City of Galveston Proposed Budget

FY 2020

CITY OF GALVESTON, TEXAS

FY 2020 Proposed Budget

The following language is required by the State of Texas Budget Law, Section 102.005 of the Local Government Code.

"This budget will raise more total property taxes than last year's budget by $2,965,700 which is a 9.16 percent increase, and of that amount $419,300 is tax revenue to be raised from new property added to the tax roll this year."

Proposed Budget

Fiscal Year
October 1, 2019 through September 30, 2020

Included are
General, Special Revenue, and Proprietary Funds

City Council

James D. Yarbrough, Mayor
Craig Brown, Mayor Pro tem
Amy Bly
David Collins
Jason Hardcastle
John Listowski
Jackie Cole

City Manager
Brian Maxwell

Deputy City Manager
Dan Buckley

Assistant City Manager - Finance
Mike Loftin

Assistant City Manager – Development & Management Services
Brandon Cook

Assistant City Manager – Grants and Public Transportation
Richard Beverlin

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City of Galveston

Vision for the Community

Galveston is a safe, friendly, vibrant, diverse, and innovative community that delivers on a high standard for
quality of life.

Mission Statement

Provide the Best Possible Community in Which to Live, Work, Play, and Stay

Core Values For Achieving Strategic Goals

- Promote the health, safety, and general well-being of the community
- Deliver excellence in City services and emergency preparedness,
- Provide fiscal responsibility and transparency with a long-term vision,
- Encourage citizen engagement,
- Collaborate and cooperate with City stakeholders, and
- Partnership with component units and other government entities, Park Board of Trustees, Port of Galveston, Galveston County, State of Texas, Galveston Community College, University of Texas Medical Branch, Texas A&M University at Galveston, and other community nonprofits organizations.

CITY OF GALVESTON, TEXAS
PRINCIPAL OFFICIALS

Mayor
Jim Yarbrough

District 1

Amy Bly

District 2

Craig Brown

District 3

David Collins

District 4

Jason Hardcastle

District 5

John Listowski

District 6

Jackie Cole

City of Galveston, Texas

Incorporated March 1939
Charter Adopted April 19, 1960

Council – Manager Form of Government

City Council Appointees	
City Manager	Brian Maxwell
City Secretary	Janelle Williams
City Attorney	Donald Glywasky
Court Judge	Jim Schweitzer
City Auditor	Glenn Bulgherini

Department Directors (City Manager Appointees)	
Deputy City Manager	Daniel Buckley
Assistant City Manager Finance	Michael Loftin
Assistant City Manager Grants & Pub. Transportation	Richard Beverlin
Assistant City Manager Development & Muni. Services	Brandon Cook
Police Chief	Vernon Hale
Fire Chief	Michael Wisko
City Marshal	Cecil Stroud Jr.
Executive Director of Development Services	Timothy Tietjens
Executive Director of Fleet, Mass Transit, & Spec. Evts	David Smith
Executive Director of Finance, HR & Civil Service	Kent Etienne
Executive Director of Community Outreach	Barbara Sanderson
Chief Information & Technology Officer	Hope Dean
City Controller	Tammy Jacobs
City Engineer	Daniel Christodoss
Director of Capital Projects	Ross Blackketter
Director of Administration & Sanitation	Cindy DeWitt
Director of Airport	Michael Shahan
Director of Municipal Utilities	Angelo Grasso
Director of Parks & Recreation	Mario Rabago
Director of Public Works	Kyle Hockersmith
Interim Director of Grants & Housing	Alice Law
Public Information Officer	Marissa Barnett
Battalion Chief-Emergency Management	Mark Morgan Sr.
Municipal Court Clerk	Gladys Lopez
Facilities Director	Charles Kenworthy
Risk Manager	Robert Simmons

Introduction Section

August 7, 2019

To: Honorable Mayor James D. Yarbrough and Members of Council
Subject: FY 2020 Proposed Budget

Mayor and Council:
The Proposed Budget for FY2020, beginning October 1, 2019, and ending September 30, 2020 is presented so as to meet the needs of our residents and businesses, as well as our visitors within the requirements set by City Charter and State Budget Law. The Proposed Budget, including maintenance and operating expenditures, one-time appropriations, and the capital budget is $235.1 million, 5.36 percent less than last year's combined total. The Proposed Budget includes adequate reserves in all funds and allocates additional available resources to meet the City's highest priorities.

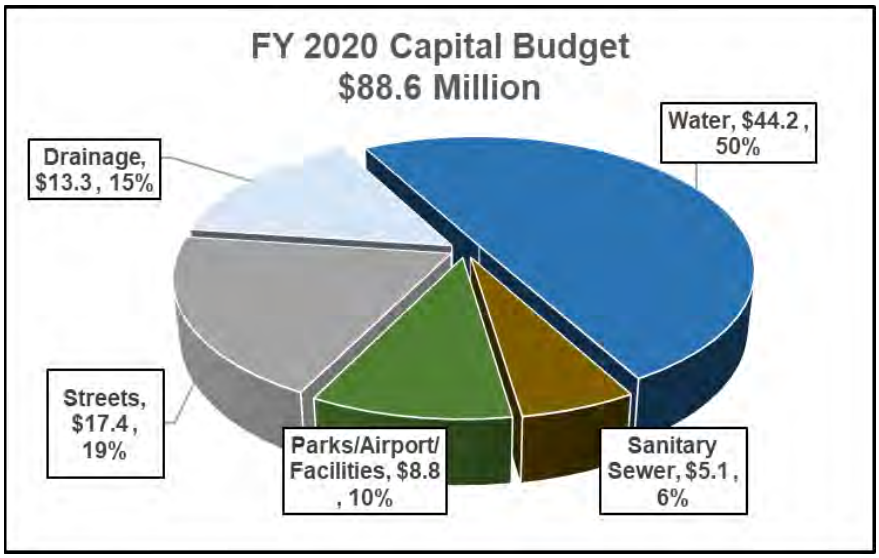
FY 2020 PROPOSED BUDGET ($000's)

Major Category	FY 2019 Budget	FY 2020 Proposed Budget	Percent Difference
Maintenance and Operations	$150,615	$145,621	-3.32%
One-Time Appropriations	$9,310	$859	-90.77%
Total Operating Budget	$159,925	$146,480	-8.41%
Capital Budget	$88,476	$88,614	0.16%
Total Budget	**$248,401**	**$235,094**	-5.36%

The Proposed Budget includes funds for 168 police officers, full funding for the health benefits plan in FY 2020, and full funding for the police pension funds. In FY 2018, we increased our contribution from 14 to 17 percent in the Fire pension plan, and agreement was reached that brought the amortization period for the Fire plan's unfunded actuarial accrued liability down to 25 years. Firefighters voted to increase their own contribution from 16 to 18 percent, and eliminated post-retirement COLA's for all future retirees. As the result of the State legislation that passed in the most recent legislative session, the City's contribution to the police pension plan is funded at 18 percent, which is fifty percent higher than the 12 percent rate that was in place until January 2016.

Approximately $0.8 million is still set aside in the Pension Reform Special Fund to address the pension plan issue. Decisions related to a combination of funding and benefit changes that are needed to address long-term stability of the civilian employee pension plan are our next point of focus in the pension area.

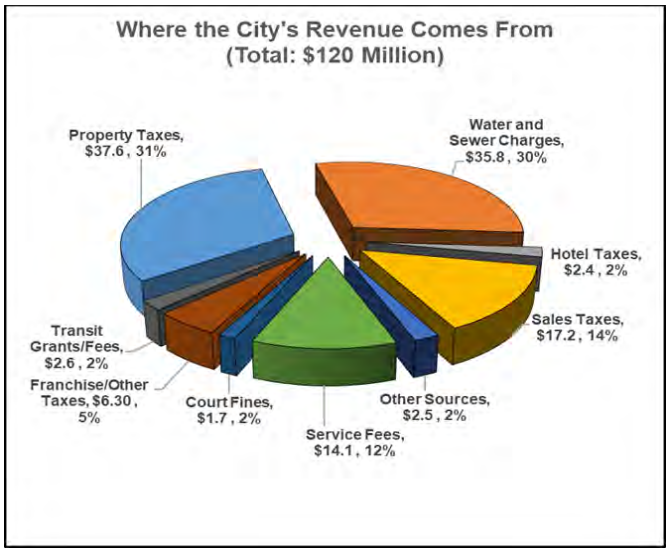
The Proposed Budget also addresses infrastructure needs. The Capital Budget is found in the first year of the Five Year Capital Improvement Plan, the details of which were submitted separately to City Council in draft form in July. The CIP includes plans for $303 million in projects, with $88.6 million or 29 percent of the total scheduled for FY 2020.



The Proposed Budget includes additional funding to keep the city's infrastructure program moving forward. First, we continue taking actions to complete the street and drainage programs approved by the voters in the May bond election by FY 2022. These projects are being fast-tracked by accelerating design and funding construction as soon as possible. Many of the major projects have already come to City Council for construction award, and virtually all should have received Council approval by the end of FY 2020.

We are addressing funding challenges in this Proposed Budget that require that a tax rate increase be included as a part of the Proposed Budget for public safety pay. A 1.8885 cent property tax rate increase is proposed from $0.561 to $0.579885 per $100 of taxable value.

Over 4,400 elderly and disabled taxpayers' property tax payments are frozen at the same level as last year, and will pay no tax increase at all. The owner occupant of an average single family home in Galveston appraised at $235,096 with the basic twenty percent homestead exemption and taxable value of $188,076 will pay an additional $37 per year. The tax rate increase is wholly allocated through the General Fund to the pay plans for police (5.8 percent effective January 1, 2020) and fire (3.5 percent effective October 1, 2019. Civilian staff in all city funds would receive a two percent cost of living adjustment effective October 2019.



This year's General Fund budget includes funds for $2.4 million in new recurring costs for health benefits ($1.24 million), police pension ($395,000), the transfer to the Infrastructure and Debt Service fund ($741,000 at the current tax rate), and ambulance service ($49,000). These costs cannot and should not be funded with spending reductions that cannot be sustained, and our revenue choices are limited. In addition other necessary adjustments total $887,000 for General Fund vehicle purchases, Comprehensive Plan updating, Island Transit, and funding for existing staff. At the same time, General Fund departments have generally maintained their budgets at the level established when they were reduced by two percent ($1 million) last year or even less. The net effect of these cuts in this budget is $695,000 in reductions from last year that are contained in this proposed budget.

This includes our central administrative departments which are budgeted at minimum levels so as to maintain their effectiveness and ability to carry out their City Charter responsibilities. Can we reduce budgets further? Further reductions can be achieved over time but all departments are operating at minimum budget levels now. The table below illustrates how low our administrative overhead cost is, including pure central administrative functions that include Mayor and Council, the City Manager, City Attorney, City Secretary, City Auditor, Human Resources, Public Information and Finance including property tax appraisal and collection by County offices. Using the FY 2020 Proposed Budget as our basis, our overhead rate is 3.64 percent of the operating budget and 2.23 percent of the overall capital and operating budget combined. This is lower than in FY 2015 when the rates were 4.04 percent and 2.59 percent.

CITY OF GALVESTON ADMINISTRATIVE OVERHEAD
FY 2015-2020

Budget Category	FY 2015 Budget	FY 2016 Budget	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget	FY 2020 Proposed Budget
Administrative Offices						
City Secretary/Council	401,771	418,399	510,774	547,175	536,270	544,646
Elections	0	60,000	60,000	70,000	68,000	58,500
City Manager	707,706	748,821	831,001	762,019	682,997	696,989
City Attorney	769,746	900,442	884,180	919,554	928,227	833,109
City Auditor	277,238	312,289	278,291	278,563	274,851	278,551
Human Resources	285,570	326,647	443,025	557,574	555,375	560,117
Finance	1,674,239	1,888,378	1,948,581	1,807,399	1,863,446	1,620,769
Taxation	213,158	247,073	255,314	265,449	270,000	271,723
Community Outreach/Public Information Office	0	0	0	0	208,502	246,534
Subtotal Administration	**4,329,428**	**4,902,049**	**5,211,166**	**5,207,733**	**5,387,668**	**5,110,938**
Operating Budget						
General Fund	47,642,520	49,746,819	57,003,604	54,190,013	55,896,702	59,336,800
Less Administrative Depts	4,329,428	4,902,049	5,211,166	5,207,733	5,387,668	5,110,938
General Fund Operations	43,313,092	44,844,770	51,792,438	48,982,280	50,509,034	54,225,862
Special Funds	18,783,615	31,112,301	33,857,546	36,503,006	36,653,582	32,164,973
Enterprise Funds	44,072,594	48,632,005	43,552,270	45,608,695	46,845,944	48,465,713
Debt Service Fund	984,758	1,954,517	9,802,702	8,736,372	5,192,812	5,543,606
Total Operating Budget	**107,154,059**	**126,543,593**	**139,004,956**	**139,830,353**	**139,201,372**	**140,400,154**
Capital Budget						
Streets	23,391,331	20,899,424	14,827,920	25,077,860	22,631,633	17,354,682
Drainage	1,884,045	2,531,692	2,493,025	4,038,247	15,084,500	13,303,665
Water	4,605,553	2,933,400	30,535,877	12,689,680	29,191,384	44,184,055
Sewer	6,551,018	7,880,758	20,593,518	23,111,345	15,219,422	5,084,173
Parks	5,177,680	3,850,000	4,212,500	3,295,750	415,000	1,875,000
Other	18,349,453	5,350,000	6,446,039	7,304,303	3,933,880	6,812,729
Subtotal Capital Budget	**59,959,080**	**43,445,274**	**79,108,879**	**75,517,185**	**86,475,819**	**88,614,304**
Total Capital and Operating Budget	**167,113,139**	**169,988,867**	**218,113,835**	**215,347,538**	**225,677,191**	**229,014,458**
Admin as Pct of Op Budget	**4.04%**	**3.87%**	**3.75%**	**3.72%**	**3.87%**	**3.64%**
Admin as Pct of Cap & Op Budget	**2.59%**	**2.88%**	**2.39%**	**2.42%**	**2.39%**	**2.23%**

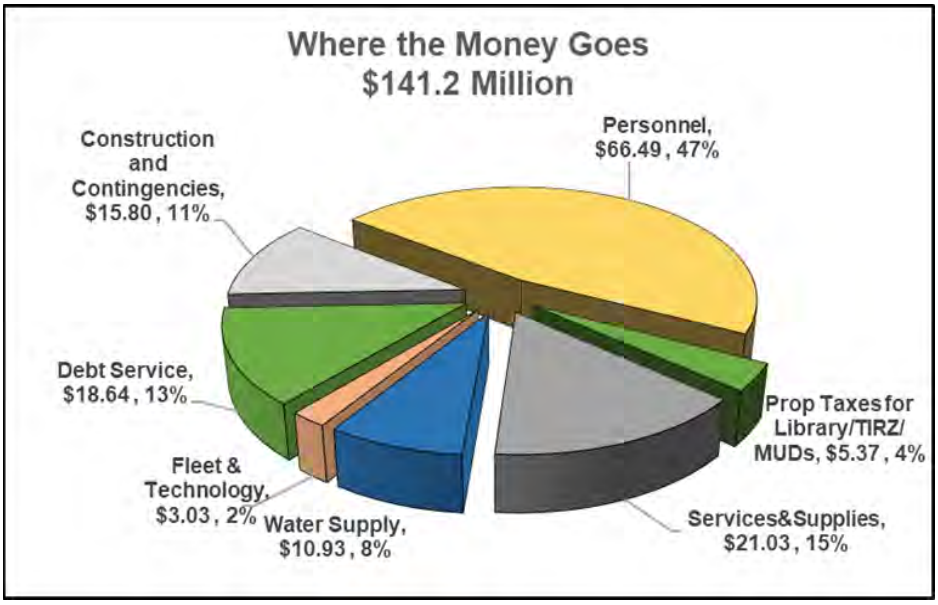
We also compare favorably to other cities whose budgets vary somewhat from ours, but have the same basic structure: Elected officials, the executive function (be it strong Mayor or City

Manager), City Secretary, Finance, Internal Audit, Legal, Public Information, and Human Resources. Not all of the cities surveyed had easily identifiable capital budgets so that comparison has been left out of this presentation.

PEER CITIES ADMINISTRATIVE COST
AS PERCENT OF OPERATING BUDGET
BASED ON THEIR FY 2019 BUDGETS
(Source: City of Galveston Finance Department)

Categories	Pasadena	Texas City	League City	Pearland	Baytown	Beaumont	Friendswood
Administration	0	4,100,232			1,850,758		3,642,527
City Secretary/Council	705,665		599,020	524,849	771,198	420,100	857,272
Elections	67,150						
City Manager/Mayor	640,935		689,352	1,076,495		1,787,200	1,015,737
City Attorney	1,714,886	196,309	557,557	818,855	1,105,867	1,076,300	
City Auditor	0		123,863				
Human Resources	1,087,393		863,977	1,115,248	1,126,959	927,800	
Finance	3,401,983		2,442,864	2,201,814	2,532,773	1,822,100	
Taxation	512,520						
Public Information Office	1,793,496		567,073	568,378			
Subtotal Administration	**9,924,028**	**4,296,541**	**5,843,706**	**6,305,639**	**7,387,555**	**6,033,500**	**5,515,536**
Operating Budget							
General Fund	116,263,380	54,962,945	76,396,528	80,424,112	108,256,539	126,717,000	28,211,899
Less Administrative Depts	9,924,028	4,296,541	5,843,706	6,305,639	7,387,555	6,033,500	5,515,536
General Fund Operations	106,339,352	50,666,404	70,552,822	74,118,473	100,868,984	120,683,500	22,696,363
Special Funds	13,899,921	2,521,431	3,923,933	3,292,676	11,330,963	19,504,539	380,984
Enterprise Funds	42,448,243	16,498,658	35,924,801	53,416,720	62,780,405	63,432,500	11,811,262
Debt Service Fund	11,764,701	10,320,539	12,475,869	38,806,367	22,190,038	17,153,500	3,217,119
Total Operating Budget	**174,452,217**	**80,007,032**	**122,877,425**	**169,634,236**	**197,170,390**	**220,774,039**	**38,105,728**
Admin as Pct of Op Budget	***5.69%***	***5.37%***	***4.76%***	***3.72%***	***3.75%***	***2.73%***	***14.47%***

The City of Galveston's "overhead rate" calculated using Administrative costs as a percent of the FY 2020 Proposed Budget for operations is 3.64 percent. It is lower than all but Beaumont and much lower than other local public agencies can claim.



(Note: The difference in the expenditure total above and the revenue total on a prior page is the approximate amount budgeted from existing balances in the special revenue funds that carries over until it is spent as well as amounts budgeted for one time uses of fund balance for capital outlay in the Enterprise Funds.)

The FY2018-2019 budget represents the City Council's blueprint of programs and services it will provide to the residents and businesses of our community. The budget process represents not only an exercise of balancing revenues and expenditures but includes a plan for improvements in the years to come. The process seeks to maintain the City's fiscal integrity while addressing the City Council's priorities and service level expectations.

This Proposed budget is also a communication tool to inform City of Galveston residents and businesses of the issues and challenges confronting the community. The Budget Summary section addresses many citywide and general concerns and issues that can help the reader in reviewing the detailed information provided for each department and fund. This includes the allocation of key resources since FY 2015, which is heavily weighted toward basic services that affect every resident in Galveston. It also shows how all City revenues are being assigned and allocated for operations and capital programs and projects.

The budget is a result of effort and input from the City Council, citizens, and staff. Areas of focus include: infrastructure, neighborhood improvements, public safety, and beautification. The

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www.citymanager@galvestontx.gov |409-797-3520

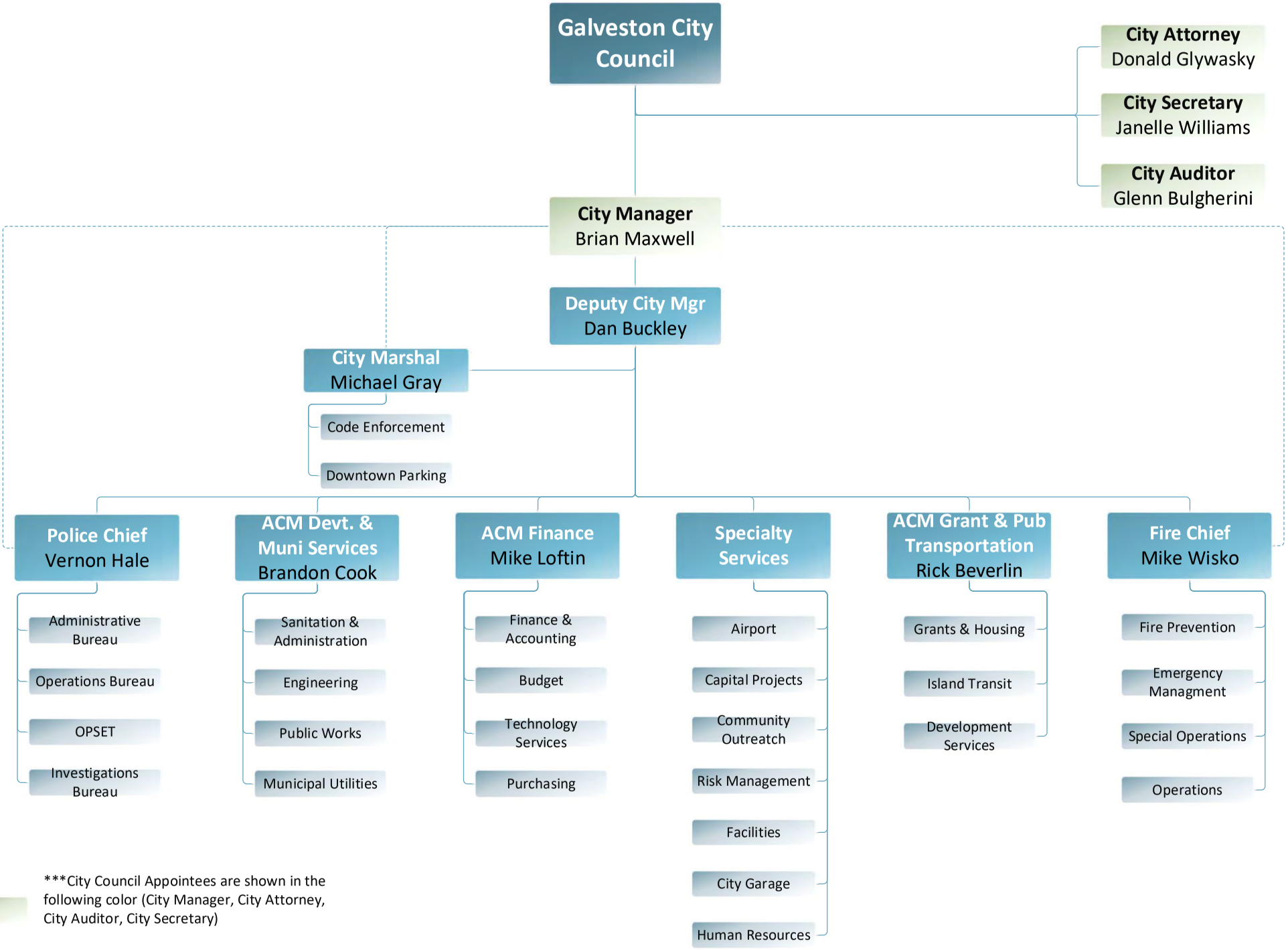
budget focuses the city's financial resources to improve accountability and efficiency through technology, facilities, fleet, and our most valuable asset, city staff.

I look forward to working with the community and the City Council as the Proposed Budget is reviewed and finalized.

Sincerely,

Brian Maxwell
City Manager

City of Galveston Organizational Chart



GUIDE TO READING THE FY 2020 PROPOSED BUDGET

Reading the Budget

The budget document is a jurisdiction's most important reference document. Budgets record policy-decision outcomes, cite policy priorities as well as program objectives, and delineate government's total service effort.

A budget has four basic dimensions. First, it is a financial tool required by State law and the City Charter that contains all of the city's resources and the plan for spending them in the next year. Second, it is a policy document that embodies the rules and standards set by the State of Texas and the taxpayers and resident of Galveston to guide the allocation of financial resources toward accomplishing specific goals and purposes. Third, it is an operational tool that enables city departments and the City Manager's Office to execute the resource allocations approved in the budget based on the direction and intent embodied in the budget. Fourth, the budget is a communications tool that helps the community, bond rating agencies and other interested financial reviewer and researchers to understand the information contained in it.

Organization of the Budget Document

The terminology and the accounting structure used by local government in the budget is somewhat complicated and can be challenging. Therefore, the budget is laid out in such a manner as to be informative and educational. The summaries and the Manager's transmittal letter describe the priorities and major environmental and economic factors influencing the budget and its implementation. An appendix is included that highlights the history of the City and its mission in serving the citizens as a whole. Citywide revenues and expenditures are depicted in a summary type format and graphs are included to offer the reader an easy assessment of trends within each category.

The City budgets by fund in order to demonstrate compliance with local, state and federal law that mandates compliance with specific legislation that governs the use of each and every revenue source. The general organization of the majority of the budget is as follows:

1. The operating budget including:
    a. Governmental Funds (General, Special Revenue Debt Service), and
    b. Proprietary Funds (Enterprise Funds and Internal Service Funds).

2. The Capital Budget which is comprised of the first fiscal year of the five fiscal year Capital Improvement Plan and is financed from tax supported funds and revenue supported funds.

Within these major fund categories are individual funds, which are designated for specific purposes. All but three city departments (Island Transit, Fleet Management, Rosenberg Library and Public Works) receive operating funding from the General Fund. Public Works operations are funded from the General, Waterworks, Sewer, Sanitation and Drainage funds. Island Transit receives its funds from state and federal transit grants, transit fare income, and a General Fund subsidy of general tax dollars. The Airport operation is funded in its own enterprise fund. The Rosenberg Library, although not a city department, receives a pass-through allocation each year equal to five cents on the tax rate for that year as provided by the city charter. Several city operations, including Fleet Management, Finance (Purchasing and Technology Services) are budgeted Internal Service Funds, and their costs are billed to the departments through the aforementioned operating funds.

The Capital Budget is included in its own section of the budget document and is organized by program and project. Each project has its own cost and financing plan organized by phase and fiscal year.

Financial Information Organization
Generally, each fund section begins with a summary that shows the beginning balance for the fund, estimated revenue for the year, expenditures for the year and the resulting ending fund balance. This information, and the associated detail is presented for the prior fiscal year's actual, the current fiscal year budget (including amendments as approved by Council and/or the City Manager), estimated total revenues and expenditures for each line item, and the proposed budget amount for each line item for the next year. Revenues, presented at the fund level and department budgets then follow the same four columns for expenditures.

Fund summaries are included for Special Funds, Enterprise Funds, and Internal Service Funds using the four columns specified at the fund level. The Special Fund and Enterprise Funds totals are the included in a citywide fund summary that include the General and Debt Service Funds. Only ending fund balances from Internal Service Funds are included in the citywide fund summary to correctly represent the City's operating fund balance totals as of fiscal year end.

Department Budget Format
Each departmental budget section includes a management, program, performance and financial information. The management plan, usually a left facing page, includes a mission statement, accomplishments during the current year and projected goals for the proposed budget year. The next page, usually a right facing page, includes summary expenditure, a "Budget Highlights" section that explains the major variances in the proposed budget from the current year estimate. The Performance Indicators section then includes quantitative measures that depict the department's output, efficiency or effectiveness for the same time periods used for revenue and expenditures. Last is a list of specific positions classifications and the number of employees in each classification in the same four columns used for other information. The immediately following pages include the department's line item budget in the standard four columns and summarized in five categories:

1. Personnel services include payroll compensation (salaries, car allowance, overtime, longevity, employers' social security, employer's Medicare, and employers' pension and insurance.

2. Materials and supplies budgets are intended for the purchase of office supplies, operating supplies and utilities.

3. Contractual services are used for postage, printing, telephones, travel, equipment repairs, maintenance contracts, and so forth. Charges from city departments in Central Service Funds are also categorized here.

4. Other charges identify miscellaneous expenses and expense reimbursements from outside sources. This category is typically included in a non-departmental budget at the fund level and not an operating department's budget.

5. Capital outlay is for the purchase of individual equipment items over $5,000 and has a life greater than one year.

Some departments receive reimbursements from outside agencies, including TxDOT, the Industrial Development Corporation and other for expenses incurred during the year. These reimbursements are then shown in a separate line item included as a credit or negative expenditure.

Budget and Financial Planning Process

The City's budget process is a year-round process involving the preparation and publication of several documents that comprise the financial planning process.

1. The **Long Range Financial Forecast** is prepared in the spring to compare future revenue and expenditure trends in order to identify issues that affect the first year of the forecast as a precursor to the annual budget. The LRFF includes the General, Debt Service, Convention Center Surplus and Island Transit funds as well as the Waterworks and Sewer Enterprise funds. The focus is on projecting financial capacity for the issuance of new bonds in support of capital projects as well as future compensation increases, service expansion, and/or inflation increases in ongoing supplies and supplies. The Budget Office and the City Manager's office are the predominant preparing agencies at the city for the LRFF

2. The **Capital Improvement Plan** then takes the projects selected through the ongoing project selection process involving program master plans, management review, and input from elected officials framing a five-year project and phase specific roadmap for rebuilding the city's infrastructure. The CIP is presented to Mayor and City Council in June-July, discussed in City Council workshops, and passed in the August-September period.

3. The **Annual Budget** is prepared as follows:

    a. The Forecast and current year spending trends are used by the Budget Office to provide projected baseline department expenditure amounts. Each department is provided spreadsheets by the Budget Office using the baseline expenditures and year end estimates for the current year by budget unit and line item.

    b. Department staff then have thirty days to provide alternate numbers for the current year estimate and future year budget.

    c. At the same time Departments provide current narratives (Mission statement, goals and accomplishments) and performance indicators to the Budget Office that correspond to their baseline budget. Requests for supplemental items are also provided by departments at this time.

    d. The City Manager and budget staff meet with departments to identify priorities for the upcoming budget.

    e. The Proposed Budget is presented by the City Manager to Mayor and City Council for review.

    f. After a legislatively required public hearing, and numerous open City Council workshops, the Budget is adopted by City Council as required by law.

4. **Quarterly reports** are prepared and presented for the first (October-December), second (January-March) and fourth quarters (July-September) of the fiscal year to include projected year end revenues and expenditures for all operating funds, as well as status reports for all capital projects and capital funds. The third quarter report is considered to have come from the Proposed Budget for the subsequent year. The quarterly reports are usually presented within forty-five days of the end of the quarter.
5. The **Comprehensive Annual Financial Report** is the final report for the fiscal year. The CAFR is prepared under guidance from the Governmental Accounting Standards Board and is presented to Mayor and Council during March of the year following the close of the fiscal year.

Amending the Budget
The City follows this process in order to amend the budget:

1. The Quarterly Report is published with an eye towards identifying issues in the current budget that may be changed within the total budget adopted by City Council. Issues that can be addressed within a department's total budget are addressed by the City Manager.

2. Budget issues that require a transfer from one department to another are compiled and a revised budget ordinance is presented to City Council for approval. This is accomplished as municipal purpose under the State Budget law.

Accounting Methodology
The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

1. Governmental Funds

   General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

   Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

   Debt Service Fund is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs.

2. Proprietary Funds

   Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

   Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or to other governments, on a cost reimbursement basis.

3. Basis of Accounting (used in the Budget)

   All funds are budgeted on modified accrual basis based on financing for transactions that occur in the fiscal year. The Comprehensive Annual Financial Report (CAFR) presents governmental funds (General, Debt Service, Special Revenue) on the modified accrual basis; however, Internal Service funds and Enterprise funds are presented in the CAFR) on a full accrual basis. All fund balances are based on net current assets.

4. Expenditures and Encumbrances

Expenditures are recorded in a specific fiscal year based on the event that generated the expenditure. This includes time worked, contractor's services delivered, as well as supplies and capital outlay delivered and received by the City. Payment for these expenditures is made after the start of the fiscal year, but is recorded as a prior year expenditure in accordance with this accounting standard.

An encumbrance is a management device used to reserve a line item budget to the extent a commitment exists. An encumbrance is not an expense or expenditure but instead represents an estimate of amounts committed for unperformed contracts for goods and services. Encumbrances outstanding at year-end are considered reservations of fund balance to the extent approved by Council action. At year end, encumbrance balances roll forward and budgets are reviewed to determine the necessity for a first quarter adjustment based on the amount and nature of the encumbrance in question.

Galveston's Governance Structure

Like state and federal government, city government is organized to balance the legislative, executive and judicial powers. City Council is the legislative branch, which derives authority from a Charter, granted by the State of Texas; the City Manager is the chief executive officer; and the Courts determine whether or not the requisites of the law are met.

Galveston is a home rule, full service city incorporated in 1839. Galveston has a council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor, who is elected at large, and six council members elected to represent individual districts. The governing council is responsible, among other things, for passing ordinances, adopting the budget, determining policies, appointing committees, and hiring the government's manager, attorney, secretary, internal auditor, and municipal judge. The government's manager is responsible for the day-to-day operations of the government, and for appointing the heads of the various departments. Elections are held every two years. Council members, including the Mayor, are limited to serving three terms.

The City provides a full range of services including police and fire protection, the constructions and maintenance of streets and other infrastructure, water services, sewer services, refuse collection, drainage services, parks and recreational activities, and general administration. Additional services include building inspection, planning, zoning, engineering, and an airport.

Galveston Today

The City of Galveston is located on the upper Texas Coast of the Gulf of Mexico and occupies virtually all of a 32 mile long island located approximately two miles off the Texas mainland 50 miles southeast of Houston, Texas. The Port of Galveston and related interest, the University of Texas Medical Branch at Galveston and other health institutions, financial institutions, tourism and fishing, and a vibrant historic downtown that offers cruising, shopping, arts and entertainment all provide principal economic support.

Galveston has the amenities of a larger city, but small town atmosphere. Island life is enhanced by the absence of traffic congestion and heavy traffic delays. The major thoroughfares are rarely heavily congested, even during peak times, and it takes no more than 15-20 minutes to get anywhere you want to go on the island.

Winter months, when currents deposit rows of shells on the sand, are the best time to comb the beaches for seashells. With average temperatures normally ranging from lows in the 50s (10 Celsius) to highs in the 60s (18 Celsius) December through February, the weather is perfect for enjoying outdoor activities such as fishing, boating and bird watching.

Brief History of Galveston

The City of Galveston was chartered in 1839. The role of Galveston as the principal port and gateway to the Southwest during the 19th Century has placed the entire city in a unique position in relation to the history of Texas. The city furnished shipping, goods, money, and transportation necessary to settle the State, nurture its trade and help accomplish its independence.

In 1836, Michael Menard, bought "one league and a labor of land" from the Republic of Texas. He helped organize the Galveston City Company in 1838. From 1840 to 1870, the city was a major immigration port for over a quarter million Europeans. Texas's secession from the Union and the Civil War halted development temporarily. The mid 1870's to the mid 1890's were the apex of Galveston's prosperity. The Strand area became the Wall Street of the Southwest. Fortunes were made in cotton, mercantile house, banks, publishing and printing, flour and grain mills, railroads, land development and shipping. In 1891, the University of Texas Medical Branch was established.

The boom period of the "Queen City of the Gulf" ended with the great 1900 storm, which killed 6,000 and left 8,000 homeless. After the storm, the 16-foot-high, 17-foot-wide seawall was begun. The first section was completed in 1904. Behind it, 2,200 structures were raised an average of five feet.

In 1914, the Houston Ship Channel was deepened which took much of Galveston's trade. From 1924 to 1957, until a crackdown by the state attorney general's office, Galveston was primarily known as a wide-open port city where gambling and all sorts of amusements could be found. During World War II, the island had an air base where B-17's received their final briefing before leaving for the Pacific.

In the 1960"s and early '70's, there were forward-looking innovations in Galveston. The council-manager form of government was adopted in 1961. The Texas Maritime Academy, Galveston College, and the Marine Biomedical Institute were established. The first container terminal opened in 1972. Rosenberg Library was expanded. The Galveston County Cultural Arts Council was founded. A 40 block residential historical district was established in the East End; and the Strand area and a number of notable buildings were placed on the National Register.

DEMOGRAPHIC PROFILE

The City of Galveston

49,706
Population

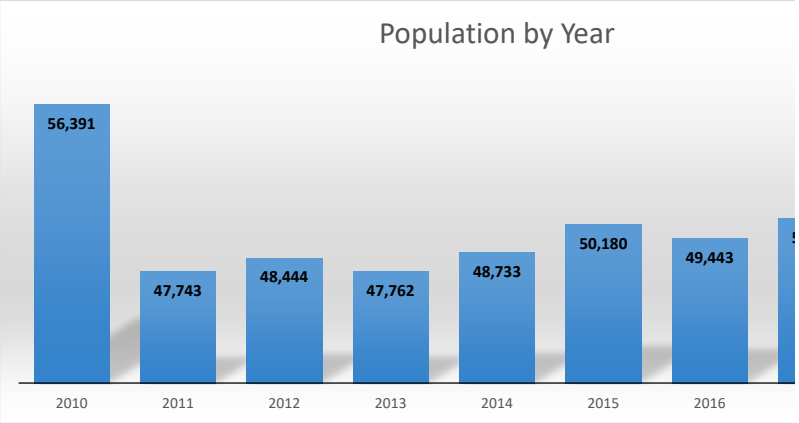
$42,486
Median Household Income

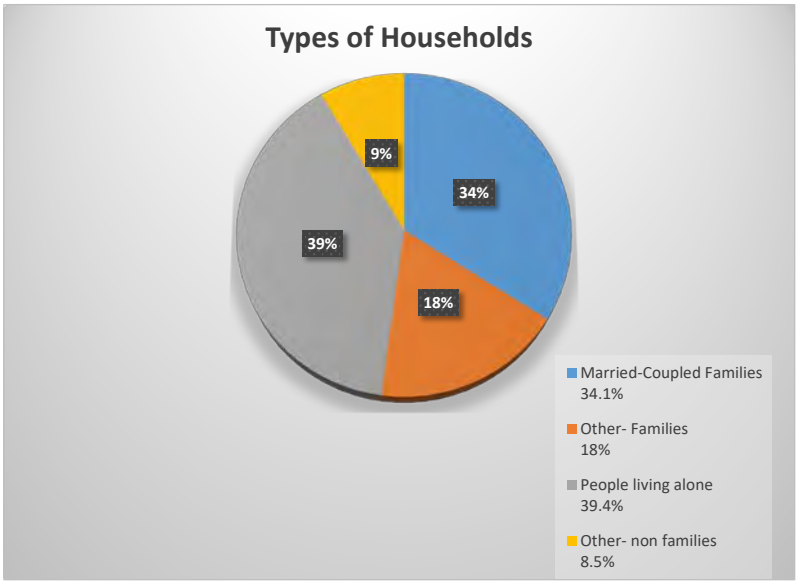
$163,300
Median Value of owner occupied housing units

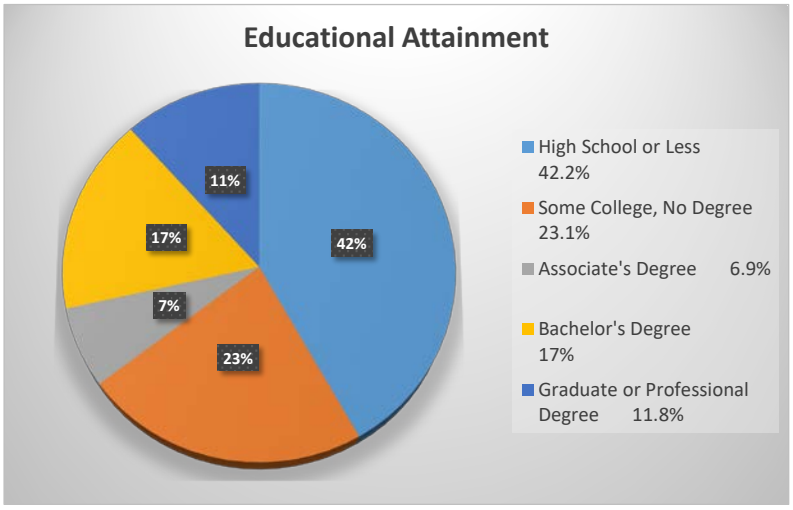
$884
Median gross rent

2.24
Persons per household

20,664
Households



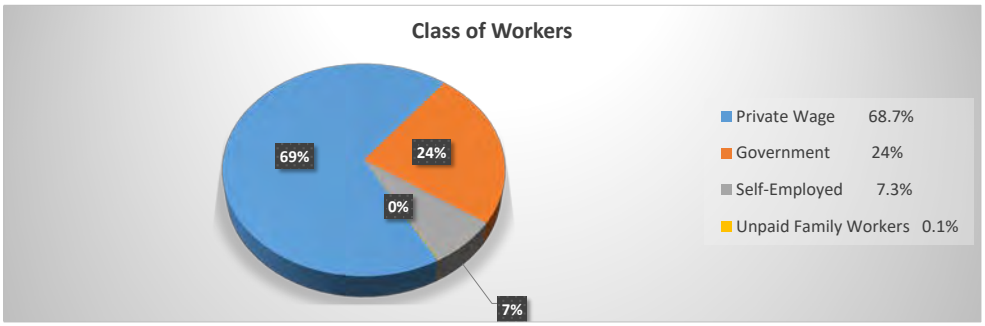


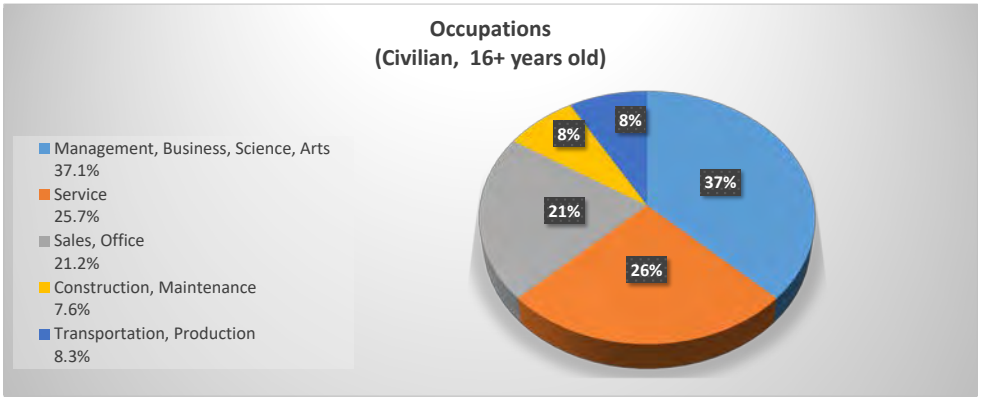


Source:
*U.S. Census Bureau, www.census.gov (2012-2017)
* American Community Survey (2012-2016)

ECONOMIC PROFILE

The City of Galveston



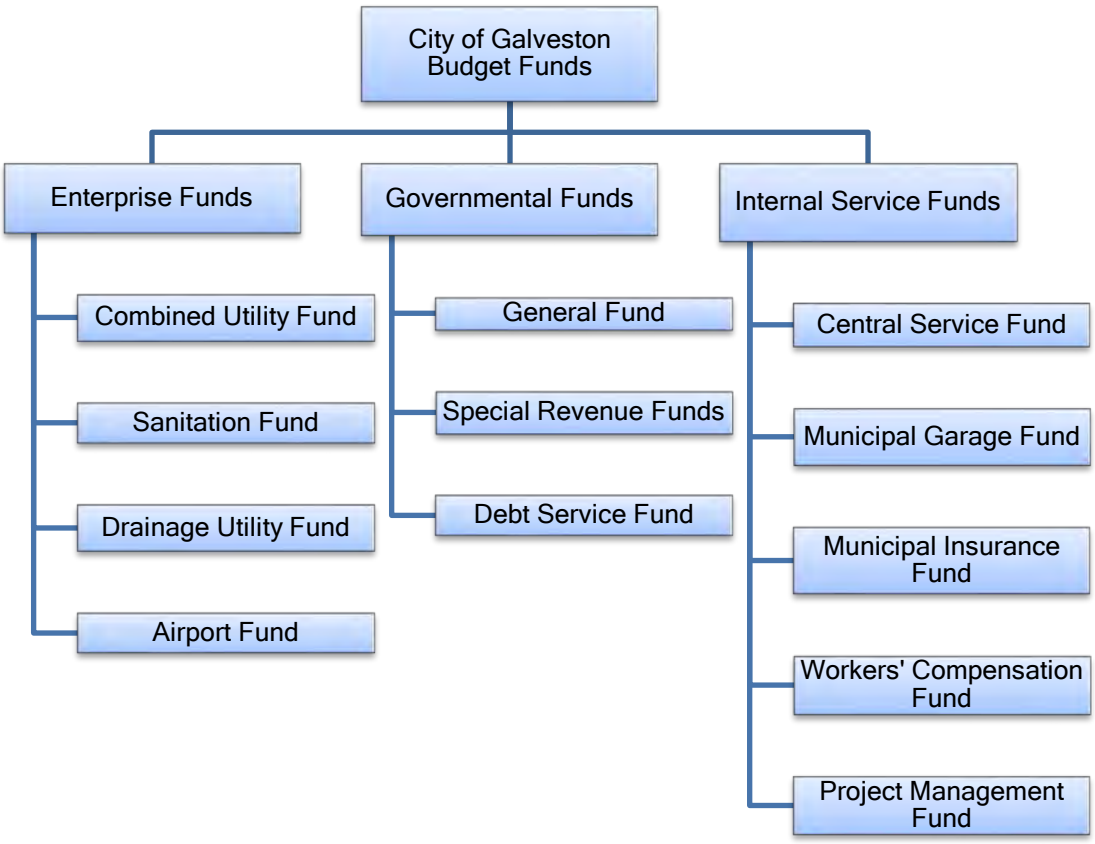


**	Top 10 Employers (2018)	Estimated Employees
1.	University of Texas Medical Branch	8398
2.	Landry's Restaurants	1930
3.	Galveston County (on island only)	1247
4.	Galveston Independent School District	1069
5.	Moody Gardens	1034
6.	American National Insurance Company	950
7.	City of Galveston	868
8.	Schlitterbahn	500
9.	International Longeshoreman Association	470
10.	Walmart	360

**	Top 10 Property Taxpayers (2018)	Total Assessed Value
1.	Centerpoint Energy Inc	46,544,290
2.	Fertitta Hospitality Inc	43,126,250
3.	Beatty Street Properties Inc	22,453,120
4.	TFT Galveston Portfolio Ltd.	19,343,040
5.	Willie G's Post Oak Inc	18,814,125
6.	Silverleaf Resorts Inc	17,993,200
7.	Galveston Island Water Park LP	17,248,090
8.	Eighteen Seventy Strand Corp	16,830,000
9.	Island Hospitality	15,160,090
10.	Galveston Terminals Inc	14,492,704

Source:
*U.S. Census Bureau, www.census.gov (2012-2017)
* American Community Survey
**Galveston CAD, 2016 GEDP Developer Profile

BUDGET FUND STRUCTURE



FUND DESCRIPTIONS:

General Fund - Accounts for all financial resources of the general operations except for those required to be accounted for in another fund. The General Fund generates the majority of its revenue from taxes, charges for services and franchise fees.

Debt Service Fund - Used for the payment of principal and interest on debt issue by the City as well as other fees associated with the issuance of debt.

Enterprise Funds - Used to account for operations that are financed and operated in a manner similar to private business. The cost of providing the goods or services are recovered through user charges.

Special Revenue Funds - Used to account for proceeds of specific revenue sources or legally restricted funds.

Internal Service Funds - Used to account for activities in which one or more departments of the City provide goods and services to other departments of the City. The intent of each internal service fund is to recover the cost of providing those services from internal user charges.

DEPARTMENT/FUND RELATIONSHIP

Department	General Fund	Special Revenue Funds	Debt Service Fund	Enterprise Funds	Internal Service Funds
Police Department	X				
Asset Forfeiture		X			
Police Special Revenue		X			
Police Quartermaster		X			
Fire Department	X				
Fire Special Revenue		X			
Emergency Management Department	X				
Emergency Medical Services	X				
City Marshal's Office	X				
Code Enforcement	X				
Parking Management		X			
Alarm Permit		X			
Special Events	X				
Street Department	X				
Traffic Department	X				
Park Recreation	X				
Lasker Pool		X			
Park Operations	X				
Revenue Producing Parks		X			
Building Inspection	X				
Planning and Development	X				
City Secretary	X				
City Council Projects and Initiatives		X			
Elections	X				
Municipal Court	X				
Municipal Court Building Security		X			
Municipal Court Technology		X			
Juvenile Services		X			
City Manager	X				
Pension Reform		X			
City Attorney	X				
City Auditor	X				
Human Resources	X				
Municipal Insurance					X
Health and Life Insurance					X
Workers' Compensation					X
Island Transit		X			
Transportation	X				
Finance Administration	X				
Accounting	X				
Purchasing	X				
Mail					X
Print Shop					X
Budget	X				
Taxation	X				
Facilities Department					X
Facility Maintenance Services	X				
Non-Departmental	X				
Rosenberg Library		X			
Seawall Parking		X			
Convention Center Surplus		X			
Historical Buildings		X			
Infrastructure		X			
Separation Pay		X			
Community Outreach					X
Public Access Channel		X			
Recovery and Capital Reserve		X			
Technology Services					X
Technology Improvement		X			
Hurricane Harvey		X			
Debt Service			X		
Combined Utility				X	
Sanitation				X	
Drainage Utility				X	
Airport				X	
Central Garage					X
Project Management					X

To: All Department Heads
From: Mike Loftin and Debbi Pierce
Date: May 22, 2019
Subject: FY 2020 Budget Directions

The budget season has arrived, and it is time once again to begin the process of setting the City's is spending priorities for the coming fiscal year, which begins October 1, 2019. This year's process will parallel that used in the last three years. This includes a line item Base Budget which in total is expected to be sufficient for every department to continue services and operations at their current level. A separate worksheet is also included to list those items that you would like to add to your FY20 budget provided funding is available for improvements or additions to operations and services currently provided.

General Fund department heads are also being asked to meet a lower "spending target" by reducing base budget line items of your choice. The target has been developed for each department based on percentage reductions by spending category as follows:

Personnel – 1%
Materials and Supplies – 5%
Contractual Services – 2%

Again, it is not necessary that General Fund departments cut each category by the percentage as shown above. These reduction percentages are simply being used to arrive at a total target amount recognizing the variations in the composition of departmental budgets and the desire to use a more balanced approach.

The Base Budget has been prepared without compensation adjustments, or health benefits cost increases. If these are to be included in the FY 2020 budget proposed to City Council, they will be added by the Budget Office.

This year's process will be the same as the previous year.

1. The Budget Office is providing a line item worksheet that includes estimated FY 2019 spending results, with an additional column for you to enter what you expect to spend during the remainder of FY 2019. There is a comments field to explain any variance you suggest for each line item amount proposed by the Budget Office.
2. The same worksheet includes a FY 2020 Base column with a suggested starting point for your department's spending which should be sufficient to continue current service and operating levels through FY 2020.
3. In most departments, the Budget Office has also used vacancy rates to develop the FY 2020 Base that discount or reduce the salary and related fringe benefits by a percentage anticipating that not all positions will be filled throughout the fiscal year. This "vacancy rate" calculation is set at zero percent, anticipating no turnover or vacancies, in the smaller departments.
4. The Mission, Accomplishments and Goals page is to be included in the Proposed Budget and provide information that is consistent with the dollar amounts included in the Proposed Budget. We are asking for your Mission, Accomplishments and Goals to be included with your FY20 Budget Request. **Please ensure that this section concise and is comparable in length to last year's information.**
5. Similarly, Performance Indicators are to be included in the Proposed Budget as well. They should describe levels of activity that correspond to the current funding level or the FY 2020 Base

As in prior years, you can access your department's line item budget worksheets (described above) by logging onto:

Sharedfolders on 'fs1.ch.galveston S:\Budgets\Budget 2020

On line, entry for your FY2019 Estimate should be completed no later than June 7, 2019. FY 2020 Revised Base Budget and Additional Items request is to be completed no later than June 21, 2019. If you have any problems with accessing your folder or if you need to provide secure access for additional department staff to access, your department's folder please contact Debbi @ ext. 3532.

WORKSHEETS

1. The line item worksheets contain the following information:
   a. Actual FY18 Expenditures – *Populated by the Budget Office.*
   b. Estimated FY19 Total – *Populated by the Budget Office. Represents projected spending for each line item based on the current and prior year's trends.*
   c. Revised FY19 Total – **Populated by department if you believe you will spend a different amount than that shown in the Estimated FY19 Total column.**
   d. Comments **– Populated by departments to explain reason for Revised FY19 Total amount.**
   e. Amended Budget FY19 – *Populated by the Budget Office.*
   f. Base Budget FY20 – *Populated by the Budget Office. The FY20 Base is intended to provide sufficient funds for the department to operate in FY 2020 at the same level as in FY 2019.*
   g. Revised Budget FY20 - **Populated by department if you believe you will spend a different amount than that shown in the Estimated FY20 Total column.**
   h. Comments **– Populated by departments to explain reason for Revised Budget FY20 Total amount.**

2. A copy of your personnel roster (staff listing) as of March 13, 2019 is included which is linked to the regular payroll line item on the aforementioned worksheet. Please review carefully to make sure all employees and probationary increases (if applicable) are included. If an employee or position needs to be added/and or changed please e-mail the information to Debbi Pierce.

3. Some departments will also have responsibility for developing budgets for special revenue funds. The Budget Office will contact you directly on these funds.

4. Please consider any matching funds that may be required for ongoing grants for FY20. If this amount is not in the Base Budget FY20 column, please provide the necessary information in the Revised Budget FY20 column.

5. Technology requests of all types (computers, computer systems, printers, radios and cell phones) will be handled through Technology Services. After TS receives your requests, they will provide the information to the City Manager's Office and the Budget Office for review and possible inclusion in the Proposed Budget.

6. Requests for new rolling stock should be provided using the "FY20 Supplemental" tab in the worksheet, complete with a justification for the quantity, capacity and cost.

7. Also, use the "FY20 Supplemental" tab for any new initiative, programs, projects or resources that are not necessary to provide the current level of services as depicted in the Base FY20 and Revised Budget FY20 columns.

NARRATIVE

1. **Accomplishments** should be tangible regarding improvements in operations, completion of major events or projects, or procedures with some significant impact as far as efficiency or effectiveness are concerned. Efficiency is described as the relative time or resources required to complete a task or project and a reduction in same. Effectiveness speaks to the end product and the extent to which it meets needs of the City, the organization and/or customer base.

   Examples:
   - Implemented new invoice management process, reducing processing time for invoices by an estimated ten days and providing a shared network location to identify invoices in process.
   - Implemented new tracking system for identifying customer and citizen complaints, notifying them when service will be provided.
   - Provided service and support including trash removal, post event cleanup and security for five new citywide events in FY 2019.

2. **Goals** should prospectively propose accomplishments, including improvements in operations, completion of major events or projects, or procedures with some significant impact as far as efficiency or effectiveness are concerned. Efficiency and effectiveness should be a factor here as well. *Acquisition of funding for a position or some new resource is not a goal or an accomplishment. The purpose behind the position or new resource is the ultimate goal of acquiring the resource needed.*

   Examples:
   - Implementation of the Banner fixed asset module, including tracking and valuation of capitalized (over $5,000) and non-capitalized (under $5,000) assets.
   - In FY 2020, increase number and quality of potholes repaired using new equipment acquired in FY 2019.
   - Reduce incidence of vehicle accidents from FY 2019 level through improved traffic enforcement.

3. **Performance measures** are quantitative and provide the information below. *Departments are encouraged to use available statistics and think of this as putting their best foot forward. Provide statistics that tell your service story.*
   - Workload – Number of calls received, invoices processed, miles of streets maintained
   - Output – Transactions processed, building permits issued (number and dollar amount)
   - Efficiency – Cost per account managed, response time to answer a call or a request for service
   - Effectiveness – Percent of needed fire inspections completed, percent of owner compliance in demolishing dangerous building

The FY 2020 Budget Calendar is attached for your information. We look forward to working with you this summer. Please contact us if you have a question about the budget process or your specific process.

_____ _____

Mike Loftin Debbi Pierce

Attachment

FY 2020 BUDGET CALENDAR

April – May	Compile and prepare FY 2010-2024 Long Range Financial Forecast.
May 20	Distribute 2nd Quarter Budget Report.
May 28	Release on-line budget to Departments.
June 7	Deadline for departments to provide FY 2019 estimates and comments
June 27	*Present FY 2019-2023 Long Range Financial Forecast. Ratify existing property tax exemptions.
June 21	Deadline for departments to provide FY 2020 proposed exceptions, comments, supplemental requests and accomplishments, goals and performance measures.
June-July	Budget and CIP Workshops with Council; ad hoc meetings with City Manager and departments.
July	Compile FY 2020 budget request from Departments and prepare FY 2020 Proposed Budget.
July	Finalize FY 2020 Proposed Budget decisions.
July 25	*Finalize and present FY 2020-2024 CIP.
August-September	CIP and Budget workshops with City Council.
August 7	File FY 2020 Proposed Budget with City Secretary.
August 8	*Present FY 2020 Proposed Budget to City Council. Meeting of governing body to discuss Tax Rate; propose a Tax Rate; take a record vote; and schedule two public hearings.
August 11	Publication of proposed property tax rates and hearing schedule (if applicable); submission to governing body. (By September 1 or 30 days) from the date, the appraisal roll is certified).
August 22	*Public Hearing on Budget and Public Hearing No. 1 on Tax Rate.
September 12	*Public Hearing No. 2 on Tax Rate.
September 19	*Adopt the FY 2020 Operating and Capital Budget Adopt Tax Rate.

*Denotes City Council meetings

CITY OF GALVESTON

1839

Budget Summary

FY 2020 PROPOSED BUDGET
CITYWIDE BUDGET SUMMARY

Overview

The city maintains a significant number of funds, each created to ensure and demonstrate legal compliance with city ordinance, city charter, state law or federal law. All city revenue carries some form of restriction that governs its use for specific activities and purposes. This page summarizes the City's operating budget.

Total Budget

The Adopted Budget for FY 2020 is $145.6 million for operating expenditures funds, which is $5 million or 3.3 percent less than last year's budget. These expenditures ensure that daily city services are provided year round to Galveston residents and visitors. In addition, the Proposed Budget includes $859,000 for one-time appropriations of fund balance, as compared with $9.3 million last year. Last year's allocation included $2.3 million for up front funding of Hurricane Harvey recovery and repair which is reimbursable, $2.5 million for emergency appropriation by City Council, as well as $5 million for enterprise fund operating cash transfers to improvement funds and major capital equipment purchases.

The **General Fund** includes major taxes received directly by the city, and the Proposed Budget for FY 2020 of $59.4 million includes funds primarily for public safety and infrastructure. **Special Funds,** twenty-four in number, are funded with fees, taxes, and other forms of revenue that have been set aside for a specific legal purpose. In spite of their legally restricted nature, as public funds, the City Manager still includes them in the Adopted Budget, as required by State law. In return, the City Council reviews and adopts budgets that ensure they are expended for the legally intended purpose.

The **Debt Service Fund** is used to budget for tax-supported debt payments, including property tax and hotel occupancy tax debt payments. **Enterprise Funds** are intended to **function** as stand-alone business enterprises, operating public services normally run by municipalities.

Legal Compliance

This budget demonstrates compliance with every legal test that applies to the city's budget.

1. It conforms to the State Budget Law (Chapter 102 of the Local Government Code) regarding disclosures, schedules, connection to the annual property tax levy and rate setting process, as well as the form and format of the document itself.
2. Set asides required by the city charter for contributing property tax revenue to the Rosenberg Library and General Fund revenue to the Infrastructure and Debt Service Fund are a part of the budget.
3. The city charter's seven percent budget increase test has been met. A schedule that demonstrates this is included at the end of this Budget Summary section.
4. The General Fund's actual and projected ending fund balances for FY 2018, 2019 and 2020 are greater than the ninety-day required minimum.
5. All unencumbered appropriations or budgeted balances as of the end of FY 2019 are anticipated in this Budget to return to the fund in which they originate for consideration of appropriation in FY 2020 by the City Council.

6. A complete five year capital improvements project in a separate section of the budget. It draws directly from the FY 2020-2024 Capital Improvement Plan presented in draft form in July 2018.
7. The proposed tax rate of $0.579885 per $100 of taxable value is greater than the state legislated effective rate of $0.538771 and the state defined rollback rate of $0.582433. The proposed rate is also less than the charter maximum rate. For FY 2020, that maximum overall rate, considering the sales tax reduction factor that is included in the effective tax rate calculation, is $0.60157.
8. All debt service reserve requirements have been met and sufficient budgeted revenue has been set aside for the payment of debt service in FY 2019, including a transfer from the Infrastructure and Debt Service Fund of $2.3 million. This transfer was anticipated in order to support the issuance of the $37 million unissued balance of the $62 million in tax supported bonds approved by the voters in May, 2017 for street and drainage projects.
9. Every operating fund and capital fund, including the beginning and projected ending cash balances for FY 2019, is included in this budget. Total operating fund balances are projected to end FY2019 at $54.3 million dollars and FY2020 at $36.4 million dollars a difference of $17.9 million. This is due primarily to the programming of virtually all special revenue fund balances ($14.9 million in FY 2020) and one-time appropriations of enterprise fund balances for capital equipment and
10. Contractual obligations to the Gulf Coast Water Authority, to the city's three Tax Increment Reinvestment Zones and to MUD 30 are being met.

Highlights

1. Employee compensation increases are funded for police officers (5.8 percent effective January 1, 2020) and firefighters (3.5 percent effective October 1, 2019). These have been arrived at through collective bargaining. Also funded is a COLA for all non-classified personnel (2 percent effective October 1, 2019). Other adjustments continue to be made using market salary rates as the basis of comparison.
2. The budget also includes a proposed property tax increase from the current tax rate of $0.561 per $100 of taxable value to $0.579885, a 1.8885 cent increase. All of this increase is devoted to public safety pay.
3. The Proposed Budget for personnel also funds 13.45 fewer positions across the city, including a net reduction of 20.75 positions in island Transit and 7.3 additional positions including a six person crew to test, maintain and replace water valves throughout the city.
4. The CIP is being implemented with a focus on ensuring the street and drainage projects presented to the voters and approved in the May 2017 bond election will be completed within five years.
5. Water and sewer revenue are down from last year in spite of the water rate increase that took effect on February 1, 2019. No rate increase is planned for FY 2020, but a rate study is funded in the FY 2020 budget to review water, sewer, sanitation, recycling and drainage fees as well.
6. This proposed budget includes $2.08 million (a thirty-three percent increase) in all budgeted funds to provide sufficient funding for the City's self-insured health benefits plan in FY 2020. Fully $1.24 million is included in the General Fund for this important employee benefit.

CITY-WIDE SUMMARY
Summary Schedule of Revenues and Expenditures

	FY2018 Actual	FY2019 Budget	FY2019 Estimated	FY2020 Proposed
Beginning Fund Balance				
General Fund	$17,659,927	$19,711,413	$19,711,413	$14,886,180
Special Revenue Funds	19,575,604	17,807,692	17,807,692	15,388,819
Debt Service Fund	1,639,155	1,621,133	1,621,133	1,735,420
Enterprise Funds	20,885,025	22,671,573	22,671,573	19,320,445
Total	**$59,759,710**	**$61,811,811**	**$61,811,811**	**$51,330,864**
Revenue				
General Fund	$54,335,062	$55,896,700	$56,588,700	$59,336,800
Special Revenue Funds	17,790,285	25,140,630	23,349,795	17,290,849
Debt Service Fund	4,039,888	5,192,062	3,804,600	5,544,100
Enterprise Funds	49,459,689	47,234,314	46,430,975	46,373,385
Total	**$125,624,924**	**$133,463,706**	**$130,174,069**	**$128,545,134**
Expenditures				
General Fund	$52,234,850	$55,896,702	$54,965,066	$59,448,504
Special Revenue Funds	19,599,033	41,873,462	25,768,668	32,163,973
Debt Service Fund	4,057,909	5,192,812	3,690,312	5,543,606
Enterprise Funds	43,053,503	47,652,827	49,663,472	48,465,713
Total	**$118,945,294**	**$150,615,802**	**$134,087,518**	**$145,621,796**
Revenues over/(under) Expenditures				
General Fund	$2,100,212	($2)	$1,623,634	($111,704)
Special Revenue Funds	(1,808,748)	(16,732,832)	(2,418,873)	(14,873,124)
Debt Service Fund	(18,022)	(750)	114,288	494
Enterprise Funds	6,406,187	(418,513)	(3,232,497)	(2,092,328)
Total	**$6,679,629**	**($17,152,096)**	**($3,913,449)**	**($17,076,662)**
One Time Appropriation of Fund Balance				
General Fund	$47,386	$4,376,876	$6,364,877	$115,940
Enterprise Funds	3,396,929	4,933,750	774,571	743,500
Total	**$3,444,315**	**$9,310,626**	**$7,139,448**	**$859,440**
Prior Year Adjustment				
General Fund	($1,339)	$0	($83,990)	$0
Special Revenue Funds	40,836	0	0	0
Enterprise Funds	(1,222,710)	0	655,939	0
Sub-Total	**($1,183,213)**	**$0**	**$571,949**	**$0**
Ending Fund Balance				
General Fund	$19,711,413	$15,334,535	$14,886,180	$14,658,536
Special Revenue Funds	17,807,692	1,074,859	15,388,819	515,696
Debt Service Fund	1,621,133	1,620,383	1,735,420	1,735,914
Enterprise Funds	22,671,574	17,319,311	19,320,445	16,484,617
Sub-Total	**$61,811,812**	**$35,349,088**	**$51,330,864**	**$33,394,763**
Internal Service Funds	$9,999,810	$3,663,308	$2,964,920	$3,001,804
TOTAL WITH INTERNAL SERVICE FUNDS	**$71,811,622**	**$39,012,396**	**$54,295,784**	**$36,396,567**

Note: The Internal Service Funds revenues and expenses are not included in the totals above to avoid duplication.

Charter Budget Growth Limit Compliance Page
Comparative Summary of Expenditures
Total Operating Budget
(Modified Accrual)

Fund	Modified Accrual Budget 2019	Capital Improvement Funds previously appropriated in prior fiscal years	Modified Accrual Budget 2020	Modified Accrual Budget with Capital 2020
General Fund	$50,945,545	$0	$54,301,900	$54,301,900
Special Revenue Funds:				
Rosenberg Library	2,874,500	0	3,052,400	3,052,400
Seawall Parking	1,458,761	1,438,631	189,967	1,628,598
Convention Center Surplus	3,784,728	516,685	3,844,879	4,361,564
HOT 1/8 Historical Buildings	1,215,476	1,300,585	191,719	1,492,304
Council Projects and Initiatives Program	759,147	244,109	125,487	369,596
Infrastructure Fund	7,674,620	4,900,831	3,842,378	8,743,209
Separation Pay Fund	474,360	0	474,360	474,360
PEG Fund	1,041,238	1,167,073	15,000	1,182,073
Parking Management Fund	1,250,552	0	1,080,745	1,080,745
Lasker Pool Fund	716,216	0	697,728	697,728
Pension Reform Fund	1,003,173	0	881,184	881,184
Revenue Producing Parks	259,186	0	276,905	276,905
D.E.A. Asset Forfeiture Fund	135,077	0	241,276	241,276
Police Special Revenue Fund	118,743	0	86,537	86,537
Police Quartermaster Fund	91,010	0	98,730	98,730
Alarm Permit Fund	118,746	0	138,123	138,123
Fire Special Revenue Fund	45,046	0	166,378	166,378
Municipal Court Building Security Fund	49,410	0	49,040	49,040
Court Technology Fund	137,709	0	114,195	114,195
Juvenile Services Fund	179,610	0	199,756	199,756
Recovery and Capital Reserve Fund	11,194,979	1,000,000	200,000	1,200,000
Technology Improvement Fund	1,286,437	886,952	215,434	1,102,386
Total	35,868,724	11,454,866	16,182,221	27,637,087
Debt Service Fund	5,192,812	0	5,543,606	5,543,606
Enterprise Funds:				
Combined Utility	39,681,563	0	38,217,222	38,217,222
Sanitation	7,460,115	0	6,957,148	6,957,148
Drainage Utility	3,737,790	0	2,934,661	2,934,661
Airport	1,707,109	0	1,100,183	1,100,183
Total	52,586,577	0	49,209,213	49,209,213
Grand Total	$144,593,657	$11,454,866	$125,236,939	$136,691,805

Amount of growth remaining under 7% cap $29,478,274

*Percent increase in the City's operating budget -13.39%

*City of Galveston Charter (Article VII, Section 19)

Not subject to the 7% budget cap

Capital Improvement Funds previously appropriated in prior fiscal years:	Fiscal Year 2018	Fiscal Year 2019	Increase (Decrease)
Seawall Parking	1,055,101	383,530	1,438,631
Convention Center Surplus	(1,150,352)	1,667,037	516,685
HOT 1/8 Historical Buildings	(117,608)	1,418,193	1,300,585
Council Projects and Initiatives Program	(421,136)	665,245	244,109
Infrastructure Fund	4,313,428	587,403	4,900,831
PEG Fund	622,338	544,735	1,167,073
Recovery & Capital Reserve Fund	3,984,810	(2,984,810)	1,000,000
Technology Improvement Fund	(633,509)	1,520,461	886,952
Totals	7,653,072	3,801,794	11,454,866

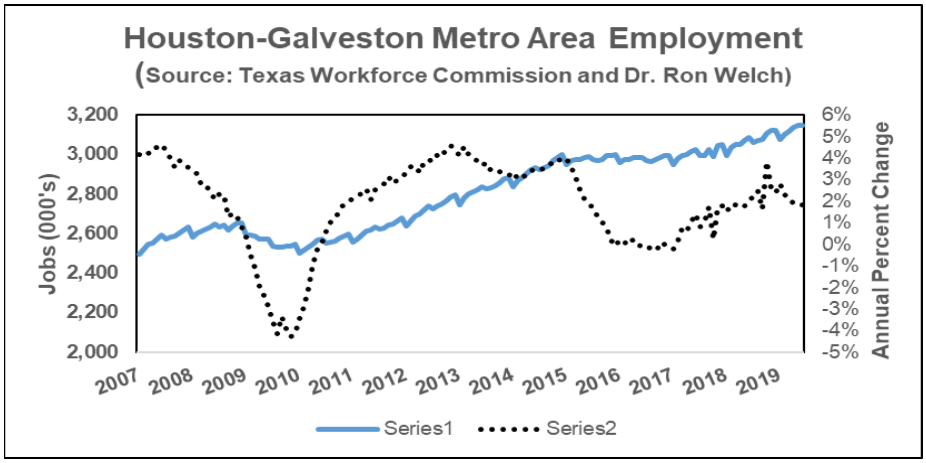
Special Revenue Funds	Fiscal Year 2019	Fiscal Year 2020	Increase (Decrease)
Island Transit	4,423,785	4,187,872	(235,913)
Hurricane Harvey	1,580,953	339,014	(1,241,939)
Totals	6,004,738	4,526,886	(1,477,851)

FY 2020 PROPOSED BUDGET
ECONOMIC OUTLOOK

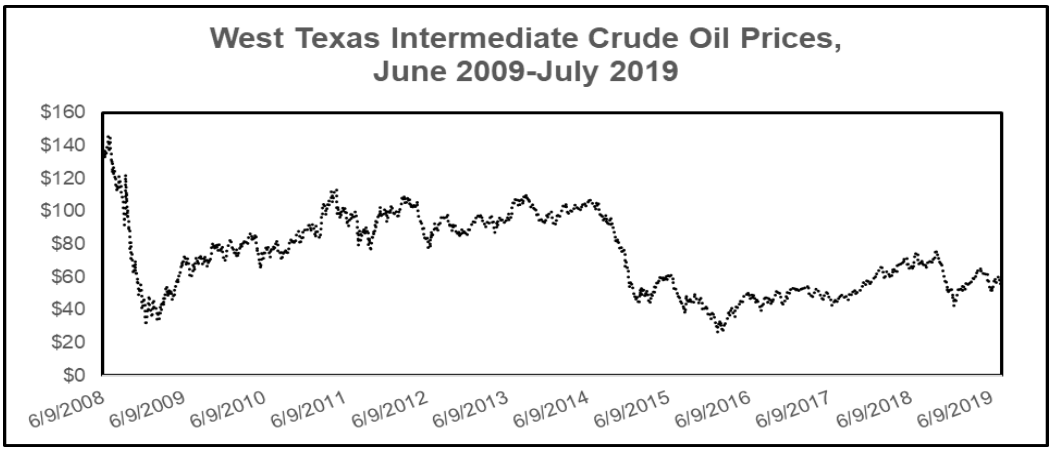
Economic Overview

Galveston is continuing to show signs of economic vibrancy that are connected with gradual regional economic improvement, continued growth in the national economy as well as expansion and improvement of the City's infrastructure and beaches. The economic growth of the region is highly dependent on energy and particularly the price of oil. Galveston's economy is heavily influenced by the region's economic health, but also has strong ties to national economic growth. These connections are based largely on Galveston's tourism industry which continues to grow.

In the last twelve years, employment in the metro area has shown strong growth overall in spite of two economic downturns in 2008-2009 and in 2015-2017. Average annual employment growth for the period shown in the graph below was 1.86 percent, which explains the long-term two percent growth trend assumptions generally used by local forecasters.

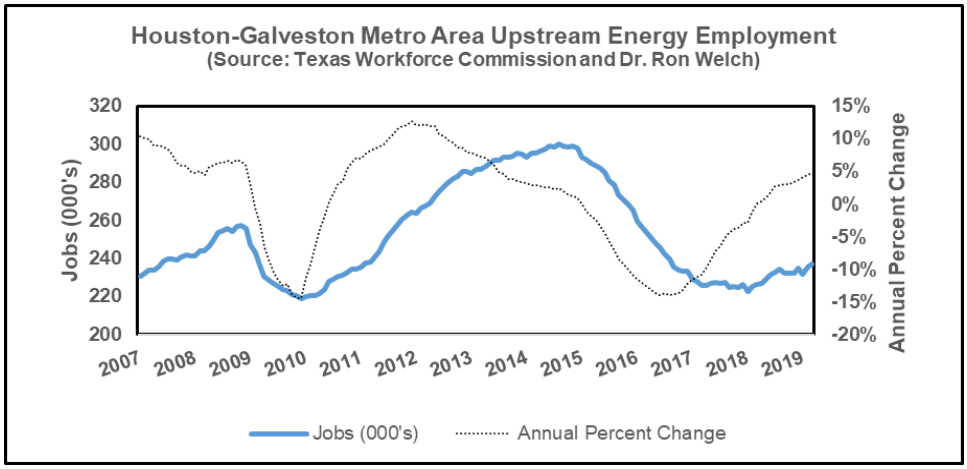


The metro area's economic growth is based largely on two factors: energy and the U.S. economy. Oil prices (West Texas Intermediate crude) have been extremely volatile over the last ten years (see below).



After dropping to the $40 per barrel range at the start of 2009, prices recovered to a peak of $105 per barrel in June, 2014, only to drop again. Since February 11, 2016, when a barrel was priced at

$26.21, today's price is in the mid $50's. Experts tell us that worldwide supply and demand drive the price, making the world economy a third major economic driver of the metro economy. The effect on upstream energy employment has been dramatic, and somewhat inconsistent.



As shown in the graph above, high oil prices in the 2012-2015 period drove upstream energy employment growth to its peak of 300,000 jobs in November 2014. In the 2015 to 2016 period when prices were dropping, upstream energy jobs also dropped. The approximately 75,000 jobs lost since the November 2014 high are beginning to be recovered slowly with energy companies exercising much caution in the way they rebuild their workforce. Increased use of parallel drilling techniques, while much more efficient and productive are likely to slow this upstream energy employment recovery even more.

BASELINE ECONOMIC CHANGE ASSUMPTIONS

Area/Indicator	FY 2019 Est.	FY 2020 Forecast	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast	FY 2024 Forecast
National						
National Inflation Rate (1)	2.0%	2.2%	2.2%	2.2%	2.2%	2.2%
U.S. Real Gross Domestic Product (1)	2.7%	2.0%	2.0%	2.0%	2.0%	2.0%
Ten Year Treasury Note (1)	2.5%	2.0%	2.1%	2.2%	2.3%	2.4%
3-month Treasury Bill (1)	2.5%	2.3%	2.4%	2.5%	2.6%	2.7%
Metropolitan Area						
Employment Annual Growth Rate (2)	2.23%	1.85%	1.76%	1.94%	2.11%	2.04%
Inflation Rate (3)	1.5%	2.0%	2.0%	2.0%	2.0%	2.0%
Fuel Prices (3)	0.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Health Care Cost Trend (Inflation & Utilization) (3)	7.0%	8.0%	8.0%	8.0%	8.0%	8.0%
City of Galveston						
Population Growth Rate (4)	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Population (4)	50,497	50,648	50,800	50,953	51,106	51,259
City Water Customers Growth Rate (4)	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Investment Pool Earnings Rate (4)	1.7%	1.6%	1.7%	1.8%	2.4%	2.5%
New Construction ($Millions - Prior CalYr) (4)	$72.6	$75.0	$60.0	$60.0	$60.0	$60.0

SOURCES:
(1) Congressional Budget Office, adjusted using Kiplinger, Trading Economics
(2) Dr. Robert Gilmer, Bauer College of Business, University of Houston, May 2019 presentation
(3) U.S. Energy Information Administration for 2019-2020 and City of Galveston Finance Department thereafter.
(4) City of Galveston Finance Department

Core economic assumptions have been highly variable in the twelve months since the federal tax cut went into effect in 2018. In particular, U.S. Gross Domestic Product flirted with annual growth in the 3 percent range but has recently fallen back to the 2 percent level that is more indicative of long-term economic trends. Likewise, interest rates were thought to be rising from their historically low level as the Federal Reserve Board of Governors raised the prime lending rate several times. In recent

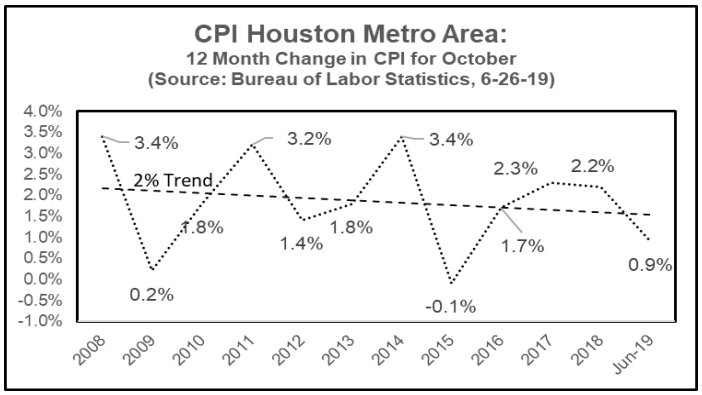
months, however, the Fed has been forced to reverse this trend. This decision by the Fed reflected concern over uncertainty caused by the effect of trade wars on the U.S. economy.

The assumptions used in the revenue estimates that are a part of the Proposed FY 2020 Budget will remain the same and be monitored throughout the fiscal year in keeping with our current practice. The Congressional Budget Office's (CBO) Real Gross Domestic Product annual growth rate is in the lower end of that range, forming a more conservative view of the effect potential fiscal and monetary policy changes will have on economic growth. CBO's other assumptions show interest rates rising steadily and inflation remaining in the 2 to 2.5 percent range.

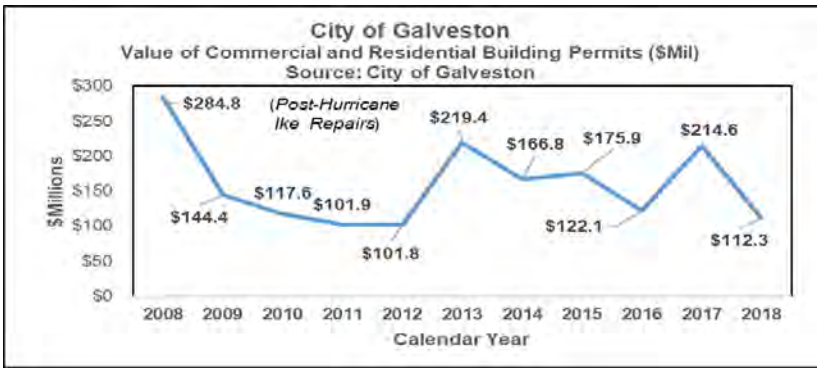
Local Economic Indicators

Dr. Robert Gilmer of the University of Houston Institute for Regional Forecasting is projecting a continuing regional recovery and a return to historical employment growth rates. The remainder of the assumptions shown above have been adopted for this forecast based on the regional and national forecasts and Galveston's own recent history.

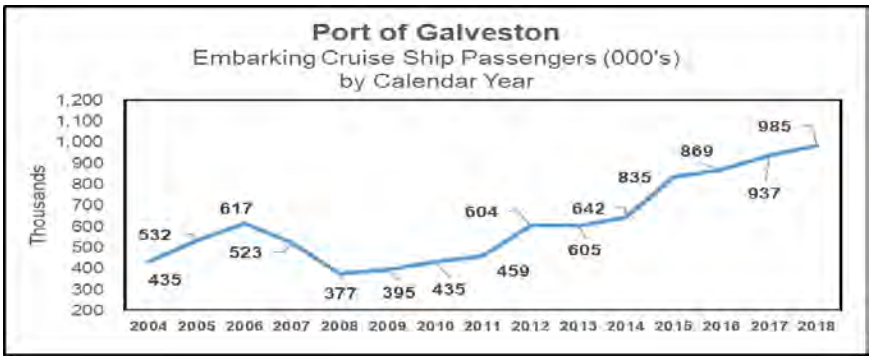
Galveston continues to have a lower cost of living than the nation. According to the U.S. Department of Labor Statistics, the Consumer Price Index-Urban (CPI-U) for the U.S. as a whole was 255.3 in June 2019. The CPI-U for the metropolitan area including Galveston was 229.316 for the same period. By this measure, Galveston's cost of living is approximately 10.2 percent less than the nation as a whole.



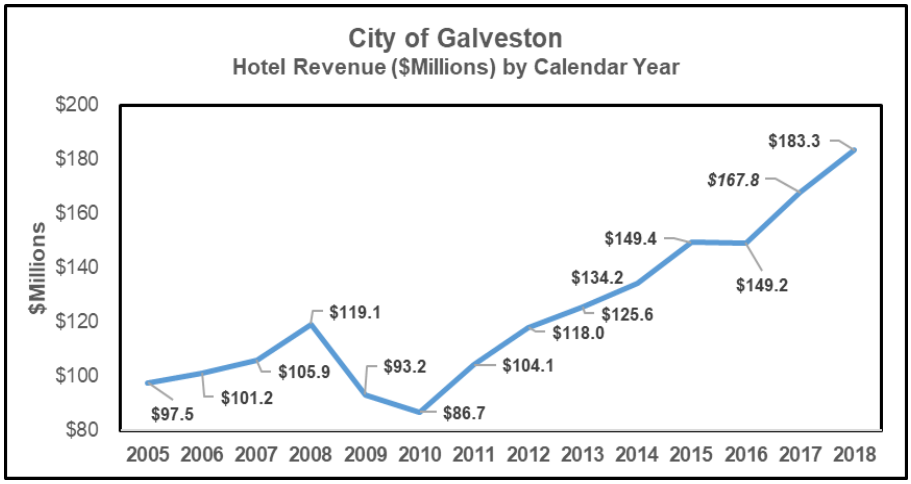
Construction activity in Galveston is continuing at a steady pace after the value of building permits in the immediate aftermath of Hurricane Ike peaked in 2008 at $284.8 million. Permits in 2018 totaled $112.3 million, down from $214.6 million in 2017; however, the Galveston County Appraisal District still placed a representative amount of new construction value on the 2019 property tax roll.



The Port of Galveston is an important contributor to both the Galveston and Texas economies. In calendar year 2016, the Port of Galveston ranked 52nd of all U.S. ports in total cargo volume, 55th in domestic cargo volume, and 44th in export cargo volume. Cruise ship passengers through the port continue to set records each year. After cruise ship traffic was interrupted by Hurricane Ike in 2008 and cruise passengers dipped to 377,000, the Port of Galveston saw 985,000 cruise passengers in 2018.



The City is a popular destination for tourists, including its ample beaches and other attractions. The City's downtown area features The Strand District, which is the home of some of Galveston's most historic commercial buildings, and the centerpiece for the City's active year-round calendar of community and seasonal events. Nearby is the East End Historical District which is on the National Historic Register and the site of many of the City's historic structures. Galveston remains a favored spring break destination with its family-friendly attractions. Like other local and regional indicators, hotel revenue was set back by Hurricane Ike but has rebounded strongly.



Conclusion

The regional and local economic growth rates seen in recent years have been strong but not altogether unpredictable. Galveston experienced a local slump caused by the simultaneous effect of the national recession in 2008-2009 and Hurricane Ike. Therefore, it is proving to be more realistic to view the growth rate of the 2010-2016 period as a natural rebound and not the start of a new long-term growth trend. Actual revenue trends described in the Citywide Revenue Summary bear this out.

FY 2020 PROPOSED BUDGET
CITYWIDE REVENUE SUMMARY

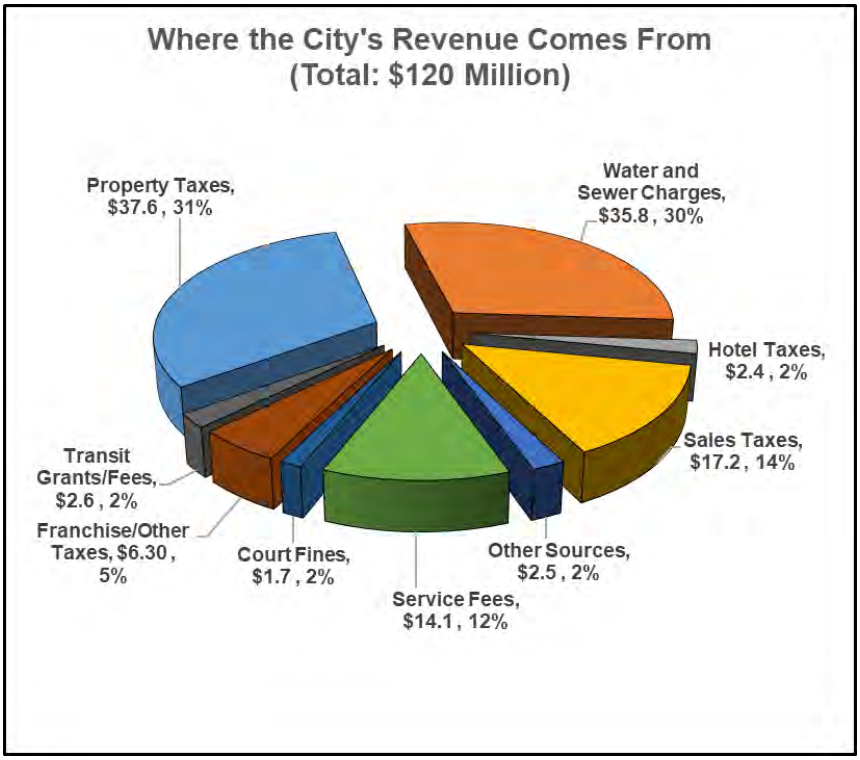
Overview

The City Budget is structured to provide for revenue collected by and expended through each of a number of funds. This presentation is intended to present the city's operating revenues as though there was only one fund. This is accomplished by leaving out transfers shown as revenue (transfers from one fund from another) between city operating funds.

Total citywide revenue included in the FY 2020 Proposed Budget is $120.3 million or approximately $3.4 million more than the FY 2019 Estimated total of $116.8 million. This is due to $3.2 million growth in property taxes, and $575,000 growth in sales taxes, offset by $0.4 million in net losses for all other sources.

CITYWIDE REVENUE BY CATEGORY ($000's)

Revenue Source	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2019 Estimated	FY 2020 Proposed	FY20 +/- FY19 Est	Pct Diff
Property Taxes	$27,818	$29,845	$33,883	$34,412	$34,465	$37,638	$3,173	8.4%
Water and Sewer Charges	$33,963	$36,110	$37,233	$35,932	$35,785	$35,785	$0	0.0%
Sales Taxes	$15,088	$15,197	$16,069	$16,600	$16,600	$17,175	$575	3.3%
City Service Fees	$12,725	$12,426	$14,192	$13,804	$14,024	$14,124	$100	0.7%
Franchise and Other General	$6,387	$6,611	$6,605	$6,482	$6,537	$6,401	($136)	-2.1%
Hotel Occupancy Taxes	$3,500	$2,386	$2,723	$2,597	$2,632	$2,400	($232)	-9.7%
Transit Grants/Fees	$3,519	$4,051	$4,221	$2,905	$2,524	$2,562	$38	1.5%
Other Sources	$5,326	$3,246	$2,258	$1,560	$1,413	$1,633	$220	13.5%
Court Fines	$1,873	$1,658	$1,649	$1,602	$1,801	$1,701	($100)	-5.9%
Investment Earnings	$430	$414	$1,012	$673	$1,134	$866	($268)	-30.9%
Total	**$110,629**	**$111,944**	**$119,845**	**$116,567**	**$116,915**	**$120,285**	**$3,370**	**2.8%**



Property Taxes

In FY 2020, property taxes are proposed to generate $37.6 million for the City and its various affiliated entities that receive a portion of the property tax roll. Under State law, the Galveston County Appraisal District establishes taxable values, the City approves rates and exemptions and the Galveston County Tax Assessor-Collector (TAC) acts as the city's TAC, collecting taxes and supervising delinquent collection efforts. In FY 2020, the taxable property roll certified by the CAD includes an estimated $6.70 billion in taxable value, a 5.83 percent increase over last year. Considering losses to frozen accounts, this provides $1.79 million in new property tax revenue overall, a 5.64 percent increase from FY 2019. The increase in actual revenue is smaller overall because of an above average share of that growth being allocated to the tax freeze accounts (8.4 percent) and Tax Increment Reinvestment Zones (6.5 percent).

CITY OF GALVESTON PROPERTY TAX LEVIES AND COLLECTIONS
FISCAL YEARS 2015-2020

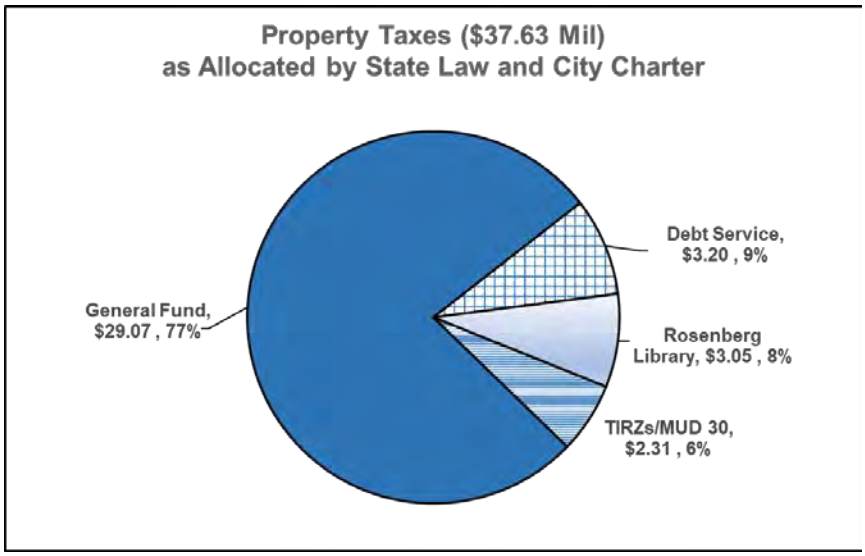
DESCRIPTION	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL	FY19 ESTIMATED	FY20 ESTIMATED
NET PROPERTY TAX LEVY						
Total Taxable Value ($millions)	$4,755.6	$5,290.6	$5,845.5	$6,173.1	$6,334.9	$6,704.0
Less TIRZ	($380.6)	($247.4)	($300.8)	($324.2)	($310.2)	($330.4)
Less 60% MUD Value	($35.5)	($49.0)	($57.7)	($63.7)	($64.7)	($64.7)
Net Taxable Value	$4,339.5	$5,001.2	$5,487.1	$5,785.2	$5,960.0	$6,308.9
Times Tax Rate per $100 of Taxable Value	$0.533890	$0.529000	$0.526000	$0.561000	$0.561000	$0.579885
Total Tax Levy ($Thousands Revenue)	**$25,389.7**	**$28,024.3**	**$30,747.5**	**$34,631.1**	**$35,538.8**	**$38,875.5**
Less: Freeze Acct Total Value Revenue Equivalent (Over 65 and Disabled)	($2,118.7)	($2,333.5)	($2,658.9)	($3,420.1)	($3,732.9)	($4,065.8)
Plus: Freeze Acct collectible Revenue (Over 65 & Disabled)	$1,825.3	$1,905.6	$2,019.2	$2,377.1	$2,575.8	$2,792.4
Less: Taxes Lost to Tax Freeze	**($293.4)**	**($436.7)**	**($639.8)**	**($1,043.0)**	**($1,157.1)**	**($1,273.4)**
Net Current Year Tax Levy ($000's Revenue)	**$25,096.3**	**$27,587.6**	**$30,107.7**	**$33,588.1**	**$34,381.7**	**$37,602.1**
Effective Taxable Value	**$4,700.6**	**$5,215.0**	**$5,723.9**	**$5,987.2**	**$6,128.6**	**$6,484.4**
Effective Freeze Accounts Taxable Value	**$880.4**	**$985.8**	**$1,088.2**	**$1,067.2**	**$1,092.4**	**$1,189.8**
Less TIRZ Incremental Values	**($380.6)**	**($247.4)**	**($300.8)**	**($324.2)**	**($310.2)**	**($330.4)**
Effective Taxable Value Retained by City	**$4,320.0**	**$4,967.6**	**$5,423.1**	**$5,663.0**	**$5,818.4**	**$6,154.0**
DISTRIBUTION OF NET LEVY ($THOUSANDS)						
Net Current Year Levy ($000's)	$25,096.3	$27,587.6	$30,107.7	$33,588.1	$34,381.7	$37,602.1
Less TIRZ Increment	**($2,032.0)**	**($1,308.7)**	**($1,581.9)**	**($1,682.5)**	**($1,740.2)**	**($1,915.8)**
Net Current Year Levy Retained by the City	$23,064.3	$26,278.9	$28,525.8	$31,905.6	$32,641.5	$35,686.3
General Fund Share (including MUD 30) of NCL	$18,860.4	$21,557.1	$23,917.4	$24,973.7	$26,677.4	$29,378.4
Debt Service Share of NCL	$2,043.6	$2,237.7	$1,896.7	$3,964.1	$3,054.7	$3,230.9
Library Fund Share of NCL	$2,160.0	$2,483.8	$2,711.6	$2,831.5	$2,909.2	$3,077.0
Net Current Year Levy Retained by the City	**$23,064.0**	**$26,278.6**	**$28,525.7**	**$31,769.3**	**$32,641.3**	**$35,686.3**
COLLECTION OF TAXES ($THOUSANDS)						
Estimated/Actual Collections	**FY15 ACTUAL**	**FY16 ACTUAL**	**FY17 ACTUAL**	**FY18 ACTUAL**	**FY19 ESTIMATED**	**FY20 ESTIMATED**
General Fund Current Collection Total	$20,466.1	$22,439.1	$24,954.1	$26,319.5	$27,792.4	$30,637.0
General Fund Delinquent Taxes	$337.8	$358.9	$289.6	$403.4	$395.0	$395.0
General Fund Penalty & Interest	$339.3	$312.1	$304.0	$372.8	$350.0	$350.0
Less TIRZ Increment	($1,945.9)	($1,308.1)	($1,487.3)	($1,682.5)	($1,743.0)	($1,915.8)
Less MUD 30 Rebate	($186.2)	($454.1)	($297.0)	($344.1)	($363.2)	($397.2)
General Fund Total	**$19,011.1**	**$21,347.9**	**$23,763.4**	**$25,069.1**	**$26,431.2**	**$29,069.1**
Debt Service Net Current Levy Total	$2,006.4	$2,193.1	$1,865.4	$3,907.9	$2,987.5	$3,163.1
Debt Service Delinquent Taxes	$39.1	$37.2	$30.6	$43.4	$51.0	$40.0
Debt Service Fund Total	**$2,045.5**	**$2,230.3**	**$1,896.0**	**$3,951.3**	**$3,038.5**	**$3,203.1**
Library Net Current Levy Total	$2,121.0	$2,436.8	$2,665.0	$2,790.0	$2,845.2	$3,012.4
Library Delinquent Taxes	$37.7	$41.3	$33.0	$46.4	$44.0	$40.0
Library Fund Total	**$2,158.7**	**$2,478.1**	**$2,698.0**	**$2,836.4**	**$2,889.2**	**$3,052.4**
GRAND TOTAL COLLECTIONS	**$23,215.3**	**$26,056.3**	**$28,357.4**	**$31,856.8**	**$32,358.9**	**$35,324.6**
Estimated Current Collection Rate (of NCL)	**97.4%**	**96.3%**	**97.1%**	**97.5%**	***97.8%***	***97.9%***
Estimated Total Collection Rate (of NCL)	**100.7%**	**99.2%**	**99.4%**	**100.3%**	**99.1%**	**100.1%**
Percent Change in Grand Total Collections		**12.2%**	**8.8%**	**12.3%**	**0.4%**	**9.2%**
Tax Rate						
General Fund Operations and Maintenance	$0.436584	$0.433955	$0.441025	$0.441000	$0.458500	$0.477385
Debt Service Fund Interest and Sinking	$0.047306	$0.045045	$0.034975	$0.070000	$0.052500	$0.052500
Library Fund	$0.050000	$0.050000	$0.050000	$0.050000	$0.050000	$0.050000
Total Rate	**$0.533890**	**$0.529000**	**$0.526000**	**$0.561000**	**$0.561000**	**$0.579885**
	ACTUAL	**ACTUAL**	**ACTUAL**	**ACTUAL**	**ESTIMATE**	**ESTIMATE**
Estimated Current Taxes Collection rate	**98.00%**	**98.10%**	**97.90%**	**98.30%**	**97.80%**	**97.90%**
TOTAL COLLECTIONS	**$25,347.4**	**$27,818.5**	**$30,141.7**	**$33,883.4**	**$34,465.1**	**$37,637.5**

Tax Rate Increase - This Budget proposes an increase in the property tax rate from $0.561 per $100 of taxable value to $0.579885, an increase of 1.8885 cents per $100 of Taxable Value. As allowed by State law, this is greater than the effective rate of $0.538771 per $100 of taxable value, and less than the rollback rate of $0.582433. This increase will generate $1.17 million in total revenue for the city's General Fund, and $842,000 in net revenue for the General Fund after necessary amounts have been allocated to the Infrastructure and Debt Service set aside and the General Fund reserve.

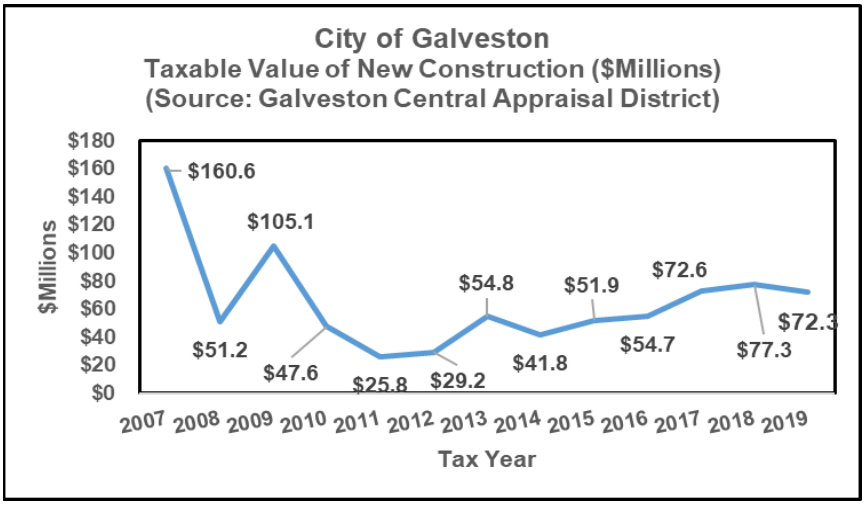
Impact of the Rate Increase - According to the Galveston County Appraisal District, the average residential homestead property in Galveston has a market value of $235,085, qualifying for the basic twenty percent homestead exemption reducing taxable value by $47,017. Other exemptions (i.e. Over 65, Disabled Veterans) provide an average of $12,697 in taxable value relief resulting in an average taxable value of $175,371. Therefore, at the $0.57885 rate, the owner of an average home will pay an additional $33.12 per year.

A significant exception exists for the 4,562 homeowner occupants who are over 65 or who qualify for a disabled exemption. These owner occupants will pay no additional property taxes in FY 2020 because their tax payment is frozen at the amount paid whenever they first qualified for the over 65 or disabled exemption. The amount this group of homeowners will be saving in FY 2020 because of the tax freeze totals $1,273,400. This is $279 per year on average for each of the 4,562 over 65 or qualifying disabled homeowner. The average City property tax bill this group of homeowners will pay in FY 2020 is $612.

Property Tax Distribution - The Budget includes the General Fund which gets the lion's share of property taxes, $29.07 million or 77 percent of the total. The Debt Service Fund will receive $3.2 million in FY 2020, 9 percent of total property tax revenue (to be distinguished from the General Fund's 8 percent set aside for the Infrastructure and Debt Service Fund). The City Charter requires that the Rosenberg Library receive the equivalent of five cents of the property tax rate each year, regardless of what the overall rate may be from year to year. This five cent amount is levied and collected as a part of the overall Maintenance and Operations tax authorized under State law which is proposed at $0.529885. It is deposited in the separate Rosenberg Library Special Revenue Fund and paid to the Library. In FY 2020, this amounts to $3.05 million.



The City's three Tax Increment Reinvestment Zones receive 100 percent of taxes collected on the incremental growth in taxable value that has occurred since the inception of each Zone. MUD 30 receives an amount equal to 60 percent of the city's property taxes collected inside MUD 30's boundaries or an amount equal to the MUD's annual debt service payment, whichever is less. In FY 2020, this will equate to $2.31 million, which amount is not strictly considered a part of the city budget.



New construction as classified by the Galveston CAD has been fairly consistent since Tax Year 2014, comprising approximately 1.1 percent of the increase in the overall tax roll. This year's increase, $72.3 million, is responsible for $419,300 of the proposed $2,965,700 in net growth in property tax revenue available to the city.

CITY OF GALVESTON PROPERTY TAX EXEMPTIONS
TAX YEAR 2019 AND FISCAL YEAR 2020

Description	Tax Exemption Basis	Tax Exemption Description	Number of Exemptions from Tax Year 2019 Preliminary Roll	Value Exempted from Tax Year 2019 Preliminary Roll	Estimated Tax Break at $0.579885 Rate	Estimated Tax Break per Exemption
Homestead	20% of Assessed Value or minimum of $5,000 of Assessed Value	COG at max for % but not minimum amount.	9,436	$407,765,775	$2,364,573	$251
Over 65 Exemption	$15,000 off Assessed Value	COG at minimum; can be increased	4,540	$67,078,236	$388,977	$86
Disabled Exemption	$10,000 off Assessed Value	COG at minimum; can be increased	468	$4,403,400	$25,535	$55
Veteran's Exemption	$5,000 (10%-30%), $7,500 (30%-50%), $10,000 (50%-70%), or $12,000 (70% and over) off Assessed Value based on Disability Rating percentages noted above	COG at what's allowed by State law; no local option to increase exempted amounts	198	$2,140,590	$12,413	$63
Veteran's Exemption	100% Exempt	State Mandated	91	$18,552,704	$107,584	$1,182
Over 65 Freeze	N/A	Taxes paid frozen at amount paid at age 65	4,129	$232,747,564	$1,349,668	$327
Disabled Freeze	N/A	Taxes paid frozen at amount paid once disabled	455	$19,093,986	$110,723	$243
			19,317	**$751,782,255**	**$4,359,473**	**$226**

Water and Sewer Charges

Water and sewer customer charges are expected to total $35.79 million in FY 2019 and FY 2020. This is less than the $37.2 million actually collected in the last fiscal year, FY 2018. Also, this decline is in spite of the seven percent increase across the board in water rates that took effect on February 1, 2019. This is largely attributable to the unusual amount of rainfall in FY 2019, and the corresponding effect on water consumption. For Fiscal Year 2019 through June, water purchased from the Gulf Coast Water Authority by the City of Galveston is down 14.8 percent from FY 2018. FY 2018 included only one and a half months of the high consumption caused by the large leak that was identified and fixed in November 2017, so that is not the reason for the drop. The chart below shows the two year trend demonstrating that the current drop in consumption has little if any relationship to the aforementioned leak.

Millions of Gallons of Water
Purchased from Gulf Coast Water Authority

FYTD	FY15	FY16	FY17	FY18	FY19
October	503,088	452,592	459,589	437,907	333,151
November	915,165	853,553	877,756	807,405	612,431
December	1,297,771	1,247,194	1,271,673	1,094,455	879,619
January	1,681,524	1,633,897	1,652,534	1,401,087	1,142,200
February	2,032,432	2,002,777	1,993,243	1,657,143	1,387,349
March	2,424,179	2,411,662	2,395,980	1,979,242	1,689,760
April	2,821,589	2,807,714	2,806,753	2,310,854	1,979,926
May	3,261,355	3,221,424	3,263,369	2,707,993	2,311,823
June	***3,722,975***	***3,658,280***	***3,714,799***	***3,133,134***	***2,669,010***
July	4,284,666	4,201,925	4,225,420	3,570,373	
August	4,841,500	4,698,718	4,698,380	4,003,472	
September	***5,286,142***	***5,147,598***	***5,144,993***	***4,344,675***	***3,735,363***
Annual Rainfall (inches)	**52.19**	**61.16**	**63.92**	**51.5**	**56.1**

While the projected rainfall total for FY 2019 is in the range of rainfall for FY 2016 and 2017, consider that the last two years included rain events that added major amounts of rain to the annual total (26 inches in August 2017 from Harvey and 24 inches in September 2018). But the FY 2019 includes no such single month, but is based on significant rain that fell throughout the fiscal year. So it is not surprising that water consumption is down significantly as a direct result of rainfall. Another possible cause of the almost 15 percent drop in consumption, conservation and water usage reduction by individual customers, is under review.

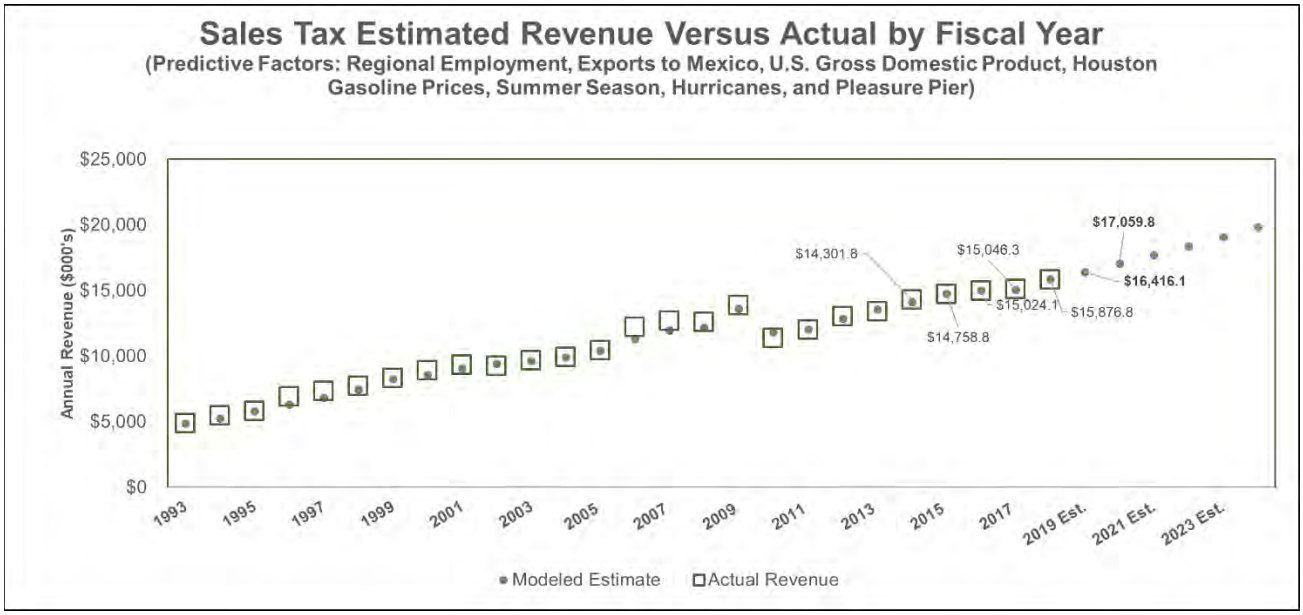
WATER REVENUE FISCAL YEAR TO DATE
BASED ON MONTH OF CONSUMPTION

Consumption Month	FY08 (1)	FY09	FY17 (7)	FY18 (8)	FY19 (9)	FY19 Over/(Under) FY18	Monthly Budget FY 2019	Estimated FY End
October	1,026,266	1,103,484	1,798,033	1,822,567	1,736,241	-4.7%	1,966,300	20,861,000
November	1,267,637	1,016,879	1,735,283	1,671,082	1,664,169	-0.4%	1,454,194	21,161,000
December	933,029	932,044	1,713,271	1,402,614	1,327,839	-5.3%	1,638,606	20,246,000
January	1,068,960	923,329	1,448,479	1,470,569	1,281,167	-12.9%	1,556,600	19,723,000
February	888,484	987,761	1,288,374	1,206,586	**1,390,858**	15.3%	1,290,400	19,926,000
March	917,690	1,007,157	1,577,075	1,384,404	1,476,295	6.6%	1,454,200	19,996,000
April	1,209,989	1,139,332	1,519,366	1,661,344	1,612,466	-2.9%	1,577,100	20,053,000
May	1,119,457	1,193,925	1,819,959	1,912,776	1,727,472	-9.7%	1,536,100	20,025,000
June	1,257,551	1,629,747	2,008,489	2,477,920			1,638,600	
July	1,673,163	1,715,539	1,821,316	2,340,423			2,294,000	
August	1,037,331	1,489,421	2,179,099	2,458,505			2,232,500	
September	1,377,121	1,310,263	1,788,294	1,826,993			1,843,400	
FY TOTALS	**13,776,680**	**14,448,883**	**20,697,037**	**21,635,782**	**12,216,508**		**20,482,000**	

The city's water rates are based on a tier structure that assigns higher rates for non-residential and sprinkler systems, thereby protecting smaller users. It is entirely possible that some significant effects on consumption are beginning to be seen as the result of the progressive water and sewer rate structure. In the meantime, the intention is to assume for the FY 2020 budget that water and sewer revenue will stay at their current level. No rate increase is planned for FY 2020, but the FY 2020 Proposed Budget includes funds for a rate study in FY 2020.

Sales Tax

This is the third largest city revenue source, and is the most sensitive to regional and local economic trends. The total two percent tax includes three components. The basic city sales tax is one percent. A second component is a half percent tax for property tax reduction purposes. The third component goes to the Industrial Development Corporation for purposes of economic development defined by the voters in 2009. The numbers shown here do not include the IDC sales tax portion, but only the city's one and one half percent tax that is deposited in the General Fund. The General Fund share of sales tax revenue is projected to be $17.175 million, $575,000 higher than in FY 2019.



Two collections peculiarities are important in understanding the sales tax. First, taxes are received on a forty day delay. They are collected by merchants one month, paid into the State Comptroller the next month, and forwarded to the City the second week of the month after that. Year to date revenue received by the City through July includes May sales. Second, the city collects the combined 8.25 percent in sales taxes on its garbage service as required by State sales tax law. The City reports this to the Comptroller, but is allowed to retain the local two percent local share for efficiency.

The FY 2019 estimate of $16.6 million is based on trend analysis and a statistical model. Actual taxes are tracked monthly and compared with prior year's trends to project a low, average and high projection or the current fiscal year. Through May sales (July cash received), on average, the year to date total of $13.74 million should equate to 61.46 percent of the final amount for FY 2019 or $16.77 million. Local sales taxes retained on the city's garbage service adds another $90,000 to this total.

The FY 2020 estimate of $17.175 million is based on economic assumptions discussed in the "Economic Overview" section and the sales tax model. The sales tax model is a tool that explaining the economic impact on sales tax revenue through a regression model using sales tax revenue received from the State Comptroller and economic data from FY 1992 until now. Testing shows that 98.5 percent of the change in Galveston sales tax revenue is explained by the following combination variables adjusted as described.

- Houston Metro Area Employment – This is the total jobs for the area as reported by the Bureau of Labor Statistics (BLS) and adjusted by Dr. Ron Welch for local municipalities. The model utilizes the current quarter of this data series. Fully 89 percent of the variation in quarterly sales tax revenue is explained by this single economic variable.
- Houston Metro Area Gasoline Price Index – This statistical series is also maintained by the BLS as a component of the Consumer Price Index for the Houston metro area. It is lagged one quarter in the statistical model and it drives sales tax revenue higher with higher gasoline prices.
- U.S. Exports to Mexico – This is the value of exports as reported by the Federal Reserve Bank of St. Louis. The previous quarter's export values are used to explain sales tax revenues in the model.
- U.S. Real Gross Domestic Product – Also provided through the Federal Reserve Bank of St. Louis, this series is lagged three quarters and measured on a two month moving average to gauge the most effect on Galveston's revenue.
- Summer Season Adjustment Variable – Based on historical observation, this series applies weighted factors to the third (April to June) and fourth (July through September) fiscal quarters to explain the increased revenue during tourist season. Houston area inflation is used to adjust the series over time.
- Galveston Storm Variable – Based on historical observation, this series applies weighted factors to explain the effect of Hurricane Ike on sales tax revenues immediately prior and following the storm.
- Pleasure Pier Adjustment – Based on historical observation, this series helps explain the large variation between revenue during tourist season and winter since 2012 when the venue opened.

Projected sales tax revenue for the forecast period is based on economic growth at historical rates based on regional employment growth forecasted by Dr. Gilmer of the University of Houston. Consensus national forecasts for GDP are the basis for the assumptions in this regard. Likewise the FY 2020 sales tax revenue estimate of $17.175 million is derived from the model and current consensus economic forecasts.

City Service Fees

The fourth largest category of city revenue is estimated to provide $14.02 million in FY 2019 and $14.12 million in FY 2020, which is a 0.7 percent increase or $100,000. City service fees includes a combination of fees charged by the City for users of specific services including:

1. Monthly sanitation and drainage fees (one percent assumed growth) billed and collected through each water bill;
2. Building permits and business licenses deposited in the General Fund (two percent assumed growth);
3. Airport rentals and services for air industry clientele (3.6 percent growth);
4. Water and sewer special service charges, including connection fees, liquid waste haulers (one percent assumed growth) and late payment penalties ($130,000 increase); and

5. Dedicated fees deposited and budgeted in Special Revenue funds, including parking fees, alarm permits and pool fees (no growth).

Slight increases are expected in several areas, including one percent growth in sanitation and recycling fees ($61,000), drainage fees ($18,000) and facility rentals at the Airport ($41,000).

Franchise and Other Taxes

This fifth largest category of revenues is almost all budgeted and deposited in the General Fund. This includes electricity, telephone, cable television, natural gas and solid waste hauler franchise tax revenues. Also included is receipts from the mixed beverage tax. This category is assumed to show a net decline of 2.1 percent or $133,000. This is largely due to loss of $202,500 in telecommunication franchise fees beginning in January 2020 as the direct result of State legislation passed in the 2019 Texas legislative session. Under this law, companies like Comcast and AT&T will be exempt from paying franchise fees on the lesser of their services, including cable television or telecommunications. Mixed drink tax receipts are expected to show slight growth in FY 2020 of $50,000. Electricity franchise is projected to show a slight $19,000 increase as well.

HOTEL OCCUPANCY TAX MONTHLY COLLECTIONS AND FISCAL YEAR TO DATE TOTALS

Month of Occupancy	FY2011	FY2012	FY2017	FY2018	FY2019	Month Over/ (Under) Same Month Last Yr		
October	$566,603.98	$649,601.76	$1,015,895.74	$1,107,179.49	$1,027,935.51	-7.2%		
November	$474,036.48	$584,677.19	$816,077.11	$1,058,984.58	$955,802.18	-9.7%		
December	$358,869.95	$370,422.69	$902,418.26	$987,874.60	$936,819.57	-5.2%		
January	$385,821.19	$416,526.68	$726,111.74	$742,164.89	$760,945.59	2.5%		
February	$463,624.03	$556,338.30	$928,371.67	$846,191.38	$794,281.23	-6.1%		
March	$879,705.14	$1,112,272.85	$1,527,514.96	$1,781,668.66	$1,700,724.97	-4.5%		
April	$811,548.49	$908,341.22	$1,279,130.86	$1,320,636.41	$1,269,496.25	-3.9%		
May	$812,563.94	$1,005,816.52	$1,384,806.34	$1,567,006.88	$1,497,510.52	-4.4%		
June	$1,478,676.42	$1,756,462.71	$2,369,703.73	$2,812,512.76				
July	$1,891,503.23	$1,847,095.93	$2,639,528.58	$2,910,435.05				
August	$1,249,302.15	$1,725,676.56	$1,563,148.58	$1,976,794.44				
September	$727,916.77	$825,373.66	$1,513,221.44	$1,569,116.27				
Totals	**$10,100,171.77**	**$11,758,606.07**	**$16,665,929.01**	**$18,680,565.41**				
	15.9%	**16.4%**	**8.9%**	**12.1%**				
Amt per Penny	**$1,122,241.31**	**$1,306,511.79**	**$1,851,769.89**	**$2,075,618.38**				
YTD Totals	**FY2011**	**FY2012**	**FY2017**	**FY2018**	**FY2019**	**YTD Over/(Under)**	**FY19 Estimate wh 5 Year Avg**	**FY19 Est per Penny of HOT**
October	$566,603.98	$649,601.76	$1,015,895.74	$1,107,179.49	$1,027,935.51	-7.2%	$17,644,000	$1,960,000
November	$1,040,640.46	$1,234,278.95	$1,831,972.85	$2,166,164.07	$1,983,737.69	-8.4%	$17,872,000	$1,986,000
December	$1,399,510.41	$1,604,701.64	$2,734,391.11	$3,154,038.67	$2,920,557.26	-7.4%	$18,705,000	$2,078,000
January	$1,785,331.60	$2,021,228.32	$3,460,502.85	$3,896,203.56	$3,681,502.85	-5.5%	$18,680,000	$2,076,000
February	$2,248,955.63	$2,577,566.62	$4,388,874.52	$4,742,394.94	$4,475,784.08	-5.6%	$17,815,000	$1,979,000
March	$3,128,660.77	$3,689,839.47	$5,916,389.48	$6,524,063.60	$6,176,509.05	-5.3%	$18,207,000	$2,023,000
April	$3,940,209.26	$4,598,180.69	$7,195,520.34	$7,844,700.01	$7,446,005.30	-5.1%	$18,033,000	$2,004,000
May	$4,752,773.20	$5,603,997.21	$8,580,326.68	$9,411,706.89	$8,943,515.82	-5.0%	$17,865,000	$1,985,000
June	$6,231,449.62	$7,360,459.92	$10,950,030.41	$12,224,219.65				
July	$8,122,952.85	$9,207,555.85	$13,589,558.99	$15,134,654.70				
August	$9,372,255.00	$10,933,232.41	$15,152,707.57	$17,111,449.14				
September	$10,100,171.77	$11,758,606.07	$16,665,929.01	$18,680,565.41				

Hotel Occupancy Taxes

The City budget includes a relatively small portion of the total Hotel Occupancy Tax revenue received by the City of Galveston as a whole. Hotel guests in Galveston pay a nine percent local occupancy tax and a two percent state tax as a portion for their hotel bills. Revenue from the taxes are then returned to the City. Receipts are allocated by a trustee bank and shared between the Park Board, the Convention and

Visitors' Bureau, the Convention Center operator and the City. The amount shown in the city budget is from two special funds: the Convention Center Surplus Fund and the Historic Building Fund.

LONG RANGE FINANCIAL FORECAST
HOTEL OCCUPANCY TAX PROJECTIONS
FY 2019-2024, ($000'S)

Category	FY 2019 Estimate	FY 2020 Estimate	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast	FY 2024 Forecast
SOURCES						
Local Hotel Occupancy Taxes	$17,800	$17,800	$18,512	$19,253	$20,023	$20,824
State Hotel Occupancy Taxes (Local Share)	$4,000	$4,000	$4,152	$4,318	$4,491	$4,670
TOTAL SOURCES	**$21,800**	**$21,800**	**$22,664**	**$23,570**	**$24,513**	**$25,494**
USES						
Park Board						
Advertising (1)	$5,933	$5,933	$6,171	$6,417	$6,674	$6,941
Beach Maint/Patrol (2)	$5,970	$5,970	$6,209	$6,457	$6,715	$6,984
Subtotal Parks Board	**$11,903**	**$11,903**	**$12,380**	**$12,874**	**$13,389**	**$13,925**
Convention Center						
Convention Center Operations (3)	$480	$480	$480	$480	$480	$480
CC Operator and Developer Fees (4)	$125	$125	$125	$125	$125	$125
CC Capital Improvements(5)	***$650***	***$1,090***	***$1,000***	***$900***	***$1,050***	***$1,050***
CC Budget for Arts (6)	$247	$247	$257	$267	$278	$289
CC Surplus Allocation (7)	$2,485	$2,253	$2,442	$2,608	$2,779	$2,957
Subtotal CC Operator	**$3,987**	**$4,195**	**$4,304**	**$4,380**	**$4,712**	**$4,901**
City						
Arts Council (8)	$1,483	$1,483	$1,543	$1,604	$1,668	$1,735
Transfer to Historical Bldgs Special Fund (9)	***$247***	$247	$257	$267	$278	$289
CC HOT Debt Service (10)	$1,788	$1,811	$1,837	$1,866	$1,886	$1,886
City Surplus Allocation (11)	***$2,385***	$2,153	$2,342	$2,508	$2,679	$2,857
Subtotal City	**$5,903**	**$5,694**	**$5,979**	**$6,245**	**$6,511**	**$6,767**
TOTAL USES	**$21,793**	**$21,792**	**$22,663**	**$23,499**	**$24,612**	**$25,593**
HOT Growth Assumption	-4.7%	0.0%	4.0%	4.0%	4.0%	4.0%
City Surplus Allocation Growth Percentage	-13.0%	-9.7%	8.8%	7.1%	6.8%	6.6%
HOT Allocation to Convention Center M&O and Debt Service	**$8,302**	**$7,911**	**$7,911**	**$8,228**	**$8,556**	**$8,899**

Notes:
(1) Equal to 3% of the 9% local tax.
(2) Equal to 1% of the 9% local tax and includes the State tax allocation to the City (2% of the 6% total).
(3) Monthly transfer in the aggregate amount of $40k. (distributed from 4% referenced in #9)
(4) Annual allocation to developer. (distibuted from 4% referenced in #9)
(5) Convention Center Capital Improvements paid by operator and reimbursed from reserves that are then replenished with current year HOT revenue.
(6) Equal to 0.125% of the 9% local tax.
(7) Unexpended balance comprises the majority of the surplus.
(8) Equal to 0.75% of the 9% local tax.
(9) Equal to 0.125% of the 9% local tax.
(10) Bond covenant allocates 4% of the 9% to Debt Service and related reserves. (See last line of chart above.) Debt
(11) Unexpended balance comprises the majority of the surplus.

Year to date HOT revenue is 5 percent behind last fiscal year which is not in accord with the model developed two years ago. The model is based on the same principles and methodology as the sales tax model, using local and national data in an attempt to anticipate actual collections for what can be a

volatile revenue source. In FY 2019, the trend is being followed closely by Park Board and City staff analysts, with the city's analyst forecasting no growth from this year's number. Excessive rainfall is the best, if not the only identifiable reason that HOT is so far behind budget and last year. In any event, the City's FY 2020 Budget assumes no growth over FY 2019 in order to be conservative with this important revenue source. The resulting allocation shown above leaves the City with less revenue in FY 2020 than in FY 2019.

The complete hotel occupancy tax cash flow is shown in the chart on the previous page. Using the no-growth approach in the overall tax revenue amount ($17.8 million for both FY 2019 and 2020), the City's share is $232,000 less. This is due to the convention Center Surplus amount being the last "trickle down" bucket in the cash flow, and the increased projection of capital improvement spending by the Convention Center in FY 2020.

Transit Grants and Fees

The City experienced population loss precipitated by Hurricane Ike which was published in the 2010 Census. Subsequently Island Transit grants and fees were reduced as a direct result of the City having dropped under 50,000 population. During FY 2018, the City successfully lobbied the U.S. Congress and got the City's urban mass transit system status restored. This coincided with a concerted effort to discontinue undersubscribed transit routes and services, which reduced costs considerably. FY 2020 transit system revenue is slightly more ($38,000) than in FY 2019 due to the net effect of an overall increase in FTA funding.

Other Revenue and Sources

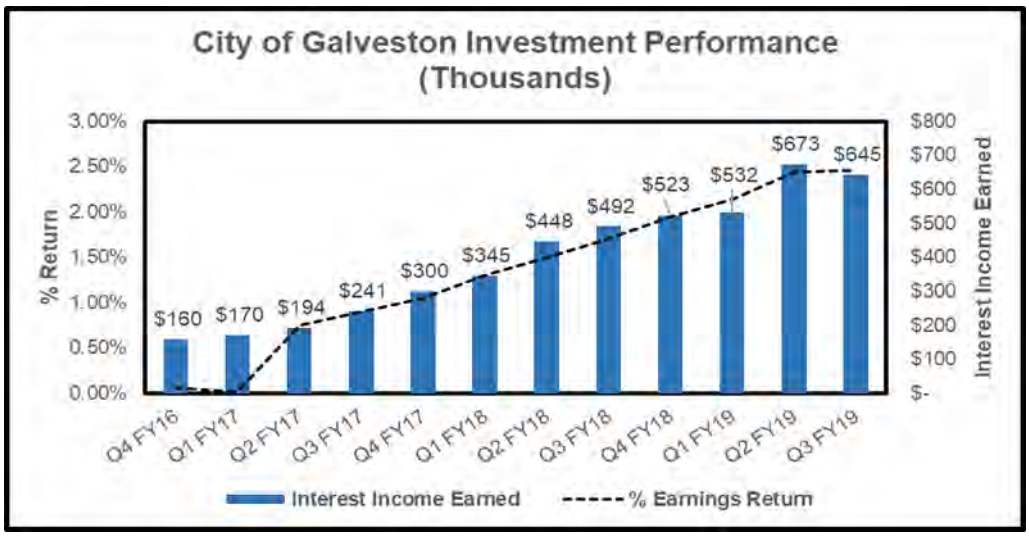
This category includes payments in lieu of taxes from the Port, Moody Gardens, and the Convention Center Operator (Landry's). The only change has to do with a prior year adjustment related to Hurricane Harvey and the Harvey Special Fund.

Court Fines

Court fines include Class "C" misdemeanor fines and fees paid through the City's Municipal Court operation. Also included are parking fines collected for infractions that are ticketed across the city. The City retains approximately 70 percent of court fines collected, paying the balance over to the State of Texas. This category is budgeted at $1.8 million which is approximately $100,000 more in FY 2019 because of the expected receipts that will result from the amnesty period in September. The last amnesty in 2015 garnered over $130,000 so this is a conservative estimate.

Investment Earnings

The City's operating and capital fund cash is invested in a pool governed by an investment policy approved by City Council. Investment earnings have risen slightly from FY 2016 to FY 2019 as the direct result of increases in the prime rate by the Federal Reserve Board. Recently, due to concern about recession and/or inflation caused by volatile forces in the economy, the Fed has begun reversing its prior increases. This will serve to reduce the City's earnings as is demonstrated in the earnings graph on the next page. Additionally, the city has committed to transferring its full year's police pension contribution on October 1 to assist the police pension fund in building its reserves and assisting its overall funding status. The City will benefit because the pension fund can generally be expected to earn 5 to 6 percent at the average which is more than the City's rate earned on government instruments.


City of Galveston Investment Performance
(Thousands)
% Return
3.00%
2.50%
2.00%
1.50%
1.00%
0.50%
0.00%
Interest Income Earned
$800
$700
$600
$500
$400
$300
$200
$100
$-
$160
$170
$194
$241
$300
$345
$448
$492
$523
$532
$673
$645
Q4 FY16
Q1 FY17
Q2 FY17
Q3 FY17
Q4 FY17
Q1 FY18
Q2 FY18
Q3 FY18
Q4 FY18
Q1 FY19
Q2 FY19
Q3 FY19
Interest Income Earned
% Earnings Return

CITY OF GALVESTON

1839

FY 2020 PROPOSED BUDGET
CITYWIDE EXPENDITURE SUMMARY

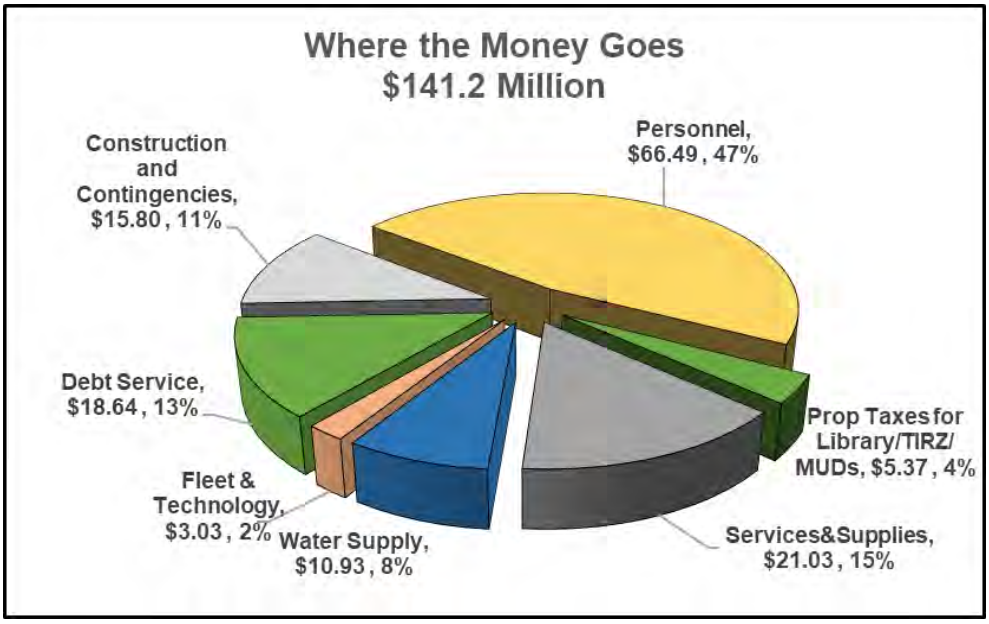
Overview

The City Budget is structured to provide for revenue collected by and expended through each of a number of funds. This presentation is intended to present the city's operating revenues as though there was only one fund. This is accomplished by leaving out transfers shown as revenue (transfers to one fund from another) between city operating funds.

CITYWIDE EXPENDITURES BY CATEGORY ($000's)

Cost Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Amended Budget	FY 2019 Estimated	FY 2020 Proposed	FY20 +/- FY19 Bud	FY20 +/- FY19 Est
Personnel	$52,481	$56,009	$57,438	$62,127	$61,190	$66,485	$4,358	$5,295
Debt Service	$6,828	$7,638	$15,515	$17,368	$15,798	$18,643	$1,275	$2,845
Water Supply	$10,368	$10,674	$10,600	$11,376	$11,025	$10,927	($449)	($98)
Vehicles and Technology	$2,687	$3,594	$2,461	$6,311	$5,598	$3,029	($3,282)	($2,569)
Pay as you go construction, and Contingencies	$4,654	$4,174	$6,278	$15,126	$3,759	$15,763	$637	$12,004
Property Taxes forwarded to Rosenberg Library	$2,478	$2,698	$2,836	$2,875	$2,889	$3,052	$177	$163
Property Taxes paid to TIRZ's and MUD 30	$1,742	$1,784	$2,027	$2,166	$2,106	$2,313	$147	$207
Contractual Services	$9,438	$8,604	$8,981	$9,492	$8,443	$8,684	($808)	$241
Supplies	$4,702	$5,669	$6,326	$7,124	$6,234	$6,800	($324)	$566
Utilities	$3,306	$2,430	$3,142	$3,211	$3,250	$3,121	($90)	($129)
Liability Insurance	$1,670	$2,015	$2,156	$2,487	$2,461	$2,426	($61)	($35)
Subtotal Recurring Expenses	**$100,354**	**$105,289**	**$117,760**	**$139,663**	**$122,753**	**$141,243**	**$1,580**	**$18,490**
Settlements	$0	$0	$0	$16,460	$16,460	$0	($16,460)	($16,460)
Total Expenses	**$0**	**$0**	**$117,760**	**$156,123**	**$139,213**	**$141,243**	**($14,880)**	**$2,030**

These amounts include special funds which contain significant fund balances that can only be spent for specific legally defined purposes, and remain in the appropriate fund until they are expended. As such, the special funds carry significant unspent fund balances from one year to the next. In turn, the entire balance of each of these funds is typically budgeted as some form of capital reserve so as to make it available during the year. This makes it appear as though spending is increasing markedly over the prior year's estimate. Compared with the prior year's budget, the $1 million overall increase is insignificant.



The FY 2020 Proposed Budget is $1.6 million more than last year's budget, not including legal settlements. Increases in the overall budget include ($4.36 million increase), debt service ($1.28 million), and planned payments of property taxes to the Rosenberg Library, Tax Increment Zones and MUDs ($324,000 more). These increases are offset by a net reductions in the budget for vehicles and technology of $3.3 million, and water supply payments to Gulf Coast Water Authority ($449,000). Other categories are down a net $646,000 overall.

Personnel Cost

The FY 2020 Proposed Budget increase of $4.6 million over FY 2019 estimated spending for citywide personnel is explained by (1) $1.44 million in pay adjustments/COLAS including Collective Bargaining Agreements plans for police and fire civil service and non-civil service as well, (2) $2.29 million for the increased cost of health benefits, (3) net increase of $165,000 to completely fund the new 18 percent pension contribution after advancing funds in FY 2019 to begin paying for it, (4) $1.27 million for positions in non-General Fund areas for reduced personnel vacancies in FY 2020 to provide more consistent services, (5) $660,000 to fund partially filled General Fund position in FY 2019, (6) reduced spending on positions eliminated ($622,000) and (7) $95,000 net change in all personnel accounts citywide.

MAJOR CHANGES IN FY 2020 PERSONNEL BUDGET AS COMPARED WITH FY 2019 ESTIMATE

Personnel Cost Category	**FY 2020 Over/ (Under) FY19 Estimate**
Pay Adjustments/COLA's (benefits included)	
Police	$567,000
Fire	$275,000
Non-Civil Service (Citywide)	$601,033
Pay Adjustments Subtotal	**$1,443,033**
Health insurance cost increase	**$2,285,327**
Net Police Pension Contribution (17% contributed beginning in January 2019; 18% in FY 2020)	**$165,155**
Reduced Vacancy Rates for FY 2020	
Waterworks (6 positions for water valve crew)	$292,325
Wastewater (6 positions out of 87)	$313,570
Sanitaton (2.5 vacant and one new position)	$127,012
Drainage (4 vacant positions)	$172,099
Technology Services (2 positions)	$165,014
Construction Management (2 positions)	$134,938
Garage (1 position)	$62,920
Non-General Fund Subtotal	**$1,267,878**
Increase in filled police positions (approx.5)	$367,039
Planning (1 professional and 0.5 managerial positions moved back to General Fund from special funds)	$183,814
Municipal Courts (2 Clerk positions filled late in FY2019)	$108,705
General Fund Subtotal	**$659,558**
Reduced Vacancy Rates Subtotal	**$1,927,436**
Positions Eliminated	
Island Transit (20 positions)	($423,263)
Emergency Manager (8 months savings)	($49,235)
Public Works Asst Director (50-50 Streets and Drainage, 6 months savings)	($51,298)
Purchasing Specialist (6 months saving)	($23,290)
Budget Admin/Coordinator (Parks)	($74,959)
Positions Eliminated Subtotal	**($622,045)**
Net effect of other personnel accounts citywide	$95,368
Total Increase in FY 2020 Proposed Personnel Budget over FY 2019 Estimated Amount	**$5,294,275**

CITY OF GALVESTON BUDGETED POSITIONS
FY 2015 - FY 2020

FUND/DEPARTMENT	2015	2016	2017	2018	2019	2020	FY20 vs FY19	FY20 vs FY15
General Fund								
City Secretary	3.00	4.00	4.00	4.00	4.00	4.00	0.00	1.00
Municipal Court	8.00	8.00	8.00	8.00	8.00	10.00	2.00	2.00
City Manager	4.40	5.50	5.50	4.50	3.00	3.00	0.00	(1.40)
City Auditor	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00
City Attorney	6.00	7.00	7.00	7.00	7.00	7.00	0.00	1.00
Human resources	3.30	4.30	4.78	5.30	5.30	5.30	0.00	2.00
Finance	15.75	18.50	18.50	18.00	17.00	15.00	(2.00)	(0.75)
Police (Unclassified)	37.25	38.25	38.25	41.25	41.25	41.00	(0.25)	3.75
Police (Classified)	146.00	146.00	152.00	162.00	168.00	168.00	0.00	22.00
Fire (Unclassified)	4.00	4.00	4.00	4.00	4.00	4.00	0.00	0.00
Fire (Classified)	112.00	115.00	115.00	115.00	115.00	115.00	0.00	3.00
Emergency Management	2.00	2.00	2.00	2.00	2.00	1.00	(1.00)	(1.00)
City Marshal	0.00	0.50	0.50	0.50	0.50	7.85	7.35	7.85
Streets & Traffic	41.75	46.25	50.25	57.55	61.05	60.25	(0.80)	18.50
Parks and Recreation	34.00	36.00	39.00	39.50	41.50	42.60	1.10	8.60
Developmental Services	23.05	24.88	24.88	24.20	25.20	19.50	(5.70)	(3.55)
Total General Fund	**442.50**	**462.18**	**475.66**	**495.00**	**504.80**	**505.50**	**0.70**	**63.00**
Waterworks Fund	40.63	42.56	44.79	44.48	43.88	49.96	6.08	9.33
Sanitary Sewer System Fund	84.13	88.56	90.04	88.48	87.88	86.96	(0.92)	2.83
Drainage Utility*	25.20	27.80	33.00	36.60	36.35	36.23	(0.12)	11.03
Sanitation Fund*	58.30	58.38	58.60	58.60	58.60	59.60	1.00	1.30
Municipal Airport	8.00	8.00	8.00	8.00	8.00	7.00	(1.00)	(1.00)
Total Enterprise Funds	**216.25**	**225.30**	**234.43**	**236.00**	**234.70**	**239.75**	**5.05**	**23.50**
Central Service Fund	15.00	14.00	16.00	22.00	24.00	26.00	2.00	11.00
Central Garage Fund	22.00	22.00	22.00	22.00	22.00	24.00	2.00	2.00
Municipal Insurance Fund	1.70	1.70	1.70	1.70	1.70	1.70	0.00	0.00
CIP Project Management	5.00	5.50	14.00	17.00	17.25	16.00	(1.25)	11.00
Total Internal Service Funds	**43.70**	**43.20**	**53.70**	**63.00**	**64.95**	**67.70**	**2.75**	**24.00**
Island Transit	57.00	58.00	58.00	57.00	53.00	32.25	(20.75)	(24.75)
Parking Management	4.00	3.50	3.50	4.50	4.50	4.50	0.00	0.50
Lasker Park Pool	0.00	0.00	1.50	1.50	3.50	4.10	0.60	4.10
Alarm Permit	0.75	0.75	0.75	0.75	0.75	0.75	0.00	0.00
Revenue Producing Parks	0.00	0.00	0.00	0.00	0.30	0.30	0.00	0.30
Total Special Revenue Funds	**61.75**	**62.25**	**63.75**	**63.75**	**62.05**	**41.90**	**(20.15)**	**(19.85)**
Total All Budgeted positions	**764.00**	**793.00**	**828.00**	**858.00**	**866.50**	**855.00**	**(11.65)**	**90.65**
GRANT FUNDED POSITIONS								
Recurring Grant Funded Positions	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**FY20 vs FY19**	**FY20 vs FY15**
CDBG - Code Enforcement	3.95	2.88	2.85	2.85	2.80	3.00	0.20	(0.95)
CDBG - Planning	0.00	0.00	0.00	2.85	0.00	0.00	0.00	0.00
CDBG - Program Management	3.70	3.30	3.30	3.30	3.30	2.55	(0.75)	(1.15)
CDBG - Housing Rehab Administration	0.60	0.70	0.70	0.70	0.70	0.45	(0.25)	(0.15)
Industrial Development Corporation (IDC) - City Mgr	1.00	2.00	2.00	0.00	0.00	0.00	0.00	(1.00)
IDC - Parks	0.00	0.00	0.00	2.00	4.00	4.00	0.00	4.00
IDC - Finance	0.50	0.00	0.00	0.00	0.00	0.00	0.00	(0.50)
IDC - Coastal Resources	0.00	1.00	1.00	1.00	2.00	2.00	0.00	2.00
IDC - Economic Development Coordinator	0.00	0.00	0.00	0.00	1.00	1.00	0.00	1.00
IDC - Technology Services	0.00	0.00	0.00	1.00	1.00	1.00	0.00	1.00
Neighborhood - Project Management	0.00	2.00	1.00	1.00	1.00	0.00	(1.00)	0.00
Island Transit - Finance	0.25	0.00	0.00	0.00	0.00	0.00	0.00	(0.25)
Total Recurring Grant Positions	**11.00**	**11.88**	**10.85**	**14.70**	**15.80**	**14.00**	**(1.80)**	**4.00**
TOTAL BUDGETED AND GRANT FUNDED POSITIONS	**777.00**	**805.00**	**839.00**	**873.00**	**882.30**	**869.00**	**(13.45)**	**94.65**

*The Recycling Division was actually funded and moved from the Drainage Fund to the Sanitation Fund in FY2016. This chart reflects the change occurring in FY2015 for comparison purposes only.

Budgeted Position Change

The FY 2020 Proposed Budget includes a total of 869 positions, 13.45 less than in FY 2019. Island Transit's position count is down 20.75, and all other departments taken together are budgeted for 7.3 additional positions in FY 2020. The additions and reductions cross a number of departments, and it is important to note the reorganization of the budget that is recognizing

the positions that report to the City Marshal. This includes 4.25 positions moved from Code Enforcement, two civilian positions moved from Police, and the City Marshal position itself. Half of the City Marshal's position is still budgeted under the Parking Management special fund.

The budgeted positions chart points out that there has been a net gain in budgeted positions of 94.65 between FY 2015 and FY 2020. Close analysis of the chart reveals that the lion's share of the growth in positions net of the Island Transit losses occurred in five areas:

Growth in Budgeted Positions
Critical Needs Areas FY15-20

Public Works	43.0
Public Safety	28.8
Parks	17.0
CIP Project Mgt.	11.0
Technology Services	6.0
Critical Need Areas	**105.7**

Public Works growth included crews that are implementing preventive maintenance and reconstruction of city streets, ongoing programs to upgrade street signage and signalization, to replace curbs and gutters, to clear drainage ways as well as test and replace fire hydrants and water line valves. Public Safety additions included 22 police officers and three firefighters. Parks Department position included the four positions for the Lasker Pool as well as crews to mow and maintain rights of way, the new ballpark complex and newly acquired pocket parks. Minimal additions were made in administrative areas, including two positions in Human Resources and one each in the City Secretary and City Attorney's offices. Finance department staff is at the same general staffing level as in FY 2015.

Debt Service

Debt Service is expected to be $2.8 million higher in FY 2020 than in last year's budget as the result of a new General Obligation Bond sale ($1.9 million in debt service) and a net increase in water and sewer system debt of $1.4 million for water and sewer bonds sold in spring 2019. Other principal and interest payments for previously existing debt are scheduled to drop $0.5 million from last year. The City's $18.6 million in planned debt service payments includes $7.9 million in principal payments on prior years' bond sales and $1 million on the new General Obligation sale this year.

Water Supply

The City of Galveston gets its potable water from the Gulf Coast Water Authority under a contract that covers operation of water purification facilities, maintenance of water supply and transmission lines, as well as water system projects that are constructed by GCWA and financed through the GCWA in the name of the City. The Budget for the City's payments to GCWA is dropping $449,000 from last year's budget and $98,000 from the actual amount estimated to be paid in FY 2019. This is due to unusually wet conditions and the City's water purchases running fifteen percent behind last year. Furthermore, the City made its last payment on one of three debt issuances made by GCWA on the City's behalf last year which also contributed to this reduced budget.

Vehicles and Technology
The Proposed Budget includes $2.8 million less for vehicles and equipment than was expended in the FY 2019 budget. Technology improvements will be funded at approximately $250,000 more than the same level to continue improving the city's customer service and operational capabilities.

Investment and Spending on Capital Goods
Included in this category are funds set aside in the Infrastructure and Debt Service fund, and in special funds that are used for specifically limited purposes. The latter include the Convention Center Surplus fund, the Recovery and Capital Reserve fund, the Hurricane Harvey fund and the Public Access Channel fund. The FY 2019 Estimated spending reflects that the majority of these funds will not be spent but will carry over in the fund in which they originate.

Property Tax Revenue Passed Through to Others
Property taxes collected by the City as a part of its $0.579885 per $100 of taxable value include a total of $5 million for the Rosenberg Library, Tax Increment Reinvestment Zones, and MUD 30. The Library uses the property tax funding for its operating budget, which has a sizable ending balance.

Non-Personnel Budget Items
Contractual Services ($8.7 million), supplies ($6.8 million) and utilities ($3.1 million) add up to $18.6 million in the Proposed FY 2020 Budget. Combined, these non-personnel operating budget items are $1.2 million less than in the FY 2019 Budget, but $678,000 more than is projected to have been spent by the end of this fiscal year. Significant areas of change include:

1. Electricity charges down $242,000 from last year's budget due to the reduced kilowatt hour rate (3.9 cents down from approximately 5 cents per Kwh) that took effect on January 1, 2019.
2. Software maintenance and licensing down $75,000 from last year's budget;
3. Vehicle fuel up $190,000 from FY 2019 spending;
4. Concrete and aggregate up $105,000 from FY 2019 spending;
5. Minor equipment $198,000 down from the FY 2019 Budget ; and
6. Attorney's fees down $900,000 from the FY 2019 Budgeted level.

Settlements
In FY 2019, the city settled a major court case that dated to the early Ike recovery days. While the plaintiffs asked for a significantly larger sum, the court awarded a $15.7 million sum which would accrue post judgement interest until the case would be resolved. Rather than continue to incur legal fees and judgement interest, the City settled by paying $13.5 million to fully close the case. The second settlement prevented an issue from going to court with a payment of $2.96 million that kept a vital federally funded construction project going. The City expects to recover some of this settlement payment.

FY 2020 PROPOSED BUDGET
FINANCIAL AND BUDGET POLICY OVERVIEW

Overview

The City of Galveston's budget and financial management is subject to several authoritative sources that govern the preparation, submission, review, adoption and administration of the Budget. The City Charter, Budget Ordinance, the State Budget Law and the State Property Tax Code comprise a significant body of financial and budgetary requirements, the most significant of which are summarized here.

Budget Preparation Process and Criteria

1. The City Manager is the city's budget officer (Chapter 102.001, Texas Local Government Code). The City Manager requires that information be provided by City officials, departments and boards for use in preparing the budget. (Chapter 102.004, Texas Local Government Code).
2. The proposed budget must include a complete financial statement of the municipality that includes outstanding obligations, cash on hand, all sources of anticipated revenue as well as all expenditures for the prior, current and future year (Chapter 102.005, Texas Local Government Code).
3. The proposed budget must include a one year Capital Budget and a five year Capital Improvement Plan with expenditure estimates for each project and a plan for their financing (City Charter, Article VII Section 6).
4. The General Fund must have a fund balance budgeted to equal at least ninety days of operating cost as of the end of the fiscal year (City Ordinance).
5. The General Fund budget must also include an annual transfer of up to eight percent as defined in the Charter to the Infrastructure and Debt Service Fund for purposes of funding projects at least $100,000 in amount (City Charter, Article VII Section 20).
6. The property tax rate is capped at $0.70 per $100 of taxable value less the adjustment made each tax and fiscal year for the effect of the half cent sales tax that is dedicated to property tax reduction. For FY 2019, this adjustment is $0.0977, making the FY 2019 rate cap $0.6023 per $100 of taxable value (City Charter, Article VIII, Section 2(b)).
7. No general obligation debt limitation is imposed on the City under current State law or the city's Home Rule Charter; however, State law and the City's Charter limit the City's ad valorem tax rate as described above.

Budget Submission and Review

1. The Manager submits the proposed budget to the City Council at least forty five days prior to the start of the fiscal year on October 1 (City Charter, Article VII Section 6).
2. The Council shall not approve a budget that is more than seven percent greater than the prior year's budget, excluding unspent funds already considered in a prior year (Article VII Section 19).
3. The Council shall call a public hearing on the budget to occur at least fifteen days after the budget is submitted, and publicize the meeting with a newspaper advertisement that

appears at least ten days before the date of the hearing (Chapter 102.005 and 102.0065, Texas Local Government Code).

4. The front page of the budget and the newspaper advertisement publicizing the public hearing required for the budget will have language describing and explaining in specific terms how any increase in property taxes is allocated between increased appraisal values provided by the Galveston County Appraisal District and the added value of new construction (Chapter 102.0065 and 102.007, Texas Local Government Code).

Budget Adoption

1. The City Council shall adopt the budget no later than the second or last meeting in September or it will take effect in its then current proposed form (City Charter, Article VII Section 8).
2. The budget is adopted before the property tax rate is adopted by City Council to ensure that the tax levy is in accordance with the budget (Chapter 102.009, Texas Local Government Code).
3. Once adopted, the budget can be amended with approval of the City Council to move funds from one department to another (City Charter, Article VII Section 9) to meet either general municipal purposes (Chapter 102.010, Texas Local Government Code) or unforeseen emergencies (Chapter 102.009, Texas Local Government Code).

Budget Administration

1. No funds shall be expended nor any obligation be incurred unless funds are available in the budget (City Charter, Article VII, Section 9).
2. Any unencumbered balance of budgeted or appropriated funds reverts to and remains in the fund from which it is appropriated (City Charter, Article VII, Section 9).
3. Budgeted beginning operating and capital fund balances are replaced automatically by the actual ending fund balances reflected in the Comprehensive Annual Financial Report once they become know (Budget Ordinance Section 4).
4. The City Manager is authorized to approve budget transfers within each department and fund approved budget (Budget Ordinance Section 3(b)).
5. The Capital Budget is amended only to recognize the addition or deletion or rescheduling of projects to a later year (Budget Ordinance Section 5(c)).
6. The Finance Director is authorized to close capital funds with balances less than $15,000 by charging expenses in accordance with legally restricted uses of funds and prior Council approval of the project charges in question (Budget Ordinance Section5(f)).
7. Quarterly reports are filed to provide the financial and general status of all projects in the adopted capital budget (Budget Ordinance Section 5(b)).
8. Quarterly reports are also filed with City Council for all operating funds in conjunction with the aforementioned project status reports to project year ending revenue, expenditure and balance amounts (Financial Policy).
9. Only City Council can approve an allocation of the General Fund Contingency and then, only after first holding a public hearing on the proposed allocation.

CITY OF GALVESTON

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General Fund

FY 2020 PROPOSED BUDGET
GENERAL FUND SUMMARY

Overview

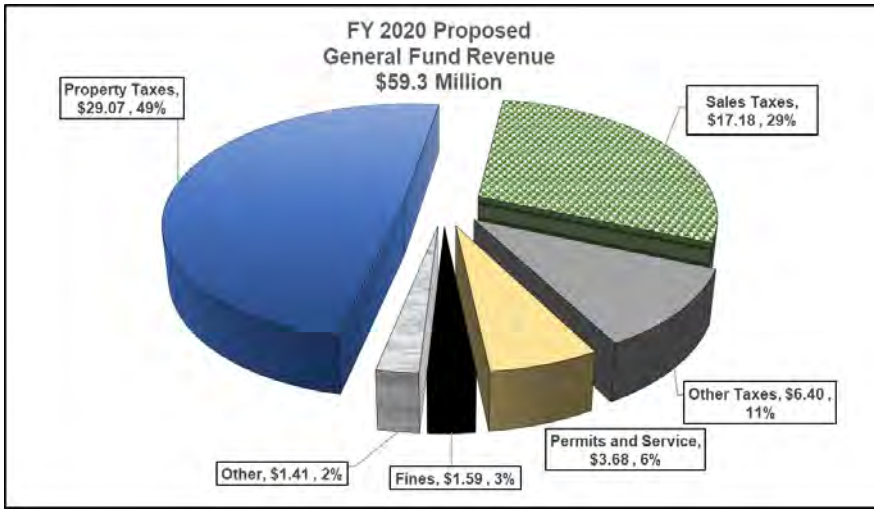
The General Fund is financed with the City's two major revenue resources, property and sales taxes. These revenues are used to provide public safety services and street and traffic maintenance services. The General Fund is also the largest single fund in the City budget and it houses the city's central administrative departments' budgets as well.

The FY 2020 Proposed Budget includes $2.42 million for recurring cost increases that are unavoidable and not optional. The Proposed Budget includes funding for these commitments, $887,000 for needed items and a pay raise for all General Fund employees. The overall funding proposal is made possible by last year's department expenditures reduction of over $1 million. The pay adjustments are based on labor market averages in the case of Police (5.8 percent effective January 1, 2020) and Fire (3.5 percent effective October 1, 2019). Civilian employees are proposed to receive a two percent cost of living adjustment (COLA) effective October 1, 2020 as well. The revenue budget includes funding for the Police and Fire pay plans that will come from a proposed increase in the property tax rate of 1.8885 cents. This generates $842,000 net for the General Fund after funding the increased reserves and Infrastructure set aside that are required by a larger General Fund Budget.

General Fund Baseline Revenue

General Fund revenue is largely comprised of major taxes that also provide the majority of revenue growth in the fund. In the FY 2020 Proposed Budget, Property Taxes, Sales Taxes, and Other Taxes, including franchise fees, and mixed drink taxes, add up to 89 percent of General Fund revenue. Historically, these sources provide all of the annual recurring revenue growth in the General Fund. Baseline FY 2020 revenue totals $57,930,100, and is up $2,270,400 from the FY 2019 Adopted Budget.

1. Baseline Property taxes – Up $1,548,900 due to 5.88 percent growth in taxable value over the FY 2019 Adopted Budget. The proposed tax rate increase will generate $1,169,700 more in property taxes bringing the General Fund property tax revenue total to $29.07 million as shown in the chart below.
2. Sales taxes - Up $575,000 due to 2 percent annual growth in the regional and national economies.



3. Franchise and Mixed Drink Taxes – The FY 2020 total for Other Taxes (not property or sales taxes) is down from the FY 2019 Adopted Budget by $94,500, including a reduction in Franchise fees of $193,400 and an increase in Mixed Drink Taxes of $111,900. A subset of Franchise fees, telecommunications franchise fees are down from the FY 2019 Adopted Budget by $202,500 due to new State law exempting telecomm companies (e.g. Comcast and AT&T) from paying the smaller of the two types of franchise taxes paid for cable TV and telecommunications service. This new law takes effect January 1, 2020, and full effect will be felt in FY 2021 (next fiscal year).
4. Other sources – All categories are up $228,000 from the FY 2019 Adopted Budget, including a $25,000 reduction in Interest income being the only category that is down from last year's budget. Court fines are up $99,000 from a year ago along with internal charges for administrative services provided by central executive and administrative departments to enterprise funds.

FY 2020 General Fund Baseline Expense Commitments

The table below and the explanation to follow provide a basic design as to how the FY 2020 General Budget was built.

FY 2020 PROPOSED BUDGET
BASELINE GENERAL FUND CHANGES

General Fund Budget Category	FY 2019 Adopted Budget	Increase/ (Decrease)	FY 2020 Proposed Budget
Baseline Revenue	$55,896,700		
Net FY 2020 Baseline Revenue Growth		$2,270,400	
Carryover Funding Prior Years		$345,828	
Subtotal FY 2020 Baseline Revenue	**$55,896,700**	**$2,616,228**	**$58,512,928**
Adopted FY 2019 Expenditures Budget	$55,896,702	$0	$55,896,702
Subtotal FY 2020 Baseline for Department FY 2019 Budget Cuts	**$55,896,700**	**$0**	**$55,896,700**
Revenue Over/ (Under) Expense	**$0**	**$2,616,228**	**$2,616,228**
Changes Required, Needed and Reduction Made			**Baseline Allocations**
FY 2020 Required Expendiure Increases			
Infrastructure Transfer		$740,599	
Health Insurance		$1,240,000	
Police Pension Contribution		$395,028	
EMS Ambulance service		$49,000	
Subtotal Mandatory Increases		**$2,424,627**	**$2,424,627**
FY 2020 General Fund Increases Needed			
Vehicle Purchases		$250,000	
Comprehensive Plan Update		$100,000	
Island Transit Subsidy		$200,000	
Code Enforcement Reorg		($2,982)	
Economic Development 380 Agreement Payments		$47,500	
Planning Department Personnel		$183,814	
Municipal Court Clerks		$108,705	
Subtotal FY 2020 Needs		**$887,037**	**$887,037**
Net Other Budget Increases/(Decreases)			
Public Safety		($227,749)	
Public Works		($44,448)	
Parks and Recreation		($131,746)	
Development Services		($83,104)	
General Government		($122,032)	
Finance		($240,954)	
Non-Departmental		$154,594	
Subtotal FY 2020 Other Budget Changes		**($695,438)**	**($695,438)**
Total Department Expenditure Changes			**$2,616,226**

The comparison with FY 2019 Adopted Budget demonstrates how every General Fund Department received some kind of reorganization or reduction in order to make the funding for major commitments possible.

1. The FY 2020 Proposed Budget for the General Fund must first provide in its baseline $2,424,627 in recurring funds for major funding commitments that start in FY 2020 and continue for the foreseeable future.
   a. Transfer to the Infrastructure and Debt Service Fund – Required by City Charter, this transfer takes eight percent of General Fund total revenues and sets them aside every year. In FY 2020, the transfer is $4,634,408 is included as budgeted expense based on eight percent of the baseline revenue total without any tax increase. Last year, the transfer was only seven percent amounting to $3,912,769. This is a $740,599 increase in recurring expenditures with no property tax rate increase that would cause the Infrastructure set aside to increase by eight percent of the corresponding revenue increase amount.
   b. Increased City contributions to employee health insurance – This is to raise the city contribution in this essential benefit for city employees. Every budget includes $6,720 per budgeted position for the year, and this amount is being increased by thirty-three percent ($2,220 per position for the year) in the special reserve account set up at the fund level. This is based on the difference current year plan costs (including claims and administration) and contributions, and an 8 percent expected increase in next year's costs. The General Fund share of this increase is $1,240,000 while the total increase in cost is $2.08 million citywide. This increase is thought to be sufficient but may need to be increased in order to secure a minimum fund balance in FY 2020. The bid process underway for alternatives to our current plan and administrator can impact this funding proposal with more cost effective plan provisions. Also, it does not provide added funds likely needed in the Health Benefits fund in FY 2019 that must be identified and shared with the Park Board and the Port after the exact amount of the FY 2019 funding need is known.
   c. Police pension contribution – This Proposed Budget includes $2,243,060 to fund an 18% contribution to the police pension fund in FY 2020 in accordance with the compromise solution passed into State law earlier this summer. The contribution would have 14.83 percent without the legislative compromise, and the budget would have been $1,848,032, or $395,028 less than required. Bear in mind that the FY 2019 Budget and Estimated amounts include approximately $200,000 to fund early implementation of this change with a one-time, non-recurring transfer from the Pension Reform Special Fund.
   d. Emergency Medical Service – The Galveston County Health Department has notified us that the annual cost is going up by $49,000 for the first time in many years.

2. Seven General Fund budgeted needs includes items that do not all increase costs in FY 2020 but add up to a net increase of $887,037.
   a. Vehicle Purchases- General Fund vehicle purchases are proposed at $1 million instead of $750,000, a $250,000 increase. Consider that all police and fire public safety vehicles must be purchased from this annual allocation. Also consider that this account was budgeted at $1 million in Fiscal Years 2015, 2016 and 2018, and $1.28 million in FY 2017, and has been adequate to renew and maintain the General Fund fleet in good working order.
   b. The Comprehensive Plan Update is included in the Planning Department budget at $100,000.

c. Island Transit Subsidy – This budgeted line item in the General Fund is $200,000 more than in the FY 2019 Adopted Budget based on a stable operating budget for Island Transit given the shedding of services that were non-basic to the mission of IT as well as the need to maintain sufficient local funds to provide a match for our newly established Urban System Federal Transit Administration grants.
d. The consolidated Code Enforcement budget is here, recognizing the City Marshal's important mission while demonstrating its almost zero impact (decrease of $2,982 showing) without considering the budget transferred from Police for two personnel working code related issues.
e. The City Council has approved several economic development "380 Agreements" with agreed upon payments that will be made once a developer meets certain development targets. The estimated cost in FY 2020 is $47,500 for these payments.
f. Planning Department Budget Adjustment – This budget is increasing $183,814 to reflect transfer of the Neighborhood Improvements project manager and fifty percent of the ACM's salary and benefits for Economic Development and Planning back to the General Fund from the special funds they manage
g. Two Municipal Court Clerks were hired in May, 2019 to assist in processing the increasing caseload regarding code enforcement case. The full year's cost of this necessary action is $108,705.

3. Other expenditure budget increases and decreases in FY 2020 add up to a net decrease of $695,438 from their FY 2019 Adopted Budget levels including:
   a. Positions eliminated in Finance, Parks, Public Works, Emergency Management and Island Transit;
   b. Reorganization of the Community Outreach/Public Information area into one budget line charged by the Central Service Fund; and
   c. Normal budget underruns and overruns.

The Proposed Property Tax Increase

The proposed property tax increase of 1.8885 cents brings the total overall rate to $0.579885 which is greater than the effective rate of $0.538771 and less than the Rollback Rate of $0.582433. If the Effective Rate were adopted, it would generate $419,300 in new revenue growth total over last year's total. This loss of revenue would not only eliminate the possibility of any raise for city employees, it would necessitate significantly damaging cuts in all departments, given the $2.4 million needed for the four mandatory increases.

Allocation of Tax Rate Increase	$Amount
Revenue from 1.8885 cent per $100 taxable value	$1,169,700
Eight percent for Infrastructure and Debt Service setaside	$93,576
Increase 90 day reserve	$234,124
Remainder Available for Public Safety Pay adjustment	**$842,000**

General Fund 90 Day Reserve Requirement

By city charter and by ordinance, the General Fund must retain an ending balance equal to ninety days of operating expenditures. The FY 2020 Proposed General Fund Budget includes an ending fund balance of $14,658,535, which is 90 days of the $59,448,504 proposed for departmental and general spending. In the recent past, the City had amassed a substantial fund balance, which allowed the City to accomplish and resolve some long-standing issues.

In FY 2017, the City received $2.2 million as its share of cash on hand when TIRZ 15 was closed. At the City Manager's recommendation and with full City Council approval, this sum was set aside in a Pension Reform Special Fund. This special fund then was utilized to come to an agreement with the firefighters on a long-term funding solution to more firmly establishing their pension fund's solvency. Both parties increased their recurring contributions and the City provided $1 million in cash from the Pension Reform Special Fund to help secure the agreement.

In FY 2018, it was necessary to appropriate $2.44 million from General Fund balance for Hurricane Harvey recovery. The General Fund did not bear this load alone, as every other major operating fund contributed funds for match and up front financing so that the city would not be dependent on FEMA for Harvey funding should that funding become unreliable. These funds are now being recovered; beginning with the Sanitation Fund's cost for debris removal, which was recently recovered in the amount of $920,000. The General Fund incurred a substantial cost in the $400,000 range for Protective Measures, all of which is expected to be recovered soon.

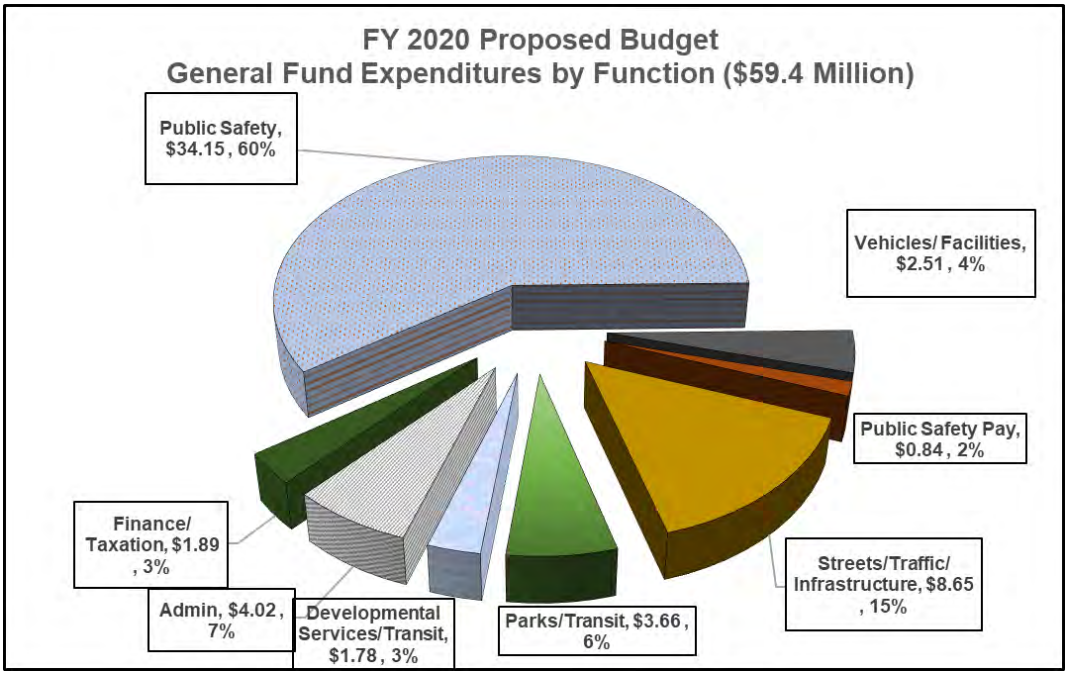
In FY 2019, the City had to address the CDM Smith settlement with $13.5 million from its general reserves shown below. The General Fund balance excess was committed to this settlement along with funds generated from cuts in department budgets as well as large balances that were being maintained in the liability insurance central services funds. This funding plan, shown below, enabled the City to avoid multiyear payment schedules while resolving the matter full.

FY 2019 Budget Reductions by Fund	Recommended Amounts Available
Insurance Internal Service Funds	
Casualty and Liability Fund Balance in excess of 90 days	$2,893,200
Workers Compensation Fund Balance in excess of 90 Days - Transfer to Casualty and Libility Fund	$2,386,800
Insurance Internal Service Fund Subtotal	**$5,280,000**
General Fund FY 2019 Budget Transfer to Settlements Fund	
Departmental Budget Reductions - Allow Unspent amounts to go to fund General Fund balance	$1,091,319
Reduce Transfer from General Fund to Hurricane Harvey fund	$1,300,000
Use Excess Fund Balance over 90 Days	$1,236,681
Use General Fund Balance Contingency	$2,500,000
General Fund Transfer to Settlement Fund Subtotal	**$6,128,000**
Settlement and Capital Reserve Fund	
Reallocate Capital Reserve to pay settlement	$2,092,000
Recovery and Capital Reserve Fund Subtotal	**$2,092,000**
GRAND TOTAL	**$13,500,000**

In FY 2020, the General Fund is being utilized as a funding source to address the needs discussed in the previous section. A total of $111,704 is being utilized as interim financing pending receipt of the Hurricane Harvey funds with other fund balance building options available to the City during FY 2020.

Expenditure Priorities

In FY 2013, the city began to set aside a portion of its General Fund budget for infrastructure and debt service. This was approved as a city charter provision by the voters, establishing a progressive contribution from general revenues to improving the city's infrastructure. It began in FY 2013 at one percent of the General Fund budget and is now at eight percent, resulting in a $4.7 million set aside in the Infrastructure and Debt Service Fund special fund. It will continue to grow as the General Fund grows in an expected range of three percent annually.



The overall composition of the General Fund is heavily weighted toward public safety and infrastructure. Police, Fire, EMS and the infrastructure components of the General Fund (Streets, Traffic and the Infrastructure and Debt Service Transfer) amount to 73 percent of the General Fund Budget.

GENERAL FUND BUDGETED POSITIONS
FY 2015 - FY 2020

FUND/DEPARTMENT	2015	2016	2017	2018	2019	2020	FY20 vs FY19	FY20 vs FY15
General Fund								
City Secretary	3.00	4.00	4.00	4.00	4.00	4.00	0.00	1.00
Municipal Court	8.00	8.00	8.00	8.00	8.00	10.00	2.00	2.00
City Manager	4.40	5.50	5.50	4.50	3.00	3.00	0.00	(1.40)
City Auditor	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00
City Attorney	6.00	7.00	7.00	7.00	7.00	7.00	0.00	1.00
Human resources	3.30	4.30	4.78	5.30	5.30	5.30	0.00	2.00
Finance	15.75	18.50	18.50	18.00	17.00	15.00	(2.00)	(0.75)
Police (Unclassified)	37.25	38.25	38.25	41.25	41.25	41.00	(0.25)	3.75
Police (Classified)	146.00	146.00	152.00	162.00	168.00	168.00	0.00	22.00
Fire (Unclassified)	4.00	4.00	4.00	4.00	4.00	4.00	0.00	0.00
Fire (Classified)	112.00	115.00	115.00	115.00	115.00	115.00	0.00	3.00
Emergency Management	2.00	2.00	2.00	2.00	2.00	1.00	(1.00)	(1.00)
City Marshal	0.00	0.50	0.50	0.50	0.50	7.85	7.35	7.85
Streets & Traffic	41.75	46.25	50.25	57.55	61.05	60.25	(0.80)	18.50
Parks and Recreation	34.00	36.00	39.00	39.50	41.50	42.60	1.10	8.60
Developmental Services	23.05	24.88	24.88	24.20	25.20	19.50	(5.70)	(3.55)
Total General Fund	**442.50**	**462.18**	**475.66**	**495.00**	**504.80**	**505.50**	**0.70**	**63.00**

CITY OF GALVESTON

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FY2020 PROPOSED BUDGET
GENERAL FUND SUMMARY

	FY2018 ACTUAL	FY2019 ADOPTED BUDGET	FY2019 AMENDED BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	**$17,659,927**	**$19,711,413**	**$19,711,413**	**$19,711,413**	**$14,886,180**
Revenues					
Property Taxes	$25,068,939	$26,350,400	$26,350,400	$26,443,100	$29,069,000
Sales Taxes	16,068,519	16,600,000	16,600,000	16,600,000	17,175,000
Mixed Beverage Taxes	933,147	951,100	951,100	1,016,000	1,063,000
Franchise Taxes	5,671,489	5,531,000	5,531,000	5,521,100	5,337,600
Licenses and Permits	1,196,240	1,172,100	1,172,100	1,243,100	1,243,100
Interfund Transfers for Service	2,093,885	2,140,300	2,140,300	2,145,000	2,207,700
Charges for Services	291,454	226,900	226,900	214,700	233,700
Fines and Forfeits	1,528,690	1,491,700	1,491,700	1,691,200	1,591,200
Investment Earnings	319,693	350,000	350,000	425,000	325,000
Other Revenues	1,038,006	1,033,200	1,033,200	1,041,500	1,041,500
Other Financing Sources	125,000	50,000	50,000	248,000	50,000
Total Revenues	**$54,335,062**	**$55,896,700**	**$55,896,700**	**$56,588,700**	**$59,336,800**
Expenditures					
Public Safety					
Police	$19,315,976	$20,668,629	$20,460,371	$20,350,082	$20,990,148
Fire	11,146,620	11,627,858	11,469,269	11,502,697	11,583,074
Emergency Management	256,682	247,763	242,732	212,306	138,308
Emergency Medical Service	566,110	566,200	566,200	566,097	615,200
Civilian Services/City Marshal	58,996	63,249	63,249	65,563	819,018
	$31,344,384	**$33,173,699**	**$32,801,821**	**$32,696,745**	**$34,145,747**
Public Works					
Streets	$1,803,739	$1,846,550	$1,834,363	$1,773,067	$1,831,185
Traffic	2,101,837	2,097,682	2,030,740	2,053,598	2,068,600
	$3,905,577	**$3,944,232**	**$3,865,103**	**$3,826,664**	**$3,899,784**
Parks and Recreation					
Recreation Programs	$857,364	$970,971	$1,043,104	$1,156,925	$1,025,333
Parks and Parkways	1,849,467	2,021,725	1,886,034	1,703,119	1,835,618
	$2,706,831	**$2,992,696**	**$2,929,138**	**$2,860,044**	**$2,860,950**
Developmental Services					
Code Enforcement	$634,621	$758,751	$758,143	$692,400	$0
Building Inspection	632,724	672,039	611,935	606,984	696,738
Planning	1,139,330	914,214	914,134	856,592	1,090,225
	$2,406,675	**$2,345,004**	**$2,284,212**	**$2,155,975**	**$1,786,963**
General Government					
City Secretary	$521,835	$536,270	$525,271	$533,429	$544,646
Elections	20,986	68,000	67,000	58,545	58,500
Municipal Court	741,765	667,871	654,870	638,723	728,353
City Manager	696,411	682,997	668,997	704,235	696,989
City Auditor	269,118	274,851	269,352	271,217	278,551
City Attorney	788,627	928,227	909,227	906,136	833,109
Human Resources	494,664	555,375	555,375	565,003	560,117
Transportation	915,000	600,000	586,374	893,470	800,000
	$4,448,406	**$4,313,591**	**$4,236,466**	**$4,570,758**	**$4,500,264**

FY2020 PROPOSED BUDGET
GENERAL FUND SUMMARY

	FY2018 ACTUAL	FY2019 ADOPTED BUDGET	FY2019 AMENDED BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Finance					
Administration	$297,099	$368,569	$295,219	$301,626	$295,784
Accounting	771,566	876,023	793,352	811,857	809,506
Purchasing	231,354	243,907	243,907	246,604	206,150
Budget	272,797	374,947	296,874	300,638	309,330
	$1,572,816	**$1,863,446**	**$1,629,352**	**$1,660,725**	**$1,620,769**
Non-Departmental					
Taxation	$268,458	$270,000	$270,000	$200,624	$271,723
Facility Maintenance	1,594,346	1,448,170	1,448,170	1,449,958	1,515,665
COLA and Target Increases	0	250,933	250,933	0	285,000
Police Pay Reserve	0	0	0	0	567,000
Fire Pay Reserve	0	0	0	0	275,000
Contractual Services	7,077	216,002	22,500	28,294	70,000
Group Health Insurance Reserve	0	0	0	0	1,240,000
Community Outreach/Public Info	0	0	208,502	208,502	246,534
Transfer to Infrastructure Fund	3,275,010	3,912,769	3,912,769	3,912,769	4,746,944
Transfer to Separation Pay Fund	416,160	416,160	416,160	596,160	416,160
Vehicle Purchases	291,611	750,000	750,000	750,000	1,000,000
Grant Administration Cost	0	0	23,873	23,873	0
Salary Compensation Study	(2,500)	0	23,975	23,975	0
	$5,850,161	**$7,264,034**	**$7,326,882**	**$7,194,155**	**$10,634,026**
Total Expenditures	**$52,234,850**	**$55,896,702**	**$55,072,974**	**$54,965,066**	**$59,448,504**
Prior Year Adjustment	**($1,339)**	**$0**	**$0**	**($83,990)**	**$0**
Ending Fund Balance	**$19,758,800**	**$19,711,413**	**$20,535,140**	**$21,251,057**	**$14,774,476**
Less: Appropriation of Fund Balance					
One-Time Capital Outlay	$0	$285,000	$285,000	$234,798	$100,000
Broadway Corridor Streetscape/ Redevelopment Plan	36,652	0	0	0	0
Transfer to Hurricane Harvey	10,734	1,591,876	229,028	2,080	15,940
Fund Balance Contingency	0	2,500,000	0	0	0
Transfer to Settlement and Recovery Fund	0	0	6,128,000	6,128,000	0
	$47,386	**$4,376,876**	**$6,642,028**	**$6,364,877**	**$115,940**
Ending Fund Balance	**$19,711,413**	**$15,334,537**	**$13,893,112**	**$14,886,180**	**$14,658,535**
90 Day Reserve Requirement	**$12,879,826**	**$13,782,748**	**$13,579,637**	**$13,553,030**	**$14,658,535**
Fund Balance Over/(Under) 90 Day Reserve Requirement	**$6,831,587**	**$1,551,789**	**$313,474**	**$1,333,150**	**$0**
Total General Fund Appropriation	**$52,282,236**	**$60,273,578**	**$61,715,002**	**$61,329,943**	**$59,564,444**

FY 2020 PROPOSED BUDGET
GENERAL FUND REVENUE

ACCOUNT	ACCOUNT TITLE	FY 2018 Actual	FY 2019 Budget	FY 2019 Estimated	FY 2020 Proposed
311100	Real Property Taxes	26,319,469	27,856,000	27,759,300	30,637,000
311107	Real Property Taxes - Due to MUD 30	(344,147)	(363,200)	(363,200)	(397,200)
311110	Delinquent Property Taxes	403,445	345,000	440,000	395,000
311120	Property Tax Penalties and Interest	372,625	315,000	350,000	350,000
311270	Tax Increment Payable to TIRZ 12	(196,022)	(253,000)	(213,000)	(226,400)
311280	Tax Increment Payable to TIRZ 13	(495,437)	(529,600)	(515,000)	(593,500)
311290	Tax Increment Payable to TIRZ 14	(990,994)	(1,019,800)	(1,015,000)	(1,095,900)
	PROPERTY TAXES SUBTOTAL	**$25,068,939**	**$26,350,400**	**$26,443,100**	**$29,069,000**
313020	**Sales and Use Taxes**	**$16,068,519**	**$16,600,000**	**$16,600,000**	**$17,175,000**
314040	**Mixed Beverage Taxes**	**$933,147**	**$951,100**	**$1,016,000**	**$1,063,000**
314050	Bingo Tax	124	0	100	100
318210	Tour Train Franchise	1,204	1,000	1,000	1,000
318250	Electricity Franchise	3,186,046	3,144,000	3,097,000	3,116,000
318260	Natural Gas Franchise	437,675	431,000	438,000	438,000
318270	Cable TV Franchise	778,964	780,000	780,000	780,000
318280	Telephone Franchise	636,396	665,000	625,000	422,500
318300	Refuse Collection Franchise Fees	429,162	375,000	320,000	320,000
318301	Temporary Refuse Collection Franchise Fees	201,918	135,000	260,000	260,000
	FRANCHISE AND OTHER TAXES SUBTOTAL	**$5,671,489**	**$5,531,000**	**$5,521,100**	**$5,337,600**
	TOTAL TAXES	**$47,742,094**	**$49,432,500**	**$49,580,200**	**$52,644,600**
321101	Alcoholic Beverage Licenses	43,588	32,100	35,000	35,000
321110	Beer and Wine Licenses	29,320	24,600	29,000	29,000
321120	Late Hour Permits	6,300	5,500	5,500	5,500
321210	Cemetery Permits	550	2,000	500	500
321310	Fire Permits	120,511	102,000	120,000	120,000
321325	Burglar Alarm Permits	0	0	0	0
321620	Air Conditioning Contractors' Permits	600	500	500	500
321640	Electricians' Licenses	178	2,800	2,800	2,800
321650	Plumbers' Licenses	4,725	4,600	4,600	4,600
321690	Hotel Inspection Fee	22,615	20,400	20,000	20,000
321720	Coin Operated Machine License	8,745	9,200	9,200	9,200
321760	Vending Permits	10,343	10,200	14,000	14,000
322105	Bldg. Permits/Contractors' Reg. Roofing	31,527	30,600	30,600	30,600
322110	Building Permits	509,373	499,800	550,000	550,000
322120	Bldg. Permits/Air Conditioning	69,179	76,500	70,000	70,000
322125	Bldg. Permits/Electrical	71,754	86,700	78,000	78,000
322130	Plumbing Permits	123,363	112,200	123,000	123,000
322150	Site Inspections	82,448	76,500	86,000	86,000
322170	Sign Permits	12,658	12,200	14,500	14,500
322210	Parking Permits	3,386	4,100	4,100	4,100
322310	Taxi Cab Operators' Licenses	23,705	36,700	25,000	25,000
322610	Animal Permits	1,075	1,000	1,000	1,000
322700	Other Non-business Licenses	20,300	21,900	19,800	19,800
	LICENSES AND PERMITS SUBTOTAL	**$1,196,240**	**$1,172,100**	**$1,243,100**	**$1,243,100**
341610	Water Fund Administrative Services Fee	710,000	731,300	731,300	753,000
339040	Water System Payment in Lieu of Taxes	200,000	206,000	206,000	212,000
341620	Sanitary Sewer Fund Administrative Services Fee	434,000	447,000	447,000	460,000
339050	Sanitary Sewer System Payment in Lieu of Taxes	200,000	206,000	206,000	212,000
341625	Drainage Fund Administrative Services Fee	50,000	51,500	51,500	53,000
341630	Sanitaion Fund Adminsitrative Services Fee	226,000	232,800	232,800	240,000
339060	Sanitation Fund Payment in Lieu of Taxes	200,000	206,000	206,000	212,000
341635	Pocket Park Administrative Services Fee	15,885	0	4,700	4,700
341680	Airport Administrative Services Fee	58,000	59,700	59,700	61,000
	INTERFUND TRANSFERS FOR SERVICE SUBTOTAL	**$2,093,885**	**$2,140,300**	**$2,145,000**	**$2,207,700**

FY 2020 PROPOSED BUDGET
GENERAL FUND REVENUE

ACCOUNT	ACCOUNT TITLE	FY 2018 Actual	FY 2019 Budget	FY 2019 Estimated	FY 2020 Proposed
341110	Court Cost Collection Fees	37,815	30,000	30,000	30,000
341320	Zoning Fees	153,282	140,000	135,000	135,000
341340	Certification Fees	1,250	800	1,000	1,000
342120	Police Offense Reports	12,327	14,000	11,000	11,000
342130	Motor Carrier Weight Fee	1,314	0	8,500	8,500
342125	Golf Cart Registration	24,050	22,000	25,000	25,000
347100	Recreation Fees	4,135	100	0	0
347300	Rentals (Parks & Rec)	0	0	2,200	2,200
348320	Other Revenue	1,042	5,000	1,000	1,000
348565	Sale of Equipment	56,239	15,000	1,000	20,000
	CHARGES FOR SERVICES SUBTOTAL	**$291,454**	**$226,900**	**$214,700**	**$233,700**
351110	Parking Fines	462,005	450,000	450,000	450,000
351130	Class "C" Misdemeanors' Fines	1,023,767	1,000,000	1,200,000	1,100,000
351150	Arrest Fees/Local Court Fees	32,827	29,000	33,000	33,000
351185	Court Time/Payment Fee	9,940	12,000	8,000	8,000
351190	Court Subpoena Fee	151	200	200	200
351195	Police Overtime Fee	0	500	0	0
	FINES AND FORFEITS SUBTOTAL	**$1,528,690**	**$1,491,700**	**$1,691,200**	**$1,591,200**
361110	Interest Earned - Operating Account	319,693	350,000	425,000	325,000
	INVESTMENT EARNINGS SUBTOTAL	**$319,693**	**$350,000**	**$425,000**	**$325,000**
339020	Galveston Wharves Payment in Lieu of Taxes	66,921	188,800	148,500	148,500
363110	Rental of General Property	1,650	4,500	4,500	4,500
363140	Mineral and Gas Royalties	1,183	2,400	2,400	2,400
363200	Miscellaneous	225,314	220,000	230,000	230,000
363208	Moody Gardens	417,510	417,500	426,100	426,100
339070	Moody Gardens Payment in Lieu of Taxes	100,000	50,000	100,000	100,000
363209	Landry's	100,000	100,000	100,000	100,000
378000	Sale of General Fixed Assets	125,428	50,000	30,000	30,000
	OTHER REVENUES SUBTOTAL	**$1,038,006**	**$1,033,200**	**$1,041,500**	**$1,041,500**
379000	Operating Transfers - In	125,000	50,000	248,000	50,000
	OTHER FINANCING SOURCES SUBTOTAL	**$125,000**	**$50,000**	**$248,000**	**$50,000**
	TOTAL - ALL REVENUE	**$54,335,062**	**$55,896,700**	**$56,588,700**	**$59,336,800**

FY2020 PROPOSED BUDGET
GENERAL FUND EXPENDITURE SUMMARY

Expenditure Summaries by Department

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Public Safety	$31,344,384	$32,801,821	$32,696,745	$34,145,747
Public Works	3,905,577	3,865,103	3,826,664	3,899,784
Parks and Recreation	2,706,831	2,929,138	2,860,044	2,860,950
Developmental Services	2,406,675	2,284,212	2,155,975	1,786,963
General Government	4,448,406	4,236,466	4,570,758	4,500,264
Finance	1,572,816	1,629,352	1,660,725	1,620,769
Non-Departmental	5,897,548	13,968,910	13,559,032	10,749,966
General Fund Appropriation Total	**$52,282,236**	**$61,715,002**	**$61,329,943**	**$59,564,444**

Expenditures Summaries by Category

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$36,753,756	$38,457,128	$38,328,511	$41,409,058
Materials and Supplies	$2,395,667	$2,331,385	$2,122,994	$2,256,295
Contractual Services	$8,414,241	$8,269,915	$8,439,767	$8,670,594
Other Charges and Services	($103,381)	$57,142	($78,696)	$14,480
Operating Transfers	$3,779,904	$10,769,457	$10,722,509	$5,262,544
Capital Outlay	$369,695	$1,050,000	$1,084,511	$1,179,750
Special Events and Programs	$672,352	$779,975	$710,349	$771,723
General Fund Appropriation Total	**$52,282,236**	**$61,715,002**	**$61,329,943**	**$59,564,444**

See the following pages for detailed discussions of each budget.

FY2020 PROPOSED BUDGET
PUBLIC SAFETY OPERATIONS

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Police	$19,315,976	$20,460,371	$20,350,082	$20,990,148
Fire	11,146,620	11,469,269	11,502,697	11,583,074
Emergency Management	256,682	242,732	212,306	138,308
Emergency Medical Services	566,110	566,200	566,097	615,200
City Marshal	58,996	63,249	65,563	819,018
Public Safety Operations Total	**$31,344,384**	**$32,801,821**	**$32,696,745**	**$34,145,747**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$27,231,936	$28,263,598	$28,275,287	$29,331,352
Materials and Supplies	520,226	562,837	539,496	589,850
Contractual Services	3,538,402	3,916,986	3,812,925	4,168,995
Other Charges and Services	(430,909)	(440,100)	(444,212)	(449,000)
Operating Transfers	78,000	83,500	83,500	83,500
Capital Outlay	23,204	15,000	10,000	21,050
Special Programs and Events	383,525	400,000	419,750	400,000
Public Safety Operations Total	**$31,344,384**	**$32,801,821**	**$32,696,745**	**$34,145,747**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Net increases (+$1,056,066) include full funding for Public Safety Positions, the relocating of the Code Enforcement personnel from the Community Services Department, increases in specialties pays, decreases in overtime, increase in salary reimbursements, and an increase of 1% for a total of 18% in Police Retirement beginning in FY2020.
Materials and Supplies - Net increases (+$50,355) includes minor equipment and supplies to purchase Crime Scene and evidence materials and supplies for the Police Department (+$31,660), miscellaneous increase within the Fire Department (+$8,695) and the relocation of Code Enforcement personnel (+$10,000) .

Contractual Services - Net increases (+$356,070) in Garage charges and Maintenance contracts to add analyst investigative software in the Police Department ($89,720), increases in garage charges and miscellaneous line items within the Fire Department (+$12,025), Increase of 8.6% (+$49,000) requested by the Galveston County Health District and the relocating of Code Enforcement contractul items (+$208,500) from the Developmental Services Department.

Other Charges and Services - Net decrease (-$4,788) for miscellaneous line items.

Capital Outlay - Added funding (+$11,050) for the purchase of PureAir Chem Workstations and Duplex Drying Cabinet for the Police Department.

Special Programs and Events - Maintain current level of funding for Mardi Gras expenses ($19,750).

Police Department

Department Mission

To provide the best possible police service to the residents and guests of Galveston. The Galveston Police Department is steadfast in assisting and protecting all persons within our jurisdiction. We are committed to improving the quality of life through fairness, compassion and excellence while providing police services, according to law, that meet the needs of all citizens and visitors to our island. It is through this pledge to our residents and guests that we will continue to Protect With Respect.

Accomplishments

- Produced rolling recruitment video played at various waiting areas in police headquarters.
- Conducted a total of 4 civil service exams including one targeting lateral transfers.
- Began the process of de-escalation training for ALL police officers.
- Deployed online complaint form to enhance accountability and transparency.
- Created and partially staffed Street Crimes Unit.
- Hired 1st full time police Chaplain in partnership with the Moody Foundation (non-sworn).
- Hired 1st non-sworn Crime analyst to enhance intelligence led policing and transparency.
- From yearly comparisons from June 2017 through June 2019, the department has reduced preventable fleet accidents by 10.5%.
- Reduced crash incidents at the intersection of 61st and Broadway in partnership with Public Works.
- Acquired to electronic speed signs as a force multiplier.
- Completed 1st external City Auditor process.
- Created 501-C3 enhancing fiscal accountability of Blue Santa and other Departmental Programs.
- Hired Evidence technician to enhance customer service and efficiencies in the property room.

Goals

- Enhance efficiency through further civilianization of positions.
- Multiply forces through technology including license plate recognition at ingress and egress points on island and portable pole cameras for events and hotspots.
- Increase core training hours from a minimum of 32 to 56 hours (24 month training cycle).
- Create inter-agency communication among detectives in the County
- Enrichment program to enhance career development, job training, networking and teamwork between bureaus.

FY2020 PROPOSED BUDGET
POLICE

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$16,750,740	$17,551,991	$17,537,206	$18,069,400
Materials and Supplies	182,351	279,237	255,734	287,400
Contractual Services	2,334,466	2,550,643	2,468,577	2,558,298
Other Charges and Services	(29,581)	(20,000)	(20,041)	(29,500)
Operating Transfers	78,000	83,500	83,500	83,500
Capital Outlay	0	15,000	10,000	21,050
Special Programs and Events	0	0	15,106	0
TOTAL	**$19,315,976**	**$20,460,371**	**$20,350,082**	**$20,990,148**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increases (+$502,437) include full funding (+$510,793) for vacant Police positions throughout fiscal year, specialties pay (+$19,380), decrease in overtime (-$139,669), increase in salary reimbursements (-$23,523) and increase of 1% (+$165,155) to a total of 18% in Police Retirement beginning in FY2020.

Materials and Supplies - Increase (+$31,660) in minor equipment and supplies to purchase Crime Scene and evidence materials and supplies.

Contractual Services - Net increases (+89,720) in Garage charges and Maintenance contracts to add analyst investigative software.

Other Charges and Services - Includes an increase (-$9,460) in the expected amount of reimbursements expected in FY2020.

Capital Outlay - Added funding (+$11,050) for the purchase of PureAir Chem Workstations and Duplex Drying Cabinet.

Special Programs and Events - Net decrease (-$15,106) not expected in FY2020 due to more efficient monitoring of departmental grants.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Calls for Service	79,201	70,270	65,130	62,000
Arrests	5,500	4,794	4,689	4,550
Motor Vehicle Accidents	3,654	3,893	3,550	3,400
Avg. Response Time - Priority 1 Calls	8m 8s	8m 9 s	8 m 8s	8 m
Meetings with Community Groups	120*	170	195	200
Training or Presentations to Citizens	276	350	324	300
Community Meeting Attendance (New)	XXX	XXX	4,885	5,100

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Chief of Police	1.00	1.00	1.00	1.00
Assistant Chief of Police	0.25	1.00	1.00	1.00
Police Captain	3.00	3.00	3.00	3.00
Police Lieutenant	6.00	6.00	6.00	6.00
Police Sergeant	27.00	27.00	27.00	27.00
Police Officer	117.00	130.00	130.00	130.00
Director of Support Services	1.00	1.00	0.50	0.00
Police Asset Coordinator	0.00	0.00	0.50	1.00
Records Manager	0.00	1.00	1.00	1.00
Police Admin. Services Manager	0.25	0.25	0.25	1.00
Director of Communications	1.00	0.00	0.00	0.00
Public Safety Communications Manager	0.00	1.00	1.00	1.00
Communication Shift Leaders	4.00	4.00	4.00	4.00
Telecommunicators	17.00	17.00	17.00	17.00
Telecommunications Call-Takers	2.00	2.00	2.00	2.00
Property Room Supervisor	0.00	1.00	1.00	1.00
Evidence Technician	1.00	1.00	1.00	1.00
Property Room Technician	1.00	0.00	0.00	0.00
Crimes Analyst	1.00	1.00	1.00	1.00
AFIS/Latent Print Technician	1.00	1.00	1.00	1.00
Ground Transportation Inspector	1.00	1.00	1.00	0.00
Animal Services Supervisor	1.00	1.00	1.00	1.00
Animal Control Officer	2.00	2.00	2.00	2.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00
Administrative Assistant	2.00	1.00	1.00	1.00
Office Specialist	5.00	5.00	5.00	5.00
TOTAL	**195.50**	**209.25**	**209.25**	**209.00**

FY2020 PROPOSED BUDGET
POLICE

LINE ITEM DETAIL

		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$11,358,520	$11,933,656	$11,862,814	$12,219,536
511002	COLA Increases	0	98,221	0	0
511005	Longevity	79,714	91,963	78,836	89,703
511006	Differential Pay	117,212	133,820	121,408	122,307
511007	Vehicle/Motor Allowance	26,584	28,910	29,686	28,910
511008	Dog Handler Allowance	9,600	14,456	14,567	14,456
511009	Overtime	1,117,151	924,000	1,126,569	968,000
511021	Part-Time Payroll	23,762	25,000	13,660	25,000
511026	Ferry Landing Overtime	93,547	75,000	78,542	98,000
511039	Tactical Details - Overtime	11,809	30,000	30,597	30,000
511110	Incentive Pay	310,983	317,258	325,272	327,454
511125	Residency Pay	182,157	201,352	149,768	156,109
511143	Crisis Negotiation Team	4,454	4,216	4,235	4,212
511145	SWAT Pay	18,002	18,073	16,098	15,357
511147	Dive Team Pay	13,363	13,550	14,160	14,447
511148	SRG Team Pay	7,363	7,829	8,526	8,433
511150	Uniform Allowance	91,500	110,250	105,001	123,750
511510	Group Health Insurance - Employer's	1,304,877	1,352,400	1,334,290	1,422,240
511515	Worker's Compensation	182,850	122,166	128,322	122,166
511520	Group Life Insurance	34,870	38,670	35,688	38,495
511530	Social Security - Employer's	815,584	869,708	861,951	883,232

FY2020 PROPOSED BUDGET
POLICE

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
511535	Medicare - Employer's	190,733	203,399	201,605	206,562
511542	City Employee Retirement	166,497	175,454	159,443	173,227
511544	Police Retirement	1,629,522	1,989,256	2,077,905	2,243,060
511650	Salary Reimbursements	(911,976)	(876,616)	(888,621)	(905,258)
511655	Salary Reimbursements-Grants	(127,940)	(350,000)	(353,115)	(360,000)
Total Personnel Services		**$16,750,740**	**$17,551,991**	**$17,537,206**	**$18,069,400**
Materials and Supplies					
521065	Office Supplies	19,243	23,800	23,762	23,300
521067	Minor Office Equipment	2,270	80,300	77,342	80,300
521073	Printed Materials	1,520	2,000	1,000	0
521088	Training Materials	24,324	25,000	23,500	25,000
521095	Petty Cash Charges	314	300	150	0
522011	Chemicals	505	500	500	500
522013	Clothing	48,818	55,287	38,362	15,000
522025	Fuel and Lubricants	54	0	0	0
522055	Minor Tools	6,473	1,500	1,000	0
522056	Minor Equipment	57,653	69,000	68,363	121,500
522059	Motor Vehicle Parts	2,677	1,800	1,480	1,800
522098	Other Materials	800	0	0	0
522099	Other Supplies	5,928	9,000	8,971	7,500
525031	Electricity	10,077	9,000	10,015	11,000
525032	Natural Gas	1,695	1,750	1,289	1,500
Total Materials and Supplies		**$182,351**	**$279,237**	**$255,734**	**$287,400**
Contractual Services					
531004	Consultant Services	7,750	5,400	5,400	5,400
531005	Other Services	240,000	245,000	244,200	245,000
531008	Laboratory Testing	31,233	25,000	19,500	20,000
531025	Memberships	1,625	1,800	1,974	2,000
531124	Towing Payments	5,460	5,000	4,000	4,000
531125	Other Contracts	1,044	0	1,336	0
531230	Equipment Repairs	4,045	7,500	6,750	7,400
531240	Maintenance Contracts	263,177	260,000	259,867	286,000
531250	Vehicle Repairs	145	0	0	0
531325	Vehicle Rental	35,005	32,000	30,000	32,000
531345	Justice Center - Jail	180,310	195,000	190,000	195,000
531350	Garage Charges	872,381	763,447	702,469	777,306
531360	Computer Charges	428,448	745,950	745,950	728,284
532062	Postage	5,819	6,500	6,459	6,500
532065	Printing, Duplication	4,238	6,300	8,000	8,600
532066	Print Shop Charges	1,704	2,000	0	0
532083	Telephone Service	277	650	(2)	0
532084	Cellular Service	18,817	19,000	19,967	20,000
532085	Pager Service	63	0	85	0
532086	Other Communications	25,851	27,000	17,804	18,000
532087	Aircard Service	33,673	33,000	37,188	37,000
532089	Moving Expenditures	1,618	0	0	0
533083	Travel Expenses	34,698	25,000	24,929	25,000
533085	Travel/Training	90,117	95,000	94,888	91,000
534030	Surety Bond & Notary Fees	632	500	497	500

FY2020 PROPOSED BUDGET
POLICE

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
534036	Dental Insurance	43,992	48,096	45,816	47,808
535250	GPD K-9 Unit Expenditures	2,345	1,500	1,500	1,500
Total Contractual Services		**$2,334,466**	**$2,550,643**	**$2,468,577**	**$2,558,298**
		$0	**$0**		
Other Charges and Services					
544027	Court Costs And Judgments	357	500	429	500
544032	Meeting Expenditures	4,013	3,500	3,500	4,000
544035	Protocol	212	0	0	0
544036	Grants & Awards	1,010	2,000	1,030	1,000
544087	Expense Reimbursement	(35,173)	(26,000)	(25,000)	(35,000)
Total Other Charges and Services		**($29,581)**	**($20,000)**	**($20,041)**	**($29,500)**
Operating Transfers					
553013	Transfer To Special Revenue Funds	78,000	83,500	83,500	83,500
Total Operating Transfers		**$78,000**	**$83,500**	**$83,500**	**$83,500**
Capital Outlay					
564099	Other Capital Purchases	0	0	0	11,050
564117	Machinery & Equipment	0	15,000	10,000	10,000
Total Capital Outlay		**$0**	**$15,000**	**$10,000**	**$21,050**
Special Events and Programs					
610000	Prior Period Revenue Adjustment	0	0	(22,019)	0
620000	Prior Period Expenditures	0	0	37,125	0
Total Special Events and Programs		**$0**	**$0**	**$15,106**	**$0**
Total Expenses		**$19,315,976**	**$20,460,371**	**$20,350,082**	**$20,990,148**

CITY OF GALVESTON
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Fire Department

Mission Statement

The mission of the Galveston Fire Department is to provide the highest level of public safety services for the community. We will protect lives and property through: Fire Prevention, Public Education, Firefighter safety, Fire & Rescue Operations, Emergency Medical First response and disaster management.

Accomplishments

- Continued required records management using Firehouse software for all reporting, inventory and documentation.
- Replaced forty-five sets of firefighter protective clothing
- Continued the High School recruitment program with Galveston ISD to aid Junior and Senior High students in becoming Firefighters and potentially applying for positions in Galveston.
- Completed Construction of new Fire Station #1.
- Updated Emergency Management plans and contracts.

Goals

- Enhance Emergency Management preparedness through training of City employees and disaster planning for all City Departments.
- Continue to replace aging Personal Protective Clothing to ensure Firefighter safety.
- Continue the High School recruitment partnership with Galveston ISD.
- Increase Hands on Training on Basic skills for Firefighters

FY2020 PROPOSED BUDGET
FIRE

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$10,253,540	$10,462,210	$10,514,220	$10,573,859
Materials and Supplies	331,057	279,000	279,162	287,850
Contractual Services	543,261	738,159	718,842	730,865
Other Charges and Services	(4,442)	(10,100)	(9,527)	(9,500)
Capital Outlay	23,204	0	0	0
TOTAL	**$11,146,620**	**$11,469,269**	**$11,502,697**	**$11,583,074**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase (+$59,638) include annualized cost of positions filled in the Fire Department.

Materials and Supplies - Various increases (+$8,685) in miscellaneous line items.

Contractual Services - Net increases (+$12,025) in garage charges and miscellaneous line items.

Other Charges and Services - Net increase (+$25) for miscellaneous supplies.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Total Responses	7,337	7,850	8,200	8,200
Structure Fires	118	125	145	145
Scheduled Fire Inspections	2,400	2,400	2,400	2,000
Completed Fire Inspections	2,455	2,400	2,400	2,000
Permit Fees Collected	$90,350	$75,000	$65,000	$65,000
Required Firefighter Training	34,000	34,000	34,000	30,000
Training Accomplished	45,000	45,000	34,000	30,000
Response Times	4:32	4:20	4:20	4:20

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Fire Chief	1.00	1.00	1.00	1.00
Assistant Fire Chief	2.00	2.00	2.00	2.00
Fire Marshal	1.00	1.00	1.00	1.00
Battalion Chief	6.00	6.00	6.00	6.00
Captain	24.00	24.00	24.00	24.00
Driver	24.00	24.00	24.00	24.00
Firefighter	57.00	57.00	57.00	57.00
Fire Inspectors	2.00	2.00	2.00	2.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
TOTAL	**119.00**	**119.00**	**119.00**	**119.00**

FY2020 PROPOSED BUDGET
FIRE

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$7,114,893	$7,236,731	$7,336,925	$7,375,663
511002 COLA Increases	0	67,031	0	0
511005 Longevity	75,656	84,051	79,813	86,161
511006 Differential Pay	135,343	150,000	126,515	120,267
511009 Overtime	239,327	285,000	302,429	243,000
511110 Incentive Pay	296,267	236,874	326,367	323,481
511125 Residency Pay	120,553	112,929	118,657	115,438
511510 Group Health Insurance - Employer's	788,041	792,960	792,960	792,960
511515 Worker's Compensation	89,605	66,931	66,931	66,931
511520 Group Life Insurance	21,955	22,764	22,265	21,608
511530 Social Security - Employer's	9,805	10,953	8,789	9,594
511535 Medicare - Employer's	111,030	118,510	118,247	119,829
511542 City Employee Retirement	14,905	14,852	13,324	14,960
511543 Firemen's Retirement	1,258,145	1,367,024	1,388,306	1,383,966
511650 Salary Reimbursements	(21,984)	(104,400)	(187,308)	(100,000)
Total Personnel Services	**$10,253,540**	**$10,462,210**	**$10,514,220**	**$10,573,859**
Materials and Supplies				
521065 Office Supplies	12,050	8,000	9,489	10,000
521067 Minor Office Equipment	2,994	3,000	2,709	3,000
521073 Printed Materials	632	1,000	738	7,750
522013 Clothing	74,185	69,000	68,978	69,000
522014 Protective Gear	149,692	120,000	120,000	120,000
522037 Janitorial Supplies	11,829	12,000	11,931	12,000
522055 Minor Tools	36,783	30,000	29,980	30,000
522099 Other Supplies	5,005	0	0	0
525031 Electricity	33,407	32,000	31,249	32,000
525032 Natural Gas	4,478	4,000	4,087	4,100
Total Materials and Supplies	**$331,057**	**$279,000**	**$279,162**	**$287,850**
Contractual Services				
531025 Memberships	1,154	1,800	1,803	1,800
531027 Certification & Permit Fees	27,054	16,000	15,988	16,000
531028 Software Licenses	5,860	15,000	11,860	12,000
531116 Hazardous Waste Disposal & Supplies	3,329	3,500	3,500	3,500
531230 Equipment Repairs	5,020	3,000	2,563	3,000
531245 Compliance Maintenance	18,955	25,000	20,000	25,000
531350 Garage Charges	291,522	298,365	286,509	300,251
531360 Computer Charges	52,861	286,194	286,194	291,314
532062 Postage	1,222	1,500	1,078	1,200
532065 Printing, Duplication	0	1,000	0	0
532066 Print Shop Charges	2,234	300	0	0
532083 Telephone Service	26,388	25,000	27,789	10,000
532084 Cellular Service	2,295	2,500	2,785	7,000
532086 Other Communications	17,708	18,000	17,051	17,800
532087 Aircard Service	10,599	10,000	10,766	11,000

FY2020 PROPOSED BUDGET
FIRE

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
533085	Travel/Training	77,062	31,000	30,957	31,000
Total Contractual Services		**$543,261**	**$738,159**	**$718,842**	**$730,865**
Other Charges and Services					
544027	Court Costs And Judgments	0	500	0	500
544099	Miscellaneous Expense	15,558	5,000	6,073	5,000
Total Other Charges and Services		**($4,442)**	**($10,100)**	**($9,527)**	**($9,500)**
Capital Outlay					
564099	Other Capital Purchases	23,204	0	0	0
Total Capital Outlay		**$23,204**	**$0**	**$0**	**$0**
Total Expenses		**$11,146,620**	**$11,469,269**	**$11,502,697**	**$11,583,074**

Emergency Management

The mission of the Emergency Management Division is to provide a comprehensive all-hazard emergency management program in partnership with City departments, staff, administration, neighboring jurisdictions, and non-governmental organizations in order to save lives, protect property, and safeguard the environment.

Accomplishments

- Maintained all emergency management plans at the Advanced Preparedness Level as recognized by the Texas Division of Emergency Management (TDEM) to ensure Emergency Management Performance Grant (EMPG) eligibility.
- Coordinated and developed Mutual Aid Agreement with UTMB.
- Conducted National Incident Management System (NIMS) and Incident Command System (ICS) training for City staff, volunteers, and other emergency responders.
- Facilitated discussion- and operations- based exercises for City staff, volunteers, and other emergency responders.
- Reviewed, updated, and pursued pre-disaster contracts and interlocal agreements in accordance with the City Charter, State, and Federal procurement laws and policies.
- Reviewed and updated the emergency preparedness planning documents within the five-year cycle as mandated per TDEM and FEMA guidelines.

Goals

- Enhance situational awareness and operational coordination by working with internal and external partners.
- Maintain and ensure all planning, training, and exercise requirements recognized by TDEM and FEMA are met to ensure grant eligibility.
- Develop and implement a system that will enhance responses to all hazards by making the emergency operations center portable.
- Develop and plan for responding to Catastrophic Emergencies and continue to enhance the overall efficiency of Emergency Management Operations.

FY2020 PROPOSED BUDGET
EMERGENCY MANAGEMENT

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$171,010	$192,735	$165,973	$95,253
Materials and Supplies	4,468	4,600	4,600	4,600
Contractual Services	94,565	55,397	51,733	48,455
Other Charges and Services	(13,361)	(10,000)	(10,000)	(10,000)
TOTAL	**$256,682**	**$242,732**	**$212,306**	**$138,308**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net decrease (-$70,720) reflects elimination of the Emergency Management Coordinator as the duties are being absorbed by Fire Department personnel.

Contractual Services - Decreases (-$3,280) in miscellaneous contractual line items.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Number of City Employees that received ICS/NIMS Training	100	90	90	100
Number of Emergency Management Exercises with participation by EM Staff	5	5	5	5
Number of Hazard Awareness and Preparedness Activities delivered to Citizens	10	5	7	7
Number of Trainings for EM Staff	12	8	8	4

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Battalion Chief - Emergency Mgmt.	1.00	1.00	1.00	1.00
Emergency Management Coordinator	1.00	1.00	1.00	0.00
TOTAL	**2.00**	**2.00**	**2.00**	**1.00**

FY2020 PROPOSED BUDGET
EMERGENCY MANAGEMENT

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$147,456	$161,586	$133,349	$85,854
511002	COLA Increases	0	839	0	0
511005	Longevity	1,214	254	9,226	1,658
511009	Overtime	255	0	261	0
511110	Incentive Pay	3,150	3,900	3,915	3,900
511125	Residency Pay	144	2,500	0	0
511510	Group Health Insurance - Employer's	12,320	13,440	13,440	6,720
511515	Worker's Compensation	201	134	134	134
511520	Group Life Insurance	368	389	304	192
511530	Social Security - Employer's	4,910	4,781	2,944	0
511535	Medicare - Employer's	2,127	2,452	2,422	1,325
511542	City Employee Retirement	7,248	6,949	4,341	0
511543	Firemen's Retirement	11,657	15,511	15,638	15,470
511655	Salary Reimbursements-Grants	(20,041)	(20,000)	(20,000)	(20,000)
Total Personnel Services		**$171,010**	**$192,735**	**$165,973**	**$95,253**
Materials and Supplies					
521065	Office Supplies	1,823	1,500	1,500	1,500
522013	Clothing	718	600	600	600
522056	Minor Equipment	1,928	2,500	2,500	2,500
Total Materials and Supplies		**$4,468**	**$4,600**	**$4,600**	**$4,600**
Contractual Services					
531025	Memberships	190	600	340	350
531350	Garage Charges	10,454	3,703	2,339	2,732
532062	Postage	67,964	35,082	35,082	32,773
532066	Print Shop Charges	315	250	0	0
532084	Cellular Service	1,192	1,200	1,285	650
532086	Other Communications	6,158	8,000	8,045	8,500
532087	Aircard Service	839	850	942	950
533085	Travel/Training	7,195	3,500	3,200	2,000
533100	Advertising	258	2,212	500	500
Total Contractual Services		**$94,565**	**$55,397**	**$51,733**	**$48,455**
Other Charges and Services					
544094	Expense Reimbursement-Grants	(13,361)	(10,000)	(10,000)	(10,000)
Total Other Charges and Services		**($13,361)**	**($10,000)**	**($10,000)**	**($10,000)**
Total Expenses		**$256,682**	**$242,732**	**$212,306**	**$138,308**

FY2020 PROPOSED BUDGET
EMERGENCY MEDICAL SERVICES

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services	566,110	566,200	566,097	615,200
TOTAL	**$566,110**	**$566,200**	**$566,097**	**$615,200**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Contractual Services - Increase of 8.6% (+$49,000) requested by the Galveston County Health District. The main factor contributing to the request for additional funding is the decrease in revenue for non-emergency transfers services.

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services				
531125 Other Contracts	$565,000	$565,000	$565,000	$614,000
532083 Telephone Service	1,110	1,200	1,097	1,200
Total Contractual Services	**$566,110**	**$566,200**	**$566,097**	**$615,200**
Total Expenses	**$566,110**	**$566,200**	**$566,097**	**$615,200**

City Marshal

Division Mission

The City Marshal's Office and Code Enforcement Division are dedicated to improving the overall appearance of neighborhoods and quality of life for the Citizens of Galveston, by ensuring compliance with federal, state, and local laws and ordinances.

Accomplishments

- Code Officers got their Code Enforcement II Certifications
- Purchased radios for Code officers/deputy marshals to facilitate communication with other officers and dispatch.
- A new tracking system for citizen complaints has been updated.
- Compliance Officer continuous training on the new LDR plan.
- There have been ten (10) rehab projects performed by owners as a result of the Court of Record.
- There have been nine (6) demolitions performed by the city through the Court of Record program.
- There have been seventy one (71) Housing Abatement cases from October 2018 to May 2019.
- 482 Municipal Court cases have been processed from October 2018 to May 2019.
- Cell Phone updates on new tracking system for field work.
- Body Cameras for the Deputy Marshals

Goals

- Purchase laptops and printers for each deputy marshal/code officer to decrease down time and increase productive time by creating a mobile office solution.
- Demolish at least fifteen (15) unsafe structures through the Court of Record
- Increase Zoning Compliance for the island through continually educating the compliance officers and public on the new LDR plan.
- Recalculate administration fee structure for violations to recoup more costs related to enforcement.
- Implement more training programs.
- Design and implement new graphics for the Marshals vehicle for easy identification by the public.
- Design and implement new uniforms so the Marshals can be easily identified.
- Implement a Municipal Court Bailiff / Warrant officer to start collecting outstanding municipal warrants.
- Transfer the Ground Transportation / Wrecker inspector from the Police Department to the Marshals office.

FY2020 PROPOSED BUDGET
CITY MARSHAL

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$56,646	$56,662	$57,887	$592,841
Materials and Supplies	2,350	0	0	10,000
Contractual Services	0	6,587	7,677	216,177
TOTAL	**$58,996**	**$63,249**	**$65,563**	**$819,018**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increases (+$534,934) includes relocating Code Enforcment personnel from the Development Services Department to the City's Marshal's Department.

Materials and Supplies - Net increases (+$10,000) includes relocating Code Enforcment materials and supplies rom the Development Services Department to the City's Marshal's Department.

Contractual Services - Net increases (+$216,177) includes relocating Code Enforcment contractual services from the Development Services Department to the City's Marshal's Department.

PERFORMANCE INDICATORS

INDICATORS	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Demolitions by the City	25	25	25	15
Structures Secured	15	15	15	15
Public Nuisances Cleaned	425	425	425	350
Municipal Court Cases	700	750	850	850
Coin Machines Issued	550	N/A	N/A	N/A
Temporary Concessions	25	N/A	N/A	N/A
Hotel/Motel Permits	36	N/A	N/A	N/A
Temporary Parking Lots	14	N/A	N/A	N/A
Motor Vending	4	N/A	N/A	N/A
Beach Rentals	10	N/A	N/A	N/A
Housing Abatement Cases/Court of Record	N/A	100	100	100

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
City Marshal	0.50	0.50	0.50	0.50
Deputy City Marshal	0.00	0.00	0.00	1.00
Assistant Director of Developmental Services	0.00	0.00	0.00	1.00
Code Enforcement Supervisor	0.00	0.00	0.00	0.70
Ground Transportation Inspector	0.00	0.00	0.00	1.00
Deputy Marshal	0.00	0.00	0.00	1.00
Code Enforcement Officer	0.000	0.000	0.000	1.65
Administrative Assistant	0.00	0.00	0.00	1.00
TOTAL	**0.50**	**0.50**	**0.50**	**7.85**

FY2020 PROPOSED BUDGET
CITY MARSHAL

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$44,217	$44,387	$45,275	$421,886
511005 Longevity	66	69	90	5,849
511006 Differential Pa	0	0	0	900
511009 Overtime	0	0	0	15,000
511510 Incentive Pay	0	0	0	14,400
511125 Residency Pay	1,250	1,250	1,250	3,404
511510 Group Health Insurance	3,360	3,090	3,360	52,752
511515 Worker's Compensation	124	83	83	371
511520 Group Life Insurance	96	172	96	1,451
511530 Social Security - Employment	2,785	2,834	2,867	28,609
511535 Medicare - Employer's	651	663	670	6,691
511542 City Employee Retirement	4,098	4,114	4,195	41,529
Total Personnel Services	**$56,646**	**$56,662**	**$57,887**	**$592,841**
Materials and Supplies				
521065 Office Supplies	0	0	0	6,500
522013 Clothing	0	0	0	3,500
522057 Radio Equipment	2,350	0	0	0
Total Materials and Supplies	**$2,350**	**$0**	**$0**	**$10,000**
Contractual Services				
531027 Certification & Permit Fees	0	0	0	550
531111 Asbestos Testing	0	0	0	500
531120 Lot Maintenance	0	0	0	35,000
531121 Lot Demolition	0	0	0	75,000
531124 Towing Payments	0	0	0	500
531129 Graffiti Removal	0	0	0	375
531240 Maintenance Contracts	0	0	0	990
531350 Garage Charges	0	1,971	1,251	28,832
531360 Computer Charges	0	4,616	4,616	21,120
532062 Postage	0	0	0	3,000
532065 Printing, Duplication	0	0	0	1,000
532083 Telephone Service	0	0	1,810	16,310
532084 Cellular Service	0	0	0	5,000
532086 Other Communications	0	0	0	20,000
533085 Travel/Training	0	0	0	3,000
533100 Advertising	0	0	0	5,000
Total Contractual Services	0	6,587	7,677	216,177
Other Charges and Services				
543033 Filing and Releasing Fees	0	0	0	32,000
544087 Expense Reimbursement	0	0	0	(32,000)
Total Other Charges and Services	**$0**	**$0**	**$0**	**$0**
Total Expenses	**$58,996**	**$63,249**	**$65,563**	**$819,018**

FY2020 PROPOSED BUDGET
SPECIAL EVENTS

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Other Charges and Services				
544087 Expense Reimbursements	(383,525)	(400,000)	(404,644)	(400,000)
Total Other Charges and Services	**($383,525)**	**($400,000)**	**($404,644)**	**($400,000)**
Special Events and Programs				
591031 Mardi Gras Expenses	383,525	400,000	404,644	400,000
Total Special Events and Programs	**$383,525**	**$400,000**	**$404,644**	**$400,000**
Total Expenses	**$0**	**$0**	**$0**	**$0**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

This organization budget unit serves as a cost center for City wide operating department's costs for special events (i.e. Mardi Gras) that are reimbursed from another funding source.

CITY OF GALVESTON

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FY2020 PROPOSED BUDGET
PUBLIC WORKS OPERATIONS

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Streets	$1,803,739	$1,834,363	$1,773,067	$1,831,185
Traffic	2,101,837	2,030,740	2,053,598	2,068,600
Public Works Operations Total	**$3,905,577**	**$3,865,103**	**$3,826,664**	**$3,899,784**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$2,243,366	$2,256,138	$2,375,012	$2,338,995
Materials and Supplies	1,387,520	1,281,740	1,126,884	1,229,700
Contractual Services	896,226	928,648	1,044,568	986,191
Other Charges and Services	(621,536)	(601,423)	(719,799)	(713,802)
Capital Outlay	0	0	0	58,700
Public Works Operations Total	**$3,905,577**	**$3,865,103**	**$3,826,664**	**$3,899,784**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Net decrease (-$15,250) includes annualized cost of vacant positions with reduction in overtime (-$20,760) for filled positions.

Materials and Supplies - Net increases include funding for concrete and aggregate (+$64,640). street materials (+$52,580) and traffic equipment (+$43,770).

Contractual Services - Overall reduction in charges (-$58,375) is a result of the purchase of new vehicles and equipment.

Other Charges and Supply - Decrease (+$5,997) in reimbursements from Insurance proceeds.

Capital Outlay - Includes funding (+$58,700) for the replacement of four traffic cabinets and one Latex printer.

Street Department

Division Mission

The Street Division of the Public Works Department provides maintenance and responds to citizen inquiries for City roadways in a timely, cost-effective, polite and responsible manner.

Accomplishments

- Milling & Overlay crews repaired 40 road segments
- Paved alleys at two alley locations.
- Continued pothole patching program with the Durapatcher
- Continued crack seal program for street preventative maintenance and added one additional crack seal crew.
- Continued storm drain rehabilitation & inspection program
- Major road reconstruction project completed at 65th Street.
- Continued implementation of culvert installation program resulting in the installation of culverts at 55 residential locations on the west end of Galveston.
- Continued the Sidewalk & Curb repair program
- Implemented the West End Ditch Maintenance Program
- Provided street sweeping for City roadways, 3,272 miles of city streets were swept.
- Cleaned and recut 26,596 feet of drainage ditch lines.

Goals

- Pave City roadways using available funds.
- Pave alleys as funding becomes available.
- Repair sidewalks as funding becomes available.
- Maintain and grade alleys located within the area behind the Seawall.
- Provide repairs to the City's roadway system.
- Provide utility cuts repairs within City roadways.
- Improve efficiency of utility cut repairs so that no utility cut will be open longer than two weeks.

FY2020 PROPOSED BUDGET
STREETS

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,356,312	$1,381,214	$1,382,991	$1,367,735
Materials and Supplies	389,424	379,150	303,381	420,600
Contractual Services	647,562	660,422	773,497	729,652
Other Charges and Services	(589,559)	(586,423)	(686,802)	(686,802)
Capital Outlay	0	0	0	0
TOTAL	**$1,803,739**	**$1,834,363**	**$1,773,067**	**$1,831,185**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net decrease (-$15,250) includes annualized cost of vacant positions with reduction in overtime for filled positions.

Materials and Supplies - Net increases include funding for concrete and aggregate (+$64,640) and other street materials (+$52,580) needed for FY2020.

Contractual Services - Overall reduction in charges (-$43,845) is a result of the purchase of new vehicles and equipment in this department.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Potholes Patched	5,124	5,147	4,370	5,500
Crack Sealed Pavement, LF	28,520	35,710	37,000	35,000
Mill & Overlay Program, Miles	8.30	9.51	9.70	10.0
Utility Cuts Repaired	365	423	657	650

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director of Public Works	0.125	0.125	0.125	0.125
Assistant Director of Public Works	0.50	0.50	0.00	0.00
Public Works Superintendent	1.30	1.30	1.00	1.00
Public Wors Supervisor	2.00	2.00	2.00	2.00
Engineering Technician	1.00	1.00	1.00	1.00
Administrative Service Specialist	1.00	1.00	1.00	1.00
Crew Leader	4.00	4.00	4.00	4.00
Equipment Operator	15.00	15.00	15.00	15.00
Laborer	18.00	18.00	18.00	18.00
TOTAL	**42.925**	**42.925**	**42.125**	**42.125**

FY2020 PROPOSED BUDGET
STREETS

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$1,195,580	$1,384,865	$1,320,223	$1,346,707
511005	Longevity	12,729	17,075	12,226	14,248
511006	Differential Pay	0	500	730	900
511009	Overtime	51,155	50,000	97,030	50,000
511125	Residency Pay	55,998	54,582	57,331	56,841
511510	Group Health Insurance	242,303	276,918	276,918	283,080
511515	Worker's Compensation	61,372	41,004	41,004	41,004
511520	Group Life Insurance	4,531	5,351	4,854	5,418
511530	Social Security - Employment	77,658	93,435	92,227	91,059
511535	Medicare - Employer's	18,162	21,852	21,569	21,296
511542	City Employee Retirement	118,380	135,632	133,879	132,183
511650	Salary Reimbursements	(481,556)	(700,000)	(675,000)	(675,000)
Total Personnel Services		**$1,356,312**	**$1,381,214**	**$1,382,991**	**$1,367,735**
Materials and Supplies					
521065	Office Supplies	1,616	3,500	1,464	2,500
522011	Chemicals	2,172	3,000	170	2,100
522013	Clothing	24,018	25,000	24,676	25,000
522015	Concrete And Aggregate	324,192	228,350	215,358	280,000
522037	Janitorial Supplies	9,976	4,000	2,224	0
522038	Safety Supplies	5,939	5,000	3,563	3,000
522055	Minor Tools	11,322	13,800	10,189	9,000
522056	Minor Equipment	7,049	6,500	7,435	6,000
522065	Paint And Lumber	1,720	2,000	3,074	3,000
522075	Pipe and Plumbing Supplies	0	0	67	0
522085	Equipment Parts	1,211	3,000	3,442	5,000
522098	Other Materials	180	85,000	31,717	85,000
522099	Other Supplies	30	0	0	0
Total Materials and Supplies		**$389,424**	**$379,150**	**$303,381**	**$420,600**
Contractual Services					
531027	Certification & Permit Fees	0	940	1,065	500
531028	Software Licenses	1,561	1,090	1,331	250
531125	Other Contracts	55,789	0	0	0
531124	Towing Payments	0	1,250	1,250	750
531230	Equipment Repairs	1,275	2,200	2,291	3,000
531240	Maintenance Contracts	17,582	8,345	13,474	14,000
531310	Rental Of Land & Buildings	62,000	62,000	62,000	62,000
531320	Equipment Rental	47,233	31,000	41,788	30,000
531350	Garage Charges	437,110	450,104	544,459	514,056
531360	Computer Charges	12,961	91,148	91,148	90,436
532065	Printing, Duplication	0	1,000	50	100
532066	Print Shop Charges	536	500	80	200
532083	Telephone Service	1,851	1,500	2,715	2,800
532084	Cellular Service	6,141	5,500	8,344	7,800
532085	Pager Service	63	85	85	0
532086	Other Communications	2,610	2,700	2,610	2,700
532087	Aircard Service	53	60	65	60
533085	Travel/Training	798	1,000	743	1,000
Total Contractual Services		**$647,562**	**$660,422**	**$773,497**	**$729,652**

FY2020 PROPOSED BUDGET
STREETS

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Other Charges and Services					
544032	Meeting Expenditures	1,123	0	0	0
544087	Expense Reimbursement	(223,287)	(70,000)	(330,593)	(330,593)
544097	Expense Reimbursement-Grants	(7,244)	0	0	0
544096	Expense Reimbursement-Project Mgmt.	(358,255)	(431,523)	(331,209)	(331,209)
544097	Expense Reimb - Other	(1,896)	(85,000)	(25,000)	(25,000)
544099	Miscellaneous Expense	0	100	0	0
Total Other Charges and Services		**($589,559)**	**($586,423)**	**($686,802)**	**($686,802)**
Total Expenses		**$1,803,739**	**$1,834,363**	**$1,773,067**	**$1,831,185**

Traffic Department

Division Mission

The Traffic Division of Public Works Department provides maintenance and responds to citizen's inquiries concerning the City's traffic signals, signage and pavement markings in a timely, cost effective, polite, responsible manner. All traffic control devices must be installed according the Texas Manual on Uniform Traffic Control Devices.

Accomplishments

- Reinstalled or replaced missing or faded regulatory, street name and beach access signage.
- Installed Beach Regulation signage for west end beach access roads.
- Completed Citywide LED retrofit project for energy savings.
- Provided for the repair of the City's traffic signal system, including pedestrian signals. Provided for the replacement of traffic signal light fixtures with LED light fixtures.
- Completed restoring/maintaining street lighting on Broadway and IH 45 between 6th Street and the Causeway.
- Repaired fiber optic communications system for traffic signal systems on Broadway, Seawall Boulevard, Avenue O and Avenue P.
- Provided traffic control for various special events including, Dickens on the Strand, Mardis Gras and the Lonestar Motorcycle Rally, Iron man, etc.
- Painted curbs and repaired pavement markings citywide.
- Continued to improve Broadway corridor signal timing to include progressive traffic movement.
- Continued traffic signal preventative maintenance and software/hardware upgrades.

Goals

- Continue reinstalling and replacing missing or faded regulatory, street name and beach access signage.
- Identify poorly striped roadways and intersections and restripe for safety of roadways and pedestrian traffic.
- Continue providing for the repair of the City's traffic signal system, including pedestrian signals.
- Continue traffic safety training, traffic control and traffic signal repair training for City Traffic Division employees.
- Add communications to existing traffic signals in the system and link to the traffic management center for more dynamic control and improved response time for repairs.

FY2020 PROPOSED BUDGET
TRAFFIC

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$887,055	$874,924	$992,021	$971,261
Materials and Supplies	998,096	902,590	823,503	809,100
Contractual Services	248,664	268,226	271,070	256,539
Other Charges and Services	(31,976)	(15,000)	(32,997)	(27,000)
Capital Outlay	0	0	0	58,700
TOTAL	**$2,101,837**	**$2,030,740**	**$2,053,598**	**$2,068,600**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Decreases (-$20,760) include reduction in overtime usage.

Materials and Supplies - Decreases in sign materials (-$8,835) and hardware needs (-$5,560) in miscellaneous line items.

Contractual Services - Includes decreases in equipment repairs (-$13,560) and a net reduction (-$970) in various contractual line items.

Other Charges and Supply - Decrease (+$5,997) in reimbursements from Insurance proceeds.

Capital Outlay - Includes funding (+$58,700) for the replacement of four traffic cabinets and one Latex printer.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Signal Lights Repaired	852	451	515	500
Signs Erected	721	821	942	800
Street Striping (ft.)	65,258	75,214	24,150	25,000
Special Events	62	74	67	75

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director of Public Works	0.125	0.125	0.125	0.125
Traffic Superintendent	1.00	1.00	1.00	1.00
Traffic Supervisor	1.00	1.00	1.00	1.00
Traffic Foreman/SE Field Coordinator	1.00	1.00	1.00	1.00
Senior Traffic Maint. Tech/ASE Field Coord.	1.00	1.00	1.00	1.00
Senior Traffic Signal Technician	3.00	3.00	3.00	3.00
Crewleader	3.00	3.00	3.00	3.00
Traffic Sign Maintenance Tech	1.00	1.00	1.00	1.00
Traffic Signal Maintenance Tech	2.00	2.00	2.00	2.00
Laborer	5.00	5.00	5.00	5.00
TOTAL	**18.125**	**18.125**	**18.125**	**18.125**

FY2020 PROPOSED BUDGET
TRAFFIC

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$594,883	$577,350	$654,363	$652,216
511005	Longevity	3,843	5,214	4,575	5,445
511006	Differential Pay	0	325	0	0
511009	Overtime	120,752	125,000	144,943	125,000
511125	Residency Pay	22,201	22,962	22,193	22,874
511510	Group Health Insurance	111,728	112,644	119,467	121,800
511515	Worker's Compensation	10,926	7,300	14,600	7,300
511520	Group Life Insurance	2,202	2,441	2,272	2,504
511530	Social Security - Employment	44,059	45,313	51,217	49,943
511535	Medicare - Employer's	10,304	10,598	11,978	11,680
511542	City Employee Retirement	66,751	65,777	74,347	72,498
511650	Salary Reimbursements	(100,595)	(100,000)	(107,933)	(100,000)
Total Personnel Services		**$887,055**	**$874,924**	**$992,021**	**$971,261**
Materials and Supplies					
521065	Office Supplies	4,963	5,000	4,129	5,000
522011	Chemicals	8,758	2,000	4,377	3,000
522013	Clothing	16,436	14,000	14,202	14,000
522015	Concrete and Aggregate	362	0	0	0
522017	Sign Materials	152,603	102,000	108,835	100,000
522037	Janitorial Supplies	12,489	10,600	10,564	10,500
522038	Safety Supplies	7,502	9,400	8,305	8,000
522045	Electrical Hardware	49,628	90,200	96,804	90,000
522055	Minor Tools	14,885	12,000	12,000	12,000
522056	Minor Equipment	17,740	20,000	11,458	12,000
522065	Paint And Lumber	34,097	20,000	19,349	20,000
522085	Equipment Parts	4,202	0	0	0
522099	Other Supplies	1,236	2,330	4,872	2,100
525031	Electricity	671,087	612,560	526,786	530,000
525032	Natural Gas	2,107	2,500	1,823	2,500
Total Materials and Supplies		**$998,096**	**$902,590**	**$823,503**	**$809,100**
Contractual Services					
531005	Other Services	1,800	0	0	0
531028	Software Licenses	1,256	1,090	1,081	0
531115	Refuse Disposal	7,668	6,500	8,156	8,300
531125	Other Contracts	42,846	52,000	52,000	43,000
531230	Equipment Repairs	29,106	3,000	16,568	3,000
531240	Maintenance Contracts	6,349	12,500	8,837	9,000
531320	Equipment Rental	23,170	28,550	28,550	30,000
531350	Garage Charges	92,763	92,154	82,444	86,596
531360	Computer Charges	19,677	45,357	45,357	46,738
532065	Printing, Duplication	0	2,500	1,042	2,500
532066	Print Shop Charges	82	100	40	80
532083	Telephone Service	5,447	5,800	5,477	5,000
532084	Cellular Service	8,572	8,500	10,552	12,200
532085	Pager Service	63	75	85	0
532086	Other Communications	9,013	8,000	8,485	8,500
532087	Aircard Services	53	100	693	625
533085	Travel/Training	798	2,000	1,704	1,000
Total Contractual Services		**$248,664**	**$268,226**	**$271,070**	**$256,539**

FY2020 PROPOSED BUDGET
TRAFFIC

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Other Charges and Services					
544032	Meeting Expenditures	1,104	0	0	0
544087	Expense Reimbursement	(17,766)	(15,000)	(17,967)	(17,000)
544096	Expense Reimb.-Equipment	0	0	(12,026)	(10,000)
544097	Expense Reimb. - Other	264	0	0	0
544098	Reimbursable From Insurance Claims	(15,578)	0	(3,004)	0
Total Other Charges and Services		**($31,976)**	**($15,000)**	**($32,997)**	**($27,000)**
Capital Outlay					
564005	Capital Outlay - Improvements	0	0	0	0
564099	Other Capital Purchases	0	0	0	0
564117	Machinery & Equipment	0	0	0	58,700
Total Capital Outlay		**$0**	**$0**	**$0**	**$58,700**
Total Expenses		**$2,101,838**	**$2,030,740**	**$2,053,598**	**$2,068,600**

CITY OF GALVESTON

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FY2020 PROPOSED BUDGET
PARKS AND RECREATION OPERATIONS

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Recreation and Administration	$857,364	$1,043,104	$1,156,925	$1,025,333
Parks and Parkways	1,849,467	1,886,034	1,703,119	1,835,618
Parks and Recreation Operations Total	**$2,706,831**	**$2,929,138**	**$2,860,044**	**$2,860,950**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,935,646	$2,093,230	$1,984,904	$2,040,636
Materials and Supplies	346,252	356,894	344,457	333,200
Contractual Services	448,534	538,294	496,757	553,414
Other Charges and Services	(78,481)	(59,280)	(55,787)	(66,300)
Capital Outlay	54,881	0	89,713	0
Parks and Recreation Operations Total	**$2,706,831**	**$2,929,138**	**$2,860,044**	**$2,860,950**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Net increase (+$55,730) is the result of moving the Special Events Coordinator to the Community Outreach department and annualized cost of vacant positions remaining filled in FY2020..

Materials and Supplies - Decrease (-$11,255) throughout the department for various materials and supplies to meet requested target budget.

Contractual Services - Increases include (+$36,000) for contracted landscape services for the Broadway corridor and (+$20,650) for various contractual line items.

Other Charges and Services - Increase (-$10,513) in anticipated expense reimbursement for park operations for the Industrial Development Corporation.

Capital Outlay - Decrease (-$89,173) in Capital Outlay for line items bought in FY2019.

Recreation and Administration

Department Mission

The mission of the Parks and Recreation Department is to create, promote, administer, and maintain exceptional recreational programs, facilities, and parks to the best of our ability. The Parks and Recreation Department strives to enhance the quality of life by continuing improvements in each of these areas, accomplishing our objectives by seeking community input and available resources, while also maintaining fiscal responsibility, often searching for additional funding through grants and donations.

Accomplishments

- Operated a Citywide Summer Recreation Program that served approximately three hundred (300) children per day and employed approximately thirty-seven (37) part-time citizens from the community. In partnership with the Galveston Independent School District, breakfast and lunch were provided for six weeks during the program to many low to moderate-income families.
- Coordinated a Citywide After-School Program, which served an average of two hundred fifty (250) children per day and employed twelve (12) part-time citizens.
- Hosted Local Tennis Tournaments and scheduled numerous Softball and Baseball Tournaments at Galveston Ball fields.
- Purchased new fitness equipment for McGuire-Dent with funding help from IDC.
- Staff implemented new recreation software for memberships at McGuire-Dent and Wright Cuney. McGuire-Dent welcomed 653 paid Adult memberships, and offered free memberships to 311 seniors, 26 military, and 355 youth.
- Chosen as the host for the 2019 Texas Amateur Athletic Federation (T.A.A.F.) and the 2020 Texas Recreation and Park Society Annual Institute & Expo.
- Staff served and attended the 93rd Annual T.A.A.F. Conference and training, the Texas Recreation & Park Society (TRAPS) East Region Workshop in Conroe, , and TRAPS State Institute & Expo in El Paso, Texas where Chris Saddler graduated from the TRAPS Leadership Academy.
- Collaborated with Christina Sullivan Grillo Foundation to host 2nd Annual Land and See Challenge to children and adults with physical and intellectual disabilities.
- Worked with IDC Board to get Park Package #3 approved for McGuire-Dent and Wright Cuney.

Goals

- Continue to work in accordance with the Parks, Recreation, and Open Space Master Plan, and update the Master Plan as projects are accomplished.
- Continue with the Broadway Beautification Landscaping Plan and ADA compliance.
- Purchase and implement membership software for Recreation facilities; provide training to all staff.
- Introduce Adaptive programs at McGuire-Dent Recreation Center
- Implement new Adult fitness programs for members at both recreation centers and increase participation in various initiatives within established budgets.
- Continue working with various advisory boards and committees to ensure community needs are met.
- Continue to foster an environment in which members of the community experience an unmatched level of customer service from employees when visiting our facilities.

FY2020 PROPOSED BUDGET
RECREATION AND ADMINISTRATION

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$582,746	$669,893	$674,048	$611,199
Materials and Supplies	186,325	190,900	200,700	195,200
Contractual Services	84,166	178,811	205,542	215,234
Other Charges and Services	4,127	3,500	3,100	3,700
Capital Outlay	0	0	73,535	0
TOTAL	**$857,364**	**$1,043,104**	**$1,156,925**	**$1,025,333**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net decrease is the result of moving the Special Events Coordinator (-$62,850) to the Community Outreach department.

Materials and Supplies - Net decreases (-$5,500) for minor equipment needs for FY2020.

Contractual Services - Net increase (+$9,690) attributed to increase in computer charges due to the additon of laptop computers.

Other Charges and Services - Small increases (+$600) for meeting expenditures and bank service fees.

Capital Outlay - Purchase of additional equipment (-$73,535) not needed for FY2020.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Youth Participants	1,200	1,200	1,200	1,300
Adult Participants	23,000	24,500	16,000	28,000
Youth Programs	16	17	17	23
Adult Programs	15	16	16	20
Recreation Centers	2	2	2	2

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director of Parks and Recreation	1.00	1.00	1.00	1.00
Assistant Director of Parks & Recreation	1.00	0.60	0.60	0.60
Superintendent of Recreation	1.00	1.00	1.00	1.00
Sr. Admin. Assist./Special Events Coordinator	1.00	1.00	1.00	0.00
Assistant Superintendent	1.00	1.00	1.00	1.00
Recreation Coordinator	4.00	4.00	4.00	4.00
TOTAL	**9.00**	**8.60**	**8.60**	**7.60**

FY2020 PROPOSED BUDGET
RECREATION AND ADMINISTRATION

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$421,175	$470,115	$484,959	$426,460
511005	Longevity	4,505	4,896	4,024	4,388
511006	Differential Pay	1,523	1,807	1,807	1,800
511009	Overtime	423	2,000	429	1,000
511021	Part-Time Payroll	14,246	37,000	24,435	35,000
511125	Residency Pay	12,211	10,038	12,548	12,500
511510	Group Health Insurance	53,200	57,792	57,792	51,072
511515	Worker's Compensation	910	608	608	608
511520	Group Life Insurance	1,382	1,411	1,531	1,410
511530	Social Security - Employment	27,220	32,603	31,991	29,831
511535	Medicare - Employer's	6,366	7,626	7,482	6,977
511542	City Employee Retirement	39,585	43,997	46,443	40,153
Total Personnel Services		**$582,746**	**$669,893**	**$674,048**	**$611,199**
Materials and Supplies					
521065	Office Supplies	7,293	10,000	15,000	10,000
521067	Minor Office Equipment	4,854	0	0	0
522013	Clothing	0	0	3,700	3,500
522037	Janitorial Supplies	10,517	20,000	30,000	30,000
522040	Recreation Supplies	10,415	10,200	10,200	20,000
522056	Minor Equipment	28,989	25,000	20,000	0
525031	Electricity	122,420	124,000	120,000	130,000
525032	Natural Gas	1,836	1,700	1,800	1,700
Total Materials and Supplies		**$186,325**	**$190,900**	**$200,700**	**$195,200**
Contractual Services					
531007	Security Service	1,715	0	0	0
531014	Building Security	3,453	3,000	3,000	3,500
531025	Memberships	1,609	2,000	1,400	1,600
531220	Building Repairs	11,777	7,000	15,000	15,000
531230	Equipment Repairs	0	2,000	15,000	10,000
531240	Maintenance Contracts	1,304	1,600	4,000	3,500
531320	Equipment Rental	0	3,175	3,159	3,159
531360	Computer Charges	26,236	122,786	122,786	135,825
532062	Postage	160	150	30	150
532065	Printing, Duplication	0	2,000	1,500	2,000
532066	Print Shop Charges	1,426	0	0	0
532083	Telephone Service	7,744	8,000	10,355	8,000
532084	Cellular Service	2,649	3,000	3,312	3,500
532086	Other Communications	10,812	8,000	11,000	12,500
533085	Travel/Training	14,831	15,500	14,000	15,500
533100	Advertising	450	600	1,000	1,000
Total Contractual Services		**$84,166**	**$178,811**	**$205,542**	**$215,234**
Other Charges and Services					
544032	Meeting Expenditures	1,044	1,000	700	1,200
544105	Bank Service Fees	3,082	2,500	2,400	2,500
Total Other Charges and Services		**$4,127**	**$3,500**	**$3,100**	**$3,700**
Capital Outlay					
564003	Vehicle Capital Outlay	0	0	0	0
564099	Other Capital Purchases	0	0	73,535	0
Total Capital Outlay		**$0**	**$0**	**$73,535**	**$0**
Total Expenses		**$857,364**	**$1,043,104**	**$1,156,925**	**$1,025,333**

CITY OF GALVESTON

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Parks and Parkways

Division Mission

The mission of the Parks and Recreation Department is to create, promote, administer, and maintain exceptional recreational programs, facilities, and parks to the best of our ability. The Parks and Recreation Department strives to enhance the quality of life by continuing improvements in each of these areas, accomplishing our objectives by seeking community input and available resources, while also maintaining fiscal responsibility, often searching for additional funding through grants and donations.

Accomplishments

- Revised scheduling and made improvements to litter control and restroom cleaning activities at all parks and athletic fields.
- Converted splash pad recycle systems to "pump and dump" systems which significantly reduced the amount of automatic shut downs
- Assisted in an Eagle Scout Project by Collin Somerville to build the Lindale Dog Park Agility Couse
- Installed new drinking fountains and assisted in replacing playground equipment with equipment donated by the Better Parks for Galveston organization
- Increased mowing and landscaping with the Broadway Beautification Project by trimming trees and replacing plants to improve appearance; continued to repair/replace irrigation on Broadway and work with outsourced vendors to maintain the end circles on the medians.
- Maintained the I-45 Right-of-Ways, Causeway and the 27th Street Corridor

Goals

- Development and implementation of a Revised Organizational Structure that influences and further supports employee ownership, recognition and accountability.
- Seek additional training and development opportunities for departmental staff.
- Development and implementation of updated Standard Operating Procedures
- Continued improvement to operational standards and efficiencies in maintaining park grounds and facilities, major thoroughfares and city right-of-ways.
- Development and implementation of PMP, regular maintenance and capital plans for department facilities, parks, playgrounds and athletic fields.
- Complete park maintenance and improvement projects funded by IDC Parks Package #3, CDBG grant monies, Better Parks for Galveston donations and other funding sources.
- Improve the access and availability of cemetery records to staff and the public by working to locate and implement software capable of creating a new database using older, historical records and enabling that information to be more readily available.

FY2020 PROPOSED BUDGET
PARKS AND PARKWAYS

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,352,900	$1,423,337	$1,310,856	$1,429,438
Materials and Supplies	155,707	113,214	126,048	138,000
Contractual Services	364,368	359,483	291,215	338,180
Other Charges and Services	(23,508)	(10,000)	(25,000)	(70,000)
TOTAL	**$1,849,467**	**$1,886,034**	**$1,703,119**	**$1,835,618**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase (+$118,580) includes annualized cost of vacant positions remaining filled in FY2020.

Materials and Supplies - Increase (+$11,950) throughout the department for various materials and supplies to meet budget needs.

Contractual Services - Increases include (+$36,000) for contracted landscape services for the Broadway corridor and (+$10,965) for various contractual line items.

Other Charges and Services - Increase (-$45,000) in anticipated expense reimbursement for park operations for the Industrial Development Corporation.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Parks Mowed and Maintained Acreage	49.2	49.2	49.2	49.2
Sports Fields Moved and Maintained Acreage	87.1	89.9	89.9	89.9
Highways Mowed and Maintained Acreage	97.1	97.1	97.1	97.1
Buildings, Parking Lots, other Fields Mowed and Maintained Acreage	27.8	27.8	27.8	27.8
Streets, Roads & Roadways Mowed and Maintained Acreage	291.7	294.0	294.0	294.0
Cemeteries Mowed and Maintained Acreage	22.8	22.8	22.8	22.8
Overall Total Maintained Acreage	575.7	580.8	580.8	580.8

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Assistant Director of Park Operations	0.00	1.00	1.00	1.00
Parks Supervisor	0.00	1.00	1.00	1.00
Superintendent of Parks	1.00	1.00	0.00	0.00
Parks Crew Leader	4.00	4.00	4.00	4.00
Parks Facility Leader	0.00	0.50	0.00	0.00
Senior Parks Maintenance Worker	7.00	7.00	8.00	8.00
Park Maintenance Worker	19.00	19.00	21.00	21.00
TOTAL	**31.00**	**33.50**	**35.00**	**35.00**

FY2020 PROPOSED BUDGET
PARKS AND PARKWAYS

LINE ITEM DETAIL

		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$897,335	$921,700	$935,138	$1,043,213
511005	Longevity	9,126	10,003	8,983	10,663
511006	Differential Pay	762	900	904	904
511009	Overtime	55,066	51,000	47,932	51,000
511021	Part-Time Payroll	8,096	0	0	0
511125	Residency Pay	69,007	65,247	69,680	70,266
511510	Group Health Insurance - Employer's	198,380	208,290	208,290	235,200
511515	Worker's Compensation	16,254	10,860	10,860	10,860
511520	Group Life Insurance	3,343	3,544	3,473	3,748
511530	Social Security - Employer's	62,677	65,029	64,803	72,915
511535	Medicare - Employer's	14,658	15,207	15,156	17,053
511542	City Employee Retirement	92,817	96,557	95,637	105,844
511650	Salary Reimbursements	(74,621)	(25,000)	(150,000)	(192,228)
Total Personnel Services		**$1,352,900**	**$1,423,337**	**$1,310,856**	**$1,429,438**
Materials and Supplies					
522003	Agriculture Supplies	16,102	15,000	15,000	20,000
522011	Chemicals	731	0	0	0
522012	Park Equipment and Supplies	0	44,000	50,000	55,000
522013	Clothing	21,463	19,214	21,100	22,000
522015	Concrete And Aggregate	45	0	0	0
522025	Fuel And Lubricants	380	0	0	0
522037	Janitorial Supplies	22,353	5,000	4,948	6,000
522038	Safety Supplies	5,324	0	0	0
522045	Electrical Hardware	16,918	10,000	15,000	15,000
522055	Minor Tools	11,058	10,000	10,000	10,000
522056	Minor Equipment	24,203	10,000	10,000	10,000
522065	Paint And Lumber	12,907	0	0	0
522075	Pipe And Plumbing Supplies	11,414	0	0	0
522085	Equipment Parts	12,810	0	0	0
Total Materials and Supplies		**$155,707**	**$113,214**	**$126,048**	**$138,000**
Contractual Services					
531025	Memberships	750	1,000	1,351	1,000
531119	Landscaping Services	107,049	156,000	120,000	156,000
531220	Building Repairs	8,128	7,000	2,000	6,000
531230	Equipment Repairs	54,819	7,000	16,000	14,000
531320	Equipment Rental	9,325	7,000	7,000	6,000
531350	Garage Charges	147,759	181,483	143,664	150,180
531360	Computer Charges	36,538	0	0	0
533085	Travel and Training	0	0	1,200	5,000
Total Contractual Services		**$364,368**	**$359,483**	**$291,215**	**$338,180**
Other Charges and Services					
544087	Expense Reimbursement	(23,508)	(10,000)	(25,000)	(70,000)
544099	Miscellaneous Expense	0	0	0	0
Total Other Charges and Services		**($23,508)**	**($10,000)**	**($25,000)**	**($70,000)**
Capital Outlay					
564005	Capital Outlay - Improvements	0	0	0	0
564099	Other Capital Purchases	0	0	0	0
Total Capital Outlay		**$0**	**$0**	**$0**	**$0**
Total Expenses		**$1,849,467**	**$1,886,034**	**$1,703,119**	**$1,835,618**

FY2020 PROPOSED BUDGET
IDC REIMBURSEMEABLE (PARKS)

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Materials and Supplies	4,219	52,780	17,709	0
Other Charges and Services	(59,100)	(52,780)	(33,887)	0
Capital Outlay	54,881	0	16,178	0
TOTAL	**$0**	**$0**	**$0**	**$0**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Funding and subsequent salary reimbursement moved to Parks and Parkways.

Materials and Supplies - Funding and reimbursement moved to Parks and Parkways.

Other Charges and Services - Funding and reimbursement moved to Parks and Parkways.

Capital Outlay - Funding and reimbursement moved to Parks and Parkways.

FY2020 PROPOSED BUDGET
IDC REIMBURSEMEABLE (PARKS)

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Materials and Supplies				
521065 Office Supplies	0	1,500	1,443	0
522011 Chemicals	0	10,000	1,000	0
522037 Janitorial Supplies	0	5,000	1,000	0
522040 Recreation Supplies	0	7,500	3,000	0
522056 Minor Equipment	2,766	1,780	1,296	0
522065 Paint and Lumber	619	6,000	5,970	0
525031 Electricity	834	20,000	4,000	0
525032 Natural Gas	0	1,000	0	0
Total Materials and Supplies	**$4,219**	**$52,780**	**$17,709**	**$0**
Other Charges and Services				
544087 Expense Reimbursement	(59,100)	(52,780)	(33,887)	0
544105 Bank Service Fees	0	0	0	0
Total Other Charges and Services	**($59,100)**	**($52,780)**	**($33,887)**	**$0**
Capital Outlay				
564003 Vehicle Capital Outlay	3,760	0	16,178	0
564117 Machinery and Equipment	51,120	0	0	0
Total Capital Outlay	**$54,881**	**$0**	**$16,178**	**$0**
Total Expenses	**$0**	**$0**	**$0**	**$0**

CITY OF GALVESTON

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FY2020 PROPOSED BUDGET
DEVELOPMENTAL SERVICES OPERATIONS

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Code Enforcement	$634,621	$758,143	$692,400	$0
Building Inspection	632,724	611,935	606,984	696,738
Planning	1,139,330	914,134	856,592	1,090,225
Developmental Services Total	**$2,406,675**	**$2,284,212**	**$2,155,975**	**$1,786,963**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,616,355	$1,669,677	$1,658,561	$1,356,769
Materials and Supplies	50,621	25,400	25,215	12,900
Contractual Services	765,013	575,635	481,114	404,044
Other Charges and Services	(25,313)	13,500	(8,915)	13,250
Developmental Services Total	**$2,406,675**	**$2,284,212**	**$2,155,975**	**$1,786,963**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Net decreases include moving Code Enforcement to the City Marshals Office in Public Safety (-$519,553), reclassification of position and annualized cost for vacant positions in Building Inspection(+$57,460) and reallocation of funding for Assistant City Manager position and Senior Project Manager position (+$160,300).

Materials and Supplies - Net decreases (-$12,315) include moving Code Enforcement ($10,700) to the City Marshals Office in Public Safety and minor decreases ($1,615) throughout departments.

Contractual Services - Net decrease (-$77,071) includes moving Code Enforcement to the City Marshals Office in Public Safety (-$182,735), reallocation of computer charges from Planning to Building Inspection (-$15,006), minor increases (+$20,675) to various line items within the Departments and funding (+$100,000) added for Comprehensive Plan update.

Other Charges and Services - Net increase (+$22,165) include moving of Code Enforcement to the City Marshals Office in Public Safety.

Code Enforcement

Division Mission

The City Marshal's Office and Code Enforcement Division are dedicated to improving the overall appearance of neighborhoods and quality of life for the Citizens of Galveston, by ensuring compliance with federal, state, and local laws and ordinances.

Accomplishments

- Integrated with City Marshal's Office.

Goals

- Integrated with City Marshal's Office.

FY2020 PROPOSED BUDGET
CODE ENFORCEMENT

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$500,492	$527,038	$519,553	$0
Materials and Supplies	30,577	10,700	10,700	0
Contractual Services	142,938	220,405	182,735	0
Other Charges and Services	(39,386)	0	(20,588)	0
TOTAL	**$634,621**	**$758,143**	**$692,400**	**$0**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net decrease (-$519,553) in personnel costs for relocating department to City Marshals Office in Public Safety.

Materials and Supplies - Net decrease (-$10,700) in materials and supplies for relocating department to City Marshals Office in Public Safety.

Contractual Services - Net decrease (-$182,735) in contractual services for relocating department to City Marshals Office in Public Safety.

Other Charges and Services - Net increase (+$20,588) in other charges and services for relocating department to City Marshals Office in Public Safety.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Demolitions by the City	25	25	25	N/A
Structures Secured	15	15	15	N/A
Public Nuisances Cleaned	425	425	425	N/A
Municipal Court Cases	700	750	850	N/A
Coin Machines Issued	550	N/A	N/A	N/A
Temporary Concessions	25	N/A	N/A	N/A
Hotel/Motel Permits	36	N/A	N/A	N/A
Temporary Parking Lots	14	N/A	N/A	N/A
Motor Vending	4	N/A	N/A	N/A
Beach Rentals	10	N/A	N/A	N/A
Housing Abatement Cases/Court of Record	N/A	100	100	N/A

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Assistant Director of Developmental Services	1.00	1.00	1.00	0.00
Code Enforcement Supervisor	0.50	0.50	0.50	0.00
Deputy Marshals	0.00	0.00	3.00	0.00
Code Enforcement Officer	5.375	5.375	2.375	0.00
Administrative Assistant	1.00	1.00	1.00	0.00
TOTAL	**7.875**	**7.875**	**7.875**	**0.000**

FY2020 PROPOSED BUDGET
CODE ENFORCEMENT

LINE ITEM DETAIL

		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$356,211	$377,683	$372,677	$0
511005	Longevity	4,709	5,048	4,625	0
511006	Differential Pay	900	904	1,014	0
511009	Overtime	26,092	0	3,530	0
511510	Incentive Pay	0	8,736	4,800	0
511125	Residency Pay	11,230	11,293	11,795	0
511510	Group Health Insurance - Employer's	52,164	54,573	54,573	0
511515	Worker's Compensation	368	246	246	0
511520	Group Life Insurance	1,236	1,345	1,025	0
511530	Social Security - Employer's	24,371	25,027	24,244	0
511535	Medicare - Employer's	5,700	5,853	5,670	0
511542	City Employee Retirement	35,923	36,330	35,428	0
511650	Salary Reimbursements	(26,610)	0	(1,341)	0
511655	Salary Reimbursements-Grants	8,198	0	1,267	0
Total Personnel Services		**$500,492**	**$527,038**	**$519,553**	**$0**
Materials and Supplies					
521065	Office Supplies	4,914	7,200	7,200	0
522013	Clothing	2,083	3,500	3,500	0
522056	Minor Equipment	23,344	0	0	0
522065	Paint and Lumber	237	0	0	0
Total Materials and Supplies		**$30,577**	**$10,700**	**$10,700**	**$0**
Contractual Services					
531025	Memberships	0	50	50	0
531027	Certification & Permit Fees	485	600	600	0
531111	Asbestos Testing	0	750	0	0
531120	Lot Maintenance	22,800	41,264	35,000	0
531121	Lot Demolition	47,467	95,000	72,618	0
531124	Towing Payments	0	1,000	500	0
531129	Graffiti Removal	0	375	200	0
531240	Maintenance Contracts	7,358	7,500	990	0
531350	Garage Charges	33,452	27,866	19,633	0
531360	Computer Charges	0	0	0	0
532062	Postage	0	6,500	3,500	0
532065	Printing, Duplication	0	2,000	1,500	0
532066	Print Shop Charges	45	2,000	0	0
532083	Telephone Service	12,745	10,500	14,639	0
532084	Cellular Service	4,016	4,000	4,646	0
532086	Other Communications	4,416	10,000	18,747	0
533085	Travel/Training	8,578	6,000	6,000	0
533100	Advertising	1,576	5,000	4,112	0
Total Contractual Services		**$142,938**	**$220,405**	**$182,735**	**$0**
Other Charges and Services					
543033	Filing And Releasing Fees	15,888	32,000	20,000	0
544087	Expense Reimbursement	(55,274)	(32,000)	(40,588)	0
544099	Miscellaneous Expense	0	0	0	0
Total Other Charges and Services		**($39,386)**	**$0**	**($20,588)**	**$0**
Total Expenses		**$634,621**	**$758,143**	**$692,400**	**$0**

CITY OF GALVESTON

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Building Inspection

Division Mission

The mission of the Building Division is to ensure that all structures are built, maintained, and enhanced to specific standards in accordance with codes and ordinances of the City to protect the health, safety, and welfare of the general public, visitors and businesses.

Accomplishments

- Moved from trade-specific inspections to combination inspections allowing the Building Division to remove three inspector positions while expanding and improving the services provided.
- Trained and certified 2 commercial plumbing inspectors, 2 residential plumbing inspectors, 2 residential building inspectors, 1 residential mechanical Inspector, 1 residential electrical inspector, 1 commercial electrical Inspector, 1 Backflow Prevention Assembly Tester, 1 Customer Service Inspector, 1 residential combination inspector.
- Absorbed engineering related inspections pertaining to flatwork and SWPPP from the Engineering department.
- Hired a third permit technician to provide full service coverage at the planning counter and improve customer service.
- Consolidated the administrative tasks of the Building and Plumbing Divisions reducing the points of contact to the public.
- Absorbed duties associated with the administration of Construction right of way and fill permits from the engineering department.
- Improved CRS rating from a Class 7 to a Class 6 effective May 1, 2019
- Building Division as of June 21, 2018 issued 5,758 permits to include 186 new residential dwellings and 35 new Commercial buildings.
- As a staff performed 6601 inspections from June 21, 2018 to June 21, 2019.
- Electronic plan review implemented November 1, 2018. Effectiveness is continually evaluated and modified as necessary.
- New floodplain maps adopted and become effective August 15, 2019.

Goals

- Adopt 2018 International Codes.
- Create metrics for time in plan review to establish standards for timeliness of the review process.
- Create and/or adopt ordinances specific to permit deadlines.
- Update fee schedule to comply with state law and through analysis of cost recovery of the services provided.
- Continue the implementation of recommendations made of the Permit Division Process Audit.
- Train and certify three State Plumbing Inspectors, three Residential Combination Inspectors and one Commercial Combination Inspector.
- Create Development and Inspection guidelines for developers and contractors.

FY2019 PROPOSED BUDGET
BUILDING INSPECTION

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$588,331	$571,550	$568,622	$626,113
Materials and Supplies	4,311	2,700	3,561	2,700
Contractual Services	40,082	37,685	34,801	67,925
TOTAL	**$632,724**	**$611,935**	**$606,984**	**$696,738**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2020 ESTIMATED)

Personnel Services - Net increase (+$57,460) includes annualized cost of vacant positions and reclassifying Building Inspector position to a Combo Inspector position.

Materials and Supplies - Reduction is office supplies (-$860).

Contractual Services - Net increase (+$33,124) includes computer charges ($16,386) split out from the Planning Department, increases in garage charges ($6,970) and increase in Travel and Training ($9,800) line item.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Total Permits Issued	4,579	5,014	5,200	5,507
Total Inspections	8,973	8,275	9,200	6,099
Inspections per day per FTE	4	5	6	5
Average days from application to permit issuance	12	9	7	5

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Assistant Director of Developmental Services	0.00	1.00	1.00	1.00
Chief Building Official	1.00	1.00	1.00	1.00
Senior Building Inspector	4.00	3.00	3.00	3.00
Combo Building Inspector	0.00	0.00	1.00	1.00
Building Inspector	1.00	1.00	0.00	0.00
Plans Examiner	1.00	1.00	1.00	1.00
Permit Technician	2.00	2.00	2.00	2.00
TOTAL	**9.00**	**9.00**	**9.00**	**9.00**

FY2019 PROPOSED BUDGET
BUILDING INSPECTION

LINE ITEM DETAIL

		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$436,546	$424,754	$429,092	$472,083
511005	Longevity	4,571	4,731	4,032	4,416
511006	Differential Pay	1,402	904	1,461	1,807
511009	Overtime	0	0	14	0
511125	Residency Pay	9,971	12,548	5,779	5,000
511510	Group Health Insurance	59,640	53,155	54,040	60,480
511515	Worker's Compensation	487	325	325	325
511520	Group Life Insurance	1,538	1,383	1,251	1,532
511530	Social Security - Employment	27,111	27,462	26,741	29,965
511535	Medicare - Employer's	6,341	6,423	6,254	7,008
511542	City Employee Retirement	40,724	39,865	39,634	43,497
Total Personnel Services		**$588,331**	**$571,550**	**$568,622**	**$626,113**
Materials and Supplies					
521065	Office Supplies	4,133	2,500	2,500	2,500
521067	Minor Office Equipment	0	0	861	0
522013	Clothing	178	200	200	200
Total Materials and Supplies		**$4,311**	**$2,700**	**$3,561**	**$2,700**
Contractual Services					
531025	Memberships	380	650	650	385
531027	Certification & Permit Fees	90	200	100	100
531350	Garage Charges	20,902	18,085	14,130	21,104
531360	Computer Charges	0	0	0	16,386
532062	Postage	0	1,500	0	0
532065	Printing, Duplication	537	1,000	1,000	1,000
532066	Print Shop Charges	3,418	250	243	250
532083	Telephone Service	6,928	7,000	8,602	8,700
533085	Travel/Training	7,827	9,000	10,076	20,000
Total Contractual Services		**$40,082**	**$37,685**	**$34,801**	**$67,925**
Other Charges and Services					
544087	Expense Reimbursement	0	0	0	0
Total Other Charges and Services		**$0**	**$0**	**$0**	**$0**
Total Expenses		**$632,724**	**$611,935**	**$606,984**	**$696,738**

CITY OF GALVESTON

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Planning and Development

Department Mission

The mission for the City of Galveston Development Services Department is to provide the general public and city with information and guidance, in order to lead to effective and responsible future land development and economic growth, through coastal management, disaster mitigation and recovery, economic development, historic preservation, neighborhood revitalization, as well as long range and comprehensive planning.

Accomplishments

- Continued to implement the Land Development Regulations (LDR). Obtained approval of the LDR revisions and managed public engagement process with interested groups
- Hosted 48 Pre-Development Meetings
- Conferences/Training attended: Texas Chapter of the American Planning Association, Galveston College Leadership Pathway, American Shores and Beaches Preservation Association, Texas A&M Annual Historic Preservation Symposium, Navigating a Wetter World: Resilience Planning in Houston & NYC
- In partnership with the GIS Division, developed the Public Meeting Cases Map: https://galveston.maps.arcgis.com, which provides the public with information about cases being heard before our commissions.
- City Council designated the 100th Galveston Landmark. Completed the historic survey of Galveston's Mid-Century Modern resources.
- Developed a process for approval of Sightseeing and Tour Franchises
- Worked with the Tree Committee to develop protections for Palms
- Successfully processed the following cases and administrative approvals:
    - Landmark Commission – 50, Planning Commission – 44, and Zoning Board of Adjustment – 8.
    - Administrative Plats – 29, Beachfront Construction and Dune Protection Permits – 54, Certificates of Zoning Compliance – 10, License to Use – 21
    - Sign Permits – 112, Zoning Letters – 13
- The Coastal Development Manager:
    - Continued to work on evenly distributing free parking along the Seawall Urban Park and Stewart Beach
    - Developed a Request for Proposal for the coastal survey
    - Coordinated and permitted beach nourishment projects along the Seawall.

Goals

- Continue assisting the Galveston Roundtable of Foundations with Visioning Plan
- Perform a five-year update of the Comprehensive Plan based upon Visioning Plan results.
- Begin implementing the Broadway Corridor Streetscape/Redevelopment Plan
- Continue to enhance and expand the Historic Preservation Program.
- Work with the Landmark Commission to update the Design Standards for Historic Properties
- Continue to provide administrative support to the Planning Commission, Landmark Commission and Zoning Board of Adjustment.
  Continue to support the City Manager and City Council with special projects related to land development and community planning.

FY2020 PROPOSED BUDGET
PLANNING

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$527,532	$571,089	$570,387	$730,656
Materials and Supplies	15,732	12,000	10,954	10,200
Contractual Services	581,992	317,545	263,578	336,119
Other Charges and Services	14,073	13,500	11,673	13,250
TOTAL	**$1,139,330**	**$914,134**	**$856,592**	**$1,090,225**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase (+$160,270) includes reallocation of funding ($66,170) for 50% of Assistant City Manager of Grants and Public Transit to handle economic development and moving a Senior Project Manager position ($94,100) from the Neighborhood Revitalization Special Revenue Fund.
Materials and Supplies - Net decreases (-$750) in office supplies and minor equipment.

Contractual Services - Net increase includes computer charges split out from the Planning Department and charged to Building Inspection and Code Enforcement Divisions (-$27,460) and funding (+$100,000) for the Comprehensive Plan.
Other Charges and Services - Slight increase in bank service charges (+$1,570).

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Percentage of Landmark Commission cases completed within 60 days	100%	100%	100%	100%
Percentage of Planning Commission cases completed within 90 days	100%	98%	98%	100%
Percentage of Zoning Board of Adjustment cases completed within 60 days	100%	100%	100%	100%
Percentage of Administrative License-to-Use reviewed within 15 days	100%	100%	100%	100%
Number of cases for the Financial Incentives for Historic Properties Program	35	13	12	15

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director of Developmental Services	1.00	1.00	1.00	1.00
ACM Grants & Public Transit	0.00	0.00	0.00	0.50
Assistant Director of Dev. Services	1.00	1.00	1.00	1.00
Coastal Res/Flood Plain Manger	0.00	0.00	1.00	1.00
Assistant Coastal Resource Manager	0.00	0.00	1.00	1.00
Senior Project Manager	1.00	1.00	1.00	2.00
Senior Planner	1.00	1.00	1.00	1.00
Planner	1.00	1.00	1.00	1.00
Planning Technician	1.00	1.00	1.00	1.00
Office Assistant	1.00	1.00	1.00	1.00
TOTAL	**7.00**	**7.00**	**9.00**	**10.50**

FY2020 PROPOSED BUDGET
PLANNING

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$405,359	$438,042	$601,295	$743,380
511005	Longevity	1,238	1,736	1,444	1,948
511006	Differential Pay	900	904	904	904
511009	Overtime	66	0	153	0
511125	Residency Pay	8,990	7,529	15,057	15,057
511510	Group Health Insurance	40,600	46,570	46,570	70,560
511515	Worker's Compensation	609	407	407	407
511520	Group Life Insurance	1,091	1,274	1,104	2,044
511530	Social Security - Employment	25,278	27,789	38,013	47,200
511535	Medicare - Employer's	5,912	6,499	8,890	11,039
511542	City Employee Retirement	37,490	40,339	55,697	68,516
511650	Salary Reimbursements	0	0	(199,147)	(230,398)
Total Personnel Services		**$527,532**	**$571,089**	**$570,387**	**$730,656**
Materials and Supplies					
521065	Office Supplies	12,946	7,200	7,007	7,200
521067	Minor Office Equipment	2,786	4,000	3,948	3,000
521073	Printed Materials	0	800	0	0
Total Materials and Supplies		**$15,732**	**$12,000**	**$10,954**	**$10,200**
Contractual Services					
531004	Consultant Services	65,812	58,500	0	100,000
531025	Memberships	3,506	3,500	3,369	3,500
531028	Software Licenses	62,000	62,000	62,000	70,000
531350	Garage Charges	5,297	3,929	3,289	1,856
531360	Computer Charges	361,348	120,016	115,955	84,663
531400	Water Service	1,704	5,000	2,382	2,400
532062	Postage	15,062	7,500	14,064	15,000
532065	Printing, Duplication	6,273	8,000	9,608	7,000
532066	Print Shop Charges	5,901	3,500	2,304	3,000
532083	Telephone Service	15,145	14,500	17,715	15,500
532084	Cellular Service	10,607	11,000	12,945	13,000
532086	Other Communications	165	100	194	200
533085	Travel/Training	14,943	10,000	9,940	10,000
533100	Advertising	14,229	10,000	9,814	10,000
Total Contractual Services		**$581,992**	**$317,545**	**$263,578**	**$336,119**
Other Charges and Services					
544032	Meeting Expenditures	203	500	250	250
544105	Bank Service Charges	13,871	13,000	11,423	13,000
Total Other Charges and Services		**$14,073**	**$13,500**	**$11,673**	**$13,250**
Total Expenses		**$1,139,330**	**$914,134**	**$856,592**	**$1,090,225**

FY2020 PROPOSED BUDGET
GENERAL GOVERNMENT OPERATIONS

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
City Secretary	$521,835	$525,271	$533,429	$544,646
Elections	20,986	67,000	58,545	58,500
Municipal Court	741,765	654,870	638,723	728,353
City Manager	696,411	668,997	704,235	696,989
City Auditor	269,118	269,352	271,217	278,551
City Attorney	788,627	909,227	906,136	833,109
Human Resources	494,664	555,375	565,003	560,117
Transportation	915,000	586,374	1,053,470	800,000
General Government Operations Total	**$4,448,406**	**$4,236,466**	**$4,730,758**	**$4,500,264**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$2,649,066	$2,696,505	$2,760,556	$2,736,038
Materials and Supplies	76,154	82,964	72,236	71,345
Contractual Services	1,631,710	1,284,601	1,733,997	1,491,281
Other Charges and Services	68,607	86,396	97,969	101,600
Special Programs and Events	22,870	86,000	66,000	100,000
General Government Operations Total	**$4,448,406**	**$4,236,466**	**$4,730,758**	**$4,500,264**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Net decrease includes reallocation of salaries (+$79,750) in Municipal Court, (-$35,420) in the City Manager's Office, salary reimbursement of (-$71,600) in the City Attorney's Office and an increase of (+$3,000) for annualized cost of positions.

Materials and Supplies - Decrease purchases to various line items (-$891).

Contractual Services - Net decreases include funding of local match (-$253,400) transferred to Island Transit for Operations and miscellaneous line item increases throughout the departments (+$10,680).

Other Charges and Services - Increase to various line items (+$3,631).

Special Programs and Events - Maintain FY2019 adopted budget level of contingency ($+34,000).

City Secretary

Department Mission

It is the mission of the City Secretary's Office to manage and preserve the official records of the City; to ensure transparency in government by assisting the public in accessing public documents and information; and to provide support services to the City Council, City Staff, and the public in a manner that values honesty, integrity, and trust.

Accomplishments

- Collaborated with the Purchasing Department on an internal policy with an end goal of faster issuance of Purchase Orders.
- Worked with the unofficial Sister Cities Committee before and during the transition of becoming an official committee of the city. Guided the committee through the process of getting established, electing officers, adopting bylaws, and setting future goals.
- Continued the "green" initiative by reducing printed Council packet materials. A link to the online html version of agenda packets are provided for the Council's and the public's online review of supporting documentation.

Goals

- Continue the effort of digitizing City records, focusing on those that are considered permanent by statute with the goal of increasing transparency and efficiency when searching for older documents.
- Expand the electronic contract management approval process to include electronic signatures for City staff with the goal of saving time and money while supporting the "green" initiative. This goal is contingent on an IT project in the Laserfiche program.
- Implement an electronic process for contracts not requiring City Council approval, but requiring City Manager approval, with the goal of increasing efficiency and ensuring all documents are filed with the City Secretary's office in the official records of the city. This goal is contingent on an IT project in the Laserfiche program.
- Continue working with the Sister Cities Program Committee to build on current relationships with our active Sister Cities, and to possibly eliminate some older dormant Sister Cities.

FY2020 PROPOSED BUDGET
CITY SECRETARY

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$345,388	$350,083	$355,389	$356,910
Materials and Supplies	10,217	11,300	9,535	11,000
Contractual Services	139,883	136,638	143,548	147,986
Other Charges and Services	26,347	27,250	24,957	28,750
TOTAL	**$521,835**	**$525,271**	**$533,429**	**$544,646**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Increase of (+$1,521) for annualized cost of positions.
Materials and Supplies - A small increase (+$1,465) is needed for office supplies and printed materials.

Contractual Services - Increases in printing and duplication (+$1,900), advertising ($1,000), and increases (+$1,550) in various miscellaneous line items.

Other Charges and Services - Increase meeting expenditures (+$2,000) and funding (-$1,500) for Niigata Sister City Stavanger, Norway visitation.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Ordinances Processed	79	77	88	90
Resolutions Processed	45	56	65	60
Claims	120	115	150	150
Subpoenas	25	8	8	10
TABC	42	42	45	45
Boards & Committee Agendas	300	411	420	410
City Council Agendas Prepared and Posted	38	33	37	38
City Council Minutes	30	33	37	38
Proclamations	102	113	150	150
Contracts	220	186	185	190
Public Information Requests	931	1,290	1,490	1,500

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
City Secretary	1.00	1.00	1.00	1.00
Assist. City Secretary/Records Mgmt. Coord.	1.00	1.00	1.00	1.00
Records Management Specialist	1.00	1.00	1.00	1.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00
TOTAL	**4.00**	**4.00**	**4.00**	**4.00**

FY2020 PROPOSED BUDGET
CITY SECRETARY

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$261,705	$265,806	$271,102	$271,135
511005 Longevity	1,815	1,713	1,992	2,184
511006 Differential Pay	1,800	1,814	1,807	1,800
511009 Overtime	2,355	2,000	1,168	2,000
511125 Residency Pay	5,000	5,000	5,019	5,000
511510 Group Health Insurance	26,880	26,880	26,880	26,880
511515 Worker's Compensation	201	134	134	201
511520 Group Life Insurance	719	726	737	736
511530 Social Security - Employment	16,511	17,133	17,224	17,491
511535 Medicare - Employer's	3,861	4,007	4,028	4,091
511542 City Employee Retirement	24,541	24,870	25,298	25,391
Total Personnel Services	**$345,388**	**$350,083**	**$355,389**	**$356,910**
Materials and Supplies				
521065 Office Supplies	7,592	8,000	7,349	8,000
521067 Minor Office Equipment	2,410	2,500	1,898	2,500
521073 Printed Materials	215	800	288	500
Total Materials and Supplies	**$10,217**	**$11,300**	**$9,535**	**$11,000**
Contractual Services				
531012 Records Management	30,538	34,100	37,875	38,000
531020 Codification Charges	15,447	10,300	14,358	15,000
531025 Memberships	18,120	19,400	19,400	19,400
531360 Computer Charges	30,205	29,543	29,543	29,131
532062 Postage	928	850	789	1,000
532065 Printing, Duplication	10,070	10,000	8,063	10,000
532066 Print Shop Charges	225	0	0	0
532083 Telephone Service	9,651	8,500	10,353	10,500
532084 Cellular Service	8,468	5,000	7,033	7,100
532086 Other Communications	412	500	485	500
532087 Aircard Service	1,550	1,400	2,309	2,310
533084 Council Members Travel/Training	4,738	6,000	4,514	5,000
533085 Travel/Training	4,481	7,000	4,781	5,000
533100 Advertising	5,016	4,000	4,000	5,000
534030 Surety Bond & Notary Fees	33	45	45	45
Total Contractual Services	**$139,883**	**$136,638**	**$143,548**	**$147,986**
Other Charges and Services				
544032 Meeting Expenditures	13,844	20,000	17,983	20,000
544034 Commemoration	0	500	500	500
544035 Protocol	7,949	5,250	4,977	5,250
544037 Sister City Expenditures	4,554	1,500	1,497	3,000
Total Other Charges and Services	**$26,347**	**$27,250**	**$24,957**	**$28,750**
Total Expenses	**$521,835**	**$525,271**	**$533,429**	**$544,646**

FY2020 PROPOSED BUDGET
ELECTIONS

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services	20,986	67,000	58,545	58,500
TOTAL	**$20,986**	**$67,000**	**$58,545**	**$58,500**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Contractual Services -Funding for services billed from Galveston County Elections Office.

FY2020 PROPOSED BUDGET
ELECTIONS

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services				
531125 Other Contracts	$20,986	$59,000	$58,545	$58,500
533100 Advertising	0	8,000	0	0
Total Contractual Services	**$20,986**	**$67,000**	**$58,545**	**$58,500**
Total Expenses	**$20,986**	**$67,000**	**$58,545**	**$58,500**

Municipal Court

Department Mission

The mission of the Municipal Court Division is to provide those we serve with high quality customer service that is effective, efficient and delivered in a professional environment, while accomplishing the duties incumbent upon it by the Galveston City Charter and the laws of the State of Texas, thereby earning and maintaining the public's respect, confidence, and satisfaction.

Accomplishments

- Participated in the statewide warrant round-up; encouraged defendants to voluntarily appear to resolve outstanding cases, clearing 681 warrants by the end of the initiative;
- Implemented new jail docket process to reduce time spent at jail and created new forms for more efficient processing of documentation for inmates;
- Increased team performance by cross-training two Deputy Court Clerks and reorganized job duties to improve workflow;
- Eliminated printed dockets for the judge and utilized court users' e-mail addresses in lieu of regular mail to reduce associated costs;
- Continued adding new offense codes to the case management system for processing Commercial Vehicle Enforcement citations;
- Continued accepting and processing "live" online payments and extensions, deferred dispositions, and driver safety course requests, disposing of 7,484 cases from October 2018 to June 2019;
- Bailiff completed the Court Security Officer certification course as mandated by S.B. 42; and
- Court Clerk and one Deputy Court Clerk attended a Texas Municipal Courts Education Center conference to continue professional development.

Goals

- Continue to promote staff development and increase team performance by cross training, participating in established training programs, and attending certification courses; obtain various certifications and increase expertise as needed through respective associations;
- Continue efforts to reach case disposition prior to issuance of warrants by contacting defendants via phone and/or e-mail with court date and due date reminders;
- Review and update standing orders;
- Review and update standard window fine and bond listings;
- Coordinate the execution of an amnesty program to increase disposition of cases on warrant status;
- Complete a procedures manual to promote consistency in all matters before the court and a training manual to accomplish the goal of cross-training all employees; and
- Continue to foster an environment in which members of the community experience an unmatched level of customer service.

FY2020 PROPOSED BUDGET
MUNICIPAL COURT

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$391,735	$415,950	$414,895	$494,647
Materials and Supplies	5,520	5,000	5,000	5,000
Contractual Services	326,907	218,920	200,966	210,856
TOTAL	**$741,765**	**$654,870**	**$638,723**	**$728,353**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase (+79,750) for annualized addition of another Deputy Court Clerk added in FY2019 due to increase work load and additon of full-time Baliff with 50% reimbursement from the Building Security Special Revenue Fund.
Contractual Services -Net increases ($9,000) for maintenance contracts and ($890) miscellaneous line items.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Traffic Tickets				
Number of Traffic Tickets Issued	16,016	16,306	18,554	18,925
$ Value of Traffic Tickets Issued	$3,932,496	$3,929,369	$4,260,693	$4,345,907
Number of Traffic Tickets Paid	14,502	13,277	15,423	15,731
$ Amount Paid for Traffic Tickets	$1,748,341	$1,957,857	$2,146,188	$2,189,112
Parking Tickets				
Number of Parking Tickets Issued	18,896	19,546	21,117	21,539
$ Value of Parking Tickets Issued	$683,515	$719,610	$763,908	$779,186
Number of Parking Tickets Paid	11,020	11,451	10,920	11,138
$ Amount Paid for Parking Tickets	$481,041	$462,300	$437,005	$445,745
Warrants Served				
Number of Warrants Served	11,085	9,421	8,499	8,669
$ Value of Warrants Served	$2,775,303	$2,470,180	$2,175,849	$2,219,366
Number Warrants Satisfied on Non-Cash	4,346	3,742	2,987	3,047
$ Value Community Service/Jail Time Served	$1,622,131	$1,537,971	$1,210,513	$1,234,723
Number Warrants Paid	2,819	0	0	0
$ Amount Warrants Paid	$822,343	$0	$0	$0
Statistics				
$ Amount of Tickets Issued	$4,616,011	$4,648,979	$5,024,601	$5,125,093
$ Amount of Tickets Paid	$2,229,382	$2,420,157	$2,583,193	$2,634,857
Percent $ Amount of Tickets Paid	48%	52%	51%	51%

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Clerk of Municipal Court	1.00	1.00	1.00	1.00
Chief Deputy Court Clerk	1.00	1.00	1.00	1.00
Deputy Court Clerk/Interpreter	1.00	1.00	1.00	1.00
Deputy Court Clerk	5.00	5.00	6.00	6.00
Bailiff	0.00	0.00	0.00	1.00
TOTAL	**8.00**	**8.00**	**9.00**	**10.00**

FY2020 PROPOSED BUDGET
MUNICIPAL COURT

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$287,126	$290,904	$296,175	$377,842
511005 Longevity	3,617	3,999	3,808	4,168
511006 Differential Pay	2,648	2,700	2,029	1,800
511009 Overtime	1,918	1,500	1,216	2,000
511021 Part-Time Payroll	24,651	32,500	19,700	0
511125 Residency Pay	7,500	7,500	10,673	12,500
511510 Group Health Insurance	53,480	53,760	54,095	60,480
511515 Worker's Compensation	805	538	538	538
511520 Group Life Insurance	1,057	1,075	1,057	1,089
511530 Social Security - Employment	19,044	21,024	20,683	24,695
511535 Medicare - Employer's	4,454	4,917	4,837	5,775
511542 City Employee Retirement	27,253	30,519	30,024	35,848
511650 Salary Reimbursements	(41,817)	(34,986)	(29,941)	(32,089)
Total Personnel Services	**$391,735**	**$415,950**	**$414,895**	**$494,647**
Materials and Supplies				
521065 Office Supplies	5,321	5,000	5,000	5,000
521067 Minor Office Equipment	200	0	0	0
Total Materials and Supplies	**$5,520**	**$5,000**	**$5,000**	**$5,000**
Contractual Services				
531018 Contractual Labor	91,781	73,500	69,375	73,500
531025 Memberships	80	80	40	80
531125 Other Contracts	6,038	7,000	6,062	7,000
531240 Maintenance Contracts	40,989	27,181	14,399	23,400
531350 Garage Charges	538	0	0	0
531360 Computer Charges	118,022	46,160	46,160	41,876
532062 Postage	20,293	17,999	20,091	20,000
532065 Printing, Duplication	3,375	4,000	4,000	4,000
532066 Print Shop Charges	2,348	2,500	2,500	2,500
532086 Other Communications	574	0	86	0
532084 Cellular Service	40,319	39,000	36,853	37,000
533085 Travel/Training	2,551	1,500	1,400	1,500
Total Contractual Services	**$326,907**	**$218,920**	**$200,966**	**$210,856**
Other Charges and Services				
544105 Bank Service Charges	16,791	15,000	17,762	17,850
547025 Over/Short	811	0	100	0
Total Other Charges and Services	**$17,602**	**$15,000**	**$17,862**	**$17,850**
Total Expenses	**$741,765**	**$654,870**	**$638,723**	**$728,353**

CITY OF GALVESTON

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City Manager

Department Mission

The mission of the City Manager's Department is to provide policy direction and executive leadership over all City operations. The department provides advice and guidance to the Mayor and City Council on legislative and political issues and serves as a liaison to the public and private sectors in fostering partnerships and initiatives to better the entire city.

Accomplishments

- Restructured the building division to improve compliance, responsiveness and customer service;
- Completed phase one of the City asset review;
- Greatly improved the visitors experience in Galveston by improving streets and streetscape, beaches, and accessibility;
- Oversaw 17 capital improvement projects;
- Assisted Galveston County, Galveston Parks Board and the Port of Galveston with automated monitoring of their fleet operations;
- Completed renovations of Garage and Island Transit Administration Offices;
- Established a Community Outreach Department which educates the public and civic organizations of City operations, initiatives, and proposed projects;
- Restructured the Development Services Department, bringing focus to economic development and Flood Plain management;
- Instigated the review and approval of pre-disaster contracts, city policies, and interlocal agreements;
- Reorganized the Finance Department to include a new executive management structure and broader goals for city staff;
- Supported the establishment of the City's first training and development program through Galveston College;
- Secured an agreement with American National providing for a Disaster Recover site; and
- Significantly reduced Island Transit expenses through changes in the route structure and the elimination of unprofitable services.

Goals

- Foster an environment where staff development and training provide a basis for career development within the City;
- Reduce the City's environmental foot print through more efficient operation and utilization of the City fleet;
- Increase the City's community outreach through greater involvement of City leadership and staff;
- Improve oversight and management of traffic flow during special events and busy weekends;
- Enhance the walkability and accessibility of the downtown business district;
- Increase oversight and control of all City owned assets; and
- Stimulate and encourage participation in the development of the City's updated comprehensive plan.

FY2020 PROPOSED BUDGET
CITY MANAGER

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$580,861	$502,332	$537,495	$502,074
Materials and Supplies	14,365	17,000	16,146	14,315
Contractual Services	63,394	47,165	52,881	48,100
Other Charges and Services	14,921	16,500	31,712	32,500
Special Programs and Events	22,870	86,000	66,000	100,000
TOTAL	**$696,411**	**$668,997**	**$704,235**	**$696,989**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net decrease in payroll (-$35,420) is from allocating 25% of the Assistant City Manager of Development and Municipal Services Enterprise funds.
Materials and Supplies - Net decrease (-$1,830) for office supplies and printed materials.

Contractual Services - Net decrease (-$4,780) for travel charges for legislative meetings in Austin needed for FY2020.

Other Charges and Services - Net increase ($780) for department.

Special Programs and Events - Maintain FY2019 adopted budget level of contingency ($+34,000).

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
City Manager	1.00	1.00	1.00	1.00
Deputy City Manager	1.00	1.00	1.00	1.00
ACM Development & Municipal Services	0.00	0.25	0.25	0.00
Chief of Staff	1.00	0.00	0.00	0.00
Senior Project Manager	2.00	0.00	0.00	0.00
GIS Analyst	1.00	0.00	0.00	0.00
Public Information Officer	0.50	0.00	0.00	0.00
Communication Specialist	1.00	0.00	0.00	0.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00
TOTAL	**8.50**	**3.25**	**3.25**	**3.00**

FY2020 PROPOSED BUDGET
CITY MANAGER

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$530,521	$439,385	$473,436	$438,958
511005	Longevity	994	1,669	1,123	1,123
511007	Vehicle/Motor Allowance	0	9,000	9,035	9,000
511009	Overtime	2,423	500	379	500
511002	Summer Employee's Payroll	777	0	0	0
511125	Residency Pay	5,788	5,000	5,629	5,621
511510	Group Health Insurance	29,318	20,160	21,839	20,160
511515	Worker's Compensation	568	379	379	379
511520	Group Life Insurance	786	389	591	542
511530	Social Security - Employment	24,328	28,244	24,038	28,223
511535	Medicare - Employer's	7,624	6,606	6,982	6,600
511542	City Employee Retirement	48,979	41,000	44,064	40,968
511650	Salary Reimbursements	(71,245)	(50,000)	(50,000)	(50,000)
Total Personnel Services		**$580,861**	**$502,332**	**$537,495**	**$502,074**
Materials and Supplies					
521065	Office Supplies	12,247	14,000	13,721	12,115
521067	Minor Office Equipment	1,111	1,500	1,425	1,200
521073	Printed Materials	1,007	1,500	1,000	1,000
Total Materials and Supplies		**$14,365**	**$17,000**	**$16,146**	**$14,315**
Contractual Services					
531013	Media Services	15,122	0	0	0
531025	Memberships	3,616	3,800	3,722	3,800
531360	Computer Charges	12,673	12,925	12,925	13,200
532062	Postage	818	1,400	751	850
532065	Printing, Duplication	3,397	4,000	3,789	3,800
532066	Print Shop Charges	378	1,800	320	350
532083	Telephone Service	10,761	10,000	11,443	11,000
532084	Cellular Service	5,000	1,680	2,229	3,000
532086	Other Communications	511	600	602	600
532087	Aircard Service	1,524	960	1,482	1,500
533085	Travel/Training	9,593	10,000	15,620	10,000
Total Contractual Services		**$63,394**	**$47,165**	**$52,881**	**$48,100**
Other Charges and Services					
544032	Meeting Expenditures	6,540	6,500	12,417	12,500
544038	Employee Appreciation	8,382	10,000	19,295	20,000
Total Other Charges and Services		**$14,921**	**$16,500**	**$31,712**	**$32,500**
Special Events and Programs					
592001	General Fund Contingency	22,870	86,000	66,000	100,000
Total Special Events and Programs		**$22,870**	**$86,000**	**$66,000**	**$100,000**
Total Expenses		**$696,411**	**$668,997**	**$704,235**	**$696,989**

CITY OF GALVESTON

1839

City Auditor

Department Mission

The mission of the City Auditor's Office is to assist City Council by providing independent and objective audit services while improving the efficiency and effectiveness of internal controls for the City of Galveston and its component units.

Accomplishments

- The City Auditor's Office was in charge of determining the costs of debris removal and repairs of infrastructure paid out of insurance proceeds for Hurricane Ike by the Port of Galveston. This lead to help the Port determine a more efficient strategy for insurances acquired in the future. This strategy could also lead to a possible savings of $20 million or more for the Port of Galveston in the advent of another major hurricane.

- The City Auditor's Office took the initiative in evaluating the design and operating effectiveness of the internal controls over FEMA receivables and liabilities for the Port of Galveston. The City Auditor's Office acquired important information that will help to ensure the accuracy and completeness of the Port of Galveston CAFRs in the future.

- The City Auditor's Office is responsible for evaluating the efficiency of the Galveston Island Convention and Visitors Bureau commissions' payout. Recommendations are complete to allow better understanding of these commissions with greater transparency. This will help to ensure greater confidence from the public.

Goals

- Goal:
  1. Implementation by management on at least 85% of recommendations.
  2. Increase Sales Tax Revenues by $500,000 annually.
  3. Support transparency and accountability to the citizens of Galveston for the City of Galveston, The Park Board of Trustees, and The Port of Galveston.

- Operational Goals:
  Analysis and Recommendations of Administrative, Accounting, and Financial Reporting Internal Controls for:
  1. The Police Department.
  2. The Port of Galveston.
  3. The Park Board of Trustees.

- Personnel Training and Growth:
  1. Increase the number of Continuing Education Classes.
  2. Complete the electronic work papers.
  3. Prepare documentation for a Peer Review.

- Customer Service:
  1. Strengthen communication between the Auditor's Office and the Public.

FY2020 PROPOSED BUDGET
CITY AUDITOR

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$232,754	$238,826	$244,877	$249,352
Materials and Supplies	2,338	3,600	2,210	2,330
Contractual Services	34,026	26,926	24,130	26,869
TOTAL	**$269,118**	**$269,352**	**$271,217**	**$278,551**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Increase of (+$4,475) for annualized cost of positions.

Materials and Supplies - Increase for needed supplies (+$120).

Contractual Services - Added funding in computer charges (+$1,500) for addition of a laptop computer and equipment rental (+$1,200) for Xerox machine.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Percent of Output (Work Completed vs. Planned)	95%	95%	80%	95%
Percent of Audit Plan approved by City Council	100%	100%	100%	100%
Percent of recommendations implemented	0%	0%	75%	85%
Revenue generated from HOT Audits	$50,000	$30,000	$50,000	$50,000
Revenue generated - Compliance Audits	$0	$0	$0	$20,000,000
Revenue generated - Operational Audits	$0	$0	$0	$0
Revenue generated - Sales Tax Revenue	$250,200	$750,000	$500,000	$500,000
Revenue generated - Franchise Fees	$100,000	$50,000	$0	$0

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
City Auditor	1.00	1.00	1.00	1.00
Internal Auditor	1.00	1.00	1.00	1.00
TOTAL	**2.00**	**2.00**	**2.00**	**2.00**

FY2020 PROPOSED BUDGET
CITY AUDITOR

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$187,229	$192,115	$197,236	$200,976
511005 Longevity	639	652	723	819
511510 Group Health Insurance	13,440	13,440	13,440	13,440
511515 Worker's Compensation	201	134	134	134
511520 Group Life Insurance	384	389	384	384
511530 Social Security - Employment	11,309	11,952	12,273	12,511
511535 Medicare - Employer's	2,645	2,795	2,870	2,926
511542 City Employee Retirement	16,908	17,349	17,816	18,162
Total Personnel Services	**$232,754**	**$238,826**	**$244,877**	**$249,352**
Materials and Supplies				
521065 Office Supplies	470	1,000	930	1,000
521067 Minor Office Equipment	880	1,000	500	500
525031 Electricity	756	1,200	653	700
525032 Natural Gas	231	400	128	130
Total Materials and Supplies	**$2,338**	**$3,600**	**$2,210**	**$2,330**
Contractual Services				
531310 Rental Of Land & Buildings	10,326	9,900	9,765	9,800
531320 Equipment Rental	1,170	1,200	0	1,200
531360 Computer Charges	12,423	7,386	7,386	9,104
532062 Postage	0	50	0	25
532065 Printing, Duplication	451	350	1,080	1,000
532066 Print Shop Charges	197	40	100	40
532083 Telephone Service	1,401	1,500	2,300	2,200
533085 Travel/Training	8,058	6,500	3,500	3,500
Total Contractual Services	**$34,026**	**$26,926**	**$24,130**	**$26,869**
Total Expenses	**$269,118**	**$269,352**	**$271,217**	**$278,551**

CITY OF GALVESTON

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City Attorney

Department Mission

The mission of the City Attorney's office is to ensure the City Council, its appointees and city departments are provided superior professional legal services and representation while ensuring compliance with all state, federal, and local laws.

Accomplishments

- Housing Abatement cases.12 Original Petitions were filed. There are 14 cases in pending status, four dismissed cases and six total properties demolished by the City.
- Provided legal services in approximately 365 Code Enforcement cases.
- Provided legal services in approximately 590 Juvenile cases.
- Instituted the Prompt Payment Procedure policy for the City's internal invoicing process to be compliant with State Law.
- Have given substantial guidance to resolution of various construction projects to protect City dollars & enhance the City position on any potential litigation including Ball field and Pump Station.
- Completed 3-4 HOT tax cases, successfully collecting taxes owed to the City. The City will continue these efforts with future HOT Tax cases.
- Issued numerous opinions related to matters of interest to the City Council and its officials. The Office drafted opinions relative to HOT Tax, interpretations of the City Charter, membership on Boards and Commissions, and other matters. Progressed code review to submission to City Council.
- Successfully achieved passage of state legislation to address police pension plan issues as well as local governmental immunity associated with state and federally funded disaster recovery contracts.

Goals

- Work on behalf of City management to monitor state and federal legislative actions and advance the City's interest on those issues in line with and supportive of policies adopted by the City Council
- Enhance strategic support including professional development, training, and modernization of document management systems.
- Expand staff expertise through additional training not confined to Texas Municipal League (TML) sponsored courses.
- Training for City Attorney staff to handle civil litigation in house, including acquisition of needed support materials.
- Continue reduction in litigation costs through early assessment of disputes to determine where settlement could reduce costs and payouts; examining the use of outside counsel.
- Completed work on LDR revisions, and will now look to complete the Comprehensive Code Review.
- The Acquisition of twenty-one real estate parcels in anticipation of the City's Incinerator Project.

FY2020 PROPOSED BUDGET
CITY ATTORNEY

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$687,972	$729,434	$727,755	$656,166
Materials and Supplies	15,612	17,364	14,749	15,500
Contractual Services	77,880	143,793	145,132	142,943
Other Charges and Services	7,163	18,636	18,500	18,500
TOTAL	**$788,627**	**$909,227**	**$906,136**	**$833,109**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net decrease (-$71,590) for salary reimbursement from the Industrial Development Corporation for the Legislative Coordinator.
Materials and Supplies - Increases needed for miscellaneous line items (+$750).

Contractual Services - Increases (+$4,500) for membership fo Gulf Coast Coalition of Cities, increases in computer charges (+$5,000) for two laptop computers and decrease (-$12,000) for FY2020 for travel and training used for Legislative sessions.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Ordinances	79	80	81	82
Resolutions	45	59	60	61
Consent Items	290	358	328	335
Action Items	39	55	36	37
Civil Service Grievances	N/A	5	3	3
Housing Abatement	N/A	112	107	109
Code Enforcement	N/A	728	365	372
Juvenile	N/A	349	590	602
Pre-Trial	N/A	6,506	8,264	8,429
Bench Trials	N/A	100	109	112
Jury Trials	N/A	19	5	6
Bonds	N/A	1,732	1,515	1,545
Public Information Act (PIA) Requests	21	74	57	58
Public Information Act Briefs	40	115	57	58
Administrative Appeals	N/A	N/A	12	12
Internal Civil Cases	N/A	N/A	5	5
HOT Tax Cases	N/A	N/A	5	5
HOT Tax Collections	N/A	N/A	$30,000	$30,000
Federal Legislaive Hearings	N/A	N/A	10	13
State Legislative Hearings	N/A	N/A	42	23
Other Legislative Contacts	N/A	N/A	52	39
Legislative Weekly Reports	N/A	36	47	47

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
City Attorney	1.00	1.00	1.00	1.00
Sr. Assistant City Attorney	1.00	1.00	0.00	0.00
Assistant City Attorney	2.00	2.00	3.00	3.00
Entry Level Attorney	1.00	1.00	1.00	1.00
Legislative Coordinator/Paralegal	1.00	1.00	1.00	1.00
Records Coordinator/Office Administrative Assistant	1.00	1.00	1.00	1.00
TOTAL	**7.00**	**7.00**	**7.00**	**7.00**

FY2020 PROPOSED BUDGET
CITY ATTORNEY

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$589,949	$616,241	$616,241	$634,297
511005	Longevity	1,078	1,110	1,352	1,711
511006	Differential Pay	727	900	900	900
511009	Overtime	446	100	134	100
511021	Part-Time Payroll	630	5,000	3,045	0
511125	Residency Pay	3,365	2,500	2,500	2,500
511510	Group Health Insurance	46,490	47,040	47,040	47,040
511515	Worker's Compensation	705	471	471	471
511520	Group Life Insurance	1,325	1,361	1,361	1,348
511530	Social Security - Employment	34,206	38,803	38,803	39,649
511535	Medicare - Employer's	8,352	9,075	9,075	9,273
511542	City Employee Retirement	39,997	42,290	42,290	43,623
511547	ICMA-401A Governmental Money Plan	13,604	14,543	14,543	13,933
511650	Salary Reimbursements	(52,903)	(50,000)	(50,000)	(138,679)
Total Personnel Services		**$687,972**	**$729,434**	**$727,755**	**$656,166**
Materials and Supplies					
521065	Office Supplies	1,741	1,864	1,200	1,500
521067	Minor Office Equipment	2,736	4,000	2,000	2,500
521073	Printed Materials	10,852	11,500	11,500	11,500
522013	Clothing	284	0	49	0
Total Materials and Supplies		**$15,612**	**$17,364**	**$14,749**	**$15,500**
Contractual Services					
531006	Attorney's Fees	26,092	69,500	69,140	69,500
531018	Contractual Labor	2,308	0	0	0
531025	Memberships	2,898	3,500	3,000	7,500
531360	Computer Charges	20,139	29,543	29,543	34,593
532062	Postage	2,184	950	1,800	1,800
532065	Printing, Duplication	2,467	3,000	2,800	3,000
532066	Print Shop Charges	240	400	400	350
532083	Telephone Service	7,880	7,500	8,500	9,200
532084	Cellular Service	1,368	1,400	1,949	2,000
533085	Travel/Training	12,306	28,000	28,000	15,000
Total Contractual Services		**$77,880**	**$143,793**	**$145,132**	**$142,943**
Other Charges and Services					
544027	Court Costs And Judgment	7,163	18,500	18,500	18,500
544032	Meeting Expenditures	0	136	0	0
Total Other Charges and Services		**$7,163**	**$18,636**	**$18,500**	**$18,500**
Total Expenses		**$788,627**	**$909,227**	**$906,136**	**$833,109**

CITY OF GALVESTON

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Human Resources

Department Mission

The mission of the Human Resources Department is to deliver the highest quality customer service and expertise in all personnel matters to our employees, City Officials, affiliate governmental entities and the community, thus ensuring equal opportunities for progress and professional growth.

Accomplishments

- Successfully transitioned the workforce to an online benefits platform, providing employees with access to the menu of benefits offered by the City.
- Held five promotional and four entrance exams for civil service departments.
- Additional Staff obtained Professional Certifications in Human Resources through International Public Management Association.
- Hosted training courses on the following topics:
    - Dealing with Difficult People
    - Helping the Helpers Self Care
    - Organization Skills to management work place
    - Work life balance strategies
    - Drug & Alcohol
    - Timekeeping, policies and best practices
    - EEOC
    - Wellness
- Trained approximately 100 City of Galveston employees through the established leadership-training course. Employees were trained on Understanding the Human Resources Function: Managing Human Assets and Public Administration: Municipal Regulations
- Partnered with SHRM to conduct an engagement survey for all employees. Utilized the Arthur Gallagher's model in the action planning process.
- Oversaw the recruitment and placement of paid interns within the City.
- Actively sought out opportunities become active in the Galveston community. Participated in, graduated from the Leadership Galveston program, and served as a United Way Galveston Board Member.
- Partnered with the Park Board and Port on updating the classification and compensation study.
- Provided expert guidance in reorganizing City departments and recruitment of executive staff.

Goals

- Implement the City's HRIS system and initiate citywide training on software usage and corresponding policies.
- Partner with City Management on Collective Bargaining matters and ensure successful implantation of contract changes.
- Invest additional time and resources in training and development programs currently in place to stimulate a thriving culture and working environment.

FY2020 PROPOSED BUDGET
HUMAN RESOURCES

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$410,356	$459,880	$480,146	$476,890
Materials and Supplies	28,102	28,700	24,596	23,200
Contractual Services	53,632	57,785	55,324	56,027
Other Charges and Services	2,573	9,010	4,937	4,000
TOTAL	**$494,664**	**$555,375**	**$565,003**	**$560,117**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Decrease of (-$3,250) for annualized cost of positions.

Materials and Supplies - Decreases (-$1,400) in various line items.
Contractual Services - Net increases of (+$700) for various line items.
Other Charges and Services - Decrease in employee appreciation expenses (-$937).

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Processed Applications (on-line)	7,906	7,808	8,095	8,095
New Hires	203	150	107	148
Turnover rate	14.7%	15.9%	16.2%	15.6%
Civil Service Exams	3	5	5	5

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director of Human Resources & Civil Service	1.00	1.00	1.00	1.00
Assistant Human Resources Director	1.00	1.00	1.00	1.00
Human Resource Analyst	0.50	1.00	0.00	0.00
HR Administrative Assistant	0.00	0.00	1.00	1.00
Human Resources Specialist	1.899	1.899	1.899	1.899
Administrative Assistant	0.40	0.40	0.40	0.40
TOTAL	**4.799**	**5.299**	**5.299**	**5.299**

FY2020 PROPOSED BUDGET
HUMAN RESOURCES

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$309,775	$335,104	$352,726	$365,510
511005 Longevity	1,134	1,693	1,257	1,540
511006 Differential Pay	900	900	904	900
511009 Overtime	0	0	46	100
511021 Part-time Payroll	10,185	20,000	20,000	0
511125 Residency Pay	3,500	5,000	5,661	5,750
511510 Group Health Insurance	31,409	35,609	35,609	39,641
511515 Worker's Compensation	331	221	221	221
511520 Group Life Insurance	825	964	969	990
511530 Social Security - Employment	19,385	22,487	23,088	23,176
511535 Medicare - Employer's	4,534	5,259	5,400	5,420
511542 City Employee Retirement	28,378	32,643	34,266	33,642
Total Personnel Services	**$410,356**	**$459,880**	**$480,146**	**$476,890**
Materials and Supplies				
521065 Office Supplies	6,820	6,500	6,444	4,500
521067 Minor Office Equipment	223	5,000	2,208	2,000
521073 Printed Materials	1,197	2,000	1,002	1,500
521088 Training Materials	19,813	15,000	14,742	15,000
522013 Clothing	49	200	200	200
Total Materials and Supplies	**$28,102**	**$28,700**	**$24,596**	**$23,200**
Contractual Services				
531025 Memberships	3,912	3,000	2,953	3,000
531125 Other Contracts	4,445	3,500	3,316	3,500
531360 Computer Charges	10,070	24,555	24,702	27,127
532062 Postage	1,214	3,500	3,904	2,500
532065 Printing, Duplication	3,844	250	250	250
532066 Print Shop Charges	812	1,000	932	850
532083 Telephone Service	7,298	7,500	9,457	9,500
532084 Cellular Service	1,533	1,300	1,542	1,600
532086 Other Communications	165	200	194	200
532087 Aircard Service	328	480	513	500
533085 Travel/Training	14,342	9,000	4,569	5,000
533100 Advertising	5,671	3,500	2,992	2,000
Total Contractual Services	**$53,632**	**$57,785**	**$55,324**	**$56,027**
Other Charges and Services				
544032 Meeting Expenditures	1,756	1,500	1,164	1,500
544038 Employee Appreciation	817	7,510	3,773	2,500
Total Other Charges and Services	**$2,573**	**$9,010**	**$4,937**	**$4,000**
Total Expenses	**$494,664**	**$555,375**	**$565,003**	**$560,117**

FY2020 PROPOSED BUDGET
TRANSPORTATION

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services				
531030 Transit Operation	$915,000	$586,374	$893,470	$800,000
Total Contractual Services	**$915,000**	**$586,374**	**$893,470**	**$800,000**
Total Expenses	**$915,000**	**$586,374**	**$893,470**	**$800,000**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Contractual Services - Includes an increase in local match of funding transferred to Island Transit for Operations (+254,000).

CITY OF GALVESTON

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FY2020 PROPOSED BUDGET
FINANCE OPERATIONS

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Administration	$297,099	$295,219	$301,626	$295,784
Accounting	771,566	793,352	811,857	809,506
Purchasing	231,354	243,907	246,604	206,150
Budget	272,797	296,874	300,638	309,330
Finance Operations Total	**$1,572,816**	**$1,629,352**	**$1,660,725**	**$1,620,769**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,077,387	$1,227,047	$1,274,191	$1,238,267
Materials and Supplies	14,895	21,550	14,705	19,300
Contractual Services	505,723	403,255	400,329	391,402
Other Charges and Services	(25,190)	(22,500)	(28,500)	(28,200)
Finance Operations Total	**$1,572,816**	**$1,629,352**	**$1,660,725**	**$1,620,769**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Net decrease (-$35,924) includes the elimination of a vacant Buyer position in Purchasing.
Materials and Supplies - Net changes throughout finance (+$4,595).
Contractual Services - Net decrease (-$8,925) in changes throughout finance.
Other Services - Net changes throughout finance (+$300).

Finance Administration

Department Mission

The mission of the Finance Department is to supply timely, accurate and transparent financial information to key stakeholders, while ensuring the City Council, its appointees and established departments are provided excellent financial support in compliance with local, state and federal laws.

Accomplishments

- Oversaw the completion of the FY 2018 Comprehensive Annual Financial Report by the City Controller and Accounting division's city staff for the second time in the city's history.
- Provided guidance and support for the revision of the FY 2019 Budget document for submission the Government Finance Officers Association for the Budget Award for the second time since 1995.
- Completed the fifth Long Range Financial Forecast for major funds and budget issues and the fifth Five Year Capital Improvement Plan.
- Directed the continued improvement of the Quarterly Budget Report.
- Managed and kept updated revenue tracking and estimation models for property, sales and hotel occupancy tax revenue and for water and sewer revenue.
- Oversaw and directed revisions to the city's Purchasing policy that improved compliance with state and federal laws as well as efficiency in general purchasing procedures.
- Led the development and implementation of financial policies pertaining to debt management, prompt payment, the determination of full cost of in house crews for reimbursement purposes from project funds, as well as drafting proposed policy by City Council clarifying the Capital Improvement and Debt Service account described in the City Charter.

Goals

- Direct the development of the City's Finance Department webpage to secure the State Comptroller's Fiscal Transparency Award.
- Streamline administrative processes and otherwise improve Finance Department responsiveness to City operating departments thereby enhancing efficiency and effectiveness of city services.
- Develop and implement specific career development goals for all staff in the Finance Department.
- Direct the utility accounts receivable project and the team of City staff and outside law firm personnel to substantially reduce the amounts considered receivable.

FY2019 PROPOSED BUDGET
FINANCE ADMINISTRATION

EXPENDITURE SUMMARY

	FY2017 ACTUAL	FY2018 BUDGET	FY2018 ESTIMATED	FY2019 PROPOSED
Personnel Services	$164,991	$183,282	$190,856	$186,368
Materials and Supplies	372	150	150	150
Contractual Services	176,736	156,787	155,620	154,266
Other Charges and Services	(45,000)	(45,000)	(45,000)	(45,000)
Capital Outlay	0	0	0	0
TOTAL	**$297,099**	**$295,219**	**$301,626**	**$295,784**

BUDGET HIGHLIGHTS (FY2019 PROPOSED OVER/UNDER FY2018 ESTIMATED)

Personnel Services - Net decrease of (-$4,480) in personnel cost based on usage in FY2019.

Contractual Services - Net decrease of (-$1,350) in contractual services based on actual usage in FY2019.

PERSONNEL

POSITION	FY2017 ACTUAL	FY2018 BUDGET	FY2018 ESTIMATED	FY2019 PROPOSED
Assistant City Manager/Director of Finance	1.00	1.00	1.00	1.00
TOTAL	**1.00**	**1.00**	**1.00**	**1.00**

FY2019 PROPOSED BUDGET
FINANCE ADMINISTRATION

LINE ITEM DETAIL

	FY2017 ACTUAL	FY2018 BUDGET	FY2018 ESTIMATED	FY2019 PROPOSED
Personnel Services				
511001 Regular Payroll	$140,871	$148,298	$155,736	$151,029
511005 Longevity	142	172	207	255
511125 Residency Pay	2,500	2,500	2,510	2,500
511510 Group Health Insurance	6,580	6,720	7,000	6,720
511515 Worker's Compensation	101	67	67	67
511520 Group Life Insurance	192	389	200	204
511530 Social Security - Employment	8,147	9,360	8,599	9,535
511535 Medicare - Employer's	2,050	2,189	2,276	2,218
511542 City Employee Retirement	12,916	13,587	14,261	13,841
511650 Salary Reimbursements	(8,509)	0	0	0
Total Personnel Services	**$164,991**	**$183,282**	**$190,856**	**$186,368**
Materials and Supplies				
521065 Office Supplies	0	150	150	150
521067 Minor Office Equipment	372	0	0	0
Total Materials and Supplies	**$372**	**$150**	**$150**	**$150**
Contractual Services				
531004 Consultant Services	7,664	5,000	5,000	5,000
531025 Memberships	199	200	198	200
531125 Other Contracts	158,311	140,000	139,922	140,000
531360 Computer Charges	6,215	6,462	6,462	3,641
532083 Telephone Service	3,385	4,000	3,057	4,300
532087 Aircard Service	456	500	456	500
533085 Travel/Training	507	625	525	625
Total Contractual Services	**$176,736**	**$156,787**	**$155,620**	**$154,266**
Other Charges and Services				
544087 Expense Reimbursement	(45,000)	(45,000)	(45,000)	(45,000)
Total Other Charges and Services	**($45,000)**	**($45,000)**	**($45,000)**	**($45,000)**
Total Expenses	**$297,099**	**$295,219**	**$301,626**	**$295,784**

CITY OF GALVESTON

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Accounting Division

Division Mission

The mission of the Accounting Division is to provide timely, accurate, and transparent financial information to departments and the community while managing and analyzing data in the City's financial accounting systems, including payroll, accounts payable and receivable, and grants.

Accomplishments

- Received Certificate of Achievement for Excellence in Financial Reporting for the CAFR for fiscal year ended September 30, 2017 and submitted an application for the award for the fiscal year 2018 CAFR.
- Recertified the Government Treasurers' Organization of Texas (GTOT) Investment Policy certification for the two-year period ending August 31, 2021.
- Documented publications for capital asset policy, electronic funds transfer policy and prompt payment act policy.

Goals

- Obtain the Certificate of Achievement for Excellence in Financial Reporting for the CAFR for fiscal year ended September 30, 2019.
- Obtain the Texas Comptroller Leadership Circle Award for Texas transparency.
- Develop and implement career development goals for the accounting staff.
- Provide quality and timely service and reduce average time for resolving issues.

FY2020 PROPOSED BUDGET
FINANCE ACCOUNTING

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$492,395	$581,282	$613,186	$616,439
Materials and Supplies	11,570	16,000	11,756	14,000
Contractual Services	252,941	173,570	170,965	162,817
Other Charges and Services	14,660	22,500	15,950	16,250
TOTAL	**$771,566**	**$793,352**	**$811,857**	**$809,506**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase (+$3,250) based on current personnel assigned to this department.

Materials and Supplies - Kept current level funding (+$1,000) for printing materials at FY2019 level and increases (+$1,240) for office supplies and equipment.

Contractual Services - Includes decrease in Consultant Services (-$5,740) and decreases (-$2,400) in miscellaneous line items.
Other Services - Small increase (+$300) needed for Bank Service Fees.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Number of vendor payments completed	5,768	5,791	5,500	5,500
Number of checks as percent of total vendor payments	96.83%	95.65%	94.55%	96.36%
Number of funds managed	274	282	284	286
Investment Portfolio (Millions)	$153	$142	$143	$175
Interest Earned (Thousands)	$867	$2,247	$2,875	$1,500
Average Rate of Interest earned on Investments	1.05%	1.90%	2.20%	2.02%
Number so FEMA PW's closed out	10	31	8	40
Number of bank accounts reconciled	30	31	32	32

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
City Controller	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00
Accounting Supervisor	1.00	0.00	0.00	0.00
Accountant	3.00	3.00	3.00	3.00
Accounting Specialist	4.00	4.00	4.00	4.00
TOTAL	**10.00**	**9.00**	**9.00**	**9.00**

FY2020 PROPOSED BUDGET
FINANCE ACCOUNTING

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$439,083	$481,765	$502,598	$503,391
511005 Longevity	665	1,155	602	1,034
511009 Overtime	1,053	4,000	3,431	3,000
511125 Residency Pay	5,990	6,000	10,038	10,038
511510 Group Health Insurance	53,200	53,760	59,080	60,480
511515 Worker's Compensation	1,208	807	807	807
511520 Group Life Insurance	1,331	1,724	1,514	1,531
511530 Social Security - Employment	26,089	30,561	31,296	32,083
511535 Medicare - Employer's	6,101	7,147	7,319	7,503
511542 City Employee Retirement	40,211	44,363	46,500	46,572
511650 Salary Reimbursements	(50,000)	(50,000)	(50,000)	(50,000)
511655 Salary Reimbursements-Grants	(32,536)	0	0	0
Total Personnel Services	**$492,395**	**$581,282**	**$613,186**	**$616,439**
Materials and Supplies				
521065 Office Supplies	7,804	12,000	9,295	10,000
521067 Minor Office Equipment	3,766	3,000	2,461	3,000
521073 Printed Materials	0	1,000	0	1,000
Total Materials and Supplies	**$11,570**	**$16,000**	**$11,756**	**$14,000**
Contractual Services				
531004 Consultant Services	124,522	86,000	77,743	72,000
531025 Memberships	3,324	2,100	3,288	3,500
531360 Computer Charges	88,808	46,160	46,160	43,697
532062 Postage	6,164	6,500	6,458	6,500
532065 Printing, Duplication	7,257	6,800	6,331	6,800
532066 Print Shop Charges	1,533	2,500	1,500	1,600
532083 Telephone Service	14,249	14,000	18,104	18,200
532084 Cellular Service	628	600	700	700
532086 Other Communications	99	110	117	120
532087 Aircard Service	751	800	1,600	1,700
533085 Travel/Training	5,607	8,000	8,964	8,000
Total Contractual Services	**$252,941**	**$173,570**	**$170,965**	**$162,817**
Other Charges and Services				
544032 Meeting Expenditures	0	500	250	250
544105 Bank Service Charges	14,660	22,000	15,700	16,000
Total Other Charges and Services	**$14,660**	**$22,500**	**$15,950**	**$16,250**
Total Expenses	**$771,566**	**$793,352**	**$811,857**	**$809,506**

CITY OF GALVESTON

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Purchasing Division

Division Mission

The mission of the Purchasing Division is to ensure the City Charter, State and Federal Purchasing laws are applied with ethics, open accountability, and integrity to inspire confidence from the City Departments and citizens; demonstrate professional and timely assistance and guidance to all departments in the procurement process for goods and services; establish a fair process for suppliers of goods and services to partner with the City of Galveston; encourage and equip suppliers in providing quality goods and services, excellent performance, best value for citizens, and exceptional support.

Accomplishments

- Purchasing Supervisor completed training for and is now a Certified Texas Contract Manager.
- Purchasing Buyer completed training for and is now a Certified Texas Contract Manager.
- Purchasing Specialist completed training for and is now a Certified Texas Purchaser.
- Hosted Purchasing 101 user training sessions for departments citywide.
- Continued to assist user departments in effectively utilizing existing City contracts for supplies and services, to provide best value and cost savings to the City of Galveston and the taxpayers.
- Developed Customer Service surveys for departments and vendors.

Goals

- Implement customer service surveys for user departments and vendors.
- Develop and implement a “How to do business with the City of Galveston” vendor class.
- Assist City Departments in developing contract management strategies to ensure optimal vendor performance that will reduce costs to the City of Galveston and taxpayers.

FY2020 PROPOSED BUDGET
FINANCE PURCHASING

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$177,981	$195,536	$202,330	$159,855
Materials and Supplies	1,012	1,400	1,190	1,400
Contractual Services	47,760	46,971	43,084	44,895
Other Charges and Services	4,600	0	0	0
TOTAL	**$231,354**	**$243,907**	**$246,604**	**$206,150**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Decrease (-$42,475) includes elimination of a vacant Purchasing Buyer position.

Materials and Supplies - Kept current level funding (+$210) for minor equipment at FY2019 level.

Contractual Services - Net increase (+$1,810) for computer charges with the eliminiate of one position and increase for advertising needed for formal bids.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Purchase Orders Issued	2,349	2,030	2,000	2,200
Purchase Order Expenditures	$177,013,765	$220,677,283	$169,000,000	$150,000,000
Seal Bids/RFP Solicited	72	62	50	70

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Purchasing Supervisor	1.00	1.00	1.00	1.00
Purchasing Specialist	1.00	1.00	1.00	1.00
Buyer	1.00	1.00	0.50	0.00
TOTAL	**3.00**	**3.00**	**2.50**	**2.00**

FY2020 PROPOSED BUDGET
FINANCE PURCHASING

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$135,899	$146,306	$155,230	$124,427
511005 Longevity	233	429	337	337
511009 Overtime	137	500	250	250
511125 Residency Pay	0	2,500	0	0
511510 Group Health Insurance	18,760	20,160	20,160	13,440
511515 Worker's Compensation	302	202	202	202
511520 Group Life Insurance	481	508	515	384
511530 Social Security - Employment	8,028	9,284	9,411	7,751
511535 Medicare - Employer's	1,877	2,171	2,201	1,813
511542 City Employee Retirement	12,264	13,476	14,024	11,251
Total Personnel Services	**$177,981**	**$195,536**	**$202,330**	**$159,855**
Materials and Supplies				
521065 Office Supplies	867	900	900	900
521067 Minor Office Equipment	146	500	290	500
Total Materials and Supplies	**$1,012**	**$1,400**	**$1,190**	**$1,400**
Contractual Services				
531025 Memberships	847	650	791	850
531360 Computer Charges	15,898	14,771	14,771	12,745
532062 Postage	823	800	774	800
532065 Printing, Duplication	3,659	3,000	3,226	3,500
532083 Telephone Service	3,464	2,700	4,301	4,300
532084 Cellular Service	574	550	1,300	1,300
533085 Travel/Training	4,240	3,500	3,421	2,900
533100 Advertising	18,255	21,000	14,500	18,500
Total Contractual Services	**$47,760**	**$46,971**	**$43,084**	**$44,895**
Other Charges and Services				
544105 Bank Service Charges	4,600	0	0	0
Total Other Charges and Services	**$4,600**	**$0**	**$0**	**$0**
Total Expenses	**$231,354**	**$243,907**	**$246,604**	**$206,150**

CITY OF GALVESTON

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Budget Division

Division Mission

The mission of the Budget Division is to provide assistance and technical expertise to the City Council, City Manager and departments on the allocation of resources through and established budget process, resulting in an accurate and transparent budget document that accomplishes the goals and objectives of the City.

Accomplishments

- Produced the Annual Budget for the fiscal year 2018-2019.
- Assisted with the Long-Range Financial Forecast for the City including the General Fund, Debt Service Fund, Water Fund, Sewer Fund, Island Transit, Hotel Occupancy Tax and Convention Center Surplus Fund.
- Produced Quarterly Budget Reports including fiscal year end projections of expenditures and revenues for all budgeted funds.
- Produced the Five-Year Capital Improvement Plan for FY2019-FY2023.
- Obtained the Certificate for Excellence in Budgeting for FY2018.
- Assisted the Accounting Division and Finance Director with year-end close.

Goals

- Improve technical aspect of the budgeting document to improve efficiency.
- Conduct In-house budgeting workshops for city departments.
- Ensure all financial documents are placed onto the City's Financial Transparency web page in a timely manner to encourage citizen feedback.
- Obtain the Certificate for Excellence in Budgeting for FY2020.

FY2020 PROPOSED BUDGET
FINANCE BUDGET

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$242,020	$266,947	$267,820	$275,606
Materials and Supplies	1,940	4,000	1,609	3,750
Contractual Services	28,286	25,927	30,660	29,424
TOTAL	**$272,797**	**$296,874**	**$300,638**	**$309,330**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase (+7,785) reflects current staffing levels within the department.

Materials and Supplies - Net increase (+$2,140) to maintain FY2019 levels for minor equipment and PC software.

Contractual Services - Decrease in various line items (-$1,235) to reflect current level of spending.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Department and Fund Budgets Reviewed	150	158	161	161
Percent of General Fund Revenue Over/(Under)	-0.8%	-0.5%	0.6%	0.5%
Percent of General Fund Expenses Over/(Under)	-5.7%	-14.3%	-0.2%	-0.5%
Budget Transfers	423	292	265	250
Requisitions Approved	2,569	2,107	2,100	2,100

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Budget Manager	1.00	1.00	1.00	1.00
Sr. Budget Analyst	1.00	1.00	1.00	1.00
Budget Analyst	0.00	1.00	1.00	1.00
TOTAL	**2.00**	**3.00**	**3.00**	**3.00**

FY2020 PROPOSED BUDGET
FINANCE BUDGET

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$186,733	$206,889	$207,478	$213,521
511005 Longevity	2,135	2,025	2,220	2,342
511125 Residency Pay	2,500	2,500	2,500	2,510
511510 Group Health Insurance	18,620	19,600	19,600	20,160
511515 Worker's Compensation	206	138	138	138
511520 Group Life Insurance	528	778	552	576
511530 Social Security - Employment	11,407	13,061	13,156	13,539
511535 Medicare - Employer's	2,668	3,047	3,077	3,166
511542 City Employee Retirement	17,223	18,909	19,098	19,654
Total Personnel Services	**$242,020**	**$266,947**	**$267,820**	**$275,606**
Materials and Supplies				
521065 Office Supplies	1,746	1,500	1,414	1,500
521067 Minor Office Equipment	0	1,500	0	1,400
521072 PC Software	195	1,000	195	850
Total Materials and Supplies	**$1,940**	**$4,000**	**$1,609**	**$3,750**
Contractual Services				
531025 Memberships	199	400	198	200
531360 Computer Charges	12,423	12,002	12,002	10,924
532062 Postage	19	25	0	0
532065 Printing, Duplication	0	9,500	12,528	12,000
532066 Print Shop Charges	12,108	0	0	0
532083 Telephone Service	2,433	2,400	3,600	3,600
533085 Travel/Training	450	1,000	1,631	2,000
533100 Advertising	655	600	700	700
Total Contractual Services	**$28,286**	**$25,927**	**$30,660**	**$29,424**
Other Charges and Services				
544036 Grants & Awards	550	0	550	550
Total Other Charges and Services	**$550**	**$0**	**$550**	**$550**
Total Expenses	**$272,797**	**$296,874**	**$300,638**	**$309,330**

FY2020 PROPOSED BUDGET
GOVERNMENTAL EXPENDITURES

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Taxation	$268,458	$270,000	$200,624	$271,723
Facilities	1,594,346	1,448,170	1,449,958	1,515,665
Non-Departmental	4,034,744	12,250,740	11,908,450	8,962,578
Governmental Expenditures Total	**$5,897,548**	**$13,968,910**	**$13,559,032**	**$10,749,966**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$0	$250,933	$0	$2,367,000
Contractual Services	628,634	622,496	630,078	675,267
Other Charges and Services	1,009,441	1,080,549	1,080,549	1,156,932
Operating Transfers	3,701,904	10,685,957	10,639,009	5,179,044
Capital Outlay	291,611	1,035,000	984,798	1,100,000
Special Programs and Events	265,958	293,975	224,599	271,723
Governmental Expenditures Total	**$5,897,548**	**$13,968,910**	**$13,559,032**	**$10,749,966**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Includes funding (+$567,000) for Police 5.8% pay increase beginning January1, 2020, funding ($275,000) for Fire 3.5% pay increase beginning October 1, 2019 and funding (+258,000) for a 2% COLA and target increases for Civilians employees. Also included is funding of $185 per month per employee (+$1,240,000) for general fund employees to the Health Insurance Fund

Contractual Services - Includes increases (+$45,190) are for expenses related to Justice Center Lease and Utilities, consultants if needed for recovery efforts in the event of a storm event and funding for 380's and landmark improvements.

Other Charges and Services - Includes General Fund portions related to Insurance Policies (+$62,250) and Community Outreach and Public Information (+$14,160)

Operating Transfers - Includes an increase (+$834,175) for additional 1% increase in transfer to infrastructure/debt service fund, transfer of (+$13,860) for local match needed for governmental expenditures in the Hurricane Harvey fund in FY2020, maintain original level of funding (-$180,000) for transfer to separation pay fund, and the decrease (-$6,128,000) for a one time transfer in FY2019 to Settlement and Recovery Fund for the CDM legal settlement.

Capital Outlay - Includes funding (+$50,000) for furniture and fixtures for the Streets & Traffic portion of the new Public Works facility, funding (+$50,000) for furniture and fixtures for the new Community Center and a decrease (-$234,800) for furniture and fixtures for the new Fire Station that opened in FY2019 and a net increase in funding for Vehicle Capital Outlay (+250,000).

Special Programs and Events - Decrease in funding (-$23,975) for salary compensation study for FY2020 and increase allocated portion of Tax Collection Fee and Galveston Central Appraisal District proposed operating budget (+$71,100).

FY2020 PROPOSED BUDGET
TAXATION

EXPENDITURE SUMMARY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Special Programs and Events	$268,458	$270,000	$200,624	$271,723
TOTAL	**$268,458**	**$270,000**	**$200,624**	**$271,723**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Special Programs and Events - Increase in allocated portion of Tax Collection Fee and Galveston Central Appraisal District proposed operating budget (+$71,100).

FY2020 PROPOSED BUDGET
TAXATION

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Special Events and Programs				
591004 Tax Collection Fee	$9,024	$10,000	$7,403	$8,000
591005 Central Appraisal District	259,434	260,000	193,221	263,723
Total Special Events and Programs	**$268,458**	**$270,000**	**$200,624**	**$271,723**
Total Expenses	**$268,458**	**$270,000**	**$200,624**	**$271,723**

FY2020 PROPOSED BUDGET
FACILITIES MAINTENANCE SERVICES

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services	584,905	599,996	601,783	605,267
Other Charges and Services	1,009,441	848,174	848,174	910,398
TOTAL	**$1,594,346**	**$1,448,170**	**$1,449,958**	**$1,515,665**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Contractual Services - Maintain current level of funding for Justice Center Lease and Utilities (+$3,480).

Other Charges and Services - Includes an increase in the General Fund portion of Insurance polices (+$65,100). The decrease of (-$2,875) for the General Fund portion of Facilities maintenance overall line items.

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services				
531340 Justice Center - Lease	$318,147	$320,000	$318,147	$320,000
531343 Justice Center - Utilities	266,758	279,996	283,636	285,267
Total Contractual Services	**$584,905**	**$599,996**	**$601,783**	**$605,267**
Other Charges and Services				
547070 Insurance Expense	688,395	534,605	534,605	599,677
547075 Facilities Maintenance	321,046	313,569	313,569	310,721
Total Other Charges and Services	**$1,009,441**	**$848,174**	**$848,174**	**$910,398**
Total Expenses	**$1,594,346**	**$1,448,170**	**$1,449,958**	**$1,515,665**

FY2020 PROPOSED BUDGET
NON-DEPARTMENTAL EXPENDITURES

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$0	$250,933	$0	$2,367,000
Contractual Services	43,729	22,500	28,294	70,000
Other Charges and Services	0	232,375	232,375	246,534
Operating Transfers	3,701,904	10,685,957	10,639,009	5,179,044
Capital Outlay	291,611	1,035,000	984,798	1,100,000
Special Programs and Events	(2,500)	23,975	23,975	0
TOTAL	**$4,034,744**	**$12,250,740**	**$11,908,450**	**$8,962,578**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Includes funding (+$567,000) for Police 5.8% pay increase beginning January1, 2020, funding ($275,000) for Fire 3.5% pay increase beginning October 1, 2019 and funding (+258,000) for a 2% COLA and target increases for Civilians employees. Also included is funding of $185 per month per employee (+$1,240,000) for general fund employees to the Health Insurance Fund

Contractual Services - Net increases (+$41,705) include funding for consultants if needed for recovery efforts in the event of a storm event and funding for property tax incentives (380's).

Other Charges and Services - Includes General Fund portion for Community Outreach and Public Information (+14,160)

Operating Transfers - Includes an increase (+$834,175) for additional 1% increase in transfer to infrastructure/debt service fund, transfer of (+$13,860) for local match needed for governmental expenditures in the Hurricane Harvey fund in FY2020, maintain original level of funding (-$180,000) for transfer to separation pay fund, and the decrease (-$6,128,000) for a one time transfer in FY2019 to Settlement and Recovery Fund for the CDM legal settlement.

Capital Outlay - Includes funding (+$50,000) for furniture and fixtures for the Streets & Traffic portion of the new Public Works facility, funding (+$50,000) for furniture and fixtures for the new Community Center and a decrease (-$234,800) for furniture and fixtures for the new Fire Station that opened in FY2019 and a net increase in funding for Vehicle Capital Outlay (+$250,000).

Special Programs and Events - Decrease in funding (-$23,975) for salary compensation study for FY2020.

FY2020 PROPOSED BUDGET
NON-DEPARTMENTAL EXPENDITURES

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511002 COLA Increases	$0	$250,933	$0	$285,000
511004 CBA Increases	0	0	0	842,000
511512 Group Health Insurance Reserve	0	0	0	1,240,000
Total Personnel Services	**$0**	**$250,933**	**$0**	**$2,367,000**
Contractual Services				
531004 Consultant Services	36,652	15,000	5,261	20,000
531025 Memberships	7,077	7,500	3,033	0
531125 Other Contracts	0	0	20,000	50,000
Total Contractual Services	**$43,729**	**$22,500**	**$28,294**	**$70,000**
Other Charges and Services				
544076 Appraisal Refund	0	23,873	23,873	0
544095 Community Outreach/Public Info	0	208,502	208,502	246,534
Total Other Charges and Services	**$0**	**$232,375**	**$232,375**	**$246,534**
Operating Transfers				
553021 Surplus Transfer Out	0	1,236,681	1,236,681	0
553025 Operating Transfer Out	0	4,891,319	4,891,319	0
553030 Transfer to Infrastructure Fund	3,275,010	3,912,769	3,912,769	4,746,944
553035 Transfer to Separation Pay Fund	416,160	416,160	596,160	416,160
553050 Transfer to Hurricane Harvey Fund	10,734	229,028	2,080	15,940
Total Operating Transfers	**$3,701,904**	**$10,685,957**	**$10,639,009**	**$5,179,044**
Capital Outlay				
564003 Vehicle Capital Outlay	291,611	750,000	750,000	1,000,000
564005 Capital Outlay-Improvements	0	285,000	234,798	100,000
Total Capital Outlay	**$291,611**	**$1,035,000**	**$984,798**	**$1,100,000**
Special Events and Programs				
591024 Salary Compensation Study	(2,500)	23,975	23,975	0
Total Special Events and Programs	**($2,500)**	**$23,975**	**$23,975**	**$0**
Total Expenses	**$4,034,744**	**$12,250,740**	**$11,908,450**	**$8,962,578**

CITY OF GALVESTON

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Special Revenue Funds

SPECIAL REVENUE FUNDS
Summary Schedule of Revenues and Expenditures

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance				
Rosenberg Library	$0	$0	$0	$0
Seawall Parking	1,212,904	1,358,515	1,358,515	1,483,598
Convention Center Surplus	1,066,318	1,877,700	1,877,700	2,208,564
Historical Buildings	752,965	999,744	999,744	1,245,304
Council Projects and Initiatives Program	1,790,323	667,942	667,942	359,595
Infrastructure Fund	4,393,781	3,504,762	3,504,762	3,946,265
Separation Pay Fund	206,708	316,758	316,758	392,624
Public Access Channel Fund	693,767	834,331	834,331	1,008,073
Parking Management Fund	361,841	639,254	639,254	343,746
Lasker Pool Fund	395,635	331,890	331,890	280,028
Pension Reform Fund	2,255,558	1,053,616	1,053,616	859,184
Revenue Producing Parks	0	116,733	116,733	132,705
Asset Forfeiture Fund	196,849	208,651	208,651	188,277
Police Special Revenue Fund	103,941	114,221	114,221	49,037
Police Quartermaster Fund	8,385	8,758	8,758	15,430
Alarm Permit Fund	69,268	79,386	79,386	71,123
Fire Special Revenue Fund	29,952	133,944	133,944	141,328
Municipal Court Building Security Fund	49,425	36,933	36,933	27,340
Municipal Court Technology Fund	79,184	102,759	102,759	84,895
Juvenile Services Fund	129,254	148,091	148,091	168,256
Recovery and Capital Reserve Fund	5,033,176	3,716,393	3,716,393	1,200,000
Technology Improvement Fund	968,091	1,126,568	1,126,568	1,087,386
Hurricane Harvey	0	424,778	424,778	85,315
Island Transit	(221,721)	5,967	5,967	10,749
Total	**$19,575,604**	**$17,807,692**	**$17,807,692**	**$15,388,819**
Revenues				
Rosenberg Library	$2,836,405	$2,874,500	$2,889,200	$3,052,400
Seawall Parking	148,111	124,500	145,212	145,000
Convention Center Surplus	2,722,706	2,597,000	2,385,000	2,153,000
Historical Buildings	259,473	271,000	247,000	247,000
Council Projects and Initiatives Program	17,008	15,000	11,950	10,000
Infrastructure Fund	3,350,091	3,959,769	3,991,015	4,796,944
Separation Pay Fund	541,730	541,730	721,730	541,730
Public Access Channel Fund	167,560	176,700	174,572	174,000
Parking Management Fund	811,609	724,000	737,270	737,000
Lasker Pool Fund	354,353	471,000	497,534	417,700
Pension Reform Fund	26,305	21,300	22,771	22,000
Revenue Producing Parks	195,665	158,001	128,014	144,200
Asset Forfeiture Fund	119,864	27,100	54,326	53,000
Police Special Revenue Fund	41,248	57,100	38,559	37,500
Police Quartermaster Fund	78,547	83,600	81,850	83,300
Alarm Permit Fund	70,650	62,900	66,772	67,000
Fire Special Revenue Fund	24,150	23,815	25,112	25,050
Municipal Court Building Security Fund	22,400	21,700	22,060	21,700
Municipal Court Technology Fund	30,315	29,250	30,317	29,300
Juvenile Services Fund	34,026	32,250	34,019	31,500
Recovery and Capital Reserve Fund	0	6,128,000	6,128,000	0
Technology Improvement Fund	482,838	5,000	311,984	15,000
Hurricane Harvey	715,268	2,310,953	797,072	253,700
Island Transit	4,739,963	4,424,462	3,808,454	4,232,825
Total	**$17,790,285**	**$25,140,630**	**$23,349,795**	**$17,290,849**

SPECIAL REVENUE FUNDS
Summary Schedule of Revenues and Expenditures

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Expenditures				
Rosenberg Library	$2,836,405	$2,874,500	$2,889,200	$3,052,400
Seawall Parking	2,500	1,458,761	20,130	1,628,598
Convention Center Surplus	1,911,325	3,784,728	2,054,135	4,361,564
Historical Buildings	12,695	1,215,476	1,440	1,492,304
Council Projects and Initiatives Program	1,139,388	759,147	320,297	369,596
Infrastructure Fund	4,239,110	7,674,620	3,549,513	8,743,209
Separation Pay Fund	431,680	474,360	645,864	474,360
Public Access Channel Fund	26,996	1,041,238	830	1,182,073
Parking Management Fund	534,197	1,250,552	1,032,778	1,080,745
Lasker Pool Fund	418,098	716,216	549,396	697,728
Pension Reform Fund	1,228,246	1,003,173	217,204	881,184
Revenue Producing Parks	78,932	259,186	112,042	276,905
Asset Forfeiture Fund	108,062	135,077	74,700	241,276
Police Special Revenue Fund	30,969	118,743	103,743	86,537
Police Quartermaster Fund	78,174	91,010	75,178	98,730
Alarm Permit Fund	60,532	118,746	75,036	138,123
Fire Special Revenue Fund	(79,842)	45,046	17,728	166,378
Municipal Court Building Security Fund	34,892	49,410	31,653	49,040
Municipal Court Technology Fund	6,740	137,709	48,181	114,195
Juvenile Services Fund	15,190	179,610	13,854	199,756
Recovery and Capital Reserve Fund	1,316,782	11,194,979	8,644,394	1,200,000
Technology Improvement Fund	324,360	1,286,437	351,166	1,102,386
Hurricane Harvey	290,491	1,580,953	1,136,535	339,014
Island Transit	4,553,111	4,423,785	3,803,672	4,187,872
Total	**$19,599,033**	**$41,873,462**	**$25,768,668**	**$32,163,973**
Ending Balances				
Rosenberg Library	$0	$0	$0	$0
Seawall Parking	1,358,515	24,254	1,483,598	0
Convention Center Surplus	1,877,700	689,972	2,208,564	0
Historical Buildings	999,744	55,268	1,245,304	0
Council Projects and Initiatives Program	667,942	(76,205)	359,595	0
Infrastructure Fund	3,504,762	(210,089)	3,946,265	0
Separation Pay Fund	316,758	384,128	392,624	459,994
Public Access Channel Fund	834,331	(30,207)	1,008,073	0
Parking Management Fund	639,254	112,702	343,746	0
Lasker Pool Fund	331,890	86,674	280,028	0
Pension Reform Fund	1,053,616	71,743	859,184	0
Revenue Producing Parks	116,733	15,548	132,705	0
Asset Forfeiture Fund	208,651	100,674	188,277	0
Police Special Revenue Fund	114,221	52,578	49,037	0
Police Quartermaster Fund	8,758	1,348	15,430	0
Alarm Permit Fund	79,386	23,540	71,123	0
Fire Special Revenue Fund	133,944	112,713	141,328	0
Municipal Court Building Security Fund	36,933	9,223	27,340	0
Municipal Court Technology Fund	102,759	(5,700)	84,895	0
Juvenile Services Fund	148,091	731	168,256	0
Recovery and Capital Reserve Fund	3,716,393	(1,350,586)	1,200,000	0
Technology Improvement Fund	1,126,568	(154,869)	1,087,386	0
Hurricane Harvey	424,778	1,154,778	85,314	0
Island Transit	5,967	6,644	10,749	55,702
Total	**$17,807,692**	**$1,074,859**	**$15,388,819**	**$515,696**

FY2020 PROPOSED BUDGET
EXPENDITURE OVERVIEW

Expenditure Summary

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Rosenberg Library	$2,836,405	$2,874,500	$2,889,200	$3,052,400
Seawall Parking	2,500	1,458,761	20,130	1,628,598
Convention Center Surplus	1,911,325	3,784,728	2,054,135	4,361,564
Historical Buildings	12,695	1,215,476	1,440	1,492,304
Council Projects and Initiatives Prograr	1,139,388	759,147	320,297	369,596
Infrastructure Fund	4,239,110	7,674,620	3,549,513	8,743,209
Separation Pay Fund	431,680	474,360	645,864	474,360
Public Access Channel Fund	26,996	1,041,238	830	1,182,073
Parking Management Fund	534,197	1,250,552	1,032,778	1,080,745
Lasker Pool Fund	418,098	716,216	549,396	697,728
Pension Reform Fund	1,228,246	1,003,173	217,204	881,184
Revenue Producing Parks	78,932	259,186	112,042	276,905
Asset Forfeiture Fund	108,062	135,077	74,700	241,276
Police Special Revenue Fund	30,969	118,743	103,743	86,537
Police Quartermaster Fund	78,174	91,010	75,178	98,730
Alarm Permit Fund	60,532	118,746	75,036	138,123
Fire Special Revenue Fund	(79,842)	45,046	17,728	166,378
Municipal Court Building Security Fund	34,892	49,410	31,653	49,040
Municipal Court Technology Fund	6,740	137,709	48,181	114,195
Juvenile Services Fund	15,190	179,610	13,854	199,756
Recovery and Capital Reserve Fund	1,316,782	11,194,979	8,644,394	1,200,000
Technology Improvement Fund	324,360	1,286,437	351,166	1,102,386
Hurricane Harvey	290,491	1,580,953	1,136,535	339,014
Island Transit	4,553,111	4,423,785	3,803,672	4,187,872
TOTAL	$19,599,033	$41,873,462	$25,768,668	$32,163,973

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$4,950,053	$5,180,332	$5,033,924	$5,049,336
Materials and Supplies	804,019	1,020,261	633,915	883,104
Contractual Services	3,023,592	3,309,790	2,018,306	2,311,290
Other Charges and Services	4,209,791	9,433,349	4,783,606	10,579,083
Operating Transfers	851,272	4,541,516	1,616,865	4,182,880
Capital Outlay	4,730,381	9,000,847	3,462,062	7,138,681
Debt Service	0	0	0	0
Special Programs and Events	1,029,926	9,387,368	8,219,991	2,019,598
TOTAL	$19,599,033	$41,873,462	$25,768,668	$32,163,973

Personnel Services

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Parking Management	3.50	4.50	4.50	4.50
Lasker Pool	1.50	1.50	3.50	3.50
Alarm Permit Fund	0.75	0.75	0.75	0.75
Island Transit Fund	58.00	56.00	31.00	40.50
TOTAL	63.75	62.75	39.75	49.25

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - ROSENBERG LIBRARY

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
311100 Real Property	$2,790,012	$2,844,500	$2,845,200	$3,012,400
311110 Real Property - Delinquent	46,393	30,000	44,000	40,000
TOTAL REVENUES	**$2,836,405**	**$2,874,500**	**$2,889,200**	**$3,052,400**
EXPENDITURES				
Other Charges and Services				
544028 Contributions	2,836,405	2,874,500	2,889,200	3,052,400
Total Other Charges and Services	**$2,836,405**	**$2,874,500**	**$2,889,200**	**$3,052,400**
TOTAL EXPENDITURES	**$2,836,405**	**$2,874,500**	**$2,889,200**	**$3,052,400**
REVENUES OVER/(UNDER) EXPENDITURES	**$0**	**$0**	**$0**	**$0**
BEGINNING FUND BALANCE-RESTRICTED	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-RESTRICTED	**$0**	**$0**	**$0**	**$0**

FUND HIGHLIGHTS

Rosenberg Library Fund (1040) - To account for ad valorem taxes collected and transferred to the library, to be used for library purposes, as authorized by City Charter.

Highlights - Includes an increase of additional $13,100 based on .05 cents of the Ad Valorem tax collections and paid monthly to the Rosenberg Library per the City Charter.

Property tax amounts are based on $0.05 per $100 of taxable value which does not change when the City's rate overall increases or decreases.

As of the date of this publication information for the period ending September 20, 2018 has not been received.

As of September 30, 2017, the Rosenberg Library reported to the city via its annual audit that it had $4.55 million in net unrestricted assets in its operating fund, a $952,000 increase over the prior year.

For the twelve month period ending September 30, 2017, the Library reported $3.4 million in recurring revenues for operations, including the City's $2.7 million property tax payment shown above.

CITY OF GALVESTON

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FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - SEAWALL PARKING FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
348230 Seawall Parking-Transient Fees	$133,787	$115,000	$125,022	$125,000
361110 Interest Earned-Operating	14,324	9,500	20,190	20,000
TOTAL REVENUES	**$148,111**	**$124,500**	**$145,212**	**$145,000**
EXPENDITURES				
Materials and Supplies				
522012 Parks Supplies & Equipment	$0	$6,778	$6,778	$0
522017 Sign Materials	0	400	400	0
522045 Electrical Hardware	0	401	401	0
522056 Minor Equipment	0	5,500	5,500	0
Total Materials and Supplies	**$0**	**$13,080**	**$13,080**	**$0**
Contractual Services				
531112 Debris Removal	2,500	0	0	0
531222 Masonary Repairs	0	7,050	7,050	0
Total Contractual Services	**$2,500**	**$7,050**	**$7,050**	**$0**
Other Charges and Services				
544125 Capital Reserve	0	1,438,631	0	1,628,598
Total Other Charges and Services	**$0**	**$1,438,631**	**$0**	**$1,628,598**
TOTAL EXPENDITURES	**$2,500**	**$1,458,761**	**$20,130**	**$1,628,598**
REVENUES OVER/(UNDER) EXPENDITURES	**$145,611**	**($1,334,261)**	**$125,083**	**($1,483,598)**
BEGINNING FUND BALANCE-RESTRICTED	**$1,212,904**	**$1,358,515**	**$1,358,515**	**$1,483,598**
ENDING FUND BALANCE-RESTRICTED	**$1,358,515**	**$24,254**	**$1,483,598**	**$0**

FUND HIGHLIGHTS

Seawall Parking Fund (1095) - To account for receipts of Seawall Parking revenue and expenditures related to the operation and capital improvement of the Seawall. Effective January 2016 this program is turned over to the Galveston Park Board for operations.

Highlights - The Park Board remits on a quarterly basis to the City 15% of gross revenue to be held in reserves for the replacement of capital improvements.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - CONVENTION CENTER SURPLUS

SUMMARY				
REVENUES:	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Convention Center Surplus	$2,722,706	$2,597,000	$2,385,000	$2,153,000
Total revenues	**$2,722,706**	**$2,597,000**	**$2,385,000**	**$2,153,000**
EXPENDITURES:				
Special Events (City)				
Special Events General Fund	$50,000	$50,000	$50,000	$50,000
Summer Band Concert	29,117	29,117	29,117	29,117
Christmas Decorations	28,469	0	0	0
Mardi Gras	250,873	251,000	255,578	255,000
Subtotal Special Events (City)	**$358,458**	**$330,117**	**$334,695**	**$334,117**
Seawall and Related Activities (City)				
Seawall Police Services (GPD)	247,513	491,476	499,398	514,351
Restrooms (Operations & Maintenance)	374	14,350	1,620	2,000
Economic Study	0	0	0	0
Subtotal Seawall (City)	**$247,887**	**$505,826**	**$501,018**	**$516,351**
Park Board				
East End Lagoon	0	0	0	50,000
Seawall Litter Detail	100,000	100,000	100,000	100,000
West End Beach Access Cans	300,000	300,000	300,000	300,000
Subtotal Park Board	**$400,000**	**$400,000**	**$400,000**	**$450,000**
Island Transit				
Bus Trolley Operations	372,407	665,473	518,865	516,462
Rail Trolley Operations	0	429,560	0	474,040
Transportation Study	80,930	31,950	31,950	0
Trolley System Track Repair Project	51,650	0	0	0
Trolley Rail Car Air-conditioning	101,150	0	0	0
Trolley System Reserve	200,000	200,000	200,000	1,553,909
Subtotal Island Transit	**$806,137**	**$1,326,983**	**$750,815**	**$2,544,411**
Historic Preservation/Promotion Activities				
Galveston Causeway Murals	0	55,650	55,650	0
Historic Broadway Lighting Improvements	72,842	500,000	11,958	16,685
Historic City Hall Remodeling	0	500,000	0	500,000
Subtotal Historic Preservation	**$72,842**	**$1,055,650**	**$67,608**	**$516,685**
Trolley Car Repair Reserve	0	166,152	0	0
Grant Contingency	26,000	0	0	0
TOTAL EXPENDITURES	**$1,911,325**	**$3,784,728**	**$2,054,135**	**$4,361,564**
REVENUES OVER/(UNDER) EXPENDITURES	**$811,381**	**($1,187,728)**	**$330,865**	**($2,208,564)**
BEGINNING FUND BALANCE-RESTRICTED	**$1,066,318**	**$1,877,700**	**$1,877,700**	**$2,208,564**
ENDING FUND BALANCE-RESTRICTED	**$1,877,700**	**$689,972**	**$2,208,564**	**$0**

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - CONVENTION CENTER SURPLUS

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
314060 Hotel Occupancy Tax	$2,722,706	$2,597,000	$2,385,000	$2,153,000
TOTAL REVENUES	**$2,722,706**	**$2,597,000**	**$2,385,000**	**$2,153,000**
EXPENDITURES				
Personnel Services				
511650 Salary Reimbursements	247,513	501,826	499,398	514,351
Total Personnel Services	**$247,513**	**$501,826**	**$499,398**	**$514,351**
Materials and Supplies				
522037 Janitorial Supplies	180	0	0	0
522056 Minor Equipment	194	0	0	0
522099 Other Supplies	28,469	0	0	0
Total Materials and Supplies	**$28,843**	**$0**	**$0**	**$0**
Contractual Services				
530020 Planning	80,930	31,950	31,950	0
531016 Professional Services	0	42,620	42,620	0
531125 Other Contracts	429,117	429,117	429,117	479,117
531320 Equipment Rental	0	17,030	14,650	2,000
Total Contractual Services	**510,047**	**520,717**	**518,337**	**481,117**
Other Charges and Services				
544125 Trolley Car Repair Reserve	0	166,152	0	1,553,909
548010 Special Events	250,873	251,000	255,578	255,000
Total Other Charges and Services	**$250,873**	**$417,152**	**$255,578**	**$1,808,909**
Operating Transfers				
553021 Surplus Transfer Out	0	0	0	0
553550 HOT Tax Transfer Out	775,207	1,345,033	768,865	1,040,502
Total Operating Transfers	**$775,207**	**$1,345,033**	**$768,865**	**$1,040,502**
Capital Outlay				
564005 Capital Outlay - Improvements	72,842	1,000,000	11,958	516,685
Total Capital Outlay	**$72,842**	**$1,000,000**	**$11,958**	**$516,685**
Special Events and Programs				
591092 Grant Contingency	26,000	0	0	0
Total Special Events and Programs	**$26,000**	**$0**	**$0**	**$0**
TOTAL EXPENDITURES	**$1,911,325**	**$3,784,728**	**$2,054,135**	**$4,361,564**
REVENUES OVER/(UNDER) EXPENDITURES	**$811,381**	**($1,187,728)**	**$330,865**	**($2,208,564)**
BEGINNING FUND BALANCE-RESTRICTED	**$1,066,318**	**$1,877,700**	**$1,877,700**	**$2,208,564**
ENDING FUND BALANCE-RESTRICTED	**$1,877,700**	**$689,972**	**$2,208,564**	**$0**

FUND HIGHLIGHTS

Convention Center Surplus Fund (1090) - To account for local hotel occupancy tax, to be used to enhance and promote tourism and the convention and hotel industry.

Highlights - Includes funding for Seawall District Police Services, Mardi Gras, Summer Band Concerts, maintenance of restrooms on the Seawall, Seawall Litter Pickup, West End Beach cleaning, Rail and Trolley Cars expenses and funding for Historic Broadway lighting and renovation of City Hall.

Mardi Gras Budget and Expense

	FY18 ACTUAL	FY19 BUDGET	FY19 ESTIMATE	FY20 PROPOSED
General Fund				
Police	$116,702	$125,500	$142,296	$150,500
Fire	9,600	10,000	13,391	14,000
Public Works (1)	56,186	57,000	63,946	57,000
Code Enforcement	11,346	10,000	5,264	6,000
Parks	10,173	10,000	6,402	7,000
Emergency Management	1,331	1,500	1,377	1,400
Contract Public Safety (2)	92,814	90,000	66,248	70,000
Subtotal General Fund	**$298,152**	**$304,000**	**$298,925**	**$305,900**
Other Funds				
Water - Public Works	$2,892	$3,000	$6,764	$3,000
Sewer - Public Works	7,421	9,000	12,580	9,000
Sanitation - Public Works (1)	45,205	40,000	50,462	45,400
Drainage - Public Works	22,625	20,000	27,433	20,000
Garage	0	0	0	0
Construction	7,230	5,000	6,770	5,000
Airport	0	0	0	0
Facilities	0	0	1,710	1,700
Subtotal Other Funds	**$85,372**	**$77,000**	**$105,719**	**$84,100**
Total Expense	**$383,525**	**$381,000**	**$404,644**	**$390,000**
Expense Reimbursement				
Fees Received ($1 per participant)	$34,093	$30,000	$49,066	$35,000
Reimbursement from Event Promoter	100,000	100,000	100,000	100,000
Expense Reimbursement Total	**$134,093**	**$130,000**	**$149,066**	**$135,000**
Total	**$249,432**	**$251,000**	**$255,578**	**$255,000**

NOTES:

(1) Totals for General Fund Public Works and Sanitation Public Works include labor and equipment costs.

(2) Contract Public Safety totals include outside agencies' police security, equipment rentals, and EMS.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - HOT 1/8 PENNY HISTORICAL BUILDING FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
314060 Hotel Occupancy Tax	$259,473	$271,000	$247,000	$247,000
TOTAL REVENUES	**$259,473**	**$271,000**	**$247,000**	**$247,000**
EXPENDITURES				
Contractual Services				
531220 Building Repairs	12,695	196,511	1,440	191,719
Total Contractual Services	**$12,695**	**$196,511**	**$1,440**	**$191,719**
Capital Outlay				
564005 Capital Outlay - Improvements	0	1,018,965	0	1,300,585
Total Capital Outlay	**$0**	**$1,018,965**	**$0**	**$1,300,585**
TOTAL EXPENDITURES	**$12,695**	**$1,215,476**	**$1,440**	**$1,492,304**
REVENUES OVER/(UNDER) EXPENDITURES	**$246,778**	**($944,476)**	**$245,560**	**($1,245,304)**
BEGINNING FUND BALANCE-ASSIGNED	**$752,965**	**$999,744**	**$999,744**	**$1,245,304**
ENDING FUND BALANCE-ASSIGNED	**$999,744**	**$55,268**	**$1,245,304**	**$0**

FUND HIGHLIGHTS

Historical Buildings Fund (1093) - To account for receipts of 1/8 hotel occupancy tax, to be used for advertisement and capital repairs to historical buildings and statues.

Highlights - Funding of City Hall and maintenance and repairs to various city owned historic buildings and renovate Historic City Hall to correct code issues and preserve the building.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - COUNCIL PROJECTS AND INITIATIVES PROGRAM

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
361110 Interest Earned-Operating	$17,008	$15,000	$11,950	$10,000
TOTAL REVENUES	**$17,008**	**$15,000**	**$11,950**	**$10,000**
EXPENDITURES				
Personnel Services				
511650 Salary Reimbursements	$131,874	$100,000	$78,547	$78,550
Total Personnel Services	**$131,873**	**$100,000**	**$78,547**	**$78,550**
Materials and Supplies				
525031 Electricity	140	0	0	0
525032 Natural Gas	154	0	0	0
Total Materials and Supplies	**$295**	**$0**	**$0**	**$0**
Contractual Services				
531310 Rental of Land & Buildings	0	0	449	0
Total Contractual Services	**$0**	**$0**	**$449**	**$0**
Other Charges and Services				
543099 Project Management Capital	57,552	46,837	232	5,000
544087 Expense Reimbursement	8,644	0	0	0
544097 Expense Reimbursement-Other	58,420	2,691	0	0
544125 Capital Reserve	0	103,123	0	41,937
Total Other Charges and Services	**$124,617**	**$152,651**	**$232**	**$46,937**
Capital Outlay				
564003 Vehicle Capital Outlay	0	0		
564005 Capital Outlay - Improvements	882,604	471,683	241,071	244,109
Total Capital Outlay	**$882,604**	**$471,683**	**$241,071**	**$244,109**
Special Events and Programs				
592002 Construction Contingency	0	34,813	0	0
Total Special Events and Programs	**$0**	**$34,813**	**$0**	**$0**
TOTAL EXPENDITURES	**$1,139,388**	**$759,147**	**$320,297**	**$369,596**
REVENUES OVER/(UNDER) EXPENDITURES	**($1,122,381)**	**($744,147)**	**($308,347)**	**($359,596)**
BEGINNING FUND BALANCE-ASSIGNED	**$1,790,323**	**$667,942**	**$667,942**	**$359,595**
ENDING FUND BALANCE-ASSIGNED	**$667,942**	**($76,205)**	**$359,595**	**$0**

FUND HIGHLIGHTS

City Council Projects & Initiatives Program Fund (1098) - To account for funds to enhance neighborhood resources, economic development, public services, and the quality of life for residents.

Highlights - Districts within the City have made several improvements such as shade structures and playground equipment, neighborhood entry signs, and improved lighting. Contributions were made to the costs of overtime for code enforcement; as well as to the in house streets mill and overlay projects.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - INFRASTRUCTURE FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
361110 Interest Earned-Operating	65,081	47,000	78,246	50,000
370000 Other Funding Sources	10,000	0	0	0
379000 Operating Transfer In	3,275,010	3,912,769	3,912,769	4,746,944
TOTAL REVENUES	**$3,350,091**	**$3,959,769**	**$3,991,015**	**$4,796,944**
EXPENDITURES				
Personnel Services				
511650 Salary Reimbursements	144,267	182,896	300,000	300,000
Total Personnel Services	**$144,267**	**$182,896**	**$300,000**	**$300,000**
Contractual Services				
531004 Consultant Services	19,235	94,400	94,400	0
531121 Lot Demolition	14,850	0	0	0
531320 Equipment Rental	0	33,000	16,961	0
Total Contractual Services	**$34,085**	**$127,400**	**$111,361**	**$0**
Other Charges and Services				
543099 Project Management Cost	332,529	340,125	91,000	100,000
544097 Expense Reimbursement - Other	354,161	145,839	300,000	300,000
544125 Capital Reserve	0	0	0	2,053,081
Total Other Charges and Services	**$686,690**	**$485,964**	**$391,000**	**$2,453,081**
Operating Transfers				
553033 Transfer to Debt Service Fund	0	2,130,362	650,000	2,281,000
553050 Transfer to Hurricane Harvey	0	861,378	0	861,378
Total Operating Transfers	**$0**	**$2,991,740**	**$650,000**	**$3,142,378**
Capital Outlay				
564005 Capital Outlay - Improvements	1,833,322	2,142,386	897,256	1,347,750
564117 Machinery & Equipment	1,024,343	1,007,558	1,007,558	0
565506 Engineering Services	516,402	456,932	192,338	500,000
Total Capital Outlay	**$3,374,067**	**$3,606,876**	**$2,097,151**	**$1,847,750**
Special Events and Programs				
592002 Construction Contingency	0	279,745	0	1,000,000
Total Special Events and Programs	**$0**	**$279,745**	**$0**	**$1,000,000**
TOTAL EXPENDITURES	**$4,239,110**	**$7,674,620**	**$3,549,513**	**$8,743,209**
REVENUES OVER/(UNDER) EXPENDITURES	**($889,019)**	**($3,714,851)**	**$441,502**	**($3,946,265)**
BEGINNING FUND BALANCE-RESTRICTED	**$4,393,781**	**$3,504,762**	**$3,504,762**	**$3,946,265**
ENDING FUND BALANCE-RESTRICTED	**$3,504,762**	**($210,089)**	**$3,946,265**	**$0**

FUND HIGHLIGHTS

Infrastructure Fund (3199) - To account for funds for capital improvement and/or debt service allocating 1% of the General Fund Operating Budget beginning in FY 2013 and an additional 1% in each successive fiscal year thereafter until the cumulative annual allocation reaches a minimum of 8% of the total General Fund Operating Budget.

Highlights - Streets mill and overlay rehabilitation performed by city crews to bring less than satisfactory streets up to standard after the 2012 - 2013 street assessment. The cumulative annual allocation will reach 8% of the total General Fund Operating Budget in FY2020.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - SEPARATION PAY FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
379000 Operating Transfers - In	20,000	20,000	20,000	20,000
379100 Waterworks - Transfer In	22,440	22,440	22,440	22,440
379200 Sewer System - Transfer In	40,800	40,800	40,800	40,800
379300 Sanitation Transfer In	35,700	35,700	35,700	35,700
379400 General Fund	416,160	416,160	596,160	416,160
379700 Airport - Transfer In	6,630	6,630	6,630	6,630
TOTAL REVENUES	**$541,730**	**$541,730**	**$721,730**	**$541,730**
EXPENDITURES				
Personnel Services				
511410 Separation Vacation	$140,213	$217,180	$170,438	$217,180
511420 Separation Sick Pay	201,155	237,180	342,140	237,180
511430 Separation Compensatory Time	23,003	20,000	22,764	20,000
511530 Social Security - Employer's	21,197	0	27,524	0
511535 Medicare - Employer's	5,283	0	7,759	0
511542 City Employee Retirement	10,069	0	16,614	0
511543 Firemen's Retirement	3,147	0	15,495	0
511544 Police Retirement	27,613	0	43,130	0
Total Personnel Services	**$431,680**	**$474,360**	**$645,864**	**$474,360**
TOTAL EXPENDITURES	**$431,680**	**$474,360**	**$645,864**	**$474,360**
REVENUES OVER/(UNDER) EXPENDITURES	**$110,050**	**$67,370**	**$75,866**	**$67,370**
BEGINNING FUND BALANCE-ASSIGNED	**$206,708**	**$316,758**	**$316,758**	**$392,624**
ENDING FUND BALANCE-ASSIGNED	**$316,758**	**$384,128**	**$392,624**	**$459,994**

FUND HIGHLIGHTS

Separation Pay Fund (1099) - To account for funds from the General, Waterworks, Sewer System, Sanitation, Drainage and Airport for accrued benefits paid to an employee who terminates employment from the City.

Highlights - Maintain current level of funding for separation from service with the City.

CITY OF GALVESTON

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FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - PUBLIC ACCESS CHANNEL FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
342420 P.E.G. Fees	155,793	169,000	155,884	156,000
361110 Interest Earned - Operating	11,767	7,700	18,688	18,000
TOTAL REVENUES	**$167,560**	**$176,700**	**$174,572**	**$174,000**
EXPENDITURES				
Materials and Supplies				
521067 Minor Office Equipment	3,283	0	830	0
522056 Minor Equipment	5,108	15,000	0	15,000
Total Materials and Supplies	**$8,391**	**$15,000**	**$830**	**$15,000**
Contractual Services				
531028 Software Licenses	52	0	0	0
Total Contractual Services	**$52**	**$0**	**$0**	**$0**
Capital Outlay				
564005 Capital Outlay - Improvements	18,553	1,026,238	0	1,167,073
Total Capital Outlay	**$18,553**	**$1,026,238**	**$0**	**$1,167,073**
TOTAL EXPENDITURES	**$26,996**	**$1,041,238**	**$830**	**$1,182,073**
REVENUES OVER/(UNDER) EXPENDITURES	**$140,563**	**($864,538)**	**$173,742**	**($1,008,073)**
BEGINNING FUND BALANCE-RESTRICTED	**$693,767**	**$834,331**	**$834,331**	**$1,008,073**
PRIOR YEAR ADJUSTMENT	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-RESTRICTED	**$834,331**	**($30,207)**	**$1,008,073**	**$0**

FUND HIGHLIGHTS

Public Access Channel Fund (1092) - To account for funds used for improvements and equipment related to the City's public access channel. The revenues from this fund come from Comcast. It is a legal requirement that the funds be spent to improve the public access channel.

Parking Management

Division Mission

The mission of the Parking Management Division is to provide support and enforcement of parking ordinances in the city's downtown area, Seawall, residential, and other areas as directed by the City Council. To facilitate payment for parking in locations where required. Furthermore, to provide any additional support as requested by City Council and City Management to any public service that may be requested.

Accomplishments

- The Parking Management Division has increased compliance in the Seawall Parking District, Downtown Paid Parking Zone, and Residential areas.

Goals

- Continue to provide the highest level of service to the citizens and visitors of Galveston.
- Continue to increase compliance in the Downtown and Seawall Parking District.
- Continue to increase compliance in the UTMB district.
- The implementation of a vehicle immobilization device program to collect past due parking fines.
- The replacement of one of the Parking Enforcement vehicles.
- Renew or establish a new contract for the ALPR and Pay By Phone systems which will include new technology and equipment.
- Expand the ALPR system to include the residential parking enforcement to allow for more efficient enforcement.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - PARKING MANAGEMENT FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
342510 Parking Meter Fees	803,066	720,000	720,000	720,000
361110 Interest Earned-Operating	8,544	4,000	17,270	17,000
TOTAL REVENUES	**$811,609**	**$724,000**	**$737,270**	**$737,000**
EXPENDITURES				
Personnel Services				
511001 Regular Payroll	$147,617	$183,792	$183,430	$189,430
511002 COLA Increases	0	3,676	0	3,772
511005 Longevity	403	429	700	718
511009 Overtime	2,154	5,000	1,500	2,000
511125 Residency Pay	8,654	8,783	7,000	7,000
511510 Group Health Insurance	23,267	30,240	22,882	30,240
511512 Group Health Insurance Reserve	0	0	0	9,990
511515 Worker's Compensation	1,656	1,106	1,106	1,106
511520 Group Life Insurance	495	586	505	724
511530 Social Security - Employment	9,410	12,504	11,943	12,581
511535 Medicare - Employer's	2,201	2,924	2,793	2,942
511542 City Employee Retirement	14,295	18,151	17,337	18,263
511650 Salary Reimbursements	135,492	176,778	115,552	182,979
Total Personnel Services	**$345,644**	**$443,969**	**$364,748**	**$461,745**
Materials and Supplies				
521065 Office Supplies	0	0	280	0
521067 Minor Office Equipment	4,189	30,000	20,000	15,000
522013 Clothing	943	1,900	992	1,000
522017 Sign Materials	263	2,500	500	500
522085 Equipment Parts	0	13,500	5,000	5,000
Total Materials and Supplies	**$5,395**	**$47,900**	**$26,772**	**$21,500**
Contractual Services				
531026 Transaction Fees	116,840	95,000	120,000	120,000
531028 Software Licenses	20,622	39,000	25,000	39,000
531240 Maintenance Contracts	0	25,500	32,000	32,000
531350 Garage Charges	17,614	18,932	17,839	17,106
531360 Computer Charges	0	8,309	8,309	8,193
532084 Cellular Service	0	0	1,551	3,600
532087 Aircard Service	2,399	2,496	3,914	4,000
533085 Travel/Training	418	456	532	600
533100 Advertising	0	1,500	811	1,500
Total Contractual Services	**$157,893**	**$191,193**	**$209,956**	**$225,999**
Other Charges and Services				
543099 Project Management Cost	5,272	0	1,842	0
544125 Capital Reserve	0	567,490	0	371,501
Total Other Charges and Services	**$5,272**	**$567,490**	**$1,842**	**$371,501**
Operating Transfers				
553050 Transfer to Hurricane Harvey Fund	1,065	0	0	0
Total Operating Transfers	**$1,065**	**$0**	**$0**	**$0**
Capital Outlay				
564003 Vehicle Capital Outlay	18,928	0	0	0
564005 Capital Outlay - Improvements	0	0	429,460	0
Total Capital Outlay	**$18,928**	**$0**	**$429,460**	**$0**
TOTAL EXPENDITURES	**$534,197**	**$1,250,552**	**$1,032,778**	**$1,080,745**

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - PARKING MANAGEMENT FUND

SUMMARY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2019 PROPOSED
REVENUES OVER/(UNDER) EXPENDITURES	$277,413	($526,552)	($295,508)	($343,746)
BEGINNING FUND BALANCE-RESTRICTED	$361,841	$639,254	$639,254	$343,746
ENDING FUND BALANCE-RESTRICTED	$639,254	$112,702	$343,746	$0

FUND HIGHLIGHTS

Parking Management Fund (1096) - To account for collection of parking revenue and fees around the downtown area.

Personnel Services - Increases include annualized cost for personnel (+$87,008) and increases (+$9,990) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Net decreases of (-$5,275) in office supplies and minor equipment.

Contractual Services - Increases include maintaining current level of funding for software licenses (+$14,000) and increases (+$2,045) to miscellaneous line items.

Other Charges and Services - Net increases (+$369,659) set aside as capital reserve.

Capital Outlay - Decrease (-$429,460) for Downtown Gas Lamp Replacement Project that should be completed in FY2019.

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
City Marshal	0.50	0.50	0.50	0.50
Parking Enforcement Supervisor	1.00	1.00	1.00	1.00
Parking Enforcement Officer	2.00	3.00	3.00	3.00
TOTAL	3.50	4.50	4.50	4.50

CITY OF GALVESTON

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Community Pool

Division Mission

The mission of the Parks and Recreation Department is to create, promote, administer, and maintain exceptional recreational programs, facilities, and parks to the best of our ability. The Parks and Recreation Department strives to enhance the quality of life by continuing improvements in each of these areas, accomplishing our objectives by seeking community input and available resources, while also maintaining fiscal responsibility, often searching for additional funding through grants and donations.

Accomplishments

- Completed the second operational year of Galveston's first ever community swimming pool at Lasker Park (2016 43rd Street).
- Offered swimming lessons and programs for beginner swimmers.
- Chosen to host the 2021 Texas Public Pool Council Annual Meeting and Conference.
- Created a Subcommittee on the Parks & Recreation Advisory Board for a City of Galveston Recreation Swim team.
- Awarded 2018 Class II Agency of the year from Texas Public Pool Council (TPPC).
- Hosted seven Lifeguard tryouts for future guards.
- Offered over 100 water fitness classes throughout the year.
- Erica Peace was appointed to serve as Chair of the Athletics and Aquatics Committee for Texas Recreation & Park Society (TRAPS) East Region.
- Karris Harrison was appointed to At Large position for Texas Public Pool Council Region 4.
- Staff attended eight (8) job fairs and career days at local area schools.
- Pool Staff taught and trained Recreation Center Staff in CPR and First Aid.
- Increased swim lessons taught by 10% over last year.
- Implemented membership software across all Parks and Recreation facilities, and Lasker Pool.

Goals

- Continue to maintain and promote a safe and healthy environment for all children, adults and families visiting the pool facility.
- Continue to offer swimming lessons and programs for beginner swimmers, host swimming competitions, and water aerobics classes.
- Provide a safe place for rescue teams and life guards to train and develop.
- Create any outreach program to teach children and adults about water safety.
- Create a City Recreation Swim Team for the City of Galveston Parks and Recreation Department.
- Create a Master Swim class offered to the community.
- Implement pool party rentals during operational hours.
- Offer additional classes to the public on basic first aid and CPR.
- Write / Develop an in-house, comprehensive learn-to-swim program specifically for Galveston / Lasker Pool population.
- Write and submit / apply for at least four (4) grants, pertaining to the Learn-to-Swim program (goggles, equipment, sponsorship).
- Continue marketing via Facebook, and develop other marketing strategies.
- Increase swim lesson classes by 10%.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - LASKER PARK POOL FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
347100 Recreation Fees	$0	$0	$4,000	$5,000
347200 Memberships/Admissions	88,984	60,000	80,000	90,000
347300 Rentals	0	0	0	7,000
347400 Concessions	5,169	3,000	5,000	6,000
347420 Training/Education	4,504	5,000	1,000	1,000
361110 Interest Earned - Operating	5,697	0	7,534	8,700
363250 Donations	0	3,000	0	0
379660 I.D.C. Transfer In	250,000	400,000	400,000	300,000
TOTAL REVENUES	**$354,353**	**$471,000**	**$497,534**	**$417,700**
EXPENDITURES				
Personnel Services				
511001 Regular Payroll	92,311	123,915	150,122	167,565
511002 COLA Increases	0	2,478	0	0
511005 Longevity	152	313	51	337
511009 Overtime	1,990	2,000	2,000	2,000
511021 Part-time Payroll	105,022	60,000	110,000	110,000
511125 Residency Pay	3,413	2,500	7,384	7,500
511410 Separation Vacation	449	0	0	0
511420 Separation Sick Pay	1,651	0	0	0
511430 Separation Compensatory Time	192	0	0	0
511510 Group Health Insurance	13,100	23,520	24,392	27,552
511512 Group Health Insurance Reserve	0	0	0	9,102
511515 Workers' Compensation	115	77	77	77
511520 Group Life Insurance	344	480	490	610
511530 Social Security - Employment	12,587	11,855	16,713	17,819
511535 Medicare - Employer's	2,944	2,772	3,909	4,167
511542 City Employee Retirement	9,014	11,809	14,360	15,966
Total Personnel Services	**$243,285**	**$241,719**	**$329,498**	**$362,695**
Materials and Supplies				
521065 Office Supplies	4,969	5,000	11,000	11,000
521067 Minor Office Equipment	1,455	0	0	0
522011 Chemicals	26,622	40,000	30,000	30,000
522013 Clothing	7,616	5,000	5,500	5,500
522037 Janitorial Supplies	4,920	8,000	7,500	7,500
522038 Safety Supplies	8,237	10,000	6,000	6,000
522040 Recreation Supplies	3,803	6,000	5,000	7,000
522055 Minor Tools	1,731	2,000	3,000	3,000
522056 Minor Equipment	8,341	0	16,288	0
525031 Electricity	30,602	50,000	25,000	35,000
525032 Natural Gas	8,083	15,000	14,000	14,000
Total Materials and Supplies	**$106,379**	**$141,000**	**$123,288**	**$119,000**
Contractual Services				
531007 Security Service	600	0	0	0
531012 Records Management	0	2,000	1,000	750
531014 Building Security	360	9,000	2,500	2,500
531025 Memberships	699	1,500	1,000	1,000
531028 Software Licenses	5,000	10,000	7,000	7,000
531220 Building Repairs	3,817	5,000	12,000	5,000
531360 Computer Charges	5,000	8,309	8,309	14,748
532065 Printing, Duplication	162	500	1,200	1,200
532083 Telephone Service	1,204	1,800	1,120	1,200
532084 Cellular Service	574	800	1,400	1,400

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - LASKER PARK POOL FUND

SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
532086 Other Communications	6,913	3,000	7,000	6,500
533085 Travel/Training	4,434	8,000	6,000	8,000
533100 Advertising	411	600	1,500	1,500
533200 Food Services	0	5,000	5,000	5,000
Total Contractual Services	**$29,173**	**$55,509**	**$55,029**	**$55,798**
Other Charges and Services				
544087 Expense Reimbursement	(90)	(100)	0	0
544105 Bank Service Fees	65	0	300	0
547070 Insurance Expenses	30,000	30,702	30,702	39,403
Total Other Charges and Services	**$29,975**	**$30,602**	**$31,002**	**$39,403**
Capital Outlay				
564003 Vehicle Capital Outlay	0	10,588	10,588	0
564005 Capital Outlay - Improvements	5,360	0	0	0
Total Capital Outlay	**$5,360**	**$10,588**	**$10,588**	**$0**
Special Events and Programs				
592002 Contingency Reserve	3,926	236,798	(9)	120,832
Total Special Events and Programs	**$3,926**	**$236,798**	**($9)**	**$120,832**
TOTAL EXPENDITURES	**$418,098**	**$716,216**	**$549,396**	**$697,728**
REVENUES OVER/(UNDER) EXPENDITURES	**($63,745)**	**($245,216)**	**($51,862)**	**($280,028)**
BEGINNING FUND BALANCE-ASSIGNED	**$395,635**	**$331,890**	**$331,890**	**$280,028**
ENDING FUND BALANCE-ASSIGNED	**$331,890**	**$86,674**	**$280,028**	**$0**

FUND HIGHLIGHTS

Lasker Pool Fund (1094) - To account for funds received through donations, grants and IDC funding to be used for the first community pool in the City of Galveston.

Highlights - Completed construction of the first community pool which opened in August 2017. Plans to maintain and promote a safe and healthy environment for families visiting the pool facility. Also to offer swimming lessons, host swimming competitions, and water aerobics classes.

Personnel Services - Increases include annualized cost for personnel (+$24,095) and increases (+$9,102) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Net decreases (-$4,285) includes decreases for minor equipment and increases allowed for electrical costs.

Contractual Services - Net increase (+$770) include a decrease for building repairs and increases for computer charges.

Other Charges and Services - Net increase (+$8,400) for causality and liability insurance.

Capital Outlay - Decrease (-$10,588) in capital outlay for FY2020.

Special Events and Programs - Set aside (+$220,832) of Capital Reserve for contingency.

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Aquatics Manager	1.00	1.00	1.00	1.00
Pool Maintenance Technician	0.50	0.50	0.50	0.50
Senior Lifeguard	0.00	0.00	2.00	2.00
TOTAL	**1.50**	**1.50**	**3.50**	**3.50**

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - PENSION REFORM FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
361110 Interest Earned-Operating	26,305	21,300	22,771	22,000
TOTAL REVENUES	**$26,305**	**$21,300**	**$22,771**	**$22,000**
EXPENDITURES				
Contractual Services				
531004 Consultant Services	75,195	50,000	19,204	0
531006 Attorney's Fees	78,052	150,000	0	0
Total Contractual Services	**$153,246**	**$200,000**	**$19,204**	**$0**
Operating Transfers				
553025 Operating Transfer Out	75,000	204,743	198,000	0
Total Operating Transfers	**$75,000**	**$204,743**	**$198,000**	**$0**
Special Events and Programs				
592000 Contingency Reserve	1,000,000	598,430	0	881,184
Total Special Events and Programs	**$1,000,000**	**$598,430**	**$0**	**$881,184**
TOTAL EXPENDITURES	**$1,228,246**	**$1,003,173**	**$217,204**	**$881,184**
REVENUES OVER/(UNDER) EXPENDITURES	**($1,201,942)**	**($981,873)**	**($194,432)**	**($859,184)**
BEGINNING FUND BALANCE-ASSIGNED	**$2,255,558**	**$1,053,616**	**$1,053,616**	**$859,184**
ENDING FUND BALANCE-ASSIGNED	**$1,053,616**	**$71,743**	**$859,184**	**$0**

FUND HIGHLIGHTS

Pension Reform Fund (1020) – To account for funds set aside to be used for reforming the City of Galveston Police, Fire and Civilian Pension Plan.

Highlights - Funds are spent based on the recommendations of the City Manager and as approved by City Council. An Actuary was hired by the City as recommended and approved by City Council.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - REVENUE PRODUCING PARKS

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
347150 Beach User Fees	$163,094	$95,000	$92,724	$95,000
347152 Season Pass	10,745	6,000	4,320	4,000
347154 Vendor/Concessions	21,134	57,001	29,267	44,200
347156 Pavilion Rental/Weddings	0	0	0	1,000
361110 Interest Earned - Operating	691	0	1,703	0
TOTAL REVENUES	**$195,665**	**$158,001**	**$128,014**	**$144,200**
EXPENDITURES				
Personnel Services				
511001 Regular Payroll	13,838	24,000	24,762	24,000
511002 COLA Increases	0	480	0	0
511005 Longevity	0	17,856	0	0
511009 Overtime	0	0	0	0
511021 Part-time Payroll	21,686	17,856	19,939	20,000
511125 Residency Pay	0	0	0	10,000
511510 Group Health Insurance	0	3,360	1,974	3,360
511515 Workers' Compensation	0	150	150	150
511520 Group Life Insurance	0	50	58	58
511530 Social Security - Employment	1,374	2,625	1,910	1,910
511535 Medicare - Employer's	321	614	447	450
511542 City Employee Retirement	0	1,836	2,229	2,229
Total Personnel Services	**$37,219**	**$68,827**	**$51,468**	**$62,157**
Materials and Supplies				
521073 Printed Materials	2,973	1,867	725	800
522003 Agriculture Supplies	907	0	0	0
522013 Clothing	0	250	208	500
522017 Sign Materials	1,220	6,500	601	800
522037 Janitorial Supplies	1,166	400	50	400
522056 Minor Equipment	525	1,000	3,406	3,500
522075 Pipe and Plumbing Supplies	55	0	0	0
525031 Electricity	2,322	750	3,290	3,500
Total Materials and Supplies	**$9,169**	**$10,767**	**$8,280**	**$9,500**
Contractual Services				
531014 Building Security	0	5,000	425	450
531026 Transaction Fees	0	3,000	0	0
531119 Landscaping Services	0	2,400	0	1,500
531220 Building Repairs	11,411	2,500	7,044	3,850
531230 Equipment Repairs	0	1,500	260	1,500
531320 Equipment Rental	2,994	4,000	4,754	5,000
532083 Telephone Service	0	400	0	0
532084 Cellular Service	464	200	476	500
533083 Travel Expenses	222	0	121	200
Total Contractual Services	**$15,092**	**$19,000**	**$13,079**	**$13,000**
Other Charges and Services				
544105 Bank Service Charges	1,566	5,050	722	800
544125 Capital Reserve	0	135,042	0	186,748
547040 Administrative Service Charge	15,885	0	4,705	4,700
Total Other Charges and Services	**$17,451**	**$140,092**	**$5,427**	**$192,248**

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - REVENUE PRODUCING PARKS

SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Capital Outlay				
564003 Vehicle Capital Outlay	0	20,500	33,787	0
Total Capital Outlay	**$0**	**$20,500**	**$33,787**	**$0**
TOTAL EXPENDITURES	**$78,932**	**$259,186**	**$112,042**	**$276,905**
REVENUES OVER/(UNDER) EXPENDITURES	**$116,733**	**($101,185)**	**$15,972**	**($132,705)**
BEGINNING FUND BALANCE-RESTRICTED	**$0**	**$116,733**	**$116,733**	**$132,705**
ENDING FUND BALANCE-RESTRICTED	**$116,733**	**$15,548**	**$132,705**	**$0**

FUND HIGHLIGHTS

Revenue Producing Parks (1031) - To account for the collections of fees at Beach Pocket Parks, Seawall/Fort Crockett Park, McAllis Point and Ostermayer Bayou.

Highlights - Beginning January 1, 2018 and ending ten (10) years after commencement date the County shall charge no rent to the City for operations of the above named Parks. Public recreational uses include but are not limited to recreation, special events, an RV Park, overnight camping and specialty parks such as dog parks.

Personnel Services - Net increase (+$10,690) includes funding for residency pay.

Materials and Supplies - Net increase (+$1,220) for various supply line items

Contractual Services - Net decreases (-$80) includes adjustments to various line items.

Other Charges and Services - Net increase (+186,821) includes funding of $186,478 for capital reserve.

Capital Outlay - No funding (-$33,787) needed for capital purchases in FY2020.

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2019 PROPOSED
Assistant Director of Parks	0.00	0.00	0.40	0.40
TOTAL	**0.00**	**0.00**	**0.40**	**0.40**

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - ASSET FORFEITURE FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
332110 Drug Enforcement Agency	$116,757	$25,000	$50,000	$50,000
361110 Interest Earned-Operating	3,107	2,100	4,326	3,000
378000 Sale of General Fixed Assets	0	0	0	0
TOTAL REVENUES	**$119,864**	**$27,100**	**$54,326**	**$53,000**
EXPENDITURES				
Materials and Supplies				
522014 Protective Gear	0	25,000	0	15,000
522025 Fuel and Lubricants	160	0	0	0
522056 Minor Equipment	71,585	60,000	50,000	75,000
522085 Equipment Parts	28,039	8,700	0	0
Total Materials and Supplies	**$99,783**	**$93,700**	**$50,000**	**$90,000**
Contractual Services				
531230 Equipment Repairs	0	0	0	10,000
533085 Travel/Training	0	28,377	10,000	20,000
Total Contractual Services	**$0**	**$28,377**	**$10,000**	**$30,000**
Other Charges and Services				
544125 Capital Reserve	0	0	0	91,276
Total Other Charges and Services	**$0**	**$0**	**$0**	**$91,276**
Capital Outlay				
563015 Technology Improvements	0	0	0	15,000
564117 Machinery and Equipment	8,279	13,000	14,700	15,000
Total Capital Outlay	**$8,279**	**$13,000**	**$14,700**	**$30,000**
TOTAL EXPENDITURES	**$108,062**	**$135,077**	**$74,700**	**$241,276**
REVENUES OVER/(UNDER) EXPENDITURES	**$11,802**	**($107,977)**	**($20,374)**	**($188,276)**
BEGINNING FUND BALANCE-RESTRICTED	**$196,849**	**$208,651**	**$208,651**	**$188,277**
ENDING FUND BALANCE-RESTRICTED	**$208,651**	**$100,674**	**$188,277**	**$0**

FUND HIGHLIGHTS

Asset Forfeiture Funds (1811) - To account for the equitable sharing of assets received from federal and state agencies to be used for law enforcement purposes. Funds are used to enhance and supplement, not supplant or replace the Police Department's appropriated budget.

Highlights - Includes funding for med kits for S.W.A.T., Dive gear/hazmat suits LPR's, Cameras, hostage robot (S.W.A.T.) and training for Procedural justice, Leadership development and Legal liability.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - POLICE SPECIAL REVENUE FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
334030 TX Dept. of Public Safety	$10,874	$11,000	$11,315	$11,000
335005 Local Forfeiture Receipts	9,566	30,000	10,000	10,000
361110 Interest Earned-Operating	1,655	1,100	2,244	1,500
363270 Towed/Abandoned Vehicles	19,153	15,000	15,000	15,000
TOTAL REVENUES	**$41,248**	**$57,100**	**$38,559**	**$37,500**
EXPENDITURES				
Materials and Supplies				
521095 Petty Cash	7,079	20,000	5,000	6,537
522025 Fuel and Lubricants	8,225	6,500	7,272	8,000
522056 Minor Equipment	9,091	78,743	85,243	60,000
Total Materials and Supplies	**$24,395**	**$105,243**	**$97,515**	**$74,537**
Contractual Services				
533085 Travel/Training	6,575	13,500	6,228	12,000
Total Contractual Services	**$6,575**	**$13,500**	**$6,228**	**$12,000**
TOTAL EXPENDITURES	**$30,969**	**$118,743**	**$103,743**	**$86,537**
REVENUES OVER/(UNDER) EXPENDITURES	**$10,279**	**($61,643)**	**($65,184)**	**($49,037)**
BEGINNING FUND BALANCE-RESTRICTED	**$103,941**	**$114,221**	**$114,221**	**$49,037**
PRIOR YEAR ADJUSTMENT	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-RESTRICTED	**$114,221**	**$52,578**	**$49,037**	**$0**

FUND HIGHLIGHTS

Police Special Revenue Fund (1812) - To account for funds donated from the community to be used for Police Department needs.

Highlights - Funds used for buy money for Narcotic officers, purchase of body cameras and training expenses as needed.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - POLICE QUARTERMASTER FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
361110 Interest Earned-Operating	$547	$600	$350	$300
379000 Operating Transfer In	78,000	83,000	81,500	83,000
TOTAL REVENUES	**$78,547**	**$83,600**	**$81,850**	**$83,300**
EXPENDITURES				
Materials and Supplies				
522013 Clothing	78,174	91,010	75,178	98,730
Total Materials and Supplies	**$78,174**	**$91,010**	**$75,178**	**$98,730**
TOTAL EXPENDITURES	**$78,174**	**$91,010**	**$75,178**	**$98,730**
REVENUES OVER/(UNDER) EXPENDITURES	**$373**	**($7,410)**	**$6,672**	**($15,430)**
BEGINNING FUND BALANCE-RESTRICTED	**$8,385**	**$8,758**	**$8,758**	**$15,430**
PRIOR YEAR ADJUSTMENT	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-RESTRICTED	**$8,758**	**$1,348**	**$15,430**	**$0**

FUND HIGHLIGHTS

Police Quartermaster Fund (1813) - To account for funds to maintain and purchase clothing and equipment as determined by the Police Administration for all full time paid police officers

Highlights - Funding of $750 per Officer annually transferred from the Police Department.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - ALARM PERMIT FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
321325 Alarm Permit	$69,305	$62,000	$65,000	$65,000
361110 Interest Earned-Operating	1,345	900	1,772	2,000
TOTAL REVENUES	**$70,650**	**$62,900**	**$66,772**	**$67,000**
EXPENDITURES				
Personnel Services				
511001 Regular Payroll	$33,264	$33,929	$34,061	$31,070
511005 Longevity	381	417	418	400
511006 Differential Pay	675	675	678	0
511009 Overtime	4,117	4,000	2,332	1,000
511125 Residency Pay	1,875	1,892	1,882	1,882
511510 Group Health Insurance	5,040	5,040	5,040	6,705
511520 Group Life Insurance	128	128	131	120
511530 Social Security - Employment	2,234	2,537	2,441	2,130
511535 Medicare - Employer's	523	593	571	498
511542 City Employee Retirement	3,628	3,682	3,543	3,092
511650 Salary Reimbursements	0	16,000	16,000	16,000
Total Personnel Services	**$51,865**	**$68,893**	**$67,097**	**$62,897**
Materials and Supplies				
521065 Office Supplies	1,604	2,000	1,600	2,000
Total Materials and Supplies	**$1,604**	**$2,000**	**$1,600**	**$2,000**
Contractual Services				
531025 Memberships	175	0	0	0
531028 Software Licenses	4,824	4,825	5,936	6,000
532065 Printing, Duplication	0	0	0	0
533085 Travel/Training	2,064	2,500	402	500
Total Contractual Services	**$7,063**	**$7,325**	**$6,338**	**$6,500**
Other Charges and Services				
544125 Capital Reserve	0	40,528	0	66,726
Total Other Charges and Services	**$0**	**$40,528**	**$0**	**$66,726**
TOTAL EXPENDITURES	**$60,532**	**$118,746**	**$75,036**	**$138,123**
REVENUES OVER/(UNDER) EXPENDITURES	**$10,118**	**($55,846)**	**($8,264)**	**($71,123)**
BEGINNING FUND BALANCE-RESTRICTED	**$69,268**	**$79,386**	**$79,386**	**$71,123**
PRIOR YEAR ADJUSTMENT	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-RESTRICTED	**$79,386**	**$23,540**	**$71,123**	**$0**

FUND HIGHLIGHTS

Alarm Permit Fund (1814) - To account for fees paid by permit holders for annual alarm system permits issued by the city. Fees shall be used for the general administration and enforcement of the city alarm systems program as required by Local Government Code, Section 214.194.

Highlights - Funds are used to cover 75% of personnel costs for alarm permits.

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Police Administrative Services Manager	0.75	0.75	0.75	0.00
Code Enforcement Officer	0.00	0.00	0.00	0.75
TOTAL	**0.75**	**0.75**	**0.75**	**0.75**

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - FIRE SPECIAL REVENUE FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
334030 TX Dept. of Public Safety	$911	$915	$853	$850
361110 Interest Earned-Operating	740	400	1,760	1,700
363200 Other Revenues	22,500	22,500	22,500	22,500
TOTAL REVENUES	**$24,150**	**$23,815**	**$25,112**	**$25,050**
EXPENDITURES				
Materials and Supplies				
522056 Minor Equipment	511	44,131	20,000	20,000
Total Materials and Supplies	**$511**	**$44,131**	**$20,000**	**$20,000**
Contractual Services				
533088 Training Expenses	315	915	853	850
Total Contractual Services	**$315**	**$915**	**$853**	**$850**
Other Charges and Services				
544087 Expense Reimbursement	(107,876)	0	(3,125)	0
Total Other Charges and Services	**($107,876)**	**$0**	**($3,125)**	**$0**
Capital Outlay				
564117 Machinery and Equipment	27,209	0	0	145,528
Total Capital Outlay	**$27,209**	**$0**	**$0**	**$145,528**
TOTAL EXPENDITURES	**($79,842)**	**$45,046**	**$17,728**	**$166,378**
REVENUES OVER/(UNDER) EXPENDITURES	**$103,992**	**($21,231)**	**$7,384**	**($141,328)**
BEGINNING FUND BALANCE-RESTRICTED	**$29,952**	**$133,944**	**$133,944**	**$141,328**
PRIOR YEAR ADJUSTMENT	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-RESTRICTED	**$133,944**	**$112,714**	**$141,328**	**$0**

FUND HIGHLIGHTS

Fire Special Revenue Fund (1816) - To account for funds donated from the community to be used for Fire Department needs.
Highlights - Funds used to purchase safety equipment for the Fire Department.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - MUNICIPAL COURT BUILDING SECURITY FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
351170 Building Security Funding Fee	$21,610	$21,200	$21,200	$21,200
361110 Interest Earned-Operating	790	500	860	500
TOTAL REVENUES	**$22,400**	**$21,700**	**$22,060**	**$21,700**
EXPENDITURES				
Personnel Services				
511650 Salary Reimbursements	26,627	34,986	21,082	32,089
Total Personnel Services	**$26,627**	**$34,986**	**$21,082**	**$32,089**
Materials and Supplies				
521067 Minor Office Equipment	0	5,754	4,463	10,181
522013 Clothing	1,427	2,000	0	0
Total Materials and Supplies	**$1,427**	**$7,754**	**$4,463**	**$10,181**
Contractual Services				
531007 Security Service	6,148	6,000	5,838	6,500
532086 Other Communications	270	270	270	270
532087 Aircard Service	419	400	0	0
Total Contractual Services	**$6,837**	**$6,670**	**$6,108**	**$6,770**
TOTAL EXPENDITURES	**$34,892**	**$49,410**	**$31,653**	**$49,040**
REVENUES OVER/(UNDER) EXPENDITURES	**($12,492)**	**($27,710)**	**($9,593)**	**($27,340)**
BEGINNING FUND BALANCE-ASSIGNED	**$49,425**	**$36,933**	**$36,933**	**$27,340**
PRIOR YEAR ADJUSTMENT	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-ASSIGNED	**$36,933**	**$9,223**	**$27,340**	**$0**

FUND HIGHLIGHTS

Municipal Court Building Security Fund (1821) - To account for a fee of $3.00 per misdemeanor conviction and is collected for future improvements to the security of the court facilities.

Highlights - Reimburse salaries for bailiff, armored truck services and minor equipment replacement as needed.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - MUNICIPAL COURT TECHNOLOGY FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
351172 Municipal Court Technology Fee	$28,813	$28,300	$28,300	$28,300
361110 Interest Earned-Operating	1,502	950	2,017	1,000
TOTAL REVENUES	**$30,315**	**$29,250**	**$30,317**	**$29,300**
EXPENDITURES				
Materials and Supplies				
521067 Minor Office Equipment	6,740	62,709	8,000	29,856
Total Materials and Supplies	**$6,740**	**$62,709**	**$8,000**	**$29,856**
Contractual Services				
531028 Software Licenses	0	75,000	40,181	0
531240 Maintenance Contracts	0	0	0	23,682
Total Contractual Services	**$0**	**$75,000**	**$40,181**	**$23,682**
Other Charges and Services				
544125 Capital Reserve	0	0	0	60,657
Total Other Charges and Services	**$0**	**$0**	**$0**	**$60,657**
TOTAL EXPENDITURES	**$6,740**	**$137,709**	**$48,181**	**$114,195**
REVENUES OVER/(UNDER) EXPENDITURES	**$23,575**	**($108,459)**	**($17,864)**	**($84,895)**
BEGINNING FUND BALANCE-ASSIGNED	**$79,184**	**$102,759**	**$102,759**	**$84,895**
PRIOR YEAR ADJUSTMENT	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-ASSIGNED	**$102,759**	**($5,700)**	**$84,895**	**$0**

FUND HIGHLIGHTS

Municipal Court Technology Fund (1822) - To account for a fee of $4.00 per misdemeanor conviction and is collected for future improvements to technology of the court facilities.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - MUNICIPAL COURT JUVENILE SERVICES FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
351176 Juvenile Case Manager Fees	$31,752	$30,775	$30,775	$30,000
361110 Interest Earned-Operating	2,274	1,475	3,244	1,500
TOTAL REVENUES	**$34,026**	**$32,250**	**$34,019**	**$31,500**
EXPENDITURES				
Personnel Services				
511650 Salary Reimbursements	15,190	15,000	13,854	15,000
Total Personnel Services	**$15,190**	**$15,000**	**$13,854**	**$15,000**
Other Charges and Services				
544125 Capital Reserve	0	164,610	0	184,756
Total Other Charges and Services	**$0**	**$164,610**	**$0**	**$184,756**
TOTAL EXPENDITURES	**$15,190**	**$179,610**	**$13,854**	**$199,756**
REVENUES OVER/(UNDER) EXPENDITURES	**$18,836**	**($147,360)**	**$20,165**	**($168,256)**
BEGINNING FUND BALANCE-ASSIGNED	**$129,254**	**$148,091**	**$148,091**	**$168,256**
PRIOR YEAR ADJUSTMENT	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-ASSIGNED	**$148,091**	**$731**	**$168,256**	**$0**

FUND HIGHLIGHTS

Municipal Court Juvenile Services Fund (1823) – To account for a fee of $6.00 per misdemeanor conviction (90% State, 10% City) to promote the efficient operation of the court and the investigation, prosecution, and enforcement of the offenses within the court's jurisdiction.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - RECOVERY AND CAPITAL RESERVE FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
379000 Operating Transfer In	0	6,128,000	6,128,000	0
TOTAL REVENUES	**$0**	**$6,128,000**	**$6,128,000**	**$0**
EXPENDITURES				
Contractual Services				
531006 Attorney's Fees	1,250,108	950,000	146,406	200,000
Total Contractual Services	**$1,250,108**	**$950,000**	**$146,406**	**$200,000**
Other Charges and Services				
543099 Project Mgmt. Costs (Capital Projects)	21,528	5,806	5,806	0
544097 Expense Reimbursement - Other	(455)	0	0	0
544125 Capital Reserve	4,000	1,264,358	0	0
Total Other Charges and Services	**$25,072**	**$1,270,164**	**$5,806**	**$0**
Capital Outlay				
564005 Capital Outlay - Improvements	41,602	754,815	272,181	1,000,000
Total Capital Outlay	**$41,602**	**$754,815**	**$272,181**	**$1,000,000**
Special Events and Programs				
591065 CDM Settlement	0	8,220,000	8,220,000	0
Total Special Events and Programs	**$0**	**$8,220,000**	**$8,220,000**	**$0**
TOTAL EXPENDITURES	**$1,316,782**	**$11,194,979**	**$8,644,394**	**$1,200,000**
REVENUES OVER/(UNDER) EXPENDITURES	**($1,316,782)**	**($5,066,979)**	**($2,516,394)**	**($1,200,000)**
BEGINNING FUND BALANCE-COMMITTED	**$5,033,176**	**$3,716,393**	**$3,716,393**	**$1,200,000**
ENDING FUND BALANCE-COMMITTED	**$3,716,393**	**($1,350,586)**	**$1,200,000**	**$0**

FUND HIGHLIGHTS

Recovery and Capital Reserve Fund (3050) - To account for funds collected through the legal department.

CITY OF GALVESTON

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FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - TECHNOLOGY IMPROVEMENT FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
General Fund	$0	$0	$0	$0
Waterworks Fund	58,700	0	0	0
Sewer System Fund	58,700	0	0	0
Sanitation Fund	35,500	0	0	0
Drainage Fund	20,200	0	0	0
Airport Fund	6,500	0	0	0
Central Service Fund	290,000	0	290,000	0
Interest Earned	13,238	5,000	21,984	15,000
TOTAL REVENUES	**$482,838**	**$5,000**	**$311,984**	**$15,000**
EXPENDITURES				
Capital Outlay				
Technology Projects:				
Accela Software Upgrade	154,266	113,118	46,841	66,276
Public Works work order system	320	106,081	31,000	75,081
Drainage Fee billing project	0	75,000	0	75,000
False Alarm Permitting software	0	15,000	0	15,000
Utility System upgrade	0	50,000	0	50,000
Technology Infrastructure Expansion	0	100,916	260,852	0
CAFR Solution Implementation	43,425	0	0	0
Electronic Document Management Implementation	126,350	160,650	12,473	148,177
Kronos Upgrade/HR Software Project	0	300,000	0	300,000
Banner Financial System Upgrade	0	75,000	0	75,000
Mobile Based Service Request System	0	100,000	0	100,000
Technology Acquisition Reserve	0	190,673	0	197,852
Total Capital Outlay	**$324,360**	**$1,286,437**	**$351,166**	**$1,102,386**
TOTAL EXPENDITURES	**$324,360**	**$1,286,437**	**$351,166**	**$1,102,386**
REVENUES OVER/(UNDER) EXPENDITURES	**$158,478**	**($1,281,437)**	**($39,182)**	**($1,087,386)**
BEGINNING FUND BALANCE-ASSIGNED	**$968,091**	**$1,126,568**	**$1,126,568**	**$1,087,386**
PRIOR YEAR ADJUSTMENTS	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-ASSIGNED	**$1,126,568**	**($154,869)**	**$1,087,386**	**$0**

FUND HIGHLIGHTS

Technology Improvement Fund (1097) - To account for projects that emphasize basic city services and improving efficiency and accountability. To include permitting and inspections, business licensing, infrastructure maintenance, drainage fee collections, document imaging, inventory and fixed asset management and control.

Highlights - The City's data storage requirements have doubled in the last year and is expected to continue to grow over the next 3 to 5 years with implementation and expansion of multiple department software solutions. The purchase of a storage network to keep up with current demands was approved in FY17.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - TECHNOLOGY IMPROVEMENT FUND

SUMMARY

REVENUES	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
379000 Operating Transfers - In	290,000	0	290,000	0
379100 Waterworks - Transfer In	58,700	0	0	0
379200 Sewer System - Transfer In	58,700	0	0	0
379300 Sanitation - Transfer In	35,500	0	0	0
379325 Drainage - Transfer In	20,200	0	0	0
379700 Airport - Transfer In	6,500	0	0	0
361110 Interest Earned-Operating	13,238	5,000	21,984	15,000
TOTAL REVENUES	**$482,838**	**$5,000**	**$311,984**	**$15,000**
EXPENDITURES				
Contractual Services				
531028 Software Licenses	43,425	0	0	0
Total Contractual Services	**$43,425**	**$0**	**$0**	**$0**
Other Charges and Services				
544125 Capital Reserve	0	190,673	0	197,852
Total Other Charges and Services	**$0**	**$190,673**	**$0**	**$197,852**
Capital Outlay				
563015 Technology Improvements	154,266	467,128	268,523	246,586
564008 Data Processing Equipment	320	14,680	0	14,680
564009 Data Processing - Software	126,350	100,441	43,473	168,922
564012 Professional Services (Projects)	0	495,934	39,170	456,763
Total Capital Outlay	**$280,935**	**$1,078,182**	**$351,166**	**$886,952**
Special Events and Programs				
592002 Construction Contingency	0	17,582	0	17,582
Total Special Events and Programs	**$0**	**$17,582**	**$0**	**$17,582**
TOTAL EXPENDITURES	**$324,360**	**$1,286,437**	**$351,166**	**$1,102,386**
REVENUES OVER/(UNDER) EXPENDITURES	**$158,478**	**($1,281,437)**	**($39,182)**	**($1,087,386)**
BEGINNING FUND BALANCE-ASSIGNED	**$968,091**	**$1,126,568**	**$1,126,568**	**$1,087,386**
PRIOR YEAR ADJUSTMENT	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-ASSIGNED	**$1,126,568**	**($154,869)**	**$1,087,386**	**$0**

FUND HIGHLIGHTS

Technology Improvement Fund (1097) - To account for projects that emphasize basic city services and improving efficiency and accountability. To include permitting and inspections, business licensing, infrastructure maintenance, drainage fee collections, document imaging, inventory and fixed asset management and control.

Highlights - The City's data storage requirements have doubled in the last year and is expected to continue to grow over the next 3 to 5 years with implementation and expansion of multiple department software solutions. The purchase of a storage network to keep up with current demands was approved in FY17.

FY2020 PROPOSED BUDGET
SPECIAL REVENUE FUND - HURRICANE HARVEY

SUMMARY					
REVENUES		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
	Transfer In (Reimbursable at 90%)				
379400	General Fund	$186,700	$1,364,293	$14,302	$0
379000	Special Revenue Funds	33,980	450,000	0	150,161
379100	Water	8,377	0	0	0
379200	Sewer	80,752	33,634	36,611	7,207
379300	Sanitation	0	0	920,167	0
379800	Central Garage	20,950	19,535	0	0
379700	Airport	4,034	144,000	17,859	61,636
	Reimbursable Subtotal	**$334,792**	**$2,011,462**	**$988,940**	**$219,004**
	Transfer In (Local Match 10%)				
379400	General Fund	10,734	227,583	3,731	7,611
379000	Special Revenue Funds	2,670	50,000	0	17,680
379100	Water	931	0	0	0
379200	Sewer	8,972	3,737	2,416	801
379300	Sanitation	0	0	0	0
379800	Central Garage	2,328	2,171	0	0
379700	Airport	448	16,000	1,984	8,604
	Local Match Subtotal	**$26,083**	**$299,491**	**$8,132**	**$34,695**
	Insurance Proceeds/Donations				
348645	General Fund	122,701	0	0	0
348645	Central Garage	3,687	0	0	0
348645	Airport	28,005	0	0	0
371600	Local Contributions	200,000	0	(200,000)	0
TOTAL REVENUES		**$715,268**	**$2,310,953**	**$797,072**	**$253,700**
EXPENDITURES					
Other Charges and Services					
547055	General Fund				
	Disaster Consulting	$90,091	$0	($4,415)	$0
	Fire	0	0	0	7,813
	Streets	30,670	282,853	57,352	134,914
	Traffic	0	0	0	0
	Parks	32,983	162,973	4,006	160,310
	Subtotal - General Fund	**$153,744**	**$445,826**	**$56,942**	**$303,037**
547055	Island Transit	0	16,050	0	16,050
547055	Parking Management	10,645	0	0	0
547055	Water	9,308	0	0	0
547055	Sewer	70,700	37,371	60,952	6,759
547055	Sanitation	0	0	920,167	0
547055	Central Garage	18,587	21,705	0	8,379
547055	Airport	17,552	160,000	98,473	4,789
547055	Facilities (City Hall)	9,954	900,000	0	0
Total Other Charges and Services		**$136,746**	**$1,135,126**	**$1,079,593**	**$35,977**
TOTAL EXPENDITURES		**$290,491**	**$1,580,953**	**$1,136,535**	**$339,014**

SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
REVENUES OVER/(UNDER) EXPENDITURES	$424,778	$730,001	($339,463)	($85,315)
BEGINNING FUND BALANCE-COMMITTED	$0	$424,778	$424,778	$85,315
ENDING FUND BALANCE-COMMITTED	$424,778	$1,154,778	$85,315	$0

FUND HIGHLIGHTS

Hurricane Harvey Fund – A Major Disaster Declaration for the State of Texas (FEMA-4332-DR) was issued August 25, 2017 for Hurricane Harvey, qualifying all Harvey eligible expenses for reimbursement with federal funds. The City worked with FEMA to identify $3,818,564 in the cost of response and repair to damages from the event. The Hurricane Harvey Fund is funded with 100% local funds in recognition of the fact that the City is required to fund each project first and then seek reimbursement. Each affected fund that contributes to repair of its own facilities or the cost of its own force account labor and equipment will receive reimbursement for whatever portion of its own costs originally expended.

Highlights -. In FY 2017, the city's operating funds bore the full cost of responding to Harvey and making small repairs. This included the General Fund ($457,273), Island Transit ($3,169), Sewer ($29,229), Sanitation ($931,392), Central Garage ($8,453), Airport ($8,453) and Facilities Management ($2,100). These costs will not be reflected in the Harvey Fund until and unless the City receives its anticipated 90 percent reimbursement from FEMA.

The Hurricane Harvey Fund is providing the budget for all current and future repairs to damage caused by Harvey. When such repairs are made and charged here, the appropriate operating fund's Interfund transfer to Harvey account will be charged to provide cash to the Harvey fund to cover the budgeted cost.

The Harvey Fund also include $200,000 provided by the Galveston County Recovery Fund, administered by the United Way of Galveston that will be used to defray the City's costs in its Harvey recovery effort.

Island Transit

Department Mission

The mission of Island Transit is to build, establish and operate a safe, efficient and effective transportation system that provides mobility for residents and visitors and improving the quality of life in Galveston.

Accomplishments

- Harris County Rides has assumed ALL Demand Response service responsibilities to reduce operational cost for Demand Response through subsidized taxi services
- Successfully applied for and received 5310 funding for FY20/21, which will be utilized specifically to help reduce the costs of the Harris County RIDES Program.
- Successfully completed, and made final payment in regards to the Phase II of the Seawall Enhancements Project.
- Livable Communities Phase II improvements gone out for bid and construction underway.

Goals

- Receive Rail Trolleys from Ida Grove, Iowa, for testing Rail Trolley Service
- Establish public-private partnerships to enhance transit ridership and promote Economic Development, including serving high density tourist origins & destinations
- Implement technology upgrades including consideration of mobile app for fare collection
- Continue to find ways for Island Transit to become more efficient

FY2020 PROPOSED BUDGET
ISLAND TRANSIT SPECIAL FUND SUMMARY

	FY2018 ACTUAL	FY2020 BUDGET	FY2020 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	($221,721)	$5,967	$5,967	$10,749
Revenues:				
FTA-Operating Grant	$1,811,281	$2,012,094	$1,612,669	$1,500,000
FTA E & D Grant	511,534	0	0	0
Victory Lakes	0	0	30,000	120,000
State DOT Grants	481,287	431,335	431,335	445,000
Fare Box Revenues	310,652	245,000	258,477	300,000
UTMB Shuttles	110,000	41,000	61,106	40,000
Port Cruise Shuttles	150,914	0	0	0
Sale of equipment	13,595	0	0	0
Other Revenue	63,293	0	66,437	73,200
HOT Transfer In	372,407	1,095,033	454,960	954,625
General Fund	915,000	600,000	893,470	800,000
Total Revenues	$4,739,963	$4,424,462	$3,808,454	$4,232,825
Expenditures:				
Administration	$520,444	$398,976	$414,637	$312,156
Transit System	2,344,768	1,770,715	1,885,828	1,892,507
FTA Maintenance	1,241,428	1,159,061	984,342	1,028,584
Bus Trolley System	446,472	665,473	518,865	498,523
Rail Trolley System	0	429,560	0	456,102
Total Expenditures	$4,553,111	$4,423,785	$3,803,672	$4,187,872
Excess (deficiency) of revenues over (under) expenditures	$186,852	$677	$4,782	$44,953
Prior Year Adjustment	$40,836	$0	$0	$0
Ending Fund Balance - Committed	$5,967	$6,644	$10,749	$55,702

Personnel summary	2018 Actual	2019 Budget	2020 Budget	Salary Costs
Administration	4.00	3.00	1.75	$168,049
Transit System	37.00	31.50	19.95	1,213,317
FTA Maintenance	17.00	15.00	12.00	811,632
Bus Trolley System	0.00	6.50	6.80	416,597
Rail Trolley System	0.00	0.00	0.00	75,897
Totals	58.00	56.00	40.50	$2,192,998

FY2020 PROPOSED BUDGET
ISLAND TRANSIT FUND
EXPENDITURE SUMMARY

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Administration	520,444	398,976	414,637	312,156
Transit System	2,344,768	1,770,715	1,885,828	1,892,507
FTA Maintenance	1,241,428	1,159,061	984,342	1,028,584
Bus Trolley System	446,472	665,473	518,865	498,523
Rail Trolley System	0	429,560	0	456,102
TOTAL	**$4,553,111**	**$4,423,785**	**$3,803,672**	**$4,187,872**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$3,274,890	$3,047,856	$2,662,369	$2,685,492
Materials and Supplies	432,913	385,967	204,910	392,800
Contractual Services	794,487	910,623	866,285	1,063,855
Other Charges and Services	50,822	79,339	70,108	45,725
TOTAL	**$4,553,111**	**$4,423,785**	**$3,803,672**	**$4,187,872**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Net increase of $23,123 includes reduction in staff and overtime and related benefit costs (-$66,787) and an increase (+$89,910) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Net increase of $187,890 includes (+$175,000) for a six month operation of rail trolley system and miscellaneous increases (+$12,890) throughout the Department.

Contractual Services - Total increase of $197,570 includes (+$205,205) for a six month operation of rail trolley system and miscellaneous decreases (-$7,635) throughout the Department.

Other Charges and Services - Includes a reduction ($-24,213) in Island Transit's portion of Casualty and Liability and miscellaneous decreases (-$170) throughout the Department.

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FY2020 PROPOSED BUDGET
ADMINISTRATION

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$371,699	$297,566	$277,974	$168,049
Materials and Supplies	39,596	41,100	27,969	33,300
Contractual Services	108,841	94,113	108,150	110,207
Other Charges and Services	307	(33,803)	544	600
TOTAL	**$520,444**	**$398,976**	**$414,637**	**$312,156**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net decrease (-$109,925) includes transfer of 10% administrative fees (-$18,530) to Rubber wheel and Rail Trolley System and move 50% of Assistant City Manager's salary to Community Services in the General Fund.

Materials and Supplies - Net increase (+$5,330) in miscellaneous material and supply line items.

Contractual Services - Net increase of (+$2,060) for miscellaneous contractual line items.

Other Charges and Services - Increase in bank service fees (+$56).

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Assistant City Manager/Grants & Public Transportation	1.00	1.00	1.00	0.25
Public Transportation General Manager	1.00	0.00	0.00	0.00
Grants & Federal Compliance Officer	1.00	1.00	1.00	0.75
Senior Administrative Assistant	1.00	1.00	1.00	0.75
TOTAL	**4.00**	**3.00**	**3.00**	**1.75**

FY2020 PROPOSED BUDGET
ADMINISTRATION

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$268,790	$234,996	$233,955	$120,137
511002 COLA Increases	0	4,700	0	0
511005 Longevity	1,505	3,525	1,322	1,329
511009 Overtime	0	1,507	0	0
511125 Residency Pay	5,000	5,019	5,000	5,019
511410 Separation Vacation	11,752	0	0	0
511420 Separation Sick Pay	30,316	0	0	0
511510 Group Health Insurance	21,693	25,200	18,271	15,855
511512 Group Health Insurance Reserve	0	0	0	3,885
511515 Worker's Compensation	387	259	259	259
511520 Group Life Insurance	586	778	489	505
511530 Social Security - Employment	18,651	15,484	13,648	7,842
511535 Medicare - Employer's	4,458	3,621	3,405	1,834
511542 City Employee Retirement	28,563	22,477	21,625	11,384
511650 Salary Reimbursements	(20,000)	(20,000)	(20,000)	0
Total Personnel Services	**$371,699**	**$297,566**	**$277,974**	**$168,049**
Materials and Supplies				
521065 Office Supplies	1,946	1,000	500	1,000
521073 Printed Materials	395	400	200	200
522037 Janitorial Supplies	7,492	6,800	4,012	5,000
522099 Other Supplies	704	400	618	700
525031 Electricity	25,330	29,000	21,976	25,000
525032 Natural Gas	3,729	3,500	663	1,400
Total Materials and Supplies	**$39,596**	**$41,100**	**$27,969**	**$33,300**
Contractual Services				
531007 Security Service	7,802	6,000	6,921	7,000
531025 Memberships	1,970	2,000	1,496	1,500
531116 Hazardous Waste Disposal & Supplies	0	500	0	500
531125 Other Contracts	60,321	50,000	55,574	60,000
531220 Building Repairs	180	500	250	250
531360 Computer Charges	11,923	12,463	12,463	8,557
532062 Postage	789	650	387	400
532065 Printing, Duplication	3,538	4,000	2,711	3,000
532083 Telephone Service	17,980	15,000	24,807	25,000
532084 Cellular Service	2,170	2,000	2,869	3,000
533085 Travel/Training	2,169	1,000	671	1,000
Total Contractual Services	**$108,841**	**$94,113**	**$108,150**	**$110,207**
Other Charges and Services				
544087 Expense Reimbursement	0	(33,803)	0	0
544105 Bank Service Charges	307	0	544	600
Total Other Charges and Services	**$307**	**($33,803)**	**$544**	**$600**
Total Expenses	**$520,444**	**$398,976**	**$414,637**	**$312,156**

FY2020 PROPOSED BUDGET
TRANSIT SYSTEM

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,692,449	$1,146,471	$1,184,832	$1,213,317
Materials and Supplies	17,615	39,700	22,128	23,500
Contractual Services	523,387	485,206	579,530	580,565
Other Charges and Services	111,317	99,338	99,338	75,125
TOTAL	**$2,344,768**	**$1,770,715**	**$1,885,828**	**$1,892,507**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase of $28,485 includes reduction in staff and overtime and related benefit costs (-$15,804) and an increase (+$44,289) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Net increase (+$1,375) for office supplies and fuel and lubricants.

Contractual Services - Included are increases (+$74,974) for Harris County Rides Program and reductions (-$73,940) in garage charges and computer charges.

Other Charges and Services - Includes a reduction ($-24,213) in Island Transit's portion of Casualty and Liability.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Ridership	744,382	635,362	400,000	400,000

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Public Transportation Operations Manager	1.00	1.00	1.00	0.75
Public Transportation Supervisors	3.00	2.50	2.50	2.00
Public Transportation Dispatcher	1.00	1.00	1.00	1.00
Bus & Rail Safety Officer	0.00	1.00	1.00	0.20
Transit Operators	32.00	26.00	16.00	16.00
TOTAL	**37.00**	**31.50**	**21.50**	**19.95**

FY2020 PROPOSED BUDGET
TRANSIT SYSTEM

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$1,024,058	$723,688	$718,377	$698,347
511002 COLA Increases	0	14,474	0	0
511005 Longevity	9,474	10,256	9,470	9,550
511006 Differential Pay	1,007	904	904	904
511009 Overtime	158,207	25,000	88,220	75,000
511021 Part-time Payroll	11,155	7,500	8,272	7,500
511125 Residency Pay	38,643	40,000	30,699	31,369
511410 Separation Vacation	1,399	0	2,130	0
511420 Separation Sick Pay	992	0	98	0
511510 Group Health Insurance	200,005	154,560	154,848	180,747
511512 Group Health Insurance Reserve	0	0	0	44,289
511515 Workers' Compensation	39,618	26,469	26,469	26,469
511520 Group Life Insurance	3,923	2,992	3,204	2,726
511530 Social Security - Employment	75,051	52,701	53,207	51,049
511535 Medicare - Employer's	17,552	12,325	12,443	11,939
511542 City Employee Retirement	111,365	75,602	76,491	73,428
Total Personnel Services	**$1,692,449**	**$1,146,471**	**$1,184,832**	**$1,213,317**
Materials and Supplies				
521065 Office Supplies	2,023	2,200	2,931	3,000
521067 Minor Office Equipment	724	2,500	2,500	2,500
522025 Fuel And Lubricants	14,868	35,000	16,698	18,000
Total Materials and Supplies	**$17,615**	**$39,700**	**$22,128**	**$23,500**
Contractual Services				
530025 Harris County Rides Program	194,149	153,188	325,026	400,000
531220 Building Repairs	2,909	5,000	3,284	4,000
531350 Garage Charges	294,891	253,626	167,109	130,000
531360 Computer Charges	15,898	55,392	55,392	39,965
532065 Printing, Duplication	761	3,000	1,528	1,600
532066 Print Shop Charges	833	1,000	609	1,000
533085 Travel/Training	411	1,000	965	1,000
533301 Cleaning Service	11,627	13,000	2,717	3,000
Total Contractual Services	**$523,387**	**$485,206**	**$579,530**	**$580,565**
Other Charges and Services				
547070 Insurance Expense	111,317	99,338	99,338	75,125
Total Other Charges and Services	**$111,317**	**$99,338**	**$99,338**	**$75,125**
Total Expenses	**$2,344,768**	**$1,770,715**	**$1,885,828**	**$1,892,507**

FY2020 PROPOSED BUDGET
FTA MAINTENANCE

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$830,675	$896,133	$764,437	$811,632
Materials and Supplies	375,868	178,500	149,080	151,000
Contractual Services	92,582	104,428	100,600	95,952
Other Charges and Services	(57,698)	(20,000)	(29,774)	(30,000)
TOTAL	**$1,241,428**	**$1,159,061**	**$984,342**	**$1,028,584**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Increases include (+$20,556) for annualized cost for personnel and an increase (+$26,640) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Net increase (+$1,920) for minor tools and other supplies.

Contractual Services - Net decrease (-$4,650) includes reduction in computer charges.

Other Charges and Services - Net decrease of (-$226) for reimbursements from insurance claims.

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Fleet Maintenance Supervisor	2.00	2.00	2.00	2.00
Automotive Mechanic	7.00	7.00	6.00	6.00
Automotive Parts Technician	2.00	2.00	2.00	2.00
Bus Service Attendant	6.00	4.00	2.00	2.00
TOTAL	**17.00**	**15.00**	**12.00**	**12.00**

FY2020 PROPOSED BUDGET
FTA MAINTENANCE

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$536,694	$576,212	$524,210	$511,907
511002	COLA Increases	0	11,524	0	0
511005	Longevity	7,859	8,643	8,103	8,151
511006	Differential Pay	0	8,177	0	8,192
511009	Overtime	45,722	40,000	21,447	25,000
511125	Residency Pay	19,682	23,000	12,596	12,554
511410	Separation Vacation	3,085	0	0	0
511420	Separation Sick Pay	2,083	0	0	0
511510	Group Health Insurance	91,842	100,800	87,455	108,720
511512	Group Health Insurance Reserve	0	0	0	26,640
511515	Worker's Compensation	21,408	14,303	14,303	14,303
511520	Group Life Insurance	2,074	2,325	2,025	1,958
511530	Social Security - Employment	36,356	41,389	35,114	35,080
511535	Medicare - Employer's	8,503	9,680	8,212	8,204
511542	City Employee Retirement	55,369	60,080	50,972	50,922
Total Personnel Services		**$830,675**	**$896,133**	**$764,437**	**$811,632**
Materials and Supplies					
521065	Office Supplies	0	0	1,025	1,000
522037	Janitorial Supplies	0	0	2,000	2,000
522055	Minor Tools	2,534	3,000	13,062	14,000
522059	Motor Vehicle Parts	359,271	159,000	125,779	126,000
522099	Other Supplies	14,063	16,500	7,215	8,000
Total Materials and Supplies		**$375,868**	**$178,500**	**$149,080**	**$151,000**
Contractual Services					
531125	Other Contracts	14,799	17,500	14,852	15,000
531220	Building Repairs	1,189	1,000	649	1,000
531250	Vehicle Repairs	48,269	35,000	34,171	35,000
531360	Computer Charges	15,898	36,928	36,928	30,952
533301	Cleaning Service	12,428	14,000	14,000	14,000
Total Contractual Services		**$92,582**	**$104,428**	**$100,600**	**$95,952**
Other Charges and Services					
544098	Reimbursable From Insurance Claims	(57,698)	(20,000)	(29,774)	(30,000)
Total Other Charges and Services		**($57,698)**	**($20,000)**	**($29,774)**	**($30,000)**
Total Expenses		**$1,241,428**	**$1,159,061**	**$984,342**	**$1,028,584**

FY2020 PROPOSED BUDGET
BUS TROLLEY SYSTEM

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$380,066	$553,354	$435,127	$416,597
Materials and Supplies	(166)	10,000	5,733	10,000
Contractual Services	69,676	85,217	78,006	71,926
Other Charges and Services	(3,105)	16,902	0	0
TOTAL	**$446,472**	**$665,473**	**$518,865**	**$498,523**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Decreases include (-$33,625) for annualized cost for personnel and an increase (+$15,096) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Net increase (+$4,267) for motor vehicle parts.

Contractual Services - Included is a decrease in computer charges (-$7,700) and increases (+$1,620) in miscellaneous line items.

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Assistant City Manager/Grants & Public Transportation	0.00	0.00	0.00	0.25
Grants & Federal Compliance Officer	0.00	0.00	0.00	0.25
Senior Administrative Assistant	0.00	0.00	0.00	0.25
Public Transportation Manager	0.00	0.50	0.50	0.25
Public Transportation Supervisors	0.00	0.00	0.00	1.00
Transit Operators	0.00	6.00	4.00	4.00
Bus & Rail Safety Officer	0.00	0.00	0.00	0.80
TOTAL	**0.00**	**6.50**	**4.50**	**6.80**

FY2020 PROPOSED BUDGET
BUS TROLLEY SYSTEM

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$247,270	$367,075	$305,360	$279,933
511002 COLA Increases	0	7,342	0	0
511005 Longevity	15	48	3,663	3,989
511006 Differential Pay	49	0	0	0
511009 Overtime	31,530	30,000	15,214	16,000
511021 Part-time Payroll	498	0	0	0
511125 Residency Pay	4,615	2,500	4,245	3,764
511410 Separation Vacation	0	0	207	0
511420 Separation Sick Pay	0	0	294	0
511510 Group Health Insurance	44,766	71,400	49,612	45,696
511512 Group Health Insurance Reserve	0	0	0	15,096
511515 Workers' Compensation	4,800	1,200	1,200	1,200
511520 Group Life Insurance	872	252	1,027	354
511530 Social Security - Employment	16,584	27,383	20,017	18,829
511535 Medicare - Employer's	3,879	6,404	4,681	4,403
511542 City Employee Retirement	25,189	39,750	29,605	27,332
Total Personnel Services	**$380,066**	**$553,354**	**$435,127**	**$416,597**
Materials and Supplies				
522059 Motor Vehicle Parts	(166)	10,000	5,733	10,000
Total Materials and Supplies	**($166)**	**$10,000**	**$5,733**	**$10,000**
Contractual Services				
531240 Maintenance Contracts	1,657	0	0	0
531250 Vehicle Repairs	0	10,000	9,846	10,000
531350 Garage Charges	68,020	55,590	48,533	50,000
531360 Computer Charges	0	19,627	19,627	11,926
Total Contractual Services	**$69,676**	**$85,217**	**$78,006**	**$71,926**
Other Charges and Services				
544087 Expense Reimbursement	0	16,902	0	0
544098 Reimbursable from Insurance	(3,105)	0	0	0
Total Other Charges and Services	**($3,105)**	**$16,902**	**$0**	**$0**
Total Expenses	**$446,472**	**$665,473**	**$518,865**	**$498,523**

FY2020 PROPOSED BUDGET
RAIL TROLLEY SYSTEM

EXPENDITURE SUMMARY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$0	$154,332	$0	$75,897
Materials and Supplies	0	116,667	0	175,000
Contractual Services	0	141,659	0	205,205
Other Charges and Services	0	16,902	0	0
TOTAL	**$0**	**$429,560**	**$0**	**$456,102**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Increase of $75,897 attributed to a six month operation and funding for rail trolley system.

Materials and Supplies - Total increase of $175,000 for a six month operation of rail trolley system.
Contractual Services - Total increase of $205,205 for a six month operation of rail trolley system.

FY2020 PROPOSED BUDGET
RAIL TROLLEY SYSTEM

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$0	$119,198	$0	$0
511002	COLA Increases	0	2,384	0	0
511005	Longevity	0	48	0	0
511009	Overtime	0	5,000	0	64,700
511125	Residency Pay	0	2,500	0	0
511510	Group Health Insurance	0	8,820	0	0
511515	Workers' Compensation	0	600	0	0
511520	Group Life Insurance	0	62	0	0
511530	Social Security - Employment	0	5,854	0	4,169
511535	Medicare - Employer's	0	1,369	0	975
511542	City Employee Retirement	0	8,497	0	6,052
511650	Salary Reimbursements	0	0	0	0
Total Personnel Services		**$0**	**$154,332**	**$0**	**$75,897**
Materials and Supplies					
522025	Fuel And Lubricants	0	16,667	0	25,000
522059	Motor Vehicle Parts	0	66,667	0	100,000
522099	Other Supplies	0	33,333	0	50,000
Total Materials and Supplies		**$0**	**$116,667**	**$0**	**$175,000**
Contractual Services					
531350	Garage Charges	0	136,803	0	205,205
531360	Computer Charges	0	4,856	0	0
Total Contractual Services		**$0**	**$141,659**	**$0**	**$205,205**
Other Charges and Services					
544099	Miscellaneous Expense	0	16,902	0	0
Total Other Charges and Services		**$0**	**$16,902**	**$0**	**$0**
Total Expenses		**$0**	**$429,560**	**$0**	**$456,102**

CITY OF GALVESTON

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Debt Service Fund

FY2020 PROPOSED BUDGET
DEBT SERVICE FUND

Overview

The Debt Service fund is used to record dedicated revenue and debt service for tax supported debt. This includes (1) General Obligation bonds approved by the voters and payable with property tax revenue as well as (2) General Obligation Refunding bonds issued under state law and the city charter to reduce interest costs on outstanding bonds of all types. The unissued $37 million balance of the $62 million in property tax supported bonds approved by the voters in May 2017 is expected to be issued in FY 2020.

It does not include tax-supported revenue bonds payable with revenue streams from other sources. This debt, primarily issued for water and sewer projects is paid from the Combined Utility System Fund and the two sub funds for Water and Sewer. Those payments are budgeted in the Waterworks and Sewer funds, respectively. Refer to the Capital Improvements section for a detailed discussion of tax supported and revenue bond debt service. In order to comply with State law regarding disclosure of all debt service of the City of Galveston, all of the City's various debt is reflected below.

Debt Limitation

No general obligation debt limitation is imposed on the City under current State law or the city's Home Rule Charter; however, State law and the City's Charter limit the City's total ad valorem tax rate.

OUTSTANDING DEBT AS OF OCTOBER 1, 2019			
Debt and Funding Source	**Principal**	**Interest**	**Total**
Debt Service Fund (Property Taxes)			
General Obligation Bonds	$20,550,000	$9,130,700	$29,680,700
General Obligation Refunding Bonds	$8,225,285	$1,520,497	$9,745,782
Subtotal Property Tax Supported Debt Service	**$28,775,285**	**$10,651,197**	**$39,426,482**
Hotel Occupancy Tax Revenue Bonds	**$21,625,000**	**$6,467,644**	**$28,092,644**
Wharves Authority Revenue Bonds	**$1,390,621**	**$1,769,379**	**$3,160,000**
Consolidated Utility System Fund Debt Service (Water Portion)			
Certificate of Obligations	$33,563,200	$26,023,630	$59,586,830
GO Refunding Bonds	$6,000,105	$1,967,280	$7,967,385
Revenue Bonds	$8,145,800	$2,641,860	$10,787,660
Subtotal Water Fund Debt Service	**$47,709,105**	**$30,632,770**	**$78,341,875**
Consolidated Utility System Fund Debt Service (Sewer Portion)			
Certificate of Obligations	$31,016,800	$24,194,670	$55,211,470
GO Refunding Bonds	$5,969,610	$1,965,723	$7,935,333
Revenue Bonds	$10,394,200	$2,658,240	$13,052,440
Subtotal Sewer Fund Debt Service	**$47,380,610**	**$28,818,633**	**$76,199,243**
Total Outstanding Debt	**$146,880,621**	**$78,339,623**	**$225,220,244**

As of October 1, 2019, the City of Galveston will have total outstanding bonded indebtedness of $225.2 million, including $146.9 in principal and $78.3 million in interest. Property taxes support payments for $39.4 million of this total, including $29.7 million in principal and $9.7 million in interest.

FY2020 PROPOSED BUDGET
DEBT SERVICE FUND BY LINE ITEM

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
REVENUES				
311100 Property Taxes - Current	$3,907,895	$2,986,700	$2,987,500	$3,163,100
311110 Property Taxes - Delinquent	43,450	35,000	51,100	40,000
361110 Interest Earned-Operating	88,543	40,000	116,000	60,000
379825 Infrastructure/Debt - Transfer In	0	2,130,362	650,000	2,281,000
TOTAL REVENUES	$4,039,888	$5,192,062	$3,804,600	$5,544,100
DEBT SERVICE PAYMENTS				
571010 Interest Expenditure	1,237,239	1,957,521	1,328,521	2,198,371
571040 Agent Fees	2,500	7,300	5,800	6,550
571050 Principal Expenditure	2,818,170	3,227,991	2,355,991	3,338,685
571070 Other Expenditures	0	0	0	0
Total Debt Service	$4,057,909	$5,192,812	$3,690,312	$5,543,606
TOTAL EXPENDITURES	$4,057,909	$5,192,812	$3,690,312	$5,543,606
REVENUES OVER/(UNDER) EXPENDITURES	($18,022)	($750)	$114,288	$494
BEGINNING FUND BALANCE-RESTRICTED	$1,639,155	$1,621,133	$1,621,133	$1,735,420
ENDING FUND BALANCE-RESTRICTED	$1,621,133	$1,620,383	$1,735,420	$1,735,914

HIGHLIGHTS

Property Tax Rate - This year's proposed debt service property tax rate is $0.0525 per $100 of taxable value, the same as last year's debt service rate.

Infrastructure and Debt Service Fund Transfer In - This transfer includes: (1) An estimated $1,962,000 in new debt service for the $37 million sale being conducted this fall to provide funding for streets and drainage projects approved in the May 2017 bond election, and (2) the amount necessary to pay existing debt not covered by property taxes or interest income ($319,000).

Other debt service amounts paid from non-tax revenue are shown below:

Self-Supporting Debt	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Hotel Occupancy Tax	1,788,012	1,811,212	1,811,212	1,837,014
Galveston Wharves	2,885,900	3,160,000	3,160,000	3,160,000
Self-Supporting Debt Subtotal	$4,673,912	$4,971,212	$4,971,212	$4,997,014

Enterprise Funds

FY 2020 PROPOSED BUDGET
ENTERPRISE FUNDS SUMMARY

Overview

The City has maintained for some time five funds as enterprise funds which is to say they are operated like a business enterprise. This year's Adopted Budget consolidates the Waterworks and Sewer Fund budgets into the Combined Utility System Fund. This will make accounting and reporting more efficient, and follow the industry standards and best practices as far as water and sewer utility systems are concerned.

The funds in this section are accounted for on a full accrual basis and budgeted on a modified accrual basis. The difference is to recognize that the purpose of the budget is to adequately plan, manage and control the use of enterprise fund cash. Further, the role of the City Council in approving a modified accrual budget is to control how enterprise fund cash is used during the course of the fiscal year.

FY 2020 Enterprise Fund Highlights

The **Combined Utility System Fund (**including the Waterworks and Sewer system funds) is primarily funded through customer charges that are tied to water usage. The Combined Utility System Fund Proposed Budget includes $38.2 million in operating expenditures, a $1.5 million decrease from the FY 2019 Budget. The Budget also includes planned transfers to water and sewer improvement funds of an additional $1.87 million, with an ending fund balance of $12.25 million. The Budget assumes no rate increase for FY 2020or bond sales in FY 2020. However, a rate study is planned for FY 2020 to consider likely rate changes in FY 2021 in order to continue the water and sewer CIP.

The **Sanitation Fund** provides funding through fees charged to customers for the City's garbage collection and disposal services as well as its recycling center operation. In FY 2019, FEMA reimbursement was received ($920,167) as reimbursement for debris removal after Hurricane Harvey in 2017. After several major equipment purchases in FY 2019 totaling $1,293,542, the purchase of two pieces of heavy equipment ($195,000 for a litter truck and $200,000 for a new automated sanitation truck) are budgeted along with $70,000 to help furnish the new Public Works facility.

The **Drainage fund** is financed through fees charged through the water bill specifically for drainage. Drainage fund personnel perform maintenance on the City's storm sewer and open ditch drainage system. The FY 2020 Proposed Budget includes $183,500 for a tandem dump truck. The budget also includes $70,000 for drainage area staff furniture in the new Public Works building.

The **Airport fund** is funded through income from Scholes Airport tenants and customers. The Airport proposes to increase its revenue production potential through improved facilities and improved business practices in FY 2020.

Additional information on Enterprise Fund revenue, particularly water and sewer customer charges, can be found in the Citywide Revenue Summary. Detailed explanations of every Enterprise Fund budget, including the associated line item detail can be found in the appropriate portion of this Enterprise fund section for that budget.

ENTERPRISE FUNDS
Summary Schedule of Revenues and Expenditures

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance				
Combined Utility System Fund	$13,951,027	$16,859,258	$16,859,258	$14,570,129
Sanitation Fund	3,328,923	2,487,094	2,487,094	2,315,318
Drainage Utility Fund	2,062,063	2,355,641	2,355,641	1,645,273
Scholes Airport Fund	1,543,012	969,580	969,580	789,724
Total	**$20,885,025**	**$22,671,573**	**$22,671,573**	**$19,320,445**
Revenues				
Combined Utility System Fund	$38,496,704	$36,938,500	$36,064,505	$35,901,500
Sanitation Fund	6,311,098	6,326,213	6,345,299	6,436,356
Drainage Utility Fund	2,853,600	2,856,440	2,923,519	2,926,340
Scholes Airport Fund	1,798,288	1,113,161	1,097,652	1,109,189
Total	**$49,459,689**	**$47,234,314**	**$46,430,975**	**$46,373,385**
Expenditures				
Combined Utility System Fund	$33,331,236	$37,815,563	$39,958,561	$38,217,222
Sanitation Fund	6,088,905	6,077,065	6,143,700	6,467,148
Drainage Utility Fund	2,061,583	2,483,090	2,391,204	2,681,161
Scholes Airport Fund	1,571,778	1,277,109	1,170,008	1,100,183
Total	**$43,053,503**	**$47,652,827**	**$49,663,472**	**$48,465,713**
Revenues over/(under) Expenditures				
Combined Utility System Fund	$5,165,467	($877,063)	($3,894,055)	($2,315,722)
Sanitation Fund	222,193	249,148	201,599	(30,792)
Drainage Utility Fund	792,016	373,351	532,315	245,179
Scholes Airport Fund	226,510	(163,948)	(72,356)	9,006
Total	**$6,406,187**	**($418,513)**	**($3,232,497)**	**($2,092,328)**
Transfer to improvement account/Capital outlay				
Combined Utility System Fund	$1,500,000	$1,866,000	($1,869,155)	$0
Sanitation Fund	786,276	1,383,050	1,293,542	490,000
Drainage Utility Fund	310,712	1,254,700	1,242,683	253,500
Scholes Airport Fund	799,941	430,000	107,500	0
Total	**$3,396,929**	**$4,933,750**	**$774,571**	**$743,500**
Appropriation of Fund Balance				
Combined Utility System Fund	$3,665,467	($2,743,063)	($2,024,901)	($2,315,722)
Sanitation Fund	(564,083)	(1,133,902)	0	(520,792)
Drainage Utility Fund	481,304	(881,350)	(710,368)	(8,321)
Scholes Airport Fund	0	0	(179,856)	9,006
Total	**$3,582,689**	**($4,758,315)**	**($2,915,125)**	**($2,835,828)**
Prior Year Adjustments				
Combined Utility System Fund	($757,237)	$0	($264,228)	$0
Sanitation Fund	(277,746)	0	920,167	0
Drainage Utility Fund	(187,726)	0	0	0
Scholes Airport Fund	0	0	0	0
Total	**($1,222,710)**	**$0**	**$655,939**	**$0**
Ending Fund Balances				
Combined Utility System Fund	$16,859,259	$14,116,195	$14,570,129	$12,254,407
Sanitation Fund	2,487,094	1,353,192	2,315,318	1,794,526
Drainage Utility Fund	2,355,641	1,474,291	1,645,273	1,636,953
Scholes Airport Fund	969,580	375,632	789,724	798,731
Total	**$22,671,574**	**$17,319,311**	**$19,320,445**	**$16,484,617**

FY 2020 PROPOSED BUDGET
ENTERPRISE FUNDS EXPENDITURE OVERVIEW

Expenditure Summaries by Fund

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Combined Utility System Fund	34,831,236	39,681,563	38,089,406	38,217,222
Sanitation	6,875,180	7,460,115	7,437,242	6,957,148
Drainage Utility	2,372,296	3,737,790	3,633,887	2,934,661
Airport	2,371,719	1,707,109	1,277,508	1,100,183
Enterprise Fund Total	**$46,450,431**	**$52,586,577**	**$50,438,043**	**$49,209,213**

Expenditure Summaries by Category

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$12,167,560	$13,476,309	$13,199,020	$14,778,005
Materials and Supplies	2,623,932	3,235,863	3,201,378	3,017,013
Contractual Services	5,412,322	5,845,883	8,714,384	6,048,266
Other Charges and Services	14,629,529	15,483,842	15,188,628	15,288,348
Operating Transfers	2,615,013	2,618,941	(1,489,827)	125,987
Capital Outlay	2,357,568	4,862,550	4,626,614	1,701,500
Debt Service	6,644,508	7,063,189	6,997,847	8,250,094
Enterprise Fund Total	**$46,450,431**	**$52,586,577**	**$50,438,043**	**$49,209,213**

See the following pages for detailed discussions of each budget.

FY2020 PROPOSED BUDGET
COMBINED UTILITY SYSTEM FUND SUMMARY

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	**13,951,027**	**16,859,259**	**16,859,259**	**14,570,130**
Revenues:				
Metered customers	$37,232,915	$35,932,000	$34,785,000	$34,785,000
Service connections	539,639	520,500	528,207	532,500
Waste hauler fees	103,720	110,000	108,635	110,000
Interest earned	208,018	54,000	225,429	105,000
Penalties on account	337,692	316,000	368,220	363,000
Other revenues	74,720	6,000	49,014	6,000
Total revenues	**$38,496,704**	**$36,938,500**	**$36,064,505**	**$35,901,500**
Expenses:				
Management services	$746,010	$779,447	$736,828	$804,332
Utility Billing	1,786,092	1,987,015	2,014,964	2,017,581
Supply	1,599,599	1,767,858	1,762,242	1,804,146
Distribution	1,786,046	2,301,009	2,351,848	2,430,704
Industrial Pretreatment	304,731	337,595	318,308	348,570
Collection	3,258,347	4,737,601	4,611,186	3,521,242
Wastewater Treatment Plant	3,760,975	4,136,185	4,016,070	4,277,745
Cost of Water	10,599,534	11,376,200	11,025,111	10,927,386
Debt Service	6,644,507	7,062,689	6,997,847	8,250,094
Other Expenses	2,845,395	3,329,964	6,124,157	3,835,422
Total expenses	**$33,331,237**	**$37,815,563**	**$39,958,561**	**$38,217,222**
Net income (loss)	$5,165,468	($877,063)	($3,894,055)	($2,315,722)
Transfer to improvement funds	**1,500,000**	**1,866,000**	**(1,869,155)**	**0**
Prior year adjustment	($757,237)	$0	($264,228)	$0
Ending balance	**$16,859,259**	**$14,116,196**	**$14,570,130**	**$12,254,408**
90 Day Reserve	***$8,218,661***	***$9,324,385***	***$9,852,796***	***$9,423,425***
120 Day Reserve	***$10,958,215***	***$12,432,514***	***$13,137,061***	***$12,564,566***

Personnel summary	FY2018 ACTUAL	FY2019 BUDGET	FY2020 BUDGET	FY2020 PROPOSED
Management Services	13.04	12.98	12.46	$875,534
Utility Billing	14.31	14.25	14.25	829,156
Supply	11.25	11.50	11.50	785,288
Distribution	20.50	20.00	26.00	1,379,189
Industrial Pretreatment	41.25	39.00	38.00	2,179,886
Collections	29.25	32.50	32.50	1,962,379
Wastewater Treatment Plant	87.54	88.48	86.96	5,262,475
Totals	217.14	218.70	221.67	$13,273,906

BUDGET HIGHLIGHTS

• The Waterworks fund does not include an increase to the water rate in FY2020.

• Also, included is an increase of $1.252M in debt service for the scheduled payments for the water and sewer bond sale that took place in early 2019.

• Other Expenses reflects a $2.96 million payment approved midyear from operating revenues and applied to a capital project otherwise funded with CDBG Round 2.2 funding. It is expected that some if not all will be recovered.

• Overall water and sewer revenue is down $1.2 million and reflects none of the seven percent increase approved effective February 1, 2019. This is apparently due to extremely wet conditions that are also reflected in year to date water purchases being down 15 percent (see Citywide Revenue Summary).

• Because of the aforementioned revenue shortage, budgeted transfers from the operating fund to the Improvement Funds were not made, and unused cash balances were returned to the Water fund totaling $1.9 million.

FY2020 PROPOSED BUDGET

WATERWORKS FUND SUMMARY

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	**4,831,887**	**7,358,653**	**7,358,653**	**5,385,180**
Revenues:				
Metered customers	$21,920,681	$20,482,000	$20,025,000	$20,025,000
Service connections	434,004	412,500	407,715	412,500
Interest earned	62,040	0	48,087	30,000
Penalties on account	176,040	180,000	192,503	188,000
Other revenues	49,252	6,000	26,935	6,000
Total revenues	**$22,642,017**	**$21,080,500**	**$20,700,240**	**$20,661,500**
Expenses:				
Management services	$374,974	$389,757	$387,091	$402,216
Utility Billing	904,510	993,365	1,005,602	1,009,087
Supply	1,599,599	1,767,858	1,762,242	1,804,146
Distribution	1,786,046	2,301,009	2,351,848	2,430,704
Cost of Water	10,599,534	11,376,200	11,025,111	10,927,386
Debt Service	3,074,009	3,469,994	3,407,152	3,869,042
Transfer to Technology Improvement Fund	58,700	0	0	0
Other Expenses	1,457,134	1,732,396	4,581,549	1,953,436
Total expenses	**$19,854,506**	**$22,030,579**	**$24,520,594**	**$22,396,017**
Net income (loss)	$2,787,512	($950,079)	($3,820,354)	($1,734,517)
Transfer (from) improvement account	**0**	**962,000**	**(1,869,155)**	**0**
Prior year adjustment	($260,746)	$0	($22,273)	$0
Ending balance	**$7,358,653**	**$5,446,574**	**$5,385,180**	**$3,650,662**
90 Day Reserve	*$4,895,631*	*$5,432,198*	*$6,046,174*	*$5,522,306*
120 Day Reserve	*$6,527,509*	*$7,242,930*	*$8,061,565*	*$7,363,074*

Personnel summary	2018 Actual	2019 Budget	2020 Budget	Salary Costs
Water - Management Services	2.725	2.725	2.208	$291,647
Water - Utility Billing	10.313	10.250	10.250	584,480
Water - Supply	11.25	11.50	11.50	785,288
Water - Distribution	20.50	20.00	26.00	1,379,189
Totals	**44.788**	**44.475**	**49.958**	**$3,040,604**

BUDGET HIGHLIGHTS

• The Waterworks fund includes an increase to the water rate in FY2019. Consumption is down due to conservation and unusually rainy year.

• Also, included is an increase of $461,900 in debt service for payments for the revenue bond sale in spring of 2019.

• Other Expenses reflects a $2.96 million payment approved midyear from operating revenues and applied to a capital project otherwise funded with CDBG Round 2.2 funding. It is expected that some if not all will be recovered.

• Overall water revenue is down and reflects none of the seven percent increase approved effective February 1, 2019. This is apparently due to extremely wet conditions that are also reflected in year to date water purchases being down 15 percent (see Citywide Revenue Summary).

• Because of the aforementioned revenue shortage, budgeted transfers from the operating fund to the Improvement Funds were not made, and unused cash balances were returned to the Water fund totaling $1.9 million.

ENTERPRISE FUNDS
Summary Schedule of Revenues and Expenditures

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance				
Combined Utility System Fund	$13,951,027	$16,859,258	$16,859,258	$14,570,129
Sanitation Fund	3,328,923	2,487,094	2,487,094	2,315,318
Drainage Utility Fund	2,062,063	2,355,641	2,355,641	1,645,273
Scholes Airport Fund	1,543,012	969,580	969,580	789,724
Total	**$20,885,025**	**$22,671,573**	**$22,671,573**	**$19,320,445**
Revenues				
Combined Utility System Fund	$38,496,704	$36,938,500	$36,064,505	$35,901,500
Sanitation Fund	6,311,098	6,326,213	6,345,299	6,436,356
Drainage Utility Fund	2,853,600	2,856,440	2,923,519	2,926,340
Scholes Airport Fund	1,798,288	1,113,161	1,097,652	1,109,189
Total	**$49,459,689**	**$47,234,314**	**$46,430,975**	**$46,373,385**
Expenditures				
Combined Utility System Fund	$33,331,236	$37,815,563	$39,958,561	$38,217,222
Sanitation Fund	6,088,905	6,077,065	6,143,700	6,467,148
Drainage Utility Fund	2,061,583	2,483,090	2,391,204	2,681,161
Scholes Airport Fund	1,571,778	1,277,109	1,170,008	1,100,183
Total	**$43,053,503**	**$47,652,827**	**$49,663,472**	**$48,465,713**
Revenues over/(under) Expenditures				
Combined Utility System Fund	$5,165,467	($877,063)	($3,894,055)	($2,315,722)
Sanitation Fund	222,193	249,148	201,599	(30,792)
Drainage Utility Fund	792,016	373,351	532,315	245,179
Scholes Airport Fund	226,510	(163,948)	(72,356)	9,006
Total	**$6,406,187**	**($418,513)**	**($3,232,497)**	**($2,092,328)**
Transfer to improvement account/Capital outlay				
Combined Utility System Fund	$1,500,000	$1,866,000	($1,869,155)	$0
Sanitation Fund	786,276	1,383,050	1,293,542	490,000
Drainage Utility Fund	310,712	1,254,700	1,242,683	253,500
Scholes Airport Fund	799,941	430,000	107,500	0
Total	**$3,396,929**	**$4,933,750**	**$774,571**	**$743,500**
Appropriation of Fund Balance				
Combined Utility System Fund	$3,665,467	($2,743,063)	($2,024,901)	($2,315,722)
Sanitation Fund	(564,083)	(1,133,902)	0	(520,792)
Drainage Utility Fund	481,304	(881,350)	(710,368)	(8,321)
Scholes Airport Fund	0	0	(179,856)	9,006
Total	**$3,582,689**	**($4,758,315)**	**($2,915,125)**	**($2,835,828)**
Prior Year Adjustments				
Combined Utility System Fund	($757,237)	$0	($264,228)	$0
Sanitation Fund	(277,746)	0	920,167	0
Drainage Utility Fund	(187,726)	0	0	0
Scholes Airport Fund	0	0	0	0
Total	**($1,222,710)**	**$0**	**$655,939**	**$0**
Ending Fund Balances				
Combined Utility System Fund	$16,859,259	$14,116,195	$14,570,129	$12,254,407
Sanitation Fund	2,487,094	1,353,192	2,315,318	1,794,526
Drainage Utility Fund	2,355,641	1,474,291	1,645,273	1,636,953
Scholes Airport Fund	969,580	375,632	789,724	798,731
Total	**$22,671,574**	**$17,319,311**	**$19,320,445**	**$16,484,617**

CITY OF GALVESTON

1839

Management Services Division
(Waterworks Share)

Division Mission

The mission of the Management Services Division is to provide excellent leadership and administrative support for the Public Works and Municipal Utilities Department in pursuit of the Departmental Goal of "…efficiency, effectiveness, and customer service…"

Accomplishments

- Continued improvements of VueWorks work-order system.
- Issued temporary hauler permits.
- Managed Public Works payment processing.

Goals

- .
- Become fully operational with the new work-order system.
- Complete installation of GPS units in all vehicles within the department.
- Continue providing excellent customer service while functioning as the community's first point of contact on public works matters.
- Continue staff development for staff through the Galveston Leadership Development program.

FY2020 PROPOSED BUDGET
MANAGEMENT SERVICES (WATERWORKS SHARE)

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$269,013	$286,491	$291,037	$291,647
Materials and Supplies	13,948	16,560	16,660	23,160
Contractual Services	92,013	74,706	79,394	87,409
TOTAL	**$374,974**	**$389,757**	**$387,091**	**$402,216**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Materials and Supplies - Increase for electricity charges for new building (+$6,500).

Contractual Services - Increase ($8,078) over all services due to temporary housing while awaiting completion of construction on new PW Facility; also increases of utilities for once moved into new facility.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Service Request Reported	28,442	24,096	30,495	31,250
Design Projects Managed	45	65	67	66

Note: Performance measures are for Management Services overall.

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
ACM Development & Muni Service	0.35	0.35	0.25	0.33
Director of Public Works	0.125	0.125	0.125	0.125
Director of Administration & Sanitation	0.25	0.25	0.25	0.25
Chief Surveyor	0.50	0.50	0.50	0.50
Safety Officer	0.50	0.50	0.50	0.50
Communications Director/PIO	0.25	0.25	0.25	0.00
Communications Specialist	0.25	0.25	0.25	0.00
Administrative Assistant	0.50	0.50	0.50	0.50
TOTAL	**2.725**	**2.725**	**2.625**	**2.208**

FY2020 PROPOSED BUDGET
MANAGEMENT SERVICES (WATERWORKS SHARE)

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$167,462	$145,035	$148,629	$148,629
511005 Longevity	628	619	569	684
511006 Differential Pay	462	452	452	452
511009 Overtime	761	0	0	0
511125 Residency Pay	1,096	1,355	1,355	1,355
511510 Group Health Insurance	17,590	14,280	14,343	14,840
511515 Worker's Compensation	226	151	151	226
511520 Group Life Insurance	464	47	377	300
511530 Social Security - Employment	10,393	9,143	9,369	9,369
511535 Medicare - Employer's	2,451	2,138	2,191	2,191
511542 City Employee Retirement	15,504	13,271	13,601	13,601
511650 Salary Reimbursements	51,975	100,000	100,000	100,000
Total Personnel Services	**$269,013**	**$286,491**	**$291,037**	**$291,647**
Materials and Supplies				
521065 Office Supplies	9,401	10,500	10,000	10,000
522013 Clothing	1,494	1,560	1,560	1,560
522038 Safety Supplies	157	500	800	800
522055 Minor Tools	369	500	800	800
525031 Electricity	2,527	3,500	3,500	10,000
Total Materials and Supplies	**$13,948**	**$16,560**	**$16,660**	**$23,160**
Contractual Services				
531005 Other Services	74	1,000	1,000	1,000
531025 Memberships	498	2,500	1,000	1,000
531027 Certificate & Permit Fees	0	65	63	0
531028 Software Licenses	6,476	5,475	6,000	6,000
531240 Maintenance Contracts	5,188	8,960	10,000	10,000
531310 Rental of Land & Buildings	0	0	0	3,000
531350 Garage Charges	11,431	6,756	7,856	7,142
531360 Computer Charges	31,747	15,815	15,815	17,607
532062 Postage	4,754	5,100	5,000	5,000
532065 Printing, Duplication	9,033	10,000	10,000	10,000
532066 Print Shop Charges	2,683	200	500	500
532083 Telephone Service	9,426	10,500	12,500	12,500
532084 Cellular Service	1,451	1,400	1,560	1,560
532086 Other Communications	5,001	4,900	6,000	10,000
532087 Air card Service	642	500	500	500
533085 Travel/Training	3,607	1,435	1,500	1,500
533100 Advertising	0	100	100	100
Total Contractual Services	**$92,013**	**$74,706**	**$79,394**	**$87,409**
Capital Outlay				
564003 Vehicle Capital Outlay	0	12,000	0	0
Total Capital Outlay	**$0**	**$12,000**	**$0**	**$0**
Total Expenses	**$374,974**	**$389,757**	**$387,091**	**$402,216**

CITY OF GALVESTON

1839

Utility Billing Division
(Waterworks Share)

Division Mission

The mission of the Utility Billing Division is to ensure accuracy and efficiency in the billing and collection of utility services, while providing excellent customer service to new and existing customers, responding to inquiries, and promptly posting payments.

Accomplishments

- Answered 92% of all customer calls on their first attempt.
- Re-designed the utility billing statement to make it easier for customers to understand and to provide useful data.
- Outsourced the mailing of customer utility bills.
- Re-established the meter testing program.

Goals

- Increase the customer usage of electronic online payment methods.
- Raise customer awareness of the enhancements provided in the new customer web portal 2.0.
- Increase the number of customers choosing e-bill.
- Customers with multiple accounts receive their monthly bill on one statement.
- Complete customer adjustment requests within a thirty day period.

FY2020 PROPOSED BUDGET
UTILITY BILLING (WATERWORKS SHARE)

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$511,069	$548,999	$529,197	$584,480
Materials and Supplies	90,318	195,100	226,044	150,150
Contractual Services	213,403	153,641	159,408	178,832
Other Charges and Services	89,720	95,625	90,953	95,625
TOTAL	**$904,510**	**$993,365**	**$1,005,602**	**$1,009,087**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

*Utility Billing office operations allocation is 37.5% Water, 37.5% Sewer, 15% Sanitation, 10% Drainage. The Meter Service Group allocation is 50% Water and 50% Sewer.

Personnel Services - Includes an annualized cost for personnel (+$55,283).

Materials and Supplies - Net Decrease ($75,894) Decrease in meter inventory (-$81,484), increase/decrease in several supply accounts based on year of experience with meter field group as a part of this organization net increase ($5,590).

Contractual Services - Net increase ($19,424) largely due to an increase of other contracts..

Other Charges and Supply - Slight increase in bank service charges (+$4,672) for online credit cards and phone payments.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Number of Customers	22,266	20,580	20,718	20,800
Field investigations and follow up	10,643	18,949	21,641	21,800
Average number of meters not transmitting consumption accurately monthly	600	350	300	275
No. of pre-billing consumption adjustments	3,432	40	35	40
Amount of pre-billing consump. adjustments	$117,312	$49,016	$193,850	$50,000
Active customers delinquent over 90 days	120	1,898	2,149	2,000
Over 90 day balances for active customers	$482,514	$522,148	$623,286	$550,000
Customers paying monthly by auto payment	3,989	4,764	5,545	5,700
Number of e-bill customers monthly	3,342	3,833	4,324	4,600
Customers with active payment arrangements	380	95	37	100
Funds under active payment arrangements	$16,000	$22,261	$8,020	$15,000

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Utility Customer Service Manager	0.375	0.375	0.375	0.375
Collections Specialist	0.375	0.375	0.375	0.375
Utility Billing Supervisor	0.375	0.375	0.375	0.375
Customer Service Supervisor	0.375	0.375	0.375	0.375
Sr. Utility Customer Service Specialist	0.750	0.375	0.375	0.375
Utility Customer Service Specialist	3.375	3.375	3.375	3.375
Accountant	0.000	0.500	0.500	0.500
Administrative Assistant	0.188	0.000	0.000	0.000
Meter Services Supervisor	0.500	0.500	0.500	0.500
Meter Service Technician	3.500	3.500	3.500	3.500
Sr. Meter Service Technician	0.500	0.500	0.500	0.500
TOTAL	**10.313**	**10.250**	**10.250**	**10.250**

FY2020 PROPOSED BUDGET
UTILITY BILLING (WATERWORKS SHARE)

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$333,856	$370,688	$344,768	$389,306
511005	Longevity	2,139	2,100	2,372	2,480
511006	Differential Pay	1,368	1,355	1,373	1,374
511009	Overtime	36,830	28,125	36,916	37,000
511125	Residency Pay	6,398	6,573	7,022	7,880
511510	Group Health Insurance	64,040	68,880	68,880	68,880
511515	Worker's Compensation	3,138	2,097	2,097	3,138
511520	Group Life Insurance	1,253	2,083	1,248	1,489
511530	Social Security - Employment	22,528	24,986	23,665	27,158
511535	Medicare - Employer's	5,269	5,843	5,535	6,352
511542	City Employee Retirement	34,250	36,269	35,321	39,424
Total Personnel Services		**$511,069**	**$548,999**	**$529,197**	**$584,480**
Materials and Supplies					
521065	Office Supplies	8,030	8,000	5,913	8,000
521067	Minor Office Equipment	833	3,750	1,875	3,750
521073	Printed Materials	31,203	9,750	13,506	4,800
522013	Clothing	2,034	2,850	2,007	2,850
522037	Janitorial supplies	601	500	483	500
522038	Safety Supplies	0	1,050	1,042	1,050
522055	Minor Tools	778	3,400	2,805	3,400
522056	Minor Equipment	5,608	115,000	156,484	75,000
522065	Paint and Lumber	0	150	75	150
522075	Pipe and Plumbing Supplies	41,232	50,000	41,529	50,000
522085	Equipment Parts	0	650	325	650
Total Materials and Supplies		**$90,318**	**$195,100**	**$226,044**	**$150,150**
Contractual Services					
531007	Security Service	3,786	3,800	3,808	3,800
531015	Temporary Employee Services	2,252	4,781	6,090	5,000
531124	Towing Payments	0	50	25	50
531125	Other Contracts	84	1,000	9,996	25,000
531230	Equipment Repairs	0	750	375	750
531240	Maintenance Contracts	18,028	30,375	26,303	30,000
531320	Equipment Rental	5,114	5,250	1,959	0
531350	Garage Charges	15,915	16,566	13,339	15,625
531360	Computer Charges	94,399	26,773	26,773	31,407
532062	Postage	47,559	48,750	55,986	50,000
532065	Printing, Duplication	0	1,450	1,088	1,450
532066	Print Shop Charges	15,956	1,400	1,365	1,400
532083	Telephone Service	6,805	7,150	6,043	7,150
532084	Cellular Service	2,811	876	3,136	3,200
532086	Other Communications	694	795	1,185	2,000
533085	Travel/Training	0	3,875	1,938	2,000
Total Contractual Services		**$213,403**	**$153,641**	**$159,408**	**$178,832**
Other Charges and Services					
544105	Bank Service Charges	89,508	95,625	90,953	95,625
547025	Over/Short	212	0	0	0
Total Other Charges and Services		**$89,720**	**$95,625**	**$90,953**	**$95,625**
Total Expenses		**$904,510**	**$993,365**	**$1,005,602**	**$1,009,087**

CITY OF GALVESTON

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Supply Division

Division Mission

The mission of the Supply Division is to maintain and operate all water pump stations and water storage facilities in accordance with EPA and TCEQ regulations in order to protect the health of the City of Galveston's citizens and visitors.

Accomplishments

- Maintained regulatory compliant water system meeting TCEQ and EPA drinking water regulations.
- Working with consultant on a Water System Leak Detection Study, which should result in the reduction of water loss.
- Finalize construction on the 59th Street Water Pump Station.
- Commenced the rehabilitation work on ground storage tanks #1, #2, #3 and #4 at the 59th Street Pump Station.
- Commenced the construction of the 7.5-million-gallon storage tank (Tank #5) at the 59th Street Pump Station.
- Completed the design of the Airport Pump Station Pump, Control and Tank Upgrades.

Goals

- Continue maintaining regulatory compliance with the Safe Drinking Water Act as implemented by the TCEQ and EPA.
- Continue working with the consultant on the Water System Leak Detection Study.
- Complete the rehabilitation work on ground storage tanks #1, #2, #3 and #4 at the 59th Street Pump Station.
- Complete the construction of the 7.5-million-gallon storage tank (Tank #5) at the 59th Street Pump Station.
- Commence the construction of the Airport Pump Station Pump, Control and Tank Upgrades.
- Complete the design of 10 Mile Road Elevated Storage Tank.

FY2020 PROPOSED BUDGET
SUPPLY

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$754,898	$770,621	$760,701	$785,288
Materials and Supplies	450,062	510,960	517,267	459,510
Contractual Services	406,233	486,277	484,275	559,348
Capital Outlay	0	0	0	0
TOTAL	**$1,599,599**	**$1,767,858**	**$1,762,242**	**$1,804,146**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Includes an annualized cost for personnel (+$24,587).

Materials and Supplies -Decrease largely due to a reduction in electricity charges ($57,757).

Contractual Services - Overall increase ($75,000) for maintenance contracts ($14,000), equipment repairs ($10,000), increased lot maintanence ($25,000), and increase to laboratory testing due to a new required test ($20,000). Other net increases ($6,000) over all other contractual services.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Water purchased from GCWA, Millions of Gallons	4,966	4,345	3,700	3,850

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director - Municipal Utilities	0.25	0.25	0.25	0.25
Assistant Director for Municipal Utilities	0.00	0.25	0.25	0.25
Water Supply Superintendent	0.00	1.00	1.00	1.00
Water Plant Lead Operator	1.00	1.00	1.00	1.00
Water Plant Operator	8.00	7.00	7.00	7.00
Laborer	2.00	2.00	2.00	2.00
TOTAL	**11.25**	**11.50**	**11.50**	**11.50**

FY2020 PROPOSED BUDGET
SUPPLY

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$487,971	$514,254	$501,566	$524,112
511005 Longevity	7,363	7,306	7,806	7,852
511006 Differential Pay	274	0	0	0
511009 Overtime	54,833	45,000	43,888	45,000
511021 Part-Time Payroll	10,770	11,000	12,235	11,000
511110 Incentive Pay	7,801	5,723	7,831	5,723
511125 Residency Pay	8,111	5,621	8,193	5,621
511510 Group Health Insurance	75,694	77,280	77,280	77,280
511515 Worker's Compensation	7,008	4,682	4,682	7,008
511520 Group Life Insurance	1,726	1,703	1,779	1,907
511530 Social Security - Employment	34,384	36,512	35,349	37,157
511535 Medicare - Employer's	8,041	8,539	8,267	8,690
511542 City Employee Retirement	50,923	53,001	51,825	53,938
Total Personnel Services	**$754,898**	**$770,621**	**$760,701**	**$785,288**
Materials and Supplies				
521065 Office Supplies	2,804	5,000	4,128	4,000
522011 Chemicals	30,369	44,000	45,402	44,000
522013 Clothing	7,775	11,960	11,957	11,960
522015 Concrete and Aggregate	52	0	2,000	0
522037 Janitorial Supplies	1,295	4,000	2,583	4,000
522038 Safety Supplies	3,532	2,500	3,283	3,000
522055 Minor Tools	4,477	3,000	4,678	5,000
522056 Minor Equipment	12,953	8,000	7,492	8,000
522065 Paint And Lumber	45	450	225	2,000
522075 Pipe and Plumbing Supplies	1,582	0	0	500
522085 Equipment Parts	0	2,050	2,050	2,050
525031 Electricity	385,178	430,000	433,469	375,000
Total Materials and Supplies	**$450,062**	**$510,960**	**$517,267**	**$459,510**
Contractual Services				
531003 Engineering Services	0	500	250	500
531004 Consultant Services	18,490	0	0	0
531005 Other Services	565	1,000	3,186	2,500
531006 Attorney's Fees	857	3,000	1,672	2,000
531008 Laboratory Testing	19,697	25,000	25,000	44,000
531025 Memberships	1,013	1,350	1,000	1,000
531027 Certification & Permit Fees	7,028	15,000	13,772	14,000
531028 Software Licenses	240	1,800	900	1,000
531120 Lot Maintenance	42,500	27,000	35,175	60,000
531125 Other Contracts	2,675	2,000	1,800	2,000
531220 Building Repairs	950	1,000	951	1,000
531230 Equipment Repairs	31,802	70,000	61,023	70,000
531240 Maintenance Contracts	97,885	157,520	136,969	150,000
531350 Garage Charges	50,441	41,932	34,004	38,315
531360 Computer Charges	12,423	33,125	33,125	34,676

FY2020 PROPOSED BUDGET
SUPPLY

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
532065 Printing, Duplication	120	250	125	250
532066 Print Shop Charges	0	2,500	1,330	1,500
532083 Telephone Service	103,836	90,000	118,820	120,000
532084 Cellular Service	2,054	2,000	3,605	3,607
532086 Other Communications	4,154	3,500	4,558	5,000
533085 Travel/Training	9,503	7,800	7,009	8,000
Total Contractual Services	**$406,233**	**$486,277**	**$484,275**	**$559,348**
Other Charges and Services				
544097 Expense Reimb - Other	(11,594)	0	0	0
Total Other Charges and Services	**($11,594)**	**$0**	**$0**	**$0**
Total Expenses	**$1,599,599**	**$1,767,858**	**$1,762,242**	**$1,804,146**

Water Distribution Division

Division Mission

The mission of the Water Distribution Division is to ensure effective preventative maintenance and rehabilitation of the City's water distribution system including fire hydrants, valves, water mains, and metering system in accordance with EPA and TCEQ regulations. The ultimate goal of the division is to reduce water loss and deliver safe drinking water to citizens and visitors to the City of Galveston.

Accomplishments

- Repaired or replaced fire hydrants throughout the City as required.
- Coordinated and assisted contractors on the Sealy and 45th Street roadway projects.
- Initiated and completed the design for the 24-inch water system between the 59th Street Pump Station and the Airport Pump Station.
- Initiated and completed the design for the replacement of the 10-inch water system on 55th Street between Broadway and Avenue S.
- Completed the design of the Pirate's Beach – Lafitte's Cove Water Loop System.
- Establish a water valve crew to exercise, repair, and/or replace existing water valve systems.
- Commenced the design of the replacement of the water system on Teichman Road west of 91st Street.

Goals

- Continue replacement and/or repair of damaged fire hydrants in the city.
- Water valve crew to exercise, repair, and/or replace existing water valve systems.
- Commence the construction of the Pirate's Beach – Lafitte's Cove Water Loop System.
- Commence construction of the 24 Inch water line system between the 59th Street Pump Station to the Airport Pump Station.
- Commence the construction of the 10-inch water system on 55th Street between Broadway and Avenue S.
- Complete the design and commence the installation of the water system on Teichman Road west of 91st Street.
- Coordinate and assist contractors working on future roadway construction projects.
- Continue staff development through established training programs.
- Identify areas of efficiency by streamlining operations, reducing water loss through leak detection, and repairing or replacing malfunctioning water meter register units.

FY2020 PROPOSED BUDGET
DISTRIBUTION

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$871,350	$1,089,890	$1,115,850	$1,379,189
Materials and Supplies	312,133	306,670	313,004	385,500
Contractual Services	390,982	454,149	440,678	428,515
Other Charges and Services	161,580	85,500	119,914	100,000
Capital Outlay	50,000	364,800	362,401	137,500
TOTAL	**$1,786,046**	**$2,301,009**	**$2,351,848**	**$2,430,704**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase (+$263K) to fund an average of 4 field crew positions vacant for the year ($233,500), to fill Assistant Director of Public Utilities ($26,500 for 25% of salary and benefits).

Materials and Supplies - Increase of $72,500 to fund maintenance supply budget at historical level.

Contractual Services -Net decrease (-12,163) primarily due to a reduction of Rental of Land & Buildings.

Capital Outlay - Includes vehicle replacements, Crew Truck ($35,000), Skid Steer ($82,500), and Grapple Truck ($20,000).

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Mains installed & replaced (feet)	1,186	584	480	600
Fire Hydrants repaired	422	234	432	425
Taps installed	227	346	348	350
Line repairs made	639	572	445	550

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director - Municipal Utilities	0.25	0.25	0.25	0.25
Assistant Director for Municipal Utilities	0.25	0.25	0.25	0.25
Chief Plumbing Inspector	0.50	0.50	0.50	0.50
Plumbing Inspector	1.00	1.00	1.00	1.00
Meter Services Supervisor	0.50	0.00	0.00	0.00
Equipment Operator	0.00	0.00	0.00	1.00
Crewleader	7.00	7.00	7.00	8.00
Concrete Finisher	1.00	1.00	1.00	1.00
Laborer	10.00	10.00	10.00	14.00
TOTAL	**20.50**	**20.00**	**20.00**	**26.00**

FY2020 PROPOSED BUDGET
DISTRIBUTION

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$473,976	$639,188	$599,404	$792,893
511005 Longevity	4,033	4,147	4,135	4,239
511006 Differential Pay	900	904	904	904
511009 Overtime	106,154	97,000	108,266	97,000
511110 Incentive Pay	381	904	0	904
511125 Residency Pay	15,507	20,793	18,665	20,793
511510 Group Health Insurance	91,676	134,400	134,400	174,720
511515 Worker's Compensation	11,934	7,973	7,973	11,934
511520 Group Life Insurance	1,748	2,552	2,037	3,166
511530 Social Security - Employment	35,462	47,302	44,249	56,837
511535 Medicare - Employer's	8,294	11,063	10,349	13,293
511542 City Employee Retirement	54,062	68,664	65,824	82,506
511650 Salary Reimbursements	67,225	55,000	119,645	120,000
Total Personnel Services	**$871,350**	**$1,089,890**	**$1,115,850**	**$1,379,189**
Materials and Supplies				
521065 Office Supplies	1,696	3,000	2,517	3,000
522011 Chemicals	728	750	508	7,000
522013 Clothing	10,606	15,000	13,603	19,000
522015 Concrete And Aggregate	36,917	35,000	35,102	75,000
522037 Janitorial Supplies	4,689	4,000	3,567	1,000
522038 Safety Supplies	5,183	6,000	7,464	7,000
522055 Minor Tools	27,341	20,000	23,230	25,000
522056 Minor Equipment	29,682	46,000	42,000	46,000
522065 Paint And Lumber	4,013	4,000	3,695	3,500
522075 Pipe And Plumbing Supplies	177,900	168,870	164,798	180,000
522085 Equipment Parts	13,103	4,000	9,243	9,000
522099 Other Supplies	52	0	6,433	5,000
525031 Electricity	222	50	844	5,000
Total Materials and Supplies	**$312,133**	**$306,670**	**$313,004**	**$385,500**
Contractual Services				
531025 Memberships	2,925	2,500	745	1,000
531027 Certification & Permit Fees	76,546	80,000	78,501	77,000
531028 Software Licenses	13,216	11,000	11,000	11,000
531124 Towing Payments	0	200	150	200
531125 Other Contracts	2,175	0	0	0
531131 Demolition Cost	722	1,000	1,334	1,000
531220 Building Repairs	27,491	7,000	5,899	7,000
531230 Equipment Repairs	16,850	20,000	15,603	17,000
531310 Rental Of Land & Buildings	28,356	28,356	28,356	8,000
531320 Equipment Rental	2,854	7,500	3,750	7,500
531350 Garage Charges	192,236	220,324	218,687	206,238
531360 Computer Charges	10,878	48,819	48,819	61,077
532062 Postage	0	50	0	0
532065 Printing, Duplication	558	800	2,236	1,500
532066 Print Shop Charges	153	1,000	548	500
532083 Telephone Service	4,415	6,500	5,310	6,000
532084 Cellular Service	5,820	8,000	7,156	8,500
532085 Pager Service	90	100	107	0

FY2020 PROPOSED BUDGET
DISTRIBUTION

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
532086	Other Communications	2,963	2,000	2,603	5,000
533085	Travel/Training	2,736	9,000	9,875	10,000
Total Contractual Services		**$390,982**	**$454,149**	**$440,678**	**$428,515**
Other Charges and Services					
544087	Expense Reimbursement	161,965	85,500	119,914	100,000
544094	Expense Reimb. Grants	(386)	0	0	0
Total Other Charges and Services		**$161,580**	**$85,500**	**$119,914**	**$100,000**
Capital Outlay					
564003	Vehicle Capital Outlay	50,000	364,800	362,401	137,500
Total Capital Outlay		**$50,000**	**$364,800**	**$362,401**	**$137,500**
Total Expenses		**$1,786,046**	**$2,301,009**	**$2,351,848**	**$2,430,704**

FY2020 PROPOSED BUDGET
OTHER EXPENSES

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$0	$38,792	$0	$160,384
Contractual Services	5,393	97,740	3,048,348	97,000
Other Charges and Services	12,027,904	12,887,124	12,535,872	12,530,998
Operating Transfers	82,071	984,440	(1,846,715)	22,440
Capital Outlay	0	62,500	0	70,000
Debt Service	3,074,009	3,469,994	3,407,152	3,869,042
TOTAL	**$15,189,376**	**$17,540,590**	**$17,144,657**	**$16,749,865**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Increase (+$135,384) for $185 per employee per month for Group Health Insurance (+$110,734) and a 2% COLA (+$24,651).

Contractual Services - Decrease (-$2.95M) payment made to Cardinal Construction in FY19.

Other Charges and Services - Net decrease of (-$4,874) primarily comprised of decrease in GCWA water charges to the City due to water conservation, net an increase in administrative costs.

Debt Service - Includes a net increase (+$461,891) for FY 2020 debt service for water bonds sold in spring 2019.
Capital Outlay - Furnishings for Water staff in new Public Works building ($62,500).

FY2020 PROPOSED BUDGET
OTHER EXPENSES

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511002 COLA Increases	$0	$38,792	$0	$49,651
511512 Group Health Insurance Reserve	0	0	0	110,734
Total Personnel Services	**$0**	**$38,792**	**$0**	**$160,384**
Contractual Services				
531004 Consultant Services	7,022	30,000	27,460	30,000
531125 Other Contracts	0	30,000	2,990,000	30,000
531310 Rental Of Land & Buildings	(1,629)	37,740	30,888	37,000
Total Contractual Services	**$5,393**	**$97,740**	**$3,048,348**	**$97,000**
Other Charges and Services				
547011 Surface Water Purchase	4,445,467	2,434,164	2,434,164	2,481,072
547012 Debt Service - Surface Water	3,196,793	3,216,997	3,216,997	3,218,490
547013 Surface Water - Capital	2,957,274	2,801,950	2,801,950	2,561,824
547014 Surface Water - Main. & Operations	0	2,923,089	2,572,000	2,666,000
547020 Bad Debts	(82)	0	(163)	0
547040 Administrative Service Charge	710,000	731,300	731,300	753,000
547050 Payment In Lieu Of Taxes	200,000	206,000	206,000	212,000
547070 Insurance Expense	197,406	175,068	175,068	226,482
547075 City Hall Maintenance	321,046	313,569	313,569	310,721
547095 Community Outreach/Public Info	0	84,987	84,987	101,409
Total Other Charges and Services	**$12,027,904**	**$12,887,124**	**$12,535,872**	**$12,530,998**
Operating Transfers				
553010 Waterworks - Transfer Out	0	962,000	0	0
553035 Transfer To Separation Pay Fund	22,440	22,440	22,440	22,440
555350 Transfer To Hurricane Harvey	931	0	0	0
Total Operating Transfers	**$82,071**	**$984,440**	**$22,440**	**$22,440**
564005 Capital Outlay - Improvements	0	62,500	0	70,000
Total Capital Outlay	**$0**	**$62,500**	**$0**	**$70,000**
Debt Service				
571010 Interest Expense	1,069,894	1,049,879	1,063,637	1,005,522
571020 Revenue Bond Interest	446,845	434,590	434,590	407,290
571040 Agent Fees	2,155	2,700	2,700	2,700
571050 Principal Expenditure	1,555,115	1,595,125	1,595,125	1,600,405
571090 New Debt Service	0	386,500	309,900	851,925
571130 Investment Fees	0	1,200	1,200	1,200
Total Debt Service	**$3,074,009**	**$3,469,994**	**$3,407,152**	**$3,869,042**
Total Expenses	**$15,189,377**	**$17,540,590**	**$19,013,812**	**$16,749,865**

FY2020 PROPOSED BUDGET
SEWER SYSTEM FUND

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	**9,119,140**	**9,500,605**	**9,500,605**	**9,184,950**
Revenues:				
Metered customers	$15,312,234	$15,450,000	$14,760,000	$14,760,000
Service connections	105,634	108,000	120,492	120,000
Waste hauler fees	103,720	110,000	108,635	110,000
Penalties on account	161,652	136,000	175,717	175,000
Interest earned	145,979	54,000	177,342	75,000
Other revenues	25,468	0	22,079	0
Total revenues	**$15,854,687**	**$15,858,000**	**$15,364,265**	**$15,240,000**
Expenses:				
Management services	$371,036	$389,690	$349,737	$402,116
Utility Billing	881,582	993,650	1,009,362	1,008,494
Industrial Pretreatment	304,731	337,595	318,308	348,570
Collection	3,258,347	4,737,601	4,611,186	3,521,242
Wastewater Treatment Plant	3,760,975	4,136,185	4,016,070	4,277,745
Debt Service	3,570,498	3,592,695	3,590,695	4,381,052
Other Expenses	1,329,561	1,597,568	1,542,608	1,881,985
Total expenses	**$13,476,731**	**$15,784,984**	**$15,437,966**	**$15,821,204**
Net income/(loss)	$2,377,956	$73,016	($73,701)	($581,204)
Transfer to improvement account	**1,500,000**	**904,000**	**0**	**0**
Prior year adjustment	($496,491)	$0	($241,955)	$0
Ending balance	**$9,500,605**	**$8,669,621**	**$9,184,950**	**$8,603,745**
90 Day Reserve	*$3,323,030*	*$3,892,188*	*$3,806,622*	*$3,901,119*
120 Day Reserve	*$4,430,706*	*$5,189,584*	*$5,075,496*	*$5,201,492*

Personnel summary	FY2018 ACTUAL	FY2019 BUDGET	FY2020 BUDGET	FY2020 PROPOSED
Sewer - Management Services	2.725	2.725	2.208	$291,647
Sewer - Utility Billing	10.313	10.250	10.250	583,888
Sewer - Industrial Pretreatment	4.000	4.000	4.000	244,675
Sewer - Collections	41.250	39.000	38.000	2,179,886
Sewer - Wastewater Treatment Plant	29.250	32.500	32.500	1,962,379
Totals	**87.538**	**88.475**	**86.958**	**$5,262,475**

BUDGET HIGHLIGHTS

• Sewer System revenue estimates reflect no increase in sewer rates in FY 2019.

• The $325,700 increase in total expenses is largely the result of a reduction in capital purchases in Collections ($1,089,945), increase to Waste Water Treatment Plant due to increase of capital purchases (+$261,675), increase to debt service for revenue bonds sold in FY19 (+$790,357), and increases to other organizations totalling (+$282K). A 2% COLA for employees (+$80,043)

SANITARY SEWER SYSTEM FUND
EXPENDITURE SUMMARY

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Management Services	$371,036	$389,690	$349,737	$402,116
Utility Billing	881,582	993,650	1,009,362	1,008,494
Industrial Pretreatment	304,731	337,595	318,308	348,570
Collection	3,258,347	4,737,601	4,611,186	3,521,242
Wastewater Treatment Plant	3,760,975	4,136,185	4,016,070	4,277,745
Debt Service	3,570,498	3,592,695	3,590,695	4,381,052
Other Expenses	1,329,561	1,597,568	1,542,608	1,881,985
Subtotal	**13,476,731**	**15,784,984**	**15,437,966**	**15,821,204**
Transfer to Improvement account	1,500,000	904,000	0	0
Sewer System Fund Total	**$14,976,731**	**$16,688,984**	**$15,437,966**	**$15,821,204**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$4,708,108	$5,186,656	$5,102,178	$5,585,391
Materials and Supplies	1,466,140	1,834,398	1,758,060	1,697,093
Contractual Services	1,641,193	1,944,085	1,863,723	1,928,675
Other Charges and Services	1,328,063	1,424,479	1,389,213	1,493,194
Operating Transfers	1,608,472	982,171	114,331	40,800
Capital Outlay	654,255	1,724,500	1,619,765	695,000
Debt Service	3,570,498	3,592,695	3,590,695	4,381,052
Sewer System Fund Total	**$14,976,731**	**$16,688,984**	**$15,437,966**	**$15,821,204**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel services - Net increase (+$433,213) include annualized cost for personnel with 2% COLA ($240,339) and ($192,874) for $185 per month per employee for Group Health Insurance.

Materials and supplies - Net decrease (-$60,967) primarily due to the reduction in water meter costs. FY19 water meter costs were high due to including late orders from FY18.

Contractual Services - Net increase ($64,952) to maintain the services needed for daily operations and maintanence.

Other Charges and services - Net increase (+$103,981) for administrative service charges ($13,000), payments for inhouse repair of street cuts related to sewer line repairs ($16,775), Sewer fund share of Community Outreach/Public Information internal service fund ($9,980), increased insurance charges ($41,883), increase to miscellaneous expenses ($17,000), and ($6,000) increase to payments in lieu of taxes.

Operating Transfers - Decrease (-$73,531) primarily attributable to decreased transfer to Hurricane Harvey Fund.

Capital Outlay - Total ($875,500) includes $250,000 for equipment and vehicle purchases for the Waste Water Treatment Plant, $375,000 for Collections, and $62,500 for the new PW Facility furniture.

Debt Service - New debt service for the 2019 Revenue Bonds.

Management Services Division
(Sewer Share)

Division Mission

The mission of the Management Services Division is to provide excellent leadership and administrative support for the Public Works and Municipal Utilities Department in pursuit of the Departmental Goal of "…efficiency, effectiveness, and customer service…"

Accomplishments

- Continued improvements of VueWorks work-order system.
- Issued temporary hauler permits.
- Managed Public Works payment processing.

Goals

- .
- Become fully operational with the new work-order system.
- Complete installation of GPS units in all vehicles within the department.
- Continue providing excellent customer service while functioning as the community's first point of contact on public works matters.
- Continue staff development for staff through the Galveston Leadership Development program.

FY2020 PROPOSED BUDGET
MANAGEMENT SERVICES (SEWER SHARE)

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$267,010	$286,424	$256,640	$291,647
Materials and Supplies	13,845	16,560	14,947	23,160
Contractual Services	89,858	74,706	78,150	87,309
Other Charges and Services	323	0	0	0
Capital Outlay	0	12,000	0	0
TOTAL	**$371,036**	**$389,690**	**$349,737**	**$402,116**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Increase of $35,008 to reflect an increase to salary reimbursements paid from the sewer system fund.

Materials and Supplies - Increase ($8,213) primarily due to the additional electricity charged that are expected to incur once moved into the new PW Facility.

Contractual Services - Net increase ($9,159) to include estimates to increased utilities and other services for the new PW Facility.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Service Request Reported	28,442	24,096	30,495	31,250
Design Projects Managed	45	65	67	66

Note: Performance measures are for Management Services overall.

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
ACM Development & Muni service	0.35	0.35	0.25	0.33
Director of Public Works	0.125	0.125	0.125	0.125
Director of Administration & Sanitation	0.25	0.25	0.25	0.25
Chief Surveyor	0.50	0.50	0.50	0.50
Safety Officer	0.50	0.50	0.50	0.50
Communications Director/PIO	0.25	0.25	0.25	0.00
Communications Specialist	0.25	0.25	0.25	0.00
Administrative Assistant	0.50	0.50	0.50	0.50
TOTAL	**2.725**	**2.725**	**2.625**	**2.208**

FY2020 PROPOSED BUDGET
MANAGEMENT SERVICES (SEWER SHARE)

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$167,462	$145,035	$148,165	$148,629
511005	Longevity	628	562	675	684
511006	Differential Pay	462	452	452	452
511009	Overtime	764	0	790	0
511125	Residency Pay	1,088	1,355	998	1,355
511510	Group Health Insurance	17,590	14,280	14,343	14,840
511515	Worker's Compensation	226	151	151	226
511520	Group Life Insurance	464	47	377	300
511530	Social Security - Employment	10,393	9,139	9,121	9,369
511535	Medicare - Employer's	2,450	2,137	2,164	2,191
511542	City Employee Retirement	15,503	13,266	13,597	13,601
511650	Salary Reimbursements	49,978	100,000	65,807	100,000
Total Personnel Services		**$267,010**	**$286,424**	**$256,640**	**$291,647**
Materials and Supplies					
521065	Office Supplies	9,401	10,500	9,308	10,000
522013	Clothing	1,390	1,560	1,190	1,560
522038	Safety Supplies	157	500	800	800
522055	Minor Tools	369	500	800	800
525031	Electricity	2,527	3,500	2,849	10,000
Total Materials and Supplies		**$13,845**	**$16,560**	**$14,947**	**$23,160**
Contractual Services					
531005	Other Services	74	1,000	600	1,000
531025	Memberships	498	2,500	2,490	1,000
531027	Certification & Permit Fees	0	65	63	0
531028	Software Licenses	6,476	5,475	6,212	6,000
531240	Maintenance Contracts	5,188	8,960	9,985	10,000
531350	Garage Charges	11,431	6,756	0	3,000
531360	Computer Charges	31,747	15,815	7,856	7,142
532062	Postage	4,754	5,100	15,815	17,607
532065	Printing, Duplication	9,033	10,000	5,000	5,000
532066	Print Shop Charges	2,683	200	10,000	10,000
532083	Telephone Service	9,426	10,500	264	500
532084	Cellular Service	1,451	1,400	12,000	12,500
532086	Other Communications	5,001	4,900	1,542	1,560
532087	Aircard Service	642	500	4,920	10,000
533085	Travel/Training	1,453	1,435	262	500
533100	Advertising	0	100	1,142	1,500
Total Contractual Services		**$89,858**	**$74,706**	**$78,150**	**$87,309**
Other Charges and Services					
544032	Meeting Expenditures	323	0	0	0
Total Other Charges and Services		**$323**	**$0**	**$0**	**$0**
Capital Outlay					
564005	Capital Outlay - Improvements	0	12,000	0	0
Total Capital Outlay		**$0**	**$12,000**	**$0**	**$0**
Total Expenses		**$371,036**	**$389,690**	**$349,737**	**$402,116**

CITY OF GALVESTON

1839

Utility Billing Division
(Sewer Share)

Division Mission

The mission of the Utility Billing Division is to ensure accuracy and efficiency in the billing and collection of utility services, while providing excellent customer service to new and existing customers, responding to inquiries, and promptly posting payments.

Accomplishments

- Answered 92% of all customer calls on their first attempt.
- Re-designed the utility billing statement to make it easier for customers to understand and to provide useful data.
- Outsourced the mailing of customer utility bills.
- Re-established the meter testing program.

Goals

- Increase the customer usage of electronic online payment methods.
- Raise customer awareness of the enhancements provided in the new customer web portal 2.0.
- Increase the number of customers choosing e-bill.
- Customers with multiple accounts receive their monthly bill on one statement.
- Complete customer adjustment requests within a thirty day period.

FY2020 PROPOSED BUDGET
UTILITY BILLING (SEWER SHARE)

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$510,596	$549,284	$538,585	$583,888
Materials and Supplies	65,726	199,914	226,245	150,150
Contractual Services	211,434	148,827	150,953	178,832
Other Charges and Services	93,827	95,625	93,579	95,625
TOTAL	**$881,582**	**$993,650**	**$1,009,362**	**$1,008,494**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

*Utility Billing office operations allocation is 37.5% Water, 37.5% Sewer, 15% Sanitation, 10% Drainage. The Meter Service Group allocation is 50% Water and 50% Sewer.

Personnel Services - Includes an annualized cost for personnel (+$55,283).

Materials and Supplies - Net Decrease ($76,095) Decrease in meter inventory (-$81,484), increase/decrease in several supply accounts based on year of experience with meter field group as a part of this organization net increase ($5,389).

Contractual Services - Net increase ($27,879) largely due to an increase to maintanence and other contracts..

Other Charges and Supply - Slight increase in bank service charges (+$2,046) for online credit cards and phone payments.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Number of Customers	20,482	20,580	20,718	20,800
Field investigations and follow up	21,203	18,949	21,641	21,800
Average number of meters not transmitting consumption accurately monthly	600	350	300	275
No. of pre-billing consumption adjustments	3,432	40	35	40
Amount of pre-billing consump. adjustments	$117,312	$49,016	$193,850	$50,000
Active customers delinquent over 90 days	1,230	1,898	2,149	2,000
Over 90 day balances for active customers	$482,514	$522,148	$623,286	$550,000
Customers paying monthly by auto payment	3,989	4,764	5,545	5,700
Number of e-bill customers monthly	3,342	3,833	4,324	4,600
Customers with active payment arrangements	380	95	37	100
Funds under active payment arrangements	$16,000	$22,261	$8,020	$15,000

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Utility Customer Service Manager	0.375	0.375	0.375	0.375
Collections Specialist	0.375	0.375	0.375	0.375
Utility Billing Supervisor	0.375	0.375	0.375	0.375
Customer Service Supervisor	0.375	0.375	0.375	0.375
Sr. Utility Customer Service Specialist	0.750	0.375	0.375	0.375
Utility Customer Service Specialist	3.375	3.375	3.375	3.375
Accountant	0.000	0.500	0.500	0.500
Administrative Assistant	0.188	0.000	0.000	0.000
Meter Services Supervisor	0.500	0.500	0.500	0.500
Senior Meter Service Technician	0.500	0.500	0.500	0.500
Meter Service Technician	3.500	3.500	3.500	3.500
TOTAL	**10.313**	**10.250**	**10.250**	**10.250**

FY2020 PROPOSED BUDGET
UTILITY BILLING (SEWER SHARE)

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$333,856	$370,688	$354,048	$389,306
511005 Longevity	2,139	2,100	2,439	2,480
511006 Differential Pay	1,260	1,355	1,266	1,374
511009 Overtime	36,832	28,125	36,742	37,000
511125 Residency Pay	6,158	6,573	5,950	7,880
511510 Group Health Insurance	63,968	68,880	68,880	68,880
511515 Worker's Compensation	3,138	2,097	2,097	3,138
511520 Group Life Insurance	1,251	1,394	1,310	1,476
511530 Social Security - Employment	22,509	25,348	24,162	26,943
511535 Medicare - Employer's	5,265	5,928	5,651	6,301
511542 City Employee Retirement	34,219	36,796	36,040	39,110
Total Personnel Services	**$510,596**	**$549,284**	**$538,585**	**$583,888**
Materials and Supplies				
521065 Office Supplies	8,030	8,000	5,913	8,000
521067 Minor Office Equipment	833	3,750	1,875	3,750
521073 Printed Materials	6,611	14,564	13,506	4,800
522013 Clothing	2,034	2,850	2,007	2,850
522037 Janitorial Supplies	601	500	483	500
522038 Safety Supplies	0	1,050	1,042	1,050
522055 Minor Tools	778	3,400	2,805	3,400
522056 Minor Equipment	5,607	115,000	156,484	75,000
522065 Paint and Lumber	0	150	113	150
522075 Pipe and Plumbing Supplies	41,232	50,000	41,529	50,000
522085 Equipment Parts	0	650	488	650
Total Materials and Supplies	**$65,726**	**$199,914**	**$226,245**	**$150,150**
Contractual Services				
531007 Security Service	3,743	3,800	3,334	3,800
531015 Temporary Employee Services	2,252	4,781	3,805	5,000
531124 Towing Payments	0	50	38	50
531125 Other Contracts	84	20,625	9,996	25,000
531230 Equipment Repairs	0	750	563	750
531240 Maintenance Contracts	15,866	29,836	16,541	30,000
531320 Equipment Rental	5,349	5,250	2,294	0
531350 Garage Charges	15,915	16,566	13,339	15,625
531360 Computer Charges	94,399	26,773	26,773	31,407
532062 Postage	47,559	24,850	55,986	50,000
532065 Printing, Duplication	0	1,450	1,088	1,450
532066 Print Shop Charges	15,956	1,400	1,365	1,400
532083 Telephone Service	6,805	7,150	8,950	7,150
532084 Cellular Service	2,813	876	3,187	3,200
532086 Other Communications	694	795	788	2,000
533085 Travel/Training	0	3,875	2,906	2,000
Total Contractual Services	**$211,434**	**$148,827**	**$150,953**	**$178,832**
Other Charges and Services				
544105 Bank Service Charges	93,827	95,625	93,579	95,625
Total Other Charges and Services	**$93,827**	**$95,625**	**$93,579**	**$95,625**
Total Expenses	**$881,582**	**$993,650**	**$1,009,362**	**$1,008,494**

CITY OF GALVESTON

1839

Industrial Pretreatment Division

Division Mission

The mission of the Industrial Pretreatment Division is to provide inspection services for the protection of the internal condition of wastewater collection mains and the protection of wastewater treatment processes in accordance with EPA and TCEQ mandates and the City Code.

Accomplishments

- 100% Compliance with Grease Trap Ordinance.
- Initiated the State mandated revision to the Pretreatment Ordinance.

Goals

- Implementation of the new Pretreatment Ordinance as per TCEQ requirement.
- 100% Compliance with Grease Trap Ordinance.
- Continue staff development through established training programs and other educational seminars.
- Maintain professional relationships with members of the community, thus ensuring compliance with ordinances and TCEQ mandates.

FY2020 PROPOSED BUDGET
INDUSTRIAL PRETREATMENT

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$217,207	$240,496	$240,441	$244,675
Materials and Supplies	9,101	18,500	15,973	18,350
Contractual Services	35,133	78,599	61,894	85,545
Capital Outlay	43,290	0	0	0
TOTAL	**$304,731**	**$337,595**	**$318,308**	**$348,570**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Increase of $4,235 for annualized cost of personnel.

Materials & Supplies - $2,377 to maintain current level of supplies for daily operations.

Contractual Services - Overall increase ($23,651) includes increase for technology services (+$3,411), Increase in attorney's fees (+$10,208), garage charges ($7,697), and small increases to other service accounts totalling ($2,335).

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Food establishments inspected	1,352	1,597	1,667	1,750
Inspections performed (Industrial & waster haulers)	1,089	976	770	850
Waster haulers gallons received	2,938,902	2,336,505	1,548,200	1,780,200

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Pretreatment Coordinator	1.00	1.00	1.00	1.00
Pretreatment Technician	2.00	2.00	2.00	2.00
Administrative Assistant	1.00	1.00	1.00	1.00
TOTAL	**4.00**	**4.00**	**4.00**	**4.00**

FY2020 PROPOSED BUDGET
INDUSTRIAL PRETREATMENT

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$143,791	$152,903	$155,912	$155,961
511005 Longevity	1,464	1,513	1,457	1,473
511009 Overtime	15,536	20,000	22,216	20,000
511125 Residency Pay	5,529	7,529	5,019	7,529
511510 Group Health Insurance	25,226	26,880	26,880	26,880
511515 Worker's Compensation	1,987	1,328	1,328	1,987
511520 Group Life Insurance	556	49	596	50
511530 Social Security - Employment	9,231	11,281	10,911	11,468
511535 Medicare - Employer's	2,159	2,638	2,552	2,682
511542 City Employee Retirement	14,969	16,375	16,614	16,647
511650 Salary Reimbursements	(3,240)	0	(3,044)	0
Total Personnel Services	**$217,207**	**$240,496**	**$240,441**	**$244,675**
Materials and Supplies				
521065 Office Supplies	966	5,000	4,931	5,000
522011 Chemicals	880	3,500	3,148	3,500
522013 Clothing	1,815	4,000	3,262	4,000
522037 Janitorial Supplies	2,693	500	527	750
522038 Safety Supplies	909	500	291	500
522055 Minor Tools	1,839	5,000	3,750	4,500
522085 Equipment Parts	0	0	64	100
Total Materials and Supplies	**$9,101**	**$18,500**	**$15,973**	**$18,350**
Contractual Services				
531006 Attorney's Fees	7,711	30,000	19,792	30,000
531008 Laboratory Testing	75	0	0	0
531027 Certification & Permit Fees	125	250	111	250
531028 Software Licenses	0	1,900	1,900	1,900
531350 Garage Charges	9,849	6,394	4,232	11,929
531360 Computer Charges	15,898	30,355	30,355	33,766
532062 Postage	0	200	100	200
532065 Printing, Duplication	0	4,000	2,000	2,000
532083 Telephone Service	742	1,000	1,261	1,500
532084 Cellular Service	574	1,500	643	1,000
533085 Travel/Training	159	3,000	1,500	3,000
Total Contractual Services	**$35,133**	**$78,599**	**$61,894**	**$85,545**
Capital Outlay				
564003 Vehicle Capital Outlay	43,290	0	0	0
Total Capital Outlay	**$43,290**	**$0**	**$0**	**$0**
Total Expenses	**$304,731**	**$337,595**	**$318,308**	**$348,570**

CITY OF GALVESTON

1839

Collections Division

Division Mission

The mission of the Collections Division is to provide for the effective collection of wastewater flows from the Citizens of Galveston in a customer service-oriented manner, and in accordance with EPA and TCEQ mandates.

Accomplishments

- Coordinated and provided assistance to contractor on the 45th Street and Sealy Roadway projects.
- Televise the sanitary sewer system where needed to identify deteriorating sanitary sewer systems.
- Replaced deteriorated gravity sewer and force main sanitary sewer systems.
- Provided smoke testing to the sanitary sewer system in the Terramar Wastewater Treatment Plant system area to identify infiltration and inflow (I & I) problem areas.
- Minimized sanitary sewer overflows.

Goals

- Continue replacement of deteriorated gravity sewer and force main sanitary sewer systems.
- Coordinate and assist contractors working on future roadway construction projects.
- Continue providing smoke testing of the sanitary sewer system where needed to identify infiltration and inflow (I & I) problem areas.
- Continue televising the sanitary sewer system where needed to identify deteriorating sanitary sewer systems.
- Focus on staff development; provide opportunities for staff to obtain dual certification for succession planning in collections and other divisions.
- Foster an environment that promotes professional growth, customer service and efficiency.

FY2020 PROPOSED BUDGET
COLLECTION

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,928,277	$2,119,302	$2,181,510	$2,179,886
Materials and Supplies	356,415	459,794	407,628	492,240
Contractual Services	390,029	454,505	427,049	394,116
Other Charges and Services	29,425	80,000	63,225	80,000
Capital Outlay	554,200	1,624,000	1,531,775	375,000
TOTAL	**$3,258,347**	**$4,737,601**	**$4,611,186**	**$3,521,242**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net decrease (-$1,624) due to increase to regular payroll (+$128,415), decrease to overtime (-$145,085), and net increase to other payroll accounts ($16,670)

Materials and Supplies - Overall increase of $84,612 due to minor tools and pipe and plumbing supplies to be used by field crews in increasing production.

Contractual Services - Decrease ($32,933) due to antipated savings of moving from a rental to the new PW Facility.

Other Charges and Services - Increase (+$16,775) due to reimbursement for repair of street cuts to repair sewers.

Capital Outlay - Total $375,000 includes vehicle replacements including crew trucks ($175,000), Dozer ($150,000), and Small Jet Truck ($50,000).

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Mains installed/replaced (feet) inhouse	2,150	3,624	3,344	600
Stoppages cleared	852	1,060	997	425
Taps installed	130	188	236	350
Point repairs made	125	74	71	550

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director of Municipal Utilities	0.25	0.25	0.25	0.25
Assistant Director of Municipal Utilities	0.00	0.25	0.25	0.25
City Engineer	0.50	0.00	0.00	0.00
Assistant City Engineer	0.50	0.00	0.00	0.00
Public Information Officer	0.50	0.00	0.00	0.00
Superintendent-Water Dist. & Sewer Collection	1.00	1.00	1.00	1.00
Construction Project Coordinator	0.50	0.00	0.00	0.00
Utilities Inspector	1.00	0.00	0.00	0.00
Chief Plumbing Inspector	0.50	0.50	0.50	0.50
Administrative Service Manager	1.00	1.00	1.00	1.00
Utility Supervisor	3.00	3.00	3.00	3.00
TV Truck Operator	1.00	1.00	1.00	1.00
Plumbing Inspectors @ 50%	1.00	1.00	1.00	1.00
Senior Crewleader	4.00	4.00	4.00	4.00
Senior Meter Technician	0.50	0.00	0.00	0.00
Equipment Operators	10.00	10.00	10.00	10.00
Payroll Records Specialist	1.00	1.00	1.00	0.00
Administrative Assistant	2.00	2.00	2.00	2.00
Concrete Finisher	1.00	1.00	1.00	1.00
Laborer	12.00	12.00	12.00	12.00
Office Assistant	0.00	1.00	1.00	1.00
TOTAL	**41.25**	**39.00**	**39.00**	**38.00**

FY2020 PROPOSED BUDGET
COLLECTION

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$1,118,672	$1,306,570	$1,186,891	$1,315,306
511005 Longevity	6,645	6,649	7,156	7,308
511006 Differential Pay	903	904	904	904
511009 Overtime	281,619	175,000	320,085	175,000
511021 Part-Time Payroll	0	18,000	13,500	18,000
511110 Incentive Pay	900	3,012	903	3,012
511125 Residency Pay	41,796	44,558	39,836	44,558
511510 Group Health Insurance	214,477	262,080	262,080	255,360
511515 Worker's Compensation	19,238	12,853	12,853	19,238
511520 Group Life Insurance	4,195	5,820	4,534	5,779
511530 Social Security - Employment	85,761	96,391	97,295	96,973
511535 Medicare - Employer's	20,057	22,543	22,754	22,679
511542 City Employee Retirement	130,425	139,922	141,235	140,768
511650 Salary Reimbursements	3,589	25,000	71,484	75,000
Total Personnel Services	**$1,928,277**	**$2,119,302**	**$2,181,510**	**$2,179,886**
Materials and Supplies				
521065 Office Supplies	3,148	6,000	6,125	5,000
522011 Chemicals	768	1,500	883	1,500
522013 Clothing	12,164	18,594	17,658	18,000
522015 Concrete And Aggregate	36,015	40,000	38,417	40,040
522037 Janitorial Supplies	3,853	2,000	3,152	1,000
522038 Safety Supplies	5,841	6,000	8,964	8,000
522055 Minor Tools	24,936	15,000	23,844	25,000
522056 Minor Equipment	73,113	200,000	125,437	175,000
522065 Paint And Lumber	2,782	3,500	2,963	3,500
522075 Pipe And Plumbing Supplies	175,749	163,200	162,833	200,000
522085 Equipment Parts	17,770	4,000	10,328	8,000
522099 Other Supplies	52	0	6,172	2,200
525031 Electricity	222	0	853	5,000
Total Materials and Supplies	**$356,415**	**$459,794**	**$407,628**	**$492,240**
Contractual Services				
531005 Other Services	6	0	0	0
531025 Memberships	2,925	3,757	2,818	3,000
531027 Certification & Permit Fees	112	1,000	861	1,000
531028 Software Licenses	16,880	10,500	10,750	10,500
531124 Towing Payments	31	0	0	0
531125 Other Contracts	0	0	5,200	0
531220 Building Repairs	722	1,725	1,294	1,500
531230 Equipment Repairs	21,620	2,500	6,854	4,500
531240 Maintenance Contracts	16,850	16,972	17,740	17,000
531310 Rental Of Land & Buildings	33,705	34,356	33,864	7,089
531320 Equipment Rental	2,877	13,000	9,906	10,000
531350 Garage Charges	237,171	256,169	223,302	221,877
531360 Computer Charges	29,620	83,901	83,901	82,925
532062 Postage	0	25	25	25
532065 Printing, Duplication	458	2,000	2,645	2,500
532066 Print Shop Charges	715	200	188	200
532083 Telephone Service	5,155	7,000	6,016	7,000
532084 Cellular Service	12,423	8,000	9,871	10,000

FY2020 PROPOSED BUDGET
COLLECTION

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
532085	Pager Service	147	0	24	0
532086	Other Communications	3,692	2,000	1,567	5,000
532087	Aircard Service	1,505	1,400	942	500
533085	Travel/Training	3,416	10,000	9,280	9,500
Total Contractual Services		**$390,029**	**$454,505**	**$427,049**	**$394,116**
Other Charges and Services					
544087	Expense Reimbursement	29,811	80,000	63,225	80,000
544097	Expense Reimbursement-Grants	(386)	0	0	0
Total Other Charges and Services		**$29,425**	**$80,000**	**$63,225**	**$80,000**
Capital Outlay					
564003	Vehicle Capital Outlay	554,200	1,624,000	1,531,775	375,000
Total Capital Outlay		**$554,200**	**$1,624,000**	**$1,531,775**	**$375,000**
Total Expenses		**$3,258,347**	**$4,737,601**	**$4,611,186**	**$3,521,242**

Wastewater Treatment Division

Division Mission

The mission of the Wastewater Treatment Division is to treat all of the City's wastewater and to discharge treated wastewater effluent into the waters of Texas that exceeds TCEQ and EPA standards, thus protecting the health and safety of the citizens, visitors, and environment.

Accomplishments

- Continued the design of the Pirates Beach Waste Water Treatment Plant replacement project.
- Finalize the design of the lift station rehabilitation project for Lift Station #8 (Clock Tower Lift Station - East Beach Drive), Lift Station #6 (Ferry Road between Mackerel and Harborside Drive) and Lift Station 26 (99th Street and Stewart Road).
- Commenced the design of the Main Wastewater Treatment Plant digester improvements.
- Commenced the construction phase of the Airport Wastewater Treatment Plant project.

Goals

- Begin construction of the Seawolf Waste Water Treatment Plant.
- Commence the design, rehabilitation and installation of a SCADA system for various lift stations.
- Complete the construction phase for the Airport Wastewater Treatment Plant project.
- Commence the construction of the Main Wastewater Treatment Plant digester improvements.
- Continue the rehabilitation of the lift stations across the City.
- Reduce infiltration and inflow to all wastewater treatment plants.
- Reduce non-compliance, setting "zero violations" as our goal.
- Ensure staff is provided opportunities to obtain additional licenses through established City of Galveston training programs.

FY2020 PROPOSED BUDGET
WASTEWATER TREATMENT PLANT

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,785,018	$1,916,007	$1,885,003	$1,962,379
Materials and Supplies	1,021,053	1,139,630	1,093,267	1,013,193
Contractual Services	904,619	1,050,948	1,025,014	1,047,873
Other Charges and Services	(6,481)	3,600	(12,704)	4,300
Capital Outlay	56,765	26,000	25,490	250,000
TOTAL	**$3,760,975**	**$4,136,185**	**$4,016,070**	**$4,277,745**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services -Increase ($77,376) includes annualized cost for personnel.
Materials and supplies - Decrease ($80,074) mostly attributed to the decreased electricity rate.

Contractual Services - Net increase (+$22,859) to continue maintaining the cost of managing the plant and new required testing for grit and sludge.

Capital Outlay - Purchase of crane truck ($199,729), Scissor Lift ($38,948) and 4 CY Hopper ($8,500).

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Main WWTP, million gallons treated	1,745	1,738	1,871	1,700
Airport WWTP, million gallons treated	738	826	776	850
Terramar Beach WWTP, million gallons treated	6.02	113	125	125.00
Pirates Beach WWTP, million gallons treated	7.43	118	95	115.00

PERSONNEL

`	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director - Municipal Utilities	0.25	0.25	0.25	0.25
Assistant Director of Municipal Utilities	0.00	0.25	0.25	0.25
Superintendent-WWTP	2.00	2.00	2.00	2.00
WW Plant Maintenance Supervisor	1.00	1.00	1.00	1.00
Main WWTP Chief Operator	1.00	1.00	1.00	1.00
Wastewater Plant Mechanic	3.50	4.00	4.00	4.00
WWTP Operator	14.00	16.00	16.00	16.00
Laboratory Technician	1.00	1.00	1.00	1.00
Equipment Operator	2.00	2.00	2.00	2.00
Office Assistant	1.00	1.00	1.00	1.00
Parts & Supply Coordinator	1.00	1.00	1.00	1.00
Laborer	2.50	3.00	3.00	3.00
TOTAL	**29.25**	**32.50**	**32.50**	**32.50**

FY2020 PROPOSED BUDGET
WASTEWATER TREATMENT PLANT

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$1,201,131	$1,258,055	$1,217,326	$1,293,149
511005 Longevity	9,098	9,090	9,948	10,078
511006 Differential Pay	415	0	904	0
511009 Overtime	93,064	125,000	134,019	125,000
511110 Incentive Pay	15,957	13,854	15,372	13,854
511125 Residency Pay	41,206	38,270	40,955	38,270
511510 Group Health Insurance	196,113	218,400	218,400	218,400
511515 Worker's Compensation	12,677	8,470	8,470	12,677
511520 Group Life Insurance	4,393	4,397	4,266	4,471
511530 Social Security - Employment	80,272	89,545	87,949	91,782
511535 Medicare - Employer's	18,773	20,942	20,569	21,465
511542 City Employee Retirement	122,409	129,984	127,667	133,232
511650 Salary Reimbursements	(7,248)	0	(842)	0
511655 Salary Reimbursements-Grants	(3,243)	0	0	0
Total Personnel Services	**$1,785,018**	**$1,916,007**	**$1,885,003**	**$1,962,379**
Materials and Supplies				
521065 Office Supplies	2,769	6,000	5,839	6,000
522011 Chemicals	71,728	90,200	84,122	90,200
522013 Clothing	17,251	21,300	21,278	20,000
522025 Fuel and Lubricants	4,150	0	0	0
522037 Janitorial Supplies	7,230	6,000	6,829	5,000
522038 Safety Supplies	2,952	1,500	3,000	2,300
522055 Minor Tools	5,419	5,000	7,899	5,000
522056 Minor Equipment	81,221	60,000	58,956	60,000
522065 Paint And Lumber	1,935	2,000	2,000	2,000
522075 Pipe And Plumbing Supplies	5,814	11,000	12,320	11,000
522085 Equipment Parts	72,301	181,630	103,326	150,000
522099 Other Supplies	2,879	3,000	2,869	3,000
525031 Electricity	743,667	750,000	782,878	656,593
525032 Natural Gas	1,738	2,000	1,952	2,100
Total Materials and Supplies	**$1,021,053**	**$1,139,630**	**$1,093,267**	**$1,013,193**
Contractual Services				
531004 Consultant Services	18,490	46,000	34,500	35,000
531005 Other Services	7,500	0	0	0
531008 Laboratory Testing	66,942	85,000	79,026	85,000
531025 Memberships	3,098	4,000	3,595	3,600
531027 Certification & Permit Fees	112,895	105,000	108,108	110,000
531028 Software License	974	0	0	0
531110 Sludge Removal	187,441	200,000	181,129	190,000
531120 Lot Maintenance	42,500	60,000	52,425	30,000
531125 Other Contracts	31,095	20,000	35,836	51,000
531220 Building Repairs	0	1,500	750	0
531230 Equipment Repairs	128,282	110,000	132,023	130,000
531240 Maintenance Contracts	31,701	49,370	48,730	50,000
531250 Vehicle Repairs	2,682	0	0	0
531320 Equipment Rental	22,337	35,000	17,500	25,000
531350 Garage Charges	110,243	152,563	139,590	150,232
531360 Computer Charges	24,249	82,165	82,165	72,911
532062 Postage	35	0	0	0
532065 Printing, Duplication	116	300	1,037	30

FY2020 PROPOSED BUDGET
WASTEWATER TREATMENT PLANT

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
532066	Print Shop Charges	779	0	136	100
532083	Telephone Service	78,210	70,000	83,317	85,000
532084	Cellular Service	2,996	3,500	3,336	3,500
532085	Pager Service	63	50	85	0
532086	Other Communications	17,656	16,500	14,868	16,500
533085	Travel/Training	12,006	10,000	6,857	10,000
533100	Advertising	2,330	0	0	0
Total Contractual Services		**$904,619**	**$1,050,948**	**$1,025,014**	**$1,047,873**
Other Charges and Services					
543032	Meeting Expenditures	2,086	0	0	0
544087	Expense Reimbursement	4,174	3,600	4,301	4,300
544099	Miscellaneous Expense	(12,742)	0	(17,005)	0
Total Other Charges and Services		**($6,481)**	**$3,600**	**($12,704)**	**$4,300**
Capital Outlay					
564003	Vehicle Capital Outlay	0	26,000	25,490	250,000
564117	Machinery & Equipment	56,765	0	0	0
Total Capital Outlay		**$56,765**	**$26,000**	**$25,490**	**$250,000**
Total Expenses		**$3,760,975**	**$4,136,185**	**$4,016,070**	**$4,277,745**

FY2020 PROPOSED BUDGET
OTHER EXPENSES

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$0	$75,143	$0	$322,916
Materials and Supplies	0	0	0	0
Contractual Services	10,119	136,500	120,663	135,000
Other Charges and Services	1,210,970	1,245,254	1,245,113	1,313,269
Operating Transfers	1,608,472	982,171	114,331	40,800
Capital Outlay	0	62,500	0	70,000
Debt Service	3,570,498	3,592,695	3,590,695	4,381,052
TOTAL	**$6,400,059**	**$6,094,263**	**$5,133,303**	**$6,263,037**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase ($192,874) for $185 per month per employee for Group Health Insurance.

Other Charges and Services -Net increase of ($68,000) includes payment in lieu of taxes($6,000), insurance expense ($42,000) and increase in administrative service charge from General Fund ($13,000), increase to Community Outreach ($9,980) and a decrease to City Hall Maintanence (-$2,848)

Operating Transfers - Decrease (-$73,531) due to the lack of transfers to improvement and Harvey funds.

Capital Outlay - Purchase furniture for sewer staff areas in new Public Works building.

FY2020 PROPOSED BUDGET
OTHER EXPENSES

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511002	COLA Increases	$0	$75,143	$0	$130,043
511512	Group Health Insurance Reserve	0	0	0	192,874
Total Personnel Services		**$0**	**$75,143**	**$0**	**$322,916**
Contractual Services					
531004	Consultant Services	7,022	30,000	30,971	30,000
531125	Other Contracts	6,525	30,000	22,500	30,000
531310	Rental Of Land & Buildings	(3,428)	76,500	67,192	75,000
Total Contractual Services		**$10,119**	**$136,500**	**$120,663**	**$135,000**
Other Charges and Services					
544087	Expense Reimbursement	845	0	0	0
547020	Bad Debts	(83)	0	(141)	0
547040	Administrative Service Charge	434,000	447,000	447,000	460,000
547050	Payment In Lieu Of Taxes	200,000	206,000	206,000	212,000
547070	Insurance Expense	255,161	218,366	218,366	260,249
547075	City Hall Maintenance	321,046	313,569	313,569	310,721
547095	Community Outreach/Public Info	0	60,319	60,319	70,299
Total Other Charges and Services		**$1,210,970**	**$1,245,254**	**$1,245,113**	**$1,313,269**
Operating Transfer					
553011	Sewer - Trnsf to Improvement Fund	1,500,000	904,000	0	0
553022	Transfer To Tech Imprvt Fund	58,700	0	0	0
553035	Transfer To Separation Pay Fund	40,800	40,800	40,800	40,800
553050	Transfer To Hurricane Harvey	8,972	37,371	73,531	0
Total Operating Transfers		**$1,608,472**	**$982,171**	**$114,331**	**$40,800**
564005	Capital Outlay - Improvements	0	62,500	62,500	70,000
Total Capital Outlay		**$0**	**$62,500**	**$62,500**	**$70,000**
Debt Service					
571010	Interest Expense	956,641	938,100	938,100	938,100
571020	Revenue Bond Interest	519,547	500,710	500,710	420,117
571040	Agent Fees	2,595	3,000	3,000	3,000
571050	Principal Expenditure	2,091,715	2,148,885	2,148,885	2,165,910
571090	New Debt Service	0	0	0	851,925
571130	Investment Fees	0	2,000	0	2,000
Total Debt Service		**$3,570,498**	**$3,592,695**	**$3,590,695**	**$4,381,052**
Total Expenses		**$6,400,059**	**$6,094,263**	**$5,133,303**	**$6,263,037**

FY2020 PROPOSED BUDGET
MUNICIPAL SANITATION SUMMARY

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	**3,328,923**	**2,487,094**	**2,487,094**	**2,315,318**
Revenues:				
Collection fees	$5,642,643	$5,594,390	$5,608,242	$5,664,324
Dumpster fees	25,523	26,000	27,347	27,000
Trash pick-up	1,762	0	1,723	0
Recycling fees	503,167	506,723	506,677	511,744
Penalties on account	83,707	140,000	125,470	140,000
Sale of Equipment	0	0	0	20,000
Other revenue	53,422	59,100	75,840	73,287
Total revenues	**$6,311,098**	**$6,326,213**	**$6,345,299**	**$6,436,356**
Expenses:				
Refuse Collection	$4,546,928	$4,437,950	$4,516,286	$4,564,208
Recycling	627,364	622,250	646,443	709,836
Utility Billing	225,718	212,390	222,924	231,960
Other expenses	688,895	804,475	758,047	961,144
Total expenses	**$6,088,905**	**$6,077,065**	**$6,143,700**	**$6,467,148**
Net income (loss)	**$222,193**	**$249,148**	**$201,599**	**($30,792)**
Capital Outlay	**$786,276**	**$1,383,050**	**$1,293,542**	**$490,000**
Prior year adjustment	**($277,746)**	**$0**	**$920,167**	**$0**
Ending balance	**$2,487,094**	**$1,353,192**	**$2,315,318**	**$1,794,526**
90 Day Reserve	*$1,501,374*	*$1,498,454*	*$1,514,885*	*$1,594,639*
120 Day Reserve	*$2,001,832*	*$1,997,939*	*$2,019,847*	*$2,126,186*

Personnel summary	FY2018 ACTUAL	FY2019 BUDGET	FY2020 BUDGET	FY2020 PROPOSED
Municipal Sanitation - Refuse	46.50	46.50	46.50	$2,731,489
Municipal Sanitation - Recycling	10.00	10.00	11.00	533,938
Municipal Sanitation - Utility billing	2.10	2.10	2.10	125,182
Totals	58.60	58.60	59.60	$3,390,609

BUDGET HIGHLIGHTS

• The FY2020 Proposed Budget for the Sanitation fund includes $420,000 in capital outlay to replace a Litter truck, Automated truck and to purchase a baler for recycling.

• The Proposed Budget also includes $132,312 for $185 per month per employee for Group Health Insurance.

• The Prior Year Adjustment of $920,167 shown as part of the FY 2019 Estimate is FEMA reimbursement for city Sanitation staff and equipment having cleaned up debris after Hurricane Harvey.

MUNICIPAL SANITATION FUND
EXPENDITURE SUMMARY

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Refuse Collection	$4,546,928	$4,437,950	$4,516,286	$4,564,208
Recycling	627,364	622,250	646,443	709,836
Utility Billing	225,718	212,390	222,924	231,960
Other expenses	688,895	804,475	758,047	961,144
Subtotal	**6,088,905**	**6,077,065**	**6,143,700**	**6,467,148**
Capital Outlay	786,276	1,383,050	1,293,542	490,000
Sanitation Fund Total	**$6,875,180**	**$7,460,115**	**$7,437,242**	**$6,957,148**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$3,151,668	$3,285,042	$3,284,919	$3,570,010
Materials and Supplies	88,354	148,362	144,523	97,450
Contractual Services	2,160,858	1,978,668	2,038,977	2,102,129
Other Charges and Services	616,825	629,293	639,581	661,859
Operating Transfers	71,200	35,700	35,700	35,700
Capital Outlay	786,276	1,383,050	1,293,542	490,000
Sanitation Fund Total	**$6,875,180**	**$7,460,115**	**$7,437,242**	**$6,957,148**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Includes increases for annualized cost of positions (+$105,690), funding (+$47,089) for a 2% COLA and (+$132,312) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Net decrease (-$47,075) in minor equipment.

Contractual Services - Increases in garage charges (+$39,495), computer charges (+$4,470) and equipment rentals and repairs (+$19,185).

Other Charges and Services - Net increases (+$22,280) for Interfund transfers throughout the City.

Capital Outlay - Net decrease (-$803,540) for equipment needed for FY2020. Includes the purchase of two pieces of heavy equipment ($195,000) for a litter truck and $200,000 for a new automated sanitation truck) are budgeted along with $70,000 to help furnish the new Public Works facility.

Sanitation Division

Division Mission

The mission of the Sanitation Division is to provide a safe and clean community environment for the protection of public health through establishing and maintaining an efficient system of refuse collection with an emphasis on Customer Service.

Accomplishments

- Continued with the implementation of VueWorks work-order system with most of the areas.
- Installed cameras in all refuse trash collection vehicles.
- Continued to modify program of proactive collection of most all residential trash.
- Initiated and completed one (1) citywide cleanup.
- Assisted Recycling with the continued beautification of the center.
- Assisted the Park Board with Memorial Day and July 4 trash pickup.
- Provided sanitation services for the Lone Star Motorcycle Bike Rally, Dickens on the Strand, and Mardi Gras.

Goals

- Provide two (2) citywide cleanups.
- Provide exceptional sanitation services for special events.
- Complete paving of parking lot.
- Continue staff development for operators and laborers through established training programs as available.

FY2020 PROPOSED BUDGET
REFUSE COLLECTION

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$2,572,168	$2,618,762	$2,624,788	$2,731,489
Materials and Supplies	68,580	113,830	114,211	65,000
Contractual Services	1,922,925	1,720,358	1,788,115	1,778,519
Other Charges and Services	(16,744)	(15,000)	(10,829)	(10,800)
TOTAL	**$4,546,928**	**$4,442,950**	**$4,516,286**	**$4,564,208**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase (+$106,700) includes annualized cost of vacant positions with reduction in overtime for filled positions.

Materials and Supplies - Net decrease (-$49,210) in minor equipment.

Contractual Services - Net decrease (-$9,595) in garage charges and miscellaneous contractual line items.

Other Charges and Services - Increase (+$30) in Micelleanous expense line item.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Tons Garbage/Trash collected	30,809.44	31,195.02	30,151.27	31,150.00
Tons received at Transfer Station	99,192.99	100,802.80	99,127.95	99,130.00

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director of Administration & Sanitation	0.50	0.50	0.50	0.50
Sanitation Superintendent	1.00	1.00	1.00	1.00
Supervisor of Sanitation	2.00	2.00	2.00	2.00
Sanitation Compliance Officer	1.00	1.00	1.00	1.00
Senior Crew Leader	0.00	0.00	12.00	12.00
Crew leader	1.00	1.00	1.00	1.00
Equipment Operator	1.00	1.00	0.00	0.00
Automated Truck Driver	8.00	8.00	8.00	8.00
Litter Truck Operator	3.00	3.00	0.00	0.00
Office Assistant	1.00	1.00	1.00	1.00
Sanitation Cart Technician	2.00	2.00	2.00	2.00
Refuse Truck Operators	8.00	8.00	0.00	0.00
Solid Waste Collectors	18.00	18.00	18.00	18.00
TOTAL	**46.50**	**46.50**	**46.50**	**46.50**

FY2020 PROPOSED BUDGET
REFUSE COLLECTION

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$1,567,519	$1,601,824	$1,610,010	$1,683,410
511005 Longevity	19,533	19,704	20,276	20,694
511006 Differential Pay	1,689	3,500	24	3,500
511009 Overtime	290,479	300,000	330,004	300,000
511125 Residency Pay	61,055	52,700	58,434	52,700
511510 Group Health Insurance	303,539	312,480	309,409	312,480
511515 Worker's Compensation	49,299	32,937	32,937	49,299
511520 Group Life Insurance	5,944	6,326	6,055	6,365
511530 Social Security - Employment	114,681	122,619	125,162	127,739
511535 Medicare - Employer's	26,821	28,677	29,272	29,874
511542 City Employee Retirement	174,625	177,995	181,687	185,427
511650 Salary Reimbursements	(43,017)	(40,000)	(78,482)	(40,000)
Total Personnel Services	**$2,572,168**	**$2,618,762**	**$2,624,788**	**$2,731,489**
Materials and Supplies				
521065 Office Supplies	1,885	4,200	3,182	3,000
522011 Chemicals	5,991	1,600	1,200	1,500
522013 Clothing	30,793	28,000	28,060	28,000
522015 Concrete And Aggregate	0	2,500	1,875	2,000
522037 Janitorial Supplies	6,118	5,000	7,114	6,000
522038 Safety Supplies	4,861	3,600	6,228	4,000
522055 Minor Tools	3,818	3,000	2,250	2,500
522056 Minor Equipment	2,654	50,430	48,599	2,000
522065 Paint And Lumber	640	500	1,184	1,000
522075 Pipe and Plumbing Supplies	1,306	500	0	500
522099 Other Supplies	4,029	7,000	7,374	7,000
525031 Electricity	6,484	7,500	7,145	7,500
Total Materials and Supplies	**$68,580**	**$113,830**	**$114,211**	**$65,000**
Contractual Services				
531025 Memberships	360	0	360	360
531027 Certification & Permit Fees	0	0	125	0
531028 Software Licenses	10,932	11,000	11,000	11,500
531115 Refuse Disposal	885,620	690,500	810,000	810,000
531124 Towing Payments	165,992	135,000	160,000	160,000
531125 Other Contracts	0	3,500	3,400	3,400
531220 Building Repairs	3,551	3,500	2,126	2,500
531230 Equipment Repairs	20,261	20,000	21,688	20,000
531240 Maintenance Contracts	13,690	15,000	7,543	10,000
531350 Garage Charges	804,209	821,608	750,485	738,894
532062 Postage	41	550	250	250
532065 Printing, Duplication	995	1,600	2,075	2,075
532066 Print Shop Charges	125	600	48	50
532083 Telephone Service	1,487	1,500	3,040	3,000
532084 Cellular Service	6,080	6,000	6,740	6,740
532086 Other Communications	9,528	9,000	8,485	9,000
533085 Travel/Training	52	1,000	750	750
Total Contractual Services	**$1,922,925**	**$1,720,358**	**$1,788,115**	**$1,778,519**

FY2020 PROPOSED BUDGET
REFUSE COLLECTION

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Other Charges and Services				
544099 Miscellaneous Expense	(16,744)	(15,000)	(10,829)	(10,800)
Total Other Charges and Services	**($16,744)**	**($15,000)**	**($10,829)**	**($10,800)**
Capital Outlay				
564005 Capital Outlay - Improvements	0	5,000	0	0
Total Capital Outlay	**$0**	**$5,000**	**$0**	**$0**
Total Expenses	**$4,546,928**	**$4,442,950**	**$4,516,286**	**$4,564,208**

Recycling Division

Division Mission

The mission of the Recycling division is to reduce the landfill waste stream by providing opportunities for citizens to participate in educational programs and recycling certain wastes through the Recycling Facility.

Accomplishments

- Hosted two (2) shred days.
- Promoted recycling services with the two (1)City Wide Clean Ups.
- Increased residential participation.
- Increased recycling tonnage intake.
- Improved curb side pickup schedule.
- Continued with the beautification of the Center.
- Obtained engineering services for the new Recycling Building.

Goals

- Complete new building at site.
- Complete beautification of site.
- Expansion of mulching program.
- Expand commercial recycling program.
- Continue excellent customer service while educating citizens on matters specific to the Recycling Division, regulations and services offered by the City.
- Continue staff development through established training programs and other educational seminars.

FY2020 PROPOSED BUDGET
RECYCLING

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$472,835	$496,043	$539,836	$533,938
Materials and Supplies	14,313	24,480	20,234	25,450
Contractual Services	135,636	96,227	84,074	148,148
Other Charges and Services	4,580	5,500	2,300	2,300
Capital Outlay	16,300	42,050	50,000	20,000
TOTAL	**$643,664**	**$664,300**	**$696,443**	**$729,836**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net decreases (-$5,900) include addition of a Labor position and reduction in overtime and related costs.

Materials & Supplies - Net increase (+$5,215) for minor tools and miscellaneous line items.

Contractual Services - Increases in garage charges (+$51,085), computer charges (+$7,500) and equipment rentals (+$5,490).

Capital Outlay - Reduction (-$30,000) to leave funding to furnish new recycling baler.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Recyclable tons diverted	4,317	6,760	7,284	7,528
Senior Citizens collections	150	150	150	150

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Recycling Coordinator	1.00	1.00	1.00	1.00
Crewleader	2.00	2.00	2.00	2.00
Equipment Operator	1.00	1.00	1.00	1.00
Laborer	6.00	6.00	6.00	7.00
TOTAL	**10.00**	**10.00**	**10.00**	**11.00**

FY2020 PROPOSED BUDGET
RECYCLING

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$270,117	$315,631	$330,043	$345,363
511005 Longevity	1,551	1,750	1,345	1,389
511006 Differential Pay	7	0	0	0
511009 Overtime	57,926	35,000	53,050	35,000
511125 Residency Pay	15,057	7,529	15,057	7,529
511510 Group Health Insurance	60,144	67,200	67,200	67,200
511515 Worker's Compensation	10,923	7,298	7,298	10,923
511520 Group Life Insurance	1,066	1,210	1,177	1,219
511530 Social Security - Employment	20,350	22,314	24,769	24,135
511535 Medicare - Employer's	4,759	5,219	5,793	5,645
511542 City Employee Retirement	31,019	32,392	35,955	35,035
511650 Salary Reimbursements	(84)	500	(1,850)	500
Total Personnel Services	**$472,835**	**$496,043**	**$539,836**	**$533,938**
Materials and Supplies				
521065 Office Supplies	1,327	3,000	3,000	3,000
522011 Chemicals	0	1,100	550	250
522013 Clothing	4,442	6,150	5,723	6,000
522015 Concrete And Aggregate	0	400	200	300
522037 Janitorial Supplies	671	900	216	400
522038 Safety Supplies	1,532	1,000	1,510	2,000
522055 Minor Tools	662	2,000	1,299	2,000
522056 Minor Equipment	299	1,430	825	4,000
522085 Equipment Parts	1,220	0	0	0
522099 Other Supplies	375	6,000	4,034	3,500
525031 Electricity	3,787	2,500	2,877	4,000
Total Materials and Supplies	**$14,313**	**$24,480**	**$20,234**	**$25,450**
Contractual Services				
531005 Other Services	1,235	500	0	0
531025 Memberships	180	300	0	0
531027 Certifications / Permits	125	0	0	0
531028 Software Licenses	0	0	0	0
531125 Other Contracts	8,046	9,500	8,489	8,500
531230 Equipment Repairs	13,207	10,000	10,000	10,000
531240 Maintenance Contracts	1,954	0	0	0
531320 Equipment Rental	28,471	28,500	14,276	20,000
531350 Garage Charges	59,006	33,727	27,786	78,870
531360 Computer Charges	12,530	0	12,530	20,028
532065 Printing, Duplication	0	500	250	250
532066 Print Shop Charges	40	100	0	0
532083 Telephone Service	740	4,000	2,209	2,200
532084 Cellular Service	1,137	1,300	1,288	1,300
532086 Other Communications	6,918	5,900	5,875	6,000
533085 Travel/Training	2,047	1,900	1,371	1,000
Total Contractual Services	**$135,636**	**$96,227**	**$84,074**	**$148,148**

FY2020 PROPOSED BUDGET
RECYCLING

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Other Charges and Services				
544087 Expense Reimbursement	4,580	5,500	2,300	2,300
547020 Bad Debt	0	0	0	0
Total Other Charges and Services	**$4,580**	**$5,500**	**$2,300**	**$2,300**
Capital Outlay				
564005 Capital Outlay - Improvements	0	42,050	50,000	0
564117 Machinery & Equipment	16,300	0	0	20,000
Total Capital Outlay	**$16,300**	**$42,050**	**$50,000**	**$20,000**
Total Expenses	**$643,664**	**$664,300**	**$696,443**	**$729,836**

Utility Billing Division
(Sanitation Share)

Division Mission

The mission of the Utility Billing Division is to ensure accuracy and efficiency in the billing and collection of utility services, while providing excellent customer service to new and existing customers, responding to inquiries, and promptly posting payments.

Accomplishments

- Answered 92% of all customer calls on their first attempt.
- Re-designed the utility billing statement to make it easier for customers to understand and to provide useful data.
- Outsourced the mailing of customer utility bills.
- Re-established the meter testing program.

Goals

- Increase the customer usage of electronic online payment methods.
- Raise customer awareness of the enhancements provided in the new customer web portal 2.0.
- Increase the number of customers choosing e-bill.
- Customers with multiple accounts receive their monthly bill on one statement.
- Complete customer adjustment requests within a thirty day period.

FY2020 PROPOSED BUDGET
UTILITY BILLING (SANITATION SHARE)

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$106,665	$123,809	$120,295	$125,182
Materials and Supplies	5,460	10,052	10,078	7,000
Contractual Services	76,061	48,529	53,234	59,778
Other Charges and Services	37,531	30,000	39,316	40,000
TOTAL	**$225,718**	**$212,390**	**$222,924**	**$231,960**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

*Utility Billing office cost allocation is 37.5% Water, 37.5% Sewer, 15% Sanitation, 10% Drainage.

Personnel Services - Net increase (+$4,885) includes annualized cost for personnel.
Materials and Supplies - Net deccreases (-$3,075) include reduction in printed materials and miscellaneous adjustments to various line items.
Contractual Services - Increases in (+$4,500) in equipment repairs, increase in computer charges ($4,840) and reductions (-$2,795) in miscellaneous line items
Other Charges and Services - Maintain current level of funding in Bank service charges (+$685).

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Number of Customers	20,482	20,580	20,718	20,800
Field investigations and follow up	21,203	18,949	21,641	21,800
Average number of meters not transmitting consumption accurately monthly	600	350	300	275
No. of pre-billing consumption adjustments	3,432	40	35	40
Amount of pre-billing consump. adjustments	$117,312	$49,016	$193,850	$50,000
Active customers delinquent over 90 days	1,230	1,898	2,149	2,000
Over 90 day balances for active	$482,514	$522,148	$623,286	$550,000
Customers paying monthly by auto payment	3,989	4,764	5,545	5,700
Number of e-bill customers monthly	3,342	3,833	4,324	4,600
Customers with active payment	380	95	37	100
Funds under active payment arrangements	$16,000	$22,261	$8,020	$15,000

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Utility Customer Service Manager	0.150	0.150	0.150	0.150
Collections Specialist	0.150	0.150	0.150	0.150
Utility Billing Supervisor	0.150	0.150	0.150	0.150
Customer Service Supervisor	0.150	0.150	0.150	0.150
Sr. Utility Customer Service Specialist	0.150	0.150	0.150	0.150
Utility Customer Service Specialist	1.350	1.350	1.350	1.350
Administrative Assistant	0.000	0.000	0.000	0.000
TOTAL	**2.100**	**2.100**	**2.100**	**2.100**

FY2020 PROPOSED BUDGET
UTILITY BILLING (SANITATION SHARE)

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$70,262	$80,247	$80,251	$84,384
511005	Longevity	585	510	671	679
511006	Differential Pay	576	542	577	578
511009	Overtime	7,567	11,250	7,805	8,000
511125	Residency Pay	1,277	1,129	1,521	1,204
511510	Group Health Insurance	12,918	14,112	14,112	14,112
511515	Worker's Compensation	166	111	111	111
511520	Group Life Insurance	257	311	293	323
511530	Social Security - Employment	4,729	5,808	5,495	5,880
511535	Medicare - Employer's	1,106	1,358	1,285	1,375
511542	City Employee Retirement	7,222	8,431	8,174	8,536
Total Personnel Services		**$106,665**	**$123,809**	**$120,295**	**$125,182**
Materials and Supplies					
521065	Office Supplies	1,998	2,400	1,965	2,000
521067	Minor Office Equipment	195	1,500	750	1,000
521073	Printed Materials	2,644	5,702	4,964	2,000
522013	Clothing	58	0	293	0
522056	Minor Equipment	457	450	2,106	2,000
522075	Pipe And Plumbing Supplies	107	0	0	0
Total Materials and Supplies		**$5,460**	**$10,052**	**$10,078**	**$7,000**
Contractual Services					
531007	Security Service	1,955	1,506	1,508	1,510
531125	Other Contracts	901	1,750	1,549	1,500
531230	Equipment Repairs	34	9,850	4,000	8,500
531240	Maintenance Contracts	6,346	6,658	6,347	6,700
531320	Equipment Rental	2,374	2,100	1,193	0
531360	Computer Charges	36,155	11,725	11,725	16,568
532062	Postage	19,024	9,940	22,394	20,000
532065	Printing, Duplication	0	450	338	450
532066	Print Shop Charges	6,383	1,000	876	1,000
532083	Telephone Service	1,686	2,400	2,376	2,400
532084	Cellular Service	1,125	300	77	300
532086	Other Communications	80	100	102	100
533085	Travel/Training	0	750	750	750
Total Contractual Services		**$76,061**	**$48,529**	**$53,234**	**$59,778**
Other Charges and Services					
544105	Bank Service Charges	37,531	30,000	39,316	40,000
Total Other Charges and Services		**$37,531**	**$30,000**	**$39,316**	**$40,000**
Total Expenses		**$225,718**	**$212,390**	**$222,924**	**$231,960**

CITY OF GALVESTON

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FY2020 PROPOSED BUDGET
OTHER EXPENSES

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$0	$46,428	$0	$179,401
Contractual Services	26,236	113,554	113,554	115,684
Other Charges and Services	591,459	608,793	608,793	630,359
Operating Transfers	71,200	35,700	35,700	35,700
Capital Outlay	769,976	1,336,000	1,243,542	470,000
TOTAL	**$1,458,871**	**$2,140,475**	**$2,001,589**	**$1,431,144**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Includes increase (+$132,312) for $185 per month per employee for Group Health Insurance.

Contractual Services - Net decrease (-$89,816) includes funding (+$10,000) for rate study and reduction (-$7,870) for Sanitation share of citywide allocations for technology services.

Other Charges and Services - Net increases (+$21,565) for Interfund transfers throughout the City.

Capital Outlay - Net decrease (-$843,540) for equipment needed for FY2020.

FY2020 PROPOSED BUDGET
OTHER EXPENSES

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511002 COLA Increases	$0	$46,428	$0	$47,089
511512 Group Health insurance Reserve	0	0	0	132,312
Total Personnel Services	**$0**	**$46,428**	**$0**	**$179,401**
Contractual Services				
531004 Consulting Services	0	0	0	10,000
531360 Computer Charges	26,236	113,554	113,554	105,684
Total Contractual Services	**$26,236**	**$113,554**	**$113,554**	**$115,684**
Other Charges and Services				
547020 Bad Debts	(65)	0	0	0
547040 Administrative Service Charge	226,000	232,800	232,800	240,000
547050 Payment In Lieu Of Taxes	200,000	206,000	206,000	212,000
547070 Insurance Expense	82,290	64,665	64,665	71,250
547075 Facilities Maintenance	83,234	81,296	81,296	80,557
547095 Community Outreach/Public Info	0	24,032	24,032	26,552
Total Other Charges and Services	**$591,459**	**$608,793**	**$608,793**	**$630,359**
Operating Transfers				
553022 Transfer to Tech Imprvt Fund	35,500	0	0	0
553035 Transfer To Separation Pay Fund	35,700	35,700	35,700	35,700
Total Operating Transfers	**$71,200**	**$35,700**	**$35,700**	**$35,700**
Capital Outlay				
564003 Vehicle Capital Outlay	769,976	1,336,000	1,243,542	400,000
564005 Capital Outlay - Improvements	0	0	0	70,000
Total Capital Outlay	**$769,976**	**$1,336,000**	**$1,243,542**	**$470,000**
Total Expenses	**$1,458,871**	**$2,140,475**	**$2,001,589**	**$1,431,144**

FY2020 PROPOSED BUDGET
MUNICIPAL DRAINAGE UTILITY FUND

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	**2,062,063**	**2,355,641**	**2,355,641**	**1,645,273**
Revenues:				
Drainage District Charge	$2,791,955	$2,795,000	$2,832,480	$2,850,900
Penalties on account	32,690	55,440	49,039	55,440
Interest earned	28,235	6,000	42,000	20,000
Other revenue	721	0	0	0
Total revenues	**$2,853,600**	**$2,856,440**	**$2,923,519**	**$2,926,340**
Expenses:				
Municipal Drainage Utility	$1,917,760	$2,336,883	$2,243,433	$2,510,620
Utility billing	143,824	146,207	147,771	170,541
Total expenses	**$2,061,583**	**$2,483,090**	**$2,391,204**	**$2,681,161**
Operating income (loss)	$792,016	$373,351	$532,315	$245,179
Capital outlay/Transfer to Improvement Fund	**$310,712**	**$1,254,700**	**$1,242,683**	**$253,500**
Prior year adjustment	($187,726)	$0	$0	$0
Ending balance	**$2,355,640.76**	**$1,474,291**	**$1,645,273**	**$1,636,953**
90 Day Reserve	*$508,336*	*$612,269*	*$589,612*	*$661,108*
120 Day Reserve	*$677,781*	*$816,358*	*$786,149*	*$881,477*

Personnel summary	FY2018 ACTUAL	FY2019 BUDGET	FY2020 BUDGET	FY2020 PROPOSED
Municipal Drainage Utility	31.50	35.20	34.83	$1,896,999
Utility Billing	1.50	1.40	1.40	83,347
Totals	33.00	36.60	36.23	$1,980,346

BUDGET HIGHLIGHTS

• The FY2020 PROPOSED Budget for the Drainage fund anticipates that market based compensation adjustments will result in being more fully staffed and increasing production.

• The FY2020 PROPOSED Budget for the Drainage fund does not include an Operating transfer in to the Improvement fund for capital projects. Capital Outlay includes ($183,500) for tandem dump truck and ($70,000) for new PW Facility furnishings.

FY2020 PROPOSED BUDGET
MUNICIPAL DRAINAGE UTILITY FUND REVENUE DETAIL

LINE ITEM DETAIL

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Charges for Services				
348260 Drainage Utility Fee	$2,791,955	$2,795,000	$2,832,480	$2,850,900
348410 Penalties On Account	32,690	55,440	49,039	55,440
Charges for Services Subtotal	**$2,824,644**	**$2,850,440**	**$2,881,519**	**$2,906,340**
Interest Income				
361110 Interest Earned-Operating	28,235	6,000	42,000	20,000
Interest Income Subtotal	**$28,235**	**$6,000**	**$42,000**	**$20,000**
Other Revenues				
363200 Other Revenues	721	0	0	0
Other Revenues Subtotal	**$721**	**$0**	**$0**	**$0**
Total Drainage Fund Revenue	**$2,853,600**	**$2,856,440**	**$2,923,519**	**$2,926,340**

MUNICIPAL DRAINAGE UTILITY FUND
EXPENDITURE SUMMARY

DEPARTMENT		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Drainage Utility & Inspection		$1,897,760	$2,316,883	$2,223,433	$2,490,620
Utility Billing		143,824	146,207	147,771	170,541
	Subtotal	**2,041,583**	**2,463,090**	**2,371,204**	**2,661,161**
Capital Outlay		310,712	1,254,700	1,242,683	253,500
Drainage Utility Total		**$2,372,296**	**$3,737,790**	**$3,633,887**	**$2,934,661**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,457,381	$1,805,581	$1,697,761	$1,980,346
Materials and Supplies	116,297	118,613	143,538	119,450
Contractual Services	317,074	449,695	389,395	464,116
Other Charges and Services	130,632	89,201	140,510	97,249
Operating Transfers	40,200	20,000	20,000	20,000
Capital Outlay	310,712	1,254,700	1,242,683	253,500
Drainage Utility Total	**$2,372,296**	**$3,737,790**	**$3,633,887**	**$2,934,661**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Net increase (+$253,422) cost of funding market based adjustments for full year while enabling the retention of employees to remain fully staffed.

Materials and Supplies - Slight overall decrease (-$24,088) due to small adjustments based on anticipated need for daily operations.

Contractual Services - Net increase ($74,720) includes increase to utility billing for water rate study ($10,000) and increase to drainage utility for other contracts needed for program software.

Other Charges and Services - Net decrease (-$43,261) largely due to anticipation of higher equipment reimbursements.

Capital Outlay - Total ($253,500) for tandem dump truck ($183,500) and furnishings for new PW Facility($70,000).

FY2020 PROPOSED BUDGET
DRAINAGE UTILITY & INSPECTION

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,386,713	$1,724,256	$1,622,778	$1,896,999
Materials and Supplies	112,666	111,200	137,281	114,450
Contractual Services	272,569	417,226	349,082	407,922
Other Charges and Services	105,611	64,201	114,291	71,249
Operating Transfers	40,200	20,000	20,000	20,000
Capital Outlay	310,712	1,254,700	1,242,683	253,500
TOTAL	**$2,228,472**	**$3,591,583**	**$3,486,116**	**$2,764,120**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase (+$214,465) cost of funding market based adjustments for full year while enabling the retention of employees to remain fully staffed.

Materials and Supplies - Decreased (-$22,831) due to lower projected spending in several material accounts.

Contractual Services - Net increase ($58,840) primarily due to an increase in other contracts for HHW Program.

Other Charges and Services - Net decrease (-$43,042) primarily due to anticipation of larger equipment reimbursements.

Capital Outlay - Total ($253,500) includes purchase of tandem dump truck ($183,500) and ($70,000) for furnishings for PW Facility.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Inlets Cleared	9,574	11,452	12,410	12,500
Storm pipes cleaned (feet)	38,759	48,520	39,785	45,000
Blocks cleaned (linear feet)	997,302	1,052,412	957,521	1,000,000
Total yards of dirt, leaves and debris	3,852	4,102	3,915	4,500

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
ACM Development & Muni Service	0.30	0.30	0.30	0.33
Director of Infrastructure	0.00	0.00	0.00	0.00
City Engineer	0.50	0.00	0.00	0.00
DR Program Specialist	0.00	0.00	0.00	0.00
Assistant City Engineer	0.50	0.00	0.00	0.00
Director of Public Works	0.50	0.50	0.50	0.50
Assistant Director of Public Works	0.50	0.50	0.50	0.00
Superintendent of Streets/Drainage	0.50	0.20	0.50	0.50
Superintendent of Drainage	0.00	1.00	0.00	0.50
Drainage Supervisor	1.00	2.00	1.00	2.00
GIS Technician	1.00	0.00	1.00	0.00
GIS Field Technician	2.00	2.00	2.00	2.00
Administrative Assistant	1.00	1.00	1.00	1.00
Equipment Operator	11.00	13.00	9.00	14.00
Crewleader	2.00	2.00	2.00	2.00
Laborer	11.00	13.00	11.00	12.00
TOTAL	**31.50**	**35.20**	**28.50**	**34.83**

FY2020 PROPOSED BUDGET
DRAINAGE UTILITY & INSPECTION

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$1,005,759	$1,216,086	$1,134,361	$1,258,852
511002 COLA Increases	0	25,752	0	51,226
511005 Longevity	4,607	6,054	5,156	6,828
511006 Differential Pay	900	904	904	904
511009 Overtime	45,703	50,000	104,983	75,000
511125 Residency Pay	38,574	38,270	35,636	24,970
511510 Group Health Insurance - Employer's	187,137	222,936	199,470	222,152
511512 Group Health Insurance Reserve	0	0	0	78,033
511515 Worker's Compensation	13,690	9,146	9,146	13,690
511520 Group Life Insurance	3,612	4,156	4,396	4,284
511530 Social Security - Employer's	65,001	84,138	79,424	87,902
511535 Medicare - Employer's	15,222	19,677	18,575	20,558
511542 City Employee Retirement	98,598	122,137	115,294	127,600
511650 Salary Reimbursements	(89,143)	(75,000)	(84,567)	(75,000)
511650 Salary Reimbursements	(2,948)	0	0	0
Total Personnel Services	**$1,386,713**	**$1,724,256**	**$1,622,778**	**$1,896,999**
Materials and Supplies				
521065 Office Supplies	4,482	7,500	6,685	7,000
522011 Chemicals	3,400	7,500	2,000	3,500
522013 Clothing	15,046	25,000	18,157	20,000
522015 Concrete And Aggregate	67,333	50,000	53,923	55,000
522017 Sign Materials	400	0	0	0
522037 Janitorial Supplies	155	500	540	500
522038 Safety Supplies	5,226	2,500	14,000	5,000
522055 Minor Tools	5,472	6,500	13,900	7,000
522056 Minor Equipment	9,098	10,000	13,924	10,000
522065 Paint And Lumber	572	500	1,855	750
522075 Pipe And Plumbing Supplies	116	200	7,975	2,500
522085 Equipment Parts	1,104	800	1,978	1,400
522098 Other Materials	54	0	175	300
522099 Other Supplies	207	200	2,169	1,500
Total Materials and Supplies	**$112,666**	**$111,200**	**$137,281**	**$114,450**
Contractual Services				
531004 Consultant Services	0	20,000	20,000	20,000
531005 Other Services	342	200	2,200	500
531025 Memberships	335	800	350	350
531027 Certification & Permit Fees	100	2,260	2,942	1,500
531028 Software Licenses	8,116	1,200	2,425	2,425
531125 Other Contracts	36,536	122,940	42,583	100,000
531230 Equipment Repairs	3,031	500	1,151	1,000
531240 Maintenance Contracts	5,554	5,500	4,246	5,500
531320 Equipment Rental	9,209	15,000	35,722	30,000
531350 Garage Charges	171,641	160,203	144,630	155,860
531360 Computer Charges	17,908	76,423	76,423	75,187
532065 Printing, Duplication	0	500	1,037	500
532066 Print Shop Charges	172	0	88	200
532084 Cellular Service	4,107	4,000	0	0
532086 Other Communications	2,237	1,500	6,055	7,000
532087 Aircard Service	633	700	1,917	1,900
533085 Travel/Training	12,648	5,500	7,313	6,000
Total Contractual Services	**$272,569**	**$417,226**	**$349,082**	**$407,922**

FY2020 PROPOSED BUDGET
DRAINAGE UTILITY & INSPECTION

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Other Charges and Services				
544032 Meeting Expenditures	1,328	1,200	0	0
544087 Expense Reimbursement	11,230	0	4,748	0
544094 Expense Reimbursement-Grants	(788)	0	0	0
544096 Expense Reimbursement (Equip.)	(68,000)	(100,000)	(53,458)	(100,000)
547030 Compensated Absences	0	0	0	0
547040 Administrative Service Charge	50,000	50,000	50,000	53,000
547070 Insurance Expense	40,497	32,327	32,327	33,508
547075 City Hall Maintenance	71,344	69,682	69,682	69,049
547095 Community Outreach/Public Info	0	10,992	10,992	15,692
Total Other Charges and Services	**$105,611**	**$64,201**	**$114,291**	**$71,249**
Operating Transfers				
553024 Insurance - Transfer Out	20,200	0	0	0
553035 Transfer To Separation Pay Fund	20,000	20,000	20,000	20,000
Total Operating Transfers	**$40,200**	**$20,000**	**$20,000**	**$20,000**
Capital Outlay				
564003 Vehicle Capital Outlay	254,895	1,229,700	1,217,683	183,500
564005 Capital Outlay - Improvements	0	25,000	25,000	70,000
564099 Other Capital Purchases	55,818	0	0	0
Total Capital Outlay	**$310,712**	**$1,254,700**	**$1,242,683**	**$253,500**
Total Expenses	**$2,228,472**	**$3,591,583**	**$3,486,116**	**$2,764,120**

FY2020 PROPOSED BUDGET
UTILITY BILLING (DRAINAGE UTILITY SHARE)

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$70,668	$81,325	$74,983	$83,347
Materials and Supplies	3,630	7,413	6,256	5,000
Contractual Services	44,504	32,469	40,312	56,194
Other Charges and Services	25,020	25,000	26,219	26,000
TOTAL	**$143,824**	**$146,207**	**$147,771**	**$170,541**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

*Utility Billing allocation is 37.5% Water, 37.5% Sewer, 15% Sanitation, 10% Drainage.

Personnel Services - Net increase (+$8,364) for annualized cost for personnel.
Materials and Supplies - Net decrease (+$1,256) primarily due to a reduction in printed materials.
Contractual Services - Increase (+$15,000) for water rate study ($10,000) and ($5,000) for technology service

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Number of Customers	20,482	20,580	20,718	20,800
Field investigations and follow up	21,203	18,949	21,641	21,800
Average number of meters not transmitting consumption accurately monthly	600	350	300	275
No. of pre-billing consumption adjustments	3,432	40	35	40
Amount of pre-billing consump. adjustments	$117,312	$49,016	$193,850	$50,000
Active customers delinquent over 90 days	1,230	1,898	2,149	2,000
Over 90 day balances for active customers	$482,514	$522,148	$623,286	$550,000
Customers paying monthly by auto payment	3,989	4,764	5,545	5,700
Number of e-bill customers monthly	3,342	3,833	4,324	4,600
Customers with active payment arrangements	380	95	37	100
Funds under active payment arrangements	$16,000	$22,261	$8,020	$15,000

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Utility Customer Service Manager	0.10	0.10	0.10	0.10
Collections Specialist	0.10	0.10	0.10	0.10
Utility Billing Supervisor	0.10	0.10	0.10	0.10
Customer Service Supervisor	0.00	0.10	0.10	0.10
Sr. Utility Customer Service Specialist	0.20	0.10	0.10	0.10
Utility Customer Service Specialist	0.90	0.90	0.90	0.90
Administrative Assistant	0.10	0.00	0.00	0.00
TOTAL	**1.50**	**1.40**	**1.40**	**1.40**

FY2020 PROPOSED BUDGET
UTILITY BILLING (DRAINAGE UTILITY SHARE)

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$46,667	$52,458	$49,430	$56,256
511005 Longevity	388	340	450	456
511006 Differential Pay	396	361	397	398
511009 Overtime	5,028	7,500	5,129	5,200
511125 Residency Pay	878	753	1,243	828
511510 Group Health Insurance	8,592	9,408	8,730	9,408
511515 Worker's Compensation	111	74	74	74
511520 Group Life Insurance	171	207	210	215
511530 Social Security - Employment	3,055	3,807	3,422	3,915
511535 Medicare - Employer's	714	890	800	915
511542 City Employee Retirement	4,668	5,527	5,098	5,682
Total Personnel Services	**$70,668**	**$81,325**	**$74,983**	**$83,347**
Materials and Supplies				
521065 Office Supplies	1,322	1,300	1,160	1,300
521067 Minor Office Equipment	130	500	250	500
521073 Printed Materials	1,763	3,962	3,309	1,500
522013 Clothing	39	100	203	200
522056 Minor Equipment	305	1,351	1,235	1,300
522075 Pipe and Plumbing Supply	72	200	100	200
Total Materials and Supplies	**$3,630**	**$7,413**	**$6,256**	**$5,000**
Contractual Services				
531004 Consultant Services	0	0	0	10,000
531007 Security Service	1,448	300	834	700
531015 Temporary Employee Services	601	1,000	1,420	1,000
533125 Other Contracts	23	5,900	2,667	6,000
531240 Maintenance Contracts	4,231	4,390	6,840	6,900
531320 Equipment Rental	1,426	1,400	673	0
531360 Computer Charges	17,908	10,432	10,432	15,294
532062 Postage	12,682	6,627	14,930	13,400
532065 Printing, Duplication	0	100	50	100
532066 Print Shop Charges	4,255	270	834	850
532083 Telephone Service	1,124	1,300	1,188	1,200
532084 Cellular Service	754	150	51	150
532086 Other Communications	53	100	18	100
533085 Travel/Training	0	500	375	500
Total Contractual Services	**$44,504**	**$32,469**	**$40,312**	**$56,194**
Other Charges and Services				
544105 Bank Service Charges	25,020	25,000	26,219	26,000
Total Other Charges and Services	**$25,020**	**$25,000**	**$26,219**	**$26,000**
Total Expenses	**$143,824**	**$146,207**	**$147,771**	**$170,541**

Scholes International Airport

Department Mission

The mission of the Scholes International Airport is to promote and operate the Airport in a safe and efficient manner, to be responsive to the needs of the community, and to keep the community informed of the economic impact of the Airport.

Accomplishments

- Continued to increase public awareness of the Airport by hosting various aviation related events open to the public including the Galveston Island 150 Air Race, Bay Area Aero Club Poker Run, and the Biplane Fly-In.
- We've seen major growth on all social media platforms. We've added hundreds of new followers and experienced thousands of page interactions. Our social posts have generated high interest to our events and new visitors to Scholes Airport.
- We hosted the 2019 Air-X Coastal Hurricane Aviation Evacuation Search & Rescue Exercise. Crews experienced scenarios that we've encountered in the past for the different hurricanes and emergencies around the state. This was the largest search and rescue exercise in the nation. Rescuers from at least six states participated in the training, which included 28 sanctioned urban search and rescue organizations, 24 aircraft and approximately 300 participants. Following Hurricane Harvey in 2017, Scholes International Airport was the ideal place for this type of training, according to Program Manager Brett Dixon with Texas A&M Task Force 1.
- Started the $5.18 million pavement rehabilitation project that will reconstruct the majority of the North Hangar Ramp, Runway 14/32 and all five taxiways. This project is expected to be complete in the first quarter of FY 2020.
- TIRZ 14, Galveston Island Redevelopment Authority and City Council approved funding for four airport projects in the amount of $604,736.00. Funding covers 27.7% of the total estimated project cost of $2,184,540. The four projects include an Airport Master Plan Update, engineering and design for pavement rehabilitation for Runway 18/36, the South Apron and South Ramp, Air Traffic Control Tower rehabilitation and material cost to repave the Airport Terminal parking lot and drive way.

Goals

- Complete various capital improvement projects within established budgets.
- Increase development and revenues to the Airport in order to match Federal and State grants and cover airport-related expenses.
- Continue to work with partners to promote and attract new aviation-related businesses to the Airport.
- Continue staff development through established training programs, educational seminars and conferences specific to aviation.
- Foster an environment in which potential clients, the community and partners alike are supportive of and drawn to an unmatched experience at our Airport.

FY2020 PROPOSED BUDGET
SCHOLES INTERNATIONAL AIRPORT AT GALVESTON

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	**1,543,012**	**969,580**	**969,580**	**789,724**
Revenues:				
TXDOT grant	$322,438	$50,000	$50,000	$50,000
Building rentals	43,648	35,115	31,351	37,562
Hangar rentals	44,885	68,100	71,494	54,500
Terminal space rental	43,548	45,521	34,982	18,900
Land rentals	648,766	638,533	626,197	662,420
Municipal Utilities	(5,056)	80,300	80,300	82,307
Golf Course	82,167	84,049	85,160	87,845
General Fund Rental	62,000	64,543	64,543	66,155
Fuel flowage fees	36,078	35,000	37,300	37,500
Interest earned	19,015	12,000	16,141	12,000
Other revenue	500,799	0	184	0
Total revenues	**$1,798,288**	**$1,113,161**	**$1,097,652**	**$1,109,189**
Expenses:				
Airport Operations	$1,364,794	$1,082,844	$975,743	$870,338
Insurance	148,984	134,565	134,565	168,845
Administrative Service	58,000	59,700	59,700	61,000
Total expenses	**$1,571,778**	**$1,277,109**	**$1,170,008**	**$1,100,183**
Operating income (loss)	$226,510	($163,948)	($72,356)	$9,006
Transfer to improvement account	**$799,941**	**$430,000**	**$107,500**	**$0**
Ending balance	**$969,580**	**$375,632**	**$789,724**	**$798,731**
90 Day Reserve	*$387,562*	*$314,904*	*$288,495*	*$271,278*
120 Day Reserve	*$516,749*	*$419,871*	*$384,660*	*$361,704*

Personnel summary	FY2018 ACTUAL	FY2019 BUDGET	FY2020 BUDGET	FY2020 PROPOSED
Scholes International Airport	8.00	8.00	7.00	$441,270

AIRPORT FUND
EXPENDITURE SUMMARY

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Airport Operations	$1,364,794	$1,082,844	$975,743	$870,338
Insurance	148,984	134,565	134,565	168,845
Administrative Service Charge	58,000	59,700	59,700	61,000
Subtotal	**1,571,778**	**1,277,109**	**1,170,008**	**1,100,183**
Transfer to improvement account	799,941	430,000	107,500	0
Airport Total	**$2,371,719**	**$1,707,109**	**$1,277,508**	**$1,100,183**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$444,074	$464,237	$417,375	$441,270
Materials and Supplies	86,680	105,200	82,282	84,700
Contractual Services	185,172	206,922	210,186	202,243
Other Charges and Services	286,398	272,620	272,585	309,423
Operating Transfers	813,071	596,630	186,857	7,047
Capital Outlay	556,324	61,000	108,223	55,500
Debt Service	0	500	0	0
Airport Total	**$2,371,719**	**$1,707,109**	**$1,277,508**	**$1,100,183**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Net increase (+$23,894) includes a reduction in staff for FY2020, an increased contribution of $185 per month per employee for Group Health Insurance.

Materials and Supplies - Net increase (+$2,420) for miscellaneous line items.

Contractual Services - Net decrease (-$7,950) includes decreased garage charges (-$4,560), decrease to telephone charges (-$6,000), and increase to building repairs (+2,600).

Other Charges and Services - Increase (+$35,538) is an increased insurance expense.

Operating Transfers - Decreasing (-$179,810) due to net adjustments in Airport CIP projects, including Airport warehouse building.

Capital Outlay - Net decrease (-$52,800); decrease to capital outlay (-$98,000), increase to machinery & equipment (+$45,200).

FY2020 PROPOSED BUDGET
AIRPORT OPERATIONS

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$444,074	$464,237	$417,375	$441,270
Materials and Supplies	86,680	105,200	82,282	84,700
Contractual Services	185,172	206,922	210,186	202,243
Other Charges and Services	286,398	272,620	272,585	309,423
Operating Transfers	813,071	596,630	186,857	7,047
Capital Outlay	556,324	61,000	108,223	55,500
Debt Service	0	500	0	0
TOTAL	**$2,371,719**	**$1,707,109**	**$1,277,508**	**$1,100,183**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase (+$16,942) includes a reduction in staff for FY2020 an increased contribution of $185 per month per employee for Group Health Insurance.

Materials and Supplies - Net increase (+$2,420) for miscellaneous line items.

Contractual Services - Net decrease (-$7,960) includes decreased garage charges (-$4,560), decrease to telephone charges (-$6,000), and increase to building repairs (+2,600).

Other Charges and Services - Increase (+$35,538) is an increased insurance expense.

Operating Transfers - Decreasing (-$179,810) due to net adjustments in Airport CIP projects, including Airport warehouse building.

Capital Outlay - Net decrease (-$52,800); decrease to capital outlay (-$98,000), increase to machinery & equipment (+$45,200).

PERFORMANCE INDICATORS

INDICATORS	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Take offs and landings	29,954	34,000	31,000	31,000
Fuel Flowage (gallons)	889,771	1,000,000	875,000	937,500

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director of Airport	1.00	1.00	1.00	1.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00
Airport Maintenance Crew Leader	1.00	1.00	1.00	1.00
Office Specialist	1.00	1.00	1.00	1.00
Airport Maintenance Technician	4.00	4.00	4.00	3.00
TOTAL	**8.00**	**8.00**	**8.00**	**7.00**

FY2020 PROPOSED BUDGET
AIRPORT OPERATIONS

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$318,742	$326,751	$292,666	$298,141
511002 COLA Increases	0	6,535	0	5,960
511005 Longevity	4,902	4,928	4,421	4,757
511009 Overtime	277	1,000	860	1,000
511125 Residency Pay	9,875	10,000	10,355	12,500
511510 Group Health Insurance - Employer's	52,330	53,760	53,760	47,040
511512 Group Health Insurance Reserve	0	0	0	15,540
511515 Worker's Compensation	2,529	1,690	1,690	1,690
511520 Group Life Insurance	1,053	1,096	1,038	970
511530 Social Security - Employer's	19,713	21,775	19,351	19,986
511535 Medicare - Employer's	4,610	5,093	4,526	4,674
511542 City Employee Retirement	30,042	31,609	28,708	29,012
Total Personnel Services	**$444,074**	**$464,237**	**$417,375**	**$441,270**
Materials and Supplies				
521065 Office Supplies	686	1,500	1,500	1,500
522003 Agriculture Supplies	2,690	3,000	2,400	2,500
522013 Clothing	2,541	3,500	4,091	3,000
522025 Fuel and Lubricants	350	0	0	0
522037 Janitorial Supplies	3,124	5,000	3,000	4,000
522045 Electrical Hardware	5,940	20,000	8,000	10,000
522055 Minor Tools	1,488	1,500	1,500	1,500
522056 Minor Equipment	2,731	3,000	2,784	2,700
522065 Paint And Lumber	3,662	700	500	500
522099 Other Supplies	15,214	16,000	11,472	14,000
525031 Electricity	48,256	51,000	47,035	45,000
Total Materials and Supplies	**$86,680**	**$105,200**	**$82,282**	**$84,700**
Contractual Services				
531025 Memberships	2,975	3,000	3,010	3,000
531027 Certifications and Permit Fess	35	100	50	100
531125 Other Contracts	19,479	25,000	21,183	20,000
531220 Building Repairs	21,326	7,000	18,500	20,000
531230 Equipment Repairs	19,089	30,000	17,016	20,000
531240 Maintenance Contracts	16,746	25,000	17,786	20,000
531320 Equipment Rental	350	800	317	0
531350 Garage Charges	43,065	47,861	39,675	35,115
531360 Computer Charges	7,553	20,311	20,311	20,028
532062 Postage	93	500	303	150
532065 Printing, Duplication	125	500	346	500
532066 Print shop Charges	774	100	50	100
532083 Telephone Service	38,280	32,000	55,000	49,000
532084 Cellular Service	574	750	896	750
532086 Other Communications	7,334	7,500	9,744	7,500
533085 Travel/Training	4,436	4,000	3,500	3,500
533100 Advertising	2,937	2,500	2,500	2,500
Total Contractual Services	**$185,172**	**$206,922**	**$210,186**	**$202,243**

FY2020 PROPOSED BUDGET
AIRPORT OPERATIONS

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Other Charges and Services				
544032 Meeting Expenditures	1,127	1,000	965	1,000
544099 Miscellaneous Expense	6,943	2,000	2,000	2,000
547040 Administrative Service Charge	58,000	59,700	59,700	61,000
547070 Insurance Expense	148,984	134,565	134,565	168,845
547075 Facilities Maintenance	71,344	69,682	69,682	69,049
547095 Community Outreach/Public Info	0	5,673	5,673	7,529
Total Other Charges and Services	**$286,398**	**$272,620**	**$272,585**	**$309,423**
Operating Transfers				
553015 Airport - Transfer Out	799,941	430,000	107,500	0
553022 Transfer to Tech Imprvt Fund	6,500	0	0	0
553035 Transfer To Separation Pay Fund	6,630	6,630	6,630	0
553050 Transfer To Hurricane Harvey Fund	0	160,000	72,727	7,047
Total Operating Transfers	**$813,071**	**$596,630**	**$186,857**	**$7,047**
Capital Outlay				
564005 Capital Outlay - Improvements	56,907	50,000	97,679	0
564007 Construction Improvement (TxDot)	499,416	0	0	0
564117 Machinery & Equipment	0	11,000	10,544	55,500
Total Capital Outlay	**$556,324**	**$61,000**	**$108,223**	**$55,500**
Debt Service				
571130 Investment Fees	0	500	0	0
Total Debt Service	**$0**	**$500**	**$0**	**$0**
Total Expenses	**$2,371,719**	**$1,707,109**	**$1,277,508**	**$1,100,183**

Internal Service Funds

INTERNAL SERVICE FUNDS
Summary Schedule of Revenues and Expenditures

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance				
Central Services	$581,137	$685,519	$685,519	$819,371
Central Garage Fund	1,665,138	1,634,065	1,634,065	1,927,381
Casualty & Liability Insurance	3,066,131	3,377,727	3,377,727	109,268
Workers' Compensation Fund	2,288,272	2,476,817	2,476,817	103,086
Health & Life Insurance Fund	2,645,052	1,819,869	1,819,869	0
Project Management Fund	5,745	5,813	5,813	5,813
Total	**$10,251,474**	**$9,999,811**	**$9,999,811**	**$2,964,920**
Revenues				
Central Services	$3,355,582	$4,434,205	$4,380,576	$4,481,141
Central Garage Fund	4,661,501	4,672,842	4,707,646	4,785,227
Casualty & Liability Insurance	2,103,660	4,177,066	4,167,178	2,083,085
Workers' Compensation Fund	641,284	425,619	424,987	464,000
Health & Life Insurance Fund	9,106,645	9,060,000	9,458,035	11,994,525
Project Management Fund	68	0	0	0
Total	**$19,868,740**	**$22,769,732**	**$23,138,422**	**$23,807,978**
Expenditures				
Central Services	$3,251,200	$4,429,707	$4,246,724	$4,455,541
Central Garage Fund	4,692,574	5,373,843	4,414,331	4,785,227
Casualty & Liability Insurance	1,792,063	7,430,266	7,435,637	2,074,801
Workers' Compensation Fund	452,739	2,812,419	2,798,718	461,000
Health & Life Insurance Fund	9,931,829	9,060,000	11,277,903	11,994,525
Project Management Fund	0	0	0	0
Total	**$20,120,404**	**$29,106,235**	**$30,173,313**	**$23,771,094**
Ending Fund Balances				
Central Services	$685,519	$690,017	$819,371	$844,971
Central Garage Fund	1,634,065	933,064	1,927,381	1,927,381
Casualty & Liability Insurance	3,377,727	124,527	109,268	117,552
Workers' Compensation Fund	2,476,817	90,017	103,086	106,086
Health & Life Insurance Fund	1,819,868	1,819,869	0	0
Project Management Fund	5,813	5,813	5,813	5,813
Total	**$9,999,810**	**$3,663,308**	**$2,964,920**	**$3,001,804**

OVERVIEW

The Internal Service Funds provide a means of sharing the cost of specific support costs and services across the city through a series of direct charges throughout the year. While they operate like enterprise funds and are considered similar to the, they can actually be considered an extension of the City's General Fund.

FY 2020 PROPOSED BUDGET
INTERNAL SERVICE FUNDS EXPENDITURE OVERVIEW

Expenditure Summaries by Fund

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Central Service	$3,251,200	$4,429,707	$4,246,724	$4,455,541
Central Garage	4,692,574	5,373,843	4,414,331	4,785,227
Casualty & Liability	1,792,064	7,430,266	7,435,637	2,074,801
Workers' Compensation	452,739	2,812,419	2,798,718	461,000
Health & Life Insurance	9,931,829	9,060,000	11,277,903	11,994,525
Internal Service Fund Total	**$20,120,405**	**$29,106,235**	**$30,173,312**	**$23,771,095**

Expenditure Summaries by Category

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$3,605,411	$5,031,867	$4,629,033	$5,248,356
Materials and Supplies	2,797,703	2,842,897	2,502,470	2,723,648
Contractual Services	13,515,591	13,491,894	15,741,972	16,405,582
Other Charges and Services	(426,114)	4,179,658	4,371,182	(930,072)
Operating Transfers	292,328	2,408,505	2,676,800	0
Capital Outlay	196,593	1,010,318	118,535	182,992
Debt Service	138,892	141,096	138,896	140,589
Internal Service Fund Total	**$20,120,405**	**$29,106,235**	**$30,178,889**	**$23,771,095**

BUDGET HIGHLIGHTS

• Personnel Services - Net increases include annualized cost for personnel (+$472,820) and increase (+$146,520) for $185 per month per employee for Group Health Insurance.

• Materials and Supplies - Net increase (+160,425) to maintain current level of funding for fuel and lubricants in the City Garage and miscellaneous increases (+$60,750) for various supplies within the fund.

• Contractual Services - Increase to claims and operations for the Health & Life Fund (+$715,625), increase to Workers' Comp (+$49,082), decrease in Casualty & Liability Fund (-$94,060), and a net decrease of (-$7,035) between the Central Service and Central Garage Funds.

• Other Charges and Services - Decrease of (-$5,280,000) for one time payment made for CDM Settlement in FY2019 and various adjustments (-$21,255) throughout the fund.

• Operating Transfers - Decreases (-$2,386,800) in surplus funds transferred to the Casual & Liability Fund to cover one time cost associated with the CDM Settlement and an estimated (-$290,000) budget underrun that is projected to be transferred to the Technology Improvement Fund at the end of FY2019.

• Capital Outlay - Net increase (+$64,460) for capital items throughout departments for FY2020.

• Debt Service - Increase (+$1,695) based on current amortization.

See the following pages for detailed discussions of each budget.

CITY OF GALVESTON
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FY2020 PROPOSED BUDGET
CENTRAL SERVICE FUND SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	$581,137	$685,519	$685,519	$819,371
Revenues:				
Sales to Departments				
Technology charges	$1,962,645	$2,620,002	$2,620,000	$2,620,002
Central mail charges	97,510	118,667	95,119	127,603
Print shop charges	82,366	134,100	89,496	89,100
Facilities charges	1,189,060	1,161,366	1,161,367	1,150,820
Communications and Engagement	0	395,570	394,505	468,015
Other revenue	24,001	4,500	20,088	25,600
Total revenues	$3,355,582	$4,434,205	$4,380,576	$4,481,141
Expenses:				
Mail	$93,191	$118,668	$101,839	$127,603
Information technology	1,888,460	2,347,002	2,562,318	2,437,010
Facilities Department	1,032,210	1,123,582	1,039,530	1,150,820
Print shop	123,368	134,100	89,496	89,100
Community Outreach	44,653	363,570	358,756	468,015
Total expenses	$3,181,882	$4,086,922	$4,151,939	$4,272,549
Net income (loss)	$173,700	$347,283	$228,637	$208,592
Capital Outlay	$69,318	$342,785	$94,785	$182,992
Ending Fund Balance	$685,519	$690,017	$819,371	$844,971

Personnel summary	2018 Actual	2019 Budget	2020 Budget	Salary Costs
Mail	1.00	1.00	1.00	$56,749
Technology Services	13.00	16.00	16.00	1,457,347
Facilities Department	5.00	5.00	5.00	387,958
Community Outreach	0.00	3.00	4.00	286,303
Totals	19.00	25.00	26.00	$1,902,054

FY2020 PROPOSED BUDGET
CENTRAL SERVICE FUND
EXPENDITURE SUMMARY

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Technology Services	$1,923,116	$2,620,002	$2,619,318	$2,620,002
Facilities	1,066,872	1,161,367	1,077,315	1,150,820
Community Outreach	44,653	395,570	358,756	468,015
Mail	93,191	118,668	101,839	127,603
Print Shop	123,368	134,100	89,496	89,100
Central Service Fund Total	**$3,251,200**	**$4,429,707**	**$4,246,724**	**$4,455,541**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,462,731	$2,028,985	$1,933,381	$2,281,039
Materials and Supplies	434,031	491,188	376,013	453,300
Contractual Services	817,886	1,393,142	1,380,138	1,360,827
Other Charges and Services	38,341	33,511	33,511	37,794
Operating Transfers	290,000	0	290,000	0
Capital Outlay	69,318	342,785	94,785	182,992
Debt Service	138,892	140,096	138,896	139,589
Central Service Fund Total	**$3,251,200**	**$4,429,707**	**$4,246,724**	**$4,455,541**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Increases include annualized cost for personnel (+$264,355), transfer of Special Events Coordinator from Parks Department (+$77,530), and increases (+$57,720) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Includes desktop computers and other equipment replacement (+$77,285).

Contractual Services - Net decreases (-$19,310) in temporary employee services (-$124,750), maintenance contracts (+$69,600) and miscellaneous adjustments (+$35,840) in various accounts.

Other Charges and Services - Increase to insurance expenses (+$4,285).

Operating Transfers - An estimated $290,000 budgeted underrun is projected to be transferred to the Technology Improvement Special Fund at the end of FY 2019. This will help fund continuing citywide technology and system improvements.

Capital Outlay - Net increase (+$88,205) for capital items throughout departments for FY2020.

Debt Service - Increase (+$690) based on current amortization.

Information Technology

Department Mission

The mission of the Information Technology Department is to increase the availability of usable information and technology to the parties that need it, when they need it; creating efficiency of operations, allowing more to be done with less. Major responsibilities of the department include the planning and maintenance of network, servers, personal computers and laptops, as well as the City's telephone system. This department provides technology tools and services to the Citizens of Galveston and City staff. Core to the mission of the department is maintaining technology infrastructure to maximize uptime, reduces system redundancy, and speed disaster recovery.

Accomplishments

- Implemented a cybersecurity program for all City employees who access city assets
- Completed replication of City's major applications to a secondary off the island data center creating greater resiliency in the event of a catastrophic failure at the primary data center
- Completed upgrade of the Utility Billing payment portal
- Deployed 95 desktops as part of the City's annual refresh program and 17 laptops for the Police Department to replace units that had reach end of useful life
- Completed setup and deployed body worn cameras for the City Marshal's office.
- Completed updates to various infrastructure software solutions to ensure Updated Refreshed infrastructure software solutions Upgraded technology

Goals

- Provide citywide innovation and leadership in the utilization and deployment of information technology service and applications
- Ensure high-quality, effective and efficient production and support services for Galveston and its employees by ensuring a skilled, responsive and innovative workforce that keeps current with evolving business critical technologies is maintained
- Maintain a secure technology environment, ensuring the confidentiality, integrity and high availability of critical information and systems
- Deploy modern and adaptable software for better collaboration and communication within City departments, and between the City and its residents and businesses.
- Educate city staff on the use of technology thereby creating greater efficiencies in overall operations
- Maintain infrastructure that is resilient, scalable, agile, and secure from cyber-threats and natural disasters by refreshing aging technology
- Educate and promote the use of Geographic Information Systems (GIS) and related technologies as a tool to more effectively and efficiently address problems, develop plans, and manage the natural, cultural, economic and infrastructure resources of the City.

FY2020 PROPOSED BUDGET
TECHNOLOGY SERVICES

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,039,036	$1,342,964	$1,254,583	$1,457,347
Materials and Supplies	148,192	152,388	108,053	152,500
Contractual Services	392,097	834,958	894,190	810,433
Other Charges and Services	19,135	15,492	15,492	16,730
Operating Transfers	290,000	0	290,000	0
Capital Outlay	34,656	273,000	57,000	182,992
Debt Service	0	1,200	0	0
TOTAL	**$1,923,116**	**$2,620,002**	**$2,619,318**	**$2,620,002**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Includes annualized cost for personnel (+$167,244) and an increase (+$35,520) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Includes desktop computers and other equipment replacement (+$44,445).

Contractual Services - Net decreases (-$83,755) in temporary employee services ($14,600), maintenance contracts ($66,100) and miscellaneous adjustment ($3,055) in various accounts.

Other Charges and Services - Increase to insurance expenses (+$1,238).

Operating Transfers - An estimated $290,000 budgeted underrun is projected for transfer to the Technology Improvement Special Fund at the end of FY 2019. This will help fund continuing citywide technology and system improvements.

Capital Outlay - Net increase (+$125,990) for data center upgrades, wireless access points, and Citrix.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Service tickets closed	6,273	4,249	4,175	4,000
Major projects	4	5	8	7
Other projects	8	8	5	5

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Chief Information & Technology Officer	1.00	1.00	1.00	1.00
IT Program Manager	0.00	1.00	0.00	1.00
Assistant Director of Technology Services	1.00	1.00	1.00	1.00
DB/Application Administrator	1.00	1.00	1.00	1.00
Senior Developer/Program Analyst	1.00	1.00	1.00	1.00
Business Systems Analyst	0.00	1.00	1.00	1.00
GIS Supervisor	1.00	1.00	1.00	1.00
IT Support Services Manager	1.00	1.00	1.00	1.00
Network Administrator	1.00	1.00	1.00	1.00
GIS Analyst	1.00	1.00	1.00	1.00
Public Safety System Administrator	1.00	1.00	1.00	1.00
Applications Analyst	2.00	2.00	2.00	2.00
Desktop Support Specialist	2.00	2.00	2.00	2.00
Administrative Assistant	0.00	1.00	1.00	1.00
TOTAL	**13.00**	**16.00**	**15.00**	**16.00**

FY2020 PROPOSED BUDGET
TECHNOLOGY SERVICES

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$829,515	$1,062,983	$1,007,325	$1,143,025
511002	COLA Increases	0	21,026	0	0
511005	Longevity	5,654	5,585	5,876	5,940
511009	Overtime	23,720	20,000	23,274	20,000
511021	Part Time Payroll	2,295	0	9,518	10,000
511125	Residency Pay	5,288	5,019	7,942	7,529
511410	Separation Vacation	4,077	0	0	0
511420	Separation Sick Pay	12,683	0	0	0
511510	Group Health Insurance	80,892	114,240	96,880	107,520
511512	Group Health Insurance Reserve	0	0	0	35,520
511515	Worker's Compensation	906	605	605	605
511520	Group Life Insurance	2,227	3,199	2,625	2,984
511530	Social Security - Employment	53,348	68,380	64,455	73,563
511535	Medicare - Employer's	12,477	15,992	15,074	17,204
511542	City Employee Retirement	79,284	99,262	94,337	106,784
511650	Salary Reimbursements	(73,328)	(73,327)	(73,328)	(73,327)
Total Personnel Services		**$1,039,036**	**$1,342,964**	**$1,254,583**	**$1,457,347**
Materials and Supplies					
521065	Office Supplies	1,704	2,500	2,500	2,500
521067	Minor Office Equipment	145,732	149,888	105,553	150,000
522013	Clothing	726	0	0	0
522056	Minor Equipment	30	0	0	0
Total Materials and Supplies		**$148,192**	**$152,388**	**$108,053**	**$152,500**
Contractual Services					
530019	Networking & Cabling	0	15,000	14,882	15,000
531004	Consultant Services	14,950	55,000	27,500	55,000
531015	Temporary Employee Services	0	0	14,600	0
531025	Memberships	2,482	800	600	800
531028	Software Licenses	175	20,000	54,263	20,000
531029	Software Maintenance Contracts	19,730	234,952	234,952	234,952
531230	Equipment Repairs	4,865	10,000	7,729	10,000
531240	Maintenance Contracts	302,827	400,693	466,874	400,693
531250	Vehicle Repairs	0	1,000	750	1,000
531350	Garage Charges	2,155	4,313	2,691	2,788
532065	Printing, Duplication	45	100	1,402	100
532066	Print Shop Charges	80	0	0	0
532083	Telephone Service	13,485	25,000	15,808	17,000
532084	Cellular Service	5,679	6,000	5,643	6,000
531085	Pager Service	58	100	0	100
532086	Other Communications	10,441	30,000	28,512	30,000
532087	Aircard Service	1,516	2,000	2,530	2,000
533085	Travel/Training	13,609	30,000	15,454	15,000
Total Contractual Services		**$392,097**	**$834,958**	**$894,190**	**$810,433**
Other Charges and Services					
547030	Compensated Absences	7,528	0	0	0
547070	Insurance Charges	11,607	15,492	15,492	16,730
Total Other Charges and Services		**$19,135**	**$15,492**	**$15,492**	**$16,730**

FY2020 PROPOSED BUDGET
TECHNOLOGY SERVICES

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Operating Transfers					
553022	Transfer to Tech Impvt Fund	290,000	0	290,000	0
Total Operating Transfers		**$290,000**	**$0**	**$290,000**	**$0**
Capital Outlay					
564002	Office Furniture	2,749	0	0	0
564008	Data Processing Equipment	31,907	0	0	0
564010	PC's & Related Equipment	0	257,000	57,000	182,992
Total Capital Outlay		**$34,656**	**$273,000**	**$57,000**	**$182,992**
Debt Service					
571130	Investment Fees	0	1,200	0	0
Total Debt Service		**$0**	**$1,200**	**$0**	**$0**
Total Expenses		**$1,923,116**	**$2,620,002**	**$2,619,318**	**$2,620,002**

FY2020 PROPOSED BUDGET
TECHNOLOGY SERVICES
ALLOCATION OF COSTS TO DEPARTMENTS

Fund	Division	People Plus Computing Devices	FY2019 Allocation	FY 2020 Allocation
General Fund				
	City Secretary	16.00	29,543	29,131
	Courts	23.00	46,160	41,876
	City Manager	7.25	12,925	13,200
	City Auditor	5.00	7,386	9,104
	Finance-Administration	2.00	6,462	3,641
	Finance-Accounting	24.00	46,160	43,697
	Finance-Purchasing	5.00	14,771	12,745
	Finance-Budget	6.00	12,002	10,924
	City Attorney	19.00	29,543	34,593
	Human Resources	14.90	24,555	27,127
	Police Department	400.00	745,950	728,284
	Fire Department	160.00	286,194	291,314
	Emergency Management	18.00	35,082	32,773
	Public Works-Streets	49.67	91,148	90,436
	Public Works-Traffic	25.67	45,357	46,738
	Parks Department	74.60	122,786	135,825
	Developmental Services	55.50	115,955	101,049
	City Marshal	12.50	4,616	21,120
Special Revenue Funds				
	Revenue Producing Parks	0.00	0	0
	Lasker Pool	8.10	8,309	14,748
	Parking Management	4.50	8,309	8,193
	Island Transit	21.95	55,392	39,965
	FTA Maintainence	17.00	36,928	30,952
	Island Transit Administration	4.70	12,463	8,557
	Seawall Transportation Route	6.55	19,627	11,926
	Rail Trolley System	0.00	4,856	0
	CDBG Program Management	8.20	14,771	13,111
	CDBG Housing Rehab Administration	0.80	1,846	1,457
	CDBG Code Enforcement Staff	2.90	4,062	5,280
	CDBG Demolition & Maint	0.00	0	0
	CDBG Youth Activities	0.00	0	0
Combined Utility System Fund: Waterworks Fund				
	Public Works- Administration	9.67	15,815	17,607
	Finance-Utility Billing	17.25	26,773	31,407
	Public Works - Supply	19.05	33,125	34,676
	Public Works-Distribution	35.55	48,819	61,077

FY2020 PROPOSED BUDGET
TECHNOLOGY SERVICES
ALLOCATION OF COSTS TO DEPARTMENTS

Fund	Division	People Plus Computing Devices	FY2019 Allocation	FY 2020 Allocation
Combined Utility System Fund: Sanitary Sewer Fund				
	Public Works- Administration	9.67	15,815	17,607
	Finance-Utility Billing	17.25	26,773	31,407
	Public Works-Pretreatment	18.55	30,355	33,766
	Public Works-Collection	45.55	83,901	82,925
	Public Works Main - WWTP	40.05	82,165	72,911
Sanitation Fund				
	Public Works-Sanitation	58.05	113,554	105,684
	Public Works-Recycling	11.00	0	20,028
	Finance-Utility Billing	7.00	11,725	16,568
Drainage Utility Fund				
	Public Works-Drainage Utility	41.30	76,423	75,187
	Finance-Utility Billing	8.40	10,432	15,294
Airport Fund				
	Airport	11.00	20,311	20,028
Internal Service Funds				
	Information Technology	0.00	0	0
	Facilities	11.00	22,157	20,028
	Mailroom	2.00	1,846	3,641
	Community Outreach	9.00	14,771	16,386
	Garage Admin	13.00	24,003	23,669
	Garage Operations	22.00	40,621	40,056
	Insurance Admin (Risk Mgmt)	5.70	10,526	10,380
	Construction Management	34.00	66,932	61,904
TOTAL		1,439	2,620,002	2,620,002

Facilities Department

Division Mission

The mission of the Facilities Department is to provide the highest quality services while managing resources effectively, efficiently and with accountability. We also strive to continually evaluate and improve our methods and processes in order to expedite services in a timely manner.

Accomplishments

- Completed paining all exposed metal piping in the apparatus bay at Fire Station #4.
- Completed the installation of the Christmas Wreaths mounts for the Causeway
- Managed the Causeway Monument Signs Painting Project
- Completed the McGuire Dent Painting Project.
- Completed the BAS upgrade for City Hall and McGuire Dent facilities
- Installed 7 new gravity ventilators on the roof of the McGuire Dent Recreation Center
- Installed new Building Automation Controls at the Wright Cuney Recreation Center
- Installed new LED site lighting at the Airport Waste Water Treatment Plant
- Installed new LED site lighting at the Terrimar Waste Water Treatment Plant
- Installed new LED site lighting at the Pirates Beach Waste Water Treatment Plant
- Installed new LED exterior building lights on the McGuire Dent Recreation Center.
- Installed a new 10 ton RTU at the Main Waste Water Treatment Plant
- Installed new roof on the old MUD#1 Facility
- Completed the rehab of the old MUD#1 Facility for the Information Technology Department's temporary occupancy.
- Installed new flooring in the City Secretary's Suit.
- Initiated and closed an estimated 4,700 work orders

Goals

- Continue to expedite service calls and seek efficient, less costly methods of repairs.
- Train on the new HVAC systems at the new Fire Station and Public Works Facilities.
- Continue to seek methods to improve the completion of repair requests.
- Continue to advance our preventative maintenance practices.

FY2020 PROPOSED BUDGET
FACILITIES DEPARTMENT

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$361,901	$381,820	$382,882	$387,958
Materials and Supplies	189,898	232,000	201,860	234,500
Contractual Services	324,787	363,504	308,529	381,411
Other Charges and Services	16,732	7,362	7,362	7,362
Capital Outlay	34,662	37,785	37,785	0
Debt Service	138,892	138,896	138,896	139,589
TOTAL	**$1,066,872**	**$1,161,367**	**$1,077,315**	**$1,150,820**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Includes an annualized cost for personnel (-$6,025) and increase (+$11,100) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Increase (+$10,000) in minor office equipment, Other supplies (+12,500) and net increase (+$10,140) to various line items.

Contractual Services - Includes a net increase (+$72,880) for building repairs and cleaning services for new Public Works Facility, Island Transit and Old MUD#1 Building.

Capital Outlay - Net decrease (- $37,785) in vehicle capital outlay for FY2020.

Debt Service - Increase (+$690) based on current amortization.

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Work orders	6,273	4,599	5,100	5,000
Preventive maintenance	4	50	150	150

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Facilities Director	1.00	1.00	1.00	1.00
LEAD Facilities Maintenance Specialist	1.00	1.00	1.00	1.00
Senior Facilities Technician	1.00	1.00	1.00	1.00
Facilities Technician	2.00	2.00	2.00	2.00
TOTAL	**5.00**	**5.00**	**5.00**	**5.00**

FY2020 PROPOSED BUDGET
FACILITIES DEPARTMENT

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$264,512	$269,347	$279,128	$269,347
511002 COLA Increases	0	5,387	0	0
511005 Longevity	1,584	1,554	1,961	1,981
511009 Overtime	5,530	15,000	11,000	15,000
511125 Residency Pay	7,500	5,019	5,115	5,019
511510 Group Health Insurance - Employer's	33,600	33,600	33,600	33,600
511512 Group Health Insurance Reserve	0	0	0	11,100
511515 Worker's Compensation	2,517	1,682	1,682	2,517
511520 Group Life Insurance	887	896	912	885
511530 Social Security - Employer's	16,735	18,371	18,427	18,064
511535 Medicare - Employer's	3,914	4,296	4,309	4,225
511542 City Employee Retirement	25,122	26,668	26,748	26,221
Total Personnel Services	**$361,901**	**$381,820**	**$382,882**	**$387,958**
Materials and Supplies				
521065 Office Supplies	0	500	434	500
521067 Minor Office Equipment	2,282	20,000	10,000	20,000
522011 Chemicals	0	500	250	500
522013 Clothing	1,803	2,000	1,663	2,000
522014 Protective Gear	0	500	250	500
522025 Fuel And Lubricants	1,242	5,000	2,500	5,000
522037 Janitorial Supplies	18,887	17,500	14,299	20,000
522045 Electrical Hardware	19,589	10,000	7,896	10,000
522055 Minor Tools	244	1,500	750	1,500
522056 Minor Equipment	1,500	2,500	1,250	2,500
522065 Paint And Lumber	5,563	5,000	4,234	0
522075 Pipe And Plumbing Supplies	633	5,000	2,500	0
522099 Other Supplies	0	5,000	2,500	15,000
525031 Electricity	128,911	145,000	138,762	145,000
525032 Natural Gas	9,243	12,000	14,572	12,000
Total Materials and Supplies	**$189,898**	**$232,000**	**$201,860**	**$234,500**
Contractual Services				
531005 Other Services	43,120	10,000	5,000	0
531010 Inspection Fees	140	1,500	1,000	1,500
531014 Building Security	0	2,000	1,000	2,000
531115 Refuse Disposal	3,727	4,000	4,648	8,300
531119 Landscape Services	0	5,000	5,000	5,000
531120 Lot Maintenance	70	0	0	0
531220 Building Repairs	130,834	145,000	122,180	145,000
531230 Equipment Repairs	17,878	25,247	15,498	24,000
531240 Maintenance Contracts	63,375	70,000	63,390	70,000
531250 Vehicle Repairs	31	0	0	0
531310 Rental of Land	8,400	0	0	0
531350 Garage Charges	7,994	26,000	10,417	13,013
531360 Computer Charges	0	22,157	22,157	20,028
532065 Printing, Duplication	1,352	1,800	1,997	1,800

FY2020 PROPOSED BUDGET
FACILITIES DEPARTMENT

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
532083	Telephone Service	3,834	3,800	6,819	3,800
532084	Cellular Service	3,174	4,000	4,856	4,000
532087	Aircard Service	235	0	3,314	470
532086	Other Communications	3,273	5,000	512	2,500
533301	Cleaning Service	37,350	38,000	40,742	80,000
Total Contractual Services		**$324,787**	**$363,504**	**$308,529**	**$381,411**
Other Charges and Services					
547030	Compensated Absences	1,035	0	0	0
547060	Depreciation	2,370	0	0	0
547070	Insurance Expense	13,327	7,362	7,362	7,362
Total Other Charges and Services		**$16,732**	**$7,362**	**$7,362**	**$7,362**
Capital Outlay					
564003	Vehicle Capital Outlay	34,662	37,785	37,785	0
Total Capital Outlay		**$34,662**	**$37,785**	**$37,785**	**$0**
Debt Service					
571010	Interest Expenditure	24,710	19,793	19,793	25,272
571050	Principal Expenditure	114,182	118,968	118,968	114,182
571070	Other Expenditures	0	135	135	135
Total Debt Service		**$138,892**	**$138,896**	**$138,896**	**$139,589**
Total Expenses		**$1,066,872**	**$1,161,367**	**$1,077,315**	**$1,150,820**

Community Outreach

Department Mission

The mission of the Department of Community Outreach is to inform and educate the public of City operations, its initiatives, and to implement the community's vision for Galveston through the use of a variety of traditional and contemporary outreach tools.

Accomplishments

- Received and responded to approximately 1,150 media requests and a similar or greater number of requests from the general public.
- Posted over 840 public posts on the City of Galveston Facebook Page
- Filmed & edited approx. 150+ videos including weekly videos & special features.
- Completed approximately 400 edits to the City's website.
- Wrote and distributed approximately 110 traditional press releases.
- Hosted the Galveston University programs for 34 students over 18 weeks.
- Compiled monthly City Manager's Report from all City Departments
- Received and processed numerous requests from City departments for communications and/or visual content, such as assisting with reports, filming training videos, designing logos or other graphic material for departments, and changing items on the website.
- Worked with local committees and boards on City-related educational campaigns.
- Attended over 245+ local, regional, and state community meetings.
- Issued over 115 Loudspeaker Permits and 45+ Special Event Permits for the year.
- Barbara Sanderson was re-elected to serve a two-year term as an "At-Large Representative" on the Texas Recreation and Park Society (TRAPS) Executive Board. Megan Pierce was selected to serve as Vice Chair of Membership for the TRAPS East Region. Both serve on the 2020 TRAPS Institute & Expo Planning Committee.

Goals

- Continue improvement of all communications with the public and civic organizations by establishing an ongoing dialogue via various communication outlets, as well as conducting surveys.
- Continue Engagement with the community and City Employees by producing more "Waves of Information" campaigns, designed to help keep the public safe, informed, and engaged on events happening in the community, as well as "Employee Spotlight" interviews and videos to showcase City personnel and their responsibilities, highlighting their passion(s) and commitment to the community.
- Increase the awareness of Special Events through communication & informational campaigns, and improve the Permitting Process for Applicants
- Contribute to, plan for, and host a successful 2020 Texas Recreation & Park Society Institute & Expo in February which involves executing ideas, programming, activities, and educational sessions for Parks & Recreation staff across the state of Texas.
- Create a studio environment through the renovation of current media resources and improvement of technological equipment related to the Public Access Channel.

FY2020 PROPOSED BUDGET
COMMUNITY OUTREACH

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$42,858	$284,593	$289,196	$378,984
Materials and Supplies	0	8,000	11,000	12,500
Contractual Services	1,795	64,971	52,554	69,021
Other Charges and Services	0	6,006	6,006	7,510
Capital Outlay	0	32,000	0	0
TOTAL	**$44,653**	**$395,570**	**$358,756**	**$468,015**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services -Transfer of Special Events Coordinator from Parks Department (+$77,530), annualized cost for personnel (+$3,460) and increase (+$8,800) for $185 per month per employee for Group Health Insurance.
Materials and Supplies - Increase for general office supplies (+$1,500).

Contractual Services - Net increase (+$16,465) for media services ($7,000) and various increases ($9,465) in line items.

Other Charges and Services - Increase to insurance expenses (+$1,504).

PERFORMANCE INDICATORS

INDICATORS	FY2017 ACTUAL	FY2018 ACTUAL	FY2019 ESTIMATED	FY2020 PROPOSED
Waves of Information Videos	N/A	47	37	40
Employee Spotlight Videos	N/A	40	30	30
Feature Videos	N/A	48	58	60
Pets of the Week Videos	N/A	N/A	40	40
Press Releases / Community News	N/A	45	108	100
Media / Public Inquiry Responses	N/A	N/A	1,152	1,155
Social Media Posts	N/A	N/A	840	850
Community Meeting Attendance	N/A	N/A	246	260
Special Event Permits	56	49	50	50
Loudspeaker Permits	110	127	130	135

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Executive Director of Community Outreach	0.00	1.00	1.00	1.00
Admin. Manager/Special Events Coordinator	0.00	0.00	1.00	1.00
Communications Director / PIO	0.00	1.00	1.00	1.00
Communications Specialists	0.00	1.00	1.00	1.00
TOTAL	**0.00**	**3.00**	**4.00**	**4.00**

FY2020 PROPOSED BUDGET
COMMUNITY OUTREACH

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$33,846	$222,133	$229,969	$286,303
511005 Longevity	0	644	1,349	1,336
511009 Overtime	399	500	427	500
511125 Residency Pay	769	2,500	4,538	5,000
511510 Group Health Insurance - Employer's	1,960	20,160	20,153	26,880
511512 Group Health Insurance Reserve	0	0	0	8,880
511515 Worker's Compensation	0	500	963	500
511520 Group Life Insurance	64	564	1,013	778
511530 Social Security - Employer's	2,163	13,998	11,445	18,175
511535 Medicare - Employer's	506	3,274	2,677	4,251
511542 City Employee Retirement	3,151	20,320	16,662	26,382
Total Personnel Services	**$42,858**	**$284,593**	**$289,196**	**$378,984**
Materials and Supplies				
521065 Office Supplies	0	5,000	8,000	10,000
521067 Minor Office Equipment	0	3,000	3,000	0
522013 Clothing	0	0	0	2,500
Total Materials and Supplies	**$0**	**$8,000**	**$11,000**	**$12,500**
Contractual Services				
531013 Media Services	1,795	13,000	15,000	22,000
531025 Memberships	0	0	275	2,000
531028 Software Licenses	0	3,000	2,400	3,000
531350 Garage Charges	0	7,200	0	1,435
531360 Computer Charges	0	14,771	14,771	16,386
532062 Postage	0	400	0	200
532065 Printing, Duplication	0	8,000	6,000	6,000
532083 Telephone Service	0	2,400	2,600	3,000
532084 Cellular Service	0	5,000	3,000	4,000
532086 Other Communications	0	1,000	0	0
532087 Aircard Service	0	1,700	1,000	1,500
533085 Travel/Training	0	7,500	6,758	8,500
533100 Advertising	0	1,000	750	1,000
Total Contractual Services	**$1,795**	**$64,971**	**$52,554**	**$69,021**
Other Charges and Services				
547070 Insurance Expense	0	6,006	6,006	7,510
Total Other Charges and Services	**$0**	**$6,006**	**$6,006**	**$7,510**
Capital Outlay				
564003 Vehicle Capital Outlay	0	32,000	0	0
Total Capital Outlay	**$0**	**$32,000**	**$0**	**$0**
Total Expenses	**$44,653**	**$395,570**	**$358,756**	**$468,015**

FY2020 PROPOSED BUDGET
MAIL SERVICES

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$18,937	$19,608	$6,720	$56,749
Materials and Supplies	1,232	1,300	1,300	1,300
Contractual Services	70,549	93,109	89,169	63,362
Other Charges and Services	2,474	4,651	4,651	6,192
TOTAL	**$93,191**	**$118,668**	**$101,839**	**$127,603**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Includes an annualized cost for personnel (+$47,809) and increase (+$2,220 for $185 per month per employee for Group Health Insurance.

Contractual Services - Includes a decrease in temporary employment services (-$40,995), increase (+$8,975) in postage, maintenance contracts (+$3,500) and miscellaneous line items (+$2,710)

Other Charges and Services - Increase to insurance expenses (+$1,540).

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Support Services	1.00	1.00	1.00	1.00
TOTAL	**1.00**	**1.00**	**1.00**	**1.00**

FY2020 PROPOSED BUDGET
MAIL SERVICES

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$12,927	$2,527	$0	$37,527
511002 COLA Increase	0	751	0	751
511005 Longevity	17	67	0	0
511009 Overtime	453	0	0	0
511125 Residency Pay	865	2,510	0	2,510
511510 Group Health Insurance - Employer's	2,240	6,720	6,720	6,720
511512 Group Health Insurance Reserve	0	0	0	2,220
511515 Worker's Compensation	129	86	0	86
511520 Group Life Insurance	48	145	0	145
511530 Social Security - Employer's	790	2,533	0	2,529
511535 Medicare - Employer's	185	592	0	591
511542 City Employee Retirement	1,284	3,677	0	3,671
Total Personnel Services	**$18,937**	**$19,608**	**$6,720**	**$56,749**
Materials and Supplies				
521065 Office Supplies	240	300	300	300
521067 Minor Office Equipment	992	1,000	1,000	1,000
Total Materials and Supplies	**$1,232**	**$1,300**	**$1,300**	**$1,300**
Contractual Services				
531015 Temporary Employee Services	24,564	35,000	40,995	0
531240 Maintenance Contracts	1,400	2,000	1,500	5,000
531350 Garage Charges	3,834	3,263	2,543	2,721
531360 Computer Charges	0	1,846	1,846	3,641
532062 Postage	39,719	50,000	41,023	50,000
532083 Telephone Service	1,031	1,000	1,262	1,000
533085 Travel/Training	0	0	0	1,000
Total Contractual Services	**$70,549**	**$93,109**	**$89,169**	**$63,362**
Other Charges and Services				
547030 Compensated Absences	(3,248)	0	0	0
547070 Insurance Expense	5,722	4,651	4,651	6,192
Total Other Charges and Services	**$2,474**	**$4,651**	**$4,651**	**$6,192**
Total Expenses	**$93,192**	**$118,668**	**$101,839**	**$127,603**

FY2020 PROPOSED BUDGET
PRINT SHOP

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Materials and Supplies	94,709	97,500	53,800	52,500
Contractual Services	28,658	36,600	35,696	36,600
TOTAL	**$123,368**	**$134,100**	**$89,496**	**$89,100**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Materials and Supplies - Decrease in inventory supplies for resale (- $1,300).

Contractual Services - Maintain current level of funding for maintenance contracts and cellular service (+$900).

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Materials and Supplies				
521065 Office Supplies	496	500	489	500
521067 Minor Office Equipment	1,093	2,000	2,000	2,000
524001 Inventory Supplies For Resale	93,120	95,000	51,311	50,000
Total Materials and Supplies	**$94,709**	**$97,500**	**$53,800**	**$52,500**
Contractual Services				
531240 Maintenance Contracts	27,720	35,000	35,000	35,000
532084 Cellular Service	938	1,600	696	1,600
Total Contractual Services	**$28,658**	**$36,600**	**$35,696**	**$36,600**
Total Expenses	**$123,367**	**$134,100**	**$89,496**	**$89,100**

FY2020 PROPOSED BUDGET
CENTRAL GARAGE FUND SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	$1,665,138	$1,634,065	$1,634,065	$1,927,381
Revenues				
Motor vehicle charges	$4,085,075	$4,216,114	$4,141,032	$4,237,595
Outside agency revenue	469,071	402,728	410,632	410,632
Other revenue	70,027	27,000	111,310	100,000
Sale of equipment	14,347	15,000	15,000	7,000
Interest earned	22,981	12,000	29,672	30,000
Total revenues	$4,661,501	$4,672,842	$4,707,646	$4,785,227
Expenses				
Administration	$731,291	$1,362,582	$718,540	$866,564
Operations	3,834,008	3,343,728	3,672,041	3,918,664
Total expenses	$4,565,299	$4,706,310	$4,390,581	$4,785,227
Net income (loss)	$96,202	($33,468)	$317,065	$0
Capital Outlay	$127,275	$667,533	$23,750	$0
Ending Fund Balance	$1,634,065	$933,064	$1,927,381	$1,927,381

Personnel summary	2018 Actual	2019 Budget	2020 Budget	Salary Costs
Garage Administration	2.00	2.00	2.00	$262,140
Garage Operations	20.00	20.00	22.00	1,184,263
Totals	22.00	22.00	24.00	$1,446,402

FY2020 PROPOSED BUDGET
CENTRAL GARAGE FUND
EXPENDITURE SUMMARY

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Garage Administration	$731,291	$1,362,582	$718,540	$866,564
Garage Operations	3,961,283	4,011,261	3,695,791	3,918,664
Central Garage Fund Total	**$4,692,574**	**$5,373,843**	**$4,414,331**	**$4,785,227**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,249,607	$1,362,948	$1,316,426	$1,446,402
Materials and Supplies	2,353,570	2,339,909	2,114,060	2,255,048
Contractual Services	504,387	548,884	531,480	541,587
Other Charges and Services	455,407	432,864	428,615	542,190
Operating Transfers	2,328	21,705	0	0
Capital Outlay	127,275	667,533	23,750	0
Central Garage Fund Total	**$4,692,574**	**$5,373,843**	**$4,414,331**	**$4,785,227**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Includes an annualized cost for personnel (+$76,695) and increase (+$53,280) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Maintain current level of funding for fuel and lubricants (+$160,425) and miscellaneous decreases (-$19,435) in various line items.

Contractual Services - Net increase (+$10,105) in various contractual accounts.

Other Charges and Services - Increase in Garage portion of Auto and damage liability insurance (+$109,325) and net increase (+$4,250) in expense reimbursement.

Capital Outlay - Decrease (-$23,750) for no Capital Outlay budgeted for in FY2020.

Municipal Fleet Facilities

Department Mission

The mission of the Municipal Garage Facilities is to meet city operational equipment needs by maintaining over five hundred city vehicles and equipment in a safe, operable condition and to assist in prolonging the equipment's life span.

Accomplishments

- Installation of improved preventative maintenance systems for fleet vehicles.
- Assisting Galveston County, Galveston Parks Board and the Port of Galveston with automated monitoring of their fleet operations.
- Completed 3,729 general repairs, 1,380 Preventative Maintenance programs that resulted in 282 additional repairs from PM findings, and 497 road calls services.
- Increased auction sales revenue dramatically by utilizing on-line auction systems and improving procedures.

Goals

- To continue improving operations at the Municipal Garage Facility and in addition, work in harmony with user departments.
- To continue to improve training for the mechanics and the supporting staff.
- To continue to monitor the reduction of fleet downtime.
- Reduction of fuel usage.
- To continue to develop additional enhanced hierarchy preventative maintenance programs.
- To award annual bids on as many parts and supplies in the garage storeroom as practical.
- To continue to implement the Vehicle Replacement Program and to consider better fuel efficient and "greener" vehicles.
- To identify repair problem consistencies which will assist in decreasing scheduled repairs and unscheduled repairs.
- Research extended manufactures warranties for fleet purchases, which will reduce repair costs to the city.
- To rid the fleet of outdated and surplus equipment which will improve the fleets overall appearance.

FY2020 PROPOSED BUDGET
GARAGE ADMINISTRATION

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$197,701	$204,892	$204,792	$262,140
Materials and Supplies	39	2,330	1,242	1,500
Contractual Services	66,517	54,963	55,892	60,734
Other Charges and Services	467,033	432,864	432,864	542,190
Capital Outlay	0	667,533	23,750	0
TOTAL	**$731,291**	**$1,362,582**	**$718,540**	**$866,564**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Includes an annualized cost for personnel (+$4,065) and increase (+$53,280) for $185 per month per employee for Group Health Insurance.

Materials and Supplies - Maintain current level of funding for materials and supplies (+$260).

Contractual Services - Increase (+$4,840) in maintenance contracts.

Other Charges and Services - Increase in Garage portion of Auto and damage liability insurance (+$109,325).

Capital Outlay - Decrease (-$23,750) for no Capital Outlay budgeted for in FY2020.

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Director of Fleet, Mass Transit & Special Events	1.00	1.00	1.00	1.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00
TOTAL	**2.00**	**2.00**	**2.00**	**2.00**

FY2019 PROPOSED BUDGET
GARAGE ADMINISTRATION

LINE ITEM DETAIL	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services				
511001 Regular Payroll	$152,857	$156,141	$158,654	$159,264
511002 COLA Increases	0	3,123	0	3,185
511005 Longevity	2,448	2,412	2,533	2,629
511009 Overtime	2,161	2,000	2,443	2,000
511510 Group Health Insurance - Employer's	13,440	13,440	13,440	13,440
511512 Group Health Insurance Reserve	0	0	0	53,280
511515 Worker's Compensation	258	172	172	172
511520 Group Life Insurance	349	352	351	351
511530 Social Security - Employer's	9,698	10,148	10,108	10,359
511535 Medicare - Employer's	2,268	2,373	2,364	2,423
511542 City Employee Retirement	14,172	14,731	14,727	15,037
511650 Salary Reimbursements	49	0	0	0
Total Personnel Services	**$197,701**	**$204,892**	**$204,792**	**$262,140**
Materials and Supplies				
521065 Office Supplies	39	2,330	1,242	1,500
Total Materials and Supplies	**$39**	**$2,330**	**$1,242**	**$1,500**
Contractual Services				
531025 Memberships	534	1,000	860	1,000
531125 Other Contracts	0	2,000	1,000	1,000
531240 Maintenance Contracts	19,793	21,000	23,635	28,000
531360 Computer Charges	39,994	24,003	24,003	23,669
532062 Postage	3	60	30	50
532065 Print Shop Charges	326	0	0	0
532083 Telephone Service	3,464	3,200	3,989	3,700
532084 Cellular Service	919	1,500	1,123	1,200
532085 Pager Service	171	200	112	115
533085 Travel/Training	1,313	2,000	1,140	2,000
Total Contractual Services	**$66,517**	**$54,963**	**$55,892**	**$60,734**
Other Charges and Services				
543099 Project Management Costs	755	0	0	0
547070 Insurance Expense	466,278	432,864	432,864	542,190
Total Other Charges and Services	**$467,033**	**$432,864**	**$432,864**	**$542,190**
Capital Outlay				
564005 Capital Outlay - Improvements	0	667,533	23,750	0
Total Capital Outlay	**$0**	**$667,533**	**$23,750**	**$0**
Total Expenses	**$731,291**	**$1,362,582**	**$718,540**	**$866,564**

FY2020 PROPOSED BUDGET
GARAGE OPERATIONS

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$1,051,906	$1,158,056	$1,111,634	$1,184,263
Materials and Supplies	2,353,531	2,337,579	2,112,818	2,253,548
Contractual Services	437,869	493,921	475,588	480,853
Other Charges and Services	(11,626)	0	(4,249)	0
Operating Transfers	2,328	21,705	0	0
Capital Outlay	127,275	0	0	0
TOTAL	**$3,961,283**	**$4,011,261**	**$3,695,791**	**$3,918,664**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Includes an annualized cost for personnel (+$72,630).

Materials and Supplies - Maintain current level of funding for fuel and lubricants (+$160,425) and miscellaneous decreases (-$19,695) in various line items.

Contractual Services - Net increase (+$5,265) in various contractual accounts.

Other Charges and Services - Net increase (+$4,249) in expense reimbursement.

PERFORMANCE INDICATORS

INDICATORS	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Fleet Availability	94.00%	93.00%	92.00%	94.00%
Number of work orders	2,067	1,950	2,661	2,700
Number of PM services	970	1,170	1,214	1,300

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Fleet Maintenance Supervisor	1.00	1.00	1.00	1.00
Automotive Mechanic	6.00	6.00	6.00	6.00
Automotive Parts Specialist	1.00	1.00	1.00	1.00
Automotive Parts Technician	1.00	1.00	1.00	1.00
Fleet Service Technician	2.00	2.00	2.00	2.00
Automotive Tire Repairer	2.00	2.00	2.00	2.00
Fleet Service Technician/Station Attendant	1.00	1.00	1.00	1.00
Fleet Service Writer	1.00	1.00	1.00	1.00
Fleet Service Attendant	0.00	0.00	2.00	2.00
Parts Runner	1.00	1.00	1.00	1.00
Garage Security Attendant	3.00	3.00	3.00	3.00
Custodian	1.00	1.00	1.00	1.00
TOTAL	**20.00**	**20.00**	**22.00**	**22.00**

FY2020 PROPOSED BUDGET
GARAGE OPERATIONS

LINE ITEM DETAIL

		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$678,112	$736,206	$721,015	$769,193
511002	COLA Increases	0	14,724	0	0
511005	Longevity	8,850	8,788	9,407	10,463
511009	Overtime	53,460	60,000	48,907	60,000
511125	Residency Pay	39,220	37,500	39,114	39,998
511410	Separation Vacation	2,563	0	0	0
511420	Separation Sick Pay	1,043	0	0	0
511430	Separation Compensatory Time	112	0	0	0
511510	Group Health Insurance	133,132	147,840	147,840	147,840
511515	Worker's Compensation	10,951	7,317	7,317	7,317
511520	Group Life Insurance	2,634	2,953	2,767	2,989
511530	Social Security - Employment	47,240	53,148	49,930	54,539
511535	Medicare - Employer's	11,048	12,430	11,677	12,755
511542	City Employee Retirement	70,502	77,150	73,660	79,169
511650	Salary Reimbursements	(6,961)	0	0	0
Total Personnel Services		**$1,051,906**	**$1,158,056**	**$1,111,634**	**$1,184,263**
Materials and Supplies					
521065	Office Supplies	2,368	5,000	3,756	5,000
521067	Minor Office Equipment	4,159	6,000	3,513	6,000
522013	Clothing	13,224	14,500	12,817	14,500
522025	Fuel And Lubricants	1,694,510	1,640,000	1,378,567	1,538,993
522037	Janitorial Supplies	7,241	7,500	7,564	7,500
522055	Minor Tools	14,685	16,500	25,502	16,500
522059	Motor Vehicle Parts	597,167	623,079	658,626	640,055
525031	Electricity	15,993	21,000	18,499	21,000
525032	Natural Gas	4,184	4,000	3,974	4,000
Total Materials and Supplies		**$2,353,531**	**$2,337,579**	**$2,112,818**	**$2,253,548**
Contractual Services					
531005	Other Services	107	0	700	0
531025	Memberships	499	0	189	0
531125	Other Contracts	40,199	55,000	7,996	5,000
531220	Building Repairs	3,782	9,700	9,618	9,700
531230	Equipment Repairs	4,290	6,000	4,947	6,000
531250	Vehicle Repairs	350,708	340,000	374,479	374,479
531350	Garage Charges	26,096	30,000	21,572	31,018
531360	Computer Charges	0	40,621	40,621	40,056
532083	Telephone Service	11,518	12,000	14,955	14,000
532087	Aircard Service	654	600	510	600
533085	Travel/Training	15	0	0	0
Total Contractual Services		**$437,869**	**$493,921**	**$475,588**	**$480,853**
Other Charges and Services					
544087	Expense Reimbursement	0	0	(4,249)	0
544097	Expenses Reimb. - Other	(11,626)	0	0	0
Total Other Charges and Services		**($11,626)**	**$0**	**($4,249)**	**$0**

FY2020 PROPOSED BUDGET
GARAGE OPERATIONS

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Operating Transfers				
553050 Transfer to Hurricane Harvey	2,328	21,705	0	0
Total Operating Transfers	**$2,328**	**$21,705**	**$0**	**$0**
Capital Outlay				
564003 Vehicle Capital Outlay	127,275	0	0	0
Total Capital Outlay	**$127,275**	**$0**	**$0**	**$0**
Total Expenses	**$3,961,283**	**$4,011,261**	**$3,695,791**	**$3,918,664**

FY2020 PROPOSED BUDGET
CASUALTY & LIABILITY INSURANCE FUND

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	$3,066,131	$3,377,727	$3,377,727	$108,921
Revenues:				
Charges for services				
Waterworks Fund	$197,406	$175,068	$175,068	$226,482
Sewer System Fund	255,161	218,366	218,366	260,249
Drainage Utility Fund	40,497	32,327	32,327	33,508
Sanitation Fund	82,290	64,665	64,665	71,250
Capital Projects Fund	9,415	15,259	15,259	18,095
Central Services	30,656	33,510	33,511	39,258
Central Garage	466,278	432,864	432,864	542,190
Airport Fund	148,984	134,565	134,565	168,845
Federal/state grants	111,317	99,338	99,338	75,125
Community Pool	0	30,702	30,702	39,403
General Fund	718,395	534,602	534,605	599,680
Other revenue	43,261	19,000	8,761	9,000
Operating Transfers In	0	2,386,800	2,386,800	0
Total revenues	$2,103,660	$4,177,066	$4,166,831	$2,083,085
Expenses:				
Administration	$178,045	$185,666	$184,349	$192,301
Insurance polices	1,349,457	1,474,600	1,471,543	1,537,500
Other expenses	264,561	5,770,000	5,779,746	345,000
Total expenses	$1,792,063	$7,430,266	$7,435,637	$2,074,801
Net income (loss)	$311,597	($3,253,200)	($3,268,806)	$8,284
Ending Fund Balance	$3,377,727	$124,527	$108,921	$117,205

Personnel summary	2018 Actual	2019 Budget	2020 Budget	Salary Costs
Insurance Fund - Administration	1.710	1.710	1.701	$159,495
Totals	1.710	1.710	1.701	$159,495

FY2020 PROPOSED BUDGET
CASUALTY AND LIABILITY FUND
EXPENDITURE SUMMARY

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Insurance Administration	$178,045	$185,666	$184,349	$192,301
Policies In Force	1,349,457	1,474,600	1,471,543	1,537,500
Other Operating Expenses	264,561	5,770,000	5,779,746	345,000
Casualty and Liability Total	**$1,792,064**	**$7,430,266**	**$7,435,637**	**$2,074,801**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$148,962	$151,439	$156,271	$159,495
Materials and Supplies	1,014	3,300	3,300	3,300
Contractual Services	1,716,245	2,020,527	2,021,066	1,927,006
Other Charges and Services	(74,157)	5,255,000	5,255,000	(15,000)
Casualty and Liability Total	**$1,792,064**	**$7,430,266**	**$7,435,637**	**$2,074,801**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Personnel Services - Net increase (+$3,225) includes cost of annualized salaries.

Contractual Services - Includes increases in Windstorm (+$30,000), Fire and extended coverage (+$7,030), Flood insurance (+$5,000), garage charges (+$4,730) and miscellaneous increases (+$14,1800) in various policies. Decrease of $100,000 in Uninsured Damage Claims, $55,000 in Uninsured Legal Claims.

Other Charges and Services - Net decrease (-$5,280,000) one time payment made for CDM Settlement in FY2019 and an increase (+$10,000) in expense reimbursements.

Municipal Insurance

Division Mission

The City's insurance program is monitored by both the Risk Management and the Human Resource Departments, which coordinates and supervises the fringe benefit program for City employees. The Risk Manager assists the overall performance of the self-insured Health plan and supervises the Worker's Compensation self-insurance plan. He also identifies risk areas and secures insurance coverage for the City's property and liability risk.

Accomplishments

- Provided insurance expertise on flood and windstorm insurance to assist in closing out claims related to Hurricane Harvey damage to City facilities.
- Reviewed and updated insurance coverage for City owned vehicles and mobile equipment.
- Reviewed and updated building value and contents insurance limits for all City owned and leased properties.
- Monitor and assist employees with the City self-insured Workers Compensation plan including modified duty assignments and return to work issues. Participate in benefit review and appeal hearings with the TPA.
- Managed multiple workers compensation claims by ensuring reporting procedures were appropriate and adequate.
- Developed and organized all required documentation for the annual Workers Compensation audit.
- Briefed and trained employees and departments on Risk Management policies and procedures.
- Classified, evaluated and monitored multiple liability claims against the City from initial receipt, investigation and ultimate resolution.
- Responded to and provided oversight in several TCEQ approved recovery and final disposition projects, including the discovery of underground storage tanks, a mercury spill and contaminated soils.

Goals

- Achieve a better understanding of risk with cost savings through better management of resources.
- Build and improve capabilities to respond effectively to low probability, catastrophic risks.
- Continue to Identify and assess risks. Review risk management efforts in risk control and financing measures.
- Closely monitor the worker's compensation insurance fund.
- Continue to review all city properties and personnel for safety compliance.
- Continue safety inspections and work site-specific courses for employees throughout the City operations.

FY2020 PROPOSED BUDGET
INSURANCE ADMINISTRATION

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$148,962	$151,439	$156,271	$159,495
Materials and Supplies	1,014	3,300	3,300	3,300
Contractual Services	24,453	30,927	24,778	29,506
Other Charges and Services	3,616	0	0	0
TOTAL	**$178,045**	**$185,666**	**$184,349**	**$192,301**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Personnel Services - Net increase (+$3,225) includes cost of annualized salaries.

Contractual Services - Increase in garage charges (+$4,730)

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Risk Manager	1.00	1.00	1.00	1.00
Human Resources Specialist	0.110	0.110	0.101	0.101
Administrative Assistant	0.60	0.60	0.60	0.60
TOTAL	**1.710**	**1.710**	**1.701**	**1.701**

FY2020 PROPOSED BUDGET
INSURANCE ADMINISTRATION

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$115,764	$116,543	$121,405	$122,023
511002	COLA Increases	0	2,331	0	0
511005	Longevity	563	540	617	623
511125	Residency Pay	1,500	0	1,744	0
511510	Group Health Insurance - Employer's	11,431	11,431	11,430	11,431
511512	Group Health Insurance Reserve	0	0	0	3,776
511515	Worker's Compensation	229	153	229	229
511520	Group Life Insurance	286	559	473	586
511530	Social Security - Employer's	6,958	7,404	7,482	7,755
511535	Medicare - Employer's	1,627	1,731	1,750	1,814
511542	City Employee Retirement	10,604	10,747	11,141	11,258
Total Personnel Services		**$148,962**	**$151,439**	**$156,271**	**$159,495**
Materials and Supplies					
521065	Office Supplies	567	1,800	1,800	1,800
522055	Minor Tools	378	1,500	1,500	1,500
522065	Paint and Lumber	69	0	0	0
Total Materials and Supplies		**$1,014**	**$3,300**	**$3,300**	**$3,300**
Contractual Services					
531005	Other Services	2,822	2,000	1,800	2,000
531025	Memberships	0	500	500	500
531220	Building Repairs	248	0	0	0
531350	Garage Charges	6,188	7,501	1,652	6,226
531360	Computer Charges	10,000	10,526	10,526	10,380
532062	Postage	47	300	300	300
532083	Telephone Service	2,062	2,500	2,500	2,500
532084	Cellular Service	1,511	2,000	2,000	2,000
532087	Aircard Service	419	500	500	500
533085	Travel/Training	1,155	5,100	5,000	5,100
Total Contractual Services		**$24,453**	**$30,927**	**$24,778**	**$29,506**
Other Charges and Services					
547030	Compensated Absences	3,616	0	0	0
Total Other Charges and Services		**$3,616**	**$0**	**$0**	**$0**
Total Expenses		**$178,045**	**$185,666**	**$184,349**	**$192,301**

FY2020 PROPOSED BUDGET
POLICIES IN FORCE

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services	1,363,213	1,484,600	1,491,543	1,547,500
Other Charges and Services	(13,756)	(10,000)	(20,000)	(10,000)
TOTAL	**$1,349,457**	**$1,474,600**	**$1,471,543**	**$1,537,500**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Contractual Services - Includes increases in Windstorm (+ $30,000), Fire and extended coverage (+$7,030), Flood insurance (+$5,000) and miscellaneous increases (+$13,925) in various policies.

Other Charges and Services - Increase (+$10,000) in expense reimbursements.

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services				
534013 Automobile Physical Damage	$161,921	$180,000	$176,483	$180,000
534014 Windstorm	426,919	485,000	455,000	485,000
534015 Contractor's Equip & Val. Papers	26,071	27,000	29,097	30,000
534016 Flood	162,677	172,000	185,000	190,000
534017 Airport Liability	1,990	3,000	1,990	3,000
534018 Police Liability	102,959	105,000	114,857	115,000
534019 Public Official Liability	78,657	71,500	71,432	72,000
534021 Fire & Ext. Coverage	52,619	78,100	82,968	90,000
534026 Auto Liability	225,388	230,000	232,065	236,000
534027 General Liability	40,169	41,000	43,388	44,000
534028 Employee Blanket Bond	2,882	4,000	5,157	5,500
534029 Unemployment Insurance	52,933	60,500	57,000	57,000
534037 Vehicle - Catastrophic Insurance	15,222	15,500	19,881	20,000
534039 Pollution Control Policy	12,805	12,000	17,225	20,000
Total Contractual Services	**$1,363,213**	**$1,484,600**	**$1,491,543**	**$1,547,500**
Other Charges and Services				
544087 Expense Reimbursement	(13,756)	(10,000)	(20,000)	(10,000)
Total Other Charges and Services	**($13,756)**	**($10,000)**	**($20,000)**	**($10,000)**
Total Expenses	**$1,349,457**	**$1,474,600**	**$1,471,543**	**$1,537,500**

FY2020 PROPOSED BUDGET
OTHER OPERATING EXPENSES

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services	328,579	505,000	504,746	350,000
Other Charges and Services	(64,018)	5,265,000	5,275,000	(5,000)
TOTAL	**$264,561**	**$5,770,000**	**$5,779,746**	**$345,000**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Contractual Services - Decrease of $100,000 in Uninsured Damage Claims, $55,000 in Uninsured Legal Claims and maintaining (+$254) current level of budget in Employee Assistance Program.

Other Charges and Services - Net decrease (-$5,280,000) one time payment made for CDM Settlement in FY2019.

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services				
534032 Preventive Health Program	75,396	75,000	75,000	75,000
534033 Uninsured Damage Claims	202,125	250,000	250,000	150,000
534034 Uninsured Legal Fees	41,697	170,000	170,000	115,000
534035 Employee Assistance Program	9,360	10,000	9,746	10,000
Total Contractual Services	**$328,579**	**$505,000**	**$504,746**	**$350,000**
Other Charges and Services				
544087 Expense Reimbursement	(64,018)	(15,000)	(5,000)	(5,000)
591065 CDM Settlement	0	5,280,000	5,280,000	0
Total Other Charges and Services	**($64,018)**	**$5,265,000**	**$5,275,000**	**($5,000)**
Total Expenses	**$264,561**	**$5,770,000**	**$5,779,746**	**$345,000**

CITY OF GALVESTON

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FY2020 PROPOSED BUDGET
WORKERS' COMPENSATION FUND

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	$2,288,272	$2,476,817	$2,476,817	$103,086
Revenues:				
Charges for services				
Workers' compensation	$602,543	$409,619	$409,619	$452,000
Interest	38,741	16,000	15,368	12,000
Total revenues	$641,284	$425,619	$424,987	$464,000
Expenses:				
Insurance polices	$452,739	$2,812,419	$2,798,718	$461,000
Total expenses	$452,739	$2,812,419	$2,798,718	$461,000
Net income (loss)	$188,545	($2,386,800)	($2,373,731)	$3,000
Ending Fund Balance	$2,476,817	$90,017	$103,086	$106,086

FY2020 PROPOSED BUDGET
WORKERS' COMPENSATION FUND
EXPENDITURE SUMMARY

DEPARTMENT	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Policies in Force	$452,739	$2,812,419	$2,798,718	$461,000
Workers' Compensation Total	**$452,739**	**$2,812,419**	**$2,798,718**	**$461,000**

CATEGORY	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services	452,739	425,619	411,918	461,000
Operating Transfers	0	2,386,800	2,386,800	0
Workers' Compensation Total	**$452,739**	**$2,812,419**	**$2,798,718**	**$461,000**

HIGHLIGHTS (FY2020 Proposed Over/Under FY2019 Estimated)

Contractual Services - Net increase (+$49,080) in Worker's Compensation policies and administrative stop loss payments.

Operating Transfers - Net decrease (-$2,386,800) in surplus funds transferred to the Casual & Liability Fund to cover on time cost associated with the CDM Settlement.

FY2020 PROPOSED BUDGET
POLICIES IN FORCE

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services	452,739	425,619	411,918	461,000
TOTAL	**$452,739**	**$2,812,419**	**$2,798,718**	**$461,000**

BUDGET HIGHLIGHTS (FY2020 PROPOSED OVER/UNDER FY2019 ESTIMATED)

Contractual Services - Net increase (+$49,080) in Worker's Compensation policies and administrative stop loss payments.

Operating Transfers - Net decrease (-$2,386,800) in surplus funds transferred to the Casual & Liability Fund to cover cost associated with the CDM Settlement.

LINE ITEM DETAIL

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Contractual Services				
534023 Workers' Compensation	$368,290	$340,000	$321,191	$370,000
534054 Administrative & Stop Loss	84,449	85,619	90,727	91,000
Total Contractual Services	**$452,739**	**$425,619**	**$411,918**	**$461,000**
Operating Transfers				
553024 Insurance - Transfer Out	0	2,386,800	2,386,800	0
Total Operating Transfers	**$0**	**$2,386,800**	**$2,386,800**	**$0**
Total Expenses	**$452,739**	**$2,812,419**	**$2,798,718**	**$461,000**

CITY OF GALVESTON

1839

FY2020 PROPOSED BUDGET
HEALTH AND LIFE INSURANCE FUND SUMMARY

OVERVIEW

The Health and Life Insurance Fund accounts for the City's self-insurance for health benefits for City employees, their dependents and retirees. The impact of rising health care across the nation has contributed to the rise of health care benefits locally. Employer contributions are being increased this fiscal year by $185 per employee per month. The CIty and the Park Board will pay this amount effective October 1, 2019 with the start of their fiscal year while the Wharves Authority will contribute the new amount when their fiscal year begins January 1, 2020.

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	$2,645,052	$1,819,869	$1,819,869	$0
Revenues:				
Medical Insurance-Retiree & Cobra	$216,184	$203,400	$249,703	$339,720
Medical Ins. Contributions-City	5,382,060	5,433,000	5,501,604	7,697,340
Medical Ins. Contributions-Park Board	518,310	535,000	551,270	798,040
Medical Ins. Contributions-Park Board EE'S	120,215	92,000	125,970	100,440
Medical Ins. Contributions-EE's	1,302,872	1,450,000	1,428,921	1,568,745
Medical Ins. Contributions-Wharves	515,190	0	462,560	674,680
Med. Ins. Contrib.-Wharves Employee	143,480	531,000	136,510	145,560
Stop Loss Reimbursements	661,076	156,600	562,221	250,000
Life Insurance	127,486	500,000	130,451	140,000
Other Refunds and No Shows	90,132	129,000	282,487	250,000
Interest	29,640	30,000	26,338	30,000
Total revenues	$9,106,645	$9,060,000	$9,458,035	$11,994,525
Expenses:				
Insurance polices	$8,925,981	$8,004,000	$10,293,586	$10,931,463
Health clinic operating expense	1,005,848	1,056,000	984,317	1,063,062
Total expenses	$9,931,829	$9,060,000	$11,277,903	$11,994,525
Net income (loss)	($825,184)	$0	($1,819,868)	$0
Ending Fund Balance	$1,819,869	$1,819,869	$0	$0

Highlights (FY 2020 Proposed Over/Under FY 2019 Estimated)

Contributions - There will be a significant increase to contributions to the plan by all parties involved. After several years of catastrophic claims, the plan required a complete overhaul. Employer contributions will increase by $185 per employee.

Claims - Claims have increased over the last several year. Trends are showing an average of 8% increase on costs to the plan. The budget will show a slight increase, but plan changes should keep the costs down to make the increase less significant.

Other Expenses - There are potential savings on the table with consideration to close one of the mainland clinics. Stop loss premiums should stay flat due to last year's renogotiation of rates based on a $200K rate instead of the previous $150K.

FY2020 PROPOSED BUDGET
HEALTH AND LIFE INSURANCE FUND SUMMARY

Category	FY 2018 Actual	FY 2019 Budget	FY 2019 Estimated	FY 2020 Proposed
Contributions				
Employer Contributions - City	5,382,060	5,433,000	5,501,604	7,697,340
Employee Contributions - City	1,302,872	1,450,000	1,428,921	1,568,745
Park Board Employer Contributions	518,310	535,000	551,270	798,040
Park Board Employee Contributions	120,215	92,000	125,970	100,440
Wharves Employer Contributions	515,190	0	462,560	674,680
Wharves Employee Contributions	143,480	531,000	136,510	145,560
Retiree & Cobra - City	216,184	203,400	249,703	339,720
Interest on Investments	29,640	30,000	26,338	30,000
Stop Loss Reimbursements	661,076	156,600	562,221	250,000
Other Refunds and No Shows	90,132	129,000	282,487	250,000
Life Insurance	127,486	500,000	130,451	140,000
Total Contributions	**9,106,645**	**9,060,000**	**9,458,034**	**11,994,525**
Claims and Expenses				
City Medical Claims	4,570,688	3,861,000	4,865,000	5,254,200
City Medical Claims Subtotal	**4,570,688**	**3,861,000**	**4,865,000**	**5,254,200**
Port of Galveston Medical Claims	557,783	569,000	1,340,551	1,476,984
Park Board of Trustees Medical Claims	227,766	186,000	366,191	395,496
All Medical Claims Subtotal	**5,356,237**	**4,616,000**	**6,571,742**	**7,126,680**
Prescriptions				
Prescriptions - City	1,323,743	1,120,000	1,593,000	1,720,440
Prescriptions - Port	321,046	272,000	205,644	222,096
Prescriptions - Park Board	198,137	149,000	120,567	130,212
Prescriptions Subtotal	**1,842,926**	**1,541,000**	**1,919,211**	**2,072,748**
Total Claims Expense	**7,199,163**	**6,157,000**	**8,490,953**	**9,199,428**
Plan Administration				
Administration - Plan Administrator	489,711	522,000	541,508	545,670
Stop Loss Premium	1,101,706	1,132,000	967,530	1,044,932
Investment fees	0	1,000	0	1,000
Transitional Reinsurance Fee	8,091	63,000	5,577	0
Health Clinics Operating Expense	1,005,848	1,056,000	984,317	1,063,062
Life Insurance	127,311	129,000	130,030	140,432
Other Expenses Subtotal	**2,732,666**	**2,903,000**	**2,628,962**	**2,795,097**
Expenses Total	**9,931,829**	**9,060,000**	**11,119,915**	**11,994,525**
Yearend Claims Accrual	**-**	**-**	**157,988**	**-**
Contributions Over/(Under) Expense	**(825,184)**	**0**	**(1,819,868)**	**0**
Beginning Fund Balance	**2,645,052**	**1,819,868**	**1,819,868**	**0**
Ending Fund Balance	**1,819,868**	**1,819,868**	**0**	**0**

FY2019 PROPOSED BUDGET
PROJECT MANAGEMENT FUND SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Beginning Fund Balance	$5,745	$5,813	$5,813	$5,813
Revenues:				
Capital Projects - Transfer in	$0	$0	$0	$0
Interest Earned-Operating	68	0	0	0
Total revenues	$68	$0	$0	$0
Expenses:				
Project Management	$0	$0	$0	$0
Total expenses	$0	$0	$0	$0
Net income (loss)	$68	$0	$0	$0
Net assets at end of year	$5,813	$5,813	$5,813	$5,813

Personnel summary	2018 Actual	2019 Budget	2020 Budget	Salary Costs
Project Management	17.00	17.25	16.00	$1,361,419
Totals	17.00	17.25	16.00	$1,361,419

FY2019 PROPOSED BUDGET
PROJECT MANAGEMENT FUND
EXPENDITURE SUMMARY

DEPARTMENT	FY2017 ACTUAL	FY2018 BUDGET	FY2018 ESTIMATED	FY2019 PROPOSED
Project Management	$0	$0	$0	$0
Project Management Total	**$0**	**$0**	**$0**	**$0**

CATEGORY	FY2017 ACTUAL	FY2018 BUDGET	FY2018 ESTIMATED	FY2019 PROPOSED
Personnel Services	$744,111	$1,488,495	$1,222,955	$1,361,419
Materials and Supplies	9,088	8,500	9,098	12,000
Contractual Services	100,597	107,722	119,468	121,637
Other Charges and Services	(853,796)	(1,604,717)	(1,351,521)	(1,495,056)
Project Management Total	**$0**	**$0**	**$0**	**$0**

HIGHLIGHTS (FY2019 Proposed Over/Under FY2018 Estimated)

*These costs will be allocated per the Capital Improvement Plan FY2020.

Personnel Services - Includes an annualized cost for personnel (+ $102,964), and additional funding (+$35,520) at $185 per month per employee to be transferred to the Group Health Insurance Fund.

Materials and Supplies - Includes increase (+$2,900) for safety and office supplies.

Contractual Services - Includes increases (+$2,170) for miscellaneous line items.

Other Charges and Services - Overall Increase (-143,535) in expense reimbursement for Departmental increases

Project Management

Division Mission

The mission of the Construction Management Division is to assist all City departments with construction related activity and to ensure communication between City departments, design professionals and consultants, both during design/development phase and construction phase of projects while monitoring all city projects in the field for quality. The Construction Division monitors progress payments with relation to completion, processing and tracking changes to the contracts and overseeing dispute resolution. Additionally, the Division oversees real property acquisition needs for the City's construction projects.

Accomplishments

- Completed inspection of the multiuse field as part of the Crocket Park project.
- Commencement of the Harborside Dr. improvements to enhance the tourist gateway to the City.
- Completed phase 1 of the 27th Street scenic corridor project.
- Competed the Seawall enhancements improving the island experience for tourists visiting the Seawall.
- Completed construction of 28.6 million dollars of capital improvement projects.

Goals

- Provide engineering, construction management and grant administration services towards the completion of all projects currently under construction as shown in the adopted Capital Improvement Plan.
- Achievement of Public Infrastructure Inspector certification for all construction inspectors.
- Ensure engagement and correspondence between design staff, consultants and various City departments thereby increasing efficiency among all.
- Maintain oversight of council approved projects ensuring budgets are met and not exceeded, ensuring quality of projects.
- Improve coordination with public franchise utilities in the accomplishment of City projects.

FY2020 PROPOSED BUDGET
PROJECT MANAGEMENT

EXPENDITURE SUMMARY

	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services	$744,111	$1,488,495	$1,222,955	$1,361,419
Materials and Supplies	9,088	8,500	9,098	12,000
Contractual Services	100,597	107,722	119,468	121,637
Other Charges and Services	(853,796)	(1,604,717)	(1,351,521)	(1,495,056)
TOTAL	**$0**	**$0**	**$0**	**$0**

BUDGET HIGHLIGHTS (FY2019 PROPOSED OVER/UNDER FY2018 ESTIMATED)

*These costs will be allocated per the Capital Improvement Plan FY2020.

Personnel Services - Includes an annualized cost for personnel (+ $102,964), and additional funding (+$35,520) at $185 per month per employee to be transferred to the Group Health Insurance Fund.

Materials and Supplies - Includes increase (+$2,900) for safety and office supplies.

Contractual Services - Includes increases (+$2,170) for miscellaneous line items.

Other Charges and Services - Overall Increase (-143,535) in expense reimbursement for Departmental increases

PERSONNEL

POSITION	FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
ACM Development & Muni Services	0.00	0.25	0.00	0.00
Director of Capital Projects	1.00	1.00	1.00	1.00
City Engineer	1.00	1.00	1.00	1.00
Architectural Project Manager	0.00	0.00	1.00	1.00
Senior Assistant City Engineer	1.00	1.00	1.00	1.00
Assistant City Engineer	1.00	1.00	1.00	1.00
Construction Manager	1.00	1.00	1.00	1.00
FEMA Public Asst. Program Mgr.	1.00	1.00	1.00	1.00
Senior Construction Inspector	1.00	1.00	1.00	1.00
Senior Projects Manager	1.00	1.00	1.00	0.00
Special Project Manager	1.00	1.00	0.00	0.00
Project Manager	1.00	1.00	1.00	1.00
Construction Project Coordinator	1.00	1.00	1.00	1.00
Construction Inspector	4.00	4.00	4.00	4.00
Design Assistant	0.00	0.00	0.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
Project Scheduler	1.00	1.00	0.00	0.00
TOTAL	**17.00**	**17.25**	**16.00**	**16.00**

FY2020 PROPOSED BUDGET
PROJECT MANAGEMENT

LINE ITEM DETAIL		FY2018 ACTUAL	FY2019 BUDGET	FY2019 ESTIMATED	FY2020 PROPOSED
Personnel Services					
511001	Regular Payroll	$1,123,695	$1,348,525	$1,113,655	$1,217,811
511002	Salary Increases	0	26,971	0	24,356
511005	Longevity	4,478	3,980	4,302	4,366
511006	Differential Pay	500	0	0	800
511009	Overtime	21,381	40,000	40,383	40,000
511021	Part-time payroll	5,359	0	33,812	0
511125	Residency Pay	10,682	8,000	10,231	8,000
511510	Group Health Insurance - Employer's	100,403	115,920	115,920	107,520
511512	Group Health Insurance -Reserve	0	0	0	35,520
511515	Worker's Compensation	4,371	4,371	4,370	4,371
511520	Group Life Insurance	2,810	2,920	2,658	3,002
511530	Social Security - Employer's	70,514	88,553	73,740	80,311
511535	Medicare - Employer's	16,491	20,710	17,246	18,782
511542	City Employee Retirement	104,228	128,545	106,638	116,580
511650	Salary Reimbursements	(274,833)	(150,000)	(150,000)	(150,000)
511655	Salary Reimbursements-Grants	(445,969)	(150,000)	(150,000)	(150,000)
Total Personnel Services		**$744,111**	**$1,488,495**	**$1,222,955**	**$1,361,419**
Materials and Supplies					
521065	Office Supplies	5,513	4,000	4,000	7,000
522013	Clothing	1,815	3,000	3,000	4,000
522037	Janitorial Supplies	89	0	0	0
522038	Safety Supplies	258	1,000	500	500
522055	Minor Tools	809	500	250	500
522056	Minor Equipment	0	0	269	0
522099	Other Supplies	315	0	350	0
525031	Electricity	268	0	499	0
525032	Natural Gas	22	0	230	0
Total Materials and Supplies		**$9,088**	**$8,500**	**$9,098**	**$12,000**
Contractual Services					
531025	Memberships	285	1,000	500	1,000
531027	Certifications	0	1,000	832	1,000
531028	Software Licenses	3,764	0	0	0
531240	Maintenance Contracts	2,930	2,500	5,612	5,600
531310	Rental Of Land & Buildings	0	6,804	6,804	6,804
531350	Garage Charges	13,600	13,986	12,015	18,329
531360	Computer Charges	68,000	66,932	66,932	61,904
532065	Printing, Duplication	336	500	903	1,000
532066	Print shop Charges	1,197	0	400	0
532083	Telephone Service	4,071	5,000	14,291	15,000
532084	Cellular Service	5,001	5,000	6,179	6,000
532086	Other Communications	180	0	0	0
533085	Travel & Training	1,233	5,000	5,000	5,000
Total Contractual Services		**$100,597**	**$107,722**	**$119,468**	**$121,637**
Other Charges and Services					
543099	Project Mgmt Costs (Capital)	(951,927)	(1,619,976)	(1,366,780)	(1,513,150)
544087	Expense Reimbursement	316	0	0	0
544099	Miscellaneous Expense	200	0	0	0
547030	Compensated Absences	88,200	0	0	0
547070	Insurance expense	9,415	15,259	15,259	18,094
Total Other Charges and Services		**($853,796)**	**($1,604,717)**	**($1,351,521)**	**($1,495,056)**
Total Expenses		**$0**	**$0**	**$0**	**$0**

Capital Improvements

City of Galveston

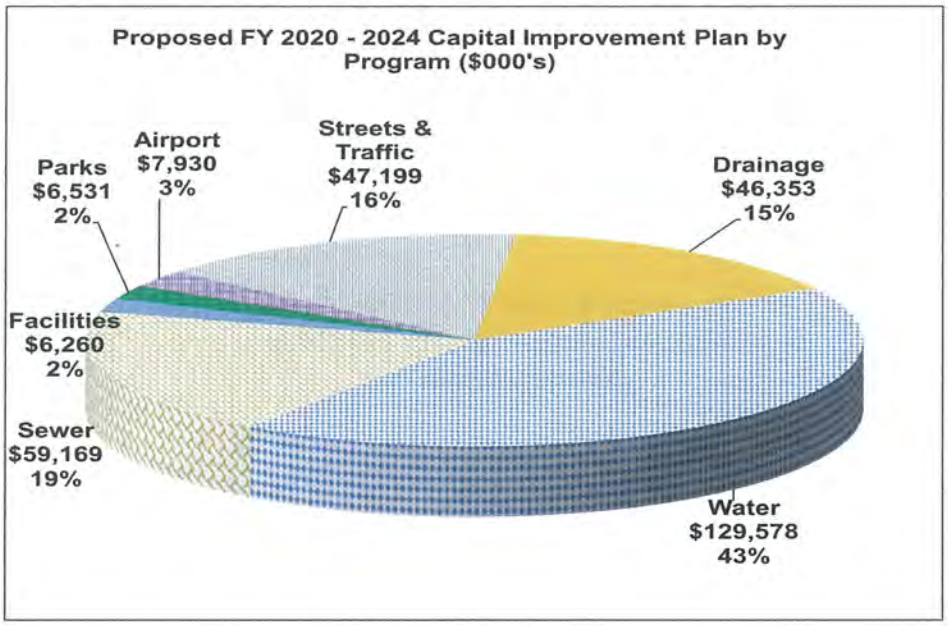
OFFICE OF THE CITY MANAGER

PO Box 779| Galveston, TX 77553-0779
www.citymanager@galvestontx.gov |409-797-3520

August, 2019

To: Honorable Mayor James D. Yarborough and Members of City Council
Subject: Proposed FY 2020-2024 Capital Improvement Plan

Attached please find the Proposed FY 2020-2024 Capital Improvement Plan (CIP) for the City of Galveston. The CIP will also be included in summary form in the Proposed FY2020 Budget. The CIP provides project level detail for $303 million in projects in seven program areas (see below). The Water ($129.6 million), Streets ($47.2 million), Sewer ($59.2 million) and Drainage ($46.4 million) programs include 93 percent of the projects in the Adopted CIP.



CIP highlights include:

1. Implementation of the May 2017 bond election, designing and constructing $62 million in bond funded street and drainage projects;
2. Resurfacing and replacing streets that are in deteriorated condition;
3. Completion of major drainage improvement projects that serve the Harborside and East End drainage basins;
4. Construction of additional water storage capacity; and
5. Major renewal and replacement programs for sanitary sewers citywide.

City of Galveston

OFFICE OF THE CITY MANAGER

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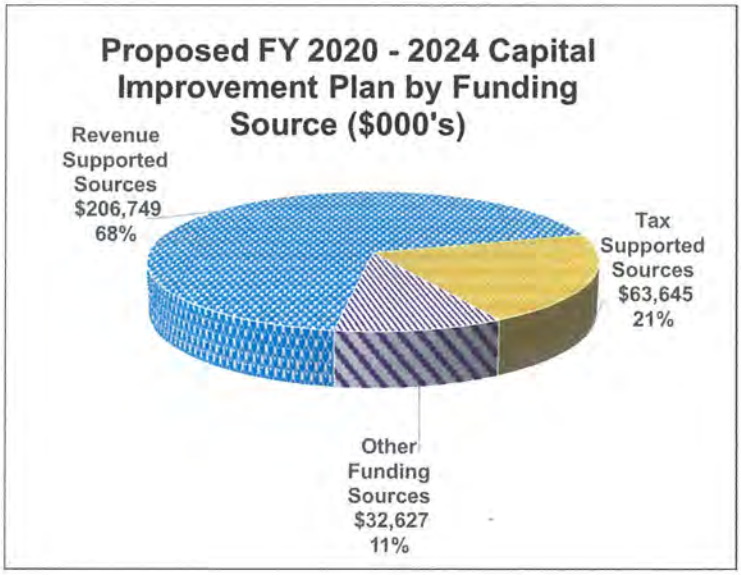
All street and drainage projects presented as priorities in the May 2017 bond election are proposed to be underway by FY 2021 and completed by the end of FY 2022.

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
TOTALS BY PROGRAM AND FISCAL YEAR
FY 2020 - 2024

PROGRAM	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	TOTAL
Streets and Traffic	$17,354,662	$24,837,590	$1,669,000	$1,669,000	$1,669,000	47,199,252
Drainage	13,303,665	32,799,631	250,000	0	0	46,353,296
Water	44,184,055	23,480,150	23,178,110	22,504,196	16,231,200	129,577,711
Sewer	5,084,173	6,481,000	7,112,607	15,456,370	25,034,638	59,168,788
Facilities	4,965,939	1,294,000	0	0	0	6,259,939
Parks & Recreation	1,875,000	2,162,000	844,000	1,650,000	0	6,531,000
Airport	1,846,790	2,423,156	3,660,360	0	0	7,930,306
TOTAL	**$88,614,284**	**$93,477,527**	**$36,714,077**	**$41,279,566**	**$42,934,838**	**$303,020,292**

Federally funded projects are almost complete and the Hurricane Ike recovery period is being closed. We are now focused on those needs that could not be addressed with federal funds including the replacement and improvement of aging infrastructure.



City of Galveston

OFFICE OF THE CITY MANAGER

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CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
TOTALS BY SOURCE OF FUNDS
FY 2020 - 2024

FUNDING SOURCE	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	TOTAL
TAX SUPPORTED FUNDS						
2017 G.O. BONDS (PROPERTY TAX SUPPORTED)	6,758,962	0	0	0	0	6,758,962
FUTURE PROPERTY TAX SUPPORTED BONDS	12,978,516	21,998,608	800,000	800,000	800,000	37,377,124
SUBTOTAL PROPERTY TAX SUPPORTED BONDS	**$19,737,478**	**$21,998,608**	**$800,000**	**$800,000**	**$800,000**	**$44,136,086**
IDC - BEACH NOURISHMENT (SALES TAX)	1,850,000	0	844,000	0	0	2,694,000
IDC - PARKS & RECREATION (SALES TAX)	25,000	2,162,000	0	1,650,000		3,837,000
IDC - INFRASTRUCTURE (SALES TAX)	3,469,293	369,000	619,000	369,000	369,000	5,195,293
SUBTOTAL SALES TAX SUPPORTED FUNDS (INDUSTRIAL DEVELOPMENT CORPORATION)	**$5,344,293**	**$2,531,000**	**$1,463,000**	**$2,019,000**	**$369,000**	**$11,726,293**
INFRASTRUCTURE & DEBT SERVICE FUND	1,847,750	1,846,500	500,000	500,000	500,000	5,194,250
ARTS/HISTORICAL (HOT) 1/8	1,305,965	294,000	0	0	0	1,599,965
CONVENTION CENTER SURPLUS (HOTEL TAXES)	988,042	0	0	0	0	988,042
SUBTOTAL CASH FUNDED SOURCES	**$4,141,757**	**$2,140,500**	**$500,000**	**$500,000**	**$500,000**	**$7,782,257**
TOTAL TAX SUPPORTED PROJECT FUNDING	**$29,223,528**	**$26,670,108**	**$2,763,000**	**$3,319,000**	**$1,669,000**	**$63,644,636**
REVENUE SUPPORTED FUNDS						
2017 CERTIFICATES OF OBLIGATION WATER	9,262,538	0	0	0	0	9,262,538
2019 CERTIFICATES OF OBLIGATION WATER	17,427,280	0	0	0	0	17,427,280
2017 CERTIFICATES OF OBLIGATION SEWER	12,104,399	0	0	0	0	12,104,399
2019 CERTIFICATES OF OBLIGATION SEWER	14,951,381	0	0	0	0	14,951,381
REVENUE SUPPORTED BONDS	0	40,084,263	30,290,717	37,960,566	41,265,838	149,601,384
SUBTOTAL REVENUE SUPPORTED BONDS	**$53,745,598**	**$40,084,263**	**$30,290,717**	**$37,960,566**	**$41,265,838**	**$203,346,982**
DRAINAGE IMPROVEMENT FUND	20,000	0	0	0	0	20,000
AIRPORT IMPROVEMENT FUND	887,464	357,556	232,760	0	0	1,477,780
FUTURE CASH: PROPERTY SALES	0	0	1,100,000	0	0	1,100,000
SANITATION OPERATIONS	5,000	0	0	0	0	5,000
GARAGE INTERNAL SERVICE FUND	799,195	0	0	0	0	799,195
SUBTOTAL CASH FUNDED SOURCES	**$1,711,659**	**$357,556**	**$1,332,760**	**$0**	**$0**	**$3,401,975**
TOTAL REVENUE SUPPORTED FUDNS	**$55,457,257**	**$40,441,819**	**$31,623,477**	**$37,960,566**	**$41,265,838**	**$206,748,957**
OTHER FUNDING SOURCES						
FEMA	164,687	24,000,000	0	0	0	24,164,687
INSURANCE PROCEEDS - IKE	90,000	0	0	0	0	90,000
RECOVERY AND CAPITAL RESERVES	1,000,000	0	0	0	0	1,000,000
TIRZ 14	486,826	300,000	0	0	0	786,826
CDBG	1,719,485	0	0	0	0	1,719,485
TXDOT GRANTS	472,500	2,065,600	2,327,600	0	0	4,865,700
TOTAL OTHER FUNDING SOURCES	**$3,933,498**	**$26,365,600**	**$2,327,600**	**$0**	**$0**	**$32,626,698**
GRAND TOTAL - ALL SOURCE OF FUNDS	**$88,614,284**	**$93,477,527**	**$36,714,077**	**$41,279,566**	**$42,934,838**	**$303,020,292**

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CIP ADMINISTRATION

The CIP is required by City Charter to include all capital funds and projects for a five year period. It is updated annually to show planned and actual allocations approved by City Council for each project phase as well as the specific funding source or sources used for each phase. If funds are not appropriated for a contract to implement design, construction or another project phase, those funds must be allocated again in the subsequent year's budget according to the City Charter.

Project status reports are provided quarterly for each project included in the current fiscal year's Budget and the first year of the CIP. Also, every project fund is reported quarterly to show cash balances, allocations of cash by City Council, as well as planned and/or committed uses of available cash. The project status and cash status reports for the quarter ending June 30, 2019, are included as Appendices to this CIP. The other three quarterly reports are provided in the first, second and fourth quarterly Budget Status reports published each fiscal year.

CIP FINANCING PLAN: TAX SUPPORTED PROJECTS

Tax-Supported Project Financing

The Adopted FY 2020-2024 CIP includes three major local funding sources totalling $63.6 million for tax-supported projects:

1. $44.1 million in property tax supported General Obligation Bonds presented on an election ballot and approved by the voters;
2. $11.7 million in sales tax revenue reserved for projects that are sponsored by and through the Industrial Development Corporation; and
3. $17.8 million in cash from other sources, with $10.2 million from the Infrastructure and Debt Service Fund and $2.6 million from Hotel Occupancy Tax funds maintained by the City.

The Proposed CIP also includes an anticipated $24 million in FEMA funding for a major drainage project to combat flooding on Harborside. The G.O Bonds are being used for streets and drainage projects as required by the May 2017 bond election. General facility projects and parks and recreation facility projects are also being financed with sales and hotel occupancy tax revenues. Infrastructure and debt service funds are being used to fund inhouse street reconstruction, debt service and projects as defined by city policy.

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General Obligation Bond Funding Assumptions

The General Debt Service Fund is the depository of property tax revenue collected to make all payments of principal and interest for purely property tax supported bonds. The Fund also includes transfers from the Infrastructure and Debt Service Fund as revenue to be used for tax supported debt service payments as required to stabilize property tax rates. The Infrastructure and Debt Service Fund transfer amounts incorporated in the five year CIP financing Plan below are based on a sufficient portion of each year's set aside of General Fund revenue to meet the goal of completing all projects in five years.

GENERAL DEBT SERVICE FUND FORECAST x

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
REVENUE	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**
Property Taxes	$3,037	$3,204	$3,282	$3,411	$3,545	$3,684
Infrastructure & Debt Service Fund Transfer	$650	$2,281	$1,948	$2,006	$2,583	$2,129
Interest Income	$116	$60	$48	$37	$37	$36
TOTAL REVENUE	**$3,803**	**$5,545**	**$5,278**	**$5,454**	**$6,165**	**$5,849**
EXPENSE						
Current Debt Service						
Principal	$2,356	$2,339	$2,250	$2,543	$2,660	$1,093
Interest	$1,329	$1,236	$1,146	$1,054	$941	$823
Paying Agent Fees	$6	$7	$5	$5	$5	$5
Subtotal Current Debt Service	**$3,691**	**$3,582**	**$3,401**	**$3,602**	**$3,606**	**$1,921**
Projected Future Bonds Debt Service						
Principal	$0	$1,000	$1,000	$1,000	$1,449	$2,662
Interest	$0	$869	$853	$837	$1,191	$1,165
Subtotal Future Bonds Debt Service	**$0**	**$1,869**	**$1,853**	**$1,837**	**$2,640**	**$3,827**
TOTAL EXPENSE	**$3,691**	**$5,451**	**$5,254**	**$5,439**	**$6,246**	**$5,748**
Revenue Over/(Under) Expense	**$112**	**$94**	**$24**	**$15**	**($81)**	**$101**
Beginning Fund Balance	**$1,617**	**$1,729**	**$1,823**	**$1,847**	**$1,862**	**$1,782**
Ending Fund Balance	**$1,729**	**$1,823**	**$1,847**	**$1,862**	**$1,782**	**$1,882**
	FY2019	**FY2020**	**FY2021**	**FY2022**	**FY2023**	**FY2024**
Effective Taxable Value ($millions)	**$5,805.8**	**$6,075.2**	**$6,318.9**	**$6,571.5**	**$6,833.0**	**$7,103.0**
Debt Service Tax Rate	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**
Property Tax Revenue Growth	**2.1%**	**4.6%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**
Investment Pool Earnings Rate	**1.5%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**
General Fund Transfer to Infrastructure & Debt Service Fund	**$3,911.6**	**$4,728.2**	**$4,870.0**	**$5,016.1**	**$5,166.6**	**$5,321.6**
Percent I&DS Fund transferred to Debt Service Fund	**16.6%**	**48.2%**	**40.0%**	**40.0%**	**50.0%**	**40.0%**
Future Bond Issue ($000's) NOTE	**$0**	**$37,000**	**$0**	**$0**	**$12,000**	**$0**
Outstanding Principal ($000's) FY End	**$26,419**	**$60,080**	**$56,830**	**$53,287**	**$61,178**	**$57,423**
Overall Interest Rate	**3.09%**	**3.34%**	**3.84%**	**4.09%**	**4.09%**	**4.09%**
Interest Rate Diff with FY19 Rates	**0.00%**	**0.25%**	**0.75%**	**1.00%**	**1.00%**	**1.00%**

The property tax rate dedicated to the payment of debt service is assumed to begin the period at $0.0525 per $100 of taxable value.

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2017 Bond Election and Future Bond Sales

In May 2017, the voters approved the issuance of $62 million for street and drainage projects. In July 2017, the City sold the first $25 million toward the bond election authorization, and these bond proceeds are expected to be fully appropriated for projects by the end of October, 2019. Plans are underway, pending City Council approval, to sell an additional $20 million in October to keep the bond election project list on schedule. The first principal and interest payments for the October issue will be due in FY 2019, and the schedule on the preceeding page reflects those payments.

There are apparent differences between the five year CIP schedules and the Debt Service Service Fund for the annual amount of bonds being sold and/or appropriated. This is due to timing differences and the policy being followed of selling bonds only when new bond fund proceeds are actually needed for project appropriations.

Given current project schedules, and the sudden reimposition by the Federal Reserve Board of low interest rates, the Proposed FY 2020 Budget and CIP are based on the sale of $37 million in General Obligation Bonds during the fall of 2019. The Proposed Debt Service Fund budget includes sufficient transfer of funds from the Infrastructure and Debt Service Fund to pay all FY 2020 debt service for this new sale. Ending fund balances are kept at approximately $1.8 million through FY 2024.

CIP FINANCING PLAN: REVENUE SUPPORTED PROJECTS

The Adopted CIP includes two major funding sources totalling $167.1 million for revenue supported water and sewer projects:

1. $149.6 million in revenue supported long-term water and sewer bonds that require City Council approval; and
2. $3.4 million in enterprise fund cash set aside for revenue supported projects.

The plan to finance necessary water and sewer system improvements is based on revenue collected from customers that is used to pay debt service on long-term bonds and to provide cash for some projects. On February 1, 2019, City Council approved a seven percent increase in water rates and held sewer rates at their current level.

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The rate structure that was put in place on October 1, 2015 to encourage conservation projected annual increases in water and sewer rates. We emphasized that rates would be reviewed annually and increases would be avoided if possible. In FY 2020, we are neither planning an increase in water or sewer rates nor the sale of new water and sewer revenue supported bonds. During FY 2020, we will conduct a rate study for the FY 2021-2025 period and expect additional future water rate increases to support the increasing cost of water supplied through the Gulf Coast Water Authority as well as the further implementation of this CIP to support the modernization and rehabilitation of the City's water and sewer systems. In the meantime, we continue to identify ways to minimize and conserve water consumption with the non-revenue water mitigation project that is a part of the water program in this Proposed CIP.

Conclusion

The Proposed FY 2020-2024 Capital Improvement Plan is comprehensive, including all major programs. It addresses the city's major needs in continuing the improvement of its infrastructure, and it is fully funded. We look forward to a successful year of making progress with this Capital Improvement Plan.

Brian Maxwell, City Manager

City of Galveston

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LONG RANGE FINANCIAL FORECAST
COMBINED UTILITY SYSTEM FUND SUMMARY ($000's)

	FY 2018 Estimate	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast
Beginning Fund Balance(1)	**$13,190**	**$12,308**	**$11,977**	**$10,567**	**$10,087**	**$9,073**
Water Revenue	$20,712	$21,122	$21,333	$21,756	$22,186	$22,626
Wastewater Revenue	$15,569	$15,882	$16,045	$16,209	$16,376	$16,544
Potential Rate Increase Revenue (2)	$0	$1,554	$3,234	$5,381	$7,026	$6,716
Total Revenue	**$36,281**	**$38,558**	**$40,611**	**$43,346**	**$45,588**	**$45,885**
Operating Expenses:						
City Water M&O	$6,604	$6,856	$7,175	$7,537	$7,853	$8,194
City Wastewater M&O	$10,360	$9,814	$10,144	$10,527	$11,685	$11,434
Cost of Water (2)	$10,972	$11,950	$12,122	$12,564	$13,026	$10,446
Subtotal Operating Expense	**$27,936**	**$28,620**	**$29,440**	**$30,627**	**$32,563**	**$30,074**
Debt Service:						
Existing Debt	$6,694	$6,676	$6,537	$5,946	$5,737	$3,347
New Debt (3)	$0	$577	$2,084	$3,789	$4,972	$7,242
Subtotal Debt Service	**$6,694**	**$7,252**	**$8,621**	**$9,735**	**$10,708**	**$10,589**
Transfer to Water Improvement Fund	$1,178	$1,264	$1,460	$964	$830	$610
Transfer to Wastewater Improvement Fund	$1,355	$1,754	$2,500	$2,500	$2,500	$2,500
Subtotal Transfer to Improvement Funds	**$2,533**	**$3,018**	**$3,960**	**$3,464**	**$3,330**	**$3,110**
Total Expense	**$37,162**	**$38,890**	**$42,021**	**$43,826**	**$46,601**	**$43,772**
Revenue Over/(Under) Expense	**($881)**	**($332)**	**($1,409)**	**($481)**	**($1,014)**	**$2,113**
Ending Fund Balance	**$12,308**	**$11,977**	**$10,567**	**$10,087**	**$9,073**	**$11,186**
90 Day Reserve	**$9,163**	**$9,589**	**$10,361**	**$10,807**	**$11,491**	**$10,793**
Ending Balance Over/(Under) 90 Days	**$3,145**	**$2,387**	**$206**	**($720)**	**($2,418)**	**$393**

Notes;

(1) Combined Waterworks Fund and Sewer Fund Beginning Balances

(2) Rate increases required to pay principal and interest on new bonds and cumulative increases in Cost of Water

Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
New Debt	$577	$1,507	$1,705	$1,183	$2,270
Gulf Coast Water Authority (Cost of Water increasing at 5 percent per year)	$978	$172	$442	$462	($2,580)
Net Annual Increase	**$1,554**	**$1,679**	**$2,147**	**$1,645**	**($310)**
Annual Percent Increase in Revenue/Rates	**4.28%**	**4.54%**	**5.74%**	**4.33%**	**-0.80%**
Cumulative Increase	$1,554	$3,234	$5,381	$7,026	$6,716

(3) New bond sales are projected to support the Capital Improvement Plan as follows ($thousands):

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Water Program Projects	$15,046	$12,682	$24,216	$15,058	$19,153
Sewer Program Projects	$0	$6,646	$3,552	$4,206	$17,815
Total Bond Sales	**$15,046**	**$19,328**	**$27,768**	**$19,264**	**$36,968**

CITY OF GALVESTON
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City of Galveston
FY2020 – FY2024
Capital Improvement Plan
Streets Program Overview

The Street Program includes projects totaling $47.2 million for Street projects for the FY2020-2024 period, adding to the $32.6 million initiated in previous years. Streets identified for funding in the May 2017 bond election are underway to provide the results expected from the bond election.

The FY 2020-2024 street program is proposed to be funded with $19.2 million from the bonds, $3.3 million from the General Fund Infrastructure and Debt Service set aside, $4.5 million from sales tax revenue provided through the Industrial Development Corporation, and $9.8 million from water and sewer revenue bonds for the associated utilities.

In addition to the City funded projects, we are entering into a partnership with Galveston County to provide pavement and drainage improvements for Avenue S from 53rd Street eastward to Seawall Boulevard and 23rd Street from Broadway to Seawall, utilizing the 2017 County bond election funds.

In 2017, the City of Galveston performed a Streets Assessment and prepared a priority list of streets in need of repairs or reconstructions. This effort followed on the first such assessment performed in 2012. These assessments provided a scoring of the city streets based on the following scale:

Rating	Assessment
86-100	Good
71-85	Satisfactory
56-70	Fair
41-55	Poor
26-40	Very Poor
11-25	Serious
0-10	Failed

This information has been used as the basis for the adopted CIP starting in FY2016, and continuing in the FY2020-2024 Streets CIP plan. The streets identified as most in need of repair or replacement made up the Street list used to support the public improvement bond proposition approved by the voters in in May 2017.

The objective of the Streets program is to correct all streets scoring below 70 (ranging from “Failed” to “Fair”). The initial effort was aimed at those streets without significant base failures or associated underground utility issues. Based on the 2017 assessment and repair records, City staff is continually evaluating and prioritizing projects requiring both surface reconstruction and utility replacement.

Street projects will be accomplished by utilizing a combination of City crews and outside contractors. City crews will perform work associated with milling and laying hot-mix asphaltic concrete (HMAC) utilizing existing equipment on existing HMAC surfaced streets. Crews will also place HMAC overlays as needed on existing concrete streets in order to extend the service life of these roadways.

Outside contractors will be utilized for total reconstruction projects since these projects will include water, sewer, and drainage improvements in addition to the street repaving. In FY 2020, these projects include:

1. Reconstruction of 45th Street from Broadway to Seawall,
2. 25th Street from Broadway to Seawall,
3. 73rd Street from Heards Lane to Avenue N ½,
4. Continuing the 27th Street corridor project,
5. 16th Street from Broadway to Avenue N ½,
6. 30th Street from Avenue O to Seawall,
7. 35th Street from Postoffice to Broadway, and
8. 29th Street from Church to Harborside,
9. Downtown Streetscape Improvements,
10. 29th Street from Avenue O to Seawall, and
11. 49th Street from Avenue P to Avenue S ½.

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
STREETS & TRAFFIC PROGRAM
FUNDING SOURCE BY FISCAL YEAR
FY2020 - FY2024

FUNDING SOURCES	ITD Activity	Encumbrances	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 20 - 24 TOTAL	PROGRAM FUNDING TOTAL
Existing City Funds									
INFRASTRUCTURE & DEBT SERVICE	880,341	680,104	1,500,000	500,000	500,000	500,000	500,000	3,500,000	5,060,444
2017 G.O. BONDS	1,861,835	11,665,097	4,603,291	-	-	-	-	4,603,291	18,130,224
2017 CO's WATER	-	1,692,459	204,000	-	-	-	-	204,000	1,896,459
2017 CO's SEWER	-	958,400	116,000	-	-	-	-	116,000	1,074,400
2019 CO'S WATER	-	-	2,047,152	-	-	-	-	2,047,152	2,047,152
2019 CO'S SEWER	-	-	429,373	-	-	-	-	429,373	429,373
IDC - ECONOMIC DEVELOPMENT	3,297,714	1,270,403	-	-	-	-	-	-	4,568,116
IDC - INFRASTRUCTURE	4,886,631	1,542,931	3,469,293	369,000	369,000	369,000	369,000	4,945,293	11,374,855
CONVENTION CENTER SURPLUS	11,958		488,042	-	-	-	-	488,042	500,000
GARAGE INTERAL SERVICE			-	-	-	-	-		-
GARAGE CAPITAL			-	-	-	-	-		-
TOTAL Existing City Funds	**10,938,479**	**17,809,394**	**12,857,151**	**869,000**	**869,000**	**869,000**	**869,000**	**16,333,151**	**45,081,024**
Other Funding Sources									
FTA FUNDING	-	-	-	-	-	-	-		-
TXDOT FUNDING	-	-	-	-	-	-	-		-
FEMA	-	-	-	-	-	-	-		-
FEMA SRIA	-	-	-	-	-	-	-		-
TIRZ 14	79,569	8,553	-	300,000	-	-	-	300,000	388,122
CDBG ROUND 1			-	-	-	-	-	-	-
CDBG ROUND 2.1			-	-	-	-	-	-	-
CDBG ROUND 2.2	2,384,519	330,674	799,707	-	-	-	-	799,707	3,514,900
TOTAL Other Funding Sources	**2,464,088**	**339,227**	**799,707**	**300,000**	**-**	**-**	**-**	**1,099,707**	**3,903,022**
Future Funding Sources									
TAX SUPPORTED BONDS			3,697,804	13,545,477	800,000	800,000	800,000	19,643,281	19,643,281
REVENUE SUPPORTED BONDS			-	10,123,113	-	-	-	10,123,113	10,123,113
FUTURE OPERATING CASH						-	-	-	-
TOTAL Future Funding Sources	**0**	**0**	**3,697,804**	**23,668,590**	**800,000**	**800,000**	**800,000**	**29,766,394**	**29,766,394**
TOTAL STREETS & TRAFFIC PROGRAM FUNDING	**$ 13,402,566**	**$ 18,148,621**	**$ 17,354,662**	**$ 24,837,590**	**$ 1,669,000**	**$ 1,669,000**	**$ 1,669,000**	**$ 47,199,252**	**$ 78,750,439**

(1) Awarded FY16

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
STREETS & TRAFFIC PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2020 - FY2024

STATUS	#	PROJECT NAME	PROJECT NO.	ITD Activity	Encumbrances	2020	2021	2022	2023	2024	TOTAL FY 20 - 24	PROJECT CIP TOTAL
	1	16th Street from Broadway to Ave N 1/2	ST1802	**4,277**	**136,844**	3,150,958	0	0	0	0	3,150,958	3,292,078
IDC Infrastructure	2	27th Street Corridor	IDC27	**3,164,022**	**1,390,311**	1,800,000	0	0	0	0	1,800,000	6,354,333
ONGOING	3	Streets Mill & Overlay Rehabilitation	IHST20	**-**	**-**	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	6,500,000	6,500,000
	4	29th Street - Church to Harborside	ST1604	**27,588**	**-**	0	2,407,380	0	0	0	2,407,380	2,434,968
	5	Historic Broadway Lighting Improvements	TR1701	**11,958**	**-**	488,042	0	0	0	0	488,042	500,000
CDBG 2.2	6	Sealy Street from 25th Street to 33rd Street	ST1513	**2,384,519**	**330,674**	0	0	0	0	0	0	2,715,193
	7	25th Street from Broadway to Seawall	ST1701	**284,858**	**6,822,569**	870,000	0	0	0	0	870,000	7,977,428
	8	73rd Street from Heards Lane to Ave N 1/2	ST1702	**237,113**	**61,024**	1,342,056	0	0	0	0	1,342,056	1,640,193
	9	Program Contingency	STCONT	**-**	**-**	1,000,000	0	0	0	0	1,000,000	1,000,000
IDC Infrastructure	10	45th Street from Broadway to Seawall	ST1705, IDC45	**1,558,889**	**6,956,826**	110,000	0	0	0	0	110,000	8,625,715
	11	Intersection Improvements for 61st Street and Seawall Boulevard	ST1706	**-**	**-**	35,000	243,000	0	0	0	278,000	278,000
	12	30th Street from Ave O to Seawall Blvd	ST1801	**61,570**	**127,237**	0	3,782,383	0	0	0	3,782,383	3,971,190
	13	Downtown Streetscape Improvements	IDCDOW	**24,773**	**87,777**	2,100,000	0	0	0	0	2,100,000	2,212,550
	14	37th Street from Broadway to Seawall	ST1901	**75,751**	**214,156**	0	6,829,024	0	0	0	6,829,024	7,118,930
	15	29th Street from Ave O to Seawall	ST2001	**118,293**	**108,021**	0	7,445,005	0	0	0	7,445,005	7,671,319
	16	49th Street from Ave P to Ave S 1/2	ST2002	**206,977**	**89,732**	4,299,606	0	0	0	0	4,299,606	4,596,315
	17	35th Street from Postoffice to Broadway	ST2003	**270,868**	**51,598**	0	2,161,798	0	0	0	2,161,798	2,484,264

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
STREETS & TRAFFIC PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2020 - FY2024

STATUS	#	PROJECT NAME	PROJECT NO.	ITD Activity	Encumbrances	2020	2021	2022	2023	2024	TOTAL FY 20 - 24	PROJECT CIP TOTAL
	18	26th Street from Ave N to Broadway	ST1503	**512,133**	**9,342**	490,000	0	0	0	0	490,000	1,011,475
IDC Infrastructure	19	Sidewalk and Concrete Crew	IDCSCC	**1,362,859**	**-**	369,000	369,000	369,000	369,000	369,000	1,845,000	3,207,859
TIRZ 14	20	83rd Street Drainage and Roadway Reconstruction	ST1805	**79,569**	**8,553**	0	300,000	0	0	0	300,000	388,122
COMPLETE	21	Harborside Drive - 33rd and 20th Street	IDCHAR	**1,588,627**	**816,986**	0	0	0	0	0	0	2,405,613
	22	Seawall Paving Improvements (local match)	ST1709	**373,860**	**578,711**	0	0	0	0	0	0	952,571
IDC Economic Development	23	West Market Street - 25th to 33rd	WEMA	**1,054,064**	**358,260**	0	0	0	0	0	0	1,412,324
Total $'s by Year				**$ 13,402,566**	**$ 18,148,621**	**$ 17,354,662**	**$ 24,837,590**	**$ 1,669,000**	**$ 1,669,000**	**$ 1,669,000**	**$ 47,199,252**	**$ 78,750,440**

CITY OF GALVESTON

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City of Galveston
FY2020 – FY2024
Capital Improvement Plan
Drainage Program

The Drainage Program includes constructing new facilities to increase capacity and providing repairs to existing systems, with $46.35 million in projects scheduled for the FY 2020-2024 period. Drainage projects identified in the May 2017 bond election will be under construction by FY 2021 so they might be finished by the end of FY 2022. Drainage projects are being funded with $2.2 million of the $25 million in public improvement bond proceeds (identified herein as 2017 G.O. Bonds) received from the sale completed in July 2017.

City crews will be implementing a ditch regrading program to improve the roadside ditches in the West End. We are also coordinating with the Texas Department of Transportation (TxDOT) for improvements to the drainage for the area of 11 Mile Road south of FM 3005 to be completed in FY2020.

In addition to the City funded projects, we will be utilizing the 2017 County bond election funds to provide drainage improvements for Avenue S from 53rd Street eastward to Seawall Boulevard and 23rd Street from Broadway to Seawall by partnering with Galveston County.

We will also be continuing a program to remove the sediment and debris from the existing below ground drainage infrastructure. Future improvements to existing systems include:

1. Replacing and upsizing the storm drain in Church Street from 35th Street to 37th Street;
2. Performing a major drainage study for the drainage area centered on 18th Street to include replacing the failing storm main in 18th Street from Market Street to the Galveston Ship Channel, cross connecting the entire drainage area into a single, and evaluating the feasibility of a mechanical pumping system to improve the drainage in that area (providing the basis for other, similar projects); and
3. Replacing inlets and undersized laterals in conjunction with street improvement projects.

In addition, the City will be conducting a Master Drainage Study to research alternate technologies and recommend cost effective drainage improvements that we will be looking to implement in the future.

The City is also applying to the Federal Emergency Management Agency (FEMA) for Hazard Mitigation Grant Program (HMGP) funding to provide for the design and construction of drainage pump stations to rapidly remove stormwater from rain events.

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
DRAINAGE PROGRAM
FUNDING SOURCE BY FISCAL YEAR
FY2020 - FY2024

FUNDING SOURCES	INCEPTION TO DATE ACTIVITY	ENCUMBRANCES	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 20 - 24 TOTAL	PROGRAM FUNDING TOTAL
Existing City Funds									
INFRASTRUCTURE & DEBT SERVICE	-	-	1,750	346,500	-	-	-	348,250	348,250
2017 GO BONDS	819,787.84	642,489.96	2,155,671	-	-	-	-	2,155,671	3,617,949
2019 CO's WATER			1,845,532	-	-	-	-	1,845,532	1,845,532
DRAINAGE OPERATIONS			-	-	-	-	-	-	-
DRAINAGE IMPROVEMENT	678,817.39	23,968.09	20,000	-	-	-	-	20,000	722,785
IDC - INFRASTRUCTURE			-	-	250,000	-	-	250,000	250,000
TOTAL Existing City Funds	**1,498,605.23**	**666,458**	**4,022,953**	**346,500**	**250,000**	**-**	**-**	**4,619,453**	**6,784,516**
Other Funding Sources									
FEMA HAZARD MITIGATION GRANT PROGRAM (HMGP)			-	24,000,000	-	-		24,000,000	24,000,000
CDBG ROUND 2.1			-	-	-	-		-	-
CDBG ROUND 2.2			-	-	-	-		-	-
TOTAL Other Funding Sources	**-**	**-**	**-**	**24,000,000**	**-**	**-**	**-**	**24,000,000**	**24,000,000**
Future Funding Sources									
TAX SUPPORTED BONDS			9,280,712	8,453,131	-	-	-	17,733,843	17,733,843
REVENUE SUPPORTED BONDS			-	-	-	-	-	-	-
FUTURE OPERATING CASH			-	-	-	-	-	-	-
TOTAL Future Funding Sources	**-**	**-**	**9,280,712**	**8,453,131**	**0**	**0**	**0**	**17,733,843**	**17,733,843**
TOTAL DRAINAGE PROGRAM FUNDING	**1,498,605.23**	**$ 666,458**	**$ 13,303,665**	**$ 32,799,631**	**$ 250,000**	**$ -**	**$ -**	**$ 46,353,296**	**48,518,359**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
DRAINAGE PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2020 - FY2024

STATUS	#	PROJECT NAME	PROJECT NO.	INCEPTION TO DATE ACTIVITY	ENCUMBRANCES	2020	2021	2022	2023	2024	TOTAL FY 20 - 24	PROJECT CIP TOTAL
	1	11 Mile Road Drainage Improvements	D1601	-	-	20,000	0	0	0	0	20,000	20,000
	2	18th Street Drainage Improvements	D1602	583,887	379,780	12,981,915	0	0	0	0	12,981,915	13,945,582
	3	Storm Water Management (TCEQ)	DSTORM	416,270	23,968	0	0	0	0	0	0	440,238
	4	Church Street Drainage Improvements	D1604	70,878	40,992	0	453,131	0	0	0	453,131	565,000
	5	Drainage Program Contingency	DCONT	-	-	300,000	0	0	0	0	300,000	300,000
	6	Master Drainage Plan and Feasibility Study	D1701	-	-	1,750	346,500	0	0	0	348,250	348,250
	7	Storm Sewer Rehabilitation & Inspection Program	D1608	427,571	129,864	0	0	0	0	0	0	557,435
	8	Drainage System Improvements	D1801	-	-	0	0	250,000	0	0	250,000	250,000
	9	Broadway Bridge Block Study	DBBBS1	-	91,854	0	0	0	0	0	0	91,854
	10	Pilot Storm Water Pump Station	D1901	-	-	0	32,000,000	0	0	0	32,000,000	32,000,000
	Total $'s by Year			**1,498,605**	**$ 666,458**	**$ 13,303,665**	**$ 32,799,631**	**$ 250,000**	**$ -**	**$ -**	**$ 46,353,296**	**$ 48,518,359**

CITY OF GALVESTON

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City of Galveston
FY2020 – FY2024
Capital Improvement Plan
Water Program

The Water Program includes projects totaling $129.58 million intended to improve the quality and quantity of drinking water provided to the citizens of Galveston. This includes rehabilitating existing infrastructure and constructing new facilities to increase capacity and available pressure. A total of $45.8 million in projects have already been initiated in to improve the water system with $26.5 million from CDBG Disaster Recovery grant funds being used for four projects. All the CDBG-DR funded projects are scheduled for completion by the end of December 2019.

Rehabilitation and replacement projects for the FY2020–2024 period include:

1. Rehabilitating the groundwater supply wells located on the mainland,
2. Replacing the original 1894 waterline with a new supply main on the causeway,
3. Renovating the existing tanks at the 59th Street pump station site,
4. Replacing sections of the main supply line on the island to our pump stations,
5. Replacing the water lines and infrastructure in conjunction with the County bond projects for Avenue S and 23rd Street
6. Continued replacement of substandard fire hydrants throughout the city, and
7. Complete reconstruction of the 59th Street Pump Station.
8. Upgrading the capacity and operations of the Airport Pump Station, to include the replacement of the existing ground storage tank (GST) and the construction of an additional GST.
9. Demolition and replacement of the old 10 Mile Road Elevated Storage Tank (EST) with a new, higher capacity EST.

Proposed new construction for the water system by FY 2024 includes:

1. A 7.5 million gallon ground storage tank at the 59th Street pump station site,
2. A 24 inch waterline from the 59th Street Pump Station to the Airport, and
3. Installation of a 12 inch waterline along a portion of Seawall Boulevard to provide increased pressure and better service.

Future projects may include constructing a new elevated storage tank (EST) on the east end, a 20 inch waterline from Holiday Drive to east beach, and a new 20 inch waterline from the 30th Street pump station to the east end. These projects will provide greater capacity and pressure to the east end and the area located along the route of the new line. Other future work will include new looped systems to improve pressure and reliability in the Laffite's Cove and Spanish Grant (bayside) subdivisions.

Other projects will include replacing old waterlines in conjunction with street improvements in order to provide for improved traffic circulation and prevent impacts to both the roadway and water systems by performing major construction without coordinating work appropriately. Funding will be a combination of the Water Improvement Fund and 2017 Water revenue bonds.

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
WATERWORKS PROGRAM
FUNDING SOURCE BY FISCAL YEAR
FY2020 - FY2024

FUNDING SOURCES	Inception to Date Activity	Encumbrances	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 20 - 24 TOTAL	PROGRAM FUNDING TOTAL
Existing City Funds									
WATERWORKS IMPROVEMENT	2,160,955	187,237	-	-	-	-	-	-	2,348,192
2006 WATER REVENUE BONDS	90,439	7,361	-	-	-	-	-	-	97,800
2008 WATER REVENUE BONDS	272,984	38,193	-	-	-	-	-	-	311,177
2017 CO's WATER	3,075,211	2,905,478	12,764,851	-	-	-	-	12,764,851	18,745,541
2019 CO'S WATER	-	-	20,855,805	-	-	-	-	20,855,805	20,855,805
2017 CO's SEWER	-	-	10,563,399	-	-	-	-	10,563,399	10,563,399
TOTAL Existing City Funds	**5,599,589**	**3,138,269**	**44,184,055**	**-**	**-**	**-**	**-**	**44,184,055**	**52,921,912**
Other Funding Sources									
FEMA	10,814,279	387,906	-	-	-	-	-	-	11,202,185
(1) CDBG ROUND 2.2	18,964,337	7,588,244	-	-	-	-	-	-	26,552,580
TOTAL Other Funding Sources	**29,778,616**	**7,976,149**	**-**	**-**	**-**	**-**	**-**	**-**	**37,754,766**
Future Funding Sources									
TAX SUPPORTED BONDS	-	-	-	-	-	-	-	-	-
REVENUE SUPPORTED BONDS	-	-	-	23,480,150	23,178,110	22,504,196	16,231,200	85,393,656	85,393,656
FUTURE OPERATING CASH	-	-	-	-	-	-	-	-	-
TOTAL Future Funding Sources	**0**	**0**	**0**	**23,480,150**	**23,178,110**	**22,504,196**	**16,231,200**	**85,393,656**	**85,393,656**
TOTAL WATERWORKS PROGRAM FUNDING	**$ 35,378,205**	**$ 11,114,418**	**$ 44,184,055**	**$ 23,480,150**	**$ 23,178,110**	**$ 22,504,196**	**$ 16,231,200**	**$ 129,577,711**	**$ 176,070,334**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
WATERWORKS PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2020 - FY2024

STATUS	#	PROJECT NAME	PROJECT NO.	Inception to Date Activity	Encumbrances	2020	2021	2022	2023	2024	TOTAL FY 20 - 24	PROJECT CIP TOTAL
	1	Well Disinfection and Flushing for Water Wells #2A, 6A, 10, 12, 13, 16, 17	W1701	45,154	11,810	0	570,000	0	0	0	570,000	626,964
Finalizing Accounting	2	8" Water Line - 30th St ROW and Market Street	W1706	32,189	10,227	0	0	0	0	0	0	42,416
Awaiting TCEQ approval	3	Rehabilitation of Water Wells #9 and 11	WWELLS	496,682	0	0	985,000	0	0	0	985,000	1,481,682
	4	Pirate's Beach - Lafitte's Cove Loop	W1610	19,730	34,741	0	720,250	0	0	0	720,250	774,721
	5	20 Inch Water Line - TAMUG to Seawolf Parkway to Bradner Street	W1702	0	0	0	0	349,305	3,212,390	0	3,561,695	3,561,695
	6	12 Inch Water Line - Seawall Boulveard, 81st Street to 97th Street	W1902	0	0	0	0	225,000	1,836,750	0	2,061,750	2,061,750
	7	Water Meter Replacement	W2001	0	0	0	120,000	12,000,000	0	0	12,120,000	12,120,000
	8	30 Inch Water Line Causeway	W1605	696,254	0	0	9,439,900	0	0	0	9,439,900	10,136,154
	9	Airport Pump Station Pump and Control Upgrades	W1703	6,971	108,921	2,743,000	0	0	0	0	2,743,000	2,858,891
	10	30 Inch Water Line - Railroad Bridge to Harborside Drive	W1704	200,644	48,000	0	0	0	2,369,356	0	2,369,356	2,618,000
	11	Airport Pump Station Pump Tank Upgrades - Phase 1	W1705	359,027	301,132	4,758,000	0	0	0	0	4,758,000	5,418,159
	12	24" Water Line - 59th St Pump Station to Airport Pump Station	W1707	1,628,258	179,000	18,275,500	0	0	0	0	18,275,500	20,082,758
	13	30 Inch Water Line - 71st Street to 59th Street Pump Station	W1801	1,121	0	0	0	0	529,000	4,574,000	5,103,000	5,104,121
	14	Airport Pump Station Pump Tank Upgrades - Phase 2	W1901	0	748,050	0	0	5,282,000	0	0	5,282,000	6,030,050
	15	Rehabilitation of Water Tanks at the 59th Street Pump Station	W1603	6,048,298	1,832,401	0	0	0	0	0	0	7,880,698
	16	Construction of a New 7.5 Million Gallon Water Tank at the 59th Street Pump Station	W1612	755,545	4,638,936	0	0	0	0	0	0	5,394,481
	17	Rehabilitation of Water Tanks at the 30th Street Pump Station	W1617	682,091	0	0	0	0	0	0	0	682,091
	18	59th St Pump Station Reconstruction	W59PMP	19,225,922	1,523,484	0	0	0	0	0	0	20,749,407
Ongoing	19	Fire Hydrant Replacement Program	FD-132	3,610,477	0	2,000,000	0	0	0	0	2,000,000	5,610,477
Finalizing Accounting	20	6 Inch Water Line - Gulf Drive	W1608	922,003	2,866	0	0	0	0	0	0	924,869
Contingency	21	Program Contingency for Water	WCONT	0	0	1,000,000	0	0	0	0	1,000,000	1,000,000

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
WATERWORKS PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2020 - FY2024

STATUS	#	PROJECT NAME	PROJECT NO.	Inception to Date Activity	Encumbrances	2020	2021	2022	2023	2024	TOTAL FY 20 - 24	PROJECT CIP TOTAL
	22	Upsize for Fire Flow and Capacity (City Wide)	W1905	0	0	0	0	80,500	409,000	3,755,000	4,244,500	4,244,500
Ongoing	23	Water System Improvements and Water Valve Replacement Program	W1618	473,646	0	3,700,000	3,700,000	3,700,000	3,700,000	3,700,000	18,500,000	18,973,646
New	24	10 Mile Road Elevated Storage Tank Replacement	W1601	27,602	1,132,150	0	7,790,000	0	0	0	7,790,000	8,949,752
Ongoing	25	Non-revenue Water Mitigation Program	W1802	86,202	172,010	900,000	150,000	150,000	150,000	150,000	1,500,000	1,758,212
COUNTY pending	26	23RD - Broadway to Seawall Blvd. (County)	ST1806	0	0	1,811,789	0	0	0	0	1,811,789	1,811,789
COUNTY pending	27	Avenue S - 53rd to Seawall Blvd. (County)	ST1807	0	0	4,443,016	0	0	0	0	4,443,016	4,443,016
New	28	Teichman Road Waterline- 91st to 96th	W1803	60,390	370,690	4,552,750	0	0	0	0	4,552,750	4,983,830
New	29	20" Waterline - 7 Mile to 10 Mile Road	W1903	0	0	0	5,000	1,341,305	9,922,700	0	11,269,005	11,269,005
New	30	12" WL Upgrade - I-45 Feeder Rd. - 65th to 77th	W1904	0	0	0	0	50,000	375,000	4,052,200	4,477,200	4,477,200
		Total $'s by Year		**$ 35,378,205**	**$ 11,114,418**	**$ 44,184,055**	**$ 23,480,150**	**$ 23,178,110**	**$ 22,504,196**	**$ 16,231,200**	**$ 129,577,711**	**$ 176,070,334**

City of Galveston
FY2020 – FY2024
Capital Improvement Plan
Sewer Program

The Sewer Program includes $74.2 million in projects that will improve existing system infrastructure and extend sanitary sewer to the west end of the island.

This includes a potential sanitary sewer along 11 Mile Road from the beach to Stewart Road, as well as alternate technologies and programs to provide sanitary sewer to the remaining unserved areas in a cost effective manner The City is pursuing grant funding to help in this effort.

Scheduled for completion by the end of December 2019 is the rebuilding of the Airport Wastewater Treatment Plant (WWTP) using FEMA and Community Development Block Grant Disaster Recovery funding.

Included in the CIP is the ongoing work of bringing the old infrastructure of the existing sanitary sewer system up to day. This includes:

1. Upgrading lift stations throughout the City to provide for resiliency,
2. Construction of sanitary sewer to serve Sunny Beach and along 8 Mile Road,
3. Reconstructing and upgrading the Pirate's Beach WWTP,
4. Rebuilding the Seawolf Park WWTP,
5. Reducing inflow and infiltration (I & I) by pipe bursting and sliplining old sewer lines throughout the City,
6. Replacing the aged sewer lines and infrastructure in conjunction with the County bond projects for Avenue S and 23rd Street, and
7. Rehabilitating sanitary sewer force mains at various locations.

Future projects will include improving the City's ability to provide sanitary sewer to the east end, upgrading the Terramar WWTP, and relocating the sanitary sewers that are under homes in the Cedar Lawn subdivision.

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
SEWER PROGRAM
FUNDING SOURCE BY FISCAL YEAR
FY2020 - FY2024

	FUNDING SOURCES	ITD ACTIVITY	ENCUMBRANCES	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 20 - 24 TOTAL	PROGRAM FUNDING TOTAL
	Existing City Funds									
	SEWER IMPROVEMENT	4,048,175	1,098,368	-	-	-	-	-	-	5,146,543
	2008 SEWER REVENUE BONDS	141,726	2,742,392	-	-	-	-	-	-	2,884,118
	2017 CO's SEWER	361,630	413,015	1,425,000	-	-	-	-	1,425,000	2,199,646
	2019 CO's SEWER	-	-	3,494,486	-	-	-	-	3,494,486	3,494,486
	TOTAL Existing City Funds	**4,551,531**	**4,253,775**	**4,919,486**	**-**	**-**	**-**	**-**	**4,919,486**	**13,724,793**
	Other Funding Sources									
	FEMA	2,108,458	4,163,526	164,687	-	-	-	-	164,687	6,436,670
(1)	CDBG ROUND 2.2	-	-	-	-	-	-	-	-	-
	TOTAL Other Funding Sources	**2,108,458**	**4,163,526**	**164,687**	**-**	**-**	**-**	**-**	**164,687**	**6,436,670**
	Future Funding Sources									
	TAX SUPPORTED BONDS	-	-	-	-	-	-	-	-	-
	REVENUE SUPPORTED BONDS	-	-	-	6,481,000	7,112,607	15,456,370	25,034,638	54,084,615	54,084,615
	FUTURE OPERATING CASH	-	-	-	-	-	-	-	-	-
	TOTAL Future Funding Sources	**0**		**0**	**6,481,000**	**7,112,607**	**15,456,370**	**25,034,638**	**54,084,615**	**54,084,615**
	TOTAL SEWER PROGRAM FUNDING	**$ 6,659,989**	**$ 8,417,301**	**$ 5,084,173**	**$ 6,481,000**	**$ 7,112,607**	**$ 15,456,370**	**$ 25,034,638**	**$ 59,168,788**	**$ 74,246,078**

(1) Awarded FY16

CITY OF GALVESTON
CAPITAL IMP CAPITAL IMPROVEMENT PLAN
SEWER PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2020 - FY2024

STATUS	#	PROJECT NAME	PROJECT NO.	ITD ACTIVITY	ENCUMBRANCES	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	TOTAL FY 20 - 24	PROJECT CIP TOTAL
	1	Rehabilitation of Main WWTP Sludge Holding Tank	S1610	253,301	413,015	0	0	0	0	8,408,838	8,408,838	9,075,154
	2	Lift Station Pump and Electrical Improvements	S1701	141,726	330,737	0	5,036,000	2,500,000	2,500,000	2,500,000	12,536,000	13,008,463
	3	Reconstruction of Pirates' Beach Wastewater Treatment Plant	S1607	376,258	298,688	0	0	0	5,909,545	0	5,909,545	6,584,491
Awaiting TCEQ	4	Seawolf Park WWTP Reconstruction	SSEAWO	231,333	129,585	1,141,907	0	0	0	0	1,141,907	1,502,825
	5	Airport Wastewater Treatment Plant Final Mitigation & Recovery	SW-159	2,089,470	4,163,526	0	0	0	0	0	0	6,252,995
Ongoing	6	Replace Pipe at Ferry & 1st	S1902	-	-	0	0	0	161,200	962,500	1,123,700	1,123,700
	7	West End Sewer Improvements	S1702	16,320	-	0	620,000	3,310,932	0	0	3,930,932	3,947,252
Ongoing	8	Sanitary Sewer Repair and Rehabilitation Program (Force Mains/Inflow/Infiltration)	SLINEI	3,054,195	628,982	825,000	825,000	825,000	825,000	825,000	4,125,000	7,808,177
	9	Wastewater Master Plan	S1611	117,551	7,912	0	0	0	0	0	0	125,464
	10	Sunny Beach - 8 Mile Road Sanitary Sewer Project	S1609	379,835	2,444,855	0	0	0	0	0	0	2,824,690
NEW	11	Harborside - 25th to 29th	S1901	-	-	0	0	476,675	3,653,125	0	4,129,800	4,129,800
Contingency	12	Program contingency	SCONT	-	-	750,000	0	0	0	0	750,000	750,000
NEW	13	Avenue S - 53rd to Seawall Blvd. (County)	ST1807	-	-	423,780	0	0	0	0	423,780	423,780
NEW	14	Terramar Waste Water Treatement Plant Upgrade	S1903	-	-	0	0	0	2,407,500	12,338,300	14,745,800	14,745,800
NEW	15	23RD - Broadway to Seawall Blvd. (County)	ST1806	-	-	1,943,486	0	0	0	0	1,943,486	1,943,486
		Total $'s by Year		**$ 6,659,989**	**$ 8,417,301**	**$ 5,084,173**	**$ 6,481,000**	**$ 7,112,607**	**$ 15,456,370**	**$ 25,034,638**	**$ 59,168,787**	**$ 74,246,078**

CITY OF GALVESTON

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City of Galveston
FY2020 – FY2024
Capital Improvement Plan
Facilities Program

The ongoing Facilities Program includes $40.5 million for demolition, rehabilitation and/or improvement of city facilities with $29.8 million coming from CDBG Disaster Recovery (CDBG-DR) grant funds, which were started in FY2018. These projects will remove blight, provide or foster neighborhood improvements, and upgrade facilities important to the provision of city services. No City bond funds are proposed for Facilities Program projects.

Projects include the demolition of the Old Municipal Incinerator, renovating the old 30th Street Pump Station to provide community activities in this historic structure, and improvements to the lighting along Broadway.

Two major facility projects are being funded with CDBG Disaster Recovery funds including a new operations facility for Public Works and Utility personnel ($9.0 million in CDBG funding) and construction of a new Fire Station #1 adjacent to City Hall ($9.1 million in CDBG Disaster Recovery funds). These projects will include demolition of the current Public Safety Annex and the Bersinger Building. All CDBG-DR projects are scheduled to be completed by the end of December 2019.

Other facility projects include paving the parking area for Sanitation vehicles to reduce wear and tear on the equipment, as well as providing a new operations building for the Recycling Center.

Upcoming projects also include $4.9M for the restoration and renovations to the City's historic City Hall to help preserve our history and improve service to the citizens of Galveston.

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
FACILITIES PROGRAM
FUNDING SOURCE BY FISCAL YEAR
FY2020 - FY2024

	FUNDING SOURCES	INCEPTION TO DATE ACTIVITY	ENCUMBRANCES	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 20 - 24 TOTAL	PROGRAM FUNDING TOTAL
	Existing City Funds									
33	INFRASTRUCTURE & DEBT SERVICE (ISA)	23,393	7,797.20	346,000	1,000,000	-	-	-	1,346,000	1,377,190
	SANITATION OPERATIONS	4,868	-	5,000	-	-	-	-	5,000	9,868
	RECOVERY AND CAPITAL RESERVES	707,866	768,992.00	1,000,000	-	-	-	-	1,000,000	2,476,858
	CONVENTION CENTER SURPLUS	-	-	500,000	-	-	-	-	500,000	500,000
	GARAGE INTERNAL SERVICE	805	-	799,195	-	-	-	-	799,195	800,000
	ARTS/HISTORICAL (HOT) 1/8	-	-	1,305,965	294,000	-	-	-	1,599,965	1,599,965
58	FTA FUNDING			-	-	-	-	-	-	
	TOTAL Existing City Funds	**736,931**	**776,789**	**3,956,160**	**1,294,000**	**-**	**-**	**-**	**5,250,160**	**6,763,881**
	Other Funding Sources									
	INSURANCE PROCEEDS - IKE	47,836	-	90,000	-	-	-	-	90,000	137,836
(1)	CDBG ROUND 2.2	12,145,341	16,570,112	919,778	-	-	-	-	919,778	29,635,231
	TOTAL Other Funding Sources	**12,193,176**	**16,570,112**	**1,009,778**	**-**	**-**	**-**	**-**	**1,009,778**	**29,773,067**
	Future Funding Sources									
	TAX SUPPORTED BONDS			-	-	-	-	-	-	
	REVENUE SUPPORTED BONDS		-	-	-	-	-	-	-	-
	FUTURE OPERATING CASH		-	-	-	-	-	-	-	-
	TOTAL Future Funding Sources		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	TOTAL FACILITIES PROGRAM FUNDING	**12,930,108**	**$ 17,346,902**	**$ 4,965,939**	**$ 1,294,000**	**$ -**	**$ -**	**$ -**	**$ 6,259,939**	**$ 36,536,948**

(1) Awarded FY16

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
FACILITIES PROGRAM
BUDGET SUMMARY
FY2020 - FY2024

STATUS		PROJECT NAME	PROJECT NO.	INCEPTION TO DATE ACTIVITY	ENCUMBRANCES	2020	2021	2022	2023	2024	TOTAL FY 20-24	PROJECT CIP TOTAL
CDBG 2.2	1	Demolition of Old Municipal Incinerator	IDEMO	1,086,275	3,535,598	855,545	0	0	0	0	855,545	5,477,417
CDBG 2.2	2	Cedars Area Neighborhood Improvements	CWALK	632,495	37,387	0	0	0	0	0	0	669,881
CDBG 2.2	3	New Public Works & Utilities Building & Warehouse	PWFAC	2,938,472	7,257,796	64,233	0	0	0	0	64,233	10,260,502
CDBG 2.2	4	Historic 30th Street Pump Station Rehabilitation	CREHAB	916,047	2,009,368	0	0	0	0	0	0	2,925,415
CDBG 2.2	5	New Central Fire Station (Fire Station No. 1)	FS1	6,151,569	3,319,361	0	0	0	0	0	0	9,470,930
CDBG 2.2	6	Demo Existing Central Fire Station / Annex (Fire Station No. 1)	DFS1	27,653	176,675	0	0	0	0	0	0	204,328
CDBG 2.2	7	30th St. Tank Demolition	CTDEMO	392,830	233,928	0	0	0	0	0	0	626,758
Planning	8	East Parking Lot - Garage	F1801	805	-	799,195	0	0	0	0	799,195	800,000
Insurance Proceeds	9	Parking Lot Improvements at Sanitation (RE-102)	SA1701	4,868	-	95,000	0	0	0	0	95,000	99,868
FEMA and Insurance Proceeds	10	Replacement of Recycling Building at Eco-Center	SW-171	47,836	-	0	0	0	0	0	0	47,836
Complete	11	City Hall Roof Repair Project	CH1701	586,017	-	0	0	0	0	0	0	586,017
Planning	12	Renovate City Hall & Windows	CH1702	121,850	768,992	2,805,965	1,294,000	0	0	0	4,099,965	4,990,807
New	13	Central Garage Roof Rehabilitation	CGROOF	23,393	7,797	346,000	0	0	0	0	346,000	377,190
	Total $'s by Year			**12,930,108**	**17,339,105**	**4,965,939**	**1,294,000**	**-**	**-**	**-**	**$ 6,259,939**	**$ 41,226,529**

CITY OF GALVESTON

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City of Galveston
FY2020 – FY2024
Capital Improvement Plan
Parks and Recreation Program

The Parks and Recreation Program includes $21.3 million in projects that serve to implement the Parks, Recreation, and Open Space Master Plan. Sale tax revenue provided through the Industrial Development Corporation are proposed to provide $18 million for this program, while $3.3 million in grants and private donations provide the balance.

The highest priority in the Master Plan was to build a community pool. Construction of the Lasker Park Community Pool valued at $4.1 million was completed in 2017. Operating costs are funded from IDC sale tax revenues and pool operating revenue. Currently the pool generates ~$100,000 annually in user fees. IDC provides an additional $400,000 to support operating costs and maintain a capital replacement fund balance.

The Program also supported the construction of the Crockett Park Baseball Complex and improvements to the neighboring Burnett Elementary Football Field valued at $4.4 million which opened in April of 2019.

Parks Package #3 valued at $900,000 was recently approved to support the Repair and Rehabilitation of Existing Parks. Staff is currently soliciting bids for Parks Package #3 projects.

All of the projects involve plans that coincide with priority numbers two (2) Repair/ Rehabilitation of Existing Parks, three (3) Increased Shade Opportunities at Existing Parks, four (4) Continued Pursuit of a Comprehensive Trail and Bikeway Master Plan and six (6) Tournament Facilities in our Parks, Recreation, and Open Space Master Plan. Other priorities also include the acquisition of park acreage in areas of need, and public bay access for fishing and recreation.

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
PARKS & RECREATION PROGRAM
FUNDING SOURCE BY FISCAL YEAR
FY 2020-2024

FUNDING SOURCES	ITD Activity	Encumbrances	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 20 - 24 TOTAL	PROGRAM FUNDING TOTAL
Existing City Funds									
IDC - BEACH NOURISHMENT	2,000,000.00	-	1,850,000.00	-	844,000.00	-	-	2,694,000	4,694,000
IDC - ECONOMIC DEVELOPMENT	-	-	-	-	-	-	-	-	-
IDC - PARKS	5,126,499.84	86,154.12	25,000.00	2,162,000.00	-	1,650,000.00	-	3,837,000	9,049,654
IDC - INFRASTRUCTURE	-	-	-	-	-	-	-	-	-
TOTAL Existing City Funds	**7,126,499.84**	**86,154**	**1,875,000**	**2,162,000**	**844,000**	**1,650,000**	**-**	**6,531,000**	**13,743,654**
Other Funding Sources									
Other Funding Sources									
FEMA HMPG (404)									
TIRZ 14									
TOTAL Other Funding Sources	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Future Funding Sources									
TAX SUPPORTED BONDS			-	-	-	-	-	-	-
REVENUE SUPPORTED BONDS			-	-	-	-	-	-	-
FUTURE OPERATING CASH			-	-	-	-	-	-	-
TOTAL Future Funding Sources	**-**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL PARKS PROGRAM FUNDING	**$ 7,126,500**	**$ 86,154**	**$ 1,875,000**	**$ 2,162,000**	**$ 844,000**	**$ 1,650,000**	**$ -**	**$ 6,531,000**	**$ 13,743,654**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
PARKS & RECREATION PROGRAM
BUDGET SUMMARY
FY 2020-2024

STATUS		PROJECT NAME	PROJECT NO.	ITD Activity	Encumbrances	2020	2021	2022	2023	2024	TOTAL FY 20 - 24	PROJECT CIP TOTAL
Phase 1, 2	1	53rd Street Little League Complex & Park	IDCLLC	5,051,926	73,074	0	0	0	0	0	0	5,125,000
Beach	2	Babe's Beach Preservation	IDCBBP	2,000,000	-	0	0	0	0	0	0	2,000,000
Local Match	3	Jones Park	IDCJP	-	-	25,000	0	0	0	0	25,000	25,000
Beach	4	Seawall Urban Park Renourishment	IDCSUP	-	-	0	0	844,000	0	0	844,000	844,000
	5	Parks Package 3	IDCPP3	-	13,080	0	0	0	0	0	0	13,080
Phase 1, 2, 3	6	Sandhill Crane Soccer Complex & Park	IDCSHC	74,574	-	0	1,740,000	0	1,650,000	0	3,390,000	3,464,574
Local Match	7	Dellanera Park Renourishment	IDCDELL	-	-	0	422,000	0	0	0	422,000	422,000
New	8	Beach Pocket Park Rehabilition	IDCPOC	-	-	1,850,000	0	0	0	0	1,850,000	1,850,000
		Total $'s by Year		**7,126,500**	**$ 86,154**	**$ 1,875,000**	**$ 2,162,000**	**$ 844,000**	**$ 1,650,000**	**$ -**	**$ 6,531,000**	**$ 13,743,654**

CITY OF GALVESTON

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City of Galveston
FY2020 – FY2024
Capital Improvement Plan
Airport Program

The Airport Program includes approximately $7.5 Million to improve Scholes International Airport operations. The funding will be used to upgrade or build new facilities for airport users, through the end of FY 2022. The majority of this program ($4.9 Million) is to be funded with grants through the Texas Department of Transportation (TxDOT).

The Airport Capital Improvement Program includes construction of three hangars and an office/warehouse facility, rehabilitation of airfield and Terminal Building pavement and updating our Airport Master Plan.

The following is the list of specific projects:

1. Hangar Construction Project – this revenue producing project includes building an eight-unit nested T-hangar and two, 3,600 sq. ft. box hangars to be leased to aviation tenants, increasing Airport revenue (FY 2019).

2. Airport Terminal Pavement Project – this joint City Department project will remove and replace asphalt on the North Terminal Parking Lot, Circle Driveway and both drives leading to the Aircraft Ramp. The Airport is providing the material cost and Public Works is providing the labor and equipment (FY 2019).

3. Airport Master Plan Update – this project is updating the existing Airport Master Plan, which was last updated in 2005. The Master Plan updates FAA facility records and prioritizes recommended Capital Improvement Projects for 1-5 year and 6-10-year time frames (FY 2019).

4. Office/Warehouse Project – this revenue producing project consists of building a commercial office/warehouse space that can be leased to various City Departments and commercial operators (FY 2020).

5. Airport Pavement Project – this project will consist of rehabilitating the asphalt section of Runway 14/32 and 80,000 linear feet of concrete joint seal repairs to the North Apron (FY 2020).

6. Pavement Engineering and Design Project – this project will be for the engineering and design for Runway 18/36, South Apron and South Ramp improvements (FY 2020).

7. Runway 18/36 Pavement Project – this project consists of rehabilitating and marking Runway 18/36 (FY 2021).

8. Airside Pavement Project – this project consists of rehabilitating 65,500 sq. yds. of the South Apron and 37,300 sq. yds. the South Ramp (FY 2022).

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
AIRPORT PROGRAM
FUNDING SOURCE BY FISCAL YEAR
FY2020 - FY2024

FUNDING SOURCES	INCEPTION TO DATE ACTIVITY	CURRENT ENCUMBRANCE	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 20 - 24 TOTAL	PROGRAM FUNDING TOTAL
Existing City Funds									
AIRPORT IMPROVEMENT	565,102	27,846	887,464	357,556	232,760	-	-	1,477,780	2,070,728
TOTAL Existing City Funds	**565,102**	**27,846**	**887,464**	**357,556**	**232,760**	**-**	**-**	**1,477,780**	**2,070,728**
Other Funding Sources									
TXDOT FUNDING	-	-	472,500	2,065,600	2,327,600	-	-	4,865,700	4,865,700
FEMA	-	-	-	-	-	-	-	-	-
INSURANCE PROCEEDS - IKE	-	-	-	-	-	-	-	-	-
TIRZ 14	-	-	486,826	-	-	-	-	486,826	486,826
FEMA HMPG (404)	-	-	-	-	-	-	-		-
TOTAL Other Funding Sources		**-**	**959,326**	**2,065,600**	**2,327,600**	**-**	**-**	**5,352,526**	**5,352,526**
Future Funding Sources									
TAX SUPPORTED BONDS	-	-	-	-	-	-	-	-	-
REVENUE SUPPORTED BONDS	-	-	-	-	-	-	-	-	-
FUTURE CASH: PROPERTY SALES	-	-	-	-	1,100,000	-	-	1,100,000	1,100,000
TOTAL Future Funding Sources	**-**	**-**	**-**	**-**	**1,100,000**	**-**	**-**	**1,100,000**	**1,100,000**
TOTAL AIRPORT PROGRAM FUNDING	**565,102**	**$ 27,846**	**$ 1,846,790**	**$ 2,423,156**	**$ 3,660,360**	**$ -**	**$ -**	**$ 7,930,306**	**$ 8,523,254**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
AIRPORT PROGRAM
BUDGET SUMMARY
FY2020 - FY2024

STATUS		PROJECT NAME	PROJECT NO.	INCEPTION TO DATE ACTIVITY	CURRENT ENCUMBRANCE	2020	2021	2022	2023	2024	TOTAL FY 20 - 24	PROJECT CIP TOTAL
	1	Rehabilitation of Terminal North Parking Lot & Driveway	A1901	-	0	32,000	0	0	0	0	32,000	32,000
	2	Hangar Construction Project	A1701	45,543	27,846	726,611	0	0	0	0	726,611	800,000
TxDot	3	Airfield Pavement Improvements Phase 3	A1801	518,000	0	0	0	0	0	0	0	518,000
	4	Airport Warehouse Building	A1802	1,559	0	0	150,996	1,100,000	0	0	1,250,996	1,252,555
TxDot	5	Planning - Airport Master Plan Update. Design - Pavement Improvements.	A2020	-	0	525,000	0	0	0	0	525,000	525,000
TxDot	6	Airfield Pavement Improvements Runway 18/36	A2021	-	0	0	2,272,160	0	0	0	2,272,160	2,272,160
TxDot	7	Airfield Pavement Improvements South Apron & South Ramp	A2022	-	0	0	0	2,560,360	0	0	2,560,360	2,560,360
TxDot	8	Air Traffic Control Tower	H-AP1	-	0	563,179	0	0	0	0	563,179	563,179
		Total $'s by Year		**$ 565,102**	**$ 27,846**	**$ 1,846,790**	**$ 2,423,156**	**$ 3,660,360**	**$ -**	**$ -**	**$ 7,930,306**	**$ 8,523,254**

CITY OF GALVESTON

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CITY OF GALVESTON
CASH RECONCILIATION REPORT
per ADOPTED BUDGET 2018
AS OF June 25, 2018
(2 pages)

Department:	COUNCIL	IDC				PUBLIC IMPROVEMENT	STREETS / TRAFFIC	DRAINAGE
Fund Description:	PROJECTS & INITIATIVES PRG.	BEACHES	ECON DEV	PARKS	INFRAST	2017 G.O. Bonds	ISA & DS	Drainage Improve
Fund #:	1098	3190	3191	3192	3193	3217	3199	44102
Page #:	Page 3	Page 4	Page 5	Page 6	Page 7	Page 8	Page 9	Page 10
CASH RECONCILIATION								
Beginning Balance, Oct 1, 2017	**$1,822,696**	**$3,620,254**	**$5,228,955**	**$4,452,803**	**$4,180,603**	**$25,060,204**	**$5,021,658**	**$386,337**
Add: Interest FY 2018	$4,199	$8,971	$12,417	$9,433	$8,943	$58,841	$10,726	$897
Add: FY 2018 Transfers / Revenues / Other Sources	$0	$712,985	$712,985	$712,985	$712,985	$0	$2,456,258	$0
CASH, TOTAL RESOURCES	**$1,826,895**	**$4,342,210**	**$5,954,356**	**$5,175,221**	**$4,902,531**	**$25,119,045**	**$7,488,642**	**$387,234**
Less: YTD Expenditures	($1,014,855)	($298,457)	($589,496)	($2,474,694)	($1,607,310)	($1,323,072)	($2,811,738)	($103,394)
Less: Payables, Due from	($32,373)	$205,004	$40,281	($102,810)	($223,679)	$0	($644,421)	($6,817)
CASH, ENDING BALANCE	**$779,667**	**$4,248,757**	**$5,405,142**	**$2,597,718**	**$3,071,543**	**$23,795,973**	**$4,032,482**	**$277,023**

BUDGET RECONCILIATION								
CASH, ENDING BALANCE	**$779,667**	**$4,248,757**	**$5,405,142**	**$2,597,718**	**$3,071,543**	**$23,795,973**	**$4,032,482**	**$277,023**
Add: FY 2018 Outstanding Estimated Revenue, Other Funding Sources, Transfers	$0	$0	$0	$0	$0	$0	$818,753	$0
Less: Encumbered	($171,443)	($76,236)	($587,645)	($1,800,321)	($225,235)	($3,046,028)	($1,654,259)	($194,798)
Less: Unencumbered	($165,764)	($2,202,655)	($4,139,191)	($276,657)	($373,175)	($17,262,890)	($3,182,902)	($64,955)
AVAILABLE FY 2018	**$442,460**	**$1,969,866**	**$678,306**	**$520,739**	**$2,473,133**	**$3,487,055**	**$14,074**	**$17,271**

CITY OF GALVESTON
CASH RECONCILIATION REPORT
per ADOPTED BUDGET 2018
AS OF June 25, 2018
(2 pages)

Department:	AIRPORT	WATER				SEWER			TOTAL
Fund Description:	Airport Improve	Water Improve	2006 Bonds	2008 Bonds	2017 CO Bonds	Sewer Improve	2008 Bonds	2017 CO Bonds	
Fund #:	43302	40102	40111	40115	40117	42102	42115	42117	ALL FUNDS
Page #:	Page 11	Page 12	Page 13	Page 14	Page 15	Page 16	Page 17	Page 18	
CASH RECONCILIATION									
Beginning Balance, Oct 1, 2017	**$893,389**	**$3,864,066**	**$44,754**	**$164,822**	**$18,574,064**	**$3,357,790**	**$3,958,421**	**$16,174,293**	**$96,805,110**
Add: Interest FY 2018	$2,139	$9,041	$0	$0	$42,044	$9,194	$10,086	$38,044	$224,975
Add: FY 2018 Transfers / Revenues / Other Sources	$399,971	$588,828	$0	$0	$0	$750,000	$0	$0	$7,046,995
CASH, TOTAL RESOURCES	**$1,295,499**	**$4,461,935**	**$44,754**	**$164,822**	**$18,616,107**	**$4,116,984**	**$3,968,507**	**$16,212,337**	**$104,077,080**
Less: YTD Expenditures	($517,670)	($873,972)	($21,662)	($73,381)	($1,078,291)	($638,267)	($56,145)	($22,780)	($13,505,184)
Less: Payables, Due from	($19,306)	($66,953)	($14,319)	($48,466)	($680,271)	($94,029)	$0	$0	($1,688,159)
CASH, ENDING BALANCE	**$758,522**	**$3,521,009**	**$8,773**	**$42,976**	**$16,857,545**	**$3,384,688**	**$3,912,362**	**$16,189,557**	**$88,883,737**

BUDGET RECONCILIATION									
CASH, ENDING BALANCE	**$758,522**	**$3,521,009**	**$8,773**	**$42,976**	**$16,857,545**	**$3,384,688**	**$3,912,362**	**$16,189,557**	**$88,883,737**
Add: FY 2018 Outstanding Estimated Revenue, Other Funding Sources, Transfers	$399,971	$588,828	$0	$0	$0	$604,979	$0	$0	$2,412,530
Less: Encumbered	($53,227)	($1,245,052)	($8,772)	($14,458)	($1,414,678)	($2,134,377)	($194,318)	$0	($12,820,847)
Less: Unencumbered	($1,100,961)	($2,321,450)	$0	($28,518)	($10,845,676)	($1,129,889)	($2,854,418)	($15,598,492)	($61,547,593)
AVAILABLE FY 2018	**$4,304**	**$543,335**	**$0**	**$0**	**$4,597,191**	**$725,401**	**$863,626**	**$591,065**	**$16,927,825**

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
COUNCIL PROJECTS & INITIATIVE FUND 1098
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	$	**1,822,696.02**
FY 2018: Interest	$	4,198.69
FY 2018: Transfers	$	-
Total Cash Resources	**$**	**1,826,894.71**
Less: Expenditures	$	(1,014,855.06)
Less: Accounts Payable as of 10/1/2017	$	(32,372.54)
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**779,667.11**

Budget Reconciliation		
Cash, Ending 6/25/18	$	779,667.11
FY 2018: Transfers	$	-
FY 2018: Other	$	-
Total Cash/Budget	**$**	**779,667.11**
Less: Encumbered	$	(171,442.84)
Less: Unencumbered	$	(165,764.35)
Available FY 2018		**442,460**

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
PROJECTS BY DISTRICT							
D1 - STREET IMPROVEMENTS	2017	19301	7,775	500	800	1,300	6,475
D1 - CENTRAL MIDDLE SCHOOL SIDEWALKS	DEC 2017	D11702	25,535	4,019	25,535	29,554	(4,019)
D1 - SIDEWALK 2800 AVENUE M	DEC 2017	D11801	40,000	24,891	7,585	32,477	7,523
D2 - 27th STREET ENGINEERING	2017	19302	53,417	2,590	16,015	18,605	34,813
D2 - CODE ENFORCEMENT OVERTIME	2017	D21704	25,929	26,355	0	26,355	(426)
D2 - BANNER SILK STOCKING	2017	D21707	20,000	0	0	0	20,000
D3 - LINDALE PARK WALKING TRAIL	DEC 2017	D31701	179,751	101,257	78,494	179,751	0
D3 - LINDALE PARK SHADE STRUCTURE	2017	D31702	22,183	0	22,182	22,182	1
D5 - CHANNELVIEW SIDEWALK/CURBS	DEC 2017	D51701	122,184	112,327	14,395	126,722	(4,539)
D5 - COLONY PARK SIDEWALK/CURBS	DEC 2017	D51702	45,687	40,047	5,092	45,139	548
D6 - STREET IMPROVEMENTS	2017	19306	857	778	0	778	79
PROJECT MANANGEMENT (5%)	2017	1930PM	162,756	56,103	1,346	57,448	105,307
CLOSED PROJECT 2018 (Finalizing Accounting)							
D1 - WRIGHT CUNEY SHADE STRUCTURE	2017	D11701	146,860	146,859	0	146,859	0
D2 - MENARD PARK TABLES	2017	D21706	7,953	7,952	0	7,952	0
D3 - LINDALE PARK PLAYGROUND EQUIP	2017	19303	27,307	27,307	0	27,307	0
D3 - CHURCH/SEALY STREET LIGHTS	NOV 2017	D31703	190,000	190,000	0	190,000	0
D3 - LINDALE PARK CONCESSION STAND	2017	D31801	14,640	14,640	0	14,640	0
D4 - STREET IMPROVEMENTS	2017	19304	233,947	233,947	0	233,947	0
D5 - 77TH STREET LIGHTS	2017	D51703	7,064	7,064	0	7,064	0
D5 - ROBERT COHEN LIGHTING	2017	D51801	17,220	17,220	0	17,220	0
DE - ROBERT COHEN SIGN (TOPPERS)	2017	D51802	999	999		999	0
TOTAL BUDGET (established)			**$1,352,062**	**$1,014,855**	**$171,443**	**$1,186,298**	**$165,764**

Note: This fund includes the Old IDC funding.

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
IDC BEACH NOURISHMENT FUND 3190
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	**$**	**3,620,254.13**
FY 2018: Interest	$	8,971.32
FY 2018: 4B Sales Tax ($1,346,936)	$	712,984.91
Total Cash Resources	**$**	**4,342,210.36**
Less: Expenditures	$	(298,457.16)
Less: Accounts Payable 10/1/17, Due from State	$	205,004.15
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**4,248,757.35**

Budget Reconciliation		
Cash, Ending 6/25/18	$	4,248,757.35
FY 2018: Transfers	$	-
FY 2018: 4B Sales Tax	$	-
Total Cash/Budget	**$**	**4,248,757.35**
Less: Encumbered	$	(76,236.37)
Less: Unencumbered	$	(2,202,655.27)
Available FY 2018		**1,969,866**

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
REIMBURSEMENTS							
REIM - ATKINS SURVEY (POG & JAMAICA BEACH)				(22,460)	0	(22,460)	0
OPERATING							
OPERATING EXPENDITURES	2018	OPEXP	774,809	320,917	76,236	397,154	377,655
PROJECTS							
DELLANERA BEACH REMEDIATION	*pending approval*	IDCDEL	150,000	0	0	0	150,000
BABES BEACH PRESERVATION	MAR 2018	IDCBBP	1,500,000	0	0	0	1,500,000
STRUCTURAL SOLUTIONS	MAR 2018	IDCSS	75,000	0	0	0	75,000
BACK PASSING NOURISHMENT	MAR 2018	IDCBPN	75,000	0	0	0	75,000
LONG TERM RESTORATION STRATEGIES	MAR 2018	IDCLTR	25,000	0	0	0	25,000
TOTAL BUDGET (established)			**$2,599,809**	**$298,457**	**$76,236**	**$374,694**	**$2,202,655**

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
IDC ECONOMIC DEVELOPMENT FUND 3191
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	**$**	**5,228,954.73**
FY 2018: Interest	$	12,416.78
FY 2018: 4B Sales Tax ($1,346,936)	$	712,984.91
Total Cash Resources	**$**	**5,954,356.42**
Less: Expenditures	$	(589,495.57)
Less: Accounts Payable 10/1/17, Due from State	$	40,281.44
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**5,405,142.29**

Budget Reconciliation		
Cash, Ending 6/25/18	$	5,405,142.29
FY 2018: Transfers	$	-
FY 2018: 4B Sales Tax	$	-
Total Cash/Budget	**$**	**5,405,142.29**
Less: Encumbered	$	(587,645.10)
Less: Unencumbered	$	(4,139,191.33)
Available FY 2018		**678,306**

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
OPERATING							
OPERATING EXPENDITURES	2018	OPEXP	237,832	163,834	20,370	184,204	53,628
PROJECTS							
45TH ST - BROADWAY TO SEAWALL	APR 2017	ST1705	935,000	385,000	550,000	935,000	0
WEST MARKET 25TH to 33RD (1)	APR 2017	WEMA	1,593,500	38,919	17,275	56,194	1,537,306
HARBORSIDE DRIVE --33RD to 20TH (CONSTRUCTION)	FEB 2018	IDCHAR	2,300,000	1,742	0	1,742	2,298,258
INFILL REDEVELOPMENT PROJECT	AUG 2015	IDCLB	250,000	0	0	0	250,000
TOTAL BUDGET (established)			**$5,316,332**	**$589,496**	**$587,645**	**$1,177,141**	**$4,139,191**

(1) IDC approved $150,000 for design. WEMA

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
IDC PARKS & RECREATION FUND 3192
AS OF June 25, 2018

Cash Reconciliation	
Cash, Beginning Balance Oct 1, 2017	**$ 4,452,803.14**
FY 2018: Interest	$ 9,433.43
FY 2018: 4B Sales Tax ($1,346,936)	$ 712,984.91
Total Cash Resources	**$ 5,175,221.48**
Less: Expenditures	$ (2,474,693.56)
Less: Accounts Payable 10/1/17, Due from State	$ (102,810.31)
CASH, ENDING BALANCE AS OF 6/25/18	**$ 2,597,717.61**

Budget Reconciliation	
Cash, Ending 6/25/18	$ 2,597,717.61
FY 2018: Transfers	$ -
FY 2018: 4B Sales Tax	$ -
Total Cash/Budget	**$ 2,597,717.61**
Less: Encumbered	$ (1,800,321.43)
Less: Unencumbered	$ (276,656.95)
Available FY 2018	**520,739**

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
OPERATING							
OPERATING EXPENDITURES	2018	OPEXP	95,332	79,317	24,539	103,856	(8,524)
LITTLE LEAGUE COMPLEX (1)	2018	IDCLLC	150,000	0	0	0	150,000
LASKER COMMUNITY POOL (2)	2018	LASKER	250,000	250,000	0	250,000	0
IDC PROJECTS (Parks Crew Maintenance) (1)	MAR 2018	*various*	110,000	0	0	0	110,000
PROJECTS							
PARKS PROJECT MGMT	MAY 2012	IDCPPM	17,345	0	0	0	17,345
PARKS PACKAGE #2							
LITTLE LEAGUE COMPLEX - 53RD & AVE S	FEB 2015	IDCLLC	3,756,346	1,987,741	1,775,357	3,763,098	(6,751)
SANDHILL CRANE SOCCER PROJECT	FEB 2015	IDCSHC	3,729	0	426	426	3,303
CLOSED PROJECTS 2018 (Finalizing accounting)							
LASKER COMMUNITY POOL	JUN 2016	LASKER	168,920	157,636	0	157,636	11,284
TOTAL BUDGET (established)			**$4,382,752**	**$2,474,694**	**$1,800,321**	**$4,275,015**	**$276,657**

(1) Reimburse General Fund for maintenance expenditures as incurred.
(2) Transfer of funds to the Lasker Pool fund.

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
IDC INFRASTRUCTURE FUND 3193
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	**$**	**4,180,602.92**
FY 2018: Interest	$	8,943.21
FY 2018: 4B Sales Tax ($1,346,936)	$	712,984.91
Total Cash Resources	**$**	**4,902,531.04**
Less: Expenditures	$	(1,607,309.51)
Less: Accounts Payable 10/1/17, Due from State	$	(223,678.71)
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**3,071,542.82**

Budget Reconciliation		
Cash, Ending 6/25/18	$	3,071,542.82
FY 2018: Transfers	$	-
FY 2018: 4B Sales Tax		
Total Cash/Budget	**$**	**3,071,542.82**
Less: Encumbered	$	(225,234.83)
Less: Unencumbered	$	(373,175.33)
Available FY 2018		**2,473,133**

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
OPERATING							
OPERATING EXPENDITURES	2018	OPEXP	95,332	68,732	8,361	77,094	18,238
PROJECTS							
PROJECT MGMT		IDCNRP	29,025	0	0	0	29,025
HARBORSIDE DRIVE --33RD to 20TH (DESIGN)	MAY 2012	IDCHAR	113,170	63,680	5,800	69,480	43,690
27TH CORRIDOR	SEP 2014	IDC27	1,570,030	1,301,316	193,807	1,495,123	74,907
DRAINAGE SYSTEM IMPROVEMENTS	*pending approval*	D1801	100,000	0	0	0	100,000
CURB CREW PROGRAM							
SIDEWALK CURB CREW - salary reim	AUG 2015	IDCSCC	253,935	155,795	0	155,795	98,140
SIDEWALK CURB CREW - vehicle	AUG 2015	IDCSCC	6,228	0	0	0	6,228
SIDEWALK CURB CREW - materials	AUG 2015	IDCSCC	85,000	56,362	17,266	73,629	11,371
SIDEWALK CURB CREW - resident reim	AUG 2015	IDCSCC	(85,000)	(38,576)	0	(38,576)	(46,424)
NEIGHBORHOOD REVITALIZATION PROGRAM		***Program#***					
DISTRICT #2	*(1)*	451152	13,000	0	0	0	13,000
MAYOR	*(1)*	451150	25,000	0	0	0	25,000
		TOTAL BUDGET (established)	**$2,205,720**	**$1,607,310**	**$225,235**	**$1,832,544**	**$373,175**

(1) Council approved 7/11/2013. Funding is IDC Infrastructure silo of $1.4M. (6 Districts + Mayor)

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
2017 GO BONDS FUND 3217
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	$	**25,060,204.18**
FY 2018: Interest	$	58,840.81
FY 2018: Other	$	-
Total Cash Resources	**$**	**25,119,044.99**
Less: Expenditures	$	(1,323,071.53)
Less: Accounts Payable as of 10/1/2017	$	-
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**23,795,973.46**

Budget Reconciliation		
Cash, Ending 6/25/18	$	23,795,973.46
FY 2018: Transfers	$	-
FY 2018: Other	$	-
Total Cash/Budget	**$**	**23,795,973.46**
Less: Encumbered	$	(3,046,028.32)
Less: Unencumbered	$	(17,262,889.77)
Available FY 2018		**3,487,055.37**

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
DRAINAGE PROJECTS							
18TH ST DRAIN IMPROVEMENTS	FEB 2018	D1602	1,200,861	35,826	947,615	983,441	217,420
CHURCH ST DRAIN IMPROVEMENTS	DEC 2017	D1604	137,386	6,285	100,242	106,527	30,859
STORM DRAIN REHAB & INSPECTION	AUG 2017	D1608	1,800,000	71,445	223,238	294,683	1,505,317
62ND & 63RD AVENUE L IMPROVEMENTS	NOV 2017	DAVENL	223,025	6,860	211,202	218,062	4,963
33RD - DRAINAGE (BROADWAY TO HARBOR	OCT 2017	ST1605	558,365	172,871	380,245	553,116	5,249
DRAINAGE CONTINGENCY	*pending*	DCONT	441,346	0	0	0	441,346
STREET PROJECTS							
IN HOUSE STREETS (MATERIALS COST)	OCT 2017	INST18	899,220	410,181	489,038	899,220	0
26TH - AVE N TO BROADWAY	SEP 2017	ST1503	538,986	483,572	34,588	518,160	20,826
29TH - BROADWAY TO SEALY	*planning*	ST1603	80,840	69	0	69	80,771
29TH - CHURCH TO HARBORSIDE	*planning*	ST1604	590,950	420	0	420	590,530
73RD - HEARDS LANE TO AVE N 1/2	*planning*	ST1702	1,319,750	4,280	0	4,280	1,315,470
REPLACEMENT OF STRAND PAVERS	*planning*	ST1704	430,000	353	0	353	429,647
45TH - BROADWAY TO SEAWALL	*planning*	ST1705	10,395,000	6,247	0	6,247	10,388,753
61ST & SEWALL - INTERSECTION		ST1706	247,000	0	0	0	247,000
30TH - AVE O TO SEAWALL	*planning*	ST1801	177,660	4,471	177,660	182,131	(4,471)
16TH - BROADWAY TO AVE N 1/2	*planning*	ST1802	1,460,100	593	0	593	1,459,507
22ND - HARBORSIDE TO BROADWAY	*planning*	ST1803	510,000	916	0	916	509,084
37TH - BROADWAY TO SEAWALL	*planning*	ST1901	13,750	222	0	222	13,528
29TH - AVE O TO AVE R 1/2	*planning*	ST2001	15,000	215	0	215	14,785
49TH - AVE P TO AVE S 1/2	DEC 2017	ST2002	282,750	98,291	188,405	286,696	(3,946)
35TH - POST OFFICE TO BROADWAY	DEC 2017	ST2003	310,000	19,956	293,794	313,750	(3,750)
TOTAL BUDGET (established)			**$21,631,990**	**$1,323,072**	**$3,046,028**	**$4,369,100**	**$17,262,890**

CITY OF GALVESTON

CASH & BUDGET RECONCILIATION REPORT

INFRASTRUCTURE & DEBT SERVICE FUND 3199

AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	$	**5,021,658.00**
FY 2018: Interest	$	10,726.08
FY 2018: Other	$	-
FY 2018: Transfer from GF*	$	2,456,257.50
Total Cash Resources	**$**	**7,488,641.58**
Less: Expenditures	$	(2,811,738.43)
Less: Accounts Payable as of 10/1/2017	$	(644,421.11)
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**4,032,482.04**

Budget Reconciliation			
Cash, Ending 6/25/18	$	4,032,482.04	
FY 2018: Transfer In GF*	$	818,752.50	***(to be transferred)***
FY 2018: Other	$	-	
FY 2018: TIRZ14 A/F	$	-	
Total Cash/Budget	**$**	**4,851,234.54**	
Less: Encumbered	$	(1,654,258.63)	
Less: Unencumbered	$	(3,182,902.24)	
Available FY 2018		**14,074**	

**Adopted Budget 2018 - Transfer from General Fund to Infrastructure Set Aside is $3,275,010. Transfers are posted on a quarterly basis.

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
DRAINAGE PROJECTS							
MASTER DRAINAGE PLAN and FEASIBILITY STUDY		D1701	1,750	0	0	0	1,750
INSPECTION OF STORM SEWER OUTFALLS	DEC 2016	D1702	202,783	192,971	9,886	202,857	(74)
WEST END DRAINAGE REHAB		D1703	3,000	0	0	0	3,000
DRAINAGE CONTINGENCY		DCONT	295,250	0	0	0	295,250
STREET PROJECTS							
IN HOUSE STREETS - (labor+equip) 2018	OCT 2017	INST18	1,262,780	368,425	0	368,425	894,355
26TH - AVE N TO BROADWAY		ST1503	5,000	1,935	0	1,935	3,065
29TH ST - BROADWAY to SEALY	JAN 2016	ST1603	41,954	346	2,640	2,986	38,968
29TH ST - CHURCH to HARBORSIDE (design)	FEB 2016	ST1604	7,830	0	7,830	7,830	0
33RD ST - BROADWAY to HARBORSIDE	JAN 2016	ST1605	346,458	124,764	230,771	355,535	(9,078)
25TH - BROADWAY TO SEAWALL	JUL 2017	ST1701	508,955	135,601	165,903	301,504	207,451
73RD - HEARDS LANE TO AVE N 1/2	MAY 2017	ST1702	70,386	52,886	17,500	70,386	0
REPLACEMENT OF STRAND PAVERS	DEC 2016	ST1704	24,201	124	22,201	22,325	1,876
61ST & SEAWALL - INTERSECTION IMPROVEMENTS		ST1706	35,000	0	0	0	35,000
SEAWALL (TxDot) Local Share	JUL 2017	ST1709	364,624	151,535	23,074	174,609	190,016
SEAWALL (TxDot) Local Share	pending	ST1709	170,000			0	170,000
30TH - AVE O TO SEAWALL		ST1801	12,660	197	0	197	12,463
IN HOUSE STREETS - EQUIPMENT PURCHASES	FEB 2018	ST18EQ	1,024,344	729,389	294,954	1,024,343	1
INELIGIBLE CDBG Round 2.2 Payroll	FY18	NA	35,000	25,171	0	25,171	9,829
CAPITAL PROJECTS MANAGEMENT SERVICES	FY18	NA	65,000	39,737	0	39,737	25,263
BROADWAY CORRIDOR (Harvey)	pending		861,378	0	0	0	861,378
STREETS CONTINGENCY		STCONT	74,439	0	0	0	74,439
TRAFFIC PROJECTS							
CAUSEWAY LIGHTING REHABILITATION	DEC 2016	TR1702	56,759	9,069	2,690	11,759	45,000
GRANTS, FEMA, TIRZ, TXDOT							
ROADWAY RECONSTRUCTION / REPAIR	NOV 2013	RDWYP	17,624	9,899	7,725	17,624	0
SIDEWALK 81ST TO SAND HILL - STEWART (TIRZ14)	AUG 2014	SR81SH	163,231	188	5,430	5,618	157,613
83RD ST - DRAIN & ROADWAY (TIRZ14)	2017	ST1805	85,555	17,272	68,356	85,629	(74)
TRAVEL AIR BRIDGE PROJECT (TIRZ 14)	CM 9/10/15	ST1620	917,023	678,933	77,443	756,377	160,646
FIRE HYDRANTS (IKE) (1)	SEP 2017	FD-132	900,000	182,146	717,854	900,000	0
CLOSED PROJECT 2018 (Finalizing Accounting)							
SEA ISLE DRAINAGE	SEP 2016	DRSEAD	0	0	0	0	0
DEMOLITION OF POCKET PARK #3	CM 2018	PK1701	14,850	14,850	0	14,850	0
IN HOUSE STREETS - ROLLOVER 2017	OCT 2016	STINHO	34,064	34,064	0	34,064	0
EMERGENCY UNDERGROUND STORAGE TANK (26TH/AVE	CM 2/5/18	STEM01	24,000	19,235	0	19,235	4,765
REHAB OF FORCE MAINS - 23RD	MAR 2017	S1603	23,002	23,002	0	23,002	0
		TOTAL BUDGET (established)	**$7,648,899**	**$2,811,738**	**$1,654,259**	**$4,465,997**	**$3,182,902**

(1) FEMA has approved expenditures for the improvement of the City's fire hydrants as FEMA eligible; however, it is not likely that FEMA will approve grant cash being drawn to cover the project until other FEMA funding issues are resolved. In the interim, local funds will have to be apropriated to fund this project in the amount shown.

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
DRAINAGE IMPROVEMENT FUND 44102
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	**$**	**386,336.79**
FY 2018: Interest	$	897.34
FY 2018: Transfers	$	-
Total Cash Resources	**$**	**387,234.13**
Less: Expenditures	$	(103,393.72)
Less: Accounts Payable as of 10/1/2017	$	(6,817.17)
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**277,023.24**

Budget Reconciliation		
Cash, Ending 6/25/18	$	277,023.24
FY 2018: Other	$	-
FY 2018: Transfers	$	-
Total Cash/Budget	**$**	**277,023.24**
Less: Encumbered	$	(194,797.63)
Less: Unencumbered	$	(64,954.56)
Available FY 2018		**17,271**

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
STORM DRAINAGE REHAB & INSPECTION	JUL 2016	D1608	37,453	0	0	0	37,453
62ND & 63RD AVENUE L IMPROVEMENTS	JAN 2014	DAVENL	1,770	1,770	0	1,770	0
HARBORSIDE DRIVE OUTFALL	SEP 2013	DHDOUT	163,615	0	141,511	141,511	22,103
SEA ISLE DRAINAGE - ENGINEERING	APR 2015	DRSEAD	286	0	286	286	0
DRAINAGE - STORM WATER MANAGEMENT (tceq)	2008	DSTORM	60,139	5,623	53,000	58,623	1,516
41ST - AVE L TO SEAWALL	1/28/2016	ST1502	0	0	0	0	0
CLOSED PROJECT 2018 (Finalizing accounting)						0	0
TEMPORARY POWER POLES	CMA JUN 2018	POLES	2,000	2,000	0	2,000	0
EMERGENCY - BACKFLOW PREVENTION PROJECT	DEC 17	D18EM1	97,884	94,001	0	94,001	3,883
TOTAL BUDGET (established)			**$363,146**	**$103,394**	**$194,798**	**$298,191**	**$64,955**

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
AIRPORT IMPROVEMENT FUND 43302
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	**$**	**893,389.25**
FY 2018: Interest	$	2,138.93
FY 2018: Transfer In from Operating**	$	399,970.50
Total Cash Resources	**$**	**1,295,498.68**
Less: Expenditures	$	(517,670.38)
Less: Accounts Payable as of 10/1/2017	$	(19,306.32)
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**758,521.98**

Budget Reconciliation		
Cash, Ending 6/25/18	$	758,521.98
FY 2018: Due from TXDot	$	-
FY 2018: Transfers**	$	399,970.50
Total Cash/Budget	**$**	**1,158,492.48**
Less: Encumbered	$	(53,227.30)
Less: Unencumbered	$	(1,100,960.79)
Available FY 2018		**4,304**

**Adopted Budget 2018 - Transfer from Operations to Improvement $799,941..

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
GRANT - Due from TXDot							
TXDOT - DESIGN FOR TAXI / RUN WAYS, FENCE (Garver)	2016	A1603	52,685	24,970	27,715	52,685	0
PROJECTS							
HANGAR IMPROVEMENTS (TIRZ14)	MAR 2017	A1701	774,799	18,142	25,512	43,654	731,145
TERMINAL ROOF (INS)	FEB 2017	A1703	3,685	0	0	0	3,685
AIRFIELD PAVING IMPROVEMENTS PHASE 3 & 4 (local match)	MAR 2018	A1801	400,000	400,000	0	400,000	0
AIRPORT WAREHOUSE BUILDING	*pending*	A1802	367,690	1,559	0	1,559	366,131
CLOSED PROJECT 2018 (Finalizing Accounting)							
PURCHASE HANGAR (GRAY)	JAN 2018	A1803	73,000	73,000	0	73,000	0
TOTAL BUDGET (established)			**$1,671,858**	**$517,670**	**$53,227**	**$570,898**	**$1,100,961**

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
WATERWORKS IMPROVEMENT FUND 40102
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	$	**3,864,066.43**
FY 2018: Interest	$	9,040.86
FY 2018: Transfers**	$	588,827.50
Total Cash Resources	**$**	**4,461,934.79**
Less: Expenditures	$	(873,972.46)
Less: Accounts Payable as of 10/1/2017	$	(66,953.14)
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**3,521,009.19**

Budget Reconciliation			
Cash, Ending 6/25/18	$	3,521,009.19	
FY 2018: Other	$	-	
FY 2018: Transfers**	$	588,827.50	***(to be transferred)***
Total Cash/Budget	**$**	**4,109,836.69**	
Less: Encumbered	$	(1,245,051.78)	
Less: Unencumbered	$	(2,321,450.19)	
Available FY 2018		**543,335**	

**Adopted Budget 2018 - Transfer from Operations to Improvement $1,177,655. Transfers are posted on a quarterly basis.

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
PROJECTS							
10 MI ELEVATED STORAGE TANK REHAB	DEC 2017	W1601	273,500	3,476	16,190	19,666	253,834
REHAB - 30" 1890 WATERLINE (CAUSEWAY)	AUG 2016	W1605	158,404	76,365	45,152	121,517	36,888
GULF DRIVE - 6" WATERLINE	JAN 2016	W1608	5,966	3,100	2,866	5,966	0
PIRATES BEACH LAFFITTE COVE LOOP	DEC 2017	W1610	107,250	2,992	49,630	52,622	54,628
WATER MASTER PLAN	MAR 2016	W1615	2,579	0	2,579	2,579	0
WATER SYSTEM IMPROVEMENTS / VALVES	CIP 2016	W1618	1,000,000	292,019	0	292,019	707,981
WELL DISINFECTING / FLUSHING	MAY 2017	W1701	454,800	9,765	11,810	21,575	433,225
20" WL - TAMUG TO SEAWOLF TO BRADNER	pending	W1702	14,305	0	0	0	14,305
AIRPORT PS AND CONTROLS UPGRADE	DEC 2017	W1703	240,000	259	240,000	240,259	(259)
8" WL - 30TH ST ROW & MARKET	InHouse	W1706	285,911	0	10,227	10,227	275,684
METER REGISTERS	FEB 2017	W1708	86,127	71,402	8,725	80,127	6,000
61st STREET BRIDGE WATERLINE	JUN 2017	W1709	213,236	145,458	69,980	215,439	(2,203)
12" WL - SEAWALL, 81ST-97TH	pending	W1902	7,250	0	0	0	7,250
FIRE HYDRANTS (HURRICANE IKE) (1)	SEP 2017	FD-132	999,780	202,885	772,676	975,560	24,220
HMPG - 59TH STREET PUMP STATION	FEB 2014	W59PMP	46,642	16,737	15,217	31,954	14,688
REHAB - WELLS - 9, 11	pending	WWELLS	510,000	0	0	0	510,000
Ineligible payroll for CDBG Round 2.2		various	0	13,942	0	13,942	(13,942)
CLOSED PROJECTS 2018 (Finalizing accounting)							
TEMPORARY POWER POLES (PWFAC)	CMA JUN 2018	POLES	2,000	2,848	0	2,848	(848)
EMERGENCY - JANUARY FREEZE/WATERLINES		FREEZE	32,725	32,725	0	32,725	0
		TOTAL BUDGET (established)	**$4,440,474**	**$873,972**	**$1,245,052**	**$2,119,024**	**$2,321,450**

(1) FEMA has approved expenditures for the improvement of the City's fire hydrants as FEMA eligible; however, it is not likely that FEMA will approve grant cash being drawn to cover the project until other FEMA funding issues are resolved. In the interim, local funds will have to be apropriated to fund this project in the amount shown.

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
WATERWORKS REVENUE BONDS, SERIES 2006 FUND 40111
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	**$**	**44,754.30**
FY 2018: Interest	$	-
FY 2018: Transfers	$	-
Total Cash Resources	**$**	**44,754.30**
Less: Expenditures	$	(21,662.36)
Less: Accounts Payable as of 10/1/2017	$	(14,319.36)
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**8,772.58**

Cash, Ending 6/25/18			
Cash, Ending 7/15/2016	$	8,772.58	
FY 2018: Transfers	$	-	
FY 2018: Other	$	-	
Total Cash/Budget	**$**	**8,772.58**	
Less: Encumbered	$	(8,772.20)	
Less: Unencumbered	$	-	
Available FY 2018		**0**	***FINAL, no funds available***

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET		CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
REHAB - 30" 1890 WATERLINE (CAUSEWAY)	***AUG 2016***	W1605	30,435		21,662	8,772	30,435	0
TOTAL BUDGET (established)			**$ 30,435**		**$ 21,662**	**$ 8,772**	**$ 30,435**	**$ -**

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
WATERWORKS REVENUE BONDS, SERIES 2008 FUND 40115
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	$	**164,822.30**
FY 2018: Interest	$	-
Total Cash Resources	**$**	**164,822.30**
Less: Expenditures	$	(73,381.22)
Less: Accounts Payable as of 10/1/2017	$	(48,465.53)
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**42,975.55**

Budget Reconciliation			
Cash, Ending 6/25/18	$	42,975.55	
FY 2018: Transfers	$	-	
Total Cash/Budget	**$**	**42,975.55**	
Less: Encumbered	$	(14,458.10)	
Less: Unencumbered	$	(28,517.56)	
Available FY 2018		**0**	***FINAL, no funds available***

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
REHAB - 30" 1890 WATERLINE (CAUSEWAY)	**AUG 2016**	W1605	116,357	73,381	14,458	87,839	28,518
TOTAL BUDGET (established)			**$116,357**	**$73,381**	**$14,458**	**$87,839**	**$28,518**

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
WATERWORKS CO 2017 BONDS FUND 40117
AS OF June 25, 2018

Cash Reconciliation	
Cash, Beginning Balance Oct 1, 2017	**$ 18,574,063.81**
FY 2018: Interest	$ 42,043.66
FY 2018: Other	$ -
Total Cash Resources	**$ 18,616,107.47**
Less: Expenditures	$ (1,078,291.32)
Less: Accounts Payable as of 10/1/2017	$ (680,271.37)
CASH, ENDING BALANCE AS OF 6/25/18	**$ 16,857,544.78**

Budget Reconciliation	
Cash, Ending 6/25/18	$ 16,857,544.78
FY 2018: Transfers	$ -
FY 2018: Other	$ -
Total Cash/Budget	**$ 16,857,544.78**
Less: Encumbered	$ (1,414,677.91)
Less: Unencumbered	$ (10,845,676.06)
Available FY 2018	**4,597,190.81**

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
PROJECTS							
GULF DRIVE - 6" WL	APR 2017	W1608	701,395	219,887	56,576	276,463	424,932
AIRPORT PUMP STATION (PUMPS&CONTROLS)		W1703	1,674,000	2,352	0	2,352	1,671,648
30" WL - RAILROAD BRIDGE / HARBORSIDE	JAN 2017	W1704	1,923,000	63,562	60,000	123,562	1,799,438
AIRPORT PUMP STATION (TANK UPGRADE PH	DEC 2017	W1705	733,750	0	660,159	660,159	73,591
24" WL - 59TH ST PS TO AIRPORT PUMP STAT	JAN 2017	W1707	1,300,500	720,980	537,000	1,257,980	42,520
61ST ST BRIDGE WATERLINE	NOV 2017	W1709	101,300	68,377	32,923	101,300	0
30" WL - 71ST TO 59TH PUMP STATION		W1801	474,000	223	0	223	473,777
NON REVENUE WATER MITIGATION PROGRAM	2017	W1802	300,000	2,910	68,020	70,930	229,070
WATER CONTINGENCY - CAPITAL PROJECTS		WCONT	898,700	0	0	0	898,700
COUNTY - AVENUE S WATERLINE	*pending*	ST1807	3,855,800	0	0	0	3,855,800
COUNTY - 23RD WATERLINE	*pending*	ST1806	1,376,200	0	0	0	1,376,200
TOTAL BUDGET (established)			**$13,338,645**	**$1,078,291**	**$1,414,678**	**$2,492,969**	**$10,845,676**

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
SEWER IMPROVEMENT FUND 42102
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	**$**	**3,357,789.51**
FY 2018: Interest	$	9,194.00
FY 2018: Transfer from Operations**	$	750,000.00
Total Cash Resources	**$**	**4,116,983.51**
Less: Expenditures	$	(638,266.55)
Less: Accounts Payable as of 10/1/2017	$	(94,029.04)
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**3,384,687.92**

Budget Reconciliation			
Cash, Ending 6/25/18	$	3,384,687.92	
FY 2018: Transfers**	$	604,979.00	***(to be transferred)***
FY 2018: Other	$	-	
Total Cash/Budget	**$**	**3,989,666.92**	
Less: Encumbered	$	(2,134,377.04)	
Less: Unecumbered	$	(1,129,889.14)	
Available FY 2018		**725,401**	

**Adopted Budget 2018 - Transfer from Operations to Improvement $1,500,000. Transfers are posted on a quarterly basis. Budget Amendment #1 CA 2/22/18 provided a Transfer to Hurriance Harvey $145,021 from the original Adopted Budget FY2018 transfer amount.

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
PROJECTS							
PIRATES BEACH WWTP	FEB 2016	S1607	502,167	80,349	421,817	502,167	0
SUNNY BEACH 8 MILE RD SANITARY SEWER	FEB 2016	S1609	99,600	33,200	66,400	99,600	0
WASTEWATER MASTER PLAN	2017	S1611	84,849	26,883	58,608	85,491	(642)
METER REGISTERS	JAN 2017	W1708	86,127	71,402	8,725	80,127	6,000
BERMUDA BEACH SANITARY SEWER IMPRV	2014	SBBSSI	36,717	0	0	0	36,717
SANITARY SEWER REHABILITATION PROGRAM	2015	SLINEI	2,830,319	432,060	1,540,911	1,972,971	857,348
SEAWOLF WWTP RECON & EXPANSION	2015	SSEAWO	52,915	14,999	37,915	52,915	0
CONTINGENCY		SCONT	225,000	0	0	0	225,000
CLOSED PROJECT 2018 (Finalizing Accounting)							
TEMPORARY POWER POLES	CMA JUN 2018	POLES	3,000	2,000	0	2,000	1,000
REHAB OF SANITARY SEWER FORCE MAINS	MAY 2016	S1603	(18,160)	(22,626)	0	(22,626)	4,466
		TOTAL BUDGET (established)	**$3,902,533**	**$638,267**	**$2,134,377**	**$2,772,644**	**$1,129,889**

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
SEWER REVENUE BONDS, SERIES 2008 FUND 42115
AS OF June 25, 2018

Cash Reconciliation	
Cash, Beginning Balance Oct 1, 2017	**$ 3,958,421.12**
FY 2018: Interest	$ 10,085.65
Total Cash Resources	**$3,968,506.77**
Less: Expenditures	$ (56,145.05)
Less: Accounts Payable as of 10/1/2017	$ -
CASH, ENDING BALANCE AS OF 6/25/18	**$3,912,361.72**

Budget Reconciliation		
Cash, Ending 6/25/18	$	3,912,361.72
FY 2018: Transfers	$	-
Total Cash/Budget	**$**	**3,912,361.72**
Less: Encumbered	$	(194,317.87)
Less: Unencumbered	$	(2,854,418.08)
Available FY 2018		**863,626**

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
PROJECTS (1)							
L/S PUMP & ELECTRICAL UPGRADES	2017	S1701	2,036,000	56,145	194,318	250,463	1,785,537
AIRPORT WWTP	2018	SW-159	1,068,881	0	0	0	1,068,881
ALTERNATE FUNDING SOURCE (2)							
8 MI SUNNY SEWER	*to 42117*	S1609	551,000	0	0	0	0
WWTP - SLUDGE/GRIT REMOVAL	to 42117	S1610	1,007,000	0	0	0	0
TOTAL BUDGET (established)			**4,662,881**	**56,145**	**194,318**	**250,463**	**2,854,418**

(1) Projects are funded utilitizing the First In First Out method of resources available.
(2) Project budgets will be funded with an alternate funding source.

CITY OF GALVESTON
CASH & BUDGET RECONCILIATION REPORT
SEWER CO 2017 BONDS FUND 42117
AS OF June 25, 2018

Cash Reconciliation		
Cash, Beginning Balance Oct 1, 2017	**$**	**16,174,293.17**
FY 2018: Interest	$	38,044.05
FY 2018: CO Bonds, 2017 - Sewer	$	-
Total Cash Resources	**$**	**16,212,337.22**
Less: Expenditures	$	(22,780.20)
Less: Accounts Payable as of 10/1/2017	$	-
CASH, ENDING BALANCE AS OF 6/25/18	**$**	**16,189,557.02**

Budget Reconciliation		
Cash, Ending 6/25/18	$	16,189,557.02
FY 2018: Transfers	$	-
FY 2018: Other	$	-
Total Cash/Budget	**$**	**16,189,557.02**
Less: Encumbered	$	-
Less: Unencumbered	$	(15,598,491.80)
Available FY 2018		**591,065.22**

PROJECT	COUNCIL APPROVAL	ACTIVITY CODE	APPROVED BUDGET	CASH PAID OUT	ENCUMBERED	TOTAL	PLANNED COMMITMENT
PROJECTS							
PIRATES BEACH WWTP	*planning*	S1607	6,405,000	2,872	0	2,872	6,402,128
8 MI SUNNY SEWER -design & construction	*planning*	S1609	2,910,000	3,024	0	3,024	2,906,976
WEST END (UNSERVED AREAS)	*planning*	S1702	2,579,933	16,296	0	16,296	2,563,637
SEAWOLF WWTP RECONSTRUCTION	JAN 2016	SSEAWO	750,939	339	0	339	750,600
WWTP - SLUDGE/GRIT REMOVAL	*pending*	S1610	1,007,000	249	0	249	1,006,751
COUNTY - AVENUE S WATERLINE	*pending*	ST1807	367,100	0	0	0	367,100
COUNTY - 23RD WATERLINE	*pending*	ST1806	1,601,300	0	0	0	1,601,300
				0	0	0	
TOTAL BUDGET (established)			**15,621,272**	**22,780**	**0**	**22,780**	**15,598,492**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN - STATUS UPDATE
FY 2019 - 3rd QUARTER - June 30, 2019

STREETS & TRAFFIC PROGRAM

PROJECT NO.	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
ST1503	26TH - BROADWAY TO CHURCH (phase 2)	Replace approx. 1,282 feet milling and overlay and upgrading of the drainage system.	$ 569,100	$ 298	Project Awaiting Fire Station Completion	To avoid conflict with Fire Station Construction, project will not be initiated until Fire Station is Complete
ST1603	29TH ST - BROADWAY to SEALY	Replace storm sewer inlets and inlet leads. Mill and asphalt overlay 48 foot wide	$ 133,490	$ 10,696	In house project no design needed	Mill and Overlay in house project anticipated in FY 2019
ST1802	16TH - BROADWAY TO AVE N 1/2	Approximately 1,945 feet to include milling and replacement of asphalt surface and replace of drainage inlets and laterals, replace and upsize old water and sewer utilities.	$ 1,460,100	$ 129,774	Project in Design	Design recently awarded by City Council and Kickoff meeting held in February 2019. 60% Design has been submitted to City for Review.
ST1803	22ND - HARBORSIDE TO BROADWAY	Approximately 2,935 feet to include milling and replacement of asphalt surface and replace of drainage inlets and laterals, replace and upsize old water and sewer utilities.	$ 4,495,000	$ 465	Planning in progress	in Planning Phase
ST1901	37TH - BROADWAY TO SEAWALL	Approximately 5,830 feet to include milling and replace asphalt surface, extension of storm sewer main to provide for future expansion of drainage system and replace and upsize old water and sewer utilities.	$ 1,218,890	$ 401,130	In Design	Design Kickoff meeting held recently. 30% design has been submitted to the City for Review.
ST2001	29TH - AVE O TO AVE R 1/2	Approximately 2,275 feet to include milling and replace asphalt surface, extension of storm sewer main to provide for future expansion of drainage system and replace and upsize old water and sewer utilities.	$ 5,147,500	$ 152,061	In Design	Surveying performed in-house and 100% design is in progress
ST1706	INTERSECTION OF 61ST and SEAWALL BLVD.	Creation of dual right turn lanes from 61st to Seawall by relocating the median to the east. Redesign traffic signal to provide for turning and better facilities for pedestrians crossing.	$ 282,000	$ -	**Study complete**	Recommendations under staff review.
TR1701	BROADWAY LIGHTING IMPROVEMENTS	Improvements to lighting on Broadway.	$ 500,000	$ 11,958	Design	Contract awarded by Council 1/25/18
ST1801	30TH - AVENUE O TO SEAWALL	Approximately 2,550 feet to include milling and replacement of asphalt surface and replace and upsize old water and sewer utilities.	$ 1,483,000	$ 100,956	In Design	100% Design is in progress
ST2002	49TH - AVE P TO AVE S 1/2	Approximately 2,275 feet to include milling and replace asphalt surface, replace and upsize old water and sewer utilities.	$ 2,265,800	$ 50,301	100% in Design	Design complete and project in pre-advertisement phase
ST2003	35TH - POST OFFICE TO BROADWAY	Approximately 1,600 feet to include milling and replace asphalt surface, extension of storm sewer main to provide for future expansion of drainage system and replace and upsize old water and sewer utilities.	$ 2,455,500	$ 205,940	in Design	95% Design is in progress
ST1805	83RD - DRAIN & ROADWAY (TIRZ14)	Reconstruct 83rd Street from the segment of South of Cessna to Stewart Road.	$ 85,443	$ 17,198	Design Complete. TIRZ 14 requested adding GISD property drainage design. Kyle Hockersmith indicated he will talk to GISD and get back.	Bids opened and construction award awaiting RDA and TIRZ14 Board Action for $1M. City provided exhibit on desgn and cost breakdown to TIRZ14 and RDA on 12.14.2018. Awaiting funding.
ST1701	25TH ST - BROADWAY to SEAWALL	Repaving of approx. 4,154 feet and replace and upsize old water and sewer utilities. To begin after completion of trolley track rehab.	$ 4,681,000	$ 176,292	100% Complete	In Construction

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN - STATUS UPDATE
FY 2019 - 3rd QUARTER - June 30, 2019

STREETS & TRAFFIC PROGRAM

PROJECT NO.	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
ST1705 (IDC45)	45TH ST - BROADWAY to SEAWALL (IDC Econ Dev silo for design)	Repaving of approx. 6,740 feet and replace and upsize old water and sewer utilities. To be constructed in 3 phases.	$ 11,495,000	$ 2,338,238	Design Complete	In Construction
ST1604	29TH ST - CHURCH to HARBORSIDE	Replace storm sewer inlets and inlet leads. Mill and asphalt overlay 48 foot wide	$ 528,950	$ 18,270	In Construction	Project awarded to construction contractor by City Council; Drainage design add on in evaluation, bids rejected until drainage add on is funded
ST1702	73RD ST - HEARDS LANE to AVENUE N 1/2	Repaving of approx. 1,265 feet and replace and upsize old water and sewer utilities.	$ 1,494,750	$ 105,855	Design in Progress	100% design in progress
ST1709	SEAWALL (TXDOT LOCAL SHARE)	Ferry Road East to the End of the Seawall.	$ 400,000	$ 146,131	Design Complete	Construction bids opended and awaiting TXDOT approval
ST1704	STRAND & INTERSECTIONS OF 21ST, 22ND, 23RD, 24TH	Reinstall brick pavers to provide sufficient support to traffic loads.	$ 530,000	$ 428,159	In Construction	Construction Complete
ST1605	33RD ST - BROADWAY to HARBORSIDE	Replace storm sewer inlets and inlet leads. Mill and asphalt overlay 48 foot wide	$ 877,046	$ 58,894	Construction	Construction complete
ST1513	SEALY STREET (CDBG 2.2)	ReConstruct Sealy Street between 35th Street and 33rd Street	$ 2,806,638	$ 478,484	Construction	Construction complete, project in closeout phase
ST1631	VARIOUS INTERSECTIONS LOCATED IN THE CITY (City Wide)	Milling and asphalt overlay at various intersections that are degraded due to traffic volumes and turning movements.	$ 115,000	$ -	Ongoing	Ongoing
ST1620	TRAVEL AIR BRIDGE PROJECT (TIRZ 14)	Replacement of deteriorated existing bridge.	$ 1,290,272	$ 1,047,080	Complete	Construction complete
BKLANE	TXDOT ON STREET BIKE NETWORK	Shared travel lanes and striped bike lanes	$ 69,165	$ -	AFA received	TXDOT project - local share
IHST19	STREETS & OVERLAY BY CITY FORCES (In House Streets FY2019)	Correcting streets identified as less than Satisfactory by 2013 Street Assessment by LJA Engineering.	$ 2,343,323	$ 801,048	Ongoing	Ongoing

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN - STATUS UPDATE
FY 2019 - 3rd QUARTER - June 30, 2019

DRAINAGE IMPROVEMENT PROGRAM

PROJECT NO.	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
D1601	11 MILE ROAD DRAINAGE IMPROVEMENTS	To alleviate drainage concerns, culvert replacement and ditch regrading needed. Drainage improvement along FM 3005 will require coordination with TXDOT.	$ 147,500	$ -	Planning	Awaiting TXDOT final design so outfall ditches can be designed accordingly.
D1703	WEST END DRAINAGE REHABILITAITON PROGRAM	Restoration of surface and open channel drainage in the west end communities. Inspection, survey, & rehabilitaiton of existing and propolsed ditches and culvert systems.	$ 600,000	$ -	Planning	Design anticipated FY2019.
D1602	18TH STREET DRAINAGE IMPROVEMENTS	Replace and upgrade the existing vitrified clay storm sewer system per recommendations in the Master Drainage Study.	$ 10,164,157	$ 477,514	Project in Design	90% design in progress.
D1604	CHURCH STREET DRAINAGE IMPROVEMENTS	Replace and upgrade the existing vitrified clay storm sewer system per recommendations in the Master Drainage Study.	$ 1,136,060	$ 22,162	60% Design in progress	90% Design is in progress
D1701	MASTER DRAINAGE PLAN and FEASIBILITY STUDY	Engineering study of current drainage system throughout City with recommendation as to the feasibility of various alternatives to improve drainage.	$ 350,000	$ 202	Subsequent to D1608	To follow D1608 findings and in-house cleaning and contracted rehabilitation. A subset of this project has been completed as part of grant funding applications in-house
D1801	DRAINAGE SYSTEM IMPROVEMENTS (IDC Infrastructure silo)	Improvement to City's drainage outflows that includes but not limited to the installation of drainage back flow valves and the maintenance of the same.	$ 3,100,000	$ -	Ongoing	Ongoing
D1608	STORM SEWER REHABILITATION & INSPECTION PROGRAM	Three year program to rehab and inspect existing storm sewer city wide. Project will provide debris removal and inspection of existing system.	$ 2,100,000	$ 96,304	Annual	Annual Recurring Project. In progress. Performed in house.
DSTORM	STORM WATER MANAGEMENT	Annual reporting and monitoring of Municipal Separate Storm Sewer System (MS4) Permit to TCEQ	$ 558,497	$ 16,314	Annual	Annual Recurring Project. In progress. March 2018 annual report for the City of Galveston Phase II MS4 has been approved by TCEQ on June 18, 2018
D1702	EVALUATION OF STORM SEWER OUTFALLS	Evaluation of the 42 storm sewer outfalls. Majority of these outfalls are submerged and their condition is unknown.	$ 250,000	$ 197,089	Field work completed. Some outfall locations could not be identified. Alternate technologies being evaluated	Report provided for City Review. Comments provided requesting concept design and cost estimate and alternate technology evaluation and presentations to the team. No further work is anticipated on this project.

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN - STATUS UPDATE
FY 2019 - 3rd Quarter - June 30, 2019

WATERWORKS PROGRAM

PROJECT NO.	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
WWELLS	REHABILITATION OF WATER WELLS # 9 AND #11	To provide alternate source of drinking water for the City.	$ 510,000	$ -	In Design	Design complete but GCWA has concerns with main line that wells are tying into. They need to do condition assessment.
W1802	NON-REVENUE WATER MITIGATION PROGRAM	Mitigate the amount of water that is not sold at retail price. Address Areas such as leak detection	$ 1,446,000	$ 117,694	RFP's Opened and Evaluation is in progress	Contracts Awarded by City Council and in Construction
W1801	30" WATERLINE - 71ST STREET TO 59TH STREET PUMP STATION	Replace approx. 4,300 feet of 30" water line.	$ 3,618,000	$ 792	Delay until 59th Street Pump Station and Tank complete	Team suggested delaying this project until 59th Street PS and Tank is complete.
W1702	20" WATERLINE - TAMUG TO SEAWOLF PARKWAY TO BRADNER STREET	Replace approx. 5,250 feet of existing 20" water line that serves a major portion of Pelican Island. Old bar wrapped concrete cylinder pipe with multiple failure points and expensive to repair.	$ 3,599,390	$ -	Planning	Planning
W1902	12" WATERLINE - SEAWALL BLVD., 81ST TO 97TH STREET	Construction of approx. 3,650 ft. of 12" water line. To complete the loop providing water to the west end and improve the water qualify and pressure available to the properties located in this stretch of seawall.	$ 4,477,200	$ -	Planning	Planning
W1707	24" WATERLINE - 59TH ST. PUMP STATION to AIRPORT PUMP STATION	Construction to provide redundancy of supply and pressure to potable water in the event of failure of either pump station.	$ 20,082,758	$ 718,700	Design Complete; Airport PS Emergency tie in add on in process	Bids opened and construction award to contractor in evaluation
W1612	NEW GROUND STORAGE TANK @ 59th Street (CDBG 2.2)	Construct new ground storage tank at 59th Street Pump Station	$ 5,374,800	$ 1,987,166	In Construction	In Construction
W1704	30" WATERLINE - RAILROAD BRIDGE TO HARBORSIDE DR	Replace approx. 2,100 feet of waterline.	$ 2,618,000	$ 146,509	Delay until 59th Street Pump Station and Tank complete	Team suggested delaying this project until 59th Street PS and Tank is complete.
W1701	WELL DISINFECTION / FLUSHING (2A, 6A, 10, 12, 13, 16, 17)	Installation of a disinfection system and flush valve for each of the previously rehabilitated Alta Loma Wells. This allows for the use of these wells without contamination the water system.	$ 947,134	$ 35,276	In Design	Design complete but GCWA has concerns with main line that wells are tying into. They need to do condition assessment.
W1605	30" CAUSEWAY WATERLINE	Construction of a 30" waterline along the causeway to provide additional redundancy for island water.	$ 10,231,500	$ 549,923	Design at 95%	Construction anticipated in FY 2021. TXDOT Coordination in progress due to structural stability
W1615	WATER MASTER PLAN	Update existing water master plan. Needs to be accomplished in FY 2017.	$ 203,534	$ 102,749	completed and model being utilized for CIP and Development	Model provided to AWC for other CIP water projects evaluation.

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WATERWORKS PROGRAM

PROJECT NO.	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
W1703	AIRPORT PUMP STATION / CONTROL UPGRADES	Expand controls building and upgrade electronics and controls, replace pumps. Preliminary to construction of new ground storage tanks at pump station.	$ 2,473,000	$ 132,447	In Design	Comments on 100% Design provided
W1601	10 MILE ROAD ELEVATED STORAGE TANK REHABILITION	Rehab of EST is vital as the coating is severely degraded and the tank needs to be recoated. Update tank from "flow by" to "flow through" to preserve water quality.	$ 9,439,900	$ 33,844	Design in progress	30% Design completed
W1610	PIRATE'S BEACH - LAFITTE'S COVE LOOP	Installation of approx. 1,500 feet of 8" water line to provide a looped system to provide for greater water quality and improved pressure for this area.	$ 702,250	$ 34,704	Design at 100%	Advertised for bids and bid opening scheduled for August 28th, 2019
W1705	AIRPORT PUMP STATION TANK UPGRADES PHASE 1	Construction of a new 5 million gallon water ground storage tank (GST) at the Airport Pump Station. This is needed to protect water supply from risk of contamination from flood waters and ensure the proper water quality and pressure to the west end.	$ 5,418,159	$ 341,971	In Design	Comments on 100% Design provided
W1603	59th St. TANK REHABILITATION (CDBG 2.2)	Rehabilitate four existing water storage tanks at 59th Street Pump Station	$ 6,946,103	$ 1,279,982	Construction	In Construction
W59PMP	HMPG - 59th Street Pump Station (CDBG 2.2 and IKE)	Construct new operations building at 59th Street Pump Station	$ 21,106,262	$ 16,662,619	Construction	In Construction
W1708	METER REGISTERS (WATER / SEWER)	Updating meter registers that are failing.	$ 700,000	$ 613,278	Recurring Project	Recurring Project.
W1618	Replace Water Valves	Valve Exercise and Replacement	$ 4,097,292	$ 102,144	Recurring Project	Recurring Project.
FD-132	FIRE HYDRANTS REPLACEMENT PROGRAM	Continue to replacement or repair non or poorly functioning fire hydrants (Portion possible reimbursement from FEMA)	$ 1,870,000	$ 491,252	Recurring Project	Ongoing
FD-132 (WFIRHY)	FIRE HYDRANT REPLACEMENT PROGRAM (Hurricane Ike portion)	Continue to replacement or repair non or poorly functioning fire hydrants (FEMA reimbursement)	$ 4,812,784	$ 3,577,860	Ongoing	Ongoing

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SEWER PROGRAM

PROJECT CODE	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
S1701	LIFT STATION PUMP and ELECTRICAL UPDGRADES	Upgrading the existing pumps and electrical systems for lift stations located throughout the City.	$ 12,430,000	$ 102,931	Design	Design in progress with two consultants for different lift stations, one at 30% and the 2nd consultant at 60%
S1604	LIFT STATION SCADA	System to monitor and collect data from lift stations city wide. 20 lift stations @ $7,000 ea.	$ -	$ -	Planning	Planning and internal discussion.
S1610	SLUDGE and GRIT REMOVAL FROM MAIN WWTP SLUDGE HOLDING TANK	Remove approx. 6,700 cubic yards of wastewater sludge, grit and associated materials from Main WWTP	$ 9,075,188	$ 331,421	Design	Combined Digeter Cleaning and Digester Dewatering Design in 60%
S1702	WEST END IMPROVEMENTS	Researching alternatives for the West End unserved areas.	$ 2,579,933	$ 14,767	ROI not available to proceed with project	Awaiting opportunities for doing under grant
SW-165 SSEAWO	SEAWOLF PARK WWTP Reconstruction & Expansion	Construction of wastewater package plant due to damage of existing plant by Hurricane Ike. FEMA, COG, Park Board.	$ 1,197,507	$ 158,104	100% Design submitted	In Team Review
S1607	PIRATES BEACH WWTP	Nearing its lifetime. Design and replace to be in compliance with TCEQ.	$ 8,294,400	$ 149,856	Design at 60%	Design delayed due to Consultant assisting Utilities with Operational Challenges at the Pirates WWTP
S1611	WASTEWATER MASTER PLAN	Updating the existing wastewater master plan. Previous plan was performed in 1999.	$ 124,275	$ 51,105	Completed	Completed
SW-159 SWWPT	AIRPORT WWTP (CDBG 2.2 and Hurricane Ike)	Refurbish Airport Wastewater Treatment Plant at Sky Master Road and Mustang Drive	$ 6,370,289	$ 278,707	Construction	Construction in progress
S1609	SUNNY BEACH 8 MILE ROAD SANITARY SEWER	Installation of sanitary sewer along 8 mile from Sunny Beach subdivision to Stewart Road	$ 3,242,000	$ 233,015	Design Complete	In Construction
S1603	REHABILITATION OF SANITARY SEWER FORCE MAINS	Rehabilitation of existing sanitary force mains	$ 760,200	$ 755,734	Construction	As needed, improvements are being made periodically on this project.
SLINEI	SANITARY SEWER REHABILITATION INFLOW & INFILTRATION	Reduce inflow and infiltration to existing sanitary sewer system through rehab of collection system.	$ 10,463,113	$ 2,841,849	Construction	Ongoing evaluations. As needed, improvements are being made periodically on this project.

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CDBG - NON HOUSING

PROJECT NO.	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
CTDEMO	30th Street Tank Demo	Demolish Tank #2 at 30th and Ball and construct a parking lot	$ 445,317	$ 202,471	Construction	Project was delayed to an unexpected cleanup of contaminated soil. Completion anticipated for Fall 2019.
CREHAB	Cedars - Pump Station Rehab	Rehabilitate historic Water & Electric Light Station Building, 30th and Ball	$ 2,549,797	$ 2,025,339	Construction	Anticipated completion in Fall 2019
IDEMO	Municipal Incinerator - Demolition	Demolish old municipal incinerator, #3 Lennox Avenue	$ 5,480,243	$ 2,080,246	Construction	Anticipated completion in Fall 2019
ISTUDY	Municipal Incinerator - Study	Develop cleanup plan for incinerator site and surrounding properties on Lennox Avenue	$ 8,861	$ 1,495	**Complete**	TCEQ required study for required clean up for the Response Action plan.
PWFAC	Public Works Facilities	Demolish Bersinger Building, Construct new Public Works Facility at same location, 30th & Market Street	$ 11,124,092	$ 4,119,826	Construction	Completion anticipated for Fall 2019
FS1	Fire Station #1	Construct new Fire Station #1 at 26th and Sealy	$ 9,812,568	$ 4,767,657	Construction	Completion anticipated for late Summer 2019
DFS1	Fire Station #1 - Demolition	Demolish current Fire Station #1 after new station is Constructed	$ 237,353	$ -	Construction	Completion anticipated for Fall 2019

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FACILITIES

PROJECT NO.	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
CH1702	CITY HALL REMODELING	Develop plans to remodel floors in City Hall.	$ 861,260	$ 123,902	Measurements and Concept Design	The scope of construction renovation has been reduced on this project due to budget consideration. This design fee will be reduced accordingly after the design of 3rd floor restrooms, 1st floor restrooms, and 3rd floor IT infrastructure.
SA1701	PARKING LOT IMPROVEMENTS AT SANITATION	Improvement to existing parking area at the sanitation building by placing concrete pavement in areas of high traffic to protect City equipment and personnel. (FEMA project RE-102. City portion $95,000.)	$ 95,000	$ -	Design	The original scope has changed. Design is on hold because of budget consideration. The Engineering Department will plan and allocate the necessary resources when funding is confirmed.
SW-171	REPLACEMENT OF RECYCLING BUILDING AT ECO-CENTER	Replacement of recycling building damaged by Ike to provide a new office and employee facilities. Fema funds and Insurance proceeds.	$ 202,639	$ -	Design	Engineering design contract approved by City Council at July 2019 meeting.
F1801	GARAGE - EAST END PARKING LOT	Instalaltiono f concrete for the East Parking Lot, 502 32nd Street, Galveston.	$ 800,000	$ -	Design	Design put on hold due to investigation of alignment of existing storm sewer system due to possible conflicts with fuel lines, budget, pavement materials, and time frame due to the construction of the new Public Works building. The Engineering Department will wait until we are given the "go-ahead" to plan and allocate the necessary resources.

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IDC - BEACH NOURISHMENT, ECONOMIC DEVELOPMENT & INFRASTRUCTURE PROGRAM

PROJECT NO. (Beaches)	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
IDCBBP	BABE'S BEACH PRESERVATION	Hot spot maintanence as described in the San Management Plan. Park Board approved a contract with the U.S. Army Corps of Engineers for a beach nourishment project. The project will take place in April 2019 at Babe's Beach, a new beach created west of 61st Street in 2015. The U.S. Army Corps of Engineers will dredge the Houston/Galveston ship channel and place the dredged sand along the existing beach. The project is expected to place an estimated 1 million cubic yards of sand along the half-mile stretch of beach. The Park Board expected to receive $4.5 million for the project through the Resources and Ecosystems Sustainability Tourism Opportunities and Revived Economies Act (RESTORE) funding but the funds will not arrive in time to secure the contract. In order to ensure that the project moves forward, the Texas General Land Office increased its contribution to the $23 million project from $3 million to $6 million. The Galveston Industrial Development Corporation has considered an additional $500,000 contribution for a total of $2 million.	$ 2,000,000	**$ 2,000,000**	In Progress	Contractor began mobilization on week of July 29, and is scheduled to begin mobilization of the shoreline pipe on week of August 5. Dredge is scheduled to arrive around two weeks following that to begin pumping.
IDCSS	STRUCTURAL SOLUTIONS	Structural solutions to support beach remediation along the Gulf of Mexico	$ 75,000	$ -	Planning	Council Approved 3/22/18. Submitted documentaion to U.S. Army Corps of Engineers
IDCBPN	BACK PASSING NOURISHMENT	In support of beach remediaion along the Gulf of Mexico	$ 75,000	$ 75,000	Planning	Council Approved 3/22/18; Executed agreement with GLO, study expected completion Aug 2019.
IDCDEL	DELLANERA BEACH REMEDIATION	**Complete rebuild of project with 118,000 cubic yards of material- FEMA Claim from Harvey**	$ 150,000	$ -	Awaiting funding	Developing mitigation project with structural solutions for possible FEMA funding. On hold until completion of structual solutions.

PROJECT NO. (EconDev)	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
IDCLB	LAND BANK	Infill Redevelopment project	$ 250,000	$ -	Planning	Ongoing meetings with IDC on Landbank Concept.
ST1705 (IDC45)	45th STREET CORRIDOR	Road reconstruction with drainage, storm and utility improvements including neighborhood landscape enhancements and traffic calming features at intersections	$ 1,100,000	$ 1,023,000	Construction	Expected Time of Completion (ETC) Summer of 2020
WEMA	WEST MARKET - 25TH to 33RD	Improvements to West Market Street. Engineering.	$ 1,593,500	$ 1,191,558	Construction	ETC September of 2019
IDCHAR	HARBORSIDE DR IMPROVEMENT PROJECT (Design)	Pedestrian Safety and beautification project. Project is in Construction.	$ 2,300,000	$ 1,466,487	Project in Construction with Notice to Proceed 9.10.2018	ETC September of 2019
IDCPMP	PORT MASTERPLAN	Port met with City Public Works/Engineering	$ 150,000	$ 150,000	Construction	ETC Fall of 2019
IDCPCT	PORT CRUISE TERMINAL	With Carnival Vista, infrastructure upgrades have advanced at Cruise Terminal 1. Cruise Terminal 2 expansion is complete.	$ 995,000	$ 995,000	Planning	A third cruise terminal is in the planning phase for the future Norwegian Cruise Line

PROJECT NO. (Infrastr.)	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
IDC27	27TH CORRIDOR	Redevelopment. Improve infrastructure, pedestrian safety, bicycle, streets, parking, etc.	$ 5,554,133	$ 3,299,373	Construction	Avenue O to Seawall Phase 2 is under construction. North of Broadway Phase 3 is in design
IDCDOW	DOWNTOWN STREETSCAPE	Design is in progress	$ 250,000	$ 54,387	Planning	Design in being performed inhouse by City Architect with assistance from Engineering and is expected to be complete in FY 2019
IDCSCC	SIDEWALK & CURB CREW	Improvements to Sidewalks/Curbs. Residents to pay for materials.	$ 1,533,833	$ 1,460,393	Construction	Recurring and Ongoing. Phase 3 has begun In-house Construction. 231 Jobs Completed

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SCHOLES INTERNATIONAL AIRPORT

PROJECT NO.	PROJECT NAME	DESCRIPTION	TOTAL PROJECT BUDGET	EXPENSE TO DATE	CURRENT PHASE	FY 2019 STATUS
A1701	HANGAR CONSTRUCTION PROJECT	Construction of three hangars, consisting of a 8-unit nested T-hangar and two, 60' x 60' box hangars.	$ 800,000	$ 92,930	Re-desgin Phase	Anticipate bidding 4th quarter of 2019.
A1801	AIRFIELD PAVEMENT IMPROVEMENTS PHASE 3 (City's local share, TIRZ14)	Rehabilitation of Taxiways and North Apron Phase 3. Rehabilitation of Runway 14/32 and Apron Phase 4.	$ 518,000	$ 518,000	Construction Phase	Construction 50% complete
A1802	AIRPORT WAREHOUSE BUILDING	New warehouse building to provide housing for municpal equipment.	$ 607,000	$ -	Design Phase	Project on hold until 1st quarter 2020
H-AP1	AIR TRAFFIC CONTROL TOWER	Rehabilitation of the Air Traffic Control Tower	$ 563,179	$ 98,473	Award Phase	Completed replacing three windows and frames. Exterior Repairs - Pending Council Approval
A1901	AIRPORT TERMINAL PAVING PROJECT	Mill and overlay existing north parking lot, circle drive and both side driveways leading to the aircraft parking apron - material cost only	$ 32,000	$ -	Planning Phase	Planning
A2020	AIRPORT MASTER PLAN AND ENGINEERING	Airport Master Plan update and engineering & design for pavement improvement to Runway 18/36, South Apron and South Ramp	$ 52,500	$ -	Planning Phase	Planning

Financial Policies

CITY OF GALVESTON CHARTER PROVISIONS
FINANCE AND TAXATION

ARTICLE VII. - FINANCE

Section 1. Department of Finance. There shall be a Department of Finance, the head of which shall be the Director of Finance, who shall be appointed by the city manager. The Director of Finance shall have knowledge of municipal accounting and finance and shall be otherwise qualified by experience or training for this position.

(Ord. No. 96-59, § 10, 6-16-96)

Section 2. Director of Finance. The Director of Finance shall supervise the Department of Finance and administer all the financial affairs of the City other than the assessment and collection of taxes. The Director of Finance shall be responsible for the receipt, disbursement and safe-keeping of all City funds, establish the accounting procedures to be used in all departments, and approve all expenditures to ensure that legal requirements have been met and the budget appropriations are not exceeded.

(Ord. No. 91-95, § 4(10), 11-14-91; Ord. No. 96-59, § 10, 6-16-96)

Section 3. Reserved.

Editor's note— Ord. No. 16-035, § 8, adopted May 17, 2016 , repealed § 3, in its entirety. Former § 3 pertained to " City Auditor," and was derived from Ord. No. 91-95, § 4(11), adopted November 14, 1991; Ord. No. 96-59, § 10, adopted June 16, 1996 and Ord. No. 98-33, § 18, adopted June 3, 1998.

Section 4. Accounting. Complete and accurate financial records and accounts shall be kept for every department, office and agency of the City and covering every receipt and expenditure of municipal funds. Such records and accounts shall be established and maintained according to standard and approved systems of accounting, and shall be designed to reflect as nearly as possible the cost of each service provided by the City, including the capital expenditures properly to be included therein.

(Ord. No. 96-59, § 10, 6-16-96)

Section 5. Fiscal Year. The fiscal year of the City shall begin on the first day of each October, and end on the last day of September in the succeeding calendar year.

(Ord. No. 96-59, § 10, 6-16-96)

Section 6. Preparation of the Budget. At least forty-five (45) days prior to the beginning of each fiscal year the City Manager shall submit to the Council a proposed budget, which shall include:

(1) The anticipated revenues and the proposed expenditures for the year, in detail;

(2) A statement of all capital projects proposed to be undertaken during the year, and the method of their financing;

(3) A statement of the capital projects planned for the next succeeding five (5) fiscal years, with estimates of their costs. The budget shall be accompanied by a report from the City Manager, with supporting schedules and exhibits, setting forth a complete financial plan for operation of the City during the coming fiscal year, with suitable explanation of any major changes in the cost of operation or the financial policy.
(Ord. No. 89-17, § 3(8), 1-26-89; Ord. No. 96-59, § 10, 6-16-96)

Section 7. Public Hearings on Budget. When submitted to the Council the proposed budget and the budget message shall become a public record and sufficient copies shall be available for distribution to interested persons. A time and place for a public hearing on the budget shall be set by the Council and notice thereof shall be published in accordance with State law. The public hearing shall be held as required by State law. At such hearings, all interested persons shall be given the opportunity to be heard for or against any items of income or expenditure in the proposed budget, including the capital projects proposed to be undertaken.

(Ord. No. 89-17, § 3(9), 1-26-89; Ord. No. 96-59, § 10, 6-16-96; Ord. No. 98-33, § 19, 6-3-98; Ord. No. 98-66, § 6, 7-30-98)

Section 8. Approval of the Budget. After the public hearing thereon the Council shall approve and adopt the budget by the second regularly scheduled Council meeting in September, either in the same form as submitted by the City Manager or with such changes as the Council may find to be necessary or desirable. No budget shall be adopted or appropriation made unless the anticipated revenues for the fiscal year equal or exceed the authorized expenditures. The adoption of the budget shall require a favorable vote of at least a majority of all the members of the Council. In the event the budget has not been adopted by the beginning of the fiscal year, the latest budget proposed by the City Manager shall take and remain in effect until the budget is finally adopted by the Council.

(Ord. No. 89-17, § 3(9), 1-26-89; Ord. No. 96-59, § 10, 6-16-96; Ord. No. 16-035, § 8, 5-17-16)

Section 9. Appropriations. No funds of the City shall be expended nor shall any obligation for the expenditure of money be incurred unless there is an appropriation therefor in the budget as duly adopted. Expenditures appropriated in anticipation of revenues from sale of capital assets or legal settlements shall be made only after actual receipt of those revenues. At the close of each fiscal year any unencumbered balance of an appropriation shall revert to the fund from which appropriated and may be re-appropriated by the Council. During the fiscal year the Council shall have the power to transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another, at any time, and the City Manager shall have authority, without Council approval, to transfer appropriation, balances from one expenditure account to another within a single office, department, or agency of the City.

(Ord. No. 96-59, § 10, 6-16-96)

Section 10. Emergency Appropriations. ;ol0; (1)\At any time in any fiscal year, the Council may, pursuant to this section, make emergency appropriations only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have

been included in the original budget through the use of reasonably diligent thought and attention. Such appropriations shall be by ordinance adopted by the favorable vote of five members of the Council and shall be made only upon recommendation of the City Manager. The total amount of such emergency appropriations made in any fiscal year shall not exceed ten per centum of the tax levy for general purposes in that fiscal year. Should the unappropriated and unencumbered revenues, income and available funds of the City for such fiscal year be not sufficient to meet the expenditures under the appropriation authorized by this section, thereby creating a deficit, it shall be the duty of the Council to include the amount of such deficit in its budget and said deficit shall be paid off and discharged not later than thirty-six (36) months from the date the appropriation was made. If the Council amends the budget to meet an emergency, the Council shall file a copy of its ordinance in accordance with State law.

(2)
At any time in any fiscal year, where the City has experienced a natural or man-made disaster that results in the issuance of a Proclamation of Public Disaster by the President of the United States or Governor of the Great State of Texas, the Council may make emergency appropriations to alleviate the effects of the natural or man-made disaster, and the limitations on the total amount of emergency expenditures set out in the preceding section shall not apply.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 98-33, § 20, 6-3-98; Ord. No. 02-033, § 2, 5-4-02; Ord. No. 04-028, § 2, 2-26-04; Ord. No. 16-035, § 8, 5-17-16)

Section 11. Borrowing to Meet Emergency Appropriations. In the absence of unappropriated available revenues or other funds to meet emergency appropriations under the provision of the next preceding section, the Council may by resolution authorize the borrowing of money to meet such deficit by the issuance of notes, secured by ad valorem taxes which the City is authorized to levy in payment thereof, each of which shall be designated "Emergency Note" and may be renewed from time to time, but all such notes and any renewals thereof shall mature and be payable not later than thirty-six (36) months after which the emergency appropriation's debt was incurred, as provided in the last preceding section.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 04-028, § 2, 2-26-04)

Section 12. Borrowing in Anticipation of Taxes. Except for borrowing to meet emergency appropriations, no loan shall be authorized or made to pay any deficiency arising from a failure to realize sufficient income from taxation to meet the amounts provided for in the budget, but the Council, during any fiscal year, may borrow money for its use in anticipation of the receipt of taxes collected or to be collected during such fiscal year, and pledge, as security, the uncollected taxes for such fiscal year; provided, that any notes or other obligations issued hereunder shall mature and be payable not later than the end of the fiscal year in which issued.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 04-028, § 2, 2-26-04)

Section 13. Depository and Withdrawals. All monies received by any person, department, or agency of the City for or in connection with affairs of the City shall be

deposited promptly in the City depository or depositories, which shall be designated by the Council in accordance with such regulations and subject to such requirements as to security for deposits and interest thereon as may be established by ordinance. All checks, vouchers or warrants for the withdrawal of money from the City depositories shall be signed by the Director of Finance and countersigned by the City Manager or their designees. Provided, that the Council, under such regulations and limitations as it may prescribe, may by ordinance authorize the use of machine-imprinted facsimile signatures of said Directors of Finance and City Manager on such checks, vouchers, or warrants.

(Ord. No. 91-95, § 4(12), 11-14-91; Ord. No. 96-59, § 10, 6-16-96)

Section 14. General Obligation Bonds. The City shall have the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by the Constitution and Laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds of the City previously issued. All such bonds shall be authorized and issued in conformity with the Laws of the State of Texas.

(Ord. No. 96-59, § 10, 6-16-96)

Section 15. Revenue Bonds. The City shall have power to borrow money for the purpose of constructing, purchasing, improving, extending or repairing public utilities, recreational facilities or any other self-liquidating municipal function not prohibited by the Constitution and Laws of the State of Texas, and to issue revenue bonds to evidence the obligation created thereby. Such bonds shall be a charge upon and payable solely from the properties, or interest therein, pledged, or the income therefrom, or both, and shall never be a debt of the City. All such bonds shall be authorized and issued in conformity with the Laws of the State of Texas.

(Ord. No. 96-59, § 10, 6-16-96)

Section 15a. Limitation on Borrowing. The City shall not borrow, or issue general obligation bonds, or any other instrument, or series of instruments to evidence the obligation created thereby unless first submitted to all of the qualified voters in the City for their approval at an election duly called and held for such purposes. This section shall not apply to borrowing to meet a natural or man-made disaster resulting in the declaration of a Proclamation of Public Disaster by the President of the United States or the Governor of the Great State of Texas, emergency appropriations, borrowing in anticipation of taxes, or borrowing as otherwise provided by the City Charter. This section shall not apply to refunding bonds of the City previously issued, so long as the issuance of refunding bonds does not result in a higher total expenditure by the City. This section shall not apply to revenue bonds or certificates of obligation which shall be issued in accordance with State law. Six (6) or more members of the Council must approve the issuance of revenue bonds or certificates of obligation.

(Ord. No. 89-17, § 3(10), 1-26-89; Ord. No. 96-59, § 10, 6-16-96; Ord. No. 98-33, § 21, 6-3-98; Ord. No. 02-033, § 3, 5-4-02; Ord. No. 16-035, § 8, 5-17-16)

Editor's note— Section 15a was created by an amendment approved by the electorate on January 20, 1979. The election results were confirmed by Ord. No. 79-2, adopted January 22, 1979.

Section 16. Sale of Bonds. All bonds shall be sold in accordance with the laws of the State of Texas.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 16-035, § 8, 5-17-16)

Section 17. Purchase Procedure.

(1) All purchases made by the City, and contracts executed which will require the expenditure of City funds, shall be made pursuant to a requisition from the head of the office or department whose appropriation will be charged. No order shall be given, nor contract made, and neither shall be binding upon the City, unless the Director of Finance, or designee, shall have certified that there is to the credit of the budget appropriation to be charged a sufficient unencumbered balance to pay therefor.

(2) It shall be the policy of the City to obtain written competitive bids on purchases or contracts involving the expenditure of City funds, and such bidding shall be required when the amount involved is more than One Thousand Dollars ($1,000.00). When bids are received the purchase or contract shall be awarded to the lowest and best bid excepting that the City shall reserve the right to reject any and all bids for cause stated.

(3) The Council may by ordinance confer upon the City Manager the power and authority to enter upon such purchases and contracts without further action of the Council where the expenditure is provided in the budget and does not exceed Fifteen Thousand Dollars ($15,000.00). All other expenditures must have the express approval of the Council, in advance. In the event of a declared local state of disaster or emergency, the City Manager shall have the authority to enter upon purchases and contracts in an amount not to exceed ten (10) percent of the City's current annual budget in accordance with state and federal procurement laws, provided a quorum of Council is unable to be present at a meeting.

(4) Contracts for supplies, equipment or contractual services to be furnished the City shall only be made upon competitive bidding and the period of such contracts may not exceed thirty-six (36) months unless a longer term, not to exceed 60 months, is approved by five members of City Council.

(5) The requirement of competitive bidding shall not extend to contracts for personal or professional services.

(6) The requirement of competitive bidding shall not apply to purchases made at publicly advertised auctions if the items purchased do not exceed Ten Thousand Dollars ($10,000.00) each, and items may be purchased at such auctions for amounts in excess of Ten Thousand Dollars ($10,000.00) with the prior approval of the Council.

(Ord. No. 89-17, § 3(11), 1-26-89; Ord. No. 96-59, § 10, 6-16-96; Ord. No. 98-33, §§ 22, 23, 6-3-98; Ord. No. 02-033, § 4, 5-4-02; Ord. No. 12-009, § 2, 2-23-12)

Section 18. Independent Audit. At the close of each fiscal year the Council shall cause an independent audit to be made of all accounts of the City by a Certified Public Accountant. Upon completion of this audit it shall be filed in the office of the City Secretary as a public record.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 98-33, § 24, 6-3-98)

Section 19. Limitation on Expenditures. The Council shall not approve a budget that exceeds more than seven (7) per cent of the budget of the prior fiscal year as to total expenditures for any and all purposes excluding expenditures related to bond funded projects, grant funded programs, trust and agency funds, internal services fund expenditures, and any capital improvement funds appropriated in the previous fiscal year that have not been expended.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 04-028, § 2, 2-26-04; Ord. No. 12-009, § 2, 2-23-12)

Editor's note— Section 19 was created by an amendment approved by the electorate on January 20, 1979. The election results were confirmed by Ord. No. 79-2, adopted January 22, 1979.

Section 20. Capital Improvement and/or Debt Service Account. The City shall create a "Capital Improvement and/or Debt Service Account" allocating an equivalent of 1% of the General Fund Operating Budget ("annual allocation") to such an account beginning in fiscal year 2013 and an additional 1% in each successive fiscal year thereafter until the cumulative annual allocation to the account reaches a minimum of 8% of the total General Fund Operating Budget, for either Capital Improvements or Debt Service in every year, and each year thereafter allocate at least 8% of the total General Fund Operating Budget to such account, subordinate to any deficiency in the emergency 90-day minimum reserve. For purposes of this section "Capital Improvements" shall be defined as projects above $100,000.00.

(Ord. No. 12-009, § 2, 2-23-12)

- **ARTICLE VIII. - TAXATION**

Section 1. Department of Taxation. There may be a department of taxation, the head of which shall be the City Collector of Taxes. The Collector of Taxes shall be appointed by the Council and shall be responsible for the collection of all taxes levied by the City of Galveston. In addition the Collector of Taxes may be made responsible for the assessment and collection of taxes levied by a School District, Navigation District, Water Control and Improvement District or other political subdivisions, if the Council has by contract with such other political subdivision so provided. Instead of creating a department of taxation and appointing a City Collector of Taxes, the City may contract to have another government entity or agency, who is qualified to perform either the collection and appraisal functions, assess or collect taxes hereunder in accordance with the requirements of the Texas Tax Code and other applicable laws.

(Ord. No. 89-17, § 3(12), 1-26-89; Ord. No. 91-95, § 4(13), 11-14-91; Ord. No. 96-59, § 11, 6-16-96)

Section 2. Powers of Taxation. In order to carry out its municipal purposes, the City shall have the power to levy, assess, and collect taxes of every character and type as now or hereafter authorized by the Constitution and Laws of the State of Texas. Provided, however, that until otherwise authorized by the amendment of this Charter the power of the City to levy an annual ad valorem tax upon taxable property situated within its corporate limits shall include only the following:

(1) A tax at a rate not to exceed Seventy Cents ($0.70) on each $100.00 of assessed valuation for general operating expenses; and for the City's contributions toward the retirement or disability pensions of City employees; and for payment on the interest on and provide for the sinking fund required by law for all outstanding general obligation bonds of the City; and at the discretion of City Council for the employment of a municipal band.

(2) Effective January 1, 1979, for the conduct, maintenance, improvement and extension of Rosenberg Library, a tax rate which will yield that amount which would be derived by the levy of a Five Cent ($0.05) tax, or at the discretion of the City Council, an additional amount up to a maximum total of an Eight Cent ($0.08) tax, per $100.00 of assessed valuation based upon a one hundred (100) per cent assessment ratio.

(Ord. No. 75-18, § 3, 4-10-75; Ord. No. 79-24, § 3, 4-9-79; Ord. No. 89-17, § 3(13), 1-26-89; Ord. No. 96-59, § 11, 6-16-96; Ord. No. 98-33, § 25, 6-3-98; Ord. No. 98-66, § 7, 7-30-98)

State Constitution reference— Tax rate limited, Const., art. 8, § 9, art. 11, § 5; license fees limited, Const., art. 8, § 1.

Editor's note— The property subject to taxation is now controlled by V.A.T.C., Property Tax Code, § 11.01.

State Law reference— Tax for airport purposes, Vernon's Ann. Civ. St. art. 46d-8.

Section 2(a) Tax on Occupants of Hotel Rooms. The City Council may impose on the occupants of hotels, as that term is defined by State law, a tax as permitted by State law on the amount paid for rooms; and may provide for the collection, on behalf of the City, of such tax by the operator of the hotel from the occupant of the room, and transmittal of the proceeds of the tax to the City. The proceeds of any such tax levied at the rate of 3%, after the expense of collection, shall be appropriated by the city for the use by the beach park board of trustees for the purpose of advertising and promoting the city's recreational advantages and advertising and promoting recreational facilities under the board's supervision and control; provided, however, that no portion of the tax levied at the rate of 3% for advertising and promoting the city's recreational advantages and advertising and promoting recreational facilities shall be used by the beach park board of trustees for capital improvements nor shall such proceeds ever be pledged as security for a bond issue.

(Ord. No. 96-59, § 11, 6-16-96; Ord. No. 98-33, § 26, 6-3-98; Ord. No. 98-66, § 8, 7-30-98)

Editor's note— Section 2(a) of Article VIII of the Charter was adopted at a regular city election held April 11, 1967. The election results were confirmed by Ord. No. 67-23, § 3, adopted April 20, 1967.

Section 2(b) Limitation on Taxation. The City Council shall not make, permit, or approve any increase in ad valorem taxes on any taxable property in the City in any one year exceeding five (5) per cent of the City's immediate prior year's ad valorem tax, subject, however, to the total tax limitation in the City Charter. Such five (5) per cent limitation shall not prevent increased market valuation and taxation of taxable property when subsequent improvements are made. Provided further; that the proceeds of the one-half of one per cent (½%) sales tax adopted by the City shall be used to reduce the ad valorem tax rate on the basis of one dollar for each dollar received from the additional sales tax based on the sales tax received by the City from the most recent twelve month period that ends on June 30 th to the extent required by Article VIII, Section I and Article VII, Section 19, of this Charter. This limitation shall not prevent increased market valuation and taxation of taxable property when subsequent improvements are made.

(Ord. No. 89-17, § 3(14), 1-26-89; Ord. No. 96-59, § 11, 6-16-96; Ord. No. 02-033, § 6, 5-4-02)

Editor's note— Section 2(b) was created by an amendment approved by the electorate on January 20, 1979. The election results were confirmed by Ord. No. 79-2, adopted January 22, 1979.

Section 3. Appraisal of Property for Tax Purposes. All property real, personal or mixed, having a situs within the corporate limits of the City of Galveston on January 1st of each year, not expressly exempted by law, shall be subject to taxation by the City of Galveston for such year. If the State requires appraisals of property, those appraisals will be made in accordance with State laws.

(Ord. No. 89-17, § 3(15), 1-26-89; Ord. No. 96-59, § 11, 6-16-96)

State Law reference— Tax assessment, Vernon's Ann. Civ. St., art. 7181a et seq.; listing of property for taxation, Vernon's Ann. Civ. St., art. 7151.

Section 4. Tax Payments. All taxes due the City of Galveston shall be payable at the office of the City Tax Collector in accordance with State law. The City shall assess penalties and interest in accordance with State law.

(Ord. No. 89-17, § 3(17), 1-26-89; Ord. No. 96-59, § 11, 6-16-96)

Section 5. Tax Liens and Liabilities. All property, real, personal and mixed, situated in the City of Galveston on the 1st day of January of each year shall stand charged with a special lien in favor of the City from said date for the taxes due thereon. The liens provided herein shall be superior to all other liens, excepting where otherwise provided by law, regardless of when such other liens were created. All persons purchasing any of said property after the 1st day of January of any year shall take the same subject to the

liens herein provided. In addition to the liens against property as herein provided, the owner on the 1st day of January of any year of property subject to taxation by the City shall be personally liable for taxes due thereon for such year. The City shall have the power to sue for and recover personal judgement for taxes without foreclosure, or to foreclosure its lien or liens, or to recover both personal judgement and foreclosure. In any such suit where it appears that the description of any property in the City tax rolls is insufficient to identify such property, the City shall have the right to plead a good description of the property intended to be assessed, to prove the same, and to have its judgement foreclosing the tax lien or for personal judgement against the owner for such taxes.

(Ord. No. 89-17, § 3(18), 1-26-89; Ord. No. 96-59, § 11, 6-16-96)

Sections 6 and 7. Reserved.

Editor's note— Former § 6, tax liens and liabilities, has been amended and renumbered as § 5. Former § 7, joint interest in property, has been repealed in its entirety. The aforesaid amendments were enacted by Ord. No. 89-17, § 3(18), (19), adopted January 26, 1989.

Section 8. Arrears of Taxes Offset to Debt Against City. The City shall be entitled to counterclaim and offset against any debt, claim, demand or account owed by the City to any person, firm or corporation that is in arrears to the City of Galveston for taxes, in the amount of taxes so in arrears, and no assignment or transfer of such debt, claim, demand or account after the said taxes are due, shall affect the right of the City to so offset the said taxes against the same.

(Ord. No. 96-59, § 11, 6-16-96)

Section 9. Disposition of Unappropriated Delinquent Taxes. The Council shall be authorized to appropriate all delinquent taxes against which no demands are outstanding, and after the purposes for which said taxes were levied have been fulfilled and satisfied, to any proper municipal purpose, and the Council shall be empowered at the end of the fiscal year to declare such residue of all said delinquent taxes a surplus fund, and to direct that the same when collected be carried as a surplus account subject to the further appropriation by said Council for proper municipal purposes.

(Ord. No. 96-59, § 11, 6-16-96)

LOCAL GOVERNMENT CODE

TITLE 4. FINANCES

SUBTITLE A. MUNICIPAL FINANCES

CHAPTER 102. MUNICIPAL BUDGET

Sec. 102.001. BUDGET OFFICER. (a) The mayor of a municipality serves as the budget officer for the governing body of the municipality except as provided by Subsection (b).

(b) If the municipality has the city manager form of government, the city manager serves as the budget officer.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.002. ANNUAL BUDGET REQUIRED. The budget officer shall prepare each year a municipal budget to cover the proposed expenditures of the municipal government for the succeeding year.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.003. ITEMIZED BUDGET; CONTENTS. (a) The budget officer shall itemize the budget to allow as clear a comparison as practicable between expenditures included in the proposed budget and actual expenditures for the same or similar purposes made for the preceding year. The budget must show as definitely as possible each of the projects for which expenditures are set up in the budget and the estimated amount of money carried in the budget for each project.

(b) The budget must contain a complete financial statement of the municipality that shows:

(1) the outstanding obligations of the municipality;

(2) the cash on hand to the credit of each fund;

(3) the funds received from all sources during the preceding year;

(4) the funds available from all sources during the ensuing year;

(5) the estimated revenue available to cover the proposed budget; and

(6) the estimated tax rate required to cover the proposed budget.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.004. INFORMATION FURNISHED BY MUNICIPAL OFFICERS AND BOARDS. In preparing the budget, the budget officer may require any municipal officer or board to furnish information necessary for the budget officer to properly prepare the budget.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.005. PROPOSED BUDGET FILED WITH MUNICIPAL CLERK; PUBLIC INSPECTION. (a) The budget officer shall file the proposed budget with the municipal clerk before the 30th day before the date the governing body of the municipality makes its tax levy for the fiscal year.

(b) A proposed budget that will require raising more revenue from property taxes than in the previous year must contain a cover page with the following statement in 18-point or larger type: "This budget will raise more total property taxes than last year's budget by (insert total dollar amount of increase and percentage increase), and of that amount (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll) is tax revenue to be raised from new property added to the tax roll this year."

(c) The proposed budget shall be available for inspection by any person. If the municipality maintains an Internet website, the municipal clerk shall take action to ensure that the proposed budget is posted on the website.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 1, eff. September 1, 2007.

Sec. 102.006. PUBLIC HEARING ON PROPOSED BUDGET. (a) The governing body of a municipality shall hold a public hearing on the proposed budget. Any person may attend and may participate in the hearing.

(b) The governing body shall set the hearing for a date occurring after the 15th day after the date the proposed budget is filed with the municipal clerk but before the date the governing body makes its tax levy.

(c) The governing body shall provide for public notice of the date, time, and location of the hearing. The notice must include, in type of a size at least equal to the type used for other items in the notice, any statement required to be included in the proposed budget under Section 102.005(b).

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 2, eff. September 1, 2007.

Sec. 102.0065. SPECIAL NOTICE BY PUBLICATION FOR BUDGET HEARING. (a) The governing body of a municipality shall publish notice before a public hearing relating to a budget in at least one newspaper of general circulation in the county in which the municipality is located.

(b) Notice published under this section is in addition to notice required by other law, except that if another law requires the governing body to give notice, by publication, of a hearing on a budget this section does not apply.

(c) Notice under this section shall be published not earlier than the 30th or later than the 10th day before the date of the hearing.

(d) Notice under this section must include, in type of a size at least equal to the type used for other items in the notice, any statement required to be included in the proposed budget under Section 102.005(b).

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 24, eff. Sept. 1, 1993. Amended by Acts 2001, 77th Leg., ch. 402, Sec. 9, eff. Sept. 1, 2001.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 3, eff. September 1, 2007.

Sec. 102.007. ADOPTION OF BUDGET. (a) At the conclusion of the public hearing, the governing body of the municipality shall take action on the proposed budget. A vote to adopt the budget must be a record vote.

(b) The governing body may make any changes in the budget that it considers warranted by the law or by the best interest of the municipal taxpayers.

(c) Adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget. A vote under this subsection is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tax Code, or other law.

(d) An adopted budget must contain a cover page that includes:

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:

(A) "This budget will raise more revenue from property taxes than last year's budget by an amount of (insert total dollar amount of increase), which is a (insert percentage increase) percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the

proposed tax rate by the value of new property added to the roll).";

(B) "This budget will raise less revenue from property taxes than last year's budget by an amount of (insert total dollar amount of decrease), which is a (insert percentage decrease) percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)."; or

(C) "This budget will raise the same amount of revenue from property taxes as last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)";

(2) the record vote of each member of the governing body by name voting on the adoption of the budget;

(3) the municipal property tax rates for the preceding fiscal year, and each municipal property tax rate that has been adopted or calculated for the current fiscal year, including:

(A) the property tax rate;

(B) the effective tax rate;

(C) the effective maintenance and operations tax rate;

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of municipal debt obligations.

(e) In this section, "debt obligation" means an issued public security as defined by Section 1201.002, Government Code, secured by property taxes.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 4, eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1329 (S.B. 656), Sec. 1, eff. September 1, 2013.

Sec. 102.008. APPROVED BUDGET FILED WITH MUNICIPAL CLERK: POSTING ON INTERNET. (a) On final approval of the budget by the governing body of the municipality, the governing body shall:

(1) file the budget with the municipal clerk; and

(2) if the municipality maintains an Internet website, take action to ensure that:

(A) a copy of the budget, including the cover page, is posted on the website; and

(B) the record vote described by Section 102.007(d)(2) is posted on the website at least until the first anniversary of the date the budget is adopted.

(b) The governing body shall take action to ensure that the cover page of the budget is amended to include the property tax rates required by Section 102.007(d)(3) for the current fiscal year if the rates are not included on the cover page when the budget is filed with the municipal clerk. The governing body shall file an amended cover page with the municipal clerk and take action to ensure that the amended cover page is posted on the municipality's website.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 5, eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1329 (S.B. 656), Sec. 2, eff. September 1, 2013.

Sec. 102.009. LEVY OF TAXES AND EXPENDITURE OF FUNDS UNDER BUDGET; EMERGENCY EXPENDITURE. (a) The governing body of the municipality may levy taxes only in accordance with the budget.

(b) After final approval of the budget, the governing body may spend municipal funds only in strict compliance with the budget, except in an emergency.

(c) The governing body may authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention. If the governing body amends the original budget to meet an emergency, the governing body shall file a copy of its order or resolution amending the budget with the municipal clerk, and the clerk shall attach the copy to the original budget.

(d) After the adoption of the budget or a budget amendment, the budget officer shall provide for the filing of a true copy of the approved budget or amendment in the office of the county clerk of the county in which the municipality is located.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.010. CHANGES IN BUDGET FOR MUNICIPAL PURPOSES. This chapter does not prevent the governing body of the municipality from making changes in the budget for municipal purposes.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.011. CIRCUMSTANCES UNDER WHICH CHARTER PROVISIONS CONTROL. If a municipality has already adopted charter provisions that require the preparation of an annual budget covering all municipal expenditures and if the municipality conducts a public hearing on the budget as provided by Section 102.006 and otherwise complies with the provisions of this chapter relating to property tax increases, the charter provisions control. After the budget has been finally prepared

and approved, a copy of the budget and the amendments to the budget shall be filed with the county clerk, as required for other budgets under this chapter.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 6, eff. September 1, 2007.

RESOLUTION NO. 11-053

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GALVESTON, TEXAS, ADOPTING A FUND BALANCE POLICY TO ESTABLISH OPERATING AND REPORTING GUIDELINES FOR THE CITY OF GALVESTON'S GOVERNMENTAL FUND BALANCES; PROVIDING FOR FINDINGS OF FACT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Governmental Accounting Standards Board (GASB) issued Statement 54 for fund balance reporting. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance categories; and,

WHEREAS, these new classifications can be more consistently applied and will clarify the existing governmental fund type definitions. This Statement establishes fund balance classifications that are based primarily on the extent to which the City is bound to observe restrictions imposed upon the use of the resources reported in governmental funds. It is important to note that this does not apply to enterprise (business) type funds; and,

WHEREAS, the governmental fund financial statements of the city will present bund balances based on classifications including a hierarchy that is based primarily on the extent to which the City is bound to honor restrictions on the specific purposes for which amounts in a particular governmental fund can be spent as identified in Exhibit "A"; and,

WHEREAS, the Fund Balance Policy further identifies the order of spending and minimum fund balances; and,

WHEREAS, the City Council deems it in the best interest of the City of Galveston to adopt a Fund Balance Policy to establish operating and reporting guidelines for the City of Galveston's governmental fund balances;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GALVESTON, TEXAS:

SECTION 1. The findings and recitations set out in the preamble to this Resolution are found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. The City Council of the City of Galveston, Texas here adopts the "Fund Balance Policy" to establish operating and reporting guidelines for the City of Galveston's governmental fund balances as shown in "Exhibit A", attached hereto and incorporated herein.

SECTION 3. This Resolution shall be and become effective from and after its adoption.

APPROVED AS TO FORM:

SUSIE GREEN
CITY ATTORNEY

I, Douglas Godnich, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the City Council of the City of Galveston at its regular meeting held on the 22nd day of September, 2011, as the same appears in records of this office.

IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this 22nd day of September, 2011.

CITY OF GALVESTON * 1839 *

Secretary for the City Council
of the City of Galveston

EXHIBIT "A"

FUND BALANCE POLICY

Introduction and Purpose: The Governmental Accounting Standards Board (GASB) issued Statement 54 for fund balance reporting. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance categories. These new classifications can be more consistently applied and will clarify the existing governmental fund type definitions. This Statement establishes fund balance classifications that are based primarily on the extent to which a government is bound to observe restrictions imposed upon the use of the resources reported in governmental funds. It is important to note that this does not apply to enterprise (business) type funds. Prior to this standard, fund balance categories were primarily reserved or unreserved.

The purpose of this policy is to establish operating and reporting guidelines for the City of Galveston's governmental fund balances.

First and foremost, distinctions need to be made in identifying amounts that are considered *nonspendable,* such as fund balance associated with inventories or prepaid expenses. These balances by their very nature can never be spent. This Statement also provides for additional classification as restricted, committed, assigned, and unassigned based on whether the resources can be spent but <u>not yet</u> because of timing, such as long-term receivables, or resources that can be spent, but <u>not at the City's discretion,</u> for example the principal of an endowment that legally must be kept intact.

Fund Balance Classification: The governmental fund financial statements of the City will present fund balances based on classifications including a hierarchy that is based primarily on the extent to which the City is bound to honor restrictions on the specific purposes for which amounts in a particular governmental fund can be spent. The five classifications used in the governmental fund financial statements will be as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. These amounts would include inventories and prepaid items as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. These guidelines are used for restricted net assets.

- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council (ordinance or resolution).[1] These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or

resolution) that was employed when the funds were initially committed. The action must be taken by close of the reporting period. The amount of the commitment can be determined and approved by the council at a later date.

- Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or by the City Council's designee, for example mayor, city manager or finance director. The assigned fund balance is similar to the prior unreserved/designated fund balance in that it implies the intent of the government. The Council has the opportunity to designate one or more persons to assign fund balances in an operational manner. The City's budgetary policy should list the council's designated person. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

- Unassigned: This classification includes the residual fund balance for the General Fund.

In summary the components of fund balance can be categorized as follows:

Nonspendable	Form or legal limitation
Restricted	Externally enforceable limitations
Committed	Self-imposed limitations
Assigned	Intended use
Unassigned	Residual

Order of Spending: The City would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

Minimum Fund Balances: The City will strive to maintain fund balances in the following ranges for the following funds:

- General Fund: unassigned fund balance to be used for unanticipated emergencies of approximately 90 days of the annual budgeted expenditures of the general fund of the following year.

- Debt Service Fund: Restricted fund balance to be used for debt service payments of approximately 100% of the following year's debt service requirements.

CITY OF GALVESTON

1839

THE CITY OF GALVESTON

INVESTMENT POLICY

SEPTEMBER 2018

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Attachment A – Policy Certification

Investment Policy
City of Galveston, Texas

Policy Statement

The Investment Policy, known as "The Investment Policy of the City of Galveston" (the "Investment Policy") complies with and incorporates the Public Funds Investment Act, (the "Act"), Chapter 2256, Texas Government Code and the Public Funds Collateral Act, Chapter 2257, Texas Government Code.

All applicable provisions of the Act, as amended, are adopted by incorporation of Appendix A, the Act, in its entirety.

In the event of a conflict with these investment policies and the Act, the more restrictive of the two shall control.

All participants in the investment process shall act responsibly as custodians of the public trust.

It is the policy of the City of Galveston (the "City") that the administration and investment of its funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal through risk management and diversification while meeting the daily cash flow needs of the City and conforming to all applicable state and local statues, rules and regulations governing the investment of public funds.

The Investment Policy is based on standards of prudent money management. Effective cash flow management and cash investment practices are recognized as essential to good fiscal management and have been incorporated into the investment program.

I. Scope

The Investment Policy shall apply to all financial assets and pooled funds of the City and govern the management of Investments by the Finance Department of the City of Galveston. The Investment Policy shall govern the investment management process with respect to investments managed by the Finance Department of the City of Galveston for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds and Enterprise Funds. The investments will meet the cash flow requirements of the City as established by City Council and City management. These funds are defined in the City's Comprehensive Annual Financial Report (CAFR). This Investment Policy applies to any new fund created by the City unless specifically exempted by the City Council and this Investment Policy.

II. General Objectives

(1) The emphasis of all investment activity shall be safety, liquidity, diversification and yield.

a. **Safety.** The primary objective shall be on safety and preservation of principal. Adherence to the permitted investments listed in the Investment Policy will maximize safety. Whenever practical, assets held in the common investment portfolio shall be diversified to minimize the risk of loss resulting from one concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. Whenever possible, the City will purchase non-callable securities in order to best ensure the laddering of maturities and balancing of classes of securities. The City's investments shall be reviewed and rebalanced with respect to diversification at least once per calendar quarter. The emphasis shall be on maintaining a prudent level of cash (money market and investment pool) balances, relative to security types and maturities.

b. **Liquidity.** The goal of liquidity is to maintain available cash balances sufficient to cover anticipated and unexpected cash demands. The City's investment portfolio will remain sufficiently liquid to meet all daily operating requirements.

c. **Diversification.** Whenever practical, assets held in the portfolio(s) shall be diversified to minimize the risk of loss resulting from the concentration of assets in a specific maturity, a specific issuer, or a specific market sector. The City's investments shall be reviewed and rebalanced with respect to diversification at least once per calendar quarter.

d. **Yield.** Yield considerations shall be subordinate to safety and liquidity requirements, but shall be maximized within those constraints through prudent and active management.

(2) **Loss of Required Ratings**. The Investment Officers shall take all prudent measures consistent with this Investment Policy to liquidate an investment that does not meet any minimum specified rating. Investment Officers or the Advisor will monitor the credit ratings of all rated investments at all times. Should any investment requiring minimum ratings be placed on market watch, downgraded or placed on credit watch by any nationally recognized rating agency, Investment Officers shall notify the Finance Director immediately. Liquidation of the security may, but need not be, effected. Evaluation of the cause of the action, the maturity of the security, and the position of the security in the portfolio will be considered and prudent measures taken to protect City funds.

(3) **Prudent Person Rule.** The standard of prudence to be used in the investment function shall be the "prudent person" standard and shall

be applied in the context of managing the overall portfolio. This standard states:

> "Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."

In determining whether investment personnel exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

a. the investment of all funds over which investment personnel had responsibility rather than a consideration as to the prudence of a single investment, and
b. whether the investment decision was consistent with the written Investment Policy.

Investment personnel involved in investment decisions, when acting in accordance with this Investment Policy and exercising due diligence, shall not be held responsible for a change in a specific investment's credit risk or market price, provided deviation from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

III. Investment Strategy

The City commingles its operating and reserve funds into one investment portfolio for investment purposes of efficiency, accurate distribution of interest, and maximum investment opportunity. Bond funds are managed separately in accordance with their anticipated expenditure schedule. Although commingled, the City recognizes the unique characteristics and needs of the individual funds in its strategy statement and management of the funds. The maximum dollar weighted average maturity of the entire portfolio shall be no greater than 18 months.

(1) **Operating Funds.** The investment strategy for operating funds has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. This may be accomplished by purchasing high quality, short- to medium-term maturity securities, which will complement each other in a laddered maturity structure permitting some extension for yield enhancement.
(2) **Debt Service Funds**. The investment strategy for debt service funds shall have as its primary objective the assurance of available funds adequate to fund the debt service obligations on a timely basis. Successive debt service dates will be fully funded before extension.

(3) **Bond Reserve Funds.** The investment strategy for bond reserve funds shall have as its primary objective the ability to generate a revenue stream to the bond reserve funds from high quality securities with a low degree of volatility. Securities should be high credit quality and, except as may be required by a bond ordinance specific to an individual issue, of short to intermediate-term maturities. Reserve portfolios will utilize securities with a maximum maturity of five years and have a maximum weighted average maturity, if managed as a separate portfolio, not to exceed three years.

(4) **Capital Project Funds**. The investment strategy for capital project funds will have as its primary objective assurance that anticipated expenditures are matched with maturing investments for adequate liquidity. The stated final maturity dates of securities held may not exceed the estimated project completion date.

Separately managed portfolios are to be managed with the specific expenditure schedules and legal requirements of those funds. The portfolios will be guided by the provisions of this Investment Policy.

Cash Management

Effective cash management is recognized as essential to a prudent investment strategy and overall fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability and use. The City shall maintain a comprehensive cash management program, which includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

As a part of this comprehensive cash management program, the City recognizes that there is the potential need for unexpected cash drawdowns during the hurricane season which commences in June and concludes in November of each year. The portfolio should be structured so that adequate investments mature during this period.

IV. Suitable and Authorized Investments

Authorized investments shall be limited to the following, as further defined by the Act:

(1) Obligations of the United States or its agencies and instrumentalities to include obligations in which the principal and interest are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (“FDIC”), National Credit Union Share Insurance Fund (“NCUSIF”)

or by the explicit full faith and credit of the United States per Texas State Code 2256.009

(2) Obligations of the Federal Home Loan Bank (FHLB) per Texas State Code 2256.009
(3) Municipal Securities per Texas State Code 2256.009
(4) Fully insured or collateralized certificates of deposit at commercial banks, savings banks and credit unions per Texas State Code 2256.010
(5) Repurchase agreements collateralized by U.S. Treasury or U.S. Government Agency securities per Texas State Code 2256.011
(6) Securities and Exchange Commission (the "SEC") registered, no load money market funds as permitted by Texas State Code 2256.014
(7) Texas local government investment pools per Texas State Code 2256.016. Although this Investment Policy does not permit direct purchase of commercial paper, investment pools that contain commercial paper as well as any investment specifically authorized within the Act are permitted.

Exemption of Existing Investments

The City is not required to liquidate investments that were authorized investments at the time of purchase. Any investments held that do not meet the guidelines of the Investment Policy shall be reviewed to determine ability to liquidate. If the security cannot be liquidated because of material adverse changes in value since the time of purchase, and holding the security to maturity does not negatively affect disbursement or cash flow, a recommendation of holding the security to maturity is acceptable. At all times, liquidations shall be effected taking into account the prudent person standard.

Senate Bill (SB) 253: Certain Prohibited Investments

The City is prohibited from investing in companies that do business in Sudan, Iran, or with Foreign Terrorist Organizations (collectively known as "Listed Companies").

V. Incorporation of the Public Funds Investment Act

(1) **Competitive Bidding.** All individual security transactions shall require at least three competitive bids/offers where practicable.
(2) **Delivery versus Payment**. Transactions must be settled on a delivery-versus-payment (DVP) basis to a City approved depository except for transactions involving mutual funds or investment pool funds. This assures City control of all its funds and assets. No securities shall be held by transaction counterparty.
(3) **Independent Third Party Safekeeping**. Collateral provided for bank time and demand deposits as well as repurchase agreements will be held by an independent third-party safekeeping agent approved by the

City and providing the City with original safekeeping receipts. Authorized collateral will include:

a. Obligations of the U.S. Government and its agencies and instrumentalities, including mortgage-backed securities.
b. Municipal obligations of any state or subdivision, rated no less than AA or equivalent by a Nationally Recognized Statistical Rating Organization ("NRSRO").

All City-owned securities will be registered and held in the name of the City in a segregated third-party safekeeping account through the City's contracted depository. Financial institutions serving as City depositories will be required to sign a tri-party depository agreement with the City and the independent safekeeping agent (custodian) in compliance with the Financial Institutions reform, Recover, and Enforcement Act ("FIRREA"). The agreement shall define the collateral and City rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, which require that:

a. The Agreement be in writing;
b. The Agreement be approved by the Board of Directors or the Loan Committee of the Depository and a copy of the meeting minutes or resolution reference must be delivered to the City; and
c. No listing of pledged collateral shall be part of the written agreement.

(4) **Collateral Policy**. Collateralization is required for all uninsured collected balances. Collateral will be equal to or exceed 102% of the total deposit amount, with accrued interest, if any. Substitution will be granted with prior City approval. Counterparties will be contractually liable for monitoring and maintaining the required margin levels on all collateral at all times. The City will value the collateral securities monthly unless market conditions warrant more frequent valuation. If the market value of collateral is deficient, additional collateral must be requested.

VI. Diversification and Maximum Maturities

(1) **Diversification**. Diversification will be used to minimize risk of loss by over-investment in a particular market sector, maturity or security. The City will strive for portfolios with laddered maturities and securities in accordance with the authorized investments and maximum maturity constraints. To assure diversification in the portfolio the following limits will be imposed:

Investment Type	Max. % in Portfolio
US Treasury Obligations	100%
US Agency and Instrumentality Obligations	80%
SEC Registered Money Market Funds	50%
Repurchase Agreements	50%
Flex Repurchase (Bond Funds)	50%
Municipal Securities	20%
Local Government Investment Pools	100%
Participation per pool	10% of pool
Commercial paper pools	20%
Collateralized, FDIC or NCUSIF-insured CDs	50%

(2) **Maximum Maturities.** The maximum maturity for investments designated for operations, current debt service, and construction funds shall not exceed 36 months. The maturity for debt service reserve holdings can be extended to the life of the bond maturity or five years, whichever is less.

(3) **Weighted Average Maturity for Pooled Fund Groupings.** The maximum dollar weighted average maturity of the entire portfolio shall be no greater than 18 months based on the stated maturity date.

VII. Investment Advisory Committee

An Investment Advisory Committee (the "Committee") is created. Voting members of the Committee will consist of the City Manager or designee, and two residents, one appointed by the City Council and one appointed by the Mayor. The Director of Finance shall be a non-voting member of the Committee. The appointees shall serve the same term as the City Council or Mayor who appointed them.

The Committee is responsible for:

(1) reviewing and updating the Investment Policy annually,
(2) reviewing investment strategies,
(3) reviewing investment reports,
(4) overseeing the City's portfolio to ensure compliance with State law,
(5) adopting a list of qualified brokers authorized to engage in investment transactions, and
(6) approving the independent source providing state mandated investment training.

VIII. Designation of Investment Officers

(1) **Delegation of Investment Authority**. The Assistant City Manager of Finance, Executive Director of Finance/City Controller and Accounting Manager shall be designated as Investment Officers to execute the investment management process of local revenues. Investments of five (5) million or more will require authorization by two investment officers. The Director of Finance may temporarily designate another qualified staff individual to function as Investment Officer in his or her place if and when necessary. That individual will also attend the state mandated training described below.

The Investment Officers shall review investment positions at least once per quarter for conformance to this Investment Policy and the needs of the City.

The Investment Officers shall develop and maintain written administrative procedures for the operation of the investment program, which are consistent with this Investment Policy. Procedures will include safekeeping, settlement, documentation, agreements, contracts, and other investment related activities.

(2) **Investment Training**. In order to ensure the quality and capability of investment management, the Investment Officers shall attend 10 hours of investment training within 12 months of assuming duties, and subsequently shall attend ten (10) hours of training within every succeeding two-year period as required by the Act. The training sessions shall be provided by the Texas Municipal League, the Government Finance Officers Association of Texas (GFOAT), the Government Treasurers Organization of Texas (GTOT), the University of North Texas Center for Public Management, the Texas Society of Certified Public Accountants, or any other independent source approved by the Committee.

Professional services may be used to provide expertise in the areas of Investments, cash management, bonded indebtedness, and other areas deemed appropriate by Council and Management. State law pertaining to these services shall apply. These services shall be subordinate to City Management and this Investment Policy, as applicable.

The City may contract with an Investment Advisor, who shall adhere to the spirit, philosophy and specific term of this Investment Policy and shall invest within the same standard of prudence. The Investment Advisor must be registered with the SEC under the Investment Advisor's Act of 1940 as well as with the Texas State Securities Board. Advisors may assist the City with the management of its funds and other responsibilities including, but not limited to: review of investment

policy, development of appropriate investment strategies, security analysis, trade execution, security clearance, broker dealer compliance, investment reporting and security documentation.

(3) **Ethics Disclosure and Conflicts of Interest.** If an Investment Officer has a personal business relationship as defined in the Act, with a business organization engaging in investment transactions with the City or, the officer is related within the second degree by affinity or consanguinity to an individual seeking to transact with the City, the Investment Officer must disclose the relationship and file a disclosure with the City Secretary and the Texas Ethics Commission.

IX. Financial Counter-parties

Establishment and Annual Review of Qualified Bidders list. Investments shall be executed through broker/dealers and/or banks only. The Committee will review, revise and approve the list of authorized broker/dealers annually. The Investment Officers or investment advisor will obtain and maintain information on each authorized broker/dealer.

Securities broker/dealers must meet certain criteria as determined by the Investment Officers. The following criteria must be met by firms on the list:

- provision of an audited financial statement for the most recent period,
- proof of registration with the Financial Industry Regulatory Authority (FINRA), and
- proof of current registration with the Texas State Securities Commission.

If the City has contracted with an Investment Advisor, the Advisor shall be responsible for performing due diligence on broker/dealers and shall provide a list of approved broker/dealers to the City no less than annually. The Investment Advisor shall meet the requirements of Texas State Code 2256.003.

X. Investment Policy Certification

The City shall present a copy of this Investment Policy to any business organization offering to engage in an investment transaction with the City. An authorized representative of an investment pool or Investment Advisory firm acting in a discretionary capacity shall execute the City's Policy Certification (Attachment A) substantially to the effect that the representative has received and thoroughly reviewed the Investment Policy, and acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude investment transactions that are not authorized by this Investment Policy, except to the extent that the authorization is dependent on an analysis of the makeup of the City's primary commingled portfolio or requires an interpretation of subjective investment standards.

XI. Investment Reporting

The Investment Officers and Investment Advisor shall provide to City Council, not less than quarterly, a written report of investment positions and activity in accordance with Section 2256.023 of the Act.

Marking to Market. The quarterly investment report shall include the market value of the portfolio. Market values shall be obtained from the Investment Advisor or other independent sources such as a safekeeping institution or industry publications. If market values are unavailable from independent sources, the City may obtain market values from its authorized brokers, provided the broker providing the market price is not the same broker that sold the security to the City.

XII. Internal Controls

The Finance Director shall establish a system of internal controls designed to prevent losses due to fraud, employee error, negligence, collusion, third party misrepresentation, and unanticipated market changes as well as other foreseeable circumstances arising in the investment function. The controls are to safeguard City assets and securities throughout the investment process. The internal control structure shall be designed to provide reasonable assurance that these Investment Policy objectives are met and controls shall be reviewed annually with the independent auditor of the City.

Transactions shall, in all cases, comply with established internal controls especially as regards the transfer of funds.

The concept of reasonable assurance recognizes that:

a. The cost of a control should not exceed the benefits likely to be derived, and
b. The valuation of costs and benefits requires estimates and judgments by management.

The controls shall address, at a minimum, the functions of documentation; competitive bidding practices; delivery and custody of securities; perfected ownership; collateralization; timely reconciliation of transactions, receipts and statements; required audits; and financial counter-parties. The controls shall address these functions with attention to potential collusion, separation of duties, and clear delegation of authority.

XIII. Review by Independent Auditor

The City's audit engagement shall include a compliance audit of management controls on investments and adherence to the City's established investment policies. The compliance audit shall be performed annually in conjunction with the City's financial audit and will include a review of the quarterly reports.

XIV. Annual Review and Adoption of Investment Policy and Strategies

The City Council of the City of Galveston shall review and adopt this Investment Policy and its incorporated investment strategies not less than annually. The approving resolution will list all changes being made to the Policy.

CITY OF GALVESTON

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Appendices

City of Galveston

OFFICE OF THE CITY MANAGER

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June 25, 2019

Honorable Mayor James D. Yarborough and Members of City Council

This is to present the Long Range Financial Forecast for FY 2020-2024. This starts the FY 2020 Budget and Capital Improvement Plan process.

Every budget year offers challenges and opportunities, and FY 2021 is no exception. This year, we are facing new recurring expenditures that are mandatory including:

1. A long-standing charter defined financial goal as the Infrastructure and Debt Service set aside reaches 8 percent of General Fund budgeted revenue,
2. A significant increase in the City's contribution to the Police pension plan in accordance with a revised State law and sound financial principles, and
3. A major increase in the City's contribution to its health insurance plan for employees and retirees that will correct several years of financial losses.

The City also has opportunities:

1. This is the last year in which the State law regarding property tax rate setting will cap annual revenue increases at 8 percent without voter approval. Beginning next year, this cap goes to 3.5 percent.
2. Two of the City's three remaining Tax Increment Reinvestment Zones can be closed by mutual agreement between the County and the City to the financial advantage of both in the next budget and tax year beginning October 1, 2020.

We are fortunate that the opportunities occur at the same time as the challenges, because they all represent long-term funding usage and/or commitments. They offer the City the chance to maintain the structural balance of the General Fund and the City's commitment to its employees and retirees for some years to come. I welcome the chance to discuss these matters with you.

Brian Maxwell
City Manager

FY 2020-2024 LONG RANGE FINANCIAL FORECAST
GENERAL FUND SUMMARY

General Fund Budget Challenges

The General Fund faces challenges in the forecast period beginning in FY 2020 as a result of new recurring expenses and the loss of revenue due to state legislative action. The only way to ensure structural balance throughout the forecast period is to (1) reduce recurring expenditures by significant amounts and/or (2) identify and secure new revenues in significant amounts.

LONG RANGE FINANCIAL FORECAST
SUMMARY GENERAL FUND BASELINE PROJECTIONS
($THOUSANDS)

CATEGORY	FY19 Estimate	FY 2020 Forecast	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast	FY 2024 Forecast
Beginning Balance	$19,714	$14,344	$14,250	$13,816	$13,173	$12,889
Revenue	$56,368	$57,684	$59,338	$61,204	$63,162	$65,180
Expenditures	$55,251	$57,778	$59,772	$61,798	$63,446	$65,112
Revenues Over/(Under) Expenditures	**$1,117**	**($94)**	**($434)**	**($594)**	**($284)**	**$68**
Subtotal	$20,831	$14,250	$13,816	$13,223	$12,889	$12,957
One-Time Appropriation of Fund Balance	($6,487)	$0	$0	($50)	$0	($50)
Ending Fund Balance	$14,344	$14,250	$13,816	$13,173	$12,889	$12,907
90 Days of Working Capital	$13,624	$14,247	$14,738	$15,238	$15,644	$16,055
Cumulative Excess of Ending Fund Balance and/or (Needed Cuts and Income Increases)	**$720**	**$3**	**($922)**	**($2,066)**	**($2,755)**	**($3,148)**

FY 2020 Baseline and Forecast Changes

Three major new recurring costs are being added to the General Fund in FY 2020, making it difficult to continue to fund current services and program annual pay increases for City employees.

1. The last increase in the annual set aside of General Fund revenue for the Infrastructure and Debt Service Fund, This set aside will equal 8 percent of the General Fund budgeted revenue in FY 2020, an increase of $702,000 over the current year.
2. The increase in the City's contribution to the Police Pension will increase from the current level of 14.83 percent to 18 percent adding $385,000 in recurring costs to the General Fund effective October 1, 2019.
3. The City's employee and retiree self-insured health plan is experiencing sustained losses of claims and plan expenses in excess of employee premiums and employer contributions. The plan has steadily drawn down the plan's financial reserves that began at $4 million five years ago. Absent significant additional contributions in FY 2019, the plan may very well eliminate its reserves in the current year, and simultaneously set a new funding threshold for FY 2020. Based on recent trends and funding levels, a total of $2.7 million in combined benefit changes and contribution increases are required in FY 2020. The City's share of this increase equates to $2.3 million with the balance being absorbed by the Park Board and the Wharves Authority. The General Fund portion of the City's share could be as much as $1.3 million. The General Fund forecast reflects a $1.12 million increase in FY 2020, which would anticipate the remaining funding needed in FY 2020 would come from the Park Board, the Port of Galveston and a combination of premium increases and benefit reductions for employees of all three entities. A separate chapter of this forecast addresses the Health Insurance plan and the challenge of funding retiree health care now and in the future.

LONG RANGE FINANCIAL FORECAST
SUMMARY GENERAL FUND BASELINE PROJECTIONS
($THOUSANDS)

CATEGORY	FY19 Estimate	FY 2020 Forecast	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast	FY 2024 Forecast
REVENUE						
Property Tax	$26,369	$27,576	$28,652	$29,833	$31,066	$32,352
Sales Tax	$16,550	$17,145	$17,785	$18,470	$19,195	$19,927
Other Tax	$6,513	$6,326	$6,263	$6,263	$6,263	$6,263
Non-Tax Revenue	$6,738	$6,638	$6,638	$6,638	$6,638	$6,638
Reimb. from Pension Spec Fund (one-time)	$198	$0	$0	$0	$0	$0
TOTAL REVENUE	**$56,368**	**$57,684**	**$59,338**	**$61,204**	**$63,162**	**$65,180**
Annual Recurring Revenue Increase	**$1,835**	**$1,514**	**$1,654**	**$1,866**	**$1,958**	**$2,018**
ANNUAL SPENDING INCREASES (incremental changes from prior year)						
EXPENDITURES	**FY19 Estimate**	**FY20 Base**	**FY21 Estimated**	**FY22 Estimated**	**FY23 Estimated**	**FY24 Estimated**
BASE EXPENDITURES (TOTAL BY FY)	**$54,911**	**$55,251**	**$57,778**	**$59,772**	**$61,798**	**$63,446**
Additions to Base Each Year						
Transfer to Infrastructure and Debt Service Fund		**$702**	**$131**	**$149**	**$157**	**$161**
Police Pension (Increase to 17% 1-1-19 and to 18% 10-1-19)	**$198**	**$187**	**$4**	**$4**	**$4**	**$4**
Pay Increase (including benefits- FY 2019 part of Base shown above)						
Police		$0	$257	$262	$267	$272
Fire		$0	$167	$170	$173	$176
Municipal		$0	$281	$287	$293	$299
Subtotal Pay Increases (Benefits Included)	**$0**	**$0**	**$705**	**$719**	**$733**	**$747**
Health Benefits						
Employee Plan	$142	$983	$550	$550	$550	$550
Retirees Plan (Net Claims plus Excess to begin amortizing the retiree liability)	$0	$0	$500	$500	$100	$100
Subtotal Health Benefits	**$142**	**$983**	**$1,050**	**$1,050**	**$650**	**$650**
Economic Development Programs (no new agreements or landmarks)						
Commercial Redevelopment Agreements (380s)		$21	$1	$1	$1	$1
Landmark Program (including Cedar Lawn)		$67	$3	$3	$3	$3
Economic Development Programs Subotal		**$88**	**$4**	**$4**	**$4**	**$4**
Departmental Changes						
Police		**($54)**				
Fire (includes EMS and Emergency Mgt)		**($23)**				
Marshal (includes Code Enforcement)		**$68**				
Public Works		**$31**				
Parks and Recreation		**($15)**				
Development Services		**$262**	**($50)**	**$50**	**($50)**	**$50**
Council Appointees		**$62**				
Elections		**$58**	**($58)**	**$58**	**($58)**	**$58**
City Manager		**$9**				
Municipal Court		**$81**				
Human Resources		**$24**				
Finance		**$9**				
Community Outreach		**$50**				
Non-Departmental Changes		**$8**				
Transit Service Subsidy Increases		**($253)**	**$100**	**$100**	**$100**	**$100**
Vehicle Purchases		**$250**				
Department Changes Subtotal		**$567**	**($8)**	**$208**	**($8)**	**$208**
SUBTOTAL SPENDING INCREASES	**$340**	**$2,527**	**$1,994**	**$2,026**	**$1,648**	**$1,666**
TOTAL ADJUSTED RECURRING SPENDING	**$55,251**	**$57,778**	**$59,772**	**$61,798**	**$63,446**	**$65,112**
REVENUE OVER/(UNDER) RECURRING EXPENDITURES	**$1,117**	**($94)**	**($434)**	**($594)**	**($284)**	**$68**
Beginning Fund Balance	**$19,714**	**$14,344**	**$14,250**	**$13,816**	**$13,173**	**$12,889**
Less One Time costs (CDM in FY 2019)	**($6,487)**	**$0**	**$0**	**($50)**	**$0**	**($50)**
Ending Fund Balance	**$14,344**	**$14,250**	**$13,816**	**$13,173**	**$12,889**	**$12,907**
90 Day Reserve	**$13,624**	**$14,247**	**$14,738**	**$15,238**	**$15,644**	**$16,055**
Excess/(Shortage) of Ending Fund Balance	**$720**	**$3**	**($922)**	**($2,066)**	**($2,755)**	**($3,148)**

General Fund Revenue Overview
The five year forecast assumes that virtually all General Fund revenue growth will come from property and sales taxes. Franchise fees are dropping because of legislative action that is projected to eliminate $250,000 in recurring telecommunications revenue beginning on January 1, 2020 with three fourths of this loss occurring in FY 2020 and the remaining one fourth will impact FY 2021.

FY 2020 property tax revenue reflects the pre-certification information provided by GCAD. Future years' property tax revenue is based on the assumption that the City of Galveston will achieve sufficient growth in property values that the overall tax roll will increase 4.5 percent annually, including the legislative maximum of 3.5 percent for the effective rate and one percent for new construction. Sales tax revenue will increase due to slow but steady growth in regional employment and U.S. Real Gross Domestic Product (approximately two percent annually for each). Non-tax revenue will remain more or less flat overall as it has for the last five to ten years.

The Pension Reform Special Fund was originally funded in FY 2017 with the receipt of $2.2 million cash from the closure of TIRZ 11. Approximately $1 million remains in that fund, and the forecast assumes that $198,000 will be used to fund a partial increase in FY 2019 from 14.83 percent to 17 percent of compensation effective January 1, 2019. The cost of next year's full funding at the 18 percent level will come from general revenues. Other spending cuts or new revenues will need to be identified to cover this new additional cost in FY 2021.

General Fund Expenditure Overview
In FY 2019, General Fund department budgets were reduced approximately 2 percent overall, and FY 2020 spending targets for those departments mirrored and sustained those reductions. Minor adjustments are contemplated to effect reorganizations and realignments that will consolidate functions and produce more effective operations and/or reduce spending. Department budgets have just been received and are being analyzed to determine whether additional savings can be realized.

At the present time, the FY 2020 Budget has insufficient funds to afford a cost of living adjustment or pay increase. Each one percent for all General Fund employees will cost an additional $345,000 including fringe benefits. Funding for two percent increases shown in each of the remaining four years in the forecast could come from expenditure cuts or new revenue. The major adjustment needed in the City's overall health insurance budget, including the General Fund, calls for a significant new revenue source. One possibility is discussed below.

Major New Revenue Opportunity for FY 2021 and Beyond
The City has an opportunity to close two of its remaining three Tax Increment Reinvestment Zones, numbers Twelve (Target and Home Depot) and Fourteen (Airport). This would require joint action by the City and the County prior to December 31, 2019 to dissolve these Zones. This action would return the recurring tax revenue (approximately $1.4 million annually) to the City beginning in FY 2021. Twenty-five percent of this amount ($350,000) would go to the 90 day General Fund reserve and 8 percent ($112,000) would be added to the Infrastructure and Debt Service Fund transfer, and approximately ten percent ($140,000) would go to the Library. The City would lose a five percent fee currently collected for administrative support to the TIRZs that amounts to $90,000. This would leave a balance of $708,000 for the General Fund, roughly equal to the annual cost of a two percent raise in FY 2021.

TIRZ 12 primarily benefits the County with the net annual tax increments for the County and the City going totally to the County. This in turn is used by the County for payment of debt service on the County bonds used to build the infrastructure in TIRZ 12. The payments are insufficient to pay even the interest due on the outstanding debt, so the current situation is not favorable to the County.

TIRZ 14 is largely run by the City providing funds for Airport and street improvements in the Zone. TIRZ 14 has outstanding debt responsibility for which would transfer to the City in the event of closure. By early 2020, at such time as the City would have responsibility for this debt, the outstanding balance would be $1.9 million payable through 2023. TIRZ 14 also has cash on hand as of September 2018 totaling $2.48 million with several projects pending that could benefit from the use of some of the remaining cash on hand before the TIRZ is closed. Since the City and County have contributed almost equal portions to the TIRZ, it is anticipated that the cash remaining in TIRZ 14 would be split evenly with the County.

This action will increase no Galveston resident's property taxes. It improves the cash flow of both the City and the County. A number of City capital improvement projects, primarily at the Airport and including 83rd Street would have to be reprioritized and other funding identified.

GENERAL FUND BASELINE FOR FY 2020
EXPENDITURES BY DEPARTMENT

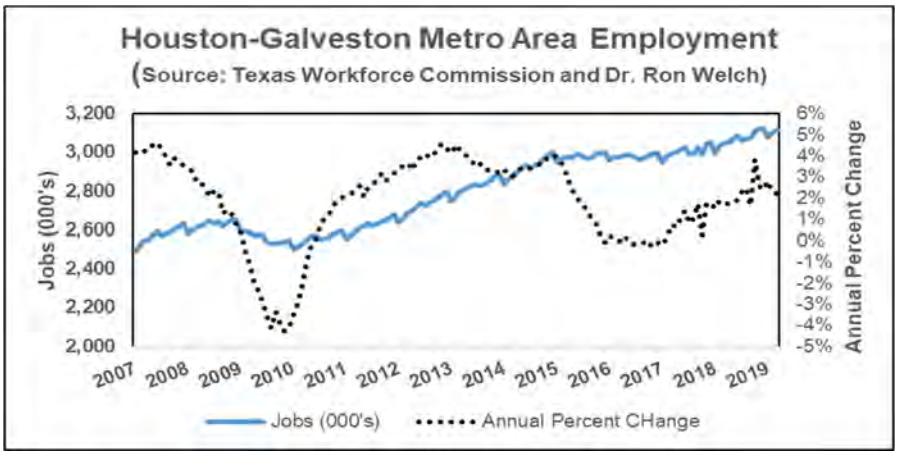
	FY 2018 Actual	FY 2019 Budget	FY 2019 Estimate	FY 2020 Base
General Government				
City Secretary	$521,835	$525,271	$533,429	$543,558
Elections	20,986	67,000	58,545	116,000
Municipal Court	741,765	654,870	638,723	719,920
City Manager	696,411	668,997	724,235	733,338
City Auditor	269,118	269,352	271,217	276,833
Legal	788,627	909,227	906,136	953,202
Human Resources	494,664	555,375	564,443	588,375
Transportation	915,000	586,374	1,053,471	800,000
Subtotal - General Government	**$4,448,406**	**$4,236,466**	**$4,750,199**	**$4,731,226**
Finance				
Administration	$297,099	$295,219	$301,626	$298,605
Accounting	771,566	793,352	811,857	852,259
Purchasing	231,354	243,907	246,604	208,288
Budget	272,797	296,874	300,358	309,783
Subtotal - Finance	**$1,572,816**	**$1,629,352**	**$1,660,445**	**$1,668,934**
Public Safety				
Police	$19,315,976	$20,255,628	$20,255,824	$20,389,026
Fire	11,146,620	11,469,269	11,576,594	11,608,619
Emergency Management	256,682	242,732	209,584	154,344
Emergency Medical Service	566,110	566,200	566,097	566,200
City Marshal	58,996	63,249	65,563	65,478
Subtotal - Public Safety	**$31,344,384**	**$32,597,078**	**$32,673,662**	**$32,783,667**
Public Works				
Streets	$1,803,739	$1,834,363	$1,797,560	$1,828,837
Traffic	2,101,838	2,030,740	2,068,012	2,067,219
Subtotal - Public Works	**$3,905,577**	**$3,865,103**	**$3,865,572**	**$3,896,056**
Parks and Recreation				
Administration	$857,364	$1,043,104	$1,160,605	$984,121
Parks and Parkways	1,849,467	1,886,034	1,729,685	1,891,225
Subtotal - Parks and Recreation	**$2,706,831**	**$2,929,138**	**$2,890,289**	**$2,875,346**
Developmental Services				
Planning	$1,139,330	$914,134	$908,842	$1,118,240
Code Enforcement	634,621	758,143	685,024	753,665
Building Inspection	632,724	611,935	606,984	660,096
Subtotal - Developmental Services	**$2,406,675**	**$2,284,212**	**$2,200,849**	**$2,532,001**
Non-Departmental/Central Accounts				
Vehicle Purchases	$291,611	$750,000	$750,000	$1,000,000
2% Non-Classified COLA	0	250,933	0	0
Governmental Expenditures	4,577	22,500	56,142	158,000
Community Outreach/Public Info	0	208,502	208,502	258,502
Taxation	268,458	270,000	272,613	270,000
Facility Maintenance	1,594,346	1,448,170	1,451,588	1,448,774
Transfer to Separation Pay Fund	416,160	416,160	416,160	416,160
Group Health Increase	0	0	142,000	1,125,000
Transfer to Infrastructure and/or Debt Service	**3,275,010**	3,912,769	3,912,769	4,614,192
Subtotal - Non-Departmental	**$5,850,161**	**$7,279,034**	**$7,209,774**	**$9,290,628**
Total General Fund	**$52,234,850**	**$54,820,383**	**$55,250,791**	**$57,777,858**

FY 2020-2024 LONG RANGE FINANCIAL FORECAST
ECONOMIC OUTLOOK AND
MAJOR REVENUE FORECAST

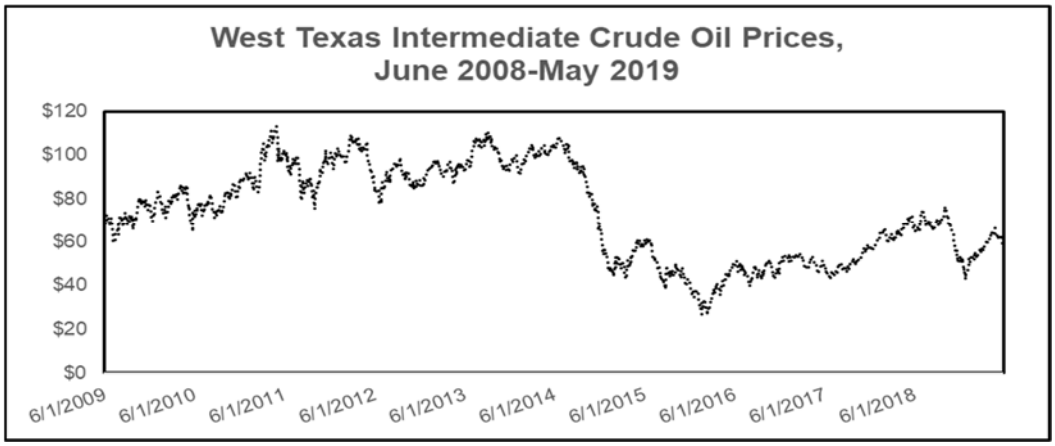
Economic Overview

Galveston is continuing to show signs of economic vibrancy that are connected with gradual regional economic improvement, continued growth in the national economy as well as expansion and improvement of the City's infrastructure and beaches. The economic growth of the region is highly dependent on energy and particularly the price of oil. Galveston's economy is heavily influenced by the region's economic health, but also has strong ties to national economic growth. These connections are based largely on Galveston's tourism industry which continues to grow.

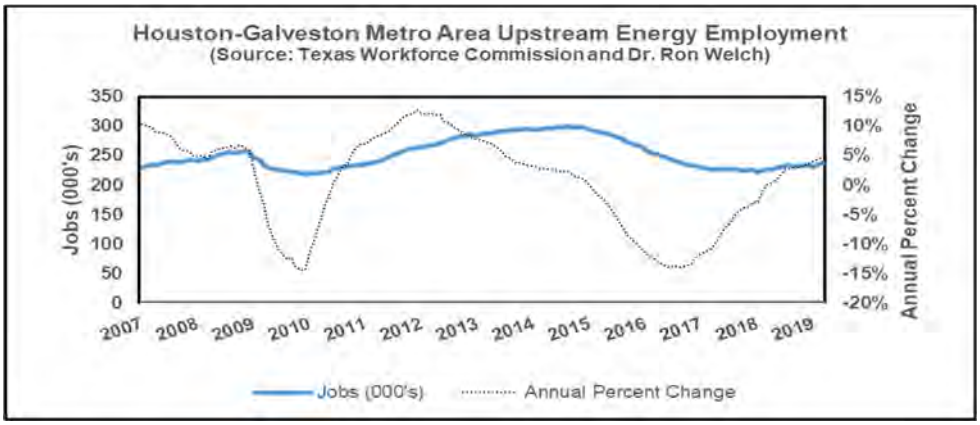
In the last twelve years, employment in the metro area has shown strong growth overall in spite of two economic downturns in 2008-2009 and in 2015-2017. Average annual employment growth for the period shown in the graph below was 1.86 percent, which explains the long-term two percent growth trend assumptions generally used by local forecasters.



The metro area's economic growth is based largely on two factors: energy and the U.S. economy. Oil prices (West Texas Intermediate crude) have been extremely volatile over the last ten years (see below).



After dropping to the $40 per barrel range at the start of 2009, prices recovered to a peak of $113 per barrel in May 2011 and remained in the $75 to $113 range until July 2014. At that point, prices fell steadily for nineteen months until February 11, 2016, when a barrel was priced at $26.21. Prices recovered slightly to $73 last October only to fall once again to the $40 range in December 2018. Today's price is in the $60 range and is expected to remain in that range through 2020. Experts tell us that worldwide supply and demand drive the price, making the world economy a third major economic driver of the metro economy. The effect on upstream energy employment has been dramatic and inconsistent, leading to volatility in the metro economic trends.



As shown in the graph above, the high oil prices in the 2012-2015 period drove upstream energy employment growth to its peak of 300,000 jobs in November 2014. In the 2015 to 2016 period when prices were dropping, upstream energy jobs also dropped. The approximately 75,000 jobs lost since the November 2014 high have yet to be recovered, although energy companies have been rebuilding their workforce at an annual growth rate approaching 5 percent.

According to Dr. Robert Gilmer of the University of Houston's Institute for Regional Forecasting, oil sector revival and the national economy are the critical sources of support for the metro area's growth. The U.S economy is expected by many forecasters (i.e. Kiplinger, The Conference Board) to grow for the near term on a "real basis" (adjusted for inflation) in the range of 2.6 to 2.8 percent in 2019, largely due to the federal tax cuts and an overall healthy U.S. economy. The Congressional Budget Office's (CBO) Real Gross Domestic Product annual growth rate is a bit higher for 2018 and lower after that period. CBO's other assumptions show interest rates rising steadily and inflation remaining in the 2 percent range.

Dr. Gilmer is projecting a continuing regional recovery and a return to historical employment growth rates in the 2 percent range. The 2019-2020 forecast for gasoline prices is based on the Energy Information Agency's numbers. The remainder of the assumptions shown on the next page have been adopted for this forecast based on the regional and national forecasts and Galveston's own recent history. The forecast is based on a one percent annual growth rate for Galveston in terms of population and taxable value of new construction.

BASELINE ECONOMIC CHANGE ASSUMPTIONS

Area/Indicator	FY 2019 Est.	FY 2020 Forecast	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast	FY 2024 Forecast
National						
National Inflation Rate (1)	2.0%	2.2%	2.2%	2.2%	2.2%	2.2%
U.S. Real Gross Domestic Product (1)	2.7%	2.0%	2.0%	2.0%	2.0%	2.0%
Ten Year Treasury Note (1)	2.5%	3.0%	3.1%	3.2%	3.3%	3.4%
3-month Treasury Bill (1)	2.5%	2.3%	2.4%	2.5%	2.6%	2.7%
Metropolitan Area						
Employment Annual Growth Rate (2)	2.23%	1.85%	1.76%	1.94%	2.11%	2.04%
Inflation Rate (3)	1.5%	2.0%	2.0%	2.0%	2.0%	2.0%
Fuel Prices (3)	0.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Health Care Cost Trend (Inflation & Utilization) (3)	7.0%	8.0%	8.0%	8.0%	8.0%	8.0%
City of Galveston						
Population Growth Rate (4)	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Population (4)	50,497	50,648	50,800	50,953	51,106	51,259
City Water Customers Growth Rate (4)	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Investment Pool Earnings Rate (4)	1.7%	1.6%	1.7%	1.8%	2.4%	2.5%
New Construction ($Millions - Prior CalYr) (4)	$72.6	$75.0	$60.0	$60.0	$60.0	$60.0

SOURCES:
(1) Congressional Budget Office, adjusted using Kiplinger, Trading Economics
(2) Dr. Robert Gilmer, Bauer College of Business, University of Houston, May 2019 presentation
(3) U.S. Energy Information Administration for 2019-2020 and City of Galveston Finance Department thereafter.
(4) City of Galveston Finance Department

Major Revenues

This forecast covers the General and Debt Service Funds as well as the major revenue sources that support them, Property and Sales Taxes. Water and sewer revenue are not covered in this year's forecast; however, water and sewer revenue are performing strongly in FY 2019, with the effects of the seven percent water rate increase implemented in February now being felt in collections. Hotel Occupancy Taxes are performing more poorly than expected, lagging behind FY 2018 by approximately five percent on a year-to-date basis. The forecast for this latter revenue source will be more cautious because of this yet to be explained shortfall in hotel taxes.

Sales tax revenue is impacted by regional employment and national economic trends, and these effects are captured by the City's statistical model. The model explains 98 percent of the variation in sales tax revenue using quarterly data beginning in FY 1992. The independent variables include two regional variables, two national variables and three local variables.

Regional variables include:

- Houston Metro Area Employment – This is the total jobs for the area as reported by the Bureau of Labor Statistics (BLS) and adjusted by Dr. Ron Welch for local municipalities. The model utilizes a two quarter moving average of this series. Fully 89 percent of the variation in sales tax revenue is explained by this single economic variable.
- Houston Metro Area Gasoline Price Index – This statistical series is also maintained by the BLS as a component of the Consumer Price Index for the Houston metro area. It is lagged one quarter in the statistical model and it drives sales tax revenue higher with higher gasoline prices.

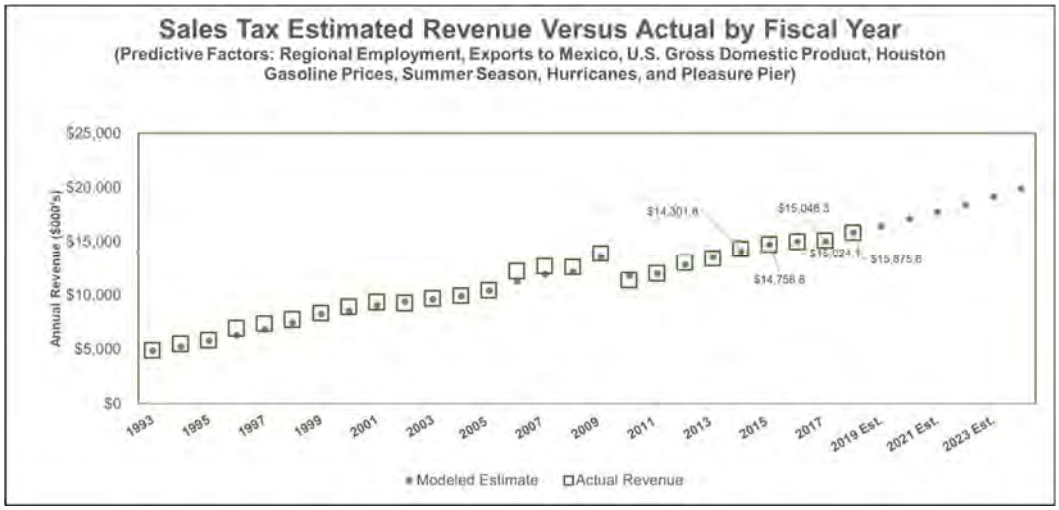
National variables include:

- U.S. Exports to Mexico – This is the value of exports as reported by the Federal Reserve Bank of St. Louis. The previous quarter's export values are used to explain sales tax revenues in the model.
- U.S. Real Gross Domestic Product – Also provided through the Federal Reserve Bank of St. Louis, this series is lagged three quarters and measured on a two month moving average to gauge the most effect on Galveston's revenue.

Local variables include:

- Summer Season Adjustment Variable – Based on historical observation, this series applies weighted factors to the third (April to June) and fourth (July through September) fiscal quarters to explain the increased revenue during tourist season. Houston area inflation is used to adjust the series over time.
- Galveston Storm Variable – Based on historical observation, this series applies weighted factors to explain the effect of Hurricane Ike on sales tax revenues immediately prior and following the storm.
- Pleasure Pier Adjustment – Based on historical observation, this series helps explain the large variation between revenue during tourist season and winter since 2012 when the venue opened.

The graph below demonstrates how the total modeled revenue estimate for each of twenty six fiscal years compares with the actual, shown as the box inside which the dot is the estimate. The current economic assumptions are based on a stable growth scenario at the local, regional and national level as presented in the assumptions on the previous page. The annual increase in sales tax revenue averages out to just under four percent.



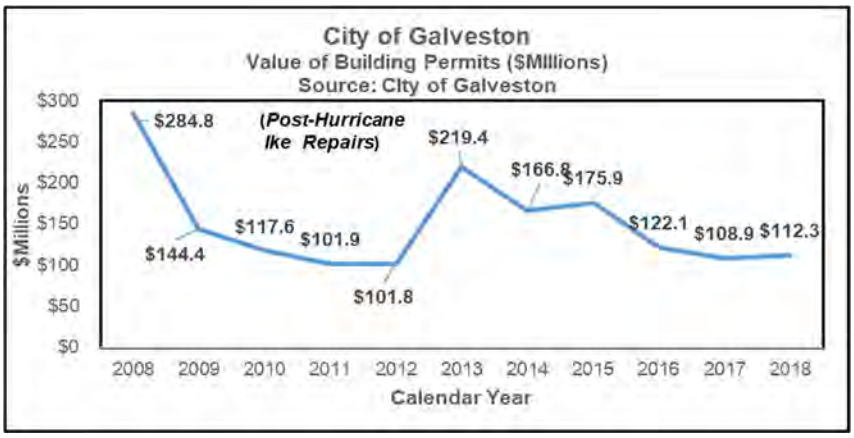
Projected sale tax revenue for the forecast period is based on slightly higher economic growth rates than seen in the 2015-2017 period based largely on the improvement in regional employment growth forecasted by Dr. Gilmer of the University of Houston.

Property tax revenue is driven by taxable property values which in turn are derived from updated valuations of the current property tax base by the Galveston County Appraisal District (GCAD). Changes in market value and the addition of new construction and improvements are the basis for GCAD's overall valuations. Property owners of a substantial portion of properties on the tax roll appeal initial values and GCAD adjusts total value appropriately according to the results of this appeal process. GCAD also adds the value of new construction completed and/or underway as of January 1 each year. Building permits issued by the City of Galveston provide a leading indicator of the new construction value increase each year.

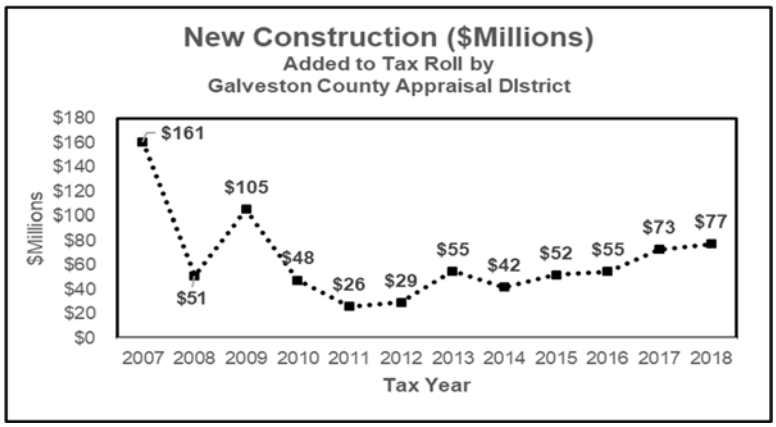
The tax roll is based on the value of property as of January 1 of each year. So the connection between the economy and City revenue is delayed by what amounts to two years. Using the current fiscal year as the example, here is the real estate/tax roll/fiscal year cycle:

- Economic activity (Real estate market and new construction) occurred in calendar year 2018;
  - January 1 values in 2019 form the basis for the 2019 tax roll and
    - The 2019 tax roll will be certified in late July, forming the basis for tax revenue being received between October 1, 2019 and September 30, 2020 or FY 2020.
      - After the City receives the tax roll from GCAD, the Galveston County Tax Assessor-Collector, with the assistance of the City of Galveston's Finance Department, prepares the calculations of what was previously called the "effective tax rate" and the "rollback tax rate." (Note: These are now termed the "no-new-revenue tax rate" and "voter-approval-tax-rate.")
        - The City Council then votes for a proposed tax rate and schedules public hearings which are then advertised in the newspaper to inform the public of the hearings and the various rates.
          - The Annual Budget must be passed by the City Council, including specific information on how property tax revenue will be used based on the proposed rate, including maintenance and operations and debt service payments for General Obligation bonds.

By way of explanation, the no-new-revenue tax rate is calculated as the rate that would raise the same amount of revenue for maintenance and operations (the "no-new-revenue maintenance and operations rate") as in the prior tax year for the same properties that were on the prior year's tax roll. The "voter-approval rate" rate has been an amount 8 percent higher than the effective rate, with the requirement for an election to approve the rate voted by City Council if it exceeded the rollback rate. Should the election result in the defeat of the rate passed by City Council, the tax rate for the ensuing tax year "rolls back" to the effective rate. This would eliminate all revenue growth except that tied to new construction, estimated to be one percent annually.



While the value of building permits in total has dropped off since 2013 when it peaked at $219.4 million, new construction related taxable value as set by GCAD has remained relatively constant. For this reason, new construction is expected to add approximately one percent to the tax roll as it has the last several years.



In most years, the total percent increase in the taxable roll is largely comprised of increases in value, whatever they happen to be in a given tax year. As of June 2019, the preliminary tax roll for Tax Year 2019/Fiscal Year 2020 is 9.1 percent higher than the current roll for the current Tax Year 2018/FY 2019. As the protest process moves forward, GCAD is providing weekly updates for the outcome of the protest process, and the estimated value loss of $260 million in total appears to be a conservative assumption.

CITY OF GALVESTON PROPERTY TAX ROLLS
PRE-PROTEST AND FINAL TAXABLE VALUE

Tax Year	Fiscal Year	Initial Value	Value Lost in Protests	Net taxable Value	Percent Loss in Protests	Net Increase	Initial Increase
2007	2008	$4,173,803,003	($153,530,255)	$4,020,272,748	-3.7%		
2008	2009	$4,397,647,451	($90,707,745)	$4,306,939,706	-2.1%	7.1%	9.4%
2009	2010	$3,867,916,387	($172,881,661)	$3,695,034,726	-4.5%	-14.2%	-10.2%
2010	2011	$4,339,578,504	($295,077,791)	$4,044,500,713	-6.8%	9.5%	17.4%
2011	2012	$4,312,300,922	($118,014,116)	$4,194,286,806	-2.7%	3.7%	6.6%
2012	2013	$4,510,802,981	($187,955,326)	$4,322,847,655	-4.2%	3.1%	7.5%
2013	2014	$4,686,443,571	($151,378,426)	$4,535,065,145	-3.2%	4.9%	8.4%
2014	2015	$4,901,091,851	($138,178,611)	$4,762,913,240	-2.8%	5.0%	8.1%
2015	2016	$5,484,694,099	($189,588,687)	$5,295,105,412	-3.5%	11.2%	15.2%
2016	2017	$6,160,829,855	($315,289,572)	$5,845,540,283	-5.1%	10.4%	16.3%
2017	2018	$6,498,782,493	($325,700,110)	$6,173,082,383	-5.0%	5.6%	11.2%
2018	2019	$6,446,502,802	($111,602,802)	$6,334,900,000	-2.2%	2.6%	4.4%
2019	***2020 Forecast***	***$6,912,000,000***	***($260,000,000)***	***$6,652,000,000***	-4.1%	5.0%	9.1%

The chart on the next page illustrates the effect of the projected tax roll on FY 2019 property tax revenue. At the current tax rate allocation, and using a 97.7 percent current taxes collection rate (excluding delinquent taxes and penalties and interest), the General Fund would realize about $1.2 million in revenue growth over FY 2019.

Charter Property Tax Cap

The Forecast does not propose or contemplate any increase in the overall property tax rate. But it is important to understand how it is derived. Article VIII Section 2 provides for a seventy cent total tax rate per $100 of taxable value. Article VIII Section 2(b) also provides that one half of one percent of the two percent sales tax rate goes to reduce the effective property tax rate that can be set by City Council. This is approximately $5 million that in any given year reduces the $0.70 property tax rate cap by approximately 9.5 to 11.8 cents. Years in which the sales tax grows faster than the tax roll, the reduction is greater. Using the current year's adjustment ($0.098), the cap is $0.602 per $100 of taxable value which is $0.041 greater than the current $0.561 tax rate. This leaves a potential addition of $2.76 million available in current property tax revenue terms if the City chose to raise the total rate over time to the charter cap. Of course, existing State restrictions regarding the no-new-

revenue and voter-approved rates would apply. Charter restrictions also would require 33 percent of the added revenue to be set aside and unavailable for operations in the first year of availability with 25 percent going to the required increase in the 90 day General Fund reserve and 8 percent going to the Infrastructure and Debt Service Fund.

PROPERTY TAX ROLL PRELIMINARY ESTIMATES
JUNE 2018 (FOR BUDGETARY PLANNING PURPOSES ONLY)

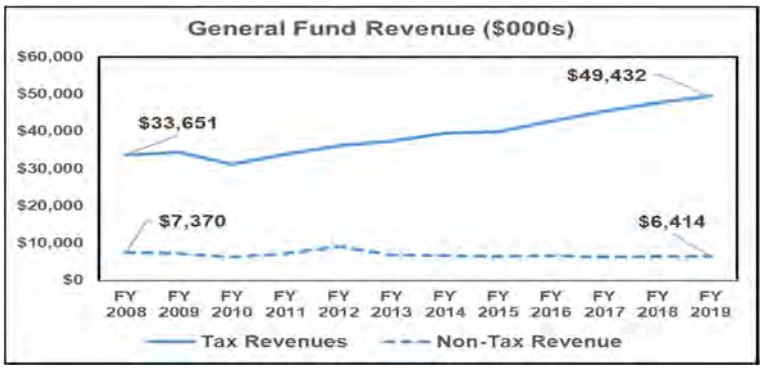
ASSUMPTIONS	FY19	FY20	FY21	FY22	FY23	FY24
Overall Increase	2.62%	5.00%	4.50%	4.50%	4.50%	4.50%
TIRZ Increase	6.57%	6.25%	5.63%	5.63%	5.63%	5.63%
Freeze account increase	9.56%	8.11%	8.00%	8.00%	8.00%	8.00%
Freeze Accts Collectible Increase	8.40%	7.42%	4.50%	4.50%	4.50%	4.50%
DESCRIPTION	**FY19 ESTIMATED**	**FY20 ESTIMATED**	**FY21 ESTIMATED**	**FY22 ESTIMATED**	**FY23 ESTIMATED**	**FY24 ESTIMATED**
NET PROPERTY TAX LEVY						
Total Taxable Value ($millions)	$6,334.9	$6,651.6	$6,950.9	$7,263.7	$7,590.6	$7,932.2
Less TIRZ	($320.5)	($340.6)	($359.8)	($380.0)	($401.4)	($424.0)
Less 60% MUD Value	($64.7)	($64.7)	($64.7)	($64.7)	($64.7)	($64.7)
Net Taxable Value	$5,949.6	$6,246.3	$6,526.4	$6,819.0	$7,124.5	$7,443.5
Times Tax Rate per $100 of Taxable Value	$0.561000	$0.561000	$0.561000	$0.561000	$0.561000	$0.561000
Total Tax Levy ($Thousands Revenue)	**$35,538.8**	**$37,315.5**	**$38,994.5**	**$40,749.4**	**$42,583.3**	**$44,499.6**
Less: Freeze Acct Total Value Revenue Equivalent (Over 65 and Disabled)	($3,747.1)	($4,119.8)	($4,449.4)	($4,805.4)	($5,189.8)	($5,605.0)
Plus: Freeze Acct collectible Revenue (Over 65 & Disabled)	$2,576.7	$2,796.7	$2,922.6	$3,054.1	$3,191.5	$3,335.1
Less: Taxes Lost to Tax Freeze	**($1,170.4)**	**($1,323.1)**	**($1,526.8)**	**($1,751.3)**	**($1,998.3)**	**($2,269.9)**
Net Current Year Tax Levy ($000's Revenue)	**$34,368.4**	**$35,992.4**	**$37,467.7**	**$38,998.1**	**$40,585.0**	**$42,229.7**
Effective Taxable Value	**$6,126.3**	**$6,415.8**	**$6,678.7**	**$6,951.5**	**$7,234.4**	**$7,527.6**
Effective Freeze Accounts Taxable Value	**$1,092.0**	**$1,180.5**	**$1,274.9**	**$1,376.9**	**$1,487.1**	**$1,606.1**
Less TIRZ Incremental Values	**($320.5)**	**($340.6)**	**($359.8)**	**($380.0)**	**($401.4)**	**($424.0)**
Effective Taxable Value Retained by City	**$5,805.8**	**$6,075.2**	**$6,318.9**	**$6,571.5**	**$6,833.0**	**$7,103.6**
DISTRIBUTION OF NET LEVY ($THOUSANDS)						
Net Current Year Levy ($000's)	$34,368.4	$35,992.4	$37,467.7	$38,998.1	$40,585.0	$42,229.7
Less TIRZ Increment	**($1,798.1)**	**($1,910.8)**	**($2,018.5)**	**($2,131.8)**	**($2,251.9)**	**($2,378.6)**
Net Current Year Levy Retained by the City	$32,570.3	$34,081.6	$35,449.2	$36,866.3	$38,333.1	$39,851.1
General Fund Share (including MUD 30) of NCL	$26,619.5	$27,854.6	$28,972.3	$30,130.5	$31,329.3	$32,569.9
Debt Service Share of NCL	$3,048.0	$3,189.5	$3,317.4	$3,450.1	$3,587.3	$3,729.4
Library Fund Share of NCL	$2,902.9	$3,037.6	$3,159.5	$3,285.8	$3,416.5	$3,551.8
Net Current Year Levy Retained by the City	**$32,570.4**	**$34,081.7**	**$35,449.2**	**$36,866.4**	**$38,333.1**	**$39,851.1**
COLLECTION OF TAXES ($THOUSANDS)						
Estimated/Actual Collections	**FY19 ESTIMATED**	**FY20 ESTIMATED**	**FY21 ESTIMATED**	**FY22 ESTIMATED**	**FY23 ESTIMATED**	**FY24 ESTIMATED**
General Fund Current Collection Total	$27,769.7	$29,086.7	$30,284.2	$31,526.7	$32,815.5	$34,151.7
General Fund Delinquent Taxes	$392.0	$392.0	$392.0	$392.0	$392.0	$392.0
General Fund Penalty & Interest	$322.0	$322.0	$322.0	$322.0	$322.0	$322.0
Less TIRZ Increment	($1,752.0)	($1,862.0)	($2,018.0)	($2,132.0)	($2,252.0)	($2,379.0)
Less MUD 30 Rebate	($363.2)	($363.2)	($363.2)	($363.2)	($363.2)	($363.2)
General Fund Total	**$26,368.5**	**$27,575.5**	**$28,617.0**	**$29,745.5**	**$30,914.3**	**$32,123.5**
Debt Service Net Current Levy Total	$2,978.5	$3,116.8	$3,241.8	$3,371.4	$3,505.5	$3,644.4
Debt Service Delinquent Taxes	$40.0	$40.0	$40.0	$40.0	$40.0	$40.0
Debt Service Fund Total	**$3,018.5**	**$3,156.8**	**$3,281.8**	**$3,411.4**	**$3,545.5**	**$3,684.4**
Library Net Current Levy Total	$2,836.7	$2,968.3	$3,087.5	$3,210.9	$3,338.6	$3,470.8
Library Delinquent Taxes	$40.0	$40.0	$40.0	$40.0	$40.0	$40.0
Library Fund Total	**$2,876.7**	**$3,008.3**	**$3,127.5**	**$3,250.9**	**$3,378.6**	**$3,510.8**
GRAND TOTAL COLLECTIONS	**$32,263.7**	**$33,740.6**	**$35,026.3**	**$36,407.8**	**$37,838.4**	**$39,318.7**
Estimated Current Collection Rate (of NCL)	***97.7%***	***97.7%***	***97.7%***	***97.7%***	***97.7%***	***97.7%***
Estimated Total Collection Rate (of NCL)	**100.0%**	**99.9%**	**99.8%**	**99.8%**	**99.7%**	**99.6%**
Percent Change in Grand Total Collections	**1.3%**	**4.6%**	**3.8%**	**3.9%**	**3.9%**	**3.9%**
Tax Rate						
General Fund Operations and Maintenance	$0.458500	$0.458500	$0.458500	$0.458500	$0.458500	$0.458500
Debt Service Fund Interest and Sinking	$0.052500	$0.052500	$0.052500	$0.052500	$0.052500	$0.052500
Library Fund	$0.050000	$0.050000	$0.050000	$0.050000	$0.050000	$0.050000
Total Rate	**$0.561000**	**$0.561000**	**$0.561000**	**$0.561000**	**$0.561000**	**$0.561000**
	ESTIMATE	**ESTIMATE**	**ESTIMATE**	**ESTIMATE**	**ESTIMATE**	**ESTIMATE**
Estimated Current Taxes Collection rate	**97.72%**	**97.72%**	**97.72%**	**97.72%**	**97.72%**	**97.72%**
TOTAL COLLECTIONS	**$34,378.9**	**$35,965.8**	**$37,407.5**	**$38,903.0**	**$40,453.6**	**$42,060.9**

It is important to note that while the overall increase in taxable value is 5 percent, the actual increase in revenue is approximately 4.6 percent. This is due to the loss of tax revenue to the tax freeze and the Tax Increment Reinvestment Zones (TIRZs). It is also important to note that the 5 percent overall increase includes four percent subject to the tax rate limitations and one percent attributable to new construction. Since the voter approved rate limit allows 8 percent growth for the last time, an additional four percent is available should the City wish to use it. This additional two cents on the tax rate capacity if utilized would provide approximately $1.29 million in recurring revenue that could go totally to the General Fund on an annual basis but with set asides that would reduce the net amount available for operations to approximately $860,000. As stated on the previous page, 25 percent would have to be set aside in the first year for the General Fund reserve and 8 percent would go to the Infrastructure and Debt Service transfer every year thereafter.

Other General Fund Revenue

The legislature passed Senate Bill 1152 this year that is expected to reduce telecommunications franchise taxes received by the city by $250,000 beginning in January 2020. The law allows companies that provide cable and telecommunications services, paying franchise fees on both, will be absolved from paying the lower of the two as is determined at the State wide level. This last provision makes it somewhat difficult to say with certainty the fees for which service will be lost at the local level.

Until the State Comptroller publishes the information guiding this exemption for each company, this analysis assumes that Comcast provides more cable service State wide, and will continue to pay its six percent cable franchise fees, five percent of which goes to the General Fund. The remainder goes to the Public Access Channel special fund. Comcast pays $250,000 annually for telecommunications services to the General Fund, and three fourths of this will be lost in FY 2020. The remainder will be lost in FY 2021.



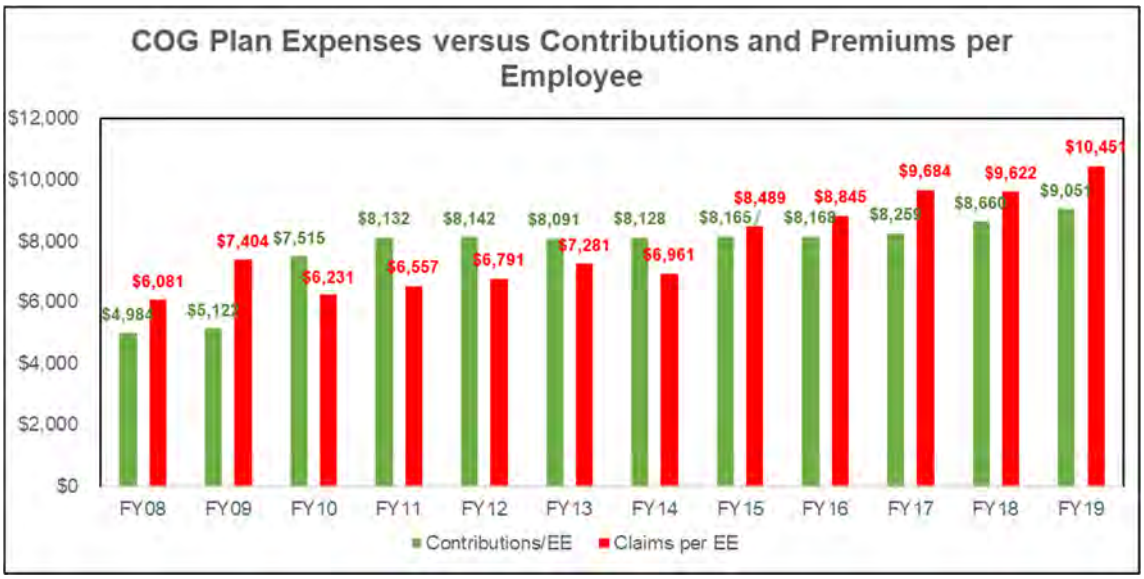
Non-tax General Fund revenue tends to be very stable, as demonstrated in the graph above. This includes municipal court parking and traffic fines, building permits, interest income, Interfund payments for General Fund administrative services, and payments in lieu of taxes. Therefore, the forecast assumes that this no growth pattern persists throughout the forecast period.

FY 2020-2024 LONG RANGE FINANCIAL FORECAST
HEALTH INSURANCE PLAN SUMMARY

Overview

The City of Galveston, in conjunction with the Galveston Park Board and Port of Galveston, provides a self-insured health insurance plan for its employees and retirees. The plan is a Preferred Provider-type plan with administrative services provided by Boon Chapman. The plan itself was begun in 2003 and the Park Board and Port just joined the plan in the last few years.

The plan has experienced a five year period of losses with total claims and administrative costs exceeding employer contributions and employee premiums. The chart below demonstrates on a per employee basis the history of the plan in this regard.



In recent years, plan benefits changes and premium increases have proved insufficient to cover plan expenses. This has resulted in a projected $1.86 million shortfall in FY 2019 as well as a projected $2.75 million shortfall in FY 2020 if no plan changes, premium increases or contribution increases are made. FY 2019 is largely over and no benefits or premium changes can be implemented until the new benefit plan year begins on January 1, 2020. However, the three sponsoring agencies (City, Park Board and Port) can provide additional contributions this year to provide emergency relief to the plan so as to maintain a minimum fund balance.

Proposed Cost Sharing

The Health Board, an oversight body including representatives of employee groups, administration, and the Port meets monthly to review plan results and consider plan changes to benefit levels and premiums for employees. It has been suggested that the Board identify $400,000 in plan savings and/or premium increases. This would reduce the projected funding need to $2.35 million for FY 2020, and two approaches to sharing the increase in cost are shown in the chart on the next page. Negotiations will continue throughout the summer months

as will the review of proposals submitted by healthcare insurance firms to provide alternative means of funding employee health insurance. In the meantime, the proportional cost sharing approach is the one used to develop the forecast for the General Fund.

Cost Sharing Among Entities
Added Funding for FY 2020

City Funds	City Plan Members	Total Added Cost for FY 20 over FY19	Total Added Cost for FY 20 over FY20
General Fund	505	$978,000	$1,125,000
Other Funds	375	$726,000	$835,000
	880	$1,704,000	$1,960,000
		Scenario A	**Scenario B**
		Stand Alone	**Proportional**

Immediate relief for the Health Insurance Fund is needed and each of the partnering entities is being asked to provide additional cash contributions for FY 2019. These contributions should prevent the Health Insurance Internal Service Fund from falling below a $1 million balance as of September 30, 2019. The chart below documents the City's initial commitment to this purpose.

FY 2019 Budget for Health Insurance:
Contributed Balance of Budgeted Line Item Amounts

City Funds	FY 2019 Budget	FY 2019 Estimated	Balance Remaining
General Fund	$3,313,711	$3,171,752	$141,959
Other Funds	$2,451,547	$2,211,270	$240,277
Totals	**$5,765,258**	**$5,383,022**	**$382,236**

Each city department and organizational unit has a line for the City's per employee contribution of $560 per month per employee. As vacancies occur in budgeted positions, the contribution amount is not charged to the organization's budget. The $382,236 shown above is the current estimate of this underrun projected for FY 2019. And the $141,959 amount is shown in the General Fund forecast as a part of the FY 219 Estimate along with the increase needed to $1,125,000 for FY 2020's full funding amount for the Health Benefits fund.

LONG RANGE FINANCIAL FORECAST
SUMMARY HEALTH INSURANCE PLAN BASELINE PROJECTIONS

	City	Port	Park Board	Total
Projected FY2019 Revenue As of June 21, 2019				
Health Plan Premiums				
Employer	$5,378,564	$462,560	$554,270	**$6,395,394**
Employees	$1,428,921	$136,510	$125,970	**$1,691,401**
Retirees & COBRA	$208,973	$40,730	$0	**$249,703**
Subtotal Premiums	**$7,016,458**	**$639,800**	**$680,240**	**$8,336,498**
Non-Premium Revenue				
Interest Earned	$26,338			**$26,338**
Stop-Loss Reimbursements	$378,393	$220,000		**$598,393**
Refunds and No Show Fees	$235,508	$21,659	$25,320	**$282,487**
Subtotal Non-Premium Revenue	**$640,239**	**$241,659**	**$25,320**	**$907,218**
Total Revenue	**$7,656,697**	**$881,459**	**$705,560**	**$9,243,716**
Projected FY 2019 Expense As of June 21. 2019				
Health Plan Claims/Expense				
Medical Claims	$4,965,805	$1,334,510	$366,191	**$6,666,506**
Prescription Drugs	$1,635,320	$205,644	$121,567	**$1,962,531**
Subtotal Health Plan Claims/Expense	**$6,601,125**	**$1,540,154**	**$487,758**	**$8,629,037**
Other Plan Costs				
Administration (Third Party and Flex Admin)	$451,452	$41,520	$48,537	**$541,508**
Stop Loss-Premium	$806,623	$74,184	$86,722	**$967,530**
Health Clinics	$808,037	$74,314	$86,874	**$969,226**
Subtotal Other Plan Costs	**$2,066,112**	**$190,018**	**$222,133**	**$2,478,264**
Total Expense	**$8,667,237**	**$1,730,172**	**$709,891**	**$11,107,301**
FY 2019 Health Plan Revenue Over/(Under) Plan Expense	**($1,010,540)**	**($848,713)**	**($4,331)**	**($1,863,585)**
Allocation of FY 2019 Shortage based on Plan members	**($1,388,000)**	**($373,000)**	**($102,000)**	**($1,864,000)**
Plan Members	**772**	**71**	**83**	**926**
Trend for FY 2020 over FY 2019	**8.0%**	**8.0%**	**8.0%**	**8.0%**
Projected FY 2020 Expenses As of June 21, 2019 (Eight Percent Trend)				
Health Plan Claims/Expense				
Medical Claims	$5,363,000	$1,441,000	$395,000	$7,200,000
Prescription Drugs	$1,766,000	$222,000	$131,000	$2,120,000
Subtotal Health Plan Claims/Expense	**$7,129,000**	**$1,663,000**	**$526,000**	**$9,318,000**
Other Plan Costs (Including 8% trend for FY20)	**$2,231,401**	**$205,219**	**$239,904**	**$2,676,525**
Total FY 2020 Expenses	**$9,360,401**	**$1,868,219**	**$765,904**	**$11,994,525**
Current (FY 2019) Health Plan Revenue Over/(Under) Projected FY 2020 Plan Expense	**($1,703,704)**	**($986,760)**	**($60,344)**	**($2,750,809)**
Allocation of FY 2020 Shortage based on Plan members	**($2,293,000)**	**($211,000)**	**($247,000)**	**($2,751,000)**

FY 2020-2024 LONG RANGE FINANCIAL FORECAST
GENERAL DEBT SERVICE FUND

Overview of Assumptions

The General Debt Service Fund is the depository of property tax revenue collected to make all payments of principal and interest for purely property tax supported bonds. The Fund also includes as revenue transfers from the Infrastructure and Debt Service Fund to be used for tax supproted debt service payments as required to stabilize property tax rates. The Infrastructure and Debt Service Fund transfer amounts incorporated in the forecast below are based on a sufficient portion of each year's set aside of General Fund revenue to meet the goal of completing all projects in five years.

The property tax rate dedicated to the payment of debt service is assumed at $0.0525 per $100 of taxable value for the forecast period and beyond. It is expected that funds set aside from the General Fund for Infrastructure and Debt Service will be used to supplement property tax revenue in paying property tax supported debt service.

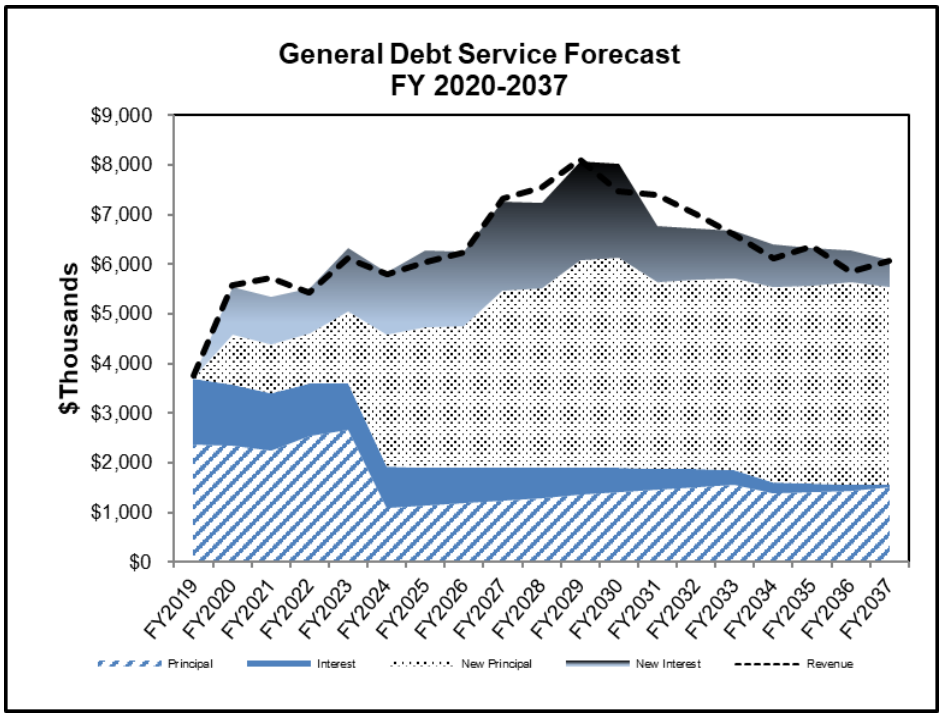
GENERAL DEBT SERVICE FORECAST
FY 2019-2024 ($THOUSANDS)

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
REVENUE	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**
Property Taxes	$3,018	$3,157	$3,282	$3,411	$3,545	$3,684
Infrastructure & Debt Service Fund Transfer	$629	$2,321	$2,391	$1,970	$2,536	$2,090
Interest Income	$104	$109	$48	$42	$40	$36
TOTAL REVENUE	**$3,751**	**$5,587**	**$5,721**	**$5,423**	**$6,121**	**$5,810**
EXPENSE						
Current Debt Service						
Principal	$2,356	$2,339	$2,250	$2,543	$2,660	$1,093
Interest	$1,329	$1,236	$1,146	$1,054	$941	$823
Paying Agent Fees	$2	$5	$5	$5	$5	$5
Subtotal Current Debt Service	**$3,687**	**$3,580**	**$3,401**	**$3,602**	**$3,606**	**$1,921**
Projected Future Bonds Debt Service						
Principal	$0	$1,000	$1,000	$1,000	$1,449	$2,662
Interest	$0	$962	$943	$924	$1,276	$1,247
Subtotal Future Bonds Debt Service	**$0**	**$1,962**	**$1,943**	**$1,924**	**$2,725**	**$3,909**
TOTAL EXPENSE	**$3,687**	**$5,542**	**$5,344**	**$5,526**	**$6,331**	**$5,830**
Revenue Over/(Under) Expense	**$64**	**$45**	**$377**	**($103)**	**($210)**	**($20)**
Beginning Fund Balance	**$1,617**	**$1,681**	**$1,726**	**$2,103**	**$2,000**	**$1,790**
Ending Fund Balance	**$1,681**	**$1,726**	**$2,103**	**$2,000**	**$1,790**	**$1,770**
	FY2019	**FY2020**	**FY2021**	**FY2022**	**FY2023**	**FY2024**
Effective Taxable Value ($millions)	**$5,805.8**	**$6,075.2**	**$6,318.9**	**$6,571.5**	**$6,833.0**	**$7,103.0**
Debt Service Tax Rate	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**
Property Tax Revenue Growth	**2.1%**	**4.6%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**
Investment Pool Earnings Rate	**1.5%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**
General Fund Transfer to Infrastructure & Debt Service Fund	**$3,911.6**	**$4,642.2**	**$4,781.4**	**$4,924.9**	**$5,072.6**	**$5,224.8**
Percent I&DS Fund transferred to Debt Service Fund	**16.1%**	**50.0%**	**50.0%**	**40.0%**	**50.0%**	**40.0%**
Future Bond Issue ($000's) NOTE	**$0**	**$37,000**	**$0**	**$0**	**$12,000**	**$0**
Outstanding Principal ($000's) FY End	**$31,593**	**$65,254**	**$62,004**	**$58,461**	**$66,352**	**$62,597**
Overall Interest Rate	**3.09%**	**3.59%**	**3.84%**	**4.09%**	**4.09%**	**4.09%**
Interest Rate Diff with FY19 Rates	**0.00%**	**0.50%**	**0.75%**	**1.00%**	**1.00%**	**1.00%**

2017 Bond Election and Future Bond Sales

In May, 2017, the voters approved the issuance of $62 million for street and drainage projects. In July, 2017, the City sold the first $25 million toward the bond election authorization. These bond proceeds are expected to be fully appropriated for projects by the end of October 2019. Plans are underway, pending City Council approval, to sell the remaining $37 million by that time to keep the bond election project list on schedule. The first principal and interest payments for this issue will be due in FY 2020, and the schedule above reflects those payments.

After the bonds authorized in the May 2017 election are sold this fall, the forecast anticipates that another property tax supported bond issue will not occur until FY 2023 at the earliest. This would require another bond election and approval by the voters. But the projections of debt issuance beyond the current authorization are included to demonstrate additional capacity beyond the forecast period.



Notable in the graph above are the following:

- The City's tax-supported debt that predates the May 2017 authorized issuances will be paid off in FY 2024.
- The contribution to debt service paid on future bonds by the Infrastructure and Debt Service Fund in the scenario presented here is set to ensure the ending Debt Service Fund balance is $1.5 to $2.0 million each year.
- The total estimated use of Infrastructure and Debt Service money to pay debt service is $11.3 million. This leaves an estimated $16.6 million for pay as you go capital projects during the forecast period.

GENERAL DEBT SERVICE FUND FORECAST
FY2019-2027 ($THOUSANDS)

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
REVENUE	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**
Property Taxes	$3,018	$3,157	$3,282	$3,411	$3,545	$3,684	$3,855	$4,005	$4,162
Infrastructure & Debt Service Fund Transfer	$629	$2,321	$2,391	$1,970	$2,536	$2,090	$2,153	$2,217	$3,140
Interest Income	$104	$109	$48	$42	$40	$36	$35	$30	$30
TOTAL REVENUE	**$3,751**	**$5,587**	**$5,721**	**$5,423**	**$6,121**	**$5,810**	**$6,043**	**$6,252**	**$7,332**
EXPENSE									
Current Debt Service									
Principal	$2,356	$2,339	$2,250	$2,543	$2,660	$1,093	$1,134	$1,182	$1,240
Interest	$1,329	$1,236	$1,146	$1,054	$941	$823	$778	$731	$672
Paying Agent Fees	$2	$5	$5	$5	$5	$5	$5	$5	$5
Subtotal Current Debt Service	**$3,687**	**$3,580**	**$3,401**	**$3,602**	**$3,606**	**$1,921**	**$1,917**	**$1,918**	**$1,917**
Projected Future Bonds Debt Service									
Principal	$0	$1,000	$1,000	$1,000	$1,449	$2,662	$2,815	$2,850	$3,565
Interest	$0	$962	$943	$924	$1,276	$1,247	$1,557	$1,497	$1,799
Subtotal Future Bonds Debt Service	**$0**	**$1,962**	**$1,943**	**$1,924**	**$2,725**	**$3,909**	**$4,372**	**$4,347**	**$5,364**
TOTAL EXPENSE	**$3,687**	**$5,542**	**$5,344**	**$5,526**	**$6,331**	**$5,830**	**$6,289**	**$6,265**	**$7,281**
Revenue Over/(Under) Expense	**$64**	**$45**	**$377**	**($103)**	**($210)**	**($20)**	**($246)**	**($13)**	**$51**
Beginning Fund Balance	**$1,617**	**$1,681**	**$1,726**	**$2,103**	**$2,000**	**$1,790**	**$1,770**	**$1,524**	**$1,511**
Ending Fund Balance	**$1,681**	**$1,726**	**$2,103**	**$2,000**	**$1,790**	**$1,770**	**$1,524**	**$1,511**	**$1,562**
	FY2019	**FY2020**	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**
Effective Taxable Value ($millions)	**$5,805.8**	**$6,075.2**	**$6,318.9**	**$6,571.5**	**$6,833.0**	**$7,103.0**	**$7,380.0**	**$7,667.8**	**$7,966.8**
Debt Service Tax Rate	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**
Property Tax Revenue Growth	**2.1%**	**4.6%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**
Investment Pool Earnings Rate	**1.5%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**
General Fund Transfer to Infrastructure & Debt Service Fund	**$3,911.6**	**$4,642.2**	**$4,781.4**	**$4,924.9**	**$5,072.6**	**$5,224.8**	**$5,381.5**	**$5,543.0**	**$5,709.3**
Percent I&DS Fund transferred to Debt Service Fund	**16.1%**	**50.0%**	**50.0%**	**40.0%**	**50.0%**	**40.0%**	**40.0%**	**40.0%**	**55.0%**
Future Bond Issue ($000's) NOTE	**$0**	**$37,000**	**$0**	**$0**	**$12,000**	**$0**	**$12,000**	**$0**	**$12,000**
Outstanding Principal ($000's) FY End	**$31,593**	**$65,254**	**$62,004**	**$58,461**	**$66,352**	**$62,597**	**$70,648**	**$66,616**	**$73,811**
Overall Interest Rate	**3.09%**	**3.59%**	**3.84%**	**4.09%**	**4.09%**	**4.09%**	**4.09%**	**4.09%**	**4.09%**
Interest Rate Diff with FY19 Rates	**0.00%**	**0.50%**	**0.75%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**
Future Debt Service Schedules	**FY2019**	**FY2020**	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**
Principal									
FY2020		$1,000	$1,000	$1,000	$1,176	$1,882	$1,904	$1,926	$1,952
FY2021			$0	$0	$0	$0	$0	$0	$0
FY2022				$0	$0	$0	$0	$0	$0
FY2023					$273	$780	$388	$394	$552
FY2024						$0	$0	$0	$0
FY2025							$523	$530	$538
FY2026								$0	$0
FY2027									$523
FY2028									
FY2029									
Subtotal Principal	**$0**	**$1,000**	**$1,000**	**$1,000**	**$1,449**	**$2,662**	**$2,815**	**$2,850**	**$3,565**
Interest									
FY2020		$962	$943	$924	$905	$882	$845	$806	$765
FY2021			$0	$0	$0	$0	$0	$0	$0
FY2022				$0	$0	$0	$0	$0	$0
FY2023					$371	$365	$346	$337	$327
FY2024						$0	$0	$0	$0
FY2025							$366	$354	$341
FY2026								$0	$0
FY2027									$366
FY2028									
FY2029									
Subtotal Interest	**$0**	**$962**	**$943**	**$924**	**$1,276**	**$1,247**	**$1,557**	**$1,497**	**$1,799**
Total by Year									
FY2020		$1,962	$1,943	$1,924	$2,081	$2,764	$2,749	$2,732	$2,717
FY2021			$0	$0	$0	$0	$0	$0	$0
FY2022				$0	$0	$0	$0	$0	$0
FY2023					$644	$1,145	$734	$731	$879
FY2024						$0	$0	$0	$0
FY2025							$889	$884	$879
FY2026								$0	$0
FY2027									$889
FY2028									
FY2029									
Subtotal by Year	**$0**	**$1,962**	**$1,943**	**$1,924**	**$2,725**	**$3,909**	**$4,372**	**$4,347**	**$5,364**

GENERAL DEBT SERVICE FUND FORECAST
FY2028-2037 ($THOUSANDS)

	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037
REVENUE	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**
Property Taxes	$4,281	$4,447	$4,621	$4,801	$4,988	$5,183	$5,385	$5,595	$5,813	$6,040
Infrastructure & Debt Service Fund Transfer	$3,234	$3,634	$2,807	$2,570	$1,986	$1,363	$702	$723	$0	$0
Interest Income	$31	$37	$38	$27	$40	$45	$44	$38	$39	$39
TOTAL REVENUE	**$7,546**	**$8,118**	**$7,466**	**$7,398**	**$7,014**	**$6,591**	**$6,131**	**$6,356**	**$5,852**	**$6,079**
EXPENSE										
Current Debt Service										
Principal	$1,293	$1,352	$1,411	$1,463	$1,516	$1,559	$1,380	$1,410	$1,445	$1,505
Interest	$610	$545	$478	$410	$353	$292	$230	$174	$118	$60
Paying Agent Fees	$5	$5	$5	$5	$5	$5	$5	$5	$5	$5
Subtotal Current Debt Service	**$1,908**	**$1,902**	**$1,894**	**$1,878**	**$1,874**	**$1,856**	**$1,615**	**$1,589**	**$1,563**	**$1,570**
Projected Future Bonds Debt Service										
Principal	$3,611	$4,183	$4,238	$3,761	$3,812	$3,864	$3,925	$3,979	$4,067	$3,971
Interest	$1,717	$1,997	$1,894	$1,130	$1,043	$952	$856	$756	$652	$543
Subtotal Future Bonds Debt Service	**$5,328**	**$6,180**	**$6,132**	**$4,891**	**$4,855**	**$4,816**	**$4,781**	**$4,735**	**$4,719**	**$4,514**
TOTAL EXPENSE	**$7,236**	**$8,082**	**$8,026**	**$6,769**	**$6,729**	**$6,672**	**$6,396**	**$6,324**	**$6,282**	**$6,084**
Revenue Over/(Under) Expense	**$310**	**$36**	**($560)**	**$629**	**$285**	**($81)**	**($265)**	**$32**	**($430)**	**($5)**
Beginning Fund Balance	**$1,562**	**$1,872**	**$1,908**	**$1,349**	**$1,978**	**$2,263**	**$2,182**	**$1,917**	**$1,950**	**$1,520**
Ending Fund Balance	**$1,872**	**$1,908**	**$1,349**	**$1,978**	**$2,263**	**$2,182**	**$1,917**	**$1,950**	**$1,520**	**$1,515**
	FY2028	**FY2029**	**FY2030**	**FY2031**	**FY2032**	**FY2033**	**FY2034**	**FY2035**	**FY2034**	**FY2035**
Effective Taxable Value ($millions)	**$8,277.5**	**$8,600.3**	**$8,935.7**	**$9,284.2**	**$9,646.3**	**$10,022.5**	**$10,413.4**	**$10,819.5**	**$11,241.5**	**$11,679.9**
Debt Service Tax Rate	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**	**$0.052500**
Property Tax Revenue Growth	**3.9%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**
Investment Pool Earnings Rate	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**
General Fund Transfer to Infrastructure & Debt Service Fund	**$5,880.5**	**$6,057.0**	**$6,238.7**	**$6,425.8**	**$6,618.6**	**$6,817.2**	**$7,021.7**	**$7,232.3**	**$7,449.3**	**$7,672.8**
Percent I&DS Fund transferred to Debt Service Fund	**55.0%**	**60.0%**	**45.0%**	**40.0%**	**30.0%**	**20.0%**	**10.0%**	**10.0%**	**0.0%**	**0.0%**
Future Bond Issue ($000's) NOTE	**$0**	**$12,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Outstanding Principal ($000's) FY End	**$68,907**	**$75,372**	**$69,723**	**$64,499**	**$59,171**	**$53,748**	**$48,443**	**$43,054**	**$37,542**	**$32,066**
Overall Interest Rate	**3.83%**	**3.83%**	**3.83%**	**3.83%**	**3.83%**	**3.83%**	**3.83%**	**3.83%**	**3.83%**	**3.83%**
Interest Rate Diff with FY19 Rates	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**
Future Debt Service Schedules	**FY2028**	**FY2029**	**FY2030**	**FY2031**	**FY2032**	**FY2033**	**FY2034**	**FY2035**	**FY2036**	**FY2037**
Principal										
FY2020	$1,978	$2,004	$2,030	$2,060	$2,086	$2,115	$2,148	$2,178	$2,237	$2,065
FY2021	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2022	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2023	$559	$566	$575	$583	$592	$600	$610	$618	$628	$688
FY2024	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2025	$544	$552	$559	$566	$575	$583	$592	$600	$610	$618
FY2026	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2027	$530	$538	$544	$552	$559	$566	$575	$583	$592	$600
FY2028	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2029		$523	$530	$538	$544	$552	$559	$566	$575	$583
Subtotal Principal	**$3,611**	**$4,183**	**$4,238**	**$3,761**	**$3,812**	**$3,864**	**$3,925**	**$3,979**	**$4,067**	**$3,971**
Interest										
FY2020	$722	$676	$627	$575	$520	$462	$401	$337	$271	$202
FY2021	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2022	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2023	$313	$299	$284	$268	$251	$234	$216	$197	$177	$156
FY2024	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2025	$328	$315	$301	$287	$272	$256	$239	$222	$204	$185
FY2026	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2027	$354	$341	$328	$315	$301	$287	$272	$256	$239	$222
FY2028	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2029		$366	$354	$341	$328	$315	$301	$287	$272	$256
Subtotal Interest	**$1,717**	**$1,997**	**$1,894**	**$1,130**	**$1,043**	**$952**	**$856**	**$756**	**$652**	**$543**
Total by Year										
FY2020	$2,700	$2,680	$2,657	$2,635	$2,606	$2,577	$2,549	$2,515	$2,508	$2,267
FY2021	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2022	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2023	$872	$865	$859	$851	$843	$834	$826	$815	$805	$844
FY2024	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2025	$872	$867	$860	$853	$847	$839	$831	$822	$814	$803
FY2026	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2027	$884	$879	$872	$315	$301	$287	$272	$256	$239	$222
FY2028	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FY2029		$889	$884	$879	$872	$867	$860	$853	$847	$839
Subtotal by Year	**$5,328**	**$6,180**	**$6,132**	**$4,339**	**$4,296**	**$4,250**	**$4,206**	**$4,152**	**$4,127**	**$3,914**

LONG RANGE FINANCIAL FORECAST
TAX INCREMENT REINVESTMENT ZONE PROPOSAL
JUNE 2019

1. Proposition: Close TIRZ 12 and 14 to financial benefit of both the City and the County
   a. Close by vote of City Council and Commissioner's Court in December 2019.
   b. Taxable property value expected to become part of tax rolls as prior year value in Tax Year 2020 and will not become part of the growth counted against the new 3.5 percent limit.
2. County gains $200,000 annually
   a. Pays $600,000 in 2019 to TIRZ 12 ($189,000) and 14 ($417,000) combined.
   b. As developer, County receives $400,000 from TIRZ 12 to be applied to County road bonds debt service.
   c. Annual payment has never been sufficient to pay anything but interest; current balance of developer's amount due is $5.6 million principal and $1.6 million accrued interest.
   d. County realizes net gain in cash flow of $200,000 to go toward retirement of debt service on bonds.
   e. Closure of TIRZ 12 saves $60,000 in administrative fees for City and TIRZ admin (accounting, legal fees).
   f. Residual balance of $142,592 on September 30, 2018 to be split based on contributions to date (46.7 percent City, 49.9 percent County, 2.7 percent Navigation District, 0.7 percent Road district) or retained by County.
3. City gains more flexibility in future use of property tax revenue
   a. City loses $417,000 in annual County contributions to TIRZ 14 for City projects to end in 2033.
   b. City loses annual admin fees of $90,000 (5 percent of increments) for TIRZ 12 ($19,000) and 14 ($71,000) combined.
   c. City regains annual increments ($1.1 million) paid to TIRZ 12 ($193,000) and 14 ($912,000) for General Fund
   d. TIRZ 14 is substantially benefit to Airport and immediate area
      (i) Outstanding TIRZ 14 debt projected to be $1.94 million plus accrued interest in $20,000 range by January 2020. City would retire this debt
      (ii) Available cash balance as of September 30, 2018 was $2.48 million
      (iii) Tax years 2018 and 2019 increments will be paid into TIRZ 14 if closure is voted in December 2019: Additional $3.0 million in increments less $200,000 estimated for admin by City and TIRZ: Estimated balance on December 31, 2019 would be $3.5 million (including all of Tax Year 2019 increments outstanding and $2 million current balance)
      (iv) Decisions needed on current projects pending including Airport Warehouse at $600,000 range and 83rd Street at $1 million.
      (v) City to split balance with County and retire $1.9 million in outstanding TIRZ bonds over time (ending in 2023) or through a negotiated early settlement
4. Net Present Value from closing both TIRZs
   a. County gains $3.2 million
   b. City loses $5.7 million for current funding arrangement and assumes responsibility for payment of TIRZ 14 debt but restores flexibility of $13 million in property tax revenue, two thirds of which goes back into General Fund

Grants & Housing Department

Mission Statement

The City of Galveston's Grants & Housing Department is committed to empowering low-moderate income (LMI) residents develop effective community development strategies and programs to achieve their vision of a healthy viable community.

Accomplishments

- Completed the coordination and preparation of the City's 5-Year Consolidated Plan for the period of 2019-2023; HUD required multi-year plan to assess the affordable housing and community development needs, priorities and market conditions. The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities and set goals that align and focus annual funding for the 5-year planning for the CDBG and HOME Program to identify projects. Conduct community outreach and meetings for public hearings, stakeholder interviews, agency and group consultations, public surveys, and information gathering.
- Expended $1.092 million in CDBG and HOME Program funds during our 2018 Program Year and facilitated the HUD drawdown requests for reimbursement of funds in a timely manner.
- Provided for rehabilitation/reconstruction completion of 3 single-family housing units for LMI households. All units meet local building codes, TDI Windstorm, Floodplain Management, and Lead-Based Paint requirements to provide safe, decent housing to LMI residents.
- Completed the Community Housing Development Org. (CHDO) to provide affordable housing projects to acquire, rehabilitate and sell to LMI households; acquired 4 units, 4 units rehabilitated, 2 units sold to LMI homebuyers, and 2 units rented for lease-to-own.
- Facilitated all necessary federal requirements for the 2018 Program Year CDBG and HOME funded projects. Ensured that all required documentation was obtained, categorized and maintained in project files to justify compliance and meet all HUD low-moderate income requirements. Compliance included procurement, Environmental Review Process, Texas Historical Commission 106 Review, documenting eligibility and subsequent community benefit. The 2018 PY CDBG and HOME Project accomplishments are as follows:

Project	Accomplishments
Parks & Recreation - Youth Programs	•Provided 49 part-time employees as recreation aides •1,130 children/youth (91% LMI) registered for summer and afterschool activities •62 disabled children/youth served •38,816 total daily sessions of service •McGuire Dent - 18,694 sessions •Wright Cuney - 20,122 sessions
City Marshall - Code Compliance Officers	•Provided 4 officers •4,960 property inspections conducted •1,174 code violations identified and corrected •3,786 re-inspections conducted
City Marshall - Code Compliance Lot	•71 lot clearances completed

Clearance and Demolition	•16 contracts awarded with 7 Section 3 (LMI Contractor) and 16 Minority/Women Business Enterprise
Public Works - 27th St. Sidewalk/ Streetscape Improvements (Broadway to Market)	•95% Engineering design plan completed
Grants & Housing - Housing Rehabilitation Program	•3 LMI homeowner single-family projects completed
Grants & Housing - Homebuyer Assistance Program	•1 LMI applicant determined income eligible, but unable to purchase a home •100 applicant inquiries about the program
Grants & Housing - CHDO Affordable Housing Program	•2 LMI affordable housing projects rented for lease-to-own •Completed project for 4 units with 2 units sold to LMI homebuyers in prior year

- CDBG & HOME Programs provided a total of $37,779.60 in 20 contracts; $6,425.00 for 16 Minority and Women Owned Businesses and $2,900.00 for 7 Section 3 Businesses (local LMI businesses).
- Provided technical assistance to the Galveston Housing Authority, Resource and Crisis Center, WOMAN's Inc., Gulf Coast Center, Salvation Army, Houston Area Urban Community Development Corporation (HAUCDC) in the areas of the HUD mandated Environmental Review Process and Community Housing & Development Organization regulatory requirements and reporting systems.
- Under the City's multi-year Consolidated Plan, reviewed 5 federal grant applications for local non-profit agencies and Galveston Housing Authority and completed HUD mandatory Consistency Certifications and Approval of Nonprofit Emergency Solutions Grants Shelter Activities. This is a mandatory HUD requirement necessary for the agencies to submit a grant application to HUD.
- Received a favorable Year-End Assessment Report from HUD for the management of the 2017 Program Year CDBG and HOME Programs. The review revealed the City had noteworthy achievements in its CDBG and HOME Programs; the City expended 100% of its funds to benefit low-moderate income persons; the City was within its expenditure caps for administration and public services; and the City met its CDBG Timeliness Ratio for expenditures and its HOME Deadlines for Commitments and Disbursements. The HUD Assessment concluded that the "City carried out its program substantially as described in its Consolidated Plan submission; the Consolidated Plan submission as implemented generally complies with the requirements of the Housing and Community Development Act and other applicable laws and regulations; and the local government has the continuing capacity to carry out the approved program in a timely manner".
- The Department met all HUD mandatory requirements for Financial compliance. The Department met the CDBG Timeliness Expenditure of funds test for expenditure ratio and the HOME Program's Disbursement of Funds and CHDO requirements for the grant year. Failure to meet either requirement may cause the City to repay grant funds or receive a reduced funding allocation.

Goals

- Ensure statutory and regulatory compliance in all CDBG and HOME Program areas. These include project eligibility (beneficiary & financial); financial expenditure ratio, timeliness, commitment and disbursement; Environmental Review (including Texas Historical Commission 106 Review Process and

Floodplain management) for City and other Continuum of Care and public housing non-profit program activities; Federal Labor Standards Provision and the Davis-Bacon Act for construction projects; homebuyer and tenant-based rental activities including Lead-Based Paint compliance; procurement requirements; housing inspections; Fair Housing & Equal Opportunity requirements; and all required project documentation is obtained, categorized and maintained in project files to justify compliance, all HUD low-moderate income requirements, and subsequent community benefit. Non-compliance in the above-mentioned categories may result in grant funds being conditioned, sanctioned, reduced, subject to recapture or repaid from non-federal sources.

- Facilitate the tenant-based rental assistance for 12 low-moderate income (LMI) households for rental subsidies to assist LMI households with affordable housing costs including rent payments and security deposits.
- Provide downpayment and closing cost assistance for 3 low-moderate income (LMI) families to purchase their first home.
- Facilitate all necessary federal requirements for the installation of sidewalk and ADA ramps including possible streetscape (curbs, streetlights, and tree plantings) improvements in the street rights-of-way in the LMI area of 27th Street from Broadway to Market and coordinate with the Public Works Department to facilitate engineering and construction contract oversight.
- Collaborate with the Code Enforcement Division, Parks & Recreation Department, and Police Department to ensure that all federal statutory and regulatory requirements are adhered to for the Demolition / Boardup / Clearance and Code Compliance Staffing, Youth Recreation Programs, and Crime Prevention respectively.

Performance Measures

Performance Measurements	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Undetermined
Financial Compliance					
Timeliness Ratio: 1.50% or Less Regulatory Compliance	1.49%	1.45%	1.50%	1.50%	N-A
Commitment of Funds: 100% Regulatory Compliance	100%	100%	100.00%	N-A	N-A
Disbursement of Funds: 100% Regulatory Compliance	100%	100%	100.00%	N-A	N-A
Beneficiary Compliance					
% of LMI Benefits: 70% Regulatory Compliance	100%	100%	100.00%	100.00%	N-A
Overall Regulatory Compliance					

HUD Monitoring: < 7 Findings Standard	City Rated Above Monitoring Requirement - No Findings/No Concerns	City Rated Above Monitoring Requirement - No Findings/No Concerns	City Rated Above Monitoring Requirement - No Findings/No Concerns	Monitored 7-15 thru 19-19 - No Concerns/1 Finding	N-A
Program Monitoring:					
Monthly Desk Review	92	57	50	50	N-A
Labor Standards Compliance: Minimize Findings	No Findings/No Concerns	No Findings/No Concerns	No Findings/No Concerns	No Findings/No Concerns	N-A
Environmental Reviews:	16	15	9	0	N-A
Fair Housing Compliance:	No Findings	No Findings	No Findings	No Findings	N-A
F.H. Educational Material	Distribute F.H. Educational Material To 10 Local Agencies Quarterly	Distribute F.H. Educational Material To 10 Local Agencies Quarterly; E-mail agencies and groups information updates	Distribute F.H. Educational Material To 10 Local Agencies Quarterly; E-mail agencies and groups information updates	Distribute F.H. Educational Material To 10 Local Agencies Quarterly; E-mail agencies and groups information updates	N-A
Section 3 Compliance: Greatest Extent Possible					
Contracts	16	11	7	10	N-A
Employees	7	5	10	10	N-A
Training	Facilitate 2 Semi-Annual Training with CDBG funded City Dept.	Facilitate 2 Semi-Annual Training with CDBG funded City Dept.	Facilitate 2 Semi-Annual Training with CDBG funded City Dept.	Facilitate 2 Semi-Annual Training with CDBG funded City Dept.	N-A
HUD Reporting: Complete, Accurate & Timely	9	9	9	9	N-A
Homebuyer Downpayment Assistance	2	2	0	3	N-A
Rehabilitation/Reconstruction Assistance	8	2	3	0	N-A
Tenant-Based Rental Assistance				12	N-A
CHDO Affordable Housing	5	2	2	0	N-A
City Dept. Funded Projects	6	7	5	6	N-A

CITY OF GALVESTON
2019 CDBG and HOME Approved Programs Budget

On June 27, 2019, the City Council approved the 2019 Consolidated Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) Programs for $1,457,743 (CDBG $1,199,293 and HOME $258,450) and Program Income estimate of $50,000 (CDBG $20,000 and HOME $30,000). The CDBG and HOME Programs will meet the Community Development and Housing Objectives, as approved, to primarily benefit the low-moderate income (LMI) population. The U.S. Dept. of Housing & Urban Development (HUD) administers the CDBG and HOME Programs and has released the 2019 CDBG and HOME Funding Allocations. The City will receive CDBG funding in the amount of $1,199,293 and HOME funding in the amount of $258,450. The 2019 allocations are a decrease from the City's 2018 funding in the following amounts: CDBG -$12,441 (-1.03%) and HOME -$38,205 (-12.88%).

The 2019 Program Year funding received from the HUD Community Planning and Development Division Catalog of Federal Domestic Assistance (CFDA) title and number and the HUD award identification number is as follows:
CFDA 14.218 Community Development Block Grant/Entitlement Grant - HUD Award B-19-MC-480016
CFDA 14,239 HOME Investment Partnerships Program - HUD Award M-19-MC-480208

2019 Community Development & Housing Objectives

1. To provide and expand homeownership opportunities for LMI homebuyers;
2. To provide and expand access to affordable housing through rental subsidies for LMI households and assisting in the prevention of homelessness;
3. To provide housing services to support LMI homeownership, TBRA, and other housing activities;
4. To educate and enforce lead-based paint and other lead hazards rules and regulations;
5. To identify and eliminate barriers to affordable housing and impediments to fair housing;
6. Provide code enforcement and neighborhood revitalization activities to diminish unsafe buildings and lots, blighting influences, and general neighborhood decay in LMI areas;
7. Provide infrastructure enhancement to support neighborhood revitalization and residential development in LMI areas;
8. Promote the health and well-being of city LMI residents through the provision of public and supportive services including youth programs;
9. Provide mechanisms to reduce crime and enhance public safety in LMI areas;
10. To facilitate neighborhood, comprehensive, and individual project management, planning, and capacity building activities for LMI areas;
11. Provide economic development opportunities and Section 3 education for LMI persons and businesses; and
12. Assist in the coordination of homeless resources in the community through participation with and reliance on the Continuum of Care Program.

2019 CDBG Program Projects

Project	Description	Outcomes	2019 Allocations
Public Service Activities		**(Requirement Limit of 15% Cap - $179,893)**	**$ 179,893.00**
Parks & Recreation Dept. Children & Youth Program	Provide staffing to implement summer and after-school supervised educational / recreational activities at Menard and Wright Cuney Parks and Recreation Centers for primarily LMI (90%) children and youth ages 5-17	900 children and youth	$ 150,505.00
Police Dept. Crime Prevention Program	Provide officers for extra-duty patrols and equipment to reduce the levels of criminal activity and assist residents in low-moderate income neighborhoods; work with citizens and neighborhood groups to identify and report criminal activity	900 citizen contacts	$ 29,388.00
Public Facility & Improvement Activities			**$ 502,416.00**
Public Works Dept. 27th Street Sidewalk-Streetscape Improvements	Provide sidewalk and ADA ramps including possible streetscape (curbs, streetlights, and tree plantings) improvements in the street rights-of-way used as existing pedestrian walkways in the LMI area of 27th Street from Broadway to Market; and to assist in safe, accessible routes for pedestrians and enhanced deteriorated streetscape amenities (in coordination with 2018 funding for 27th Street Project)	6 blocks of improvements	$ 502,416.00

Code Enforcement Activities			**$ 227,639.00**
City Marshall-Compliance Division Code Compliance Officers	Provide 4 compliance officers to work in LMI neighborhoods to conduct property inspections and reinspections to enforce local codes and owner notifications and processes for enforcement on non-compliant properties	4,500 inspections and 1,000 reinspections	$ 197,947.00
City Marshall-Compliance Division Demolition & Lot Clearance/Boardup	Provide contracted lot clearance/boardup on properties with nuisance and safety issues and demolition of dilapidated/unsafe structure in LMI areas	1 Demolition and 90 Lot Clearances / Boardups	$ 29,692.00
Affordable Housing Activities			**$ 49,487.00**
Affordable Housing Services	Provide management and oversight for the affordable housing programs including tenant-based rental assistance and other housing related issues including projects funded through the CDBG and HOME Programs	Ensure regulatory compliance	$ 49,487.00
Planning & Program Administration Activities	**(Requirement Limit of 20% Cap - $239,858)**		**$ 239,858.00**
CDBG Program Administration	Provide management of the CDBG and HOME Programs to ensure compliance with all regulatory requirements	Ensure regulatory compliance	$ 239,858.00
CDBG TOTAL ALLOCATION			**$ 1,199,293.00**
CDBG Program Income (Estimated)	Provide Consolidated Plan Eligible Projects such as code enforcement and affordable housing services from PI received primarily from housing rehabilitation loan payments and payoffs and lot clearance, boardup, and demolition lien payoffs	Assist in eligible CDBG projects	$ 20,000.00

2019 HOME Program Projects

Project	Description	Outcomes	2019 Allocations
Affordable Housing Activities			**$ 232,605.00**
Community Housing Development Organization (CHDO) Program	City will decline access to funding to provide a homeownership or rental housing development activity to acquire property and rehabilitate or construct affordable housing to be sold or rented to LMI household (Requirement Mandatory 15% Set-aside $38,767.50)	No objective	$ 38,767.50
Grants & Housing Dept. Tenant-Based Rental Program	Provide Tenant-Based Rental Assistance (TBRA) for rental subsidies to assist LMI households with affordable housing costs including rent payments and security deposits	12 LMI households	$ 150,276.80
Grants & Housing Dept. Homebuyer Assistance Program	Provide downpayment and closing cost to assist LMI households with first-time homeownership	3 LMI households	$ 43,560.70
HOME Program Administration Activities	**(Requirement Limit of 10% Cap - $25,845)**		**$ 25,845.00**
HOME Program Administration	Provide management of the HOME Program to ensure compliance with all regulatory requirements	Ensure regulatory compliance	$ 25,845.00
HOME TOTAL ALLOCATION			**$ 258,450.00**
HOME Program Income (Estimated)	Provide Consolidated Plan Eligible Projects such as TBRA and homeownership projects from PI received primarily from housing rehabilitation loan payments	Assist in eligible HOME projects	$ 30,000.00
TOTAL CONSOLIDATED PROGRAMS			**$ 1,457,743.00**

The Grants and Housing Department is the lead agency for management and coordination of the implementation of the 2019 CDBG and HOME Programs under the 5-year 2019 Consolidated Plan and the 1-year Action Plan for the City of Galveston. The 2019 CDBG and HOME Program-year starts on June 1, 2019 and ends on May 31, 2020.

ORDINANCE NO. 18-063

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, ADOPTING THE ANNUAL GOVERNMENTAL AND PROPRIETARY FUNDS BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019; MAKING APPROPRATIONS FOR CITY OPERATIONS AND CAPITAL PROJECTS FOR SUCH FISCAL YEAR AS REFLECTED IN SUCH BUDGET; AUTHORIZING VARIOUS OTHER TRANSFERS; APPROVING AND ADOPTING THE FY 2019 CAPITAL BUDGET; APPROVING AND ADOPTING THE BUDGET OF THE INDUSTRIAL DEVELOPMENT CORPORATION, MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, The City Charter, Article VII, section 8, requires City Council of the City of Galveston, Texas, to approve and adopt the City budget no later than the second regularly scheduled September meeting of Council before the beginning of the fiscal year; and

WHEREAS, the City Manager has presented to the City Council a proposed budget of the expenditures of the City of Galveston for the fiscal year 2019; and

WHEREAS, pursuant to notice as required by Section 102.006 of the Local Government Code a public hearing on such budget was held in the Council Chambers, at which hearing all citizens and taxpayers of the City had the right to be present and to be heard, and those who requested to be heard were heard; and

WHEREAS, the City Council has considered the proposed budget and has made such changes therein as in the City Council's judgment were warranted by law and were in the best interest of the citizens and taxpayers of the City; and

WHEREAS, a copy of the budget has been filed with the City Secretary as required by Local Government Code Section 102.005 and 102.008, and the City Council desired to adopt the same.

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. In accordance with the provisions of Local Government Code Section 102.007, the City Council hereby approves and adopts the budget described above, the same as shown in Exhibit "A" being on file with the City Secretary. The City Secretary is hereby directed to place on such budget and sign an endorsement reading as follows: "The

Original Annual Government and Proprietary Funds Budget of the City of Galveston, Texas, for Fiscal Year 2019" and to keep such budget on file in her office as a public record. In addition, in accordance with Section 102.009 (d), Texas Local Government Code (Vernon's), the City Secretary is hereby directed to file a true copy of the approved Budget in the offices of the County Clerk of Galveston County.

SECTION 3. The FY 2019 Budget for operations shall be administered in accordance with Article VII, Section 9, 10, 19 and 20 of the City Charter and Section 102.010 of the Texas Local Government Code as follows:

a. The Council may transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another, at any time.

b. The City Manager shall have authority, without Council approval, to transfer appropriation, balances from one expenditure account to another within a single office, department, or agency of the City,

c. At any time in any fiscal year, the Council may, pursuant to this section, make emergency appropriations only in a case of grave public necessity to meet an unusual and unforeseen condition that could have not been included in the original budget through the use of reasonably diligent thought and attention. Such appropriations shall be by ordinance adopted by the favorable vote of five (5) members of the Council and shall be made only upon recommendation of the City Manager. The total amount of such emergency appropriations made in any fiscal year shall not exceed ten per centum of the tax levy for general purposes in the fiscal year. Should the unappropriated and unencumbered revenues, income and available funds of the City for such fiscal year be not sufficient to meet the expenditures under the appropriation authorized by this section, thereby creating a deficit, it shall be the duty of the Council to include the amount of such deficit in its budget and said deficit shall be paid off and discharged not later than thirty-six (36) months from the date the appropriation was made. If the Council amends the budget to meet an emergency, the Council shall file a copy of its ordinance in accordance with State law.

d. At any time in any fiscal year, where the City has experienced a natural or man-made disaster that results in the issuance of a Proclamation of Public Disaster by the President of the United States or Governor of the Great State of Texas, the Council may make emergency appropriations to alleviate the effects of the natural or man-made disaster, and the limitations on the total amount of emergency expenditures set out in the preceding section shall not apply.

e. As provided by Section 102.010 of the Texas Local Government Code, emergency appropriation provisions do not prevent the governing body of the municipality from making changes in the budget for municipal purposes.

f. The Council shall not approve a budget that exceeds more than seven (7) per cent of the budget of the prior fiscal years as to total expenditures for any and all purposes excluding expenditures related to bond funded projects, grant funded programs, trust and agency funds, internal fund expenditures, and any capital improvement funds appropriated in the previous fiscal year that have not been expended.

g. The City shall create a "Capital Improvement and/or Debt Service Account" allocating an equivalent of 1% of the General Fund Operating Budget ("annual allocation") to such an account beginning in fiscal year 2013 and an additional 1% in each successive fiscal year thereafter until the cumulative annual allocation to the account reaches a minimum of 8% of the total General Fund Operating Budget, for either Capital Improvements or Debt Service in every year, and each year thereafter allocate at least 8% of the total General Fund Operating Budget to such account, subordinate to any deficiency in the emergency 90 day minimum reserve. For purposes of this section "Capital Improvements' shall be defined as projects above $100,000.

h. Prior to allocation of the General Fund contingency, the City Council will hold a public hearing and invite comments from the public on the use of these funds.

SECTION 4. That the Beginning Fund Balance reflected in the budget for each operating and capital budget fund for which a Budget is adopted hereby automatically shall be adjusted to be the amount of the Ending Fund Balance for Fiscal Year 2018 as fully adjusted to reflect the final Comprehensive Annual Financial Report for Fiscal Year 2018 when released , and subsequently automatically shall be adjusted to be the amount of the Ending Fund Balance included in the final Comprehensive Annual Financial Report for Fiscal Year 2018 for each respective fund. The revised Beginning Fund Balance shall thereafter be used to calculate the Fiscal Year 2019 Ending Fund Balance.

SECTION 5. That the Waterworks and Sewer System funds previously reflected as separate funds is adopted in this ordinance and is hereby to be known as the Combined Utility System Fund as shown in Exhibit "A." This consolidation shall also be reflected as such in the final Comprehensive Annual Financial Report for Year 2018 when presented.

SECTION 6. The City Council hereby approves and adopts the FY 2019 Capital Budget as included in Exhibit "B". The Capital Budget will be implemented as follows:

a. The Capital Budget includes specific projects planned to begin in FY 2019.

b. Reports will be provided to City Council quarterly on the status of each project that is a part of the FY 2019 Capital Budget including financial, design, and construction status information.

c. City Council approval is required to add or delete projects from the Capital Budget as shown in Exhibit "B" through passage of an ordinance amending the FY 2019 Capital Budget.

d. Appropriation of capital projects funds shall be approved by Council as provided in Attachment "C".

e. Contracts and expenditures for individual projects shall be approved as provided by State law, the City Charter and the City's purchasing policies.

f. Expenditures of capital funds shall be for projects included in the approved and/or amended FY 2019 Capital Budget.

g. Funds shall be allocated based on the legal purpose of the capital funds and approval of the responsible party as required under 5 (e), provided that the Finance Department shall be authorized to charge expenditures of current projects to older capital funds in amounts not to exceed $15,000 and as allowed by the laws governing those capital funds in order to close them out.

SECTION 7. Appropriation of capital funds allocated, committed, encumbered and/or expended in accordance with the FY 2019 Capital Budget is hereby approved as follows:

a. The capital project funds balance as set forth in Exhibit "C" shall be adjusted automatically as described in and pursuant to Section 5.

b. By this action, Council hereby appropriates any additional income dedicated by City Council action or state law for capital projects that is received during FY 2019. This includes but is not limited to net proceeds from the sale of municipal bonds as approved and authorized by City Council, interest income, capital recovery fees and additional amounts transferred from City operating funds to be used for capital projects.

c. At the close of each fiscal year any unencumbered balance of an appropriation shall revert to the fund from which appropriated and may be re-appropriated by the Council.

SECTION 8. The City Council hereby approves and adopts the FY 2019 Operating Budget of the Galveston Industrial Development Corporation (IDC) approved by the Board of Directors of the IDC on September 5, 2018 and included in the budget as Exhibit D.

SECTION 9. Funds shall be allocated to individual projects as approved in the FY 2019 Capital Budget when individual contracts are awarded and/or projects are ready for implementation.

SECTION 10. Funds shall be allocated to individual projects through the normal procurement processes as provided by State Law and City policy.

SECTION 11. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance.

SECTION 12. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 13. In accordance with the provisions of Sections 12 and 13 of Article II of The City Charter this Ordinance has been publicly available in the office of the City Secretary for not less than 72 hours prior to its adoption; that this Ordinance may be read and published by descriptive caption only.

SECTION 14. The City Council officially finds, determines, and declares that sufficient notice of the date, hour, place, and subject of each meeting at which this Ordinance was discussed, considered, or acted upon was given in the manner required by Chapter 551 of the Texas Government Code and Chapter 102 of the Texas Local Government Code, and that each such meeting has been open to the public, as required by law, at all times during such discussion, consideration, and action. The City Council ratifies, approves, and confirms such notices in the contents and posting thereof.

SECTION 15. This Ordinance shall be and become effective from and after its adoption and publication in accordance with the provisions of The City Charter of the City of Galveston.

APPROVED AS TO FORM:

DONALD S. GLYWASKY
CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the City

Council of the City of Galveston at a regular meeting held on the 13th day of September, 2018, as the same appears in records of this office.

IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this 18th day of Sept., 2018.

Secretary for the City Council
of the City of Galveston

FY2019 Proposed Budget Data Sheet
Exhibit "A"

Fund	FY2019 Proposed Budget	Fund Balance	Total
General Fund			
Police	20,668,628		
Fire	11,627,858		
Emergency Management	247,763		
Emergency Medical Service	566,200		
City Marshal	63,249		
Special Events	0		
Public Works - Streets	1,846,549		
Public Works - Traffic	2,097,683		
Park & Recreation Administration	970,971		
Parks & Parkways	2,021,725		
Crockett Park	0		
Code Enforcement	758,751		
Building Inspection	672,039		
Developmental Services	914,214		
City Secretary	536,271		
Elections	68,000		
Municipal Court	667,870		
City Manager	682,997		
City Auditor	274,852		
City Attorney	928,227		
Human Resources	555,375		
Transportation	600,000		
Finance - Administration	368,568		
Finance - Accounting	876,023		
Finance - Purchasing	243,907		
Finance - Budget	374,947		
Taxation	270,000		
Facility Maintenance Services	1,448,170		
COLA Increases	250,933		
Vehicle Purchases	750,000		
Contractual Services	216,002		
General Fund Subtotal	**51,567,772**		
Appropriation of Fund Balance for One-Time Operating Items	285,000		
Appropriation of Fund Balance for Transfer to Hurricane Harvey	1,591,876		
Appropriation of Fund Balance if required and approved by City Council	2,500,000		
Operating Transfers to Infrastructure Fund, Separation Fund	4,328,929		
General Fund Total	**60,273,578**	**13,887,003**	**74,160,581**
Debt Service Fund Total	**5,192,812**	**$1,597,445**	**$6,790,257**
Special Revenue Funds			
Rosenberg Library	2,874,500	0	2,874,500
Island Transit	4,423,785	684	4,424,469
Seawall Parking	1,458,761	0	1,458,761
Convention Center Surplus	3,784,728	0	3,784,728
HOT 1/8 Historical Buildings	1,215,476	0	1,215,476
Council Projects & Initiatives Program	753,163	0	753,163
Infrastructure Fund	7,674,620	0	7,674,620
Separation Pay Fund	474,360	380,331	854,691
PEG Fund	1,041,238	0	1,041,238
Parking Management Fund	1,252,552	0	1,252,552
Lasker Pool Fund	716,216	0	716,216
Pension Reform Fund	1,003,173	0	1,003,173
Revenue Producing Parks	241,330	0	241,330
D.E.A. Asset Forfeiture Fund	135,037	0	135,037
Police Special Revenue Fund	118,743	0	118,743
Police Quartermaster Fund	91,010	0	91,010
Alarm Permit Fund	118,746	0	118,746
Fire Special Revenue Fund	45,046	0	45,046
Municipal Court Building Security Fund	49,410	0	49,410
Court Technology Fund	137,709	0	137,709
Juvenile Services Fund	179,610	0	179,610
Recovery and Capital Reserve Fund	5,066,979	0	5,066,979
Technology Improvement Fund	1,286,438	0	1,286,438
Hurricane Harvey Fund	2,510,952	0	2,510,952
Special Revenue Fund Total	**36,653,582**	**381,015**	**37,034,597**

FY2019 Proposed Budget Data Sheet
Exhibit "A"

Fund	FY2019 Proposed Budget	Fund Balance	Total
Combined Utility System Fund			
Management services	779,446		
Utility billing	1,907,015		
Supply	1,757,729		
Distribution	2,159,138		
Industrial Pretreatment	337,594		
Collection	4,027,601		
Wastewater treatment plant	4,136,185		
Cost of water	11,376,200		
Debt service	7,254,689		
Non-Departmental	3,329,964		
Combined Utility System Fund	**37,065,561**		
Appropriation of Fund Balance for One-Time Operating Items and FY2109 Capital Budget	1,866,000		
Combined Utility System Fund	**38,931,561**	**10,365,282**	**49,296,843**
Sanitation Fund			
Refuse collection	4,389,020		
Recycling	614,300		
Utility billing	212,390		
Non-Departmental	804,475		
Sanitation Fund Subtotal	**6,020,185**		
Appropriation of Fund Balance for One-Time Operating Items and FY2019 Capital Budget	1,391,000		
Sanitation Fund Total	**7,411,185**	**1,375,408**	**8,786,593**
Drainage Fund			
Municipal Drainage Utility	2,153,882		
Utility billing	146,207		
Non-Departmental	183,001		
Drainage Fund Subtotal	**2,483,090**		
Appropriation of Fund Balance for One-Time Operating Items and FY2019 Capital Budget	1,074,700		
Drainage Fund Total	**3,557,790**	**1,571,071**	**5,128,861**
Airport Fund			
Operating Expenses	1,000,859		
Non-Departmental	276,250		
Airport Fund Subtotal	**1,277,109**		
Appropriation of Fund Balance for One-Time Operating Items and FY2019 Capital Budget	430,000		
Airport Fund Total	**1,707,109**	**394,446**	**2,101,555**
Total Operating Budget	**153,727,617**	**29,571,670**	**183,299,287**
Internal Service Funds	21,439,432	8,202,456	29,641,888

Note: The Internal Service Funds are not included in the Citywide totals above to avoid duplication.

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
STREETS & TRAFFIC PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2019 - FY2023
(Page 1 of 7)

PROJECT NO.	PROJECT NAME	2019	2020	2021	2022	2023	TOTAL
ST1802	16th Street from Broadway to Ave N 1/2	1,242,500	0	0	0	0	1,242,500
IDC27	27th Street Corridor	2,600,000	0	0	0	0	2,600,000
IHST18	Streets Mill & Overlay Rehabilitation	2,310,783	2,481,000	2,662,200	2,822,600	2,860,000	13,136,583
ST1503-2	26th Street from Ave N to Broadway (Phase 2)	564,100	0	0	0	0	564,100
ST1701	25th Street from Broadway to Seawall	4,105,750	0	0	0	0	4,105,750
ST1702	73rd Street from Heards Lane to Ave N 1/2	1,319,750					1,319,750
ST1704	Replacement of Strand Pavers	430,000					430,000
ST1705, IDC45	45th Street from Broadway to Seawall	0					0
ST1706	Intersection Improvements for 61st Street and Seawall Boulevard	35,000	243,000				278,000
ST1801	30th Street from Ave O to Seawall Blvd	1,306,500	0				1,306,500
ST1803	22nd Street from Harborside to Broadway	0					0
ST1901	37th Street from Broadway to Seawall	808,750	5,907,500				6,716,250
ST2001	29th Street from Ave O to Ave R 1/2	620,000	4,512,500				5,132,500
ST2002	49th Street from Ave P to Ave S 1/2	1,983,050					1,983,050
ST2003	35th Street from Postoffice to Broadway	2,145,500					2,145,500
IDCSCC	Sidewalk and Concrete Crew	369,000	369,000	369,000	369,000	369,000	1,845,000
ST1604	29th Street - Church to Harborside	590,950					590,950
WEMA	West Market Street - 25th to 33rd						0
IDCHAR	Harborside Drive - 33rd and 20th Street						0
ST1603	29th Street - Broadway to Sealy						0
TR1701	Historic Broadway Lighting Improvements	500,000					500,000
IDCDOW	Downtown Streetscape Improvements	200,000	2,100,000				2,300,000
STCONT	Program Contingency	1,500,000	0	0	0	0	1,500,000
	Total $'s by Year	**$ 22,631,633**	**$ 15,613,000**	**$ 3,031,200**	**$ 3,191,600**	**$ 3,229,000**	**$ 47,696,433**

FUND NO.	FUNDING SOURCE	2019	2020	2021	2022	2023	TOTAL
3199	Infrastructure & Debt Service	1,759,943	1,851,200	2,083,200	2,150,600	2,314,200	10,159,143
3217	2017 G.O. Bonds	6,757,688	0	0	0	0	6,757,688
3191	IDC - Economic Development	0	0	0	0	0	0
3193	IDC - Infrastructure	3,169,000	2,469,000	369,000	369,000	369,000	6,745,000
1090	Convention Center Surplus	500,000	0	0	0	0	500,000
Future	Tax Supported Bonds	10,445,002	11,292,800	579,000	672,000	545,800	23,534,602
	Total $'s by Year	**$ 22,631,633**	**$ 15,613,000**	**$ 3,031,200**	**$ 3,191,600**	**$ 3,229,000**	**$ 47,696,433**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
DRAINAGE PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2019 - FY2023

PROJECT NO.	PROJECT NAME	2019	2020	2021	2022	2023	TOTAL
D1601	11 Mile Road Drainage Improvements	20,000	0	0	0	0	20,000
D1602	18th Street Drainage Improvements	12,948,296	0	0	0	0	12,948,296
DAVENL	Avenue L Storm System at 62nd St and 63rd St	0	0	0	0	0	0
D1604	Church Street Drainage Improvements	998,674	0	0	0	0	998,674
DCONT	Drainage Program Contingency	798,780	0	0	0	0	798,780
D1701	Master Drainage Plan and Feasibility Study	1,750	346,500	0	0	0	348,250
D1608	Storm Sewer Rehabilitation & Inspection Program	0	0	0	0	0	0
D1703	West End Drainage Rehabilitation Program	297,000	300,000	0	0	0	597,000
D1801	Drainage System Improvements	0	0	250,000	0	0	250,000
ST1605	33rd Street - Broadway to Harborside	0	0	0	0	0	0
	Total $'s by Year	**$ 15,064,500**	**$ 646,500**	**$ 250,000**	**$ -**	**$ -**	**$ 15,961,000**

FUND NO.	FUNDING SOURCE	2019	2020	2021	2022	2023	TOTAL
3199	Infrastructure & Debt Service	0	0	0	0	0	0
3217	2017 G.O. Bonds	500,000	0	0	0	0	500,000
3191	IDC - Economic Development	0	0	0	0	0	0
3193	IDC - Infrastructure	0	0	250,000	0	0	250,000
Future	Tax Supported Bonds	14,564,500	646,500	0	0	0	15,211,000
	Total $'s by Year	**$ 15,064,500**	**$ 646,500**	**$ 250,000**	**$ -**	**$ -**	**$ 15,961,000**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
WATERWORKS PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2019 - FY2023
(Page 3 of 7)

PROJECT NO.	PROJECT NAME	2019	2020	2021	2022	2023	TOTAL
W1701	Well Disinfection and Flushing for Water Wells #2A, 6A, 10, 12, 13, 16, 17	570,000	0	0	0	0	570,000
W1706	8" Water Line - 30th St ROW and Market Street	279,100	0	0	0	0	279,100
WWELLS	Rehabilitation of Water Wells #9 and 11	250,000	635,000	0	0	0	885,000
W1610	Pirate's Beach - Lafitte's Cove Loop	702,250	0	0	0	0	702,250
W1702	20 Inch Water Line - TAMUG to Seawolf Parkway to Bradner Street	0	0	349,305	3,212,390	0	3,561,695
W1902	12 Inch Water Line - Seawall Boulveard, 81st Street to 97th Street	0	0	225,000	1,836,750	0	2,061,750
W1605	36 Inch Water Line to Replace the 30 inch 1890 Water Line	0	0	9,439,900	0	0	9,439,900
W1703	Airport Pump Station Pump and Control Upgrades	24,000	2,028,000	0	0	0	2,052,000
W1704	30 Inch Water Line - Railroad Bridge to Harborside Drive	0	0	0	2,310,000	0	2,310,000
W1705	Airport Pump Station Pump Tank Upgrades - Phase 1	0	4,758,000	0	0	0	4,758,000
W1707	24" Water Line - 59th St Pump Station to Airport Pump Station	18,275,500	0	0	0	0	18,275,500
W1801	30 Inch Water Line - 71st Street to 59th Street Pump Station	0	0	529,000	4,574,000	0	5,103,000
W1901	Airport Pump Station Pump Tank Upgrades - Phase 2	12,500	850,000	5,282,000	0	0	6,144,500
WFIRHY, FD-132	Fire Hydrant Replacement Program	1,260,000	1,260,000	1,260,000	1,260,000	1,260,000	6,300,000
W1608	6 Inch Water Line - Gulf Drive	0	0	0	0	0	0
W1618	Water System Improvements and Water Valve Replacement Program	712,000	350,000	350,000	350,000	350,000	2,112,000
W1601	10 Mile Road Elevated Storage Tank Rehabilitation	250,000	1,487,500	7,790,000	0	0	9,527,500
W1802	Non-revenue Water Mitigation Program	104,000	0	0	0	0	104,000
ST1806	23rd - Broadway to Seawall Blvd (County)	1,596,659	0	0	0		1,596,659
ST1807	Avenue S - 53rd to Seawall Blvd (County)	3,775,625	0	0	0		3,775,625
W1803	Teichman Road Waterline - 91st - 96th	379,750	2,773,000	0	0		3,152,750
W1903	20" Waterline - 7 Mile to 10 Mile Road	0	0	45,000	1,341,305	10,345,545	11,731,850
W1904	12" Waterline Upgrade - I-45 Feeder Rd 65th - 77th	0	0	50,000	375,000	4,052,200	4,477,200
W1905	Upsidze for Fire Flow and Capacity (City Wide)	0	0	80,500	409,000	3,755,000	4,244,500
WCONT	Program Contingency for Water	1,000,000	0	0	0	0	1,000,000
	Total $'s by Year	**$ 29,191,384**	**$ 14,141,500**	**$ 25,400,705**	**$ 15,668,445**	**$ 19,762,745**	**$ 104,164,779**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
WATERWORKS PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2019 - FY2023
(Page 3 of 7)

PROJECT NO.	PROJECT NAME	2019	2020	2021	2022	2023	TOTAL
FUND NO.	FUNDING SOURCE	2019	2020	2021	2022	2023	TOTAL
40102	Waterworks Improvement	1,263,600	1,460,000	1,184,305	610,000	610,000	5,127,905
40117	2017 CO's Water	12,882,169	0	0	0	0	12,882,169
1214	FEMA Approved (1)	0	0	0	0	0	0
Future	Revenue Supported Bonds	15,045,615	12,681,500	24,216,400	15,058,445	19,152,745	86,154,705
	Total $'s by Year	**$ 29,191,384**	**$ 14,141,500**	**$ 25,400,705**	**$ 15,668,445**	**$ 19,762,745**	**$ 104,164,779**

(1) FEMA has approved expenditures for the improvement of the City's fire hydrants as FEMA eligible; however, it not likely that FEMA will approve grant cash being drawn to cover the project until other FEMA funding issues are resolved. In the interim, local funds will have to be appropriated to fund this project in the amount shown.

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
SEWER PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2019 - FY2023

PROJECT NO.	PROJECT NAME	2019	2020	2021	2022	2023	TOTAL
S1610	Sludge and Grit removal from the Main WWTP Sludge Holding Tank	904,000	5,575,188	0	0	0	6,479,188
S1701	Lift Station Pump and Electrical Improvements	2,286,000	2,536,000	2,536,000	2,536,000	2,536,000	12,430,000
S1607	Reconstruction of Pirates' Beach Wastewater Treatment Plant	6,559,400	0	0	0	0	6,559,400
SSEAWO	Seawolf Park WWTP Reconstruction	1,200,986	0	0	0	0	1,200,986
SWPPT	Airport Wastewater Treatment Plant Final Mitigation & Recovery	0	0	0	0	0	0
SLINEI	Sanitary Sewer Repair and Rehabilitation Program	825,000	825,000	825,000	825,000	825,000	4,125,000
S1609	Sunny Beach - 8 Mile Road Sanitary Sewer Project	20,000	2,674,000	0	0	0	2,694,000
S1702	West End Sewer Improvements	595,000	0	2,690,933	0	0	3,285,933
S1901	Harborside - 25th to 29th	0	0	0	526,675	3,653,125	4,179,800
S1902	Replace Pipe at Ferry Rd & 1st St	0	0	0	161,200	962,500	1,123,700
S1807	Avenue S - 53rd to Seawall Blvd (County)	362,600	0	0	0	0	362,600
S1903	Terramar Waste Water Treatment Plant Upgrade	0	0	0	2,657,500	12,338,300	14,995,800
ST1806	23rd - Broadway to Seawall Blvd (County)	1,716,436	0	0	0	0	1,716,436
SCONT	Program contingency	750,000	0	0	0	0	750,000
	Total $'s by Year	**$ 15,219,422**	**$ 11,610,188**	**$ 6,051,933**	**$ 6,706,375**	**$ 20,314,925**	**$ 59,902,843**

FUND NO.	FUNDING SOURCE	2019	2020	2021	2022	2023	TOTAL
42102	Sewer Improvement	1,754,404	2,500,000	2,500,000	2,500,000	2,500,000	11,754,404
42115	2008 Sewer Revenue Bonds	0	0	0	0	0	0
42117	2017 CO's Water	13,281,343	2,464,121	0	0	0	15,745,464
1214	FEMA Approved (Fire Hydrants)	183,675	0	0	0	0	183,675
1708	CDBG Round 2.2	0	0	0	0	0	0
Future	Revenue Supported Bonds	0	6,646,067	3,551,933	4,206,375	17,814,925	32,219,300
	Total $'s by Year	**$ 15,219,422**	**$ 11,610,188**	**$ 6,051,933**	**$ 6,706,375**	**$ 20,314,925**	**$ 59,902,843**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
PARKS & RECREATION PROGRAM
BUDGET SUMMARY
FY 2018- FY2019 - FY2023
(Page 5 of 7)

PROJECT NO.	PROJECT NAME	2019	2020	2021	2022	2023	TOTAL
IDCLLC	53rd Street Little League Complex & Park	0	0	0	0	0	0
IDCBBP	Babe's Beach Preservation	0	1,500,000	0	0	0	1,500,000
IDCSUP	Seawall Urban Park Renourishment	0	0	844,000	0	0	844,000
IDCJP	Jones Park	25,000	0	0	0	0	25,000
IDCMDP	McGuire Dent Recreation Center	150,000	0	0	0	0	150,000
IDCPOC	Beach Pocket Park Rehabilitation	1,850,000	0	0	0	0	1,850,000
IDCDELL	Dellanera Park Renourishment	0	422,000	0	0	0	422,000
IDCSHC	Sandhill Crane Soccer Complex & Park	240,000	1,100,000	0	1,300,000	0	2,640,000
	Total $'s by Year	**$ 2,265,000**	**$ 3,022,000**	**$ 844,000**	**$ 1,300,000**	**$ -**	**$ 7,431,000**

FUND NO.	FUNDING SOURCE	2019	2020	2021	2022	2023	TOTAL
3190	IDC - Beach Nourishment	0	1,500,000	844,000	1,850,000	0	4,194,000
3192	IDC - Parks	415,000	1,522,000	0	1,300,000	0	3,237,000
	Total $'s by Year	**$ 415,000**	**$ 3,022,000**	**$ 844,000**	**$ 3,150,000**	**$ -**	**$ 7,431,000**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
FACILITIES PROGRAM
BUDGET SUMMARY
FY2019 - FY2023

(Page 6 of 7)

PROJECT NO.	PROJECT NAME	2019	2020	2021	2022	2023	TOTAL
IDEMO	Demolition of Old Municipal Incinerator	0	0	0	0	0	0
CREHAB	Historic 30th Street Pump Station Rehabilitation	0	0	0	0	0	0
CTDEMO	30th St. Tank Demolition	0	0	0	0	0	0
F1801	East Parking Lot - Garage	795,000	0	0	0	0	795,000
SA1701	Parking Lot Improvements at Sanitation	95,000	0	0	0	0	95,000
SW-171	Replacement of Recycling Building at Eco-Center	0	0	0	0	0	0
CH1702	Historic Preservation of City Hall (Remodeling)	2,273,780	3,475,800	2,388,561	0	0	8,138,141
	Total $'s by Year	**$ 3,163,780**	**$ 3,475,800**	**$ 2,388,561**	**$ -**	**$ -**	**$ 9,028,141**

FUND NO.	FUNDING SOURCE	2019	2020	2021	2022	2023	TOTAL
1090	Convention Center Surplus	500,000	0	0	0	0	500,000
5020	Garage Internal Service	795,000	0	0	0	0	795,000
4320	Sanitation Operations	5,000	0	0	0	0	5,000
n/a	Insurance Proceeds (Hurricane Ike)	90,000	0	0	0	0	90,000
1093	Arts/Historical (HOT) 1/8	1,018,965	287,000	299,000	0	0	1,604,965
3050	Recovery and Capital Reserves	754,815	3,188,800	2,089,561	0	0	6,033,176
	Total $'s by Year	**$ 3,163,780**	**$ 3,475,800**	**$ 2,388,561**	**$ -**	**$ -**	**$ 9,028,141**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
AIRPORT PROGRAM
BUDGET SUMMARY
FY2018 - FY2019 - FY2023
(Page 7 of 7)

PROJECT NO.	PROJECT NAME	2019	2020	2021	2022	2023	TOTAL
A1603	Design FY 17, 18, 19 and 21 Projects & Fencing Improvements	0	0	0	0	0	0
A1701	Hangar Construction Project	0	0	0	0	0	0
A1801	Airfield Pavement Improvements Phase 3	0	0	0	0	0	0
A1901	Airfiled Pavement Improvements Phase 4	0	0	0	0	0	0
A2001	Planning - Airport Master Plan Update. Design - Pavement Imprv.	0	631,510	0	0	0	631,510
A2101	Airfield Pavement Improvements Runway 18/36	0	0	2,272,160	0	0	2,272,160
A2201	Airfield Pavement Improvements South Apron & South Ramp	0	0	0	2,560,360	0	2,560,360
A1604	Fencing Improvements	0	0	0	0	0	0
A1802	Airport Warehouse Building	790,000	1,110,000	0	0	0	1,900,000
	Total $'s by Year	**$ 790,000**	**$ 1,741,510**	**$ 2,272,160**	**$ 2,560,360**	**$ -**	**$ 7,364,030**

FUND NO.	FUNDING SOURCE	2019	2020	2021	2022	2023	TOTAL
43302	Airport Improvement	790,000	57,410	206,560	232,760	0	1,286,730
n/a	Future Cash: Property Sales	0	1,110,000	0	0	0	1,110,000
n/a	TXDot Funding - Other funding Source	0	574,100	2,065,600	2,327,600	0	4,967,300
	Total $'s by Year	**$ 790,000**	**$ 1,741,510**	**$ 2,272,160**	**$ 2,560,360**	**$ -**	**$ 7,364,030**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
ISLAND TRANSIT
BUDGET SUMMARY
FY2019 - FY2023

all prior encumbered
no new activity 2019

PROJECT NO.	PROJECT NAME	PRIOR ENCUMBERED	2019	2020	2021	2022	2023	TOTAL FY 2019- 2023	CIP TOTAL
IT1701	Island Transit Technology Upgrade - STUDY	567,000	0	0	0	0	0	0	567,000
TIGER	Island Transit TIGER Grant Bus Replacement/Acquisition (3-Type III Vehicles)	550,000	0	0	0	0	0	0	550,000
IT1703	Phase II Seawall Improvement Program (SBIPH2)	6,330,422	0	0	0	0	0	0	6,330,422
TROLLEY SYSTEM	Island Transit Trolley, Track, and Maintenance System Rehabilitation	7,624,080	0	0	0	0	0	0	7,624,080
		$ 15,071,502	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,071,502

CITY OF GALVESTON
PROPOSED CAPITAL IMPROVEMENT PLAN
Exhibit C
FY 2019 - 2023
TOTALS BY FUNDING SOURCE
(Page 1 of 1)

FUNDING SOURCE	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2019-2023 TOTAL
CITY FUNDS						
GENERAL FUND	$ 1,759,943	$ 1,851,200	$ 2,083,200	$ 2,150,600	$ 2,314,200	$ 10,159,143
INFRASTRUCTURE SET ASIDE						$ -
ISLAND TRANSIT	$ -					$ -
GARAGE INTERNAL SERVICE FUND	$ 795,000	$ -	$ -	$ -	$ -	$ 795,000
GARAGE CAPITAL	$ -	$ -	$ -	$ -	$ -	$ -
IDC - BEACH NOURISHMENT	$ -	$ 1,500,000	$ 844,000	$ 1,850,000	$ -	$ 4,194,000
IDC - ECONOMIC DEVELOPMENT	$ -	$ -	$ -	$ -	$ -	$ -
CENTRAL SERVICE	$ -					$ -
IDC - PARKS	$ 415,000	$ 1,522,000	$ -	$ 1,300,000	$ -	$ 3,237,000
IDC - INFRASTRUCTURE	$ 3,169,000	$ 2,469,000	$ 619,000	$ 369,000	$ 369,000	$ 6,995,000
CONVENTION CENTER SURPLUS	$ 1,000,000	$ -	$ -	$ -	$ -	$ 1,000,000
ARTS/HISTORICAL (HOT) 1/8	$ 1,018,965	$ 287,000	$ 299,000	$ -	$ -	$ 1,604,965
2005 GO BONDS	$ -					$ -
2006 WATER REVENUE BONDS	$ -					$ -
2008 WATER REVENUE BONDS	$ -					$ -
2000 SEWER REVENUE BONDS	$ -					$ -
2006 SEWER REVENUE BONDS	$ -					$ -
2008 SEWER REVENUE BONDS	$ -	$ -	$ -	$ -	$ -	$ -
2017 G.O. BONDS	$ 7,257,688					$ 7,257,688
2017 CO'S WATER	$ 12,882,169	$ -	$ -	$ -	$ -	$ 12,882,169
2018 CO'S SEWER	$ 13,281,343	$ 2,464,121				$ 15,745,464
ENTERPRISE FUND - WATER IMPROVEMENT	$ 1,263,600	$ 1,460,000	$ 1,184,305	$ 610,000	$ 610,000	$ 5,127,905
ENTERPRISE FUND - SEWER IMPROVEMENT	$ 1,754,404	$ 2,500,000	$ 2,500,000	$ 2,500,000	$ 2,500,000	$ 11,754,404
ENTERPRISE FUND - SANITATION OPERATION	$ 5,000					$ 5,000
ENTERPRISE FUND - AIRPORT IMPROVEMENT	$ 790,000	$ 57,410	$ 206,560	$ 232,760	$ -	$ 1,286,730
SUBTOTAL CITY FUNDS	**$ 45,392,112**	**$ 14,110,731**	**$ 7,736,065**	**$ 9,012,360**	**$ 5,793,200**	**$ 82,044,468**
OTHER FUNDING SOURCES						
FEMA	$ 183,675	$ -	$ -	$ -	$ -	$ 183,675
INSURANCE PROCEEDS - IKE	$ 90,000	$ -	$ -	$ -	$ -	$ 90,000
RECOVERY AND CAPITAL RESERVES	$ 754,815	$ 3,188,800	$ 2,089,561	$ -	$ -	$ 6,033,176
TIRZ 14	$ -	$ -	$ -	$ -	$ -	$ -
CDBG ROUND 2.2	$ -	$ -	$ -	$ -	$ -	$ -
TxDOT GRANTS	$ -	$ 574,100	$ 2,065,600	$ 2,327,600		$ 4,967,300
DONATIONS	$ -	$ -	$ -	$ -	$ -	$ -
GRANTS	$ -	$ -	$ -	$ -	$ -	$ -
SUBTOTAL OTHER FUNDING SOURCES	**$ 1,028,490**	**$ 3,762,900**	**$ 4,155,161**	**$ 2,327,600**	**$ -**	**$ 11,274,151**
FUTURE FUNDING SOURCES						
TAX SUPPORTED BONDS -Future	$ 25,009,502	$ 11,939,300	$ 579,000	$ 672,000	$ 545,800	$ 38,745,602
REVENUE SUPPORTED BONDS -Future	$ 15,045,615	$ 19,327,567	$ 27,768,333	$ 19,264,820	$ 36,967,670	$ 118,374,005
OPERATING CASH - Future	$ -	$ 1,110,000				$ 1,110,000
SUBTOTAL FUTURE FUNDING	**$ 40,055,117**	**$ 32,376,867**	**$ 28,347,333**	**$ 19,936,820**	**$ 37,513,470**	**$ 158,229,607**
TOTAL	**$ 86,475,719**	**$ 50,250,498**	**$ 40,238,559**	**$ 31,276,780**	**$ 43,306,670**	**$ 251,548,226**

Revised: 8/24/15

Exhibit "D"

IDC Budget FY 2019

	Total FY 18	Total FY 19	3190 918100 Beach	3191 918400 ED	3192 918500 Parks	3193 918600 Infra.
Operating Costs:						
Support Staff	50,000	50,000	12,500	12,500	12,500	12,500
Management	100,000	100,000	25,000	25,000	25,000	25,000
Legal	50,000	50,000	12,500	12,500	12,500	12,500
Coastal Resource Manager/Floodplain Admin.	75,672	75,672	75,672			
GIS Analyst/Specialist	73,327	73,327	18,331.75	18,331.75	18,331.75	18,331.75
Economic Dev. Coordinator	42,500	80,000		80,000		
Asst. Coastal Resource Manager	42,500	65,000	65,000			
Lasker Pool	250,000	400,000			400,000	
Little League Park	150,000	150,000			150,000	
Concrete Work Crew (Phases I & II)	369,000	369,000				369,000
Parks Work Crew (Phase III)	110,000	110,000			110,000	
Total Operating Costs:	1,312,999	1,522,999	209,004	148,332	728,332	437,332
Contractural Services:						
Consultant Services (531004)						
Legislative and Technical Services*	85,000	100,000	25,000	25,000	25,000	25,000
Beach Access Plan Consultant*	133,500	50,000	50,000			
Windstorm Consultant *	15,000	15,000		15,000		
Other Contracts (531125)						
Beach Profiles/Survey Contract *	264,500	165,000	165,000			
Post-Storm Survey *	163,305	165,000	165,000			
GEDP *	75,000	50,000		50,000		
Attorney's Fees (531006)	20,000	20,000	5,000	5,000	5,000	5,000
Total Contractual Services:	756,305	565,000	410,000	95,000	30,000	30,000
Promotional Expenses: (Capped at 10% of Total 4B Revenue approx. $500,000)						
Marketing (530014)						
GEDP Developer Conference *	10,000	10,000		10,000		
Target Marketing Initiatives *		75,000		75,000		
Advertising (Legal Notices)	2,000	2,000	500	500	500	500
Total Promotional Expenses:	12,000	87,000	500	85,500	500	500
Misc. Expenses:						
Meeting Expenditures (544032)	1,000	1,000	250	250	250	250
Economic Dev. Operating Expenses (1)		25,000		25,000		
Total Misc. Expenses:	**1,000**	**26,000**	**250**	**25,250**	**250**	**250**
Total Fiscal Year IDC Budget	**2,082,304**	**2,200,999**	619,754	354,082	759,082	468,082

(1) Economic Dev. Operating Expenses to include: Expenses for conferences, prospect development meetings, and memberships.

* Requires Board approval before expenditure

ORDINANCE NO. 18-064

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, LEVYING AD VALOREM TAXES IN THE AMOUNT OF 56 CENTS AND 1 MILLS ($0.561000) UPON EACH ONE HUNDRED DOLLARS ($100.00) OF PROPERTY VALUATION FOR THE CALENDAR YEAR 2018; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT.

WHEREAS, The City Charter, Article VIII, section 2, authorizes the City Council of the City of Galveston, Texas, to levy taxes upon taxable property situated within its corporate limits; and

WHEREAS, the Council deems it in the City's interest to levy a tax rate of 56 Cents and 1 Mill ($0.561000) upon each One Hundred Dollars ($100.00) of property valuation for the calendar year 2018;

WHEREAS, the Galveston County Tax Assessor Collector in her capacity as the Galveston City Tax Assessor Collector published a notice in the newspaper on August 25, 2018 of the City's effective and rollback tax rate calculation for tax year 2018;

WHEREAS, the City Council held a public hearing on the proposed tax rate on August 23, 2018;

WHEREAS, the Council at its meeting on September 20, 2018 adopted the FY 2018 Budget including revenue to be collected from a property tax rate of 56 Cents and 1 Mill ($0.561000) upon each One Hundred Dollars ($100.00) of property valuation for the calendar year 2018;

WHEREAS, Section 26.05(b)(1) of the State Tax Code requires that certain specific language be included in the ordinance adopting the tax rate;

WHEREAS, Section 26.05(b) of the State Tax Code requires that certain specific language be included in the motion to approve the ordinance adopting the tax rate; and

WHEREAS Section 26.05(b)(2) of the State Tax Code requires that certain specific language be included on the home page of the City's website after the ordinance is approved by a record vote of City Council.

WHEREAS the City desires to maintain transparency in its budgeting and taxation policies and practices

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

SECTION 1. That the findings and recitations set out in the preamble to this Ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. That the City Council of the City of Galveston, Texas, hereby levies a tax rate of 56 Cents and 1 Mill ($0.561000) upon each One Hundred Dollars ($100.00) of property valuation for the calendar year 2018.

SECTION 3. That the tax rate specified in the above Section 2 shall be levied upon all property, real, personal, or mixed that is not otherwise exempt from taxation pursuant to the Constitution or laws of the State of Texas, which is situated within the corporate limits of the City of Galveston, Texas, on January 1, 2018, as ad valorem taxes upon each One Hundred Dollars ($100.00) valuation of such property.

SECTION 4. That the tax rate of ($0.561000) as specified in the above Section 2 shall be applied at the following rates for the specified municipal purposes:

(1) General Purposes – 45 Cents and 85 Mill ($0.458500).
(2) Rosenberg Library Fund – 5 Cents ($0.05); and
(3) Debt Service Fund – 5 Cents and 25 Mill ($0.0525).

SECTION 5. That the Certificate for Ordinance, attached hereto as **Exhibit A** after adoption of the ordinance and incorporated herein for all intents and purposes, satisfies the Record Vote provision required by the Texas Tax Code § 26.05 (b), as amended by Senate Bill 18 adopted during the Regular Session of the 79th Legislature of the State of Texas.

SECTION 6. THE FOLLOWING STATEMENT IS INCLUDED AS REQUIRED BY STATE LAW: **"THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE."**

SECTION 7. "THE TAX RATE FOR MAINTENANCE AND OPERATIONS WILL BE RAISED BY 3.56 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $17.50."

SECTION 8. "THE TAX RATE FOR DEBT SERVICE WILL BE CUT BY 25% AND WILL CUT TAXES FOR DEBT SERVICE ON A $100,000 HOME BY APPROXIMATELY $17.50."

SECTION 8. That the City Manager is hereby directed to post the following notices on the homepage of the City of Galveston's Internet Website: "THE CITY OF GALVESTON, TEXAS, ADOPTED A TAX RATE THAT WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS FOR TAX YEAR 2018. THE TAX RATE FOR MAINTENANCE AND OPERATIONS WILL BE RAISED BY 3.56 PERCENT AND WILL RAISE TAXES FOR

MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $17.50. THE TAX RATE FOR DEBT SERVICE WILL BE CUT BY 25% AND WILL CUT TAXES FOR DEBT SERVICE ON A $100,000 HOME BY APPROXIMATELY $17.50."

SECTION 9. The City Council officially finds, determines, and declares that sufficient notice of the date, hour, place, and subject of each meeting at which this Ordinance was discussed, considered, or acted upon was given in the manner required by Chapter 551 of the Texas Government Code and Chapter 26 of the Texas Tax Code, and that each such meeting has been open to the public, as required by law, at all times during such discussion, consideration, and action. The City Council ratifies, approves, and confirms such notices in the contents and posting thereof.

SECTION 10. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance.

SECTION 11. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 12. In accordance with the provisions of Sections 12 and 13 of Article II of The City Charter, this Ordinance has been publicly available in the office of the City Secretary for not less than 72 hours prior to its adoption; that this Ordinance may be read and published by descriptive caption only.

SECTION 13. This Ordinance shall be and become effective from and after its adoption and publication in accordance with the provisions of The City Charter of the City of Galveston.

APPROVED AS TO FORM:

DONALD GLYWASKY
CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the City Council of the City of Galveston at a regular meeting held on the 13th day of September, 2018, as the same appears in records of this office.

IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this 18th day of September, 2018.

Secretary for the City Council
of the City of Galveston

ORDINANCE NO. 18-065

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, APPROVING AND ADOPTING THE FIVE-YEAR CAPITAL IMPROVEMENT PLAN FOR FY 2019-2023; AND MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATED TO THE SUBJECT.

WHEREAS, The City Charter, Article VII, section 6, requires the City Manager to submit to the City Council of the City of Galveston, Texas, a statement of capital projects planned for the next succeeding five (5) fiscal years, with estimates of their cost; and

WHEREAS, in July 2018, the City Manager presented to the City Council a proposed Capital Improvement Plan (CIP) for Fiscal Years 2018 through 2022: and

WHEREAS, on July 26th, 2018 the City Council of the City of Galveston, Texas, met in open session to receive information concerning the Capital Improvement Plan for Fiscal Year 2019 as a part of its annual budget review;

WHEREAS, the City Council has considered the input of the public and the recommendations of its staff and hereby determines it to be in the public interest to adopt a five-year Capital Improvement Plan for Fiscal Years 2019 through 2023 to service the public health, safety and general welfare of the taxpayers of the City; and

WHEREAS, a copy of the Capital Improvement Plan for Fiscal Years 2019 through 2023 has been made available for public review and comment in the Office of the City Secretary and on the City's web-site, and the City Council desires to adopt the same; and

WHEREAS, the City Council is anticipated to adopt the FY 2019 projects included in the Capital Improvement Plan as part of the City Budget with the passage of Ordinance No. 2018-XXX on September 13, 2018; and

WHEREAS, the FY 2019-2023 Capital Improvement Plan provides a general framework to guide project planning and financing over a five-year period; and

WHEREAS, the FY 2019-2023 Capital Improvement Plan is based on general priorities and available financing as can be anticipated at the present time; and

WHEREAS, the FY 2019-2023 Capital Improvement Plan includes all of the street and drainage projects included in the program presented to the voters and approved in the May 2017 bond election; and

WHEREAS, it is the intention of the City Council that the Capital Improvement Plan will be updated annually and include five years of planned and affordable projects while considering projects that have been completed in the prior fiscal year.

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. The certain compilation identified as the Proposed Capital Improvement Program for Fiscal Years 2019 through 2023, a copy of which has been and is on file in the Office of the City Secretary for and examination by the public, is hereby incorporated in full by this reference and is hereby adopted as the five-year capital improvement plan for the City of Galveston, Texas.

SECTION 3. The Capital Improvement Plan will be updated each year to recognize changes in the Plan as the result of completed projects, changes in project cost current financing capability of the City and the completion of all of the street and drainage projects presented to the voters in the May 2017 bond election by the end of FY 2023.

SECTION 4. The first year of the Capital Improvement Plan will be adopted each year as the capital budget for the current fiscal year through the annual budget ordinance.

SECTION 5. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

APPROVED AS TO FORM:

DONALD GLYWASKY
CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the City Council of the City of Galveston at a regular meeting held on the 13th day of September, 2018, as the same appears in records of this office.

IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this 18th day of September, 2018.

Secretary for the City Council
of the City of Galveston

CITY OF GALVESTON ★ 1839 ★

ORDINANCE NO. 19-007

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, AMENDING THE TOTAL OPERATING BUDGET FOR FISCAL YEAR ENDING SEPTEMBER 30, 2019, BY ADJUSTING VARIOUS BUDGET ACCOUNTS IN THE AMOUNT OF THIRTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS ($13,500,000) TO ADJUST AND PROPERLY RECORD FOR OPERATING TRANSFERS AND RECORDING EXPENDITURES IN CONNECTION WITH THE LEGAL SETTLEMENT WITH CDM SMITH; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on September 18, 2018, the Galveston City Council adopted Ordinance No. 18-063 authorizing an operating budget for Fiscal Year 2019; and

WHEREAS, pursuant to "The City Charter," the City Council has the power to transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another during the fiscal year; and

WHEREAS, since the adoption of the Fiscal Year 2019 budget, there has arisen a need to amend the Fiscal Year 2019 Operating Budget for the adjustment to various budget accounts to properly record settlement expenses; and

WHEREAS, the City Council finds it in the public interest to amend the total Fiscal Year 2019 Operating Budget by adjusting various budget accounts as outlined in **Attachments A, B, and C.**

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct, and they are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. The City Council hereby authorizes an amendment in the amount of thirteen million five hundred thousand dollars ($13,500,000) to the total Operating Budget for Fiscal Year 2019 as outlined in **Attachments A, B, and C;** incorporated herein for all intents and purposes.

a. General Fund unspent balances will be transferred to the Settlement and Capital Reserve Fund in the amount of $6,128,000;
b. Settlement and Capital Reserve Funds in the amount of $2,092,000 will be budgeted for settlement expense;
c. A total expense amount will be recorded in the Settlement and Capital Reserve Fund equal to $8,220,000 for the settlement;
d. A transfer of unappropriated fund balance from the Workers' Compensation Internal Service Fund will be made to the Casualty and Liability Internal Service Fund in the amount of $2,386,800; and

e. A total expense amount will be recorded in the Casualty and Liability Internal Service Fund in the amount of $5,280,000.

SECTION 3. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance.

SECTION 4. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 5. In accordance with the provisions of Sections 12 and 13 of Article II of the City Charter, this Ordinance has been publicly available in the Office of the City Secretary for not less than 72 hours prior to its adoption; that this Ordinance may be read and published by descriptive caption only.

SECTION 6. This Ordinance shall be and become effective from and after its adoption and publication in accordance with the provisions of the Charter of the City of Galveston.

APPROVED AS TO FORM

for

DONALD S. GLYWASKY
CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the City Council of the City of Galveston at a Regular Meeting held on the 24th day of January, 2019, as the same appears in records of this office.

IN TESTIMONY, WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this 28th day of January, 2019.

Janelle Williams

Secretary for the City Council
of the City of Galveston

10D
01/24/19

City of Galveston

Finance Department
PO Box 779 | Galveston, TX 77553-0779
| 409-797-3562

January 24, 2019

To: Brian Maxwell, City Manager
Honorable Mayor and City Council
From: Michael W. Loftin, Assistant City Manager for Finance

RE: Consider an ordinance amending the FY 2019 Budget to provide funds for a settlement with CDM Smith.

I. Background

A. This ordinance provides an amendment utilizing General Fund fund balance and departmental budget reduction along with internal service fund balances to pay a $13.5 million settlement expense.
B. The settlement is the result of a jury trial and a final judgement in Galveston County court ordering that Plaintiff CDM Smith receive a payment of $15,725,068.50 for costs associated with Hurricane Ike related housing repairs and prejudgement interest.
C. The settlement of $13.5 million was paid on December 31, 2918 after conferring with City Council in executive session on the method and sources of payment.

II. Current Situation

A. The amendment to the FY 2019 Budget provides funding for the settlement as follows:

FY 2019 Budget Reductions by Fund	Recommended Amounts Available
Insurance Internal Service Funds	
Casualty and Liability Fund Balance in excess of 90 days	$2,893,200
Workers Compensation Fund Balance in excess of 90 Days - Transfer to Casualty and Libility Fund	$2,386,800
Insurance Internal Service Fund Subtotal	**$5,280,000**
General Fund FY 2019 Budget Transfer to Settlements Fund	
Departmental Budget Reductions - Allow Unspent amounts to go to fund General Fund balance	$1,091,319
Reduce Transfer from General Fund to Hurricane Harvey fund	$1,300,000
Use Excess Fund Balance over 90 Days	$1,236,681
Use General Fund Balance Contingency	$2,500,000
General Fund Transfer to Settlement Fund Subtotal	**$6,128,000**
Settlement and Capital Reserve Fund	
Reallocate Capital Reserve to pay settlement	$2,092,000
Recovery and Capital Reserve Fund Subtotal	**$2,092,000**
GRAND TOTAL	**$13,500,000**

B. The amendment provides for:

COUNCIL APPROVED
DATE 1/24/19
SIG. [illegible]

1. Payments from Internal Service Funds established for insurance purposes in the amount of $5.28 million;
2. $1,091,319 in General Fund operating departments' FY 2019 Budget reductions, or approximately 2 percent of budget;
3. Reduced funding in the amount of $1.3 million from General Fund for Hurricane Harvey expenditures based on the latest project cost information;
4. Assignment of the General Fund Contingency of $2.5 million and excess fund balance in the amount of $1,236,681; and
5. $2,092,000 from the Settlement and Capital Reserve Fund (previously called the Recovery and Capital Reserve fund.

C. The amendment provides that the General Fund amounts will be transferred to the Settlement and Capital Reserve Fund, with the Settlement Fund providing a combined total of $6,220,000 for the payment to CDM.

D. The amendment provides for the balance of the payment to be made from the Casualty and Liability Fund Balance, including the excess fund balance from the Workers' Compensation Fund, in the total amount of $5.28 million.

III. Issues

A. The City reached a settlement with CDM rather than appeal and continue to incur the cost of post judgmenet interest as well as legal expenses.
B. The settlement is a general liability claim for the City, limiting the use of restricted or dedicated funds from enterprise funds or capital project funds to pay the necessary cost.
C. All affected fund balances are budgeted to remain at 90 days of operations.
D. No layoffs were necessary in General Fund departments.
E. The recommendation is to maintain the General Fund budget cuts and the projected underrun of current expenses versus revenue in preparation of the FY 2020 Budget. This approach will serve to rebuild the General Fund balance to its previous level in deliberate, planned way.

IV. Alternatives

A. City Council approves the proposed budget amendment.
B. City Council modifies the recommended funding sources to reduce more General Fund operating fund budget amounts and retain fund balances in excess of the 90 day reserve amount.

V. Recommendation

Concur in Alternative A.

Settlement and Release by and between
CDM Smith, Inc. and City of Galveston

This agreement is entered into between the City of Galveston, a municipality organized pursuant to the Constitution and Laws of the State of Texas (hereinafter referred to as "City") and CDM Smith, Inc. a Massachusetts corporation doing business in the State of Texas.

The purpose of this agreement is to settle Case No. 13-CV-0844, *CDM Smith, Inc. v. City of Galveston*, in the 56th Judicial District Court of Galveston County, Texas (Galveston County case) as well as certain claims pending between them in Case Number D-1_GN-13-002497 *General Land Office v. City of Galveston and CDM Smith, Inc.*, In the 201st Judicial District Court of Travis County Texas,

The suit involved the interpretation and application of the following listed agreements: a) the initial Agreement with the Texas Department of Housing and Community Affairs and the City of Galveston, Contract No. 70090008 (original, first amendment, and second amendment); b) re-designated GLO Contract with the City of Galveston Contract No. 10-5277-000-5283, (third amendment and fourth amendment. and the Agreement between City of Galveston and Camp Dresser & McKee, Inc. for Community Development Block Grant Management Services signed by City Manager Steve LeBlanc on October 27,2009 as amended (hereinafter the City Contract).

The purpose of this agreement is to finally resolve the litigation between the parties in accordance with the terms and provisions herein.

I. Resolution of the Galveston County case:

1) The parties agree:

a. A judgment in favor of CDM Smith for a total amount of Fifteen Million Seven Hundred Twenty Five Thousand Sixty Eight Dollars and Forty Nine Cents ($15,725,068.49) on November 1, 2018. The parties have agreed to settle that case for the amount of Thirteen Million Five Hundred Thousand Dollars ($13,500,000.00).

b. Payment of the aforementioned settlement amount shall be paid by December 31, 2018.

2) Upon payment by the City as provided in the previous paragraph, CDM will file with the Galveston District Clerk a Final Release and Satisfaction of Judgment which generally releases and forever discharges the City and its employees, officers, directors, successors, assigns, and attorneys, from any and all claims, demands, and causes of action of whatever kind or character arising out of the events alleged, or which could have been alleged in the Galveston County case, and/or the underlying agreement(s), which it now has or may have in the future against the City based on any events that have occurred or are alleged to have occurred prior to the date this Settlement Agreement is executed. Upon the filing of the Final Release and Satisfaction of Judgment, each party will file a notice with the Court withdrawing any motions each may have before the Court.

3) The City and CDM agree that jurisdiction and venue for any dispute related to the Release and Settlement Agreement between them will be in the 56th Judicial District Court in Galveston County, Texas before Judge Lonnie Cox in Cause No. 13-CV-0844, and all claims and defenses of immunity and exemption are waived as to causes of action and claims relating to the Settlement Agreement.

4) Subject to Paragraph 7 below, the City releases all claims and defenses, known or unknown, now and in the future, against CDM related to its work under the City Contract , including, but not limited to, any claims or defenses of overbilling, poor performance, insufficient staffing, prior material breach, misrepresentation, failure to insure or indemnify, lack of benefits received, form of invoices and task codes, setoff claims, Historic homes damages, duplication of effort claims, ineligibility of work or invoices under CDBG-DR guidelines or City or State laws or regulations, sovereign or governmental immunity or exemption, mutual mistake, fraud, ambiguity, failure of consideration, no duty, waiver, ratification, abandonment, unclean hands, and failure of any condition precedent or pay-if-paid clause, among other claims or defenses. This release also applies to City initiated audits and clawbacks. However the parties acknowledge an audit may be initiated by HUD and this Paragraph will not be operative to any clawback resulting from a HUD audit, or an audit done by the GLO at the request or direction of HUD.

5) Any breach of the Settlement Agreement by the City, including, but not limited to, any failure of the City to make timely payments to CDM, will require the City to pay CDM all of its attorneys' fees and costs incurred in this matter and to be incurred to enforce the Settlement Agreement and to collect the full amount of the

Final Judgment in the Galveston County case plus post-judgment interest accrued at the highest rate allowed by law on such amount.

6) The City will pay to CDM any amount it recovers from the GLO or the United Stated Department of Housing and Urban Development (HUD) or any third party for work performed by CDM under the City Contract that is in excess of the amounts paid or agreed to be paid to CDM under the Release and Settlement Agreement.

7) It is mutually agreed among the parties that, consistent with the provision in the contract that the obligation of CDM to repay any previously paid amounts in the event they are disallowed by the United States Department of Housing and Urban Development (HUD), shall continue in effect after this Settlement Agreement, and shall also apply any disallowance applied to the General Land Office (GLO). This obligation shall apply only to the previously paid amount of Eight Million Four Hundred Thousand Dollars ($8,400,000) during the conduct of the work by CDM as program administrator. This obligation of CDM shall apply in either the event of action by HUD to recover such previously paid amounts from the City or from GLO. Under this provision either the City or GLO may enforce the cited provision and directly recover any amounts of money which are repaid or required to be repaid to HUD.

8) The City will provide CDM a positive reference for the services it provided pursuant to the contract. A copy of the letter the City will issue in response to such a request is attached as Exhibit A. The City agrees that the failure to use this positive reference for CDM is a material breach and default by the City of the Settlement Agreement and will result in the remaining amount of the Final Judgment in the Galveston County case of $15,725,068.49 plus post-judgment interest accrued at the highest rate allowed by law on such amount being immediately due and payable to the CDM. No notice or demand by CDM shall be required for such a default by the City.

9) The City agrees that it will not make, issue, or publish future statements or communications concerning CDM or its performance contrary to the positive reference provided for in the previous paragraph. This provision is not violated by the production of public information as defined and required by the Texas Public Information Act Chapter 552 of the Texas Government Code in accordance with the provisions and procedures in the act.

10) Within three business days of receipt of payment, CDM will through it counsel, file with the 56th Judicial District of Galveston County a Release and Satisfaction of the Judgment entered in the Galveston County case.

II. Resolution of the Travis County case.

Case Number D-1_GN-13-002497 *General Land Office v. City of Galveston and CDM Smith, Inc.*, In the 201st Judicial District Court of Travis County Texas, will be resolved separately pursuant to dismissal detailed in a Rule 11 agreement filed by the parties prior to the execution of this agreement. Under that Rule 11 Agreement, CDM and City have agreed with the GLO to dismiss CDM and GLO employees from this case under the conditions therein described. A copy of that Rule 11 agreement is attached and its provisions incorporated herein as if fully set forth.

III. Miscellaneous Provisions

11) This Settlement Agreement shall be governed and construed in accordance with laws of the State of Texas, except that any conflict of law rule of that jurisdiction that may require reference to the laws of some other jurisdiction shall be disregarded.

12) The parties agree that this Settlement Agreement is entered into for settlement purposes only in order to avoid further trouble, cost, and expense, and it is further agreed that no party admits liability or damages to anyone other party as the result of the events that form the basis of the either suit, but expressly deny any and all such liability.

13) This Settlement Agreement has been prepared by the joint efforts of the respective attorneys for each of the parties.

14) If any provision of this Settlement Agreement is or may be held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless survive and continue in full force and effect without being impaired or invalidated in any way.

15) None of the parties to this Settlement Agreement have expressed any facts, representations, agreements, undertakings, or express or implied warranties, except as expressly contained in this Settlement Agreement.

16) The Settlement Agreement shall continue perpetually and shall be binding upon the parties and their heirs, successors, and assigns and shall inure to the benefit of the parties and their heirs, successors, and assigns.

17) This Settlement Agreement represents the entire agreement of the parties and supersedes all prior written or oral agreements, and the terms are contractual and not mere recitals.

18) This Settlement Agreement may be executed in multiple counterparts, each of which shall be deemed as an original, but all of which shall constitute one and the same instrument. A copy of this Settlement Agreement shall be as valid, binding, and enforceable as the original.

19) This Settlement Agreement may not be amended, altered, modified, or changed in any way except in writing signed by all the parties to this Settlement Agreement.

20) All titles, headings, and captions used in this Settlement Agreement have been included for administrative convenience only and do not constitute matters to be construed in interpreting this Settlement Agreement.

21) Each Party hereto acknowledges that it has been fully advised by counsel of its choosing as to the terms and provisions of this Settlement Agreement and each party understands and agrees that this Settlement Agreement is in compromise and settlement of disputed claims.

22) Each Party agrees to execute any further documents, including any declaration, oath, affidavit, confirmation or other instrument, necessary or appropriate to complete, effectuate or give full effect to the terms of this Settlement Agreement, notwithstanding the provisions set forth in Paragraph 8 above.

THE PARTIES EXPRESSLY WARRANT THAT THEY HAVE CAREFULLY READ THIS SETTLEMENT AGREEMENT AND ALL EXHIBITS ATTACHED TO THIS SETTLEMENT AGREEMENT, UNDERSTAND ITS CONTENTS, AND SIGN THIS SETTLEMENT AGREEMENT AS THEIR OWN FREE ACT.

IN WITNESS WHEREOF, the Parties have duly executed this Settlement Agreement, effective as of the date first above written.

CDM Smith, Inc.

By: Mario J. Mancuccio
Its: General Counsel & Senior Vice Pres.

Dated: December 29, 2018

The City of Galveston

By: [illegible] for Brian Maxwell
Its: City Manager

Dated: December 29, 2018

EXHIBIT A

FORM LETTER OF REFERENCE FOR CDM

Dear _____

This is in response to your request for a reference for CDM Smith. We understand you may retain CDM Smith to provide program management services related to your disaster management program. We are pleased to give this positive referral.

The City of Galveston utilized CDM Smith as its program administrator for the CDBG Disaster Recovery program. The primary goal of the program was to repair citizens' houses damaged or destroyed by Hurricane IKE. The City received its funding from the State first from the Texas Department of Housing and Community Affairs. Due to some issues at the state level, the funding agency was changed to the General Land Office.

Unfortunately for the City of Galveston and CDM, the state's administration was sometimes chaotic. The TDHCA, the GLO and other state agencies changed program guidelines several times during the program, requiring additional work to be done with each change and requiring more time to accomplish it. Because of the resulting delays caused by the state, the City had determined to extend its contract with CDM beyond its expiration date. Instead, for whatever reason, the state dictated to the City that it not renew the CDM contract or lose all program funding.

From the City's point of view, CDM Smith implemented an effective program to screen applicants and ensure they met federally mandated guidelines. They were instrumental in developing specifications for the repair of houses and assisted in the procurement of contractors to perform the work. We are quite sure that but for the interference of the state in the administration of the program, that CDM would have successfully completed the program for the City; as it was they performed professionally and effectively under very difficult circumstances.

As the years have gone by and similar programs have been instituted across the country, some of the procedural issues which dogged the Galveston program have been resolved. We know no reason why you would not choose CDM as your administrator; we are sure they will serve you well. But no matter what course you determine to pursue we wish you the greatest success.

Case No. D-1-GN-13-002497

GENERAL LAND OFFICE	*	IN THE DISTRICT COURT OF
	*	
Plaintiff	*	
	*	
v.	*	TRAVIS COUNTY TEXAS
	*	
CITY OF GALVESTON AND CDM SMITH, INC.	*	
	*	
	*	
Defendants	*	201st JUDICIAL DISTRICT

RULE 11 AGREEMENT

TO THE HONORABLE COURT:

Come now the Parties, the General Land Office (GLO), the City of Galveston (City) and CDM Smith, Inc. (CDM), and, pursuant to Tex.R.Civ.Pro. Rule 11, file this Agreement to provide for the dismissal of claims with prejudice by the GLO and the City against CDM; by CDM against the GLO and the City; and by CDM and the City against GLO officials and employees in their official and/or individual capacities, whether or not now named and/or currently employed by the GLO. The parties agree to the partial disposition of this case as follows:

1) CDM and the City contemplate a settlement agreement being reached and a final payment being made by the City to CDM in complete satisfaction of a judgment rendered in a related case identified as Case No. 13-CV-0844, CDM Smith Inc. v. City of Galveston, in the 56th Judicial District of Galveston County, Texas (the "Galveston County case"). Upon such final payment, CDM will file a Notice of Full Release and Satisfaction of Judgment with the 56th Judicial District Court of Galveston County effecting final and complete settlement and dismissal of that case as provided by the parties thereto in a separate settlement agreement.

2) Upon receipt by both the GLO and the City of a copy of the Notice of Full Release and Satisfaction of Judgment filed by CDM with the 56th Judicial District Court of Galveston County, the Parties will jointly file a notice of nonsuit with prejudice of any and all claims presented or which could be presented in the instant litigation a) by or against CDM and b) against any and all GLO officials and employees in their official and/or individual capacities, whether or not currently employed by the GLO, including, but not limited to: Jorge Ramirez, Maureen Mahoney, Pete Phillips, Mark Havens and David Repp. The City further stipulates and agrees that it will not add any GLO officials or employees as defendants in either their official or individual capacities. The Parties acknowledge that the Travis County case will continue between the City and the GLO, that the GLO's pending motion to lift temporary stay and/or abatement for the limited purposes of pursuing sanctions will survive the contemplated dismissal with prejudice of CDM from the Travis County case and that the GLO will not file additional motions seeking any relief from CDM for conduct prior to the date of this Rule 11 Agreement.

3) Consistent with the provision in the Agreement between the City and CDM for Community Development Block Grant

Disaster Recovery Management Services signed by Galveston City Manager Steve LeBlanc on October 27,2009, as amended. it is mutually agreed among the Parties that the obligation of CDM to repay any previously paid CDBG-DR funds in the event they are disallowed by the United States Department of Housing and Urban Development (HUD). shall continue in effect, and shall also apply to any disallowance applied to the GLO by HUD. This obligation shall apply only to the previously paid amount of Eight Million Four Hundred Thousand Dollars ($8.400.000) during the conduct of the work by CDM as program administrator. This obligation of CDM shall apply in the event of action by HUD to recover such previously paid amounts by HUD from the City or from the GLO. Under this provision either the City or the GLO may enforce the cited provision and directly recover any amounts previously paid by HUD which are repaid or required to be repaid to HUD.

Signed by the parties through their respective counsel as follows on this the dates indicated next to their signatures below on separate signature pages.

SIGNATURE PAGES FOLLOW

For the General Land Office

Mark Osborn with permission and for Mitzi Shannon

Mitzi Shannon
State Bar Number 20328100
KEMP SMITH LLP
221 North Kansas, Suite 1700
El Paso, Texas 79901
915 533 4424

For the City of Galveston:

Lowell Denton
State Bar Number 05764700
Denton Navarro Rocha & Bernal PC
2517 N. Main Avenue
San Antonio, Texas 78212
210 227 3242

For CDM Smith, Inc.

Roland Garcia
State Bar Number 07645250
Greenberg Traurig, LLP
1000 Lousiana. Suite 1700
Houston, Texas 77002
713 374 3500

ORDINANCE NO. 19-041

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, AMENDING THE TOTAL OPERATING BUDGET FOR FISCAL YEAR ENDING SEPTEMBER 30, 2019, BY ADJUSTING VARIOUS BUDGET ACCOUNTS IN THE AMOUNT OF ONE MILLION THREE HUNDRED SEVENTY FOUR THOUSAND FIVE HUNDRED NINETY-ONE DOLLARS ($1,374,591), TO ADJUST AND PROPERLY RECORD FOR EXPENDITURES IN CONNECTION WITH CARRY OVER APPROPRIATIONS FROM PRIOR FISCAL YEARS INCLUDING THE PURCHASE OF WATER METERS, VEHICLES, UPDATE OF SALARY COMPENSATION STUDY, POLICE PENSION INCREASE AND INELIGIBLE CDBG EXPENSE RELATED TO THE CANTERA SETTLEMENT; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on September 18, 2018, the Galveston City Council adopted Ordinance No. 18-063 authorizing an operating budget for Fiscal Year 2019; and

WHEREAS, pursuant to "The City Charter," the City Council has the power to transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another during the fiscal year; and

WHEREAS, on January 24, 2019, the Galveston City Council approved the first amendment to the Fiscal Year 2019 Operating Budget to adjust and properly record unforeseen expenses in connection with the legal settlement with CDM Smith; and

WHEREAS, since the adoption of the Fiscal Year 2019 budget, there has arisen a need to amend the Fiscal Year 2019 Operating Budget for the adjustment to various budget accounts to properly record settlement expenses; and

WHEREAS, the City Council finds it in the public interest to amend the total Fiscal Year 2019 Operating Budget by adjusting various budget accounts as outlined in **Attachments A, B, and C.**

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct, and they are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. The City Council hereby authorizes an amendment in the amount of one million three hundred seventy-four thousand five hundred ninety-one dollars ($1,374,591) to the total Operating Budget for Fiscal Year 2019 as outlined in **Attachments A, B, and C;** incorporated herein for all intents and purposes.

SECTION 3. Section 5 of Ordinance 18-063 shall be amended to read: "That the Waterworks and Sewer System funds previously reflected as separate funds is adopted in this ordinance and is hereby to be known as the Combined Utility System Fund as shown in Exhibit "A." This consolidation shall also be reflected as such in the final Comprehensive Annual Financial Report for Year 2018 when presented. *The City Manager is hereby authorized to manage the liquid assets of the Combined Utility System Fund in accordance with the City Charter, code of ordinances, generally accepted accounting, principles, and City policy as required to ensure smooth and efficient financial operations of the City."*

SECTION 4. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance.

SECTION 5. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 6. In accordance with the provisions of Sections 12 and 13 of Article II of the City Charter, this Ordinance has been publicly available in the Office of the City Secretary for not less than 72 hours prior to its adoption; that this Ordinance may be read and published by descriptive caption only.

SECTION 7. This Ordinance shall be and become effective from and after its adoption and publication in accordance with the provisions of the Charter of the City of Galveston.

APPROVED AS TO FORM

for

DONALD S. GLYWASKY
CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the City Council of the City of Galveston at a Regular Meeting held on the 25th day of July, 2019, as the same appears in records of this office.

IN TESTIMONY, WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this 26th day of July, 2019.

Secretary for the City Council
of the City of Galveston

ATTACHMENT A
Budget Amendment #2
FY2019

FY19 Budget Compliance	
OPERATING BUDGET SUMMARY	
FROM:	
GENERAL FUND	
Governmental Expenditures	
Transfer to Hurricane Harvey (Local match)	$47,848
Operating Budget Subtotal	**$47,848**
SPECIAL REVENUE FUNDS	
Hurricane Harvey Fund	
General Fund - Streets (Budget overstated)	930,000
Pension Reform Fund	
Transfer to General Fund to cover police pension increase to 17% beginning Janaury 2019	$204,743
Special Revenue Transfer Subtotal	**$1,134,743**
ENTERPRISE FUNDS	
Waterworks - Other Expenses	
New Debt Service (Budget overstated)	192,000
Enterprise Fund Transfer Subtotal	**$192,000**
GRAND TOTAL TRANSFERS	$1,374,591

FY19 Budget Compliance	
OPERATING BUDGET SUMMARY	
TO:	
GENERAL FUND	
Streets	
Police	
Police pension increase to 17% beginning January 2019	$204,743
Governmental Expenditures	
Appraisal Refund (CDBG-Cantera Settlement (ineligible)	$23,873
Salary Compensation Study (Not budgeted in FY2019)	$23,975
Operating Budget Subtotal	**$252,591**
SPECIAL REVENUE FUNDS	
Special Revenue Transfer Subtotal	**$0**
ENTERPRISE FUNDS	
Waterworks - Utility Billing	
Minor Equipment (Carry over meter purchases)	40,000
Waterworks - Distribution	
Vehicle Capital Outlay (Carry over from FY2018)	152,000
Sewer System - Utility Billing	
Minor Equipment (Carry over meter purchases)	40,000
Sewer System - Collection	
Vehicle Capital Outlay (Carry over from FY2018)	710,000
Drainage Utility	
Vehicle Capital Outlay (Carry over from FY2018)	180,000
Enterprise Fund Transfer Subtotal	**$1,122,000**
GRAND TOTAL TRANSFERS	$1,374,591

ATTACHMENT B
Budget Amendment #2
FY2019

Charter Budget Growth Limit Compliance Page
Comparative Summary of Expenditures
Total Operating Expenditure Budget
(Modified Accrual)

Funding Source	Amended Budget 2018	Adopted Budget 2019	Budget Amendment #1	Budget Amendment #2	Amended Budget 2019
Police	$19,573,771	$20,668,629	($413,000)	$204,743	$20,460,372
Fire	11,180,084	11,627,858	(158,589)	0	11,469,269
Emergency Management	257,569	247,763	(5,031)	0	242,732
Emergency Medical Service	566,400	566,200	0	0	566,200
Special Events	0	0	0	0	0
City Marshal	59,187	63,249	0	0	63,249
Streets	1,808,164	1,846,550	(12,186)	0	1,834,364
Traffic	2,103,584	2,097,682	(66,943)	0	2,030,739
Administration	864,544	970,971	0	0	970,971
Parks and Parkways	1,996,277	2,021,725	(63,558)	0	1,958,167
Planning	1,173,643	914,214	(80)	0	914,134
Code Enforcement	744,064	758,751	(608)	0	758,143
Building Inspection	632,839	672,039	(60,104)	0	611,935
Coastal Management	20,273	0	0	0	0
City Secretary	547,175	536,270	(11,000)	0	525,270
Elections	70,000	68,000	(1,000)	0	67,000
Municipal Court	764,670	667,871	(13,000)	0	654,871
City Manager	762,019	682,997	(14,000)	0	668,997
City Auditor	278,563	274,851	(5,500)	0	269,351
Legal	878,554	928,227	(19,000)	0	909,227
Human Resources	557,574	555,375	0	0	555,375
Transportation	915,000	600,000	(13,626)	0	586,374
Administration	297,269	368,569	(73,350)	0	295,219
Accounting	865,653	876,023	(82,671)	0	793,352
Purchasing	271,517	243,907	0	0	243,907
Budget	292,950	374,947	(78,073)	0	296,874
Taxation	265,449	270,000	0	0	270,000
Facility Maintenance	1,613,051	1,448,170	0	0	1,448,170
COLA Increases	254,000	250,933	0	0	250,933
Contractual Services	130,147	231,002	0	47,848	278,850
Vehicle Purchases	1,312,411	750,000	0	0	750,000
Capital Purchases	235,000	285,000	0	0	285,000
Fund Balance Contingency	1,953,547	2,500,000	(2,500,000)	0	0
Transfer to Separation Pay Fund	416,160	416,160	0	0	416,160
Transfer to Infrastructure Fund	3,275,010	3,912,769	0	0	3,912,769
Transfer to Pension Reserve Fund	393,487	0	0	0	0
Transfer to Hurricane Harvey	2,446,453	1,576,876	(1,300,000)	(47,848)	229,028
Surplus Transfer Out	0	0	1,236,681	0	1,236,681
Transfer to Settlement & Capital Reserve Fund	0	0	4,891,319	0	4,891,319
Total General Fund	$59,776,058	$60,273,578	$1,236,681	$204,743	$61,715,002
Special Revenue Funds:					
Rosenberg Library	$2,853,700	$2,874,500	$0	$0	$2,874,500
Seawall Parking	1,406,904	1,458,761	0	0	1,458,761
Convention Center Surplus	3,566,294	3,784,728	0	0	3,784,728
HOT 1/8 Historical Buildings	982,784	1,215,476	0	0	1,215,476
City Council Projects & Initiatives Program	1,810,323	753,163	0	0	753,163
Infrastructure Fund	7,731,638	7,674,620	0	0	7,674,620
Separation Pay Fund	474,360	474,360	0	0	474,360
Public Access Channel Fund	848,228	1,041,238	0	0	1,041,238
Parking Management Fund	1,026,179	1,252,553	0	0	1,252,553
Lasker Pool Fund	684,035	716,216	0	0	716,216
Pension Reform Fund	2,630,194	1,003,173	0	(204,743)	798,430
Revenue Producing Parks	0	241,330	0	0	241,330
Pocket Park One	69,499	0	0	0	0
Pocket Park Two	79,499	0	0	0	0
Asset Forfeiture Fund	247,749	135,037	0	0	135,037
Police Special Revenue Fund	97,643	118,743	0	0	118,743
Police Quartermaster Fund	86,660	91,010	0	0	91,010
Alarm Permit Fund	151,787	118,746	0	0	118,746
Fire Special Revenue Fund	54,002	45,046	0	0	45,046
Fund Balance - Budgeted but unappropriated	74,725	49,410	0	0	49,410
Municipal Court Technology Fund	116,667	137,709	0	0	137,709
Municipal Court Juvenile Services Fund	161,854	179,610	0	0	179,610
Settlement and Capital Reserve Fund	5,058,636	5,066,979	6,128,000	0	11,194,979

ATTACHMENT B
Budget Amendment #2
FY2019

Technology Improvement Fund	968,091	1,286,438	0	0	1,286,438
Total	$31,181,451	$29,718,845	$6,128,000	($204,743)	$35,642,103

ATTACHMENT B
Budget Amendment #2
FY2019

Debt Service Fund	$4,055,409	$5,192,812	$0	$0	$5,192,812
Enterprise Funds:					
Waterworks	$22,619,658	$22,992,579	$0	$0	$22,992,579
Sewer	16,042,438	15,938,984	0	750,000	16,688,984
Drainage Utility	3,030,237	3,557,790	0	180,000	3,737,790
Sanitation	6,923,296	7,411,185	0	0	7,411,185
Airport	1,905,550	1,707,109	0	0	1,707,109
Total	$50,521,179	$51,607,647	$0	$930,000	$52,537,646
Operating Transfer Out	($6,531,110)	($5,905,805)	($4,828,000)	$47,848	($10,685,957)
Grand Total	$139,002,987	$140,887,078	$2,536,682	$977,848	$144,401,606

Amount of growth under 7% cap $5,398,619

Fund Balance - Budgeted but Unappropriated

*Percent increase in the City's operating budget 3.88%

Not subject to the 7% budget cap

Internal Service Fund	Amended Budget 2018	Adopted Budget 2019	Budget Amendment #1	Budget Amendment #2	Amended Budget 2019
Central Services	$3,367,435	$4,429,705	$0	$0	$4,429,705
Casualty & Liability Insurance	$2,030,399	2,150,266	5,280,000	0	7,430,266
Workers' Compensation Insurance	$606,554	425,619	0	0	425,619
Health and Life Insurance	$8,039,000	9,060,000	0	0	9,060,000
Central Garage	$5,297,949	5,373,842	0	0	5,373,842
Capital Projects	$0	0	0	0	0
SubTotal	$19,341,337	$21,439,432	$5,280,000	$0	$26,719,432
Operating Transfer Out	$0	$0	($2,386,800)	$0	($2,386,800)
Total Internal Service Fund	$19,341,337	$21,439,432	$2,893,200	$0	$24,332,632

Grant Funds	Amended Budget 2018	Adopted Budget 2019	Budget Amendment #1	Budget Amendment #2	Amended Budget 2019
Island Transit	$4,387,686	$4,423,785	$0	$0	$4,423,785
Hurricane Harvey	3,818,564	2,510,952	0	(930,000)	1,580,952
Total	$8,206,250	$6,934,737	$0	($930,000)	$6,004,737

ATTACHMENT C
Budget Amendment #2
FY2019

General Fund - Governmental Expenditures - Fund Balance Contingency	
Adopted Budget	**2,500,000**
Funding transferred to Operating Transfer Out to cover CDM Settlement.	(2,500,000)
Subtotal General Fund	**0**
Amended Budget for City Council Contingency	**$0**

Glossary

ACCOUNTS PAYABLE – A liability account reflecting amounts on open accounts owing to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).

ACCOUNTS RECEIVABLE – An asset account reflecting amounts owing to open accounts from private persons or organizations for goods and services provided by a government.

ACCRUAL BASIS – The basis of accounting under which transactions are recognized when they occur regardless of the timing of related cash flows.

ADOPTED BUDGET - The budget approved by City Council and enacted via a budget appropriation ordinance.

AD VALOREM TAX - Tax on property imposed at a rate percent of the value as stated in an invoice (also known as "property tax").

APPRAISED VALUE - To make an estimate of value as related to property.

APPROPRIATION - A specific amount of money authorized by City Council to make expenditures and incur obligations for specific purposes, frequently used interchangeably with "expenditures".

ASSESSED VALUATION - A valuation set upon real estate or other property by a government as a basis for levying taxes. The Galveston Central Appraisal District establishes property valuation.

AUDIT - A comprehensive examination as to the manner in which the government's resources were actually utilized, concluding in a written report. A financial audit is a review of the accounting system and financial information to determine how governmental funds were spent and whether expenditures were in compliance with the legislative body's appropriations. A performance audit consists of a review of how well the government met its stated goals.

BALANCE SHEET – The basic financial statement which discloses the assets, liabilities, and equities of an entity at a specified date in conformity with GAAP.

BALANCED BUDGET - A budget in which estimated revenues equal estimated expenditures.

BOND - A written promise to pay a specific sum of money, called the face value or principal amount, at a specific date or dates in the future, called the maturity date, together with periodic interest at a specific rate.

Glossary

BUDGET - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Prepared for adoption and approval by the City Council. This budget is for the period of October 1 to September 30, which is the same as the fiscal year.

BUDGET CALENDAR - The schedule of the key dates or milestones, which the City departments follow in preparation, adoption, and administration of the budget.

CAPITAL EQUIPMENT - Equipment with a value in excess of $5,000 and an expected life of more than two years.

CAPITAL IMPROVEMENT PROGRAM – A plan for capital expenditures to be incurred each year over a fixed period of several future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount and the method of financing.

CAPITAL OUTLAY - Expenditures, which result in the acquisition of an addition to fixed assets.

CAPITAL PROJECTS FUND - A fund created to account for financial resources to be used for the acquisition or construction of major facilities or equipment.

CASH ACCOUNTING - A basis of accounting in which transactions are recorded when cash is either received or expended for goods and services.

CASH MANAGEMENT - The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest interest and return available for temporary cash balances.

CDBG – Community Development Block Grant – An entitlement grant program authorized by the federal government. The entitlement program is based upon a formula, which includes the City's population.

CERIFICATES OF OBLIGATION (CO'S) – Debt instruments secured by the ad valorem taxing power of a city. They do not require voter authorization and usually are issued to obtain short term financing.

CODING – The system of numbering to designate funds, departments, divisions, etc. in such a manner that the number quickly reveals certain required information. Example: organization – 151330 – Finance
Administration. The first three numbers (151) are finance and the last three numbers (330) are administration.

Glossary

CONTINGENCY – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

CONTRACTUAL SERVICES – Amounts paid for services rendered by organizations or personnel.

CURRENT ASSETS – Those assets which are available or can be made readily available to finance current operations or to pay current liabilities. Those assets which will be used up or converted into cash within one year.

CURRENT LIABILITIES – Debt or other legal obligation arising out of transactions in the past that must be liquidated, renewed, or refunded within on year.

CURRENT TAXES - Taxes levied and becoming due within one year.

DEBT SERVICE REQUIREMENTS – The amount of revenue, which must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.

DELINQUENT TAXES – Taxes remaining unpaid on and after the date on which a penalty for nonpayment is attached.

DEPARTMENT – A major administrative division of the City.

DEPRECIATION – The portion of the cost of a fixed asset, which is charged as an expense during the fiscal year. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset and each period is charged with a portion of such cost. The entire cost of the asset is ultimately charged off as an expense through this process.

DIVISION – Functional or activity separation of a department.

ENCUMBRANCES – Commitments related to unperformed (executory) contracts for goods or services.

ENTERPRISE FUND - A fund established to account for operations that are financed and operated in a manner similar to private business enterprise – where the intent is that the costs of providing goods or services to the general public on a continual basis to be financed or recovered primarily through user charges.

ESTIMATED REVENUES – The amount of revenues necessary to fund expenditures based on prior history and analysis of charges and fees assessed.

EXPENDITURE – The outflow of funds paid or to be paid for an asset or goods and services obtained regardless of when the expense is actually paid.

EXPENSE – Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges.

Glossary

FISCAL YEAR - A period at the end of which and for which financial statements are prepared. The City's fiscal year is October 1 through September 30.

FIXED ASSETS – Assets over $5,000 which are intended to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

FRANCHISE - A special privilege granted by a government permitting the continued use of public property and is usually involvements of monopoly and regulation.

FUNCTION – Expenditure classification according to the specific lines of work performed by organization units.

FUND – A fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE – Current assets in excess of current liabilities in all funds.

GAAP – GENERALLY ACCEPTED ACCOUNTING PRINCIPLES – Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. The primary authoritative body on the application of GAAP to state and local governments is the GASB.

GASB – GOVERNMENTAL ACCOUNTING STANDARDS BOARD – The board is a private, nonprofit organization consisting of seven board members and a full-time staff. GASB is funded by the Financial Accounting Foundations, a nonprofit entity that exercises general oversight over the financial reporting of public entities.

GENERAL FUND – The fund used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION BONDS – Bonds that finance a variety of public projects such as streets, buildings and improvements. The repayment of these bonds is usually made from property taxes and is backed by the full faith and credit of the issuing government.

GFOA GOVERNMENT FINANCE OFFICERS ASSOCIATION - A professional association of state and local finance officers in the United States that has served the public finance profession since 1906.

GOVERNMENTAL FUNDS – Funds through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for in the Governmental Funds.

GRANTS - Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

Glossary

INTERNAL SERVICE FUND - A fund used to account for the financing of goods or services provided by one department to other departments of a government on a cost reimbursement basis.

MATERIALS & SUPPLIES – Purchase of expendable goods.

MODIFIED ACCRUAL – The accrual basis of accounting adapted to the governmental fund type spending measurement focus. Under it, revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period". Expenditures are recognized when the related fund liability is incurred.

NET INCOME – Proprietary fund excess of operating revenues, non-operating revenues, and operating transfers in over operating expenses, non-operating expenses, and operating transfers out.

OPERATING BUDGET – Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending, and service delivery activities of a government are controlled. Law usually requires the use of annual operating budgets.

OPERATING TRANSFERS – Legally authorized transfers from a fund receiving revenue to the fund through which the resources are expended.

ORDINANCE – A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges universally require ordinances.

OTHER FINANCING SOURCES – Governmental fund general long-term debt proceeds, operating transfers out, and material proceeds of fixed asset dispositions. Such amounts are classified from revenues.

PAY GRADE – The division of payroll into incremental steps. Special categories include C/A (Council Approved), CMA (City Manager Approved), CS (Civil Service), and C/B (Collective Bargaining).

PERSONAL SERVICES - Payment of payroll services that includes salaries and fringe benefits.

PROJECTED EXPENSE – The estimate of the expenditures for the fiscal year based on expenditures through six months for the purpose of obtaining a projected fund balance.

PROPERTY TAX – Taxies levied on both real and personal property according to the property's valuation and the tax rate.

Glossary

PROPRIETARY FUNDS – Funds accounted for on a flow of economic resources measurement focus. The accounting objectives are a determination of net income, financial position and changes in cash flow. All assets and liabilities associated with a Proprietary Fund's activities are included on its balance sheet. Proprietary Fund equity is segregated into contributed capital and retained earnings.

RESERVE – An account used to earmark a portion of fund equity as legally segregated for a specific future use.

RESIDUAL EQUITY TRANSFERS – non-recurring or non-routine transfers of equity between funds.

RETAINED EARNINGS – An equity account reflecting the accumulated earnings of an Enterprise or Internal Service Fund.

REVENUE – Increases in governmental fund type net current assets from other than an expenditure refund and/or residual transfer.

REVENUE BONDS - Earnings of an Enterprise Fund pay for interest, principal and related expenditures on these bonds.

SALES TAX – A general "sales tax" is levied on persons and businesses selling merchandise or services in the city limits on a retail basis. State law defines the categories for taxation. Monies collected under administration, operations, maintenance, and financing related debt service.

SPECIAL REVENUE FUND – A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

TAX RATE – The amount of tax stated in terms of a unit of the tax base.

TAX RATE LIMIT - The maximum rate at which a government may levy a tax.

TRADITIONAL BUDGET - The budget of a government wherein expenditures are based entirely or primarily on objects of expenditures.

TRANSMITTAL LETTER – A general discussion of the proposed budget as presented in writing by the City Manager to the City Council, explaining the basis of the budget, management policies, overview, and financial condition of the city, significant changes, and future impact.

UNENCUMBERED BALANCE - The amount of an appropriation that is neither expended, nor encumbered. It is essentially the amount of money still available for future purchases.

WORKING CAPITAL – The amount that total current assets exceed total liabilities.

CITY OF GALVESTON

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