

*City of
Nassau Bay*

CHARTING NEW HORIZONS



**Fiscal Year 2010-2011
Adopted Budget
September 13, 2010**

**General Fund
Water & Sewer Fund
Debt Service Fund
Tourism Fund
Special Revenue & Grant Funds
Capital Projects Fund
Street Sales Tax Fund**

City of Nassau Bay Annual Budget

Fiscal Year
October 1, 2010 – September 30, 2011

ADOPTED

September 13, 2010

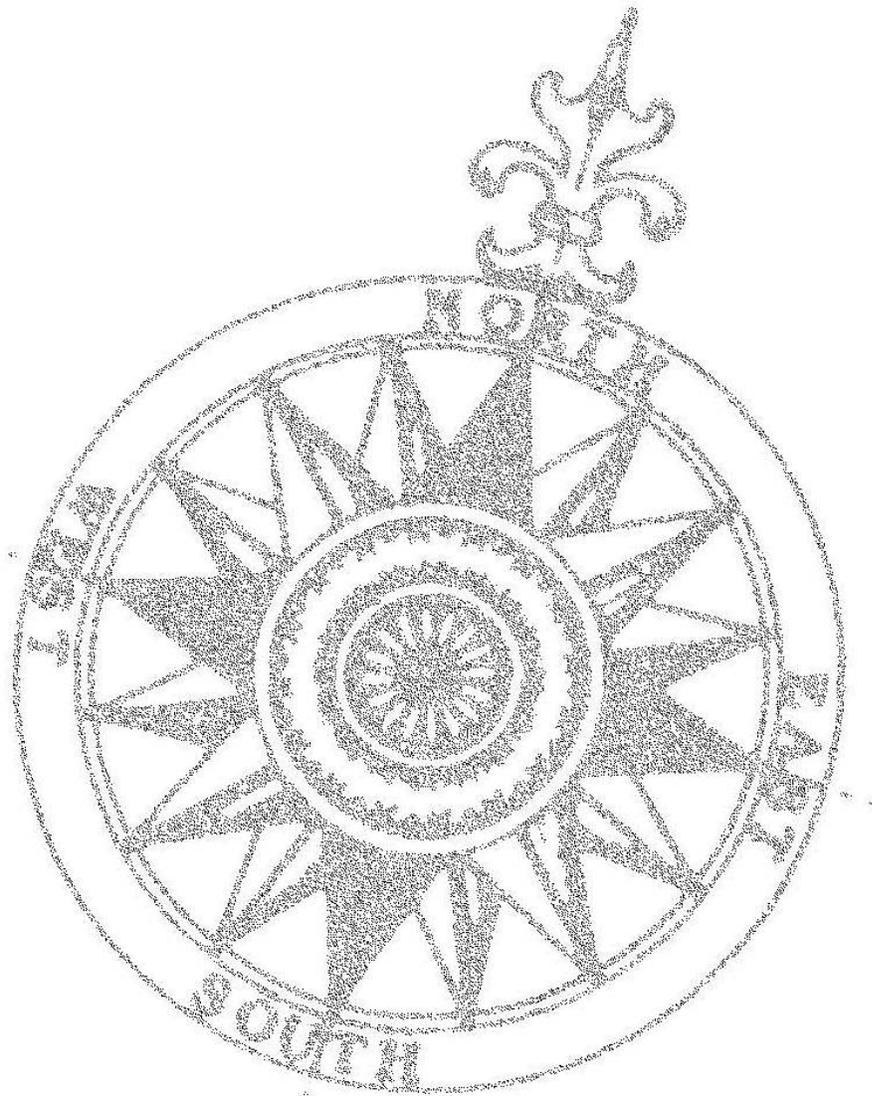
THE MAYOR & CITY COUNCIL

Don Matter, Mayor
Mark Denman, Mayor Pro Tem
John Haugen, Council Position #1
Sandra Mossman, Council Position #2
Ron Swofford, Council Position #3
Brad Bailey, Council Position #4
Bob Warters, Council Position # 6

Chris Reed
City Manager

The following notice is required by State of Texas H.B. 3195 passed during the 80th Legislative Session:

This budget will raise more total property taxes than last year's budget by **(\$20,158)** or 9.54% and of that amount \$31,808 is tax revenue to be raised from new property added to the tax roll this year.





City of Nassau Bay

Elected Officials

Donald C. Matter
Mayor

John Haugen
Position 1

Sandra Mossman
Position 2

Ron Swofford
Position 3

Brad Bailey
Position 4

Mark Denman
Mayor Pro Tem, Position 5

Bob Warters
Position 6

Administration

Chris Reed
City Manager

Deborah Pattison
Project Manager

Joe Cashiola
Police Chief

Pat Jones
City Secretary, TRMC

Jamie Galloway
Emergency Management Coordinator

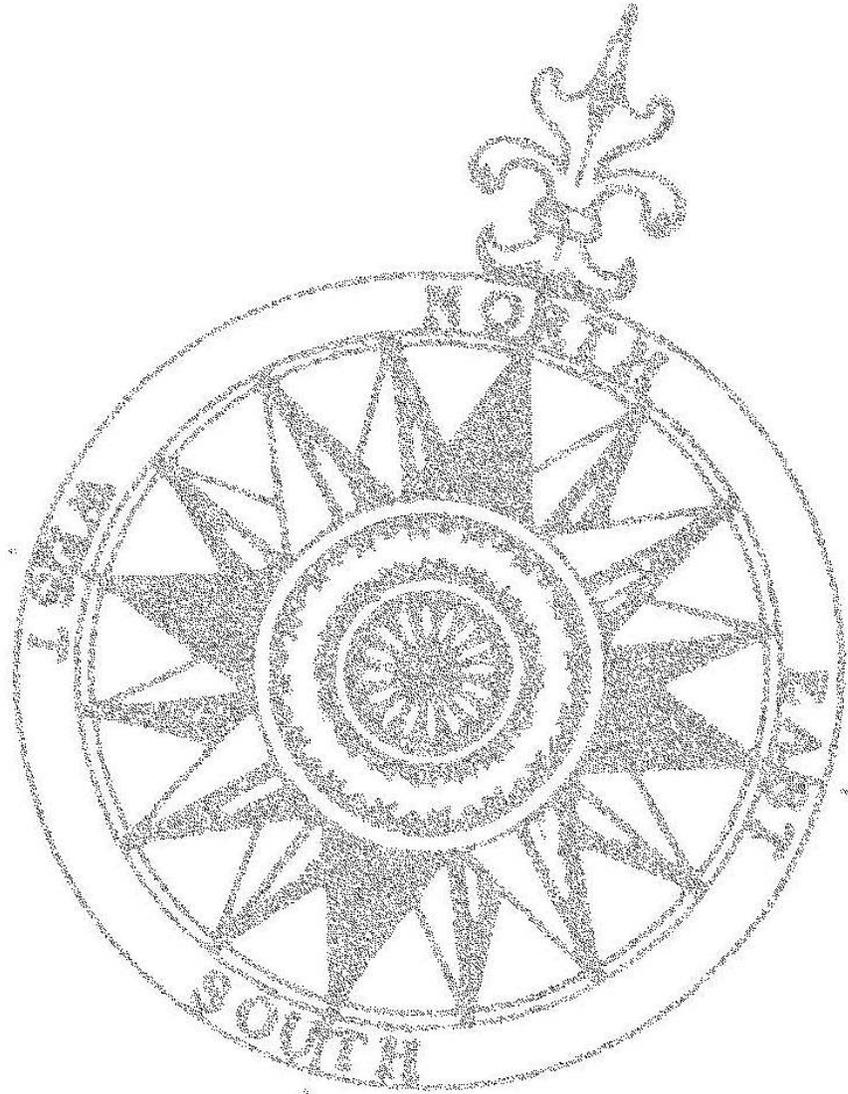
Csilla Ludanyi
Finance Director

Paul Lopez
Public Works Director

Tom George
Fire Department Administrator/IT Manager

Larry Boles
Building Official/Floodplain Administrator

Dick H. Gregg Jr., Esq.
City Attorney





City of Nassau Bay

Budget for Fiscal Year 2010-2011

General Fund	\$ 4,361,272
Water & Sewer Fund	1,789,385
Debt Service Fund	472,858
Tourism Fund	569,080
Special Revenue & Grants Fund	578,060
Capital Projects Fund	176,117
Street Sales Tax Fund	187,625
Total Budget	<u>\$ 8,134,396</u>

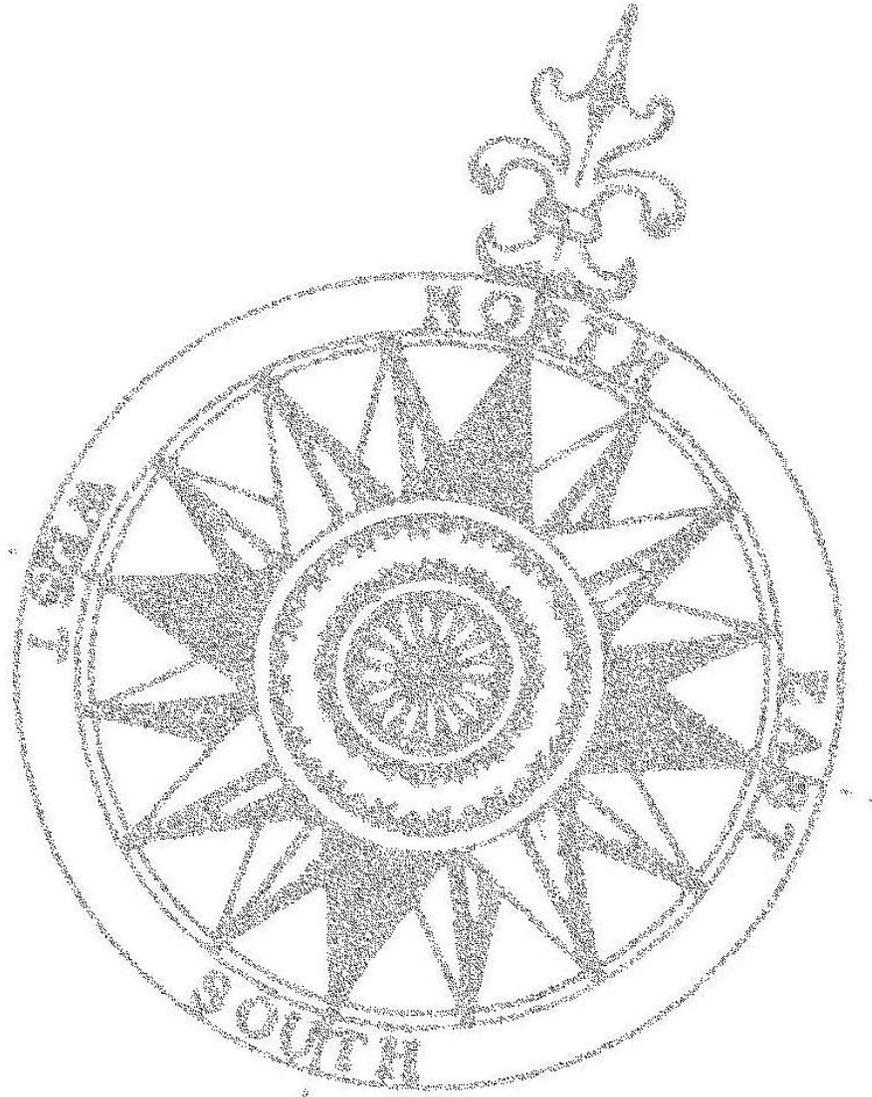
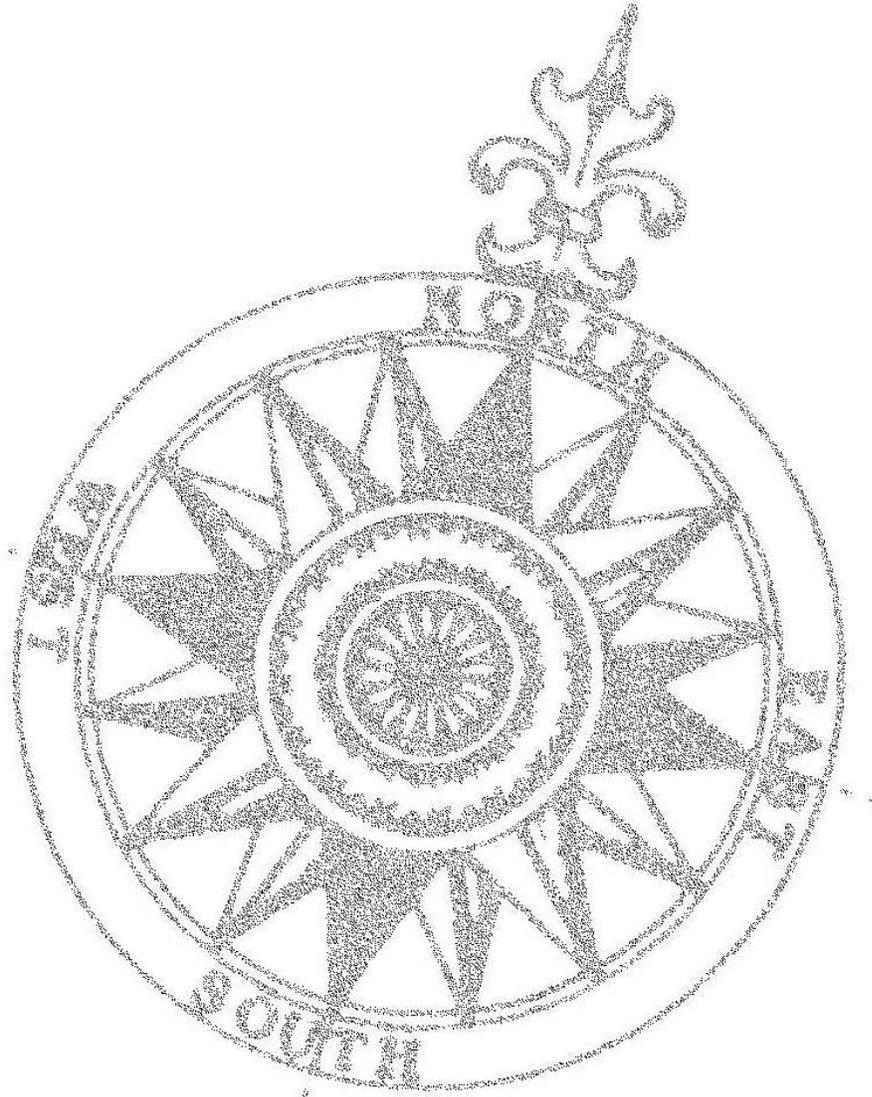


Table of Contents

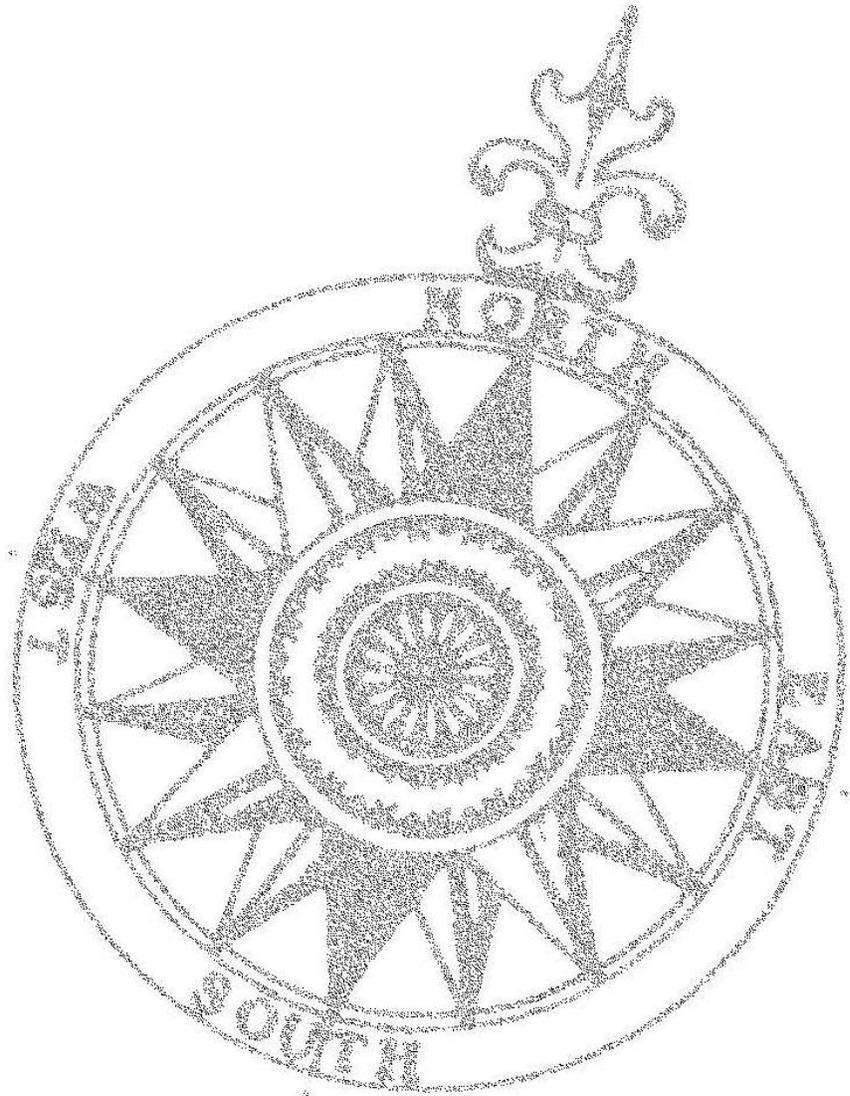
List of Elected Officials and Administration	i	Water & Sewer Fund	61
Budget Summary – All Funds	iii	Revenue	62
Budget Calendar	vii	Expenditures	65
Introduction & Overview	1	General & Administrative	66
City Manager’s Letter	1	Water Department	68
Budget Overview	6	Wastewater Department	70
Government Structure	6	Debt Service & Depr. Dept.	72
Organization of the Funds	7	Debt Service Fund	75
Budget Development & Administration	8	Bond Repayment Schedule	76
Property Taxes	9	FY 2010-2011 Requirements	78
Fund Summaries	16	Statement of Bonded Indebtedness	79
General Fund	17	Principal & Interest Requirements	81
Revenue	19	Revenue & Expenditures	82
Revenue Summary	19	Tourism Fund	83
Line Item Detail	21	Revenue	85
Expenditures	22	Expenditures	86
General & Administrative	24	General & Administrative	86
Building Department	28	Advertising & Promotions	88
Emergency Management	30	Arts & Special Events	90
Fire Protection	32	Special Revenue & Grant Funds	93
Public Works	34	Revenue	94
Parks & Recreation	36	Expenditures	95
Police Department	38	Capital Projects Fund	97
Sanitation & Recycling	40	Revenue	98
Animal Control	42	Expenditures	99
Contingency	44	Street Sales Tax Fund	101
Information Services	46	Revenue & Expenditures	102
Municipal Court	50	Personnel	103
Emergency Medical Service	52	Wages & Benefits	104
Fire Marshal/Code Enforcement	54	Salary Schedule & Shared Expenses	106
Planning & Development	56	Capital Improvement Plan	109
General Fund Capital Outlay	58	Budget Notes	112



Budget Year 2010-2011

Budget Calendar

April 27, Tuesday	Operating & CIP Budget Kick-Off; Budget Request Guides Distributed; Departments develop FY11 Objectives	Dept. Managers
May 10, Monday	New Hotel/Motel Appropriations Policy presented for Council approval	City Manager & Council
May 18, Tuesday	Department capital outlay detail, funding sources & justification due; Preliminary Operating & CIP Budget request deadline	Dept. Managers
Mid-May	City Manager receives Preliminary Tax Roll (certified estimate of total appraised value)	Harris County Appraisal District
May 11 - May 31	City Manager's review of Department Budgets; final compilation of CIP and funding sources	City Manager
June	Meeting with Department Heads to review submitted budget information and determine final numbers	City Manager & Department Heads
June 21, Monday	Subcommittee on Appropriations and Interfacing (Tourism Fund) - Per new Hotel/Motel Appropriations Policy	Council Committee - as appointed at May Council meeting
June 23, Wednesday	Completed City Manager's Budget	City Manager
June 28, Monday	Budget Workshop - Budget Priorities & CIP Funding	City Manager & Council
July 19, Monday	Budget Workshop - Budget Priorities & CIP Funding	City Manager & Council
July 26, Monday	EDC Regular Meeting & Budget Workshop	City Manager & EDC
August 4, Wednesday	City Manager Budget delivered to City Secretary for distribution to Council, made available to public, and posted on website as Proposed Draft - 72 hr. notice of Public Hearing	City Manager
August 9, Monday	Presentation of Budget to City Council and Public Budget Hearing; Schedule Workshop if needed	City Manager at Regular City Council Meeting
August 30, Monday	Publicize Budget Public Hearing in local newspaper per Sec. 102.0065 of TX LGC	Finance Director, City Secretary
August 30 - September 3, Mon. - Fri.	Chief Appraiser certifies approved appraisal roll; Calculation of effective and rollback tax rates; 72-hr. notice for budget meeting	Harris County Appraisal District
September	SPENDING FREEZE - all purchases must be approved by Finance; credit cards may not be used without prior authorization by Finance	Finance Department
September 13, Monday	Presentation of Final Budget to City Council and Second Budget Public Hearing; Certification of anticipated collection rate; Adopt Budget by Ordinance; discuss tax rate. If Council determines, adopt Tax Rate by Ordinance; or if tax rate will exceed the rollback or effective tax rate (whichever is lower), take a record vote and schedule two public hearings.	City Manager; Tax-Assessor Collector; City Council; Regular Council Meeting
September 20, Monday	Nassau Bay Charter Requirement - Final Date to adopt budget	City Council
September 23, Thursday	Publish effective and rollback tax rates, schedules and fund balances; submission to Council; Publish notice of two public hearings on tax increase (tv, website, newspaper)	Finance Director, City Secretary
September 30, Thursday	First Public Hearing on proposed tax increase (may not be held earlier than the 7th day after the notice is published)	Special City Council Meeting
October 1, Friday	Fiscal Year 2010-2011 Begins	
October 4, Monday	Second Public Hearing on the proposed tax increase (may not be held earlier than the 3rd day after the first public hearing)	Special City Council Meeting
October 7, Thursday	Publish Notice of Tax Revenue Increase (TV & Website)	Finance Director
October 11, Monday	Vote on proposed tax increase to increase total revenues (not more than 14 days after Second Public Hearing); Adopt Tax Rate by Ordinance	Regular Council Meeting





The Municipal Budget Fiscal Year 2011

The last year can be described as a time of change and simultaneously a time for preserving and embracing the charm of Nassau Bay. The City has brought on several new department directors, as well as a new City Manager. Through this process City staff has been adaptive, enthusiastic, flexible and creative in their ability to continue to provide excellent service to the residents of Nassau Bay while learning to work with new supervisors and new processes.

During the course of the year staff has had to face the reality that the nation's economic woes have made it to our neighborhood and manifested themselves in revenue shortfalls and continued weakened property values. Additionally, the City is dealing with inevitably aging infrastructure as well as the continued reminders of the disorder Hurricane Ike caused in our community.

In the face of these challenges, staff has selected certain priorities to guide the budget process for FY2011. A comprehensive Five-Plus-Year Capital Improvement Plan was compiled and this budget begins its implementation by funding the first two years of projects in the Water and Sewer Department. On the heels of Hurricane Ike and all the related expenditures, this budget strives toward replenishing the City's reserve fund. This budget also works to minimize fund transfers into the General Fund as much as practical and clarify account designations. Most importantly, this budget is a balanced, deficit-free budget.

Among the areas of focus staff has chosen for the FY2011 Budget Year, collections is the highest priority. City staff will be working to improve revenues by strongly pursuing collections in the areas of Utility Service and EMS provision.

In the General Fund, following historic trends, the majority of the revenue available for maintenance and operations is derived from Property Taxes. Other revenue sources that provide significant amounts of revenue include Franchise Fees, Sales Tax, and Permits & Fees. Currently the majority of Sales Tax is generated by Accommodation, Food Service & Retail sectors.

Facing revenue shortfalls, staff has actively pursued cutting expenditures in all areas and departments. Overall, General Fund expenditures were decreased by over \$780,000 from last year's budget. Seven part-time positions were not funded, seasonal employees have been eliminated, overtime has been decreased and a hiring freeze has been implemented resulting in an overall reduction of \$179,000 in the personnel budget. Employees will receive no merit or cost of living increase during the FY2011 budget year. The contingency department allocation was cut by over \$340,000. Finally, the Parks Committee Capital items

and Beautification Day funding were eliminated but will be supported through possible grant opportunities, donations, city-wide volunteer efforts, and city staff time.

In all the discussions and decisions staff has had regarding the cutting of expenditures and the search for increased revenues, Council's goals and priorities for the community have been at the fore-front. During the past year the process was started to update the City's Comprehensive Master Plan. The process has involved citizens, volunteers, board members, City Council and staff with the goal of providing a long-term guide for new development, redevelopment, and community enhancement efforts.

Vision 2020 also continues to represent our community and all of our major projects are directly related to this important statement:

VISION 2020 The City of Nassau Bay will be an incomparable, safe, family-oriented, waterfront enclave which is fiscally well-managed with well-maintained, up-to-date infrastructure and aesthetically pleasing residences and buildings that reflect the obvious pride of its citizens. This community, the Manned Space Center's birthplace, will be the cultural arts center of the Bay Area, with a robust economy anchored by a revitalized commercial district, tourism, and high technology business, while retaining homeowner privacy and a small town atmosphere.

Nassau Bay's Economic Development Corporation (EDC), NASA Area Management District, Tax Increment Reinvestment Zone No. 1 (the TIRZ), and the Nassau Bay Redevelopment Authority provide economic development tools facilitating public-private partnerships which are critical to redevelopment of blighted areas in Nassau Bay, and an improved commercial tax base.

With these organizations' contributions, some of the City's most substantial and recent accomplishments include:

1. **\$2.5 Million Grant** – An Economic Development Administration (EDA) federal grant was secured May 28, 2009. Items approved for Nassau Bay Town Square infrastructure improvements include: (1) completion of the streets, (2) the duct bank for underground electrical facilities, and (3) hardscape components. The Town Square development will be home to the new City Hall and conference center and will attract additional businesses, jobs, and private investment to aid the ongoing economic recovery of the bay area region following the devastation caused in September 2008 by Hurricane Ike.
2. **Community Development Block Grants (CDBG Funds)** – Nassau Bay is approved for \$761,068 in Public Works projects for Round #1. The projects include an elevated generator at the wastewater treatment plant, improvements to various lift stations, a new mobile pump, and a bypass vault for the City's water system. Additionally, the City has been approved for \$721,000 as part of Round #2 funding.

The FY2011 Budget proposes to continue our work to upgrade critical City infrastructure, while maintaining and improving an exemplary quality of life environment for our citizens and for our businesses. As always, Vision 2020 remains the desired future we are striving to achieve. This budget proposal takes us closer to that goal.

Revenue: Most FY2011 revenue projections are down compared to recent years (reference Fund Summaries, page 16).

Based on staff recommendations and Council agreement, with this budget the City is proposing an ad valorem tax rate increase of 5.0 cents from the prior year tax rate in FY2011. The City was mindful of Ike-related economic pressures on our residents during

two years; however a point has been reached where revenue shortfalls must be addressed in order to provide a balanced, deficit-free budget.

For the third year, the City will be sharing property tax revenue with the TIRZ. The incremental tax revenue increase in the zone goes into the TIRZ to be used for public improvements in the zone. In Nassau Bay, 90% of the incremental revenue is allocated to the TIRZ for management by the recently appointed TIRZ board. Ten percent of the incremental revenue remains in the General Fund.

This budget year, there is a projected increase in TIRZ property values from the prior year; the projected property values continue to be higher than for the base year (Tax Year 2007), resulting in a year three increment estimated at near \$37.5 million in taxable valuation.

General Fund operating revenue is budgeted at a \$92,760 increase compared to the budget in the previous year. This revenue increase is a result of the increase to the ad valorem tax rate as well as minor increases in revenue sources such as Fines and Rent/Lease services.

The Tourism Fund has seen a decline in the previous year, as have hotel occupancy tax revenues statewide due to an overall decrease in tourism.

Fund Expenditures: The total expenditure budget for FY2011 is \$8,134,396. Reference the funds breakout on page 13 of the budget document.

General Fund expenditures are programmed to be about half of the City's total expenditures, coming in at \$4,361,272. The expenditure breakout for the fifteen departments is shown on page 22. In order to decrease expenditures as much as possible due to revenue shortfalls, funding was dedicated solely to maintenance and operations.

Water and Sewer Fund: Expenditures for this fund are projected \$48,134 under last year's budget. The decrease in this fund's operating expenses is partly due to plans to fund the first two years of the Capital Improvement Plan through financing from the Texas Water Development Board.

Tourism Fund: As noted above, revenue in this fund has declined this past year from anticipated amounts. Strong improvements in the tourism sector are not projected and therefore FY2011 budgets \$525,000 in revenue. The City will continue our 15% of revenue payments to the Bay Area Houston CVB, 20% to Arts and Special Events, and sponsorship of major events in our region to benefit our hotels.

FY2011 Capital Improvements: The FY2011 Budget implements a Five-Plus-Year Capital Improvement Plan providing a framework for meeting the City's long term infrastructure needs. The City is pursuing funding through the Texas Water Development Board for the funding of the first two years of this Capital Improvement Plan.

Personnel/Salaries: We are projecting an overall 5.74% decrease in the Personnel budget, including both salary and benefits (in comparison with a 4.41% increase last year). The FY2011 budget does not include any major staffing changes, but does not fund any seasonal or temporary positions, limits overtime, and includes the downgrading of some positions. In the face of budget constraints there will be no merit or cost of living increases for the employees in FY2011.

The staffing level for this budget is 40 full-time, 6 part-time, and 25 hourly (part-time, limited-use) employees. Personnel contingencies are budgeted within Depts. 1, 5, 6, 7, 9, 11, 13, and 14.

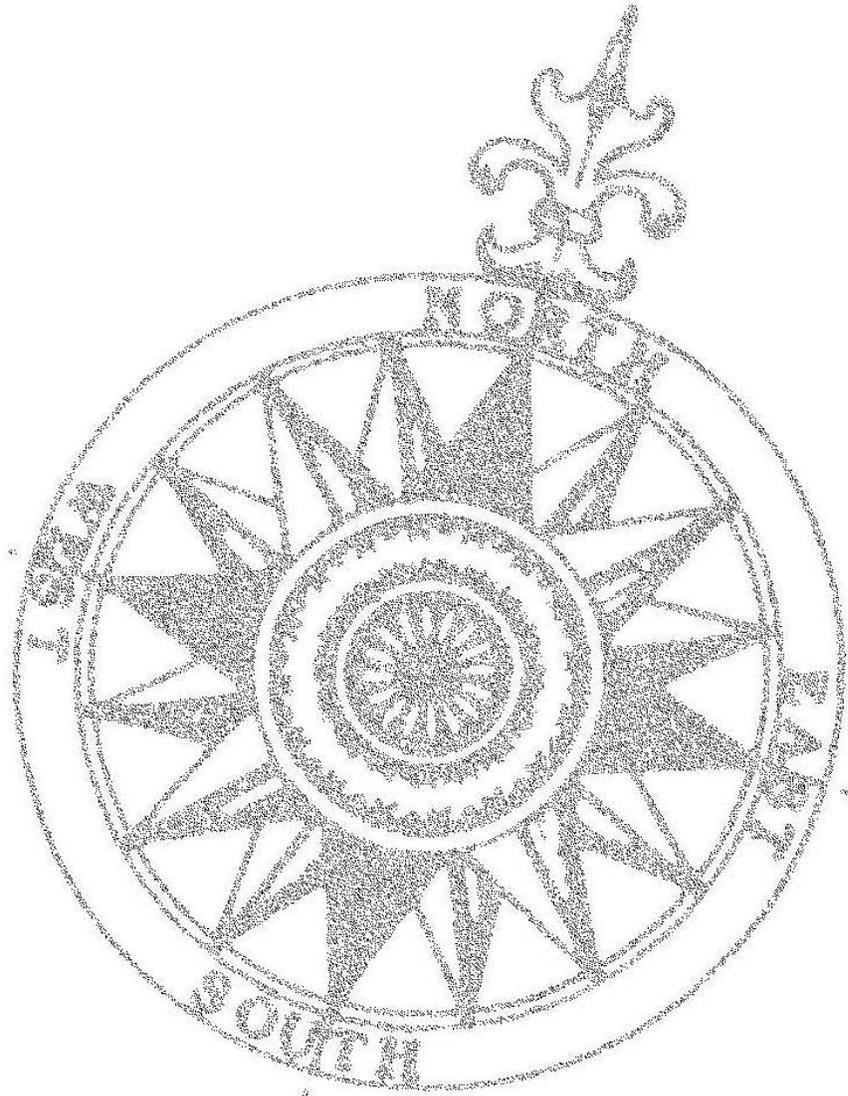
Summary: With an emphasis on a deficit-free balanced budget and the gradual replenishing of the City's reserve funds, the City's financial position is solid with a low debt to assessed value ratio. The City's goal is to continue to foster diversification in the tax base in the years ahead, through the Nassau Bay Town Square project as well as other opportunities in the TIRZ. Added retail, tourism and service sector businesses will boost our sales tax revenue and decrease the property tax burden on residential property owners.

The City's updated Comprehensive Master Plan combined with Vision 2020 has renewed the community-wide commitment to ensuring the fiscal stability and preserving the charm and quality of life so highly valued in Nassau Bay. We have carefully managed our resources to make incremental progress on a number of fronts. By balancing the City's infrastructure needs with our financial position, we can look to the future with confidence.

Respectfully submitted,

A handwritten signature in black ink that reads "Chris Reed". The signature is written in a cursive style with a large, prominent "C" and "R".

Chris Reed, City Manager



Budget Overview

Government Structure

The City of Nassau Bay was incorporated in 1970 as a Texas General Law city. Three years later, in 1973, the citizens of Nassau Bay adopted a Charter and reorganized as a Texas Home Rule City with a Council-Manager form of government.

The legislature and governing body of the City is the Council, which consists of a Mayor and six Council members. The Mayor and Council members are elected at large for two-year terms with a limitation of four consecutive terms.

- Mayor Donald Matter
- Position 1 John Haugen
- Position 2 Sandra Mossman
- Position 3 Ron Swofford
- Position 4 Brad Bailey
- Position 5 Mark Denman
- Position 6 Bob Wartens

The City Council meets monthly to transact the business of the City and its citizens. All legislation enacted by Council is in the form of Ordinances. The City's Charter defines the manner and procedure by which Ordinances are adopted.

The City Council appoints a City Manager who shall be the chief administrative officer of the City and who shall be responsible for the administration of all affairs of the City. The City Manager directs and supervises the administration of all departments, offices, and agencies of the City, except as otherwise provided by the Charter or by law. The City Manager attends all council meetings and has the right to take part in discussions; however, he may not vote.

Chris Reed began service as City Manager in mid-August 2009.

- Howard L. Ward 1973 – 1989
- James A. McFellin 1989 – 1991
- David K. Stall 1992 – 1998
- John D. Kennedy 1999 – 2009
- Chris Reed 2009 – present

In addition to the City Manager, Council appoints the City's Municipal Court judges and clerks and members of the various boards, commissions, and committees that may exist.

Organization of the Funds

The Annual City Budget addresses seven separate funds in one document. Each fund has been established to perform specific functions with its own sources of revenue.

General Fund - 01

The General Fund is the City's largest and primary municipal operating fund. The General Fund provides for the City's administrative, regulatory, public safety, sanitation, public works, (excluding water and sewer), and court functions. Revenue sources benefitting the General Fund include property taxes, sales & use taxes, franchise fees, license & permit fees, fines, and repayment for administrative services provided to other funds.

Water & Sewer Fund - 02

The Water & Sewer Fund operates as an enterprise fund and provides for the operation of the City's water and wastewater utilities. Revenue sources benefitting the Water & Sewer Fund include water and sewer customer charges and tap fees.

Debt Service Fund – 04

The Debt Service Fund provides funds necessary to meet the debt service obligations of bonds issued by the City. Revenue sources benefitting the Debt Service Fund include property taxes and contributions from the Water & Sewer Fund and the Nassau Bay Economic Development Corporation.

Tourism Fund – 06

The Tourism Fund provides for the promotion of the City's tourism industry. The most significant revenue source benefitting this fund is a Hotel Occupancy Tax. The City increased the hotel occupancy tax from 5% to 7% effective January 1, 2006.

Special Revenue & Grants Fund – 07

The Special Revenue & Grants Fund accounts for special revenue sources and grants that are legally restricted to specifically designated expenditures types or purposes.

Capital Projects Fund – 09

The Capital Projects Fund provides funds for the acquisition or construction of capital improvements or items. These funds are spent according to the City's Capital Improvement Plan.

Street Sales Tax & Maintenance Fund – 10

Nassau Bay adopted an additional one-quarter percent local sales tax for street maintenance purposes on November 5, 2002 and the tax became effective on April 1, 2003. The tax expires every four years. The City held a tax reauthorization election on November 7, 2006, extending the sales tax to April 1, 2011. The City is planning the second tax reauthorization election for November 2010.

Budget Overview

-Continued

Budget Development & Administration

Fiscal Year

The fiscal, budget, and accounting year of the City begins on the first day of October and ends the last day of September.

Proposed Budget

By City Charter, on or before the fifth day of August, the City Manager is required to submit a proposed budget & budget message for the ensuing year to the City Council.

Public Hearing

Having received the budget, Council is required to hold a public hearing on the budget as submitted. All interested persons are given an opportunity to be heard, either for or against any item of the proposed budget.

Adoption of the Budget

The minimum contents of the Adopted Budget document are specified in the City Charter. Following the public hearing, the Council may adopt the budget with or without amendment on one reading. Adoption of the budget will require an affirmative vote of a majority of the entire Council. Adoption of the budget constitutes an appropriation of the amounts specified herein as expenditures from the funds indicated.

Should Council fail to adopt a budget by the twentieth day of September, provisions of the City's Charter provide automatic appropriations on a month-to-month basis until a budget is adopted. In such event, the operation of the City would not be disrupted for lack of a budget.

Adoption of Tax Rate

Following the adoption of the budget, Council may adopt a property tax rate.

Certification of Funds

No payment is made or obligation incurred against any appropriation unless the City Manager, or his designee, first certifies that there is a sufficient unencumbered balance to meet that obligation.

Purchasing Policy

The City Manager, or his designee, is the City's purchasing agent and authorizes the payment of all bills. The City Manager, or his designee, reviews purchases orders, invoices, and signs checks for authorized expenditures.

Monthly Financial Reports

The City Manager submits a monthly report to Council detailing the financial position of the City.

Annual Audit

At the completion of each fiscal year, an audit is made of all City funds by a competent certified public accounting firm selected by Council.

Property Taxes

The certified roll for the 2010 tax year was sent by the Harris County Appraisal District on September 2, 2010. The total appraised value now on the appraisal roll for 2010 is \$487,696,922. Over-65, Residential Homestead, Disability, and Other Exemptions total \$85,556,011 (or 17.5% of appraised value). Thus, the taxable value on the appraisal roll for 2010 is \$402,140,911.

Budgeted Taxable Value for Tax Year 2010/Fiscal Year 2011 totals \$407,337,399, as follows: Taxable value of \$402,140,911 plus HCAD Estimated Final Taxable Value of \$38,904,350 [Uncertified Tax Roll with (including) Hearing Loss] less 90% of TIRZ Increment Valuation [September 8, 2010 Adjusted Captured Value of \$37,453,180 x 0.90 = \$33,707,862]. This compares with the prior year as follows:

	Tax Year 2009	% of Total Appraised Value	Tax Year 2010	% of Total Appraised Value
Total Appraised Value	472,289,427		487,696,922	
Less All Exemptions [Over-65, Residential Homestead, Disability, & Other Exemptions]	(90,232,082)	-19.1%	(85,556,011)	-17.5%
Taxable Value	382,057,345		402,140,911	
Plus HCAD Estimated Final Taxable Value [Uncertified Tax Roll with (including) Hearing Loss]	46,344,026	9.8%	38,904,350	8.0%
Taxable Value Including TIRZ	428,401,371		441,045,261	
Less 90% of TIRZ Increment Valuation [Adjusted Captured Value x 0.90]	(26,034,143)	-5.5%	(33,707,862)	-6.9
Budgeted Taxable Value	402,367,229		407,337,399	

- The 2010 tax rate has not been adopted. The proposed tax rate of 69.2120 cents per hundred dollar valuation is based on the tax revenue required to meet the level of expenditures proposed in this budget.

- Property tax is comprised of two separate components: Maintenance & Operations (M&O) and Debt Service. The proposed tax rate of 69.212 cents is comprised of:

M&O Rate = 65.0927 cents per hundred dollars
 Debt Service Rate = 4.1193 cents per hundred dollars

Adding the M&O and the Debt Service rates provides the proposed tax rate of 69.2120 cents per hundred dollar valuation.

- The Debt Service tax rate is directly driven by the cost of repaying the City's debt. In an effort to standardize the debt related to the Water & Sewer Fund and pursue its true enterprise fund functionality, portions of existing debt that relate to utility fund activities have been transferred to the Water & Sewer Fund. The present debt requirements of the City, offset by the increased contributions from the Water & Sewer Fund, have established the Debt Service rate for FY2011 at 4.1193 cents per hundred dollar valuation.
- The proposed M&O portion of the property tax rate of 65.0927 allows the City to accomplish a balanced, deficit-free budget and gradually begin replenishing reserve funds depleted by Hurricane Ike.
- The 2010 Effective Tax Rate is 65.7472 and the 2010 Rollback Tax Rate is 63.1860. The proposed tax rate increase will add to the typical homeowner with a property value of \$250,000 approximately \$125 annually.

Home Rule cities are authorized by the Texas Constitution to levy a tax on real and personal property up to a limit of \$2.50 per \$100 assessed valuation.

Budget Overview

-Continued

Budgeted Taxable Value & TIRZ Taxable Value

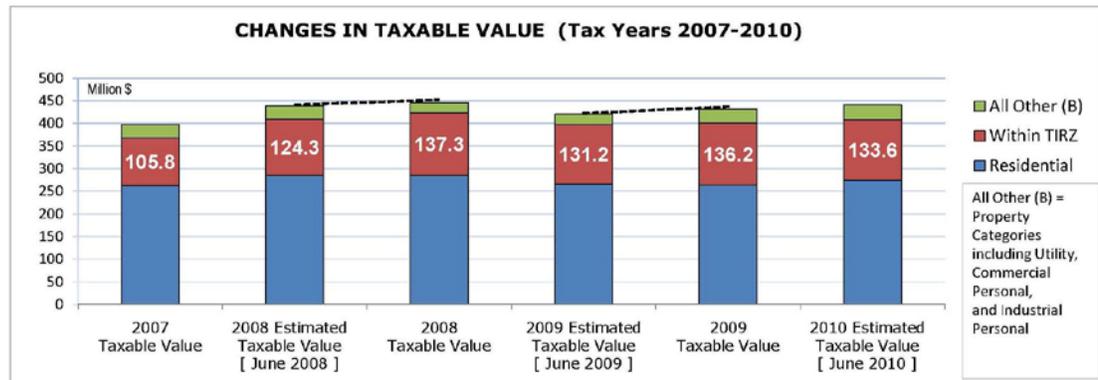
The TIRZ property tax allocation, which is determined by the changing property values inside of the designated TIRZ area, is collected by the Harris County Tax Assessor Collector and submitted to the City as part of the total amount of property tax collected.

Each fiscal year in the third quarter, the City receives notification from the Harris County Appraisal District regarding the amount of property tax due to the TIRZ. Each fiscal year, as part of the budget process, seven months prior to receiving the final TIRZ allocation from HCAD, the City must anticipate the portion of property taxes that will be considered TIRZ revenue and be transferred to the TIRZ fund. The City budgets the receipt of the total property tax revenues while considering the anticipated apportioning of this amount to both the City and the TIRZ.

Therefore, the Budgeted Taxable Value calculation presents the property tax revenue that is anticipated for use by the City for Maintenance & Operations in the General Fund and for Debt Service obligations in the Debt Service Fund. These calculations are based on the taxable value minus 90% of the TIRZ Increment Valuation (\$407,337,399). However, this amount does not account for the total property tax that will be received by the City including the portion received on behalf of the TIRZ. The total amount of property tax revenue budgeted for the City is \$2,819,264.

The property tax revenue budgeted in both the General Fund and the Debt Service Fund is based on the Taxable Value Including TIRZ (\$441,045,261). The TIRZ portion of this total property tax revenue received is budgeted as a transfer out of these funds to the TIRZ.

	Valuation	General Fund Revenue	Debt Service Revenue
Taxable Value Including TIRZ (Total Anticipated Property Tax Revenue)	441,045,261	2,870,883	181,680
Anticipated TIRZ portion (90% of Increment Valuation Transferred to TIRZ)	(33,707,862)	(219,414)	(13,885)
City's Portion of Property Tax	407,337,399	2,651,469	167,794



Budgeted Taxable Value

Assessed Valuation

Tax Year	Taxable	Rate	Tax Levy
2000	321,421,780	0.59406	1,909,438
2001	340,829,010	0.59406	2,024,729
2002	353,297,020	0.59800	2,112,716
2003	355,372,110	0.61957	2,201,779
2004	364,330,040	0.64157	2,337,432
2005	368,832,846	0.65657	2,421,646
2006	377,371,255	0.65657	2,477,706
2007	397,566,924	0.63212	2,513,100
2008	413,208,993	0.64212	2,653,298
2009	402,367,229	0.64212	2,583,680
2010	407,337,399 (a)	0.69212	2,819,264

Rate Distribution

Tax Year	M & O	Debt	Total	
2000	0.51063	0.08343	0.59406	
2001	0.51287	0.08119	0.59406	
2002	0.48394	0.11406	0.59406	
2003	0.50705	0.11252	0.61957	
2004	0.53477	0.10680	0.64157	
2005	0.54644	0.11013	0.65657	
2006	0.53495	0.12162	0.65657	
2007	0.49431	0.13781	0.63212	
2008	0.51336	0.12876	0.64212	
2009	0.53934	0.10278	0.64212	
Budget	2010	0.650927	0.041193	0.692120

Tax Levy

Tax Year	M & O	Debt	Total	
2000	1,748,010	276,719	2,024,729	
2001	1,709,746	402,971	2,112,716	
2002	1,801,914	399,865	2,201,779	
2003	1,948,328	389,104	2,337,432	
2004	2,015,450	406,196	2,421,646	
2005	2,018,748	458,959	2,477,706	
2006	1,965,213	547,887	2,513,100	
2007	2,121,246	532,052	2,653,298	
2008	2,140,161	570,000	2,710,161	
2009	2,170,127	413,553	2,583,680	
Budget	2010	2,651,469	167,794	2,819,264

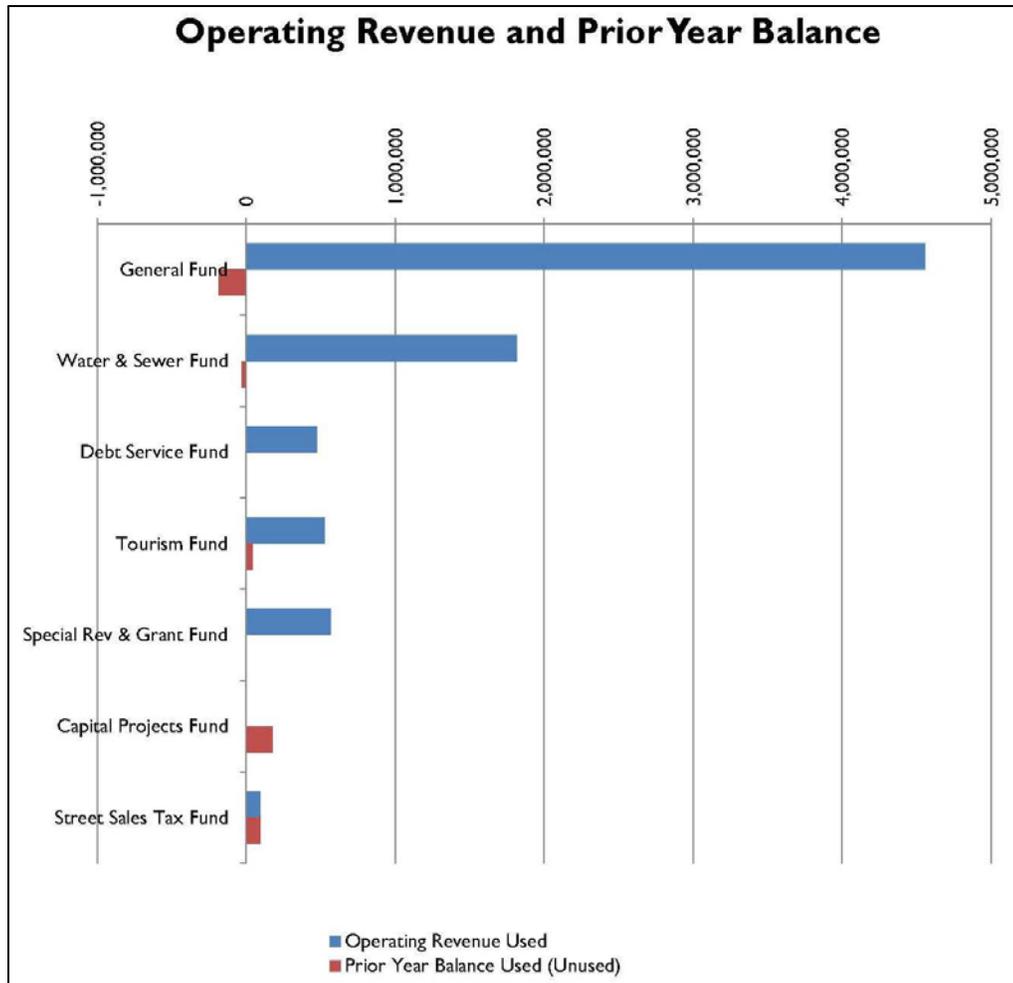
(a) See prior page for detail of the budgeted Tax Year 2010 taxable value.

Budget Overview

-Continued

Revenue Budget For Fiscal Year 2010-2011

	Operating Revenue Used	Prior Year Balance Used (Unused)	Total Revenue Used
General Fund	\$ 4,584,923	(223,651)	\$ 4,361,272
Water & Sewer Fund	1,817,000	(27,615)	1,789,385
Debt Service Fund	490,914	(18,056)	472,858
Tourism Fund	525,350	43,730	569,080
Special Rev & Grant Fund	568,400	9,660	578,060
Capital Projects Fund	0	176,117	176,117
Street Sales Tax Fund	93,400	94,225	187,625
Total	\$ 8,079,987	\$ 54,409	\$ 8,134,396

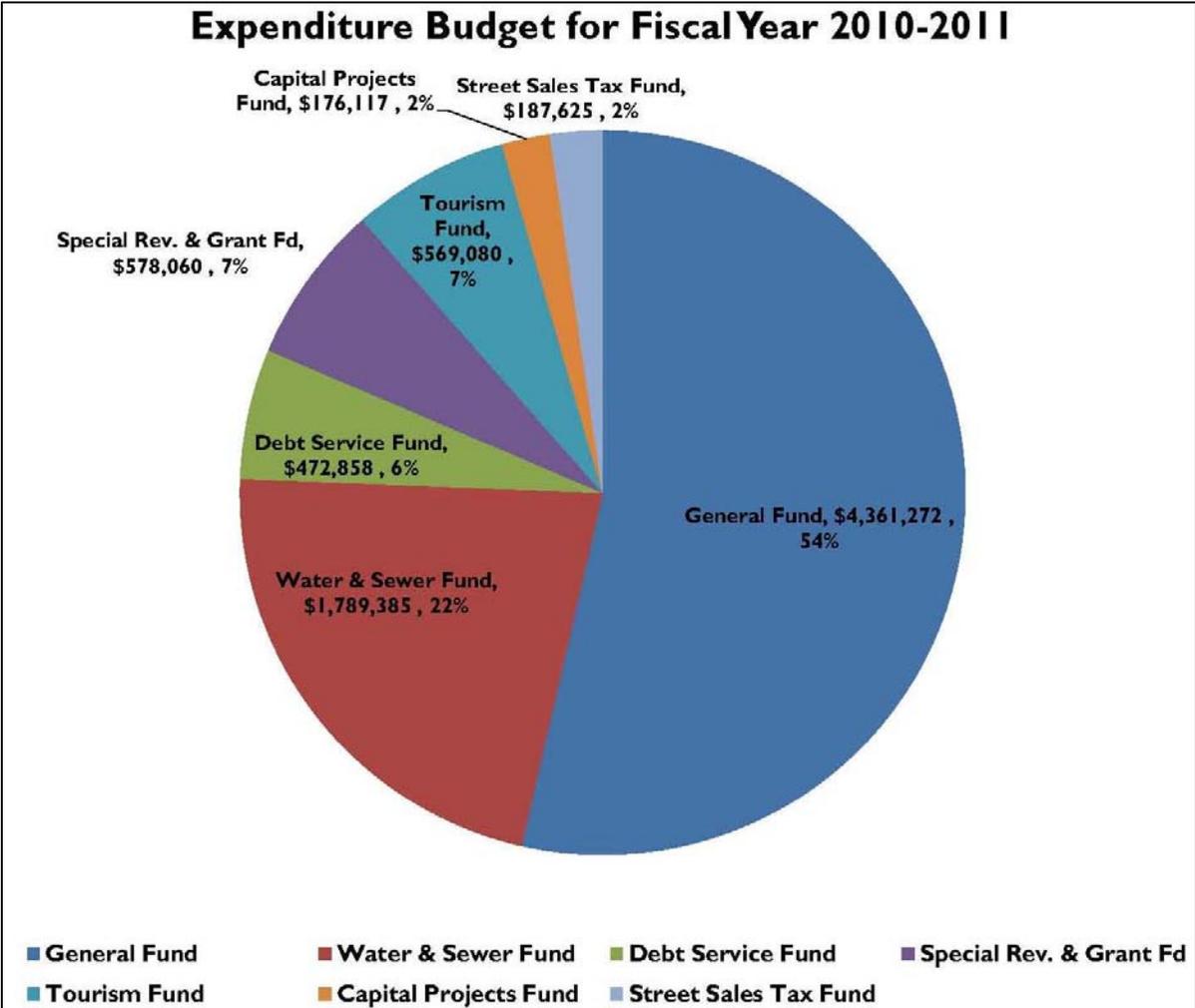


Budget Overview

-Continued

Expenditure Budget For Fiscal Year 2010-2011

General Fund	\$4,361,272	54%
Water & Sewer Fund	\$1,789,385	22%
Debt Service Fund	\$472,858	6%
Special Rev. & Grant Fd	\$578,060	7%
Tourism Fund	\$569,080	7%
Capital Projects Fund	\$176,117	2%
Street Sales Tax Fund	\$187,625	2%
Total	\$8,134,396	100.0%



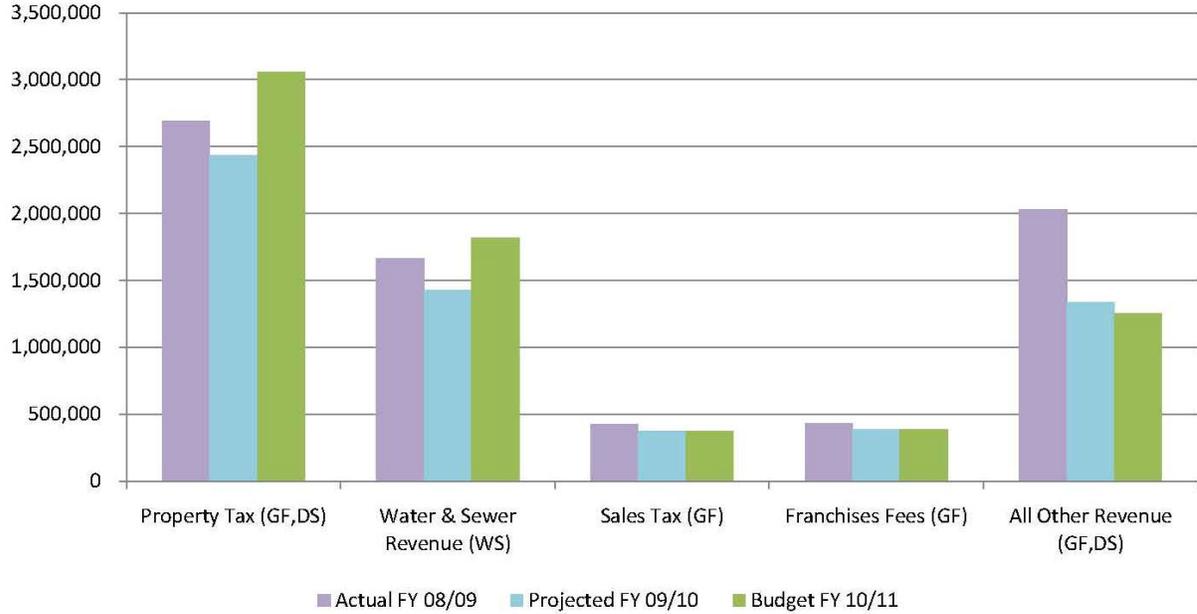
Budget Overview

-Continued

Combined Operating Revenues General Fund - Water & Sewer Fund - Debt Service Fund

	Amended Budget FY 08/09	Actual FY 08/09	Amended Budget FY 09/10	Projected FY 09/10	Budget FY 10/11	Budget \$ Change
Property Tax (GF,DS)	2,856,246	2,692,786	2,518,511	2,434,358	3,058,563	540,052
Water & Sewer Revenue (WS)	1,660,300	1,664,511	1,554,000	1,430,170	1,817,000	263,000
Sales Tax (GF)	354,300	425,823	371,400	371,400	371,400	0
Franchises Fees (GF)	455,000	431,624	440,000	390,000	390,000	(50,000)
All Other Revenue (GF,DS)	1,930,718	2,027,594	1,411,700	1,339,059	1,255,874	(155,826)
TOTAL	7,256,564	7,242,338	6,295,611	5,964,987	6,892,837	597,226

Combined Revenue Comparison

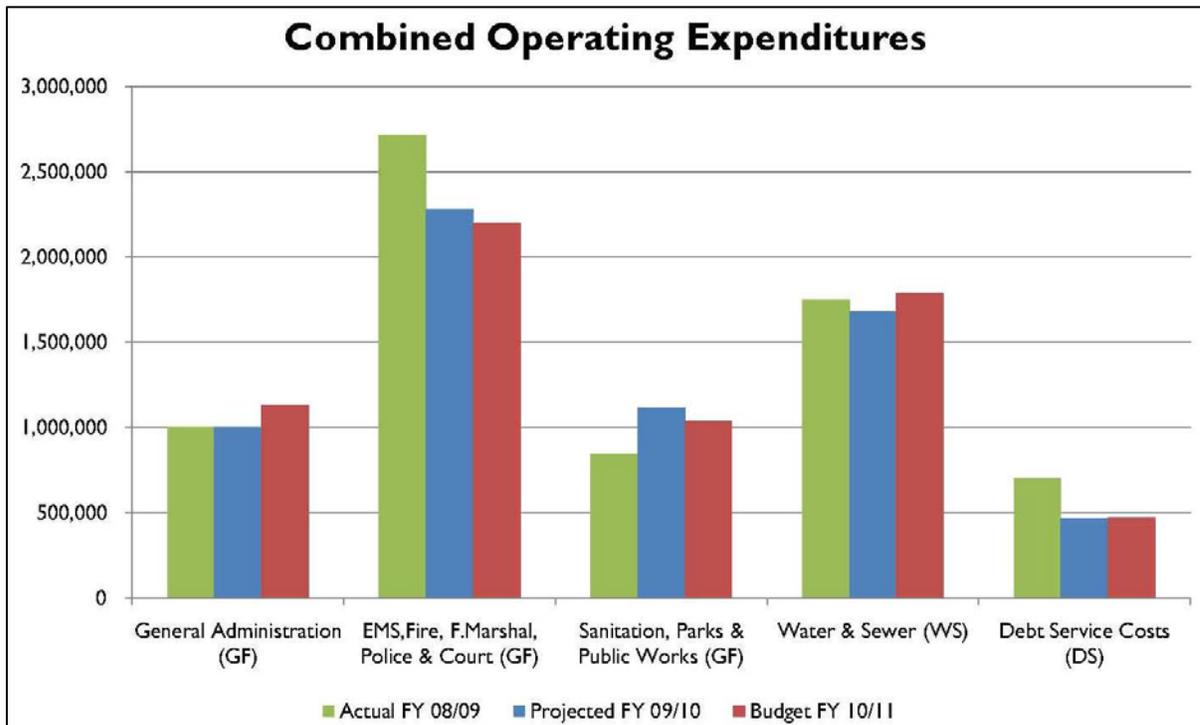


Budget Overview

-Continued

Combined Operating Expenditures General Fund - Water & Sewer Fund - Debt Service Fund

	Amended Budget FY 08/09	Actual FY 08/09	Amended Budget FY 09/10	Projected FY 09/10	Budget FY 10/11	Budget \$ Change
General Administration (GF)	1,238,229	1,001,522	1,421,782	999,975	1,124,251	(297,531)
EMS, Fire, F. Marshal, Police & Court (GF)	3,049,221	2,716,707	2,482,918	2,280,864	2,200,976	(281,942)
Sanitation, Parks & Public Works (GF)	912,009	843,143	1,258,041	1,115,896	1,036,045	(221,996)
Water & Sewer (WS)	1,778,433	1,752,634	1,837,519	1,680,500	1,789,385	(48,134)
Debt Service Costs (DS)	700,145	698,966	465,871	465,871	472,858	6,987
TOTAL	7,678,037	7,012,972	7,466,131	6,543,106	6,623,515	(842,616)



Budget Overview

-Continued

Fund Summaries

	Budget FY 08/09	Budget FY 09/10	Budget FY 10/11	Budget \$ Change
General Fund				
Revenue	4,899,001	4,272,749	4,365,509	92,760
Prior Year Balance Fwd	834,771	1,210,721	1,025,488	(185,233)
Expenditures	5,199,459	5,162,741	4,361,272	(801,469)
End of Year Fund Balance	534,313	320,729	1,029,725	708,996
Water & Sewer Fund				
Revenue	1,660,300	1,554,000	1,817,000	263,000
Prior Year Balance Fwd	161,536	361,473	111,143	(250,330)
Expenditures	1,778,433	1,837,519	1,789,385	(48,134)
End of Year Fund Balance	43,403	77,954	138,758	60,804
Debt Service Fund				
Revenue	697,263	468,862	477,029	8,167
Prior Year Balance Fwd	231,946	194,275	192,208	(2,067)
Expenditures	700,145	465,871	472,858	6,987
End of Year Fund Balance	229,064	197,266	196,379	(887)
Tourism Fund				
Revenue	603,000	528,000	525,350	(2,650)
Prior Year Balance Fwd	325,520	386,263	337,117	(49,146)
Expenditures	681,218	728,318	569,080	(159,238)
End of Year Fund Balance	247,302	185,945	293,387	107,442
Special Rev.& Grant Fd				
Revenue	3,235,564	13,700	568,400	554,700
Prior Year Balance Fwd	0	0	246,506	246,506
Expenditures	3,263,351	13,700	578,060	564,360
End of Year Fund Balance	(27,787)	0	236,846	236,846
Capital Projects Fund				
Revenue	55,000	0	0	0
Prior Year Balance Fwd	453,572	304,927	176,537	(128,390)
Expenditures	539,798	323,203	176,117	(147,086)
End of Year Fund Balance	(31,226)	(18,276)	420	18,696
Street Sales Tax Fund				
Revenue	91,350	95,650	93,400	(2,250)
Prior Year Balance Fwd	237,889	230,585	153,105	(77,480)
Expenditures	302,261	326,235	187,625	(138,610)
End of Year Fund Balance	26,978	0	58,880	58,880
TOTAL BUDGET				
Revenue	11,241,478	6,932,961	7,846,688	913,727
Prior Year Balance Fwd	2,245,234	2,688,244	2,242,104	(446,140)
Expenditures	12,464,665	8,857,587	8,134,396	(723,191)
End of Year Fund Balance	1,022,047	763,618	1,954,396	1,190,778

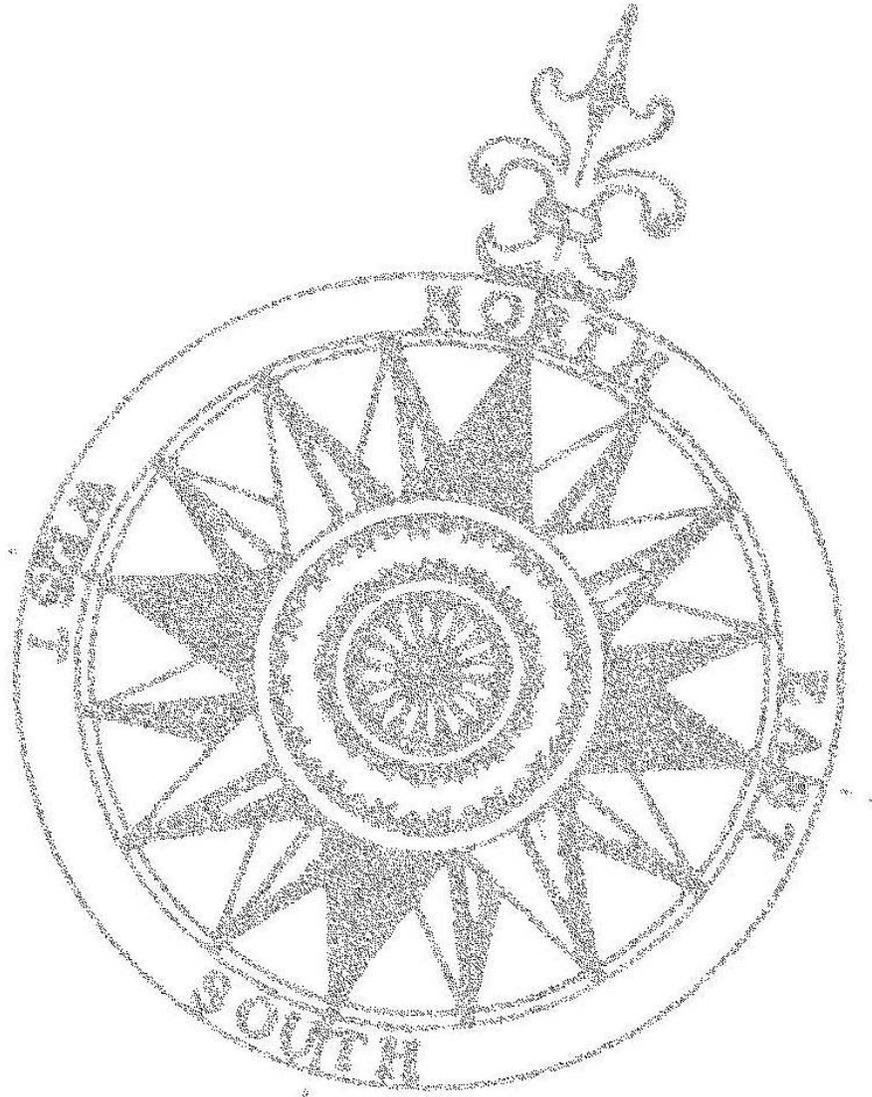
General Fund

The General Fund is the City's largest and primary municipal operating fund. The General Fund provides for the City's administrative, regulatory, public safety, sanitation, public works (excluding water & sewer), and court functions. Revenue sources benefiting the General Fund include property taxes, sales & use taxes, franchise fees, license & permit fees, fines, and repayment for administrative services provided to other funds.

Departments

The General Fund is organized into fifteen departments. Each department provides funding and support for the performance of its program of work.

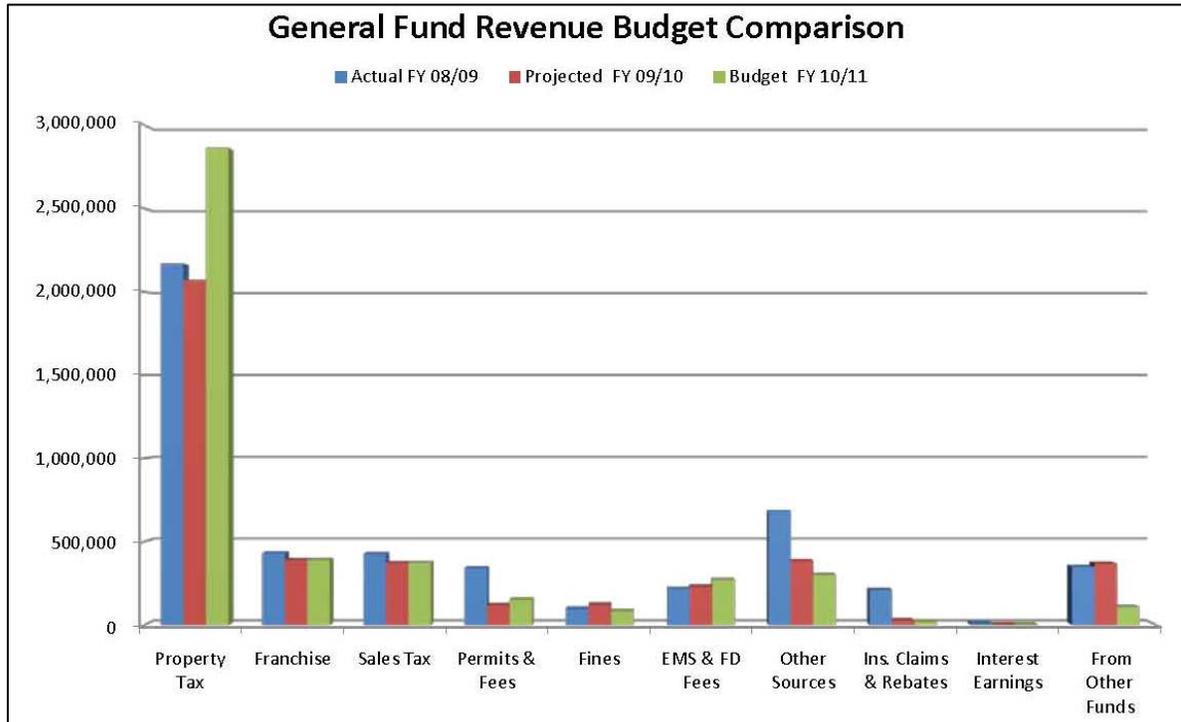
1. General & Administrative
2. Building Department
3. Emergency Management
4. Fire Protection
5. Public Works
6. Parks & Recreation
7. Police Department
8. Sanitation & Recycling
9. Animal Control
10. Contingency
11. Information Services
12. Municipal Court
13. Emergency Medical Service
14. Fire Marshal
15. Planning & Development



General Fund Revenue

Revenue Summary		Amended		Amended		Budget FY 10/11	Budget \$ Change
		Budget FY 08/09	Actual FY 08/09	Budget FY 09/10	Projected FY 09/10		
Property Tax	(1)	2,324,246	2,168,669	2,143,649	2,071,000	2,891,883	748,234
Franchise	(2)	455,000	431,624	440,000	390,000	390,000	(50,000)
Sales Tax	(3)	354,300	425,823	371,400	371,400	371,400	0
Permits & Fees	(4)	408,500	339,935	255,500	118,270	151,300	(104,200)
Fines	(5)	50,000	96,001	80,000	121,830	81,890	1,890
EMS & FD Fees	(6)	250,000	217,198	230,000	230,000	270,000	40,000
Other Sources	(7)	693,955	680,472	350,200	383,857	300,700	(49,500)
Ins. Claims & Rebates	(8)	30,000	209,957	25,000	26,241	18,000	(7,000)
Interest Earnings	(9)	50,000	8,565	9,000	2,420	1,550	(7,450)
From Other Funds	(10)	283,000	348,294	368,000	368,000	108,200	(259,800)
TOTAL		4,899,001	4,926,538	4,272,749	4,083,018	4,584,923	312,174
Prior Year Balance Fwd		834,771	1,197,802	1,210,721	1,339,205	1,025,488	(185,233)
End of Year Fund Balance		(553,228)	(1,339,205)	(320,728)	(1,025,488)	(1,029,725)	(708,997)
Transfer From Other Funds		0	(223,763)	0	0	0	0
Transfer To Other Funds		0	0	0	0	(219,414)	(219,414)
GRAND TOTAL		5,180,544	4,561,372	5,162,742	4,396,735	4,361,272	(582,056)

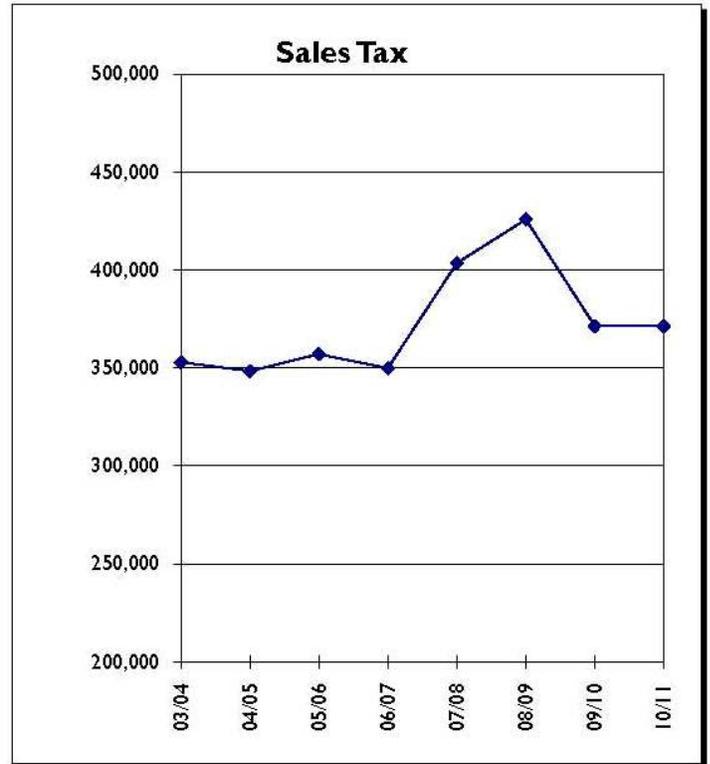
Property Tax	(1)	3005 3010 3015	Ambulance Fees	(6)	3605 3606
Franchises	(2)	3105	Other Sources	(7)	3705 3710 3715 3720 3800 3810 3815
Sales Tax	(3)	3110		(7)	3910
Permits & Fees	(4)	3115 3116 3205 3206 3305 3307 3308	Ins. Claims & Rebates	(8)	3905
	(4)	3309 3310 3312 3315 3405	Interest Earnings	(9)	3020 3990
Fines	(5)	3505 3506 3507	From Other Funds	(10)	4910 4915 4920 4922 4923



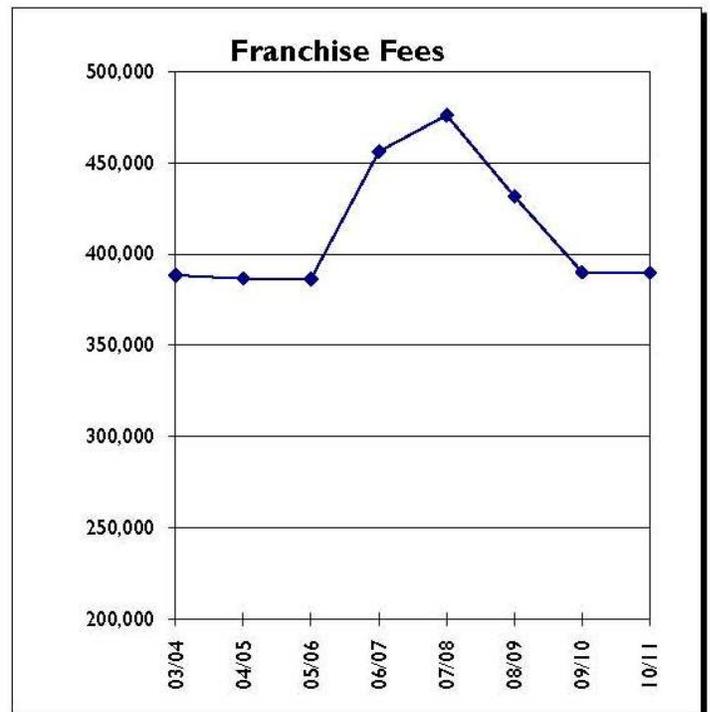
General Fund Revenue

-Continued

Sales Tax	Year	Revenue
	03/04	352,903
	04/05	348,439
	05/06	357,075
	06/07	349,858
	07/08	403,557
	08/09	425,823
<i>Projected</i>	09/10	371,400
<i>Budget</i>	10/11	371,400



Franchise Fees	Year	Revenue
	03/04	388,436
	04/05	386,567
	05/06	386,372
	06/07	456,327
	07/08	476,237
	08/09	431,624
<i>Projected</i>	09/10	390,000
<i>Budget</i>	10/11	390,000

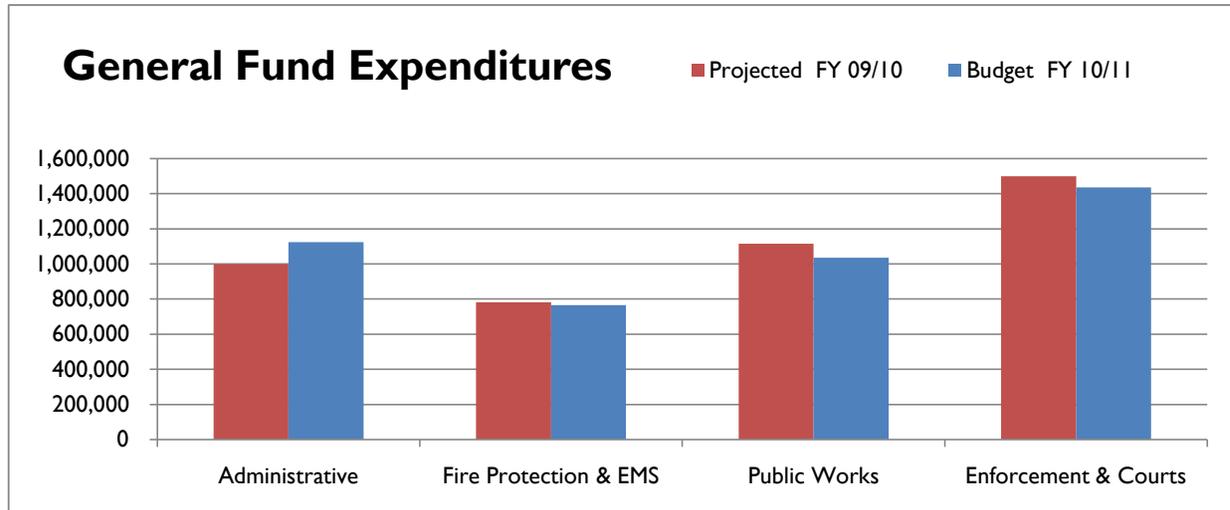


General Fund Revenue

Line Item Detail	Amended	Actual FY 08/09	Amended	Projected FY 09/10	Budget FY 10/11	Budget % Change
	Budget FY 08/09		Budget FY 09/10			
3005 Property Tax - Current	2,121,246	2,146,283	2,083,649	2,057,000	2,870,883	37.8%
3010 Property Tax - Prior Years	160,000	5,795	40,000	(2,000)	5,000	(87.5%)
3015 Penalty & Interest	43,000	16,591	20,000	16,000	16,000	(20.0%)
3020 Interest on Investment	0	0	0	120	50	100.0%
3105 Franchise Fees	455,000	431,624	440,000	390,000	390,000	(11.4%)
3110 Sales Tax	354,300	425,823	371,400	371,400	371,400	0.0%
3115 Alcoholic Beverage Tax	9,000	7,815	9,000	7,000	7,000	(22.2%)
3116 Child Passenger Safety	0	0	0	150	150	100.0%
3205 Animal Licenses	600	460	600	320	450	(25.0%)
3206 Animal Pound Fees	500	310	500	490	400	(20.0%)
3305 Building Permits	378,000	299,797	225,000	90,000	110,000	(51.1%)
3307 Fire Code Permits	2,500	19,290	2,500	2,570	2,500	0.0%
3308 Planning & Zoning Fees	1,000	250	1,000	700	700	(30.0%)
3309 Ambulance Permits	4,000	2,350	4,000	4,100	19,000	375.0%
3310 Building & Craft Licenses	3,000	3,308	3,000	4,500	3,000	0.0%
3312 Business Licenses	2,200	150	2,200	450	400	(81.8%)
3315 Sanitation & Alcohol Licenses	2,700	2,550	2,700	2,990	2,700	0.0%
3405 Government Service Fees	5,000	3,655	5,000	5,000	5,000	0.0%
3505 Fines	50,000	95,279	80,000	120,000	80,000	0.0%
3506 Crt Time Pay Fees - Local	0	722	0	1,650	1,650	100.0%
3507 Court Fees - Local	0	0	0	180	240	100.0%
3605 Ambulance Fees	250,000	217,198	230,000	230,000	240,000	4.3%
3606 Fire Department Fees	0	0	0	0	30,000	100.0%
3705 Miscellaneous	3,000	(5,955)	3,000	5,210	3,000	0.0%
3710 Fixed Asset Sale Proceeds	100	0	100	6,551	0	(100.0%)
3715 Recyclable Material Sales	3,600	1,302	3,600	1,600	1,600	(55.6%)
3720 Lien Revenue	0	2,918	0	10,070	0	0.0%
3800 Commercial Waste Collectio	0	666	330,000	330,000	283,000	(14.2%)
3810 Rent/Lease Revenue	15,000	10,786	12,000	28,700	11,600	(3.3%)
3815 Donations for City Programs	1,500	0	1,500	1,726	1,500	0.0%
3905 Insurance Claims & Rebates	30,000	209,957	25,000	26,241	18,000	(28.0%)
3910 Loan Proceeds - General Fun	670,755	670,755	0	0	0	0.0%
3990 Interest on Investment	50,000	8,565	9,000	2,300	1,500	(83.3%)
4910 Reimburs. - Other Funds	33,000	98,294	33,000	33,000	3,000	(90.9%)
4915 Reimburs. - TIRZ & Mgmt Dis	0	0	135,000	135,000	0	(100.0%)
4920 G&A Overhead - W&S	100,000	100,000	50,000	50,000	0	(100.0%)
4922 G&A Overhead - Tourism	50,000	50,000	50,000	50,000	5,200	(89.6%)
4923 G&A Overhead - EDC	100,000	100,000	100,000	100,000	100,000	0.0%
TOTAL - Current Revenue	4,899,001	4,926,538	4,272,749	4,083,018	4,584,923	7.3%
9520 Prior Year Balance Fwd	834,771	1,197,802	1,210,721	1,339,205	1,025,488	(15.3%)
9525 End of Year Fund Balance	(553,228)	(1,339,205)	(320,728)	(1,025,488)	(1,029,725)	221.1%
9527 Transfer From Special Rev	0	(223,763)	0	0	0	0.0%
9529 Transfer to TIRZ	0	0	0	0	(219,414)	100.0%
GRAND TOTAL	5,180,544	4,561,372	5,162,742	4,396,735	4,361,272	(15.5%)

General Fund Expenditures

Expenditures Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget FY 08/09	Actual FY 08/09	Budget FY 09/10	Projected FY 09/10		
Administrative (1)	1,238,229	1,001,522	1,421,782	999,975	1,124,251	(297,531)
Fire Protection & EMS (2)	1,413,572	1,263,833	867,534	781,431	764,796	(102,738)
Public Works (3)	912,009	843,143	1,258,041	1,115,896	1,036,045	(221,996)
Enforcement & Courts (4)	1,635,649	1,452,874	1,615,384	1,499,433	1,436,180	(179,204)
TOTAL	5,199,459	4,561,372	5,162,741	4,396,735	4,361,272	(801,469)



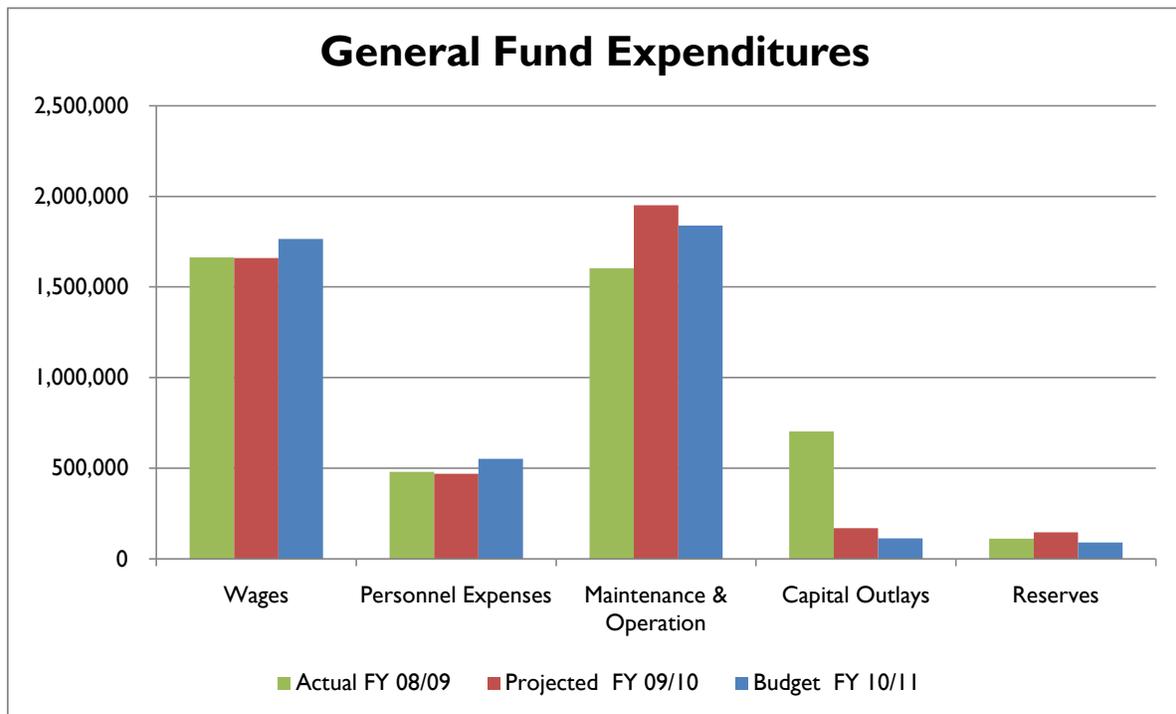
Expenditures By Department	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget FY 08/09	Actual FY 08/09	Budget FY 09/10	Projected FY 09/10		
1 General & Administrative	750,343	719,903	789,242	676,819	729,631	(7.6%)
2 Code Enforcement	219,685	151,385	223,324	137,267	159,120	(28.7%)
3 Emergency Management	14,372	11,234	11,690	10,292	120,620	931.8%
4 Fire Protection	926,498	888,832	407,728	397,484	341,076	(16.3%)
5 Public Works	365,614	319,527	389,586	321,156	321,610	(17.4%)
6 Parks & Recreation	254,405	225,642	323,435	250,130	226,130	(30.1%)
7 Police Department	1,223,819	1,110,926	1,177,311	1,159,976	1,066,811	(9.4%)
8 Sanitation & Recycling	291,990	297,974	545,020	544,610	488,305	(10.4%)
9 Animal Control	31,970	30,655	32,322	32,715	33,570	3.9%
10 Contingency	305,000	111,734	447,000	147,310	91,000	(79.6%)
11 Information Services	144,379	136,163	138,543	130,247	165,270	19.3%
12 Municipal Court	71,044	69,689	69,968	69,885	72,620	3.8%
13 Emergency Medical Service	487,074	375,001	459,806	383,947	423,720	(7.8%)
14 Fire Marshal	89,131	90,219	112,459	99,590	104,059	(7.5%)
15 Planning & Development	24,135	22,488	35,307	35,307	17,730	(49.8%)
TOTAL	5,199,459	4,561,372	5,162,741	4,396,735	4,361,272	(15.5%)

Over/Under Budget	(766,006)	(801,469)	Inc./(Decr.)
-------------------	-----------	-----------	--------------

- (1) Includes Gen. & Admin., Emrg. Mgmt., Contingency, Information Services and Planning & Development
- (2) Includes Fire Department & EMS
- (3) Includes Public Works, Parks & Rec., and Sanitation & Recycling
- (4) Includes Code Enforcement, Police Dept., Animal Control, Municipal Court and Fire Marshal

General Fund Expenditures

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget FY 08/09	Actual FY 08/09	Budget FY 09/10	Projected FY 09/10		
Wages	1,958,663	1,662,778	1,893,371	1,659,170	1,765,340	(128,031)
Personnel Expenses	544,971	480,965	520,043	470,361	552,990	32,947
Maintenance & Operation	1,656,870	1,602,633	2,130,138	1,950,124	1,838,076	(292,062)
Capital Outlays	733,955	703,262	172,189	169,770	113,866	(58,323)
Reserves	305,000	111,734	447,000	147,310	91,000	(356,000)
TOTAL	5,199,459	4,561,372	5,162,741	4,396,735	4,361,272	(801,469)



General Fund Expenditures

— Continued

General & Administrative

The General & Administrative Department is responsible for numerous administrative activities. Some of the primary functions are:

- Planning
- Economic Development
- Risk Management
- Intergovernmental Relations
- Legal
- Issuance of Licenses & Permits
- Records Management
- Public Information
- Accounting
- Budget Preparation
- Budget Administration
- Debt Management
- Finance Administration
- Tax Reconciliation
- Purchasing
- Payroll
- Personnel
- Personnel Benefit Administration
- Training
- City Council Support
- Planning Commission Support
- Board of Adjustment Support
- Agenda & Meeting Minutes Preparation
- Ordinances & Resolutions
- Election Administration

Staffing

This department is staffed with 8 full-time employees.

- City Manager ^{FTE}
- Project Manager ^{FTE}
- City Secretary ^{FTE}
- Finance Director ^{FTE}
- HR Administration/Records Management ^{FTE}
- Senior Accountant ^{FTE}
- Accountant ^{FTE}
- Customer Service/Utility Billing Assistant ^{FTE}

The functions of City Attorney are performed by an attorney through a professional services agreement.

General Fund Expenditures

I - General & Administrative

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget FY 08/09	Actual FY 08/09	Budget FY 09/10	Projected FY 09/10		
Wages	291,155	179,023	252,104	190,990	225,290	(26,814)
Personnel Expenses	59,904	53,439	67,784	55,550	71,110	3,326
Maintenance & Operation	396,284	487,441	469,354	430,279	433,231	(36,123)
Capital Outlays	3,000	0	0	0	0	0
TOTAL	750,343	719,903	789,242	676,819	729,631	(59,611)

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget FY 08/09	Actual FY 08/09	Budget FY 09/10	Projected FY 09/10		
4005 Auditor	16,360	18,130	18,143	18,164	38,310	111.2%
4010 Tax Collector-Assessor / HCAD	25,000	24,799	26,000	23,000	26,000	0.0%
4030 Dues, Fees & Subscriptions	10,586	10,657	11,000	8,000	8,370	(23.9%)
4040 Advertising: Legal Notices	8,300	5,629	6,250	9,000	6,250	0.0%
4042 Printing: Newsletter	24,000	16,547	23,200	16,000	8,600	(62.9%)
4045 Printing: Documents/Forms	7,000	1,434	5,000	5,000	5,000	0.0%
4055 Legal Fees	56,000	84,403	56,000	65,000	67,500	20.5%
4060 Contract Services	25,000	37,090	35,000	46,000	50,000	42.9%
4061 Fixed Asset Management	2,000	0	2,000	0	2,000	0.0%
4062 City Programs	14,300	22,729	16,000	19,000	9,000	(43.8%)
4100 Rent/Lease: City Hall	30,705	56,226	1	1	1	0.0%
4105 Maintenance: Building	11,208	21,936	62,000	45,000	0	(100.0%)
4110 Maintenance: Office Equipment	4,000	5,817	6,000	4,500	1,000	(83.3%)
4115 Maintenance: Grounds	1,500	2,677	3,000	1,000	0	(100.0%)
4205 Supplies: Office/Paper	14,000	15,555	12,700	14,000	18,550	46.1%
4210 Supplies: Postage	4,700	4,227	3,000	3,600	3,900	30.0%
4225 Supplies: Computers/Copiers	0	0	1,500	1,000	2,500	66.7%
4240 Supplies: Building	3,000	3,121	3,000	1,200	1,500	(50.0%)
4305 Wages	289,255 (s)	173,855 (s)	247,104 (s)	188,660 (s)	221,090 (s)	(10.5%)
4306 Overtime	1,900 (s)	5,168 (s)	5,000 (s)	2,330 (s)	4,200 (s)	(16.0%)
4310 Social Security	15,541 (s)	14,108 (s)	19,286 (s)	13,900 (s)	17,240 (s)	(10.6%)
4390 Expense of City Officials	30,000	25,720	30,000	15,000	18,000	(40.0%)
4396 Phone Allowance	0	0	0	0	4,800	100.0%
4405 Insurance: Bonds	750	0	750	0	750	0.0%
4410 Insurance: General	19,000	12,088	12,200	10,290	10,500	(13.9%)
4415 Insurance: Medical & Dental	22,077 (s)	19,067 (s)	22,739 (s)	20,410 (s)	23,000 (s)	1.1%
4420 Insurance: Unemployment	4,000	5,671	4,000	30,000	56,400	1310.0%
4425 Insurance: Worker's Comp	800	584	700	670	700	0.0%
4430 Retirement: Contribution	22,286 (s)	20,264 (s)	25,759 (s)	21,240 (s)	26,070 (s)	1.2%
4435 Retirement: Administrative Fees	18,000	7,081	18,000	0	0	(100.0%)
4440 Insurance: LT Disability	5,500	5,500	5,700	4,920	5,700	0.0%
4505 Utilities: City Hall	30,000	53,548	70,999	57,000	65,000	(8.4%)
4510 Telecommunications	6,000	11,394	13,000	20,000	0	(100.0%)
4605 Training	8,500	6,146	4,900	8,500	6,600	34.7%
4705 Miscellaneous	3,000	14,227	5,000	(4,356)	0	(100.0%)
4710 Election Expense	10,000	4,204	10,000	4,470	10,000	0.0%
4904 Lease Purchase	1,875	4,948	2,311	2,320	5,600	142.4%
4905 Capital Outlays	3,000	0	0	0	0	0.0%
4930 Exams & Drug Testing	1,200	5,355	2,000	2,000	5,500	175.0%
TOTAL	750,343	719,903	789,242	676,819	729,631	(7.6%)

(s) Expense shared by another fund

General Fund Expenditures

— *Continued*

General & Administrative - Shared Expenses

Shared expenses are fixed amount assessments made by the General Fund to other funds for General & Administrative overhead. The assessments are collected by transfer on the following schedule: 25% on the last business day of December; 25% on the last business day of March; and, remaining 50% on the last business day of June.

The total for the Tourism Fund is debited from expenditure line item 4920 - General & Administrative Overhead (see page 87) and is credited to General Fund revenue line item 4922 - General & Administrative Overhead (see page 21).

General Fund Expenditures

General & Administrative - Shared Expenses

Line Item Detail	FY 10/11	General		W & S		Tourism	
	Budget	Fund	%	Fund	%	Fund	%
4005 Auditor	38,310	35,310	92%	0	0.00%	3,000	8%
4030 Dues, Fees & Subscriptions	8,370	8,370	100%	0	0.00%	0	0%
4045 Printing: Documents/Forms	5,000	5,000	100%	0	0.00%	0	0%
4055 Legal Fees	67,500	65,500	97%	0	0.00%	2,000	3%
4060 Contract Services	50,000	50,000	100%	0	0.00%	0	0%
4061 Fixed Asset Management	2,000	2,000	100%	0	0.00%	0	0%
4062 City Programs	9,000	9,000	100%	0	0.00%	0	0%
4100 Rent/Lease: City Hall	1	1	100%	0	0.00%	0	0%
4110 Maintenance: Office Equipment	1,000	800	80%	0	0.00%	200	20%
4205 Supplies: Office/Paper	18,550	18,550	100%	0	0.00%	0	0%
4210 Supplies: Postage	3,900	3,900	100%	0	0.00%	0	0%
4240 Supplies: Building	1,500	1,500	100%	0	0.00%	0	0%
4405 Insurance: Bonds	750	750	100%	0	0.00%	0	0%
4410 Insurance: General	10,500	10,500	100%	0	0.00%	0	0%
4505 Utilities: City Hall	65,000	65,000	100%	0	0.00%	0	0%
4605 Training	6,600	6,600	100%	0	0.00%	0	0%
4930 Exams & Drug Testing	5,500	5,500	100%	0	0.00%	0	0%
TOTAL	293,481	288,281	98%	0	0.00%	5,200	2%

General Fund Expenditures

— Continued

Building Department

The Building Department is responsible for a wide variety of inspection, permit, and enforcement activities. Some of the primary functions are:

- Issuance of Building Permits
- Site & Construction Plans Review
- Building Code Inspections & Enforcement
- Issuance of Building & Craft Licenses
- Flood Plain Management Plan Enforcement
- National Flood Insurance Program: Community Rating System Participation
- Issuance of Sign Permits
- Sign Plans Review
- Sign Ordinance Enforcement

Staffing

This department is staffed with 2 full-time employees.

- Building Official/Floodplain Administrator ^{FTE}
- Office Manager/Building Department ^{FTE}

The functions of Health Officer are performed by Harris County.

Facilities

Office space is provided within City Hall for this department.

Vehicles

- 2002 Ford Expedition

General Fund Expenditures

2 - Building Department

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	128,424	93,630	134,528	93,690	102,280	(32,248)
Personnel Expenses	39,681	32,271	41,514	32,550	38,960	(2,554)
Maintenance & Operation	51,580	25,484	47,282	11,027	17,880	(29,402)
Capital Outlays	0	0	0	0	0	0
TOTAL	219,685	151,385	223,324	137,267	159,120	(64,204)

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4030 Dues, Fees & Subscriptions	1,000	302	550	650	550	0.0%
4045 Printing: Documents/Forms	1,500	1,525	1,300	350	1,300	0.0%
4060 Contract Inspection & Lab Svcs	40,000	18,845	37,000	5,000	10,000	(73.0%)
4120 Maintenance - Vehicles	1,500	1,183	1,500	700	1,500	0.0%
4205 Supplies: Office	500	820	650	210	0	(100.0%)
4220 Supplies: Uniforms	200	185	200	212	200	0.0%
4230 Supplies: Miscellaneous	200	11	150	150	0	(100.0%)
4245 Supplies - Gas & Oil	1,080	353	832	525	830	(0.2%)
4305 Wages	127,824	93,607	133,928	93,620	101,980	(23.9%)
4306 Overtime	600	22	600	70	300	(50.0%)
4310 Social Security	9,824	7,669	10,291	7,130	7,830	(23.9%)
4396 Phone Allowance	0	0	0	0	2,400	100.0%
4415 Insurance: Medical & Dental	15,769	14,437	16,242	14,820	16,890	4.0%
4425 Insurance: Worker's Comp	1,000	731	900	860	800	(11.1%)
4430 Retirement: Contribution	14,088	10,166	14,981	10,600	11,840	(21.0%)
4510 Telecommunications	1,200	1,193	1,100	1,200	0	(100.0%)
4605 Training	3,000	8	2,700	1,000	2,700	0.0%
4705 Miscellaneous	400	326	400	170	0	(100.0%)
TOTAL	219,685	151,385	223,324	137,267	159,120	(28.7%)

General Fund Expenditures

— Continued

Emergency Management

The Emergency Management Department is responsible for a wide variety of planning, education, coordination, threat monitoring, incident command, and post emergency recovery activities. Some of the primary functions are:

- Emergency Operation Planning
- Emergency Preparedness
- Local Emergency Planning Committee
- Community Hazardous Material Inventory
- Hazard Mitigation
- Public Information
- Public Education
- Emergency Exercises & Training
- Coordination of Emergency Services
- Radiological Monitoring
- Incident Command
- Emergency Operations Center
- Emergency Communications
- Threat Monitoring
- Warning
- Disaster Assistance Services

Staffing

This department is staffed with 1 full-time employee.

- Emergency Management Coordinator ^{FTE}

Facilities

Office space is provided within the City Hall for this department.

Vehicles

This department has no vehicles.

Police Department vehicles are made available for routine business activities. Public works vehicles are made available for Emergency Management activities.

General Fund Expenditures

3 - Emergency Management

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	0	0	0	0	84,170	84,170
Personnel Expenses	0	0	0	0	25,660	25,660
Maintenance & Operation	14,372	11,234	11,690	10,292	10,790	(900)
Capital Outlays	0	0	0	0	0	0
TOTAL	14,372	11,234	11,690	10,292	120,620	108,930

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4030 Dues, Fees & Subscriptions	450	350	450	620	620	37.8%
4045 Printing: Documents/Forms	1,000	0	1,000	700	700	(30.0%)
4060 Contract Service	8,902	6,584	6,400	5,212	4,800	(25.0%)
4110 Maintenance: Equipment	350	0	350	100	100	(71.4%)
4205 Supplies: Office	0	0	0	250	0	0.0%
4230 Supplies: Emergency Operations	1,000	0	800	800	800	0.0%
4305 Wages	0	0	0	0	84,170	100.0%
4310 Social Security	0	0	0	0	6,440	100.0%
4396 Phone Allowance	0	0	0	0	1,200	100.0%
4415 Insurance: Medical & Dental	0	0	0	0	8,280	100.0%
4430 Retirement: Contribution	0	0	0	0	9,740	100.0%
4510 Telecommunications	70	2,588	90	0	0	(100.0%)
4605 Training	2,500	1,667	2,500	2,500	3,770	50.8%
4705 Miscellaneous	100	45	100	110	0	(100.0%)
TOTAL	14,372	11,234	11,690	10,292	120,620	931.8%

General Fund Expenditures

— *Continued*

Fire Protection

Volunteer Staffing

This department is staffed by volunteer members of the Nassau Bay Volunteer Fire Department, Inc.

The City contracts with Nassau Bay Volunteer Fire Department, Inc. for fire suppression. The structure of the contract is such that the City provides equipment and an operating budget. No cash payment is made for services rendered.

Emergency dispatching services are provided by a contract with the City of Webster.

City Staffing

This department is staffed with 1 full-time (50%) and 1 part-time employee (60%).

- Fire Department Administration/Information Technology Manager (50%) ^{FTE}
- Fire Department Administrative Assistant ^{PTE}

Facilities:

- Fire Station (120 Surf Court)
- Emergency generator located at the Fire Station is maintained by Emergency Management.

Vehicles:

The City owns these vehicles (and associated equipment) operated and maintained the Nassau Bay Volunteer Fire Department, Inc.:

- 1982 AMGE Army Truck
- 1993 Pierce Dash Class-A Fire Truck (pumper)
- 1994 Pierce Dash Class-A Fire Truck (pumper)
- 2005 Chevrolet Crew Cab 25HP Utility Truck
- 2007 Chevrolet Silverado Truck – Command Vehicle
- 2007 Boston Whaler Marine Patrol Boat
- 2006 Trailer Special Operations Trailer
- 2009 Pierce Fire Engine #81

General Fund Expenditures

4 - Fire Protection

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	57,537	38,735	45,542	37,940	41,360	(4,182)
Personnel Expenses	14,656	11,363	12,617	11,130	15,710	3,093
Maintenance & Operation	165,250	157,175	191,380	192,724	170,140	(21,240)
Capital Outlays	689,055	681,560	158,189	155,690	113,866	(44,323)
TOTAL	926,498	888,832	407,728	397,484	341,076	(66,652)

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4030 Dues, Fees & Subscriptions	3,000	3,484	3,650	3,410	3,750	2.7%
4060 Contract Services	2,500	3,385	2,900	2,900	2,900	0.0%
4105 Maintenance: Building	1,500	3,239	2,000	8,100	2,390	19.5%
4110 Maintenance: Equipment	9,000	14,969	10,000	16,200	10,000	0.0%
4120 Maintenance: Vehicles	33,000	25,997	28,000	28,000	28,050	0.2%
4125 Maintenance: Marine	1,500	2,381	3,000	3,640	3,600	20.0%
4205 Supplies: Office	2,000	2,907	2,000	1,052	0	(100.0%)
4215 Supplies: Medical	2,000	1,532	1,500	1,250	1,500	0.0%
4220 Uniforms & Protective Clothing	18,000	13,828	18,000	20,850	18,000	0.0%
4225 Supplies: Computers/Printers	750	413	2,490	2,490	0	(100.0%)
4230 Supplies: Miscellaneous	2,500	5,007	3,000	3,200	3,500	16.7%
4235 Supplies: Tools	3,500	3,506	2,000	2,610	3,000	50.0%
4245 Supplies: Gas & Oil	9,000	8,085	5,000	4,500	5,000	0.0%
4305 Wages	57,537	38,735	45,542 (s)	37,940 (s)	41,360 (s)	(9.2%)
4310 Social Security	4,402	3,285	3,484 (s)	2,940 (s)	3,170 (s)	(9.0%)
4396 Phone Allowance	0	0	0	0	2,400	100.0%
4410 Insurance: General	15,000	13,677	13,800	13,800	15,300	10.9%
4415 Insurance: Medical & Dental	3,942	3,762	4,061	3,710	4,230	4.2%
4425 Insurance: Worker's Comp	3,000	6,678	2,400	2,280	2,100	(12.5%)
4430 Retirement: Contribution	6,312	4,315	5,072 (s)	4,480 (s)	5,910 (s)	16.5%
4435 Retirement: Volunteers	5,400	6,031	35,000	25,000	30,000	(14.3%)
4505 Utilities	5,000	5,053	5,040	7,000	6,850	35.9%
4510 Telecommunications	7,500	10,982	9,500	9,500	0	(100.0%)
4605 Training	18,000	6,542	18,000	13,200	16,000	(11.1%)
4705 Miscellaneous	100	94	100	242	0	(100.0%)
4904 Lease Purchase	0	0	150,689	150,690	113,866	(24.4%)
4905 Capital Outlays	686,655	681,560	5,000	5,000	0	(100.0%)
4906 Capital Reserve - Grant Matching	2,400	0	2,500	0	0	(100.0%)
4910 Awards/Banquet	9,000	8,926	9,000	10,000	7,200	(20.0%)
4911 Awards-Response & Incentive	8,000	7,378	9,000	9,000	9,000	0.0%
4912 Social Events	2,000	1,727	2,000	2,000	2,000	0.0%
4915 Child Safety Programs	1,500	1,355	1,500	1,000	0	(100.0%)
4930 Exams & Drug Testing	2,500	0	2,500	1,500	0	(100.0%)
TOTAL	926,498	888,832	407,728	397,484	341,076	(16.3%)

General Fund Expenditures

— Continued

Public Works

The Public Works Department is responsible for various activities. Some of the primary functions are:

- Repair & Replacement of Streets and Curbs
- Street Lighting Maintenance
- Street Sign & Regulatory Sign Installation & Maintenance
- Street Markings Application & Maintenance
- Bulkhead Maintenance
- Storm Drainage Installation & Maintenance
- Floodgate Maintenance
- Power Equipment Repair & Maintenance for All Departments
- Facility Maintenance

Staffing

This department is staffed with 7 full-time employees.

- Public Works Director ^{FTE}
- 2 Field Crew Leaders ^{FTE}
- 4 Field Operators ^{FTE}

Facilities

- Maintenance shop (18295 Upper Bay Road).
- Public Works Director's office is located at 18295 Upper Bay Road.

Vehicles

- 1997 Ford F350 UT Bucket Truck
- 1997 Ford F150 Pickup
- 2003 Ford F150 Pickup
- 2003 Ford F150 Pickup
- 2003 Ford F650 Dump Truck
- 2007 Chevrolet Silverado

General Fund Expenditures

5 - Public Works

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	157,633	148,265	168,572	134,720	137,870	(30,702)
Personnel Expenses	47,781	47,674	52,764	44,230	54,190	1,426
Maintenance & Operation	152,200	118,052	168,250	142,206	129,550	(38,700)
Capital Outlays	8,000	5,536	0	0	0	0
TOTAL	365,614	319,527	389,586	321,156	321,610	(67,976)

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4030 Dues Fees & Subscriptions	0	71	250	250	250	0.0%
4070 Engineering	5,000	4,833	15,000	12,000	15,000	0.0%
4075 Mosquito Control	7,500	7,471	7,500	7,000	5,000	(33.3%)
4105 Maintenance: Buildings	4,500	4,459	2,500	2,660	2,500	0.0%
4110 Maintenance: Equipment	3,000	3,129	2,000	5,000	2,000	0.0%
4115 Maintenance: Grounds	2,000	2,918	2,000	2,500	2,000	0.0%
4120 Maintenance: Vehicles	6,500	5,979	6,500	6,500	6,500	0.0%
4125 Maintenance: Street Lights	4,500	3,935	0	145	0	0.0%
4130 Maintenance: Streets	0	0	20,000	20,000	0	(100.0%)
4131 Maintenance: Equipment Rental	10,000	9,932	10,000	7,000	10,000	0.0%
4135 Maintenance: Street Sweeping	4,500	5,540	8,000	4,000	4,000	(50.0%)
4140 Maintenance - Lake Nassau	10,000	8,126	0	0	0	0.0%
4205 Supplies - Office	0	805	500	550	0	(100.0%)
4220 Supplies: Uniforms	3,200	3,725	3,200	2,821	3,200	0.0%
4230 Supplies: Hardware	8,000	7,965	8,000	8,000	8,000	0.0%
4235 Supplies: Tools	2,000	1,975	2,500	2,500	2,500	0.0%
4245 Supplies: Gas & Oil	20,000	12,013	22,000	15,000	22,000	0.0%
4250 Supplies: Miscellaneous	0	0	2,000	2,000	0	(100.0%)
4305 Wages	153,083 (s)	142,369 (s)	163,177 (s)	127,570 (s)	132,470 (s)	(18.8%)
4306 Overtime	4,550 (s)	5,896 (s)	5,395 (s)	7,150 (s)	5,400 (s)	0.1%
4310 Social Security	12,059 (s)	11,692 (s)	12,896 (s)	9,770 (s)	10,550 (s)	(18.2%)
4396 Phone Allowance	0	0	0	0	6,000	100.0%
4410 Insurance: General	12,500	7,952	8,100	6,840	7,000	(13.6%)
4415 Insurance: Medical & Dental	20,894 (s)	19,022 (s)	21,521 (s)	19,630 (s)	22,370 (s)	3.9%
4425 Insurance: Worker's Comp	7,000	5,114	5,300	5,040	4,600	(13.2%)
4430 Retirement: Contribution	14,828 (s)	16,960 (s)	18,347 (s)	14,830 (s)	15,270 (s)	(16.8%)
4505 Utilities: Street Lights & Pumps	33,000	15,226	33,000	25,000	30,000	(9.1%)
4510 Telecommunications	3,000	1,863	1,900	1,900	0	(100.0%)
4605 Training	3,000	2,296	5,000	3,000	5,000	0.0%
4705 Miscellaneous	3,000	2,726	3,000	2,500	0	(100.0%)
4905 Capital Outlays	8,000	1,846	0	0	0	0.0%
4907 Capital Improvements	0	3,690	0	0	0	0.0%
TOTAL	365,614	319,527	389,586	321,156	321,610	(17.4%)

General Fund Expenditures

— *Continued*

Parks & Recreation

The Parks & Recreation Department is responsible for the maintenance & operation of our public land facilities as well as assisting with special events and recreational activities.

Some of the primary functions are:

- Park Facility Maintenance
- Park Recreational Equipment Installation & Maintenance
- Mowing & Landscape Maintenance of Parks & Public Lands
- Special Event Programs

Staffing

This department is staffed with 5 full-time employees.

- Parks Supervisor ^{FTE}
- 4 Maintenance Employees ^{FTE}

The functions of Special Events Coordination are performed by the volunteer members of the Special Events Committee.

Facilities

- Lake Nassau Park and Lake Nassau
- Howard L. Ward Park
- Swan Lagoon Park
- Pocket Park at Lake Nassau
- Nassau Bay Peninsula
- Other public lands include: Upper Bay Road bulkheads, medians, and certain other landscaped areas within street rights-of-way.

Vehicles

- 1997 Ford F150 Pickup
- 2005 John Deere Gator Utility

General Fund Expenditures

6 - Parks & Recreation

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	104,414	94,288	114,283	96,920	104,920	(9,363)
Personnel Expenses	32,578	31,632	34,552	32,070	37,710	3,158
Maintenance & Operation	117,413	99,722	174,600	121,140	83,500	(91,100)
Capital Outlays	0	0	0	0	0	0
TOTAL	254,405	225,642	323,435	250,130	226,130	(97,305)

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4030 Dues, Fees & Subscriptions	50	0	100	0	100	0.0%
4105 Maintenance: Facilities & Parks	15,000	13,759	20,000	15,000	20,000	0.0%
4110 Maintenance: Equipment	3,000	2,580	3,000	3,000	3,000	0.0%
4115 Maintenance: Gnads & Esplanades	38,000	38,559	52,000	35,000	24,000	(53.8%)
4135 Maintenance-Holiday Decorations	1,000	1,286	1,000	1,000	1,000	0.0%
4140 Maintenance: Lake Nassau	5,000	1,534	5,000	6,500	5,000	0.0%
4145 Maintenance: Channels/Buoys	1,500	2,264	1,500	1,270	1,500	0.0%
4228 Supplies: Mutt Mitts	2,500	1,835	2,500	4,000	2,500	0.0%
4230 Supplies: Miscellaneous	1,800	1,651	1,800	1,800	0	(100.0%)
4305 Wages	100,214 (s)	89,943 (s)	110,783 (s)	90,440 (s)	99,800 (s)	(9.9%)
4306 Overtime	4,200 (s)	4,345 (s)	3,500 (s)	6,480 (s)	5,120 (s)	46.3%
4310 Social Security	7,988 (s)	7,630 (s)	8,743 (s)	7,100 (s)	8,030 (s)	(8.2%)
4415 Insurance: Medical & Dental	16,558 (s)	15,801 (s)	17,054 (s)	15,560 (s)	17,730 (s)	4.0%
4425 Insurance: Worker's Comp	3,413	2,493	2,700	2,570	2,400	(11.1%)
4430 Retirement: Contribution	8,032 (s)	8,200 (s)	8,755 (s)	9,410 (s)	11,950 (s)	36.5%
4505 Utilities: Electric	9,000	7,579	10,000	15,000	10,000	0.0%
4705 Miscellaneous	1,150	885	1,000	1,000	0	(100.0%)
4908 Parks Committee	0	0	25,000	0	0	(100.0%)
4910 Special Events Committee	12,000	13,429	15,000	11,000	10,000	(33.3%)
4911 Street Tree Committee	10,000	2,994	10,000	0	0	(100.0%)
4912 Beautification Day & Projects	10,000	4,873	20,000	20,000	0	(100.0%)
4913 Environmental Restoration	4,000	4,000	4,000	4,000	4,000	0.0%
TOTAL	254,405	225,642	323,435	250,130	226,130	(30.1%)

General Fund Expenditures

— Continued

Police Department

The Police Department is responsible for a broad range of public safety and criminal justice activities. Some of the primary functions are:

- Administration
- Planning
- Crime Prevention
- Patrol
- Criminal Investigations
- Personnel Selection
- Community Relations
- Public Education

Staffing

This department is staffed with 13 full-time employees.

- Chief of Police ^{FTE}
- 2 Sergeants ^{FTE}
- 9 Patrol Officers ^{FTE}
- Office Manager ^{FTE}

Dispatch: Dispatch and detention services are provided by a contract with the City of Webster.

Facilities

- Police Station (a portion of City Hall) 18100 Upper Bay Road
- Offices, booking room and property room

Vehicles

- 2006 Chevy Impala Unmarked Vehicle
- 2006 Chevy Impala Unmarked Vehicle
- 2007 Ford Crown Vic Marked Patrol Vehicle
- 2008 Ford Crown Vic Marked Patrol Vehicle
- 2010 Ford Expedition Marked Patrol Vehicle
- 2010 Ford Expedition Marked Patrol Vehicle

General Fund Expenditures

7 - Police Department

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	749,928	704,759	730,583	724,050	643,270	(87,313)
Personnel Expenses	250,021	238,408	251,073	237,641	245,640	(5,433)
Maintenance & Operation	206,970	167,759	195,655	198,285	177,901	(17,754)
Capital Outlays	16,900	0	0	0	0	0
TOTAL	1,223,819	1,110,926	1,177,311	1,159,976	1,066,811	(110,500)

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4030 Dues, Fees & Subscriptions	1,205	821	1,145	3,570	1,095	(4.4%)
4040 Advertising	200	0	200	200	200	0.0%
4045 Printing: Documents/Forms	500	266	500	500	500	0.0%
4046 Reproductions	6,000	5,538	6,000	5,000	0	(100.0%)
4050 Information Services	3,100	3,033	3,150	3,150	0	(100.0%)
4060 Contract Services	15,700	2,482	14,550	11,000	2,840	(80.5%)
4061 Dispatch Contract	60,000	59,165	60,000	60,000	60,000	0.0%
4062 Jail Contract	6,500	13,530	9,000	12,000	12,000	33.3%
4064 Investigation Funds	3,000	127	3,000	3,000	1,000	(66.7%)
4070 Professional Services	600	800	600	580	600	0.0%
4105 Maintenance: Buildings	0	0	0	0	0	0.0%
4110 Maintenance: Equipment	4,800	2,414	4,800	4,800	1,800	(62.5%)
4120 Maintenance: Vehicles	9,000	13,586	10,500	14,000	10,500	0.0%
4125 Maintenance: Marine	600	558	600	600	0	(100.0%)
4205 Supplies: Uniforms	0	76	0	0	0	0.0%
4220 Supplies: Uniforms	3,900	2,670	3,900	5,050	7,794	99.8%
4225 Supplies: Computers/Printer	0	0	0	0	2,600	100.0%
4226 Supplies: Police	3,000	1,358	2,000	2,075	1,690	(15.5%)
4227 Supplies: Photographic	300	43	300	0	0	(100.0%)
4230 Supplies: Miscellaneous	500	268	500	650	0	(100.0%)
4245 Supplies: Gas & Oil	30,000	17,337	27,500	27,500	27,500	0.0%
4305 Wages	740,328	697,544	722,583	719,460	637,270	(11.8%)
4306 Overtime	9,600	7,216	8,000	4,590	6,000	(25.0%)
4310 Social Security	57,369	57,896	55,890	54,581	49,210	(12.0%)
4396 Phone Allowance	0	0	0	0	4,800	100.0%
4410 Insurance: General	15,000	9,543	9,700	8,190	8,300	(14.4%)
4415 Insurance: Medical & Dental	110,385	104,064	113,697	102,695	117,080	3.0%
4425 Insurance: Worker's Comp	24,000	17,532	17,700	16,810	15,400	(13.0%)
4430 Retirement: Contribution	82,267	76,447	81,486	80,365	74,550	(8.5%)
4510 Telecommunications	10,255	12,384	11,200	11,000	0	(100.0%)
4605 Training	6,500	2,009	6,500	6,500	6,500	0.0%
4705 Miscellaneous	400	316	400	200	0	(100.0%)
4904 Lease Purchase	1,910	1,903	1,910	1,910	17,582	820.5%
4905 Capital Outlays	16,900	0	0	0	0	0.0%
TOTAL	1,223,819	1,110,926	1,177,311	1,159,976	1,066,811	(9.4%)

General Fund Expenditures

— Continued

Sanitation & Recycling

The Sanitation & Recycling Department is responsible for two areas of activity. This department's functions include:

- Residential Solid Waste Collection & Disposal
- Municipal Generated Solid Waste Collection & Disposal
- Collection and Sale of Recyclable Materials
- Public Information & Recycling Education
- Coordination and Sponsorship of Public-Private Recycling Programs
- Commercial Solid Waste Collection & Disposal

Staffing

This department has no full-time or part-time employees.

The functions of the Sanitation & Recycling Department are performed by:

- Public Works Director ^{FTE}
- 2 Public Works Field Employees ^{FTE}
- Customer Service/Utility Billing Assistant ^{FTE}
- Senior Accountant ^{FTE}

The City contracts with a private solid waste company to collect and dispose of residential solid waste. The contractor is paid monthly based on the number of occupied residential units. A separate contractor is utilized for commercial solid waste.

Facilities

Office space is provided within City Hall for the non-contracted functions of this department.

A recycling container site is provided at Lake Nassau Park.

Vehicles

This department has no vehicles.

Collection and hauling vehicles are provided by the City's solid waste contractors. The City has paper & aluminum and battery recycling programs.

General Fund Expenditures

8 - Sanitation & Recycling

Expenditure Summary	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget		Budget	\$ Change
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	
Wages	0	0	0	0	0	0
Personnel Expenses	0	0	0	0	0	0
Maintenance & Operation	291,990	297,974	545,020	544,610	488,305	(56,715)
Capital Outlays	0	0	0	0	0	0
TOTAL	291,990	297,974	545,020	544,610	488,305	(56,715)

Line Item Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget		Budget	% Change
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	
4060 Contract Recycling	35,970	11,070	0	0	0	0.0%
4090 Solid Waste Collection	250,475	250,470	250,475	250,470	250,470	(0.0%)
4091 Contract-Bayfront	2,045	2,040	2,045	2,040	2,045	0.0%
4230 Supplies: Miscellaneous	500	0	500	100	500	0.0%
4520 Utilities-Trash	3,000	0	0	0	0	0.0%
4800 Commercial Solid Waste	0	34,394	292,000	292,000	235,290	(19.4%)
TOTAL	291,990	297,974	545,020	544,610	488,305	(10.4%)

General Fund Expenditures

— Continued

Animal Control

The Animal Control Department is responsible for the following functions:

- Animal Code Enforcement
- Control of Dangerous and/or Vicious Animals
- Impoundment of Animals Found at Large
- Domesticated Duck Management
- Providing Humane Animal Traps for Resident Use
- Removal of Trapped Varmints
- Collection of Animal Carcasses
- Rabies Control
- Impoundment of Rabid or Suspected Rabid Animals

Staffing

This department expenses 35% of the salary of the Animal Control Officer.

The functions of the Animal Control Department are performed by:

- Public Works Field Employees ^{FTE}
(designated & trained Animal Control Officers)
- Police Patrol Officers ^{FTE}
- Customer Service/Utility Billing Assistant ^{FTE}

Facilities

Office space is provided within City Hall for licensing activities.

Animal shelter space is provided at the Public Works Department service yard.

Vehicles

This department has no vehicles.

Public Works Department vehicles are made available for Animal Control Officers and the collection and transportation of animals.

General Fund Expenditures

9 - Animal Control

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	16,363	18,136	17,396	18,550	18,380	984
Personnel Expenses	5,807	6,060	6,076	6,090	6,340	264
Maintenance & Operation	9,800	6,459	8,850	8,075	8,850	0
Capital Outlays	0	0	0	0	0	0
TOTAL	31,970	30,655	32,322	32,715	33,570	1,248

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4030 Dues, Fees & Subscriptions	50	0	100	0	100	0.0%
4060 Contract Services: Shelter / Vet	3,500	1,421	2,600	2,600	2,600	0.0%
4105 Maintenance: Facilities	2,800	1,699	2,800	2,000	2,800	0.0%
4230 Supplies: Miscellaneous	2,500	2,901	2,400	2,520	2,400	0.0%
4305 Wages	15,243 (s)	16,814 (s)	16,346 (s)	16,880 (s)	17,300 (s)	5.8%
4306 Overtime	1,120 (s)	1,322 (s)	1,050 (s)	1,670 (s)	1,080 (s)	2.9%
4310 Social Security	1,252 (s)	1,526 (s)	1,331 (s)	1,430 (s)	1,410 (s)	5.9%
4415 Insurance: Medical & Dental	2,760 (s)	2,634 (s)	2,842 (s)	2,600 (s)	2,960 (s)	4.2%
4425 Insurance: Worker's Comp	600	438	600	570	600	0.0%
4430 Retirement: Contribution	1,795 (s)	1,901 (s)	1,903 (s)	2,060 (s)	1,970 (s)	3.5%
4510 Telecommunications	0	0	0	35 (s)	0 (s)	0.0%
4605 Training	350	0	350	350	350	0.0%
TOTAL	31,970	30,655	32,322	32,715	33,570	3.9%

General Fund Expenditures

— Continued

Contingency

The City's Charter provides for a contingency department not to exceed 5% of the General Fund proposed expenditures. The FY11 General Fund Budget includes expenditures of \$4,361,272 and a contingency budget of \$91,000.

These funds are expended at the discretion of the City Manager in unexpected situations meriting such designation. The contingency department allocation is beneficial when the City is presented with unanticipated opportunities or costs.

Availability of contingency funds will be critical should the City be faced with a natural disaster or other significant emergency situation. The following provides a twenty year comparison of the historical budget and actual use of the contingency and reserve appropriations and the current proposed allocation:

<u>Fiscal Year</u>	<u>Budget Appropriation</u>	<u>Actual Expenditure</u>
1991/92	64,500	-
1992/93	100,000	-
1993/94	40,000	-
1994/95	25,000	-
1995/96	77,766	40,019
1996/97	100,000	-
1997/98	80,000	14,267
1998/99	105,000	14,014
1999/00	150,000	-
2000/01	170,000	45,964
2001/02	185,000	24,560
2002/03	185,000	42,233
2003/04	240,000	69,010
2004/05	263,257	165,514
2005/06	205,000	65,712
2006/07	275,000	58,832
2007/08	300,000	584,989
2008/09	305,000	111,734
2009/10	447,000	147,310 (projected)
2010/11	91,000	

General Fund Expenditures

10 - Contingency & Reserves

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	0	0	0	0	0	0
Personnel Expenses	0	0	0	0	0	0
Maintenance & Operation	0	0	0	0	0	0
Capital Outlays	0	0	0	0	0	0
Reserves	305,000	111,734	447,000	147,310	91,000	(356,000)
TOTAL	305,000	111,734	447,000	147,310	91,000	(356,000)

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4060 Reserve - Contract Services	35,000	42,452	40,000	27,500	0	(100.0%)
4070 Reserve - Grant Matches	0	0	60,000	60,000	0	(100.0%)
4160 Charter Contingency	220,000	20,344	247,000	1,300	91,000	(63.2%)
4170 Reserve - Legal Claims	25,000	36,880	50,000	47,000	0	(100.0%)
4415 Reserve - Insurance	0	0	25,000	7,860	0	(100.0%)
4715 Reserve - Flood Damage	25,000	12,058	25,000	3,650	0	(100.0%)
TOTAL	305,000	111,734	447,000	147,310	91,000	(79.6%)

General Fund Expenditures

— Continued

Information Services

The Information Services Department is responsible for a wide range of computer information services including the following functions:

- Support of Information Services for all Departments
- Coordination of Information System Standards
- Development & Maintenance of Local Area Network
- Network Server Operation & Maintenance
- Support of Mobile Data Systems
- Liaison with Contracted Service and Software Providers
- Website Maintenance

The Information Services Department was created in 1983 as the Data Processing Department to operate a mid-size “main-frame” style IBM System/36 computer. That system was used to perform all accounting functions including general ledger, accounts payable/receivable, payroll and utility billing.

Over a period of years the system was upgraded for word processing, automation of police records, municipal court, building permits, work order tracking, e-mail, mobile data systems, and other functions. In 1996 a local area network was installed to provide connectivity and system support to desktop computers. The network allows cross-platform transfer, access of databases, email and file sharing.

In 2008 the IBM Advanced System/400 computer was replaced with a new financial software package specifically designed for government agencies. The new software was installed on a new server designed and dedicated specifically for this application.

This department provides services that are reimbursed by the department and fund benefited. See Information Services - Reimbursed Expenses, pages 48 - 49.

Staffing

This department expenses 50% of the Fire Department Administrator / Information Technology Manager.

The functions of the Information Services Department are performed by:

- City Manager ^{FTE}
- Information Technology Manager ^{FTE}
- Project Manager ^{FTE}
- Finance Director ^{FTE}
- Police Department Office Manager ^{FTE}

Facilities

Information systems equipment space is provided within City Hall. The IT Manager’s office is in the Fire Station at 120 Surf Court.

Vehicles

This department has no vehicles.

General Fund Expenditures

II - Information Services

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	32,950	27,129	29,294	28,710	31,770	2,476
Personnel Expenses	10,078	8,888	9,749	11,160	12,630	2,881
Maintenance & Operation	84,851	83,979	85,500	76,297	120,870	35,370
Capital Outlays	16,500	16,166	14,000	14,080	0	(14,000)
TOTAL	144,379	136,163	138,543	130,247	165,270	26,727

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4030 Dues, Fees & Subscriptions	0	0	300	200	11,970	3890.0%
4045 Printing: Computer Forms	1,000	0	0	0	0	0.0%
4070 Contract Services	30,815	24,519	30,300	20,000	45,100	48.8%
4072 Maintenance: Software	6,500	5,513	4,500	5,920	4,500	0.0%
4110 Maintenance: Equipment	5,000	9,682	7,000	7,650	10,500	50.0%
4205 Supplies: Office/Paper	1,800	0	1,100	340	0	(100.0%)
4225 Supplies: Computers/Printers	0	954	1,500	2,470	2,500	66.7%
4305 Wages	32,950 (s)	27,129	29,294	28,710	31,770	8.5%
4310 Social Security	2,521 (s)	2,290	2,241	2,240	2,430	8.4%
4415 Insurance -Medical & Dental	3,942 (s)	3,762	4,061	5,650	6,440	58.6%
4430 Retirement - Contributions	3,615 (s)	2,836	3,447	3,270	3,760	9.1%
4510 Telecommunications	25,836	27,342	26,900	27,117	44,700	66.2%
4511 Channel 16	12,000	13,455	12,000	12,000	0	(100.0%)
4605 Training	1,600	2,371	1,600	600	1,600	0.0%
4705 Miscellaneous	300	144	300	0	0	(100.0%)
4905 Capital Outlays	16,500	16,166	14,000	14,080	0	(100.0%)
TOTAL	144,379	136,163	138,543	130,247	165,270	19.3%

General Fund Expenditures

— *Continued*

Information Services - Reimbursed Expenses

Reimbursement for information services is based on actual expenditures. Reimbursement is in the form of charges made by the General Fund to other funds for Information Services provided.

The distribution of 'charge-backs' is expressed as a percentage for each expenditure line item on the "Information Services - Reimbursement Schedule."

Reimbursements are collected by timely transfers following the last day of December, March, June, and September closing dates.

Tourism Fund reimbursements are charged to line item 4050 - Information Services and credited to General Fund revenue line item 4910 - Reimbursement - Other Funds (see page 21).

General Fund Expenditures

Information Services - Reimbursement Schedule

Line Item Detail	FY 10/11	General		W & S		Tourism	
	Budget	Fund	%	Fund	%	Fund	%
4070 Contract Computer Services	45,100	43,858	97%	0	0.00%	1,242	3%
4072 Maintenance: Software	4,500	4,376	97%	0	0.00%	124	3%
4110 Maintenance: Equipment	10,500	10,211	97%	0	0.00%	289	3%
4225 Supplies: Computers/Printers	2,500	2,431	97%	0	0.00%	69	3%
4510 Telecommunications	44,700	43,469	97%	0	0.00%	1,231	3%
4605 Training	1,600	1,555	97%	0	0.00%	45	3%
TOTAL	108,900	105,900	97%	0	0.00%	3,000	3%

General Fund Expenditures

— Continued

Municipal Court

The City has a contract with the City of Webster for Municipal Court services. The services provided by the City of Webster are for the trial of misdemeanor offenses. The Court has all the powers and duties prescribed by the laws of the State of Texas. The Municipal Court hears cases based on State law as well as City ordinances, including both traffic and criminal violations. The Court has the authority to levy fines and fees prescribed by law.

Staffing

This department is staffed with one (1) hourly employee.

- Presiding Judge ^{HE}

The functions of **Presiding and Associate Judge** are performed by an attorney appointed by Council.

The function of **Relief Judge** is performed by an attorney appointed by Council.

The function of **Prosecutor** is performed by an attorney as an independent contractor.

Facilities

Municipal Court is conducted in the City Hall Council Chambers. Jurors deliberate in the City Hall conference room.

Vehicles

This department has no vehicles.

General Fund Expenditures

12 - Municipal Court

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	46,827	47,768	12,000	12,000	12,000	0
Personnel Expenses	15,617	13,779	918	920	920	2
Maintenance & Operation	8,100	8,142	57,050	56,965	59,700	2,650
Capital Outlays	500	0	0	0	0	0
TOTAL	71,044	69,689	69,968	69,885	72,620	2,652

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4030 Dues, Fees & Subscriptions	600	219	0	0	500	100.0%
4045 Printing: Documents/Forms	700	182	200	0	200	0.0%
4059 Contract Services	0	2,732	52,000	52,000	0	(100.0%)
4060 Judge & Prosecutor	4,500	4,210	4,500	4,500	58,000	1188.9%
4205 Supplies: Office	0	58	0	0	0	0.0%
4305 Wages	45,627	46,738	12,000	12,000	12,000	0.0%
4306 Overtime	1,200	1,031	0	0	0	0.0%
4310 Social Security	3,582	3,944	918	920	920	0.2%
4415 Insurance: Medical & Dental	7,885	5,645	0	0	0	0.0%
4425 Insurance: Worker's Comp	200	146	50	50	0	(100.0%)
4430 Retirement: Contribution	4,150	4,191	0	0	0	0.0%
4605 Training	1,800	466	0	415	1,000	100.0%
4705 Miscellaneous	300	128	300	0	0	(100.0%)
4905 Capital Outlays	500	0	0	0	0	0.0%
TOTAL	71,044	69,689	69,968	69,885	72,620	3.8%

General Fund Expenditures

— *Continued*

Emergency Medical Service

Staffing

This department is staffed with 4 part-time and 25 hourly, limited-use employees. The Administrative Assistant is expensed 40% to this department while the remaining 60% is charged to the Fire Department.

- 1 EMS Administrator ^{PTE}
- 1 EMS Supervisor ^{PTE}
- 1 EMS Paramedic ^{PTE}
- 1 Administrative Assistant ^{PTE}
- 25 Paramedics - Hourly ^{HE}

Emergency dispatching services are provided by a contract with the City of Webster.

Facilities

Space is provided at 18295 Upper Bay Road.

Vehicles

- 2006 Ford Ambulance

General Fund Expenditures

13 - Emergency Medical Services

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	315,890	257,578	320,690	261,870	291,920	(28,770)
Personnel Expenses	58,134	28,536	31,366	27,780	30,250	(1,116)
Maintenance & Operation	113,050	88,887	107,750	94,297	101,550	(6,200)
Capital Outlays	0	0	0	0	0	0
TOTAL	487,074	375,001	459,806	383,947	423,720	(36,086)

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4030 Dues, Fees & Subscriptions	160	907	160	0	160	0.0%
4045 Printing: Documents/Forms	800	0	800	1,332	1,000	25.0%
4056 Contract Billing Services	48,000	34,944	48,000	36,000	48,000	0.0%
4057 License	890	0	890	315	890	0.0%
4105 Maintenance - Building	500	691	500	800	0	(100.0%)
4110 Maintenance: Equipment	3,000	507	3,000	1,700	3,000	0.0%
4120 Maintenance: Vehicles	2,500	3,551	2,500	8,000	2,500	0.0%
4205 Supplies: Office	500	448	500	1,300	0	(100.0%)
4215 Supplies: Medical	18,000	18,569	18,000	16,000	18,000	0.0%
4220 Supplies: Uniforms	3,500	3,575	3,500	5,820	3,500	0.0%
4245 Supplies: Gas & Oil	6,000	3,676	6,000	3,500	6,000	0.0%
4305 Wages	308,690	248,732	308,690	245,050	279,920	(9.3%)
4306 Overtime	7,200	8,846	12,000	16,820	12,000	0.0%
4310 Social Security	24,166	21,725	24,166	20,120	22,340	(7.6%)
4396 Phone Allowance	0	0	0	0	1,200	100.0%
4410 Insurance: General	6,400	4,072	4,200	3,550	3,600	(14.3%)
4415 Insurance: Medical & Dental	7,885	0	0	0	0	0.0%
4425 Insurance: Worker's Comp	18,000	13,149	13,400	12,730	11,700	(12.7%)
4430 Retirement: Contribution	26,083	6,811	7,200	7,660	7,910	9.9%
4510 Telecommunications	1,800	4,170	4,000	3,100	0	(100.0%)
4605 Training	1,500	450	1,500	150	2,000	33.3%
4705 Miscellaneous	300	177	300	0	0	(100.0%)
4930 Exams & Drug Testing	1,200	0	500	0	0	(100.0%)
TOTAL	487,074	375,001	459,806	383,947	423,720	(7.8%)

General Fund Expenditures

— *Continued*

Fire Marshal/Code Enforcement

The Fire Marshal Department is responsible for a wide variety of inspection, permit, and enforcement activities. Some of the primary functions are:

- Enforcement of Weed Ordinance
- Issuance of Fire Code Permits
- Site, Construction and Fire Protection System Plans Review
- Fire Safety Code Inspections & Enforcement
- Fire & Arson Investigation

Fire safety inspections and fire code enforcement functions are performed by the Fire Marshal's Office.

Staffing

This department is staffed with 2 part-time and 1 temporary employees.

- Fire Marshal/Administrative Assistant ^{PTE}
- Assistant Fire Marshal ^{PTE}
- Deputy Fire Marshal ^{HE}

Facilities

Office space is provided within City Hall for this department.

Vehicles

- 1998 Ford Expedition

General Fund Expenditures

14 - Fire Marshal

Expenditure Summary	Amended		Amended		Budget FY 10/11	Budget \$ Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
Wages	57,542	53,467	68,379	59,730	72,110	3,731
Personnel Expenses	10,714	8,915	11,630	11,240	13,870	2,240
Maintenance & Operation	20,875	27,837	32,450	28,620	18,079	(14,371)
Capital Outlays	0	0	0	0	0	0
TOTAL	89,131	90,219	112,459	99,590	104,059	(8,400)

Line Item Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
4030 Dues, Fees & Subscriptions	3,075	3,464	3,075	3,075	2,054	(33.2%)
4045 Printing: Documents/Forms	450	369	475	475	375	(21.1%)
4060 Contract Services & Lab	1,000	0	200	200	250	25.0%
4063 Property Liens Expense	3,000	10,022	12,000	10,000	3,000	(75.0%)
4120 Maintenance - Vehicles	3,000	1,538	3,000	2,500	3,000	0.0%
4220 Supplies: Uniforms	1,000	697	1,000	1,000	1,000	0.0%
4227 Supplies: Photographic	300	103	300	300	300	0.0%
4230 Supplies: Miscellaneous	1,400	1,889	1,400	1,400	1,400	0.0%
4245 Supplies - Gas & Oil	1,200	611	1,200	1,200	1,200	0.0%
4305 Wages	57,542 (s)	53,467 (s)	68,379 (s)	59,680 (s)	72,110 (s)	5.5%
4306 Overtime	0 (s)	0 (s)	0 (s)	50 (s)	0 (s)	0.0%
4310 Social Security	4,402 (s)	4,482 (s)	5,231 (s)	4,650 (s)	5,520 (s)	5.5%
4396 Phone Allowance	0	0	0	0	2,400	100.0%
4425 Insurance: Worker's Comp	550	402	600	570	600	0.0%
4430 Retirement: Contribution	6,312 (s)	4,433 (s)	6,399 (s)	6,590 (s)	8,350 (s)	30.5%
4510 Telecommunications	1,400	2,999	2,700	2,400	0	(100.0%)
4605 Training	2,500	4,147	4,500	3,500	2,500	(44.4%)
4705 Miscellaneous	2,000	1,595	2,000	2,000	0	(100.0%)
TOTAL	89,131	90,219	112,459	99,590	104,059	(7.5%)

General Fund Expenditures

— *Continued*

Planning & Development

Staffing

This department has no full-time or part-time employees.

Facilities

Office space is provided within City Hall for this department.

Vehicles

This department has no vehicles.

General Fund Expenditures

15 - Planning and Development Department

Expenditure Summary	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09		FY 09/10			
Wages	0	0	0	0	0	0
Personnel Expenses	0	0	0	0	0	0
Maintenance & Operation	24,135	22,488	35,307	35,307	17,730	(17,577)
Business Incentives	0	0	0	0	0	0
Capital Outlays	0	0	0	0	0	0
TOTAL	24,135	22,488	35,307	35,307	17,730	(17,577)

Line Item Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09		FY 09/10			
4005 Audit - TIRZ	8,135	8,135	10,307	10,307	7,730	(25.0%)
4060 Contract Services	16,000	14,353	25,000	25,000	10,000	(60.0%)
TOTAL	24,135	22,488	35,307	35,307	17,730	(49.8%)

General Fund Expenditures

– Continued

FY 10-11 Capital Outlay Summary

General Fund

There are no Capital Outlay expenditures this fiscal year.

Special Revenue Fund

Fire Department	\$ 3,500
EMS Department	\$ 1,500
Court Asset Forfeitures	<u>\$ 7,160</u>
Total Special Revenue Fund	\$12,160
Total Capital Outlay Summary	\$12,160

General Fund Expenditures

— Continued

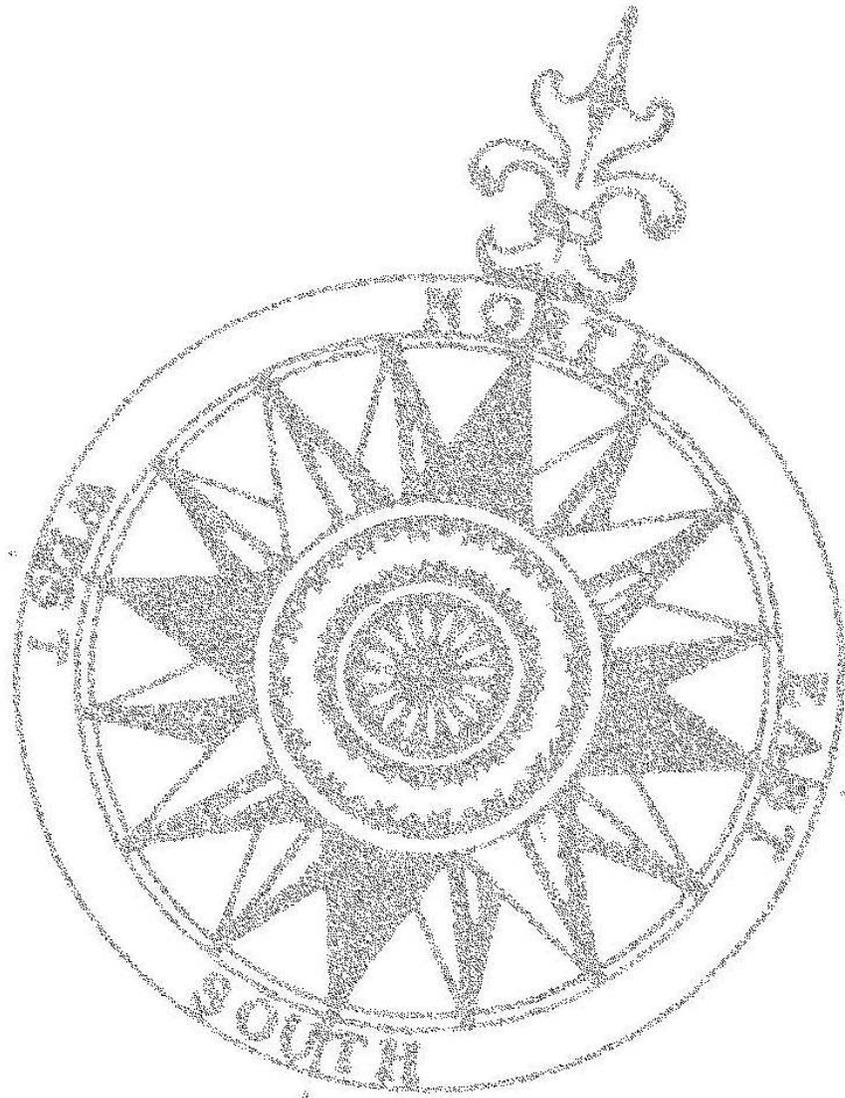
FY 10-11 Capital Outlay Detail

General Fund

There are no Capital Outlay expenditures this fiscal year.

Special Revenue Fund

Fire Department	
Replacement Fire Pagers	\$2,500
Safety Railing	\$1,000
EMS Department	
Replacement Mattresses & Box Springs	\$1,500
Police Department	
Public Safety OSSI Software & Mobile	
Data Terminal Upgrade	\$7,160



Water & Sewer Fund

The Water & Sewer Fund is the operating fund for the City's municipal water and wastewater utilities. The Water & Sewer Fund is the City's second largest fund and provides exclusively for the administration, operation, and maintenance of the City's water and wastewater systems. This type of fund is commonly referred to as an "enterprise fund". Revenue sources benefiting the Water & Sewer Fund include utility service and connection fees. Accordingly, fund revenue is dependent on water sales and sewer service charges.

As an enterprise fund, service fees and charges must generate sufficient revenues to operate the water & sewer works. Property taxes do not benefit nor contribute to the Water & Sewer Fund. Service rates will be increased in FY2011 to cover the increased costs associated with the purchase of water and to allow for payment of debt issuances related to water and wastewater provision.

The City serves approximately 1,450 water and sewer customers.

The engineering firm of HDR | Claunch & Miller, Inc. prepared a report in January, 2003, evaluating the condition of the City's Sanitary Sewer System. The City issued \$780,000 of Certificates of Obligation in FY04 to fund Phase I for priority repairs of the deteriorated sections of the collection system, point repairs, rehabilitation of manholes and selected full length lines for repair or replacement. The City issued \$625,000 of Certificates of Obligation in FY06 including \$300,000 for Phase II repairs to the sewer system, \$225,000 for water meter replacements, and \$100,000 for repair of the Swan Lagoon water plant and lines. The City issued \$422,000 of Certificates of Obligation in FY07 including \$79,000 for water plant repairs and \$343,000 for waste water treatment plant repairs. The City issued \$343,000 of Certificates of Obligation in FY08 for \$293,000 in water projects (Swan Lagoon water plant tank system, SEWPP improvements, and fire hydrant caps) and \$50,000 in sewer projects (WWTP contingency repairs). Starting in FY2011, the City will provide for the payment of all debt service issued for the purpose of maintaining the water and wastewater system out of the enterprise fund.

The City's Five-Plus-Year Capital Improvement Plan has been updated with the assistance of HDR | Claunch & Miller, Inc. and includes many significant repairs and maintenance items related to the water and wastewater systems. The City is in the process of applying for financing through the Texas Water Development Board to fund the first two years of the CIP.

Departments

The Water & Sewer Fund is organized into four departments. Each department provides funding and support for the performance of its program of work.

1. General & Administrative
2. Water Department
3. Sewer Department
4. Debt Service and Depreciation Department

Water & Sewer Fund

Water & Sewer Fund Revenue

Water Sales

Revenues from the sale of treated drinking water. With the adoption of new water rates in FY2011, water sales rates will include a fixed monthly water charge combined with monthly consumption charges based on volume of usage. Billing will occur on a monthly basis.

Sewer Service Charges

Revenues from the sale of sewer service. With the adoption of new sewer rates in FY2011, sewer sales rates will include a fixed monthly water charge combined with monthly consumption charges based on volume of water usage. Sewer consumption is calculated based on the metered water consumption. Billing will occur on a monthly basis.

Penalties & Interest

Penalties (e.g. insufficient fund check returns and re-connect fees) and interest levied against delinquent utility payments.

Interest on Investment

Interest earned on funds placed into public fund investment pools, certificates of deposit, and interest bearing checking accounts.

Water Tap Fees

Charges for labor, inspection, and system impact for adding and enlarging connections to City's water distribution system. This includes charges for water metering equipment.

Sewer Tap Fees

Charges for labor, inspection, and system impact for adding and enlarging connections to City's wastewater collection system.

Miscellaneous

Incidental or unanticipated revenues not assigned to another line item.

Fixed Asset Sale Proceeds

Proceeds from the sale of City-owned property. Includes surplus pipe, valves, machinery, vehicles, scrap metals, etc.

Water & Sewer Fund Revenue

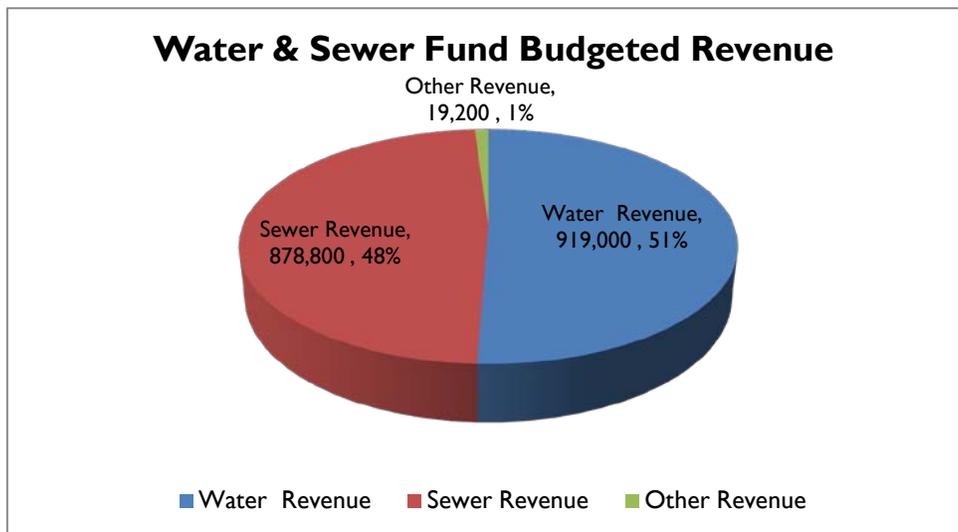
Revenue Summary	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget		Budget	\$ Change
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	
Water Revenue (1)	835,000	856,412	860,000	790,000	919,000	59,000
Sewer Revenue (2)	655,000	652,331	655,000	590,000	878,800	223,800
Other Revenue (3)	170,300	155,768	39,000	50,170	19,200	(19,800)
Total Revenue	1,660,300	1,664,511	1,554,000	1,430,170	1,817,000	263,000
Prior Year Balance Fwd	161,536	449,596	361,473	361,473	111,143	(250,330)
End of Year Fund Balance	(43,403)	(361,473)	(77,954)	(111,143)	(138,758)	(60,804)
GRAND TOTAL	1,778,433	1,752,634	1,837,519	1,680,500	1,789,385	(48,134)

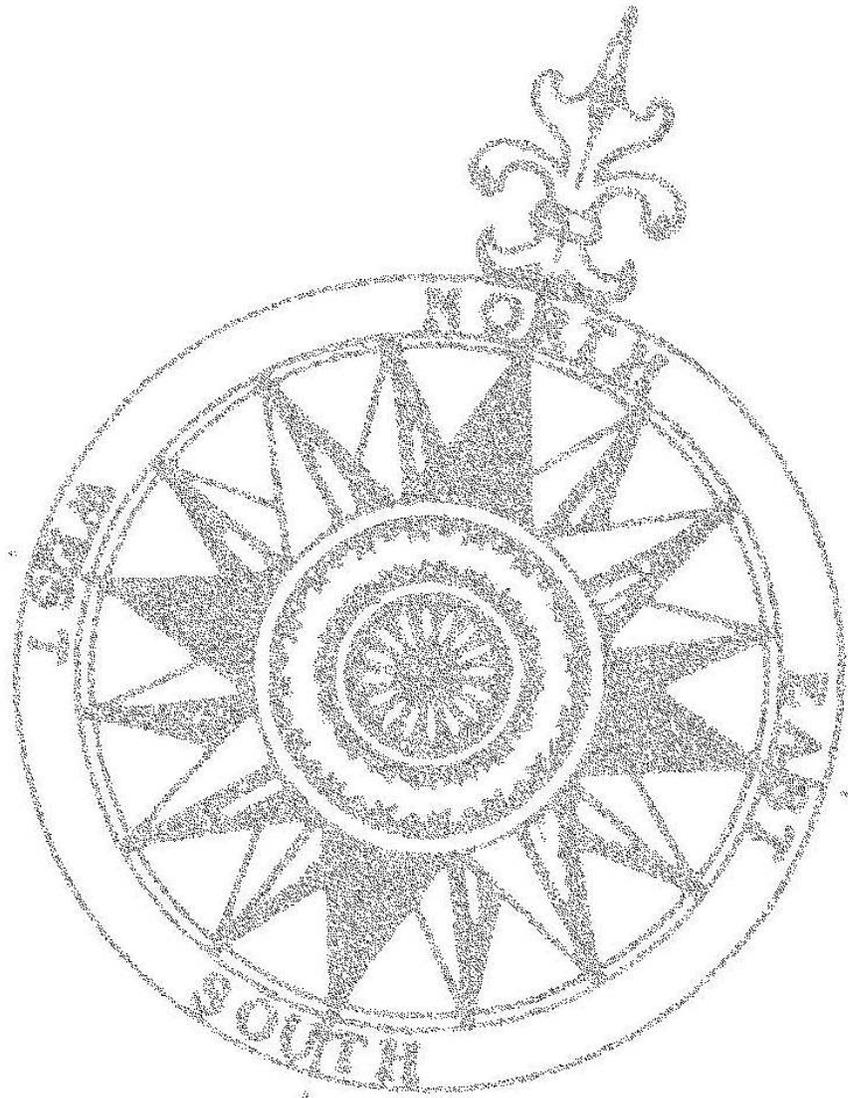
Line Item Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget		% Change	
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	
3005 Water Sales	835,000	856,305	860,000	790,000	919,000	6.9%
3006 Water Surcharge	0	106	0	0	0	0.0%
3010 Sewer Service Charges	655,000	652,331	655,000	590,000	878,800	34.2%
3015 Penalties & Interest	16,000	28,199	16,000	41,500	16,000	0.0%
3020 Interest on Investment	2,200	995	1,000	250	200	(80.0%)
3305 Water Tap Fees	1,000	1,400	0	5,025	0	0.0%
3310 Sewer Tap Fees	150,000	117,375	21,000	2,370	3,000	(85.7%)
3705 Miscellaneous	1,000	7,799	1,000	1,025	0	(100.0%)
3710 Fixed Asset Sale Proceeds	100	0	0	0	0	0.0%
TOTAL	1,660,300	1,664,511	1,554,000	1,430,170	1,817,000	16.9%
9520 Prior Year Balance Fwd	161,536	449,596	361,473	361,473	111,143	(69.3%)
9525 End of Year Fund Balance	(43,403)	(361,473)	(77,954)	(111,143)	(138,758)	78.0%
GRAND TOTAL	1,778,433	1,752,634	1,837,519	1,680,500	1,789,385	(2.6%)

(1) 3005 3006

(2) 3010

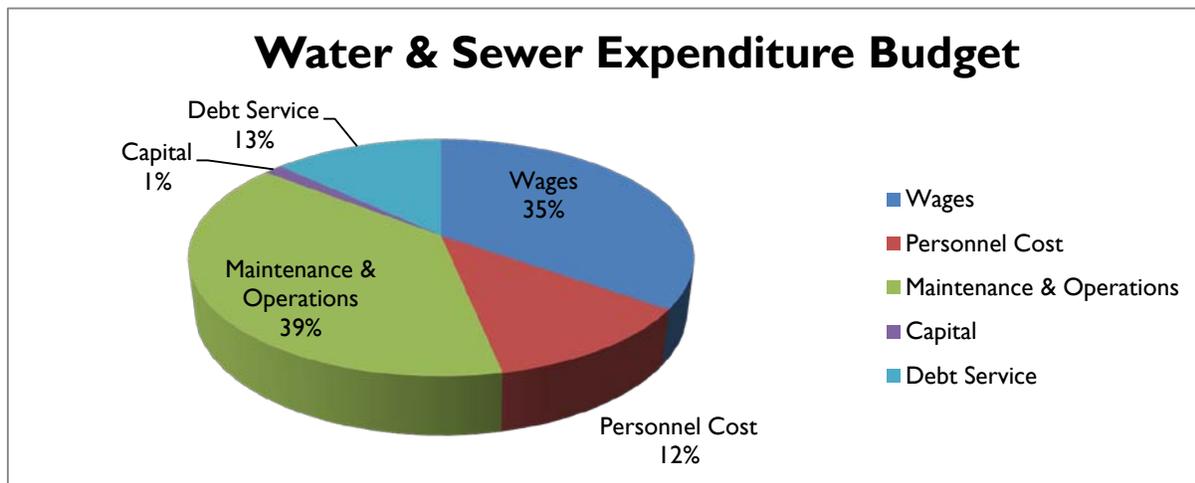
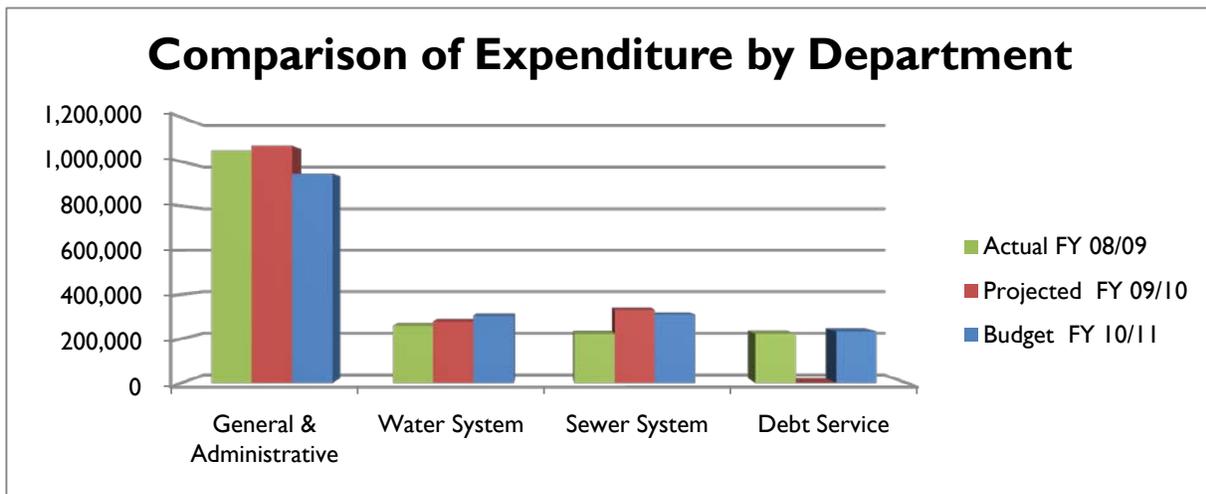
(3) 3015 3020 3305 3310 3705 3710





Water & Sewer Fund Expenditures

Expenditures By Department	Amended	Actual FY 08/09	Amended	Projected FY 09/10	Budget	Budget
	Budget FY 08/09		Budget FY 09/10		FY 10/11	\$ Change
1 General & Administrative	1,081,628	1,048,931	1,147,119	1,072,800	945,500	(201,619)
2 Water System	292,500	259,810	306,900	277,200	302,400	(4,500)
3 Sewer System	366,725	221,452	383,500	330,500	308,500	(75,000)
4 Debt Service	37,580	222,442	0	0	232,985	232,985
TOTAL	1,778,433	1,752,634	1,837,519	1,680,500	1,789,385	(48,134)



Water & Sewer Fund Expenditures

General & Administrative

The General & Administrative Department is responsible for the following functions:

- Receive Requests for Service Connects & Disconnects
- Preparation of Water Meter Reading Books
- Data Entry of Water Meter Readings
- Water & Sewer Utility Billing
- Collection of Accounts Receivable
- Record Keeping
- Regulatory Compliance

Staffing

All Water & Sewer Fund employees appear in the General & Administrative Department.

This department has 4 full-time employees.

- Chief Operator ^{FTE}
- 2 Plant Operators ^{FTE}
- 1 Field Operator ^{FTE}

The functions of **Executive Director** are performed by:

- City Manager ^{FTE}

The functions of **Utility Superintendent** are performed by:

- Public Works Director ^{FTE}

All other necessary functions are performed by other General Fund employees:

- Public Works Field Employees ^{FTE}
- Public Works Maintenance ^{FTE}
- City Secretary ^{FTE}
- Finance Director ^{FTE}
- Senior Accountant ^{FTE}
- Customer Service/Utility Billing Assitant ^{FTE}

Engineering services are performed by a Texas Registered Professional Engineer as an independent contractor.

Facilities

Office space is provided within City Hall for administrative use.

Vehicles

- 1983 John Deere 410 Backhoe
- 1998 John Deere 310 Backhoe
- 1995 Ford SD Utility Truck
- 2005 Chevrolet C1500HD Pickup
- 2007 Chevrolet Silverado
- 2008 Chevrolet Silverado

Water & Sewer Fund Expenditures

I - General & Administrative

Expenditure Summary	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
Wages	613,715	628,980	711,830	651,650	622,300	(89,530)
Personnel Expenses	207,313	202,158	225,689	207,990	214,300	(11,389)
Maintenance & Operation	160,600	117,793	159,600	163,160	108,900	(50,700)
G&A Overhead	100,000	100,000	50,000	50,000	0	(50,000)
TOTAL	1,081,628	1,048,931	1,147,119	1,072,800	945,500	(201,619)

Line Item Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
4030 Dues, Fees & Subscriptions	400	742	400	400	400	0.0%
4045 Printing-Documents/Forms	2,500	2,086	2,200	500	500	(77.3%)
4050 Information Services	30,000	30,000	30,000	30,000	0	(100.0%)
4056 Credit Card Program	3,000	2,893	3,000	3,000	3,000	0.0%
4057 License & Permit Fees	14,000	13,341	14,000	14,000	14,000	0.0%
4060 Contract Services: Engineerin	35,000	9,886	35,000	35,000	35,000	0.0%
4105 Maintenance-Building	5,000	3,670	5,000	5,000	2,000	(60.0%)
4161 Hurricane Ike Recovery	0	(11,791)	0	0	0	0.0%
4210 Supplies: Postage	6,100	6,585	6,100	6,100	6,100	0.0%
4220 Supplies: Uniforms	3,000	0	1,500	1,500	1,500	0.0%
4240 Supplies: Building	300	0	100	100	100	0.0%
4245 Supplies: Gas & Oil	3,000	2,889	3,000	5,000	3,000	0.0%
4304 Wages- On call duty pay	7,280	0	7,280	0	7,280	0.0%
4305 Wages	591,165 (s)	598,343 (s)	679,895 (s)	628,420 (s)	596,560 (s)	(12.3%)
4306 Overtime	15,270 (s)	27,778 (s)	24,655 (s)	23,230 (s)	18,460 (s)	(25.1%)
4307 Wages - Temp Services	0 (s)	5,060 (s)	0 (s)	0 (s)	0 (s)	0.0%
4309 Accrued vacation & Sick	0 (s)	2,859 (s)	0 (s)	0 (s)	0 (s)	0.0%
4310 Social Security	46,949 (s)	52,619 (s)	53,898 (s)	49,460 (s)	47,050 (s)	(12.7%)
4410 Insurance: General	28,000	29,677	30,000	37,640	25,700	(14.3%)
4415 Insurance: Medical & Dental	93,039 (s)	83,364 (s)	95,830 (s)	86,770 (s)	98,920 (s)	3.2%
4420 Insurance: Unemployment	300	0	300	0	300	0.0%
4425 Insurance: Workers Comp.	12,000	8,766	8,900	8,460	7,800	(12.4%)
4430 Retirement: Contribution	67,325 (s)	66,176 (s)	75,961 (s)	71,760 (s)	68,330 (s)	(10.0%)
4440 Insurance: LT Disability	2,000	1,833	2,000	2,000	2,000	0.0%
4505 Utilities	11,000	4,076	13,000	5,000	6,000	(53.8%)
4510 Telecommunications	3,000	1,659	1,600	7,460	0	(100.0%)
4605 Training	0	0	1,500	1,500	1,500	0.0%
4705 Miscellaneous	2,000	6,420	2,000	500	0	(100.0%)
4810 G&A Overhead	100,000	100,000	50,000	50,000	0	(100.0%)
TOTAL	1,081,628	1,048,931	1,147,119	1,072,800	945,500	(17.6%)

Water & Sewer Fund Expenditures

— Continued

Water Department

The Water Department is responsible for the following functions:

- Water Well Operation & Maintenance
- Water Treatment
- Water Storage
- Water Distribution
- Water Meter Reading
- Water Storage Tank Maintenance & Operation
- Water Booster (Pressure) Pump Maintenance & Operation
- Water Distribution System Maintenance & Operation
- Water Quality Monitoring
- Regulatory Compliance

Staffing

All Water & Sewer employees are expensed in the General & Administrative Department; reference page 66.

Facilities

Water Plant No. 1 (18120 Point Lookout Drive).

Water & Sewer Fund Expenditures

2 - Water Department

Expenditure Summary	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
Wages	0	0	0	0	0	0
Personnel Expenses	0	0	0	0	0	0
Maintenance & Operation	267,500	237,434	281,900	252,200	277,400	(4,500)
Capital Outlays	25,000	22,376	25,000	25,000	25,000	0
TOTAL	292,500	259,810	306,900	277,200	302,400	(4,500)

Line Item Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
4025 SWPP Capital Enhancements	25,000	22,376	25,000	25,000	25,000	0.0%
4035 Water Purchase	175,000	157,353	175,000	170,000	190,000	8.6%
4060 Contract Services - Lab Svcs	2,500	0	1,900	900	1,900	0.0%
4070 Contract Meter Reading	9,500	13,295	9,500	9,500	9,500	0.0%
4110 Maintenance - Equipment	2,500	2,565	2,500	1,500	2,500	0.0%
4120 Maintenance - Vehicles	8,500	7,665	8,500	2,000	3,000	(64.7%)
4150 Maintenance - Water Plant	12,000	11,366	15,000	10,000	11,000	(26.7%)
4155 Maintenance - Water Lines	18,000	18,090	25,000	27,000	25,000	0.0%
4165 Reserve-Maintenance	0	0	5,000	2,500	5,000	0.0%
4230 Supplies - Tools	800	372	800	800	800	0.0%
4235 Supplies - Water Meters	4,500	4,145	4,500	4,500	4,500	0.0%
4505 Utilities - Plants	30,000	19,549	30,000	20,000	20,000	(33.3%)
4605 Training	4,200	3,035	4,200	3,500	4,200	0.0%
TOTAL	292,500	259,810	306,900	277,200	302,400	(1.5%)

Water & Sewer Fund Expenditures

— Continued

Wastewater Department

The Sewer Department is responsible for the following functions:

- Municipal Wastewater Treatment
- Municipal Wastewater Treatment Plant Maintenance & Operation
- Wastewater Collection System Maintenance & Operation
- Inflow & Infiltration Control
- Wastewater Pumping Station Maintenance & Operation
- Wastewater Quality Monitoring
- Enforcement of City Wastewater Regulations
- Sludge Disposal
- Regulatory Compliance

Staffing

All Water & Sewer employees are expensed in the General & Administrative Department; reference page 66.

Facilities

Wastewater Treatment Plant (18900 Upper Bay Road) and four wastewater lift stations.

Water & Sewer Fund

3 - Wastewater Department

Expenditure Summary	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	\$ Change
Wages	0	0	0	0	0	0
Personnel Expenses	0	0	0	0	0	0
Maintenance & Operation	366,725	221,452	383,500	330,500	308,500	(75,000)
Capital Outlays	0	0	0	0	0	0
TOTAL	366,725	221,452	383,500	330,500	308,500	(75,000)

Line Item Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
4060 Contract Services: Lab Svcs	27,000	24,036	27,000	27,000	27,000	0.0%
4110 Maintenance: Equipment	0	0	1,500	1,000	1,500	0.0%
4120 Maintenance: Vehicles	2,500	2,447	2,500	2,000	2,500	0.0%
4135 Maintenance: Infiltration	5,000	4,994	0	0	0	0.0%
4140 Maintenance: Sewer Lines	100,000	38,926	120,000	90,000	70,000	(41.7%)
4145 Maintenance: Sewer Plant	90,000	66,970	90,000	90,000	85,000	(5.6%)
4150 Maintenance: Lift Stations	12,000	4,719	12,000	10,000	12,000	0.0%
4230 Supplies: Tools	225	190	500	500	500	0.0%
4505 Utilities: Plants	130,000	79,170	130,000	110,000	110,000	(15.4%)
TOTAL	366,725	221,452	383,500	330,500	308,500	(19.6%)

Water & Sewer Fund Expenditures

— *Continued*

Debt Service & Depreciation Department

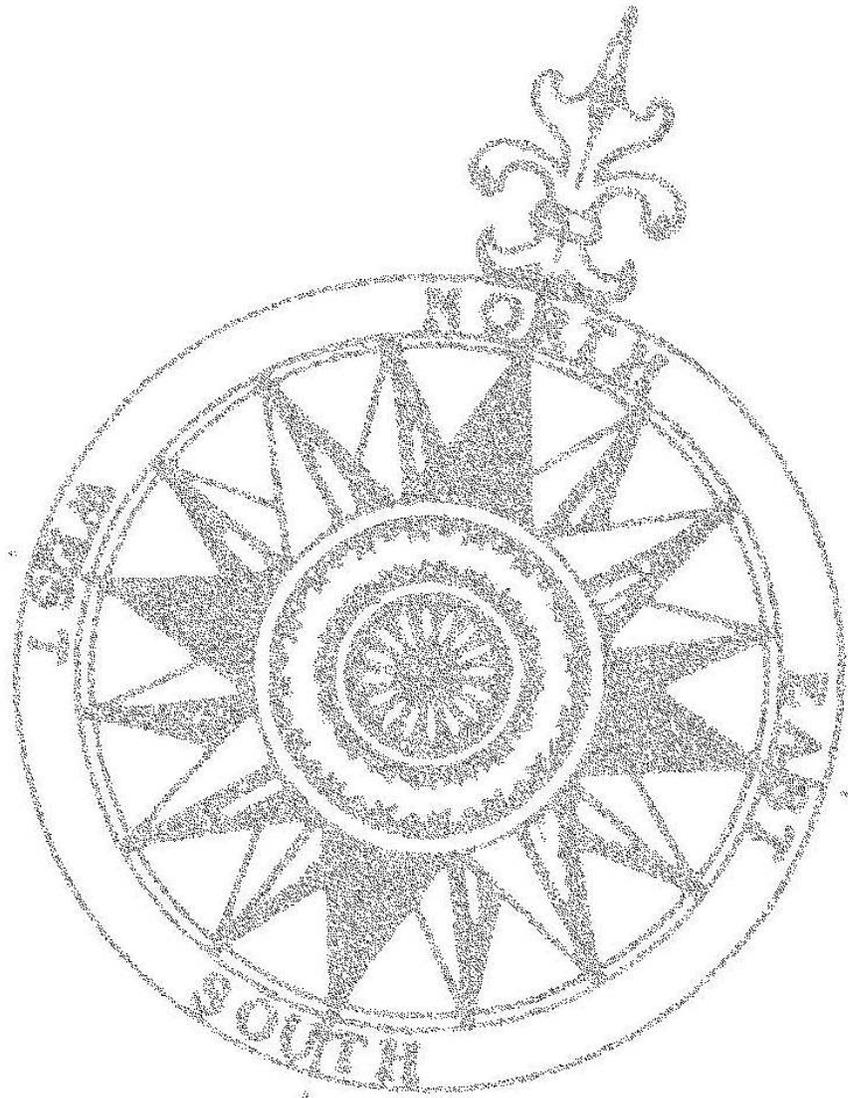
This Department is responsible for reporting the principal and interest expense on Water & Sewer Debt. The Depreciation expense of fixed assets is also recorded in this Department.

Water & Sewer Fund

4 - Debt Service & Depreciation

Expenditure Summary	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	\$ Change
Wages	0	0	0	0	0	0
Personnel Expenses	0	0	0	0	0	0
Maintenance & Operation	0	0	0	0	0	0
Capital Outlays	0	0	0	0	0	0
Debt Service	37,580	222,442	0	0	232,985	232,985
TOTAL	37,580	222,442	0	0	232,985	232,985

Line Item Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
4825 Transfer Interest-Debt Servic	8,713	8,713	0	0	45,223	100.0%
4826 Transfer Principal-Debt	28,867	28,867	0	0	187,762	100.0%
4995 Depreciation Expense	0	184,862	0	0	0	0.0%
TOTAL	37,580	222,442	0	0	232,985	100.0%



Debt Service Fund

The Debt Service Fund collects and disburses payments to meet the City's obligations for principal and interest payments on outstanding debt.

The City of Nassau Bay is in a favorable debt position with no obligations beyond FY2017.

During FY2011, reductions in outstanding prior year debt issues will total \$472,858. The aggregate outstanding principal of \$2,471,791 and interest payments of \$300,951 at October 1, 2010 is \$2,772,742.

The City budgets each year such that the ratio of debt service to General Fund operating expenditures (total expenditures less capital outlay) shall not exceed 20%. The ratio budgeted for FY2010-2011 is 10.8% and remains below the 20% guideline.

Debt Service Fund

— Continued

Bond Repayment Schedule

The figures and chart shown on page 77 reflect the actual cost of debt service over the next seven years. Also shown are the sources of revenue used to retire this debt.

The City presently has an outstanding principal obligation of \$2,471,791 at October 1, 2010.

1. The **2002 Certificates of Obligation** for \$ 1,240,000 were issued for \$768,000 in Equipment, Storm Drainage, and Streets and \$472,000 for additional water capacity at the Southeast Water Purification Plant and improvements at the Waste Water Treatment Plant. This issue will retire February 1, 2014. The current balance is \$136,791.
2. The **2006 Certificates of Obligation** for \$850,000 were issued for \$325,000 Water, \$300,000 for Sewer, \$25,000 Parks, \$112,000 Street and Drainage, and \$88,000 for General Government Projects. This issue will retire February 1, 2016. The current balance is \$510,000.
3. The **2006 Tax Notes** for \$370,000 were issued for the new Public Works/EMS building. This issue will retire February 1, 2013. The current balance is \$200,000.
4. The **2007 Certificates of Obligation** for \$945,000 were issued for Water \$79,000, Sewer \$343,000, Parks \$40,000, Dredging \$150,000, Redevelopment \$92,400, Streets \$65,000, Drainage \$20,000, Equipment \$135,600, and Bond issue cost \$20,000. This issue will retire February 1, 2017. The current balance is \$700,000.
5. The **2008 Certificates of Obligation** for \$1,030,000 were issued for Water \$293,000, Sewer \$50,000, Parks \$74,000, General Government \$110,000, Redevelopment \$183,000, Drainage \$140,000, Equipment \$150,000, and Bond issue cost \$30,000. This issue will retire February 1, 2017. The current balance is \$925,000.

Debt Service Fund

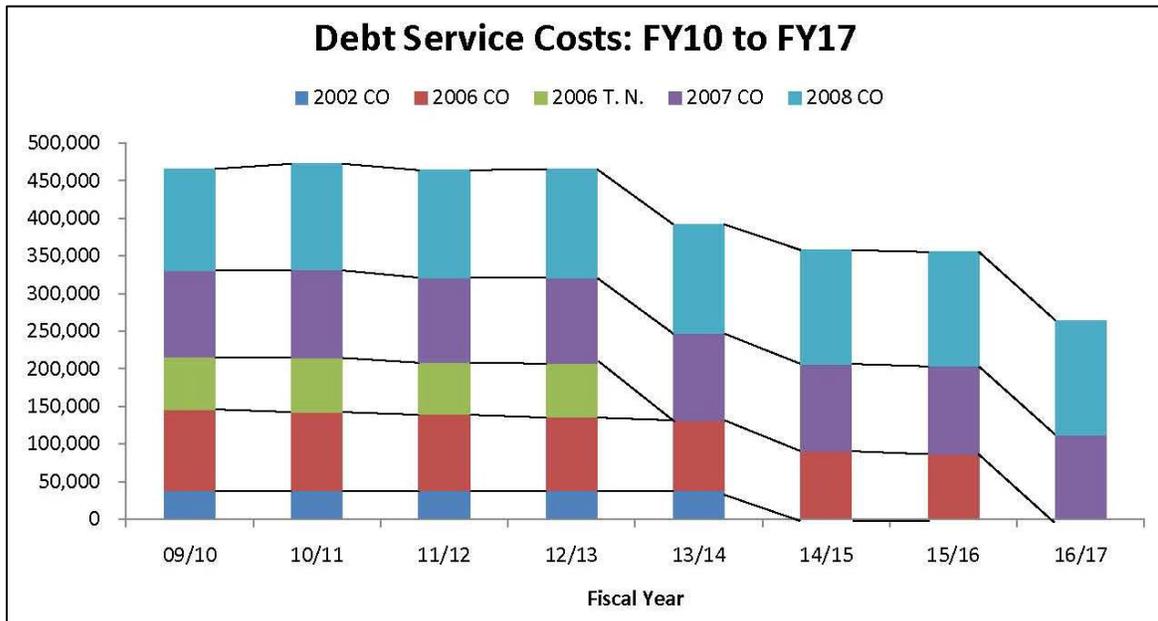
— Bond Repayment Schedule

Principal & Interest

FY	2002 CO	2006 CO	2006 T.N.	2007 CO	2008 CO	TOTAL
09/10	37,579	108,605	69,411	115,071	135,205	465,871
10/11	37,579	105,026	71,919	116,528	141,806	472,858
11/12	37,580	101,426	69,283	112,883	143,175	464,346
12/13	37,579	97,805	71,474	114,136	144,390	465,385
13/14	37,579	94,167		115,188	145,450	392,384
14/15		90,512		116,036	151,279	357,828
15/16		86,840		116,683	151,875	355,398
16/17				112,228	152,318	264,546
Total	187,895	684,382	282,087	918,751	1,165,498	3,238,614

Revenue Sources

FY	Taxes	EDC	W&S Fund	Gen Fund	Interest	Reserves	TOTAL
09/10	395,871	69,411	0	0	589	0	465,871
10/11	167,794	71,919	232,985	0	160	0	472,858
11/12	356,483	69,283	37,580	0	1,000	0	464,346
12/13	355,331	71,474	37,579	0	1,000	0	465,384
13/14	283,804	70,000	37,580		1,000		392,384



Debt Service Fund

— Continued

CITY OF NASSAU BAY GENERAL LONG TERM DEBT SCHEDULE OF FISCAL YEAR 2010-2011 REQUIREMENTS

Series	Obligation	Amount of Issue	Principal Outstanding Oct. 1, 2010	Principal & Interest Requirements for 2010-2011			Principal Outstanding Sept. 30, 2011
				Principal	Interest	Total	
2002	Tax & Revenue Certificates of Obligation	\$ 1,240,000	\$ 136,791	\$ 31,776	\$ 5,803.34	\$ 37,579.34	\$ 105,015
2006	Tax & Revenue Certificates of Obligation	850,000	510,000	85,000	20,026.00	105,026.00	425,000
2006	Tax Anticipation Notes	370,000	200,000	65,000	6,919.26	71,919.26	135,000
2007	Tax & Revenue Certificates of Obligation	945,000	700,000	90,000	26,527.50	116,527.50	610,000
2008	Tax & Revenue Certificates of Obligation	1,030,000	925,000	115,000	26,805.75	141,805.75	810,000
Total		\$ 2,471,791	\$ 386,776	\$ 386,776	\$ 86,082	\$ 472,858	\$ 2,085,015

Debt Service Fund

— Continued

**CITY OF NASSAU BAY
GENERAL DEBT SERVICE FUND
STATEMENT OF BONDED INDEBTEDNESS
Fiscal Year 2010-2011**

Fiscal Year	Interest Rate	Principal Due 02/01	Interest Due 02/01	Interest Due 08/01	Total Interest	Annual Requirement	Principal Outstanding
Tax & Revenue Certificates of Obligation							\$ 1,240,000
Series	2002	Date of Issue - 1/15/2002			Term - 12 Years		
2003	3.95% / 4.8%	\$ 290,177	\$ 54,125	\$ 20,124	\$ 74,249	\$ 364,426	\$ 949,823
2004	3.95% / 4.8%	330,807	20,124	13,494	33,618	364,425	619,016
2005	3.95% / 4.8%	344,340	13,494	6,592	20,086	364,426	274,676
2006	4.80%	24,995	6,592	5,992	12,585	37,580	249,681
2007	4.80%	26,224	5,992	5,363	11,355	37,579	223,457
2008	4.80%	27,513	5,363	4,703	10,066	37,579	195,944
2009	4.80%	28,867	4,703	4,010	8,713	37,580	167,077
2010	4.80%	30,286	4,010	3,283	7,293	37,579	136,791
2011	4.80%	31,776	3,283	2,520	5,803	37,579	105,015
2012	4.80%	33,339	2,520	1,720	4,241	37,580	71,676
2013	4.80%	34,978	1,720	881	2,601	37,579	36,698
2014	4.80%	36,698	881	-	881	37,579	-
		\$ 1,240,000	\$ 122,808	\$ 68,683	\$ 191,490	\$ 1,431,490	

Tax & Revenue Certificates of Obligation							\$ 850,000
Series	2006	Date of Issue - 1/12/2006			Term - 11 Years		
2006		\$ -	\$ -	\$ 19,852	\$ 19,852	\$ 19,852	\$ 850,000
2007	4.09%	85,000	17,956	16,218	34,174	119,174	765,000
2008	4.13%	85,000	16,218	14,463	30,681	115,681	680,000
2009	4.16%	85,000	14,463	12,695	27,158	112,158	595,000
2010	4.20%	85,000	12,695	10,910	23,605	108,605	510,000
2011	4.22%	85,000	10,910	9,116	20,026	105,026	425,000
2012	4.25%	85,000	9,116	7,310	16,426	101,426	340,000
2013	4.27%	85,000	7,310	5,495	12,805	97,805	255,000
2014	4.29%	85,000	5,495	3,672	9,167	94,167	170,000
2015	4.31%	85,000	3,672	1,840	5,512	90,512	85,000
2016	4.33%	85,000	1,840	-	1,840	86,840	-
		\$ 850,000	\$ 99,675	\$ 101,571	\$ 201,246	\$ 1,051,246	

Tax Anticipation Notes							\$ 370,000
Series	2006	Date of Issue - 5/10/2006			Term - 7 Years		
2007		\$ -	\$ 10,597	\$ 7,451	\$ 18,048	\$ 18,048	\$ 370,000
2008	3.885%	55,000	7,451	6,383	13,833	68,833	315,000
2009	3.935%	55,000	6,383	5,300	11,683	66,683	260,000
2010	3.965%	60,000	5,300	4,111	9,411	69,411	200,000
2011	4.008%	65,000	4,111	2,808	6,919	71,919	135,000
2012	4.105%	65,000	2,808	1,474	4,283	69,283	70,000
2013	4.212%	70,000	1,474	-	1,474	71,474	-
		\$ 370,000	\$ 38,124	\$ 27,527	\$ 65,652	\$ 435,652	

Debt Service Fund

— Continued

CITY OF NASSAU BAY
GENERAL DEBT SERVICE FUND
STATEMENT OF BONDED INDEBTEDNESS
 Fiscal Year 2010-2011

Fiscal Year	Interest Rate	Principal Due 02/01	Interest Due 02/01	Interest Due 08/01	Total Interest	Annual Requirement	Principal Outstanding
Tax & Revenue Certificates of Obligation							\$ 945,000
Series	2007	Date of Issue - 3/13/2007			Term - 10 Years		
2007	6.00%	\$ -	\$ -	\$ 14,671	\$ 14,671	\$ 14,671	\$ 945,000
2008	6.00%	80,000	19,136	17,516	36,653	116,653	865,000
2009	6.00%	80,000	17,516	17,516	35,033	115,033	785,000
2010	6.00%	85,000	15,896	14,175	30,071	115,071	700,000
2011	6.00%	90,000	14,175	12,353	26,528	116,528	610,000
2012	6.00%	90,000	12,353	10,530	22,883	112,883	520,000
2013	6.00%	95,000	10,530	8,606	19,136	114,136	425,000
2014	5.55%	100,000	8,606	6,581	15,188	115,188	325,000
2015	5.15%	105,000	6,581	4,455	11,036	116,036	220,000
2016	5.20%	110,000	4,455	2,228	6,683	116,683	110,000
2017	5.25%	110,000	2,228	-	2,228	112,228	-
		\$ 945,000	\$ 111,476	\$ 108,631	\$ 220,107	\$ 1,165,107	

Tax & Revenue Certificates of Obligation							\$ 1,030,000
Series	2008	Date of Issue - 4/8/2008			Term - 10 Years		
2008		\$ -	\$ -	\$ 9,990	\$ 9,990	\$ 9,990	\$ 1,030,000
2009		-	15,914	15,914	31,827	31,827	1,030,000
2010	3.09%	105,000	15,914	14,291	30,205	135,205	925,000
2011	3.09%	115,000	14,291	12,515	26,806	141,806	810,000
2012	3.09%	120,000	12,515	10,661	23,175	143,175	690,000
2013	3.09%	125,000	10,661	8,729	19,390	144,390	565,000
2014	3.09%	130,000	8,729	6,721	15,450	145,450	435,000
2015	3.09%	140,000	6,721	4,558	11,279	151,279	295,000
2016	3.09%	145,000	4,558	2,318	6,875	151,875	150,000
2017	3.09%	150,000	2,318	-	2,318	152,318	-
		\$ 1,030,000	\$ 91,619	\$ 85,695	\$ 177,314	\$ 1,207,314	

Debt Service Fund

— Continued

**CITY OF NASSAU BAY
GENERAL LONG TERM DEBT
PRINCIPAL AND INTEREST REQUIREMENTS
As of October 1, 2010**

Fiscal Year	Principal	Interest Due 2/1	Interest Due 8/1	Interest	Total
2011	\$ 386,776	\$ 46,770	\$ 39,312	86,082	472,858
2012	\$ 393,339	\$ 39,312	\$ 31,695	71,007	464,346
2013	\$ 409,978	\$ 31,695	\$ 23,712	55,406	465,384
2014	\$ 351,698	\$ 23,712	\$ 16,974	40,686	392,384
2015	\$ 330,000	\$ 16,974	\$ 10,853	27,827	357,827
2016	\$ 340,000	\$ 10,853	\$ 4,545	15,398	355,398
2017	\$ 260,000	\$ 4,545	\$ -	4,545	264,545
	<u>\$ 2,471,791</u>	<u>\$ 173,860</u>	<u>\$ 127,090</u>	<u>\$ 300,951</u>	<u>\$ 2,772,742</u>

Debt Service Fund Revenue & Expenditures

Revenue Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
3005 Property Tax: Current	530,000	539,426	391,862	380,000	181,680	(53.6%)
3010 Property Tax: Prior Years	45,000	1,282	3,000	(642)	1,000	(66.7%)
3015 Penalty & Interest	12,000	4,316	4,000	2,700	3,000	(25.0%)
3020 Interest on Investment	6,000	2,003	589	330	330	(44.0%)
4920 Transfer from W&S Fund	37,580	37,580	0	0	232,985	100.0%
4929 Transfer from EDC	66,683	66,683	69,411	69,411	71,919	3.6%
TOTAL	697,263	651,289	468,862	451,799	490,914	4.7%
9520 Prior Year Balance Fwd	231,946	253,957	194,275	206,280	192,208	(1.1%)
9525 End of Year Fund Balance	(229,064)	(206,280)	(197,266)	(192,208)	(196,379)	(0.4%)
9529 Transfer to TIRZ	0	0	0	0	(13,885)	100.0%
GRAND TOTAL	700,145	698,966	465,871	465,871	472,858	1.5%

Expenditure Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
4010 Tax Collection Fees	3,500	0	0	0	0	0.0%
4040 Market/Base Fees	0	750	0	0	0	0.0%
4816 Principal: C.O. 2002 Debt Issue	28,867	28,867	30,286	30,286	31,776	4.9%
4817 Interest: C.O. 2002 Debt Issue	8,712	8,697	7,293	7,293	5,803	(20.4%)
4820 Principal: C.O. 2003B Debt Issu	170,000	167,562	0	0	0	0.0%
4821 Interest: C.O. 2003B Debt Issu	2,465	4,876	0	0	0	0.0%
4822 Principal - 2004 Tax Note	160,000	160,000	0	0	0	0.0%
4823 Interest - 2004 Tax Note	2,520	2,520	0	0	0	0.0%
4824 Principal - 2006 C.O.	85,000	85,000	85,000	85,000	85,000	0.0%
4825 Interest - 2006 C.O.	27,158	27,152	23,605	23,605	20,026	(15.2%)
4826 Principal - 2006 Tax Note	55,000	55,000	60,000	60,000	65,000	8.3%
4827 Interest - 2006 Tax Note	11,683	11,683	9,411	9,411	6,919	(26.5%)
4828 Principal - 2007 C.O.	80,000	80,000	85,000	85,000	90,000	5.9%
4829 Interest - 2007 C.O.	33,413	35,033	30,071	30,071	26,528	(11.8%)
4830 Principal - 2008 C.O.	0	0	105,000	105,000	115,000	9.5%
4831 Interest - 2008 C.O.	31,827	31,827	30,205	30,205	26,806	(11.3%)
GRAND TOTAL	700,145	698,966	465,871	465,871	472,858	1.5%

Tourism Fund

The Tourism Fund accounts for the hotel occupancy tax revenue collected from local hotels and motels, and provides for the promotion of the City's tourism industry.

The distribution of hotel/motel tax revenue is specified by Texas Tax Code Chapter 351.101. **Use of Hotel Occupancy Tax is heavily restricted and cannot be used in support of general local government functions.**

These funds must be spent to promote or encourage tourism and/or convention delegates. At least 1% of the annual tax revenue must be spent on advertising and general promotion of the city and its vicinity. The city is prohibited from spending more than 15% of the hotel occupancy tax revenue collected by the municipality for the development or enhancement of arts programs. Expenditures for historical purposes are limited to a maximum of 50% of the annual hotel tax revenue collected if the municipality does not allocate any revenue for convention/civic center purposes. All expenditures must be consistent with one of the categories noted and serve to promote tourism, conventions, and the hotel industry.

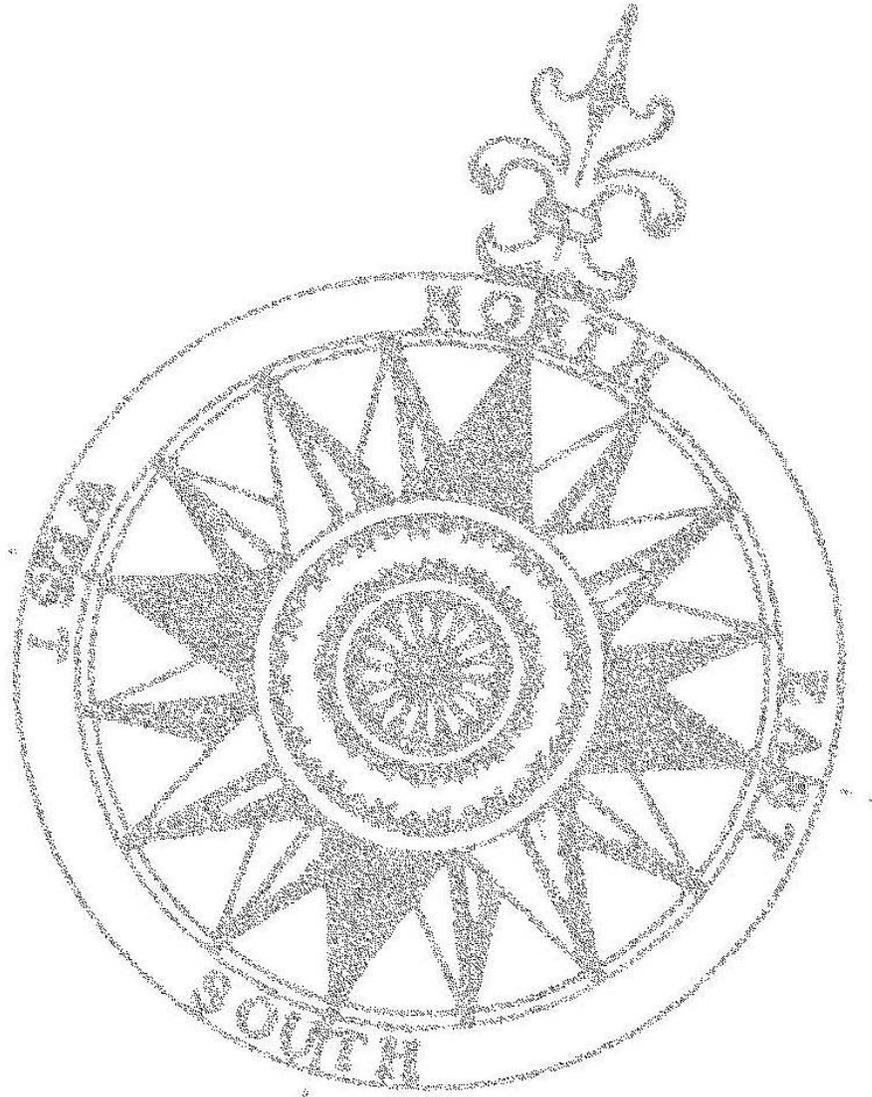
Departments

The Tourism Fund is organized into three departments. Each department provides funding and support for the performance of its program of work.

1. General & Administrative
2. Advertising & Promotion
3. Arts & Special Events

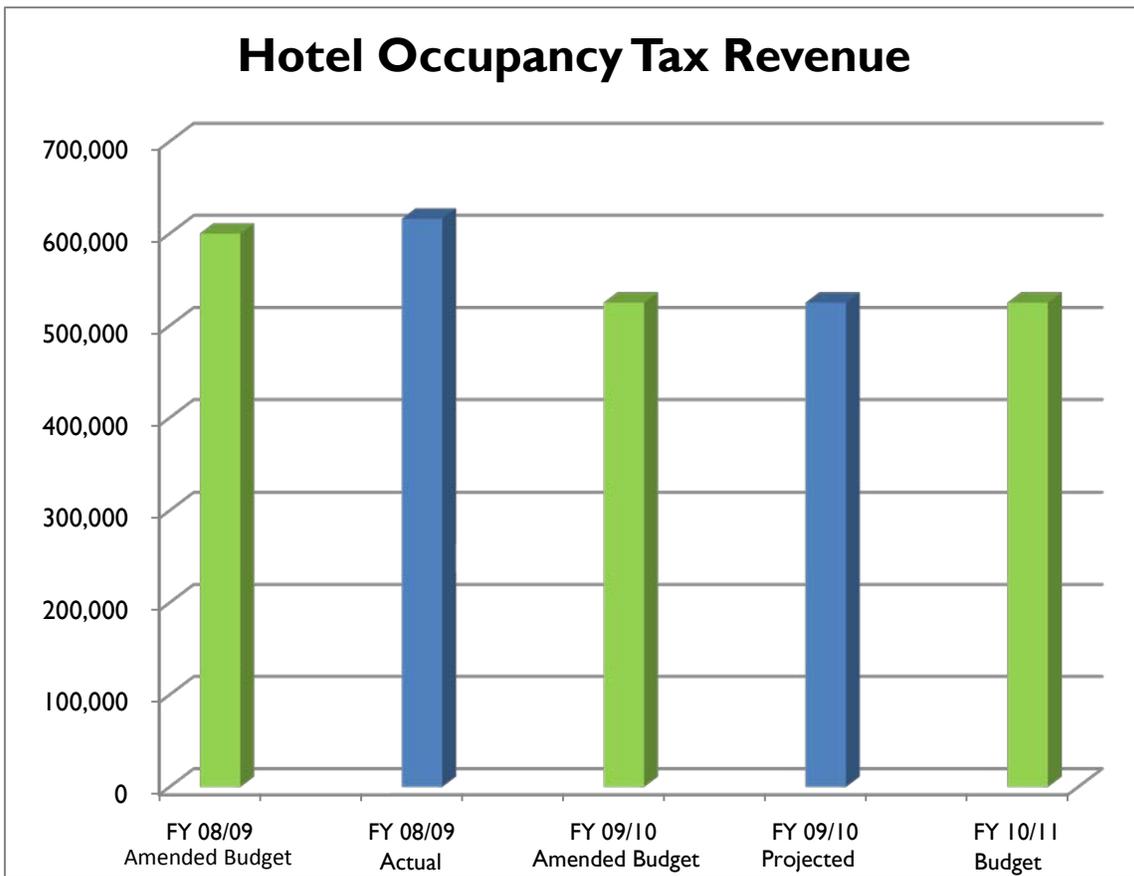
The Tourism Fund is supported solely by Hotel Occupancy Taxes and earned interest. Our hotels presently collect and remit 7% of their taxable receipts.

The City adopted a 2% increase in the hotel tax rate to raising it to 7% effective January 1, 2006.



Tourism Fund Revenue

Revenue Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	
3020 Interest on Investment	3,000	2,312	3,000	380	350	(88.3%)
3120 Hotel Occupancy Tax	600,000	616,036	525,000	525,000	525,000	0.0%
TOTAL	603,000	618,348	528,000	525,380	525,350	(0.5%)
9520 Prior Year Balance Fwd	325,520	412,309	386,263	433,064	337,117	(12.7%)
9525 End of Year Fund Balance	(247,302)	(433,064)	(185,945)	(337,117)	(293,387)	57.8%
GRAND TOTAL	681,218	597,593	728,318	621,327	569,080	(21.9%)



Tourism Fund Expenditures

General & Administrative

The Tourism Department is responsible for the following functions:

- Tourism Industry Planning & Development
- Hotel Occupancy Tax Collection
- Purchasing

Staffing

This department has no full-time or part-time employees.

The functions of the Tourism Department are performed by:

- City Manager ^{FTE}
- City Secretary ^{FTE}
- Finance Director ^{FTE}
- HR Admin/Records ^{FTE}
- Senior Accountant ^{FTE}
- Administrative Assistant ^{PTE}

Facilities

Office space is provided within City Hall.

Vehicles

This department has no vehicles.

Tourism Fund Expenditures

I - General & Administrative

Expenditure Summary	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	\$ Change
Wages	130,075	124,499	158,761	147,790	180,850	22,089
Personnel Expenses	40,713	39,337	47,257	53,500	61,080	13,823
Maintenance & Operation	4,150	1,568	4,050	3,800	3,700	(350)
Capital Outlays	0	0	0	0	0	0
G&A Overhead	50,000	50,000	50,000	50,000	5,200	(44,800)
TOTAL	224,938	215,404	260,068	255,090	250,830	(9,238)

Line Item Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
4030 Dues, Fees & Subscriptions	250	221	250	0	0	(100.0%)
4050 Information Services	3,000	3,000	3,000	3,000	3,000	0.0%
4161 Hurricane Ike Recovery	0	(2,310)	0	0	0	0.0%
4305 Wages	127,515 (s)	120,614 (s)	155,261 (s)	144,860 (s)	177,350 (s)	14.2%
4306 Overtime	2,560 (s)	3,885 (s)	3,500 (s)	2,930 (s)	3,500 (s)	0.0%
4310 Social Security	9,951 (s)	10,300 (s)	12,145 (s)	11,360 (s)	13,840 (s)	14.0%
4415 Insurance: Medical & Dental	16,558 (s)	15,679 (s)	18,679 (s)	25,900 (s)	29,520 (s)	58.0%
4425 Insurance: Workers Comp.	900	657	800	800	700	(12.5%)
4430 Retirement: Contribution	14,204 (s)	13,358 (s)	16,433 (s)	16,240 (s)	17,720 (s)	7.8%
4920 G&A Overhead	50,000	50,000	50,000	50,000	5,200	(89.6%)
TOTAL	224,938	215,404	260,068	255,090	250,830	(3.6%)

Tourism Fund Expenditures

— *Continued*

Advertising & Promotion

The Advertising & Promotion Department is responsible for the following functions:

- Advertising Program Planning & Execution
- Advertising Agency Coordination
- Cooperative Tourism Promotions
- Promotional Banners
- Local Traveler Assistance Programs
- Convention & Visitor Bureau Services
- Meeting & Group Travel Promotions
- Direct Mail Tourism Promotions
- Maintenance of NASA Parkway Landscaping

The City contributes 15% of the Hotel Tax Revenue to the Bay Area Convention and Visitors Bureau.

Tourism Fund Expenditures

2 - Advertising & Promotion

Expenditure Summary	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	\$ Change
Bay Area Houston CVB	90,000	90,000	78,750	78,750	78,750	0
Advertising	78,280	62,555	81,000	81,000	60,000	(21,000)
Promoting Tourism & Events	14,000	536	10,000	100	0	(10,000)
NASA Parkway	110,000	100,320	110,000	75,000	68,000	(42,000)
Capital Outlays	0	0	55,000	0	0	(55,000)
TOTAL	292,280	253,412	334,750	234,850	206,750	(128,000)

Line Item Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
4015 Bay Area Houston CVB	90,000	90,000	78,750	78,750	78,750	0.0%
4040 Advertising/Printing	74,280	58,260	77,000	77,000	60,000	(22.1%)
4060 Artwork & Agency Fees	4,000	4,295	4,000	4,000	0	(100.0%)
4073 Promotions	5,000	536	5,000	100	0	(100.0%)
4076 Armand Bayou Nature Cente	4,000	0	0	0	0	0.0%
4115 Maintenance -Entrance Hwy	20,000	31,835	20,000	25,000	11,000	(45.0%)
4125 Maintenance -Banners	5,000	0	5,000	0	0	(100.0%)
4505 Utilities -Electrical	83,000	64,316	83,000	45,000	50,000	(39.8%)
4506 Utilities-Water	7,000	4,169	7,000	5,000	7,000	0.0%
4905 NASA Parkway	0	0	55,000	0	0	(100.0%)
TOTAL	292,280	253,412	334,750	234,850	206,750	(38.2%)

Tourism Fund Expenditures

— *Continued*

Arts & Special Events

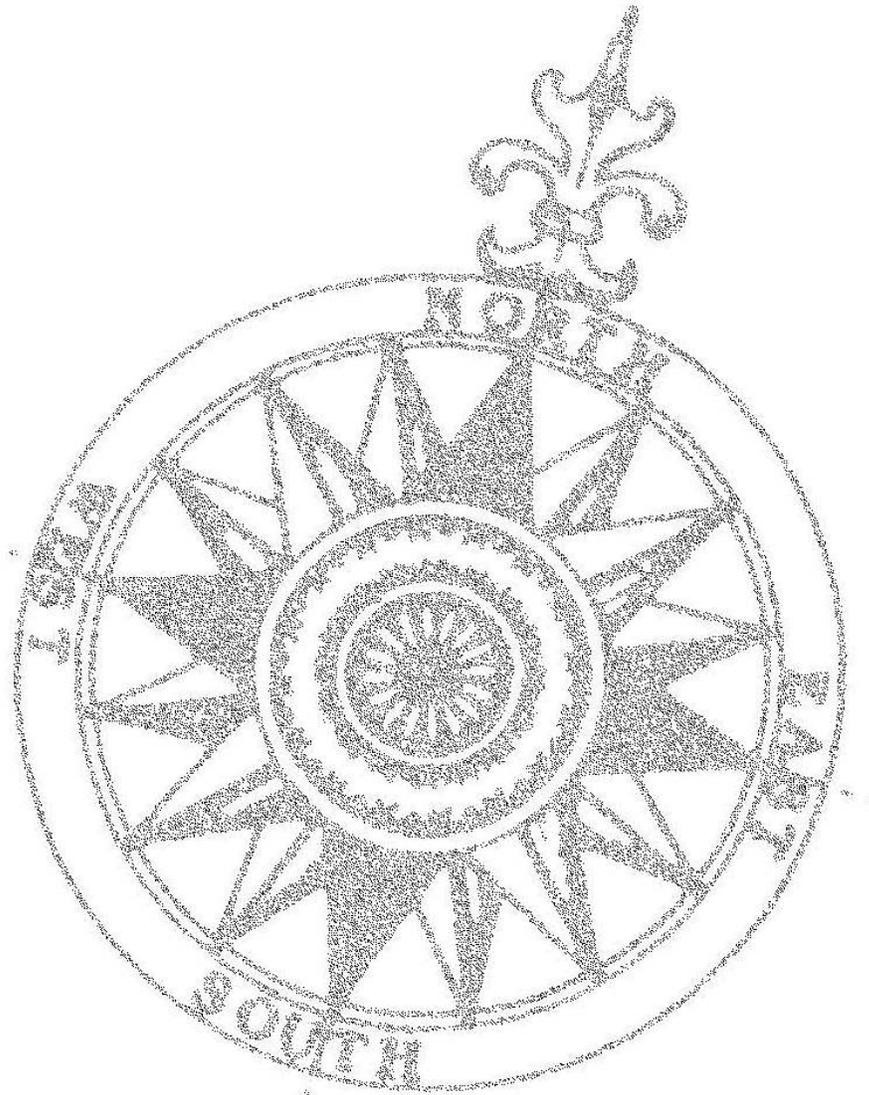
In FY2011 the Arts and Special Events that were funded were selected by the Appropriations Sub-Committee based the City of Nassau Bay Hotel Occupancy Tax Revenue Policy. All applicants submitted proposals detailing the event and its projected impact on area tourism. Applicants were selected for funding based on their ability to meet the guidelines set forth in Texas Tax Code Chapter 351.101 and city policy.

Tourism Fund Expenditures

3 - Arts & Special Events

Expenditure Summary	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	\$ Change
Arts	51,500	50,700	54,000	54,000	29,000	(25,000)
Promoting Tourism & Events	74,000	45,037	40,500	41,887	48,500	8,000
Special Events	38,500	33,041	39,000	35,500	34,000	(5,000)
Capital Outlays	0	0	0	0	0	0
TOTAL	164,000	128,778	133,500	131,387	111,500	(22,000)

Line Item Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget		Budget			
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
4013 Gulf Coast Film Expo	0	0	1,000	1,000	0	(100.0%)
4014 July Fourth	21,000	17,231	21,000	17,500	18,000	(14.3%)
4015 Alliance For The Arts	28,000	28,000	28,000	28,000	20,000	(28.6%)
4016 Bay Area Houston Ballet	1,000	1,000	1,500	1,500	0	(100.0%)
4017 Clear Creek Community The	13,000	13,000	13,000	13,000	4,000	(69.2%)
4018 Boat Parade	5,500	5,810	6,000	6,000	6,000	0.0%
4019 Arts & Spec.Event Reserve	2,000	1,200	0	0	0	0.0%
4022 Hou. Symphony Lea.Bay Area	3,000	3,000	3,000	3,000	2,000	(33.3%)
4023 Texas Dragon Boat Associatic	2,000	0	2,000	2,000	0	(100.0%)
4024 Veterans Museum Promotion	1,000	1,000	2,000	2,000	0	(100.0%)
4025 Clear Lake Symphony	3,500	3,500	3,500	3,500	2,000	(42.9%)
4026 Keels & Wheels	10,000	10,000	10,000	10,000	10,000	0.0%
4027 Bay Area Chorus	0	0	2,000	2,000	1,000	(50.0%)
4069 Ballunar Pavilion	8,500	4,537	0	1,387	0	0.0%
4070 Ballunar Liffoff	30,000	15,000	15,000	15,000	25,000	66.7%
4071 Wings Over Houston	20,000	20,000	20,000	20,000	20,000	0.0%
4072 Houston Livestock & Rodeo	4,000	4,000	4,000	4,000	2,000	(50.0%)
4074 Reindeer Rund Adv & Promoi	1,500	1,500	1,500	1,500	1,500	0.0%
TOTAL	164,000	128,778	133,500	131,387	111,500	(16.5%)



Special Revenue & Grant Funds

Special Revenue & Grant Funds

The Special Revenue and Grant Funds account for specific revenue sources and grant funds that are legally restricted to expenditures for specified purposes. In the past year, the notable revenue and expenditures in this fund were related to Hurricane Ike recovery and the Economic Development Administration grant. Additionally this fund records state grants for public safety training, utility bill donations for Fire and EMS equipment, various state-regulated municipal court fees, as well as other grants and dedicated funds.

Special Revenue & Grant Funds

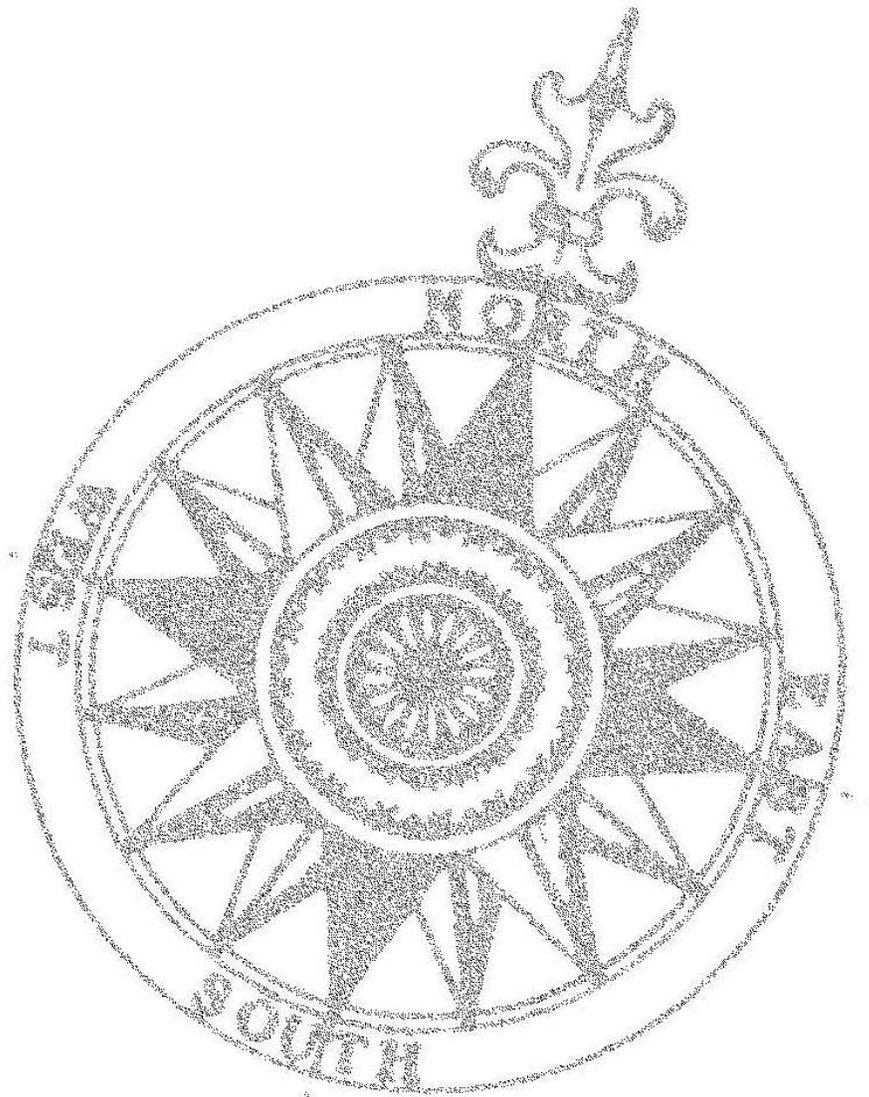
Revenue Summary	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
7000 Special Revenue	10,300	15,965	11,000	38,576	23,500	113.6%
7000 Grant Revenue	3,225,264	1,300,205	2,700	1,633,142	544,900	20081.5%
TOTAL	3,235,564	1,316,170	13,700	1,671,718	568,400	4048.9%
9520 Prior Year Balance Fwd	0	27,787	0	123,940	246,506	100.0%
9525 End of Year Fund Balance	0	99,822	0	(246,506)	(236,846)	100.0%
GRAND TOTAL	3,235,564	1,443,779	13,700	1,549,152	578,060	4119.4%

Revenue Detail	Amended		Amended		Budget FY 10/11	Budget % Change
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
7021 Interest on Investments	800	1,100	900	1	0	(100.0%)
7025 Grant Revenue - Police Dept.	0	0	0	9,225	0	0.0%
7031 Child Safety Revenue	5,000	2,604	5,000	5,300	5,000	0.0%
7041 Court Security Revenue	900	2,175	1,200	2,550	2,000	66.7%
7051 Court Technology Revenue	1,200	2,900	1,400	3,500	2,000	42.9%
7061 Comcast 1% Franchise Fee-NBTV	0	0	0	9,000	12,000	100.0%
7091 Fire/EMS Equipment Fund	2,400	7,186	2,500	9,000	2,500	0.0%
7321 Court Asset Forfeitures-Revenue	0	0	0	674	0	0.0%
7421 LEOSE Grant - Police	1,500	1,595	1,500	1,455	1,500	0.0%
7431 LEOSE Grant - Fire Marshal	700	731	700	706	700	0.0%
7451 EMS SE-Tex Trauma Grant	4,500	268	500	0	500	0.0%
7761 FEMA - 09 Ike Revenue	718,564	760,419	0	209,700	0	0.0%
7771 EDA-09 Grant	2,500,000	537,192	0	1,420,608	542,200	100.0%
TOTAL	3,235,564	1,316,170	13,700	1,671,718	568,400	4048.9%
9520 Prior Year Balance Fwd	0	27,787	0	123,940	246,506	100.0%
9525 End of Year Fund Balance	0	99,822	0	(246,506)	(236,846)	100.0%
GRAND TOTAL	3,235,564	1,443,779	13,700	1,549,152	578,060	4119.4%

Special Revenue & Grant Funds Expenditures

Expenditure Summary	Amended		Amended		Budget	Budget
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
7000 Special Revenue	23,022	9,415	11,000	11,981	26,000	136.4%
7000 Grant Revenue	3,240,329	1,434,363	2,700	1,537,170	552,060	20346.7%
TOTAL	3,263,351	1,443,779	13,700	1,549,152	578,060	4119.4%

Expenditure Detail	Amended		Amended		Budget	Budget
	Budget	Actual	Budget	Projected		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10		
7022-02 Administration Expense	2,658	0	900	0	0	(100.0%)
7025-40 Grant Revenue - Police Dept.	0	0	0	9,220	0	0.0%
7031-03 Child Safety Ex-ADM	3,839	3,500	2,000	0	2,000	0.0%
7032-03 Child Safety Ex-Police	3,955	584	1,500	0	1,500	0.0%
7033-03 Child Safety Ex-Fire Dept.	4,480	0	1,500	0	1,500	0.0%
7041-04 Court Security Expense	2,871	0	1,200	0	2,000	66.7%
7051-05 Court Technology Expense	1,200	2,000	1,400	1,100	2,000	42.9%
7061-61 Comcast 1% Franchise Fee-NBTV	0	0	0	0	12,000	100.0%
7092-09 Fire Dept. Donations-Equip.	1,200	3,332	1,250	1,661	3,500	180.0%
7093-09 EMS Donations - Equip.	1,319	0	1,250	0	1,500	20.0%
7101-10 Donations - Designated	1,500	0	0	0	0	0.0%
7321-32 Court Asset Forfeitures	11,435	4,229	0	670	7,160	100.0%
7421-42 LEOSE Grant - Police	3,734	536	1,500	755	1,500	0.0%
7431-43 LEOSE Grant - Fire Marshal	2,096	0	700	611	700	0.0%
7451-45 Grant-EMD-SE Trama R.A.C.	4,500	0	500	0	500	0.0%
7761-76 FEMA - 09 Ike Expenditure	718,564	892,407	0	114,527	0	0.0%
7771-77 EDA-09 Grant	2,500,000	537,192	0	1,420,608	542,200	100.0%
GRAND TOTAL	3,263,351	1,443,779	13,700	1,549,152	578,060	4119.4%



Capital Projects Fund

The Capital Projects Fund provides funds for the acquisition and construction of municipal public improvements. These funds are spent in accordance with the City's capital improvement plan (see page 109). The FY2011 Budget contains an updated Five-Plus-Year Capital Improvement Plan to provide a framework for the long term infrastructure and capital needs of the City. The City is pursuing funding through the Texas Water Development Board for the first two years of the CIP; and the proposed financing will be allocated to the Water and Sewer Fund since all the projects are related to the services provided by the enterprise fund.

Capital Projects Fund Revenue

Revenue Detail	Amended		Amended			
	Budget FY 08/09	Actual FY 08/09	Budget FY 09/10	Projected FY 09/10	Budget FY 10/11	Budget % Change
3020 Interest On Investments	0	4,040	0	420	0	0.0%
3905 Insurance Claims	0	0	0	0	0	0.0%
3913 TxDOT Grant NASA Parkway	55,000	55,000	0	0	0	0.0%
3925 Proceeds - 2006 Tax Note	0	0	0	0	0	0.0%
3926 Proceeds -CO-2007	0	0	0	0	0	0.0%
3927 Proceeds -CO-2008	0	0	0	0	0	0.0%
3928 Proceeds -CO-2009	0	0	0	0	0	0.0%
4920 Transfer From General Fund	0	0	0	0	0	0.0%
4922 Tourism Contri-NASA Pky Project	0	0	0	0	0	0.0%
4923 EDC Contri Dredging	0	0	0	0	0	0.0%
4920 EDC Contri Bldg 18295 U.B.	0	0	0	0	0	0.0%
TOTAL	55,000	59,040	0	420	0	0.0%
9520 Prior Year Balance Fwd	453,572	453,579	304,927	304,927	176,537	(42.1%)
9525 End of Year Fund Balance	0	(304,927)	0	(176,537)	(420)	100.0%
GRAND TOTAL	508,572	207,692	304,927	128,810	176,117	(42.2%)

FY 10/11 Appropriations

Program	From City	From Debt	Total
	Revenue	Proceeds	
5100 Cap/Proj-Park Improvements	0	0	0
5200 Cap/Proj-VW&S	0	54,255	54,255
5300 Cap/Proj-General Government	0	46,698	46,698
5400 Cap/Proj-Sewer	0	0	0
5500 Cap/Proj-Dredging	0	0	0
5600 Cap/Proj-NASA Parkway Enhancement	0	55,000	55,000
5700 Cap/Proj-Planning & Redevelopment	0	375	375
6000 Cap/Proj-Equipment	0	0	0
6100 Cap/Proj-Streets & Curbs	0	4,210	4,210
6200 Cap/Proj-Drainage	0	15,579	15,579
6300 Bond Issue Costs	0	0	0
Total FY10/11 Appropriations	\$0	\$176,117	\$176,117

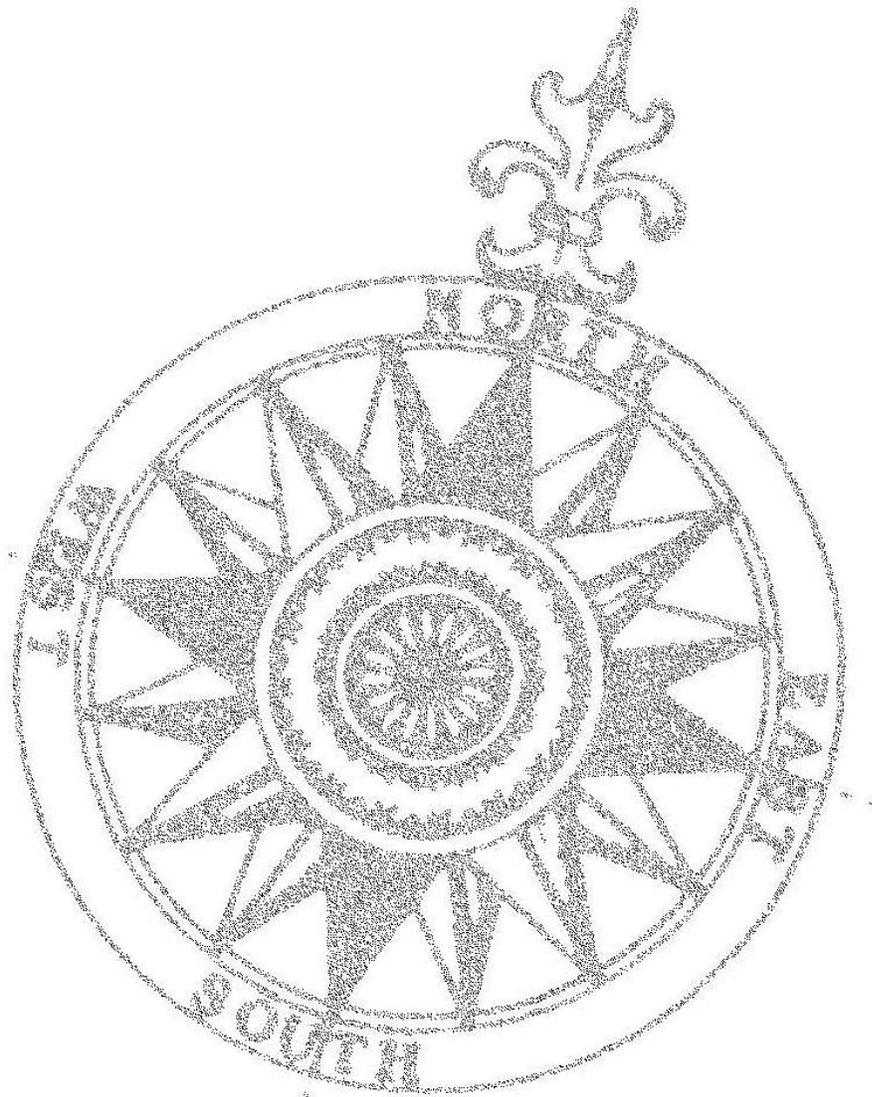
Capital Projects Fund Appropriations and Expenditures

Expenditure Detail	Amended	Actual	Amended	Expended/	Budget	Budget
	Budget		Budget	Encumbered		
	FY 08/09	FY 08/09	FY 09/10	FY 09/10	FY 10/11	% Change
5100 Cap/Proj - Parks	0	0	0	0	0	0.0%
5200 Cap/Proj - Water	99,279	4,618	69,817	15,562	54,255	(22.3%)
5300 Cap/Proj - General Government	43,067	8,520	46,698	0	46,698	(0.0%)
5400 Cap/Proj - Sewer	119,132	90,771	28,362	28,362	0	(100.0%)
5500 Cap/Proj - Dredging	29,629	0	29,629	29,629	0	(100.0%)
5600 Cap/Proj - NASA PKY Enhance.	55,000	0	55,000	0	55,000	0.0%
5700 Cap/Proj - Plan. & Redevelopme	63,337	63,712	0	(375)	375	100.0%
6000 Cap/Proj - Equipment	62,804	34,586	31,632	31,632	0	(100.0%)
6100 Cap/Proj - Streets & Curbs	4,210	0	4,210	0	4,210	0.0%
6200 Cap/Proj - Drainage	63,340	5,485	57,855	24,000	15,579	(73.1%)
6300 Cap/Proj - Bond Issue Cost	0	0	0	0	0	0.0%
GRAND TOTAL	539,798	207,692	323,203	128,810	176,117	(45.5%)

Note: Capital Appropriations continue in force until spent. The CIP lists the projects encumbered for these appropriations.

FY 10/11 Appropriations

Program	From City	From Debt	Total
	Revenue	Proceeds	
5100 Cap/Proj-Park Improvements	0	0	0
5200 Cap/Proj-W&S	0	54,255	54,255
5300 Cap/Proj-General Government	0	46,698	46,698
5400 Cap/Proj-Sewer	0	0	0
5500 Cap/Proj-Dredging	0	0	0
5600 Cap/Proj-NASA Parkway Enhancement	0	55,000	55,000
5700 Cap/Proj-Planning & Redevelopment	0	375	375
6000 Cap/Proj-Equipment	0	0	0
6100 Cap/Proj-Streets & Curbs	0	4,210	4,210
6200 Cap/Proj-Drainage	0	15,579	15,579
6300 Bond Issue Costs	0	0	0
Total FY10/11 Appropriations	\$0	\$176,117	\$176,117



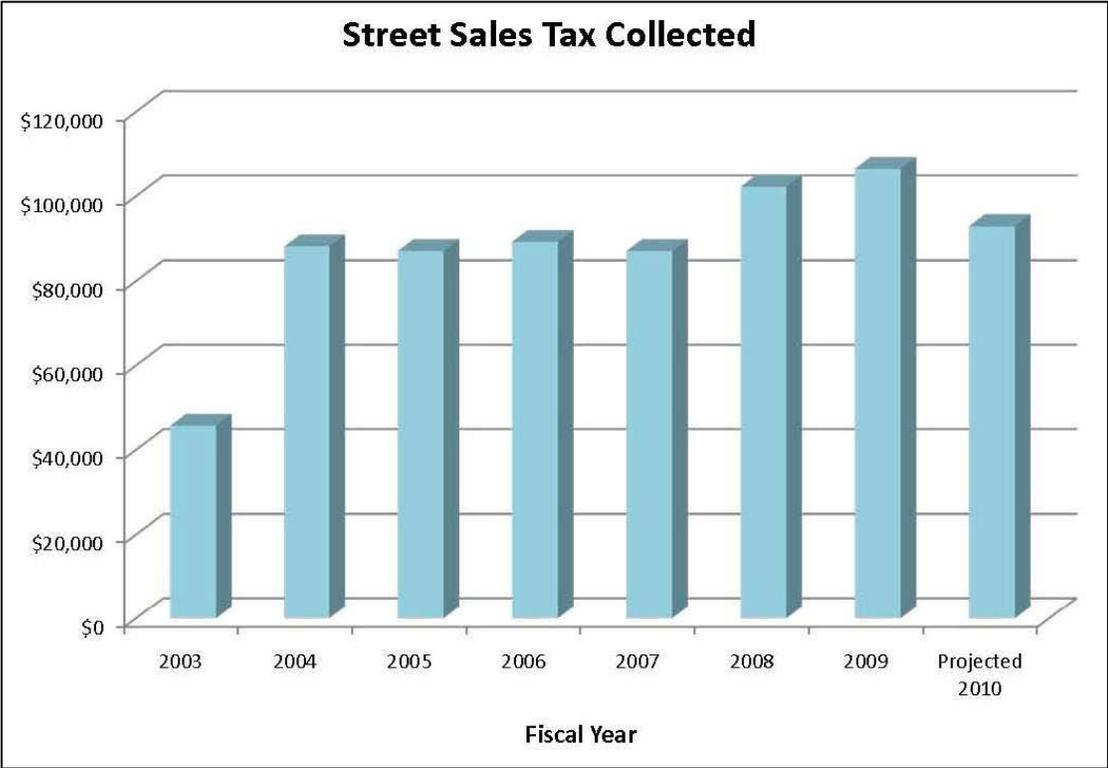
Street Sales Tax Fund

In 2001, the Texas Legislature passed House Bill 445 which allows cities to raise their local sales tax rate by one-quarter percent if the funds are dedicated to street maintenance and repair. The sales tax collected may only be used to maintain and repair municipal streets that existed when the tax was adopted. The tax may not be used on new streets built after the adoption of the tax.

Nassau Bay adopted the additional one-quarter percent local sales tax for street maintenance purposes on November 5, 2002. The tax became effective on April 1, 2003. The tax expires every four years unless voters continue to approve the tax in a reauthorization election.

The City held a tax reauthorization election on November 7, 2006, extending the sales tax to April 1, 2011. The City will hold the second reauthorization election in November 2010 to extend the tax for another four years.

Since the tax became effective in 2003, the City has collected over \$670,000, all dedicated to improving and maintaining Nassau Bay's municipal streets.



Street Sales Tax Fund Revenue & Expenditures

Revenue Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget	FY 08/09	Budget	FY 09/10	FY 10/11	% Change
3110 Sales Tax	88,600	106,456	92,900	92,900	92,900	0.0%
3020 Interest on Investment	2,750	2,150	2,750	450	500	(81.8%)
TOTAL	91,350	108,606	95,650	93,350	93,400	(2.4%)
9520 Prior Year Balance Fwd	237,889	262,938	230,585	292,435	153,105	(33.6%)
9525 End of Year Fund Balance	(26,978)	(292,435)	0	(153,105)	(58,880)	100.0%
GRAND TOTAL	302,261	79,109	326,235	232,680	187,625	(42.5%)

Expenditure Detail	Amended	Actual	Amended	Projected	Budget	Budget
	Budget	FY 08/09	Budget	FY 09/10	FY 10/11	% Change
5203 FY06 Street Projects	12,244	12,244	0	0	0	0.0%
5204 FY07 Street Projects	93,058	66,865	33,626	34,796	0	(100.0%)
5205 FY08 Street Projects	105,609	0	105,609	105,609	0	(100.0%)
5206 FY09 Street Projects	91,350	0	91,350	80,460	10,890	(88.1%)
5207 FY10 Street Projects	0	0	95,650	11,815	83,835	(12.4%)
5208 FY11 Street Projects	0	0	0	0	92,900	
GRAND TOTAL	302,261	79,109	326,235	232,680	187,625	(42.5%)

Personnel

The City Council appoints a City Manager who shall be the chief administrative officer of the City and who shall be responsible for the administration of all affairs of the City. Council also establishes the City Manager's rate of compensation.

Among the duties of the City Manager is the appointment, direction, supervision, and when necessary, removal of City employees and officers as provided for by the City Charter and personnel policies.

A personnel policy has been prepared by the City Manager and adopted by City Ordinance, a copy of which is on file in the City Secretary's office.

In past years the City has provided incentive for all employees to excel in their positions through a compensation program that is tied to a performance-based evaluation system with a salary structure for all pay grades. Due to budget constraints, in FY2011 employees will not receive any merit or cost of living increases.

**Wages appearing in this document
are for planning and reference
purposes only.**

An employee's wages are based on performance evaluations. Adoption of this budget, or use of the wage amounts given herein, shall not be binding on the City; nor shall it limit, nor obligate, the City Manager to adjust the present or future rate of pay of any employee. The City is not obligated to create, maintain, or fill any position or positions listed.

Personnel

Wages & Benefits

Fiscal Year	Wages	Social Security	Pension	Health Insurance	Total Benefits	% of Salary	Total Wages & Benefits	No. FT	No. PT
FY 2005-2006	\$ 2,125,489	\$ 162,600	\$ 193,998	\$ 307,710	\$ 664,308	31.25%	\$ 2,789,797	39	6
FY 2006-2007	\$ 2,199,393	\$ 168,254	\$ 214,090	\$ 291,600	\$ 673,944	30.64%	\$ 2,873,337	39	6
FY 2007-2008	\$ 2,327,197	\$ 178,031	\$ 228,401	\$ 298,544	\$ 704,976	30.29%	\$ 3,032,173	39	10
FY 2008-2009	\$ 2,614,454	\$ 200,006	\$ 271,362	\$ 321,694	\$ 793,062	30.33%	\$ 3,407,516	40	11
FY 2009-2010	\$ 2,763,962	\$ 211,443	\$ 265,743	\$ 316,727	\$ 793,913	28.72%	\$ 3,557,875	39	12
FY 2010-2011	\$ 2,561,208	\$ 195,932	\$ 263,317	\$ 333,138	\$ 792,387	30.94%	\$ 3,353,595	40	6

FY 2010-2011 Increase (decrease):

	Wages	Social Security	Pension	Health Insurance	Total Benefits	Total Wages & Benefits
Over FY 2009-2010	\$ (202,754)	\$ (15,511)	\$ (2,426)	\$ 16,411	\$ (1,526)	\$ (204,280)
% Change	-7.34%	-7.34%	-0.91%	5.18%	-0.19%	-5.74%

Staffing

We are projecting an overall 5.74% decrease in the Personnel budget, including both salary and benefits (in comparison with a 4.41% increase last year). The FY2011 budget does not include any major staffing changes, but does not fund any seasonal or temporary positions, limits overtime, and includes the downgrading of some positions. In the face of budget constraints there will be no merit or cost of living increases for the employees in FY2011.

The staffing level for this budget is 40 full-time, 6 part-time, and 25 hourly (part-time, limited-use) employees. Personnel contingencies are budgeted within Depts. 1, 5, 6, 7, 9, 11, 13, and 14.

Distribution of employees between funds and departments is shown in the schedule on pages 106 - 107. Employees shown within a specific department have their primary assignment within that department although they may perform duties for other departments and/or funds.

Departments that indicate no employees are entirely supported by staff from other departments or funds.

Personnel Benefits

The City provides the following employee benefits:

Certificate pay	Longevity
Vacation	Holidays
Personal (floating) holidays	Emergency Leave
Sick time	Medical & dental insurance
Life insurance	Long-term disability
Retirement benefits	

The City of Nassau Bay is subject to the Family Medical Leave Act (FMLA).

Personnel -Wages & Benefits

Fiscal Year	General Fund	Water & Sewer Fund	Tourism Fund	Total Wages	Total Increase	No. FT	No. PT	FTE Temp	Yearly % Increase
FY 2005-2006	\$ 1,493,827	\$ 533,842	\$ 97,820	\$ 2,125,489	\$ (48,423)	39	6	9.85	-2.23%
FY 2006-2007	\$ 1,570,158	\$ 533,672	\$ 95,563	\$ 2,199,393	\$ 73,904	39	6	8.40	3.48%
FY 2007-2008	\$ 1,658,271	\$ 561,984	\$ 106,942	\$ 2,327,197	\$ 127,804	39	10	4.60	5.81%
FY 2008-2009	\$ 1,870,664	\$ 613,715	\$ 130,075	\$ 2,614,454	\$ 287,257	40	11	5.10	12.34%
FY 2009-2010	\$ 1,893,371	\$ 711,830	\$ 158,761	\$ 2,763,962	\$ 149,508	39	12	5.00	5.72%
FY 2010-2011	\$ 1,765,338	\$ 615,020	\$ 180,850	\$ 2,561,208	\$ (202,754)	40	6	3.65	-7.34%

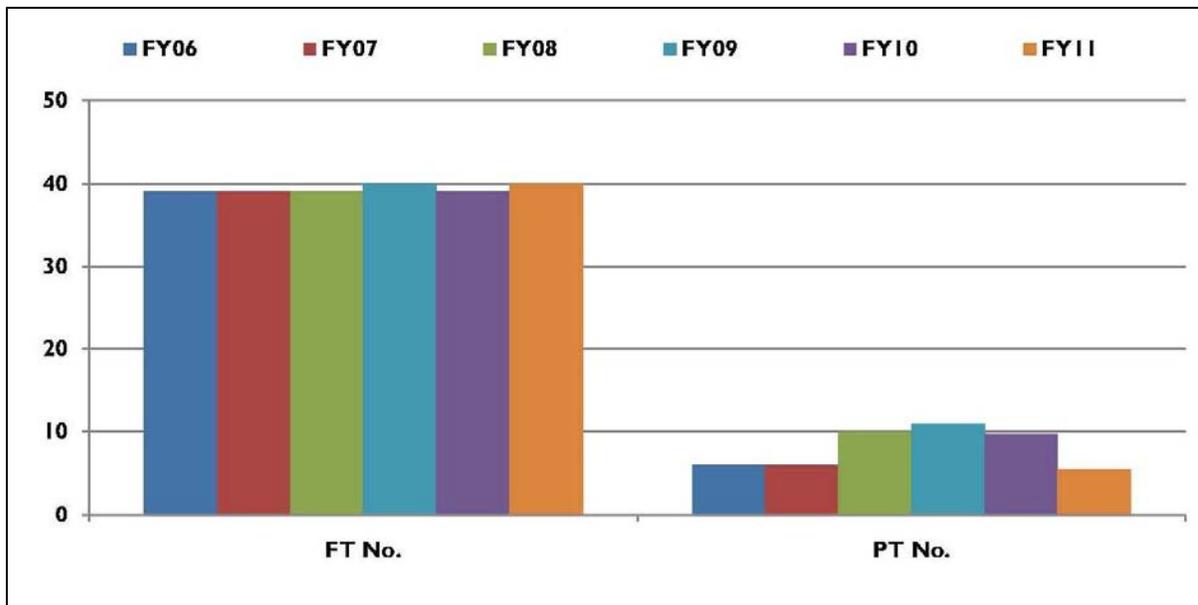
Total Five Year Increase \$ **435,719**
Five Year Average Increase **87,144** **4.00%**

Shared Payroll Expenses

Of the City's 46 full and part-time employees, many perform duties for two or more departments. As a result, many are therefore paid from more than one department.

The schedule on pages 106 – 107 indicates the distribution of wages paid from more than one operating fund. The dollar amounts are based on estimated wages. Accordingly, the percentage splits are used for determining actual payroll assessments.

Historical Comparison: # of Employees



**City of Nassau Bay
Salary Schedule
FY11 City Manager Budget**

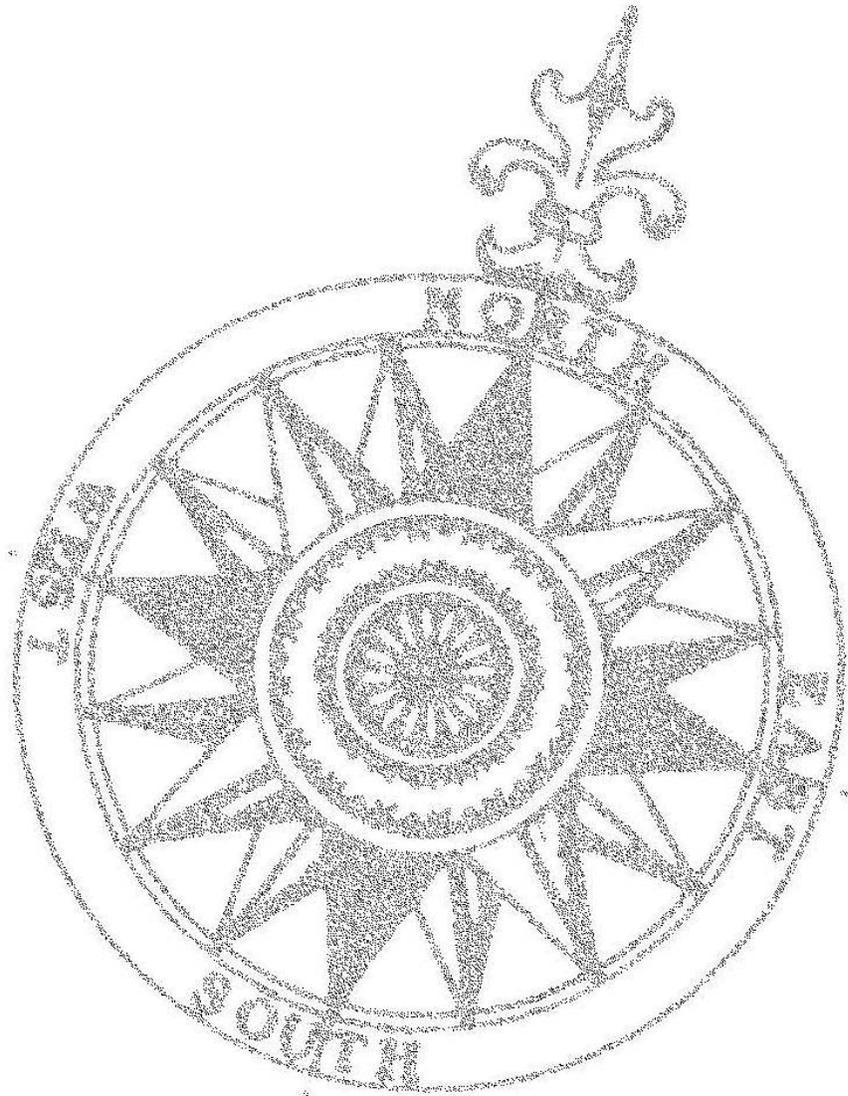
Position	Emp#	FY10 Budget	FY11 Budget	General Fund			Water & Sewer Fund			Tourism Fund		
				%	Wages	OT	%	Wages	OT	%	Wages	OT
1 City Manager	CR 81709	147,750	140,735	40	56,295	-	40	56,294	-	20	28,147	-
2 Project Manager	DP 120407	78,341	65,285	40	26,115	-	40	26,114	-	20	13,057	-
3 City Secretary	PJ 99625	66,507	72,329	50	36,166	-	30	21,699	-	20	14,466	-
4 Finance Director	CL 92809	66,050	63,180	40	25,273	-	40	25,272	-	20	12,636	-
5 Senior Accountant	TM 33109	60,115	55,110	40	22,045	-	40	22,044	-	20	11,022	-
6 Accountant	JM 32607	43,577	49,454	40	16,983	2,800	40	16,982	2,800	20	8,492	1,400
7 HR Admin/Records	NR 99555	51,160	53,413	50	25,708	1,000	30	15,424	600	20	10,284	400
8 Customer Service/UB Asst.	KK 120909	30,742	32,265	40	12,506	400	40	12,506	400	20	6,254	200
9 Adm Assistant (1872 Hrs)	* P	33,705	-	100	-	-	-	-	-	-	-	-
C-X Payroll Contingencies		50,000	30,515					9,068	-		21,447	-
Salary - PayPlan/Merit		23,664										
Dept. 01	Total Fund/Department				221,090	4,200		205,402	3,800		125,804	2,000
10 Bldg. Official/Flood Plain Adm.	LB 112706	62,035	67,045	100	67,046	-	-	-	-	-	-	-
11 Office Mgr/Bldg. Dept.	EN 11508	33,305	35,233	100	34,934	300	-	-	-	-	-	-
12 Code Enforcement (1664hrs)	* P #	34,142	-	100	-	-	-	-	-	-	-	-
Salary - PayPlan/Merit		5,046										
Dept. 02	Total Fund/Department				101,980	300		-	-		-	-
13 Emergency Mgmt. Coordinator	JG 120109	-	84,170	100	84,170	-	-	-	-	-	-	-
Dept. 03	Total Fund/Department				84,170	-		-	-		-	-
14 Fire Dept. Adm.& Info. Tech. Mgr.	TG 61608	58,588	58,005	IT	50	29,006	-	-	-	-	-	-
15 Fire Adm. Asst. (1872 Hrs)	* P LB 10410	14,542	22,056	AD	50	12,354	-	-	-	-	-	-
Salary - PayPlan/Merit		1,706	-									
Dept. 04	Total Fund/Department				41,360	-		-	-		-	-
16 Public Works Director	PL 60110	83,450	73,135	50	36,568	-	50	36,568	-	-	-	-
17 Field Crew Leader	RC 99580	51,517	52,585	25	12,671	480	75	38,014	1,430	-	-	-
18 Field Crew Leader	SK 82905	50,450	47,848	40	18,379	760	60	27,569	1,140	-	-	-
19 Field Operator II - Animal Control	TB 99615	49,702	51,210	AC	40	19,284	1,200	25	12,053	750	-	-
20 Field Operator II	R-P 99126	48,140	49,354	30	13,606	1,200	70	31,748	2,800	-	-	-
21 Field Operator II	DC 31802	38,358	39,372	40	14,749	1,000	60	22,123	1,500	-	-	-
22 Field Operator I Trainee	JS 22408	28,068	30,235	40	11,334	760	60	17,001	1,140	-	-	-
23 *Maintenance - Temp (1872Hrs)	* T #	22,898	-	100	-	-	-	-	-	-	-	-
C-X Payroll Contingencies		10,000	14,039		5,879	-		8,160	-		-	-
Salary - Pay Plan/Merit		13,324										
Dept. 05	Total Fund/Department				132,470	5,400		193,234	8,760		-	-
24 Parks Supervisor	RL 61200	48,404	49,453	70	32,519	2,100	-	-	-	30	13,936	900
25 Parks Maintenance II	ES 21002	32,132	32,568	70	22,100	700	-	-	-	30	9,471	300
26 Parks Maintenance II	RV 110905	27,560	29,683	70	20,080	700	-	-	-	30	8,606	300
27 Parks Maintenance II	92308	22,781	25,100	100	25,101	-	-	-	-	-	-	-
28 Maintenance - Temp (1040Hrs)	* T #	10,534	-	100	-	-	-	-	-	-	-	-
C-X Payroll Contingencies		-	7,917		-	1,620		-	-		6,297	-
Salary - Pay Plan/Merit		5,300										
Dept. 06	Total Fund/Department				99,800	5,120		-	-		38,310	1,500
29 Police Chief	JC 99460	84,067	75,645	100	75,645	-	-	-	-	-	-	-
30 Lieutenant	0	65,542	-	100	-	-	-	-	-	-	-	-
31 Sergeant	BG 93400	61,267	62,684	100	62,684	-	-	-	-	-	-	-
32 Sergeant/Investigator	TR 10801	58,984	60,960	100	60,960	-	-	-	-	-	-	-
33 Patrol Officer II	HH 99650	54,874	56,342	100	55,742	600	-	-	-	-	-	-
34 Patrol Officer II	MC 870	60,087	61,750	100	61,150	600	-	-	-	-	-	-
35 Patrol Officer I	GH 41408	43,691	44,047	100	43,447	600	-	-	-	-	-	-
36 Patrol Officer I	JT 111907	38,958	39,320	100	38,720	600	-	-	-	-	-	-
37 Patrol Officer I	MV 22508	39,925	40,193	100	39,593	600	-	-	-	-	-	-
38 Patrol Officer I	GS 120505	41,216	41,658	100	41,058	600	-	-	-	-	-	-
39 Patrol Officer I	KS 122903	45,042	44,659	100	44,059	600	-	-	-	-	-	-
40 Patrol Officer I	DL 111709	37,447	35,676	100	35,076	600	-	-	-	-	-	-
41 Patrol Officer I	NV 111008	37,477	38,099	100	37,499	600	-	-	-	-	-	-
42 Office Mgr/PD	TH 60504	35,709	41,295	100	40,695	600	-	-	-	-	-	-
C-X Payroll Contingencies		-	942		942	-		-	-		-	-
Salary - PayPlan/Merit		26,298										
Dept. 07	Total Fund/Department				637,270	6,000		-	-		-	-
43 Animal Control Officer	TB 99615	-	426	AC	35	16,874	1,080	-	-	-	-	-
C-X Payroll Contingencies		-	426		426	-		-	-		-	-
Dept. 09	Total Fund/Department				17,300	1,080		-	-		-	-

City of Nassau Bay
Salary Schedule
FY11 City Manager Budget

					General Fund			Water & Sewer Fund			Tourism Fund			
					FY10			FY11						
Information Technology Mgr.	TG	61608	-	-	IT	50	29,003	-	-	-	-	-	-	-
C-X Payroll Contingencies			-	2,767			2,767	-	-	-	-	-	-	-
Dept. 11					Total Fund/Department					31,770 - - - - -				
44 Judge- Temp- Muncpal Court	* H JP		12,000	12,000		100	12,000	-	-	-	-	-	-	-
Dept. 12					Total Fund/Department					12,000 - - - - -				
45 EMS Supervisor (1872hrs)	* P OO	21704	34,104	33,703		100	31,703	2,000	-	-	-	-	-	-
46 Interim EMS Admin.	* P JP	60505	30,860	34,627		100	32,627	2,000	-	-	-	-	-	-
47 EMS Paramedic (1872hrs)	* P DG		31,568	31,046		100	29,046	2,000	-	-	-	-	-	-
48 EMS Adm. Asst. (832hrs)	* P LB		31,568	-	AD	40	9,705	-	-	-	-	-	-	-
49 EMS Paramedic (1872hrs)	* P #		31,568	-		100	-	-	-	-	-	-	-	-
50 EMS Paramedic (1872hrs)	* P #		31,568	-		100	-	-	-	-	-	-	-	-
51 Paramedic- Temp (7,328Hrs)	* H --		82,026	109,920		100	109,920	-	-	-	-	-	-	-
C-X Payroll Contingencies			35,854	72,920			66,920	6,000	-	-	-	-	-	-
Salary - PayPlan/Merit			11,572											
Dept. 13					Total Fund/Department					279,920 12,000 - - - - -				
52 Fire Marshal/Adm Asst.	* P TC	99120	42,580	44,116		70	30,884	-	-	-	30	13,236	-	-
53 Asst. Fire Marshal/Code Enforcement (1	* P AR	30607	34,185	37,154		100	37,156	-	-	-	-	-	-	-
54 Dep. Fire Marshal - Temp (220 hrs)	* P CS	32306	4,090	4,070		100	4,070	-	-	-	-	-	-	-
C-X Payroll Contingencies			10,000	-			-	-	-	-	-	-	-	-
Salary - PayPlan/Merit			3,071				-	-	-	-	-	-	-	-
Dept. 14					Total Fund/Department					72,110 - - - - - 30 13,236 -				
55 PW Deputy Dir/Chief Operator	CD	99632	61,403	62,677		-	-	-	100	60,877	1,800	-	-	-
56 Plant Operator I	RP	99565	47,815	48,891		-	-	-	100	47,091	1,800	-	-	-
57 Field Crew Ldr/Elect. Mech.	RL	30308	36,686	38,286		-	-	-	100	36,486	1,800	-	-	-
58 Plant Operator I	RT	12901	42,757	46,689		-	-	-	100	46,189	500	-	-	-
-On Call Pay-			7,280	7,280		-	-	-	100	7,280	-	-	-	-
Salary - PayPlan/Merit			7,225											
Fund 02					Total Fund/Department					- - - - - 197,923 5,900 - - -				
					FY10			FY11						
Total Budget					\$ 2,763,957			\$ 2,561,202						
					General Fund			Water & Sewer Fund			Tourism Fund			
					1,731,238 34,100			596,560 18,460			** 177,350 3,500			

Full Time	40.00
* P - Part Time	FTE 6.00
* H - Hourly	FTE 3.65
Total FTE	49.65
E - Position Eliminated	
N - New Position	
C-X - Budgeted Salary Contingencies for Dept.	
** Includes both OT and On-Call Pay	

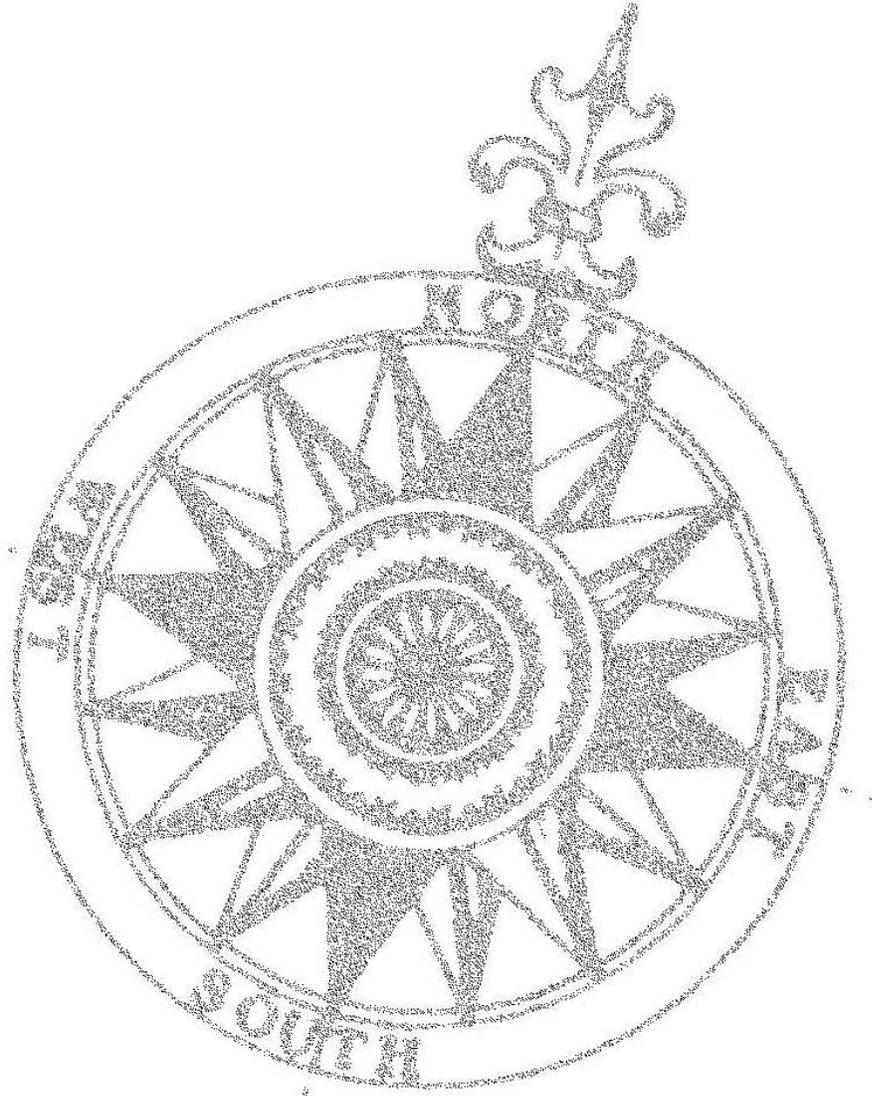
	FY11 Budget, Wages	FY10 Budget, Wages	Increase (decrease)	Percent Change
Total Wages Increase	(202,755) (all funds)			-7.34% (all funds)
Total Percent Change				
Social Security	135,048	47,049	13,835	
Pension	177,282	68,322	17,714	
Employee Insurance	207,090	98,920	27,127	
	519,420	214,291	58,676	
FY11 Wages & Benefits	2,284,759	829,310	239,526	
FY10 Wages & Benefits	2,413,779	938,076	206,018	
Increase (decrease)	(129,020)	(108,766)	33,508	
Percent Change	-5.35%	-11.59%	16.26%	
Total Wages & Benefits Increase	(204,278)			-5.74%
Total Percent Change				



Overall CIP Rank	Proj ID	Project Description	CIP, Maintenance, or Grant Budget?	Project Budget	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2016 & Beyond	Current Phase	Next Phase	Special Notes & Justification
WATER SYSTEM													
Water Production and Transmission													
26	WP1001	Surface Water Supply Bypass Vault and ClaValve Installation	Grant - CDGB	Grant	Grant						Grant Award	Design	Improves water system reliability; Allows for bypass of City Water Plant for Maintenance.
27	WP1002	Replace 12-inch diameter Surface water supply pipeline b/w CLCWA and Nassau Bay	CIP	\$837,000				\$837,000			Grant Planning	Design	Historic maintenance problem throughout the years. Pipe is brittle AC-pipe, breaks often. Primary water supply to City
28	WP1003	Piping Improvements at Water Plant No. 1 to Improve Elevated Tank Fill and Drain Operations	CIP	\$50,000			\$50,000				New Project	Planning	Improves Fire Protection and reduces number of water line breaks by allowing full tank concurrent with lower system pressure.
28a	WP1011	Elevated water storage tank and ground water storage tank at Plant #1 painting, repair, and upgrading	CIP (TWDB IUP)	\$350,000			\$350,000				Planning	Inspection	Needed to extend life of water storage tanks
38	WP1004	Replace Emergency Power System at Water Plant No. 1 w/ Natural Gas Generator	CIP	\$350,000					\$350,000		Grant Planning	Design	Replaces existing aging equipment, needed to provide back up power for water plant
59	WP1005	Rehabilitate and Restore Water Well at Swan Lagoon Water Plant; Includes Hydrotank	CIP	\$405,950						\$405,950	Planning	Design	Improves water system reliability; Improves Fire protection in Swan Lagoon Area.
Water Distribution													
	WD1001	No current CIP Projects											
WASTEWATER SYSTEM													
Wastewater Treatment Plant													
1	WWT1001	Clean and Derag Wastewater Treatment Plant	CIP	\$75,000	\$75,000						Construction	Completion	Needed to restore hydraulic capacity at the wastewater treatment plant
1a	WWT1019	Repairs to Electrical Conduit and Walkways [Railings, Safety]	CIP	\$30,000	\$30,000						Planning	Design	Outdoor Wiring Needs Repair; Need repairs and rails on certain walkways
2	WWT1002	Lift Pump Replacements to Improve Solids Handling - Phase 1, Single Pump	SECO Grant + City	\$6,900	\$6,900						Grant Award	Construction	Improves the ability of the WWTP to treat the full 5 million gallon per day design capacity. [Matching Funds Shown]
3	WWT1003	Lift Pump Replacements to Improve Solids Handling - Phase 2, Remaining Two Pumps	CIP	\$40,000	\$40,000						Grant Planning	Design	Improves the ability of the WWTP to treat the full 5 million gallon per day design capacity.
4	WWT1004	Install Emergency Power Generator on Elevated Platform	Grant - CDGB	Grant	Grant						Grant Award	Design	Provides back up power during emergency, allows wastewater plant to operate during times of power outage
5	WWT1005	Install New Liquid Chemical Feed System on Elevated Platform	Grant - CDGB	Grant	Grant						Grant Award	Design	Replaces aging equipment; More safe installation compare to existing chlorine gas; flood proofs the disinfection system.
7	WWT1007	Clarifier Center Well Repair	CIP	\$10,000	\$10,000						Study	Construction	Repairs damaged equipment. Eliminates clear water from mixing with thickened sludge as sludge is wasted to digester.
8	WWT1008	Sludge Handling Improvements - Belt Press Replacement	CIP	\$173,290	\$173,290						Study	Design	Replaces damaged and obsolete equipment. High Cost-Benefit for installed Belt Press vs. wet haul of sludge.
9	WWT1009	Facilities to divert flow or store flow to allow process units to be isolated for inspection, repair, and replacement	CIP	\$175,000		\$175,000					Study	Design	Develop plan to allow for the plant to be bypassed for maintenance. Current configuration allows for only 24 hours of down time.
10	WWT1010	Piping Improvements to Prevent Clogging b/w aeration and Clarifier	CIP	\$40,000		\$40,000					Study	Design	Reduces chances of plant overflow/spillage due to clogging in clarifier influent piping.
11	WWT1011	Sand Filter - Repair Existing Equipment and Unclog Media	CIP	\$16,000	\$16,000						Construction	Completion	Required for TCEQ permit compliance. Removes suspended solids from the wastewater effluent.
12	WWT1012	Install Automatic or Manual Screen at Plant Headworks, Includes Screenings removal and Dumpster	CIP	\$300,000		\$300,000					Study	Design	Reduces chance of plant clogging and overflows at the plant; improves operations.
29	WWT1013	Replace Existing diffusers with Fine Bubble System	CIP	\$75,000			\$75,000				Study	Design	Reduces chance of plant spillage due to turbulent liquid in the aeration basin.
29a	WWT1019	Rehabilitation of Clarifier - Painting, Releveling, Replace Corroded Metal	CIP	\$80,000			\$80,000				Study	Design	Reduces chance of plant clogging and overflows at the plant; improves operations.
39	WWT1014	Comminuter Installation at Lift Station [May be superceded by Lift Pump Replacement]	Grant - CDGB	Grant							Grant Award	Design	Grinds rags and solids prior to entering the wastewater treatment plant lift station. Reduces chance of overflows in system.
40	WWT1015	Grit Removal Improvements	CIP	\$400,000					\$400,000		Study	Design	Reduces chance of plant clogging and overflows at the plant; reduces need for future basin clean out
41	WWT1016	Sand Filter - Upgrade System to Modern Unit which will be Flood Proof.	CIP	\$450,000						\$450,000	Study	Design	Replaces aging and obsolete sand filter unit.
Wastewater Lift Stations and Force Mains													
13	WWL1001	Sandy Cove Lift Station - Conversion to Submersible Pumps and Panel Replacement	MO & Grant / FEMA	FEMA	FEMA						Construction	Completion	Converts existing station flood proof station by installing submersible pumps and elevated control panel.
17	WWL1005	All Lift Stations - Installation of piping to allow for quick mobile pump hookup (bypass piping)	Grant - CDGB	Grant		Grant					Grant Award	Design	Allows for quick connection of a mobile diesel trash pump
18	WWL1006	All Lift Stations - Installation of Generator quick connections and transfer switches	Grant - CDGB	Grant		Grant					Grant Award	Design	Allows for quick connection of a mobile generator
30	WWL1007	Surf Court Lift Station - Force Main Replacement	CIP	\$1,000,000			\$1,000,000				Grant Planning	Design	Replaces aging and deteriorated infrastructure; pipe is brittle AC, frequent breaks historically.
42	WWL1008	Surf Court Lift Station - Odor Control Improvements	CIP	\$75,000					\$75,000		None	Design	Improves odor condition at Surf Court cul-de-sac.
70	WWL1009	Installation of SCADA to provide more effective and energy efficient operation of sewer lift stations	CIP (TWDB IUP)	\$15,000						\$15,000			
Wastewater Collection System													
20	WWC1002	2010-2011 Sewer Rehabilitation [Nassau Bay Drive Rear Easement; Hereford Lane; Basilan Lane]	CIP	\$300,000	\$300,000						Planning	Design	Repairs deteriorated infrastructure
44	WWC1006	Wastewater Lines and Manhole Rehabilitation - Various Areas	CIP	\$3,700,000		\$300,000	\$300,000	\$300,000	\$300,000	\$2,500,000	Planning	Design	Replaces deteriorated Infrastructure.
WATER & WASTEWATER UTILITY TOTALS				\$8,954,140	\$651,190	\$815,000	\$1,855,000	\$1,137,000	\$1,125,000	\$3,370,950			
DRAINAGE													
Drainage Collection													
22a	DC1010	Cleaning of Storm Sewers - Martinique/Upper Bay Area	CIP	\$10,000	\$10,000								Storm Sewers found to be severely clogged in this area.
47	DC1004	Pipe Installation on Saxony - Connection b/w Point Lookout (6' pipe system thru Park) and Hereford Lane	CIP	\$45,000		\$45,000					Design	Construction	Improves drainage in Herford Lane area by connecting to 6' diameter pipe at Park [Design completed in 2008]
48	DC1005	Large Diameter Storm Sewer Installation on Point Lookout Draining to Lake Nassau	CIP	\$448,700					\$448,700		Planning	Design	Reduce flooding in problem area of Point Lookout at Pirates Cove
49	DC1006	Marina Basin Storm Sewer Phase 1	CIP	\$151,595						\$151,595	Planning	Design	Improves drainage in west Nassau Bay Marina Basin Problem Area
50	DC1007	Marina Basin Storm Sewer Phase 2	CIP	\$168,200						\$168,200	Planning	Design	Improves drainage in west Nassau Bay Marina Basin Problem Area
51	DC1008	Marina Basin Storm Sewer Phase 3	CIP	\$285,470						\$285,470	Planning	Design	Improves drainage in west Nassau Bay Marina Basin Problem Area
52	DC1009	Marina Basin Storm Sewer Phase 4	CIP	\$456,190						\$456,190	Planning	Design	Improves drainage in west Nassau Bay Marina Basin Problem Area
71	DC1010	Improvements at Basilan Lane Area	CIP	\$100,000						\$100,000	Study	Design	Reduce flooding in problem area of Basilan Lane
Drainage - Pump Stations													
53	DP1001	Upper Bay Road - New Diesel-Driven Stormwater Pump Station No. 2	CIP	\$205,500						\$205,500	Planning	Design	Improves roadway drainage along Upper Bay to allow for evacuation and emergency vehicle access.
PAVING													
Capital Improvements													
54	PCIP1001	2011 Paving Improvements	Economic Dev.	\$150,000		\$150,000					Planning	Design	Replaces deteriorated infrastructure
Maintenance													
33	PM1002	Repairs to Harbour Drive from Hurricane Ike	FEMA	\$16,000		\$16,000							
55	PM1001	Joint Sealing - City Wide or Large Areas	CIP	\$300,000						\$300,000	Planning	Construction	Preventative Maintenance of roadway infrastrucure.

Overall CIP Rank	Proj ID	Project Description	CIP, Maintenance, or Grant Budget?	Project Budget	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2016 & Beyond	Current Phase	Next Phase	Special Notes & Justification
DREDGING AND BULKHEADS													
34	BH1001	Bulkhead Repair - West Antilles Lane	CIP	\$40,000		\$40,000					Planning	Construction	Repairs damaged existing bulkhead
35	BH1002	Bulkhead Repair - Harbor Drive	CIP	\$40,000		\$40,000					Planning	Construction	Repairs damaged existing bulkhead
36	DM1003	Removal of High Spot in Lake Nassau Channel at Confluence w/ Clear Creek	CIP	\$24,100		\$24,100					Planning	Construction	Improves navigability and drainage
72	DL1004	Dredging of Upper End of Lake Nassau	CIP	\$304,000						\$304,000	Planning	Construction	Improves water quality in Lake and drainage.
73	DL1005	Lake Nassau Park shoreline erosion restoration and erosion protection [possibly add bulkhead];	CIP	\$200,000						\$200,000			
PARKS													
25	P1002	Replacement of damaged aerators in Lake Nassau	CIP	\$12,500		\$12,500							
37	P1003	Lake Nassau Park baseball fields rehabilitation	CIP	\$25,000						\$25,000			
56	P1004	Lake Nassau Park Trail, Phase II	CIP	\$70,000						\$70,000			
57	P1005	Lake Nassau Park parking lot improvements	CIP	\$50,000						\$50,000			
58	P1006	Baseball fields and Public Works fencing at park and WWTP	FEMA	\$50,000						\$50,000			
74	P1001	Canoe Launches at Lake Nassau	CIP	TBD						TBD	Planning	Design	Parks - Amenities improvement
75	P1007	Various Parks Improvements - TBD	CIP	TBD						TBD			
FIRE DEPARTMENT													
		Ladder Truck	CIP	\$1,000,000						\$1,000,000			
		Replacement Pumper	CIP	\$600,000				\$600,000					
		Utility 89	CIP	\$32,000		\$32,000							
GENERAL & ADMINISTRATIVE													
		City Hall	CIP	TBD									Costs associated with moving into new facility
		Public Safety Building	CIP	\$5,000,000									
		Generators	CIP & Grant	\$71,250	\$71,250								Federal grant will provide 75% (\$285,000), City will be responsible for 25% (\$71,250)
SPECIAL - PUBLIC WORKS VEHICLES AND CAPITAL EQUIPMENT													
	PW1001	Backhoe Priority 1	CIP	\$63,000	\$63,000								
	PW1002	Pickup a Priority 1	CIP	\$20,000		\$20,000							
	PW1003	Pickup b Priority 1	CIP	\$20,000		\$20,000							
	PW1004	Trailer Mounted Wash Unit Priority 1	CIP	\$44,000	\$44,000								
	PW1005	Backhoe Priority 2	CIP	\$63,000			\$63,000						
	PW1006	Bucket Truck Priority 2	CIP	\$90,000			\$90,000						
	PW1007	Pickup Priority 2	CIP	\$20,000			\$20,000						
	PW1008	Pickup Priority 2	CIP	\$20,000			\$20,000						
	PW1009	FUTURE Trailer Mounted Vacuum Unit Priority 3	CIP	\$95,000						\$95,000			
SPECIAL - GIS SYSTEM													
Mapping Updates													
	GIS1000	Water System	CIP	TBD							Study	Completion	Improves City operation and public access
	GIS1001	Wastewater System	CIP	TBD							Study	Completion	Improves City operation and public access
	GIS1002	Drainage System	CIP	TBD							Study	Completion	Improves City operation and public access
	GIS1003	Other as Required (Police/Fire)	CIP	TBD							Study	Completion	Improves City operation and public access
Server / Software													
SPECIAL - REGULATORY													
	R1000	SSO Abatement Plan	Maint./Operations	N/A							Completion	Comply	Regulatory Requirement - TCEQ
	R1001	Emergency Response Plan	Maint./Operations	N/A							Completion	Comply	Regulatory Requirement - TCEQ
	R1002	Ongoing - NPDES/Stormwater Discharge Permit	Maint./Operations	N/A							Completion	Comply	Regulatory Requirement - TCEQ
	R1003	Ongoing - TPDES / Wastewater Discharge Permit	Maint./Operations	N/A							Completion	Comply	Regulatory Requirement - TCEQ
SPECIAL - PROJECTS - FEDERAL GRANTS													
EDA Grant Funded Projects - Nassau Bay Town Square													
	SP1000	Contract 1 - Reconstruction of Space Park and Saturn Lane	Grant - EDA	Grant	Grant						Construction	Completion	Improves aging infrastructure; Improves local economy
	SP1001	Contract 2 - Installation of Primary Duct Bank	Grant - EDA	Grant	Grant						Construction	Completion	Improves aging infrastructure; Improves local economy
	SP1002	Contract 3 - Installation of Hardscape	Grant - EDA	Grant	Grant						Construction	Completion	Improves aging infrastructure; Improves local economy

TOTAL ALL PROJECTS						2016 & Beyond
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	
\$19,244,645	\$839,440	\$1,214,600	\$1,855,000	\$1,930,000	\$1,573,700	\$6,831,905



Budget Notes