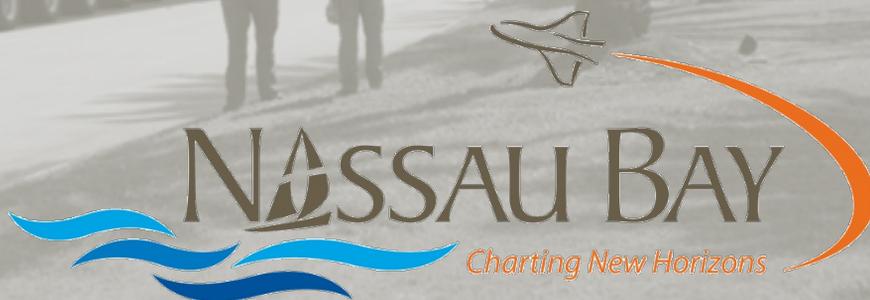


Fiscal Year 2012-2013

Adopted Budget

September 17, 2012

General Fund
Water & Sewer Fund
Debt Service Fund
Tourism Fund
Special Revenue &
Grants Fund
Capital Projects Fund
Street Sales Tax Fund



City of Nassau Bay Annual Budget

**Fiscal Year
October 1, 2012 – September 30, 2013**

ADOPTED

September 17, 2012

THE MAYOR & CITY COUNCIL

**Mark Denman, Mayor
Ron Swofford, Mayor Pro Tem
David Braun, Council Position 1
Sandra Mossman, Council Position 2
Brad Bailey, Council Position 4
Jonathan Amdur, Council Position 5
Bob Warters, Council Position 6**

**Chris Reed
City Manager**





Elected Officials

Mark Denman
Mayor

David Braun
Position 1

Sandra Mossman
Position 2

Ron Swofford
Mayor Pro Tem, Position 3

Brad Bailey
Position 4

Jonathan Amdur
Position 5

Bob Warters
Position 6

Administration

Chris Reed
City Manager

Mary Chambers
Community Development Director

Joe Cashiola
Police Chief

Csilla L. Stiles
Finance Director

Jamie Galloway
Emergency Management Coordinator

Pat Jones
City Secretary, TRMC

Paul Lopez
Public Works Director

Tom George
Fire Department Administrator/IT Manager

Larry Boles
Building Official/Floodplain Administrator

Tommy Cones
Fire Marshal

Stacy Froeschner
Court Administrator

Chris Shannahan
Code Enforcement Officer

Jason Peugeot
EMS Chief

Norma Rodriguez
Human Resources

Dick H. Gregg, Jr., Esq.
City Attorney





Budget for Fiscal Year 2012-2013

General Fund	Pages 21-65	\$ 4,526,870
Water & Sewer Fund	Pages 67-79	\$ 3,624,540
Debt Service Fund	Page 81-88	\$ 466,160
Tourism Fund	Pages 89-97	\$ 512,940
Special Revenue & Grants Fund	Pages 99-101	\$ 1,291,780
Capital Projects Fund	Page 103-104	\$ 400
Street Sales Tax Fund	Page 105-106	\$ 288,380
Total Budget		<hr/> <hr/> <u>\$10,711,070</u>



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Budget Year 2012-2013

Budget Calendar

April 10, Tuesday	Operating & CIP Budget Kick-Off; Budget Request Guides Distributed; Departments develop FY12 Objectives	Dept. Managers
April 30, Thursday	Receive Preliminary Tax Roll [certified estimate of total appraised value]	Harris County Appraisal District
May 15, Tuesday	Department capital outlay detail, funding sources & justification due; Preliminary Operating & CIP Budget request deadline	Dept. Managers
May 15 - 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	Appropriations/Interfacing Taskforce (Tourism Fund) - Per Hotel/Motel Appropriations Policy	HOT Tax Appropriations/Interfacing Taskforce
June 19, Tuesday	Completed City Manager's Draft Budget	City Manager
June 25, Monday	Budget Workshop - Budget Priorities & CIP Funding - CANCELLED	City Manager & Council
July 19, Thursday	Budget Workshop - Present Draft Budget for Council Review	Special City Council Meeting
July 30, Monday	EDC Regular Meeting & Budget Workshop	City Manger & EDC
August 3, Friday	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 13, Monday	Presentation of Budget to City Council and Public Budget Hearing; Schedule Workshop if needed	City Manager at Regular City Council Meeting
August 27, Monday	Publicize Budget Public Hearing in local newspaper per Sec. 102.0065 of TX LGC	Finance Director, City Secretary
August 27 - September 4, Mon. - Tues.	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 10, 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; City Council; Regular Council Meeting
September 20, Thursday	Nassau Bay Charter Requirement - Final Date to adopt budget	City Council
September 10, Monday (published in Citizen on 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 24, Monday	First Public Hearing on proposed tax increase (many not be held earlier than the 7th day after the notice is published) - Publish Notice of Tax Revenue Increase (TV & Website)	Special City Council Meeting
September 27, Thursday	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 1, Monday	Fiscal Year 2010-2011 Begins	
October 8, 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 City reserves the right to change or amend this calendar as necessary up until the time meetings are posted. Open meetings are highlighted in orange & green.





The Municipal Budget Fiscal Year 2013

Each year through the budget process we are given the opportunity to take inventory of our accomplishments and set new goals for the coming year. This process, by its very nature, encourages an ongoing dialogue between the City Council, City Staff, and the residents of Nassau Bay. Through this give and take process we assess City services and activities and strive to orient the coming year's budget to align with the Council's mission and the City's most pressing needs.

With each budget, the City strives to do three important things: provide for the effective and healthy fiscal administration of the City's resources, prioritize resources to best achieve the City Council's goals, and complete capital projects in accordance with the available funding. The FY2012 Budget achieved all of these items successfully, paving the way for a great FY2013, fully prepared to meet the challenge of Council's newest goals and complete a myriad of capital infrastructure projects.

FY2012 Achievements – Year End Review

To review the successes of the past year, it is important to note that first and foremost, the FY2012 Budget maintained a healthy Reserve Fund and ended the year with approximately 116 days of reserves, well in the range of our goal of 90 to 120 days. This was achieved even as some revenue streams did not yield as highly as anticipated. City Staff worked to find replacement sources of revenue such as grants, and diminish spending in areas that were lower priority. With the Reserve Fund meeting the guidelines set in our Fund Balance Policy, the City also implemented a balanced FY2012 Budget that provided a successful framework for the entire fiscal year. Having done so, the City met the first goal Council set for FY2012.

City Council's second priority of an approved plan for design and construction of the new City Hall facility was actively pursued through the adoption of the City Hall Agreement in May 2012. This agreement provided for the hiring of an architectural design firm for the planning of the new City Hall building. The design of the new City Hall is underway and City Council will have the opportunity to adopt the design plans in the coming year.

The third goal City Council selected for Nassau Bay in FY2012 was the improvement of Building Code Compliance city-wide. To achieve this goal, City Staff took various steps this year. Efforts were re-focused on Code Enforcement related to property maintenance and safety. To aid in the tracking of building and code compliance efforts, the City invested in new software which has provided a useful tool for many departments city-wide. The software's permitting, mapping, work

order, and licensing functions have assisted the work of the Building, Code Enforcement, Fire Marshal, Animal Control, and Public Works functions of the City. In addition to focusing on property safety and maintenance issues, the City's Police Department has begun the implementation of a newly adopted apartment crime ordinance to better track the impact of multi-family properties on the City's public safety services.

In FY2012, the City Council expressed the need for expanded Economic Development initiatives. City Staff pursued this goal through increased networking and conferences, the completion and dissemination of a Grocery Store Market Study, updated branding with a new City logo, proposed updates to the Zoning Ordinance to provide easier development of commercial areas along NASA Parkway, and the completion of the Livable Centers Study focusing on the pedestrian experience of the City, especially as the commercial areas connect to the residential neighborhoods. All of these items impact the City's commercial properties and their potential sustainability. The City knows that by providing detailed information and user-friendly land development tools, the chances for attracting commercial business investment greatly increases.

City Council's final priority for FY2012 was the ongoing maintenance and improvements to Lake Nassau and the infrastructure that enables the existence of this highly-valued amenity. After evaluating the needs of the Lake during the past year, Staff has adjusted maintenance activities related to the lake with input from citizens, Texas Parks and Wildlife, and Lake Management Services. These changes include monitored lake water levels, increased aeration and the removal of debris from drainage inlets. Plans for the coming year will continue to address the lake's infrastructure needs.

Other projects that the City is proud to have completed in FY2012 include the new Dog Park on Upper Bay Road across from Lake Nassau and the rehabilitated animal shelter providing secure indoor climate-controlled shelter spaces for up to 4 dogs and 6 cats. With the help of a committee of dedicated residents, for the first time Nassau Bay offers the opportunity to participate in residential curbside recycling. The City obtained bond funding through Texas Water Development Board and completed enough of the engineering and design portion of the Wastewater Treatment Plant projects that construction will be concluded in the coming year.

During FY2012, the City was fortunate to be the recipient of grant funding for several important projects. During the course of the past year, the City received reimbursement funding through a Texas Emergency Management Division Hazard Mitigation Grant that provided for the installation of emergency generators for the Water Plant, City Hall, and the Public Works/EMS Building. The improvements at the Wastewater Treatment Plant funded by Round #1 Community Development Block Grant began construction in FY2012 and should be completed in the first quarter of FY2013. These improvements include an emergency generator for this location as well. FY2012 was the final year for the Economic Development Administration grant that helped fund infrastructure improvements in the Nassau Bay Town Square. This past year also resulted in the design and construction of the work for the Peninsula Trail, funded mostly by a Texas Parks and Wildlife grant, with completion anticipated in the coming months as well.

In an effort to increase non-property tax revenues to the City, Staff pursued new recurring sources of revenue. Beginning in FY2012, the City negotiated contracts with the cities of El Lago and

Taylor Lake Village to provide Emergency Medical Service. These contracts have helped significantly to offset EMS expenditures. Also, the City has worked with our NASA Area Management District to implement cost-sharing processes for landscaping along the NASA Parkway frontage and entry median areas. These sources of revenue will continue on into the coming year. Finally, as a result of renewed participation in the regional emergency management planning, the City applied and qualified for the Emergency Management Performance Grant through the Texas Division of Emergency Management to offset a portion of the cost associated with emergency management services in the City.

FY2013 Annual Budget – Goals

As in previous years, the City Council began the planning for the budget by setting a series of goals for the City. By determining their priorities for the year, both Council and Staff are better able to allocate resources and make budgetary decisions directly impacting the services that are seen as most important for the residents.

This year's first Council goal was for the City to develop a plan to replace the aging sewer and water infrastructure. Most of the City's infrastructure has been around since the 1960s and 70s. As this infrastructure continues to age, the City must understand which areas of the City will be impacted first and have engineering and design work completed to respond quickly to replacement needs throughout the City. Through bond funding from the Texas Water Development Board, the City will pursue a comprehensive plan for the replacement of aging water and sewer infrastructure.

City Council's second goal for FY2013 is providing services that improve the quality of life for residents in Nassau Bay. While this may mean different things to different people, through discussions with Council, City Staff has chosen to focus on several key areas. The improvement, maintenance, and upkeep of our City's green spaces are a source of pride and comfort to many of our residents. Not only are our public green spaces important but the general upkeep of many of the properties throughout the City, both residential and commercial, impact the way we view our own community. In order to ensure the ongoing vibrancy and enjoyment of our parks, the City is focusing resources toward parks' grounds maintenance in the coming year. Simultaneously, as part of our enforcement program related to upkeep of properties throughout the City, Staff, and Council have elected to expand an existing code enforcement position from part-time to full-time. This increase in Staff time dedicated to code enforcement will provide a more consistent dedicated effort toward issues such as high grass, standing water, un-secured properties, and other various code violations that generally impact the perceived safety and image of our community.

Completing the plans for the new City Hall ranked third among Council's goals for FY2013. Building on the agreements in place, the proposed location, and the designs of architects, the City will move forward to finalize the strategy for the new City Hall. It is anticipated that most of the design and architecture decisions will be completed during this fiscal year, with a tentative ground-breaking scheduled for FY2014.

As in past fiscal years, Council has reiterated the importance of a fiscally responsible, balanced budget. This priority was more of a challenge for the FY2013 Budget due to a decrease in residential and commercial personal property values. These value decreases forced Staff and Council

to re-examine the goals for the City. After much deliberation, it was conceded that in order to maintain expected service levels and provide for the increases in operational costs, an increase in the tax rate would be necessary to effectively maintain the same level revenues that we had in FY2012. While this was not an easy decision, it ensured that the City's operations and services are sustainable into the future. This decision resulted in a fiscally responsible, balanced budget which allocates resources to the services that Staff and Council feel most correctly reflect the expectations of Nassau Bay residents.

Finally, Council requested that as part of the ongoing push for more economic development in the City, Staff put energy and resources into the redevelopment of the area east of Upper Bay Road and south of NASA Parkway. This privately-owned commercial property is often regarded as under-leased and under-utilized. City Staff will continue to work with property and business owners to look for productive ways to allow this property to once again become a bustling center of art and retail in our community.

Outline and Summary of FY2013 Budget

The FY2013 Annual Budget was adopted on September 17, 2012 and funds were allocated to accomplish the goals that Council set out for the coming year.

The General Fund, which accounts for most of the City's activities and services, continues to follow historic trends with 61.5% of the revenue available for maintenance and operations being derived from Property Taxes. Other revenue sources that provide significant amounts of revenue include Franchise Fees, Sales Tax, Permits & Fees, Fines, and Ambulance Fees. Currently the majority of Sales Tax is generated by Telecommunications, Energy, Hospitality, Food Service & Retail sectors.

Based on Staff recommendations and Council agreement, with this budget the City is adopting an ad valorem tax rate of 0.732120 in FY2013. This tax rate represents a \$0.04/\$100 valuation increase over last year's adopted tax rate. For the sixth 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 TIRZ & RDA boards. Ten percent of the incremental revenue remains in the City's General Fund. This budget year, there is a projected increase in TIRZ property values from the prior year; projected property values continue to be higher than for the base year (Tax Year 2007), resulting in an estimated increment near \$71.4 million in taxable valuation.

General Fund operating revenue is projected overall at an increase compared to the budget in the previous year. Several factors impact this increase, most significantly an increase in the tax rate. Additionally, new sources of revenue are anticipated in FY2013 to include the new EMPG grant, increased EMS revenue, and increased fines collections.

The Water & Sewer Fund revenues are projected to be flat year over year. An improved rate structure and consistent collections have put the Water & Sewer Fund in a healthy position to continue with much-needed infrastructure improvements related to water and sewer provision. Revenue activity in the Water & Sewer Fund will once again be impacted by the on-going Texas

Water Development Board supported projects at the Sewer Plant. Additionally, due to a substantial reserve fund at the end of FY2012, the Council elected to cash flow several important projects such as the timely painting of the water tower.

The Debt Service Fund continues to service the City's existing debt through property tax revenue. As debt is being retired, the necessary property tax revenue to fund these payments also declines.

The Tourism Fund is projected to struggle for a third year in a row due to slow growth in the hospitality industry after the recent economic decline. Nassau Bay has added a fourth hotel with the new Marriott; however for its first five years, hotel occupancy revenue from this addition will be limited due to tax incentives.

The Special Revenue Fund is projected to decrease in activity in the coming year as several large grants come to an end. The Budget allocates anticipated revenue from the CDBG Round #1 Grant Funding. Additionally the Peninsula Trail Grant will provide reimbursements for sums related to the construction of the new trail on the Peninsula.

The total expenditures for the FY2013 Annual Budget are allocated to be \$10,711,070. For information on the detail, refer to the funds breakout on pages 17-19.

General Fund: Expenditures are programmed to be about 42% of the City's total expenditures, coming in at \$4,526,870. The expenditure breakout for the sixteen departments is shown on page 28. The City focused its efforts on several noteworthy projects this year.

All Departments: The FY2013 Budget will provide for merit wage increases for City employees for the first time in three years.

Parks Department: Due to resident and Council priorities, the landscaping budget was increased to better maintain the public green spaces that are valued as a key component of Nassau Bay's quality of life.

Police Department: Due to changes in court processes including new judicial and prosecutorial philosophies, more offenders are receiving jail time and therefore our jail costs have increased. This increase is generally offset by corresponding increases in fine collections related to similar process improvements.

Information Services: As we continue to move toward more efficient and tech savvy solutions for our City services, the one area which is experiencing some cost increases is Information Services. With the addition of the new MyGov software, web access to City services, the return of the Court functions to the City, better internet connectivity at the Public Works and EMS facility and various other public safety changes, expenditures in this department are scheduled to increase.

Municipal Court: From mid-FY2009 through FY2012, the City contracted the administrative functions of the Municipal Court with the City of Webster. Due to a doubling of the cost of this contract, the City chose to bring the Court administrative functions back in-house. This change adds

an employee to the City Staff and increases the Municipal Court budget, although not to the extent that the doubling of the contract would have caused.

Code Enforcement: With the recognition that Nassau Bay's residential housing stock continues to age and there is community-wide interest in maintaining home values and small-town charm, Staff and City Council chose to focus on Code Enforcement as a pillar of FY2013. Previously this function had been performed part-time by the Building and Fire Marshal Departments. To best dedicate time and resources to this much-needed service, the City increased a part-time position to full-time. This change will permit Staff to concentrate efforts toward a consistent and proactive Code Enforcement effort throughout the City, both in the residential and commercial areas.

In the Water and Sewer Fund, the City has allocated funds to cash flow several capital projects in the Water Department alongside the budgeted TWDB bond revenue funded sewer plant improvements. The capital projects in the Water and Sewer Fund total over \$2.2 million in FY2013.

In addition to advertising activities, the Tourism Fund allocated \$62,000 toward the arts and entertainment in our community during the coming year. The expenditures are geared toward events that have a tangible impact on our tourism industry here in Nassau Bay. The City will continue allocating 15% of revenues to the Bay Area Houston CVB, 12% to Arts and Special Events, and sponsoring major events in our region to benefit our hotels.

The Special Revenue Fund expenditures for the coming year include: construction related to the \$761,068 of CDBG Round #1 improvements, the completion of the Peninsula Trail, and the completion of the EDA grant. From these dedicated sources we are able to fund projects that would otherwise be cost prohibitive for the City.

The Capital Projects Fund includes plans for many projects throughout the City. At the time of the FY2012 Annual Budget adoption, City Council was continuing discussion regarding the merit and urgency of these projects. Conversations have studied the possibility of issuing debt, in the form of a Tax Note in the spring of 2013, to best fund these much-needed projects. If City Council pursues the funding of these projects via a Tax Note, the budget will be amended to reflect these changes in revenue and expenditures.

The Street Sales Tax Fund is the final City fund with planned expenditures in the coming year. Traditionally, large projects and expenditures are limited to an every-other-year-basis in this fund to allow larger sums of funding to be accumulated for bigger projects. FY2013 is a year scheduled for several larger projects, including the repaving or repair of several street segments throughout the City.

FY2013 Capital Improvements: After completing a successful year of infrastructure projects, the FY2013 Budget continues the Five-Plus-Year Capital Improvement Plan providing a framework for meeting the City's long term infrastructure needs. The City has received funding through the Texas Water Development Board for the funding of a large portion of the planned Sewer projects in the coming year. Additionally, Water Department projects will be cash flowed through the Water and Sewer fund. Finally, many proposed projects related to General Fund activities are tentatively listed in the plan for FY2013 pending funding decision related to the possible issuance of a Tax Note.

Personnel/Salaries: The FY2013 Annual Budget includes the addition of two full-time positions, but does not fund any seasonal or temporary positions. The Staffing level for this budget is 42 full-time, 6 part-time, and 29 hourly (part-time, limited-use) employees. Personnel contingencies are budgeted within all departments at 2% of the department's wages.

Although not part of the City's Annual Budget, Nassau Bay has several significant Component Units with fiscal activities that have bearing on the City. 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 the redevelopment of Nassau Bay and an improved commercial tax base. With these organizations' contributions and the work of Staff, the City is able to pursue additional economic development activities. Budgets related to these organizations can be found on page 117 for reference purposes.

Summary of the FY2013 Annual Budget

With an emphasis on a deficit-free balanced budget and the maintenance of healthy 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 the new development 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,



Chris Reed, City Manager



Budget Overview

Community Information

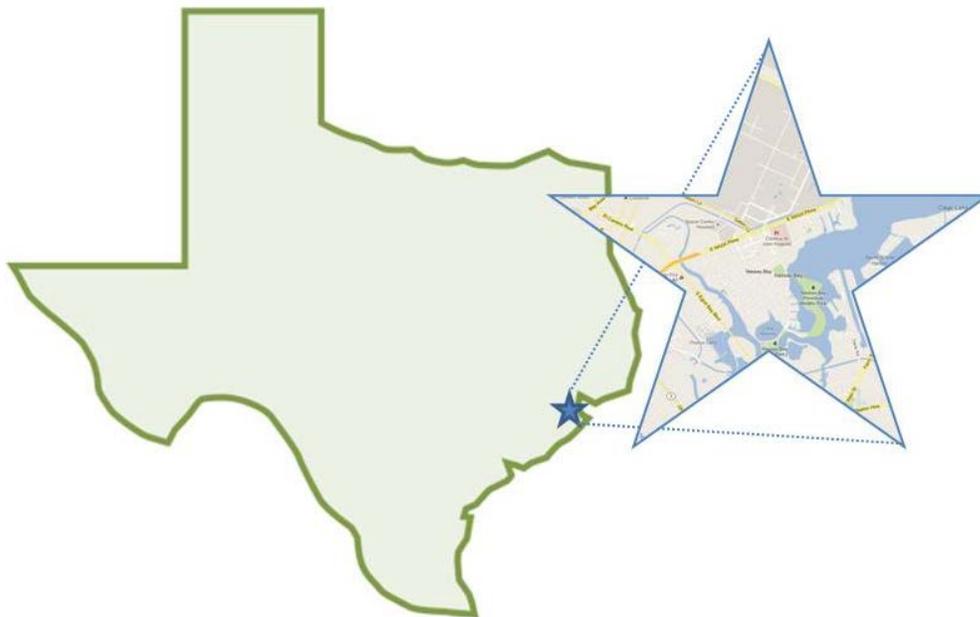
The City of Nassau Bay was incorporated in 1970 as a Texas General Law City. Three years later, in 1973, the citizens of Nassau Bay adopted a Charter and reorganized as a Texas Home Rule City with a Council-Manager form of government.

Nassau Bay is located southeast of Houston, Texas within Harris County. Nassau Bay is considered to be part of the Houston-metro area which surpassed the 6 million population mark with the 2010 census making it the fifth largest metropolitan area in the nation.

The Nassau Bay community was originally developed to provide housing opportunities for NASA employees. Being across the street from Johnson Space Center, it continues to maintain a strong relationship with the space industry. Additionally, the City's economy is impacted by Christus St. John Hospital, which is located inside the City, as well as tourism and recreation activities along the Texas coast.

Nassau Bay is on a 1.33 square mile triangular peninsula that juts into Clear Lake and is surrounded on two sides by water. It is a charming and intimate community with a population of approximately 4,000 residents who enjoy the water front possibilities and lush green spaces the City has to offer.

Nassau Bay is within the Clear Creek Independent School District (CCISD) which is the 29th largest school district in the state, with over 39,000 students.



Budget Overview

~ *Continued*

Government Structure

The legislature and governing body of the City is the City 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.

The 2013-2014 City Council:

- Mayor Mark Denman
- Position 1 David Braun
- Position 2 Sandra Mossman
- Position 3 Ron Swofford (Mayor Pro Tem)
- Position 4 Brad Bailey
- Position 5 Jonathan Amdur
- 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.

The City Manager position:

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

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

Budget Overview

~ Continued

Organization of the Funds

The Annual City Budget addresses seven separate funds in this 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 and use taxes, franchise fees, license & permit fees, fines, and repayment for the 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 usage charges and tap fees.

Debt Service Fund – 04

The Debt Service Fund provides funds necessary to meet the debt service obligations of 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 only significant revenue source benefitting this fund is the 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 expenditure types or purposes.

Capital Projects Fund – 09

The Capital Projects Fund provides funding for the acquisition or construction of capital improvements or projects. In FY2013, there is the possibility of issuing a Tax Note to fund Capital Improvements. 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 2, 2010, extending the sales tax from April 1, 2011 to April 1, 2015.

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. The basis for both budgeting and accounting for all funds is modified accrual.

Proposed Budget

By City Charter, Article VII, the City Manager is required to submit a proposed budget and budget message for the ensuing year to the City Council on or before the fifth day of August. The City Manager develops the proposed budget with the coordination of departmental requests, City Council planning workshops, and an analysis of applicable financial trends. Budget preparation follows the timeline of the published budget calendar (page vii).

Public Hearing

Having received the proposed budget, Council is required to hold a public hearing on the budget per Local Government Code, Title 4, Subtitle A, Chapter 102, Section 102.006. 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, Article VII, Section 7.03. 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 the 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 an event, the operation of the City would not be disrupted for a lack of a budget.

Adoption of a Tax Rate

Following the adoption of the budget, Council may adopt a property tax rate following the guidelines of the Texas Constitution's Truth-in-Taxation provisions set forth in the Texas Tax Code, Chapter 26.

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.

Amendments to the Adopted Budget

During the course of the budget year, should the adopted appropriations cease to correctly reflect the City's necessary revenue or expenditure activity, the City Manager or his designee will notify City Council of the need for a Budget Amendment (City Charter Section 7.04). The City Manager's level of control allows for the transfer of unencumbered appropriation balance at the department level (meaning within a department). Transfers or changes to appropriations between departments or funds must be accepted at the City Council level of control via ordinance approval that meets the standards of a budget adoption ordinance (City Charter Section 7.03(E)).

Budget Overview

~ *Financial Policies*

Financial Policies

In order to attain a long-term stable and positive financial condition, the City adheres to the following financial policies. They provide guidelines for planning and directing the City's operational activities and assisting staff with providing recommendations to the Mayor and City Council.

Budget

The City shall establish a balanced operating budget that shall link revenues and expenditures to goals, objectives, and service and performance standards. Additionally, the budget incorporates a five year capital improvement plan. A balanced operating budget requires that revenues and appropriated fund balance equal expenditures.

Accounting, Auditing, and Financial Reporting

The City shall comply with prevailing local, state and federal regulations. Its accounting practices and financial reporting shall conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board ("GASB"), the American Institute of Certified Public Accountants ("AICPA"), and the Government Finance Officers Association ("GFOA"). The City Council shall select an independent firm of certified public accountants to perform an annual audit of all operations. The City Manager submits a monthly report to Council detailing the financial position of the City.

Revenues

For every annual budget, the City shall levy two property tax rates: operations & maintenance and debt service. The debt service levy shall be sufficient for meeting all principal and interest payments associated with the City's outstanding debt for that budget year. The debt service levy and related debt service expenditures shall be accounted for in the Debt Service Fund. The operations & maintenance levy shall be accounted for in the General Fund.

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

Revenue from "one-time" or limited duration sources will not be used to pay for recurring expenditures within the City's budget.

Restricted revenue shall only be used for the purposes legally permissible and in a fiscally responsible manner.

The City will set fees and rates for the proprietary fund at levels to recover total direct and indirect operating costs, including capital outlay and debt service.

The City will follow an aggressive policy of collecting all revenues by reviewing its receivables annually and implementing collection procedures to obtain all revenues due to the City in a timely manner.

Budget Overview

~ *Financial Policies Continued*

Financial Policies

Expenditures

The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus appropriated fund balance.

The City shall maintain capital assets and infrastructure at a sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to continue appropriate service levels.

The City Manager, or their designee, shall act as the City's purchasing agent to procure all merchandise, materials, and supplies needed by the City. Moreover, the City will comply with state law concerning the amount of the purchase requiring formal bidding procedures and approval by the City Council. For purchases that do not require formal bidding the City shall obtain the most competitive terms and pricing.

Investments

The City shall invest its cash in accordance with the adopted investment policy. The purpose of the policy is to ensure that the City's investment portfolio shall be designed and managed in a manner to be responsive to public trust while providing the highest rate of return with the maximum security, to be in compliance with the Public Funds Investment Act's legal requirements and limitations, and to be within the authority granted by City Charter and the City Council.

Fund Balance/Reserve Policies

The City shall manage its fund balance and reserves in accordance with the adopted fund balance policy. The purpose of the policy is to ensure that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. It is the goal of the City to achieve and maintain an unassigned fund balance in the General Fund equal to 90 to 120 days of expenditures.

Budget Overview

~ *Financial Policies Continued*

Financial Policies

Debt Management

The City will maintain debt management practices that will provide for the maintenance of adequate debt service reserves; compliance with debt covenant provisions; and appropriate disclosure to investors, underwriters, and rating agencies.

The term of any City debt issue, including lease-purchases, shall not exceed the useful life of the assets being acquired by the debt issue.

All debt issuance shall comply with Federal, State, and City charter requirements and adhere to Federal arbitrage regulations.

Capital Improvements

The capital planning process and capital improvement plan (CIP) was established to provide routine processes and procedures for identifying and advocating the current and future capital needs of the City. Through the capital improvement program process the City strives to realize several goals:

- A. Create a process that enables informed decisions and choices that are consistent with short and long term problems, opportunities, and policy issues resulting from the CIP; and give consideration to public needs.
- B. Assess short and long term financial impact of capital projects
- C. Ensure coordination between staff and elected officials in planning and implementing of capital projects.
- D. Identify and determine future infrastructure needs and establish priorities among projects so the available resources are used to the best advantage.

Projects in the five year capital improvement plan have been prioritized based on the extent to which each addresses the following criteria: external requirements, public health and safety, effect on operating or maintenance costs, level of service, availability of outside financing and economic development. Funding sources are not identified for all future projects. Given the City's financial position and cash management strategies, it may be necessary to issue debt in order to complete its CIP plan. Additionally, the City will seek grants and other funding opportunities to leverage tax dollars.

Budget Overview

~ Property Taxes

Property Taxes

The Certified Roll for the 2012 Tax Year was sent by the Harris County Appraisal District on August 24, 2012. The Certified Appraised Value on the appraisal roll for Tax Year 2012 is \$537,405,269. Over-65, Residential Homestead, Disability, and Other Exemptions total \$93,287,489 (or 17.4% of total appraised value). Thus, the Certified Taxable Value on the appraisal roll for Tax Year 2012 is \$444,117,780.

Budgeted Taxable Value for Tax Year 2012 (Fiscal Year 2013) totals \$402,012,764 as follows: Taxable value of \$444,117,780 plus HCAD Uncertified Tax Roll with (including) hearing loss of \$22,130,034 less 90% of TIRZ Increment Valuation [Adjusted Captured Value of \$71,372,278 x 0.90 = \$64,235,050]. This compares with the prior year as follows:

	Tax Year 2011	% of Total Appraised Value	Tax Year 2012	% of Total Appraised Value
Total Appraised Value	502,720,576		537,405,269	
Less All Exemptions [Over-65, Residential Homestead, Disability, & Other Exemptions]	(87,075,805)	-17.3%	(93,287,489)	-17.4%
Taxable Value	415,644,771		444,117,780	
Plus HCAD [Uncertified Tax Roll with (including) Hearing Loss]	26,957,935	5.4%	22,130,034	4.1%
Estimated Final Taxable Value Including TIRZ	442,602,706		466,247,814	
Less 90% of TIRZ Increment Valuation [Captured Value x 0.9]	(36,324,724)	-7.2%	(64,235,050)	-12.0%
City's Budgeted Taxable Value	406,277,982		402,012,764	

- The Tax Year 2012 tax rate adoption date is October 8, 2012. The proposed tax rate of 73.2120 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 73.2120 cents is comprised of:

M&O Rate = 69.0788 cents per hundred dollars of value
 Debt Service Rate = 4.1332 cents per hundred dollars of value

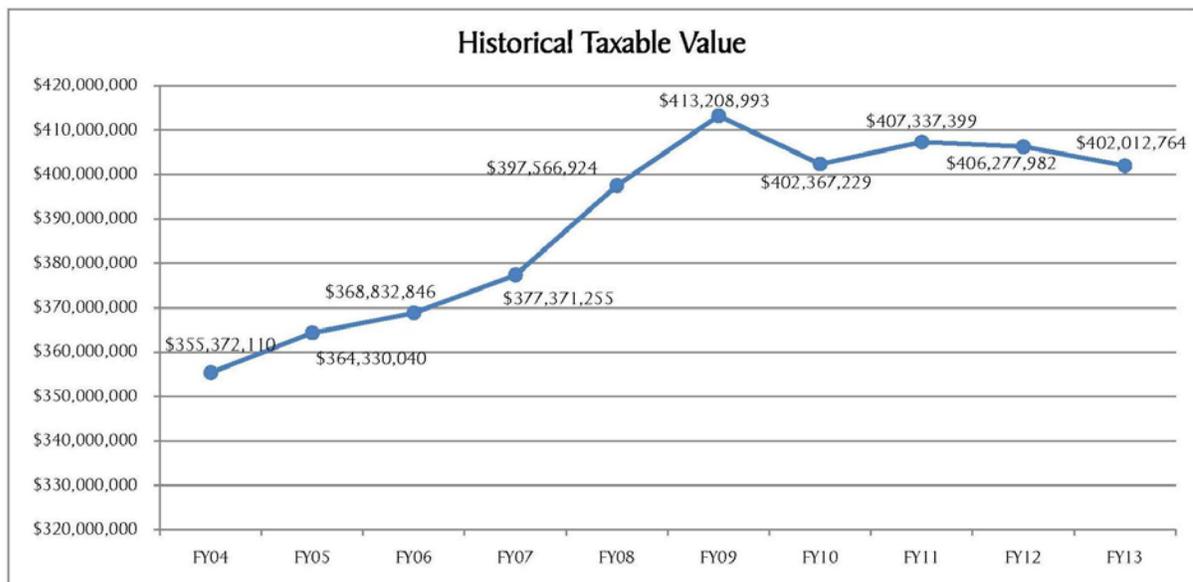
Adding the M&O and the Debt Service rates provides the proposed tax rate of 73.2120 cents per hundred dollar valuation.

Budget Overview

~ Property Taxes Continued

Property Taxes

- The Debt Service tax rate is directly driven by the cost of repaying the City's debt. The present debt requirements of the City, offset by contributions from the Water & Sewer Fund and other sources, have established the Debt Service rate for FY2013 at 4.1332 cents per hundred dollar valuation.
- The proposed M&O portion of the property tax rate of 69.0788 allows the City to accomplish a balanced budget and maintain reserve funds in the GFOA recommended range of 90 to 120 days. This M&O tax rate raises more for maintenance and operations than last year's tax rate by 6.15%.
- The Tax Year 2012 Effective Tax Rate is 73.3702 cents per hundred dollar valuation and the Tax Year 2012 Rollback Tax Rate is 78.2853 cents per hundred dollar valuation. The proposed tax rate is higher than last year's tax rate by \$0.04 cents, but lower than both the Effective and Rollback Rates. The average property owner with no value change year over year will see an approximately \$40.07 increase in the property taxes paid on a \$100,000 home.



Budget Overview

~ Property Taxes Continued

Property Taxes

- Home Rule cities, like Nassau Bay, 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.
- The graph below details the changes in Property Tax Rates per the guidelines of Truth-in-Taxation for the preceding Five Year Period. Definitions for the various rates are listed below:

Budget	Tax Year	Adopted Rate	Adopted Maintenance & Operations Rate	Adopted Debt Service Rate	Effective Tax Rate	Effective Maintenance & Operations Rate	Rollback Tax Rate
FY13	2012	0.73212	0.690788	0.041332	0.733702	0.686594	0.782853
FY12	2011	0.69212	0.650720	0.041400	0.692434	0.646710	0.739300
FY11	2010	0.69212	0.650927	0.041193	0.657472	0.546561	0.631860
FY10	2009	0.64212	0.539340	0.102780	0.699550	0.478570	0.702100
FY09	2008	0.64212	0.513360	0.128760	0.611991	0.545050	0.645616

Budget – From October 1 of the preceding year through September 30 of the named Fiscal Year

Tax Year – January 1 of the year preceding the named Fiscal Year determines the value of property taxable for the Fiscal Year

Adopted Rate – The total tax rate adopted to provide funding for the activities of a Fiscal Year based on the values of the Tax Year

Adopted Maintenance & Operations Rate – The portion of the total adopted tax rate that is dedicated to funding the maintenance and operations activities of the City during the Fiscal Year

Adopted Debt Service Rate – The portion of the total adopted tax rate that is dedicated to funding the debt service obligations of the City during the Fiscal Year

Effective Tax Rate – The legally calculated tax rate established in Truth-in-Taxation that would provide the City the same amount of revenue it received in the year before on properties taxed in both years

Effective Maintenance & Operations Rate - The legally calculated tax rate established in Truth-in-Taxation that would provide the City the same amount of revenue for maintenance and operations it received in the year before on properties taxed in both years

Rollback Tax Rate – The legally calculated tax rate established in Truth-in-Taxation that would provide the City with the same amount of tax revenue it spent the previous year for day-to-day operations, plus an extra 8 percent increase for those operations, in addition to sufficient fund to pay debts in the coming year

Budget Overview

~ Property Taxes Continued

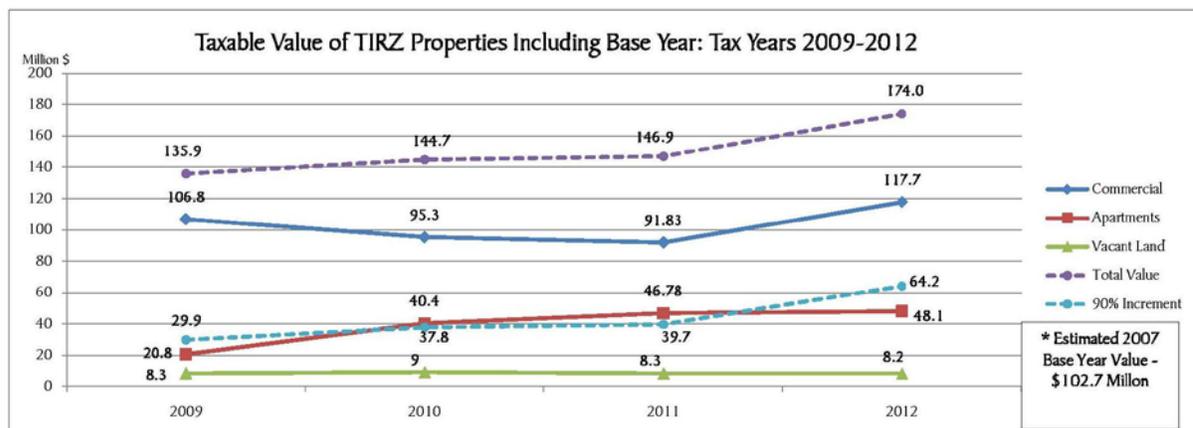
Budgeted Taxable Value & TIRZ Taxable Value

The Nassau Bay Tax Increment Reinvestment Zone #1 (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 amount from HCAD, the City must anticipate the portion of property taxes that will be considered TIRZ revenue and be transferred to the TIRZ. The City only budgets the property tax revenues that are anticipated as due to the City.

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 for a City Taxable Value of \$402,012,764.

	Tax Year 2012 Taxable Value	Total Levy	General Fund	Debt Service Fund
Estimated Final Taxable Value Including TIRZ	466,247,814	3,413,493	3,220,784	192,710
Less 90% of TIRZ Increment Value [Projected Adjusted Captured Value x 0.9]	(64,235,050)	(470,278)	(470,278)	-
City's Budgeted Taxable Value	402,012,764	2,943,216	2,750,506	192,710



Budget Overview

~ Property Taxes Continued

Budgeted Taxable Value

	Tax Year	Taxable Value	Tax Rate	Tax Levy
Assessed Valuation	2002	353,297,020	0.598000	2,112,716
	2003	355,372,110	0.619570	2,201,779
	2004	364,330,040	0.641570	2,337,432
	2005	368,832,846	0.656570	2,421,646
	2006	377,371,255	0.656570	2,477,706
	2007	397,566,924	0.632120	2,513,100
	2008	413,208,993	0.642120	2,653,298
	2009	402,367,229	0.642120	2,583,680
	2010	407,337,399	0.692120	2,819,264
	2011	406,277,982	0.692120	2,811,931
	<i>Budget FY13</i>	2012	402,012,764	0.732120

	Tax Year	M & O Rate	Debt Rate	Total Rate
Rate Distribution	2002	0.483940	0.114060	0.598000
	2003	0.507050	0.112520	0.619570
	2004	0.534770	0.106800	0.641570
	2005	0.546440	0.110130	0.656570
	2006	0.534950	0.121620	0.656570
	2007	0.494310	0.137810	0.632120
	2008	0.513360	0.128760	0.642120
	2009	0.539340	0.102780	0.642120
	2010	0.650927	0.041193	0.692120
	2011	0.650720	0.041400	0.692120
	<i>Budget FY13</i>	2012	0.690788	0.041332

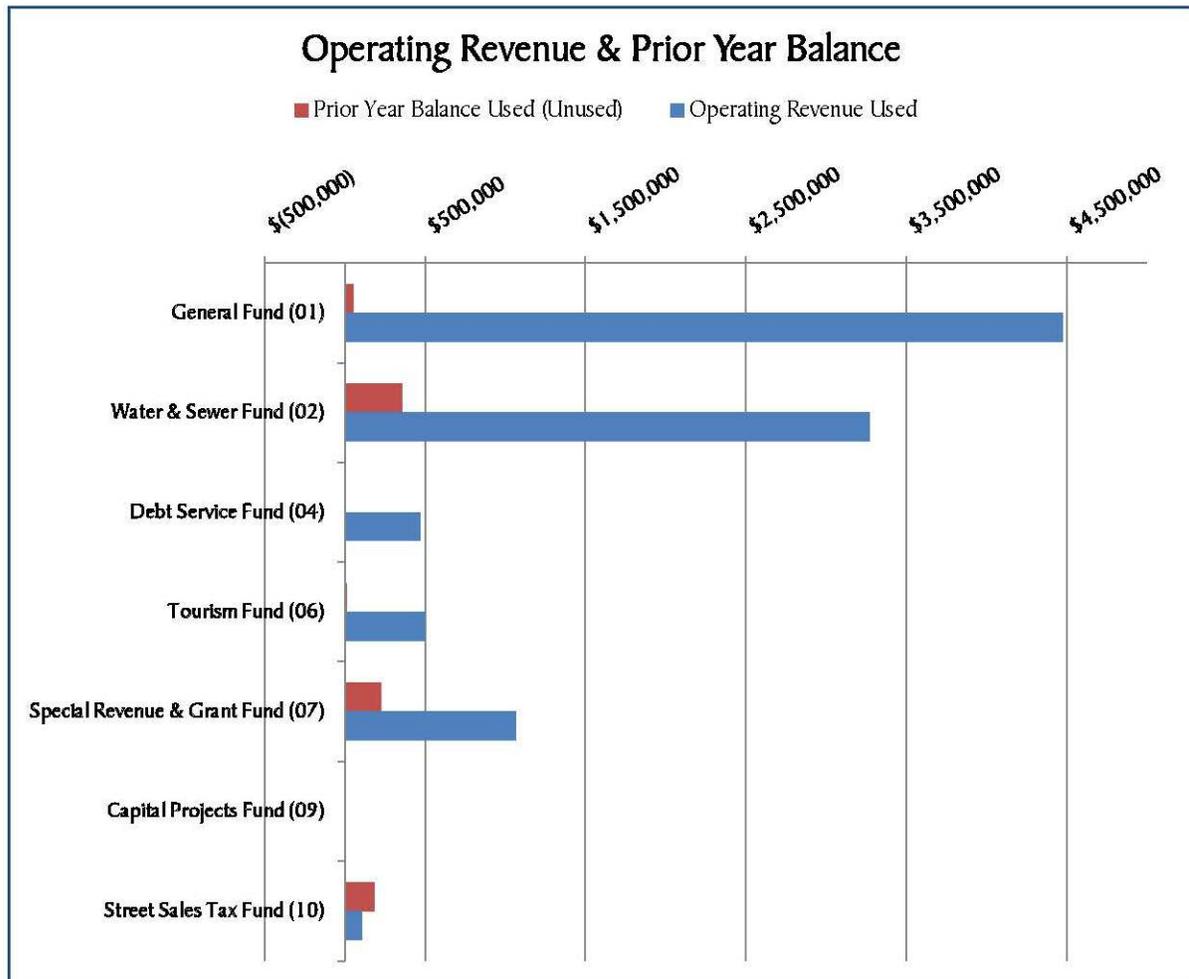
	Tax Year	M & O Levy	Debt Levy	Total Levy
Tax Levy	2002	1,709,746	402,971	2,112,716
	2003	1,801,914	399,865	2,201,779
	2004	1,948,328	389,104	2,337,432
	2005	2,015,450	406,196	2,421,646
	2006	2,018,748	458,959	2,477,706
	2007	1,965,213	547,887	2,513,100
	2008	2,121,250	532,048	2,653,298
	2009	2,170,127	413,553	2,583,680
	2010	2,651,469	167,794	2,819,264
	2011	2,643,732	168,199	2,811,931
	<i>Budget FY13</i>	2012	2,750,506	192,710

Budget Overview

~ Fund Summaries

Revenue Budget for Fiscal Year 2013

	Operating Revenue Used	Prior Year Balance Used (Unused)	Total Revenue Used
General Fund (01)	\$ 4,473,826	\$ 53,044	\$ 4,526,870
Water & Sewer Fund (02)	3,270,840	353,700	3,624,540
Debt Service Fund (04)	467,150	(990)	466,160
Tourism Fund (06)	502,350	10,590	512,940
Special Revenue & Grant Fund (07)	1,067,500	224,280	1,291,780
Capital Projects Fund (09)	-	400	400
Street Sales Tax Fund (10)	106,600	181,780	288,380
Total	\$ 9,888,266	\$ 822,804	\$ 10,711,070

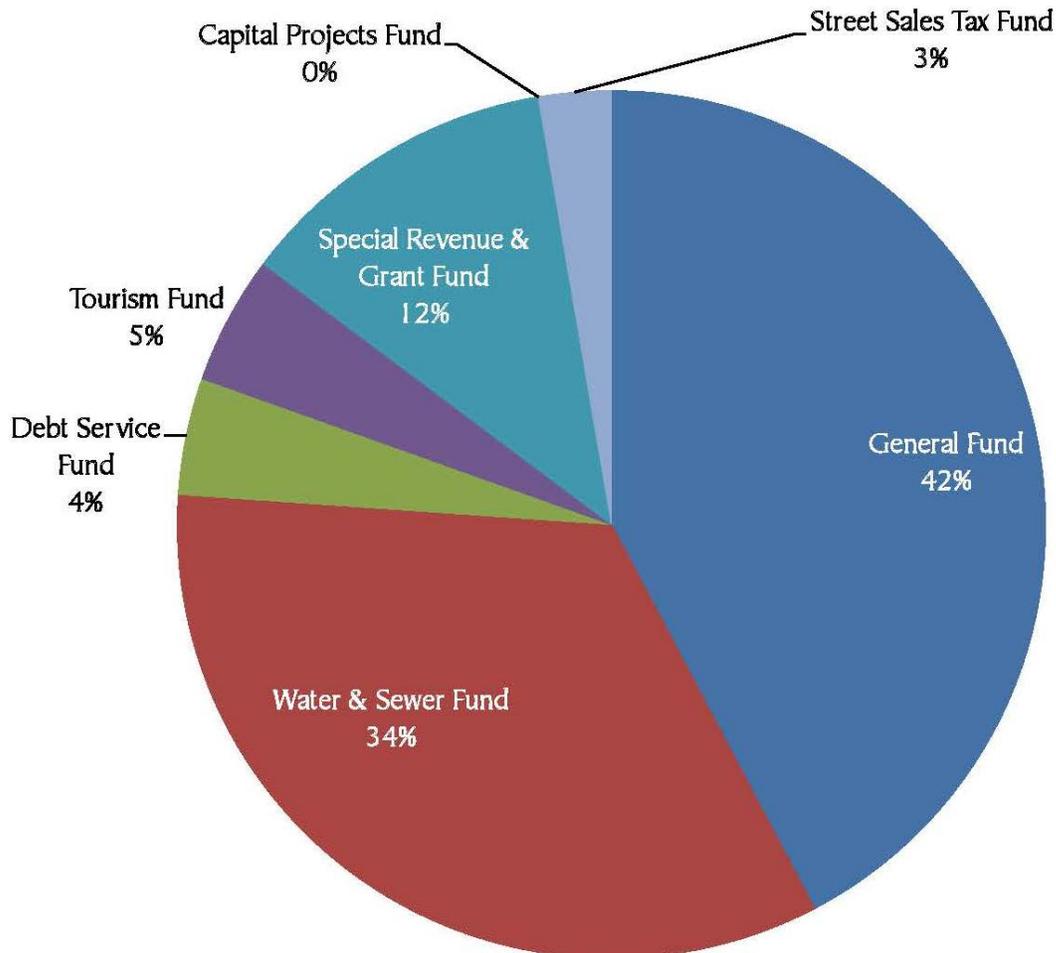


Budget Overview

~ Fund Summaries

Expenditure Budget for Fiscal Year 2013

	Budgeted Expenditures	% of Total Budget
General Fund	\$ 4,526,870	42.3%
Water & Sewer Fund	\$ 3,624,540	33.8%
Debt Service Fund	\$ 466,160	4.4%
Tourism Fund	\$ 512,940	4.8%
Special Revenue & Grant Fund	\$ 1,291,780	12.1%
Capital Projects Fund	\$ 400	0.0%
Street Sales Tax Fund	\$ 288,380	2.7%
Total	\$ 10,711,070	100.0%



Budget Overview

~ Fund Balance

Fund Balance

By policy the City maintains fund balances to ensure the financial and economic stability of the City. Fund balance helps to mitigate financial risk due to unforeseen revenue fluctuations and unanticipated expenditures. Fund balance also provides cash flow liquidity for the City's general operations. The Government Accounting Standards Board (GASB Statement 54) established new guidelines for the accounting distinctions between the portions of fund equity that are spendable and non-spendable. These are broken up into five categories:

- 1) Non-spendable fund balance – includes amounts that are not in a spendable form or are required to be maintained intact. Examples are inventory or permanent funds.
- 2) Restricted fund balance – amounts constrained to specific purposes by their providers through constitutional provisions or by enabling legislation. Examples of providers are grantors, bondholders, and higher levels of government.
- 3) Committed fund balance – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- 4) Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority
- 5) Unassigned fund balance – amounts that are available for any purpose; these amounts are reported only in the General Fund.

For the purpose of understanding how these accounting guidelines impact the budget document, all sums described as "End of Year Fund Balance" fall into the general category of fund balance. Fund balance in the General Fund is considered to be Unassigned Fund Balance. Fund balances in all the other funds are likely to be more restricted in their use and are defined depending on that level of restriction.

Budget Overview

~ Fund Summaries and Fund Balance

	Budget FY11	Actual FY11	Budget FY12	Projected FY12	Budget FY13	Budget \$ Change
General Fund						
Revenue	4,365,509	4,683,550	4,119,815	4,272,090	4,473,826	354,011
Prior Year Balance Fwd	1,025,488	1,163,653	1,550,807	1,544,841	1,408,730	(142,077)
Expenditures	4,459,272	4,302,361	4,546,837	4,408,201	4,526,870	(19,967)
End of Year Fund Balance	931,725	1,544,841	1,123,785	1,408,730	1,355,686	231,901
Water & Sewer Fund						
Revenue	1,982,000	2,456,886	3,381,600	2,154,590	3,270,840	(110,760)
Prior Year Balance Fwd	111,143	648,083	538,197	1,215,414	1,041,374	503,177
Expenditures	1,991,478	1,889,551	3,476,183	2,328,630	3,624,540	148,357
End of Year Fund Balance	101,665	1,215,414	443,614	1,041,374	687,674	244,060
Debt Service Fund						
Revenue	477,029	471,609	469,067	479,690	467,150	(1,917)
Prior Year Balance Fwd	192,208	195,952	195,915	193,966	208,526	12,611
Expenditures	473,608	473,595	465,097	465,130	466,160	1,063
End of Year Fund Balance	195,629	193,966	199,885	208,526	209,516	9,631
Tourism Fund						
Revenue	525,350	474,492	502,350	480,450	502,350	-
Prior Year Balance Fwd	337,117	318,563	232,770	252,467	225,607	(7,163)
Expenditures	569,080	540,588	538,660	507,310	512,940	(25,720)
End of Year Fund Balance	293,387	252,467	196,460	225,607	215,017	18,557
Special Rev. & Grants Fund						
Revenue	678,400	706,520	1,537,668	298,350	1,067,500	(470,168)
Prior Year Balance Fwd	246,507	159,465	233,825	303,862	303,032	69,207
Expenditures	688,060	562,083	1,689,158	299,180	1,291,780	(397,378)
End of Year Fund Balance	236,847	303,903	82,335	303,032	78,752	(3,583)
Capital Projects Fund						
Revenue	-	107	35,000	35,010	-	(35,000)
Prior Year Balance Fwd	176,537	172,199	5,507	5,506	416	(5,091)
Expenditures	176,117	166,800	40,500	40,100	400	(40,100)
End of Year Fund Balance	420	5,506	7	416	16	9
Street Sales Tax Fund						
Revenue	93,400	101,877	106,600	106,940	106,600	-
Prior Year Balance Fwd	153,105	154,782	248,082	222,352	327,162	79,080
Expenditures	187,625	34,309	222,880	2,130	288,380	65,500
End of Year Fund Balance	58,880	222,352	131,802	327,162	145,382	13,580
TOTAL BUDGET						
Revenue	8,121,688	8,895,041	10,152,100	7,827,120	9,888,266	(263,834)
Prior Year Balance Fwd	2,242,105	2,812,697	3,005,103	3,738,408	3,514,847	509,744
Expenditures	8,545,240	7,969,287	10,979,315	8,050,681	10,711,070	(268,245)
End of Year Fund Balance	1,818,553	3,738,449	2,177,888	3,514,847	2,692,043	514,155

General Fund

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 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. The three dominant sources of revenue are Property Tax (61.4%), Franchise Fee (9.7%), and Sales Tax (9.6%) combining for a total of 80.7% percent of all revenues in this fund. A detailed discussion of the Property Tax levy can be found in the Budget Overview beginning on page 16 of the budget document.

Franchise Fees are receipted based on Chapter 17 of the Code of Ordinances and Texas State statutes related to Franchise Fees. Sales Tax within Nassau Bay is set at .0825% of taxable sales receipts. The .0825% is allocated as follows:

- .0625% State of Texas
- .0100% General Fund (Fund 1)
- .0050% Streets Sales Tax Fund (Fund 10)
- .0050% Economic Development Corporation (Component Unit)
- .0025% NASA Area Management District (Component Unit)

Departments

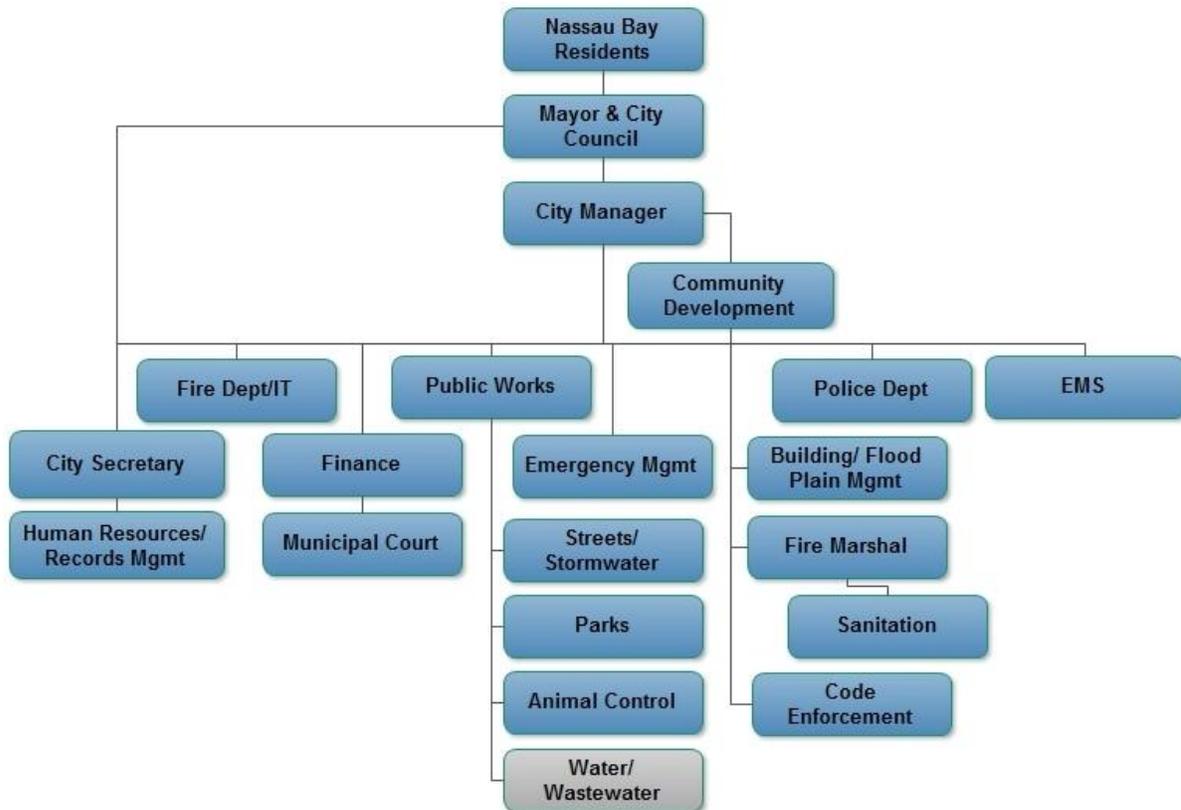
The General Fund is organized into sixteen departments. Each department receives funding and support for the performance of its work.

- Department 01 - General & Administrative
- Department 02 - Building Department
- Department 03 - Emergency Management
- Department 04 - Fire Protection
- Department 05 - Public Works
- Department 06 - Parks & Recreation
- Department 07 - Police Department
- Department 08 - Sanitation & Recycling
- Department 09 - Animal Control
- Department 10 - Contingency
- Department 11 - Information Services
- Department 12 - Municipal Court
- Department 13 - Emergency Medical Service
- Department 14 - Fire Marshal
- Department 15 - Planning & Development
- Department 16 - Code Enforcement

General Fund

~Organizational Chart

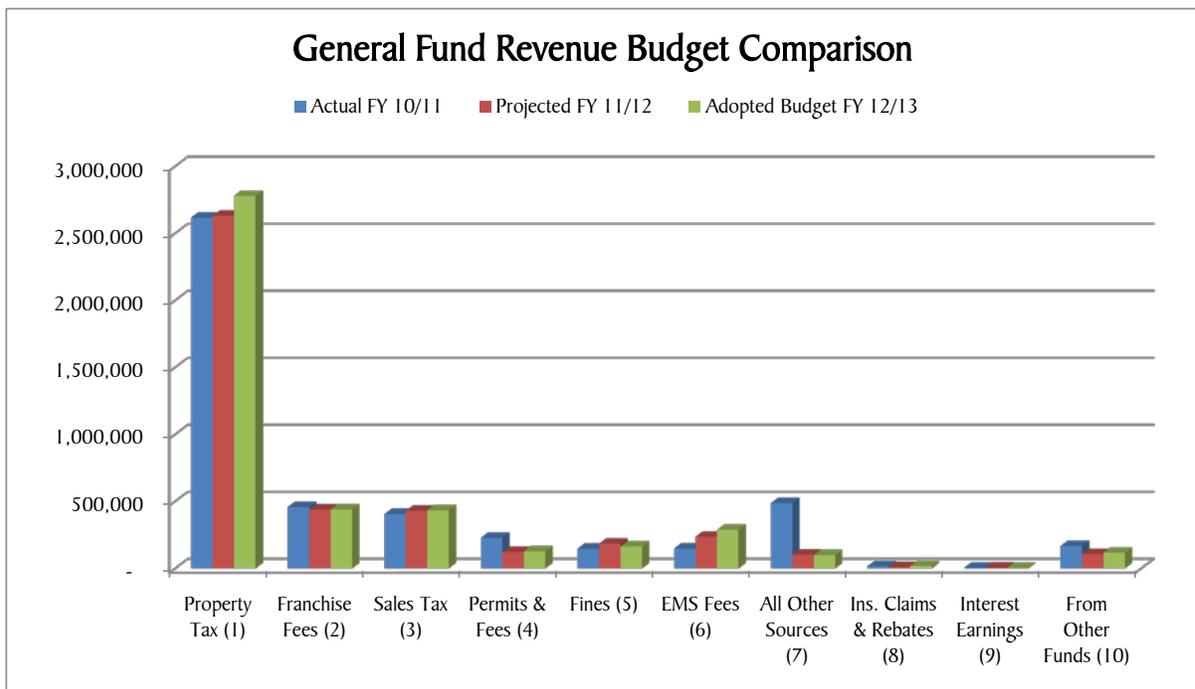
General Fund



General Fund Revenue

Revenue Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
Property Tax (1)	2,672,469	2,618,415	2,645,095	2,631,500	2,781,106	5.1%
Franchise Fees (2)	390,000	458,496	390,000	440,000	440,000	12.8%
Sales Tax (3)	371,400	405,728	424,400	430,000	435,000	2.5%
Permits & Fees (4)	132,150	229,414	133,550	121,460	128,750	-3.6%
Fines (5)	82,040	147,815	137,550	184,650	163,050	18.5%
EMS Fees (6)	289,000	149,222	198,000	237,000	288,000	45.5%
All Other Sources (7)	300,700	486,770	61,500	102,150	99,500	61.8%
Ins. Claims & Rebates (8)	18,000	16,237	18,000	10,600	18,000	0.0%
Interest Earnings (9)	1,550	3,805	3,520	6,530	3,020	-14.2%
From Other Funds (10)	108,200	167,650	108,200	108,200	117,400	8.5%
TOTAL	4,365,509	4,683,550	4,119,815	4,272,090	4,473,826	8.6%
Prior Year Balance Forward	1,025,488	-	1,550,807	1,544,841	1,408,730	-9.2%
End of Year Fund Balance	(931,725)	-	(1,123,785)	(1,408,730)	(1,355,686)	20.6%
Transfer to TIRZ	-	-	-	-	-	0.0%
GRAND TOTAL	4,459,272	4,683,550	4,546,837	4,408,201	4,526,870	-0.4%

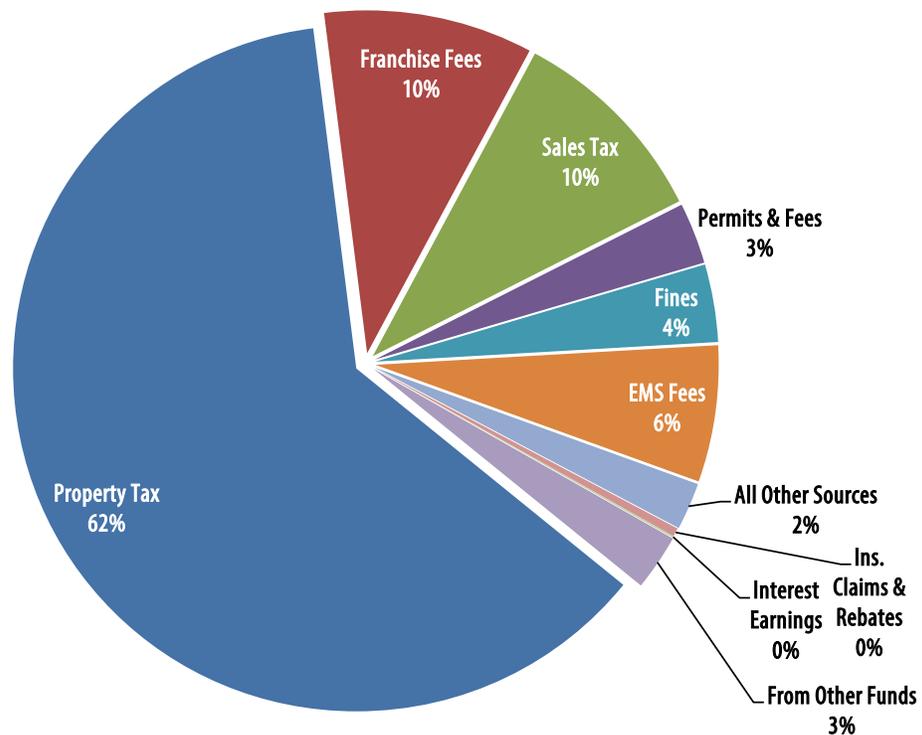
Property Tax (1) 3005, 3010, 3015
 Franchise Fees (2) 3105
 Sales Tax (3) 3110
 Permits & Fees (4) 3115, 3205, 3206, 3305, 3306,
 (4) 3307, 3308, 3310, 3312, 3315, 3405
 Fines (5) 3116, 3505, 3506, 3507
 EMS Fees (6) 3605, 3606, 3309
 All Other Sources (7) 3705, 3710, 3715, 3720, 3800
 (7) 3810, 3815, 3830, 3910
 Ins. Claims & Rebates (8) 3905
 Interest Earnings (9) 3020, 3025, 3990
 From Other Funds (10) 4910, 4915, 4920, 4922, 4923



General Fund Revenue

~ Fund 01

Revenue Summary	Adopted Budget FY 12/13	
Property Tax	2,781,106	61.4%
Franchise Fees	440,000	9.7%
Sales Tax	435,000	9.6%
Permits & Fees	128,750	2.8%
Fines	163,050	3.6%
EMS Fees	288,000	6.4%
All Other Sources	99,500	2.2%
Ins. Claims & Rebates	18,000	0.4%
Interest Earnings	3,020	0.1%
From Other Funds	117,400	2.6%
TOTAL	4,473,826	98.8%
Prior Year Balance Forward	1,408,730	
Reserves Used	53,044	1.2%
End of Year Fund Balance	(1,355,686)	
GRAND TOTAL	4,526,870	100.0%

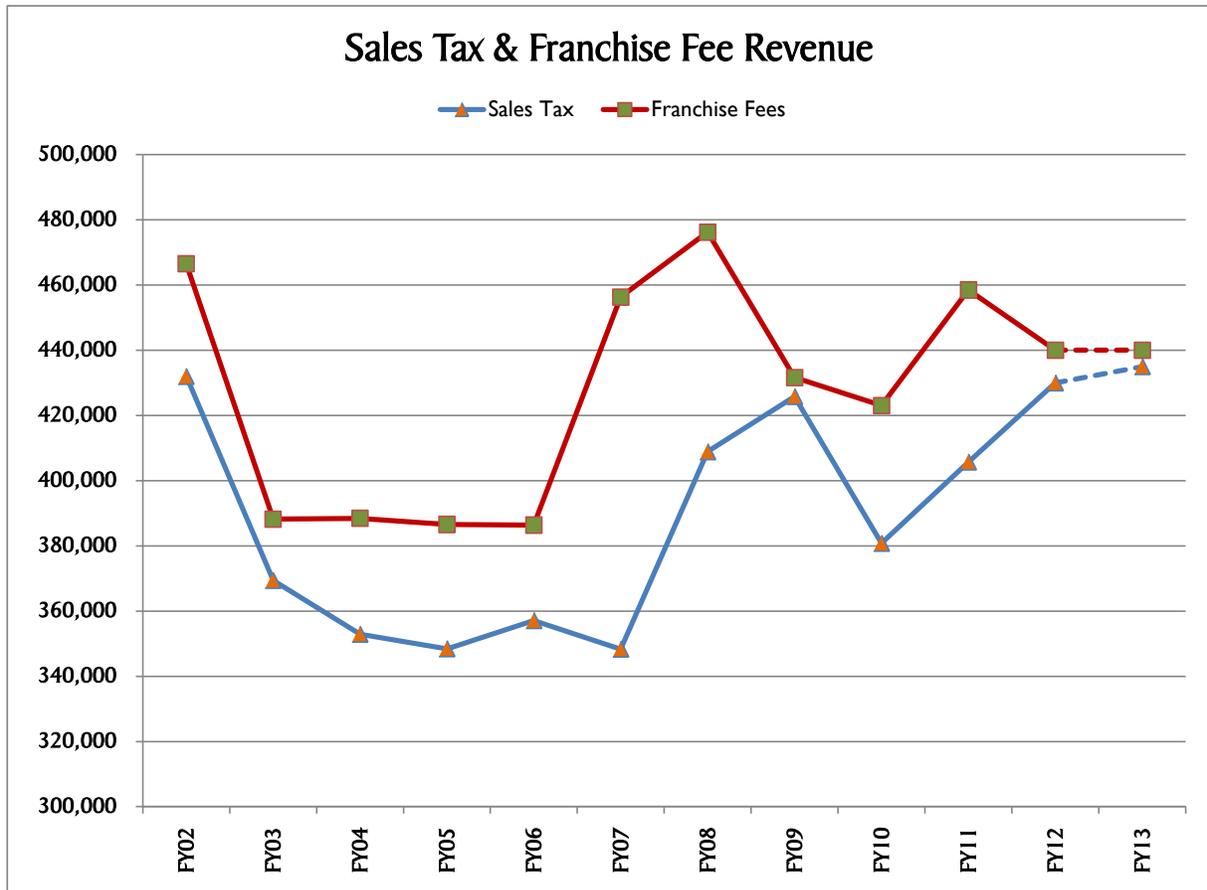


General Fund Revenue

~ Continued

Sales Tax	Year	Revenue
	FY02	431,994
	FY03	369,414
	FY04	352,903
	FY05	348,439
	FY06	357,075
	FY07	348,326
	FY08	408,881
	FY09	425,823
	FY10	380,786
	FY11	405,728
Projected	FY12	430,000
Budget	FY13	435,000

Franchise Fees	Year	Revenue
	FY02	466,541
	FY03	388,182
	FY04	388,436
	FY05	386,565
	FY06	386,372
	FY07	456,327
	FY08	476,237
	FY09	431,624
	FY10	423,030
	FY11	458,496
Projected	FY12	440,000
Budget	FY13	440,000





General Fund Revenue

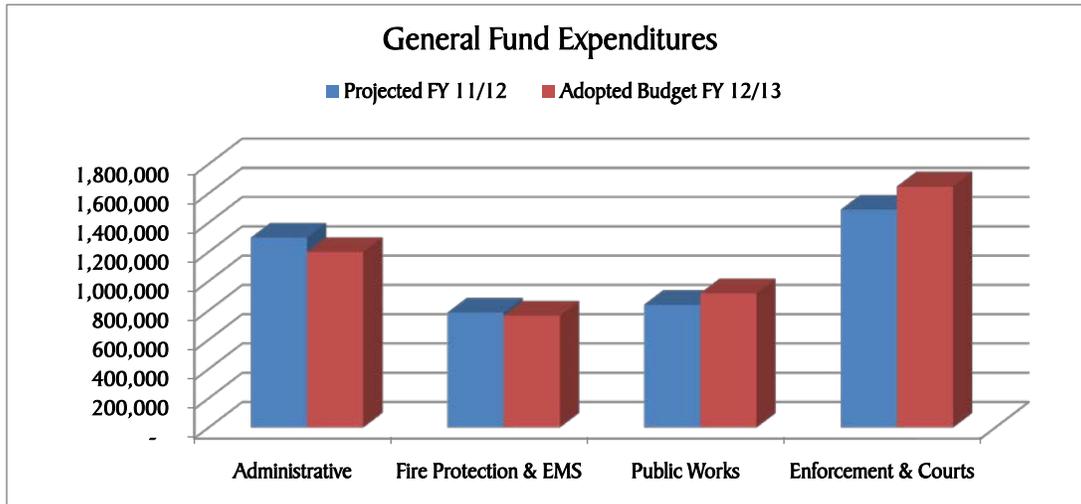
~ Fund 01

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
3005 Property Tax - Current	2,651,469	2,572,636	2,617,495	2,610,000	2,750,506	5.1%
3010 Property Tax - Prior Years	5,000	31,432	16,600	5,000	16,600	0.0%
3015 Penalty & Interest	16,000	14,347	11,000	16,500	14,000	27.3%
3020 Interest on Investment	50	2,362	2,000	6,500	3,000	50.0%
3025 Cash Discounts Taken	-	49	20	20	20	0.0%
3105 Franchise Fees	390,000	458,496	390,000	440,000	440,000	12.8%
3110 Sales Tax	371,400	405,728	424,400	430,000	435,000	2.5%
3115 Alcoholic Beverage Tax	7,000	8,179	7,000	8,000	8,000	14.3%
3116 Child Passenger Safety	150	-	150	150	150	0.0%
3205 Animal Licenses	450	365	450	600	450	0.0%
3206 Animal Pound Fee	400	820	500	900	700	40.0%
3305 Building Permits	110,000	189,842	110,000	80,000	100,000	-9.1%
3306 Storm Sewer Tap Fees	-	250	-	-	-	0.0%
3307 Fire Code Permits	2,500	13,468	4,000	12,200	9,000	125.0%
3308 Planning & Zoning Fees	700	3,710	1,000	1,300	1,000	0.0%
3309 Ambulance Permits	19,000	10,200	10,000	7,000	8,000	-20.0%
3310 Building & Craft Licenses	3,000	5,021	3,000	11,500	3,000	0.0%
3312 Business Licenses	400	945	400	1,200	400	0.0%
3315 Alcohol Licenses	2,700	2,275	2,700	2,260	2,200	-18.5%
3405 Government Service Fees	5,000	4,540	4,500	3,500	4,000	-11.1%
3505 Fines	80,000	144,752	135,000	180,000	160,000	18.5%
3506 Court Time Pay Fees - Local	1,650	2,335	2,000	3,000	2,200	10.0%
3507 Court TLFTA3 - Local	240	728	400	1,500	700	75.0%
3605 Ambulance Fees	240,000	139,022	188,000	230,000	280,000	48.9%
3606 Fire Department Fees	30,000	-	-	-	-	0.0%
3705 Miscellaneous	3,000	1,700	3,000	1,180	3,000	0.0%
3710 Fixed Asset Sale Proceeds	-	64,600	-	-	-	0.0%
3715 Recyclable Material Sales	1,600	609	-	960	-	0.0%
3720 Lien Revenue	-	16,689	-	60	-	0.0%
3800 Commercial Waste Collection	283,000	354,175	16,000	21,000	21,000	31.3%
3810 Rent/Lease Revenue	11,600	48,997	30,000	50,000	50,000	66.7%
3815 Donations for City Programs	1,500	-	12,500	28,950	1,500	-88.0%
3830 Emrg Mgnt Grant Reimbursement	-	-	-	-	24,000	0.0%
3905 Insurance Claims & Rebates	18,000	16,237	18,000	10,600	18,000	0.0%
3990 Interest On Investments	1,500	1,395	1,500	10	-	-100.0%
4910 Reimbursement - Other Funds	3,000	11,250	3,000	3,000	3,000	0.0%
4915 Reimbursement - TIRZ & NAMD	-	51,200	-	-	-	0.0%
4920 G&A Overhead - W&S	-	-	-	-	14,400	0.0%
4922 G&A Overhead - Tourism	5,200	5,200	5,200	5,200	-	-100.0%
4923 G&A Overhead - EDC	100,000	100,000	100,000	100,000	100,000	0.0%
TOTAL - Current Revenue	4,365,509	4,683,550	4,119,815	4,272,090	4,473,826	8.6%
9520 Prior Year Balance	1,025,488	-	1,550,807	1,544,841	1,408,730	-9.2%
9525 End of Year Fund Reserve	(931,725)	-	(1,123,785)	(1,408,730)	(1,355,686)	20.6%
9529 Transfer to TIRZ	-	-	-	-	-	0.0%
GRAND TOTAL	4,459,272	4,683,550	4,546,837	4,408,201	4,526,870	-0.4%

General Fund Expenditures

~ Fund 01

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Administrative (1)	1,124,251	1,025,855	1,352,511	1,296,551	1,199,090	(153,421)
Fire Protection & EMS (2)	764,796	730,859	803,021	785,010	764,190	(38,831)
Public Works (3)	1,134,045	1,110,785	876,285	838,850	916,920	40,635
Enforcement & Courts (4)	1,436,180	1,434,863	1,515,020	1,487,790	1,646,670	131,650
TOTAL	4,459,272	4,302,361	4,546,837	4,408,201	4,526,870	(19,967)



Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
1 General & Administrative	729,631	634,444	774,961	723,401	714,410	-7.8%
2 Building Department	159,120	146,400	124,680	114,770	127,530	2.3%
3 Emergency Management	120,620	116,081	126,810	127,030	138,070	8.9%
4 Fire Department	341,076	333,580	394,591	375,820	352,560	-10.7%
5 Public Works	321,610	292,100	359,075	331,180	346,480	-3.5%
6 Parks Department	226,130	232,622	282,160	271,230	335,390	18.9%
7 Police Department	1,066,811	1,085,821	1,159,210	1,146,220	1,192,940	2.9%
8 Sanitation & Recycling	586,305	586,062	235,050	236,440	235,050	0.0%
9 Animal Control	33,570	31,978	34,740	31,690	39,230	12.9%
10 Contingency Department	91,000	93,407	176,650	176,650	100,000	-43.4%
11 Information Services	165,270	166,466	224,360	219,770	226,610	1.0%
12 Municipal Court	72,620	71,267	87,240	87,240	116,810	33.9%
13 Emergency Medical Service	423,720	397,279	408,430	409,190	411,630	0.8%
14 Fire Marshal	104,059	99,397	109,150	107,870	110,160	0.9%
15 Planning & Development	17,730	15,456	49,730	49,700	20,000	-59.8%
16 Code Enforcement	-	-	-	-	60,000	0.0%
TOTAL	4,459,272	4,302,361	4,546,837	4,408,201	4,526,870	-0.4%

Over/(Under) Budget	(138,636)	(19,967)	Inc./(Decr.)
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(1) General & Admin., Emergency Mgmt., Contingency, Information Services, Planning & Development

(2) Fire Department, Emergency Medical Service

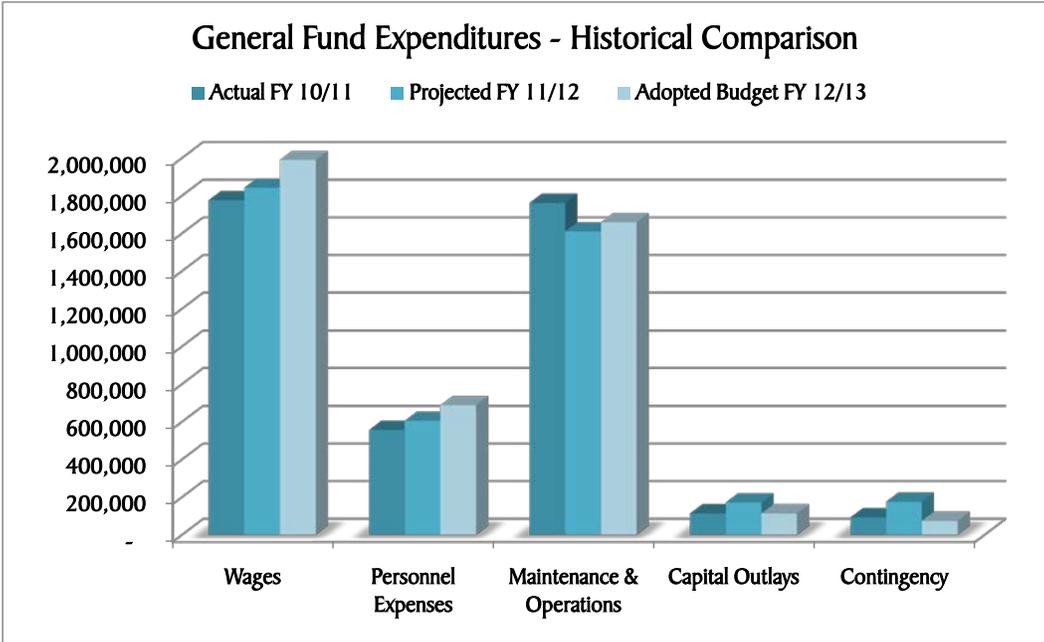
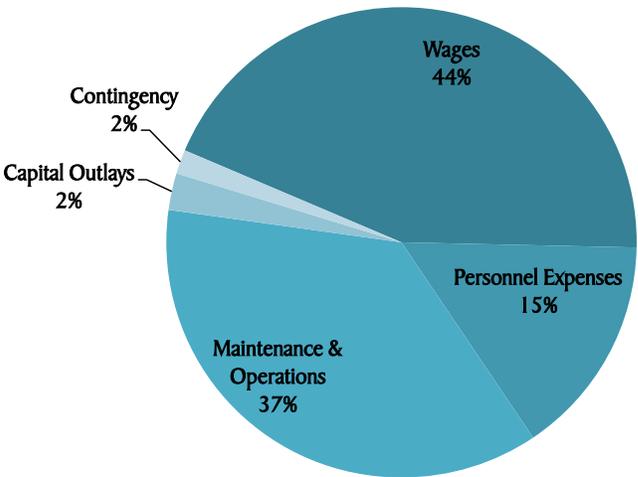
(3) Public Works, Parks Department, Sanitation & Recycling

(4) Building Department, Police Department, Animal Control, Municipal Court, Fire Marshal, Code Enforcement

General Fund Expenditures

~ Fund 01

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	1,765,340	1,776,134	1,841,463	1,842,700	1,990,130	148,667
Personnel Expenses	586,590	556,671	610,097	605,820	688,410	78,313
Maintenance & Operations	1,902,476	1,762,283	1,746,311	1,610,871	1,659,460	(86,851)
Capital Outlays	113,866	113,865	172,316	172,160	113,870	(58,446)
Contingency	91,000	93,407	176,650	176,650	75,000	(101,650)
TOTAL	4,459,272	4,302,361	4,546,837	4,408,201	4,526,870	(19,967)



General Fund Expenditures

~ Department 01

General & Administrative

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

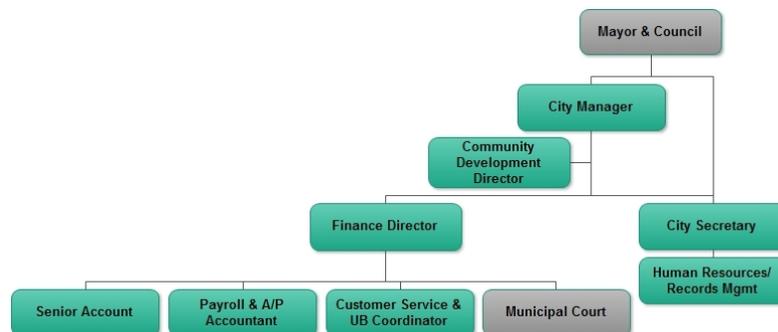
- Planning
- Economic Development
- Risk Management
- Intergovernmental Relations
- Legal
- Issuance of Licenses & Permits
- Records Management
- Public Information
- Accounting
- Budget Preparation
- Budget Administration
- Debt Management
- Finance Administration Tax Reconciliation
- Purchasing
- Payroll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

Staffing

This department is staffed with 8 full-time employees.

- City Manager ^{FTE}
- Community Development Director ^{FTE}
- City Secretary ^{FTE}
- Finance Director ^{FTE}
- HR Administration / Records Management ^{FTE}
- Senior Accountant ^{FTE}
- Payroll & A/P Accountant ^{FTE}
- Customer Service/Utility Billing Coordinator ^{FTE}

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



General Fund Expenditures

01 ~ General & Administrative

Expenditures Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget	FY 10/11	Budget	FY 11/12	Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
Wages	225,290	220,306	252,490	248,690	249,710	(2,780)
Personnel Expenses	71,110	64,083	81,910	81,910	82,320	410
Maintenance & Operations	433,231	350,055	405,561	357,801	382,380	(23,181)
Capital Outlays	-	-	35,000	35,000	-	(35,000)
TOTAL	729,631	634,444	774,961	723,401	714,410	(60,551)

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget	FY 10/11	Budget	FY 11/12	Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
4005 Audit	38,310	31,810	38,310	23,100	28,000	-26.9%
4010 Tax Collector-Assessor & HCAD	26,000	28,764	28,700	28,700	28,000	-2.4%
4030 Dues, Fees & Subscriptions	8,370	11,616	8,440	9,130	8,440	0.0%
4040 Advertising	6,250	7,146	6,250	6,250	6,500	4.0%
4042 Publications	8,600	8,129	8,600	8,600	8,640	0.5%
4045 Printing	5,000	1,098	5,000	4,000	6,000	20.0%
4055 Legal Fees	67,500	85,958	85,000	70,000	85,000	0.0%
4060 Contract Services	50,000	36,327	36,510	37,650	36,050	-1.3%
4061 Fixed Asset Management	2,000	-	2,000	2,000	500	-75.0%
4062 City Programs	9,000	9,505	20,000	20,000	10,200	-49.0%
4100 Rent/Lease - City Hall	1	1	1	1	1	0.0%
4110 Maintenance - Equipment	1,000	82	1,000	500	1,000	0.0%
4205 Supplies - Office	18,550	14,821	16,000	14,000	13,500	-15.6%
4210 Supplies - Postage	3,900	4,320	4,500	5,000	5,100	13.3%
4225 Supplies - Computers/Copiers	2,500	3,940	3,240	4,000	4,040	24.7%
4240 Supplies - Building	1,500	3,231	3,800	3,800	3,800	0.0%
4305 Wages	221,090	219,938	232,650	232,650	245,510	5.5%
4306 Overtime	4,200	368	4,200	400	4,200	0.0%
4308 Wages - Pay Plan/Merit	-	-	15,640	15,640	-	-100.0%
4310 Social Security	17,240	15,860	19,450	19,450	19,260	-1.0%
4390 Expense of City Officials	18,000	11,938	18,000	18,000	22,500	25.0%
4396 Phone Allowance	4,800	4,600	4,800	4,800	4,800	0.0%
4405 Insurance - Bonds	750	-	750	750	750	0.0%
4410 Insurance - General	10,500	8,042	7,720	6,550	3,030	-60.8%
4415 Insurance - Medical & Dental	23,000	21,322	27,740	27,740	26,040	-6.1%
4420 Insurance - Unemployment	56,400	7,279	5,000	5,000	5,000	0.0%
4425 Insurance - Workers' Comp	700	1,712	1,630	1,630	2,030	24.5%
4430 Retirement - Contribution	26,070	22,303	29,920	29,920	32,220	7.7%
4435 Retirement & Ins. - Admin.	-	(2)	-	-	-	0.0%
4440 Insurance - LT Disability	5,700	6,018	6,000	4,840	6,000	0.0%
4505 Utilities	65,000	55,849	65,000	68,590	62,509	-3.8%
4605 Training & Travel	6,600	7,938	11,150	11,150	15,330	37.5%
4705 Miscellaneous	-	(10,496)	-	-	-	0.0%
4710 Election Expense	10,000	9,550	15,000	100	15,000	0.0%
4904 Lease Purchase	5,600	3,739	2,460	2,460	2,460	0.0%
4925 Transfer to Capital Projects Fund	-	-	35,000	35,000	-	-100.0%
4930 Exams & Drug Testing	5,500	1,737	5,500	2,000	3,000	-45.5%
TOTAL	729,631	634,444	774,961	723,401	714,410	-7.8%

General Fund Expenditures

~ Department 02

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
- Planning Commission Support
- Board of Adjustment Support

Staffing

This department is staffed with 2 full-time employees; however the Office Manager (50%) is a shared position with the Public Works Department.

- Building Official/Floodplain Administrator ^{FTE}
- Office Mgr./Bldg. Dept. ^{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

02 ~ Building Department

Expenditures Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
Wages	102,280	100,702	78,697	79,060	80,900	2,203
Personnel Expenses	38,960	37,197	30,983	30,990	32,170	1,187
Maintenance & Operations	17,880	8,501	15,000	4,720	14,460	(540)
Capital Outlays	-	-	-	-	-	-
TOTAL	159,120	146,400	124,680	114,770	127,530	2,850

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
4030 Dues, Fees & Subscriptions	550	205	550	670	700	27.3%
4045 Printing	1,300	719	1,300	750	1,300	0.0%
4060 Contract Services	10,000	4,074	7,000	1,000	5,000	-28.6%
4120 Maintenance - Vehicles	1,500	917	1,500	500	1,500	0.0%
4205 Supplies - Office	-	135	-	-	-	0.0%
4220 Supplies - Uniforms	200	177	200	200	200	0.0%
4245 Supplies - Gas & Oil	830	803	950	700	950	0.0%
4305 Wages	101,980	100,702	76,317	76,320	80,800	5.9%
4306 Overtime	300	-	100	100	100	0.0%
4308 Wages - Pay Plan/Merit	-	-	2,280	2,640	-	-100.0%
4310 Social Security	7,830	7,681	6,060	6,060	6,230	2.8%
4396 Phone Allowance	2,400	2,400	2,400	2,400	1,800	-25.0%
4410 Insurance - General	-	-	-	-	2,590	0.0%
4415 Insurance - Medical & Dental	16,890	16,110	13,197	13,200	13,700	3.8%
4425 Insurance - Workers' Comp	800	587	800	200	220	-72.5%
4430 Retirement - Contribution	11,840	11,006	9,327	9,330	10,440	11.9%
4605 Training & Travel	2,700	884	2,700	700	2,000	-25.9%
TOTAL	159,120	146,400	124,680	114,770	127,530	2.3%

General Fund Expenditures

~ Department 03

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

Emergency Management was accepted into the FEMA Emergency Management Performance Grant Program during FY2012. Application will also be made in FY2013, with anticipated on-going participation in this program. Homeland Security Grant Funds were also obtained for upgrades to communications equipment.

Staffing

This department is staffed with 1 full-time employee.

- Emergency Mgmt. 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 and Fire Department vehicles are also made available for Emergency Management activities.

General Fund Expenditures

03 ~ Emergency Management

Expenditures Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
Wages	84,170	81,885	88,450	88,450	90,230	1,780
Personnel Expenses	25,660	24,413	26,790	27,010	29,050	2,260
Maintenance & Operations	10,790	9,784	11,570	11,570	18,790	7,220
Capital Outlays	-	-	-	-	-	-
TOTAL	120,620	116,081	126,810	127,030	138,070	11,260

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
4030 Dues, Fees & Subscriptions	620	620	620	620	620	0.0%
4045 Printing	700	350	700	700	700	0.0%
4060 Contract Services	4,800	4,484	-	-	-	0.0%
4110 Maintenance - Equipment	100	-	100	100	5,000	4900.0%
4230 Supplies - Emergency Operations	800	81	800	800	800	0.0%
4245 Supplies - Gas & Oil	-	-	4,000	4,000	4,500	12.5%
4305 Wages	84,170	81,885	85,930	85,930	90,230	5.0%
4308 Wages - Pay Plan/Merit	-	-	2,520	2,520	-	-100.0%
4310 Social Security	6,440	6,345	6,820	6,820	6,940	1.8%
4396 Phone Allowance	1,200	1,100	1,200	1,200	1,200	0.0%
4410 Insurance - General	-	-	-	-	1,820	0.0%
4415 Insurance - Medical & Dental	8,280	8,055	8,280	8,500	9,270	12.0%
4430 Retirement - Contribution	9,740	8,913	10,490	10,490	11,640	11.0%
4605 Training & Travel	3,770	4,257	5,350	5,350	5,350	0.0%
4705 Miscellaneous	-	(8)	-	-	-	0.0%
TOTAL	120,620	116,081	126,810	127,030	138,070	8.9%

General Fund Expenditures

~ Department 04

Fire Department

Volunteer Staffing

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

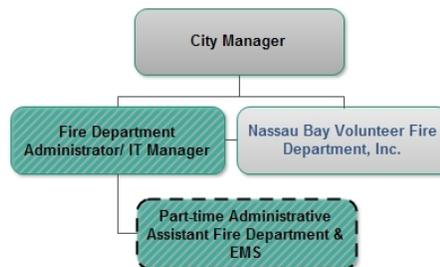
The City contracts with Nassau Bay Volunteer Fire Department, Inc. for fire & rescue services. The structure of the contract is such that the City provides equipment and an operating budget (Resolution No. R95-1269). No cash payment is made for services rendered.

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 (50%).

- Fire Dept. Administration / Info. Technology Manager (50%) ^{FTE}
- Fire Dept. Administrative Assistant (50%) ^{PTE}



Facilities:

- Fire Station (120 Surf Court) with emergency generator

Vehicles:

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

- 1993 Pierce Dash Type I Fire Truck (pumper)
- 1994 Pierce Dash Type I Fire Truck (pumper)
- 2003 AMGE Army Truck
- 2005 Chevrolet Silverado Truck – Utility Truck
- 2006 Trailer Special Operations Trailer
- 2007 Chevrolet Silverado Truck – Command Vehicle
- 2007 Boston Whaler Marine Patrol/Fire Boat
- 2009 Zodiac Inflatable Rescue Boat
- 2009 Pierce Quantum Type I Fire Truck (rescue pumper)

General Fund Expenditures

04 ~ Fire Department

Expenditures Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
Wages	41,360	40,657	44,000	44,040	45,800	1,800
Personnel Expenses	45,710	38,882	45,240	42,740	46,460	1,220
Maintenance & Operations	140,140	140,176	170,485	154,170	146,430	(24,055)
Capital Outlays	113,866	113,865	134,866	134,870	113,870	-
TOTAL	341,076	333,580	394,591	375,820	352,560	(42,031)

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
4030 Dues, Fees & Subscriptions	3,750	3,201	3,850	3,850	3,850	0.0%
4060 Contract Services	2,900	2,785	2,900	2,950	2,900	0.0%
4105 Maintenance - Facilities	2,390	2,994	2,390	3,800	3,390	41.8%
4110 Maintenance - Equipment	10,000	9,626	11,825	11,830	11,830	0.0%
4120 Maintenance - Vehicles	28,050	27,282	28,050	26,000	28,050	0.0%
4125 Maintenance - Marine	3,600	4,835	3,600	3,600	4,000	11.1%
4215 Supplies - Medical	1,500	281	500	500	1,500	200.0%
4220 Supplies - Uniforms	18,000	16,797	3,900	3,900	3,900	0.0%
4221 Supplies - Protective Clothing	-	-	31,200	25,300	15,000	-51.9%
4230 Supplies - Miscellaneous	3,500	3,514	3,500	3,500	3,500	0.0%
4235 Supplies - Tools	3,000	5,389	3,000	3,000	3,000	0.0%
4245 Supplies - Gas & Oil	5,000	5,967	8,500	6,500	7,500	-11.8%
4305 Wages	41,360	40,657	42,760	42,760	45,800	7.1%
4308 Wages - Pay Plan/Merit	-	-	1,240	1,280	-	-100.0%
4310 Social Security	3,170	3,246	3,390	3,390	3,520	3.8%
4396 Phone Allowance	2,400	2,400	2,400	2,400	2,400	0.0%
4410 Insurance - General	15,300	22,475	22,220	19,070	13,060	-41.2%
4415 Insurance - Medical & Dental	4,230	4,027	4,230	4,230	4,630	9.5%
4425 Insurance - Workers' Comp	2,100	(60)	4,000	3,990	3,900	-2.5%
4430 Retirement - Contribution	5,910	4,510	5,220	5,220	5,910	13.2%
4435 Retirement - Volunteers	30,000	24,699	30,000	27,500	30,000	0.0%
4505 Utilities	6,850	6,915	6,850	6,850	6,850	0.0%
4510 Telecommunications	-	(78)	-	-	-	0.0%
4605 Training & Travel	16,000	8,438	16,000	12,000	16,000	0.0%
4705 Miscellaneous	-	362	-	-	-	0.0%
4904 Lease Purchase	113,866	113,865	113,866	113,870	113,870	0.0%
4905 Capital Outlays	-	-	21,000	21,000	-	-100.0%
4910 Annual Banquet	7,200	8,493	7,200	7,530	7,200	0.0%
4911 Awards - Response & Incentive	9,000	8,828	9,000	8,000	9,000	0.0%
4912 Social Events	2,000	2,134	2,000	2,000	2,000	0.0%
TOTAL	341,076	333,580	394,591	375,820	352,560	-10.7%

General Fund Expenditures

~ Department 05

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 6 full-time employees; however the Office Manager is shared with the Building Department.

- Public Works Director FTE
- 1 Streets & Storm Water Supervisor FTE
- 3 Field Operators Crew Members FTE
- Office Manager (50%) FTE



Facilities

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

Vehicles

- 2006 Ford F350 IT Bucket Truck
- 1997 Ford F150 Pickup
- 2003 Ford F150 Pickup
- 2003 Ford F150 Pickup
- 1993 Ford Dump Truck
- 2007 Chevrolet Silverado

General Fund Expenditures

05 ~ Public Works

Expenditures Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
Wages	137,870	137,067	159,557	160,980	149,980	(9,577)
Personnel Expenses	54,190	52,788	61,443	61,450	63,830	2,387
Maintenance & Operations	129,550	102,246	138,075	108,750	132,670	(5,405)
Capital Outlays	-	-	-	-	-	-
TOTAL	321,610	292,100	359,075	331,180	346,480	(12,595)

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
4030 Dues, Fees & Subscriptions	250	50	225	230	250	11.1%
4070 Engineering	15,000	5,143	15,000	10,000	15,000	0.0%
4075 Mosquito Control	5,000	2,112	5,000	5,000	5,000	0.0%
4105 Maintenance - Facilities	2,500	2,662	2,500	2,500	2,500	0.0%
4110 Maintenance - Equipment/Safety	2,000	1,626	2,000	2,000	2,000	0.0%
4111 Maintenance - Storm Sewer	-	-	7,000	1,000	7,000	0.0%
4112 Maintenance - Storm Sewer LS	-	-	11,000	10,990	4,000	-63.6%
4115 Maintenance - Grounds	2,000	2,036	-	-	-	0.0%
4120 Maintenance - Vehicles	6,500	6,681	6,500	4,000	6,500	0.0%
4125 Maintenance - Street Lights	-	-	1,000	1,000	5,000	400.0%
4130 Maintenance - Streets & Curbs	-	393	2,500	2,600	2,500	0.0%
4131 Maintenance - Equipment Rental	10,000	4,739	6,000	5,000	6,000	0.0%
4135 Maintenance - Street Sweeping	4,000	2,000	4,000	4,000	4,000	0.0%
4220 Supplies - Uniforms	3,200	912	3,200	2,000	3,200	0.0%
4230 Supplies - Hardware	8,000	5,793	-	-	-	0.0%
4235 Supplies - Tools	2,500	1,948	2,000	2,000	2,000	0.0%
4245 Supplies - Gas & Oil	22,000	27,417	22,000	22,000	25,000	13.6%
4305 Wages	132,470	128,143	141,727	141,730	137,400	-3.1%
4306 Overtime	5,400	8,924	5,500	8,000	12,580	128.7%
4308 Wages - Pay Plan/Merit	-	-	12,330	11,250	-	-100.0%
4310 Social Security	10,550	10,450	12,290	12,290	11,540	-6.1%
4396 Phone Allowance	6,000	6,000	6,000	6,000	6,000	0.0%
4410 Insurance - General	7,000	10,452	10,240	9,000	9,250	-9.7%
4415 Insurance - Medical & Dental	22,370	21,364	24,217	24,220	26,940	11.2%
4425 Insurance - Workers' Comp	4,600	7,910	7,910	6,930	7,470	-5.6%
4430 Retirement - Contribution	15,270	14,975	18,937	18,940	19,350	2.2%
4505 Utilities (Street Lights/Pumps)	30,000	19,084	25,000	16,000	21,000	-16.0%
4605 Training & Travel	5,000	1,285	5,000	2,500	5,000	0.0%
4907 Capital Outlays	-	-	-	-	-	0.0%
TOTAL	321,610	292,100	359,075	331,180	346,480	-3.5%

General Fund Expenditures

~ Department 06

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.

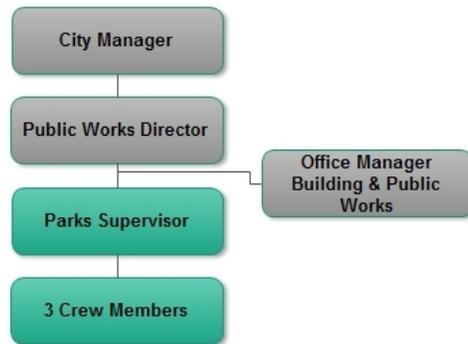
Some of the primary functions are:

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

Staffing

This department is staffed with 4 full-time employees.

- Parks Supervisor ^{FTE}
- 3 Maintenance Crew Members ^{FTE}



The functions of the four annual Special Events are performed by the volunteer members of the Special Events Committee in coordination with City staff.

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

06 ~ Parks Department

Expenditures Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
Wages	104,920	107,792	106,250	107,950	126,240	19,990
Personnel Expenses	37,710	42,257	46,070	44,780	51,240	5,170
Maintenance & Operations	83,500	82,573	129,840	118,500	157,910	28,070
Capital Outlays	-	-	-	-	-	-
TOTAL	226,130	232,622	282,160	271,230	335,390	53,230

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
4030 Dues, Fees & Subscriptions	100	-	100	-	100	0.0%
4105 Maintenance - Facilities	20,000	14,029	19,000	10,000	16,000	-15.8%
4110 Maintenance - Equipment	3,000	3,201	3,000	3,000	3,000	0.0%
4115 Maintenance - Grounds	24,000	33,112	56,000	56,000	93,630	67.2%
4129 Maintenance - Park Lighting	-	-	3,000	1,500	3,000	0.0%
4135 Maintenance - Holiday Decorations	1,000	188	1,000	500	1,000	0.0%
4140 Maintenance - Lake Nassau	5,000	905	5,000	5,000	5,000	0.0%
4145 Maintenance - Channels/Buoys	1,500	1,500	4,000	3,800	1,500	-62.5%
4228 Supplies - Mut Mits	2,500	2,379	2,500	3,000	3,000	20.0%
4230 Supplies - Miscellaneous	-	(20)	-	-	-	0.0%
4305 Wages	99,800	98,857	98,720	98,720	115,640	17.1%
4306 Overtime	5,120	8,935	5,120	6,300	10,600	107.0%
4308 Wages - Pay Plan/Merit	-	-	2,410	2,930	-	-100.0%
4310 Social Security	8,030	8,070	8,190	8,190	9,730	18.8%
4410 Insurance - General	-	-	-	-	4,580	0.0%
4415 Insurance - Medical & Dental	17,730	22,554	25,290	24,000	25,220	-0.3%
4425 Insurance - Workers' Comp	2,400	3,289	3,290	2,750	3,100	-5.8%
4430 Retirement - Contribution	11,950	11,633	12,590	12,590	16,290	29.4%
4505 Utilities	10,000	6,787	8,000	8,000	8,000	0.0%
4905 Capital Outlays	-	-	-	-	-	0.0%
4906 Grant Match - Peninsula Grant	-	4,050	7,000	7,000	-	-100.0%
4910 Special Events Committee	10,000	11,476	10,000	10,000	10,000	0.0%
4912 Beautification Day & Projects	-	(2,322)	3,950	3,950	2,000	-49.4%
4913 Environmental Restoration	4,000	4,000	4,000	4,000	4,000	0.0%
TOTAL	226,130	232,622	282,160	271,230	335,390	18.9%

General Fund Expenditures

~ Department 07

Police Department

In FY2013, the department will continue to step up its enforcement of the City's Junked/Abandoned Vehicle Ordinance as well as enforce the City's new Mandatory Crime Reduction Program for Apartment Complexes. The new Crime Reduction Ordinance has provisions that allow the Police Department to pass on the cost of the program to the apartment complexes that are required to participate. As part of the approved Capital Improvement Plan, the Police Department requested two new police vehicles to replace existing vehicles which are deteriorating in their usefulness and dependability for the purposes of public safety and patrol.

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 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

07 ~ Police Department

Expenditures Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	Change
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	\$
Wages	643,270	665,204	681,760	678,750	694,640	12,880
Personnel Expenses	245,640	230,582	244,190	244,190	268,330	24,140
Maintenance & Operations	177,901	190,035	233,260	223,280	229,970	(3,290)
Capital Outlays	-	-	-	-	-	-
TOTAL	1,066,811	1,085,821	1,159,210	1,146,220	1,192,940	33,730

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	Change
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	%
4030 Dues, Fees & Subscriptions	1,095	595	1,100	950	1,100	0.0%
4040 Advertising	200	-	200	200	200	0.0%
4045 Printing	500	267	500	400	500	0.0%
4050 Information Services	-	(10)	-	-	-	0.0%
4060 Contract Services	2,840	2,325	2,840	2,840	2,840	0.0%
4061 Dispatch Contract	60,000	59,165	60,000	60,000	60,000	0.0%
4062 Jail Contract	12,000	15,455	60,000	60,000	60,000	0.0%
4064 Investigation Funds	1,000	426	1,000	500	1,000	0.0%
4070 Professional Services	600	225	600	200	600	0.0%
4110 Maintenance - Equipment	1,800	3,029	1,800	1,800	1,800	0.0%
4120 Maintenance - Vehicles	10,500	8,629	15,000	14,000	13,000	-13.3%
4220 Supplies - Uniforms	7,794	4,103	6,250	4,200	6,250	0.0%
4225 Supplies - Computers/Printers	2,600	4,131	2,600	2,600	2,600	0.0%
4226 Supplies - Police	1,690	727	1,630	1,600	1,630	0.0%
4245 Supplies - Gas & Oil	27,500	38,128	35,000	35,000	40,000	14.3%
4305 Wages	637,270	660,596	653,860	653,860	686,640	5.0%
4306 Overtime	6,000	4,609	8,000	6,000	8,000	0.0%
4308 Wages - Pay Plan/Merit	-	-	19,900	18,890	-	-100.0%
4310 Social Security	49,210	50,182	52,500	52,500	53,480	1.9%
4396 Phone Allowance	4,800	4,800	4,800	4,800	4,800	0.0%
4410 Insurance - General	8,300	17,329	14,000	13,990	17,780	27.0%
4415 Insurance - Medical & Dental	117,080	104,714	106,100	106,100	120,460	13.5%
4425 Insurance - Workers' Comp	15,400	15,649	15,400	12,230	13,170	-14.5%
4430 Retirement - Contribution	74,550	70,885	80,790	80,790	89,590	10.9%
4605 Training & Travel	6,500	4,122	7,500	5,000	7,500	0.0%
4904 Lease Purchase	17,582	15,741	7,840	7,770	-	-100.0%
4905 Capital Outlays	-	-	-	-	-	0.0%
TOTAL	1,066,811	1,085,821	1,159,210	1,146,220	1,192,940	2.9%

General Fund Expenditures

~ Department 08

Sanitation & Recycling

In FY2013, the City will continue its voluntary recycling program in which residents can elect to participate in the fee-based service. This recycling program provides for curbside pick-up of recycling at participating residences. This program is provided directly through the contractor.

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

- Residential Solid Waste Collection & Disposal
- Municipal Generated Solid Waste Collection & Disposal
- Commercial Solid Waste Collection & Disposal
- Public Information & Recycling Education
- Coordination of Public-Private Recycling Programs

Staffing

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

Various activities associated with the Sanitation & Recycling Department are performed by:

- Public Works Director ^{FTE}
- Public Works Field Employees ^{FTE}
- Customer Service/Utility Billing Assistant ^{FTE}
- Fire Marshal ^{PTE}

The City contracts with a private solid waste company to collect and dispose of residential and commercial solid waste, as well as provide recycling services. For residential waste removal, the contractor is paid monthly, based on the number of occupied residential units in the City. For commercial waste removal, customers make payment directly to the contractor and the City receives a portion of the collected services charges as revenue for right-of-way rental fees.

Facilities

A recycling container site is provided in the parking lot of 1275 Space Park Dr.

Vehicles

This department has no vehicles.

Collection and hauling vehicles are provided by the City's solid waste contractor.

General Fund Expenditures

08 ~ Sanitation & Recycling

		Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Expenditures Summary							
	Wages	-	-	-	-	-	-
	Personnel Expenses	-	-	-	-	-	-
	Maintenance & Operations	586,305	586,062	235,050	236,440	235,050	-
	Capital Outlays	-	-	-	-	-	-
	TOTAL	586,305	586,062	235,050	236,440	235,050	-
Line Item Detail		Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4090	Solid Waste Collection	250,470	250,470	232,500	232,500	232,500	0.0%
4091	Contract - Bayfront	2,045	2,040	2,050	2,700	2,050	0.0%
4230	Supplies - Miscellaneous	500	500	500	500	500	0.0%
4800	Commercial Solid Waste	333,290	333,052	-	740	-	0.0%
	TOTAL	586,305	586,062	235,050	236,440	235,050	0.0%

General Fund Expenditures

~ Department 09

Animal Control

During the past year, the Animal Control Department benefitted from the build-out of an existing structure to provide sheltering space for impounded animals. The department will continue to work closely with the community to reunite pets with their owners and find new homes for unclaimed animals.

The Animal Control Department is responsible for the following functions:

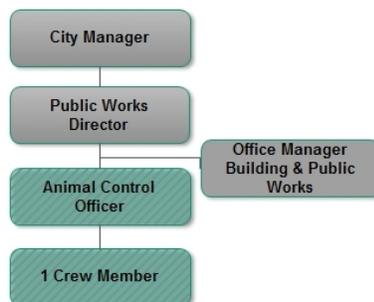
- Animal Code Enforcement
- Control of Dangerous and/or Vicious Animals
- Impoundment of Animals Found at Large
- Wildlife Management
- Providing Humane Animal Traps for Resident Use
- Removal of Trapped Varmints
- Collection of Animal Carcasses

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}
- Office Manager ^{FTE}



Facilities

Animal shelter space is provided by the Public Works Department.

Vehicles

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

General Fund Expenditures

09 ~ Animal Control

Expenditures Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	Change
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	\$
Wages	18,380	18,967	18,790	18,860	21,040	2,250
Personnel Expenses	6,340	6,475	6,640	6,640	7,580	940
Maintenance & Operations	8,850	6,537	9,310	6,190	10,610	1,300
Capital Outlays	-	-	-	-	-	-
TOTAL	33,570	31,978	34,740	31,690	39,230	4,490

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
4030 Dues, Fees & Subscriptions	100	-	100	100	100	0.0%
4060 Contract Services	2,600	1,381	2,600	1,500	2,600	0.0%
4105 Maintenance - Facilities	2,800	2,076	2,800	1,500	2,800	0.0%
4230 Supplies	2,400	2,025	2,400	2,400	2,400	0.0%
4305 Wages	17,300	17,296	16,860	16,860	18,330	8.7%
4306 Overtime	1,080	1,671	1,500	1,500	2,710	80.7%
4308 Wages - Pay Plan/Merit	-	-	430	500	-	-100.0%
4310 Social Security	1,410	1,526	1,450	1,450	1,620	11.7%
4410 Insurance - General	-	-	-	-	1,990	0.0%
4415 Insurance - Medical & Dental	2,960	2,819	2,960	2,960	3,240	9.5%
4425 Insurance - Workers' Comp	600	1,054	1,060	340	370	-65.1%
4430 Retirement - Contribution	1,970	2,130	2,230	2,230	2,720	22.0%
4605 Training & Travel	350	-	350	350	350	0.0%
TOTAL	33,570	31,978	34,740	31,690	39,230	12.9%

General Fund Expenditures

~ Department 10

Contingency

The City's Charter provides for a contingency department not to exceed 5% of the General Fund proposed expenditures. The FY13 General Fund Budget includes expenditures of \$4,526,870 and a contingency budget of \$100,000 (approximately 2.2%).

These funds are expended at the discretion of the City Manager in unexpected situations meriting such allocations. The contingency department 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 situations. 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>
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	20,344
2009/10	447,000	175,717
2010/11	100,000	91,000
2011/12	176,650	176,650*
2012/13	100,000	

*Projected

General Fund Expenditures

10 ~ Contingency Department

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	-	-	-	-	25,000	25,000
Personnel Expenses	-	-	-	-	-	-
Maintenance & Operations	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Contingency	91,000	93,407	176,650	176,650	75,000	(101,650)
TOTAL	91,000	93,407	176,650	176,650	100,000	(76,650)

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4070 Grant Matches	-	37,717	61,650	61,650	25,000	-59.4%
4160 City Charter Contingency	91,000	55,690	115,000	115,000	50,000	-56.5%
4305 Reserve - Wages	-	-	-	-	25,000	0.0%
TOTAL	91,000	93,407	176,650	176,650	100,000	-43.4%

General Fund Expenditures

~ Department 11

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 and has continued to evolve with changes in technology and software. The City currently utilizes multiple software programs that provide for more efficient service provision and record-keeping. Recently, the City has moved toward some web-hosted software systems that allow the burden of some server and software maintenance to be transferred to the software provider.

The Information Services Department provides services that are reimbursed by the departments and funds that receive the benefit. See Information Services - Reimbursed Expenses, pages 52-53.

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}
- 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

11 ~ Information Services

Expenditures Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
Wages	31,770	30,755	31,300	31,290	33,020	1,720
Personnel Expenses	12,630	9,773	12,690	11,250	11,430	(1,260)
Maintenance & Operations	120,870	125,938	178,370	175,370	182,160	3,790
Capital Outlays	-	-	2,000	1,860	-	(2,000)
TOTAL	165,270	166,466	224,360	219,770	226,610	2,250

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
4030 Dues, Fees & Subscriptions	11,970	9,190	17,150	17,150	18,150	5.8%
4070 Contract Computer Services	45,100	48,038	68,620	68,620	73,750	7.5%
4072 Maintenance - Software	4,500	3,482	4,500	4,500	4,500	0.0%
4110 Maintenance - Equipment	10,500	9,924	17,000	15,000	13,000	-23.5%
4205 Supplies - Office	-	64	-	-	-	0.0%
4225 Supplies - Computers/Printers	2,500	191	2,500	2,500	2,500	0.0%
4305 Wages	31,770	30,471	30,380	30,380	33,020	8.7%
4306 Overtime	-	284	-	-	-	0.0%
4308 Wages - Pay Plan/Merit	-	-	920	910	-	-100.0%
4310 Social Security	2,430	2,399	2,450	2,450	2,540	3.7%
4410 Insurance - General	-	-	-	-	1,820	0.0%
4415 Insurance - Medical & Dental	6,440	4,027	6,440	5,000	4,630	-28.1%
4430 Retirement - Contribution	3,760	3,347	3,800	3,800	4,260	12.1%
4510 Telecommunications	44,700	54,889	67,000	67,000	66,840	-0.2%
4511 Channel 16	-	(3)	-	-	-	0.0%
4605 Training & Travel	1,600	162	1,600	600	1,600	0.0%
4905 Capital Outlays	-	-	2,000	1,860	-	-100.0%
TOTAL	165,270	166,466	224,360	219,770	226,610	1.0%

General Fund Expenditures

~ Reimbursed Expenses

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.

Water & Sewer Fund reimbursements are charged to line item 4810 – G & A Overhead and credited to General Fund revenue line item 4920 – G & A Overhead – W&S.

General Fund Expenditures

11 ~ Information Services Reimbursement Schedule

Line Item Detail	Adopted	General		W & S		Tourism	
	Budget FY 12/13	Fund	%	Fund	%	Fund	%
4070 Contract Computer Services	73,750	67,190	91.1%	6,560	8.9%	-	0.0%
4072 Maintenance - Software	4,500	4,100	91.1%	400	8.9%	-	0.0%
4110 Maintenance - Equipment	13,000	11,840	91.1%	1,160	8.9%	-	0.0%
4225 Supplies - Computers/Printers	2,500	2,280	91.1%	220	8.9%	-	0.0%
4510 Telecommunications	66,840	60,890	91.1%	5,950	8.9%	-	0.0%
4605 Training & Travel	1,600	1,460	91.1%	140	8.9%	-	0.0%
TOTAL	162,190	147,790	91.1%	14,400	8.9%	-	0.0%

General Fund Expenditures

~ Department 12

Municipal Court

Beginning FY2013, the City has selected to bring the court administrative functions in-house, after contracting this service with the City of Webster from 2009 to 2012. The Court has all the powers and duties prescribed by the laws of the State of Texas: the trial of misdemeanor offenses. 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

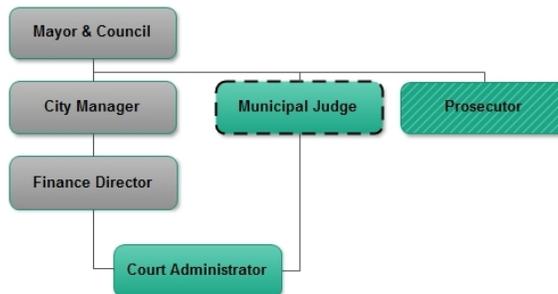
This department is staffed with one (1) full-time Court Administrator, a Presiding Judge, an Associate Judge, and a relief Judge.

- Court Administrator ^{FTE}
- 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 Administrative Office is located at City Hall. 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

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	12,000	12,000	17,000	17,000	71,200	54,200
Personnel Expenses	920	2,023	1,990	1,990	22,390	20,400
Maintenance & Operations	59,700	57,244	68,250	68,250	23,220	(45,030)
Capital Outlays	-	-	-	-	-	-
TOTAL	72,620	71,267	87,240	87,240	116,810	29,570

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4030 Dues, Fees & Subscriptions	500	1	250	250	500	100.0%
4045 Printing	200	-	200	200	200	0.0%
4060 Contract Services	58,000	57,048	66,800	66,800	17,700	-73.5%
4305 Wages	12,000	12,000	17,000	17,000	71,200	318.8%
4310 Social Security	920	918	1,310	1,310	5,480	318.3%
4410 Insurance - General	-	-	-	-	1,820	0.0%
4415 Insurance - Medical & Dental	-	1,105	100	100	9,270	9170.0%
4425 Insurance - Workers' Comp	-	-	-	-	-	0.0%
4430 Retirement - Contribution	-	-	580	580	7,640	1217.2%
4605 Training & Travel	1,000	196	1,000	1,000	3,000	200.0%
TOTAL	72,620	71,267	87,240	87,240	116,810	33.9%

General Fund Expenditures

~ Department 13

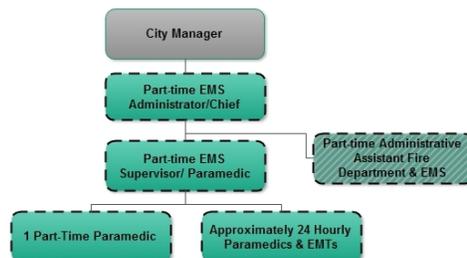
Emergency Medical Service

The Nassau Bay EMS provides 24-hour emergency medical services to the community. During FY2013 the department is working on several projects to continue to improve the level of care it provides. Projects include the purchase of an Auto Pulse pneumatic CPR device and the upgrading of the EMS cardiac monitor. Additionally, the reserve ambulance will be fully equipped and certified, providing a dependable back-up EMS Unit. Finally, the department will receive one of the used Police Department Crown Victoria units as the EMS Chief/EMS Supervisor squad vehicle. This additional vehicle will allow available personnel to assist the primary unit at a scene without the limitations of having to fully staff an additional ambulance.

Staffing

This department is staffed with 4 part-time employees and a pool of hourly paramedics. The Administrative Assistant is expensed 50% to this department while the remaining 50% is charged to the Fire Department.

- 1 EMS Administrator ^{PTE}
- 1 EMS Supervisor ^{PTE}
- 1 EMS Part-Time Paramedic ^{PTE}
- 1 Administrative Assistant ^{PTE}
- Paramedics ^{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 F450 Ambulance
- 2005 Ford F350 Ambulance

General Fund Expenditures

13 ~ Emergency Medical Services

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	291,920	288,113	287,970	292,290	290,490	2,520
Personnel Expenses	31,450	33,470	35,980	36,700	38,900	2,920
Maintenance & Operations	100,350	75,695	84,480	80,200	82,240	(2,240)
Capital Outlays	-	-	-	-	-	-
TOTAL	423,720	397,279	408,430	409,190	411,630	3,200

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4030 Dues, Fees & Subscriptions	160	370	370	370	370	0.0%
4045 Printing	1,000	788	1,000	700	1,000	0.0%
4056 Contract Billing	48,000	19,528	25,000	25,000	25,000	0.0%
4057 Licenses	890	590	890	800	890	0.0%
4100 Rent/Lease	-	-	1,000	1,000	-	-100.0%
4105 Maintenance - Facilities	-	3,073	2,200	2,200	1,700	-22.7%
4110 Maintenance - Equipment	3,000	277	1,000	1,000	1,000	0.0%
4120 Maintenance - Vehicles	2,500	6,380	4,500	4,000	4,500	0.0%
4215 Supplies - Medical	18,000	17,394	20,000	20,000	23,000	15.0%
4220 Supplies - Uniforms	3,500	4,295	3,500	3,500	3,500	0.0%
4245 Supplies - Gas & Oil	6,000	5,166	6,000	6,500	6,500	8.3%
4305 Wages	279,920	277,063	263,870	270,000	274,490	4.0%
4306 Overtime	12,000	11,050	16,000	14,000	16,000	0.0%
4308 Wages - Pay Plan/Merit	-	-	8,100	8,290	-	-100.0%
4310 Social Security	22,340	22,084	22,180	22,900	22,360	0.8%
4396 Phone Allowance	1,200	1,200	1,200	1,200	1,200	0.0%
4410 Insurance - General	3,600	8,228	8,120	5,750	3,900	-52.0%
4425 Insurance - Workers' Comp	11,700	8,895	8,900	7,380	7,880	-11.5%
4430 Retirement - Contribution	7,910	10,187	12,600	12,600	15,340	21.7%
4605 Training & Travel	2,000	712	2,000	2,000	3,000	50.0%
4905 Capital Outlays	-	-	-	-	-	0.0%
TOTAL	423,720	397,279	408,430	409,190	411,630	0.8%

General Fund Expenditures

~ Department 14

Fire Marshal

The Fire Marshal Department is responsible for a wide variety of inspection, permit, and enforcement activities. In FY2013, the Fire Marshal's Office will continue to pursue activities focused on life safety and fire prevention through its annual fire inspections and pre-fire plan surveys. Of the many projects the department will assist with in the coming year, a coordinated effort with other City departments to lower the City's current ISO rating classification will be a major focus. Some of the primary functions of the department are:

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

Staffing

This department is staffed by 2 part-time and several hourly employees.

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



Facilities

Office space is provided within City Hall for this department.

Vehicles

- 1998 Ford Expedition

General Fund Expenditures

14 ~ Fire Marshal

Expenditures Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
Wages	72,110	72,685	75,200	75,340	71,320	(3,880)
Personnel Expenses	16,270	14,730	16,170	16,170	17,090	920
Maintenance & Operations	15,679	11,982	17,330	15,930	21,750	4,420
Capital Outlays	-	-	450	430	-	(450)
TOTAL	104,059	99,397	109,150	107,870	110,160	1,010

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
4030 Dues, Fees & Subscriptions	2,054	2,026	3,100	3,100	3,800	22.6%
4045 Printing	375	342	380	380	380	0.0%
4060 Contract Services	250	-	1,000	1,000	1,560	56.0%
4063 Property Liens Expense	3,000	450	1,000	600	600	-40.0%
4120 Maintenance - Vehicles	3,000	1,207	3,000	2,000	3,000	0.0%
4220 Supplies - Uniforms	1,000	807	1,000	1,000	1,000	0.0%
4227 Supplies - Photographic	300	187	300	300	300	0.0%
4230 Supplies - Fire & Equipment	1,400	700	1,250	1,250	1,250	0.0%
4245 Supplies - Gas & Oil	1,200	2,273	1,800	1,800	1,900	5.6%
4305 Wages	72,110	72,685	73,000	73,000	71,320	-2.3%
4308 Wages - Pay Plan/Merit	-	-	2,200	2,340	-	-100.0%
4310 Social Security	5,520	5,714	5,820	5,820	5,490	-5.7%
4396 Phone Allowance	2,400	2,400	2,400	2,400	2,400	0.0%
4410 Insurance - General	-	-	-	-	2,590	0.0%
4425 Insurance - Workers' Comp	600	491	500	500	870	74.0%
4430 Retirement - Contribution	8,350	6,615	7,950	7,950	9,200	15.7%
4605 Training & Travel	2,500	3,499	4,000	4,000	4,500	12.5%
4905 Capital Outlays	-	-	450	430	-	-100.0%
TOTAL	104,059	99,397	109,150	107,870	110,160	0.9%

General Fund Expenditures

~ *Department 15*

Planning & Development

The Planning & Development Department provides funding for administrative costs associated with development in the City. In the coming year this department will fund the completion of the review and update of the City's Zoning Ordinance.

Staffing

This department has no employees.

Facilities

Office space is provided within City Hall for this department.

Vehicles

This department has no vehicles.

General Fund Expenditures

15 ~ Planning & Development

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	-	-	-	-	-	-
Personnel Expenses	-	-	-	-	-	-
Maintenance & Operations	17,730	15,456	49,730	49,700	20,000	(29,730)
Capital Outlays	-	-	-	-	-	-
TOTAL	17,730	15,456	49,730	49,700	20,000	(29,730)

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4005 Audit	7,730	7,723	7,730	7,700	-	-100.0%
4060 Contract Services	10,000	7,733	42,000	42,000	20,000	-52.4%
TOTAL	17,730	15,456	49,730	49,700	20,000	-59.8%

General Fund Expenditures

~ Department 16

Code Enforcement

Of the two newly created positions in the FY2013 budget, the Code Enforcement position is designed to pursue one of City Council's major goals for the City. The Code Enforcement department allocates resources to the full time pursuit of enforcing City codes and ordinances. Through inspections and citations the new Code Enforcement Officer will be fully dedicated to issues such as high grass, dangerous pools, and dangerous neglect of property violations. The primary functions of the department are:

- Enforcement of some Health & Safety and Zoning Ordinances
- Enforcement of some Sign & Housing Codes
- Building Abatement
- Nuisance Violation enforcement
- Abandoned and Junk Vehicle enforcement with Police Department coordination

Staffing

This department is staffed by 1 full-time employee.

- Code Enforcement Officer/Deputy Fire Marshal ^{FTE}



Facilities

Office space is provided within City Hall for this department.

Vehicles

This department currently has no vehicles; however depending on availability, a retired Police Department Crown Victoria may be assigned to this department during the course of the year.

General Fund Expenditures

16 ~ Code Enforcement

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	-	-	-	-	40,560	40,560
Personnel Expenses	-	-	-	-	17,620	17,620
Maintenance & Operations	-	-	-	-	1,820	1,820
Capital Outlays	-	-	-	-	-	-
TOTAL	-	-	-	-	60,000	60,000

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4305 Wages	-	-	-	-	40,560	0.0%
4310 Social Security	-	-	-	-	3,120	0.0%
4410 Insurance - General	-	-	-	-	1,820	0.0%
4415 Insurance - Medical & Dental	-	-	-	-	9,270	0.0%
4430 Retirement - Contribution	-	-	-	-	5,230	0.0%
TOTAL	-	-	-	-	60,000	0.0%

General Fund Expenditures

~ *Capital Outlay Requests*

FY2013 Capital Outlay Request Summary

Department	Total Amount of Requests
Fire Department	\$ 137,520
Public Works	\$ 55,000
Parks Department	\$ 210,950
Police Department	\$ 61,500
Information Services	\$ 13,500
EMS	\$ 43,200
Fire Marshal	\$ 51,200
Total General Fund Capital Outlay Requests	\$ 572,870

General Fund Expenditures

~ Capital Outlay Requests

FY2013 Capital Outlay Request Detail

Department	Outlay Description	Amount
Fire Department		
	Fire Truck	\$113,870*
	Replacement Fire Pagers	\$ 10,000*
	ISO Equipment Upgrade	\$ 13,650
Public Works		
	Storm Sewer Line Installation	\$ 20,000
	Public Works/EMS Building – Roof	\$ 35,000
Parks Department		
	Lake Nassau – Shoreline Protection	\$150,000
	Fleet Replacement – Pick-up trucks	\$ 16,450
	Upper Bay Boardwalk Rebuild	\$ 35,000*
	Park Pavilion – Drainage Improvements	\$ 9,500
Police Department		
	Fleet Replacement – Two New Vehicles	\$ 61,500
Information Services		
	Replacement Computers	\$ 9,000
	Data Back-up System	\$ 4,500
EMS		
	Auto-Pulse CPR Device	\$ 10,000
	Upgrade EMS Cardiac Monitor	\$ 4,280
	Equip/Supply/Certify Reserve Ambulance	\$ 22,880
	Response Vehicle – Stripe & Equip	\$ 6,040
Fire Marshal		
	Fleet Replacement – New Vehicle	\$ 35,000
	ISO Consultant	\$ 16,200

*Funded Requests – All other requests have been approved, but remain un-funded until further Council action.



Water & Sewer Fund

~ Fund 02

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 benefitting 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 and sewer works. Property taxes do not benefit nor contribute to the Water & Sewer Fund. Service rates increased in FY2011 and have provided the fund with the ability to pay for debt issuance related to water and wastewater provision. Specifically, through the Texas Water Development Board, the City received bond revenue to complete \$2.1 million in improvements to the wastewater provision system.

The City serves approximately 1,480 water and sewer customers. Of these approximately 1,200 are residential customers and 250 are commercial customers.

The City's Five-Plus-Year Capital Improvement Plan has been updated and includes many significant repairs and maintenance items related to the water and wastewater systems. Items were funded through the TWDB Bond revenue, CDBG Round #1 Grants, and several projects were cash-flowed; the items which remain unfunded are considered part of a second phase plan.

Departments

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

- Department 01 – General & Administrative
- Department 02 – Water Department
- Department 03 – Sewer Department
- Department 04 – Debt Service & Depreciation Department

Water & Sewer Fund

~ Revenue Description

Water & Sewer Fund Revenue

Water Sales

Revenues are from the sale of treated drinking water. With the adoption of updated water rates in FY2011, water rates now include a fixed monthly charge combined with monthly consumption charges based on volume of usage. Billing occurs on a monthly basis.

Sewer Service Charges

Revenues are from the sale of sewer service. With the adoption of updated water rates in FY2011, sewer rates were also adjusted to include a fixed monthly charge combined with monthly consumption charges based on volume of usage. Sewer consumption is calculated based on the metered water consumption. Billing occurs on a monthly basis.

Penalties & Interest

Revenues are from penalties (e.g. insufficient fund check returns, re-connect fees, delinquent payments) for additional costs incurred and late fees levied against delinquent utility payments.

Interest on Investments

Revenues are from interest earned on funds invested according to the Public Fund Investment Act.

Water Tap Fees

Revenues are from charges for supplies, labor, & inspection of connections to the City's water distribution system. This includes charges for water metering equipment.

Sewer Tap Fees

Revenues are from charges for supplies, labor, & inspection for adding or enlarging connections to the City's wastewater collection system.

Miscellaneous

Revenues resulting from incidental or unanticipated sources not assigned to another line item.

Fixed Asset Sales

Revenues are from proceeds from the sale of City-owned property. This includes items such as surplus pipe, valves, machinery, vehicles, scrap metal, etc.

TWDB Bond Proceeds

Revenues are sums released to the City for the purpose of funding TWDB projects.

Water & Sewer Fund Revenue

~ Fund 02

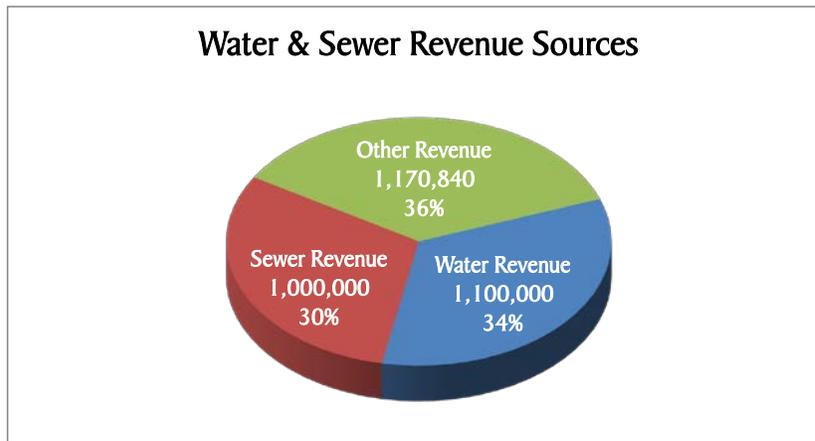
Revenue Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Water Revenue (1)	919,000	1,126,216	1,100,000	1,037,300	1,100,000	-
Sewer Revenue (2)	878,800	1,063,224	1,000,000	1,001,360	1,000,000	-
Other Revenue (3)	19,200	89,946	1,281,600	115,930	1,170,840	(110,760)
TOTAL	1,817,000	2,279,386	3,381,600	2,154,590	3,270,840	(110,760)
Prior Year Balance Forward	111,143	-	538,197	1,215,414	1,041,374	503,177
End of Year Fund Balance	(101,665)	-	(443,614)	(1,041,374)	(687,674)	(244,060)
Transfer To(From) Capital Proj	165,000	165,000	-	-	-	-
Transfer To(From) General Fund	-	12,500	-	-	-	-
GRAND TOTAL	1,991,478	2,456,886	3,476,183	2,328,630	3,624,540	148,357

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
3005 Water Sales	919,000	1,126,216	1,100,000	1,037,300	1,100,000	0.0%
3010 Sewer Service Charges	878,800	1,063,224	1,000,000	1,001,360	1,000,000	0.0%
3015 Penalties	16,000	17,993	13,000	39,500	13,000	0.0%
3020 Interest on Investments	200	721	600	5,500	2,500	316.7%
3305 Water Tap Fees	-	1,600	-	3,750	1,500	0.0%
3310 Sewer Tap Fees	3,000	30,150	3,000	2,390	3,000	0.0%
3705 Miscellaneous	-	76	-	310	310	0.0%
3915 TWDB Investment Accretion	-	-	-	330	-	0.0%
3920 TWDB Investment Amoritization	-	-	-	(65,120)	-	0.0%
3930 TWDB Interest Income	-	39,405	-	29,270	-	0.0%
3935 TWDB Bond Proceeds	-	-	1,265,000	100,000	1,150,530	-9.0%
TOTAL - CURRENT REVENUE	1,817,000	2,279,386	3,381,600	2,154,590	3,270,840	-3.3%
9520 Prior Year Balance	111,143	-	538,197	1,215,414	1,041,374	93.5%
9525 End of Year Fund Reserve	(101,665)	-	(443,614)	(1,041,374)	(687,674)	55.0%
9526 Transfer To(From) Capital Proj	165,000	165,000	-	-	-	0.0%
9528 Transfer To(From) General Fund	-	12,500	-	-	-	0.0%
GRAND TOTAL	1,991,478	2,456,886	3,476,183	2,328,630	3,624,540	4.3%

(1) 3005

(2) 3010

(3) 3015, 3020, 3305, 3310, 3705, 3915, 3920, 3930, 3935

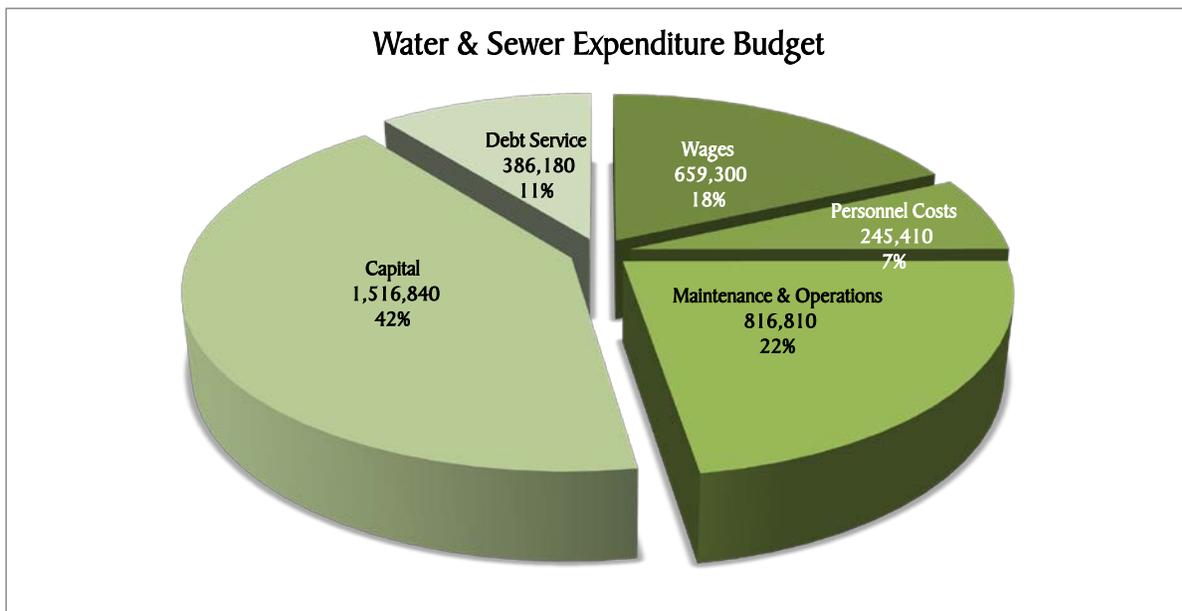
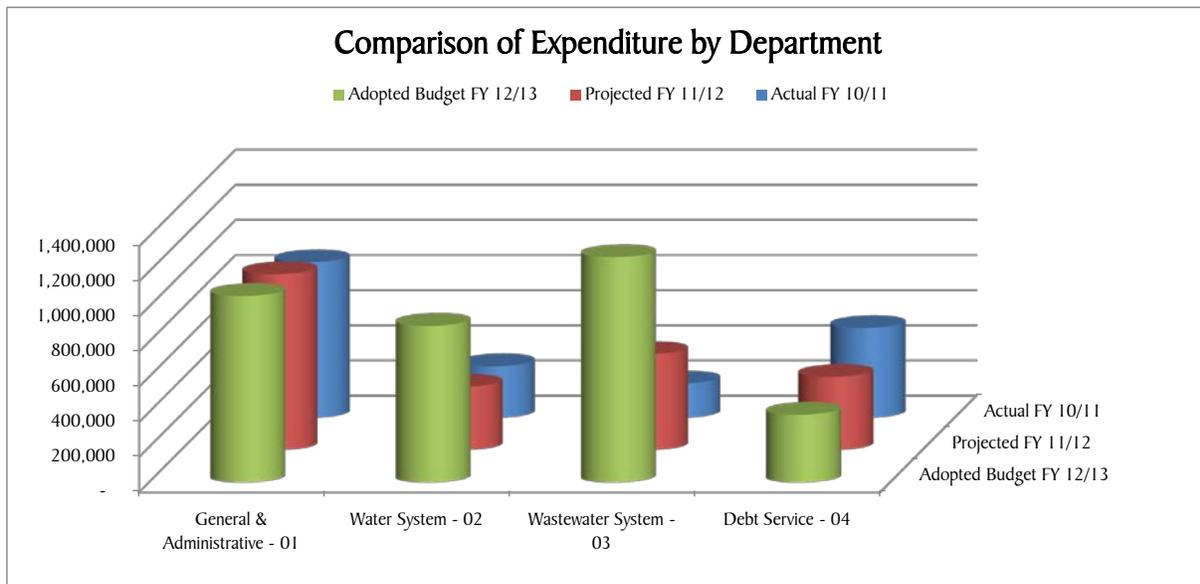




Water & Sewer Fund Expenditures

~ Expenditures by Department

Expenditures by Department	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
General & Administrative - 01	945,500	887,084	1,039,440	1,002,680	1,062,100	22,660
Water System - 02	302,400	294,550	421,700	360,920	892,440	470,740
Wastewater System - 03	473,500	195,704	1,596,722	546,700	1,283,820	(312,902)
Debt Service - 04	270,078	512,213	418,321	418,330	386,180	(32,141)
TOTAL	1,991,478	1,889,551	3,476,183	2,328,630	3,624,540	148,357



Water & Sewer Fund Expenditures

~ Department 01

General & Administrative

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

- Customer Service relating to Utility Service and Billing
- Receive Requests for Service Connects & Disconnects
- Preparation of Water Meter Reading Books
- Data Entry of Water Meter Readings
- Water & Sewer Utility Billing
- Collection of Account Receivable
- Regulatory Compliance & Record-keeping
- Planning, Managing, and Implementing System Maintenance and Improvements

Staffing

All Water & Sewer Fund employees appear in the General & Administrative Department. This department has 4 full-time employees:

- Chief Operator/Public Works Deputy Director ^{FTE}
- 2 Plant Operators ^{FTE}
- Field Operator ^{FTE}

The functions of Executive Director are performed by the City Manager. The functions of Utility Superintendent are performed by the Public Works Director.

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

- Public Works Field Employees ^{FTE}
- City Secretary ^{FTE}
- Finance Director ^{FTE}
- HR Administration / Records Management ^{FTE}
- Senior Accountant ^{FTE}
- Accountant ^{FTE}
- Customer Service/Utility Billing Coordinator ^{FTE}

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

Facilities

Office space is provided within City Hall and the Public Works Building for administrative use. Water and wastewater plants as well as lift-stations and other infrastructure as located throughout the City.

Vehicles

- 1983 John Deere 410 Backhoe
- 2005 Chevrolet C1500 HD Pickup
- 2007 Chevrolet Silverado
- 2008 Chevrolet Silverado
- 2010 Hunter Water Pump/Jet Trailer

Water & Sewer Fund Expenditures

01 ~ General & Administrative

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	622,300	608,805	664,967	642,140	659,300	(5,667)
Personnel Expenses	214,300	204,144	232,373	232,380	245,410	13,037
Maintenance & Operations	108,900	74,135	142,100	128,160	157,390	15,290
Capital Outlays	-	-	-	-	-	-
TOTAL	945,500	887,084	1,039,440	1,002,680	1,062,100	22,660

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4030 Dues, Fees & Subscriptions	400	300	400	400	400	0.0%
4045 Printing - Documents/Forms	500	201	500	500	500	0.0%
4050 Information Services	-	7,500	-	-	-	0.0%
4056 Credit Card Program	3,000	6,669	7,000	7,000	13,140	87.7%
4057 License & Permit Fees	14,000	11,917	14,000	14,000	14,000	0.0%
4060 Contract Services - Engineering	35,000	7,758	30,000	15,000	35,000	16.7%
4105 Maintenance - Facilities	2,000	142	2,000	2,000	2,000	0.0%
4120 Maintenance - Vehicles	-	-	5,500	4,000	5,500	0.0%
4210 Supplies - Postage	6,100	12,327	12,000	15,000	16,000	33.3%
4220 Supplies - Uniforms	1,500	-	1,500	1,500	1,500	0.0%
4240 Supplies - Building	100	-	100	100	100	0.0%
4245 Supplies - Gas & Oil	3,000	283	10,000	10,000	10,080	0.8%
4304 Wages - On Call Duty Pay	7,280	5,877	7,280	7,280	10,870	49.3%
4305 Wages	596,560	582,540	598,457	598,460	629,770	5.2%
4306 Overtime	18,460	20,388	18,560	19,200	18,660	0.5%
4308 Wages - Pay Plan/Merit	-	-	40,670	17,200	-	-100.0%
4309 Accrued Vacation & Sick	-	1,670	-	-	-	0.0%
4310 Social Security	47,050	44,290	50,660	50,660	49,960	-1.4%
4410 Insurance - General	25,700	22,095	28,000	27,580	15,540	-44.5%
4415 Insurance - Medical & Dental	98,920	93,010	103,737	103,740	111,800	7.8%
4420 Insurance - Unemployment	300	-	300	300	300	0.0%
4425 Insurance - Workers' Comp	7,800	3,814	11,300	11,280	9,430	-16.5%
4430 Retirement - Contribution	68,330	65,175	77,977	77,980	83,650	7.3%
4440 Insurance - LT Disability	2,000	2,006	2,000	2,000	2,000	0.0%
4505 Utilities	6,000	16,762	16,000	16,000	16,000	0.0%
4605 Training & Travel	1,500	111	1,500	1,500	1,500	0.0%
4705 Miscellaneous	-	(7,995)	-	-	-	0.0%
4810 G&A Overhead	-	-	-	-	14,400	0.0%
4910 TWDB - Contract Services	-	1,929	-	-	-	0.0%
4940 Bad Debt Expense	-	(11,685)	-	-	-	0.0%
TOTAL	945,500	887,084	1,039,440	1,002,680	1,062,100	2.2%

Water & Sewer Fund Expenditures

~ Department 02

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

In FY2013, the Water Department plans to cash-flow over \$500,000 worth of significant Capital Improvements Projects:

- Surface Water Supply Bypass Vault and ClaValve Installation
- Replace 12-inch diameter Surface Water Supply Pipeline between CLCWA and Nassau Bay
- Piping Improvements at Water Plant No. 1 to Improve Elevated Tank Fill and Drain Operations
- Elevated Water Storage Tank and Ground Water Storage Tank at Plant #1 Painting, Repair, and Upgrading
- Well #2 - Water Plant Back-Up Well

Staffing

All Water & Sewer Fund employees are expensed in the General & Administrative Department (see page 73).

Facilities

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

Water & Sewer Fund Expenditures

02 ~ Water Department

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	-	-	-	-	-	-
Personnel Expenses	-	-	-	-	-	-
Maintenance & Operations	302,400	294,550	421,700	360,920	385,820	(35,880)
Capital Outlays	-	-	-	-	506,620	506,620
TOTAL	302,400	294,550	421,700	360,920	892,440	470,740

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4025 SEWPP Enhancements	25,000	29,489	83,000	49,620	47,120	-43.2%
4035 Water Purchase	190,000	202,403	255,000	255,000	255,000	0.0%
4060 Contract Services - Lab Services	1,900	983	1,900	1,900	1,900	0.0%
4070 Contract Services & Meter Reading	9,500	3,348	9,500	-	9,500	0.0%
4110 Maintenance - Equipment	2,500	2,456	2,500	2,500	2,500	0.0%
4120 Maintenance - Vehicles	3,000	3,192	-	-	-	0.0%
4150 Maintenance - Water Plant	11,000	4,563	11,000	4,600	11,000	0.0%
4155 Maintenance - Water Lines	25,000	23,601	25,000	25,000	25,000	0.0%
4165 Maintenance - Water Tower	5,000	5,000	5,000	1,000	5,000	0.0%
4230 Supplies - Tools/Safety	800	829	800	800	800	0.0%
4235 Supples - Water Meters	4,500	4,176	4,500	4,500	4,500	0.0%
4505 Utilities - Plants	20,000	13,730	20,000	15,000	20,000	0.0%
4605 Training & Travel	4,200	780	3,500	1,000	3,500	0.0%
4907 Capital Outlays	-	-	-	-	506,620	0.0%
TOTAL	302,400	294,550	421,700	360,920	892,440	111.6%

Water & Sewer Fund Expenditures

~ Department 03

Wastewater Department

The Wastewater 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 Quality Monitoring
- Enforcement of City Wastewater Regulations
- Sludge Disposal
- Regulatory Compliance
- Wastewater Pumping Station Maintenance & Operation

In addition to the much needed TWDB Bond Revenue and CDBG Round #1 funded projects at the Wastewater Treatment plant, in FY2013 the Wastewater Department will also cash-flow several projects. The list of all planned projects includes:

Texas Water Development Board – Bond Revenue

- Repairs to Electrical Conduit and Walkways
- Facilities to Divert/Store Flow
- Install Screen at Plant Headworks & Grit Removal Improvements
- Replace Existing Diffusers with Fine Bubble System
- Rehabilitation/Rebuild of Clarifier
- Sewer Line Rehabilitation – various locations

Community Development Block Grant Round #1

- Lift Pump Replacements to Improve Solids Handling
- Install Emergency Power Generator on Elevated Platform

Cash-Flow

- All Lift Stations - Installation of piping to allow for quick mobile pump hookup
- All Lift Stations - Installation of Generator quick connections and transfer switches
- Backhoe Kubota
- Pick-Up Truck

Staffing

All Water & Sewer Fund employees are expensed in the General & Administrative Department (see page 73).

Facilities

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

Water & Sewer Fund Expenditures

03 ~ Sewer Department

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	-	-	-	-	-	-
Personnel Expenses	-	-	-	-	-	-
Maintenance & Operations	308,500	195,704	286,500	246,700	273,600	(12,900)
Capital Outlays	165,000	-	1,310,222	300,000	1,010,220	-
TOTAL	473,500	195,704	1,596,722	546,700	1,283,820	(312,902)

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4060 Contract Services - Lab Services	27,000	31,281	32,000	27,000	27,000	-15.6%
4110 Maintenance - Equipment	1,500	1,705	2,000	2,000	2,000	0.0%
4120 Maintenance - Vehicles	2,500	2,909	-	-	-	0.0%
4140 Maintenance - Sewer Lines	70,000	9,466	38,000	35,000	35,000	-7.9%
4145 Maintenance - Sewer Plant	85,000	70,654	35,000	30,000	30,000	-14.3%
4146 Maintenance - Chemical/Lab Supply	-	-	30,000	31,000	30,000	0.0%
4147 Maintenance - Sludge Removal	-	-	27,000	27,000	27,000	0.0%
4150 Maintenance - Lift Stations	12,000	6,465	12,000	9,100	12,000	0.0%
4230 Supplies - Tools/Safety	500	579	500	600	600	20.0%
4505 Utilities - Plants	110,000	72,646	110,000	85,000	110,000	0.0%
4907 Capital Improvements	165,000	-	1,310,222	300,000	1,010,220	-22.9%
TOTAL	473,500	195,704	1,596,722	546,700	1,283,820	-19.6%

Water & Sewer Fund Expenditures

~ Department 04

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 DEBT SERVICE STATEMENT OF BONDED INDEBTEDNESS FY 12/13

Fiscal Year	Interest Rate	Principal Due 02/12	Interest Due 02/12	Interest Due 08/12	Total Interest	Annual Requirement	Principal Outstanding
TWDB Tax & Revenue Certificates of Obligation							
Series 2011							Term - 30 Years
2011	0.00%	-	-	37,093	37,093	37,093	2,445,000
2012	1.94%	85,000	52,573	51,748	104,321	189,321	2,360,000
2013	2.24%	85,000	51,748	50,796	102,545	187,545	2,275,000
2014	2.44%	90,000	50,796	49,698	100,495	190,495	2,185,000
2015	2.84%	90,000	49,698	48,420	98,119	188,119	2,095,000
2016	3.09%	95,000	48,420	46,953	95,373	190,373	2,000,000
2017	3.34%	95,000	46,953	45,366	92,319	187,319	1,905,000
2018	3.49%	100,000	45,366	43,621	88,987	188,987	1,805,000
2019	3.74%	105,000	43,621	41,658	85,279	190,279	1,700,000
2020	4.14%	110,000	41,658	39,381	81,038	191,038	1,590,000
2021	4.34%	115,000	39,381	36,885	76,266	191,266	1,475,000
2022	4.49%	115,000	36,885	34,303	71,188	186,188	1,360,000
2023	4.64%	125,000	34,303	31,403	65,707	190,707	1,235,000
2024	4.69%	130,000	31,403	28,355	59,758	189,758	1,105,000
2025	4.89%	135,000	28,355	25,054	53,409	188,409	970,000
2026	4.99%	140,000	25,054	21,561	46,615	186,615	830,000
2027	5.09%	150,000	21,561	17,744	39,305	189,305	680,000
2028	5.14%	155,000	17,744	13,760	31,504	186,504	525,000
2029	5.19%	165,000	13,760	9,478	23,238	188,238	360,000
2030	5.24%	175,000	9,478	4,893	14,372	189,372	185,000
2031	5.29%	185,000	4,893	-	4,893	189,893	-
		2,445,000			1,371,819	3,816,819	

Water & Sewer Fund Expenditures

04 ~ Debt Service Department

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	-	-	-	-	-	-
Personnel Expenses	-	-	-	-	-	-
Maintenance & Operations	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Debt Service	270,078	512,213	418,321	418,330	386,180	(32,141)
TOTAL	270,078	512,213	418,321	418,330	386,180	(32,141)

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4825 Transfer Interest-Debt Service	45,223	45,223	37,650	37,650	26,050	-30.8%
4826 Transfer Principal-Debt Servic	187,762	187,762	191,350	191,350	172,580	-9.8%
4915 TWDB Interest Expense	37,093	54,522	104,321	104,330	102,550	-1.7%
4916 TWDB Principal Expense	-	-	85,000	85,000	85,000	0.0%
4995 Depreciation Expense	-	224,706	-	-	-	0.0%
TOTAL	270,078	512,213	418,321	418,330	386,180	-7.7%



Debt Service Fund

~ Fund 04

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 General Debt Service Fund obligations beyond FY2017. In FY2011, the City issued bonded debt through the Texas Water Development Board (TWDB) to fund \$2.1 million in water & wastewater projects. The debt service payments related to the TWDB debt extend through 2031 and are appropriated through the Water & Sewer Fund.

During the past year, reductions in outstanding prior year debt issues appropriated out of the Debt Service Fund totaled \$464,346. The aggregate of the outstanding General Debt principal (\$1,691,676) and interest payments (\$143,862) at October 1, 2012 is \$1,835,538.

To get a complete picture of all City debt obligations, the combining of the Water & Sewer Fund debt and General debt appropriated through the Debt Service Fund results in a total outstanding obligation of \$5,425,943 at October 1, 2012.

The City budgets each year such that the ratio of Debt Service Fund payments to the General Fund operating expenditures (total expenditures less capital outlay) shall not exceed 20%. The ratio budgeted for FY2013 is 10.7% and remains below the 20% guideline.

Debt Service Fund

~ *Continued*

Bond Repayment Schedule

The figures and chart shown on page 83 reflect the actual cost of all combined debt service through 2031. Also shown are the sources of revenue used to retire this debt.

The City presently has a total combined outstanding principal obligation of \$4,051,676 at October 1, 2012.

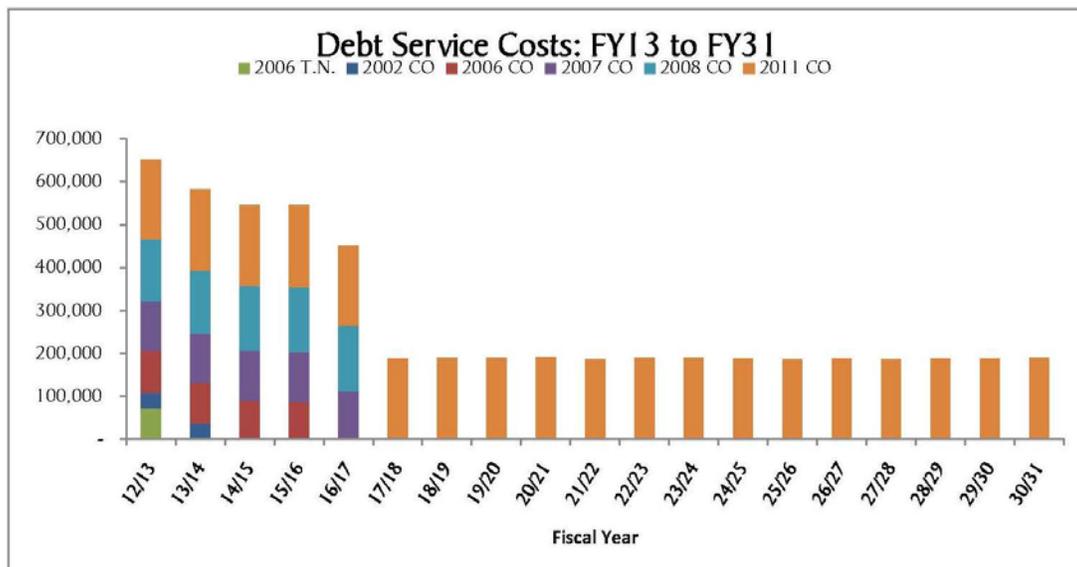
1. The **2002 Certificates of Obligation** for \$1,240,000 were issued for \$768,000 Equipment, Storm Drainage, and Streets; \$472,000 for additional water capacity at the Southeast Water Purification Plant; and improvements at the Waste Water Treatment Plant. This issue will retire February 1, 2014. The current balance is \$75,158, including principal and interest.
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 \$369,325, including principal and interest.
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 \$71,474, including principal and interest.
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 \$574,270, including principal and interest.
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 \$745,311, including principal and interest.
6. The **2011 Certificates of Obligation** (Combination Tax and Revenue) for \$2,445,000 were issued for Wastewater System projects. Of the bond revenue, approximately \$1,560,000 is allocated for Wastewater Treatment Plant Improvements, approximately \$600,000 is allocated to Sanitary Sewer Rehabilitation, and the remaining amount will be used to cover additional administrative and unanticipated projects costs. The issue will retire in 2031. The payment of this debt service will be allocated in the Water & Sewer Fund. The current balance is \$3,590,405 including principal and interest.

Debt Service Fund

~ Bond Repayment Schedule

Bond Repayment Schedule – All Funds

FY	Principal & Interest						TOTAL
	2002 CO	2006 CO	2006 T.N.	2007 CO	2008 CO	2011 CO	
11/12	37,580	101,426	69,283	112,883	143,175	189,321	653,667
12/13	37,579	97,805	71,474	114,136	144,390	187,545	652,929
13/14	37,579	94,167	-	115,188	145,450	190,495	582,878
14/15	-	90,512	-	116,036	151,279	188,119	545,946
15/16	-	86,840	-	116,683	151,875	190,373	545,771
16/17	-	-	-	112,228	152,318	187,319	451,864
17/18	-	-	-	-	-	188,987	188,987
18/19	-	-	-	-	-	190,279	190,279
19/20	-	-	-	-	-	191,038	191,038
20/21	-	-	-	-	-	191,266	191,266
21/22	-	-	-	-	-	186,188	186,188
22/23	-	-	-	-	-	190,707	190,707
23/24	-	-	-	-	-	189,758	189,758
24/25	-	-	-	-	-	188,409	188,409
25/26	-	-	-	-	-	186,615	186,615
26/27	-	-	-	-	-	189,305	189,305
27/28	-	-	-	-	-	186,504	186,504
28/29	-	-	-	-	-	188,238	188,238
29/30	-	-	-	-	-	189,372	189,372
30/31	-	-	-	-	-	189,893	189,893
Total	112,737	470,751	140,757	687,153	888,486	3,779,726	6,079,610



Debt Service Fund

~Continued

CITY OF NASSAU BAY
GENERAL LONG TERM DEBT
SCHEDULE OF FISCAL YEAR 2013 REQUIREMENTS

Series	Obligation	Amount of Issue	Principal Outstanding 10/01/12	Principal & Interest Requirements for FY2013			Principal Outstanding 09/30/12
				Principal	Interest	Total	
2002	Tax & Revenue Certificates of Obligation	1,240,000	71,676	34,978	2,601	37,579	36,698
2006	Tax & Revenue Certificates of Obligation	850,000	340,000	85,000	12,805	97,805	255,000
2006	Tax Anticipation Notes	370,000	70,000	70,000	1,474	71,474	-
2007	Tax & Revenue Certificates of Obligation	945,000	520,000	95,000	19,136	114,136	425,000
2008	Tax & Revenue Certificates of Obligation	1,030,000	690,000	125,000	19,390	144,390	565,000
2011	Tax & Revenue Certificates of Obligation	2,445,000	2,360,000	85,000	102,545	187,545	2,275,000
TOTAL			4,051,676	494,978	157,951	652,929	3,556,698

CURRENT & PROJECTED REVENUE SOURCES

FY	Taxes	EDC	W&S Fund	Gen Fund	Interest	Reserves	TOTAL
11/12	166,074	69,283	418,311	-	-	-	\$ 653,668
12/13	196,710	71,480	386,180	-	-	-	\$ 652,929
13/14	196,023	-	386,855	-	-	-	\$ 582,878
14/15	196,804	-	349,141	-	-	-	\$ 545,946
15/16	195,469	-	350,302	-	-	-	\$ 545,771
16/17	145,499	-	306,365	-	-	-	\$ 451,864
17/18	-	-	188,987	-	-	-	\$ 188,987
18/19	-	-	190,279	-	-	-	\$ 190,279
19/20	-	-	191,038	-	-	-	\$ 191,038
20/21	-	-	191,266	-	-	-	\$ 191,266
21/22	-	-	186,188	-	-	-	\$ 186,188
22/23	-	-	190,707	-	-	-	\$ 190,707
23/24	-	-	189,758	-	-	-	\$ 189,758
24/25	-	-	188,409	-	-	-	\$ 188,409
25/26	-	-	186,615	-	-	-	\$ 186,615
26/27	-	-	189,305	-	-	-	\$ 189,305
27/28	-	-	186,504	-	-	-	\$ 186,504
28/29	-	-	188,238	-	-	-	\$ 188,238
29/30	-	-	189,372	-	-	-	\$ 189,372
30/31	-	-	189,893	-	-	-	\$ 189,893

Debt Service Fund

~ Continued

GENERAL DEBT SERVICE FUND STATEMENT OF BONDED INDEBTEDNESS Fiscal Year 2013

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	4.11%	65,000	2,808	1,474	4,283	69,283	70,000
2013	4.21%	70,000	1,474	-	1,474	71,474	-
		\$ 370,000	\$ 38,124	\$ 27,527	\$ 65,652	\$ 435,652	

Debt Service Fund

~ Continued

GENERAL DEBT SERVICE FUND STATEMENT OF BONDED INDEBTEDNESS Fiscal Year 2013

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

Long Term Debt Principal & Interest Requirements

GENERAL DEBT LONG TERM DEBT As of October 1, 2012

Fiscal Year	Principal	Interest Due 2/1	Interest Due 8/1	Interest	Total
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
	\$ 1,691,676	\$ 87,778	\$ 56,084	\$ 143,862	\$ 1,835,538

GENERAL DEBT + WATER & SEWER LONG TERM DEBT As of October 1, 2012

Fiscal Year	Principal	Interest Due 2/1	Interest Due 8/1	Interest	Total
2013	\$ 494,978	\$ 83,443	\$ 74,508	157,951	652,929
2014	\$ 441,698	\$ 74,508	\$ 66,672	141,180	582,878
2015	\$ 420,000	\$ 66,672	\$ 59,273	125,946	545,946
2016	\$ 435,000	\$ 59,273	\$ 51,498	110,771	545,771
2017	\$ 355,000	\$ 51,498	\$ 45,366	96,864	451,864
2018	\$ 100,000	\$ 45,366	\$ 43,621	88,987	188,987
2019	\$ 105,000	\$ 43,621	\$ 41,658	85,279	190,279
2020	\$ 110,000	\$ 41,658	\$ 39,381	81,038	191,038
2021	\$ 115,000	\$ 39,381	\$ 36,885	76,266	191,266
2022	\$ 115,000	\$ 36,885	\$ 34,303	71,188	186,188
2023	\$ 125,000	\$ 34,303	\$ 31,403	65,707	190,707
2024	\$ 130,000	\$ 31,403	\$ 28,355	59,758	189,758
2025	\$ 135,000	\$ 28,355	\$ 25,054	53,409	188,409
2026	\$ 140,000	\$ 25,054	\$ 21,561	46,615	186,615
2027	\$ 150,000	\$ 21,561	\$ 17,744	39,305	189,305
2028	\$ 155,000	\$ 17,744	\$ 13,760	31,504	186,504
2029	\$ 165,000	\$ 13,760	\$ 9,478	23,238	188,238
2030	\$ 175,000	\$ 9,478	\$ 4,893	14,372	189,372
2031	\$ 185,000	\$ 4,893	\$ -	4,893	189,893
	\$ 4,051,676	\$ 728,855	\$ 645,412	\$ 1,374,267	\$ 5,425,943

Debt Service Fund

~ Fund 04

Revenue

Revenue Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
3005 Property Tax - Current	167,795	162,806	166,470	179,500	192,710	-15.8%
3010 Property Tax - Prior Years	1,000	2,541	1,000	200	1,000	0.0%
3015 Penalty & Interest	3,000	1,000	3,000	1,250	3,000	0.0%
3020 Interest on Investment	330	358	330	450	330	0.0%
4920 Transfer from W&S Fund	232,985	232,985	228,984	229,000	198,630	13.3%
4929 Transfer from EDC	71,919	71,919	69,283	69,290	71,480	-3.2%
TOTAL	477,029	471,609	469,067	479,690	467,150	0.4%
9520 Prior Year Balance	192,208	-	195,915	193,966	208,526	-6.4%
9525 End of Year Fund Reserve	(195,629)	-	(199,885)	(208,526)	(209,516)	-4.8%
9529 Transfer to TIRZ	-	-	-	-	-	0.0%
GRAND TOTAL	473,608	471,609	465,097	465,130	466,160	-0.2%

Expenditures

Expenditure Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
4040 Market/Base Fees	750	750	750	750	750	0.0%
4816 Principal - 2002 C.O.	31,776	31,776	33,339	33,340	34,980	4.9%
4817 Interest - 2002 C.O.	5,803	5,791	4,241	4,250	2,610	-38.5%
4824 Principal - 2006 C.O.	85,000	85,000	85,000	85,000	85,000	0.0%
4825 Interest - 2006 C.O.	20,026	20,026	16,426	16,430	12,810	-22.0%
4826 Principal - 2006 Tax Notes	65,000	65,000	65,000	65,000	70,000	7.7%
4827 Interest - 2006 Tax Notes	6,919	6,919	4,283	4,290	1,480	-65.4%
4828 Principal - 2007 C.O.	90,000	90,000	90,000	90,000	95,000	5.6%
4829 Interest - 2007 C.O.	26,528	26,528	22,883	22,890	19,140	-16.4%
4830 Principal - 2008 C.O.	115,000	115,000	120,000	120,000	125,000	4.2%
4831 Interest - 2008 C.O.	26,806	26,806	23,175	23,180	19,390	-16.3%
GRAND TOTAL	473,608	473,595	465,097	465,130	466,160	0.2%

Tourism Fund

~ Fund 06

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 Occupancy 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 conventions. 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 limited to spending no 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 Occupancy Tax revenue collected if the municipality does not allocate any revenue for convention/civic center purposes. Any expenditure 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.

Department 01 - General & Administrative

Department 02 - Advertising & Promotion

Department 03 - 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.

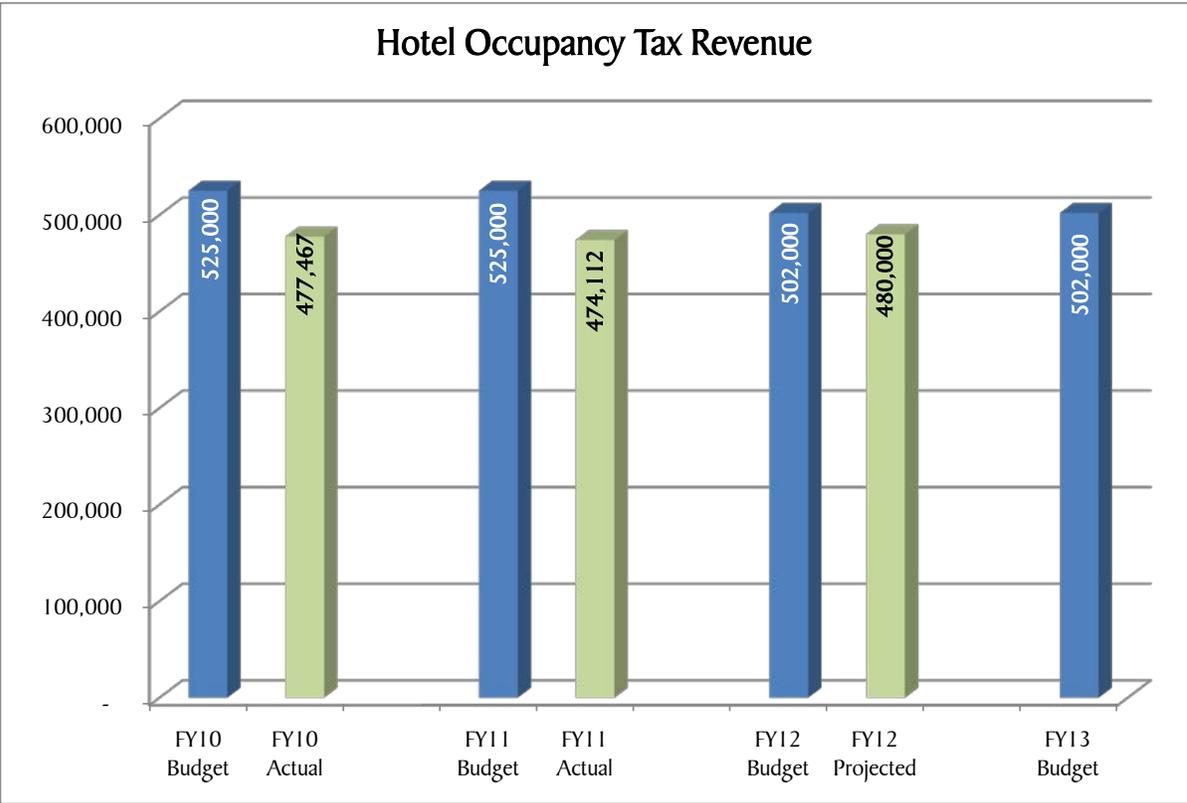
The City adopted a 2% increase in the hotel occupancy tax rate to 7% effective January 1, 2006 with Ordinance No. O2005-597.



Tourism Fund Revenue

~ Fund 06

Revenue Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
3020 Interest on Investments	350	380	350	450	350	0.0%
3120 Hotel Occupancy Tax	525,000	474,112	502,000	480,000	502,000	0.0%
TOTAL	525,350	474,492	502,350	480,450	502,350	0.0%
9520 Prior Year Balance	337,117	-	232,770	252,467	225,607	3.1%
9525 End of Year Fund Reserve	(293,387)	-	(196,460)	(225,607)	(215,017)	-9.4%
GRAND TOTAL	569,080	474,492	538,660	507,310	512,940	4.8%



Tourism Fund

~ Department 01

General & Administrative

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

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

Staffing

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

The functions of the Tourism Department are performed predominantly by:

- City Manager
- Community Development Director
- City Secretary
- Finance Director
- HR Admin./Records
- Senior Accountant
- Administrative Assistant

Facilities

Office space is provided within City Hall.

Vehicles

This department has no vehicles.

Tourism Fund Expenditures

01 ~ General & Administrative

Expenditures Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
Wages	180,850	152,828	183,090	162,450	170,590	(12,500)
Personnel Expenses	61,080	47,871	66,240	54,100	58,920	(7,320)
Maintenance & Operations	8,900	8,253	9,050	8,350	3,150	(5,900)
Capital Outlays	-	-	-	-	-	-
TOTAL	250,830	208,952	258,380	224,900	232,660	(25,720)

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
4030 Dues, Fees & Subscriptions	-	150	150	150	150	0.0%
4050 Information Services	3,000	3,750	3,000	3,000	3,000	0.0%
4305 Wages	177,350	149,615	154,580	154,580	167,090	8.1%
4306 Overtime	3,500	3,213	3,500	3,500	3,500	0.0%
4308 Wages - Pay Plan/Merit	-	-	25,010	4,370	-	-100.0%
4310 Social Security	13,840	11,163	14,120	12,500	13,130	-7.0%
4415 Insurance - Medical & Dental	29,520	20,266	30,410	22,000	23,780	-21.8%
4425 Insurance - Workers' Comp	700	-	700	-	-	-100.0%
4430 Retirement - Contribution	17,720	16,441	21,710	19,600	22,010	1.4%
4510 Telecommunications	-	-	-	-	-	0.0%
4706 Clearing Account	-	(847)	-	-	-	0.0%
4920 G&A Overhead	5,200	5,200	5,200	5,200	-	-100.0%
TOTAL	250,830	208,952	258,380	224,900	232,660	-10.0%

Tourism Fund

~ *Department 02*

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 & Visitors Bureau Services
- Meeting & Group Travel Promotions
- Direct Mail Tourism Promotions
- Maintenance of NASA Parkway Landscaping

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

Tourism Fund Expenditures

02 ~ Advertising & Promotion

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	-	-	-	-	-	-
Personnel Expenses	-	-	-	-	-	-
Maintenance & Operations	206,750	220,489	218,280	220,410	218,280	-
Capital Outlays	-	-	-	-	-	-
TOTAL	206,750	220,489	218,280	220,410	218,280	-

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4014 July Fourth	-	-	18,000	18,000	18,000	0.0%
4015 Bay Area Houston CVB	78,750	78,750	71,180	71,180	71,180	0.0%
4018 Holiday Boat Parade	-	-	6,000	4,130	6,000	0.0%
4040 Advertising/Printing	60,000	67,989	60,000	64,000	50,000	-16.7%
4060 Artwork/Agency Fees	-	465	600	600	600	0.0%
4073 Promotions	-	-	-	-	10,000	0.0%
4074 Reindeer Run Advertising/Promotion	-	-	1,500	1,500	1,500	0.0%
4115 Maintenance - Entrance Highway	11,000	11,813	11,000	11,000	11,000	0.0%
4505 Utilities - Electrical	50,000	61,472	50,000	50,000	50,000	0.0%
4506 Utilities - Water	7,000	-	-	-	-	0.0%
TOTAL	206,750	220,489	218,280	220,410	218,280	0.0%

Tourism Fund

~ Department 03

Arts & Special Events

In FY2013, the Arts & Special Events that are funded were selected by the Appropriations Subcommittee within the guidelines of the City of Nassau Bay Hotel Occupancy Tax Revenue Policy. All applicants submitted proposals detailing their event and its projected impact on local tourism. Applicants were selected for funding based on their ability to meet the guidelines set forth in the Texas Tax Code Chapter 351.101 and City policy.

Tourism Fund Expenditures

03 ~ Arts & Special Events

Expenditures Summary	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget \$ Change
Wages	-	-	-	-	-	-
Personnel Expenses	-	-	-	-	-	-
Maintenance & Operations	111,500	111,147	62,000	62,000	62,000	-
Capital Outlays	-	-	-	-	-	-
TOTAL	111,500	111,147	62,000	62,000	62,000	-

Line Item Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
4014 July Fourth	18,000	16,039	-	-	-	0.0%
4015 Arts Alliance Ctr Clear Lake	20,000	20,000	9,000	9,000	4,000	-55.6%
4016 Bay Area Houston Ballet	-	2,000	1,000	1,000	1,000	0.0%
4017 Clear Creek Community Theatre	4,000	4,000	1,000	1,000	-	-100.0%
4018 Boat Parade	6,000	5,108	-	-	-	0.0%
4022 Houston Symphony League Bay Area	2,000	2,000	-	-	1,000	0.0%
4025 Clear Lake Symphony	2,000	2,000	1,000	1,000	1,000	0.0%
4026 Keels & Wheels	10,000	10,000	7,500	7,500	8,500	13.3%
4027 Bay Area Chorus	1,000	1,000	-	-	-	0.0%
4028 IHFC Earth Angels	-	-	-	-	2,000	0.0%
4029 Bay Access	-	-	-	-	2,000	0.0%
4070 Ballunar Festival	25,000	25,000	20,000	20,000	20,000	0.0%
4071 Wings Over Houston	20,000	20,000	20,000	20,000	20,000	0.0%
4072 Houston Livestock Show & Rodeo	2,000	2,500	2,500	2,500	2,500	0.0%
4074 Reindeer Run Adv & Promotion	1,500	1,500	-	-	-	0.0%
TOTAL	111,500	111,147	62,000	62,000	62,000	0.0%



Special Revenue & Grant Fund

~ Fund 07

Special Revenue & Grant Fund

The Special Revenue & Grant Fund accounts for specific revenue sources and grant funds that are legally restricted to expenditures for specified purposes. In FY2013, there are several notable revenues and expenditures budgeted in this fund:

- Texas Parks & Wildlife Peninsula Trail Grant
- CDBG Round 1: Post-Ike Recovery
- Economic Development Administration Grant

Special Revenue & Grants Fund

~ Fund 07

Revenues

Revenue Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
Special Revenue	23,500	91,015	35,550	43,120	37,500	1,950
Grant Revenue	654,900	615,505	1,502,118	255,230	1,030,000	(472,118)
TOTAL	678,400	706,520	1,537,668	298,350	1,067,500	(470,168)
Prior Year Balance Forward	246,507	-	233,825	303,862	303,032	69,207
End of Year Fund Balance	(236,847)	-	(82,335)	(303,032)	(78,752)	3,583
GRAND TOTAL	688,060	706,520	1,689,158	299,180	1,291,780	(397,378)

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
7021-01 Interest On Investments	-	199	100	620	100	0.0%
7022-01 Admin. Special Revenue - Int.	-	-	-	3,400	-	0.0%
7025-01 Grant Revenue - Police Department	-	7,188	7,000	750	-	-100.0%
7026-01 Grant Revenue - Fire Department	-	-	8,000	7,960	-	-100.0%
7031-01 Child Safety Revenue	5,000	4,738	4,500	4,500	4,500	0.0%
7041-01 Court Security Revenue	2,000	2,621	2,500	2,660	2,500	0.0%
7051-01 Court Technology Revenue	2,000	3,491	3,550	3,550	3,500	-1.4%
7061-01 Comcast 1% Franchise Fee - NBTB	12,000	18,960	14,900	14,900	14,900	0.0%
7071-01 TX Parks & Wildlife - Peninsula Grant	-	-	160,000	16,350	140,000	-12.5%
7091-01 Fire/EMS Equip. Fund Revenue	2,500	12,076	10,000	12,000	12,000	20.0%
7109-01 Donations - Animal Control	-	1,211	-	350	-	0.0%
7111-01 Donations - EMS	-	-	-	700	-	0.0%
7321-01 Court Asset Forfeitures Revenue	-	13	-	440	-	0.0%
7421-01 LEOSE GRANT Revenue - Police	1,500	898	900	-	-	-100.0%
7431-01 LEOSE GRANT Revenue - Fire Marst	700	727	700	-	-	-100.0%
7451-01 Grant - EMS - SE Tex Trauma R.A.C.	500	-	-	-	-	0.0%
7761-01 FEMA - 09 Ike Revenue	-	35,620	-	(100)	-	0.0%
7762-01 TMLIRP - Ike	-	47,706	-	-	-	0.0%
7763-01 CDBG Round 1: Post-Ike Recovery	-	-	761,068	50,870	620,000	-18.5%
7764-01 SECO EECBG	-	-	23,030	23,030	-	-100.0%
7765-01 TDEM Hazard Mitigation Grant	110,000	113,152	213,750	116,960	-	-100.0%
7771-01 EDA - 09 Grant Revenue	542,200	457,920	327,670	39,410	270,000	-17.6%
TOTAL	678,400	706,520	1,537,668	298,350	1,067,500	-30.6%
Prior Year Balance Forward	246,507	-	233,825	303,862	303,032	29.6%
End of Year Fund Balance	(236,847)	-	(82,335)	(303,032)	(78,752)	-4.4%
GRAND TOTAL	688,060	706,520	1,689,158	299,180	1,291,780	-23.5%

Special Revenue & Grants Fund

~ Fund 07

Expenditures

Expenditure Summary	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	\$
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
Special Revenue - Expenditures	33,160	20,315	203,050	30,380	191,280	(11,770)
Grant Revenue - Expenditures	654,900	541,768	1,486,108	268,800	1,100,500	(385,608)
GRAND TOTAL	688,060	562,083	1,689,158	299,180	1,291,780	(397,378)

Line Item Detail	Amended	Actual	Amended	Projected	Adopted	Budget
	Budget		Budget		Budget	%
	FY 10/11	FY 10/11	FY 11/12	FY 11/12	FY 12/13	Change
7022-02 Admin. Expense - Special Revenue	-	(3,100)	3,350	1,700	5,530	65.1%
7031-03 Child Safety Expense - Admin.	2,000	1,140	6,000	-	4,500	-25.0%
7032-03 Child Safety Expense - Police	1,500	-	4,150	200	4,500	8.4%
7033-03 Child Safety Expense - Fire Dept.	1,500	1,496	4,150	1,000	4,500	8.4%
7041-04 Court Security Expenses	2,000	-	12,020	-	12,000	-0.2%
7051-05 Court Technology Expense	2,000	1,788	8,820	8,300	3,500	-60.3%
7109-08 Animal Control Projects	-	1,211	-	-	350	0.0%
7092-09 Fire Dept. Donations - Equipment	3,500	5,093	10,310	3,530	12,000	16.4%
7093-09 EMS Donations - Equipment	1,500	915	10,310	750	12,000	16.4%
7101-10 Donations - Designated - Parks	-	-	1,500	-	1,500	0.0%
7321-32 Court Asset Forfeitures	7,160	375	7,050	-	7,000	-0.7%
7025-40 Grant Revenue - Police Department	-	7,188	7,000	-	750	-89.3%
7026-40 Grant Revenue - Fire Department	-	-	8,000	7,960	-	-100.0%
7071-40 TX Parks & Wildlife - Peninsula Grant	-	-	160,000	15,000	140,000	-12.5%
7763-40 CDBG Round 1: Post-Ike Recovery	-	-	678,748	50,900	620,000	-8.7%
7764-40 SECO EECBG	-	-	23,030	23,030	-	-100.0%
7765-40 TDEM Hazard Mitigation Grant	110,000	113,152	213,750	116,960	-	-100.0%
7421-42 LEOSE GRANT Revenue - Police	1,500	755	5,010	800	3,330	-33.5%
7431-43 LEOSE GRANT Revenue - Fire Marst	700	130	3,520	3,520	-	-100.0%
7451-45 Grant - EMS - SE Tex Trauma R.A.C.	500	(2,944)	3,210	-	3,210	0.0%
7061-61 Comcast 1% Franchise Fee - NBTV	12,000	11,396	25,490	14,900	14,000	-45.1%
7762-62 TMLIRP - Ike	-	-	109,900	-	109,900	0.0%
7761-76 FEMA - 09 Ike Revenue	-	-	56,170	10,930	45,240	-19.5%
7771-77 EDA - 09 Grant Revenue	542,200	423,487	327,670	39,700	287,970	-12.1%
TOTAL	688,060	562,083	1,689,158	299,180	1,291,780	-23.5%



Capital Projects Fund

~ Fund 09

Capital Projects Fund

The Capital Projects Fund provides funding for the acquisition and construction of municipal public improvements and infrastructure. These funds are spent in accordance with the City's Capital Improvement Plan (see pages 115-116). The FY2013 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 issued bonded debt through the Texas Water Development Board to fund two years of the Water & Sewer Capital Improvements. These expenditures are captured in the Water & Sewer Fund.

As part of the FY2013 Budget planning process, City Council discussed the possibility of issuing debt in the form of a Tax Note to fund the growing number of timely capital outlays and projects. At the time of budget approval, no decisions have been made regarding this issuance which is tentatively planned for the first quarter of 2013. Should City Council move forward with the issuance of General Debt, the projects under consideration for such funding are part of the updated Capital Improvement Plan on pages 115-116. At such time, the City Council would approve an amendment to the FY2013 Budget to reflect the new debt service obligations in the Debt Service Fund – 04 and the new revenue and corresponding capital project expenditures in the Capital Projects Fund – 09.

Capital Projects Fund

~ Fund 09

Revenues

Revenue Detail		Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
3020	Interest on Investments	-	107	-	10	-	0.0%
4920	Transfer From General Fund	-	-	35,000	35,000	-	100.0%
TOTAL		-	107	35,000	35,010	-	-100.0%
9520	Prior Year Balance	176,537	-	5,507	5,506	416	92.4%
9525	End of Year Reserve	(420)	-	(7)	(416)	(16)	-120.7%
GRAND TOTAL		176,117	107	40,500	40,100	400	99.0%

Expenditures

Expenditure Detail		Budget FY 10/11	Actual FY 10/11	Budget FY 11/12	Projected FY 11/12	Budget FY 12/13	% Change
5420-04	FY08 WWTP Contingency Repairs	-	165,000	-	-	-	0.0%
5423-04	Transfer to W&S Fund	165,000	-	-	-	-	0.0%
5709-07	FY08 TIRZ - Planning Projects	375	-	-	-	-	0.0%
6133-09	FY07 Street Lights (07CO)	4,210	1,588	2,500	2,500	-	100.0%
6228-10	FY06 Inlet Rehab. (06CO)	212	212	-	-	-	0.0%
6232-10	FY07 Eng - Drain/UB Pump St. #2	6,320	-	3,000	3,000	-	100.0%
6400-11	Fiscal Year Capital Projects	-	-	35,000	34,600	400	98.9%
GRAND TOTAL		176,117	166,800	40,500	40,100	400	99.0%

Street Sales Tax Fund

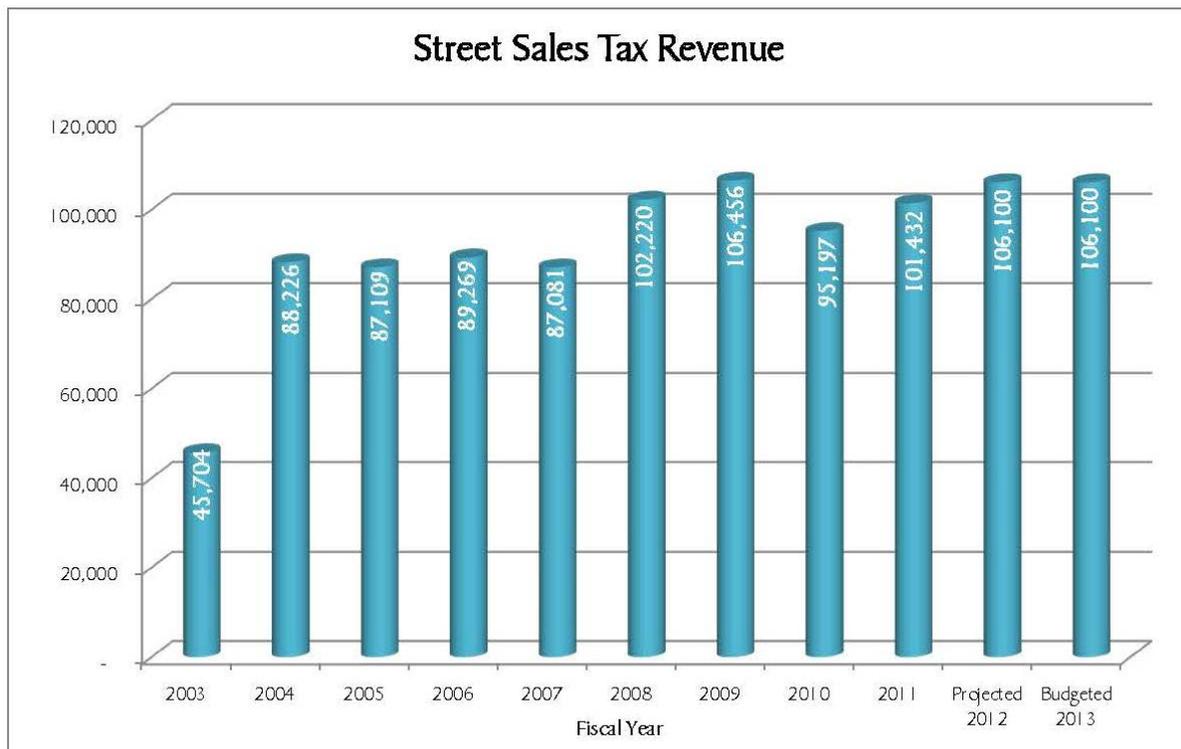
~ Fund 10

Street Sales Tax Fund

In 2001 the Texas Legislature passed House Bill 445 which allows cities to raise their local sales tax 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 build 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 the most recent reauthorization election in November 2, 2010, extending the sales tax to April 1, 2015. Since the tax became effective in 2003, the City has collected over \$794,000, all dedicated to improving and maintaining Nassau Bay's municipal streets.



Street Sales Tax Fund

~ Fund 10

Revenues

Revenue Detail		Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
3020	Interest on Investments	500	445	500	840	500	0.0%
3110	Sales Tax Revenue	92,900	101,432	106,100	106,100	106,100	0.0%
TOTAL		93,400	101,877	106,600	106,940	106,600	0.0%
9520	Prior Year Balance	153,105	-	248,082	222,352	327,162	-31.9%
9525	End of Year Reserve	(58,880)	-	(131,802)	(327,162)	(145,382)	-10.3%
GRAND TOTAL		187,625	101,877	222,880	2,130	288,380	-29.4%

Expenditures

Expenditure Detail		Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
5206-02	FY09 Streets	10,890	10,890	-	-	-	0.0%
5207-02	FY10 Street Projects	83,835	23,419	59,980	2,130	27,850	53.6%
5208-02	FY11 Street Projects	92,900	-	92,900	-	101,430	-9.2%
5209-02	FY12 Street Projects	-	-	70,000	-	106,100	-51.6%
5210-02	FY13 Street Projects	-	-	-	-	53,000	0.0%
GRAND TOTAL		187,625	34,309	222,880	2,130	288,380	-29.4%

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 Council, 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, merit-based compensation adjustments have not been made for the past two fiscal years. In FY2013, the Council approved a merit compensation budget averaging to 3% per department.

Staffing

The City is projecting an overall 7.04% increase in the Personnel Budget, including both salary and benefits. This percent increase is driven by the additional of two Full-Time Employees in the FY2013 budget. Additionally, the budgeted 3% merit increase and increases in the cost of health insurance are the other significant factors impacting the cost of personnel year over year.

The staffing level for this budget is 42 full-time (FTE), 6 part-time (PTE) and 29 hourly (HE) (part-time, limited-use) employees. Of the City's employees, many perform duties in two or more departments. As a result, many are paid percentages of their total salary from two or more departments.

Personnel Benefits

The City provides the following employee benefits:

Certification Pay	Longevity
Vacation	Holidays
Personal (floating) Holidays	Emergency Leave
Sick Time	Medical & Dental Insurance
Life Insurance	Long-Term Disability
Retirement Benefits	Employee Assistance Program

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

Personnel

~ All Funds

Wages & Benefits

Fiscal Year	Wages	FICA	Pension	Health Insurance	Total Benefits	Benefits as a % of Salary	Total Wages & Benefits	No. FT	No. PT	No. Hrly
FY07	2,199,393	168,254	214,090	307,710	690,054	31.37%	2,889,447	39	6	*
FY08	2,327,197	178,031	228,401	291,600	698,032	29.99%	3,025,229	39	10	*
FY09	2,614,454	200,006	271,362	298,544	769,912	29.45%	3,384,366	40	11	*
FY10	2,763,962	211,443	265,743	321,694	798,880	28.90%	3,562,842	39	12	*
FY11	2,537,767	189,927	248,119	316,727	754,773	29.74%	3,292,540	40	6	*
FY12	2,647,290	205,790	292,020	319,374	817,184	30.87%	3,464,474	40	6	29
FY13	2,820,020	211,280	335,490	341,790	888,560	31.51%	3,708,580	42	6	29
\$ Change	172,730	5,490	43,470	22,416	71,376		244,106	2	-	-
% Change	6.52%	2.67%	14.89%	7.02%	8.73%		7.05%	5.00%	0.00%	0.00%

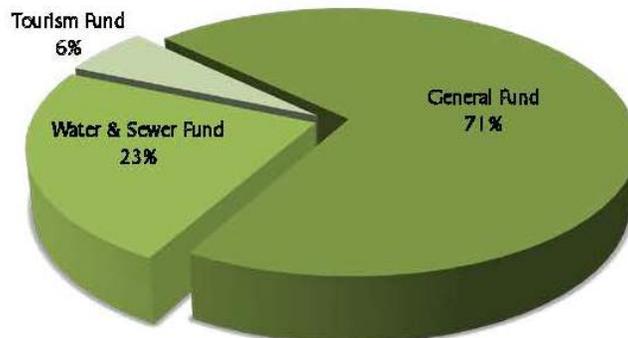
* Not reported in previous budgets

Historical Wage Fund Split Comparison

Fiscal Year	General Fund	Water & Sewer Fund	Tourism Fund	Total Wages	Total Increase
FY07	1,570,158	533,672	95,563	2,199,393	73,904
FY08	1,658,271	561,984	106,942	2,327,197	127,804
FY09	1,870,664	613,715	130,075	2,614,454	287,257
FY10	1,893,371	711,830	158,761	2,763,962	149,508
FY11	1,776,134	608,805	152,828	2,537,767	(226,195)
FY12	1,842,700	642,140	162,450	2,647,290	109,523
FY13	1,998,270	659,300	162,450	2,820,020	172,730

Total Five Year Increase 492,823
 Five Year Average Annual Increase 98,565

FY2013 Wage Split by Fund



Personnel

~ All Funds

Budgeted Personnel Data by Department

Employees by Classification Per Department - Year to Year Comparison												
	FY11 FTE*	FY12 FTE*	FY13 FTE*	FY11 PTE*	FY12 PTE*	FY13 PTE*	FY11 HE*	FY12 HE*	FY13 HE*			
General Fund												
General & Administrative	8	8	8	-	-	-	-	-	-			
Building	2	1.5	1.5	-	-	-	-	-	-			
Emergency Management	1	1	1	-	-	-	-	-	-			
Fire Department	0.5	0.5	0.5	0.5	0.5	0.5	-	-	-			
Public Works	6.5	7	7	-	-	-	-	-	-			
Parks Department	4	4	4	-	-	-	-	-	-			
Police Department	13	13	13	-	-	-	-	-	-			
Animal Control	0.5	0.5	0.5	-	-	-	-	-	-			
Information Services	0.5	0.5	0.5	-	-	-	-	-	-			
Municipal Court	-	-	1	-	-	-	-	-	-			
EMS	-	-	-	3.5	3.5	3.5	24	24	25			
Fire Marshal	-	-	-	2	2	2	5	5	4			
Code Enforcement	-	-	1	-	-	-	-	-	-			
Water & Sewer Fund												
General & Administrative	4	4	4	-	-	-	-	-	-			
TOTALS	40	40	42	6	6	6	29	29	29			

* FTE - Full Time Employee, PTE - Part Time Employee, HE -Hourly Employee

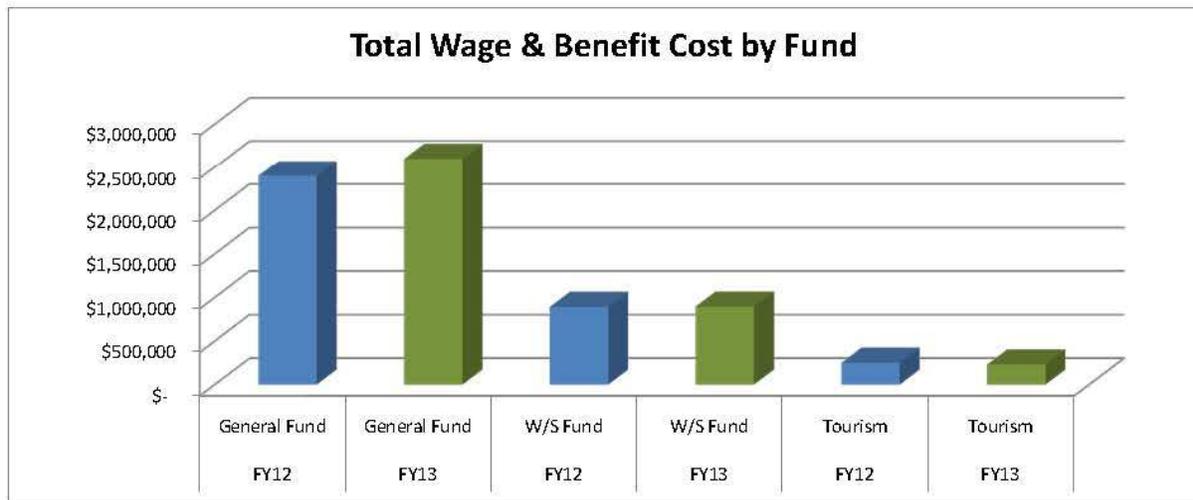
Personnel

~ All Funds

Departmental Allocations

Wage & Benefit Costs as Allocated by Department & Fund - Year to Year Comparison						
	FY12	FY13	FY12	FY13	FY12	FY13
	General Fund	General Fund	W/S Fund	W/S Fund	Tourism	Tourism
	Wages & Benefits					
General Fund						
General & Administrative	\$ 329,600	\$ 327,230	\$ 308,200	\$ 309,510	\$ 176,060	\$ 162,060
Building	\$ 107,280	\$ 111,270				
Emergency Management	\$ 114,040	\$ 118,080				
Fire Department	\$ 56,840	\$ 59,860				
Public Works	\$ 215,000	\$ 207,810	\$ 283,840	\$ 285,040		
Parks Department	\$ 152,320	\$ 177,480	\$ 16,950	\$ 17,020	\$ 53,320	\$ 49,090
Police Department	\$ 921,150	\$ 958,170				
Animal Control	\$ 25,430	\$ 28,620				
Information Services	\$ 43,990	\$ 44,450				
Municipal Court	\$ 18,990	\$ 93,590				
EMS	\$ 322,750	\$ 328,190				
Fire Marshal	\$ 88,970	\$ 86,010			\$ 19,950	\$ 18,360
Code Enforcement	\$ -	\$ 58,180				
Water & Sewer Fund						
General & Administrative			\$ 281,070	\$ 282,270		
	\$ 2,396,360	\$ 2,598,940	\$ 890,060	\$ 893,840	\$ 249,330	\$ 229,510

Wages & Benefits includes: Wages, Overtime, 3% Merit Budget, Health Insurance, Retirement, FICA



Capital Improvement Plan

~ All Funds

Summary & Description

The capital planning process and Capital Improvement Plan (CIP) was established to provide routine processes and procedures for identifying and advocating the current and future capital needs of the City of Nassau Bay. Through the capital improvement program process, the City strives to realize several goals:

- Create a process that enables informed decisions and choices that are consistent with short and long term problems, opportunities, and policy issues resulting from the CIP; and give consideration to public needs.
- Assess short and long-term financial impact of capital projects.
- Ensure coordination between staff and elected officials in planning and implementing of capital projects.
- Identify and determine future infrastructure needs and establish priorities among projects so the available resources are used to the best advantage.

Projects in the Five-Year Capital Improvement Plan have been prioritized based on the extent to which each addresses the following criteria: external requirements, public health and safety, effect on operating or maintenance costs, level of service, availability of outside financing and economic development.

In addition, each project meets the City's definition of a capital improvement project: any project or physical public improvement that results in a permanent addition to the City's fixed assets or revitalization/improvement that extends a fixed asset's useful life or increases its usefulness or capacity. A capital improvement has an estimated service life of at least five years and generally has a value of at least \$10,000.

The Five-Year Capital Improvement Plan for 2013-2017 includes proposals totaling over \$17 million, with nearly \$12 million occurring in the coming 5 years. Funding sources are not identified for all future projects. Given the City's financial position and cash management strategies, it may be necessary to issue debt in order to complete some of these projects. The City will aggressively seek grants and other funding opportunities to leverage tax dollars.

It is also important to highlight the projects that were completed in FY12 as part of the FY12 Budget and CIP. They total approximately \$540,000 and are depicted on the following page.

Capital Improvement Plan

~ Continued

Projects Completed from FY2012 CIP

Project	Status	Estimated Cost	Actual Cost YTD	Funding Source
Bucket Truck	Completed	\$30,000	\$31,500	Capital Projects Fund
Bulkhead on Grenada	Completed	\$9,000	\$9,000	Capital Projects Fund
City Hall, Public Works/EMS, & Water Plant Generator	Completed	\$285,000	\$306,809	75% TDEM Grant, 25% General Fund
Peninsula Trail Project	Construction Started	\$200,000	\$101,316	80% Texas P&W Grant, 20% General Fund
Sewer Plant Generator	Construction Started	\$761,068	\$141,140	Community Development Block Grant Round #1
Saturn Median Project	Construction Started	\$110,000	\$40,252	Economic Development Administration Grant
Sewer Plant Lift Pump Replacements	Construction Started	\$65,000	\$41,091	TWDB
Sewer Rehabilitation	Construction Started	\$94,000	\$77,854	TWDB
Pavilion – Maintenance & Repairs	Engineering Started	\$13,000	\$4,357	General Fund Cash Flow

Capital Improvement Plan

~ Continued

FY2013 CIP Budget

The City of Nassau Bay is proposing a FY2013 Capital Improvement Plan totaling over 3.4 million dollars of which \$900,000, or 26.3%, is grant funded and over \$1.2 million is part of the Texas Water Development Board project group. Projects include facilities and infrastructure, transportation systems, and utility systems.

2012 Capital Budget Summary

# of Projects	Category	Cost
7	General Government	\$349,540
4	Parks & Recreation	\$240,000
17	Utility Systems	\$2.54 million
Various	Transportation	\$288,380

The Table below indicates the 2013 Capital Budget and Funding Detail.

Project Description	Estimated Cost	Funding Source
Surface Water Bypass Vault and ClaValve Installation	\$71,620	Water/Sewer Fund – Cash Flow
Replace 12' diameter Surface Water Supply Line – CLCWA & Nassau Bay	\$15,000	Water/Sewer Fund – Cash Flow
Piping Improvements at Water Plant No. 1	\$50,000	Water/Sewer Fund – Cash Flow
Elevated Storage Tank – Painting, Repair, Upgrade	\$350,000	Water/Sewer Fund – Cash Flow
Well #2 – Water Plant Back-up Well Engineering	\$20,000	Water/Sewer Fund – Cash Flow
Repairs to Electrical Conduit and Walkways [Railings, Safety]	\$30,000	Texas Water Development Board
Lift Pump Replacements to Improve Solids Handling - Phase 2, Remaining Two Pumps	\$250,000	Community Development Block Grant
Install Emergency Power Generator on Elevated Platform	\$450,000	Community Development Block Grant
Install Screen at Headworks and Grit Removal	\$555,000	Texas Water Development Board
Replace Existing Diffusers with Fine Bubble System	\$39,000	Texas Water Development Board
Clarifier Center Well Rehab	\$195,000	Texas Water Development Board
Facilities to divert flow or store flow to allow process units to be isolated for inspection, repair, and replacement	\$219,000	Texas Water Development Board
All Lift Stations - Installation of piping to allow for quick mobile pump hookup (bypass piping)	\$7,000	Water/Sewer Fund – Cash Flow
All Lift Stations - Installation of Generator quick connections and transfer switches	\$7,500	Water/Sewer Fund – Cash Flow
Wastewater Lines and Manhole Rehabilitation - Various Areas	\$240,000	Texas Water Development Board
Kubota Backhoe	\$25,000	Water/Sewer Fund – Cash Flow
Water & Sewer Pick-up Truck	\$17,000	Water/Sewer Fund – Cash Flow
Relocation of 24" City Storm Sewer Line	\$20,000	TBD
Annual Paving and Joint Re-sealing	\$288,380	Street Fund – Cash Flow
Lake Nassau Shoreline Erosion & Restoration	\$150,000	TBD
Parks Pick-up Truck	\$17,000	TBD
Public Works Roof Repair	\$35,000	TBD
Peninsula Trail	\$200,000	Texas Parks & Wildlife Grant
Pavilion – Maintenance & Repairs to Drainage and Floors	\$9,500	TBD
Boardwalk – Rebuild	\$35,000	Special Revenue Fund - Cash Flow
Police Department – 2 Replacement Units	\$61,500	TBD
Fire Marshal – Replacement Unit	\$35,000	TBD
Fire Department – Replacement Response Vehicle	\$25,000	TBD
EMS – Used Response Vehicle	\$6,040	TBD



Overall CIP Rank	Proj ID	Project Description	Project Budget	FY13	Funding Source	FY14	FY15	FY16	FY17	FY18 & Beyond	Current Phase	Next Phase	Special Notes & Justification
WATER SYSTEM													
Water Production and Transmission													
9	WP1001	Surface Water Supply Bypass Vault and ClaValve Installation	\$71,620	\$71,620	Cash Flow W/S						Planning	Bidding	Improves water system reliability; Allows for bypass of City Water Plant for Maintenance.
10	WP1002	Replace 12-inch diameter Surface water supply pipeline b/w CLCWA and Nassau Bay	\$800,096	\$15,000	Cash Flow W/S	\$81,000	\$704,096				Grant Planning	Design	Historic maintenance problem. Pipe is brittle AC-pipe, breaks often. Primary water supply to City - May 2012 PRV Installed.
11	WP1003	Piping Improvements at Water Plant No. 1 to Improve Elevated Tank Fill and Drain Operations	\$50,000	\$50,000	Cash Flow W/S						New Project	Planning	Improves Fire Protection and reduces number of water line breaks by allowing full tank concurrent with lower system pressure.
12	WP1011	Elevated water storage tank and ground water storage tank at Plant #1 painting, repair, and upgrading	\$350,000	\$350,000	Cash Flow W/S						Planning	Inspection	Needed to extend life of water storage tanks
13	WP1004	Replace Emergency Power System at Water Plant No. 1 w/ Natural Gas Generator			TDEM-HMPG						Bidding	Construction	Replaces existing aging equipment , needed to provide back up power for water plant
26	WP1005	Rehabilitate and Restore Water Well at Swan Lagoon Water Plant; Includes Hydrotank	\$405,950							\$405,950	Planning	Design	Improves water system reliability; Improves Fire protection in Swan Lagoon Area.
13	WP1012	Well #2 - Water Plant Back-Up Well	\$520,000	\$20,000	Cash Flow W/S	\$500,000					Maintenance/Pl	Design and Rebuild	
Water Distribution													
21	WD1001	Water Line Rehabilitation	\$300,000		TBD	\$100,000	\$100,000	\$100,000					Replace deteriorating water lines
WASTEWATER SYSTEM													
Wastewater Treatment Plant													
1	WWT1019	Repairs to Electrical Conduit and Walkways [Railings, Safety]	\$30,000	\$30,000	TWDB Fund						Design	Construction	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						Final Design	Construction	Improves the ability of the WWTP to treat the full 5 million gallon per day design capacity. [Matching Funds Shown]
2	WWT1003	Lift Pump Replacements to Improve Solids Handling - Phase 2, Remaining Two Pumps + Installation	\$250,000	\$250,000	CDBG Grant						Design	Construction	Improves the ability of the WWTP to treat the full 5 million gallon per day design capacity.
3	WWT1004	Install Emergency Power Generator on Elevated Platform	\$450,000	\$450,000	CDBG Grant						Design	Construction	Provides back up power during emergency, allows wastewater plant to operate during times of power outage
19	WWT1005	Install New Liquid Chemical Feed System on Elevated Platform	\$200,250		TBD	\$200,250					TBD	Construction	Replaces aging equipment; More safe installation compare to existing chlorine gas; flood proofs the disinfection system.
6	WWT1007	Clarifier Center Well Repair			TWDB Fund						Planning	Design	Repairs damaged equipment. Eliminates clear water from mixing with thickened sludge as sludge is wasted to digester.
4	WWT1009	Facilities to divert flow or store flow to allow process units to be isolated for inspection, repair, and replacement	\$219,000	\$219,000	TWDB Fund						Design	Construction	Develop plan to allow for the plant to be bypassed for maintenance. Current configuration allows for only 24 hours of down time.
5	WWT1012	Install Screen at Plant Headworks & Grit Removal Improvements	\$555,000	\$555,000	TWDB Fund						Design	Construction	Reduces chance of plant clogging and overflows at the plant; improves operations.
6	WWT1013	Replace Existing diffusers with Fine Bubble System	\$39,000	\$39,000	TWDB Fund						Design	Construction	Reduces chance of plant spillage due to turbulent liquid in the aeration basin.
7	WWT1019	Rehabilitation/Rebuild of Clarifier - Painting, Releveling, Replace Corroded Metal	\$195,000	\$195,000	TWDB Fund						Design	Construction	
20	WWT1014	Comminuter Installation at Lift Station [May be superseded by Lift Pump Replacement]	\$138,000		TBD	\$138,000					Planning	Design	Grinds rags and solids prior to entering the wastewater treatment plant lift station. Reduces chance of overflows in system.
39	WWT1015				TWDB Fund				\$0		Planning	Design	Reduces chance of plant clogging and overflows at the plant; reduces need for future basin clean out
18	WWT1016	Sand Filter - Upgrade System to Modern Unit which will be Flood Proof.	\$360,000		TWDB Fund	\$360,000					Planning	Design	Replaces aging and obsolete sand filter unit. (Add Alternate to Bid)
Wastewater Lift Stations and Force Mains													
14	WWL1005	All Lift Stations - Installation of piping to allow for quick mobile pump hookup (bypass piping) (in-house)	\$7,000	\$7,000	Cash Flow W/S						Planning	Construction	Allows for quick connection of a mobile diesel trash pump
15	WWL1006	All Lift Stations - Installation of Generator quick connections and transfer switches (in-house)	\$7,500	\$7,500	Cash Flow W/S						Planning	Construction	Allows for quick connection of a mobile generator
24	WWL1007	Surf Court Lift Station - Force Main Replacement	\$1,000,000		TBD		\$1,000,000				Grant Planning	Design	Replaces aging and deteriorated infrastructure; pipe is brittle AC, frequent breaks historically.
25	WWL1008	Surf Court Lift Station - Odor Control Improvements	\$75,000		TBD				\$75,000		None	Design	Improves odor condition at Surf Court cul-de-sac.
22	WWL1009	Installation of SCADA to provide more effective and energy efficient operation of sewer lift stations	\$15,000		TBD	\$15,000							
Wastewater Collection System													
8	WWC1002	Sewer Rehabilitation [Nassau Bay Drive Rear Easement; Hereford Lane; Basilan Lane]	\$240,000	\$240,000	TWDB Fund						Bidding	Construction	Repairs deteriorated infrastructure - Ahead of Schedule - Current emergency repairs applied to TWDB
31	WWC1004	Combined w/ WWC 1002			TWDB Fund						Design	Construction	Replaces deteriorated infrastructure
43	WWC1005	Combined w/ WWC 1002			TWDB Fund						Study	Design	Investigating reason for sanitary sewer back up into home.
23	WWC1006	Wastewater Lines and Manhole Rehabilitation - Various Areas	\$3,700,000		TWDB Fund	\$300,000	\$300,000	\$300,000	\$300,000	\$2,500,000	Planning	Design	Replaces deteriorated Infrastructure.
Water/Wastewater Equipment													
16	PW1001	Backhoe Kubota	\$25,000	\$25,000	Cash Flow W/S						Quoting	Purchase	
17	PW1005	Pick-Up Truck B (Water & Sewer)	\$17,000	\$17,000	Cash Flow W/S						Quoting	Purchase	
WATER & WASTEWATER UTILITY TOTALS			\$9,978,416	\$2,541,120	\$0	\$1,694,250	\$2,104,096	\$400,000	\$375,000	\$2,905,950			

Overall CIP Rank	Proj ID	Project Description	Project Budget	FY13	Funding Source	FY14	FY15	FY16	FY17	FY18 & Beyond	Current Phase	Next Phase	Special Notes & Justification
DRAINAGE													
Drainage Collection													
1	DP1007	Relocation of 24" city sewer line @ 18518 Upper Bay	\$20,000	\$20,000	Cash Flow								
18	DC1004	Pipe Installation on Saxony - Connection b/w Point Lookout (6' pipe system thru Park) and Hereford Lane	\$45,000		TBD			\$45,000			Design	Construction	Improves drainage in Herford Lane area by connecting to 6' diameter pipe at Park [Design completed in 2008]
21	DC1005	Large Diameter Storm Sewer Installation on Point Lookout Draining to Lake Nassau	\$448,700		TBD			\$448,700			Planning	Design	Reduce flooding in problem area of Point Lookout at Pirates Cove
23	DC1006	Marina Basin Storm Sewer Phase 1	\$151,595		TBD					\$151,595	Planning	Design	Improves drainage in west Nassau Bay Marina Basin Problem Area
24	DC1007	Marina Basin Storm Sewer Phase 2	\$168,200		TBD					\$168,200	Planning	Design	Improves drainage in west Nassau Bay Marina Basin Problem Area
25	DC1008	Marina Basin Storm Sewer Phase 3	\$285,470		TBD					\$285,470	Planning	Design	Improves drainage in west Nassau Bay Marina Basin Problem Area
26	DC1009	Marina Basin Storm Sewer Phase 4	\$456,190		TBD					\$456,190	Planning	Design	Improves drainage in west Nassau Bay Marina Basin Problem Area
27	DC1010	Improvements at Basilan Lane Area	\$100,000		TBD					\$100,000	Study	Design	Reduce flooding in problem area of Basilan Lane
Drainage - Pump Stations													
15	DP1001	Upper Bay Road - New Diesel-Driven Stormwater Pump Station No. 2	\$205,500		TBD		\$205,500				Planning	Design	Improves roadway drainage along Upper Bay to allow for evacuation and emergency vehicle access.
PAVING													
Capital Improvements													
2	PCIP1001	Annual Paving Improvements	\$858,380	\$258,380	Street Fund	\$0	\$300,000	\$0	\$300,000		Planning	Design	Replaces deteriorated infrastructure
Maintenance													
3	PM1001	Joint Sealing - City Wide or Large Areas	\$30,000	\$30,000	Street Fund						Planning	Construction	Preventative Maintenance of roadway infrastructure.
DREDGING AND BULKHEADS													
28	DM1003	Removal of High Spot in Lake Nassau Channel at Confluence w/ Clear Creek	\$24,100		TBD					\$24,100	Planning	Construction	Improves navigability and drainage
4	DL1004	Dredging of Lake Nassau; Lake Nassau Park shoreline erosion restoration and erosion protection	\$1,800,000	\$150,000	Cash Flow	\$1,650,000					Planning	Construction	Improves water quality in Lake and drainage.
PUBLIC WORKS													
5	PW1002	Pick-Up Truck A (Parks)	\$17,000	\$17,000	Cash Flow						Quoting	Purchase	
16	PW1003	Backhoe Priority B	\$63,000		TBD		\$63,000						
22	PW1004	Bucket Truck			TBD								
17	PW1006	Pick-Up Truck C	\$20,000		TBD		\$20,000						
6	PW1007	Public Works/EMS Building Roof Repair	\$35,000	\$35,000	Cash Flow								
53	PW1007	Trailer Mounted Vacuum Unit											
PARKS													
29	P1004	Lake Nassau Park Trail, Phase II	\$70,000		TBD					\$70,000			
14	P1005	Lake Nassau Park parking lot improvements	\$120,000		TBD	\$120,000							
35	P1001	Canoe Launches at Lake Nassau	TBD		TBD						Planning	Design	Parks - Amenities improvement
7	P1007	Peninsula Trail	\$200,000	\$200,000	TX P & W Grant						Bidding	Construction	Designe contracted with SWA Group - Advertised June 2012
8	P1008	Pavilion - Maintenance and Repairs to include drainage and pavilion floor	\$9,500	\$9,500	Cash Flow						Quoting	Construction	
9	P1009	Rebuild Boardwalk	\$35,000	\$35,000	Cash Flow						Quoting	Construction	
POLICE DEPARTMENT													
10	PD1001	Two Dodge Chargers (fully equipped) to replace Crown Victorias	\$61,500	\$61,500	Cash Flow								
FIRE MARSHAL													
11	FM1001	1 New Expedition or Tahoe (fully equipped) to replace existing Expedition	\$35,000	\$35,000	Cash Flow								
FIRE DEPARTMENT													
30	FD1003	Ladder Truck	\$1,000,000		TBD					\$1,000,000			
22	FD1002	Replacement Pumper	\$600,000		TBD				\$600,000				
13	FD1001	Utility 88	\$25,000	\$25,000	Cash Flow								
EMS													
19	ES1001	Remount 2006 F-450 Ambulance	\$85,725		TBD	\$85,725							
20	ES1002	Remount 2004 F-350 Reserve Ambulance	\$110,250		TBD		\$110,250						
12	ES1003	Used Emergency Response Vehicle/Truck	\$6,040	\$6,040	Cash Flow								
GENERAL & ADMINISTRATIVE													
	GA1001	City Hall (\$1,300,000)			Griffin Dev.								
SPECIAL - GIS SYSTEM													
Mapping Updates													
31	GIS1000	Water System	TBD		TBD						Study	Completion	Improves City operation and public access
32	GIS1001	Wastewater System	TBD		TBD						Study	Completion	Improves City operation and public access
33	GIS1002	Drainage System	TBD		TBD						Study	Completion	Improves City operation and public access
34	GIS1003	Other as Required (Police/Fire)	TBD		TBD						Study	Completion	Improves City operation and public access
SPECIAL - PROJECTS - FEDERAL GRANTS													
ALL OTHER CIP TOTALS			\$7,086,150	\$882,420		\$1,855,725	\$698,750	\$493,700	\$900,000	\$2,255,555			

PROJECTS						
	FY13	FY14	FY15	FY16	FY17	FY18 & Beyond
\$17,106,566	\$3,423,540	\$3,549,975	\$2,802,846	\$893,700	\$1,275,000	\$5,161,505

Component Units

~ For Resources Purposes

Component Units

The City is associated with several component units. Component units are governmental-type entities that are governed by a separate board than the City Council and have been empowered to varying degrees to receive and allocate certain sums of money. The City's component units are:

- Nassau Bay Economic Development Corporation
 - Funded by 0.50% Sales Tax

- Nassau Bay Tax Increment Reinvestment Zone # 1
 - Taxing Entity collecting Property Tax Increment in the geographic area described as TIRZ # 1

- Nassau Bay Redevelopment Authority
 - Allocation and disbursement entity for the TIRZ # 1 Property Tax Increment Revenue

- NASA Area Management District
 - Funded by 0.25% Sales Tax

Component Units

~ *Economic Development Corporation*

Economic Development Corporation

The Economic Development Corporation (EDC) was incorporated on April 22, 1998 as a nonprofit governed by Section 4B of the Texas Development Corporation Act of 1979. It is funded by 0.50 percent sales tax. The corporation promotes and develops new and expanded business enterprises in the City in order to promote and encourage the economic growth of the City and the full employment, welfare and prosperity of its citizens.

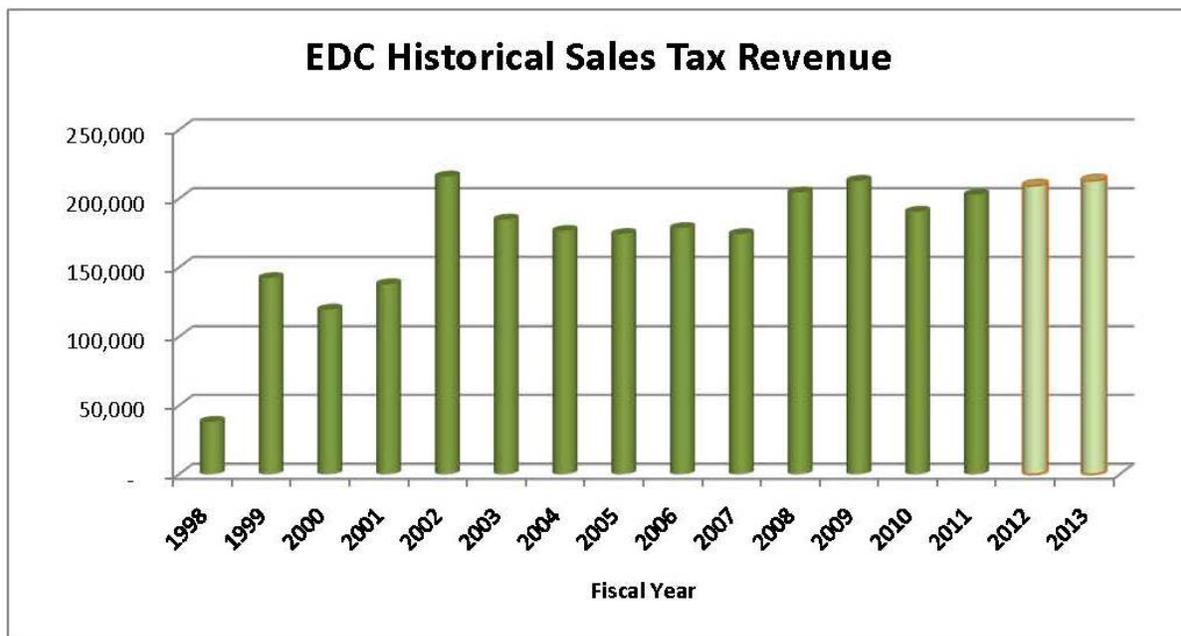
The Economic Development Corporation approves its budget and then submits its budget for City Council approval prior to the Council's approval of the Annual City Budget. The Economic Development Corporation Budget is included in the City's Annual Budget book for information and resource purposes, but is not considered part of the City's Approved Annual Budget.

The following are the FY2013 Board Members for the EDC:

Mark Denman, President
Ron Swofford, Vice President
Jonathan Amdur, Treasurer
Brad Bailey, Secretary

Harry Dollar, Director
Bryce Klug, Director
George Dempsey, Director

EDC bylaws state Mayor and Council Positions 3, 4, & 5 will be on the EDC.



Economic Development Corporation

~ Fund 51

Revenues

Revenue Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
3020 Interest on Investments	200	214	300	200	300	0.0%
3110 Sales Tax Revenue	185,700	202,864	205,200	209,300	213,000	-3.8%
TOTAL	185,900	203,078	205,500	209,500	213,300	-3.8%
9520 Prior Year Balance	160,400	-	87,730	99,564	109,584	-24.9%
9525 End of Year Reserve	(35,651)	-	(67,587)	(109,584)	(102,680)	-51.9%
GRAND TOTAL	310,649	203,078	225,643	199,480	220,204	2.4%

Expenditures

Expenditure Detail	Amended Budget FY 10/11	Actual FY 10/11	Amended Budget FY 11/12	Projected FY 11/12	Adopted Budget FY 12/13	Budget % Change
5000 Administrative Expense	115,000	115,000	100,000	100,000	100,000	0.0%
5001 Audit	7,730	7,723	7,730	7,700	7,730	0.0%
5002 Promotion/Consulting	3,000	5,475	-	-	-	0.0%
5005 Legal	4,000	1,013	2,000	200	2,000	0.0%
5006 Memberships-BAHEP/TEDC	19,000	19,000	19,000	19,000	19,000	0.0%
5100 Economic Dev Proj-Undesignated	30,000	9,823	10,000	3,290	10,000	0.0%
5108 City Building-Joint Project	50,000	51,516	7,630	-	-	100.0%
5110 Debt Service-2006 Tax Notes	71,919	71,919	69,283	69,290	71,474	-3.2%
5113 Lockheed Martin Contract	10,000	-	10,000	-	10,000	0.0%
GRAND TOTAL	310,649	281,468	225,643	199,480	220,204	2.4%

Component Units

~ *NASA Area Management District*

NASA Area Management District

The NASA Area Management District (NAMD) was incorporated by the state legislature to promote commercial sustainability by creating a unique sense of place inclusive of residential, retail, commercial and waterfront development. Its goal is to achieve these things by:

- Enhancing safety and security
- Ensuring high quality infrastructure
- Expanding awareness of Nassau Bay as a great place to live, work, and play
- Fostering public/private partnerships
- Providing distinctive urban design and maintenance

In FY2013, the NASA Area Management District will begin to maintain some of the landscaping and green spaces located in the district's geographic area.

The NASA Area Management District has a completely independent governing board and approves its budget independent of the City Council. The NAMD Proposed Budget is included in the City's Annual Budget book for information and resource purposes, but is not considered part of the City's Approved Annual Budget.

**NASA Area Management District
Draft Budget
FYE September 30, 2013**

	Year to Date (11 Months)			Annual	12 Month	Proposed Draft
	Actual	Budget	Variance	Budget	Projected	Budget FYE 2013
Income						
6-4380 · Sales Tax Income	71,321.07	66,000.00	5,321.07	72,000.00	77,804.80	75,000.00
6-5380 · Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	0.00
6-5391 · Interest -	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	71,321.07	66,000.00	5,321.07	72,000.00	77,804.80	75,000.00
Expense						
6-6320 · Legal Fees	8,136.72	9,166.67	-1,029.95	10,000.00	8,876.42	10,000.00
6-6321 · Auditing Fees	750.00	750.00	0.00	750.00		750.00
6-6322 · Engineering Fees	0.00	0.00	0.00	0.00	0.00	0.00
6-6324 · Un-Programmed Project Expense	1,207.90	9,166.67	-7,958.77	10,000.00	1,317.71	10,000.00
6-6325 · Community Beautification	1,270.00	5,000.00	-3,730.00	5,000.00	1,385.45	5,000.00
6-6329 · Livable Centers Grant	0.00	0.00	0.00	0.00	0.00	0.00
6-6330 · Administrator Fee	8,962.09	16,500.00	-7,537.91	18,000.00	9,776.83	20,000.00
6-6331 · Management Fee	0.00	6,875.00	-6,875.00	7,500.00	0.00	10,000.00
6-6333 · Bookkeeping	4,150.00	4,400.00	-250.00	4,800.00	4,527.27	4,800.00
6-6338 · Legal Notices & Other Publicati	0.00	0.00	0.00	0.00	0.00	0.00
6-6340 · Printing & Office Supples	0.00	183.34	-183.34	200.00	0.00	200.00
6-6353 · Insurance	2,485.00	0.00	2,485.00	2,260.00		2,485.00
6-6354 · Travel Expenses	0.00	0.00	0.00	0.00	0.00	0.00
6-6360 · Security Expense	0.00	0.00	0.00	0.00	0.00	0.00
6-6400 · Website Maintenance	0.00	0.00	0.00	0.00	0.00	0.00
6-7395 · Miscellaneous Expense	0.00	45.84	-45.84	50.00	0.00	50.00
Total Expense	26,961.71	52,087.52	-25,125.81	58,560.00	29,412.77	63,285.00
Net Income	44,359.36	13,912.48	30,446.88	13,440.00	48,392.03	11,715.00

Component Units

~ Tax Increment Reinvestment Zone #1 & Redevelopment Authority

Tax Increment Reinvestment Zone #1

The Nassau Bay Tax Increment Reinvestment Zone #1 (TIRZ) is a taxing entity for a designated geographic area approved by the State Legislature to help finance the cost of public improvements needed for development or redevelopment of that specific area. The TIRZ is funded by property tax on any additional incremental value created by property inside the TIRZ after the initial base year of 2007. Of the additional increment that is generated, the City receives 10% of the levy on the incremental value and the TIRZ receives 90%.

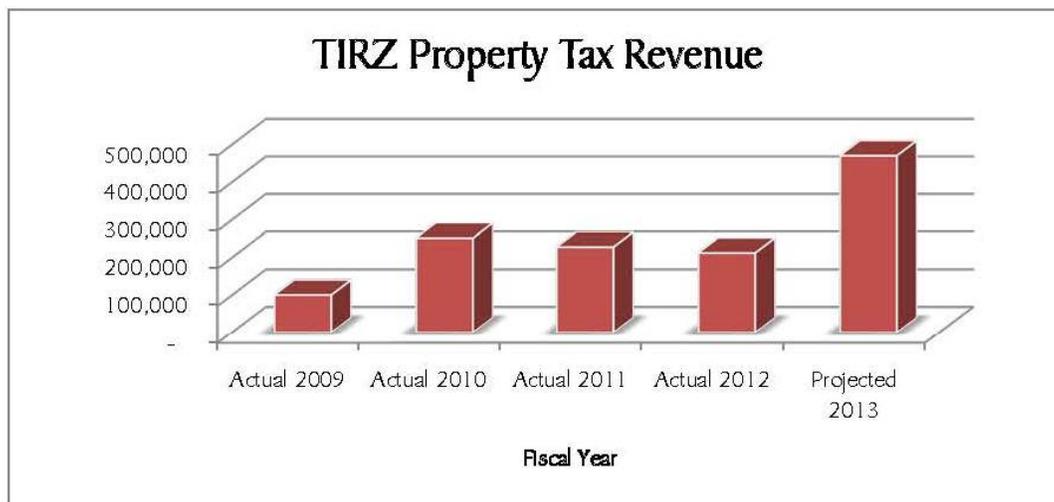
Nassau Bay Redevelopment Authority

The Nassau Bay Redevelopment Authority (RDA) is a Local Government Corporation created in accordance with the powers granted cities in Chapter 431, Subchapter D, of the Texas Transportation Code. The RDA is a separate, nonprofit corporate entity from the City, but is subject to the Open Meeting and Open Records Acts and is exempt from property and sales tax.

The RDA provides the City with flexibility in the implementation of the TIRZ; it can issue debt on its own behalf such that it is not an obligation of the City. Additionally, it can contract with developers and consultants to develop projects that increase taxable value within the TIRZ.

TIRZ & RDA

The Nassau Bay TIRZ levies and receives the Property Tax Increment revenue at which time these funds are transferred for allocation purposes to the Nassau Bay Redevelopment Authority. To date, the TIRZ/RDA has not had enough revenue to actively budget and allocate its funds and therefore a budget is not included with this information. The information provided in the City's Annual Budget is only for resource purposes.





Budget Notes