



CITY OF PORT LAVACA

ANNUAL BUDGET

FISCAL YEAR

2015-2016



CITY OF PORT LAVACA

**202 N. Virginia
Port Lavaca, Texas 77979
361-552-9793**

www.portlavaca.org

CITY OF PORT LAVACA, TEXAS

ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2015-2016

This budget will raise less property taxes than last year's budget by \$20,661 (.57%), and of that amount, \$18,430 is tax revenue to be raised from new property added to the tax roll this year.

City Council Voted on September 14, 2015

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

Record of Vote	Adopted of Budget	Ratification of Property Tax Increase	Setting of Property Tax Rate
Mayor Jack Whitlow*	Not Voting	Not Voting	Not Voting
Mayor Pro-Tem Ken Barr	X	N/A	X
Jerry Smith	X	N/A	X
Tim Dent	X	N/A	X
Lee Rivera	X	N/A	X
Rosie Padron	X	N/A	X
Jim Ward	X	N/A	X

*Note: Mayor Jack Whitlow only votes in the event of a tie.

Tax Rate Information	Adopted FY 2014-2015	Adopted FY 2015-2016
Property Tax Rate	.7900	.7900
Effective Rate	.7713	.7996
Effective M&O Tax Rate	.6908	.7219
Debt Rate	.0805	.0777
Rollback Tax Rate	.8459	.8706

Debt service requirements for the City of Port Lavaca are currently \$.0777 of the current **adopted** property tax rate of **\$.7900**. Even though the City has six outstanding general obligation debt issues, the 2012 is the only issue paid by property taxes. At the end of Fiscal Year 2015-2016, outstanding general obligation bond and certificates of obligation bonds will be \$7,965,000 however, only \$2,180,000 is currently supported by property taxes.

The 15-16 Debt Service Requirement to be paid by property taxes is \$327,096. See Debt rate (.0777) requirement above.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Port Lavaca
Texas**

For the Fiscal Year Beginning

October 1, 2014

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Port Lavaca, Texas for its annual budget for the fiscal year beginning October 1, 2014. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

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

How to use this Book

We understand how difficult it can be to find what you're looking for in such a complex document. We've made every effort to provide an easy way to navigate through this document to areas of interest.

The City of Port Lavaca's Annual Budget is divided into the following eleven (11) sections:

Budget Message

This section contains the City Manager's Budget Transmittal Letter and a summary narrative of the budget plan.

City Profile

This section provides our organizational chart, the City's history and information about our City today.

Budget Summaries

This section depicts the "big picture" of city wide revenue and expenditures, reflects the changes in fund balance or working capital for each budgeted fund and provides comparison to prior year.

Revenue Assumptions and Trends

This section provides revenue descriptions, trends and assumptions for major revenue line items. Detailed revenue information can be found within each respective fund.

General Fund

The General Fund is the general operating fund of the City. This section provides a three (3) year comparative summary and detailed information for revenue and expenditures. You will also find each operating department's mission, upcoming goals, budget history, performance measures and major additions related to the General Fund.

Enterprise Funds

This section provides a three (3) year comparative summary and detailed information for revenue and expenditures. You will also find each department's mission, upcoming goals, budget history, performance measures and major additions related to the Public Utility, Beach and Port Commission Funds.

Special Revenue Funds

This section includes special revenues such as the Hotel/Motel, Forfeiture, Building Security, Economic Development Fund, Redflex Traffic, Court Technology Fund and Juvenile Case Manager Fund. These funds are legally restricted for certain purposes.

Capital

This section provides current year capital expenditures and projects for all major funds and the City's Five Year Capital Improvement Plan.

City Wide Debt

This section provides summary and detailed information on all debt issued and each annual debt service obligation by fund.

Statistical Information

This section provides statistical and historical information.

Appendix

This section provides the City's budgetary and financial policies, personnel staffing and compensation plan, glossary of terms, acronyms and index.

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Contributors

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BUDGET MESSAGE





Mayor and Council Members
City of Port Lavaca

Dear Mayor and Council Members,

You have heard me quote often over the last five years from the book “Good to Great” by Jim Collins. I consider it to be one of the best books on personal and organizational management that I have ever read. As I prepare my final budget message for the City of Port Lavaca, I will quote from the book one more time.

Good is the enemy of great. Often times we are unable to become great because we stop at good. We need to push ourselves and stretch beyond the norm if we ever expect to become better. There is absolutely no evidence that an organization that went from good to great invested more time and energy in developing a strategy or in long-range planning. The secret to success seems to be in simplicity.



Three simple questions provide the basis for our ability to grow to our full potential.

1. What can we be the best in the world at doing? We do not need a plan to be the best; we need an understanding of what we can be the best at doing. For staff this is defined by one word—PRIDE. We can be the best in the world at promoting our City. We have a passion for our community; we are responsible for treating all citizens with respect; we will lead with integrity; we all desire to make things better; and we will set the right example for all.
2. What drives our resource engine? Budgeted funds of our City are divided into two categories: governmental funds and proprietary funds. Government funds are supported with taxes, primarily property tax and sales tax, while proprietary funds are supported by user charges. Taxing entities like the City that operate on public funding must employ political skill and cultivate public support. Our resource engine is driven by our ability to ensure the needs of our citizens are adequately served (we must listen) and that we provide a service that produces confidence in our actions (we must be trusted).
3. What are we deeply passionate about? Let me clarify this statement. We did not make a decision to get passionate about what we do. We made the decision to only do things we could get passionate about. We want to see Port Lavaca continue to grow and be a destination location for business, commercial, residential and recreational activity. To that end, we have hired an Economic Development Director to help bring opportunity to availability. We have much to offer; we need to let others know about it. We also hired a Community

BUDGET MESSAGE

Development/Tourism Director to help with promoting our city's amenities and encourage a feeling of "coastal permanence".

The City Council adopted our strategic plan consisting of five major areas of emphasis: Governance, Infrastructure, Business Development, Community Development, and Quality of Life. This plan will enable Port Lavaca to continue to grow and provide our citizens with exceptional service. The plan will be enhanced by the recently adopted Comprehensive Plan and the recent waterfront and future land use plans, which will incorporate the needs and desires of the community.

Poet Nicolas Boileau said "Nature always springs to the surface and manages to show what she is. It is vain to stop or try to drive her back. She breaks through every obstacle, pushes forward, and at last makes herself a way". Change is the same way; in fact if you substitute the word "change" for "nature", the quote is still appropriate. It is important for us to be ready for change and embrace it when the opportunity arrives. Change can be daunting, but if you think it is dangerous, try apathy—it is lethal.

What is P.R.I.D.E?

The City's Strategic Plan reflects a theme of our leadership principles and expectations—better known as "**Port Lavaca PRIDE**". The FY 2011-2012 Budget marked our first year using the theme "**Bringing Back the Pride**". Since then, each year "**PRIDE**" has continued to be our foundation. At first, "pride" solely focused our budget around any initiative that improved the quality of life for our citizens, thereby bringing improvements back to the community that made residents proud. "Pride" *today* means displaying Passion, Responsibility, Integrity, Desire and Example in all city initiatives. This theme has become the focus of the senior staff and employees-- pride for the community and pride for the job.

Passion: we will have a passion for our community, our vision and our job

Responsibility: we will treat all citizens and our team in a responsible manner

Integrity: we will lead with integrity and follow with encouragement

Desire: we will share the desire to make things better

Example: we will set the right example for our employees and our team

These values support the city's customers-- its citizens. When taking an action, we will consider the following:

- How does this help Mr. or Ms. Citizen?
- How does this help their quality of life?
- How does this help their standard of living?

The strategic plan has continued to set the tone for the budget process that began in March. The City Manager and Key Leader Team reviewed Departmental Business Plans (objectives) from the previous year to determine if the goals/objectives set were attained. Through these discussions, a new

set of objectives were placed in each department's business plan in an effort to meet Council's expectations also known as City Council Goal Statements.

These goal statements support the areas of Governance, Quality of Life, Infrastructure, Community and Business Development. More information on the Strategic Plan can be found in the **City Profile** section of this book.



Reviewing our Priorities for the 2015-2016 Budget

What did we do last year? Is our budget focus changing?

Our prior year's budget along with previous years budgets have been focused on improving the City's image by adding improvements in City Parks and Waterfront facilities. This was accomplished through numerous public improvement projects such as the following:

- Added a softball field and t-ball field at Wilson Park
- Added new restroom at Bayfront Park
- Constructed a Veteran's Memorial at Bayfront Park
- Added a new playground at Lighthouse Beach Park

BUDGET MESSAGE

With **PRIDE** still as our central theme, the City's capital budget remained focused on continuing improvements in our parks and waterfront facilities. However, other infrastructure improvement measures were accounted for to assure replacement of aging infrastructure such as streets, waterlines and sewer lines. Most notably was the rehabilitation of the Alamo Heights sewer lines, the replacement of water lines for the Hospital area, and the completion of the water meter replacement program. Additionally, administrative departments geared budget dollars towards various consulting groups to improve citizen communication, to review the City's franchise agreements and to develop a comprehensive master plan.

Budget Overview

The Adopted Budget for fiscal year 2015-2016 recommends an increase in property tax revenue with no change in water or sewer rates. The City-Wide Budget totals \$17,709,300. Of this amount, \$7,820,000 is estimated for the operations and maintenance of the General Fund (6% decrease from prior year), \$327,300 for the Debt Service Funds, \$5,875,000 for the Public Utility Fund (12% decrease from prior year), \$307,000 for the Beach Fund (21% decrease from prior year), and \$2,980,000 for the Port Commission Fund (251% increase from prior year). Within these budgets are capital costs of approximately \$3.9 million to fund equipment and major public improvement projects. Capital costs account for the majority of the variances over prior year. More information on the City's Capital Program can be found in the Capital section of this document.

The City also appropriates for one of seven Special Revenue Funds. The Hotel/Motel Tax Fund totals \$400,000. Spending plans are not provided for the City's other Special Revenue Funds because activity is recorded on a project length basis or as it occurs. Even though the City is not required to adopt budgets for these funds, they are subject to an annual audit. More information on these funds can be found behind the Special Revenue Fund section of this document.

Budget Challenges Addressed

Issues to be addressed below:

1. The City's largest revenue sources for the General Fund are tied to property tax and sales tax. Property tax continues to be an area of concern. While sales tax appears to have steady growth, the City's property tax base either declines or remains flat. This combined with little population growth in the last 10 years results in a high property tax rate as compared to other Texas cities its size which results in a false public perception of high taxes.
2. The City struggles to maintain quality personnel and, with this desire, comes the need to maintain a competitive salary with surrounding cities.
3. The City has a self-insured health care plan that carries some risk exposure. To minimize this risk, the City purchases stop loss insurance. This insurance coverage continues to increase each plan year along with the City's exposure. The City has experienced unusually high claims for the past three years which in return increases our stop loss insurance.

How we addressed the issues:

The fiscal year 2015-2016 Adopted Budget utilized business plans that were developed in support of the City's **Strategic Plan**. The Strategic Plan links the City Council to the workforce—working together to improve Governance, Quality of Life, Infrastructure, Business Development and Community Development. Capital projects and expenditures were prioritized early in the budget process based on these same guiding principles.

Other decisions made to maintain service levels and to fund strategic initiatives are as follows:

- The City's sales tax revenue helped the City meet operational needs relating to stop-loss insurance and health care claims.
- The City recently approved an Economic Development position that will progressively work to attract new investors and improve the City's housing stock.
- The City maintains a reserve for the City's health care plan that is evaluated annually for appropriate levels; any changes are updated in the City's financial policy document.
- The City's revamped Health and Safety Manual to encourage wellness checkups.
- The City will continue to review all franchise agreements and make recommended changes.
- The City will do energy audits in an effort to reduce expenses.
- The City will use a phased in approach to build in the recommended compensation plan scale.
- The City continues to budget to cover depreciation in each enterprise fund. This practice builds the reserve to replace infrastructure assets rather than issue debt.
- The City annually reviews the budgetary/financial policy document to analyze the adequacy of reserve levels and revenue management practices. This is performed regardless of the economy climate.

With the decisions above coupled with steady increases in sales tax revenue, the City was able to build a solid service plan along with funding some major public improvements as explained in more detail below.

Budgetary Expenditure Highlights

The adopted expenditures of the City's major funds total \$17,709,300, up \$923,800 or 6% from prior year. Staff made several expenditure recommendations that are included within each department's summary found in this budget document. Some of the significant highlights are as follows:

- Salary Increases: The citywide budget increased by 2.5% (\$91,000).
- Capital Additions: Machinery and Equipment in General Fund (\$117,000) and Utility Fund (\$8,000)
- Capital Projects- General Fund: appropriated \$195,000 to construct parking lots at Wilson Park; \$150,000 to sealcoat various streets and \$55,000 to add underground electric at Bayfront Park

BUDGET MESSAGE

- Capital Projects- Utility Fund: appropriated \$300,000 for sewer line replacement along Commerce Street; \$300,000 for water line replacement in Brookhollow Estates; and \$530,000 for phase II of a three year meter replacement program
- Capital Project- Lighthouse Beach Fund: appropriated \$100,000 to add playground equipment to Lighthouse Beach RV Park and Bird Sanctuary

Outlook for the Future

The Calhoun County area is a major industrial hub on the Texas Gulf Coast; serving as a well-developed regional network of interconnecting transportation systems. Industrial sites are served by the Gulf Intracoastal Waterway and branch channels including the Victoria Barge Canal. Calhoun County is located in the middle of the world's largest concentration of petrochemical plants - an area which stretches along the Texas Coast from Corpus Christi to Port Arthur. The strong County industry has helped Port Lavaca maintain a stable revenue growth especially during this time of economic uncertainty.

Many developments are taking place in Port Lavaca and in our extra-territorial jurisdiction (ETJ). With this in mind, the City will focus improvement plans to capitalize on this growth. We will examine infrastructure needs. The City will continue to build “**PRIDE**” programs that will benefit our businesses and citizens. Some of these programs or missions are as follows:

- Park improvements and amenities that support our children and senior citizens
- Support community and business development
- Form partnerships to “braid” community resources
- Promote a community that respects and embraces all cultures
- Rebuild low income homes for residents who qualify through grants

The City’s capital program strategy for infrastructure improvements replaces water and/or sewer lines prior to any street improvements. This has become part of the capital improvement program strategy rolling forward each year. Over the next five years, the City will invest in drainage, streets, parks and wastewater projects through its capital improvements program. Listed below are short and long term objectives:

Replace/Maintain Infrastructure

- Street improvement projects; build reserve to fund a major project every 2-3 years
- Continue with seal coat program
- Lift station upgrades
- Replacement of water/sewer lines using grants and local dollars

Enhance City Parks & Downtown

- Improve Wilson Park and Bayfront Park for enhanced recreational activities
- Add additional RV hookups at Light House Beach
- Demolish abandoned pier at Light House Beach Park
- Replace sidewalks downtown
- Provide incentives (façade grants, historic tax credits) to restore downtown buildings

Environmental Code Improvement

- Continue to budget for demolition of abandoned/dilapidated structures and weed lot compliance
- Improve the housing stock through various incentive programs
- Enforce building codes

Conclusion

With Port Lavaca anchored to its **PRIDE** values—this budget looks ahead with the **P**assion for its community and a **D**esire to build a budget to make things better for its residents and visitors. It is a budget poised for growth. Plans and programs that began five years ago have proven successful and provide a stable foundation upon which to build. This year's budget and corresponding Five Year Capital Plan address our current organization and infrastructure needs. The City is currently working on a comprehensive master plan that will further define the road map of the future well beyond five years. We will continue to improve or add programs that please the citizens we serve. As in years past, we want to thank a very supportive and progressive City Council and the great employees of the City of Port Lavaca without whom none of this would have been possible.

Bob Turner, City Manager

Scotty Jones, Finance Director



CITY PROFILE



Elected Officials

Vision and Mission

Strategic Plan and Goals

City Officials

Organizational Chart

History of Port Lavaca

Port Lavaca Today

Demographic Overview





**CITY OF PORT LAVACA
ELECTED OFFICIALS 2015-2016**

The City has a home-rule Council-Manager form of government. The elected body is made up of a Mayor, who is elected at large and six Council Members elected by district. The Mayor is elected for a two-year term while Council Members are all elected for staggered three-year terms. The City Manager is appointed by the City Council and is responsible for implementation of City Council policy and all day-to-day operations of the City.



Jack Whitlow
Mayor

PORT LAVACA
CITY ELECTED OFFICIALS
FY 2015-2016



Jerry Smith
Councilmember, District 1



Tim Dent
Councilmember, District 2



Lee Rivera
Councilmember, District 3

Our Mission

Our mission is to make Port Lavaca a desirable place to live through quality services, responsible use of public resources, and a progressive attitude toward community development. With enthusiasm, integrity and vision, we will maintain a safe environment and continually improve the quality of life for all citizens.

Our Vision

The Mayor and the City Council envision a friendly town on Lavaca Bay where economic and recreational opportunities abound, providing for a wonderful quality of life for both citizens and tourists, rich in history and looking toward a vibrant future!



Rosie Padron
Councilmember, District 4



James Ward
Councilmember, District 5

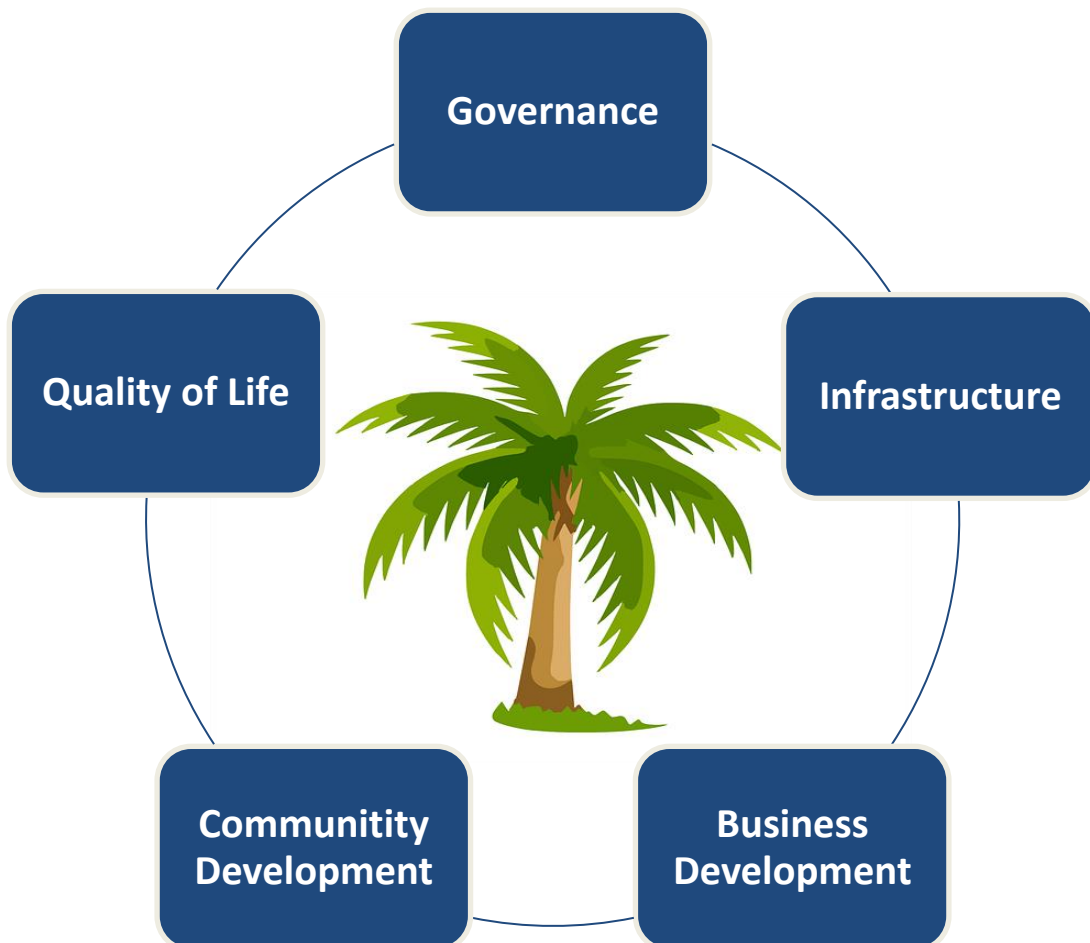


Ken Barr
Councilmember, District 6
Mayor Pro-Tem

Strategic Plan and Goals

Strategic Plan

Port Lavaca adopted a new Strategic Plan on May 14, 2012 consisting of five areas of emphasis (Governance, Infrastructure, Business Development, Community Development, & Quality of Life) shown in the graph below. This plan will enable the City to continue to grow and provide the citizens of Port Lavaca with exceptional service. The graph below depicts each dimension of the plan. The following page shows Council's corresponding strategic goal for this fiscal year.



City Council Area of Emphasis with Associated Goal Statement

Fiscal Year 2015-2016



Governance

Port Lavaca residents are well informed and involved with the affairs of local city government.



Infrastructure

Port Lavaca residents enjoy new streets, sidewalks and other improvements year after year.



Business Development

Port Lavaca is known for creating a business development program that is responsive to existing business needs.



Community Development

Port Lavaca is a culturally diverse community actively promoting tourism and encouraging economic development opportunities.



Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

OUR CITY PROFILE

Linking Long-Term Goals to Departmental Objectives

For the 2015-2016 Budget, each department has outlined a description of services and aligned themselves with the Council's Goals and the City's Leadership Values better known as Port Lavaca P.R.I.D.E. This theme has become the model for senior staff and employees to meet management expectations.

Passion: we will have a passion for our community, our vision and our job

Responsibility: we will treat all citizens and our team in a responsible manner

Integrity: we will lead with integrity and follow with encouragement

Desire: we will share the desire to make things better

Example: we will set the right example for our employees and our team

In order to succeed in the fulfillment of these goals, department staff compiled their own operational goals and objectives for the coming year. When compared to prior year accomplishments, these goals and objectives help us mark our progress toward the achievement of the City Council's goals. The section below shows the linkage of our short-term departmental objectives to long-term council goals.

Port Lavaca residents are well informed and involved with the affairs of local city government.

Fiscal Year 2015-2016 Departmental Business Plans (Objectives)

City Manager Department

- Guide the development of a Comprehensive Plan

City Secretary Department

- Streamline information about the City's election process via the City's website
- Improve the website for the City Secretary's office

Human Resource Department

- Continue to update the department's website page

Municipal Court Department

- Improve/increase advertising about the annual Warrant Round-Up

Economic Development

- Create an Economic Development website
- Maintain an updated community profile to be available on website and hardcopy

Finance Department

- Continue to improve the budget document to create an easy, understandable format for our citizens

Public Safety Departments (Police, Fire & Animal Control)

- Continue to respond quickly to and extinguish fires so as to minimize the loss of life, damage to property and economic impact upon the community
- Continue with the fire prevention program in all elementary schools and smoke detector program in the community
- Continue to provide professional animal control service to the citizens of Port Lavaca and Calhoun County

Public Utility Departments (Utility Billing)

- Create a pamphlet to hand out to new customers
- Revise customer service ordinance and make available online

***Port Lavaca residents enjoy new streets, sidewalks,
& other improvements year after year.***

Fiscal Year 2015-2016 Departmental Business Plans (Objectives)

City Manager Department

- Monitor process for completion of Veteran's Memorial at Bayfront Park

Street Department

- Develop a herbicide program for curbs and gutters
- Sealcoat five (5) miles of street

Parks Departments (Parks, Bauer Convention Center & Lighthouse Beach)

- Replace park signs and old park equipment
- Continue long range maintenance program for the facility

Public Utility Departments (Utility Maintenance & Wastewater)

- Replace sewer in Bonorden Subdivision
- Continue working on Inflow & Infiltration (I & I) improvements throughout the City
- Replace and/or upgrade pumps in lift stations where needed

Port Commission Operations

- Improve bulk head at the harbors

***Port Lavaca is known for creating a business development program that is
responsive to existing business needs.***

Fiscal Year 2015-2016 Departmental Business Plans (Objectives)

Economic Development Department

- Create an initial Tax Increment Refinance Zone
- Establish a Historic Tax District recognized by National Register of Historic Places
- Update the City's retail study

Port Commission Operations

- Develop a plan to dredge and maintain the depth of the entrance channel at the marina
- Continue marketing Harbor of Refuge for future tenants
- Support economic development and tourism of the City's waterfront properties

***Port Lavaca is a culturally diverse community actively promoting tourism and
encouraging economic development opportunities.***

Fiscal Year 2015-2016 Departmental Business Plans (Objectives)

OUR CITY PROFILE

City Manager Department
<ul style="list-style-type: none">• Establish sidewalk connectivity between Bayfront Park and Lighthouse Beach
Parks Department (Parks)
<ul style="list-style-type: none">• Beautify the City's parks and open spaces
Beach Operations
<ul style="list-style-type: none">• Promote Lighthouse Beach as a birding destination• Build cabanas around the splash pad area• Upgrade trailer space pads
<i>Port Lavaca residents enjoy a safe community with great amenities and affordable living.</i>
<i>Fiscal Year 2015-2016 Departmental Business Plans (Objectives)</i>
Public Safety Departments (Police, Fire, Animal Control & Code Enforcement)
<ul style="list-style-type: none">• Reduce the number of property crime incidents by increasing narcotics investigations and enforcement• Continue to eliminate future fire hazards and ensure access and firefighting capabilities through our plans• Partner with veterinarians to promote the need to spay and neuter pets• Utilize area media to promote citizen compliance with the City's ordinance governing rabies shots and pet registration• Update municipal ordinances regarding demolition of structures

City Officials FY 2015-2016

Appointed Offices

Bob Turner

City Manager

James Duckett

Municipal Court Judge

Division Directors

Scotty Jones

Finance Director

Mandy Grant

City Secretary

Cleve Calagna

Fire Chief

James Martinez

Police Chief

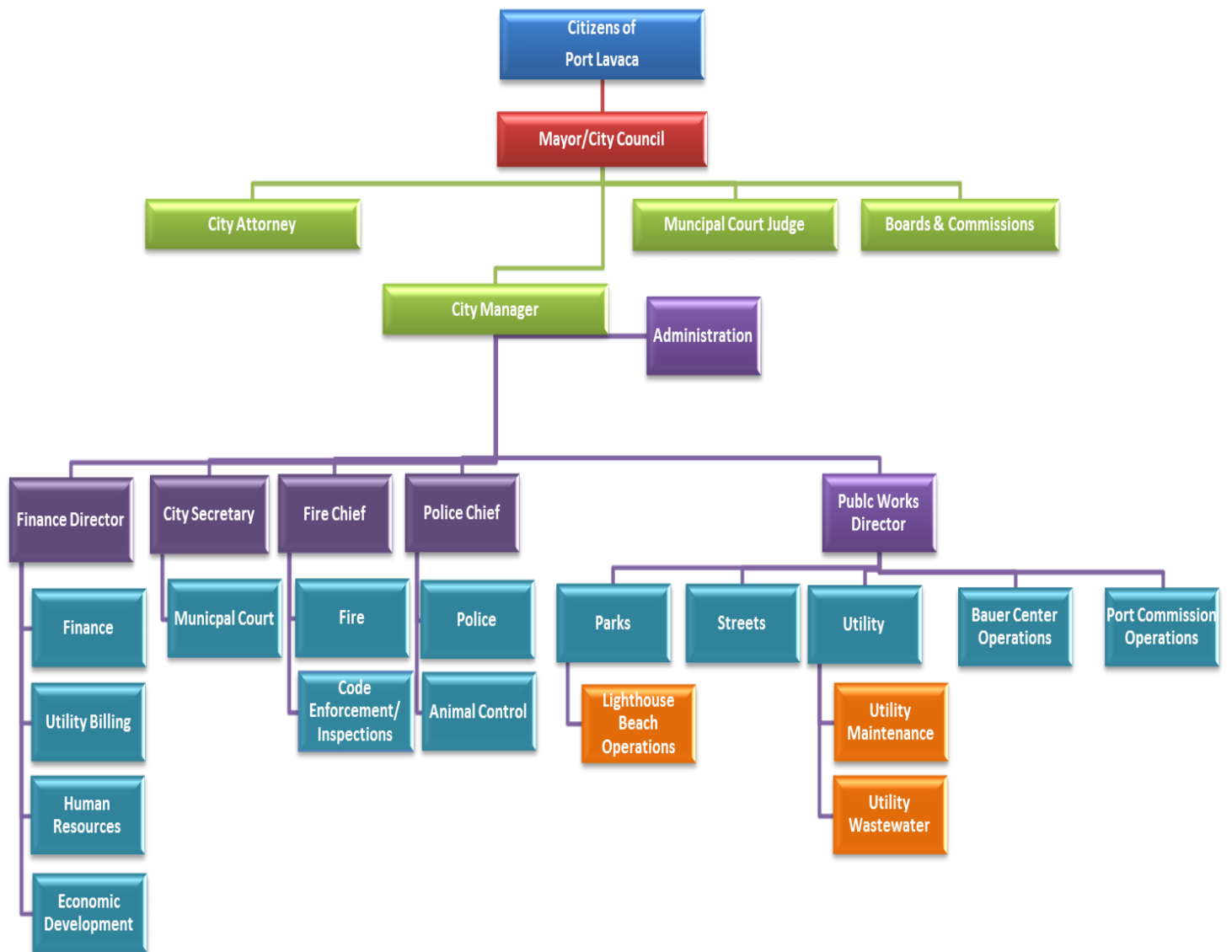
Darren Gurley

Director of Public Works



*"Individually we are one drop, but together we are an ocean."
- Anonymous*

Organizational Chart



History of Port Lavaca, Texas

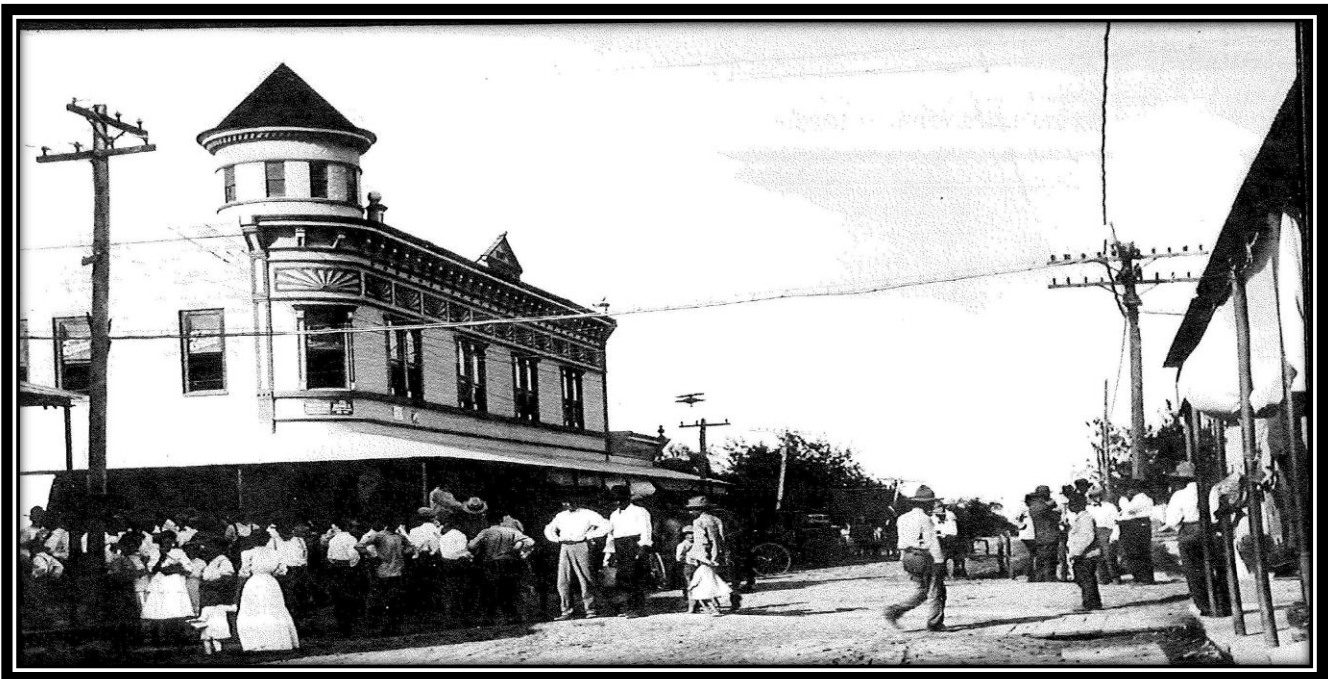
The City of Port Lavaca celebrated 170 years of rich history in 2010.

The area in and around Port Lavaca and adjacent to Lavaca Bay, formally known as San Bernardo Bay, was used by the Spanish as a port from which to expand their missions and military garrisons in the Spanish territory, now known as Texas, in the early 1500s and for some 250 years thereafter.

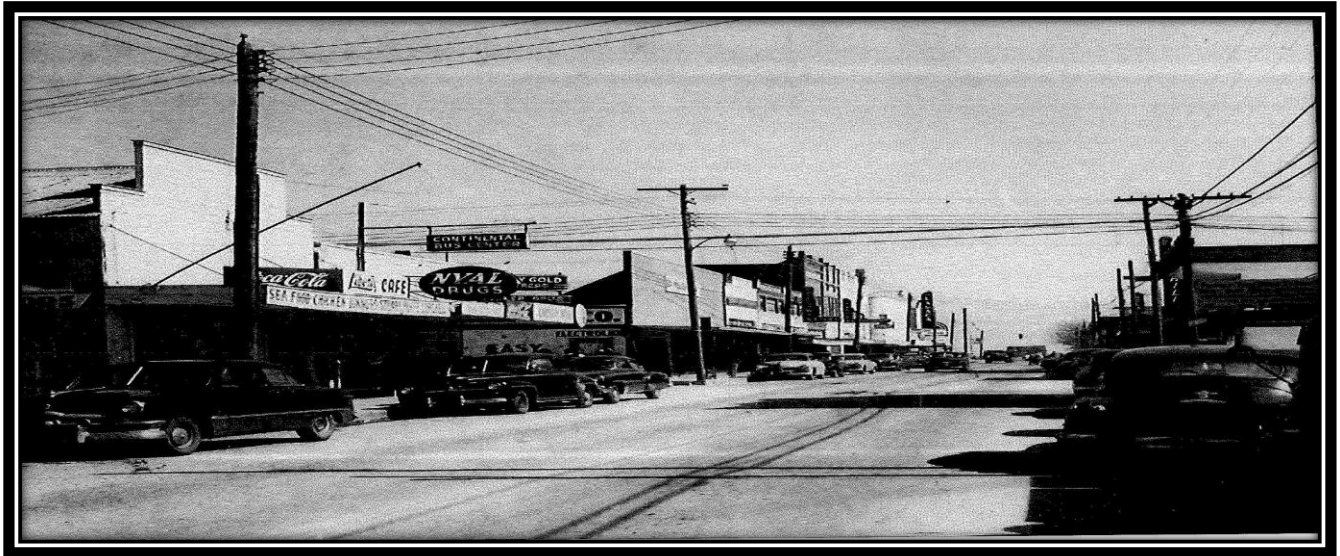
San Bernardo Bay was later renamed Lavaca Bay because of the abundance of buffalo found in the area, which were called cows, *la vaca* being the Spanish words for *the cow*.

The year 1840 is generally accepted by all historians as the date the town of Lavaca officially began. The town was formally laid out and platted in 1842. "In 1846, Calhoun County was created and Lavaca was designated the county seat. The city of Lavaca was incorporated in 1848. Although incorporated as Lavaca, the town was also known as Port Lavaca because of its harbor facilities."

The Gulf Intracoastal Waterway was connected to Port Lavaca in 1913 and a seawall was completed in 1920. Port Lavaca was an active fishing port in the first half of the 20th Century. Shrimp and frozen seafood became major items for export. Natural gas and oil were discovered in 1934 and 1935.



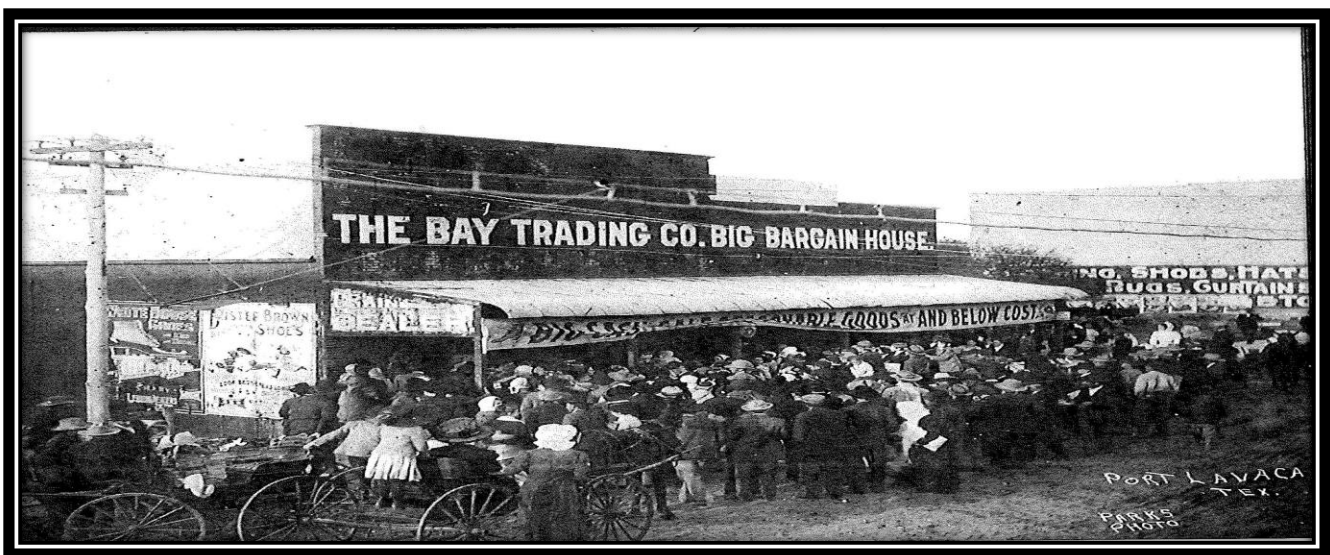
OUR CITY PROFILE



From the late 1940s, major manufacturing began to contribute to Port Lavaca's growth. The Port Lavaca Causeway was opened in 1944.

Port Lavaca has from its origin been a center for the seafood industry and a prominent port. Port Lavaca returned to its origins in 1963 when the Matagorda channel was dredged to a depth of 36 feet from the Gulf to its present terminal near Port Lavaca. Deep water vessels were able to serve the area's major industries. Over 275 deep water vessels visited Port Lavaca in 1997. Port facilities on Lavaca Bay ranked as the fourth largest in the State of Texas.

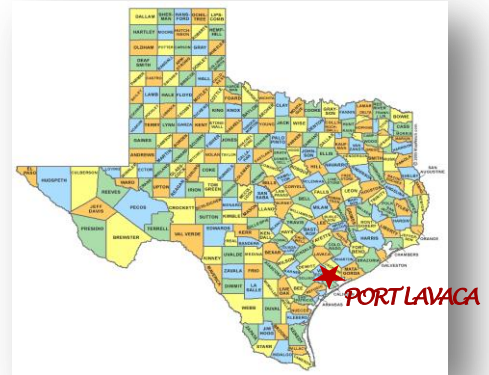
Our thanks to Calhoun County author and historian, Mr. George Fred Rhodes, for so graciously permitting us to quote from his article Brief History of the City of Port Lavaca, Texas, February 26, 1990, published in Port Lavaca, Texas, 150th Birthday Celebration 1840 – 1990.



Snapshot of Port Lavaca Today

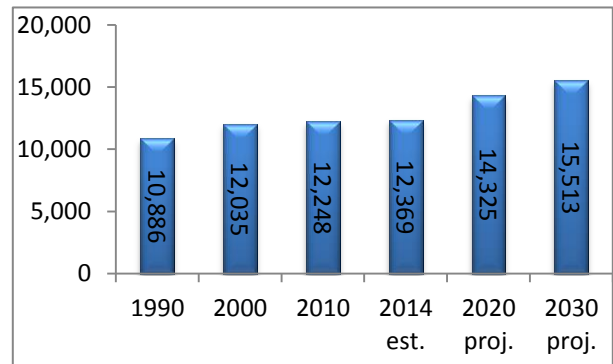
Location

The City of Port Lavaca is the central hub between Houston, Corpus Christi and San Antonio and is the county seat of Calhoun County. Located in the center of the Texas Gulf Coast, the City is about 14 square miles, of which 3.8 miles is along the water.



Population

According to the 2010 census, Port Lavaca is currently home to about 12,248 residents. The graph to the right represents the City's population beginning in 1990 to the estimated 2014, based on the records of the U.S. Census Bureau. The City, according to the Texas Water Development Board is projected to reach 15,513 by 2030. The City has seen slow, but steady growth. This may begin to change with the proximity of the Eagle Ford Shale deposit & the City's ports.



Schools

Port Lavaca is served by the Calhoun County Independent School District. The City presently has two Pre-Kindergarten through Fifth grade elementary schools: H.J.M. Elementary and Jackson/Roosevelt Elementary; one Sixth through Eighth grade middle school: Travis Middle School; and two high schools. Calhoun High School serves the Ninth through Twelfth grades. Hope High School accommodates mainly students with special needs. The photo above is of Calhoun High School.



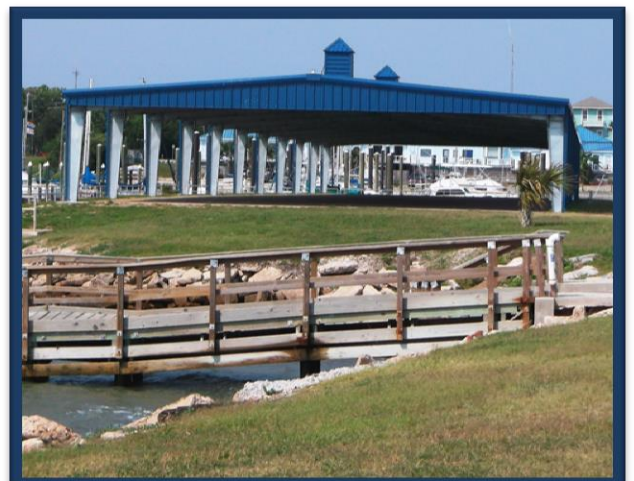
OUR CITY PROFILE

Culture and Recreation

Port Lavaca is one of the most family-friendly cities you will ever visit! There is so much to do in this city by the bay. Residents and visitors of all ages may take part in the many diverse activities available. With many fishing tournaments throughout the year, the outdoorsman will find plenty to do. Whether it is fishing, boating or relaxing in the gentle breeze, **Port Lavaca has it all!**

Port Lavaca provides a variety of restaurants ranging from Mexican food to seafood. There is also an excellent golf course at the Hatch Bend Country Club. There are many vacant houses and lots on the bay for those who wish to make Port Lavaca their home.

Port Lavaca has many other amenities to offer including the following: beaches, shopping, movie theater, pool, convention center, a lighthouse and motels.



DEMOGRAPHIC AND ECONOMIC STATISTICS
(UNAUDITED)
Last ten fiscal years

Fiscal Year	(1) Population	Personal Income	(2) Per Capita Personal Income (Calhoun County)	(3) School Enrollment	(4) Unemployment Rate
2005	11,509	\$ 292,317,091	25,399	4,253	5.9%
2006	11,471	307,124,554	26,774	4,299	5.0%
2007	11,405	443,129,870	38,854	4,334	4.5%
2008	11,465	346,862,110	30,254	4,282	4.9%
2009	11,489	361,662,231	31,479	4,349	8.3%
2010	12,035	372,651,740	30,964	4,230	9.1%
2011	12,248	396,994,424	32,413	4,276	8.7%
2012	12,282	N/A	N/A	4,270	6.1%
2013	12,300	N/A	N/A	4,272	7.1%
2014	12,374	443,706,892	35,858	4,242	3.9%

NOTES: The unemployment rates are a twelve month average from October through September for City of Port Lavaca.

N/A denotes information not available

SOURCE: (1) Population based on U.S. Census Bureau

(2) Bureau of Economic Analysis

(3) Calhoun Independent School District

(4) Texas Workforce Commission

OUR CITY PROFILE

PRINCIPAL EMPLOYERS

(UNAUDITED)

Current Year and One Year Ago

2014		
Employer	Employees	Percentage of Total County Employment
Formosa Plastics	2,400	24.69%
Inteplast Group	2,300	23.66%
Calhoun County I.S.D.	594	6.11%
Alcoa	650	6.69%
Dow Chemical	575	5.92%
Orion Marine Group, Inc.	407	4.19%
Calhoun County	210	2.16%
Seadrift Coke	152	1.56%
Memorial Medical Center	247	2.54%
INEOS Nitriles Formerly BP	123	1.27%
	<u>7,658</u>	<u>78.79%</u>
2013		
Employer	Employees	Percentage of Total County Employment
Formosa Plastics	2,400	23.10%
Inteplast Group	2,300	22.14%
Calhoun County I.S.D.	579	5.57%
Alcoa	650	6.26%
Dow Chemical	575	5.54%
Orion Marine Group, Inc.	424	4.08%
Calhoun County	209	2.01%
Memorial Medical Center	141	1.36%
Seadrift Coke	140	1.35%
HEB Grocery	135	1.30%
INEOS Nitriles Formerly BP	135	1.30%
	<u>7,688</u>	<u>74.01%</u>

NOTES: Information is for the City and Calhoun County.

SOURCE: Texas Workforce Commission-Victoria Office

BUDGET SUMMARIES



Budgetary Fund Structure

Combined Budget Overview

**Changes in Fund Balances / Working
Capital**

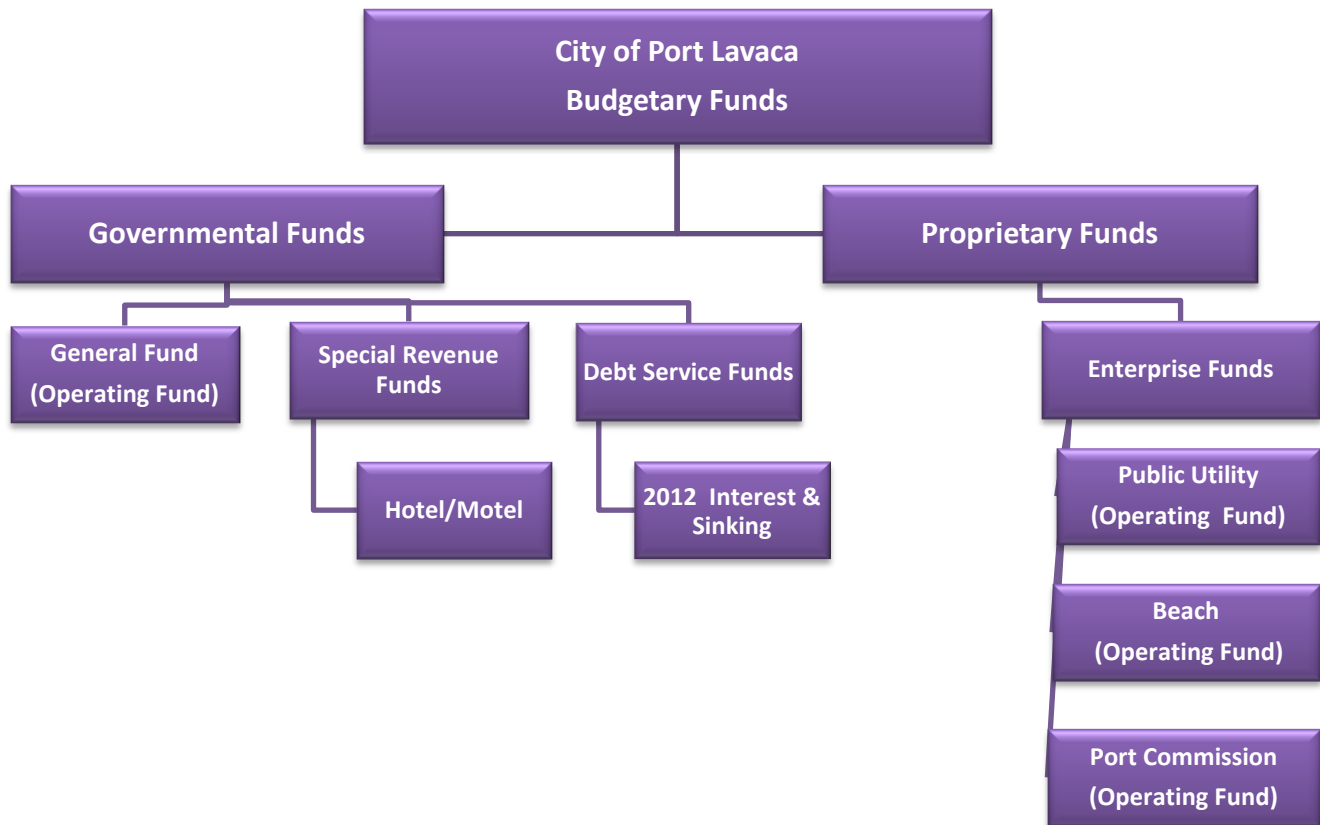
**Combined Revenue and Expenditure
Summary**



This section depicts the “big picture” of City wide revenue and expenditure, reflects the changes in fund balance or working capital for each budgeted fund, and provides comparison to prior year.

Budgetary Fund Structure

The illustration below is intended to serve as a “big picture” overview for the City of Port Lavaca’s Fiscal Year 2015-2016 budgeted fund structure. The adopted budget presents four operating funds (General, Public Utility, Beach and Port), one special revenue fund (Hotel/Motel) and one debt service fund (2012 Interest & Sinking). Not all funds of the City are appropriated (i.e., budgeted). Capital projects and most of the City’s special revenue funds are recorded on a project length basis as opposed to annual appropriation. Each fund is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The budgeted funds of the City can be divided into two categories: governmental funds and proprietary funds. Governmental Funds are supported primarily with taxes while proprietary funds are supported by user charges. Operating funds provide for the day to day operations of the City. They account for all routine expenditures and capital outlay items. Debt service funds, also known as interest and sinking funds, are governmental type funds used for the accumulation of resources to pay off long-term debt. Special Revenue funds, such as the Hotel/Motel, are used to account for the proceeds of specific revenue that are legally restricted to expenditures for specified purposes. A more in-depth explanation of the budget is depicted with graphs, charts and a narrative of revenue and expenditures within the detail of each respective fund.



BUDGET SUMMARIES

Combined Budget Overview

The Fiscal Year 2015-2016 budget for all appropriated funds totals \$17,709,300 in revenues and expenditures, including transfers between funds. The goal of the budget process is to provide a balanced budget, in which expenditures do not exceed revenues.

The table below shows an overview of FY 2015-2016 Budget by Funds as it compares to the prior year.

	Amended Budget FY 14-15	Adopted Budget FY 15-16	Variance	Variance By %
General Fund	8,779,050	7,820,000	-959,050	-11%
2012 Interest & Sinking Fund	272,500	327,300	54,800	20%
Public Utility Fund	6,868,000	5,875,000	-993,000	-14%
Beach Fund	428,000	307,000	-121,000	-28%
Port Commission	895,000	2,980,000	2,085,000	233%
Hotel/Motel Fund	325,000	400,000	75,000	23%
Total Budget	17,567,550	17,709,300	141,750	1%



Changes in Fund Balance/Working Capital

The following summary shows the projected beginning and ending fund balance or working capital balance for each appropriated fund. The fund balances below include reserved and designated dollars and should not be considered as available for operations.

BUDGETD FUNDS	Beginning Fund Balance Working Capital 10-1-15	Budgeted Revenue 2015-2016	Budgeted Expenditures 2015-2016	Ending Fund Balance/ Working Capital 9-30-16
General Fund	6,675,391	7,820,000	(7,820,000)	6,675,391
2012 Interest & Sinking Fund	274,621	372,300	(372,300)	274,621
Utility Fund	3,553,232	5,875,000	(5,875,000)	3,553,232
Beach Fund	651,302	307,000	(307,000)	651,302
Port Commission Fund	826,056	2,980,000	(2,980,000)	826,056
Hotel Occupancy Tax Fund	961,764	400,000	(400,000)	961,764
Total Fund Balance/Working Capital	12,942,366	17,709,300	(17,709,300)	12,942,366

The following summary shows the available fund balance after reserve policies are applied. Reserve Policies can be found in the Financial Policy document located in the Appendix section of this budget document.

Fund Balance/Working Capital After Reserves and Designations	General Fund	I & S Funds	Public Utility Fund	Beach Fund	Port Commission	Hotel Occupancy Tax Fund
Projected Fund Balance/ Working Capital 10-1-15	6,675,391	274,621	3,553,232	651,302	726,056	961,764
Operating Reserves (4 months)	(2,236,320)	0	0	0	0	N/A
Operating Reserves (3 months)	N/A	0	(1,121,910)	(67,327)	(118,178)	N/A
Health Insurance Claim Reserve	(929,210)	N/A	N/A	N/A	N/A	N/A
Capital Asset Replacement Reserve	(275,245)	0	0	0	0	N/A
Reserves Used-Capital Projects	0	0	(614,000)	(41,500)	0	0
Reserves Used- Balance Budget*	0	0	0	0	(43,000)	0
Budgeted Depreciation**	0	0	533,000	94,000	239,000	0
Estimated Fund Balance/ Working Capital 9-30-16	3,234,616	274,621	2,350,322	636,475	803,878	961,764

Assumptions on the table above are as follows:

1. Budgeted revenues equal budgeted expenses.
2. Reserve designations are based on City policy to maintain four months operating reserve in the General Fund and three months reserve in the Enterprise Funds. This information may be found in the City's financial policies located behind the Appendix tab of this budget document.
3. *At times, the City will balance the budget with reserves. This is only used to fund one time projects where additional reserves are available over the City's required reserve levels.
4. **The City budgets to cover depreciation. This budget practice enables the City to fund infrastructure projects rather than borrow funds. **This also results in an increased fund balance by the amount budgeted for depreciation.**

BUDGET SUMMARIES

Combined Revenue and Expenditures Summary

	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016	% Change Amended Budget to Adopted Budget
Funding Sources					
Property Tax	3,911,437	3,887,200	3,770,200	3,821,000	-1.70%
Sales and Use Tax	2,500,013	2,450,400	2,606,000	2,450,000	-0.02%
Franchise Tax	633,344	585,600	598,100	596,500	1.86%
Hotel/Motel Tax	557,841	324,000	425,882	400,000	23.46%
Licenses and Permits	131,290	83,900	105,802	83,200	-0.83%
Service Charges	5,998,808	6,016,900	6,294,966	5,858,000	-2.64%
Fines & Forfeitures	394,932	441,300	366,618	373,200	-9.26%
Other Revenue	206,410	2,411,750	205,634	3,287,100	36.30%
Grant & Contributions	415,003	255,000	272,441	258,800	1.49%
Interfund Transfers	585,529	1,141,500	1,119,500	581,500	-49.06%
Total Revenues & Transfers	15,334,607	17,567,550	15,765,143	17,709,300	0.81%
Expenditures					
General Government	826,257	930,200	859,880	1,073,069	15.36%
Streets	1,883,380	2,340,709	2,199,946	1,580,409	-32.48%
Public Safety	3,109,895	3,122,463	3,025,772	3,141,988	0.63%
Parks & Recreation	788,403	1,452,600	1,227,936	1,151,750	-20.71%
Non-Departmental	1,736,009	1,633,578	1,486,745	1,507,084	-7.74%
Water & Sewer	5,720,159	6,868,000	6,642,202	5,875,000	-14.46%
Port Commission	473,431	895,000	850,970	2,980,000	232.96%
Hotel Motel	3335,395	325,000	287,000	400000	23.08%
Total Expenditures & Transfers	14,872,929	17,567,550	16,580,451	17,709,300	0.81%
Net Revenue (Expenditures)	461,678	0	-815,308	0	
Beginning Balances	13,295,996	13,757,674	13,757,674	12,942,366	
Ending Balances	13,757,674	13,757,674	12,942,366	12,942,366	-5.93%

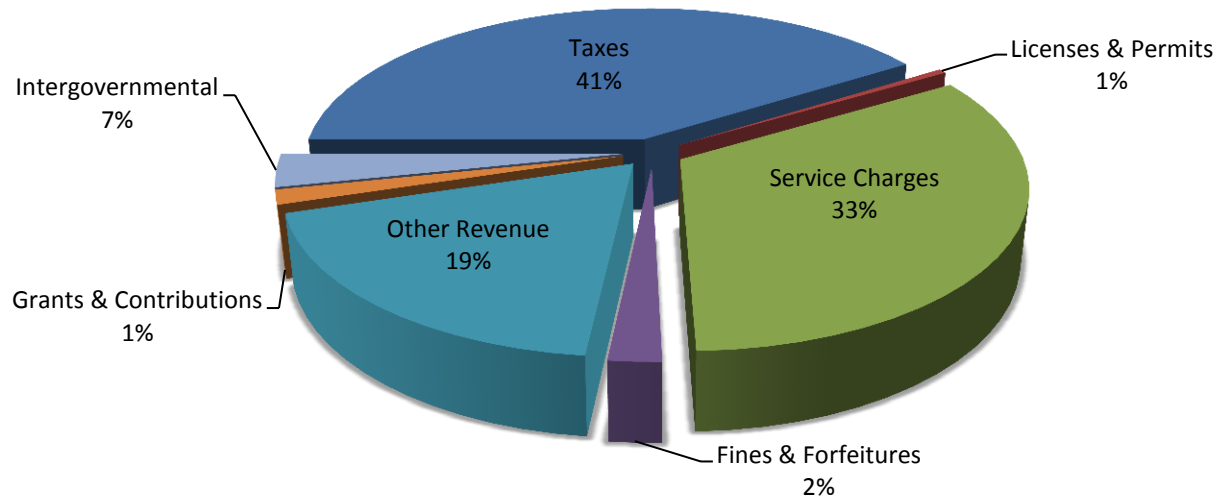
The following pages provide summaries related to City Wide Revenue by receipt type and City Wide Expense by function.

City Wide Revenue

The FY 2015-2016 budgeted revenues total \$17,709,300, which is up \$141,750 over prior year FY 2014-2015 budget. The use of reserves to fund current year capital projects attributes for this increase. The largest revenue source fund is taxes which represents 41% of the total revenue. Detail of each revenue source fund can be found in the revenue section of this book.

Revenue by Receipt Type	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Taxes (Property, Sales, Franchise, Hotel/Motel)	7,602,635	7,247,200	7,400,182	7,267,500
Licenses & Permits	131,290	83,900	105,802	83,200
Service Charges	5,998,808	6,016,900	6,294,966	5,858,000
Fines & Forfeitures	394,932	411,300	366,618	373,200
Other Revenue	206,410	2,411,750	205,634	3,287,100
Grants & Contributions	415,003	255,000	272,441	258,800
Intergovernmental	585,529	1,141,500	1,119,500	581,500
Total Revenue	15,334,607	17,567,550	15,765,143	17,709,300

Where do we get our dollars?



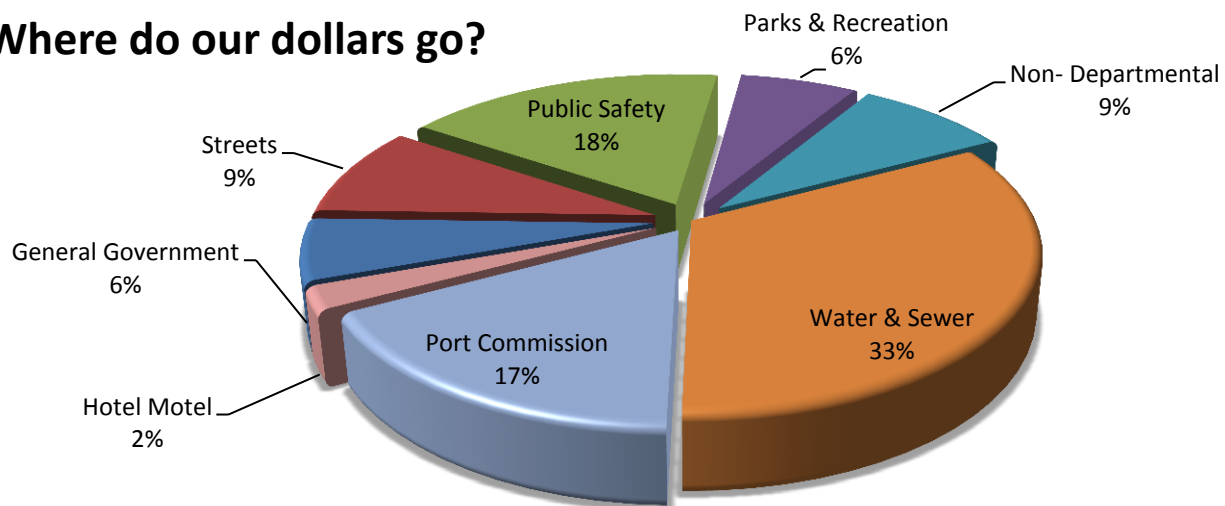
BUDGET SUMMARIES

City Wide Expenditures

The FY 2015-2016 budgeted expenditures total \$17,709,300, which is up \$141,750 (1%) over FY 2014-2015 budget. This is primarily attributable to the timing of one-time capital projects in the General Fund, Water and Sewer Fund, Beach Fund and Port Commission Fund as it related to capital funds in prior year.

By Object (Operational Funds)	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
General Government	826,257	930,200	859,880	1,073,069
Streets	1,883,380	2,340,709	2,199,946	1,580,409
Public Safety	3,109,895	3,122,463	3,025,772	3,141,988
Parks & Recreation	788,403	1,452,600	1,227,936	1,151,750
Non- Departmental	1,736,009	1,633,578	1,486,745	1,507,084
Water & Sewer	5,720,159	6,868,000	6,642,202	5,875,000
Port Commission	473,431	895,000	850,970	2,980,000
Hotel Motel	335,395	325,000	287,000	400,000
Total Expenditures	14,872,929	17,567,550	16,580,451	17,709,300

Where do our dollars go?



REVENUE ASSUMPTION AND TRENDS



General Fund

Special Revenue Funds

Enterprise Funds



This section provides revenue descriptions, trends, and assumptions for major revenue line items. Detailed revenue information can be found within each respective fund.

General Fund Revenue

The Property Tax Rate and Property Tax Revenue

Property taxes are levied each year on October 1st on the assessed values as of the prior January 1st for all real and personal property located in the City. Assessed values are established by the Calhoun County Appraisal District (CCAD). Certified taxable values are provided to the City by the CCAD in July. Property tax is the largest source of income for the General Fund and makes up **42%** of the budgeted revenue for the 2015-2016 fiscal years. This tax supports operations such as police services, fire protection, streets, park maintenance and code enforcement. The City of Port Lavaca is looking for ways to increase sales taxes generated in the City. This would decrease some of the City's reliance on property tax revenue.

The total value of all taxable property as certified by the Calhoun County Appraisal District is summarized in the following table:

	Current Year FY 2015-2016	Prior Year FY 2014-2015	Variance	Variance
Net Taxable Before Freeze	537,429,648	527,555,380	9,874,268	2%
*Freeze Adjusted Tax Value	452,508,203	455,123,532	-2,615,329	-1%

* The City approved a tax freeze for all Port Lavaca citizens over the age of 65 beginning in tax year 2008.

Certified taxable property valuations provided to the City by the CCAD on July 23, 2015 totaled \$537,429,648 - an increase of 2% over prior year. Included in this amount is the tax freeze value of \$72,533,512 for homeowners over 65 years of age and/or disabled. For the 2015-2016 budget, Council approved a budget that will raise less property taxes than last year's budget by \$20,661 (.57%). The City Council adopted a tax rate of .79/\$100 value which will still afford the City to maintain the same service levels.

The table below shows the City's tax rate distribution & associated tax levy as approved in the budget.

	Tax Rate	Tax Rate Percent	Total Gross Levy ¹	FY 2015-2016 Budget ²
Debt Service Funds:				
2012 General Obligation Refunding Bonds	.0777	9.84%	351,603	327,000
Total Debt Service	(Required)	.0777	351,603	327,000
General Fund:				
Operation and Maintenance	.7123	90.16%	3,223,212	3,494,000
Total	.7900	100.00%	3,574,815	3,821,000

¹ **Gross levy**- excludes tax freeze dollars (\$462,764); ² **Budget** adds back tax freeze dollars & delinquent tax collections that are not considered in gross levy, and then applies a 93.03% collection rate

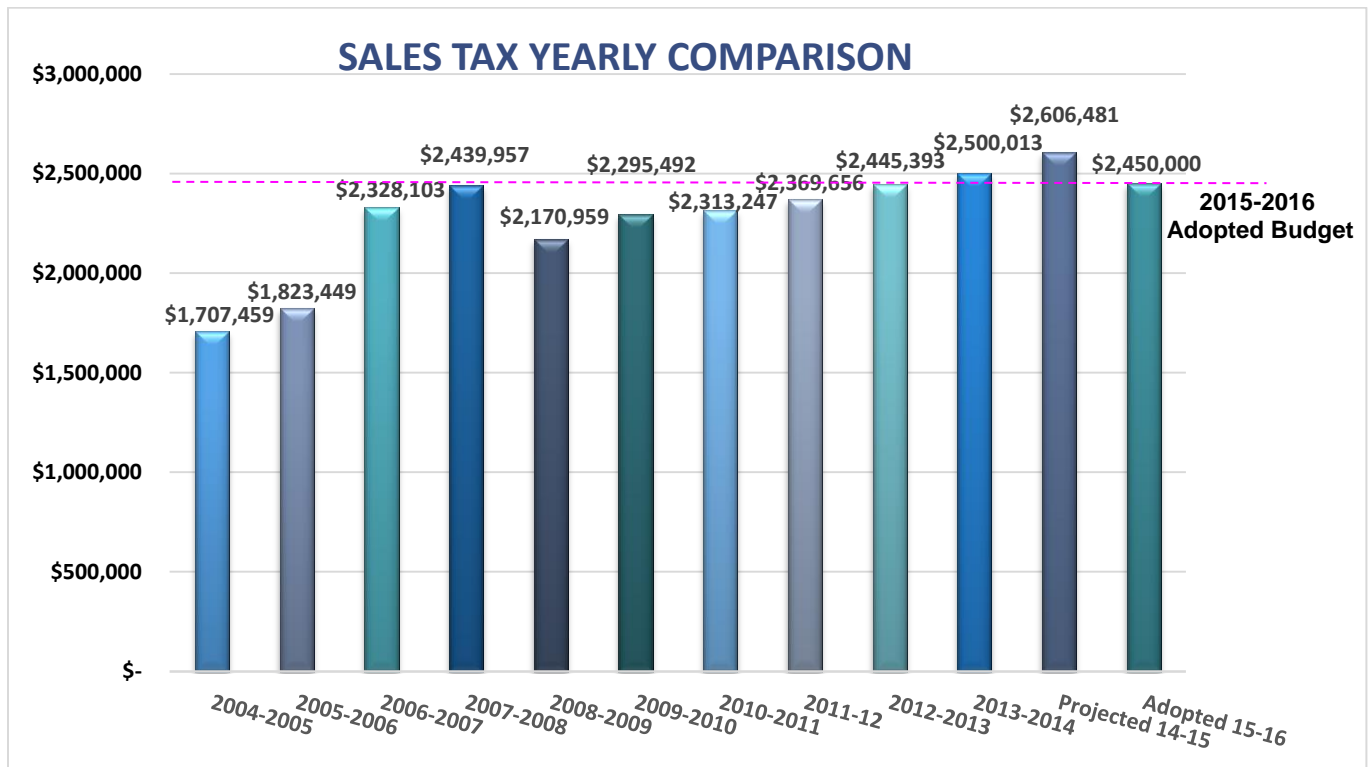
REVENUE ASSUMPTIONS AND TRENDS

The graph below shows the history of the City's original tax levy.



Sales Tax

Sales tax is the second largest revenue source in the General Fund making up **31%** of the City's General Fund budget. The City receives 1.5% of the 8.25% tax charged inside the city limits. The County receives 0.5% and the remaining 6.25% goes to the State. With the volatile economy in mind, the City conservatively budgets sales tax using the history below.



Franchise Fees

Franchise Fees represent **7%** of the City's General Fund revenue. Franchise fees are collected from major public utility providers operating within the City limits. This charge is for the use of the City's right of ways and streets. The fee is usually computed by a percentage of gross receipts. The City is budgeted to collect a total of **\$596,500**, a slight increase as compared to prior year's budget. Historical collections of the most recent years are the primary basis for assumptions of Franchise fees.

Licenses & Permits

Revenues from these categories relate to various contractors' permits, alcohol permits and animal licenses. Historical averages are the basis of this budget assumption due to the timing of construction jobs.

Grants & Contributions

The City provides services to the County for fire and animal control services. This revenue is budgeted based on interlocal agreements between the City and County. This year's annual contracts & local grants equate to **\$256,800**

- Interlocal agreement with Calhoun County for fire protection- \$184,000
- Interlocal agreement with Calhoun County for animal control- \$65,000
- Interlocal agreement with the City of Point Comfort for animal control- \$6,000
- Local law enforcement grant - \$1,800

Intergovernmental Revenue

This revenue represents transfers from various funds to reimburse the General Fund for services such as office space, financial services, administrative services, equipment purchases, capital projects and reimbursement for maintaining the City's Convention Center. The administrative fee is assessed each year and is approximately **3 to 3.5%** of the revenue budgeted in the City's Enterprise Funds. Total transfers including administrative fee represent 7% of the General Fund's budgeted revenues.

- Transfer in from Port Commission to recover administrative fees - \$16,500
- Transfer in from Public Utility Fund to recover administrative fees- \$180,000
- Transfer in from Public Utility Fund to recover costs related to spring clean-up- \$65,000
- Transfer in from Beach Fund to recover administrative fees- \$8,000
- Transfer in from the Fixed Asset Replacement Fund (FARF)- \$92,000
- Transfer in from the Hotel Occupancy Tax Fund to recover costs of the Bauer Convention Center- \$220,000

REVENUE ASSUMPTIONS AND TRENDS

General Fund Future Outlook

The City's goal is to maintain 180 days reserve (savings), however policy requires a minimum of 120 days reserve to be prepared for economic downturns or natural disasters. Savings above the "goal" level are usually used to fund capital projects ("One-Time Expenditures" as shown in graph) rather than issue debt. The graph below depicts the General Fund's 5 year forecast using the following assumptions:

- Property tax growth remains steady at 2% per year
- Tax Rate remains the same at .79 per \$100 value
- Sales tax growth ranges from 3% to 3.5%
- Salaries grow at 2.5%
- Medical Insurance at 5%
- Fuel & Utilities
- Capital projects ("One-Time Expenditures") are estimated based on 5 year capital plan (More information can be found in the Capital section of this book)

General Fund Financial Forecast

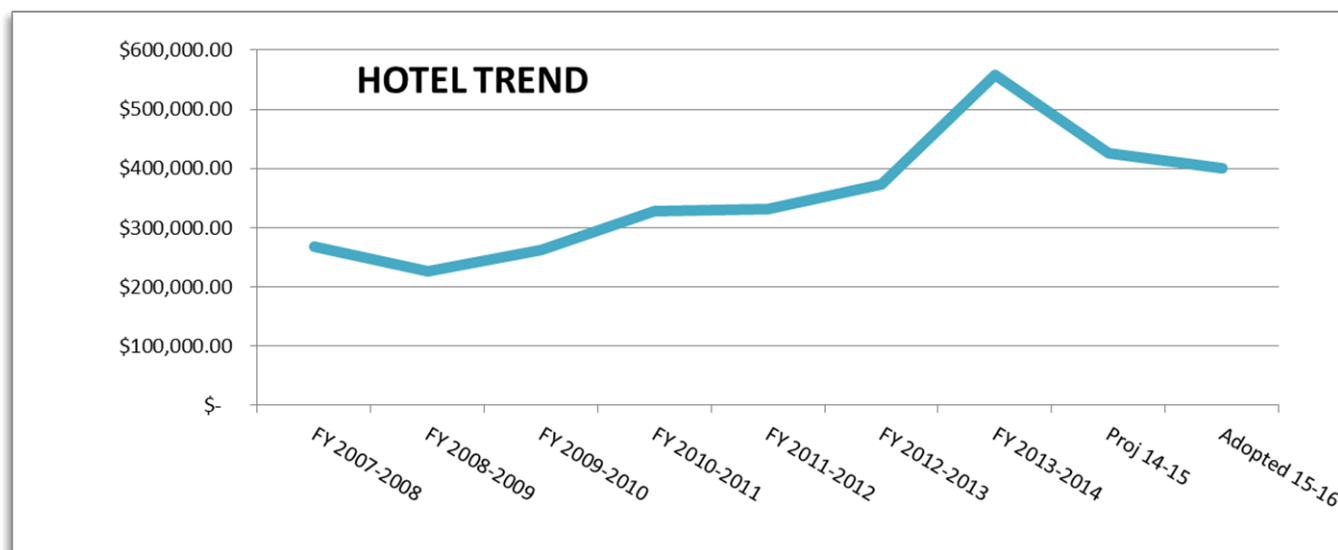
	Actual 2013-2014	Estimated 2014-2015	Adopted 2015-2016	Proposed 2016-2017	Proposed 2017-2018	Proposed 2018-2019	Proposed 2019-2020	Proposed 2020-2021
Beginning Fund Balance	6,675,391	7,452,135	5,094,456	5,106,736	4,627,130	4,800,729	4,957,626	4,837,918
Revenue	7,814,977	8,098,273	7,820,000	8,054,600	8,296,238.00	8,586,606.33	8,887,138	9,198,187.37
Other Financing Sources	449,770							
Total Revenues	8,264,747	8,098,273	7,820,000	8,054,600	8,296,238	8,586,606	8,887,138	9,198,187
Total Available Resources	14,940,138	15,550,408	12,914,456	13,161,336	12,923,368	13,387,336	13,844,764	14,036,105
Expenditures	7,488,003	7,279,567	7,420,000	7,568,400	7,719,768	7,874,163	8,031,647	8,192,280
One -Time Expenditures	-	-	400,000	2,000,000	650,000	400,000	1,250,000	200,000
Total Expenditures	7,488,003	7,279,567	7,820,000	9,568,400	8,369,768	8,274,163	9,281,647	8,392,280
Net Income (Loss)	776,744	818,706	-	(1,513,800)	(73,530)	312,443	(394,509)	805,908
Ending Fund Balance	7,452,135	5,094,456	5,106,736	4,627,130	4,800,729	4,957,626	4,837,918	4,961,702
Target Days of Reserve	120	120	120	120	120	120	120	120
Targeted Ending Balance	2,461,809	2,393,282	2,570,959	3,145,775	2,751,705	2,720,273	3,051,500	2,759,106

Enterprise and Special Revenue Funds

Hotel Occupancy Tax (HOT) Fund

Hotel Tax

All occupants staying overnight in hotels or motels in the City of Port Lavaca for a period less than 30 days, are charged a hotel tax of 13% of the room cost. The City receives 7% of the revenue. This money is used to promote the City of Port Lavaca following strict guidelines on the use of this tax set up by the State Comptroller's Office. Historical trends are used to estimate this revenue. The City budgeted conservatively with \$400,000



Public Utility Fund

Water & Sewer Revenue

The water and waste water operations are funded primarily through user fees. The City purchases water from the Guadalupe-Blanco River Authority. The City has to set rates to cover the purchased water cost along with the cost to maintain and repair the City's infrastructure. The City did not increase water or sewer rates. The City's last rate increase was **October 1, 2013**. The City estimates revenue based on historical trends that consider weather and consumption history. *The City budgeted to use depreciation reserves of \$614,000 to fund capital projects.*

Garbage Fees

Residential garbage pickup is provided by a private contractor. This is primarily a pass through to the customer; however, it is shown as part of the City's budgeted revenue. The estimated revenue is derived by the average number of customers multiplied by the rate, then annualized.

REVENUE ASSUMPTIONS AND TRENDS

Beach Fund

RV rentals are the largest user fee in this fund and are estimated to be **\$215,000**, or **81%** of total current revenue. In addition, the City charges gate fees, cabana rentals and pavilion rentals. Revenue assumptions are based on department input, economic indicators, change in rates and historical trends. *The City budgeted to use depreciation reserves of \$41,500 to fund capital projects.*

Port Commission Fund

The Port Commission charges for service fees such as tariffs, dock leases and building leases on the City's harbor and dock facilities. The City anticipates revenue to increase over prior year based on assumptions of the Harbor Master and historical usage data. *The City budgeted to use depreciation reserves of \$43,000 to fund current operations until dredging project is complete. This will enable the channel to be utilized for harbor tenants.*

All Major Funds

User & Service Charges

This type of charge can be found in the General Fund, Public Utility Fund, Beach Fund and Port Commission Fund. These fees account for **33%** of citywide revenue.

Less than 1% of the General Fund revenue comes from service fees. However, this is **97%** of the Public Utility Fund's revenue source, **99%** of the Beach Fund revenue and **99%** of the Port Commission Fund revenue. These percentages exclude depreciation reserves (working capital) to fund capital projects.

Fines & Forfeitures

Fines and forfeitures account for approximately **2%** of the citywide revenue and can be found in the General Fund, Public Utility Fund and the Port Commission Fund. In the General Fund, this revenue is represented by payments of citations, warrants and court costs. The revenue is represented as late penalties in the Public Utility Fund and the Port Commission Fund.

Other Revenue

This is the smallest resource of citywide revenue and can be found in most funds. This includes items such as interest income, auction proceeds and other financing sources.

Total City Revenue

The Fiscal Year 2015-2016 budgeted revenues for the City totaled \$17,709,300. This is *up* \$923,800 or 6% more than prior year's budget. This is attributable to funding various capital projects with depreciation reserves.

GENERAL FUND

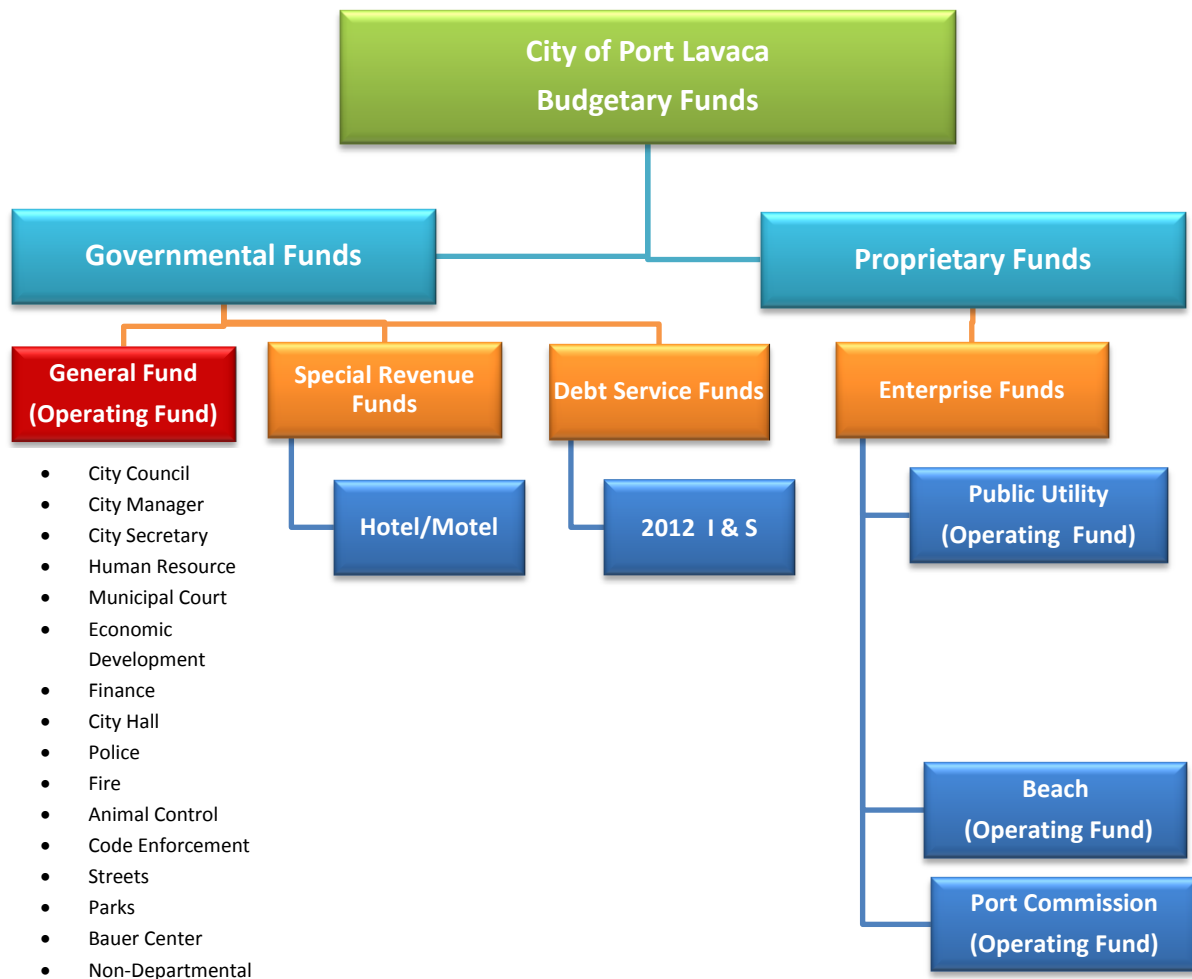
Revenue

Expenditures

Department Summaries



City Council
City Manager
City Secretary
Human Resources
Municipal Court
Economic Development
Finance
City Hall
Police
Fire
Animal Control
Code Enforcement
Streets
Parks
Bauer Center
Non-Departmental



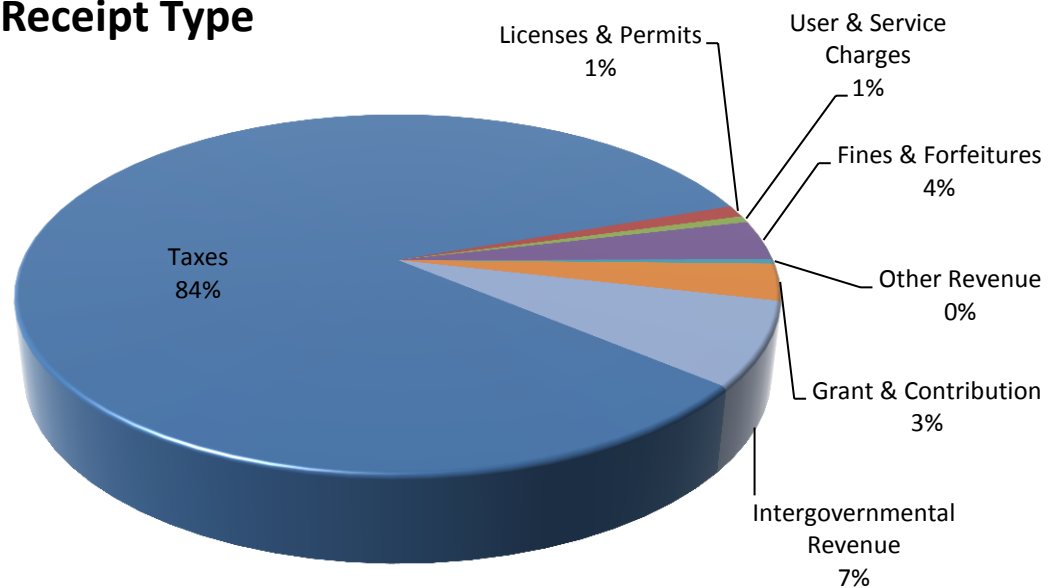
The General Fund is the general operating fund of the City. It is used to account for all financial resources accounted for in other specific funds. This fund includes all general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund. General operating expenditures, fixed charges and capital improvement costs not paid through other funds are paid from this fund.

This section provides a three year comparative summary and detailed information for revenue and expenditures. You will also find each operating department's mission, upcoming goals, budget history, performance measures and major additions related to the General Fund.

General Fund Revenue

Receipt Type	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016	Variance
Taxes	6,776,782	6,651,000	6,803,100	6,540,500	-110,500
Licenses & Permits	131,290	83,900	105,802	83,200	-700
User & Service Charges	79,191	47,000	89,540	47,000	0
Fines & Forfeitures	301,371	319,000	271,558	281,000	-38,000
Other Revenue	92,526	283,650	120,733	30,000	-253,650
Grant & Contributions	406,401	253,000	270,166	256,800	3,800
Intergovernmental Revenue	585,529	1,141,500	1,119,500	581,500	-560,000
Total Revenue	8,373,090	8,779,050	8,780,399	7,820,000	-959,050

Revenue by Receipt Type



Largest Revenue Sources	Amended Budget FY 2014-2015	% Of Total 14-15 General Fund Budget	Adopted Budget FY 2015-2016	% Of Total 15-16 General Fund Budget	Variance
Property Taxes	3,615,000	41%	3,494,000	45%	-121,000
Sales Tax	2,450,400	28%	2,450,000	31%	-400
Franchise Fees	585,600	7%	596,500	8%	10,900
Total	6,651,000	76%	6,540,500	84%	-110,500

Note: Excludes consideration of Intergovernmental Revenue or Transfers from Enterprise Funds for administrative fees

GENERAL FUND

General Fund Revenue Detail

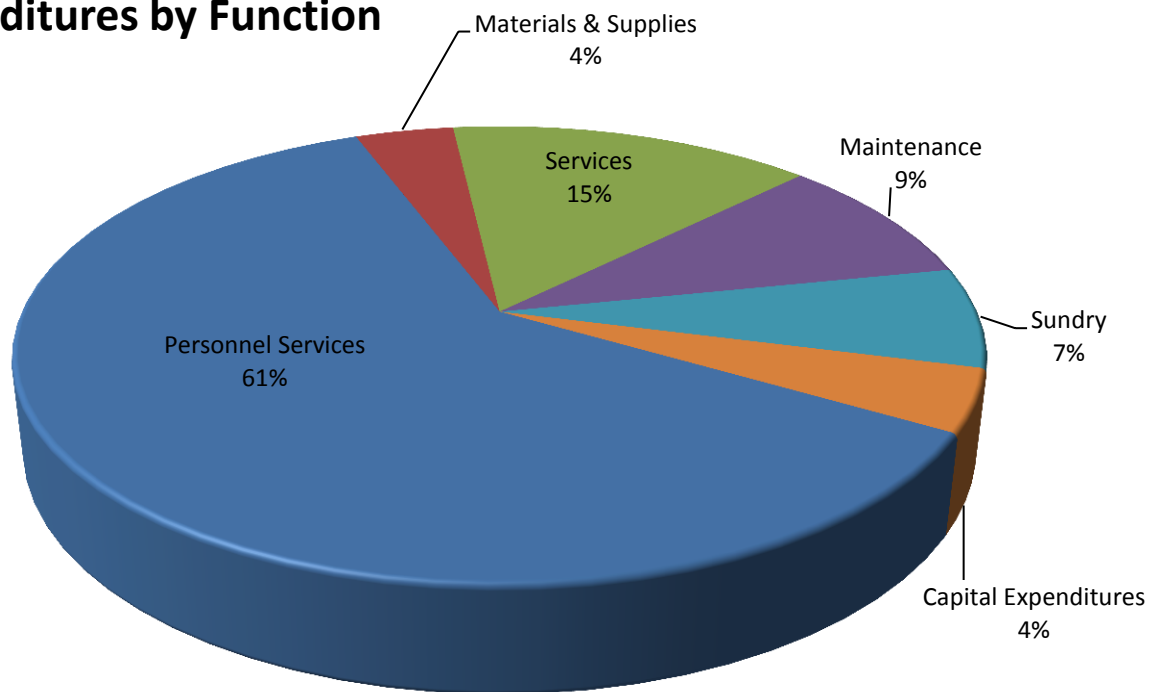
General Fund Revenues	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Taxes				
Property Taxes Current	3,549,211	3,500,000	3,500,000	3,400,000
Property Taxes Delinquent	94,214	115,000	99,000	94,000
Sales Tax Revenue	2,500,013	2,450,400	2,606,000	2,450,000
Natural Gas Franchise Tax	49,220	40,000	47,500	40,000
Electrical Franchise Tax	349,390	335,600	330,000	338,000
Telephone Franchise Tax	32,128	35,000	33,000	33,000
Cable TV Franchise Tax	90,393	85,000	80,000	85,000
Waste Collection Franchise	92,891	80,000	85,735	85,000
Other Franchise Tax	1,162	500	940	500
Alcohol Beverage Tax	18,160	9,500	20,925	15,000
Total Taxes	6,776,782	6,651,000	6,803,100	6,540,500
Licenses & Permits				
Electrical Licenses	2,500	2,000	3,000	2,000
Builder Licenses	6,750	5,000	7,010	5,000
Electrical Permits	6,812	6,000	7,500	6,000
Building Permits	38,906	30,000	35,000	30,000
Plumbing Permits	10,808	8,000	10,785	8,000
Mechanical Permits	3,365	3,500	5,985	3,500
Trailer Permits	160	400	1,155	200
Food Handler's Permits	2,715	2,500	2,800	2,500
Liens	100	0	1,032	0
Other Permits & Fees	46,571	20,000	17,000	18,000
Alcoholic Beverage Licenses	4,720	4,000	5,955	4,000
Animal Licenses & Fee	6,744	2,000	6,855	4,000
Alarm Fees	1,140	500	1,725	0
Total Licenses & Permits	131,290	83,900	105,802	83,200
User & Service Charges				
Bauer Center Rentals	74,240	45,000	78,840	45,000
Bayfront Rentals	2,000	0	8,500	0
CVB Events	50	0	200	0
Police Services	2,901	2,000	2,000	2,000
Fire Service Fees	0	0		0
Total User & Service Charges	79,191	47,000	89,540	47,000

General Fund Revenues (Continued)	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Fines & Forfeitures				
Penalties & Interest	90,494	95,000	88,592	90,000
Tax Attorney Fees	33,590	30,000	34,060	33,000
Court Fines	135,167	150,000	114,445	120,000
Municipal Court- Collection Agency	18,697	20,000	14,471	17,000
Local Time Payment Fees	5,797	6,000	4,740	5,000
Arrest Fees	17,626	18,000	15,250	16,000
Cash Over- Municipal Court	0	0	0	0
Total Fines & Forfeitures	301,371	319,000	271,558	281,000
Other Revenue				
Interest Income	9,975	8,000	26,925	10,000
Other Financing Sources	0	0	0	0
Photo Copies	1,342	0	1,303	0
Donations	3,385	2,650	10,660	0
Auction Proceeds	0	5,000	43,060	5,000
TML Reimbursements	10,185	7,000	8,475	4,000
Fire Training Reimbursement	0	0	0	0
Miscellaneous Income	61,639	5,000	24,310	5,000
Tower of Tex Usage Rights	6,000	6,000	6,000	6,000
Equity Balance Forward	0	250,000	0	0
Total Other Revenue	92,526	283,650	120,733	30,000
Grants and Contributions				
Operation Stone Garden	2,484	0	13,308	0
Contribution Lease - Police/Fire	1,873	0	1,858	1,800
Calhoun County- Fire	331,044	182,000	184,000	184,000
Calhoun County- Animal	65,000	65,000	65,000	65,000
Point Comfort- Animal	6,000	6,000	6,000	6,000
Total Grants and Contributions	406,401	253,000	270,166	256,800
Intergovernmental Revenue				
Transfer In- 504 Port Commission	16,500	366,500	366,500	16,500
Transfer In- 501 Utility Fund	235,270	490,000	490,000	245,000
Transfer In- 503 Beach Fund	8,000	8,000	8,000	8,000
Transfer In- 206 FARF Fund	135,759	77,000	55,000	92,000
Transfer In- 101 Hotel/Motel	190,000	200,000	200,000	220,000
Transfer In- Other	0	0	0	0
Total Intergovernmental Revenue	585,529	1,141,500	1,119,500	581,500
Total General Fund Revenue	8,373,090	8,779,050	8,780,399	7,820,000

General Fund Expenditures by Function

Expenses by Function	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016	Variance
Personnel Services	4,486,782	4,614,430	4,454,685	4,751,319	136,889
Materials & Supplies	276,934	285,000	242,115	304,275	19,275
Services	1,037,183	1,154,153	1,022,958	1,158,590	4,437
Maintenance	507,038	693,604	596,417	712,434	18,830
Sundry	1,117,862	600,863	552,000	551,382	-49,481
Capital Expenditures	326,950	1,427,000	1,298,965	342,000	-1,085,000
Total Expenditures	7,752,749	8,775,050	8,167,140	7,820,000	-955,050

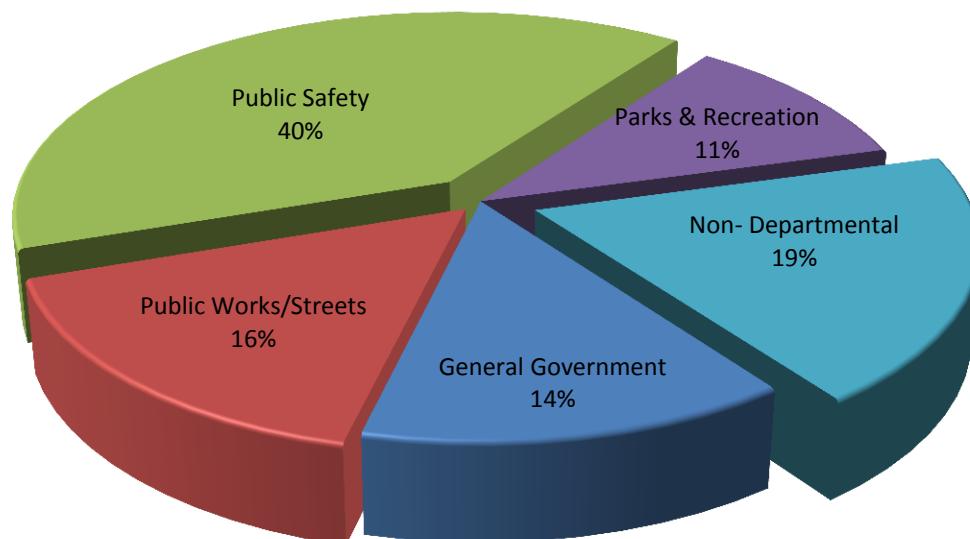
Expenditures by Function



General Fund Expenditures by Department

Department	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016	Variance	Variance by %
City Council	31,452	28,600	28,000	30,844	2,244	8%
City Manager	195,606	200,500	161,920	252,020	51,520	26%
City Secretary	95,116	93,000	92,520	94,640	1,640	2%
Human Resource	63,214	77,000	76,905	81,425	4,425	6%
Municipal Court	105,358	115,925	115,200	119,000	3,075	3%
Economic Development	0	85,000	78,885	164,890	79,890	94%
Finance	204,123	209,750	211,500	221,500	11,750	6%
City Hall	131,389	120,425	94,950	108,750	-11,675	-10%
Police	1,603,042	1,611,950	1,593,000	1,653,650	41,700	3%
Fire	1,253,615	1,188,563	1,137,275	1,217,538	28,975	2%
Animal Control	114,308	108,750	104,822	110,950	2,200	2%
Code/Inspections	138,929	213,200	190,675	159,850	-53,350	-25%
Public Works/Streets	1,611,494	2,068,209	1,927,446	1,253,109	-815,100	-39%
Parks & Recreation	302,570	811,100	669,792	603,800	-207,300	-26%
Bauer Center	166,524	213,500	197,505	240,950	27,450	13%
Non-Departmental	1,736,009	1,633,578	1,486,745	1,507,084	-126,494	-8%
Total Expenditures	7,752,749	8,779,050	8,167,140	7,820,000	-959,050	-11%

Expenditures by Department



Departmental Summaries

CITY COUNCIL

Our Mission

The Port Lavaca City Council is committed to making Port Lavaca a desirable place to live through quality services, responsible use of public resources and a progressive attitude toward community development. With enthusiasm, integrity and vision, we will maintain a safe environment and continually improve the quality of life for all citizens.

Description of our Services

The City Council is the governing and lawmaking body of the City Government, and they shall have and exercise all powers granted by the City Charter, State Law and the State Constitution. The Council also provides legislative leadership in establishing ordinances, resolutions and policies.

Our Leadership Philosophy

The City Council of Port Lavaca will lead...

- By setting the example
- With integrity
- As a servant to the citizens
- By being a part of the community
- By knowing what the citizens want
- By relating to the citizens
- With vision
- With pride
- With unity
- By communicating
- By taking action without a private agenda
- With understanding and compassion
- By being responsive
- By taking responsibility

Strategic Plan Area Dimensions

- Governance
- Infrastructure
- Quality of Life
- Community Development
- Business Development

2015-2016 Goal Statements

- Port Lavaca residents are well informed and involved with the affairs of local city government.
- Port Lavaca residents enjoy new streets, sidewalks and other improvements year after year.
- Port Lavaca is known for creating a business development program that is responsive to existing business needs.
- Port Lavaca is a culturally diverse community actively promoting tourism and encouraging economic development opportunities.
- Port Lavaca residents enjoy a safe community with great amenities and affordable living.

Budget Summary

City Council	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	26,195	27,180	27,000	29,894
Materials & Supplies	4,249	0	100	0
Services	1,009	950	900	950
Maintenance	0	470	0	0
Total City Council	31,452	28,600	28,000	30,844

CITY MANAGER

Our Mission

To provide planning, control, direction, support and coordination to the activities and functions of all City Departments based on City Council Policy, Charter, Codes and State Law.

Description of our Services

The City Manager exercises leadership in maintaining effective communication between the City Council, City employees and the citizens of Port Lavaca. As the City's Chief Executive Officer, the City Manager performs financial monitoring, presents the annual budget, prepares City Council agenda, provides citizen assistance and works on economic and community development opportunities. This office also handles customer service requests, prepares agendas and minutes to the Port Commission and provides general administrative assistance to other programs.



Strategic Focus

Governance

Port Lavaca residents are well informed and involved with the affairs of local city government.

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks and other improvements year after year.

Business Development

Port Lavaca is known for creating a business development program that is responsive to existing business needs.

Community Development

Port Lavaca is a culturally diverse community actively promoting tourism and encouraging economic development opportunities.

Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

2015-2016 Business Plans (Objectives)

- Guide the development of a Comprehensive Plan
- Monitor process for completion of Veteran's Memorial at Bayfront Park
- Establish sidewalk connectivity between Bayfront Park and Lighthouse Beach
- Complete plan to upgrade depot/caboose

2014-2015 Accomplishments of Prior Year Business Plans

- Implemented a strategic plan for City staff
- Hired an Economic Development Director
- Purchased property to be used for sidewalk connectivity

Budget Summary

City Manager	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	187,666	192,850	155,000	245,670
Materials & Supplies	1,388	900	400	700
Services	6,552	6,750	6,520	5,650
Maintenance	0	0	0	0
Sundry	0	0	0	0
Total City Manager	195,606	200,500	161,920	252,020

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
City Manager	1	1	1
Administrative Assistant	1	1	1
Total	2	2	2

“It’s important that people know what you stand for. It’s equally important that they know what you won’t stand for.”

Dr. Martin Luther King

CITY SECRETARY

Our Mission

To provide support, assistance and information to the City Council and City Manager so that they have the resources required to efficiently and effectively conduct the business of the City and its citizens; to preserve City documents so that the City Council, City employees and citizens of Port Lavaca may stay informed by having timely and convenient access to City records. This office also conducts and monitors City elections in strict compliance with all applicable laws, in the most efficient and effective manner possible; and keeps elected officials, staff and the general public well informed regarding elections and election procedures.

Description of our Services

The Office of the City Secretary is responsible for the preparation of agendas and minutes for all City Council meetings; ensuring compliance with the Public Information Act for Texas Open Meetings and Public Records request; maintains all official records of the City, including minutes, contracts, ordinances, resolutions and deeds; oversees processing of all open records requests; attests the signature of the Mayor and affixes the City seal on all official documents. This office also prepares and posts all required documentation for the administration of City elections.

Strategic Focus



Governance

Port Lavaca residents are well informed and involved with the affairs of local city government.

2015-2016 Business Plans (Objectives)

- Upgrade map designating areas where alcohol can be sold and consumed on premises
- Streamline information about the City's election process via the City's website
- Improve the website for City Secretary's department

2014-2015 Accomplishments of Prior Year Business Plans

- Expanded the document imaging system to provide City information retrieval via the City network and the internet
- Implemented an electronic up-to-date indexing for tracking traffic control devices or speed limits by adopting City Ordinances

Budget Summary

City Secretary	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	66,916	69,000	72,770	74,240
Materials & Supplies	501	1,000	750	1,400
Services	27,654	23,000	19,000	19,000
Maintenance	45	0	0	0
Capital Expenditures	0	0	0	0
Total City Secretary	95,116	93,000	92,520	94,640

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
City Secretary	1	1	1
Administrative Assistant	0	0	0
Total	1	1	1

Performance Measures

<i>Our Workload</i>	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Number of Agendas/Meetings/Mins.	22	28	30	30
Number of requests for Public Info.	23	29	30	30
Number of new Ordinances approved	14	12	11	10
Number of closed sessions	4	6	6	6
Number of public hearings	8	7	6	6
Number of Proclamations	11	15	12	12
Number of resolutions approved	22	23	20	20
Number of elections prepared for	2	1	2	1
<i>Measuring our Effectiveness</i>				
% of Agendas posted 72 hours prior to meeting	100%	100%	100%	100%
% of Minutes approved as written the first time	100%	100%	100%	100%

HUMAN RESOURCE

Our Mission

To provide information regarding policies, procedures, employment and employee benefits to the City staff and all employees; and to support the City's efforts to attract, develop and retain a diverse, well-qualified and productive workforce that is capable of providing quality services to the citizens of Port Lavaca.

Description of our Services

The Human Resource Department provides services to City employees; processes all hiring and termination of employees; maintains personnel and medical files on all employees; processes workman compensation claims; unemployment claims; resolves retirement fund issues; and health/dental insurance coverage issues. This department works closely with department heads, payroll and the safety committee in all matters involving employees of the City.



Strategic Focus

Governance

Port Lavaca residents are well informed and involved with the affairs of local city government.

2015-2016 Business Plans (Objectives)

- Implement new hire fitness requirements
- Continue to reduce the number of risk and work-related injuries (revamp new hire physical to match job)
- Continue to maintain a competitive salary for the City workforce
- Continue to improve the applicant recruiting effort
- Provide training to educate supervisors on performance evaluation.
- Implement an employee training developmental model
- Continue to scan in all personnel records for archiving (create process)
- Continue to maintain City required certifications in the Human Resource software
- Continue to develop new employee orientation program
- Continue to update the department's website page

2014-2015 Accomplishments of Prior Year Business Plans

- Scanned all inactive employee files to electronic archive
- Assisted with premier Annual Safety Week (new safety program)
- Completed certification pay analysis
- Managed new compensation study recommendations (salary adjustments)
- Completed a summer pilot program using the proposed Work Flex Policy

Budget Summary

Human Resource	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	49,957	51,875	53,000	54,300
Materials & Supplies	4,007	4,400	1,905	1,700
Services	9,250	18,700	22,000	23,400
Maintenance	0	2,025	0	2,025
Capital Expenditures	0	0	0	0
Total Human Resource	63,214	77,000	76,905	81,425

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Finance/Human Resource Specialist	1	1	1
Total	1	1	1

Performance Measures

<i>Our Workload</i>	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Number of new employees processed	26	35	35	38
Number of employee terminations	27	36	28	30
Number of work related injuries	22	23	30	32
Number of performance evaluations	74	73	78	75
Number of applications received	166	266	200	225
<i>Measuring our Effectiveness</i>				
Average time to fill positions (days)	30	30	30	30

MUNICIPAL COURT

Our Mission

To serve the public in a fair, impartial, efficient and accountable manner for matters related to Class “C” offenses filed within the city limits of the City of Port Lavaca.

Description of our Services

The Municipal Court provides administrative support for the City of Port Lavaca’s municipal court proceedings. Municipal Court is responsible for the collection of fines and fees, court scheduling, issuing, tracking and clearing warrants, maintaining court records and reporting to state agencies.



Strategic Focus

Governance

Port Lavaca residents are well informed and involved with the affairs of local city government.

Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

2015-2016 Business Plans (Objectives)

- Improve/increase advertising about the annual Warrant Round-Up
- Reduce arrest warrant backlog by extending courtesy calls to defendants prior to processing Failure to Appear (F.T.A.) Warrants
- Research all outstanding warrants in an effort to clear warrants from defendants that may be uncollectable due to death or imprisonment
- Achieve higher level of knowledge through certification program

2014-2015 Accomplishments of Prior Year Business Plans

- Processed 94 discipline and truancy cases for the school district in 2014 – 2015 school year
- Through the Youth Orientation and Understanding (Y.O.U.) Program, students and parents learned about the Education Code Laws and the positive impact it has
- The Court’s website was revised and is more user-friendly

Budget Summary

Budget Summary

Municipal Court	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	79,520	80,675	82,000	83,475
Materials & Supplies	1,375	1,300	1,200	2,100
Services	10,901	25,950	23,000	19,925
Maintenance	3,034	0	0	3,500
Sundry	10,528	8,000	9,000	10,000
Total Municipal Court	105,358	115,925	115,200	119,000

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Municipal Court Judge - Exempt	1	1	1
Municipal Court Clerk	1	1	1
Municipal Court Assistant	1	1	1
Total	3	3	3

Performance Measures

Our Workload	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Number of citations filed	1412	985	877	1000
Number of warrants issued	207	564	477	550
Number of juvenile citations filed	101	88	159	175
Number of property/evidence hearing cases	689	494	246	0
Measuring our Effectiveness				
# of case files created within 24 hours of citation receipt	100%	100%	100%	100%
# of warrants issued within 30 days of failure to appear	95%	96%	96%	97%

ECONOMIC DEVELOPMENT

Our Mission

To promote, develop and enhance community and business development.

Description of our Services

The Economic Development Department will design, coordinate, manage and promote Economic Development initiatives. Primary focus will be on new business attraction, building relationships with existing industry, tourism development and downtown development.



Strategic Focus

Business Development

Port Lavaca is known for creating a business development program that is responsive to existing business needs.

Community Development

Port Lavaca is a culturally diverse community actively promoting tourism and encouraging economic development opportunities.

2015-2016 Business Plans (Objectives)

- Create an Economic Development Website
- Implement Strategic Plan
- Create an initial Tax Increment Refinance Zone
- Establish an Historic Tax District recognized by National Register of Historic Places
- Implement a beautification program
- Update the City's retail study
- Expand the Youth Advisory Council to include a service learning project
- Maintain an updated community profile to be available on website and hardcopy

2014-2015 Accomplishments of Prior Year Business Plans

- Developed a Strategic Plan
- Braided tourism efforts with the Chamber (i.e. marketing plan)
- Implemented the weatherization program
- Surveyed local employees to assess market conditions for new housing developments
- Updated the Community Profile to be available on hardcopy and website

Budget Summary

Economic Development (ED)	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	0	65,000	61,785	117,890
Materials & Supplies	0	5,500	6,000	1,000
Services	0	10,500	7,500	45,000
Maintenance	0	4,000	3,600	1,000
Total Economic Dev.	0	85,000	78,885	164,890

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Economic Development Director	0	1	1
Community Dev/Tourism Director	0	1	1
Total	0	2	2

Performance Measures

<i>Our Workload</i>	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
# of Economic Development Inquires	N/A	N/A	12	30
# of Economic Development projects/initiatives	N/A	N/A	3	5
# of new business registrations	N/A	N/A	5	10
# of presentations made to business and civic groups	N/A	N/A	7	12
<i>Measuring our Effectiveness</i>				
% of business leads that choose to locate in Port Lavaca/Calhoun County	N/A	N/A	0	3

FINANCE

Our Mission

To provide an efficient accounting system for City government while ensuring financial accountability to our citizens.

Description of our Services

The Finance Department is responsible for the administration and supervision of all financial affairs of the City, the timely recording of revenue and the disbursement of City funds in accordance with State Law, City policies and Generally Accepted Accounting Principles. The Finance Department assists in enforcing budgetary control and performs internal audit functions as needed.



Strategic Focus

Governance

Port Lavaca residents are well informed and involved with the affairs of local city government.

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks and other improvements year after year.

2015-2016 Business Plans (Objectives)

- Continue to expand the City's five year plan into a long-term financial plan
- Continue to develop internal control policies
- Continue to revise the City's Capital Policy
- Continue to improve the budget document to create an easy, understandable format for our citizens
- Continue to increase the number of outstanding ratings on the City's budget document that is submitted to the Government Finance Officers Association for review
- Continue to provide for timely financial reporting to departments, managers and City Council
- Continue to reduce paper by digitally archiving additional finance documents
- Continue to reduce number of adjusting audit entries performed by auditors
- Update the Purchasing Policy and Procedures Manual
- Assist City with lighting retrofit project

2014-2015 Accomplishments of Prior Year Business Plans

- Received the Government Finance Officers Association (GFOA) Budget Award- 5th year
- Received the Comprehensive Annual Financial Report (CAFR) Award through Government Finance Officers Association (GFOA) -5th year
- Received the Texas Comptroller's Leadership Circle *Platinum* Award for financial transparency
- Completed the Sales Tax and Telecommunication Audit
- Volunteered and managed all paperwork and funds for the annual Flip Flop Festival
- Managed all paperwork and funds for the Veteran's Memorial Project
- Revamped finance website to add more financial documents
- Cross trained finance staff in utility billing and advanced financial reporting
- Assists Police Department in various grant reporting

Budget Summary

Finance	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	185,336	188,550	195,000	200,600
Materials & Supplies	8,837	9,800	7,000	7,700
Services	9,888	10,900	9,500	12,700
Maintenance	62	500	0	500
Total Finance	204,123	209,750	211,500	221,500

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Finance Director	1	1	1
Senior Accountant	1	1	1
Accounting Clerk	1	1	1
Total	3	3	3

GENERAL FUND

Performance Measures

<i>Our Workload</i>	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Average number of invoices processed	5425	4761	4332	4839
Average number of vendor checks issued	2319	2197	2088	2201
Average number of payroll checks/ACH issued	2667	2678	2643	2650
Number of manual journal entries	2124	2760	2797	2800
<i>Measuring our Effectiveness</i>				
GFOA's Distinguished Budget Presentation Award received	1	1	1	1
GFOA's Excellence in Financial Reporting Award received	1	1	1	1
Texas Comptroller's Leadership Circle Award	1	1	1	1
Audit receives a clean opinion	Yes	Yes	Yes	Yes

CITY HALL

Description of our Services

The City Hall Department provides for the operation of the City Hall building including all utilities and building maintenance.

2015-2016 Business Plans (Objectives)

- Replace 2nd air conditioner unit
- Power wash outside of City Hall
- Replace sign out front to provide a more professional appearance
- Stripe parking lot for handicap parking

2014-2015 Accomplishments of Prior Year Business Plans

- Upgraded City Manager's office by removing all dirt in office and foyer and replacing with decorative rocks
- Repaired roof over Council Chambers

Budget Summary

City Hall	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	0	0	0	0
Materials & Supplies	16,708	8,200	7,200	6,400
Services	79,236	80,225	70,750	81,350
Maintenance	35,445	32,000	17,000	21,000
Total City Hall	131,389	120,425	94,950	108,750

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Janitor	0	0	0
Contracted Service Position	1	1	1
Total	1	1	1

POLICE

Our Mission

To protect and preserve the rights of the people and serve the citizens of Port Lavaca; to treat all people with fairness, respect and dignity through professionalism, open and honest communication, loyalty, integrity, courage and ethical behavior.

Description of our Services

The Port Lavaca Police Department is responsible for the protection of lives and property of the citizens of Port Lavaca; the preservation of public peace and the enforcement of all laws- City, State and Federal. Other areas of responsibility include, but are not limited to, traffic control, criminal, juvenile and narcotics crime investigations and vice control. Officers prepare and investigate reports of incidents, requiring constant contact with the public; make arrests, investigate motor vehicle accidents and perform other duties.



The communications sector is the first point of contact for telephone and walk-in requests for service; acting as a liaison with other law enforcement agencies, dispatching calls and relaying information as requested.



Strategic Focus

Governance

Port Lavaca residents are well informed and involved with the affairs of local city government.

Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

2015-2016 Business Plans (Objectives)

- Reduce the number of property crime incidents by increasing narcotics investigations and enforcement
- Continue to update the Police Department Policies and Procedures Manual
- Identify emerging leaders in the organization and provide appropriate training
- Maintain or increase the number of officers enrolled in higher education courses

2014-2015 Accomplishments of Prior Year Business Plans

- Established the department's SWAT team and provided first level of team training
- Reduced the number of reported property crimes through the increase of narcotics related investigations
- Reduced the number of reported traffic accidents through increased traffic enforcement and visibility; second year for reduction
- Remodeled two offices within the Police Department building
- Installed wall lockers to preserve the chain of custody for evidence submitted by officers

Budget Summary

Police	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	1,269,169	1,300,000	1,280,000	1,345,000
Materials & Supplies	80,481	73,000	72,000	94,900
Services	79,764	95,150	91,000	90,950
Maintenance	92,778	95,800	105,000	72,800
Sundry	1,341	2,000	0	2,000
Capital Expenditures	79,509	46,000	45,000	48,000
Total Police	1,603,042	1,611,950	1,593,000	1,653,650

2015- 2016 Major Additions: Vehicle

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Police Chief – Exempt	1	1	1
Police Lieutenant – Exempt	1	1	1
Patrol Sergeants	2	2	2
Patrol Corporals	4	4	4
Patrol Officers	8	8	8
Senior Sergeant Detective	1	1	1
Police Detectives	3	3	3
Administrative Assistant / Lead	1	1	1
Dispatchers	4	4	4
Records Clerk/ Dispatcher	1	1	1
Total	26	26	26

GENERAL FUND

Performance Measures

<i>Our Workload</i>	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Number of community programs & events attended by department personnel	18	63	78	85
Number of training hours received by department personnel	1,784	1,711	2,312	2,600
Total number of calls for service	16,297	19,734	19,295	19,515
Number of officer initiated calls	6,953	8,797	6,454	7,625
Number of traffic citations	2,048	1,318	1,547	1,662
Number of warnings	693	340	737	935
Number of motor vehicle accidents worked by patrol	224	195	169	156
<i>Measuring our Effectiveness</i>				
Average response time to calls in minutes	4.51	2.27	3.04	3.42
Number of cases assigned to CID	543	822	624	723
Number of cases cleared by arrest	785	471	452	461

FIRE

Our Mission

Our mission at the Port Lavaca Fire Department is to prevent and protect the loss of life and property for the citizens, businesses and visitors of Port Lavaca and surrounding areas. This mission is accomplished with pride through training, pre-planning, public education and incident response.

Description of our services

The Port Lavaca Fire Department is responsible for fire prevention through community education programs, pre-fire plans and the Fire Department's inspection program. Requests are answered promptly for the protection of life and property within the City limits and for the surrounding vicinity. Fire suppression, hazardous materials response, water rescue and vehicle accidents are some of the emergency services provided by the Fire Department for the well-being of our community and its guests. The Fire Department also serves as a point of coordination for emergency services during disaster and other emergency situations.



Strategic Focus

Governance

Port Lavaca residents are well informed and involved with the affairs of local city government.

Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

2015-2016 Business Plans (Objectives)

- Continue to respond quickly to and extinguish fires so as to minimize the loss of life, damage to property and economic impact upon the community
- Continue to ensure fiscal responsibility while delivering the highest level of customer service possible
- Continue to eliminate future fire hazards and ensure access and firefighting capabilities through our plans
- Continue with the fire prevention program in all the elementary schools and smoke detector program in the community
- Reduce turnover rate currently at 75% and continue to maintain a quality level of service
- Foster and maintain an atmosphere of mutual cooperation throughout the community

GENERAL FUND

2014-2015 Accomplishments of Prior Year Business Plans

- New hires completed the implemented phase grading system
- Updated both fire stations with cable internet service
- Received Texas Forest Grant for purchase of bunker gear
- Purchased new Skeeter rescue truck
-

Budget Summary

Fire	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	909,088	966,000	938,905	981,600
Materials & Supplies	68,015	76,500	75,000	89,675
Services	46,057	53,700	47,420	54,000
Maintenance	29,553	41,400	24,950	41,400
Sundry	50,921	50,963	51,000	50,863
Capital Expenditures	149,981	0	0	0
Total Fire	1,253,615	1,188,563	1,137,275	1,217,538

2015- 2016 Major Additions: Air Packs

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Fire Chief – Exempt	1	1	1
Fire Captain	3	3	3
Fire Lieutenant	2	3	3
Firefighter / App. Operator	11	10	10
Total	17	17	17

Performance Measures

<i>Our Workload</i>	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Number of fire safety classes	57	57	60	60
Number of participants in fire safety classes	2275	2230	2350	2350
Number of smoke detectors installed for residents	24	42	50	50
Number of Inspections per month	31	31	31	31
<i>Measuring our Effectiveness</i>				
Percentage of Port Lavaca and Calhoun County Schools receiving education classes	97%	98%	99%	99%
Number of joint training hours with outside agencies	305	310	310	310
Number of required/actual certifications maintained	50/92	50/92	50/92	50/96

ANIMAL CONTROL

Our Mission

The mission of the Port Lavaca Animal Control Department is to provide quality animal control services to the citizens of Port Lavaca and Calhoun County. It is the duty of the City to ensure that the Animal Control Department employees are trained to safely and professionally serve our community.

Description of our Services

The Port Lavaca Animal Control Department provides for the apprehension of stray and nuisance animals, primarily dogs and cats, for the City of Port Lavaca and Calhoun County. The department enforces the Port Lavaca Animal Control Ordinance and State Health Department regulations concerning dogs and cats; houses stray and nuisance animals; investigates incidents involving dangerous and vicious animals; and in emergencies, apprehends domestic livestock and wild animals. The Animal Control Department activities are conducted to ensure the health, safety and welfare of the community.



Strategic Focus

Governance

Port Lavaca residents are well informed and involved with the affairs of local city government.

Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

2015-2016 Business Plans (Objectives)

- Continue to provide professional animal control service to the citizens of Port Lavaca and Calhoun County
- Partner with veterinarians to promote the need to spay and neuter pets
- Insure animal control facility maintains compliance with all state regulatory standards
- Pursue additional training opportunities for Animal Control Officers beyond the basic level
- Make needed improvements to the animal control building
- Utilize area media to promote citizen compliance with the City's ordinance governing rabies shots and pet registration

2014-2015 Accomplishments of Prior Year Business Plans

- Implemented computerized record keeping for the animal control facility
- Partnered with area Boy Scouts to build additional outdoor shading for animals
- Partnered with area veterinarians to provide rabies vaccinations for domestic animals
- Passed two unannounced inspections of the animal control facility by the Department of Health Services

Budget Summary

Animal Control	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2043-2015	Adopted Budget FY 2015-2016
Personnel Services	82,972	80,200	81,970	83,450
Materials & Supplies	12,243	13,300	7,440	12,300
Services	11,637	11,200	10,412	11,200
Maintenance	7,456	4,000	5,000	4,000
Sundry	0	0	0	0
Capital Expenditures	0	0	0	0
Total Animal Control	114,308	108,700	104,822	110,950

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Animal Control Officers	2	2	2
Total	2	2	2

Performance Measures

Our Workload	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Community education programs	1	1	2	2
Number of animals picked up	2813	1715	1329	1522
Number of dead animals picked up	429	245	172	209
Measuring our Effectiveness				
Average response time to pick up animals	45 minutes	45 minutes	45 minutes	45 minutes

CODE ENFORCEMENT

Our Mission

The mission of the City of Port Lavaca Code Enforcement Department is to protect and enhance the character and stability of the community through both long and short range planning activities including management and enforcement of assigned laws, codes and ordinances.

Description of our Services

The Code Enforcement Department provides enforcement and inspection services required by the City's adopted building codes, land use, issuance of building permits, park, peddler, game room and garage sale permits.



Strategic Focus

Governance

Port Lavaca residents are well informed and involved with the affairs of local city government.

Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

2015-2016 Business Plans (Objectives)

- Hold meetings at regular publicized intervals with developers, contractors, realtors, etc. to exchange information and ideas on how best to comply with legal requirements of the construction and development process
- Provide guidance in streamlining the permitting process to increase profitability of service providers, developers and contractors
- Create standard operating procedures to assist in the implementation of City policies and regulations
- Update municipal ordinances for minimal housing requirements for 1 and 2 family dwellings
- Update municipal ordinances regarding demolition of structures

2014-2015 Accomplishments of Prior Year Business Plans

- Provided abatement of substandard structures
- Conducted more thorough inspections for single family, multi-family and mobile home parks
- Revised junkyard ordinance adding new requirements

Budget Summary

Code Enforcement	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	127,193	165,300	150,000	132,000
Materials & Supplies	5,807	8,000	5,000	5,900
Services	3,796	14,100	10,908	18,150
Maintenance	2,133	3,800	2,802	3,800
Capital Expenditures	0	22,000	21,965	0
Total Code Enforcement	138,929	213,200	190,675	159,850

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Building Official	1	1	1
Permit Clerk	1	1	1
Code Enforcement Officer	1	1	1
Total	3	3	3

Performance Measures

<i>Our Workload</i>	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Number of building permits issued	846	787	824	840
Number of garage sale permits issued	317	296	286	300
Number of building inspections completed	603	597	633	645
Number of code enforcement inspections	626	739	540	550
<i>Measuring our Effectiveness</i>				
Percentage of building inspections completed within 2 business days	100%	100%	100%	100%
Response to code enforcement requests within 1 business day	100%	100%	100%	100%

STREETS

Our Mission

The mission of the City of Port Lavaca Streets Department is to provide service to the City of Port Lavaca by maintaining and improving the City's infrastructure (streets).

Description of our Services

The Street Department provides street maintenance services and maintains major capital improvements to include street paving, grading, clearing drainage ways, seal coat maintenance, street sweeping and traffic control sign maintenance on 50 miles of street and 90 miles of curb and gutter.



Strategic Focus

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks and other improvements year after year.

Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

2015-2016 Business Plans (Objectives)

- Reclaim 5,000 linear feet of streets within the City
- Clean out several sections of ditches within the City
- Develop a herbicide program for curbs and gutters
- Sealcoat five (5) miles of street
- Rebuild berms at City gun range

2014-2015 Accomplishments of Prior Year Business Plans

- Reclaimed approximately 2,000 linear feet of streets
- Reconstructed George Street
- Prepared playground area at Lighthouse Beach for newly installed playground

Budget Summary

Streets	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	380,430	435,000	404,900	446,000
Materials & Supplies	40,107	48,400	30,780	47,800
Services	133,735	152,750	108,766	150,250
Maintenance	201,492	332,059	283,000	359,059
Sundry	767,170	250,000	250,000	250,000
Capital Expenditures	88,560	850,000	850,000	0
Total Streets	1,611,494	2,068,209	1,927,446	1,253,109

2015- 2016 Major Additions: Street Rehabilitation- Pinta/Montier, sealcoat program, public works service center

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Public Works Director*	½*	½*	½*
Administrative Assistant*	½*	½*	½*
Maintenance Superintendent	1	1	1
Heavy Equipment Operators	4	4	4
Maintenance Workers	4	4	4
Temporary Workers (Summer)	5	5	5
Total	15	15	15

*Position funded 1/2 Utility Maintenance

Performance Measures

Our Workload	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Miles of curb swept by street sweeper	250	225	250	250
Tons of litter and debris removed	140	160	150	150
Measuring our Effectiveness				
% of emergency calls responded to within 4 hrs.	98%	99%	98%	99%

PARKS

Our Mission

The mission of the City of Port Lavaca Parks Department is to serve the City of Port Lavaca residents and visitors by providing the highest standard of parks and leisure services, available in a safe, efficient and professional manner.

Description of our Services

The Parks Department provides operation and maintenance services to include mowing, landscaping, park maintenance, playground equipment inspections, custodian duties, maintenance of the swimming pool and construction of new projects.



Strategic Focus

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks, and other improvements year after year.

Community Development

Port Lavaca is a culturally diverse community actively promoting tourism and encouraging economic development opportunities.

Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

2015-2016 Business Plans (Objectives)

- Beautify the City's parks and open spaces
- Replace park signs and old park equipment
- Build softball field at Wilson Park

2014-2015 Accomplishments of Prior Year Business Plans

- Install new bathroom at Bayfront Peninsula
- Installed fencing at Wilson Park for the new softball and t-ball fields and the existing soccer fields
- Installed fencing at basketball court at George Adams Park
- Updated George Adams Park pavilion lights to LED lights
- Build a cabana at Brookhollow Estates Park

Budget Summary

Parks & Recreation	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	159,135	167,800	155,350	174,700
Materials & Supplies	24,495	25,600	22,840	26,000
Services	61,809	46,700	43,282	47,100
Maintenance	48,232	62,000	66,320	62,000
Capital Expenditures	8,900	509,000	382,000	294,000
Total Parks & Recreation	302,570	811,100	669,792	603,800

2015 - 2016 Major Additions: Mower, Wilson Park –softball fields, new restroom at Bayfront Park, and Underground Electric at Bayfront Park

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Lead Parks Maintenance Worker	1	1	1
Maintenance Workers	4	4	4
Temporary Worker (Summer)	1	1	1
Total	6	6	6

Performance Measures

	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
<i>Our Workload</i>				
Acres of park grounds maintained	170.4	170.4	170.4	170.4
Number of playground inspections performed	24	24	28	28
<i>Measuring our Effectiveness</i>				
% of park maintenance completed on time	98%	97%	96%	98%

BAUER CENTER



Our Mission

The mission of the Bauer Center is to provide the City of Port Lavaca a quality facility for seminars, reunions, dances and other events.

Description of our Services

The Convention and Visitors Bureau provides management and operations for the facilities of the Bauer Community Center. Revenues are generated from facility rentals and rentals of the electronic advertising display sign. The maintenance costs are provided by the City of Port Lavaca.



Strategic Focus

Business Development

Port Lavaca is known for creating a business development program that is responsive to existing business needs.

Community Development

Port Lavaca is a culturally diverse community actively promoting tourism and encouraging economic development opportunities.

Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

2015-2016 Business Plans (Objectives)

- Continue long range maintenance program for the facility
- Repair parking lot

2014-2015 Accomplishments of Prior Year Business Plans

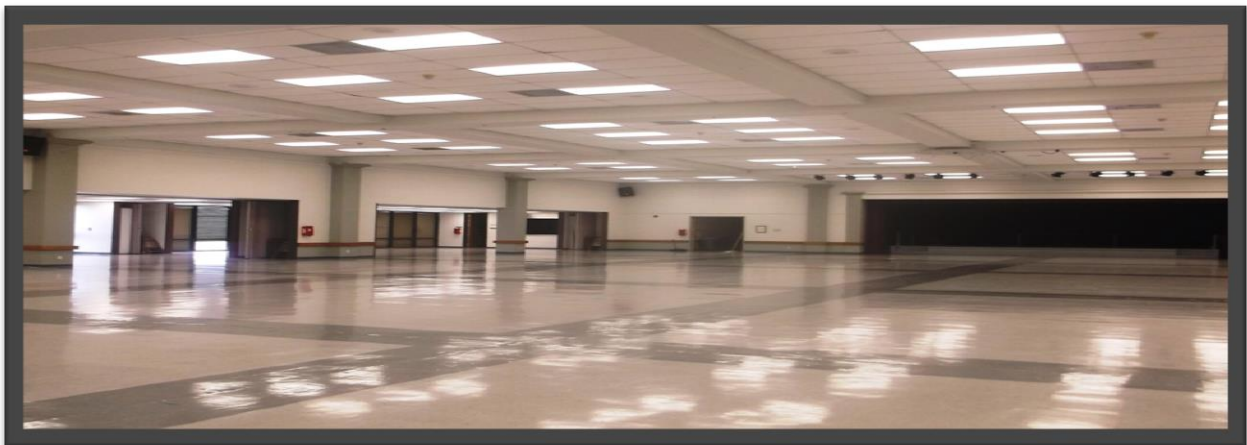
- Stripped and waxed floor in the entire building
- Repaired holes in the walls and painted the side rooms

Budget Summary

Bauer Center	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	50,384	61,000	59,005	64,000
Materials & Supplies	8,723	9,050	4,500	6,700
Services	85,429	98,900	112,000	98,900
Maintenance	21,988	44,550	22,000	71,350
Total Bauer Center	166,524	213,500	197,505	240,950

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Maintenance Workers	2	2	2
Total	2	2	2



GENERAL FUND

NON-DEPARTMENTAL

Description of our Services

Expenditures considered to be of a non-departmental nature include: health insurance claims, safety plan, Texas Workforce Commission (TWC), audit fees, general liability insurance, Fixed Asset Replacement Fund (FARF) allocations and approved contingency allocations.

Contingency

In accordance with section 7.11 of the City Charter, contingency appropriations are to be used in case of unforeseen items approved by the City Manager and City Council. Expenditure details shall be recorded and itemized for reconciliation. The proceeds of the contingent appropriation shall be disbursed only by transfer to other departmental appropriations; the spending of which shall be charged to the departments or activities for which the appropriations are made.

Fixed Asset Replacement Fund (FARF) Allocations

FARF allocations are for the future purchase of governmental fund assets. A minimum threshold will be reviewed annually for appropriateness based on the depreciation schedule and age of the asset portfolio.

Budget Summary

Non-Departmental	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	912,823	764,000	738,000	718,500
Services	470,465	504,678	440,000	480,065
Maintenance	64,819	75,000	66,745	70,000
Sundry	287,902	289,900	242,000	238,519
Capital Expenditures	0	0	0	0
Total Non-Departmental	1,736,009	1,633,578	1,486,745	1,507,084

ENTERPRISE FUNDS



Public Utility Fund

Revenue and Expenditures

Departmental Summaries

Utility Billing

Maintenance

Wastewater

Non-Departmental

Beach Fund

Revenue and Expenditures

Departmental Summary

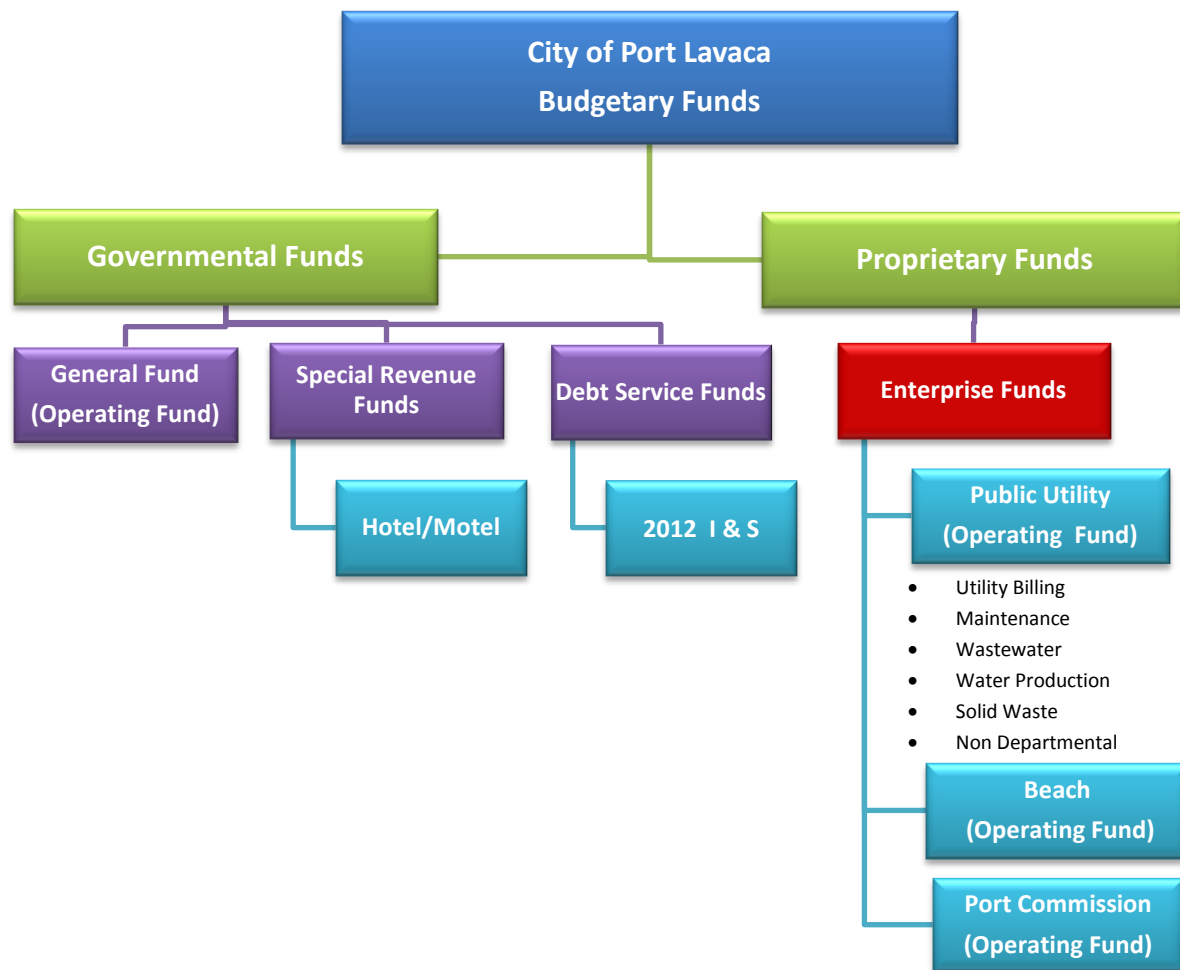
Beach Operations

Port Commission Fund

Revenue and Expenditures

Departmental Summary

Port Commission Operations



Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private enterprises. The intent of the government's action is that the costs of providing goods and services to the general public on an ongoing basis be financed or recovered primarily through user and service charges.

This section provides a three year comparative summary and detailed information for revenue and expenditures. You will also find each department's mission, upcoming goals, budget history, performance measures and major additions related to the Public Utility, Beach and Port Commission Funds.



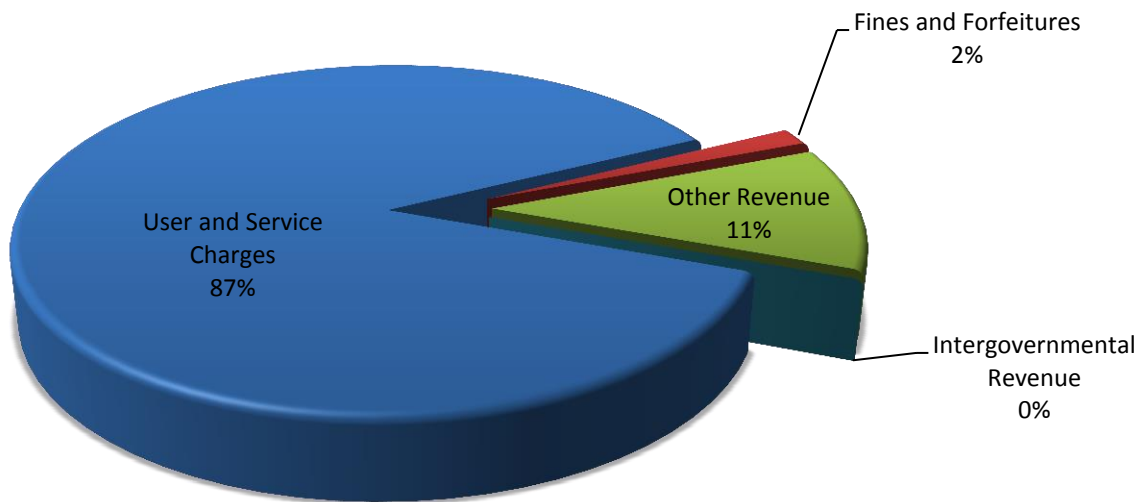
PUBLIC UTILITY FUND

The Public Utility Fund accounts for the operations of the Public Utility Billing, Water Distribution, Sewer and Solid Waste Departments.

Public Utility Fund Revenue

Revenue Summary	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016	Variance
User and Service Charges	5,131,467	5,268,000	5,466,216	5,114,000	-154,000
Fines and Forfeitures	92,706	92,000	94,310	92,000	0
Other Revenue	71,606	1,508,000	73,406	669,000	-839,000
Grant and Contributions	0	0	0	0	0
Intergovernmental Revenue	0	0	0	0	0
Total Revenues	5,295,779	6,868,000	5,633,932	5,875,000	-993,000

Public Utility Fund Revenue



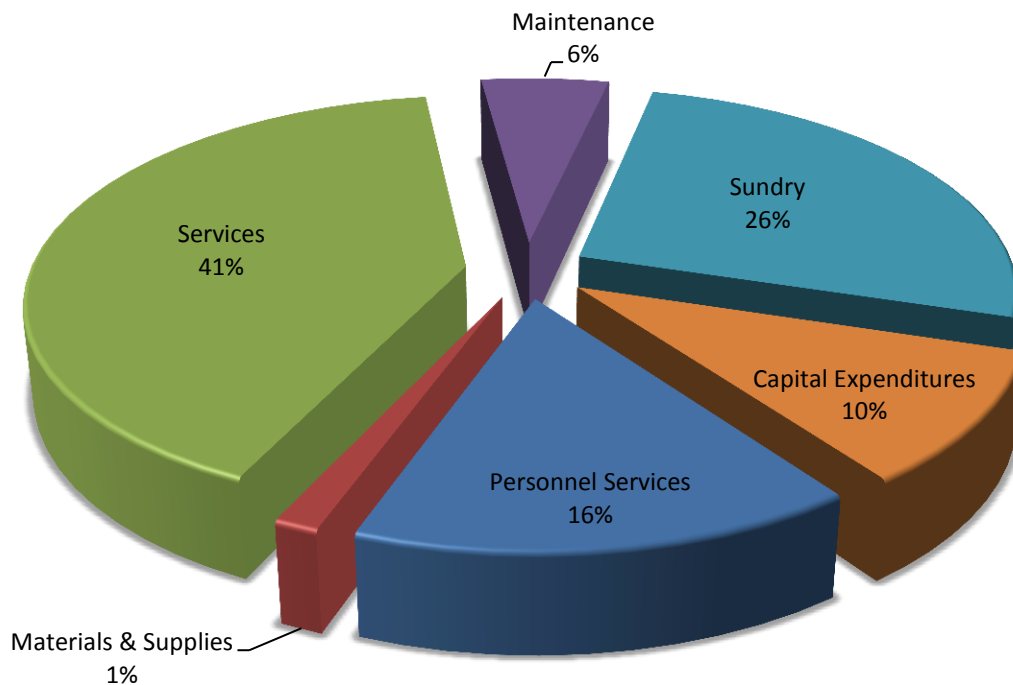
Public Utility Revenue Detail

Public Utility Fund Revenue	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
User & Service Charges				
Water- Metered	2,348,477	2,478,000	2,450,000	2,320,000
Water- Bulk	744	0	1,610	0
Water- Metered County	76,851	76,000	80,125	76,000
Sewer Residential	1,129,989	1,135,000	1,203,480	1,135,000
Sewer Commercial	732,897	730,000	841,670	730,000
Sewer County	34,933	30,000	36,880	33,000
Waste- Garbage Collection	657,162	685,000	707,410	685,000
Spring Cleanup	72,269	60,000	69,270	65,000
Water Taps	10,882	15,000	8,355	10,000
Sewer Taps	6,649	5,000	5,544	5,000
Service Call Fees	1,070	1,000	355	500
Service Transfer Fees	2,700	2,500	1,980	2,000
Service Reconnection Fees	44,895	38,000	45,925	40,000
Service Temporary Water	1,800	1,500	2,000	1,500
Sales Tax- Garbage	10,151	11,000	11,612	11,000
Total User & Service Charges	5,131,467	5,268,000	5,466,216	5,114,000
Fines & Forfeitures				
Late Payment Penalties	92,706	92,000	94,310	92,000
Cash Over- Utility Billing	0	0	0	0
Total Fine & Forfeitures	92,706	92,000	94,310	92,000
Other Revenue				
Interest Income	7,591	8,000	5,355	5,000
Returned Check Fees	2,010	2,000	1,836	2,000
Bad Debt Account Collection	10,644	10,000	16,860	10,000
CCRWSS- GBRA Transmission	46,156	38,000	38,745	38,000
Auction Proceeds	0	0	1,500	0
TML Reimbursements	1,523	0	4,710	0
Miscellaneous	3,682	0	4,400	0
Equity Balance Forward	0	1,450,000	0	614,000
Total Other Revenue	71,606	1,508,000	73,406	669,000
Grant & Contributions				
Capital Contributions	0	0	0	0
Total Grant & Contributions	0	0	0	0
Intergovernmental Revenue				
Xfer In-Fund 503	0	0	0	0
Total Intergovernmental Revenue	0	0	0	0
Total Public Utility Revenue	5,295,779	6,868,000	5,633,932	5,875,000

Public Utility Expenditures by Function

Expenditures by Function	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016	Variance
Personnel Services	655,672	941,150	890,125	862,200	-25,853
Materials & Supplies	79,735	75,875	67,912	82,075	6,200
Services	2,432,059	2,424,285	2,340,330	2,458,418	-18,964
Maintenance	307,813	395,200	298,300	327,600	-67,600
Sundry	2,244,880	1,723,490	1,730,535	1,544,707	-178,783
Capital Expenditures	0	1,308,000	1,315,000	600,000	-708,000
Total Expenditures	5,720,159	6,868,000	6,642,202	5,875,000	-993,000

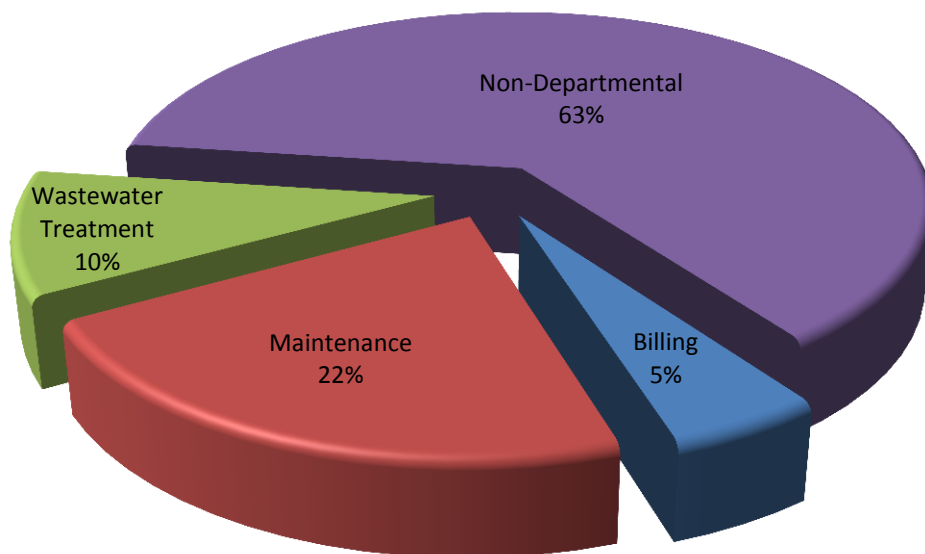
Expenditure by Function



Public Utility Expenditures by Department

Expenditures by Department	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016	Variance
Billing	240,738	292,125	237,707	297,175	5,050
Maintenance	1,820,005	1,936,300	1,894,007	1,290,400	-645,900
Wastewater Treatment	561,642	669,100	588,723	593,250	-75,850
Non-Departmental	3,097,773	3,970,475	3,921,765	3,694,175	-276,300
Total Expenses	5,720,159	6,868,000	6,642,202	5,875,000	-993,000

Expenditure by Department



Departmental Summaries

UTILITY BILLING

Our Mission

To provide billing and revenue collection services to both City utility customers and other City departments in order to provide excellent service to our customers and accurately record and receipt revenues for the City of Port Lavaca.

Description of our Services

The Utility Billing Department falls under the direction of the Finance Director. Utility billing ensures that the utility customers are billed at the rates approved by City Council for water, sewer and garbage. This department is also the central point for most cash collections for other City departments. The Utility Billing Department serves the citizens in many other ways including customer service requests for disconnects, connects and transfers of service. The department assists in investigation and maintenance of the City's water system and works to resolve problems in a timely manner.



Strategic Focus

Governance

Port Lavaca residents are well informed and involved with the affairs of local city government.

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks and other improvements year after year.

2015-2016 Business Plans (Objectives)

- Revise Customer Service Ordinance and make available online
- Create a pamphlet to hand out to new customers
- Continue to attend the "Texas Friendly Customer Service Program" training
- Continue to enhance the web page for the department
- Continue to join other cities to assist in the collection of delinquent utility bills
- Continue to reduce paper by digitally archiving application forms

2014-2015 Accomplishments of Prior Year Business Plans

- Continued use of utility bills as an avenue to share city information
- Participated in the annual Flip Flop Festival
- Installed and utilized Flex Net Program
- Installed and utilized Logic Software
- Changed out 4,673- ¾" meters
- Changed out 168- 1" meters
- Changed out 41- 1 ½" meters
- Upgrading 2" meters to 6" meters

Budget Summary

Utility Billing	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	173,277	185,150	172,475	189,900
Materials &Supplies	10,481	10,375	6,670	8,675
Services	39,968	39,000	34,562	39,000
Maintenance	16,976	57,600	24,000	59,600
Sundry	38	0	0	0
Capital Expenditures	0	0	0	0
Total Utility Billing	240,738	292,125	237,707	297,175

2015-2016 Major Additions: Canopy (Improvement)

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Customer Service Specialist	1	1	1
Utility Billing Specialist	0	1	1
Account Billing Clerk	2	1	1
Meter Reader	2	2	2
Total	5	5	5

ENTERPRISE FUNDS

Performance Measures

<i>Our Workload</i>	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Number of utility account bills generated	55,246	54,195	54,756	54,732
Number of utility payments received	51,115	43,368	47,415	47,299
Number of port commission bills generated	756	840	778	791
Number of port commission payments received	601	637	620	619
Number of bad debt write offs	252	128	182	187
Amount of bad debt recoveries	1,460.08	3,319.37	2,853.09	2,544.18
Meter reading service orders generated	5,444	4,475	4,649	4,856
<i>Measuring our Effectiveness</i>				
Percentage of monthly bills posted to customer accounts on time	100%	100%	100%	100%
Percentage of billing adjustments to correct meter reading and/or billing errors	Less than 1%	Less than 1%	Less than 1%	Less than 1%
Number of work orders outstanding after thirty (30) days	13	0	0	0

MAINTENANCE

Our Mission

The mission of the City of Port Lavaca Maintenance Department is to provide customers with an efficient maintenance process as it pertains to the City's water distribution and sewer collection system.

Description of our Services

The Maintenance Department provides support to the utility system by ensuring work orders are processed in a timely manner. The department provides daily maintenance on the water and sewer system which includes: new water and sewer taps, water and sewer line repair, sewer main cleaning and customer service.



Strategic Focus

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks, and other improvements year after year.

Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

2015-2016 Business Plans (Objectives)

- Implement a backflow prevention plan
- Continue working on Inflow & Infiltration (I & I) improvements throughout the City
- Replace sewer in Bonorden Subdivision
- Keep customer complaints below 1% of total customers per month

2014-2015 Accomplishments of Prior Year Business Plans

- Replaced several failed sewer mains throughout the system
- Completed Alamo Heights sewer infrastructure
- Completed Hospital area water line
- Completed 750 work orders
- Kept customer complaints below 1% of total customers per month (2nd year)

ENTERPRISE FUNDS

Budget Summary

Maintenance	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	348,601	409,000	366,650	415,500
Materials & Supplies	40,552	39,600	31,932	41,900
Services	32,343	34,700	40,425	38,000
Maintenance	167,101	145,000	140,000	145,000
Sundry	1,231,408	0	0	50,000
Capital Expenditures	0	1,308,000	1,315,000	600,000
Total Maintenance	1,820,005	1,936,300	1,894,007	1,290,400

2015-2016 Major Additions: Commerce and Bonorden Sewer Lines and Smith Water Line

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Public Works Director*	½*	½*	½*
Administrative Assistant*	½*	½*	½*
Utility Superintendent	1	1	1
Utility Operator	1	1	1
Heavy Equipment Operator	3	3	2
Utility Maintenance Workers	4	4	5
Total	10	10	10

Position funded 1/2 by Streets

Performance Measures

<i>Our Workload</i>	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Number of work orders completed	1336	950	615	750
Number of quality samples taken	180	180	178	175
Number of water main leaks repaired	313	73	102	70
Measuring our Effectiveness				
Water service complaints as a % of total customer accounts	Less than 1 %	Less than 1 %	Less than 1 %	Less than 1 %
Sewer service complaints as a % of total customer accounts	Less than 1 %	Less than 1 %	Less than 1 %	Less than 1 %

WASTEWATER

Our Mission

The mission of the City of Port Lavaca Wastewater Department is to provide its customers with safe collection and transportation of wastewater while providing excellent customer service.

Description of our Services

The Wastewater Department provides support to the utility system by operating the 2.6 MGD wastewater treatment plant and 20 lift stations. In addition, the department is responsible for sludge disposal, laboratory/process control, pretreatment program, monitoring through the City's lift stations and Supervisory Control and Data Acquisition System (SCADA) operations.



Strategic Focus

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks, and other improvements year after year.

2015-2016 Business Plans (Objectives)

- Continue working with Texas Commission on Environmental Quality (TCEQ) on the wastewater treatment plant effluent discharge
- Replace and/or upgrade pumps in lift stations where needed

2014-2015 Accomplishments of Prior Year Business Plans

- Implement operation process and control procedures necessary for Lynn's Bayou to maintain Texas Commission on Environmental Quality (TCEQ) and Environmental Protection Agency (EPA) permitted parameters
- Raised the copper limit parameters in the effluent for the TCEQ permit
- Replaced and/or upgraded pumps in lift stations
- Cleaned the fence around the WWTP per TCEQ's request

ENTERPRISE FUNDS

Budget Summary

Wastewater Treatment	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	91,041	134,700	125,000	148,000
Materials & Supplies	28,702	25,900	29,310	31,500
Services	321,664	319,900	304,413	295,150
Maintenance	119,629	188,600	130,000	118,600
Sundry	606	0	0	0
Total Wastewater Treatment	561,642	669,100	588,723	593,250

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Wastewater Operator	1	1	2
Utility Operator	2	2	1
Maintenance Worker	1	1	1
Total	4	4	4

Performance Measures

<i>Our Workload</i>	Actual FY 2012-2013	Actual FY 2013-2014	Estimated FY 2014-2015	Projected FY 2015-2016
Total gallons of wastewater treated per year in millions	392.92	337.74	353.25	360
Number of sanitary sewer overflows	2	1	2	0
Tons of sludge per year	1698.14	1237.69	1256.36	1300
<i>Measuring our Effectiveness</i>				
Percentage of solids removed from wastewater treatment plant	97.47%	98.25%	98.45%	98%

NON-DEPARTMENTAL

Description of our Services

Expenditures considered to be of a non-departmental nature include: health insurance claims, safety plan, Texas Workforce Commission (TWC), audit fees, general liability insurance, contingency, etc.

Contingency

In accordance with section 7.11 of the City Charter, contingency appropriations are to be used in case of unforeseen items of the City Manager and distributed by him, after approval by the City Council. Expenditure details shall be recorded and reported. The proceeds of the contingent appropriation shall be disbursed only by transfer to other departmental appropriations, the spending of which shall be charged to the departments or activities for which the appropriations are made.

Budget Summary

Non-Departmental	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	42,753	212,300	226,000	161,897
Services	2,038,084	2,030,685	1,960,930	2,033,171
Maintenance	4,107	4,000	4,300	4,400
Sundry	1,012,829	1,723,490	1,730,535	1,494,707
Total Non-Departmental	3,097,773	3,970,475	3,921,765	3,694,175





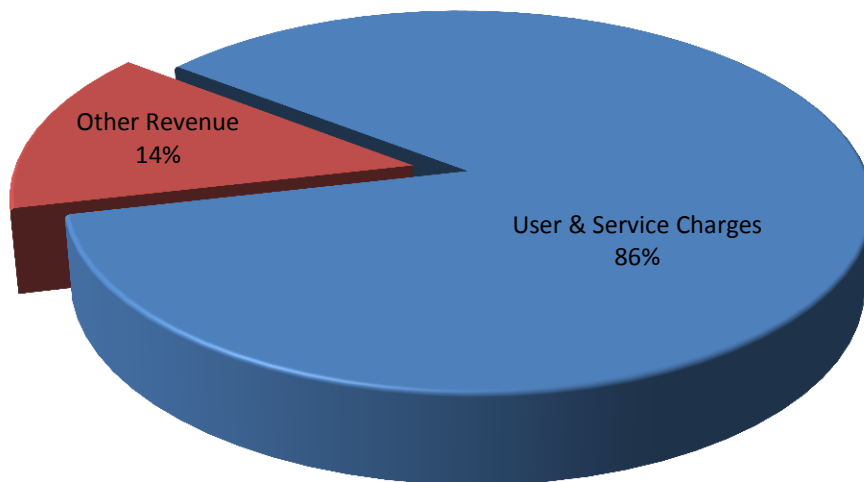
BEACH FUND

The Beach Operating Fund is used to account for the operations of the Port Lavaca Beach and Pier.

Beach Fund Revenue

Revenue Summary	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016	Variance
User & Service Charges	298,280	273,000	302,410	263,500	-9,500
Other Revenue	5,413	155,000	3,985	43,500	-111,500
Intergovernmental Revenue	0	0	0	0	0
Total Beach Revenue	303,692	428,000	306,395	307,000	-121,000

Revenue by Receipt Type



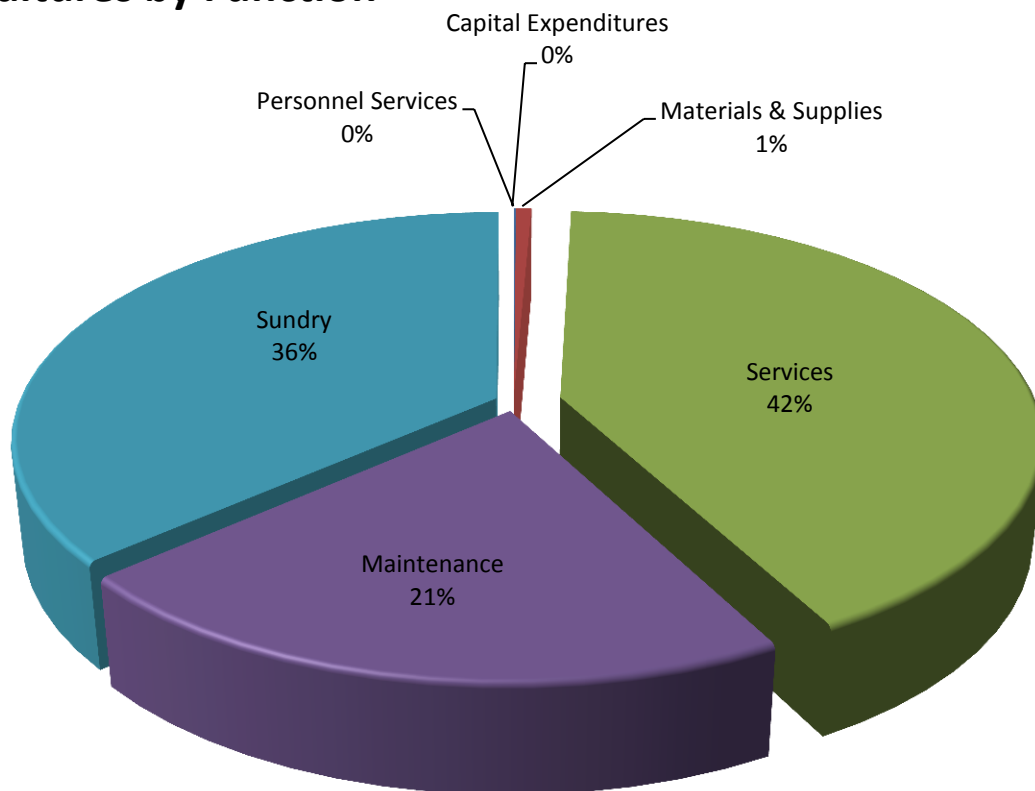
Beach Fund Revenue Detail

Beach Operating Revenue	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
User & Service Charges				
Beach Fees	59,184	50,000	55,330	45,000
R V Rentals	233,175	220,000	242,700	215,000
Pavilion Rentals	5,921	3,000	4,380	3,500
Total User & Service Charges	298,280	273,000	302,410	263,500
Other Revenue				
Interest Income	1,575	1,000	930	1,000
Auction Proceeds	0	0	405	0
TML Reimbursement	2,082	0	1,000	0
Washer-Dryer Income	1,756	1,000	1,650	1,000
Equity Balance Forward	0	153,000	0	41,500
Total Other Revenue	5,413	155,000	3,985	43,500
Intergovernmental Revenue				
Transfer In- Fund 162	0	0	0	0
Transfer In- Fund 218	0	0	0	0
Transfer In- Fund 221	0	0	0	0
Total Intergovernmental Revenue	0	0	0	0
Total Beach Revenue	303,692	428,000	306,395	307,000

Beach Fund Expenditures

Beach Operation Expenditures	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016	Variance
Personnel Services	6,187	5,850	500	225	-5,625
Materials & Supplies	3,445	2,000	1,833	1,900	-100
Services	133,863	123,700	125,000	127,600	3,900
Maintenance	18,915	75,950	20,306	65,275	-10,675
Sundry	156,899	113,000	118,000	112,000	-1,000
Capital Expenditures	0	107,500	95,000	0	-107,500
Total Beach Expenditures	319,309	428,000	360,639	307,000	-121,000

Expenditures by Function



Departmental Summary

BEACH OPERATIONS

Our Mission

The mission of the City of Port Lavaca Beach Department is to provide the public and tourists a beautiful retreat by the water where campers from all over return regularly for family reunions, recreational vehicle (RV) rallies, fishing tournaments and days at the beach.

Description of our Services

The Beach Operating Fund is a proprietary fund. It provides operations, maintenance and security services for those that use the Port Lavaca Lighthouse Beach and its facilities. Revenues are generated through user fees by those who enjoy the beach facilities. The Beach revenues are generated by the following activities:

- Rental of RV spaces
- Gate fees to Lighthouse Beach
- Pavilion rentals



Strategic Focus

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks, and other improvements year after year.

Business Development

Port Lavaca is known for creating a business development program that is responsive to existing business needs.

Community Development

Port Lavaca is a culturally diverse community actively promoting tourism and encouraging economic development opportunities.

Quality of Life

Port Lavaca residents enjoy a safe community with great amenities and affordable living.

2015-2016 Business Plans (Objectives)

- Upgrade trailer space pads
- Promote Lighthouse Beach as a birding destination
- Build cabanas around the splash pad area

2014-2015 Accomplishments of Prior Year Business Plans

- Installed new playground
- Dredged boat ramp area
- Installed new wheel stop throughout the park
- Installed pet waste disposal dispensers
- Upgraded parking pads at several trailer spaces





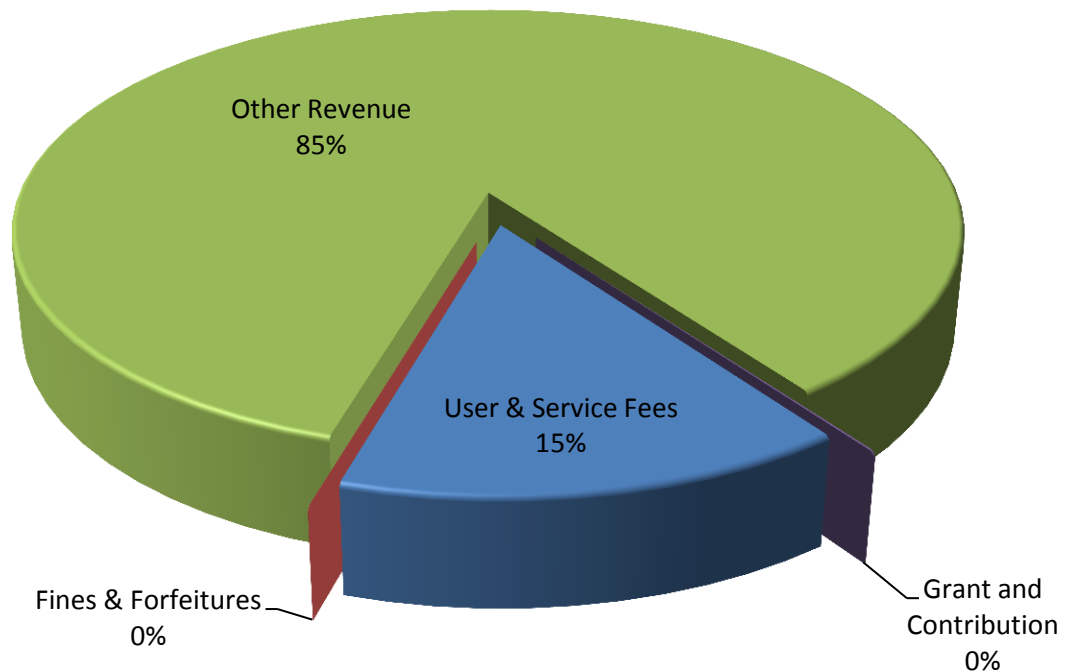
PORT REVENUE FUND

The Port Revenue Fund is used to account for the operations of the Port Commission and to account for the rent generated from its harbors and docks.

Port Commission Fund Revenue

Revenue Summary	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016	Variance
User & Service Fees	489,871	428,900	436,800	433,500	4,600
Fines & Forfeitures	855	300	750	200	-100
Other Revenue	2,310	463,800	1,510	2,544,300	2,080,500
Grant & Contributions	8,602	2,000	2,000	2,000	0
Total Revenue	501,638	895,000	441,060	2,980,000	2,085,000

Revenue by Receipt Type



Port Commission Fund Revenue Detail

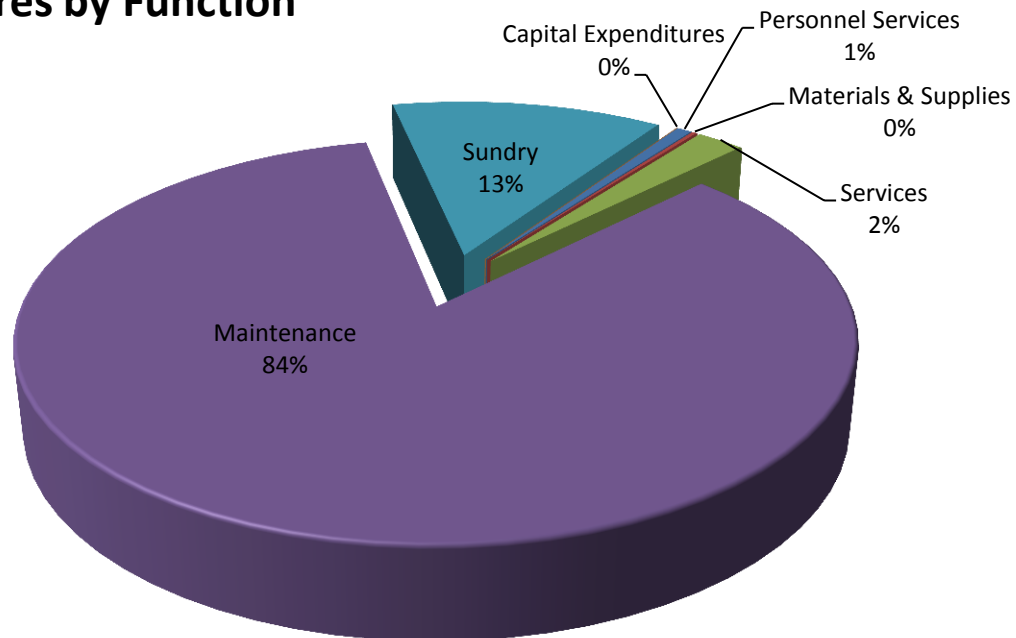
Port Operational Revenue	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
User & Service Charges				
City Harbor- Dock Leases	87,825	87,000	89,960	87,000
Harbor of Refuge- Dock Leases	205,491	139,000	138,770	135,000
Harbor of Refuge- Tariffs	63,421	60,000	62,870	63,500
Nautical Landing- Dock Leases	92,724	100,000	100,470	105,000
Nautical Landing- Building Leases	40,410	42,900	44,730	43,000
Total User & Service Charges	489,871	428,900	436,800	433,500
Fines & Forfeitures				
Late Payment Penalties	855	300	750	200
Total Fines & Forfeitures	855	300	750	200
Other Revenue				
Interest Income	2,266	2,300	1,205	1,000
Other Financing Sources	0	0	0	2,500,000
Washer-Dryer Income	44	500	305	300
Miscellaneous	0	0	0	0
Equity Balance Forward	0	461,000	0	43,000
Total Other Revenue	2,310	463,800	1,510	2,544,300
Grant And Contribution				
General Land Office Reimbursement	0	2,000	2,000	2,000
Capital Contributions	8,602	0	0	0
Total Grant And Contribution	8,602	2,000	2,000	2,000
Intergovernmental Revenue				
Transfer in- Fund 165	0	0	0	0
Total Intergovernmental	0	0	0	0
Total Port Revenue	501,638	895,000	441,060	2,980,000

Port Commission Revenue Fund Expenditures

Port Operation Expenditures	Actual FY 2013-2014	Final Amended FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016	Variance
Personnel Services	52,883	67,550	50,000	21,000	-46,550
Materials & Supplies	4,867	6,700	2,470	6,400	-300
Services	92,232	71,850	60,000	66,400	-5,450
Maintenance	13,179	32,400	22,000	2,506,700	2,474,300
Sundry	310,271	716,500	716,500	379,500	-337,000
Capital Expenditures	0	0	0	0	0
Total Expense	473,431	895,000	850,970	2,980,000	2,085,000

2015-2016 Major Additions: Dredging

Expenditures by Function



Departmental Summary

PORT COMMISSION OPERATIONS

Our Mission

The mission of the Port Commission is to provide the public adequate boating facilities and continue to enhance the economic development of the Harbors.

Description of our Services

The Port Operating Fund is a proprietary fund. It provides operations and maintenance for the ports and harbors. Revenues are generated through rentals of the harbor and dock facilities. The Port Fund encompasses the following activities:

- Rental of dock and harbor facilities
- Maintenance of dock, harbor facilities and channels
- Alternative funding options to upgrade the facilities
-



Strategic Focus

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks, and other improvements year after year.

Business Development

Port Lavaca is known for creating a business development program that is responsive to existing business needs.

Community Development

Port Lavaca is a culturally diverse community actively promoting tourism and encouraging economic development opportunities.

2015-2016 Business Plans (Objectives)

- Develop a plan to dredge and maintain the depth of the entrance channel at the marina
- Improve bulk head at the harbors
- Continue marketing Harbor of Refuge for future tenants
- Support economic development and tourism of the City's waterfront properties

ENTERPRISE FUNDS

2014-2015 Accomplishments of Prior Year Business Plans

- Weatherproofed the deck at Nautical Landings Marina
- Worked with Calhoun Port Authority to dredge Harbor of Refuge

Budgeted Personnel

Position	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual
Harbor Master	1	0	0
Temp. Maintenance Worker	½	1	1
Total	1 ½	1	1

SPECIAL REVENUE FUNDS



Hotel / Motel Fund

Forfeiture Fund

Building Security Fund

Economic Development Fund

Redflex Traffic Fund

Court Technology Fund

Juvenile Case Manager Fund



The City adapted a local hotel occupancy tax within the City limits. The City uses these funds to directly enhance and promote tourism and the convention and hotel industry or other expenses approved by State Law.

The section includes special revenues such as the Hotel / Motel, Forfeiture, Building Security, Economic Development, Redflex Traffic and Court Technology Funds. These funds are legally restricted for certain purposes.



HOTEL/MOTEL FUND

The City adopted a local hotel occupancy tax within the City limits. The City uses these funds to directly enhance and promote tourism and the convention and hotel industry or other expenses approved by State Law.

SPECIAL REVENUE FUNDS

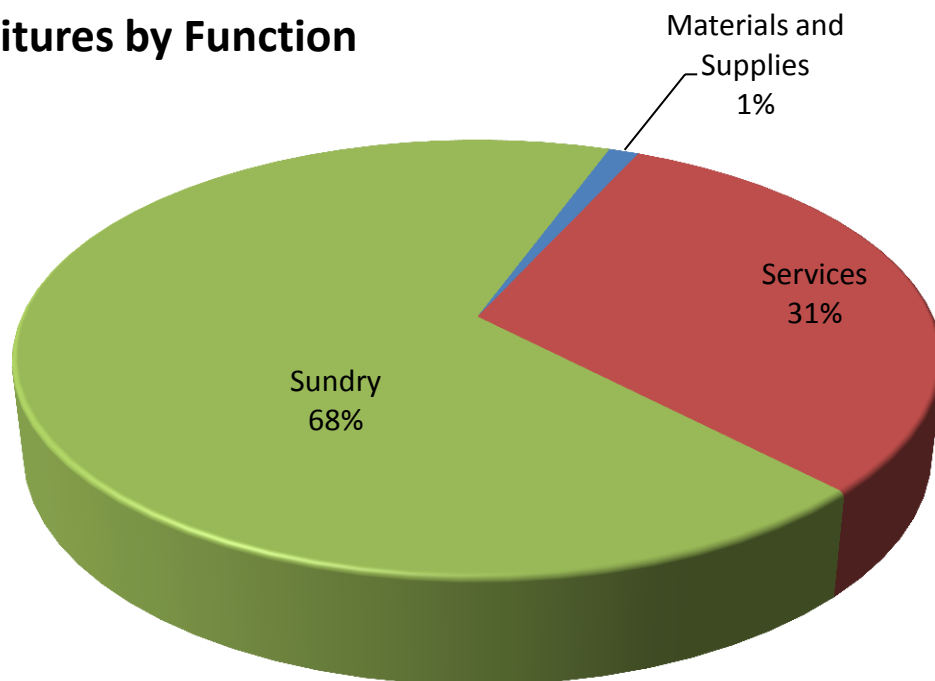
Hotel / Motel Revenue

Revenue Summary	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Taxes	557,841	324,000	425,882	400,000
Other Revenue	34,130	1,000	6,000	0
Total Revenue	591,971	325,000	431,882	400,000

Hotel / Motel Expenditures

Hotel Expenditures	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Materials & Supplies	0	10,000	1,000	5,000
Services	145,395	71,000	71,000	124,000
Sundry	190,000	244,000	215,000	271,000
Total Expense	335,395	325,000	287,000	400,000

Expenditures by Function





FORFEITURE FUND

This fund accounts for the forfeiture of contraband gained from the commission of criminal activity. Proceeds from this fund are used for specific expenses for law enforcement needs.

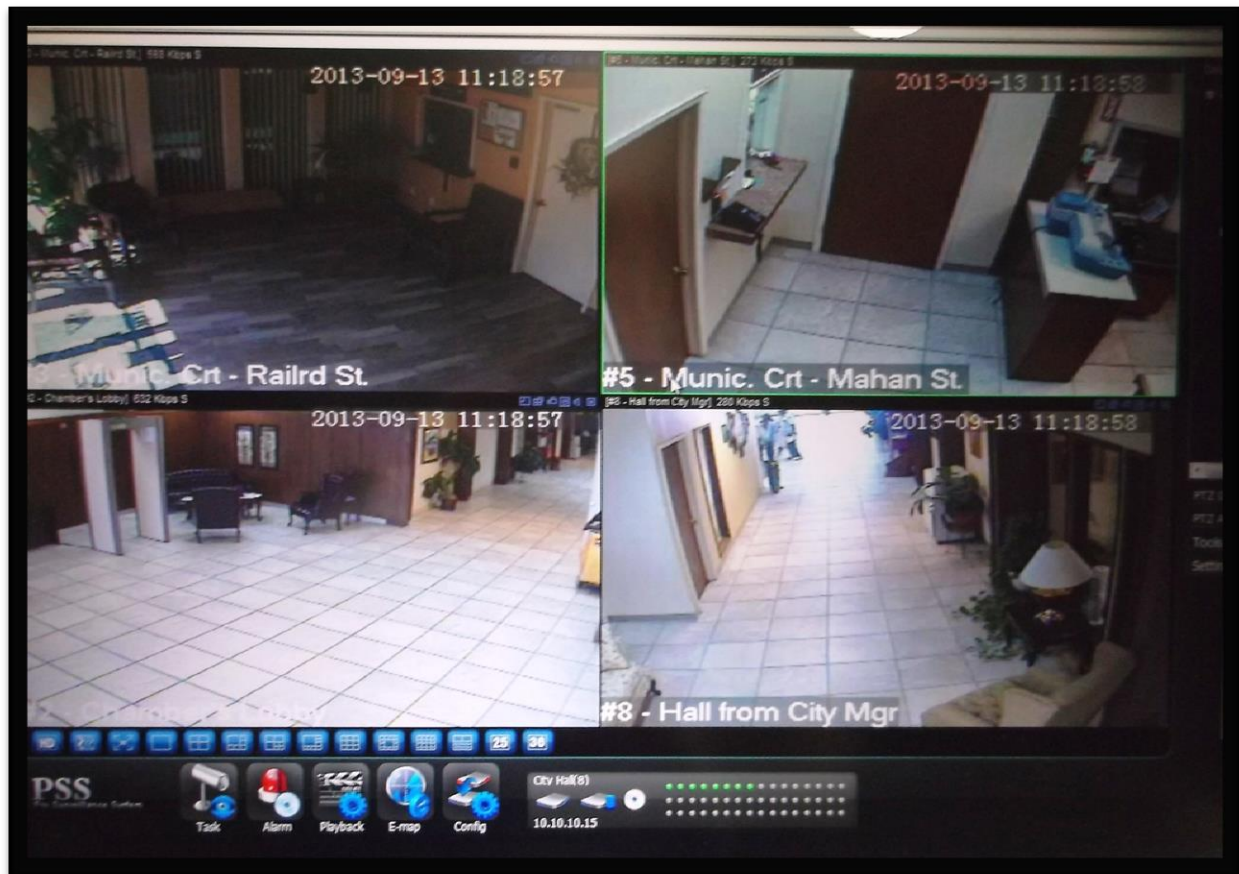
SPECIAL REVENUE FUNDS

Forfeiture Fund Revenue

Revenue Summary	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Fines & Forfeitures	4,287	0	10,000	0
Other Revenue	128	0	180	0
Intergovernmental	0	0	0	0
Total Revenue	4,415	0	10,180	0

Forfeiture Fund Expenditures

Forfeitures Expenditures	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Materials & Supplies	15,153	0	2,400	0
Services	1,989	0	80	0
Maintenance	4,468	0	60	0
Sundry	5,477	0	200	0
Capital Expenditures	0	0	0	0
Total Expense	27,086	0	2,740	0



BUILDING SECURITY FUND

This fund accounts for fees collected on conviction of certain Municipal Court offenses and are intended to create a security plan for the courtroom.

SPECIAL REVENUE FUNDS

Building Security Fund Revenue

Revenue Summary	Actual FY 2013-2014	Amended Budget FY 2043-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Fines & Forfeitures	2,707	0	2,300	0
Other Revenue	63	0	40	0
Total Revenue	2,770	0	2,340	0

Building Security Expenditures

Building Security Expenditures	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Materials & Supplies	0	0	0	0
Services	0	0	0	0
Maintenance	0	0	0	0
Total Expense	0	0	0	0



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ECONOMIC DEVELOPMENT FUND

This fund accounts for public and private donations. Proceeds from this fund will be used to guide, promote and support business and community development.

SPECIAL REVENUE FUNDS

Economic Development Fund Revenues

Revenue Summary	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Other Revenue	32	0	25	0
Intergovernmental	0	0	0	
Total Revenue	32	0	25	0

Economic Development Fund Expenditures

Economic Dev. Expenditures	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Materials & Supplies	0	0	0	0
Maintenance	0	0	0	0
Sundry	0	0	0	0
Total Expense	0	0	0	0



REDFLEX TRAFFIC FUND

The Redflex Traffic Fund accounts for fees collected by the City's red light cameras. This money is shared with the State's trauma account and the City can only use this money to enhance pedestrian safety.

SPECIAL REVENUE FUNDS

Redflex Traffic Fund Revenue

Revenue Summary	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2054-2016
Other Revenue	318	0	178	0
Intergovernmental	195,933	0	0	0
Total Revenue	196,251	0	178	0

Redflex Traffic Expenditures

Redflex Traffic Expenditures	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2054-2016
Materials & Supplies	211,086	0	3,350	0
Total Expense	211,086	0	3,350	0



COURT TECHNOLOGY FUND

This fund accounts for fees collected on conviction of certain Municipal Court offenses and are intended to provide technology to process court cases.

Court Technology Revenue

Revenue Summary	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Fines & Forfeitures	3,718	5,000	3,300	5,000
Other Revenue	11	0	15	0
Intergovernmental	0	0	0	0
Total Revenue	3,729	5,000	3,315	5,000

Court Technology Expenditures

Court Technology Expenditures	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Materials & Supplies	0	0	0	0
Services	0	0	0	0
Maintenance	3,729	5,000	7,000	5,000
Total Expense	3,729	5,000	7,000	5,000



JUVENILE CASE MANAGER FUND

The Juvenile Case Manager Fund was created in FY 2010 – 2011 to fund the salary and benefits of one full-time Juvenile Case Manager as part of the Calhoun County area's criminal justice systems.

SPECIAL REVENUE FUNDS

Juvenile Case Manager Fund Revenue

Revenue Summary	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Other Revenue	0	0	0	0
Fines & Forfeitures	4,445	5,000	3,500	5,000
Intergovernmental	10,533	8,000	9,000	10,000
Total Revenue	14,978	13,000	12,500	15,000

Juvenile Case Manager Fund Expenditures

Juvenile Case Manager Expenditures	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted Budget FY 2015-2016
Personnel Services	14,978	13,000	11,500	15,000
Materials & Supplies	0	0	0	0
Total Expense	14,978	13,000	11,500	15,000

CAPITAL



Five Year Capital Improvement Program

2015-2016 Project Details

Operating Capital Outlay



This section provides current year capital expenditures and projects for all major funds and the City's Five Year Capital Improvement Plan.

A **capital improvement project** includes improvements to public facilities, parks and opens spaces, drainage systems, streets and right of ways and utility systems. More information can be found in the City's capital asset policy located in the appendix of this book.

Capital Improvement Plan

Presented herewith is the adopted fiscal year 2015-2016 Capital Improvement Plan (CIP) as approved on July 13, 2015. This document reflects input from City Staff, City Council and City Advisory Boards. This document serves as both a budget for fiscal year 2015-2016 and as a major planning tool for subsequent years. The five year CIP is dynamic in nature, and as such, is reviewed and revised annually to ensure projects with the greatest need receive the highest priority. Project priorities and available funding are constantly monitored throughout the fiscal year to ensure there is adequate funding for critical projects. The plan reflects the City's strategic investment in municipal infrastructure and facilities over the next five years and the continuation of capital projects approved in prior years.

The CIP incorporates the project descriptions, estimated costs and funding sources by Fund over the next five years. Projects that are appropriated in Fiscal Year 2015-2016 have individual project pages containing more detailed information such as project scope, estimated beginning and ending date, funding source(s), contact information, project graphic and operational impact. Costs already incurred and future cost estimates are listed for each project. The architect/engineer and contractor are listed where applicable. Each project is linked to the City's Strategic Plan.

The CIP for General Fund projects follow a three year pattern. During the first two years, 50% of the City's designated funds for capital projects are expended on improving the park infrastructure. The remaining funds are reserved for a future street project. In the third year, the City funds a major street project. There are no capital projects funded in parks during the third year. The capital plan is rolled forward each year using this same philosophy.

The CIP for Utility Fund projects take into consideration upcoming street projects. Water and sewer infrastructure are replaced prior to any major street project. Other priorities are given to subdivisions where utility systems have been partially completed. By following this plan, the City has completely replaced the infrastructure in two major neighborhoods. This includes curb and gutters, streets, storm sewer, water and sewer lines.

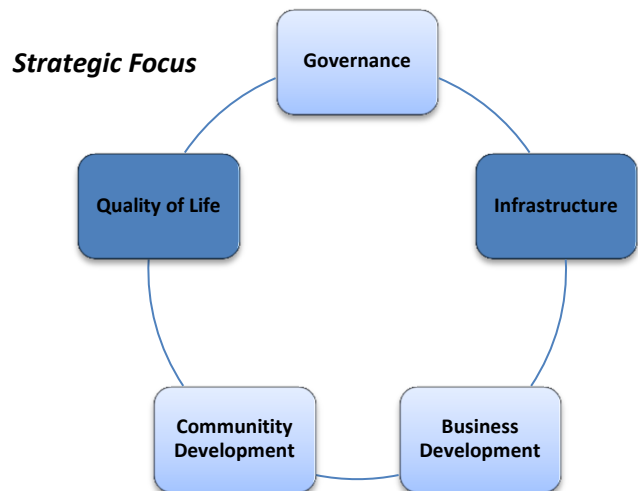
The CIP for Beach Fund projects center around tourism with a strategic focus on infrastructure improvements and quality of life for our citizens.

The CIP for Port Commission funded projects protects the infrastructure of our two ports and marina.

CAPITAL

Planning for our City's Future

The City of Port Lavaca's Five Year Capital Improvement Program (CIP) is designed to help the City strategically plan for future capital improvements to public facilities, parks and opens spaces, drainage systems, streets and right of ways and utility systems. These projects are funded by various sources, including fund balance reserves, grants, general funds, enterprise funds and other available sources. The City's fiscal year 15-16 CIP is being funded without any issue of new debt with the exception of the dredging at a much needed port.



The table below shows the City of Port Lavaca's five year capital improvement plan summary by category.

Five Year Capital Improvement Plan Summary- All Funds

	FY 2015-2016 Budget	FY 2016-2017 Budget	FY 2017-2018 Budget	FY 2018-2019 Budget	FY 2019-2020 Budget
General Fund					
Streets	\$ 150,000	\$ 2,000,000	\$400,000	\$ 150,000	\$ 1,200,000
Parks	250,000	-	250,000	250,000	-
Total General Fund	\$ 400,000	\$ 2,000,000	\$ 650,000	\$ 400,000	\$ 1,200,000
Public Utility Fund					
Water	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Wastewater	\$ 600,000	-	\$ 350,000	\$ 600,000	\$ 300,000
Total Utility Fund	\$ 900,000	\$ 300,000	\$ 650,000	\$ 900,000	\$ 600,000
Lighthouse Beach	\$ 50,000	\$ 300,000	\$ 50,000	\$ 50,000	\$ 50,000
Port Commission	\$ 2,500,000	\$ -	\$ -	\$ -	\$ 2,150,000
Total	\$ 3,850,000	\$ 2,600,000	\$ 1,350,000	\$ 1,350,000	\$ 4,050,000

Five Year Total \$13,200,000

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM BY FUND

General Fund

City Council Area of Emphasis with Associated Goal Statement



Strategic Focus

Infrastructure (Strategic Focus)

Port Lavaca residents enjoy new streets, sidewalks, and other improvements year after year.

Project Description	FY 2015-2016 Budget	FY 2016-2017 Budget	FY 2017-2018 Budget	FY 2018-2019 Budget	FY 2019-2020 Budget
Streets & Right of Ways					
Seal Coat Program	\$ 150,000	\$ -	\$ 150,000	\$ 150,000	\$ -
Commerce/Ann & Benavides	\$ -	\$ 1,250,000	\$ -	\$ -	\$ -
Hike and Bike (TXDOT)	\$ -	\$ 750,000	\$ -	\$ -	\$ -
Downtown Sidewalks (TXCF)	\$ -	\$ -	\$ 250,000	\$ -	\$ -
Bonorden	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
Street & Right of Way Subtotals	\$ 150,000	\$ 2,000,000	\$ 400,000	\$ 150,000	\$ 1,200,000
Parks					
Bay Front Park Improvements	\$ 100,000	\$ -	\$ 150,000	\$ 100,000	\$ -
Wilson Park Improvements	\$ 100,000	\$ -	\$ 100,000	\$ 150,000	\$ -
Parks Subtotals	\$ 250,000	\$ -	\$ 250,000	\$ 250,000	\$ -
General Fund CIP Fund Totals	\$ 400,000	\$ 2,000,000	\$ 650,000	\$ 400,000	\$ 1,200,000
Funding Source:					
Operating Budget	\$ 650,000	\$ 650,000	\$ 650,000	\$ 650,000	\$ 700,000
Grant	\$ -	\$ 528,000	\$ 200,000	\$ -	\$ -
Operational Savings (Reserve)	\$ -	\$ 272,000	\$ 50,000	\$ -	\$ -
Street Reserve – Fund 220	\$ -	\$ 550,000	\$ 0	\$ -	\$ 500,000
Total Resources Planned	\$ 650,000	\$ 2,000,000	\$ 900,000	\$ 650,000	\$ 1,200,000
Transfer to Street Reserve	\$ 250,000	\$ 0	\$ 250,000	\$ 250,000	\$ 0
Accumulated Street Reserve	\$ 550,000	\$ 0	\$ 250,000	\$ 500,000	\$ 0

CAPITAL

General Fund – Seal Coat Program (FY 15-16)

Infrastructure (Strategic Focus)

Project Scope	
This project will consist of seal coating approximately 5 miles of roadway throughout the city.	
Project Name:	Seal Coat Program
Construction Start:	July 2016
Project Completion:	August 2016
Current Phase:	N/A
Project Contract Information	
Project Manager:	Darren Gurley
Phone Number:	361-552-3347
Email Address:	dgurley@portlavaca.org
Grant Administrator:	N/A
Engineer:	Civil Corp
General Contractor:	N/A

Approved Project Funding	
Funding Source	Fiscal Year 2015 – 2016
Grant Funds	N/A
Transfer from General Fund	\$150,000
Project Budget & Expenditures	
Project Budget:	\$150,000
Expended to Date:	N/A
Operational Impact	
Reduced maintenance demand and related personnel expenses of approx. \$2,500 per year on road repair. Seal coating streets helps extend the life of the street and helps prolong costly rehabilitation.	
Current Activity	
This project is scheduled to bid by the end of May 2016. The project is scheduled to begin July 2016.	

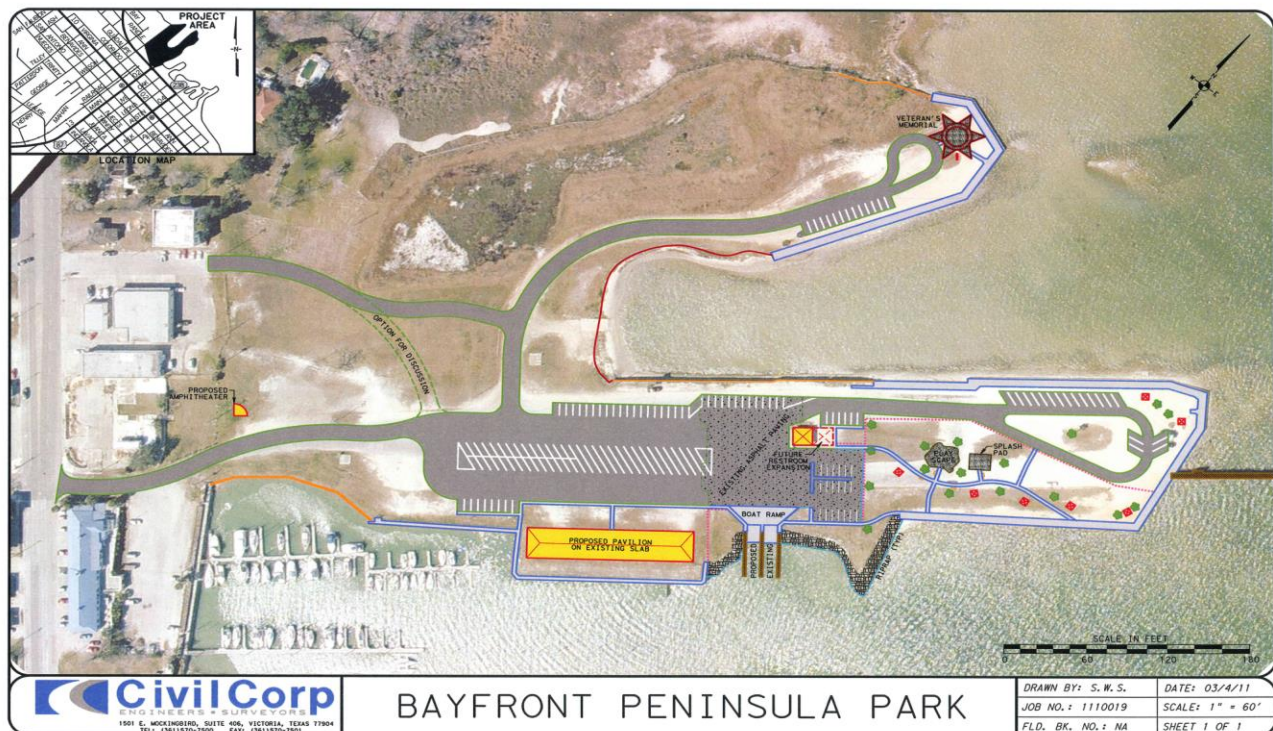


General Fund – Bayfront Peninsula Park Improvements (FY 15-16)

Infrastructure (Strategic Focus)

Project Scope	
This project will consist of installing all new underground electrical lines and services. Installing new light poles and fixtures.	
Project Name:	Bayfront Peninsula Park Improvements
Construction Start:	January 2016
Project Completion:	May 2016
Current Phase:	Design
Project Contract Information	
Project Manager:	Darren Gurley
Phone Number:	361-552-3347
Email Address:	dgurley@portlavaca.org
Grant Administrator:	N/A
Engineer:	N/A
General Contractor:	AEP

Approved Project Funding	
Funding Source	Fiscal Year 2015 – 2016
Grant Funds	N/A
Transfer from General Fund	\$100,000
Project Budget & Expenditures	
Project Budget:	\$100,000
Expended to Date:	N/A
Operational Impact	
By adding the new underground electrical services and new poles and fixtures, the city will save approx. \$2,500 per year in maintenance costs.	
Current Activity	
This project is scheduled to begin in January 2016.	



CAPITAL

General Fund – Wilson Park Improvements (FY 15-16)

Infrastructure (Strategic Focus)

Project Scope	
This project will consist of installing the infield dirt and grass for the new softball field and t-ball field.	
Project Name:	Wilson Park Improvements
Construction Start:	January 2016
Project Completion:	May 2016
Current Phase:	Design
Project Contract Information	
Project Manager:	Darren Gurley
Phone Number:	361-552-3347
Email Address:	dgurley@portlavaca.org
Grant Administrator:	N/A
Engineer:	N/A
General Contractor:	City Staff

Approved Project Funding	
Funding Source	Fiscal Year 2015 – 2016
Grant Funds	N/A
Transfer from General Fund	\$150,000
Project Budget & Expenditures	
Project Budget:	\$150,000
Expended to Date:	N/A
Operational Impact	
Operational impact will increase maintenance by adding two new fields. The approximate cost will be \$5,000 per year.	
Current Activity	
This project is scheduled to begin in January 2016.	



Public Utility Fund

City Council Area of Emphasis with Associated Goal Statement



Strategic Focus

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks and other improvements year after year.

Project Description	FY 2015-2016 Budget	FY 2016-2017 Budget	FY 2017-2018 Budget	FY 2018-2019 Budget	FY 2019-2020 Budget
Water System					
Smith Road Water Line	\$ 300,000	\$ -	\$ -	\$ -	\$ -
Brookhollow Drive Water Line	\$ -	\$ 300,000	\$ -	\$ -	\$ -
Broadway Water Line	\$ -	\$ -	\$ 300,000	\$ -	\$ -
Colorado From Austin to South	\$ -	\$ -	\$ -	\$ 300,000	\$ -
Indianola from Austin to Main/Leona	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Water System Subtotals	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Wastewater System					
Commerce Sewer Line	\$ 300,000	\$ -	\$ -	\$ -	\$ -
Bonorden Sewer Line Phase II	\$ 300,000	\$ -	\$ -	\$ -	\$ -
UV System WWTP	\$ -	\$ -	\$ 350,000	\$ -	\$ -
George Street from Half League to Author/Knipling	\$ -	\$ -	\$ -	\$ 300,000	\$ -
Center Street Sewer Line Phase I	\$ -	\$ -	\$ -	\$ 300,000	\$ -
De Shazor Sewer Line Phase I	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Wastewater Subtotals	\$ 600,000	\$ -	\$ 350,000	\$ 600,000	\$ 300,000
Utility System CIP Fund Totals	\$ 900,000	\$ 300,000	\$ 650,000	\$ 900,000	\$ 600,000
Funding Source:					
Operating Budget	\$ 36,000	\$ -	\$ -	\$ -	\$ -
Grant	\$ 250,000	\$ -	\$ -	\$ 250,000	\$ -
Depreciation Reserves	\$ 614,000	\$ 300,000	\$ 650,000	\$ 650,000	\$ 600,000
Total Resources Planned	\$ 900,000	\$ 300,000	\$ 650,000	\$ 900,000	\$ 600,000

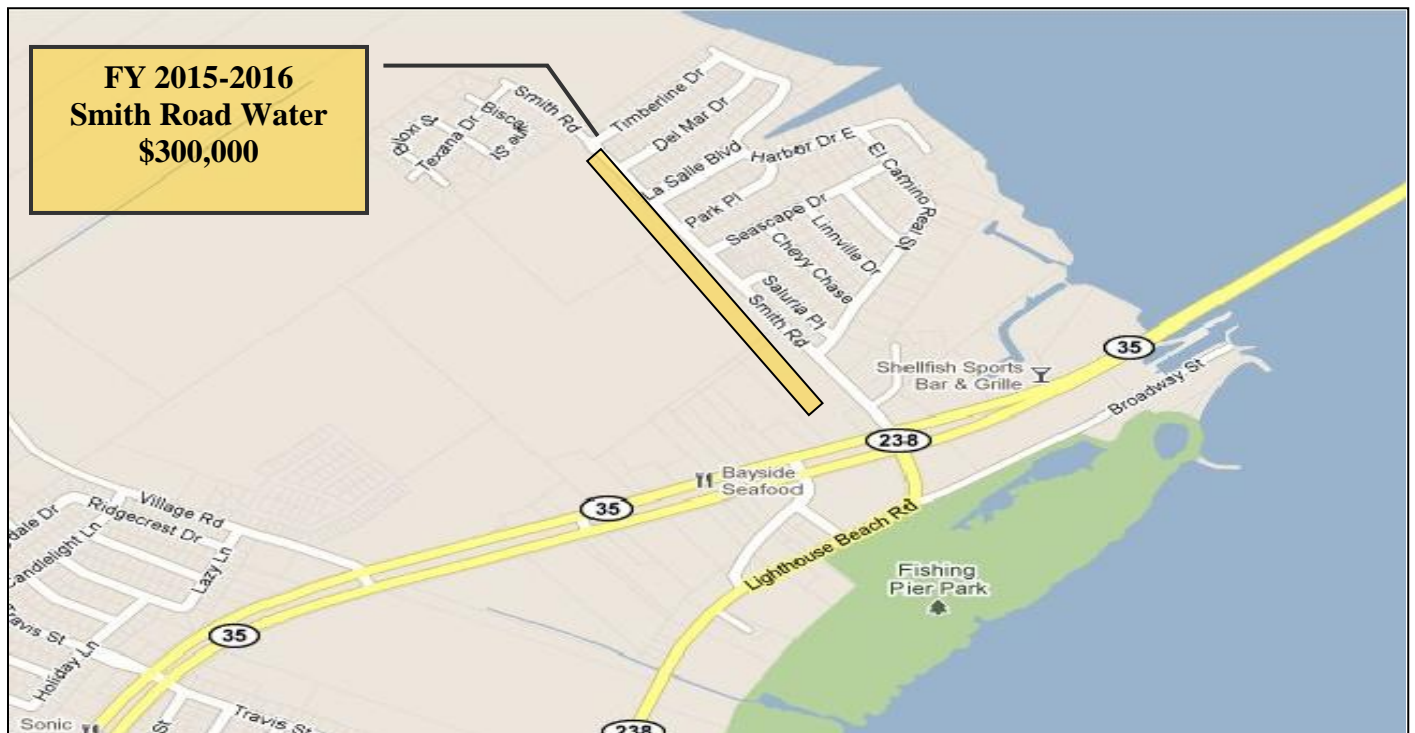
CAPITAL

Water System- Smith Road (FY 15-16)

Infrastructure (Strategic Focus)

Project Scope	
Replace a total of 2,500 linear feet of 6" AC waterline with 8" C900 waterline, replace 6 fire hydrants and 15 service taps.	
Project Name:	Smith Road Water Line Replacement
Construction Start:	April 2016
Project Completion:	June 2016
Current Phase:	Design
Project Contract Information	
Project Manager:	Darren Gurley
Phone Number:	361-552-3347
Email Address:	dgurley@portlavaca.org
Grant Administrator:	N/A
Engineer:	Civil Corp
General Contractor:	N/A

Approved Project Funding	
Funding Source	Fiscal Year 2015 – 2016
Grant Funds	N/A
Transfer from Utility Fund	\$300,000
Project Budget & Expenditures	
Project Budget:	\$ 300,000
Expended to Date:	N/A
Operational Impact	
The new waterlines will reduce maintenance demand and related personnel cost by approx. \$ 2,500 per year.	
Current Activity	
The project is currently in design. The project is scheduled to bid by the end of February 2016.	

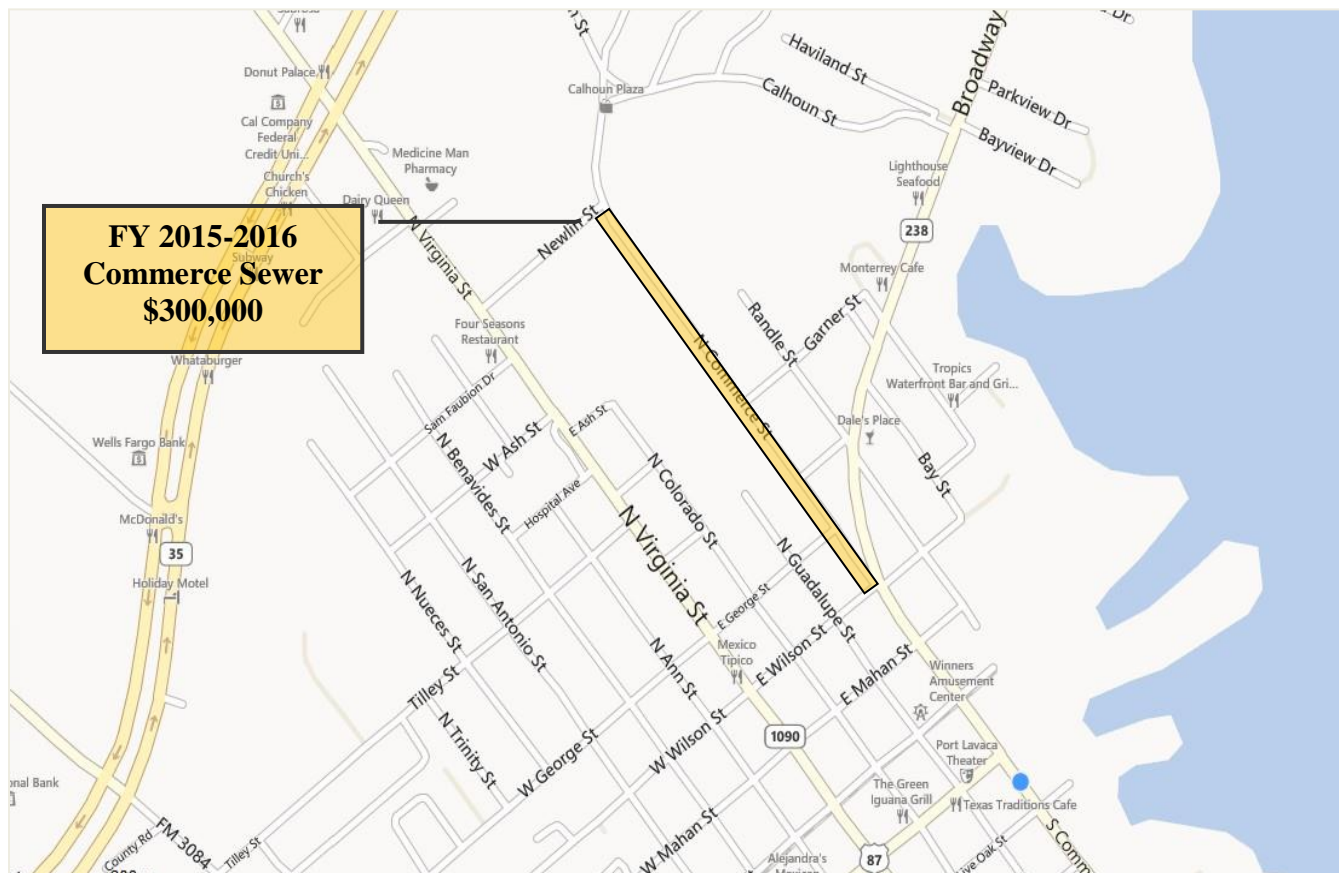


Wastewater System- Commerce Street (FY 15-16)

Infrastructure (Strategic Focus)

Project Scope	
This project consists of replacing 2,027 ft. of 12” clay sewer line with 12” PVC SDR26, 30 service connections and 8 manholes.	
Project Name:	Commerce Street Sewer Line
Construction Start:	June 2016
Project Completion:	August 2016
Current Phase:	Construction
Project Contract Information	
Project Manager:	Darren Gurley
Phone Number:	361-552-3347
Email Address:	dgurley@portlavaca.org
Grant Administrator:	N/A
Engineer:	CivilCorp
General Contractor:	N/A

Approved Project Funding	
Funding Source	Fiscal Year 2015 – 2016
Grant Funds	N/A
Transfer from Utility Fund	\$ 400,000
Project Budget & Expenditures	
Project Budget:	\$ 400,000
Expended to Date:	N/A
Operational Impact	
This sewer line is one of the oldest in the city and is the main sewer line to the wastewater treatment plant. Due to the scheduling of the street reconstruction the sewer line must be replaced.	
Current Activity	
The project is currently in design. The project is scheduled to bid by the end of February 2016.	



CAPITAL

Lighthouse Beach

City Council Area of Emphasis with Associated Goal Statement



Strategic Focus

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks, and other improvements year after year.

Quality of Life

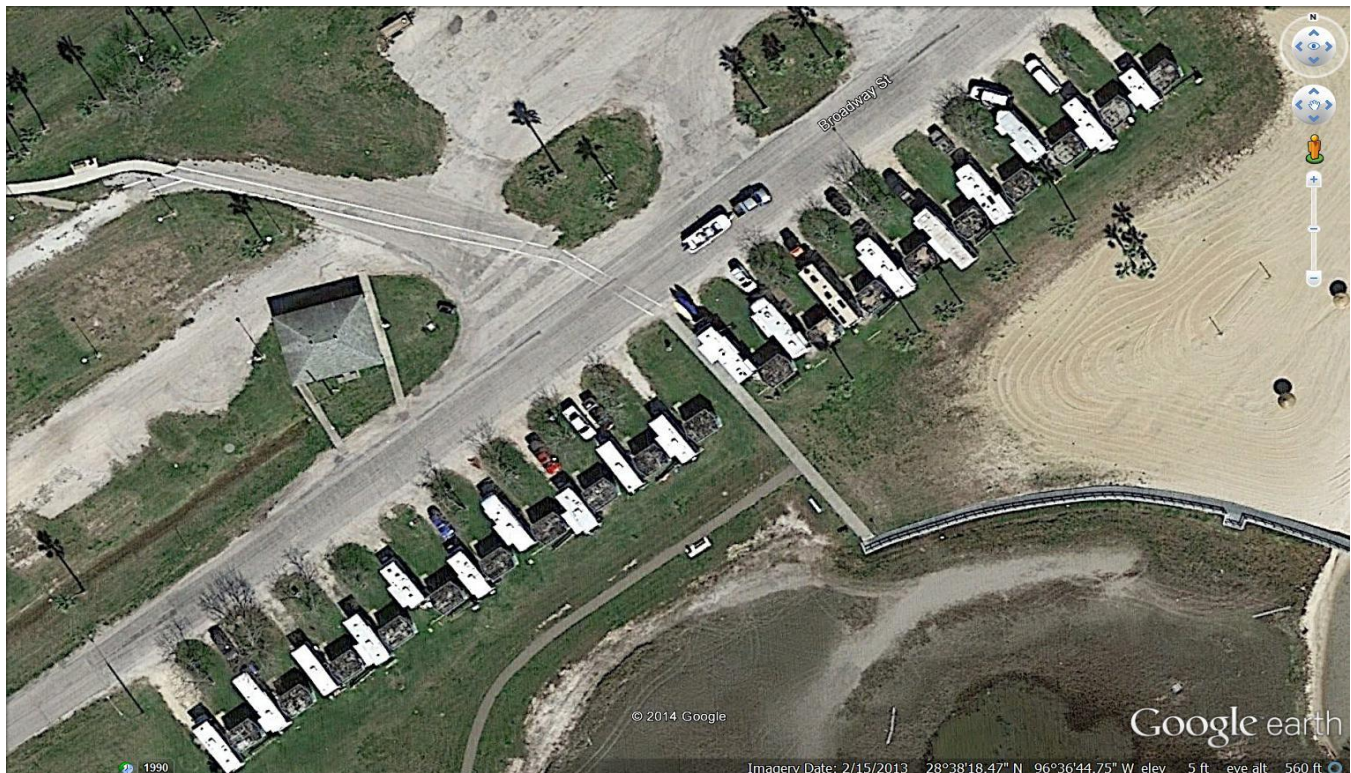
Port Lavaca residents enjoy a safe community with great amenities and affordable living.

Project Description	FY 2015-2016 Budget	FY 2016-2017 Budget	FY 2017-2018 Budget	FY 2018-2019 Budget	FY 2019-2020 Budget
Upgrade Trailer Spaces	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Demolition of Abandoned Pier (Grant)	\$ -	\$ 250,000	\$ -	\$ -	\$ -
Lighthouse Beach CIP Fund Totals	\$ 50,000	\$ 300,000	\$ 50,000	\$ 50,000	\$ 50,000
Funding Source:					
Operating Budget	\$ 10,000	\$ 34,000	\$ 36,000	\$ 38,000	\$ 38,000
Grant	\$ -	\$ 200,000	\$ -	\$ -	\$ -
Operational Savings (Reserve)	\$ 40,000	\$ 66,000	\$ 14,000	\$ 12,000	\$ 12,000
Total Resources Planned	\$ 50,000	\$ 300,000	\$ 50,000	\$ 50,000	\$ 50,000

Beach Fund- Upgrade Trailer Spaces (FY 15-16)

Quality of Life (Strategic Focus)

Project Scope		Approved Project Funding	
This project will consist of removing existing limestone pads and installing concrete pads for the trailers.		Funding Source	Fiscal Year 2015 – 2016
Project Name: Upgrade Trailer Spaces		Grant Funds	N/A
Construction Start: February 2016		Transfer from Beach Fund	\$ 50,000
Project Completion: April 2016		Project Budget & Expenditures	
Current Phase: Design		Project Budget:	\$ 50,000
Project Contract Information		Expended to Date:	N/A
Project Manager:	Darren Gurley	Operational Impact	
Phone Number:	361-552-3347	By upgrading the pads to concrete it will save approximately \$500 per year in limestone and labor to repair current pads. The concrete pads will make the spaces more desirable to rent and is anticipated to increase revenues.	
Email Address:	dgurley@portlavaca.org	Current Activity	
Grant Administrator:	N/A	The project is currently in the design phase.	
Engineer:	N/A		
General Contractor:	City Staff		



CAPITAL

Port Commission

City Council Area of Emphasis with Associated Goal Statement



Strategic Focus

Infrastructure

Port Lavaca residents enjoy new streets, sidewalks and other improvements year after year.

Project Description	FY 2015-2016 Budget	FY 2016-2017 Budget	FY 2017-2018 Budget	FY 2018-2019 Budget	FY 2019-2020 Budget
Dredge of Harbor of Refuge Channel	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -
Bulkhead - Harbor of Refuge	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
Bulkhead – Bay Front Park	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Port Commission CIP Fund Totals	\$ 2,500,000	\$ -	\$ -	\$ -	\$ 2,150,000
Funding Source:					
Operating Budget	\$ -	\$ -	\$ -	\$ -	\$ -
Other Funding Sources*	\$ 2,500,000	\$ -	\$ -	\$ -	\$ 2,000,000
Operational Savings (Reserve)	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Total Resources Planned	\$ 2,500,000	\$ -	\$ -	\$ -	\$ 2,150,000

*Debt issue

Port Commission Fund- Dredge Harbor of Refuge Channel (FY 15-16)

Infrastructure (Strategic Focus)

Project Scope		Approved Project Funding	
This project will consist of dredging approximately 500,000 cubic yards of silt from the channel leading to the Harbor Refuge.		Funding Source	Fiscal Year 2015 – 2016
Project Name: Dredge Harbor of Refuge Channel		Grant Funds	N/A
Construction Start: February 2016		Other Financing Sources (issue debt)	\$ 1,000,000
Project Completion: August 2016		Project Budget & Expenditures	
Current Phase: Design		Project Budget:	\$ 1,000,000
		Expended to Date:	N/A
Project Contract Information		Operational Impact	
Project Manager:	Darren Gurley	Dredging this area will have no operational impact in the future for the City. This will increase the City's tariff revenues by allowing bigger barges into the Harbor Refuge.	
Phone Number:	361-552-3347	Current Activity	
Email Address:	dgurley@portlavaca.org	The project is currently in the design phase.	
Grant Administrator:	N/A		
Engineer:	US Army Corps of Engineers		
General Contractor:	N/A		



CAPITAL

A **capital expenditure** includes any purchase of assets that will last more than one year and has a unit cost greater than \$5,000.

OPERATING CAPITAL OUTLAY BY FUND

Fiscal Year 2015-2016 Capital Expenditures

GOVERNMENTAL FUNDS

GENERAL FUND

Vehicles and Equipment

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
0110	Police	Vehicle (patrol unit)	1	48,000*
0120	Fire	Air Packs	5	25,000
0501	Parks	Truck	1	35,000*
0501	Parks	Mower	1	9,000*
Total General Fund Equipment				117,000

**Funded by FARF \$92,000*

(Supported by Current Revenues \$ 25,000)

Capital Projects

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
0410	Streets	Sealcoat Program	1	150,000
0501	Parks	Wilson Park- Parking Lots	1	195,000
0501	Parks	Bayfront Park- Underground Electric	1	55,000
Total General Fund Projects				400,000

(Supported by current revenues \$ 400,000 and reserves \$ 0.00)

ENTERPRISE FUNDS

UTILITY FUND

Vehicles and Equipment

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
5132	Utility Billing	Canopy (Improvement)	1	8,000
Total Utility Equipment				8,000

(Supported by current revenues \$8,000)

Capital Projects

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
5133	Utility Maintenance	Sewer Line- Commerce	1	300,000
5133	Utility Maintenance	Water Line- Smith	1	300,000
5133	Utility Maintenance	Sewer Line- Bonorden	1	300,000*
Total Utility Projects				900,000

**Funded by Grant- \$250,000*

(Supported by current revenues \$36,000 and reserves \$614,000)

BEACH FUND

Capital Projects

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
1000	Beach	Upgrade Trailer Spaces	1	50,000
Total Beach Projects				50,000

(Supported by current revenues \$8,500 and reserves \$41,500)

PORT COMMISSION FUND

Capital Projects

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
1000	Port Commission	Dredging	1	2,500,000
Total Port Projects				2,500,000

(Supported by revenue bond proceeds \$2,500,000)

Note: Funding Sources for Capital Projects can be found in previous pages of the CIP section.



CITY WIDE DEBT



Long-Term Debt

Property Tax Supported Debt

Public Utility Fund Supported Debt

Port Commission Supported Debt

Outstanding Debt Issue by Series



This section provides summary and detailed information on all debt issued and each annual debt service obligation by fund.

Long Term Debt

General Obligation Bonds (G.O.'s) are used to finance a variety of public projects and require voter approval. Certificates of Obligations (C.O.'s) do not require voter approval and, though used largely for the same projects as General Obligation Bonds, are ordinarily sold to finance smaller, less expensive, projects which tend to have shorter pay-out periods on the debt. General Obligation Bonds, as well as Certificates of Obligation, are backed by the full faith and credit of the City and are paid from property tax receipts. Revenue Bonds are payable from specific sources of non-tax revenue and do not affect the property tax rate. Coverage Ratios of Revenue Bonds will always be in compliance with the minimum coverage ratio required by the revenue bond ordinances. It shall be the goal of the City to achieve a budgeted coverage ratio of 1.60.

The City's practice is to fund capital improvement projects on a "pay as you go" basis whenever possible. If a debt issue is required, then key factors such as an asset's life and future debt payments will be considered carefully. Issues will not extend longer than an asset's expected life. The City currently holds an AA- rating from Standard and Poor's Corporation for both General Obligation and Revenue Bonds. This underlying rating was strengthened recently from an A+.

There is no direct limit on debt in the City Charter. Statutes of the State of Texas do not provide any limitations on the dollar amount of debt cities can float; however, as a matter of policy, the Attorney General of Texas, will not approve the issuance of bonds where the total debt service of all tax supported debt requires a tax rate of more than \$1.50 per \$100 assessed valuation. The truth-in-taxation criterion specifies that debt (Interest & Sinking) requirements must be met first, and then the operations can be funded. The property tax rate to meet these needs cannot exceed \$2.50 per \$100 valuation.

Debt service requirements for the City of Port Lavaca are currently \$.0777 of the current property tax rate of \$.7900. Even though the City has six outstanding general obligation debt issues, the 2012 is the only issue paid by property taxes. Other issues are supported by the respective fund's revenues. Those particular issues have an operational impact equal to the annual debt service payment. **The City plans to issue debt within the next 12 months to fund a large dredging project.** This debt will not be paid from property taxes, but supported by revenues generated by the Port Commission Fund.

Assessed value, 2015 tax roll	\$626,368,821	Actual amount of tax-secured debt service - Year ended September 30, 2016	\$1,123,133
Limit on amount designated for debt service per \$100 assessed valuation	x \$ 1.50		
Legal Debt Service Limit	\$9,395,532	Legal Debt Margin	\$8,272,399

The following tables list each debt issue separately with its clearly stated principal and interest payment due. Fiscal year end 2015-2016, outstanding general obligation bond and certificates of obligation bonds will be \$7,965,000 however only \$2,180,000 is currently supported by property taxes. The debt policy along with the history of tax rates can be found in the appendix section of this book.

Property Tax Supported Debt

2012 General Obligation Refunding Bond

\$2,945,000 - 2012 General Obligation Refunding Bond issued to take advantage of the low interest rate environment by refunding the callable portion of the Certificates of Obligation, Series 2003 and 2005 that were originally issued to fund various street projects. This resulted in a net present value savings to the City of \$229,457. The payments are secured by property taxes due in annual installments ranging from \$60,000 to \$331,000 through February 15, 2024; interest fixed at 2.03%.

Street Debt Service 2012	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted FY 2015-2016
Taxes				
Property Taxes- Current	259,802	261,200	161,200	318,000
Property Taxes- Delinquent	8,209	11,000	10,000	9,000
Total Taxes	268,012	272,200	171,200	327,000
Other Revenue				
Interest Income	425	300	275	300
Bond Proceeds	0	0	0	0
Total Other Revenue	425	300	275	300
Total Street Debt Service	268,437	272,500	171,475	327,300
Sundry				
Debt Service Principal	0	0	0	0
Debt Service Interest	0	0	0	0
Debt Service Admin. Fee	300	300	300	300
Debt Service- Principal 2012	215,000	220,000	220,000	280,000
Debt Service- Interest 2012	56,586	52,200	52,200	47,000
Payment to Escrow	0	0	0	0
Total Sundry	271,886	272,500	272,500	327,300
Total Street Debt Service	271,886	272,500	272,500	327,300

FY 15/16 Requirements:		
<u>Principal</u>	<u>Interest</u>	<u>Total</u>
\$280,000	\$47,096	\$327,096

Call Option: Make Whole Provision

Public Utility Fund Supported Debt

2007 General Obligation (GO) Refunding Bonds

\$2,895,000 - 2007 Utility System General Obligation and Refunding Bonds were issued to cover water system improvements. The payments are supported by the City's Public Utility Fund and due in annual installments ranging from \$30,000 to \$555,000 through February 15, 2022; interest varying between 5.10% and 5.75%.

2007 Combination Tax and Revenue Certificate of Obligation (CO)

\$925,000 - Series 2007 Combination Tax and Certificate of Obligation was issued to fund the City's pro rata share of debt related to the construction of a Clearwell owned by our water supplier, GBRA. The payment is supported by the Public Utility Fund due in annual installments ranging from \$20,000 to \$140,000 through February 15, 2022.

Water Debt Service 2007	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted FY 2015-2016
Other Revenue				
Interest Income	54	0	0	0
Equity Balance Forward	0	1,375	1,375	1,037
Total Other Revenue	54	1,375	1,375	1,037
Intergovernmental Revenue				
Transfer In- Fund 501	194,563	196,625	196,625	198,463
Total Intergovernmental	194,563	196,625	196,625	198,463
Total Water Debt Service	194,617	198,000	198,000	199,500
Sundry				
Debt Service Principal	45,000	50,000	50,000	55,000
Debt Service Interest	96,707	95,000	95,000	92,500
Debt Service- Admin Fee	750	500	500	500
Miscellaneous	0	0	0	0
Debt Service- Principle Clearwell	20,000	20,000	20,000	20,000
Debt Service – Interest Clearwell	32,499	32,000	32,000	31,000
Debt Service- Administrative Fee	750	500	500	500
Total Sundry	195,706	198,000	198,000	199,500
Total Water Debt Service	195,706	198,000	198,000	199,500

FY 15/16 Requirements:		
<u>Principal</u>	<u>Interest</u>	<u>Total</u>
\$75,000	\$123,463	\$198,463*

(*Direct Operational impact) Call Option: Term Bonds maturing on February 15, 2019 and thereafter are callable in whole or in part on any date beginning February 15, 2017 @ par.

CITY WIDE DEBT

2011 General Obligation Refunding Bonds

\$2,265,000 - 2011 General Obligation Refunding Bonds were issued for wastewater related infrastructure improvements. The payments are supported by the Public Utility Fund and due in annual installments ranging from \$351,000 to \$359,500 through February 15, 2018; interest fixed at 2.83%.

Sewer Debt Service 2011	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted FY 2015-2016
Other Revenue				
Interest Income	89	0	0	0
Equity Balance Forward	0	523	523	591
Total Other Revenue	89	523	523	591
Intergovernmental Revenue				
Transfer In- Fund 501	352,592	353,677	353,677	359,409
Total Intergovernmental	352,592	353,677	353,677	359,409
Total Sewer Debt Service	352,681	354,200	354,200	360,000
Sundry				
Debt Service Principal	310,000	320,000	320,000	335,000
Debt Service Interest	41,483	33,700	33,700	24,500
Debt Service - Admin. Fee	0	500	500	500
Total Sundry	351,483	354,200	354,200	360,000
Total Sewer Debt Service	351,483	354,200	354,200	360,000

FY 15/16 Requirements:		
<u>Principal</u>	<u>Interest</u>	<u>Total</u>
\$335,000	\$24,409	\$359,409*

*Direct operational impact

Call Option: Non-callable.

2004 Certificates of Obligation

\$1,535,000 - 2004 Certificates of Obligation from the Texas Water Development Board (TWDB) was issued for improvements to the City's water and sewer infrastructure. Annual installments range from \$97,000 to \$127,000 through February 15, 2024; interest varying between 1.45% and 3.55%.

Texas Water Development Board (TWDB) Debt Service 2004	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted FY 2015-2016
Other Revenue				
Interest Income	99	612	612	0
Equity Balance Forward	0	0	0	0
Total Other Revenue	99	612	612	0
Intergovernmental Revenue				
Transfer In- Fund 501	108,801	111,688	111,688	114,335
Total Intergovernmental	108,801	111,688	111,688	114,335
Total TWDB Debt Service	108,900	112,300	112,300	114,335
Sundry				
Debt Service Principal	75,000	80,000	80,000	85,000
Debt Service Interest	33,550	32,000	32,000	29,035
Debt Service Admin Fee	300	300	300	300
Total Sundry	108,850	112,300	112,300	114,335
Total TWDB Debt Service	108,850	112,300	112,300	114,335

FY 15/16 Requirements:		
<u>Principal</u>	<u>Interest</u>	<u>Total</u>
\$85,000	\$29,335	\$114,335*

*Direct operational impact

Call Option: Bonds maturing on February 15, 2016 and thereafter are callable in whole or in part on any date beginning February 15, 2015 @ par.

Port Commission Supported Debt

2008 Combination Tax & Surplus Harbor System Revenue Certificates of Obligation

\$1,700,000 - 2008 Combination Tax & Surplus Harbor System Revenue Certificates of Obligation were issued for a bulkhead improvement project. The payments are supported by Port Commission revenue and are due in annual installments ranging from \$20,000 to \$125,000; interest at 3.93%.

Port Debt Service	Actual FY 2013-2014	Amended Budget FY 2014-2015	Projected FY 2014-2015	Adopted FY 2015-2016
Other Revenue				
Interest Income	265	0	0	0
Equity Balance Forward	0	0	0	0
Total Other Revenue	265	0	0	0
Intergovernmental Revenue				
Transfer In- Fund 504	125,000	127,000	127,000	124,000
Total Intergovernmental	125,000	127,000	127,000	124,000
Total Port Debt Service	125,265	127,000	127,000	124,000
Sundry				
Debt Service Principal	70,000	75,000	75,000	75,000
Debt Service Interest	54,280	51,500	51,500	48,500
Debt Service Amortization	0	0	0	0
Paying Agent	0	500	500	500
Total Sundry	124,280	127,000	127,000	124,000
Total Port Debt Service	124,280	127,000	127,000	124,000

FY 15/16 Requirements:		
Principal	Interest	Total
\$75,000	\$48,830	\$123,830*

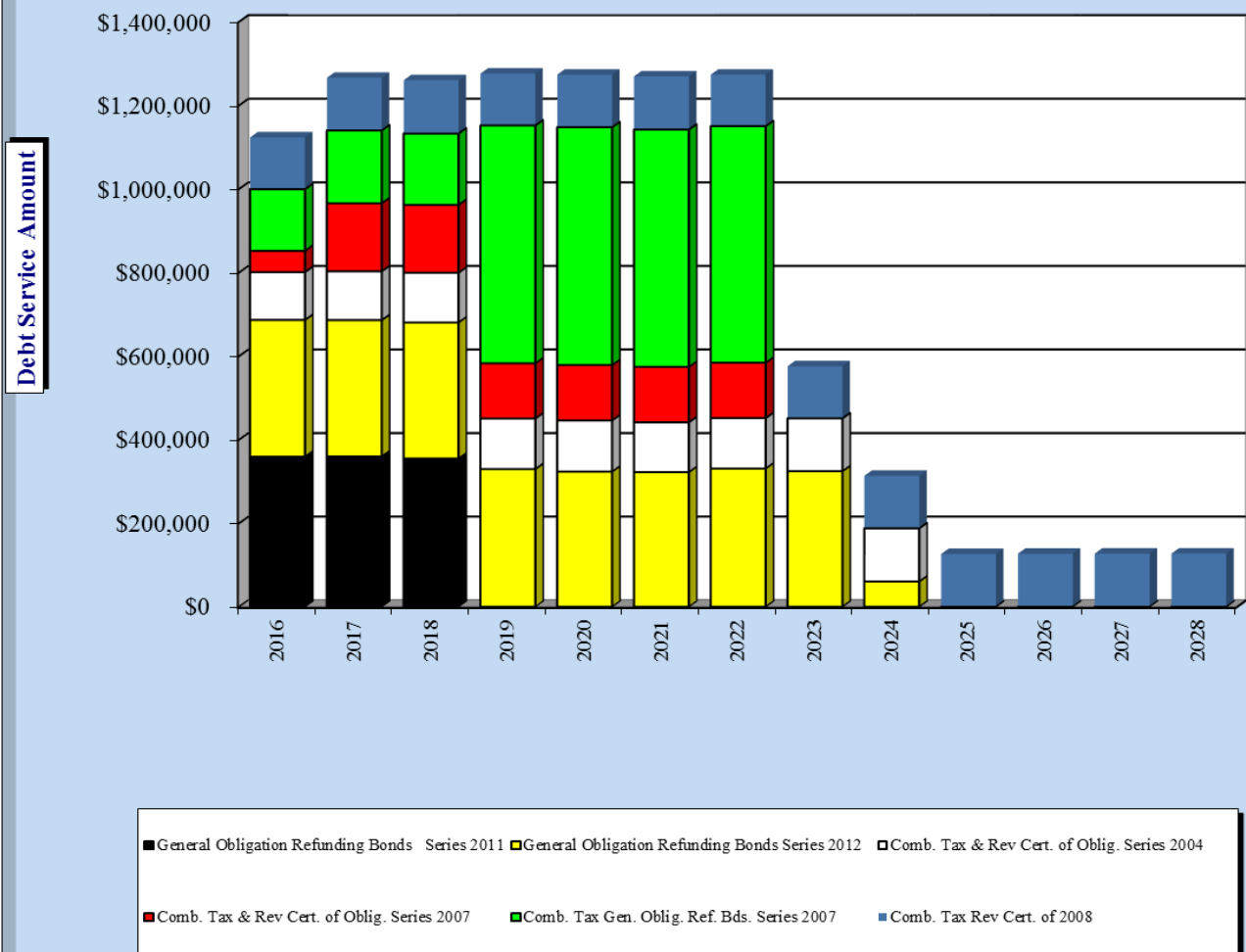
*Direct operational impact

Call Option: Term Bonds maturing on February 15, 2028 are callable in whole or in part on any date @ par plus a Prepayment Fee as specified in the indenture.

Outstanding Debt Issue by Series

Supporting Fund	Public Utility Fund	Public Utility Fund	Public Utility Fund	Public Utility Fund	Public Utility Fund	General Fund	
	Comb. Tax & Rev Cert. of Oblig. Series 2004	Comb. Tax & Rev Cert. of Oblig. Series 2007	Gen. Oblig. Ref. Bds. Series 2007	Comb. Tax & Surp. Harb. Sys. Rev. Cert. of Oblig. Series 2008	Utility Revenue Bond Series 2011	Cert. Of Obligation Series 2012	Total
Fiscal Year End							
2016	114,335	51,000	147,463	123,830	359,409	327,096	\$1,123,133
2017	116,753	162,900	174,313	125,785	359,787	326,361	\$1,265,899
2018	118,930	162,400	170,700	127,542	354,953	325,525	\$1,260,050
2019	120,883	132,300	569,100	124,202		329,537	\$1,276,022
2020	122,601	132,600	568,900	125,763		323,447	\$1,273,311
2021	119,136	132,700	567,900	127,128		322,306	\$1,269,170
2022	120,508	132,600	566,100	123,394		330,962	\$1,273,564
2023	126,538	-	-	124,563		324,466	\$575,567
2024	127,219	-	-	125,534		60,609	\$313,362
2025	-	-	-	126,310		-	\$126,310
2026	-	-	-	126,888		-	\$126,888
2027	-	-	-	127,271		-	\$127,271
2028	-	-	-	127,456		-	\$127,456
Total	\$1,086,903	\$906,500	\$2,764,476	\$1,635,666	\$1,074,149	\$2,670,309	\$10,138,003

City of Port Lavaca
*Outstanding General Obligation and Utility System Debt
 Service by Series*



STATISTICAL INFORMATION





This section provides statistical and historical information.



STATISTICAL INFORMATION

NET POSITION BY COMPONENT (1)

Last ten fiscal years

	Fiscal Year			
	2005	2006	2007	2008
Governmental activities				
Net investment in capital assets	\$ 17,965,142	\$ 12,509,383	\$ 13,105,824	\$ 13,815,306
Restricted	1,583,781	199,381	221,392	848,885
Unrestricted	3,971,998	5,022,591	6,556,521	7,374,943
Total governmental activities net position	<u>\$ 23,520,921</u>	<u>\$ 17,731,355</u>	<u>\$ 19,883,737</u>	<u>\$ 22,039,134</u>
Business-type activities				
Net investment in capital assets	\$ 13,735,139	\$ 10,460,620	\$ 11,569,600	\$ 11,052,199
Restricted	92,040	13,887	129,592	12,681
Unrestricted	3,138,979	4,353,647	4,022,664	4,953,062
Total business-type activities net position	<u>\$ 16,966,158</u>	<u>\$ 14,828,154</u>	<u>\$ 15,721,856</u>	<u>\$ 16,017,942</u>
Primary government				
Net investment in capital assets	\$ 31,700,281	\$ 22,970,003	\$ 24,675,424	\$ 24,867,505
Restricted	1,675,821	213,268	350,984	861,566
Unrestricted	7,110,977	9,376,238	10,579,185	12,328,005
Total primary government activities net position	<u>\$ 40,487,079</u>	<u>\$ 32,559,509</u>	<u>\$ 35,605,593</u>	<u>\$ 38,057,076</u>

(1) Accrual basis of accounting

NET POSITION BY COMPONENT (1) CONTINUED

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 15,787,249	\$ 18,383,147	\$ 18,380,797	\$ 19,174,209	\$ 21,750,587	\$ 19,170,337
876,554	784,798	1,049,987	1,027,384	1,463,189	1,175,154
6,394,379	4,732,493	5,231,769	5,544,238	3,452,739	7,942,352
<u>\$ 23,058,182</u>	<u>\$ 23,900,438</u>	<u>\$ 24,662,553</u>	<u>\$ 25,745,831</u>	<u>\$ 26,666,515</u>	<u>\$ 28,287,843</u>
\$ 11,334,652	\$ 11,536,833	\$ 13,321,583	\$ 13,756,393	\$ 14,059,066	\$ 16,550,105
233,544	51,469	-	-	-	-
5,642,701	6,841,071	6,892,206	7,449,406	7,772,021	6,402,372
<u>\$ 17,210,897</u>	<u>\$ 18,429,373</u>	<u>\$ 20,213,789</u>	<u>\$ 21,205,799</u>	<u>\$ 21,831,087</u>	<u>\$ 22,952,477</u>
\$ 27,121,901	\$ 29,919,980	\$ 31,702,380	\$ 32,930,602	\$ 35,809,653	\$ 35,720,442
1,110,098	836,267	1,049,987	1,027,384	1,463,189	1,175,154
12,037,080	11,573,564	12,123,975	12,993,644	11,224,760	14,344,724
<u>\$ 40,269,079</u>	<u>\$ 42,329,811</u>	<u>\$ 44,876,342</u>	<u>\$ 46,951,630</u>	<u>\$ 48,497,602</u>	<u>\$ 51,240,320</u>

STATISTICAL INFORMATION

CHANGES IN NET POSITION (1)

Last ten fiscal years

	Fiscal Year			
	2005	2006	2007	2008
Governmental activities				
Program expenses				
General government	\$ 1,023,110	\$ 1,265,792	\$ 1,300,514	\$ 1,499,965
Public safety	2,309,363	2,254,482	2,204,124	2,490,358
Public works	1,488,133	1,469,315	1,352,679	1,974,638
Parks and recreation	520,865	526,995	522,218	167,594
Interest on long-term debt	167,922	195,885	180,891	-
Total expenses	<u>5,509,393</u>	<u>5,712,469</u>	<u>5,560,426</u>	<u>6,132,555</u>
Program revenues				
Charges for services	422,898	679,279	703,077	412,420
Operating grants and contributions	15,497	100,558	3,903	269,784
Capital grants and contributions	620,816	517,067	335,671	407,223
Total program revenues	<u>1,059,211</u>	<u>1,296,904</u>	<u>1,042,651</u>	<u>1,089,427</u>
Total governmental activities net program expense	(4,450,182)	(4,415,565)	(4,517,775)	(5,043,128)
General revenues and other changes in net position				
Taxes				
Property taxes	2,354,535	2,530,094	2,887,459	2,894,987
Sales taxes	1,707,459	1,823,450	2,328,103	2,439,957
Franchise taxes	581,284	598,795	597,082	623,987
Other taxes	176,049	173,856	197,276	277,757
Unrestricted investment earnings	172,664	266,681	325,364	258,739
Miscellaneous	309,383	41,739	43,049	338,701
Transfers	1,409,359	140,472	252,449	364,397
Special item - litigation settlement	-	-	-	-
Total general revenues and other changes in net position	<u>6,710,733</u>	<u>5,575,087</u>	<u>6,630,782</u>	<u>7,198,525</u>
Total governmental activities change in net position	<u>\$ 2,260,551</u>	<u>\$ 1,159,522</u>	<u>\$ 2,113,007</u>	<u>\$ 2,155,397</u>

STATISTICAL INFORMATION

CHANGES IN NET POSITION (1) CONTINUED

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 1,847,859	\$ 1,886,794	\$ 1,952,643	\$ 2,150,599	\$ 2,140,960	\$ 2,632,811
2,598,507	3,191,293	3,112,422	3,088,940	3,199,920	3,232,531
1,615,002	1,406,502	1,539,354	1,629,726	1,629,165	1,379,978
547,013	686,747	701,325	637,689	689,022	629,640
154,696	147,266	140,373	132,374	113,201	67,300
6,763,077	7,318,602	7,446,117	7,639,328	7,772,268	7,942,260
484,632	804,307	612,209	586,394	711,117	613,177
378,324	322,510	293,947	322,478	252,056	687,201
51,589	125,279	35,500	259,835	-	142,843
914,545	1,252,096	941,656	1,168,707	963,173	1,443,221
(5,848,532)	(6,066,506)	(6,504,461)	(6,470,621)	(6,809,095)	(6,499,039)
3,214,039	3,414,317	3,513,386	3,754,272	3,808,571	3,971,992
2,170,959	2,295,492	2,313,247	2,364,076	2,445,393	2,500,013
613,509	620,247	586,575	593,255	587,534	615,184
235,571	271,287	339,366	345,381	389,564	576,001
123,127	54,319	38,045	29,877	12,995	14,445
235,375	277,928	246,642	232,217	302,881	191,564
275,000	182,943	229,315	234,821	224,000	251,168
-	(185,000)	-	-	-	-
6,867,580	6,931,533	7,266,576	7,553,899	7,770,938	8,120,367
\$ 1,019,048	\$ 865,027	\$ 762,115	\$ 1,083,278	\$ 961,843	\$ 1,621,328

(continued)

STATISTICAL INFORMATION

CHANGES IN NET POSITION (1)

Last ten fiscal years

	Fiscal Year			
	2005	2006	2007	2008
Business-type activities				
Expenses				
Public utilities	\$ 4,155,860	\$ 3,344,382	\$ 3,835,279	\$ 3,913,016
Port commission	325,995	310,482	345,062	328,525
Beach operations	115,506	171,037	129,800	150,828
Total expenses	<u>4,597,361</u>	<u>3,825,901</u>	<u>4,310,141</u>	<u>4,392,369</u>
Program revenues				
Charges for services	4,807,141	4,948,781	5,088,403	5,612,806
Operating grants and contributions	-	16,887	3,000	2,000
Capital grants and contributions	<u>75,207</u>	<u>227,284</u>	<u>178,859</u>	<u>153,218</u>
Total program revenues	<u>4,882,348</u>	<u>5,192,952</u>	<u>5,270,262</u>	<u>5,768,024</u>
Total business-type activities net program expense	284,987	1,367,051	960,121	1,375,655
General revenues and other changes in net position				
Unrestricted investment earnings	65,694	166,310	234,879	176,704
Miscellaneous	139,410	7,475	-	-
Special item - GBRA clearwell	-	-	-	(891,876)
Transfers	<u>(1,413,260)</u>	<u>(140,472)</u>	<u>(252,449)</u>	<u>(364,397)</u>
Total general revenues and other changes in net position	<u>(1,208,156)</u>	<u>33,313</u>	<u>(17,570)</u>	<u>(1,079,569)</u>
Prior period adjustment	<u>685,028</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities change in net position	<u>\$ (238,141)</u>	<u>\$ 1,400,364</u>	<u>\$ 942,551</u>	<u>\$ 296,086</u>
Total primary government change in net position	<u>\$ 2,022,410</u>	<u>\$ 2,559,886</u>	<u>\$ 3,055,558</u>	<u>\$ 2,451,483</u>

(1) Accrual basis of accounting

STATISTICAL INFORMATION

CHANGES IN NET POSITION (1) CONTINUED

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 4,288,109	\$ 4,283,432	\$ 4,123,809	\$ 4,244,884	\$ 4,360,184	\$ 4,252,370
379,371	395,332	382,570	444,081	464,556	456,212
162,064	218,240	309,838	225,381	253,315	261,309
4,829,544	4,897,004	4,816,217	4,914,346	5,078,055	4,969,891
5,966,101	5,893,741	6,303,875	5,913,131	6,163,237	6,081,076
2,000	2,000	175,303	22,340	2,000	-
236,338	374,396	330,595	117,620	49,217	248,350
6,204,439	6,270,137	6,809,773	6,053,091	6,214,454	6,329,426
1,374,895	1,373,133	1,993,556	1,138,745	1,136,399	1,359,535
75,060	28,286	20,175	20,024	17,507	13,023
18,000	-	-	68,062	-	-
-	-	-	-	-	-
(275,000)	(182,943)	(229,315)	(234,821)	(224,000)	(251,168)
(181,940)	(154,657)	(209,140)	(146,735)	(206,493)	(238,145)
-	-	-	-	-	-
\$ 1,192,955	\$ 1,218,476	\$ 1,784,416	\$ 992,010	\$ 929,906	\$ 1,121,390
\$ 2,212,003	\$ 2,083,503	\$ 2,546,531	\$ 2,075,288	\$ 1,891,749	\$ 2,742,718

STATISTICAL INFORMATION

FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last ten fiscal years

	Fiscal Year			
	2005	2006	2007	2008
General Fund				
Nonspendable				
Prepaid items	\$ -	\$ -	\$ -	\$ -
Committed				
Operating reserves	-	-	-	-
Health insurance claims	-	-	-	-
Capital asset replacement	-	-	-	-
Unassigned	-	-	-	-
Reserved				
Prepaid items	-	25,800	28,755	25,929
Unreserved, designated				
Operating reserves	-	2,529,900	2,762,226	2,908,981
Health insurance claims	-	500,000	500,000	500,000
Street improvements	-	300,000	149,500	-
Capital asset replacement	-	250,000	250,000	340,946
Unreserved, undesignated	3,339,465	574,072	1,576,413	2,543,671
Total general fund	\$ 3,339,465	\$ 4,179,772	\$ 5,266,894	\$ 6,319,527
All Other Governmental Funds				
Restricted				
Retirement of long-term debt	-	-	-	-
Various capital projects	-	-	-	-
Tourism and conventions	-	-	-	-
Economic development	-	-	-	-
Public safety	-	-	-	-
Municipal court	-	-	-	-
Bayfront park pier	-	-	-	-
Committed				
Various capital projects	-	-	-	-
Unreserved, undesignated reported in				
Special revenue funds	268,151	379,336	767,415	711,057
Debt service fund	137,977	118,931	148,960	159,271
Capital project funds	1,445,804	664,705	13,811	574,045
Total all other governmental funds	\$ 1,851,932	\$ 1,162,972	\$ 930,186	\$ 1,444,373

(1) Modified accrual basis of accounting

NOTE: The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011.

STATISTICAL INFORMATION

FUND BALANCES, GOVERNMENTAL FUNDS (1) CONTINUED

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ -	\$ -	\$ 52,478	\$ 49,954	\$ 64,938	\$ 51,193
-	-	2,306,152	2,408,598	2,286,604	2,236,320
-	-	504,848	676,542	728,602	929,210
-	-	382,265	273,122	282,298	275,245
-	-	1,539,331	1,728,695	2,536,205	3,183,423
37,078	50,017	-	-	-	-
3,107,978	2,063,977	-	-	-	-
500,000	500,000	-	-	-	-
-	-	-	-	-	-
250,000	250,000	-	-	-	-
2,534,443	1,750,753	-	-	-	-
<u>\$ 6,429,499</u>	<u>\$ 4,614,747</u>	<u>\$ 4,785,074</u>	<u>\$ 5,136,911</u>	<u>\$ 5,898,647</u>	<u>\$ 6,675,391</u>
-	-	177,224	183,391	207,178	201,457
-	-	114,799	133,106	508,824	-
-	-	551,491	497,372	517,606	774,183
-	-	-	10,001	10,024	10,057
-	-	112,456	114,723	125,936	88,429
-	-	20,247	18,328	17,857	20,627
-	-	55,943	56,004	56,063	56,087
-	-	-	-	-	1,008,386
707,885	704,036	-	-	-	-
159,657	161,177	-	-	-	-
(505,092)	(281,044)	-	-	-	-
<u>\$ 362,450</u>	<u>\$ 584,169</u>	<u>\$ 1,032,160</u>	<u>\$ 1,012,925</u>	<u>\$ 1,443,488</u>	<u>\$ 2,159,226</u>

STATISTICAL INFORMATION

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last ten fiscal years

	Fiscal Year			
	2005	2006	2007	2008
Revenues				
Taxes	\$ 4,819,327	\$ 5,158,276	\$ 5,927,214	\$ 6,298,996
Licenses and permits	60,706	118,146	94,271	98,076
Fines and forfeitures	326,594	369,567	409,948	402,550
Charges for services	35,598	13,206	5,120	11,080
Intergovernmental	159,000	209,081	514,747	262,384
Grants and contributions	636,313	55,424	-	-
Investment	159,137	266,681	325,364	258,739
Rental	-	43,360	47,582	36,535
Miscellaneous	128,464	24,640	43,049	267,720
Total revenues	6,325,139	6,258,381	7,367,295	7,636,080
Expenditures				
Current				
General government	895,756	1,273,434	1,310,596	1,588,358
Public safety	2,156,627	2,315,618	2,389,811	2,565,946
Public works	216,640	226,067	200,936	1,301,846
Streets and highways	1,068,252	1,323,173	924,048	-
Parks and recreation	518,847	506,380	408,748	447,281
Non-departmental	382,723	-	-	-
Capital outlay	1,703,900	724,162	1,142,459	454,855
Debt service				
Principal retirement	405,000	216,538	568,939	180,000
Interest and fiscal charges	141,278	203,243	174,400	161,865
Issuance costs	-	-	-	-
Total expenditures	7,489,023	6,788,615	7,119,937	6,700,151
Excess (deficiency) of revenues over expendit	(1,163,884)	(530,234)	247,358	935,929
Other financing sources (uses)				
Transfers in	1,212,024	693,606	662,379	1,053,450
Transfers out	(992,266)	(553,134)	(409,930)	(689,053)
Debt issued	1,021,919	515,055	295,392	257,054
Payment to escrow	-	-	-	-
Sale of capital assets	-	17,099	19,762	9,439
Total other financing sources (uses)	1,241,677	672,626	567,603	630,890
Change in fund balances	\$ 77,793	\$ 142,392	\$ 814,961	\$ 1,566,819
Debt service as a percentage of noncapital expenditures	<u>10.43%</u>	<u>7.44%</u>	<u>14.97%</u>	<u>7.19%</u>

(1) Modified accrual basis of accounting

STATISTICAL INFORMATION

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1) CONTINUED

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 6,198,734	\$ 6,609,092	\$ 6,747,620	\$ 7,097,425	\$ 7,290,483	\$ 7,653,598
96,535	97,740	108,266	109,347	158,721	131,291
501,345	769,529	687,791	566,325	626,677	512,461
5,332	5,956	7,525	5,170	6,820	2,901
429,913	447,789	329,447	322,478	252,056	830,044
-	-	-	-	-	-
123,127	54,319	38,045	29,877	12,995	14,445
37,390	22,737	30,780	46,432	67,615	76,290
96,453	135,191	91,311	84,151	181,263	143,274
7,488,829	8,142,353	8,040,785	8,261,205	8,596,630	9,364,304
1,846,671	1,859,894	2,136,142	2,132,974	2,096,778	2,604,645
2,742,639	3,213,266	3,330,945	3,221,180	3,089,627	3,336,053
1,422,306	1,016,111	1,220,156	1,176,781	1,174,528	983,253
-	-	-	-	-	-
440,345	579,783	670,771	504,457	932,950	469,422
-	-	-	-	-	-
1,947,494	2,922,769	235,268	787,921	16,000	412,833
195,000	200,000	205,000	215,000	270,000	265,000
155,465	148,599	141,658	134,067	53,061	60,386
-	-	-	-	67,106	-
8,749,920	9,940,422	7,939,940	8,172,380	7,700,050	8,131,592
(1,261,091)	(1,798,069)	100,845	88,825	896,580	1,232,712
1,019,558	3,271,834	924,047	613,632	825,428	1,228,814
(744,558)	(3,071,834)	(696,612)	(378,811)	(601,428)	(969,044)
-	-	284,776	-	2,945,000	-
-	-	-	-	(2,877,894)	-
14,141	5,036	5,262	8,956	4,613	-
289,141	205,036	517,473	243,777	295,719	259,770
\$ (971,950)	\$ (1,593,033)	\$ 618,318	\$ 332,602	\$ 1,192,299	\$ 1,492,482
<u>4.59%</u>	<u>4.82%</u>	<u>7.72%</u>	<u>4.98%</u>	<u>4.77%</u>	<u>4.64%</u>

STATISTICAL INFORMATION

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY Last ten fiscal years

Fiscal Year	Tax Roll	Real Property		Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value Before Freeze
		Residential Property	Non-Residential Property			
2005	2004	\$ 169,079,600	\$ 118,907,439	\$ 72,553,055	\$ 36,891,135	\$ 323,648,959
2006	2005	189,046,615	127,185,229	77,502,348	39,920,977	353,813,215
2007	2006	194,093,974	138,630,022	86,459,061	40,041,353	379,141,704
2008	2007	206,232,783	141,359,770	83,588,536	41,119,764	390,061,325
2009	2008	231,441,796	154,694,954	95,630,537	51,553,761	430,213,526
2010	2009	263,328,770	163,153,617	98,027,813	62,279,300	462,230,900
2011	2010	266,000,516	182,017,744	97,590,700	58,619,346	486,989,614
2012	2011	258,864,339	211,167,691	121,729,513	75,510,553	516,250,990
2013	2012	261,801,587	224,611,352	109,068,664	89,763,499	505,718,104
2014	2013	262,539,992	238,108,943	104,598,314	90,882,927	514,364,322

(1) Includes tax-exempt property

NOTES: Property in the City is reassessed annually. The City assesses property at 100% of actual taxable value for all types of real and personal property. Tax rates are per \$100 of assessed value.

SOURCE: Calhoun County Appraisal District

STATISTICAL INFORMATION

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY CONTINUED

<u>Total Freeze Taxable</u>	<u>Freeze Adjusted Taxable</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Tax Value Before Freeze Ceiling</u>	<u>Freeze Ceiling</u>	<u>Estimated Tax Value Including Freeze Ceiling</u>	<u>Assessed Value (1) as a Percentage of Actual Value</u>
\$ -	\$ 323,648,959	\$ 0.7200	\$ 2,330,273	\$ -	\$ 2,330,273	100.00%
-	353,813,215	0.7500	2,653,599	-	2,653,599	100.00%
-	379,141,704	0.7500	2,843,563	-	2,843,563	100.00%
-	390,061,325	0.7500	2,925,460	-	2,925,460	100.00%
(57,591,363)	372,622,163	0.7500	2,794,666	399,258	3,193,924	100.00%
(63,229,126)	399,001,774	0.7500	2,992,513	403,976	3,396,489	100.00%
(68,945,245)	418,044,369	0.7500	3,135,333	423,648	3,558,981	100.00%
(69,858,766)	446,392,224	0.7450	3,325,622	431,261	3,756,883	100.00%
(71,958,318)	433,759,786	0.7568	3,282,694	446,159	3,728,853	100.00%
(71,687,194)	442,677,128	0.7900	3,950,383	453,234	4,403,617	100.00%

STATISTICAL INFORMATION

DIRECT AND OVERLAPPING PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUE
Last ten fiscal years

Fiscal Year	Tax Roll	City Direct Rates			Overlapping Rates			
		Debt Service	General Fund	Total	School District	Calhoun County	Port Authority	Total
2005	2004	\$ 0.0864	\$ 0.6336	\$0.7200	\$ 1.4176	\$ 0.5210	\$ 0.0046	\$ 1.9432
2006	2005	0.0864	0.6360	0.7200	1.4176	0.5210	0.0043	1.9429
2007	2006	0.0938	0.6562	0.7500	1.2969	0.4900	0.0041	1.7910
2008	2007	0.0878	0.6622	0.7500	1.0968	0.4900	0.0039	1.5907
2009	2008	0.0821	0.6679	0.7500	1.1100	0.4900	0.0039	1.6039
2010	2009	0.0770	0.6730	0.7500	1.1201	0.4900	0.0039	1.6140
2011	2010	0.0770	0.6730	0.7500	1.1331	0.4900	0.0039	1.6270
2012	2011	0.0697	0.6753	0.7450	1.1262	0.4900	0.0036	1.6198
2013	2012	0.0846	0.6722	0.7568	1.1201	0.4900	0.0032	1.6133
2014	2013	0.0791	0.7109	0.7900	1.1151	0.4900	0.0031	1.6082

SOURCE: Calhoun County Appraisal District

STATISTICAL INFORMATION

**PRINCIPAL PROPERTY TAXPAYERS
(UNAUDITED)
Current Year and Nine Years Ago**

2014		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Orion Marine Construction Inc	\$ 16,004,382	3.62%
Rexco, Inc.	11,177,370	2.52%
Port Lavaca Dodge	8,660,740	1.96%
Wal-Mart Real Estate Business Trust	8,039,840	1.82%
Momentum Rental & Sales , Inc.	5,955,690	1.35%
Wal-Mart Stores Texas, LP	5,667,770	1.28%
AEP Texas Central Company	5,374,922	1.21%
Butt H E Grocery Company	5,270,960	1.19%
Helena Chemicals	5,027,680	1.14%
BKCK LTD	4,951,760	1.12%
	<u>\$ 76,131,114</u>	<u>17.21%</u>

2005		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
T W Laquay Dredging, Inc.	\$ 6,137,880	1.90%
H E Butt Grocery Company	5,601,577	1.73%
Helena Chemicals	5,541,390	1.71%
Rexco Inc	4,913,181	1.52%
AEP Central Power & Light Co.	4,367,960	1.35%
Verizon Southwest	4,027,410	1.24%
Maxim Crane Works LP	3,456,118	1.07%
First National Bank	2,837,225	0.88%
Wal-Mart Stores, Inc.	2,822,493	0.87%
Calhoun Plaza Et Al	2,596,516	0.80%
	<u>\$ 42,301,750</u>	<u>13.07%</u>

SOURCE: Calhoun County Appraisal District

STATISTICAL INFORMATION

PROPERTY TAX LEVIES AND COLLECTIONS

Last ten fiscal years

Fiscal Year	Tax Year	Taxes Levied for the Fiscal Year			Collections within the Fiscal Year of the Levy	
		(Original Levy)	Adjustments	Total Adjusted Levy	Amount	Percentage of Levy
2005	2004	\$ 2,350,042	\$ (14,356)	\$ 2,335,686	\$ 2,199,527	94.17%
2006	2005	2,562,701	(5,996)	2,556,705	2,443,880	95.59%
2007	2006	2,857,433	(10,969)	2,846,464	2,701,038	94.89%
2008	2007	2,940,204	(6,222)	2,933,982	2,771,551	94.46%
2009	2008	3,209,230	(10,687)	3,198,543	3,014,618	94.25%
2010	2009	3,451,515	(50,276)	3,401,239	3,242,033	95.32%
2011	2010	3,578,859	(14,917)	3,563,942	3,437,198	96.44%
2012	2011	3,760,572	(6,559)	3,754,013	3,644,449	97.08%
2013	2012	3,791,754	7,266	3,799,020	3,708,111	97.61%
2014	2013	3,956,897	(5,659)	3,951,238	3,836,828	97.10%

SOURCE: Calhoun County Appraisal District

PROPERTY TAX LEVIES AND COLLECTIONS CONTINUED

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 128,483	\$ 2,328,010	99.67%
105,349	2,549,229	99.71%
137,130	2,838,168	99.71%
150,844	2,922,395	99.61%
171,925	3,186,543	99.62%
137,587	3,379,620	99.36%
106,540	3,543,738	99.43%
82,387	3,726,836	99.28%
46,136	3,754,247	97.61%
-	3,836,828	97.10%

STATISTICAL INFORMATION

WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED

Last ten fiscal years

Fiscal Year	Gallons of GBRA Water Purchased	Gallons of Metered Consumption	Gallons of Unmetered Consumption	Gallons of Water Unaccounted	Average Percent Unaccounted	Gallons of Wastewater Treated
2005	483,325	402,711	N/A	80,614	17%	396,770
2006	470,830	399,093	N/A	71,737	15%	417,390
2007	430,287	370,762	N/A	59,525	14%	498,810
2008	489,864	405,585	N/A	84,279	17%	382,770
2009	496,619	455,031	N/A	41,588	8%	368,120
2010	459,847	377,310	10,304	72,233	16%	435,540
2011	559,150	462,107	11,188	85,855	15%	368,780
2012	489,614	414,492	19,130	55,992	11%	403,940
2013	459,908	390,984	18,243	50,681	11%	345,530
2014	467,309	374,281	14,077	78,951	17%	305,012

NOTES: The City purchases water from the Guadalupe-Blanco River Authority.

Water and Sewer Usage Rates shown are for 5,000 gallons usage.

N/A denotes information not available.

Unmetered consumption is an estimation (Water Main Breaks, Fire Drills, Line flushing, etc.)

SOURCE: City of Port Lavaca Utility Department

WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED CONTINUED

Total Direct Rate			
Water		Sewer	
Base Rate	Usage Rate	Base Rate	Usage Rate
\$ 13.46	\$ 13.35	\$ 9.75	\$ 13.17
13.96	13.35	11.75	13.17
13.96	13.95	12.25	14.67
15.00	14.25	14.00	14.70
15.00	14.25	14.00	14.70
15.00	14.25	14.00	14.70
15.00	14.25	14.00	14.70
15.00	14.25	14.00	14.70
15.00	14.25	14.00	14.70
16.00	14.25	15.00	15.54

STATISTICAL INFORMATION

WATER AND SEWER RATES

Last ten fiscal years

	Fiscal Year									
	2005		2006		2007		2008		2009	
							Res.	Comm.	Res.	Comm.
Water Rates										
Base Rate (includes 2,000 gallons)										
Base Rate by Meter Size										
3/4" to 5/8"	\$	13.46	\$	13.96	\$	13.96	\$15.00	\$ 17.50	\$ 15.00	\$ 17.50
1"		14.84		15.34		15.34	15.00	17.50	15.00	17.50
1 1/2"		17.75		18.25		18.25	15.00	17.50	15.00	17.50
2"		20.66		21.16		21.16	15.00	35.00	15.00	35.00
3"		26.58		27.08		27.08	15.00	35.00	15.00	35.00
4"		32.28		32.78		32.78	15.00	35.00	15.00	35.00
6"		45.16		45.66		45.66	15.00	35.00	15.00	35.00
Per 1,000 gallons over base charge		4.45		4.45		4.65	4.75	4.95	4.75	4.95
Conservation Rate Tiers for water										
Per 1,000 gallons 2,001 - 5,000		N/A		N/A		N/A	N/A	N/A	N/A	N/A
Per 1,000 gallons 5,001 - 25,000		N/A		N/A		N/A	N/A	N/A	N/A	N/A
Per 1,000 gallons Over 25,000		N/A		N/A		N/A	N/A	N/A	N/A	N/A
Sewer Rates										
Base Rate (includes 2,000 gallons)		9.75		11.75		12.25	14.00	15.75	14.00	15.75
Per 1,000 gallons over base charge		4.39		4.39		4.89	4.90	4.95	4.90	4.95

NOTES: Increases in water and sewer rates are approved by the City Council.

Sewer consumption rates for residential customers are based on the average of the last three-month period of December, January, and February that preceded the billing date.

Customers outside City limits are charged a rate of 1.5 times the inside City limit rates.

The City changed the rate classification in 2008. "Res." - Residential
"Comm." - Commercial

The City changed to a tiered conservation rate in 2013.

SOURCE: City of Port Lavaca Utility Department

STATISTICAL INFORMATION

WATER AND SEWER RATES CONTINUED

Fiscal Year									
2010		2011		2012		2013		2014	
Res.	Comm.	Res.	Comm.	Res.	Comm.	Res.	Comm.	Res.	Comm.
\$ 15.00	\$ 17.50	\$ 15.00	\$ 17.50	\$ 15.00	\$ 17.50	\$ 15.00	\$ 17.50	16.00	18.50
15.00	17.50	15.00	17.50	15.00	17.50	15.00	17.50	16.00	18.50
15.00	17.50	15.00	17.50	15.00	17.50	15.00	17.50	16.00	18.50
15.00	35.00	15.00	35.00	15.00	35.00	15.00	35.00	16.00	36.00
15.00	35.00	15.00	35.00	15.00	35.00	15.00	35.00	16.00	36.00
15.00	35.00	15.00	35.00	15.00	35.00	15.00	35.00	16.00	36.00
15.00	35.00	15.00	35.00	15.00	35.00	15.00	35.00	16.00	36.00
4.75	4.95	4.75	4.95	4.75	4.95	4.75	4.95	4.75	4.95
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.75	4.95
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.03	5.03
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.71	5.71
14.00	15.75	14.00	15.75	14.00	15.75	14.00	15.75	15.00	16.75
4.90	4.95	4.90	4.95	4.90	4.95	4.90	4.95	5.18	5.18

STATISTICAL INFORMATION

TEN LARGEST WATER CUSTOMERS (UNAUDITED)

Current Year and Nine Years Ago

2014			
Customer	Type of Business	12-Month Water Consumption	Percent of Total Billed
City of Port Lavaca	City Government	16,332	4.36%
Calhoun County I.S.D.	School District	11,195	2.99%
Hillman Shrimp & Oyster	Fishing Industry	10,467	2.80%
Memorial Medical Center	Hospital	6,208	1.66%
Bordeaux Apartment	Apartment Complex	6,176	1.65%
Regency Nursing & Rehab Cntr	Senior Citizen Center	5,397	1.44%
Calhoun County	County Government	4,246	1.13%
Lighthouse Seafood	Commercial Oyster House	3,289	0.88%
Splash & Dash	Commercial/Car Wash	3,039	0.81%
CLVR Acquisitions, LTD	Apartment Complex	2,641	0.71%
2005			
Customer	Type of Business	12-Month Water Consumption	Percent of Total Billed
H.E. Butt	Grocery Store	4,929	1.22%
Calhoun County I.S.D.	School District	3,847	0.96%
Memorial Medical Center	Hospital	3,367	0.84%
City of Port Lavaca	City Government	2,356	0.59%
Hillman Shrimp & Oyster	Fishing Industry	2,251	0.56%
Regency Apartments	Apartment Complex	2,228	0.55%
Bordeaux Apartments	Apartment Complex	2,179	0.54%
Orion Marine Group Inc.	Industrial	1,439	0.36%
Wal Mart Stores	Commercial	1,238	0.31%
Sea Breeze Apartment	Apartment Complex	1,154	0.29%

SOURCE: City of Port Lavaca Utility Billing Department



STATISTICAL INFORMATION

RATIOS OF OUTSTANDING DEBT BY TYPE

Last ten fiscal years

Fiscal Year	Governmental Activities				Business-type Activities			
	Certificates of Obligation	General Obligation Bonds	Note Agreement	Capital Leases	Certificates of Obligation	Revenue Bonds	Less: Issuance Discount	Capital Leases
2005	\$ 4,385,000	\$ -	\$ -	\$ 96,149	\$ 185,000	\$ 6,225,000	\$ -	\$ 61,790
2006	4,250,000	-	400,286	129,380	80,000	5,980,000	-	49,238
2007	4,090,000	-	114,027	302,097	440,000	5,725,000	-	21,219
2008	3,910,000	-	-	423,954	4,035,000	5,595,000	(32,532)	288,374
2009	3,715,000	-	-	332,486	3,940,000	5,315,000	(31,983)	237,874
2010	3,515,000	-	-	261,340	3,800,000	5,025,000	(31,434)	193,957
2011	3,310,000	-	-	471,758	3,655,000	4,760,000	(30,839)	148,282
2012	3,095,000	-	-	248,917	3,500,000	4,425,000	(30,290)	100,780
2013	105,000	2,895,000	-	211,559	3,340,000	4,080,000	(29,696)	51,378
2014	55,000	2,680,000	-	172,640	3,175,000	3,725,000	(29,101)	-

NOTE: Details regarding the City's outstanding debt can be found in the notes to financial statements.

RATIOS OF OUTSTANDING DEBT BY TYPE CONTINUED

Total Primary Government	Percentage of Personal Income	Per Capita
\$ 10,952,939	3.7%	\$ 951.68
10,888,904	3.5%	949.25
10,692,343	2.4%	937.51
14,219,796	4.1%	1,240.28
13,508,377	3.7%	1,175.77
12,763,863	3.4%	1,060.56
12,314,201	3.1%	1,005.41
11,339,407	N/A	923.25
10,653,241	N/A	866.12
9,778,539	2.2%	790.25

STATISTICAL INFORMATION

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING *Last ten fiscal years*

Fiscal Year	General Bonded Debt Outstanding			Debt Service Monies Available (1)	Debt Payable from Enterprise Funds
	Certificates of Obligation	General Obligation Bonds	Total		
2005	\$ 4,570,000	\$ -	\$ 4,570,000	\$ 137,977	\$ 185,000
2006	4,330,000	-	4,330,000	118,931	80,000
2007	4,530,000	-	4,530,000	148,960	440,000
2008	7,945,000	-	7,945,000	159,271	4,035,000
2009	6,655,000	-	6,655,000	159,657	3,940,000
2010	7,315,000	-	7,315,000	161,177	3,800,000
2011	6,965,000	-	6,965,000	177,224	3,655,000
2012	6,595,000	-	6,595,000	183,391	3,500,000
2013	3,445,000	2,895,000	6,340,000	226,879	3,340,000
2014	3,230,000	2,680,000	5,910,000	225,771	3,175,000

NOTES: Details regarding the City's outstanding debt can be found in the notes to financial statements.

N/A denotes information not available.

(1) This is the amount restricted for debt service principal payments.

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING CONTINUED

Net Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
\$ 4,247,023	1.31%	\$ 369.02
4,131,069	1.17%	360.13
3,941,040	1.04%	345.55
3,750,729	0.96%	327.15
2,555,343	0.59%	222.42
3,353,823	0.73%	278.67
3,132,776	0.64%	255.78
2,911,609	0.56%	237.06
2,773,121	0.55%	225.46
2,509,229	0.49%	202.78

STATISTICAL INFORMATION

***DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
(UNAUDITED)
September 30, 2014***

	<u>Gross Debt Outstanding</u>		<u>Percentage</u>	<u>Amount</u>
	<u>Date</u>	<u>Amount</u>	<u>Applicable</u>	<u>Applicable</u>
			<u>to City</u>	<u>to City</u>
Direct Debt:				
City of Port Lavaca	09/30/2014	<u>\$ 2,907,640</u>	100.00%	<u>\$ 2,907,640</u>
Overlapping Debt:				
Calhoun County	09/30/2014	9,030,000	14.41%	1,301,296
Calhoun Independent School District	09/30/2014	70,125,000	13.88%	9,734,277
Calhoun Port Authority	09/30/2014	<u>32,400,000</u>	22.36%	<u>7,243,830</u>
Total Overlapping Debt		<u>111,555,000</u>		<u>18,279,403</u>
Total		<u>\$ 114,462,640</u>		<u>\$ 21,187,043</u>

NOTES: 1 There is no legal debt limit for the City. Texas municipalities are not bound by any direct constitutional or statutory maximums as to the amount of obligation bonds which may be issued; however, all local bonds must be submitted to and approved by the State Attorney General. It is the established practice of the Attorney General not to approve a prospective bond issue if it will result in a tax levy for general bonded debt of over \$1.00 for cities under

2 The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the City's boundaries and dividing it by each government's total taxable value.

SOURCE: Calhoun County Appraisal District
Calhoun County
Calhoun Port Authority
Calhoun County ISD

PLEDGED-REVENUE COVERAGE

Last ten fiscal years

Fiscal Year	Gross Revenue	Direct Operating Expenses	Net Available Revenue	Average Debt Service Requirements	Times Debt Coverage
2005	\$ 4,467,282	\$ 2,895,575	\$ 1,571,707	\$ 540,000	2.91
2006	4,529,981	2,819,506	1,710,475	541,496	3.16
2007	4,674,553	3,134,268	1,540,285	541,619	2.84
2008	5,127,853	3,186,879	1,940,974	861,629	2.25
2009	5,331,869	3,478,632	1,853,237	869,487	2.13
2010	5,194,828	3,470,112	1,724,716	867,219	1.99
2011	5,604,515	3,368,233	2,236,282	877,114	2.55
2012	5,312,772	3,458,504	1,854,268	953,379	1.94
2013	5,391,718	3,600,338	1,791,380	998,063	1.79
2014	5,296,396	3,519,390	1,777,006	1,049,797	1.69

NOTE: "Gross Revenue" as used herein refers to all operating revenues and all interest income of the Public Utility Fund. "Direct Operating Expenses" is defined as all operating expenses of the Public Utility Fund (which does not include capital outlay or interest expense) less depreciation.

STATISTICAL INFORMATION

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last ten fiscal years

Function/Program	Fiscal Year			
	2005	2006	2007	2008
General government				
Building permits issued	329	283	491	202
Building inspections conducted	676	499	456	436
Public safety				
Police				
Physical arrests	N/A	N/A	N/A	398
Traffic violations	N/A	N/A	N/A	431
Fire				
Fire calls	234	222	200	230
Public works				
Streets (miles)	49.3	49.3	50.1	50.1
Culture and recreation				
Parks and recreation				
Bauer Center rentals	64	73	65	88
Lighthouse beach park				
Pavillion	43	43	54	38
Water and wastewater				
Water				
Water customers	4,455	4,492	4,456	4,548
Water taps	25	8	10	13
Average daily consumption	1.29 mgd	1.29 mgd	1.18 mgd	1.34 mgd
Peak daily consumption	1.55 mgd	1.57 mgd	1.40 mgd	1.61 mgd
Wastewater				
Sewer customers	4,175	4,190	4,173	4,253
Sewer taps	18	7	8	7
Average daily sewage treatment	1.09 mgd	1.14 mgd	1.37 mgd	1.05 mgd

NOTE: N/A denotes information not available.

SOURCE: Various City departments

STATISTICAL INFORMATION

OPERATING INDICATORS BY FUNCTION/PROGRAM CONTINUED

Fiscal Year					
2009	2010	2011	2012	2013	2014
564	548	801	784	357	266
564	732	822	1,187	627	689
409	336	807	796	1,129	1,503
450	422	1,642	836	1,525	839
192	175	568	650	685	591
50.1	50.1	50.1	50.1	50.1	50.1
71	65	63	59	47	212
25	42	39	47	36	43
4,514	4,552	4,544	4,556	4,606	4,416
19	11	11	15	21	10
1.38 mgd	1.27 mgd	1.53 mgd	1.272 mgd	1.07 mgd	1.33 mgd
1.66 mgd	1.49 mgd	5.65 mgd	2.10 mgd	2.74 mgd	2.44 mgd
4,217	4,267	4,258	4,276	4,317	4,332
2	7	9	7	12	7
1.01 mgd	1.19 mgd	1.01 mgd	1.11 mgd	1.08 mgd	0.98 mgd

STATISTICAL INFORMATION

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last ten fiscal years

	Fiscal Year			
	2005	2006	2007	2008
Function/Program				
Public safety				
Police				
Stations	1	1	1	1
Patrol units	7	7	7	7
Fire stations	2	2	2	2
Highways and streets				
Streets (miles)	49.3	49.3	50.1	50.1
Streetlights	672	680	686	686
Culture and recreation				
Acreage	150	150	150	150
Parks	7	7	7	7
Baseball/softball diamonds	2	2	2	2
Community centers	1	1	1	1
Swimming pools	1	1	1	1
Water and wastewater				
Water				
Water mains (miles)	67	68.5	68.5	68.5
Fire hydrants	250	250	250	250
Storage capacity	1	1	1	1
Wastewater				
Sanitary sewers (miles)	56	56	58	58
Treatment capacity	3	2.5	2.5	2.5

SOURCE: Various City departments

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM CONTINUED

Fiscal Year						
2009	2010	2011	2012	2013	2014	
1	1	1	1	1	1	1
7	7	6	7	7	7	7
2	2	2	2	2	2	2
50.1	50.1	50.1	50.1	50.1	50.1	50.1
684	686	686	686	678	678	678
150	150	150	150	150	150	150
7	7	7	7	7	7	7
2	2	2	2	2	2	2
1	1	1	1	1	1	1
1	1	1	1	1	1	1
69	69	69	69	70	70.2	70.2
259	259	259	259	262	268	268
1	1	1	1	1	1	1
58	58	58	58	58	58.2	58.2
2.5	2.5	2.5	2.5	2.5	2.5	2.5



APPENDIX



Budgetary Process and Guidelines

Budget Planning Calendar

Summary Description of the Budget Process

Budget Ordinance

Tax Rate Ordinance

Budgetary & Financial Management Policies

Investment Policy Summary

Capital Asset Policy

Resolution Adopting a Five Year Capital Improvement Program

Compensation and Staffing Plan

Long-Term Financial Planning

Glossary of Terms

Acronyms

Index



This section provides the City's budgetary and financial policies, personnel, glossary of terms, acronyms and index.

Budgetary Process and Guidelines

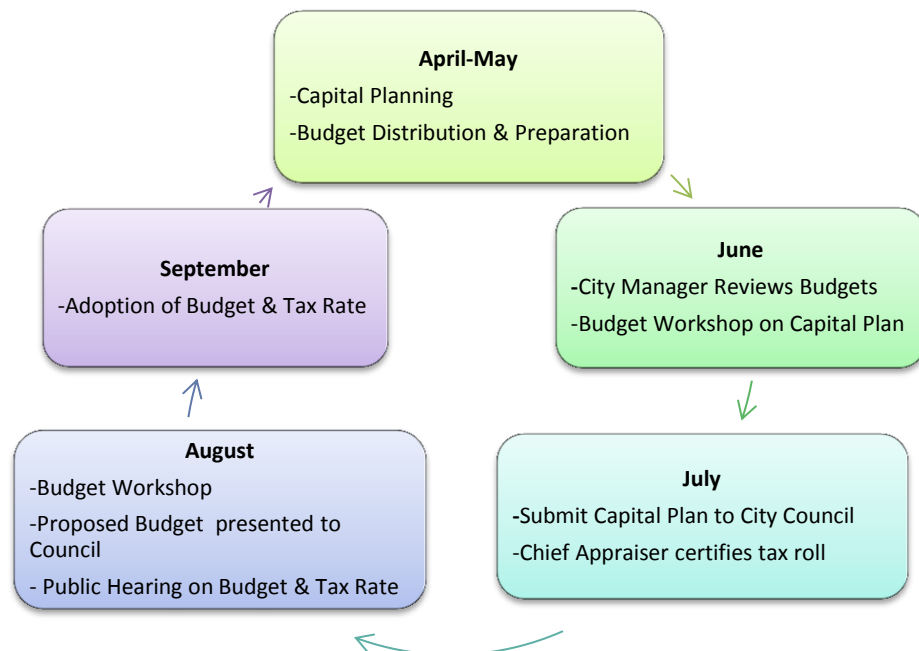
The purpose of this segment is to explain the budgetary policies and process of the City of Port Lavaca. This narrative describes the legal requirements, budgeting standards and basic rationale of the budget process.

Purpose of the Budget

The purpose of the annual operating budget of the City of Port Lavaca is to:

- Act as a financial plan which describes the activities that will be undertaken during the current fiscal year.
- Define the resources available for the completion of those activities.
- Determine the level of taxation necessary to generate required revenue resources.
- Act as an operations guide by providing levels of expenditures allowed for the accomplishment of departmental and program objectives.
- Provide the public with information about the activities and objectives of the various city departments and programs and the financial condition of the City.

Budget Calendar Cycle



APPENDIX

FY 2015- 2016 Budget Planning Calendar

Date	Activity	Responsible Party
April-May	Capital Planning	Public Works Director Finance Director
April-May	Mailing of notices of appraised value	Calhoun County Appraisal District
May 11	Regular Council Meeting	City Council
May 12	Distribute budget package to Division Heads	Finance Director
May 29	Turn in budget package to Finance Director	Department Heads
June 8	Regular Council Meeting	City Manager City Council
June 16	Submit first draft of budget to City Manager	Finance Director
June 17-18	Budget review with Department Heads	City Manager, Finance Director Department Heads
June 18	Capital Plan Review with City Manager	Public Works Director Finance Director
June 23	Budget Workshop- Capital Plan	
July 13	Regular Council Meeting -Approve Capital Plan	City Manager City Council
July 25	Certification of appraisal roll	Chief Appraiser
August 5	Distribute budget package to Division Heads	Finance Director
August 5	Publishes notice of effective and rollback tax rates	Calhoun County Appraisal District
August 6	Budget Workshop 8:30-12:00	City Manager, Finance Director Department Heads
August 10	Proposed budget filed with City Secretary	City Manager
August 10	Regular Council Meeting -Approve budgetary policy & fund balance policy -Presentation of proposed budget to City Council -Discuss tax rate -Set Public Hearings on tax rate (if required) -Set Public Hearings on budget	City Manager City Council
August 24	Special Called Meeting- 6:00 -Public Hearings on budget & tax rate (if required)	City Council
August 31	Special Called Meeting- 6:00 -Public Hearing on budget -Public Hearing on tax rate (if required) -First Reading on budget & tax rate ordinance -First Reading on fee ordinance	City Council
September 14	Regular Council Meeting -Strategic Plan Update -Second and final reading of budget ordinance -Second and final reading of tax rate ordinance -Second and final reading fee ordinance	City Council
September 28	Distribute budgets	Finance Director
October 1	Budget becomes effective	N/A

Summary Description of the Budget Process

As previously stated, the City Charter, under Article 7.01 provides, “the fiscal year of the City of Port Lavaca shall begin on the first day of October of each calendar year and shall end on the last day of September of each following calendar year. Such fiscal year shall also constitute the budgeted and accounting year.”

The Charter requires that the City Manager provide a complete financial plan for the fiscal year. The plan must contain, among other things, a budget message explanatory of the budget and any significant changes, an analysis of property valuation and tax rate, and detail concerning fund revenues and expenditures.

Upon receipt of the proposed budget, the Council orders a public hearing on the budget. By State law (Section 102.003 of the Local Government Code), the Council is required to hold a public hearing on the budget not less than fifteen (15) days after the budget is filed. By Charter, at least seven (7) days prior to the date of the budget hearing, a public notice of such hearing must be published. The Charter requires that the Council adopt a budget prior to the beginning of the fiscal year. Normally, the Council sets the tax rate for the coming fiscal year during the same meeting in which they adopt the budget ordinance.

The City Manager and Finance Director prepare estimates of revenues and cash balances for the coming budget year. Departments are asked to submit budget requests to the City Manager during May or early June. In June and July, the City Manager and Director of Finance meet with departments to discuss their budget requests and develop line item funding proposals for each department and fund. Then the City Manager submits his proposed budget to the City Council. The Council will then examine the Budget and have one or more hearings and/or work sessions on the budget. The Council normally votes on the budget ordinance in the first or second week of September.

After the budget is adopted by the Council, copies are available for public inspection in the City Finance Department and at the office of the City Secretary.

On the effective date of the budget, October first (1st), the amounts adopted by the City Council for each line item become appropriated. That is to say, an authorization is made by the City Council which permits the City to incur obligations and make expenditures of resources based on an amount of money adopted by Council.

Legal Requirements

A. City Charter.

The budgetary process of the City of Port Lavaca shall comply with the provisions of Article VII of the City Charter relating to the preparation and execution of the City budget.

B. State Law.

The budgeting process of the City of Port Lavaca shall comply with the Texas Uniform Budget Law (articles 689a-13, 14, 15, and 16) and Section 102.003 of the local government code.

C. Federal Law.

The budgetary procedures of the City of Port Lavaca shall comply with the requirements of Federal Law as they apply to such programs and grants administered by the City.

Budgeting Standards

The budgeting process of the City of Port Lavaca generally conforms to the Governmental Accounting Standards Board (GASB): Principles of Budgeting, Budgetary Control, and Budgetary Reporting as published in the Governmental Accounting, Auditing and Financial Reporting (GAAFR). In addition, the budget document is believed to generally satisfy the evaluation criteria of the budget awards program of the Governmental Finance Officers Association.

Budget Policies as set forth in the City Charter

Fiscal Year

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

Preparation, Submission and Content of Budget

The City Manager shall submit to the Council a proposed budget, of which the budget shall provide a complete financial plan for the fiscal year, and shall contain the following:

1. A budget message, explanatory of the budget, in which the message shall contain an outline of the financial policies of the City for the Fiscal year, shall set forth the fiscal year, shall set forth the reasons for salient changes from the previous fiscal year in expenditure and items and shall explain any major changes in financial policy.

2. A consolidated statement of receipts and expenditures for all funds.
3. An analysis of property valuations.
4. An analysis of tax rate.
5. Tax levies and tax collections by years for at least five years.
6. General fund resources in detail.
7. Summary of proposed expenditures by fund, department and activity.
8. A revenue and expense statement for all types of bonds.
9. A description of all bond issues outstanding showing rate of interest, date of issue, maturity date, amount authorized, amount issued and amount outstanding.
10. A schedule of requirements for the principal and interest on each issue of bonds.
11. A special funds section.
12. The appropriation ordinance.
13. The tax levying ordinance.
14. The capital improvement program for the budget year and proposed method of financing.
15. A capital improvement plan covering the succeeding five years and proposed method of financing.
16. A summary of the condition of machinery, equipment and buildings.

Anticipated Revenues and Proposed Expenditures Compared With Other Years

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

Estimated Expenditures Shall Not Exceed Estimated Resources

The total established expenditures of the general fund and debt service shall not exceed the total resources of each fund. The classification of revenue and expenditure accounts shall conform as nearly as local conditions will permit to the uniform classification as promulgated by the National Committee on Municipal Accounting, or some other nationally accepted classification.

APPENDIX

Surplus and Encumbrances

Anticipated revenues shall include the surplus arising from unencumbered appropriation balances at the beginning of the budget year and from receipts of revenues in excess of the estimates in the budget. Encumbrances of appropriation at the end of the fiscal year shall be detailed and shall include only those evidenced by signed purchase orders or contracts.

Budgetary Basis

Basis of accounting refers to the point in time at which revenues and expenditures are recognized in the accounts and reported in the financial statements. The budget of each City fund, with the subsequently noted exceptions, is prepared consistently with the basis of accounting used for that fund.

Budget Amendments

The City Charter, under Article 8.03 (Transfer of Appropriations) provides, “With the approval of the City Council, the City Manager may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditures within an office, department or agency. At the request of the City Manager, and within the last three months of the fiscal year, the Council may by resolution transfer any unencumbered appropriation balance or portion thereof from an office, department or agency to another”.

Lapse of Appropriations

All appropriations shall lapse at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered.

Appropriations for the Department of Recreation and Parks as required by Article 6.01, Section D, shall be considered as lawfully encumbered and not lapse, but shall be set aside and shall accumulate from year to year until finally expended by the Department of Recreation and Parks for its lawful purposes.

Basic Budgetary Units

The budget of the City of Port Lavaca is both an annual operating budget and a capital budget. The operating budget contains current operations and services, current maintenance, debt service and is funded by funds currently available. Current expenses for capital outlay are included as expenditures.

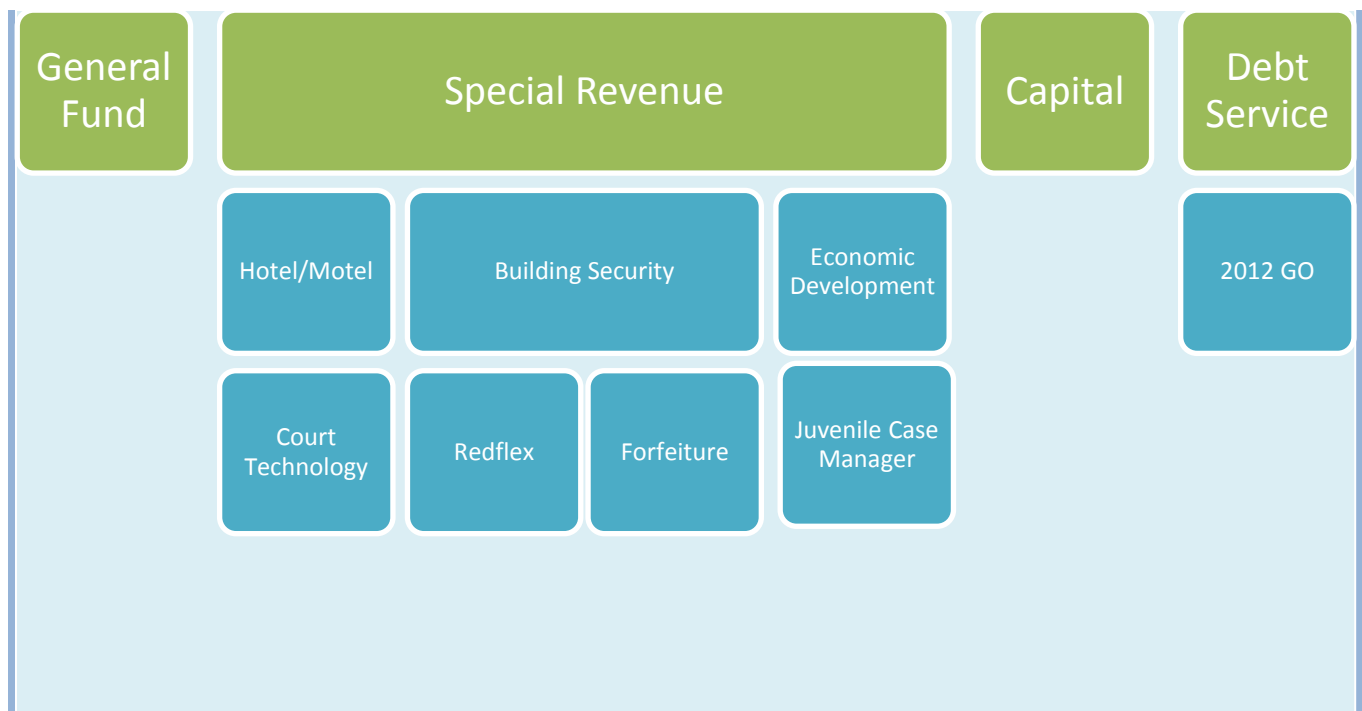
The organizational arrangement of the budget document is based upon the format reflecting the funds of the City, the departments associated with each fund, followed by revenue and expenditure categories.

Fund Structure

Governmental Funds

Governmental Funds are used to account for all or most of the City's general activities. The ***modified accrual basis of accounting*** is used for governmental funds (general, special revenue, debt service and capital projects), expendable trust funds and agency funds. Revenues are recognized in the accounting period in which they become measurable and reliable as net current assets; that is, collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred.

Governmental Fund Structure – Modified Basis

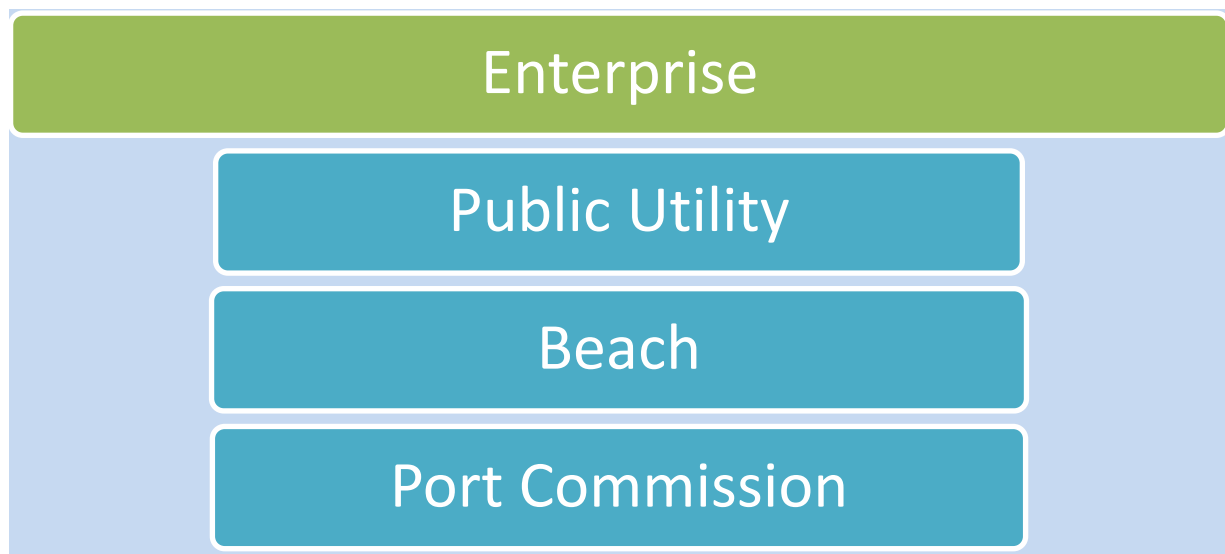


*Although the City has a number of funds shown above, only the General Fund, Hotel/Motel and Debt Service Funds are appropriated. All City funds are audited annually.

Proprietary Funds

Proprietary funds are used to account for the operations and maintenance of City facilities and services. The ***accrual basis of accounting*** is used for proprietary funds (enterprise funds and internal service funds). Revenues are recognized in the accounting period in which they are earned and expenses recognized in the period in which they are incurred. The City budgets to cover depreciation expense. Capital leases, capital outlay and debt principal payments are budgeted as expenditures and then reclassified at year-end.

Proprietary Fund Structure – Accrual Basis



*All funds above are appropriated and audited annually.

Budget Ordinance

ORDINANCE #S-1-15

AN ORDINANCE APPROVING THE ANNUAL BUDGET FOR THE CITY OF PORT LAVACA, TEXAS AND ADOPTING THE BUDGET DOCUMENT FOR THE FISCAL YEAR OCTOBER 1, 2015 THROUGH SEPTEMBER 30, 2016; REPEALING ALL ORDINANCES OR PARTS THEREOF IN CONFLICT HEREWITH; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City Council has approved a budget for the City of Port Lavaca, Texas, for the fiscal year October 1, 2015 through September 30, 2016, and accordingly held a public hearing for same, at which time all interested citizens were given an opportunity to be heard for or against any item or amount of any item contained in said budget; and

WHEREAS, all approved adjustments, if any, have been made in said budget and said public hearing has been officially closed:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

SECTION 1. That the annual budget for the City of Port Lavaca, Texas for the fiscal year October 1, 2015 through September 30, 2016 is hereby approved and the budget document is hereby in all things adopted and made a part of this ordinance as if set forth in full herein and is hereby declared to be the financial plan for the City of Port Lavaca, Texas for the fiscal year 2015/2016.

SECTION 2. All ordinances or parts of ordinances in conflict herewith are hereby expressly repealed.

SECTION 3. This ordinance shall become effective on the date of its passage by the City Council of the City of Port Lavaca, Texas.

FIRST READING this 31st day of August, 2015

SECOND AND FINAL READING this 14th day of September, 2015

APPROVED AND ADOPTED this 14th day of September, 2015.

APPENDIX

Tax Rate Ordinance

ORDINANCE #S-2-15

AN ORDINANCE FIXING THE TAX RATE AND TAX LEVY FOR THE CITY OF PORT LAVACA, TEXAS, FOR THE YEAR 2015, UPON ALL TAXABLE PROPERTY IN SAID CITY OF PORT LAVACA, TEXAS SUBJECT TO TAXATION BY SAID CITY ON THE FIRST DAY OF JANUARY, 2015 IN CONFORMITY WITH THE CHARTER PROVISIONS AND ORDINANCES OF SAID CITY OF PORT LAVACA; APPROPRIATING THE FUNDS DERIVED FROM SAID TAX LEVY TO VARIOUS FUNDS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; AND ESTABLISHING AN EFFECTIVE DATE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

SECTION 1. That there shall be and there is hereby levied and assessed for the year 2015 upon all property of every description subject to taxation by the City of Port Lavaca, Texas on the 1st day of January, 2015, the following tax rate, to-wit:

An Ad Valorem Tax at the rate of \$0.7900 on the \$100.00 assessed value, based on 100% assessment thereof estimated in lawful currency of the United States of America, for the purpose of paying the general expenses of the City government and for payment of principal and interest on outstanding bonds and certificates of obligation for the fiscal year ending September 30, 2016.

SECTION 2. All taxes collected pursuant to this ordinance shall be deposited in the funds known as the General Fund and the Tax Supported Debt Service Fund, and said monies shall be appropriated and distributed as follows:

	Rate	Percentage
GENERAL FUND	\$.7123	90.16 %
TAX SUPPORTED DEBT SERVICE FUND:		
2012 General Obligation Refunding	<u>\$.0777</u>	<u>9.84 %</u>
Total Tax Rate	\$.7900	100.00 %

SECTION 3. The duly authorized official responsible for the assessment and collection of taxes for the City of Port Lavaca is hereby directed to assess, extend and enter upon the tax rolls of the City of Port Lavaca, Texas, for the current taxable year the amount and rates herein levied, and to keep a correct account of same, and when so collected, to deposit same in the depository of the City of Port Lavaca to be distributed in accordance with this ordinance.

SECTION 4. All ordinances or parts of ordinances in conflict herewith are hereby expressly repealed.

SECTION 5. This ordinance shall become effective on the date of its passage by the City Council of the City of Port Lavaca, Texas.

FIRST READING this 31st day of August, 2015

SECOND AND FINAL READING this 14th day of September, 2015

APPROVED AND ADOPTED this 14th day of September, 2015



Resolution of the City of Port Lavaca, Texas No. R-091415-1

Amended Resolution No. R-090814-3 on September 14, 2015

Budgetary & Financial Management Policies

The goal of formally adopting financial management and budgetary policies is to provide sound guidelines in planning the City's financial future. The adoption and adherence to these policies will help ensure long-term financial stability and a healthy financial position for the City of Port Lavaca.

General Budgetary Policies

Budget Preparation

The City Budget shall be prepared in accordance with all applicable Charter requirements and State laws. The goal each year shall be to present the Proposed Budget to Council no later than six weeks prior to the end of the fiscal year and for the final approval of the Budget to be ready for Council action no later than two weeks before the end of the fiscal year. The Budget shall be comprehensive in nature and address all major funds of the City.

Government Finance Officer Association Distinguished Budget Program

The goal this year and each year following will be for the City's Budget to conform to the requirements of the Distinguished Budget Program of the G.F.O.A. and be submitted thereto for peer review.

Balanced Budget

It shall be a requirement each year for the budget of each fund to be balanced. This means that total resources available, including prior year ending resources plus projected revenues, shall be equal to or greater than the projected expenditures for the coming year. In a case where a deficit fund balance does occur, the goal shall be to limit deficits to only those amounts representing one-time capital expenditures and/or to adjust revenues and/or expenses so that the deficit is eliminated in no more than two budget years.

Public Hearings, Availability of Budget to Public

Upon completion of the City Manager's Proposed Budget to Council, the City holds public hearings in August. A copy of the Proposed Budget is made available in the City Secretary's Office or on the City's website. These hearings provide the Citizens of Port Lavaca a chance to ask questions as well as an opportunity for Council to hear any recommendations before final approval of the budget.

Cost Center Accounting and Budgeting

It shall be the policy of the City to allocate cost, and budget accordingly, to the various funds to the extent practical. This includes such items as utility costs, fuel costs, vehicle lease charges, overhead manpower and insurance fees.

Bond Ratings

It shall be the City's long-term goal to improve its bond ratings for general obligation bonds and revenue bonds. The City's policy shall be to manage its budget and financial affairs in such a way so as to promote enhancement of its bond ratings. This financial management includes the following:

- *Develop and maintain a multi- year operating budget*
- *Develop and maintain a multi-year capital improvements plan*
- *Implement financial procedures to quickly identify financial problems & limit budget shortfalls*
- *Review projected revenue methodologies annually*
- *Review method of determining appropriate cash reserve levels annually*

Administrative Overhead Fee to Enterprise Funds

It shall be the budgetary policy of each enterprise fund to pay to the General Fund an amount as set by the Budget each year. This charge shall be set as a percent of fund revenues and shall be construed as a payment for general administrative overhead, including management, accounting, legal, and personnel services. From an accounting perspective, such fee shall be treated as a fund operating transfer.

Budget Projections for Revenues and Expenditures

Most individual budget projections are a collaborative effort between the Division Heads, the Director of Finance, and the City Manager. The Director of Finance will note the methodology for estimating each major revenue or expense item budgeted; taking into consideration the insight of the respective Division Head. Revenue and expense estimates are always to be conservative so as to reduce any potential for budget shortfalls.

Maintenance of Plant and Equipment

The operating budget will provide for the adequate maintenance and replacement of the capital plant, building, infrastructure, and equipment. Deferral of such costs on a long-term continued basis will not be an acceptable policy to use in balancing the budget.

Financial Management Policies

Fund Balance Policy

Purpose

The purpose of this policy is to establish a key element of the financial stability of the City of Port Lavaca by setting guidelines for fund balance in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54. Unassigned fund balance is an important measure of economic stability and it is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and other similar circumstances. This policy will ensure the City maintains adequate fund balances in the operating fund with the capacity to:

1. Provide sufficient cash flow for daily financial needs,
2. Secure and maintain investment grade bond ratings,
3. Offset significant economic downturns or revenue shortfalls, and
4. Provide funds for unforeseen expenditures related to emergencies.

Definitions

Fund Equity – A fund's equity is generally the difference between its assets and its liabilities.

Fund Balance – The fund equity of a governmental fund for which an accounting distinction is made between the portions that are spendable and nonspendable.

Fund Balance reporting in governmental funds: Fund balance will be reported in governmental funds under the following categories using the *definitions* provided by GASB Statement No. 54:

- 1) **Nonspendable fund balance** – includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term loans, or prepaids) or because they must remain in-tact such as the principal of an endowment.
- 2) **Restricted fund balance** – includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation. Examples include impact fees and bond proceeds.

- 3) **Committed fund balance** – includes the portion of net resources upon which the Council has imposed limitations on use. Amounts that can be used only for the specific purposes determined by a *formal action* of the council. Commitments may be changed or lifted only by the Council taking the same *formal action* that originally imposed the constraint. The formal action must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements.
- 4) **Assigned fund balance** – includes the portion of net resources for which an *intended* use has been established by the City Council or the City Official authorized to do so by the City Council. Assignments of fund balance are much less formal than commitments and do not require formal action for their imposition or removal. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund.

Authority to Assign - The City Council delegates the responsibility to assign funds not to exceed \$25,000 to the City Manager or their designee to be used for specific purposes. City Council shall have the authority to assign any amount of funds to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund. The assignments may occur subsequent to fiscal year-end.

- 5) **Unassigned fund balance** – includes the amounts in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification.

Minimum Unassigned Fund Balance

General Fund - Being a City on the Gulf Coast, it shall be the goal of the City to maintain a fund balance in the General Fund equal to 180 days of the operating expenditures and a policy to maintain an **unassigned** fund balance of no less than 120 days of operating expenditures as to provide operating liquidity and contingency funding for non-specific unscheduled expenditures such as natural disasters or major unexpected expenditures. In the event that the unassigned fund balance is calculated to be less than the policy stipulates, the City shall plan to adjust budget resources in subsequent fiscal years to restore the balance.

Hotel/Motel Tax Fund – Since the City's Convention Center (Bauer Center) qualifies for use of Hotel/Tax, it shall be the goal of the City to maintain a fund balance in the Hotel/Motel Fund to support the annual cost for improvements and maintenance of the Bauer Center. The proper level of this unassigned fund balance will be based on the most recent three year average cost of maintenance and operations of the Bauer Center or \$250,000 whichever is greater.

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Committed Fund Balances

- *Fixed or Capital Asset Replacement*- The City Council commits an additional portion of the General Fund Reserve for fixed asset replacement related to machinery and equipment. On an annual basis, the City strives to commit dollars equal to one year's depreciation expense of machinery and equipment for assets on record as of the previous fiscal year end. The balance at year end in this account will be the committed fund balance.
- *Health Reserve*- The City Council commits an additional portion of the General Fund Reserve to provide contingency funding for employee health care expenses not covered by the catastrophic stop loss policy held by the City. The proper level of this commitment will be based on the most recent three year history (average) plus 15%.

Replenishment of Minimum Fund Balance Reserves

If unassigned fund balance unintentionally falls below 120 days or if it is anticipated that at the completion of any fiscal year the projected unassigned fund balance will be less than the minimum requirement, the City Manager shall prepare and submit a plan to restore the minimum required level as soon as economic conditions allow. The plan shall detail the steps necessary for the replenishment of fund balance as well as an estimated timeline for achieving such.

These steps may include, but are not limited to, identifying new, nonrecurring or alternative sources of revenue; increasing existing revenues, charges and/or fees; use of year end surpluses; and/or enacting cost saving measures such as holding capital purchases, reducing departmental operating budgets, freezing vacant positions and/or reducing the workforce. The replenishment of fund balance to the minimum level shall be accomplished within a three-year period. If restoration of the reserve cannot be accomplished within such a period without severe hardship to the City of Port Lavaca, then the Council shall establish an extended time line for attaining the minimum balance.

Order of Expenditure of Funds

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the Council and unassigned fund balance), the Council will first spend the most restricted funds before moving down to the next most restrictive category with available funds.

Appropriation of Unassigned Fund Balance

Appropriation from the minimum unassigned fund balance shall require the approval of the City Council and shall be utilized only for one-time expenditures, such as capital purchases and not for ongoing operating expenditures unless a viable revenue plan designed to sustain the expenditure is simultaneously adopted.

The Council may appropriate unassigned fund balances for emergency purposes, as deemed necessary, even if such use decreases the fund balance below the established minimum.

Monitoring and Reporting

The Director of Finance shall be responsible for monitoring and reporting the City's reserve balances. The City Manager is directed to make recommendations to the Council on the use of reserve funds both as an element of the annual operating budget submission and from time to time throughout the fiscal year as needs may arise. Compliance with the provisions of the policy shall be reviewed as a part of the annual operating budget adoption process and subsequent review will be included in the annual audit and financial statement preparation procedures.

Revenue Management Policy

The City strives for the following optimum characteristics in its revenue system:

- ***Simplicity and Certainty.*** The City shall strive to keep the revenue classification system simple to promote understanding of the revenue sources. The City shall describe its revenue sources and enact consistent collection policies to provide assurances that the revenue is collected according to budgets and plans.
- ***Equity.*** The City shall make every effort to maintain equity in its revenue system structure. The City shall minimize all forms of subsidization between entities, funds, services, utilities and customers.
- ***Realistic and Conservative Estimates.*** Revenues are to be estimated realistically. Revenues of volatile nature shall be budgeted conservatively.
- ***Centralized Reporting.*** Receipts will be submitted daily to the Finance Department for deposit and investment. Daily transaction reports and supporting documentation will be prepared.
- ***Review of Fees and Charges.*** The City shall review all fees and charges annually in order to match fees and charges with the cost of providing that service.
- ***Aggressive Collection Policy.*** The City shall follow an aggressive policy of collecting revenues. Utility services will be discontinued (i.e. turned off) for non-payment in accordance with established policies and ordinances. The Calhoun County Appraisal District is responsible for delinquent tax collection, through the central collection agency, and shall be encouraged to collect delinquent property taxes using an established tax suit policy and sale of real and personal property to satisfy non-payment of property taxes. A warrant officer in the Police Department will aggressively pursue outstanding warrants and the Court will use a collection agency to pursue delinquent fines.

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Use of Fund Balance and Non-Recurring Revenues

The City will use non-recurring revenues and excess fund balance for capital expenditures or for non-recurring expenditures. These non-recurring revenues will not be used to fund recurring type maintenance and operating costs.

Property Tax Revenue

All real and business personal property located within the City shall be valued at 100% of the fair market value based on the appraisal supplied by the Calhoun County Appraisal District. Reappraisal and reassessment is as provided by the Appraisal District. A ninety-six percent (96%) collection rate shall serve each year as a goal for tax collections and the budgeted revenue projection shall be based on the average collection rate calculated by the Calhoun County Appraisal District. Property tax rates shall be maintained at a rate adequate to fund an acceptable service level. Based upon taxable values, rates will be adjusted to fund this service level. Collection services shall be contracted out with a central collection agency, currently the Calhoun County Appraisal District.

Interest Income

Interest earned from investment of available monies, whether pooled or not, shall be distributed to the funds in accordance with the equity balance of the fund from which monies were invested.

User Based Fees and Service Charges

For services associated with a user fee or charge, the direct and indirect costs of that service shall be offset wholly or partially by a fee where possible. There shall be an annual review of fees and charges to ensure that the fees provide adequate coverage of costs of services.

Water and Wastewater Rates and other fees for Services

Water, wastewater and garbage fees shall be set to generate revenues required to cover operating expenditures, including depreciation, meet the legal requirements of applicable bond covenants and provide for an adequate level of working capital. It is the policy of the City that the Water and Wastewater Fund, and other enterprise funds, not be subsidized by property tax revenue.

Intergovernmental Revenues/Grants/Special Revenues

Grant revenues and other special revenues shall be spent for the purpose(s) intended. The City shall review grant match requirements and include in the budget all grant revenues and expenditures.

Collection of Charges

The City will follow a policy of collecting, on a timely basis, all fees, charges, taxes and other revenues properly due to the City. The City will follow an aggressive policy of collecting all delinquencies due to the City.

Revenue Monitoring

Revenues actually received are to be regularly compared to budgeted revenues (at least monthly) with a formal report to City Council at least quarterly. If revenue estimates are down, the City Manager shall recommend to Council a corrective action to minimize the impact on the budget at the next available Council Meeting.

Expenditure Control Policy

Appropriations

The responsibility for budgetary control lies with the Department Head. Department Heads may not approve expenditures that exceed monies available at the departmental budget level excluding personnel and capital expenditures. Capital expenditures are approved by the City Council on a per project basis normally during the annual budget process. Personnel allocations may not be changed without the approval of City Manager.

Amendments to the Budget

In accordance with the City Charter, under Article 8.03 (Transfer of Appropriations) provides, with approval of the City Council, the City Manager may transfer any unencumbered appropriated balance within any office, department or agency at any time. At the request of the City Manager, and within the last three months of the fiscal year, the Council may by resolution transfer any unencumbered appropriation balance or portion thereof from an office, department or agency, to another.

Central Control

Unspent funds in salary and capital allocation object codes may not be spent for any purpose other than their specifically intended purpose without prior authorization of City Manager.

City's Manager Authority to Amend the Budget

The City Manager is authorized to transfer budgeted amounts within and among departments; however any revisions that alter the total expenditures/expenses must be approved by the City Council.

Purchasing

All purchases shall be made in accordance with the Purchasing Policies approved by the City Council.

Prompt Payment

All invoices approved for payment by the proper City authorities shall be paid by the Finance Department within thirty (30) calendar days of receipt, in accordance with the provisions of state law. Proper procedures shall be established that enables the City to take advantage of all purchase discounts, except in the instance where payments can be reasonably and legally delayed in order to maximize the City's investable cash.

Long-Term Debt Policy

Revenue Bond Sinking Account

It shall be the policy of the City to always be in strict compliance with the requirements of the ordinance that created the Revenue Bond Sinking Account. Monthly payments are to be made to this account each year in accordance with the bond ordinance. The balance in the account must be adequate to cover semi-annual payments as they become due.

General Obligation Bond Debt Service Account

It shall be the policy of the City to always be in strict compliance with the requirements of the ordinance that created the General Obligation Bond Interest and Sinking Fund Account. Taxes, as applicable shall be distributed to this account monthly as received. Utility Revenues transferred to the Interest and Sinking Fund Account shall occur, as needed prior to the semi-annual payment dates. The balance in the account must be adequate to cover semi-annual payments as they become due.

Capital Improvement Plan

The City will develop a multi-year plan to present to Council each year for approval. The City will provide a list of proposed capital improvements, funding recommendations and prospective timing of projects. CIP projects shall be for infrastructure over \$100,000 and facilities over \$50,000. Any maintenance and operational cost shall be disclosed that could impact future operating budgets.

Debt Policy Guidelines

- The City will limit long-term debt to only those capital projects that cannot be financed from current revenues.
- The City will not use long-term debt to finance recurring maintenance and operating costs.
- The City will not issue long-term debt for a period longer than the estimated useful life of the capital project.
- Decisions will be made based on long term goals rather than a short- term fix.
- Debt Service Funds will be managed and invested according to all federal, state and local laws
- Coverage Ratios of Revenue Bonds will always be in compliance with the minimum coverage ratio required by the revenue bond ordinances. It shall be the goal of the City to achieve a budgeted coverage ratio of 1.60.

Other Fund Use Information

Governmental Funds

Most government functions are financed through governmental funds. The acquisition, use and balances of the City's expendable resources and related current liabilities are accounted for through governmental funds. Long-term liabilities and fixed assets are not accounted for through governmental funds.

Proprietary Funds

These funds listed below are used to account for the ongoing activities of the City that are similar to those found in the private sector. These funds are financed through user charges to recover costs of services provided. Proprietary funds use accrual accounting, which means revenues are recognized when they are earned by the City and expenses are recognized when they are incurred. Enterprise funds are considered proprietary funds and are used to account for operations for the City's Public Utility Fund, Light House Beach and Port Commission.

Working Capital Position- the goal shall be to maintain a working capital position equal to 120 days of the operating budget and a policy to maintain a working capital position no less than 90 days of the operating budget. In addition, the City budgets to cover depreciation expense, therefore the City shall designate a portion of the reserve for fixed asset replacement equal to one year's depreciation of all assets.

Public Utility Fund

It shall be the general policy of the City to commit a portion of the reserve to fixed asset replacement as it budgets for revenue to cover depreciation.

The City shall establish a project fund that will be funded by unanticipated revenues or revenue surpluses. This fund shall be used to fund unanticipated projects or to retire debt early.

Beach and Port Commission Operating Fund

It will be the general policy of the City that the fees collected will be spent on maintenance of the facilities grounds and other structures. The general fund tax dollars will not be used for this purpose.



Investment Policy Summary

I. POLICY STATEMENT

It is the policy of the City that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of the City and conforming to all applicable state statutes governing the investment of public funds.

II. SCOPE

This investment policy applies to all the financial assets and funds of the City. The City commingles its funds into one pooled investment fund for investment purposes to provide efficiency and maximum investment opportunity. These funds are defined in the City's Comprehensive Annual Financial Report (CAFR).

Any new funds created by the City shall be included unless specifically exempted by the City Council and this policy.

III. OBJECTIVES

It is the policy of the City that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety, liquidity, diversification and yield.



Capital Asset Policy

Purpose and Objectives

The purpose of the Capital Asset Policy is to establish guidelines to ensure that accurate records of assets owned, purchased, replaced, sold and/or traded-in are maintained. The objectives are:

- To manage and maintain the capital asset portfolio of the City which includes land, buildings, building improvements, machinery, furniture, equipment, vehicles, works of art and historical treasures, infrastructure, and construction in progress.
- To determine the appropriate depreciation method to use in accordance with Generally Accepted Accounting Principles (GAAP).
- To provide the City with accurate record keeping for inventory and financial reporting purposes.

Responsibility and Authority

The Director of Finance shall be responsible for ensuring the principles and policies set in the Capitalization Policies and Guidelines are consistently applied and carried out in the conformity with Generally Accepted Accounting Principles (GAAP) for Governments. As such the Director of Finance shall assure that this policy is carried out in conformity with the financial policies, goals and strategies set forth by the City Manager, the Mayor, and the City Council.

Overview

Costs to obtain tangible assets with lives with greater than one year are called capital expenditures, and such expenditures are commonly said to be capitalized. Expenditures treated as expense of the current period are called operating expenses. There are several factors involved in determining whether expenditure is to be classified as a capital expenditure or as an operating expense. Following is a synopsis of guidelines used to determine whether or not an item is to be capitalized.

Criteria for Capitalization

For the purpose of this policy, a "capital asset" must be capitalized if they meet the following criteria:

- The expected useful life is longer than one year.
- The asset has at least a unit cost of \$5,000.00 or more.
- Expenditures that materially add to the value or prolong the life of existing equipment will be considered capital assets and will be appropriately capitalized.

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- The item belongs to one of the general classes of assets as defined by general accounting terms.
- Land (all land capitalized regardless of cost)
- Buildings and Building Improvements
- Equipment
- Improvements other than Buildings
- Infrastructure assets

Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems.

A capitalization threshold is the cost established by the Director of Finance that must be met or exceeded if an asset is to be recorded and depreciated as a capital asset. The capitalization threshold is based on the cost of a single asset. Assets that do not meet the capitalization threshold will be recorded as expenditures or expenses. **For the purposes of property control (insurance, security, etc.), the Director of Finance and/or department heads may develop and maintain the appropriate record keeping system(s) to account for assets which do not meet the capitalization threshold.** Some circumstances, assets with a unit cost less than \$5,000 may be capitalized if they are part of a large project or renovation or if the improvement added to the value or prolonged the life of the asset. This determination will be made by the Finance and Accounting Department at the time of the initial request for purchase of the asset.

Useful Lives and Thresholds of Capital Assets

Class	Asset	Capitalization Life (Yrs.)	Threshold (\$)
Land	Land and Site Improvements	Inexhaustible	Any Value
Buildings	Buildings	50	50,000
Buildings	Building Improvements	10-50	10,000
Equipment	Accounting Systems	5-10	5,000
Equipment	Construction Machinery	10	5,000
Equipment	Misc. Equipment	5-10	5,000
Equipment	Fire Fighter Apparatus	10	5,000

Equipment	Computer Hardware and Software	5	5,000
Improvements	Fences, Trails, etc.	20	20,000
Improvements	Docks	10	20,000
Improvements	Dredging	10	50,000
Improvements	Parks and Playgrounds	20	50,000
Improvements	Swimming Pools	20	50,000
Infrastructure	Bridges & Tunnels	50	100,000
Infrastructure	Curbs & Sidewalks	50	50,000
Infrastructure	Drainage	50	100,000
Infrastructure	Parking Lots	25	20,000
Infrastructure	Lift Stations	15	20,000
Infrastructure	Sewer	50	100,000
Infrastructure	Streets (Primary)	50	100,000
Infrastructure	Streets (Secondary)	40	100,000
Infrastructure	Traffic Signals and Signs	25	50,000

Accounting for Capital Assets

City owned land, buildings, and infrastructure will be segregated from furniture and equipment in separate accounts. The City will follow the new GASB 34 guidelines as it maintains Capital Asset Records of the City. Proper insurance coverage must be maintained by the City for all premises, furniture, and equipment. Coverage amounts will be reviewed yearly by a designated officer of the City and presented to the City Council for approval.

It is the responsibility of the Finance and Accounting Department to record the costs of capitalized assets acquired and to maintain accurate inventory and depreciation records. Capital assets that meet the minimum capitalization threshold will be recorded at historical cost and depreciated on a straight-line method for financial statement purposes. Entries to record depreciation on new purchases will be calculated and posted at fiscal year-end. Donated capital assets will be recorded at their estimated fair value at the time of acquisition, including any ancillary charges. Property will be recorded at historical cost unless there has been a permanent loss of value that should be reflected in the capital asset accounts. The value will usually include costs related to acquisition including freight, delivery, training, and installation.

Construction in Progress (CIP)

Should time required to complete a project extend past the close of any accounting period, it will be placed in (CIP) and not capitalized until project is complete.

Capital Leases

All policies and procedures mentioned above also apply to capitalized leases. All lease purchases and/or agreements must be in compliance with all applicable laws and regulations. Any operating leases which will not be capitalized will be approved by the Mayor. All copies of lease agreements should be maintained by the City Secretary and Director of Finance. Capital leases will be recorded on the books and will be accounted for in accordance with Generally Accepted Accounting Principles as it applies to municipalities.

Fixed Asset Components

An **addition** is a new and separate asset or an extension of an existing asset. All assets will be added according to the thresholds established at the time of acquisition. **Improvements** are added based on the thresholds established as long as it seems reasonable that the improvement adds value to the existing asset. Infrastructure improvements will be added after consultation from our City Engineer to obtain the value that was added taking into consideration of any disposals that may have occurred during the construction.



**Resolution of the City of Port Lavaca, Texas
No. R-071315-2**

**A RESOLUTION ADOPTING A FIVE YEAR CAPITAL IMPROVEMENT
PROGRAM (CIP) IN COMPLIANCE WITH THE CITY CHARTER**

WHEREAS the City Charter requires the City Manager to submit a plan for capital improvement covering the succeeding five years and proposed method of financing to the City Council prior to the beginning of each budget year; and,

WHEREAS the City Manager submitted a Five Year Capital Program to the City Council on June 23, 2015 in compliance with the City Charter and,

WHEREAS the City Council has reviewed the Five Year Capital Program, found it to be in compliance with all City Charter and believes its approval by resolution is in the best interest of Port Lavaca residents.

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
PORT LAVACA, TEXAS:**

THAT the Five Year Capital Program (October 1, 2015 – September 30, 2020), a copy of which is attached hereto and incorporated in the Fiscal Year Budget 2015-2016, is hereby adopted in compliance with the City of Port Lavaca Home Rule Charter.

PASSED and APPROVED this 13th day of July 2015.

Compensation and Staffing Plan

The current compensation system and policy went into effect October 1, 2005 after adoption by the City Council. The policy includes schedules that need to be updated by the Council annually to keep the policy current. This document will describe the changes that are being recommended.

Goals

- Provide a competitive benefit package
- Evaluate staffing levels to meet service needs
- Assist in staff developmental training
- Set guidelines for performance evaluations

2015-2016 Business Plans (Objectives)

- Implement an employee training model focused in leadership development
- Provide training to City Supervisors on performance evaluations
- Revamp the new hire fitness requirements
- Begin a standard employee recognition program

2014-2015 Accomplishments of Prior Year Business Plans

- Scanned all inactive employee files to electronic archive
- Completed certification pay analysis
- Completed a summer pilot program using the proposed Work Flex Policy
- Managed new compensation study recommendations (salary adjustments)

Maximum Merit Increase (City Council Annual Approval)

City Council approved a budgeted merit increase of 2.5% this year. The actual amount of the individual merit increase will be based on how each employee scores on a performance evaluation on the latter of anniversary date or promotion.

Pay Grades and Salary Guidelines FY 2015-2016 (City Manager Approval)

This schedule established the minimum, midpoint and maximum for each job class. Each job class is assigned a salary range based on a compensation study. Every two (2) years the Human Resource staff surveys cities in close proximity to make sure the City is maintaining a competitive salary and adjusts salary ranges if necessary. Every fourth (4th) year the City contracts with a third party to review and recommend changes to the City's job descriptions and salaries. There is no expectation or guarantee that an employee will be at a certain point in the range after a certain number of years. The only guarantees are that (1) each person will make at least the minimum for his/her assigned pay range and (2) that each person will not be paid a higher salary than the maximum for that range.

The starting salary for a new hire will be at least the minimum of the pay range for the job. Department Heads have the authority to increase the starting pay up to 5% above the minimum if the applicant

exceeds the minimum qualifications for the job. If the Department Head would like to request an amount above the 5%, this request must be submitted in writing to Human Resources stipulating reasons for the request. The request will be forwarded to the City Manager with a recommendation from Human Resources. This request must be made prior to the job offer.

Approved Positions for FY 2015-2016 (City Council Annual Approval)

The City Council approves the number of part-time and full-time positions annually. The purpose of this schedule is to designate how many positions are authorized. The information about each department is included in the Staffing Levels Table. **There were no staffing level changes.**

Approved by Council for 2015-2016 Budget:

- Amount of Merit Increase Allocated- \$91,000 (2.5%)
- Number of Positions (96)

Occupational Department	Description	No. Of Positions FY 2013-2014	No. Of Positions FY 2014-2015	No. Of Positions FY 2015-2016
City Manager		2	2	2
City Secretary		1	1	1
Human Resources		1	1	1
Municipal Court		3	3	3
Economic Development		0	2	2
Finance		3	3	3
Police		26	26	26
Fire		17	17	17
Animal Control		2	2	2
Code Enforcement		3	3	3
Streets	5 are Temporary	15	15	15
Parks & Recreation	1 is Temporary	6	6	6
Bauer Center		2	2	2
Utility Billing		5	5	5
Utility Maintenance		10	10	10
Waste Water (WWTP)	1 is Temporary F/Y 13	4	4	4
Port Commission	1 is Temporary	1.5	1	1
Total Positions		101.5	103	103
	Full Time/Part Time	93.5	96	96
	Temporary	8	7	7

Long-Term Financial Planning OVERVIEW

The City must take into consideration many different facets when trying to plan for the future. The City's first step was with the adoption of a Strategic Plan in 2006. Next, the City implemented a Five Year Capital Plan. This was an effort to look at the "big ticket" items and determine what funding sources would be needed for all the planned projects for the next five years. Revenue assumptions were then developed. The City's Strategic Plan was again updated in 2012 along with the Council's associated goal statements. These statements have provided staff with a future picture of desired outcomes that the staff can continually aim towards. This enabled departmental business plans to be linked to the "big picture."

The City maintains a strong reserve (savings) to be prepared for economic downturns and for natural disasters. The City has refinanced many bond issues to take advantage of opportunities in the market place. This strategy has resulted in some significant savings that will help during any future economic downturns. The City has been able to maintain service levels, provide employee salary increases and continue with large capital projects without dipping below our policy reserve requirements. The City has been in a slow growth pattern for many years which positions the City to carefully plan for the future. The City is now ready to "braid" all this information into one Comprehensive Plan—Vision Port Lavaca!

COMPONENTS OF LONG TERM PLANNING

Vision, Mission and Strategic Plan

Information on the City's Strategic Plan can be found in the "City Profile" section of this document.

Demographic and Economic Profile

Population

Port Lavaca has experienced relatively slow growth over the last decade, with less than 800 people moving into the community. This may begin to change with the increase in petrochemical refining capacity and the resulting growth in traffic through area highways, ports and the Gulf IntraCoastal Waterway.

Table 1 Population Growth

	2000	2010	2015 (estimate)
Port Lavaca	12,003	12,248	12,776
Calhoun County	20,647	21,381	21,609

Source: US Census, ESRI Business Analyst

Developing population projections can be a challenge because so many external factors influence what may happen. As mentioned, growth in the new refining needs may lead to increased growth in Port Lavaca due to new jobs and additional traffic through the Port. It will be critical to monitor population

changes to ensure the City is able to manage growth with adequate infrastructure and services. As the table below indicates, different sources have very different expectations for growth. The Texas Water Development Board tends to have higher projections than other sources, so it is likely that Port Lavaca will not experience as rapid of growth as indicated.

Port Lavaca's population has more or less grown in line with the population of Calhoun County as a whole, so it is likely that the City can continue to see slow, but steady growth as Calhoun County continues to grow.

Table 2 Population Projection

	2015 (estimate)	2020 Texas State Data Center	2020 Texas Water Development Board	2030 Texas State Data Center	2030 Texas Water Development Board
Port Lavaca	12,389	NA	13,770	NA	15,391
Calhoun County	21,609	22,648	24,037	23,975	26,866

Source: Texas Water Development Board www.twdb.state.tx.gov and Texas State Data Center www.osd.texas.gov

Ethnicity

Port Lavaca has a significantly higher Hispanic population than the rest of Texas (57% vs 38%). The Hispanic population is expected to continue growing rapidly, so it can be expected that Port Lavaca will see the Hispanic population continue to increase over time. In Census data, Hispanic is considered an Ethnicity, not a race. This means the numbers below will not add up to 100% as individuals can identify as White and Hispanic, etc.

Table 3 2012 Race and Ethnicity

	Count	Percent
White Alone	9,512	76.9%
Black Alone	511	4.1%
American Indian	75	0.6%
Asian	635	5.1%
Pacific Islander	6	0.0%
Other	1,350	10.9%
2 or more Races	280	2.3%
Hispanic (any race)	7,037	56.9%

Source: US Census www.census.gov, ESRI Business Analyst

Age

Port Lavaca is fortunate to have nearly half of its population of prime employment age, and a fairly young median age. This indicates that there are likely many available employees for any future employment opportunities. The challenge will be to match potential jobs with education and training for the workforce. Given the slow expected growth, an aging population can be expected, with the need for increased services for that population.

Table 4 Age

	Count	Percent
0 – 4	960	7.8%
5 – 9	944	7.6%

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10 – 14	953	7.7%
15 – 19	988	8.0%
20 – 24	793	6.4%
25 – 34	1,525	12.3%
35 – 44	1,503	12.2%
44 – 54	1,658	13.4%
55 – 64	1,343	10.9%
65 – 74	928	7.5%
75 – 84	598	4.8%
85+	174	1.4%
Median Age	35.1	

Source: ESRI Business Analyst

Income and Employment

Port Lavaca lags the State in median income (\$42,712 vs. \$47,622). While Calhoun County has a significant percentage of employees in manufacturing jobs (see Table 6) these may be lower skilled jobs with a lower wage. In addition, within the City of Port Lavaca, there is a preponderance of retail and service jobs, which tend to have a lower salary. Data for actual employment numbers in each sector is only available at the County level from the Bureau of Labor Statistics. One surprising indicator is that the BLS indicates only 8,600 jobs in the County. This means that many residents have to leave the County to find employment. This creates an opportunity for economic development as many of these workers may choose to take a job closer to home if it were available. This becomes a resource when recruiting prospective businesses.

Table 5 Income by Household

	Count	Percent
< \$15,000	1,000	23.5%
\$15,000 - \$24,999	459	10.8%
\$25,000 - \$34,999	488	11.5%
\$35,000 - \$49,999	498	11.7%
\$50,000 - \$74,999	780	18.3%
\$75,000 - \$99,999	402	9.5%
\$100,000 - \$149,999	403	9.5%
\$150,000 - \$199,000	190	4.5%
\$200,000+	33	0.8%
Median Household Income	\$39,415	

Source: ESRI Business Analyst

Table 6 Employment by Sector for Calhoun County

	Count	Percent
Total, All Industries	8,605	100%
Natural Resources & Mining	168	1.95%
Construction	1,790	20.8%
Manufacturing	3,225	37.48%
Trade, Transportation and Utilities	1,051	12.21%
Information	41	0.48%
Financial Activities	288	3.35%

Professional and Business Services	771	8.96%
Education and Health Services	410	4.76%
Leisure and Hospitality	701	8.15%
Other Services	160	1.86%
Unclassified	2	0.02%

Source: Bureau of Labor Statistics www.bls.gov

Table 7 has employment information for Port Lavaca, including number of businesses and employees by NAICS code. NAICS code is the standard identifier for business type. It shows that the City has a very high percentage of workers in service and retail jobs.

Table7 Employment by NAICS code for Port Lavaca

	Businesses	Employees	Employee %
Total, All Industries	588	4,123	100%
Ag, Forestry, Fishing	10	14	0.3%
Mining	3	9	0.2%
Utilities	1	4	0.1%
Construction	33	580	14.1%
Manufacturing	15	304	7.4%
Wholesale Trade	18	102	2.5%
Retail Trade	91	670	16.3%
Transportation & Warehousing	15	106	2.6%
Information	7	39	0.9%
Finance & Insurance	23	135	3.3%
Real Estate	25	74	1.8%
Professional Services	46	145	3.5%
Administrative and Waste Services	92	180	4.4%
Education	12	449	10.9%
Arts, Entertainment, & Recreation	9	27	0.7%
Accommodation & Food Services	46	162	3.9%
Other Services	79	244	5.9%
Public Administration	23	574	13.9%

Source: Bureau of Labor Statistics www.bls.gov

Calhoun County is fortunate to have a diversity of major employers, providing a range of job opportunities with various skill sets and workforce needs. The largest employers within the County include:

- Formosa Plastics
- Inteplast Group
- Calhoun County ISD
- Alcoa
- Dow Chemical

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- Orion Marine Group
- Calhoun County
- Memorial Medical Center
- Seadrift Coke
- INEOS Nitriles
- HEB Grocery

Housing

Housing has been a huge challenge, especially with slow growth. Developers are often hesitant to invest due to a limited demand, leaving potential residents with limited options for housing. This can be a disadvantage when attempting to recruit new businesses, as employers may be unwilling to relocate if they are concerned employees will be unable to secure appropriate housing.

Table 8 2010 Housing Occupancy

	Count	Percent
Total	4,860	100%
Occupied	4,224	86.9%
Owner	2,609	53.7%
Renter	1,615	33.2%
Vacant	636	13.1%

Source: 2010 US Census

Port Lavaca has a significantly higher percentage of for rent homes than is typical in most communities. This may indicate a transient community, which can create a challenge in getting citizen engagement and participation in the community. It is also an indication of a weak housing market, as residents are unable to sell their homes, so they rent them instead. As indicated in Table 9, there are a significant number of unoccupied homes that are not for sale, rent or for seasonal use. This can create yet another challenge if these homes are not maintained. They can become not just a public health and safety issue, but also negatively impact values on surrounding properties. The City will have to develop a strategy to address this challenge.

Table 9 2010 Vacancy Status

	Count	Percent
Total	636	100%
For Rent	283	44.5%
For Rent – Not Occupied	3	0.5%
For Sale Only	56	8.8%
Sold – Not Occupied	10	1.6%
Seasonal Use	42	6.6%
Migrant Workers	8	1.3%
Other Vacant	234	36.8%

Source: 2010 US Census

The median home price in Port Lavaca is \$98,372, which puts a median priced home barely in reach for a family making the median income. This is another factor in the high percentage of renters in the community. Residents are unable to save enough money for a down payment and would struggle to pay the mortgage, taxes, and upkeep on a home.

Table10 2012 Housing Values for Owner Occupied Units

	Count	Percent
Total	2,704	100%
<\$50,000	312	11.5%
\$50,000 - \$99,999	1,075	39.8%
\$100,000 - \$149,999	659	24.4%
\$150,000 - \$199,999	351	13.0%
\$200,000 - \$249,999	168	6.2%
\$250,000 – \$299,999	79	2.9%
\$300,000 - \$399,999	42	1.6%
\$400,000 - \$499,999	16	0.6%
\$500,000 - \$749,999	2	0.1%
➤ \$750,000	0	0
Median Value	\$98,372	

Source: ESRI Business Analyst

Education

Lack of education is a challenge for Port Lavaca. Less than 20% of the population has a college degree, which can be a limiting factor in attracting new business.

Table 11 Educational Attainment 25 years+

	Count
Total Pop 25+	7,287
Less than 9th grade	841
Some HS, no diploma	1,048
HS Degree	2,288
Some College	1,700
Associates Degree	341
Bachelors Degree	776
Graduate degree	293

Source: US Census American Community Survey

Calhoun County Independent School District's (CCISD) campuses are located in the beautiful, coastal communities of Port Lavaca, Seadrift and Port O'Connor. CCISD's assets include award-winning academics, meaningful extracurricular activities, outstanding teachers and staff, committed parents and students, supportive community, dedicated volunteers and strategic partnerships.

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In the most recent school year, all CCISD campuses “met standard,” which is the highest accountability rating available from the Texas Educational Agency. Additionally, TEA recognized multiple CCISD campuses with distinction designations and Port O’Connor Elementary was named a High Performing and High Progress School. The Calhoun High School UIL academic team has won the district competition nine out of the last ten years. From academics, to athletics, to fine arts, CCISD teams and individuals are typically successful in advancing past the district level of competition. Currently, enrollment at CCISD is 4,149.

The Texas Comptroller has recognized CCISD (at the Platinum level) for financial integrity and transparency. In 2013, Calhoun County voters approved a \$65 million bond to update many areas within CCISD, including safety and security enhancements, facility renovations, technology and transportation. Additionally, the bond supports the construction of a new middle school facility.

CCISD has a strong and growing Career and Technical Education program whose goal is to provide challenging academic standards and relevant technical knowledge and skills reflective of the community's workforce needs. CCISD partners with Victoria College to allow students to earn both high school and college credit for workforce classes. While in high school students also have the opportunity to earn various industry-recognized certificates including NCCER Core, Welding and Millwright, as well as Microsoft Office Specialist and the National Restaurant Association's ServSafe. CCISD is actively working to add classes and certifications in the healthcare industry and Instrumentation & Electrical Technicians.

CCISD also partners with Victoria College to offer college credit courses for students via dual-enrollment, accreditation and credit by exam. Victoria College’s main campus is 30 miles away in Victoria and offers a full range of higher education opportunities.

Victoria College offers continuing education courses in Port Lavaca that provide a wide range of vocational and technical training. This includes welding, pipefitting, millwright and electrical training. There is also a program that provides training for Medical Assisting, Nurse Aide and Phlebotomy.

In the most recent school year, Calhoun County ISD was rated Recognized, which is the second highest rating by the Texas Education Agency. This is strength for the community, as many potential residents will make their residency decision based on the school rankings. Enrollment for 2011 was 4,229. A strong school system can be the foundation for future economic growth as a quality workforce is developed over time.

Victoria College has a campus in Port Lavaca that provides a wide range of vocational and technical training. This includes welding, pipefitting and electrical training. There is also a program for medical training that will provide training for Medical Assisting, Nurse Aide, and Phlebotomy. The ISD also partners with Victoria College to offer college credit courses for students. The main campus is 30 miles away in Victoria and offers a full range of higher education opportunities.

Taxes

The majority of funding for local governments comes from property taxes and sales tax. Property taxes are collected by a number of entities, with the City, County and School District being the primary drivers. In addition, there are a number of special districts that collect taxes in all or part of the County. These districts provide specific services and collect taxes to be used within that district's boundaries on approved projects. Table 12 provides an overview of the taxing districts and the basic rate. Specific information on exemptions, etc. can be found at the County Appraisal website.

Table 12 Property Tax Rates and Entities 2015

	Rate / \$100
Calhoun County	0.4900
City of Seadrift	0.5000
City of Point Comfort	0.9156
Port Lavaca	0.7900
Calhoun County ISD	1.2936
Calhoun Port Authority	0.0025
WCID #1	0.0565
LaSalle WCID #1A	0.5700
Drainage District #6	0.0320
Drainage District #8	0.2964
Drainage District #10	0.1957
Drainage District #11	0.1719
Port O'Connor Improvement District	0.3700
Port O'Connor MUD Defined Area #1	0.6300
Groundwater Conservation District	0.0100

Source: Calhoun County CAD

The Sales Tax in Port Lavaca is the State maximum of 8.25 percent. Of this, 6.25 percent goes to the State of Texas, while the remaining is divided between the City and County. Calhoun County collects 0.5 cent, leaving 1.5 cents for the City. The City has seen steady growth in sales receipts since the economic downturn in 2008 and receipts have finally regained the level they were in 2008. These figures are shown by calendar year, rather than fiscal year, so they may be different than City records.

Table 13 Gross Retail Sales

	Gross Sales	Amount Subject to Sales Tax	Local Tax Collections	Outlets
2008	\$317,343,030	\$122,226,521	\$2,463,616	457
2009	\$276,253,883	\$107,500,475	\$2,138,861	457
2010	\$303,916,649	\$113,337,193	\$2,295,270	483
2011	\$305,859,653	\$116,507,162	\$2,338,272	511
2012	\$314,659,048	\$124,221,415	\$2,361,925	500
2013	\$329,823,471	\$131,090,887	\$2,437,272	479
2014	\$347,147,269	\$140,095,491	\$2,490,136	467

Source: Texas Comptroller Office

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In 2015, the City hired The Retail Coach to update a detailed Marketing Profile of the community. This report has extensive details on the existing retail environment in Port Lavaca. Rather than recreating the wheel in this report, it is recommended the City review this report for details on the retail marketplace.

Hotel and Motel Taxes

Hotels, motels and bed and breakfast establishments are levied a Hotel / Motel tax. This tax is intended to be used on projects that will put 'heads in beds', which means projects need to promote tourism in the community. This can include marketing, festivals and events, and similar projects. In 2014, the City had 11 hotel properties and collected \$482,646 in hotel sales tax. This is an increase over the receipts from the same time frame in 2013 which was \$351,208. This, combined with growth in retail receipts, show that Port Lavaca is seeing solid economic growth. It will be important to focus on diversifying the economy and adding higher wages and primary employment to supplement the growth in the retail and service economy.

Conclusion

Port Lavaca is a community with the opportunity to create its own future. It has a prime location to grow existing refining operations while having the land and workforce development capabilities to attract new plants. The availability of deep water ports along with Port Lavaca's proximity to the Intracoastal waterway is resulting in barge and freight traffic to the Gulf. It has a strong quality of life with many recreational and cultural amenities. It has seen continued economic growth with increased sales and hotel tax receipts over time. The challenge we face for Port Lavaca is to develop a strong, well trained workforce that can serve as the basis for economic growth. Rather than being a bedroom community for Victoria, Port Lavaca is focusing its attention on supporting existing businesses and building a strong workforce to attract new primary employers to serve the community.

Glossary of Terms

Accrual Basis – The basis of accounting where transactions are recognized when they occur, regardless of the timing of related cash flows.

Ad Valorem Taxes – Commonly referred to as property taxes. Charges levied on all property, real personal, mixed tangible, intangible, annexations, additions and improvements to property located within the taxing unit's jurisdiction. These levies are based on the property's assessed value and the tax rate.

Appropriation – An authorization made by the legislative body to make expenditures and incur obligations for the City.

Assessed Value – A value that is established on real estate or other property as a basis for levying property taxes.

Asset – Resources owned or held which have monetary value that can be used to cover or be applied to cover liabilities.

Audit – A comprehensive review of an organizations financial accounts and records and the utilization of resources. An annual audit is conducted by a certified public accountant who concludes the audit with a Comprehensive Annual Financial Report also referred to as a CAFR.

Balanced Budget – Annual financial plan in which expenses do not exceed revenues and carry-over fund balance.

Basis of Accounting – The method of accounting used to recognize revenues, expenses, expenditures and transfers, and the related assets and liabilities.

Bond – A written promise to pay a specified sum of money (principal) at a specified date or dates in the future (maturity date), and carrying interest at a specified rate, usually paid periodically. The most common types of bonds are general obligation and revenue bonds. Bonds are frequently used for construction of large capital projects such as buildings, streets, and water and sewer improvements.

Budget – A financial plan for a specified period of time of projected resources and proposed expenditures.

Budget Calendar – A schedule of key dates that the City follows in the preparation and adoption of the City's budget.

Budget Year – From October 1st through September 30th, is the same as the fiscal year.

CAFR – Comprehensive Annual Financial Report.

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Capital Outlay – Expenditures that result in the acquisition of or addition to fixed assets.

Capital Program – A five year plan that outlines the capital projects and includes information regarding funding, project description and scheduling.

Cash Basis – A basis of accounting under which transactions are recorded when cash is received or disbursed.

Certificate of Obligation (CO's) – Legal debt instruments used to finance capital improvement projects. CO's are backed by the credit of the government entity and are fully payable from a property tax levy. CO's differ from general obligation debt in that they are approved by the City Council and are not voter approved.

Contingency – An appropriation reserve set aside for emergencies or unforeseen expenditures not budgeted.

Current Taxes – Taxes that are levied and due within the current year.

Debt Service Fund – A fund established to account for payment of principal and interest on outstanding bonds when due.

Delinquent Taxes – Property taxes that remain unpaid on and after the due date. Delinquent taxes also incur penalties and interest at specified rates set by law.

Department – A functional group aimed at accomplishing a major service or program using related activities.

Depreciation – The allocation of the cost of a fixed asset over the estimated service life of that asset.

Division - A division is a separately budgeted segment of the department.

Effectiveness – A program performance indicator that measures the quality of the program outputs.

Effective Tax Rate – The rate that produced the same effect in terms of the total amount of taxes last year using the assessed valuation in the current year.

Encumbrance – Appropriated funds committed to purchase a good or service that has not been performed or executed. After the receipt or performance of goods or service the commitment becomes an account payable.

Enterprise Fund – A fund that operates like a business with the intent that the costs of providing the services will be recovered through user charges such as water and sewer charges.

Expenditure – This term refers to total funds paid or to be paid for an asset or goods or services regardless whether the expense has been paid or unpaid.

Expense – Charges incurred, whether paid or unpaid, for operation, maintenance, interest or other charges within the current period.

Fiscal Year – The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Port Lavaca has specified the fiscal year as beginning October 1 and ending September 30.

Fixed Assets – Assets of a long-term character which are intended to be held or used, such as buildings, machinery, furniture, equipment and land.

Full-Time – The 40 hours per week that constitutes a regular full-time position.

Fund – Separate accounting entities with their own resources, budgets and accounts for recording all financing transactions for specific activities or government functions.

Fund Balance – The difference between fund assets and fund liabilities, excess being a surplus and a shortfall being a deficit.

GAAP – General Accepted Accounting Principles.

GBRA – Guadalupe Blanco River Authority.

General Fund – The fund used to account for all financial resources and activities except for those required to be in another fund.

General Obligation Bonds – Voter approved bonds that finance a variety of public projects such as streets, buildings, and capital improvements. The Debt Service Fund is usually used to service and pay the debt issued. These bonds are backed by the full faith and credit of the City.

Goals – Generalized statements of where an organization desires to be at some future time with regard to certain operating elements. (e.g. financial conditions, service levels provided, etc.)

Grants – Contributions or gifts of cash or other assets from another government or entity to be used for a specific purpose, activity or facility.

Interfund Transfers – Amounts transferred from one fund to another.

Infrastructure – Substructure or underlying foundation of the City. (e.g. streets, utility lines, water and wastewater treatment facilities, etc.)

Legal Debt Margin – Actual amount of tax-secured debt service at the end of the fiscal year.

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Legal Debt Service Limit – The assessed value of the tax roll multiplied by the limit on amount designated for debt service per \$100 assessed valuation

Modified Accrual Basis – This method of accounting recognizes revenues when they are measurable and available and expenditures when goods or services are received the exception being principal and interest on long-term debt which are generally recognized when due.

Operating Budget – A plan of current year financing activities including expenditures and the proposed means of funding them.

Ordinance – A formal legislative enactment by the governing body 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, usually require ordinances.

Policy – A plan, course of action, or guiding principle, designed to set parameters for decisions and actions.

Property Tax – Taxes that are levied on both real and personal property according to the property's assessed valuation and tax rate.

Reserve – An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is therefore, not available for general appropriation.

Retained Earnings – An equity account reflecting the accumulated earnings of a proprietary, or enterprise fund, or internal service fund.

Revenue – Funds received as income. It includes such items as tax payments, fees from specific services, fines, interest income, franchise fees, etc.

Revenue Bonds – Bonds for which principal and interest are paid from an Enterprise or Proprietary Fund.

Sales Tax – A general "sales tax" is levied on all persons and businesses selling merchandise within the City limits on retail items.

SCADA – Supervisory and Control Data Acquisition.

Special Revenue Funds – Funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. (e.g. Hotel/Motel)

Strategic Plan – A collectively supported vision of the City’s future including observations regarding the potential effects of various operating decisions.

Tax Base – Certified by the Tax Appraisal District the total taxable value of all real and personal property within the City as of January 1st of each year.

Tax Levy – The product of the tax rate per one hundred dollars multiplied by the tax base.

Tax Rate – The amount of tax levied against each \$100 of taxable value.

Tax Roll – The official list showing the amount of taxes levied against each taxpayer or property.

Taxes – Compulsory charges levied by a government for the purpose of financing services performed by the government for the common benefit of the public it serves.

Unencumbered Balance – The amount of an appropriation that is neither expended nor encumbered. It is the amount of money still available for future purchases.

Working Capital – The excess of current assets over current liabilities.

Acronyms

A/P – Accounts Payable

CAFR – Comprehensive Annual Financial Report (Audit)

CDBG – Community Development Block Grant

CCAD – Calhoun County Appraisal District

CCRWSS – Calhoun County Rural Water Supply System

CIP – Capital Improvement Plan

C.O. – Certificates of Obligation

COG – Council of Governments

CY – Cubic Yard

ED – Economic Development

EPA – Environmental Protection Agency

ETJ – Extra Territorial Jurisdiction

FARF – Fixed Asset Replacement Fund

FASB – Financial Accounting Standards Board

FEMA – Federal Emergency Management Administration

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FICA – Federal Insurance Contribution Act

FTE – Full-Time Equivalent

FY – Fiscal Year

GAAFR – Governmental Accounting, Auditing and Financial Reporting

GAAP – Generally Accepted Accounting Principals

GASB – Governmental Accounting Standards Board

GBRA – Guadalupe-Blanco River Authority

GF – General Fund

GFOA – Government Finance Officers Association

GIS – Geographical Information Systems

G.O. – General Obligation

GPD – Gallons per Day

HOT – Hotel Occupancy Tax

HR – Human Resources

I & S – Interest and Sinking

IT – Information Technology

LF – Linear Foot

MGD – Millions of Gallons per Day

PD – Police Department

RFP – Request for Proposal

RFQ – Request for Qualifications

ROW – Right of Way

RV – Recreational Vehicle

SCADA – System Control and Data Acquisition

TCEQ – Texas Commission on Environmental Quality

TML – Texas Municipal League

TMRS – Texas Municipal Retirement System

TWC – Texas Workforce Commission

TWDB – Texas Water Development Board

TXDOT – Texas Department of Transportation

WET – Whole Effluent Toxicity

WWTP – Wastewater Treatment Plant

YMCA – Young Men’s Christian Association

Y.O.U. – Youth Orientation and Understanding

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