



**LEAGUECITY**

T E X A S  
LIVE IT. LOVE IT.

# LEAGUE CITY ADOPTED BUDGET FISCAL YEAR 2011



PROMOTE TRUST & ACCOUNTABILITY

PLAN RESPONSIBLY & ACT DECISIVELY

MAINTAIN "WORLD CLASS" CUSTOMER SERVICE

PROMOTE A "HEALTHY" COMMUNITY

**CITY OF LEAGUE CITY, TEXAS**



**LEAGUE CITY**

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**T E X A S**  
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**FY 2011 Adopted Budget**

**October 1, 2010 through September 30, 2011**

## City of League City

# ORGANIZATIONAL VALUES

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### **Promote Trust and Accountability**

The City of League City is committed to public accountability through transparency, effective communication and active citizen involvement. Organizational activities will promote full disclosure and open, honest communication with the community, public officials and employees.

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### **Plan Responsibly and Act Decisively**

The City of League City recognizes that a sustainable future requires actions based upon sound planning. Planning must ensure demand-driven resource acquisition, continuous strengthening of available resources, and the effective and efficient implementation of adopted plans.

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### **Maintain “World Class” Customer Service**

The City of League City is committed to maintaining both a governing body and professional staff that recognizes, anticipates, and proactively responds to the needs of citizens. This requires a progressive and dynamic organizational culture that delivers “world class” customer service, is results oriented and incorporates innovation and technology to foster the most prudent use of public resources.

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### **Promote a “Healthy” Community**

The City of League City is focused on a future of physical and fiscal health and wellness that strives for balance and diversity in being an exceptional place to live, work, play, shop and gather. In doing so, the city will take a responsible, strategic approach to growth, economic development, infrastructure and major investments.



# City of League City, Texas

## Mayor and City Council



Neil Baron  
Council Position 1



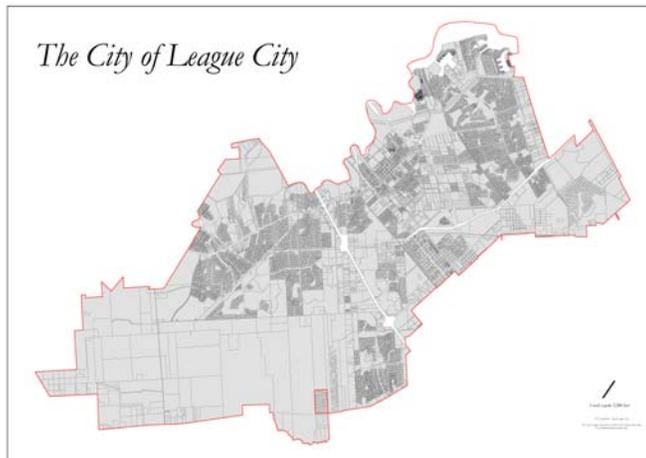
Toni Randall  
Mayor



Mike Barber  
Mayor Pro Tem  
Council Position 2



Mick Phalen  
Council Position 3



Mike Lee  
Council Position 4



Phyllis Sanborn  
Council Position 5



Tim Paulissen  
Council Position 6



Joanna Sharp Dawson  
Council Position 7

**CITY OF LEAGUE CITY, TEXAS**  
**PRINCIPAL OFFICIALS**

**MAYOR**

Toni Randall

**CITY COUNCIL**

Position 1	Neil Baron
Position 2	Mike Barber
Position 3	Mick Phalen
Position 4	Mike Lee
Position 5	Phyllis Sanborn
Position 6	Tim Paulissen
Position 7	Joanna Sharp Dawson

**CITY MANAGER**

Marcus Jahns

**CITY SECRETARY**

Barbara Long

**CHIEF OF STAFF**

David Benson

**CITY ATTORNEY**

Arnold Polanco

**ASST CITY MANAGER,  
MANAGEMENT SERVICES**

Michael W. Loftin

**ASST CITY MANAGER,  
PUBLIC SAFETY**

Michael W. Jez,  
Chief of Police

**ASST CITY MANAGER,  
PUBLIC WORKS**

Rich Oller

**DIRECTOR OF PLANNING  
AND RESEARCH**

Tony Allender

**DIRECTOR OF HUMAN RESOURCES  
AND CIVIL SERVICE**

Brian S. Hayes

**DIRECTOR OF PARKS AND  
CULTURAL SERVICES**

Chien Wei

# Acknowledgements

Special thanks are due to all the City employees who contributed to this project

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Paula Orise



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of League City  
Texas**

For the Fiscal Year Beginning

**October 1, 2009**

A handwritten signature in black ink, appearing to be 'HRC'.

President

A handwritten signature in black ink, appearing to be 'Jeffrey R. Emery'.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of League City, Texas for its annual budget for the fiscal year beginning October 1, 2009. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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## GENERAL FUND

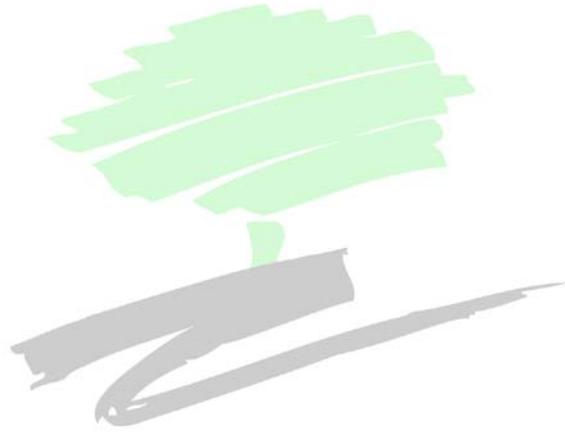
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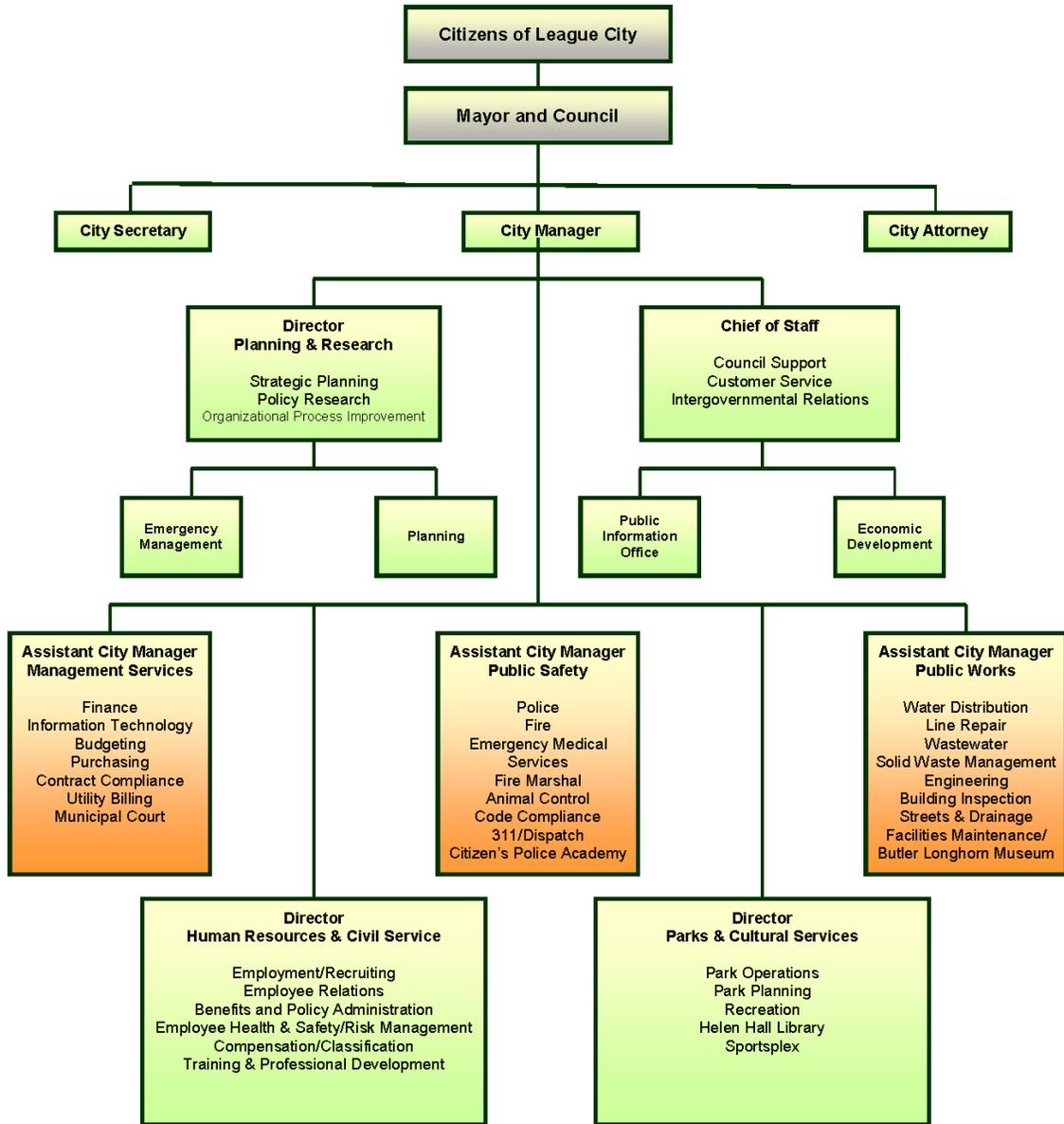
# LEAGUE CITY

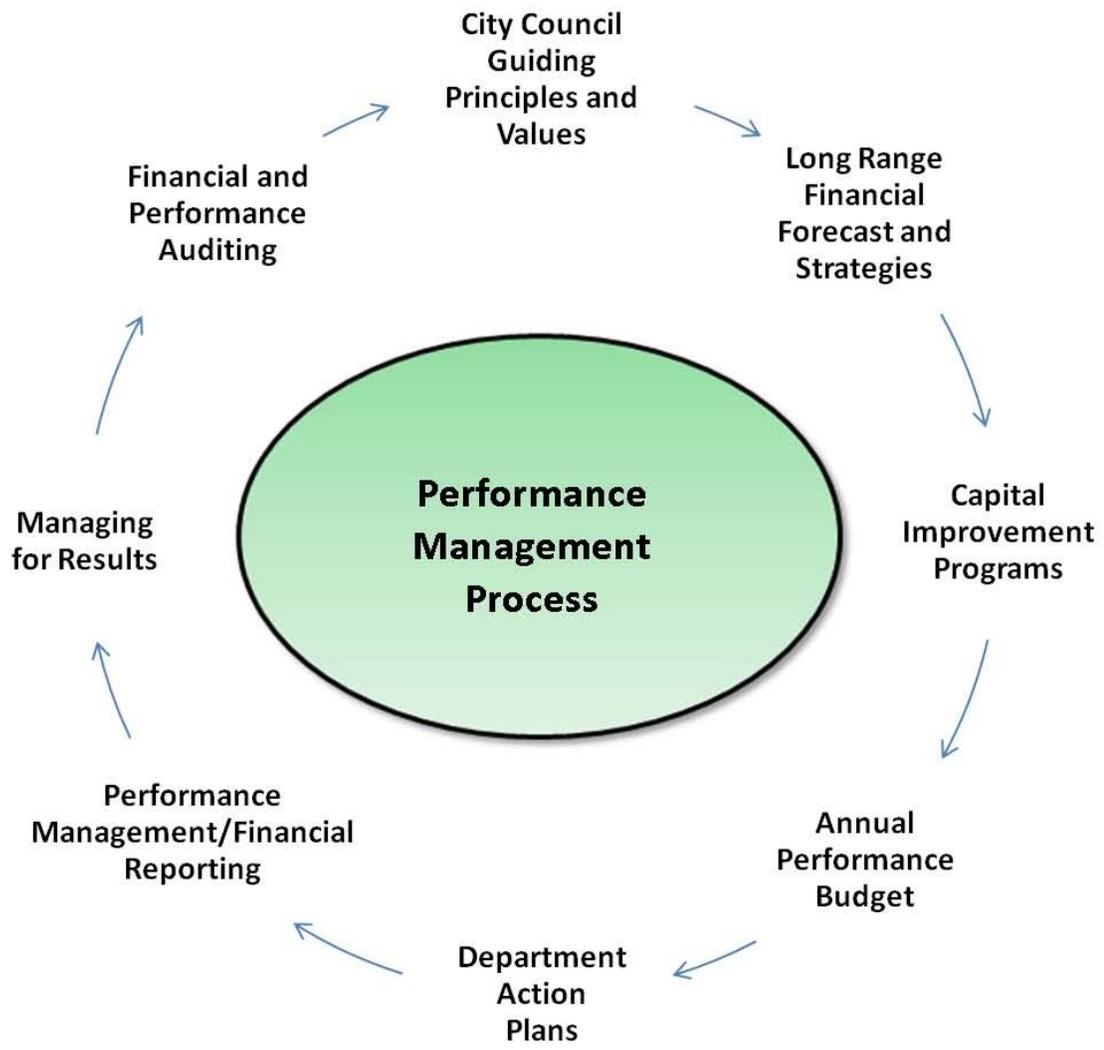
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# City of League City Organizational Chart







## FY 2011 Budget Message

October 1, 2010

Honorable Mayor and City Council:

On May 8 of this year, League City voters overwhelmingly approved adoption of the council-manager form of government. One of the duties bestowed on the City Manager by City Charter is to recommend a proposed budget to the City Council for approval. It was my distinct honor as your first City Manager to meet this requirement by submitting for your consideration and adoption FY 2011 Proposed Budget on August 23, 2010.

The theme of this year's Budget, as the cover indicates, is "performance." This new approach is particularly attractive in the midst of an economic downturn. But even when the economy improves again, our emphasis must and will remain protecting the taxpayers' pocketbooks by doing more with less. This budget holds to that ethic by targeting well-planned investment in our infrastructure, holding operating expenditures essentially constant, and identifying special goals and plans for service improvement while reducing the property tax rate to the effective rate as defined by State statute. The effective tax is that rate which will generate the same amount of property tax revenue on the same tax base in the upcoming fiscal year as in the current fiscal year.

This budget represents a work plan for \$163.6 million of investment in services and capital improvements. Staff is proposing to fund this program of work within the statutory effective tax rate which is 61.6 cents and represents a reduction of 1.4 cents from FY 2010 rates. The average League City homeowner would receive annual tax relief of approximately \$24.50 as a result of this proposal. If approved by City Council, the dissolution of Magnolia Creek TIRZ #1 would provide additional taxable value to the City causing effective tax rate to drop.

No rate increases are included for water and wastewater utilities.

### PERFORMANCE MANAGEMENT

In 2009, you initiated performance-based management by adopting four organizational values:

- *Promote Trust and Accountability*
- *Plan Responsibly and Act Decisively*
- *Maintain World Class Customer Service*
- *Promote a Healthy Community*

These principles have been instrumental in guiding development of the Long Range Financial Forecast (LRFF) submitted to you in May and the Capital Improvement Plan (CIP) you received in early August; these two documents are the foundation for the Budget. This document moves beyond inclusion of goals and accomplishments for each operating group, augmenting those items with measures – data that will inform our discussions and decisions as we go forward. The Budget includes participation by the City in the International City/County Management Association's (ICMA) performance measurement project at a cost of \$35,000 to facilitate this performance-based approach. We expect to communicate these measures to you on a regular basis.

## **ECONOMIC OUTLOOK**

Economic trends can have profound effects not only on City budgets and the City's overall financial condition but individual pocketbooks and family budgets. We – and the people we serve – continue to experience effects of the downturn in the world economy. Although we have not been hit as hard as other communities around the State or nation, our unemployment rate was 7.7 percent in July, up from 7.6 percent in June and 6.8 percent one year prior. And salaries and wages are stagnant. As indicated in the LRFF, we anticipate a flat recovery in FY 2011 and FY 2012 with slow economic growth returning in FY 2013. However, a growing concern among economists is that the second half of a double dip recession at the national level may be near. At the regional level, the Gulf oil spill and ensuing drilling moratorium cast doubt that in the near term a local recovery could be led and sustained by energy employment. Concerns regarding job loss at the Johnson Space Center also persist. Because of the lagged effect of the recovery on employment, local employment is expected to recover last. Accordingly, many of our citizens are experiencing tough financial times. We as the City government must be cognizant of the impact on our citizens and take steps to mitigate these impacts and live within the City's means. This Budget takes a major step in that direction.

## **FINANCIAL TRENDS**

League City's financial position continues to be strong despite the economy, due to large financial reserves that were used to offset a disparity in FY 2010 between expenditures and revenues. As explained in the FY 2011- FY 2015 Long Range Financial Forecast (LRFF), General Fund expenditures are projected to exceed revenues throughout most of the forecast period. This disparity for the most part is a result of a downturn in sales tax collections in FY 2010 due to the economic downturn and lack of consumer confidence. The FY 2011 Budget eliminates this disparity by bringing recurring General Fund expenditures in line with recurring revenues.

The Debt Service Fund has limited capacity in the short-run but gains significant capacity as commitments to a number of municipal utility districts and tax increment districts expire and as existing debt is retired. The dissolution of Magnolia Creek TIRZ #1 and the deposit of all property tax revenue gained from this action in the Debt Service Fund, will result in \$ 1 million of addition debt service capacity beginning in FY 2011.

The Utility Fund remains strong throughout the LRFF forecast period but is challenged with water supply and infrastructure needs in future years. Utility Fund reserves remain strong in FY 2011 with over 180 days of working capital.

The Motor Pool Fund assumes full depreciation and amortization of all city rolling stock with the exception of major fire apparatus. The Fund was undercapitalized when it was established three years ago and will be highly stressed with replacement purchases of “big-ticket” heavy equipment and ambulances. The CIP includes funds to replace aging fire apparatus through debt financing to meet critical service needs.

## **ALL FUNDS SUMMARY**

The FY 2011 Budget for all funds totals \$163.6 million, including capital funds that were not a part of last year’s Adopted Budget. For comparative purposes the FY 2011 Budget exclusive of capital funds totals \$91.7 million and reflects an increase of 3.7% from the FY 2010 Adopted Budget. The Budget provides \$47,918,742 in the General Fund, \$27,851,489 in the Utility Fund, \$11,888,455 for the Debt Service Fund and \$4,070,921 in Special Revenue Funds. The Budget estimates reserves in all funds, including the Motor Pool Internal Service Fund at \$38,221,154. The Motor Pool Fund will receive payments from the General Fund and Utility Fund totaling \$2,812,677, which along with Motor Pool Fund reserves will cover \$3,112,086 in expenditures for fleet operations, maintenance and replacement.

### **General Fund**

The General Fund Budget totals \$47.92 million, a slight decrease of \$44,588 from the FY 2010 Adopted Budget of \$47.96 million. The Budget, however, exceeds FY 2010 re-estimated expenditures by slightly more than \$1 million, or 2.2%. Historically, City Offices and Departments have under spent their base budgets by significant amounts resulting in large unspent balances at year’s end. The Budget attempts to bring base expenditure levels more in line with actual expenditures based on historical trends.

The Budget also shifts the level of budgetary control from the line-item level to the department level by eliminating redundant contingency funds, delegating responsibility and promoting accountability on departmental teams to produce results and performance rather than focusing on line-item accounting. It should be noted that the overall General Fund contingency under the City Manager’s control in the Non-Departmental account has increased to \$500,000 from its \$270,000 FY 2010 level to compensate for elimination of many redundant contingencies spread throughout departmental budgets. The establishment of a comprehensive contingency under the City Manager’s control will enhance accountability and Budget management.

The Budget includes a one-time transfer of \$1.62 million from General Fund balance to the Capital Fund to fund a number of significant maintenance projects which have been deferred for years. The objective is to “catch-up” on facility and infrastructure maintenance next year and to establish a preventive maintenance program to protect City assets in future years. Non-recurring projects funded through the transfer include: HVAC and roof replacements to various City facilities (\$504,000), miscellaneous repairs to City offices and facilities including energy

efficiency enhancements (\$457,750), park facility repairs (\$253,275), jail repairs (\$250,000), and renovation of Newport EMS facility (\$157,000).

The Budget also includes one-time investments in heavy equipment and technology to improve efficiency including: an additional excavator for drainage ditch maintenance (\$250,000), computer network server consolidation (\$100,000), and a Library auto-check system to enhance the efficiency of book processing. It also includes a one-time expense for office space rental and relocation expenses (\$500,000) to relocate City Hall offices while City Hall is repaired and reconfigured. This project entails the replacement of the travertine siding at City Hall, which was damaged during Hurricane Ike; we will also take this opportunity to renovate the building to make better use of available space and eliminate the Amegy lease in future years.

The Budget has been held to a minimal number of high-priority new programs that have a recurring impact on future budgets to facilitate CIP implementation, staff recommends creating a Project Management Section in the Public Works group to consist of one additional Engineer, one Contract Specialist and two Engineering Technicians (\$238,655). The mission of the Project Management Section will be to manage all CIP projects – including streets, drainage, utilities, parks, libraries and other facilities -- through all phases of the CIP from design, engineering, and right-of-way acquisition to construction.

League City is lucky to have a highly dedicated and professional volunteer Fire Department which saves the community millions of dollars. This fiscal year the City's fire protection was upgraded to a Class 3 ISO rating. In order to make further progress in rating protocol, the Budget provides additional management support for the Department by funding a full-time Fire Chief (\$121,162). The funding of the position is for six months and includes a vehicle, equipment, furniture and other accessories to make the position fully operational in FY 2011.

The Budget also provides funding for the City takeover of responsibility from the Texas Department of Transportation (TxDOT) of all traffic signals within League City. Earlier in FY 2010 Public Works staff members received training from TxDOT and now participate with State employees in on-the-job training when TxDOT Crews are called out to make repairs to the signal system. Assumption of responsibility of the traffic system will be assumed by existing City forces; however, the City will be required to assume additional expenditure for traffic control supplies and equipment maintenance services (\$90,000).

An in-house concrete crew consisting of four workers is to address the backlog of requests for sidewalk repairs (\$150,000). Similarly, funding is allocated for an electrician and a plumber to conduct repairs internally and begin to address deferred maintenance issues identified earlier in this message (\$ 93,785). Finally, the Budget includes \$105,000 to increase the City's Microsoft licenses from 300 to 400 users.

After the transfer to the CIP, General Fund reserves total 18.49 or 141 days of working capital.

---

## Utility Fund

The Utility Department is responsible for the operation, maintenance, expansion and improvement of League City's water, wastewater and reuse water systems. The FY 2011 Budget for the Utility Fund totals nearly \$27.9 million, up 8.6% over the FY 2010 Adopted Budget. The Budget provides \$426,845 for new utility field staffing and expenses related to replacement of three wastewater lift stations, \$150,545 for facility maintenance improvements and one-time equipment and other purchases, as well as \$27.6 million in capital project expenditures and \$11.1 million in revenue bond debt service payments.

Utility Fund Reserves total \$13.83 million, or 181.2 days of working capital.

## Debt Service Fund

The City's Debt Service Fund is used to make principle and interest payments for outstanding property tax supported City debt. The Debt Service Fund has limited short-term capacity but gains significant room for investment as commitments to municipal utility districts and tax increment districts expire and existing debt is retired. The dissolution of Magnolia Creek TIRZ #1 and the deposit of property tax revenue gained through this action in the Debt Service Fund will result in \$1 million of additional annual financing capacity beginning in FY 2011.

The City's current outstanding property tax supported indebtedness totals \$102,149,122. The FY 2011 Budget for property tax supported debt totals \$11,888,455. This represents a decrease of \$70,383 or 0.6 percent from FY 2010 and includes a new issuance of \$12.6 million in FY 2011. Debt Service Fund obligations to rebate property taxes to municipal utility districts (\$288,706 less), to Tax Increment Reinvestment Zones (\$232,145 less) and to debt service on prior sales (\$316,000 less) are dropping, significantly offsetting new debt service payments.

## Special Revenue Funds

The City's special revenue fund budgets are estimated to spend \$4,070,921 in FY 2011, leaving combined fund balances of \$167,981. These funds are legally required to be used for specific purposes (i.e. public safety, public access channel equipment and facilities, court technology and security), and are budgeted accordingly. The Safelight Program special fund anticipates a slight decline in red light camera revenue in FY 2011, and proposes the City's \$325,809 share of proceeds be utilized for innovative public safety programs, including additional solar powered school zone lighting (\$76,640), a K-9 unit (\$39,840), and teen crash avoidance program (\$26,196).

## Motor Pool Fund

The Motor Pool Internal Service Fund is established as an in house enterprise fund to ensure that sufficient funding is always available to maintain a service ready, efficient fleet of vehicles for use by City departments. The Motor Pool Fund assumes full depreciation and amortization of all city rolling stock with the exception of major fire apparatus. The Fund was undercapitalized when established three years ago and will be highly stressed with replacement

purchases of “big-ticket” heavy equipment and ambulances. The CIP includes funds to replace aging fire apparatus to meet critical service needs.

Maintenance and operating cost for the fleet is budgeted at \$1.15 million, a 1 percent increase over the FY 2010 estimate and 4.4 percent above the FY 2010 Adopted Budget. The FY 2011 Budget also includes \$4.28 million for vehicle replacement, with \$1.97 million from Motor Pool Fund receipts, and \$2.31 million funded through the CIP and the FY 2011 bond sale.

### **Capital Budget**

The FY 2011 Budget includes \$71.9 million for capital projects. The FY 2011-2015 CIP was delivered to you on August 10 with a five year schedule of affordable and necessary improvements. It includes reconciliations of existing funds as well as financing plans for tax-supported and revenue-supported bonds needed to implement the projects. FY 2011 CIP constitutes the FY 2011 Capital Budget, including \$44.25 million of General Fund projects and \$27.6 million of Utility Fund projects.

### **COMPENSATION / BENEFITS**

Our employees are the City’s most important asset. Accordingly, I have made recruitment of quality staff, improved organizational functionality, and development of a highly professional workplace culture personal priorities in my first year of service to League City. To foster this culture, the City’s compensation system must reward individual results, foster teamwork, be equitable to all employees, take into account the total cost of compensation and make wise use of public resources.

As a foundation for performance management, the FY 2010 Adopted Budget included a “pay for performance” provision for all non-sworn civilian employees. Tied to performance evaluations, that raise was implemented in April. We now propose to build on last year’s approach by rewarding achievement of team and departmental goals as well as individual results, doing so in line with the priorities outlined in the paragraph above. This budget includes \$140,000 in the General Fund and \$43,248 in the Utility Fund to continue the “pay for performance” program for all non-sworn civilian employees. This amounts to 2 percent of the civilian base payroll, assuming implementation halfway through the fiscal year. That amount is roughly equal to the percentage amount projected to be paid to certain police sworn employees under the step plan provided for under Chapter 143- State of Texas Local Government Code- Municipal Civil Service for Police Officers (\$119,000).

No provision is made in the FY 2011 Budget for a cost of living adjustment for civilian or sworn employees. Nor is one justified. U.S. Department of Labor statistics show the Houston-Galveston-Brazoria Consumer Price Index for all Urban Consumers over the 12 months ending June 2010 rose only 1.3%. Benchmarking police salaries with comparable cities reveals that League City is well above market. A comprehensive salary adjustment was implemented in 2007 to bring all civilian employees to market levels. Since that time, inflation rates have remained relatively low. The Budget, does however include \$100,000 to conduct an

examination of how the City compensates its employees from a total-cost point of view including base market salary, certification pay, allowances and benefits. We expect the results of this study to help us design more competitive and cost-effective compensation packages for all City employees going forward.

With guidance from the City's insurance consultants, McGriff, Seibels and Williams, and in light of rising health insurance costs, we are proposing a funding reserve sufficient to cover a 10 percent rate increase starting in January 2011 to cover rising health insurance costs. This includes increases of \$250,000 in the General Fund and \$59,741 in the Utility Fund.

## REVENUE AND FINANCING STRATEGIES

### Property Tax

The FY 2011 Budget is balanced at the effective property tax rate of \$.616. The FY 2011 effective tax rate reflects a tax rate reduction of 1.4 cents or 2.2 percent less than the current property tax rate of \$0.63 per \$100 of assessed valuation. This is possible because estimated taxable value increased by \$115.3 million, or 2.2 percent, over last year's amount. This increase was the combined effect of \$156 million in new construction and \$41 million in overall taxable value loss on properties that were on last year's tax roll.

The following allocation of effective tax rate is:

	<u>FY 2010</u>	<u>FY 2011</u>
General Fund	\$0.408874	\$0.394874
Debt Service	<u>\$0.221126</u>	<u>\$0.221126</u>
Total	\$0.63	\$0.616

There is no change in the Debt Service tax rate.

### Sales Tax

The FY 2011 Budget includes a sales tax estimate of \$10.33 million higher than FY 2010's estimate of \$10.23 million. This is based on separate forecasts of the factors identified as most influential for sales tax revenue in League City. The one percent assumed increase is based also on collection trends that continue to reflect sluggishness in receipts.

### Charges for Service

This category of revenue includes all user fees recorded in the General Fund as an offset to General Fund services. The Budget anticipates 3.1% growth in charges for service overall, largely because of growth in refuse collection fees (\$91,000 or 3.2%) and ambulance fees (\$20,000 or 2.5%) over FY 2010. Other fees for service are assumed in FY 2011 to have collection amounts roughly equivalent to FY 2010 collections.

---

## Debt Issuance

The FY 2011 Bond issue includes a \$12.6 million tax supported bond issuance of varying lengths to fund the following capital projects without a property tax rate increase:

- Design and potential site acquisition for a new police station, \$2.88 million;
- Fire Department projects, including the purchase of three fire pumper trucks and one vacuum freightliner and land purchases for new fire stations, \$2.75 million;
- Renovation and structural strengthening of City Hall, \$3.5 million;
- Drainage improvements to Robinson Bayou, \$2.4 million
- Infrastructure projects directly administered by the City that meet economic development needs, \$1 million

The FY 2011 Budget also proposes the sale of \$13 million in revenue supported debt for the following water and wastewater projects:

- North Side Water Booster Station - \$576,335;
- South Shore Harbour Pump Station - \$2.25 million;
- State Hwy 3 Pump Station - \$5.29 million;
- Raise West Side Elevated - \$2.5 million;
- New East Side Elevated #1 - \$325,000; and
- Water Meter Replacement Program - \$2 million.

I want to thank the staff “leadership team” for its judgment, stewardship and commitment to implementing the work plan and Budget for next year. Thanks go to Mike Loftin, Kelly Halko, Angie Steelman, and Caron Park for their diligence and long hours in analyzing and preparing this document.

Thank you for the opportunity to present this Budget for your consideration. Staff stands ready to support the Council deliberation in this very important effort!

Sincerely,



Marcus Jahns  
City Manager

---

## ADOPTED FY 2011 BUDGET CITYWIDE SUMMARY

### Overview

The FY 2011 Adopted Budget includes \$91.7 million for expenditure on City services, an increase of \$3.3 million over the FY 2010 Budget and an increase of \$4.7 million over the FY 2010 Estimate of spending included in this document. Total revenue is \$88.9 million, an increase of \$1.6 million over estimated revenue for FY 2010. Amounts include interfund transfers with the exception of amounts paid by General and Utility funds for fleet maintenance and replacement to the Motor Pool Internal Service Fund.

### General Fund

The Adopted Budget for the City's largest fund, the General Fund, is \$45,000 less than the FY 2010 Adopted Budget. General Fund revenue is based on a property tax rate of \$0.616, a 1.4 cent and a 2.2% reduction in the tax rate. The General Fund will end FY 2011 with 157.0 days of working capital as of FY 2011. Consequently, the Adopted Capital Improvement Plan for FY 2011-2015 has a separate appropriation of \$2.12 million for needed facility repairs and improvements in FY 2011. This will leave 140.8 days of working capital in the General Fund, or \$2.75 million above the 120 days policy standard amount.

### Utility Fund

The Utility Fund is the City's healthiest fund from the standpoint of reserves, with a Budget that would leave this fund with 181.2 days of working capital at the end of FY 2011. The Adopted CIP anticipates that \$47 million in water revenue bonds can be issued over the next four years, given the current level of working capital and current water rates.

### Debt Service Fund

The Debt Service Fund is projected to end FY 2011 with a \$2.89 million balance, after paying debt service on \$12 million in new tax supported bonds per the Adopted CIP. The Adopted Budget is the first step in making the Debt Service Fund the ongoing depository for approximately \$1 million in annual property tax revenue previously collected for the Magnolia Creek Tax Increment Reinvestment Zone #1. This is a part of the Adopted CIP, and is recommended to support the issuance of \$30.5 million in tax supported bonds in FY 2012 for construction of a new police station.

### Special Revenue Funds

Special revenue funds provide the means to document and demonstrate that legally dedicated revenue is being used for its required statutory purpose. These funds are not considered as normal operating funds of the city and as such are not intended to carry large ending fund balances. Therefore, the FY 2011 Adopted Budget for these funds includes recommendations to spend current year revenue of \$2.49 million and \$1.58 million of the beginning fund balances in order to meet special resource needs of city departments.

### Motor Pool Fund

Revenue and expenditures in the Motor Pool Internal Service Fund are not shown as a part of the total operating budget because they are financed through payments made by the General and Utility funds for vehicle maintenance and replacements. The Motor Pool Fund balance, however, is considered a part of the City's operating fund reserves.

**FY 2011 ADOPTED BUDGET  
FUND SUMMARY BY YEAR**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>BEGINNING FUND BALANCE</b>				
General Fund	17,910,897	17,805,608	20,554,414	20,768,266
Utility Fund	10,749,798	14,154,704	16,274,656	15,626,927
Debt Service Fund	1,175,395	2,402,185	2,463,899	2,183,367
Special Revenue Funds	685,906	1,222,018	1,222,017	1,752,576
<b>TOTAL</b>	<b>30,521,996</b>	<b>35,584,515</b>	<b>40,514,986</b>	<b>40,331,136</b>
<b>REVENUE</b>				
General Fund	49,195,274	46,614,725	47,106,900	47,763,000
Utility Fund	27,799,240	25,918,660	25,256,200	26,051,000
Debt Service Fund	11,545,180	11,770,667	11,743,000	12,599,400
Special Revenue Funds	1,459,470	2,118,749	2,717,600	2,486,326
<b>TOTAL</b>	<b>89,999,164</b>	<b>86,422,801</b>	<b>86,823,700</b>	<b>88,899,726</b>
<b>EXPENDITURES</b>				
General Fund	46,551,757	47,963,330	46,893,048	47,918,742
Utility Fund	22,274,382	25,634,557	25,903,929	27,851,489
Debt Service Fund	10,256,676	11,958,838	12,023,532	11,888,455
Special Revenue Funds	923,359	2,874,017	2,187,041	4,070,921
<b>TOTAL</b>	<b>80,006,174</b>	<b>88,430,742</b>	<b>87,007,550</b>	<b>91,729,607</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>				
General Fund	2,643,517	(1,348,605)	213,852	(155,742)
Utility Fund	5,524,859	284,103	(647,729)	(1,800,489)
Debt Service Fund	1,288,504	(188,171)	(280,532)	710,945
Special Revenue Funds	536,111	(755,268)	530,559	(1,584,595)
<b>TOTAL</b>	<b>9,992,990</b>	<b>(2,007,941)</b>	<b>(183,850)</b>	<b>(2,829,881)</b>
<b>ENDING FUND BALANCE</b>				
General Fund	20,554,414	16,457,003	20,768,266	20,612,524
Utility Fund	16,274,656	14,438,807	15,626,927	13,826,438
Debt Service Fund	2,463,899	2,214,014	2,183,367	2,894,312
Special Revenue Funds	1,222,017	466,750	1,752,576	167,981
<b>SUBTOTAL</b>	<b>40,514,986</b>	<b>33,576,574</b>	<b>40,331,136</b>	<b>37,501,255</b>
Motor Pool Fund	1,929,193	761,019	1,019,308	719,899
<b>TOTAL WITH MOTOR POOL FUND BALANCE</b>	<b>42,444,179</b>	<b>34,337,593</b>	<b>41,350,444</b>	<b>38,221,154</b>
<b>OPERATING AND CAPITAL BUDGET SUMMARY</b>				
			<b>OPERATING BUDGET</b>	<b>91,729,607</b>
			<b>CAPITAL BUDGET</b>	<b>71,896,556</b>
			<b>GRAND TOTAL FY 2011 BUDGET</b>	<b>163,626,163</b>
<b>DAYS OF WORKING CAPITAL</b>				
General Fund	161.2	125.2	161.7	157.0
Utility Fund	266.7	205.6	220.2	181.2
<b>WORKING CAPITAL OVER 120 DAYS</b>				
General Fund	5,249,727	688,237	5,351,374	4,858,417
Utility Fund	8,951,572	6,011,007	7,110,567	4,669,784
<b>TOTAL</b>	<b>14,201,299</b>	<b>6,699,244</b>	<b>12,461,941</b>	<b>9,528,201</b>

**NOTE:** The Motor Pool Internal Service Fund revenue and expense are not included in the totals above to avoid duplication of the amounts shown as part of the General and Utility Fund budgets that are transfers to the Motor Pool Fund for services. Motor Pool Fund balances, however, can be considered a part of the City's reserves and are shown as part of the Ending Fund Balance section above.

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## FY 2011 BUDGETARY INFORMATION

### **Budgetary Basis of Accounting**

Budgets for the General, Special Revenue and Debt Service funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The budgetary basis of accounting is different than the basis of accounting for auditing purposes. We do not budget for component units however they are accounted for in the Comprehensive Annual Financial Report (CAFR).

### **General Budget Policies**

The budget for the City shall present a complete financial plan for the ensuing fiscal year. It shall set forth all proposed expenditures for administration, operation and maintenance of all departments and agencies of the City for which appropriations are required to be made or taxes levied by the City. The budget shall also include (1) the revenues and expenses of the water and sewer system, and such system may be shown in the budget as a self-supporting enterprise; (2) all expenditures for capital projects to be undertaken or executed during the fiscal year; and (3) all deficits from prior fiscal years. In addition, thereto, the budget shall set forth the anticipated income and other means of financing the total proposed expenditures of the city government for the fiscal year.

Prior to the first of August of each year, the departments and agencies of the city shall transmit estimates of their budgetary requirements to the Mayor. The Council may revise, alter, increase or decrease the items of the budget, provided that when it shall increase the total proposed expenditures, it shall also increase the total anticipated revenue so that the total means of financing the budget shall at least equal in the amount to the aggregated proposed expenditures. When the Council shall make such changes, it shall issue a statement setting forth clearly its action in the budget. At least ten (10) days before the beginning of the fiscal year, the Council shall approve the budget plan and shall enact the appropriation ordinance. As soon thereafter as possible, the Council shall pass the tax levy ordinance and other such ordinances as may be required to make the budget effective.

The legal level of control is at the department/function level for the General Fund. Debt Service and Special Revenue funds legal level of control is at the total fund level. However, modifications to the budget may be made by the Council through transfers of any unencumbered appropriation balance or portion thereof from one office, department or agency to another, at any time. The Mayor shall have the authority, without Council authority, to transfer appropriation balances from one expenditure account to another within a single office, department or agency.

No money shall be drawn from the treasury of the city, nor shall any obligation for the expenditure of the money be incurred, except in the pursuance of the annual appropriation ordinance or of such ordinance when changed as authorized by the Charter. At the close of each fiscal year any unencumbered balance of an appropriation shall revert to the fund from which appropriated and shall be subject to re-appropriation; but appropriations may be made by the Council, to be paid out of the income of the current year, in furtherance of improvements or other objects or works which will not be completed within such year, and any such appropriation shall continue in force until the purpose for which it was made shall have been accomplished or abandoned. The City does not prepare budgets for the component units of the City.

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## HOW TO USE THIS BUDGET DOCUMENT A READERS GUIDE

The City of League City Budget Document provides comprehensive information about city policies, goals, objectives, financial structure, operations, and an organizational framework for the City. It provides the reader with estimates of revenue or resources available and appropriations or expenditures for the fiscal year 2011.

The budget process starts many months before the adoption of the annual budget. The process begins with the estimate of revenues and expenditures for the current fiscal year and the estimation of ending fund balances for the current year. These steps help us to determine what our current resources will be for the coming year so that we may appropriately allocate those resources to the various departments and/or capital improvement projects.

Once the financial resources are determined the departments request what is absolutely necessary to run their department, along with any supplemental items that they feel are necessary. These items are reviewed by the Department Head, the Director, the Budget Office, the Deputy City Manager of Management Services and the City Manager before they are brought to the Mayor and City Council for approval.

This budget document includes missions, summaries, accomplishments, objectives and staffing levels for each department. This document also summarizes the expenditures by category, directorate and fund.

### **BUDGET FORMAT**

The document is divided into 9 sections: Introduction, Summaries, General Fund, Utility Fund, Internal Service Fund, Debt Service Fund, Special Revenue Funds, Financial Policies and the Appendices.

The Introduction Section includes the Budget Message which explains the major policies and issues along with the budget process and long range plans for the city.

The Summary Section contains various summaries of the budget and explanations of the economic assumptions behind the budget. The FY 2011 Capital Budget is also discussed in this section. The city budget is organized into funds. Each fund is a separate accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities, residual equities and the changes therein are segregated and recorded.

The next 3 sections are the Fund Sections and are organized as follows: Fund Summary, Statement of Revenues, Expenditures by Directorate and Department. The Debt Service Fund section includes the fund summary and scheduled payments for outstanding debt.

The Special Revenue Funds section consists of designated revenues. These revenues can only be used for specific purposes and include the Hotel/Motel Tax Fund, Community Development Block Grant Fund, Police Activity Fund, Municipal Court Building Security Fund, Municipal Court Technology Fund, Emergency Management Response Fund, Butler Museum Fund, Animal Control Donation Fund, Library Gift Fund, Special Park Fund and the Sidewalk Fund.

The Financial Policies section includes long standing financial policies and practices enforced by the city relating to various financial aspects of City operations.

The Appendices section includes reference items such as the basis of accounting and budgeting, the pay scales for civilian and non-civilian employees and a glossary of terms.

If you need additional information you may contact the Assistant City Manager of Management Services or the Budget Office at 281-554-1000.

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## Fund Structure

**Fund** - A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

### **General Government**

**General Fund** – This fund is the general operating fund of the city.

**Special Revenue Fund** – These funds are used to account for proceeds of specific revenue sources or legally restricted funds.

**Debt Service Fund** – These funds are used for the payment of principal and interest on debt issued by the City as well as other fees associated with the issuance of debt.

**Capital Project Funds** – These funds are used to account for resources for the use of major capital improvement projects.

### **Proprietary Funds**

**Enterprise Fund (Utility Fund)** – These funds are used to account for operations that are to be financed as a business like activity.

**Internal Service Fund (Motor Pool Fund)** – These funds are used to account for operations that are financed by the users of the fund.

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City of League City, TX  
Fiscal Year 2011  
Budget Calendar

March 26 - 27	Mayor and City Council Priorities and Goals Retreat
April 7 - 12	City Manager, Directors, and Department Heads Revise Priorities and Goals in conformance with comments and direction from Mayor and City Council Retreat.
April 12	Distribution of Budget Manual to Departments
April 12 – 16	City Manager, Directors, and Department Heads identify budget mandates for incorporation into FY 2011-15 Long Range Financial forecast (LRFF).
April 15 – 30	Finance Department to meet with each department individually to compete re-estimates for FY 2010 and begin process for submission of departmental FY 2011 budget requests (Finance will go over required forms and instructions).
April 23	Deadline for submittal of departmental requests for projects for inclusion in the FY 2011-2015 Capital Improvement Program (CIP). Please submit to John Lothrop in Engineering.
April 23 – May 25	Public works and Finance to review and prioritize CIP projects and determine financial capacity for submission to Mayor and City Council.
April 27	Presentation of FY 2011-15 LRFF to Mayor and City Council.
May 4 and 18	Conduct workshops regarding the LRFF to develop financial strategies for the FY 2011 budget as well as for the forecast period FY 2011-15.
May 25	Presentation of staff priorities for FY 2011-15 CIP to Mayor and City Council workshop format. City Council provides direction and revised priorities to staff. Additional workshops will be scheduled as necessary. Debt service forecasts and capacities will be presented as well.
June 4	Deadline for submission of the FY 2011 departmental budget requests to Finance including priorities , goals and performance measures.
June 28 – July 12	City Manager and Finance to review and meet with departments regarding FY 2011 departmental budget requests.
July 19 – 23	City Manager, Directors, and Finance finalize proposed budget.

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July 26 – 30	Finance prepare Council Workbooks.
July 27	Received Certified Tax Rolls from Galveston County Appraisal District. (budget and CIP)
August 10	Deliver Proposed CIP to Council
August 17	CIP Workshop
August 24	Deliver Proposed Budget to Mayor and Council
August 25 – 27	Budget Workshops with City Council regarding the FY 2011 Proposed Budget.
August 27 - 31	Receive Certified Tax Rolls from Harris County Appraisal District (Budget)
August 31	Budget/CIP Workshop
Sept. 1 – 3	Calculate effective and rollback tax rates
Sept. 3	Publish Tax Rate Calculation and HB 3195, Effective Tax Rate Schedules and Schedule A, B and C (Budget and CIP)
Sept. 14	Public Hearing on Budget/1 <sup>st</sup> Public Hearing on Tax Rate.
Sept. 14-21	Adopt Budget and CIP.
September 28	2 <sup>nd</sup> Public Hearing Tax Rate (if needed) 1 <sup>st</sup> Reading of Tax Rate Ordinance. (Budget and CIP)
October 12	Adoption of Tax Rate 2 <sup>nd</sup> Reading (Budget and CIP)
October 14	County Deadline for Tax Rate Adoption (so they can get info and have tax bills mailed out by October 31.) (Budget and CIP)
Dec. 4	Submit Budget to GFOA – Deadline Dec. 11 (Budget)

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## The History of League City

### Establishing League City

For more than a hundred years following 1854, Willis Butler and his descendants ran cattle on the vast salt grass prairies of northern Galveston County. In the early 1870s, Willis Butler's son George Washington established the Butler Ranch on the site of present-day League City. In the 1920s, his son Milby Butler began a program to save the dying breed of Texas longhorns. His work led to the development of a distinctive sub-breed of cattle—the Butler Longhorn—which are now raised across the nation. It all began right here in League City. Col. George Washington Butler born in 1845, father of Milby Butler, built his first home east of the G.H. & H railroad in League City, which operated the fastest trains on American soil. G. W. Butler had vision enough not to stand in the way of urban growth. In the early 1890s, during the heart of a cattle market slump, he encouraged a Galveston investor John Charles League to buy property and establish a town. Soon the little community had a school, post office, depot, general stores, and a saloon. Its first settlers raised cattle or became small-acreage farmers. Fair weather and good land attracted people from around the world. Italian families arrived in the 1920s and began raising vegetables to supply markets at Galveston and Houston. League City's key location along several rail routes insured its future. The cattle ranches, citrus, fruit and vegetable farms began to prosper and growth continued, making League City an attractive place to live.

### The Live Oaks of League City

Although little evidence remains of the historic Butler Ranch, the beautiful live oak trees that line the streets of League City serve as an important link to the past. The Butler family brought acorns from Louisiana in 1854 and planted them at their home sites. In 1872, George Washington Butler placed trees around his ranch headquarters, and in the early 1900s, he and his son Milby Butler helped to set out trees along the streets of League City. Today these century-old majestic trees bear testimony to the heritage and vision of the Butler family.

### League City Today

The City of League City is located near the Texas Gulf Coast, just 20 miles south east of Houston in northern Galveston County and the southernmost part of Harris County. The city is situated on the south shore of Clear Lake and directly on Interstate Highway 45 (Gulf Freeway). The city has a population of approximately 76,000 and encompasses an area of 55 square miles.

League City has experienced tremendous growth in the last 10 years and is still experiencing growth however, at a slightly slower pace over the past two years. We continue to see new subdivisions and retail opening each year. Our sales tax revenues have continually increased despite the recession that the rest of the country is experiencing. We are still seeing growth rates of 26% greater sales tax revenues than the previous year.

The major sectors of the area's economic base include aerospace (NASA), petrochemicals, health care, upscale commercial, boating and visitor attractions. The area is home to the third largest concentration of pleasure boats in the United States. Although League City lies within the Houston metropolitan area, League City distinguishes itself within the region demographically. The household income levels and education profiles are well above the average for the Houston area and the Clear Creek Independent School District is the largest school district in the State of Texas to receive the Texas Education Agency "Recognized Rating."

## ADOPTED FY 2011 BUDGET ECONOMIC OUTLOOK

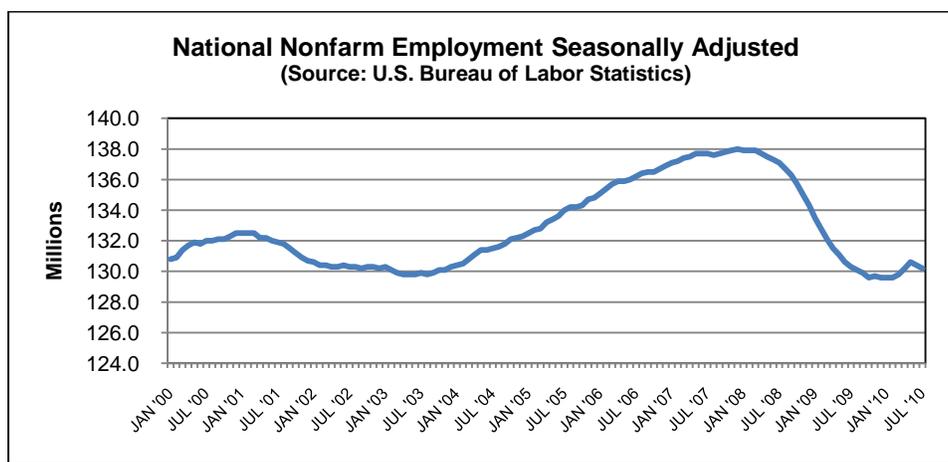
### Economic Overview

The Long-Range Financial Forecast (LRFF) published in May described the economic outlook for League City as flat through 2012 with slow growth returning in 2013 based on uncertainty at the national and regional level. Since that time, the general concern about the slowed economy and its impact on League City during the next fiscal year has not changed. The national economy continues its sluggish behavior with increasing concerns that the second half of a double-dip recession might be in the near future. At the regional level, the impact of the Gulf oil spill and the drilling moratorium that follows cast serious doubts in the near-term about a local recovery that could be led by energy employment growth. In League City, we continue to watch closely the progress of the federal budget proposal to eliminate the Constellation program from the NASA budget and finish the Space Shuttle program. These factors are mitigated by modest growth that continues in League City including current and future development.

### National Economy

During 2010, the national economy has shown limited signs of recovery, including growth in Gross Domestic Product for four consecutive quarters. Corporate earnings have continued to show resilience and the stock market staged a rally in recent weeks after dropping below 10,000 in June and again in July. However, key national economic indicators indicate that the general economy remains generally nonresponsive to the massive federal stimulus injected into the economy over the last two calendar years by the federal government.

The lack of job creation is the most disappointing aspect of the current “recovery.” Unemployment remains in the 9.5% range, as it has since the first of the calendar year. Employment remains in the 130 million jobs range, which is far short of the 138 million job peak reached in the spring of 2008.

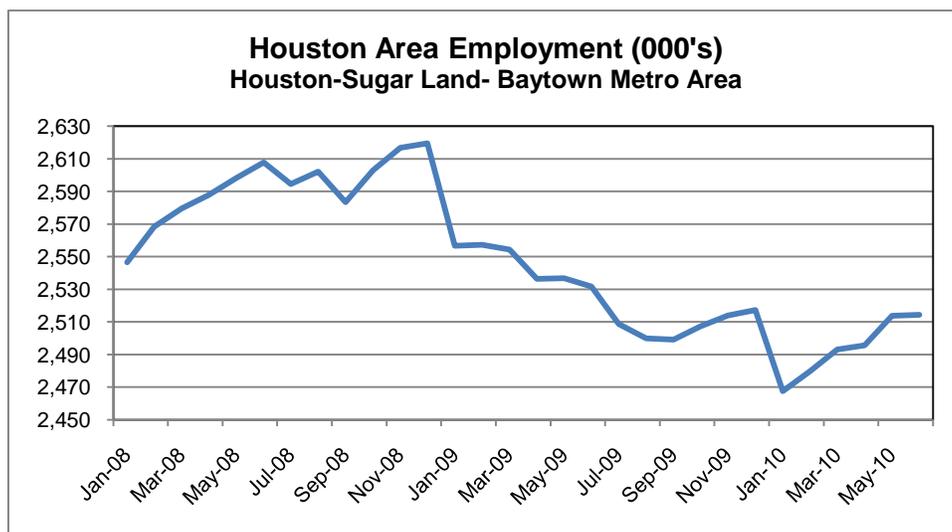


New unemployment claims, which averaged 450,000 to 470,000 per week since January have increased slightly over the last thirty days. The jobs impact of the Gulf oil spill and subsequent drilling moratorium is difficult to determine at this point, but energy firms reportedly have begun to lay off workers.

Other national factors have changed little since the LRFF was presented. Interest rates remain low, and are not expected to rise appreciably during FY 2011. Home prices have stabilized nationally, but foreclosures continue at historically high levels with significant numbers of homebuyers unable to correct and address mortgage payment shortfalls. Lack of available credit is still hampering business expansion and job creation, and commercial real estate is going through the kind of contraction now that the single-family sector has already witnessed.

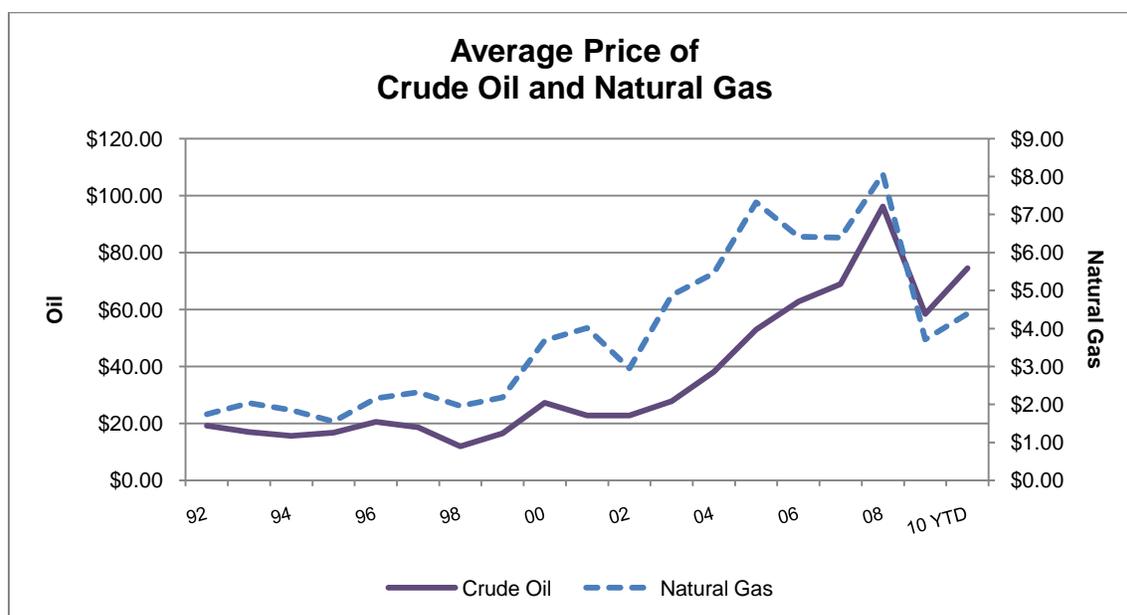
International factors also are contributing to the sluggish economy. Earlier this summer, China announced its intentions to allow market forces to influence the value of the yuan; however, since that time, there has been little change in the relative value of the yuan and the dollar. This means U.S. manufactured goods will continue to be at a disadvantage with undervalued Chinese goods in this country's markets and abroad. The Asian economic recovery of 2009 and early 2010 also appears to have slowed, reducing hoped-for new demand for U.S. energy and other products.

Faced with this economic outlook, the federal government is in no position to further stimulate the economy. While a second stimulus package is being suggested by some, there appears to be no public appetite for continued high deficit spending. The Federal Reserve Board has cut interest rates as much as possible, and currently holds a significant share of mortgage securities assumed in 2008 and 2009 to support failing lenders. There also seems to be a growing consensus to extend the Bush tax cuts to help prevent a double dip recession. A national recovery, however, could be years away.



### State and Regional Economy

Texas and the Houston metropolitan area have fared better in recent decades during recessions than the rest of the country. This has been due to our reasonably priced housing markets and the resiliency of energy as our economic engine. However, the current national and global economic downturns have affected energy demand and the financial markets so as to significantly slow regional and statewide growth. Natural gas prices had risen in the last sixty days because of rising demand, but have dropped during August as the apparent result of continuing high inventories and adjusted hurricane forecasts for a less active season than originally forecasted. This surplus of natural gas supplies appears to be a stubborn problem that will dampen efforts to expand and create new jobs by Houston’s gas exploration companies at least through FY 2011.



The full impact on Houston’s oil and gas industry of the Gulf oil spill is still an open question. The Obama administration’s first attempt to impose a drilling moratorium in the Gulf was overturned by a federal judge. The second attempt to impose such a moratorium is currently being challenged in federal court. While it appears that the Gulf coast’s fishing industry has suffered little damage with most of the oil affecting Louisiana’s fishing industry, permanent effects of the spill on Gulf area fishing is unknown. Clearly, however, the moratorium, if successful, could significantly affect Houston’s upstream energy sector which provides approximately ten percent of Houston’s area jobs and one-third of our economic base.

In 2008, real estate markets in the metropolitan area slowed considerably. Since that time, residential vacancy rates have been high and construction of new residential units has been less than half the peak level reached in the 2006-2007 period. The federal homebuyer tax credit program provided a short-lived boost to home sales through the deadline of April 30 to qualify by having a house under a sales contract. May and June sales reportedly returned to a

more normal level that is slightly ahead of 2009 in total numbers of homes sold. Beginning 2010, home prices in the metropolitan area were down 3-4% overall from the peak of 2007. As of June 2010, foreclosures appear as though they might exceed the high levels of the 2007-2009 period when foreclosures exceeded 11,000 three years in a row, two to three times the lows of the 1998-2008 period.

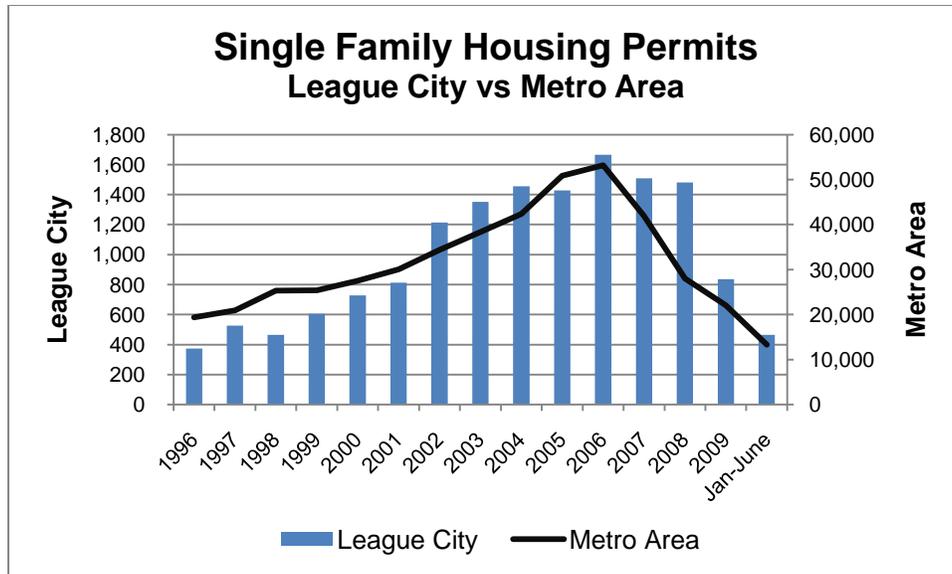
### **The League City Economy**

As reported in the LRFF, the performance of League City's economy has paralleled the metropolitan area's performance, with somewhat better results than the area as a whole. This continues to be true as the League City economy performs below its peak growth period of 2003 to 2007.

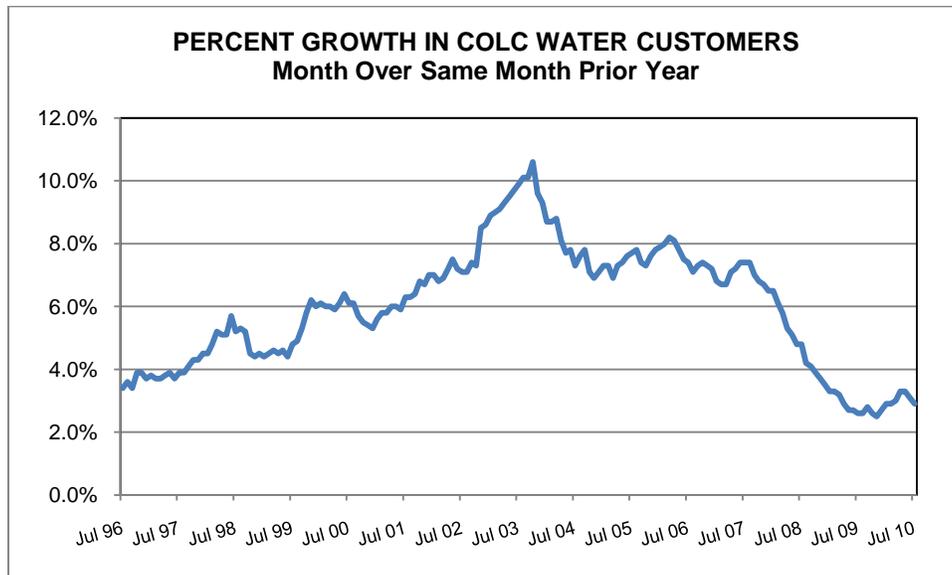
League City's population is estimated to have grown from 45,400 in 2000 to 74,000 in 2010, an increase of over sixty percent. According to the Texas Workforce Commission (TWC), League City employment has grown from 31,800 jobs in January 2005 to 36,600 in June of 2010, a 15% increase. During the same time, employment in the metropolitan area increased by 10%. As of June, League City's unemployment rate, according to the TWC was 7.6%, which is also under the area's 8.8% figure. However, this rate was higher than the TWC's reported unemployment rate for March of 6.9%.

The local economy has been buoyed during 2008 and 2009 by the addition of a variety of retail stores in the Interstate 45/SH 646 corridor. Major stores opened between late 2007 and early 2009, including Lowe's, Best Buy, Home Depot, Target, JC Penney, HEB, and Kohl's. This, and a number of smaller retail stores, added jobs to our workforce and attracted commerce to the City from travelers on Interstate 45. This undoubtedly kept our employment figures from showing the same downward effect as is being seen in the metropolitan area as a whole and helped diversify our tax base by increasing commercial real and personal property taxes as well as sales taxes.

The major portion of League City's real estate market, single-family homes, continued at a slower growth pace than the six years from 2003 through 2008. But the 2009 new home count of 770 showed the health of League City's single family housing market in a down economy. Given current inventories and building permit activity in early 2010, the 2010 new home count appears to be positioned to eclipse the total for 2009. Through June, 465 permits have been issued for new homes in League City. This year-to-date trend parallels that of the Houston area as a whole (see graph on the next page).



An important indicator of League city’s growth and economic health is the number of total water customers, and the percentage change in that important statistic by month as compared with the same month in the prior year. Annual growth in water customers dropped from approximately 7.4% in July 2007 to 2.5% in November of 2009. The growth rate has since recovered slightly to 3.3% before dipping to 2.9% in July. This count is being monitored as the best actual count of League City residents and businesses.



A primary concern in League City is the outcome of the President’s proposed budget for NASA that cuts the Constellation and shuttle programs significantly, cuts that might affect the Johnson Space Center (JSC) significantly. The impact of these reductions, if they occur, could be significant and would likely stretch over a 12-18 month period. Most recently, the Senate

passed a bill that would save the Constellation program and add another shuttle flight in the FY 2011 federal budget. Until this bill, or something similar, passes both houses and is signed by the President, the potential job losses that could come from JSC cuts of any magnitude would significantly impact the local economy in FY 2011.

### **FY 2011 Outlook**

League City's economic outlook for the next twelve months is guarded. Potential job losses at JSC would undercut the steady growth rate currently being experienced. Since it remains largely residential in nature, job losses could easily slow or stop new construction. After the boost to retail sales by the development of the IH 45/SH 646 corridor, retail sales have remained stagnant, reflecting the general economic downturn in the Houston area. Given national and regional economic factors discussed here, League City can expect a continued sluggish economy that may decline if the NASA cuts become a reality.

**ADOPTED FY 2011 BUDGET  
REVENUE OVERVIEW**

**Total Revenues**

The FY 2011 Adopted Budget includes \$86.3 million in anticipated revenue from outside sources, a 0.5% increase over estimated revenue for FY 2010. Interfund transfers are not included in this total or in the table below because that would overstate the City's external revenue. Interfund transfers are, however, considered part of the total Adopted Budget that includes all funds budgeted in support of operations for FY 2011. (See discussion of Interfund transfers at the end of this "Revenue Overview.")

**CITYWIDE OPERATING BUDGET REVENUES  
(\$Thousands)**

REVENUE CATEGORIES	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED	FY11 VS FY10 EST	PCT OF TOTAL
Property Taxes	\$31,239	\$32,521	\$33,353	\$33,181	-0.5%	38.5%
Water & Wastewater Sales	\$27,218	\$25,737	\$25,125	\$25,965	3.3%	30.1%
Sales Taxes	\$10,834	\$11,829	\$10,225	\$10,327	1.0%	12.0%
Franchise & Other Taxes	\$4,718	\$4,750	\$5,270	\$5,248	-0.4%	6.1%
Charges for Services	\$4,394	\$3,959	\$4,276	\$4,410	3.1%	5.1%
Fines and Forfeits	\$1,354	\$2,824	\$3,156	\$3,080	-2.4%	3.6%
License and Permits	\$1,727	\$1,644	\$2,062	\$2,062	0.0%	2.4%
Miscellaneous	\$1,879	\$1,051	\$1,191	\$1,175	-1.3%	1.4%
Grant Proceeds	\$3,847	\$738	\$1,063	\$682	-35.8%	0.8%
Investment Earnings	\$378	\$382	\$126	\$129	2.4%	0.1%
<b>TOTAL</b>	<b>\$87,588</b>	<b>\$85,435</b>	<b>\$85,847</b>	<b>\$86,259</b>	<b>0.5%</b>	<b>100.0%</b>

The City's three largest revenue sources, property taxes, water and wastewater revenue, and sales taxes, provide \$69.9 million or eighty-one percent of total revenue.

**Property Taxes**

The FY 2011 Budget for property taxes is based on the certified tax roll from the Galveston County Appraisal District and an estimate of the 2010 certified tax roll from the Harris County Appraisal District. The estimate of taxable value is \$5.34 billion, an increase of \$115 million or 2.2% from FY 2010's current roll of \$5.22 billion. Included in the tax roll is an estimated \$157 million in new construction without which the total roll would have gone down.

The Adopted Budget is based on a property tax rate of \$0.616 per \$100 of assessed value, which is \$0.014 (1.4 cents) less than FY 2010. The net effect is to reduce total taxes collected by \$171,800, assuming a slightly lower collection rate than in FY 2010 (101% versus 101.4%). This reduction of \$0.014 on the tax rate will save the average residential homeowner approximately \$24.50 on their taxes for FY 2011.

As you can see below, (1) total property tax revenue is split between the General and Debt Service Funds and (2) each fund must then share a portion of its property tax revenue with the

City's Tax Increment Reinvestment Zones. The tax rate cut of \$0.014 is to be made on the General Fund's share of total property tax revenue, while the tax rate for debt service is to remain the same. This allocation of the tax rate cut means that the FY 2011 Adopted General Fund property tax amount of \$21,270,300 is \$376,200 less than the FY 2010 Estimated amount of \$21,646,500.

The estimates are based on the assumption that TIRZ #1, Magnolia Creek, will have been dissolved by City Council action by the time that the 2010 tax rate and tax levy ordinance is passed. As you can see in the chart below (bold lines A and B), the FY 2011 Adopted Budget includes \$33,181,400 in total tax collections, with \$21,270,300 going to the General Fund and \$11,911,100 going to the Debt Service Fund. Likewise, an estimated \$2,144,300 is estimated as the FY 2011 tax increment payment to the city's remaining three TIRZ's (Saddle Creek, Centerpointe and West Oaks), with \$1,374,600 paid by the General Fund and \$769,700 paid by the Debt Service Fund.

### PROPERTY TAX BUDGET SUMMARY

Description	FY 2010 ESTIMATED			FY 2011 ADOPTED BUDGET		
	General Fund (M&O)	Debt Service (I&S)	Total	General Fund (M&O)	Debt Service (I&S)	Total
Est. Total Assessed Value (\$millions)	\$5,227.7	\$5,227.7	\$5,227.7	\$5,343.0	\$5,343.0	\$5,343.0
Less: Est. TIRZ Incremental AV (\$millions)	\$489.0	\$489.0	\$489.0	\$348.1	\$348.1	\$348.1
Est. Net City Assessed Value (\$millions)	\$4,738.7	\$4,738.7	\$4,738.7	\$4,994.9	\$4,994.9	\$4,994.9
Tax Rate per \$100 of Assessed Value	\$0.408874	\$0.221126	\$0.630000	\$0.394874	\$0.221126	\$0.616000
Est. Total Tax Levy (\$000's)	\$21,341.3	\$11,541.7	\$32,883.0	\$21,059.7	\$11,793.2	\$32,852.9
Less Est. TIRZ Incremental Levy (\$000's)	\$1,999.5	\$1,081.3	\$3,080.8	\$1,374.6	\$769.7	\$2,144.3
Est. Net City Tax Levy (\$000's)	\$19,341.8	\$10,460.4	\$29,802.2	\$19,685.1	\$11,023.5	\$30,708.6
Est. Collection Rate (Total)	101.4%	101.4%	101.4%	101.0%	101.0%	101.0%
Est. TIRZ Tax Collection Rate	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Est. City Net Tax Collection Rate	101.6%	101.6%	101.6%	101.1%	101.1%	101.1%
<b>Est. Total Tax Collections (\$000's)</b>	<b>\$21,646.5</b>	<b>\$11,706.7</b>	<b>\$33,353.2</b>	<b>\$21,270.3</b>	<b>\$11,911.1</b>	<b>\$33,181.4</b>
<b>Less Est. TIRZ Incremental Taxes (\$000's)</b>	<b>\$1,999.5</b>	<b>\$1,081.3</b>	<b>\$3,080.8</b>	<b>\$1,374.6</b>	<b>\$769.7</b>	<b>\$2,144.3</b>
Est. Net City Tax Collections (\$000's)	\$19,647.0	\$10,625.4	\$30,272.4	\$19,895.7	\$11,141.4	\$31,037.1

The FY 2011 Adopted Budget includes an interfund transfer from the General Fund to the Debt Service Fund to ensure that the \$1 million gained from dissolving TIRZ#1 is made available to support the Adopted Capital Improvement Plan. What would have been the Magnolia Creek property tax increment, as shown in the table on the next page, is to be collected in two parts in FY 2011: \$644,800 in the General Fund and \$361,100 in the Debt Service Fund. The FY 2011 Adopted Budget assumes that (1) the Debt Service Fund will retain its \$361,100 portion of the TIRZ #1 increment in FY 2011 by collecting the revenue and not passing it along to TIRZ #1, and (2) that the General Fund will not retain its \$644,800 share of the TIRZ #1, but will transfer it to the Debt Service Fund in FY 2011. Assuming this transfer becomes permanent in support of

the Adopted CIP, it results in a further reduction in the tax rate for General Fund operations to approximately \$0.383 per \$100 of assessed value.

**EST. MAGNOLIA CREEK FY 2011 TAX INCREMENT**

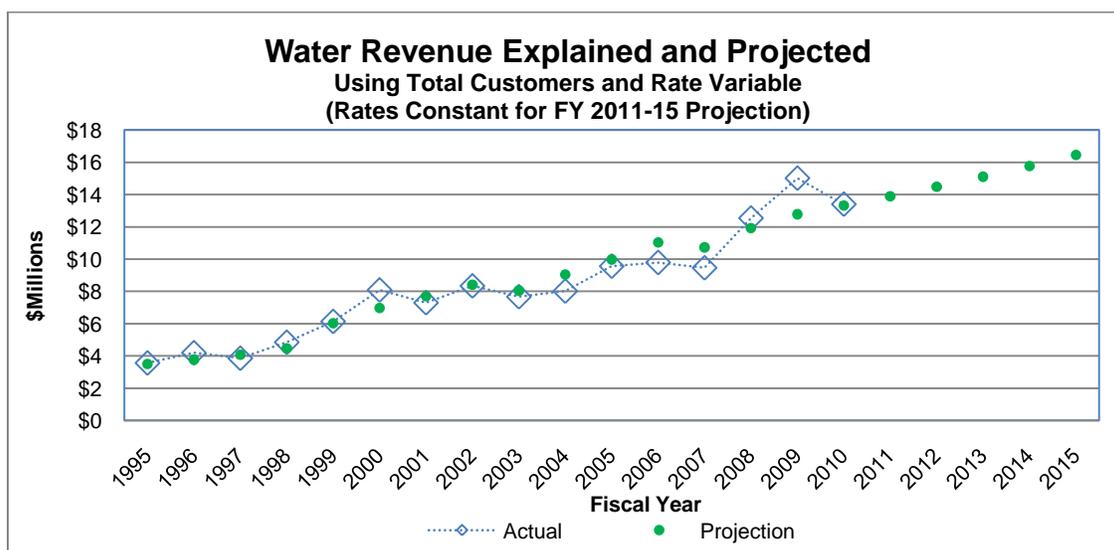
Tax Collection Calculation	General Fund (M&O)	Debt Service (I&S)	Total
Est. Incremental Tax Levy (\$000's)	\$163.3	\$163.3	\$163.3
Tax Rate per \$100 of Assessed Value	\$0.394874	\$0.221126	\$0.616000
Est. TIRZ Tax Collection Rate	100.0%	100.0%	100.0%
<b>Est. Total Tax Collections (\$000's)</b>	<b>\$644.8</b>	<b>\$361.1</b>	<b>\$1,005.9</b>

This year's budget assumes a 101% collection rate for all property tax revenue including penalty and interest on delinquent taxes. This assumption is based on historical tax collection rates as shown below:

Fiscal Year	Property Tax Collection Rate
2006	102.1%
2007	101.2%
2008	100.9%
2009	101.2%
2010 (est.)	101.4%

**Water and Wastewater Revenue**

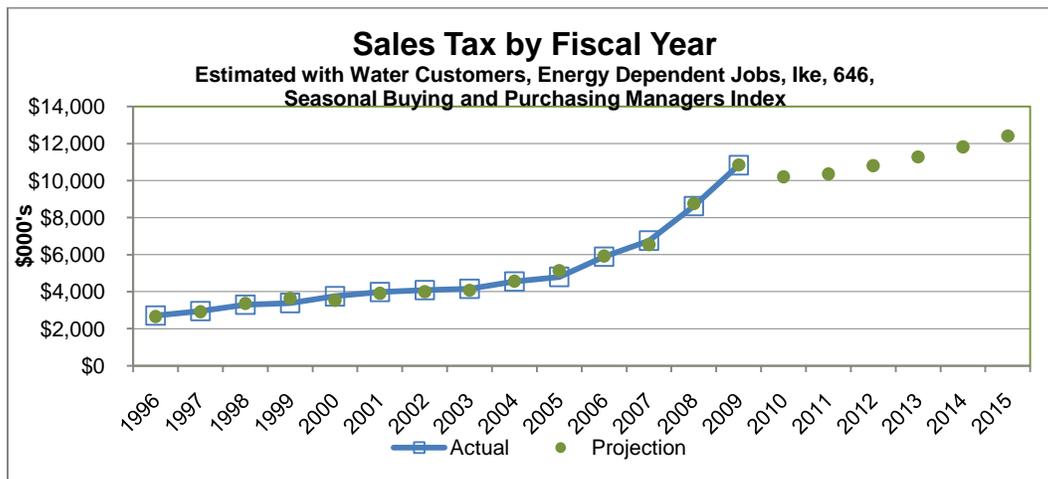
The FY 2011 Adopted Budget for the Utility Fund includes \$25.97 million for water and wastewater fees and charges for service, a 3.3% increase over the estimated \$25.1 million for FY 2010. This projection has been developed using the water revenue model that projects revenue using the total number of water customers and a factor that represents water rates. The Adopted Budget assumes (1) 2.7% growth in total water customers; (2) the current water and wastewater rate structure is kept in place; and (3) FY 2011 is an average year for weather conditions.



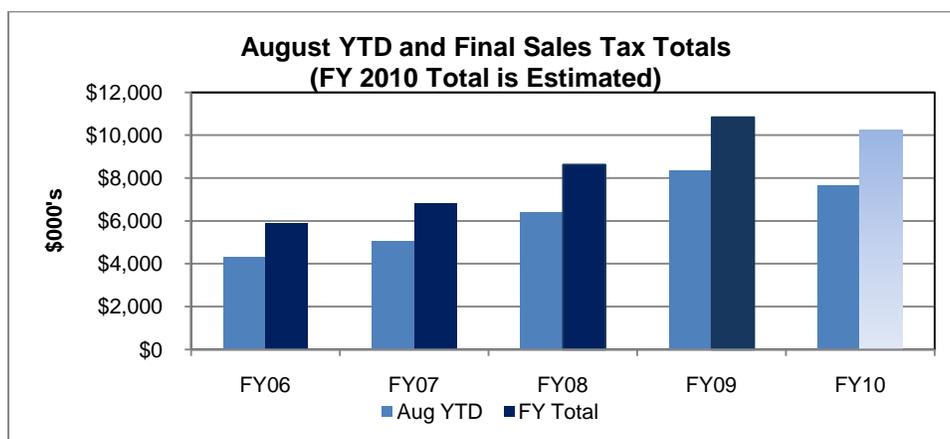
The FY 2010 water revenue “actual” shown in the graph on the previous page is a projection based on collection results through mid-August.

**Sales Tax**

The FY 2011 Adopted Budget includes a sales tax estimate of \$10.33 million for FY 2011 that is 1% higher than FY 2010’s estimate of \$10.23 million. This is based on separate forecasts of the factors identified as most influential for sales tax revenue in League City. Steady growth in the number of water customers approximating 3% per year and recent strength in energy dependent jobs in the Houston area are positive signs supporting sales tax growth. However, recent information showing a decline in the Houston Area Purchasing Managers Index signals a slowdown in business activity and buying that will be a drag on future sales tax receipts.



The one percent assumed increase is based also on collection trends that continue to reflect sluggishness in receipts. Year to date receipts through the most recently received August check total \$7.67 million as compared with a total of \$8.34 million a year ago. This 8% decline reflects loss of one-time revenue from Hurricane Ike rebuilding efforts during FY 2010.



Current receipts for the most recently completed fiscal quarter (June through August cash receipts) are only 2.4% behind last year. This slight improvement should continue into the

fourth month of FY 2010 as the benefits of Hurricane Ike's rebuilding effort was not statistically evident in last year's fourth fiscal quarter.

It is important to note that the FY 2011 Adopted Budget includes the City's 1.5% sales tax, with the 1% base and 0.5% tax for property tax reduction being City revenues. The 0.5% tax that belongs to the 4B Corporation is not budgeted as revenue and expense in this budget as it was in prior years.

### **Franchise and Other Taxes**

This revenue category includes General Fund franchise and mixed drink taxes, as well as hotel occupancy taxes. The FY 2011 Adopted Budget anticipates slight growth in the two major General Fund franchise taxes for electricity (\$46,000 or 1.7% increase) and cable television (\$42,900 or 4.5%). These franchise revenue sources are driven largely by the number of their residential customers which should grow by approximately 3% in the next year. These increases are being offset this year only by the decline in recognized revenue for the extra 1% paid by Comcast for municipal channel equipment and facilities.

In FY 2010, the Public Access Channel special revenue fund was set up to record this income on an ongoing basis and just over \$300,000 revenue collected to date in the General Fund was transferred into the new special fund. These funds were all recorded as FY 2010 revenue, which makes it appear that revenue in the new special fund is dropping. Other FY 2011 revenue in this category, including telephone and natural gas franchise taxes, as well as refuse management and mixed drink revenues is expected to be at the FY 2010 level.

### **Charges for Service**

This category of revenue includes all user fees recorded in the General fund as an offset to General Fund services. The Adopted Budget anticipates 3.1% growth in charges for service overall, largely because of growth in refuse collection fees (\$91,000 or 3.2%) and ambulance fees (\$20,000 or 2.5%) over FY 2010. Other fees for service are assumed in FY 2011 to have collection amounts roughly equivalent to FY 2010 collections.

### **Fines and Forfeits**

This category of revenue grew significantly in FY 2010 from FY 2009 (\$1.3 million) due largely to the initiation of the Safelight Program. Likewise, FY 2011 revenue is expected to decline 2.4% largely due to increased compliance with traffic laws because of the Safelight Program.

This program has brought in \$1.3 million during FY 2010 and is accounted for through the Safelight Program special revenue fund. The Adopted Budget for this fund demonstrates compliance with State law and discloses all program income and expense, including payments to the outside contractor and the sharing of net program income on a fifty-fifty split with the State trauma fund. In FY 2011, revenue from the Safelight Program is projected to decline approximately \$87,000 or 6.5% as the result of increased compliance by drivers at the program's designated intersections. General Municipal Court revenue provides the remainder of the revenue in this category and the balance of the increase in FY 2010 over FY 2009.

The City's warrants database was put on the Southeast Texas Crime Information Center network a year ago, making it possible for law enforcement officers throughout the region to access our warrants list and make arrests. The \$445,000 increase in general court revenues in FY 2010 over FY 2009 dates back and is directly attributable to increased numbers of arrests and warrants paid beginning last fall. This one-time increase is not expected to reoccur in FY 2011. The FY 2011 Adopted Budget anticipates general municipal court revenues to remain at the FY 2010 level.

### **Other Revenues**

License and permit revenue staged somewhat of a comeback in FY 2010 after sluggish performance in FY 2009. Current year revenue is estimated to exceed this year's budget by \$318,000, but is expected to remain flat in FY 2011.

Miscellaneous revenue is expected to remain at roughly the FY 2010 level in FY 2011, with half of this category coming from payments by TIRZ #2 (Saddle Creek) and #2 (Centerpointe) for administrative services and public safety costs. FY 2009 proceeds in this category included insurance reimbursement for hurricane damages that is not expected to recur.

Grant proceeds in FY 2009 also were overstated because of the receipt and inclusion in this category of \$3.1 million from FEMA for hurricane related costs. FY 2010 estimated grant revenue includes \$202,000 in hurricane related FEMA revenue received late. CDBG reimbursements also are estimated to be \$154,000 higher in FY 2010 than should be the case in FY 2011.

Investment earnings continue to be anemic with the City's entire portfolio earning approximately 0.2%. Rates are not expected to change much in FY 2011, and neither are revenues from this particular source.

### **Interfund Transfers**

As stated in the introductory part of this section, interfund transfers are a part of the Budget. These transfers occur between funds for two basic reasons: (1) one fund is paying another for services rendered, or (2) one fund is making an equity transfer to another as allowed by State law, city charter and City Council action.

On the revenue side, the following interfund transfers are a part of the budget.

- The Motor Pool Internal Service Fund receives payments from the General and Utility funds for ongoing service and maintenance (\$1.15 million in FY 2011) and fleet replacement (\$1.66 million in FY 2011).
- In FY 2009, the General Fund made an \$807,000 transfer to the Debt Service fund to cover debt service expenses for the 2008 Certificates of Obligation sold after the tax levy ordinance was approved in fall of 2008. Property taxes to pay the debt service for these CO's was collected in FY 2009 by the General Fund tax levy and then transferred to the Debt Service Fund. In FY 2010, the tax levy reflected the debt service payment for

these CO's and the tax revenue necessary to pay the CO debt service in FY 2010 was collected directly by the Debt Service Fund so no interfund transfer was necessary.

- The Utility Fund makes an interfund payment every year to the General Fund to compensate the General Fund for costs it bears required for administration and support for the water and wastewater system. The payment has been set at \$1 million for some time, and the FY 2011 Adopted Budget includes a revised transfer that is more reflective of actual Utility Fund costs that are paid by the General Fund in three areas:
  1. General administrative support provided by central administrative departments (see chart below) provide approximately \$1.46 million in support service to the Utility Fund. The FY 2011 Adopted Budget includes a transfer from the Utility Fund to the General Fund for \$1.3 million.

### ALLOCATION OF ADMINISTRATIVE AND SUPPORT COSTS FROM GENERAL FUND TO UTILITY FUND

General Fund Overhead Departments	FY 2011 Adopted Budget	Allocation Basis	Allocation Percent	Amount of Allocation
Mayor and Council	\$188,150	Utility Fund share of FY 2011 Adopted Budget	22.7%	\$42,710
City Manager	\$672,310	Utility Fund share of FY 2011 Adopted Budget	22.7%	\$152,614
City Secretary	\$377,110	Utility Fund share of FY 2011 Adopted Budget	22.7%	\$85,604
City Attorney	\$465,000	Utility Fund share of FY 2011 Adopted Budget	22.7%	\$105,555
Human Resources	\$1,015,860	# Employees	16.9%	\$171,420
Budget Office	\$406,740	Utility Fund share of FY 2009 Expense per Annual Financial Report (CAFR)	22.6%	\$92,047
Accounting	\$1,173,810	Utility Fund share of FY 2009 Expense per Annual Financial Report (CAFR)	22.6%	\$265,637
Purchasing	\$234,040	# Purchase Orders	21.5%	\$50,430
Information Technology (Users)	\$710,082	Utility Fund share of FY 2011 Adopted Budget	22.7%	\$161,189
Information Technology (Budget)	\$710,083	# Users	12.0%	\$85,210
Planning	\$1,109,528	Utility Fund share of FY 2011 Adopted Budget	22.7%	\$251,863
<b>Total Support Budget</b>	<b>\$7,062,713</b>		<b>Total Allocation</b>	<b>\$1,464,279</b>

2. The FY 2011 Adopted Budget for the Engineering Department is \$1.38 million, all of which is paid through the General Fund. The Adopted Budget for the Utility Fund includes a \$500,000 transfer to the General Fund for Engineering Services.

3. A concrete crew is being set up in the Streets Department at a total cost estimated at \$400,000; \$200,000 of which is planned to be used for repair of sidewalks and streets after Utility Fund Line Repair crews repair water or wastewater lines. The FY 2011 Adopted Budget for the Utility Fund includes a \$200,000 transfer to the General Fund for its share of this cost.

### ADOPTED FY 2011 BUDGET EXPENDITURE OVERVIEW

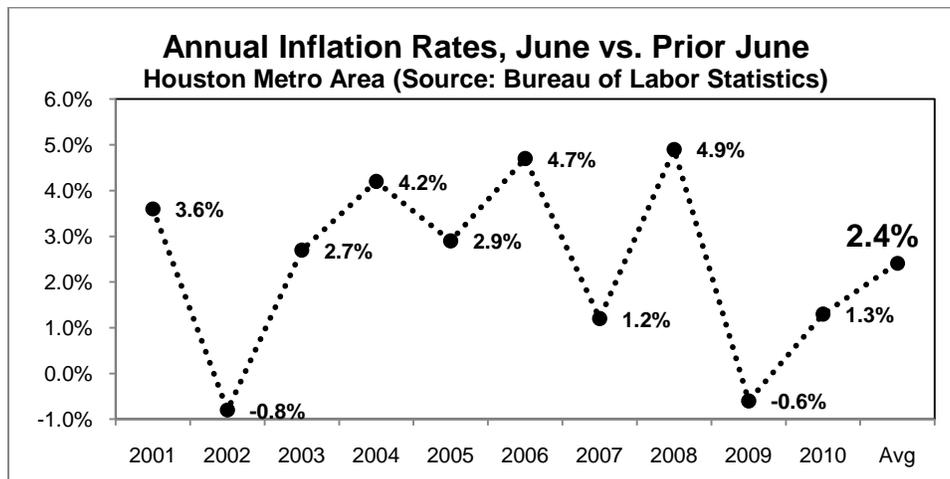
#### FY 2011 Budget Approach

The FY 2011 Budget includes \$89.4 million in expenses, which is \$1.1 million or 1.3% more than the FY 2010 Budget and \$2.4 million or 2.8% more than the FY 2010 estimate of expenditures (see table below). Interfund transfers are a part of the Adopted Budget but are not shown in this presentation. The primary reason for the growth in the budget has to do with increased total costs for personnel services with there being no net change in the total for all other categories.

#### CITYWIDE EXPENDITURES BY CATEGORY (\$Thousands)

EXPENDITURE CATEGORY	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED	FY11 VS FY10 EST	FY11 VS FY10 BUD	PCT OF TOTAL
Personnel Services	\$30,968	\$34,982	\$33,827	\$36,315	7.4%	3.8%	40.6%
Debt Service	\$14,263	\$17,632	\$17,632	\$18,973	7.6%	7.6%	21.2%
Services & Charges	\$13,597	\$17,566	\$17,614	\$17,153	-2.6%	-2.4%	19.2%
Supplies	\$6,890	\$4,030	\$3,823	\$3,912	2.3%	-2.9%	4.4%
Payments to MUD's	\$3,632	\$3,578	\$3,564	\$3,290	-7.7%	-8.1%	3.7%
Capital Outlay	\$2,069	\$2,923	\$2,647	\$3,271	23.6%	11.9%	3.7%
Payments to TIRZ's	\$2,687	\$2,699	\$3,081	\$2,144	-30.4%	-20.6%	2.4%
Repair & Maintenance	\$2,234	\$2,526	\$2,734	\$2,638	-3.5%	4.4%	3.0%
CIP Cash Projects	\$1,624	\$1,500	\$1,500	\$1,000	-33.3%	-33.3%	1.1%
Special Programs & Events	\$424	\$790	\$511	\$691	35.2%	-12.5%	0.8%
<b>TOTAL</b>	<b>\$78,388</b>	<b>\$88,227</b>	<b>\$86,933</b>	<b>\$89,387</b>	<b>2.8%</b>	<b>1.3%</b>	<b>100.0%</b>

A critical consideration in planning for FY 2011 is the current low rate of inflation. The chart below shows the annual percent change in the Houston area's Consumer Price Index as of June in each of the last ten years.



In the recent twelve month period ending June 2010, inflation was 1.3% which was less than the 2.4% average inflation rate for the ten year period. In light of the economic outlook, prices are expected to remain stable throughout FY 2011. In general, the FY 2011 Adopted Budget includes few inflation adjustments for expenditures.

### Personnel Services

The single largest category of expense for the city is Personnel Services, comprising 40.5% of the total cost of the FY 2011 Adopted Budget. The FY 2011 Adopted budget includes \$36.3 million for personnel services, which is approximately \$2.5 million more than the FY 2010 estimate.

#### PERSONNEL COST EXPLANATION FY 2011 ADOPTED VS FY 2010 ESTIMATED

Category	\$000's
Annualized effect of April Performance Pay Increase	\$250.0
Annualized effect of public safety hires in April 2010	\$291.2
<b>Annualized Costs of April 2010 staff additions and pay increases</b>	<b>\$541.2</b>
Base cost increase for Health Insurance over Fall 2009	\$71.3
FY 2011 Health Insurance rate increase	\$316.0
<b>FY 2011 Health Insurance increase</b>	<b>\$387.3</b>
General Fund positions filled for part of FY 2010	\$266.9
Utility Fund positions filled for part of FY 2010	\$110.0
Safelight Program personnel charges	\$65.0
<b>Positions filled for part of FY 2010 (estimated)</b>	<b>\$441.9</b>
FY 2011 Performance Pay for municipal employees	\$185.5
FY 2011 Police step pay increase	\$119.0
<b>FY 2011 Pay Increases</b>	<b>\$304.5</b>
General Fund staffing (five new and 5 reassigned positions)	\$471.9
Utility Fund staffing (four new positions)	\$242.6
Courts Security Fund staffing (one new position)	\$84.0
<b>New Positions Subtotal</b>	<b>\$798.5</b>
<b>Total Personnel Cost Difference - FY 2011 Adopted vs. FY 2010 Estimated</b>	<b>\$2,473.4</b>

Of the \$2.5 million increase, \$541,200 represents the net additional cost of hiring public safety personnel and awarding performance pay increases to municipal employees in April 2010. Also, it is estimated that positions filled for a part of FY 2010 that are budgeted in full in FY 2011 represent \$441,900 of the total adopted personnel services budget.

Higher health insurance rates are expected to cost the city an additional \$387,300 in FY 2011 over FY 2010, which represents approximately a ten percent overall increase. Total health insurance costs are at \$4.5 million, including anticipated costs for new employees.

The FY 2011 Adopted Budget includes ten new positions, as well as funding to fill and reassign five existing positions. Thirteen of these positions are Public Works personnel assigned to streets and drainage maintenance (4), buildings maintenance (2), engineering (3), water production (1), and wastewater production (3). A full-time Fire Chief is included in the adopted

Fire Department budget. And a new warrants officer is to be assigned to and funded out of the Municipal Courts Security Fund. The Adopted Budget also eliminates one position in Economic Development, increasing total positions citywide by a net nine new positions from 519.5 to 528.5, a 1.9% increase.

### **Debt Service**

Payments for Debt Service total \$19 million, including tax supported and revenue supported debt. This is \$267,000 more than in FY 2010, and is the net effect of reduced payments for current debt under the declining debt schedules and new debt service payments necessary to support bonds to be sold in FY 2011 in support of the Adopted Capital Improvement Plan.

### **Services and Charges**

The FY 2011 Adopted Budget is approximately \$461,000 less than estimated spending for FY 2010 for this category. This is the net effect of reduced spending on professional services, including \$1.6 million less in FY 2011 for General Fund and \$628,000 less for Utility Fund. This includes three master plans for water (\$300,000), wastewater (\$300,000) and drainage (\$250,000), the comprehensive plan (\$180,000), and major drainage maintenance (\$700,000). Increases to fixed costs paid through this category include motor pool lease fees paid to Motor Pool Fund (\$556,000), refuse collection (\$92,000), water purchases (\$115,000), electricity for buildings, plants and street lights (\$228,000), and Galveston County Appraisal District appraisal services (\$49,000). In the face of tighter departmental operating budgets, the General Fund contingency is at \$500,000 as a part of this category as well. Other Services and Charges accounts, including travel and training, are to remain at or near their FY 2010 estimated spending levels.

### **Supplies**

Total spending for supplies is to increase \$89,000 over the FY 2010 Estimated spending level. This is net of several major changes in funding. Spending for water meter part and supplies will be \$207,000 less as the water meter upgrade project will be funded from the CIP in FY 2011. Also, spending for computer equipment and software is to be approximately \$375,000 less in FY 2011 than was spent in FY 2010. Increased spending is for traffic control supplies, including traffic signal parts and components (\$90,000), along with concrete, aggregate and asphalt materials (\$148,000) primarily associated with the concrete crew. Other supply budgets include a new allocation of \$137,000 for emergency management response fund supplies. Small changes to other supply accounts explain the balance of the difference.

### **Payments to Municipal Utility Districts (MUD's) and Tax Increment Reinvestment Zones (TIRZ's)**

These payments, budgeted as expenditures, represent property taxes that are "passed through" the City's expenditure budget. Payments to MUD's represent a share of the total real estate taxes collected by the City in each district (taxes on personal property are not included in this calculation) less 3% retained by the City to cover administrative costs. All of the funds paid or

**FY 2011 ADOPTED BUDGET  
POSITION TOTALS BY DEPARTMENT**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>PUBLIC SAFETY DIRECTORATE</b>				
<b>General Fund</b>				
Police	146.25	148.00	148.00	148.00
Animal Control	9.00	9.00	9.00	9.00
Fire Marshal	5.00	5.00	5.00	5.00
Fire Department	1.00	1.00	1.00	2.00
Emergency Medical Services	18.50	24.50	24.50	24.50
Code Enforcement	4.50	4.50	4.50	4.50
<b>TOTAL PUBLIC SAFETY</b>	<b>184.25</b>	<b>192.00</b>	<b>192.00</b>	<b>193.00</b>
<b>PUBLIC WORKS DIRECTORATE</b>				
<b>General Fund</b>				
Public Works Administration	1.00	1.00	1.00	1.00
Engineering	14.00	14.00	14.00	16.00
Streets & Stormwater	44.00	44.00	44.00	44.00
Building	13.00	13.00	13.00	13.00
Facilities Maintenance	4.00	10.00	10.00	12.00
Butler Longhorn Museum	3.00	3.00	0.00	0.00
<b>Subtotal General Fund</b>	<b>79.00</b>	<b>85.00</b>	<b>82.00</b>	<b>86.00</b>
<b>Utility Fund</b>				
Public Works Administration	1.00	2.00	1.00	1.00
Water Production	18.00	19.00	19.00	20.00
Wastewater Production	19.00	19.00	19.00	22.00
Line Repair	35.00	35.00	35.00	35.00
<b>Subtotal Utility Fund</b>	<b>73.00</b>	<b>75.00</b>	<b>74.00</b>	<b>78.00</b>
<b>Internal Service Fund</b>				
Vehicle Maintenance	10.00	10.00	10.00	10.00
<b>Subtotal Internal Service Fund</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>
<b>TOTAL PUBLIC WORKS</b>	<b>162.00</b>	<b>170.00</b>	<b>166.00</b>	<b>174.00</b>
<b>PARKS AND CULTURAL SERVICES DIRECTORATE</b>				
<b>General Fund</b>				
Helen Hall Library	33.00	33.00	33.00	33.00
Park Operations	20.00	14.00	14.00	14.00
Parks Recreation	14.00	14.00	14.00	14.00
SportsPlex Operations	6.00	6.00	6.00	6.00
SportsPlex Recreation	1.50	1.50	1.50	1.50
Parks Planning & Tourism	2.00	2.00	3.00	3.00
<b>TOTAL PARKS &amp; CULTURAL SVCS</b>	<b>76.50</b>	<b>70.50</b>	<b>71.50</b>	<b>71.50</b>

**FY 2011 ADOPTED BUDGET  
POSITION TOTALS BY DEPARTMENT**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>MANAGEMENT SERVICES DIRECTORATE</b>				
<b>General Fund</b>				
Budget Office	4.00	4.00	3.50	3.50
Accounting	10.00	10.00	9.50	9.50
Municipal Court	8.00	8.00	8.00	8.00
Purchasing	3.00	3.00	3.00	3.00
Information Technology	7.00	7.00	7.00	7.00
<b>Subtotal General Fund</b>	<b>32.00</b>	<b>32.00</b>	<b>31.00</b>	<b>31.00</b>
<b>Utility Fund</b>				
Utility Billing	13.00	13.00	14.00	14.00
<b>Subtotal Utility Fund</b>	<b>13.00</b>	<b>13.00</b>	<b>14.00</b>	<b>14.00</b>
<b>Municipal Court Building Security Fund</b>				
Court Building Security Fund	0.00	0.00	0.00	1.00
<b>Subtotal Court Bldg Security FD</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>
<b>TOTAL MANAGEMENT SERVICES</b>	<b>45.00</b>	<b>45.00</b>	<b>45.00</b>	<b>46.00</b>
<b>PLANNING &amp; RESEARCH DIRECTORATE</b>				
<b>General Fund</b>				
Emergency Management	3.00	3.00	4.00	4.00
Planning	12.00	12.00	13.00	13.00
<b>TOTAL PLANNING &amp; RESEARCH</b>	<b>15.00</b>	<b>15.00</b>	<b>17.00</b>	<b>17.00</b>
<b>ADMINISTRATION DIRECTORATE</b>				
<b>General Fund</b>				
City Manager	7.00	6.00	5.00	5.00
City Secretary	4.00	4.00	4.00	4.00
Mayor and Council	8.00	8.00	8.00	8.00
Economic Development	3.00	3.00	3.00	2.00
Human Resources	8.00	8.00	8.00	8.00
<b>TOTAL ADMINISTRATION</b>	<b>30.00</b>	<b>29.00</b>	<b>28.00</b>	<b>27.00</b>
<b>TOTAL ALL FUNDS</b>	<b>512.75</b>	<b>521.50</b>	<b>519.50</b>	<b>528.50</b>
<b>FUND TOTALS</b>				
General Fund	416.75	423.50	421.50	425.50
Utility Fund	86.00	88.00	88.00	92.00
Internal Service Fund	10.00	10.00	10.00	10.00
Municipal Court Bldg Security Fund	0.00	0.00	0.00	1.00
<b>TOTAL ALL FUNDS</b>	<b>512.75</b>	<b>521.50</b>	<b>519.50</b>	<b>528.50</b>

**NOTE: This table includes each full-time position as 1.00 position, Part-time positions are included as 0.25 or 0.50 position.**

“rebated” to the MUD’s must be used to pay debt service by each district. If the rebated amount calculated under the MUD’s contract is greater than the actual debt service to be paid by the MUD in the current year, the rebate that is made equals only the debt service due amount.

Payments to TIRZ’s represents the incremental property tax revenue earned on assessed value growth of real property only (personal property is excluded as it is in the MUD’s calculation) since the initial year in which the TIRZ was established. As discussed previously, the Adopted Budget assumes that Magnolia Creek TIRZ#1 will have been dissolved as of the time that the property tax rate and levy ordinance is passed by City Council. The FY 2011 Adopted Budget includes \$33.2 million in estimated property taxes (see “Revenue Overview” section for a discussion of property tax revenue). Payments to MUD’s and TIRZ’s total \$5.43 million or 16.3% of the City’s total tax roll.

### Capital Outlay

The FY 2011 Adopted Budget includes \$3.27 million for capital outlay, excluding amounts in the FY 2011-2015 Capital Improvement Plan for major fire apparatus purchases.

FUND	ADOPTED FY 2011 BUDGET	DESCRIPTION
Motor Pool	\$1,965,800	Fleet vehicles (see Motor Pool capital outlay chart)
General Fund	\$140,000	New car for Fire Chief and network servers consolidation funding
Utility Fund	\$104,947	Vehicles for new water and wastewater staff and new mini-excavator
Sidewalk Fund	\$127,000	Sidewalk construction
Public Access Channel	\$206,000	Equipment
Emergency Management Response Fund	\$330,000	Emergency generators
Community Development Block Grant	\$397,695	Shellside sanitary sewer line
<b>Total</b>	<b>\$3,271,442</b>	

The Adopted CIP includes funding in FY 2011 for the following fire vehicles:

Description	Cost
Replace 1991 pumper at Station 4	\$604,500
Replace 1991 pumper at Station 5	\$604,500
Replace 1993 pumper at Station 3	\$604,500
Replace 1995 vacuum freightliner	\$500,000
<b>Total</b>	<b>\$2,313,500</b>

### Repair and Maintenance

This category includes costs associated with maintenance of the city's fleet, buildings and infrastructure. The FY 2011 Adopted Budget is approximately \$100,000 less than the FY 2010 estimated spending level, which is directly attributable to reductions in anticipated maintenance costs at the City's wastewater facilities.

### CIP Cash Projects

The FY 2011 Adopted Budget includes the regularly scheduled \$1 million annual transfer from the Utility Fund for small, cash funded capital improvement projects that appear in the CIP. The Adopted Budget does not include, however, a similar transfer from the General Fund. The Adopted CIP includes the following projects that are to be funded from the FY 2011 General Fund Balance. This \$2.12 million appropriation is not a part of the Adopted Budget but will be considered as a part of the Council action adopting the FY 2011-2015 CIP.

**ADOPTED CIP PROJECTS  
TO BE FUNDED DIRECTLY FROM GENERAL FUND BALANCE  
WITH PASSAGE OF THE CIP**

PROJECT	ADOPTED FY 2011 CIP BUDGET	DESCRIPTION	ADOPTED CIP PAGE REFERENCE
Renovate Newport EMS Station	\$157,000	General renovation (see CIP)	Page 45
City Hall Renovation Relocation Costs	\$500,000	Expenses to move and rent space for City Hall offices during City Hall renovation period.	Page 53
Facilities Modernization and Energy Efficiency	\$457,750	Listed air conditioners and building code compliance items for General Fund buildings	Page 55
Jail Repair	\$250,000	Repair and correct deficiencies as listed in the CIP	Page 57
Other city facilities roofs and AC systems	\$504,000	See CIP description	Page 58
Parks Facilities Renewal	\$253,275	See CIP description; Major improvements include Sportsplex (\$89,300) and Countryside Park (\$62,000)	Page 117
<b>Total</b>	<b>\$2,122,025</b>		

The FY 2011 Adopted Budget for General Fund includes sufficient revenue to cover all current expense. This means that the projects shown above and the appropriation to fund them will come from excess fund balance above the 120 working day reserve is available to support this appropriation.

**GENERAL FUND BALANCE WORKING CAPITAL  
IMPACT OF ADOPTED CIP APPROPRIATION**

Projected Ending Fund Balance 9/30/2011	\$20,612,524
Less: 120 Days of Working Capital	(\$15,754,107)
<b>Balance Remaining</b>	<b>\$4,858,417</b>
Less Adopted CIP Appropriation	<b>(\$2,122,025)</b>
<b>Excess Working Capital</b>	<b>\$2,736,392</b>
<b>Total Adopted Ending Fund Balance</b>	<b>\$18,490,499</b>
Days of Working Capital	<b>140.8</b>

The Adopted Budget and CIP combined leave a projected ending fund balance at the end of FY 2011 of \$18.5 million or 140.8 days of working capital.

**Special Programs and Events**

The \$180,000 increase in this category's Adopted Budget above the FY 2010 spending level is attributable to (1) a \$150,000 increase in allocations within the CDBG Special Programs budget for improvements to senior and business facilities, and (2) a \$32,300 increase in the Human Resources Department general Fund budget for employee training programs.

**ADOPTED FY 2011 BUDGET  
GENERAL FUND SUMMARY**

**OVERVIEW**

The General Fund provides the financing for all of the city's basic services except water and wastewater, which is accounted for through the Utility Fund. General Fund services include all public safety (police, fire, EMS). Street, drainage and parks maintenance are also provided through the General Fund as are recreation and library programs. The City's main governmental buildings are maintained and operated through the General Fund, and all of the City's main governmental functions, including Mayor and City Council, the City Manager's office, finance, purchasing and information technology, are operated through the General Fund.

General Fund revenues come primarily from broad based taxes, including property, sales and franchise taxes. The General Fund's largest expenditure category is compensation – salaries and benefits – paid to the staff who provide the basic services described above.

**FY 2011 ADOPTED BUDGET  
GENERAL FUND**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>BEGINNING FUND BALANCE</b>	<b>17,910,897</b>	<b>17,805,608</b>	<b>20,554,414</b>	<b>20,768,266</b>
REVENUES	49,195,274	46,614,725	47,106,900	47,763,000
EXPENDITURES	46,551,757	47,963,330	46,893,048	47,918,742
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>2,643,517</b>	<b>(1,348,605)</b>	<b>213,852</b>	<b>(155,742)</b>
<b>ENDING FUND BALANCE</b>	<b>20,554,414</b>	<b>16,457,003</b>	<b>20,768,266</b>	<b>20,612,524</b>
<b>DAYS OF WORKING CAPITAL</b>	<b>161.2</b>	<b>125.2</b>	<b>161.7</b>	<b>157.0</b>

**FINANCIAL OUTLOOK**

The FY 2011 Adopted Budget for the General Fund addresses basic services at a funding level for expenditures approximately the same as the FY 2010 Budget amount. Property tax revenues are estimated using a property tax rate of \$0.616, one cent less than the FY 2010 property tax rate. All of this 1.4 cent property tax reduction is being taken through the General Fund side of the budget, which is the depository for the maintenance and operating portion of the total tax rate.

The Adopted Budget ending fund balance would leave 157.0 days of working capital in the Fund. As a joint consideration, the Adopted FY 2011-2015 Capital Improvement Plan includes a recommendation to appropriate \$2.12 million of the excess fund balance for use in vitally needed repairs and improvements to city buildings, park facilities and the jail. This recommendation, if adopted, would leave an ending fund balance of \$18.5 million and 140.8 days of working capital as of September 30, 2011.

**FY 2011 ADOPTED BUDGET  
GENERAL FUND REVENUE SUMMARY**

REVENUE CATEGORY	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Property Taxes	20,527,611	20,794,000	21,646,500	21,270,300
Sales Taxes	10,833,933	11,828,600	10,225,000	10,327,000
Franchise & Other Taxes	4,442,178	4,445,000	4,658,600	4,747,600
License and permits	1,726,637	1,643,750	2,062,000	2,062,000
Grant Proceeds	3,273,145	370,500	433,900	78,600
Charges for Services	4,393,916	3,959,060	4,276,200	4,409,700
Fines and Forfeits	1,291,966	1,420,000	1,735,000	1,735,000
Investment Earnings	163,120	200,000	50,000	50,000
Miscellaneous	1,542,768	953,815	1,019,700	1,082,800
Transfers	1,000,000	1,000,000	1,000,000	2,000,000
<b>TOTAL</b>	<b>49,195,274</b>	<b>46,614,725</b>	<b>47,106,900</b>	<b>47,763,000</b>

**ADOPTED REVENUE HIGHLIGHTS**

- Property tax rate reduction of 1.4 cents, 2.21% increase in assessed value and 101% collection rate resulting in net reduction in property tax revenue of \$376,200 for General Fund
- Sales tax revenue increase of 1% over FY 2010 Estimated revenue amount
- Transfer from Utility Fund increased from \$1 million to \$2 million for current cost of support services (\$300,000), a share of engineering costs (\$500,000) and street and sidewalk repairs (\$200,000)
- See "Revenue Overview" for more detailed discussion of revenues

**FY 2011 ADOPTED BUDGET  
GENERAL FUND EXPENDITURE SUMMARY**

<b>CATEGORY</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Personnel Services	25,678,706	28,938,916	28,037,384	29,813,031
Supplies	6,004,631	3,030,651	2,704,360	2,600,055
Repair & Maintenance	1,749,434	2,028,730	1,954,230	1,822,562
Services & Charges	9,044,080	11,261,376	11,220,169	11,200,209
Special Programs & Events	279,776	407,054	293,905	323,485
Capital Outlay	153,445	99,200	183,500	140,000
Transfer to Debt Service	1,876,538	500,000	500,000	644,800
Payments to TIRZ's	1,765,148	1,697,403	1,999,500	1,374,600
<b>TOTAL</b>	<b>46,551,757</b>	<b>47,963,330</b>	<b>46,893,048</b>	<b>47,918,742</b>

**CATEGORY HIGHLIGHTS**

- Personnel services increases include annualized effect of April 2010 pay raise and public safety hires (\$491,200), increased health insurance costs (\$307,000), FY 2011 performance pay and police step increases (\$259,000), new and reassigned positions (\$471,900), and cost of filling positions vacant for portion of FY 2010 (\$255,000).
- Lower payments to TIRZ's with dissolution of Magnolia Creek TIRZ and tax rate cut.
- Adopted FY 2011 Transfer to Debt Service is equivalent to Magnolia Creek TIRZ share of FY 2011 property tax revenue for maintenance and operations; transfer supports Adopted CIP and sale of \$30.5 million in bonds in FY 2012.

<b>CATEGORY</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Personnel Services	25,678,706	28,938,916	28,037,384	29,813,031
Supplies	6,004,631	3,030,651	2,704,360	2,600,055
Repair & Maintenance	1,749,434	2,028,730	1,954,230	1,822,562
Services & Charges	9,044,080	11,261,376	11,220,169	11,200,209
Special Programs & Events	279,776	407,054	293,905	323,485
Capital Outlay	153,445	99,200	183,500	140,000
Transfer to Debt Service	1,876,538	500,000	500,000	644,800
Payments to TIRZ's	1,765,148	1,697,403	1,999,500	1,374,600
<b>TOTAL</b>	<b>46,551,757</b>	<b>47,963,330</b>	<b>46,893,048</b>	<b>47,918,742</b>

**DIRECTORATE HIGHLIGHTS**

- Public Safety: Annualized cost of April hires, addition of full-time Fire Chief, increased payments to Motor Pool Fund, and transfer of Code Enforcement from Public Works.
- Public Works: Code Enforcement transfer, new and reassigned positions in Streets, Engineering, and Facility Maintenance, reduction of \$950,000 for FY 2010 drainage plan and program.
- Planning & Research: Reduction for FY 2010 comprehensive plan funding.
- Non-Departmental: Contingency (\$500,000), fund wide allowances for health insurance rate increase (\$250,000) and performance pay (\$140,000).

**FY 2011 ADOPTED BUDGET  
GENERAL FUND EXPENDITURES BY DEPARTMENT**

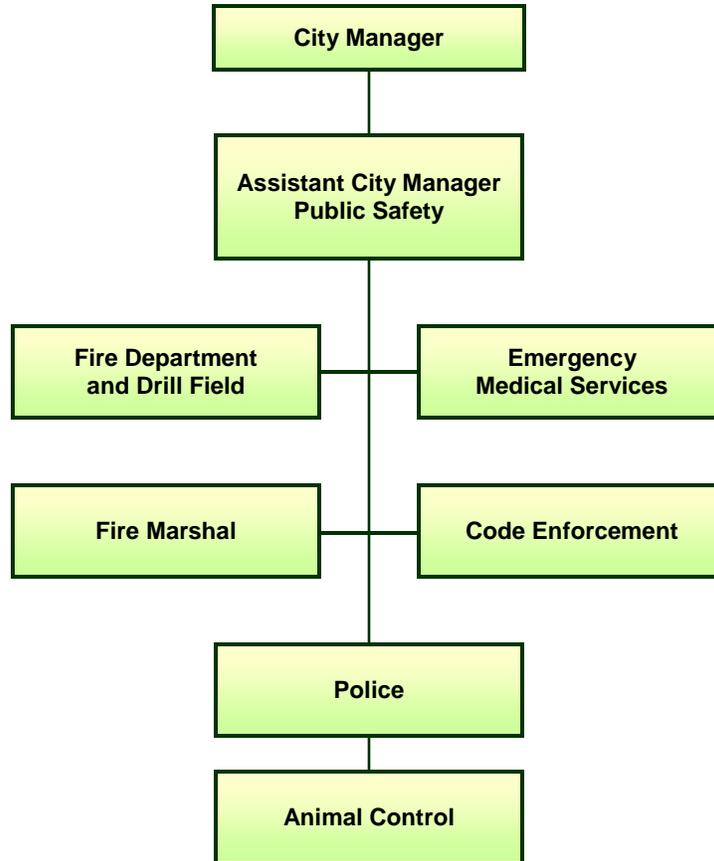
	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>Public Safety Directorate</b>				
Police	12,290,115	14,528,364	14,608,553	14,745,227
Animal Control	486,127	554,030	508,637	528,129
Fire Marshal	428,536	468,150	450,915	482,321
Fire Department	909,567	903,145	789,641	1,085,315
Emergency Medical Services.	1,735,183	2,169,606	1,973,331	2,220,025
Drill Field	57,993	53,200	53,200	58,750
Code Enforcement	0	0	0	397,630
<b>Public Safety Subtotal</b>	<b>15,907,522</b>	<b>18,676,495</b>	<b>18,384,277</b>	<b>19,517,397</b>
<b>Public Works Directorate</b>				
Public Works Admin	2,602,046	2,861,533	2,850,900	2,946,940
Engineering	955,774	2,225,947	1,984,385	1,382,905
Street & Stormwater	3,384,088	4,174,002	3,874,319	4,325,985
Building Inspections	1,203,094	1,408,138	1,334,176	1,038,330
Facilities Maintenance	1,327,043	1,881,789	1,994,249	1,758,416
<b>Public Works Subtotal</b>	<b>9,472,046</b>	<b>12,551,409</b>	<b>12,038,029</b>	<b>11,452,576</b>
<b>Parks &amp; Cultural Services Directorate</b>				
Helen Hall Library	1,881,312	2,170,221	2,069,700	2,104,981
Parks Operations	1,334,853	1,037,407	1,032,082	1,052,542
Parks Recreation	570,304	672,043	673,490	695,151
SportsPlex Operations	315,269	388,104	387,182	364,654
SportsPlex Recreation	171,519	213,488	172,520	172,930
Parks Planning & Tourism	238,714	251,219	298,120	318,882
Butler Museum	181,846	230,129	75,000	0
<b>Parks and Cultural Services Subtotal</b>	<b>4,693,817</b>	<b>4,962,611</b>	<b>4,708,094</b>	<b>4,709,140</b>
<b>Management Services Directorate</b>				
Budget Office	411,618	443,613	436,370	409,740
Accounting	1,027,176	1,150,358	1,155,970	1,173,810
Municipal Court	487,203	543,609	590,570	540,293
Purchasing	290,595	313,057	259,619	234,040
Information Technology	1,231,146	1,348,060	1,169,310	1,420,165
<b>Management Services Subtotal</b>	<b>3,447,738</b>	<b>3,798,697</b>	<b>3,611,839</b>	<b>3,778,048</b>

**FY 2011 ADOPTED BUDGET  
GENERAL FUND EXPENDITURES BY DEPARTMENT**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>Planning &amp; Research Directorate</b>				
Emergency Management	415,121	345,418	261,020	321,815
Planning	1,124,915	1,567,521	1,421,790	1,109,528
<b>Planning &amp; Research Subtotal</b>	<b>1,540,036</b>	<b>1,912,939</b>	<b>1,682,810</b>	<b>1,431,343</b>
<b>Administration Directorate</b>				
City Manager	842,947	730,263	659,643	672,310
City Secretary	363,911	387,334	347,590	377,110
City Attorney	464,526	550,000	465,000	465,000
Mayor & Council	176,338	221,691	191,216	188,150
Economic Development	394,590	417,237	398,850	258,730
Human Resources	798,137	1,045,241	1,062,570	1,015,860
Civil Service	100,968	64,985	77,930	73,600
<b>Administration Subtotal</b>	<b>3,141,417</b>	<b>3,416,751</b>	<b>3,202,799</b>	<b>3,050,760</b>
<b>Non-Departmental</b>				
Non Departmental Other	5,040,990	2,644,428	3,255,200	3,929,478
Butler Longhorn Museum	0	0	0	50,000
Hurricane Ike	3,308,192	0	10,000	0
<b>Non-Departmental Subtotal</b>	<b>8,349,182</b>	<b>2,644,428</b>	<b>3,265,200</b>	<b>3,979,478</b>
<b>GENERAL FUND TOTAL</b>	<b>46,551,757</b>	<b>47,963,330</b>	<b>46,893,048</b>	<b>47,918,742</b>

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## PUBLIC SAFETY DIRECTORATE



## FY 2011 ADOPTED BUDGET PUBLIC SAFETY DIRECTORATE

DIRECTORATE	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Police	12,290,115	14,528,364	14,608,553	14,745,227
Animal Control	486,127	554,030	508,637	528,129
Fire Marshal	428,536	468,150	450,915	482,321
Fire Department	909,567	903,145	789,641	1,085,315
Emergency Medical Svcs	1,735,183	2,169,606	1,973,331	2,220,025
Fire Drill Field	57,993	53,200	53,200	58,750
Code Enforcement	0	0	0	397,630
<b>Public Safety Directorate Total</b>	<b>15,907,522</b>	<b>18,676,495</b>	<b>18,384,277</b>	<b>19,517,397</b>

CATEGORY	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Personnel Services	12,737,592	15,061,445	14,770,906	15,545,794
Supplies	1,169,397	1,319,389	1,251,930	1,162,535
Repair & Maintenance	625,049	878,447	858,230	928,037
Services & Charges	1,046,921	1,106,509	1,147,206	1,670,831
Special Programs & Events	175,118	211,505	172,505	170,200
Capital Outlay	153,445	99,200	183,500	40,000
<b>Public Safety Directorate Total</b>	<b>15,907,522</b>	<b>18,676,495</b>	<b>18,384,277</b>	<b>19,517,397</b>

### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase due to (1) annualization of EMS and Police Department personnel added to the budget in FY2010 (\$375,000); (2) addition of a paid Fire Chief for six months of the year (\$55,000); and (3) divide Building and Code Enforcement into two departments; Building and Inspections and Code Enforcement Departments. These costs were reclassified from the Public Works Director to the Public Safety Directorate for Code Enforcement Department (\$310,000).
- Supplies - Decrease due to one time purchase of computers in FY2010 (\$89,000).
- Services & Charges - Increase due to (1) increase in motor pool lease fees to reflect full fleet replacement cost (\$380,000); (2) sharing of the lease for the Amegy building from the Planning department to each affected department (\$52,000); and split of Code Enforcement and Building into two departments (\$68,000).
- Repairs & Maintenance - Increase due to (1) an increase in equipment repair and maintenance costs as well as software maintenance costs (\$55,000) and (2) the split of Code Enforcement and Building into two departments (\$11,800).
- Capital Outlay - Decrease due to the one-time purchase of new police vehicles added to the fleet in FY2010 (\$143,500).

## **POLICE PUBLIC SAFETY DIRECTORATE**

### **MISSION STATEMENT**

The League City Police Department is devoted to protecting life, property and individual liberties while enhancing the quality of life. To achieve these ends we are committed to forming and promoting practical partnerships with each other and those we serve.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- CAMSTAT, currently, the Department is in the “consultation phase” in beats 1, 2, 4, and 6. All three phases should be completed in these beats by the second quarter for FY2011. This will complete all beats in the introduction of the CAMSTAT police service delivery model. Once completed, the Department will begin its “cyclic” schedule of following up on consultations and new adaptation techniques if required within all beats of the City.
- The Department continued to expand the OSSI network by adding Deer Park Police Department and Morgan’s Point Police Department to our system.
- Negotiations are still on-going with several agencies to combine the OSSI systems from Texas City and Galveston County with this Department. The agencies that currently utilize our system are Webster, Nassau Bay, Friendswood, Alvin, La Porte, Deer Park and Morgan’s Point.
- Installed, implemented and interfaced the Platescan System with our current computer software as well as Galveston County.
- The League City Citizens Police Academy Alumni Association (LCPAAA) has had a total of 466.25 volunteer hours with the Police Department through programs such as the Disabled Parking Enforcement Program, the Citizens on Patrol Program, the Canvassing Program, and the Code Enforcement Program.
- A dispatch exchange system was implemented with area agencies that are members of this Department’s OSSI consortium. This allows telecommunicators from this agency to work shifts with other agencies in an effort to exchange new ideas and gain a better understanding of public safety communications.
- Two (2) Detention Officers were certified as Intoxilyzer Operators.
- All Records Clerks were crossed trained to do all daily functions of the Records Division.
- The Department received three (3) grants
  - \$30,000 for scheduling software from DOJ (Byrne grant Joint Allocation)
  - \$20,000 for computers from HGAC; and
  - Funding for 10 shotguns for Patrol from the Friends of the NRA.

### **PRIORITIES AND GOALS FOR 2011**

Ensure LCPD is positioned to meet the Law Enforcement needs of a dynamic and growing League City

- Finalize site selection and design for a new Police facility by the 4<sup>th</sup> quarter of FY2011
- By the 2<sup>nd</sup> Quarter of FY2011 have CAM initiatives in all LCPD Beats
- By the 4<sup>th</sup> Quarter of FY2011 ensure that the Department has developed a survey instrument and conducted the first annual assessment of the citizens of League City in regards to personal safety.
- Department employees will attend and/or participate in at least twenty-four (24) annual community group meetings.
- Reduce injury from motor vehicle accidents by 5%.

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b><u>POLICE</u></b>				
Personnel Services	10,660,920	12,466,093	12,467,320	12,587,640
Supplies	530,155	693,680	693,700	571,615
Repairs & Maintenance	390,312	549,244	543,928	599,228
Services & Charges	541,390	703,042	703,000	964,944
Special Programs & Events	13,894	17,105	17,105	21,800
Capital Outlay	153,445	99,200	183,500	0
<b>TOTAL</b>	<b>12,290,115</b>	<b>14,528,364</b>	<b>14,608,553</b>	<b>14,745,227</b>
<b>POSITIONS</b>	146.3	148.0	148.0	148.0

### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase of \$120,000 due to (1) filling positions in FY2011 that were vacant in FY2010; and (2) STEP raises for qualified Civil Service employees in FY 2011.
- Supplies - Decrease of \$122,000 due to one time computer equipment purchases in FY 2010 and a decrease in training supplies.
- Repairs and Maintenance - Increase of \$55,300 due to the increase in equipment repair and maintenance costs for software maintenance fees.
- Services and Charges - Increase due to (1) \$26,000 for CCISD Crossing Guard Pay budgeted in Non-Departmental in FY2010; (2) \$208,000 increase in fees charged by the Motor Pool Fund for vehicle replacements; (3) \$11,000 increase in Uniforms; and (4) \$17,000 increase to Telephone Expense for air card fees.
- Capital Outlay - Decrease of \$183,500 due to one time purchases of new police vehicles added to the fleet in FY2010.

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Annual Meetings with Community Groups	N/A	N/A	N/A	24
Formal Training or Presentations to Citizens	N/A	N/A	N/A	30
Calls for Service	34,739	35,514	35,734	36,055
Arrests	2,273	2,826	3,344	4,012
Motor Vehicle Accidents	1,611	1,688	1,586	1,507
Response Time Averages Priority 1	5:47	5:40	4:56	4:45

\*\* This will be a benchmark year for the first three performance indicators. We will begin to collect and measure this data in FY 2011

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## **ANIMAL CONTROL PUBLIC SAFETY DIRECTORATE**

### **MISSION STATEMENT**

To provide humane education to the public, promoting responsible pet ownership and humane treatment of all animals. To provide the enforcement of City ordinances and State laws pertaining to animals and the welfare of the citizens of League City.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Shelter Improvements:
  - o A storage room has been converted to a “get-acquainted” room where potential adopters can visit with pets.
  - o The office/break room has been converted to the Animal Control (ACO) office, and the break room has been moved to the old ACO office. This provides the officers with much more room and added privacy, and we are not conducting business where people are taking their breaks.
- Started providing vaccines to pets coming into the shelter. This will help prevent the animals from contracting illnesses at the shelter and becoming sick once pets are claimed by the owners or adopted into new homes.
- At this point in the fiscal year, twenty-four (24) public presentations have been made, and the Department is expected to reach the set goal of thirty-five (35) presentations.
- Considering the total number of animals that have been placed as of May 2010, there has been an increase by 2% while decreasing the number of euthanasia by 5%. The decrease in euthanasia comes largely from having more space at the shelter and holding the animals longer since the shelter expansion.
- The restructuring of the volunteer, fostering, and placement programs will be completed by July 31, 2010.
- In continuing staff’s professional development, four officers attended the Texas Animal Control Association Conference, and four others attended the Texas Unites for Animals Training Conference. Two of the new officers received their Basic Animal Control Certification from the State Department of Health Services.

### **PRIORITIES AND GOALS FOR 2011**

- In an effort to effectively communicate with the community while encouraging citizen participation, social networking accounts such as Facebook and/or Twitter will be created for the League City Animal Control and Shelter.
- As an additional service to adopters, a program with Pet Health will be set up to provide thirty (30) days of free health insurance for pets adopted from the shelter.
- A study will be conducted to ensure shelter fees are more in line with other shelters in the area and the services provided.
- Presentations for League City Animal Control, Shelter Volunteer Opportunities, Responsible Pet Ownership, Hurricane Preparedness for Pet Owners will be formalized, and public presentations will be increased by 25%.
- Bi-monthly volunteer orientations will be conducted to help train and expand the volunteer base by 20%
- Increase the number of placed animals by 3%.
- Full implementation of CAD and RMS by second quarter 2011.
- A comprehensive policy review and revision by 4th quarter 2011.

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b><u>ANIMAL CONTROL</u></b>				
Personnel Services	389,200	463,419	381,280	416,055
Supplies	29,361	34,084	55,800	37,550
Repairs & Maintenance	20,582	21,935	20,557	20,557
Services & Charges	46,984	34,592	51,000	53,967
<b>TOTAL</b>	<b>486,127</b>	<b>554,030</b>	<b>508,637</b>	<b>528,129</b>

<b>POSITIONS</b>	9.0	9.0	9.0	9.0
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### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase due to filling positions in FY2011 that were vacant in FY2010.
- Supplies - Decrease due to a one time purchase of laptops for the animal control vehicles in FY 2010.
- Services and Charges - Increase due to lease fees paid to the Motor Pool Fund for vehicle replacements being funded at 100% in FY2011.

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Calls for Service ( <i>Calls Animal Control Officers respond to from the public and self initiated.</i> )	2,107	4,913	3,600	3,600
Animal Intake ( <i>Total number of animals brought into the shelter by the Animal Control Officers</i> )	1,494	1,500	1,075	1,000
Animals Cared for Daily ( <i>This is the average number of animals cared for by the Animal Control Officers at the shelter daily</i> )	40	75	90	90
Animal Live Release ( <i>This includes adoptions, animals claimed by their owners and animals transferred to other shelters.</i> )	1,081	1,100	835	850
Animals Euthanized	417	328	175	150

## **FIRE MARSHAL PUBLIC SAFETY DIRECTORATE**

### **MISSION STATEMENT**

The mission of the League City Fire Marshal's Office is to ensure a safe environment and prevent the loss of lives and property by fire through effective use of inspection, engineering, modern investigative techniques and public education with an emphasis on world class customer service.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Upgraded our fleet vehicles with the retirement of a 2000 Ford Taurus and took delivery of a 2010 Tahoe.
- Completed 2,038 fire inspections.
- Documented 1,580 code violations.
- Responded to 2,081 citizen requests for assistance.
- Issued citations for code violations
- Presented 400 fire prevention educational programs/brochures
- Worked closely with other city departments in the development review process for new structures.
- Received additional training in the Incident Command System for emergency response at natural and manmade disasters.

### **PRIORITIES AND GOALS FOR 2011**

- Reduce property loss to value ratio by 10% in 2011
- Calendar year 2009, total estimated value: \$2,462,720 with estimated loss of \$604,150.00 – 24.6%.
- Increase fire inspections by 10% in 2011.
- Increase Fire Prevention education programs by 50% in 2011.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>FIRE MARSHAL</u></b>				
Personnel Services	365,656	408,101	393,390	397,704
Supplies	18,943	19,887	13,500	13,500
Repairs & Maintenance	21,087	22,957	22,200	21,707
Services & Charges	22,281	16,605	21,225	48,810
Special Programs & Events	569	600	600	600
<b>TOTAL</b>	<b>428,536</b>	<b>468,150</b>	<b>450,915</b>	<b>482,321</b>
<b>POSITIONS</b>	5.0	5.0	5.0	5.0

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase of \$4,300 due to the annualized cost of performance pay.
- Services and Charges - Increase due to dividing the Amegy Building lease among department's that utilize space instead of the entire lease expensed in the Planning department's budget.

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Fire Inspections	2,072	2,323	2,038	2,100
Fire Prevention Programs	603	525	400	440
Citizen Request for Assistance	2,571	2,286	2,081	2,100
Plans Review	402	276	204	225

## **FIRE DEPARTMENT PUBLIC SAFETY DIRECTORATE**

### **MISSION STATEMENT**

It is the mission of the League City Fire Department to preserve life and property, promote public safety and foster economic growth through leadership, management and actions, as an all risk life safety response provider that is committed to superior service to our customers, the citizens and visitors of League City.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Provided fire education to over 7,400 children in local schools, day care centers and private schools
- Conducted and/or participated in over 12,000 hours of training.
- Conducted a 126 hour recruit academy that graduated 17 citizens as new firefighters
- Increased the certification levels of our membership with 33 members attaining new certification levels
- Completed the ISO rating survey which will lower the City's fire rating and insurance costs once the report is approved by ISO and the Texas Department of Insurance

### **PRIORITIES AND GOALS FOR 2011**

- Enhance the health and safety of department members with semi-annual physicals and annual fit for duty testing
- Improve emergency response operations with the continual training and equipment replacement/upgrades
- Develop a program to maintain current members within the department in an effort to keep our most experienced members active to foster and develop our newer members

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b><u>FIRE DEPARTMENT</u></b>				
Personnel Services	65,259	75,183	75,660	127,915
Supplies	374,543	368,590	291,000	318,530
Repairs & Maintenance	113,075	182,441	175,000	176,270
Services & Charges	218,241	108,931	118,981	287,600
Special Programs & Events	138,449	168,000	129,000	135,000
Capital Outlay	0	0	0	40,000
<b>TOTAL</b>	<b>909,567</b>	<b>903,145</b>	<b>789,641</b>	<b>1,085,315</b>

<b>POSITIONS</b>	1.0	1.0	1.0	2.0
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### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase due to the addition of a paid Fire Chief for 6 months.
- Supplies - Increase due to additional supplies for paid Fire Chief as well as movement of uniforms from the Services and Charges to the Supply category.
- Services and Charges - Increase due to motor pool lease fees.
- Capital Outlay - Increase due to the addition of a vehicle for the new Fire Chief position.

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Current members with 5 years or more experience	N/A	N/A	58	65
Overall response time of the first arriving fire unit to a scene	N/A	9:15	9:30	8:45
Increase the Average number of responding members per incident	N/A	18	18	22
Calls for Service	1,016 (lke)	949	950	975
Number of Building Fires	31	31	35	38
Number of False Alarms	253	231	210	200
Number of Children given Fire	N/A	7,400	7,700	8,000
Combined Total Training Hours	N/A	12,000	12,500	13,000

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## **EMERGENCY MEDICAL SERVICES PUBLIC SERVICES DIRECTORATE**

### **MISSION STATEMENT**

To improve the quality of life for all citizens; to avoid, prepare and cope with those events which threaten the quality of life, and to deliver the highest quality of health care in the most effective and compassionate manner.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Added 3 full time paramedic positions and 3 EMT positions in April 2010
- Remount of 1 Frazer Ambulance Completed May 2010
- Replace 1 Frazer Ambulance Completed March 2010
- Complete the upgrade for the EMS Documentation system will go on line in Aug 2010
- To continue replacing the current EMS radios Completed May 2010
- Received 1 Zoll Auto pulse in March 2010
- Send 5 members to the State EMS Conference Completed Nov 2010
- Review and Upgrade EMS Medical Protocols Completed in Feb 2010
- Review and Update the EMS Personnel policies Completed June 2010
- To re evaluate and improve the current EMS supply system. Completed May 2010
- Implement Mortality and Morbidity Reviews in May 2010
- Began Customer Service surveys for 33% of our customers in May 2010
- Began distributing life data bags in April 2010

### **PRIORITIES AND GOALS FOR 2011**

- Renovate EMS Station 2
- Remount 1 Frazer Ambulance
- Review and Update EMS protocols
- Use CQI Based training and mortality and morbidity review committees to increase successfully performed medical skills by EMS personnel by 15%.
- Increase survival rate following cardiac arrests by 10%
  - o Review and update EMS cardiac arrest protocols
- Maintain revenues that are at least 50% of operating budget
  - o Evaluate the current EMS billing agency
- Continue replacing the current EMS radios
- Provide Life Data Bags to 500 Citizens of the City of League City
- Install 120 child safety seats
- Provide CPR classes to 500 Citizens of the City of League City

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>EMERGENCY MEDICAL SERVICES</u></b>				
Personnel Services	1,256,557	1,648,649	1,453,256	1,705,680
Supplies	180,605	174,198	168,980	170,340
Repairs & Maintenance	64,077	85,620	80,295	85,595
Services & Charges	211,739	235,339	245,000	245,610
Special Programs & Events	22,205	25,800	25,800	12,800
<b>TOTAL</b>	<b>1,735,183</b>	<b>2,169,606</b>	<b>1,973,331</b>	<b>2,220,025</b>
<b>POSITIONS</b>	18.5	24.5	24.5	24.5

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase of \$252,400 due to filling positions in FY2011 that were vacant in FY2010 and the annualization of three paramedic and three emergency medical technician positions funded for 6 months in FY2010.
- Special Programs and Events - Decrease of \$13,0000 due to fewer number of EMS personnel volunteering thus creating a decrease in the Volunteer Retirement Fund.

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Calls for Service	3,911	4,186	4,440	4,690
Request for Mutual Aids(decrease due to additional Personnel)	73	110	93	100
Cardiac Arrest Save Rates (EMS had Autopulses on loan in FY 09)	31%	59%	45%	55%
EMS Billing Collections	N/A	48%	56%	55%

**FIRE DRILL FIELD  
PUBLIC SAFETY DIRECTORATE****MISSION STATEMENT**

To provide a facility for the Fire Department to train, gain experience, and improve operational effectiveness.

**ACHIEVEMENTS FOR FISCAL YEAR 2010**

- The classroom was used by the department for over 8,900 combined training hours.
- The classroom, tower, maze, car fire, and confined space projects were used, and in some cases rented, by other City public safety agencies, local industry, and College of the Mainland

**PRIORITIES AND GOALS FOR 2011**

- Maintain the field in its current operational state through progressive preventative maintenance
- Continue to work towards repairing field items that have been condemned and are in need of replacement or major repair

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>FIRE DRILL FIELD</u></b>				
Supplies	35,791	28,950	28,950	43,350
Repairs & Maintenance	15,915	16,250	16,250	13,000
Services & Charges	6,287	8,000	8,000	2,400
<b>TOTAL</b>	<b>57,993</b>	<b>53,200</b>	<b>53,200</b>	<b>58,750</b>

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Overall increase of \$5,000 due to the inability of using the Drill Field burn facility for training purposes; therefore, requiring the Fire Department to rent neighboring cities' facilities for training.

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Number of classes held at the field	N/A	N/A	55	65
Combined hours of training and continuing education completed at the field	N/A	N/A	9,500	11,000

**CODE ENFORCEMENT  
PUBLIC SAFETY DIRECTORATE****MISSION STATEMENT**

The Code Enforcement Department will continue to make the City of League City a place that is safe and healthy to live in by enforcing adopted codes and ordinances and improving on them when necessary to keep up with the changing environment that League City is developing into.

**ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Successfully increased staff certifications by adding an Intermediate Code Enforcement and Certified Professional Secretary Certifications.
- Evaluated several properties east of Hwy 3 and south of Main Street (518) to Alabama and Clear Creek.
- Processed over 76 '311' calls, 86 called in complaints, responded to 28 Open Records Request.
- Serviced-to-date over 725 Code Enforcement cases and have closed 430.
- Filed over 75 liens totaling over \$30,000 and have collected over \$23,000 in payments.

**PRIORITIES AND GOALS FOR 2011**

- Reduce the amount of time spent on cases by implementing a new process
- Train employees to utilize a Code Enforcement module

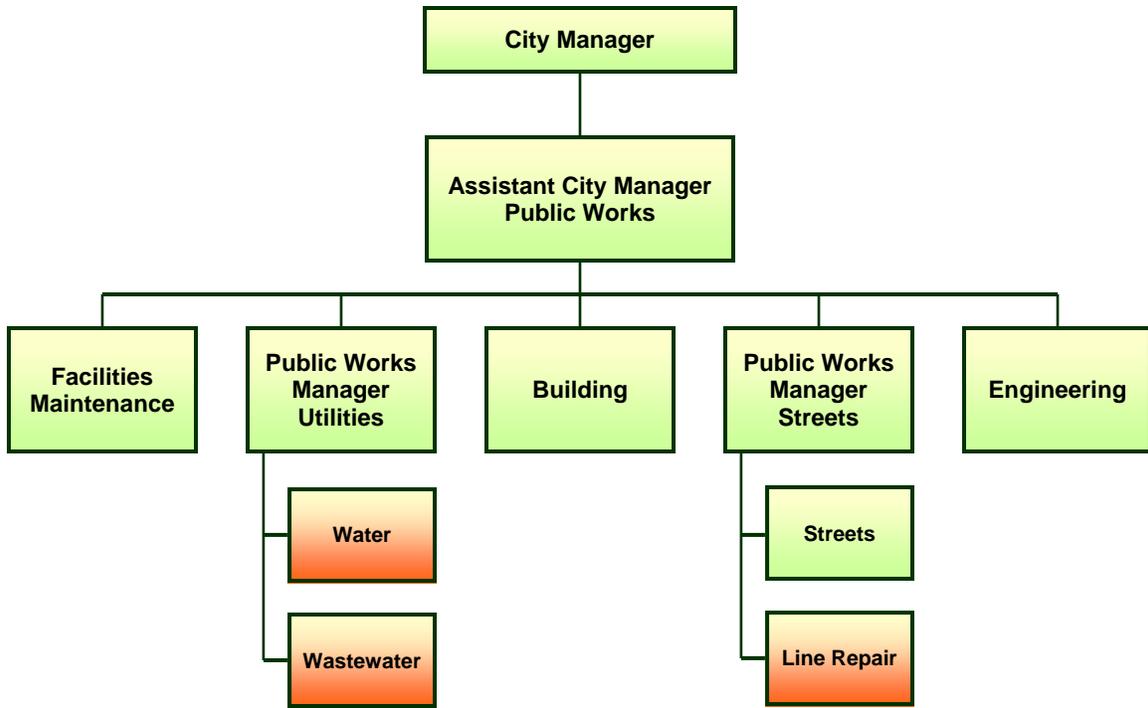
**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>CODE ENFORCEMENT</u></b>				
Personnel Services	0	0	0	310,800
Supplies	0	0	0	7,650
Repairs & Maintenance	0	0	0	11,680
Services & Charges	0	0	0	67,500
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>397,630</b>
 <b>POSITIONS</b>	 4.5	 4.5	 4.5	 4.5

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- The Building and Code Enforcement department was split for FY 2011; Code Enforcement was placed within the Public Safety Directorate and the Building Permitting and Inspections within the Public Works Directorate.

**PUBLIC WORKS DIRECTORATE**



 Funded by General Fund

 Funded by Utility Fund

## FY 2011 ADOPTED BUDGET PUBLIC WORKS DIRECTORATE

DIRECTORATE	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Public Works Administration	2,602,046	2,861,533	2,850,900	2,946,940
Engineering	955,774	2,225,947	1,984,385	1,382,905
Streets & Stormwater	3,384,088	4,174,002	3,874,319	4,325,985
Building	1,203,094	1,408,138	1,334,176	1,038,330
Facilities Maintenance	1,327,043	1,881,789	1,994,249	1,758,416
<b>Public Works Directorate Total</b>	<b>9,472,046</b>	<b>12,551,409</b>	<b>12,038,029</b>	<b>11,452,576</b>

CATEGORY	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Personnel Services	3,854,014	5,209,755	4,556,870	4,749,018
Supplies	589,547	666,349	491,500	722,570
Repairs & Maintenance	763,140	862,653	840,880	654,164
Services & Charges	4,265,345	5,812,652	6,124,679	5,302,739
Special Programs & Events	0	0	24,100	24,085
<b>Public Works Directorate Total</b>	<b>9,472,046</b>	<b>12,551,409</b>	<b>12,038,029</b>	<b>11,452,576</b>

### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase of \$192,000 due to (1) additional positions, including an Engineer and Engineer Technician for Engineering and a Plumber and an Electrician for Facilities; (2) addition \$188,000 for Concrete Crew in Streets; and (3) decrease of \$300,000 for Code Enforcement being moved to Police Directorate.
- Supplies - Increase of \$231,000 due to (1) Engineering office furniture and computer equipment and software; (2) traffic control supplies in anticipation of the traffic signals being turned over to the City from Texas Department of Transportation; and (3) concrete and aggregate for the addition of a Concrete Crew.
- Repair and Maintenance - Decrease of \$187,000 due to (1) \$106,000 from Streets reducing outsourcing Concrete work; (2) \$11,000 from Code Enforcement moving to Public Safety Directorate; (3) \$70,000 from Facilities in FY 2011 due to the one time expenditure to renovate the Senior Center to be ADA accessible in FY2010.
- Services and Charges - Decrease of \$822,000 due to (1) \$92,000 increase for the Sanitation Contract; (2) \$852,000 decrease in Engineering for the non-recurring drainage funding in FY 2010; (3) \$142,000 increase in Streets for Street Lights; (4) \$22,000 increase in Building for Amegy Building Lease; and (5) \$226,000 decrease in Facilities for non-recurring items in FY2010 and an anticipated decrease in Electricity cost in FY2011.

## **PUBLIC WORKS ADMINISTRATION PUBLIC WORKS DIRECTORATE**

### **MISSION STATEMENT**

To provide guidance to all the departments within the directorate (Engineering, Streets & Storm Water/Traffic Control); to ensure available funding for capital projects as well as operational functions providing quality service for all residents, including exceptional customer service in collection of solid waste and recycling.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Provided requested information to all departments in a timely manner
- Provided requested information to all citizens in a timely manner
- Improved City image as it pertains to the Public Works Directorate
- Improved customer service as well as operational/financial efficiencies.

### **PRIORITIES AND GOALS FOR 2011**

- Continue to improve the City image as it pertains to the Public Works Directorate
- Continue to enhance both the Public Works Directorate customer service as well as operational/financial efficiencies
- Provide quality service to our residents in collection of solid waste/recycling
- Bring city facilities into compliance with current building codes
- Produce 60% in-house designs on projects under \$500K
- Establish a street assessment program for all maintenance of paved streets
- Establish a storm water utility system
- Complete the signal takeover from TxDOT and prepare a plan for the expansion of communications through a traffic control center for all signals.
- Develop with TxDOT the final joint solutions for 5 corners intersection.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>PUBLIC WORKS ADMINISTRATION</u></b>				
Personnel Services	88,870	108,433	130,900	134,940
Services & Charges	2,513,176	2,753,100	2,720,000	2,812,000
<b>TOTAL</b>	<b>2,602,046</b>	<b>2,861,533</b>	<b>2,850,900</b>	<b>2,946,940</b>

**POSITIONS** 1.0 1.0 1.0 1.0

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase of \$4,000 due to the annualized cost of performance pay.
- Services and Charges - Increase of \$92,000 due to the Sanitation Contract based on projected growth.

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## **ENGINEERING PUBLIC WORKS DIRECTORATE**

### **MISSION STATEMENT**

To protect the health, safety, and welfare of the citizens of League City by assuring the application of sound engineering principles in the planning, design, construction, and maintenance of the City infrastructure, as provided for in Federal, State and City policy.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Completed design for three major storm-water management features at Empress Lane, Conoco-Phillips pipeline corridor and Landing Subdivision.
- Assisted in the efforts in the post April 18, 2009 rain event recovery
- FM 518 By-pass PE/AE efforts through a final design- The Clear Creek Drainage channel project was coordinated through design and into construction phase
- The Coryell Street project – through design and into the construction phase
- Storm-water rehabilitation
- Sanitary rehabilitation project

### **PRIORITIES AND GOALS FOR 2011**

- Assist in the development and implementation of a viable, adaptable, 5-year capital improvement plan, based on the integration of updated master water, wastewater, drainage, and transportation plans.
- Provide in-house design services for new public infrastructure construction projects, and on an as-needed basis- maintenance projects for existing public infrastructure.
- Provide design, project, and construction quality assurance review and management services for development that will result in the acceptance of water, wastewater, paving and drainage infrastructure to be owned and maintained by the City.
- Provide updates to the Department's web page to insure the public has accurate, timely, clear, and easily accessible information regarding upcoming and ongoing public infrastructure projects.
- Develop standard design, construction, and materials criteria, with detail drawings for reclaimed water to re-use infrastructure.
- Compile standard operational procedures manual for processing real property interest conveyances, including, but not limited to: (i) abandonment of public right-of-way and easements (ii) sales and/or exchanges; and (iii) purchases and/or exchanges.

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b>ENGINEERING</b>				
Personnel Services	873,231	1,174,795	928,260	1,163,061
Supplies	19,012	16,871	16,900	33,500
Repair & Maintenance	25,989	35,238	28,000	27,950
Services & Charges	37,543	999,043	987,125	134,309
Special Programs & Events	0	0	24,100	24,085
<b>TOTAL</b>	<b>955,774</b>	<b>2,225,947</b>	<b>1,984,385</b>	<b>1,382,905</b>

<b>POSITIONS</b>	14.0	14.0	14.0	16.0
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### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase of \$235,000 due to the addition of an Engineer and an Engineering Technician along with filling positions in FY2011 that were vacant in FY2010.
- Supplies - Total increase of \$16,600 due to (1) an increase of \$17,000 in supplies, (2) an increase of \$12,000 in office furniture, and (3) an increase of \$5,000 for computer equipment and software. All increases due to the addition of new personnel in FY2011.
- Services and Charges - The \$852,000 net decrease due to (1) a reduction in non-recurring drainage funding of \$940,000 in FY 2010; (2) an increase of \$85,000 due to dividing the Amegy Building Lease among departments that utilize that space instead of the entire lease expensed in the Planning department's budget; and (3) an increase of \$3,000 in Memberships and Dues for new personnel.

### PERFORMANCE INDICATORS

INDICATORS (In Million Dollars)	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
In-house design - CIP	0.30	0.80	0.90	0.36
In-house Construct - QC	3.00	0.80	0.90	0.45
Commercial Dev Review - QA	19.00	39.94	9.31	9.31
Land Dev - QA/QC	20.94	12.31	2.85	2.85
Citizen Assists	N/A	N/A	100	100
Department Assists	N/A	N/A	100	100
Traffic Related Assists	N/A	N/A	N/A	75
GIS Department	N/A	N/A	N/A	75
Drainage Design	N/A	N/A	N/A	80
Storm Water Monitoring	N/A	N/A	N/A	75
Project Mgmt/Contract Admin	N/A	N/A	N/A	80
REQ Compliance in Regulated System	N/A	N/A	N/A	100

## **STREET AND DRAINAGE PUBLIC WORKS DIRECTORATE**

### **MISSION STATEMENT**

To serve the Community of League City by providing the highest quality street and drainage maintenance possible , to further enhance and maintain street safety and ride ability, and improve drainage in all areas of the city.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- 3 Linear Miles of Street Paved or Overlaid
- 1,000 Signs Repaired or Replaced
- 50,000 Linear Feet of Ditch Cleaned

### **PRIORITIES AND GOALS FOR 2011**

- Re-Habilitate and/or Convert Limestone Roadways to Paved Streets Performance Objectives: Identify 3 Linear Miles of Streets
- Reshape and Grade 50,000 Linear Feet of Roadside Ditches Performance Objectives: Identify Areas that have Potential in Creating Drainage Problems/Service Orders
- Repair/Replace 1,000 Signs throughout the City Performance Objective: To Continuously Monitor All Subdivisions and Local Streets for Ensuring Proper Signage
- Maintain World Class Service Performance Objective: Contact Citizens (Who Have Filed a Request For Service) Within a 48-Hour Time Frame

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b><u>STREETS &amp; STORMWATER</u></b>				
Personnel Services	1,579,185	2,173,054	1,807,530	1,995,970
Supplies	450,914	518,926	351,500	578,850
Repair & Maintenance	540,658	564,119	578,785	472,465
Services & Charges	813,331	917,903	1,136,504	1,278,700
Capital Outlay	0	0	0	0
<b>TOTAL</b>	<b>3,384,088</b>	<b>4,174,002</b>	<b>3,874,319</b>	<b>4,325,985</b>
<b>POSITIONS</b>	44.0	44.0	44.0	44.0

### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase of \$188,000 due to filling positions in FY2011 that were vacant in FY2011 for staffing of a concrete crew.
- Supplies - Increase of \$227,000 due to (1) traffic control supplies of \$90,000 in anticipation of the traffic signals being turned over to the City from Texas Department of Transportation and (2) \$137,000 for Concrete and Aggregate for the addition of a Concrete Crew.
- Repair and Maintenance - Decrease of \$106,000 due to establishing an in-house Concrete Crew which decreases the amount needed for an outside contractor.
- Services and Charges - Net increase of \$142,000 due to (1) \$132,000 increase in Motor Pool Lease fees for new equipment purchased in FY 2010; (2) \$125,000 increased cost of Street Lights from Texas New Mexico Power; and (3) \$115,000 decrease for the FY2010 School Zone Warning System.

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Linear miles of streets resurfaced	N/A	N/A	3	3
Linear feet of sidewalk repaired	N/A	N/A	N/A	2,500
Linear feet of drainage ditches re-graded	N/A	N/A	50,000	50,000
Miles of major outfalls mowed	N/A	N/A	N/A	156
Number of street signs repaired or replaced	N/A	N/A	1,000	1,000

## **BUILDING PUBLIC WORKS DIRECTORATE**

### **MISSION STATEMENT**

To ensure the health, safety and well-being of all people who live, work or visit the City of League City through diligent application of the building codes and city ordinances.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Updated Residential and Commercial Standard Operating Procedure manuals
- Created a separate permit for swimming pools and also a Swimming Pool SOP
- Staff attended training in Houston to learn the latest codes.
- Completed ISO review and improved the score from a 9 to a 4.
- Improved access to permits and applications by putting them on the City website.
- Reviewed and improved inspection process for Operations permits.
- Implemented 6 month action plan to improve department processes.
- Reviewed and updated the Sign Ordinance.
- Implemented the collection of fees upon submittal of plans.
- Implemented the Contractor Registration program.

### **PRIORITIES AND GOALS FOR FY 2011**

- Update the Floodplain Ordinance.
- Continue to train inspectors in the building, plumbing, electrical, and mechanical codes.
- Improve community relations through construction workshops with citizens, builders and contractors.
- Improve all current customer service levels through the use of better methods and processes.
- Conduct training sessions for builders and contractors to teach them the latest codes.
- Revise permit applications to make them specific to the type of permit.
- Update all Standard Operating Procedure manuals.
- Review and improve the plan review process for both residential and commercial plans.

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b><u>BUILDING</u></b>				
Personnel Services	1,056,142	1,238,393	1,193,100	889,800
Supplies	33,855	29,049	21,600	17,000
Repairs & Maintenance	42,217	45,476	44,976	34,630
Services & Charges	70,879	95,220	74,500	96,900
<b>TOTAL</b>	<b>1,203,094</b>	<b>1,408,138</b>	<b>1,334,176</b>	<b>1,038,330</b>

<b>POSITIONS</b>	13.0	13.0	13.0	13.0
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### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- This budget was split into two different departments in FY2011, Building and Inspections under the Public Works Directorate and Code Enforcement which is now under the Public Safety Directorate. The major decreases in this budget are attributable to the reorganized budget.

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Attend to customer within 5 minutes of arrival	97%	97%	97%	98%
Do residential plan review within 5 working days	90%	90%	90%	98%
Do commercial plan reviews within 20 working days	90%	90%	90%	98%
Complete all inspections within 24 hours	98%	98%	98%	99%
Return phone calls within 24 hours	90%	90%	90%	98%

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## **FACILITIES MAINTENANCE PUBLIC WORKS DIRECTORATE**

### **MISSION STATEMENT**

To efficiently provide “hard” services (mechanical, electrical and plumbing) that Maintain or enhance the building standard; and “soft” services (custodial, lighting and contractor monitoring) that ensure building occupants are provided with a completely safe and functional work environment.

### **ACHIEVEMENTS FOR FISCAL YEAR**

- Facilities Maintenance completed over 740 individual work orders in fiscal 2010.
- Completed remodeling of Public Works, Council Work Room, Purchasing, and Corridors at City Hall.
- Completed ADA revisions and remodeling at the Recreation Center
- Continued efficiency upgrades to interior and exterior lighting at all City facilities.
- Completed bid package for replacement of HVAC systems at Helen Hall Library.
- Continued training staff in electrical and plumbing maintenance.
- Completed draft of new Waived Fee Ordinance (currently at Director level)
- Implemented HVAC energy management program for Walker Complex.
- Began interior refurbishing at Civic Center.

### **PRIORITIES AND GOALS FOR FY 2011**

- Continue employee on the job training to reduce reliance of outside contractors for critical MEP maintenance
- Draft employee policy manual
- Obtain City Council approval of new Waived Fee Policy, new Facility Rental Contracts.
- Improve level of service and revenues for our rental facilities.
- Develop customer evaluation for use of facilities.
- Continue efforts to restore all City facilities to building standard.
- Upgrade HVAC systems at City Hall.
- Implement “green policies” where ever possible to increase efficiency.
- Develop a concise 3 year comprehensive plan for maintenance and replacement of MEP components at all facilities.

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b><u>FACILITIES MAINTENANCE</u></b>				
Personnel Services	256,585	515,080	497,080	565,247
Supplies	85,766	101,503	101,500	93,220
Repairs & Maintenance	154,276	217,820	189,119	119,119
Services & Charges	830,416	1,047,386	1,206,550	980,830
<b>TOTAL</b>	<b>1,327,043</b>	<b>1,881,789</b>	<b>1,994,249</b>	<b>1,758,416</b>

<b>POSITIONS</b>	4.0	10.0	10.0	12.0
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### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

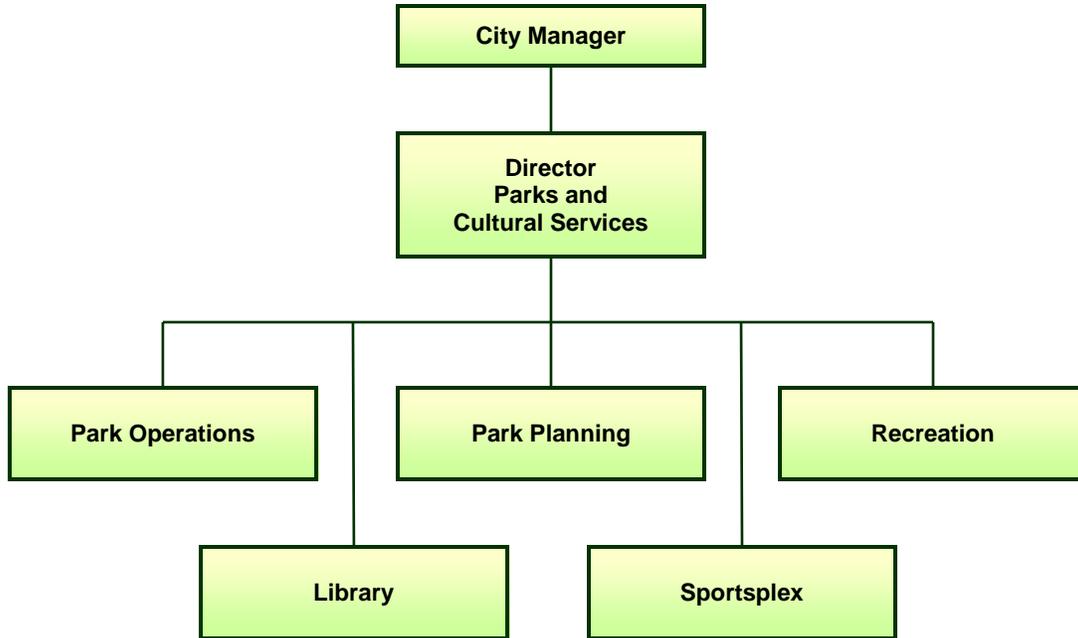
- Personnel Services - Increase of \$68,000 due to the addition of two new positions in FY 2011, a plumber and an electrician.
- Supplies - Decrease of \$8,000 is attributable to a decrease in the janitorial supplies.
- Repair and Maintenance - Decrease of \$70,000 due to the one time expenditure in FY2010 to renovate the Senior Center to be ADA accessible.
- Services and Charges - Decrease of \$225,000 due to (1) a decrease of \$125,000 in Professional Fees for the repair of City Hall Façade in FY2010 and (2) an anticipated \$100,000 decrease in electricity for FY2011.

### PERFORMANCE INDICATORS

INDICATORS	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ACTUAL	FY 2011 ADOPTED
Facilities Maintained	33	35	35	35
Roofs Maintained	33	35	35	35
Air Conditioning Systems Maintained	96	103	103	103
Air Conditioning Systems in need of Replacement	19	19	19	15
Average age of HVAC systems	10 yrs	10 yrs	10 yrs	10 yrs
Roofs needing to be replaced	5	5	5	5
Average age of Roofs	10 yrs	10 yrs	10 yrs	10 yrs
Completed Work Orders	N/A	N/A	740	1,020
Completed Major Projects	N/A	N/A	6	8
Paid Facility Rentals	N/A	N/A	315	365
Non paid City Events	N/A	N/A	322	350

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**PARKS AND CULTURAL SERVICES DIRECTORATE**



**FY 2011 ADOPTED BUDGET  
PARKS & CULTURAL SERVICES DIRECTORATE**

<b>DIRECTORATE</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Library	1,881,312	2,170,221	2,069,700	2,104,981
Parks Operations	1,334,853	1,037,407	1,032,082	1,052,542
Parks Recreation	570,304	672,043	673,490	695,151
SportsPlex Operations	315,269	388,104	387,182	364,654
SportsPlex Recreation	171,519	213,488	172,520	172,930
Parks Planning & Tourism	238,714	251,219	298,120	318,882
Butler Museum	181,846	230,129	75,000	0
<b>Parks &amp; Cultural Services Directorate</b>	<b>4,693,817</b>	<b>4,962,611</b>	<b>4,708,094</b>	<b>4,709,140</b>

<b>CATEGORY</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Personnel Services	3,307,180	3,515,741	3,378,710	3,454,914
Supplies	604,492	602,417	570,130	548,710
Repair & Maintenance	238,955	229,267	204,420	161,441
Services & Charges	539,858	525,587	550,234	539,925
Special Programs & Events	3,331	89,599	4,600	4,150
<b>Parks &amp; Cultural Services Directorate</b>	<b>4,693,817</b>	<b>4,962,611</b>	<b>4,708,094</b>	<b>4,709,140</b>

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase due to filling positions in FY2011 that were vacant in FY2010. (\$76,000)
- Supplies - Decrease due to Lone Star Grant for Library from FY2010 not yet reflected in FY2011. (\$22,530)
- Repair & Maintenance - Decrease due to (1) movement of Technology Maintenance and Software items to Services & Charges within the Library budget (\$17,000) and (2) one-time item scoreboard replacement within the Sportsplex Operations budget (\$25,000).
- Services & Charges - Net decrease of \$10,000 is the result of a decrease of \$75,000 due to the Butler Museum being moved to Non-departmental and several increases adding up to \$65,000: the Lone Star Grant is not yet reflected in the FY2011 Library budget, an increase in motor pool lease fees, an increase in renting school facilities within the Park Recreation budget, and the sharing of the Amegy Building lease now being reflected in the Parks Planning budget.

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## **LIBRARY PARKS AND CULTURAL SERVICES DIRECTORATE**

### **MISSION STATEMENT:**

The Mission of the Helen Hall Library is to provide comprehensive information resources and services to link the League City community to the world of ideas.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Quiet study rooms were created in Adult Services in response to patron requests.
- Print/Time management was implemented to control costs and provide equitable computer access for patrons.
- Friends of the Helen Hall Library purchased additional shelving for the teen area.
- Youth Services added a monthly program, "Art on the Cart", for preschool children.
- Automated serials check-in was instituted to simplify tracking and allow magazine to be checked out by patrons.
- Hosted the Movin' & Groovin' Family Event focusing on fun family fitness
- Attendance at evening story time saw a dramatic increase.
- The Teen LARPing summer program was featured in two national journals.
- Adult Services instituted two new programs: "Local Authors Hour" and "Book Release Events".
- Increased number of children's music and educational and recreational JDVDs purchased to meet demand
- Two librarians presented programs at Texas Library Association Annual Conference.
- Received a large donation from the Lions Club and three grants: Loan Star Libraries Grant, Lunar Rendezvous Festival Grant and We the People Grant.
- Congressman Ron Paul attended a reception recognizing the awarding of the "We the People Grant."
- Presented a successful 2010 Summer Reading Program for children and teens, "The Reading Express".

### **PRIORITIES AND GOALS FOR 2011:**

- Focus on aiding citizens of League City in making informed decisions on health, wealth, and other life choices by providing resources they need to identify and analyze risks, benefits, and alternatives before making decisions, thereby improving general quality of life.
- Recognize, anticipate, and proactively respond to needs of citizens by helping to create young readers through early literacy programs for ages 0-5 designed to ensure that children will enter school ready to learn to read, write, and listen.
- Establish demand driven service as a priority by recognizing, anticipating, and proactively responding to the needs of citizens to stimulate imagination through reading, viewing, and listening pleasure.
- Expand the use of digital technology to provide convenient and seamless access to materials and services in all formats.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>HELEN HALL LIBRARY</u></b>				
Personnel Services	1,522,295	1,808,911	1,695,150	1,754,111
Supplies	265,688	238,745	253,630	231,100
Repairs & Maintenance	2,103	27,700	28,900	2,100
Services & Charges	87,895	91,515	88,670	114,770
Special Programs & Events	3,331	3,350	3,350	2,900
Capital Outlay	0	0	0	0
<b>TOTAL</b>	<b>1,881,312</b>	<b>2,170,221</b>	<b>2,069,700</b>	<b>2,104,981</b>
<b>POSITIONS</b>	33.0	33.0	33.0	33.0

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase due to filling positions in FY2011 that were vacant in FY 2010. (\$58,000)
- Supplies - Decrease due to Lone Star Grant received in FY2010 not yet being reflected in FY2011. (\$22,530)
- Repairs & Maintenance - Decrease due to the movement of the technology maintenance and software items from the repair and maintenance category into the services and charges category. (\$26,000)

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Staff assisted computer training (#s = people)	17	295	297	350
Circulation of adult non-fiction; number of items	74,699	75,632	76,766	77,900
Digitization & Metadata of Local Hist. images	N/A	N/A	N/A	400
Circulation of board books, picture books, and beginning reader books; number of	85,825	104,237	108,625	113,000
Circulation of adult print fiction; number of items	133,481	139,500	144,000	148,300

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## **PARKS OPERATIONS PARKS AND CULTURAL SERVICES DIRECTORATE**

### **MISSION STATEMENT**

To make positive contributions to the quality of life in the community by providing the highest degree of service to our patrons and provide clean, safe, and aesthetically pleasing parks and facilities for the enjoyment of the entire community.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Continued to maintain/improve ratings on the Customer Evaluation Survey in three categories on a scale of 1 to 5 with 1 being the highest. Results of the Survey are compiled in September.
- Replaced siding, trim and repainted equipment storage shed at Countryside Park Maintenance Yard.
- Repaired siding, trim and painted announcer booths at Countryside Park.
- Continued structural tree pruning, stump removal and removal of the trees posing possible risk along trail systems and undeveloped areas of park properties.
- Helped to oversee the removal of 1 Large Butler Oak Tree in right-of-way on Main Street that was posing significant risk.
- Overseeing contractor in the removal of 2 large dead Oak Trees at League Park.
- Repainted exterior and replaced portions of siding on the Recreation Center, Municipal Pool Building and Pool filter shed.
- Worked with Library staff to accomplish interior renovations including shelf backing and relocation as well as helped Facilities department with demolition/construction projects in the circulation room and private study rooms.
- Repainted Pavilion, Bathrooms, Gazebo and Recreation Office at League Park.
- Replaced Filtration System in Pond at League Park.
- Implemented a recycling program at parks to include signage and receptacles.
- Replaced numerous Freeze Damaged Plants in early spring at Helen's Garden, Heritage Park and other park & city facility sites.
- Continued to work with Scout Troops for park improvements.

### **PRIORITIES AND GOALS FOR 2011**

- Replace Metal Roofing on dugouts and scorebooths at Countryside Park.
- Replace Backstop Fencing on baseball fields at Countryside Park.
- Replacement of Composition Roofing on Recreation Office and pavilion/restrooms at League Park.
- Replacement of Bathroom Partitions in restrooms at Countryside Park Pavilion.
- Replacement of degraded chain link fence surrounding the Municipal Pool.
- Replacement of degraded wooden fence at Helen's Garden.
- Removal of 50+ tree stumps at Countryside Park.
- Resurface of basketball courts at Countryside, Bayridge and Newport Parks.
- Finish "No Trespassing" fence between 270 Boat Ramp and Nature Center.
- Operations staff will continue to focus on the structural maintenance needs of existing facilities.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>PARK OPERATIONS</u></b>				
Personnel Services	869,343	693,545	698,250	701,540
Supplies	126,435	126,537	122,300	121,330
Repairs & Maintenance	138,580	92,945	91,536	99,907
Services & Charges	200,494	124,380	119,996	129,765
<b>TOTAL</b>	<b>1,334,853</b>	<b>1,037,407</b>	<b>1,032,082</b>	<b>1,052,542</b>

<b>POSITIONS</b>	20.0	14.0	14.0	14.0
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**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase due to annualized cost of performance pay. (\$3,200)
- Repairs & Maintenance / Services & Charges - Increase in these categories due to an increase in both vehicle maintenance fees and motor pool lease fees.(\$18,000)

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Appearance	N/A	1.54	N/A	1.54
Cleanliness	N/A	1.58	N/A	1.58
Safety	N/A	1.4	N/A	1.4
Patronage/Attendance numbers	552,753	687,801	687,801	687,801
Number of Parks in the City	10	11	11	11
Acreage Developed and Maintained	323.28	333.68	333.68	333.68
Miles of Walking Trail Maintained	3.06	3.59	4.1	4.1

Customer Survey Results: 1 being the highest and 5 being lowest ratings

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## **PARKS RECREATION PARKS AND CULTURAL SERVICES DIRECTORATE**

### **MISSION STATEMENT**

To make positive contributions to the quality of life in the community by providing the highest degree of service and quality through our social, mental, and physical developmental recreation programs.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Expanded the Senior Citizen program to include new classes such as zumba (also started an art guild for Seniors).
- Increased participant numbers in our aquatic programs (swimming lessons and daily pool admissions) from the previous year.
- Increased revenue in our aquatic programs (swimming lessons and daily pool admissions) from the previous year.
- Hosted the 2010 TAAF Region 1 Youth Basketball Tournament (42 teams from all over Southeast Texas participated).

### **PRIORITIES AND GOALS FOR 2011**

- Implement a plan to provide additional opportunities for League City residents to participate in our Recreation Programs.
  - o Allow only League City resident registration for the first week of Recreation Program sign-ups, and then open up registration to all other individuals after that time period.
  - o Increase Non-resident registration fees (set Non-resident fees \$30 higher than League City resident fees; currently Non-resident fees are only \$15 higher than League City resident fees).
- Provide recreation opportunities for individuals and families that support physical fitness and health.
  - o Encourage healthy and active lifestyles.
  - o Expand recreation programming to include aspects of the environment.
  - o Develop programs that build and support community.
- Develop new evaluation methods and criteria for recreation programs.
  - o Evaluate and establish measurable outcomes for recreation as a whole and for individual programs.
  - o Evaluate Parks Recreation Department current programs/services and outcomes.
  - o Evaluate the effectiveness of all of our existing programs for youth, adults, and seniors.
- Actively engage, build and sustain relationships within League City's diverse population.
  - o Establish and implement new approaches to outreach and relationship building.
  - o Effectively communicate Parks Recreation programs.
  - o Provide volunteer opportunities and community service projects.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>PARKS RECREATION</u></b>				
Personnel Services	326,440	399,039	406,340	411,621
Supplies	78,741	85,405	81,000	84,880
Repair & Maintenance	13,347	14,899	14,900	15,350
Services & Charges	151,776	171,450	170,000	182,050
Special Programs & Events	0	1,250	1,250	1,250
<b>TOTAL</b>	<b>570,304</b>	<b>672,043</b>	<b>673,490</b>	<b>695,151</b>

<b>POSITIONS</b>	14.0	14.0	14.0	14.0
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**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase due to vacant positions in FY 2010. (\$5,000)
- Supplies - Increase due to increase in participants in recreation programs. (\$3,000)
- Services & Charges - Increase due to an increase in renting school gyms. (\$12,000)

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Evaluation Scores - Helpful Staff	1.29	1.34	1.36	1.36
Evaluation Scores - Efficient Staff	1.32	1.33	1.34	1.34
Number of Recreation Programs Offered	57	58	58	60
Private/Social Group Relationships (Local)	2	2	2	3
Program Participants-Residents	5,150	5,060	5,030	5,080
Program Participants-Non-Residents	570	690	750	700
Total Participants	5,720	5,750	5,780	5,780

Customer Survey Results: 1 being the highest and 5 being lowest ratings

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## **SPORTSPLEX OPERATIONS PARKS AND CULTURAL SERVICES DIRECTORATE**

### **MISSION STATEMENT**

To make positive contributions to the quality of life in the community by providing the highest degree of service to our patrons and provide clean, safe and aesthetically pleasing parks and facilities for the enjoyment of the entire community.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Continued to maintain/improve ratings on the Customer Evaluation Survey in three categories on a scale of 1 to 5 with 1 being the highest. Results of the Survey are compiled in September. Results of September '09 are as follows; Facility Appearance: 1.54 Facility Cleanliness: 1.58 Facility Safety:1.40
- Oversee contractor on the Phase One replacement of Old Scoreboards with the installation of 5 new LED Scoreboards on the Little League Fields.
- Replaced Booster Pump for irrigation system.
- Fabricated and Installed new Referee Stands at the Volleyball Courts.
- Annual Concrete/Curb repairs and Parking Lot Repainting is scheduled for this summer between ball seasons.
- Hosted Numerous Events to include the Cancer Walk, Memorial Day Event and Police Memorial Event for example.

### **PRIORITIES AND GOALS FOR 2011**

- Continue to maintain/improve ratings on the Customer Evaluation Survey.
- Phase 2 of Scoreboard Replacement to include 3 ASA softball fields and the 2 Pony/Colt fields if funded.
- Drainage Improvements behind the Pony/Colt fields if funded.
- Replace Countertops in all bathrooms of the pavilions if funded.
- Installation of new Entrance Signage at I-45 entrance if funded and install surrounding flower bed.
- Operations staff will continue to focus on the structural maintenance needs of existing facilities.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>SPORTSPLEX OPERATIONS</u></b>				
Personnel Services	194,345	221,598	249,280	250,180
Supplies	54,414	76,657	55,000	54,500
Repair & Maintenance	47,047	65,584	65,584	40,584
Services & Charges	19,462	24,265	17,318	19,390
<b>TOTAL</b>	<b>315,269</b>	<b>388,104</b>	<b>387,182</b>	<b>364,654</b>

<b>POSITIONS</b>	6.0	6.0	6.0	6.0
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**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Repair & Maintenance - Decrease due to the one time item scoreboard replacement in FY2010. (\$25,000)
- Services & Charges - Increase due to an increase in motor pool lease fees. (\$2,000)

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Customer Survey Results: 1 being the highest and 5 being lowest ratings				
Appearance	N/A	1.54	N/A	1.54
Cleanliness	N/A	1.58	N/A	1.58
Safety	N/A	1.4	N/A	1.4
Patronage/Attendance numbers	552,753	687,801	687,801	687,801
Number of Parks in the City	10	11	11	11
Acreage Developed and Maintained	323.3	333.7	333.7	333.7
Miles of Walking Trail Maintained	3.1	3.6	4.1	4.1

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## **SPORTSPLEX RECREATION PARKS AND CULTURAL SERVICES DIRECTORATE**

### **MISSION STATEMENT**

To make positive contributions to the quality of life in the community by providing the highest degree of service and quality through our social, mental, and physical developmental recreation programs.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Increased participant numbers in Sportsplex Recreation programs (Soccer, Flag Football, and Sand Volleyball) from the previous year.
- Increased revenue in Sportsplex Recreation programs (Soccer, Flag Football, and Sand Volleyball) from the previous year.
- Completed major renovation of the Sportsplex Batting Cages (all hardware and machines repainted, several motors replaced, new electronic hardware installed, and new shade structure re-installed).

### **PRIORITIES AND GOALS FOR 2011**

- Implement a plan to provide additional opportunities for League City residents to participate in our Recreation Programs.
  - o Allow only League City resident registration for the first week of Recreation Program sign-ups, and then open up registration to all other individuals after that time period.
  - o Increase Non-resident registration fees (set Non-resident fees \$30 higher than League City resident fees; currently Non-resident fees are only \$15 higher than League City resident fees).
- Provide recreation opportunities for individuals and families that support physical fitness and health.
  - o Encourage healthy and active lifestyles.
  - o Expand recreation programming to include aspects of the environment.
  - o Develop programs that build and support community.
- Develop new evaluation methods and criteria for recreation programs.
  - o Evaluate and establish measurable outcomes for recreation as a whole and for individual programs.
  - o Evaluate Parks Recreation Department current programs/services and outcomes.
  - o Evaluate the effectiveness of all of our existing programs for youth, adults, and seniors.
- Actively engage, build and sustain relationships within League City's diverse population.
  - o Establish and implement new approaches to outreach and relationship building.
  - o Effectively communicate Parks Recreation programs.
  - o Provide volunteer opportunities and community service projects.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>SPORTSPLEX RECREATION</u></b>				
Personnel Services	65,774	97,643	66,870	67,780
Supplies	56,378	62,495	54,500	54,500
Repair & Maintenance	3,230	3,800	3,500	3,500
Services & Charges	46,137	49,550	47,650	47,150
<b>TOTAL</b>	<b>171,519</b>	<b>213,488</b>	<b>172,520</b>	<b>172,930</b>

**POSITIONS** 1.5 1.5 1.5 1.5

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- The SportsPlex Recreation budget is operating at the estimated FY 2010 amount.

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Customer Survey Results: 1 being the highest and 5 being lowest ratings				
Evaluation Scores - Helpful Staff	1.29	1.34	1.36	1.36
Evaluation Scores - Efficient Staff	1.32	1.33	1.34	1.34
Number of Recreation Programs Offered	57	58	58	60
Private/Social Group Relationships (Local)	2	2	2	3
Program Participants-Residents	5,150	5,060	5,030	5,080
Program Participants-Non-Residents	570	690	750	700
Total Participants	5,720	5,750	5,780	5,780

## **PARKS PLANNING & TOURISM PARKS AND CULTURAL SERVICES DIRECTORATE**

### **MISSION STATEMENT**

The mission of the Parks Planning Office is to provide the community with a world-class park system that will be the end product of maintaining sophisticated controls over the planning, development, and implementation of new park projects.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- The Eastern Regional Park has progressed on the architectural design and has an expected completion by the end of the year.
- The Hike and Bike Trails Master Plan was approved by City Council on May 25, 2010.
- Staff began planning on the WaterSmart Park, meeting with key contributing parties to examine site conditions and learning history of the area. A conceptual plan has been completed for a future grant application.
- The Boundless Playground project has been approved by City Council and expected completion date of October 31, 2010.

### **PRIORITIES AND GOALS FOR 2011**

- Ensure future project decisions on reliable (long & short - term) planning and analysis.
- Involve public input and provide public awareness for future park projects.

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b><u>PARKS PLANNING &amp; TOURISM</u></b>				
Personnel Services	210,167	198,424	262,820	269,682
Supplies	5,478	4,100	3,700	2,400
Services & Charges	23,069	48,695	31,600	46,800
<b>TOTAL</b>	<b>238,714</b>	<b>251,219</b>	<b>298,120</b>	<b>318,882</b>

<b>POSITIONS</b>	2.0	2.0	3.0	3.0
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### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Services & Charges - Increase of \$15,000 due to dividing the Amegy Building lease among departments that utilize the space instead of the entire lease expensed in the Planning Department's budget.

### PERFORMANCE INDICATORS

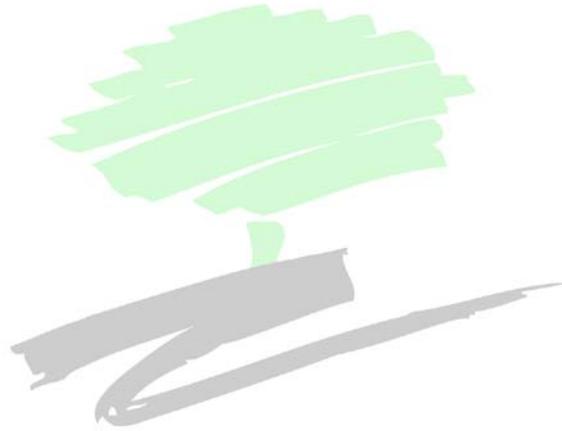
INDICATORS	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Park Projects in CIP	8	8	13	12
Manage Park Planning & Construction Progress (# of projects)	2	2	3	3

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>BUTLER LONGHORN MUSEUM</u></b>				
Personnel Services	118,815	96,581	0	0
Supplies	17,358	8,478	0	0
Repairs & Maintenance	34,648	24,339	0	0
Services & Charges	11,025	15,732	75,000	0
Special Programs & Events	0	84,999	0	0
<b>TOTAL</b>	<b>181,846</b>	<b>230,129</b>	<b>75,000</b>	<b>0</b>
<b>POSITIONS</b>	3.0	3.0	0.0	0.0

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Butler Museum shows a decrease due to the Contractual obligation to the Butler Longhorn Museum being moved to the Non-Departmental accounts.

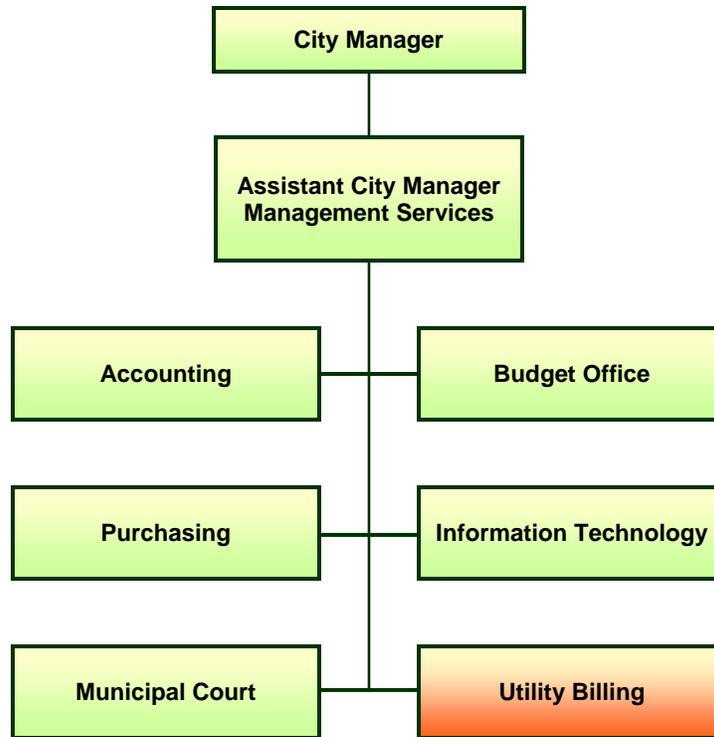


# LEAGUE CITY

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**MANAGEMENT SERVICES DIRECTORATE**



 Funded by General Fund

 Funded by Utility Fund

## FY 2011 ADOPTED BUDGET MANAGEMENT SERVICES DIRECTORATE

DIRECTORATE	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Budget Office	411,618	443,613	436,370	409,740
Accounting	1,027,176	1,150,358	1,155,970	1,173,810
Municipal Court	487,203	543,609	590,570	540,293
Purchasing	290,595	313,057	259,619	234,040
Information Technology	1,231,146	1,348,060	1,169,310	1,420,165
<b>Management Services Directorate Total</b>	<b>3,447,738</b>	<b>3,798,697</b>	<b>3,611,839</b>	<b>3,778,048</b>

CATEGORY	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Personnel Services	2,176,279	2,433,219	2,295,289	2,402,718
Supplies	214,747	352,459	299,500	104,750
Repair & Maintenance	25,791	29,089	25,500	24,780
Services & Charges	1,030,921	983,930	991,550	1,145,800
Special Programs & Events	0	0	0	0
Capital Outlay	0	0	0	100,000
Transfers	0	0	0	0
Payment to TIRZ's	0	0	0	0
<b>Management Services Directorate Total</b>	<b>3,447,738</b>	<b>3,798,697</b>	<b>3,611,839</b>	<b>3,778,048</b>

### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase of \$107,000 includes (1) decrease in personnel within the Budget Office (\$22,000); and (2) addition of an IT Director within IT (\$132,000).
- Supplies - Decrease of \$200,000 includes (1) one time purchases in FY2010 of Executime software, computer software for Municipal Courts, and Procurement Card software (\$110,000); and (2) decrease in number of replacement computers (\$82,000).
- Services and charges - Increase of \$154,000 includes (1) an increase in auditing and tax collection services (10,000); an increase in Galveston County Appraisal District Fees (50,000); an increase in software maintenance fees (99,000)
- Capital Outlay - Increase of \$100,000 includes fund for Server Consolidation which will decrease the cost of replacement computers in the future.

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**BUDGET OFFICE  
MANAGEMENT SERVICES DIRECTORATE****MISSION STATEMENT**

To provide fiscal control and guidance for all financial transactions of the city while complying with applicable local, state and federal regulations.

**ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Developed the first Long Range Financial Plan for the city.
- Developed a Five Year Capital Improvement Plan for both the General and Utility Funds.
- Developed a performance-based budget that can be used to allocate resources according to measurable performance outcomes.
- Obtained the Government Finance Officers Association’s Distinguished Budget Presentation Award for the 3rd consecutive year.
- Obtained the Texas Comptroller’s Leadership Circle Award “Gold” Designation.
- Obtained the Government Treasurers’ Organization of Texas Certification of Investment Policy for the 2 year period ending December 31, 2011.

**PRIORITIES AND GOALS FOR 2011**

- Develop performance reporting for operations and capital projects that provides for accountability by departments in achieving budgeted goals and project milestones.
- Meet changing professional standards so as to receive the Government Finance Officers Association Distinguished Budget Award for FY 2011.
- Generate, store and make available all reports and financial plans in electronic form.
- Review the City’s procedures and its system of internal controls to preserve and protect resources and identify means of improving those controls revising procedures as required.
- Systematically review cash investments to ensure reasonable revenue gains within the City’s Investment Policy.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>BUDGET OFFICE</u></b>				
Personnel Services	370,077	396,478	390,070	367,570
Supplies	11,510	5,500	5,000	3,250
Services & Charges	30,031	41,635	41,300	38,920
<b>TOTAL</b>	<b>411,618</b>	<b>443,613</b>	<b>436,370</b>	<b>409,740</b>

<b>POSITIONS</b>	4.0	4.0	3.5	3.5
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**HIGHLIGHTS (FY Adopted 2011 Over/Under FY 2010 Estimated)**

- Personnel Services - Decrease due to the net effect of the Budget/Investment Officer Position becoming part-time, the Executive Secretary Position being eliminated and hiring one new Budget Analyst Position.
- Other minor decreases can be attributed to the removal of the Hotel/Motel consultant fees with MBIA, decrease in computer equipment purchases that were one time items in FY 2010 and a decrease in training and travel.

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Department and Funds Budgets Reviewed	56	54	54	55
Percent of General Fund Revenue Over/(Under) Adopted Budget	19.0%	0.7%	1.1%	1.0%
Percent of General Fund Expenditures (Over)/Under Adopted Budget	6.7%	1.8%	2.3%	1.0%
Received GFOA Budget Award	Yes	Yes	Yes	Yes
Completed a 5 Year CIP	No	No	Yes	Yes
Completed a Long Range Financial Forecast	No	No	Yes	Yes

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## **ACCOUNTING MANAGEMENT SERVICES DIRECTORATE**

### **MISSION STATEMENT**

To maximize the use of financial resources by creating a more efficient system to facilitate the transactions involving the collection, disbursement, and reporting of City funds; and to maintain an efficient system of billing and collecting of City funds.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Receipt of the Certificate of Achievement for Excellence in Financial Reporting for the 27<sup>th</sup> consecutive year.
- Implementation of a time and attendance software to facilitate hours entry for all employees.
- Implementation of electronic file processing for child support payments.
- Receipt of the Texas Comptroller Leadership Circle Award for financial transparency on the City's website.
- Developed a procedure and documents for dissolution of TIRZ #1.

### **PRIORITIES AND GOALS FOR 2011**

- Provide an annual financial report that fully discloses the City's financial condition and contains an unqualified audit opinion.
- Meet changing professional standards so as to receive the Governmental Finance Officer's Association award for the Comprehensive Annual Financial Report.
- Implement automated vendor payments and explore capability to receive electronic payments for accounts receivable invoices.
- Review the City's procedures and its system of internal controls to preserve and protect resources and identify means of improving those controls and revising procedures as required.
- Improve training for employees, including cross training in multiple jobs, and encouraging and supporting them in achieving additional education and certifications.
- Continuing review of property tax rebate agreements with 9 MUDs, 3 TIRZs, and 3 PIDs.

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b>ACCOUNTING</b>				
Personnel Services	640,173	698,985	681,370	692,230
Supplies	9,431	50,510	60,000	8,000
Repair & Maintenance	0	0	0	420
Services & Charges	377,572	400,863	414,600	473,160
<b>TOTAL</b>	<b>1,027,176</b>	<b>1,150,358</b>	<b>1,155,970</b>	<b>1,173,810</b>

<b>POSITIONS</b>	10.0	10.0	9.5	9.5
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### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase of \$10,860 is due to the net effect of reclassifying a cashier position to an accountant position and moving 50% of one cashier position to Utility Billing in FY2011.
- Supplies - Decrease of \$52,000 due to a one time purchase of the Executime time entry software.
- Services & Charges - Increase of \$58,500 due to the increased charges in Banking Fees and the increased cost of the Contract with Galveston County for the collection of taxes and the Galveston County Appraisal District.

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Receive unqualified audit opinion	Yes	Yes	Yes	Yes
Receive GFOA CAFR award	Yes	Yes	Yes	Yes
Number of accounts payable checks	9,544	8,406	7,106	5,906
Number of checks as percent of total vendor payments	98.8%	98.1%	97.3%	96.1%
Number of vendor payments sent electronically	112	155	198	238
Number of electronic pymts as % of total payments	1.20%	1.80%	2.70%	3.90%
Number of payroll checks issued per payroll	290	203	139	100
Number of direct dep checks issued per payroll	355	373	404	450
Number of payroll checks issued as % of total employees	62%	42%	28%	23%
Amount of Portfolio (Millions)	\$103	\$129	\$130	\$115
Amount of Interest (Thousands)	\$2,657	\$833	\$352	\$300
Average Return	2.6%	0.6%	0.3%	0.3%
Benchmark (Average 3 Mo T Bill)	2.1%	0.2%	0.1%	0.2%
Weighted Average Maturity (Days)	1.02	54.46	21.10	40.00
Received GTOT Investment Policy Award	Yes	Yes	Yes	Yes

## **MUNICIPAL COURT MANAGEMENT SERVICES DIRECTORATE**

### **MISSION STATEMENT**

To provide The City of League City with an expeditious, equitable, and impartial court system which will administer the laws that govern its citizens while adhering to the established philosophies of integrity and justice in order to preserve the high quality of life by ensuring compliance with city ordinances, penal and traffic laws.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Court staff completed the Court Clerks continuing education provided by the Texas Municipal Courts Education Center.
- Implementation and conversion of Municipal Court software.
- Implementation of online payments.

### **PRIORITIES AND GOALS FOR 2011**

- Explore and maximize the use of technology in the Municipal Court to benefit the residents.
- Improve training for employees, including cross training in multiple jobs, and encouraging and supporting them in achieving additional education and certifications.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>MUNICIPAL COURT</u></b>				
Personnel Services	464,870	510,369	510,070	512,463
Supplies	7,705	13,550	60,000	11,500
Repairs & Maintenance	135	750	500	750
Services & Charges	14,493	18,940	20,000	15,580
<b>TOTAL</b>	<b>487,203</b>	<b>543,609</b>	<b>590,570</b>	<b>540,293</b>
<b>POSITIONS</b>	8.0	8.0	8.0	8.0

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase due to filling positions in FY2011 that were vacant in FY 2010. (\$2,300)
- Supplies - Decrease due to one time computer and software purchases for new Municipal Court system in FY 2010 (\$48,500).
- Services & Charges - Decrease in juror fees due to pre-trial hearings that decreased the number of Jury Trials (\$4,400).

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Violations filed	13,896	13,874	15,000	16,000
Disposed violations	14,387	13,003	14,900	16,000
Warrants issued	6,097	9,576	5,600	6,000
Warrants cleared	8,750	10,511	8,100	10,000
Outstanding warrants at year end	10,658	10,370	10,500	8,500

## **PURCHASING MANAGEMENT SERVICES DIRECTORATE**

### **MISSION STATEMENT**

To procure goods and services that provide the best value to the City of League City within legal guidelines established by the City Council and the State of Texas.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Revised the HTE manual and had training for all departments on purchasing policies and procedures.
- Recognized by the State of Texas, Comptroller’s Office by receiving a “Best Practices” award for the growth of the City’s Procurement Card Program.
- Increased vendor responses to sealed bids and quotes by maintaining a Vendor Data Base for competitive bids and quotes.

### **PRIORITIES AND GOALS FOR 2011**

- Continue to establish training for City employees on Purchasing Policies and Procedures.
- Development of Contract Management Program.
- Implementation of the Procurement Card Tracking Module.
- Management of the Procurement Card Program to assure expanded use and growth of the annual rebate.
- Continue to open communication with vendors to increase responses to competitive bidding and requests for proposal.
- Apply for Achievement of National Purchasing Institute’s “Excellence in Procurement Award”.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>PURCHASING</u></b>				
Personnel Services	267,061	275,794	232,619	213,840
Supplies	8,712	21,399	16,000	6,000
Services & Charges	14,822	15,864	11,000	14,200
<b>TOTAL</b>	<b>290,595</b>	<b>313,057</b>	<b>259,619</b>	<b>234,040</b>

<b>POSITIONS</b>	3.0	3.0	3.0	3.0
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**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Decrease due to reclassifying a Director position to a Purchasing Manager position. (\$18,000).
- Supplies - Decrease due to a one time expenditure of the Procurement Card Software (\$10,000).
- Services & Charges - Increase due to an increase in advertising cost resulting from increased bidding activity (\$3,200).

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Number of Purchase Orders Issued	2,232	2,306	2,400	2,520
Purchase Orders Issued (Millions)	\$34.9	\$23.5	\$24.2	\$25.4
Request for Qualifications	1	5	2	2
Request for Proposals	8	6	5	4
Sealed Bids	22	18	19	21
Number of Procurement Card Transactions	2,734	8,085	8,700	9,100
Procurement Card Transactions (Millions)	\$0.6	\$1.4	\$1.6	\$2.0

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## **INFORMATION TECHNOLOGY MANAGEMENT SERVICES DIRECTORATE**

### **MISSION STATEMENT**

To provide timely and efficient systems support to all departments through the maximization of technological capabilities. To provide effective training and standardization of hardware and software components, and provide strategic planning for future systems directions and support.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Upgrade of telephone system to integrate with the Galveston County system. This represents a \$60,000 savings over upgrading our stand alone system.
- Continued replacement of desktop computers to keep up with technology advances.
- Implementation of PC and network device inventory and management and system.
- Significant planning and development work with Galveston County toward the eventual merging of our public safety systems and the inclusion of other area agencies in the planned consortium. The consortium will service 13 area law enforcement agencies.

### **PRIORITIES AND GOALS FOR 2011**

- Implementation of server virtualization and avoiding the cost of replacement of up to 40 servers over the next 5 years.
- Development of IT Governance committee and the development of an Information Technology Strategic Plan.
- Implementation of the planned public safety consortium.
- Continued desktop computer replacement augmented with the proposed desktop virtualization project.
- Continued maintenance, repair and monitoring of ancillary equipment and systems used throughout the city.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>INFORMATION TECHNOLOGY</u></b>				
Personnel Services	434,097	551,593	481,160	616,615
Supplies	177,388	261,500	158,500	76,000
Repair & Maintenance	25,656	28,339	25,000	23,610
Services & Charges	594,005	506,628	504,650	603,940
Capital Outlay	0	0	0	100,000
<b>TOTAL</b>	<b>1,231,146</b>	<b>1,348,060</b>	<b>1,169,310</b>	<b>1,420,165</b>
<b>POSITIONS</b>	7.0	7.0	7.0	7.0

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase due to the addition of an IT Director (\$135,000).
- Supplies - Decrease due to a decrease in the number of replacement computers for FY 2011.
- Services & Charges - Increase due to an increase in software license fees for software purchased in FY 2010 and for an increase in the Microsoft Licensing.
- Capital Outlay - Increase includes the funds for Server Consolidation. This will decrease the cost of replacement computers in the future.

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Documented Work Orders per Technician	543	605	1,082	1,082
Workstations per technician	44	48	50	50
Servers	32	35	40	40
Workstations	350 (est)	380	400	400

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**PLANNING AND RESEARCH DIRECTORATE**



## FY 2011 ADOPTED BUDGET PLANNING & RESEARCH DIRECTORATE

DIRECTORATE	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Emergency Management Planning	415,121 1,124,915	345,418 1,567,521	261,020 1,421,790	321,815 1,109,528
<b>Planning and Research Directorate Total</b>	<b>1,540,036</b>	<b>1,912,939</b>	<b>1,682,810</b>	<b>1,431,343</b>

CATEGORY	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Personnel Services	1,116,419	1,329,647	1,206,210	1,276,188
Supplies	43,432	32,960	31,400	16,350
Repair & Maintenance	50,735	20,024	18,200	15,680
Services & Charges	329,364	530,108	426,800	122,925
Special Programs & Events	86	200	200	200
<b>Planning and Research Directorate Total</b>	<b>1,540,036</b>	<b>1,912,939</b>	<b>1,682,810</b>	<b>1,431,343</b>

### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase of \$70,000 due to (1) moving the grant writer from Economic Development to Emergency Management (\$61,400) and (2) addition of a Comprehensive Plan Specialist to the Planning Department (\$8,600).
- Supplies - Decrease of \$15,000 due to one time purchases of computers and office furniture.
- Services & Charges - Decrease of \$300,000 due to the removal of the Comprehensive and Main Street Master Plan; a full-time employee was hired to accomplish this task.

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## **EMERGENCY MANAGEMENT PLANNING AND RESEARCH DIRECTORATE**

### **MISSION STATEMENT**

The mission of the League City Office of Emergency Management is to maintain the highest possible level of preparedness to protect the lives and property of our citizens before, during and after a natural or manmade disaster. League City Office of Emergency Management works with area emergency responders, public and private agencies, business communities and volunteer organizations to meet this mission.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Trained Finance and Grant staff for Emergency Management roles
- Secured nearly \$400,000 in FEMA grant funding to install protective window film on most City buildings and generators at all public safety buildings
- Conducted successful Hurricane Preparedness Workshop with 160 residents
- Emergency Management received \$57,000 in Homeland Security Grant funds
- Emergency Management Volunteers logged over 700 hours of service providing assistance to emergency personnel during the year
- Completed public education/information:
  - o H1N1 information dissemination
  - o Winter weather awareness campaign
  - o Hurricane Preparedness Workshop
  - o Development of ReadyLC emergency preparedness website
- Successful completion of Hurricane Ike Project Worksheets (PWs) resulting in the City receiving over \$6M in reimbursements from FEMA (approximately 86% of uninsured damages and employee overtime)
- Hosted an 'Emergency Planning and Special Needs Population' class
- Participated in tabletop and functional exercises with Harris and Galveston Counties
- Reviewed and updated Annexes I, M, N and V of the Emergency Operations Plan
- Completed the City's Local Mitigation Plan, which allows the city to receive FEMA hazard mitigation grant funds

### **PRIORITIES AND GOALS FOR 2011**

- Complete a Continuity of Operations Plan (COOP)
- Create an organized, professional Emergency Management website
- Create a disaster preparedness information center in City Hall or the Library
- Create a hurricane readiness training program for city staff
- Review, update, and submit plans in need of revision

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b><u>EMERGENCY MANAGEMENT</u></b>				
Personnel Services	307,350	287,146	210,420	271,860
Supplies	33,209	15,700	14,200	9,150
Repairs & Maintenance	50,735	20,024	18,200	15,680
Services & Charges	23,741	22,348	18,000	24,925
Special Programs & Events	86	200	200	200
<b>TOTAL</b>	<b>415,121</b>	<b>345,418</b>	<b>261,020</b>	<b>321,815</b>
<b>POSITIONS</b>	3.0	3.0	4.0	4.0

### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Difference due to the vacancy of the Director position in FY 2010 and moving the grant writer from Economic Development to Emergency Management. (\$61,440)
- Supplies - Due to a decrease in books and one time purchases in FY 2010 of computer equipment. (\$5,000)
- Services & Charges - Increase due to the impact weather service subscription. (\$6,900)

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Number of media outlets for disaster-related public educational/information (media, printed materials, etc.)	5	5	7	7
Number of hazard awareness activities delivered to citizens	2	3	4	5
Participation in tabletop and/or functional EM exercises	2	2	2	2
Participation in full scale exercise and/or actual emergency event	1	2	0	1
Number of plans submitted for State approval	0	5	4	4
EM training classes attended by City staff and public officials	26	27	7	10
Organizational Development activities for EM personnel	8	6	6	8

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## **PLANNING PLANNING AND RESEARCH DIRECTORATE**

### **MISSION STATEMENT**

To provide excellent customer service and consistent policy recommendations that guide the physical, economic, and social growth of League City to achieve a better quality of life as established by citizens' vision of the community.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Training for Planning & Zoning Commission (P&Z) and Zoning Board of Adjustments (ZBA) to help educate commissioners.
- Policies and procedures established for P&Z, ZBA and Historic District Commission (HDC).
- Completion of current analysis of Main Street study area.
- Successful Census campaign resulting in 2<sup>nd</sup> highest return rate in Galveston County of 74% (Friendswood had a 76% return rate).
- Assisted with completion of the Trails Concept and Master Plan Revisions.
- Completion of Vesting Study.
- Completed draft revisions to the Sign Ordinance.
- Better utilization of administrative approval for Historic District permits.
- Completed review checklists for development review.
- Updated development review applications and submittal requirements.

### **PRIORITIES AND GOALS FOR 2011**

- To become more customer-oriented and responsive to citizens.
  - o Improve inter-departmental review processes to become more efficient, reduce duplication of efforts, assign accountability, and improve service delivery.
  - o Improve relationships with the public by becoming more informative and solutions-focused.
- To establish and meet the community's long term needs and vision.
  - o Develop and implement long range plans, codes, projects, and programs that facilitate long-term, sustainable development.
  - o Establish the Planning Department as a resource and technical assistance center for leadership, the general public, and for business.
  - o Inform and educate property and business owners on the benefits of low impact design.
- To actively support performance management in government.
  - o Translate Organizational Values and the overall community vision into anticipated results.
  - o Coordinate with government leadership to establish an ongoing performance management system.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>PLANNING DEPARTMENT</u></b>				
Personnel Services	809,069	1,042,501	995,790	1,004,328
Supplies	10,223	17,260	17,200	7,200
Services & Charges	305,623	507,760	408,800	98,000
<b>TOTAL</b>	<b>1,124,915</b>	<b>1,567,521</b>	<b>1,421,790</b>	<b>1,109,528</b>

<b>POSITIONS</b>	12.0	12.0	13.0	13.0
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**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

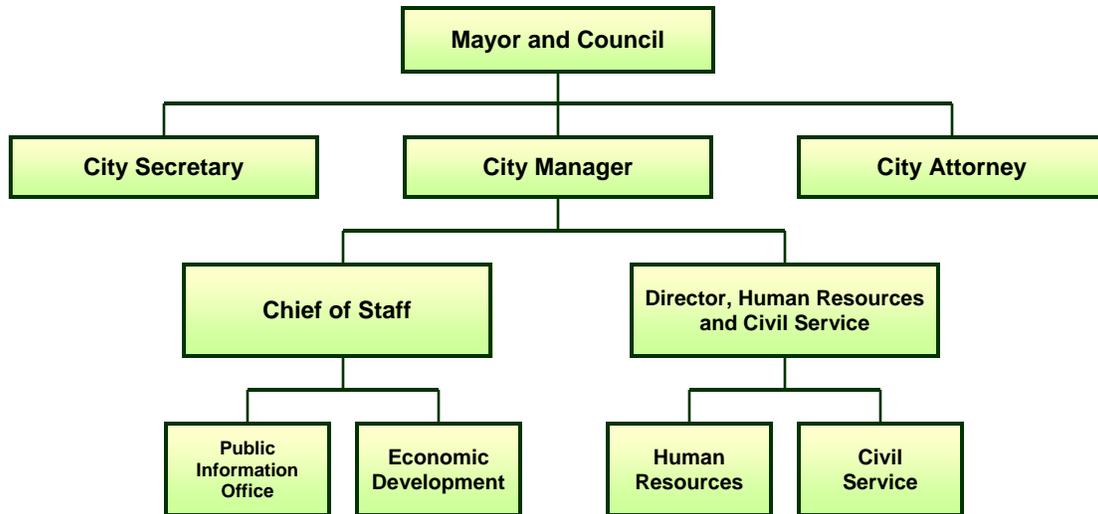
- Personnel Services - Changes include the addition of the Comprehensive Plan Specialist. (\$8,500)
- Supplies - Decrease due to one time purchases of computers and office furniture. (\$10,000)
- Services and Charges - Decrease due to dividing the Amegy Building lease among department's that utilize space instead of the entire lease expensed in the Planning department's budget. (\$310,000)

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Average number of submittals per plat, site plan or infrastructure plan	Untracked	Untracked	2.4	2.0
% of Customer Satisfaction Surveys with favorable results.	Untracked	Untracked	Untracked	60%
Number of residential and commercial properties requesting irrigation permits.	468	310	290	290

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**ADMINISTRATION DIRECTORATE**



## FY 2011 ADOPTED BUDGET ADMINISTRATION DIRECTORATE

DIRECTORATE	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
City Manager	842,947	730,263	659,643	672,310
City Secretary	363,911	387,334	347,590	377,110
City Attorney	464,526	550,000	465,000	465,000
Mayor and Council	176,338	221,691	191,216	188,150
Economic Development	394,590	417,237	398,850	258,730
Human Resources	798,137	1,045,241	1,062,570	1,015,860
Civil Service	100,968	64,985	77,930	73,600
<b>Administration Directorate Total</b>	<b>3,141,417</b>	<b>3,416,751</b>	<b>3,202,799</b>	<b>3,050,760</b>

CATEGORY	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Personnel Services	1,697,026	1,599,250	1,535,799	1,742,090
Supplies	73,457	57,077	49,900	43,640
Repair & Maintenance	0	7,500	4,000	1,000
Services & Charges	1,274,531	1,654,324	1,527,700	1,146,330
Special Programs & Events	96,403	98,600	85,400	117,700
<b>Administration Directorate Total</b>	<b>3,141,417</b>	<b>3,416,751</b>	<b>3,202,799</b>	<b>3,050,760</b>

### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase of \$206,000 due to filling position in FY2011 that were vacant in FY2010.
- Supplies - Decrease of \$6,000 due to one time purchases of computers and office furniture.
- Repair & Maintenance - Decrease of \$3,000 includes reduction in the need for equipment repair and maintenance.
- Services & Charges - Decrease of \$381,000 includes (1) positions moving from contract to permanent position within the City Manager's budget (\$186,000); (2) one time marketing plan (\$85,000); and (3) movement of the compensation and classification study from Human Resources to Non-Departmental (\$110,000).
- Special Programs & Events - Increase of \$32,300 due to implementation of training programs in FY2011.

**CITY MANAGER  
ADMINISTRATION DIRECTORATE****MISSION STATEMENT**

To provide support and direction to staff; evaluate and ensure smooth, efficient and effective delivery of City services; to assist the City Council in establishing a vision for the City; and to improve communications between the City and community.

**ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Began instituting a performance-based management process, including development of a five-year capital improvement plan, long-range financial forecast, and performance measures.
- Reorganized municipal functions to improve management accountability and effectiveness as well as service quality.
- Recruited and initiated development of a highly professional management team.

**PRIORITIES AND GOALS FOR 2011**

- Expand use of performance measurement and management to emphasize customer service, including institution of citizen surveys, pay for performance, and a continuous process of improvements through benchmarking with ICMA project.
- Promote trust and accountability through improved community and media relations.
- Develop strategic economic development vision and implementation plan, coordinating among various stakeholders to maximize effectiveness of all available resources.
- Improve stewardship of public resources through formalization of business processes, including contract management.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>CITY MANAGER</u></b>				
Personnel Services	681,265	374,254	374,043	577,290
Supplies	8,022	11,610	11,500	7,590
Repair & Maintenance	0	1,500	0	0
Services & Charges	151,702	340,399	274,000	87,330
Special Programs & Events	1,958	2,500	100	100
<b>TOTAL</b>	<b>842,947</b>	<b>730,263</b>	<b>659,643</b>	<b>672,310</b>
<b>POSITIONS</b>	7.0	6.0	5.0	5.0

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase due to filling positions in FY2010 that were vacant in FY2011. (\$203,000)
- Supplies - Decrease due to a one time purchase of a computer in FY 2010. (\$3,900)
- Services & Charges - Professional fees decreased with contractors becoming permanent employees; see increase reflected in personnel services. (\$186,670)

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Value of City-initiated news media coverage	n/a	n/a	n/a	\$20,000
Website views	not tracked	474,119	479,471	530,000
Market value of non-residential portion of property tax base (%)	16.2%	16.6%	16.9%	22.0%
Number of businesses receiving technical assistance	n/a	n/a	6	10

## **CITY SECRETARY ADMINISTRATION DIRECTORATE**

### **MISSION STATEMENT**

Provide quality agendas, organized and accurate election processes, timely processing of open records requests, and responsible assistance to the Mayor City Council Members, and the citizens of League City.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Public information requests received and processed in a timely manner.
- Past ordinances, resolutions and minutes scanned for more efficient research.
- Archived hard copy documents stored off-site and destroyed per State of Texas Law Library requirements.
- Brought Mayor and Council Members on-line for agenda software.

### **PRIORITIES AND GOALS FOR 2011**

- Expedite the flow of information to elected officials, City staff and citizens through expanded use of technology.
  - Provide more data/documents on-line for citizens, including campaign finance reports which will be added within 24 hours of receipt.
  - Implement more paperless responses to Public Information Requests.
- Ensure the accuracy, accessibility and security of City records in accordance with local and state laws.
  - Implement a twice yearly shred-document day.
  - Review alternate locations for records storage area other than the water tower.
  - Broaden base of documents stored electronically to include Planning & Zoning Commission and Zoning Board of Adjustments.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>CITY SECRETARY</u></b>				
Personnel Services	299,883	300,284	275,590	298,110
Supplies	29,262	21,450	20,000	20,000
Repair & Maintenance	0	6,000	4,000	1,000
Services & Charges	34,766	59,600	48,000	58,000
<b>TOTAL</b>	<b>363,911</b>	<b>387,334</b>	<b>347,590</b>	<b>377,110</b>

<b>POSITIONS</b>	4.0	4.0	4.0	4.0
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**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase due to anticipated payment to election officials. (\$22,500)
- Services & Charges - Increase due to an increase in election expenses. (\$10,000)

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Agenda Items Processed	630	790	626	685
Public Meetings	44	54	52	50
Records Requested External	459	496	556	505
Ordinances Adopted	45	50	49	48
Resolutions Adopted	44	43	49	45

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## **CITY ATTORNEY ADMINISTRATION DIRECTORATE**

### **MISSION STATEMENT**

To provide legal advice to the City Council, the City Manager and staff; to represent the City in all legal matters, and to oversee legal matters being handled by outside law firms assigned through the Texas Municipal League (TML).

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Provided proper legal advice to administration and staff.
- Identified and revised ordinances, contracts, documents, policies, practices and procedures that expose the City to potential liability.
- Provided best possible representation during litigation.
- Provided support to staff with regard to public information requests, contract and agreement review, council meeting agenda item preparation and any other requests.
- Prepared ordinances for Special Election on May 8, 2010 for the Charter amendment propositions including wording for each specific proposition, the City Matters publication and other documents as needed.
- Prepared/reviewed contracts and interlocal agreements for specific City projects and acquisitions.
- Provided legal advice to City Manager and elected officials upon request concerning policy issues.
- Reviewed and revised the City's Code of Ordinances regarding City Manager.

### **PRIORITIES AND GOALS FOR 2011**

- Provide legal advice and direction to administration and staff.
- Provide legal representation at all regular meetings of City Council and as needed at meetings for the Planning & Zoning Commission, Zoning Board of Adjustment, or other boards.
- Provide each department quality, efficient and cost-effective legal services.
- Coordinate with outside counsel on multiple property acquisitions associated with various City projects.
- Review and revise the City's Code of Ordinances regarding City Manager.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>CITY ATTORNEY</u></b>				
Services & Charges	464,526	550,000	465,000	465,000
<b>TOTAL</b>	<b>464,526</b>	<b>550,000</b>	<b>465,000</b>	<b>465,000</b>

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- The City Attorney budget reflects no changes.

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Agenda items processed	630	790	626	685
Public Meetings	44	54	52	50
Records requested external	459	496	556	505
Ordinances adopted	45	50	49	48
Resolutions reviewed	44	43	49	45

**MAYOR AND COUNCIL  
ADMINISTRATION DIRECTORATE****MISSION STATEMENT**

To serve the citizens of League City; to provide direction to the City Manager and staff to achieve service level objectives, sets long-range vision of the City by adopting goals, objectives and strategies.

**ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Changed the form of Government from a Mayor-Council form of government to a City Manager form of government.
- Provided direction to the City Administrator and staff through adoption of policies.
- Received annual budget, reviewed through a series of workshops and public hearings, and adopted the final version per charter requirements.
- Attended annual retreat and reviewed departmental goals and objectives, capital improvement plan (CIP) projects, and strategic planning objectives.

**PRIORITIES AND GOALS FOR 2011**

- Provide direction to the City Manager and staff through adoption of City policies.
- Receive the long range financial forecast, annual budget and five-year CIP as filed by the City Manager, review through workshops and public hearings and adopt final version per Charter requirements.
- Attend annual retreat to review strategic and operational projects for the following fiscal year to assist in meeting the goals and service levels desired by the City.
- Review quarterly financial performance reports to assist in meeting goals and service levels identified by City Council.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>MAYOR AND COUNCIL</u></b>				
Personnel Services	6,734	6,699	6,616	6,700
Supplies	11,945	4,462	4,500	6,750
Services & Charges	137,381	181,430	151,000	145,600
Special Programs & Events	20,278	29,100	29,100	29,100
<b>TOTAL</b>	<b>176,338</b>	<b>221,691</b>	<b>191,216</b>	<b>188,150</b>
<b>POSITIONS</b>	8.0	8.0	8.0	8.0

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Supplies - Increase due to replacing computers for Mayor and Council positions Nos. 1 and 2. (\$2,250)
- Services & Charges - Decrease due to the training and travel and contingency accounts decreasing. (\$5,400)

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Total operating budget in millions	\$75.6	\$80.0	\$87.0	\$91.7
Population	68,000	71,530	73,960	76,470
Cost per Capita	\$1,103	\$1,118	\$1,176	\$1,199

**ECONOMIC DEVELOPMENT  
ADMINISTRATION DIRECTORATE****MISSION STATEMENT**

To improve the quality of life and economic well being for League City citizens by diversifying and expanding the tax base and creating and retaining jobs.

**PRIORITIES AND GOALS FOR 2011**

Refer to the City Manager's budget for priorities and goals.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>ECONOMIC DEVELOPMENT</u></b>				
Personnel Services	227,525	255,606	262,350	208,530
Supplies	1,566	1,705	1,500	1,500
Services & Charges	165,499	159,926	135,000	48,700
<b>TOTAL</b>	<b>394,590</b>	<b>417,237</b>	<b>398,850</b>	<b>258,730</b>
<b>POSITIONS</b>	3.0	3.0	3.0	2.0

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Decrease due to reorganization of the department and elimination of one position. (\$53,800)
- Services & Charges - Decrease due to a one-time marketing plan. (\$86,300)

**PERFORMANCE INDICATORS**

Refer to City Manager's budget for performance indicators.

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## **HUMAN RESOURCES ADMINISTRATION DIRECTORATE**

### **MISSION STATEMENT**

As a strategic partner within League City leadership, we develop and deliver innovative human resource programs and services designed to support the mission of the City and its organizational values. Our core services and competencies include, but are not limited to, recruitment and staffing, employee relations, organizational and employee development, risk management, compensation and benefits administration, HR information management, and regulatory compliance.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Department began steps towards redesign to reflect a strategic business partner structure with HR professionals providing single-point-of-contact total HR consultation and customer service with City Directorates.
- Provided consultation with Land Management/City Manager's departments regarding recruitment and selection process for Economic Development Manager role.

### **PRIORITIES AND GOALS FOR 2011**

- Conduct City-wide total compensation, benefits and classification study to 1) evaluate all methods in which work is compensated in the City and match this with the City's overall compensation and benefits philosophy and human capital strategy, 2) create a compensation structure that is market-driven and promotes accountability and pay for performance initiatives, 3) ensure jobs are appropriately classified and slotted to promote internal equity.
- Review, update and redesign City's Personnel Policies, and develop Employee Handbook.
- Provide City-wide staff training regarding performance management, harassment prevention, supervisory development and cultural transformation that directly supports the City's organizational values.
- Continue implementation of CareerNavigator as a tool used in the performance management process.
- Implement applicant tracking system and performance/position management software packages that were purchased in previous years but not utilized.
- Implement employee safety incentive program.
- Continue implementation of department process improvement program, utilizing Six Sigma principles and best practices, including Five S workplace optimization, and Kaizen process improvement exercises.
- Investigate full usage capabilities of HRIS software package already purchased and begin thoughtful implementation of functionality that will improve customer service, provide increased turnaround time, and allow for greater access to data and self-service by business partners and employees.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>HUMAN RESOURCES</u></b>				
Personnel Services	481,344	660,582	615,370	651,460
Supplies	19,764	14,350	12,300	7,700
Services & Charges	222,862	303,309	378,700	268,200
Special Programs & Events	74,167	67,000	56,200	88,500
<b>TOTAL</b>	<b>798,137</b>	<b>1,045,241</b>	<b>1,062,570</b>	<b>1,015,860</b>

<b>POSITIONS</b>	8.0	8.0	8.0	8.0
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**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase due to the reclassification of the Human Resources Manager to Human Resources Director and the reclassification a Human Resources Representative to a Human Resources Manager position. (\$36,090)
- Supplies - Decrease due to one-time purchases of office furniture and computers in FY 2010. (\$4,600)
- Services & Charges - Decrease due to the one time spending in FY2010 on study to evaluate manager skills. (\$110,500)
- Special programs & Events - Increase due to the lack of implemented training programs in FY2010 caused by turnover within the department. These programs will be implemented in FY2011. (\$32,300)

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Total number of new hires	128	133	140	145
Total number of termination	124	97	130	135
Turnover rate	12%	8%	7%	6%
Total number of work related injuries	55	35	30	35
Performance evaluations completed	466	476	490	510

## **CIVIL SERVICE ADMINISTRATION DIRECTORATE**

### **MISSION STATEMENT**

The City of League City Civil Service Commission will adhere to the City Charter, the City's Code of Ethics, and will endeavor to certify the best qualified candidates for employment and promotions that represent the diversity of the community we serve. The Civil Service Commission is responsible for administering the testing process for entry-level and promotional positions within the League City Public Safety Departments, as well as, handling policy administration, and hearing disciplinary appeals of its members.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

In Fiscal Year 2010, the Civil Service Commission in partnership with the League City Human Resources Department successfully held an entry-level examination with 400 police officer applicants, creating a list of 139 candidates that will be considered for available positions within the Police Department. In addition, we also concluded litigation regarding two outstanding disciplinary appeals.

### **PRIORITIES AND GOALS FOR 2011**

- Conducting entry-level police officer examinations for all open positions.
- Developing and conducting advancement tests and assessment centers, as necessary and needed.
- Appropriately handling any litigation per the Texas Local Government Code, Chapter 143.
- Reviewing and updating the Civil Service Local Rules for the City for League City.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>CIVIL SERVICE</u></b>				
Personnel Services	275	1,825	1,830	0
Supplies	2,898	3,500	100	100
Services & Charges	97,795	59,660	76,000	73,500
<b>TOTAL</b>	<b>100,968</b>	<b>64,985</b>	<b>77,930</b>	<b>73,600</b>

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Decrease of \$1,800 due to the overtime charges associated with Civil Service being moved to the Human Resources department.
- Services & Charges - Decrease of \$2,500 due to an unusually large number of arbitrations/lawsuits in FY 2010 that are not anticipated in FY2011.

**PERFORMANCE INDICATORS**

<b>INDICATORS</b>	<b>FY 2008 ACTUAL</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Civil Service Test	3	2	2	2
Civil Service Applications	435	716	137	429

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b><u>NON-DEPARTMENTAL</u></b>				
Personnel Services	790,197	(210,141)	293,600	642,309
Supplies	3,309,559	0	10,000	1,500
Repairs & Maintenance	45,763	1,750	3,000	37,460
Services & Charges	557,139	648,266	452,000	1,271,659
Special Programs & Events	4,838	7,150	7,100	7,150
Payment to TIRZ's	1,765,148	1,697,403	1,999,500	1,374,600
Transfers To Other Funds	1,876,538	500,000	500,000	644,800
<b>TOTAL</b>	<b>8,349,182</b>	<b>2,644,428</b>	<b>3,265,200</b>	<b>3,979,478</b>

### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Increase due to anticipated health insurance rate increase of 10% effective 1/1/11 (\$250,000) and a pool for Civilian performance pay increase for 6 months (\$140,000).
- Supplies - Decrease due to one time Hurricane Ike expenditures that took place in FY 2010.
- Services and Charges - Increase of \$820,000 includes Drainage Capital Recovery Fee Study (\$40,000), performance measurement system training and implementation assistance from ICMA (\$35,000), citizens survey (\$10,000), General Fund share of citywide classification and salary study (\$80,000), regional transit site (\$50,000), increase in liability insurance (\$36,000), upgrade to shared administration copier (\$25,000), funding for Butler Museum transferred to Non-Departmental for FY 2011 (\$50,000) and Contingency (\$500,000).
- Payment to TIRZ's - Includes payments to TIRZ#2 (Saddle Creek) and #3 (Centerpointe). No planned tax increment payment to Magnolia Creek TIRZ that is assumed to have been dissolved.
- Transfers to Other Funds - Includes \$644,800 proposed transfer to Debt Service Fund as FY 2011 maintenance and operations increment that would have gone to Magnolia Creek TIRZ #1; transfer amount anticipates need in Debt Service Fund to help support issuance of \$30.5 million bonds in FY 2012 for new police station. Also, transfer to Capital Projects is not a part of this Proposed Budget but is instead proposed to be handled through the CIP and direct appropriation of General Fund Balance to support the CIP. (See "Expenditure Overview" section for description of \$2.12 million in proposed CIP projects.)

**FY 2011 ADOPTED BUDGET  
UTILITY FUND SUMMARY**

**OVERVIEW**

The Utility Fund is an enterprise fund that provides funding for water and wastewater operations and system improvements. Its primary source of income is water and wastewater fees paid by water system customers most of whom are residential. The FY 2011 Adopted Budget for the Utility Fund is based on the current water and wastewater rate schedule, providing funds to meet the growing needs of the City.

**FY 2011 ADOPTED BUDGET  
UTILITY FUND**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>BEGINNING FUND BALANCE</b>	<b>10,749,798</b>	<b>14,154,704</b>	<b>16,274,656</b>	<b>15,626,927</b>
REVENUES	27,799,240	25,918,660	25,256,200	26,051,000
EXPENDITURES	22,274,382	25,634,557	25,903,929	27,851,489
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>5,524,859</b>	<b>284,103</b>	<b>(647,729)</b>	<b>(1,800,489)</b>
<b>ENDING FUND BALANCE</b>	<b>16,274,656</b>	<b>14,438,807</b>	<b>15,626,927</b>	<b>13,826,438</b>
<b>DAYS OF WORKING CAPITAL</b>	<b>266.7</b>	<b>205.6</b>	<b>220.2</b>	<b>181.2</b>

**FINANCIAL OUTLOOK**

The Utility Fund is the healthiest city fund, with a projected ending balance as of September 30, 2011 of \$13.8 million which is equal to 181.2 days of working capital. This is \$4.71 million more than the policy standard of 120 days of working capital. The FY 2011 Adopted Budget will draw that balance down by \$1.8 million if adopted. The combined effect of the Adopted Capital Improvement Plan and the Adopted Budget would be to draw that balance judiciously over the next few years so as to make necessary system improvements within existing rates.

Water revenues are based on approximately 2.7% growth in water customers and a normal year for weather. More detailed information on the water revenue estimate is provided in the "Revenue Overview" section of the Adopted Budget. Utility Fund supported debt is paid through the Utility Fund itself. The FY 2011 Adopted Budget includes \$1.1 million to pay debt service on \$13 million in new bonds to be issued in FY 2011 that will fund the following projects:

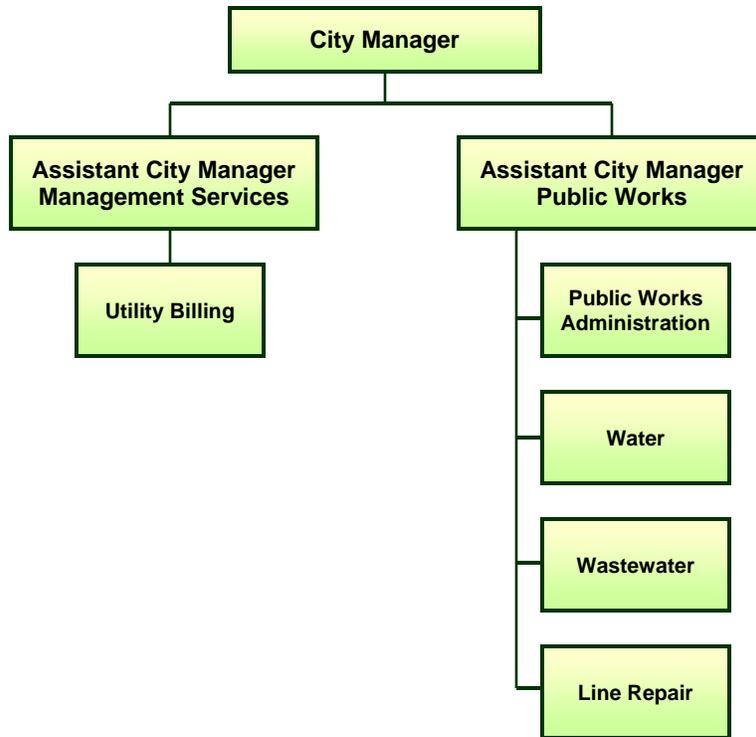
- North Side Water Booster Station - \$576,335;
- South Shore Harbour Pump Station - \$2.25 million;
- State Hwy 3 Pump Station - \$5.29 million;
- Raise West Side Elevated - \$2.5 million;
- New East Side Elevated #1 - \$325,000; and
- Water Meter Replacement Program - \$2 million.

**FY 2011 ADOPTED BUDGET  
UTILITY FUND REVENUE DETAIL**

REVENUE CATEGORY		FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b>Charges for Service</b>					
541-00-00	Water Sales	15,121,646	14,312,368	13,400,000	13,895,000
542-00-00	Wastewater Sales	11,020,291	10,495,632	10,700,000	11,052,000
543-01-00	Tap Fees	354,700	310,000	360,000	360,000
543-02-00	New Connection Fees	67,309	65,000	65,000	65,000
543-03-00	Reconnection Fees	54,245	45,000	50,000	50,000
544-00-00	Late Fees	376,654	362,020	325,000	325,000
	<b>Charges for Service Subtotal</b>	<b>26,994,845</b>	<b>25,590,020</b>	<b>24,900,000</b>	<b>25,747,000</b>
<b>Other Revenues</b>					
545-01-00	Meter Sales	195,131	130,000	210,000	200,000
545-02-00	Water Well Permits	75	50	100	100
545-04-00	Reimbursement for Services	12,248	5,300	2,400	5,000
545-05-00	Miscellaneous Income	15,795	11,650	12,500	12,500
	<b>Other Revenues Subtotal</b>	<b>223,249</b>	<b>147,000</b>	<b>225,000</b>	<b>217,600</b>
<b>Interest Income</b>					
555-00-00	Interest Income	82,018	25,700	16,000	16,000
555-05-05	Interest Income Investments	20,925	0	9,000	1,000
555-05-80	Interest Income TxPool Reserv	2,344	5,000	600	4,000
555-09-00	Interest Income TxStar	58,338	94,000	8,500	8,500
	<b>Interest Income Subtotal</b>	<b>163,625</b>	<b>124,700</b>	<b>34,100</b>	<b>29,500</b>
<b>Miscellaneous</b>					
425-01-00	Surplus Property Sales	3,726	1,000	4,000	1,000
425-09-00	Proceeds from Lease	54,331	55,940	53,500	55,900
427-47-00	FEMA Reimb - Hurricanes	150,107	0	0	0
429-28-00	Reimbursements	6,507	0	0	0
429-28-40	Reimbursements from Insurance	0	0	29,600	0
557-00-00	Gain/Loss on Asset Disposal	0	0	10,000	0
558-00-00	Gain on Sale of Bonds	14,948	0	0	0
581-24-00	Transfer from CDBG	187,903	0	0	0
	<b>Miscellaneous Subtotal</b>	<b>417,522</b>	<b>56,940</b>	<b>97,100</b>	<b>56,900</b>
	<b>Total Utility Fund Revenue</b>	<b>27,799,241</b>	<b>25,918,660</b>	<b>25,256,200</b>	<b>26,051,000</b>

<b>UTILITY FUND REVENUE SUPPORTED DEBT</b>			
<b>Period Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>
9/30/2011	5,176,840.97	4,027,498.13	9,204,339.10
9/30/2012	5,339,905.32	3,809,404.64	9,149,309.96
9/30/2013	5,355,066.02	3,592,834.32	8,947,900.34
9/30/2014	6,046,428.24	3,371,491.79	9,417,920.03
9/30/2015	5,742,502.55	3,148,945.24	8,891,447.79
9/30/2016	5,421,203.55	2,939,076.70	8,360,280.25
9/30/2017	5,096,203.56	2,737,392.33	7,833,595.89
9/30/2018	4,962,101.36	2,540,604.12	7,502,705.48
9/30/2019	4,822,999.16	2,344,556.48	7,167,555.64
9/30/2020	4,682,999.17	2,150,520.63	6,833,519.80
9/30/2021	4,540,000.00	1,959,142.52	6,499,142.52
9/30/2022	4,390,000.00	1,771,271.27	6,161,271.27
9/30/2023	4,235,000.00	1,587,884.39	5,822,884.39
9/30/2024	4,080,000.00	1,407,796.26	5,487,796.26
9/30/2025	3,920,000.00	1,228,343.13	5,148,343.13
9/30/2026	3,755,000.00	1,048,677.50	4,803,677.50
9/30/2027	3,590,000.00	873,120.00	4,463,120.00
9/30/2028	3,420,000.00	701,500.00	4,121,500.00
9/30/2029	1,910,000.00	568,250.00	2,478,250.00
9/30/2030	1,965,000.00	471,375.00	2,436,375.00
9/30/2031	2,020,000.00	371,750.00	2,391,750.00
9/30/2032	2,080,000.00	269,250.00	2,349,250.00
9/30/2033	2,140,000.00	163,750.00	2,303,750.00
9/30/2034	2,205,000.00	55,125.00	2,260,125.00
<b>Totals</b>	<b>96,896,249.90</b>	<b>43,139,559.45</b>	<b>140,035,809.35</b>

**UTILITY FUND**



**FY 2011 ADOPTED BUDGET  
UTILITY FUND  
EXPENDITURE SUMMARY**

<b>DIRECTORATE</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Public Works Administration	91,467	272,102	151,300	162,750
Water Production	4,120,384	4,844,698	4,726,800	4,834,652
Wastewater	3,323,684	3,554,400	3,915,700	3,759,918
Line Repair	2,535,825	2,992,714	2,917,218	2,926,180
<b>Subtotal PW Directorate</b>	<b>10,071,360</b>	<b>11,663,914</b>	<b>11,711,018</b>	<b>11,683,500</b>
Utility Billing	1,218,163	1,586,390	1,697,700	1,487,830
<b>Subtotal Management Svcs Directorate</b>	<b>1,218,163</b>	<b>1,586,390</b>	<b>1,697,700</b>	<b>1,487,830</b>
Non-Departmental	2,424,870	2,130,642	2,241,600	3,536,005
Debt Service	8,559,989	10,253,611	10,253,611	11,144,154
<b>Fund Total</b>	<b>22,274,382</b>	<b>25,634,557</b>	<b>25,903,929</b>	<b>27,851,489</b>

<b>CATEGORY</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Personnel Services	4,720,991	5,337,025	5,129,218	5,682,192
Supplies	662,492	738,427	926,800	743,928
Repair & Maintenance	1,066,614	1,181,400	1,324,000	1,250,460
Services & Charges	5,007,755	6,071,955	6,129,600	5,913,808
Special Programs & Events	11,977	10,876	12,000	12,000
Capital Outlay	188,895	41,263	128,700	104,947
Transfers To	2,055,669	2,000,000	2,000,000	3,000,000
Fees	1,875	3,000	3,000	3,000
Principal	5,549,763	5,668,564	5,668,564	6,362,699
Interest	3,008,351	4,582,047	4,582,047	4,778,455
<b>Fund Total</b>	<b>22,274,382</b>	<b>25,634,557</b>	<b>25,903,929</b>	<b>27,851,489</b>

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- Personnel Services - Increase of \$518,000 due to (1) addition of Water Maintenance Tech (\$58,000); (2) addition of Wastewater Instrumentation Tech, Pretreatment Tech, and Senior Plant Operator (\$200,000); and (3) annualized cost of FY2010 Performance Pay and vacancies (\$260,000).
- Supplies - Decrease due to one time purchase for 1,500 meter change outs (\$183,000).
- Repair and Maintenance - Decrease due to non-recurring FY2010 items (\$74,000).
- Services and Charges - Decrease due to non-recurring FY2010 items (\$216,000).
- Capital Outlay - Decrease due to the one-time purchase of vehicles & equipment added to the fleet in FY2010 (\$24,000).
- Transfers - Increase of \$1M due to (1) addition of Concrete Crew shared between Line Repair and Streets (\$200,000); (2) to cover portion of Engineering's budget of \$1.38M (\$500,00); (3) see Interfund Transfer Section in the "Revenue Overview" (\$300,000)
- Principal and Interest - Increase of \$890,000 due to FY2011 Debt Service Payments

**PUBLIC WORKS ADMINISTRATION  
PUBLIC WORKS DIRECTORATE****MISSION STATEMENT**

To provide guidance to all the departments within the directorate (Water Production, Wastewater, and Line Repair); to ensure available funding for capital projects as well as operational functions providing quality service for all residents.

**ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Provided requested information to all departments in a timely manner.
- Provided requested information to all citizens in a timely manner.
- Improved City image as it pertains to the Public Works Directorate.
- Improved customer service as well as operational/financial efficiencies.

**PRIORITIES AND GOALS FOR 2011**

- Continue to improve the City image as it pertains to the Public Works Directorate.
- Continue to enhance both the Public Works Directorate customer service as well as operational/financial efficiencies.
- Bring utility system into compliance with TCEQ regulations
- Create a new reuse utility with a rate structure

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b><u>PUBLIC WORKS ADMINISTRATION</u></b>				
Personnel Services	87,692	241,096	132,300	132,700
Supplies	1,379	6,760	4,000	5,000
Services & Charges	2,396	24,246	15,000	25,050
<b>TOTAL</b>	<b>91,467</b>	<b>272,102</b>	<b>151,300</b>	<b>162,750</b>
<b>POSITIONS</b>	1.0	2.0	1.0	1.0

### HIGHLIGHTS *(FY 2011 Adopted Over/Under FY 2010 Estimated)*

- Supplies - Increase of \$1,000 due to the purchasing of Microsoft Project management software in FY2011.
- Services and Charges - the FY 2010 estimated is lower than the proposed by \$10,000 due to lower spending on consulting fees in FY 2010.

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## **WATER PRODUCTION PUBLIC WORKS DIRECTORATE**

### **MISSION STATEMENT**

To ensure public health by providing the highest quality of drinking water through the purchase, treatment, and delivery of potable water to the citizens of League City and to assure water needs are met while responsibly meeting all federal and state requirements for quality drinking water.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Operated Hwy. 3 Pump Station
- Installed SCADA at Hwy. 3, South Shore Harbour and 2 elevated towers
- Inspected hydropneumatic tanks
- Performed major water meter calibrations
- South Shore Harbour well is at beginning stages but is funded by Kemah developers

### **PRIORITIES AND GOALS FOR 2011**

- Design and construct necessary improvements to utilize the South Hwy 3 Pump Station
- Complete construction and make available the proposed well capacity from the MUD #51/COLC well project, located at the South Shore Pump Station.
- Complete the first phase of the meter replacement project.
- Design and construct the east side 16 inch service loop, to enhance peak demand pressure performance.
- Design and construct the North Service Area Booster Station & 24inch line extension from Beamer Rd., to make available 5 MGD of additional water capacity.

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b>WATER PRODUCTION</b>				
Personnel Services	953,074	1,306,158	1,108,100	1,287,543
Supplies	59,412	78,560	65,000	79,568
Repair & Maintenance	212,053	217,801	250,000	225,060
Services & Charges	2,849,919	3,200,916	3,200,000	3,200,238
Capital Outlay	45,926	41,263	103,700	42,243
<b>TOTAL</b>	<b>4,120,384</b>	<b>4,844,698</b>	<b>4,726,800</b>	<b>4,834,652</b>
<b>POSITIONS</b>	18.0	19.0	19.0	20.0

### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - The \$179,000 increase is due to the filling positions in FY2011 that were vacant in FY2010 and one new Maintenance Technician.
- Supplies - The \$14,000 increase includes \$5,000 for chemicals, drugs and lab, \$3,500 gasoline and oil, and \$5,500 for a new Trash Pump, Air Pack, and 2 Laptop Computers.
- Repair and Maintenance - \$25,000 lower due to a decrease in system repair and maintenance costs.
- Capital Outlay - There is a \$61,000 decrease due to the one time purchase of vehicles in FY2010 and the addition of vehicles in FY2011. Additions for FY2011 include a Mini-Excavator and a Supercab Truck for the new Maintenance Technician position.

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Water Pressure Calls	35	61	25	30
Water Quality Calls	76	288	269	250
SCADA Installation	2	4	7	1
Monthly Samples	922	961	960	975
New Line Samples	109	75	70	80

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## **WASTEWATER PUBLIC WORKS DIRECTORATE**

### **MISSION STATEMENT**

To protect human health and the environment by monitoring businesses discharging into the city's wastewater collection system and by efficiently operation and maintaining the city's wastewater treatment plants and lift stations so as to provide an effluent and sludge that exceeds federal and state regulations and an effluent and sludge that may be re-used to the benefit of the citizens of League City.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Final completion and startup of the capacity expansion of the Dallas Salmon WWTP.
- Completed design and selected bid/build process for the construction of the Southwest Water Reclamation Facility (SWWRF).
- Reuse Permit issued for the Dallas Salmon WWTP, allowing sales of reclaimed WWTP effluent for irrigation to potential users.
- Completed the grit removal of the existing digesters at the Dallas Salmon WWTP, at an approximate savings of \$100,000 versus the construction contractors proposed estimate.
- Completed discharge riser and check valve rehabilitation of three of the City's largest lift stations.
- Completed the traveling bridge filter media replacement at the Countryside WWTP.
- Successfully completed multiple full collection system shutdowns to accommodate DSWWTP construction activities, without any interruptions in service or Sewer System Overflows (SSO's).

### **PRIORITIES AND GOALS FOR 2011**

- Successfully begin the construction of the Southwest Water Reclamation Facility (SWWRF).
- Complete the design and bid activity of North Service Area Lift Station and Gravity System, West Main and Butler Rd. Lift Station Upgrades, and all service area diversions associated with the SWWRF.
- Complete and utilize wastewater modeling, master planning, and reuse feasibility studies.
- Continue pump riser and discharge piping rehabilitation efforts of various lift stations.
- Increase Pretreatment inspection frequency of local businesses.
- Continue to improve process efficiency efforts, including energy consumption and solids removal, at the Dallas Salmon WWTP.

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b>WASTEWATER</b>				
Personnel Services	1,086,799	1,238,271	1,214,700	1,372,634
Supplies	129,835	176,853	175,000	198,360
Repair & Maintenance	332,034	282,976	335,000	327,500
Services & Charges	1,632,047	1,856,300	2,166,000	1,798,720
Capital Outlay	142,969	-	25,000	62,704
<b>TOTAL</b>	<b>3,323,684</b>	<b>3,554,400</b>	<b>3,915,700</b>	<b>3,759,918</b>
<b>POSITIONS</b>	19.0	19.0	19.0	22.0

### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - The \$158,000 increase is due to the addition of an Instrumentation Technician, Pretreatment Technician and a Senior Plant Operator.
- Supplies - The \$23,000 increase includes \$15,000 for the Bentley Sewer GEMS/5000 Perpetual License, and \$5,000 Icemaker for DSSWTP lab, and an increase in gasoline and oil.
- Repair and Maintenance - The \$8,000 decrease is due to removal of non-recurring supplemental items from FY2010. New for FY2011: Improvements to DSWWTP building along with Repair and Maintenance to three (3) Lift Stations.
- Services and Charges - The \$368,000 decrease is due to non-recurring FY2010 items: Capital Recovery Fee Update, Business Plan for Reclaimed Water, and Wastewater Model & Master Plan Update.
- Capital Outlay - increase of \$37,000 is for 3 vehicles related to the 3 new positions.

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Pretreatment Inspections	320	212	250	400
Equipment PM's	445	310	300	500
Monthly Aeration Energy Saving ('000s)	350 kwh	450 kwh	450 kwh	325 kwh
Treated Effluent (MG)	2473.244	2323.126	2500	2650
Rainfall (inches)	67.9	46.5	52	60
Effluent Reuse Program	N/A	N/A	N/A	30%
Conversion of LS to Energy Efficiency	N/A	N/A	N/A	7
Implement TV Inspection for I/I Reduction (Miles)	N/A	N/A	N/A	54.34

## **LINE REPAIR PUBLIC WORKS DIRECTORATE**

### **MISSION STATEMENT**

The Line Repair Department's mission is to maintain water distribution and sanitary sewer collection lines to protect public health and provide safe and reliable water and sanitary sewer service.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Responded to 197 backed up sewer calls
- Responded to 841 water leaks
- Performed 620 water tap inspections
- Performed 14 sewer tap inspections
- Performed 508 final utility inspections
- Cleaned and televised 8,014 feet of sanitary sewer line

### **PRIORITIES AND GOALS FOR 2011**

- Replace 30 two inch end of line blow-offs with a more secure flushing device.
- Replace 10,000 feet of Asbestos/Cement water lines.
- Clean and televise 20,000 feet of sanitary sewer mains to identify and correct sources of inflow and infiltration into the sanitary sewer system.

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b>LINE REPAIR</b>				
Personnel Services	1,816,477	2,034,649	1,900,818	1,955,480
Supplies	106,396	117,879	117,800	108,000
Repair & Maintenance	489,645	641,571	700,000	655,500
Services & Charges	123,307	198,615	198,600	207,200
<b>TOTAL</b>	<b>2,535,825</b>	<b>2,992,714</b>	<b>2,917,218</b>	<b>2,926,180</b>

<b>POSITIONS</b>	35.0	35.0	35.0	35.0
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### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - increase of \$55,000 is due to filling positions in FY2011 that were vacant in FY2010.
- Supplies - decreased \$9,800 due to a decrease in operating supplies.
- Repair and Maintenance - The \$44,500 decrease is due to a decrease in the utility system repair and maintenance costs.
- Services and Charges - The increase of \$8,600 is due to an increase in motor pool lease fees and an increase in electricity costs.

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Number of 2in. Flushing Valves replaced	N/A	N/A	N/A	30 (50%)
Feet of Asbestos-Cement water line replaced	N/A	N/A	N/A	10,000
Feet of sewer lines cleaned and televised	N/A	40,000	20,000	50,000
Response time to 311 calls	N/A	N/A	< one day	< one day
Fire hydrant maintenance	N/A	N/A	240	250
Upgrade small water lines to add fire protection	N/A	N/A	N/A	1000 ft
Add fire hydrants at dead end water mains	N/A	N/A	10	20
Number of backed up sewer calls	343	415	300	300
Number of water leak calls	905	994	1200	1200
Water tap inspections	1090	657	950	950
Sewer tap inspections	44	7	20	20
Final utility inspections	1418	799	764	764

## **UTILITY BILLING MANAGEMENT SERVICES DIRECTORATE**

### **MISSION STATEMENT**

To provide accurate billing for water, sewer and refuse in an efficient manner and to provide the citizens of League City with world class customer service by maintaining a professional, knowledgeable and courteous staff.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Initiated and maintained Eco-Billing paperless notification of Utility Bills.
- Researching, approval and initiating of outsourcing of the printing and mailing of Utility Bills.
- Maintaining superior customer service with continuous city growth of 3% each year with the same number of personnel since 2007.

### **PRIORITIES AND GOALS FOR 2011**

- To initiate and complete Phase I Meter change Outs for 6,963 Version I meters dated 2002 to 2003 to replace for more efficient automatic reading of water meters.
- To increase the number of citizens to Eco-Billing through advertising to lower postage and professional service (outsourcing) future costs.
- To update Utility Billing ordinances and policies to meet needed changes.
- Update billing routes to meet the needs of the City growth as well as maintaining 30 days average billing days by increasing the number of routes from six to eight.

## FY 2011 ADOPTED BUDGET EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b>UTILITY BILLING</b>				
Personnel Services	614,230	706,851	731,700	718,330
Supplies	294,237	358,375	565,000	353,000
Repair & Maintenance	32,882	39,052	39,000	42,400
Services & Charges	264,837	471,236	350,000	362,100
Special Programs & Events	11,977	10,876	12,000	12,000
<b>TOTAL</b>	<b>1,218,163</b>	<b>1,586,390</b>	<b>1,697,700</b>	<b>1,487,830</b>

<b>POSITIONS</b>	13.0	13.0	14.0	14.0
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### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - Decrease from FY2010 net effect of one-time expense in FY 2010 on accrued leave paid to long-term employee at retirement and added change of personnel of 50% of an Accounts Receivable clerk moving from Accounting to Utility Billing.
- Supplies - FY 2010 decrease is due to the one time purchase for 1,500 meter change outs.
- Repair and Maintenance - The increase is due to an increase in FY 2010 vehicle repair and maintenance costs.
- Services and Charges - The increase is due to the increase in outsourcing of utility bills due to increased number of customers and an increase in motor pool lease fees.

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Completing re-read service orders on a timely schedule - "next working day"	76%	88%	89%	90%
Completing meter leak service orders on a timely schedule - "same day as requested"	79%	82%	83%	85%
Disconnections for non-payment - total	1,888	2,226	1,190	2,500
Eco-billing Customers	0	0	200	400
Percentage of Cycles (6 total Cycles ) Read within 28 - 32 Days	75%	73%	70%	70%
Total number of customers as of September (Customers billed water, sewer and refuse)	25,642	26,368	26,900	27,700

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>NON-DEPARTMENTAL</u></b>				
Personnel Services	162,719	(190,000)	41,600	215,505
Supplies	71,233	0	0	0
Services & Charges	135,249	320,642	200,000	320,500
Special Events & Programs	0	0	0	0
Transfers To	2,055,669	2,000,000	2,000,000	3,000,000
<b>TOTAL</b>	<b>2,424,870</b>	<b>2,130,642</b>	<b>2,241,600</b>	<b>3,536,005</b>

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

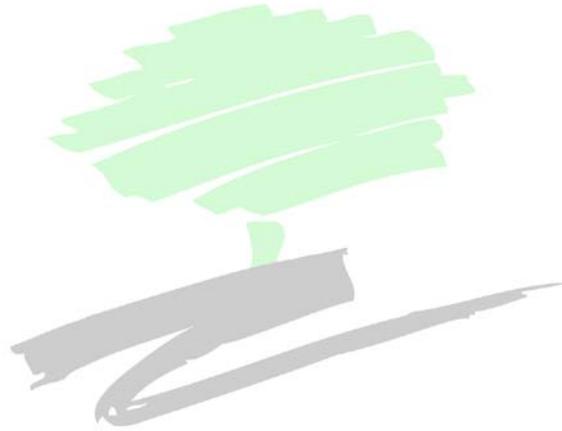
- Personnel Services - Includes an increase in FY 2011 (\$60,000) for unemployment insurance, an increase for employee insurance (\$60,000) for increase in health insurance and termination pay (\$54,000) not used in FY 2010.
- Services and Charges - Increase is due to the contingency account. This account is a budgeted account but no expenditures are estimated to be used.

**FY 2011 ADOPTED BUDGET  
EXPENDITURE SUMMARY**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b><u>UTILITY DEBT SERVICE FUND</u></b>				
Fees	1,875	3,000	3,000	3,000
Principal	5,549,763	5,668,564	5,668,564	6,362,699
Interest	3,008,351	4,582,047	4,582,047	4,778,455
<b>TOTAL</b>	<b>8,559,989</b>	<b>10,253,611</b>	<b>10,253,611</b>	<b>11,144,154</b>

**HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)**

- New increase of \$890,000 includes reduction of \$214,000 in debt service for existing issues and \$1,104,000 debt service for FY 2011 issue of \$13 million.



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**FY 2011 ADOPTED BUDGET  
MOTOR POOL FUND SUMMARY**

**OVERVIEW**

The Motor Pool Fund is an internal service fund established to account for the operations and maintenance of the city's fleet. Its customers are city departments, and its primary revenue source is payments from those departments for vehicle and equipment maintenance and replacement.

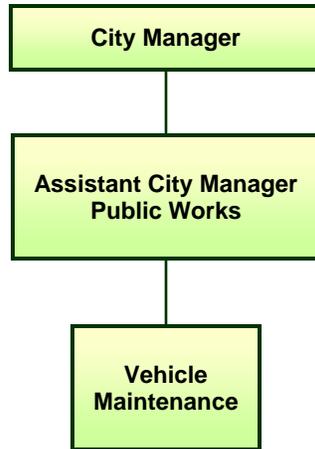
**FY 2011 ADOPTED BUDGET  
MOTOR POOL FUND**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>BEGINNING FUND BALANCE</b>	<b>2,507,973</b>	<b>1,523,952</b>	<b>1,929,193</b>	<b>1,019,308</b>
REVENUES	1,943,553	2,208,255	2,220,315	2,812,677
EXPENDITURES	2,522,333	2,971,188	3,130,200	3,112,086
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>(578,780)</b>	<b>(762,933)</b>	<b>(909,885)</b>	<b>(299,409)</b>
<b>ENDING FUND BALANCE</b>	<b>1,929,193</b>	<b>761,019</b>	<b>1,019,308</b>	<b>719,899</b>

The most significant aspect of the Adopted Budget is an increase in combined contributions from the General and Utility funds for vehicle replacement. The FY 2010 Budget included \$1.08 million for vehicle replacement payments and the FY 2011 Adopted Budget includes \$1.66 million, a \$560,000 increase. The Adopted Budget includes \$1,965,800 for vehicle replacements in city departments. These purchases will be combined with the proposed \$2.3 million for fire apparatus (three pumpers and a vacuum freightliner) in the CIP to form the city's \$4.28 million FY 2011 vehicle replacement program.

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**MOTOR POOL INTERNAL SERVICE FUND  
PUBLIC WORKS DIRECTORATE**



**FY 2011 ADOPTED BUDGET  
MOTOR POOL INTERNAL SERVICE FUND  
EXPENDITURE SUMMARY**

<b>DIRECTORATE</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Vehicle Maintenance	2,522,333	2,971,188	3,130,200	3,112,086
<b>Fund Total</b>	<b>2,522,333</b>	<b>2,971,188</b>	<b>3,130,200</b>	<b>3,112,086</b>

<b>CATEGORY</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Personnel Services	560,613	611,338	601,700	619,976
Supplies	30,049	25,700	25,000	25,700
Repair & Maintenance	462,828	427,600	475,000	465,300
Services & Charges	24,316	33,350	33,000	35,310
Capital Outlay	1,444,527	1,873,200	1,995,500	1,965,800
<b>Fund Total</b>	<b>2,522,333</b>	<b>2,971,188</b>	<b>3,130,200</b>	<b>3,112,086</b>

## **PUBLIC WORKS DIRECTORATE VEHICLE MAINTENANCE**

### **MISSION STATEMENT**

To perform preventative maintenance/inspections and repairs with the goal of preventing in-service breakdowns. To create a challenging work environment for our mechanics through continuous training in the latest technology. To empower our mechanics to make decisions that will return vehicles to service status. To identify operator abuse and/or improper equipment utilization to maximize efficiency and reduce operation cost. To provide whatever support is needed by our customer departments.

### **ACHIEVEMENTS FOR FISCAL YEAR 2010**

- Reduced our City’s average daily out of service equipment by 7% over FY09
- Increased the usage of fuel economical vehicles
- Made “user friendly” improvements to the City’s recycling facility
- Increased the “Pool Car” fleet
- Became responsible for the City’s emergency generators and improved the preventative maintenance schedule

### **PRIORITIES, GOALS AND OBJECTIVES FOR 2011**

- Implement a complete work order program and work towards a paperless system
- Obtain a thorough inventory control system, including the fueling program
- Educate City employees on an anti-idling program

## FY 2011 ADOPTED BUDGET MOTOR POOL EXPENDITURE SUMMARY

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b>VEHICLE MAINTENANCE</b>				
Personnel Services	560,613	611,338	601,700	619,976
Supplies	30,049	25,700	25,000	25,700
Repair & Maintenance	462,828	427,600	475,000	465,300
Services & Charges	24,316	33,350	33,000	35,310
Capital Outlay	1,444,527	1,873,200	1,995,500	1,965,800
<b>TOTAL</b>	<b>2,522,333</b>	<b>2,971,188</b>	<b>3,130,200</b>	<b>3,112,086</b>

<b>POSITIONS</b>	10.0	10.0	10.0	10.0
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### HIGHLIGHTS (FY 2011 Adopted Over/Under FY 2010 Estimated)

- Personnel Services - increased \$18,000 due to annualized cost of Performance Pay from FY2010, 2% Performance Raise for 6 months effective April 1, 2011 and 10% rate increase to Employee and Dependent Insurance for 9 months (Jan-Sept).
- Repair and Maintenance - Outside vehicle repair and maintenance decreased \$9,000.
- Services and Charges - increased \$2,000 from Motor Pool Lease Fees increasing to 100%.
- Capital Outlay - The \$29,000 decrease is due to a smaller cost of vehicles to be replaced in FY 2011.

### PERFORMANCE INDICATORS

INDICATORS	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ESTIMATED	FY 2011 ADOPTED
Repair Work Orders	3774	3596	3600	3600
Average Repair Turn Around (hours)	8.9	6.9	6.5	6.0
Hybrid/alternative fuel Vehicle	N/A	9	14	20
Number of Fleet Accidents	23	18	10	10
Internal Customer Service Index (Scale*)	N/A	N/A	N/A	8

\* Index Scale = rating between 1-10, with 1 being poor and 10 being outstanding

**FY 2011 ADOPTED BUDGET  
FLEET REPLACEMENT PROGRAM**

UNIT #	DEPARTMENT	VEHICLE	FY 2011 ADOPTED
<b>Motor Pool Operating Fund</b>			
101	Police	2005 Ford Crown Victoria	\$49,500
105	Police	2005 Ford Crown Victoria	\$49,500
200	Police	2005 Ford Crown Victoria	\$49,500
201	Police	2003 Ford Expedition	\$58,000
202	Police	2005 Ford Crown Victoria	\$49,500
205	Police	2003 Ford Expedition	\$58,000
206	Police	2003 Ford Expedition	\$58,000
207	Police	2005 Ford Crown Victoria	\$49,500
211	Police	2005 Ford Crown Victoria	\$49,500
212	Police	2005 Ford Crown Victoria	\$49,500
213	Police	2005 Ford Crown Victoria	\$49,500
250	EMS	2005 Ford F350 Ambulance Remount	\$67,500
270	EMS	2011 Ford F450 Ambulance	\$205,000
501	Building	2002 Chevrolet Truck S10	\$17,500
506	Building	2002 Chevy Truck S10	\$17,500
509	Building	2001 Ford Ranger Pickup, Extended Cab	\$17,500
512	Building	2002 Chevrolet Truck S10	\$17,500
531	Engineering	2001 Dodge Ram 3/4 Ton Ext Cab Truck	\$25,000
533	Engineering	1998 Jeep Cherokee	\$25,000
642	Wastewater	2001 Dodge Ram 2500 Truck	\$27,500
645	Wastewater	2001 Dodge Ram 2500 Truck	\$27,500
659	Wastewater	1984 Ford F800 Sludge Truck	\$27,500
709	Park Ops	2001 Dodge Ram 2500 Truck	\$27,500
736	Park Ops	2001 Dodge Ram 2500 Truck	\$27,500
737	Sportsplex	2001 Dodge Ram 1500 Truck	\$19,500
802	Street	2001 Dodge Ram 1500 4x4	\$28,500
804	Street	1998 Ford Pickup F-250 4 x 4	\$28,500
805	Street	2001 Ford Pickup F-350 3/4 Ton Crew Cab	\$32,000
809	Street	2001 Ford Pickup Truck F-350 Crew Cab	\$32,000
826	Street	1998 Chevrolet Dump Truck	\$70,000
878	Street	2000 Roto Mixer Reclaimer/Stabilizer	\$360,000
250	EMS	2005 Ford F350 Ambulance Refurbish	\$36,300
851	Street	2011 Excavator	\$250,000
4008	Park Ops	2004 Mower, SCAG Z-Turn 61"	\$9,000
<b>Motor Pool Fund Subtotal</b>			<b>\$1,965,800</b>
<b>CIP Purchases</b>			
31	Fire	1993 Fire Pumper	\$604,500
51	Fire	1993 Fire Pumper	\$604,500
13	Fire	1991 Fire Pumper	\$604,500
3	Fire	1995 Vacuum Freightliner	\$500,000
<b>CIP Purchases Subtotal</b>			<b>\$2,313,500</b>
<b>FY 2011 ADOPTED FLEET REPLACEMENTS</b>			<b>\$4,279,300</b>

**ADOPTED FY 2011 BUDGET  
DEBT SERVICE FUND OVERVIEW**

**OVERVIEW**

The Debt Service Fund is a legally restricted fund utilized to account primarily for property tax revenues levied and budgeted to pay long-term debt principal and interest for the city's general obligation debt. It is also used to account for property taxes rebated to municipal utility districts (MUD's) located inside the city limits of League City, and for the debt-levy portion of incremental property tax revenues paid to the city's Tax Increment Reinvestment Zones. The city has no legal debt limits.

**FY 2011 ADOPTED BUDGET  
DEBT SERVICE FUND**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>BEGINNING FUND BALANCE</b>	<b>1,175,395</b>	<b>2,402,185</b>	<b>2,463,899</b>	<b>2,183,367</b>
REVENUES	11,545,180	11,770,667	11,743,000	12,599,400
EXPENDITURES	10,256,676	11,958,838	12,023,532	11,888,455
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>1,288,504</b>	<b>(188,171)</b>	<b>(280,532)</b>	<b>710,945</b>
<b>ENDING FUND BALANCE</b>	<b>2,463,899</b>	<b>2,214,014</b>	<b>2,183,367</b>	<b>2,894,312</b>

**BUDGET HIGHLIGHTS**

- FY 2011 property tax revenue estimate is based on assessed value (AV) of \$5.34 billion, the same debt service tax rate as in FY 2010 (\$0.221126 per \$100 AV), and 101% collection rate for all taxes including penalty and interest.
- Property tax rebates to MUD's are budgeted at \$3.29 million, a drop of \$274,000 from the FY 2010 Estimated. The rebate to one MUD, South Shore Harbour #3, is projected to drop to \$220,285 from the FY 2010 Estimated payment of \$445,000. This is because each MUD rebate contract provides that the City's payment may not be used for anything but debt service. The reduced amount being next year's debt service for South Shore MUD #3, the FY 2011 tax rebate will equal that amount.
- The Adopted Budget includes estimated principal (\$318,000) and interest (\$462,000) to pay for an anticipated sale of Certificates of Obligation in FY 2011 in the amount of \$12.6 million. Proceeds from this sale will provide funding for:
  - Design and potential site acquisition for a new police station, \$2.88 million;
  - Fire Department projects, including the purchase of three fire pumper trucks and one vacuum freightliner, land purchases for new fire stations, \$2.75 million;
  - Renovation and structural strengthening of City Hall, \$3.5 million;
  - Infrastructure projects that meet economic development needs, \$1 million; and
  - Drainage improvements to Robinson Bayou, \$2.4 million.
- Principal payments will be made on prior debt in the amount of \$4.3 million.

**FY 2011 ADOPTED BUDGET  
DEBT SERVICE FUND**

**DEBT SERVICE REVENUE SUMMARY**

REVENUE CATEGORY	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Property Taxes	10,711,301	11,727,167	11,706,700	11,911,100
Interest Income	27,097	43,500	36,300	43,500
Transfers from General Fund	806,782	0	0	644,800
<b>TOTAL</b>	<b>11,545,180</b>	<b>11,770,667</b>	<b>11,743,000</b>	<b>12,599,400</b>

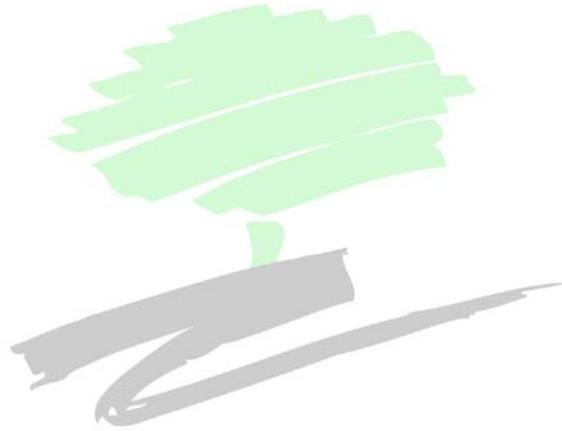
**DEBT SERVICE REVENUE DETAIL**

CATEGORY	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b>Property Taxes</b>				
401-01-00 Current Taxes	10,452,540	11,468,767	11,437,100	11,652,900
401-02-00 Delinquent Taxes	147,060	150,000	158,000	150,000
401-03-00 Penalty & Interest	111,701	108,400	111,600	108,200
<b>Property Taxes Subtotal</b>	<b>10,711,301</b>	<b>11,727,167</b>	<b>11,706,700</b>	<b>11,911,100</b>
<b>Interest Income</b>				
555-00-00 Interest Income	25,664	40,000	33,300	40,000
555-09-00 Interest Income - Texstar	1,433	3,500	3,000	3,500
<b>Interest Income Subtotal</b>	<b>27,097</b>	<b>43,500</b>	<b>36,300</b>	<b>43,500</b>
<b>Transfers</b>				
599-00-00 Transfer from General Fund	806,782	0	0	644,800
<b>Transfers Subtotal</b>	<b>806,782</b>	<b>0</b>	<b>0</b>	<b>644,800</b>
<b>Debt Service Fund Revenues</b>	<b>11,545,180</b>	<b>11,770,667</b>	<b>11,743,000</b>	<b>12,599,400</b>

**DEBT SERVICE EXPENDITURE SUMMARY**

EXPENDITURE CATEGORY	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
Tax Rebates to MUD's	3,632,399	3,578,261	3,563,500	3,289,555
Incremental Taxes Paid to TIRZ's	921,388	1,001,845	1,081,300	769,700
Fees	4,726	8,000	8,000	7,000
Principal on City-Issued Debt	3,009,370	4,526,221	4,526,221	4,626,160
Interest on City-Issued-Debt	2,688,794	2,844,511	2,844,511	3,196,040
<b>TOTAL</b>	<b>10,256,676</b>	<b>11,958,838</b>	<b>12,023,532</b>	<b>11,888,455</b>

<b>CURRENT TAX SUPPORTED DEBT</b>			
<b>Period Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>
9/30/2011	4,763,158.96	2,988,690.69	7,751,849.65
9/30/2012	4,895,095.05	2,792,569.17	7,687,664.22
9/30/2013	4,809,933.98	2,593,037.73	7,402,971.71
9/30/2014	4,573,571.76	2,392,270.65	6,965,842.41
9/30/2015	3,692,497.45	2,223,754.58	5,916,252.03
9/30/2016	3,603,796.45	2,085,266.62	5,689,063.07
9/30/2017	3,713,796.44	1,947,498.87	5,661,295.31
9/30/2018	3,837,898.64	1,801,045.69	5,638,944.33
9/30/2019	3,952,000.84	1,645,150.07	5,597,150.91
9/30/2020	4,087,000.83	1,481,338.79	5,568,339.62
9/30/2021	3,655,000.00	1,320,669.39	4,975,669.39
9/30/2022	3,800,000.00	1,162,768.14	4,962,768.14
9/30/2023	3,940,000.00	996,498.15	4,936,498.15
9/30/2024	3,550,000.00	830,196.90	4,380,196.90
9/30/2025	3,145,000.00	668,016.26	3,813,016.26
9/30/2026	2,675,000.00	538,801.25	3,213,801.25
9/30/2027	2,410,000.00	425,285.63	2,835,285.63
9/30/2028	2,500,000.00	315,347.51	2,815,347.51
9/30/2029	2,370,000.00	205,775.01	2,575,775.01
9/30/2030	1,230,000.00	125,562.51	1,355,562.51
9/30/2031	720,000.00	82,906.26	802,906.26
9/30/2032	750,000.00	50,750.01	800,750.01
9/30/2033	785,000.00	17,171.88	802,171.88
<b>Totals</b>	<b>73,458,750.40</b>	<b>28,690,371.76</b>	<b>102,149,122.16</b>



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**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUNDS  
REVENUES, EXPENDITURES, AND ENDING FUND BALANCE**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>BEGINNING FUND BALANCE</b>	<b>685,906</b>	<b>1,222,018</b>	<b>1,222,017</b>	<b>1,752,576</b>
REVENUES	1,459,470	2,118,749	2,717,600	2,486,326
EXPENDITURES	923,359	2,874,017	2,187,041	4,070,921
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>536,111</b>	<b>(755,268)</b>	<b>530,559</b>	<b>(1,584,595)</b>
<b>ENDING FUND BALANCE</b>	<b>1,222,017</b>	<b>466,750</b>	<b>1,752,576</b>	<b>167,981</b>

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUNDS  
BALANCES, REVENUES AND EXPENDITURES BY FISCAL YEAR**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>BEGINNING BALANCE</b>				
Comm Dev Block Grant	0	187,903	187,903	397,695
Police Activity Fund	60,684	69,512	69,512	113,712
Butler Museum Fund	7,059	7,096	7,096	0
Animal Control Donation Fd	12,424	19,024	19,024	55,954
Library Gift Fd	39,016	34,640	34,640	30,685
Municipal Bldg Security	208,618	212,449	212,449	233,799
Emerg. Mgmt Response	0	503,112	503,112	398,453
Municipal Ct. Technology	131,317	-1,486	-1,486	25,254
Hotel/Motel Tax Fund	14,012	73,814	73,813	73,896
Sidewalk Fund	212,776	115,954	115,954	122,404
Safelight Program	0	0	0	94,650
Public Access Channel	0	0	0	206,075
<b>TOTAL</b>	<b>685,906</b>	<b>1,222,018</b>	<b>1,222,017</b>	<b>1,752,577</b>
<b>REVENUES:</b>				
Comm Dev Block Grant	357,428	332,293	476,921	322,741
Police Activity Fund	236,584	47,000	95,140	45,540
Butler Museum Fund	37	0	0	0
Animal Control Donation Fd	6,900	15,050	44,930	15,050
Library Gift Fd	2,287	3,250	3,045	3,050
Municipal Bldg Security	28,466	26,200	30,350	40,400
Emerg. Mgmt Response	503,112	0	58,091	248,100
Municipal Ct. Technology	36,083	33,480	45,040	45,040
Hotel/Motel Tax Fund	275,919	305,000	305,082	305,080
Sidewalk Fund	12,654	10,000	6,450	6,450
Safelight Program	0	1,346,476	1,346,476	1,259,575
Public Access Channel	0	0	306,075	195,300
<b>TOTAL</b>	<b>1,459,470</b>	<b>2,118,749</b>	<b>2,717,600</b>	<b>2,486,326</b>

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUNDS  
BALANCES, REVENUES AND EXPENDITURES BY FISCAL YEAR**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>EXPENDITURES:</b>				
Comm Dev Block Grant	169,525	486,607	267,129	720,436
Police Activity Fund	227,756	83,430	50,940	159,000
Butler Museum Fund	0	0	7,096	0
Animal Control Donation Fd	300	19,000	8,000	71,000
Library Gift Fd	6,663	8,000	7,000	33,000
Municipal Bldg Security	24,635	12,000	9,000	260,910
Emerg. Mgmt Response	0	392,000	162,750	646,000
Municipal Ct. Technology	168,886	16,997	18,300	70,000
Hotel/Motel Tax Fund	216,118	305,000	305,000	323,000
Sidewalk Fund	109,476	220,812	0	127,000
Safelight Program	0	1,330,171	1,251,826	1,259,575
Public Access Channel	0	0	100,000	401,000
<b>TOTAL</b>	<b>923,359</b>	<b>2,874,017</b>	<b>2,187,041</b>	<b>4,070,921</b>
<b>ENDING BALANCE</b>				
Comm Dev Block Grant	187,903	33,589	397,695	0
Police Activity Fund	69,512	33,082	113,712	252
Butler Museum Fund	7,096	7,096	0	0
Animal Control Donation Fd	19,024	15,074	55,954	4
Library Gift Fd	34,640	29,890	30,685	735
Municipal Bldg Security	212,449	226,649	233,799	13,289
Emerg. Mgmt Response	503,112	111,112	398,453	553
Municipal Ct. Technology	-1,486	14,997	25,254	294
Hotel/Motel Tax Fund	73,813	73,814	73,895	55,976
Sidewalk Fund	115,954	-94,858	122,404	1,854
Safelight Program	0	16,305	94,650	94,650
Public Access Channel	0	0	206,075	375
<b>TOTAL</b>	<b>1,222,017</b>	<b>466,750</b>	<b>1,752,576</b>	<b>167,982</b>

**FY 2011 ADOPTED BUDGET  
REVENUE SUMMARY  
SPECIAL REVENUE FUNDS**

<b>REVENUE CATEGORY</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Franchise & Other Taxes	275,790	305,000	611,075	500,000
Grant Proceeds	574,152	367,293	629,412	603,641
Fines and Forfeits	62,223	1,404,476	1,421,476	1,344,575
Investment Earnings	6,497	1,980	2,737	3,110
Miscellaneous	39,052	40,000	52,900	35,000
Transfers	501,756	0	0	0
<b>TOTAL</b>	<b>1,459,470</b>	<b>2,118,749</b>	<b>2,717,600</b>	<b>2,486,326</b>

**EXPENDITURE SUMMARY  
SPECIAL REVENUE**

<b>EXPENDITURE CATEGORY</b>	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
Personnel Services	7,859	94,578	59,000	199,571
Supplies	193,057	235,602	166,775	542,133
Repair & Maintenance	0	0	85,700	245,700
Services & Charges	308,406	1,262,090	1,330,898	1,667,281
Special Programs & Events	132,025	372,182	205,354	355,541
Capital Outlay	282,012	909,565	339,314	1,060,695
<b>TOTAL</b>	<b>923,359</b>	<b>2,874,017</b>	<b>2,187,041</b>	<b>4,070,921</b>

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## **FY 2011 ADOPTED BUDGET SPECIAL REVENUE FUND**

### Community Development Block Grant Fund

This fund is used to account for the distribution of funds received from the Community Development Block Grant. These funds are to be used to improve living conditions for low to moderate income residents.

### Police Activity Fund

This fund is used to account for funds donated for the DARE program, community outreach program and criminal investigation purposes. Various purchases including supplies, equipment, and other services are made from these funds. The League City Police Department administers the funds of these programs.

### Animal Control Donation Fund

This fund is used to account for funds donated specifically for the support of the Animal Control Shelter. Donated funds would typically be used for veterinary services, food for animals, and educational materials.

### Butler Longhorn Museum Donation Fund

This fund is used to account for funds donated specifically for the support of the Butler Longhorn Museum and Heritage Park. Funds would typically be used to purchase or construct exhibits and attractions for the Museum as well as supplies for Heritage Park.

### Library Gift Fund

This fund is used to account for donated funds to be used specifically for the purchase of special items not covered by the Library's general operating budget.

### Municipal Court Building Security Fund

This fund is used to account for a fee of \$3 per misdemeanor conviction and is collected for future improvements to the security of the court facilities.

### Municipal Court Technology Fund

This fund is used to account for a fee of \$4 per misdemeanor conviction and is collected for future improvements to the technology of the court facilities.

### Emergency Management Response Fund

This fund is specifically used for the preparation for and the response to a major storm and is under the direction of the City Manager.

### Hotel/Motel Occupancy Tax Fund

This fund is used to account for the hotel/motel occupancy tax revenues. Collected revenues are transferred to the Destination League City Convention and Visitors Corporation with whom the city has contracted to manage the programs funded by these revenues.

Sidewalk Fund

This fund is used to account for fees paid by developers in lieu of building or installing sidewalks. Funds collected within this fund are to be used specifically for sidewalk improvement at the discretion of the City Council.

Safelight Program Fund

This fund is used to account for the fees received from red light ticket cameras. These funds are to be used for public safety related items designated by the City Council.

Public Access Channel Fund

This fund is used to account for fees received from cable television franchise fees received by the city. These funds are used for improvements and equipment related to the city's public access channel. It is a legal requirement that these funds be spent to improve the city's public access channel.

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUND - COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>REVENUES</b>				
427-02-00 Grant Proceeds	357,428	332,293	476,921	322,741
<b>TOTAL REVENUES</b>	<b>357,428</b>	<b>332,293</b>	<b>476,921</b>	<b>322,741</b>
<b>EXPENDITURES</b>				
Services & Charges:				
5305 Professional Fees	39,500	39,500	37,345	39,500
Special Programs & Events:				
5472 Communities in School	15,000	15,000	15,000	15,000
5473 Interfaith Caring Ministries	17,700	17,700	21,004	21,000
5474 Bay Area Turning Point	10,000	10,000	0	0
5475 Direct Housing Rehab	0	50,000	50,000	0
5477 Senior Citizen Program	0	0	2,900	0
5478 CDBG Administrative Costs	3,500	5,000	38,000	5,000
5479 St. Christopher's	0	0	5,000	12,411
5480 Code Enforcement	83,825	104,992	0	20,048
Improvements City's Sr. Cntr	0	0	0	100,000
Business Façade improvements				109,782
Capital Project Expense:				
6013 Shellside Sanitary Sewer Line	0	244,415	27,880	397,695
6093 Sidewalk Improvements	0	0	70,000	
<b>TOTAL EXPENDITURES</b>	<b>169,525</b>	<b>486,607</b>	<b>267,129</b>	<b>720,436</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>187,903</b>	<b>(154,314)</b>	<b>209,792</b>	<b>(397,695)</b>
<b>BEGINNING FUND BALANCE</b>	<b>0</b>	<b>187,903</b>	<b>187,903</b>	<b>397,695</b>
<b>ENDING FUND BALANCE</b>	<b>187,903</b>	<b>33,589</b>	<b>397,695</b>	<b>0</b>

This fund is used to account for the distribution of funds received from the Community Block Development Grant. These funds are to be used to improve living conditions for low to moderate income residents.

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUND - POLICE ACTIVITY FUND**

		<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>REVENUES</b>					
427-04-00	Seizure Proceeds	216,724	35,000	95,000	33,400
429-06-00	Dare Program Donations	19,000	0	0	0
554-00-00	Dare Program	142	0	0	0
554-02-00	Int Inc-Community Outreach	53	0	20	20
554-04-00	Interest-Seizure Proceeds	462	0	40	40
555-00-00	Interest Income	203	0	80	80
571-05-00	Community Outreach Donation	0	12,000	0	12,000
	<b>TOTAL REVENUES</b>	<b>236,584</b>	<b>47,000</b>	<b>95,140</b>	<b>45,540</b>
<b>EXPENDITURES</b>					
Supplies:					
5123	Small Tools & Minor Equipmen	2,556	0	0	0
5124	Dare Program Supplies	36,335	0	0	0
Services & Charges:					
5325	Police Investigation Cost	14,329	35,940	47,790	151,000
Special Programs & Events:					
5427	Community Outreach	2,000	47,490	3,150	8,000
Capital Outlay					
5573	Equipment	172,536	0	0	0
	<b>TOTAL EXPENDITURES</b>	<b>227,756</b>	<b>83,430</b>	<b>50,940</b>	<b>159,000</b>
<b>REVENUES OVER/(UNDER)</b>					
<b>EXPENDITURES</b>		<b>8,828</b>	<b>(36,430)</b>	<b>44,200</b>	<b>(113,460)</b>
<b>BEGINNING FUND BALANCE</b>		<b>60,684</b>	<b>69,512</b>	<b>69,512</b>	<b>113,712</b>
<b>ENDING FUND BALANCE</b>		<b>69,512</b>	<b>33,082</b>	<b>113,712</b>	<b>252</b>

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUND - BUTLER MUSEUM/HERITAGE PARK FUND**

		<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>REVENUES</b>					
555-00-00	Interest Income	19	0	0	0
555-12-00	Interest Inc-Heritage Pk	18	0	0	0
<b>TOTAL REVENUES</b>		<b>37</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURES</b>					
Capital Projects					
5983	Butler Longhorn Museum	0	0	0	0
6069	Heritage Park	0	0	7,096	0
<b>TOTAL EXPENDITURES</b>		<b>0</b>	<b>0</b>	<b>7,096</b>	<b>0</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>		<b>37</b>	<b>0</b>	<b>(7,096)</b>	<b>0</b>
<b>BEGINNING FUND BALANCE</b>		<b>7,059</b>	<b>7,096</b>	<b>7,096</b>	<b>0</b>
<b>ENDING FUND BALANCE</b>		<b>7,096</b>	<b>7,096</b>	<b>0</b>	<b>0</b>

**FY 2011 ADOPTED BUDGET**  
**SPECIAL REVENUE FUND - ANIMAL CONTROL DONATION FUND**

		<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>REVENUES</b>					
555-00-00	Interest Income	96	50	30	50
571-00-00	Donations	6,804	15,000	44,900	15,000
	<b>TOTAL REVENUES</b>	<b>6,900</b>	<b>15,050</b>	<b>44,930</b>	<b>15,050</b>
<b>EXPENDITURES</b>					
Supplies:					
5125	Small Tools & Operating Supplie:	0	9,000	3,000	11,000
5194	Computer Equip & Software	0	0	0	0
Services & Charges:					
5305	Professional Fees	0	10,000	5,000	60,000
5344	Training & Travel	300			
5399	Miscellaneous	0	0	0	0
	<b>TOTAL EXPENDITURES</b>	<b>300</b>	<b>19,000</b>	<b>8,000</b>	<b>71,000</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>		<b>6,600</b>	<b>(3,950)</b>	<b>36,930</b>	<b>(55,950)</b>
<b>BEGINNING FUND BALANCE</b>		<b>12,424</b>	<b>19,024</b>	<b>19,024</b>	<b>55,954</b>
<b>ENDING FUND BALANCE</b>		<b>19,024</b>	<b>15,074</b>	<b>55,954</b>	<b>4</b>

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUND - LIBRARY GIFT FUND**

		<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>REVENUES</b>					
555-00-00	Interest Income	315	250	45	50
571-00-00	Donation	1,972	3,000	3,000	3,000
	<b>TOTAL REVENUES</b>	<b>2,287</b>	<b>3,250</b>	<b>3,045</b>	<b>3,050</b>
<b>EXPENDITURES</b>					
Supplies:					
5110	Books & Periodicals	6,252	6,000	6,000	25,000
5123	Minor Equipment	411	2,000	1,000	8,000
	<b>TOTAL EXPENDITURES</b>	<b>6,663</b>	<b>8,000</b>	<b>7,000</b>	<b>33,000</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>		<b>(4,376)</b>	<b>(4,750)</b>	<b>(3,955)</b>	<b>(29,950)</b>
<b>BEGINNING FUND BALANCE</b>		<b>39,016</b>	<b>34,640</b>	<b>34,640</b>	<b>30,685</b>
<b>ENDING FUND BALANCE</b>		<b>34,640</b>	<b>29,890</b>	<b>30,685</b>	<b>735</b>

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUND - MUNICIPAL COURT BUILDING SECURITY FUND**

		<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>REVENUES</b>					
421-01-00	Municipal Court Fines	26,789	25,000	30,000	40,000
555-00-00	Interest Income	1,677	1,200	350	400
<b>TOTAL REVENUES</b>		<b>28,466</b>	<b>26,200</b>	<b>30,350</b>	<b>40,400</b>
<b>EXPENDITURES</b>					
Personnel:					
5002	Salaries	7,859	12,000	9,000	59,000
5009	Certificate Pay	0	0	0	2,400
5014	TMRS (Retirement)	0	0	0	8,260
5015	Longevity	0	0	0	100
5016	FICA	0	0	0	4,510
5018	Employee Insurance	0	0	0	6,530
5020	Employee Allowance	0	0	0	4,110
Supplies:					
5123	Small Tools & Minor Equip	16,776	0	0	5,000
5194	Computer Equip & Software	0	0	0	10,000
Repair & Maintenance					
5215	Building & Ground Maintenan	0	0	0	160,000
Services & Charges					
5344	Training & Travel	0	0	0	1,000
<b>TOTAL EXPENDITURES</b>		<b>24,635</b>	<b>12,000</b>	<b>9,000</b>	<b>260,910</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>		<b>3,831</b>	<b>14,200</b>	<b>21,350</b>	<b>(220,510)</b>
<b>BEGINNING FUND BALANCE</b>		<b>208,618</b>	<b>212,449</b>	<b>212,449</b>	<b>233,799</b>
<b>ENDING FUND BALANCE</b>		<b>212,449</b>	<b>226,649</b>	<b>233,799</b>	<b>13,289</b>
<b>FULL-TIME EQUIVALENTS</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.0</b>

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUND - EMERGENCY MANAGEMENT RESPONSE FUND**

		<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>REVENUES</b>					
	Grant Revenue	0	0	57,491	247,500
555-00-00	Interest Income	1,356	0	600	600
599-00-00	Transfer from General Fund	501,756	0	0	0
	<b>TOTAL REVENUES</b>	<b>503,112</b>	<b>0</b>	<b>58,091</b>	<b>248,100</b>
<b>EXPENDITURES</b>					
Supplies:					
5125	Small Tools & Operating	0	10,000	0	50,000
5194	Computer Equipment & Software		0	2,750	0
5196	Hurricane Supplies	0	0	0	90,000
Repair & Maintenance					
5215	Building Repair & Maint	0	0	85,700	85,700
Services & Charges					
5317	Equipment Rental	0	0	0	21,000
5349	Contractual Services	0	0	4,000	5,000
Special Projects					
5460	Blackboard Connect CTY	0	66,000	64,300	64,300
5461	AM Radio Station Equipmen	0	50,000	0	0
5462	EOC Enhancements	0	6,000	6,000	0
Capital Outlay					
5592	Generators	0	260,000	0	330,000
	<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>392,000</b>	<b>162,750</b>	<b>646,000</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>		<b>503,112</b>	<b>(392,000)</b>	<b>(104,659)</b>	<b>(397,900)</b>
<b>BEGINNING FUND BALANCE</b>		<b>0</b>	<b>503,112</b>	<b>503,112</b>	<b>398,453</b>
<b>ENDING FUND BALANCE</b>		<b>503,112</b>	<b>111,112</b>	<b>398,453</b>	<b>553</b>

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUND - MUNICIPAL COURT TECHNOLOGY**

		<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>REVENUES</b>					
421-05-00	Fines-Technology Fund	35,434	33,000	45,000	45,000
555-00-00	Interest Income	649	480	40	40
<b>TOTAL REVENUES</b>		<b>36,083</b>	<b>33,480</b>	<b>45,040</b>	<b>45,040</b>
<b>Expenditures</b>					
Supplies:					
5194	Computer Equip. & Software	130,727	12,497	10,000	33,000
Services & Charges:					
5305	Professional Fees	35,772	4,500	4,400	6,000
5317	Equipment Rental	2,387	0	3,900	3,000
5329	Technology Maint & Service	0	0	0	23,000
5344	Training & Travel	0	0	0	5,000
<b>TOTAL EXPENDITURES</b>		<b>168,886</b>	<b>16,997</b>	<b>18,300</b>	<b>70,000</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>		<b>(132,803)</b>	<b>16,483</b>	<b>26,740</b>	<b>(24,960)</b>
<b>BEGINNING FUND BALANCE</b>		<b>131,317</b>	<b>(1,486)</b>	<b>(1,486)</b>	<b>25,254</b>
<b>ENDING FUND BALANCE</b>		<b>(1,486)</b>	<b>14,997</b>	<b>25,254</b>	<b>294</b>

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUND - HOTEL/MOTEL FUND**

		<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>REVENUES</b>					
408-00-00	Hotel & Motel Tax	275,790	305,000	305,000	305,000
555-00-00	Interest Income	126	0	80	80
555-09-00	Interest Income Texstar	3	0	2	0
	<b>TOTAL REVENUES</b>	<b>275,919</b>	<b>305,000</b>	<b>305,082</b>	<b>305,080</b>
<b>EXPENDITURES</b>					
	Services & Charges				
5338	Destination League City	216,118	305,000	305,000	323,000
	<b>TOTAL EXPENDITURES</b>	<b>216,118</b>	<b>305,000</b>	<b>305,000</b>	<b>323,000</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>		<b>59,802</b>	<b>0</b>	<b>82</b>	<b>(17,920)</b>
<b>BEGINNING FUND BALANCE</b>		<b>14,012</b>	<b>73,814</b>	<b>73,814</b>	<b>73,896</b>
<b>ENDING FUND BALANCE</b>		<b>73,814</b>	<b>73,814</b>	<b>73,896</b>	<b>55,976</b>

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUND - SIDEWALK FUND**

		<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>REVENUES</b>					
416-08-00	Sidewalk Fees	11,134	10,000	5,000	5,000
555-00-00	Interest Income	1,520	0	1,450	1,450
	<b>TOTAL REVENUES</b>	<b>12,654</b>	<b>10,000</b>	<b>6,450</b>	<b>6,450</b>
<b>EXPENDITURES</b>					
	Capital Outlay				
5513	Sidewalk Construction	109,476	220,812	0	127,000
	<b>TOTAL EXPENDITURES</b>	<b>109,476</b>	<b>220,812</b>	<b>0</b>	<b>127,000</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>		<b>(96,822)</b>	<b>(210,812)</b>	<b>6,450</b>	<b>(120,550)</b>
<b>BEGINNING FUND BALANCE</b>		<b>212,776</b>	<b>115,954</b>	<b>115,954</b>	<b>122,404</b>
<b>ENDING FUND BALANCE</b>		<b>115,954</b>	<b>(94,858)</b>	<b>122,404</b>	<b>1,854</b>

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUND - SAFELIGHT PROGRAM FUND**

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b>REVENUES</b>				
421-08-00 Red Light Camera Fines	0	1,346,476	1,346,476	1,259,575
<b>TOTAL REVENUES</b>	<b>0</b>	<b>1,346,476</b>	<b>1,346,476</b>	<b>1,259,575</b>
<b>ADMINISTRATIVE COSTS</b>				
5002 Salaries	0	82,578	50,000	90,085
5123 Minor Equipment	0	14,025	14,025	15,300
5312 Banking Fees	0	0	0	35,052
5349 Contractor Fees	0	431,074	431,074	467,520
<b>TOTAL ADMINISTRATIVE COSTS</b>	<b>0</b>	<b>527,677</b>	<b>495,099</b>	<b>607,957</b>
<b>BALANCE OF REVENUES</b>	<b>0</b>	<b>818,799</b>	<b>851,377</b>	<b>651,618</b>
<b>TRANSFER TO STATE TRAUMA FD</b>	<b>0</b>	<b>409,400</b>	<b>425,689</b>	<b>325,809</b>
<b>CITY PUBLIC SAFETY PROJECTS</b>				
5017 Assignment Pay	0	0	0	2,400
5050 Overtime	0	0	0	22,176
5110 Books & Periodicals	0	0	0	3,750
5123 Minor Equipment	0	0	0	29,086
5125 Operating Supplies	0	0	0	123,189
5121 Training Supplies	0	0	0	8,120
5165 Traffic Control Supplies	0	182,080	130,000	76,640
5181 Uniform Expense	0	0	0	400
5194 Computer Equip & Software	0	0	0	53,648
5305 Professional Services	0	0	0	200
5344 Training & Travel	0	26,676	16,700	6,200
5573 Equipment	0	184,338	184,338	0
<b>TOTAL PUBLIC SAFETY PROJECTS</b>	<b>0</b>	<b>393,094</b>	<b>331,038</b>	<b>325,809</b>
<b>REVENUES OVER/(UNDER)</b>				
<b>EXPENDITURES</b>	<b>0</b>	<b>16,305</b>	<b>94,650</b>	<b>0</b>
<b>BEGINNING FUND BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>94,650</b>
<b>ENDING FUND BALANCE</b>	<b>0</b>	<b>16,305</b>	<b>94,650</b>	<b>94,650</b>

**HIGHLIGHTS FY 2011 PROPOSED BUDGET**

Teen Crash Avoidance Program	26,196
K-9 Unit	39,840
Solar Powered School Zone Lighting	76,640
FATS Machine	60,000
Fixed Position Plate Scanners	24,000
Commercial Motor Vehicle Truck Scales	33,360
Portable Breath Test Units	6,925
Accellerometer/Advanced Reconstructionist Package	6,861
Airbag Crash Data Analyzer Upgrade	3,000
Cellphone Forensic Software	10,000
EMS Dispatch Software	33,787
Accident Software Training	5,200
	<u>325,809</u>

**FY 2011 ADOPTED BUDGET  
SPECIAL REVENUE FUND - PUBLIC ACCESS CHANNEL**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>REVENUES</b>				
403-03-00 * Franchise Fees	0	0	306,075	195,000
555-00-00 Interest Income	0	0	0	300
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>	<b>306,075</b>	<b>195,300</b>
<b>EXPENDITURES</b>				
Services & Charges				
5390 Building Improvements	0	0	50,000	195,000
Capital Outlay				
5573 Equipment	0	0	50,000	206,000
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>401,000</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>206,075</b>	<b>(205,700)</b>
<b>BEGINNING FUND BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>206,075</b>
<b>ENDING FUND BALANCE</b>	<b>0</b>	<b>0</b>	<b>206,075</b>	<b>375</b>

\* The franchise fees of \$306,075 in FY 2010 were booked to a transfer into Public Access Channel revenue account due to proper accounting but they are actually franchise fees paid to the City by Comcast for use by the Public Access Channel.

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## ADOPTED CAPITAL IMPROVEMENT PLAN FY 2011-2015 OVERVIEW

### PLAN FORMAT

The FY 2011-2015 Capital Improvement Plan (CIP) is organized by major funding source (e.g. General Fund and Utility Fund), program within major funding source (i.e. Police, Streets and Drainage within General Fund), and individual projects within the program. Each project proposed for funding in the CIP has its own detailed description page organized as follows:

- Project title, manager and program priority;
- Cost by fiscal year and project phase;
- Funding source by fiscal year to correspond with phase;
- Project description with justification; and
- Additional considerations, including the amount of recurring Maintenance and Operating Cost that would be incurred when construction is complete.

Certain projects are shown as eligible for “Future Years” funding. This includes projects whose current disposition and timing is yet to be determined for funding or implementation reasons. See Table 2A for a complete list.

Also included in the CIP are:

- Reconciliation schedules for each existing funding source;
- Descriptions of each funding source, including the legally required use of bond funds as provided by bond covenants and official statements;
- Projected debt service schedules and projections for General Fund and Utility Fund that show anticipated income, current and planned debt service;
- Maps for each funded project;
- Citywide maps for each program that show the projects color-coded by fiscal year;
- A single chart showing all projects according to the fiscal year planned for construction to commence; and
- The budgetary rules for administration and management of the CIP that are part of the ordinance adopting the plan.

### KEY FEATURES OF THE PLAN

- **Projects will be funded by project phase according to the approved Capital Improvement Plan in order to maximize the efficient use of funds.**

This is a departure from the previous practice of funding entire projects, including design, construction, and land acquisition at the start of what could be a three to five year process. The previous process was based on the idea that projects are approved by City Council one at a time based on a total budget, the amount of which is included in a single bond sale. This appears to prevent decisions that cancel projects for which some funds have already been

spent. However, the practice encourages overstatement of project budgets and is very costly.

The previous practice often provided millions in funding for a particular project design or scope that is not fully defined. This leads to funding adjustments after final design is finished and before construction commences. It also encourages project planners to pad project funding in order to ensure sufficient funds are available to cover unforeseen contingencies identified through the design phase.

The prior practice also is very costly to the City. We currently have tens of millions in cash on hand borrowed in prior fiscal years that is reserved for major projects which may not even begin construction in FY 2011. The City is paying interest on these funds in the range of 4% per year and we are earning a mere 0.2% through investing the idle cash. The net cost to the City includes this difference between what we are paying and what we are earning, as well as the opportunity cost of not being able to implement other projects that could address high priority needs. In periods of higher interest rates, the practice also exposes the City to potential arbitrage regulations, which supports the idea that there is not a good time from a cash flow standpoint to continue the prior practice.

The proposed practice in this CIP is that project costs and schedules will be reviewed annually and included in the CIP. Once the CIP is adopted, the specific phases of projects that are ready for implementation in the first year of the five year CIP become the City's capital budget for the year. And the total amount of funds needed for project phases in the first year of the CIP become the basis for bond sales made in that fiscal year. This will rarely include all of the funds necessary to cover design and construction for the same project in a single year because design usually takes a year to complete. This proposed approach will reduce the amount of idle borrowed cash balances on hand and cut the City's interest costs on idle funds significantly.

- **Currently available funds will be allocated to projects based on priority and project phase.**

This will ensure that new bond issuances will be for those project phases that must commence in the current fiscal year. It also ensures that project funding decisions can be made as a part of the annual CIP process and amended only by City Council as provided in the ordinance that will adopt the CIP. All current project funds have been reconciled and are a part of this CIP.

- **Operating budget impact will be considered when the CIP is reviewed and approved and before a project is under design.**

Recurring maintenance and operating costs are included in the CIP for the first time by dollar amount instead of a "yes or no" answer.

- **New program categories have been added for Facilities and Economic Development.**

This emphasizes the priority attached to these programs in order to address major facility improvements as well as specific high priority economic development projects.

- **Project funding is being approached in a comprehensive manner, with strategic use of existing funding sources, capacity to issue future debt, and excess working capital.**

The two basic principles applied in the CIP are to (1) include all funding sources and (2) use the most restricted source of funds first in funding projects and the most flexible source of funds last. Also, if a project is CIP-worthy, but has a shorter useful life, it is preferable to fund such a project with excess working capital from the General and Utility funds, if possible. The purpose is to make best use of all of the City's resources in its capital planning.

## **PROGRAM FUNDING OVERVIEW**

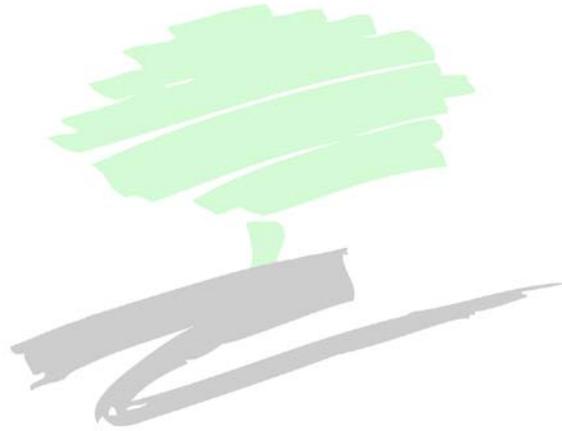
The FY 2011-2015 Capital Improvement Plan (CIP) includes \$193.9 million in projects expected to be implemented over the next five fiscal years. Tax-supported programs comprise \$115.5 million, or 59% of the total, and water and wastewater revenue supported programs provide the \$78.5 million balance of the five year program. The CIP also includes \$74.5 million appropriated in FY 2010 and prior fiscal years, \$66.2 million of which was appropriated for water and wastewater projects.

Tax-supported programs in the FY 2011-2015 period are largely made up of streets and drainage (\$45 million or 38% of the total) and police (\$30.1 million or 26% of the total). Water projects comprise approximately two-thirds of the total revenue-supported programs.

**TABLE 1**  
**CIP TOTALS BY PROGRAM (\$000s)**

<b>PROGRAM</b>	<b>PREVIOUSLY APPROPRIATED</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2011-2015 TOTAL</b>	<b>GRAND TOTAL</b>
Police	\$0	\$4,800	\$23,300	\$2,000	\$0	\$0	\$30,100	<b>\$30,100</b>
Fire	\$0	\$3,014	\$2,110	\$5,013	\$3,359	\$0	\$13,496	<b>\$13,496</b>
EMS	\$373	\$157	\$0	\$225	\$1,650	\$0	\$2,032	<b>\$2,405</b>
Facilities	\$0	\$5,212	\$500	\$500	\$500	\$500	\$7,212	<b>\$7,212</b>
Economic Development	\$0	\$1,000	\$0	\$0	\$0	\$0	\$1,000	<b>\$1,000</b>
Streets	\$6,262	\$26,438	\$5,010	\$2,300	\$250	\$1,360	\$35,358	<b>\$41,620</b>
Drainage	\$0	\$3,008	\$217	\$255	\$1,885	\$4,275	\$9,640	<b>\$9,640</b>
Parks	\$1,752	\$13,043	\$0	\$3,656	\$0	\$0	\$16,699	<b>\$18,451</b>
<b>Subtotal Tax-Supported Programs</b>	<b>\$8,387</b>	<b>\$56,672</b>	<b>\$31,137</b>	<b>\$13,949</b>	<b>\$7,644</b>	<b>\$6,135</b>	<b>\$115,537</b>	<b>\$123,924</b>
Water	\$3,574	\$19,871	\$11,300	\$11,883	\$8,123	\$900	\$52,077	<b>\$55,651</b>
Wastewater	\$62,590	\$7,774	\$4,565	\$8,675	\$2,425	\$2,935	\$26,374	<b>\$88,964</b>
<b>Subtotal Revenue Supported Programs</b>	<b>\$66,164</b>	<b>\$27,645</b>	<b>\$15,865</b>	<b>\$20,558</b>	<b>\$10,548</b>	<b>\$3,835</b>	<b>\$78,451</b>	<b>\$144,615</b>
<b>CIP TOTAL</b>	<b>\$74,551</b>	<b>\$84,317</b>	<b>\$47,002</b>	<b>\$34,507</b>	<b>\$18,192</b>	<b>\$9,970</b>	<b>\$193,988</b>	<b>\$268,539</b>

Table 2 (see next page) summarizes in a single chart by program the fiscal year in which construction would take place for proposed projects included in the CIP. Table 2A lists projects identified for future years that are not funded at this time.



# LEAGUE CITY

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TABLE 2 - CIP PROPOSED PROJECT CONSTRUCTION SCHEDULE			
PROGRAM	Project Start		
	Under Construction/Completed FY2010	FY 2011	FY 2012
Police			- Public Safety Building
Fire		- Replace 3 Pumpers	- 100' Aerial Quint for West side of City - Replace 1 Pumper
EMS		- Renovate Newport EMS Station	
Buildings & Facilities		- City Hall Renovation - Jail Repair - Facilities HVAC & Roof Replacement Program - Facilities Modernization & Energy Efficiency	
Economic Development		- Economic Development Initiative	
Library			
Streets	- Brittany Bay (ST0101) - Helipad Access (ST0908) - McFarland Road Bridge (ST0801) - Bradshaw Rd Street & Drainage (ST0802) - Coryell/270 to Wisconsin (ST0901) - Austin/LA to FM270 (ST0903) - Houston Ave (ST0904)	- Calder Rd - I45 to Ervin - Carolina St - S of FM646 - Five Corners / FM518 By-Pass (ST0601) - Louisiana Phase 1-3 (ST0902)	- Texas Ave - Phases 1 & 2 - Kansas Ave - North of FM518
Drainage	- Dickinson Bayou Cleanup (ST0905) - Webster St Drainage Ph 2 (ST0303) - 2009 Storm Sewer (ST0906) - West Dr Storm Water Drainage (ST0907)	- Robinson Bayou Bank Stabilization	- Stormwater Improvement 2012-2013
Parks	- Boundless Playground (PK1001) - Countryside - Magnolia Creek Trail (PK0904)	- Parks Facilities Renewal - Eastern Regional Park Phase I (PK0903) - Clear Creek Paddle Trail	
Water	- SSH Water Well (WT0106) - Brittany Bay Watertower Paint (WT0303) - SSH Plant/FM2094 (WT0901) - Hwy 3 Pumping Station Repair (WT0902) - Northside Service Area WL Extension (WT1001)	- Water Meter Replacement Program - Beamer Waterline Extension (24" Transmission Line) (WT1002) - Northside Water Booster Station (WT1003) - Raise West Side Elevated Water Tower - Southeast Service Area Trunks - South Shore Harbour Pump Station - SH 3 Pump Station Improvements	- New East Side Elevated Water Tower #1 - 24" Distribution Line from FM518 to Alderwood - Calder Rd Pump Station Improvements - Countryside Pump Station & Well
Wastewater	- DSWWTP 4.5MGD Expansion (WW0405) - DSWWTP LS Expansion & Headworks (WW0302) - Magnolia Creek Force Main (WW0401) - Northservice Area LS/FM/GS (WW1001) - Sanitary Sewer Rehab (LR0502) - Shellside Sanitary Sewer Line (LR0601) - Southwest Water Reclamation Facility 4MGD (WW0103)	- Re-use Improvements Phase 1 - Butler Rd LS/FM Upgrade (WW1004) - West Main LS/FM Upgrade (WW1005) - 24" Parallel GS on Calder (WW0407)	- Countryside & FW11 LS/FM Upgrades & Demo (WW1002) - FW10 FM to SSWRF & Countryside #2 LS FM Diversion (WW1003) - Clear Creek Village Sanitary Sewer System Rehab

TABLE 2 - CIP PROPOSED PROJECT CONSTRUCTION SCHEDULE			
PROGRAM	Project Start		
	FY 2013	FY 2014	FY 2015
Police			
Fire	- Land for Public Safety Annex Station 7 - Public Safety Annex Station 6 with Engine - Renovate Fire Station 4	- Relocate Fire Station 3	
EMS		- EMS West Station (ES0302)	
Buildings & Facilities			
Economic Development			
Library			
Streets			- Webster St - FM270 to Texas
Drainage			- Robinson Gully - South of SH96 (Shellside) - Phillips-Conoco ROW Sub-Watershed Improvements (Phase 2)
Parks	- Eastern Regional Park Phase II (PK0903)		
Water	- New West Side Elevated Water Tower - New East Side Elevated Water Tower #2 - Newport Water Lines - Relocate Water Line FM646 - I45 to FM1266 - 24" & 18" Water Lines Parallel with LC Pkwy and Maple Leaf Drive	- Walker Street Pump Station & Well Improvements - Meadowbend Pump Station Improvements - Dickinson Pump Station & Well Improvements - East Main Parallel 12" Water Line SH3 to FM270	
Wastewater	- Hobbs Rd Lift Station/Force Main/Gravity Sewer - 54" Gravity Sewer Trunk Extending South from SWWRF to FW6 - 36" Gravity Sewer Trunk Extending North from SWWRF to FW6 - 42" Gravity Sewer Trunk Extending South from SWWRF to FW6 - Bayridge Sanitary Sewer Rehab - Glen Cove Sanitary Sewer System Evaluation	- FW8 Lift Station/Force Main to SWWRF - FW9 Lift Station/Force Main to SWWRF	- FW5 Lift Station/Force Main to SWWRF - FW5 Lift Station/Force Main to SWWRF

TABLE 2A - OTHER IDENTIFIED UNFUNDED PROJECTS*	
Buildings & Facilities	- Parking Garage
Economic Development	- Amphitheater
Library	- New Helen Hall Library Building
Streets	- Palomino Lane (ST0504) - Beaumont St - Texas to Dickinson - Wesley Dr from I45 to FM518 - West Galveston - SH3 to Interurban
Parks	- Meadows WaterSmart Park - Dick Benoit LC Prairie Preserve - Hike & Bike, Phase 1 Construction - Heritage Park - Ghirardi House - Western Regional Park - Williams/Myrtle Park (PK0203) - Clear Creek Nature Park, Phase 2 - Dog Park (PK0901) - Davis/Kilgore Tract
Water	- 3rd Street Pump Station & Well Improvements - Bayou Brae & Clear Creek Village Water Line Replacements & Upgrades - Relocate & Resize 42" Transmission Line from SWEPP/SH3 - New Water Lines to West Side - Eastline Trunk Lines (WT0202) - Hwy 3 Pump Station Improvements - Ph2 - Upsize Water Line on FM518 near Countryside WP - Water Main Rehab on Main Street from SH3 to I45 - Trunk Line from SSH Water Plant to FM2094 - Supplemental 24" Water Supply from Calder Rd to SH3 - Trunk Line from Walker WP to Louisiana - Trunk Lines along Bay Area Blvd - Glen Cove Water Line Replacements and Upgrades - Water Line Upgrades South of Main St - Water Line Upgrades North of Main St
Wastewater	- 30" Gravity Sewer Trunk Extending South from FW3 to SWWRF - 27" & 24" Gravity Sewer Trunk Extending South from FW2 & FW3 to SWWRF - 36" Gravity Sewer Trunk Extending South from SWWRF to FW8&9 - 27" & 24" Gravity Sewer Trunk Extending North from FW4 & FW5 to SWWRF - FW5 Lift Station/Force Main to SWWRF - FW4 Lift Station/Force Main to SWWRF - 15" Gravity Sewer Trunk Extending South from SWWRF to FW6 - Newport Sanitary Sewer System Rehab - Landing Sanitary Sewer System Rehab - Clear Creek Heights Sewer Line Rehab - Lakeside Sanitary Sewer Rehab

\*The above listed projects are not included in the funded CIP but have been identified as those that may be worthy of consideration for funding as community needs, priorities, and circumstances (i.e., economy, NASA jobs, growth) change. There is no representation nor obligation by the City of League City to fund these projects at any time in the future; however, the listing of these projects is important for the purposes of communicating to the public that the projects have been identified and discussed by City Council. By necessity, some projects (i.e., water line replacements) may be moved up to the current fiscal year capital budget due to faster than expected damage or failure to achieve full life expectancy.

## FUNDING SOURCES

CIP funding sources are detailed in Table 3 for General Fund or tax-supported programs and projects, while Table 4 lists all funding sources for the Utility Fund or revenue supported projects and programs. Both tables show “currently available” funds considering (1) cash balances and (2) unspent appropriations by City Council for specific contracts or project expenditures. Included as “currently available” are bond funds reserved for major projects such as the Five Corners Bypass, as shown as part of Table 3, and the Southwest Wastewater Reclamation Facility, show in Table 4.

**TABLE 3  
TAX-SUPPORTED (GENERAL FUND) PROJECT FUNDING SOURCES (\$000's)**

FUNDING SOURCE	CURRENTLY AVAILABLE	ESTIMATED REVENUE					GRAND TOTAL
		FY2011	FY2012	FY2013	FY2014	FY2015	
<b>Tax Supported Programs</b>							
Prior Years' Certificates of Obligation							
2003A Certificates of Obligation	\$660	\$0	\$0	\$0	\$0	\$0	\$660
2006A Certificates of Obligation	\$263	\$0	\$0	\$0	\$0	\$0	\$263
2008A Certificates of Obligation	\$5,613	\$0	\$0	\$0	\$0	\$0	\$5,613
2009 Certificates of Obligation	\$11,526	\$0	\$0	\$0	\$0	\$0	\$11,526
<b>Subtotal CO's</b>	<b>\$18,062</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$18,062</b>
Miscellaneous Capital Project Fund	\$1,133	\$2,247	\$700	\$702	\$704	\$706	\$6,192
Park Dedication Fees	\$2,013	\$93	\$279	\$279	\$279	\$279	\$3,222
Sidewalk Fund	\$121	\$0	\$0	\$0	\$0	\$0	\$121
<b>Existing Funds Subtotal</b>	<b>\$21,329</b>	<b>\$2,340</b>	<b>\$979</b>	<b>\$981</b>	<b>\$983</b>	<b>\$985</b>	<b>\$27,597</b>
<b>Other Funding Sources</b>							
Galveston County Funds		\$9,924	\$0	\$0	\$0	\$0	\$9,924
4B Corporation		\$12,790	\$0	\$3,656	\$0	\$0	\$16,446
Potential Grant Funding		\$0	\$0	\$0	\$0	\$0	\$0
Future Bond Need		\$12,532	\$30,420	\$9,591	\$6,940	\$5,429	\$64,912
<b>Other Funds Subtotal</b>		<b>\$35,246</b>	<b>\$30,420</b>	<b>\$13,247</b>	<b>\$6,940</b>	<b>\$5,429</b>	<b>\$91,282</b>
<b>TOTAL FUNDING SOURCES</b>	<b>\$21,329</b>	<b>\$37,586</b>	<b>\$31,399</b>	<b>\$14,228</b>	<b>\$7,923</b>	<b>\$6,414</b>	<b>\$118,880</b>

General Fund currently available CIP funding sources include \$21.3 million as follows:

- \$18.06 million in available Certificate of Obligation funds,
- \$2.01 million in Park Dedication fees,
- \$121 thousand in Sidewalk Fees, and
- \$1.13 million in miscellaneous capital project funds set aside from the General Fund.

Programmed transfers from the General Fund would total approximately \$1 million if the policy minimum of funding were transferred each fiscal year. The CIP includes \$1.7 million in General Fund transfers for CIP projects in FY 2011, and anticipates a potential \$700,000 per fiscal year for the rest of the five year period. Also, \$1.2 million in additional park dedication fees can be

expected to be collected and available for projects during the next five fiscal years given current fees and construction rates. Grants from the County and other sources, along with funding from the 4B Corporation, provide an additional \$26.4 million in cash for projects included in the FY 2011-2015 period. Total 4B Corporation funds during the five year CIP include approximately \$16.4 million from a combination of \$3.9 million in unreserved funds, \$3.62 million in future income, and \$8.88 million in bond proceeds.

Currently available funds for Utility Fund programs include \$19 million as follows:

- \$13.8 million in available bond funds,
- \$3.75 million in Water Capital Recovery fees,
- \$0.34 million in Wastewater Capital Recovery fees, and
- \$1.05 million in miscellaneous capital project funds set aside from the Utility Fund.

**TABLE 4**  
**REVENUE SUPPORTED (UTILITY FUND) PROJECT FUNDING SOURCES (\$000s)**

FUNDING SOURCE	CURRENTLY	ESTIMATED REVENUE					GRAND TOTAL
	AVAILABLE	FY2011	FY2012	FY2013	FY2014	FY2015	
<b>Revenue Supported Programs</b>							
Prior Revenue Bonds							
2002 Revenue Reserve	\$57	\$0	\$0	\$0	\$0	\$0	\$57
2004 Revenue Bonds	\$27	\$0	\$0	\$0	\$0	\$0	\$27
2005 Revenue Reserve	\$69	\$0	\$0	\$0	\$0	\$0	\$69
2008 Revenue Bonds	\$1,144	\$0	\$0	\$0	\$0	\$0	\$1,144
2009 Revenue Bonds	\$12,550	\$0	\$0	\$0	\$0	\$0	\$12,550
<b>Prior Bonds Subtotal</b>	<b>\$13,847</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,847</b>
<b>Other Funding Sources</b>							
Capital Project Fund	\$1,051	\$250	\$1,000	\$1,000	\$1,000	\$1,000	\$5,301
Water Capital Recovery Fees	\$3,745	\$179	\$1,073	\$1,073	\$1,073	\$1,073	\$8,216
Wastewater Capital Recovery Fees	\$336	\$324	\$1,946	\$1,946	\$1,946	\$1,946	\$8,444
Bayridge Utility District Funds	\$19	\$0	\$0	\$0	\$0	\$0	\$19
Future Revenue Bond Need		\$12,941	\$10,532	\$16,656	\$6,997	\$0	\$47,126
<b>Subtotal Other Funding Sources</b>	<b>\$5,151</b>	<b>\$13,694</b>	<b>\$14,551</b>	<b>\$20,675</b>	<b>\$11,016</b>	<b>\$4,019</b>	<b>\$69,106</b>
<b>TOTAL FUNDING SOURCES</b>	<b>\$18,998</b>	<b>\$13,694</b>	<b>\$14,551</b>	<b>\$20,675</b>	<b>\$11,016</b>	<b>\$4,019</b>	<b>\$82,953</b>

Future transfers from the Utility Fund to the water and wastewater Capital Project Fund are projected to bring in an additional \$4.25 million at the current transfer level of \$1 million per fiscal year. Also, given the projected growth rate of the City (e.g. approximately 800 new houses per year), current capital recovery fees are expected to produce additional CIP funds for water (\$4.5 million) and wastewater (\$8.1 million) at the current rate of development. These projections may change later this year when the Capital Recovery fee study is performed and the capital recovery fee ordinance is updated.

Finally, the adopted CIP anticipates the issuance of \$47.1 million in water and wastewater revenue supported bonds during the FY 2011-15 period. (See "project financing" for a further discussion of future bonds.)

As a step in the “currently available” funds allocation, a short list of projects were identified as having been overfunded by virtue of actual project results and/or current funding need as compared with prior funding approved by City Council. This is detailed in Table 5.

**TABLE 5  
OVERFUNDED PROJECTS**

<b>General Fund Projects</b>	<b>Amount</b>	<b>Funding Source</b>
McFarland Road Bridge	\$58,608	Miscellaneous Capital Project Fund
New Library	\$23,198	Miscellaneous Capital Project Fund
EMS West Station	\$6,328	Miscellaneous Capital Project Fund
Louisiana Ave	\$4,764,000	2008A Cert of Obligation
Bradshaw Rd	\$539,783	2008A Cert of Obligation
Palomino Lane	\$206,727	2006A Cert of Obligation
<b>Subtotal General Fund</b>	<b>\$5,598,644</b>	
<b>Utility Fund Project</b>		
Brittany Bay Water Tower Paint	<b>\$108,244</b>	2008 Revenue Bonds

Table 6 includes the required legal use of bond proceeds for each tax-supported and revenue-supported sale as provided by the covenants that are a part of the Official Statements approved for each bond issue. As you can see in Table 6, the bond proceeds available for the projects in this CIP are eligible to be used on broad categories of projects. For instance, the 2009 Revenue Bonds allocated by prior Council action to finance the construction of the Southwest Wastewater Reclamation Facility can actually be used for wastewater or water projects. This flexibility can be used by City Council to best advantage in allocating funds annually to priority projects that constitute eligible uses of previously issued bonds.

**TABLE 6  
LEGAL PURPOSE OF BOND FUNDS**

<b>Tax Supported Programs</b>	
Prior Certificates of Obligations	
2003A Certificates of Obligation	Acquisition, construction and equipping of police safety, street and drainage, and park facilities
2004B Certificates of Obligation	Acquisition, construction, and equipping of a new animal shelter, public safety facilities and improvements, including software for police facilities, library facilities, and street improvements
2006A Certificates of Obligation	Acquisition, construction, and extension of street improvements, firefighting equipment and projects
2008A Certificates of Obligation	Street and drainage improvements
2009 Certificates of Obligation	Street and drainage improvements
Miscellaneous Capital Project Fund	To cash fund CIP projects as needed
Park Dedication Fees	Park facilities improvements
Sidewalk Fund 076	Sidewalk improvements
<b>Revenue Supported Programs</b>	
Prior Revenue Bonds	
2002 Revenue Bonds Reserve	Waterworks and sewer system improvements and extensions
2004 Revenue Bonds	Waterworks and sewer system improvements and extensions
2005 Revenue Bonds Reserve	Waterworks and sewer system improvements and extensions
2008 Revenue Bonds	Waterworks and sewer system improvements and extensions
2009 Revenue Bonds	Waterworks and sewer system improvements and extensions
Capital Project Fund	To cash fund Water and Wastewater projects as needed
Water Capital Recovery Fees	Water Improvement projects qualified through 2005 CRF study
Wastewater Capital Recovery Fees	Wastewater Improvement projects qualified through 2005 CRF study
Bayridge Utility District Funds	Projects benefiting Bayridge Utility District

## PROJECT FINANCING

The CIP anticipates that bonds will be sold to support the FY 2011-2015 CIP, including \$64.9 million in property tax supported bonds and \$47.1 in revenue-supported bonds. The charts and schedules included here demonstrate the affordability of these bonds using key assumptions from the Long Range Financial Forecast.

### General Fund or Tax Supported Projects

The City's debt issuance capacity is based on its current declining debt structure, an expected long range growth trend of approximately 3.3% per year, and continuation of the current tax rate devoted to retire tax-supported debt. Table 7 shows the projected cash flow for the Debt Service Fund over the FY 2011-2015 CIP period using the bond sales expected to be needed for CIP projects during that time. The sale in each year anticipates that \$100,000 will be needed for the cost of issuance in addition to the project costs being financed.

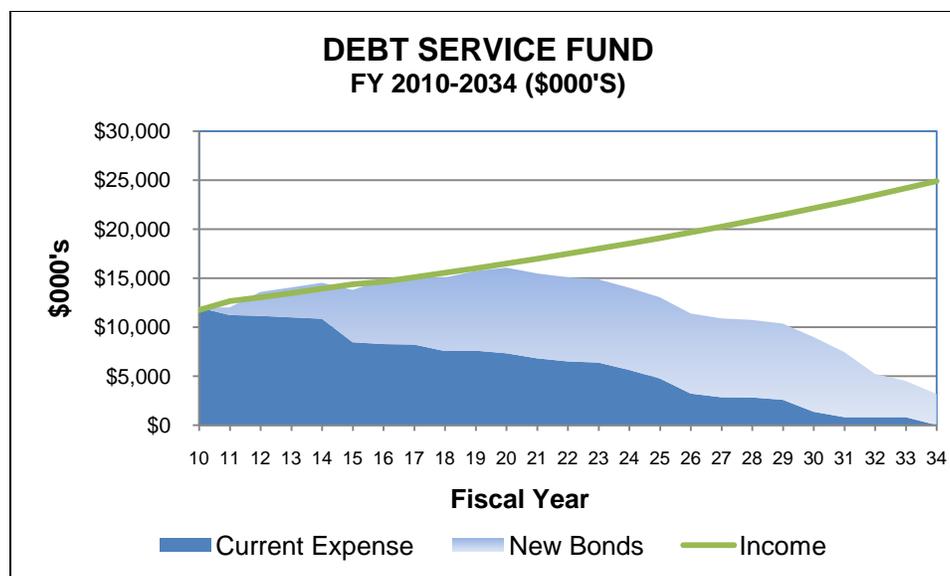
**TABLE 7  
GENERAL DEBT SERVICE FUND PROJECTION**

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
<b>REVENUE</b>						
Property Taxes	\$11,703	\$12,599	\$13,007	\$13,436	\$13,879	\$14,337
Interest Income	\$44	\$50	\$50	\$50	\$50	\$50
<b>TOTAL REVENUE</b>	<b>\$11,747</b>	<b>\$12,649</b>	<b>\$13,057</b>	<b>\$13,486</b>	<b>\$13,929</b>	<b>\$14,387</b>
<b>EXPENSE</b>						
<b>Transfers</b>						
MUD Property Tax Rebates	\$3,563	\$3,412	\$3,347	\$3,449	\$3,512	\$2,131
TIRZ Property Tax Increment (NOTE)	\$1,078	\$786	\$832	\$868	\$905	\$943
<b>Subtotal MUD's/TIRZ's</b>	<b>\$4,641</b>	<b>\$4,198</b>	<b>\$4,179</b>	<b>\$4,317</b>	<b>\$4,417</b>	<b>\$3,074</b>
<b>Current Debt Service</b>						
Interest	\$2,832	\$2,734	\$2,556	\$2,376	\$2,195	\$2,039
Principal	\$4,526	\$4,308	\$4,420	\$4,310	\$4,249	\$3,352
<b>Subtotal Current Debt Service</b>	<b>\$7,358</b>	<b>\$7,042</b>	<b>\$6,976</b>	<b>\$6,686</b>	<b>\$6,444</b>	<b>\$5,391</b>
<b>Subtotal Current Expense</b>	<b>\$11,999</b>	<b>\$11,240</b>	<b>\$11,155</b>	<b>\$11,003</b>	<b>\$10,861</b>	<b>\$8,465</b>
<b>Projected Future Debt Service</b>						
Interest	\$0	\$462	\$1,700	\$2,086	\$2,372	\$2,582
Principal	\$0	\$318	\$778	\$1,006	\$1,333	\$2,791
<b>Subtotal Future Debt Service</b>	<b>\$0</b>	<b>\$780</b>	<b>\$2,478</b>	<b>\$3,092</b>	<b>\$3,705</b>	<b>\$5,373</b>
<b>TOTAL EXPENSE</b>	<b>\$11,999</b>	<b>\$12,020</b>	<b>\$13,633</b>	<b>\$14,095</b>	<b>\$14,566</b>	<b>\$13,838</b>
<b>Revenue Over/(Under) Expense</b>	<b>(\$252)</b>	<b>\$629</b>	<b>(\$576)</b>	<b>(\$609)</b>	<b>(\$637)</b>	<b>\$549</b>
<b>Beginning Fund Balance</b>	<b>\$2,464</b>	<b>\$2,212</b>	<b>\$2,841</b>	<b>\$2,265</b>	<b>\$1,656</b>	<b>\$1,019</b>
<b>Ending Fund Balance</b>	<b>\$2,212</b>	<b>\$2,841</b>	<b>\$2,265</b>	<b>\$1,656</b>	<b>\$1,019</b>	<b>\$1,568</b>
<b>ASSUMPTIONS</b>						
Assessed Value (\$millions)	\$5,230.9	\$5,343.0	\$5,519.3	\$5,701.4	\$5,889.6	\$6,084.0
Debt Service Tax Rate	\$0.221129	\$0.221129	\$0.221129	\$0.221129	\$0.221129	\$0.221129
Over 65 Tax Freeze Pct Loss	0.200%	0.202%	0.204%	0.206%	0.208%	0.210%
<b>Property Tax Growth</b>		<b>2.1%</b>	<b>3.3%</b>	<b>3.3%</b>	<b>3.3%</b>	<b>3.3%</b>
TIRZ Increment Growth		-27.1%	5.9%	4.3%	4.3%	4.2%
<b>Future Bond Issue</b>		<b>\$12,633</b>	<b>\$30,520</b>	<b>\$9,691</b>	<b>\$7,040</b>	<b>\$5,529</b>
<b>Interest Rate Diff with FY10</b>		<b>0.25%</b>	<b>0.50%</b>	<b>0.75%</b>	<b>1.00%</b>	<b>1.00%</b>

NOTE: Projected property tax revenue and property tax increment expenses assume Magnolia Creek TIRZ is dissolved as of FY2011.

The bond sales are proposed to be structured on a declining payment schedule that includes principal payments that are midway between level principal payments (equal principal paid every year) and level payments overall with small principal payments at the onset of the debt schedule. The exception is for the \$30 million that would be sold in FY 2012 when construction of the proposed police station and jail would commence. This sale begins with three years of reduced principal payments that are \$1 million less than the rest of the payment schedule. This \$3 million total in principal payments is then added at the rate of \$200,000 per year to the scheduled payments for this sale between FY 2017 and 2031.

The result of these sales during the CIP period is combined with an additional \$8 million in new bonds with payments structured using the same declining payment schedule as depicted in the graph below and the detailed chart that supports the graph in the appendix.



Debt issuance will be an annual decision to provide project financing in support of the first year of each five year CIP. Bonds will only be sold after considering the availability of other funds, and updating project schedules and costs through the CIP process.

### Utility Fund or Revenue Supported Projects

The Utility Fund debt service outlook is similar to the General Fund in that its debt structure declines over time, providing some capacity to issue new bonds. Unlike the General Fund, however, there is no dedicated funding source for debt service as a part of water and wastewater revenues. So the impact of the debt issuance contemplated in this CIP is shown in terms of Utility Fund revenue and expense in total. The potential bond issues here assume that current water and wastewater rates remain constant throughout the FY 2011-2015 period. It is also assumed that the 120 day working capital goal must be met throughout the five year CIP period.

The expenditure amounts shown in Table 8 (see the next page) for FY 2011 correspond to amounts to be included in the Adopted FY 2011 Budget for the Utility Fund. The projections in Table 8 include debt service for the \$47.1 million anticipated in Revenue Bond issuance in the CIP. Underlying assumptions in the projections are:

1. Maintenance and operating costs rise at 2.5% per fiscal year;
2. Debt service is based on the same average of level payment and level principal that is being used to project debt service for tax-supported bond sales;
3. The Utility Fund's contribution to the General Fund is increased from \$1 million to \$2 million in FY 2011 to reflect (a) \$1.3 million for General Fund support and administrative services, (b) \$500,000 for Engineering services paid through the General Fund and (3) \$200,000 for sidewalk repair associated with water line repair paid through the General Fund;

4. Interest rates are progressively higher than the last Certificate of Obligation sale in the fall of 2009, paralleling the rates used in the property tax supported bond sale projections shown in Table 7; and
5. Annual bond sales totaling \$47.1 million as included in the CIP: \$13.04 million in FY 2011, \$10.6 million in FY 2012, \$16.7 million in FY 2013, and \$7.1 million in FY 2014.

**TABLE 8**  
**FY2011 UTILITY FUND BUDGET/CIP SCENARIO (\$THOUSANDS)**

	FY 2011 Budget	FY 2012 Forecast	FY 2013 Forecast	FY 2014 Forecast	FY 2015 Forecast
<b>M&amp;O Expenditures</b>	<b>\$14,969</b>	<b>\$15,343</b>	<b>\$15,727</b>	<b>\$16,120</b>	<b>\$16,523</b>
<b>New Programs</b>					
Water Production Recurring (1 new Staff)	\$60	\$62	\$63	\$65	\$66
Water Production Non-recurring	\$47	\$0	\$0	\$0	\$0
Wastewater Recurring (3 new Staff)	\$264	\$271	\$277	\$284	\$291
Wastewater Non-Recurring	\$103	\$0	\$0	\$0	\$0
M&O Costs for CIP Facilities	\$0	\$179	\$199	\$202	\$226
<b>Subtotal New Programs</b>	<b>\$474</b>	<b>\$511</b>	<b>\$539</b>	<b>\$551</b>	<b>\$584</b>
<b>Increase in Transfer to General Fund</b>	<b>\$1,000</b>	<b>\$1,050</b>	<b>\$1,101</b>	<b>\$1,154</b>	<b>\$1,208</b>
<b>Debt Service</b>					
Current	\$9,204	\$9,149	\$8,948	\$9,417	\$8,892
New Bonds	\$1,104	\$2,021	\$3,507	\$4,129	\$4,092
<b>Total Debt Service</b>	<b>\$10,308</b>	<b>\$11,170</b>	<b>\$12,455</b>	<b>\$13,546</b>	<b>\$12,984</b>
<b>TOTAL EXPENSE</b>	<b>\$26,751</b>	<b>\$28,074</b>	<b>\$29,822</b>	<b>\$31,371</b>	<b>\$31,298</b>
<b>TOTAL REVENUE</b>	<b>\$26,080</b>	<b>\$27,175</b>	<b>\$28,322</b>	<b>\$29,535</b>	<b>\$30,809</b>
<b>REVENUE OVER/(UNDER) EXPENSE</b>	<b>(\$671)</b>	<b>(\$899)</b>	<b>(\$1,500)</b>	<b>(\$1,836)</b>	<b>(\$489)</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$15,852</b>	<b>\$15,181</b>	<b>\$14,282</b>	<b>\$12,781</b>	<b>\$10,946</b>
<b>ENDING FUND BALANCE</b>	<b>\$15,181</b>	<b>\$14,282</b>	<b>\$12,781</b>	<b>\$10,946</b>	<b>\$10,456</b>
<b>DAYS OF WORKING CAPITAL</b>	<b>207.1</b>	<b>185.7</b>	<b>156.4</b>	<b>127.4</b>	<b>121.9</b>
<b>Future Bond Sales (\$000s)</b>	<b>\$13,041</b>	<b>\$10,632</b>	<b>\$16,756</b>	<b>\$7,097</b>	<b>\$0</b>
<b>Interest Rate Difference with FY 10 Sale</b>	<b>0.25%</b>	<b>0.25%</b>	<b>0.25%</b>	<b>0.25%</b>	<b>0.25%</b>

## CIP ADOPTION AND MANAGEMENT

The CIP is intended to enable project financing and planning on an annual basis. The CIP is prepared and updated annually to reflect changing project estimates and schedules, as well as different economic and financial assumptions. After review by City Council, an ordinance was passed adopting the CIP with the following control provisions:

1. The first fiscal year of the CIP shall serve as the City's Capital Budget for FY 2011.

2. Individual projects with specific phases planned for FY 2011 will constitute the capital work plan for FY 2011.
3. After the CIP is adopted, rescheduling any project by delaying it to a later year or bringing one from a later year into FY 2011 will constitute an amendment to the CIP and require approval by City Council.
4. Bond sales for FY 2011 will be conducted in accordance with and in the furtherance of the adopted CIP.
5. Reports will be provided to City Council quarterly on the status of each project that is a part of the FY 2011 Capital Budget which is the first year of the adopted CIP. This will include financial, design, and construction status information or other information as required to keep the Council apprised.

## **CIP HIGHLIGHTS BY PROGRAM**

### **Police**

The Police program includes a single allocation of \$30 million for a new 90,000 square foot police station and jail complex. Discussions with the County are ongoing with respect to some form of shared facility particularly with regard to the jail. FY 2011 funds are set aside for design and potential acquisition of a site for the new police station and jail. The use of these funds and the rest of the budget for this high priority project will be clarified as the joint facility discussions with the County progress.

### **Fire**

The Fire program addresses critical needs for major apparatus and facilities. FY 2011 funding is proposed to replace three pumpers that are at the end of their intended useful life, including one originally bought in 1991 and two purchased in 1993. FY 2011 funds are also proposed to replace a 1995 vacuum truck, a one-of-a kind vehicle in the Fire Department fleet that provides fire-scene air tank regeneration. The Fire program also includes funding in FY 2012 to replace a 100' aerial quint truck allowing a smaller ladder truck to be placed in reserve status.

Further, the five year program provides funding for the construction of two new Public Safety Annex Stations in the southeast portion of the City, one of which will serve as a replacement for Station #3. This is in response to ISO standards that require better placement of firefighting equipment in the eastern half of the City. It also contemplates that all new stations primarily built for Fire will also be used as a police substation and can potentially serve to house EMS vehicles and personnel as well.

### **EMS**

The CIP includes funding in FY 2011 to renovate the Newport EMS facility. Also in the CIP is funding for a west side EMS facility on a site the City owns on Hobbs Road next to Fire Station #2.

**Facilities**

This is a new program in the CIP addressing general building and facility improvements across the City. Total funds in the CIP for this category include \$3.5 million in FY 2011 for the renovation and structural bracing of City Hall. The \$4 million budget for the proposed City Hall project includes \$500,000 to cover moving and office expense so City Hall occupants can be relocated while renovation is underway. Also, \$3.2 million is proposed for a systematic replacement program of roofs and HVAC systems citywide. The FY2011 program also includes \$250,000 for major repairs to the jail.

**Economic Development**

This new program is being set to provide a CIP category for major projects that will come from the City's economic development efforts. The FY 2011 CIP includes a preliminary reservation of \$1 million for projects in this category that will come from the proposed FY 2011 bond sale.

**Library**

Major improvements and repairs to the Library roof and HVAC are being addressed through the Facilities program.

**Streets**

The Streets program includes \$41.6 million in the Adopted CIP, with \$26.4 million scheduled for FY 2011. Most of the FY 2011 funds (\$16.5 million) come from bond sales already conducted in previous years, including the Five Corners Bypass, Louisiana Avenue, Calder Road, and Houston Avenue. Projects funded during the FY 2012-2015 period include Kansas, Texas, and Webster.

**Drainage**

While drainage improvements are almost always a part of every street project, there are projects that are primarily intended to address drainage issues. The FY 2011-2015 program includes a first phase of Robinson Bayou stabilization in FY 2011, stormwater improvements in four neighborhoods from FY 2012 to FY 2014, and improvements to the Phillips-Conoco watershed in FY 2015.

**Parks**

FY 2011 funding is provided for improvements to park facilities citywide as well as the Eastern Regional Park and the Clear Creek Paddle Trail. The park facilities renewal will be funded with cash from the General Fund while the Eastern Regional Park and the Clear Creek Paddle Trail are 4B projects.

**Water**

Funding in the CIP for water system improvements comprise the single largest program category of the CIP, with \$52.1 million to be funded during the FY 2011-2015 period. Key projects in FY 2011, with a total of \$12.9 million in funding, include completion of the Beamer Road water line extension, construction of the Northside water booster station, design and reconstruction of the South Shore Harbour pump station, design and reconstruction of the Highway 3 pump station, and raising the West side elevated water tower. Phase one of change out of the City's wireless water meter system is funded to begin in FY 2011 as well. In addition to the \$52.1 million included in the Adopted CIP for water projects.

**Wastewater**

With completion of the Dallas Salmon Wastewater Treatment Plant and commencement of construction of the new Southwest Water Reclamation Facility, the City's major investment in its wastewater system will decline somewhat in the FY 2011-2015 CIP period. Wastewater's total program for the five year CIP period include \$26.4 million for lines and lift station improvements. FY 2011 projects (funded at \$7.8 million total) feature improvements to the Butler Road and West Main lift stations, as well as construction of a new 24" gravity sewer line on Calder Road.

**Maintenance and Operations Impact of CIP**

Construction of major city facilities has a direct, continuing impact on the maintenance and operating budget of the City. In some cases, replacing or renovating an existing facility with more modern design and energy-saving materials and features can reduce costs. Most of the time, however, construction of a facility involves permanent additions to the City's annual operating costs. This should be a factor considered when planning and including a project in the CIP.

**TABLE 9**  
**CUMULATIVE MAINTENANCE AND OPERATING COSTS**  
**OF PROPOSED CIP PROJECTS**  
**CURRENT UNINFLATED DOLLARS**

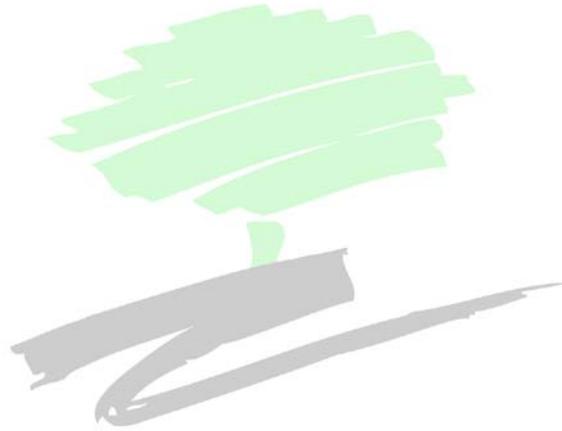
PROGRAM	FY2011	FY2012	FY2013	FY2014	FY2015
<b>General Fund</b>					
Police	\$0	\$0	\$0	\$339,000	\$339,000
Fire	\$0	\$0	\$0	\$17,680	\$17,680
EMS	\$0	\$9,200	\$9,200	\$9,200	\$41,940
Buildings & Facilities	\$0	\$0	\$0	\$0	\$0
Economic Development	\$0	\$0	\$0	\$0	\$0
Library	\$0	\$0	\$0	\$0	\$0
Streets	\$0	\$0	\$0	\$0	\$0
Drainage	\$0	\$0	\$0	\$0	\$0
Parks	\$6,000	\$178,500	\$372,980	\$626,886	\$605,652
<b>Subtotal General Fund</b>	<b>\$6,000</b>	<b>\$187,700</b>	<b>\$382,180</b>	<b>\$992,766</b>	<b>\$1,004,272</b>
<b>Utility Fund</b>					
Water	0	54,000	61,500	64,500	75,500
Wastewater	0	125,000	137,000	137,000	151,000
<b>Subtotal Utility Fund</b>	<b>\$0</b>	<b>\$179,000</b>	<b>\$198,500</b>	<b>\$201,500</b>	<b>\$226,500</b>
<b>TOTAL M&amp;O COSTS</b>	<b>\$6,000</b>	<b>\$366,700</b>	<b>\$580,680</b>	<b>\$1,194,266</b>	<b>\$2,235,044</b>

The schedule above shows the net increases to annual operating costs by program for the facilities included in this Adopted CIP. While a number of projects might be expected to generate savings in annual operating costs, no savings are shown.

FY 2011 APPROVED BUDGET CAPITAL BUDGET (\$000'S) Page 1 of 2					
PROGRAM	PROJECT	TOTAL COST	FY 2011 ADOPTED	PHASE	M&O COST
<b>GENERAL FUND</b>					
Police	New police station and jail	\$30,100	\$4,800	Design and acquisition	\$339
	<b>Police Subtotal</b>	<b>\$30,100</b>	<b>\$4,800</b>		<b>\$339</b>
Fire	Replace three pumpers and one vacuum freightliner	\$2,314	\$2,314	Purchase	N/A
	Public Safety Annex Station 6 with Engine	\$4,629	\$350	Acquisition	\$18
	Relocate Station #3	\$4,100	\$350	Acquisition	N/A
	<b>Fire Subtotal</b>	<b>\$11,043</b>	<b>\$3,014</b>		<b>\$18</b>
EMS	Renovate Newport EMS Facility	\$157	\$157	Design and construction	\$9
	<b>EMS Subtotal</b>	<b>\$157</b>	<b>\$157</b>		<b>\$9</b>
Buildings and Facilities	City Hall Renovation	\$4,000	\$4,000	Design and construction	N/A
	Facilities Modernization & Energy efficiency	\$458	\$458	Construction	N/A
	Jail Repair	\$250	\$250	Construction	N/A
	Facilities HVAC & Roof Replacement	\$504	\$504	Construction	N/A
	<b>Buildings and Facilities Subtotal</b>	<b>\$5,212</b>	<b>\$5,212</b>		N/A
Economic Development	Capital projects directly administered by Manager's Office	\$1,000	\$1,000	Design and construction	N/A
	<b>Economic Development Subtotal</b>	<b>\$1,000</b>	<b>\$1,000</b>		N/A
Streets	Five Corners Bypass	\$13,155	\$11,526	Construction	N/A
	Louisiana Avenue - FM 518 to Hewitt	\$6,825	\$6,000	Construction	N/A
	Calder Road - I45 to Ervin	\$4,297	\$4,297	Construction	N/A
	Caroline Street	\$277	\$277	Construction	N/A
	Houston Avenue	\$3,500	\$3,213	Construction	N/A
	Kansas Avenue	\$3,510	\$500	Design	N/A
	Texas Avenue	\$4,925	\$625	Design	N/A
	<b>Streets Subtotal</b>	<b>\$36,489</b>	<b>\$26,438</b>		N/A
Drainage	Robinson Bayou Bank Stabilization	\$2,708	\$2,708	Design and construction	N/A
	Stormwater Improvements FY 2012-13	\$2,232	\$300	Design	N/A
	<b>Drainage Subtotal</b>	<b>\$4,940</b>	<b>\$3,008</b>		N/A
Parks	Park Facilities Renewal	\$253	\$253	Construction	\$0
	Clear Creek Paddle Trail	\$370	\$370	Design and construction	\$3
	Eastern Regional Park	\$16,338	\$12,420	Construction	\$193
	<b>Parks Subtotal</b>	<b>\$16,961</b>	<b>\$13,043</b>		<b>\$196</b>
<b>GENERAL FUND TOTAL</b>		<b>\$105,902</b>	<b>\$56,672</b>		<b>\$562</b>

**FY 2011 APPROVED BUDGET  
CAPITAL BUDGET (\$000'S)  
Page 2 of 2**

PROGRAM	PROJECT	TOTAL COST	FY 2011 ADOPTED	PHASE	M&O COST
<b>UTILITY FUND</b>					
<b>Water</b>	Beamer Road Water Line Extension	\$1,819	\$1,484	Construction	N/A
	Northside Water Booster Station	\$5,917	\$5,637	Construction	\$38
	Southeast Service Area Trunks	\$4,150	\$300	Design and construction Ph. 1	N/A
	South Shore Harbour Pump Station	\$2,250	\$2,250	Design and construction	\$4
	State Hwy. 3 Pump Station	\$5,290	\$5,290	Design and construction	\$12
	Raise West Side Elevated Water Tower	\$2,500	\$2,500	Design and construction	N/A
	New East Side Elevated Water Tower	\$3,000	\$325	Design	N/A
	24" Dist Line FM518 to Alderwood	\$835	\$85	Design	N/A
	Water Meter Replacement Program	\$6,110	\$2,000	Ph. 1 Replacement	N/A
	<b>Water Subtotal</b>	<b>\$31,871</b>	<b>\$19,871</b>		<b>\$54</b>
<b>Wastewater</b>	Southwest Water Reclamation Facility	\$32,237	\$250	Acquisition and Construction	\$65
	Butler Road Lift Station & Force Main	\$1,888	\$1,638	Construction	\$4
	West Main Lift Station & Force Main	\$1,834	\$1,642	Construction	\$4
	24" Gravity Sewer on Calder	\$3,210	\$2,870	Construction	N/A
	Re-Use Improvements	\$430	\$430	Design and construction	\$7
	Countryside & FW11 Lift Station & Force Main Upgrades	\$1,399	\$239	Design	\$6
	FW10 Force Main to SWWRF & Countryside #2 Diversion	\$828	\$180	Design	\$6
	Glen Cove Sanitary Sewer Evaluation	TBD	\$250	Design	N/A
	Clear Creek Village Sanitary Sewer System Rehab	\$1,637	\$276	Design	N/A
	<b>Wastewater Subtotal</b>	<b>\$43,463</b>	<b>\$7,775</b>		<b>\$92</b>
<b>UTILITY FUND TOTAL</b>		<b>\$75,334</b>	<b>\$27,646</b>		<b>\$146</b>
<b>FY 2011 CAPITAL BUDGET TOTALS</b>		<b>\$181,236</b>	<b>\$84,318</b>		<b>\$708</b>



# LEAGUE CITY

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T E X A S  
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**SUMMARY****Financial Management Policy Statements**

The City of League City has an important responsibility to its citizens to carefully account for public funds, to manage municipal finances wisely, and to plan for the adequate funding of services desired by the public.

The overriding goal of the Financial Management Policy is to enable the City to achieve a long-term stable and positive financial condition. The watchwords of the City's financial management include integrity, prudent stewardship, planning, accountability, and full disclosure.

The purpose of the Financial Management Policy is to provide guidelines for planning and directing the City's day to day financial affairs and to assist staff in developing recommendations to the Mayor and City Council. Specifically, this policy framework mandates the pursuit of the following fiscal objectives:

- I. **Revenues:** Design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.
- II. **Expenditures:** Identify priority services, establish and define appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.
- III. **Fund Balance/Working Capital/Retained Earnings:** Maintain the fund balance, working capital and retained earnings of the various operating funds at levels sufficient to protect the City's credit worthiness as well as its financial position from emergencies.
- IV. **Capital Expenditures and Improvements:** Annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives, and availability of resources.
- V. **Debt Management:** Establish guidelines for debt financing that will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future revenues.
- VI. **Investments:** Invest in City's operating cash to ensure its safety, provide necessary liquidity and optimize yield.
- VII. **Intergovernmental Relations:** Coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis and support appropriate favorable legislation at the state and federal level.
- VIII. **Grants:** Aggressively investigate, pursue and effectively administer federal, state and foundation grants-in-aid which address the City's current priorities and policy objectives.
- IX. **Economic Development:** Initiate, encourage and participate in economic development efforts to create job opportunities, strengthen the local economy and tax base.
- X. **Fiscal Monitoring:** Prepare and present reports for the current and multi-year periods that analyze, evaluate, and forecast the city's financial performance and economic condition.

- XI. Accounting, Auditing and Financial Reporting:** Comply with prevailing federal, state and local statutes and regulations. Conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers Association (GFOA).
- XII. Internal Controls:** Maintain an environment to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition.
- XIII. Risk Management:** Prevent and/or reduce financial impact to the City due to claims and losses through prevention, through transfer of liability, and/or through a program of self-insuring of the liability.
- XIV. Budget:** Develop and maintain a balanced budget which presents a clear understanding of goals, service levels, and performance standards and shall be to the extent possible “user friendly” for citizens. A balanced budget meaning that revenue and any appropriated fund balance must equal expenditures.

## I.

### Revenues

The City shall use the following guidelines to design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City Services.

#### Balance and Diversification in Revenue Sources

The City shall strive to maintain a balanced diversified revenue system to protect the City from fluctuation in any one source due to changes in economic conditions which adversely impact that source.

#### User Fees

For services that benefit specific users, where possible the City shall establish and collect fees to recover the cost of those services. Where feasible and desirable, the City shall seek to recover full direct and indirect costs whereas not to prohibit economic development. City staff shall review user fees on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure, and to recommend adjustments where necessary.

#### Property Tax Revenues/Tax Rate

The City shall endeavor to reduce its reliance on property tax revenues by revenue diversification, implementation and continued use of user fees, and economic development. The City shall also strive to minimize tax rate increases.

#### Utility/Enterprise Funds User Fees

Utility rates and enterprise funds user fees shall be set at levels sufficient to cover operating expenditures, meet obligations, provide additional funding for capital improvements, and provide adequate levels of working capital. The City shall seek to eliminate all forms of subsidization to utility/enterprise funds from the General Fund.

#### Administrative Service Charges

The City shall prepare a cost allocation plan annually to determine the administrative service charges due the General Fund from enterprise funds for overhead and staff support. Where appropriate, the enterprise funds shall pay the General Funds for direct services rendered.

### Revenue Estimates for Budgeting

In order to maintain a stable level of services, the City shall use a conservative, objective, and analytical approach when preparing revenue estimates for current and multi-year period. The process shall include analysis of probably economic changes and their impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and should avoid mid-year service reductions.

## II.

### Expenditures

The City shall use the following guidelines to identify necessary service, establish appropriate service levels, and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

#### Current Funding Basis

The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus the planned use of fund balance accumulated through prior year's savings.

#### Avoidance of Operating Deficits

The City shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue estimates are such that an operating deficit is projected at year-end.

#### Maintenance of Capital Assets

Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at a sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to continue service levels.

#### Periodic Program Reviews

Periodic program reviews for efficiency and effectiveness shall be performed. Programs not meeting efficiency or effectiveness objectives shall be brought up to required standards or be subject to reduction or elimination. The City shall explore and develop to the extent possible service trends and definitions in an effort to establish a "reward/profit sharing" system.

#### Purchasing

The City shall make every effort to maximize any discounts offered by creditors/vendors. Vendors with balances due the City will have payments due the vendor offset against the amount due the City. The City will follow state law concerning the amount of the purchase requiring formal bidding procedures and approval by the City Council. For purchases where competitive bidding is not required, the City shall obtain the most favorable terms and pricing possible. Every effort will be made to include minority business enterprises in the bidding process.

## III.

### Fund Balance/Working Capital/Retained Earnings

The City shall use the following guidelines to maintain the fund balance, working capital and retained earnings of the various operating funds at levels sufficient to protect the City's creditworthiness as well as its financial position from unforeseeable emergencies.

#### General Fund Undesignated Fund Balance

The City shall strive to maintain the General Fund undesignated fund balance between 110 and 120 days of current year budgeted expenditures.

#### Utility Working Capital and Retained Earnings of Other Operating Funds

In other operating funds, the City shall strive to maintain a positive retained earnings position to provide sufficient reserves for emergencies and revenue shortfalls. In addition, the minimum working capital in the Water, Wastewater and Sanitation funds shall be between 110 and 120 days of current year budgeted expenditures.

#### Use of Fund Balance/Retained Earnings

Fund Balance/Retained Earnings shall be used only for emergencies, non-recurring expenditures, or major capital purchases that cannot be accommodated through current year savings. Should such use reduce the balance below the appropriate level set as the objective for that fund, recommendations will be made on how to restore it.

### IV.

#### Capital Expenditures and Improvements

The City shall annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources.

#### Capital Improvements Planning Program

The City shall annually review the Capital Improvement Planning Program ("CIP"), the current status of the City's infrastructure, replacement and renovation needs, and potential new projects and update the program as appropriate. All projects, ongoing and proposed, shall be prioritized based on any analysis of current needs and resource availability. For every project, all operation maintenance and replacement costs shall be fully costed. The CIP shall also present the City's long-term borrowing plan, debt payment schedules, and other debt outstanding or planned including general obligation bonds, revenue bonds, certificates of obligation, lease/purchase agreements and certificates of participation.

#### Replacement of Capital Assets on a Regular Schedule

The City shall annually prepare a schedule for the replacement of its non-infrastructure capital assets in accordance with the Capital Replacement Fund Policy. Within the resources available each fiscal year, the City shall replace these assets according to this schedule.

#### Construction Reserve Fund

It shall be the intent of the City to make an annual contribution to the Construction Reserve Fund. The purpose of this fund is to accumulate funding for smaller capital projects that would otherwise be paid for through the issuance of debt. The balance in the fund will be evaluated annually to determine which if any capital projects may be funded through this reserve. The minimum annual contribution to this fund should be \$160,000 with the target contribution being \$200,000.

#### Capital Expenditure Financing

The City recognized that there are several methods of financing capital requirements. It can budget the funds from current revenues; it can take the funds from fund balance/retained earnings as allowed by the Fund Balance/Retained Earnings Policy; it can utilize funds from grants and foundation; or it can borrow money through debt. Debt financing includes general obligation bonds, revenue bonds, certificates of obligation, lease/purchase agreements and certificates of participation. Guidelines for assuming debt are set forth in the Debt Policy Statements.

**V.****Debt Management**

The City shall use the following guidelines for debt financing which will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future revenues.

**Use of Debt Financing**

Debt financing to include general obligation bonds, revenue bonds, certificates of obligation, certificates of participation, and lease/purchase agreements, shall only be used to purchase capital assets.

**Amortization of Debt**

Amortization of debt shall be structured in accordance with a multi-year capital improvement plan. The term of a debt issue will never exceed the useful life of the capital asset being financed.

**Affordability Targets**

The City shall use an objective analytical approach to determine whether it can afford to assume new debt beyond the amount it retires each year. This process shall compare generally accepted standards of affordability to the current values for the City. These standards shall include debt per capital, debt as a percent of taxable value, debt service payments as a percent of current revenues and current expenditures, and the level of overlapping net debt of all local taxing jurisdictions. The process shall also examine the direct costs and benefits of the proposed expenditures as determined in the City's annually update of the Capital Improvements Planning Program. The decision on whether or not to assume new debt shall be based on these costs and benefits and on the City's ability to "afford: new debt and determined by the aforementioned standards.

**Bidding Parameters**

The notice of sale will be carefully constructed so as to ensure the best possible bid for the City, in light of the existing market conditions and other prevailing factors. Parameters to be examined include:

- Limits between lowest and highest coupons
- Coupon requirements relative to the yield curve
- Method of underwriter compensation, discount or premium coupons
- Use of True Interest Cost (TIC) vs. Net Interest Cost (NIC)
- Use of bond insurance
- Deep discount bonds
- Variable rate bonds
- Call provisions

**Bond Issuance Advisory Fees and Costs**

The City will be actively involved in the selection of all financial advisors, underwriters, paying agents, and bond counsel. The city shall evaluate the merits of rotating professional advisors and consultants as well as the kinds of services and fee structures available from independent financial advisors, investment banking firms, and commercial banks. The City will carefully itemize and scrutinize all costs associated with the issuance of the bonds.

**Sale Process**

The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated bid.

**Rating Agencies Presentation**

Full disclosure of operations and open lines of communication shall be made to the rating agencies. City staff, with assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies.

**Continuing Disclosure**

The City is committed to continuing disclosure of financial and pertinent credit information relevant to the City's outstanding securities.

**Debt Refunding**

City staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. A proposed refunding of debt should provide a present value benefit as a percent of refunded principal of at least 4%.

**VI.****Investments**

The City's Cash shall be invested in such a manner so as to ensure the absolute safety of principal and interest, to meet the liquidity needs of the City, and to achieve the highest possible yield in accordance with the city's investment policy. Interest earned from investment shall be provided. Cash forecasting models and procedures will be employed to maximize the amount of investment funds.

**VII.****Intergovernmental Relations**

The City shall coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing government services on an equitable basis, and support appropriate favorable legislation at the state and federal levels.

**Interlocal Cooperation in Delivery Services**

In order to promote the effective and efficient delivery of services, the City shall work with other local jurisdictions to share on an equitable basis the costs of services, to share facilities, and to develop joint programs to improve service to its citizens.

**Legislative Program**

The City shall cooperate with other jurisdictions to actively oppose any state or federal regulation or proposal that mandates additional City programs or services and does not provide the funding from implementation.

**VIII.****Grants**

The City shall see, apply for, obtain and effectively administer federal, state and foundation grants-in-aid that address the City's current and future priorities and policy objectives.

**Grant Guidelines**

The City shall seek, apply for, and obtain those grants that are consistent with priority needs and objectives identified by Council.

**Indirect Costs**

The City shall recover indirect costs to the maximum amount allowed by the funding source. The city may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.

**Grant Review**

The City shall review all grant submittals for their cash on in-kind match requirement, their potential impact on the operating budget, and the extent to which they meet the City's policy objectives. If there are cash match requirements, the source of funding shall be identified and approved prior to application. An annual report on the status of grant programs and their effectiveness shall also be prepared.

**Grant Program Termination**

The City shall terminate grant-funded programs and associated positions as directed by the City Council when grant funds are no longer available unless alternate funding is identified.

**IX.****Economic Development**

The City shall initiate, encourage and participate in economic development efforts to create job opportunities and strengthen the local economy and tax base.

**Commitment to Expansion and Diversification**

The City shall encourage and participate in economic development efforts to expand League City's economy and tax base, to increase local employment and to invest when there is defined specific long-term return. These efforts shall not only focus on new areas but on inner city areas, and other established sections of League city where development can generate additional jobs and other economic benefits.

**Tax Abatements**

The City shall develop a tax abatement policy to encourage commercial and/or industrial growth and development throughout League City. The City shall balance the long-term benefits of tax abatements with the short-term loss of tax revenues prior to the granting of the abatement. Factors considered in evaluating proposed abatements for development include the location of the project, its size, the number of temporary and permanent jobs created, the costs and benefits for the City and its impact on League City's economy and other factors specified in the City's Guidelines for Tax Abatement.

**Increase Non-Residential Share of Tax Base**

The City's economic development program shall seek to expand the non-residential share of the tax base to decrease the tax burden on residential homeowners.

**Coordinate Efforts with Other Jurisdictions**

The City's economic development program shall encourage close cooperation with other local jurisdictions to promote economic well-being of this area.

**X.****Fiscal Monitoring**

Reports shall be prepared and presented on a regular basis that analyze, evaluate and forecast the City's financial performance and economic condition for the current year and for multi-years.

**Financial Status and Performance Reports**

Monthly reports shall be prepared comparing expenditures and revenues to current budget, for the month and fiscal year-to-date, projecting expenditures and revenues through the end of the year, outlining any remedial actions necessary to maintain the City's financial position.

**Five-Year Forecast of Revenues and Expenditures**

A Five-year forecast of revenues and expenditures that includes a discussion of major trends affecting the City's financial position shall be prepared. The forecast shall also examine critical issues facing the City, economic conditions, and the outlook for the upcoming budget year. The document shall incorporate elements of the International City Management Association financial trend monitoring system to provide further insight into the City's financial position and to alert the council to potential problem areas requiring attention.

**Quarterly Reporting System**

A quarterly financial and goal progress reporting system shall be established for submittal to the City Council.

**XI.****Accounting, Auditing, and Financial Reporting**

The City shall comply with prevailing local, state and federal regulations. Its accounting practices and financial reporting shall conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board ("GASB"), the American Institute of Certified Public Accountants ("AICPA"), and the Government Finance Officers Association ("GFOA"). The City Council shall select an independent firm of certified public accountants to perform an annual audit of all operations.

**XII.****Internal Controls**

The Director of Finance is responsible for developing citywide written guidelines on accounting, cash handling, and other financial matters that will be approved by the Audit Committee. The Director of Finance will assist Department Managers as needed in tailoring these guidelines into detailed written procedures to fit each department's specific requirements.

Each Department Manager is responsible to ensure that good internal controls are followed throughout his or her department, that all Finance Department guidelines on accounting and internal controls are implemented, and that all independent auditor internal control recommendations are addressed.

**XIII.****Risk Management**

The City will utilize a safety program, an employee health program, and a risk management program to prevent and/or reduce the financial impact to the City due to claims and losses. Transfer of liability for claims through transfer to other entities through insurance and/or by contract will be utilized where appropriate. Prevention of claims through the safety program and the employee health program will be employed. Liabilities will be self-insured where it is financially feasible.

**XIV.****Operating Budget**

The City shall establish an operating budget that shall link revenues and expenditures to goals, objectives, service and performance standards. The operating budget shall also incorporate a minimum of (5) year projections. It will be the City's goal to obtain the distinguished Budget Presentation Award from the Government Finance Officers Association. It is also the City's goal to present a balanced budget meaning that revenues and appropriated fund balance must equal expenditures.

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### XIII.

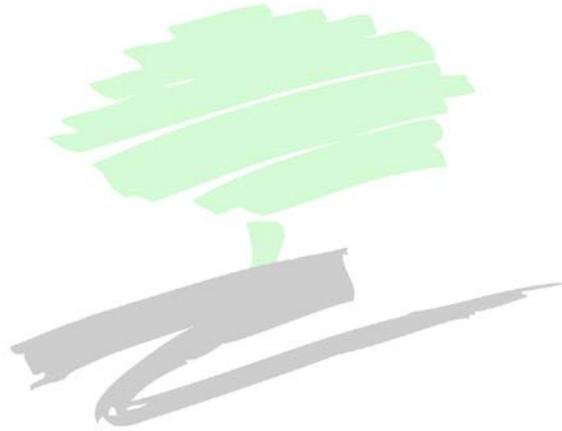
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### XIV.

#### Operating Budget

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# LEAGUE CITY

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**APPENDIX A****BASIS OF ACCOUNTING**

The accounts of the City are organized and operated on the basis of funds and accounts groups. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. Governmental funds are used to account for the government's general government activities and include the General, Special Revenue, Debt Service, and Capital Project funds. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectable within the current period or soon enough thereafter to pay liabilities for the current period. Substantially all revenues are considered to be susceptible to accrual. Ad valorem, sales, and franchise revenues recorded in the General fund and ad valorem tax revenues recorded in the Debt Service fund are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures are recognized when the related fund liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from currently available financial resources. The City utilizes encumbrance accounting for its Governmental Fund types, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

The City's Proprietary fund types are accounted for on a flow of economic resources

measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

**BASIS OF BUDGETING**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds except the capital projects funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year end. Under the City's budgetary process, outstanding encumbrances are reported as reservations of fund balances and do not constitute expenditures or liabilities since the commitments will be re-appropriated and honored the subsequent fiscal year. The department level is the legal level of control enacted by the City Charter. The City has also adopted a budget amendment policy delineating responsibility and authority for the amendment process. Transfers between expenditure accounts in one department may occur with the approval of the city administrative staff and the Mayor. Transfers between operating departments and transfers between funds must be accomplished by a budget amendment and approved by the City Council. Budget amendments calling for new appropriations must also be approved by the City Council. Budgetary control is maintained at the individual expenditure account level by the review of all requisitions of estimated purchase amounts prior to the release of purchase orders to vendors.

The Comprehensive Annual Report (CAFR) shows the status of the City's finances on the basis of generally accepted accounting principals (GAAP). The CAFR shows fund revenues and expenditures on both a GAAP basis and budgetary basis for comparison purposes. In all but two cases this reporting conforms to the way the City prepares its budget. Compensated absences are not reflected in the budget but are accounted for in the CAFR's long-term debt account group. Depreciation expense is not shown in the budget's proprietary funds.

**APPENDIX B****PAY FOR PERFORMANCE**

The Pay for Performance plan is for all non-sworn civilian employees and is a foundation for performance management. The compensation system must reward individual results, foster team work, be equitable to all employees, take into account the total cost of compensation and make wise use of public resources.

The goal is to encourage excellence in service by rewarding achievement of team and departmental goals as well as individual results, doing so in line with priorities outlined above.

The plan will reward outstanding employees for meritorious job performance with a greater increase than lesser performers would merit; and to provide an opportunity for monetary rewards based on performance to all of the employees, including those at the top of their respective salary range. Pay for performance is a single lump-sum payment to employees with one year tenure as of April 1.

Performance evaluations for all employees are completed in March. If the evaluation is not completed on time, increases in pay are made retroactive to April 1<sup>st</sup>. The amount of the pay for performance is tied to performance evaluations.

Department managers and supervisors are responsible for distributing the pay to employee's based on performance evaluations.

The salary scale is reviewed on a regular basis in context with the labor market. Job descriptions are reviewed periodically or as vacancies occur if there appears to be a problem with filling the position. New employees receive their first performance evaluation after 6 months of employment but do not receive a merit increase until they have reached their one year anniversary by April 1 of that year.

**WAGE AND SALARY SCALE  
NON-EXEMPT POSITIONS**

Grade	Maximum Salary	Minimum Salary
40	\$20,040	\$30,460
41	20,841	31,679
42	21,675	32,946
43	22,542	34,264
44	23,894	36,320
45	25,806	39,225
46	27,871	42,364
47	30,518	46,388
48	33,570	51,027
49	36,927	56,130
50	41,359	62,865

**WAGE AND SALARY SCALE  
EXEMPT POSITIONS**

Grade	Maximum Salary	Minimum Salary
79	\$29,719	\$46,956
80	33,285	52,590
81	35,948	56,798
82	38,824	61,341
83	43,482	68,702
84	48,700	76,947
85	60,190	95,100
86	73,374	115,931
87	83,647	132,162

**APPENDIX C****GLOSSARY OF TERMS**

**-A- ACCOUNTS PAYABLE:** A liability account reflecting amounts on open accounts owing to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).

**ACCOUNTS RECEIVABLE:** An asset account reflecting amounts owing to open accounts from private persons or organizations for goods and services provided by a government.

**ACCRUAL ACCOUNTING:** The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at the time) and expenditures are recorded when goods and services are received (whether or not cash disbursements are made at that time).

**AD VALOREM:** Latin for “value of”. Refers to the property assessed and tax levied against real (land and buildings) and personal (equipment and furniture) property.

**APPROPRIATION:** A legal authorization granted by a legislative body (City Council) to make expenditures and incur obligations for designated purposes.

**ASSESSED VALUATION:** A valuation set upon real estate or other property by a government as a basis for levying taxes.

**AUDIT:** An examination of an organization’s financial statements and the utilization of resources.

**-B- BALANCE SHEET:** The basic financial statement which discloses the assets, liabilities, and equities of an entity at a specified date in conformity with GAAP.

**BALANCED BUDGET:** A balanced budget occurs when the total sum of

money a government collects in a year is equal to the amount it spends on goods, services, and debt interest.

**BASIS OF ACCOUNTING:** The modified accrual basis of accounting is followed by Governmental funds, Expendable Trust funds and Agency funds. Under the modified accrual basis of accounting revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from currently available financial resources. Substantially all revenues are considered to be susceptible to accrual. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used for guidance. Intergovernmental revenues are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The City’s Proprietary fund types are accounted for using the accrual basis of accounting, under which revenues are recorded when earned and expenses are recorded when liabilities are incurred.

**BOND:** A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified date.

**BUDGET:** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

**BUDGETARY CONTROL:** The control or management of a government or enterprise in accordance with an

approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available resources.

- C- CDBG:** Community Development Block Grant – An entitlement grant program authorized by the federal government. The entitlement program is based upon a formula, which includes the City's population.

**CAPITAL EXPENDITURES:** Expenditures which result in the acquisition of or addition to fixed assets which are individually priced more than \$5,000.00.

**CAPITAL IMPROVEMENT PROGRAM:** A plan for capital expenditures 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 and the method of financing.

**CASH BASIS:** the method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

**CERTIFICATES OF OBLIGATION (CO'S):** Debt instruments secured by the ad valorem taxing power of a city. They do not require voter authorization and usually are issued to obtain short-term financing.

**CONTINGENCY:** A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

**CREDIT RATING:** The credit worthiness of a government unit as determined by an independent ratings agency.

**CURRENT ASSETS:** Those assets which are available or can be made readily available to finance current operations or to pay current liabilities. Those assets which will be used up or converted into cash within one year. Some examples are cash, temporary

investments, and tax receivables which will be collected within one year.

**CURRENT LIABILITIES:** Debt or other legal obligation arising out of transactions in the past that must be liquidated, renewed, or refunded within one year.

- D- DARE:** Drug Abuse Resistance Education.

**DEBT:** An obligation resulting from borrowing of money or from the purchase of goods or services.

**DEBT LIMIT:** The maximum amount of gross or net debt legally permitted.

**DEBT SERVICE:** A cost category which typically reflects the repayment of short-term (less than 5 years) debt associated with the acquisition of capital equipment.

**DELINQUENT TAXES:** Taxes remaining unpaid on or after the date on which a penalty for nonpayment is attached.

**DEPRECIATION:** (1) Expiration in the service life of a capital asset attributable to wear and tear, deterioration, action of the physical elements, inadequacy, or obsolescence. (2) that portion of the cost of a capital asset which is charged as an expense during a particular period.

- E- ENCUMBRANCES:** Commitments related to unperformed contracts for goods or services used in budgeting. Encumbrances are not expenditures or liabilities, but represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed.

**ENTERPRISE FUND:** A fund established to finance and account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the

general public on a continuing basis be financed or recovered primarily through user charges.

**EXPENDITURES:** Decrease in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

**-F- FISCAL YEAR:** A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. League City's fiscal year begins each October 1st and ends the following September 30th. The term FY 2007 connotes the fiscal year beginning October 1, 2006 and ending September 30, 2007.

**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:** A special privilege granted by a government permitting the continuing use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

**FULL TIME EQUIVALENT (FTE):** A quantifiable unit of measure utilized to convert hours worked by part-time, seasonal or temporary employees into hours worked by full time employees. Full time employees work 2080 hours annually. A part-time employee working 1040 hours annually represents a .5 FTE.

**FUND:** A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with

special regulations, restrictions, or limitations.

**FUND BALANCE:** The difference between governmental fund assets and liabilities also referred to as fund equity.

**-G - GAAP – GENERALLY ACCEPTED ACCOUNTING PRINCIPLES:**

Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP 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. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the GASB.

**GASB – GOVERNMENTAL ACCOUNTING STANDARDS BOARD:**

The board is a private, nonprofit organization consisting of seven board members and a full-time staff. Like the Financial Accounting Standards Board (FASB) that sets accounting standards for private companies, GASB is funded by the Financial Accounting Foundation, a nonprofit entity that exercises general oversight over the financial reporting of public entities.

**GENERAL FUND:** The fund that is available for any legal authorized purpose and which is therefore used to account for all activities except those required to be accounted for in another fund. Note: The General Fund is used to finance the ordinary operations of a governmental unit.

**GENERAL OBLIGATION BONDS**

**(GO's):** Bonds for the payment of which the full faith and credit of the issuing government are pledged. In issuing its general obligation bonds, the City of League City pledges to levy whatever property tax is needed to repay the bonds for any particular year. Bonds cannot be issued without voter approval

and are usually issued with maturities of between 15 and 25 years.

**GFOA:** Government Finance Officers Association. A professional association of state/provincial and local finance officers in the United States and Canada that has served the public finance profession since 1906.

**GOAL:** A statement that describes the purpose toward which an endeavor is directed.

**GOVERNMENTAL FUNDS:** Those funds through which most governmental functions typically are financed. The acquisition, use, and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, Capital Projects, and Debt Service Funds).

**GRANT:** A contribution by one governmental unit to another. The contribution is usually made to aid in the support of a specified function.

**-I- INTEREST INCOME:** Revenue associated with the city's cash management activities of investing fund balances.

**INTERFUND TRANSFERS:** Budgeted amounts transferred from one governmental accounting fund to another for work or services provided. As they represent a "double counting" of expenditures, these amounts are deducted from the total operating budget to calculate the "net" budget.

**INTERGOVERNMENTAL REVENUE:** Contributions received from the State and Federal Government in the form of grants and shared revenues.

**INTERNAL SERVICE FUND:** Internal Service Funds are used to account for the financing of goods or services provided by one department of the city to other departments on a cost-reimbursement basis.

**INVESTMENTS:** Securities and real estate held for the production of income in the form of interest, dividends, rentals, or lease payments. The term does not include assets used in city operations.

**-L- LEVY:** To impose taxes, special assessments or service charges for the support of city services.

**LIABILITY:** Debt or other legal obligations, arising out of transactions in the past, which must be liquidated, renewed, or refunded at some future date. Note: the term does not include encumbrances.

**LONG-TERM DEBT:** Debt with a maturity of more than one year after the date of issuance.

**LRFF:** Long Range Financial Forecast

**-M- MATURITIES:** The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

**MAINTENANCE:** The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

**MODIFIED ACCRUAL:** The method of accounting under which revenues are recognized when they are both measurable and available to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

**-N- NON-RECURRING:** In reference to a supplemental program, that portion of costs or revenues that will only be incurred in the first year of implementation of the program.

**-O- 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. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

**OPERATING BUDGET:** The plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law.

**ORDINANCES:** A formal legislative enactment by the governing board of a municipality. It is not in conflict with any higher form of law, such as state statute or constitutional provision; it has the full force and effect of law within the boundaries of the municipality to which it applies.

**-P- PERFORMANCE INDICATORS:** Quantitative measures that show demand for services (e.g. calls for service, citizen complaints), efficiency in meeting those demands (e.g. unit cost of service, units per employee or crew), and effectiveness in meeting the total need represented by the service demands (e.g. percent of complaints resolved, percent of citizens satisfied with services provided).

**PERSONNEL SERVICE:** The costs associated with compensating employees for their labor.

**PRINCIPAL OF BONDS:** The face value of the bonds.

**PROPRIETARY FUND:** A fund established to account for a government's continuing business-type organizations and activities. All assets, liabilities, equities, revenues, expenses and transfers pertaining to these business organizations and activities are accounted for through proprietary funds. Both Enterprise and Internal service funds are classified as proprietary funds.

**PROPERTY TAXES:** Taxes are levied on both real and personal property according to the property's valuation and tax rate.

**PURCHASE ORDER:** A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

**-R- RECURRING:** In reference to a supplemental program, that portion of revenues or costs that will occur each year the program is funded.

**REVENUES:** Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers.

**REVENUE BONDS:** Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund.

**-S- SERVICES AND CHARGES:** That grouping of accounts on the general ledger that include such expenditures as professional and contracted services from organizations outside the City, printing and binding costs, utilities, training, etc.

**SPECIAL ASSESSMENT:** A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

**SPECIAL REVENUE FUND:** A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

**SUPPLEMENTAL PROGRAM:** An entirely new program or a significant enhancement to an existing program. Examples are the funding of new positions on staff and the expansion of the softball program from 6 teams to 12 teams. Supplement programs may have both recurring (annual) and/or non-

recurring (one-time) costs and/or revenues associated with them.

**-T- 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.

**TAX BASE:** The total property valuations on which each taxing agency levies its tax rate.

**TAX LEVY:** The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

**TAX RATE:** The amount of tax levied for each \$100 of assessed valuation.

**TAX ROLL:** The certification of assessed/taxable values prepared by the Property Appraiser and presented to the taxing authority.

**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, for example, sanitation service charges.

**TMRS:** Texas Municipal Retirement System

**TXDOT:** Texas Department of Transportation

**-U- USER FEES:** Charges for specific governmental services. These fees cover the cost of providing that service to the user (i.e. building permits). The key to effective utilization of user fees is being able to identify specific

beneficiaries of services and then determine the full cost of the service they are consuming.

**-W- WORKING CAPITAL:** The amount by which total current assets exceed total current liabilities.

**-Y- YIELD:** The rate earned on an investment based on the price paid for the investment, the interest earned during the period held, and the selling price or redemption value of the investment.

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**TOP TEN PRINCIPAL TAXPAYERS**


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Property Taxpayer	2009 Assessed Valuation	% of 2009 Assessed Valuation
Texas-New Mexico Power Co.	25,657,570	0.47%
MB League City Bay Colony	16,393,640	0.30%
Ravello Partners LLC	15,205,020	0.28%
GTE Southwest Inc.	15,019,150	0.27%
South Shore Harbour Development	14,891,470	0.27%
A-S 85 Vicotry Lakes	14,851,200	0.27%
Roam Development Group LP	14,599,200	0.27%
VR Park at Waterford LTD Partnership	14,445,540	0.26%
FPA South Shore Associates	14,372,020	0.26%
American National Insurance Co.	14,138,357	0.26%
	\$ 159,573,167	2.91%

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**TOP TEN EMPLOYERS**


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Employer	2009 Employees	% of 2009 of Total City Employment
Clear Creek Independent School District	4,896	14.02%
City of League City	510	1.46%
Walmart	370	1.06%
Krogers	376	1.08%
H.E.B.	255	0.73%
American National Insurance	388	1.11%
Devereaux Texas Treatment Network	276	0.79%
Harborview Care Center	200	0.57%
Randall's	94	0.27%
	\$ 7,365	21.09%

**FY 2011 ADOPTED BUDGET  
REVENUE DETAIL  
GENERAL FUND**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>Property Taxes:</b>				
401-01-00 Current Taxes	20,024,441	20,319,000	21,208,500	20,840,000
401-02-00 Delinquent Taxes	280,965	275,000	234,000	229,900
401-03-00 Penalty & Interest	222,205	200,000	204,000	200,400
401-04-00 Attorney Fees	0	0	0	0
<b>Property Taxes Subtotal</b>	<b>20,527,611</b>	<b>20,794,000</b>	<b>21,646,500</b>	<b>21,270,300</b>
<b>Sales and Other Taxes:</b>				
402-01-00 Sales Tax	7,222,622	7,885,800	6,817,000	6,885,000
402-04-00 Sales Tx - Prop Tax Reduct.	3,611,311	3,942,800	3,408,000	3,442,000
	<b>10,833,933</b>	<b>11,828,600</b>	<b>10,225,000</b>	<b>10,327,000</b>
402-02-00 Mixed Drink Tax	104,233	105,000	115,000	115,000
<b>Other Taxes Subtotal</b>	<b>10,938,166</b>	<b>11,933,600</b>	<b>10,340,000</b>	<b>10,442,000</b>
<b>Franchise Fees:</b>				
403-01-00 Texas/New Mexico Electric	2,614,195	2,495,000	2,700,000	2,746,000
403-02-00 GTE Telephone	333,194	341,000	341,000	341,000
403-03-00 Cable TV Companies	878,984	935,000	933,700	976,600
403-04-00 Entex Natural Gas	252,346	310,000	305,000	310,000
403-05-00 Centerpointe Energy	47,005	49,000	53,900	49,000
403-07-00 Waste Management	212,221	210,000	210,000	210,000
<b>Franchise Fees Subtotal</b>	<b>4,337,945</b>	<b>4,340,000</b>	<b>4,543,600</b>	<b>4,632,600</b>
<b>Permits:</b>				
411-02-00 Pipeline Permits	43,368	0	0	0
411-03-00 Miscellaneous Permits	6,802	1,000	1,000	1,000
411-04-00 Sign Permits	20,740	14,500	21,000	21,000
411-05-00 Gas Permits	30,391	23,100	40,000	40,000
411-06-00 Demolition Permits	1,500	1,550	1,500	1,500
411-07-00 Wrecker Permits	9,200	8,500	8,800	8,800
411-09-00 Alarm Permits	73,070	60,000	140,000	140,000
411-13-00 False Alarm Fees	7,150	0	15,000	15,000
411-13-00 Drainage Permit Fees	4,911	1,000	6,000	6,000
411-14-00 Ambulance Permit Fees	865	0	1,000	1,000
<b>Permits Subtotal</b>	<b>197,997</b>	<b>109,650</b>	<b>234,300</b>	<b>234,300</b>
<b>Liquor Permits:</b>				
412-01-00 Package Store Permits	1,068	550	1,100	1,100
412-02-00 Beer Licenses	4,652	3,500	4,500	4,500
<b>Liquor Permits Subtotal</b>	<b>5,720</b>	<b>4,050</b>	<b>5,600</b>	<b>5,600</b>

**FY 2011 ADOPTED BUDGET  
REVENUE DETAIL  
GENERAL FUND**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>Construction Permits:</b>				
413-01-00 Building Permits	895,983	1,000,000	950,000	950,000
413-02-00 Electrical Permits	177,966	160,000	255,000	255,000
413-03-00 Plumbing Permits	83,323	80,000	120,000	120,000
413-04-00 Swimming Pool Permits	46,239	45,000	45,000	45,000
413-05-00 Air Conditioning Permits	84,872	85,000	100,000	100,000
<b>Construction Permit Subtotal</b>	<b>1,288,383</b>	<b>1,370,000</b>	<b>1,470,000</b>	<b>1,470,000</b>
<b>Job Related Permits &amp; Licenses:</b>				
414-01-00 Occupational Licenses	57,965	17,500	120,000	120,000
<b>Job Related Permits Subtotal</b>	<b>57,965</b>	<b>17,500</b>	<b>120,000</b>	<b>120,000</b>
<b>Animal Licenses &amp; Fees:</b>				
415-01-00 Animal Licenses	2,487	2,000	1,500	1,500
415-02-00 Pound Fees	11,579	12,500	7,000	7,000
415-03-00 Adoption Fees	47,235	45,000	38,000	38,000
<b>Animal Licenses &amp; Fees Subtotal</b>	<b>61,301</b>	<b>59,500</b>	<b>46,500</b>	<b>46,500</b>
<b>Miscellaneous Fees:</b>				
416-02-00 Re-Inspection Fee	14,180	12,500	9,000	9,000
416-05-00 Operation Permits	4,105	3,750	3,500	3,500
416-11-00 Kiosk Fees	9,660	0	17,000	17,000
416-12-00 Breath Alcohol Prog Fee	0	0	71,100	71,100
<b>Miscellaneous Fees Subtotal</b>	<b>27,945</b>	<b>16,250</b>	<b>100,600</b>	<b>100,600</b>
<b>Collection Fees:</b>				
418-01-00 Refuse Collection Fee	2,747,380	2,750,000	2,850,000	2,941,000
418-02-00 Tax on Refuse	(647)	0	0	0
418-03-00 Refuse Collection Penalty	57,126	60,000	50,000	50,000
<b>Collection Fees Subtotal</b>	<b>2,803,859</b>	<b>2,810,000</b>	<b>2,900,000</b>	<b>2,991,000</b>
<b>Fines:</b>				
421-01-00 Municipal Court Fines	1,027,476	1,185,000	1,400,000	1,400,000
421-02-00 Taxes on Fines	127,841	110,000	160,000	160,000
421-03-00 Library Fines	72,715	70,000	65,000	65,000
421-06-00 Motor Carrier Violations	63,934	55,000	110,000	110,000
421-08-00 Red Light Camera Fines	0	0	0	0
<b>Fines Subtotal</b>	<b>1,291,966</b>	<b>1,420,000</b>	<b>1,735,000</b>	<b>1,735,000</b>

**FY 2011 ADOPTED BUDGET  
REVENUE DETAIL  
GENERAL FUND**

	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2010 ESTIMATED	FY 2011 ADOPTED
<b>Rental &amp; Admission Fees:</b>				
422-01-00 Civic Center Rental Fees	35,398	50,000	28,000	28,000
422-02-00 City Pool Rental Fees	2,065	2,000	2,000	2,000
422-03-00 Pavilion Rental Fees	13,951	12,000	11,000	20,000
422-04-00 Field Rental Fees	14,592	15,000	14,000	22,000
422-05-00 Rec Center Rental Fees	24,847	13,000	18,000	18,000
422-06-00 Pool Fees - Non Resident	9,088	5,000	8,000	10,000
422-07-00 Pool Season Pass Fees	4,965	4,500	4,500	6,000
422-08-00 Recreation Program Fees	352,002	275,000	300,000	300,000
422-09-00 Drill Field Rental	7,900	8,000	3,100	3,100
422-10-00 Summer Camp Fees	57,736	50,000	60,000	60,000
422-12-00 EMS Training Class Fees	5,476	4,000	4,000	4,000
<b>Rental &amp; Admission Fees Subtotal</b>	<b>528,020</b>	<b>438,500</b>	<b>452,600</b>	<b>473,100</b>
<b>Sales and Promotions:</b>				
423-01-00 Concessions - Parks	9,659	8,000	8,000	10,000
423-02-00 Vending Machine Sales	177	300	300	300
423-04-00 Swimming Lessons	35,490	30,000	30,000	30,000
<b>Sales &amp; Promotions Subtotal:</b>	<b>45,326</b>	<b>38,300</b>	<b>38,300</b>	<b>40,300</b>
<b>Filing &amp; Miscellaneous:</b>				
424-01-00 Filing Fees	250	250	300	300
424-02-00 Plat Filing Fees	560	10	0	0
424-04-00 Ambulance Fees	945,201	600,000	805,000	825,000
424-05-00 Non-Resident Fees	150	0	0	0
424-06-00 Child Safety Fee	10,550	12,000	20,000	20,000
424-08-00 Plan/Plat Review Fee	53,601	45,000	55,000	55,000
424-09-00 Variance Request Fee	6,325	1,800	5,000	5,000
424-10-00 Rezoning Application Fee	7,000	6,000	8,000	8,000
424-11-00 Cell Tower App/Renewal	16,000	9,000	16,000	16,000
424-12-00 Special Use Permit/Zoning	4,400	5,000	1,000	1,000
<b>Filing &amp; Miscellaneous Subtotal</b>	<b>1,044,037</b>	<b>679,060</b>	<b>910,300</b>	<b>930,300</b>

**FY 2011 ADOPTED BUDGET  
REVENUE DETAIL  
GENERAL FUND**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>Other Miscellaneous Income:</b>				
425-01-00 Surplus Property Sales	31,589	15,000	15,000	15,000
425-02-00 Tax Certificates	0	0	0	0
425-03-00 Map Sales	93	100	100	100
425-04-00 Copy Machine Sales	25,150	22,000	22,000	22,000
425-05-00 Library Book Sales	8,044	7,500	7,500	7,500
425-07-00 Emer. Mgmt. Reimbursement	52,579	50,000	50,000	50,000
425-09-00 Proceeds from Lease	32,660	10,000	20,000	20,000
425-11-00 Sale of Right of Way	117,930	0	0	0
425-13-00 Zoning Verification Letter	500	500	500	500
<b>Other Misc. Income Subtotal</b>	<b>268,545</b>	<b>105,100</b>	<b>115,100</b>	<b>115,100</b>
<b>Other Miscellaneous Income:</b>				
427-01-00 Recycling Proceeds	60,000	60,000	60,000	60,000
427-12-00 Auto Task Force Proceeds	15,052	0	0	0
427-21-00 Traffic Enforcement Grant	0	0	0	0
427-22-00 Officer Training Grant	7,797	5,000	7,800	7,800
427-23-00 Tobacco Compliance Grant	4,000	4,000	4,000	4,000
427-25-06 Lone Star Library Grant	22,353	0	29,500	0
427-30-00 Bulletproof Vest Grant	2,535	2,500	2,500	2,500
427-42-00 DEA Overtime Reimb	8,770	5,000	10,300	10,300
427-44-00 FBI OT Reimbursements	0	0	0	0
427-47-00 FEMA Reimb - Hurricane	3,144,424	0	202,000	0
427-48-00 Fire Dept. Assistance Grant	5,810	4,000	4,000	4,000
427-50-00 Fire Dept Grant Insurance	9,825	0	0	0
Special Traffic Enforcement	0	300,000	0	0
427-5700 Emerg Watershed Program	0	0	123,800	0
427-55-00 Big League Dreams	237,626	252,530	235,000	235,000
<b>Miscellaneous Income Subtotal</b>	<b>3,518,192</b>	<b>633,030</b>	<b>678,900</b>	<b>323,600</b>
<b>Interest &amp; Gen Misc. Rev:</b>				
428-02-00 Miscellaneous Income	41,796	45,000	20,000	20,000
428-05-00 TIRZ Bookkeeping Fees	0	180,000	312,900	356,000
<b>Interest &amp; Gen Misc Rev Subtotal</b>	<b>41,796</b>	<b>225,000</b>	<b>332,900</b>	<b>376,000</b>
<b>Miscellaneous Donations:</b>				
429-17-00 Donations - Senior Citizens	2,503	0	1,700	1,700
429-28-00 Reimbursements	57,001	103,685	33,500	33,500
429-28-40 Reimbursements Insurance	544,479	0	92,000	92,000
429-28-60 Reimb for Hurricane IKE	186,644	0	0	0
429-28-70 Public Safety Reimbursement	227,100	300,000	240,000	260,000
429-28-90 Reimb - Rebate Programs	17,988	10,000	12,000	12,000
<b>Miscellaneous Donations Subtotal</b>	<b>1,035,715</b>	<b>413,685</b>	<b>379,200</b>	<b>399,200</b>

**FY 2011 ADOPTED BUDGET  
REVENUE DETAIL  
GENERAL FUND**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>Interest Income:</b>				
555-00-00 Interest Income	33,049	200,000	50,000	50,000
555-05-00 Interest Income - Investments	15,426	0	0	0
555-07-00 Interest Income - EMS/Fire	175	0	0	0
555-08-00 Interest Income - CD	14,466	0	0	0
555-09-00 Interest Income Texstar	100,004	0	0	0
<b>Interest Income Subtotal</b>	<b>163,120</b>	<b>200,000</b>	<b>50,000</b>	<b>50,000</b>
<b>Donations:</b>				
571-03-00 Donations - EMS/Fire	11,665	7,500	7,500	7,500
<b>Donations Subtotal</b>	<b>11,665</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>
<b>Operating Transfers In:</b>				
581-02-00 Transfer From W/WW	1,000,000	1,000,000	1,000,000	1,300,000
Trsfr from W/WW - Engineering Svc	0	0	0	500,000
Trsfr from W/WW - Concrete Repair	0	0	0	200,000
<b>Operating Transfer In Subtotal</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>2,000,000</b>
<b>TOTAL GENERAL FUND REVENUES</b>	<b>49,195,274</b>	<b>46,614,725</b>	<b>47,106,900</b>	<b>47,763,000</b>

**FY 2011 ADOPTED BUDGET  
REVENUE DETAIL  
UTILITY FUND**

		<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>Other Miscellaneous:</b>					
425-01-00	Surplus Property Sales	3,726	1,000	4,000	1,000
425-09-00	Proceeds from Lease	54,331	55,940	53,500	55,900
	<b>Other Miscellaneous Subtotal</b>	<b>58,057</b>	<b>56,940</b>	<b>57,500</b>	<b>56,900</b>
<b>Misc Proceeds:</b>					
427-05-00	Bond Proceeds	13,781			
427-47-00	FEMA Reimb - Hurricanes	136,326	-	-	-
	<b>Misc Proceeds</b>	<b>150,107</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Misc. Donations:</b>					
429-28-00	Reimbursements	6,507	-	-	-
429-28-40	Reimb from insurance	-	-	29,600	-
	<b>Misc. Donations</b>	<b>6,507</b>	<b>-</b>	<b>29,600</b>	<b>-</b>
<b>Water Sales:</b>					
541-00-00	Water Sales	15,121,645	14,312,368	13,400,000	13,895,000
	<b>Water Sales Subtotal</b>	<b>15,121,645</b>	<b>14,312,368</b>	<b>13,400,000</b>	<b>13,895,000</b>
<b>Wastewater Sales:</b>					
542-00-00	Wastewater Sales	11,020,291	10,495,632	10,700,000	11,052,000
	<b>Wastewater Sales Subtotal</b>	<b>11,020,291</b>	<b>10,495,632</b>	<b>10,700,000</b>	<b>11,052,000</b>
<b>Connection Fees:</b>					
543-01-00	Tap Fees	354,700	310,000	360,000	360,000
543-02-00	New Connection Fees	67,309	65,000	65,000	65,000
543-03-00	Reconnection Fees	54,245	45,000	50,000	50,000
	<b>Connection Fees Subtotal</b>	<b>476,254</b>	<b>420,000</b>	<b>475,000</b>	<b>475,000</b>
<b>Late Fees:</b>					
544-00-00	Late Fees	376,654	362,020	325,000	325,000
	<b>Late Fees Subtotal</b>	<b>376,654</b>	<b>362,020</b>	<b>325,000</b>	<b>325,000</b>
<b>Other Revenues:</b>					
545-01-00	Meter Sales	195,131	130,000	210,000	200,000
545-02-00	Water Well Permits	75	50	100	100
545-04-00	Reimb for Services	12,248	5,300	2,400	5,000
545-05-00	Miscellaneous Income	15,795	11,650	12,500	12,500
	<b>Other Revenues Subtotal</b>	<b>223,249</b>	<b>147,000</b>	<b>225,000</b>	<b>217,600</b>

**FY 2011 ADOPTED BUDGET  
REVENUE DETAIL  
UTILITY FUND**

		<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>Interest Income:</b>					
555-00-00	Interest Income	82,018	25,700	16,000	16,000
555-05-05	Interest Income Investments	20,925	-	9,000	1,000
555-05-80	Interest Income TxPool Reserv	2,344	5,000	600	4,000
555-09-00	Interest Income TxStar	58,338	94,000	8,500	8,500
	<b>Interest Income Subtotal</b>	<b>163,625</b>	<b>124,700</b>	<b>34,100</b>	<b>29,500</b>
<b>Gain/Loss on Asset Disposal:</b>					
557-00-00	Gain/Loss on Asset Disposal	-	-	10,000	-
	<b>Gain/Loss on Asset Disposal Subtotal</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	<b>-</b>
<b>Gain on Sale of Bonds:</b>					
558-00-00	Gain on Sale of Bonds	14,948	-	-	-
	<b>Gain on Sale of Bonds Subtotal</b>	<b>14,948</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfers In:</b>					
581-24-00	Transfer from CDBG (041)	187,903	-	-	-
	<b>Transfers In:</b>	<b>187,903</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>TOTAL UTILITY FUND REVENUE</b>	<b>27,799,240</b>	<b>25,918,660</b>	<b>25,256,200</b>	<b>26,051,000</b>

**FY 2011 ADOPTED BUDGET  
REVENUE DETAIL  
INTERNAL SERVICE FUND (MOTOR POOL)**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>Misc. Donations</b>				
425-00-01 Surplus Property Sales	63,997	0	15,000	0
429-28-00 Reimbursements	37,398	0	6,560	0
<b>Misc. Donations Subtotal</b>	<b>101,395</b>	<b>0</b>	<b>21,560</b>	<b>0</b>
<b>Other Revenues:</b>				
545-11-03 Vehicle Maintenance Chgs - GF	858,564	897,857	897,857	898,167
545-11-04 Vehicle Maint. Chgs - W/WW	201,029	214,041	214,041	248,000
545-11-20 Motor Pool Lease Fees	798,812	1,084,357	1,084,357	1,663,910
<b>Other Revenues Subtotal</b>	<b>1,858,405</b>	<b>2,196,255</b>	<b>2,196,255</b>	<b>2,810,077</b>
<b>Interest Income:</b>				
555-00-00 Interest Income	14,835	10,000	1,950	2,000
555-09-00 Interest Income - Tx Star	2,505	2,000	550	600
<b>Interest Income Subtotal</b>	<b>17,340</b>	<b>12,000</b>	<b>2,500</b>	<b>2,600</b>
<b>Gain/Loss-Asset Disposal</b>				
557-00-00 Gain/Loss-Asset Disposal	(33,587)	0	0	0
<b>Gain/Loss-Asset Disposal Subtc</b>	<b>(33,587)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL INTERNAL SERVICE REVENUE FUND</b>	<b>1,943,553</b>	<b>2,208,255</b>	<b>2,220,315</b>	<b>2,812,677</b>

**FY 2011 ADOPTED BUDGET  
REVENUE DETAIL  
DEBT SERVICE FUND**

	<b>FY 2009 ACTUAL</b>	<b>FY 2010 BUDGET</b>	<b>FY 2010 ESTIMATED</b>	<b>FY 2011 ADOPTED</b>
<b>Property Taxes:</b>				
401-01-00 Current Taxes	10,452,540	11,468,767	11,437,100	11,652,900
401-02-00 Delinquent Taxes	147,060	150,000	158,000	150,000
401-03-00 Penalty & Interest	111,701	108,400	111,600	108,200
<b>Property Taxes Subtotal</b>	<b>10,711,301</b>	<b>11,727,167</b>	<b>11,706,700</b>	<b>11,911,100</b>
<b>Interest Income:</b>				
555-00-00 Interest Income	25,664	40,000	33,300	40,000
555-09-00 Interest Income - Texstar	1,433	3,500	3,000	3,500
<b>Interest Income Subtotal</b>	<b>27,097</b>	<b>43,500</b>	<b>36,300</b>	<b>43,500</b>
<b>Transfers:</b>				
599-00-00 Transfer from General Fund	806,782	0	0	644,800
<b>Transfers Subtotal</b>	<b>806,782</b>	<b>0</b>	<b>0</b>	<b>644,800</b>
<b>DEBT SERVICE FUND REVENUE DETAIL</b>	<b>11,545,180</b>	<b>11,770,667</b>	<b>11,743,000</b>	<b>12,599,400</b>

**CITY OF LEAGUE CITY  
BUILDING & FACILITIES RENOVATIONS  
FY 2011**

Project	Description	Amount
Newport EMS Facility	update exterior of building	157,000
	fence back area	
	replace 2 garage doors	
	remodel inside area	
	repair current plumbing problems	
	<b>Subtotal Newport EMS Facility Renovation</b>	<b>157,000</b>
Helen Hall Library	remodel conference room to add offices	20,000
	replace 20 ton A/C unit for children's area	30,000
	replace roof with reflective, insulated roofing	68,375
	<b>Subtotal Helen Hall Library</b>	<b>118,375</b>
Municipal Courts	replace 3rd Court A/C system	25,000
	replace roof with reflective, insulated roofing	26,000
	<b>Subtotal Municipal Courts</b>	<b>51,000</b>
Walker Complex	repair parking lots & sidewalks	50,000
	upgrades to ADA accessibility	30,000
	<b>Subtotal Walker Complex</b>	<b>80,000</b>
City Hall Renovation	Replace A/C units with rooftop heat pumps	100,000
	Move & space rental for renovation process	500,000
	<b>Subtotal City Hall Renovation</b>	<b>600,000</b>
Civic Center	replace roof with reflective, insulated roofing	32,160
	Replace A/C	30,250
	Replace Kitchen A/C	12,000
	Additional Ductwork	10,000
	<b>Subtotal Civic Center</b>	<b>84,410</b>
Recreation Center	Repair exposed ductwork	5,000
	install kitchen ventilation	8,000
	replace roof with reflective, insulated roofing	22,000
	<b>Subtotal Recreation Center</b>	<b>35,000</b>
Pool House	replace roof with reflective, insulated roofing	20,000
	replace degraded chainlink fence around Pool	13,000
	replace A/C with 5 ton unit	8,000
	<b>Subtotal for Pool House</b>	<b>41,000</b>

**CITY OF LEAGUE CITY  
BUILDING & FACILITIES RENOVATIONS  
FY 2011**

Project	Description	Amount
PD - 500 W Walker		
	Replace roof on original building section	50,000
Chief's Office Suite	replace A/C system with constant volume unit	15,000
Server Area	replace A/C unit with upgraded system	8,000
Jail	Correction of structural & security deficiencies	250,000
	<b>Subtotal for Police Station</b>	<b>323,000</b>
PD Annex - 600 W Walker		
	replace Training Room A/C	15,000
	replace training room condensing unit	5,000
	replace basement A/C	11,250
	replace office area A/C	5,000
	replace 10 ton Lennox unit with Reduct work	20,000
	replace Roof	15,000
	<b>Subtotal PD Annex</b>	<b>71,250</b>
East Side Water Tower and Record Storage Facility		
	Fire suppression system	120,750
	<b>Subtotal East Side Water Tower</b>	<b>120,750</b>
Line Repair Bldg on Dickinson		
	Water Meter Test Station	50,000
	<b>Subtotal Line Repair Building</b>	<b>50,000</b>
Streets Building on Dickinson		
	replace 5 A/C units	50,000
	<b>Subtotal Streets Building</b>	<b>50,000</b>
Animal Control Kennel		
	provide A/C to expansion kennel area	15,000
	<b>Subtotal for Animal Control Kennel</b>	<b>15,000</b>
DSWWTP Buildings		
	Roof replacement	20,000
	<b>Subtotal DSWWTP Buildings</b>	<b>20,000</b>
Countryside Park		
	replace metal roofing on Scorebooths and dugouts	20,000
	replace backstop fencing on Baseball Fields	20,000
	replace bathroom partitions in restrooms	8,000
	removal of 50+ tree stumps from IKE	6,000
	resurface basketball courts	2,667
	finish "No Trespassing" fence between Boat Ramp & Nature Center	25,000
	<b>Subtotal Countryside Park</b>	<b>81,667</b>

**CITY OF LEAGUE CITY  
BUILDING & FACILITIES RENOVATIONS  
FY 2011**

Project	Description	Amount
League Park	replace roofing at Recreation Office and Restroom/Pavilion	16,000
	<b>Subtotal League Park</b>	<b>16,000</b>
Helen's Garden	replace weathered wooden fence	9,000
	<b>Subtotal Helen's Garden</b>	<b>9,000</b>
Newport Park	resurface basketball courts	2,667
	<b>Subtotal Newport Park</b>	<b>2,667</b>
Bayride Park	resurface basketball courts	2,667
	<b>Subtotal Bayride Park</b>	<b>2,667</b>
Sportsplex	Phase 2 of scoreboard replacement	25,000
	Replace 16 low bay HID lights in Red Pavilion	6,000
	Drainage Improvements behind Pony & Colt baseball fields	8,000
	Replace countertops in Pavilion restrooms with stainless steel	18,000
	Bird Netting for Pigeon Problem	32,300
	<b>Subtotal Sportsplex</b>	<b>89,300</b>
Equipment	Scissor Lift & Trailer for Facilities Renovations	12,000
	Recycling Equipment for City Facilities	38,975
	<b>Subtotal Equipment</b>	<b>50,975</b>
Various	Additional funds for HVAC & Roof Replacements	52,965
	<b>Subtotal Various</b>	<b>52,965</b>
<b>GRAND TOTAL - Transfer from GF to CIP</b>		<b>2,122,025</b>
<b>OTHER FACILITY PROJECTS</b>		
City Hall Renovation (bond issue)	Reclad & brace building	3,500,000
	Energy Efficient Roof	
	Renovate interior for better space utilization	
DSWWTP Buildings (operating budget)	interior & exterior paint, floor tile replacement, random ceiling tile replacement, records storage improvements	20,000

## ORDINANCE NO. 2010-32

AN ORDINANCE APPROVING AND ADOPTING THE CITY OF LEAGUE CITY, TEXAS, ANNUAL GOVERNMENTAL AND PROPRIETARY FUNDS BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010 AND ENDING SEPTEMBER 30, 2011; MAKING APPROPRIATIONS FOR CITY OPERATIONS FOR SUCH FISCAL YEAR AS REFLECTED IN SUCH BUDGET; AUTHORIZING VARIOUS OTHER TRANSFERS; APPROVING AND ADOPTING THE FY 2011 CAPITAL BUDGET; AND MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the City Manager has presented to the City Council a proposed budget of the expenditures of the City of League City for the fiscal year 2011; and

WHEREAS, pursuant to notice as required by Section 102.006 of the Local Government Code, a public hearing on such budget was held in the Council Chambers, at which hearing all citizens and taxpayers of the City had the right to be present and to be heard, and those who requested to be heard were heard; and

WHEREAS, the City Council has considered the proposed budget and has made such changes therein as in the City Council's judgment were warranted by law and were in the best interest of the citizens and taxpayers of the City; and

WHEREAS, a copy of the budget has been filed with the City Secretary as required by Local Government Code Section 102.005 and 102.008, and the City Council desires to adopt the same.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEAGUE CITY, TEXAS, as follows:

Section 1. The facts and opinions in the preamble of this ordinance are true and correct.

Section 2. In accordance with the provisions of Local Government Code Section 102.007, the City Council hereby approves and adopts the budget described above, the same as shown in Exhibit "A" being on file with the City Secretary. The City Secretary is hereby directed to place on such budget and to sign an endorsement reading as follows: "The Original Annual Governmental and Proprietary Funds Budget of the City of League City, Texas, for Fiscal Year 2011" and to keep such budget on file in her office as a public record. In addition, in accordance with Section 102.009 (d), Texas Local Government Code (Vernon's), the City Secretary is hereby directed to file a true copy of the approved Budget in the offices of the county clerks of the counties in which the City is located.

Section 3. The FY2011 Budget for operations shall be administered in accordance with Article VII, Section 5 and 8 of the City Charter as follows:

- a. The Council may transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another, at any time.
- b. The City Manager shall have authority, without Council authority, to transfer appropriation balances from one expenditure account to another within a single office, department, or agency.

- c. At any time in any fiscal year, the Council may, pursuant to this section, make emergency appropriations to meet a pressing need for public expenditure, for other than regular or recurring requirements, to protect the public health, safety or welfare. Such appropriation shall be by ordinance adopted by the favorable votes of four-fifths (4/5) of the Council members qualified and serving, and shall be made only upon recommendation of the City Manager. The total amount of all emergency appropriations made in any fiscal year shall not exceed two and one-half (2 1/2) per centum of the tax levy for that fiscal year.

Section 4. That the Beginning Fund Balance reflected in the budget for each fund for which a Budget is adopted hereby automatically shall be adjusted to be the amount of the Ending Fund Balance for Fiscal Year 2010 as fully adjusted to reflect the final Comprehensive Annual Financial Report for Fiscal Year 2010 when released, and subsequently automatically shall be adjusted to be the amount of the Ending Fund Balance included in the final Comprehensive Annual Financial Report for Fiscal Year 2010 for each respective fund. The revised Beginning Fund Balance shall thereafter be used to calculate the Fiscal Year 2011 Ending Fund Balance.

Section 5. Approve and adopt the FY 2011 Capital Budget as included in Exhibit B. The Capital Budget will be implemented as follows:

- a. The Capital Budget includes specific phases of individual projects planned to begin in FY 2011.
- b. City Council approval is required to change project phases and/or projects as shown in Exhibit B.
- c. Appropriation of funds for individual projects shall be passed by ordinance as individual contracts are awarded and/or projects are ready for implementation.
- d. Council actions awarding contracts, appropriating capital funds, and/or taking any action that is inconsistent with the Adopted FY 2011 Capital Budget will include an amendment to the Fiscal Year 2011 Capital Budget to reflect Council's changes.
- e. Bond sales for FY 2011 will be conducted in accordance with and in the furtherance of the adopted FY 2011 Capital Budget.
- f. Reports will be provided to City Council quarterly on the status of each project that is a part of the FY 2011 Capital Budget including financial, design, and construction status information.

Section 6. All ordinances and resolutions, and parts of ordinances and resolutions in conflict herewith, are hereby repealed.

PASSED first reading the 14th day of September, 2010.

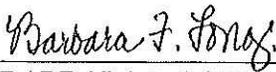
PASSED second reading the \_\_\_\_\_ day of \_\_\_\_\_, 2010.

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PASSED AND ADOPTED the 14th day of September, 2010.

  
\_\_\_\_\_  
TONI RANDALL,  
Mayor

ATTEST:

  
\_\_\_\_\_  
BARBARA F. LONG,  
City Secretary

SUSPENDED THE RULE AND PASSED ON FIRST AND FINAL READING

**Ordinance No. 2010-32**  
**Exhibit "A"**  
**Page 1 of 2**

**FY 2011 Budget Summary**  
**September 14, 2010**

Fund	Proposed Expenditures	Fund Balance	Total Budget
<b>General Fund</b>			
Police	14,745,227		
Animal Control	528,129		
Fire Marshal	482,321		
Fire Department	1,085,315		
EMS	2,220,025		
Fire Drill Field	58,750		
Code Enforcement	397,630		
Public Works Administration	2,946,940		
Engineering	1,382,905		
Streets & Stormwater	4,325,985		
Building	1,038,330		
Facilities Maintenance	1,758,416		
Library	2,104,981		
Parks Operations	1,052,542		
Parks Recreation	695,151		
SportsPlex Operations	364,654		
SportsPlex Recreation	172,930		
Parks Planning & Tourism	318,882		
Budget Office	409,740		
Accounting	1,173,810		
Municipal Court	540,293		
Purchasing	234,040		
Information Technology	1,420,165		
Emergency Management	321,815		
Planning	1,109,528		
City Manager	672,310		
City Secretary	377,110		
City Attorney	465,000		
Mayor and Council	188,150		
Economic Development	258,730		
Human Resources	1,015,860		
Civil Service	73,600		
Non-Departmental	3,979,478		
<b>General Fund Departments Subtotal</b>	<b>47,918,742</b>		
Appropriation of Fund Balance for FY 2011 Capital Budget	2,122,025		
General Fund Balance		18,490,499	
<b>General Fund Total</b>	<b>50,040,767</b>	<b>18,490,499</b>	<b>68,531,266</b>

## Ordinance No. 2010-32

## Exhibit "A"

## Page 2 of 2

## FY 2011 Budget Summary

September 14, 2010

<b>Utility Fund</b>			
Public Works Administration	162,750		
Water Production	4,834,652		
Wastewater	3,759,918		
Line Repair	2,926,180		
Utility Billing	1,487,830		
Non-Departmental	3,536,005		
Debt Service	11,144,154		
<b>Utility Fund Departments Subtotal</b>	<b>27,851,489</b>		
Utility Fund Balance		13,826,438	
<b>Utility Fund Total</b>	<b>27,851,489</b>	<b>13,826,438</b>	<b>41,677,927</b>
<b>Other Funds</b>			
Debt Service Fund	11,888,455	2,894,312	14,782,767
CDBG Fund	720,436	0	720,436
Police Activity Fund	159,000	252	159,252
Butler Museum Fund	0	0	0
Animal Control Donation Fund	71,000	4	71,004
Library Gift Fund	33,000	735	33,735
Municipal Building Security Fund	260,910	13,289	274,199
Emerg. Mgmt Response Fund	646,000	553	646,553
Municipal Court Technology Fund	70,000	294	70,294
Hotel/Motel Tax Fund	323,000	55,976	378,976
Sidewalk Fund	127,000	1,854	128,854
Safelight Program Fund	1,259,575	94,650	1,354,225
Public Access Channel Fund	401,000	375	401,375
<b>Other Funds Subtotal</b>	<b>15,959,376</b>	<b>3,062,294</b>	<b>19,021,670</b>
<b>Total Operating Budget</b>	<b>93,851,632</b>	<b>35,379,231</b>	<b>129,230,863</b>
Motor Pool Fund	3,112,086	719,899	3,831,985

NOTE: The Motor Pool Internal Service Fund expense is not included in the Citywide Total above to avoid duplication of the amounts shown as part of the General and Utility Fund budgets that are transfers to the Motor Pool Fund for services. The General Fund Transfer totals \$2,290,177 and the Utility Fund Transfer totals \$519,900.

## Ordinance No. 2010-32

## Exhibit "B"

## Page 1 of 2

**FY 2011 PROPOSED BUDGET  
CAPITAL BUDGET (\$000'S)**

PROGRAM	PROJECT	TOTAL COST	FY 2011 PROPOSED	PHASE
<b>GENERAL FUND</b>				
Police	New police station and jail	\$30,100	\$4,800	Design and acquisition
	<b>Police Subtotal</b>	<b>\$30,100</b>	<b>\$4,800</b>	
Fire	Replace three pumpers and one vacuum freightliner	\$2,314	\$2,314	Purchase
	Public Safety Annex Station 6 with Engine	\$4,629	\$350	Acquisition
	Relocate Station #3	\$4,100	\$350	Acquisition
	<b>Fire Subtotal</b>	<b>\$11,043</b>	<b>\$3,014</b>	
EMS	Renovate Newport EMS Facility	\$157	\$157	Design and construction
	<b>EMS Subtotal</b>	<b>\$157</b>	<b>\$157</b>	
Buildings and Facilities	City Hall Renovation	\$4,000	\$4,000	Design and construction
	Facilities Modernization & Energy efficiency	\$458	\$458	Construction
	Jail Repair	\$250	\$250	Construction
	Facilities HVAC & Roof Replacement	\$504	\$504	Construction
	<b>Buildings and Facilities Subtotal</b>	<b>\$5,212</b>	<b>\$5,212</b>	
Economic Development	Capital projects directly administered by Manager's Office	\$1,000	\$1,000	Design and construction
	<b>Economic Development Subtotal</b>	<b>\$1,000</b>	<b>\$1,000</b>	
Streets	Five Corners Bypass	\$13,155	\$11,526	Construction
	Louisiana Avenue - FM 518 to Hewitt	\$6,825	\$6,000	Construction
	Calder Road - I45 to ervin	\$4,297	\$4,297	Construction
	Caroline Street	\$277	\$277	Construction
	Houston Avenue	\$3,500	\$3,213	Construction
	Kansas	\$3,510	\$500	Design
	Texas	\$4,925	\$625	Design
	<b>Streets Subtotal</b>	<b>\$36,489</b>	<b>\$26,438</b>	
Drainage	Robinson Bayou Bank Stabilization	\$2,708	\$2,708	Design and construction
	Stormwater Improvements FY 2012-13	\$2,232	\$300	Design
	<b>Drainage Subtotal</b>	<b>\$4,940</b>	<b>\$3,008</b>	
Parks	Park Facilities Renewal	\$253	\$253	Construction
	Clear Creek Paddle Trail	\$370	\$370	Design and construction
	Eastern Regional Park	\$16,338	\$12,420	Construction
	<b>Parks Subtotal</b>	<b>\$16,961</b>	<b>\$13,043</b>	
	<b>GENERAL FUND TOTAL</b>	<b>\$105,902</b>	<b>\$56,672</b>	

## Ordinance No. 2010-32

## Exhibit "B"

## Page 2 of 2

**FY 2011 PROPOSED BUDGET  
CAPITAL BUDGET (\$000'S)**

PROGRAM	PROJECT	TOTAL COST	FY 2011 PROPOSED	PHASE
<b>UTILITY FUND</b>				
<b>Water</b>	Beamer Road Water Line Extension	\$1,819	\$1,484	Construction
	Northside Water Booster Station	\$5,917	\$5,637	Construction
	Southeast Service Are Trunks	\$4,150	\$300	Design and construction Ph. 1
	South Shore Harbour Pump Station	\$2,250	\$2,250	Design and construction
	State Hwy. 3 Pump Station	\$5,290	\$5,290	Design and construction
	Raise West Side Elevated Water Tower	\$2,500	\$2,500	Design and construction
	New East Side Elevated Water Tower	\$3,000	\$325	Design
	24" Dist Line FM518 to Alderwood	\$835	\$85	Design
	Water Meter Replacement Program	\$6,110	\$2,000	Ph. 1 Replacement
	<b>Water Subtotal</b>	<b>\$31,871</b>	<b>\$19,871</b>	
<b>Wastewater</b>	Southwest Water Reclamation facility	\$32,237	\$250	Acquisition and Construction
	Butler Road Lift Station & Force Main	\$1,888	\$1,638	Construction
	West Main Lift Station & Force Main	\$1,834	\$1,642	Construction
	24" Gravity Sewer on Calder	\$3,210	\$2,870	Construction
	Re-Use Improvements	\$430	\$430	Design and construction
	Countryside & FW11 Lift Station & Force Main Upgrades	\$1,399	\$239	Design
	FW10 Force Main to SWWRF & Countryside #2 Diversion	\$828	\$180	Design
	Glen Cove Sanitary Sewer Evaluation	TBD	\$250	Design
	Clear Creek Village Sanitary Sewer System Rehab	\$1,637	\$276	Design
	<b>Wastewater Subtotal</b>	<b>\$43,463</b>	<b>\$7,775</b>	
<b>UTILITY FUND TOTAL</b>	<b>\$75,334</b>	<b>\$27,646</b>		
<b>FY 2011 CAPITAL BUDGET TOTALS</b>	<b>\$181,236</b>	<b>\$84,318</b>		

## ORDINANCE NO. 2010-34

AN ORDINANCE APPROVING AN AD VALOREM TAX RATE FOR THE CITY OF LEAGUE CITY, TEXAS, UPON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2011; DIRECTING THE ASSESSMENT AND COLLECTION THEREOF; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, pursuant to Section 26.04 of the Texas Tax Code, the City's Tax Assessor/Collector calculated the effective tax rate as described below and submitted the calculations with the appraisal roll to the City Council on September 14, 2010; and

WHEREAS, the effective tax was published in the City's official newspaper on September 10, 2010; and

WHEREAS, the components of the tax rate are:

- (1) \$0.219271 on each one hundred dollars (\$100) of valuation on all property, real, personal, or mixed for the City's debt service fund, and
- (2) \$0.396729 on each one hundred dollars (\$100) of valuation on all property, real, personal, or mixed for maintenance and operations.

WHEREAS, the City Council believes it is in the best interest of the citizens of the City to adopt a combined tax rate of \$0.616 on each one hundred dollars (\$100) of valuation on all property, real, personal or mixed with the component for debt service at \$0.219271 and for maintenance and operation at \$0.396729 and such rates do not exceed the cap of sixty cents (60¢) for operation and maintenance of Article VIII, Section 2A, of the City Charter or the cap under Article VIII, Section 9 of the Texas Constitution.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEAGUE CITY, TEXAS, as follows:

Section 1. The facts and opinions in the preamble of this Ordinance are true and correct.

Section 2. The combined tax rate for the City of League City is \$0.616 on each one hundred dollars (\$100) of valuation on all property, real, personal, or mixed.

Section 3. The component of the combined tax rate that will be used to pay debt service is \$0.219271 on each one hundred dollars (\$100) of valuation on all property, real, personal, or mixed.

Section 4. The component of the combined tax rate that will be used to fund maintenance and operation expenditures is \$0.396729 on each one hundred dollars (\$100) of valuation on all property, real, personal, or mixed.

Section 5. There is hereby levied and there shall be collected for the use and support of the municipal government of the City of League City, Texas a tax for the fiscal year commencing October 1, 2010 and ending September 30, 2011 of \$0.616 on each one hundred dollars (\$100) of valuation on all

property, including real estate, personalty and mixed, within the territorial limits of the City on the first day of January 2010.

Section 6. Pursuant to Section 11.13 of the Texas Tax Code, an individual who is sixty-five (65) years of age or older, or disabled (which is defined to mean under a disability for the purposes of payment of disability insurance benefits under Federal Old-Age, Survivors, and Disability Insurance) is entitled to an exemption from the tax levied by this Ordinance upon his residential homestead in the amount of Forty-Five Thousand dollars (\$45,000.00) of the appraised value thereof.

Section 7. Pursuant to Article VIII, Section 1-b of the Constitution of the State of Texas, the City of League City has adopted an ad valorem tax freeze on residence homesteads of the disabled and of individuals age sixty-five (65) years of age or older. Ad valorem tax year 2006 will serve as the base valuation year.

Section 8. Pursuant to Texas Tax Code Section 11.13 (n) and pursuant to the Texas Constitution, all qualified residence homesteads within the City of League City are entitled to a residence homestead exemption in the amount of 10% of the appraised value of the residence for each tax year commencing in tax year 2007.

Section 9. The taxes herein levied shall be a first and prior lien against the property upon which they are assessed and the said first lien shall be superior and prior to all other liens, charges and encumbrances, and this lien shall attach to personal property to the same extent and priorities as to real estate.

Section 10. Should any section, subsection, sentence, provision, clause or phrase be held to be invalid for any reason, such holding shall not render invalid any other section, subsection, sentence, provision, clause or phrase of this Ordinance and the same are deemed severable for this purpose.

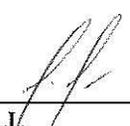
Section 11. This Ordinance shall be in effect from and after its final adoption.

Section 12. All ordinances and agreements in conflict herewith are hereby repealed to the extent of the conflict only.

APPROVED first and final reading the 28th day of September, 2010.

APPROVED second reading the \_\_\_\_ day of \_\_\_\_\_, 2010.

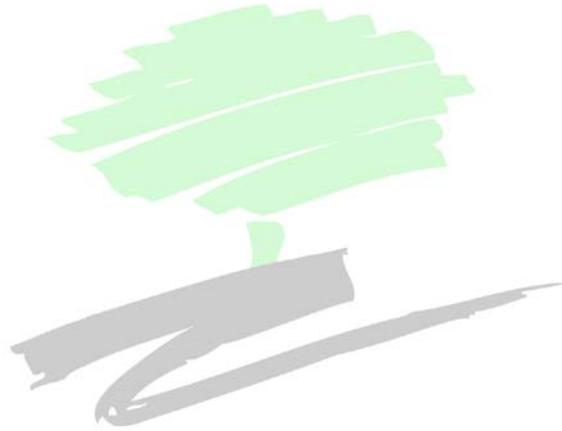
PASSED AND ADOPTED the 28th day of September, 2010.

  
\_\_\_\_\_  
TONI RANDALL,  
Mayor

ATTEST:

  
\_\_\_\_\_  
BARBARA F. LONG,  
City Secretary

SUSPENDED THE RULE AND ADOPTED ON FIRST AND FINAL READING.



# LEAGUE CITY

T E X A S  
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