



CITY OF  
PORT LAVACA

# ANNUAL BUDGET

## FISCAL YEAR 2010-2011

"Coming together is a beginning, staying together is progress, and working together is success."

—Henry Ford





# CITY OF PORT LAVACA

**CITY OF PORT LAVACA**

202 N. Virginia

Port Lavaca, Texas 77979

361.552.9793

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## **CONTRIBUTORS..... INSIDE BACK COVER**

CITY OF  
PORT LAVACA



CITY OF  
PORT LAVACA

# BUDGET MESSAGE

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# City of Port Lavaca, Texas

## New Beginnings

Mayor and Council Members  
City of Port Lavaca  
202 North Virginia  
Port Lavaca, TX 77979



Dear Mayor and Council Members,

It is good to be in a position today where this year's 2010-2011 Budget can be presented with many positive aspects while so many economic indicators are challenging other cities.

Many cities not as fortunate as Port Lavaca must raise taxes or lay off personnel to balance their budget. Others may be forced to reduce services or hours of operation. We were able to avoid all of these actions due to the effects of dedicated employees who were willing to find a more economical way to provide an improved service.

With the City naming a new City Manager, City Secretary, Fire Chief, Building Inspector and with many new developments in planning—it seemed only appropriate to theme our budget document "New Beginnings!" This is an exciting time to embrace new visions and growth.

Our prior year's budget was focused around a two million dollar street project with some dollars allocated for city wide clean up. In contrast, due to goal setting sessions with Council and listening to citizens needs, this budget is geared to improving the image of the City of Port Lavaca, setting a conservative fiscal example, and focusing on our service needs.

The Financial Management and Budgetary Policies of the City of Port Lavaca mandate that each major fund of the City will be balanced each year. In other words, the total resources available, which is a combination of prior year ending resources plus any projected revenues, will be equal to or greater than the projected expenditures for the coming year. The challenge for our city is no different than the challenge for cities all across Texas. We must balance a desire for a low tax rate with the need to provide a high level of service.

As we move forward we will do so in a methodical way. We will plan; review "best practice" cities searching for a better way; and establish organizational standards that will lead to success.

The citizen's of Port Lavaca deserve that from city government and our intention will be to deliver it to them.





## DOCUMENT LAYOUT

This document is organized to give the reader an easy way to see the “big picture” yet navigate with ease to areas of interest. Included in this document is budgetary information on where the City has been financially in the past two years, where the City projects to be by September 30, 2010, and management’s best assumption on financial figures for the 2010-2011 fiscal year. This document will also include departmental goals linked to the overall priority of the Council in hopes of meeting the service needs for the citizens of Port Lavaca.

**CITY WIDE OUTLOOK TAB** includes our organizational chart, city profile, and the city wide budget as it compares to prior year.

**BUDGET SUMMARIES TAB** includes city wide revenue and expenditures and reflects the changes in fund balance or working capital for each budgeted fund.

**REVENUE TAB** includes revenue descriptions, trends and assumptions for major revenue line items. Detailed revenue information will be included with each respective fund.

**GENERAL FUND TAB** includes summary and detailed information for revenue, expenditures by department, and a % illustration on expenses by function. This information shows comparative information to prior year actual, current year budget, and current year projected. Immediately following is departmental information including each department’s mission, upcoming goals, budget history, and major additions related to this budget.

**ENTERPRISE FUNDS TAB** includes summary and detailed information for revenue, expenditures by department, and a % illustration on expenses by function. This information shows comparative information to prior year actual, current year budget, and current year projected. Immediately following is departmental information including each department’s mission, upcoming goals, budget history, and major additions related to this budget.

**SPECIAL REVENUE TAB** includes only special revenues that the City deems necessary to budget. These funds are legally restricted for certain purposes.

**CAPITAL EXPENDITURES AND PROJECTS** shows current year capital expenditures and projects for all major funds.

**CITY WIDE DEBT TAB** provides summaries on all debt issued and each annual debt service obligation. The debt schedule also provides detailed information about each debt instrument and the associated fund.

**PERSONNEL TAB** provides information on changes in the City’s staffing levels and compensation plan. Financial implications of these changes can be found within each respective department’s budget.

**APPENDIX TAB** provides the City’s budgetary and financial policies along with statistical information.



## STRATEGIC PLAN

The Port Lavaca strategic plan consists of five dimensions. They are as follows:

1. Provide quality services
2. Ensure responsible use of public resources
3. Provide progressive community development
4. Ensure a safe environment
5. Provide for a good quality of life.

With this plan in place it will enable the City to continue to grow and provide the citizens of Port Lavaca with exceptional service. For the **2010-2011 BUDGET**, the departments focused on the five strategies/goals listed below to respond to Council's Strategic direction.

## STRATEGIC GOALS FOR THE CITY OF PORT LAVACA, FISCAL YEAR 2010-2011

- Goal 1** Design a plan to inform and involve our citizens with the affairs of local city government
- Goal 2** Retain quality employees that serve our City with integrity and honesty
- Goal 3** Attract more events through marketing efforts
- Goal 4** Continue to maintain and rebuild the City's infrastructure
- Goal 5** Continue to prioritize commercial, residential, and industrial areas that need improvement or rebuilding

## BUDGET PRIORITIES AND CHANGES IN FUNDING FOR 2010-2011

The City of Port Lavaca begins the budget process in March each year by meeting with Council to review the Strategic Initiatives. During this work session, the City Council, City Manager, and Department Leaders discuss goals from the previous year and determine if the goals set were attained. Through these discussions, a new set of goals are prioritized for the upcoming budget to assist in the development of the departmental spending plans.

This is the premier year for performance measures. The City believes in the ability to measure and monitor our effectiveness for service levels provided to our citizens. We will ask ourselves the question, "Are we improving; and if not, what can we do to become better?" This will be a building block within each department's budget and will aim to improve this area of the budget each year with valuable performance indicators.

During the current fiscal year, the City reacted quickly when signs of sales tax were drastically declining. The City proactively amended the budget at the first sign of a decrease to determine what expenditure in the budget could be omitted or delayed in efforts not to cut core services.

*"The first step towards getting somewhere is to decide that you are not going to stay where you are."*

— Anonymous

With 30% of the City's General Fund budget dependent on sales tax and since Texas sales tax trends continue to show decline, the 2010-2011 budget utilized an "incremental" budgeting approach. The "base" budget was calculated by subtracting personnel costs, capital purchases, and any one-time allocations from the prior year's adopted budget.

The City was focused to first maintain service levels! Then, each budget request was prioritized by each department and then matched to a Council directed goal. After firmer revenue numbers for Sales and Property Taxes were known, the City focused primarily on infrastructure needs, open government/communication with citizens, and building improvements.

In addition, the City strives to maintain quality personnel. We will continue to maintain a competitive salary with surrounding cities.

## BUDGETARY EXPENDITURE HIGHLIGHTS

The City of Port Lavaca FY 2011 expenses totaled \$13,633,637 down \$1.3 million from prior year. This is primarily due to the Lynn Haven Project that was funded from reserve in 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:

- Department Addition: included adding a department to charge all technology related expenses (General Fund)
- Personnel Addition: added one (1) Information Tech to the Technology Department and added ½ position bringing our part time Janitor to Full time (General Fund)
- Salary Increases: the City Wide budget increased by 2.5% (\$95,000)
- Capital Additions: Machinery and Equipment in General Fund (\$75,000) and Utility Fund (\$72,000)
- Capital Project: appropriated \$500,000 for Lynn Haven Sewer Rehab (Utility Fund) and \$450,000 for a street project (General Fund)
- City Image: Increased General Fund Budget to include improvements at Bay Front Park (\$7,000) and the City's Convention Center (\$40,000)

## OUTLOOK FOR THE FUTURE

While population growth for the City has been stagnant for many years, many developments are taking place our extra-territorial jurisdiction (ETJ). At the present the City responds as quickly as possible to infrastructure needs especially as it relates to older declining areas or newly annexed areas. Our focus in this budget is to improve the image of our coastal front City. In addition, the City strives to maintain quality personnel. We will continue to maintain a competitive salary with surrounding cities.





**City Harbor  
Port Lavaca, Texas**

*Photo Courtesy  
Bill Harvey*

## CONCLUSION

It is the hope of staff to continue to improve this document so that the detail of the budget may be rolled into easily identifiable service costs. Performance Measurement will be documented in future budgets so that the reader may also review the effectiveness of the City's operations.

We wish to thank all staff for their input on this budget. Department Heads brought clearly stated goals and objectives into the budget meetings. Clerical and support staff in each department were patient with the numerous corrections needed to get the numbers right. And of course we thank our dedicated employees who work so hard to get the job done right the first time and avoid cost overruns which allows us to operate within a balanced budget.

And finally, a special thanks to our Human Resources/Finance Specialist for taking a budget document from good to great through creative thinking!

A handwritten signature in black ink, appearing to read 'Bob Turner'.

Bob Turner  
City Manager

A handwritten signature in black ink, appearing to read 'Scotty Jones'.

Scotty Jones  
Finance Director







CITY OF  
PORT LAVACA

# CITY WIDE OUTLOOK

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FLOYD FELDER



GREG FALCON



RAYMOND PEREZ



JACK WHITLOW



JAMES WARD



LEE RIVERA



KEN BARR

## City Elected Officials FY 2010-2011

Jack Whitlow  
Floyd Felder  
Raymond Perez  
Lee Rivera  
Greg Falcon  
James Ward  
Ken Barr

Mayor  
Council Member, District 1  
Council Member, District 2  
Council Member, District 3  
Council Member, District 4  
Council Member, District 5  
Council Member, District 6



# City of Port Lavaca, Texas

## Vision Statement

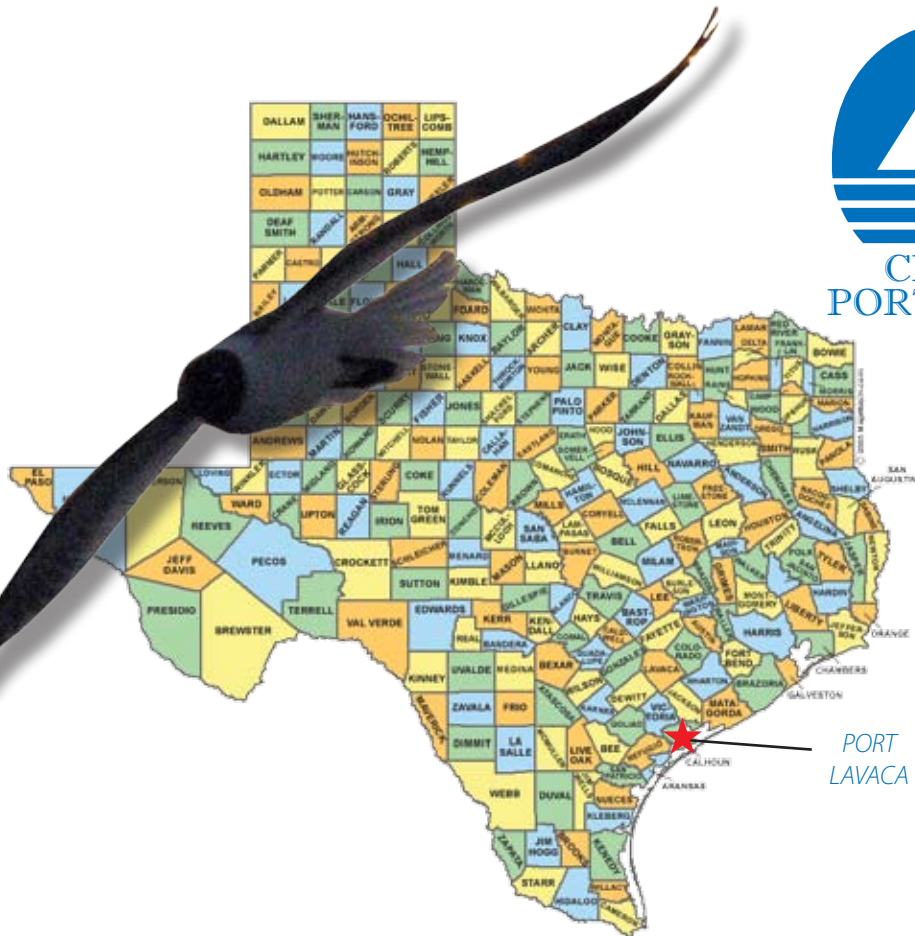
The Mayor and the City Council envision,  
a friendly town on Lavaca Bay,  
where economic and recreational opportunities abound,  
providing for a wonderful quality of life for  
both citizens and tourists, rich in history  
and looking toward a vibrant future!

## Mission Statement

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.



CITY OF  
PORT LAVACA





## City Officials FY 2010-2011



BOB TURNER

### ADMINISTRATIVE OFFICIAL

Bob Turner

City Manager

### ADMINISTRATIVE SERVICES

Scotty Jones

Mandy Grant

Dorothy Cunningham

Finance Director

City Secretary

Administrative Assistant

### PUBLIC SAFETY

John Stewart

Cleve Calagna

Joe Robuck

Police Chief

Fire Chief

Code Enforcement/Animal Control

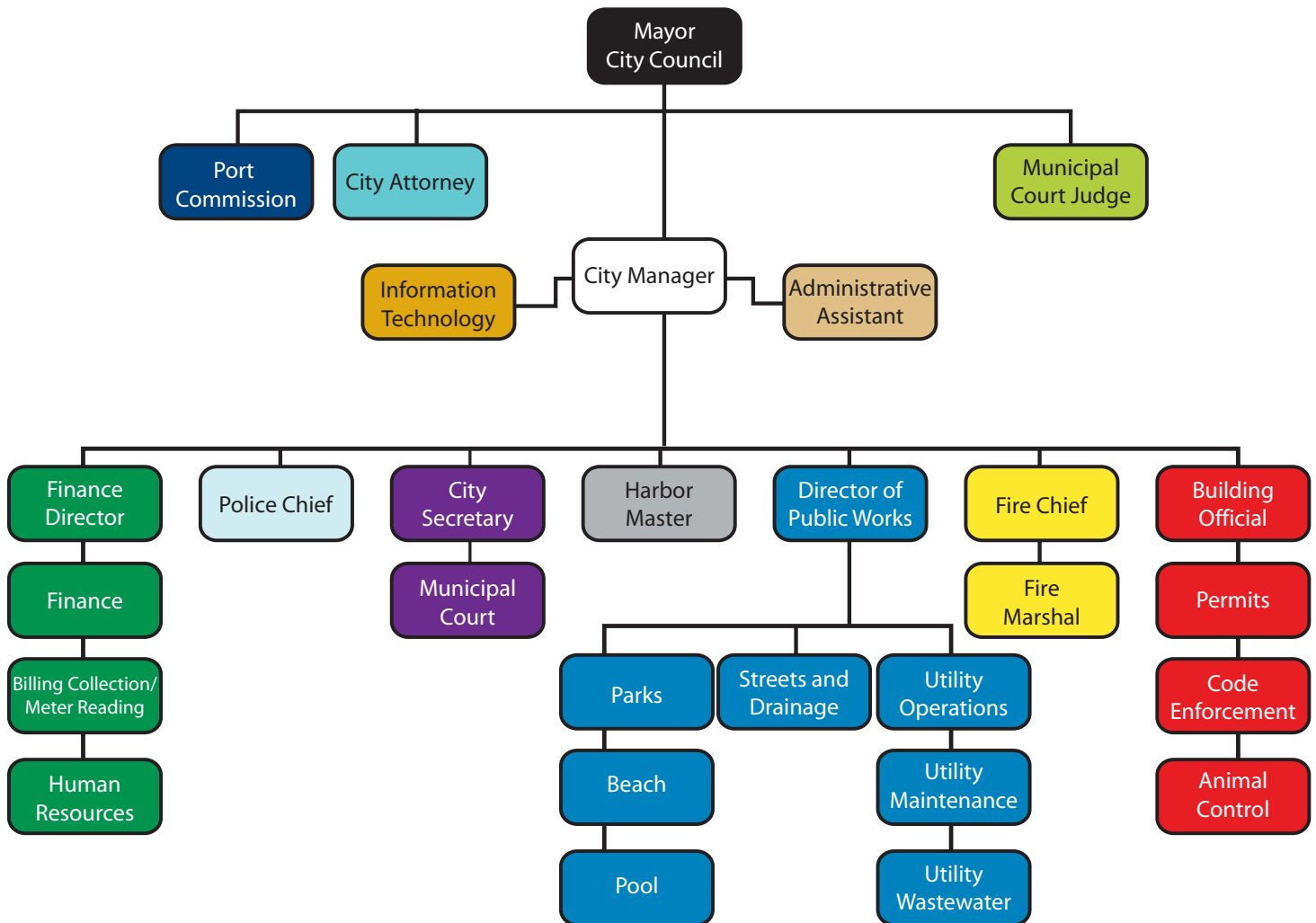
### PUBLIC WORKS & PARKS

Darren Gurley

Public Works Director



# Organizational Chart



## History of Port Lavaca



### HISTORY OF PORT LAVACA, TEXAS

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

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

The year, 1840 is generally accepted by all historians as the date the town of Lavaca began officially. 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."

Port Lavaca, being located in the center of the Texas gulf coast, has from its origin been a center for the seafood industry and a prominent port. Port Lavaca returned to its origins when in 1963 the Matagorda channel was dredged to a depth of 36 feet from the gulf to its present terminal near Port Lavaca and 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 rank 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.*



### PORT LAVACA TODAY

According to the 2000 census, Port Lavaca is currently home to about 12,200 residents. The City is also ranked in the top 100 best small towns. It is one of the most family-friendly cities you'll ever visit.

The City is the central hub between Houston, Corpus Christi and San Antonio. The City is about 14 square miles of which 3.8 miles is water. There is so much to do in this city by the bay. 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 many different varieties 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 want to make Port Lavaca home.

Port Lavaca has many amenities to offer everyone at any age. These include: fishing, boating, beaches, shopping, restaurants, movie theater, country club, pool, convention center, lighthouse, motels, and many other amenities that not many other cities have.

Every new beginning  
comes from some other  
beginning's end.

**Lighthouse Beach  
& Bird Sanctuary  
Port Lavaca, Texas**

*Photo Courtesy  
Phil Thomae*

## OVERVIEW

BUDGET	FY 09/10	FY 10/11	VARIANCE	VARIANCE
<b>General</b>	8,941,509	6,968,000	-1,973,509	-22%
<b>Utility</b>	5,006,670	5,459,500	452,830	9%
<b>Beach</b>	230,450	248,000	17,550	8%
<b>Port</b>	432,866	657,387	224,521	52%
<b>Hotel</b>	319,800	300,750	-19,050	-6%
<b>TOTAL BUDGET</b>	<b>14,931,295</b>	<b>13,633,637</b>	<b>-1,297,658</b>	<b>-9%</b>







# CITY OF PORT LAVACA

**Port Lavaca Main Street Theater  
Port Lavaca, Texas**

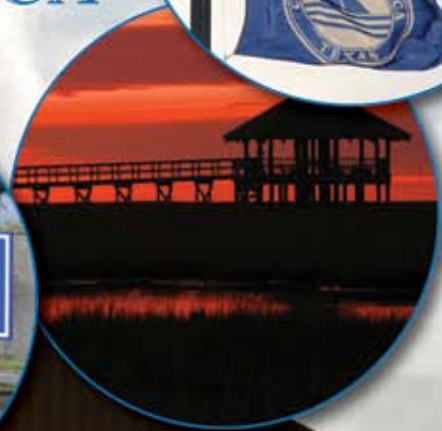
*Photo Courtesy  
Bill Harvey*







CITY OF  
PORT LAVACA



# BUDGET FUND SUMMARIES

This section provides summaries for all major budgeted funds for fiscal year 2010-2011.

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## Overview

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

BUDGETED	BEGINNING FUND BALANCE	BUDGETED REVENUE	BUDGETED EXPENDITURES	ENDING FUND BALANCE
	WORKING CAPITAL 10/1/10	2010-2011	2010-2011	WORKING CAPITAL 9/30/11
<b>General Fund</b>	4,449,000	6,968,000	-6,968,000	4,449,000
<b>Utility Fund</b>	4,406,000	5,459,000	-5,459,000	4,406,000
<b>Beach Fund</b>	510,000	248,000	-248,000	510,000
<b>Port Commission Fund</b>	1,339,450	657,387	-657,387	1,339,450
<b>Hotel Occupancy Tax Fund</b>	488,918	300,750	-300,750	488,918
<b>TOTAL FUND BALANCE</b>	<b>11,193,368</b>	<b>13,633,637</b>	<b>-13,633,637</b>	<b>11,193,368</b>

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.

	GENERAL FUND	PUBLIC UTILITY FUND	BEACH FUND	PORT COMMISSION FUND	HOTEL OCCUPANCY TAX FUND
<b>Projected Fund Balance/Working Capital 10-1-10</b>	4,449,000	4,406,000	510,000	1,339,450	488,918
<b>Less Reserves Designations</b>	3,107,977	1,982,853	81,032	156,425	N/A
<b>Less Health Reserve</b>	500,000	100,000	N/A	N/A	N/A
<b>Less Asset Replacement Fund</b>	250,000	*	*	*	N/A
<b>Less Excess Reserves used to Balance Budget for Projects</b>	0	0	50,000	243,087	69,750
<b>Add Budgeted Depreciation*</b>	0	475,000	80,000	192,000	N/A
<b>ESTIMATED FUND BALANCE/WORKING CAPITAL 9-30-11</b>	<b>591,023</b>	<b>2,798,147</b>	<b>458,968</b>	<b>1,131,938</b>	<b>419,168</b>

### ASSUMPTIONS ON THE TABLE ABOVE ARE AS FOLLOWS:

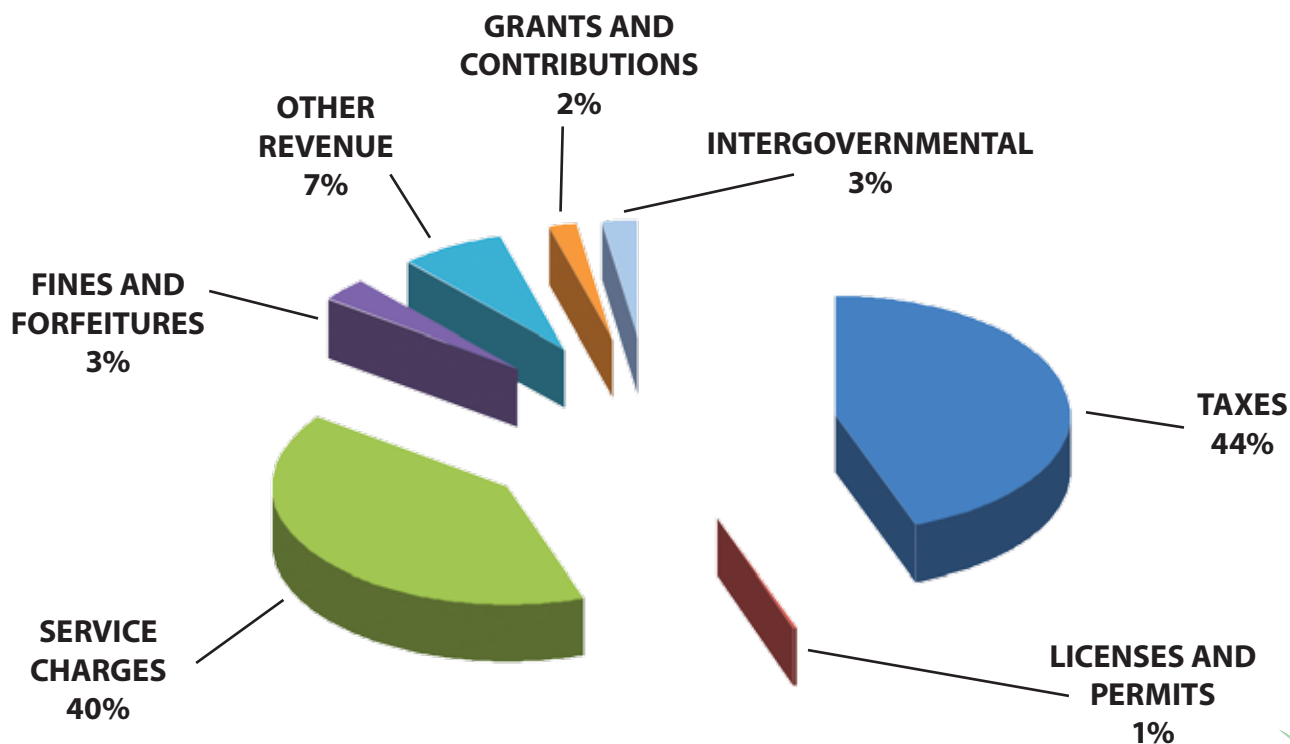
1. Budgeted revenues equal budgeted expenses.
2. Reserve designations are based on the City's goal to maintain six months operating expense. This information may be found in the City's financial policies located behind the Appendix tab of this budget document.
3. \*The City budgets to cover depreciation. 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.**
4. 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.

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

## CITY WIDE REVENUE

REVENUE BY RECEIPT TYPE	ACTUAL FY 08-09	FINAL AMENDED FY 09-10	PROJECTED FY 09-10	PROPOSED BUDGET FY 10-11
<b>Taxes</b>	5,849,170	5,919,789	6,043,285	6,041,500
<b>Licenses and Permits</b>	96,535	68,000	103,000	72,000
<b>Service Charges</b>	5,843,902	5,446,095	5,543,169	5,490,750
<b>Fines and Forfeitures</b>	536,040	422,600	495,835	444,500
<b>Other Revenue</b>	366,799	2,364,735	253,843	984,137
<b>Grants and Contributions</b>	276,203	250,500	253,000	250,500
<b>Intergovernmental</b>	558,458	459,701	446,920	350,250
<b>TOTAL REVENUE FOR MAJOR FUNDS</b>	<b>13,527,106</b>	<b>14,931,420</b>	<b>13,139,052</b>	<b>13,633,637</b>

## WHERE DO WE GET OUR DOLLARS?

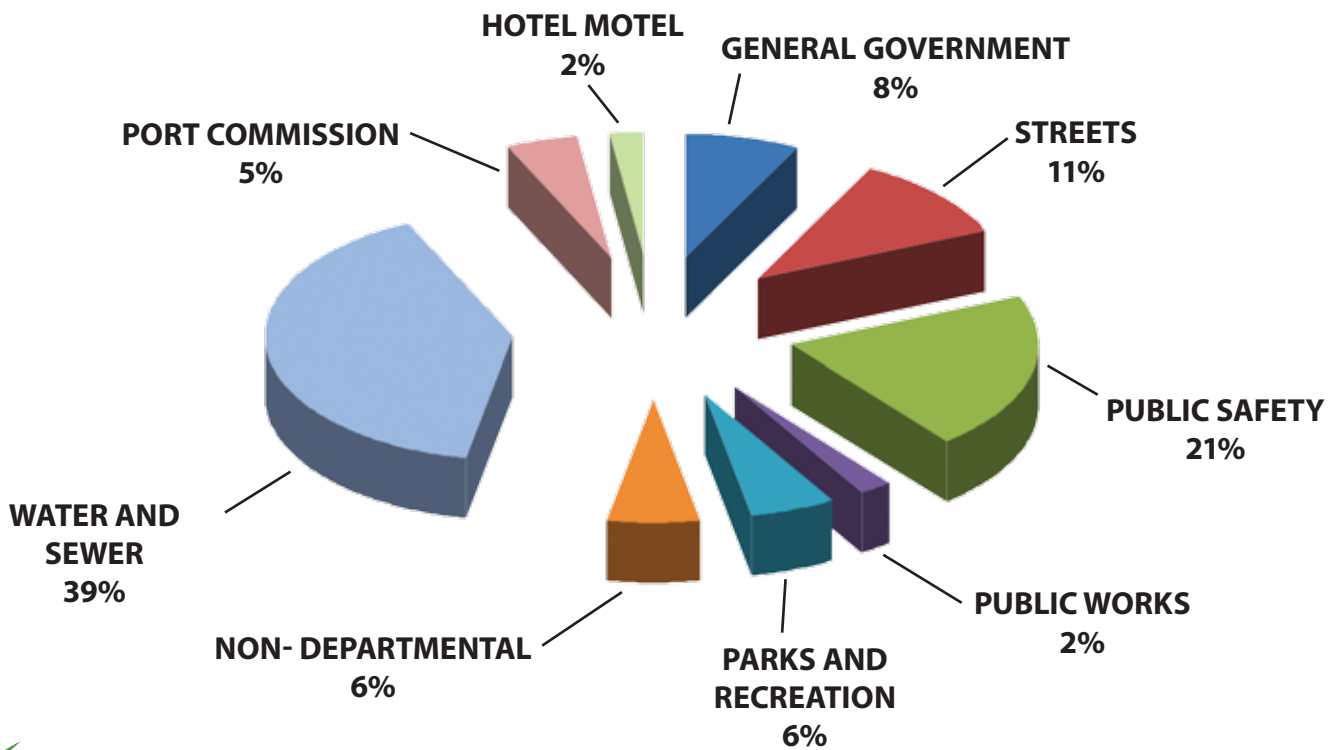


### CITY WIDE EXPENSES

BY OBJECT (OPERATIONAL FUNDS)	ACTUAL FY 08-09	FINAL AMENDED FY 09-10	PROJECTED FY 09-10	PROPOSED BUDGET FY 10-11
General Government	867,360	937,440	878,912	1,034,977
Streets	1,831,475	3,438,247	3,163,604	1,503,577
Public Safety	2,697,497	2,795,543	2,783,380	2,799,263
Public Works	269,606	299,737	255,256	297,177
Parks and Recreation	633,327	790,740	803,495	754,606
Non- Departmental	894,191	910,252	866,780	826,400
Water and Sewer	4,494,713	5,006,795	4,771,854	5,459,500
Port Commission	444,832	432,866	419,565	657,387
Hotel Motel	183,366	314,000	283,999	300,750
<b>TOTAL EXPENDITURES</b>	<b>12,316,365</b>	<b>14,925,620*</b>	<b>14,226,845</b>	<b>13,633,637</b>

\*City Wide revenues will not balance to expenditures. Hotel/Motel was budgeted to build reserve.

### WHERE DO OUR DOLLARS GO?







CITY OF  
PORT LAVACA

REVENUE

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## REVENUE ASSUMPTIONS AND TRENDS

The Finance Director projects revenue for all City funds. Historical trends, economic factors, and departmental input all play a role in developing revenue projections. Revenue detail can be found with each respective fund.

## TREND ANALYSIS

The City of Port Lavaca utilizes a very conservative strategy when projecting revenues. Historical trends, economic factors, and **departmental input** all play a role in developing revenue and expenditure projections. The budget is monitored regularly to adjust for changes in planned expenditures.

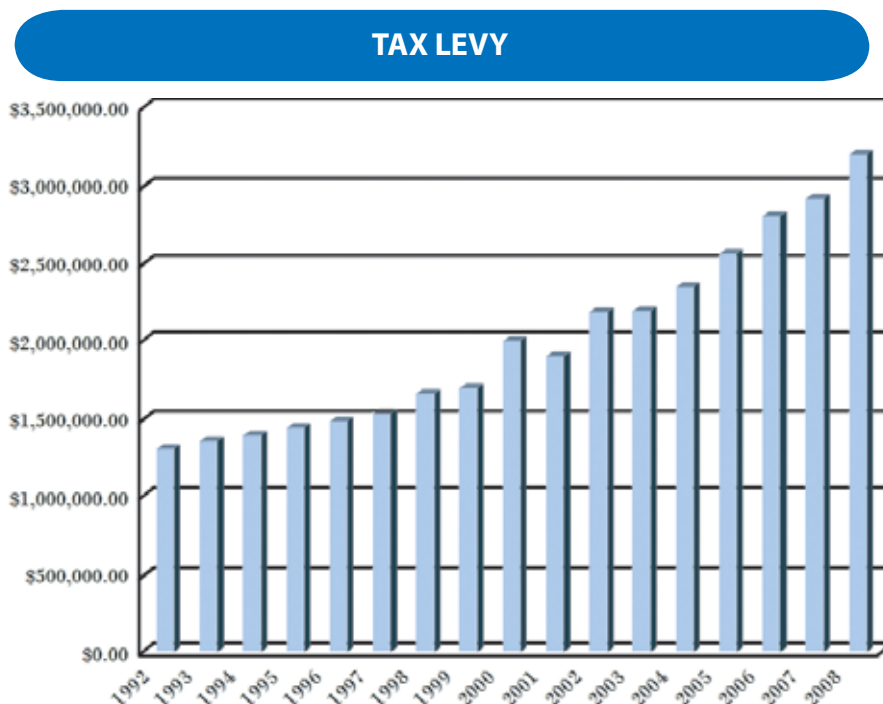
## GENERAL FUND REVENUE

### THE PROPERTY TAX RATE AND PROPERTY TAX REVENUE

Property tax is the largest source of income for the General Fund and makes up 44% of the budgeted revenue for the 2010-2011 fiscal year. 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. Certified values this year increased by 4.5% with 1.1% being new property. The total value of all taxable property as certified by the Calhoun County Appraisal District is summarized in the following table:

	FY 2009-2010	FY 2010-2011
<b>Total Taxable Value</b>	\$401,203,208	\$419,489,568
<b>Tax Rate</b>	\$0.75 / \$100	\$0.75 / \$100
<b>TAX RATE DISTRIBUTION</b>	<b>\$0.67 / \$100 GENERAL FUND</b>	<b>\$0.08 / \$100 DEBT SERVICE</b>

For the 2010-2011 budget, the increase in property tax values allowed Council to maintain the same tax rate as the prior year and increase anticipated revenues in the General Fund by approximately 4%. The graph below shows the history of the City's tax levy.

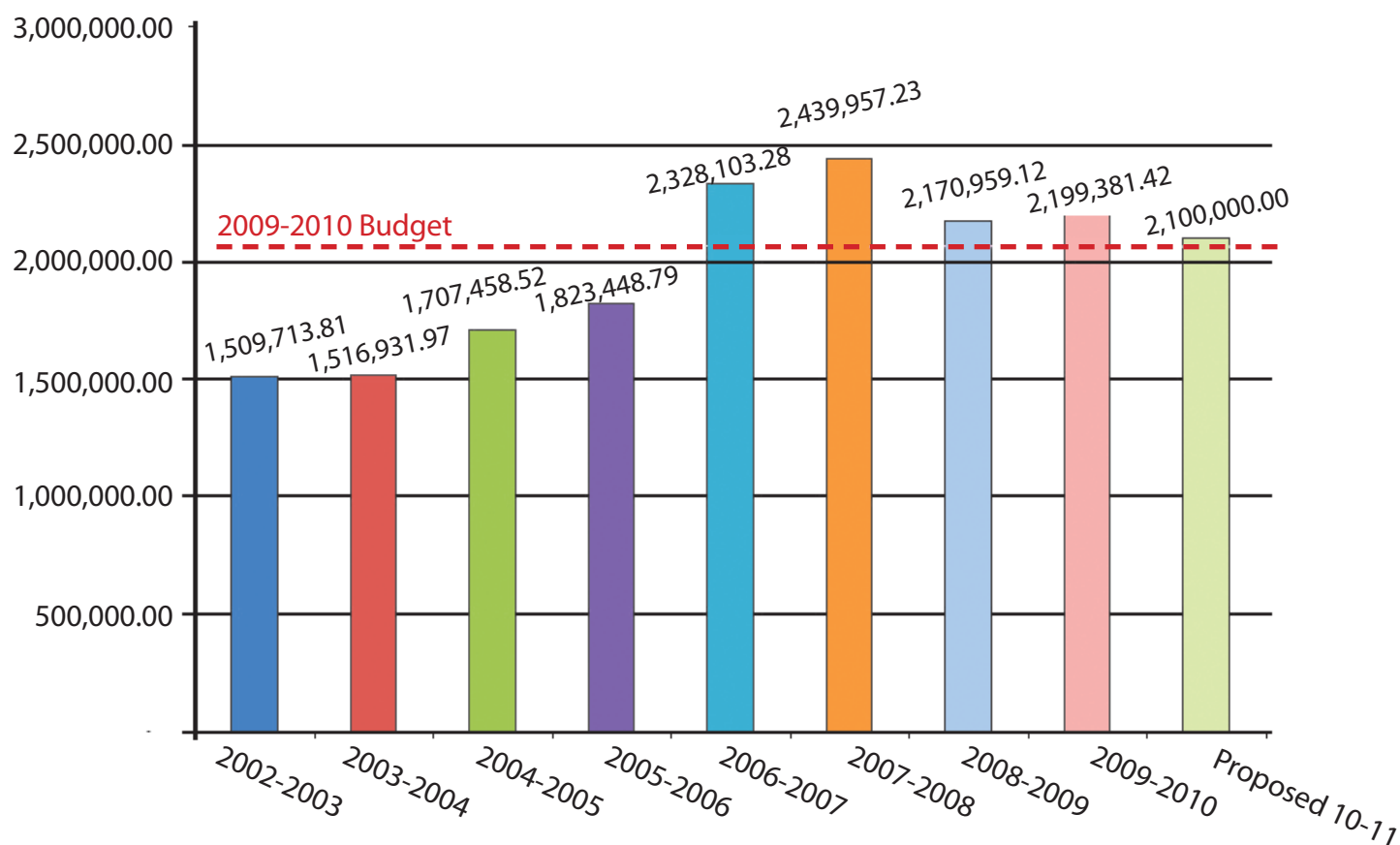


	CURRENT YEAR	PRIOR YEAR	VARIANCE	%
<b>Net Taxable before Freeze</b>	487,361,342	460,631,315	26,730,027	8.80%
<b>Freeze Adjusted Tax Value</b>	419,489,568	401,203,208	18,286,360	4.50%

## SALES TAX

Sales tax is the second largest revenue source in the General Fund making up 30% of the City's General Fund budget. The City receives 1.5% of the 8.25% tax charged inside the city limits. The County received 0.5% and the remaining 6.25% goes to the state. The City showed steady growth of sales tax from 2003 to 2008 peaking at \$2.4 million. The City's sales tax since then has remained steady at \$2.2 million. With the volatile economy in mind, the City budgeted sales tax 4.5% less than the sales tax projection for the 2009-2010 fiscal year.

### SALES TAX YEARLY COMPARISON



*Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishments toward organizational objectives. It is the fuel that allows common people to attain uncommon results.*

— Andrew Carnegie





## FRANCHISE FEES

Franchise Fees represent 9% 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. This fee is usually computed by a percentage of gross receipts. The City is collecting a total of \$611,500, an increase of 2.9% as compared to prior years 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 contractor's permits, alcohol licenses, and animal licenses. Historical averages are the basis of this budget assumption due to the timing of construction jobs.

## GRANT & 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 equate to \$248,000.

## 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, and reimbursement for maintaining the City's Convention Center. Total transfers represent 5% of the General Fund's budgeted revenues. This administrative fee is assessed each year and is usually a % of revenue for each of the City's Enterprise Funds.

## HOTEL/MOTEL 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 13% of the room cost. The City receives 7% of the revenue, however 1% is exempted for timely filing. This money is used to promote the City of Port Lavaca following strict guidelines on the use of this tax. Historical trends are used to estimate this revenue. The City does not anticipate an increase from prior year.



## LET US LURE YOU AWAY...

Photo Courtesy  
Phil Thomae



## **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 rates and estimates revenue based on historical trends that consider weather and consumption history.

### **GARBAGE FEES**

Residential garbage pickup is provided by a private contractor. This is primarily a pass through to the customer, however 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. Expenditures that offset this revenue can be found under the "Solid Waste Collection" department in the Public Utility Fund's section of this budget.

### **BEACH FUND**

RV rentals are the largest user fee in this fund and are estimated to be \$150,000. 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.

### **PORT COMMISSION FUND**

The Port Commission charges for service fees such as dock leases and building leases on the City's harbor and dock facilities. The City anticipates revenue to remain close to prior year based on assumptions of the Harbor Master and historical usage data.

## **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. Service fees related to the General fund only equate to .5% of revenue. These fees primarily relate to the City's convention center rentals. However, this is 89% of the Public Utility Fund's revenue source, 78% of the Beach Fund revenue, and 61% of the Port Commission Fund revenue.

### **FINES & FORFEITURES**

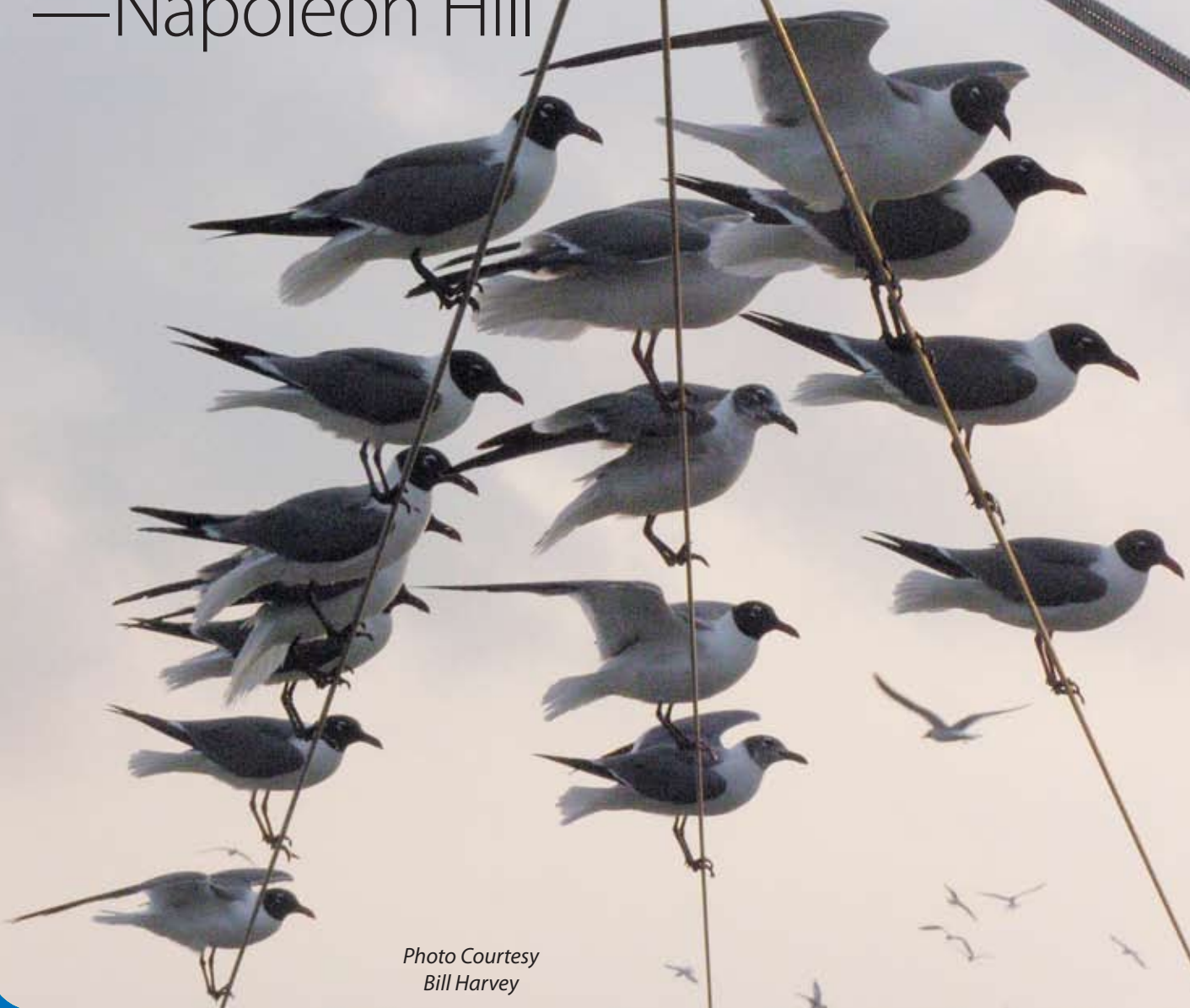
Fines and forfeitures account for approximately 3% of the City wide revenue and can be found in the General Fund, Public Utility Fund and the Port Commission Fund. In the General Fund this revenue is represented by payments of citations, warrants, and court costs. The revenue is represented as late penalties in the Public Utility Fund and the Port Commission Fund.

### **OTHER REVENUE**

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



It is literally  
true that  
you can  
succeed best  
and quickest by  
helping others to  
succeed.  
—Napoleon Hill



*Photo Courtesy  
Bill Harvey*





CITY OF  
PORT LAVACA



# GENERAL FUND

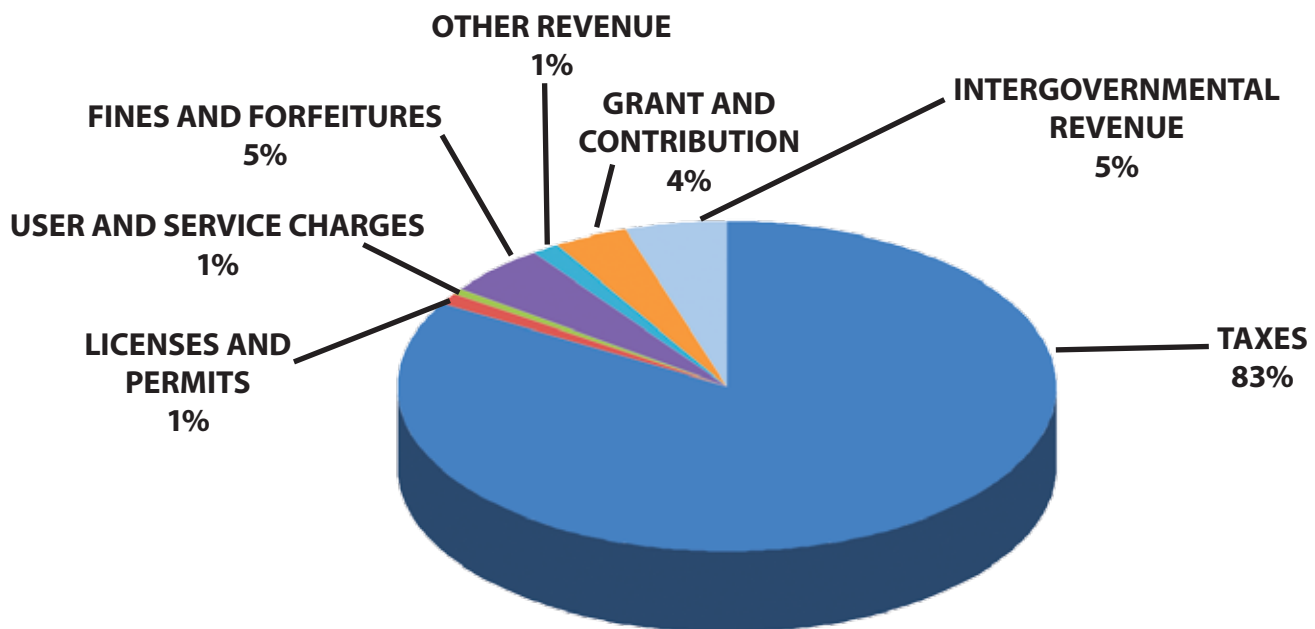
The General Fund is the general operating fund of the City. It is used to account for all financial resources except those accounted for in other specific funds. This fund includes all general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund.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

[WWW.PORTLAVACA.ORG](http://WWW.PORTLAVACA.ORG)

### GENERAL FUND REVENUE

REVENUE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Taxes</b>	5,623,116	5,652,789	5,964,501	5,811,500
<b>Licenses and Permits</b>	96,534	68,000	97,741	72,000
<b>User and Service Charges</b>	42,722	46,000	25,890	35,750
<b>Fines and Forfeitures</b>	436,288	332,000	407,479	354,000
<b>Other Revenue</b>	225,147	2,147,300	155,097	96,000
<b>Grant and Contribution</b>	274,202	248,500	122,499	248,500
<b>Intergovernmental Revenue</b>	558,458	446,920	428,336	350,250
<b>TOTAL REVENUE</b>	<b>7,256,467</b>	<b>8,941,509</b>	<b>7,201,543</b>	<b>6,968,000</b>

### REVENUE



### LARGEST REVENUE SOURCES

	BUDGET	%	BUDGET	%	VARIANCE	
	2009-2010	BUDGET	2010-2011	BUDGET	INCREASE/ DECREASE	%
<b>Property Taxes</b>	2,978,789	33%	<b>3,100,000</b>	44%	121,211	4.10%
<b>Sales Tax</b>	2,080,000	23%	<b>2,100,000</b>	30%	20,000	1.00%
<b>Franchise Fees</b>	594,000	7%	<b>611,500</b>	9%	17,500	2.90%



## GENERAL FUND REVENUE DETAIL

GENERAL FUND REVENUES	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>TAXES</b>				
Property Taxes Current	2,697,989	2,888,789	2,961,698	3,000,000
Property Taxes Delinquent	131,142	90,000	110,571	100,000
Sales Tax Revenue	2,170,959	2,080,000	2,295,492	2,100,000
Natural Gas Franchise Tax	48,223	50,000	47,846	50,000
Electrical Franchise Tax	334,049	320,000	345,256	330,000
Telephone Franchise Tax	56,416	63,000	38,971	55,000
Cable Television Franchise Tax	94,340	75,000	70,465	90,000
Waste Collection Franchise	79,493	78,000	83,965	78,000
Other Franchise Tax	988	1,000	909	500
Alcohol Beverage Tax	9,517	7,000	9,328	8,000
<b>TOTAL TAXES</b>	<b>5,623,116</b>	<b>5,652,789</b>	<b>5,964,501</b>	<b>5,811,500</b>
<b>LICENSES AND PERMITS</b>				
Electrical Licenses	3,150	2,800	3,050	3,000
Builder Licenses	6,150	5,000	4,313	5,000
Electrical Permits	9,830	6,500	9,634	8,000
Building Permits	30,717	25,000	23,884	25,000
Plumbing Permits	8,628	5,000	9,868	6,000
Mechanical Permits	3,657	2,500	4,817	3,000
Trailer Permits	2,260	700	1,511	1,000
Food Handler's Permits	2,225	1,500	3,130	1,500
Liens	40	500	0	500
Other Permits and Fees	21,425	15,000	29,076	15,000
Alcoholic Beverage Licenses	5,158	1,500	5,035	1,500
Animas Licenses and Fees	2,430	1,500	1,968	2,000
Alarm Fees	865	500	1,455	500
<b>TOTAL LICENSES AND PERMITS</b>	<b>96,535</b>	<b>68,000</b>	<b>97,740</b>	<b>72,000</b>
<b>USER AND SERVICE CHARGES</b>				
Pool	0	1,000	0	0
Bauer Center Rentals	36,985	40,000	20,522	31,500
Rental- Bauer Center Sign	405	500	0	400
Bauer Center Events	480	0	130	0
Police Services	3,663	3,500	5,238	3,500
Fire Service Fees	1,189	1,000	0	350
<b>TOTAL USER AND SERVICE CHARGES</b>	<b>42,722</b>	<b>46,000</b>	<b>25,890</b>	<b>35,750</b>



# GENERAL FUND

## Revenue

GENERAL FUND REVENUES	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>FINES AND FORFEITURES</b>				
Penalties and Interest	87,790	70,000	96,761	80,000
Tax Attorney Fees	40,419	30,000	39,865	35,000
Court Fines	247,015	190,000	210,523	195,000
Municipal Court- Collection Agency	29,864	20,000	30,415	20,000
Local Time Payment Fees	9,820	7,000	9,480	7,000
Arrest Fees	21,380	15,000	20,437	17,000
Cash Over- Municipal Court	0	0	0	0
<b>TOTAL FINES AND FORFEITURES</b>	<b>436,288</b>	<b>332,000</b>	<b>407,479</b>	<b>354,000</b>
<b>OTHER REVENUE</b>				
Interest Income	114,553	55,000	73,317	50,000
Other Financing Sources	0	0	0	0
Photo Copies	387	0	553	0
Donations	0	0	0	0
Auction Proceeds	14,141	5,000	5,036	5,000
TML Reimbursements	76,344	17,300	6,862	30,000
Calhoun County Appraisal District (CCAD) Refund	0	0	10,858	0
Fire Training Reimbursement	0	0	0	0
Miscellaneous	7,971	3,000	47,221	5,000
Tower of Tex Usage Rights	11,750	6,000	11,250	6,000
Equity Balance Forward	0	2,061,000	0	0
<b>TOTAL OTHER REVENUE</b>	<b>225,147</b>	<b>2,147,300</b>	<b>155,097</b>	<b>96,000</b>
<b>GRANT AND CONTRIBUTION</b>				
Contribution Lease- Police Department/Fire	2,578	2,500	2,499	2,500
Calhoun County- Fire	201,875	175,000	87,500	175,000
Calhoun County- Animal	63,750	65,000	32,500	65,000
Point Comfort- Animal	6,000	6,000	0	6,000
<b>TOTAL GRANT AND CONTRIBUTION</b>	<b>274,203</b>	<b>248,500</b>	<b>122,499</b>	<b>248,500</b>
<b>INTERGOVERNMENTAL REVENUE</b>				
XFER IN- 504 Port Commission	4,000	4,000	4,000	14,500
XFER IN- 501 Utility Fund	190,000	190,000	174,167	200,000
XFER IN- 503 Beach Fund	6,000	6,000	5,500	7,000
XFER IN- 206 Fixed Asset Replacement Fund	297,458	112,300	112,300	30,000
XFER IN- 101 Hotel/Motel	61,000	134,000	131,749	98,750
XFER IN- Other	0	620	620	0
<b>TOTAL INTERGOVERNMENTAL</b>	<b>558,458</b>	<b>446,920</b>	<b>428,336</b>	<b>350,250</b>
<b>TOTAL REVENUE</b>	<b>7,256,467</b>	<b>8,941,509</b>	<b>7,201,543</b>	<b>6,968,000</b>

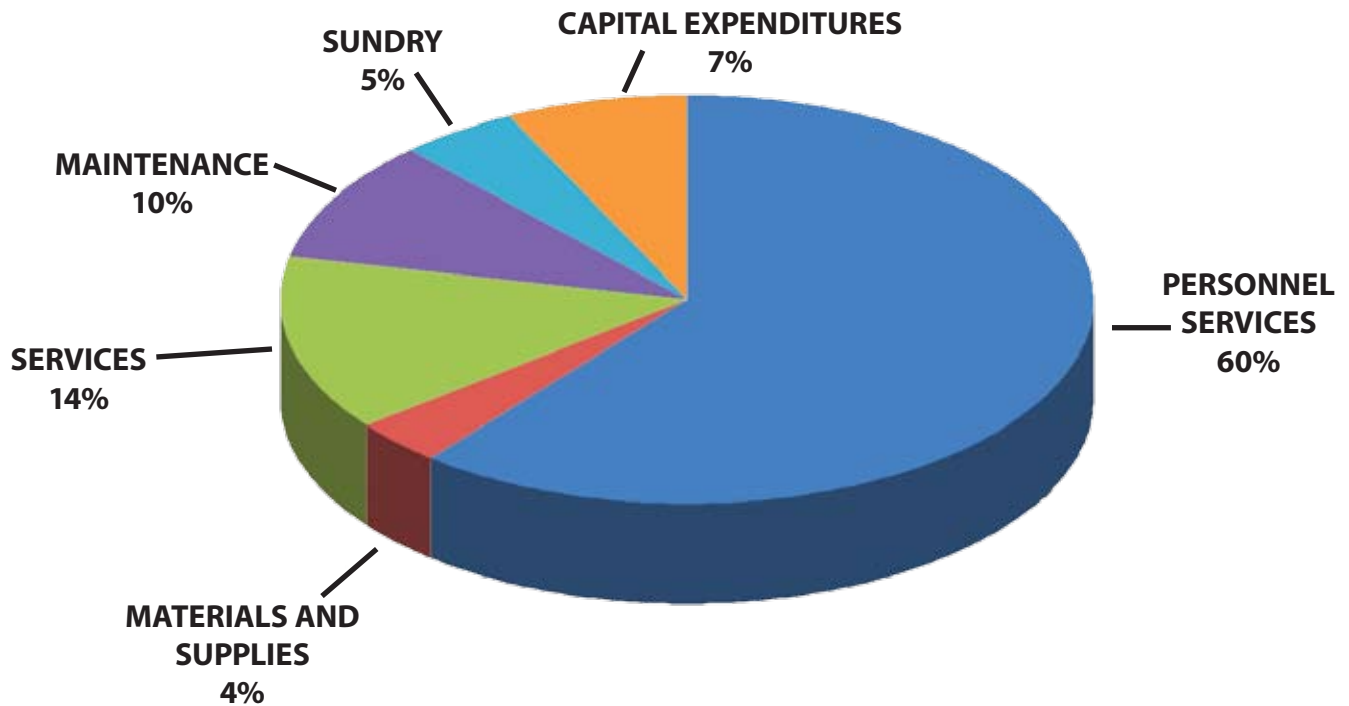
## GENERAL FUND EXPENSES

EXPENSES BY FUNCTION	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Personnel Services	3,858,495	3,971,366	3,886,318	4,239,029
Materials and Supplies	199,777	236,642	218,920	244,625
Services	932,150	1,036,644	1,007,530	977,645
Maintenance	675,766	720,347	572,978	682,370
Sundry	922,131	2,835,465	2,675,265	317,631
Capital Expenditures	412,152	141,045	171,331	506,700
<b>TOTAL EXPENSES</b>	<b>7,000,472</b>	<b>8,941,509</b>	<b>8,532,342</b>	<b>6,968,000</b>

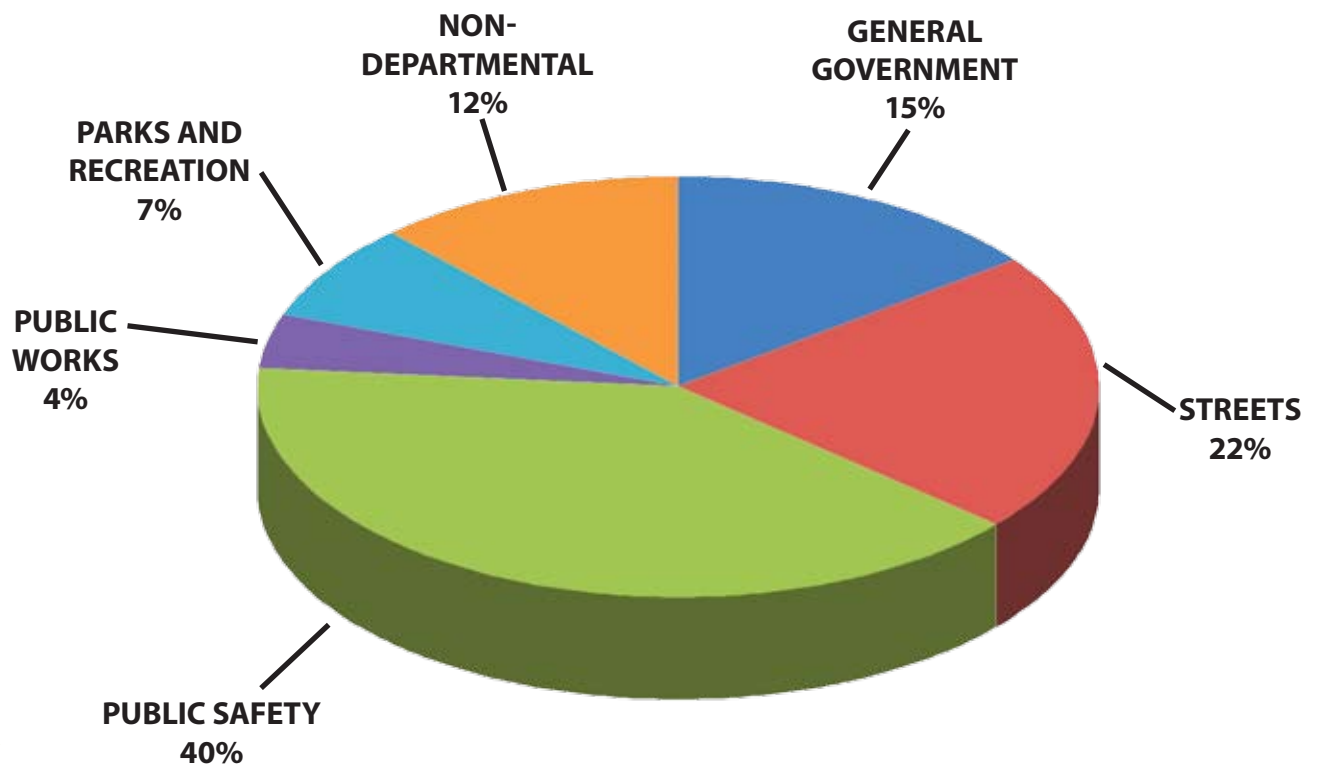
EXPENSES BY DEPARTMENT	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
City Council	26,213	27,779	29,490	25,347
City Manager	168,768	171,939	189,000	197,006
City Secretary	108,326	115,123	89,847	76,223
Human Resource	18,597	26,925	18,725	71,163
Elections	6,359	21,650	6,000	21,600
Legal	114,773	87,000	75,000	77,400
Municipal Court	74,319	88,343	85,950	88,799
Tax	88,332	101,843	106,000	112,935
Technology	0	0	0	72,411
Finance	176,913	185,560	187,900	190,532
City Hall	84,760	111,278	91,000	101,561
Police	1,580,066	1,606,874	1,634,098	1,639,218
Fire	1,018,543	1,083,975	1,060,709	1,064,178
Animal Control	98,888	104,694	88,573	95,867
Public Works	120,539	127,148	120,626	148,565
Enforcement/Inspection	149,066	172,589	134,630	148,612
Streets	1,831,475	3,438,247	3,163,604	1,503,577
Parks and Recreation	245,715	272,672	266,396	266,346
Bauer Center	151,906	258,868	284,546	213,660
Swimming Pool Operations	42,723	28,750	33,468	26,600
Non-Departmental	894,191	910,252	866,780	826,400
<b>TOTAL EXPENSES</b>	<b>7,000,472</b>	<b>8,941,509</b>	<b>8,532,342</b>	<b>6,968,000</b>



EXPENSE BY FUNCTION



EXPENSE BY DEPARTMENT





## CITY COUNCIL

### OUR MISSION

The City of Port Lavaca is committed 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.

### 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.

## BUDGET SUMMARY CITY COUNCIL

### BUDGET HISTORY

CITY COUNCIL	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Personnel Services	23,286	23,289	23,290	23,347
Materials and Supplies	1,455	750	1,200	1,350
Services	1,472	3,740	5,000	650
<b>TOTAL CITY COUNCIL</b>	<b>26,213</b>	<b>27,779</b>	<b>29,490</b>	<b>25,347</b>

\*2010- 2011 Major Additions:

Software

Sound System- Council Chambers

## Departmental Summaries

### 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 maintains the City's web site, prepares agenda and minutes to the Port Commission, and provides general administrative assistance to other programs.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,3)

- Develop Comprehensive Plan for the City
- Improve employee evaluation form
- Prepare 5-year plans for all departments
- Develop and implement a Neighborhood Improvement Association Document

### BUDGET SUMMARY CITY MANAGER

#### BUDGET HISTORY

CITY MANAGER	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Personnel Services	153,764	112,889	130,000	187,606
Materials and Supplies	2,082	2,750	3,000	1,900
Services	4,558	55,300	55,000	7,500
Maintenance	1,077	1,000	1,000	0
Sundry	7,287	0	0	0
<b>TOTAL CITY MANAGER</b>	<b>168,768</b>	<b>171,939</b>	<b>189,000</b>	<b>197,006</b>

#### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
City Manager	1	1
Administrative Assistant	1	1
<b>TOTAL</b>	<b>2</b>	<b>2</b>

**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 provide information to all 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.

**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 Texas Open Meetings and Open Records law; maintaining all official records of the City, including minutes, contracts, ordinances, resolutions, and deeds; overseeing processing of all open records requests; attesting the signature of the Mayor and affixing the City Seal on all official documents.

**2010-2011 GOALS (STRATEGIC GOALS: 1,2)**

- Update imaging records archival project
- Improve department page on City web site
- Complete Clerk Certification

**2009-2010 ACCOMPLISHMENTS**

- Completed Ordinance Codification Project

**BUDGET SUMMARY CITY SECRETARY****BUDGET HISTORY**

<b>CITY SECRETARY</b>	<b>ACTUAL FY 2008-2009</b>	<b>FINAL AMENDED FY 2009-2010</b>	<b>PROJECTED FY 2009-2010</b>	<b>PROPOSED BUDGET FY 2010-2011</b>
<b>Personnel Services</b>	106,334	108,648	85,000	62,523
<b>Materials and Supplies</b>	1,170	2,875	4,000	1,900
<b>Services</b>	822	3,100	822	4,600
<b>Maintenance</b>	0	500	25	500
<b>Capital Expenditures</b>	0	0	0	6,700
<b>TOTAL CITY SECRETARY</b>	<b>108,326</b>	<b>115,123</b>	<b>89,847</b>	<b>76,223</b>

\* 2010- 2011 Major Additions:  
Laser Fiche Upgrade

**BUDGETED PERSONNEL**

<b>POSITION</b>	<b>FY 09/10 ACTUAL</b>	<b>FY 10/11 ACTUAL</b>
<b>City Secretary</b>	1	1
<b>Administrative Assistant</b>	1	0
<b>TOTAL</b>	<b>2</b>	<b>1</b>



## Departmental Summaries

### HUMAN RESOURCES

#### 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.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2)

- Populate Incode Human Resources Module
- Develop Merit Policy
- Revise Personnel Policies and Procedures Manual
- Update Compensation Plan with Third Party Analysis
- Implement new Employee Orientation

#### 2009-2010 ACCOMPLISHMENTS

- Completed Salary Survey
- Revised forms / reduced the number of forms
- Revised key human resource policies
- Implemented exit interview process

### BUDGET SUMMARY HUMAN RESOURCES

#### BUDGET HISTORY

HUMAN RESOURCE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Personnel Services	0	0	6,000	46,038
Materials and Supplies	545	1,000	800	1,900
Services	2,799	24,000	10,000	20,400
Maintenance	0	1,925	1,925	2,825
Capital Expenditures	15,253	0	0	0
<b>TOTAL HUMAN RESOURCE</b>	<b>18,597</b>	<b>26,925</b>	<b>18,725</b>	<b>71,163</b>

\*2010- 2011 Major Additions: Finance/Personnel Specialist Position

#### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
Finance/Personnel Specialist	0	1
<b>TOTAL</b>	<b>0</b>	<b>1</b>



**ELECTIONS****OUR MISSION**

To conduct and monitor City elections in strict compliance with all applicable laws, in the most efficient and effective manner possible; and keep elected officials, staff; and the general public well informed regarding elections and election procedures.

**DESCRIPTION OF OUR SERVICES**

The Elections Department prepares, posts, and/or publishes all required notices; prepares and delivers election packets to candidates; conducts drawing for place on ballot; prepares and presents for action by City Council all resolutions, orders and notices calling election, naming election officers and designating polling places; prepares for and conducts official canvass of vote; prepares and presents for action resolution/order declaring election results; prepares Certificates of Election; Statements of Elected Officials and Oath of Elected Officials; adheres to strict maintenance of records; keeps current on the election code and manages the contract with the Elections Administrator

**2010-2011 GOALS (STRATEGIC GOALS: 1,2)**

- Complete archival of election records
- Improve department page on City web site.

**BUDGET SUMMARY ELECTIONS****BUDGET HISTORY**

<b>ELECTIONS</b>	<b>ACTUAL FY 2008-2009</b>	<b>FINAL AMENDED FY 2009-2010</b>	<b>PROJECTED FY 2009-2010</b>	<b>PROPOSED BUDGET FY 2010-2011</b>
<b>Materials and Supplies</b>	0	400	0	400
<b>Services</b>	6,359	21,250	6,000	21,200
<b>TOTAL ELECTIONS</b>	<b>6,359</b>	<b>21,650</b>	<b>6,000</b>	<b>21,600</b>



## Departmental Summaries

### LEGAL

#### OUR MISSION

To provide high quality legal services to assist the City of Port Lavaca in achieving its lawful objectives; and to track all legal notices and/or advertisements published and identify related costs incurred by City.

#### DESCRIPTION OF OUR SERVICES

The Legal Department provides funding for the City's Attorney through a contractual arrangement. The City Attorney defends the City in legal matters, reviews ordinances, deeds, and other documents, handles certain claims against the City, and provides legal advice and opinions to City Staff and the City Council.

#### 2010-2011 GOALS (STRATEGIC GOAL: 1)

- Prepare index of Deeds/Easements/Right of Way documents
- Prepare index of Contracts/Leases/Agreements/Lawsuits
- Improve department page on City web site
- Continue project for tracking legal notices

### BUDGET SUMMARY LEGAL

#### BUDGET HISTORY

LEGAL	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Services	114,773	87,000	75,000	77,400
<b>TOTAL LEGAL</b>	<b>114,773</b>	<b>87,000</b>	<b>75,000</b>	<b>77,400</b>

#### BUDGETED PERSONNEL

POSITION	FY 08/09 ACTUAL	FY 09/10 ACTUAL	FY 10/11 ACTUAL
CONTRACTED SERVICE	N/A	N/A	N/A

**MUNICIPAL COURT****OUR MISSION**

To serve the public in a fair, 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. The 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.

**2010-2011 GOALS (STRATEGIC GOAL: 1)**

- Improve Incode functionality
- Establish on-line payment option for court customers
- Develop Municipal Court's portion of the City's web site to include warrant listings
- Implement amnesty program to complement warrant roundup

**2009-2010 ACCOMPLISHMENTS**

- Coordinated Warrant Round Up for Port Lavaca
- Improved warrant processes and missing citation issues between Police Department and Municipal Court
- Added technology in the court room

**BUDGET SUMMARY MUNICIPAL COURT****BUDGET HISTORY**

MUNICIPAL COURT	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	52,519	64,293	62,000	63,654
<b>Materials and Supplies</b>	786	1,200	900	1,150
<b>Services</b>	20,997	22,850	23,000	23,400
<b>Maintenance</b>	0	0	0	595
<b>Sundry</b>	17	0	50	0
<b>TOTAL MUNICIPAL COURT</b>	<b>74,319</b>	<b>88,343</b>	<b>85,950</b>	<b>88,799</b>

**BUDGETED PERSONNEL**

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Municipal Court Judge</b>	1	1
<b>Municipal Court Clerk</b>	1	1
<b>Municipal Clerk Assistant</b>	1/2	1/2
<b>TOTAL</b>	<b>3-1/2</b>	<b>3-1/2</b>





## Departmental Summaries

### TAX

#### DESCRIPTION OF OUR SERVICES

The Tax Department is established to separately account for the contractual tax services performed for the City by the Calhoun County Appraisal District (CCAD). The department performs the appraisals, generates the billing, and collects the property tax payments for the City.

#### BUDGET SUMMARY TAX

##### BUDGET HISTORY

TAX	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Services	88,332	101,843	106,000	112,935
<b>TOTAL TAX</b>	<b>88,332</b>	<b>101,843</b>	<b>106,000</b>	<b>112,935</b>

##### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
CONTRACTED SERVICE	N/A	N/A

**TECHNOLOGY****DESCRIPTION OF OUR SERVICES**

The technology department supports and maintains the City's computer network at all locations. The computer network technician is responsible for re-building the city's web site to promote open government.

**2010-2011 GOALS (STRATEGIC GOALS: 1,2)**

- Update Computers
- Install new server

**BUDGET SUMMARY TECHNOLOGY****BUDGET HISTORY**

<b>TECHNOLOGY</b>	<b>ACTUAL FY 2008-2009</b>	<b>FINAL AMENDED FY 2009-2010</b>	<b>PROJECTED FY 2009-2010</b>	<b>PROPOSED BUDGET FY 2010-2011</b>
<b>Personnel Services</b>	0	0	0	55,411
<b>Materials and Supplies</b>	0	0	0	1,500
<b>Services</b>	0	0	0	500
<b>Maintenance</b>	0	0	0	15,000
<b>TOTAL TECHNOLOGY</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>72,411</b>

\*2010- 2011 Major Additions:

Information Technology (IT) Specialist replaces City Secretary Administrative Asstistant

**BUDGETED PERSONNEL**

<b>POSITION</b>	<b>FY 09/10 ACTUAL</b>	<b>FY 10/11 ACTUAL</b>
<b>Information Technologist Specialist</b>	0	1
<b>TOTAL</b>	<b>0</b>	<b>1</b>



## Departmental Summaries

### 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 Finance Department is responsible for 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.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,3)

- Reduce audit costs
- Develop an ongoing Capital Plan
- Develop a Debt Policy
- Improve budget document to achieve Budget Award
- Assist in maximizing hotel/motel tax revenues
- Obtain the Certificate of Achievement for Excellence for Financial Reporting (CAFR) award through The Government Finance Officers Association (GFOA)
- Assist in linking strategic plan to budget

#### 2009-2010 ACCOMPLISHMENTS

- Completed Fixed Asset Conversion
- Cross Trained Personnel
- Updated Internal Policy and Procedure Manuals
- Improved Liquor Licenses process

### BUDGET SUMMARY FINANCE

#### BUDGET HISTORY

FINANCE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	164,641	172,510	174,500	172,782
<b>Materials and Supplies</b>	4,563	6,000	9,000	10,400
<b>Services</b>	6,329	5,650	3,000	5,700
<b>Maintenance</b>	1,380	1,400	1,400	1,650
<b>TOTAL FINANCE</b>	<b>176,913</b>	<b>185,560</b>	<b>187,900</b>	<b>190,532</b>

#### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Finance Director</b>	1	1
<b>Senior Accountant</b>	1	0
<b>Account Specialist</b>	0	1
<b>Accounting Clerk</b>	1	1
<b>TOTAL</b>	<b>3</b>	<b>3</b>



## 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.

## 2010-2011 GOALS (STRATEGIC GOAL: 2)

- Upgrade parking lot
- Install storm shutters on Railroad and Virginia street sides
- Continue landscaping around city hall
- Improve Utility parking lot

## 2009-2010 ACCOMPLISHMENTS

- Replaced carpet in Council Chambers
- Placed new signs at each end of City Hall and landscaped
- Installed new sprinkler system in grassy area
- Installed Lighted exit signs inside city hall
- Installed carpet in Permits and Code Enforcement office
- Replaced broken ceiling tile throughout city hall



## BUDGET SUMMARY CITY HALL

## BUDGET HISTORY

CITY HALL	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	2,824	4,878	5,000	11,961
<b>Materials and Supplies</b>	6,874	7,200	7,000	9,000
<b>Services</b>	63,037	53,700	54,000	59,100
<b>Maintenance</b>	12,025	45,500	25,000	21,500
<b>TOTAL CITY HALL</b>	<b>84,760</b>	<b>111,278</b>	<b>91,000</b>	<b>101,561</b>

\*2010- 2011 Major Additions:

Janitor went from Part Time to Full Time

## BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Janitor</b>	1/2	1
<b>TOTAL</b>	<b>1/2</b>	<b>1</b>





### POLICE

#### OUR MISSION

To protect and preserve the rights of the people, and serve the citizens of Port Lavaca; to treat all persons 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; and 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 investigations, juvenile investigations, illegal narcotics, and vice control. Officers prepare and investigate reports of incidents, requiring constant contact with the public; make arrests, investigate when necessary; motor vehicle accidents, and perform other duties.

The communications section is responsible as the point of contact for telephone and walk-in requests for service; and act as a liaison with other law enforcement agencies dispatching calls and relaying information in an expedient manner.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,4,5)

- Continue to update police department
- Create an efficient property and evidence room (bar code scanning)
- Provide outstanding police service to all citizens in an efficient manner
- Combine resources with other agencies to solve investigations, etc.

#### 2009-2010 ACCOMPLISHMENTS

- Completed construction of the new property room
- Obtained a better patrol camera system by adding cameras
- Instructed all elementary schools on assault prevention classes
- Transferred one sergeant position to detective in order to gain faster more involved investigations of major crimes
- Purchased trained K-9 dog

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## BUDGET SUMMARY POLICE

## BUDGET HISTORY

POLICE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Personnel Services	1,249,327	1,302,942	1,335,362	1,362,290
Materials and Supplies	60,390	65,975	63,000	66,100
Services	88,066	84,128	82,000	92,000
Maintenance	85,104	62,500	62,400	64,000
Sundry	31,478	24,329	24,573	24,828
Capital Expenditures	65,701	67,000	66,763	30,000
<b>TOTAL POLICE</b>	<b>1,580,066</b>	<b>1,606,874</b>	<b>1,634,098</b>	<b>1,639,218</b>

\*2010- 2011 Major Additions:  
Police Car

## BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
Police Chief- Exempt	1	1
Police Lieutenant	0	1
Administrative Sergeant	1	0
Police Sergeants	3	4
Police Detectives	4	4
Senior Police Officer	4	4
Police Officer	7	6
Lead Dispatcher	1	1
Police Dispatcher	4	4
Records Clerk/Dispatcher	1	1
<b>TOTAL</b>	<b>26</b>	<b>26</b>





## 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 Marshal'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 the point of coordination for emergency services during disaster and other emergency situations.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,4,5)

- Continue scheduling / staffing improvements to reduce overtime expense
- Continue with the Fire Officer Development Program to improve the quality of leadership
- Maintain and train on the compliance with the Texas Commission on Fire Protection
- Operate with a sense of pride and ownership within the organization
- Implement our improved education program to the local schools (fire prevention)
- Ensure that the fire departments prevention programs stay proactive as opposed to reactive
- Continue to have a presence in all drills local and regional
- Explore alternative funding for all aspects of operation
- Ensure all personnel are trained and safety remains priority

#### 2009-2010 ACCOMPLISHMENTS

- Improved departmental and citizen safety by conducting two firefighter entrance exams to bring department up to maximum staffing levels
- To date no loss of time injuries within the Fire Department
- Improved our safety and wild land fire response through the acquisition of a new brush truck
- Improved our safety and effectiveness through the acquisition of a 105' ladder truck
- Continued to develop the Fire officer program by sending two officers to the Spring Fire School at Texas A&M
- Implemented new Phase grading system for new hires
- Hosted Calhoun County Fire Association meeting to discuss radio inner operability
- Will host Phase IV of State Firemen's and Fire Marshals' Association of Texas (SFFMA) fire certification training
- Instrumental in the development and instruction of a city wide safety and Cardiopulmonary resuscitation (CPR) program for all city employees
- Improved fire stations through remodeling projects
- Expanded Fire Prevention Education Program to include the surrounding communities of Point Comfort and Port O'Connor

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- Started Fire Inspection program for the City of Port Lavaca to be conducted within the Fire Department with over 100 inspections completed to date
- Flow tested, painted, and identified Gallons per Minute (GPM) ratings on all hydrants located within the City of Port Lavaca, subsequently this will lower the city's Insurance Service Office (ISO) rating
- Continued with the implementation of the Fire Departments smoke detector program
- 100% departmental compliance for the Brian Hunton National Fire Service Seatbelt Pledge
- Completed our 100th Year of service to the citizens of Port Lavaca and surrounding areas

## BUDGET SUMMARY FIRE

### BUDGET HISTORY

FIRE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	769,584	849,987	795,000	892,600
<b>Materials and Supplies</b>	29,638	49,532	32,000	50,500
<b>Services</b>	41,763	42,870	96,000	54,900
<b>Maintenance</b>	23,840	49,462	40,000	31,400
<b>Sundry</b>	34,766	34,879	33,711	34,778
<b>Capital Expenditures</b>	118,952	57,245	63,998	0
<b>TOTAL FIRE</b>	<b>1,018,543</b>	<b>1,083,975</b>	<b>1,060,709</b>	<b>1,064,178</b>

\*2010- 2011 Major Additions: Various Equipment For Ladder Truck

### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Fire Chief-Exempt</b>	1	1
<b>Fire Captain</b>	3	3
<b>Fire Lieutenant</b>	3	3
<b>Fire Fighter/Apparatus Operator</b>	10	10
<b>TOTAL</b>	<b>17</b>	<b>17</b>



## Departmental Summaries

### ANIMAL CONTROL

#### OUR MISSION

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

#### DESCRIPTION OF OUR SERVICES

The Port Lavaca Police 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 Service activities are conducted to ensure the health, safety and welfare of the community.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,4,5)

- Focus activity in the central part of the city where the largest number of animals are observed running at large
- Continue focus on female dogs running at large
- Work with shelter to implement a spay/neuter program

#### 2009-2010 ACCOMPLISHMENTS

- Hired a second full time animal control officer
- Implemented seven day animal control service
- Purchased and placed a second vehicle on the street with enclosure
- Decreased the number of animals allowed to run at large

### BUDGET SUMMARY ANIMAL CONTROL

#### BUDGET HISTORY

ANIMAL CONTROL	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	50,827	69,269	65,272	71,317
<b>Materials and Supplies</b>	8,564	13,225	9,297	11,100
<b>Services</b>	9,302	10,650	8,112	9,950
<b>Maintenance</b>	4,521	11,550	5,892	3,500
<b>Capital Expenditures</b>	25,674	0	0	0
<b>TOTAL ANIMAL CONTROL</b>	<b>98,888</b>	<b>104,694</b>	<b>88,573</b>	<b>95,867</b>

#### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Animal Control Officer</b>	2	2
<b>TOTAL</b>	<b>2</b>	<b>2</b>

### PUBLIC WORKS

#### OUR MISSION

The mission of the City of Port Lavaca Public Works Department is to provide outstanding services and facilities through cooperative efforts with our citizens; to enhance to the quality of life in our community. The department dedicated to making Port Lavaca the most desirable place to live, work, play and visit. The department envisions a safe and secure environment, an informed citizenry, enhanced economic opportunity and expanded educational, recreational and cultural opportunities.

Working as a team, the department pledges to give Customer Service a top priority, be respectful of individual dignity and rights, be financially responsible, ethical and responsive to our customers, innovative in addressing community needs and be an organization which serves with pride.

#### DESCRIPTION OF OUR SERVICES

The Public Works department is responsible for providing basic city services to the citizens, including Water, Wastewater, Street maintenance, Park maintenance, Lighthouse Beach, activities including a fully functional RV Park.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,3,4,5)

- Continue drainage ditch cleaning
- Continue the replacement of the City's infrastructure
- Develop a wastewater master plan
- Continue grant applications for water, wastewater and parks

#### 2009-2010 ACCOMPLISHMENTS

- Added approximately 236 feet of pier at Lighthouse Beach
- Secured grant for the Texas Community Block Grant (TCBG) Center Street water line replacement
- Secured grant funding for Cycle 15 Pier Replacement
- Completed the 2009 Capital Improvement Projects
  - Leon Street Rehab
  - Trails Grant – Lighthouse Beach
  - Bonorden Water Line Project



### BUDGET SUMMARY PUBLIC WORKS

#### BUDGET HISTORY

PUBLIC WORKS	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	110,512	117,583	112,126	118,680
<b>Materials and Supplies</b>	5,857	4,925	4,840	5,325
<b>Services</b>	3,775	4,140	3,110	4,060
<b>Maintenance</b>	395	500	550	500
<b>Capital Expenditures</b>	0	0	0	20,000
<b>TOTAL PUBLIC WORKS</b>	<b>120,539</b>	<b>127,148</b>	<b>120,626</b>	<b>148,565</b>

\*2010- 2011 Major Additions: Pickup Truck

#### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Public Works Director</b>	1	1
<b>Administrative Assistant</b>	1	1
<b>TOTAL</b>	<b>2</b>	<b>2</b>





## Departmental Summaries

### 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 the 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 building trade codes, safety codes and land use; burglar and fire alarm registration; animal control registration; park event permits; and permits for peddlers, solicitors, and itinerant merchant.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,4,5)

- Track projects with more preciseness
- Increase number of code enforcement inspections
- Update ordinances to bring into compliance with the State
- Increase public awareness of departmental rules and regulations
- Strive to achieve 100% of inspections upheld in Municipal Court

#### 2009-2010 ACCOMPLISHMENTS

- Issued 508 permits with a valuation of \$3,500,680 in the first nine months of the budget year
- Completed 760 code enforcement inspections in the first nine months of this budget year
- Collected \$6,093 in liens

### BUDGET SUMMARY CODE ENFORCEMENT/INSPECTIONS

#### BUDGET HISTORY

CODE ENFORCEMENT	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	119,532	127,779	98,478	121,612
<b>Materials and Supplies</b>	5,252	9,200	7,862	7,100
<b>Services</b>	8,669	32,500	9,705	16,400
<b>Maintenance</b>	2,228	3,110	3,165	3,500
<b>Capital Expenditures</b>	13,385	0	15,420	0
<b>TOTAL CODE ENFORCEMENT</b>	<b>149,066</b>	<b>172,589</b>	<b>134,630</b>	<b>148,612</b>

#### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Building Official</b>	1	1
<b>Permit Clerk</b>	1	1
<b>Code Enforcement Officer</b>	1	1
<b>TOTAL</b>	<b>3</b>	<b>3</b>

**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.

**2010-2011 GOALS (STRATEGIC GOALS: 1,2,3,5)**

- Seal coat areas approved for processing
- Reclaim certain streets within the city with zipper program
- Clean out several sections of drainage ditch within the city
- Create a herbicide program for curbs and gutters

**2009-2010 ACCOMPLISHMENTS**

- Reclaimed approximately one mile of streets with zipper
- Cleaned all major storm water outflows
- Repaired Police Department driveway
- Completed two city wide clean ups

**BUDGET SUMMARY STREETS****BUDGET HISTORY**

STREETS	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	299,426	368,384	351,967	391,252
<b>Materials and Supplies</b>	37,678	41,435	35,960	37,100
<b>Services</b>	187,325	190,700	163,300	179,700
<b>Maintenance</b>	416,731	316,700	183,000	410,500
<b>Sundry</b>	725,357	2,521,028	2,421,027	35,025
<b>Capital Expenditures</b>	164,958	0	8,350	450,000
<b>TOTAL STREETS</b>	<b>1,831,475</b>	<b>3,438,247</b>	<b>3,163,604</b>	<b>1,503,577</b>

\*2010- 2011 Major Additions:  
Street Project

**BUDGETED PERSONNEL**

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Maintenance Superintendent</b>	1	1
<b>Heavy Equipment Operator</b>	4	4
<b>Maintenance Worker</b>	4	4
<b>Temporary Worker (summer)</b>	5	5
<b>TOTAL</b>	<b>14</b>	<b>14</b>



## Departmental Summaries

### 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, janitorial duties, maintenance of swimming pool, and construction of new projects.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,3,5)

- Beautify Port Lavaca's Parks and Open Space
- Continue updates and repairs at all parks
- Assist Little League with plans to renovate Wilson Park
- Finish Parks Master Plan



#### 2009-2010 ACCOMPLISHMENTS

- Started Parks Master Plan
- Installed sand volleyball court at Tilley Park
- Installed dome posts for traffic control at Bayfront Peninsula
- Installed cement walkway and entrance ramps at George Adams Park
- Replaced light pole and several bad lights at Wilson Field
- Purchased and installed two sets of aluminum bleachers at Wilson Field

### BUDGET SUMMARY PARKS

#### BUDGET HISTORY

PARKS AND RECREATION	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	147,411	158,097	156,314	159,896
<b>Materials and Supplies</b>	17,027	15,925	19,303	20,800
<b>Services</b>	45,496	31,700	34,000	34,650
<b>Maintenance</b>	27,552	50,150	39,979	51,000
<b>Capital Expenditures</b>	8,230	16,800	16,800	0
<b>TOTAL PARKS AND RECREATION</b>	<b>245,716</b>	<b>272,672</b>	<b>266,396</b>	<b>266,346</b>

#### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Lead Parks Maintenance Worker</b>	1	1
<b>Maintenance Worker</b>	4	4
<b>Temporary Worker (summer)</b>	1	1
<b>TOTAL</b>	<b>6</b>	<b>6</b>

## BAUER CENTER



### OUR MISSION

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, operations, and maintenance for the facilities of the Bauer Community Center. Revenues are generated from facility rentals and rentals of the electronic advertising display sign.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,3,5)

- Create a more extensive marketing plan
- Book at least two special events a year
- Continue long range maintenance program for the facility
- Repair electronic sign at front of building

#### 2009-2010 ACCOMPLISHMENTS

- Installed Parking Lot and Flag Pole Lights
- Remodeled Visitor Center
- Painted and landscaped the exterior of the Bauer Building
- Replaced floor



## BUDGET SUMMARY CONVENTION AND VISITORS BUREAU

### BUDGET HISTORY

BAUER CENTER	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	53,026	56,818	52,049	64,060
<b>Materials and Supplies</b>	6,596	6,000	9,000	6,000
<b>Services</b>	56,431	91,000	91,806	90,700
<b>Maintenance</b>	35,853	105,050	131,691	52,900
<b>TOTAL BAUER CENTER</b>	<b>151,906</b>	<b>258,868</b>	<b>284,546</b>	<b>213,660</b>

\*2010- 2011 Major Additions:

Painting Exterior

Tables and Chairs

### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Office Assistant</b>	0	0
<b>Maintenance Worker</b>	2	2
<b>TOTAL</b>	<b>2</b>	<b>2</b>





## Departmental Summaries

### SWIMMING POOL OPERATIONS

#### OUR MISSION

The mission of the City of Port Lavaca Swimming Pool Operations Department is to provide the City of Port Lavaca a fresh water, high quality alternative for swimming.

#### DESCRIPTION OF OUR SERVICES

The Municipal swimming pool is operated by the Young Men's Christian Association (YMCA). The maintenance costs are provided by the City of Port Lavaca.

### BUDGET SUMMARY SWIMMING POOL OPERATIONS

#### BUDGET HISTORY

SWIMMING POOL OPERATIONS	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Materials and Supplies</b>	11,298	8,250	11,758	11,100
<b>Services</b>	16,159	8,500	12,710	8,500
<b>Maintenance</b>	15,255	12,000	9,000	7,000
<b>Sundry</b>	11	0	0	0
<b>TOTAL SWIMMING POOL OPERATIONS</b>	<b>42,723</b>	<b>28,750</b>	<b>33,468</b>	<b>26,600</b>

#### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>CONTRACTED YOUNG MEN'S CHRISTIAN ASSOCIATION (YMCA)</b>	N/A	N/A

**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, Allocation to Fixed Asset Replacement Fund (FARF), 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 City Manager and distributed, after approval by the 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) ALLOCATION**

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 GENERAL NON-DEPARTMENTAL****BUDGET HISTORY**

<b>NON-DEPARTMENTAL</b>	<b>ACTUAL FY 2008-2009</b>	<b>FINAL AMENDED FY 2009-2010</b>	<b>PROJECTED FY 2009-2010</b>	<b>PROPOSED BUDGET FY 2010-2011</b>
<b>Personnel Services</b>	555,484	434,000	433,960	434,000
<b>Services</b>	165,686	162,023	168,965	153,400
<b>Maintenance</b>	49,806	59,000	67,951	16,000
<b>Sundry</b>	123,215	255,229	195,904	223,000
<b>TOTAL NON-DEPARTMENTAL</b>	<b>894,191</b>	<b>910,252</b>	<b>866,780</b>	<b>826,400</b>

**BUDGETED PERSONNEL**

<b>POSITION</b>	<b>FY 09/10 ACTUAL</b>	<b>FY 10/11 ACTUAL</b>
<b>CONTRACTED SERVICE</b>	N/A	N/A





**Lighted Fishing Pier  
Lighthouse Beach  
Port Lavaca, Texas**

*Photo Courtesy  
Jasmine Gordon*





CITY OF  
PORT LAVACA

*Public Utility*

*Beach*

*Port Commission*

# ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business 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 charges.

[WWW.PORTLAVACA.ORG](http://WWW.PORTLAVACA.ORG)



## Public Utility Fund

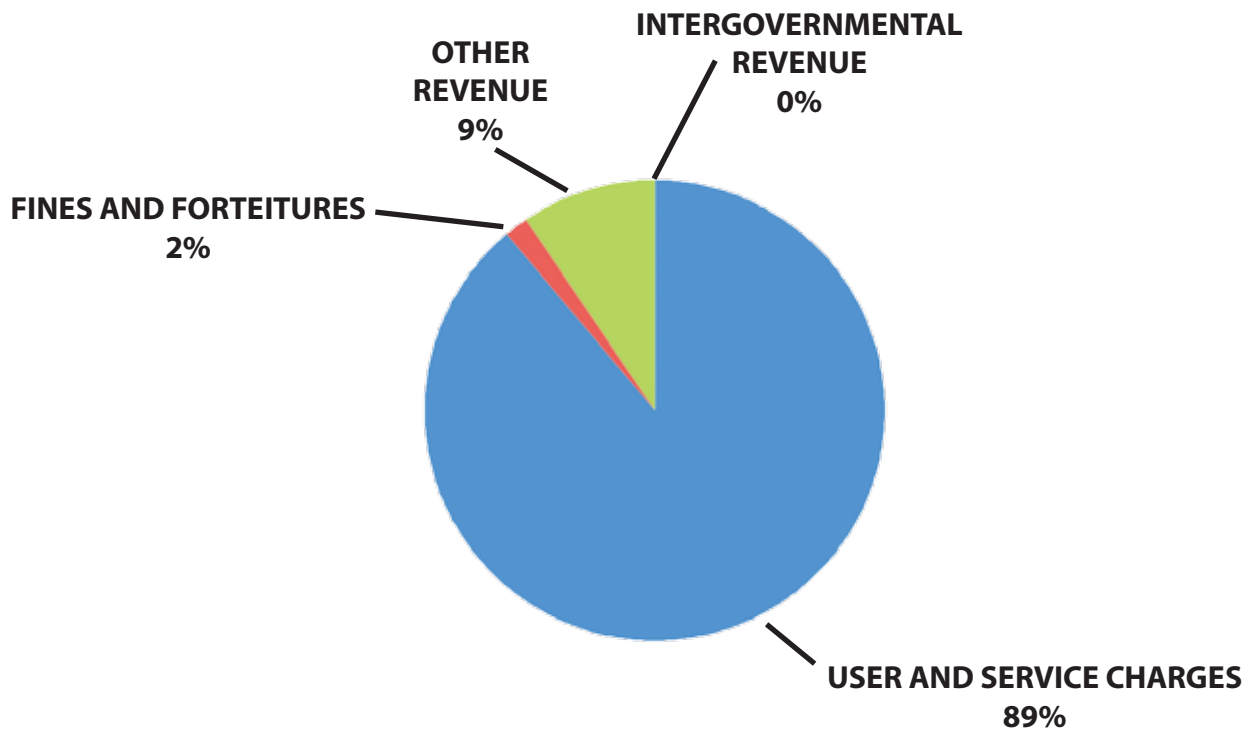
### PUBLIC UTILITY FUND

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

#### PUBLIC UTILITY REVENUE

REVENUE SUMMARY	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
User and Service Charges	5,125,867	4,841,145	4,965,778	4,858,500
Fines and Forfeitures	98,984	90,000	92,835	90,000
Other Revenue	106,170	75,650	109,961	511,000
<b>TOTAL REVENUES</b>	<b>5,331,021</b>	<b>5,006,795</b>	<b>5,168,574</b>	<b>5,459,500</b>

#### PUBLIC UTILITY REVENUE



## PUBLIC UTILITY REVENUE DETAIL

PUBLIC UTILITY FUND REVENUE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>USER AND SERVICE CHARGES</b>				
Water- Metered	2,347,726	2,125,000	2,195,984	2,150,000
Water- Bulk	79	0	343	0
Water- Metered County	91,735	88,000	71,993	78,000
Sewer Residential	1,159,446	1,130,000	1,167,292	1,135,000
Sewer Commercial	682,140	685,000	679,617	681,000
Sewer County	34,115	34,000	33,297	32,000
Waste- Garbage Collection	693,928	689,680	704,179	690,000
Spring Cleanup	27,646	25,000	27,666	25,000
Water Taps	12,492	10,000	13,375	12,000
Sewer Taps	4,360	4,000	10,831	4,000
Service Call Fees	1,956	2,000	1,990	1,500
Service Transfer Fees	3,270	3,000	2,990	3,000
Service Reconnection Fees	54,178	33,465	41,537	35,000
Service Temp Water	2,310	2,000	2,535	2,000
Sales Tax- Garbage	10,486	10,000	12,149	10,000
<b>TOTAL USER AND SERVICE CHARGES</b>	<b>5,125,867</b>	<b>4,841,145</b>	<b>4,965,778</b>	<b>4,858,500</b>
<b>FINES AND FORFEITURES</b>				
Late Payment Penalties	98,984	90,000	92,835	90,000
Cash Over- Utility Billing	0	0	0	0
<b>TOTAL FINES AND FORFEITURES</b>	<b>98,984</b>	<b>90,000</b>	<b>92,835</b>	<b>90,000</b>
<b>OTHER REVENUE</b>				
Interest Income	45,683	36,000	16,119	18,000
Other Financing Sources	0	0	0	0
Returned Check Fee	3,705	3,000	3,390	3,000
Bad Debt Account Collection	12,221	1,650	23,143	5,000
Calhoun County Rural Water Supply System - Guadalupe-Blanco River Authority (CCRWSS- GBRA) Transmission	43,922	35,000	35,486	35,000
Auction Proceeds	0	0	0	0
Texas Municipal League (TML) Reimbursements	0	0	29,594	0
Miscellaneous	638	0	2,229	0
Equity Balance Forward	0	0	0	450,000
<b>TOTAL OTHER REVENUE</b>	<b>106,169</b>	<b>75,650</b>	<b>109,961</b>	<b>511,000</b>
<b>TOTAL PUBLIC UTILITY REVENUE</b>	<b>5,331,021</b>	<b>5,006,795</b>	<b>5,168,574</b>	<b>5,459,500</b>



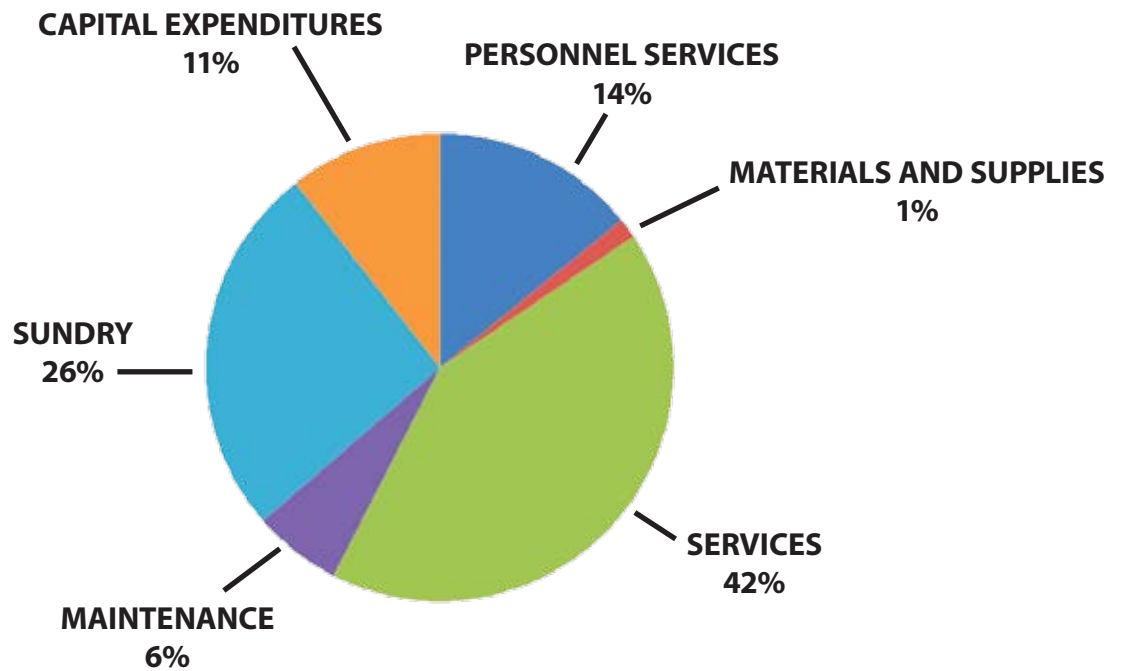
## Public Utility Fund Expenditures

### PUBLIC UTILITY EXPENSE

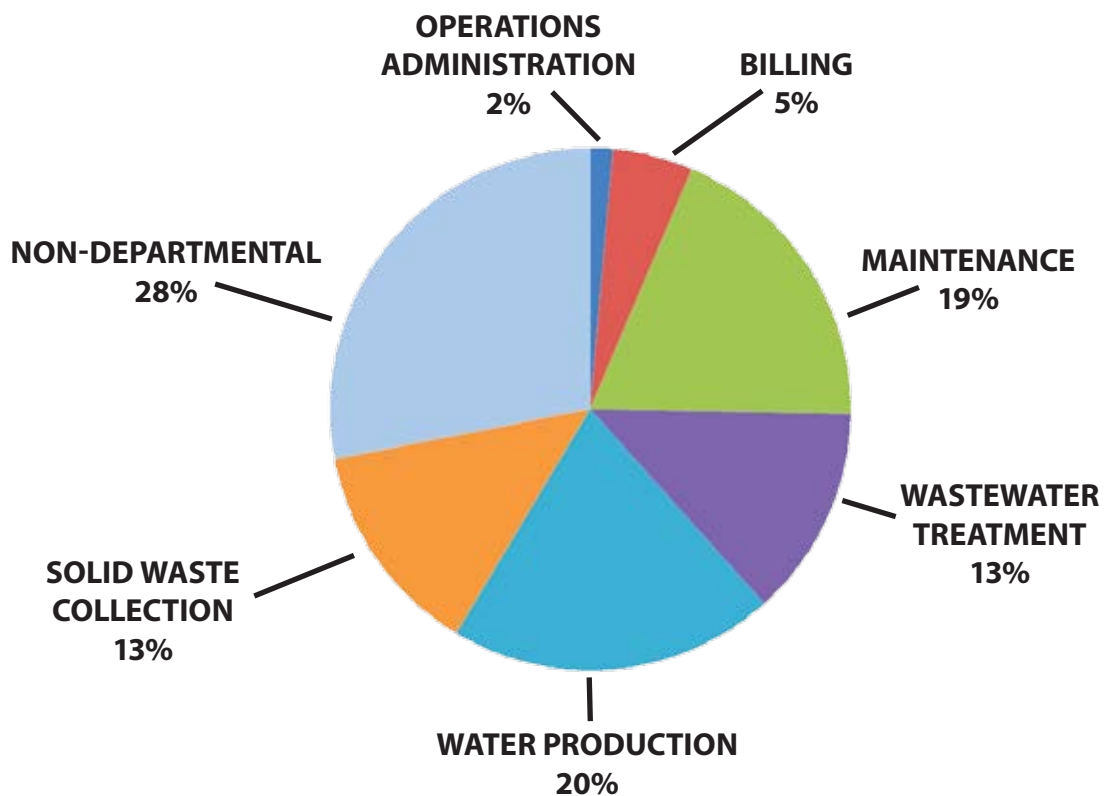
EXPENSES	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	748,468	792,321	702,969	777,178
<b>Materials and Supplies</b>	69,109	64,400	79,936	70,035
<b>Services</b>	2,266,357	2,294,150	2,247,299	2,297,949
<b>Maintenance</b>	383,154	318,912	279,733	334,912
<b>Sundry</b>	1,027,625	1,391,887	1,389,076	1,407,426
<b>Capital Expenditures</b>	0	145,000	72,841	572,000
<b>TOTAL EXPENSES</b>	<b>4,494,713</b>	<b>5,006,670</b>	<b>4,771,854</b>	<b>5,459,500</b>

EXPENSES BY DEPARTMENT	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Operations Administration</b>	76,192	77,189	78,069	81,779
<b>Billing</b>	240,035	251,819	253,829	262,494
<b>Maintenance</b>	618,253	586,689	543,995	1,038,753
<b>Wastewater Treatment</b>	638,832	697,415	657,053	713,332
<b>Water Production</b>	1,085,263	1,159,670	1,078,864	1,109,332
<b>Solid Waste Collection</b>	715,974	714,680	715,000	715,000
<b>Non-Departmental</b>	1,120,164	1,519,208	1,445,044	1,538,810
<b>TOTAL EXPENSES</b>	<b>4,494,713</b>	<b>5,006,670</b>	<b>4,771,854</b>	<b>5,459,500</b>

### PUBLIC UTILITY EXPENSE FUND BY FUNCTION



### PUBLIC UTILITY EXPENSE FUND BY DEPARTMENT





## Public Utility Fund Departmental Summaries

### OPERATIONS

#### OUR MISSION

The mission of the City of Port Lavaca Operations Department is to produce and supply safe and palatable water to the City of Port Lavaca customers in sufficient quantity and pressure to meet demands and to safely collect, transport and treat wastewater.

#### DESCRIPTION OF OUR SERVICES

The Operations Administration Department oversees construction and capital projects for the Utility Department. They also oversee water inspections and testing reporting to Texas Commission on Environmental Quality (TCEQ).

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,5)

- Assist the City with the continuation of the recommended distribution and collection system improvements.
- Continue working with Texas Commission on Environmental Quality (TCEQ) on the wastewater treatment plant effluent discharge
- Continue working on I and I improvements throughout the city

#### 2009-2010 ACCOMPLISHMENTS

- Smoke tested area II of I and I study and implemented program to repair
- Inspected water towers per Texas Commission on Environmental Quality (TCEQ) rules and regulations
- Implemented a maintenance program at the wastewater treatment plant

### BUDGET SUMMARY UTILITY OPERATIONS

#### BUDGET HISTORY

OPERATIONS ADMINISTRATION	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Personnel Services	64,865	67,239	68,832	70,894
Materials and Supplies	3,151	3,100	2,786	2,735
Services	7,409	6,850	6,451	8,150
Maintenance	767	0	0	0
<b>TOTAL OPERATIONS ADMINISTRATION</b>	<b>76,192</b>	<b>77,189</b>	<b>78,069</b>	<b>81,779</b>

#### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
Utility Supervisor	1	1
<b>TOTAL</b>	<b>1</b>	<b>1</b>

## 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. The division 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.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2)

- Strategize training methods
- Revise "To Turn It On" web page on City policies
- Improve image of the City through excellent customer service
- Implement online bill pay
- Improve process between Utility Billing and Utility Maintenance
- Add a more secure utility payment night drop
- Send drafts online to bank
- Update Utility forms in efforts to reduce paper and further protect customer's information

#### 2009-2010 ACCOMPLISHMENTS

- Implemented Bad Debt Policy and delegated ownership with proven results
- Revised internal processes related to cutoffs to be more efficient
- Implemented extended hours of service
- Reduced the City's liability for customer's deposits by refunding deposits to customers with good credit history

*Utility Billing continued on page 62...*

Utility Billing continued from page 61...

### BUDGET SUMMARY UTILITY BILLING

#### BUDGET HISTORY

BILLING	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Personnel Services	165,053	171,182	176,728	181,657
Materials and Supplies	9,822	10,075	9,531	9,975
Services	32,023	36,350	36,000	36,650
Maintenance	33,150	29,212	31,470	29,212
Sundry	-13	5,000	100	5,000
<b>TOTAL BILLING</b>	<b>240,035</b>	<b>251,819</b>	<b>253,829</b>	<b>262,494</b>

#### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
Utility Billing Supervisor	0	0
Customer Service Specialist	1	1
Utility Billing Specialist	1	1
Account Billing Clerk	1	1
Meter Reader	2	2
<b>TOTAL</b>	<b>5</b>	<b>5</b>

### MAINTENANCE

#### OUR MISSION

The mission of the City of Port Lavaca Maintenance Department is to provide the City of Port Lavaca 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.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,3,4)

- Update water maps for implementation of Leak Detection Program.
- Identify and compile a database of all cast iron/ductile water lines in the distribution system and develop a schedule for replacement.
- Keep customer complaints below 2% of total customers per month

#### 2009-2010 ACCOMPLISHMENTS

- Replaced several failed sewer mains throughout the system
- Upgraded water line from 2" cast iron to 6" C900 on Tommy and Charlotte
- Replaced 2" cast iron line with 4" C900 on Guadalupe Street

### BUDGET SUMMARY UTILITY MAINTENANCE

#### BUDGET HISTORY

MAINTENANCE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	257,423	276,829	273,000	282,992
<b>Materials and Supplies</b>	23,161	21,800	30,288	28,000
<b>Services</b>	25,671	38,950	32,022	39,150
<b>Maintenance</b>	228,909	131,700	131,763	156,200
<b>Sundry</b>	83,089	37,410	37,411	37,411
<b>Capital Expenditures</b>	0	80,000	39,511	495,000
<b>TOTAL MAINTENANCE</b>	<b>618,253</b>	<b>586,689</b>	<b>543,995</b>	<b>1,038,753</b>

\*2010- 2011 Major Additions: Mini Excavator and Lynnhaven Sewer Rehab

#### BUDGETED PERSONNEL

POSITION	FY 08/09 ACTUAL	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Utility Operator</b>	1	1	1
<b>Heavy Equipment Operator</b>	0	3	3
<b>Utility Maintenance Worker</b>	7	4	4
<b>TOTAL</b>	<b>8</b>	<b>8</b>	<b>8</b>





## Public Utility Fund Departmental Summaries

### WASTEWATER

#### OUR MISSION

The mission of the City of Port Lavaca Wastewater Department is to provide the City of Port Lavaca 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, they are responsible for sludge disposal, laboratory/process control, pretreatment program, monitoring through our lift stations and Supervisory Control and Data Acquisition System (SCADA) operations.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,3,4)

- 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.
- Achieve and maintain Whole Effluent Toxicity Testing (WET) limits for biomonitoring of the mysid shrimp.
- Replace/upgrade pumps/pump controls in lift stations where needed.
- Continue SCADA additions to collection system.

#### 2009-2010 ACCOMPLISHMENTS

- Added two lift stations to SCADA system
- Upgraded Ultraviolet (UV) system to include bypass per TCEQ requirements
- Implemented use of M65 at Main and Vela lift stations for odor control
- Worked with engineering firm to raise our copper limits in our permits for the effluent

### BUDGET SUMMARY WASTEWATER

#### BUDGET HISTORY

WASTEWATER TREATMENT	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	111,243	118,371	119,409	122,935
<b>Materials and Supplies</b>	32,975	29,425	37,331	29,325
<b>Services</b>	372,391	312,100	335,962	320,050
<b>Maintenance</b>	118,863	156,500	115,000	148,000
<b>Sundry</b>	3,360	16,019	16,021	16,022
<b>Capital Expenditures</b>	0	65,000	33,330	77,000
<b>TOTAL WASTEWATER TREATMENT</b>	<b>638,832</b>	<b>697,415</b>	<b>657,053</b>	<b>713,332</b>

\*2010- 2011 Major Additions: SCADA Lift Stations, Utility Truck and Inflow and Infiltration (I and I) Improvements

#### BUDGETED PERSONNEL

POSITION	FY 08/09 ACTUAL	FY 09/10 ACTUAL	FY 10/11 ACTUAL
<b>Utility Operator/Electrician</b>	1	1	0
<b>Utility Operator</b>	2	2	3
<b>Temp Maintenance Worker</b>	1	1	1
<b>TOTAL</b>	<b>5</b>	<b>4</b>	<b>4</b>



It is amazing how much you  
can accomplish when it doesn't  
matter who gets the credit.

—Unknown



## Public Utility Fund Departmental Summaries

### WATER PRODUCTION

#### DESCRIPTION OF OUR SERVICES

The Water Distribution Department is used to account for remittances made by the Public Utility Fund to the \*GBRA (Guadalupe-Blanco River Authority) for water the City purchases and provides to its utility customers.

\*GBRA is a political subdivision of the State of Texas established to develop, conserve, and protect the water resources of the Guadalupe River Basin. The City of Port Lavaca purchases its treated (purified) water from G.B.R.A.

### BUDGET SUMMARY WATER PRODUCTION

#### BUDGET HISTORY

WATER PRODUCTION	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Services	1,085,263	1,159,670	1,078,864	1,109,332
<b>TOTAL WATER PRODUCTION</b>	<b>1,085,263</b>	<b>1,159,670</b>	<b>1,078,864</b>	<b>1,109,332</b>

CITY OF  
PORT LAVACA

### SOLID WASTE

#### DESCRIPTION OF OUR SERVICES

The Solid Waste Department provides for curbside collection of solid waste to residential customers and small offices. This service is provided to Public Utility customers by contractual arrangements through Allied Waste, Inc. Residential and small office solid waste is collected twice weekly.

#### BUDGET SUMMARY SOLID WASTE

##### BUDGET HISTORY

SOLID WASTE COLLECTION	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Services	690,974	689,680	690,000	690,000
Sundry	25,000	25,000	25,000	25,000
<b>TOTAL SOLID WASTE COLLECTION</b>	<b>715,974</b>	<b>714,680</b>	<b>715,000</b>	<b>715,000</b>





## Public Utility Fund Departmental Summaries

### 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 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 UTILITY NON-DEPARTMENTAL

#### BUDGET HISTORY

NON-DEPARTMENTAL	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Personnel Services</b>	149,884	158,700	65,000	118,700
<b>Services</b>	52,626	50,550	68,000	94,617
<b>Maintenance</b>	1,465	1,500	1,500	1,500
<b>Sundry</b>	916,189	1,308,458	1,310,544	1,323,993
<b>TOTAL NON-DEPARTMENTAL</b>	<b>1,120,164</b>	<b>1,519,208</b>	<b>1,445,044</b>	<b>1,538,810</b>

### BEACH OPERATING FUND

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

#### BUDGET SUMMARY BEACH FUND

##### BUDGET HISTORY REVENUE

BEACH OPERATIONS REVENUE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
User and Service Charges	257,911	177,250	270,146	193,500
Other Revenue	5,995	40,419	7,486	54,500
Intergovernmental Revenue	0	12,781	12,781	0
<b>TOTAL REVENUE</b>	<b>263,906</b>	<b>230,450</b>	<b>290,413</b>	<b>248,000</b>

##### BEACH REVENUE DETAIL

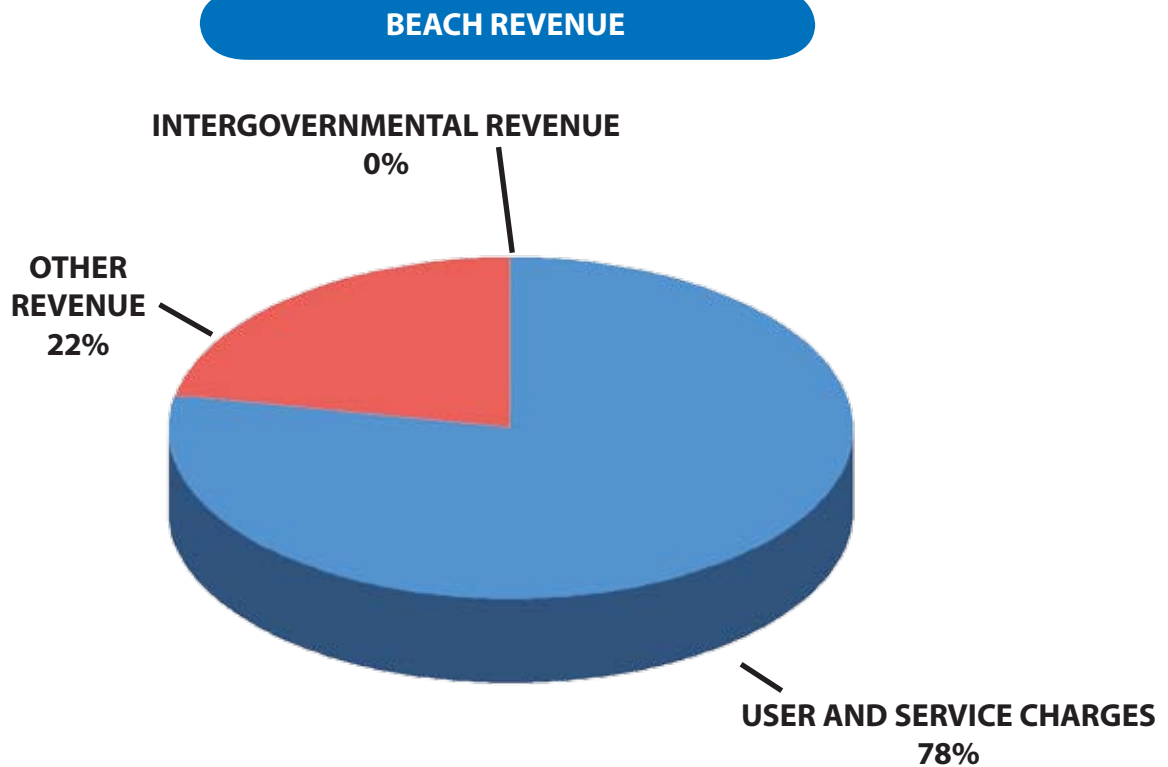
BEACH OPERATING REVENUE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>USER AND SERVICE CHARGES</b>				
Gate Fee- Daily	33,333	22,000	45,511	35,000
Gate Fee- Annual	4,579	4,500	2,941	3,500
Gate Fee- Senior Citizens	2,945	2,500	4,038	2,500
Recreational Vehicle Rentals	213,710	146,000	213,238	150,000
Pavillion Rentals	2,919	1,500	3,710	2,000
Cabana Rentals	425	500	708	500
Concession	0	250	0	0
Special Events	0	0	0	0
<b>TOTAL USER AND SERVICE CHARGES</b>	<b>257,911</b>	<b>177,250</b>	<b>270,146</b>	<b>193,500</b>
<b>OTHER REVENUE</b>				
Interest Income	2,689	1,200	2,189	2,000
Returned Check Fee	50	0	0	0
Texas Municipal League Reimbursement	0	0	113	0
Washer-Dryer Income	3,251	2,000	5,184	2,500
Miscellaneous	5	0	0	0
Equity Balance Forward	0	37,219	0	50,000
<b>TOTAL OTHER REVENUE</b>	<b>5,995</b>	<b>40,419</b>	<b>7,486</b>	<b>54,500</b>

Budget Revenue Detail continued on page 70...



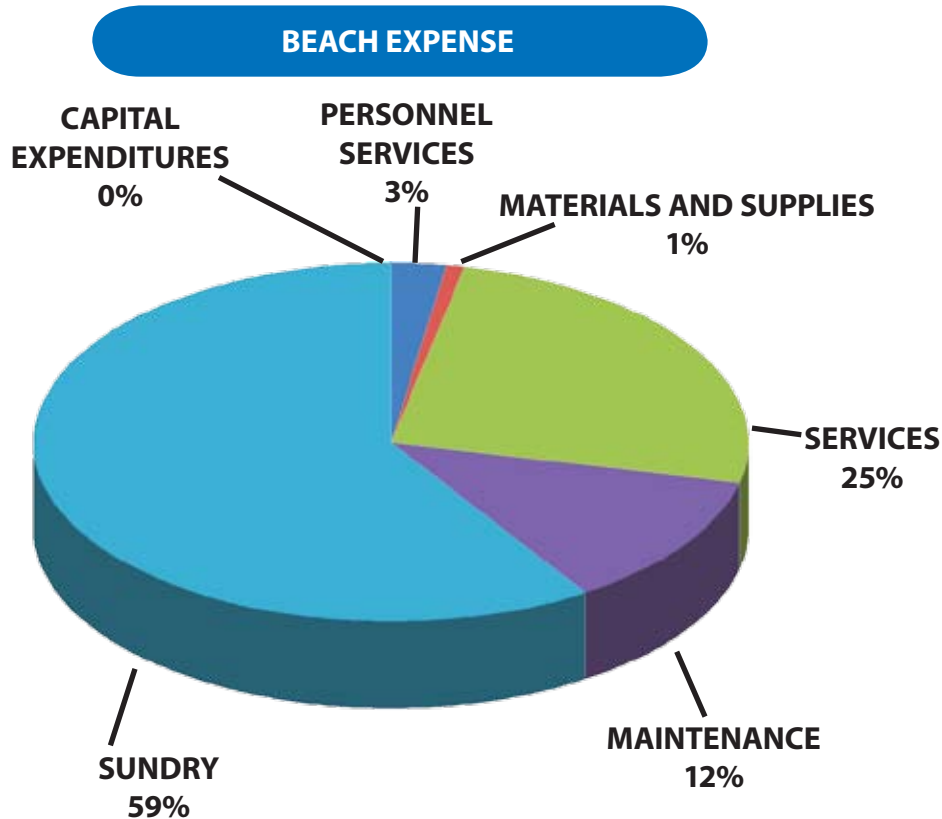
Budget Revenue Detail continued from page 69...

BEACH OPERATING REVENUE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>INTERGOVERNMENTAL REVENUE</b>				
XFER IN- FD 166	0	12,781	12,781	0
XFER IN- FD 218	0	0	0	0
XFER IN- FD 221	0	0	0	0
<b>TOTAL INTERGOVERNMENTAL</b>	<b>0</b>	<b>12,781</b>	<b>12,781</b>	<b>0</b>
<b>TOTAL BEACH REVENUE</b>	<b>263,906</b>	<b>230,450</b>	<b>290,414</b>	<b>248,000</b>



### BUDGET HISTORY EXPENSE

BEACH OPERATIONS EXPENSE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Personnel Services	5,685	6,460	100	6500
Materials and Supplies	1,424	1,315	1,700	1500
Services	70,469	75,175	78,200	62700
Maintenance	3,876	53,500	44,500	30300
Sundry	111,528	88,000	88,000	147000
Capital Expenditures	0	6,000	6,585	0
<b>TOTAL EXPENSES</b>	<b>192,982</b>	<b>230,450</b>	<b>219,085</b>	<b>248,000</b>





## Beach Fund Departmental Summaries

### 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 by 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 that enjoy the beach facilities. The Beach revenues are generated by the following activities: rental of RV Spaces, access fees to Lighthouse Beach and pavilion rentals.

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,3,5)

- Continue work on the appearance of the RV Park and Beach
- Begin looking at options for expansion of RV Park
- Add shade structures to the beach
- Replace rusted bolts on boardwalk

#### 2009-2010 ACCOMPLISHMENTS

- Added shade structures to the beach – five umbrellas and two cabanas
- Added sidewalk beside Recreation room
- Dredged channel at boat ramp
- Replaced dome posts around park
- Repaved and added to trail to make it 0.9 miles

### 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.

#### BUDGET SUMMARY PORT COMMISSION

##### BUDGET HISTORY REVENUE

PORT OPERATIONS REVENUE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
User and Service Charges	417,402	381,700	431,457	403,000
Fines and Forfeitures	767	600	773	500
Other Revenue	24,663	48,566	12,333	251,887
Grant And Contribution	2,000	2,000	2,000	2,000
<b>TOTAL REVENUE</b>	<b>444,832</b>	<b>432,866</b>	<b>446,563</b>	<b>657,387</b>

##### PORT REVENUE DETAIL

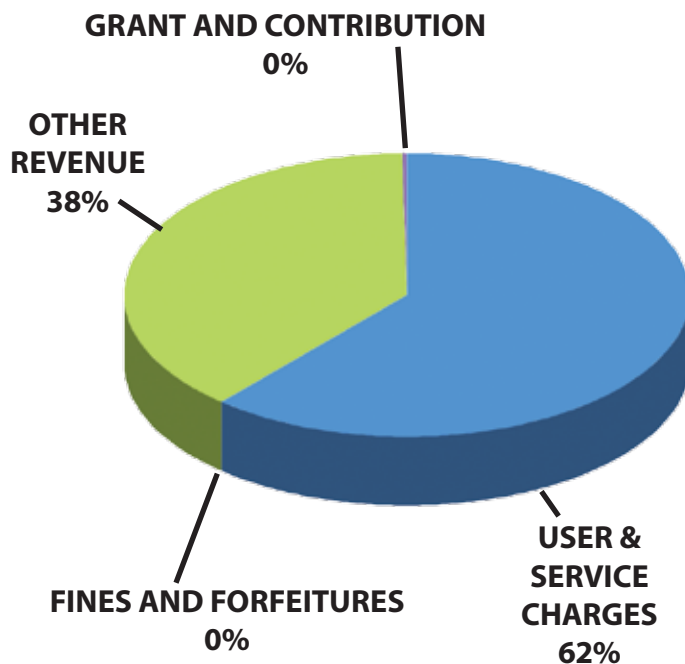
PORT REVENUE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>USER AND SERVICE CHARGES</b>				
City Harbor- Dock Leases	105,510	78,200	143,270	87,000
Harbor of Refuge- Dock Lease	169,290	171,500	137,059	183,000
Harbor of Refuge- Tariffs	36,069	35,000	41,645	32,000
Nautical Landing- Dock Lease	59,433	50,000	72,348	72,000
Nautical Landing- Building Lease	47,100	47,000	37,135	29,000
Bad Debt	0	0	0	0
<b>TOTAL USER AND SERVICE CHARGES</b>	<b>417,402</b>	<b>381,700</b>	<b>431,457</b>	<b>403,000</b>
<b>FINES AND FORFEITURES</b>				
Late Payment Penalties	767	600	773	500
<b>TOTAL FINES AND FORFEITURES</b>	<b>767</b>	<b>600</b>	<b>773</b>	<b>500</b>
<b>OTHER REVENUE</b>				
Interest Income	22,892	10,000	9,242	8,000
Texas Municipal League(TML) Reimbursements	0	0	2,048	0
Washer-Dryer Income	1,737	800	1,043	800
Miscellaneous	34	0	0	0
Equity Balance Forward	0	37,766	0	243,087
<b>TOTAL OTHER REVENUE</b>	<b>24,663</b>	<b>48,566</b>	<b>12,333</b>	<b>251,887</b>
<b>GRANT AND CONTRIBUTION</b>				
State Grant Revenue	2,000	2,000	2,000	2,000
<b>TOTAL GRANT AND CONTRIBUTION</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>
<b>TOTAL PORT REVENUE</b>	<b>444,832</b>	<b>432,866</b>	<b>446,563</b>	<b>657,387</b>



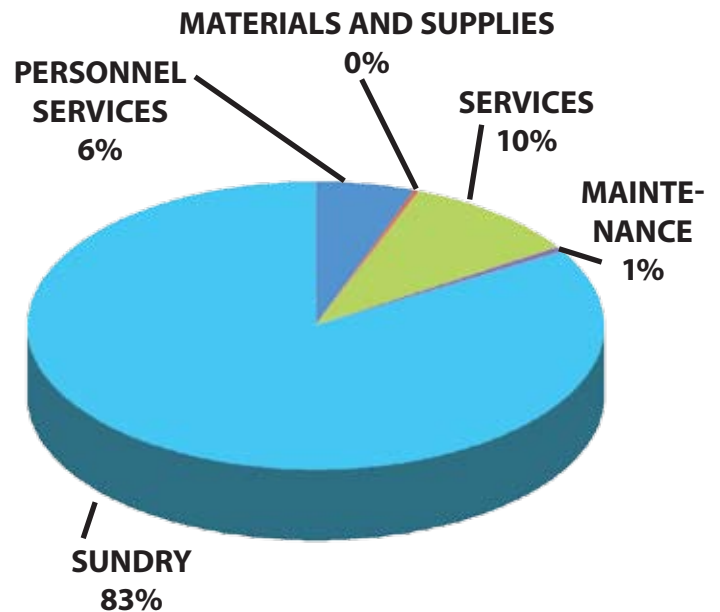
### BUDGET HISTORY EXPENSE

PORT OPERATIONS	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Personnel Services	31,520	36,921	38,190	37,300
Materials and Supplies	1,697	1,800	1,381	1,600
Services	59,556	65,900	66,091	64,600
Maintenance	27,906	8,900	15,000	4,900
Sundry	327,625	319,345	319,345	548,987
<b>TOTAL EXPENSE</b>	<b>448,304</b>	<b>432,866</b>	<b>440,007</b>	<b>657,387</b>

### PORT REVENUE



### PORT EXPENSE



### PORT COMMISSION OPERATIONS

#### OUR MISSION

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 for operations and maintenance for the ramps and other area at Nautical Landings and Harbor Facilities. Revenues are generated through user dock fees, harbors, and office rentals. 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

#### 2010-2011 GOALS (STRATEGIC GOALS: 1,2,3,5)

- Design and install additional breakwater facility at Nautical Landings Marina.
- Develop a plan to dredge and maintain the depth of the entrance channel at Nautical Landings Marina.
- Complete replacement of A-Dock facility as necessary.
- Develop marketing plan for City Harbor.
- Improve Bulk head facilities at all three (3) locations

#### BUDGETED PERSONNEL

POSITION	FY 09/10 ACTUAL	FY 10/11 ACTUAL
Harbor Master	1	1
Employee (Part-Time)	1/2	1/2
TOTAL	1-1/2	1-1/2





**Nautical Landings Marina  
Annual Hard Head Derby Kid's Fishing Tournament  
Port Lavaca, Texas**



*Photo Courtesy  
Jasmine Gordon*





CITY OF  
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*Hotel/Motel Fund  
Forfeiture Fund*

*Building Security Fund*

*Redflex Traffic Fund  
Court Technology Fund*

# SPECIAL REVENUE FUNDS

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

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## Hotel/Motel Fund

### HOTEL/MOTEL

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.

#### 2010-2011 GOALS (STRATEGIC GOAL: 5)

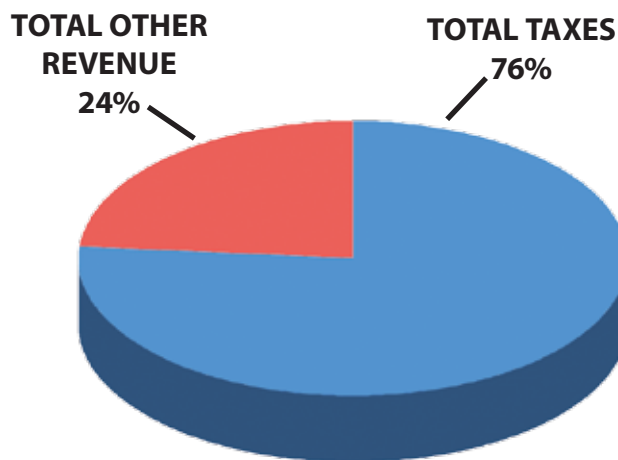
- Increase Tourism

#### BUDGET SUMMARY HOTEL MOTEL

##### BUDGET HISTORY REVENUE

HOTEL OCCUPANCY REVENUE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Total Taxes</b>	226,054	267,000	253,917	230,000
<b>Total Other Revenue</b>	4,825	52,800	1,135	70,750
<b>TOTAL REVENUE</b>	<b>230,879</b>	<b>319,800</b>	<b>255,052</b>	<b>300,750</b>

#### HOTEL REVENUE

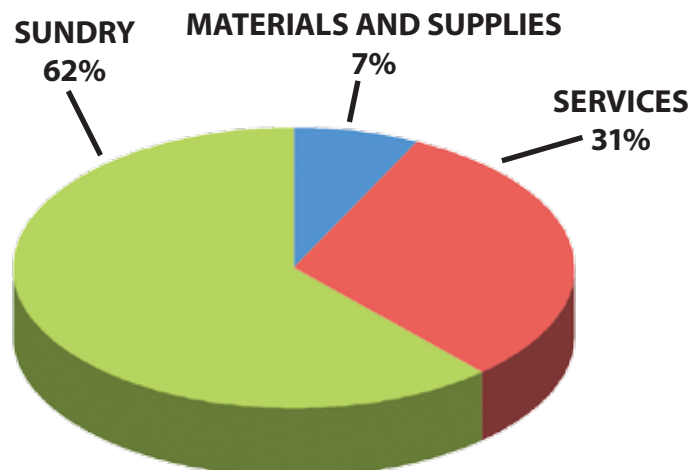




### BUDGET HISTORY EXPENSE

HOTEL OCCUPANCY TAX	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Materials and Supplies	0	0	0	22,000
Services	34,826	120,000	90,000	93,000
Sundry	148,540	194,000	193,999	185,750
<b>TOTAL EXPENSE</b>	<b>183,366</b>	<b>314,000</b>	<b>283,999</b>	<b>300,750</b>

### HOTEL EXPENSE





## Forfeiture Fund

### FORFEITURE FUND

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

FORFEITURES REVENUE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Fines and Forfeitures	1,850	34,749	8,122	0
Other Revenue	65	200	2,012	0
Intergovernmental	0	15,000		0
<b>TOTAL REVENUE</b>	<b>1,915</b>	<b>49,949</b>	<b>10,134</b>	<b>0</b>

FORFEITURES EXPENSE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Materials and Supplies	1,717	4,000	3,992	0
Services	700	4,000	1,297	0
Maintenance	1,885	32,000	585	0
Sundry	1,077	2,000	6,495	0
Capital Expenditures	0	0	4,000	0
<b>TOTAL EXPENSE</b>	<b>5,379</b>	<b>42,000</b>	<b>16,369</b>	<b>0</b>



### BUILDING SECURITY FUND

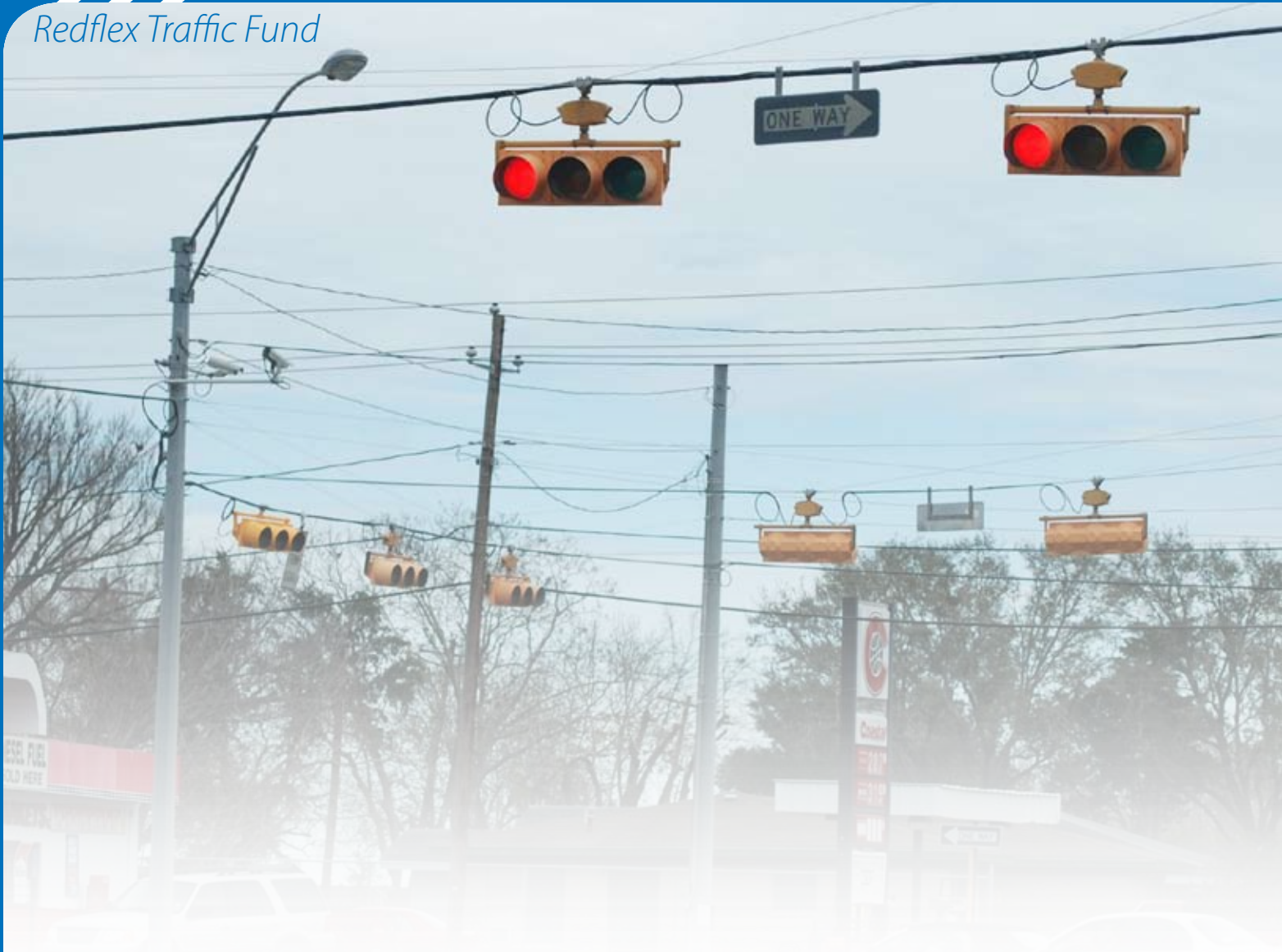
The fund accounts for fees collected on conviction of certain Municipal Court offenses and are intended to create a security plan for the courtroom.

BUILDING SECURITY REVENUE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Fines and Forfeitures	5726	0	3,773	0
Other Revenue	7	0	4	0
<b>TOTAL REVENUE</b>	<b>5,733</b>	<b>0</b>	<b>3,777</b>	<b>0</b>

BUILDING SECURITY EXPENSE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Materials and Supplies	0	4,155	0	0
Services	0	0	0	0
<b>TOTAL EXPENSE</b>	<b>0</b>	<b>4,155</b>	<b>0</b>	<b>0</b>



## Redflex Traffic Fund



### REDFLEX TRAFFIC FUND

This 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.

REDFLEX TRAFFIC REVENUE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Other Revenue	35	0	51	0
Intergovernmental	49,493	0	31,659	0
<b>TOTAL REVENUE</b>	<b>49,528</b>	<b>0</b>	<b>31,710</b>	<b>0</b>

REDFLEX TRAFFIC EXPENSE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
Materials and Supplies	0	0	4,197	0
<b>TOTAL EXPENSE</b>	<b>0</b>	<b>0</b>	<b>4,197</b>	<b>0</b>

**COURT TECHNOLOGY FUND**

The 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	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Fines and Forfeitures</b>	7,988	6,000	5,377	6000
<b>Other Revenue</b>	288	0	49	0
<b>Intergovernmental</b>	0	0	0	0
<b>TOTAL REVENUE</b>	<b>8,276</b>	<b>6,000</b>	<b>5,426</b>	<b>6,000</b>

COURT TECHNOLOGY EXPENSE	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>Materials and Supplies</b>	19,578	0	13,659	0
<b>Maintenance</b>	5,395	5,400	5,651	5,400
<b>TOTAL EXPENSE</b>	<b>24,973</b>	<b>5,400</b>	<b>19,310</b>	<b>5,400</b>



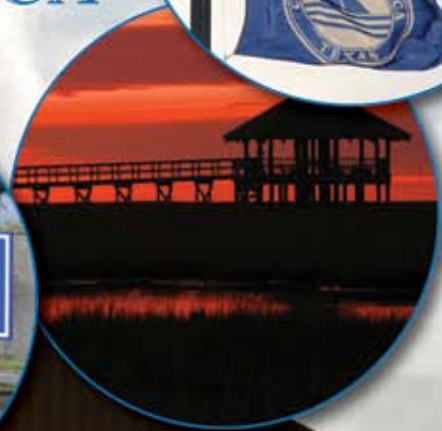
Coming together is a beginning.  
Keeping together is progress.  
Working together is success.  
—Henry Ford







CITY OF  
PORT LAVACA



## CAPITAL EXPENDITURES AND PROJECTS

Following is a summary schedule for major capital expenditures and projects. These current year operating capital expenditures can also be found in each respective department. The Capital Policy for the City can be found in the appendix section of this budget document.

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## OPERATING CAPITAL OUTLAY

FISCAL YEAR 2010-2011

### GENERAL FUND VEHICLES AND EQUIPMENT

DEPARTMENT NUMBER	DEPARTMENT	DESCRIPTION	COST
030	City Secretary	Laser Fiche Upgrade	5,000
110	Police Department	Police Car	30,000*
120	Fire Department	Self-contained Breathing Apparatus (SCBA) Packs & Gear	20,000
300	Public Works	Pick Up Truck	20,000
		<b>TOTAL</b>	<b>75,000</b>

\* Funded by Fixed Asset Replacement Fund (FARF)

### GENERAL FUND CAPITAL PROJECTS

502	Bauer Center	Paint Exterior	40,000
410	Streets	Street Project	450,000
		<b>TOTAL</b>	<b>490,000</b>





Photos Courtesy  
Bill Harvey

## UTILITY FUND VEHICLES AND EQUIPMENT

<b>5133</b>	Utility Maintenance	Mini Excavator	45,000
<b>5134</b>	Waste Water Plant (WWTP)	Utility Truck	27,000
		<b>TOTAL</b>	<b>72,000</b>

## UTILITY FUND CAPITAL PROJECTS

<b>5134</b>	Waste Water Plant (WWTP)	Supervisory and Control Data Acquisition (SCADA) Lift Stations	50,000
<b>5134</b>	Waste Water Plant (WWTP)	Inflow and Infiltration (I & I)	95,000
<b>5133</b>	Utility Maintenance	Lynnhaven Sewer Rehab	450,000*
		<b>TOTAL</b>	<b>595,000</b>

\*Funded by Depreciation Reserves



Photos Courtesy  
Bill Harvey

## Lighthouse Beach & Bird Sanctuary Port Lavaca, Texas



Twenty years from now  
you will be more disappointed by the  
things that you didn't do than by the ones  
you did do. So throw off the bowlines.  
Sail away from the safe harbor. Catch the  
trade winds in your sails.

Explore. Dream. Discover.

—Mark Twain





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# CITY WIDE DEBT

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## Long-Term Debt Service Funds

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 for 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.

There is no direct limit 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, then operations. 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 \$.08 of the current property tax rate of \$.75. Even though the City has issued five Certificates of Obligation (C.O.'s), the 2003 and 2005 are the only issues funded by property taxes. Other issues are supported by the respective fund's revenues.

**The City has no plans to issue additional debt in the next 12 months.**

Assessed value, 2010 tax roll	\$528,221,481
Limit on amount designated for debt service	
Per \$100 assessed valuation	x \$ 1.50
<b>Legal Debt Service limit</b>	<b>\$7,923,322</b>

Actual amount of tax-secured debt service -	
Year ended September 30, 2011	\$769,002
<b>Legal Debt Margin</b>	<b>\$7,154,320</b>

The following tables list each debt issue separately with its clearly stated principal and interest payment due. At the end of Fiscal Year 2011, outstanding general obligation bond and certificates of obligation bonds will be \$9,425,000, however only \$3,310,000 is currently supported by property taxes. History of tax rates can be found in the appendix.

## CERTIFICATES OF OBLIGATION

**\$3,575,000** - 2003 Certificates of Obligation issued to fund various street projects. The payments are secured by property taxes due in annual installments ranging from \$140,000 to \$260,000 through February 15, 2017; interest varying between 3.00% and 4.45%.

STREET DEBT SERVICE 2003	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>TAXES</b>				
Property Taxes- Current	250,018	251,630	249,402	251,496
Property Taxes- Delinquent	16,214	13,244	12,146	13,237
<b>TOTAL TAXES</b>	266,232	264,874	261,547	264,733
<b>OTHER REVENUE</b>				
Interest Income	1,232	300	237	300
<b>TOTAL OTHER REVENUE</b>	1,232	300	237	300
<b>TOTAL REVENUE</b>	<b>267,464</b>	<b>265,174</b>	<b>261,784</b>	<b>265,033</b>
<b>SUNDRY</b>				
Debt Service Principal	150,000	155,000	155,000	160,000
Debt Service Interest	114,940	109,874	56,158	104,733
Debt Service Amortization	300	300	300	300
<b>TOTAL SUNDRY</b>	265,240	265,174	211,458	265,033
<b>TOTAL EXPENDITURES</b>	<b>265,240</b>	<b>265,174</b>	<b>211,458</b>	<b>265,033</b>

FY 10/11 REQUIREMENTS:		
PRINCIPAL	INTEREST	TOTAL
160,000	104,733	264,733



### CERTIFICATES OF OBLIGATION

**\$1,000,000** - 2005 Certificates of Obligation issued to fund various street projects. The payments are secured by property taxes due in annual installments ranging from \$20,000 to \$80,000 through February 15, 2024; interest varying between 4.00% and 4.50%.

STREET DEBT SERVICE 2005	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>TAXES</b>				
Property Taxes- Current	79,986	78,969	78,311	77,259
Property Taxes- Delinquent	3,346	4,156	3,542	4,066
<b>TOTAL TAXES</b>	<b>83,332</b>	<b>83,125</b>	<b>81,852</b>	<b>81,325</b>
<b>OTHER REVENUE</b>				
Interest Income	56	300	23	300
Equity Balance Forward	0	0	0	0
<b>TOTAL OTHER REVENUE</b>	<b>56</b>	<b>300</b>	<b>23</b>	<b>300</b>
<b>TOTAL REVENUE</b>	<b>83,387</b>	<b>83,425</b>	<b>81,875</b>	<b>81,625</b>
<b>SUNDRY</b>				
Debt Service Principal	45,000	45,000	45,000	45,000
Debt Service Interest	39,925	38,125	19,513	36,325
Debt Service Administrative Fee	300	300	300	300
<b>TOTAL SUNDRY</b>	<b>85,225</b>	<b>83,425</b>	<b>64,813</b>	<b>81,625</b>
<b>TOTAL EXPENDITURES</b>	<b>85,225</b>	<b>83,425</b>	<b>64,813</b>	<b>81,625</b>

FY 10/11 REQUIREMENTS:		
PRINCIPAL	INTEREST	TOTAL
45,000	36,325	81,325



### REVENUE BOND AND CERTIFICATE OF OBLIGATION

#### PUBLIC UTILITY FUND -SUPPORTED DEBT

**\$2,895,000** - 2007 Utility System General Obligation and Refunding Bond was issued to do 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% & 5.75%.

**\$925,000** - Series 2007 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.

<b>WATER DEBT SERVICE 2007</b>	<b>ACTUAL FY 2008-2009</b>	<b>FINAL AMENDED FY 2009-2010</b>	<b>PROJECTED FY 2009-2010</b>	<b>PROPOSED BUDGET FY 2010-2011</b>
<b>OTHER REVENUE</b>				
Interest Income	79	500	3	500
Equity Balance Forward	0	500	0	500
<b>TOTAL OTHER REVENUE</b>	79	1,000	3	1,000
<b>INTERGOVERNMENTAL REVENUE</b>				
XFER IN- FD 501	203,625	200,525	167,104	202,813
<b>TOTAL INTERGOVERNMENTAL</b>	203,625	200,525	167,104	202,813
<b>TOTAL REVENUE</b>	<b>203,704</b>	<b>201,525</b>	<b>167,107</b>	<b>203,813</b>
<b>SUNDRY</b>				
Debt Service Principal	40,000	40,000	40,000	45,000
Debt Service Interest	106,196	104,725	52,813	102,813
Debt Service- Administrative Fee	500	500	500	500
Miscellaneous	0	0	0	0
Debt Service- Principal Clearwell	20,000	20,000	20,000	20,000
Debt Service – Interest Clearwell	36,600	35,800	18,100	35,000
Debt Service- Administrative Fee City Wide	500	500	500	500
<b>TOTAL SUNDRY</b>	203,796	201,525	131,913	203,813
<b>TOTAL EXPENDITURES</b>	<b>203,796</b>	<b>201,525</b>	<b>131,913</b>	<b>203,813</b>

<b>FY 10/11 REQUIREMENTS:</b>		
<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>TOTAL</b>
45,000	102,813	147,813
20,000	35,000	55,000*

\*Clearwell



## Public Utility Fund - Supported Debt

### REVENUE BOND

**\$4,950,000** - 1996 Utility System Revenue Bond was issued for wastewater related infrastructure improvements. The payments are supported by the Public Utility Fund and due in annual installments ranging from \$225,000 to 360,000 through February 15, 2018; interest varying between 3.85% and 4.45%.

SEWER DEBT SERVICE 1996	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>OTHER REVENUE</b>				
Interest Income	2	100	15	100
Equity Balance Forward	0	400	0	400
<b>TOTAL OTHER REVENUE</b>	<b>2</b>	<b>500</b>	<b>15</b>	<b>500</b>
<b>INTERGOVERNMENTAL REVENUE</b>				
XFER IN- FD 501	363,110	363,063	302,553	367,310
<b>TOTAL INTERGOVERNMENTAL</b>	<b>363,110</b>	<b>363,063</b>	<b>302,553</b>	<b>367,310</b>
<b>TOTAL REVENUE</b>	<b>363,112</b>	<b>363,563</b>	<b>302,568</b>	<b>367,810</b>
<b>SUNDRY</b>				
Debt Service Principal	240,000	250,000	250,000	265,000
Debt Service Interest	121,882	113,063	59,125	102,310
Debt Service Amortization	769	500	0	500
<b>TOTAL SUNDRY</b>	<b>362,651</b>	<b>363,563</b>	<b>309,125</b>	<b>367,810</b>
<b>TOTAL EXPENDITURES</b>	<b>362,651</b>	<b>363,563</b>	<b>309,125</b>	<b>367,810</b>

FY 10/11 REQUIREMENTS:		
Principal	Interest	Total
265,000	102,310	367,310

## LOAN COMMITMENT

**\$1,535,000** - 2004 Loan Commitment 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 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>OTHER REVENUE</b>				
Interest Income	1,111	300	197	300
Equity Balance Forward	0	0	0	0
<b>TOTAL OTHER REVENUE</b>	1,111	300	197	300
<b>INTERGOVERNMENTAL REVENUE</b>				
XFER IN- FD 501	56,418	93,870	78,225	97,645
<b>TOTAL INTERGOVERNMENTAL</b>	56,418	93,870	78,225	97,645
<b>TOTAL REVENUE</b>	<b>57,529</b>	<b>94,170</b>	<b>78,422</b>	<b>97,945</b>
<b>SUNDRY</b>				
Debt Service Principal	55,000	55,000	60,000	60,000
Debt Service Interest	41,293	38,870	20,461	37,645
Debt Service Amortization	300	300	300	300
<b>TOTAL SUNDRY</b>	96,593	94,170	80,761	97,945
<b>TOTAL EXPENDITURES</b>	<b>96,593</b>	<b>94,170</b>	<b>80,761</b>	<b>97,945</b>

FY 10/11 REQUIREMENTS:		
PRINCIPAL	INTEREST	TOTAL
60,000	37,645	97,645



### REVENUE BOND AND CERTIFICATE OF OBLIGATION

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

PORT DEBT SERVICE 2008	ACTUAL FY 2008-2009	FINAL AMENDED FY 2009-2010	PROJECTED FY 2009-2010	PROPOSED BUDGET FY 2010-2011
<b>OTHER REVENUE</b>				
Interest Income	118	500	40	250
Equity Balance Forward	0	0	0	250
<b>TOTAL OTHER REVENUE</b>	118	500	40	500
<b>INTERGOVERNMENTAL REVENUE</b>				
XFER IN- FD 504	100,000	124,845	104,038	122,487
<b>TOTAL INTERGOVERNMENTAL</b>	100,000	124,845	104,038	122,487
<b>TOTAL REVENUE</b>	<b>100,118</b>	<b>125,345</b>	<b>104,078</b>	<b>122,987</b>
<b>SUNDRY</b>				
Debt Service Principal	20,000	60,000	60,000	60,000
Debt Service Interest	66,520	64,845	64,845	62,487
Debt Service Amortization	0	0	0	0
Paying Agent	0	500	0	500
<b>TOTAL SUNDRY</b>	86,520	125,345	124,845	122,987
<b>TOTAL EXPENDITURES</b>	<b>86,520</b>	<b>125,345</b>	<b>124,845</b>	<b>122,987</b>

FY 10/11 REQUIREMENTS:		
PRINCIPAL	INTEREST	TOTAL
60,000	62,487	122,487

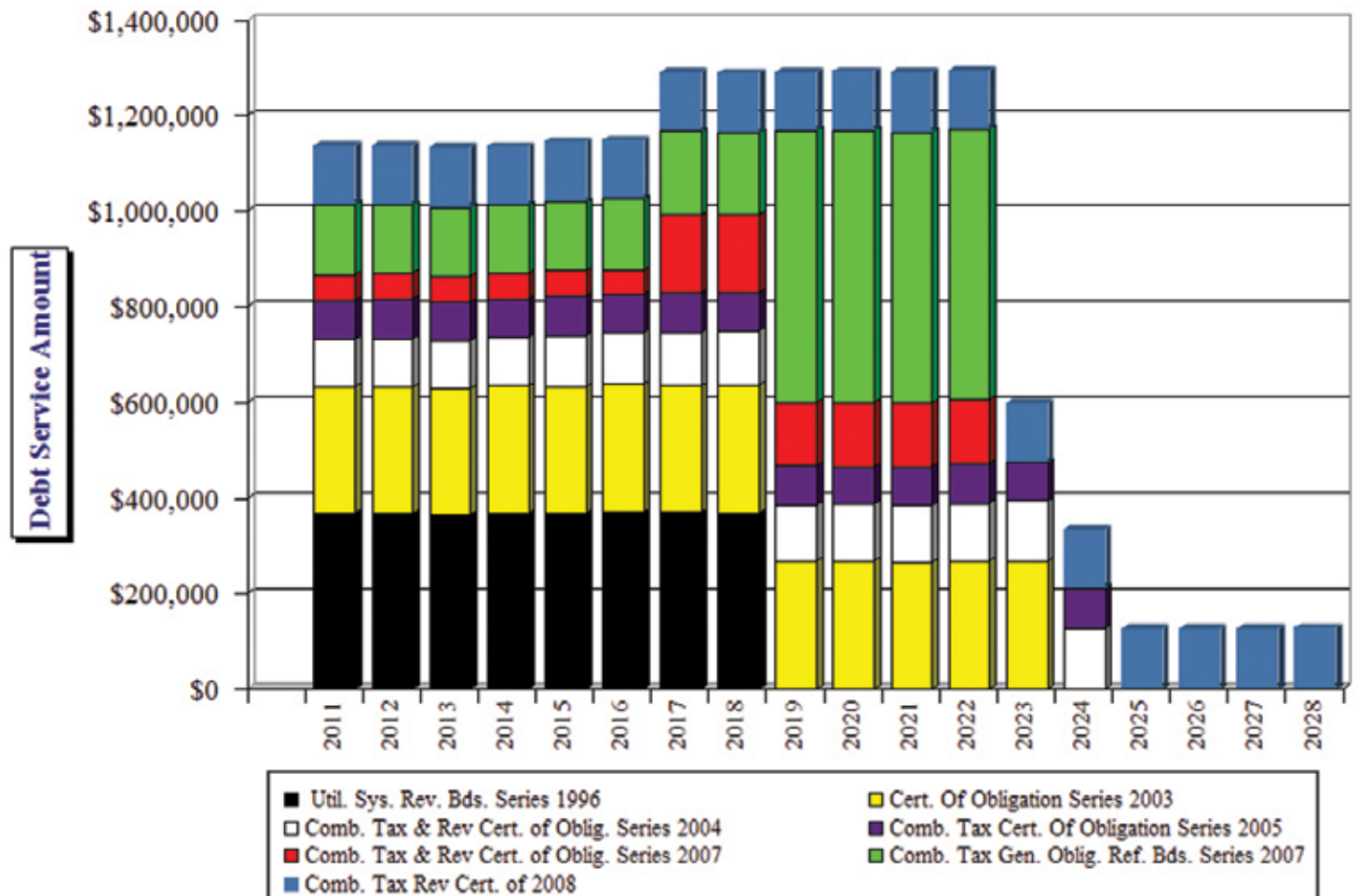


## OUTSTANDING DEBT ISSUE BY SERIES

Supporting Fund	Public Utility Fund	General Fund	Public Fund Utility	General Fund	Public Utility Fund	Public Utility Fund	Port Commission	
Fiscal Year End	Utility Revenue Bond Series 1996	Certificate of Obligation Series 2003	Revenue and Certificate of Obligation Series 2004	Certificate of Obligation Series 2005	Combined Tax and Revenue Certificate of Obligation Series 2007	General Obligation Reference Bonds Series 2007	Harbor Systems Revenue Certificate of Obligation Series 2008	TOTAL
2011	367,310	264,733	97,645	81,325	55,000	147,813	122,487	1,136,312
2012	365,901	264,042	101,190	84,425	54,200	140,900	125,031	1,135,689
2013	363,930	262,970	99,581	82,425	53,400	143,988	127,378	1,133,672
2014	366,278	266,514	102,825	80,425	52,600	141,963	124,627	1,135,231
2015	367,823	264,670	105,848	83,325	51,800	144,825	126,778	1,145,068
2016	368,633	267,423	108,638	80,988	51,000	147,463	123,830	1,147,973
2017	368,696	264,645	111,203	83,400	162,900	174,313	125,785	1,290,941
2018	368,010	266,288	113,533	80,700	162,400	170,700	127,542	1,289,172
2019		267,310	115,641	82,888	132,300	569,100	124,202	1,291,441
2020		267,745	117,520	79,963	132,600	568,900	125,763	1,292,491
2021		262,748	119,136	81,925	132,700	567,900	127,128	1,291,537
2022		267,133	120,508	83,663	132,600	566,100	123,394	1,293,397
2023		265,785	126,538	80,288	-	-	124,563	597,173
2024		-	127,219	81,800	-	-	125,534	334,553
2025		-	-	-	-	-	126,310	126,310
2026		-	-	-	-	-	126,888	126,888
2027		-	-	-	-	-	127,271	127,271
2028		-	-	-	-	-	127,456	127,456
<b>TOTAL</b>	<b>2,936,580</b>	<b>3,452,004</b>	<b>1,567,023</b>	<b>1,147,538</b>	<b>1,173,500</b>	<b>3,483,963</b>	<b>2,261,966</b>	<b>16,022,572</b>



### CITY OF PORT LAVACA Outstanding General Obligation and Utility System Debt Service by Series





CITY OF  
PORT LAVACA



**PERSONNEL**

[WWW.PORTLAVACA.ORG](http://WWW.PORTLAVACA.ORG)

### 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 memo will describe the changes that are being recommended.

#### ACCOMPLISHMENTS FY 2009-2010

- Brought all the departments with hourly/salary personnel to a minimum salary range as recommended by the Salary Survey, effective October 1, 2009 depending on evaluation date
- Revised and implemented a range table that recommends the minimum, midpoint and maximum ranges for all departments

#### GOALS FY 2010-2011

- Update Compensation Plan to include third party analysis
- Develop a merit policy for each department designed to evaluate and reward personnel based on job performance
- Revise Policy Manual

#### MAXIMUM MERIT INCREASE (ANNUAL APPROVAL)

The staff recommends that the Council approve 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 2010-2011 (CITY MANAGER APPROVAL)

This schedule established the minimum, midpoint and maximum for each pay grade. There are 55 pay ranges. 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 guarantee is 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 should 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 2010-2011 (ANNUAL APPROVAL)**

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. **We are adding a .5 position for a full time Custodian and 1 position for the Human Resources Specialist.**

Administrative changes can be made to this schedule during the year, which does not require approval by the Council. For example, there might be a job title or a change in grade to accommodate changing circumstances, but the total number of full-time and part-time positions must be approved by Council.

**APPROVED BY COUNCIL FOR 2010/2011 BUDGET:**

- Amount of Merit Increase Allocated (2.5%)
- Number of Positions (95)

OCCUPATIONAL DEPARTMENT	DESCRIPTION	NUMBER OF POSITIONS FY 2008-2009	NUMBER OF POSITIONS FY 2009-2010	NUMBER OF POSITIONS FY 2010-2011
City Manager (CM)		2	2	2
City Secretary (CS)		2	2	1
Human Resources		0	0	1
Municipal Court		1-1/2	1-1/2	1-1/2
Information Technology (IT) Support	IT Replaces CS Admin	0	0	1
Finance		3	3	3
City Hall		1/2	1/2	1
Police		26	26	26
Fire		17	17	17
Animal Control		2	2	2
Public Works		2	2	2
Code Enforcement		3	3	3
Streets	5 are Temporary	14	14	14
Parks and Recreation	1 is Temporary	6	6	6
Bauer Center		2	2	2
Utility Maintenance	1 is Temporary	9	9	9
Waste Water		4	4	4
Utility Billing		5	5	5
Port Commission		1-1/2	1-1/2	1-1/2
<b>TOTAL POSITIONS</b>		<b>100.5</b>	<b>100.5</b>	<b>102</b>
	<b>FULL TIME/PART TIME</b>	<b>93.5</b>	<b>93.5</b>	<b>95</b>
	<b>TEMPORARY</b>	<b>7</b>	<b>7</b>	<b>7</b>



**“Try not to become a man of success.  
Rather become a man of value.”  
— Albert Einstein**

*Photos Courtesy  
Jasmine Gordon*





CITY OF  
PORT LAVACA

# APPENDIX

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## FY 2010-2011 BUDGET PLANNING CALENDAR

DATE	ACTIVITY	RESPONSIBLE PARTY
APRIL 27	Distribute budget package to Division Heads	Finance Director (FD)
MAY 10	Regular Council Meeting	City Council (CC)
	Approve budgetary policies	
MAY 14	Turn in budget package to Finance Director	Department Heads (DH)
JUNE 1	Submit first draft of budget with departmental requests to City Manager	Finance Director (FD)
JUNE 3-4	Budget review with Department Heads	CM, FD, DH
JUNE 23-24	Capital Planning	
JUNE 28	Special Council Meeting (if needed)	CM,CC
	Budgetary and Financial Policies	
JUNE 29-30	Budget review with Department Heads	CM, FD, DH
JULY 1	Budget Workshop 1:00-5:00	City Manager (CM)
	Strategic Planning/Councils Goals	City Council
JULY 12	Regular Council Meeting	City Manager
	Budgetary policies	
JULY 20	City Manager distribute preliminary budget to Department Heads for review	City Manager
JULY 27-28	Budget Workshops 1:00-5:00	City Manager
	General and Other Governmental Funds	
JULY 29	Budget Workshop 1:00-5:00	City Manager
	Enterprise Funds (Utility, Beach, and Port)	
AUGUST 7	Assessed valuations due	Calhoun County Appraisal District
AUGUST 9	Proposed budget filed with City Secretary	City Manager
AUGUST 9	Regular Council Meeting	City Manager
	- Presentation of proposed budget to City Council	
	- Discuss tax rate	
	- Set Public Hearings on tax rate and budget	
AUGUST 23 and 26	Public Hearings on tax rate	City Council
AUGUST 26	Public Hearing on budget	City Council
SEPTEMBER 13	Regular Council Meeting	City Council
	- Council consider utility rate and fee resolutions	
	- Adopt Budget and vote on tax rate	
SEPTEMBER 28	Distribute budgets	Finance Director
OCTOBER 1	Budget becomes effective	N/A



## BUDGET 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:

1. Act as a financial plan which describes the activities that will be undertaken during the current fiscal year.
2. Define the resources available for the completion of those activities.
3. Determine the level of taxation necessary to generate required revenue resources.
4. Act as an operations guide by providing levels of expenditures allowed for the accomplishment of departmental and program objectives.
5. 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 SUMMARY

<b>March</b>	City Council Strategic Work Session
<b>March-May</b>	Departments develop budgets and submit by end of May
<b>June</b>	City Manager reviews with Departments
<b>July</b>	City Manager submits preliminary budget to Council Certification of tax roll by Chief Appraiser
<b>August</b>	Publication of proposed tax rate and Public Hearings
<b>September</b>	Proposed Budget is submitted and approved by City Council (2 readings)
<b>October 1</b>	Budget becomes effective

## SUMMARY DESCRIPTION OF THE BUDGET PROCESS - CITY CHARTER

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 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.



## Budgetary Guidelines

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, 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 Officer's 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, which budget shall provide a complete financial plan for the fiscal year, and shall contain the following:

1. A budget message, explanatory of the budget, which 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, including municipal utility 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 or for the number of years for which records are available.
6. General fund resources in detail.
7. Summary of proposed expenditures by fund, department and activity.
8. Summary of proposed expenditures by character and object.
9. Detailed estimates of expenditures shown separately for each activity to support the summaries Number 7 and 8 above. Such estimates of expenditures are to include an itemization of positions showing the number of persons having each title and the rate of pay.
10. A revenue and expense statement for all types of bonds.
11. A description of all bond issues outstanding showing rate of interest, date of issue, maturity date, amount authorized, amount issued, and amount outstanding.
12. A schedule of requirements for the principal and interest on each issue of bonds.
13. A special funds section.
14. The appropriation ordinance.
15. The tax levying ordinance.
16. The capital improvement program for the budget year and proposed method of financing.
17. A plan for capital improvement covering the succeeding five years and proposed method of financing.
18. A summary of the condition of machinery, equipment and buildings.
19. A suggested legislative program and the highlights of the proposed administrative program

### **ANTICIPATED REVENUES 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.



## Budgetary Guidelines

### **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.

### **GOVERNMENTAL FUNDS**

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. Their 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, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

### **PROPRIETY FUNDS**

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 does not budget depreciation expense, while the income statement does account for this line item. Lease-purchases are accounted for in the City budget by reflecting each year's expected interest expenditure as interest expense and budgeting the principal portion as capital outlay expenditure. Of necessity, the accounting system capitalizes the full present value of principal as an asset and sets up the debts a long-term debt. Finally, capital expenditures made from operating funds are budgeted as capital outlay expenditures. For proprietary funds, the measure used to identify those assets available for allocation in the budget process is working capital, which is current assets minus current liabilities. As in governmental funds, our debt service expenditures for revenue bonds are shown as a reservation and bond project funds, if not encumbered and reserved, are shown as a designation.

### **GENERAL**

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental funds. It is assumed in the budget that there will be no encumbrances at year end to be carried forward.

### **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 objects of expenditure.



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.

### **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.



## Ordinances

### BUDGET ORDINANCE

ORDINANCE #8-1-10

AN ORDINANCE APPROVING THE ANNUAL BUDGET FOR THE CITY OF PORT LAVACA, TEXAS AND ADOPTING THE BUDGET DOCUMENT FOR THE FISCAL YEAR OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011; 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, 2010 through September 30, 2011, 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, 2010 through September 30, 2011 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 2010/2011.

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.

SECTION 4. The fact that the City of Port Lavaca does not have an ordinance approving the budget for the fiscal year October 1, 2010 through September 30, 2011, creates a public emergency and necessitates the waiving of any rule or regulation requiring that ordinances be read at more than one meeting of the City Council and necessitates the passage of this ordinance at this meeting of the City Council as an emergency measure.

FIRST READING this 26th day of August, 2010

ORDINANCE NUMBER S-I-2010

Passed and adopted 09-13-10

Recorded Volume 3A

**TAX RATE ORDINANCE****ORDINANCE #S-2-10**

AN ORDINANCE FIXING THE TAX RATE AND TAX LEVY FOR THE CITY OF PORT LAVACA, TEXAS, FOR THE YEAR 2010, UPON ALL TAXABLE PROPERTY IN SAID CITY OF PORT LAVACA, TEXAS SUBJECT TO TAXATION BY SAID CITY ON THE FIRST DAY OF JANUARY, 2010 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 2010 upon all property of every description subject to taxation by the City of Port Lavaca, Texas on the 1st day of January, 2010, the following tax rate, to-wit:

An Ad Valorem Tax at the rate of \$0.7500 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 the Debt Service Fund to retire outstanding bonds and certificates of obligation for the fiscal year ending September 30, 2011.

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:

	<b>Rate</b>	<b>Percentage</b>
<b>GENERAL FUND</b>	\$ .6730	89.73%
<b>TAX SUPPORTED DEBT SERVICE FUND</b>		
2003 Certificates of Obligation	\$ .0586	7.82%
2005 Certificates of Obligation	<u>\$ .0184</u>	<u>2.45%</u>
	<u>\$ .0770</u>	<u>10.27%</u>
<b>Total Tax Rate</b>	<b>\$ .7500</b>	<b>100.00%</b>

SECTION 3. The duly authorized official responsible for the assessment and collection of taxes for the City of P011 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 connect 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.



## Ordinances

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.

SECTION 6. The fact that there is no ordinance establishing a tax rate for the year 2010 existing at this time and the fact that it is necessary that such rate be fixed immediately so that tax bills may be prepared for mailing October 1, 2010, creates a public emergency and necessitates the waiving of any rule or regulation requiring that ordinances be read more than one time and necessitates the passage of this ordinance at this meeting of the City Council as an emergency.

Ordinance Number S-2-10

Tax Rate 2010

Passed and Adopted 09-13-2010

Recorded Volume 3A,



### **FINANCIAL MANAGEMENT AND BUDGETARY 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 Government Finance Officers Association (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 web site. 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 and limit budget shortfalls
- Review projected revenue methodologies annually
- Review method of determining appropriate cash reserve levels annually



## Financial Management and Budgetary Policies

### 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.

### FUND BALANCES AND SINKING FUNDS

#### FUND BALANCES

- *Operating Reserve*- 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 a 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.
- *Fixed or Capital Asset Replacement* - the City designates an additional portion of the General Fund Reserve for fixed asset replacement related to machinery and equipment. The goal is to designate dollars equal to one year's depreciation expense of machinery and equipment. The balance in this account will vary based on replacement needs.
- *Health Reserve* - the City designates 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 designation will be based on the most recent three history (average) plus 15%.
- *Enterprise funds* - 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 machinery and equipment only.

#### 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 (I & S) 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.

### LONG TERM DEBT POLICIES

#### 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 POLICIES

- 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.

#### WATER AND WASTEWATER RATES AND OTHER FEES FOR SERVICES

Water, wastewater, and garbage fees shall be set to pay for all expenses related to the water and sewer department including depreciation. It is the policy of the City that the Water and Wastewater Fund, and other enterprise funds, not be subsidized by property tax revenue.

#### INTEREST INCOME

Interest income shall be distributed on an equitable basis to the funds/accounts from which the principal was invested

#### BUDGETING FOR REVENUES

The City will annually review, and revise when necessary, all user charges, licenses and fees. The goal shall be that such charges shall be related to the cost of providing the service. To the extent possible, such user charges shall pay for the cost of the service, and be charged to those who most directly benefit from the service.

#### 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.



## *Financial Management and Budgetary Policies*

### **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. The City will monitor revenue collection throughout the fiscal year. If revenue estimates are down, the City Manager shall recommend to Council corrective action to minimize the impact on the budget.

### **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. The following table defines governmental funds found in the City's financial structure.

### **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.

### **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

### 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.

### 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.

### OBJECTIVES AND STRATEGY

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.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability/flow.

### LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Direct specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act, Chapter 2256, Texas Government Code, (the "Act"). The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public funds deposits. All investments will be made in accordance with these statutes.

### INVESTMENT COMMITTEE

An Investment Committee, consisting of the City Manager, Finance Director, and at least one Council Member shall meet at least quarterly to determine operational strategies and to monitor results. The Investment Committee shall discuss things such as economic outlook, portfolio diversification, maturity structure, and any potential risk of the City's funds. In addition, this committee shall review investment purchases that occurred since the last investment committee meeting and approve new brokers.

### DELEGATION OF INVESTMENT AUTHORITY

The Finance Director acting on behalf of the City, is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff.



## Investment Policy

The Investment Officer shall attend at least one training session relating to the Officer's responsibility under this act within 12 months after assuming duties and thereafter, a training session should be attended not less than once every two years with at least 10 hours of instruction from an independent source. The Investment Officer shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer is not available.

No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and the procedures established.

### **LIMITATION OF PERSONAL LIABILITY**

The investment Officer and those delegated investment authority under this Policy, when acting in accordance with the written procedures and this Policy and in accord with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio provided that deviations from expectations for a specific security's credit risk or market price change or portfolio shifts are reported in a timely manner and that appropriate action is taken to control adverse market effects.

### **PRUDENCE**

The standard of prudence to be used in the investment function shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. This standard states:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."

### **INTERNAL CONTROLS**

The Investment Officer shall establish and maintain an internal control structure which will be reviewed annually with the independent auditor of the City. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees of the City.

### **CASH FLOW FORECASTING**

Cash flow forecasting is designed to protect and sustain cash flow requirements of the City. Supplemental to the financial and budgetary systems, the Investment Officer will develop and use a cash flow forecasting process as needed to monitor and forecast cash positions for investment purposes.

**AUTHORIZED INVESTMENTS**

Acceptable investments under this policy shall be limited to the instruments listed below and as further defined and described by the Public Funds Investment Act.

- A. Obligations of the United States Government, its agencies and instrumentalities, and government sponsoring enterprises, not to exceed five years to stated maturity, including collateralized mortgage obligations (CMOs); CMO's cannot be either an Interest-Only or Principal Only CMO nor can it be an inverse floater.
- B. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas, collateralized with 102% coverage with:
  - I. Obligations of the US Government, its agencies or instrumentalities
  - II. In accordance with 2256.010 of the Act, certificates of deposit may be purchased from a Texas depository institution through a nationally coordinated program in which (a) the depository arranges for deposits in one or more federally insured depositories allowing for full Federal Deposit Insurance Corporation (FDIC) coverage and (b) the depository receives comparable deposits from other linked depositories.
  - III. Collateral agreements must be in writing and require a bank resolution of approval.
- C. Commercial paper rated A-1/P-1 or the equivalent by at least two nationally recognized rating agencies not to exceed 270 days to stated maturity;
- D. SEC registered money market mutual funds as defined by the Act.
- E. AAA-rated, constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act; and,

The weighted average maturity of the portfolio shall not exceed 1 year. No additional security will be eligible for investment by the City until this policy has been amended and the amended version approved by the City Council. Exceptions to investment maturities may be approved by council in order to meet debt service requirements

**COMPETITIVE BIDDING REQUIREMENT**

Generally, the City will seek competitive offerings for all securities, including certificates of deposit before it invests to verify that the City is receiving fair market value/price for the investment with the *exception* of new issues that are still in syndicate.

The City recognizes that a competitive offering process is not always necessary or is not always in the best interest of the City. On these occasions, the Investment Officer is authorized to purchase a security without seeking competitive offerings. Examples of these occasions are:

- A. Market conditions are changing rapidly.
- B. The security is a "new issue" that is still in the primary market.
- C. A specific type of security, maturity date, or rate of return is sought that may not be immediately available.

**DELIVERY VERSUS PAYMENT**

All security transactions, including collateral for repurchase agreements, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis. Funds shall not be released until receipt of the security by the City's approved custodian.



## Investment Policy

**DIVERSIFICATION**

The City recognizes that investment risks can result from issuer defaults, and market price changes. Risk is controlled through portfolio diversification. The maximum limits for diversification will be:

<b>Security Type</b>	<b>Max % of Portfolio</b>
US Obligations	not to exceed 80%
US Agencies/Instrumentalities	not to exceed 80%
Mortgage Backed (MB) Securities	not to exceed 50%
Certificates of Deposits	not to exceed 40%
Commercial Paper	not to exceed 25%
Money Market Funds	100%
Local Government Investment Pools	100%

**AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

The Investment Committee will review the list of authorized broker/dealers annually. The Investment Officer will obtain and maintain information on each broker/dealer.

Securities broker/dealers not affiliated with a bank, who desire to transact business with the City must supply the following documents to be maintained by the Finance Department:

- audited financial statement for the most recent period,
- proof of certification by the National Association of Securities Dealers (NASD),
- proof of current registration with the State Securities Commission, and

Every broker/dealer and bank with whom the City transacts business will be provided a copy of this Investment Policy to assure that they are familiar with the goals and objectives of the City's investment program. A representative of the firm will be required to return a signed certification stating the Policy has been received and reviewed and that controls are in place to assure that only authorized securities are sold to the City.

**SAFEKEEPING AND COLLATERALIZATION**

The laws of the State and prudent treasury management require that all purchased securities be bought on a delivery versus payment (DVP) basis and be held in safekeeping by either the City, an independent third party financial institution, or the City's designated depository.

All safekeeping arrangements shall be designated by the Investment Officer and an agreement of the terms executed in writing. The third party custodian shall be required to issue safekeeping receipts to the City listing each specific security, rate, description, maturity, cusip number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for the City or pledged to the City.

All securities pledged to the City for time or demand deposits shall be held by an independent third party bank doing business in Texas. The safekeeping bank may not be within the same holding company as the bank where the securities are pledged. The bank is responsible for monitoring collateral.

**COLLATERALIZATION**

Collateralization shall be required on certificates of deposits over the FDIC insurance coverage of \$250,000. In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level required will be 102% of the market value of the principal and accrued interest. Collateral will be held by an independent third party safekeeping agent.



### PERFORMANCE EVALUATION AND REPORTING

The Investment Officer shall submit quarterly reports to the City Council containing sufficient information to permit an informed outside reader to evaluate the performance of the investment program and consistent with statutory requirements.

### DEPOSITORIES

The City will designate one banking institution through a competitive process as its central banking services provider at least every five years. Other banking institutions from which the City may purchase certificates of deposit will also be designated after they provide their latest audited financial statements to the City.

### INVESTMENT POLICY AMENDMENTS

The Director of Finance and the Investment Committee shall review the Investment policy and strategies on an annual basis. Future recommended changes will be approved by the City Council amending the current Investment Policy on record.



## Capital Asset Policy

**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:

- A. 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.
- B. To determine the appropriate depreciation method to use in accordance with Generally Accepted Accounting Principles (GAAP).
- C. 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:

- A. The expected useful life is longer than one year.
- B. The asset has at least a unit cost of \$5,000.00 or more.
- C. Expenditures that materially add to the value or prolong the life of existing equipment will be considered capital assets and will be appropriately capitalized.
- D. The item belongs to one of the general classes of assets as defined by general accounting terms.
  - 1. Land (all land capitalized regardless of cost)
  - 2. Buildings and Building Improvements
  - 3. Equipment
  - 4. Improvements other than Buildings
  - 5. 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 (\$)
<b>Land</b>	Land and Site Improvements	Inexhaustible	Any Value
<b>Buildings</b>	Buildings	50	50,000
<b>Buildings</b>	Buildings Improvements	10-50	10,000
<b>Equipment</b>	Accounting Systems	5-10	5,000
<b>Equipment</b>	Construction Machinery > 15K <30K	10	15,000
<b>Equipment</b>	Construction Machinery >=30K	15	30,000
<b>Equipment Misc.</b>	Furniture	5	5,000
<b>Equipment</b>	Fire Fighter Apparatus	10	15,000
<b>Equipment</b>	Computer Hardware and Software	3	5,000
<b>Vehicles</b>	Passenger Vehicles w/capacity <10	3	5,000
<b>Vehicles</b>	Passenger Vehicles w/capacity >10	5	10,000
<b>Improvements</b>	Fence, Trails, etc.	20	20,000
<b>Improvements</b>	Docks	10	20,000
<b>Improvements</b>	Dredging	10	50,000
<b>Improvements</b>	Parks and Playgrounds	20	50,000
<b>Improvements</b>	Swimming Pools	20	50,000
<b>Infrastructure</b>	Bridges and Tunnels	50	100,000
<b>Infrastructure</b>	Curbs and Sidewalks	50	50,000
<b>Infrastructure</b>	Drainage	50	100,000
<b>Infrastructure</b>	Parking Lots	25	25,000
<b>Infrastructure</b>	Sewer	50	100,000
<b>Infrastructure</b>	Streets (Primary)	40	100,000
<b>Infrastructure</b>	Streets (Secondary)	40	100,000
<b>Infrastructure</b>	Traffic Signals and Signs	25	50,000



## Capital Asset Policy

### 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 OF 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 Principals 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.



## GENERAL FUND REVENUES AND EXPENDITURES

REVENUES	2009	2008	2007	2006
Taxes	5,623,116	5,685,555	5,390,808	4,687,327
Fine and Forfeitures	485,781	388,972	344,777	348,912
Licenses and Permits	96,535	98,076	94,271	73,974
Charges for Services	5,332	11,080	5,120	13,206
Interest	115,535	228,485	276,286	199,676
Intergovernmental	274,203	178,732	137,633	138,425
Grants and Contribution	-	-	-	-
Rental	37,390	36,535	47,582	43,360
Miscellaneous	96,453	122,420	43,049	24,490
<b>TOTAL REVENUES</b>	<b>6,734,345</b>	<b>6,749,855</b>	<b>6,339,526</b>	<b>5,529,370</b>
EXPENDITURES				
Current				
General Government	1,657,551	1,511,720	1,250,320	1,238,273
Public Safety	2,695,753	2,547,116	2,324,651	2,230,634
Public Works	1,422,306	1,301,846	200,936	226,067
Streets	-	-	924,048	1,323,173
Parks and Recreation	440,345	447,281	408,748	504,510
Non Departmental	-	-	-	-
Capital Outlay	-	10,000	-	-
Debt Service	-			
Principal Retirement	-	-	408,939	81,538
Interest and Fiscal Changes	-	-	6,810	3,670
<b>TOTAL EXPENDITURES</b>	<b>6,215,955</b>	<b>5,817,963</b>	<b>5,524,452</b>	<b>5,607,865</b>
EXCESS/(DEFICIENCY) OF REVENUES				
Over Expenditures	518,390	931,892	815,074	(78,495)
Transfers In	261,000	250,000	277,449	255,472
Transfers (out)	(683,558)	(639,053)	(359,930)	(503,134)
Capital Lease Proceeds	-	257,054	295,392	114,769
Sale of Capital Assets	14,141	9,439	19,762	17,099
Proceeds from Note Agreements	-	-	-	400,286
Beginning Fund Balance	6,319,526	5,266,894	4,179,772	3,339,465
Increase/(Decrease) in Fund Balance	-	243,300	39,375	634,310
<b>ENDING FUND BALANCE - SEPTEMBER 30</b>	<b>6,429,499</b>	<b>6,319,526</b>	<b>5,266,894</b>	<b>4,179,772*</b>

\*The decline in full balance is the result of a \$2 million street project funded by reserve.



## Historical Information

### TAX RATE, LEVY AND COLLECTION HISTORY

TAX YEAR	TAX RATE	M AND O FUND	I AND S FUND	TOTAL TAX LEVY	% CURRENT COLLECTIONS	% TOTAL COLLECTIONS	FYE ENDED
1998	0.68500	0.57480	0.11020	1,660,441	95.30%	103.33%	09/30/1999
1999	0.68500	0.57880	0.10620	1,693,457	94.13%	97.17%	09/30/2000
2000	0.71750	0.61240	0.10510	1,995,068	94.13%	103.84%	09/30/2001
2001	0.71820	0.61750	0.10000	1,896,798	95.67%	101.42%	09/30/2002
2002	0.71820	0.63400	0.08420	2,178,974	94.01%	97.65%	09/30/2003
2003	0.72000	0.58660	0.13340	2,186,081	93.19%	96.80%	09/30/2004
2004	0.72000	0.63360	0.08640	2,343,371	93.90%	99.57%	09/30/2005
2005	0.72000	0.63360	0.08640	2,556,154	95.64%	100.24%	09/30/2006
2006	0.75000	0.65620	0.09380	2,800,430	94.50%	100.24%	09/30/2007
2007	0.75000	0.66220	0.08780	2,847,569	94.31%	99.33%	09/30/2008
2008	0.75000	0.66790	0.08210	3,195,989	94.74%	99.46%	09/30/2009
2009	0.75000	0.67300	0.07700	3,388,829	97.22%	100.98%	09/30/2010
2010	0.75000	0.67300	0.07700	3,560,685	(In Process of Collection)		09/30/2011

Source: City Records

TAXPAYER NAME	TAXABLE VALUE
T W LAQUAY DREDGING INC	10,794,385
RSC EQUIPMENT RENTAL, INC. Number 759	10,354,241
REXCO INC	10,220,256
WAL-MART REAL ESTATE BUSINESS TRUST	7,848,289
WAL-MART STORES TEXAS, LP	6,291,114
HELENA CHEMICALS	6,065,624
BUTT H E GROCERY COMPANY	4,878,666
AEP TEXAS CENTRAL COMPANY	3,778,250
BKCK LTD	3,365,975
FIRST NATIONAL BANK	2,877,100

### THE CITY OF PORT LAVACA'S TOP TEN TAXPAYERS

	FISCAL YEAR ENDED 9/30						
REVENUES	2003	2004	2005	2006	2007	2008	2009
Water Service	1,535,273	1,774,823	2,034,581	2,067,386	2,019,091	2,295,045	2,439,539
Sewer Service	1,316,153	1,351,204	1,566,258	1,512,839	1,622,458	1,810,791	1,875,703
Waste Service	580,599	596,107	597,467	630,877	659,576	689,780	721,574
Penalties	75,656	79,549	90,677	91,783	93,030	93,901	98,984
Interest Earnings	33,991	17,307	53,332	124,534	176,010	128,154	46,925
Miscellaneous	100,394	114,133	124,967	110,037	104,388	110,182	149,144
<b>TOTAL REVENUES</b>	<b>3,642,066</b>	<b>3,933,123</b>	<b>4,467,282</b>	<b>4,537,456</b>	<b>4,674,553</b>	<b>5,127,853</b>	<b>5,331,868</b>
EXPENSES							
Personnel	641,107	537,682	540,031	506,543	553,670	642,661	748,468
Materials and Supplies	54,007	45,362	105,035	53,796	85,615	105,588	69,293
Service	1,804,503	1,910,050	1,875,168	2,034,114	2,093,770	2,189,600	2,266,356
Maintenance	196,536	208,335	185,386	213,042	394,625	230,493	383,481
Sundry Charges	44,503	26,398	2,001	11	6,588	3,040	11,034
Bad Debts	-	32,354	37,954	12,000	-	15,497	0
Administrative Charges	171,009	172,336	150,000	195,472	217,449	354,397	265,000
<b>TOTAL EXPENSES</b>	<b>2,911,665</b>	<b>2,932,517</b>	<b>2,895,575</b>	<b>3,014,978</b>	<b>3,351,717</b>	<b>3,541,276</b>	<b>3,743,632</b>
Net Available for Debt Service	730,401	1,000,606	1,571,707	1,522,478	1,322,836	1,586,577	1,588,236
Revenue Bond Debt Service	539,015	540,746	541,746	541,496	366,584	367,611	363,110
Coverage Factor	1.36	1.85	2.90	2.81	3.61	4.32	4.37
Water Customers	4,455	4,455	4,455	4,492	4,456	4,548	4,514
Sewer Customers	4,193	4,193	4,175	4,190	4,173	4,253	4,217



## Historical Information

## PUBLIC UTILITY FUND REVENUES AND EXPENDITURES

## HISTORICAL WATER CONSUMPTION-GALLONS

FISCAL YEAR	DAILY	PEAK MONTH	TOTAL
ENDED 9/30	AVERAGE*	USAGE	USAGE
1996	1,181,637	44,859,000	492,479,000
1997	1,037,465	55,242,000	378,675,000
1998	1,217,600	66,264,000	444,425,000
1999	1,176,500	64,702,000	429,421,000
2000	1,296,172	53,690,000	466,622,000
2001	1,227,686	66,243,000	441,967,000
2002	1,223,917	44,677,000	440,610,000
2003	1,116,297	47,218,000	401,867,000
2004	1,088,700	46,602,000	391,932,000
2005	1,119,439	44,408,000	402,998,000
2006	1,108,211	39,479,000	398,956,000
2007	1,030,219	33,919,000	370,879,000
2008	1,126,878	46,469,000	405,676,000
2009	1,208,122	50,428,000	434,924,000
2010	1,047,811	37,798,000	377,212,000

\*DAILY AVG BASED ON 360 DAYS/YEAR

SOURCE: INFORMATION PROVIDED BY CITY OFFICIALS



# GLOSSARY

CITY OF  
PORT LAVACA



## Glossary

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

**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.

**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** – Related activities within a department.

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

**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.

**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.



## Glossary

**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.

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

**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.

**RETAINED EARNINGS** – An equity account reflecting the accumulated earnings of a proprietary, or enterprise fund, or internal service fund.

**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.

**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.

**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.





CITY OF  
PORT LAVACA

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