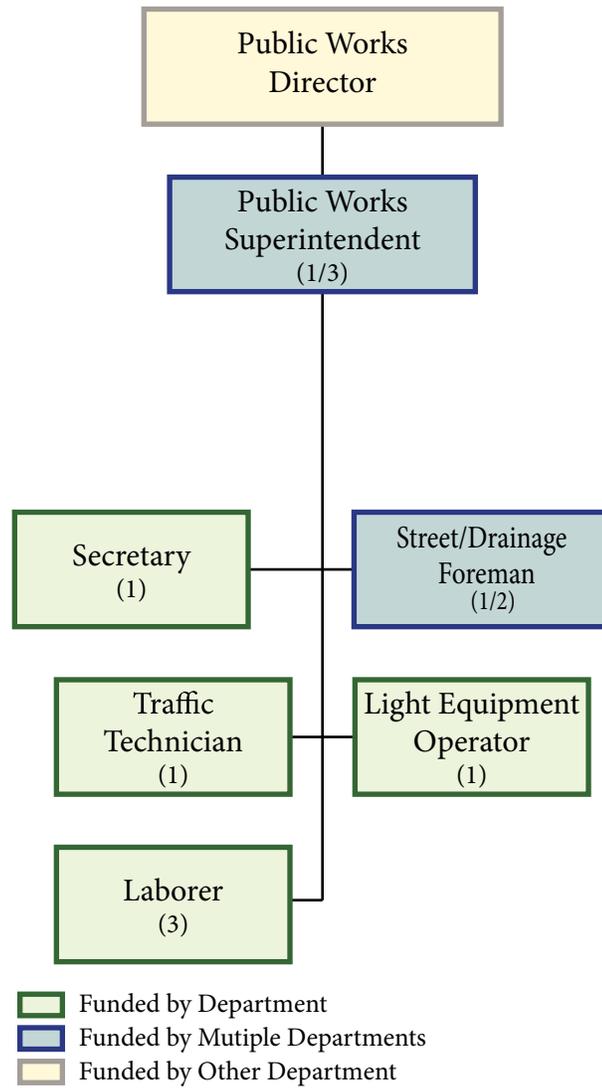
PUBLIC WORKS



LAKE JACKSON

City of Enchantment





| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 4.00 | 4.00 | 4.00 | 4.00 |
| Office/Clerical | 1.00 | 1.00 | 1.00 | 1.00 |
| Technical | 1.00 | 1.00 | 1.00 | 1.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.83 | 0.83 | 0.83 | 0.83 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 6.83 | 6.83 | 6.83 | 6.83 |

STREETS - 2800

PROGRAM DESCRIPTION

The Street Department is responsible for maintaining and repairing all public streets and alleys. This department provides preventive maintenance to City streets and makes repairs which are too small to contract. This department is also responsible for all street sweeping and responds after hours to clean up storm damage and fallen trees, etc. In addition, this department is also responsible for the installation, repair and maintenance of 187 signal fixtures located at 18 intersections, 41 flashing school zone lights, and 78 crosswalk lights. This responsibility includes street signs, markings, and signals.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment | |
| Department Goal: | |
| • Repair South Oak Street panels and open closed section of the street | Sep. 2018 |
| • Continue replacement of damaged city owned sidewalks. | Sep. 2018 |
| • Continue joint sealant program. | Sep. 2018 |
| • Continue street panel replacement. | Sep. 2018 |
| • Continue thermal vinyl street painting. | Sep. 2018 |

| | |
|--|----------|
| CITY COUNCIL OBJECTIVE: Hire and Retain Qualified Employees | |
| Department Goal: Provide Infrastructure that Keeps the Community Safe | |
| • Have employees obtain backhoe operating certifications | Complete |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment | |
| Department Goal: Provide Infrastructure that Keeps the Community Safe | |
| • Continue replacement of damaged city owned sidewalks. | Sep. 2019 |
| • Continue street panel replacement. | Sep. 2019 |
| • Continue thermal vinyl street painting. | Sep. 2019 |

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

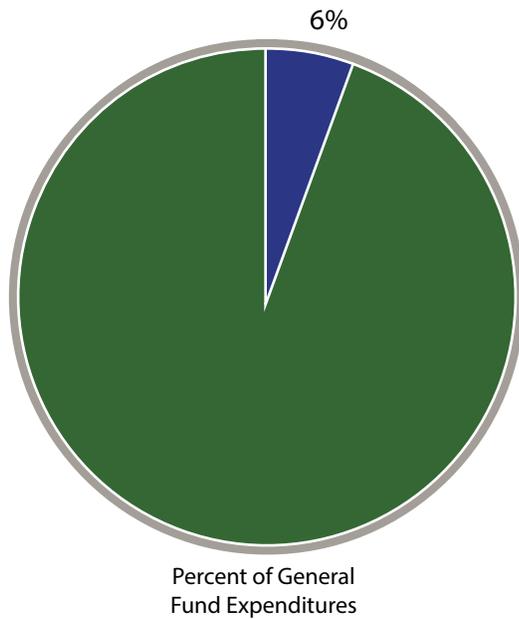
| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Hire and Retain Qualified Employees | |
| Department Goal: Provide Infrastructure that Keeps the Community Safe | |
| • Replace temporary employees with permanent employees. Train employees to become commercial licensed drivers | Sep. 2019 |

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

| CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment | | | | |
|---|-----------------|-----------------|-------------------|-----------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| Signs Fabricated, installed, & replaced as needed | 190 | 260 | 250 | 250 |
| Cubic yards of street debris | New | 800 | 769 | 800 |
| Street Patching (Hours) | 505 | 500 | 450 | 500 |

BUDGET INFORMATION

**Major Budget Changes**

- Employee Raises \$11,100
- Decrease in Electricity Costs (\$35,345)

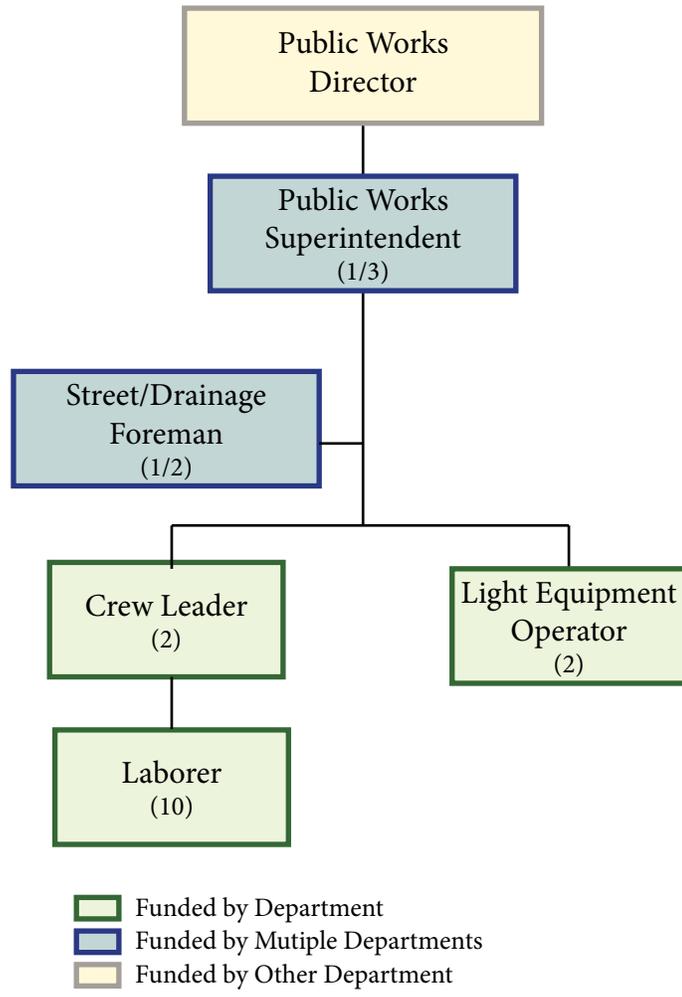
| Resources | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| General Resources | \$908,609 | \$1,102,088 | \$1,071,596 | \$1,090,075 |
| Total Resources | \$908,609 | \$1,102,088 | \$1,071,596 | \$1,090,075 |
| Expenditures | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
| Salaries & Wages | \$188,997 | \$260,700 | \$246,637 | \$271,800 |
| Employee Benefits | 72,353 | 113,500 | 98,062 | 116,900 |
| Operating Expenses | 503,189 | 581,343 | 580,352 | 551,405 |
| Operating Transfers | 144,070 | 146,545 | 146,545 | 149,970 |
| Total Expenditures | \$908,609 | \$1,102,088 | \$1,071,596 | \$1,090,075 |

STREETS - 2800

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|-------------------|-------------------|----------------------|--------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$48,164 | \$113,400 | \$96,227 | \$115,700 |
| Clerical | 35,593 | 36,900 | 38,101 | 39,100 |
| Technical | 41,419 | 42,200 | 44,245 | 45,100 |
| Management/Supervision | 59,537 | 56,200 | 58,064 | 59,900 |
| Overtime | 4,284 | 12,000 | 10,000 | 12,000 |
| Contract Labor | 0 | 0 | 0 | 0 |
| Subtotal | 188,997 | 260,700 | 246,637 | 271,800 |
| Employee Benefits | | | | |
| Group Insurance | | | | |
| Health | 28,739 | 50,200 | 41,645 | 50,800 |
| Life | 326 | 500 | 434 | 500 |
| Dental | 2,115 | 3,300 | 2,774 | 3,400 |
| Long Term Disability | 758 | 1,100 | 982 | 1,100 |
| Social Security | 13,698 | 19,900 | 16,813 | 20,800 |
| Retirement | 23,796 | 32,000 | 29,830 | 33,600 |
| Workers Compensation | 2,921 | 6,500 | 5,584 | 6,700 |
| Subtotal | 72,353 | 113,500 | 98,062 | 116,900 |
| Professional Service Fees | | | | |
| Vinyl Street Painting | 22,795 | 25,000 | 25,000 | 25,000 |
| Street Joint Program | 0 | 25,000 | 25,000 | 25,000 |
| Pavement Improv. Program | 100,385 | 100,000 | 100,000 | 100,000 |
| Subtotal | 123,180 | 150,000 | 150,000 | 150,000 |
| Maintenance & Repair | | | | |
| Street System | 38,138 | 35,000 | 35,000 | 35,000 |
| Traffic Signals | 19,269 | 39,000 | 39,000 | 39,000 |
| Vehicles | 12,851 | 15,000 | 15,000 | 15,000 |
| Non-Fleet Equipment | 0 | 0 | 0 | 0 |
| Maintenance Contracts | 9 | 0 | 0 | 0 |
| Subtotal | \$70,267 | \$89,000 | \$89,000 | \$89,000 |
| Rental - Vehicle & Equipment | 0 | 0 | 0 | 0 |
| Insurance | | | | |
| Property | 2,044 | 2,147 | 2,100 | 2,260 |
| Liability | 4,183 | 4,321 | 5,070 | 5,325 |
| Subtotal | \$6,227 | \$6,468 | \$7,170 | \$7,585 |
| Communications | 2,114 | 1,200 | 2,450 | 2,500 |
| Training | 1,152 | 4,000 | 2,632 | 4,000 |
| Travel | 0 | 1,000 | 500 | 800 |
| Dues & Memberships | 0 | 0 | 300 | 500 |

STREETS - 2800

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Operating Expenses (Cont.) | | | | |
| General Supplies | | | | |
| Office | 545 | 500 | 500 | 500 |
| Wearing Apparel | 1,575 | 1,050 | 1,050 | 1,050 |
| Gasoline & Diesel | 3,058 | 3,870 | 2,530 | 2,650 |
| Fuel - CNG | 1,842 | 1,110 | 4,350 | 5,020 |
| Operating | 11,435 | 10,000 | 10,000 | 10,000 |
| Street Signs | 6,902 | 20,000 | 20,000 | 20,000 |
| Subtotal | 25,357 | 36,530 | 38,430 | 39,220 |
| | | | | |
| Electricity | 274,892 | 293,145 | 289,870 | 257,800 |
| Subtotal | 503,189 | 581,343 | 580,352 | 551,405 |
| Operating Transfers | | | | |
| Equipment Replacement | 144,070 | 146,545 | 146,545 | 149,970 |
| Subtotal | 144,070 | 146,545 | 146,545 | 149,970 |
| | | | | |
| Total Streets | \$908,609 | \$1,102,088 | \$1,071,596 | \$1,090,075 |



| Personnel | FY 15-16 Budget | FY16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|----------------|-----------------|-----------------|
| Service/Maintenance | 14.00 | 14.00 | 14.00 | 14.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 1.00 | 1.00 | 1.00 | 1.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.83 | 0.83 | 0.83 | 0.83 |
| Temporary/Seasonal | 0.89 | 0.89 | 0.89 | 0.89 |
| TOTAL FTEs | 15.72 | 15.72 | 15.72 | 15.72 |

DRAINAGE - 2900

PROGRAM DESCRIPTION

The Drainage Department is responsible for the repair and maintenance of all drainage ways and related facilities in the city. Routine daily activities include: mowing, cleaning, dredging of unimproved channels and bar ditches, the removal of debris from culverts, inlets, and drain gates. Special projects performed include reshaping of unimproved channels, the construction of inlets, installation of underground drainage, and the open drainage way weed control program. This department supplies manpower for numerous special projects in other areas/departments such as: right of way clearing, building maintenance, electrical work, and other tasks as the need arises. The drainage department also assists the sanitation department during peak periods, particularly with large/heavy trash pickup.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal: Provide Infrastructure that Keeps the Community Safe

| | |
|---|-----------|
| • Assist Engineering with the East Side Drainage Study by removing vegetation in drainage infrastructure. Regrade ditch elevations, and assist with jetting culverts. | Complete |
| • Pave slopes of drainage system and continue mowing surrounding areas. Improve flow by the reduction of roughness coefficient and facilitate better drainage during rain events. | Sep. 2018 |

CITY COUNCIL VISION ELEMENT: Enhance Communication

CITY COUNCIL OBJECTIVE: Hire and Retain Qualified Employees

Department Goal:

| | |
|--|-----------|
| • Have employees obtain backhoe operating certifications | Complete |
| • Replace temporary employees with permanent employees and train them to obtain their CDL licenses | Sep. 2018 |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal: Provide Infrastructure that Keeps the Community Safe

| | |
|---|-----------|
| • Assist Engineering with channel repair | Sep. 2019 |
| • Pave slopes of drainage system continue mowing surrounding areas. Improve flow by the reduction of roughness coefficient and facilitate better drainage during rain events. | Sep. 2019 |

CITY COUNCIL VISION ELEMENT: Maintain a Well Managed City

CITY COUNCIL OBJECTIVE: Hire and Retain Qualified Employees

Department Goal:

| | |
|--|-----------|
| • Replace temporary employees with permanent employees and train them to obtain their CDL licenses | Sep. 2019 |
|--|-----------|

DRAINAGE - 2900

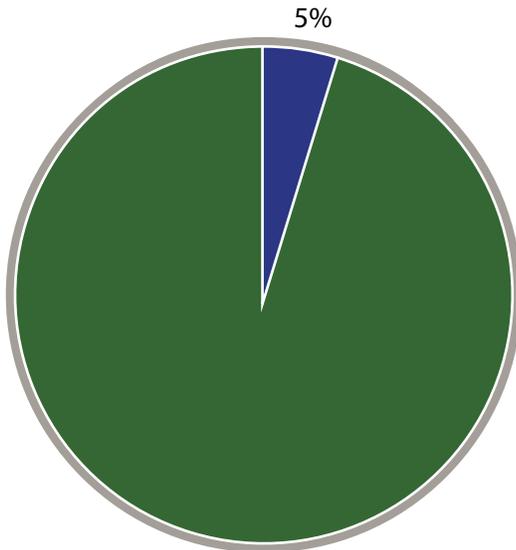
PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|---------------------------------------|--------------------|--------------------|----------------------|--------------------|
| Open Drainways Mowing (hours) | 11,035 | 11,000 | 11,000 | 12,000 |
| Times Major Ditches Mowed | 5 | 5 | 5 | 5 |
| Drainage Improvements (contract \$) | \$70,000 | \$70,000 | \$70,000 | \$70,000 |
| Culverts & Inlets Cleaned of Debris | 384 | 350 | 500 | 500 |
| Number of Special Projects Completed | 109 | 170 | 200 | 200 |
| Drainage Maintenance Projects (hours) | 2,627 | 3,000 | 3,000 | 3,000 |

BUDGET INFORMATION



Percent of General Fund Expenditures

Major Budget Changes

- Employee Raises \$10,800
- Increase Cost for Fleet Vehicles/Equipment \$17,000
- Increase in Contribution to Equipment Replacement Fund \$6,920
- Increase Overtime \$5,000

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| General Resources | \$750,648 | \$1,001,625 | \$808,121 | \$1,050,570 |
| Total Resources | \$750,648 | \$1,001,625 | \$808,121 | \$1,050,570 |
| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
| Salaries & Wages | \$433,373 | \$518,400 | \$405,488 | \$534,200 |
| Employee Benefits | 101,302 | 232,100 | 141,271 | 239,500 |
| Operating Expenses | 163,583 | 211,685 | 221,922 | 230,510 |
| Operating Transfers | 52,390 | 39,440 | 39,440 | 46,360 |
| Total Expenditures | \$750,648 | \$1,001,625 | \$808,121 | \$1,050,570 |

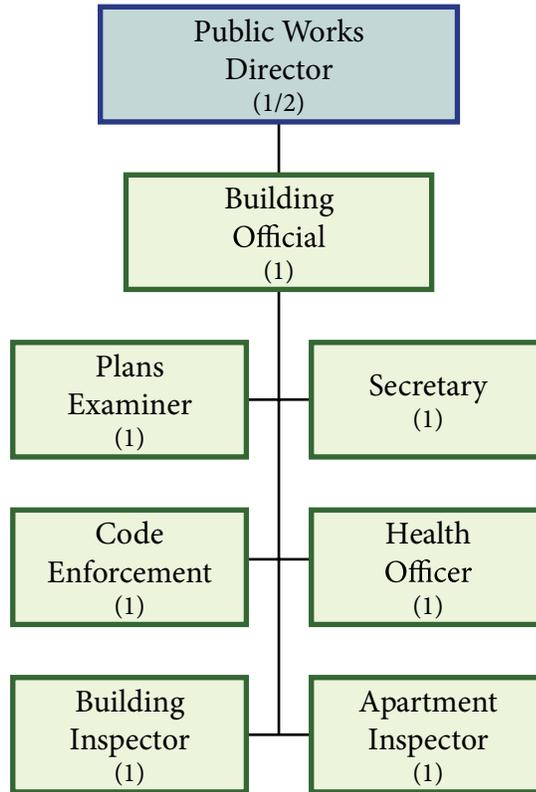
DRAINAGE - 2900

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$180,519 | \$422,500 | \$243,975 | \$429,600 |
| Technical | 0 | 0 | 0 | 0 |
| Management/Supervision | 54,673 | 56,400 | 58,064 | 60,100 |
| Temp/Seasonal | 0 | 14,500 | 14,500 | 14,500 |
| Overtime | 29,622 | 25,000 | 28,534 | 30,000 |
| Contract Labor | 168,559 | 0 | 60,415 | 0 |
| Subtotal | 433,373 | 518,400 | 405,488 | 534,200 |
| Employee Benefits | | | | |
| Health | 38,460 | 108,900 | 62,959 | 110,300 |
| Life | 500 | 900 | 662 | 900 |
| Dental | 2,831 | 7,100 | 4,229 | 7,400 |
| Long Term Disability | 989 | 3,500 | 1,271 | 3,900 |
| Social Security | 20,511 | 39,700 | 24,425 | 40,900 |
| Retirement | 33,546 | 61,900 | 40,635 | 64,200 |
| Workers Compensation | 4,465 | 10,100 | 7,090 | 10,400 |
| Tuition Reimbursement | 0 | 0 | 0 | 1,500 |
| Subtotal | 101,302 | 232,100 | 141,271 | 239,500 |
| Operating Expenses | | | | |
| Professional Service Fees | | | | |
| Drainage Maintenance Program | 14,050 | 70,000 | 70,000 | 70,000 |
| Contract Mowing | 37,350 | 40,000 | 40,000 | 40,000 |
| Storm Sewer Cleaning | 0 | 0 | 0 | 0 |
| Stormwater Program | 8,048 | 10,800 | 10,800 | 13,000 |
| Subtotal | 59,448 | 120,800 | 120,800 | 123,000 |
| Maintenance & Repair | | | | |
| Drainage System | 13,425 | 10,000 | 10,000 | 10,000 |
| Vehicles | 39,194 | 18,000 | 34,392 | 35,000 |
| Maintenance Contracts | 0 | 0 | 0 | 0 |
| Subtotal | 52,619 | 28,000 | 44,392 | 45,000 |
| Insurance | | | | |
| Property | 1,942 | 2,037 | 1,900 | 2,140 |
| Liability | 3,612 | 3,718 | 4,750 | 4,990 |
| Subtotal | 5,554 | 5,755 | 6,650 | 7,130 |
| Training | 3,463 | 4,300 | 750 | 4,300 |
| Travel | 0 | 0 | 0 | 500 |

DRAINAGE - 2900

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|-------------------|--------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| General Supplies | | | | |
| Office | 203 | 300 | 300 | 300 |
| Wearing Apparel | 5,175 | 5,000 | 4,000 | 5,000 |
| Gasoline & Diesel | 21,347 | 10,520 | 9,040 | 9,710 |
| Fuel - CNG | 2,364 | 2,010 | 490 | 570 |
| Operating | 10,433 | 10,000 | 10,500 | 10,000 |
| Chemicals | 2,977 | 25,000 | 25,000 | 25,000 |
| Subtotal | 42,499 | 52,830 | 49,330 | 50,580 |
| Subtotal | 163,583 | 211,685 | 221,922 | 230,510 |
| Operating Transfers | | | | |
| Equipment Replacement | 52,390 | 39,440 | 39,440 | 46,360 |
| Subtotal | 52,390 | 39,440 | 39,440 | 46,360 |
| Total Drainage | \$750,648 | \$1,001,625 | \$808,121 | \$1,050,570 |

CODE ENFORCEMENT/INSPECTIONS - 3300



Funded by Department
 Funded by Mutiple Departments

| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 1.00 | 1.00 | 1.00 | 1.00 |
| Technical | 4.00 | 5.00 | 5.00 | 5.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 2.50 | 1.50 | 1.50 | 1.50 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 7.50 | 7.50 | 7.50 | 7.50 |

CODE ENFORCEMENT/INSPECTIONS - 3300

PROGRAM DESCRIPTION

This Department ensures that all land use conforms to the comprehensive land use plan and zoning ordinances, and that all construction in Lake Jackson meets minimum code standards as adopted by the City. The Department provides a variety of direct services which include plan review, permit issuance, inspections, enforcement of related codes and ordinances, and consultation with property owners, contractors, and design professionals. Also, this Department ensures that all single and multi-family dwellings meets minimum housing code standards and helps provide for mitigation of substandard buildings either by repair or demolition. Code Enforcement is responsible for policing uncontrolled growth of weeds, accumulation of rubbish, unsightliness caused by junked/abandoned vehicles and other various nuisances. The Health Officer inspects food and daycare establishments, pools, and other health related issues.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enable Growth & Revitalization

CITY COUNCIL OBJECTIVE: Facilitate Redevelopment of Declining Areas

Department Goal: Reduce the Number of Substandard Structures to Create Safer Neighborhoods

- | | |
|--|----------|
| <ul style="list-style-type: none"> Identify and reduce the number of substandard structures through inspection and community outreach to create safer neighborhoods. Target three (3) structures for abatements or hearings with the Dangerous Structure Determination Board and see process through from identification to demolition or issuance of a construction repair permit. | Complete |
|--|----------|

Department Goal: Reduce Complaints & Enhance Livability of Neighborhoods for Residents

- | | |
|---|----------|
| <ul style="list-style-type: none"> Targeted neighborhood and code enforcement cleanup in blighted areas to reduce complaints and enhance livability for residents. Hold Saturday neighborhood clean-up using community volunteers and Sanitation Dept. resources in N Shady Oaks & Bois D' Arc/Hickory/Lotus neighborhoods | Complete |
|---|----------|

CITY COUNCIL VISION ELEMENT: Enhance Communication

CITY COUNCIL OBJECTIVE: Improve Communication Externally & Internally through Best Practices and Enhanced Technology

Department Goal:

- | | |
|---|----------|
| <ul style="list-style-type: none"> Enhance productivity and streamline processes to improve customer service and increase staff hours in the field. Continue implementation of iPad use for field building inspections, and expand to code enforcement, health inspections, and apartment inspections. Allowing staff to start, update, attach documentation, and close inspections and case files to NaviLine in the field. | On-Going |
|---|----------|

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Enhance Visibility of Lake Jackson to Others

Department Goal:

- | | |
|---|-------------|
| <ul style="list-style-type: none"> Provide community visibility and outreach by creating rotating slides regarding permits, inspections, zoning issues, and use video presentations produced by ICC or BISD for display on the city TV channel. Provide two public forums and education opportunities on proposed code implementation, interpretations, or misconceptions for citizens, contractors, and design professionals. | In progress |
|---|-------------|

CODE ENFORCEMENT/INSPECTIONS - 3300

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enable Growth & Revitalization

| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Facilitate Redevelopment of Declining Areas | |
| Department Goal: Reduce the Number of Substandard Structures to Create Safer Neighborhoods | |
| <ul style="list-style-type: none"> • Target three (3) structures for abatements or hearings with the Dangerous Structure Determination Board and see process through from identification to demolition or issuance of a construction repair permit. | Sep. 2019 |
| Department Goal: Reduce Complaints & Enhance Livability of Neighborhoods for Residents | |
| <ul style="list-style-type: none"> • Implement Rental Property Inspection Program | Sep. 2019 |
| <ul style="list-style-type: none"> • Hold Saturday neighborhood clean-ups on Stanford, Jasmine, and Magnolia Streets using community volunteers and Sanitation Dept. resources in an effort to beautify the neighborhoods by mitigating blight, junk vehicles, and unsightly accumulation. | Sep. 2019 |

CITY COUNCIL VISION ELEMENT: Enhance Communication

| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Improve Communication Externally & Internally through Best Practices and Enhanced Technology | |
| Department Goal: | |
| <ul style="list-style-type: none"> • Have Department 100% International Code Council certified | Sep. 2019 |
| <ul style="list-style-type: none"> • Enhance productivity and streamline processes to improve customer service and increase staff hours in the field. Continue implementation of iPad use for field building inspections, and expand to code enforcement, health inspections, and apartment inspections. Allowing staff to start, update, attach documentation, and close inspections and case files to NaviLine in the field. | Sep. 2019 |

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

| | |
|---|-----------|
| CITY COUNCIL OBJECTIVE: Enhance Visibility of Lake Jackson to Others | |
| Department Goal: | |
| <ul style="list-style-type: none"> • Provide community visibility and outreach by creating rotating slides regarding permits, inspections, zoning issues, and use video presentations produced by ICC or BISD for display on the city TV channel. Provide 3 public forums and education opportunities on proposed code implementation, interpretations, or misconceptions for citizens, contractors, and design professionals. | Sep. 2019 |

CODE ENFORCEMENT/INSPECTIONS - 3300

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enable Growth & Revitalization

CITY COUNCIL OBJECTIVE: Facilitate Development of New Housing

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|--|--------------------|--------------------|----------------------|--------------------|
| Residential Applications & Plans Processed within 3 Workdays | 90% | 90% | 90% | 90% |

CITY COUNCIL OBJECTIVE:

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|--|--------------------|--------------------|----------------------|--------------------|
| Commercial Applications & Plans Processed within 15 Workdays | 90% | 90% | 90% | 90% |
| Inspections Made within 24 Hours | 99% | 100% | 99% | 100% |

CITY COUNCIL VISION ELEMENT: Enable Growth & Revitalization

CITY COUNCIL OBJECTIVE: Enhance the Safety of Our Citizens

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|---|--------------------|--------------------|----------------------|--------------------|
| Compliance with Code Enforcement Actions within 30 Days | 90% | 90% | 90% | 90% |

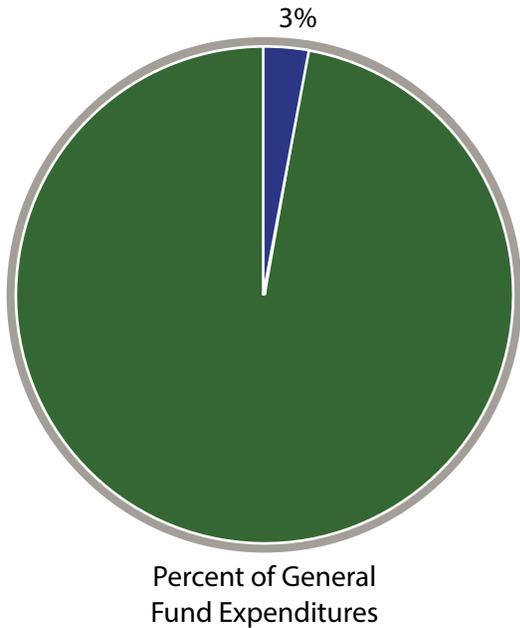
CITY COUNCIL VISION ELEMENT: Enable Growth & Revitalization

CITY COUNCIL OBJECTIVE: Use New Technology to Improve Areas of Operations

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|--|--------------------|--------------------|----------------------|--------------------|
| Respond to Citizen Requests within 3 days of Receipt | 85% | 100% | 85% | 95% |

CODE ENFORCEMENT/INSPECTIONS - 3300

BUDGET INFORMATION



Major Budget Changes

- Employee Raises \$20,000

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|--------------------|-------------------|-------------------|----------------------|--------------------|
| Building Permits | \$169,565 | \$210,000 | \$180,000 | \$200,000 |
| Electrical Permits | 29,669 | 40,000 | 28,000 | 28,000 |
| Health Licenses | 48,444 | 43,000 | 45,000 | 45,000 |
| Sign Permits | 4,911 | 3,500 | 4,000 | 3,500 |
| Apartment Fee | 79,084 | 81,000 | 80,000 | 80,000 |
| General Resources | 287,474 | 266,500 | 303,747 | 299,134 |

| | | | | |
|------------------------|------------------|------------------|------------------|------------------|
| Total Resources | \$619,147 | \$644,000 | \$640,747 | \$655,634 |
|------------------------|------------------|------------------|------------------|------------------|

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------|-------------------|-------------------|----------------------|--------------------|
| Salaries & Wages | \$392,253 | \$400,100 | \$405,516 | \$420,100 |
| Employee Benefits | 129,533 | 143,956 | 140,524 | 148,742 |
| Operating Expenses | 71,716 | 77,239 | 72,002 | 74,217 |
| Operating Transfers | 25,645 | 22,705 | 22,705 | 12,575 |

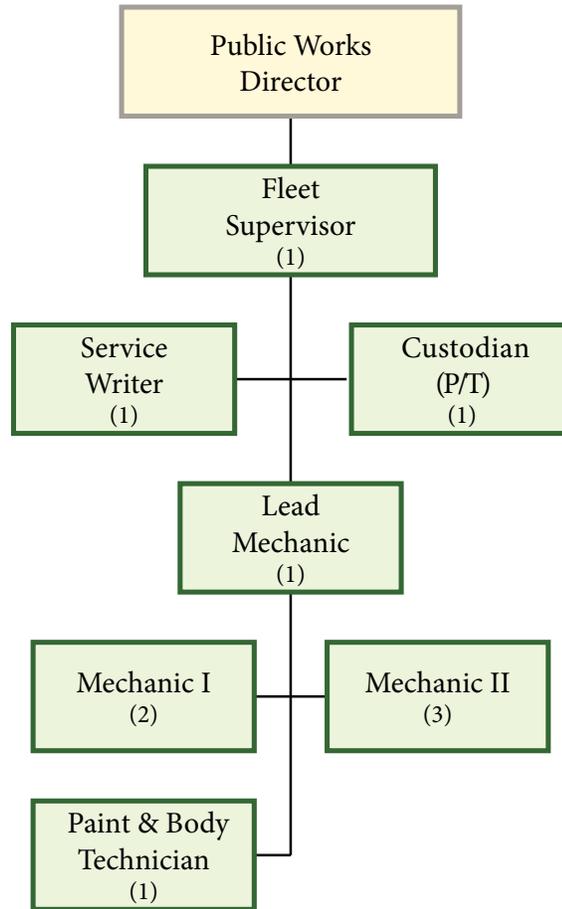
| | | | | |
|---------------------------|------------------|------------------|------------------|------------------|
| Total Expenditures | \$619,147 | \$644,000 | \$640,747 | \$655,634 |
|---------------------------|------------------|------------------|------------------|------------------|

CODE ENFORCEMENT/INSPECTIONS - 3300

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------|-------------------|-------------------|----------------------|--------------------|
| Salaries & Wages | | | | |
| Office/Clerical | \$28,792 | \$32,200 | \$32,562 | \$33,100 |
| Technical | 234,245 | 235,600 | 241,136 | 247,200 |
| Management/Supervision | 124,147 | 126,300 | 129,237 | 133,800 |
| Temp/Seasonal | 0 | 0 | 0 | 0 |
| Overtime | 5,069 | 6,000 | 2,581 | 6,000 |
| Contract Labor | 0 | 0 | 0 | 0 |
| Subtotal | 392,253 | 400,100 | 405,516 | 420,100 |
| Employee Benefits | | | | |
| Health | 45,834 | 55,100 | 52,325 | 55,800 |
| Life | 529 | 500 | 538 | 500 |
| Dental | 3,374 | 3,600 | 3,437 | 3,700 |
| Long Term Disability | 1,565 | 2,000 | 1,642 | 2,100 |
| Social Security | 29,792 | 30,600 | 30,862 | 32,100 |
| Retirement | 47,473 | 49,100 | 50,299 | 51,900 |
| Tuition Reimbursement | 0 | 1,656 | 207 | 1,242 |
| Workers Compensation | 966 | 1,400 | 1,214 | 1,400 |
| Subtotal | 129,533 | 143,956 | 140,524 | 148,742 |
| Operating Expenses | | | | |
| Professional Service Fees | | | | |
| Printing | 1,213 | 1,000 | 1,000 | 1,200 |
| Inspections | 3,450 | 10,000 | 6,000 | 10,000 |
| Outside Plan Review | 3,400 | 7,500 | 8,308 | 7,500 |
| | 8,063 | 18,500 | 15,308 | 18,700 |
| Cleaning Services | | | | |
| Lot Mowing | 5686 | 5000 | 5000 | 5000 |
| Health Related | 5671 | 0 | 225 | 0 |
| | 11,357 | 5,000 | 5,225 | 5,000 |
| Maintenance & Repair | | | | |
| Vehicles | 5,675 | 5,000 | 5,000 | 5,000 |
| Furniture & Fixtures | 0 | 0 | 0 | 0 |
| Maintenance Contract | 9 | 0 | 250 | 650 |
| | 5,684 | 5,000 | 5,250 | 5,650 |
| Insurance | | | | |
| Property | 3,033 | 3,187 | 3,180 | 3,346 |
| Liability | 5,329 | 5,562 | 3,500 | 3,675 |
| | \$8,362 | \$8,749 | \$6,680 | \$7,021 |
| Communications | 4,364 | 5,520 | 4,700 | 4,896 |
| Training | 5,061 | 7,200 | 7,200 | 6,800 |

CODE ENFORCEMENT/INSPECTIONS - 3300

| | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
|-------------------------------------|------------------|------------------|------------------|------------------|
| | Actual | Budget | Estimated | Adopted |
| Operating Expenses (Cont.) | | | | |
| Travel | 5,599 | 7,000 | 6,114 | 7,050 |
| Dues & Memberships | 1,201 | 3,400 | 3,635 | 1,800 |
| Recording Fees | 0 | 0 | 0 | 0 |
| Condemnation & Demolition | 0 | 0 | 0 | 0 |
| General Supplies | | | | |
| Office | 12,115 | 6,500 | 6,500 | 6,500 |
| Wearing Apparel | 448 | 700 | 700 | 700 |
| Gasoline & Diesel | 1,046 | 530 | 1,270 | 1,600 |
| Fuel - CNG | 2,420 | 1,640 | 1,920 | 2,000 |
| Operating | 3,735 | 5,500 | 5,500 | 5,500 |
| Photography | 0 | 0 | 0 | 0 |
| | 19,764 | 14,870 | 15,890 | 16,300 |
| Books & Periodicals | 2,261 | 2,000 | 2,000 | 1,000 |
| Subtotal | 71,716 | 77,239 | 72,002 | 74,217 |
| Operating Transfers | | | | |
| Equipment Replacement | 25,645 | 22,705 | 22,705 | 12,575 |
| Subtotal | 25,645 | 22,705 | 22,705 | 12,575 |
| Total Enforcement/Inspection | \$619,147 | \$644,000 | \$640,747 | \$655,634 |



Funded by Department
 Funded by Other Departments

| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.50 |
| Office/Clerical | 1.00 | 1.00 | 1.00 | 1.00 |
| Technical | 7.00 | 7.00 | 7.00 | 7.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 1.00 | 1.00 | 1.00 | 1.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 9.00 | 9.00 | 9.00 | 9.50 |

GARAGE - 4100

PROGRAM DESCRIPTION

The Garage Department provides service and repairs to all City vehicles and equipment on a routine basis. Services include periodic maintenance, minor and major repairs, engine overhauls, safety inspections, welding and fabricating, and paint and body. The department is also responsible for all maintenance and maintenance costs to the Service Center.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal: Provide Safe, Well Maintained, & Visually Pleasing Facilities & Grounds

- Upgrade lighting and electrical, replace deteriorated metal, and asphalt overlay of parking lot Sep. 2018

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Provide a Safe Working Environment

- Maintain 100% staffing and work days with no lost time accidents or injuries. Sep. 2018

CITY COUNCIL OBJECTIVE: Offer In-House Training Opportunities for Employees

Department Goal: Enhance Safety & Knowledge of Department Personnel

- Host three (3) training seminars and certify two Texas State Vehicle Inspectors Complete

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal: Provide Safe, Well Maintained, & Visually Pleasing Facilities & Grounds

- Upgrade lighting and electrical, and replace deteriorated metal Sep. 2019

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Provide a Safe Working Environment

- Hold monthly safety meetings Sep. 2019
- Maintain 100% staffing and work with no lost time accidents or injuries. Sep. 2019

CITY COUNCIL OBJECTIVE: Offer In-House Training Opportunities for Employees

Department Goal: Enhance Safety & Knowledge of Department Personnel

- Host three (3) training seminars and certify two Texas State Vehicle Inspectors, one CNG Facility Manager, attend Stihl training courses and Angi training courses. Sep. 2019

PERFORMANCE MEASURES

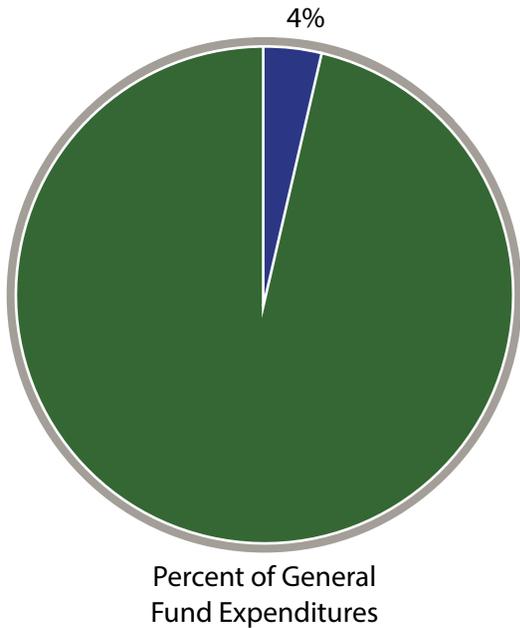
CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|--|--------------------|--------------------|----------------------|--------------------|
| Preventative Maintenance Services, Including Normal Wear & Tear Items | 1,049 | 1,075 | 1,000 | 1,000 |
| Equipment Repairs Including Light, Medium & Heavy Duty | 980 | 825 | 750 | 750 |
| Mechanic Productivity Level | 80% | 80% | 80% | 80% |
| In-house Repairs, Other than Warranty | 95% | 95% | 95% | 95% |

GARAGE - 4100

BUDGET INFORMATION



Major Budget Changes

- Employee Raises \$17,198
- New PT Custodian \$15,602
- Decrease in Communication (\$6,600)

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| General Resources | \$751,662 | \$776,739 | \$777,752 | \$807,845 |
| Total Resources | \$751,662 | \$776,739 | \$777,752 | \$807,845 |
| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
| Salaries & Wages | \$372,601 | \$381,000 | \$390,736 | \$413,800 |
| Employee Benefits | 138,793 | 153,800 | 150,961 | 162,500 |
| Operating Expenses | 194,723 | 196,174 | 190,290 | 191,875 |
| Operating Transfers | 45,545 | 45,765 | 45,765 | 39,670 |
| Total Expenditures | \$751,662 | \$776,739 | \$777,752 | \$807,845 |

GARAGE - 4100

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------------|-------------------|-------------------|----------------------|--------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | 0 | 0 | 0 | 14100 |
| Office/Clerical | \$32,469 | \$33,000 | \$34,399 | \$35,100 |
| Technical | 269,178 | 273,400 | 281,586 | 286,200 |
| Management/Supervision | 56,212 | 57,600 | 59,751 | 61,400 |
| Overtime | 14,742 | 17,000 | 15,000 | 17,000 |
| Contract Labor | 0 | 0 | 0 | 0 |
| Subtotal | 372,601 | 381,000 | 390,736 | 413,800 |
| Employee Benefits | | | | |
| Health | 54,790 | 66,100 | 64,212 | 66,900 |
| Life | 632 | 500 | 656 | 600 |
| Dental | 4,035 | 4,300 | 4,187 | 4,500 |
| Long Term Disability | 1,442 | 1,600 | 1,535 | 1,700 |
| Social Security | 28,159 | 29,100 | 28,245 | 31,700 |
| Retirement | 46,035 | 46,800 | 47,295 | 51,100 |
| Workers Compensation | 3,700 | 5,400 | 4,831 | 6,000 |
| Subtotal | 138,793 | 153,800 | 150,961 | 162,500 |
| Operating Expenses | | | | |
| Professional Services | | | | |
| Tire Disposal | 3,678 | 3,100 | 3,400 | 3,400 |
| Fuel Tank Test | 408 | 500 | 500 | 500 |
| Subtotal | 4,086 | 3,600 | 3,900 | 3,900 |
| Water & Sewer | 3,800 | 3,800 | 3,800 | 3,800 |
| Maintenance & Repair | | | | |
| Buildings - Service | 32,147 | 30,000 | 25,000 | 30,000 |
| Grounds | 26,016 | 25,000 | 30,000 | 25,000 |
| Heating & Air Conditioning | 415 | 1,800 | 1,800 | 1,800 |
| Vehicles | 16,019 | 20,000 | 20,000 | 20,000 |
| Equipment | 12,135 | 15,000 | 15,000 | 15,000 |
| Maintenance Contract | 3,571 | 4,150 | 4,790 | 4,150 |
| Subtotal | 90,303 | 95,950 | 96,590 | 95,950 |
| Insurance | | | | |
| Property | 23,777 | 25,788 | 25,000 | 27,080 |
| Liabilty | 3,694 | 2,941 | 3,520 | 3,700 |
| Subtotal | 27,471 | 28,729 | 28,520 | 30,780 |
| Communication | 11,746 | 11,600 | 5,000 | 5,000 |
| Training | 3,760 | 2,800 | 2,800 | 2,435 |

GARAGE - 4100

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|-------------------|-------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| Travel | 4,284 | 2,400 | 2,400 | 2,850 |
| Dues & Memberships | 574 | 525 | 3,025 | 1,550 |
| General Supplies | | | | |
| Office | 1,192 | 1,000 | 500 | 500 |
| Wearing Apparel | 3,592 | 4,000 | 4,000 | 3,500 |
| Gasoline & Diesel | 1,483 | 1,700 | 730 | 790 |
| Fuel - CNG | 87 | 80 | 140 | 170 |
| Operating | 7,840 | 7,500 | 7,500 | 7,500 |
| Tools | 8,797 | 10,000 | 10,000 | 15,000 |
| Cleaning | 665 | 600 | 600 | 600 |
| Subtotal | 23,656 | 24,880 | 23,470 | 28,060 |
| Electricity & Natural Gas | 25,043 | 21,890 | 20,735 | 17,500 |
| Books & Periodicals | 0 | 0 | 50 | 50 |
| Subtotal | 194,723 | 196,174 | 190,290 | 191,875 |
| Operating Transfers | | | | |
| Equipment Replacement | 45,545 | 45,765 | 45,765 | 39,670 |
| Subtotal | 45,545 | 45,765 | 45,765 | 39,670 |
| Total Garage | \$751,662 | \$776,739 | \$777,752 | \$807,845 |

GARAGE - FLEET VEHICLES

The City maintains a fleet of approximately 450 vehicles and equipment. The Garage Department is responsible for the maintenance of this fleet. The equipment replacement fund provides funding for the replacement of vehicles. This allows the City to maintain a high quality, functional fleet. Also in the City's inventory are various pieces of equipment such as generators, pumps,, trailers, landscaping equipment, welding machines, etc..

General Government

Administration

1 2005 Chrysler PT Cruiser
1 2012 Chevy Traverse
1 2017 Ford Trans Connect

Engineering

1 2012 Ford F150
1 2018 F150 CNG

Civic Center

1 1998 Ford F150
1 2005 Gator

Public Safety

Police/Humane

1 2003 Cadillac
1 2006 Ford F150 CID
1 2007 Dodge Durango
1 2007 Chevrolet Suburban
1 2007 Chevrolet Silverado CID
1 2009 Ford Escape Hybrid
1 2009 Chevy Silverado
1 2010 Armored Truck
1 2011 Chevy Caprice CID
1 2012 Chevy Tahoe COP
1 2012 Chevy Tahoe CID
1 2014 Dodge Charger
1 2015 Chevy Tahoe
1 2015 F150
1 2015 Lincoln
2 2016 Chevy Tahoe
2 2017 Chevy Tahoe
2 2018 Ford Taurus
6 2018 Chevy Tahoe

F 1942 Chevy Pumper
1 1985 Federal Fire Truck
1 2004 American LaFrance Engine 2
1 2005 Chevy Suburban
1 2005 Ferrara Ladder Truck
1 2007 F350
1 2011 Chevy Suburban
1 2011 Brush truck
1 2012 Rescue 1
1 2014 Chevy Suburban
1 2014 Ferrara Fire Truck
1 2016 Chevy Silverado
1 2017 Ford Interceptor
1 2018 Ferrara Ladder Truck

E

2012 Chevy Tahoe
1 2012 Ambulance
1 2013 Ambulance
1 2016 Ambulance
1 2018 Ambulance

Public Works

Garage

1 1997 Wrecker
1 2001 Forklift
1 2006 Service Truck
1 2008 Chevy Silverado
1 2013 John Deere Mower

Code Enforcement

1 2005 Honda Civic CNG
2 2008 Honda Civic CNG
1 2010 F150
1 2011 F150
1 2016 F150 Bi Fuel

Streets

1 1972 Grader
1 1996 Asphalt Roller
1 2002 Asphalt Truck
1 2008 JCB Backhoe
1 2008 F750 Dump Truck
1 2013 F250 CNG
1 2012 F650 Flatbed CNG
1 2014 Schwarze Sweeper CNG
1 2017 F250 Crewcab CNG
1 2018 F550 Bucket Truck

Drainage

1 1976 Case Diesel Tractor
1 1992 Tractor with Slopemower
1 1994 John Deere Bulldozer
1 1996 Tractor with Slopemower
1 1997 Tractor
1 1999 Tractor
1 2000 Dump Truck
2 2001 F150 CNG
1 2003 Honda Civic CNG
1 2003 Case Loader
1 2004 Gradall Excavator
1 2004 Tractor
1 2006 Chevy Crew Cab
1 2008 F750 Dump Truck
1 2009 Chevy Silverado 1500
1 2009 Chevy Silverado 2500
1 2011 Trackhoe
1 2011 F150
1 2013 Chevy Tahoe
1 2018 New Holland Slope Mower

Utility

Waste Water

1 2002 F350 Utility
1 2003 F150 CNG
1 2017 JD Backhoe
1 2006 Dodge Crew Cab
1 2008 Silverado 2500
2 2009 Silverado 1500
1 2009 Honda Civic CNG
1 2009 Silverado 2500
1 2009 Vactor
1 2012 F150
1 2012 F350 Utility CNG
1 2012 F350 Crane CNG
1 2012 JD Mower

Utility

Waste Water (Cont.)

1 2013 F250 CNG
1 2015 JD Mower
2 2015 F350 Utility CNG
1 2015 JD Gator
1 2015 F150 Bi Fuel CNG
1 2016 F750 Dump Truck CNG

Water

1 2000 Dump Truck
1 2008 Chevy Silverado
1 2009 Chevy Utility
1 2012 Trackhoe
1 2013 Trackhoe
1 2015 F350 Utility CNG
1 2015 F250 Utility CNG

Sanitation

1 2003 Residential Refuse CNG
1 2004 Commercial Refuse CNG
1 2004 Residential Refuse CNG
1 2005 Residential Refuse CNG
1 2005 Commercial Refuse CNG
1 2006 JCB Wheel Loader (Mulch Site)
2 2007 John Deere Loader
3 2007 Residential Refuse CNG
1 2007 Commercial Rolloff CNG
1 2008 Dodge Crew Cab
3 2009 Refuse Flatbed
1 2009 Residential Refuse CNG
1 2010 Refuse Flatbed
1 2010 Refuse Flatbed
1 2013 F250 CNG
1 2015 Residential Refuse CNG
1 2016 F350 Dumpster Carrier
2 2016 Commercial Refuse CNG
1 2017 Commercial Rolloff CNG
2 2018 Residential Refuse CNG
1 2018 New Holland Loader

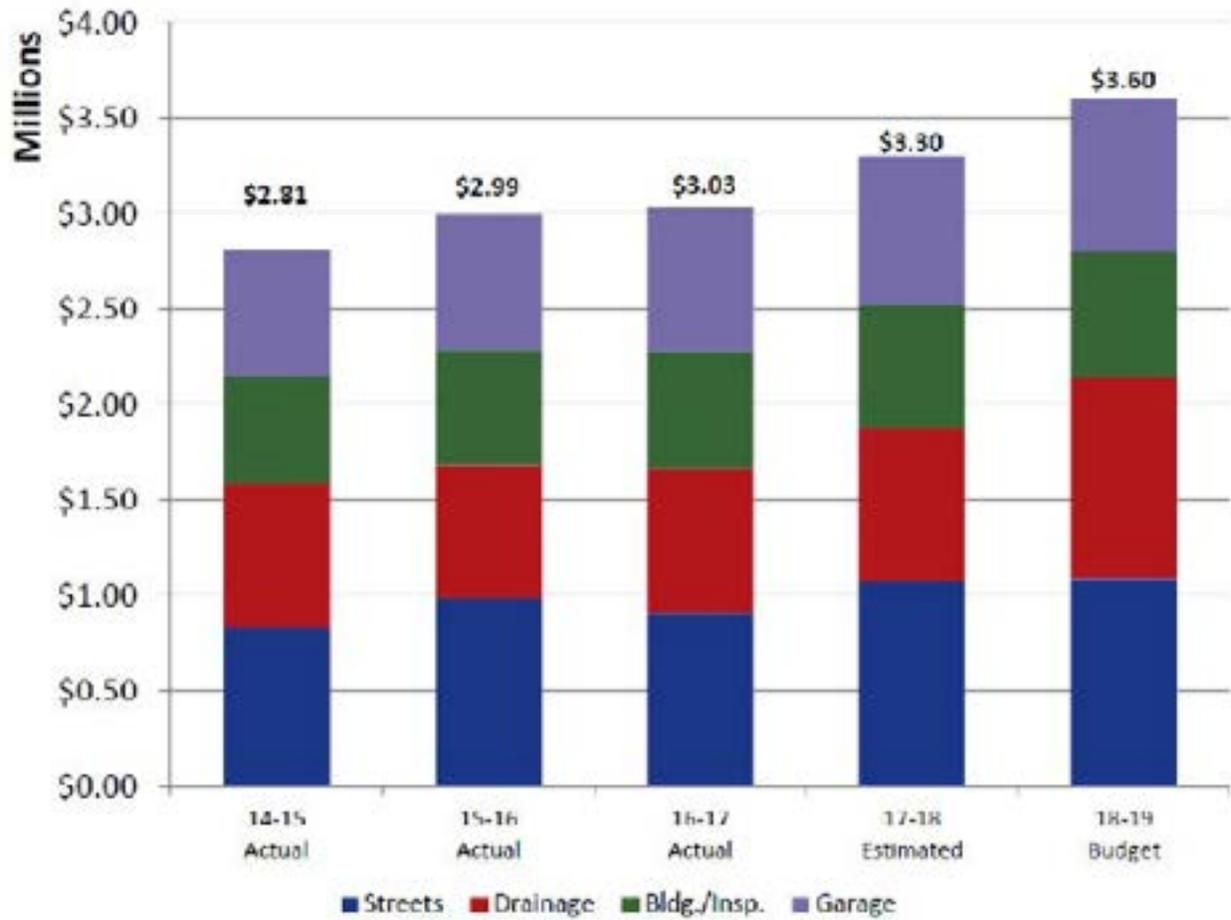
Parks

1 1991 Stump Grinder
3 1994 Tractor
2 1995 Tractor
1 2001 F650 Water Truck
1 2002 F150 CNG
1 2005 F650 Dump Truck
1 2006 JD Backhoe
1 2008 Chevy 2500 Utility
1 2008 Chevy 2500 Crew Cab
1 2010 F150
1 2011 F150
2 2012 ExMark Mower
1 2013 F250 CNG
3 2014 ExMark Mower
2 2016 JD Gator
1 2016 ExMark Mower
1 2017 F150 CNG Bi-fuel

Recreation

1 2009 Chevy Silverado
1 2009 Ford E350
1 2012 Ford F150 Bi-Fuel

PUBLIC WORKS - HISTORY OF EXPENDITURES



The Lap Pool at the Recreation Center



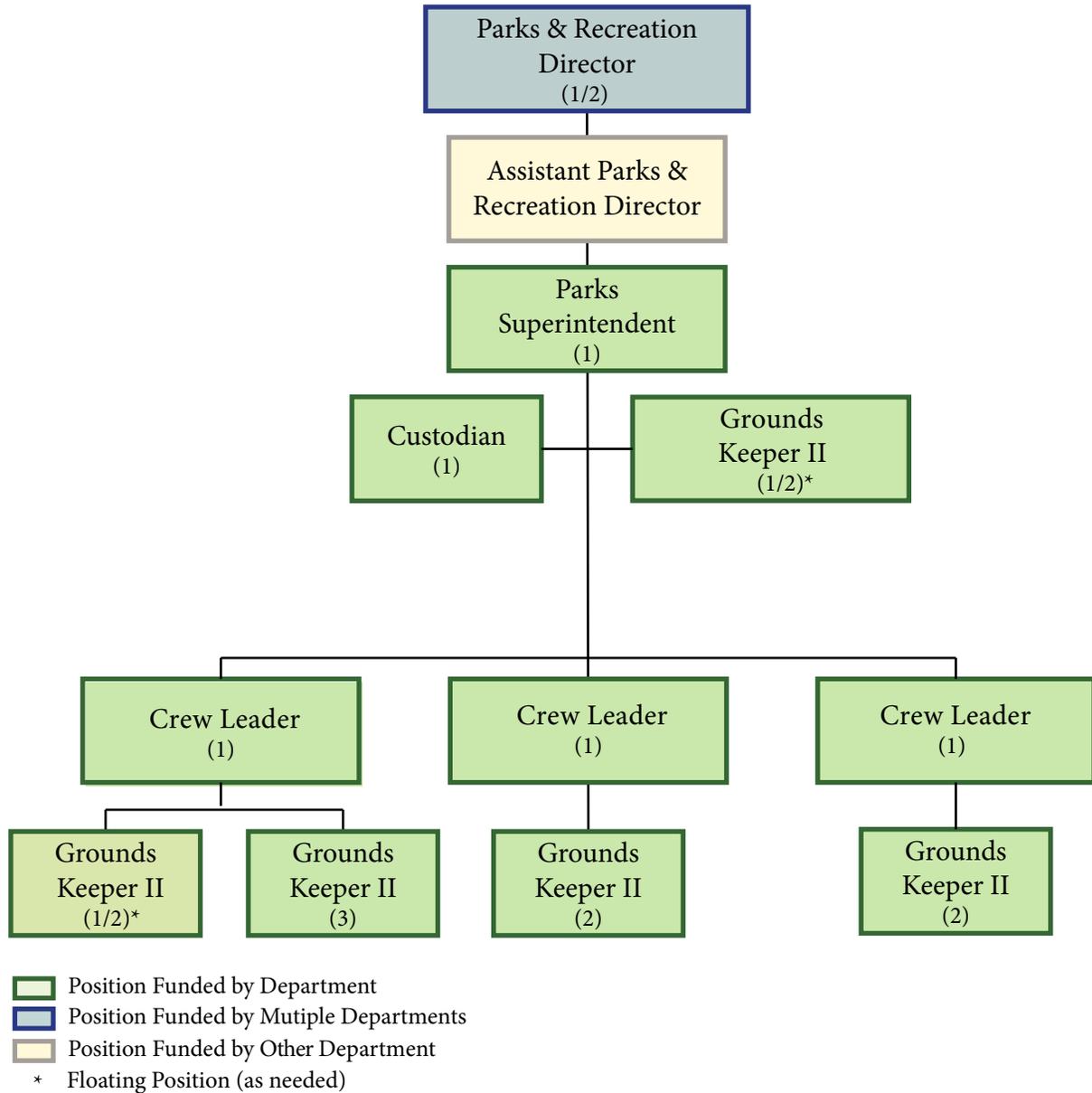
PARKS & RECREATION



LAKE JACKSON

City of Enchantment





| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 12.00 | 12.00 | 12.00 | 12.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 1.50 | 1.50 | 1.50 | 1.50 |
| Temporary/Seasonal | 0.58 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 14.08 | 13.50 | 13.50 | 13.50 |

PARKS - 3500

PROGRAM DESCRIPTION

The purpose of the Parks Department is to maintain and develop our City parks, parkways, landscaping projects, and green areas surrounding City building and facilities. Areas are maintained according to standards which will ensure safe and aesthetically pleasing places of leisure through mowing horticulture practices, repair, cleaning and litter removal.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

| | |
|---|----------|
| CITY COUNCIL OBJECTIVE: Provide Quality Parks & Recreation Opportunities | |
| Department Goal: Enhance the Community Environment | |
| • Replaced MacLean Park Playground and installed solid surface (poured in place) rubber fall protection | Complete |
| • Renovated MacLean Park Adult Softball Fields infields and leveled Adult Soccer Field | Complete |
| • Expanded and improved playground inspections, maintenance and record keeping (aided by tablet and software program) | Complete |
| • Replaced MacLean Park Adult Softball Field fencing including gates, backstops, & dugouts | Complete |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

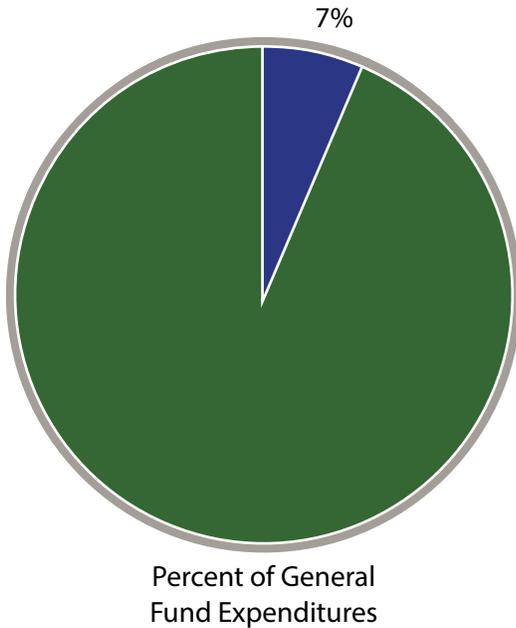
| | |
|--|-----------|
| CITY COUNCIL OBJECTIVE: Provide Quality Parks & Recreation Opportunities | |
| Department Goal: Enhance the Community Environment | |
| • Fill open positions and reorganize the Parks Maintenance Division to have 3 crews (MacLean/Rec Center, Southside and Northside) to improve standards and quality of work | Sep. 2019 |
| • Construct and open the BASF Dog Park | Sep. 2019 |
| • Work with consultant and public to develop a poured in place skatepark plan, followed by the development of construction documents | Sep. 2019 |
| • Inspect all parks each month and do a formal playground inspection of each facility at minimum of 4 times per year | Sep. 2019 |

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

| CITY COUNCIL OBJECTIVE: Provide Quality Parks & Recreation Opportunities | | | | |
|---|-----------------|-----------------|-------------------|-----------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| Hazardous Trees Removed | 47 | 60 | 25 | 40 |
| Acres of Parks per 1,000 Population | 60.35 | 60.35 | 60.35 | 60.35 |
| Number of Trees Planted | New | New | 300 | 150 |

BUDGET INFORMATION



Major Budget Changes

- Employee Raises \$5,000
- Increase Contract Mowing \$15,000
- Increase Park Maintenance \$20,000

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| MacLean Sportsplex | \$11,591 | \$12,000 | \$12,000 | \$15,000 |
| Misc. Park Use | 14,824 | 10,000 | 15,000 | 15,000 |
| General Resources | 1,287,176 | 1,385,573 | 1,312,331 | 1,422,740 |
| Total Resources | \$1,313,591 | \$1,407,573 | \$1,339,331 | \$1,452,740 |

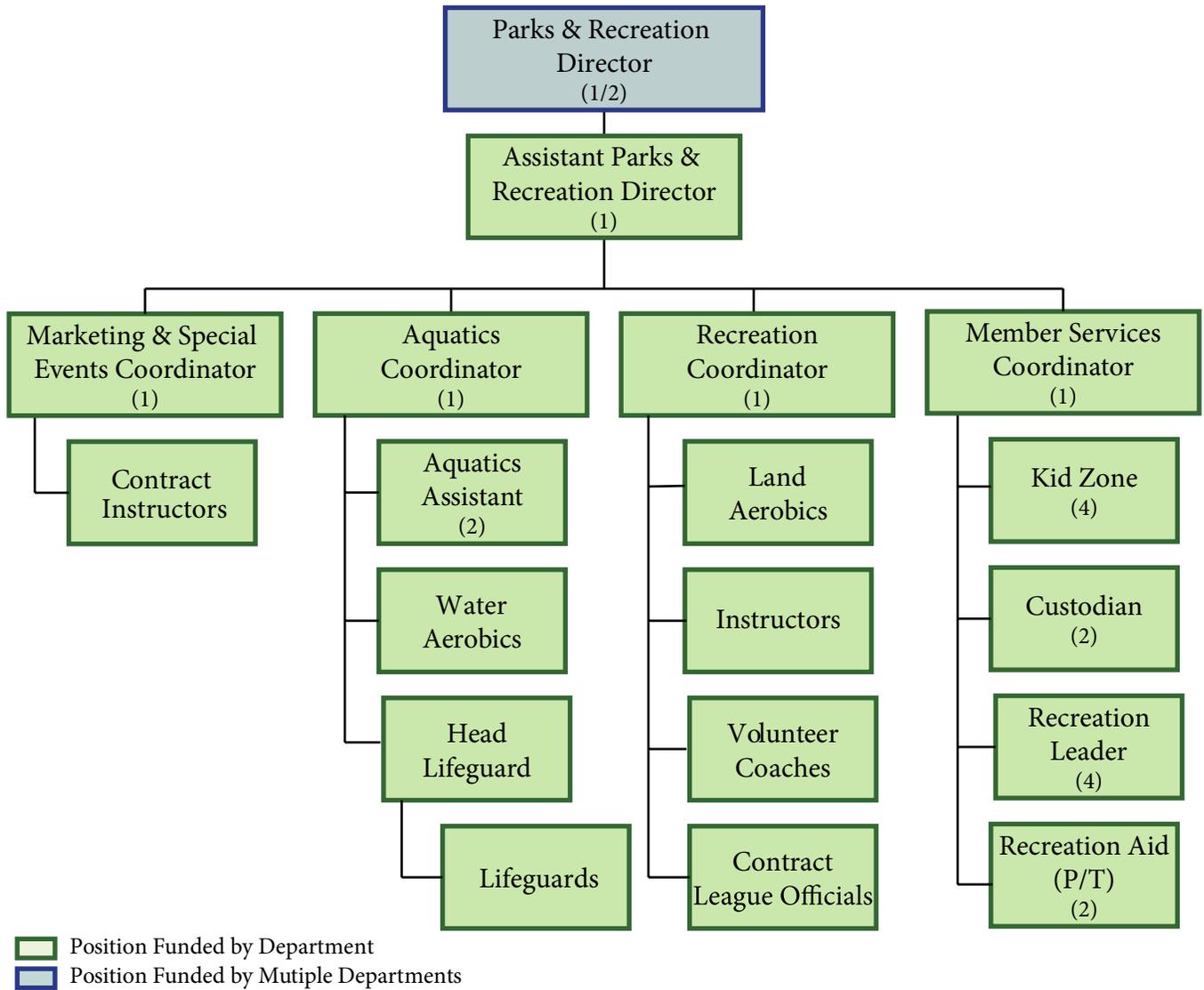
| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | \$507,259 | \$577,100 | \$535,450 | \$582,100 |
| Employee Benefits | 181,432 | 232,000 | 196,770 | 234,900 |
| Operating Expenses | 587,964 | 566,252 | 574,890 | 601,105 |
| Capital Outlay | 0 | 0 | 0 | 0 |
| Operating Transfers | 36,936 | 32,221 | 32,221 | 34,635 |
| Total Expenditures | \$1,313,591 | \$1,407,573 | \$1,339,331 | \$1,452,740 |

PARKS - 3500

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$329,178 | \$390,400 | \$345,888 | \$388,800 |
| Management/Supervision | 126,125 | 126,700 | 129,562 | 133,300 |
| Temp/Seasonal | 0 | 0 | 0 | 0 |
| Overtime | 51,956 | 60,000 | 60,000 | 60,000 |
| Subtotal | 507,259 | 577,100 | 535,450 | 582,100 |
| Employee Benefits | | | | |
| Health | 70,932 | 99,100 | 83,913 | 100,400 |
| Life | 808 | 800 | 867 | 800 |
| Dental | 5,225 | 6,500 | 5,638 | 6,700 |
| Long Term Disability | 1,851 | 2,400 | 1,938 | 2,400 |
| Social Security | 35,975 | 44,100 | 36,169 | 44,500 |
| Retirement | 61,956 | 70,900 | 62,054 | 71,900 |
| Workers Compensation | 4,685 | 8,200 | 6,191 | 8,200 |
| Subtotal | 181,432 | 232,000 | 196,770 | 234,900 |
| Operating Expenses | | | | |
| Contract Mowing | 379,669 | 385,000 | 385,000 | 400,000 |
| Water & Sewer | 2,250 | 2,250 | 2,250 | 2,250 |
| Maintenance & Repair | | | | |
| Pavilion | 0 | 2,000 | 2,000 | 2,000 |
| Parks | 120,561 | 100,000 | 110,000 | 120,000 |
| Vehicles | 33,050 | 20,000 | 21,000 | 20,000 |
| Equipment | 638 | 800 | 800 | 800 |
| Maintenance Contracts | 72 | 900 | 900 | 900 |
| Subtotal | 154,321 | 123,700 | 134,700 | 143,700 |
| Rentals - Equipment | 1,878 | 2,500 | 2,000 | 2,500 |
| Insurance | | | | |
| Property | 1,216 | 1,276 | 1,250 | 1,340 |
| Liability | 4,196 | 4,321 | 5,370 | 5,640 |
| Subtotal | 5,412 | 5,597 | 6,620 | 6,980 |
| Communications | 1,169 | 1,500 | 2,300 | 2,000 |
| Training | 1,325 | 2,100 | 2,100 | 2,100 |

PARKS - 3500

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|--------------------|--------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| Travel | 1,316 | 1,250 | 1,100 | 1,250 |
| Dues & Memberships | 210 | 225 | 210 | 215 |
| General Supplies | | | | |
| Office | 40 | 400 | 200 | 400 |
| Wearing Apparel | 4,683 | 4,500 | 4,500 | 4,500 |
| Gasoline & Diesel | 16,613 | 17,680 | 11,840 | 12,980 |
| Fuel - CNG | 729 | 450 | 970 | 1,130 |
| Operating | 11,227 | 10,000 | 10,000 | 10,000 |
| Chemicals | 1,882 | 5,000 | 5,000 | 5,000 |
| Cleaning | 5,140 | 4,000 | 6,000 | 6,000 |
| Subtotal | 40,314 | 42,030 | 38,510 | 40,010 |
| Books & Periodicals | 100 | 100 | 100 | 100 |
| Subtotal | 587,964 | 566,252 | 574,890 | 601,105 |
| Capital Outlay | 0 | 0 | 0 | 0 |
| Operating Transfers | | | | |
| Equipment Replacement | 36,936 | 32,221 | 32,221 | 34,635 |
| Subtotal | 36,936 | 32,221 | 32,221 | 34,635 |
| Total Parks | \$1,313,591 | \$1,407,573 | \$1,339,331 | \$1,452,740 |



| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 3.00 | 3.00 | 4.00 | 4.00 |
| Office/Clerical | 6.00 | 6.00 | 5.00 | 5.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 4.50 | 4.50 | 5.50 | 5.50 |
| Temporary/Seasonal | 17.00 | 17.00 | 16.00 | 16.00 |
| TOTAL FTEs | 30.50 | 30.50 | 30.50 | 30.50 |

RECREATION - 3700

PROGRAM DESCRIPTION

The Recreation Department provides recreational, educational and physical activities for the public. The programs provided utilize our City facilities and parks, and are a vital contribution to the enhancement of the quality of life in our community. Recreation facilities include various athletic complexes, Dunbar Pavilion, MacLean Pavilion, the Outdoor Pool and the Recreation Center.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

CITY COUNCIL OBJECTIVE: Provide Community with New Affordable & Family Oriented Activities

Department Goal:

| | |
|---|----------|
| • Provided 27 Special Events and expanded Adult Easter Egg Hunt from 600 to 900 participants | Complete |
| • Developed a scholarship program to help low-income families provide swim lessons for their children | Complete |
| • Installed an electronic message center at the Recreation Center to improve marketing of programs and services | Complete |

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Offer In-House Training Opportunities

Department Goal: Develop & Foster a Strong Leadership Team Through Training & Team Building Activities

| | |
|---|----------|
| • Provided 6-plus in-house trainings, and staff attended a wide variety of outside trainings including: NRPA, TRPS, TPPC, and TAAAF | Complete |
| • Supported the involvement of staff in professional organizations. | Complete |

CITY COUNCIL OBJECTIVE: Offer In-House Training Opportunities

Department Goal:

| | |
|--|----------|
| • Provided a minimum of 6 in-house professional trainings per year to include safety, customer service, supervisory skills, etc. | Complete |
| • Developed & Fostered a Strong Leadership Team Through Training & Team Building Activities on a Quarterly Basis | Complete |

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal:

| | |
|--|----------|
| • Ensured Recreation Facilities Remain Attractive & Safe | On-Going |
|--|----------|

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

CITY COUNCIL OBJECTIVE: Provide Community with New Affordable & Family Oriented Activities

Department Goal:

| | |
|---|-----------|
| • Provide 27 Special Events and expand the Adult Easter Egg Hunt from 900-1200 participants | Apr. 2019 |
| • Expand (non-sport) recreation programming for youth and adults to offer a more comprehensive schedule of programs | Sep. 2019 |
| • Provide 6-plus in-house trainings and support management staff in attending a variety of outside trainings (when budget allows) | Sep. 2019 |
| • Develop a sponsorship packet/procedure for recreation events and programs | Sep. 2019 |

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enhance Quality Of Life

CITY COUNCIL OBJECTIVE: Provide Quality Parks & Recreation Opportunities

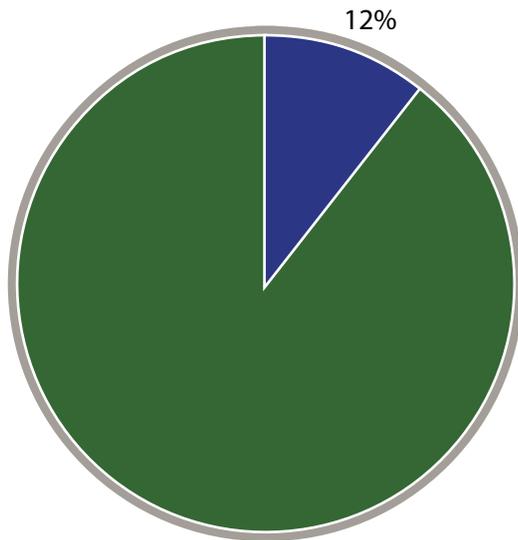
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|-------------------------------|--------------------|--------------------|----------------------|--------------------|
| Recreation Center Attendance | 192,001 | 210,000 | 190,000 | 210,000 |
| Recreation Center Memberships | 8,388 | 5,050 | 8,000 | 8,000 |
| Adult Programs Offered | 2,488 | 2,080 | 2,100 | 2,100 |
| Youth Programs Offered | 443 | 150 | 400 | 400 |

CITY COUNCIL OBJECTIVE: Provide Community with New Affordable & Family Oriented Activities

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|------------------------|--------------------|--------------------|----------------------|--------------------|
| Special Events Offered | 25 | 27 | 27 | 27 |

RECREATION - 3700

BUDGET INFORMATION



Percent of General Fund Expenditures

Major Budget Changes

- Employee Raises \$29,900
- Increase Overtime \$5,000
- Increase Heating/AC \$10,000
- Increase Rec Center Maintenance \$5,000
- Decrease Communication (\$9,500)

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|--------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Recreation Center | \$795,886 | \$813,650 | \$803,150 | \$821,150 |
| Outdoor Pool | 6,080 | 6,000 | 6,500 | 6,500 |
| Youth Athletics | 23,778 | 20,000 | 20,000 | 20,000 |
| Youth Programs | 8,403 | 25,000 | 10,000 | 20,000 |
| Adult Programs | 11,225 | 19,500 | 12,000 | 19,500 |
| Aquatics Programs | 39,016 | 30,000 | 35,000 | 35,000 |
| Special Events | 30,126 | 25,000 | 30,000 | 30,000 |
| Transfer from Econ. Dev. | 350,000 | 350,000 | 350,000 | 350,000 |
| General Resources | 993,166 | 1,135,682 | 1,113,485 | 1,139,775 |
| Total Resources | \$2,257,680 | \$2,424,832 | \$2,380,135 | \$2,441,925 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | \$975,572 | \$1,109,600 | \$1,026,944 | \$1,139,300 |
| Employee Benefits | 270,222 | 333,300 | 332,637 | 341,300 |
| Operating Expenses | 939,599 | 917,522 | 956,523 | 896,935 |
| Capital Outlay | 32,827 | 33,000 | 32,631 | 32,980 |
| Operating Transfers | 39,460 | 31,410 | 31,400 | 31,410 |
| Total Expenditures | \$2,257,680 | \$2,424,832 | \$2,380,135 | \$2,441,925 |

RECREATION - 3700

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------------|-------------------|-------------------|----------------------|--------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$151,494 | \$175,500 | \$163,640 | \$183,100 |
| Office/Clerical | 159,484 | 171,800 | 155,847 | 169,600 |
| Professional | 0 | 0 | 0 | 0 |
| Management/Supervision | 304,496 | 311,500 | 321,218 | 328,700 |
| Temp/Seasonal | 309,850 | 403,800 | 336,239 | 399,800 |
| Overtime | 27,161 | 25,000 | 30,000 | 30,000 |
| Private Lessons | 6,037 | 0 | 5,000 | 6,100 |
| Contract Labor | 17,050 | 22,000 | 15,000 | 22,000 |
| Subtotal | 975,572 | 1,109,600 | 1,026,944 | 1,139,300 |
| Employee Benefits | | | | |
| Health | 104,441 | 143,100 | 146,921 | 145,000 |
| Life | 1,280 | 1,000 | 1,000 | 1,000 |
| Dental | 7,688 | 9,400 | 9,400 | 9,700 |
| Long Term Disability | 2,483 | 2,700 | 2,700 | 2,800 |
| Social Security | 71,225 | 83,200 | 82,348 | 85,000 |
| Retirement | 77,606 | 84,000 | 84,000 | 87,900 |
| Workers Compensation | 5,499 | 9,900 | 6,268 | 9,900 |
| Subtotal | 270,222 | 333,300 | 332,637 | 341,300 |
| Operating Expenses | | | | |
| Contract Cleaning | 75,810 | 76,000 | 76,000 | 78,000 |
| Water & Sewer | 51,000 | 51,000 | 51,000 | 51,000 |
| Maintenance & Repair | | | | |
| Buildings - Rec Center | 43,364 | 60,000 | 85,000 | 65,000 |
| Grounds | 2,566 | 5,000 | 5,305 | 7,000 |
| Heating & Air Conditioning | 44,257 | 30,000 | 70,000 | 40,000 |
| Pools | 30,405 | 25,000 | 25,000 | 25,000 |
| Equipment | 1,302 | 1,000 | 1,000 | 1,000 |
| Maintenance Contracts | 29,892 | 36,025 | 36,025 | 39,975 |
| Subtotal | \$151,786 | \$157,025 | \$222,330 | \$177,975 |
| Rental - Vehicle & Equipment | 7,686 | 8,000 | 5,000 | 5,000 |
| Insurance | | | | |
| Property | 98,529 | 103,456 | 102,799 | 108,645 |
| Liability | 4,861 | 5,006 | 6,070 | 6,375 |
| Subtotal | 103,390 | 108,462 | 108,869 | 115,020 |

RECREATION - 3700

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|--------------------|--------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| Communication | 13,004 | 18,000 | 8,500 | 8,500 |
| Advertising | 25,894 | 27,000 | 27,000 | 27,000 |
| Training | 3,698 | 7,450 | 6,800 | 7,150 |
| Travel | 9,324 | 7,400 | 7,400 | 7,400 |
| Dues & Memberships | 2,990 | 2,930 | 2,930 | 2,600 |
| General Supplies | | | | |
| Office | 6,766 | 7,500 | 7,500 | 7,500 |
| Wearing Apparel | 4,145 | 6,000 | 6,500 | 6,500 |
| Gasoline & Diesel | 867 | 1,000 | 310 | 340 |
| CNG Fuel | 519 | 400 | 560 | 650 |
| Operating | 29,776 | 41,600 | 33,764 | 41,600 |
| Special Events | 27,623 | 25,000 | 31,000 | 31,000 |
| Aquatics | 11,790 | 10,000 | 12,000 | 12,000 |
| Chemicals | 23,235 | 25,000 | 25,000 | 25,000 |
| Resale Items | 2,777 | 2,500 | 2,500 | 3,000 |
| Cleaning Program | 16,242 | 15,000 | 15,000 | 15,000 |
| | 15,839 | 19,800 | 16,000 | 18,500 |
| Subtotal | 139,579 | 153,800 | 150,134 | 161,090 |
| Electricity & Natural Gas | 355,438 | 300,455 | 290,560 | 256,200 |
| Books & Periodicals | 0 | 0 | 0 | 0 |
| Subtotal | 939,599 | 917,522 | 956,523 | 896,935 |
| Capital Outlay | 32,827 | 33,000 | 32,631 | 32,980 |
| Operating Transfers | | | | |
| Equipment Replacement | 39,460 | 31,410 | 31,400 | 31,410 |
| Subtotal | 39,460 | 31,410 | 31,400 | 31,410 |
| Total Recreation | \$2,257,680 | \$2,424,832 | \$2,380,135 | \$2,441,925 |

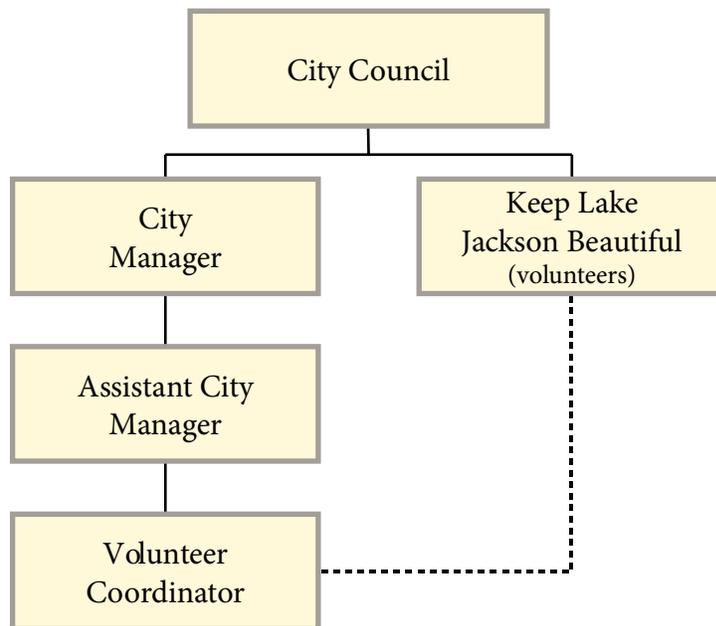
MISCELLANEOUS



LAKE JACKSON

City of Enchantment





| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 0.00 | 0.00 | 0.00 | 0.00 |

PROGRAM DESCRIPTION

“The mission of Keep Lake Jackson Beautiful is to improve the quality of life by enhancing the community environment”. Keep Lake Jackson Beautiful is charged with the restoration, preservation and enhancement of the scenic beauty in the City of Lake Jackson. Budgeted monies include funds for education and public awareness programs targeted at all ages and businesses in our community. Through litter prevention programs, beautification projects, and review of city ordinances these dedicated volunteers have helped bring in over \$2,000,000 worth of landscaping awards to the City of Lake Jackson. Keep Lake Jackson’s entry sign was dedicated to the City of Lake Jackson by the volunteers. The highway has now also been branded with the city logo to let visitors know that they are in the “City of Enchantment”.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enhance Communication

| | |
|---|----------|
| CITY COUNCIL OBJECTIVE: Improve Communication Externally & Internally through Best Practices & Enhance Technology | |
| Department Goal: | |
| • BISD Charlie Chipper “Recycle Posse” Programs presented at local schools/Library | Complete |
| • Arbor Day Celebration - 75 "free" trees given out at the City "Easter Egg Hunt" & proclamation presented at City Council meeting in | Complete |
| • Awards & Recognitions: Keep America Beautiful Sustained Award of Excellence, President Circle, Keep Texas Beautiful Sustained Award of Excellence | Complete |
| • Won 2017 Keep Texas Beautiful Governor's Community Achievement Award | Complete |
| • Increased awareness through social media | Complete |
| • Coordinated 75th Anniversary project | Complete |
| • Continued Fall & Spring environmental cleanups, events, and tree planting projects | Complete |
| • Increase awareness of KLJB through the continuation of the “Business Affiliate Partner” Program. | Complete |
| • Continue working on the Contractor "Little Bag" Awareness project | On-going |
| • Initiated community outreach programs- partner with other service organizations | On-going |

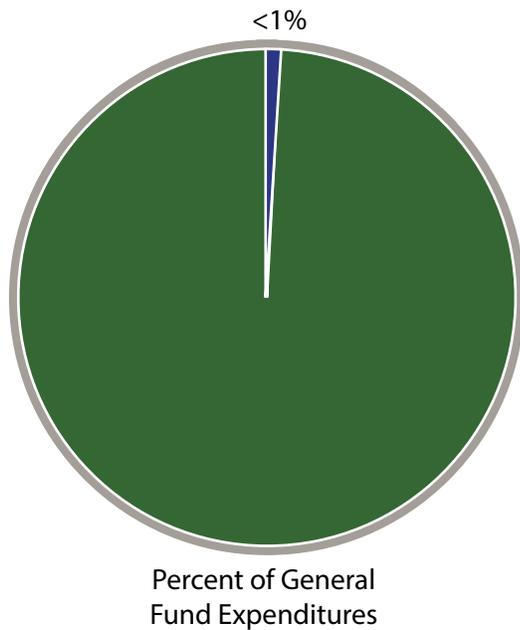
FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enhance Communication

| | |
|--|-----------|
| CITY COUNCIL OBJECTIVE: Improve Communication Externally & Internally through Best Practices & Enhance Technology | |
| Department Goal: Build Relationships with Community Partners | |
| • Dow/Keep America Beautiful donation for elementary recycling project* | Sep. 2019 |
| • KTB/GCAA Award landscape project * | Sep. 2019 |
| • Provide plantings around City Welcome Sign* | Sep. 2019 |
| • Continue working on the Contractor "Little Bag" Awareness project | Sep. 2019 |
| • Initiate community outreach programs- partner with other service organizations | Sep. 2019 |

*Denotes new activity or award

BUDGET INFORMATION



Major Budget Changes

- Increase Budget- \$5,000

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| General Resources | \$30,981 | \$55,000 | \$54,700 | \$60,000 |
| Total Resources | \$30,981 | \$55,000 | \$54,700 | \$60,000 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Operating Expenses | \$30,981 | \$55,000 | \$54,700 | \$60,000 |
| Total Expenditures | \$30,981 | \$55,000 | \$54,700 | \$60,000 |

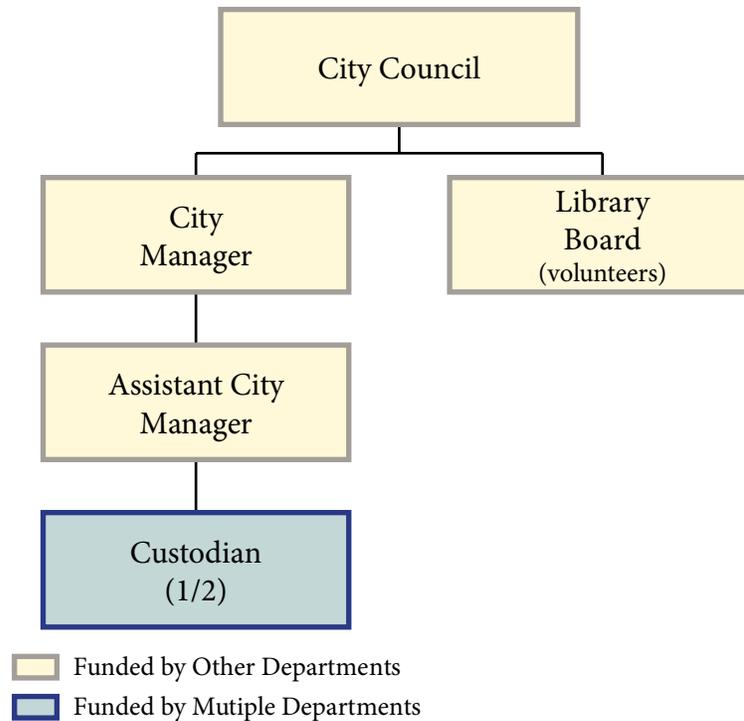
| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------------|-------------------|-------------------|----------------------|--------------------|
| Operating Expenses | | | | |
| Plantings | \$18,048 | \$22,500 | \$22,500 | \$27,500 |
| Advertising | 2,490 | 4,000 | 4,000 | 4,000 |
| Training | 1,202 | 3,500 | 3,500 | 3,500 |
| Travel | 3,415 | 3,200 | 3,200 | 3,200 |
| Other Purchased Services | | | | |
| Dues & Memberships | 469 | 700 | 700 | 700 |
| Arbor Day | 65 | 2,000 | 2,000 | 2,000 |
| Clean Up Day | 421 | 2,000 | 2,000 | 2,000 |
| Subtotal | 955 | 4,700 | 4,700 | 4,700 |
| General Office Supplies | | | | |
| T-Shirts | 1,946 | 3,000 | 3,200 | 3,000 |
| Costumes | 0 | 500 | 0 | 500 |
| Awards | 489 | 1,500 | 1,500 | 1,500 |
| Operating | 2,784 | 4,600 | 4,600 | 4,600 |
| Composting | 95 | 0 | 0 | 0 |
| Education Program | -443 | 5,000 | 5,000 | 5,000 |
| Composting | 0 | 2,500 | 2,500 | 2,500 |
| Subtotal | 4,871 | 17,100 | 16,800 | 17,100 |
| Total KLJB | \$30,981 | \$55,000 | \$54,700 | \$60,000 |



Keep Lake Jackson Beautiful winning the 13th 2018 KTB Governor's Community Achievement Award

New Children's Murals at the Lake Jackson Library





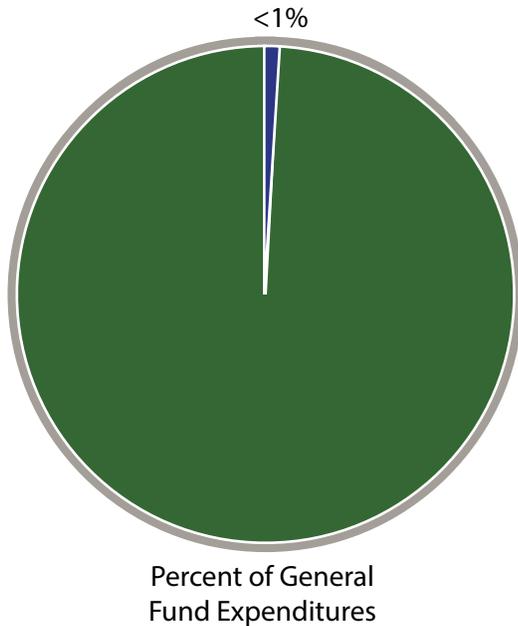
| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 0.50 | 0.50 | 0.50 | 0.50 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 0.50 | 0.50 | 0.50 | 0.50 |

LIBRARY - 4200

PROGRAM DESCRIPTION

The City of Lake Jackson in a contract with Brazoria County provides library services to Lake Jackson residents. The contract is renewed every two years. As part of the contract the City agrees to provide a climate controlled building, furnishings, and maintenance and utilities for the Lake Jackson Library. In turn, the County agrees to provide personnel, library materials, necessary supplies pertaining to personnel, and circulation equipment.

BUDGET INFORMATION



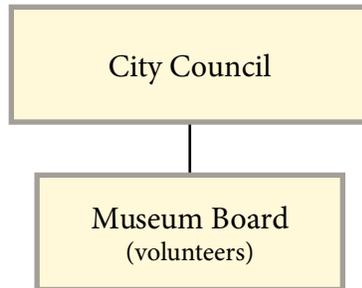
Major Budget Changes

- No Major Changes

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|-------------------|-------------------|----------------------|--------------------|
| General Resources | \$183,781 | \$166,884 | \$161,792 | \$160,454 |
| Total Resources | \$183,781 | \$166,884 | \$161,792 | \$160,454 |
| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
| Salaries & Wages | \$18,641 | \$19,000 | \$19,502 | \$19,600 |
| Employee Benefits | 7,269 | 8,200 | 8,063 | 8,300 |
| Operating Expenses | 157,871 | 139,684 | 134,227 | 132,554 |
| Total Expenditures | \$183,781 | \$166,884 | \$161,792 | \$160,454 |

| <i>Expenditures - Detail</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$18,474 | \$19,000 | \$19,206 | \$19,600 |
| Overtime | 167 | 0 | 296 | 0 |
| Subtotal | 18,641 | 19,000 | 19,502 | 19,600 |
| Employee Benefits | | | | |
| Health | 3,067 | 3,700 | 3,455 | 3,700 |
| Life | 35 | 0 | 36 | 0 |
| Dental | 226 | 200 | 233 | 200 |
| Long Term Disability | 76 | 100 | 79 | 100 |
| Social Security | 1,354 | 1,500 | 1,439 | 1,500 |
| Retirement | 2,250 | 2,300 | 2,460 | 2,400 |
| Workers Compensation | 261 | 400 | 361 | 400 |
| Subtotal | 7,269 | 8,200 | 8,063 | 8,300 |
| Operating Expenses | | | | |
| Contract Cleaning | 17,467 | 18,700 | 18,700 | 18,700 |
| Water & Sewer | 1,700 | 1,700 | 1,700 | 1,700 |
| Maintenance & Repair | | | | |
| Library Building | 8,224 | 13,000 | 6,000 | 16,000 |
| Heating & Air Conditioning | 24,253 | 2,000 | 2,000 | 2,000 |
| Furniture & Fixtures | 1,278 | 7,000 | 3,000 | 3,650 |
| Subtotal | 33,755 | 22,000 | 11,000 | 21,650 |
| Insurance | | | | |
| Property | 25,531 | 26,807 | 26,700 | 28,150 |
| Liability | 74 | 77 | 100 | 105 |
| Subtotal | 25,605 | 26,884 | 26,800 | 28,255 |
| Communications | 1,873 | 1,800 | 1,800 | 1,800 |
| General Supplies | | | | |
| Operating | 1,097 | 1,000 | 1,000 | 1,000 |
| Cleaning | 299 | 0 | 0 | 0 |
| Subtotal | 1,396 | 1,000 | 1,000 | 1,000 |
| Electricity & Natural Gas | 40,778 | 31,500 | 37,930 | 24,024 |
| Books & Periodicals | 35,297 | 36,100 | 35,297 | 35,425 |
| Subtotal | 157,871 | 139,684 | 134,227 | 132,554 |
| Total Library | \$183,781 | \$166,884 | \$161,792 | \$160,454 |

MUSEUM - 4300

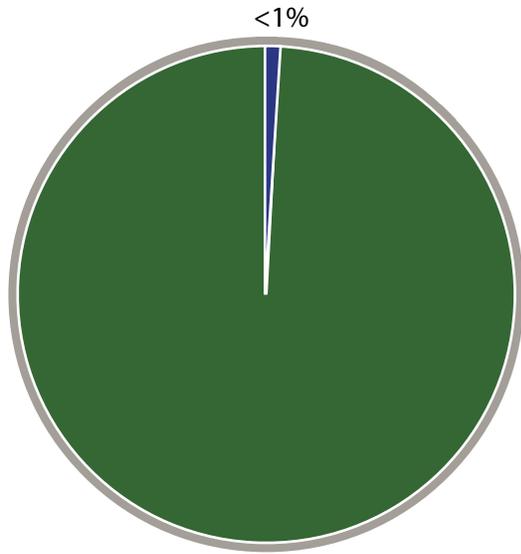


| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 0.00 | 0.00 | 0.00 | 0.00 |

PROGRAM DESCRIPTION

The Lake Jackson Museum Board and the Lake Jackson Historical Association aim to provide education relative to the history and culture of an area of Brazoria County which is known as Lake Jackson and to collect, preserve, and interpret the materials of the following heritage: Prehistoric- Karankawa Indians; Plantation Era; Industrial and Petrochemical Development as is impacted Lake Jackson; and, the City-birth, development and contemporary life. By contract the city maintains the building, while the Lake Jackson Historical Association takes care of the day to day operation and all exhibits.

BUDGET INFORMATION



Percent of General Fund Expenditures

Major Budget Changes

- No Major Changes

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------|-------------------|-------------------|----------------------|--------------------|
|------------------|-------------------|-------------------|----------------------|--------------------|

| | | | | |
|-------------------|----------|----------|----------|----------|
| General Resources | \$66,804 | \$68,435 | \$66,995 | \$66,830 |
|-------------------|----------|----------|----------|----------|

| | | | | |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Total Resources | \$66,804 | \$68,435 | \$66,995 | \$66,830 |
|------------------------|-----------------|-----------------|-----------------|-----------------|

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------|-------------------|-------------------|----------------------|--------------------|
|---------------------|-------------------|-------------------|----------------------|--------------------|

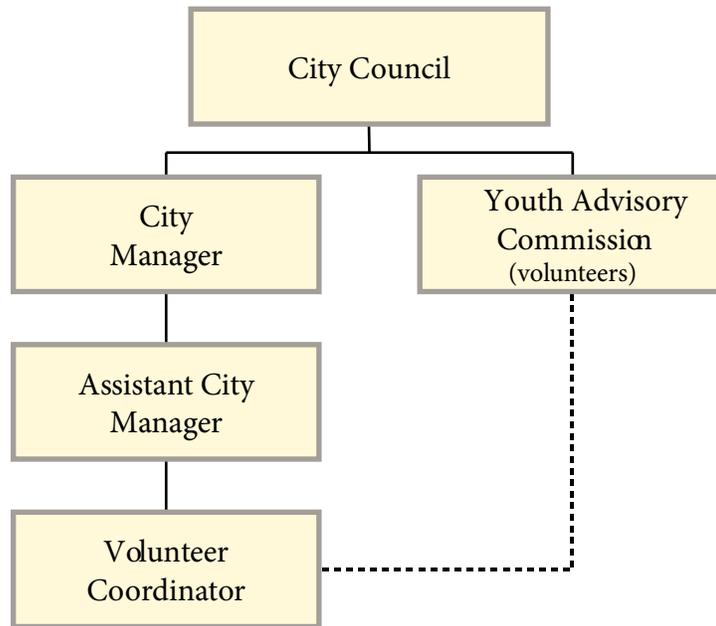
| | | | | |
|--------------------|----------|----------|----------|----------|
| Operating Expenses | \$66,804 | \$68,435 | \$66,995 | \$66,830 |
|--------------------|----------|----------|----------|----------|

| | | | | |
|---------------------------|-----------------|-----------------|-----------------|-----------------|
| Total Expenditures | \$66,804 | \$68,435 | \$66,995 | \$66,830 |
|---------------------------|-----------------|-----------------|-----------------|-----------------|

MUSEUM - 4300

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|-------------------|-------------------|----------------------|--------------------|
| Operating Expenses | | | | |
| Contract Cleaning | \$7,165 | \$7,300 | \$7,300 | \$7,300 |
| Water & Sewer | 2,300 | 2,300 | 2,300 | 2,300 |
| Maintenance & Repair | | | | |
| Museum Building | 11,859 | 14,000 | 11,000 | 14,000 |
| Air Conditioning | 3,076 | 2,000 | 1,000 | 2,000 |
| Maintenance Contract | 450 | 1,725 | 1,725 | 1,725 |
| Subtotal | 15,385 | 17,725 | 13,725 | 17,725 |
| Property Insurance | 20,500 | 21,525 | 21,400 | 22,605 |
| Communications | 4,734 | 5,000 | 4,000 | 4,000 |
| General Supplies | | | | |
| Operating | 82 | 1,000 | 1,000 | 1,000 |
| Cleaning | 0 | 0 | 0 | 0 |
| Subtotal | 82 | 1,000 | 1,000 | 1,000 |
| Electricity & Natural Gas | 16,638 | 13,585 | 17,270 | 11,900 |
| Total Museum | \$66,804 | \$68,435 | \$66,995 | \$66,830 |

YOUTH ADVISORY COMMISSION - 4400



| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 0.00 | 0.00 | 0.00 | 0.00 |

YOUTH ADVISORY COMMISSION - 4400

PROGRAM DESCRIPTION

The Lake Jackson Youth Advisory Commission is a liaison between the youth of Lake Jackson and the City Council and, through service and environmental projects and social events, promote civic responsibility and safety among the Lake Jackson youth.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enhance Communication

CITY COUNCIL OBJECTIVE: Improve Communication Externally & Internally through Best Practices & Enhance Technology

Department Goal:

- | | |
|--|----------|
| • 16 members & 2 adult advisors attended & participated in the TML Texas YAC Summit. | Complete |
|--|----------|

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE:

Department Goal: Encourage & Promote Youth Leadership & Community Service

- | | |
|---|----------|
| • Continue to research the idea of a GaGa Ball Pit | On-going |
| • Continue to participate in City events with Keep Lake Jackson Beautiful, Senior Commission, and Recreation Department when needed | On-going |
| • Continue participating with Random Act of Kindness service project with Military Moms | Complete |
| • Hold the Interactive Team Building Event for hands on team building within YAC | Complete |
| • Held new recruitment event at Lake Jackson Intermediate | Complete |
| • Planted trees with Dow volunteers on the YAC Tree Trail for the City's 75th Anniversary | Complete |
| • Served brunch to 500+ attendees at Seniorfest | Complete |
| • YAC Chairman served on the Keep America Beautiful National YAC Board | Complete |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

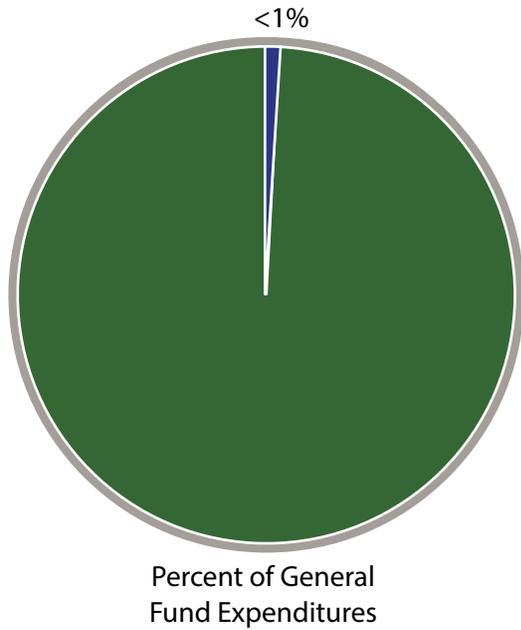
CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE:

Department Goal: Encourage & Promote Youth Leadership & Community Service

- | | |
|--|-----------|
| • Hold Dog Park Fundraiser | Sep. 2019 |
| • Research new project for Seniors Commission | Sep. 2019 |
| • Continue planting trees as part of City's 75th Anniversary | Sep. 2019 |
| • Continue participating with Random Act of Kindness service project with Military Moms | Sep. 2019 |
| • Continue to participate in City events with Keep Lake Jackson Beautiful, Seniors Commission, and Recreation Department when needed | On-Going |

BUDGET INFORMATION



Major Budget Changes

- No Major Budget Changes

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|-------------------|-------------------|----------------------|--------------------|
| General Resources | \$9,722 | \$16,000 | \$16,000 | \$16,000 |
| Total Resources | \$9,722 | \$16,000 | \$16,000 | \$16,000 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|-------------------|-------------------|----------------------|--------------------|
| Operating Expenses | \$9,722 | \$16,000 | \$16,000 | \$16,000 |
| Total Expenditures | \$9,722 | \$16,000 | \$16,000 | \$16,000 |

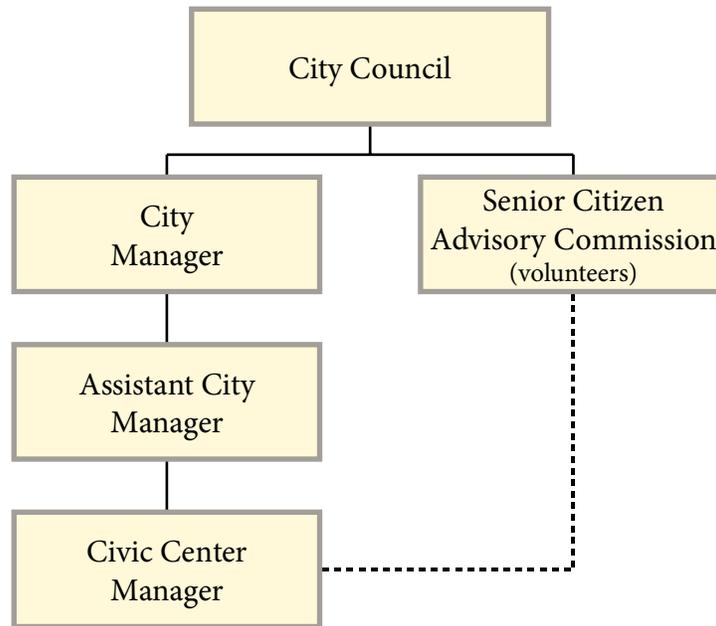
YOUTH ADVISORY COMMISSION - 4400

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|-------------------|-------------------|----------------------|--------------------|
| Operating Expenses | | | | |
| Advertising | \$0 | \$500 | \$500 | \$500 |
| Training | 3,794 | 4,000 | 4,000 | 4,000 |
| Travel | 884 | 2,000 | 2,000 | 2,000 |
| General Supplies | | | | |
| T-Shirts | 547 | 1,000 | 1,000 | 1,000 |
| Operating | 207 | 1,500 | 1,500 | 1,500 |
| Program | 4,290 | 7,000 | 7,000 | 7,000 |
| Total Youth Advisory | \$9,722 | \$16,000 | \$16,000 | \$16,000 |

Youth Advisory Commission (YAC) Members Representing the City of Lake Jackson at the TML Texas YAC Summit



SENIOR CITIZEN COMMISSION - 4600



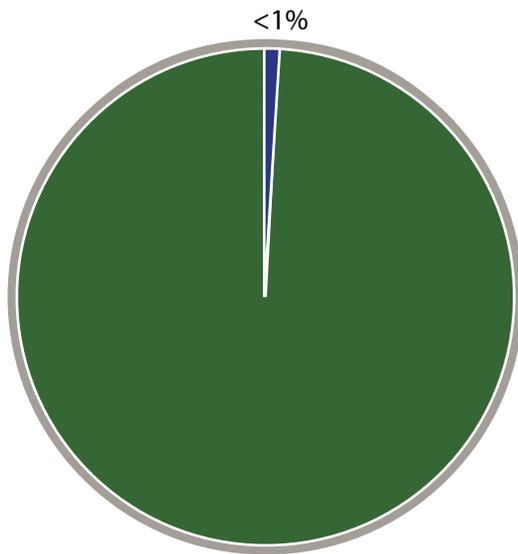
| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 0.00 | 0.00 | 0.00 | 0.00 |

SENIOR CITIZEN COMMISSION - 4600

PROGRAM DESCRIPTION

The Lake Jackson Senior Citizen Commission is a liaison between the seniors of Lake Jackson and the City Council and, through service and social events, promote civic responsibility and safety among the Lake Jackson seniors.

BUDGET INFORMATION



Major Budget Changes

- No Major Budget Changes

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|-------------------|-------------------|----------------------|--------------------|
| General Resources | \$24,625 | \$25,000 | \$25,000 | \$25,000 |
| Total Resources | \$24,625 | \$25,000 | \$25,000 | \$25,000 |
| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
| Operating Expenses | \$24,625 | \$25,000 | \$25,000 | \$25,000 |
| Total Expenditures | \$24,625 | \$25,000 | \$25,000 | \$25,000 |

SENIOR CITIZEN COMMISSION - 4600

| <i>Expenditures - Details</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Operating Expenses | | | | |
| Programs | \$24,625 | \$25,000 | \$25,000 | \$25,000 |
| Subtotal | 24,625 | 25,000 | 25,000 | 25,000 |
| Total Senior Advisory | \$24,625 | \$25,000 | \$25,000 | \$25,000 |

Booth for the Lake Jackson Fire Marshal's Office at Senior Fest



GENERAL DEBT SERVICE FUND



LAKE JACKSON

City of Enchantment



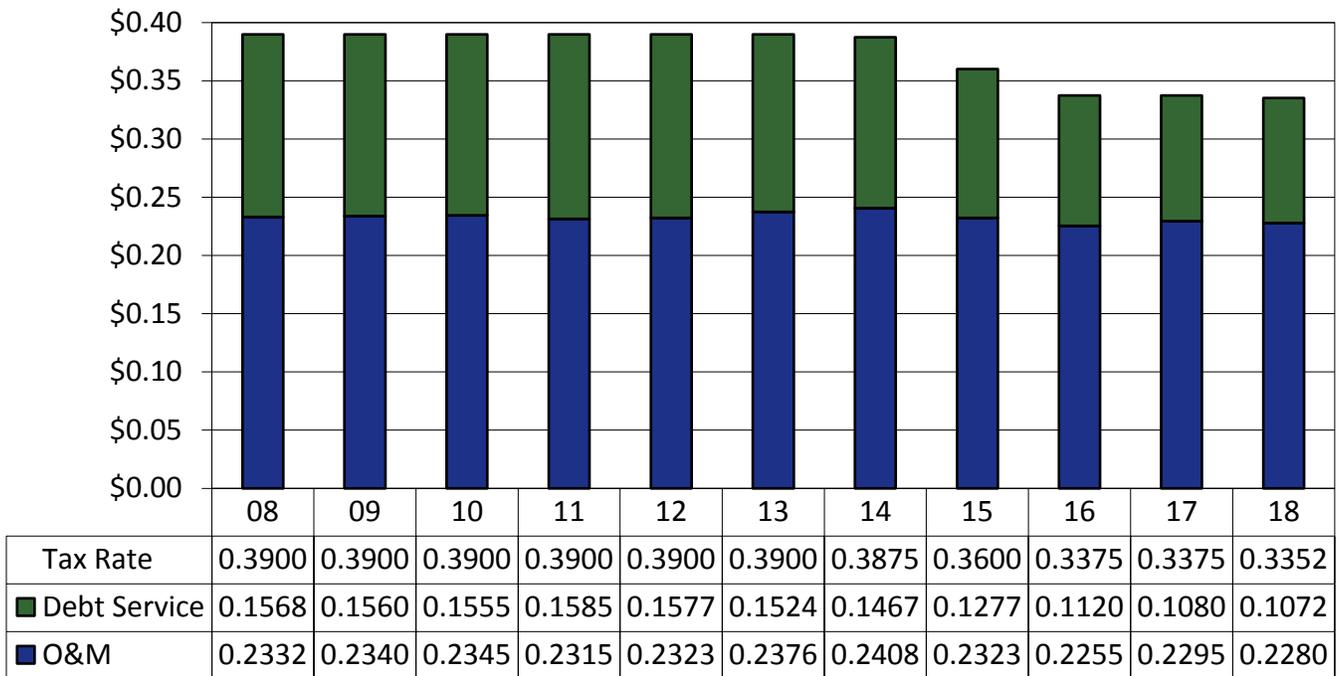
GENERAL DEBT SERVICE FUND

The General Debt Service Fund is used for the accumulation of resources to provide for the payment of debt service on the City’s General Obligation Bonds and to provide a reserve for such payment. Resources include a portion of the Ad Valorem Tax Levy and earnings from investments of the fund. (The Ad Valorem Tax Levy is pledged as security on all outstanding General Obligation Bonds.)

The portion of the current year Tax Levy allocated to General Debt Service is based on current year principal and interest requirements less anticipated interest earnings of the fund. This calculation gives the necessary dollar figure, the debt service portion of the tax rate is then calculated based on a 100% collection rate.

Tax Rate Limitations. The City is a Home Rule Charter City with a maximum authorized rate for all purposes of \$2.50 per \$100 assessed valuation. This maximum tax rate is imposed both by the Constitution of the State of Texas and the City Charter. Under the rules of the Texas Attorney General, the City may issue general obligation debt in an amount no greater than that which can be serviced by a debt service tax of \$1.50 per \$100 assessed valuation, based on 90% collections. Using 90% collections in our calculation of the tax rate the City’s debt service rate would be \$0.1198 or about \$1.38 below the City’s legal limit imposed by the City Charter and Attorney General.

Historic Tax Rate Distribution



GENERAL DEBT SERVICE FUND

| RESOURCES | ACTUAL 2016-17 | BUDGET 2017-2018 | ESTIMATED 2017-2018 | ADOPTED 2018-19 |
|----------------------------|---------------------------|-----------------------------|--------------------------------|----------------------------|
| Fund Balance | \$ 685,096 | \$ 729,421 | \$ 729,421 | \$ 737,421 |
| Revenues | | | | |
| Ad Valorem Taxes | \$ 2,111,644 | \$ 2,276,697 | \$ 2,276,697 | \$ 2,465,835 |
| Interest Income | 19,199 | 8,500 | 16,500 | 8,500 |
| Bond Proceeds | 83,171 | | | |
| | <u>\$ 2,214,014</u> | <u>\$ 2,285,197</u> | <u>\$ 2,293,197</u> | <u>\$ 2,474,335</u> |
| Total Resources | \$ 2,899,110 | \$ 3,014,618 | \$ 3,022,618 | \$ 3,211,756 |
| | | | | |
| EXPENDITURES | ACTUAL 2016-17 | BUDGET 2017-2018 | ESTIMATED 2017-2018 | ADOPTED 2018-19 |
| Principal | \$ 1,614,593 | \$ 1,730,000 | \$ 1,730,000 | \$ 1,685,000 |
| Interest | 467,585 | 546,697 | 546,697 | 780,835 |
| Paying Agent Fees | 87,510 | 8,500 | 8,500 | 8,500 |
| Bond Issue Costs | | | | |
| Refunded Bond Agent | | | | |
| Total Expenditures | <u>\$ 2,169,688</u> | <u>\$ 2,285,197</u> | <u>\$ 2,285,197</u> | <u>\$ 2,474,335</u> |
| Ending Fund Balance | <u>\$ 729,421</u> | <u>\$ 729,421</u> | <u>\$ 737,421</u> | <u>\$ 737,421</u> |

ESTIMATED AD VALOREM TAX COLLECTION

| | |
|---|-----------------------------------|
| Assessed Valuation for 2017 as of 4-30-18 | \$ 2,098,790,748 |
| Gain (Loss) in Value | <u>202,321,663</u> |
| Anticipated Assessed Valuation for 2018 | 2,301,112,411 |
| Tax Rate Per \$100 Valuation | 0.3352 |
| Revenue from 2018 Tax Roll | 7,713,329 |
| Estimated Collections | <u>100.0%</u> |
| TOTAL FUNDS AVAILABLE | \$ <u><u>7,713,328</u></u> |

SCHEDULE OF TAX LEVY AND COLLECTION RATE

| TAX YEAR | TOTAL | | TAX LEVY | TAX * COLLECTIONS | % COLLECTIONS TO LEVY |
|-------------|-----------------------|-------------|-------------|----------------------|--------------------------|
| | ASSESSED VALUATION | TAX RATE | | | |
| 2002 | 1,116,753,175 | 0.3750 | 4,187,824 | 4,171,444 | 99.609% |
| 2003 | 1,185,429,367 | 0.3703 | 4,389,645 | 4,391,567 | 100.044% |
| 2004 | 1,236,071,214 | 0.3700 | 4,573,463 | 4,578,873 | 100.118% |
| 2005 | 1,273,059,582 | 0.3800 | 4,837,626 | 4,819,017 | 99.615% |
| 2006 | 1,351,219,282 | 0.3700 | 4,999,511 | 4,971,255 | 99.435% |
| 2007 | 1,391,772,727 | 0.3850 | 5,358,325 | 5,371,880 | 100.253% |
| 2008 | 1,460,686,450 | 0.3900 | 5,696,677 | 5,672,153 | 99.570% |
| 2009 | 1,454,833,720 | 0.3900 | 5,673,852 | 5,552,979 | 97.870% |
| 2010 | 1,437,060,336 | 0.3900 | 5,604,535 | 5,647,099 | 100.759% |
| 2011 | 1,419,681,558 | 0.3900 | 5,536,758 | 5,549,653 | 100.233% |
| 2012 | 1,437,118,606 | 0.3900 | 5,604,763 | 5,623,676 | 100.337% |
| 2013 | 1,450,607,167 | 0.3900 | 5,657,368 | 5,675,054 | 100.313% |
| 2014 | 1,498,269,814 | 0.3875 | 5,805,796 | 5,799,654 | 99.894% |
| 2015 | 1,639,706,525 | 0.3600 | 5,902,943 | 5,886,497 | 99.721% |
| 2016 | 1,879,514,589 | 0.3375 | 6,343,362 | 6,342,357 | 99.984% |
| 2017 * | 2,098,790,748 | 0.3375 | 7,083,419 | 6,666,557 * | 94.115% |
| 2018 ** | 2,301,112,411 | 0.3352 | 7,713,329 | | |

* Tax collections as of April 30, 2018

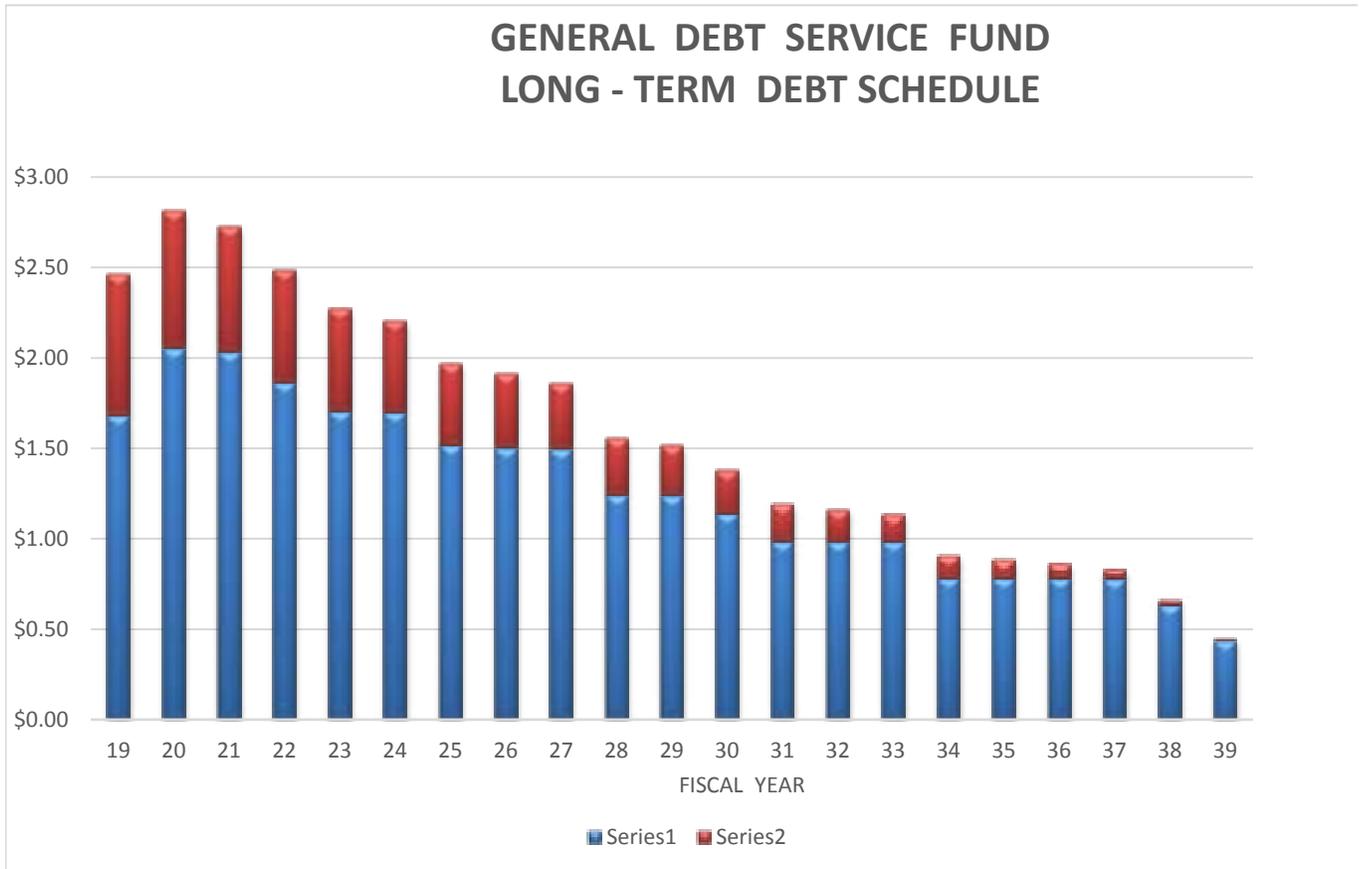
** Projected per appraisal district certificate of estimated value.

PROPOSED DISTRIBUTION OF COLLECTED TAXES

| FUND | ADOPTED | PROPOSED | PROPOSED | % |
|---------------------------|-----------------------|-----------------------|---------------------|----------------|
| | TAX RATE 2017 - 18 | TAX RATE 2018 - 19 | AMOUNT 2018 - 19 | |
| General Fund | 0.229475 | 0.228042 | \$5,247,495 | 68.03% |
| General Debt Service Fund | 0.108025 | 0.107158 | 2,465,835 | 31.97% |
| TOTAL | \$0.3375 | 0.3352 | \$7,713,328 | 100.00% |

GENERAL OBLIGATION BOND DEBT SERVICE SCHEDULE

| DATE | CURRENTLY OUTSTANDING BONDS | | | PROPOSED BOND ISSUE | | FISCAL | | |
|--------------|-----------------------------|------------------|-------------------|---------------------|------------------|-------------------|------------------|-------------------|
| | FISCAL YEAR GRAND TOTALS | | | FISCAL TOTALS | | GRAND TOTALS | | |
| | PRINCIPAL | INTEREST | TOTAL | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST | TOTAL |
| 2018-19 | 1,685,000 | 501,349 | 2,186,349 | 0 | 279,486 | 1,685,000 | 780,835 | 2,465,835 |
| 2019-20 | 1,610,000 | 448,989 | 2,058,989 | 445,000 | 311,531 | 2,055,000 | 760,520 | 2,815,520 |
| 2020-21 | 1,591,933 | 398,260 | 1,990,192 | 445,000 | 293,732 | 2,036,933 | 691,992 | 2,728,924 |
| 2021-22 | 1,418,466 | 350,254 | 1,768,720 | 445,000 | 275,931 | 1,863,466 | 626,185 | 2,489,651 |
| 2022-23 | 1,261,534 | 307,804 | 1,569,337 | 445,000 | 258,131 | 1,706,534 | 565,935 | 2,272,469 |
| 2023-24 | 1,254,601 | 268,562 | 1,523,163 | 445,000 | 240,331 | 1,699,601 | 508,893 | 2,208,494 |
| 2024-25 | 1,072,874 | 233,149 | 1,306,024 | 445,000 | 222,531 | 1,517,874 | 455,681 | 1,973,555 |
| 2025-26 | 1,061,811 | 202,338 | 1,264,149 | 445,000 | 204,731 | 1,506,811 | 407,069 | 1,913,880 |
| 2026-27 | 1,055,748 | 172,484 | 1,228,232 | 445,000 | 186,931 | 1,500,748 | 359,415 | 1,860,163 |
| 2027-28 | 798,784 | 146,246 | 945,030 | 445,000 | 169,131 | 1,243,784 | 315,378 | 1,559,162 |
| 2028-29 | 797,162 | 123,471 | 920,633 | 445,000 | 153,556 | 1,242,162 | 277,027 | 1,519,189 |
| 2029-30 | 695,000 | 101,154 | 796,154 | 445,000 | 140,206 | 1,140,000 | 241,360 | 1,381,360 |
| 2030-31 | 540,000 | 82,913 | 622,913 | 445,000 | 126,578 | 985,000 | 209,491 | 1,194,491 |
| 2031-32 | 540,000 | 68,218 | 608,218 | 445,000 | 112,672 | 985,000 | 180,889 | 1,165,889 |
| 2032-33 | 540,000 | 53,328 | 593,328 | 445,000 | 98,488 | 985,000 | 151,815 | 1,136,815 |
| 2033-34 | 340,000 | 41,061 | 381,061 | 445,000 | 84,025 | 785,000 | 125,086 | 910,086 |
| 2034-35 | 340,000 | 31,419 | 371,419 | 445,000 | 69,284 | 785,000 | 100,703 | 885,703 |
| 2035-36 | 340,000 | 21,581 | 361,581 | 445,000 | 53,988 | 785,000 | 75,569 | 860,569 |
| 2036-37 | 340,000 | 11,500 | 351,500 | 440,000 | 38,500 | 780,000 | 50,000 | 830,000 |
| 2037-38 | 195,000 | 3,169 | 198,169 | 440,000 | 23,100 | 635,000 | 26,269 | 661,269 |
| 2038-39 | 0 | 0 | 0 | 440,000 | 7,700 | 440,000 | 7,700 | 447,700 |
| TOTAL | 17,477,913 | 3,567,246 | 21,045,159 | 8,885,000 | 3,350,565 | 26,362,913 | 6,917,811 | 33,280,724 |



GENERAL DEBT SCHEDULE OF BONDS OUTSTANDING

| GENERAL OBLIGATION ISSUE | AMOUNT OF ISSUE | INTEREST RATE | YEAR OF MATURITY | AMOUNT OUTSTANDING @ 10/01/18 | 2018-19 PRINCIPAL DUE | 2018-19 INTEREST DUE | 2018-19 TOTAL DUE |
|--------------------------------|--------------------|------------------|------------------------|-------------------------------------|-----------------------------|----------------------------|-------------------------|
| G. O. 2009 | 2,400,000 | 4.33 | 2029 | 240,000 | 120,000 | 6,750 | 126,750 |
| G.O. 2009 Ref. | 3,010,368 | 2.97 | 2019 | 60,000 | 60,000 | 1,086 | 61,086 |
| G.O. 2010 | 3,000,000 | 3.60 | 2030 | 1,800,000 | 150,000 | 69,375 | 219,375 |
| G.O. 2011 Ref. | 3,360,000 | 3.81 | 2022 | 1,140,000 | 340,000 | 38,800 | 378,800 |
| G.O. 2013 | 4,000,000 | 2.22 | 2033 | 3,000,000 | 200,000 | 68,500 | 268,500 |
| G.O. 2015 Ref | 5,427,913 | 1.94 | 2029 | 4,487,913 | 465,000 | 125,329 | 590,329 |
| G.O. 2016 | 3,000,000 | 2.22 | 2037 | 2,815,000 | 150,000 | 71,825 | 221,825 |
| G.O. 2017 | 4,000,000 | 2.66 | 2038 | 3,935,000 | 200,000 | 119,684 | 319,684 |
| G.O. 2018 | 9,000,000 | Planned Issuance | | 0 | 0 | 279,486 | 279,486 |
| TOTAL ALL ISSUES | | | | \$17,477,913 | \$1,685,000 | \$780,835 | \$2,465,835 |

GENERAL DEBT SCHEDULE OF BONDS OUTSTANDING CONT'D

Bond Ratings : Moody's - Aa2, S&P's - AA+

REFUNDING BONDS - Series 2009 refunded the following:

General Obligation Bond Series 1997 - \$2,100,000 ---REFUNDED

Originally funded the connection of Circle Way by the Museum and Civic Center
Conversion of Canna Lane from asphalt to concrete
Reconstruction of Elm, Cherry and a portion of Winding Way

General Obligation Bond 1999 - \$4,250,000 ---REFUNDED

Replace the Northern two lanes of Oyster Creek Drive from Dixie Drive to Forest Drive
\$500,000 for the complete reconstruction of Laurel from Acacia to the drainage structure just past Elm.
Enlarged the drainage structure crossing State Highway 332 near Compass Bank.
Complete reconstruction of Acacia, Mimosa, and a portion of Oleander, Walnut, and Lotus
Medical Drive new construction from Canna to Sea Center Texas
\$275,000 to fund the complete reconstruction of Oleander Street from Oak Drive to Hickory.

REFUNDING BONDS - Series 2015 refunded the following:

General Obligation Bond 2004 - \$3,600,000 originally funded

\$1,130,000 for Oak Drive reconstruction
\$355,000 for South Yaupon reconstruction
\$1,075,000 for Dixie Drive asphalt to concrete
\$390,000 for South Magnolia reconstruction
\$650,000 for Brazos Oaks Spot Repairs combined with 2007 money to become complete reconstruction

General Obligation Bond 2007 - \$5,300,000 originally funded

\$2,800,000 for the reconstruction of streets and drainage in the Brazos Oaks Subdivision.
\$2,500,000 to provide renovations of the old Fire Station into an expanded Municipal Court Facility, emergency dispatch and emergency operations center.

General Obligation Bond 2009 - \$2,400,000 Advanced refunded, originally funded

For reconstruction of streets, water, sewer & drainage improvements on portions of Oak Drive, Jasmine and Winding Way.

General Obligation Bond 2010 - \$3,000,000

\$1,000,000 for spot repairs to arterial streets
\$2,000,000 for drainage improvements downstream of the SH288/332 and smaller ditches including Willow / Blossom
Anchusa, Timbercreek park outfall, upper slave ditch.

REFUNDING BONDS - Series 2011 refunded the following:

General Obligation Bond Series 2001 - originally funded

Humane Facility, two bays at Fire station 2, reconstruction of Magnolia from Hwy 332 to Acacia

General Obligation Bond 2013 - \$4,000,000

For the replacement of the remainder of the paving on Magnolia, Laurel, Gardenia, Chinaberry, Camellia, Viinca, Periwinkle,
Lupine, Bluebonnet, Lantana, Hybiscus, and Elm.

General Obligation Bond 2016 - \$3,000,000

Projects include Plantation Dr. Bridge, Willow/Blossom Drainage, Circle Way / Oak Dr Traffic signal, Woodland Park
Subdivision engineering, Downtown phase 4 planning and the completion of South Parking Place.

General Obligation Bond 2017 - \$4,000,000

Projects include Woodland Park infrastructure improvements and Phase 4 Downtown engineering

General Obligation Bond 2018 - \$9,000,000

Projects include Phase 4 of the Downtown revitalization

DEBT PLANNING & ADMINISTRATION

The City's goal in planning the issuance of debt is to time it so that there is a minimal impact on the tax rate. This is demonstrated by the implementation plan for the \$16.0 million bond program that was recently approved by the voters in May 2016. To minimize the impact on the tax rate and to plan the approved projects in a logical manner, the City sold the first \$3.0 million in the fall of 2016—within the FY 16-17 Budget. The following fiscal year (FY 17-18) the City will sell \$4.0 million. Finally, in FY 18-19 the remaining \$9 million will be sold.

We concluded our 20-year update to the Master Plan in June, 2016 and our Parks Master Plan. The planned facility assessments will be instrumental in determining the next possible bond issue to be considered in 2019/2020.

The function of this spreadsheet is to show the impact of debt service requirements on the overall tax rate. It does not try to forecast changes in the maintenance and operations (M&O) portion of the tax rate.

GENERAL DEBT SERVICE FUND TAX RATE PLANNING GUIDE

Purpose : To determine the potential impact of proposed or planned debt issues on the city's tax rate.

Assumptions : This schedule assumes an increase in values of 2.0% per year

| | 2017-18 ADOPTED | 2018-19 PROPOSED | 2019-20 PROJECTED | 2020-21 PROJECTED | 2021-22 PROJECTED |
|---|--------------------|---------------------|----------------------|----------------------|----------------------|
| GENERAL FUND TAX RATE | 0.2295 | 0.2280 | 0.2276 | 0.2336 | 0.2356 |
| DEBT SERV TAX RATE | 0.1080 | 0.1072 | 0.1199 | 0.1139 | 0.1019 |
| | 0.3375 | 0.3352 | 0.3475 | 0.3475 | 0.3375 |
| DEBT SERVICE RATE INCR (DECR) YR TO YR | | -0.0009 | 0.0127 | -0.0060 | -0.0120 |
| DEBT SERVICE RATE INCR (DECR) OVER CURRENT | 0 | -0.0009 | 0.0118 | 0.0059 | -0.0062 |
| TOTAL TAX RATE | 0.3375 | 0.3352 | 0.3475 | 0.3475 | 0.3375 |

In May 2016 the voters approved 16M in GO Bonds. The last \$9 million of these bonds will be sold in December of 2018. Assuming assessed value growth of 2%, this will likely generate a one cent increase in the debt service portion of the tax rate.

One of Our Decorated Medians on Oak Drive



UTILITY FUND



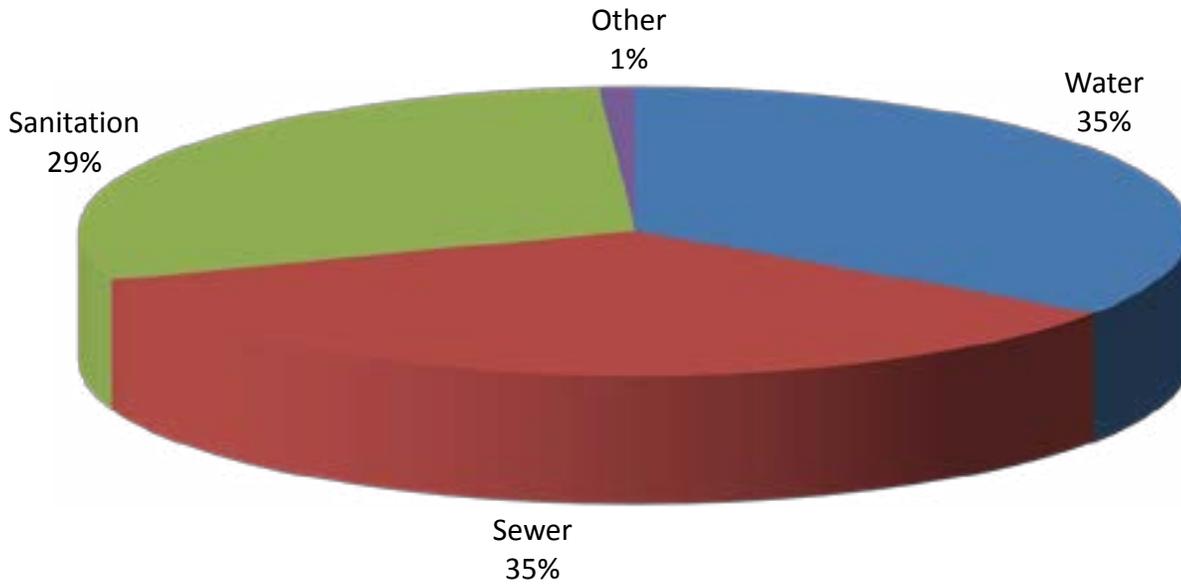
LAKE JACKSON

City of Enchantment

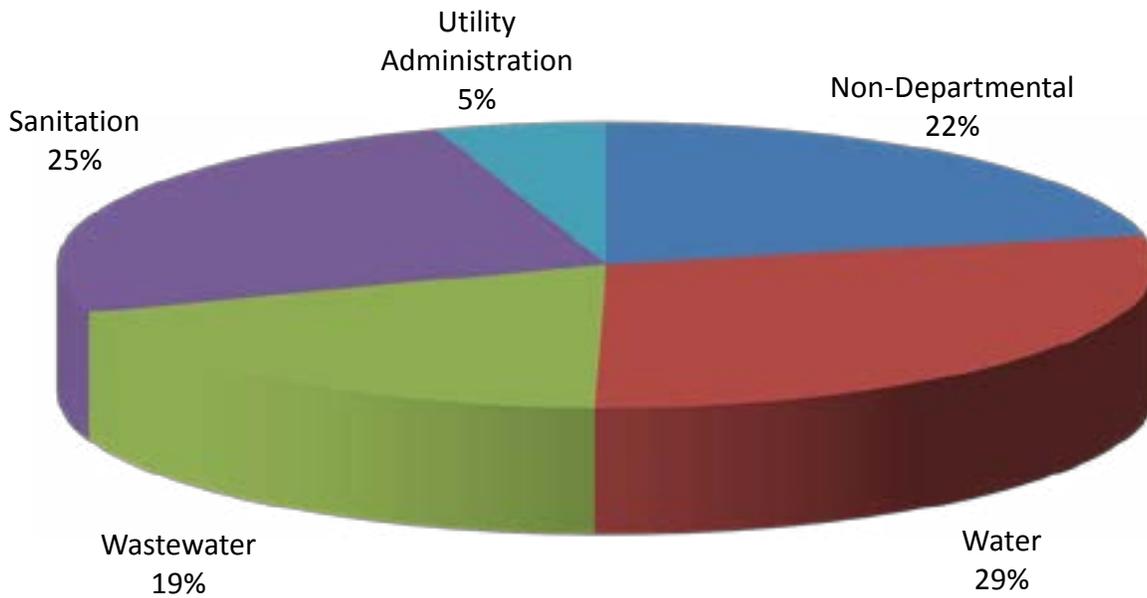


UTILITY FUND REVENUES VS EXPENDITURES

FY 2018-2019 Revenues



FY 2018-2019 Expenditures



UTILITY FUND BUDGET SUMMARY

| <i>Revenues</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|----------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Plumbing Fees | \$17,287 | \$20,000 | \$16,200 | \$16,000 |
| Tap Fees | 74,555 | 50,000 | 49,300 | 50,000 |
| Administrative Fees | 188,715 | 195,500 | 210,400 | 200,400 |
| Water Sales | 4,768,431 | 4,679,482 | 4,713,530 | 4,776,880 |
| Senior Discount | (240,208) | (250,000) | (250,000) | (250,000) |
| Sewer Sales | 4,444,307 | 4,290,177 | 4,570,000 | 4,798,350 |
| Sanitation Sales | 3,923,534 | 4,035,033 | 3,966,745 | 4,071,522 |
| Other Revenues | 118,581 | 123,586 | 53,441 | 69,600 |
| Interest | 36,350 | 20,000 | 63,000 | 57,551 |
| <i>Total Resources</i> | \$13,331,552 | \$13,163,778 | \$13,392,616 | \$13,790,303 |
| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
| Non-Departmental | \$1,848,892 | \$2,409,725 | \$2,409,725 | \$2,992,763 |
| Water | 3,668,139 | 4,002,292 | 3,701,202 | 3,949,960 |
| Wastewater | 2,667,472 | 2,696,595 | 2,592,238 | 2,643,270 |
| Sanitation | 3,370,803 | 3,416,537 | 3,414,103 | 3,511,200 |
| Utility Administration | 610,114 | 638,629 | 649,892 | 693,110 |
| <i>Total Expenditures</i> | \$12,165,420 | \$13,163,778 | \$12,767,160 | \$13,790,303 |

UTILITY FUND PROJECTED REVENUE

| <i>Revenues - Detail</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------------------|---------------------|---------------------|----------------------|---------------------|
| Plumbing Fees | \$17,287 | \$20,000 | \$16,200 | \$16,000 |
| Tap Fees | 74,555 | 50,000 | 49,300 | 50,000 |
| Administrative Fees | | | | |
| Late Payment Penalties | 188,255 | 195,000 | 210,000 | 200,000 |
| Transfer Fees | 460 | 500 | 400 | 400 |
| | 188,715 | 195,500 | 210,400 | 200,400 |
| Water Sales | | | | |
| Water Fees | 4,657,857 | 4,565,952 | 4,600,000 | 4,663,350 |
| Brazoria Co. Conservation District | 22,024 | 25,000 | 25,000 | 25,000 |
| City Water Usage | 88,550 | 88,530 | 88,530 | 88,530 |
| | 4,768,431 | 4,679,482 | 4,713,530 | 4,776,880 |
| Senior Discount | (240,208) | (250,000) | (250,000) | (250,000) |
| Sewer Sales | | | | |
| Sewer Fees | 4,374,307 | 4,220,177 | 4,500,000 | 4,728,350 |
| Reclaimed Water | 70,000 | 70,000 | 70,000 | 70,000 |
| | 4,444,307 | 4,290,177 | 4,570,000 | 4,798,350 |
| Sanitation Sales | | | | |
| Residential Fees | 1,647,460 | 1,698,300 | 1,698,300 | 1,733,265 |
| Household Recycling | 237,984 | 244,755 | 236,000 | 249,750 |
| Commercial Garbage | 765,784 | 782,558 | 775,000 | 798,200 |
| Apartment Garbage Fee | 664,002 | 710,940 | 710,940 | 725,577 |
| Apartment Recycling | 48,169 | 52,275 | 48,950 | 62,730 |
| Special Pick Up Fees | 13,271 | 10,000 | 10,000 | 10,000 |
| Roll-Off Fees | 328,331 | 342,705 | 270,000 | 300,000 |
| Compactor Fees | 170,267 | 150,000 | 170,255 | 150,000 |
| Landfill Fees | 111 | 0 | 0 | 0 |
| Recycle Goods | 9,823 | 5,000 | 10,000 | 5,000 |
| Mulch Sales | 24,157 | 26,000 | 24,000 | 24,000 |
| Dumpster Initial Set Up Fees | 14,175 | 12,500 | 13,300 | 13,000 |
| | 3,923,534 | 4,035,033 | 3,966,745 | 4,071,522 |
| Other Revenues | 118,581 | 123,586 | 53,441 | 69,600 |
| Interest | 36,350 | 20,000 | 63,000 | 57,551 |
| Total Utility Revenue | \$13,331,552 | \$13,163,778 | \$13,392,616 | \$13,790,303 |

UTILITY NON-DEPARTMENTAL - 0500

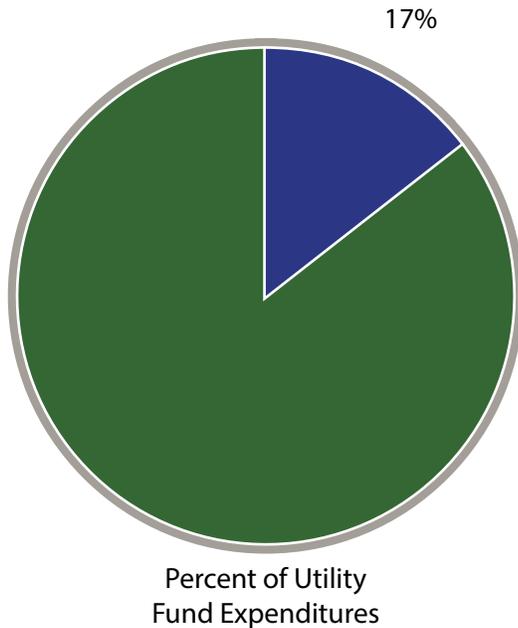
| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Service/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 0.00 | 0.00 | 0.00 | 0.00 |

UTILITY NON-DEPARTMENTAL - 0500

PROGRAM DESCRIPTION

This budget unit accounts for transfers to the General Fund to reimburse administrative services incurred by Sanitation, Water, and Wastewater. Additionally, it accounts for the transfer for Utility Debt Service to provide funds for the payment of long-term debt and a transfer to the General Fund for the Solid Waste franchise fee.

BUDGET INFORMATION

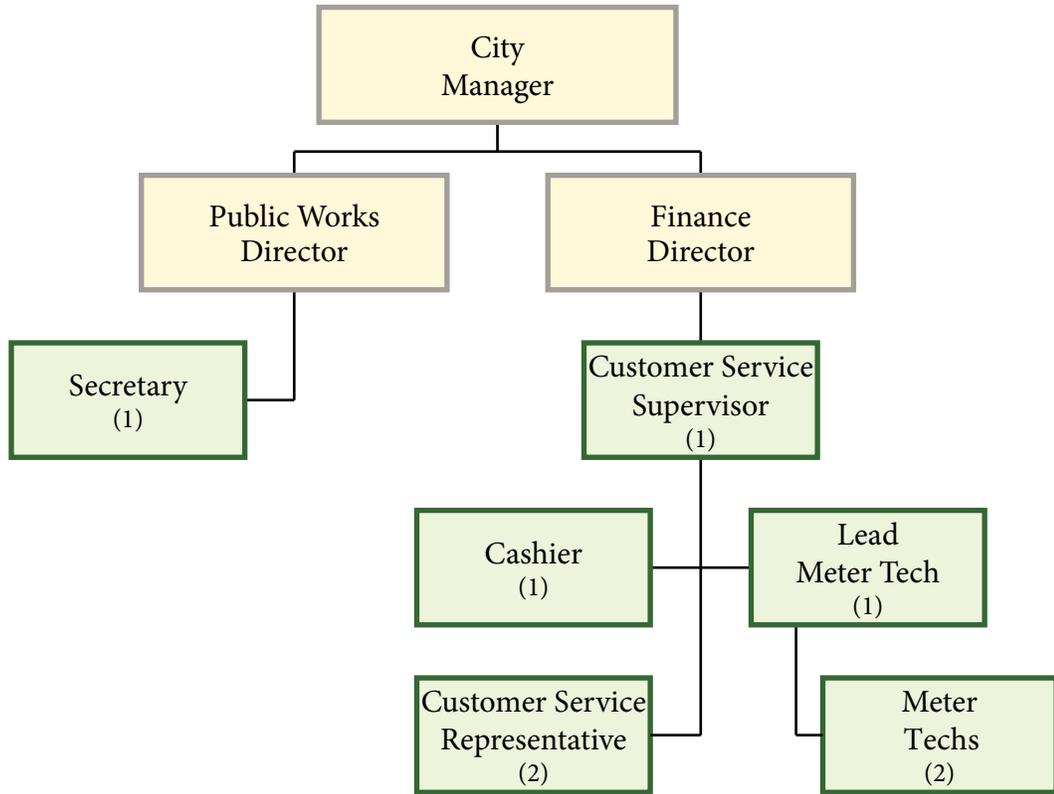


Major Budget Changes

- Increase in Debt Service \$123,428
- Increase in Transfer to General Operating Fund \$459,610

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|--------------------------------------|--------------------|--------------------|----------------------|--------------------|
| Operating Revenues | \$1,848,892 | \$2,409,725 | \$2,409,725 | \$2,992,763 |
| Total Resources | \$1,848,892 | \$2,409,725 | \$2,409,725 | \$2,992,763 |
| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
| Transfer to General Fund: | | | | |
| Administrative Fee-Sanitation | \$127,100 | \$127,100 | \$127,100 | \$300,000 |
| Administrative Fee-Water/WW | 311,290 | 311,290 | 311,290 | 550,000 |
| Solid Waste Franchise Fee | 102,000 | 102,000 | 102,000 | 150,000 |
| Transfer to Utility Debt Service | 1,308,502 | 1,619,335 | 1,619,335 | 1,742,763 |
| Transfer to Utility Capital Projects | 0 | 250,000 | 250,000 | 250,000 |
| Total Expenditures | \$1,848,892 | \$2,409,725 | \$2,409,725 | \$2,992,763 |

UTILITY ADMINISTRATION - 5000



Funded by Department
 Funded by Other Departments

| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Service/Maintenance | 1.00 | 1.00 | 3.00 | 3.00 |
| Office/Clerical | 4.00 | 4.00 | 4.00 | 4.00 |
| Technical | 0.00 | 0.00 | 0.00 | 0.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 1.00 | 1.00 | 1.00 | 1.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 6.00 | 6.00 | 8.00 | 8.00 |

UTILITY ADMINISTRATION - 5000

PROGRAM DESCRIPTION

Utility Administration serves as the primary contact for utility customer requests for service, concerns, and inquiries. This department also maintains all utility customer records, bills for service provided, and monitors and collects active and inactive accounts receivable. A Lead Meter Tech, two (2) Utility Meter Readers, and a Public Works Secretary are also funded out of Utility Administration.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal: Provide Infrastructure that Keeps the Community Safe, Promotes Growth, and Improves Quality of Life

| | |
|---|-----------|
| • Target two additional 2-inch meters for replacement | Complete |
| • Replace remaining residential Rockwell meters | Sep. 2018 |
| • Upgrade meter reading software and hardware | Sep. 2018 |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal:

| | |
|---|-----------|
| • Replace 50% of remaining Hersey Residential meters | Sep. 2019 |
| • Target two additional 2-inch meters for replacement | Sep. 2019 |
| • Reduce the number of re-reads done by the operators (third readings) by 33% | Sep. 2019 |

PERFORMANCE MEASURES

CITY COUNCIL OBJECTIVE: Offer In-House Training Opportunities for Employees

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|-----------------------------|--------------------|--------------------|----------------------|--------------------|
| Number of Operator Re-Reads | 2,400 | 1,200 | 1,200 | 1,000 |

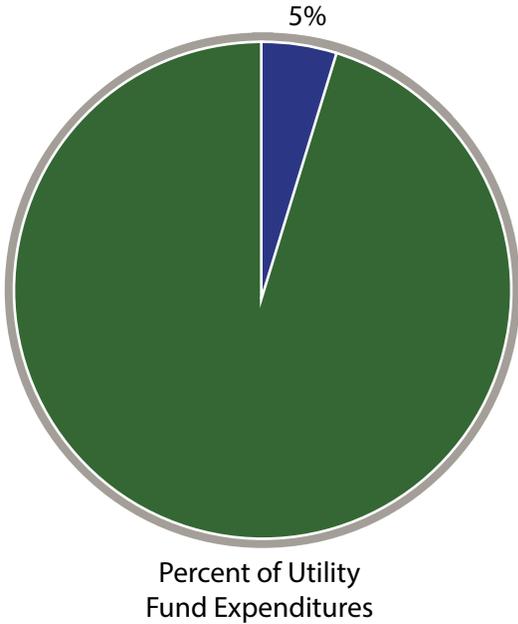
CITY COUNCIL OBJECTIVE: Use New Technology to Improve Areas of Operations

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|-----------------------------------|--------------------|--------------------|----------------------|--------------------|
| Customers Utilizing Bank Drafting | 2,214 | 2,200 | 2,339 | 2,375 |
| Transactions via Web Portal | 4,500 | 3,100 | 6,000 | 6,500 |

CITY COUNCIL OBJECTIVE:

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|-------------------------|--------------------|--------------------|----------------------|--------------------|
| Accounts Billed Monthly | 8,850 | 8,950 | 9,035 | 9,075 |

BUDGET INFORMATION



Major Budget Changes

- Employee Raises \$5,200
- Increase in Contract Maintenance \$28,455
- Increase Operating \$3,700
- Increase in Contribution to Equipment Replacement Fund \$8,765

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Operating Resources | \$610,114 | \$638,629 | \$649,892 | \$693,110 |
| Total Resources | \$610,114 | \$638,629 | \$649,892 | \$693,110 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | \$260,186 | \$272,200 | \$276,881 | \$277,400 |
| Employee Benefits | 119,363 | 120,600 | 124,296 | 122,900 |
| Operating Expenses | 192,097 | 208,029 | 210,915 | 246,245 |
| Operating Transfers | 38,468 | 37,800 | 37,800 | 46,565 |
| Total Expenditures | \$610,114 | \$638,629 | \$649,892 | \$693,110 |

UTILITY ADMINISTRATION - 5000

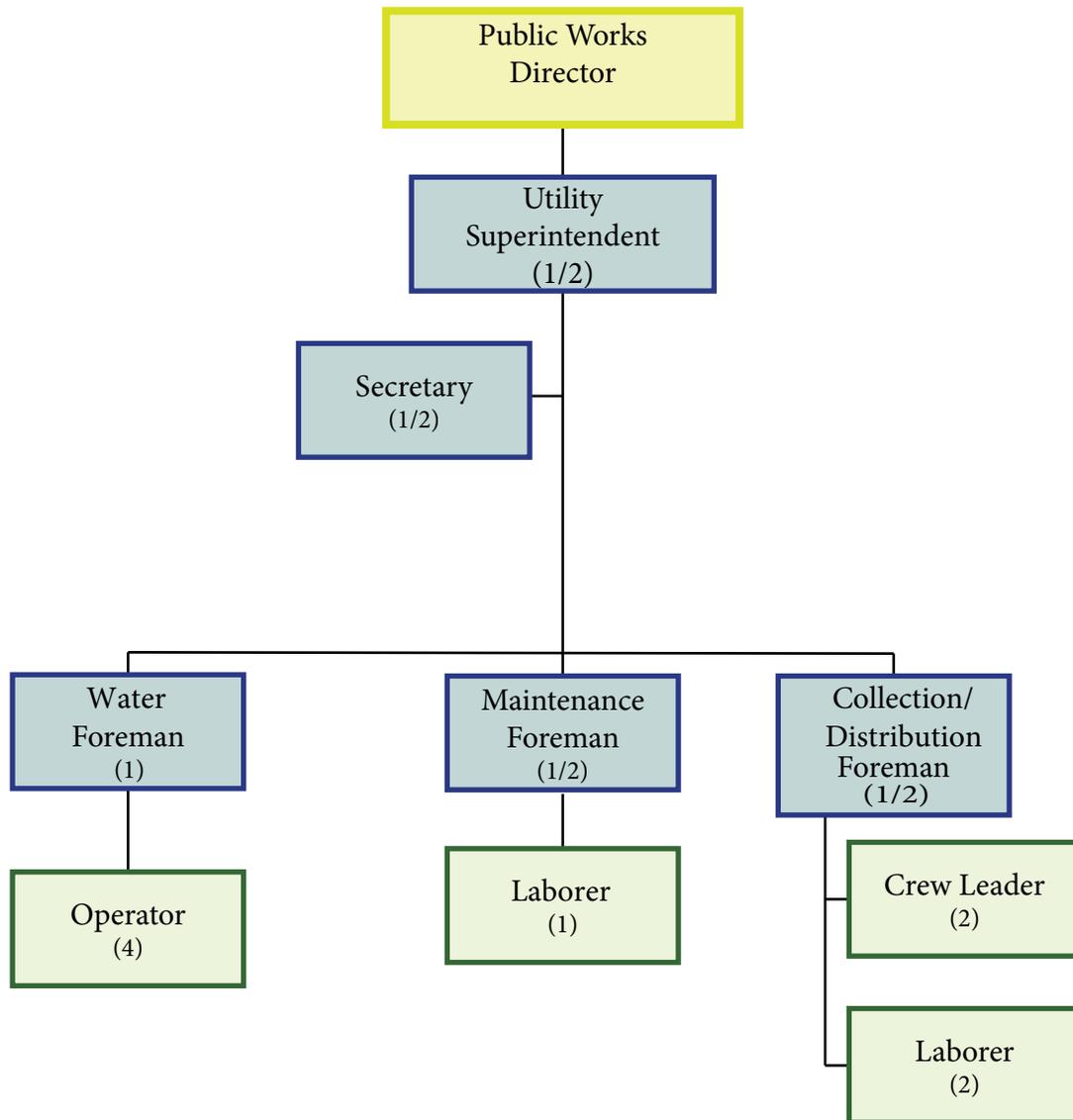
| <i>Expenditures - Detail</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------------|-------------------|-------------------|----------------------|--------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$80,330 | \$83,900 | \$90,346 | \$87,800 |
| Office/Clerical | 125,080 | 130,300 | 126,901 | 128,900 |
| Management/Supervision | 46,883 | 48,000 | 49,634 | 50,700 |
| Overtime | 7,893 | 10,000 | 10,000 | 10,000 |
| Subtotal | 260,186 | 272,200 | 276,881 | 277,400 |
| Employee Benefits | | | | |
| Health | 48,554 | 58,700 | 59,500 | 59,500 |
| Life | 558 | 500 | 625 | 500 |
| Dental | 3,574 | 3,800 | 3,996 | 4,000 |
| Long Term Disability | 991 | 1,100 | 1,146 | 1,100 |
| Social Security | 19,343 | 20,800 | 21,475 | 21,200 |
| Retirement | 44,702 | 33,400 | 35,297 | 34,300 |
| Workers Compensation | 1,641 | 2,300 | 2,257 | 2,300 |
| Subtotal | 119,363 | 120,600 | 124,296 | 122,900 |
| Operating Expenses | | | | |
| Outside Auditor | 16,383 | 23,000 | 24,650 | 24,650 |
| Maintenance & Repair | | | | |
| Non Fleet Equipment | 151 | 500 | 500 | 500 |
| Maintenance Contract | 85,326 | 85,455 | 85,455 | 113,910 |
| Fleet vehicles & Equip | 1,234 | 1,000 | 1,000 | 1,000 |
| | 85,477 | 85,955 | 86,955 | 115,410 |
| Rental - Vehicle & Equipment | 2,899 | 4,000 | 4,000 | 4,000 |
| Insurance | | | | |
| Property | 2,048 | 2,153 | 2,110 | 2,265 |
| Liability | 1,028 | 1,061 | 2,130 | 2,240 |
| | 3,076 | 3,214 | 4,240 | 4,505 |
| Communications | 15,247 | 16,000 | 16,000 | 16,000 |
| Training | 0 | 1,000 | 1,000 | 1,000 |

UTILITY ADMINISTRATION - 5000

| | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
|-------------------------------------|------------------|------------------|------------------|------------------|
| | Actual | Budget | Estimated | Adopted |
| Operating Expenses (Cont.) | | | | |
| General Supplies | | | | |
| Office | 65,000 | 71,000 | 70,000 | 73,000 |
| Wearing Apparel | 0 | 0 | 500 | 1,300 |
| Gasoline and Diesel | 1,504 | 1,360 | 1,070 | 1,180 |
| Operating | 1,277 | 1,500 | 2,500 | 5,200 |
| | 67,781 | 73,860 | 74,070 | 80,680 |
| Subtotal | 192,097 | 208,029 | 210,915 | 246,245 |
| Operating Transfers | | | | |
| Equipment Replacement | 38,468 | 37,800 | 37,800 | 46,565 |
| Subtotal | 38,468 | 37,800 | 37,800 | 46,565 |
| Total Utility Administration | \$610,114 | \$638,629 | \$649,892 | \$693,110 |

Lake Jackson Water Tower at Dunbar Park





- Funded by Department
- Funded by Mutiple Departments
- Funded by Other Departments

| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 5.00 | 5.00 | 5.00 | 5.00 |
| Office/Clerical | 0.50 | 0.50 | 0.50 | 0.50 |
| Technical | 4.00 | 4.00 | 4.00 | 4.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 2.50 | 2.50 | 2.50 | 2.50 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 12.00 | 12.00 | 12.00 | 12.00 |

WATER - 5400

PROGRAM DESCRIPTION

The Water Department is responsible for operating and maintaining systems for the production, storage, and distribution of potable water in accordance with requirements of the Texas Commission on Environmental Quality, the Texas Department of Health, the Texas Commission of Fire Protection and the United States Environmental Protection Agency. The City of Lake Jackson public water supply continues to merit recognition as a "Superior Water System" by Texas Commission on Environmental Quality. Operational activities are maintained on a 24 hour basis. The City has a contract to purchase 2 million gallons per day from the Brazosport Water Authority. Infrastructure maintained and operated by this department includes 130 miles of mains, valves, fire hydrants, 9,003 taps and meters, 12 water wells, 5 elevated tanks, 5 ground storage tanks, and 3 Booster Pump Stations. This department responds to citizen's requests concerning water leaks, water quality, high usage, and low pressure.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE: Continue to Enhance the Safety of Our Citizens

Department Goal: Provide High Quality Water that Meets or Exceeds TCEQ Requirements

| | |
|---|----------|
| • Implement a backflow program for Utility Backflow Protection Devices. | Complete |
| • Add 30 new water sampling sites. | Complete |
| • Test and service 550 fire hydrants. | Complete |

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Use New Technology to Improve Areas of Operations

Department Goal: Implement New Practices and Procedures to Increase the Department's Efficiency

| | |
|---|----------|
| • Improve SCADA communications system to allow for the remote monitoring and control of water wells and the wastewater treatment plant. | On-Going |
|---|----------|

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Encourage Career Development Through Training

| | |
|--|----------|
| • Implement five-year development plan for each employee. | On-Going |
| • Have every eligible employee attend one training course and test in their discipline | On-Going |

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal: Maintain the Efficient Operation of the Water Distribution System

| | |
|--|-------------|
| • Audit meters to determine, age, condition, and inventor of meter brands and types. | On-Going |
| • Implement a database to record repairs made to the water distribution system. | Complete |
| • Test and calibrate half (6) of the well production meters. | Complete |
| • Improve infrastructure control at all four ground storage tanks to ensure more accurate tracking of water volume through SCADA | In progress |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE: Continue to Enhance the Safety of Our Citizens

Department Goal: Provide High Quality Water that Meets or Exceeds TCEQ Requirements

| | |
|---|----------|
| • Improve SCADA communications system to allow for the remote monitoring and control of water wells and the wastewater treatment plant. | On-Going |
|---|----------|

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Encourage Career Development Through Training

| | |
|--|----------|
| • Implement five-year development plan for each employee | On-Going |
| • Have every eligible employee attend one training course and test in their discipline | On-Going |

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal: Improve Facility Operations

| | |
|--|-----------|
| • Test and calibrate half (6) of the well production meters | Sep. 2019 |
| • Implement a database to record repairs made to the water distribution system | Sep. 2019 |
| • Upgrade Wifi and mapping systems | Sep. 2019 |

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE: Continue to Enhance the Safety of Our Citizens

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|--|--------------------|--------------------|----------------------|--------------------|
| Pass Rate for Bacteriological Tests (480/year) | 99.8% | 100% | 99% | 100.0% |
| Fire Hydrants Inspected | 33% | 50% | 55% | 50% |
| Total Water Distributed (Mgal) | 1,630 | 1,350 | 1,400 | 1,450 |
| Total Water Produced by Wells | 60% | 60% | 60% | 60% |
| Total Water Used from BWA | 40% | 40% | 40% | 40% |

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

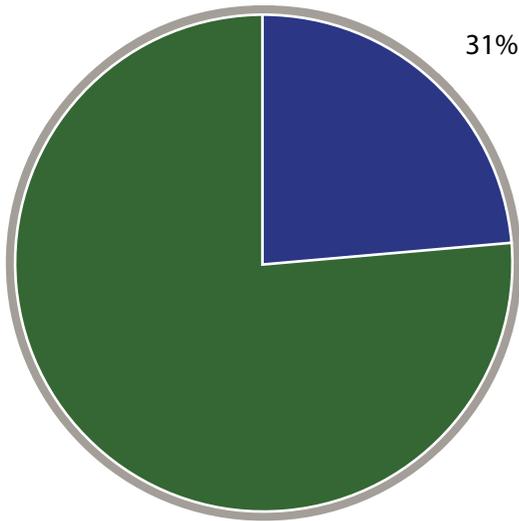
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|---------------------------------|--------------------|--------------------|----------------------|--------------------|
| Full Staffing Level | 90% | 90% | 95% | 95% |
| Staff with Appropriate Licenses | New | 59% | 75% | 85% |

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|---|--------------------|--------------------|----------------------|--------------------|
| Treatment cost per 1,000 gallons of water distributed | \$3.93 | \$3.80 | \$3.75 | \$3.75 |
| Water Leaks Repaired (weather dependent) | 400 | 250 | 300 | 400 |
| Unaccounted Water (% of Total Distributed) | 20% | 20% | 11% | 10% |

BUDGET INFORMATION



Percent of Utility Fund Expenditures

Major Budget Changes

- Increase in BWA Water Rate \$51,100
- Increase in Contract Mowing \$4,600
- Increase Maintenance Water System \$10,000
- Decrease Painting Supplies (\$25,000)
- Decrease Meter Costs (\$60,000)
- Decrease in Electricity- (\$31,470)

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Operating Revenues | \$3,668,139 | \$4,002,292 | \$3,701,202 | \$3,949,960 |
| Total Resources | \$3,668,139 | \$4,002,292 | \$3,701,202 | \$3,949,960 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | \$452,140 | \$533,500 | \$436,041 | \$530,500 |
| Employee Benefits | 188,538 | 213,400 | 165,493 | 214,400 |
| Operating Expenses | 2,948,593 | 3,177,554 | 3,021,830 | 3,126,190 |
| Operating Transfers | 78,868 | 77,838 | 77,838 | 78,870 |
| Total Expenditures | \$3,668,139 | \$4,002,292 | \$3,701,202 | \$3,949,960 |

| <i>Expenditures - Detail</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-------------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$122,025 | \$159,900 | \$101,531 | \$164,900 |
| Office/Clerical | 12,324 | 17,300 | 16,565 | 18,200 |
| Technical | 150,978 | 163,400 | 161,256 | 164,700 |
| Management/Supervision | 118,226 | 142,900 | 135,371 | 132,700 |
| Overtime | 48,587 | 50,000 | 21,318 | 50,000 |
| Subtotal | 452,140 | 533,500 | 436,041 | 530,500 |
| Employee Benefits | | | | |
| Health | 61,855 | 88,100 | 68,452 | 89,200 |
| Life | 715 | 800 | 712 | 800 |
| Dental | 4,555 | 5,800 | 4,545 | 6,000 |
| Long Term Disability | 1,609 | 2,200 | 1,642 | 2,200 |
| Social Security | 33,931 | 40,800 | 30,984 | 40,600 |
| Retirement | 79,940 | 65,500 | 52,074 | 65,600 |
| Workers Compensation | 5,933 | 10,200 | 7,084 | 10,000 |
| Subtotal | 188,538 | 213,400 | 165,493 | 214,400 |
| Operating Expenses | | | | |
| Professional Service Fees | | | | |
| Large Meter Evaluation | 5,650 | 15,000 | 15,000 | 15,000 |
| Environmental Consultant | 0 | 10,000 | 10,000 | 10,000 |
| Lab Work | 18,525 | 21,500 | 21,500 | 21,500 |
| Contract Mowing | 31,454 | 42,400 | 42,400 | 47,000 |
| Brazoria County Conservation | 20,579 | 27,000 | 27,000 | 30,000 |
| | 76,208 | 115,900 | 115,900 | 123,500 |
| BWA - Water Purchase | 2,146,200 | 2,226,500 | 2,220,400 | 2,277,600 |
| Maintenance & Repair | | | | |
| Building | 3,701 | 5,000 | 4,000 | 5,000 |
| Water Production/Distribution | 36,887 | 125,000 | 125,000 | 135,000 |
| Fire Hydrant Maintenance | 39,847 | 40,200 | 40,000 | 40,200 |
| Wells | 39,954 | 65,000 | 40,000 | 65,000 |
| Vehicles | 10,757 | 15,000 | 6,500 | 15,000 |
| Equipment | 26,960 | 65,000 | 40,000 | 50,000 |
| Generators | 2,514 | 3,000 | 3,000 | 3,000 |
| Maintenance Contracts | 22,000 | 45,000 | 35,000 | 35,000 |
| | 182,620 | 363,200 | 293,500 | 348,200 |
| Insurance | | | | |
| Property | 271 | 284 | 260 | 300 |
| Liability | 3,825 | 3,940 | 4,390 | 4,610 |
| | 4,096 | 4,224 | 4,650 | 4,910 |

WATER - 5400

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|--------------------|--------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| Communication | 11,325 | 13,000 | 10,000 | 13,000 |
| Training | 13,662 | 13,200 | 6,000 | 10,000 |
| Travel | 78 | 1,000 | 500 | 2,000 |
| Dues and Memberships | 2,728 | 2,000 | 2,000 | 2,000 |
| State Permit | 28,977 | 33,000 | 29,200 | 33,000 |
| General Supplies | | | | |
| Office | 1,228 | 850 | 850 | 1,000 |
| Wearing Apparel | 5,470 | 4,500 | 4,500 | 4,500 |
| Gasoline & Diesel | 549 | 7,740 | 4,310 | 4,370 |
| Fuel - CNG | 3,572 | 2,870 | 4,320 | 5,010 |
| Operating | 23,215 | 50,000 | 25,000 | 25,000 |
| Meters | 135,684 | 70,000 | 10,000 | 10,000 |
| Chemicals | 109,987 | 106,000 | 120,700 | 130,000 |
| Laboratory Chemicals | 0 | 0 | 0 | 0 |
| Laboratory Non-Chemicals | 0 | 0 | 0 | 0 |
| | 279,705 | 241,960 | 169,680 | 179,880 |
| Natural Gas | 97 | 0 | 0 | 0 |
| Electricity | 202,897 | 163,570 | 170,000 | 132,100 |
| Subtotal | 2,948,593 | 3,177,554 | 3,021,830 | 3,126,190 |
| Operating Transfers | | | | |
| Equipment Replacement | 78,868 | 77,838 | 77,838 | 78,870 |
| Subtotal | 78,868 | 77,838 | 77,838 | 78,870 |
| Total Water Production | \$3,668,139 | \$4,002,292 | \$3,701,202 | \$3,949,960 |

WATER DEPARTMENT PROFORMA

| Resources | Actual 2016 - 17 | Budget 2017 - 18 | Projected 2017 - 18 | Proposed 2018 - 19 |
|-------------------------|-----------------------------|-----------------------------|--------------------------------|-------------------------------|
| Water Sales | \$4,671,349 | \$4,582,952 | \$4,595,000 | \$4,680,350 |
| Water for City | 88,550 | 88,530 | 88,530 | 88,530 |
| Senior Citizen Discount | (120,104) | (125,000) | (125,000) | (125,000) |
| Water Tower Rental Fees | 159,380 | 161,000 | 161,000 | 161,000 |
| Tap Fees | 68,882 | 52,500 | 49,125 | 49,500 |
| Total Resources | \$4,868,057 | \$4,759,982 | \$4,768,655 | \$4,854,380 |

Expenditures

| | | | | |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Salaries & Benefits | \$637,678 | \$746,900 | \$589,534 | \$744,900 |
| Operating Expenses | 3,264,461 | 3,508,392 | 3,350,233 | 3,467,300 |
| Administrative Transfer to Gen Fund | 155,645 | 155,645 | 155,645 | 275,000 |
| Total Expenditures | \$4,057,784 | \$4,410,937 | \$4,095,412 | \$4,487,200 |

Net of Operating **\$810,273** **\$349,045** **\$673,243** **\$367,180**

Non-Operating Revenue

| | | | | |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Administrative Services | \$44,735 | \$49,900 | \$49,000 | \$45,500 |
| Transfer from Gen. Contingency | | - | | |
| Fr. Utility Construction | | | | |
| Bonds Payable | | | | |
| Non-Operating Interest | 10,480 | 7,600 | 22,400 | 20,495 |
| Total Non-Operating Revenue | \$55,215 | \$57,500 | \$71,400 | \$65,995 |

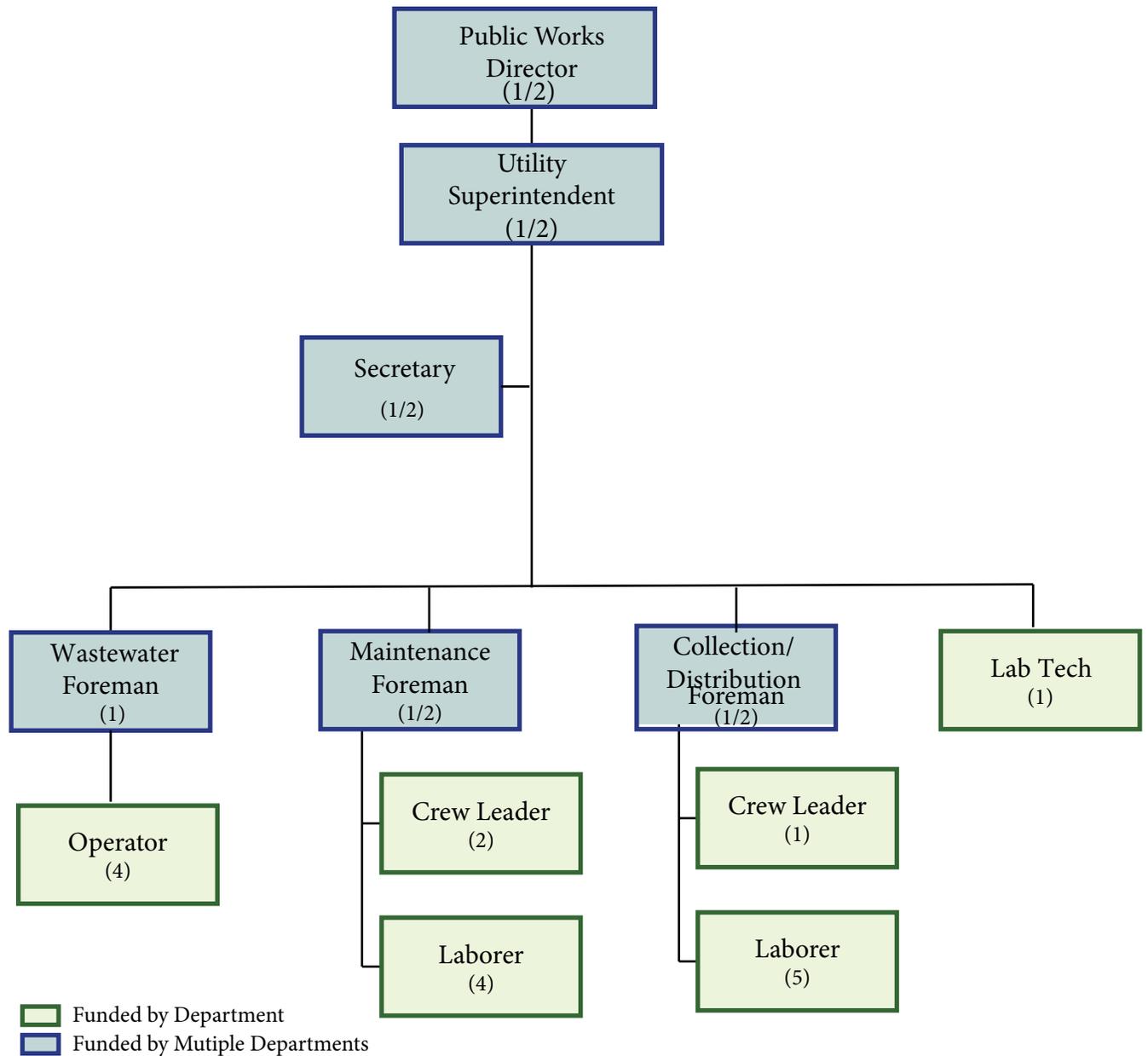
Non-Operating Expenditures

| | | | | |
|-----------------------------------|------------------|------------------|------------------|------------------|
| Debt Service Transfers | \$240,110 | \$297,148 | \$297,148 | \$323,306 |
| Transfer to Capital Projects | 375,000 | 190,000 | 190,000 | 190,000 |
| Utility Contingency | | - | | |
| Capital Improvements | | - | | |
| Total Non-Operating Expend | \$615,110 | \$487,148 | \$487,148 | \$513,306 |

Net Gain (Loss) **\$250,378** **(\$80,603)** **\$257,495** **(\$80,131)**

Utility Crews Working Near Lift Station #1





| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 12.00 | 12.00 | 12.00 | 12.00 |
| Office/Clerical | 0.50 | 0.50 | 0.50 | 0.50 |
| Technical | 5.00 | 5.00 | 5.00 | 5.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 3.00 | 3.00 | 3.00 | 3.00 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 20.50 | 20.50 | 20.50 | 20.50 |

WASTEWATER - 6000

PROGRAM DESCRIPTION

The Wastewater Department is responsible for the operation and maintenance of the wastewater collection and reclamation systems. Wastewater generated by customers throughout the City flows through gravity mains to a series of lift stations where it is pumped to the Reclamation Center. There are currently 4 “master” lift stations which pump directly to the Reclamation Center, and 42 lift stations which serve various subdivisions or convey wastewater to a “master” lift station. At the Water Reclamation Center, wastewater is processed in accordance with State and Federal regulations. Reclaimed water is discharged into Dow Canal for Water Reuse by Industry. Activities in this department include emergency response to stoppages, routine cleaning and inspection of mains, pump and valve maintenance, laboratory analysis, and 24/7 operations of the lift stations and Reclamation Center.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Encourage Career Development Through Training

| | |
|---|----------|
| • Implement five-year development plan for each employee. | On-Going |
| • Have every eligible employee attend one 20-hour water course and test in each discipline. | Complete |

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal: Reduce the Number of Sanitary Sewer Overflows

| | |
|---|----------|
| • Clean 10,000 feet of sewer line monthly to reduce overflows | On-Going |
| • Upgraded 1,000 feet of sewer line on Marigold | Complete |

Department Goal: Maintain the Efficient Operation of the Wastewater System

| | |
|--|-------------|
| • Upgrade lift stations including control panels | On-Going |
| • Upgrade Basin 6 | In progress |
| • Replace lighting in WWTP to increase visibility | In progress |
| • Replace diffusers in basin and digesters in the WWTP | In Progress |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Encourage Career Development Through Training

| | |
|---|-----------|
| • Implement five-year development plan for each employee. | On-Going |
| • Have every eligible employee attend one 20-hour water course and test in each discipline. | Sep. 2019 |

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment

Department Goal: Maintain the Efficient Operation of the Wastewater System

| | |
|---|-----------|
| • Implement new blower preventive maintenance program | Sep. 2019 |
| • Replace 25 % of air membrane diffusers in the WWTP | Sep. 2019 |

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

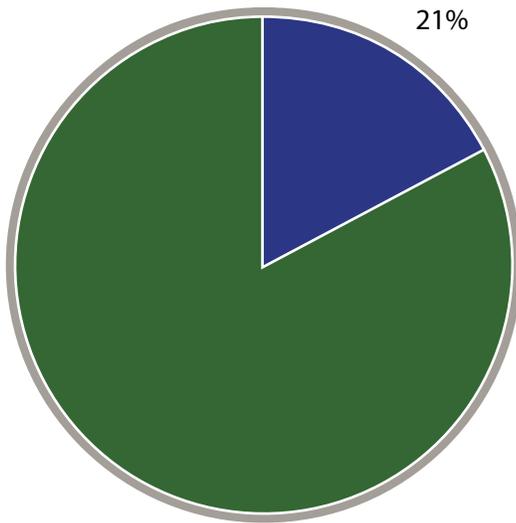
| CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees | | | | |
|--|----------------------------|----------------------------|------------------------------|----------------------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| Full Staffing Level | 90% | 95% | 90% | 95% |
| Staff with Appropriate Licenses | N/A | 59% | 75% | 85% |

CITY COUNCIL VISION ELEMENT: Maintain Infrastructure

| CITY COUNCIL OBJECTIVE: Continue to Upgrade & Maintain Infrastructure, Facilities, & Equipment | | | | |
|---|----------------------------|----------------------------|------------------------------|----------------------------|
| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
| Number of Sanitary Sewer Overflows | 0 | 12 | 10 | 8 |
| Millions of Gallons of Wastewater Treated | 950 MG | 900 MG | 910 MG | 950 MG |
| % of incoming pollutants removed | 96% | 95% | 97% | 95% |
| % of sewer mains cleaned with accompanying video | 5% | 20% | 20% | 20% |
| Dry Tons of Sludge Produced | 420 | 400 | 400 | 400 |

WASTEWATER - 6000

BUDGET INFORMATION



Percent of Utility Fund Expenditures

Major Budget Changes

- Employee Raises \$14,200
- Increase in Cost of Sludge Disposal \$14,000
- Increase in Maintenance Contract \$5,000
- Increase Communication Costs \$5,500
- Decrease in Electricity-(\$29,800)
- Decrease in Contribution to Equipment Replacement Fund (\$79,873)

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|--------------------|--------------------|----------------------|--------------------|
| Operating Revenues | \$2,667,472 | \$2,696,595 | \$2,592,238 | \$2,643,270 |
| Total Resources | \$2,667,472 | \$2,696,595 | \$2,592,238 | \$2,643,270 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|--------------------|--------------------|----------------------|--------------------|
| Salaries & Wages | \$800,519 | \$884,300 | \$836,932 | \$898,500 |
| Employee Benefits | 340,515 | 353,000 | 316,120 | 358,900 |
| Operating Expenses | 1,347,632 | 1,275,842 | 1,255,723 | 1,282,290 |
| Operating Transfers | 178,806 | 183,453 | 183,463 | 103,580 |
| Total Expenditures | \$2,667,472 | \$2,696,595 | \$2,592,238 | \$2,643,270 |

WASTEWATER - 6000

| <i>Expenditures - Detail</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------------|-------------------|-------------------|----------------------|--------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$344,760 | \$377,300 | \$358,137 | \$390,300 |
| Office Clerical | 12,323 | 17,300 | 16,565 | 18,200 |
| Technical | 191,215 | 198,200 | 193,622 | 198,000 |
| Management/Supervision | 172,350 | 191,500 | 188,608 | 192,000 |
| Overtime | 79,871 | 100,000 | 80,000 | 100,000 |
| Subtotal | 800,519 | 884,300 | 836,932 | 898,500 |
| Employee Benefits | | | | |
| Health | 116,543 | 150,500 | 135,767 | 152,400 |
| Life | 1,342 | 1,300 | 1,422 | 1,300 |
| Dental | 8,580 | 9,800 | 9,082 | 10,200 |
| Long Term Disability | 2,915 | 3,600 | 3,104 | 3,700 |
| Social Security | 60,607 | 67,600 | 58,677 | 68,700 |
| Retirement | 143,207 | 108,600 | 98,700 | 111,100 |
| Workers Compensation | 7,321 | 11,600 | 9,368 | 11,500 |
| Subtotal | 340,515 | 353,000 | 316,120 | 358,900 |
| Operating Expenses | | | | |
| Environmental Consultant | 2,374 | 10,000 | 1,500 | 10,000 |
| Testing Laboratory | 12,222 | 18,600 | 20,000 | 23,000 |
| Sludge Disposal | 55,114 | 66,000 | 85,000 | 80,000 |
| Maintenance & Repair | | | | |
| Building | 38,133 | 40,000 | 40,000 | 40,000 |
| Wastewater Collection System | 78,337 | 100,000 | 80,000 | 100,000 |
| Vehicles | 26,716 | 15,000 | 20,000 | 15,000 |
| Equipment | 286,926 | 267,430 | 267,430 | 267,430 |
| Generators | 3,751 | 15,000 | 10,000 | 15,000 |
| Maintenance Contracts | 43,450 | 50,000 | 55,000 | 55,000 |
| | 477,313 | 487,430 | 472,430 | 492,430 |
| Rental - Equipment | 41,163 | 40,000 | 40,000 | 40,000 |
| Insurance | | | | |
| Property | 25,628 | 26,912 | 26,600 | 28,260 |
| Liability | 9,991 | 10,300 | 11,200 | 11,760 |
| | 35,619 | 37,212 | 37,800 | 40,020 |
| Communication | 6,556 | 5,000 | 10,500 | 10,500 |

WASTEWATER - 6000

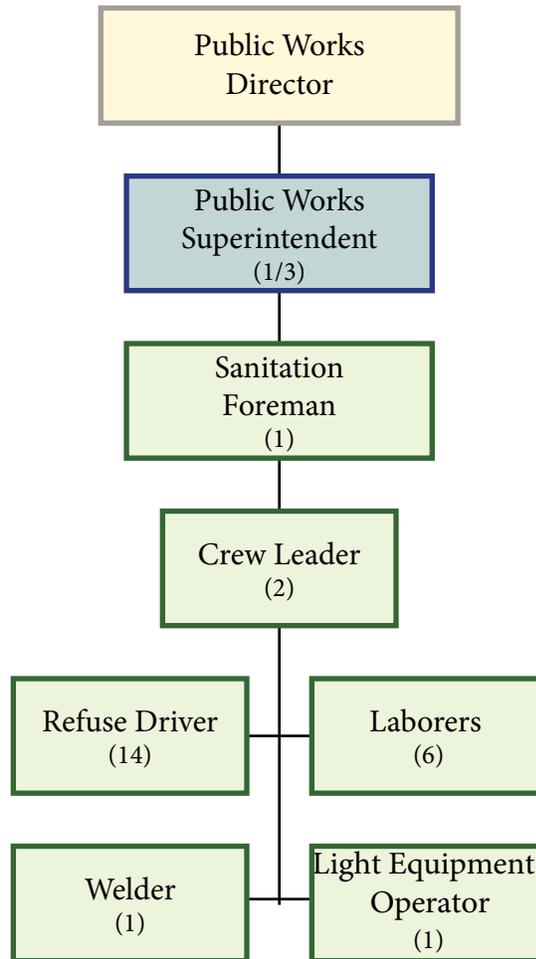
| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|--------------------|--------------------|----------------------|--------------------|
| Operating Expenses (Cont.) | | | | |
| Training | 11,506 | 13,200 | 7,500 | 13,200 |
| Travel | 176 | 1,000 | 1,000 | 1,000 |
| Dues & Memberships | 3,056 | 3,000 | 3,000 | 3,000 |
| State Inspection | 48,616 | 49,500 | 48,215 | 49,500 |
| General Supplies | | | | |
| Office | 1,567 | 700 | 1,358 | 1,500 |
| Wearing Apparel | 5,842 | 5,000 | 4,800 | 5,000 |
| Gasoline & Diesel | 18,284 | 16,000 | 14,190 | 15,190 |
| Fuel - CNG | 7,674 | 6,200 | 8,580 | 9,950 |
| Operating | 39,260 | 43,000 | 35,000 | 35,000 |
| Chemicals | 85,038 | 100,000 | 100,000 | 100,000 |
| Laboratory Chemicals | 12,990 | 12,000 | 18,000 | 18,000 |
| Laboratory Non-Chemicals | 11,025 | 12,200 | 12,200 | 15,000 |
| | 181,680 | 195,100 | 194,128 | 199,640 |
| Electricity | 472,237 | 349,800 | 334,650 | 320,000 |
| Subtotal | 1,347,632 | 1,275,842 | 1,255,723 | 1,282,290 |
| Operating Transfers | | | | |
| Equipment Replacement | 178,806 | 183,453 | 183,463 | 103,580 |
| Subtotal | 178,806 | 183,453 | 183,463 | 103,580 |
| Total Wastewater | \$2,667,472 | \$2,696,595 | \$2,592,238 | \$2,643,270 |

WASTEWATER DEPARTMENT PROFORMA

| Resources | Actual 2016 - 17 | Budget 2017 - 18 | Projected 2017 - 18 | Proposed 2018 - 19 |
|-------------------------------------|-----------------------------|-----------------------------|--------------------------------|-------------------------------|
| Sewer Base Sales | \$4,435,801 | \$4,282,177 | \$4,540,000 | \$4,790,350 |
| Senior Citizen Discount | (120,104) | (125,000) | (125,000) | (125,000) |
| Site Rental Fees | | - | | |
| Tap Fees & Permits | 22,961 | 17,500 | 16,375 | 16,500 |
| Total Resources | \$4,338,658 | \$4,174,677 | \$4,431,375 | \$4,681,850 |
| | | | | |
| Expenditures | | | | |
| Salaries & Benefits | \$1,130,900 | \$1,237,300 | \$1,153,052 | \$1,257,400 |
| Operating Expenses | 1,707,455 | 1,691,295 | 1,689,751 | 1,648,110 |
| Administrative Transfer to Gen Fund | 155,645 | 155,645 | 155,645 | 275,000 |
| Total Expenditures | \$2,994,000 | \$3,084,240 | \$2,998,448 | \$3,180,510 |
| Net of Operating | \$1,344,658 | \$1,090,437 | \$1,432,927 | \$1,501,340 |
| | | | | |
| Non-Operating Revenue | | | | |
| Administrative Services | \$42,250 | \$45,700 | \$49,000 | \$45,500 |
| Transfer from Gen. Contingency | | | | |
| Utility Contingency | | | | |
| Non-Operating Interest | 9,895 | 6,900 | 22,400 | 20,495 |
| Total Non-Operating Revenue | \$52,145 | \$52,600 | \$71,400 | \$65,995 |
| | | | | |
| Non-Operating Expenditures | | | | |
| Debt Service Transfers | \$1,068,392 | \$1,322,187 | \$1,322,187 | \$1,419,457 |
| WWTP Bond Reserve Fund | | | | |
| Transfer to Capital Projects | | 60,000 | 60,000 | 60,000 |
| Utility Contingency | | | | |
| Capital Improvements | | | | |
| Total Non-Operating Expend | \$1,068,392 | \$1,382,187 | \$1,382,187 | \$1,479,457 |
| Net Gain (Loss) | \$328,411 | (\$239,150) | \$122,140 | \$87,878 |

Utility Crews Repairing a Pipe Leak





- Funded by Department
- Funded by Multiple Departments
- Funded by Other Department

| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|------------------------|-----------------|-----------------|-----------------|-----------------|
| Service/Maintenance | 23.00 | 23.00 | 23.00 | 23.00 |
| Office/Clerical | 0.00 | 0.00 | 0.00 | 0.00 |
| Technical | 1.00 | 1.00 | 1.00 | 1.00 |
| Sworn Personnel | 0.00 | 0.00 | 0.00 | 0.00 |
| Professional | 0.00 | 0.00 | 0.00 | 0.00 |
| Management/Supervision | 1.34 | 1.34 | 1.34 | 1.34 |
| Temporary/Seasonal | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTEs | 25.34 | 25.34 | 25.34 | 25.34 |

SANITATION- 7600

PROGRAM DESCRIPTION

The Sanitation Department provides for the removal of all trash and rubbish. Each residential unit in the city receives household garbage collection service two times per week and special collection of large items and brush twice per month on an as needed basis. This department operates and maintains a mulching facility located at 103 Canna Lane. Commercial collection service is provided to commercial and industrial customers, with service levels dictated by the needs of each individual customer. Curbside recycling services, through a "blue bag" system, is provided once per week to residential customers. Apartment complexes and schools receive containerized recycling services. The city participates as the "performing party" for the Southern Brazoria County Environmental Center, located on FM 523.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Encourage Career Development Through Training

| | |
|---|-----------|
| • Send employees to training for equipment operating, sanitation route improvement, and supervisory training. | On-going |
| • Replace temporary employees with permanent employees. Attract employees with City benefits and a stable work environment. | Sep. 2018 |

CITY COUNCIL OBJECTIVE: Continue to Upgrade and Maintain Infrastructure, Facilities, & Equipment

Department Goal:

| | |
|---|-----------|
| • Develop a consistent method of preventive maintenance and maintaining the appearance of City Sanitation vehicles. | Sep. 2018 |
|---|-----------|

CITY COUNCIL VISION ELEMENT: Enhance Communication

CITY COUNCIL OBJECTIVE: Improve Communication Externally & Internally

Department Goal:

| | |
|---|-----------|
| • Work with Public Works Superintendent to reduce complaints and improve service. | Sep. 2018 |
|---|-----------|

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Maintain a Well Managed City

CITY COUNCIL OBJECTIVE: Hire & Retain Qualified Employees

Department Goal: Encourage Career Development Through Training

| | |
|---|-----------|
| • Send employees to training for equipment operating, sanitation route improvement, and supervisory training. | Sep. 2019 |
| • Replace temporary employees with permanent employees. Attract employees with City benefits and a stable work environment. | Sep. 2019 |

CITY COUNCIL OBJECTIVE: Continue to Upgrade and Maintain Infrastructure, Facilities, & Equipment

Department Goal:

| | |
|---|-----------|
| • Reduce overtime costs by improving route efficiency | Sep. 2019 |
| • Reduce cost of fleet repairs by improving preventative maintenance | Sep. 2019 |
| • Develop a consistent method of preventive maintenance and maintaining the appearance of City Sanitation vehicles. | Sep. 2019 |

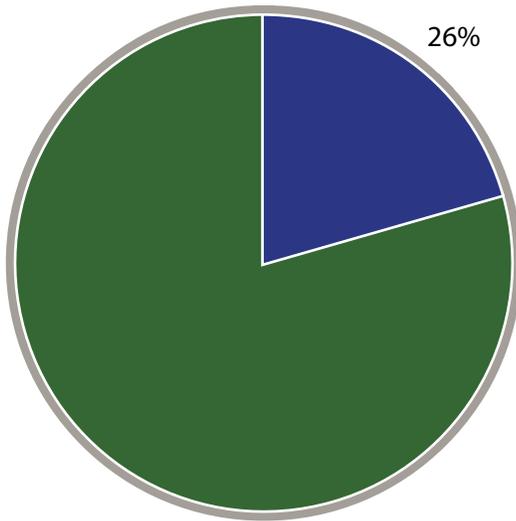
PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Maintain A Well Managed City

CITY COUNCIL OBJECTIVE:

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimate | FY 18-19 Target |
|---|----------------------------|----------------------------|------------------------------|----------------------------|
| Garbage Collected (compacted yd. ³) | 65,584 | 66,500 | 75,000 | 75,000 |
| Large Trash to Landfill (non-compacted yd. ³) | 55,515 | 62,000 | 68,000 | 68,000 |
| Large Trash to Woodgrinding Site (non-compacted yd. ³) | 71,481 | 66,000 | 70,000 | 70,000 |
| Recyclables Collected (tonnage) | 749 | 800 | 772 | 800 |

BUDGET INFORMATION



Percent of Utility Fund Expenditures

Major Budget Changes

- Employee Raises \$31,500
- Increase in Overtime \$25,000
- Increase in Contract Labor-\$15,000
- Increase in Landfill Disposal Costs- \$20,000
- Increase in Operating costs \$33,000
- Decrease in Capital Outlay (\$30,000)
- Decrease Contribution to Equipment Replacement Fund (\$30,392)

| <i>Resources</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Operating Revenues | \$3,370,803 | \$3,416,537 | \$3,414,103 | \$3,511,200 |
| Total Resources | \$3,370,803 | \$3,416,537 | \$3,414,103 | \$3,511,200 |

| <i>Expenditures</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|---------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | \$1,184,304 | \$1,147,700 | \$1,151,255 | \$1,219,200 |
| Employee Benefits | 407,339 | 439,900 | 398,931 | 455,400 |
| Operating Expenses | 1,390,946 | 1,440,615 | 1,475,595 | 1,508,670 |
| Capital Outlay | 29,892 | 30,000 | 30,000 | 0 |
| Operating Transfers | 358,322 | 358,322 | 358,322 | 327,930 |
| Total Expenditures | \$3,370,803 | \$3,416,537 | \$3,414,103 | \$3,511,200 |

SANITATION- 7600

| <i>Expenditures - Detail</i> | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|--------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Salaries & Wages | | | | |
| Service/Maintenance | \$661,442 | \$787,000 | \$680,000 | \$813,300 |
| Technical | 44,174 | 43,900 | 45,498 | 44,800 |
| Management/Supervision | 70,359 | 71,800 | 75,757 | 76,100 |
| Temp/Seasonal | 12,511 | 0 | 0 | 0 |
| Overtime | 172,894 | 125,000 | 150,000 | 150,000 |
| Contract Labor | 222,924 | 120,000 | 200,000 | 135,000 |
| Subtotal | 1,184,304 | 1,147,700 | 1,151,255 | 1,219,200 |
| Employee Benefits | | | | |
| Health | 131,909 | 185,900 | 158,710 | 188,400 |
| Life | 1,518 | 1,500 | 1,715 | 1,500 |
| Dental | 9,711 | 12,200 | 10,491 | 12,600 |
| Long Term Disability | 3,163 | 4,200 | 3,565 | 4,400 |
| Social Security | 72,064 | 78,600 | 74,630 | 81,500 |
| Retirement | 169,447 | 126,200 | 122,655 | 134,000 |
| Workers Compensation | 19,527 | 31,300 | 27,165 | 33,000 |
| Subtotal | 407,339 | 439,900 | 398,931 | 455,400 |
| Operating Expenses | | | | |
| Professional Service Technical | | | | |
| Routing Plan Consultant | 15,740 | 0 | 0 | 0 |
| Waste Disposal Contract | 878,347 | 950,000 | 950,000 | 970,000 |
| Wood Grinding Services | 126,832 | 110,000 | 125,000 | 110,000 |
| | 1,020,919 | 1,060,000 | 1,075,000 | 1,080,000 |
| Maintenance & Repair | | | | |
| Landfill Road | 0 | 2,000 | 2,000 | 2,000 |
| Chipping Facility | 1,488 | 1,250 | 1,250 | 1,250 |
| Vehicles | 218,623 | 215,000 | 200,000 | 215,000 |
| Containers | 8,468 | 18,000 | 18,000 | 18,000 |
| | 228,579 | 236,250 | 221,250 | 236,250 |
| Rental - Vehicles | 762 | 1,000 | 1,000 | 1,000 |
| Insurance | | | | |
| Property | 1,186 | 1,244 | 1,100 | 1,310 |
| Liability | 39,675 | 37,801 | 43,510 | 45,690 |
| | 40,861 | 39,045 | 44,610 | 47,000 |
| Communication | 1,701 | 2,000 | 1,500 | 2,000 |
| Training | 73 | 3,000 | 2,515 | 3,000 |
| Travel | 0 | 0 | 0 | 500 |

SANITATION- 7600

| | 2016-17 Actual | 2017-18 Budget | 2017-18 Estimated | 2018-19 Adopted |
|-----------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Operating Expenses (Cont.) | | | | |
| General Supplies | | | | |
| Office | 211 | 800 | 500 | 500 |
| Wearing | 10,369 | 9,000 | 8,000 | 9,000 |
| Gasoline & Diesel | 27,475 | 33,270 | 28,490 | 29,100 |
| Fuel - CNG | 43,514 | 41,250 | 45,130 | 52,320 |
| Operating | 16,482 | 15,000 | 47,600 | 48,000 |
| | 98,051 | 99,320 | 129,720 | 138,920 |
| Subtotal | 1,390,946 | 1,440,615 | 1,475,595 | 1,508,670 |
| Capital Outlay | 29,892 | 30,000 | 30,000 | 0 |
| Subtotal | 29,892 | 30,000 | 30,000 | 0 |
| Operating Transfers | | | | |
| Equipment Replacement | 358,322 | 358,322 | 358,322 | 327,930 |
| Subtotal | 358,322 | 358,322 | 358,322 | 327,930 |
| Total Sanitation | \$3,370,803 | \$3,416,537 | \$3,414,103 | \$3,511,200 |

SANITATION DEPARTMENT PROFORMA

| Resources | Actual 2016 - 17 | Budget 2017 - 18 | Projected 2017 - 18 | Proposed 2018 - 19 |
|-------------------------------------|-----------------------------|-----------------------------|--------------------------------|-------------------------------|
| Residential Fees | \$1,642,156 | \$1,692,300 | \$1,691,300 | \$1,727,265 |
| Apartment Fees | 664,002 | 710,940 | 710,940 | 725,577 |
| Commercial Fees | 1,278,147 | 1,287,763 | 1,216,555 | 1,261,200 |
| Recycling Fees | 286,153 | 297,030 | 284,950 | 312,480 |
| Misc. Operating Revenues | 47,362 | 41,000 | 44,255 | 39,000 |
| Total Operating Revenues | \$3,917,820 | \$4,029,033 | \$3,948,000 | \$4,065,522 |
| Expenditures | | | | |
| Salaries & Benefits | \$1,591,643 | \$1,587,600 | \$1,550,186 | \$1,674,600 |
| Operating Expenses | 1,924,994 | 1,982,566 | 2,024,679 | 2,005,230 |
| Administrative Transfer to Gen Fund | 127,100 | 127,100 | 127,100 | 300,000 |
| Total Operating Expend | \$3,643,737 | \$3,697,266 | \$3,701,965 | \$3,979,830 |
| Net of Operating | \$274,083 | \$331,767 | \$246,035 | \$85,692 |
| Non-Operating Revenues | | | | |
| Administrative Services | \$37,270 | \$42,900 | \$42,000 | \$39,000 |
| Transfer from Gen. Contingency | | | | |
| Altertane Fuel Credit | 45,161 | 40,586 | 40,586 | - |
| Equipment Replacement | 299,776 | | | |
| Sale of Gen Fixed Asset | 8,500 | | | |
| Non-Operating Interest | 8,726 | 6,500 | 19,200 | 17,561 |
| Total Non-Operating Revenue | \$399,433 | \$89,986 | \$101,786 | \$56,561 |
| Non-Operating Expenditures | | | | |
| Franchise Fee | \$102,000 | \$102,000 | \$102,000 | \$150,000 |
| Utility Contingency | | - | - | - |
| Loss on Disposal of Fixed Assets | | - | - | - |
| Capital Improvements | | - | - | - |
| Total Non-Operating Exp | \$102,000 | \$102,000 | \$102,000 | \$150,000 |
| Net Gain (Loss) | \$571,516 | \$319,753 | \$245,821 | (\$7,747) |

Landscaped Intersection of Circle Way & This Way



UTILITY DEBT SERVICE FUND



LAKE JACKSON

City of Enchantment



UTILITY DEBT SERVICE FUND

The Utility Debt Service Fund is used for the accumulation of resources for the payment of Water and Sewer Revenue Bonds; and also to provide a reserve as provided by the City's bond ordinances. The debt service on these bonds, i.e., the amount transferred from the Utility Fund, is provided by water and sewer fees. Issuance of additional bonds may impact water and sewer fees, but will have no impact on property tax rates.

The bond ordinances require that amounts sufficient to pay the next scheduled principal and interest payment be paid into a sinking account in monthly installments. Additionally, bond ordinances require a reserve in an amount equal to the succeeding fiscal year's interest and principal payment be accumulated and maintained. The reserve is to be accumulated within 61 months from the date additional bonds are issued. Thus, each month there must be deposited in this fund 1/6th of the next maturing interest (which is paid semiannually), and 1/12th of the next maturing principal (which is paid annually).

On September 30, 2018 our required balance in this fund for the current debt issuances will be:

| | |
|---|--------------------|
| Reserve Portion | \$1,505,415 |
| Interest and Sinking Portion: | |
| October 15, 2017 interest payment (5/6th) | 184,573 |
| April 15, 2018 principal payment (5/12th) | 541,667 |
| | <u>\$2,231,655</u> |

On September 30, 2019 our required balance in this fund, after accounting for the new bond issuance, will be:

| | |
|---|--------------------|
| Reserve Portion | \$1,397,490 |
| Interest and Sinking Portion: | |
| October 15, 2016 interest payment (5/6th) | 248,323 |
| April 15, 2017 principal payment (5/12th) | 643,750 |
| | <u>\$2,289,563</u> |

It is the City's policy to fund as many projects as possible from the Utility Projects Fund and to incur new debt on only the larger projects. In determining the timing for issuance of new debt, the objective is to minimize the overall debt service. Therefore, new debt issuance is usually timed to coincide with a decrease in current debt service.

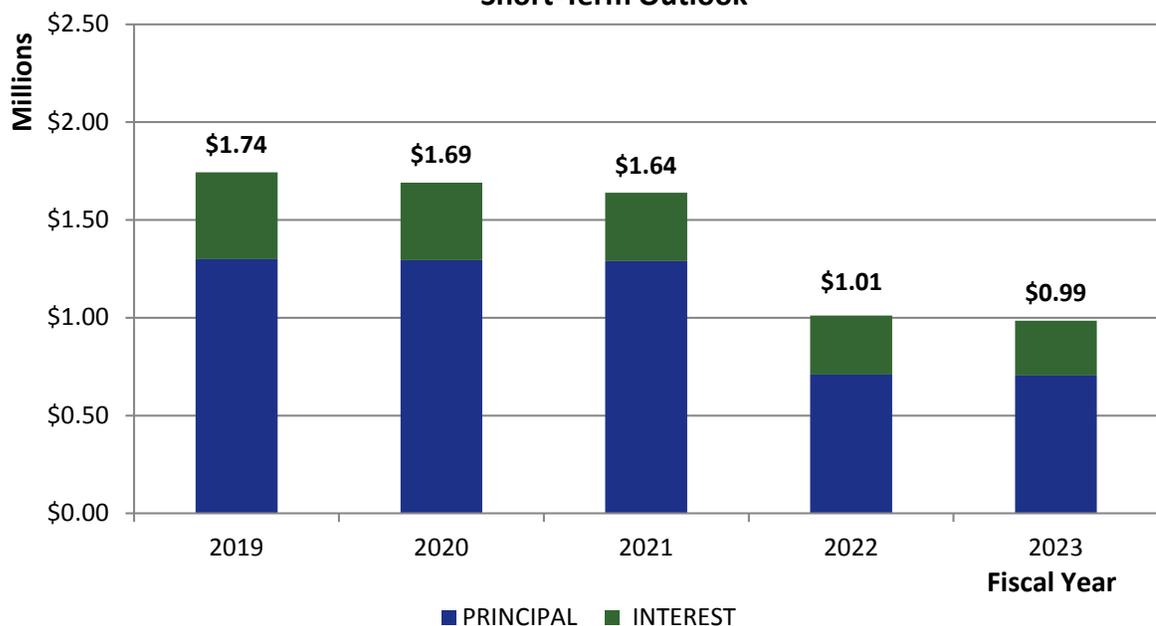
UTILITY DEBT SERVICE FUND BUDGET SUMMARY

| RESOURCES | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
|----------------------------|--------------------|--------------------|--------------------|--------------------|
| | Actual | Budget | Estimated | Adopted |
| Cash Balance | \$2,428,639 | \$2,275,655 | \$2,275,655 | \$2,304,171 |
| Revenues | | | | |
| Transfer From Utility Fund | 1,308,502 | 1,619,335 | 1,619,335 | 1,742,763 |
| Interest Income | 14,788 | 10,000 | 10,000 | 6,500 |
| Bond proceeds | 33,568 | 0 | 0 | 0 |
| | \$1,356,858 | \$1,629,335 | \$1,629,335 | \$1,749,263 |
| Total Resources | \$3,785,497 | \$3,904,990 | \$3,904,990 | \$4,053,434 |
| | | | | |
| EXPENDITURES | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
| | Actual | Budget | Estimated | Adopted |
| Expenditures | | | | |
| Principal | \$1,175,000 | \$1,200,000 | \$1,200,000 | \$1,300,000 |
| Interest | 333,135 | 396,819 | 396,819 | 442,975 |
| Paying Agent Fees | 1,707 | 4,000 | 4,000 | 4,000 |
| Total Expenditures | \$1,509,842 | \$1,600,819 | \$1,600,819 | \$1,746,975 |
| Ending Cash Balance | \$2,275,655 | \$2,304,171 | \$2,304,171 | \$2,306,459 |
| REQUIRED BALANCE | 2,260,812 | 2,260,812 | 2,260,812 | 2,289,563 |

UTILITY DEBT SERVICE SCHEDULE

| | | CURRENT DEBT FISCAL TOTALS | | PROPOSED None | | GRAND TOTALS | | |
|------|------|-------------------------------|------------------|------------------|----------|-------------------|------------------|-------------------|
| | | Principal | Interest | Principal | Interest | PRINCIPAL | INTEREST | TOTAL |
| 2018 | 2019 | 1,300,000 | 442,975 | 0 | 0 | 1,300,000 | 442,975 | 1,742,975 |
| 2019 | 2020 | 1,295,000 | 395,975 | 0 | 0 | 1,295,000 | 395,975 | 1,690,975 |
| 2020 | 2021 | 1,290,000 | 348,925 | 0 | 0 | 1,290,000 | 348,925 | 1,638,925 |
| 2021 | 2022 | 710,000 | 302,075 | 0 | 0 | 710,000 | 302,075 | 1,012,075 |
| 2022 | 2023 | 705,000 | 280,175 | 0 | 0 | 705,000 | 280,175 | 985,175 |
| 2023 | 2024 | 705,000 | 255,463 | 0 | 0 | 705,000 | 255,463 | 960,463 |
| 2024 | 2025 | 705,000 | 230,750 | 0 | 0 | 705,000 | 230,750 | 935,750 |
| 2025 | 2026 | 700,000 | 205,787 | 0 | 0 | 700,000 | 205,787 | 905,787 |
| 2026 | 2027 | 695,000 | 180,975 | 0 | 0 | 695,000 | 180,975 | 875,975 |
| 2027 | 2028 | 605,000 | 158,851 | 0 | 0 | 605,000 | 158,851 | 763,851 |
| 2028 | 2029 | 600,000 | 139,425 | 0 | 0 | 600,000 | 139,425 | 739,425 |
| 2029 | 2030 | 600,000 | 120,225 | 0 | 0 | 600,000 | 120,225 | 720,225 |
| 2030 | 2031 | 520,000 | 101,025 | 0 | 0 | 520,000 | 101,025 | 621,025 |
| 2031 | 2032 | 520,000 | 85,425 | 0 | 0 | 520,000 | 85,425 | 605,425 |
| 2032 | 2033 | 520,000 | 69,825 | 0 | 0 | 520,000 | 69,825 | 589,825 |
| 2033 | 2034 | 415,000 | 54,225 | 0 | 0 | 415,000 | 54,225 | 469,225 |
| 2034 | 2035 | 415,000 | 41,775 | 0 | 0 | 415,000 | 41,775 | 456,775 |
| 2035 | 2036 | 415,000 | 29,325 | 0 | 0 | 415,000 | 29,325 | 444,325 |
| 2036 | 2037 | 270,000 | 16,875 | 0 | 0 | 270,000 | 16,875 | 286,875 |
| 2037 | 2038 | 270,000 | 8,436 | 0 | 0 | 270,000 | 8,436 | 278,436 |
| | | 13,255,000 | 3,468,512 | 0 | 0 | 13,255,000 | 3,468,512 | 16,723,512 |

**Proposed Utility Debt Service Schedule
Short-Term Outlook**



SCHEDULE OF OUTSTANDING UTILITY BONDS

| REVENUE BOND ISSUE | AMOUNT OF ISSUE | INTEREST RATE | YEAR OF MATURITY | AMOUNT OUTSTANDING @ 10/01/18 | 2018-19 PRINCIPAL DUE | 2018-19 INTEREST DUE | 2018-19 TOTAL DUE |
|--------------------------|--------------------|------------------|------------------------|-------------------------------------|-----------------------------|----------------------------|-------------------------|
| SERIES 2009 | 1,690,000 | 4.14 | 2029 | 1,010,000 | 85,000 | 42,900 | 127,900 |
| SERIES 2010 Ref | 8,775,000 | 3.00 | 2021 | 2,280,000 | 765,000 | 91,200 | 856,200 |
| SERIES 2013 | 2,000,000 | 2.90 | 2033 | 1,500,000 | 100,000 | 43,250 | 143,250 |
| SERIES 2016 | 4,000,000 | 2.26 | 2036 | 3,515,000 | 250,000 | 105,450 | 355,450 |
| SERIES 2017 | 5,000,000 | 2.84 | 2038 | 4,950,000 | 100,000 | 160,176 | 260,176 |
| TOTAL ALL ISSUES | | | | \$13,255,000 | \$1,300,000 | \$442,976 | \$1,742,976 |

Water and Sewer Revenue Bonds Series 2007

Proceeds from the 2007 Series funded the following projects:

Non potable irrigation, Lift Station repair & upgrades, Center Way Sewer 400 block; painting of the Balsam Tower, and

Water and Sewer Revenue Bonds Series 2009

Proceeds from the 2009 Series funded 3 water wells (2 replacements & 1 new)

SERIES 2009 REFUNDING BONDS

Water and Sewer Revenue Bonds Series 1993 A (REFUNDED)

Proceeds from the 1993A Series funded the following projects:

Sewer line replacements on all or a portion of Poinsettia, Wisteria, Palm Lane, Camellia, Jasmine, Circle Way, Cherry, Acacia, Mimosa, Oak Dr. South, Circle Way/Oak Drive, Camellia, Gardenia, Blackberry, Caladium, Cypress and Jonquil.

Lift Station Rehabilitations at Lift Station # 1 and at Huisache, Magnolia, and Sycamore Lift Stations.

Water and Sewer Revenue Bonds Series 1996 (REFUNDED)

Proceeds from the 1996 Series funded the following projects:

Water line replacements on all or a portion of Pin Oak, Palm Lane, Caladium, Redwood, Cypress, Jonquil, Gardenia, Hawthorn, Daisy, Blossom, Moss, Bois D' Arc, Walnut, FM 2004, Winding Way, Trumpet Vine, Grapevine and Azalea.

Sewer line replacements on all or a portion of Carnation, Caladium Court and Winding Way.

Construction of a new one million gallon ground storage tank.

Construction of new and rehabilitation of existing Sewer lines and lift stations to enable the City to provide sewer service to undeveloped areas in the northeast portion of the City.

SERIES 2010 REFUNDING BONDS

Wastewater Treatment Plant Revenue Bonds Series 2000 (REFUNDED)

Proceeds from the 2000 Series funded the expansion of the Wastewater Treatment Plant.

Water and Sewer Revenue Bonds Series 2013

Proceeds from the 2013 Series funded the following projects:

Water system expansion Northwest production and storage.

Repair and repaint Dow elevated storage tank, Local lift station renovation, Sanitary sewer on Center Way and Begonia

Water and Sewer Revenue Bonds Series 2016

Proceeds from the 2016 issue will fund a portion of the Northwest Sewer Expansion

Water and Sewer Revenue Bonds Series 2017

Proceeds from the 2017 issue will fund a sewer repairs to Basin 6. Lake Forest and Huisache.

UTILITY PLEDGED REVENUE COVERAGE PROJECTIONS

| | <u>2015</u> <u>Actual</u> | <u>2016</u> <u>Actual</u> | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Projected</u> | <u>2019</u> <u>Adopted</u> |
|---|------------------------------|------------------------------|------------------------------|---------------------------------|-------------------------------|
| OPERATING REVENUES: | | | | | |
| Water Sales | \$ 3,848,378 | \$ 4,165,965 | \$ 4,657,857 | \$ 4,600,000 | \$ 4,663,350 |
| Braz. Cty. Cons. Dist. | 24,943 | 20,233 | 22,024 | 25,000 | 25,000 |
| Water for City | 184,717 | 88,550 | 88,530 | 88,530 | 88,530 |
| Senior disc. | (209,334) | (234,849) | (240,208) | (250,000) | (250,000) |
| Write-offs | 0 | 0 | - | 0 | |
| Sewer Sales | 3,622,813 | 3,983,417 | 4,374,307 | 4,500,000 | 4,728,350 |
| Write-offs | 0 | 0 | - | 0 | |
| Reclaimed Water | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 |
| Permits | 36,349 | 18,773 | 17,287 | 16,200 | 16,000 |
| Tap Fees | 89,370 | 78,445 | 74,555 | 49,300 | 50,000 |
| Reconnection penalty | 203,533 | 191,279 | 188,715 | 210,400 | 200,400 |
| Miscellaneous | 146,214 | 166,095 | 118,581 | 53,551 | 69,600 |
| Interest | | | | | |
| Utility Fund | 6,408 | 14,670 | 36,350 | 63,000 | 57,551 |
| Contingency fund | 880 | 1,160 | 1,791 | 2,500 | 2,000 |
| Capital Project Fund | 1,257 | 2,030 | 2,593 | 8,000 | 8,000 |
| Debt Service Fund | 5,146 | 8,346 | 14,788 | 10,000 | 6,500 |
| Bond Construction Funds | 1,810 | 0 | 50,000 | 79,000 | 0 |
| <i>Total Operating Revenues</i> | <u>8,032,484</u> | <u>8,574,114</u> | <u>9,477,170</u> | <u>9,525,481</u> | <u>9,735,281</u> |
| OPERATING EXPENDITURES: | | | | | |
| <i>Utility Admin.</i> | 473,848 | 475,159 | 610,114 | 649,892 | 693,110 |
| Depreciation | 0 | 0 | 0 | 0 | |
| Equip. Repl transfer | (35,935) | (36,725) | (38,468) | (37,800) | (46,565) |
| <i>Water Production</i> | 3,228,737 | 3,384,949 | 3,668,139 | 3,701,202 | 3,949,960 |
| Depreciation | 0 | 0 | 0 | 0 | |
| Equip. Repl. Transfer | (77,820) | (85,398) | (78,868) | (77,838) | (78,870) |
| <i>Wastewater collection</i> | 2,629,258 | 2,605,915 | 2,667,472 | 2,592,238 | 2,643,270 |
| Depreciation | 0 | 0 | 0 | 0 | |
| Equip Repl. Transfer | (152,940) | (162,301) | 178,806 | (183,463) | (103,580) |
| <i>Total Operating Expenditures</i> | <u>6,065,148</u> | <u>6,181,599</u> | <u>7,007,195</u> | <u>6,644,231</u> | <u>7,057,325</u> |
| NET AVAILABLE OPERATING REVENUES \$ | <u>1,967,336</u> | <u>2,392,515</u> | <u>2,469,975</u> | <u>2,881,250</u> | <u>2,677,956</u> |
| Debt Service: (<u>Maximum Annual Requirement</u>) | | | | | |
| Principal | \$ 1,230,000 | \$ 1,165,000 | \$ 1,175,000 | \$ 1,200,000 | \$ 1,300,000 |
| Interest | 408,500 | 321,875 | 287,383 | 326,375 | 472,050 |
| Maximum debt service Requirements | <u>\$ 1,638,500</u> | <u>\$ 1,486,875</u> | <u>\$ 1,462,383</u> | <u>\$ 1,526,375</u> | <u>\$ 1,772,050</u> |
| Net Available Revenues per Maximum Debt Service Requirements | \$ 1.20 | \$ 1.61 | \$ 1.69 | \$ 1.89 | \$ 1.51 |
| The bond ordinances require that before new revenue bonds can be issued, the net earnings of the system for the last fiscal year, or for any twelve consecutive calendar month period ending not more than 90 days prior to the adoption of the ordinance authorizing the issuance of such additional bonds, were at least 1.25 times the <u>average annual</u> | | | | | |
| Debt Service: (<u>Average Annual Requirements</u>) | | | | | |
| Principal & Interest | \$ 697,008 | 601,178 | 649,505 | 606,722 | 836,176 |
| Net Available Revenues per Average Debt Service Requirements | \$ 2.82 | \$ 3.98 | \$ 3.80 | \$ 4.75 | \$ 3.20 |

CAPITAL PROJECTS FUND



LAKE JACKSON

City of Enchantment



GENERAL PROJECT FUND

The General Projects Fund provides for a wide variety of capital projects including occasional large equipment purchases.

The major revenue source for this fund is “year-end transfers” from the General Fund. At the end of each fiscal year actual General Fund revenues and expenditures are compared. If there are excess revenues a portion of these will be transferred to the General Projects Fund. Some will be left in the General Fund to increase the fund balance if necessary.

In some years, we are able to budget in the General Fund a transfer to the General Projects Fund. FY 07-08 was the last time we were able to budget a transfer (\$112,339 was budgeted). Since that time we have relied on “year- end” savings to provide transfers to this fund.

Over the last 19 years this fund has received the following transfers from the General Fund.

| | | | | | | | |
|----------|-----------|----------|-----------|----------|-----------|----------|-----|
| FY 99-00 | \$678,000 | FY 05-06 | \$660,000 | FY 11-12 | \$765,000 | FY 17-18 | \$0 |
| FY 00-01 | 700,000 | FY 06-07 | 0 | FY12-13 | 750,000 | FY 18-19 | \$0 |
| FY 01-02 | 790,000 | FY 07-08 | 1,912,339 | FY13-14 | 1,000,000 | | |
| FY 02-03 | 325,000 | FY 08-09 | 0 | FY14-15 | 1,000,000 | | |
| FY 03-04 | 370,000 | FY 09-10 | 900,000 | FY15-16 | 1,350,000 | | |
| FY 04-05 | 500,000 | FY 10-11 | 650,000 | FY16-17 | 1,300,000 | | |

GENERAL PROJECTS FUND

Projects may be submitted for inclusion in the document from multiple sources, including council members, City Staff, Boards and Commission members, and residents. The visioning process has helped to formalize the manner in which these projects are reviewed and funded.

Vision Process

In 2006 under the Vision element “Maintain Infrastructure”, City Council set a goal to reorganize the CIP document to better prioritize projects. To accomplish this a standalone CIP workshop date is included as part of annual budget calendar.

GENERAL PROJECT FUND

This year Council held its 12th annual workshop. Working with staff, City Council rated and prioritized projects. The ability to accomplish these projects in the established time frame is based strictly on available funding. Often times a project of greater importance and urgency will arise and one of more projects of less importance and urgency will be pushed back. Priorities established by City Council for FY 18-19 are listed below:

| | |
|--|---------------|
| Northwood Drainage Improvements | \$ 81,000 |
| School Zone Communication Upgrade | 80,000 |
| Slope Paving | 70,000 |
| Oyster Bend Bridge (Final of 5 Payments) | 70,000 |
| Replace Fire Bunker Gear & Air Packs | 65,000 |
| New A/C for IT/911 Equipment Room | 50,000 |
| Buxton Retail Market Study | 50,000 |
| Transit | 75,000 |
| Records Scanning | 50,000 |
| HVAC Replacements | 45,000 |
| Stream Monitoring Stations | 40,000 |
| Sidewalks / ADA Ramps | 35,000 |
| Demo Condemned Buildings (Annual) | 20,000 |
| Traffic Preemptive System Priority Control | 22,000 |
| Old Angleton Road Drainage Pad | <u>10,000</u> |
| | \$ 763,000 |

IMPACT ON OPERATING BUDGET

While some of these projects may have minor impacts on the operating budget, the primary impact on the year-to-year operating budget is the existence of this fund. Because staff is aware budget savings in the general operating fund are transferred here to fund projects in the next fiscal year, they are encouraged to save money with the idea one or more of their sought after projects will be approved in the next fiscal year. Additionally the budget staff does not have to attempt to predict what air conditioners (for example) will go out in what department and budget for that occurrence. By eliminating the need to budget for these non-reoccurring expenditures in the departmental operating budgets wide swings in the department's year to year budget are minimized. In turn this makes it easier for City Council to see and analyze year to year departmental budget changes.

Also, the use of these funds allows us to do small to mid-sized projects on a cash basis. We then use our debt process to do the larger more complex projects as are approved by the voters from time to time. Each approved project is further explained on the project detail pages included in this section. Operating impacts of the specific project, the majority of which are minor, are included here.

GENERAL PROJECT FUND ANTICIPATED CASH FLOW

| RESOURCES | ACTUAL | ACTUAL | ACTUAL | ESTIMATED | PROPOSED |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2014 - 15 | 2015 - 16 | 2016-17 | 2017-18 | 2018-19 |
| Fund Balance | \$ 1,903,546 | \$ 2,185,721 | \$ 2,044,549 | \$ 2,644,777 | \$ 1,457,877 |
| Revenues | | | | | |
| Special Assessment Fees | 2,323 | 900 | 2,931 | 100 | |
| Radio Grant | | 125,000 | | | |
| Reimbursement - dow | 159,303 | | | | |
| Interest Income | 2,652 | 4,153 | 7,900 | 3,000 | 5,000 |
| Reimbursement - SECO Grant | | | | | |
| Keep America Beautiful - Recycle Program | 0 | 0 | 0 | 20,000 | |
| CDBG Grant | 103,172 | | | | |
| Contributions-Traffic Signal Control Equip | | 24,268 | | | |
| FEMA-Golf Course Flood Damage | | 120,263 | 77,558 | | |
| Roof Claim - Loss April 2015 | | 340,173 | 240,105 | | |
| Proceeds from Asset Disposal | | | | | |
| Transfer from General Fund | 1,000,000 | 1,350,000 | 1,300,000 | 0 | |
| Transfer from Utility Fund | | | | 450,000 | |
| Total Revenues | 1,267,450 | 1,964,758 | 1,628,494 | 473,100 | 5,000 |
| Total Resources | \$ 3,170,996 | \$ 4,150,479 | \$ 3,673,042 | \$ 3,117,877 | \$ 1,462,877 |

| EXPENDITURES | ACTUAL | ACTUAL | ACTUAL | ESTIMATED | PROPOSED |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| | 2014 - 15 | 2015 - 16 | 2016-17 | 2017-18 | 2018-19 |
| Previously Approved Projects | \$ 985,275 | \$ 2,105,930 | \$ 1,028,265 | \$ 1,660,000 | |
| Additional Proposed Projects | | | | | 763,000 |
| Fire Station #1 Roof Budget Amendment | | | | | 60,000 |
| Total Expenditures | 985,275 | 2,105,930 | 1,028,265 | 1,660,000 | 823,000 |
| Ending Fund Balance | \$ 2,185,721 | \$ 2,044,549 | \$ 2,644,777 | \$ 1,457,877 | \$ 639,877 |

Budget
\$1,676,997

Budget
\$682,880

GENERAL PROJECT FUND PROJECT HISTORY

EXPENDITURES

| Completed Projects | BUDGET | | | | | | | | |
|--|---------------|---------------------|---------------------|-------------------|---------------------|---------------------|---------------------|-------------------|---------------------|
| | YEAR APPROVED | PROJECT BUDGET | PRIOR YEARS | ACTUAL 2014-15 | ACTUAL 2015-16 | ACTUAL 2016-17 | PROJECTED 2017-18 | ADOPTED 2018-19 | PROJECT TOTALS |
| Aerway Fairway Aerifier | 14-15 | 15,000 | | 11,886 | | | | | 11,886 |
| Backhoe Purchase-Golf | 15-16 | 55,000 | | | 60,000 | | | | 60,000 |
| BRA Flood Study | 16-17 | 25,000 | | | | 13,749 | 11,251 | | 25,000 |
| Buxton Retail Market Study | 17-18 | 110,000 | | | | | 60,000 | 50,000 | 110,000 |
| Demo of Condemned Bldgs | 15-18 | 80,000 | | | 7,850 | | 20,000 | 20,000 | 47,850 |
| Fire Hose Replacement | 16-17 | 25,000 | | | | | 25,000 | | 25,000 |
| Floodplain - FEMA | | 103,308 | 30,291 | 59,193 | | | | | 89,484 |
| Lake Jackson Market Study | 15-16 | 20,000 | | | 20,000 | | | | 20,000 |
| Master Plan | 13-16 | 403,679 | 28,292 | 89,737 | 104,356 | | | | 222,385 |
| New Quint 77' ladder truck | 16-17 | 553,000 | | | | 510,837 | | | 510,837 |
| Oyster Creek Maintenance | | 5,500 | (1,750) | 1,750 | | | | | - |
| Paralympic Sports Chairs | 14-15 | | | 19,440 | | | | | 19,440 |
| Parks & Rec Masterplan | 15-16 | 75,000 | | | 77,819 | 1,719 | | | 79,539 |
| Records Scanning | 17-18 | 100,000 | | | | | 50,000 | 50,000 | 100,000 |
| Replace Fire bunker Gear and Air Packs | 14-19 | 360,000 | | 60,059 | 86,805 | 50,996 | 65,000 | 65,000 | 327,860 |
| Replace Radios-Law Enforcement | 15-16 | 500,000 | | | 498,382 | | | | 498,382 |
| Share of CR 223 Project | 15-16 | 50,000 | | | 50,000 | | | | 50,000 |
| Traffic Preemptive System/Priority Control | 15-19 | 91,000 | | | 48,535 | | 20,000 | 22,000 | 90,535 |
| Transit | 09-18 | 585,000 | 231,494 | 49,952 | 49,952 | 49,952 | 60,000 | 75,000 | 516,350 |
| Utility Rate Study | 14-15 | 40,000 | | 39,950 | | | | | 39,950 |
| School recycling | 17-18 | 20,000 | | | | | 20,000 | | 20,000 |
| Water Fountains | 14-15 | | | 9,038 | | | | | 9,038 |
| FACILITIES: | | | | | | | | | |
| A/C Repl Animal Shelter | 12-13 | 40,000 | 49,743 | | | | | | 49,743 |
| Air Conditioning Replacements | 97 - 19 | 440,000 | 183,998 | 25,000 | 43,189 | 48,401 | 45,000 | 45,000 | 390,588 |
| A/C IT/911 Equipment room | 18-19 | 50,000 | | | | | | 50,000 | 50,000 |
| Animal Shelter Repairs | 13-14 | 36,000 | 24,856 | | | | | | 24,856 |
| Animal Shelter Trailer | 16-17 | 50,000 | | | | | 56,000 | | 56,000 |
| Artificial Range Tee - FEMA | 15-16 | 20,000 | | | | | 20,000 | | 20,000 |
| Bunker Renovation Program | 07-15 | 105,000 | 66,547 | 34,837 | | | | | 101,384 |
| Bunker Repairs - FEMA | 15-16 | 79,583 | | | 79,582 | | | | 79,582 |
| City Hall Remodel Office Space-IT | 17-18 | 25,000 | | | | | 25,000 | | 25,000 |
| Civic Center Carpet | 14-18 | 120,000 | | 41,125 | | | 68,000 | | 109,125 |
| CNG Public Access | 14-16 | 125,000 | | 0 | 37,094 | | | | 37,094 |
| Dog Park-Plan Development | 15-17 | 60,000 | | | 14,791 | 38,594 | 6,615 | | 60,000 |
| Facility Master Plan | 17-18 | 35,000 | | | | | 35,000 | | 35,000 |
| Fire Station 1 Exterior Painting | 16-17 | 20,000 | | | | 16,551 | | | 16,551 |
| GIS Protocols for Developers | 07-16 | 74,480 | 25,520 | 0 | 0 | | | | 25,520 |
| Golf Course Misc - FEMA | 15-16 | 12,000 | | | | 9,427 | 3,400 | | 12,827 |
| Jasmine Hall Repairs | 17-18 | 15,000 | | | | | 10,235 | | 10,235 |
| Move antennae from hospital | 14-15 | 20,000 | | 15,573 | | | | | 15,573 |
| Museum Elevator Repair | 14-15 | 13,300 | | 13,286 | | | | | 13,286 |
| Repair Museum Facing | 17-18 | 65,000 | | | | | 83,650 | | 83,650 |
| Police Station Flat Roof | 14-15 | 135,000 | | 133,964 | | | | | 133,964 |
| Pump Replacement - FEMA | 15-16 | 6,600 | | | 6,565 | | | | 6,565 |
| Range Ball Dispensing Machine | 11-12 | 5,595 | 5,195 | | | | | | 5,195 |
| Rec Center Gym Curtain | 14-15 | 15,000 | | 18,250 | | | | | 18,250 |
| Rec Center Roof Repair | 14-15 | 7,000 | | 6,900 | | | | | 6,900 |
| Remodel Council Chambers | 14-16 | 40,700 | | 10,354 | 31,401 | | | | 41,754 |
| Repl A/C golf Course | 14-15 | 10,000 | | 8,262 | | | | | 8,262 |
| Roof Repairs - 5 Buildings | 15-16 | 580,795 | | | 581,895 | | | | 581,895 |
| PAVING: | | | | | | | | | |
| Medical Drive paving | 14-15 | 150,000 | | 153,483 | | | | | 153,483 |
| Old Angleton Rd Repairs | 12-13 | 250,000 | 197,736 | | | | | | 197,736 |
| Oak Drive South at Sportsplex | 17-18 | 190,000 | | | | | 190,000 | | 190,000 |
| Oyster Bend Bridge | 14-19 | 350,000 | | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 | 350,000 |
| Pedes. Crossing Imp - Equip Only | 14-15 | | | 74,695 | | | | | 74,695 |
| Pedestrian Crossing installation | 14-16 | 66,000 | | 17,860 | | | | | 33,085 |
| Plantation Dr Transition | 14-16 | 238,000 | | | 190,869 | | | | 190,869 |
| Sidewalks / ADA Ramps | 96 - 19 | 1,079,800 | 860,155 | | | 47,329 | 62,671 | 35,000 | 1,005,155 |
| School Zone Communicatio upgrade | 18-19 | 80,000 | | | | | | 80,000 | 80,000 |
| Walnut St Cushions | 15-16 | 15,000 | | | 11,505 | | | | 11,505 |
| DRAINAGE PROJECTS: | | | | | | | | | |
| Culvert @ Circle & Azalea | 14-15 | | | 20,683 | | | | | 20,683 |
| East Side Drainage Study | 15-18 | 600,000 | | | 20,114 | 170,710 | 409,175 | | 599,999 |
| Bastrop Bayou Drainage Study | 17-18 | 140,000 | | | | | 140,000 | | 140,000 |
| Magnolia Ditch Lining | 14-16 | 40,000 | | | | | | | - |
| Northwood Drainage Project | 18-19 | 81,000 | | | | | | 81,000 | 81,000 |
| Old Angleton Pad site | 18-19 | 10,000 | | | | | | 10,000 | 10,000 |
| Pecan Lake Ditch Lining | 14-16 | 71,500 | | | | | 25,000 | | 25,000 |
| Jackson Oaks II drainage proj | 17-18 | | | | | | 60,000 | | 60,000 |
| Slope Paving | 18-19 | 70,000 | | | | | | 70,000 | 70,000 |
| Stream Monitoring | 18-19 | 40,000 | | | | | | 40,000 | 40,000 |
| River Oaks Outfall | 17-18 | 35,000 | | | | | 36,000 | | 36,000 |
| | | \$ 8,928,840 | \$ 1,702,077 | \$ 985,275 | \$ 2,105,930 | \$ 1,028,265 | \$ 1,676,997 | \$ 763,000 | \$ 8,261,545 |

GENERAL PROJECT FUND CAPITAL IMPROVEMENT PLAN

This plan is designed to set Capital Project priorities for the future. This plan includes projects that may be funded from several sources, including bond issues.

As part of the annual budget process and the visioning process, City Council and City Staff, discuss projects appearing on the plan. At this meeting priorities and estimated costs are reassessed and new projects are discussed and added to the plan.

To help everyone understand the details of each particular project in the plan, a Capital Improvement Plan book was created. This book has several pages dedicated to each project. It gives a full description of the project, details on estimated cost, who proposed the project and why.

Citizen input is received throughout the year and requested projects are considered during goal setting and budget preparation. Citizens are also given an opportunity to provide their input at all budget workshops and hearings.

After all goal setting, capital projects, budget workshops, and public hearings, the Capital Improvement Plan is adopted as part of the annual budget.

General Projects Fund

| Proj No. | Description | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | Future |
|----------|--|-----------------|---------------|-----------------|--------------|-----------------|
| 121 | SD Phase 4 Downtown & Complete S. Parking Place | GO \$ 9,000,000 | | | | |
| 1806 | DR Northwood Drainage Improvements | GP \$ 81,000 | | | | |
| 1804 | SR School Zone Communication Upgrade | GP \$ 80,000 | | | | |
| 1 | OT Transit Annually | GP \$ 75,000 | GP \$ 110,000 | GP \$ 155,000 | | |
| 117 | SR Oyster Bend S/D Bridge Share | GP \$ 70,000 | | | | |
| 1602 | DR Slope Paving | GP \$ 70,000 | GP \$ 70,000 | GP \$ 70,000 | GP \$ 70,000 | GP \$ 70,000 |
| 230 | F Replace Fire Bunker Gear & Air Packs | GP \$ 65,000 | GP \$ 38,000 | GP \$ 38,000 | | GP \$ 38,000 |
| 1702 | OT Buxton Retail Market Study | GP \$ 50,000 | GP \$ 50,000 | | | |
| 1607 | F Records Scanning | GP \$ 50,000 | GP \$ 50,000 | | | |
| 1801 | F New AC for IT/911 Equipment Room | GP \$ 50,000 | | | | |
| 15 | F Air Conditioning Replacement | GP \$ 45,000 | GP \$ 45,000 | GP \$ 45,000 | | GP \$ 45,000 |
| 1808 | DR Stream Monitoring Stations | GP \$ 40,000 | GP \$ 40,000 | GP \$ 25,000 | GP \$ 40,000 | GP \$ 25,000 |
| 2 | PED Annual Sidewalk Repairs | GP \$ 35,000 | GP \$ 35,000 | GP \$ 35,000 | \$ 35,000 | GP \$ 35,000 |
| 42 | SC Traffic Signal Priority Control | GP \$ 22,000 | GP \$ 22,000 | GP \$ 22,000 | | GP \$ 100,000 |
| 2 | OT Demo of Condemned Buildings Annual | GP \$ 20,000 | GP \$ 20,000 | GP \$ 20,000 | GP \$ 20,000 | |
| 1807 | DR Old Angleton Drainage Pad | GP \$ 10,000 | | | | |
| 252 | FP Dog Park | ST \$ 380,000 | | | | |
| 147 | FG Lake Dredging | ST \$ 65,000 | ST \$ 75,000 | | | |
| 238 | FP New Skate Park at MacLean / Repairs | ST \$ 50,000 | ST \$ 425,000 | | | |
| 1803 | FG ConVault Fuel Containment System | ST \$ 40,000 | | | | |
| 1707 | FG Wet Well Repairs for Recharging Irrigation | ST \$ 25,000 | ST \$ 25,000 | | | |
| 248 | F New Pumper Fire Truck | | GP \$ 381,500 | GP \$ 381,500 | | |
| 98 | SR Willenberg Asphalt Overlay | | GP \$ 85,000 | | | |
| 1701 | F Civic Center Fountain Repair | | GP \$ 70,000 | | | |
| 12 | PED Lake Rd. Sidewalk (FM 2004 to Target Driveway) | | GP \$ 35,000 | | | |
| 203 | F Fire Station No. 1 Rear Drive | | GP \$ 35,000 | | | |
| 1606 | F Library Carpet & Meeting Room Tile | | GP \$ 30,000 | GP \$ 150,000 | | |
| 176 | F Fire Station Security Camera Upgrade | | GP \$ 30,000 | | | |
| 1708 | F Civic Center Interior Painting | | GP \$ 24,000 | | | |
| 1611 | F Library Front Entry Tile | | GP \$ 22,000 | | | |
| 1802 | F Replace Fire Station No. 1 Carpet | | GP \$ 20,000 | | | |
| 1704 | F Jasmine Hall Repairs | | GP \$ 16,000 | | | |
| 1604 | F Facility Master Plan | | GP \$ 16,000 | | GP \$ 16,000 | |
| 102 | F Fire Station Storage Room | | GP \$ 15,000 | | | |
| 1628 | FP Recreation Center Renovation | | ST \$ 350,000 | ST \$ 375,000 | ST \$ 90,000 | ST \$ 330,000 |
| 1629 | FP MacClean Park Improvements | | ST \$ 300,000 | | | ST \$ 3,560,000 |
| 115 | FP Dunbar Pavillion Restrooms | | ST \$ 275,000 | | | |
| 122 | FP Jasmine Park Renovation | | ST \$ 220,000 | | | ST \$ 440,000 |
| 1709 | FP Canoe / Kayak Launch - College | | ST \$ 74,000 | | | |
| 245 | FG Misc Repairs at Golf Course | | ST \$ 60,000 | ST \$ 44,000 | | ST \$ 50,000 |
| 1633 | FP Madge Griffith Park Renovation | | ST \$ 60,000 | | | ST \$ 5,252,000 |
| 1810 | PED Strawberry-Timbercreek Sidewalk | | | | | GP \$ 32,000 |
| 12 | F City Hall Expansion | | | GO \$ 6,300,000 | | |
| 253 | F New Animal Shelter | | | GO \$ 3,000,000 | | |
| 102 | SC Plantation Spur | | | GP \$ 140,000 | | |
| 55 | F Large Truck Wash Down Area | | | GP \$ 110,000 | | |
| 43 | SC Plantation Drive Curb Replacement | | | GP \$ 100,000 | | |
| 234 | FP Garland Park Renovation | | | ST \$ 330,000 | | |

General Projects Fund

| Proj No. | Description | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | Future |
|----------|---|----------|----------|---------------|-----------------|--------|
| 262 | FP Lighting & Benches - Gardner Campbell Trail | | | ST \$ 185,000 | | |
| 105 | FG De-Watering Pump | | | ST \$ 65,000 | | |
| 78 | FG Bunker Renovation Semi -Annual | | | ST \$ 40,000 | | |
| 1623 | FP Timbercreek Park Fencing & Playground | | | ST \$ 10,000 | ST \$ 200,000 | |
| 115 | FP Dunbar Pavillion Restroom | | | ST \$ 275,000 | | |
| 91 | SD Circle Way Downtown | | | | GO \$ 7,100,000 | |
| 122 | SC Oyster Creek Drive | | | | GO \$ 5,500,000 | |
| 2 | SD Parking Way Center Downtown | | | | GO \$ 5,270,000 | |
| 124 | SR North Yaupon | | | | GO \$ 5,200,000 | |
| 12 | SR S. Hollow Subdivision - Concrete | | | | GO \$ 5,100,000 | |
| 125 | SR Sycamore | | | | GO \$ 4,900,000 | |
| 127 | SR Moss - Chestnut | | | | GO \$ 4,500,000 | |
| 123 | SC Lake Road | | | | GO \$ 4,200,000 | |
| 101 | F Fire Station #3 | | | | GO \$ 4,100,000 | |
| 1632 | FP Recreation Center Expansion | | | | GO \$ 4,025,000 | |
| 83 | SD West Way Downtown | | | | GO \$ 3,700,000 | |
| 103 | SC This Way - FM 2004 to Lake Road | | | | GO \$ 2,500,000 | |
| 72 | SC Plantation - Sycamore to 332 Turnout 4 Lane | | | | GO \$ 2,100,000 | |
| 13B | SR Southern Oaks - North of Willow Drive | | | | GO \$ 2,000,000 | |
| 13A | SR Southern Oaks - South of Willow Drive | | | | GO \$ 1,900,000 | |
| 126 | SR Huisache/Pecan - Holly to Oak Drive | | | | GO \$ 1,900,000 | |
| 94 | SC Plantation Drive - Sycamore to Dixie | | | | GO \$ 1,800,000 | |
| 105 | SC This Way - Lake Road to SH 332 | | | | GO \$ 1,200,000 | |
| 13 | DR Flag Lake Drainage | | | | GO \$ 1,150,000 | |
| 7 | SR Willenberg Paving | | | | GO \$ 1,100,000 | |
| 22 | PED SH 332 Sidewalks (SH 288 to Dixie Dr.) | | | | GO \$ 1,000,000 | |
| 28 | F Service Center Expansion | | | | GO \$ 900,000 | |
| 73 | SC Medical Dr. - Sea Center to Canna 2 - Lane | | | | GO \$ 900,000 | |
| 38 | SR Pin Oak | | | | GO \$ 800,000 | |
| 45 | SR Forest Oaks Lane | | | | GO \$ 800,000 | |
| 23 | DR Lake Sealy/Lake Jackson Outfall Ditch | | | | GO \$ 650,000 | |
| 17 | PED Connect Dow Centennial Trail to Wilderness | | | | GO \$ 600,000 | |
| 39 | SR North Shady Oaks | | | | GO \$ 600,000 | |
| 6 | SR Balsam | | | | GO \$ 300,000 | |
| 81 | SC Plantation - Plantation Ct. to SH 332 Turnout | | | | GO \$ 250,000 | |
| 24 | SR Chestnut Extension | | | | GO \$ 210,000 | |
| 40 | DR Sycamore and Ditch 9 Crossing | | | | GO \$ 120,000 | |
| 116 | SR Asphalt Street Overlay Program | | | | GP \$ 1,010,000 | |
| 1624 | SC Failed Panel Replacement Program | | | | GP \$ 860,000 | |
| 1625 | SC 300 Block of Oak Drive South Repairs | | | | GP \$ 225,000 | |
| 100 | SC Plantation/Garland Traffic Signal | | | | GP \$ 200,000 | |
| 1710 | SC Right Turn Lane OCD at SH 288 | | | | GP \$ 200,000 | |
| 4 | OT GIS - Water & Sewer Phase | | | | GP \$ 180,000 | |
| 57 | F Vehicle Canopy at Service Center | | | | GP \$ 150,000 | |
| 1805 | SC Willow Drive Left Turn Lane at Old Angleton Road | | | | GP \$ 90,000 | |
| 183 | F Service Center Yard Expansion | | | | GP \$ 35,000 | |
| 226 | F Sign Shop Improvements | | | | GP \$ 35,000 | |
| 15 | PED OM Roberts Plantation Sidewalk | | | | GP \$ 30,000 | |

General Projects Fund

| Proj No. | Description | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | Future |
|----------|---|----------|----------|----------|----------|------------|
| 66 | SC OCD Median Restoration | | | | GP | \$ 30,000 |
| 115 | SR Old Angleton Road Marigold Turn Lane Extension | | | | GP | \$ 30,000 |
| 16 | PED LI Manor Walk - Garland/Plantation | | | | GP | \$ 20,000 |
| 19 | PED Dow Centennial Trail Expansion | | | | ST | \$ 590,000 |
| 79 | FG Driving Range Expansion | | | | ST | \$ 470,000 |
| 20 | PED Complete Mall to College Trail | | | | ST | \$ 470,000 |
| 167 | FP Replace Lighting with LED at Suggs Park | | | | ST | \$ 320,000 |
| 21 | PED MacLean Sidewalk Replacement | | | | ST | \$ 140,000 |
| 148 | FG Additional Parking Paving | | | | ST | \$ 120,000 |
| 18 | PED Jasmine Pocket Park Trail | | | | ST | \$ 120,000 |
| 165 | FP New Concession at Suggs Field | | | | ST | \$ 110,000 |
| 157 | FP Boat Ramp / Pier at Wilderness Park | | | | ST | \$ 90,000 |
| 1622 | FP Suggs Park - Bleacher Replacement | | | | ST | \$ 30,000 |

| DEBT ISSUANCE TIMELINE | FY 18-19 | FY 19-20 | FY 20-21 | Future |
|--|----------------------|---------------------|----------------------|----------------------|
| FUNDING SOURCE GO | \$ 9,000,000 | | \$ 6,250,000 | \$ 18,750,000 |
| FUNDING SOURCE GP | \$ 791,900 | \$ 1,000,000 | \$ 1,000,000 | |
| FUNDING SOURCE ST | | \$ 1,000,000 | \$ 1,000,000 | \$ 6,000,000 |
| General Project Fund | GP \$ 763,000 | GP \$ 1,259,500 | GP \$ 1,291,500 | GP \$ 3,440,000 |
| General Obligation Funds | GO \$ 9,000,000 | GO \$ - | GO \$ 9,300,000 | GO \$ 76,375,000 |
| Certificates of Obligation | CO \$ - | CO \$ - | CO \$ - | CO \$ - |
| Economic Development (Half Cent Sales Tax) | ST \$ 560,000 | ST \$ 1,864,000 | ST \$ 1,324,000 | ST \$ 12,292,000 |
| Other | OT \$ - | OT \$ - | OT \$ - | OT \$ - |
| Total Project Costs | \$ 10,323,000 | \$ 3,123,500 | \$ 11,915,500 | \$ 92,107,000 |

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|---------------|-------------------------|-----------|
| 121 SD | Downtown Phase 4 | GO |
|---------------|-------------------------|-----------|

| | |
|-----------------------|---------------|
| Project Type | Streets |
| Strategic Plan | Enable Growth |

| | Prior Year | Projected | | | | | Total |
|-----------|------------|-----------|----------|----------|----------|----------|-----------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 600,000 | 500,000 | | | | | 1,100,000 |
| Construct | | 8,500,000 | | | | | 8,500,000 |
| Other | 300,000 | | | | | | 300,000 |

Description :
 Package of downtown streets consisting of the following:
 That Way 4,300,000
 Circle Way 3,000,000
 North Parking Place 2,300,000
 Complete S. Parking PI 300,000



| Estimated Project Cost: | | <u>Original</u> | <u>Revised</u> |
|--------------------------------|--|-----------------|------------------|
| Design | | | 1,100,000 |
| Construct | | | 8,500,000 |
| Other | | | <u>0</u> |
| Total | | <u>0</u> | <u>9,600,000</u> |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 222.8 | Increase | 1.24 |
| Current CCI | 277.35 | | |

Assigned: Assistant City Manager

Funding: General Obligation Bond

Justification

| Supplemental Information: | | <u>FY 09-10</u> | | <u>Revised</u> | |
|----------------------------------|--------|-----------------|-------------------|---------------------|--------------|
| Construction | 2,525 | \$ 2,140.00 | \$ 5,403,500 | \$ 6,730,000 | \$ 7,770,000 |
| Construction Admin | 24 | \$ 12,500.00 | \$ 270,000 | \$ 300,000 | |
| Construction Oversight | 24 | \$ 25,000.00 | \$ 250,000 | \$ 600,000 | |
| Materials Testing | 2.00% | | \$ 108,070 | \$ 140,000 | |
| Survey | 0.50% | | \$ 27,018 | \$ 40,000 | |
| Contingency | 10.00% | | \$ 540,350 | \$ 680,000 | |
| Bid Phase Advertisement | 1.00% | | \$ 54,035 | \$ 70,000 | |
| Engineering | 15.00% | | <u>\$ 810,525</u> | <u>\$ 1,010,000</u> | |
| | | | \$ 7,463,498 | \$ 9,600,000 | |

Impact of capital investment on operating budget: \$30,000

Estimated Useful Life of Capital Investment: 35 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|----------------|--|-----------|
| 1806 DR | Northwood Drainage Improvements | GP |
|----------------|--|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Drainage |
| Strategic Plan | Enhance Quality of Life |

| Financial Plan | | | | | | | |
|----------------|-------------|-----------|----------|----------|----------|----------|--------|
| | Prior Years | Projected | | | | | Total |
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Debt | No | | | | | | |
| Design | 0 | | | | | | |
| Construct | 0 | 81,000 | | | | | 81,000 |
| Other | 0 | | | | | | |

Description :
 Proposed flood protection berm for existing Northwood development. Construct 1,500 lf of 12' top x 24' bottom x 2' high compacted earthen clay trapezoidal berm to Elevation 18. Length of run to extend from north limits of developed section 2 and around the northern rim of the Northwood detention lake to the north limit of developed section 3. Install additional flow check valve controlled discharge pipe at the current lake cut with emergency pump station pad at location.



| <u>Estimated Project Cost:</u> | <u>Original</u> | <u>Revised</u> |
|--------------------------------|-----------------|----------------|
| Design | | 0 |
| Construct | 81,000 | 81,000 |
| Other | | 0 |
| Total | 81,000 | 81,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: City Engineer

Funding: General Projects Fund

Justification

Supplemental Information:

| <u>Description</u> | <u>Quantity</u> | <u>Unit Price</u> | <u>Subtotal</u> |
|----------------------------|-----------------|-------------------|-----------------|
| Clear & Grub 24' wide (lf) | 1,500 | 5 | 7,500 |
| Clay fill embankment (cy) | 3,400 | 13 | 44,200 |
| 24" pipe (lf) | 40 | 100 | 4,000 |
| 24"duckbill valve | 1 | 12,000 | 12,000 |
| mobilization | 1 | 5,000 | 5,000 |
| contingency | 1 | 8,000 | <u>8,000</u> |
| | | | \$ 81,000 |

Impact of capital investment on operating budget: No Impact

Estimated Useful Life of Capital Investment: 30 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|----------------|--|-----------|
| 1804 SR | School Zone Communication Upgrade | ST |
|----------------|--|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Streets |
| Strategic Plan | Maintain Infrastructure |

| Financial Plan | | | | | | | |
|----------------|-------------|-----------|----------|----------|----------|----------|-------|
| | Prior Years | Projected | | | | | Total |
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Debt | No | | | | | | |
| Design | 0 | | | | | | |
| Construct | 0 | 80,000 | | | | | |
| Other | 0 | | | | | | |

Description :
 Upgrade existing school zone communication with the latest version of our system. The upgrade will entail replacing antenna system with cell modem technology. Upgrade to DC Guardian Board with wiring harness and large panel, includes a five year plan with Modem. Control Center will be a Google Map system on a touch screen at locations. This is a 41 Unit system covering 11 separate zones.



| <u>Estimated Project Cost:</u> | <u>Original</u> | <u>Revised</u> |
|--------------------------------|-----------------|----------------|
| Design | | 0 |
| Construct | 80,000 | 80,000 |
| Other | | 0 |
| Total | 80,000 | 80,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: Public Works Director

Funding: General Projects Fund

Justification
 The School Zone communication system has not been upgraded since it's initial installation. This is an upgrade to an existing system not a replacement.

Supplemental Information:

Impact of capital investment on operating budget: No Impact

Estimated Useful Life of Capital Investment: 10 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|-------------|-------------------------|-----------|
| 1 OT | Transit Annually | GP |
|-------------|-------------------------|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Other |
| Strategic Plan | Enhance Quality of Life |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|----------|----------|----------|----------|---------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | | | | | | | |
| Construct | 0 | | | | | | |
| Other | 260,000 | 75,000 | 110,000 | 155,000 | 155,000 | 155,000 | 910,000 |

Description :
 Annual transit share for fixed bus route service in city. Service is provided by Connect Transit and is primarily funded by Federal Transportation grant dollars allotted to our region. The fixed route links the cities of Angleton, Lake Jackson, Clute and Freeport and provides services to key areas such as hospitals, county offices, college and shopping centers. Staff recommends expanding service in FY 2018 to include bi-directional service to the fixed routes. The increase in the first year represents 9 months of expanded service.



| Estimated Project Cost: | <u>Original</u> | <u>Revised</u> |
|--------------------------------|-----------------|----------------|
| Design | | 0 |
| Construct | | 0 |
| Other | 50,000 | 50,000 |
| Total | <u>50,000</u> | <u>50,000</u> |

| | | |
|-------------|--------|----------|
| Base CCI | 278.67 | Increase |
| Current CCI | 278.67 | |

Assigned: City Manager

Funding: General Projects Fund

Justification

Supplemental Information:

| | |
|---|-----|
| Impact of capital investment on operating budget: | N/A |
| Estimated Useful Life of Capital Investment: | N/A |

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|---------------|-------------------------------|-----------|
| 117 SR | Oyster Bend S/D Bridge | GP |
|---------------|-------------------------------|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Streets |
| Strategic Plan | Maintain Infrastructure |

| | Prior Year | Projected | | | | | Total |
|-----------|------------|-----------|----------|----------|----------|----------|---------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | 280,000 | 70,000 | | | | | 350,000 |
| Other | 0 | | | | | | |

Description :
 This is the City's commitment to fund 50% of the bridge cost to the Oyster Bend Subdivision through the CIP beginning in FY 2015. Our funding commitment is \$70,000 annually for five years (last year FY 18-19). The remaining bridge cost will be reimbursed through the 380 Agreement and the sharing of increased tax revenue for the subdivision.



| | | |
|--------------------------------|-----------------|----------------|
| Estimated Project Cost: | <u>Original</u> | <u>Revised</u> |
| Design | | 0 |
| Construct | 70,000 | 70,000 |
| Other | | <u>0</u> |
| Total | <u>70,000</u> | <u>70,000</u> |

| | | | |
|-------------|-------|----------|------|
| Base CCI | 249.5 | Increase | 1.00 |
| Current CCI | 249.5 | | |
| Submitted | 2014 | | |

Assigned: Assistant City Manager

Funding: General Projects Fund

Justification

Supplemental Information:

Years 1 - 4 paid.

Impact of capital investment on operating budget: No Impact

Estimated Useful Life of Capital Investment: 50 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|----------------|---------------------|-----------|
| 1602 DR | Slope Paving | GP |
|----------------|---------------------|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Drainage |
| Strategic Plan | Maintain Infrastructure |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|----------|----------|----------|----------|---------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | 0 |
| Construct | 0 | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 | 350,000 |
| Other | 0 | | | | | | 0 |

Description :
 The proposed project will pave ditches throuout the City to improve drainage.



| <u>Estimated Project Cost:</u> | | <u>Original</u> | <u>Revised</u> |
|--------------------------------|--------|-----------------|----------------|
| Design | | - | 0 |
| Construct | | 70,000 | 76,000 |
| Other | | - | 0 |
| Total | | 0 | 76,000 |
| Base CCI | 259.7 | Increase | 1.07 |
| Current CCI | 278.67 | | |

Assigned: Public Works Director

Funding: General Projects Fund

Justification

Supplemental Information:

Impact of capital investment on operating budget: No Impact

Estimated Useful Life of Capital Investment: 30 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|--------------|---|-----------|
| 230 F | Replace Fire Bunker Gear & Air Packs | GP |
|--------------|---|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Other |
| Strategic Plan | Maintain Infrastructure |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|----------|----------|----------|----------|---------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | 0 | | | | | | |
| Other | 230,000 | 65,000 | 65,000 | 38,000 | 38,000 | 38,000 | 474,000 |

Description :
 Replace aging personal protective equipment which includes fire bunker gear and air packs. Propose to replace 10 bunker gear and 5 air packs each year.



| | | |
|--------------------------------|-----------------|----------------|
| Estimated Project Cost: | <u>Original</u> | <u>Revised</u> |
| Design | | 0 |
| Construct | | 0 |
| Other | 475,000 | 540,000 |
| Total | 475,000 | 540,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 249.5 | Increase | 1.12 |
| Current CCI | 278.67 | | |
| Submit Date | 2014 | | |

Assigned: Fire Marshal

Funding: General Projects Fund

Justification

Supplemental Information:
 Fire Bunker Gear (50) at \$2,500 ea.; Air Packs (50) at \$7,000 ea.

Impact of capital investment on operating budget: No Impact

Estimated Useful Life of Capital Investment: Bunker Gear 10 Years / Air Packs 12 - 15 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|----------------|-----------------------------------|-----------|
| 1702 OT | Buxton Retail Market Study | GP |
|----------------|-----------------------------------|-----------|

| | |
|-----------------------|---------------|
| Project Type | Other |
| Strategic Plan | Enable Growth |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|----------|----------|----------|----------|-------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | 0 | | | | | | |
| Other | 60,000 | 50,000 | 50,000 | | | | |

Description :

Retail market study consisting of the following steps: define our current retail situation; evaluate our local trade area; profile our trade area's residential and visitor customers; match retailers and restaurants to our market's potential; ; create marketing packages. Year 2 and Year 3 deliverables include a Retail Recruitment model refresh, up to twenty (20) retail marketing packages, and full SCOUT and SCOUT Touch Access.



| Estimated Project Cost: | | Original | Revised |
|--------------------------------|--|-----------------|----------------|
| Design | | | 0 |
| Construct | | | 0 |
| Other | | 160,000 | 160,000 |
| Total | | 160,000 | 160,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: City Manager

Funding: General Projects Fund

Justification

Recommended by the Lake Jackson Development Corporation.

Supplemental Information:

Buxton will assemble individualized marketing packages for up to twenty (20) targeted retailers and will notify each retailer's key real estate decision maker, by letter that they have been qualified by Buxton as a potential viable fit for your site and should expect to be contacted by a representative of the city. Marketing packages will be delivered in SCOUT and include: 1) Map of the retail site and trade area; 2) Map of retailer's potential customers; 3) Retailer match report that compares the site's trade area characteristics and consumer profile with the retailer's sites in similar trade areas.

Impact of capital investment on operating budget: N/A

Estimated Useful Life of Capital Investment: N/A

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|---------------|-------------------------|-----------|
| 1607 F | Records Scanning | GP |
|---------------|-------------------------|-----------|

| | |
|-----------------------|-------------------|
| Project Type | Other |
| Strategic Plan | Well Managed City |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|----------|----------|----------|----------|-------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | 0 | | | | | | |
| Other | 50,000 | 50,000 | 50,000 | | | | |

Description :
 Scan all engineering paper files for permanent records, approximately 203,000 pages; scan all inactive personnel files for permanent records, approximately 130,000 pages; and scan all permit files for permanent records, approximately 107,000 pages.



| <u>Estimated Project Cost:</u> | <u>Original</u> | <u>Revised</u> |
|--------------------------------|-----------------|----------------|
| Design | | 0 |
| Construct | - | 0 |
| Other | 135,000 | 145,000 |
| Total | 135,000 | 145,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 259.7 | Increase | 1.07 |
| Current CCI | 278.67 | | |

Assigned: City Secretary

Funding: General Projects Fund

Justification

There are over 70 years of construction files, permit files and personnel files. The filing cabinets have overflowed and the data needs to be moved to another location. The scanning of these permanent files would preserve them digitally and make them readily accessible. The hard copies would then be stored off-site.

Supplemental Information:

| | <u>Scanning</u> | <u>Indexing</u> | <u>Large Files</u> | <u>Pages</u> | <u>Cost</u> |
|-------------|-----------------|-----------------|--------------------|--------------|-----------------|
| Engineering | 25,000 | | 25,000 | 203,000 | \$50,000 |
| Personnel | 10,000 | | | 130,000 | \$10,000 |
| Permits | 13,000 | 62,000 | | 107,000 | <u>\$75,000</u> |
| | | | | | \$135,000 |

Impact of capital investment on operating budget: N/A

Estimated Useful Life of Capital Investment: N/A

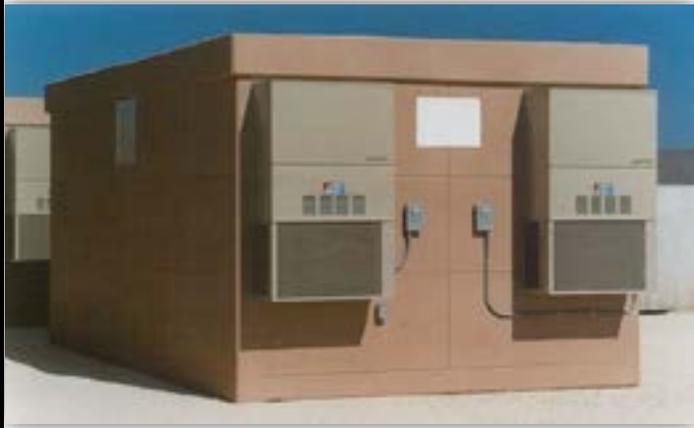
GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|---------------|---|-----------|
| 1801 F | New AC for IT/911 Equipment Room | GP |
|---------------|---|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Facility |
| Strategic Plan | Maintain Infrastructure |

| Financial Plan | | | | | | | |
|----------------|-------------|-----------|----------|----------|----------|----------|--------|
| | Prior Years | Projected | | | | | Total |
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Debt | No | | | | | | |
| Design | 0 | | | | | | |
| Construct | 0 | 50,000 | | | | | 50,000 |
| Other | 0 | | | | | | |

Description :
 Replace (2) 2-ton with (2) 6-ton AC units for upgrading air conditioning for PD/City/EOC IT-Equipment room. When it gets hot we cannot keep the room below 68 degrees, it may stay at 82 degrees during the summer. The two 2-ton ac's would remain as backup.



| Estimated Project Cost: | Original | Revised |
|--------------------------------|---------------|---------------|
| Design | | 0 |
| Construct | 41,000 | 41,000 |
| Other | 9,000 | 9,000 |
| Total | 50,000 | 50,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: Police Chief

Funding: General Projects Fund

Justification
 With the addition of police and city servers/network equipment, and the expansion of the radio system in 2015 and the UPS devices needed to support this equipment, the air conditioning capacity of the PD 911 room has been overtaxed, and is no longer able to keep the space at recommended temperature. Note that the air conditioning in the room was spec'ed for radio/911/EOC equipment that was installed in 2010, and was originally purchased via grant funding.

Supplemental Information:
 This installation could also be funded as an IT project, but was placed in Capital due to cost.

| | |
|--|----------|
| Impact of capital investment on operating budget: | \$1,500 |
| Estimated Useful Life of Capital Investment: | 10 Years |

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|-------------|-------------------------------------|-----------|
| 15 F | Air Conditioning Replacement | GP |
|-------------|-------------------------------------|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Facility |
| Strategic Plan | Maintain Infrastructure |

| | Prior Year | Projected | | | | | Total |
|-----------|------------|-----------|----------|----------|----------|----------|---------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | 122,000 | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 | 347,000 |
| Other | 0 | | | | | | |

Description :
 The City has historically replaced two to three units per year. This past fiscal year repairs were made to units over City Hall.



| | | |
|--------------------------------|-----------------|----------------|
| Estimated Project Cost: | <u>Original</u> | <u>Revised</u> |
| Design | | |
| Construct | 45,000 | 50,000 |
| Other | | |
| Total | 45,000 | 50,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 259.7 | Increase | 1.07 |
| Current CCI | 278.67 | | |

Assigned: Assistant City Manager

Funding: General Projects Fund

Justification

Supplemental Information:

Impact of capital investment on operating budget: N/A

Estimated Useful Life of Capital Investment: 10 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|----------------|-----------------------------------|-----------|
| 1808 DR | Stream Monitoring Stations | GP |
|----------------|-----------------------------------|-----------|

| | | | | | | | |
|-----------------------|-------------------------|------------------|-----------------|-----------------|-----------------|-----------------|--------------|
| Project Type | Drainage | | | | | | |
| Strategic Plan | Enhance Quality of Life | | | | | | |
| Financial Plan | | | | | | | |
| | Prior Years | Projected | | | | | Total |
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Debt | No | | | | | | |
| Design | 0 | | | | | | |
| Construct | 0 | 40,000 | 40,000 | 25,000 | 40,000 | 25,000 | |
| Other | 0 | | | | | | |

Description :
Install stream monitoring stations to gauge water levels at 5 separate locations along Bastrop Bayou and Oyster Creek.



| Estimated Project Cost: | <u>Original</u> | <u>Revised</u> |
|--------------------------------|-----------------|----------------|
| Design | | 0 |
| Construct | | 0 |
| Other | | 0 |
| Total | 0 | 0 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: City Engineer

Funding: General Projects Fund

Justification
Provide accurate and timely stream information during a storm event and information that can be used in future study of flood mitigation projects in the norther portion of the City.

Supplemental Information:

| | | | | |
|---------------------------------------|---------------|---|---------|------------|
| Water Level & Flow Monitoring Station | Bastrop Bayou | @ | CR 288 | \$ 40,000 |
| Water Level & Flow Monitoring Station | Oyster Creek | @ | CR 288 | \$ 40,000 |
| Water Level Monitoring Station | Bastrop Bayou | @ | SH 288 | \$ 25,000 |
| Water Level & Flow Monitoring Station | Brazos River | @ | FM 2004 | \$ 40,000 |
| Water Level Monitoring Station | Oyster Creek | @ | FM 2004 | \$ 25,000 |
| | | | | \$ 170,000 |

Impact of capital investment on operating budget: No Impact

Estimated Useful Life of Capital Investment: 20 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|--------------|--------------------------------|-----------|
| 2 PED | Annual Sidewalk Repairs | GP |
|--------------|--------------------------------|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Sidewalks |
| Strategic Plan | Maintain Infrastructure |

| | Prior Year | Projected | | | | | Total |
|-----------|------------|-----------|----------|----------|----------|----------|---------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 175,000 |
| Other | 0 | | | | | | |

Description :
 Annual allotment of \$35,000 to repair sidewalks on public property. This project does not include sidewalks on homeowner property which is the responsibility of the homeowner.



| | | |
|--------------------------------|-----------------|----------------|
| Estimated Project Cost: | <u>Original</u> | <u>Revised</u> |
| Design | | 0 |
| Construct | 35,000 | 40,000 |
| Other | | <u>0</u> |
| Total | <u>35,000</u> | <u>40,000</u> |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 249.5 | Increase | 1.12 |
| Current CCI | 278.67 | | |
| Submitted | 2014 | | |

Assigned: Assistant City Manager

Funding: General Projects Fund

Justification
 Numerous repairs of public owned sidewalks are in need of repair.

Supplemental Information:

Impact of capital investment on operating budget: No Impact

Estimated Useful Life of Capital Investment: 15 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|--------------|---|-----------|
| 42 SC | Traffic Signal Priority Control System | GP |
|--------------|---|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Streets |
| Strategic Plan | Enhance Quality of Life |

| | Prior Year | Projected | | | | | Total |
|-----------|------------|-----------|----------|----------|----------|----------|---------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | 50,500 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 110,000 |
| Other | 0 | | | | | | |

Description :
 Opticom system allows emergency vehicles equipped with a GPS signal to give emergency vehicles a priority green signal at intersections. **FY 18-19 recommended intersection are: Oyster Creek Drive at Yaupon and Oyster Creek Drive at Dixie.**



| Estimated Project Cost: | | Original | Revised |
|--------------------------------|-----------|-----------------|----------------|
| Design | | | 0 |
| Intersection | Unit Cost | 9,000 | 9,000 |
| Vehicle | Unit Cost | 4,000 | 4,000 |
| Total | | 13,000 | 13,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: Fire Marshal

Funding: General Projects Fund

Justification
 Increased traffic flow at rush hour can cause erratic behavior. Police, Fire and EMS must still respond quickly and safely through intersections during emergencies and by giving priority at intersections to emergency vehicles this will help with response times and overall safety at intersections. Lake Jackson PD vehicles have been struck twice at a lighted intersection in the last 5 years while responding to calls.

Supplemental Information:
 By the end of FY 2017-18 ten of twenty-six intersections will have the Opticom system installed. The cost per intersection is approximaetly \$9,000. The extra \$4,000 budgeted is for adding an emitter to one of the fire trucks. Emitters for parol units are funded through the equipment replacement fund when the vehicle is scheduled to be replaced.

Impact of capital investment on operating budget: No Impact

Estimated Useful Life of Capital Investment: 20 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|-------------|------------------------------------|-----------|
| 2 OT | Demo of Condemned Buildings | GP |
|-------------|------------------------------------|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Drainage |
| Strategic Plan | Maintain Infrastructure |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|----------|----------|----------|----------|---------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | 0 | | | | | | |
| Other | | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 100,000 |

Description :
 Appropriation for condemnations that may occur where property owners fail to demolish structure as ordered. Costs incurred by the city are assessed to the owner and a lien placed against the property. Residential structures are around \$5,000 each.



| | | |
|--------------------------------|-----------------|----------------|
| Estimated Project Cost: | <u>Original</u> | <u>Revised</u> |
| Design | 0 | 0 |
| Construct | 0 | 0 |
| Other | 20,000 | 23,000 |
| Total | 20,000 | 23,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 249.5 | Increase | 1.12 |
| Current CCI | 278.67 | | |

Assigned: Public Works Director

Funding: General Projects Fund

Justification

Supplemental Information:

Impact of capital investment on operating budget: No Impact

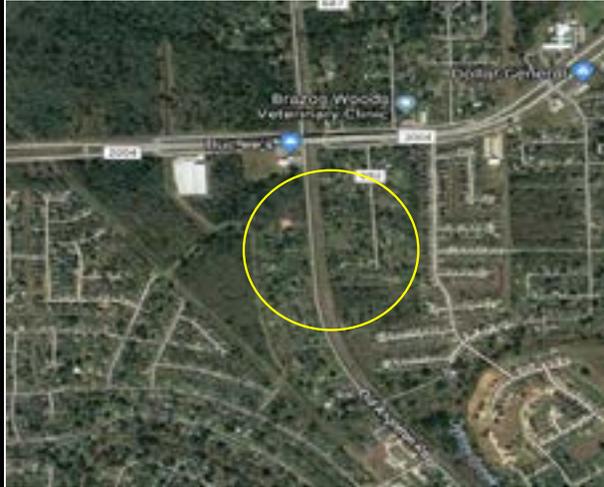
Estimated Useful Life of Capital Investment: N/A

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|----------------|----------------------------------|-----------|
| 1807 DR | Old Angleton Drainage Pad | GP |
|----------------|----------------------------------|-----------|

| | | | | | | |
|-----------------------|-------------------------|------------------|-----------------|-----------------|-----------------|-----------------|
| Project Type | Drainage | | | | | |
| Strategic Plan | Enhance Quality of Life | | | | | |
| Financial Plan | | | | | | |
| | Prior Years | Projected | | | | Total |
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 |
| Debt | No | | | | | |
| Design | 0 | | | | | |
| Construct | 0 | 10,000 | | | | 81,000 |
| Other | 0 | | | | | |

Description :
 Construct drainage pad and culvert under Old Angleton Road to improve pumping capacity during a storm event. Storm water would be pumped across Old Angleton Road to Oyster Creek via the Ross Switch Ditch.



| Estimated Project Cost: | Original | Revised |
|-------------------------|----------|---------|
| Design | | 0 |
| Construct | 10,000 | 10,000 |
| Other | | 0 |
| Total | 10,000 | 10,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: Public Works Director

Funding: General Projects Fund

Justification

Supplemental Information:

Impact of capital investment on operating budget: No Impact

Estimated Useful Life of Capital Investment: 30 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|---------------|-----------------|-----------|
| 252 FP | Dog Park | GP |
|---------------|-----------------|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Facility |
| Strategic Plan | Enhance Quality of Life |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|----------|----------|----------|----------|---------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 60,000 | | | | | | 60,000 |
| Construct | 200,000 | 380,000 | | | | | 380,000 |
| Donations | 85,000 | | | | | | 85,000 |

Description :

Construct a dog park that includes a separate large and small dog area and a number of park elements such as benches, paths, shade structures, water features, drinking fountains, etc.



| <u>Estimated Project Cost:</u> | <u>Original</u> | <u>Revised</u> |
|--------------------------------|-----------------|----------------|
| Design | 60,000 | 60,000 |
| Construct | 665,000 | 665,000 |
| Other | | 0 |
| Total | 725,000 | 725,000 |
| Base CCI | 278.67 | Increase |
| Current CCI | 278.67 | 1.00 |

Assigned: Parks & Recreation Director

Funding: General Obligation Bond

Justification

There is a need for a quality dog park facility in Lake Jackson. Many citizens do not have a safe area to allow their dogs to be off leash. If the best location for the Dog Park is confirmed to be behind the Recreation Center, the skatepark would need to be relocated to another location in the near future (238 FP).

Supplemental Information:

| | |
|--|---------|
| Demolition and Site Prep | 25,000 |
| Grading and Drainage | 116,000 |
| Hardscape | 111,000 |
| Dog Spray Ground (includes electrical) | 115,000 |
| Pavilions | 51,000 |
| Fence | 75,000 |
| Irrigation / Water Supply | 3,000 |
| Planting | 24,000 |
| Site Furnishings | 30,000 |
| Electric | 27,000 |

Impact of capital investment on operating budget: \$15,000

Estimated Useful Life of Capital Investment: 20 Years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|---------------|------------------------------------|-----------|
| 147 FG | Dredging of Irrigation Lake | ST |
|---------------|------------------------------------|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Fac-Golf |
| Strategic Plan | Maintain Infrastructure |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|----------|----------|----------|----------|-------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | 75,000 | 65,000 | 75,000 | | | | |
| Other | 0 | | | | | | |

Description :
 Dredge Main Irrigation Lake (Lake between Holes No. 1 & 2), and connector Lake #18, approximately two (2) acres in area. Remove silt and re-establish the original holding capacity for irrigation water, as well as seasonal rain water. This will help to improve the overall quality of the lake and irrigation system. **Additionally, the spoils could help create a new Driving Range expansion of the tee line in an effort to minimize disruption and enhance better uniformity of turfgrass for the patron during their practice session.**



| Estimated Project Cost: | | Original | Revised |
|--------------------------------|--------|-----------------|----------------|
| Design | | | 0 |
| Construct | | 69,500 | 73,000 |
| Other | | | |
| Total | | 69,500 | 73,000 |
| Base CCI | 265.33 | Increase | 1.05 |
| Current CCI | 278.67 | | |

Assigned: Finance Director

Funding: Half-Cent Sales Tax Fund

Justification
 Proposed by the The Wilderness GC maintenance staff to help with improvement of overall water quality around the golf course and will additionally serve to increase the holding capacity of the lake during large rain events. If the matter is not addressed, this could potentially cause premature failure of the irrigation and dewatering system resulting in loss of play/revenue and repairs to exceed \$250,000.

Supplemental Information:
 Improve quality and holding capacity of irrigation water, while enhancing overall aesthetics of golf course and clubhouse view.

Impact of capital investment on operating budget: No Impact
Estimated Useful Life of Capital Investment: 10 years

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|---------------|--------------------------------------|-----------|
| 238 FP | New Skatepark at MacLean Park | ST |
|---------------|--------------------------------------|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Facility |
| Strategic Plan | Maintain Infrastructure |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|----------|----------|----------|----------|-------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | 40,000 | | | | | |
| Construct | 0 | | 425,000 | | | | |
| Repairs | 0 | 10,000 | | | | | |

Description :
 Replace the portable skatepark elements with a larger (poured in place) park that would meet the needs of the local youth. Temporary repairs to the current skatepark are proposed until construction can begin on new skate park.



| Estimated Project Cost: | Original | Revised |
|--------------------------------|----------------|----------------|
| Design | 25,000 | 30,000 |
| Construct | 425,000 | 425,000 |
| Other | | <u>0</u> |
| Total | <u>450,000</u> | <u>455,000</u> |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: Parks & Recreation Director

Funding: Half-Cent Sales Tax Fund

Justification

The current park is small and uses portable elements. The elements are showing their age and our long-term goal should be to replace the current configuration with a modern skate area.



GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|----------------|---|-----------|
| 1803 FG | ConVault Fuel Containment System | ST |
|----------------|---|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Fac-Golf |
| Strategic Plan | Maintain Infrastructure |

| Financial Plan | | | | | | | |
|----------------|-------------|-----------|----------|----------|----------|----------|-------|
| | Prior Years | Projected | | | | | Total |
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Debt | No | | | | | | |
| Design | 0 | | | | | | |
| Construct | 0 | 40,000 | | | | | |
| Other | 0 | | | | | | |

Description :
New ConVault Fuel Containment System for the Wilderness Golf Course



| Estimated Project Cost: | Original | Revised |
|--------------------------------|---------------|---------------|
| Design | | |
| Construct | | 0 |
| Other | 40,000 | 40,000 |
| Total | 40,000 | 40,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: Assistant City Manager

Funding: Half-Cent Optional Sales Tax

Justification

After 15 years of being subjected to the environmental conditions, the current ConVault is beginning to fatigue. There are several large cracks in the concrete housing, as well as blistered piping. Due to its proximity of open drainage and access to the lake interconnectors, it is the recommendation of The Wilderness GC staff that it be replaced before any catastrophic environmental issues arise.

Supplemental Information:

| | |
|--|-----------|
| Impact of capital investment on operating budget: | No Impact |
| Estimated Useful Life of Capital Investment: | 15 Years |

GENERAL PROJECT FUND CIP PROJECT DETAILS

| | | |
|----------------|---|-----------|
| 1707 FG | Water Well Repairs for Recharging Irrigation Lakes | ST |
|----------------|---|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Fac-Golf |
| Strategic Plan | Maintain Infrastructure |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|----------|----------|----------|----------|-------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | 25,000 | 25,000 | 25,000 | | | | |
| Other | 0 | | | | | | |

Description :
 Repair or replace three (3) water well pumps that are used to recharge the irrigation lakes in the event of a drought. Additionally they are necessary to maintain adequate lake levels to support both fish and wildlife, as per Audubon International Sanctuary standards.



| Estimated Project Cost: | | Original | Revised |
|--------------------------------|--------|---------------|---------------|
| Design | | | 0 |
| Construct | | 17,250 | 19,000 |
| Other | | | <u>0</u> |
| Total | | <u>17,250</u> | <u>19,000</u> |
| Base CCI | 266.25 | Increase | 1.05 |
| Current CCI | 278.67 | | |

Assigned: Finance Director

Funding: Half-Cent Sales Tax Fund

Justification
 The three (3) wells have deteriorated, leaving one (1) permanently offline, because of the harsh environmental conditions that they have been subjected to over the past 15 years. The current status of the units have also been recognized by the Brazoria Groundwater District as being out of compliance, due to the lack of flow meters and no working gauges on the wells themselves.

Supplemental Information:

| | |
|--|-----------|
| Impact of capital investment on operating budget: | No Impact |
| Estimated Useful Life of Capital Investment: | 10 Years |

UTILITY PROJECT FUND

Utility Projects provides funding for a wide variety of water and sewer projects. These major projects are significant in cost but less than the amount requiring a bond issue. The sources of revenue in this fund are transfers from the Utility Fund and interest income and in rare cases from the General Fund. It is the policy of the City to transfer positive budget variances in the Utility Fund to the Utility Projects Fund, once the minimum Utility Fund balance is achieved.

A fund balance of \$500,000 is the regular goal for this fund. Based on our FY 2017-18 budget the balance available will be \$1,291,900. At the April 23rd, 2018 capital projects workshop City Council proposed an allocation of \$420,000 for an project(s) from the fund in 2018-2019. The balance would be held to respond to emergency repairs. The Council also discussed issuing a series of revenue bonds over the next 5 years to address the backlog of utility projects.

In late 2016 we sold \$3.0 million in revenue bonds. This was dedicated to extending sewer to the Airport/Alden area. In 2017 another \$5.0 million in revenue bonds will be sold for various utility projects. Then in 2019 another \$5.0 million would be sold to add a new water tower, and drill a new water well at the airport pump station. The new rate structure has generated enough revenue to allow a year-end transfer of \$250,000 to this fund in FY 2018-2019.

UTILITY PROJECTS FUND

Vision Process

One of the FY2006-07 goals set by City Council was to:

Reorganize the C.I.P. Document

- Break into Maintenance and Capital
- Prioritize Items
- Modify Timelines (1 yr, 3-5, 5-10, 10+)

This goal was under the objective to “Reorganize CIP document to better prioritize projects”. This was under the Vision Element to “Maintain Infrastructure”.

This goal was accomplished in large part as the result of an April 9, 2007 C.I.P. Workshop with City Council. Working with staff, City Council rated and prioritized projects in two areas; “Capital” and “Maintenance Projects”. Those were then combined into one set of priorities. Then based on their rating, projects were placed in categories of 1-3 years, 3-5 years, 6-10 years, and “future bond issues.” In April of 2017, City Council held its 11th annual C.I.P. Workshop to continue the efforts of its visioning process.

IMPACT ON OPERATING BUDGET

There is \$120,000 of projects proposed for FY18-19 from this fund. The balance is being held to respond to emergency repairs if needed. The new utility fee rate structure has generated enough revenues to allow us to resume year end transfers to this fund.

UTILITY PROJECT FUND ANTICIPATED CASH FLOW

| RESOURCES | ACTUAL 2014 - 15 | ACTUAL 2015 -16 | ACTUAL 2016-17 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
|-------------------------------------|-----------------------------|----------------------------|---------------------------------|-------------------------------|----------------------------|
| Cash Balance | \$ 890,484 | \$ 622,195 | \$ 1,495,141 | \$ 1,370,968 | \$ 1,491,718 |
| Revenues | | | | | |
| Interest Income | 1,257 | 2,030 | 2,593 | 8,000 | 8,000 |
| Transfer from Utility Fund | - | 150,000 | 375,000 | 800,000 | 250,000 |
| Transfer from General Fund | 100,000 | 750,000 | - | - | |
| Contributions & Donations | - | - | - | - | |
| Misc. Income | - | - | - | - | |
| Total Revenues | <u>101,257</u> | <u>902,030</u> | <u>377,593</u> | <u>808,000</u> | <u>258,000</u> |
| Total Resources | <u>\$ 991,741</u> | <u>\$ 1,524,225</u> | <u>\$ 1,872,734</u> | <u>\$ 2,178,968</u> | <u>\$ 1,749,718</u> |
| EXPENDITURES | | | | | |
| | ACTUAL 2014 - 15 | ACTUAL 2015 -16 | ACTUAL # 2016-17 | ESTIMATED 2017 -18 | ADOPTED 2018-19 |
| Previously Approved Projects | \$ 369,546 | \$ 29,084 | \$ 501,766 | 687,250 | |
| Additional Proposed Projects | | | | | 120,000 |
| Total Expenditures | <u>369,546</u> | <u>29,084</u> | <u>501,766</u> | <u>687,250</u> | <u>120,000</u> |
| Ending Cash Balance | <u>\$ 622,195</u> | <u>\$ 1,495,141</u> | <u>1,370,968</u> | <u>1,491,718</u> | <u>1,629,718</u> |

UTILITY PROJECT FUND PROJECT HISTORY

EXPENDITURES

Completed Projects

WATER PROJECTS:

| | YEAR | BUDGET | | ACTUAL | ACTUAL | ACTUAL | ESTIMATED | ADOPTED | PROJECT | |
|--------------------------------------|-------|-----------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| | | APPROVED | BUDGET | | | | | | | PRIOR YEARS |
| Meter Replacement Program | 02-18 | \$ | 931,000 | \$845,176 | | | \$120,000 | \$120,000 | \$ 1,085,176 | |
| Dow Tower 10" Water Main Replace | 17-18 | \$ | 300,000 | | | | \$300,000 | | 300,000 | |
| Beechwood Chemical Storage | 17-18 | \$ | 180,000 | | | | \$180,000 | | 180,000 | |
| Scada Radio | 14-15 | | 95,000 | | 132,413 | | | | 132,413 | |
| Copper treatment | 14-15 | | 82,000 | | 53,750 | | | | 53,750 | |
| Chlorine Addition | 14-15 | | 55,000 | | 43,574 | | | | 43,574 | |
| Ground Storage Level Transmitters | 14-15 | | 50,000 | | 34,770 | | | | 34,770 | |
| Ground Storage Tank Access | 14-15 | | 25,000 | | 19,080 | | | | 19,080 | |
| Beechwood Elevat Tank Rehabilitation | 15-16 | | 750,000 | | | 29,084 | 489,016 | | 518,100 | |
| Total Water Projects | | \$ | 2,468,000 | \$845,176 | \$283,587 | \$ 29,084 | \$489,016 | \$600,000 | \$120,000 | \$ 2,366,862 |

SEWER PROJECTS:

| | | | | | | | | | | |
|---------------------------------|-------|-----------|----------------|-------------|------------------|-------------|------------------|------------------|-------------|-------------------|
| Huisache Emergency Sewer Repair | 14-15 | | 54,000 | | 57,234 | | | | 57,234 | |
| Sanitary Sewer Rehabilitation | 16-17 | | 100,000 | | | 12,750 | 87,250 | | 100,000 | |
| N Shady Oaks /plantation | 14-15 | | 32,000 | | 28,726 | | | | 28,726 | |
| Total Sewer Projects | | \$ | 186,000 | \$ - | \$ 85,959 | \$ - | \$ 12,750 | \$ 87,250 | \$ - | \$ 185,959 |

| | | | | | | | | | | |
|---------------------------------------|--|-----------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| Total Water and Sewer Projects | | \$ | 2,654,000 | \$845,176 | \$369,546 | \$ 29,084 | \$501,766 | \$687,250 | \$120,000 | \$ 2,552,821 |
|---------------------------------------|--|-----------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------------|

UTILITY PROJECT FUND CAPITAL IMPROVEMENT PLAN

This plan is designed to set Capital Project priorities for the future, and to designate projects that will soon need to appear on the plan. This plan includes projects that may be funded from several sources, including bond issues.

As part of the annual budget and visioning process, the City Council and City Staff meet to review and discuss each of the projects appearing on the plan. At this meeting priorities and estimated costs are reassessed and new projects are discussed and added to plan.

To help everyone understand the details of each particular project on the five year plan, a Capital Improvement Plan book was created. This book has several pages dedicated to each project. It gives a full description of the project, details on estimated cost, who proposed the project and why.

Citizen input is received throughout the year and requested projects are considered during budget preparation. Citizens are also given an opportunity to provide their input at all budget workshops and hearings.

After all capital projects budget workshops and public hearings, the five-year Capital Improvement Plan is adopted as part of the annual budget.

Utility Projects Fund

| Proj No. | Project Description | FY 18-19 | FY 19-20 | Future |
|------------------------------|--|-------------------|---------------------|----------------------|
| 1705 | SEW Lake Forest Sanitary Sewer Rehab | | | RB \$ 1,800,000 |
| 1602 | WAT Water Meter Replacement Program | UP \$ 120,000 | UP \$ 120,000 | |
| 1802 | WAT Water Master Plan | | UP \$ 100,000 | |
| 1705 | WAT New Water Well Airport | | RB \$ 1,000,000 | |
| 1803 | WAT New Water Tower Airport | | RB \$ 4,000,000 | |
| 1707 | SEW Waste Water Plant Expansion | | | RB \$ 7,130,000 |
| 1710 | WAT Oak Drive Water Tower - Replacement | | | RB \$ 4,000,000 |
| 1702 | WAT Phase I North Water Line Replacement | | | RB \$ 2,900,000 |
| 1701 | WAT Phase II North Cast Iron Water Replacement | | | RB \$ 2,640,000 |
| 1708 | WAT South Water Line Replacement | | | RB \$ 1,830,000 |
| 1703 | WAT Phase III North Water Line Replacement | | | RB \$ 1,240,000 |
| 1709 | WAT Water Well Replacement Program | | | RB \$ 680,000 |
| 1706 | SEW Lift Station 25 Renovation | | | RB \$ 650,000 |
| 1704 | WAT Dunbar Water Tower Rehab | | | RB \$ 590,000 |
| 1602 | SEW Lift Station 6 Improvements | | | UP \$ 165,000 |
| Utility Project Total | | \$ 120,000 | \$ 5,220,000 | \$ 23,625,000 |

| FUNDING TIMELINE | FY 18-19 | FY 19-20 | Future |
|-----------------------|------------|--------------|---------------|
| FUNDING SOURCE UP | \$ 628,134 | \$ 300,000 | |
| FUNDING SOURCE RB | | \$ 5,000,000 | \$ 7,500,000 |
| Utility Projects Fund | \$ 120,000 | \$ 220,000 | \$ 165,000 |
| Revenue Bond | \$ - | \$ 5,000,000 | \$ 23,460,000 |
| Sales Tax | \$ - | \$ - | \$ - |

UTILITY PROJECT FUND CIP PROJECT DETAILS

| | | |
|-----------------|----------------------------------|-----------|
| 1602 WAT | Meter Replacement Program | UP |
|-----------------|----------------------------------|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Water |
| Strategic Plan | Maintain Infrastructure |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|----------|----------|----------|----------|-------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | 120,000 | 120,000 | 100,000 | 120,000 | 120,000 | 120,000 | |
| Other | 0 | | | | | | |

Description :
 Replace old meters and meters that are different brands. Reduce revenue loss and accuracy. Eventually move to AMI system.



| Estimated Project Cost: | <u>Original</u> | <u>Revised</u> |
|--------------------------------|-----------------|----------------|
| Design | | 0 |
| Construct | 120,000 | 130,000 |
| Other | | <u>0</u> |
| Total | <u>120,000</u> | <u>130,000</u> |
| Base CCI | 265.33 | Increase |
| Current CCI | 278.67 | 1.05 |

Assigned: Public Works Director

Funding: Utility Projects Fund

Justification
 Meters need to be changed on an ongoing 10-15 year cycle as meters age and slow down.

Supplemental Information:

| | <u>Qty</u> | <u>Unit Cost</u> | <u>Total</u> |
|-----------------------------|------------|------------------|--------------|
| Water Meter FY 2016-17 Cost | 1,200 | \$95.93 | \$115,116 |

Impact of capital investment on operating budget: No Impact

Estimated Useful Life of Capital Investment: 10 Years

UTILITY PROJECT FUND CIP PROJECT DETAILS

| | | |
|-----------------|--------------------------|-----------|
| 1802 WAT | Water Master Plan | UP |
|-----------------|--------------------------|-----------|

| | |
|-----------------------|---------------|
| Project Type | Water |
| Strategic Plan | Enable Growth |

| Financial Plan | | | | | | | |
|----------------|-------------|-----------|----------|----------|----------|----------|-------|
| | Prior Years | Projected | | | | | Total |
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Debt | No | | | | | | |
| Design | 0 | | | | | | |
| Construct | 0 | | | | | | |
| Other | 0 | | 100,000 | | | | |

Description :
 A master plan for the water system is essential for predicting infrastructure growth and future water needs. The master plan is an important tool for prioritizing CIP projects. Analyzing the pressure planes and proper sizing of all lines. The project could be completed in two phases. The project will accomplish the following: 1) Establish design criteria for future projects 2) Develop Facility Plans for future growth and demands 3) Create a distribution model for future growth and needed improvements 4) Determine and Prioritize needed improvements for future growth 5) Prepare cost estimates for future projects



| Estimated Project Cost: | Original | Revised |
|--------------------------------|----------|---------|
| Design | 100,000 | 100,000 |
| Construct | | 0 |
| Other | | 0 |
| Total | 100,000 | 100,000 |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: Public Works Director

Funding: Utility Projects Fund

Justification

Supplemental Information:

Impact of capital investment on operating budget: N/A
 Estimated Useful Life of Capital Investment: N/A

UTILITY PROJECT FUND CIP PROJECT DETAILS

| | | |
|-----------------|-------------------------------|-----------|
| 1705 WAT | New Water Well Airport | RB |
|-----------------|-------------------------------|-----------|

| | |
|-----------------------|-------------------------|
| Project Type | Water |
| Strategic Plan | Maintain Infrastructure |

| | Prior Years | Projected | | | | | Total |
|-----------|-------------|-----------|-----------|----------|----------|----------|-------|
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Design | 0 | | | | | | |
| Construct | 0 | | 1,000,000 | | | | |
| Other | 0 | | | | | | |

Description :
New 500gpm well setup at Airport to pump directly into the distribution system.



| Estimated Project Cost: | | <u>Original</u> | <u>Revised</u> |
|--------------------------------|-----------|------------------|------------------|
| Design | | | 0 |
| Construct | 1,000,000 | | 1,000,000 |
| Other | | | <u>0</u> |
| Total | | <u>1,000,000</u> | <u>1,000,000</u> |
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: Public Works Director

Funding: Revenue Bond

Justification

Supplemental Information:

Impact of capital investment on operating budget: Minimal Electrical Cost

Estimated Useful Life of Capital Investment: 50 Years

UTILITY PROJECT FUND CIP PROJECT DETAILS

| | | |
|-----------------|--------------------------------|-----------|
| 1803 WAT | New Water Tower Airport | RB |
|-----------------|--------------------------------|-----------|

| | |
|-----------------------|---------------|
| Project Type | Water |
| Strategic Plan | Enable Growth |

| Financial Plan | | | | | | | |
|----------------|-------------|-----------|-----------|----------|----------|----------|-------|
| | Prior Years | Projected | | | | | Total |
| | | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | |
| Debt | No | | | | | | |
| Design | 0 | | 150,000 | | | | |
| Construct | 0 | | 3,850,000 | | | | |
| Other | 0 | | | | | | |

Description :
Install new water tower to support growth in the northern corridor.



| Estimated Project Cost: | Original | Revised |
|--------------------------------|------------------|------------------|
| Design | 150,000 | 150,000 |
| Construct | 3,850,000 | 3,850,000 |
| Other | | <u>0</u> |
| Total | <u>4,000,000</u> | <u>4,000,000</u> |

| | | | |
|-------------|--------|----------|------|
| Base CCI | 278.67 | Increase | 1.00 |
| Current CCI | 278.67 | | |

Assigned: Public Works Director

Funding: Utility Projects Fund

Justification

Supplemental Information:

Impact of capital investment on operating budget: Paint Every 10 Years
Estimated Useful Life of Capital Investment: 50 Years

LONG TERM CAPITAL PROJECTS

In June, 2016 City Council adopted the latest 20-year Master Plan. Lake Jackson started as a privately developed, master planned city back in the early 1940's. The original Master Plan for the City was done by Alden Dow, a student of Frank Lloyd Wright. The first residents moved into the City in 1943 and the City incorporated in 1944. Every twenty years the City does a major update of its Master Plan. Every five years or so the Planning Commission reviews the existing Master Plan and makes adjustments when needed.

The new Master Plan was developed using the consultant Kendig Keast Collaborative. Gary Mitchell and his team worked with our City Council, Planning Commission, and an incredible group of volunteers on the Comprehensive Plan Advisory Committee (CPAC). Together they developed the 2016 Master Plan that will help guide our growth for the next 20 years.

Part of that plan is to look at our near term and long term infrastructure and facility needs. Shown below is the "Framework for Action" provided in the new Master Plan.

Framework for Action

The Growth Capacity and Management framework for action is organized in three tiers: (1) Guiding Principles, (2) Goals, and (3) Strategic Action Priorities. These topics are intended to mesh with and support the other aspects of this Comprehensive Plan. The Strategic Action Priorities convey tangible actions that will, in the long run, lead to achievement of the Goals in line with the Guiding Principles.

Guiding Principles

The Comprehensive Plan includes a set of six overall guiding principles, several of which relate to growth and infrastructure:

- GP2:** Lake Jackson will insist on **QUALITY** and long-lasting value in its private development, public facilities and services, and community appearance.
- GP5:** Lake Jackson will be **WELL-MANAGED** through effective long-range and strategic planning, prudent management and allocation of public resources, attention to maintenance and rehabilitation of older streets/infrastructure, and ongoing citizen engagement for setting and accomplishing community priorities.
- GP6:** Lake Jackson will be **GREEN** through sound management of its parks and parkways, responsible stewardship of its water use and waste management, and by staying focused on mature tree cover and preserved open spaces as the physical elements that have always shaped and set apart this master-planned city.

Other guiding principles specifically for the Growth Capacity and Management topic area include:

Lake Jackson will meet the functional needs of residents and businesses (e.g., water supply, waste management, and storm drainage) in a cost-effective manner.

Lake Jackson will, in collaboration with private property owners, make provisions for the timely availability of required public services to lands that remain to be developed in the community's targeted growth areas.

Lake Jackson will provide and maintain adequate, modern sanitary sewer and potable water facilities to serve both existing land uses and planned growth and development.

Lake Jackson will ensure that adequate flood and storm drainage protection to safeguard life and property is provided as new areas are developed.

Framework for Action Continued

Lake Jackson will locate police and fire facilities in the most efficient manner to allow rapid response times.

Lake Jackson will annually allocate sufficient monies to upgrade substandard infrastructure in the community's older neighborhoods.

Goals

1. An orderly progression of phased future development of the community so as to avoid premature extension of municipal facilities and services and the associated operating and maintenance costs.
2. Well-planned and maintained utility infrastructure systems with adequate capacity to support community economic development objectives, the continued integrity of older developed areas, and public health and safety in conformance with applicable federal and state standards.
3. Public safety services that are supported and maintained at the high standard long enjoyed and expected by residents.

Strategic Action Priorities

- ▶ Preparations to fund and design/construct next significant upgrades to key components of the City's water and sanitary sewer systems based on the expected timing for reaching key capacity thresholds as indicated by projected population growth and land development.
- ▶ Prompt resolution of updated floodplain mapping for the Lake Jackson area to reduce uncertainty and confirm the parameters within which future development must be designed in flood-prone areas.
- ▶ Coordinated land use and infrastructure planning to position north-side areas around the SH 288 corridor and new interchange for desired residential, commercial and airport-related development.
- ▶ Expedited rehabilitation of street, drainage and utility infrastructure in the remainder of Downtown to complete the Downtown Lake Jackson revitalization initiative sooner than later.
- ▶ Ongoing and phased reconstruction of local streets and associated storm drainage in older areas of the community.

The plan provides more specifics as well.

In the short-term we want to complete the last of the major projects from the 1995/96 Master Plan that are still viewed as goals for this Master Plan. They include:

- Complete the \$16.0 million in projects authorized by the voters in the May, 2016 Bond Issue. These projects include:
 - \$9.9 million to continue the Downtown Revitalization Project. This will include all or portions of That Way, Circle Way, and North Parking Place (design work to begin late 2018).
 - \$1.0 million to build a second two-lane bridge on Plantation Drive over the Flag Lake Channel (in design phase, construction to begin late 2017).
 - \$3.8 million for residential street replacement on all or parts of Oleander, Hickory, South Yaupon, Bois D Arc, and Lotus (construction began in 2018).

LONG TERM CAPITAL PROJECTS

- \$0.8 million for drainage improvements to the Willow/Blossom/Daisy area (construction began 2018).
- \$0.5 million for a traffic light and right turn lanes at Oak Drive and Circle Way near City Hall (construction to began late 2017).
- Complete the extension of water/sewer lines and facilities to the Airport/Alden Area (complete).
- Resolve FEMA mapping issues for the areas that include Alden, the northern City limits, and the ETJ. LJA Engineering has completed their work and FEMA has “verbally” accepted their recommendations (complete, awaiting formal FEMA approval).
- Conduct facility assessments of City Hall, Civic Center, Library, and Recreation Center and consider taking expansion proposals to the voters in the 2019/20 time frame.
- Implement Parks Master Plan and identify projects to be considered to be funded by the ½ Cent Optional Sales Tax Fund (project schedule in place).
- Replace major force mains from lift stations 1 and 25 to the Wastewater Treatment Plant and upgrade these and other lift stations (lift station 25 complete).
- Replace the water tower and water well at the Oak Drive pump station (scheduled FY 19-20).
- Work with BWA on the new desalination project and consider allocating water for the City’s future needs. (in design phase).
- Improve water pumping capacity (scheduled FY 18-19).

The new Master Plan focuses on our water and sewer system as well. In the short-term this will include:

- Increasing the maximum amount of surface water supply available from BWA from the current 2.0 million gallons per day (MGD) to 3.0 MGD.
- Increasing the groundwater production from the City’s 12 existing well by 0.7 MGD.
- Increasing the productivity of booster pumps in the system by 0.7 MGD.
- Adding 0.45 million gallons of elevated water storage, from the current 2.55 million gallons.
- Adding 0.05 million gallons of ground storage, from the current 4.25 million gallons.

This would take the water system’s capacity to 14,439 connections, or 579 more than the projected need of 13,860 after short-term growth. However, long-term development will involve another 7,065 connections for an ultimate total of 20,925. The upgraded capacity to handle 14,439 connections would need to increase by roughly another 6,500 connections. Potential actions to reach this long-term capacity could include:

- Increasing the maximum amount of surface water supply available from BWA by another 2.5 MGD (to a long-term total of 5.5 MGD).
- Increasing the groundwater production from the City’s 12 existing well by another 3.6 MGD.

LONG TERM CAPITAL PROJECTS

- Increasing the productivity of booster pumps in the system by an additional 6.1 MGD.
- Adding another 1.3 million gallons of elevated water storage, for a new total of 4.25 million gallons (the same as the ground water storage total after the short-term upgrades).

Long-term we will also need to plan for an expansion to our Wastewater Treatment Plant:

Wastewater System Connection and Capacity Outlook

| Capacity | Flow | % of Capacity | Connections | Condition |
|----------|----------|---------------|-------------|--|
| 5.85 MGD | -- | 100% | 22,075 | Current Permitted by State of Texas |
| -- | 3.11 MGD | 53% | 11,725 | Current Actual (May 2016) |
| -- | -- | 63% | 13,860 | Current + Short-Term Growth |
| -- | 4.39 MGD | 75% | 16,557 | Threshold for Mandated Planning/ |
| -- | 5.26 MGD | 90% | 19,868 | Design Threshold for Mandated |
| -- | -- | 99.1% | 21,785 | Construction With all Long-Term Growth |

Other long-term projects for the City include:

- Complete the revitalization of downtown Lake Jackson.
- Continue the ongoing residential street revitalization program.
- Continue the City’s ongoing commitment to alternate fuels, such as CNG.

In the end, the Master Plan estimates a 2040 population of 36,100. This would mean finding homes for some 9,250 new residents. We will need some 20,925 water connections by then and the commensurate sewer system to accommodate that growth. While planning for our new residents we must renew our commitment to our existing residents and make sure that the infrastructure and facilities servicing our City are in the best possible condition. The 2016 Master Plan will guide this effort.

Inside the Lake Jackson Civic Center



ECONOMIC DEVELOPMENT FUNDS



LAKE JACKSON

City of Enchantment



ECONOMIC DEVELOPMENT FUND

The Economic Development Fund is used to account for the revenue from the half cent sales tax. Voters approved the half-cent sales tax on May 6, 1995 and collection of the tax began in October, 1995. As specified on the ballot the use of this revenue is limited to payment of the costs of land, building, equipment, facilities, improvements and maintenance, and operation costs for public park purposes, recreational facilities to be used for sports and entertainment, and for infrastructure improvements for development of new or expanded business enterprises. Since its approval, the half-cent sales tax(Economic Development Fund) has provided funding for:

Outdoor Pool - \$595,865, opened June of 1996. Replaced a forty-year-old outdoor pool with new facility.

Recreation Center - Opened May of 1998. The fund provided the money for debt service payments on the \$7.3M Certificates of Obligation which were issued to fund the construction of “The Recreation Center- Lake Jackson”, these bonds were paid off in 2017. Additionally, this fund directly paid \$288,801 in architect fees and provides an annual subsidy of \$350,000 to the General Fund for the operation of the facility. The board has also approved providing \$600,000 in repairs to the center over a 2 year period, FY11-12 and FY12-13. Additional repairs (to the HVAC and ventilation sock) of \$188,000 were included in the FY13-14 LJDC budget. In FY2014-15, \$249,620 was provided for Recreation Center improvements. In FY15-16, \$218,000 is budgeted to finish the various A/C repairs at the center and to improve Natatorium and Gym lighting (LED).

Civic Center/Plaza - Opened April 1, 2000. This fund is providing the money to pay the debt service on the \$3,250,000 Certificates of Obligation issued to provide the construction funding. These Certificates have since been refunded but this fund continues to pay its share of the refunding bonds

Youth Sportsplex - Completed in the fall of 1999. This fund provided the money to pay the debt service on \$2.7M Certificates of Obligation issued to provide construction funding. These bonds are now paid off.

Golf Course - This fund provided \$350,000 to pay for the service of the golf course architect. Additionally, the Lake Jackson Development Corporation has approved providing an annual subsidy of up to \$550,000 for Golf Course debt service through the 2023. The Wilderness Golf Course opened to the public in May 2004. The Lake Jackson Development Corporation recommended, and City Council approved \$300,000 be budgeted through the 2016-17 fiscal year to provide a contingency for golf course operational expenses. In FY2017-2018, the City Council set the annual contingency at \$300,000.

Downtown Revitalization Project - \$600,000 was authorized to hire an engineering and design team to develop a master plan for the replacement of downtown infrastructure. The first and second phases of the downtown project are complete. \$5M in Certificates of Obligation were issued for phase 2. This fund will provide up to \$500,000 a year for 20 years to pay the debt service on the certificates.

A \$2 million Certificate of Obligation was sold in March 2013 to fund Phase 3 (South Parking Place). This project has been completed and open to the public in April 2018. Also, \$385,000 was provided in FY12-13 to fund the final portion of Phase 2 (This Way from Circle Way to SH332).

Downtown Maintenance - The Lake Jackson Development Board approved providing \$55,000 per year for maintenance of new landscaping and walks downtown. In FY 2018-19, staff has requested that downtown maintenance be increased to \$70,000 to cover maintenance costs of S. Parking Place.

Maclean Jogging Trail - The Lake Jackson Development Board provided \$150,000 to repave drought damage to MacLean Jogging Trail in FY11-12.

ECONOMIC DEVELOPMENT FUND

Park/Golf Course Projects - The LJDC funded \$324,213 in FY15-16 and \$569,028 in FY16-17 to fund various parks and golf course projects. In FY2017-18, \$910,000 was budgeted for Park Recreation Center improvements identified in the City's recent Park's Master Plan and \$115,000 in improvements to the golf course.

Airport/Alden Business Park - We have proposed the Gulf Coast Airport and Lake Jackson Business Park. In FY2013-14, \$1.5 million in debt was sold to help extend water to the airport. This debt was combined with \$1 million in revenue bonds sold in 2014 to fund the initial \$2.5 million water system to service the airport and the several hundred acres of potential business park located east and south of airport.

Also, Council designated \$4.5 million to provide sewer service to this area. \$3 million came from revenue bonds. \$1.5 million came from the LJDC.

The initial impetus for the utility extension was to provide water to the county airport. Brazoria County has built a new terminal building and their current well and septic system is inadequate. The County has donated a 4 acre site for us to place the new water facilities.

We have contracted with the Wayne Scott Unit of the Texas Department of Criminal Justice (TDCJ) located just west of the proposed Alden Subdivision to sewer service to them as well. They are an important customer for us in this area that will help make this utility expansion affordable. Sewer service began in September 2017. Water service will follow at a future date.

This opens the potential for this proposed business park which could encompass several hundred acres in the northern area of the proposed Alden development and the acreage currently controlled by TDCJ around the airport.

Representative Bonnen worked with Brazoria County and the city to get a portion of the TDCJ property sold to the county and also provide for a road and utility easement through the remaining TDCJ property that will connect the airport and Alden.

HEB & Dow Texas Innovations Center - The LJDC sold \$5.5 million in certificates of obligations in late 2014 to fund public infrastructure improvements for the redevelopment of Oak Woods and the HEB project (\$3 million) and the Dow Texas Innovations Center (\$2.5 million). The HEB project is complete. Dow has moved into their new administrative and amenities buildings. The two research and development buildings were both operational in 2018.

Lift Station 25 Force Main – In 2017 the LJDC funded a \$2.4 million force main project from lift station 25, behind the Brazos Mall, to the Wastewater Treatment Plant. This increased capacity for this important commercial area and relieved pressure on lift station 25.

2019 Parks & Recreation Projects - Recommended in FY 2018/19 are various Parks & Recreation projects, which include a new dog park, design of a new skate park and minor repairs to current skate park equipment, and lake dredging for the golf course.

ECONOMIC DEVELOPMENT FUND BUDGET SUMMARY

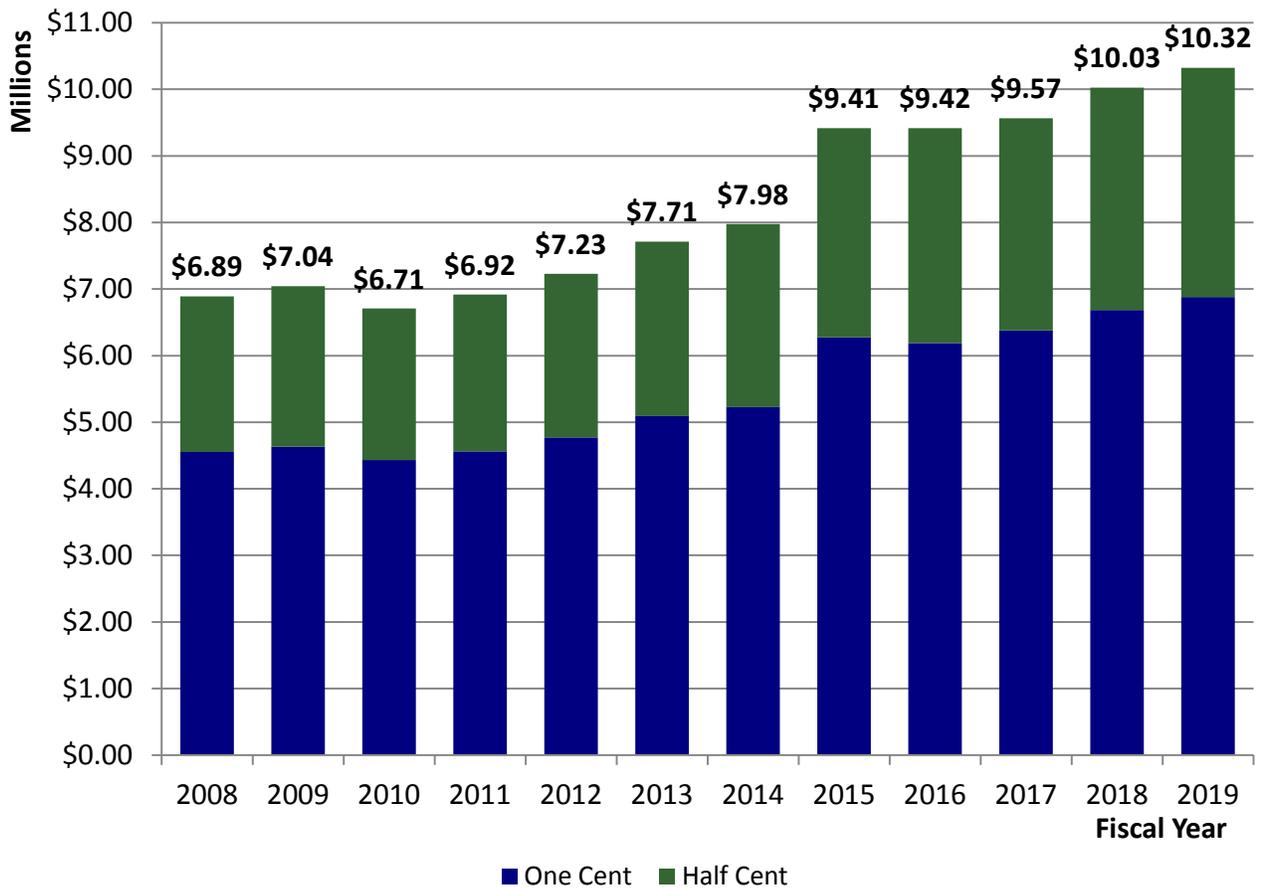
| RESOURCES | ACTUAL | BUDGET | ESTIMATED | ADOPTED |
|---|---------------------|---------------------|---------------------|------------------|
| | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
| Fund Balance | \$ 1,901,917 | \$ 1,708,061 | \$ 1,708,061 | 1,159,690 |
| Revenues | | | | |
| Half Cent Sales Tax | \$ 3,188,958 | \$ 3,337,500 | \$ 3,337,500 | 3,480,000 |
| Miscellaneous | 59,711 | 627,000 | 627,000 | 0 |
| Interest Income | 19,133 | 12,000 | 12,000 | 12,000 |
| | \$ 3,267,802 | \$ 3,976,500 | \$ 3,976,500 | 3,492,000 |
| Total Resources | \$ 5,169,719 | \$ 5,684,561 | \$ 5,684,561 | 4,651,690 |
| EXPENDITURES | ACTUAL | BUDGET | ESTIMATED | ADOPTED |
| | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
| Transfer to Econ. Devl. Debt Serv. | \$ 1,751,590 | \$ 1,403,284 | \$ 1,403,284 | 1,376,478 |
| Electronic Reader Board | 15,000 | | 1,532 | |
| Landscaping Maintenance | 37,863 | 55,000 | 75,000 | 70,000 |
| Rec Repairs & Maintenance | 73,138 | 35,861 | 35,861 | |
| Natatorium & Aerobics LED | 37,646 | | | |
| MacLean Park Improvements | | 435,000 | 435,000 | |
| New Skate Park at MacLean/ Repairs | | | | 50,000 |
| Dog Park (\$580,000) | | 200,000 | 200,000 | 380,000 |
| Golf Course Irrigation Pump Station Repairs | | 115,000 | 115,000 | |
| Golf Course Lake Dredging | | 75,000 | 75,000 | 65,000 |
| Well Repairs for Recharging Irrigation | | 25,000 | 25,000 | 25,000 |
| Misc Repairs at Golf Course | | 15,000 | 15,000 | |
| S. Parking Place | 28,255 | | | |
| Golf Course & Bunker Renovations - June Flood | 3,020 | | | |
| 202 Winding Way | 80,776 | 4,950 | 5,394 | |
| Security Cameras | 25,141 | 0 | 0 | |
| Sound System | 7,688 | | | |
| Park Facility Signs | 44,776 | 0 | | |
| MacLean Park Pavilion Repairs | 54,204 | 0 | | |
| Jasmine Tennis Complex Renovations | 56,510 | 0 | | |
| JSL Park Picnic Shelter | 49,304 | 0 | | |
| Bunker Reconstruction | 52,045 | | | |
| Golf Course Pump House | 100 | | | |
| ConVault Fuel Containment System | | | | 40,000 |
| Golf Course 2017 Harvey | | 800,000 | 800,000 | |
| Transfer to Golf Debt Service | 494,600 | 488,800 | 488,800 | 477,700 |
| Golf Course Operating | 300,000 | 500,000 | 500,000 | 300,000 |
| Transfer to General Fund | 350,000 | 350,000 | 350,000 | 350,000 |
| Total Expenditures | \$ 3,461,658 | \$ 4,502,895 | \$ 4,524,871 | 3,134,178 |
| Ending Fund Balance | \$ 1,708,061 | \$ 1,181,666 | \$ 1,159,690 | 1,517,512 |

Lake Jackson Development Corporation Financial Plan

| | Actuals 2014 - 15 | Actual 2015 - 16 | Actual 2016 - 17 | Actual 2016 - 17 | Estimated 2017 - 18 | Adopted 2018 - 19 | Projected 2019 - 20 | Projected 2020 - 21 |
|--|----------------------|---------------------|---------------------|---------------------|------------------------|----------------------|------------------------|------------------------|
| FUND BALANCE | | | | | | | | |
| REVENUES | | | | | | | | |
| Half Cent Sales Tax | 3,138,233 | 3,227,460 | 3,250,000 | 3,188,958 | 3,337,500 | 3,480,000 | 3,580,000 | 3,690,000 |
| Miscellaneous | 6,832 | 9,599 | 21,586 | 59,711 | 627,000 | 219,000 | 12,000 | 12,000 |
| Interest Income | | 12,077 | 12,000 | 19,133 | 12,000 | 12,000 | | |
| Total Revenues | \$3,145,065 | \$3,249,136 | \$3,283,586 | \$3,267,802 | \$3,976,500 | \$3,711,000 | \$3,592,000 | \$3,702,000 |
| EXPENDITURES | | | | | | | | |
| Recreation | | | | | | | | |
| Recreation Debt Service | 384,489 | 370,000 | 351,019 | 351,019 | 350,000 | 350,000 | 350,000 | 350,000 |
| Transfer to Recreation Operations | | | | | 5,394 | | | |
| 202 Winding Way | | | | 80,776 | 37,393 | | | |
| 16-17carryover Park and rec projects | | | | | 635,000 | 430,000 | 900,000 | 900,000 |
| Park & Recreation Projects | 280,556 | 324,213 | 400,586 | 363,408 | | | | |
| Subtotal | 1,015,045 | 1,044,213 | 1,101,605 | 1,145,203 | 1,027,787 | 780,000 | 1,250,000 | 1,250,000 |
| Economic Development | | | | | | | | |
| Economic Development Debt Service | 1,133,954 | 1,109,945 | 1,409,873 | 1,400,571 | 1,403,284 | 1,376,478 | 1,349,140 | 1,326,074 |
| S. Parking Place Design | 29,137 | 10,366 | 25,765 | 28,255 | | | | |
| This Way - Center Way to 332 | | 385,303 | | | | | | |
| Downtown Maintenance | 52,893 | 44,435 | 50,000 | 37,863 | 75,000 | 70,000 | 70,000 | 70,000 |
| Subtotal | 1,215,984 | 1,550,049 | 1,485,638 | 1,466,689 | 1,478,284 | 1,446,478 | 1,419,140 | 1,396,074 |
| Golf Course | | | | | | | | |
| Golf Course Projects | 3,025 | | 115,000 | 0 | 115,000 | 130,000 | 160,000 | |
| Golf Course Project carryover - pump house | | | | | 115,000 | | | |
| Golf Course 2016 Brazos River Flood | | 349,916 | 53,442 | 55,165 | 870,000 | | | |
| Golf Course 2017 Harvey | | | | | | | | |
| Golf Course Debt Service | 504,425 | 498,100 | 494,600 | 494,600 | 488,800 | 477,700 | 471,300 | 459,600 |
| Golf Course Operating Reserve | 300,000 | 424,296 | 250,000 | 300,000 | 500,000 | 300,000 | 300,000 | 300,000 |
| Subtotal | 807,450 | 1,272,312 | 913,042 | 849,765 | 2,088,800 | 907,700 | 931,300 | 759,600 |
| Total Expenditures | 3,038,479 | 3,866,574 | 3,500,285 | 3,461,657 | 4,594,871 | 3,134,178 | 3,600,440 | 3,405,674 |
| Net Revenues (Expenditures) | 106,586 | (617,438) | (216,699) | (193,855) | (618,371) | 576,822 | (10,000) | 300,000 |
| ENDING FUND BALANCE | \$2,519,352 | \$1,901,916 | \$1,685,217 | \$1,708,061 | \$1,089,690 | \$1,666,512 | \$1,660,000 | \$1,960,000 |
| TARGET FUND BALANCE | 1,479,945 | 1,760,892 | 1,403,284 | 1,403,284 | 1,376,478 | 1,349,140 | 1,326,074 | 1,299,259 |
| Over/ (under) target balance | \$1,039,407 | \$141,024 | \$281,933 | \$304,777 | (\$286,788) | \$317,372 | \$333,926 | \$660,741 |

SALES TAX HISTORY

| | Fiscal Year | One Cent Sales Tax | Half Cent Sales Tax | Percentage Growth |
|-----------|-------------|--------------------|---------------------|-------------------|
| | 2008 | 4,553,842 | 2,337,052 | -1.40% |
| | 2009 | 4,634,553 | 2,408,688 | 1.77% |
| | 2010 | 4,432,443 | 2,277,196 | -4.36% |
| | 2011 | 4,562,725 | 2,355,777 | 2.94% |
| | 2012 | 4,772,141 | 2,457,990 | 4.59% |
| | 2013 | 5,093,359 | 2,619,312 | 6.73% |
| | 2014 | 5,226,636 | 2,752,237 | 2.62% |
| | 2015 | 6,276,467 | 3,138,233 | 20.09% |
| | 2016 | 6,190,271 | 3,227,460 | -1.37% |
| Actual | 2017 | 6,377,917 | 3,188,958 | 3.03% |
| Projected | 2018 | 6,685,000 | 3,342,500 | 4.81% |
| Budgeted | 2019 | 6,882,480 | 3,441,240 | 2.95% |



ECONOMIC DEVELOPMENT DEBT SERVICE FUND

The Economic Development Debt Service Fund is used for the accumulation of resources to provide for the payment of principal, interest, and agent fees on debt authorized by the Lake Jackson Economic Development Corporation.

The Economic Development Fund will make a transfer to this fund equal to the required debt service payments.

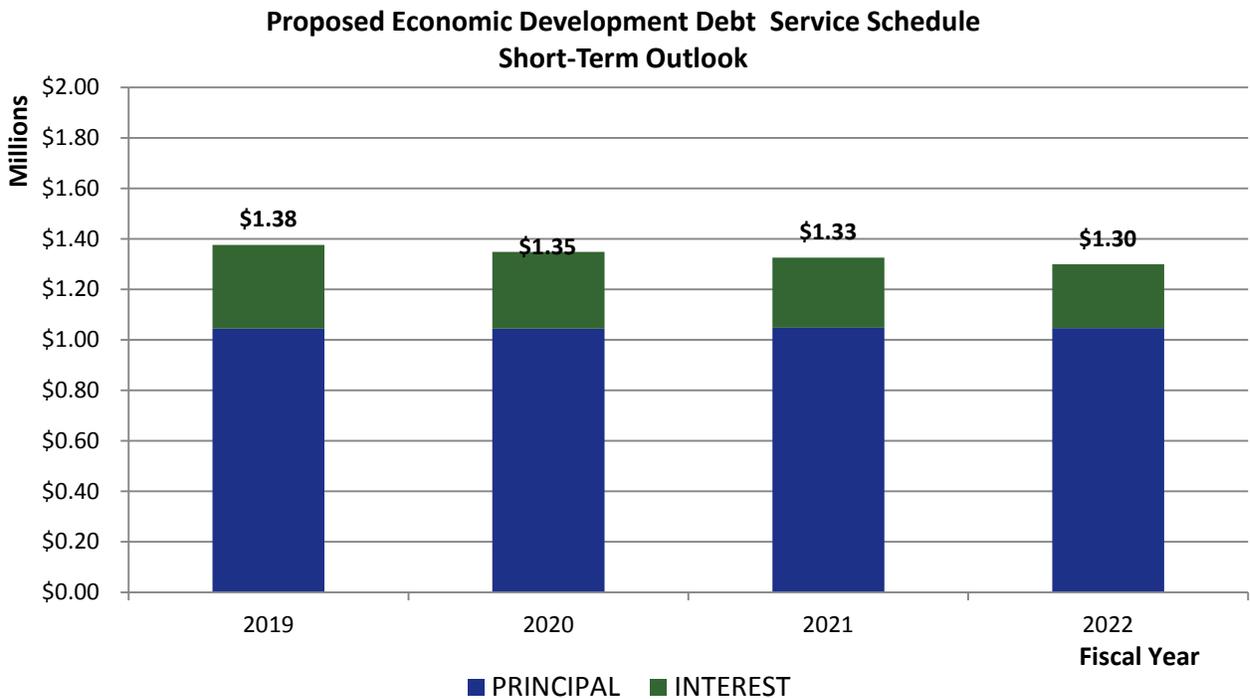
Current debt includes \$5 million in Certificates of Obligation sold to provide funding for Phase 2 of the Downtown Revitalization Program, \$2.0 million for the construction of South Parking Place (Phase 3 of the Downtown Revitalization Project), \$1.5 million to fund the extension of water lines to the airport, \$2.3 million in refunding bonds, and \$3.9 million to fund the extension of sewer lines to the airport and improvements to the main from lift station 25 (near Brazos Mall) to the wastewater treatment plant.

ECONOMIC DEVELOPMENT DEBT SERVICE BUDGET SUMMARY

| RESOURCES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATE 2017-18 | ADOPTED 2018-19 |
|-------------------------------------|---------------------------|---------------------------|-----------------------------|----------------------------|
| Fund Balance | \$ 9,303 | \$ 7,244 | \$ 7,244 | \$ 7,243 |
| Revenues | | | | |
| Transfer from Econ. Devl. | 1,751,590 | 1,403,284 | 1,403,284 | 1,376,478 |
| Bond Premium | 150,357 | | | |
| Proceeds from Bonds | 3,855,000 | 0 | 0 | 0 |
| | <u>5,756,947</u> | <u>1,403,284</u> | <u>1,403,284</u> | <u>1,376,478</u> |
| Total Resources | \$ 5,766,249 | \$ 1,410,528 | \$ 1,410,528 | \$ 1,383,721 |
| | | | | |
| EXPENDITURES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATE 2017-18 | ADOPTED 2018-19 |
| Principal | \$ 1,390,407 | \$ 1,045,000 | \$ 1,045,000 | \$ 1,045,000 |
| Interest | 368,996 | 358,285 | 358,285 | 331,478 |
| Bond Issue Cost | 99,602 | 0 | 0 | 0 |
| Transfr to North Sewer Construction | 3,900,000 | 0 | 0 | 0 |
| | <u>\$ 5,759,005</u> | <u>\$ 1,403,285</u> | <u>\$ 1,403,285</u> | <u>\$ 1,376,478</u> |
| Total Expenditures | \$ 5,759,005 | \$ 1,403,285 | \$ 1,403,285 | \$ 1,376,478 |
| | | | | |
| Ending Fund Balance | \$ 7,244 | \$ 7,243 | \$ 7,243 | \$ 7,243 |

ECONOMIC DEVELOPMENT DEBT SERVICE SCHEDULE

| DATE | CURRENT DEBT FISCAL TOTALS | | FY 18-19 PROPOSED DEBT FISCAL TOTALS | | FISCAL GRAND TOTALS | | |
|--------------|----------------------------|------------------|--------------------------------------|----------|---------------------|------------------|-------------------|
| | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST | TOTAL |
| 2018 - 19 | 1,045,000 | 331,478 | 0 | 0 | 1,045,000 | 331,478 | 1,376,478 |
| 2019 - 20 | 1,045,000 | 304,140 | 0 | 0 | 1,045,000 | 304,140 | 1,349,140 |
| 2020 - 21 | 1,048,067 | 278,007 | 0 | 0 | 1,048,067 | 278,007 | 1,326,074 |
| 2021 - 22 | 1,046,534 | 252,725 | 0 | 0 | 1,046,534 | 252,725 | 1,299,259 |
| 2022 - 23 | 1,043,466 | 227,013 | 0 | 0 | 1,043,466 | 227,013 | 1,270,479 |
| 2023 - 24 | 890,399 | 201,823 | 0 | 0 | 890,399 | 201,823 | 1,092,222 |
| 2024 - 25 | 887,126 | 177,036 | 0 | 0 | 887,126 | 177,036 | 1,064,161 |
| 2025 - 26 | 883,189 | 153,754 | 0 | 0 | 883,189 | 153,754 | 1,036,943 |
| 2026 - 27 | 729,252 | 133,561 | 0 | 0 | 729,252 | 133,561 | 862,813 |
| 2027 - 28 | 706,216 | 114,923 | 0 | 0 | 706,216 | 114,923 | 821,139 |
| 2028 - 29 | 702,838 | 95,989 | 0 | 0 | 702,838 | 95,989 | 798,827 |
| 2029 - 30 | 680,000 | 76,269 | 0 | 0 | 680,000 | 76,269 | 756,269 |
| 2030 - 31 | 490,000 | 58,844 | 0 | 0 | 490,000 | 58,844 | 548,844 |
| 2031 - 32 | 490,000 | 43,744 | 0 | 0 | 490,000 | 43,744 | 533,744 |
| 2032 - 33 | 490,000 | 28,013 | 0 | 0 | 490,000 | 28,013 | 518,013 |
| 2033 - 34 | 390,000 | 13,438 | 0 | 0 | 390,000 | 13,438 | 403,438 |
| 2034 - 35 | 115,000 | 5,175 | 0 | 0 | 115,000 | 5,175 | 120,175 |
| 2035 - 36 | 115,000 | 1,725 | 0 | 0 | 115,000 | 1,725 | 116,725 |
| TOTAL | 12,797,087 | 2,497,653 | 0 | 0 | 12,797,087 | 2,497,653 | 15,294,741 |



SCHEDULE OF OUTSTANDING ECON. DEVELOPMENT BONDS

| CERTIFICATE OF OBLIGATION ISSUE | AMOUNT OF ISSUE | INTEREST RATE | YEAR OF MATURITY | AMOUNT OUTSTANDING @ 10/01/18 | 2018-19 PRINCIPAL DUE | 2018-19 INTEREST DUE | 2018-19 TOTAL DUE |
|---------------------------------------|--------------------|------------------|------------------------|-------------------------------------|-----------------------------|----------------------------|-------------------------|
| C.O. 2009 | \$5,000,000 | 3.84 | 2020 | 500,000 | 250,000 | 15,000 | 265,000 |
| C.O. 2013 | \$2,000,000 | 2.40 | 2033 | 1,500,000 | 100,000 | 37,750 | 137,750 |
| C.O. 2013A | \$1,500,000 | 1.98 | 2023 | 750,000 | 150,000 | 18,375 | 168,375 |
| C.O. 2014 | \$5,500,000 | 2.00 | 2034 | 4,400,000 | 275,000 | 117,219 | 392,219 |
| C.O. 2015 Ref | \$2,332,087 | 1.94 | 2030 | 2,332,087 | 0 | 67,234 | 67,234 |
| C.O. 2016 | \$3,900,000 | 2.09 | 2036 | 3,315,000 | 270,000 | 75,900 | 345,900 |
| TOTAL ALL ISSUES | | | | \$ 9,482,087 | \$ 1,045,000 | \$ 331,478 | \$ 1,376,478 |

Bond Ratings : Moody's - Aa2, S&P's - AA+

C.O. 2009:

Certificates of Obligation 2009

\$5,000,000 for Phase 2 of Downtown revitalization, This Way, That Way, Parking Way

C.O. 2015 Refunding:

Certificates of Obligation 2009 - \$5,000,000 advance refunded

\$2,332,087 to fund the construction of the Downtown Revitalization Project.

C.O. 2013

\$2,000,000 to fund Phase 3 of the Downtown Revitalization Project (S. Parking Place)

C.O. 2013A

\$1,500,000 to fund the extension of water to the airport.

C.O. 2014

\$5,500,000 to fund incentives agreed upon for the new HEB & Dow facilities.

C.O. 2016

\$1,500,000 to assist in the funding of the extension of sewer to the airport area

\$2,400,000 to replace the lift station 14 force main to the Wastewater Treatment Plant

GOLF COURSE FUNDS

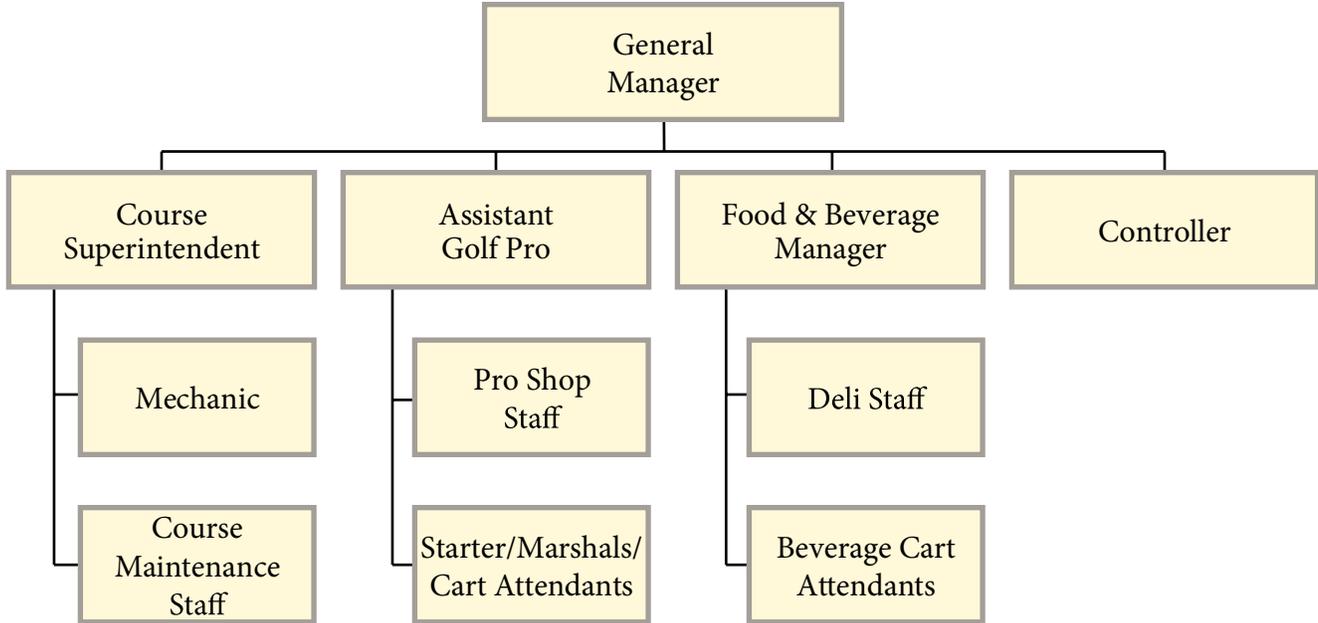


LAKE JACKSON

City of Enchantment



WILDERNESS GOLF COURSE



The City of Lake Jackson has contracted with KemperSports to manage and operate the City owned Wilderness Golf Course. All employees are employed by KemperSports.

| Personnel | FY 15-16 Budget | FY 16-17 Budget | FY 17-18 Budget | FY 18-19 Budget |
|--------------------|-----------------|-----------------|-----------------|-----------------|
| Course & Grounds | 11.5 | 11.5 | 10.0 | 10.0 |
| Pro Shop / Admin | 4.0 | 5.0 | 4.0 | 4.0 |
| Deli Operations | 5.0 | 5.0 | 5.0 | 5.0 |
| Outside Service | 4.5 | 4.5 | 4.5 | 4.5 |
| Starter & Marshals | 3.0 | 3.0 | 3.0 | 3.0 |
| TOTAL FTEs | 28.0 | 29.0 | 26.5 | 26.5 |

WILDERNESS GOLF COURSE

PROGRAM DESCRIPTION

The General Manager, Course Superintendent, Assistant Golf Professional, and Controller are responsible for the marketing, upkeep, and strategic planning of the success of the facility. The Team strives to maintain The Wilderness Golf Club as one of the best rated public golf courses in the state. We will continue to promote the Wilderness Golf Club at Lake Jackson as an "Award Winning" golf experience complimented by an exceptionally friendly staff and well conditioned golf course. As our golf rounds per playable day continue to be well above the industry average, we will need to shift our rate strategy to one based on market demand versus the traditional posted ceiling rates that limit the ability to grow average daily rate when market demand is exceptionally high. We will also need to gradually limit the amount of rate tiers we offer. Non-golf revenues such as Special Events will be a key consideration and focus moving forward as we try to diversify our revenue streams to minimize the impact of inclement weather on our golf business.

FY 17-18 DEPARTMENT GOALS & ACCOMPLISHMENTS

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE: Provide Quality Parks & Recreation Opportunities

Department Goal: Develop New Golf Market Segments

| | |
|--|----------|
| • Grow "Get Golf Ready" graduates by an additional 50 golfers by offering the instructional program at different time periods throughout the week. | Complete |
| • Expand demand-based pricing model for all play offering discounted play at non-peak times | Complete |
| • Host another STPGA Junior Golf Championship to showcase the course & attract golfers from throughout the state. NOTE: This event was canceled due to Hurricane Harvey, but has been rescheduled for next year. | Complete |

FY 18-19 DEPARTMENT GOALS & OBJECTIVES

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE: Provide Quality Parks & Recreation Opportunities

Department Goal: Develop New Golf Market Segments

| | |
|---|-----------|
| • Grow "Get Golf Ready" graduates by an additional 50 golfers by offering the instructional program at different time periods throughout the week. | Sep. 2019 |
| • Host another STPGA Junior Golf Championship to showcase the course & attract golfers from throughout the state. Expand field from 72 to 120 junior golfers. | Sep. 2019 |
| • Recapture displaced Event Business from the floods. | Sep. 2019 |
| • Grow Specialty Event Business: Rehearsal Dinners, small weddings, birthday parties, graduation parties, anniversaries, etc. | Sep. 2019 |
| • Build & develop Hotel Stay & Play Packages with new area hotels | Sep. 2019 |
| • Continue to utilize golf pricing matrix to fill low demand periods on the tee-sheet | Sep. 2019 |
| • Cross market golf course at other outlets & facilities throughout Lake Jackson | Sep. 2019 |
| • Continue growth of Player Development Programs. Expand junior clinics to include some Holiday Periods. Increase participation in PGA Junior League, develop summer match play with local junior golfers and transition into STPA Junior Events throughout the season. | Sep. 2019 |
| • Promote Golfcation Packages to players in the Houston Market Area. Package to include unlimited golf including food & beverages. | Sep. 2019 |
| • Strategically Utilize Kemper Sports Buying Group Vendors to maximize rebates and purchase discounts | Sep. 2019 |

WILDERNESS GOLF COURSE

PERFORMANCE MEASURES

CITY COUNCIL VISION ELEMENT: Enhance Quality of Life

CITY COUNCIL OBJECTIVE: Provide Quality Parks & Recreation Opportunities

| PERFORMANCE MEASURE | FY 16-17 Actual | FY 17-18 Target | FY 17-18 Estimated | FY 18-19 Target |
|---|--------------------|--------------------|-----------------------|--------------------|
| Total Rounds Played | 39,780 | 40,973 | 35,947 | 39,902 |
| Resident Rounds | 21,924 | 22,184 | 20,348 | 21,924 |
| Non-Resident Rounds | 11,041 | 11,654 | 10,566 | 11,041 |
| Tournament Rounds | 6,815 | 7,135 | 5,033 | 6,937 |
| Wilderness Golf Association Memberships | 217 | 275 | 155 | 250 |
| "Get Golf Ready" Graduates | 78 | 50 | 74 | 125 |
| Email Customer Base | 22,472 | 24,350 | 22,156 | 24,371 |
| Average Green & Cart Fees per Round | \$25.84 | \$25.43 | \$25.30 | \$25.92 |
| Average Pro Shop Revenue per Round | \$3.29 | \$3.40 | \$3.49 | \$3.38 |
| Average Food & Beverage Revenue per Round | \$6.25 | \$6.25 | \$6.58 | \$6.47 |
| Average Driving Range Revenue per Round | \$1.55 | \$1.55 | \$1.30 | \$1.56 |

WILDERNESS GOLF COURSE

BUDGET INFORMATION

| REVENUES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATE 2017-18 | ADOPTED 2018-19 |
|--|---------------------|---------------------|---------------------|---------------------|
| Course & Ground | \$ 724,286 | \$ 834,797 | \$ 741,146 | \$ 827,196 |
| Cart Revenue | 148,987 | 207,148 | 168,430 | 207,149 |
| Golf Shop | 134,162 | 139,351 | 125,810 | 135,065 |
| Range | 43,602 | 63,323 | 46,931 | 62,116 |
| Food & Beverage | 228,279 | 256,207 | 236,824 | 258,428 |
| General & Administrative | 0 | 0 | | |
| Total Revenues | \$ 1,279,316 | \$ 1,500,826 | \$ 1,319,141 | \$ 1,489,954 |
| Cost of Sales | | | | |
| COGS - Merchandise | 83,820 | 87,554 | 80,927 | 85,227 |
| COGS - Food & beverage | 90,258 | 101,464 | 94,915 | 102,906 |
| Total Cost of Sales | \$ 174,078 | \$ 189,018 | \$ 175,842 | \$ 188,133 |
| Gross Profit | \$ 1,105,238 | \$ 1,311,808 | \$ 1,143,299 | \$ 1,301,821 |
| EXPENSES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATE 2017-18 | ADOPTED 2018-19 |
| Salaries & Wages (with benefits) | \$ 850,468 | \$ 890,016 | \$ 857,918 | \$ 896,828 |
| Course & Ground | 355,880 | 379,335 | 370,527 | 379,764 |
| Cart | 87,918 | 89,459 | 75,261 | 87,600 |
| Golf Shop | 16,568 | 19,499 | 10,640 | 11,655 |
| Range | 0 | 3,082 | 2,885 | 2,600 |
| Food & Beverage | 17,763 | 16,334 | 17,009 | 20,040 |
| General & Administrative | 120,403 | 115,334 | 103,999 | 111,080 |
| Total Expenses | \$ 1,449,000 | \$ 1,513,059 | \$ 1,438,239 | \$ 1,509,567 |
| Net Operating Income | \$ (343,762) | \$ (201,251) | \$ (294,940) | \$ (207,746) |
| Non-Operating Revenues (Expenses) | | | | |
| Kemper Management Fee | (87,834) | (89,952) | (89,940) | (92,184) |
| Trsf from General Fund | 0 | 0 | 0 | 0 |
| Trsf from Econ. Devl | 300,000 | 500,000 | 500,000 | 300,000 |
| NET INCOME | \$ (131,596) | \$ 208,797 | \$ 115,120 | \$ 70 |

GOLF COURSE DEBT SERVICE SCHEDULE

This fund is established to account for the resources necessary to pay the principal and interest on the \$6.0M golf course general obligation bonds, issued in June of 2001, the \$1.2M Certificates of Obligation, issued in June of 2003; and the \$4M Refunding Bonds, issued in October, 2011 -- used to refund the \$6M G.O. and \$1.2M C.O. bonds.

It is anticipated the operations of the Golf Course will not provide sufficient revenues to provide funds for all of the necessary debt service. Therefore, the Lake Jackson Development Corporation has set aside \$550,000 in ½ cent sales tax revenues (Economic Development Fund) for the life of the bonds to insure funds are available for debt service payments. In 2018-2019 it is anticipated that the debt service will be paid by the \$477,700 transfer from the Economic Development Fund.

GOLF COURSE DEBT SERVICE BUDGET SUMMARY

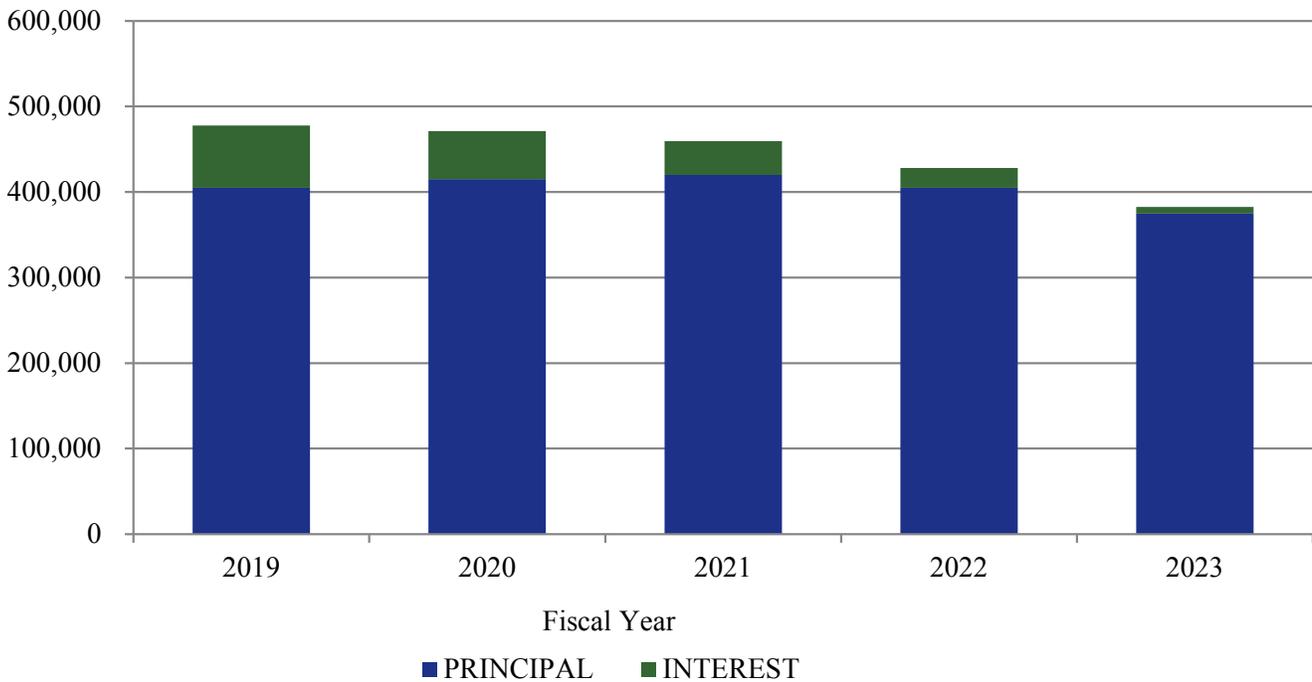
| <i>RESOURCES</i> | ACTUAL | BUDGET | ESTIMATE | ADOPTED |
|---------------------------|----------------|----------------|-----------------|----------------|
| | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
| Fund Balance | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Revenues | | | | |
| Transfer from Econ. Devl. | 494,600 | 488,800 | 488,800 | 477,700 |
| | 494,600 | 488,800 | 488,800 | 477,700 |
| Total Resources | \$ 494,600 | \$ 488,800 | \$ 488,800 | \$ 477,700 |

| <i>EXPENDITURES</i> | ACTUAL | BUDGET | ESTIMATE | ADOPTED |
|----------------------------|----------------|----------------|-----------------|----------------|
| | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
| Principal | \$ 390,000 | \$ 400,000 | \$ 400,000 | \$ 405,000 |
| Interest | 104,600 | 88,800 | 88,800 | 72,700 |
| Paying Agent Fees | | | | |
| | 494,600 | 488,800 | 488,800 | 477,700 |
| Total Expenditures | | | | |
| Ending Fund Balance | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

GOLF COURSE DEBT SERVICE SCHEDULE

| 2011 REFUNDING SERIES FISCAL TOTALS | | | Fiscal Year |
|--|--------------------|------------------|--------------------|
| DATE | PRINCIPAL | INTEREST | TOTALS |
| 2018 - 19 | 405,000 | 72,700 | 477,700 |
| 2019 - 20 | 415,000 | 56,300 | 471,300 |
| 2020 - 21 | 420,000 | 39,600 | 459,600 |
| 2021 - 22 | 405,000 | 23,100 | 428,100 |
| 2022 - 23 | 375,000 | 7,500 | 382,500 |
| TOTAL | \$2,020,000 | \$199,200 | \$2,219,200 |

Long-Term Debt Schedule



SCHEDULE OF OUTSTANDING GOLF COURSE BONDS

| CERTIFICATE OF OBLIGATION ISSUE | AMOUNT OF ISSUE | INTEREST RATE | YEAR OF MATURITY | AMOUNT OUTSTANDING @ 10/01/18 | 2018-19 PRINCIPAL DUE | 2018-19 INTEREST DUE | 2018-19 TOTAL DUE |
|---------------------------------------|--------------------|------------------|------------------------|-------------------------------------|-----------------------------|----------------------------|-------------------------|
| G.O. 2011 Ref | \$4,000,000 | 3.81 | 2023 | \$ 2,020,000 | 405,000 | 72,700 | 477,700 |
| TOTAL ALL ISSUES | | | | \$2,020,000 | \$ 405,000 | \$ 72,700 | \$ 477,700 |

Bond Ratings : Moody's - Aa2, S&P's - AA+

REFUNDING BONDS - Series 2011

Certificate of Obligation Bond Series 2002 - REFUNDED

General Obligation Bond Series 2002 - 3/15/2013 call date for refunding

Fountain on Veterans Memorial Plaza



OTHER FUNDS



LAKE JACKSON

City of Enchantment



EQUIPMENT REPLACEMENT FUND

The objectives of this fund are:

1. To provide the necessary cash to replace equipment as it becomes obsolete or worn out and at the same time minimize the year to year budgetary impact of equipment purchases.
2. To provide a means, other than short term borrowing, to purchase additional equipment; and, at the same time minimize the year to year budgetary impact of such new acquisitions.
3. To serve as our self-insurance on our equipment/vehicles for values under \$20,000.

How the fund functions:

Rather than budget for equipment purchases in each department, each department pays a calculated amount into the equipment replacement fund on a yearly basis. This amount is budgeted in each department's operating budget as a transfer to equipment replacement. Equipment purchases are then budgeted in the Equipment Replacement Fund.

The amount a department budgets as their transfer to Equipment Replacement is based on the equipment used by the department, the equipment's estimated cost and its estimated life. For example, if a mower was purchased for the Parks Department for \$10,000 in 2015 with an estimated life of five years, the Parks Department would transfer \$2,000 ($10,000 \div 5$) into the Equipment Replacement Fund in each of the years 2015 thru 2020.

The following purchases have been recommended for FY18-19:

| | |
|---|---------------|
| Replace 2 Sanitation Trucks (CNG) | \$600,000 |
| Replace 5 Police Vehicles | 204,000 |
| Replace Ambulance (Medic 7) | 275,000 |
| Computer Equipment & Software | 251,115 |
| Replace Wheel Loader | 175,000 |
| Replace Two Front-End Loaders with Grappler | 190,000 |
| Replace Mowing Tractor-Drainage | 43,000 |
| Replace Seven Pickups (CNG) | 295,000 |
| Replace Forklift-Garage | 40,000 |
| Replace Ballfield Groomer | 17,000 |
| Two Ex Mark Mowers (Parks) | <u>18,000</u> |
| | \$2,108,115 |

EQUIPMENT REPLACEMENT FUND

In planning for FY 19-20 the following major purchases are contemplated:

| | |
|---|-----------|
| New Fire Pumper Truck | \$850,000 |
| Replace Vacuum Jet-Router (Sewer/Water) | 310,000 |

Along with these pieces of equipment will come the standard replacement of Police Patrol Units, various pickup replacements and the annual allotment for computers and software. Together these will likely require FY19-20 purchases in the \$2.2 million range.

IMPACT ON OPERATING BUDGET

Purchases made in the current fiscal year and budgeted purchases for FY 18-19 will ultimately increase transfers from the General and Utility Funds. Transfers to equipment replacement are budgeted in each department and calculated based on the department's equipment which has been purchased from this fund.

When we make major purchases in a given year, the following year the impact on the operating fund is felt. For example, purchases made in FY 17-18 are impacting FY 18-19 as follows: Increase (Decrease) in operating budget.

General Fund Contributions:

| | |
|---------------------------|------------------|
| Administration | \$4,000 |
| Municipal Court | 0 |
| Finance | 8,765 |
| Engineering | 0 |
| Legal | 0 |
| Police | 205,999 |
| Fire | (6,391) |
| EMS | 63,420 |
| Humane | 3,380 |
| Streets | 3,425 |
| Drainage | 6,920 |
| Building/Code Enforcement | (10,130) |
| Parks | 2,414 |
| Recreation | 0 |
| Garage | (6,295) |
| Civic Center | 0 |
| Total | <u>\$275,707</u> |

Utility Fund Contributions:

| | |
|---------------|--------------------|
| Utility Admin | 8,765 |
| Water | 1,032 |
| Wastewater | (79,873) |
| Sanitation | <u>(30,392)</u> |
| Total | <u>\$(100,468)</u> |

EQUIPMENT REPLACEMENT FUND BUDGET SUMMARY

| RESOURCES | ACTUAL | BUDGET | ESTIMATED | ADOPTED |
|---|---------------------|---------------------|---------------------|---------------------|
| | 2016-17 | 2017 - 18 | 2017 - 18 | 2018 - 19 |
| Fund Balance | \$ 6,284,424 | \$ 6,648,936 | \$ 6,648,936 | \$ 6,481,243 |
| Revenues | | | | |
| Transfer from General Fund | 1,266,088 | 1,175,656 | 1,168,696 | 1,451,363 |
| Transfer from Utility Fund | 654,464 | 657,413 | 657,423 | 556,945 |
| Interest Income | 29,347 | 18,000 | 30,000 | 25,000 |
| Body Worn Camera Grant | 42,949 | | | - |
| Insurance Proceeds | 25,192 | - | - | - |
| Sale of Fixed Assets | 4,950 | - | 3,240 | - |
| | \$ 2,022,989 | \$ 1,851,069 | \$ 1,859,359 | \$ 2,033,308 |
| Total Resources | \$ 8,307,413 | \$ 8,500,005 | \$ 8,508,295 | \$ 8,514,551 |
| EXPENDITURES | | | | |
| Computer Equipment & Software | \$ 235,305 | \$ 243,975 | \$ 243,975 | \$ 251,115 |
| Airboat Repair | 11,272 | - | - | - |
| ADMINISTRATION: | | | | |
| Van | - | | 33,575 | - |
| POLICE: | | | | |
| Replace Unit 1106 / 2017 Chevy Tahoe-Complete | 47,320 | | | - |
| Replace Unit 1107 / 2017 Chevy Tahoe-Complete | 47,320 | | | - |
| Video security system | 71,949 | | | - |
| Body Worn Cameras | 57,265 | | | - |
| Replace Unit #1124 | - | 48,100 | 48,100 | |
| Replace Unit #1019 | - | 48,100 | 48,100 | |
| Replace Unit #1128 | - | 48,100 | 48,100 | |
| Replace Unit #1135 | - | 48,100 | 48,100 | |
| Replace Unit #1048 | - | 28,000 | 28,000 | |
| Replace Unit #868 | - | 28,000 | 28,000 | |
| Replace Unit #1137 | - | 48,100 | 48,100 | |
| Replace Unit #1136 | - | 48,100 | 48,100 | |
| Replace Tactical Team gear | - | 33,200 | 33,200 | |
| Replace Unite 1125 - Totaled | | | 35,827 | |
| Replace #1141 Tahoe | | | | 48,000 |
| Replace #1147 Tahoe | | | | 48,000 |
| Replace #1148 Tahoe | | | | 48,000 |
| Replace #864 Tahoe or Smiliar | | | | 32,000 |
| Replace #868 1/2 ton pickup | | | | 28,000 |
| ENGINEERING: | | | | |
| Replace Pickup Truck #746 | | 40,000 | 40,000 | |

EQUIPMENT REPLACEMENT FUND BUDGET SUMMARY

| EXPENDITURES | ACTUAL | BUDGET | ESTIMATED | ADOPTED |
|---|----------------|------------------|------------------|------------------|
| | 2016-17 | 2017 - 18 | 2017 - 18 | 2018 - 19 |
| <u>FIRE:</u> | | | | |
| New Pick Up Truck | | 34,500 | 34,500 | - |
| Replace Unit #721(Engine#5) / Ferrara Fire Apparatu | 570,000 | | | - |
| New 2017 Ford Interceptor Utility | | | | |
| <u>EMS:</u> | | | | |
| Replace Unit #1059 / Frazer Type 1 | 153,850 | | | - |
| New Frazer Type I 2017 Dodge 3500 | - | 263,000 | 262,875 | |
| Replace medic 7 | | | | 275,000 |
| <u>HUMANE</u> | | | | |
| Replace #1031 / 2017 Ford F-150 4DR | 31,177 | | | - |
| New F-250 Pick-up | | | | 45,000 |
| <u>BUILDING</u> | | | | |
| <u>PARKS:</u> | | | | |
| Replace Exmark Mower #1082 | 9,227 | | | - |
| Replace Exmark Mower #1083 | 9,227 | | | - |
| New Exmark Mower for New Crew | 9,227 | | | - |
| Replace single cab MacLean Pickup #744 | 35,373 | | | - |
| Replace unit #1005 F250 | | | | 45,000 |
| Replace #816 Toro Field Groomer | | | | 17,000 |
| New Ex Mark mower | | | | 9,000 |
| New Ex Mark mower | | | | 9,000 |
| <u>STREETS:</u> | | | | |
| Replace #824 - Ford Crew Cab | 37,619 | | | - |
| Replace Z-Speed Trailer | 12,221 | | | - |
| Replace Altec AT-40 Bucket Truck | - | 120,000 | 120,000 | |
| Replace 824 Crew Cab Pickup | | | | 45,000 |
| <u>DRAINAGE:</u> | | | | |
| Replace Slope Mower #497 | - | 120,000 | 120,000 | |
| Replace 600 tractor with AC | | | | 43,000 |
| <u>RECREATION:</u> | | | | |
| <u>GARAGE:</u> | | | | |
| New F150 (keep 888 as loaner) CNG | | | | 40,000 |
| New 5,000 lb forklift | | | | 40,000 |
| <u>UTILITY ADMIN:</u> | | | | |
| Replace Handhelds and software | - | 25,000 | 25,000 | |
| Replace Meter reading probes | - | 6,500 | 6,500 | |
| Replace Unit #762 F150 with CNG | | | | 40,000 |
| Replace Unit #889 Chevy Silverado with CNG | | | | 40,000 |
| <u>WATER PRODUCTION:</u> | | | | |
| Replace / Backhoe with ability to dig deeper | 86,000 | | | |
| New Van = 2018 Transit 250 | - | 37,000 | 37,000 | |

EQUIPMENT REPLACEMENT FUND BUDGET SUMMARY

| EXPENDITURES | ACTUAL | BUDGET | ESTIMATED | ADOPTED |
|---|---------------------|---------------------|---------------------|---------------------|
| | 2016-17 | 2017 - 18 | 2017 - 18 | 2018 - 19 |
| <u>SANITATION:</u> | | | | |
| Replace #752 / Commercial Roll Off | 213,776 | | | |
| Replace Residential Garbage Truck #823 | - | 295,000 | 295,000 | |
| Replace Residential Garbage Truck #827 | - | 295,000 | 295,000 | |
| New John Deere 20 EL w/ Grappler Attachment | - | 100,000 | 100,000 | |
| Replace Residential Garbage Truck | | | | 300,000 |
| Replace Residential Garbage Truck | | | | 300,000 |
| Replace #833 Rubber Tire Loader 427HT | | | | 175,000 |
| Replace #862 Front End Loader w/Grappler | | | | 95,000 |
| Replace #863 Front End Loader w/Grappler | | | | 95,000 |
| <u>CIVIC CENTER:</u> | | | | |
| Replace #640 F-150 | | | | 40,000 |
| New Dance Floor | 20,349 | | | - |
| Total Expenditures | \$ 1,658,477 | \$ 1,957,775 | \$ 2,027,052 | \$ 2,108,115 |
| Ending Fund Balance | \$ 6,648,936 | \$ 6,542,230 | \$ 6,481,243 | \$ 6,406,436 |

PARKS FUND

The Parks Fund was created by City Ordinance in 1977. This Ordinance requires a developer to dedicate a site or sites to the public for park purposes at a ratio of one-half acre of park for every one hundred persons in the subdivision or development. This ordinance further provided that the City Council may elect to accept money as an alternative to the dedication of land where there is no park designated by the Comprehensive Master Plan or no park or recreation facility is recommended in the area by the Parks Board. If money is to be donated, the rate is \$295 per lot in the subdivision or \$252 per living unit in a duplex, townhouse, apartment or other multifamily units. Due to a decreasing number of new subdivisions (developing subdivisions have already made their contributions), and the fact the last couple of new subdivisions donated land rather than money, income in this fund has decreased steadily.

The City's Park Board develops the budget for this fund. Expenditures are typically dedicated to small park related capital improvements and maintenance items. Projects primarily include ball field and general park enhancements, as well as some small park facility and equipment acquisitions.

In May 2014, voters authorized the sale of a small parcel of Parkland located in the Oak Woods Addition Subdivision. This property was then sold to HEB as part of their overall project in the amount of \$60,000. This funding was earmarked for improvements to Morrison Park at Shy Pond and helped pay for the \$110,000 playground upgrade.

PROJECTS FOR FY 2018-19

| | |
|---|-----------------|
| Kid Fishing Event | \$3,000 |
| Community (matching) Park Improvement Funds | 20,000 |
| Contingency | <u>5,000</u> |
| | <u>\$28,000</u> |

IMPACT ON THE BUDGET

There will be no impact on the operating budget.

PARKS FUND BUDGET SUMMARY

| RESOURCES | ACTUAL 2016 - 17 | BUDGET 2017 - 18 | ESTIMATED 2017 - 18 | BUDGET 2018 - 19 |
|-----------------------------|-----------------------------|-----------------------------|--------------------------------|-----------------------------|
| Fund Balance | \$ 146,532 | \$ 87,574 | \$ 87,574 | \$ 60,899 |
| Revenues | | | | |
| Interest Income | \$ 567 | \$ 0 | \$ 600 | \$ 0 |
| Contributions and Donations | | 0 | 325 | 0 |
| | <u>\$ 567</u> | <u>\$ 0</u> | <u>\$ 925</u> | <u>\$ 0</u> |
| Total Resources | \$ 147,099 | \$ 87,574 | \$ 88,499 | \$ 60,899 |

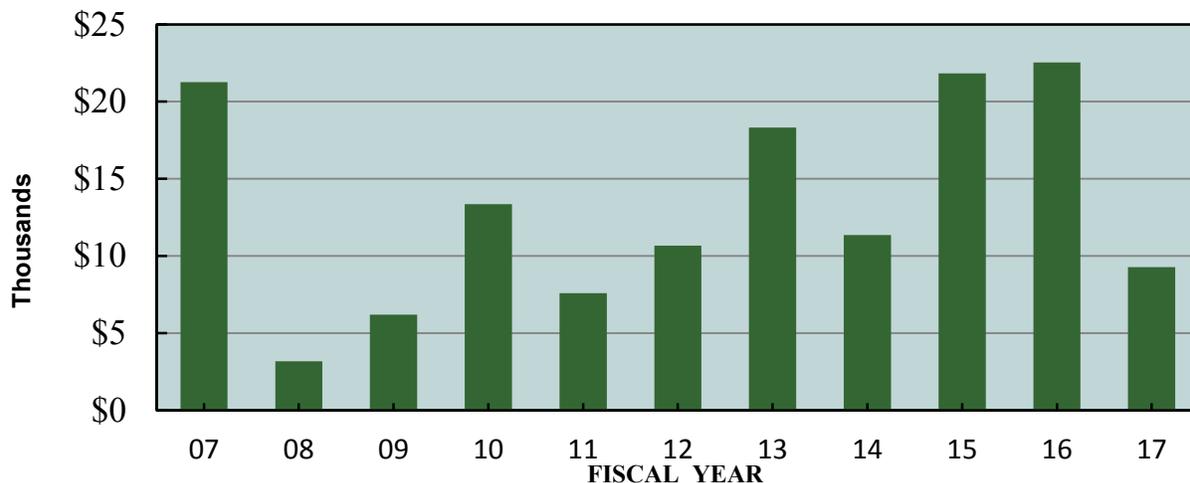
| EXPENDITURES | ACTUAL 2016 - 17 | BUDGET 2017 - 18 | ESTIMATED 2017 - 18 | BUDGET 2018 - 19 |
|--|-----------------------------|-----------------------------|--------------------------------|-----------------------------|
| Electronic Reader Board - Rec Center | \$ 28,459 | \$ | \$ | \$ |
| Park Projects - CM (Soccer Goals) | | | | |
| Park Projects - CM (Pool Starting Blocks) | 5,000 | | | |
| Park Projects - CM (JSL Park Picnic Shelter) | 4,781 | | | |
| Park Projects - CM (Soccer Goals) | 5,000 | | | |
| Park Projects - CM (1st Baptist-Security Fence) | 0 | | | |
| Park Projects -CM (Pee Wee /Community Impv) | 0 | | | |
| Park Projects - CM (B'Wood Base. / Suggs Improv) | 4,020 | | | |
| Morrison Park Memorial Bench | 5,775 | | | 0 |
| Kid Fishing Event | 2,600 | 3,000 | 2,600 | 3,000 |
| Community (matching) Park Improvement Funds | 3,890 | 20,000 | 20,000 | 20,000 |
| Contingency Fund | 0 | 5,000 | 5,000 | 5,000 |
| Total Expenditures | \$ 59,525 | \$ 28,000 | \$ 27,600 | \$ 28,000 |
| Ending Fund Balance | \$ 87,574 | \$ 59,574 | \$ 60,899 | \$ 32,899 |

UNEMPLOYMENT INSURANCE FUND

| <i>RESOURCES</i> | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
|----------------------------|-------------------|-------------------|----------------------|--------------------|
| Fund Balance | \$ 125,052 | \$ 116,289 | \$ 116,289 | \$ 102,089 |
| Revenues | | | | |
| Transfer From Utility Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Transfer From General Fund | 0 | 0 | 0 | 0 |
| Interest | 525 | 0 | 800 | 800 |
| | <u>\$ 525</u> | <u>\$ 0</u> | <u>\$ 800</u> | <u>\$ 800</u> |
| Total Resources | \$ 125,577 | \$ 116,289 | \$ 117,089 | \$ 102,889 |

| <i>EXPENDITURES</i> | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
|----------------------------|-------------------|-------------------|----------------------|--------------------|
| Unemployment Claims | \$ 9,288 | \$ 15,000 | \$ 15,000 | \$ 15,000 |
| Total Expenditures | \$ 9,288 | \$ 15,000 | \$ 15,000 | \$ 15,000 |
| Ending Fund Balance | \$ 116,289 | \$ 101,289 | \$ 102,089 | \$ 87,889 |

HISTORICAL UNEMPLOYMENT CLAIMS



SPECIAL EVENTS FUND

| RESOURCES | ACTUAL | BUDGET | ESTIMATED | ADOPTED |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
| Fund Balance | \$ 50,934 | 64,943 | 64,943 | 10,156 |
| Revenues | | | | |
| Transfer from General Fund | \$ 25,000 | 35,000 | 35,000 | 25,000 |
| Transfer from Motel Occ. | 71,750 | 73,185 | 72,828 | 74,650 |
| Revenues from FOL | 16,918 | 14,000 | 17,761 | 14,000 |
| Miscellaneous (Special Events) | 16,671 | 17,000 | 22,481 | 17,000 |
| 75th Revenue | 0 | 0 | 83,793 | 0 |
| | <u>\$ 130,339</u> | <u>\$ 139,185</u> | <u>\$ 231,863</u> | <u>\$ 130,650</u> |
| Total Resources | \$ 181,273 | \$ 204,128 | \$ 296,806 | \$ 140,806 |
| | | | | |
| EXPENDITURES | ACTUAL | BUDGET | ESTIMATED | ADOPTED |
| | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
| Festival of Lights | \$ 56,350 | 45,000 | 49,215 | 45,000 |
| Concerts in the Park | 24,792 | 25,000 | 34,318 | 25,000 |
| July 4th Celebration | 23,790 | 25,000 | 25,000 | 25,000 |
| Misc / Advertising | 2,500 | 2,500 | 4,114 | 2,500 |
| Tournaments | 0 | 6,000 | 0 | 6,000 |
| Misc./Pay Concerts | 8,701 | 15,000 | 15,000 | 15,000 |
| Senior Fest | 0 | 0 | 0 | 4,000 |
| 75th Celebration | 197 | 50,000 | 159,003 | 0 |
| | <u>\$ 116,330</u> | <u>\$ 168,500</u> | <u>\$ 286,650</u> | <u>\$ 122,500</u> |
| Total Expenditures | \$ 116,330 | \$ 168,500 | \$ 286,650 | \$ 122,500 |
| | | | | |
| Ending Fund Balance | \$ 64,943 | \$ 35,628 | \$ 10,156 | \$ 18,306 |

GENERAL CONTINGENCY FUND

| RESOURCES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
|----------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Fund Balance | \$ 906,260 | \$ 910,308 | \$ 910,308 | \$ 916,808 |
| Revenues | | | | |
| Transfer from General Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Interest Income | 4,047 | 2,000 | 6,500 | 5,000 |
| | <u>\$ 4,047</u> | <u>\$ 2,000</u> | <u>\$ 6,500</u> | <u>\$ 5,000</u> |
| Total Resources | \$ 910,308 | \$ 912,308 | \$ 916,808 | \$ 921,808 |
| EXPENDITURES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
| Transfer to Utility Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Transfer to General Fund | 0 | 0 | 0 | 0 |
| | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Expenditures | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Ending Fund Balance | <u>\$ 910,308</u> | <u>\$ 912,308</u> | <u>\$ 916,808</u> | <u>\$ 921,808</u> |

UTILITY CONTINGENCY FUND

| RESOURCES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
|-----------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Fund Balance | \$ 401,039 | \$ 402,830 | \$ 402,830 | \$ 405,330 |
| Revenues | | | | |
| Transfer from Utility Fund | \$ 0 | \$ 0 | \$ 0 | 0 |
| Interest Income | 1,791 | 880 | 2,500 | 2,000 |
| | <u>\$ 1,791</u> | <u>\$ 880</u> | <u>\$ 2,500</u> | <u>\$ 2,000</u> |
| Total Resources | \$ 402,830 | \$ 403,710 | \$ 405,330 | \$ 407,330 |
| EXPENDITURES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
| Transfer to Utility Fund | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| Total Expenditures | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Ending Fund Balance | <u>\$ 402,830</u> | <u>\$ 403,710</u> | <u>\$ 405,330</u> | <u>\$ 407,330</u> |

MOTEL OCCUPANCY TAX FUND

The purpose of this fund is to account for resources generated from the local hotel/motel occupancy tax, which collects at the rate of 7% of the cost of a hotel room. It is the policy of the City of Lake Jackson to use and distribute the Hotel Occupancy Tax using two levels of funding to encourage tourism:

1. The first level of funds (Level 1) assists the following organizations and events and is distributed on a percentage basis. The maximum level of funds allocated to Level 1 is \$533,200 for FY 2018-2019. The maximum may be adjusted annually by the City Council, taking into consideration inflation and increases in operating expenditures. This year, the base amount was adjusted 2.5%.
 - As much as 29% of Level 1 Funds to be used for promotion of tourism through:
 1. Brazosport Convention & Visitors Council; and/or
 2. Individual contractors who will advertise and promote the City;
 - As much as 14% of Level 1 Funds to the Brazosport Fine Arts Council to be used for the promotion of the arts;
 - As much as 21% of Level 1 Funds to the Museum of Natural Science at the Center for Arts and Sciences operated by the Brazosport Fine Arts Council to encourage visitations to museums;
 - As much as 21% of Level 1 Funds to the Lake Jackson Historical Museum to encourage visitations to historical museums and sites;
 - As much as 14% of Level 1 Funds to be used to promote Festival of Lights and other types of festivals or events that promote tourism;
 - As much as 1% of Level 1 Funds to be used to fund tourism-marketing material.
2. The second level of funds (Level 2) is the remainder and residue of the Hotel Occupancy Tax the City collects and can be allocated for some other lawful method of advertising the City or encouraging tourism, including preservation of historical sites, promoting visitation through attraction of conventions, and encouraging visitations to museums.

Requests for Level 2 funds are made to the Hotel Occupancy Tax (HOT) Committee assigned with the responsibility to recommend expenditures of Level 2 funds to the City Council. The HOT Committee is recommending that level 2 funds for FY 2018-19 be used to fund a regional marketing campaign to increase tourism to Lake Jackson and that \$18,00 be set aside for special event grants.

Lake Jackson is home to 7 hotels, totaling 460 rooms: Courtyard by Marriott, Staybridge Suites (opening late 2018), Woodspring Suites, Clarion Inn (140), Super 8 (108), Candlewood Suites (85), Best Western (68), Comfort Suites (59), Courtyard by Marriott (116), and Staybridge Suites (100).

Woodspring Suites is now under construction.

MOTEL OCCUPANCY TAX FUND BUDGET SUMMARY

| RESOURCES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
|----------------------------|-------------------|-------------------|----------------------|--------------------|
| Fund Balance | \$ 45,334 | \$ 45,434 | \$ 74,822 | \$ 141,170 |
| Revenues | | | | |
| Motel Occupancy Tax | | | | |
| Best Western | 137,928 | 136,741 | 135,614 | 138,000 |
| Super 8 | 53,121 | 60,777 | 60,659 | 62,000 |
| Clarion | 133,621 | 122,610 | 155,772 | 159,000 |
| Comfort Suites | 100,690 | 87,105 | 97,039 | 99,000 |
| Courtyard by Marriott | | 271,390 | 203,942 | 204,000 |
| Less Rebate | | (203,543) | (152,957) | (153,000) |
| Candlewood | 114,193 | 115,022 | 86,379 | 86,000 |
| Total Occupancy Tax | \$ 539,553 | \$ 590,102 | \$ 586,448 | \$ 595,000 |
| Interest Income | 160 | 0 | 100 | 100 |
| | \$ 539,713 | \$ 590,102 | \$ 586,548 | \$ 595,100 |
| Total Resources | \$ 585,047 | \$ 635,536 | 661,370 | \$ 736,270 |
| EXPENDITURES | | | | |
| | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
| Fine Arts Council | \$ 71,750 | \$ 73,185 | 72,828 | \$ 74,650 |
| Brazosport Area C of C | 148,625 | 151,598 | 150,858 | 154,630 |
| Museum of Natural Science | 107,625 | 109,778 | 109,242 | 111,975 |
| L.J. Historical Museum | 107,625 | 109,778 | 109,242 | 111,975 |
| Softball Tournament | | | | |
| TAAF Conf Promotion Items | | | | |
| Level 2 Expenditures | | 67,352 | | |
| - Marketing Campaign | | | | 80,000 |
| - Special Event Grants | | | | 18,000 |
| Marketing Items / Brochure | 2,850 | 5,228 | 5,202 | 5,330 |
| Transfer to Special Events | 71,750 | 73,185 | 72,828 | 74,650 |
| Total Expenditures | \$ 510,225 | \$ 590,104 | 520,200 | \$ 631,210 |
| Ending Fund Balance | \$ 74,822 | \$ 45,432 | 141,170 | \$ 105,060 |

Note: Ending Fund Balance for FY 17/18 includes \$98,170 commitment to Level 2 Funds

PEG FUND

The purpose of this fund is to account for Public, Educational and Government (PEG) cable television fees – 1% of the cable operator’s gross receipts. These funds are restricted by federal law and may be used only for capital costs related to PEG access facilities.

In 2017 the City of Lake Jackson and the Brazosport Independent School District entered into an interlocal agreement. The agreement provides that the City will provide funds to the school district to buy audio visual/ recording equipment. Students in the Audio/Visual Programs in the BISD will work with the City to create programming to be run on City Channel 16, which will promote the City of Lake Jackson and to educate citizens on the programs and services provided by the City.

An initial payment of \$186,343 was made to BISD in 2017, with programming beginning during the 2017-2018 school year. The first year was successful in creating initial videos and establishing a baseline for video expectations, which generated several ideas to continue growing the program in both scope and creativity in future years.

In FY 18-19 we plan to expand the program and begin running more videos on City Channel 16, with the major focus of promoting city events and how to find additional information about the city. Our goal is to eventually have at least half of the information shared on the channel being video-based, as well as incorporating the videos on the city website.

PEG FUND BUDGET SUMMARY

| RESOURCES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
|----------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Fund Balance | \$ 366,271 | 284,202 | 284,202 | 302,183 |
| Revenues | | | | |
| PEG fees | \$ 81,920 | 88,000 | 80,000 | 80,000 |
| Interest | 2,084 | 1,800 | 2,500 | 2,500 |
| | <u>\$ 84,005</u> | <u>\$ 89,800</u> | <u>\$ 82,500</u> | <u>\$ 82,500</u> |
| Total Resources | \$ 450,275 | \$ 374,002 | \$ 366,702 | \$ 384,683 |
| | | | | |
| EXPENDITURES | ACTUAL 2016-17 | BUDGET 2017-18 | ESTIMATED 2017-18 | ADOPTED 2018-19 |
| Operating Expenses | | | | |
| Operating Supplies | \$ 3,147 | 1,500 | 1,500 | 1,500 |
| BISD Grant | 162,926 | 59,790 | 59,790 | |
| Computer Equipment | \$ 0 | 3,228 | 3,228 | 5,000 |
| | <u>\$ 166,073</u> | <u>\$ 64,518</u> | <u>\$ 64,518</u> | <u>\$ 6,500</u> |
| Total Expenditures | \$ 166,073 | \$ 64,518 | \$ 64,518 | \$ 6,500 |
| | | | | |
| Ending Fund Balance | <u>\$ 284,202</u> | <u>\$ 309,483</u> | <u>\$ 302,183</u> | <u>\$ 378,183</u> |

POLICE SEIZURE FUNDS

This Police Seizure Fund is used to account for federal and state seized funds. These funds are to be used for law enforcement purposes.

In lieu of the disposition of forfeited property, Section 59.06 of the Code of Criminal Procedure grants spending authority to the Police Department. The Police Department is required to keep the governing body informed of aggregate expenditures of forfeiture funds by category. This entails submitting a budget for these funds that only lists and defines the categories that the forfeiture funds will be spent on.

POLICE SEIZURE FUNDS BUDGET SUMMARY

| RESOURCES | ACTUAL | BUDGET | ESTIMATED | ADOPTED |
|------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
| Fund Balance | \$ 96,797 | \$ 89,425 | \$ 89,425 | \$ 98,675 |
| Revenues | | | | |
| Seizures | \$ 19,457 | \$ 35,000 | 35,000 | 35,000 |
| Misc | 0 | 2,500 | 2,500 | 2,500 |
| Interest | 90 | 250 | 250 | 250 |
| | <u>\$ 19,547</u> | <u>\$ 37,750</u> | <u>\$ 37,750</u> | <u>\$ 37,750</u> |
| Total Resources | \$ 116,344 | \$ 127,175 | \$ 127,175 | \$ 136,425 |

| EXPENDITURES | ACTUAL | BUDGET | ESTIMATED | ADOPTED |
|----------------------------|------------------|------------------|------------------|-------------------|
| | 2016-17 | 2017-18 | 2017-18 | 2018-19 |
| Reimbursement (30% to DA) | \$ 613 | \$ 1,500 | \$ 1,500 | \$ 1,500 |
| Undercover Operations | 0 | 4,000 | 4,000 | 4,000 |
| Operating Supplies | 2,727 | 15,000 | 15,000 | 15,000 |
| Equipment | 23,579 | | | |
| Miscellaneous | 0 | 8,000 | 8,000 | 8,000 |
| | <u>\$ 26,919</u> | <u>\$ 28,500</u> | <u>\$ 28,500</u> | <u>\$ 28,500</u> |
| Total Expenditures | \$ 26,919 | \$ 28,500 | \$ 28,500 | \$ 28,500 |
| Ending Fund Balance | \$ 89,425 | \$ 98,675 | \$ 98,675 | \$ 107,925 |

MULTI-YEAR FUNDS



LAKE JACKSON

City of Enchantment



MULTI-YEAR FUNDS SUMMARY

This section includes all our active Bond Construction Funds. It presents the projects and money spent since the original sale of the bonds along with the plan for the expenditure of the remaining funds. Projects included in these funds typically take multiple years to complete. All Infrastructure Improvement bonds were worded to include Water, Sewer, Drainage and Sidewalk and Street reconstruction. Therefore, when the designated projects are complete, the remaining funds can be used on like projects. Construction funds include:

2010 Infrastructure Improvement Bond Construction Fund

This is the first phase of bonds approved by the voters in May 2010. Projects include drainage and street spot repairs. The project for \$1 million in street spot repairs and the first two major drainage project are complete. Due to the need for additional funding the Willow/Blossom drainage project will be completed from the 2016 Infrastructure bond fund. The South Yaupon drainage structure crossings includes three separate drainage structures. Two of these structures will be completed with street reconstruction in Woodland Park. Therefore, we are transferring funds necessary for those structures to the 2016-17 Infrastructure Bond Fund which includes the Woodland Park subdivision. The remaining structure will be put out for bid following completion of the Woodland Park project in order to maintain traffic flow in the area.

2013 Downtown Revitalization Bond Construction Fund

This fund will account for the proceeds from the issuance of \$2 million in Certificates of Obligation sold in March 2013. Proceeds will be used for the completion of Phase III of the downtown plan – South Parking Place. This project is nearing completion and close out.

2014 Economic Incentives Infrastructure Reimbursement Fund

This fund accounts for the proceeds from the issuance of \$5.5 million in Certificates of Obligation. The proceeds are to reimburse HEB for the public infrastructure installed to redevelop the Oak Woods subdivision and to reimburse Dow for public infrastructure associated with the development of the Dow Texas Innovation Center. Dow did not request reimbursement for all their allotted funds. An additional project to replace damaged street panels in areas around the Dow facility is also complete. Less than \$100,000 of the original bond proceeds remains and can be used for an infrastructure project in the HEB or Dow area.

2016-2017 Infrastructure Improvement Bond Construction Fund

This fund accounts for the first and second phase of bonds approved by the voters in May 2016. The first phase consist of \$3 million to add an additional 2-lane bridge on Plantation Drive at the Flag Lake Channel (construction nearing completion), drainage improvements in the Willow/Blossom/ Daisy area (Engineering in progress), add traffic lights and right turn lanes at Circle Way & Oak Drive at City Hall(turn lanes complete manufacturing delay on light stanchions), and fund the design for replacement of residential streets in Woodland Park (design complete). The second \$4 million phase includes the construction funding of the Woodland Park project. Included in this project will be two of the drainage structures on Yaupon that were originally funded by the 2010 Bond Fund. As with all our residential street reconstruction projects it includes Water and Sewer line replacement. Because we have several Water and Sewer Bond funds with projects completed under budget, the Water and Sewer portion of Woodland Park will be moved to these funds. Specifically, the 2016 Water and Sewer Bond Fund. This will free an estimated \$700,000 in this fund to be available to address drainage related concerns that came to light in the 2017 flood. The second phase also includes \$650,000 for the engineering of the next portion of the downtown revitalization. (Engineers responding to request for qualifications are being reviewed).

MULTI-YEAR FUNDS SUMMARY

2018 Infrastructure Improvement Bond Construction Fund

This is the planned issuance of the third and final phase of the bonds approved by the voters in May of 2016. It will consist of \$9 million to fund the next phase of the downtown revitalization. Phase 3 of the Downtown Revitalization project includes the reconstruction of 2,525 linear feet of streets, sidewalks, utility lines, and public parking along North Parking Place, That Way from Parking Way to Oyster Creek Drive, and Circle Way from Oak Drive to That Way. The project will also include adding public gathering spaces and pedestrian improvements to the area.

2013 Water and Sewer Bond Construction Fund

This fund will account for the proceeds from the issuance of \$2 million in Revenue Bonds and \$1.5 million in Certificates of Obligation. Projects funded included the Northwest water system expansion, Sewer line replacements, local lift station renovations and repair, and repainting of the Dow Ag water tower. All of the original projects are complete and under original estimated amounts. Remaining funds are being used to complete the Marigold Sewer line repair and additional local lift station renovation.

2016 Water and Sewer Bond Construction Fund

This fund will account for the proceeds from the issuance of \$3.0 million in Water and Sewer Bonds and \$3.9 million in Certificates of Obligation. The largest part of these funds (\$4.5 million) will be used to extend Sewer to the Airport/ Alden Development. The remaining \$2.4 million will be used to replace and upgrade the force main from Lift Station 25 to the Wastewater Treatment Plant. These two projects are complete and substantially under budget. With the remaining funds we will be able to complete additional water and sewer projects. Planned projects are the replacement of Water well 5, Woodland Park Water and Sewer, repair and paint the Oak Drive Water Tower, Booster Pump replacement at Oak Drive, and SCADA for monitoring of the water system.

2017 Water and Sewer Bond Construction Fund

This fund will account for the issuance \$5.0 million of Water and Sewer bonds. This will include rehabilitation of the entire basin 6 area. This project has been divided into three phases. The first phase has been bid and construction contract awarded. Engineering on Phase 2 has commenced. Basin 6 includes Plantation Drive, Cedar, Post Oak, North Shady Oaks and Garland to Garland Court. (\$3.5 million) Other projects will include the first phase of the Lake Forest sewer rehab (\$1.1 million) and Huisache Sewer (\$400,000).

SPECIAL NOTE:

In May 2016 the voters approved \$16.0 million in bonds. The first phase of these bonds was sold in December 2016 and another issue will be sold in December 2017. The last issue will be sold in December 2018. The ballot for the bonds consisted of 5 propositions, all were approved by the voters.

- **Proposition 1** – \$9.9 million to continue with the next phase of the Downtown Revitalization
- **Proposition 2** – \$1.0 million to add second 2-lane bridge at Plantation Drive & the Flag Lake Channel
- **Proposition 3** – \$3.8 million for residential streets in the Woodland Park Subdivision
- **Proposition 4** – \$0.8 million for drainage improvements in the Willow/Blossom/Daisy area
- **Proposition 5** – \$0.5 million for traffic lights & right turn lanes at Oak Dr. & Circle Way at City Hall

2010 INFRASTRUCTURE IMPROV. BOND CONSTRUCTION FUND

In May of 2010 voters approved the issuance of \$7 million in General Obligation Bonds. This fund was established to account for the bonds sold in July 2010.

Drainage Projects

\$2 million was allocated for Drainage projects.

The major focus of these projects is ditch improvements downstream from the State Highway 288 project. During the construction of the Highway project, the State improved the sizing on all of the drainage crossings. To take advantage of the increased crossing size downstream improvements need to be made to all ditches. Work is complete on three Oak Drive crossings and the Elm crossings. The remaining project is the completion of the three Yaupon crossings. Two of these crossings will be bid with the Woodland Park project in the 2016-17 Infrastructure Bond Fund and as such \$735,000 will be transferred to that fund. The remaining money will fund the completion of the third crossing. In general terms, these projects will improve drainage in the area between Oyster Creek Drive and SH 288/332 or all of the area that drains into the Clute/Lake Jackson (Velasco) ditch.

Due to the rising costs of concrete, the Willow/Blossom drainage project designed to reduce localized street flooding in that area of the City was moved to the 2016 Bond Issue.

All other projects planned for this bond issue have been completed.

IMPACT ON OPERATING BUDGET

There is minimal direct impact of these projects, however the ditch linings will lessen the long-term maintenance of these ditches necessary to control erosion. Mowing will also be simpler and quicker. Localized minor street flooding during 10 year rain events will be minimized.

2010 INFRASTRUCTURE IMPROV. BOND CONSTRUCTION FUND

As of March 2018

| Resources | Project To Date * | Total Projected |
|---|----------------------------------|----------------------------|
| Net Proceeds from Bond Issuance | \$ 3,003,735 | \$ 3,003,735 |
| Transfer From 2004 Infrastructure Bond Fund | 67,177 | 67,177 |
| Transfer from 2007 Infrastructure Bond Fund | 24,025 | 24,025 |
| Transfer from 2009 Infrastructure Bond Fund | 5 | 5 |
| Interest Earned | | |
| Prior years | 18,782 | 18,782 |
| Fiscal 2018 (thru period 6) | 5,281 | 10,000 |
| Total Interest Earned | 24,064 | 28,782 |
| Total Resources | \$ 3,119,006 | \$ 3,123,724 |

| Expenditures | Original Budget | Project To Date * | Remaining to be spent | Total Projected |
|--|----------------------------|----------------------------------|----------------------------------|----------------------------|
| Willow Blossom Drainage | \$ 400,000 | \$ 0 | \$ | \$ 0 |
| Oak Dr. Structure Crossings (3) | 470,000 | 462,884 | | 462,884 |
| S. Yaupon Structure Crossings (3) | 311,700 | 66,966 | 219,381 | 286,347 |
| Elm Structure Crossings (2) | 149,200 | 397,045 | | 397,045 |
| S Yaupon, Elm & Magnolia linings | 399,200 | 62,689 | | 62,689 |
| Anchusa, Timbercreek Park, Upper Slav | 185,000 | 178,717 | | 178,717 |
| Arterial Streets Drought Repair | 1,000,000 | 1,001,042 | | 1,001,042 |
| Contingency | 84,900 | | | 0 |
| Transfer to 2016/2017 Infrastructure (135) | | | | 735,000 |
| Total Expenditures | \$ 3,000,000 | \$ 2,169,343 | \$ 219,381 | \$ 3,123,724 |

Projected Remaining Funds **\$ 0**

2013 DOWNTOWN REVITALIZATION BOND CONSTR. FUND

The Lake Jackson Development Corporation approved the funding of Phase 3 of the Downtown revitalization plan. The Economic Development Fund, whose primary revenue is the optional half-cent sales tax, will provide the funding to service the debt payments on \$2,000,000 in Certifications of Obligation. The Certificates were sold in March 2013.

Phase 3 Downtown Revitalization

Phase 3 involves the complete restoration of South Parking Place and adds a pavilion to the center of the roadway that will provide covered parking during the week and a pavilion on the weekend. The design allows South Parking Place to serve as an additional outdoor plaza that can host a Farmer's Market, concerts or other outdoor events.

This project is in the final stages of completion and closeout.

IMPACT ON OPERATING BUDGET

Because the master plan for downtown includes considerable streetscape and landscaping we anticipate an increase in maintenance cost. These will not impact our general operating budget as we will provide \$70,000 a year for maintenance to be paid from the Lake Jackson Economic Development Fund. Plans for the addition of a farmer's market and other events to attract patrons downtown are not currently finalized but the financial plan is for any additional cost to be offset by revenues.

2013 DOWNTOWN REVITALIZATION BOND CONSTR. FUND

As of March 31, 2018

| Resources | Project To Date | Total Projected |
|---------------------------------|--------------------------------|----------------------------|
| Net Proceeds from Bond Issuance | \$ 2,001,211 | \$ 2,001,211 |
| Interest Earned | | |
| Prior Years | 21,707 | 21,707 |
| Fiscal 2018 | 9,944 | 12,000 |
| Total Interest Earned | 31,651 | 33,707 |
| | | |
| Total Resources | \$ 2,032,861 | \$ 2,034,918 |

| Expenditures | Original Budget | Project To Date | Remaining to be spent | Total Projected |
|----------------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------|
| South Parking Place | \$ 2,000,000 | \$ 1,484,138 | \$ 504,870 | \$ 1,989,008 |
| This Way-C/Way to 332 | | 45,910 | | 45,910 |
| | | | | |
| Total Expenditures | \$ 2,000,000 | \$ 1,530,048 | \$ 504,870 | \$ 2,034,918 |
| | | | | |
| Projected Remaining Funds | | | | \$ 0 |

2014 ECONOMIC INCENTIVES INFRASTRUCTURE BOND

Economic Development Incentive for Redevelopment of Oak Woods Subdivision (HEB)

In 2013 the City Council and LJDC approved a \$3 million infrastructure reimbursement agreement for the redevelopment of the Oak Woods subdivision. The Oak Woods subdivision was the first residential area built in Lake Jackson located east of downtown and had over 102 duplexes built there during WWII. HEB will construct an 83,000 sq. ft. store on about 13 acres of the 38 acre site. The remainder of the acreage is slated for a combination of office, retail and residential. The \$3 million agreement will reimburse HEB for all public infrastructure installed to serve the site.

Economic Development Incentive for Texas Innovation Center

In 2013 the City Council and LJDC approved a \$2.5 million infrastructure reimbursement agreement for the development of the Dow Texas Innovation Center. The site will consist of nearly one million square feet of office and research space consisting of a major administrative building, two large research and development buildings, amenities/activity building and a central plant/warehousing building. The project will put approximately 2,100 Dow employees in the middle of the city.

Both of these projects are now complete. Dow did not request the entire \$2.5 million reimbursement. An additional project to repair streets in the area of the Dow complex that were compromised during construction is also complete. There remains slightly less than \$100,000 that can be used for a project in the Dow / HEB area.

IMPACT ON OPERATING BUDGET

The impact on the operating budget should be minimal. These projects will decrease maintenance costs for repairs that are currently coming out of the operating budget and extend the life of existing infrastructure. Overall, the incentives offered these companies continue to pay off in a direct increase to the property tax base as well as serving to attract other commercial entities to the area.

2014 ECONOMIC INCENTIVES INFRASTRUCTURE BOND

As of March 31, 2018

| Resources | Project To Date | Total Projected |
|---------------------------------|--------------------------------|----------------------------|
| Net Proceeds from Bond Issuance | \$ 5,501,029 | \$ 5,501,029 |
| Prior Interest Earned | 14,301 | 14,301 |
| Fiscal 2018 | 755 | 900 |
| Total Interest Earned | 15,056 | 15,201 |
| Total Resources | \$ 5,516,085 | \$ 5,516,230 |

| Expenditures | Original Budget | Project To Date | Remaining to be spent | Total Projected |
|-----------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------|
| Dow Innovation Center | \$ 2,500,000 | \$ 2,344,193 | \$ 0 | \$ 2,344,193 |
| Off-Site Utilities | | | | |
| Abner Jackson Street Repair | | 49,156 | 0 | 49,156 |
| Oak Woods Re development | 3,000,000 | 3,000,000 | 0 | 3,000,000 |
| HEB | | | | |
| This Way spot repair | | 33,446 | | 33,446 |
| Total Expenditures | \$ 5,500,000 | \$ 5,426,795 | \$ 0 | \$ 5,426,795 |

| | |
|----------------------------------|------------------|
| Projected remaining Funds | \$ 89,435 |
|----------------------------------|------------------|

2016-2017 INFRASTRUCTURE IMPROV. BOND CONSTRUCTION

In May of 2016 voters approved the issuance of an additional \$16 million in General Obligation Bonds. This fund was established to account for the first phase (\$3 million) and the second phase (\$4 million). These bonds were sold in December 2016 and December 2017 respectively.

Plantation Drive Bridge

With the construction of the Plantation Park Apartments, Plantation Drive is now a 4-lane road from SH 332 to Oleander Street, at which point there is currently only a 2-lane bridge to cross the Flag Lake Channel. There is \$1.0 million allocated to build an additional 2-lane bridge so that there are 4 lanes of traffic going all the way to Medical Drive. Construction of this project is nearing completion.

Willow/Blossom/Daisy Drainage

There is \$0.8 million allocated for this project. The drainage project for the Willow/Blossom/Daisy area will be designed to reduce localized street flooding. Engineering on this project is nearing completion.

Circle Way & Oak Drive Traffic Improvements

Due to increased traffic and the growth of the Downtown area, \$0.5 million has been allocated to install traffic lights and right turn lanes at Circle Way and Oak Drive near City Hall. Turn lanes are complete. Installation of the traffic light is pending due to a manufacturing delay of the light stanchions.

Residential Street Replacement – Woodland Park Subdivision

Phase 1 including funding for the engineering of this project and phase 2 included the construction funding. Also, two of the drainage crossings originally funded by the 2010 bond issue will be completed with this project. Money from the 2010 Infrastructure Construction Fund will be transferred here to pay for this portion of the project. As with all our street replacement projects, water and sewer lines will also be replaced. Because projects in the 2016 Water and Sewer construction fund were completed significantly under budget, the water and sewer portion of this project will be paid from that fund. This will free approximately \$700,000 in this fund to be utilized on drainage and other issues identified during 2017 flood.

Downtown Revitalization

Phase 2 of the bond sale includes funding for the engineering / design portion for phase 4 of the Downtown Revitalization Project. The funds for the construction of Phase 4 will not be issued until December of 2018.

IMPACT ON OPERATING BUDGET

There is minimal direct impact of these projects on the operating funds. There will be a minor increase in the City's electricity usage associated with the new lights for the Plantation Drive Bridge and with the traffic signals. However, the drainage improvements will lessen the long-term maintenance of the ditches in that area and the improvements will help to reduce some localized street flooding that occurs during heavy rains.

2016-2017 INFRASTRUCTURE IMPROV. BOND CONSTRUCTION

As of March 2018

| Resources | Project To Date * | Total Projected |
|---|----------------------------------|----------------------------|
| Net Proceeds from Bonds | | |
| 2016 | \$ 3,000,000 | \$ 3,000,000 |
| 2017 | 4,000,000 | 4,000,000 |
| Transfer from 2010 Infrastructure (134) | 0 | 735,000 |
| Interest Earned | | |
| Fiscal 2017 | 18,842 | 18,842 |
| Fiscal 2018 | 37,254 | 50,000 |
| Bond Premium | 35,000 | 35,000 |
| Total Interest Earned | 91,096 | 103,842 |
| Total Resources | \$ 7,091,096 | \$ 7,838,842 |

| Expenditures | Original Budget | Project To Date | Remaining to be spent | Total Projected |
|---------------------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------|
| Woodland Park Subdivision * | \$ 3,800,000 | \$ 174,312 | \$ 3,660,688 | \$ 3,835,000 |
| Downtown Phase 4 Engineering | 650,000 | 0 | 650,000 | 650,000 |
| Downtown S Parking Place | 250,000 | 0 | 250,000 | 250,000 |
| Oak Dr. / Circle Way Light | 500,000 | 318,531 | 181,469 | 500,000 |
| Plantation Dr Bridge | 1,000,000 | 105,361 | 894,639 | 1,000,000 |
| Willow / Blossom Drainage | 800,000 | 88,038 | 711,962 | 800,000 |
| Brazos Canal Berm | | | 238,000 | 238,000 |
| Oleander/ Magnolia Channel Erosion | | | 60,000 | 60,000 |
| Comfort Suites / Catholic Ch. Erosion | | | 87,000 | 87,000 |
| Total Expenditures | \$ 7,000,000 | \$ 686,242 | 6,348,758 | \$ 7,420,000 |

Projected Remaining Funds **\$ 418,842**

* Woodland Park includes Hickory, Oleander, Bois D Arc, South Yaupon and Lotus

2018 INFRASTRUCTURE IMPROV. BOND CONSTRUCTION FUND

In May of 2016 Voters approved the issuance of an additional \$16 million in General Obligation Bonds. This fund was established to account for the third phase and final issuance of those bonds. These bonds will be sold in December 2018.

Downtown Revitalization

This bond issue will include \$9 million for the fourth phase of the Downtown Revitalization Project. This project includes project includes the reconstruction of 2,525 linear feet of streets, sidewalks, utility lines, and public parking along North Parking Place, That Way from Parking Way to Oyster Creek Drive, and Circle Way from Oak Drive to That Way. The project will also include adding public gathering spaces and pedestrian improvements to the area.

2018 INFRASTRUCTURE IMPROV. BOND CONSTRUCTION FUND

As of March 2018

| Resources | Project To Date * | Total Projected |
|--------------------------------------|----------------------------------|----------------------------|
| Net Proceeds from Bonds to be Issued | \$ 9,000,000 | \$ 9,000,000 |
| Interest Earned Fiscal 2019 | | 10,000 |
| Total Interest Earned | <u>0</u> | <u>10,000</u> |
| Total Resources | \$ 9,000,000 | \$ 9,010,000 |

| Expenditures | Original Budget | Project To Date | Remaining to be spent | Total Projected |
|---------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------|
| Downtown Revitalization | \$ 9,000,000 | \$ 0 | \$ 9,000,000 | \$ 9,000,000 |
| Total Expenditures | \$ 9,000,000 | \$ 0 | 9,000,000 | \$ 9,000,000 |

| | |
|----------------------------------|-------------------------|
| Projected Remaining Funds | \$ <u>10,000</u> |
|----------------------------------|-------------------------|

2013 WATER AND SEWER BOND CONSTRUCTION FUND

In May of 2013 we issued \$2 million in Water and Sewer Bonds. The proceeds from these bonds will fund the Northwest water system expansion (\$1,000,000) Sewer line replacements (\$250,000), local lift station renovations (\$250,000), and repair and repaint the Dow water tower (\$500,000).

In addition, the Lake Jackson Development Corporation approved the funding of the Northwest water system. The Economic Development Fund, whose primary revenue is the optional half-cent sales tax, will provide the funding to service the debt payments on \$1,500,000 in Certifications of Obligation. The Certificates were sold in October, 2013.

Northwest Water System Expansion

This project entails providing a phased approach to providing utilities to the airport.

The initial phase will include a connection to the existing Brazosport Water Authority main, a 100,000 gallon ground storage tank, a 10,000 gallon pressure tank, booster pumps, chemical treatment facilities and a control room. These facilities will be located on a plant site donated by the County east of the airport. Water mains will be extended from this plant to the airport to the west, to CR 220 to the north, and to the Alden development to the South.

The initial phase will serve up to the first 400 equivalent single family connections around the airport and in the Alden development. Future phases would include additional ground storage and booster pumps, elevated storage, and a well system. With development of the Alden tract this system will eventually connect back to the existing city water system.

Repair and Repaint Water Tower

This will repair and repaint the Water Tower known as the Dow Ag Tower (Leo Martin). (\$500,000)

This project was the first completed from this bond issue.

Local Lift Station Renovations

This will replace the pumps and controls and upgrade the flow capacity of the existing Lift Station #16 to meet the requirements for the full build out of the Creekside subdivision (\$150,000) and will replace major pumping equipment and controls at smaller lift stations including Lift Station #16 (\$100,000).

All of the planned projects for this bond fund are complete. Because these projects were completed under budget we have funded additional projects. This includes a project to asphalt the access road to the water plant (complete), additional lift station renovations (ongoing) and the repair of the Marigold sewer line (on going).

IMPACT ON OPERATING BUDGET

The impact on the operating budget should be minimal. The Northwest Water System expansion will add some maintenance and operating costs but these will be minimal until a customer base is established and consumption increases, at that point the revenue from increased sales should more than offset the increased operating costs. All of the other projects will decrease maintenance costs for repairs that are currently coming out of the operating budget and extend the life of existing infrastructure.

2013 WATER AND SEWER BOND CONSTRUCTION FUND

As of March 31, 2018

| Resources | Project To Date | Total Projected |
|--|--------------------------------|----------------------------|
| Net Proceeds from Bond Issues 2013 Water & Sewer Bonds | \$ 2,000,000 | \$ 2,000,000 |
| Net Proceeds from Bond Issues 2013A CO's | \$ 1,504,241 | 1,504,241 |
| Interest Earned | | |
| Prior years interest | 16,100 | 16,100 |
| Fiscal 2018 | 2,111 | 4,000 |
| Total Interest Earned | <u>18,211</u> | <u>20,100</u> |
| | | |
| Total Resources | \$ 3,522,452 | 3,524,341 |

| Expenditures | Original Budget | Project To Date | Remaining to be Spent | Total Projected |
|--------------------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------|
| Replace Sewer Line - Center Way | \$ 125,000 | \$ 77,232 | \$ 0 | \$ 77,232 |
| Replace Sewer Line - Begonia | 125,000 | 94,344 | 0 | 94,344 |
| NW Water Expansion-Engineering | 2,500,000 | 117,173 | 0 | |
| NW Water Expansion | | 2,279,787 | 0 | 2,396,960 |
| Local Lift Station Renovations 83-97 | 137,000 | 113,951 | 23,049 | 137,000 |
| Lift station 16 renovation | 150,000 | 83,247 | 0 | 83,247 |
| Marigold Sewer Line | 100,000 | 3,600 | 56,400 | 60,000 |
| Repaint Water Tower - Dow Ag | 500,000 | 436,675 | 0 | 436,675 |
| | | | | |
| Total Expenditures | \$ 3,637,000 | \$ 3,206,009 | \$ 79,449 | \$ 3,285,458 |

Projected Remaining funds \$ 238,883

2016 WATER AND SEWER BOND CONSTRUCTION FUND

Northwest Sewer System Expansion

In December 2016 the City issued \$3.0 million in Water and Sewer Bonds and \$3.9 million Certificates of Obligation. The proceeds from these bonds will fund the Northwest sewer system expansion and a new and improved force main from lift station 25 (near the Brazos Mall) to the Wastewater Treatment Plant. This will improve flow and capacity for the Mall and surrounding commercial properties.

The Northwest sewer expansion will extend sewer service to the Airport area as well as serve the Texas Department of Criminal Justice Clemens Unit. Currently this unit is treating their own wastewater but they desire to connect to our system. This project will consist of main trunk lines, lift stations, and force mains back to our existing plant.

These projects are complete and are significantly under budget. Additional projects identified to be completed with the savings include Replacement of water well 5, the water and sewer portion of Woodland Park, Oak Drive water tower repair, Booster Pump at Oak Drive, and a new SCADA system for the water operations.

IMPACT ON OPERATING BUDGET

The impact on the operating budget of adding the Clemens Unit has been greater than anticipated. They dramatically underestimated their amount of wastewater. They are sending us roughly 650,000 gallons daily. Our wastewater reclamation facility has the capacity to handle this with some increase in treatment cost. However, the increase in cost is far exceeded by the increase in revenues. The additional projects will have minimal direct impact. The new SCADA system will probably add a maintenance contract and communication cost of less than \$5,000 annually. Replacement of water and sewer lines in the Woodland Park subdivision are a portion of the plan to improve operational efficiency by reducing water leaks and sewer infiltration.

2016 WATER AND SEWER BOND CONSTRUCTION FUND

As of March 2018

| Resources | Project To Date * | Total Projected |
|--|----------------------------------|----------------------------|
| Net Proceeds from Water and Sewer Bonds | \$ 3,000,000 | \$ 3,000,000 |
| net Proceeds from Certificates of Obligation | 3,900,000 | 3,900,000 |
| | | |
| Prior period interest | 43,336 | 43,336 |
| Interest Earned Fiscal 2018 | 22,407 | 35,000 |
| | | |
| Total Interest Earned | 65,743 | 78,336 |
| | | |
| Total Resources | \$ 6,965,743 | \$ 6,978,336 |

| Expenditures | Original Budget | Project To Date * | Remaining to be Spent | Total Projected |
|--|----------------------------|----------------------------------|----------------------------------|----------------------------|
| Northwest Sewer expansion extend sewer service to airport & Lift Station 25 force main | \$ 6,900,000 | \$ 4,628,267 | \$ 71,733 | \$ 4,700,000 |
| Replace Water Well 5 | | 15,000 | 300,000 | 315,000 |
| Woodland Park Water/Sewer | | 0 | 700,000 | 700,000 |
| Oak Drive Water Tower | | 0 | 280,000 | 280,000 |
| Booster Pumps | | 0 | 250,000 | 250,000 |
| SCADA | | 0 | 150,000 | 150,000 |
| | | | | |
| Total Expenditures | \$ 6,900,000 | \$ 4,643,267 | 1,751,733 | \$ 6,395,000 |

| | |
|----------------------------------|-------------------|
| Projected Remaining Funds | \$ 570,743 |
|----------------------------------|-------------------|

2017 WATER AND SEWER BOND CONSTRUCTION FUND

This fund accounts for the issuance of \$5.0 million of water and Sewer bonds in December of 2017. This sewer project includes \$3.5 Million for the rehabilitation of the entire basin 6 area. Basin 6 includes Plantation Drive, Cedar, Post Oak, North Shady Oaks and Garland to Garland Court. Also included is \$1.1 Million for Phase 1 of the Lake Forest Sewer Rehabilitation and \$400,000 for the Huisache sewer rehabilitation.

IMPACT ON OPERATING BUDGET

The direct impact on the operating budget will be minimal, however lift station 6 experiences significant flow from infiltration during rain events. If this project successfully reduces that, electricity usage will decrease as will man-hours spent monitoring the area.

2017 WATER AND SEWER BOND CONSTRUCTION FUND

As of March 2018

| Resources | Project To Date * | Total Projected |
|--------------------------------------|----------------------------------|----------------------------|
| Net Proceeds from Bonds to be Issued | \$ 5,000,000 | \$ 5,000,000 |
| Interest Earned Fiscal 2018 | 24,579 | 40,000 |
| Total Interest Earned | 24,579 | 40,000 |
| Total Resources | \$ 5,024,579 | \$ 5,040,000 |

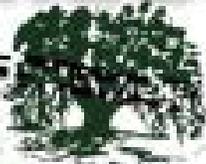
| Expenditures | Original Budget | Project To Date | Remaining to be spent | Total Projected |
|---------------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------|
| Basin 6 subbasin b phase I | \$ 1,042,000 | \$ 80,100 | \$ 961,900 | \$ 1,042,000 |
| Basin 6 subbasin b phase II | 1,342,000 | 0 | 1,342,000 | 1,342,000 |
| Basin 6 subbasin a | 1,116,000 | 0 | 1,116,000 | 1,116,000 |
| Lake Forest Sewer Rehab Phase 1 | 1,100,000 | 0 | 1,100,000 | 1,100,000 |
| Huisache Sewer Rehab | 400,000 | 0 | 400,000 | 400,000 |
| Total Expenditures | \$ 5,000,000 | \$ 80,100 | 4,919,900 | \$ 5,000,000 |

| | |
|----------------------------------|------------------|
| Projected Remaining Funds | \$ 40,000 |
|----------------------------------|------------------|

The Entrance of Madge Griffith Park



STATISTICAL INFORMATION



LAKE JACKSON

City of Enchantment



LAKE JACKSON "CITY OF "ENCHANTMENT"

The City of Lake Jackson began in the early 1940's when Dr. A. P. Beutel and Dr. Alden Dow carefully planned out the "City of Enchantment." Through hard work and determination, what was once a heavily wooded swamp grew into a beautiful city. In planning the city, Dr. Dow specified that as many trees as possible would be saved. The citizens of Lake Jackson continue to be committed to Dr. Dow's dream by maintaining and enhancing the beauty of the area.

Lake Jackson is also surrounded by Texas history. The land that Lake Jackson is built on was part of Stephen F. Austin's original land grant from the Mexican government. The two major plantations around the current sites of Lake Jackson and Clute were the Jackson Plantation and Eagle Island Plantation. Abner Jackson built his plantation on an oxbow lake from which our young city derives its name: Lake Jackson.

Today the citizens of Lake Jackson are proud of their heritage and their pride shows in their City. Through the hard work and dedication of our boards and commissions, along with numerous volunteers, Lake Jackson has won twelfth Keep Texas Beautiful Governor's Community Achievement Awards and three 1st place national awards from Keep America Beautiful. Each year they have also receive the President's Circle Award from Keep America Beautiful and the Sustained Award of Excellence from Keep Texas Beautiful. Lake Jackson has been presented the "Tree City USA" title for the past 35 years.

Location

8 Miles North of the Gulf of Mexico
50 Miles South of Houston
45 Miles Southwest of Galveston

Estimated 2018 Population

27,781

Form of Government

Council/Manager (Home Rule Charter)

Mayor

Bob Sipple

City Manager

William P. Yenne

Councilmembers

Vinay Singhania
Matthew Broaddus
Gerald Roznovsky
Ralph "Buster" Buell III
Tim Scott

ELECTED OFFICIALS

| | <u>Official</u> | <u>Title</u> | <u>Years of Service</u> | <u>Term Expires</u> | <u>Occupation</u> |
|-----|---|---------------|-------------------------|---------------------|-------------------|
| * | Bob Sipple | Mayor | New | 2020 | Retired |
| | Matthew Broaddus | Councilmember | 1 | 2019 | Attorney |
| ** | Vinay Singhania | Councilmember | New | 2020 | Manager/Sourcing |
| *** | Gerald Roznovsky | Councilmember | 5 | 2019 | Retired |
| | Ralph “Buster” Buell III | Councilmember | 4 | 2020 | Retired |
| | Tim Scott | Councilmember | 1 | 2019 | Retired |
| * | Served as Councilmember 2005 and as Mayor 2006-2012 | | | | |
| ** | Served as Councilmember 2006-2011 | | | | |
| *** | Served as Councilmember 2005-2010 | | | | |

City Staff

| | <u>Name</u> | <u>Title</u> | <u>Length of Service</u> |
|---|---|--------------------|--------------------------|
| * | William P. Yenne | City Manager | 38 years |
| | Modesto Mundo | Asst. City Manager | 23 years |
| | Pam Eaves, CPA | Finance Director | 28 years |
| | Salvador Aguirre | City Engineer | 39 years |
| | First Southwest | Financial Advisors | 13 years |
| * | Served 11 years as Assistant City Manager | | |

GENERAL INFORMATION

Size

Development of the 18 square mile area that comprises the City of Lake Jackson began in 1941 and has produced an orderly, well planned residential community. Lake Jackson, itself, has a population of about 28,000 people. Yet, Lake Jackson is part of a larger community of cities located in southern Brazoria County. Comprised of Lake Jackson, Clute, Freeport, Oyster Creek, Quintana, Jones Creek, Richwood, Surfside, Angleton and Brazoria, this area represents a population of over 77,000. Our regional retail center draws people from points well west and north of our city.

Location

The City of Lake Jackson is part of the Brazosport Area which includes the cities of Brazoria, Clute, Freeport, Jones Creek, Oyster Creek, Quintana, Richwood and Surfside Beach. Lake Jackson is located 50 miles south of Houston, 45 miles southwest of Galveston and 8 miles north of the Gulf of Mexico.

Access

The City is accessible via State Highway 332, the Nolan Ryan Expressway (State Highway 288), FM 2004 and the Port of Freeport. These roads provide access to Houston, Galveston, and the market areas of Brazoria, Matagorda and Fort Bend Counties.

Utilities

Water, Wastewater and Sanitation Services are provided by the City of Lake Jackson

Electric Service is provided by a competitive retail provider (you choose)

Gas Service is provided by CenterPoint Energy.

Highways

State Highway 288
State Highway 288B
State Highway 332
State Highway 36
State Highway 35
FM 2004

Trucking

28 Tank Truck Lines
10 Motor Freight Carriers
7 Local Terminals

Air Freight/Package Services

Seven companies servicing large and small package requirements.

Rail

Union Pacific Railroad services the area.

Air

Texas Gulf Coast Regional Airport- 7,000 ft. runway, lighted, ILS & NDB; charter and corporate services.

Houston's Hobby Airport - one hour away, Houston's Bush Intercontinental Airport - 1.5 hours away with all major commuter carriers.

Shipping

Port of Freeport

Long term planning and careful development have given rise to the most accessible port serving the Gulf Coast. Located just 1.3 miles from deep water, Port Freeport dispenses with unnecessary transit time and assures ship operators a fast, safe turnaround.

The Port offers a depth of 36 feet at the public facilities -- 400-foot wide channels and a 1200-foot wide turning basin. Over 2,150 feet of dockspace is immediately accessible to 416,000 square feet of transit storage, a covered boxcar loading area and 47 acres of prepared open storage.

Bus

Southern Brazoria County Transit service has five routes in Lake Jackson, Clute, Freeport and Angleton. Residents who use the service have convenient access within the cities and region to employment, schools, shopping, county services, medical services and recreational destinations.

UTILITY RATES

Electricity:

Supplier: Competitive Retail Provider

Natural Gas:

Supplier: CenterPoint Energy

Water: Supplier: City of Lake Jackson

| | |
|----------------------------------|--------------------------|
| Residential Base (2,000 gallons) | \$13.50 per month |
| Commercial Base (2,000 gallons) | \$27.00 per month |
| over 2,000 gallons | \$4.30 per 1,000 gallons |
| over 20,000 gallons | \$4.80 per 1,000 gallons |

Sewer: Supplier: City of Lake Jackson

| | |
|----------------------------------|--------------------------|
| Residential Base (2,000 gallons) | \$13.65 per month |
| Commercial Base (2,000 gallons) | \$27.30 per month |
| 2,000 to 15,000 gallons: | \$4.60 per 1,000 gallons |

*Sewer rates for residential customers are capped at 15,000 gallons/month.

Solid Waste Collection: Supplier: City of Lake Jackson

Sanitation rates:

| | |
|---------------------------|----------------------------|
| Residential Garbage/Trash | \$17.35 per month |
| Residential Recycling | \$ 2.50 per month |
| Apartment Garbage/Trash | \$17.35 per unit per month |
| Apartment Recycling | \$1.50 per unit per month |

Dumpster Rates - Number Of Pickups Per Week

| | 2x | 3x | 4x | 5x | 6x |
|-------------------------|----------|----------|----------|----------|----------|
| 3 Cubic Yard Containers | \$75.70 | \$113.40 | \$151.30 | \$189.15 | \$226.90 |
| 4 Cubic Yard Containers | \$100.85 | \$151.30 | \$201.70 | \$252.10 | \$302.55 |

Shared Dumpster Rates

| | |
|-----------------|---------|
| Small Business | \$27.90 |
| Medium Business | \$36.35 |
| Large Business | \$44.80 |

Apartments/Multi-Family

Garbage and trash rates for apartments/multi-family shall be charged a flat rate fee of \$16.60 per individual family unit, excluding State Sales Tax.

APPLICABLE TAX RATES

Sales or Use Tax

| | |
|-----------------|-------------|
| State | 6.25% |
| Lake Jackson | 1.50% |
| Brazoria County | <u>.50%</u> |
| | 8.25% |

Hotel/Motel Tax

| | |
|-------|-------------|
| State | 6.0% |
| City | <u>7.0%</u> |
| | 13.00% |

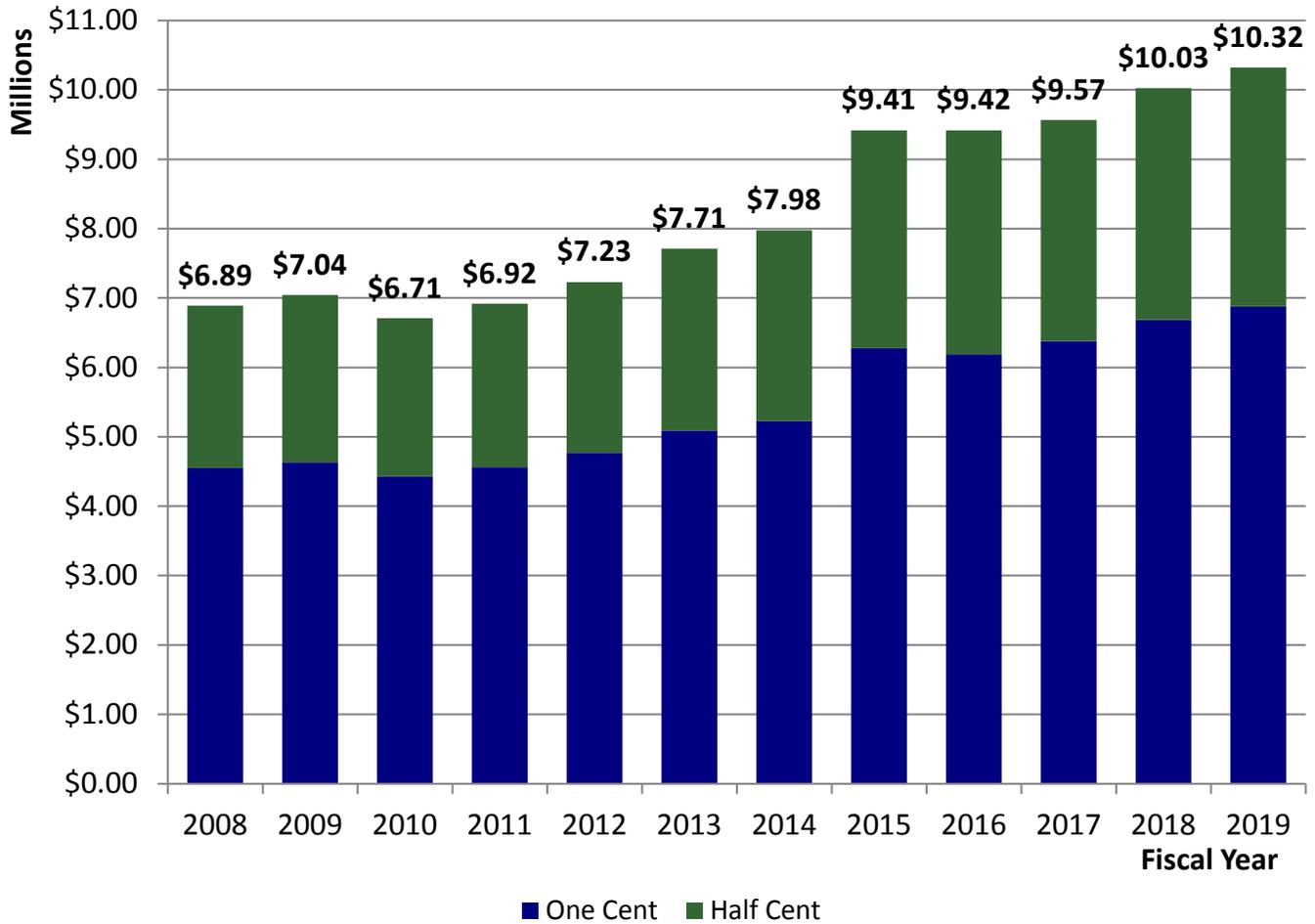
2018-19 Property Taxes - Rate/\$100 Assessed Value

| | |
|---|-----------------|
| City of Lake Jackson | 0.335200 |
| Brazosport ISD | 1.255300 |
| Brazosport College | 0.298500 |
| Brazoria County (including Road & Bridge) | 0.427914 |
| Brazos River Harbor Navigation District | 0.040100 |
| Velasco Drainage District | <u>0.084120</u> |
| Aggregate Tax Rate | 2.441134 |

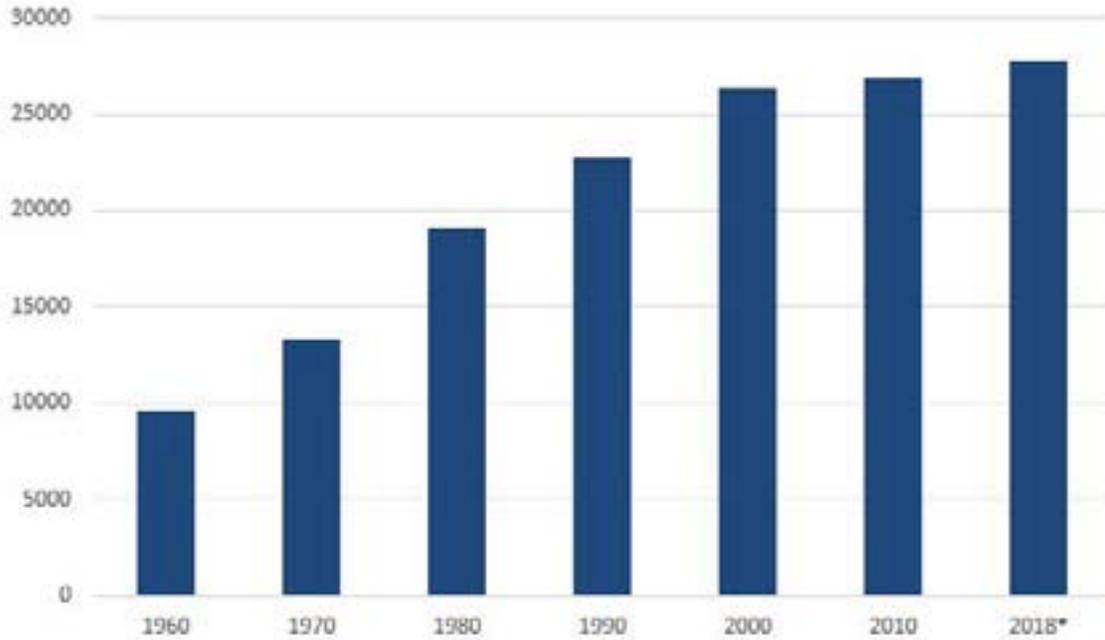
Source: Brazoria County Tax Office - 9/27/18

SALES TAX HISTORY

| | Fiscal Year | One Cent Sales Tax | Half Cent Sales Tax | Percentage Growth |
|-----------|-------------|--------------------|---------------------|-------------------|
| | 2008 | 4,553,842 | 2,337,052 | -1.40% |
| | 2009 | 4,634,553 | 2,408,688 | 1.77% |
| | 2010 | 4,432,443 | 2,277,196 | -4.36% |
| | 2011 | 4,562,725 | 2,355,777 | 2.94% |
| | 2012 | 4,772,141 | 2,457,990 | 4.59% |
| | 2013 | 5,093,359 | 2,619,312 | 6.73% |
| | 2014 | 5,226,636 | 2,752,237 | 2.62% |
| | 2015 | 6,276,467 | 3,138,233 | 20.09% |
| | 2016 | 6,190,271 | 3,227,460 | -1.37% |
| Actual | 2017 | 6,377,917 | 3,188,958 | 3.03% |
| Projected | 2018 | 6,685,000 | 3,342,500 | 4.81% |
| Budgeted | 2019 | 6,882,480 | 3,441,240 | 2.95% |



HISTORICAL POPULATION



| | |
|-------------|--------|
| 1960 | 9,651 |
| 1970 | 13,376 |
| 1980 | 19,102 |
| 1990 | 22,776 |
| 2000 | 26,386 |
| 2010 | 26,849 |
| 2018* | 27,781 |

**latest estimate from Esite Analytics .*

Land Area & Population Density

| | POPULATION | LAND AREA SQUARE MILES | PERSONS PER SQUARE MILE |
|---------------------|---------------|---------------------------|----------------------------|
| Texas* | 26,448,193 | 261,231.71 | 96.3 |
| Brazoria County* | 330,242 | 1,357.70 | 230.7 |
| Lake Jackson | 27,781 | 19.44 | 1,429.1 |

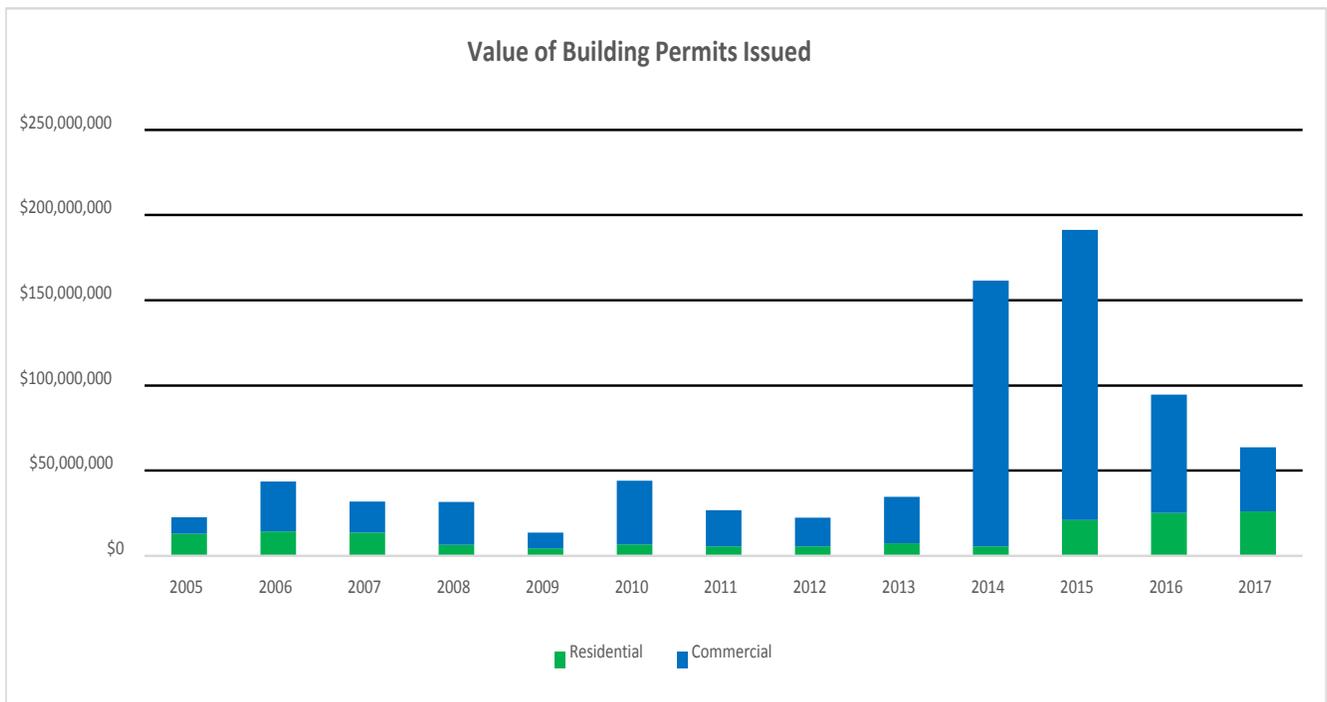
**2015 Census estimate*

2010 CENSUS INFORMATION

| Population | |
|--|---------------|
| Total Population | 26,849 |
| Housing Status | |
| Total | 11,149 |
| Occupied | 10,319 |
| Owner-occupied | 7,134 |
| Population in owner-occupied (# of individuals) | 19,491 |
| Renter-occupied | 3,185 |
| Population in renter-occupied (# of individuals) | 7,301 |
| Vacant | 830 |
| Vacant: for rent | 500 |
| Vacant: for sale | 128 |
| Vacant: for seasonal/recreational/occasional use | 40 |
| Population by Sex/Age | |
| Male | 13,155 |
| Female | 13,694 |
| Under 18 | 7,090 |
| 18 & over | 19,759 |
| 20-24 | 1,506 |
| 25-34 | 3,358 |
| 35-49 | 5,530 |
| 50-64 | 5,393 |
| 65 & over | 3,198 |
| Population by Ethnicity | |
| Hispanic or Latino | 5,513 |
| Non Hispanic or Latino | 21,336 |
| Population by Race | |
| White | 22,649 |
| African American | 1,370 |
| Asian | 842 |
| American Indian or Alaska Native | 140 |
| Native Hawaiian or Pacific Islander | 10 |
| Other | 1,194 |
| Identified by two or more | 644 |

HISTORICAL BUILDING PERMIT ACTIVITY

| Year | Residential | | | | Commercial | | | | Total |
|------|--------------|--------|--------------|--------|---------------|--------|--------------|--------|-----------------|
| | New | | Additions | | New | | Additions | | New + Additions |
| | Dollars | Number | Dollars | Number | Dollars | Number | Dollars | Number | Dollars |
| 2005 | \$10,346,773 | 47 | \$2,554,073 | 217 | \$6,814,750 | 5 | \$2,846,001 | 72 | \$22,561,597 |
| 2006 | \$11,558,044 | 42 | \$2,779,670 | 222 | \$12,292,550 | 13 | \$16,999,806 | 96 | \$43,630,070 |
| 2007 | \$10,645,379 | 49 | \$2,994,659 | 246 | \$9,960,620 | 16 | \$8,273,763 | 91 | \$31,874,421 |
| 2008 | \$4,567,201 | 28 | \$1,934,811 | 210 | \$16,524,120 | 7 | \$8,691,192 | 84 | \$31,717,324 |
| 2009 | \$2,104,874 | 13 | \$2,269,750 | 224 | \$980,000 | 16 | \$8,286,645 | 47 | \$13,641,269 |
| 2010 | \$2,897,800 | 19 | \$3,825,831 | 308 | \$28,239,066 | 4 | \$9,186,421 | 61 | \$44,149,118 |
| 2011 | \$2,804,113 | 11 | \$2,648,839 | 300 | \$1,267,000 | 2 | \$20,102,377 | 126 | \$26,822,329 |
| 2012 | \$3,059,500 | 16 | \$2,609,239 | 284 | \$8,827,836 | 4 | \$7,836,810 | 72 | \$22,333,385 |
| 2013 | \$4,528,375 | 18 | \$2,778,099 | 323 | \$12,855,000 | 10 | \$14,504,913 | 90 | \$34,666,387 |
| 2014 | \$2,309,974 | 14 | \$3,338,284 | 292 | \$139,596,783 | 27 | \$16,289,232 | 92 | \$161,534,273 |
| 2015 | \$5,835,686 | 25 | \$15,299,859 | 1060 | \$111,439,072 | 55 | \$58,861,154 | 74 | \$191,435,771 |
| 2016 | \$18,334,647 | 72 | \$6,932,925 | 668 | \$41,292,467 | 16 | \$28,039,432 | 78 | \$94,599,471 |
| 2017 | \$19,431,568 | 80 | \$6,618,518 | 483 | \$21,973,497 | 71 | \$15,624,583 | 58 | \$63,648,166 |



BRAZORIA COUNTY TOP EMPLOYERS

| COMPANY | TYPE | NON-RETAIL FULL-TIME EMPLOYEES | |
|---|--------------|--|--------------|
| The Dow Chemical Company | Freeport | Chemical | 3,900 |
| Alvin I.S.D. | Alvin | Education | 3,488 |
| Pearland I.S.D. | Pearland | Education | 2,664 |
| Texas Dept. of Criminal Justice | County-wide | Criminal Justice | 2,409 |
| Wood Group (formerly The Infinity Group) | Clute | Contractor | 2,231 |
| Brazosport I.S.D. | Clute | Education | 1,746 |
| Brazoria County | County-wide | Government | 1,389 |
| Olin Corporation | Freeport | Chemical | 1,200 |
| Phillips 66 | Sweeny | Refining | 1,035 |
| BASF Corporation | Freeport | Chemical | 922 |
| Angleton I.S.D. | Angleton | Education | 913 |
| Schlumberger Technology Corp. | Rosharon | Oil Well Services | 849 |
| Jacobs | Freeport | Contractor | 801 |
| Brock Group | Clute | Industrial Insulation/Scaffolding | 792 |
| EXCEL | Freeport | Contractor | 762 |
| TDECU | County-wide | Financial | 737 |
| Empereon Constar | Alvin | Call Center | 700 |
| City of Pearland | Pearland | Government | 696 |
| Chevron Phillips Chemical Co. | Sweeny | Chemical | 615 |
| INEOS Olefins & Polymers USA | Alvin | Chemical | 575 |
| Ascend Performance Materials | Alvin | Chemical | 570 |
| CHI St. Luke's Health Brazosport | Lake Jackson | Medical | 550 |
| JV Driver | Freeport | Contractor | 550 |
| ICS | Clute | Contractor | 500 |
| Marquis Construction Services | Clute | Contractor | 500 |
| Team Industrial Services | Alvin | Mechanical Services | 492 |
| Columbia-Brazoria I.S.D. | Brazoria | Education | 456 |
| Mammoet | Rosharon | Heavy Lifting & Transport Solutions | 455 |

*Source: The Alliance - Economic Development for Brazoria County
Last Updated February, 2018*

BRAZORIA COUNTY TOP EMPLOYERS

| COMPANY | TYPE | NON-RETAIL FULL-TIME EMPLOYEES | |
|---|--------------|-------------------------------------|------------|
| Fluor | Freeport | Contractor | 450 |
| Mundy Support Services | County-wide | Contractor | 325 |
| Riviana Foods (formerly American Rice) | Freeport | Rice Mills | 310 |
| Kemlon Products & Development | Pearland | Wiring Device Manufacturer | 300 |
| KBR | Freeport | Contractor | 300 |
| Performance Contractors | Iowa Colony | Contractor | 300 |
| Alvin Community College | Alvin | Education | 282 |
| Benchmark Electronics | Angleton | Manufacturer | 274 |
| Brazosport College | Lake Jackson | Education | 274 |
| Sweeny I.S.D. | Sweeny | Education | 262 |
| Saber Power Services | Iowa Colony | High-Voltage Electrical Services | 250 |
| Turner Industries | Freeport | Contractor | 250 |
| UTMB Health – Angleton Danbury | Angleton | Medical | 225 |
| City of Lake Jackson | Lake Jackson | Government | 209 |
| Vernor Material & Equipment | Freeport | Aggregate Materials | 209 |
| PCL Construction | Freeport | Contractor | 200 |
| City of Alvin | Alvin | Government | 198 |
| Sweeny Community Hospital | Sweeny | Medical | 192 |
| Freeport LNG | Quintana | LNG Terminal | 182 |
| Third Coast Terminals | Pearland | Blending & Packaging | 178 |
| CB&I | Freeport | Contractor | 170 |
| Shintech, Inc. | Freeport | PVC Manufacturer | 169 |
| E-Z Line Pipe Support Company | Manvel | Manufacturer | 150 |
| RiceTec | Alvin | Agriculture | 135 |
| SI Group | Freeport | Chemical | 134 |
| ProFax | Pearland | Welding Products Mfg. | 132 |
| City of Freeport | Freeport | Government | 125 |
| Packaging Service Co. / SolvChem | Pearland | Blending & Packaging | 120 |
| City of Angleton | Angleton | Government | 119 |
| Texas Honing | Pearland | Pipe Honing & Boring | 107 |
| Aggreko | Pearland | Industrial Equipment Rentals | 100 |

PRINCIPAL TAXPAYERS

| <u>Taxpayer</u> | <u>Type of Business</u> | Tax Year 2014 Assessed Taxable Valuation | Percent of Assessed Valuation |
|-----------------------------------|-------------------------|---|-------------------------------------|
| Lex Lake Jackson LP | Industrial | \$ 62,589,370 | 3.32% |
| Core LJ One LTD | Industrial | 36,428,430 | 1.93% |
| Brazos Mall Owners, LLC | Retail | 23,880,040 | 1.27% |
| Dow Chemical Company | Various Property | 19,193,850 | 1.02% |
| Redwood Westdale Edgewater | Apartments | 17,126,610 | 0.91% |
| HEB Grocery Company | Retail | 16,715,520 | 0.89% |
| Wal-Mart Stores, Inc. | Retail | 16,408,370 | 0.87% |
| Gulf Coast Kington Properties LLC | Apartments | 13,694,920 | 0.73% |
| DCM Lake Jackson Proeprty LLC | Apartments | 11,482,250 | 0.61% |
| Partners of Lake Jackson LTD | Apartments | 10,650,000 | 0.56% |
| | | <u>\$ 228,169,360</u> | <u>12.10%</u> |

**Compiled from information provided by the Brazoria County Appraisal District*

HISTORICAL SUMMARY OF MAJOR PERSONNEL CHANGES

| <u>YEAR</u> | <u>DEPARTMENT</u> | <u>POSITION</u> | <u>Add FTE</u> | <u>Delete</u> |
|-------------|-------------------|-----------------------------|----------------|---------------|
| 2018-19 | Police | Admin Sergeant | 1.00 | |
| 2018-19 | Police | Dispatchers | 2.00 | |
| 2017-18 | Finance | MIS Systems Analyst | 1.00 | |
| 2016-17 | Police | College Resource Officer | | -1.00 |
| 2016-17 | Police | Traffic Officers | 2.00 | |
| 2016-17 | Police | Narcotics Detective | 1.00 | |
| 2016-17 | Finance | Systems Analyst | 1.00 | |
| 2016-17 | Recreation | Asst. Aquatics Coordinator | 1.00 | |
| 2016-17 | Recreation | Secretary | | -1.00 |
| 2016-17 | Recreation | Marketing Coordinator | 1.00 | |
| 2016-17 | Parks | Light Equipment Operator | | -1.00 |
| 2016-17 | Parks | Crewleader | 1.00 | |
| 2016-17 | Utility Admin | Lead Meter Tech | 1.00 | |
| 2016-17 | Utility Admin | Meter Reader | 1.00 | |
| 2015-16 | Administration | Personnel Clerk | 1.00 | |
| 2015-16 | Fire | Deputy Fire Marshal | 1.00 | |
| 2015-16 | Water | Assistant Superintendent | 0.50 | |
| 2015-16 | Wastewater | Assistant Superintendent | 0.50 | |
| 2013-14 | Wastewater | Split Public Works Director | 0.50 | |
| 2013-14 | Code Enforcement | Split Public Works Director | | -0.50 |
| 2009-10 | Police | College Resource Officer | 1.00 | |
| 2007-08 | Administration | Secretary | 1.00 | |
| 2007-08 | Finance | Payroll Clerk | 1.00 | |
| 2007-08 | Police | Narcotics Detective | 1.00 | |
| 2007-08 | Code Enforcement | Apartment Inspector | 1.00 | |
| 2007-08 | Code Enforcement | Code Enforcement Officer | 1.00 | |
| 2007-08 | Civic Center | Custodian | 1.00 | |
| 2006-07 | Legal | City Attorney | 1.00 | |
| 2005-06 | Utility Admin | Cashier | | -1.00 |
| 2005-06 | Recreation | Rec Leader | 1.00 | |
| 2005-06 | Recreation | Secretary | | -1.00 |
| 2005-06 | Police | School Resource Officer | 1.00 | |
| 2004-05 | Civic Center | Custodian | | -1.00 |
| 2004-05 | Fire | Custodian moved to PD | | -0.50 |
| 2004-05 | Legal | Secretary | | -1.00 |
| 2004-05 | Police | Custodian moved to PD | 0.50 | |
| 2003-04 | Administration | Bldg Custodian Moved | 0.33 | -0.33 |
| 2003-04 | Finance | Finance Dir. Moved | 0.50 | -0.50 |
| 2003-04 | Utility Admin | Meter Reader | | -1.00 |
| 2002-03 | Utilities | Laborer II | | -1.00 |
| 2001-02 | Administration | Personnel Director | 1.00 | |
| 2000-01 | Civic Center | Custodian | 1.00 | |
| 2000-01 | Police | Patrol Officers | 4.00 | |
| 2000-01 | Recreation | PT Custodian to FT | 1.00 | |
| 2000-01 | Utility Admin | Secretary | 1.00 | |
| 1999-00 | Civic Center | Custodian | 2.00 | |
| 1999-00 | Civic Center | Marketing Asst. | 1.00 | |
| 1999-00 | Civic Center | Civic Center Mgr. | 1.00 | |
| 1999-00 | Finance | MIS Systems Analyst | 1.00 | |
| 1999-00 | Finance | Cust. Service Super | 1.00 | -1.00 |
| 1999-00 | Humane | Humane Officer | 1.00 | |
| 1999-00 | Parks | Groundskeeper II | | -1.00 |
| 1999-00 | Recreation | Rec Leader PT to FT | 1.00 | |

HISTORICAL GENERAL CAPITAL PROJECTS & BOND ISSUES

| Tax Year | Fiscal Year Ended | Tax Rate | Total Assessed Value | General Capital Projects | Bond Issues | | | | | |
|----------|-------------------|-----------|----------------------|--------------------------|-----------------|-------------------|----------------------|-----------------------|--|--|
| | | | | | Date Authorized | Amount Authorized | Date Sold | Amount Sold | | |
| 1976 | 9/30/1977 | \$ 0.5000 | \$ 175,832,810 | 151,154 | 4/3/1976 | \$ 2,885,000 | 7/20/1976 | \$ 2,885,000 | | |
| 1977 | 9/30/1978 | 0.4750 | 192,542,314 | 59,428 | | | | | | |
| 1978 | 9/30/1979 | 0.4750 | 207,204,210 | 272,872 | | | | | | |
| 1979 | 9/30/1980 | 0.4250 | 232,286,120 | 178,154 | 4/5/1980 | 2,000,000 | 8/20/1980 | 2,000,000 | | |
| 1980 | 9/30/1981 | 0.4250 | 251,333,126 | | 4/4/1981 | 600,000 | 4/8/1981 | 600,000 | | |
| 1981 | 9/30/1982 | 0.4500 | 269,422,547 | 271,186 | 8/14/1982 | 1,595,000 | 9/28/1982 | 1,595,000 | | |
| 1982 | 9/30/1983 | 0.3400 | 455,809,674 | 760,995 | | | | | | |
| 1983 | 9/30/1984 | 0.3865 | 468,967,930 | 602,010 | 11/8/1983 | 1,140,000 | 6/18/1984 | 1,140,000 | | |
| 1984 | 9/30/1985 | 0.4000 | 485,602,540 | 708,895 | | | | | | |
| 1985 | 9/30/1986 | 0.3250 | 618,134,335 | 253,006 | | | | | | |
| 1986 | 9/30/1987 | 0.3250 | 619,430,280 | 423,609 | | | | | | |
| 1987 | 9/30/1988 | 0.3250 | 607,217,191 | 496,943 | | | | | | |
| 1988 | 9/30/1989 | 0.3250 | 613,392,040 | 284,172 | | | | | | |
| 1989 | 9/30/1990 | 0.3250 | 617,544,250 | 231,866 | 9/9/1989 | 4,665,000 | 11/6/1989 | 4,665,000 | | |
| 1990 | 9/30/1991 | 0.3450 | 637,920,940 | 36,519 | | | | | | |
| 1991 | 9/30/1992 | 0.3450 | 651,975,210 | 51,133 | | | | | | |
| 1992 | 9/30/1993 | 0.3550 | 674,654,648 | 204,651 | 8/29/1992 | 3,450,000 | 3/15/1993 | 3,450,000 | | |
| 1993 | 9/30/1994 | 0.3550 | 704,858,200 | 623,845 | | | | | | |
| 1994 | 9/30/1995 | 0.3500 | 742,810,365 | 572,969 | | | | | | |
| 1995 | 9/30/1996 | 0.3450 | 789,761,000 | 570,295 | 6/17/1996 | 7,300,000 | 6/17/1996 CO | 7,300,000 | | |
| 1996 | 9/30/1997 | 0.3400 | 829,035,849 | 559,522 | | | | | | |
| | | | | 542,462 | a) | | | | | |
| 1997 | 9/30/1998 | 0.3500 | 847,067,939 | 766,189 | 5/3/1997 c) | 6,350,000 | 11/3/1997 GO | 2,100,000 | | |
| 1998 | 9/30/1999 | 0.3500 | 889,655,350 | 913,487 | | | 11/3/1997 CO | 5,950,000 | | |
| 1999 | 9/30/2000 | 0.3500 | 935,110,266 | 1,397,500 | 11/3/1997 | 5,950,000 | | | | |
| | | | | | c) | | 1/15/1999 | 4,250,000 | | |
| 2000 | 9/30/2001 | 0.3500 | 998,035,066 | 952,683 | 1/11/2001 b) | 10,800,000 | 5/15/2001 | 3,600,000 | | |
| 2001 | 9/30/2002 | 0.3500 | 1,068,602,660 | 1,193,565 | 1/18/1997 | 6,000,000 | 5/15/2002 | 6,000,000 | | |
| 2002 | 9/30/2003 | 0.3750 | 1,116,753,175 | 672,741 | b) | | 12/15/2002 | 3,600,000 | | |
| 2003 | 9/30/2004 | 0.3703 | 1,185,429,367 | 627,827 | b) | | 4/15/2004 | 3,600,000 | | |
| 2004 | 9/30/2005 | 0.3700 | 1,236,071,214 | 206,785 | 5/15/2005 d) | 7,700,000 | | - | | |
| 2005 | 9/30/2006 | 0.3800 | 1,273,059,582 | 1,170,715 | | | | | | |
| 2006 | 9/30/2007 | 0.3700 | 1,351,219,282 | 731,008 | d) | | 5/17/2007 | 5,300,000 | | |
| 2007 | 9/30/2008 | 0.3850 | 1,391,772,727 | 809,648 | | | | - | | |
| 2008 | 9/30/2009 | 0.3900 | 1,460,686,450 | 1,157,136 | d) | | 3/3/2009 | 2,400,000 | | |
| 2009 | 9/30/2010 | 0.3900 | 1,454,833,720 | 1,949,813 | 5/8/2010 e) | 7,000,000 | 7/20/2010 | 3,000,000 | | |
| 2010 | 9/30/2011 | 0.3900 | 1,437,060,336 | 684,123 | | | | | | |
| 2011 | 9/30/2012 | 0.3900 | 1,419,681,558 | 751,310 | e) | | 5/6/2013 | 4,000,000 | | |
| 2012 | 9/30/2013 | 0.3900 | 1,437,118,606 | 1,024,693 | | | 5/6/2013 CO | 2,000,000 | | |
| 2013 | 9/30/2014 | 0.3900 | 1,450,607,167 | 516,489 | | | | | | |
| 2014 | 9/30/2015 | 0.3850 | 1,498,269,814 | 985,275 | | | | | | |
| 2015 | 9/30/2016 | 0.3600 | 1,639,706,525 | 2,105,930 | 5/9/2016 f) | 16,000,000 | | | | |
| 2016 | 9/30/2017 | 0.3475 | 1,879,932,644 | 1,028,265 | f) | | 11/7/2016 | 3,000,000 | | |
| 2017* | 9/30/2018 | 0.3375 | 2,098,790,748 | 1,676,997 | f) | | 11/14/2017 | 4,000,000 | | |
| 2018** | 9/30/2019 | 0.3352 | 2,301,112,411 | 763,000 | | | | | | |
| | | | | \$ 29,940,865 | | | \$ 83,435,000 | | | |
| | | | | Total Projects | | | | \$ 76,435,000 | | |
| | | | | | | | | \$ 106,375,865 | | |

* Estimate

** Budget

a) Outdoor Pool was built with half cent sales tax money

b) \$10,800,000 in GO bonds were approved by voters in 2001. These were sold in three phases.

c) \$6,325,000 in GO bonds were approved by voters in 1997. These were sold in two phases.

d) \$7,700,000 in GO bonds were approved by voters in 2005. These were sold in two phases.

e) \$7,000,000 in GO bonds were approved by voters in 2010. These were sold in two phases.

HISTORICAL GENERAL CAPITAL PROJECTS & BOND ISSUES

- 7/20/1976 Library, City Hall, Streets (Oak Drive, Willow Drive, Oyster Creek Drive), Drainage, Parks, Water System - GO
- 8/20/1980 Police Building, Service Center, Streets (Plantation Dr., That Way, Dixie Dr) - GO
- 4/8/1981 Streets (Yaupon 2 lanes FM 2004 to OCD) - GO
- 9/28/1982 Drainage, Streets (Huisache), Sanitary Sewer - GO
- 11/8/1983 Streets (Oak Dr Bridge, Stanford Rd, Post Oak, Post Oak Ct.) - GO
- 11/6/1989 Refunding - GO; Library & Parking, Streets (Dixie Dr, Oyster Creek Dr) - GO
- 3/15/1993 Police Station, Plantation Bridge, Streets (Azalea & Center Way) - GO
- 6/17/1996 Recreation Center - CO (Debt Service provided by half cent sales tax)
- 11/3/1997 Streets - Cherry, Elm, Winding Way, Canna, Circle Way
- 11/3/1997 Youth Sports Complex, Civic Center Plaza - CO (Debt Service provided by half cent sales tax)
- 1/15/1999 Streets - phase 2 of \$6.35 million Authorized - OCD, Laurel, Acacia, Mimosa, Oleander, Walnut, Lotus, Medical Dr.
- 5/15/2001 Funding the reconstruction of Magnolia (100 block to Acacia), central Yaupon, (SH332 to OCD).
Also funded is the humane facility and a two bay expansion to Fire Station #2.
- 5/15/2002 Golf Course construction
- 12/15/2002 Fire / EMS Building
- 4/15/2004 Streets - Oak Drive, South Yaupon, Dixie Drive, South Magnolia, and Brazos Oaks
- 5/17/2007 Brazos Oaks Subdivision: Streets drainage; Jasmine, Oak Dr., & Winding Way street & drainage. Renovations of old fire station into a Court Facility, Emergency Dispatch & Emergency Operation Center.
- 5/8/2010 Drainage, Ditch lining, Structure crossing (Oak Dr & S. Yaupon), Aterial streets drought repair.
- 5/6/2013 \$4M GO for streets remainder of magnolia, Laurel, Chinaberry, Gardenia, and Camellia, various courts
\$2M CO South Parking Place
- 11/7/2016 \$3M GO for Plantation Bridge, Oak Dr. Traffic Light, and design work for the streets Lotus, Hickory, Oleander, South Yaupon, and Bois d. Arc
- 11/14/2017 \$4M GO for engineering of phase 4 of the Downtown revitalization and the replacement of the residential streets Lotus, Hickory, Oleander, South Yaupon, and Bois D Arc

SINGLE FAMILY RESIDENTIAL VALUES

Information provided by the Brazoria County Tax Office October, 2018

**BRAZORIA COUNTY CLASS A - SINGLE FAMILY RESIDENTIAL VALUES

| YEAR | # OF PARCELS | CLASS A MARKET VALUE CERTIFIED | CLASS A MARKET VALUE (ARB REVIEW) | TOTAL CLASS A MARKET VALUE | *NEW CLASS A MARKET VALUE |
|------|--------------|--------------------------------|-----------------------------------|----------------------------|---------------------------|
| 2007 | 84,399 | \$ 10,168,218,701 | \$ 850,659,412 | \$ 11,018,878,113 | \$ 583,676,962 |
| 2008 | 86,608 | \$ 11,229,716,724 | \$ 302,173,693 | \$ 11,531,890,417 | \$ 491,545,699 |
| 2009 | 87,932 | \$ 10,926,556,311 | \$ 755,995,018 | \$ 11,682,551,329 | \$ 315,255,480 |
| 2010 | 88,979 | \$ 11,597,214,600 | \$ 182,453,464 | \$ 11,779,668,064 | \$ 196,623,525 |
| 2011 | 90,267 | \$ 11,742,877,210 | \$ 138,848,451 | \$ 11,881,725,661 | \$ 188,139,710 |
| 2012 | 90,329 | \$ 11,869,862,227 | \$ 27,526,839 | \$ 11,897,389,066 | \$ 171,886,371 |
| 2013 | 92,488 | \$ 12,126,891,336 | \$ 214,434,692 | \$ 12,341,326,028 | \$ 184,735,066 |
| 2014 | 93,911 | \$ 12,763,755,887 | \$ 446,851,977 | \$ 13,210,607,864 | \$ 202,455,398 |
| 2015 | 95,557 | \$ 13,840,979,400 | \$ 703,432,487 | \$ 14,544,411,887 | \$ 306,755,087 |
| 2016 | 97,685 | \$ 15,629,035,458 | \$ 1,109,632,771 | \$ 16,738,668,229 | \$ 424,885,905 |
| 2017 | 99,878 | \$ 16,840,956,939 | \$ 978,973,081 | \$ 17,819,930,020 | \$ 456,092,831 |
| 2018 | 102,085 | \$ 17,900,975,550 | \$ 312,826,621 | \$ 18,213,802,171 | \$ 433,685,500 |

*This number is included in "Total Market Value". Brazoria County Grants 20% general homestead exemption

**CITY OF LAKE JACKSON CLASS A - SINGLE FAMILY RESIDENTIAL VALUES

| YEAR | # OF PARCELS | CLASS A MARKET VALUE CERTIFIED | CLASS A MARKET VALUE (ARB REVIEW) | TOTAL CLASS A MARKET VALUE | *NEW CLASS A MARKET VALUE |
|------|--------------|--------------------------------|-----------------------------------|----------------------------|---------------------------|
| 2007 | 8,256 | \$ 1,047,335,160 | \$ 60,799,370 | \$ 1,108,134,530 | \$ 10,601,770 |
| 2008 | 8,302 | \$ 1,124,490,976 | \$ 15,975,860 | \$ 1,140,466,836 | \$ 11,931,080 |
| 2009 | 8,330 | \$ 1,105,776,006 | \$ 45,368,017 | \$ 1,151,144,023 | \$ 4,918,400 |
| 2010 | 8,338 | \$ 1,137,272,935 | \$ 9,788,380 | \$ 1,147,061,315 | \$ 2,814,380 |
| 2011 | 8,356 | \$ 1,129,367,436 | \$ 8,345,630 | \$ 1,137,713,066 | \$ 3,076,620 |
| 2012 | 8,358 | \$ 1,140,947,779 | \$ 20,833,160 | \$ 1,161,780,939 | \$ 2,309,480 |
| 2013 | 8,391 | \$ 1,162,209,888 | \$ 13,715,928 | \$ 1,175,925,816 | \$ 4,110,080 |
| 2014 | 8,382 | \$ 1,193,308,714 | \$ 27,537,180 | \$ 1,220,845,894 | \$ 2,575,130 |
| 2015 | 8,392 | \$ 1,261,453,537 | \$ 37,793,770 | \$ 1,299,247,307 | \$ 4,675,020 |
| 2016 | 8,412 | \$ 1,354,544,748 | \$ 62,424,290 | \$ 1,416,969,038 | \$ 3,854,410 |
| 2017 | 8,448 | \$ 1,417,583,908 | \$ 69,291,200 | \$ 1,486,875,108 | \$ 9,076,830 |
| 2018 | 8,526 | \$ 1,532,267,394 | \$ 25,753,840 | \$ 1,558,021,234 | \$ 16,089,100 |

*This number is included in "Total Market Value". City of Lake Jackson grants no general homestead exemption

**CITY OF ANGLETON CLASS A1 - SINGLE FAMILY RESIDENTIAL VALUES

| YEAR | # OF PARCELS | CLASS A MARKET VALUE CERTIFIED | CLASS A MARKET VALUE (ARB REVIEW) | TOTAL CLASS A MARKET VALUE | *NEW CLASS A MARKET VALUE |
|------|--------------|--------------------------------|-----------------------------------|----------------------------|---------------------------|
| 2007 | 5,255 | \$ 450,648,069 | \$ 41,562,380 | \$ 492,210,449 | \$ 7,446,050 |
| 2008 | 5,299 | \$ 492,505,869 | \$ 4,511,750 | \$ 497,017,619 | \$ 6,701,630 |
| 2009 | 5,337 | \$ 489,288,507 | \$ 17,418,919 | \$ 506,707,426 | \$ 5,759,610 |
| 2010 | 5,363 | \$ 492,528,737 | \$ 6,513,911 | \$ 499,042,648 | \$ 2,434,310 |
| 2011 | 5,384 | \$ 490,332,427 | \$ 4,232,500 | \$ 494,564,927 | \$ 3,416,610 |
| 2012 | 5,396 | \$ 498,497,273 | \$ 7,181,480 | \$ 505,678,753 | \$ 3,493,460 |
| 2013 | 5,407 | \$ 505,823,134 | \$ 8,144,990 | \$ 513,968,124 | \$ 2,902,960 |
| 2014 | 5,412 | \$ 528,527,978 | \$ 14,761,706 | \$ 543,289,684 | \$ 2,884,260 |
| 2015 | 5,431 | \$ 559,017,578 | \$ 19,047,810 | \$ 578,065,388 | \$ 3,050,630 |
| 2016 | 5,451 | \$ 590,790,495 | \$ 35,065,451 | \$ 625,855,946 | \$ 4,200,060 |
| 2017 | 5,486 | \$ 636,458,745 | \$ 32,229,100 | \$ 668,687,845 | \$ 9,139,010 |
| 2018 | 5,530 | \$ 684,254,952 | \$ 11,685,820 | \$ 695,940,772 | \$ 6,457,280 |

*This number is included in "Total Market Value". City of Angleton grants no general homestead exemption

**All values are as of the original certification date for each individual tax year. Values have not been adjusted for changes since July of their respective tax year.

2011 INDUSTRIAL DISTRICT AGREEMENT

The following represents the basis for the 2011 Industrial District Agreement between BASF, Dow and the Brock interests and the Cities of Clute, Freeport and Lake Jackson. Final contracts will be prepared in accordance with the following:

- Length of contract – 15 years
- Floor payment - \$9,000,000
- Payment in years one & two - \$9,000,000 each year
- Distribution among the Cities:

| | Initial year: |
|--------------|---------------|
| Clute | \$1,400,000 |
| Freeport | \$3,500,000 |
| Lake Jackson | \$4,100,000 |

- Growth factor will be the higher of the CPI-U or value based formula (Industrial District value x\$.55/ \$100 on assessed value @ 50% or rate of 27.5 cents/\$100)
- Ceiling – payments will rise or fall based on the CPI-U or value-based formula but in no case would fall below the \$9,000,000 floor, except as described herein- Payments also cannot exceed a CAP of (Industrial District value x\$.55/\$100 on assessed value @ 80% or rate of 44 cents/\$100).
- In no case would Industry ever pay more than would be due if the Industrial District was annexed (including abated properties) using the Industrial District “tax rate” (\$.55/\$100)
- Natural disaster or terrorist attack – in the event of a natural disaster (ie a hurricane) or other weather related incident or terrorist attack in which industry suffers major physical damage that results in values (including abated values) being negatively affected by 50% or more the following shall apply:
 - The first year after a natural disaster (ie, hurricane) or other weather related incident or terrorist attack affecting the plant the payment to the Cities will drop to the floor amount (\$9 million).
 - The second and third years may drop below the \$9 million floor and will be based on value of plant, including abated properties, (those properties granted an abatement by Brazoria County) x\$.55/\$100 assessed value @ 80%-(rate of 44 cents/\$100)
 - In the fourth year the contract the payment amount will return to the pre-disaster payment unless it would exceed the CAP. In that event the payment would be based on the CAP or the \$9,000,000 floor payment, whichever is greater. From the fifth year point the payment will resume based on the greater of the CPI-U or the value based formula.

Industrial Districts Along the Texas Gulf Coast

| Rank | City | Contract Rate | Tax Rate | Effective Tax Rate | New Construction | Comments |
|------|---------------------|---------------|----------|--------------------|-----------------------------|---|
| 1 | Port Neches | 75% | 0.69950 | 52.46% | 75% | 10 Year Contract |
| 2 | Beaumont | 80% | 0.64000 | 51.20% | 3 years @ 0%, Steps in | 3 years @ 80%, 4 years @ 75% |
| 3 | Pasadena | 90% | 0.56200 | 50.59% | 0%,20%, 45%, 55%, 65% | Increase/decrease is split with Industry |
| 4 | Orange | 67% | 0.74500 | 50.00% | 0% for 2 years | 5 Year contract - 10% Ceiling & Floor |
| 5 | Baytown | 62% | 0.78703 | 48.80% | 0% for 2 years | Different start dates for each company. |
| 6 | Houston | 73.4% | 0.64500 | 47.34% | 40%, 45%, 50% | 15 Year Contract 100% on Land |
| 7 | Deer Park | 63% | 0.72000 | 45.36% | 25%,35%,45%,55% | 2006 Base Value for New Construction |
| 8 | La Porte | 62% | 0.71000 | 44.02% | 30% | 2007 Base Value for New Construction |
| 9 | Nederland | 75% | 0.57800 | 43.35% | 0% - 5 years, 37.5%, 56.25% | Personal Property @ 20% |
| 10 | Texas City | 100% | 0.42500 | 42.50% | 100% | Annexed by City |
| 11 | Corpus Christi | 60% | 0.58500 | 35.10% | 6%-60% | 10 Year Contract - Land 100% - 3% minimum increase - 6% cap |
| 12 | Freeport | 49% | 0.70827 | 34.71% | 0% | Rate Escalates from 40% to 55% over 10 years |
| 13 | Lake Jackson, Clute | 50% | 0.55000 | 27.50% | 0% | 15 year contract.Floor of \$9m, escalates based on CPI-U |
| 14 | Bridge City | 42% | 0.47775 | 20.07% | 0% for 2 years | Add Sales Tax Adjustment to Tax Rate |
| 15 | Port Arthur | 75% | 0.77500 | Flat Fee | - | Use Flat Fee Contracts |
| 16 | Liverpool | NA | 0.23685 | Flat Fee | 0% | Plants split \$350,000 annually |

Hugh L. Landrum & Associates, Inc.

Industrial Districts Along the Texas Gulf Coast

| Rank | City | Total Value | Total Levy | Percentage | Major Players |
|------|---------------------|---------------|------------------|------------|--|
| 1 | Port Neches | 454,793,500 | \$ 2,385,960.00 | 0.525% | Huntsman, Mobil, Motiva, Air Liquide |
| 2 | Orange | 957,364,212 | \$ 4,993,323.00 | 0.522% | DuPont, Bayer, Chevron |
| 3 | Pasadena | 2,952,527,965 | \$ 15,213,131.00 | 0.515% | Hoechst Celanese, Phillips, Montel |
| 4 | Beaumont | 2,506,554,609 | \$ 12,474,171.00 | 0.498% | Exxon \ Mobil, Goodyear, Du Pont |
| 5 | Baytown | 5,439,741,259 | \$ 24,556,958.87 | 0.451% | Exxon, Bayer, Chevron - Exxon updated for 2002 |
| 6 | Deer Park | 3,172,917,528 | \$ 14,068,346.96 | 0.443% | Shell, Rohm & Haas, Calpine |
| 7 | La Porte | 2,957,450,657 | \$ 12,631,487.57 | 0.427% | Equistar (Olfeins JV), Total Petro., Innovene |
| 8 | Port Arthur | 3,500,000,000 | \$ 14,100,000.00 | 0.403% | Motiva, Huntsman, Fina, Clark |
| 9 | Nederland | 238,898,842 | \$ 940,849.00 | 0.394% | Air Liquide, Sun, Unocal |
| 10 | Houston | 3,683,858,290 | \$ 14,000,000.00 | 0.380% | Lyondell, Shell, Champions Paper |
| 11 | Freeport | 347,692,230 | \$ 1,206,667.07 | 0.347% | Shintech, Schenectady, DSM |
| 12 | Lake Jackson, Clute | 2,888,875,477 | \$9,000,000 | 0.312% | Dow, BASF |
| 13 | Bridge City | 29,453,613 | \$ 79,000.00 | 0.268% | Firestone |
| 14 | Corpus Christi | 2,442,301,092 | \$ 6,104,418.00 | 0.250% | Koch, Citgo, Coastal, Valero |
| 15 | Liverpool | 595,230,130 | \$ 350,000.00 | 0.059% | Innovene, Equistar, Solutia |

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Hugh L. Landrum & Associates, Inc.

Photos of our Wilderness Golf Course



PAY PLAN



LAKE JACKSON

City of Enchantment



City_{of}

LAKEJACKSON

Promoting a culture of innovation and service

COMPENSATION PLAN 2018-19

ADOPTED PAY PLAN



The City of Lake Jackson hired Gallagher Benefits Services to assist with its Compensation study in 2015. This past fiscal year the City fully implemented all of the compensation study recommendations. The City has committed to study the market every three years and will conduct a new compensation study by the end of the first quarter of 2018.

The City studies the market to provide a competitive plan that accomplishes the following goals:

- Encourage excellent service by tying increase to job performance rather than tenure;
- Reward employees for their job performance and accomplishment of goals;
- Provide a competitive compensation package that takes into consideration the City's fiscal resources; and
- Provide consistent administration of pay policies among all City departments.

Surveyed cities are based on a population range of 20,000 to 75,000 across the state and supplemented with private sector data when appropriate.

COMPENSATION PLAN

The Compensation Plan is comprised of five separate pay schedules: non-exempt, exempt, sworn personnel, part-time & seasonal, and council appointed employees. The City adjusts the plan each year using the tools noted below to maintain competitiveness in the market.

MARKET ADJUSTMENT

Market adjustments are effective October 1 and may be capped based on the availability of budgeted funds. Adjustments to each range are based on the median of Actual Market Salaries for benchmarked positions which form the basis of establishing the midpoint for each range. There is a 2% market adjustment proposed this year.

MERIT INCREASE

Performance evaluations for employees are completed once a year for all employees and are distributed throughout the first part of the year for each classification group, regardless of the anniversary date of an employee's employment. Merit increases are awarded during this time frame. There is no set time interval employees can expect to reach the top salary of their range. A merit increase range of 2% - 4% has been proposed for the FY 2018-19 budget.

Non-Exempt **FY 2018-19**

| Grade | Market | Position | Min | Mid | Max | Min | Mid | Max |
|-----------------|--------|---|-------|-------|-------|--------|--------|--------|
| 100-N-40 | | Laborer I / Groundskeeper | 12.25 | 14.70 | 17.15 | 25,480 | 30,576 | 35,672 |
| 110-N-40 | | Laborer II / Groundskeeper II Custodian Meter Technician Cashier Recreation Leader Recreation Aide Assistant Aquatics Coordinator Building Attendant | 13.30 | 15.95 | 18.60 | 27,664 | 33,176 | 38,688 |
| 120-N-40 | | Accounts Payable Clerk Customer Service Rep Deputy Court Clerk Light Equipment Operator Refuse Driver Humane Officer Records Clerk | 14.35 | 17.25 | 20.10 | 29,848 | 35,880 | 41,808 |
| 130-N-40 | | Secretary Service Writer Mechanic I Welder | 15.35 | 18.45 | 21.50 | 31,928 | 38,376 | 44,720 |
| 140-N-40 | | Communications Specialist | 16.55 | 19.85 | 23.15 | 34,424 | 41,288 | 48,152 |
| 150-N-40 | | Personnel Generalist Buyer Mechanic II Paint & Body Tech Communications Leader Lab Tech Operator Crew Leader Lead Humane Officer Senior Deputy Court Clerk | 17.70 | 21.25 | 24.80 | 36,816 | 44,200 | 51,584 |
| 160-N-40 | | Traffic Technician Lead Mechanic Health, Bldg, and Apt. Inspector Code Enforcement Officer Engineering Assistant | 19.80 | 23.75 | 27.70 | 41,184 | 49,400 | 57,616 |
| 170-N-40 | | Plans Examiner / Bldg Inspector Engineering Technician Assistant City Secretary | 20.75 | 24.90 | 29.00 | 43,160 | 51,792 | 60,320 |

ADOPTED PAY PLAN

| Exempt | | | FY 2018-19 | | | | | |
|----------|--------|--|------------|-------|-------|--------|---------|---------|
| Grade | Market | Position | Min | Mid | Max | Min | Mid | Max |
| 600-E-50 | | Open | 20.00 | 25.00 | 30.00 | 41,600 | 52,000 | 62,400 |
| 620-E-50 | | Accountant Recreation Coordinator | 20.50 | 25.65 | 30.75 | 42,640 | 53,352 | 63,960 |
| 640-E-50 | | Customer Service Supervisor Volunteer Coordinator Municipal Court Clerk Foreman Systems Analyst Accountant II | 22.55 | 28.20 | 33.85 | 46,904 | 58,656 | 70,408 |
| 660-E-50 | | Parks Superintendent Civic Center Manager Accounting Manager Asst. Utility Superintendent Assistant Fire Marshal Fleet Supervisor | 24.05 | 30.05 | 36.05 | 50,024 | 62,504 | 74,984 |
| 680-E-50 | | Assistant to the City Manager Lead Systems Analyst | 27.55 | 34.45 | 41.35 | 57,304 | 71,656 | 86,008 |
| 700-E-50 | | OPEN | 28.55 | 35.70 | 42.80 | 59,384 | 74,256 | 89,024 |
| 720-E-60 | | Building Official Assistant Parks & Recreation Director Public Works Superintendent Utilities Superintendent Controller | 29.55 | 38.40 | 47.25 | 61,464 | 79,872 | 98,280 |
| 740-E-60 | | Police Lieutenant City Secretary Assistant City Engineer Fire Marshal MIS Manager | 33.05 | 43.00 | 52.90 | 68,744 | 89,440 | 110,032 |
| 760-E-60 | | Assistant Police Chief Personnel Director Parks & Recreation Director | 39.55 | 51.40 | 63.25 | 82,264 | 106,912 | 131,560 |
| 780-E-60 | | OPEN | 41.55 | 54.00 | 66.45 | 86,424 | 112,320 | 138,216 |
| 800-E-60 | | Finance Director City Engineer Public Works Director | 43.55 | 56.65 | 69.70 | 90,584 | 117,832 | 144,976 |
| 820-E-60 | | Police Chief | 46.05 | 59.90 | 73.70 | 95,784 | 124,592 | 153,296 |
| 840-E-60 | | Assistant City Manager | 48.05 | 62.50 | 76.90 | 99,944 | 130,000 | 159,952 |

Sworn Personnel

FY 2018-19

| Grade | Market | Position | Min | Mid | Max | Min | Mid | Max |
|-----------|--------|--------------------------------------|-------|-------|-------|--------|--------|--------|
| 515-SP-30 | | Traffic Officer Detective | 24.50 | 28.20 | 31.85 | 50,960 | 58,656 | 66,248 |
| 525-SP-30 | | Community Relations Officer | 27.55 | 31.70 | 35.80 | 57,304 | 65,936 | 74,464 |
| 535-SP-30 | | Detective Sergeant | 31.15 | 35.80 | 40.45 | 64,792 | 74,464 | 84,136 |
| 505-SP-30 | | Police Cadet – 80% of Officer II | 19.60 | | | 40,768 | | |
| 500-SP-30 | | Patrol Officer I – 95% of Officer II | 23.30 | | | 49,373 | | |
| 510-SP-30 | | Patrol Officer II | 24.50 | 28.20 | 31.85 | 51,916 | 59,756 | 67,490 |
| 520-SP-30 | | Corporal | 27.55 | 31.70 | 35.80 | 58,378 | 67,172 | 75,860 |
| 530-SP-30 | | Patrol Sergeant | 31.15 | 35.80 | 40.45 | 66,007 | 75,860 | 85,714 |

ADOPTED PAY PLAN

| Part Time & Seasonal | | | | | | FY 2018-19 | | |
|----------------------|--------|---|-------|-----|-------|------------|-----|-----|
| Grade | Market | Position | Min | Mid | Max | Min | Mid | Max |
| 400 | | Child Care Attendant | 10.20 | | 11.22 | | | |
| 910 | | Lifeguard | 10.50 | | 10.50 | | | |
| 920 | | WSI Swim Instructor Laborer Clerk | 11.50 | | 11.50 | | | |
| 940 | | Recreation Instructor Archiving Technician | 8.20 | | 20.40 | | | |
| 950 | | Crossing Guard | 15.25 | | 15.25 | | | |
| 960 | | Head Lifeguard | 11.50 | | 11.50 | | | |

| Council Appointed | | | | FY 2018-19 | | |
|-------------------|--------|-------------------------------|---------|------------|---------|--|
| Grade | Market | Position | Min | Mid | Max | Notes |
| CA-997 | | Municipal Judge – PT Contract | 13,366 | 17,376 | 21,375 | DOH: 12/07/04 Salary \$17,911.30 Effective 10/01/17 |
| CA-997 | | Municipal Judge – PT Contract | 38,189 | 49,645 | 61,102 | DOH: 03/01/77 Salary \$51,743.74 Effective 10/01/17 |
| CA-998 | | City Attorney | 111,384 | 144,799 | 178,214 | DOH: 09/05/06 Salary \$137,017.09 Effective 10/01/17 |
| CA-997 | | City Manager | 140,450 | 182,670 | 224,784 | DOH: 01/02/80 Salary \$192,524.80 Effective 10/01/17 |

ADOPTED PAY PLAN

| Certification Pay | | FY 2018-19 | |
|---|---------|------------|-------------------------|
| | Monthly | Annual | Date of Last Adjustment |
| * Master Peace Officer | 180 | 2,160 | Oct 2015 |
| * Advanced Peace Officer | 120 | 1,440 | Oct 2015 |
| * Master Telecommunicator | | | |
| * Senior Professional (SPHR), IPMA-SCP, or equivalent | | | |
| * A Water License | 90 | 1,080 | Oct 2015 |
| * A Waste Water License | | | |
| * Advanced Telecommunicator | | | |
| * Certified Municipal Court Clerk - Level III | | | |
| * Professional (PHR), IPMA-CP, or equivalent | | | |
| * Intermediate Peace Officer | 60 | 720 | Oct 2015 |
| Fire Inspector Certification | | | |
| * B Water License | 45 | 540 | Oct 2015 |
| * B Waste Water License | | | |
| CNG Tank Inspector – Max 2 Licences | | | |
| CNG Management Level II Installer & Repairman – Max 2 Lic | | | |
| * Associate Professional (APHR) or equivalent | | | |
| * Intermediate Telecommunicator | 40 | 480 | Oct 2015 |
| * Certified Municipal Court Clerk - Level II | | | |
| * C Water License | 20 | 240 | Oct 2015 |
| * C Waste Water License | | | |
| Herbicide & Pesticide License | | | |
| Laboratory Analyst | | | |
| ASE / Vehicle Safety / UST Facility Operator – Max 2 Licences | | | |

* Only the highest certification will be paid to an employee regardless if they have more than one certification.

| Authorized Positions | | FY 2018-19 | | |
|---------------------------------|-------------------|-------------------|------------------|--|
| | FY 2017-18 | | | |
| | Full Time | Full Time | Part Time | |
| Administration | 12.50 | 12.50 | 0.10 | |
| Municipal Court | 4.00 | 4.00 | 1.00 | |
| Finance | 11.00 | 11.00 | 0.15 | |
| Engineering | 4.00 | 4.00 | 0.34 | |
| Legal | 1.00 | 1.00 | 0.00 | |
| Police | 62.00 | 65.00 | 2.78 | |
| Fire | 2.00 | 2.00 | 0.00 | |
| Humane | 3.00 | 3.00 | 0.00 | |
| Streets | 6.83 | 6.83 | 0.00 | |
| Drainage | 14.83 | 14.83 | 0.70 | |
| Code Enforcement | 7.50 | 7.50 | 0.00 | |
| Parks | 13.50 | 13.50 | 0.58 | |
| Recreation | 14.50 | 14.50 | 19.11 | |
| Garage | 9.00 | 9.00 | 1.00 | |
| Library | 0.50 | 0.50 | 0.00 | |
| Civic Center | 5.00 | 5.00 | 0.00 | |
| TOTAL GENERAL FUND | 171.16 | 174.16 | 25.18 | |
| Utility Administration | 8.00 | 8.00 | 0.00 | |
| Water | 12.00 | 12.00 | 0.00 | |
| Waste Water | 20.50 | 20.50 | 0.00 | |
| Sanitation | 25.34 | 25.34 | 0.00 | |
| TOTAL UTILITY FUND | 65.84 | 65.84 | 0.00 | |
| TOTAL ALL FUNDS COMBINED | 237.00 | 240.00 | 25.18 | |

ADOPTED PAY PLAN

| Evaluation Schedule | | FY 2018-19 | | | |
|---|--|------------------------------|----------------------------|---------------------------|--|
| | Service Maintenance Office-Clerical | Technical Sworn Personnel | Professional Management | Directors | |
| Employee Input Forms Turned-In | Fri Aug 24, 2018 | Mon Sep 24, 2018 | Mon Oct 22, 2018 | Mon Dec 3, 2018 | |
| Evaluation to Director | Mon Sep 24, 2108 | Mon Oct 22, 2018 | Mon Nov 19, 2018 | | |
| Evaluations to Personnel | Mon Oct 1, 2018 | Mon Oct 29, 2018 | Mon Nov 26, 2018 | | |
| Evaluation Returned to Supervisor | Mon Oct 8, 2018 | Mon Nov 5, 2018 | Mon Dec 3, 2018 | | |
| Evaluation Interviews Completed & Returned to Personnel | Tue Oct 30, 2018 | Tue Nov 26, 2018 | Tue Dec 25, 2018 | Tue Feb 5, 2019 | |
| Adjustment Appears on Paycheck | Fri Nov 2, 2018 | Fri Nov 30, 2018 | Fri Dec 28, 2018 | Fri Feb 8, 2019 | |

Inside the Lake Jackson Museum



BUDGET GLOSSARY



LAKE JACKSON

City of Enchantment



BUDGET GLOSSARY

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader in understanding these terms, a budget glossary has been included in the document.

380 AGREEMENTS – Economic Development Agreements in accordance with Chapter 380 of the Texas Local Government Code. The terms vary between agreements. They may involve refunding Sales Tax, Property Tax or both to a developer.

ABATEMENT – A complete or partial cancellation of a levy imposed by a government. Abatements usually apply to tax levies, special assessments and service charges.

ACCOUNT – A term used to identify an individual asset, liability, expenditure control, revenue control, encumbrance or fund balance.

ACCRUAL BASIS – The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

ADMINISTRATIVE FEES – Administrative Services charges are allocated to all Enterprise Fund activities (e.g., water/sewer and sanitation) for indirect management and administrative support given by general fund departments.

AD VALOREM TAXES (Current) – All property, real personal, mixed tangible, intangible, annexations, additions, and improvements to property located within the taxing units jurisdiction which are subject to taxation on January 1 of the current fiscal year. Following the final passage of the appropriations ordinance, City Council sets the tax rate and levy for the current fiscal year beginning October 1 and continuing through the following September 30th.

AD VALOREM TAXES (Delinquent) – All taxes are due on receipt of bill and are delinquent if not paid before February 1 of the fiscal year in which it is imposed.

AD VALOREM TAXES (Penalty and Interest) – A delinquent tax incurs a penalty of six (6%) percent of the amount of the tax for the first calendar month it is delinquent, plus one (1%) percent for each additional month of portion of the month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. However, the delinquent tax on July 1 incurs a total penalty of twelve (12%) percent of the amount of the delinquent tax without regard to the number of months the tax has been delinquent. If a person exercises the split-payment option, as provided by the Property Tax Code, and fails to make the second payment before July 1, the second payment is delinquent and incurs a penalty of twelve (12%) percent of the amount of the unpaid tax. A delinquent tax incurs at the rate of one (1%) percent for each month or portion of a month the tax remains unpaid.

ALCOHOL BEVERAGE TAX – A tax at the rate of 6.7% percent is imposed on the gross receipts of a Licensee for the sale, preparation, or service of mixed beverages or from the sale of ice or non-alcoholic beverages and consumed on the premises of the permittee. Only a portion of this is remitted to the City from the State.

APPROPRIATION – A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.

APPROPRIATION ORDINANCE – The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

ARBITRAGE – With respect to the issuance of municipal securities, arbitrage usually refers to the difference between the interest paid on tax-exempt bonds and the interest earned by investing the proceeds of the bonds in higher-yielding taxable securities. Federal income tax laws generally restrict the ability to earn positive arbitrage in connection with tax-exempt bonds.

ASSESSED VALUATION – A value that is established for real or personal property for use as a basis for levying property taxes. (Note: Property values are established by the Brazoria County Appraisal District on January 1st of each year.)

BALANCED BUDGET – A fund’s budget is considered balanced when estimated expenditures equal prospective revenues. The City’s financial policy is to present the General Operating Fund and the Utility Operating Fund as balanced.

BOND – A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets and bridges.

BRAZOSPORT INDEPENDENT SCHOOL DISTRICT (BISD) – This school district serves all school age children living in the City limits of Lake Jackson.

BRAZOSPORT WATER AUTHORITY (BWA) – A regional water supplier. The City has a contract to pay for 2 million gallons a day.

BUDGET – A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term “budget” is used in two senses in practice. Sometimes it designates the financial plan presented to the City Council for adoption and sometimes the plan finally approved by that body. It is usually necessary to specify whether the budget under consideration is proposed or whether it has been adopted by the City Council.

BUDGET ADJUSTMENTS – A legal procedure utilized by the City staff and City Council to revise a budget appropriation. The City of Lake Jackson’s City Charter requires City Council approval through the adoption of a supplemental appropriation ordinance (which specifies both the source of revenue and the appropriate expenditure account) for any inter-departmental or inter-fund adjustments. City staff has the prerogative to adjust expenditures within a departmental budget.

BUDGET CALENDAR – The schedule of key dates or milestones which the City departments follow in the preparation, adoption, and administration of the budget.

BUDGET DOCUMENT – The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

BUDGET MESSAGE – The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the City Manager.

BUDGET GLOSSARY

CAPITAL IMPROVEMENT PLAN – A plan for capital expenditure to be incurred each year over a fixed period of several future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year and the method of financing those expenditures.

CASH BASIS - A basis of accounting under which transactions are recognized only when cash changes hands.

CASH MANAGEMENT – The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest interest and return available for temporary cash balances.

CERTIFICATE OF OBLIGATION – A debt instrument that is issued by the City and has the same legal status as a general obligation bond. Proceeds from the issuance of the certificates may be used for the construction of public works or payment of contractual obligations for professional services. These certificates do not require voter approval.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) – This program is overseen by the U.S. Department of Housing and Urban Development (HUD) and provides communities with the resources to address a wide range of unique community development needs.

CONTINGENCY – Funds set aside in a reserve account for major expenditures or for emergencies.

DEBT SERVICE FUND – A fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Also called a Sinking Fund.

DEPRECIATION – The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

ENTERPRISE FUND – A fund established to account for operations (a) that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) for providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Examples of Enterprise Funds are those for water, gas, and electric utilities; golf courses; airports; parking garages; and transit systems.

ENCUMBRANCES – Commitments related to unperformed (executory) contracts for goods or services.

EXPENDITURE – This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure. An encumbrance reserves funds to be expended.

EXPENSES – Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges.

FISCAL YEAR – The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Lake Jackson has specified October 1 to September 30 as its fiscal year.

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

FRANCHISE TAX – This is a charge paid for the use of City streets and public right of way and is in lieu of all other municipal charges, fees, street rentals, pipe taxes or rentals, easement or other like franchise taxes, inspections fees, and/or charges of every kind except Ad Valorem and special assessment taxes for public improvements.

FUNCTION – A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible.

FUND – An accounting entity that has a set of self-balancing accounts and that records all financial transactions for specific activities or government functions. Eight commonly used funds in public accounting are: general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, trust and agency funds, internal service funds, and special assessment funds.

FUND BALANCE – Fund balance is the excess of assets over liabilities and is therefore also known as surplus funds.

GENERAL FUND – The fund used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION BONDS – Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from the General Fund, and these bonds are backed by the full faith and credit of the issuing government.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) – Uniform minimum standards of and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. They encompass the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. They provide a standard by which to measure financial presentations.

GENERALLY ACCEPTED AUDITING STANDARDS (GAAS) – Establishes standards against which the quality of audits are performed and judged.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) – Establishes accounting financial reporting standards for state and local government.

GOVERNMENTAL FUNDS – Government funds account for expendable resources based on the purposes for which the resources may or must be used. There are four fund types and there may be numerous individual funds within each fund type. The four government fund types are: General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds.

BUDGET GLOSSARY

GRANTS – Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

HALF CENT OPTIONAL SALES TAX – Voters approved adding this additional ½ cent to the sales tax on May 6, 1995. As specified on the ballot, the use of this revenue is limited to payment of the costs of land, building, equipment, facilities, improvements and maintenance and operation costs for public park purposes, recreational facilities to be used for sports and entertainment, and for infrastructure improvements for development of new or expanded business enterprises. The ½ cent (0.50%) of sales tax revenue and expenditures are accounted for in the Economic Development Fund.

HOTEL/MOTEL TAX – Pursuant to a State law, a tax is levied upon the cost of occupancy of any room or space furnished by any hotel. The current rate of taxation is 13% (7% of which is paid to the City and budgeted for limited uses and 6% is collected by the state). Revenue received from this resource is disbursed as follows: fourteen (14%) percent to the Fine Arts Council, twenty-nine (29%) percent for tourism, twenty one (21%) percent to the Museum of Natural Science, twenty-one (21%) percent to the Lake Jackson Historical Museum (Lake Jackson Historical Association), and fourteen (14%) to the Festival of Lights. The remaining is appropriated annually as designated by Council through the budget process.

INFRASTRUCTURE – Fixed assets that are immovable and have value only to the governmental unit. Common examples of infrastructure include roads, sidewalks, bridges and streetlights.

INTERFUND TRANSFERS – Amounts transferred from one fund to another.

INVESTMENTS – Securities and real estate held to ensure safety, provide necessary liquidity and optimize yield for the City's operating cash. The term does not include fixed assets used in governmental operations.

LAKE JACKSON DEVELOPMENT CORPORATION (LJDC) – The City's 4B Economic Development Corporation. The LJDC provides financing services entirely to the City. The LJDC is considered a blended component unit for financial reporting purposes and is reported as if it were part of the City's operations.

LEVEL DEBT PAYMENTS – A method of retiring debt that requires the issuer to make the same annual debt service payment each year. The structure of the repayment schedule is such that principal payments increase and the interest payment decline each year. Level debt payments result in higher interest payments overall, compared to level principal payments.

LEVEL PRINCIPAL PAYMENTS – A method of retiring debt service payments that requires the issuer to make larger debt service payments in the earlier years of the term. The structure of the repayment schedule is such that principal payments are the same, and the interest payments decline each year. Level principal payments result in lower interest payments overall, compared to level debt payments.

LEVY – (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or service charges imposed by a government.

LONG-TERM DEBT – Debt with a maturity of more than one year after the date of issuance.

MODIFIED ACCRUAL BASIS – The accrual basis of accounting adapted to the governmental fund type spending measurement focus. Under it, revenues are recognized when they become both “measurable” and “available to finance expenditures of the current period.” Expenditures are recognized when the related fund liability is incurred except for (1) inventories of materials and supplies which may be considered expenditures either when purchased or when used; (2) prepaid insurance and similar items which need not be reported; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; (4) interest on special assessment indebtedness which may be recorded when due rather than accrued, if approximately offset by interest earnings on special assessment levies; and (5) principal and interest on long-term debt which are generally recognized when due.

MAJOR FUND – A Governmental or Enterprise fund that meets both of the following criteria: a.) Total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type (that is, total governmental or total enterprise funds), and b.) Total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of the individual governmental fund or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined. Any other government or enterprise fund may be reported as a major fund if the government’s officials believe that fund is particularly important to the financial statement users. The general fund is always a major fund (GASB 34).

OPERATING BUDGET – Plans of current expenditures and the proposed means of financing them.

OPERATING EXPENSES – Expenses which are directly related to the fund’s primary service activities.

OPERATING REVENUES – Revenues which are directly related to the fund’s primary service activities.

OPERATING TRANSFERS – All interfund transfers other than residual equity transfers.

ORDINANCE – A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Ordinarily, the statutes or charter will specify or imply those legislative actions which must be by ordinance and those which may be by resolution. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

PERFORMANCE MEASURES – Specific quantitative and qualitative measures of work performed as an objective of the department.

PROGRAM DESCRIPTION – Describe the nature of service delivery provided at this level of funding. It clearly explains how service delivery will be different from the prior budget year.

PROGRAM GOALS – Program goals describe the purpose or benefit the department plans to provide to the community and/or organizations it serves. Goals identify the end result the department desires to achieve with its activities, but goals are often ongoing and may not be achieved in one year.

BUDGET GLOSSARY

PROPERTY TAX – Property taxes are levied on both real and personal property according to the property’s valuation and the tax rate.

PROPRIETARY FUND – Proprietary funds follow accounting practices similar to those found in private business. Both attempt to be self supporting. The two types of proprietary funds are enterprise funds and internal service funds

REFUNDING BONDS – Bonds issued to retire bonds already outstanding.

RESERVE – An account to use to indicate that a portion of a fund’s balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

REVENUE BONDS – Bonds whose principal and interest are payable exclusively from earnings of an Enterprise Fund. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the Enterprise Fund’s property.

REVENUES – The term designates an increase to a fund’s assets. An item of income.

RISK MANAGEMENT – All the ways and means used to avoid accidental loss or to reduce its consequences if it does occur.

ROLLBACK RATE – If a unit adopts a tax rate that is higher than the rollback rate, voters in the unit can circulate a petition calling for an election to limit the size of the tax increase.

SALES TAX – A general “sales tax” is levied on all persons and businesses selling merchandise in the city limits on a retail basis. Monies collected under authorization of this tax is for the use and benefit of the City; however, no city may pledge anticipated revenues from this source to secure the payment of funds or other indebtedness. The current sales tax rate for the City is 8.25% (1.5% rebated to the City from the State, .5% to the County, and the balance is retained by the State).

TAX RATE – The amount of tax stated in terms of a unit of the tax base; for example, \$.50 per \$100 (one hundred dollars) assessed valuation of taxable property.

TAX RATE LIMIT – The maximum rate at which a government may levy a tax. The limit may apply to taxes raised for a particular purpose, or to taxes imposed for all purposes, and may apply to a single government, to a class of governments, or to all governments operating in a particular area. Overall tax rate limits usually restrict levies for all purposes and of all governments, state and local, having jurisdiction in a given area.

TAXES – Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

TEXAS A&M ENGINEERING EXTENSION SERVICE (TEEX) – A state agency and a member of the Texas A&M University System that provides training and practical workforce solutions.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) – The agency for the State of Texas that is tasked with protecting the state's public health and natural resources. Part of the agencies duties include providing inspections for the City's water & wastewater systems and our compressed natural gas (CNG) fueling station.

TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT) – The agency for the State of Texas that is tasked with overseeing the State's transportation system.

WORKING CAPITAL – The amount current assets exceed current liabilities. Current assets can or will be converted to cash within 90 days and current liabilities will be paid within 90 days.

WORKLOAD MEASURES – Workload measures reflect major activities of the department. They indicate the amount of work that has been done in the past and projected workload levels for the current and next years. Workload measures should be able to be tracked with a reasonable amount of time and effort.