

COVER PAGE
As required by the State of Texas
Section 102.005, Local Government Code

This proposed budget will raise more total property taxes than last year's budget by \$312,402, a 4.8% increase, and of that amount \$102,078 is tax revenue to be raised from new property added to the tax roll this year.

Of the \$210,324 increase not attributable to new property, \$166,812 is for debt service on voter approved bonds.

	FY2007-2008	FY2008-09	Difference
Maintenance & Operation	\$3,241,362	\$3,386,952	145,590
Debt Service	<u>2,109,943</u>	<u>2,276,755</u>	<u>166,812</u>
Total	\$5,351,305	\$5,663,707	\$312,402

Note: Numbers are based on the certified taxable value of \$1,452,232,947. This also includes the \$5,000 increase in the Senior Citizen Tax Exemption up to \$65,000 which removed an additional \$1.1 million in value from the tax roll.

ON THE COVER

Public Works employees stand on the old landfill site in front of the debris collected in the aftermath of Hurricane Ike. Within one month of the storm an estimated 120,000 cubic yards of debris was collected.





City of

LAKE JACKSON

Enchantment



THIS DOCUMENT WAS PREPARED BY THE
OFFICE OF THE CITY MANAGER

FOR FURTHER INFORMATION, CALL OR WRITE:

CITY OF LAKE JACKSON
25 OAK DRIVE
LAKE JACKSON, TX 77566
(979) 415-2407

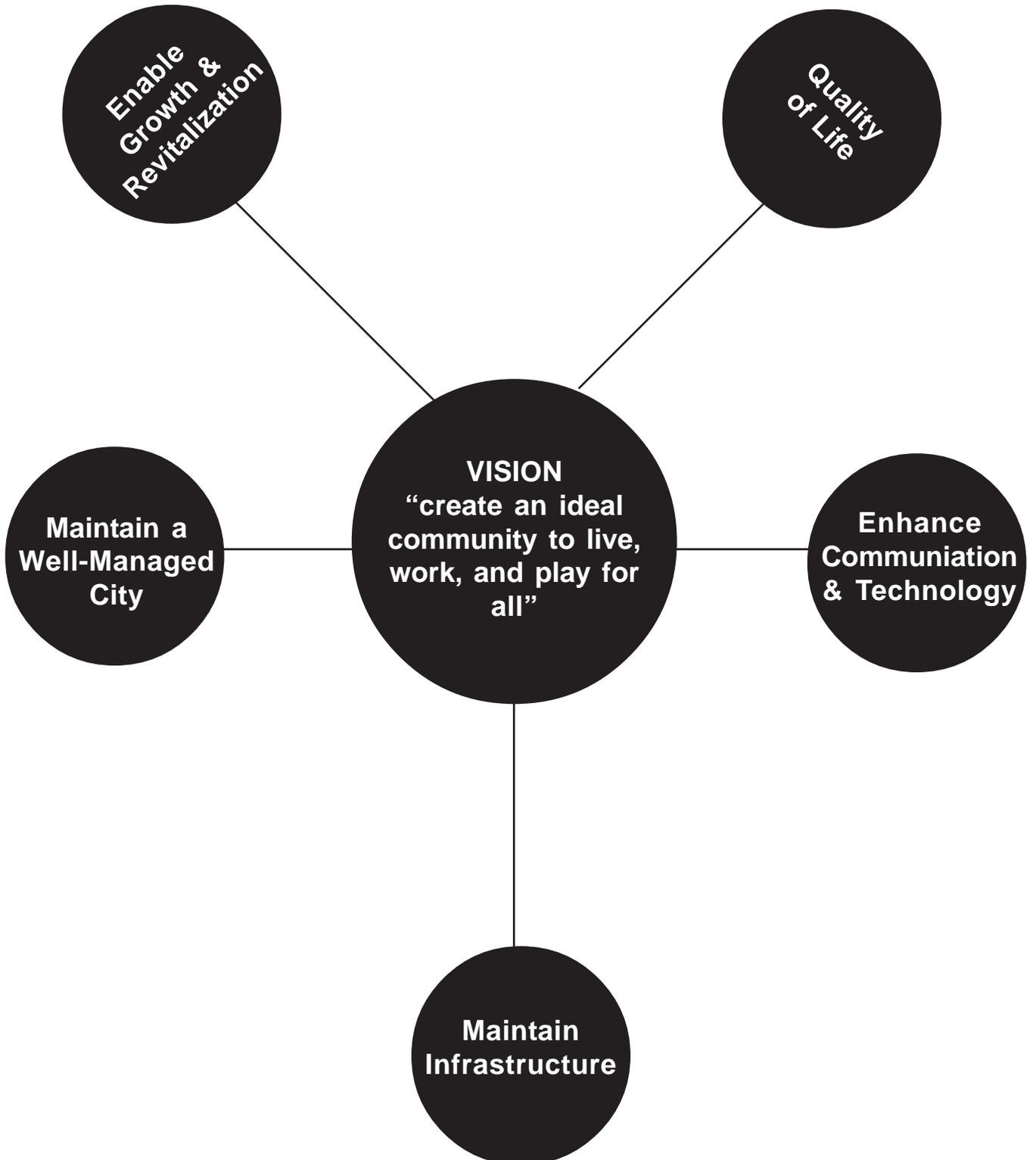
City Council



Back Row, Left to Right: City Attorney Sherri Russell, Councilmembers Vinay Singhania, Gerald Roznovsky, Bob Geter and Will K. Brooks, and City Secretary Alice Rodgers.
Bottom Row, Left to Right: Councilmember Joe Rinehart, Mayor Bob Sipple, and City Manager William P. Yenne.

The City of Lake Jackson operates under the Council/Manager form of government. Your City Council consists of a mayor and five council members, who serve two year staggered terms, and are elected on an “at-large” basis. Your City Council meets every first and third Monday of the month at 6:30 p.m. in City Hall. You are invited to attend any of these meetings. Operating under a Home Rule Charter and the Council/Manager plan, the City Council is the legislative body of your city government. The City Council appoints the City Manager who is responsible for the general administration of the City on a daily basis. The City Council appoints the City Attorney and Municipal Judges. Council also appoints the members of all the various boards and commissions, who volunteer their time and energy to the City.

Our Strategic Plan



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LAKE JACKSON

City of Enchantment



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ADOPTED TRANSMITTAL LETTER



LAKE JACKSON

City of Enchantment





CITY OF LAKE JACKSON

25 OAK DRIVE • LAKE JACKSON, TEXAS 77566-5259 • 979-415-2400 • FAX 979-297-9804

October 1, 2008

To the Honorable Mayor and City Council

I am honored to present to you and the fine citizens of Lake Jackson the adopted FY2008-2009 Annual Budget and Program of Services.

A lot of hard work and effort went in to this budget and I thank you and staff for the countless hours devoted to this effort.

This is the second year of goals and visioning process and you will see that we have incorporated this fully into our budget and our daily activity. The guidance this process has given me and staff is invaluable and makes the preparation of the budget more focused and effective.

But prior to going into budget, please allow me this opportunity to thank you, our citizens, our volunteers and our city employees for the outstanding job done to help us recover from the effects of Hurricane Ike.

On the front cover of the budget is a photograph of some of the many employees who helped pick up nearly 150,000 cubic yards of debris left by the hurricane. Our streets were cleared quickly after the storm passed and we had most of the debris removed within a month and all of it removed with six weeks. What a tremendous effort. I am so proud of all of our volunteers and employees. Our city returned to “normal” so quickly.

I also want to offer a special thanks to the employees and volunteers who stayed during the hurricane and worked hard to secure our city – excellent job.

Now, back to the budget.

THE BUDGET PROCESS

In January of each year the city council, interested citizens and city staff meet to review the city’s visioning process. City council establishes vision elements and 3-5 year objectives. City staff then looks at what goals can be set during the fiscal year to work toward achieving the objectives and “vision” set by city council.

Through the “vision and goal setting process” City Council reconfirmed the vision for our City:
“Our vision is to create an ideal community to live, work and play for all.”

This visioning process, along with a pre-budget capital project workshop helped set the objectives and goals of the City Council for staff to follow in preparation of the FY2008-09 budget.

Beginning in April of each year, Directors and Department Heads meet with the Budget Staff (composed of the City Manager, Assistant City Manager, Finance Director, and Administrative Assistant) to discuss their proposed budget requests. The Budget Staff reviews and considers these requests and balances them to meet projected revenues. The Budget Staff then prepares the proposed budget and work document. The proposed budget was submitted to the City Council on July 7, 2008.

Each year at least one public budget workshop is held in which the City Council, Budget Staff, Department Heads and interested citizens discuss the proposed budget. This year the workshop was held on July 19th. This workshop was open to the public and the press. The proposed budget and major issues facing the City were discussed in detail during this workshop and at subsequent regular city council meetings.

Reviewing the Manager's Letter, which was submitted to the City Council with the proposed budget and work document on July 7, 2008, will provide you with a good overview of the proposed budget. The following pages of this letter will discuss the changes to the proposed budget made by City Council to date.

Taxable Value

The certified tax roll, submitted to the City on July 21, 2008 by the Brazoria County Appraisal District (BCAD), was \$1,452,232,947. This is \$27,894,560 less than the preliminary estimate of \$1,480,127,507 provided by BCAD in May.

I had anticipated that the assessed value would drop to \$1,420,922,406 (96% of the unofficial estimate) from the May estimate. As you can see, we ended up above that estimate at \$1,452,232,947.

Also, I had estimated that \$20 million of this increase in values would be for new construction. The final numbers from the Appraisal District showed new values at \$26,173,830.

With the certified tax roll at \$1,452,232,947, less new value of \$26,173,830, shows existing properties in the city are valued at \$1,426,059,117. This compares to \$1,391,772,727 last year. Therefore, the increase in appraised values for existing property is 2.46%.

Prior to the budget process, City Council continued its process of raising the senior citizens exemptions and voted to make it \$65,000 for FY08-09, \$5,000 more than FY2007-08.

Based on the Appraisal District calculations, our effective tax rate (to bring in the same revenues as last year) is \$.37479/\$100 assessed value. The rate at which citizens can petition to "rollback" the tax rate is \$.40258/\$100 assessed value. The 39.0¢ rate adopted by city council is a 4.06% rate increase over the "effective tax rate."

TAX RATE

The tax rate adopted by city council for FY08-09 is 39.0¢/\$100 assessed value. As noted above, the "effective tax rate" (as determined by State Law – which is the rate that will bring in the same level of revenue as the previous year) is \$.37479/\$100 assessed value. The actual FY08-09 tax rate was 38.5¢. Based on the earlier anticipated appraised values I had proposed a 39.5¢ tax rate to fund the proposed budget.

One reason for the tax rate increase this year is due to the anticipated sale of \$2.4 million in voter approved debt this coming fall.

Other reasons for the tax increase is to fund increases in energy costs and for employee salary increases, with special emphasis on sworn personnel (police).

Our tax rate is made up of two components. The rate required for our daily maintenance and operations (M&O) and our debt rate to pay off voter approved bond issues. The following chart is a comparison of FY07-08 to FY08-09:

	<u>FY 07-08</u>	<u>FY 08-09</u>	<u>%diff</u>
Maintenance & Operations	\$0.2332	\$0.233224	0.0%
Debt and Service	<u>0.1518</u>	<u>0.156776</u>	<u>3.28%</u>
Total	\$0.3850	\$0.3900	1.30%

Changes to the Proposed Budget

There has only been one change to the proposed budget to date.

City council has chose a 39¢ tax rate, which based on the certified appraised values brings in \$41,064 more than the proposed 39.5¢ I submitted to council on July 7th based on the preliminary appraisal numbers. In fact the 39.5¢ rate would have brought in \$113,675 more than I had projected because of the higher than expected final appraisal numbers. To fund the budget as I submitted it on July 7th, based on the final appraisal numbers, would have required a 38.65¢ tax rate.

Council has asked that all of the additional \$41,064 be directed to improving the pay for our sworn personnel (up to and including lieutenants) in the Police Department. This was done.

City council considered the possibility of funding additional officers and/or funding a new regional bus service. But, again, the final recommendation was a 39¢ tax rate and funding the FY 08-09 budget as proposed, with the additional \$41,064 generated by the 39¢ tax rate going to police officers salaries.

The General Operating Fund Budget as adopted is \$16,583,022.

Conclusion

This was a challenging budget that was further challenged by the arrival of Hurricane Ike. We “weathered” both of these “storms”. The adopted budget is conservative and continues to fund the services our citizens have come to expect. The budget also takes care of our employees, who once again showed their loyalty, grit and determination in helping us before, during and after Hurricane Ike.

As always, my thanks goes to Council and my budget staff for all your work and effort to prepare this excellent budget document.

Sincerely,


William P. Yenne
City Manager

AMENDMENTS TO PROPOSED BUDGET



LAKE JACKSON

City of Enchantment



AMENDMENTS TO PROPOSED BUDGET - AS SUBMITTED 07/03

OPERATING FUNDS

GENERAL FUND

Revenues	
Property Taxes Increase -higher certified values	41,063
NET INCREASE (DECREASE)	<u>41,063</u>
Expenditures	
Increase Sworn Personnel Salaries	41,063
NET INCREASE (DECREASE)	<u>41,063</u>
<i>GENERAL FUND REVISED REVENUES</i>	16,583,021
<i>GENERAL FUND REVISED EXPENDITURES</i>	16,583,021
<i>PROJECTED ENDING FUND BALANCE</i>	4,646,300

AMENDMENTS TO PROPOSED BUDGET - AS SUBMITTED 7/05

MOTEL OCCUPANCY

MOTEL OCCUPANCY FUND

Expenditures

Increase transfer to Special Events Fund

\$5,000

NET INCREASE (DECREASE)

\$5,000

PROJECTED BEGINNING FUND BALANCE

\$147,370

MOTEL OCCUPANCY PROPOSED REVENUES

\$254,000

MOTEL OCCUPANCY REVISED EXPENDITURES

\$257,855

PROJECTED ENDING FUND BALANCE

\$143,515

SPECIAL EVENTS

SPECIAL EVENTS FUND

Revenues

Increase transfer from Motel Occupancy Tax	<u>\$5,000</u>
NET INCREASE (DECREASE)	<u><u>\$5,000</u></u>

Expenditures

Increase Concerts on the Plaza	<u>\$5,000</u>
NET INCREASE (DECREASE)	<u><u>\$5,000</u></u>

ORDINANCES ADOPTING BUDGET



LAKE JACKSON

City of Enchantment



RESOLUTION 08-R-566

A RESOLUTION ADOPTING THE BUDGET FOR THE CITY OF LAKE JACKSON, TEXAS, FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2008 AND ENDING ON SEPTEMBER 30, 2009.

WHEREAS, on July 7, 2008, the City Manager of the City of Lake Jackson filed with the City Secretary the proposed Budget for the City of Lake Jackson Fiscal Year 2008-2009; and

WHEREAS, on July 7, 2008, the City Manager of the City of Lake Jackson submitted the proposed Budget for the City of Lake Jackson Fiscal Year 2008-2009 to the City Council; and

WHEREAS, a public hearing on the said budget was duly held on the 25th day of August, 20078 and all interested persons were given an opportunity to be heard for or against any item thereof;

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LAKE JACKSON, TEXAS:

SECTION 1: That the City Council hereby adopts and approves the budget as filed with the City Secretary and amended for the fiscal year beginning October 1, 2008 through September 30, 2009 and hereby appropriates the amounts as specified therein at the fund level.

SECTION 2: That the City Manager shall cause copies of the budget to be filed with the City Secretary and the County Clerk of Brazoria County.

PASSED AND APPROVED 2nd day of September, 2008.

Bob Sipple
Mayor

ATTEST:

Alice A. Rodgers
City Secretary

APPROVED AS TO FORM:

Sherri Russell
City Attorney

ORDINANCE NO. 08-1886

AN ORDINANCE LEVYING THE AD VALOREM TAX OF THE CITY OF LAKE JACKSON, TEXAS ON ALL TAXABLE PROPERTY; WITHIN THE CORPORATE LIMITS OF THE CITY, NOT EXEMPT BY LAW; PROVIDING REVENUES FOR PAYMENT OF CURRENT MUNICIPAL EXPENSES, AND FOR INTEREST AND SINKING FUNDS ON OUTSTANDING CITY OF LAKE JACKSON BONDS; PROVIDING FOR ENFORCEMENT OF COLLECTION; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE, AND PROVIDING THAT THE CHARTER RULE REQUIRING TWO READINGS BE SUSPENDED.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LAKE JACKSON, TEXAS:

Section 1:

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$.02.

Section 2: That under the authority of the Charter of the City of Lake Jackson, Texas, and the laws of the State of Texas, there is hereby levied for the fiscal year October 1, 2008 through September 30, 2009, on all taxable property situated within the corporate limits of the City of Lake Jackson, and not exempt by the Constitution and Laws of the State of Texas or by Sections 5 and 6 of the Ordinance, a tax of \$.39 on each \$100 assessed value of all taxable property.

Section 3: That of the total tax \$.233224 on each \$100 assessed value shall be distributed to the General Fund of the City to fund maintenance and operation expenditures of the City.

Section 4: That of the total tax \$.156776 on each \$100 assessed value shall be distributed to pay the City's debt service as provided by Section 26.04(e)(3) of the Texas Tax Code.

Section 5: That pursuant to Article VIII, § 1-b of the Texas Constitution, sixty-five thousand dollars (\$65,000) of the assessed taxable value of the residence homestead of an individual who is disabled or is sixty-five (65) years of age or older shall be exempt from all ad valorem taxes hereafter levied by the City of Lake Jackson, effective beginning the 2008 tax year to begin October 1, 2008.

Section 6: That for enforcement of the collection of taxes hereby levied, the City of Lake Jackson shall have available all rights and remedies provided by law.

Section 7: All monies collected under this ordinance for the specific items therein named, shall be and the same are appropriated and set apart for the specific purpose indicated in the City Budget and the City shall keep these accounts so as to readily and distinctly show the amount collected, and the amounts expended and the amounts on hand at any time belonging to such funds. All receipts for the City not specifically apportioned by the Ordinance are hereby made payable to the General Fund of the City.

Section 8: That if any section, subsection, paragraph, sentence, clause, phrase or word in this ordinance, or

application thereof to any person or circumstance is held invalid by any court or competent jurisdiction, such holding shall not affect or impair any remaining portions or provisions of this ordinance and the City Council of the City of Lake Jackson, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

Section 9: Upon the affirmative vote of all Council members present, the rule requiring ordinances to be read on two separate days is hereby suspended and this ordinance shall be passed and become effective from and after the date of its adoption on its first reading.

PASSED AND APPROVED on the first and final reading this 2nd day of September, 2008.

Bob Sipple, Mayor
City of Lake Jackson

ATTEST:

Alice A. Rodgers, City Secretary

APPROVED AS TO FORM:

Sherri Russell, City Attorney

READER'S GUIDE



LAKE JACKSON

City of Enchantment



CITY OF LAKE JACKSON

2008-2009 BUDGET SCHEDULE

March 18	Distribute City Council Budget Questionnaire
March 24	CIP Workshop with City Council
April 7	Regular City Council Meeting
April 21	Regular City Council Meeting
April 23	9:00 a.m. Budget Kickoff. Distribute Worksheets to Department Heads – Staff
May 5	Regular City Council Meeting
May 5	<i>Strict Deadline</i> – Goals and Accomplishments & YTD Performance Measures submitted by Department Heads & Directors
May 12	<i>Strict Deadline</i> – Department Heads Submit Budget Request to City Manager –
May 19	Regular City Council Meeting
May 21-May 29	Budget Hearings Department Heads, Budget Staff Explain Department Head Requests
June 2	Regular City Council Meeting
June 2-16	Budget Staff prepares Preliminary Budget Requests
June 16	Regular City Council Meeting – Review CIP with City Council (obtain feedback).
June 16–July 3	Proposed Budget Request Prepared for Presentation to City Council
July 4	Independence Day – Holiday
July 7	Regular City Council Meeting
July 7	Proposed Budget Delivered to City Council
July 8	File Proposed Budget with City Secretary
July 19	Saturday Budget Workshop
July 21	Regular City Council Meeting
July 24	Receive Certified Appraisal Roll, Calculate Effective Tax Rate
July 26	Budget Workshop with City Council, if necessary. Estimated appraisal roll and effective tax rate.
August 1	72-hour Open Meetings Notice
August 4	Call public hearing for Budget on August 25 by Resolution
August 4	Publish Effective Tax Rate
August 4	Regular Council Meeting – Council will discuss tax rate; if proposed tax rate will exceed the rollback rate or the effective tax rate (whichever is lower), Schedule a public hearing for August 18 & 25 and take record vote to place a proposal to adopt the tax rate on the agenda of September 2nd meeting (specifying rate).
August 11	Notice of Public Hearing on Tax Increase – is the first quarter-page notice in newspaper and on TV and Website published at least 7 days before public hearing.
August 15	72-hour Open Meetings Notice for Public Hearing on Tax Rate & 10 day Newspaper Notice on Budget Public Hearing (required by charter).
August 18	Regular Council Meeting – First Public Hearing on Tax Rate (council announced date, time & place of vote)
August 19	Notice of Vote on Tax Rate published before meeting to adopt tax rate - is the second quarter-page notice in newspaper before meeting and published on TV and Website at least seven days before meeting.
August 22	72-hour Open Meetings Notice for Public Hearing (Open Meetings Notice)
August 25	Council Meeting-Second Public Hearing on Tax Rate Increase and announce meeting to Adopt Tax Rate on September 2. Public Hearing on Budget, announce meeting to Adopt Budget on September 2.
August 26	Public notice of vote in paper, on internet, and on cable channel.
August 29	72-hour Open Meetings Notice for City Council to adopt Budget and Tax Rate
September 1	Labor Day Holiday
September 2	Regular Council Meeting: a) Final Adoption of Budget by Resolution. b) Adopt Tax Rate by Ordinance.
September 3	Final Budget is filed with City Secretary, County, and State.
September 15	Regular City Council Meeting
October 1	New Fiscal Year Begins

Budget Kick-off Memo



To: All Directors, Dept. Heads & Supervisors
From: William P. Yenne, City Manager
Date: April 23, 2008
Re: FY2008-2009 Budget

We have five vision elements that will guide our preparation of the FY 2008-2009 Budget. They are:

- Maintain a Well Managed City - with its guiding principle: “work to hire and retain qualified employees in all areas”.
- Maintain Infrastructure - with its guiding principle: “maintain existing facilities and infrastructure at current high standards”.
- Enhance Communication and Technology - with its guiding principle: “use new technology to improve areas of operation, with special emphasis on communication”.
- Enhance Growth and Revitalization – with its guiding principle: “promote quality growth following the established Master Plan”.
- Quality of Life – with its guiding principle: “provide excellent quality of life for all Lake Jackson citizens”.

These vision elements should be foremost in your thoughts as you prepare your budget requests for FY 2008-09. You need to look at how your operations currently and in the new budget work to encompass these vision elements and our overall vision:

“Our vision is to create an ideal community to live, work and play for all”.

All our efforts should tie back to this vision and help us meet the vision elements listed.

This will be a very challenging year. The national economy is in a state of “flux”. There are many who believe the nation is either in or headed toward a recession. Fuel prices and energy costs are skyrocketing. This will put a significant strain on our operating budget.

Currently our sales tax numbers are not meeting projections; this will put additional strain on our ability to meet our vision and goals.

But, it is our job to take a fresh look at our services and the way we operate. Look for better, more cost effective ways to operate. See how we can meet our vision, even during uncertain times.

I want to thank you for your commitment to our city and to the visioning process. Together we can work to prepare a strong budget that meets our vision and its vision elements, and one of which we, City Council and our citizens can be proud.

So, lets get to work.



Entry sign to the City of Lake Jackson

The construction of the sign was funded by a grant from Keep Texas Beautiful. The grant, funded by the Texas Highway Department, was awarded to the Keep Lake Jackson Beautiful Commission for winning the Governor's Community Achievement Award.

THE BUDGET PROCESS

The City of Lake Jackson uses a hybrid performance/program oriented budgeting process.

1. City Council Issue Development

Early in the year, the City Council reviews the City’s Goal and Visioning process and considers goals to meet the established vision elements. Also, a capital improvements workshop is held to establish the capital project priorities for the coming fiscal year. Council priorities and goals are incorporated into the proposed budget. Major issues are fully addressed in the “Manager’s Message” section of this document.

2. Revenue Projection

The budget revenue projection for the new fiscal year begins midyear of the current fiscal year. This projection is made by the City’s Budget Committee (comprised of the City Manager, Assistant City Manager, Finance Director and Administrative Assistant) with the help of department directors and supervisors. Projections are based upon consultations with state and local agencies, trend analysis, anticipated changes in the local and regional economy, and discussions with directly associated staff members. Although beginning earlier, the budget revenue projection occurs concurrently with departmental budget development and extends until the budget is adopted based upon the receipt of any new information.

3. Proposed Budget Development

During budget development at the department level, the City’s Budget Committee works with department directors and supervisors to analyze requests, provide advice and lend assistance. Staff work sessions are held to discuss and develop goals and performance measures which tie in to council set goals and priorities.

4. Proposed Budget Analysis/Compilation

Once departmental budget requests are completed, the Budget Committee meets with each department to review and discuss their funding request.

Given revenue projections and funding requirements, requests are proposed for funding according to ranking received by the Budget Committee. At this time the funding level is weighed against available resources, and a tax rate increase may or may not be recommended depending upon Council program priorities and issues previously expressed in the budget process.

5. City Council Budget Study

Several budget work sessions, which are open to the public, are held with the City Council to review and discuss the proposed budget. At the work sessions, the City Manager reviews major issues and presents an overview of the budget and department directors present their budget to the City Council.

6. Public Hearing/Budget Adoption

A public hearing on the budget and tax rate is held in August prior to final budget consideration. At said hearing, citizens or any other individual may make formal comment either for or against the proposed budget. The public also has the opportunity to attend City Council budget work sessions occurring in July and possibly August.

Budget adoption occurs in September after City Council deliberations and the public hearing. City Council may take action to modify the proposed budget per its discretion. The City Council also adopts a tax rate to support adopted funding levels.

7. Compilation of Adopted Budget/Budget Maintenance

An adopted budget is compiled and published during the first months of the new fiscal year. The adopted budget in the form of an amended proposed budget is available for public inspection in late September. Ledger accounts are prepared for the new fiscal year prior to October 1.

Budget maintenance is a year round activity of department directors and the Budget Committee. Spending control mechanisms include monthly review of expenditures by the Department Directors, Supervisors and Budget Committee. Also, all purchase requisitions are compared to the line item and departmental budget prior to approval. Beginning in January, monthly budget analysis reports are prepared to present budget versus estimated expenditure variances. These reports are reviewed by staff to identify any major expenditure variances. Quarterly reports re prepared for City Council. Department heads are instructed that expenditures for individual line items may exceed the budgeted amount as long as the department's total expenditures remain less than the budgeted amount.

8. Budget Amendment

In some cases department expenditures may exceed the budgeted amount so long as the fund as a whole remains within the budgeted amount. This is the case because the budget is adopted at the fund level. A budget amendment is presented to Council for approval only if the budget for an individual fund is being changed.

9. Program Goals and Measures

Finally, program goals and measures are evaluated during the fiscal year to determine effectiveness of program activities and levels of appropriate funding and effectiveness in meeting the vision and vision elements established by City Council.

Although enhanced with important information and explanations, this year's budget is submitted to the City Council in a format notably similar to last year.

ORGANIZATION OF THE BUDGET

BUDGET SUMMARIES

The Budget Summaries section is designed to provide a quick overview of the budget for all funds of the City. This section includes the following schedules:

Combined Funds Summary - Presents the total budgeted revenues and expenditures for each fund. Transfers between funds are subtracted from the total to indicate total dollars in and out of the City.

All Funds Revenues by Category - Presents a breakdown of all City revenues by Category and presents it graphically.

All Funds Expenditures by Category - Presents a breakdown of all City expenditures by Category and presents it graphically.

Governmental Fund Types Projected Fund Balances - Summarizes the projected beginning and ending governmental funds. This schedule is useful in determining whether fund balances are maintained at sufficient levels.

Proprietary Fund Types Projected Cash Balances - Summarizes the projected beginning and ending cash balance for each of the proprietary funds. This schedule is useful in determining whether cash balances are maintained at sufficient levels.

Personnel Summary by Department - Summarizes authorized positions for the current budget and previous three years. Explains what positions have been added, deleted or reclassified.

Operating Funds Summary - Presents the combined revenues and expenditures for the General & Utility operating funds. Presents a more detailed breakout of expenditures.

General Fund Revenues by Category - Presents a breakout of the General Operating Fund revenues by Category and presents it graphically.

General Fund Expenditures by Category - Presents a breakdown of all General Operating Fund expenditures by Category. Includes a summary of General Fund authorized personnel.

Utility Fund Revenue by Category - Presents a breakout of the Utility Operating Fund revenues by Category and presents it graphically.

Utility Fund Expenditures by Category - Presents a breakdown of all Utility Operating fund expenditures by Category. Includes a summary of Utility Fund authorized personnel.

Summary of Capital Items - Summarizes all capital expenditures.

GENERAL AND UTILITY FUND DEPARTMENT DETAIL

The detail for each department includes the following information:

Program Description This section outlines the duties and responsibilities performed by the department. It is provided to enable the reader to understand the function of each department.

Goals and Objectives Each department has provided a summary of specific goals they wish to achieve during the coming fiscal year. They should have a specific time frame or measurable achievement.

Accomplishments - Each department has provided a listing of major accomplishments for the previous fiscal year.

Measures Measures include workload indicators as well as performance measures indicators which reflect major activities of the department. Workload measures also indicate the amount of work that has been done in the past and projected workload levels for the current and next years. Performance measures may also include productivity indicators. Productivity indicators reflect how well a program is performing its activities to meet the needs of the public and the organization. They should measure productivity, effectiveness, efficiency or the impact of a service provided. While workload indicators indicate “how much” activity the department is performing, productivity indicators identify “how well” the department is performing. These indicators should be able to be tracked with a reasonable amount of time and effort.

Resources The summary of resources identified by department, highlights fees and revenues which are generated as a result of department activities. In many departments, a change in level of activity will have an impact on associated revenues. This section highlights that relationship.

Expenditures The summary of expenditures identified by department shows the category of expenses for each of the department’s programs as compared from year to year.

Personnel Summary The Personnel summary section shows the positions or personnel resources budgeted to carry out services.

Major Budget Changes The summary of major budget changes identifies significant changes in funding levels and organizational alignment. This section also details major new programs and items proposed for funding.

SUMMARY OF FINANCIAL FUND ACCOUNTING

The City uses individual funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and achieve fiscal accountability by segregating transactions related to certain government functions and activities.

ORGANIZATION OF THE BUDGET

A fund is a fiscal and accounting entity with a self-balancing set of accounts. A separate fund may be established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The two types of funds utilized in the City's Comprehensive Annual Financial Report (CAFR) are *Governmental* and *Proprietary*. For the City's day-to-day operations, and for budgetary purposes, some of the funds reported in the CAFR are broken down into sub-funds. Each of the sub-funds budgets is established independently. The following is an explanation of the City's use of funds.

GOVERNMENTAL FUND TYPES

General Fund

The *General Fund* is the City's primary operating fund. The *General Fund* is presented as a major fund in the basic financial statements of the CAFR. It accounts for all financial resources of the City, except those required to be accounted for in another fund. The principal sources of revenues of the *General Fund* are property taxes, sales taxes, franchise taxes, permit fees and fines. Expenditures are tax supported activities such as general government, finance, public safety, public works, parks and recreation. For budgetary purposes, the *General Fund* of the City is comprised of: the General Operating Fund, Equipment Replacement Fund, Unemployment Insurance Fund, Special Events Fund, and the General Contingency Fund. Each of these funds is budgeted independently, with the emphasis on the General Operating Fund. According to the City Charter, the General Operating Fund budget must balance – revenues must equal expenditures.

Special Revenue Funds

The *Special Revenue Funds* are used to account for specific resources and expenditures that are legally restricted for particular purposes. Special Revenue funds include: the Park Fund, the Motel Occupancy Tax Fund, and the Economic Development fund. In the CAFR, the Economic Development fund is presented as a major fund.

Debt Service Fund

The *Debt Service Funds* are used to account for the accumulation of resources for the annual payment of debt principal and interest, and to provide a reserve for such payment. Debt Service Funds include: General Debt Service, Economic Development Debt Service, Golf Course Debt Service, Utility Debt Service and Utility Debt Service Reserve. A cash basis budget is adopted for each of these funds. In the CAFR, the General Debt Service fund is included as a major fund. The Golf Course Debt Service and the Economic Development Debt Service are presented combined with other non-major governmental funds. Utility Debt Service and Utility Debt Service Reserve are included as part of the Utility Fund in the proprietary fund statements.

Capital Projects Funds

Capital Project Funds are used to account for the acquisition, construction or repair of major capital facilities and equipment other than those financed by proprietary funds. These funds include the General Projects Fund, 2004 Infrastructure Improvement Fund, and the 2007 Infrastructure Improvement Fund. In the 2006 CAFR, the 2004 Infrastructure Improvement Fund was classified as a major fund. In the 2007 CAFR, the probable candidate for the major fund classification are the 2004 and 2007 Infrastructure Improvement Fund.

PROPRIETARY FUND TYPESEnterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. Such funds are to be financed or recovered primarily through user charges. The City has two Enterprise Funds: the Utility Fund and the Golf Course Operating Fund. For budgetary purposes, the Utility Fund includes the following sub-funds: Utility Operating Fund, Utility Contingency, Utility Debt Service, Utility Debt Service Reserve, Utility Projects, 1996 Utility Bond Construction Fund, and Wastewater Treatment Plant Construction Fund. Each of these funds is budgeted independently with emphasis on the Utility Operating Fund. The City's charter states that the Utility Operating Fund's budget must balance—revenues must equal the expenses.

SUMMARY OF ACCOUNTING FINANCIAL STRUCTURE**GOVERNMENTAL FUNDS**

General Fund Sub-Funds

General Operating Fund - This fund includes the maintenance and operations portion of the tax revenues and tax supported activities such as Police, Fire, Drainage, Streets, Parks and Recreation. This fund is annually budgeted to "balance" or is prepared so that revenues equal expenditures.

Equipment Replacement - Each department has a budgeted transfer to this fund. The transfer amount is based on the equipment used by the department, the original cost of the equipment and its estimated useful life. Accumulated resources in this fund are then used to purchase new and replacement equipment. This fund is not necessarily budgeted to be balanced. In some years revenues may exceed expenditures and vice versa.

Unemployment Insurance - If necessary, each department has a budgeted transfer to this fund. The transfer amount is roughly based on the number of employees in the department. Accumulated resources are used to pay unemployment claims.

Special Events Fund - Money is transferred to this fund from the Motel Occupancy Tax Fund to assist with the payment of Festival of Lights expenditures. The General Fund also transfers money here to pay the Fourth of July expenditures. If there is not accumulated fund balance, this fund will be budgeted as balanced.

General Contingency Fund - This fund contains money to be used in case of emergency or special situation. The City seeks to maintain this fund balance at 3% of the General Fund budgeted expenditures. This fund usually has no budgeted expenditures.

Special Revenue Funds

Motel Occupancy Fund - This fund accounts for the revenue received from the tax on motel rooms. The use of this revenue is limited and is therefore accounted for separately. This fund is not necessarily budgeted to be balanced.

BUDGET BASIS

Parks Fund - This fund accounts for revenue received from donations in lieu of parkland. This fund's revenue is also supplemented by year-end transfers from the General Fund. The Parks Board is responsible for establishing the budget for this fund. Normally, the fund is not budgeted as balanced.

Economic Development Fund - This fund accounts for the revenues received from the additional 1/2¢ sales tax. This fund is not budgeted as balanced. Our objective is to establish a fund balance equal to the next year's debt service requirements.

Debt Service Funds

General Debt Service Fund - This fund includes the debt service tax revenues and the debt service expenditures related to tax supported General Obligation Bonds.

Golf Course Debt Service - Money is transferred to this fund from the Economic Development Fund and the Golf Course Operating Fund to pay debt service on bonds issued to construct the golf course. This fund is budgeted as balanced and is reduced to zero once a year.

Economic Development Debt Service - Money is transferred to this fund from the Economic Development Fund to pay debt service on Certifications of Obligations issued to construct recreation related projects.

Capital Projects Funds

General Projects Fund - This fund receives transfers from the General Fund. Accumulated resources are used for capital projects throughout the City. This fund is budgeted based on accumulated resources. The goal is to maintain at least \$500,000 in the fund.

Multi-Year Funds - This includes all Governmental construction funds funded by the issuance of bonds or Certificates of Obligation. Current funds include the 2004 Infrastructure Improvement Fund, 2006 Infrastructure Improvement Fund and the Fire/EMS Bond Construction Fund.

PROPRIETARY FUNDS

Proprietary funds are considered to be similar to a business enterprise. Expenditures are supported by user fees and charges. The specific funds which make up the proprietary fund type are:

Utility Fund Sub-Funds

Utility Operating Fund - This fund includes the revenues from the Water, Sewer, and Sanitation charges. It includes the expenditures related to providing these services. This fund is annually budgeted so that revenues equal expenditures.

Utility Contingency Fund - This fund contains money to be used in case of emergency or special situation. The City seeks to maintain this fund balance at 3% of the Utility Operating Fund budgeted expenditures. This fund typically has no budgeted expenditures.

Utility Debt Service - Money is transferred to this fund from the Utility Operating Fund to provide for the payment of utility related debt service. This fund is not budgeted to be “balanced” but revenue and expenditure amounts are close to the same amount.

Utility Debt Service Reserve Fund - This fund is used for the accumulation of resources to provide a reserve fund for the \$16 million Wastewater Treatment Plant bonds. There are no budgeted expenditure amounts in this fund.

Utility Project - This fund receives transfers from the Utility Fund. Accumulated resources are used for Utility capital projects throughout the City. This fund is budgeted based on accumulated resources. The goal is to maintain at least \$500,000 in the fund balance.

Golf Course Funds

Golf Course Operating Fund - This fund accounts for the revenues and expenditures of the Wilderness Golf Course which opened May of 2004. The course is managed and operated for the city by KemperSports. This fund is budgeted as balanced or with a slight income.

ACCOUNTING AND BUDGETING BASIS

Basis of Accounting

The City of Lake Jackson uses governmental and proprietary fund types to account for its activities. All fund structures and accounting standards used for financial reporting are in compliance with Generally Accepted Accounting Principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB) and other recognized professional standards.

The City’s accounting records for *governmental funds* are maintained on a modified accrual basis. Under this basis of accounting, revenues are recognized when they are susceptible to accrual (i.e. measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period (usually within 60 days of fiscal year-end). Ad valorem tax, sales tax, franchise tax, and interest revenues are susceptible to accrual. Licenses and permits, charges for services, fines and forfeiture revenues are recorded as revenues when received in cash because they are generally not measurable until they are received. Expenditures are recorded when the related liability is incurred.

Accounting records for the City’s *proprietary funds* are maintained on the accrual basis. Revenues are recognized when earned and expenses are recognized when the liabilities are incurred.

Basis of Budgeting

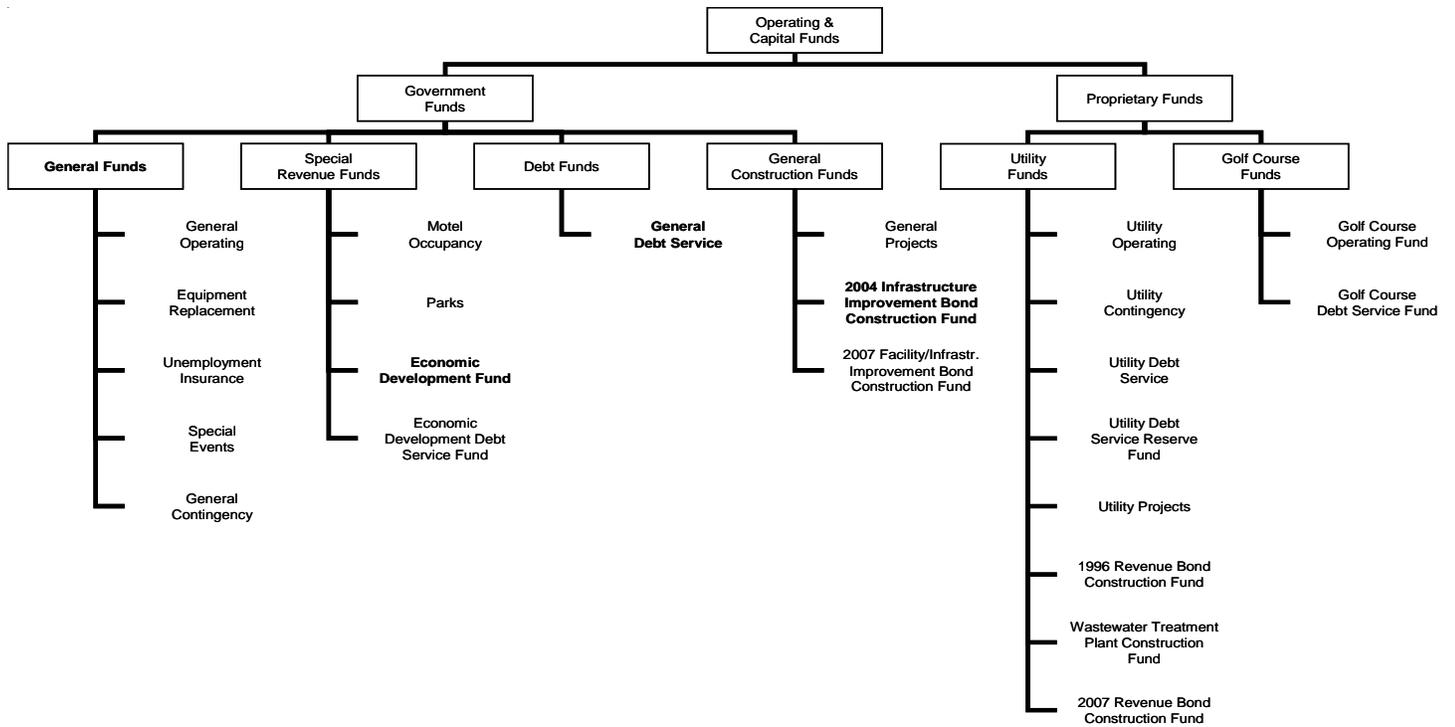
The City prepares its annual budget using concepts compatible with the modified accrual basis of accounting. Similar to the accounting basis, the budgetary basis recognizes revenues in the accounting period in which they become available and measurable. Expenditures (expenses) are budgeted in the accounting period in which the fund liability is incurred. The major differences between the budgetary and accounting basis are that:

BUDGET BASIS

- Interest expense on long-term debt is budgeted when due.
- Depreciation is not budgeted.
- Encumbrances are treated as budgetary expenditures in the year the commitment to purchase is made; as opposed to when the goods or services are received (accounting basis).
- Capital outlay is budgeted during the year the expenditure will occur.

Budgets for the proprietary funds are prepared on the accrual basis of accounting, with certain exceptions, under which revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Financial Structure



Bolded Funds were accounted for as Major Funds in the 2006-07 Comprehensive Annual Financial Report.



Tree Debris pickup in the aftermath of Hurricane Ike.

An estimated 150,000 Cubic yards were picked up in six weeks by City Crews and contractor assistance

DIRECTIVES & POLICIES



LAKE JACKSON

City of Enchantment



ADMINISTRATIVE POLICY

1. Development of Revenue Projection. During the budget process the City will estimate its future revenues using an objective analytical process. Past trends will be examined as well as expected future events. Additionally, a five year projection of revenues will be performed as part of the debt capacity analysis. This analysis is updated at least annually. It is utilized to plan the timing and amount of future bond issues so as to have the least possible impact on the overall tax rate.
2. User Charges and Fees. As part of the budget process user charges and fees will be examined and compared to the cost of providing the services. It is not intended for all services, such as recreation, to be fully supported by user charges. However, revenue from the user fees will be compared to the cost of providing service to facilitate City Council's policy decision regarding the level of support to be provided.

For Enterprise Funds, such as the Utility Fund which accounts for the water, wastewater and sanitation operations of the City, fees and charges will be established which fully support the total direct and indirect cost of the fund. Indirect costs include the cost of administration borne by other operating funds.

Additionally, for each of the operations accounted for by this fund a detail proforma will be presented projecting revenues and expenditures for three years.

3. One-Time Revenues - The City shall not use one-time revenue for continuing expenses. All new and continuing expenses will be provided for based on known and conservatively projected revenue sources. The identification of new, but on-time revenue opportunities will be used to fund one-time expenses such as capital equipment purchases and small capital projects not involving on-going operating expenses.

SUBJECT:

EXPENDITURES

1. Budgeted expenditures in the General Operating Fund and Utility Operating Fund will not exceed projected revenues.
2. Core services will be budgeted in order that outstanding quality services will be provided. Generally, only when known increases in revenues are going to take place or are planned (such as increased fees or industrial district revenue) will new or expanded services be considered.
3. As part of the debt capacity analysis, a five year forecast of expenditures will be made. This forecast will be updated at least annually.

SUBJECT:

INVESTMENTS

As adopted by the City Council, It is the policy of the City of Lake Jackson that the administration and investment of funds be handled as its highest public trust. Investments shall be made in a manner that will provide the maximum security of principal invested, employing limitations on maturities and diversification of the portfolio, while meeting the daily cash flow needs of the City; and conforming to all applicable Federal, State and local government statutes governing the investment of public funds. The receipt of a market rate of return will be secondary to safety and liquidity requirements. It is the intent of the City of Lake Jackson to pursue a passive investment strategy in which investments are held to maturity as opposed to an active strategy in which invest-

ments are sold prior to maturity. The earnings from investment will be used in a manner that best serves the public trust and interest of the City of Lake Jackson.

The investment policy applies to all financial assets of the City of Lake Jackson. These funds are accounted for in the City's Comprehensive Annual Financial Report and include the General, Special Revenue, Debt Service, Capital Projects, and Proprietary Funds. All cash of the various funds (excluding bond funds) are combined into the pooled cash fund for efficiency and maximum investment opportunity. Interest revenue derived from the pooled cash fund is allocated to the participating funds (monthly) based on the relative cash balance of each fund. Bond funds are invested in separate investment pool accounts. Maintaining these funds in separate accounts simplifies the calculation necessary for the reporting of arbitrage earnings. All funds in the pooled cash fund are to be administered in accordance with this policy.

The primary objectives, in priority order, of the City's investment activities shall be preservation and safety of principal, liquidity and yield.

SUBJECT:

FUND BALANCE

General Operating Fund. The City will seek to maintain an undesignated fund balance equal to 25% to 33% of budgeted expenditures for the General Operating Fund. Maintaining the fund balance at this level provides a source of funds in the event of an unexpected budget shortfall or in case of disaster. At the end of the current fiscal year we anticipate a positive budget variance in the General Fund. After determining the desired fund balance in the General fund, the remainder of the positive budget balance is transferred to the General Capital Projects Fund or other funds as directed by City Council.

Utility Operating Fund. The City will seek to maintain a working capital (current assets minus current liabilities) balance equal to 25% to 33% of budgeted expenditures for the Utility Operating Fund. Again, maintaining a balance at this level provides a source of funds in the event of an unexpected budget shortfall or in case of disaster. At the end of the current fiscal year we anticipate a positive budget variance in the Utility Fund. After determining the desired fund balance in the Utility fund, the remainder of the positive budget balance is transferred to the Utility Capital Projects Fund or other funds as directed by City Council.

General Debt Service Fund. This fund is treated as a combination interest and sinking fund and reserve fund for each of general obligation debt issues. The maximum reserve balance for each of the issues being the lower of 1) average annual debt service x 1.25, 2) maximum yearly payment, or 3) 10% of principal. The fund balance must stay under the maximum allowed reserve so that this fund maintains bona fied debt service fund status for arbitrage calculation purposes. All money in this fund has been raised from the assessment of property taxes for the purposes of debt service. As such, they may only be used for debt service.

Utility Debt Service Fund. The Utility Debt Service Fund is used for the accumulation of resources for the payment of Water and Sewer Revenue Bonds and also to provide a reserve as provided by the City's bond ordinances. A separate reserve fund has been established for the \$16M wastewater treatment plant bonds. These ordinances currently require the City to maintain a reserve equal to the succeeding fiscal year's principal and interest payment. Upon the issuance of additional debt, the ordinances allow the reserve to be raised to the required level over 60 months. Additionally, each month there must be deposited in the fund 1/6th of the next maturing interest and 1/12th of the next maturing principal.

ADMINISTRATIVE POLICY

Utility Projects Fund and General Projects Fund. The City will seek to maintain a minimum balance of \$500,000 in each of these funds. These balances will allow for the completion of necessary but unforeseen projects that may occur during the year.

Utility Contingency & General Contingency Fund. The City, by Charter requirement, will maintain a balance in these funds equal to 3% of its respective operating fund's budgeted expenditures. These funds are maintained strictly for emergency use and will only be used in the event that purchases cannot be accommodated through current year savings.

Economic Development Fund. The Lake Jackson Development Corporation established a target fund balance for this fund equal to the succeeding years debt service requirement. Because the sole source of income for this fund is sales tax, the Corporation board wanted to protect against the possibility of a downturn in revenue.

Equipment Replacement Fund. The fund balance in this fund is tied to specific pieces of equipment for which a reserve for replacement is provided.

Unemployment Insurance Fund. The City will seek to maintain a fund balance in this fund such that the interest earnings are sufficient to pay any claims.

Motel Occupancy Tax. There is no designated desired fund balance. Currently, City Council has chosen to spend down the fund balance and then operate year to year on revenues recovered.

Park Fund. The City will seek to maintain a \$100,000 balance in this fund. We are never sure there will be additional revenues (transfers) to this fund. Leaving a \$100,000 balance will allow at least one additional year of projects to be completed in the event funding is unavailable.

SUBJECT:

FUNDING OF CAPITAL PROJECT AND EQUIPMENT PURCHASES

The City desires to fund as many Capital Projects and equipment purchases as possible on a pay as you go basis. Larger projects, typically those over \$500,000, will be accomplished by the issuance of General Obligation Bonds. To accomplish this goal the City has established three funds, the General Projects Fund, the Utility Projects Fund and the Equipment Replacement Fund.

The primary revenue source for the General and Utility Projects Fund is year-end transfers from their respective operating funds. After taking into consideration any desired growth in the fund balance, positive budget variances are transferred to the capital projects funds. In budgeting for these funds a five-year capital improvement plan is maintained and updated at least annually. City staff, with input from City Council and citizens continually assesses potential projects that will require funding. The City desires to maintain a fund balance of \$500,000 in each of the capital project funds. However, these funds are typically budgeted to end the year with a fund balance greater than this to enable City Council to approve some urgent projects that arise during the year.

The Equipment Replacement Fund is the primary source of funds for all of the City's equipment purchases, both replacements and additions. Rather than budget for equipment purchases in each department, each department pays a calculated amount into the equipment replacement fund on a yearly basis. This strategy prevents severe fluctuations in the operating funds from year to year created by the purchase of expensive equipment. Each

department's payment to the equipment replacement fund is budgeted in a line item labeled transfer to Equipment Replacement. The amount a department budgets as their transfer is calculated based on the equipment used by the department, the equipment's estimated cost and its estimated useful life. Each year the city typically budgets \$1 to \$2.0 million in equipment purchases.

SUBJECT:

PLANNING AND STRUCTURE OF CITY INDEBTEDNESS

The City's capital improvement plan calls for all but the largest, typically at least \$500,000, projects to be financed on a pay as you go basis through the General and Utility Projects funds. For larger projects the City will issue three types of debt instruments. These are General Obligation Bonds, Certificates of Obligation and Revenue Bonds.

General Obligation Bonds. The principal and interest on these bonds is paid with tax revenues. Any projects funded by the issuance of these bonds will be voted on by the citizens. Before the citizens vote, a detailed analysis and projection of the impact on the tax rate will be performed. The citizens will be informed via city newsletter, public meeting and other media what this potential impact on the tax rate is.

Certificates of Obligation. The principal and interest on these bonds is paid with revenue from the half-cent sales tax (Economic Development Fund). As part of the Lake Jackson Development's Corporation process, projects funded with Certificates of Obligation will have two public hearings before being approved. State law does not permit these additional half cent sales tax projects to be voted on individually. The ability to issue new debt to be repaid from the half-cent sales tax is based on the ability of the fund to make the principal and interest payments and still maintain a balance equal to the succeeding years principal and interest payment.

Revenue Bonds. The principal and interest on these bonds is paid with net revenues of the water and sewer system. Although not required, the City has a history of seeking voter approval of these bond issues. The citizens are made aware of the impact any new bond issue will have on water and sewer rates. A reserve fund, as required by bond ordinances, equal to the succeeding years principal and interest payment is maintained. However, if a surety bond is allowed to secure the payment of bonds this may be purchased in lieu of a reserve fund.

Sale of Bonds. The sale of bonds is coordinated by the City's financial advisors using a competitive bidding process.

Bond Rating. When issuing new bonds the City will seek bond ratings from two recognized rating agencies.

Bond Insurance. If financially advantageous to do so the City will insure its bonds to AAA.

Debt Service Schedule. The repayment schedule on each new series of bonds issued is structured with level principal payments rather than level debt payments. This results in a declining debt service schedule. The annual debt service amount will only increase from year to year if new bonds are sold.

ADMINISTRATIVE POLICY

SUBJECT: ACCOUNTING, AUDITING & FINANCIAL REPORTING POLICIES

1. The City will maintain a high standard of accounting practices in conformance with Generally Accepted Accounting Principals (GAAP) for governmental entities as promulgated by the Governmental Accounting Standards Board (GASB).
2. An independent firm of certified public accountants will perform an annual financial and compliance audit according to Generally Accepted Auditing Standards (GAAS) and will publicly issue an opinion which will be incorporated in the Comprehensive Annual Financial Report.
3. Provide timely information including comparisons of expenditures to budgeted amounts to all department heads and directors.

SUBJECT: CLASSIFICATION AND COMPENSATION PROGRAM

The City's Performance Pay plan aims to accomplish the following: recognize individual performance; equitably compensate employees based upon the market value of a position and the type of work performed; and attract, retain and motivate competent employees.

Each year the city studies the municipal market to see if it provides a competitive compensation plan. The City utilizes Texas Municipal League salary data for comparison of salaries and benefits of similar sized cities statewide. It is the city's intent to establish salary ranges competitively within the municipal market throughout the state.

The goal of the compensation plan is to set the starting pay for each position at 65% of the market survey for each position. The top of the range is then set at 30% above the starting pay. Market adjustments are effective October 1st of each year as the budget allows.

As part of its goal to recognize individual performance, performance evaluations for all employees are completed once each year. Merit increases are based on an employee's past annual performance. Employees may receive either a percentage increase in their hourly pay or a one-time lump sum payment. New employees are eligible for merit increases during the annual evaluation period if they have completed six months of employment with the City.

SUBJECT

FISCAL YEAR

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

SUBJECT:

BUDGET PRESENTATIONS

The City Manager, between sixty and ninety days prior to the beginning of each fiscal year, 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:

- (a) A budget message, explanatory of the budget, which message shall contain an outline of the proposed financial policies of the City for the fiscal year, shall set forth the reasons for salient changes from the previous fiscal year in expenditure and revenue items, and shall explain any major changes in financial policy.
- (b) A consolidated statement of anticipated receipts and proposed expenditures for all funds.
- (c) An analysis of property valuations.
- (d) An analysis of tax rate.
- (e) Tax levies and tax collections by years for at least five years.
- (f) General fund resources in detail.
- (g) Special fund resources in detail.
- (h) Summary of proposed expenditures by function, department, and activity.
- (i) (Deleted Election April 7, 1956.).
- (j) Detailed summary of expenditures shown separately for each activity to support the summaries, (h) and (i) above. Such estimates of expenditures are to include an itemization of positions showing the number of persons having each title.
- (k) A revenue and expense statement for all types of bonds.
- (l) A description of all bond issues outstanding, showing rate of interest, date of issue, maturity date, amount authorized, amount issued and amount outstanding.
- (m) A schedule of requirements for the principal and interest of each issue of bonds.
- (n) The appropriation ordinance.

CHARTER DIRECTIVES

- (o) The tax levying ordinance.

SUBJECT: ANTICIPATED REVENUES

In preparing the budget, the City Manager shall place in parallel columns opposite the several items of revenue: the actual amount of each item for the last completed fiscal year, the estimated amount for the current fiscal year, and the proposed amount for the ensuing fiscal year.

SUBJECT: PROPOSED EXPENDITURES

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

SUBJECT: PUBLIC RECORD

The budget and all supporting schedules shall be filed with the person performing the duties of City Secretary, submitted to the City Council and shall be a public record. The City Manager shall provide copies for distribution to all interested persons.

SUBJECT: PUBLIC HEARING

At the meeting of the City Council at which the budget is submitted, the City Council shall fix the time and place of public hearing on the budget and shall cause to be published in the official newspaper of the City of Lake Jackson, a notice of the hearing setting forth the time and place thereof at least ten (10) days before the date of such hearing. (Ord. No. 76-580, ~ 1, 2,-16-76)

At the time and place set forth in the notice required by Section 9.06, or at any time and place to which such public hearing shall from time to time be adjourned, the City Council shall hold a public hearing on the submitted budget, not earlier than the fourteenth day nor later than the third day before the date of final adoption of the budget as provided in Section 9.10, and all interested persons shall be given an opportunity to be heard for or against any item or the amount of any item therein contained. (Ord. No. 82-840, ~ 1, 2-1-82; Ord. No. 918, ~ 1, 2-6-84; Ord. No. 86-996, ~ 1, 2-3-86)

Editor's note - Ord. No. 86-996, ~ 1, adopted February 3, 1986, amended ~ 9.07 of the charter to read as set out herein. Said amendment was approved at referendum held April 5, 1986.

After the conclusion of such public hearing, the City Council may insert new items or may increase or decrease the items of the budget, except items in proposed expenditures fixed by law, but where it shall increase the total proposed expenditures, it shall also provide for an increase in the total anticipated revenue to at least equal such proposed expenditures.

SUBJECT: BUDGET ADOPTION

Vote required for adoption

The budget shall be adopted by the favorable vote of majority of the members of the whole City Council. The budget shall be finally adopted prior to the beginning of the fiscal year, and should the City Council fail to so adopt a budget, then the existing budget together with its tax-levying ordinance and its appropriation ordinance, shall remain in effect for the ensuing fiscal year, but only until such time as the Council passes a budget and tax-levying ordinance for the new fiscal year. (Ord. No. 82-840, ~ 1, 2-1-82)

Effective date of budget; certification; copies made available

Upon final adoption, the budget shall be in effect for the fiscal year. A copy of the budget, as finally adopted, shall be filed with the person performing the duties of City Secretary, the County Clerk of Brazoria County and the state Comptroller of Public Accounts in Austin. The final budget shall be printed, mimeographed or otherwise reproduced and copies shall be made available for the use of all offices, departments and agencies and for the use of interested persons and civic organizations.

Budget establishes appropriations.

From the effective date of the budget, the several amounts stated therein as proposed expenditures shall be and become appropriated to the several objects and purposes therein named.

Budget establishes amount to be raised by property tax.

From the effective date of the budget, the amount stated therein as the amount to be raised by property tax shall constitute a determination of the amount of the levy for the purposes of the City in the corresponding tax year; provided, however, that in no event shall such levy exceed the legal limit provided by the laws and constitution of the State of Texas.

SUBJECT: CONTINGENT APPROPRIATION

Provisions shall be made in the annual budget and in the appropriation ordinance for a contingent appropriation in an amount not more than three per centum of the budget, to be used in case of unforeseen items of expenditure. Such contingent appropriation shall be under the control of the City Manager and distributed by him, after approval of the City Council. Expenditures from this appropriation shall be made only in case of established emergencies and detailed account of such expenditures shall be recorded and reported.

SUBJECT: BALANCED BUDGET REQUIRMENT

The total estimated expenditures of the general fund and debt service fund shall not exceed the total estimated resources of each fund (prospective income plus cash on hand). The classification of revenue and expenditure

CHARTER DIRECTIVES

accounts shall conform as nearly as local conditions will permit to the uniform classification as promulgated by the National Committee on Governmental Accounting or some other nationally accepted classification.

SUBJECT: EMERGENCY APPROPRIATION

The City budget may be amended and appropriations altered in accordance therewith in cases of public necessity, the actual fact of which shall have been declared by the City Council.

SUBJECT: TAXATION

Tax limitation.

The City Council shall have the power under the provisions of the state law to levy, assess and collect an annual tax upon real and personal property within the City to the maximum provided by the Constitution and general laws of the State of Texas. However, the City Council shall not make, permit, or approve any increase in ad valorem taxes in any one year exceeding five (5) percent of the City's immediate prior year's ad valorem tax without approval by the electorate at an election held for that purpose. Such five (5) percent limitation shall not prevent increased taxations of taxable property when subsequent improvements are made, not prevent taxation of annexed property, nor shall it effect, limit or apply to debt service requirements and bond obligations. (Ord. No. 80-726, ~ 1, 2-11-80)

VISION



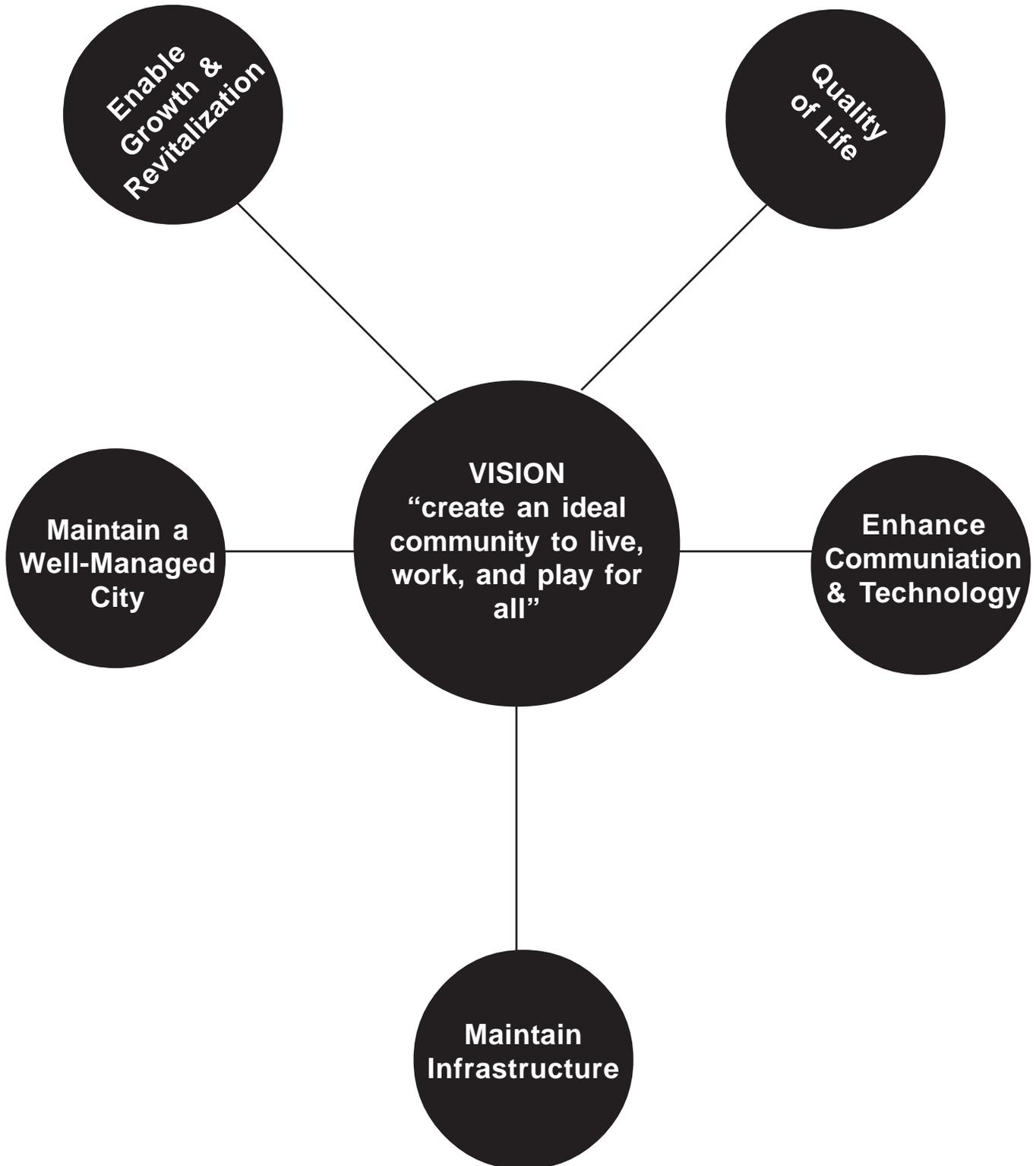


Ribbon Cutting – CNG Compressor Facility

Left to Right City Manager Bill Yenne, Public Works Director Craig Nisbett, Mary-Jo Rowan with the State Energy Conservation Office, Councilman Bob Geter, Councilman Gerald Roznovsky. The Compressor Facility was funded by a 75% grant from the State Energy Conservation Office.

**The City of Lake Jackson
2008-2009
Vision Elements Implementation Plan**

Our Strategic Plan



Our Vision

For over fifteen (15) years, the City operated under the following mission statement:

“It is the MISSION of the City of Lake Jackson to be a leader among cities and in the region at large in delivering outstanding quality services to all citizens through innovative and efficient use of resources.”

Attached to this guiding statement were various goals and objectives, and how we would measure the achievement of these goals.

This Mission Statement and its goals and objectives served us well for this past decade and a half.

However, City Council wanted to take a fresh look at our City, its goals and our organization to see what was working, what was not working, and what “vision” City Council had for our City and its future.

In October, 2006 City Council, Staff, and interested citizens participated in two days of intense discussions. The visioning process was facilitated by Mr. Jim Jarvie. He helped guide us to our new vision and set the path for us to take. In the initial phase, Mr. Jarvie led those gathered in defining the current situation of the City, current issues and potential barriers to success. He led the Council and Staff to develop initial 3-5 year objectives and then assisted us in preparing the various city departments to communicate that vision to the entire city organization. Out of those meetings, came the vision,

Our Vision Statement

“Our Vision is to create an ideal community to live, work, and play for all.”

The following “Vision Elements” were developed:

- “Maintain a Well Managed City”
- “Maintain Infrastructure”
- “Enable Growth & Revitalization”
- “Enhance Communication & Technology”

Unfortunately, Mr. Jarvie passed away in June, 2007. We were all saddened by his passing. But his influence will continue as we follow the dynamic pathway he has started us on in this important Visioning Process.

Council and staff met again in April, 2007 in anticipation of the preparation of FY2007-08 Budget and to move to the next phase of the visioning process. With Mr. Jarvie ill, council member Gerald Roznovsky stepped forward to facilitate this meeting. City Staff, with the assistance of Mayor Sipple and Councilmember Roznovsky, prepared 2006-2007 goals. These goals were to be obtainable and measurable within a year period. They would tie back to the 3-5 year objectives established by City Council. These objectives are attached to one of the above “Vision Elements” developed in accordance with our Vision Statement.

The Process Continues

In January, 2008 Council and staff met once again to review the goals for FY07-08 and to set our goals for FY08-09. Facilitator Frank Andrews led the discussion as Council and staff recommitted themselves to the visioning process and determined goals and priorities for FY08-09.

Council reviewed our vision statement and our “vision elements” and chose to add one more vision element. It is:

- Quality of Life

The City of Lake Jackson

2008 – 2009 Vision Elements Implementation Plan



Our VISION is to create an ideal community to live, work, and play for all.

Vision Element: Enable Growth and Revitalization

Vision Element Guiding Principle: Promote quality growth following the established Master Plan

Vision Element Barriers:

- More money (sensitivity to higher tax and utility rates)
- No established partnerships with private parties
- Pressure to deviate from Master Plan

3-5 Year Objectives:

A Develop Alden Lake (prison land)

- 1 Work with owner to develop master plan (engineering)
- 2 Negotiate increase in BWA Contract and delivery location. (utilities)
- 3 Secure permit from groundwater conservation district for additional well(s). (utilities)
- 4 Secure site for new elevate storage tank and booster pump station. (utilities)
- 5 Secure location for master lift station. (utilities)
- 6 Review development related ordinances and update as necessary (legal)

B. Implement Downtown Revitalization

- 1 Coordinate design of phase 2 of downtown revitalization (administration)
- 2 Work with design team on phase 2 of downtown revitalization (engineering)

C Upgrade Government Area

- 1 Work with owner to develop master plan for area. (engineering)
- 2 Identify and correct at least 25 distressed properties utilizing CDBG funds, plus additional properties as operating budget allows (code enforcement/building)

D Develop Lakewood Manor Area

- 1 Work with owner to develop masterplan. (engineering)

E Develop Northeast Quadrant

- 2 Oversee construction of additional sanitary sewer facilities (engineering)

The City of Lake Jackson

2008 – 2009 Vision Elements Implementation Plan



Our VISION is to create an ideal community to live, work, and play for all.

Vision Element: Enhance Communication and Technology

Vision Element Guiding Principle: Use new technology to improve areas of operation, with special emphasis on communication.

Vision Element Barriers: -Money (lack of funds)
-Resistance to change

3-5 Year Objectives:

A Upgrade Computer Hardware & Software

1. Oversee installation of fiber connection to the college. (finance)
2. Complete conversion of email hosting to the college. (finance)
3. Upgrade AS400 software to the Navi-line product and convert to offsite hosting of our software. (finance)

B. Upgrade Radio Communication

1. Complete transition to new dispatch center and 700/800 mhz dispatch including the purchase of two new consoles. (police)
2. Phase I of Fire & EMS transition, including the purchase of 9 mobile radios for vehicles, 33 portable radios and 75 pagers. (fire/ems)

C Implement use of GIS (graphical information system) Technology.

1. Develop electronic data exchange protocol. (engineering)
2. GIS Development: complete second half of geo reference vector map 50%. (engineering)

D Improve Data & Communication Connectivity

1. Utilize a wireless network connection in the courtroom, enter case dispositions as they are determined by the judge. (municipal court)

E Implement use of GIS Technology

1. Complete the second phase (50%) of the geo reference map. (engineering)
2. Develop electronic data exchange protocol. (engineering)

The City of Lake Jackson

2008 – 2009 Vision Elements Implementation Plan



Our VISION is to create an ideal community to live, work, and play for all.

Vision Element: Maintain Infrastructure

Vision Element Guiding Principle: Maintain existing facilities and infrastructure at current high standards

Vision Element Barriers:

- More money (sensitivity to higher tax and utility rates)
- Conflicting priorities (being reactive instead of proactive)
- High standards is not defined

3-5 Year Objectives:

A Catalog/database of infrastructure components to establish a base

- 1 Collect drainage inlet and junction box information for an additional 20% of system and add all information (60%) collected to GIS system. (drainage)
- 2 Collect database information for Wastewater Basin 1 including GIS locations of manholes and sewer lines. (wastewater)

B. Condition Assessments on Infrastructure components to identify needs

- 1 Maintain condition assessments on city maintained sidewalks/streets, by re-assessing 20% of sidewalks/streets annually. (streets)
- 2 Develop capital improvement plan for city owned sidewalks. (streets)
- 3 Update condition assessment for 20% of open ditches for siltation, ponding and sloughing. (drainage)

C Upgrade and maintain infrastructure and facilities

- 1 Update Council CIP priorities
 - a. schedule and conduct annual Council CIP workshop (administration)
 - b. Include Council CIP priorities in FY2008-09 budget. (administration)
- 2 Coordinate the design and construction of municipal court. (administration)
- 3 Oversee construction of Brazos Oaks Project Phase I (engineering)
- 4 Bid, contract and oversee construction of Brazos Oaks Phase 2 (engineering)
- 5 Bid, contract and oversee construction of Jasmine Street (engineering)
- 6 Bid, contract and oversee construction of Oak Drive project (engineering)
- 7 Replace 1000 water meters with new touch read meters. (water)
- 8 Well #9: clean, service and inspect well screen and replace pump, motor and controls. (water)
- 9 Well #16: clean and service pump and motor and update controls (water)
- 10 Bid, contract and oversee painting of Balsam elevated storage tank. (water)
- 11 Oversee contract to paint, service and flow test 100 fire hydrants. (water)
- 12 Test and calibrate meters for large customers accounting for 10% of water sales. (water).
- 13 Clean, inspect and test collection system in Basin 1. (wastewater)
- 14 Complete upgrade of Lift Station #1 to capacity identified in master plan. (wastewater)
- 15 Complete upgrade of Lift Station #20 to capacity identified in master plan. (wastewater)
- 16 Complete upgrade of Lift Station #35 to capacity identified in master plan. (wastewater)

The City of Lake Jackson

2008 – 2009 Vision Elements Implementation Plan



Our VISION is to create an ideal community to live, work, and play for all.

Vision Element: Maintain a Well Managed City

Vision Element Guiding Principle: Work to hire and retain qualified employees in all areas

Vision Element Barriers:

- More money (sensitivity to higher tax and utility rates)
- Difficult attracting individuals for professional positions.
- Lack of technology and communications
- Undefined expectations

3-5 Year Objectives:

A Evaluate Compensation Philosophy

- 1 Review market survey and evaluate our ability to maintain or improve the current compenstion philosophy of making our position mid-points the 65th percentile of the survey.

B Improve Employee Benefits

- 1 Continue to assess the possibility of increasing the 6% TMRS contribution.

C Improve In-House Training Opportunities

- 1 Provide six in-house supervisory training sessions per year. (administration)
- 2 Conduct once a month training classes on the use of Microsoft products. (finance)
- 3 Offer a minimum of 12 supervisory courses for parks department supervisors and crew leaders and a minimum of 4 customer service classes for parks department employees. (parks)
- 4 Offer to parks and recreation staff a minimum of 12 supervisor classes and 12 customer service classes. (recreation)

D Update All Ordinances

- 1 Draft sexually oriented business ordinance (legal)
- 2 Update ordinances to reflect new laws passed by legislature. (legal)
- 3 Propose an ordinance to City Council for a billing program re-coop equipment, etc. on specific calls to make companies responsible for spills, hazardous materials calls, etc. (fire)
- 4 Proposed an ordinance to City Council to retrofit multi-family dwellings with interconnected smoke alarms and fire sprinkler systems (legal/fire)
- 5 Revise the Environmental chapter of the Code of Ordinances to bring the list of prohibited nuisances up to current standards (legal)
- 6 Revise the Offenses and Miscellaneous Provisions chapter of the Code of Ordinances to bring the list of miscellaneous offenses up to standard. (legal)

E Continue Implementation of Records Management Program

- 1 Organize engineering plats into Questys. (engineering)
- 2 Convert paper files to electronic format with Questys imaging software. (police)
- 3 Review all reports generated by the billing system and establish necessary retention schedules. (utility admin)
- 4 Begin saving reports to Questys with a purge on date. (utility admin)

F Continue to Hire and Retain Qualified Employees in all areas

- 1 Obtain and maintain full staffing (streets, wastewater, sanitation)

G Develop Utility Revenue Strategy/Plan

- 1 Consider funding in the FY09-10 budget for an outside consultant to review utility rates and make recommendations.

The City of Lake Jackson

2008 – 2009 Vision Elements Implementation Plan



Our VISION is to create an ideal community to live, work, and play for all.

Vision Element: Quality of Life

Vision Element Guiding Principle: Provide excellent quality of life for all Lake Jackson citizens

Vision Element Barriers:

- Money
- Questionable need
- Trained personnel

3-5 Year Objectives:

A. Safe Neighborhoods

- 1 Increase the number of public educational presentations to further the spay and neuter drive to reduce the number of stray dogs and cats. (humane)
- 2 Provide a safe environment for all city residents by creating an ordinance requiring retrofitting multi-family dwellings with fire sprinklers. (fire)
- 3 Improve ISO rating from 4 to at least 3 to help reduce insurance rates of our citizens. (fire)

B. Improve Pedestrian Mobility

- 1 Oversee construction of Dixie Drive sidewalk and 07-08 sidewalk and ada ramp program. (engineering)

C. Maintaining and Providing Quality Recreational Opportunities

- 1 Offer spring concerts and additional public events on the Veterans Memorial Plaza (ex: concerts, festivals, etc.). (recreation/civic center)
- 2 Begin initial phase of providing kayak/canoe access to Oyster Creek at Dunbar Park (recreation)

D. Improve Communication to Public

- 1 Continue to educate the public on the benefits of home fire sprinklers. (fire)
- 2 Implement and train staff in using Connect CTY program for communicating information to the public (administration)

E. Develop Public Transportation Plans

- 1 Review options presented and funding plans to begin public transportation in Southern Brazoria County (administration)

F. Affordable Housing

- 1 Work with City Council to further define "affordable housing" and establish our goals (administration)

G. Implement Railroad Quiet Zones

- 1 Update cost estimates and prepare a five-year implementation plan (administration)

H. Improve Fire/Code Enforcement

- 1 Consider funding of additional fire inspector (not funded in FY08-09). (fire)



Veterans Memorial Plaza behind the Lake Jackson Civic Center

MANAGER'S MESSAGE



LAKE JACKSON

City of Enchantment



MANAGER'S MESSAGE

The Manager's Message is submitted as part of the Proposed Budget on July 7, 2008. Later, the Approved Budget Transmittal Letter is published in the opening pages of this document, and itemizes any changes to the Proposed Budget as approved by the City Council.

The Manager's Message outlines major issues facing the City now and in the future. This section also provides a general overview of this City's financial status, as well as a discussion of proposed revenues and expenditures.



CITY OF LAKE JACKSON

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The Honorable Mayor and City Council,

Presented for your review and consideration is the proposed Fiscal Year (FY) 2008-2009 Annual Budget and Work Document. As required by our City Charter the budget is balanced and presented in a “line-item” format. The proposed budget contains my recommendations and projections. The “visioning process” guided my preparation of the budget. I also rely heavily on the advice and participation of my Directors and Department Heads. I am most appreciative of the valuable assistance provided by my budget staff (comprised of myself; Modesto Mundo, Assistant City Manager; Pam Eaves, Finance Director; and Kim Knapp, Administrative Assistant).

We are fortunate to have a veteran City Council which fully understands the budget process and has been intimately involved in establishing our visioning process. The priorities set by Council through the visioning process are reflected in this budget.

While this document gives the appearance of the final budget, it is not. Our City Charter requires that I submit a full and balanced budget proposal to you each year. The final adopted budget will be developed through the hard work and input of the City Council, interested citizens, and our dedicated City employees.

As I stress each year, the annual budget is far more than a financial document. The budget is an important planning tool. We set not only next year’s expenditures, we also examine and set our near and long term goals and objectives. This document shows what we have accomplished and what we hope to accomplish next year and in the years to come.

The budget staff strives to make the budget easy to read and use, yet thorough and comprehensive. As I noted earlier the City Charter requires that I submit the budget to City Council in a “line-item” format. This I do, but we also employ a “modified performance based” budget format which reflects how our expenditures work to carry out the overall vision of the City.

We also follow the guidelines established by the Government Finance Officers Association (GFOA) in preparing the annual budget. We have been honored to have received sixteen (16) consecutive “Distinguished Budget Presentation Awards” from GFOA for our budget documents. Our goal is to receive our 17th award for the final FY 2008-2009 budget. Each year GFOA reviewers look at our budget document; grade us on our ability to meet the established guidelines and to make suggestions. We incorporate suggestions made each year by the reviewers as much as we can and still comply with our City Charter requirements.

Our Vision

“Our vision is to create an ideal community to live, work and play”

MANAGER'S MESSAGE

This vision statement was adopted by City Council in early 2007 and we incorporated the new visioning process as we could in the preparation of the FY 07-08 budget. Last year was a transitional time for the budget as we moved to implement the vision and vision elements adopted by City Council. This year is the first “full” year we have utilized the visioning/goal setting process established by City Council.

In January, 2008 City Staff and Council prepared a SWOT (Strengths, Willingness, Opportunities and Threats) analysis in preparation for our visioning and goal setting workshop. This analysis helped focus our thoughts as we entered our January 31, 2008 vision workshop.

Led by facilitator Frank Andrews we reviewed our vision process, determined what was working and what was not, revised our vision elements and set our priorities for the coming year. You can see the results of this outstanding work by going to the vision tab in this document.

Vision Elements

To achieve our vision statement, City Council and Staff have established five vision elements. Four were carried over from FY 07-08 and one was added during our vision/goal setting workshop. Our five vision elements are:

- Enable growth and revitalization
- Maintain a well managed City
- Maintain infrastructure
- Enhance communication and technology
- Quality of life (new this year)

Under each vision element we established 3-5 year objectives and the annual goals that will help us meet these objectives. You will see that all established goals are tied back to a vision element, and each performance measure is tied back to a goal to help us gauge our success.

Our vision and goals are really being put to the test as we prepare the FY 08-09 budget during these very difficult economic times. Energy costs are dominating the news and also our operating budgets.

I will first review the accomplishments of this past year and then address the challenges of the FY 08-09 budget.

PROJECT REVIEW

Brazos Oaks Subdivision

Work is going full tilt on the first phase of the Brazos Oaks Subdivision street replacement project.

Voters approved \$650,000 in “spot repairs” for this subdivision in 2001. When it was determined this would not be sufficient voters approved an additional \$2.8 million in 2005 to allow for the complete replacement of all streets, curbs, gutters and sidewalks in the subdivision.

After extensive engineering work bonds were sold in 2007 and work started in January 2008.

Phase I should be done in early 2009 and then Phase II will begin and likely take a year to complete as well.

Northeast Sewer Project

Funding for this project was approved by voter's way back in 1996. This project has been long in developing awaiting proper timing and development needs in the area. This project improves sewer capacity in the area

along FM 2004 on the eastern edge of our City. The engineering department has been working with property owners to secure easements for the proposed lines. The approximate cost for this project is between \$440,000 and \$520,000.

This project plans for installation of a sanitary sewer force main and an initial main truck collection system. The project will be bid out and start construction this summer. Construction time will be four to six months which should put completion in the first quarter of 2009.

Lift Stations 4 and 9 and Force Main to LS 35

These two lift stations, that primarily serve the Brazos Oaks subdivision, were completely renovated utilizing a portion of the \$2 million in Revenue Bonds authorized by City Council in 2007. The force main for lift station 35 should be complete by September, 2008.

Abner Jackson Pkwy traffic light

The traffic light at Abner Jackson Parkway and This Way has taken far too long to complete. Authorized by City Council in 2007 the design work was not awarded until October, 2007 and the bid was not awarded until February 28, 2008 (to Traffic System Construction, in the amount of \$161,974.58). Construction is scheduled to be complete by September, 2008.

Dixie Drive Sidewalk

The sidewalk along Dixie Drive from Pine to Brazoswood Drive should also be finished this summer. Cost for this project is estimated at \$124,000.

Municipal Court and Emergency Operations Center

Approved by voters in 2005, this \$2.5 million project will expand and improve the Municipal Court and provide for a new Dispatch/Emergency Operations Center (if funds allow).

City Council authorized an additional \$350,000 in FY 2007-2008 from capital projects fund to pay IAD Architects to design the project.

Council also has proposed an additional \$300,000 for the projects from the capital projects fund in FY 08-09 to help fund the EOC/Dispatch area.

In January, 2008 Council awarded the Construction Manager at Risk Contract to Frost Construction Co., Inc. for the construction of the project and finalized their contract in June, 2008.

Construction should begin in the last quarter of 2008 and take 12-18 months.

Red light cameras

In FY 07-08 we hired Redflex to install "Red light cameras" at two locations: SH 332/288 at This Way and SH 288 at FM 2004.

The program began in January 2008. As of the end of May, 2008 a total of 1,358 citations were issued. A total of 805 of these have been paid and 553 remain unpaid or were dismissed.

The fees collected to date amount to \$62,116.10. Of that \$36,508 has gone to Redflex. The remaining \$25,608.10 is basically split between the State of Texas and the City, once expenses are deducted. About \$44,900 remains uncollected as of May 2008.

The purpose of these lights has, and continues to be for public safety and to reduce the running of red lights – not make money.

The Police Department is compiling accident data that we will share with Council at the July 19th budget workshop.

MANAGER'S MESSAGE

REVIEW OF FY 07-08 Operating Budget

General Operating Fund

I anticipate that we will collect \$15,900,514 in General Operating Fund revenues in FY 07-08. This will put us about 1% or \$149,980 more than the \$15,750,534 we budgeted to receive.

This is quite good when you consider that I expect our sales tax collection to fall \$185,000 below the \$4,935,000 we budgeted. Also, I expect property tax revenues to be \$82,135 below budget and for franchise fee collections to be about \$48,645 short of budget. Collections of other revenues and a one time "seismic" permit more than make up the difference. It appears our Recreation Center will generate about \$84,625 more than we expected and the Civic Center is on pace to collect \$73,750 more than budgeted. Our industrial district collections should be \$55,000 above projections. Fines and forfeits are expected to be \$96,000 above the budget. We also expect an additional \$22,650 in alarm fee collections and \$15,000 in alcoholic beverage taxes. Then as noted, City Council authorized seismic testing in our non-populated areas and Seitel Testing paid a one time permit fee of \$100,000.

It is obvious high fuel costs and an uncertain economy are taking its toll on our number one source of revenue – sales tax.

I expect expenditures to end FY 07-08 at \$15,456,554 or \$293,980 below budget. This savings can be attributed mostly to employee turnover.

General Operating Fund (estimated at 9/30/08)

	<u>FY07-08 Budget</u>	<u>FY07-08 Projected</u>	<u>Difference</u>
Revenues	\$15,750,534	\$15,900,514	\$149,980
Expenditures	<u>15,750,534</u>	<u>15,456,554</u>	<u>293,980</u>
Excess<Deficit>	0	\$443,960	\$443,960

Utility Operating Fund

I am anticipating that Utility fund revenues will end up \$83,459 below the FY 07-08 budget of \$9,713,227 – or \$9,629,820. Most of this is reflected in poor interest earnings. However, this is a very conservative projection. Should this dry spring carry on in to summer, we may very well exceed expected revenues. Water sales have really begun to pick up. And, as I write this we are putting in place phase II drought condition requirements (which means mandatory odd/even watering).

I am projecting that expenditures will end the year (07-08) at \$9,394,755, or \$318,524 (3.2%) below the \$9,713,279 budget. Practically all of this savings comes from employee turnover. We are having a very difficult time attracting and retaining qualified operators. As soon as we get an operator trained they are hired away by industry.

Utility Operating Fund (estimated at 9/30/08)

	<u>FY07-08 Budget</u>	<u>FY07-08 Projected</u>	<u>Difference</u>
Revenues	\$9,713,279	\$9,629,820	<83,459>
Expenditures	<u>9,713,279</u>	<u>9,394,755</u>	<u>318,524</u>
Excess<Deficit>	0	\$235,065	\$235,064

Year End Transfers

Each year we take positive operating fund balances and consider making transfers-generally to our Capital Projects Funds.

This year I am asking Council to consider allowing us to use a good portion of the projected positive fund balances to provide lump-sum merit increases to employees. I will discuss this in more detail later in this message.

On the general operating side, once the lump-sum amount is accounted for there should be enough for a \$150,000 transfer to the General Projects Fund. The fund balance in the General Operating Fund should be \$4,666,300 at the end of FY 07-08. This amounts to 28.2% of the proposed FY 08-09 budget. Our policy is to maintain an operating fund balance of between 25% and 33% of annual expenditures.

The Utility Operating Fund will have just enough positive balance to cover the proposed lump merit payment for utility employees. So, there is no proposal to transfer funds to the Utility Projects Fund. If, however, the weather continues to stay dry, resources should increase and we may be able to make a transfer to Utility Projects. We expect to end FY 07-08 at \$2,821,933 or 28.3% of FY 08-09 proposed expenditures.

THE FY 2008-2009 BUDGET **MAJOR ISSUES**

The exorbitant rise in energy costs and the slowing of the economy affects every part of this proposed budget.

Also there are several important issues we need to discuss during this process related to our EMS Service, considering transit(bus) service, retirement costs, downtown revitalization, and much more.

EMS Service

In FY 1998-99 the EMS service provided by our volunteer fire department was split off and a new 501 (C)(3) non-profit organization, Lake Jackson EMS, Inc, was created.

Initially LJEMS tried to operate on a purely volunteer basis. A \$92,035 budget was adopted to provide for the ambulances and their maintenance, fuel and the like. That simply did not work out. So LJEMS looked at a "hybrid" system of paid and volunteer staff.

A contract was then signed whereby the City would provide facilities and ambulances for the service while LJEMS would provide staffing. The contract allows for LJEMS to provide BLS (Basic Life Support) service on a 24/7 basis, with the goal to attain ALS (Advanced Life Support) services. This they have done. Besides providing facilities, ambulances, maintenance and fuel, the City agreed to provide an annual subsidy to offset unpaid claims up to \$200,000. The goal was for LJEMS to become self supporting. The total budget in 1999-2000 was \$281,335. By FY 2002-2003 the City budget for EMS had risen to \$308,305, with the \$200,000 subsidy still in place. By FY 03-04 the then EMS Director approached us and indicated we could reduce the subsidy to \$189,300. That is where it has been until it was raised in FY 07-08 to \$249,300. By FY 06-07 the EMS budget provided by the City was at \$263, 635 with the \$189,300 subsidy still in place. As noted, in FY 07-08 City Council authorized an increase to the subsidy of \$60,000 bringing the annual total to \$249,300 and the City budget for EMS to \$348,812.

Through its 10 years of existence LJEMS has struggled to maintain an administrator to oversee the operations. And, unfortunately this past year LJEMS was hit hard by an employee who embezzled over \$100,000 from the company. If that was not bad enough, the IRS has assessed a potential \$50,000 penalty since the "embezzled" funds were actually payroll taxes. It has been a very difficult time.

MANAGER'S MESSAGE

LJEMS appeared before City Council in May, 2008 seeking more financial assistance to help them attract a qualified administrator. At that time Council authorized and approved (on June 2nd) \$25,000 in additional funding for FY 07-08.

For FY 08-09 LJEMS has asked for an additional \$137,000; of which \$87,000 was for increasing the subsidy for uncollected billings (that would now make the subsidy \$337,000) and \$50,000 was to pay the IRS penalty.

I have included the \$87,000 increase in the proposed subsidy, but did not include the \$50,000 IRS penalty in the proposed FY 08-09 budget. I did not think it right for our taxpayers to pay for this IRS penalty.

This leaves us with a lot to discuss during this budget process.

In the past LJEMS officials have complained about not being able to provide "transfer" service using the City provided ambulances. They contend there is a lot of money to be made providing transfers. While that may be true, our contract calls for LJEMS to provide 24/7 911 EMS to our citizens. An ambulance conducting a transfer, especially out of town, is not available for emergency response.

Nothing precluded LJEMS from acquiring a separate ambulance and conducting their own transfer service. In fact they were offered one of the ambulances scheduled for trade-in, but they declined the \$7,000 asking price.

Also, LJEMS officials have complained that our citizens are aware of our subsidy to EMS and do not pay their bills. Citizens on the other hand have complained to the City about high EMS bills.

One thing I must say here though, is no one has questioned or complained of the quality of service provided by the employees of LJEMS – it has been and continues to be first rate.

So, what are our options?

- 1) We can continue with LJEMS as is.
- 2) We can work to modify the LJEMS contract, and among several items to consider we can allow a limited level of "in-town" transfer service to our citizenry using City provided ambulances.
- 3) We can consider bidding out the service.
- 4) We can consider creating a City operated EMS.

What I recommend is that we look in to all these options during the first half of the FY 08-09. I suggest that the City Council appoint a committee to review these options, and any others that may come up, and make a recommendation to City Council by April 2009, if not sooner. Until then, we will continue to work with LJEMS and fund them at the proposed level.

Transit (Bus) Service

Even before this latest surge in gasoline/diesel prices, the cities in Southern Brazoria County have been looking into the feasibility of a transit (bus) system for our area.

In 2006 the cities of Lake Jackson, Angleton, Clute and Freeport hired the consulting firm of A&R Consulting to conduct a "needs assessment" for a bus system in our area. This needs assessment, which included a series of public hearings with the residents of the area, was presented in January, 2007 and concluded there was a need for a transit system in the area.

Based on the needs assessment, A&R Consulting was contracted in March, 2007 to look into the next phase, an implementation plan for such a system.

In July, 2007 a draft Southern Brazoria Transit Service Plan was submitted to each community. The plan included a regional route which began in Freeport, then into Clute, then into Lake Jackson (with stops at the hospital, Brazos Mall and Brazosport College), then on to Angleton. Circulator routes were developed for Freeport, Lake Jackson/Clute, and Angleton. All these routes would feed into the regional route.

The cost for this plan for Lake Jackson for its first year was \$72,432. The other cities shares were: Clute \$29,545, Angleton \$51,344 and Freeport \$35,025. The total cost of the system would be \$927, 280, with the bulk of the funding coming from federal funding sources. Fare box revenue (\$1 per trip) was set at \$41,902.

This plan was accepted in Lake Jackson, Clute and Freeport. Angleton rejected the plan. Officials in Angleton expressed concern of Angleton residents going to Lake Jackson to the mall or the hospital. They insisted on a plan which removed those points from the regional route. This idea was roundly rejected by the other cities. Attempts were made to mediate this impasse, but Angleton made it clear that their business community would not support the regional transit route as presented.

A&R Consulting went back to the drawing board trying to balance the requirements that the Brazosport Regional Health System be on the regional route, as well as the mall for residents of Clute, Freeport and Lake Jackson, and that those points not be on the regional route for Angleton.

What has been proposed, but not yet finalized are two regional routes. Both would begin in Freeport. One would be a route to the hospital and mall in Lake Jackson, and the other a route to Angleton going through Brazosport College. Then revised circulator routes would be provided in Lake Jackson/Clute and in Angleton. The circulator route in Freeport would be dropped.

So, details need to be worked out and a final plan accepted. The cost to Lake Jackson for this revised plan will be in the \$75,000 + range.

My problem is that this budget is so tight that I have not been able to include the funding share for our City. To fund this, we will need to see where we can cull \$75,000 or so from the budget, or raise revenues to offset that cost.

With gasoline prices approaching \$4.00 /gallon the need for a transit system becomes even more attractive. The system planned is rudimentary and could obviously grow in time if ridership demanded it. Also, because we are so far along in the process, a bus system could be operational in our area some time in 2009.

Again, I simply don't have funding earmarked for this. So, we need to have a complete and thorough discussion on this. I have tentatively set a date of July 14th as a Council/Public workshop on transit issues. We would likely start around 5pm or 5:30 pm in the evening.

Municipal Court/EOC/Dispatch

Construction will begin on the renovation of our addition to the Municipal Court/ old fire station during FY 08-09. Architectural drawings are proceeding by IAD Architecture and cost figures will be forthcoming from Frost Construction, the construction manager at risk selected by City Council.

Construction should be complete in late 2009 or early 2010.

We are still hopeful that we will be able to build the full facility with the monies available (\$2.5 million in bond monies, and \$650,000 from our General Projects Fund). If not we will complete the court portion first and then do what we can with dispatch and emergency operations center.

Retirement Costs

The City participates in the Texas Municipal Retirement System, social security, and offers on an option basis a 457 plan through the ICMA-RC for retirement benefits for employees.

Lake Jackson joined TMRS in January, 1949. Currently employees pay (pre-tax) 6% of their check to TMRS. The City matches that contribution on a 2-1 basis. Employees become "vested" in the system after 5 years. Employees are eligible to retire at age 60 (with at least 5 years of service) or after 20 years at any age.

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Additional benefits include supplemental death benefits, 100% updated service credit (automatically adopted each year), 70% annuity increase (COLA- adopted each year), and military service credit.

Nationwide there has been increasing pressure on retirement systems to better fund their liabilities and to properly report the financial condition of their systems. This has been in response to systems that have experienced funding issues.

TMRS is in very sound condition. However, the TMRS board has made several actuarial changes which will increase the City's contribution to the system. These changes include:

- Changing from the traditional unit credit (UC) to projected unit credit (PUC). This is the annual costs equals the normal cost plan amortization of the unfunded accrued liability. The UC system allocates to each year of service the increase in the accrued benefit during the year. The PUC methods bases allocations on the members projected benefit each year. This method takes in to account the projected annual COLA increases when factoring the projected benefit. This increases the liability substantially.
- Change from a 25 year open amortization period to a 30 year closed amortization period.

In essence the changes call for the advanced funding of the annually repeating updated service credits and cost of living adjustments.

These changes resulted in our annual contribution rate on payroll going up from 10.9% to 14.96%. However, the TMRS board has allowed an 8 year phase in of this increase so we will not see an increase greater than 0.5% per year. So the "phase-in" rate is 11.36%.

Rather than change retiree benefits and cancel the annual COLA for retirees, staff has chosen to go with the phase-in rate. That will amount to about a \$61,100 increase in City retirement contributions to the General Operating Fund and a \$14,500 increase to the Utility Operating Fund.

Downtown Revitalization

As you know, Oak Drive from SH 332/288 to Oyster Creek Drive included the first phases of the Downtown Revitalization Plan. The Lake Jackson Development Corporation (LJDC) has recommended \$600,000 from the ½ cent optional sales tax to plan and engineer the next phase of the revitalization plan. This will include portions of This Way, That Way and Circle Way. This engineering will take the better part of a year. Then, during the FY 09-10 budget process the LJDC and City Council will consider funding the actual street improvements in this next phase.

The current plan will take 15 or more years to complete and will primarily use ½ cent optional sales tax funds.

Golf Course

The LJDC has recommended, based on City staff's encouragement to continue to fund the \$550,000 annually transfer until the golf course bonds are retired in 2023. City Council had this transfer ending in FY 2011-2012 in hopes that golf course revenues would cover the debt service. City staff at the time(and now) projected that the golf course would likely pay for its operations and maintenance from fees collected, but not the debt service. That has been the case to date. I urge Council to approve the continuation of the annual transfer of ½ cent optional sales tax funds to pay this \$550,000 in debt service for the golf course.

Also, upon request of staff the LJDC has also recommended that \$100,000 be set aside each year for 5 years from ½ cent optional sales tax revenues to fund an operating reserve for the golf course.

We can afford these LJDC requests because we have retired the debt on the Civic Center and Youth Sports Complex.

Energy Costs

This is the proverbial 800 lb gorilla in the room. Energy costs will have a significant affect on our operating budget.

Electric rates are forecast to go up by double digit increases. Staff's initial projection was for our electric rates to go up \$309,470 in our operating budget. Of this \$191,650 was in the General Operating Budget and \$117,820 was in the Utility Operating Budget.

Fuel costs (gasoline/diesel/CNG) are going up \$87,000 with \$42,100 of this increase in the General fund and \$44,900 in the Utility fund. If it wasn't for our CNG program (where the cost equivalent for CNG is \$1.30/gallon) we would be seeing even greater increases.

So, right off the bat we were looking at almost \$400,000 in increased energy costs. And, of course energy costs drive up the costs of all the various commodities we purchase, such as chemicals.

We had to do something.

There wasn't much we could do on fuel costs. Unfortunately the major vehicle manufacturers have moved away from producing dedicated CNG vehicles. We can get these engines in our big fleet (sanitation trucks) and in some small sedans.

But, we can no longer get CNG dedicated pickups. We will be experimenting with bi-fuel conversions. The initial move to CNG was not for fuel savings but to help us comply with clean air requirements. However, it ended up being a good economic move as well.

So, that left us with trying to control electric costs.

We currently belong to a coalition of cities (primarily in the North Texas area) known as CAPP. We put our electric usage together and secure better rates working as a group rather than individually. Even with this CAPP our rates were going up by double digits.

CAPP has a possible long term power supply contract for members. This involves the cities becoming partners in the construction of a coal-fired electric plant, currently permitted, in North Texas. In exchange for a pledge by the cities to secure the debt to build the facility, members will be receiving highly discounted electric rates.

About a year ago I brought this idea to Council, but there were too many unanswered questions and concerns. Well, as they say "necessity is the mother of all invention". I have prepared the FY 08-09 budget on the premise that the City will participate in the long term power supply contract with the CAPP. This completely removes the need for the electrical increases initially proposed and gets us back to the FY 07-08 electrical budget.

In the event we choose not to participate in this contract then we will need to remove about \$191,000 from the General Operating Fund and \$117,000 from the Utility Operating Fund. If that were the case we would need to look at not giving employees a market adjustment this year.

FY 08-09 Revenues

The projected growth in sales tax revenues in FY 07-08 did not occur. While I had anticipated a 5% growth in sales tax in FY 07-08, it is expected that we will only see a 2.8% increase. So, for FY 08-09 I am projecting a 2.5% increase in sales tax over anticipated collections. That will be \$66,250 less than what we budgeted in FY 07-08.

Industrial district revenues are a very different and positive story. We are entering the last two years of the 10 year agreement with industry. Currently the percentage of value subject to the industrial district tax (this is a rate based on the weighted rate of the tax rates of Clute, Freeport and Lake Jackson and the value of industrial property in each community's extra territorial jurisdiction) is increasing from 39% of value in 2008 to 45% of

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assessed value in 2009 and 50% in 2010. This will net us an increase of \$398,000 in additional revenues in FY 08-09. This has been the saving grace for our budget this year!

I am recommending a property tax rate of 39.5cent/100 assessed value this year, up from our current 38.5cent rate. This increase will primarily cover additional debt service requirements as we sell the last portion of our 2005 infrastructure bond issue. This rate will generate an additional \$71,754 for maintenance and operations.

Utility revenues have rebounded as the result of last year's rate increase and, to date, a dry summer.

We use a rolling five year average of customer usage to determine the "base" customer usage for revenues projection purposes. That average dropped from 7.44 thousand gallons per month to 6.7 thousand gallons per month.

Also, it was decided last year to set revenue projections based on this rolling average rather than "count" on a dry year. If we experience a dry year (s) we will take those funds and build up the Utility Projects Fund and our Utility fund balance reserves.

So, to generate the revenue necessary to cover expected expenditures I will be recommending some modest rate increases. I will discuss this later.

Budget Highlights

- I am proposing a combined general/utility operating budget of \$26,509,159. This is a 4.1% increase over the \$25,463,813 FY 07-08 budget.
- I am proposing a tax rate of 39.5 cent, up from the current 38.5 cent. This is a 3.7% increase over the state calculated 38.1 cent "effective rate". However, if you add the new debt service tax rate of 16.023 cents and the "effective" maintenance and operations rate of 23.079 cents you get what I believe is the true effective rate of 39.1 cents. That puts the proposed rate slightly above what I believe to be the true effective rate.
- I have included the council authorized increase of the senior citizen/disability tax exemption from \$60,000 to \$65,000.
- I am recommending a 10 cent increase to the base water and sewer rates, which will now make those rates \$8.60/mo and \$9.60/mo respectively. And increases of 5 cent per thousand gallons above the 2,000 gallon base rate to both water and sewer, which will make water \$2.85/1000 gallons over the base and sewer \$3.20/gallons.
- I am proposing a 25 cent increase in the residential/apartment sanitation rate which increases to \$14.00/month. Commercial rates will go up 3% and the recycling fee on residential/apartment units will rise from \$2.00/mo to \$2.10/mo.
- Fuel costs are up \$87,000 (\$42,100 in general operations and \$44,900 in utility operations)
- Electric costs will be held in check by participating in the long term power supply contract with CAPP. If we do not participate we will need to add \$309,470 to the budget (\$191,650 general/\$117,820 utility).
- I am proposing a 4% market adjustment to each salary range, but only employees who find themselves below the new beginning pay would be eligible for up to a 4% increase. Otherwise employees will receive a 2% COLA.

- Also, I recommend that of the year end savings from FY 07-08, that we fund lump-sum merit increases ranging from 3%, 4% or 5%.
- I recommend no new employees or employee reclassifications.
- I have included the \$87,000 increase to EMS as requested by LJEMS. I have not included the requested \$50,000 to fund the possible IRS fine EMS is subject to.
- I have not included funding for the proposed transit (bus) system. This would be about \$75,000.
- I recommend funding retirement cost increases by using the eight year phase in plan presented by TMRS to advance fund retirement benefits.
- I have included in the General Projects Fund \$1,666,422 in projects selected by City Council in their Capital Projects Workshop.
- I have included in the Utility Projects Fund \$140,000 in projects selected by City Council in their Capital Projects Workshop.

FY 2008-2009 PROPOSED BUDGET BY FUND

GENERAL FUND

The General Operating budget proposed for FY 08-09 is \$16,541,958, 5.0% higher than the \$15,750,534 FY 07-08 budget.

Revenues

The Brazoria County Appraisal District has estimated our assessed value at 1,480,127,507. This is up 6.5% over last year's certified tax roll of \$1,389,947,208.

We anticipate that property owner appeals will reduce the final value (which we generally receive in late July) to \$1,420,922,406 or about a 2.2% increase in assessed values.

I also have estimated that \$20 million of the increased values come from new properties or improvements being added to the tax roll. If that is the case, and you remove that \$20 million from the estimate to determine the existing property value increase for 2008-2009, we are talking about a 0.8% increase in assessed values, overall, on existing properties. That would continue the trend of modest increases, overall, to existing properties.

Assessed Value Increased for Existing Property Year to Year

2001	4.6%
2002	3.02%
2003	3.70%
2004	2.65%
2005	1.88%
2006	1.64%
2007	1.21%
2008	0.79%

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We will be selling the final \$2.4 million of voter approved debt this year. These bonds will fund improvements to Jasmine Street, Oak Drive and Winding Way. This will increase the debt service portion of our tax rate from 15.18 cents to 16.0231 cents to cover our FY 2008-2009 debt service payment of \$2,276,755.

I am recommending maintenance and operating tax rate of 23.4769 cents, up slightly from the 23.32 cents in FY 07-08.

Therefore the combined debt and M & O tax rate will be 39.50 cents. This is up 1 cent (2%) over the current 38.5 cent tax rate. We told voters in 2005 that the tax rate would possibly go to 40.0 cents if the bonds were approved.

In my highlights I noted that the state calculated “effective tax rate” is 38.1 cent. But that portion of the “truth in taxation” calculation does not differentiate from or recognize debt service or “new” value. It simply shows what the tax rate would be to bring in the same level of revenue as the previous year.

A more accurate and “truthful” calculation would be to show what the “effective” maintenance and operation tax rate would be and then add the needed debt service tax rate. In our case, based on another portion of the state calculation, our “effective” M & O rate is 23.079 cents. Add in the 16.023 cents debt rate and a more accurate and truthful “effective tax rate” for FY 2008-2009 would be 39.10 cents. Again, I am proposing a 39.5 cent tax rate. So, our proposed tax rate would be 1% higher than this more accurate “effective tax rate”.

This is how our tax rate compares with other communities:

Holiday Lakes	0.9457	Manvel	0.5878
West Columbia	0.8319	Brookside Village	0.4600
Alvin	0.8036	Lake Jackson (proposed)	0.3950
Danbury	0.7669	Oyster Creek	0.3872
Sweeny	0.7500	Lake Jackson (current)	0.3850
Brazoria	0.7283	Hillcrest Village	0.3745
Freeport	0.7100	Brazoria County	0.3714
Angelton	0.7060	Surfside Beach	0.3424
Clute	0.6980	Village of Jones Creek	0.3100
Richwood	0.6811	Liverpool	0.1758
Pearland	0.6526	Quintana	0.0320
Houston	0.6438		

The actual cost to any single tax payer will depend on whether their individual appraised value increased, decreased or remained the same.

Sales Tax

Sales Tax continues to be our single largest source of General Fund Revenues.

Sales Tax growth has dropped off substantially this year. A souring economy and rising energy costs have conspired to keep shoppers at home.

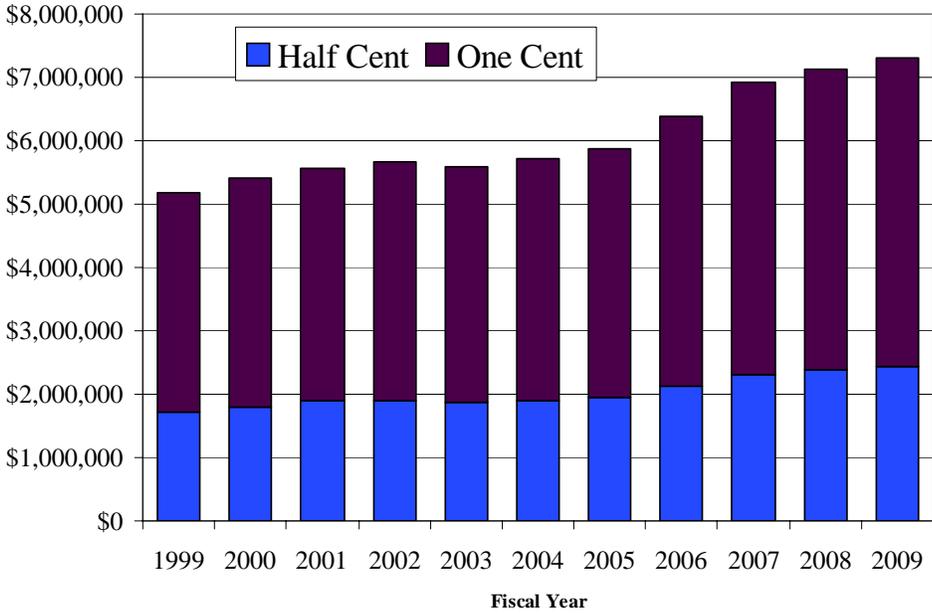
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I anticipate sales tax revenues of \$4,868,750 or 2.5% over the \$4,759,000 I expect us to collect in FY 2007-08. However, this is down 1.3% from what we had budgeted to collect in FY 2007-08

We need to watch our collections closely. In spite of several large plant expansions taking place in our area, we are seeing a softening in our sales tax collections.

Overall, the following chart shows our history of sales tax collections:

	<u>Fiscal Year</u>	<u>One Cent Sales Tax</u>	<u>Half Cent Sales Tax</u>	<u>Percentage Growth</u>
	1999	3,460,834	1,730,417	3.52%
	2000	3,601,981	1,800,991	4.08%
	2001	3,673,682	1,896,841	1.99%
	2002	3,778,512	1,889,256	2.85%
	2003	3,726,533	1,863,267	(1.38%)
	2004	3,810,459	1,905,230	2.25%
	2005	3,914,130	1,957,065	2.72%
	2006	4,261,667	2,130,834	8.88%
Actual	2007	4,618,469	2,309,235	8.37%
Projected	2008	4,750,000	2,375,000	2.85%
Budgeted	2009	4,868,750	2,434,375	2.50%



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Industrial District

I have already noted that we will see a substantial jump in our industrial district revenues as the portion of the assessed value subject to the weighted tax rate increases from 39% to 45%.

I have projected \$3,750,000 in industrial district revenues, up \$398,000 or 11.9% over the FY 07-08 budget of \$3,352,000.

We will likely be entering negotiations for the next industrial district contract next year. When this current contract ends we will be at 50% of assessed values. Therefore, I don't see much chance of large increases in this revenue source over the next contract period. While this increase has been a God send, we also want to keep industry competitive, so that they will remain here, attract new investment and continue to be the engine that drives our economy.

Franchise Fees

As I have mentioned in previous budget messages, our State law makers have been heavily lobbied by public utilities over the years to work to eliminate local control over those utilities and the fees these utilities pay to use the public right of ways. They have been very successful. Over the years local jurisdiction over rate making has been reduced or eliminated. These utilities succeeded in having the franchise fee (their cost to use the public lands for their business purposes) passed directly on to their customers rather than they simply being a cost of doing business. They have successfully lobbied to change the franchise fees from a percentage of gross receipts earned in each community to a lobbyist proposed formula. So, in times of record electric rates, our franchise fee payment is actually going down because this company based formula considers usage, which they claim KWH usage in our community is down. The ultimate goal for these public utilities is to eliminate all together the fee they pay the public for the use of the public's land. Imagine the cost to these utilities if they had to negotiate passage rights or easements with individual property owners. Instead they deal with the Cities who through their planning processes and public powers acquire easements for these companies to use.

What does all this mean? Well, based on the State mandated formulas I anticipate our franchise payments from our electric, gas, phone and cable companies will decline from a budgeted \$1,630,000 in FY 07-08 to \$1,581,355 in FY 08-09.

Other Revenues

We have seen good growth in the revenues collected by the Recreation Center and Civic Center this past year. It seems when the economy tightens people tend to stay at home and take advantage of the facilities we have here.

Also court fines are up and I expect will remain strong in FY 08-09. Of course, court fines do not come close to paying for our public safety services. They don't even cover the cost of our legal and municipal court functions.

Expenditures

In summary form here are the major cost increases in the General Operating Fund:

Salary Increases	
CPI/Market adjustment	\$199,100
Lump sum merit increase	308,000

EMS subsidy increase	87,700
Fuel cost increase	42,100
Retirement cost increase	61,100
Equipment replacement increase	56,364
Contract mowing increase	<u>35,780</u>
Total	\$790,144

Salaries

I recommend that the market adjustment to our pay ranges be 4%. However, only salaries that are 4% or greater below the new starting salary will be eligible for a market increase of up to 4%. Everyone else will be receiving a 2% COLA. This will cost the General Fund \$199,100.

As I noted earlier I am asking that Council allow us to transfer \$308,200 in anticipated FY 07-08 year end "savings" to the contingency fund, which will then be transferred back to the General Operating Fund in FY 08-09 to pay for "Lump sum" merit increases of 3%, 4% or 5% depending on the employees' performance evaluation. Rather than receive an hourly increase to their regular pay, the employee would receive a separate one-time check with their merit raise.

We did this in the past for the CPI/COLA increase, but figured we needed to adjust our pay scale to attract new employees and, at least this year, have the merit portion of the pay plan paid for in this lump sum method. In other words, employees would have to re-earn their merit increase next year.

Since the employees have worked hard to hold costs down, I thought they could share in that savings. In the event we do not have a year end savings, we would reduce or eliminate this lump sum payment.

Other Expenses

I have already discussed the increases proposed for LJEMS, our fuel cost increases and the retirement cost increases.

The other two cost increases are relatively fixed increases. The increase of \$56,364 in contributions to the equipment replacement fund covers the costs to make "payments" to this fund for vehicles and equipment acquired during the year. Most of this increase was in the EMS and Police areas.

The mowing contract increase was approved by Council in FY 07-08 and that contract extends through FY 08-09.

Otherwise we hold the line on all other expenditures.

Personnel Requests

Directors and Department heads made the following personnel requests:

- 1 Personnel Generalist
- 1 Municipal Court Cashier
- 1 Warrant Marshal/Bailiff for Municipal Court
- 2 Warrant Officers/Jailers in the Police Dept
- 3 Police Officers
- 1 Motorcycle Officer
- 1 Crime Analyst/Statistician in the Police Dept
- 3 Communications Specialists in the Police Dept

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- 1 Administrative Assistant in the Police Dept
- 1 CID Sergeant/Evidence Technician in the Police Dept
- 1 Fire Inspector

None of these 16 positions is funded in this proposed budget. Our hope is to phase these requests in over the next 5 years, if funding allows.

Also, there were several requests to regrade/reclassify employees to a higher pay grade. They were:

- 1 Deputy Court Clerk to Chief Deputy Court Clerk
- 1 Court Clerk to Court Administrator
- 1 Secretary to Administrative Assistant at the Civic Center
- 1 Regrade the pay scale for the Fire Marshall to that of an Asst. Fire Chief
- 5 Regrade Rec leaders from scale 210 to 220.

Again, none of these requests were funded.

UTILITY OPERATING FUND

The Utility Operating Fund budget proposed for FY 2008-2009 is \$9,967,201. This is \$253,922 (2.6%) higher than the FY 07-08 budget of \$9,713,279.

Revenues

As I noted earlier we are making some modest changes to the utility rates. They are a 10 cent increase to each the base water and sewer rate and 5 cents each to the per thousand gallon water and sewer rates above the 2,000 gallon base rate. Sanitation rates are up 25 cents for residential and apartments. Commercial sanitation rates are up 3%. And, we have increased the recycle rate for residential and apartments a dime.

So the base bill will change as follows:

<u>Service</u>	<u>Current</u>	<u>Proposed</u>
Water	\$8.50/month	\$8.60/month
Sewer	9.50/month	9.60/month
Sanitation	13.75/month	14.00/month
Recycle fee	2.00/month	2.10/month
* Sales tax	<u>1.30/month</u>	<u>1.33/month</u>
	\$35.05/month	\$35.63/month + 0.4%

*State law requires sales tax be applied to sanitation services

The per thousand gallons usage over the base bill will now be \$2.85 for water and \$3.20 for sewer (residential sewer is capped at 15,000 gallons). With these rates this is how we will compare to current rates in other cities:

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Combined Monthly Rate 5,000 Gal				Combined Monthly Rate 10,000 Gal			
	Pop.	5,000 Gal		Pop.	10,000 Gal.		
Jacinto City	10,382	\$ 62.01	Jacinto City	10,382	\$ 98.76		
River Oaks	6,985	\$ 60.09	River Oaks	6,985	\$ 93.99		
Brazoria	2,950	\$ 54.75	League City	65,351	\$ 86.82		
Seabrook	11,182	\$ 48.12	Brazoria	2,950	\$ 83.50		
S. Houston	16,350	\$ 46.85	W. University Place	15,122	\$ 80.80		
Bay City	18,450	\$ 46.07	Seabrook	11,182	\$ 77.37		
W. University Place	15,122	\$ 45.72	Bay City	18,450	\$ 74.32		
Tomball	10,053	\$ 42.28	Freeport	12,802	\$ 71.20		
Pearland	80,500	\$ 40.02	Houston	2,144,491	\$ 70.66		
Alvin	22,405	\$ 39.85	Deer Park	30,575	\$ 69.88		
Freeport	12,802	\$ 39.20	Alvin	22,405	\$ 68.75		
League City	65,351	\$ 38.57	Rosenberg	31,846	\$ 67.48		
Humble	15,000	\$ 38.00	Tomball	10,053	\$ 67.28		
Rosenberg	31,846	\$ 37.93	S. Houston	16,350	\$ 67.11		
Sugar Land	77,982	\$ 37.60	Pearland	80,500	\$ 65.87		
Clute	10,763	\$ 36.50	Lake Jackson	27,614	\$ 65.60		
Houston	2,144,491	\$ 35.86	Richwood	3,341	\$ 64.50		
Lake Jackson	27,614	\$ 35.85	La Porte	33,886	\$ 61.94		
Deer Park	30,575	\$ 35.58	W. Columbia	4,282	\$ 60.24		
Richwood	3,341	\$ 35.00	Sugar Land	77,982	\$ 59.15		
La Porte	33,886	\$ 34.29	Bellaire	17,596	\$ 58.51		
Friendswood	34,037	\$ 33.40	Clute	10,763	\$ 58.50		
Bellaire	17,596	\$ 33.01	Texas City	45,070	\$ 58.25		
Conroe	49,760	\$ 32.60	Webster	9,930	\$ 56.98		
W. Columbia	4,282	\$ 32.59	Friendswood	34,037	\$ 56.89		
Texas City	45,070	\$ 31.50	Galena Park	10,592	\$ 56.85		
Pasadena	157,000	\$ 29.17	Pasadena	157,000	\$ 55.93		
Webster	9,930	\$ 28.73	Conroe	49,760	\$ 53.00		
Galena Park	10,592	\$ 28.40	Cleveland	8,053	\$ 48.90		
Cleveland	8,053	\$ 27.90	Humble	15,000	\$ 45.50		
Oyster Creek	1,192	\$ 23.76	Oyster Creek	1,192	\$ 39.96		
Katy	13,561	\$ 21.36	Katy	13,561	\$ 37.53		
Shenandoah	1,503	\$ 18.00	Shenandoah	1,503	\$ 20.00		
LJ Proposed	27,614	\$ 36.35	LJ Proposed	27,614	\$ 66.60		

A resident using the average 6,700 gallons per month will see their bill change from \$63.01 to \$64.07 a \$1.06 (1.7%) increase.

Expenditures

In summary form here are the major cost increases in the Utility Operating Fund:

Salary Increases

- CPI/Market Adjustment \$58,200
- Lump sum merit increase 85,500

Fuel cost increase	44,900
Equipment replacement	40,268
Retirement cost increase	<u>15,600</u>
	\$244,468

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The explanations for the salary, retirement, fuel and equipment replacement increases are primarily the same here as they are for the General Operating Fund. The increase in equipment replacement is mostly in the Sanitation Department. Otherwise, we have held the line on all other expenses

Personnel.

There were no personnel requests in the Utility Operating budget.

We are having, however, significant difficulty hiring and retaining operators. Once we have them hired and trained they go to industry for substantially more money. We can not compete with the industry pay scale. Interestingly our salary survey shows that our operator pay scale is right on target when compared to other municipalities.

I truly admire the effort our employees and their supervisors have done, especially being short handed for much of the year.

We will continue our efforts to attract and retain employees.

OTHER FUNDS

Capital Projects Funds

We maintain a Capital Projects Fund in each the General and Utility Funds. These funds are funded by transferring positive year end balances from the operating funds. In years past we would budget for transfers in each operating funds to their respective Capital Projects Fund. But with the very tight budgets most of the decade, we have not been able to do that. And, as our budgets have gotten tighter, year end transfers have been smaller or non existent.

These funds help us pay for small to mid sized capital projects on a cash basis. This has been extremely valuable over the years and we have done a multitude of projects.

City Council, as part of the visioning process, held a workshop in March to establish priorities within the confines of our vision statement and the vision elements. This was of tremendous value in the preparation of this budget.

General Capital Project Fund

With most of the year end savings designated for the employee lump sum merit increase, I am only projecting a \$150,000 transfer to the Capital Projects Fund at the close of FY 07-08. That may change based on actual figures at the time.

The City Council set the following priorities at their Capital Projects Workshop on March 24, 2008:

Ada/sidewalk	\$75,000
Improve radio communication	\$254,422
A/C Replacement	\$25,000
Demolition	\$50,000
Repaint Rec Center exterior	\$59,000
Repaint locker rooms/repaint/rehab benches	\$13,400

Storm warning alert system	\$1,500
Rec Center digital security camera	\$17,800
Vertical benchmark	\$16,000
GIS (drainage compoment)	\$100,000
Maintenance cover	\$18,000
Plantation Dr – Oaks of Flagridge	\$52,500
Rec Center gutters	\$21,000
Dunbar parking lot overlay	\$83,000
Bunker renovation	\$20,000
Replace carpet in PD	\$27,300
Irrigation lake aerator	\$7,500
clear Oyster Creek phase 1/Dunbar	\$25,000
Finish EOC/Dispatch	<u>\$300,000</u>
Total	\$1,666,422

Also, Council voted to amend the FY07-08 budget to fund two high priority projects. They were the first phase of improving our radio communication system (\$126,755) and to place a fiber optic connection to the College (\$70,000) to improve our internet connectivity.

Our hope had been that increases in our industrial district contract in the final years of the contract would provide us with “excess” revenues that would have put more money in this fund. But as you can tell from previous discussion these increases have had to go to meet operating cost increases and to help replace sagging sales tax revenues.

Utility Projects Fund

Council authorized two projects to be funded from the Utility Projects Fund. They are:

Water Meter replacement	\$110,000
Oak Drive pump upgrade	<u>30,000</u>
	\$140,000

Again, my hope is that “excess” water sales as a result of a dry year will help to replenish this fund and allow us to make more improvements to our utility system.

Parks Fund

I anticipate no transfer to the Parks Fund from anticipated year end FY 07-08 positive fund balance in the General Operating Fund.

The Parks Board has set the following projects for FY 08-09:

Morrison Playground	\$5,600
Dow Centennial Park, Phase 3 study	5,000
Kid Fish	4,500
Oyster Creek Plans/cleaning/development	25,000
Expand Little Suggs Baseball field	25,000
Disc Golf course @ Dunbar Park	<u>9,000</u>
	\$74,100

MANAGER’S MESSAGE

Motel Occupancy Tax Fund

The city collects a 7% motel occupancy tax on motel room rentals in the city. The state collects an additional 6%. Use of local funds is rigidly regulated by the state and can only be used to promote people coming to our community and utilizing the services of three motels – Cherotel, Comfort Suites and Super 8. Currently a Candlewood Suites is under construction and will be operational in FY 08-09. And, a Spring Hill Suites is planned at the Brazos Mall.

Revenues continue to be strong as contractors work on the various large construction projects in the area.

We estimate revenue of \$250,000 next year and an ending fund balance at 7/30/09 of \$142,370.

Following state regulations and guidelines expenditures are proposed as follows:

		<u>FY 08-09 Allocation</u>
Fine Arts Center	1.0	\$35,715
Museum of Natural Science	1.5	53,570
*Tourism (Chamber)	2.0	80,000
LJ Historical Museum	1.5	53,570
Promotion of Festival of Lights & other	1.0	<u>40,000</u>
	7.0	\$262,855

*City Council has agreed to a flat \$80,000 payment to the Chamber’s tourism branch. So, we add to the \$71,430 the 2 cent generates from the Fund balance to achieve that level of funding.

Economic Development Fund

This fund is administered by the Lake Jackson Development Corporation, appointed by the City Council. It is comprised of four citizen members and three council members. The Corporation receives its funding from the ½ cent optional 4B economic development sales tax, authorized by our voters in May, 1995. Use of these funds is restricted to the language in the ballot proposition and by state law.

The ½ cent optional sales tax is proposed to provide \$2,559,690 of revenue in FY 08-09. Interest income is proposed at \$53,195. So, total FY 08-09 revenue is proposed at \$2,612,885.

Budgeted expenditures for FY 08-09 are proposed at \$2,391,739.

There are three “new” projects that are recommended by the LJDC for use of these funds. All three projects went through the proper procedures and required public hearings.

Golf Course Debt Service

This project continues the \$550,000 transfer to the Golf Course fund to cover debt service through the retirement of these bonds in 2023. Initially this transfer was scheduled to end in 2012 when Council’s hope was

that Golf course revenues would cover debt service as well as maintenance and operations. That was not the position of staff, as we did not anticipate the golf course to generate revenues sufficient enough to cover debt service as well. We are quite pleased that it is covering operating costs.

Golf Course Reserve

This project builds a golf course operating reserve by accumulating \$100,000 for 5 years. Since revenues and expenditures are very close, there is no operating room. Council had previously approved a 3 year \$100,000 allotment per year. Wet weather pretty much caused that to be used up. So, you can consider this a “rainy day” fund.

Downtown Revitalization

We have received many compliments on the first phase (Oak Drive) of the downtown revitalization plan. This plan and funding schedule have been adopted by Council and should take about 15 years using primarily ½ cent sales tax revenues.

The project recommended by LJDC this year is for \$600,000 to engineer and design the next phase of the plan. This phase will include portions of This Way, That Way and Circle Way.

These projects can be funded because we have retired the debt on the Civic Center and the Youth Sports Complex.

There will be substantially more activity from this fund and the LJDC over the next 15 years. All new projects will be subject to the procedures and public hearing requirements set out in the by laws of the LJDC and to comply with state law.

The LJDC board established a policy that a fund balance equal or greater than the next year's principal and interest debt service be maintained. Our projected debt service requirement for FY 08-09 is \$762,299. Our fund balance is estimated to be \$1,999,332 as of 9/30/09.

The Golf Course Fund

The Wilderness golf Course opened in May, 2004 and just completed its fourth year of operations.

If projections hold true for the rest of FY 07-08, the golf course revenues will cover expenses (not including debt service). The proposed FY 08-09 budget also anticipates revenues meeting operational expenses. Any number of factors could cause these projections to fall short – the biggest being weather. A prolonged wet spell or a tropical storm or hurricane coming through the area would have a negative effect on the bottom line. This is why the LJDC has recommended the contribution of a contingency fund. The goal is to place \$100,000 a year, for five years, in this fund. Kemper will be making a proposal to Council to support modest increases of about \$2/round. I support that effort.

As I have mentioned before, I had not anticipated that the golf course would be a “money maker”. Some well intentioned people during the planning and design phases did feel this way. But Staff and I continually expressed our position that the golf course would do well, but likely would not be a money maker. It is like any other recreational program we offer. None of these cover their costs – such as our recreation center. But we continue to provide that quality of life facility to our residents. The golf course comes closest of all our recreation programs to covering its costs. Our management company, Kemper Sports, has been very aggressive in marketing the golf course. Rounds played are actually exceeding expectations. Proposed rounds of play for FY 08-09 are projected at approximately 45,000 rounds.

While rounds went up this past year, the revenue per round has slightly dropped to \$27.78/round. This can be attributed to heavy usage of the course by the members. Recall the course has sold a limited number of memberships.

Kemper has a solid marketing plan for FY 08-09. They will continue to aggressively market the course in the Houston market, while solidifying our local base.

As with all our facilities, we need to keep the golf course in top shape. A series of capital requests have been made and have been prioritized by City Council on the capital projects plan.

Equipment Replacement Fund

This fund continues to show its value by keeping our City fleet in excellent condition.

This fund provides a systematic schedule of when to replace vehicles/equipment and to set aside funds annually for that purpose.

I am recommending the following purchases from the Equipment Replacement Fund in FY 08-09:

• Replace 4 patrol cars	92,000
• Replace 3 staff/CID cars in Police fleet	66,000
• Replace “COPS” car for Citizens Police Academy	23,000
• Replace Humane pickup	25,000
• Replace Traffic control cabinet	9,750
• New Traffic control cabinet (spare)	9,750
• Replace 2 pickups in Drainage Dept.	40,000
• Replace 3 mowers in Parks Dept.	27,000
• Replace van in Recreation Dept.	26,000
• Replace pickup in Parks Dept.	18,000
• Four post lift for garage	14,000
• Replace 2 ½ ton trucks in Water Dept.	50,000
• Replace ¾ ton pickup in Water Dept.	30,000
• Chemical feed & Storage system-odor control	30,000
• Install plugs & pigtails on each generator	10,000
• Odor control, drive scrubber L534	9,000
• Blowers in LS 5, 36 and 19	23,000
• Replace garbage truck	200,000
• Replace 40-1 cu yd containers	30,000
• Replace 4-20 cu yd containers	26,000
• Replace flatbed	58,000
• 25 cubic yd rear loader for unit 753	85,000
• Computer equipment	<u>215,000</u>
	\$1,116,500

CONCLUSION

What started out as a budget I had hoped would be able to meet the pent up needs of our community – especially in public safety, ended up being a status quo budget trying to stay above the rising costs of energy and a souring economy.

I had been anticipating the planned increase in industrial district revenues as a way to improve our services and help hire new police officers for example. Instead this increase in revenues kept us from facing service cuts, hiring freezes and possible layoffs.

This has been a challenging budget to prepare and it will be challenging to develop the final budget.

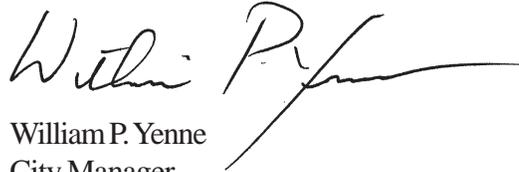
One thing I can say is that the visioning/goal setting process and City Council's early involvement with the budget process made preparing this budget a lot easier than it could have been. Staff and I know Council's priorities and this guided us in the development of the budget.

We have lots of work ahead of us. Some difficult choices still lie ahead. Staff and I pledge our commitment to assist Council in this important task.

Our budget all day Saturday workshop is scheduled for July 19, 2008. We begin at 8:00 am and work until we are finished.

Now the budget is in your capable hands. With your and citizen input we can develop a budget which continues to allow us to provide quality city services at very reasonable costs.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "William P. Yenne", with a long horizontal flourish extending to the right.

William P. Yenne
City Manager



Mayor Bob Sipple at the EOC during Hurricane Ike

ORGANIZATIONAL CHARTS



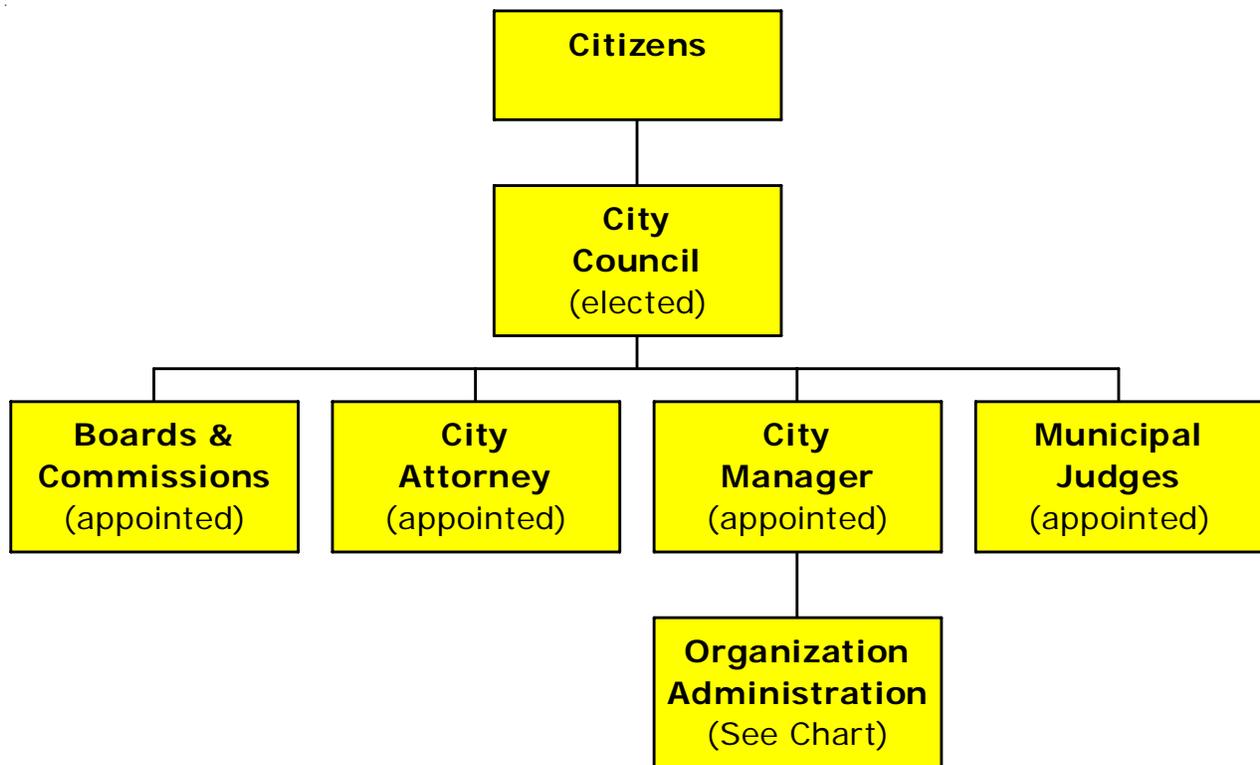
LAKE JACKSON

City of Enchantment

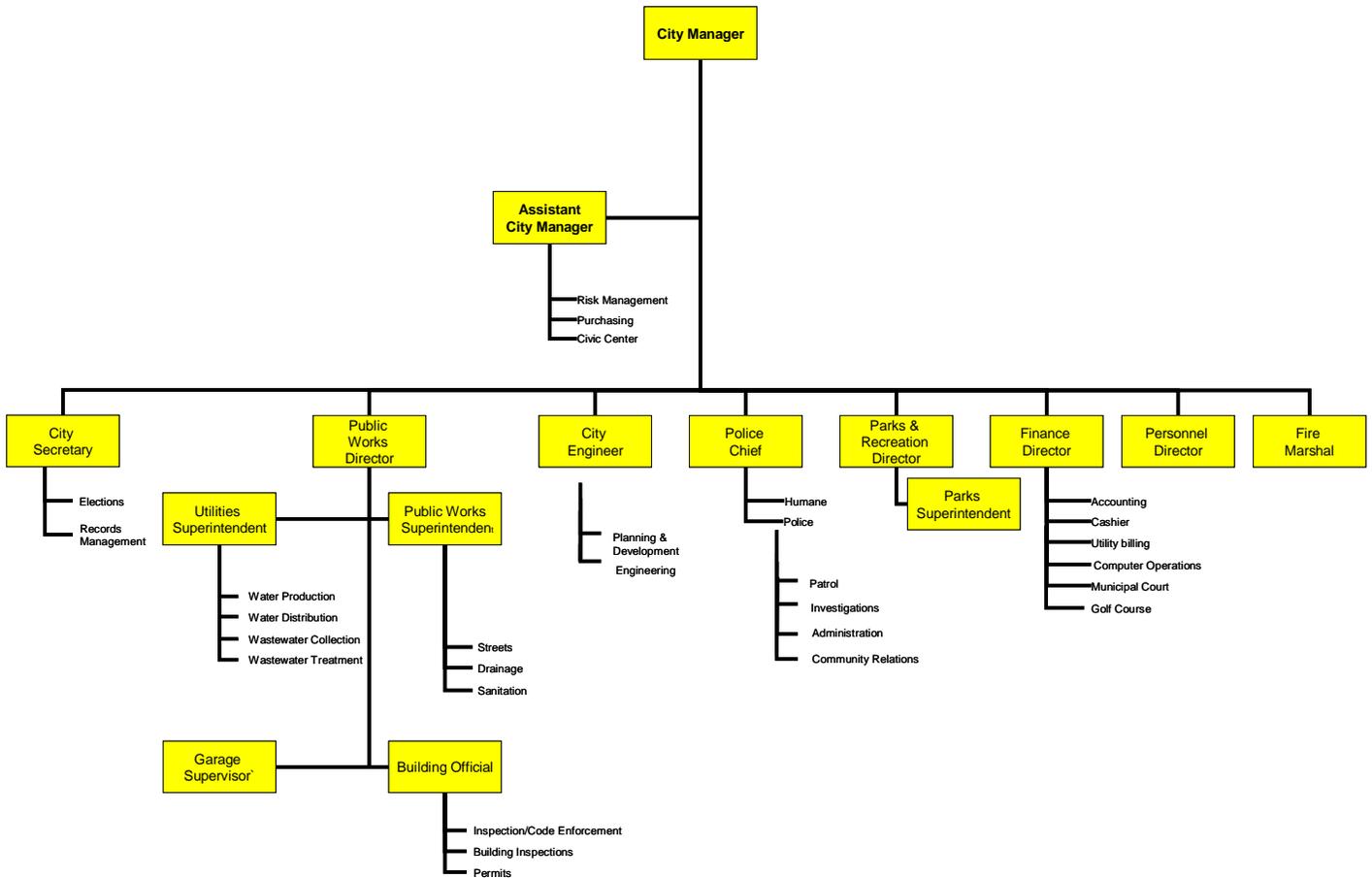


City of Lake Jackson

"Council-Manager Government"



Organization Administration Chart





The Alden Dow Building. This building housed the office of Dr. Beutel. The Lake Jackson Historical Association has renovated the office and it is open to visitors.

“Back in 1941 when the great push was on to build the Dow Chemical plants, Dr. A.P. Beutel had an idea which was to prove fateful to the history of Brazoria County.

Facing a basic decision as to what could be done to provide the living accommodations for the thousands of Dow employees already here and the thousands more to come, Dr. Beutel took a carload of his fellow Dow directors over a bumpy country road to the site of the old Lake Jackson Plantation. He stopped the car and said, “What we ought to do is build a completely new town here.”

That was the beginning of the City of Lake Jackson. The Dow Board of Directors agreed with him that a new community offered a better solution to the problems than attempting to develop additional areas of the already existing Brazoria County towns.

Mr. Alden B. Dow was one of the people whom Dr. Beutel took with him that day and Mr Dow immediately began planning Lake Jackson.”

BUDGET SUMMARIES

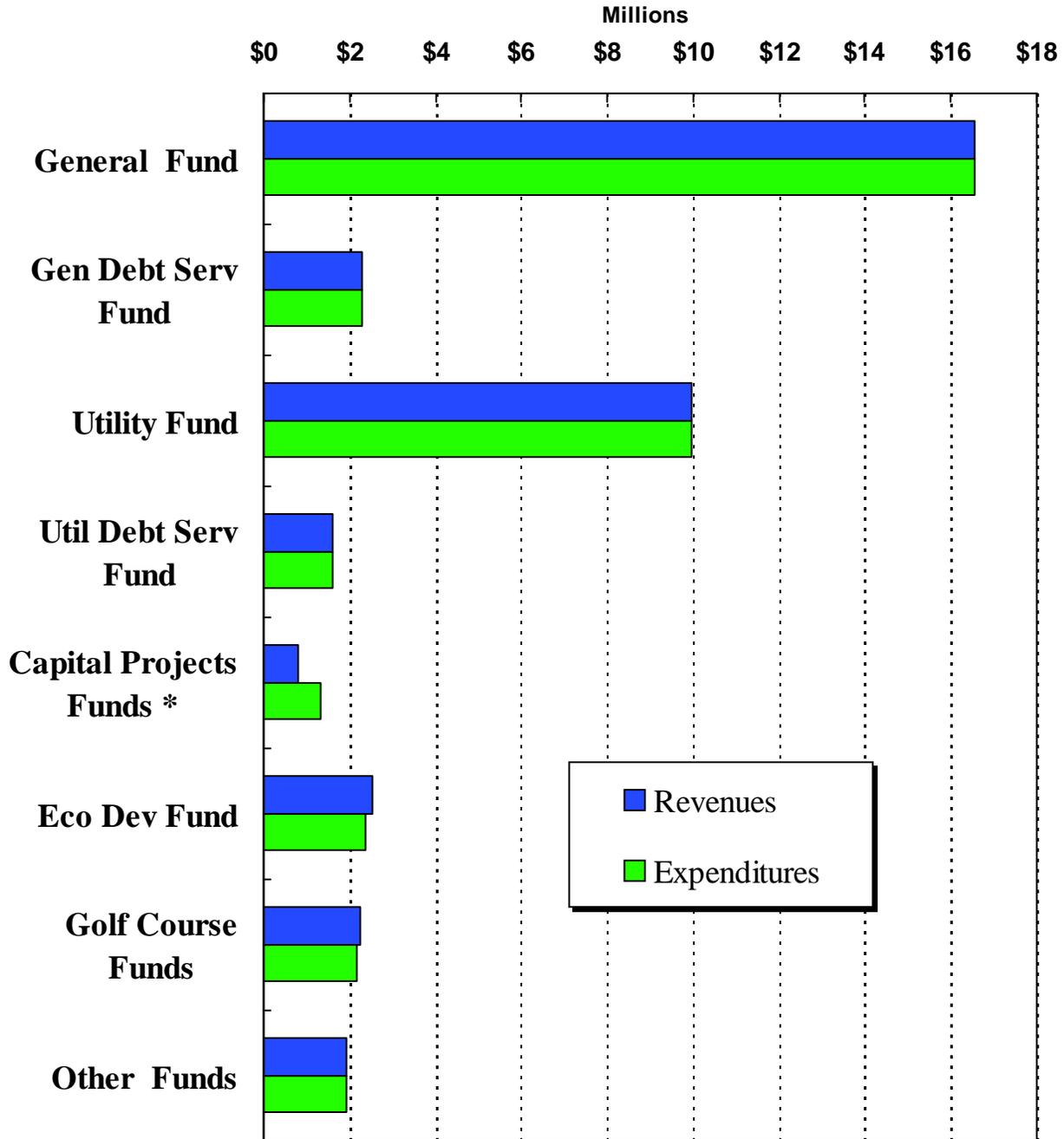


LAKE JACKSON

City of Enchantment



COMBINED FUNDS REVENUES & EXPENDITURES



* The Capital Projects Funds have historically been supported by year-end transfers from the related operating fund. These transfers are not budgeted but result from any budget savings which occur in the operating funds. As a result, budgeted expenditures always exceed budgeted revenues in the Capital Projects Funds.

2008 - 09 ADOPTED BUDGET
COMBINED FUNDS SUMMARY
TOTAL REVENUES AND EXPENDITURES BY FUND

<i>REVENUES</i>	ACTUAL	BUDGET	ESTIMATED	ADOPTED
	2006 - 07	2007 - 08	2007 - 08	BUDGET
GENERAL FUND	\$ 15,779,078	\$ 15,750,534	\$ 15,900,514	\$ 16,583,021
GEN DEBT SERV FUND	1,822,026	2,156,323	2,156,323	2,299,799
UTILITY FUND	8,632,390	9,713,279	9,629,820	9,967,201
UTILITY DEBT SERV & RESERVE	1,481,936	1,659,900	1,659,900	1,596,350
CAPITAL PROJECT FUNDS	305,981	202,339	2,254,597	80,000
ECONOMIC DEVELOPMENT FUND	2,420,807	2,549,775	2,449,395	2,531,580
GOLF COURSE FUNDS	1,940,669	2,099,777	2,120,325	2,252,906
OTHER FUNDS *	1,904,032	1,826,545	2,421,020	1,947,177
SUBTOTAL	\$ 34,286,919	\$ 35,958,472	\$ 38,591,894	\$ 37,258,034
INTERFUND TRANSFERS	(4,235,083)	(4,626,173)	(5,019,682)	(4,945,416)
TOTAL	\$ <u>30,051,836</u>	\$ <u>31,332,299</u>	\$ <u>33,572,212</u>	\$ <u>32,312,618</u>

<i>EXPENDITURES</i>	ACTUAL	BUDGET	ESTIMATED	ADOPTED
	2006 - 07	2007 - 08	2007 - 08	BUDGET
GENERAL FUND	\$ 13,663,661	\$ 15,750,534	\$ 15,764,554	\$ 16,583,021
GEN DEBT SERV FUND	1,837,859	2,156,323	2,156,323	2,299,800
UTILITY FUND	8,983,499	9,713,279	9,480,255	9,967,201
UTILITY DEBT SERV & RESERVE	1,533,915	1,684,855	1,641,180	1,641,180
CAPITAL PROJECT FUNDS	1,971,523	1,101,100	1,907,257	1,306,422
ECONOMIC DEVELOPMENT FUND	2,143,854	2,101,314	2,251,314	2,394,239
GOLF COURSE FUNDS	2,014,275	2,096,268	2,051,513	2,181,642
OTHER FUNDS *	2,531,620	1,947,641	2,027,993	1,916,955
SUBTOTAL	\$ 34,680,206	\$ 36,551,314	\$ 37,280,389	\$ 38,290,460
INTERFUND TRANSFERS	(4,235,083)	(4,626,173)	(5,019,682)	(4,945,416)
TOTAL	\$ <u>30,445,123</u>	\$ <u>31,925,141</u>	\$ <u>32,260,707</u>	\$ <u>33,345,044</u>

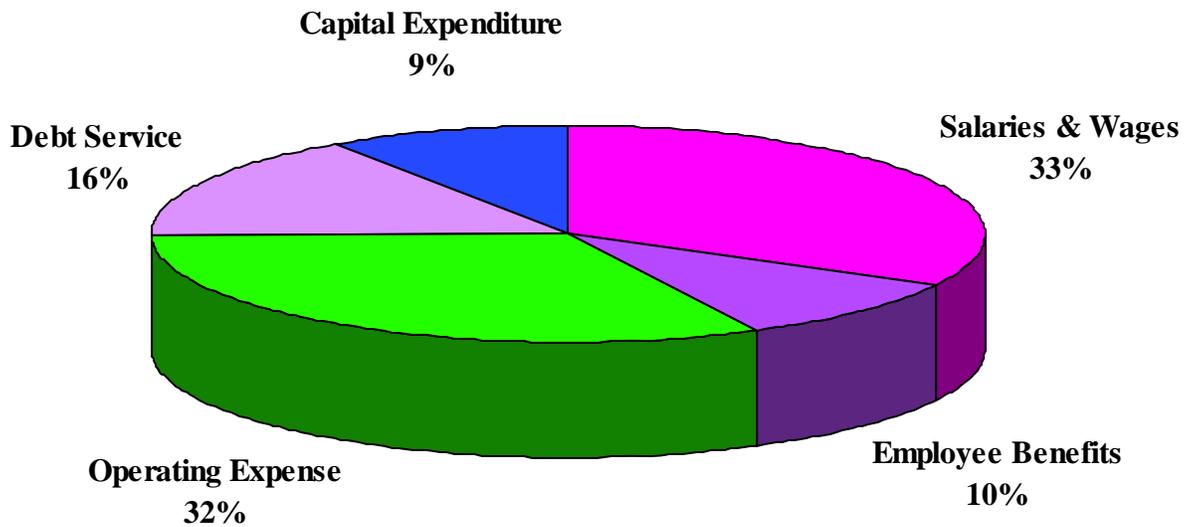
* OTHER FUNDS: EQUIPMENT REPLACEMENT, SPECIAL EVENTS, MOTEL OCCUPANCY TAX,
UNEMPLOYMENT INSURANCE, PARK FUND AND CONTINGENCY FUNDS.

2008 - 09 BUDGET
ALL FUNDS
REVENUES BY CATEGORY

<i>REVENUES</i>	2006 - 07	2007 - 08	2007 - 08	2008 - 09
	ACTUAL	BUDGET	ESTIMATED	BUDGET
PROPERTY TAX	\$ 4,996,729	\$ 5,398,458	\$ 5,316,323	\$ 5,663,707
CITY SALES & USE TAX	6,972,467	7,444,500	7,159,120	7,350,145
MOTEL OCCUPANCY TAX	272,624	200,000	263,000	250,000
FRANCHISE FEES	1,596,697	1,528,000	1,581,355	1,479,355
INDUSTRIAL DISTRICT REVENUE	3,220,061	3,352,000	3,407,000	3,750,000
LICENSES & PERMITS	259,518	237,450	260,925	242,900
CHARGES FOR SERVICES	10,754,399	11,878,056	12,034,520	12,345,037
MUNICIPAL COURT FINES	442,892	327,800	423,500	364,000
INTEREST	995,131	690,075	757,475	565,814
MISCELLANEOUS	541,319	275,960	267,745	301,660
<i>TOTAL REVENUES</i>	\$ <u>30,051,837</u>	\$ <u>31,332,299</u>	\$ <u>31,470,963</u>	\$ <u>32,312,618</u>

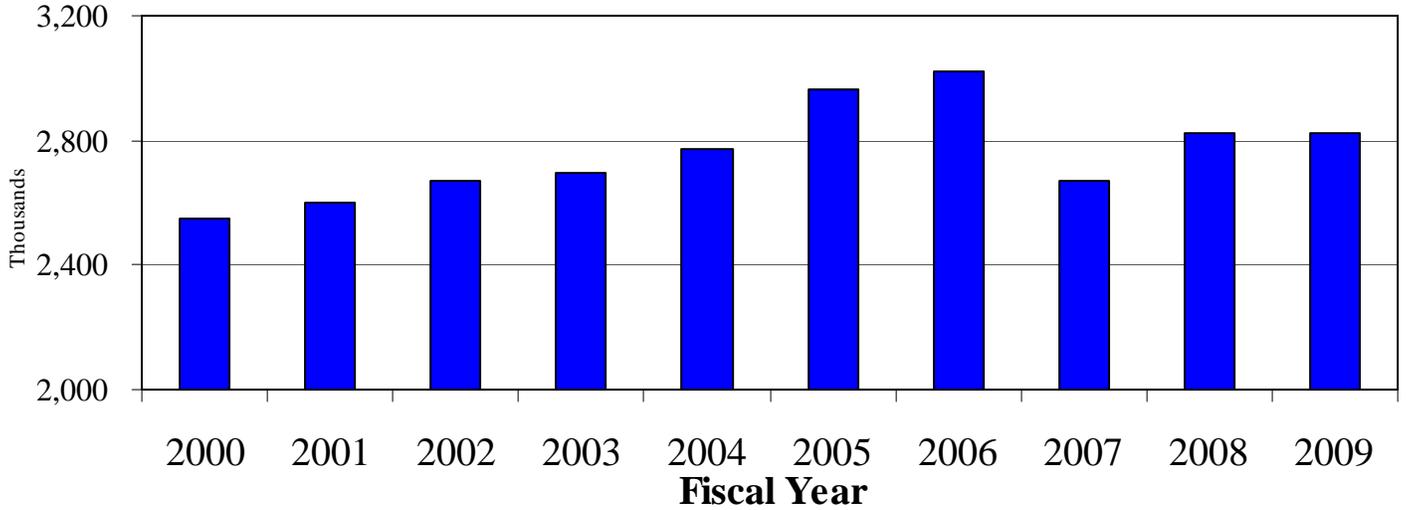
2008 - 09 BUDGET
ALL FUNDS
EXPENDITURES BY CATEGORY

<i>EXPENDITURES</i>	2006 - 07 ACTUAL	2007 - 08 BUDGET	2007 - 08 ESTIMATED	2008 - 09 BUDGET
SALARIES & WAGES	\$ 9,421,182	\$ 10,288,257	\$ 9,916,592	\$ 10,951,943
EMPLOYEE BENEFITS	2,638,008	3,116,382	2,869,071	3,247,820
OPERATING EXPENSES	9,311,758	10,255,259	10,252,179	10,744,335
DEBT SERVICE	5,078,783	5,504,222	5,460,547	5,295,824
CAPITAL PROJECTS	2,028,602	1,173,600	2,107,257	1,988,622
EQUIPMENT PURCHASES	<u>1,966,790</u>	<u>1,587,421</u>	<u>1,655,061</u>	<u>1,116,500</u>
<i>TOTAL EXPENDITURES</i>	<u>\$ 30,445,123</u>	<u>\$ 31,925,141</u>	<u>\$ 32,260,707</u>	<u>\$ 33,345,044</u>



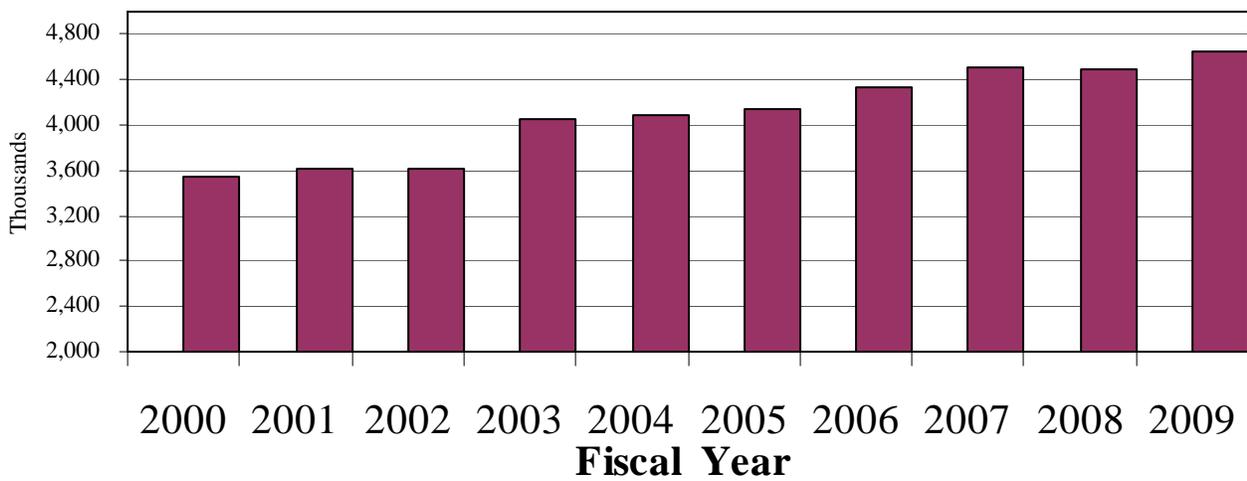
FUND BALANCE HISTORY AND PROJECTIONS

**Working Capital Balance
Utility Fund**



Working capital balances are used for the proprietary funds because; for our City, working capital balances best represent the available resources with which to fund current expenditures.

**Fund Balance
General Fund**



GENERAL FUNDS FUND BALANCE ANALYSIS

FUND	GENERAL OPERATING FUND	GENERAL DEBT SERVICE	GENERAL CAPITAL PROJECTS	EQUIPMENT REPLACEMENT FUND
FUND BALANCE 9-30-06	\$ 4,330,205	550,662	1,634,159	2,167,755
REVENUES INCLUDING TRANSFERS	15,793,791	1,822,026	229,436	1,482,065
EXPENDITURES INCLUDING TRANSFERS	<u>13,663,656</u>	<u>1,837,859</u>	<u>731,008</u>	<u>1,950,171</u>
FUND BALANCE 9-30-07	\$ 6,460,340	\$ 534,829	\$ 1,132,587	\$ 1,699,649
TRANSFERS TO CAPITAL				
TO GENERAL CAPITAL PROJECTS	(1,800,000)	0	1,800,000	0
TO PARKS FUND	<u>(150,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE AFTER CAPITAL TRANSFERS	4,510,340	534,829	2,932,587	1,699,649
FISCAL 2008 PROJECTED REVENUES				
TRANSFERS IN				
FROM GENERAL OPERATING		0	112,339	869,876
FROM UTILITY OPERATING		0	0	574,669
ADMINISTRATIVE TRANSFERS				
FROM GENERAL CONTINGENCY	0	0	0	0
FROM UTILITY FUND	540,389	0	0	
FROM ECONOMIC DEVL. FUND	350,000	0	0	
ALL OTHER REVENUE	<u>14,610,139</u>	<u>2,156,323</u>	<u>60,000</u>	<u>62,000</u>
	15,900,514	2,156,323	172,339	1,506,545
FISCAL 2008 PROJECTED EXPENDITURES				
TRANSFERS OUT				
TO SPECIAL EVENTS FUND	20,000			
TO GENERAL CAPITAL PROJECTS	112,339			
TO PARKS FUND				
TO GENERAL CONTINGENCY	308,000			
TO EQUIPMENT REPLACEMENT	869,885			
ALL OTHER EXPENDITURES	<u>14,081,265</u>	<u>2,156,323</u>	<u>1,478,995</u>	<u>1,632,511</u>
	15,764,554	2,156,323	1,478,995	1,632,511
PROJECTED FUND BALANCE 9-30-08	4,646,300	534,829	1,625,931	1,573,683
PROJECTED TRANSFERS TO CAPITAL				
TO GENERAL CAPITAL PROJECTS	(150,000)		150,000	
TO PARKS FUND	<u>0</u>			
FUND BALANCE AFTER CAPITAL TRANSFERS	4,496,300	534,829	1,775,931	1,573,683
2009 BUDGETED REVENUES				
TRANSFERS IN				
FROM GENERAL OPERATING	0	0	0	926,240
FROM UTILITY OPERATING	0	0	0	614,937
ADMINISTRATIVE TRANSFERS				
FROM UTILITY FUND	540,389			
FROM ECONOMIC DEVL. FUND	350,000			
FROM GENERAL CONTINGENCY	308,000			
ALL OTHER REVENUE	<u>15,384,632</u>	<u>2,299,799</u>	<u>60,000</u>	<u>50,000</u>
	16,583,021	2,299,799	60,000	1,591,177
BUDGETED EXPENDITURES				
TRANSFERS OUT				
TO SPECIAL EVENTS FUND	20,000			
TO CAPITAL PROJECTS	0			
TO EQUIPMENT REPLACEMENT	926,240			
ALL OTHER EXPENDITURES	<u>15,636,781</u>	<u>2,299,800</u>	<u>1,166,422</u>	<u>1,116,500</u>
	16,583,021	2,299,800	1,166,422	1,116,500
BUDGETED FUND BALANCE 9-30-09	\$ 4,646,300	\$ 534,828	\$ 669,509	\$ 2,048,360
TARGET FUND BALANCE	RANGE	\$ 0	\$ 500,000	\$
Low 25% of Operating Budget	\$ 4,145,755			
High 33% of Operating Budget	\$ 5,472,397			

UTILITY FUNDS FUND BALANCE ANALYSIS

FUND	UTILITY OPERATING FUND	UTILITY DEBT SERVICE	UTILITY DEBT SERVICE RESERVE	UTILITY PROJECTS FUND
FUND BALANCE 9-30-06	\$ 3,023,477	954,730	1,314,800	1,972,977
REVENUES INCLUDING TRANSFERS	8,632,390	1,539,936	0	76,545
EXPENDITURES INCLUDING TRANSFERS	<u>8,983,499</u>	<u>1,533,915</u>	<u>58,000</u>	<u>1,240,515</u>
FUND BALANCE 9-30-07	\$ 2,672,368	960,751	1,256,800	809,007
TRANSFERS TO CAPITAL				
UTILITY CAPITAL PROJECTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE AFTER CAPITAL TRANSFERS	2,672,368	960,751	1,256,800	809,007
2008 PROJECTED REVENUES				
TRANSFERS IN				
FROM UTILITY OPERATING		1,588,900	0	0
FROM GENERAL OPERATING				0
UTILITY DEBT SERVICE RESERVE		29,600	0	0
WWTP CONSTRUCTION FUND		0	0	102,258
ALL OTHER REVENUE	<u>9,629,820</u>	<u>71,000</u>	<u>0</u>	<u>30,000</u>
	9,629,820	1,689,500	0	132,258
2008 PROJECTED EXPENDITURES				
TRANSFERS OUT				
ADMINISTRATIVE TRANSFER				
TO GENERAL FUND	540,389			
TO UTILITY DEBT SERVICE	1,588,900		29,600	
TO UTILITY CONTINGENCY	0			
TO UTILITY CAPITAL PROJECTS	0			
TO EQUIPMENT REPLACEMENT	574,669			
ALL OTHER EXPENDITURES	<u>6,450,926</u>	<u>1,684,855</u>	<u>0</u>	<u>428,262</u>
	9,480,255	1,684,855	29,600	428,262
PROJECTED FUND BALANCE 9-30-08	2,821,933	965,396	1,227,200	513,003
PROJECTED TRANSFERS TO CAPITAL				
TO UTILITY CAPITAL PROJECTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE AFTER CAPITAL TRANSFERS	2,821,933	965,396	1,227,200	513,003
2009 BUDGETED REVENUES				
TRANSFERS IN				
FROM UTILITY CONTINGENCY				
FROM UTILITY OPERATING	0	1,525,350	0	0
FROM DEBT SERVICE RESERVE		30,000	0	
FROM ECONOMIC DEVL. FUND				
ALL OTHER REVENUE	<u>9,967,201</u>	<u>71,000</u>	<u>0</u>	<u>20,000</u>
	9,967,201	1,626,350	0	20,000
BUDGETED EXPENDITURES				
TRANSFERS OUT				
ADMINISTRATIVE TRANSFER				
TO GENERAL FUND	540,389			
TO UTILITY DEBT SERVICE	1,525,350		30,000	
TO UTILITY DEBT SERVICE RESERVE	0			
TO UTILITY CAPITAL PROJECTS	0			
TO EQUIPMENT REPLACEMENT	614,937			
ALL OTHER EXPENDITURES	<u>7,286,525</u>	<u>1,641,180</u>	<u>0</u>	<u>140,000</u>
	9,967,201	1,641,311	30,000	140,000
BUDGETED FUND BALANCE 9-30-08	\$ 2,821,933	\$ 950,435	\$ 1,197,200	\$ 393,003
TARGET FUND BALANCE	RANGE	\$ 944,738	\$ 1,197,200	\$ 500,000
Low 25% of Operating Budget	\$ 2,491,800			
High 33% of Operating Budget	\$ 3,289,176			

OTHER FUNDS FUND BALANCE ANALYSIS

FUND	ECONOMIC	MOTEL	PARK
	DEVELOPMENT FUND	OCCUPANCY FUND	FUND
FUND BALANCE 9-30-07	\$ 1,474,715	\$ 152,475	\$ 213,162
PROJECTED REVENUES			
TRANSFERS IN			
FROM ECONOMIC DEVL. FUND	0	0	0
FROM GENERAL FUND	0	0	150,000
ALL OTHER REVENUE	2,549,775	267,700	8,000
	2,549,775	267,700	158,000
PROJECTED EXPENDITURES			
TRANSFERS OUT			
TO SPECIAL EVENTS FUND	0	20,000	0
TO GOLF COURSE DEBT SERVICE	550,000	0	0
TO GOLF COURSE OPERATING	100,000	0	0
TO GENERAL FUND	350,000	0	0
ALL OTHER EXPENDITURES	1,251,314	252,805	50,000
	2,251,314	272,805	50,000
FUND BALANCE 9-30-08	1,773,176	147,370	321,162
BUDGETED REVENUES			
TRANSFERS IN			
FROM ECONOMIC DEVL. FUND	0	0	0
ALL OTHER REVENUE	2,449,395	254,000	8,000
	2,449,395	254,000	8,000
BUDGETED EXPENDITURES			
TRANSFERS OUT			
TO SPECIAL EVENTS	0	25,000	0
TO GOLF COURSE DEBT SERVICE	550,000	0	0
TO GOLF COURSE OPERATING	100,000	0	0
TO GENERAL FUND	350,000	0	0
ALL OTHER EXPENDITURES	1,394,239	232,855	74,100
	2,394,239	257,855	74,100
BUDGETED FUND BALANCE 9-30-09	\$ <u>1,828,332</u>	\$ <u>143,515</u>	\$ <u>255,062</u>
TARGET FUND BALANCE	762,299	None	None

2008-09 BUDGET
PERSONNEL SUMMARY BY DEPARTMENT & STATUS

GENERAL FUND	2005-06 FT	2006-07 FT	2007-08 FT	2008-09 FT	2008-09 PT/Seasonal	2008-09 Total
ADMINISTRATION	9.50	9.50	10.50	10.50	0.00	10.50
FINANCE	9.00	9.00	10.00	10.00	0.33	10.33
MUNICIPAL COURT	4.00	4.00	4.00	4.00	0.24	4.24
LEGAL	0.00	1.00	1.00	1.00	0.00	1.00
POLICE	58.00	58.00	59.00	59.00	1.73	60.73
FIRE	1.00	1.00	1.00	1.00	0.00	1.00
HUMANE	3.00	3.00	3.00	3.00	0.00	3.00
ENGINEERING	4.00	4.00	4.00	4.00	1.03	5.03
STREET	6.83	6.83	6.83	6.83	0.00	6.83
DRAINAGE	14.83	14.83	14.83	14.83	0.48	15.31
CODE ENFORCEMENT	6.00	6.00	8.00	8.00	0.00	8.00
PARKS	13.50	13.50	13.50	13.50	0.58	14.08
RECREATION	13.50	13.50	13.50	13.50	16.22	29.72
GARAGE	9.00	9.00	9.00	9.00	0.00	9.00
LIBRARY	0.50	0.50	0.50	0.50	0.00	0.50
CIVIC CENTER	4.00	4.00	5.00	5.00	0.00	5.00
TOTAL GENERAL FUND	156.66	157.66	163.66	163.66	20.61	184.27

UTILITY FUND	2005-06 FT	2006-07 FT	2007-08 FT	2008-09 FT	2008-09 PT/Seasonal	2008-09 Total
UTILITY ADMINISTRATION	7.00	6.00	6.00	6.00	0.00	6.00
WATER PRODUCTION	7.08	7.41	11.50	11.50	0.00	11.50
WATER DISTRIBUTION	4.75	4.75	0.00	0.00	0.00	0.00
WASTEWATER COLLECTION	10.08	10.41	19.50	19.50	0.00	19.50
WASTEWATER TREATMENT	8.09	8.43	0.00	0.00	0.00	0.00
SANITATION	25.34	25.34	25.34	25.34	0.00	25.34
TOTAL UTILITY FUND	62.34	62.34	62.34	62.34	0.00	62.34
TOTAL ALL FUNDS COMBINED	219.00	220.00	226.00	226.00	20.61	246.61

SUMMARY OF RECOMMENDED NEW POSITIONS FOR FISCAL YEAR 2008-09

DEPARTMENT POSITION

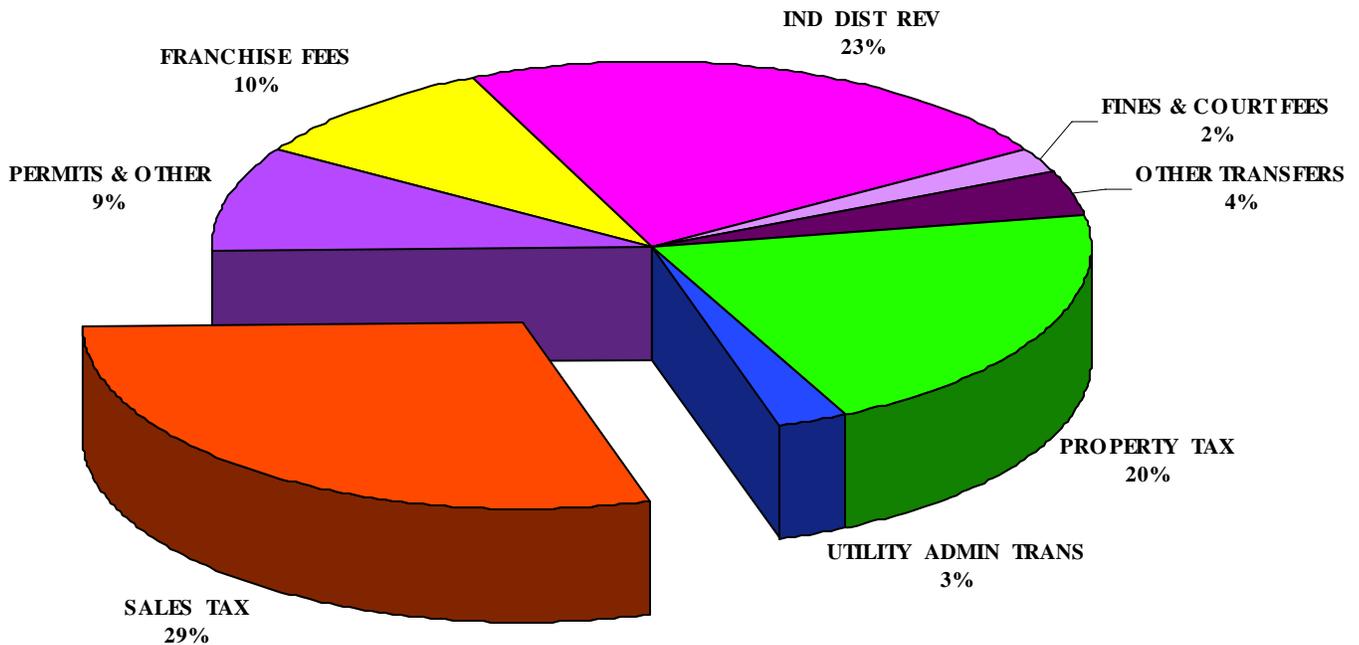
None

2008 - 09 ADOPTED BUDGET OPERATING FUNDS SUMMARY

REVENUE	2006 - 07	2007 - 08	2007 - 08	2008 - 09
	ACTUAL	BUDGETED	ESTIMATED	ADOPTED
General Fund Resources	\$ 15,779,078	\$ 15,750,534	\$ 15,900,514	\$ 16,583,021
Utility Operating Revenues	11,521,449	9,713,279	9,629,820	9,967,201
Total Revenue	\$ 27,300,527	\$ 25,463,813	\$ 25,530,334	\$ 26,550,222
EXPENDITURES	2006 - 07	2007 - 08	2007 - 08	2008 - 09
	ACTUAL	BUDGETED	ESTIMATED	ADOPTED
Salaries & Wages	\$ 8,750,884	\$ 9,649,529	\$ 9,257,198	\$ 10,254,263
Group Insurance	811,597	940,100	838,508	941,000
Employer FICA	626,800	719,800	662,762	732,800
Retirement Contribution	917,362	1,110,400	1,043,530	1,195,600
Workers Compensation	149,010	209,900	186,361	245,200
Other Employee Benefits	1,374	11,500	6,550	10,100
City Attorney	0	0	0	0
Emergency Medical Services	189,300	249,300	274,300	337,000
Street Markings & Sealant	29,173	75,000	75,000	75,000
Fire Code Inspections	15,000	17,000	15,000	17,000
Housing (Property) Inspections	43,392	40,000	40,000	50,000
Drainage Maintenance Program	70,000	70,000	70,000	70,000
Braz. Cty Partnership	10,000	10,000	10,000	10,000
Recycling & Waste Disposal	713,590	765,260	712,500	766,800
Sludge Disposal	92,206	109,000	93,000	75,000
Pavement Improvement Program	86,691	80,000	80,000	80,000
Contract Mowing	185,165	256,720	227,500	300,000
Contract Cleaning	98,900	110,800	104,620	116,770
Other Prof / Tech Services	342,330	462,215	437,830	450,353
Maintenance & Repair				
Water System	156,768	296,970	313,125	355,100
Wastewater System & Plant	338,093	277,710	339,500	346,500
Sanitation Fleet	153,276	110,000	137,000	125,000
Street & Drainage System	96,144	86,100	96,600	99,135
Other Maintenance & Repair	753,186	808,907	833,007	863,070
BWA - Water	1,153,841	1,175,300	1,175,300	1,175,300
Braz. Cty Water Conservation District	17,659	22,000	22,000	23,000
Other Property Services	117,674	110,487	114,113	119,805
Property & Liability Insurance	308,827	380,925	395,029	365,085
Other Purchased Services	396,821	470,292	493,793	552,120
Electricity & Natural Gas	1,686,239	1,704,655	1,690,325	1,677,405
General Supplies	1,158,128	1,406,220	1,378,126	1,486,800
Capital Outlay	16,619	21,550	22,550	8,100
Transfers				
To General Fund	540,389	540,389	540,389	540,389
To Equipment Replacement	1,205,469	1,444,545	1,444,545	1,541,177
To Park Fund	0	0	150,000	0
To General Projects	0	112,339	0	0
To Special Events Fund	20,000	20,000	20,000	20,000
To General Contingency	0	0	308,000	0
To Utility Projects	0	0	0	0
To Utility Debt Service	1,370,000	1,588,900	1,588,900	1,525,350
To Utility Contingency	0	0	85,500	0
Total Expenditures	\$ 22,621,907	\$ 25,463,813	\$ 25,282,461	\$ 26,550,222

GENERAL FUND REVENUE BY CATEGORY

<i>REVENUE</i>	2006 - 07 ACTUAL	2007 - 08 BUDGET	2007 - 08 ESTIMATED	2008 - 09 ADOPTED
Property Tax	\$ 3,236,793	\$ 3,274,135	\$ 3,192,000	\$ 3,386,952
Sales Tax	4,618,469	4,935,000	4,750,000	4,868,750
Franchise Fees	1,698,697	1,630,000	1,581,355	1,581,355
Industrial District Revenue	3,220,061	3,352,000	3,407,000	3,750,000
Licenses and Permits	244,048	222,450	245,925	242,900
Civic Center / Jasmine Hall Fees	290,767	236,250	310,000	284,250
Recreation Fees	683,545	587,350	671,975	616,400
Fines and Court Fees	442,892	327,800	423,500	364,000
Intergovernmental	127,204	167,640	188,170	0
Utility Administrative Fee	438,389	438,389	438,389	438,389
Interest and Other	288,213	229,520	342,200	392,025
Transfer from Econ. Devl. Fund	350,000	350,000	350,000	350,000
Transfer from General Contingency	140,000	0	0	308,000
<i>Total General Fund</i>	<u>\$ 15,779,078</u>	<u>\$ 15,750,534</u>	<u>\$ 15,900,514</u>	<u>\$ 16,583,021</u>



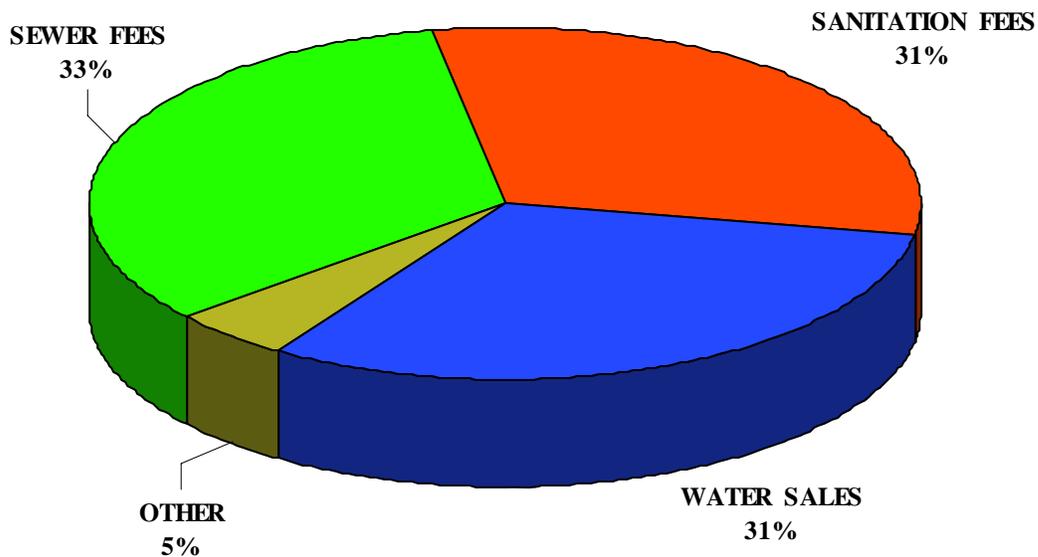
**GENERAL FUND
EXPENDITURES BY CATEGORY**

<i>EXPENDITURES</i>	2006 - 07 ACTUAL	2007 - 08 BUDGET	2007 - 08 ESTIMATED	2008 - 09 ADOPTED
SALARIES & WAGES	\$ 6,843,321	\$ 7,499,500	\$ 7,329,156	\$ 8,009,963
EMPLOYEE BENEFITS	1,909,103	2,270,200	2,139,879	2,374,300
OPERATING EXPENSES	4,159,778	4,957,069	4,962,745	5,244,418
CAPITAL OUTLAY	16,619	21,550	22,550	8,100
INTERFUND TRANSFERS:				
EQUIPMENT REPLACEMENT	714,840	869,876	869,885	926,240
PARK FUND	0	0	0	0
GENERAL PROJECTS	0	112,339	112,339	0
UTILITY PROJECTS	0	0	0	0
SPECIAL EVENTS FUND	20,000	20,000	20,000	20,000
GENERAL CONTINGENCY	0	0	308,000	0
UNEMPLOYMENT INSURANCE	0	0	0	0
<i>Total General Fund</i>	<u>\$ 13,663,661</u>	<u>\$ 15,750,534</u>	<u>\$ 15,764,554</u>	<u>\$ 16,583,021</u>

<i>AUTHORIZED PERSONNEL</i>	BUDGET 2004-05	BUDGET 2005-06	BUDGET 2006-07	BUDGET 2007-08
SERVICE/ MAINTENANCE	41.00	41.00	41.00	41.00
OFFICE/ CLERICAL	20.00	20.00	22.00	22.00
TECHNICAL	24.00	23.00	26.00	26.00
SWORN PERSONNEL	39.00	39.00	40.00	39.00
PROFESSIONAL	8.00	9.00	8.00	8.00
MANAGEMENT / SUPERVISION	24.66	25.66	26.66	27.66
TEMPORARY / SEASONAL	19.44	19.64	19.64	20.61
<i>Total General Fund Personnel</i>	176.10	177.30	183.30	184.27

UTILITY FUND REVENUE BY CATEGORY

REVENUE	2006 - 07 ACTUAL	2007 - 08 BUDGET	2007 - 08 ESTIMATED	2008 - 09 ADOPTED
Plumbing Permits	\$ 15,470	\$ 15,000	\$ 15,000	\$ 15,000
Tap Fees	37,050	35,000	40,000	35,000
Administrative Fees	179,530	191,500	191,500	191,500
Water Fees	2,558,253	3,103,094	3,069,695	3,135,710
Sewer Fees	2,783,956	3,233,290	3,233,300	3,317,468
Sanitation Fees	2,829,854	2,941,795	2,947,725	3,046,803
Miscellaneous	49,551	52,800	52,800	69,420
Interest	138,726	140,800	79,800	70,800
Transfer from Utility Contingency	40,000	0	0	85,500
<i>Total Utility Revenue</i>	<u>\$ 8,632,390</u>	<u>\$ 9,713,279</u>	<u>\$ 9,629,820</u>	<u>\$ 9,967,201</u>



**UTILITY FUND
EXPENDITURES BY CATEGORY**

<i>EXPENDITURES</i>	2006 - 07	2007 - 08	2007 - 08	2008 - 09
	ACTUAL	BUDGET	ESTIMATED	ADOPTED
SALARIES & WAGES	\$ 1,951,096	\$ 2,150,029	\$ 1,928,042	\$ 2,244,300
EMPLOYEE BENEFITS	597,040	721,500	597,832	750,400
OPERATING EXPENSES	4,034,345	4,137,792	4,164,923	4,291,825
CAPITAL OUTLAY				
INTERFUND TRANSFERS:				
GENERAL FUND				
ADMIN FEE - SANITATION	127,100	127,100	127,100	127,100
ADMIN FEE - WATER W/WATER	311,289	311,289	311,289	311,289
FRANCHISE FEE	102,000	102,000	102,000	102,000
EQUIPMENT REPLACEMENT	490,629	574,669	574,669	614,937
UTILITY PROJECTS		0		
UTILITY DEBT SERVICE	1,370,000	1,588,900	1,588,900	1,525,350
UTILITY CONTINGENCY	0	0	85,500	0
UNEMPLOYMENT INSURANCE	0	0	0	0
<i>Total Utility Fund</i>	\$ 8,983,499	\$ 9,713,279	\$ 9,480,255	\$ 9,967,201

<i>AUTHORIZED PERSONNEL</i>	BUDGET	BUDGET	BUDGET	BUDGET
	2005-06	2006-07	2007-08	2008-09
SERVICE / MAINTENANCE	43.00	42.00	41.00	41.00
OFFICE / CLERICAL	4.00	5.00	5.00	5.00
TECHNICAL	9.00	9.00	10.00	10.00
PROFESSIONAL	0.00	0.00	0.00	0.00
MANAGEMENT / SUPERVISION	6.34	6.34	6.34	6.34
<i>Total Utility Fund Personnel</i>	62.34	62.34	62.34	62.34

Adopted FY08-09 Budget Summary of Capital Items

Typically, capital items are defined as any one item exceeding \$2,000 in cost, which has a useful life of more than one year. Based on the cost of a capital item, they may be budgeted in one of several funds.

Capital items costing less than \$5,000 are usually budgeted in the operating budget of the department making the request under a line called Capital Outlay - Equipment or Capital Outlay -Furniture & Fixtures.

Equipment purchases exceeding \$5,000 are budgeted in the Equipment Replacement Fund. Each department then has a line item in their budget called Operating Transfer - Equipment Replacement Fund. Each department is required to transfer money to the Equipment Replacement Fund based on the Equipment purchased for that department and its estimated useful life.

Drainage, street, facility, water and wastewater projects costing less than \$300,000 are budgeted in the General Projects Fund and the Utility Projects Fund if money is available. These funds accumulate money solely from “budget savings” occurring in the operating funds.

Larger projects are funded by issuing some form of debt, i.e., bonds. These expenditures are budgeted in multi-year bond construction funds.

Summary of Capital Purchases included in the 2008-2009 Budget

Included in the Capital Outlay accounts of:

General and Utility Fund Departments **\$8,100**

The items budgeted here are a pesticide sprayer (\$3,600) and an air compressor (\$4,500).

Equipment Replacement Fund Purchases (see Other Funds Tab) **\$1,116,500**

The larger items included here are computer equipment and software (\$215,000), a Rear Loader (\$200,000), and Police cars (\$181,000).

General Projects estimated expenditures (see Capital Projects Tab) **\$1,166,422**

These projects include the completion of the E.O.C./Dispatch (\$300,000), Radio Communication improvements (\$254,422), GIS - Drainage Component (\$100,000) ADA Ramps/Sidewalks (\$75,000), and the Dunbar Parking Lot Overlay (\$83,000).

Utility Projects estimated expenditures (see Capital Projects Tab) **\$140,000**

The items budgeted here are for the replacement of the City’s water meters (\$110,000), and pump upgrades (\$30,000).

Total Capital Expenditures from annually budgeted funds **\$2,431,022**

On-going or planned Bond Construction Projects include the completion of projects from the 2007 Infrastructure and Facilities (\$5,300,000) bond issue. Also, in September, 2008, the remaining \$2.4 million of the \$7.7 million authorized 2006 Infrastructure Improvement Bonds will be issued to fund the reconstruction of streets and drainage on Jasmine, Oak Drive, and Winding Way Streets.

GENERAL FUND



LAKE JACKSON

City of Enchantment

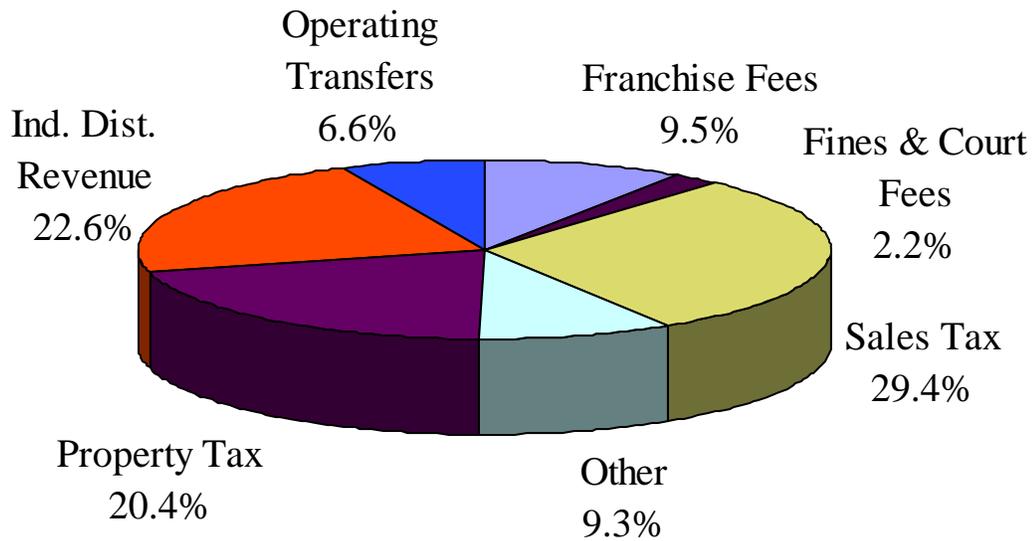
City of
Enchantment



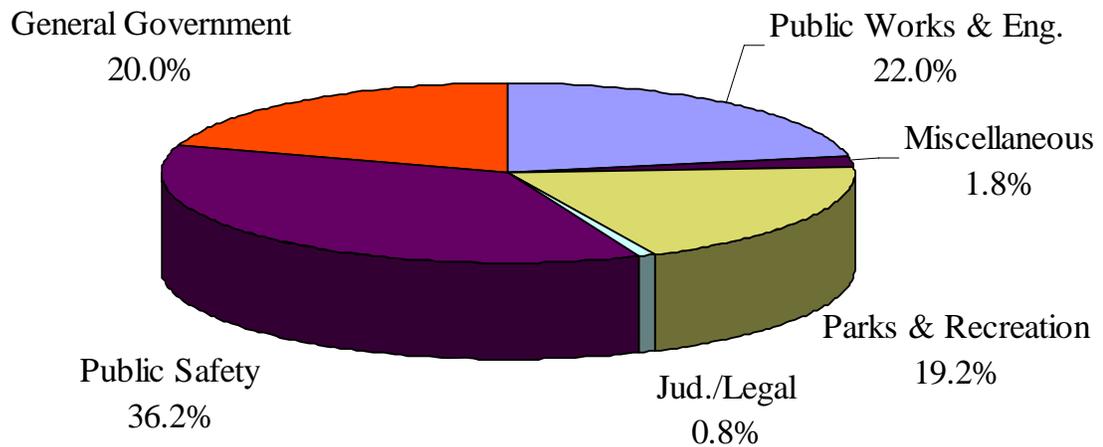
GENERAL OPERATING FUND

Revenues vs Expenditures

Revenues



Expenditures



GENERAL FUND BUDGET SUMMARY

<i>Revenues</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Property Tax	\$3,236,793	\$3,274,135	\$3,192,000	\$3,386,952
Sales Tax	4,618,469	4,935,000	4,750,000	4,868,750
Franchise Fees	1,698,697	1,630,000	1,581,355	1,581,355
Industrial District Revenue	3,220,061	3,352,000	3,407,000	3,750,000
Licenses and Permits	244,048	222,450	245,925	242,900
Civic Center Fees	290,767	236,250	310,000	284,250
Recreation Fees	683,545	587,350	671,975	616,400
Fines and Court Fees	442,892	327,800	423,500	364,000
Intergovernmental	25,000	15,000	15,000	0
Interest and Other Revenue	390,417	382,160	515,370	392,025
Utility Administrative Fee	438,389	438,389	438,389	438,389
Transfer from Economic Development	350,000	350,000	350,000	350,000
Transfer from General Contingency	140,000	0	0	308,000
<i>Total Resources</i>	\$15,779,078	\$15,750,534	\$15,900,514	\$16,583,021

<i>Expenditures</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
General Government Services				
Non-Departmental	\$72,625	\$201,639	\$509,509	\$425,200
Administration	1,053,176	1,145,060	1,137,124	1,168,840
Elections	3,887	21,600	6,755	21,600
Civic Center	473,299	531,957	558,776	575,140
Financial Services				
Finance	697,370	779,754	747,744	849,990
Municipal Court	262,549	270,165	270,173	274,210
Legal Services	112,453	133,800	130,270	137,400
Public Safety Services				
Police	4,022,619	4,420,771	4,349,155	4,593,111
Fire	554,618	632,205	635,570	669,600
Emergency Medical Services	253,367	348,812	363,467	466,916
Humane	247,073	266,701	262,025	270,296
Engineering Services	355,736	403,108	399,465	418,365
Public Works Services				
Street	810,658	985,067	1,012,000	954,757
Drainage	726,041	892,676	822,290	944,145
Code Enforcement/Bldg. Inspection	504,953	634,418	600,425	649,286
Garage	574,698	672,192	649,041	676,835
Parks and Recreation Services				
Parks	956,441	1,131,612	1,066,838	1,193,815
Recreation	1,704,988	1,972,722	1,947,442	1,987,875
Miscellaneous Services				
KLJB	34,312	45,000	43,045	45,000
Library	137,822	155,375	143,948	147,985
Museum	68,021	66,900	70,492	73,655
Senior Advisory	22,408	23,000	23,000	23,000
Youth Advisory	14,547	16,000	16,000	16,000
<i>Total Expenditures</i>	\$13,663,661	\$15,750,534	\$15,764,554	\$16,583,021

GENERAL FUND

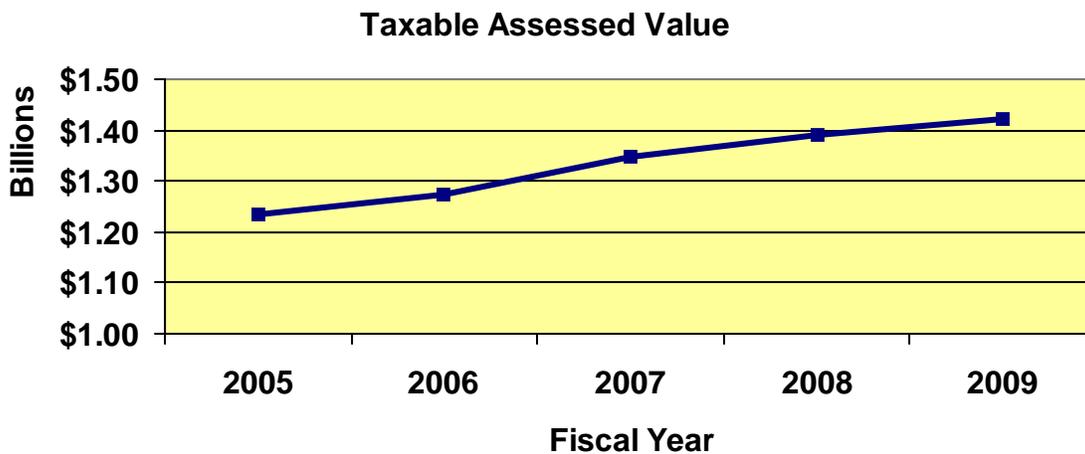
MAJOR REVENUE SOURCES

Property Tax

Property taxes (ad valorem) attach as an enforceable lien on property as of each January 1st. The city's property tax is levied each October 1st on the assessed value listed as of January 1st for all real and business personal property located in the City. Assessed values are established by the Central Appraisal District of Brazoria County at 100% of the estimated market value and certified by the Appraisal Review Board. Pursuant to state law, individual residential values cannot increase more than 10% annually.

The estimated net assessed value for tax year 2008 is \$1,420,922,406. The State Constitution allows the City to levy taxes up to \$2.50/\$100 of assessed valuation for general government services including the payment of principal and interest on general obligation long-term debt. The current proposed tax rate for tax year 2008 is \$0.3900 per \$100 valuation, of which \$0.233224 is allocated to operations and maintenance and \$0.156776 for repayment of tax-exempt long-term debt.

Based on certified values, received at the end of July, of \$1,452,232,947 City Council adopted a tax rate of \$.3900.

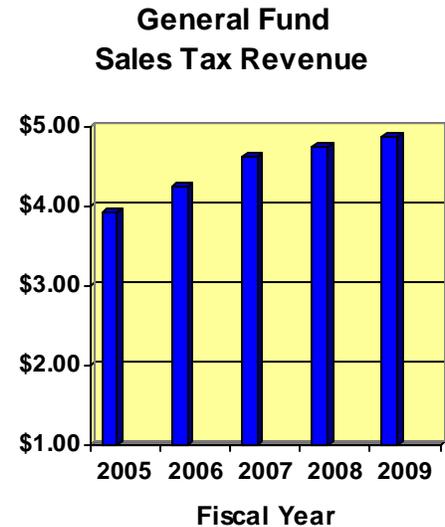


Taxes are due January 31st following the October 1st levy date and are considered delinquent after February 1st of each year. The 2008 levy at 100% estimated collection rate, based on the certified 2008 taxable value, totals \$5,663,707 of which \$3,386,952 is allocated for operations and \$2,276,755 for debt service.

GENERAL FUND MAJOR REVENUE SOURCES

Sales Tax

The Sales tax in Lake Jackson is 8.25% of goods or services sold or delivered within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State Comptroller of Public Accounts on a monthly, quarterly, or annual basis. Of the 8.25% tax, the State retains 6.25% and distributes 1.5% to the City and .5% to the county. The State distributes tax proceeds to local entities within forty days following the period for which the tax is collected by the business. Of the City's share, .50% is allocated to the Lake Jackson Economic Development Fund and 1% is deposited in the General Fund.



Total sales tax collections in fiscal year 2008-09 are estimated to be \$7,303,125, which is \$178,125 (2.5%) higher than fiscal 2007-08 projected sales tax collections.

Additionally, the State of Texas allows cities to enter into incentive agreements for companies to locate to the City and report sales tax collections from the City for local collections. In turn, the City grants a portion of the collections to the company in the form of an incentive payment. The City currently has two incentive agreements in place and the net increase in General Fund sales tax related to these arrangements for 07-08 is projected to be \$75,000.

Franchise Fees

The City of Lake Jackson maintains franchise agreements with utilities that use the City's right-of-way to conduct their business. The agreements contain a franchise fee clause, which requires the utilities to compensate the City for use of right-of-ways. In the past, the fees were based upon a percentage of a utility's gross receipts or a per-unit of usage charge (generated by customers located within the City's corporate limits that range from 2% – 5%). However, Texas has amended its state statutes which affect franchise tax and have established State Mandated formulas to determine the fee owed. Thus, the City's franchise fees are anticipated to total \$1,581,355 in fiscal year 2008-09, which is slightly lower (3.08%) than fiscal year 2007-08 budget.



GENERAL FUND

MAJOR REVENUE SOURCES

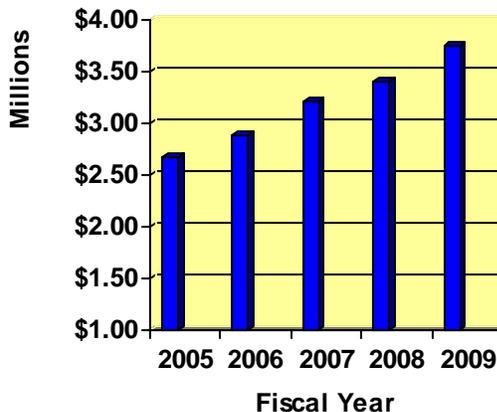
Industrial District

In concert with the cities of Clute and Freeport, Lake Jackson entered into an industrial District contract with the Dow chemical company, BASF Corporation, and the Brock Interests. The contract calls for industry to make payments to the cities in lieu of being annexed and paying the full tax rate. In exchange, this relieves the cities from having to provide full city services, such as police and fire, to the industrial complex.

The current Industrial district contract was negotiated in 2001 and extends through 2011. A floor industrial value of \$3.157 billion was established.

Values in the plants may rise, but if they fall below the floor value, that value will hold. Also, the percentage of value on which industry pays will rise gradually from 32.5% in 2001 to 50% in 2010. Currently the percentage of value is 39% and will reach 45% in FY 2008-09. Therefore, in FY 2008-09 the City of Lake Jackson is budgeting to receive approximately \$3,750,000 from the industrial district. This is calculated based on industrial district values as of July 1, 2008 and the Cities proposed tax rates.

Industrial District Revenue



Operating Transfers

The City's water, wastewater, and sanitation operations annually reimburse the General Fund for administrative services provided during the year. These include general administration, computer services, personnel services, purchasing services, engineering services, and the like. These transfers insure that the Utility Fund is self supporting and self sufficient. This transfer equates to \$438,389.

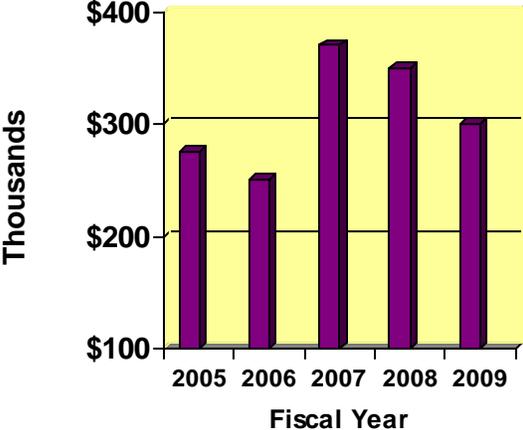
The General Fund also receives a \$350,000 transfer from the 1/2 ¢ optional sales tax (Economic Development Fund) to help offset the operating costs of the Recreation Center. Overall, operating transfers will equal \$788,389.

**GENERAL FUND
MAJOR REVENUE SOURCES**

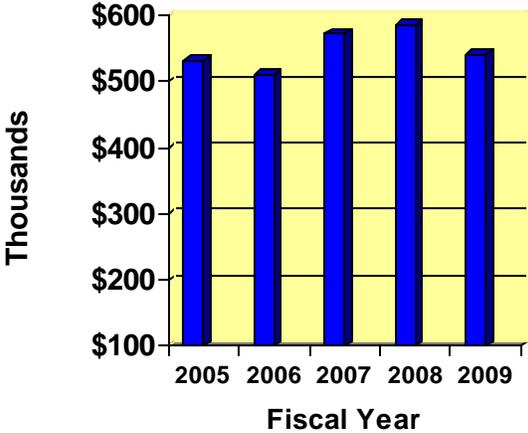
Court Fines

Court fine revenues fluctuate in relation to the number of citations issued and the amount of court fines collected. As a result of a change in collection procedures and a projected increase in cases filed, the City is projecting 2007-08 court fine revenue to exceed 2007-08 budget expectations by \$75,000 (27.3%). As is the City’s philosophy to budget revenues conservatively, for fiscal 2008-09 the City is budgeting \$300,000 for court fine revenue — a 16.67% (\$50,000) decrease from the 2007-08 projections.

Court Fine Revenue



**Recreation Center
Membership/Admission Revenue**



Recreation Fees

Over 80% of the Recreation revenues are comprised of admissions and memberships. Membership revenue is contingent upon the number of memberships, and admission revenue is contingent on the number of times non-members utilize the Recreation Center.

Due to a 4% projected increase in total members, we are projecting to end fiscal 2007-08 \$75,000 above the 2007-08 budget for memberships and admissions. For 2008-09, we are budgeting \$540,000 (\$45,000 less than 2007-08 projections) for memberships and admissions. It is the City’s philosophy to budget revenues conservatively.

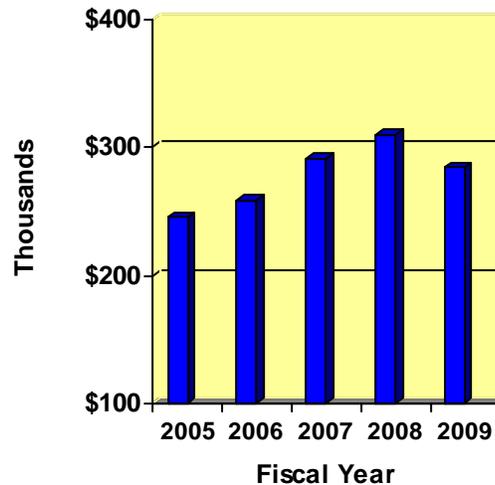
GENERAL FUND

MAJOR REVENUE SOURCES

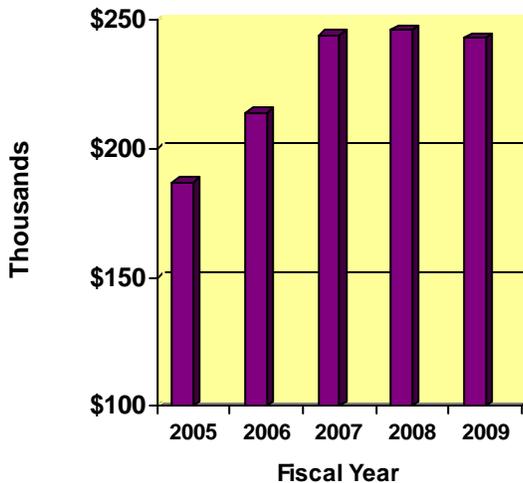
Civic Center Fees

Civic Center revenues fluctuate in direct proportion to the number of bookings. Rental activity at the Civic Center has increased significantly. As a result, the City is projecting to end the 2007-08 fiscal year at \$310,000; which is \$73,750 above the 2007-08 budget. As is the City's philosophy to budget revenues conservatively, for 2008-09, Civic Center revenues are budgeted at \$284,250. This is a 9.06% reduction from the 2007-08 projections and a \$48,000 increase above the 2007-08 budget.

Civic Center Fees



License and Permits



License and Permits

Licenses and permits revenue include charges for alcoholic beverage, wrecker, and health licenses; and building, electrical, sign, and alarm permits. Fiscal 2007-08 projections are expected to exceed 2007-08 budget by \$23,475. The projected budget increase is primarily a result of increased charges associated with false alarms and applications for alarm permits. Fiscal 2008-09 budgeted revenues are expected to be slightly lower (\$3,025 or 1.25%) than 2007-08 projections, but approximately 9.2% higher than the 2007-08 budget.

GENERAL FUND PROJECTED REVENUES

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Ad Valorem Taxes				
Ad Valorem Taxes	\$3,170,056	\$3,264,135	\$3,180,000	\$3,386,952
Delinquent Advalorem Tax	44,639	0	0	0
Penalty & Interest	22,098	10,000	12,000	0
	3,236,793	3,274,135	3,192,000	3,386,952
City Sales & Use Tax	4,618,469	4,935,000	4,750,000	4,868,750
Franchise Fees				
Electric	1,066,522	1,010,000	960,000	960,000
Natural Gas	144,034	144,000	135,355	135,355
Southwestern Bell	131,876	134,000	134,000	134,000
Comcast	254,265	240,000	250,000	250,000
Solid Waste	102,000	102,000	102,000	102,000
	1,698,697	1,630,000	1,581,355	1,581,355
Industrial District Revenue	3,220,061	3,352,000	3,407,000	3,750,000
Business				
Alcohol Beverage License	1,410	1,350	1,200	1,200
Peddler Permit	710	200	100	100
Wrecker License	900	900	800	800
Health Inspections	29,176	30,000	30,000	30,000
Alarm Permits	21,377	25,000	48,000	45,000
	53,573	57,450	80,100	77,100
Non-Business				
Building Permits	160,251	140,000	140,000	140,000
Electrical Permits	25,524	22,000	23,000	23,000
Sign Permits	4,700	3,000	2,825	2,800
	190,475	165,000	165,825	165,800
Federal Government Grant	25,000	15,000	15,000	0
State Govern. Shared Revenue				
Alcohol Beverage Taxes	38,696	35,000	50,000	50,000
Criminal Justice Tax	20,894	18,000	23,000	23,000
	59,590	53,000	73,000	73,000

GENERAL FUND PROJECTED REVENUES

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Government				
Planning Fees	12,136	2,000	3,000	3,000
Apartment Fee for Code Enforcement	0	61,440	61,440	61,440
Printing & Duplicating	555	500	30	0
	12,691	63,940	64,470	64,440
Public Safety				
Arrest Fees	1,140	800	500	500
	\$1,140	\$800	\$500	\$500
Recreation				
Recreation Center	\$581,502	\$518,600	\$591,600	\$548,500
Outdoor Pool	9,452	9,500	8,500	8,500
Youth Athletics	11,278	11,000	7,030	7,000
Youth Programs	39,218	27,900	33,130	27,900
Adult Aquatics	3,770	3,000	3,200	3,000
Adult Athletics	14,855	5,000	9,000	6,000
Adult Programs	5,320	2,250	3,315	1,800
MacLean Sportsplex	10,871	5,700	7,200	5,700
Misc. Park Use	7,279	4,400	9,000	8,000
	683,545	587,350	671,975	616,400
Civic Center Rentals	277,078	226,250	297,000	272,250
Jasmine Hall Rentals	13,689	10,000	13,000	12,000
Municipal Court Fines	400,859	296,000	380,000	326,000
Court Fees	40,893	31,000	43,000	37,500
Miscellaneous	5,383	29,520	142,200	32,500
BISD's Grant Portion	17,923	23,700	23,700	28,300
Other Rent	12,000	12,000	12,000	12,000
Operating Transfers				
Transfer from General Contingency	140,000	0	0	308,000
From Economic Development	350,000	350,000	350,000	350,000
From Utility Fund:				
Admin. Fee - Sanitation	127,100	127,100	127,100	127,100
Admin. Fee - Water/WW	311,289	311,289	311,289	311,289
	928,389	788,389	788,389	1,096,389
Interest Earned	282,830	200,000	200,000	181,785
Total Projected Revenues	\$15,779,078	\$15,750,534	\$15,900,514	\$16,583,021

**ESTIMATED AD VALOREM TAX COLLECTION & ADOPTED DISTRIBUTION
FISCAL YEAR 2008 - 09**

Assessed Valuation for 2007	\$ 1,391,772,727
Gain (Loss) in Value	<u>60,460,220</u>
Anticipated Assessed Valuation for 2008	1,452,232,947
Tax Rate Per \$100 Valuation	0.3900
Revenue from 2008 Tax Roll	5,663,708
Estimated Collections	<u>100.0%</u>
TOTAL FUNDS AVAILABLE	\$ <u><u>5,663,707</u></u>

SCHEDULE OF TAX LEVY AND COLLECTION RATE

TAX YEAR	TOTAL ASSESSED VALUATION	TAX RATE	TAX LEVY	TAX * COLLECTIONS	% COLLECTIONS TO LEVY
1995	789,761,000	0.3450	2,724,675	2,717,750	99.746%
1996	829,035,849	0.3400	2,818,722	2,809,104	99.659%
1997	847,067,939	0.3900	3,303,565	2,945,500	89.161%
1998	889,655,350	0.3500	3,113,794	3,091,895	99.297%
1999	935,110,266	0.3500	3,272,886	3,275,322	100.074%
2000	998,035,066	0.3500	3,493,123	3,471,809	99.390%
2001	1,068,602,660	0.3500	3,740,109	3,741,281	100.031%
2002	1,116,753,175	0.3750	4,187,824	4,171,444	99.609%
2003	1,185,429,367	0.3703	4,389,645	4,391,567	100.044%
2004	1,236,071,214	0.3700	4,573,463	4,578,873	100.118%
2005	1,273,059,582	0.3800	4,837,626	4,819,017	99.615%
2006	1,351,219,282	0.3700	4,999,511	4,971,255	99.435%
2007 *	1,391,772,727	0.3850	5,358,325	5,047,652 *	94.202%
2008 **	1,452,232,947	0.3900	5,663,707		

* Tax collections as of April 30, 2008

** Projected per appraisal district certificate of estimated value.

ADOPTED DISTRIBUTION OF COLLECTED TAXES

FUND	ADOPTED TAX RATE 2007 - 08	ADOPTED TAX RATE 2008 - 09	ADOPTED AMOUNT 2008-09	%
General Fund	\$0.2332	0.233224	\$3,386,952	59.80%
General Debt Service Fund	0.1518	0.156776	2,276,755	40.20%
TOTAL	\$0.3850	0.3900	\$5,663,707	100.00%



Hurricane Ike

The Lake Jackson Civic Center and Recreation Center along with St. Michaels Church hosted 1100 utility workers in the aftermath of Hurricane Ike. Power was restored to 95% of the City within 16 days of the hurricane.

GENERAL GOVERNMENT



LAKE JACKSON

City of Enchantment



Non-Departmental

Program Description

Non-Departmental includes transfers to the Special Events Fund (funding for the Annual Fourth of July Fireworks Celebration), and year end transfers to the General Projects and Parks Fund. Also there are expenditures for repairs and operations cost of the Christmas Lights and the contribution to Economic Development Alliance for Brazoria County.

GENERAL GOVERNMENT NON-DEPARTMENTAL - 0900

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$72,625	\$201,639	\$509,509	\$425,200
Total Resources	\$72,625	\$201,639	\$509,509	\$425,200

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Employee Incentive*	\$0	\$0	\$0	\$308,000
Operating Costs	52,625	69,300	69,170	97,200
Transfer to Park Fund	0	0	0	0
Transfer to Gen. Contingency	0	0	308,000	0
Transfer to Special Events	20,000	20,000	20,000	20,000
Transfer to Utility Projects	0	0	0	0
Transfer to General Projects	0	112,339	112,339	0
Total Expenditures	\$72,625	\$201,639	\$509,509	\$425,200

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.00	0.00	0.00	0.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	0.00	0.00	0.00	0.00

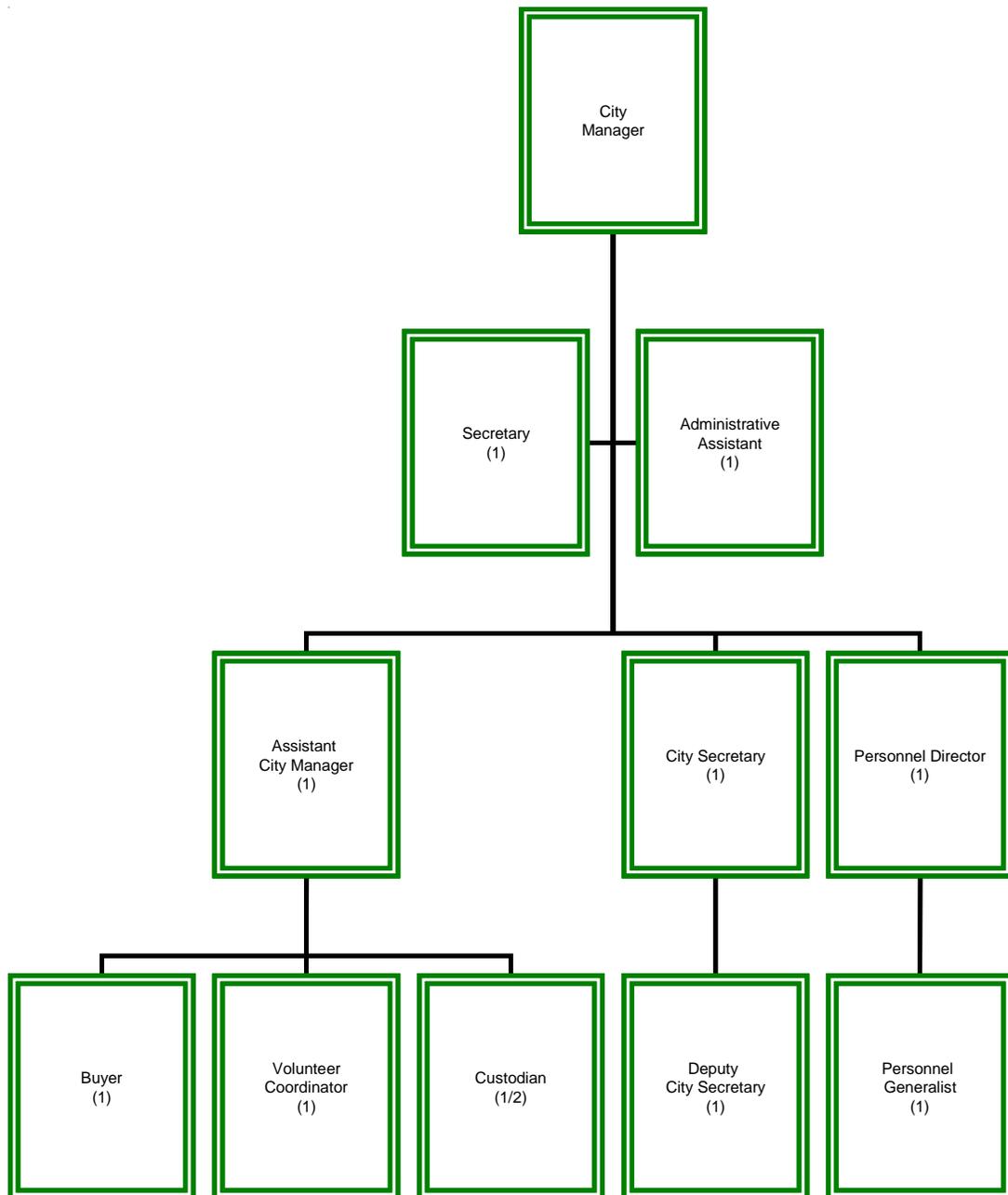
Major Budget Changes

A proposed transfer of \$308,000 from year end savings via the General Contingency Fund, will fund a 3%, 4% or 5% lump sum merit for employees. This will be the first full year to fund the notification system "Connect CTY", primarily to be used in emergency situations.

NON-DEPARTMENTAL - 0900

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Employee Incentative	\$0	\$0	\$0	\$308,000
BISD Busing Assistance	0	11,000	0	12,000
Eco. Dev. Alliance for Brazoria Cnty.	10,000	10,000	10,000	10,000
Brazoria County Child Advocacy	0	7,000	7,000	7,000
Connect CTY	0	0	10,370	26,000
General Supplies				
Christmas Lights	12,014	12,000	12,000	12,000
Anti-virals	7,215	0	0	0
Awards	1,610	5,000	5,000	5,000
Wellness Program	1,761	2,000	2,000	2,000
	22,600	19,000	19,000	19,000
Gas & Electricity (Christmas Lights)	3,884	3,700	4,200	4,600
CAPP Membership	6,538	6,600	6,600	6,600
Food Supplies				
Miscellaneous	5,333	7,500	7,500	7,500
Employee Picnic	4,270	4,500	4,500	4,500
	9,603	12,000	12,000	12,000
Transfer to Special Events Fund	20,000	20,000	20,000	20,000
Transfer to General Contingency	0	0	308,000	0
Transfer to Park Fund	0	0	0	0
Transfer to General Projects	0	112,339	112,339	0
Transfer to Utility Projects	0	0	0	0
Total Non-Departmental	\$72,625	\$201,639	\$509,509	\$425,200

Administration



Program Description

General Government Administration is responsible for general management of the city's affairs as determined by policy established by the City Council. General Government Administration also includes the services of the City Secretary, who is responsible for the filing and retention of all official records and minutes of City Council.

This Department is also comprised of various other internal service operations, such as Purchasing, Personnel, and Risk Management.

ADMINISTRATION

Administration - 1000

FY07-08 ACCOMPLISHMENTS

Vision Element: Maintain Well Managed City
Objective: Implement Records Management program
Accomplishment: Began training with personnel department to implement the paperless storage of inactive employee files and employee applications. Also began training with purchasing to implement paperless storage of all bids processed.
Accomplishment: Trained engineering personnel for the paperless storage of plats in Questys.

Vision Element: Maintain a Well Managed City
Objective: Improve In-House Training Opportunities
Accomplishment: Provided six in-house supervisory training sessions per year.

Vision Element: Enable Growth & Revitalization
Objective: Implement Downtown Revitalization
Accomplishment: Ten-year implementation plan adopted by City Council and Lake Jackson Development Corporation

FY08-09 GOALS & OBJECTIVES

Vision Element Maintain a Well Managed City
Objective: Improve In-House Training Opportunities
Goal: Provide six in-house supervisory training sessions per year.

Objective: Evaluate Compensation Philosophy
Goal: Review market survey and evaluate our ability to maintain or improve the current compensation philosophy of making our position mid-points the 65th percentile of the survey.
Goal: Continue to assess the possibility of increasing the 6% TMRS contribution.

Vision Element Maintain Infrastructure
Objective: Upgrade and Maintain Infrastructure and Facilities
Goal: Coordinate the design and construction of Municipal Court.
Goal: Schedule and conduct annual Council CIP workshop
Goal: Include Council CIP priorities in FY2008-09 budget.

Vision Element Enable Growth & Revitalization
Objective: Implement Downtown Revitalization
Goal: Coordinate design of Phase 2 which will include This Way, Parking Way from Oak Drive to This Way, and That Way from This Way to Circle Way.

Vision Element Quality of Life
Objective: Improve Communication to Public
Goal: Implement and train staff in using the Connect CTY program for communicating information to the public.

Objective: Affordable Housing
Goal: Work with City Council to further define "affordable housing" and establish our goals.

Objective: Implement Railroad Quiet Zones
Goal: Update cost estimates and prepare a five-year implementation plan

ADMINISTRATION

Administration - 1000

DEPARTMENT STANDARDS

- 1 Prepare all minutes for approval at Boards/City Council following regular meeting.

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 City Council/Board/Commission meetings staffed	115	125	115	120
2 Mayor/Council agendas compiled	38	30	30	30
3 Public Hearings held	17	10	18	20
4 Bid specifications prepared	17	8	7	10
5 Employee applications processed	794	800	850	800
6 Average length of service (years)	9.71	10.0	9.50	10
7 Workers compensation claims	32	20	24	20
8 Liability claims	12	10	7	10
9 Injury Loss Days	474	250	430	250

GENERAL ADMINISTRATION - 1000

<i>Resources</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Planning Fees	\$3,585	\$3,000	\$3,000	\$3,000
General Resources	1,049,591	1,142,060	1,134,124	1,165,840
Total Resources	\$1,053,176	\$1,145,060	\$1,137,124	\$1,168,840

<i>Expenditures</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Salaries & Wages	\$620,737	\$667,000	\$646,586	\$680,100
Employee Benefits	142,472	165,500	160,179	172,100
Operating Expenses	252,712	254,965	272,764	269,485
Capital Outlay	0	14,800	14,800	0
Operating Transfers	37,255	42,795	42,795	47,155
Total Expenditures	\$1,053,176	\$1,145,060	\$1,137,124	\$1,168,840

<i>Personnel</i>	2005-06	2006-07	2007-08	2008-09
	Budget	Budget	Budget	Budget
Service/Maintenance	0.50	0.50	0.50	0.50
Office/Clerical	1.00	1.00	1.00	1.00
Technical	2.00	2.00	3.00	3.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	2.00	2.00	2.00	2.00
Management/Supervision	4.00	4.00	4.00	4.00
Temporary/Seasonal	0.19	0.19	0.00	0.00
Total Personnel	9.69	9.69	10.50	10.50

Major Budget Changes

The training budget increased by \$8,850 of which \$6,000 is for hosting NIMS Training at our facilities. The outside attorney fee increased by \$5,000.

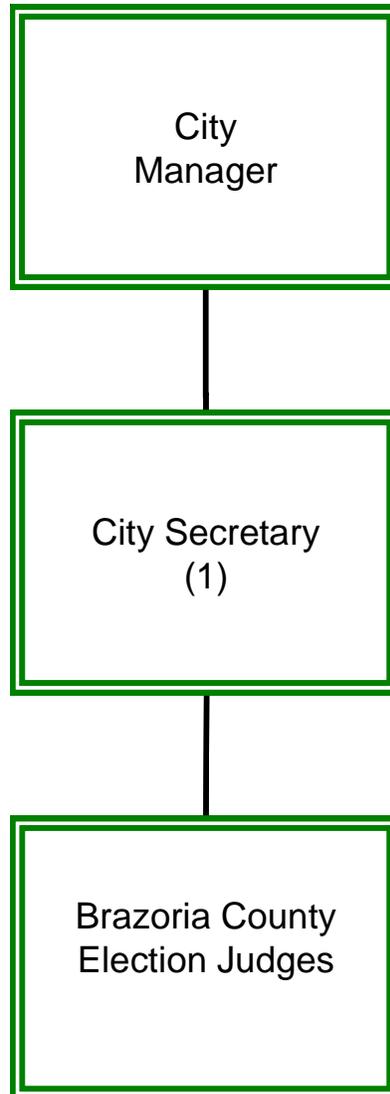
GENERAL ADMINISTRATION - 1000

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$13,842	\$14,300	\$14,144	\$14,600
Office/Clerical	32,853	61,500	22,961	62,700
Technical	68,422	78,700	106,930	75,900
Professional	86,731	89,400	90,199	92,000
Management/Supervision	392,063	413,600	401,514	424,400
Council	7,500	7,500	7,500	7,500
Temp/Seasonal	15,739	0	338	0
	617,150	665,000	643,586	677,100
Contract Labor	25	0	0	0
Overtime	3,562	2,000	3,000	3,000
Group Insurance				
Health	31,711	36,500	35,386	36,500
Life	648	1,300	723	1,300
Dental	3,099	3,900	3,457	3,900
Long Term Disability	2,200	3,000	2,536	3,000
	37,658	44,700	42,102	44,700
Employee Benefits				
Social Security	41,454	45,200	44,633	45,600
Retirement	61,775	73,500	71,439	79,300
Workers Compensation	1,585	2,100	2,005	2,500
	104,814	120,800	118,077	127,400
Professional Service Fees				
Physician - Examination	76	0	0	0
Employee Screening	632	500	1,200	1,000
Printing	39,147	35,000	35,000	35,000
Outside Attorney	2,163	5,000	10,000	10,000
Codification	0	5,000	5,500	5,000
TML Benefits Administration Fee	8,842	9,000	9,000	9,000
Consultant-Industrial District Values	11,650	11,850	11,650	13,000
Consultant-Goal Setting	1,000	2,500	0	2,500
Connect Transit	3,900	0	0	0
Unemployment Insurance Service	0	500	500	500
	67,410	69,350	72,850	76,000
Water & Sewer	854	1,200	1,200	1,200
Maintenance & Repair				
Buildings - City Hall	9,241	7,500	10,000	10,000
Heating & Air Conditioning	448	2,500	1,000	2,000
Vehicles	6,391	500	500	500
Equipment	761	500	550	500
Maintenance Contract	23,455	27,035	27,188	19,400
	\$40,296	\$38,035	\$39,238	\$32,400

GENERAL ADMINISTRATION - 1000

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Rental - Vehicle & Equipment	\$11,237	\$14,520	\$14,988	\$14,000
Insurance				
Property	5,520	8,150	7,692	7,695
Liability	5,084	6,410	4,996	5,000
	10,604	14,560	12,688	12,695
Communication	11,013	10,000	9,500	10,000
Advertising	10,966	8,000	13,000	11,000
Training	7,107	9,000	15,000	17,850
Travel	8,754	11,000	11,000	12,000
Other Purchased Services				
Dues & Memberships	8,590	8,000	8,300	9,340
Recording	1,030	1,000	1,000	1,000
	9,620	9,000	9,300	10,340
General Supplies				
Office	14,574	14,000	18,000	15,000
Wearing Apparel	0	300	0	0
Gasoline & Diesel	1,434	1,500	1,500	1,500
Operating	17,627	12,000	11,000	12,000
Cleaning	1,395	2,000	3,000	3,000
	35,030	29,800	33,500	31,500
Electricity	34,099	36,000	36,000	36,000
Miscellaneous	1,599	1,500	1,500	1,500
Books & Periodicals	4,123	3,000	3,000	3,000
Capital Outlay	0	14,800	14,800	0
Operating Transfers				
Equipment Replacement	37,255	42,795	42,795	47,155
Unemployment Insurance	0	0	0	0
	37,255	42,795	42,795	47,155
Total General Administration	\$1,053,176	\$1,145,060	\$1,137,124	\$1,168,840

Elections



Program Description

This budget provides for 3 elections, which includes City Official and Charter Amendment elections, also included are run-off and bond issue elections.

All state and federal mandated publications are budgeted within this unit. Joint elections with other governmental agencies are held when possible to aid in containing costs. Development and maintenance of this budget unit and administration of elections rests with the City Secretary. The City Secretary position is budgeted 100% in General Administration (1000).

ADMINISTRATION

Elections - 1200

FY08-08 ACCOMPLISHMENTS

Department Projects

Accomplished: Contracted with Brazoria County to hold all General and Bond Elections. The May 2007 General Election was conducted by Brazoria County with no errors.

FY08-09 GOALS & OBJECTIVES

Department Projects

Goal: Continue contract with Brazoria County Elections Department for all General, Charter Amendment, Special Called and Bond Elections.

ADMINISTRATION

Elections - 1200

DEPARTMENT STANDARDS

1 100% of elections held will comply with election laws.

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Number of registered voters	17,238	17,700	17,767	17,770
2 Voter turn out - May election	1,857	2,000	549	1,500
3 Number of elections held	1	1	1	1
4 Cost per ballot cast	1.58	n/a	7	2.35
5 Total cost per General Election	\$2,892	n/a	3844	3500

ELECTIONS - 1200

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$3,887	\$21,600	\$6,755	\$21,600
<i>Total Resources</i>	\$3,887	\$21,600	\$6,755	\$21,600

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Operating Expenses	\$3,887	\$21,600	\$6,755	\$21,600
<i>Total Expenditures</i>	\$3,887	\$21,600	\$6,755	\$21,600

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.00	0.00	0.00	0.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
<i>Total Personnel</i>	0.00	0.00	0.00	0.00

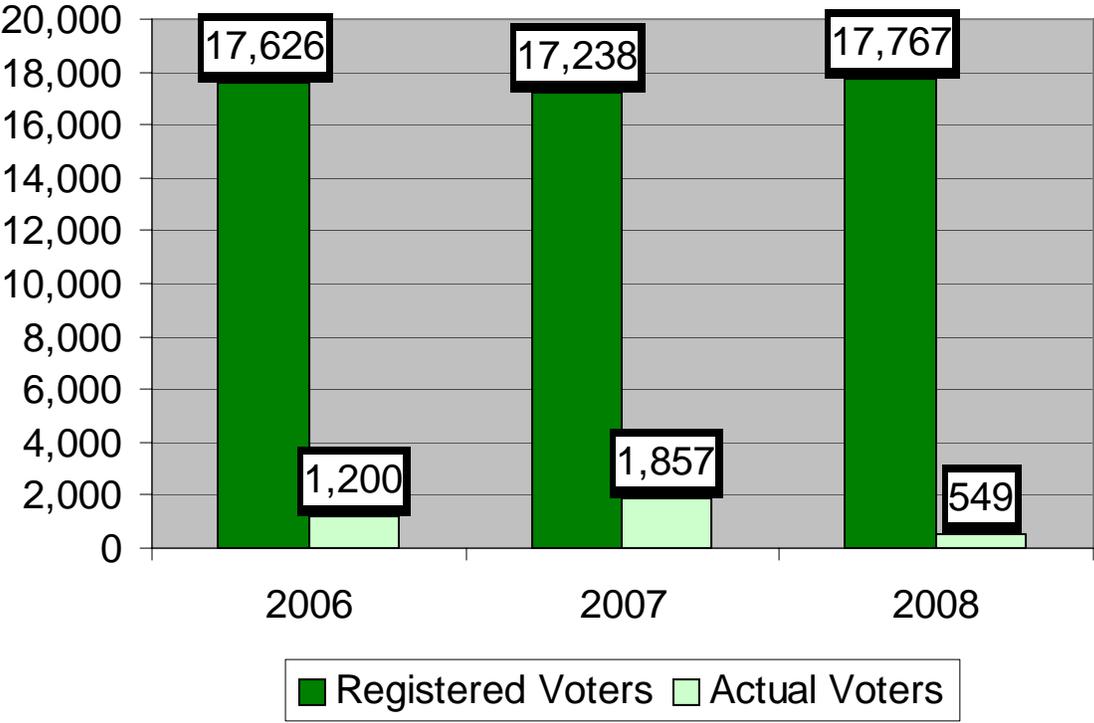
Major Budget Changes

There are no major budget changes.

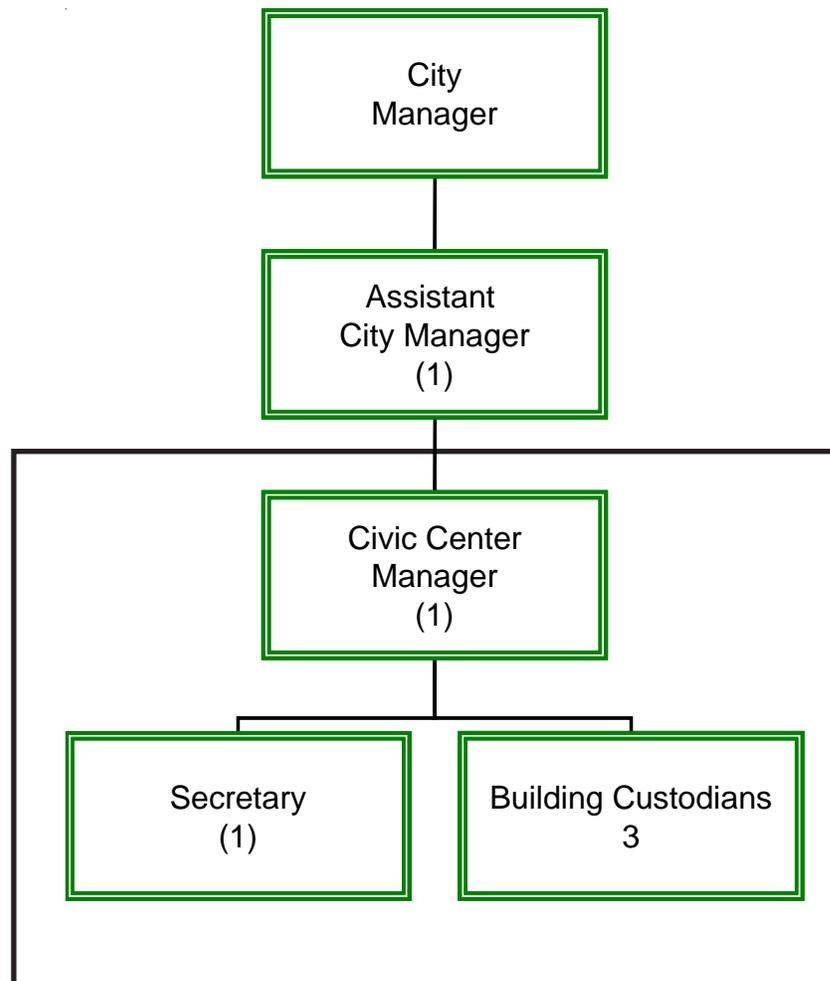
ELECTIONS - 1200

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Election Translator	0	400	385	500
Brazoria County Contract	735	18,000	3,845	18,000
Voting Machines	2,157	0	0	0
Advertising	987	3,000	2,500	3,100
Office Supplies	8	200	25	0
Total Elections	\$3,887	\$21,600	\$6,755	\$21,600

Voter Turn Out May Elections



Civic Center



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The Civic Center provides approximately 15,500 square feet of meeting room space to the general public, corporate and business community. The center includes a beautifully landscaped outdoor mini-park area with plaza, staging area, two fountains, life size chess and checkerboard that provides a pleasant, enjoyable, attractive atmosphere for weddings and other special events. The center also provides space for ActionsS senior citizens activity organization and the Senior Citizen Commission.

GENERAL GOVERNMENT

Civic Center - 4500

FY07-08 ACCOMPLISHMENTS

Vision Element: Maintain Well Managed City
Objective: Continue to Hire and Retain Qualified Employees in all areas
Accomplishment: Hired 3rd custodian to Civic Center department

Vision Element: Maintain Infrastructure
Objective: Upgrade and maintain infrastructure and facilities
Accomplishment: Replacement of Civic Center Carpet
Accomplishment: Repainting of exterior Civic Center

Department Projects: 1. Provided 4 Spring Concerts on Veterans Memorial Plaza
2. Updated and reprinted Civic Center brochure

FY08-09 GOALS & OBJECTIVES

Vision Element: Maintain Infrastructure
Objective: Upgrade and maintain infrastructure and facilities

Vision Element Quality of Life
Objective: Maintain and provide quality recreational opportunities
Goal: Offer Fall and Spring concerts, movies, etc. on Veterans Memorial Plaza

Department Projects: Provide and fund design of Veterans Memorial Wall

Department Projects: Set hourly rentals minimum of 4 hours/maximum of 8 hours to ensure renters have adequate time needed for hourly events.

Department Projects: Increase damage/cleanup deposit of all hourly rentals from \$50 to \$100 to enforce rental responsibility of rental facility.

**GENERAL GOVERNMENT
Civic Center - 4500**

DEPARTMENT STANDARDS

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Number of Civic Center rentals	1235	1100	1024	1100
2 Number of days with customers	341	342	334	340
3 Percent of expenditures covered by revenues (civic)	61.1%	45.0%	56.5%	50.1%
4 Number of Jasmine Hall events	223	200	233	220
5 Number of days with customers	218	200	228	215
6 Percent of expenditures covered by revenues (jasmine)	61.1%	33.8%	39.4%	38.1%

CIVIC CENTER - 4500

Resources

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Civic Center Rental	\$277,078	\$226,250	\$297,000	\$272,250
Jasmine Hall Rental	13,689	10,000	13,000	12,000
General Resources	182,532	295,707	248,776	290,890
Total Resources	\$473,299	\$531,957	\$558,776	\$575,140

Expenditures

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$166,044	\$185,200	\$185,863	\$187,200
Employee Benefits	45,218	58,900	50,973	60,900
Operating Expenses	257,677	283,497	317,580	325,315
Operating Transfers	4,360	4,360	4,360	1,725
Total Expenditures	\$473,299	\$531,957	\$558,776	\$575,140

Personnel

	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	2.00	2.00	3.00	3.00
Office/Clerical	1.00	1.00	1.00	1.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	1.00	1.00	1.00	1.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	4.00	4.00	5.00	5.00

Major Budget Changes

Increased rentals have required more maintenance and repairs. Windstorm Insurance rates and electrical rates have also had a major impact on the budget.

CIVIC CENTER - 4500

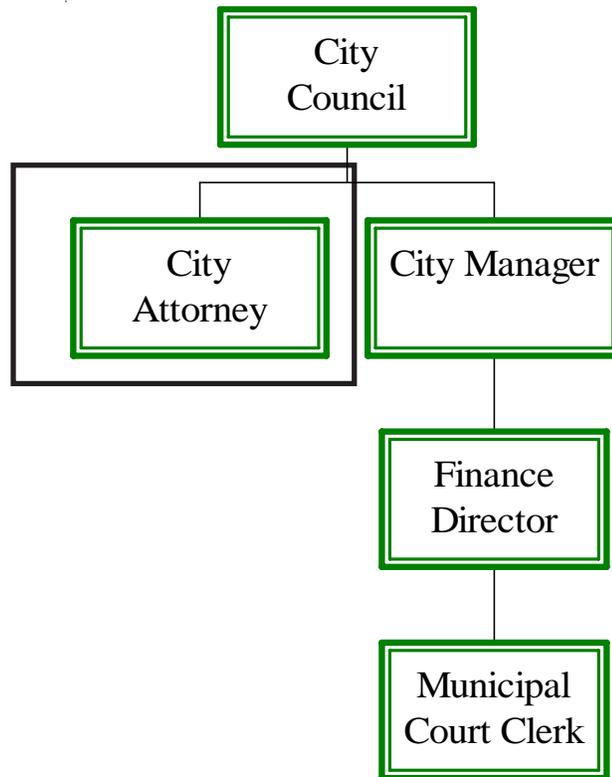
	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$48,862	\$79,300	\$67,590	\$80,600
Office/Clerical	29,531	29,600	29,568	30,600
Management/Supervision	54,199	54,800	54,142	56,000
	132,592	163,700	151,300	167,200
Overtime	20,436	21,500	21,500	20,000
Contract Labor	13,016	0	13,063	0
Group Insurance				
Health	13,761	17,400	16,126	17,400
Life	270	600	317	600
Dental	1,345	1,800	1,575	1,800
Long Term Disability	527	800	622	800
	15,903	20,600	18,640	20,600
Employee Benefits				
Social Security	11,447	14,200	11,950	14,300
Retirement	16,064	20,700	17,899	22,100
Workers Compensation	1,804	3,400	2,484	3,900
	29,315	38,300	32,333	40,300
Professional Services				
Contract Cleaning	23,850	26,200	26,200	29,850
Physician Examination	249	125	350	150
	24,099	26,325	26,550	30,000
Water & Sewer	10,264	7,500	7,100	7,100
Maintenance & Repair				
Building - Civic Center	54,299	52,500	60,000	60,000
Building - Jasmine Hall	2,973	3,000	6,500	5,000
Heating & Air Conditioning	10,086	24,100	23,500	26,000
Maintenance Contract	2,716	2,792	2,400	2,335
	70,074	82,392	92,400	93,335
Insurance				
Property	17,051	25,200	33,385	33,385
Liability	1,358	1,400	1,320	1,320
	\$18,409	\$26,600	\$34,705	\$34,705

CIVIC CENTER - 4500

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Rental - Vehicle & Equipment	\$2,671	\$2,000	\$2,250	\$2,250
Communications	4,913	5,200	5,300	5,300
Advertising	5,287	6,500	7,500	7,500
Training	152	250	250	3,000
Travel	741	750	750	750
Dues & Memberships	129	275	300	300
General Supplies				
Office	5,331	5,000	5,000	5,500
Wearing Apparel	1,023	900	1,100	1,100
Gasoline & Diesel	266	500	500	600
Operating	22,364	24,880	25,150	25,150
Miscellaneous	0	0	7,500	7,500
Cleaning	15,816	12,500	15,000	15,000
	44,800	43,780	54,250	54,850
Electricity	76,138	81,925	86,225	86,225
Operating Transfers				
Equipment Replacement	4,360	4,360	4,360	1,725
	4,360	4,360	4,360	1,725
Total Civic Center	\$473,299	\$531,957	\$558,776	\$575,140



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The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The City Attorney's Office provides "in-house" legal representation to the City Council, boards, commissions, and various departments of the City. This Department also represents the City in litigation, drafts various legal instruments and answers legal claims filed against the City.

LEGAL

Legal - 1700

FY07-08 GOALS & OBJECTIVES

Vision Element: Maintain a Well Managed City
Objective: Completely upgrade all ordinances by 2010
Accomplishment: Completely revised Chapter 14, Buildings and Building Regulations. The new Chapter 14 includes the adoption of all of the 2006 International Building Codes, along with specific amendments to these codes to reflect the City's specific needs, and a streamlined process for staff and DSDB to follow when abating dangerous buildings.

FY08-09 GOALS & OBJECTIVES

Vision Element: Maintain a Well Managed City
Objective: Completely upgrade all ordinances by 2010
Goal:

1. Draft Sexually Oriented Business Ordinance in order to ensure that SOBs are placed in an appropriate zone and to ensure that all SOBs are sufficiently regulated
2. Draft ordinance that requires existing multifamily residences to install sprinkler systems.
3. Revise the Courts chapter of the Code of Ordinances to bring it up to date with current state law.
4. Revise the Environment chapter of the Code of Ordinances to bring the list of prohibited nuisances up to current standards.
5. Revise the Offenses and Miscellaneous Provisions chapter of the Code of Ordinances to bring the list of miscellaneous offenses up to current standards.

Vision Element: Enable Growth and Revitalization
Objective: Develop Alden Lake
Goal: Review development related ordinances and update as necessary.

LEGAL

Legal - 1700

DEPARTMENT STANDARDS

- 1 Assure that all defendants in Municipal Court are treated fairly and in a just manner.

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Ordinances prepared	39	40	25	40
2 Resolutions prepared	22	25	20	25
3 Jury trials prosecuted	7	10	10	10
4 Non jury trials prosecuted	49	65	25	65
5 Contracts	n/a	n/a	20	30
6 Red-light Hearings	n/a	n/a	30	48
7 Red-light Appeals	n/a	n/a	2	5

LEGAL - 1700

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$112,453	\$133,800	\$130,270	\$137,400
Total Resources	\$112,453	\$133,800	\$130,270	\$137,400

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$81,577	\$96,100	\$93,110	\$97,800
Employee Benefits	\$18,590	\$22,100	\$21,840	\$23,000
Operating Expenses	12,286	15,600	15,320	16,600
Total Expenditures	\$112,453	\$133,800	\$130,270	\$137,400

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	1.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.00	0.00	1.00	1.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	1.00	0.00	1.00	1.00

Major Budget Changes

No major budget changes.

LEGAL - 1700

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Management/Supervision	81,577	96,100	93,110	97,800
	81,577	96,100	93,110	97,800
Group Insurance				
Health	3,303	3,500	3,410	3,500
Life	68	100	70	100
Dental	323	400	335	400
Long Term Disability	336	400	370	400
	4,030	4,400	4,185	4,400
Employee Benefits				
Social Security	5,769	6,800	6,765	6,800
Retirement	8,618	10,700	10,650	11,500
Workers Compensation	173	200	240	300
	14,560	17,700	17,655	18,600
Professional Service Fees				
Outside Attorney	3,000	3,000	3,000	3,000
	3,000	3,000	3,000	3,000
Maintenance Contract	707	1,035	1,010	1,030
Insurance Liability	919	920	645	645
Communications	1,364	1,400	1,400	1,400
Training	821	1,245	1,245	1,245
Travel	490	1,300	1,300	1,300
Dues & Memberships	945	980	980	980
Internet Subscriptions	825	900	920	1,160
Office	157	450	450	500
Operating	55	770	770	800
Books & Periodicals	3,003	3,600	3,600	4,540
Total Legal	\$112,453	\$133,800	\$130,270	\$137,400

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FINANCE



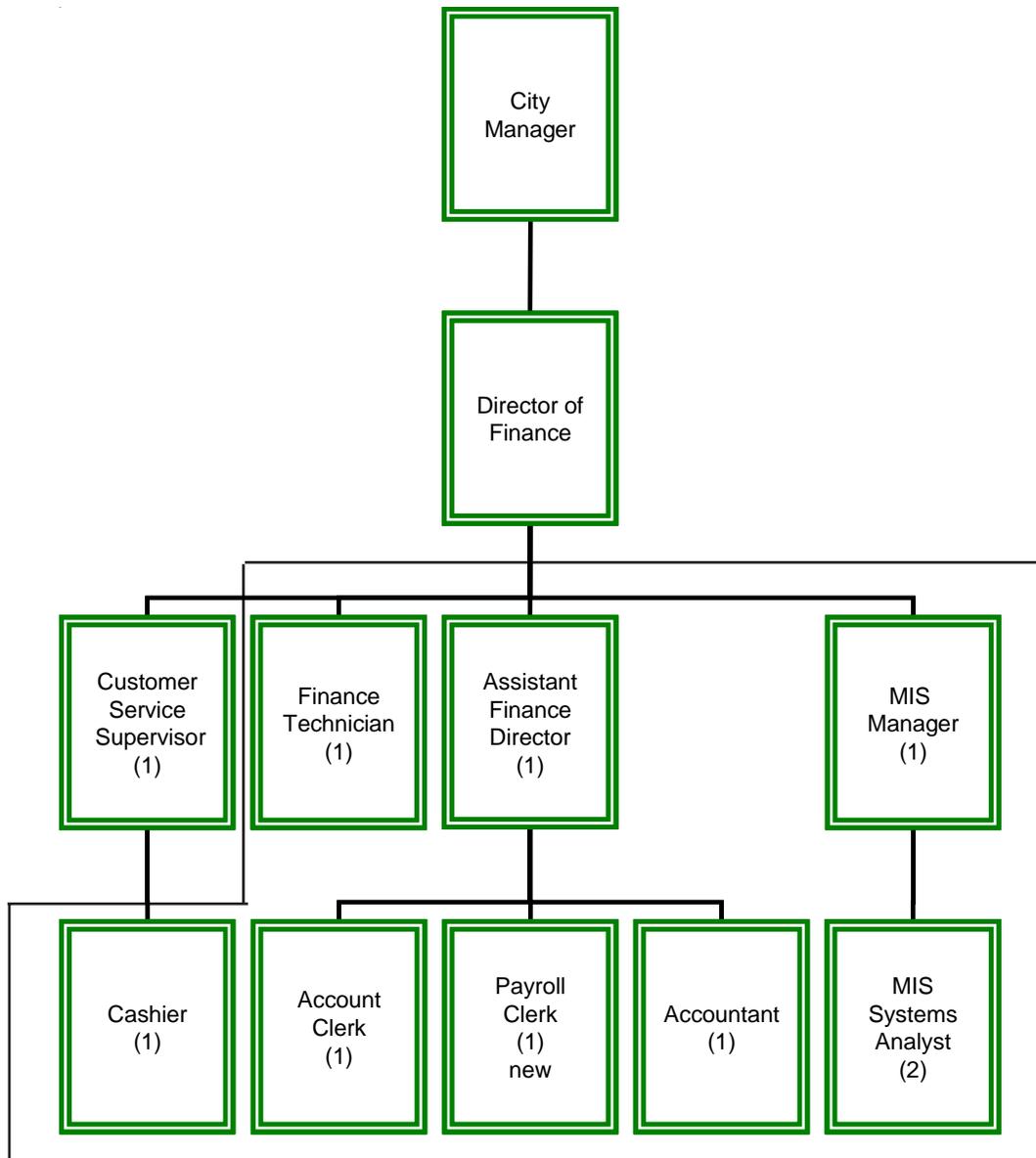
LAKE JACKSON

City of Enchantment



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Finance



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

This department records and reports results of financial transactions, prepares various internal and external financial reports, advises management on matters of a financial nature and is responsible for the City's cash management and investing program.

Personnel in this department are the initial contact point at City Hall for citizen's inquiries, answering all incoming phone lines, greeting all walk in customers and serving as central cashier.

This department also provides all information technology service, which includes the City Hall IBM AS/400 and NT Network, Police Department NT Network and AS400 connections to City Hall, Positron/911 NT Network, communication switches, Recreation Center NT Network, WAN equipment at the Service Center, Civic Center and WWTP, and 120 PC's.

FINANCE

Finance - 1400

FY07-08 ACCOMPLISHMENTS

Vision Element: Maintain a well managed City
Objective: Work to hire and retain qualified employees in all areas
Accomplished: Upgraded Finance Manager to Assistant Finance Director. Took over payroll processing function from personnel with the addition of a payroll clerk who assists with accounts payable and cash receipts.

Objective: Improve in-house training opportunities for all employees
Accomplished: Through the beginning of April there have been 5 Mini-excel classes conducted in house.
Accomplished: Registered 16 employees for HTE users group training.
Accomplished: Registered Finance Director, Assistant Finance Director, and Customer Service Supervisor for on-line Excel training.

Vision Element: Enhance Communication and Technology in all areas
Objective: Upgrade Computer hardware & software
Accomplished: New Imaging server and plasmon (optical jukebox) has been purchased and installed.
Accomplished: Purchased additional Questys licences for Municipal Court personnel
Accomplished: Completed upgrade of City Hall phone system
Accomplished: Purchased fire inspections software and two notebook computers

Department Projects

Accomplished: Received government Finance Officers award for budgeting (16th year) and Comprehensive Annual Financial Report (12 year).
Accomplished: Created a monthly financial reporting package including economic trend information.
Accomplished: Coordinated with our financial advisors, First Southwest, on successful Bond rating presentation.

FY08-09 GOALS & OBJECTIVES

Vision Element: Enhance Communication and Technology in all areas
Objective: Upgrade Computer hardware & software
Goal: Oversee installation of fiber connection to the College.
Complete conversion of email hosting to the College
Upgrade AS400 software to the Navi-line product and convert to offsite hosting of our software.

Vision Element: Maintain a well managed City
Objective: Improve in-house training opportunities for all employees
Goal: Conduct once a month training classes on the use of Microsoft excel.

Department Projects

Goal: Plan, coordinate and facilitate the preparation of the annual budget and comprehensive annual financial report.
Goal: Obtain Government Finance Officer Association Statement of Excellence in Financial Reporting and Budgeting

FINANCE

Finance - 1400

DEPARTMENT STANDARDS

- 1 Distribute departmental financial reports by the 15th of the month 100% of the time
- 2 Issue checks on Friday for all check request received by Wednesday.

PROGRAM MEASURES

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
1 Percentage of month end reports distributed within 15 days of month end.	92%	92%	92%	92%
2 Cashier transactions per day:				
Cash	102	160	140	135
Check	282	305	300	280
Electronic Funds	804	800	800	800
Utility Payments	356	360	360	360
3 Incoming phone calls per hour	17	19	20	20
4 Accounts payable checks processed per month	561	620	620	620
5 Manual checks processed per month	21	20	20	20
6 Unqualified Audit Opinion	Yes	Yes	Yes	Yes
7 GFOA CAFR award received	Yes	Yes	Yes	Yes
8 Payroll checks processed 2 days before payday.	100%	100%	100%	100%
9 Payroll checks processed per month (including direct d	286	290	287	290
10 Direct deposit checks (payroll)	168	168	174	175
11 Computer support calls per week	114	140	100	100

FINANCE - 1400

Resources

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Interest Earned	\$214,797	\$156,517	\$200,000	\$200,000
General Resources	482,573	623,237	547,744	649,990
Total Resources	\$697,370	\$779,754	\$747,744	\$849,990

Expenditures

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Salaries & Wages	\$446,003	\$473,700	\$456,180	\$490,400
Employee Benefits	116,260	137,500	126,565	142,200
Operating Expenses	110,291	142,615	139,060	185,450
Operating Transfers	24,816	25,939	25,939	31,940
Total Expenditures	\$697,370	\$779,754	\$747,744	\$849,990

Personnel

	2005-05	2006-07	2007-08	2008-09
	Budget	Budget	Budget	Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	3.00	3.00	4.00	4.00
Technical	1.00	1.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	3.00	3.00	3.00	3.00
Management/Supervision	2.00	2.00	3.00	3.00
Temporary/Seasonal	0.29	0.29	0.29	0.33
Total Personnel	9.29	9.29	10.29	10.33

Major Budget Changes

A net increase of \$30,365 to computer maintenance contracts as the City begins to use Sun Guard to host its AS400 applications off-site. Previously, computer maintenance costs of AS400 applications were distributed to various departments. Those costs have now been consolidated and budgeted into the two major funds (General Fund and Utility Fund) and can be found in departments 1400 and 5000.

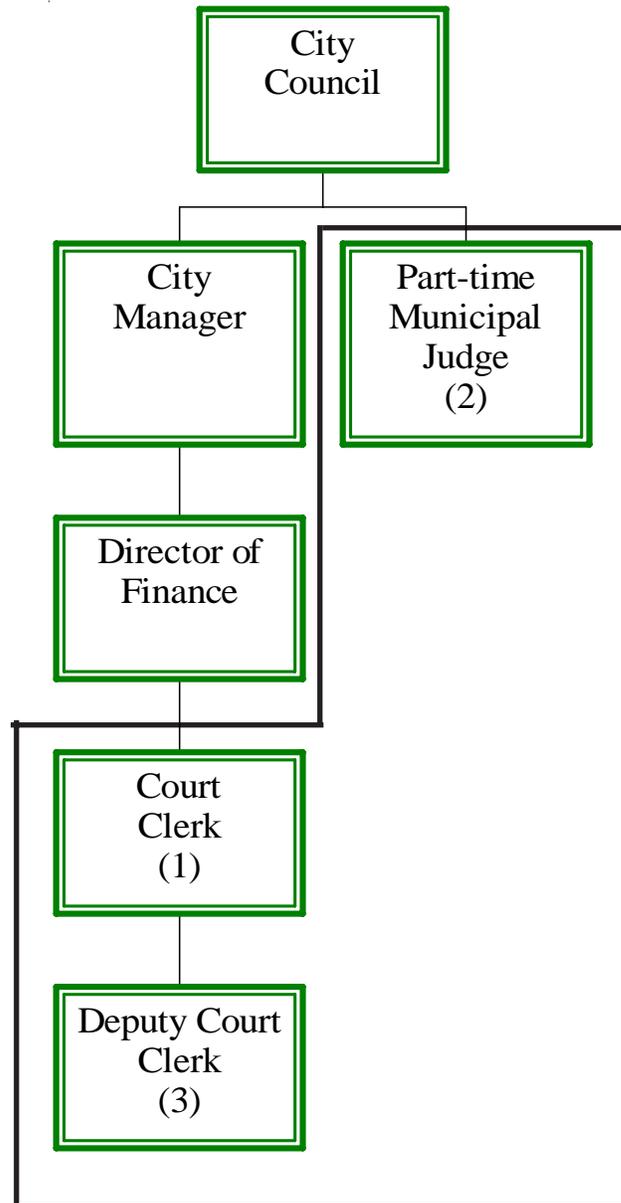
FINANCE - 1400

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Office/Clerical	\$89,667	\$116,600	\$110,140	\$118,900
Technical	0	0	1,260	0
Professional	185,598	183,500	113,200	130,100
Management/Supervision	163,566	168,200	226,180	235,400
Temp/Seasonal	6,809	4,400	4,400	5,000
	445,640	472,700	455,180	489,400
Overtime	363	1,000	1,000	1,000
Contract Labor	1,706	0	1,100	0
Group Insurance				
Health	31,315	34,800	32,420	34,800
Life	640	1,200	660	1,200
Dental	3,060	3,700	3,170	3,700
Long Term Disability	1,713	2,100	1,830	2,200
	36,728	41,800	38,080	41,900
Employee Benefits				
Social Security	32,634	35,400	33,680	36,500
Retirement	45,962	52,300	50,665	57,300
Tuition Reimbursement	0	6,800	3,000	5,000
Workers Compensation	936	1,200	1,140	1,500
	79,532	95,700	88,485	100,300
Professional Service Fees				
Physician Examination	211	0	60	0
Tax Appraisals	33,610	39,600	38,110	39,600
CAFR	618	1,000	1,000	1,000
Tax Collections	3,179	4,000	3,200	4,000
Outside Auditor	17,734	18,500	18,500	20,000
Arbitrage Review	530	11,000	11,000	11,000
	55,882	74,100	71,870	75,600
Maintenance & Repair				
Computer Equipment	0	0	0	5,000
Non-Fleet Equipment	0	500	500	500
Maintenance Contracts	25,323	33,640	32,000	67,490
	25,323	34,140	32,500	72,990
Rental - Equipment	\$425	\$300	\$400	\$400

FINANCE - 1400

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Insurance				
Property	\$1,915	\$2,830	\$475	\$480
Liability	3,541	3,600	3,155	3,155
	5,456	6,430	3,630	3,635
Communication	0	0	500	1,200
Training	5,761	8,000	8,000	8,000
Travel	1,257	5,000	5,000	5,000
Dues & Memberships	1,965	2,145	2,145	2,625
General Supplies				
Office	8,871	8,500	9,800	9,000
Operating	2,883	3,000	3,115	6,000
	11,754	11,500	12,915	15,000
Books & Periodicals	762	1,000	1,000	1,000
Operating Transfers				
Equipment Replacement	24,816	25,939	25,939	31,940
Unemployment Insurance	0	0	0	0
	24,816	25,939	25,939	31,940
Total Finance	\$697,370	\$779,754	\$747,744	\$849,990

Municipal Court



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The Municipal Court is responsible for administering the disposition of Class C misdemeanor charges brought against persons within the geographical boundaries of the city. The Court Clerk is responsible for the maintenance of the Municipal Court Docket and monitoring collection of fines assessed by the Municipal Judges. The Judges preside over all court hearings which include docket calls twice per month, jury trials, non-jury trials once per month and juvenile court once per month.

FINANCE

Municipal Court - 1100

FY07-08 ACCOMPLISHMENTS

Vision Element: Maintain a Well Managed City
Objective: Begin imaging of all case file records and document case files with a date of destruction.
Accomplished: Imaging of case file records will begin June 1, 2008.

Department Projects:

- 1 Completed a review and update of policies/procedures and financial charge codes to reflect changes necessitated by the new laws effective September 1, 2007.
Financial codes were updated for laws that became effective January 1, 2008. Violations, such as "Fail to Display Driver's License", and "Operate Vehicle with Defective Equipment", were added to the list of "Dismissals by Compliance". On most violations, the dismissal fee was increased from \$10 to \$20. Disposition codes were added and revised to adhere to the new law.
- 2 Participated in the Annual Statewide Roundup with a goal to clear 300 warrants in the amount of \$80,000. We were among more than 150 Texas cities who participated.
Actual Results: Cleared 290 warrants in the amount of \$78,600
Actual money collected \$46,429
Dismissed \$2,157
Bond Posted \$5,667
Credit for time served \$14,156
Community Service \$1,234
Payment plans \$8,957

FY07-08 GOALS & OBJECTIVES

Vision Element: Enhance Communication and Technology
Objective: Improve Data & Communication Connectivity
Goal: Utilizing a wireless network connection in the courtroom, enter case dispositions as they are determined by the judge

Department Projects:

- Goal:**
1. Create a policy and procedure on the Imaging Processing System.
 2. Create a Municipal Court specific policy on Open Records Request.
 3. Continue to participate in the Annual Statewide Warrant Roundup with a goal to clear 300 warrants in the amount of \$80,000.

FINANCE
Municipal Court - 1100

DEPARTMENT STANDARDS

PROGRAM MEASURES

CASE ACTIVITY:

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 New Cases Filed	9712	9000	9300	9300
a. Failure to appear charges filed	546	0	510	530
2 Cases paid without court appearance	546	0	550	550
3 Cases dismissed (non-deferred)	2328	1800	2600	1300
4 Found guilty by judge with fine assessed	1375	1500	800	800
5 Case dismissed with compliance (expired registration, license, etc.)	917	1200	700	2000
6 Cases dismissed after proof of financial responsibility	1209	1200	1500	1500
7 Cases dismissed after deferred disposition	1626	1700	1350	1350
8 Cases dismissed after driving safety course	878	980	750	750
9 Number of persons appearing at docket call	898	950	1300	1300
10 Number of appeals to county court	1657	1700	1200	1200
WARRANT ACTIVITY:	0	15	10	10
11 Warrants issued	2,659	2,000	2,000	2,000
12 Dollars collected by Municipal Service Bureau	\$71,945	\$70,000	\$70,000	\$70,000
13 Warrant Round-up Dollar Amount Cleared	\$73,326	\$80,000	\$78,600	\$80,000

MUNICIPAL COURT - 1100

Resources

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Criminal Justice Tax	\$17,676	\$5,000	\$18,300	\$18,000
Court Fees	32,354	28,000	33,000	31,000
General Resources	212,519	237,165	218,873	225,210
Total Resources	\$262,549	\$270,165	\$270,173	\$274,210

Expenditures

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Salaries & Wages	\$178,717	\$180,600	\$186,768	\$190,300
Employee Benefits	42,716	45,500	44,655	48,700
Operating Expenses	41,116	41,765	36,450	32,910
Capital Outlay	0	0	0	0
Operating Transfers	0	2,300	2,300	2,300
Total Expenditures	\$262,549	\$270,165	\$270,173	\$274,210

Personnel

	2005-06	2006-07	2007-08	2008-09
	Budget	Budget	Budget	Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	3.00	3.00	3.00	3.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	1.00	1.00	1.00	1.00
Temporary/Seasonal	0.24	0.24	0.24	0.24
Total Personnel	4.24	4.24	4.24	4.24

Major Budget Changes

No major budget changes.

MUNICIPAL COURT - 1100

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Office/Clerical	\$76,985	\$81,300	\$81,376	\$83,500
Management/Supervision	48,680	45,200	47,905	47,700
Temp/Seasonal	2,220	3,600	3,600	3,600
Special Agreement Personnel	44,587	46,000	49,387	51,000
	172,472	176,100	182,268	185,800
Overtime	4,889	4,500	4,500	4,500
Contract Labor	1,356	0	0	0
Group Insurance				
Health	13,609	13,900	13,631	13,900
Life	275	600	279	600
Dental	1,330	1,500	1,332	1,500
Long Term Disability	501	600	522	600
	15,715	16,600	15,764	16,600
Employee Benefits				
Social Security	12,837	13,800	13,240	14,600
Retirement	13,728	14,600	14,748	16,000
Tuition Reimbursement	0	0	450	900
Workers Compensation	436	500	453	600
	27,001	28,900	28,891	32,100
Professional Services				
Jury Costs	180	500	865	865
Physician Examination	31	90	90	90
	211	590	955	955
Maintenance & Repair				
Maintenance Contract	11,595	13,095	11,985	7,480
	11,595	13,095	11,985	7,480
Vehicles & Equipment	1,617	2,000	2,000	2,755
Insurance				
Property	5,222	5,225	845	845
Liability	1,404	1,405	1,175	1,175
	6,626	6,630	2,020	2,020
Communications	730	650	715	725

MUNICIPAL COURT - 1100

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Training	\$857	\$1,200	\$1,200	\$1,200
Travel	\$3,015	\$2,000	\$2,000	\$2,250
Dues & Memberships	270	300	275	325
General Supplies				
Office	\$8,600	\$7,800	\$7,800	\$7,700
Operating	7,475	7,000	7,000	7,250
	16,075	14,800	14,800	14,950
Books & Periodicals	120	500	500	250
Capital Outlay - Equipment	0	0	0	0
Operating Transfers				
Equipment Replacement	0	2,300	2,300	2,300
Unemployment Insurance	0	0	0	0
	0	2,300	2,300	2,300
Total Municipal Court	\$262,549	\$270,165	\$270,173	\$274,210

PUBLIC SAFETY



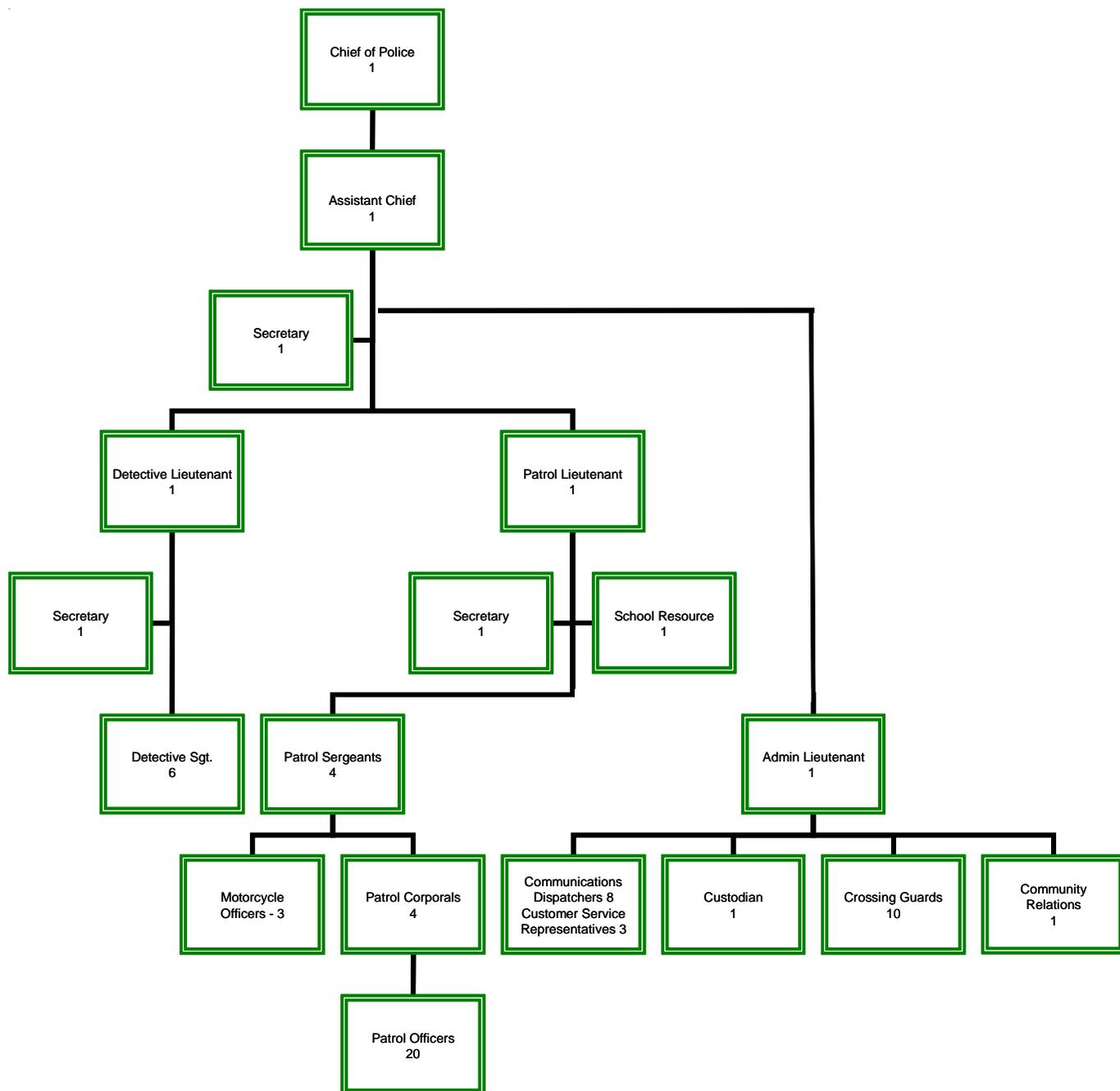
LAKE JACKSON

City of Enchantment



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Police



Program Description

It is the mission of the Lake Jackson Police Department to positively impact the quality of life throughout the community by delivering professional and courteous services, preserving the peace, enforcing the law and Constitution, protecting property and providing a safe environment for all citizens.

PUBLIC SAFETY

Police - 2200

FY07-08 ACCOMPLISHMENTS

Vision Element: Maintain a Well Managed City
Objective: Complete Implementation of Records Management
Accomplished: Research was completed in 2007. Outside sources were cost prohibitive; will gradually convert records with in-house personnel. Purchased Questys electronic imaging, working towards implementation and training.

Vision Element: Enhance communication and technology in all areas
Objective: Upgrade Radio Communication
Accomplished: Applied HGAC grant. However, no funding was available. Proposed a 3 phase implementation process, phase I has been ordered, implementation in progress.

Department Projects

Accomplished: Reorganization and Reclassification of Department:
Promoted 4 patrol officers to Police Corporal
Reclassified Police Captain to Assistant Chief
Reclassified Support Services Sergeant to Administrative Lieutenant
Granted certification pay for Communications Division
Hired Narcotics Sergeant and currently working cases
Accomplished: Improved departmental clearances on all burglary crimes

FY08-09 GOALS & OBJECTIVES

Vision Element: Enhance Communications and Technology
Objective: Upgrade Radio Communication
Goal: Phase II of proposal. Complete transition to new dispatch center with installation of the 2 additional consoles.
Begin Phase I of Fire & EMS transition, including the purchase of 9 mobile radios, 33 portable radios and 75 pagers.

Vision Element: Maintain a well managed City
Objective: Continue Implementation of Records Management Program
Goal: Convert paper files to electronic format with Questys imaging software. Train personnel to utilize Questys for direct conversion of new records from OSSI to Questys.

PUBLIC SAFETY
Police - 2200

DEPARTMENT STANDARDS

- 1 Respond to all priority calls for service safely and expeditiously within less than five minutes.

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Average response time to priority "P" calls (minutes)	>5.0	<5.0	<5.0	<5.0
2 Unit reaction time to priority "P" calls (minutes)	<4.0	<4.0	<4.0	<4.0
3 Percent criminal offenses cleared	54%	65%	65%	70%
4 Total traffic contacts	18,296	25,000	20,000	25,000
5 Percent of paper files converted to electronic format from 2000 to present	0%	60%	10%	20%
6 Increase clearance rate of Burglary of Habitation	N/A	45%	40%	45%
7 Increase clearance rate of Burglary of a Building	N/A	30%	35%	30%
8 Increase clearance rate of Burglary of Vehicle	N/A	25%	20%	25%
9 Increase clearance rate of Burglary of a Coin Operated M	N/A	25%	50%	50%

POLICE - 2200

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Alarm Permits	\$21,377	\$25,000	\$48,000	\$45,000
Peddler Permit	710	200	100	100
Wrecker License	900	900	800	800
Arrest Fees	883	500	500	500
Traffic Fines	400,859	296,000	380,000	326,000
HGAC Grant	25,000	15,000	15,000	0
BISD Community Policing	17,923	23,700	23,700	28,300
General Resources	3,597,890	4,098,171	3,919,755	4,220,711
Total Resources	\$4,065,542	\$4,459,471	\$4,387,855	\$4,621,411

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$2,621,576	\$2,744,500	\$2,726,535	\$2,853,163
Employee Benefits	735,811	827,200	804,210	871,400
Operating Expenses	465,985	577,705	547,045	583,115
Capital Outlay	0	0	0	0
Operating Transfers	199,247	271,366	271,365	285,433
Total Expenditures	\$4,022,619	\$4,420,771	\$4,349,155	\$4,593,111

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	1.00	1.00	1.00	1.00
Office/Clerical	6.00	6.00	6.00	6.00
Technical	8.00	8.00	8.00	8.00
Sworn Personnel	39.00	39.00	40.00	39.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	4.00	4.00	4.00	5.00
Temporary/Seasonal	1.54	1.73	1.73	1.73
Total Personnel	59.54	59.73	60.73	60.73

Major Budget Changes

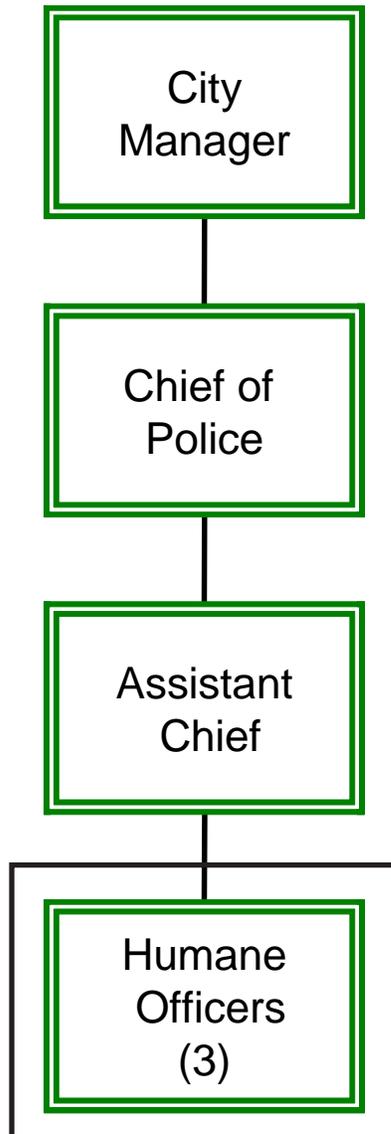
Major budget increases due to salary market adjustments and benefit rate increases; Fuel costs increased \$13,000.

POLICE - 2200

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Salaries & Wages				
Service/Maintenance	\$23,768	\$24,600	\$24,490	\$25,300
Office/Clerical	165,643	175,700	157,925	177,400
Technical	275,035	286,300	274,410	284,000
Sworn Personnel	1,716,406	1,850,900	1,816,230	1,931,663
Management/Supervision	288,671	293,800	310,280	301,600
Temp/Seasonal	37,902	43,200	43,200	43,200
	2,507,425	2,674,500	2,626,535	2,763,163
Overtime	114,151	70,000	100,000	90,000
Group Insurance				
Health	194,717	205,300	201,230	205,300
Life	3,936	7,100	4,095	7,100
Dental	18,952	21,800	19,660	21,800
Long Term Disability	9,536	12,200	10,250	12,500
	227,141	246,400	235,235	246,700
Employee Benefits				
Social Security	190,795	209,700	202,185	214,700
Retirement	267,517	301,100	300,400	327,800
Tuition Reimbursement	0	1,500	0	1,500
Workers Compensation	50,358	68,500	66,390	80,700
	508,670	580,800	568,975	624,700
Professional Service Fees				
Physician Examination	2,948	1,500	1,800	1,500
Psychological Examination	200	500	500	500
Volunteer Benefits	943	2,000	840	2,000
Forensic Testing	512	2,500	2,500	2,500
Canine Unit	1,200	1,200	200	0
	5,803	7,700	5,840	6,500
Water & Sewer	412	550	550	550
Maintenance & Repair				
Buildings	7,740	7,500	7,500	7,500
Heating & Air Conditioning	836	5,000	5,000	5,000
Vehicles	29,944	27,000	30,000	30,000
Equipment	1,491	4,000	4,000	4,000
Radios	1,647	4,000	4,000	4,000
Furniture & Fixtures	728	750	750	750
Maintenance Contract	90,706	101,230	95,000	115,000
	\$133,092	\$149,480	\$146,250	\$166,250

POLICE - 2200

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Rental - Vehicle & Equipment	\$5,356	\$8,000	\$8,000	\$8,000
Insurance				
Property	10,692	15,800	11,340	11,340
Liability	43,230	51,500	44,045	44,045
Fidelity	250	0	0	0
	54,172	67,300	55,385	55,385
Communication	58,149	60,000	60,000	60,000
Advertising	354	500	1,000	500
Training	4,933	6,500	6,500	6,350
Travel	2,521	3,000	4,000	4,700
Dues & Memberships	704	1,675	1,000	1,880
General Supplies				
Office	14,858	20,000	15,000	15,000
Wearing Apparel	14,683	26,000	26,000	20,000
Gasoline & Diesel	76,202	92,000	85,725	105,000
Operating	29,845	52,000	52,000	52,000
Photography	1,205	2,000	2,000	2,000
Firing Range	6,443	6,500	6,500	6,500
Community Policing	2,344	5,000	5,000	5,000
Detention Facility	2,488	5,000	5,000	5,000
Crime Lab	2,067	7,500	7,500	7,500
Canine Supplies	1,266	2,000	275	0
Cleaning	4,198	4,000	4,000	4,000
	155,599	222,000	209,000	222,000
Electricity & Natural Gas	44,591	48,500	48,500	48,500
Books & Periodicals	299	2,500	1,020	2,500
Capital Outlay	0	0	0	0
Operating Transfers				
Equipment Replacement	199,247	271,366	271,365	285,433
Unemployment Insurance	0	0	0	0
	199,247	271,366	271,365	285,433
Total Police	\$4,022,619	\$4,420,771	\$4,349,155	\$4,593,111



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The Humane Department is responsible for the enforcement of the Animal Control Ordinances and the investigation and resolution of possible rabies exposure.

PUBLIC SAFETY

Humane - 2500

FY07-08 ACCOMPLISHMENTS

Department Projects

Accomplished: Presentations were presented in the schools and the public on correct handling and care of pets and wild animals.

Accomplished: Continued to reduce feral cats in the city, increasing training by Animal Control Officer's and by the public.

FY08-09 GOALS & OBJECTIVES

Vision Element: Quality of Life

Objective: Safe Neighborhoods

Goal: Increase the number of public educational presentations to further the spay and neuter drive to reduce number of stray dogs and cats.

PUBLIC SAFETY

Humane - 2500

DEPARTMENT STANDARDS

- 1 Answer and respond to all animal complaint calls within ten (10) minutes.
- 2 Pick up dead animals withing one (1) hour of notification
- 3 Prepare written report on rabid animals and quarantine according to state and local laws within same shift.

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Animals collected	856	800	800	800
2 Citations/warnings	569	650	220	400
3 Animal bites reported	38	20	60	25
4 Wild animals relocated	677	500	500	500

HUMANE - 2500

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	247,073	266,701	262,025	270,296
Total Resources	\$247,073	\$266,701	\$262,025	\$270,296

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$88,120	\$90,700	\$90,410	\$93,600
Employee Benefits	29,011	30,800	30,080	32,400
Operating Costs	120,122	136,225	132,560	135,320
Operating Transfers	9,820	8,976	8,975	8,976
Total Expenditures	\$247,073	\$266,701	\$262,025	\$270,296

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	3.00	3.00	3.00	3.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.00	0.00	0.00	0.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	3.00	3.00	3.00	3.00

Major Budget Changes

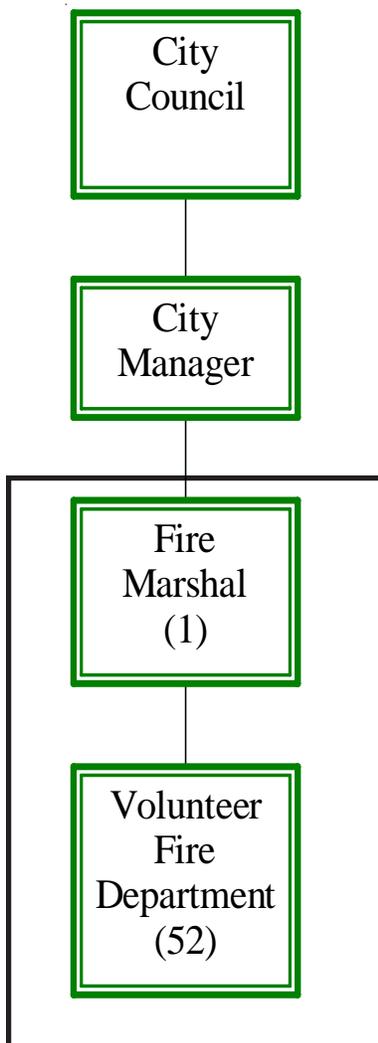
No major budget changes.

HUMANE - 2500

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$86,569	\$88,700	\$89,410	\$91,600
	86,569	88,700	89,410	91,600
Overtime	1,551	2,000	1,000	2,000
Group Insurance				
Health	10,306	10,400	10,225	10,400
Life	211	400	210	400
Dental	1,007	1,100	995	1,100
Long Term Disability	350	400	365	400
	11,874	12,300	11,795	12,300
Employee Benefits				
Social Security	6,638	6,900	6,745	7,200
Retirement	9,264	10,100	10,040	11,000
Workers Compensation	1,235	1,500	1,500	1,900
	17,137	18,500	18,285	20,100
Shelter Management	102,000	113,000	113,000	113,000
Maintenance & Repair				
Animal Shelter	36	0	40	0
Vehicles	1,088	1,000	1,000	1,000
Radios	0	200	200	200
Furniture & Fixtures	0	100	100	100
	1,124	1,300	1,340	1,300
Insurance				
Property	2,294	1,700	195	195
Liabilty	1,103	1,125	950	950
	3,397	2,825	1,145	1,145
Communication	849	1,500	1,500	1,500
Training	829	1,000	1,000	1,100
Travel	\$1,052	\$700	\$700	\$1,400

HUMANE - 2500

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
General Supplies				
Dues & Membership	\$0	\$150	\$225	\$225
Office	18	150	150	150
Wearing Apparel	499	1,000	1,000	1,000
Gasoline & Diesel	7,396	10,000	8,000	10,000
Operating	2,958	4,600	4,500	4,500
	10,871	15,900	13,875	15,875
Capital Outlay	0	0	0	0
Operating Transfers				
Equipment Replacement	9,820	8,976	8,975	8,976
Unemployment Insurance	0	0	0	0
	9,820	8,976	8,975	8,976
Total Humane	\$247,073	\$266,701	\$262,025	\$270,296



Program Description

The City's Volunteer Fire Department is responsible for staffing two (2) fire stations and providing fire fighting activities 24 hours a day, 365 days a year. Fire prevention activities include fire inspection, fire code enforcement, fire safety education and fire investigation. This department is staffed by 52 volunteers and one paid full-time Fire Marshal.

PUBLIC SAFETY

Fire - 2300

FY07-08 ACCOMPLISHMENTS

Vision Element: Enhance Communication and Technology
Objective: Upgrade computer hardware and software
Accomplishment: Purchased and implemented computer program for fire inspections
new software purchased and the program is on line

Accomplishment: Implemented fire reporting by volunteer firefighters through
computer software (Fire Programs).

Vision Element: Maintain a Well Managed City
Objective: Improve employee benefits
Accomplishment: Increased volunteer fire fighter retirement benefit contribution from \$100 to
\$125. per month.

Vision Element: Maintain a Well Managed City
Objective: Completely upgrade all ordinances by 2010
Accomplishment: Proposed a 0 sq. ft. fire sprinkler ordinance for all commercial and residential
property:
Completed and commercial portion was implemented per:ordinance 01/01/2008
One and two family dwellings will be implemented per:ordinance 01/01/2009

FY08-09 GOALS & OBJECTIVES

Vision Element: Quality of Life
Objective: Safe Neighborhoods
Goal: Provide a safe environment for all city residents by creating an ordinance requiring
retrofitting multi-family dwellings with fire sprinklers. (fire)

Goal: Improve City ISO rating from 4 to at least 3 to help reduce insurance rates of our
citizens.

Vision Element: Quality of Life
Objective: Improve Communication to Public
Goal: Continue to educate the public on the benefits of home fire sprinklers
"Prevention through Education"

Vision Element: Maintain a Well Managed City
Objective: Completely upgrade all ordinances by 2010
Goal: Propose ordinance for a billing program to re-coop equipment use etc. on specific
calls to make companies responsible for spills, hazardous materials calls and
responsible for the replacement cost of material and use of equipment.

Goal: Propose an ordinance to retrofit muti-family dwellings with interconnected
smoke alarms and fire sprinkler systems.

PUBLIC SAFETY

Fire - 2300

DEPARTMENT STANDARDS

- 1 Conduct 100 public relations events a year.
- 2 Maintain a good response time of at least 7.5 minutes.
The fire department response time is the time from when the customer calls 911 requesting help, till the first fire apparatus arrives on scene.
- 3 Maintain a minimum of 45 volunteers.

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Total volunteer members	45	55	45	50
2 Emergency calls	537	550	550	550
3 Investigations	12	25	10	25
4 Average response time on fire calls recieved to arrival scene (minutes)	7.7	7.0	8.5	8.5
5 Commercial Fire Safety Inspections	408	230	230	230
6 Day care center inspections	12	19	19	19
7 Public Education				
a. Number of classes	64	120	100	120
b. Attendance	6,642	8,000	5,000	8,000
8 ISO Rating	5	4	4	3

FIRE - 2300

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$554,618	\$632,205	\$635,570	\$669,600
Total Resources	\$554,618	\$632,205	\$635,570	\$669,600

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$59,436	\$62,800	\$60,805	\$64,200
Employee Benefits	66,909	89,500	88,985	90,400
Operating Expenses	244,659	290,285	296,160	325,380
Operating Transfers	183,614	189,620	189,620	189,620
Total Expenditures	\$554,618	\$632,205	\$635,570	\$669,600

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	1.00	1.00	1.00	1.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	1.00	1.00	1.00	1.00

Major Budget Changes

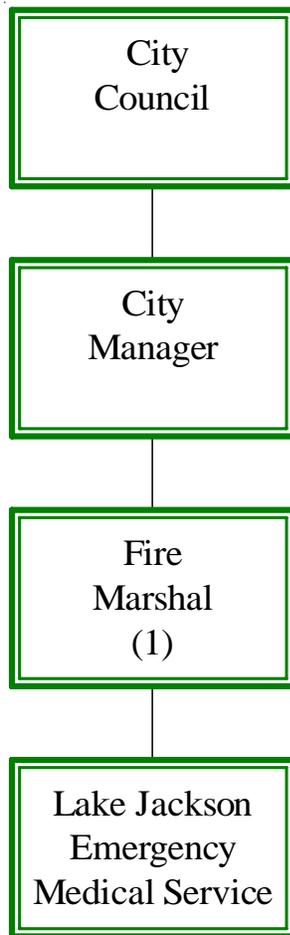
Increase in volunteer benefits due to base rate increases in water, sewer and sanitation charges.
Increase in vehicles maintenance reflects historical trend over last five years.

FIRE - 2300

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$0	\$0	\$0	\$0
Management/Supervision	59,436	62,800	60,805	64,200
	59,436	62,800	60,805	64,200
Group Insurance				
Health	3,435	3,500	3,410	3,500
Life	70	100	70	100
Dental	336	400	330	400
Long Term Disability	235	300	245	300
	4,076	4,300	4,055	4,300
Employee Benefits				
Social Security	4,478	4,800	4,590	4,900
Retirement	6,250	7,000	7,000	7,600
Volunteer Retirement	51,000	72,000	72,000	72,000
Workers Compensation	1,105	1,400	1,340	1,600
	62,833	85,200	84,930	86,100
Professional Service Fees				
Physician Examination	262	500	500	500
Volunteer Benefits	21,327	21,500	26,115	27,000
Crime Lab	0	1,500	1,500	1,500
Contract Cleaning	7,800	7,800	10,920	10,920
Fire Code Inspections	15,000	17,000	15,000	17,000
	44,389	48,300	54,035	56,920
Water & Sewer	0	500	500	500
Maintenance & Repair				
Buildings	14,142	8,000	8,000	8,000
Heating & Air Condition	1,000	2,500	2,500	3,000
Vehicles	18,596	13,000	22,000	20,000
Equipment	498	13,000	6,500	13,000
Radios	1,800	3,500	3,500	3,500
Maintenance Contract	250	0	0	6,135
	36,286	40,000	42,500	53,635
Rental - Vehicles & Equipment	\$1,772	\$1,400	\$910	\$1,400

FIRE - 2300

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Insurance				
Property	\$15,186	\$13,000	\$18,700	\$18,705
Liability	13,874	17,500	16,410	16,410
	29,060	30,500	35,110	35,115
Communications	9,291	9,500	9,500	10,000
Advertisement	0	200	200	1,000
Training	3,203	11,300	11,300	11,300
Travel	8,778	13,120	13,120	13,120
Other Purchased Services				
Dues & Memberships	1,161	2,165	2,165	2,290
Fireman Banquet	584	2,300	2,300	2,300
	1,745	4,465	4,465	4,590
General Supplies				
Office	132	1,500	1,500	1,500
Wearing Apparel	2,572	4,000	4,000	4,000
Program	2,456	3,000	3,000	3,000
Gasoline & Diesel	9,632	12,800	11,020	14,000
Operating	49,671	55,000	55,000	65,000
Cleaning	122	1,000	1,000	1,000
Photography	38	1,000	1,000	1,000
	64,623	78,300	76,520	89,500
Electricity & Natural Gas	45,512	51,200	46,500	46,800
Books & Periodicals	0	1,500	1,500	1,500
Equipment Replacement	183,614	189,620	189,620	189,620
Total Fire	\$554,618	\$632,205	\$635,570	\$669,600



Program Description

The EMS (Emergency Medical Service, Inc.) Department represents a “split-off” of the Lake Jackson Volunteer Fire Department in 1998-99. The City has contracted with LJEMS to provide ambulance services for the City. LJEMS is a separate organization and there are about 22 volunteers, 8 full-time and 15 part-time paid members in the service. The service is responsible for staffing city provided ambulances.

PUBLIC SAFETY

Emergency Medical Services - 2400

FY07-08 ACCOMPLISHMENTS

Department Projects

Accomplished:

1. Continued to provide the highest quality of medical care to the citizens and visitors of Lake Jackson and its ETJ.
2. Exceeded our standard of dispatch to scene time on 91% of cal

FY08-09 GOALS & OBJECTIVES

Department Project:

Goal:

- 1) Be available to continue our stand-by services for Lake Jackson Girls Softball, Festival of Lights, Fourth of July, and other City-sponsored events.
- 2) Include the Poison Control Program to the elementary schools.
- 3) Make Lake Jackson EMS "community-based health management" that integrates with the overall health care system. Become and available resource for Public Education, Injury and Illness Prevention to our community.
- 5) Offer weekly CPR classes.
- 6) Offer daily blood pressure checks and blood glucose checks at the EMS station.
- 7) Utilize Memorial Hermann Life Flight for continuing education purposes.
- 8) Increase number of active volunteers.

PUBLIC SAFETY

Emergency Medical Services - 2400

DEPARTMENT STANDARDS

- 1 Provide on a twenty-four (24) hour per day, seven (7) day per week basis (referred to as "24/7"), emergency medical services within the City, and its extra-territorial jurisdiction, and when equipment and personnel are reasonably available, to its surrounding neighbors. LJEMS will provide these services, duties and obligations in accordance with all applicable state laws or Texas Department of State Health Services regulations.
- 2 Maintain response time less than 5 minutes and 51 seconds 91% of the time in the city limits.
- 3 Respond to every emergency call within Lake Jackson as a MICU capable unit.

PROGRAM MEASURES

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
1 Ambulance calls	2,183	2,400	2,210	2,400
2 Average response time ambulance calls dispatched to arrival at scene (minutes)	5.46	5.5	5.5	5.5
3 Percentage of billing collected	23%	36%	29%	39%
4 Number of volunteers	15	20	12	15
5 Number of stand-by service	44	14	26	5
6 Public Education				
a. Number of classes	33	40	42	40
b. Attendance	275	450	514	450

EMERGENCY MEDICAL SERVICE - 2400

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$253,367	\$348,812	\$363,467	\$466,916
Total Resources	\$253,367	\$348,812	\$363,467	\$466,916

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$0	\$0	\$0	\$0
Employee Benefits	8,793	23,000	18,205	23,048
Operating Expenses	213,219	270,300	289,750	360,940
Capital Outlay	0	0	0	0
Operating Transfers	31,355	55,512	55,512	82,928
Total Expenditures	\$253,367	\$348,812	\$363,467	\$466,916

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.00	0.00	0.00	0.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	0.00	0.00	0.00	0.00

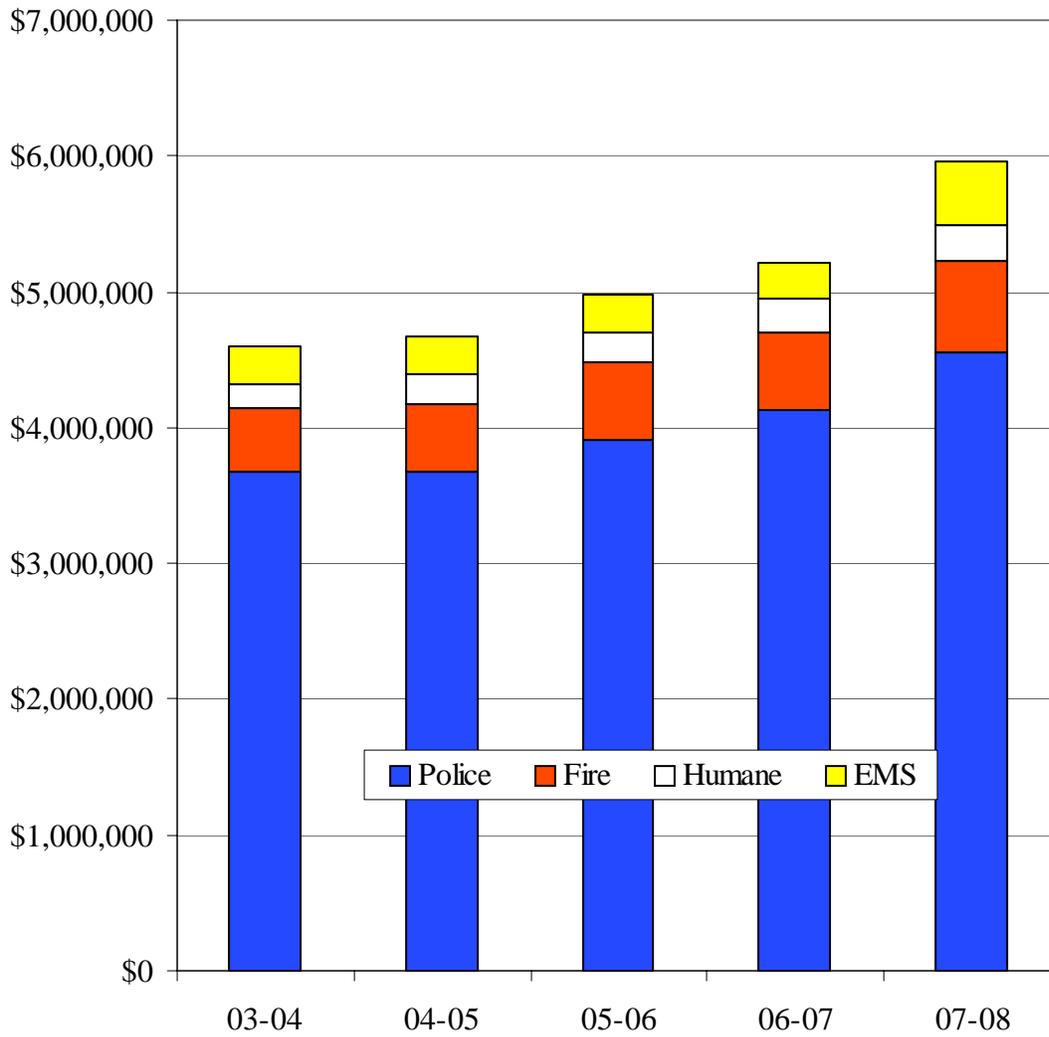
Major Budget Changes

LJEMS has requested an increase of \$87,700 to the subsidy provided by the city for uncollectible accounts.

EMERGENCY MEDICAL SERVICE - 2400

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Volunteer Benefits	\$5,800	\$15,000	\$16,800	\$18,000
Professional Service Fees				
Physician Examination	164	0	0	0
Volunteer Benefits	2,829	8,000	1,405	5,048
	2,993	8,000	1,405	5,048
EMS Services	189,300	249,300	274,300	337,000
Maintenance & Repair				
Vehicles	10,759	8,000	4,000	8,000
Equipment		0	0	0
Maintenance Contracts	1,375	0	0	0
	12,134	8,000	4,000	8,000
Liability Insurance	2,281	3,000	1,940	1,940
Gasoline & Diesel	9,504	10,000	9,510	14,000
Capital Outlay	0	0	0	0
Equipment Replacement	31,355	55,512	55,512	82,928
Total Emergency Medical Service	\$253,367	\$348,812	\$363,467	\$466,916

Public Safety Expenditures



ENGINEERING



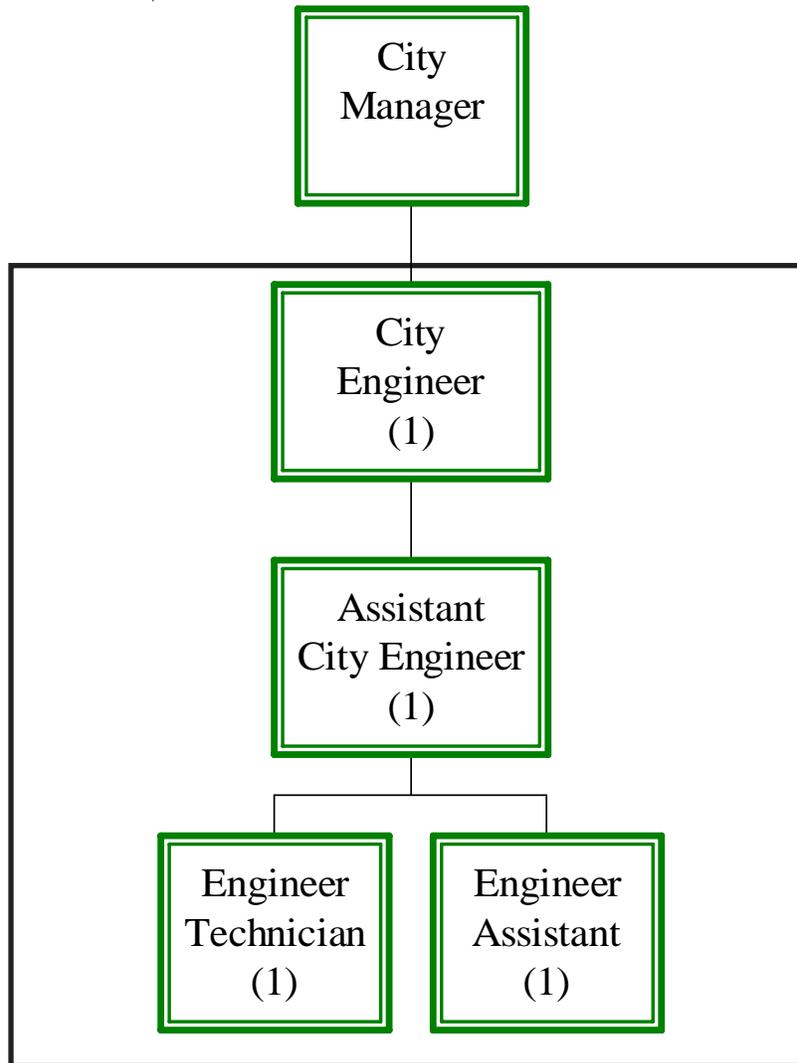
LAKE JACKSON

City of Enchantment



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Engineering



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The Engineering Department provides general engineering services for all municipal operations by thorough analysis, investigation and design of plans and specifications, by responsible construction management and by timely inspections and enforcement of regulations and standards. The department is also responsible for storing, maintaining, and updating the mapping, platting, plan and project filing records of the City. In addition, the Department assists citizens, businesses, developers and staff with infrastructure, mapping and regulatory information.

ENGINEERING

Engineering - 1500

FY07-08 ACCOMPLISHMENTS

Vision Element:	Enable growth and revitalization
Objective:	Develop N.E. Quadrant
Accomplished:	1. Completed design and construction plans for sanitary sewer system 2. Acquired utility easements 3. Bid and contracted construction project
Objective:	Redevelop Lakewood Manor Area
Accomplished:	Facilitated predevelopment meetings
Vision Element:	Maintain Infrastructure
Objective:	Upgrade infrastructure
Accomplished:	1. Constructed 1st phase of Brazos Oaks (40%complete) 2. Completed final design plans for Ph 2 of Brazos Oaks 3. Managed and reviewed final design plans of Jasmine Street 4. Released Oak Drive Project for surveying and mapping phase
Vision Element:	Enhance communication and technology
Objective:	Implement use of GIS Technology
Accomplished:	Create geo reference vector map (50% Ph 1)
Vision Element:	Maintain a well managed City
Objective:	Organize engineering plats into Questys
Accomplished:	Trained engineering staff in data entry and organization templates
Department Projects:	1. Designed, bid, contracted and constructed Plantation Drive Pavement Rehab 2. Designed, bid, contracted Dixie Drive Hike/Bike, 07-08 sidewalk and ada ramp program.

FY08-09 GOALS & OBJECTIVES

Vision Element:	Enable growth and revitalization
Objective:	Develop Alden Lake
Goal:	Work with owner to develop masterplan
Objective:	Implement Downtown Revitalization
Goal:	Work with downtown engineering design team, on phase 2
Objective:	Develop Lakewood Manor Area
Goal:	Work with owner to develop masterplan
Objective:	Develop Northeast Quadrant
Goal:	Oversee construction of additional sanitary sewer facilities
Vision Element:	Maintain Infrastructure
Objective:	Upgrade infrastructure
Goals:	1. Complete Brazos Oaks Ph 1 (60%) 2. Bid, contract and construct Brazos Oaks Ph 2 3. Bid, contract and construct Jasmine Street 4. Manage, review, bid and contract Oak Drive Project
Vision Element:	Enhance communication and technology
Objective:	Implement use of GIS Technology
Goal:	Complete geo reference vector map (50%Ph 2)
Goal:	Develop electronic data exchange protocol
Vision Element:	Maintain a well managed city
Objective:	Continue Implementation of Records Management Program
Goal:	Organize engineering plats into Questys
Department Projects:	1. Construct Dixie Drive and 07-08 sidewalk and ada ramp program 2. Complete PlantationDrive concrete pavement rehab

ENGINEERING

Engineering - 1500

DEPARTMENT STANDARDS

- 1 Estimate project costs to within 10% of bid amount
- 2 Manage project costs to within 10% of contract amount
- 3 Design/Contract/Manage at least 50% of all street projects annually.

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Est. market value (\$) of design engineering fees provided	\$208,000	\$200,000	\$293,800	\$215,400
2 CIP construction (\$) contracted/managed/inspected	\$1,129,000	\$2,075,000	\$1,812,000	\$3,016,000
3 CIP construction (\$) designed (Office)	\$1,979,750	\$1,725,000	\$2,330,000	\$1,400,000
4 CIP construction (\$) reviewed (consultant)	\$1,166,000	\$640,000	\$640,000	\$0

ENGINEERING - 1500

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$355,736	\$403,108	\$399,465	\$418,365
Total Resources	\$355,736	\$403,108	\$399,465	\$418,365

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$250,036	\$280,900	\$278,930	\$287,800
Employee Benefits	61,561	64,200	64,060	67,300
Operating Expenses	31,624	36,820	35,285	42,360
Capital Outlay	0	0	0	0
Operating Transfers	12,515	21,188	21,190	20,905
Total Expenditures	\$355,736	\$403,108	\$399,465	\$418,365

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	2.00	2.00	2.00	2.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	1.00	1.00	1.00	1.00
Management/Supervision	1.00	1.00	1.00	1.00
Temporary/Seasonal	0.29	0.29	0.29	0.29
Total Personnel	4.29	4.29	4.29	4.29

Major Budget Changes

\$5,500 budgeted for purchase of 6" aerial imagery.

ENGINEERING - 1500

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Technical	\$86,665	\$89,700	\$88,690	\$91,500
Professional	59,905	62,000	61,620	64,000
Management/Supervision	94,208	97,000	96,420	100,100
Temp/Seasonal	9,258	32,200	32,200	32,200
	250,036	280,900	278,930	287,800
Group Insurance				
Health	13,742	13,900	13,630	13,900
Life	281	500	280	500
Dental	1,343	1,500	1,335	1,500
Long Term Disability	942	1,100	990	1,200
	16,308	17,000	16,235	17,100
Employee Benefits				
Social Security	18,791	18,400	18,890	18,700
Retirement	25,317	27,700	27,810	30,200
Workers Compensation	1,145	1,100	1,125	1,300
	45,253	47,200	47,825	50,200
Professional Services				
Physician Examination	21	0	45	0
Technology	0	0	0	5,500
	21	0	45	5,500
Maintenance & Repair				
Vehicle	300	200	310	300
Non-Fleet Equipment	0	500	1,275	500
Radios	0	100	100	100
Maintenance Contract	8,377	7,910	7,910	8,805
	8,677	8,710	9,595	9,705
Rental - Vehicles & Equipment	88	190	65	0
Insurance				
Property	1,367	2,100	340	340
Liability	2,229	2,300	2,110	2,115
	3,596	4,400	2,450	2,455
Communication	1,874	2,340	2,340	2,400
Training	2,884	3,850	3,850	3,850

ENGINEERING - 1500

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Travel	762	2,700	2,700	2,700
Dues & Memberships	\$1,225	\$1,180	\$1,190	\$1,200
General Supplies				
Office	\$7,186	\$3,500	\$3,500	\$3,500
Gasoline & Diesel	1,046	1,200	1,200	2,700
Fuel - CNG	135	500	100	100
Operating	4,011	8,100	8,100	8,100
	12,378	13,300	12,900	14,400
Books & Periodicals	119	150	150	150
Capital Outlay	0	0	0	0
Operating Transfers				
Equipment Replacement	12,515	21,188	21,190	20,905
Unemployment Insurance	0	0	0	0
	12,515	21,188	21,190	20,905
Total Engineering	\$355,736	\$403,108	\$399,465	\$418,365

PUBLIC WORKS

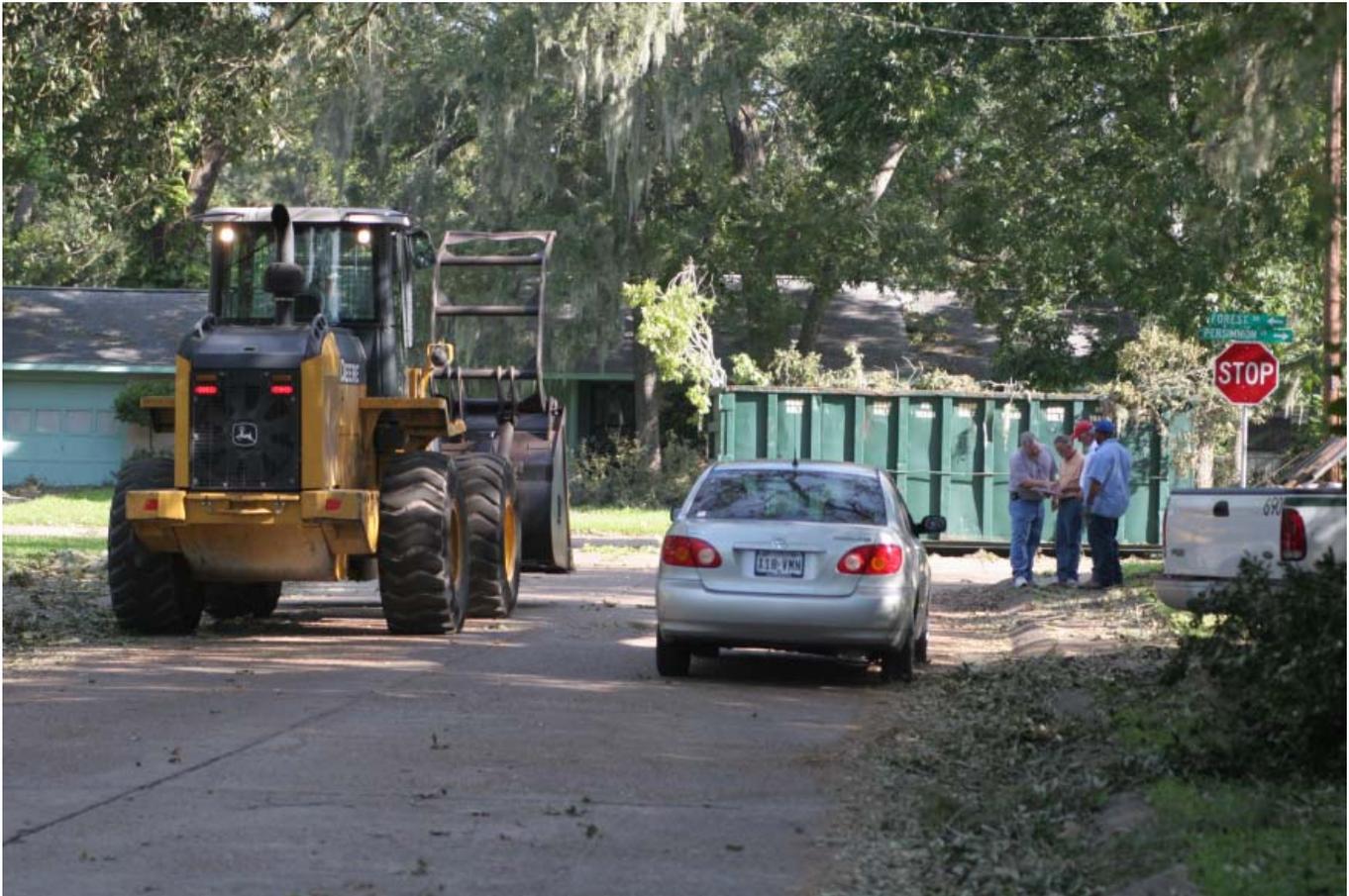


LAKE JACKSON

City of Enchantment

City of Enchantment

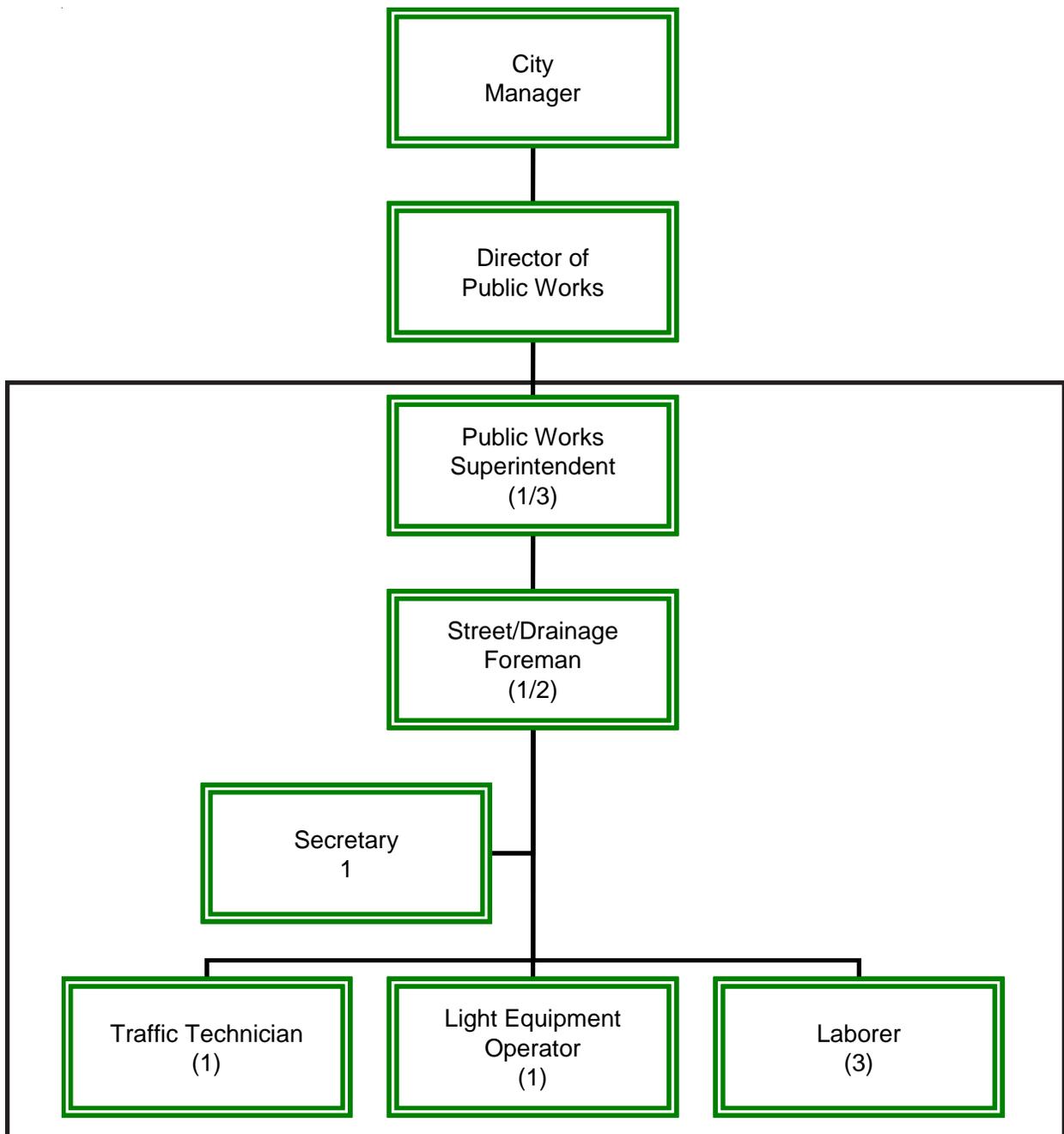




Debris removal – the aftermath of Hurricane Ike



Streets



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The Street Department is responsible for maintaining and repairing all public streets and alleys. This department provides preventive maintenance to City streets and makes repairs which are too small to contract. This department is also responsible for all street sweeping and responds after hours to clean up storm damage and fallen trees, etc. In addition, this department is also responsible for the installation, repair and maintenance of 154 signal fixtures located at 15 intersections, 12 flashing school zone lights and 53 crosswalk lights. This responsibility includes street signs, markings and signals.

Public Works

Streets - 2800

FY07-08 ACCOMPLISHMENTS

- Vision Element :** Maintain Infrastructure
Objective: Upgrade Infrastructure and Facilities
Accomplished: Installed new traffic signal lights at Abner Jackson & This Way.
- Objective:** Catalog Database of Infrastructure Components to Establish a Base.
Accomplished: Collected City Maintained Sidewalk Database Information and Added to GIS system
- Objective:** Condition Assessments on Infrastructure Components to Identify Needs
Accomplished: 1) Assessed conditions of all City streets and created a database.
2) Assessed conditions of all City owned sidewalks and created a database.
- Department Projects:** 1) Completed \$50,000 to continue Street Joint Sealant Program.
2) Completed \$80,000 of street panel replacement on major thoroughfares (approximately 470 linear lane feet).
3) Completed \$25,000 in Thermal Vinyl Street Painting.

FY08-09 GOALS & OBJECTIVES

- Vision Element:** Maintain Infrastructure
Objective: Condition Assessments on Infrastructure Components to Identify Needs
Goal: 1) Maintain condition assessment by assessing 20% of City maintained sidewalks.
2) Maintain condition assessment by assessing 20% City maintained streets.
3) Develop capital improvement plan for City owned sidewalks.
- Vision Element:** Maintain a Well Managed City
Objective: Continue to Hire and Retain Qualified Employees in all areas.
Goal: Obtain and maintain full staffing level.
- Department Projects:** 1) Complete \$50,000 to continue Street Joint Sealant Program.
2) Complete \$80,000 of street panel replacement on major thoroughfares (approximately 450 linear lane feet).
3) Completed \$25,000 in Thermal Vinyl Street Painting.

Public Works

Streets - 2800

DEPARTMENT STANDARDS

- 1 Replace joint sealant on a 15-year schedule
- 2 Sweep residential streets 4 times annually/downtown twice weekly
- 3 Service all traffic signals monthly

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Percent (%) of streets, re-striped/painted annually		85%	85%	85%
2 Hours spent re-striping/painting streets annually	82	450	370	370
3 Delineators and buttons installed	343	1000	500	500
4 Hours spent installing delineators and buttons	42	150	72	72
5 Signs fabricated and installed	176	250	250	250
6 Percent of signals serviced monthly	93%	90%	95%	95%
7 Percent of residential streets swept four times annually	100%	100%	100%	100%
8 Percent of downtown area streets swept twice weekly	50%	85%	73%	85%
9 Gutter sweeping (cu. yd.)	130	1500	1800	1800
10 Number of potholes repaired	363	500	310	310
11 Street Patching (hrs)	372	350	320	320
12 Sidewalks replaced (ln. ft.)	78	400	375	375
13 Concrete Spot Repairs by Contractor (lane feet)	350	560	470	450
14 Full Staffing Level (%)	n/a	n/a	69%	85%

STREET - 2800

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$810,658	\$985,067	\$1,012,000	\$954,757
Total Resources	\$810,658	\$985,067	\$1,012,000	\$954,757

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$185,846	\$223,700	\$252,585	\$227,700
Employee Benefits	46,759	82,100	65,135	86,300
Operating Expenses	487,303	581,545	596,555	547,230
Capital Outlay	0	0	0	0
Operating Transfers	90,750	97,722	97,725	93,527
Total Expenditures	\$810,658	\$985,067	\$1,012,000	\$954,757

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	5.00	5.00	4.00	4.00
Office/Clerical	0.00	0.00	1.00	1.00
Technical	1.00	1.00	1.00	1.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.83	0.83	0.83	0.83
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	6.83	6.83	6.83	6.83

Major Budget Changes

Fuel increases \$8,500; Street Assessment project is complete. This project was a one-time cost (\$56,500) for outside consulting. Regular updates will be completed in-house.

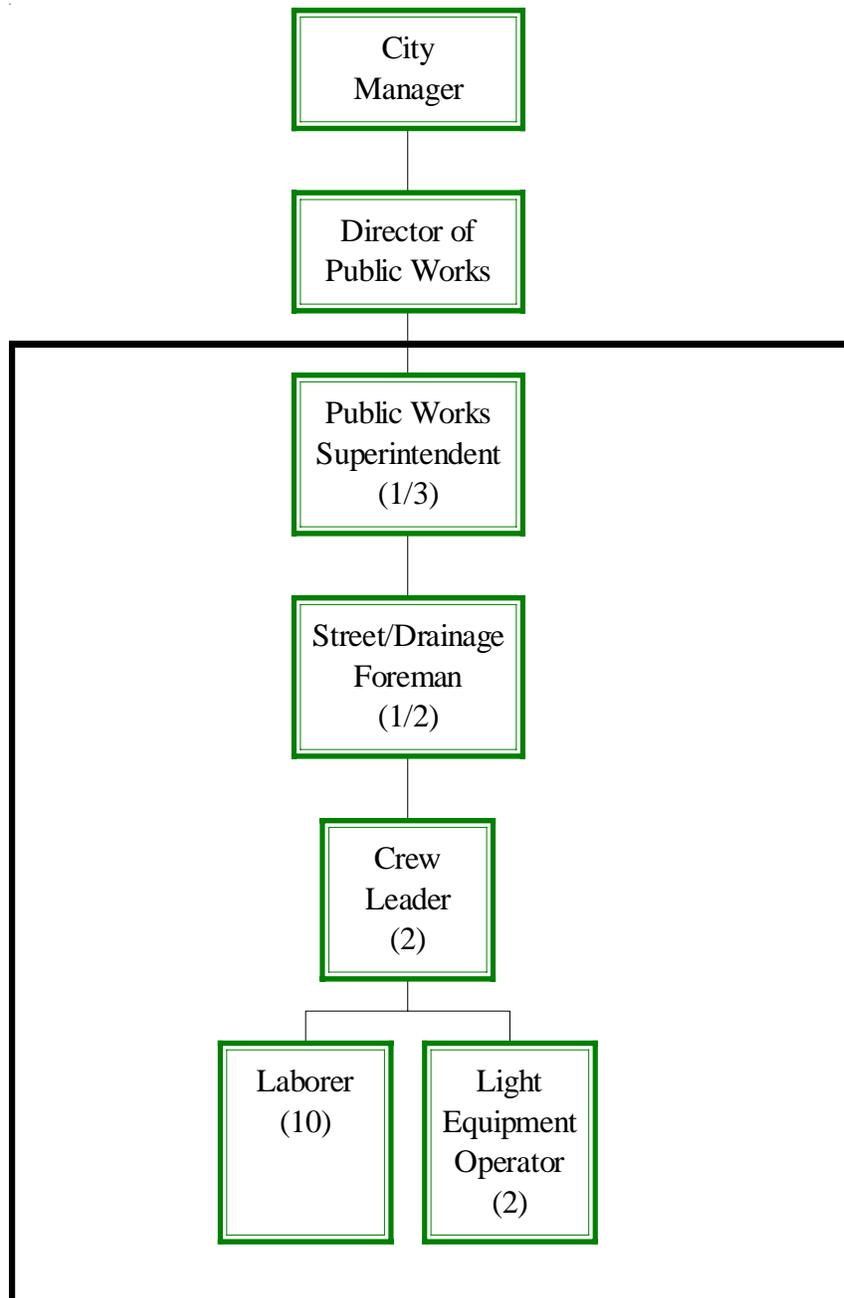
STREETS - 2800

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$54,666	\$129,800	\$80,275	\$104,400
Clerical	\$0	\$0	\$21,635	\$27,300
Technical	34,793	36,000	34,890	36,700
Management/Supervision	44,539	45,900	45,785	47,300
	133,998	211,700	182,585	215,700
Overtime	11,862	12,000	12,000	12,000
Contract Labor	39,986	0	58,000	0
Group Insurance				
Health	13,757	23,800	19,630	23,800
Life	263	900	390	900
Dental	1,283	2,500	1,920	2,500
Long Term Disability	537	1,000	750	1,000
	15,840	28,200	22,690	28,200
Employee Benefits				
Social Security	10,575	17,100	13,625	17,400
Retirement	15,162	24,900	21,070	26,900
Workers Compensation	5,182	11,900	7,750	13,800
	30,919	53,900	42,445	58,100
Professional Service Fees				
Drug Testing	269	200	200	200
Vinyl Street Painting	27,038	25,000	25,000	25,000
Street Joint Program	2,135	50,000	50,000	50,000
Pavement Improvement Program	86,691	80,000	80,000	80,000
Street Assessment	0	50,000	56,500	0
	116,133	205,200	211,700	155,200
Maintenance & Repair				
Street System	13,756	25,000	30,000	25,000
Traffic Signals	9,310	6,000	6,000	14,000
Vehicles	29,295	20,000	22,000	22,000
Equipment	521	500	500	500
Maintenance Contracts	707	1,100	1,100	635
	53,589	52,600	59,600	62,135
Insurance				
Property	819	820	655	655
Liability	6,969	5,900	6,400	6,400
	\$7,788	\$6,720	\$7,055	\$7,055

STREETS - 2800

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Rental - Equipment	\$168	\$300	\$300	\$200
Communications	1193	1000	1000	1000
Training	345	1,350	500	840
Travel	0	400	400	0
Dues & Memberships	0	75	0	0
General Supplies				
Office	168	200	600	600
Wearing Apparel	1,113	700	700	700
Gasoline & Diesel	11,976	15,000	18,700	23,500
Fuel - CNG	1,065	1,000	1,000	1,000
Operating	7,007	12,000	10,000	10,000
Street Signs	11,683	15,000	15,000	15,000
	33,012	43,900	46,000	50,800
Electricity	275,075	270,000	270,000	270,000
Capital Outlay	0	0	0	0
Operating Transfers				
Equipment Replacement	90,750	97,722	97,725	93,527
Unemployment Insurance	0	0	0	0
	90,750	97,722	97,725	93,527
Total Streets	\$810,658	\$985,067	\$1,012,000	\$954,757

Drainage



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The Drainage Department is responsible for the repair and maintenance of all drainage ways and related facilities in the City. Routine daily activities include mowing, cleaning, and dredging of unimproved channels and bar ditches, and the removal of debris from culverts, inlets, and drain gates. Special projects performed include reshaping of unimproved channels, the construction of inlets, installation of underground drainage, and the open drainage way weed control program. This department also supplies manpower for numerous special projects in other areas/departments such as right of way clearing, building maintenance, electrical work, and other tasks as the need arises. The Drainage department also assists the Sanitation department during peak periods, particularly with large/heavy trash pick up.

Public Works

Drainage - 2900

FY07-08 ACCOMPLISHMENTS

Vision Element: Maintain Infrastructure
Objective: Catalog/Database on Infrastructure Components to Establish a Base
Accomplished: Collected inlet and junction box information for 40% of the system.

Objective: Condition Assessments on Infrastructure Components to Identify Needs.
Accomplished: Updated condition assessment of all open ditches for Siltation, Ponding, and Sloughing.

Department Projects: 1) Developed mechanism for prioritizing and scheduling work and communicating realistic schedules.
2) Developed Chart of Standard Labor Requirements for Mowing Each Section of Open Ditch.

FY08-09 GOALS & OBJECTIVES

Vision Element: Maintain Infrastructure
Objective: Catalog/Database on Infrastructure Components to Establish a Base.
Goal: Collect Inlet and Junction Box Information for an additional 20% of the drainage system and add all collected information to the G.I.S.

Objective: Condition Assessments on Infrastructure Components to Identify Needs.
Goal: Update Condition Assessment for 20% of open ditches for Siltation, Ponding, and Sloughing.

Department Projects: 1) Achieve Safety Goal of Working 450 Days without a Lost Time Accident or Injury.
2) Update drainage priority list, schedule work and communicate to staff and public.
3) Complete 6000 man hours of Drainage Maintenance Projects.
4) Complete \$15,000 worth of storm sewer cleaning by contract

Public Works

Drainage - 2900

DEPARTMENT STANDARDS

- 1 Assist Brazoria County Mosquito Control District during major outbreaks.
- 2 Mow open ditches 5 times per year.

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Open drainways maintained mowing (hours)	6,548	10,500	9,500	10,000
2 Mowing frequency of major ditches (times/year)	5	5	5	5
3 Channels reshaped by city crews (ln. ft.)	3,415	4,000	4,500	5,000
4 Drainage improvements (contract \$)	\$ 77,475	\$ 70,000	\$ 70,000	\$ 70,000
5 Herbicide weed control (hours)	282	500	400	400
6 Culvert flow lines cleaned (feet/hours)	1200/28	500/350	1200/215	1200/215
7 Culverts and inlets cleaned of debris (each/hours)	1124/2263	1000/2200	1100/2200	1100/2200
8 Number of special projects completed	207	200	200	200
9 Mosquito control (manhours)	0	800	500	700
10 Drainage maintenance projects (manhours)	n/a	n/a	n/a	6,000
11 Full Staffing Level (%)	n/a	n/a	86%	93%
12 Storm Sewer Cleaned by contract (cu. ft.)	n/a	n/a	n/a	\$15,000

DRAINAGE - 2900

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$726,041	\$892,676	\$822,290	\$944,145
Total Resources	\$726,041	\$892,676	\$822,290	\$944,145

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$377,714	\$463,500	\$414,480	\$470,300
Employee Benefits	127,701	162,900	140,140	169,600
Operating Expenses	175,416	206,860	208,250	244,050
Capital Outlay	0	0	0	0
Operating Transfers	45,210	59,416	59,420	60,195
Total Expenditures	\$726,041	\$892,676	\$822,290	\$944,145

<i>Personnel</i>	2004-05 Budget	2005-06 Budget	2006-07 Budget	2007-08 Budget
Service/Maintenance	14.00	14.00	14.00	14.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.83	0.83	0.83	0.83
Temporary/Seasonal	0.89	0.89	0.89	0.89
Total Personnel	15.72	15.72	15.72	15.72

Major Budget Changes

Fuel is increasing \$6,000; Contract mowing is increasing \$7,500 for the addition of Dixie Drive; Stormwater program is increases \$5,500.

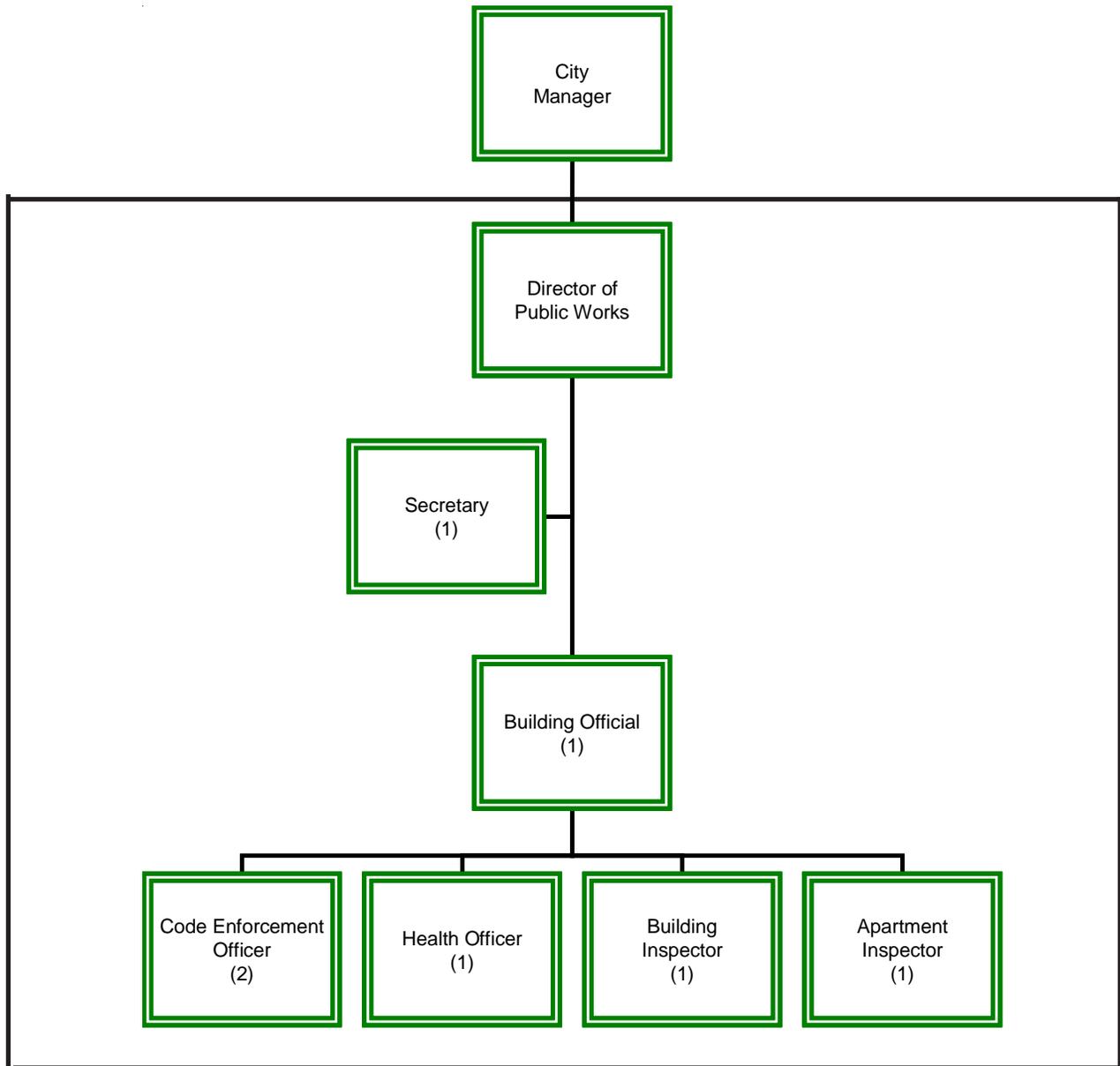
DRAINAGE - 2900

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$313,319	\$385,300	\$336,690	\$390,700
Technical	1,949	0	0	0
Management/Supervision	44,649	45,900	45,790	47,300
Temp/Seasonal	3,565	7,300	7,000	7,300
	363,482	438,500	389,480	445,300
Overtime	14,232	25,000	25,000	25,000
Contract Labor	0	0	0	0
Group Insurance				
Health	43,056	51,600	45,440	51,600
Life	823	1,900	890	1,900
Dental	4,143	5,500	4,440	5,500
Long Term Disability	1,442	3,500	1,585	3,500
	49,464	62,500	52,355	62,500
Employee Benefits				
Social Security	28,357	35,400	29,780	36,000
Retirement	39,357	50,800	44,315	54,600
Workers Compensation	10,523	14,200	13,690	16,500
	78,237	100,400	87,785	107,100
Professional Service Fees				
Physician Examination	1,172	800	1,000	1,000
Drainage Maintenance Program	70,000	70,000	70,000	70,000
Contract Mowing	1,610	17,500	17,500	25,000
Storm Sewer Cleaning	0	0	0	15,000
Stormwater Program	0	2,500	2,500	8,000
	72,782	90,800	91,000	119,000
Maintenance & Repair				
Drainage System	8,469	10,000	10,000	10,000
Vehicles	27,334	18,000	20,000	20,000
Equipment	6,752	5,500	7,000	7,000
	42,555	33,500	37,000	37,000
Rental - Equipment	19,580	200	200	200
Insurance				
Property	1,377	2,050	2,115	2,115
Liability	6,440	5,210	4,235	4,235
	\$7,817	\$7,260	\$6,350	\$6,350

DRAINAGE - 2900

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Communication	\$853	\$600	\$600	\$600
Training	2,632	3,300	1,000	4,500
General Supplies				
Office	0	200	200	200
Wearing Apparel	4,496	6,000	6,000	6,000
Gasoline & Diesel	12,864	18,000	20,000	24,000
Fuel - CNG	898	2,000	900	1,200
Operating	8,479	10,000	10,000	10,000
Chemicals	2,460	35,000	35,000	35,000
	29,197	71,200	72,100	76,400
Capital Outlay	0	0	0	0
Operating Transfers				
Equipment Replacement	45,210	59,416	59,420	60,195
Unemployment Insurance	0	0	0	0
	45,210	59,416	59,420	60,195
Total Drainage	\$726,041	\$892,676	\$822,290	\$944,145

Code Enforcement/ Building Inspection



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

This Department insures that all land uses conform to the comprehensive land use plan and zoning ordinances, and that all construction in Lake Jackson meets all codes adopted by the City. The Department provides a variety of direct services which include plan review, permit issuance, inspections, enforcement of related codes and ordinances and consultation with architects, engineers, contractors, homeowners, and citizens planning any construction within the City. Also, this Department insures that all housing meets minimum housing code standards and helps provide for upgrading or removal of substandard buildings. Code Enforcement is responsible for policing uncontrolled growth of weeds, accumulation of rubbish, and unsightliness caused by junked/abandoned vehicles in public view, signs and various nuisances. The Health Officer inspects food and daycare establishments, pool, and other health related issues. All Multi Family Complexes are inspected to ensure minimum housing standards, and to provide excellent quality of life for all Lake Jackson citizens.

Public Works

Inspections/Code Enforcement - 3300

FY07-08 ACCOMPLISHMENTS

Vision Element: Enable Growth and Revitalization
Objective: Upgrade Government Area
Accomplished: By year end, will have identified and corrected 31 distressed properties utilizing CDBG funds, under new Code Enforcement Officer

Department Projects:

Accomplished:

1. Implemented new multifamily residential inspection program, including code revisions.
2. Increased number of distressed properties Identified & Corrected to 95, including Lakewood Suites Apartments, one dangerous building at 131 N. Dixie, and 36 Circle Way.

FY08-09 GOALS & OBJECTIVES

Vision Element: Enable Growth and Revitalization
Objective: Upgrade Government Area
Goal: Identify and Correct at least 25 distressed properties utilizing CDBG funds, under Code Enforcement Officer

Vision Element: Enable Growth and Revitalization
Objective: Upgrade Government Area
Goal: Identify and correct distressed properties outside the CDBG area as Budget allows under Code Enforcement Officer

Department Projects:

Goals:

1. Streamlining Permitting Process Guidelines and Handouts
2. Propose New Procedures for Distribution of Phone Calls.

Public Works

Inspections/Code Enforcement - 3300

DEPARTMENT STANDARDS

- 1 Provide Weekend Inspections on an Emergency Basis 100% of the time.
- 2 Provide Call-In Inspections within 24 hours 100% of the time.
- 3 Obtain a 90% compliance rate on junk/abandon vehicle violations within 45 days.
- 4 Obtain a 90% compliance rate on weed ordinance violations within 30 days.
- 5 Obtain a 95% compliance rate on accumulation ordinance violations within 30 days.
- 6 Inspect all Low Risk Food Service Establishments at least Twice per Year
- 7 Inspect all Medium and High Risk Food Service Establishments at least Four times per Year
- 8 Inspect all Daycare Establishments at least twice per year.
- 9 Inspect all Public Pools at Least once per year.
- 10 Inspect all Multifamily Buildings twice/year.
- 11 Inspect 15% of Multifamily Residential Units/year.

PROGRAM MEASURES

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
1 Permits Issued	2,188	2,300	2,300	2,300
2 Building Inspections	4,345	4,500	4,500	4,500
3 Residential application/plans processed in 2 work days	76%	90%	90%	90%
4 Commercial applications/plans processed in 10 work days.	69%	80%	80%	80%
5 Call-in inspections made within 24 hours.	100%	100%	100%	100%
6 Food service establishments inspected twice/year.	100%	100%	100%	100%
7 Number of food service establishment inspections	432	500	500	500
8 Day care establishments inspected once/year.	100	100	100	100
9 Number of day care establishment inspections.	55	50	50	50
10 Compliance rate junk/abandoned vehicle within 45 days.	97%	90%	90%	90%
11 Junk/abandoned vehicle cases.	136	120	120	130
12 Compliance rate on weed ordinance within 30 days.	99%	97%	97%	97%
13 Weed ordinance cases	433	600	600	600
14 Applications processed.	728	700	700	700
15 Number of customers processed	4,095	2,200	3,000	3,000
16 Numer of accumulations cases	67	80	80	80
17 Number of dangerous structures inspected	95	30	38	30
18 Multifamily Units Inspected	0	0	264	386
19 Multifamily Buildings Inspected	0	0	334	334

INSPECTIONS/CODE ENFORCEMENT - 3300

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Building Permits	160,251	140,000	140,000	140,000
Electrical Permits	25,524	22,000	23,000	23,000
Health Licenses	28,651	30,000	30,000	30,000
Sign Permits	4,700	3,000	2,800	2,800
General Resources	285,827	439,418	404,625	453,486
<i>Total Resources</i>	\$504,953	\$634,418	\$600,425	\$649,286

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$309,869	\$396,500	\$367,300	\$399,700
Employee Benefits	80,797	109,900	99,295	114,000
Operating Expenses	95,392	112,710	117,520	112,490
Capital Outlay	0	0	1,000	0
Operating Transfers	18,895	15,308	15,310	23,096
<i>Total Expenditures</i>	\$504,953	\$634,418	\$600,425	\$649,286

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	1.00	1.00	1.00	1.00
Technical	3.00	3.00	5.00	5.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	2.00	2.00	2.00	2.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
<i>Total Personnel</i>	6.00	6.00	8.00	8.00

Major Budget Changes

Property inspection increased \$10,000.

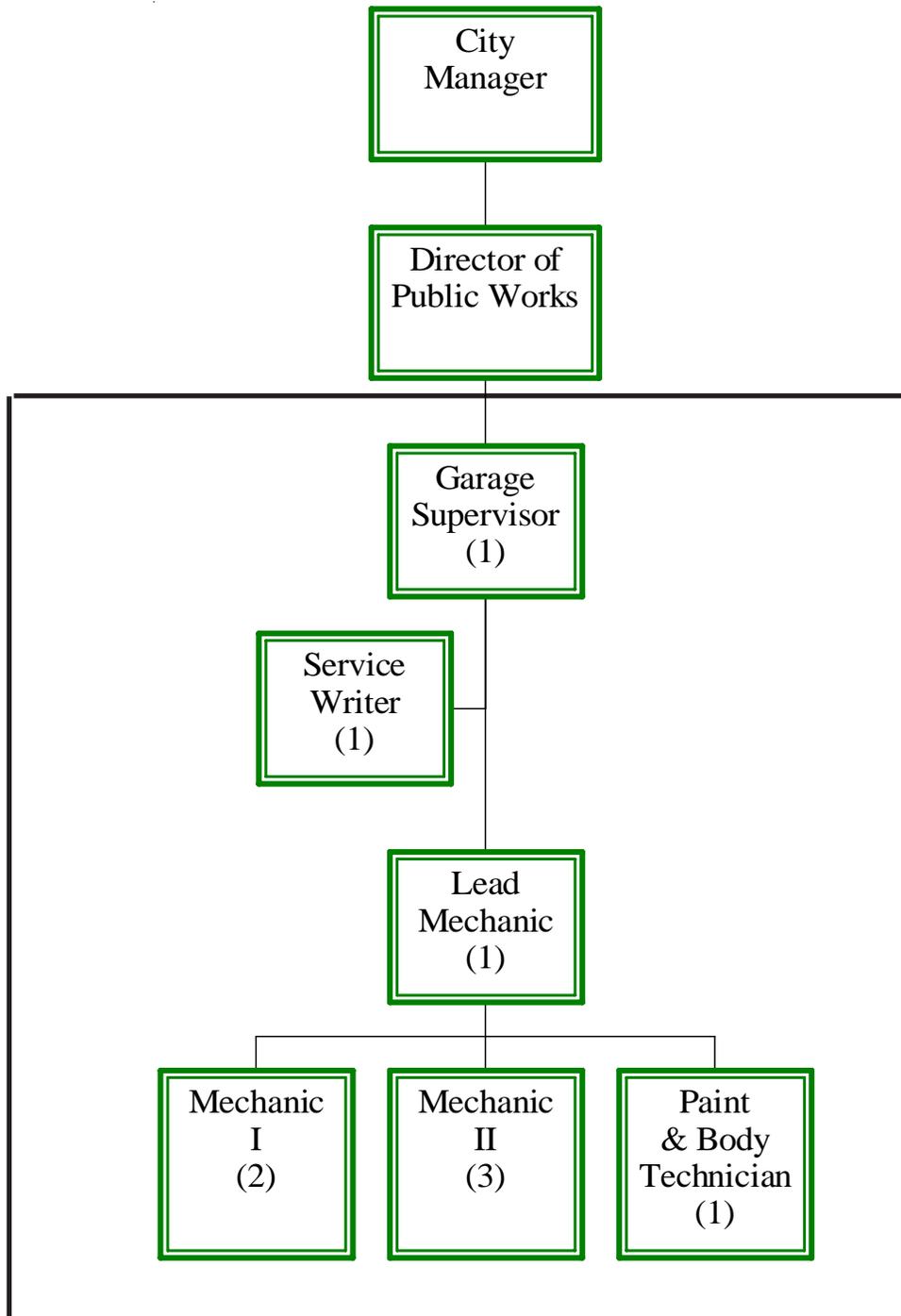
CODE ENFORCEMENT/BUILDING INSPECTION - 3300

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Office/Clerical	\$33,065	\$27,700	\$27,790	\$28,100
Technical	121,671	205,600	175,650	209,200
Management/Supervision	154,235	157,200	152,860	161,400
Temp/Seasonal	109	5,000	5,000	0
	309,080	395,500	361,300	398,700
Overtime	789	1,000	6,000	1,000
Group Insurance				
Health	20,926	27,800	25,945	27,800
Life	428	900	525	900
Dental	2,045	3,000	2,535	3,000
Long Term Disability	1,220	1,800	1,475	1,900
	24,619	33,500	30,480	33,600
Employee Benefits				
Social Security	22,217	29,600	25,680	30,100
Retirement	32,559	43,600	40,130	47,200
Tuition Reimbursement	0	1,000	1,000	500
Workers Compensation	1,402	2,200	2,005	2,600
	56,178	76,400	68,815	80,400
Professional Service Fees				
Printing	0	1,000	1,000	1,500
Inspections	43,392	40,000	40,000	50,000
	43,392	41,000	41,000	51,500
Cleaning Services				
Lot Mowing	8,315	7,800	7,800	9,000
Health Related	2,270	1,000	9,700	1,000
	10,585	8,800	17,500	10,000
Maintenance & Repair				
Vehicles	1,063	2,500	4,000	3,000
Radios	99	600	750	0
Maintenance Contract	12,307	13,235	13,235	1,205
	13,469	16,335	17,985	4,205
Rental - Equipment	\$243	\$300	\$300	\$300
Insurance				
Property	1,642	2,400	410	410
Liability	3,178	3,200	3,550	3,550
	\$4,820	\$5,600	\$3,960	\$3,960

CODE ENFORCEMENT/BUILDING INSPECTION - 3300

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Communications	\$570	\$5,500	\$5,500	\$7,900
Advertising	0	1,000	1,000	1,000
Training	3,643	3,550	3,550	4,050
Travel	1,269	3,350	3,350	3,800
Dues & Memberships	1,174	1,625	1,625	2,625
Recording Fees	1,640	3,000	2,500	2,500
Condemnation & Demolition	1,987	0	500	1,000
General Supplies				
Office	5,492	6,000	6,000	6,000
Wearing Apparel	0	1,750	1,750	1,750
Gasoline & Diesel	831	900	1,000	2,300
Fuel - CNG	1,881	5,700	2,000	2,800
Operating	1,768	6,000	5,500	5,500
Photography	198	300	300	300
	10,170	20,650	16,550	18,650
Books & Periodicals	2,430	2,000	2,200	1,000
Capital Outlay				
Furniture & Fixtures	0	0	1,000	0
	0	0	1,000	0
Operating Transfers				
Equipment Replacement	18,895	15,308	15,310	23,096
Unemployment Insurance	0	0	0	0
	18,895	15,308	15,310	23,096
Total Enforcement/Inspection	\$504,953	\$634,418	\$600,425	\$649,286

Garage



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The Garage Department provides service on all City vehicles and equipment on a routine basis. Services include lubrication, state inspections, engine overhaul and repair, drive train repairs, paint and body work and preventive maintenance. This department is also responsible for all maintenance cost of service center.

Public Works Garage - 4100

FY07-08 ACCOMPLISHMENTS

- Department Projects:**
1. Completed 4 major paint and body refurbishing
 - Low bed trailer for Parks Depr.
 - Unit 567 Flat Bed Truck
 - Unit 646 10" Gator water pump
 - Unit 591 Air compressor
 2. Hosted one training seminar on Hybrid's
 3. Obtained ASE certifications
 - Obtained 3 recertifications in October
 - Obtained 1 certification in May

FY08-09 GOALS & OBJECTIVES

- Department Projects:**
- 1) Work with no lost time accident or injuries
 - 2) Complete 4 major paint and body refurbishment projects
 - 3) Host two training seminars
 - 4) Obtain 4 ASE certifications
 - 5) Obtain 1 CNG fuel tank inspection certification
 - 6) Develop and Implement SOP's for Inventory Handling
 - 7) Develop Objective Rating System for Fleet Appearance
 - 8) Develop Objective Rating System for Fleet Mechanical Condition

Public Works

Garage - 4100

DEPARTMENT STANDARDS

- 1 Preventative Maintenance Service for Light Duty Vehicles Every 3,000 miles
- 2 Preventative Maintenance Service for Residential Refuse Trucks Every 1,800 miles
- 3 Preventative Maintenance Service for Medium and Heavy Duty Vehicles Every 2,400 miles
- 4 Preventative Maintenance Service for Construction Tractors Every 200 hours
- 5 Preventative Maintenance for Mowing Tractors Every 100 hours

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Repairs returned (%)	6%	0%	4%	0%
2 Preventative maintenance services	326	400	350	400
3 Safety inspections	104	100	100	100
4 Tires	413	450	425	450
5 Brake jobs	67	125	75	125
6 Tractor repairs	165	225	180	225
7 Light trucks/cars repaired	227	300	275	300
8 Heavy trucks repaired	258	400	225	400
9 Paint and body maintenance	101	100	100	100
10 Full Staffing Level (%)	n/a	n/a	91%	96%

GARAGE - 4100

<i>Resources</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
General Resources	\$574,698	\$672,192	\$649,041	\$676,835
Total Resources	\$574,698	\$672,192	\$649,041	\$676,835

<i>Expenditures</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Salaries & Wages	\$301,505	\$339,000	\$324,416	\$342,800
Employee Benefits	90,730	108,300	102,382	112,500
Operating Expenses	156,199	189,085	186,436	184,915
Capital Outlay	4,029	6,750	6,750	4,500
Operating Transfers	22,235	29,057	29,057	32,120
Total Expenditures	\$574,698	\$672,192	\$649,041	\$676,835

<i>Personnel</i>	2005-06	2006-07	2007-08	2008-09
	Budget	Budget	Budget	Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	1.00	1.00	1.00	1.00
Technical	7.00	7.00	7.00	7.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	1.00	1.00	1.00	1.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	9.00	9.00	9.00	9.00

Major Budget Changes

No major budget changes.

GARAGE - 4100

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Office/Clerical	17,874	28,200	28,393	29,300
Technical	221,709	255,800	238,326	257,400
Management/Supervision	49,378	50,000	50,447	51,100
	288,961	334,000	317,166	337,800
Overtime	6,351	5,000	5,000	5,000
Contract Labor	6,193	0	2,250	0
Group Insurance				
Health	27,203	31,300	30,422	31,300
Life	556	1,100	608	1,100
Dental	2,658	3,300	2,975	3,300
Long Term Disability	1,160	1,500	1,302	1,500
	31,577	37,200	35,307	37,200
Employee Benefits				
Social Security	22,452	25,900	24,203	26,200
Retirement	31,140	37,800	35,897	40,500
Workers Compensation	5,561	7,400	6,975	8,600
	59,153	71,100	67,075	75,300
Professional Services				
Physician Examination	247	200	270	300
Tire Disposal	2,793	3,500	3,500	3,500
Fuel Tank Test	455	700	750	800
	3,495	4,400	4,520	4,600
Water & Sewer	1,162	1,200	1,200	1,200
Maintenance & Repair				
Buildings - Service	22,097	35,000	35,000	35,000
Grounds	20,087	20,000	20,000	20,000
Heating & Air Conditioning	271	800	250	800
Vehicles	17,877	11,000	13,500	13,500
Equipment	6,730	9,000	6,500	8,000
Maintenance Contract	8,993	8,785	8,806	2,630
	76,055	84,585	84,056	79,930
Rental - Vehicle & Equipment	\$117	\$700	\$200	\$3,700

GARAGE - 4100

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Insurance				
Property	\$10,696	\$15,800	\$22,535	\$22,535
Liabilty	3,939	3,400	3,097	3,100
	14,635	19,200	25,632	25,635
Communication	3,277	3,000	3,450	3,500
Training	1,188	2,800	2,800	1,400
Travel	22	1,700	200	1,750
General Supplies				
Office	980	700	1,000	1,000
Wearing Apparel	3,543	3,000	3,000	3,500
Gasoline & Diesel	2,377	2,200	2,200	2,500
Fuel - CNG	64	200	100	100
Operating	12,430	17,500	10,500	15,000
Service Center	3,277	3,500	3,000	3,500
Tools	6,481	14,800	14,800	7,700
Cleaning	25	250	250	300
	29,177	42,150	34,850	33,600
Natural Gas	2,150	3,500	3,500	3,500
Electricity	24,844	25,450	25,600	25,600
Books & Periodicals	77	400	428	500
Capital Outlay	4,029	6,750	6,750	4,500
Operating Transfers				
Equipment Replacement	22,235	29,057	29,057	32,120
Unemployment Insurance	0	0	0	0
	22,235	29,057	29,057	32,120
Total Garage	\$574,698	\$672,192	\$649,041	\$676,835

Fleet Vehicles

The City maintains a fleet of approximately 100 vehicles and equipment. The Garage Department is responsible for the maintenance of this fleet. The equipment replacement fund provides funding for the replacement of vehicles. This allows the City to maintain a high quality, functional fleet.

General Government

1 2002 Ford F150 (engineering) Alt Fuel
 1 2000 Ford F150 (engineering)
 1 2000 Ford Windstar Van
 1 2001 Ford Windstar Van
 1 1998 Ford F150 (civic center)
 1 2005 Chrysler PT Cruiser

Public Safety

1 1942 Chevy Pumper
 1 1952 Mack Fire Truck
 1 1995 International Pumper
 1 1995 Tanker Truck (Freightliner)
 1 1985 Sesqui. Fire Truck
 1 1992 Mobile Command Vehicle
 1 1993 Ford Pumper Truck
 1 1994 GMC Suburban
 2 2003 Ford Crown Victoria
 1 2000 Ford E450 Ambulance
 1 2000 Ford F150 Truck (Humane)
 1 2000 Rescue Vehicle
 1 2001 3/4 Ton Chev Suburban (Chief)
 1 2001 Ford Crown Victoria
 1 2001 Pumper Fire Truck
 1 2002 Ford Crown Victoria
 3 2004 Chevrolet Impalas
 5 2004 Ford Crown Victoria
 1 2004 Chevrolet Suburban (EMS)
 1 2004 American La France
 1 2005 Chevrolet Suburban (Fire)
 1 2005 Ferrara Ladder Truck
 1 2006 Dodge Charger
 3 2006 Ford Crown Victoria
 1 2006 Chevrolet HD2500 (Humane)
 1 2006 Ford F150
 1 2007 Ford F 350 (Fire)
 1 2007 Ford Crown Victoria
 1 2007 Chevrolet Ambulance
 1 2007 Dodge Durango
 1 2007 Chevrolet Suburban
 2 2007 Chevrolet Silverado 4-door
 1 2008 Ford Expedition
 3 2008 Dodge Charger
 1 2008 Chevrolet Ambulance

Public Works

1 1972 Road Grader
 1 2002 Ford Flatbed F450
 1 2002 Ford Bucket Truck F450
 1 2004 Gradall Excavator
 1 2003 Honda Alt Fuel
 2 1998 Ford F150
 1 1998 Ford Flatbed
 1 2004 Street Sweeper
 1 2000 Chevy Dump Truck
 4 2000 Ford F150
 4 2001 Ford F150 Alt Fuel
 1 2005 CNG Honda
 1 2006 Ford F 250 Crew Cab
 1 2006 Chevrolet Crew Cab
 2 2008 F750 Dump Trucks
 2 2008 CNG Hondas

Parks & Recreation

1 1969 Ford Snorkel Truck
 1 2003 Ford F-150 Alt Fuel
 1 2002 Ford F150 Alt Fuel
 2 1997 Ford 150
 1 1997 Ford RANGER
 1 1997 Ford Van
 1 1998 Ford 250
 1 2000 Ford 250
 1 2001 Ford 650
 1 2005 Ford F650

Garage

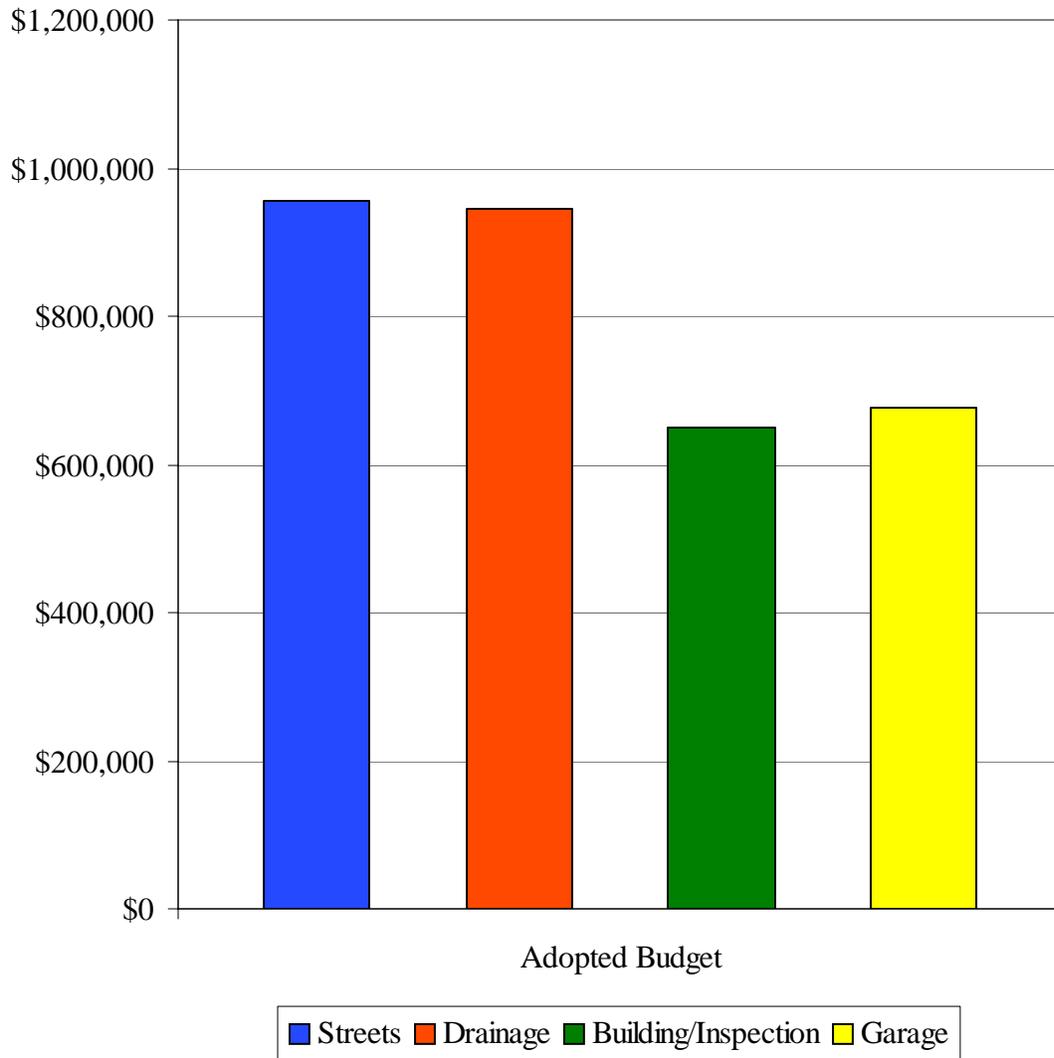
1 1996 Ford F150
 1 1997 Wrecker
 1 2006 Chevrolet 3500
 1 2008 Chevy Silverado

Utility

1 2003 Mack Truck Alt Fuel (Rolloff)
 1 2003 Mack Truck - Commercial Alt Fuel
 1 1992 GMC Flatbed
 1 2002 Ford F150 Alt Fuel
 1 2001 Ford F-150 Alt Fuel
 1 1994 Ford Flatbed
 1 1995 Ford Dump Truck
 3 1996 Chevy Flatbed
 1 2003 Autocar Residential Alt Fuel
 1 1997 Ford Refuse Container Truck
 1 1998 Ford F150
 1 2000 Dump Truck
 2 2000 Ford F150
 1 2001 Ford 1 Ton Pickup
 4 2003 Ford F150 Alt Fuel
 1 2002 1 Ton Ford Truck
 1 1998 F-250 Truck
 1 2004 Mack Truck Commercial Alt Fuel
 1 2002 Volvo Residential
 1 2001 F-650 (For Vector)
 2004 Mack CNG Garbage Truck
 1 2004 CNG Auto Car
 1 2004 Ford F350
 2 2005 Crane Carrier Cab/Chasis CNG
 1 2006 Mack CNG Garbage Truck
 1 2006 Dodge Quad Cab
 4 2007 Crane Carrier Cab/Chasis CNG
 3 2008 Chevy Silverado
 1 2008 CNG Honda

Also in the City's inventory are various off-street pieces of equipment such as backhoes, mowers, tractors, trailers and the like.

Public Works Expenditures



PARKS & RECREATION

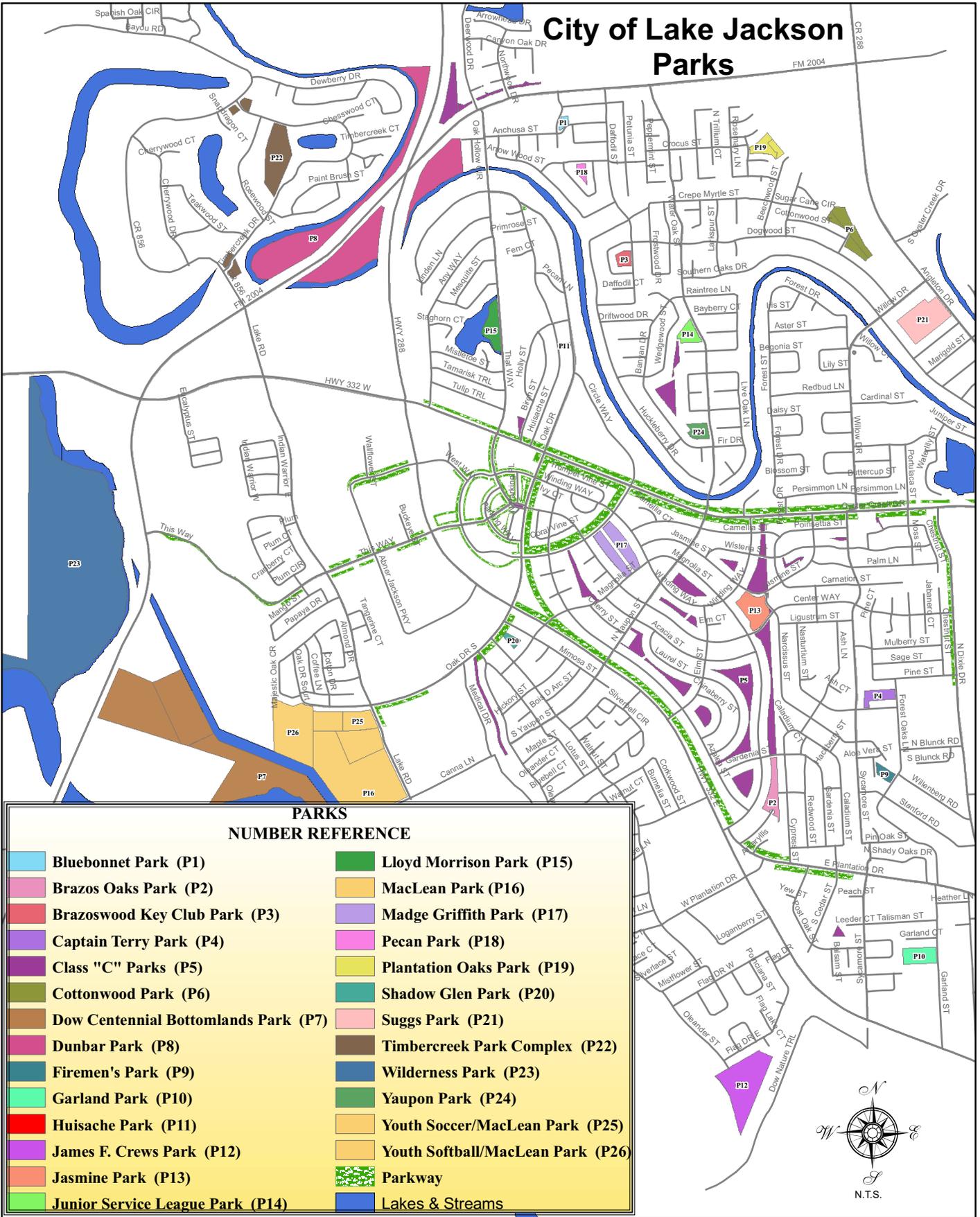


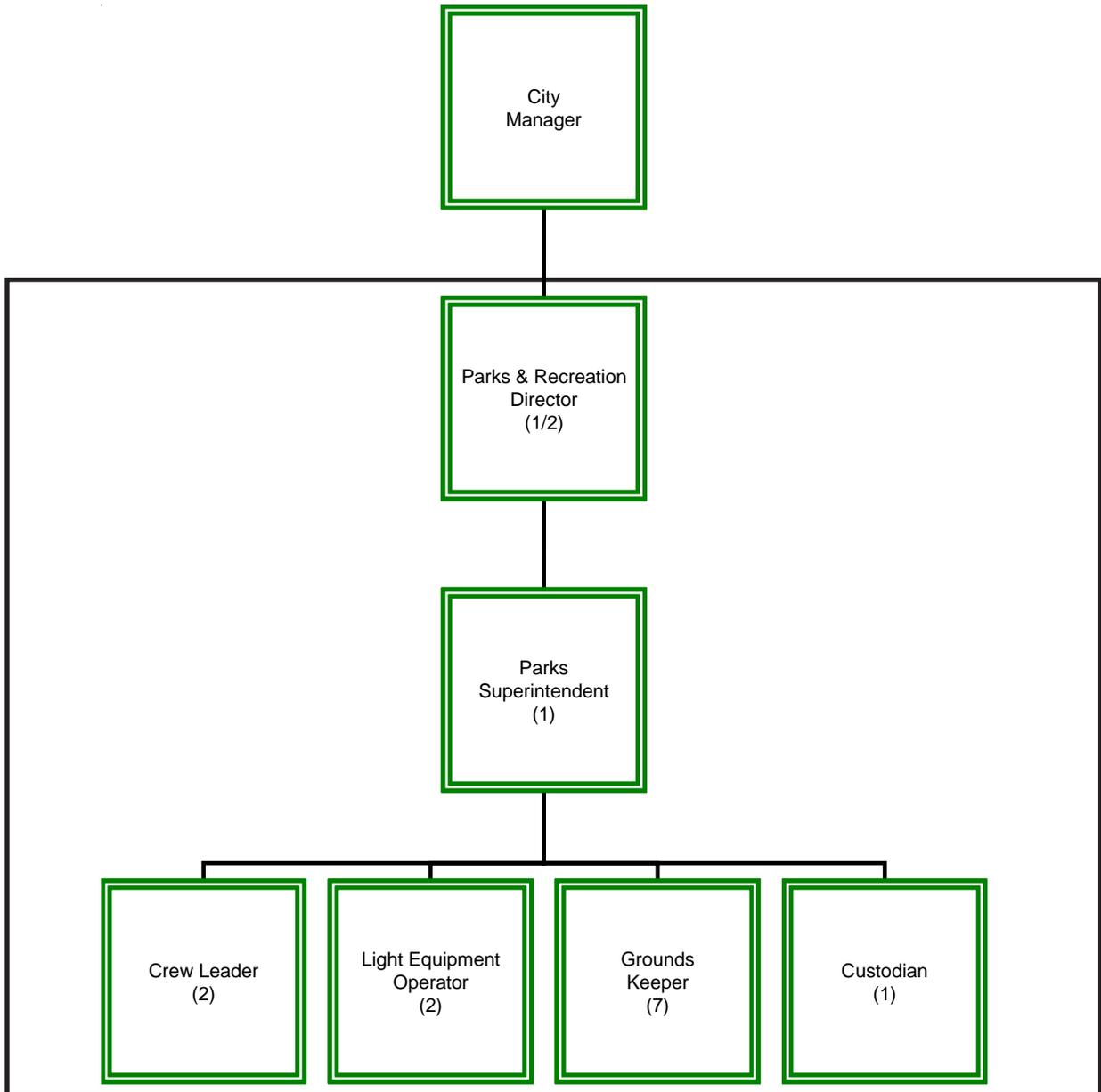
LAKE JACKSON

City of Enchantment



City of Lake Jackson Parks





The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The purpose of the Parks Department is to maintain and develop our City parks, parkways, landscaping projects, and green areas surrounding City buildings and facilities. Areas are maintained according to standards which will insure safe and aesthetically pleasing places of leisure through mowing, horticulture practices, repair, cleaning and litter removal.

PARKS & RECREATION

PARKS - 3500

FY07-08 ACCOMPLISHMENTS

Department Projects: 1) Reduced dumping of trash and debris in City parks by adding "no dumping" signs, providing articles noting applicable ordinances for the Fun Illustrated and the Newsletter, and by sending letters to properties bordering parks where dumping is a problem.

2) Reduced park graffiti and vandalism by setting standard of graffiti removal with 24 hours of notice, and vandalism repairs within 24 hours of notice.

3) Enhanced "Adopt a Park" program through scheduling monthly community volunteer day, and enhanced advertising and marketing.

4) Improved contract maintenance of City parks and facilities by restructuring bid process to accommodate multiple contractors, and by developing a callout list of additional contractors.

FY08-09 GOALS & OBJECTIVES

Vision Element: Quality of Life
Objective: Maintain and Provide Quality Recreational Opportunities
Goal: Begin initial phase of providing kayak/canoe access to Oyster Creek at Dunbar Park by adding a minimum of 2 access points to Oyster Creek.

Vision Element: Maintain a Well Managed City
Objective: Improve In-House Training Opportunities
Goal: Offer a minimum of 12 supervisory courses for parks dept. supervision and crew leaders, and offer a minimum of 4 customer service classes for parks department employees.

PARKS & RECREATION

PARKS - 3500

DEPARTMENT STANDARDS

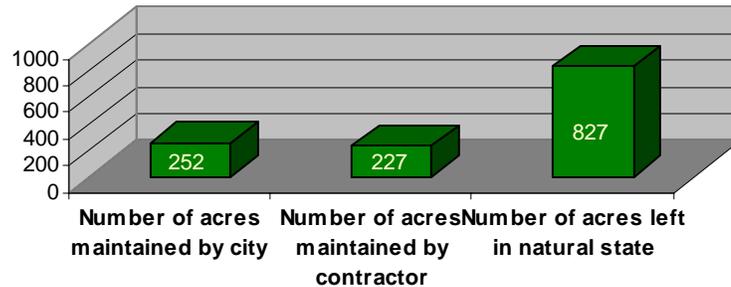
- 1 Ensure mowing frequency is performed as per park classification by parks crews and by contractor(s)
- 2 Repair any park property or park amenity damaged by vandalism or graffiti within 24 hours of the reported incident
- 3 Provide assistance for youth athletic leagues through facility repairs, tournament assistance, and facility upgrades.

Of the 388 cities in Texas reporting local parkland acreages to TPWD:

- * **38 % have less than 10 acres of local parks per 1,000 population**
- * **23% have between 10 acres and 25 acres of local parks per 1,000 population**
- * **8% have between 25 acres and 100 acres of local parks per 1,000 population**
- * **6.5% have over 100 acres of local parks per 1,000 population.**

Lake Jackson has over 48 acres of local parks per 1,000 population, placing the City in the top 8% in regards to total park acres per 1,000 across the state.

Park Maintenance 1,306 total acres



PROGRAM MEASURES

	2006-07 <u>Actual</u>	2007-08 <u>Budget</u>	2007-08 <u>Estimated</u>	2008-09 <u>Adopted</u>
1 Number of mowing visits per year by city crews				
a. Class "A" Parks	31	36	34	36
b. Class "B" Parks	23	28	30	28
2 Number of mowing visits per year by contractor				
a. Facilities	32	46	46	46
b. Class "A" Parkways	32	36	36	36
c. Class "B" Parkways	30	36	36	36
d. Class "C" Parks	20	24	24	24
3 Number of tree removal work orders performed by city	27	26	22	26
4 Number of tree removal work orders performed by contractor	0	5	0	5
5 Number of work orders relating to park vandalism	14	13	22	13
6 Percentage of work orders relating to vandalism completed within 24 hours.		95%	100%	95%
7 Expenditures relating to park vandalism	\$4,320	\$4,000	\$3,500	\$4,000
8 Number of work orders relating to park restroom maintenance	5	5	10	8
9 Training Classes Offered				
a. Supervisory Training	n/a	n/a	12	12
b. Customer Service Training	n/a	n/a	0	4
10 Oyster Creek Access Points Added	n/a	n/a	0	2

PARKS - 3500

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$956,441	\$1,131,612	\$1,066,838	\$1,193,815
<i>Total Resources</i>	\$956,441	\$1,131,612	\$1,066,838	\$1,193,815

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$452,681	\$501,900	\$477,495	\$509,700
Employee Benefits	132,892	160,700	138,535	167,300
Operating Expenses	340,566	429,410	411,206	473,610
Capital Outlay	2,249	0	0	3,600
Operating Transfers	28,053	39,602	39,602	39,605
<i>Total Expenditures</i>	\$956,441	\$1,131,612	\$1,066,838	\$1,193,815

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	12.00	12.00	12.00	12.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	1.50	1.50	1.50	1.50
Temporary/Seasonal	0.58	0.58	0.58	0.58
<i>Total Personnel</i>	14.08	14.08	14.08	14.08

Major Budget Changes

Contract mowing is increasing \$35,780 due to bid increase; Fuel is increasing \$7,200.

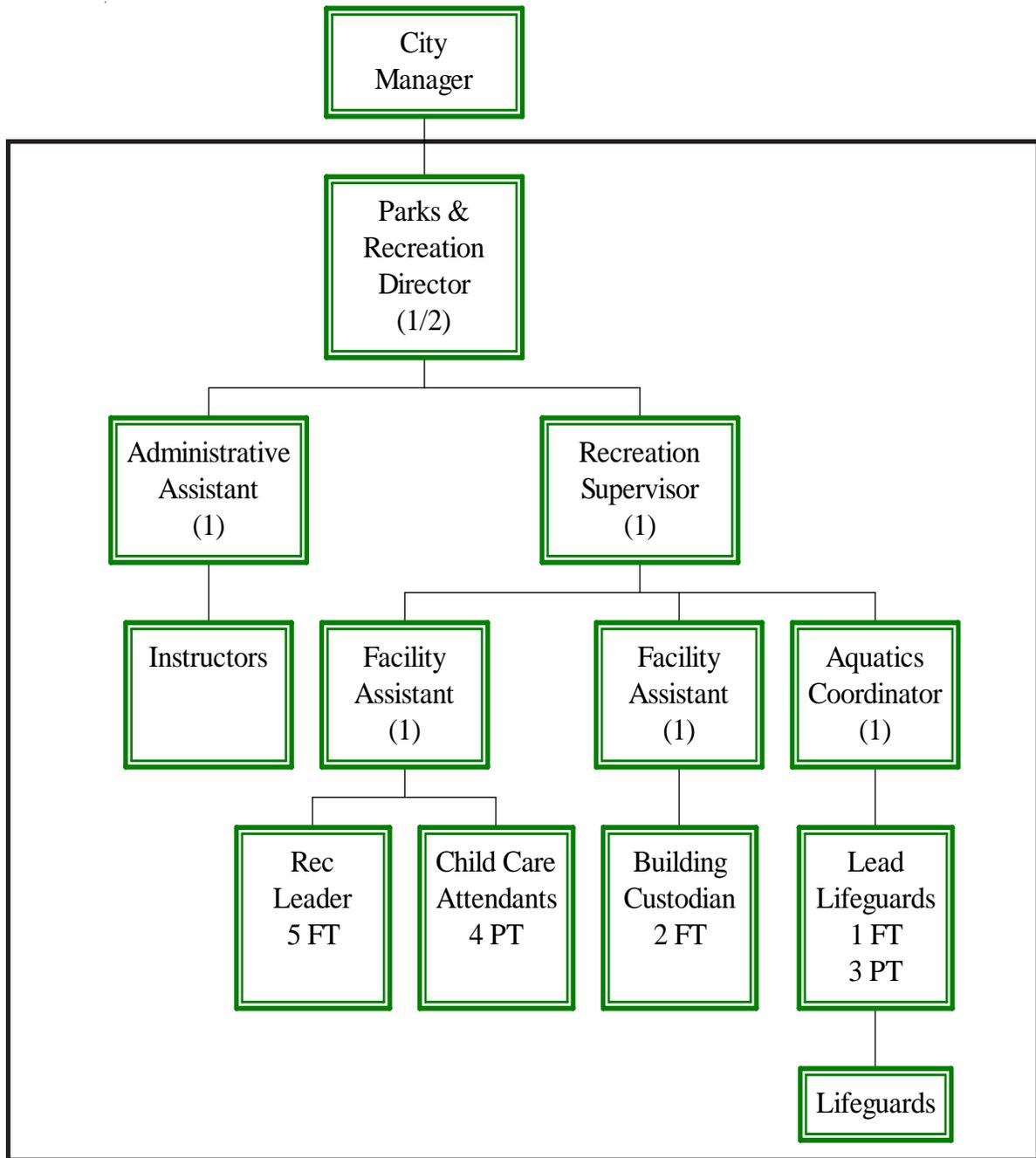
PARKS - 3500

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$266,503	\$335,400	\$292,780	\$340,600
Management/Supervision	95,756	97,800	98,015	100,400
Temp/Seasonal	0	8,700	8,700	8,700
	362,259	441,900	399,495	449,700
Contract Labor	13,416	0	8,000	0
Overtime	77,006	60,000	70,000	60,000
Group Insurance				
Health	40,627	47,000	39,775	47,000
Life	793	1,700	835	1,700
Dental	3,917	5,000	3,850	5,000
Long Term Disability	1,500	2,200	1,605	2,300
	46,837	55,900	46,065	56,000
Employee Benefits				
Social Security	32,075	38,400	32,790	39,000
Retirement	46,099	55,000	50,025	59,100
Workers Compensation	7,881	11,400	9,655	13,200
	86,055	104,800	92,470	111,300
Physician Examination	619	650	0	0
Contract Mowing	183,555	239,220	210,000	275,000
Water & Sewer	4,794	4,500	4,500	4,500
Maintenance & Repair				
Parks	65,964	75,000	75,000	75,000
Vehicles	30,500	30,000	45,000	35,000
Equipment	6,298	8,000	8,000	8,000
Radio	0	320	0	0
Maintenance Contracts	707	800	900	800
	103,469	114,120	128,900	118,800
Insurance				
Property	640	950	916	920
Liability	8,094	8,100	4,670	4,670
	\$8,734	\$9,050	\$5,586	\$5,590

PARKS - 3500

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Rental - Equipment	\$409	\$500	\$70	\$500
Communications	2,089	2,400	2,400	2,400
Training	1,224	1,420	1,000	1,420
Travel	753	1,150	1,150	1,150
Dues & Memberships	245	300	300	300
General Supplies				
Office	1,042	1,000	800	1,000
Wearing Apparel	3,750	4,000	4,000	4,000
Gasoline & Diesel	14,002	15,800	18,000	23,000
Fuel - CNG	3,083	5,000	4,200	5,500
Operating	7,659	12,500	12,500	12,650
Photography	69	150	150	150
Chemicals	3,415	14,000	14,000	14,000
Cleaning	1,655	3,500	3,500	3,500
	34,675	55,950	57,150	63,800
Books & Periodicals	0	150	150	150
Capital Outlay - Equipment	2,249	0	0	3,600
Operating Transfers				
Equipment Replacement	28,053	39,602	39,602	39,605
Unemployment Insurance	0	0	0	0
	28,053	39,602	39,602	39,605
Total Parks	\$956,441	\$1,131,612	\$1,066,838	\$1,193,815

Recreation



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The Recreation Department provides recreational, education and physical activities for the public. The programs provided utilize our City facilities and parks, and are a vital contribution to the enhancement of the quality of life in our community. Recreation facilities include various athletic complexes, Dunbar Pavilion, MacLean Pavilion, the Outdoor Pool and the Recreation Center.

PARKS & RECREATION

Recreation - 3700

FY07-08 ACCOMPLISHMENTS

Vision Element: Maintain Infrastructure
Objective: Cleaning and development of Oyster Creek
Accomplished: Developed a master plan and cost estimates for the development of Oyster Creek at Dunbar Park

Vision Element: Maintain a Well Managed City
Objective: Improve In-house Training Opportunities
Accomplished: Continued to improve customer service and the management of the parks and recreation department by implementing a yearly schedule of supervisory training, customer service training, safety training, and CPR/First Aide/AED training.

Vision Element: Enable Growth and Revitalization
Objective: Improve Pedestrian Mobility
Accomplished: Attended grant workshops, and have worked with parks and recreation board to develop a list of projects that could benefit from the TPWD Grant Process.

FY08-09 GOALS & OBJECTIVES

Vision Element: Maintain a Well Managed City
Objective: Improve in-House Training Opportunities
Goal: Offer to parks and recreation staff a minimum of 12 Supervisory Classes, and 12 Customer Service Classes.

Vision Element: Quality of Life
Objective: Maintaining and Providing Quality Recreational Opportunities
Goal: Increase the frequency and diversity of outdoor recreational opportunities. by sponsoring 8 concerts on Veterans' Memorial Plaza.

PARKS & RECREATION

Recreation - 3700

DEPARTMENT STANDARDS

- 1 Provide excellent customer service and excellent facility maintenance in a manner which increases recreation center memberships by 5% annually.
- 2 Offer a minimum of 5 special events per year.
- 3 Offer a summer program which provides a wide variety of recreational and aquatic classes.
- 4 Provide year-round fitness classes for adults.

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Total Members	5,800	6,048	6,250	6,400
2 Memberships	1,840	1,890	1,890	1,925
3 Attendance				
a. Recreation Center	190,000	190,000	200,000	200,000
b. Outdoor Pool	5,000	5,000	5,500	5,500
4 Program Attendance				
a. Youth	4,250	4,500	5,000	5,000
b. Adult	2,200	2,500	3,200	3,200
5 Facility Rental (number of days)				
a. MacLean Pavilion	24	30	25	25
b. MacLean Food Service	10	12	12	12
c. MacLean Softball	10	7	30	25
d. Dunbar Pavilion	59	55	55	60
e. Morrison Park Pavilion	155	160	140	150
6 Special Events each year	5	5	10	12
7 Training classes offered				
a. Supervisory Training	0	0	12	12
b. Customer Service Training	0	0	4	12

RECREATION - 3700

<i>Resources</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Recreation Center	\$581,502	\$518,600	\$591,600	\$548,500
Outdoor Pool	9,452	9,500	8,500	8,500
Youth Athletics	11,278	11,000	7,030	7,000
Youth Program	39,218	27,900	33,130	27,900
Adult Aquatics	3,770	3,000	3,200	3,000
Adult Athletics	14,855	5,000	9,000	6,000
Adult Programs	5,320	2,250	3,315	1,800
MacLean Sportsplex	10,871	5,700	7,200	5,700
Miscellaneous Park Use	7,279	4,400	9,000	8,000
Transfer from Econom. Dev.	350,000	350,000	350,000	350,000
General Resources	671,443	1,035,372	925,467	1,021,475
Total Resources	\$1,704,988	\$1,972,722	\$1,947,442	\$1,987,875

<i>Expenditures</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Salaries & Wages	\$687,912	\$779,100	\$752,449	\$792,600
Employee Benefits	161,042	184,900	181,038	192,800
Operating Expenses	838,978	1,002,007	1,007,240	995,760
Capital Outlay	10,341	0	0	0
Operating Transfers	6,715	6,715	6,715	6,715
Total Expenditures	\$1,704,988	\$1,972,722	\$1,947,442	\$1,987,875

<i>Personnel</i>	2005-06	2006-07	2007-08	2008-09
	Budget	Budget	Budget	Budget
Service/Maintenance	3.00	3.00	3.00	3.00
Office/Clerical	5.00	5.00	5.00	5.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	1.00	1.00	1.00	1.00
Management/Supervision	4.50	4.50	4.50	4.50
Temporary/Seasonal	16.19	16.19	16.19	16.19
Total Personnel	29.69	29.69	29.69	29.69

Major Budget Changes

There are no major budget changes.

RECREATION - 3700

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$110,676	\$152,000	\$120,000	\$156,500
Office/Clerical	123,648	126,600	124,654	128,400
Professional	35,578	36,800	36,330	37,600
Management/Supervision	199,108	211,500	213,305	218,900
Temp/Seasonal	188,526	219,700	229,840	219,700
	657,536	746,600	724,129	761,100
Overtime	13,643	14,000	14,000	14,000
Contract Labor	16,733	18,500	14,320	17,500
Group Insurance				
Health	45,717	47,000	45,910	47,000
Life	898	2,000	915	2,000
Dental	4,466	5,000	4,485	5,000
Long Term Disability	1,720	2,400	1,817	2,500
	52,801	56,400	53,127	56,500
Employee Benefits				
Social Security	50,771	58,100	61,800	59,300
Retirement	50,567	60,300	55,637	65,500
Workers Compensation	6,903	10,100	10,474	11,500
	108,241	128,500	127,911	136,300
Professional Service Fees				
Physician Examination	1,606	1,000	1,000	1,000
Contract Cleaning	40,851	52,000	44,000	52,000
Martial Arts Instruction	5,001	0	0	0
	47,458	53,000	45,000	53,000
Water & Sewer	18,462	32,300	32,300	32,300
Maintenance & Repair				
Pavilion	2,157	5,000	5,000	5,000
Buildings - Rec Center	50,622	55,000	55,000	55,000
Grounds	2,527	5,000	5,000	5,000
Heating & Air Conditioning	34,165	60,000	60,000	45,000
Pools	12,126	12,500	12,000	18,000
Equipment	641	750	950	950
Maintenance Contracts	7,591	8,425	7,884	7,495
	\$109,829	\$146,675	\$145,834	\$136,445

RECREATION - 3700

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Rental - Vehicle & Equipment	\$23,100	\$23,827	\$23,330	\$25,000
Insurance				
Property	42,949	69,600	102,500	72,505
Liability	6,190	6,200	5,080	5,080
	49,139	75,800	107,580	77,585
Communication	11,995	15,460	13,960	15,460
Advertising	4,017	5,630	5,630	6,630
Training	2,921	3,225	3,225	2,750
Travel	1,002	1,740	1,740	1,990
Dues & Memberships	315	550	550	550
General Supplies				
Office	2,937	5,000	4,800	5,000
Wearing Apparel	6,561	7,500	7,500	7,500
Gasoline & Diesel	1,512	1,400	3,200	4,000
Operating	29,423	42,800	41,900	39,200
Chemicals	15,762	16,000	16,000	16,750
Resale Items	1,463	2,000	2,000	2,000
Program	8,937	15,600	10,391	15,300
Cleaning	5,185	7,500	7,500	7,500
	71,780	97,800	93,291	97,250
Natural Gas	58,850	92,000	76,000	88,000
Electricity	440,110	454,000	458,800	458,800
Capital Outlay - Equipment	10,341	0	0	0
Operating Transfers				
Equipment Replacement	6,715	6,715	6,715	6,715
Unemployment Insurance	0	0	0	0
	6,715	6,715	6,715	6,715
Total Recreation	\$1,704,988	\$1,972,722	\$1,947,442	\$1,987,875

RECREATION BY COST CENTER

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Administration	\$ -	\$ -		
Recreation Center	\$581,502	\$518,600	\$591,600	\$548,500
Outdoor Pool	9,452	9,500	8,500	8,500
Youth Athletics	11,278	11,000	7,030	7,000
Youth Program	39,218	27,900	33,130	27,900
Adult Aquatics	3,770	3,000	3,200	3,000
Adult Athletics	14,855	5,000	9,000	6,000
Adult Programs	5,320	2,250	3,315	1,800
MacLean Sportsplex	10,871	5,700	7,200	5,700
Miscellaneous Park Use	7,279	4,400	9,000	8,000
Total Resources	\$ 683,545	\$ 587,350	\$ 671,975	\$ 616,400

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Administration	\$119,759	\$ 137,870	\$ 130,925	\$ 136,325
Recreation Center	1,297,983	1,503,902	1,471,502	1,507,820
Outdoor Pool	48,845	68,250	65,143	75,445
Youth Athletics	98,256	106,700	110,168	116,060
Youth Program	27,302	21,600	21,600	23,000
Adult Aquatics	14,273	14,800	17,639	14,900
Adult Athletics	12,014	14,000	19,635	14,500
Adult Programs	26,055	23,750	34,755	23,750
MacLean Sportsplex	43,503	62,050	57,680	57,680
Skate Park	0	500	500	500
Miscellaneous Park Use	16,998	19,300	17,895	17,895
Total Expenditures	\$ 1,704,988	\$ 1,972,722	\$ 1,947,442	\$ 1,987,875

Note: Expenditures do not include park grounds/facility maintenance and cleaning performed by the Parks Department employees.

RECREATION BY COST CENTER

Administration

The administration cost center has no revenues. Expenditures include the salaries for 1/2 of the Parks and Recreation Director and the administrative assistant. Also included is the liability insurance for the entire Recreation Department, training and travel for the entire department and transfers to the Equipment Replacement Fund.

Recreation Center

Revenues include memberships and daily admissions fees. Expenditures include all the expenses of operating the center. Personnel budgeted in this cost center are the recreation center supervisor, two facility assistants, one in charge of the front desk and nursery personnel, one in charge of building maintenance, an aquatics coordinator, two full-time custodians, 5 full-time rec leaders (they work the front desk), one full time lifeguard, 3 part-time lifeguards, 4 part time nursery attendants, and 17,550 hours of part time lifeguards.

Outdoor Pool

Revenues include admissions and pool party rentals. Expenditures include operational expenses with the majority being personnel cost. Budgeted for the Outdoor Pool are 5,800 lifeguard hours.

Youth Athletics

Revenues are all from the TAAF basketball league held in the winter. Expenditures include the expenses of the basketball league plus utility services for all of the youth sports fields.

Youth Program

Revenues include all summer youth programs sponsored by the Recreation Department. Expenditures include related program supplies and instructor cost.

Adult Athletics

Revenues include league fees for softball, basketball and volleyball. Expenditures include the cost of umpires, referees and program supplies.

Adult Programs

Revenues include fees from water and floor aerobic classes.

MISCELLANEOUS



LAKE JACKSON

City of Enchantment

City of
Enchantment

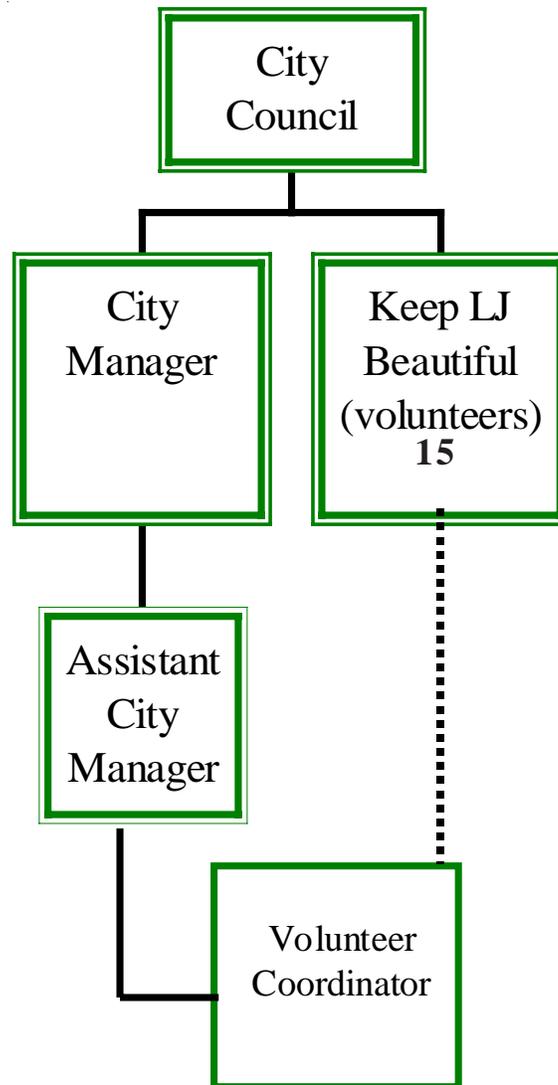




Charlie Chipper

The Keep Lake Jackson Beautiful mascot poses for a picture in the "Clean City Cruiser". Charlie visits local schools and attends local functions to promote recycling and litter free environment.

Keep Lake Jackson Beautiful



Program Description

“The mission of Keep Lake Jackson Beautiful is to improve the quality of life by enhancing the community environment”. Keep Lake Jackson Beautiful is charged with the restoration, preservation and enhancement of the scenic beauty in the City of Lake Jackson. This is the combination of KLJB and Beautification Commission members, now known as KLJB, working together to develop a budget to specifically target and promote a responsible solid waste management and beautification program for the enhancement of our city. These budgeted monies include funds for education and public awareness programs targeted at all ages and businesses in our community. Through litter prevention programs, beautification projects, and review of city ordinances these dedicated volunteers have helped bring in over \$475,000 worth of landscaping awards to the City of Lake Jackson. Keep Lake Jackson Beautiful’s entry sign was dedicated to the City of Lake Jackson by the volunteers.

MISCELLANEOUS

Keep Lake Jackson Beautiful - 3900

FY07-08 ACCOMPLISHMENTS

Department Projects

- Accomplished:**
- 1) Two Public Service Announcements (PSA's) promoting recycling education on local cable TV - 450 30 second spots per month.
 - 2) Fall Clean Up – E-Waste Recycling collected 6,100 lbs.
 - 3) ENVIRO Fest 2008 – Brazos Mall 1500+ participates. Also, included was Arbor Day Celebration giving away 300 trees and E-Waste Recycling collecting 5,250 lbs. of e-waste.
 - 4) Lake Road and Oak Drive South plantings were completed.
 - 5) Received 1st place Keep Texas Beautiful Award for \$95,000 of landscaping on Highway. Also, the Sustained Award of Excellence Award.
 - 6) Received 1st place Keep America Beautiful Award in Washington, DC. Also, the President's Circle Award.

MISCELLANEOUS

Keep Lake Jackson Beautiful - 3900

DEPARTMENT STANDARDS

- 1 Hold 2 annual clean ups
- 2 Continue plantings and seasonal colors including Memorial Plantings.
- 3 Participate in the Festival of Lights.
- 4 Plan ENVIRO Fest event.
- 5 Continue reports, projects and entries for Keep Texas Beautiful and Keep America Beautiful.

COST BENEFIT ANALYSIS
REPORTING PERIOD ending July 31, 2007

Value of Benefits

Volunteer Hours	\$180,120
Donated In-Kind Good/Services	172,850
Cost Avoidance (Mulch Site)	<u>139,000</u>
TOTAL KAB Benefits	<i>491,970</i>

COST

Municipal Government Dollars	\$45,000
In-Kind Government Cost	<u>3,000</u>
TOTAL	\$48,800

Annual Cost / Benefit Ratio \$ 1.00 : \$ 10.25

KEEP LAKE JACKSON BEAUTIFUL - 3900

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$34,312	\$45,000	\$43,045	\$45,000
Total Resources	\$34,312	\$45,000	\$43,045	\$45,000

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Operating Expenses	\$34,312	\$45,000	\$43,045	\$45,000
Total Expenditures	\$34,312	\$45,000	\$43,045	\$45,000

<i>Personnel</i>	2004-05 Budget	2005-06 Budget	2006-07 Budget	2007-08 Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.00	0.00	0.00	0.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	0.00	0.00	0.00	0.00

Major Budget Changes

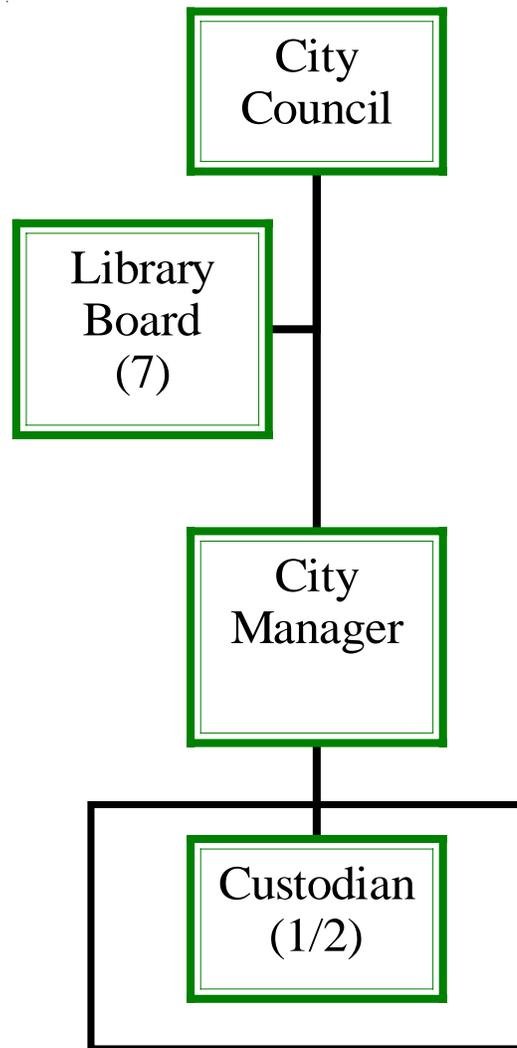
No major budget changes.

KEEP LAKE JACKSON BEAUTIFUL - 3900

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Plantings	\$9,162	\$15,000	\$15,000	\$15,000
Communications	0	0	1,000	0
Advertising	\$5,382	\$6,000	\$6,000	\$6,000
Training	2,884	3,000	2,500	3,000
Travel	2,549	3,200	3,200	3,200
Other Purchased Services				
Dues & Memberships	475	500	500	500
Arbor Day	1,156	1,600	1,600	1,600
Clean Up Day	1,626	1,500	1,500	1,500
	3,257	3,600	3,600	3,600
General Office Supplies				
Office Supplies	24	0	125	0
T-Shirts	4,763	4,000	2,520	4,000
Costumes	100	500	0	500
Awards	1,253	1,500	1,500	1,500
Operating	2,162	2,000	2,000	2,000
Photography	597	600	600	600
Education Program	2,179	4,000	4,000	4,000
Receptacles	0	1,600	1,000	1,600
	11,078	14,200	11,745	14,200
Total Keep Lake Jackson Beautiful	\$34,312	\$45,000	\$43,045	\$45,000

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Library



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The City of Lake Jackson in a contract with Brazoria County provides library services to Lake Jackson residents. The contract is renewed every two years. As part of the contract the City agrees to provide a climate controlled building, furnishings, and maintenance and utilities for the Lake Jackson Library. In turn, the County agrees to provide personnel; library materials; necessary supplies pertaining to personnel; and circulation equipment.

MISCELLANEOUS

Library - 4200

FY07-08 ACCOMPLISHMENTS

Department Projects

- Accomplished:**
1. Replaced large A/C unit
 2. Replaced conference room chairs

MISCELLANEOUS

Library - 4200

DEPARTMENT STANDARDS

- 1 Maintain clean building for patrons and county library staff.
- 2 Inspect facility and mechanical equipment twice per year.
- 3 Clean all outside glass 4 times per year and steam clean carpet once per year.

LIBRARY

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$137,822	\$155,375	\$143,948	\$147,985
Total Resources	\$137,822	\$155,375	\$143,948	\$147,985

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$13,842	\$14,300	\$14,144	\$14,600
Employee Benefits	4,834	5,200	5,007	5,400
Operating Expenses	119,146	135,875	124,797	127,985
Capital Outlay	0	0	0	0
Total Expenditures	\$137,822	\$155,375	\$143,948	\$147,985

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	0.50	0.50	0.50	0.50
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.00	0.00	0.00	0.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	0.50	0.50	0.50	0.50

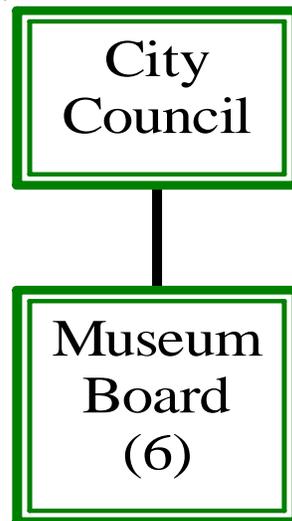
Major Budget Changes

No major budget changes.

LIBRARY - 4200

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$13,842	\$14,300	\$14,144	\$14,600
	13,842	14,300	14,144	14,600
Group Insurance				
Health	1,718	1,700	1,704	1,700
Life	35	100	35	100
Dental	168	200	167	200
Long Term Disability	55	100	58	100
	1,976	2,100	1,964	2,100
Employee Benefits				
Social Security	1,032	1,100	1,019	1,100
Retirement	1,458	1,600	1,580	1,700
Workers Compensation	368	400	444	500
	2,858	3,100	3,043	3,300
Contract Cleaning	18,109	18,000	17,500	18,000
Water & Sewer	697	600	600	600
Maintenance & Repair				
Library Building	5,644	6,000	3,000	6,000
Heating & Air Conditioning	6,335	2,000	2,000	2,000
Furniture & Fixtures	1,791	7,805	7,500	8,680
Maintenance Contract	1,068	0	0	0
	14,838	15,805	12,500	16,680
Insurance				
Property	11,981	17,700	9,852	9,860
Liability	111	120	95	95
	12,092	17,820	9,947	9,955
Communications	3,636	3,250	3,250	3,250
General Supplies				
Operating	1,731	500	500	500
Cleaning	1,102	1,000	500	1,000
	2,833	1,500	1,000	1,500
Electricity	39,941	43,000	43,000	43,000
Books & Periodicals	27,000	35,900	37,000	35,000
Total Library	\$137,822	\$155,375	\$143,948	\$147,985

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Program Description

The Lake Jackson Museum Board and the Lake Jackson Historical Association aim to provide education relative to the history and culture of an area of Brazoria County which is known as Lake Jackson and to collect, preserve, and interpret the materials of the following heritage: Prehistoric-Karankawa Indians; Plantation Era; Industrial and Petrochemical Development as is impacted Lake Jackson; and, the City-birth, development and contemporary life. By contract the city maintains the building, while the Lake Jackson Historical Association takes care of the day to day operation and all exhibits.

MISCELLANEOUS

Museum - 4300

FY07-08 ACCOMPLISHMENTS

Department Projects

Accomplished:

1. Inspected beams and support cable for aircraft display in-house. Selected firm to inspect cables and supplies.
2. Provided semi-annual tree and bed maintenance.

FY08-09 GOALS & OBJECTIVES

Department Projects

Goals:

1. Coordinate inspection of cables and supports of aircraft using outside engineering firm.
2. Increase maintenance of landscaped beds.

MISCELLANEOUS

Museum - 4300

DEPARTMENT STANDARDS

- 1 Inspect facility two times per year.
- 2 Inspect HVAC units and replace filters 4 times per year.

MUSEUM - 4300

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$68,021	\$66,900	\$70,492	\$73,655
Total Resources	\$68,021	\$66,900	\$70,492	\$73,655

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Operating Expenses	\$52,846	\$59,280	\$66,365	\$66,240
Total Expenditures	\$68,021	\$66,900	\$70,492	\$73,655

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.00	0.00	0.00	0.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	0.00	0.00	0.00	0.00

Major Budget Changes

Building maintenance increased \$3,000 for the inspection of the airplane.

MUSEUM - 4300

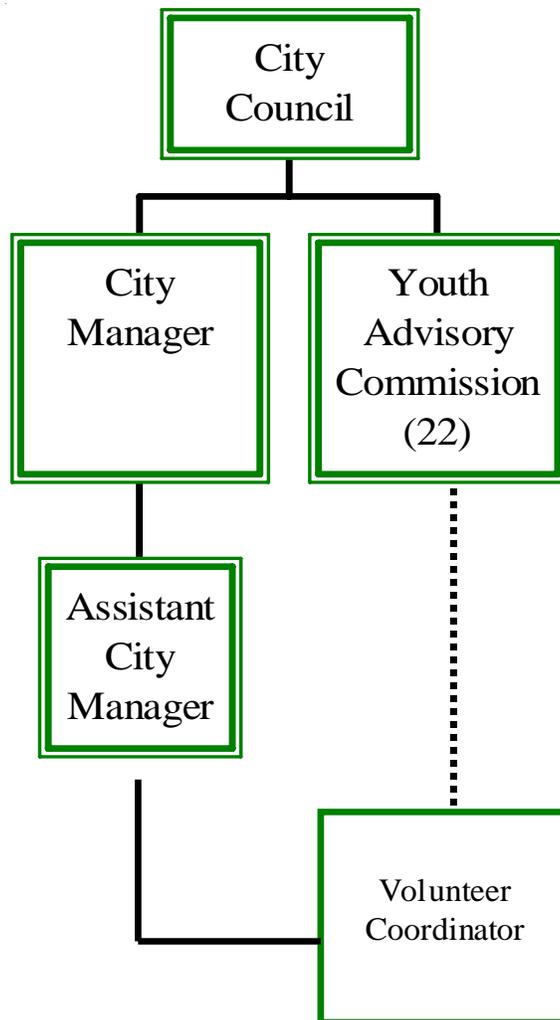
	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Contract Cleaning	\$8,290	\$6,800	\$6,000	\$6,000
Water & Sewer	409	400	400	400
Maintenance & Repair				
Museum Building	7,547	7,000	7,000	10,000
Air Conditioning	4,774	3,500	3,500	3,500
Maintenance Contract	3,114	3,300	3,040	3,200
	15,435	13,800	13,540	16,700
Property	14,078	16,100	18,452	18,455
Communications	3,270	3,000	3,000	3,000
General Supplies				
Operating	1,070	500	2,000	2,000
Cleaning	50	0	0	0
	1,120	500	2,000	2,000
Electricity	25,419	26,300	27,100	27,100
Total Museum	\$68,021	\$66,900	\$70,492	\$73,655



YAC

Youth Advisory Group (YAC) members at the Keep America Beautiful Great American Cleanup Day

Youth Advisory Commission



Program Description

The Lake Jackson Youth Advisory Commission is a liaison between the youth of Lake Jackson and the City Council and, through service and environmental projects and social events, promote civic responsibility and safety among the Lake Jackson youth.

MISCELLANEOUS

Youth Advisory Commission - 4400

FY07-08 ACCOMPLISHMENTS

Department Projects

Accomplished:

- 1) Held Youth Advisory Summit in February for 27 cities with 250 participants from around the State in conjunction with Texas Municipal League.
- 2) Had a community serve project at YAC Summit and made 525 Easter Baskets and 710 Boo Boo Bunnies for the food basket, food pantry and hospital.
- 3) Participated in Dunes Day at Quintana Beach helping stake 1,100 Christmas trees for 1 ½ miles.
- 4) Held 2 Food Drives for the local food baskets.
- 5) Recruitment Drive - recruited new members at Lake Jackson Intermediate and Brazosport Christian Schools.
- 6) Helped plant roses and mulch Garland Park play ground area.

FY08-09 GOALS & OBJECTIVES

Department Projects

Goals:

- 1) Gather and donated supplies for Random Acts of Kindness.
- 2) Work and plan a community event with the Seniors Commission.
- 3) Work with the Public Works Department on a Storm Drain Stencil Program.
- 4) Develop a project to work with the SPCA.
- 5) Board Training program for Youth Advisory Commission Officers.

MISCELLANEOUS

Youth Advisory Commission - 4400

DEPARTMENT STANDARDS

- 1 Continue to help Keep Lake Jackson Beautiful with the 2 annual clean up events.
- 2 Attend the Youth Advisory Commission Summit.
- 3 Coordinate "Snowland" at the Festival of Lights.
- 4 Continue "Flamingo Flocking" program.
- 5 Coordinate an event for kids at ENVIRO Fest.

YOUTH ADVISORY - 4400

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$14,547	\$16,000	\$16,000	\$16,000
Total Resources	\$14,547	\$16,000	\$16,000	\$16,000

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Operating Costs	\$14,547	\$16,000	\$16,000	\$16,000
Total Expenditures	\$14,547	\$16,000	\$16,000	\$16,000

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.00	0.00	0.00	0.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	0.00	0.00	0.00	0.00

Major Budget Changes

No major budget changes.

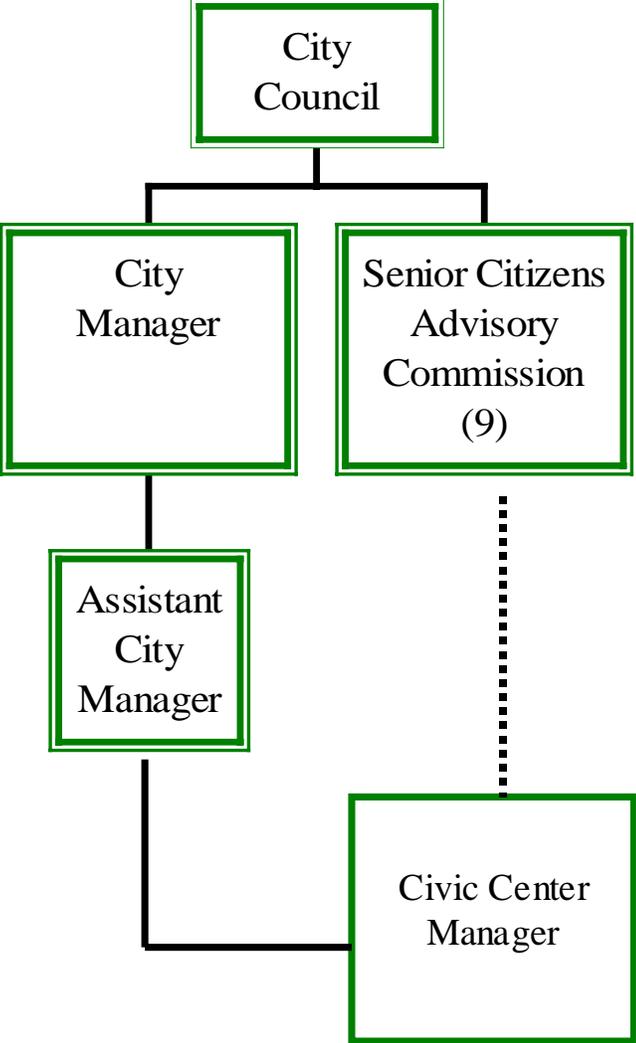
YOUTH ADVISORY - 4400

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Training	6,137	4,000	4,000	4,000
Advertising	181	500	500	500
General Supplies				
Office Supplies	0	0	30	0
T-Shirts	973	1,000	970	1,000
Operating	761	2,500	2,500	2,500
Program	6,495	8,000	8,000	8,000
	8,229	11,500	11,500	11,500
Total Youth Advisory	\$14,547	\$16,000	\$16,000	\$16,000



Lake Jackson Senior's Valentines Day Dance

Seniors



Program Description

The Lake Jackson Senior Citizen Commission is a liaison between the seniors of Lake Jackson and the City Council and, through service and social events, promote civic responsibility and safety among the Lake Jackson senior's.

MISCELLANEOUS

Seniors - 4600

FY07-08 ACCOMPLISHMENTS

Department Projects

- Accomplished:
- 1) Senior Fest 08
 - 2) More activities through Community Outreach
 - 3) 4 Day trips & 1 overnight

FY08-09 GOALS & OBJECTIVES

- Department Projects:
- 1) New Festival
 - 2) Provide 3 dances per year
 - 3) Provide Senior activity during FOL
 - 4) Host Senior Fest 2009
 - 5) Provide events through Community Outreach
 - 6) Provide 4 day trips & 1 overnight

MISCELLANEOUS
Seniors - 4600

DEPARTMENT STANDARDS

SENIOR CITIZEN ADVISORY - 4600

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$22,408	\$23,000	\$23,000	\$23,000
Total Resources	\$22,408	\$23,000	\$23,000	\$23,000

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Operating Expenses	\$24,003	\$23,000	\$23,000	\$23,000
Total Expenditures	\$22,408	\$23,000	\$23,000	\$23,000

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.00	0.00	0.00	0.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	0.00	0.00	0.00	0.00

Major Budget Changes

No major budget changes.

SENIOR CITIZEN ADVISORY - 4600

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General				
Operating	151	1,200	1,200	1,200
Communications	3,680	4,000	3,250	4,000
Transportation	6,865	7,500	7,500	7,500
Community Outreach	2,549	2,750	4,500	2,750
Volunteerism	990	1,550	1,550	1,550
Programs	8,173	6,000	5,000	6,000
	22,408	23,000	23,000	23,000
Total Senior Advisory	\$22,408	\$23,000	\$23,000	\$23,000

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GENERAL DEBT SERVICE FUND



LAKE JACKSON

City of Enchantment



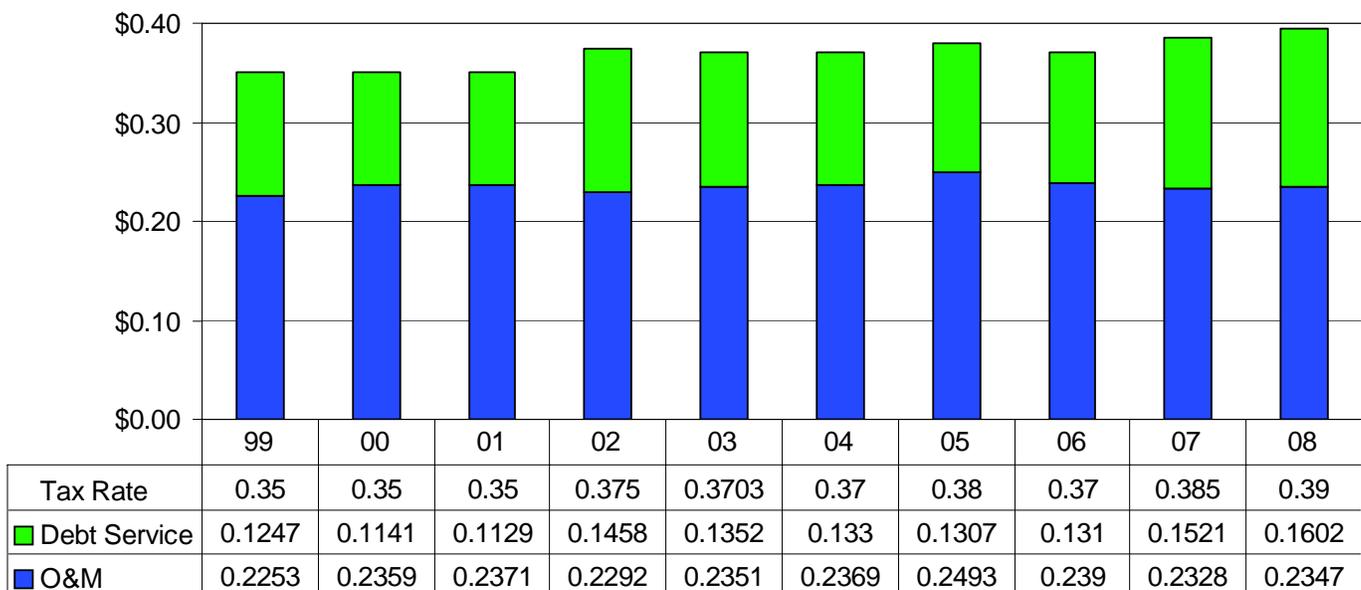
GENERAL DEBT SERVICE FUND

The General Debt Service Fund is used for the accumulation of resources to provide for the payment of debt service on the City's General Obligation Bonds and to provide a reserve for such payment. Resources include a portion of the Ad Valorem Tax Levy and earnings from investments of the fund. (The Ad Valorem Tax Levy is pledged as security on all outstanding General Obligation Bonds.)

The portion of the current year Tax Levy allocated to General Debt Service is based on current year principal and interest requirements less anticipated interest earnings of the fund. This calculation gives the necessary dollar figure, the debt service portion of the tax rate is then calculated based on a 100% collection rate.

Tax Rate Limitations. The City is a Home Rule Charter City with a maximum authorized rate for all purposes of \$2.50 per \$100 assessed valuation. This maximum tax rate is imposed both by the Constitution of the State of Texas and the City Charter. Under the rules of the Texas Attorney General, the City may issue general obligation debt in an amount no greater than that which can be serviced by a debt service tax of \$1.50 per \$100 assessed valuation, based on 90% collections. Using 90% collections in our calculation of the tax rate the City's proposed debt service rate would be \$0.1780 or \$1.322 below the Attorney General's imposed limit.

Tax Rate Distribution



GENERAL DEBT SERVICE FUND

<i>RESOURCES</i>	ACTUAL	BUDGET	ESTIMATED	ADOPTED
	2006- 07	2007- 08	2007- 08	2008 - 09
Fund Balance	\$ 550,662	\$ 534,830	\$ 534,830	\$ 534,830
Revenues				
Ad Valorem Taxes	\$ 1,759,936	\$ 2,124,323	\$ 2,124,323	\$ 2,276,755
Penalty & Interest	11,975	7,000	7,000	7,000
Interest Income	50,115	25,000	25,000	16,044
	<u>\$ 1,822,026</u>	<u>\$ 2,156,323</u>	<u>\$ 2,156,323</u>	<u>\$ 2,299,799</u>
Total Resources	\$ 2,372,688	\$ 2,691,153	\$ 2,691,153	\$ 2,834,629

<i>EXPENDITURES</i>	ACTUAL	BUDGET	ESTIMATED	ADOPTED
	2006- 07	2007- 08	2007- 08	2008 - 09
Principal	\$ 1,200,000	\$ 1,425,000	\$ 1,425,000	\$ 1,490,000
Interest	634,706	725,323	725,323	803,800
Paying Agent Fees	3,153	6,000	6,000	6,000
Total Expenditures	<u>\$ 1,837,859</u>	<u>\$ 2,156,323</u>	<u>\$ 2,156,323</u>	<u>\$ 2,299,800</u>
Ending Fund Balance	<u>\$ 534,830</u>	<u>\$ 534,830</u>	<u>\$ 534,830</u>	<u>\$ 534,829</u>

**ESTIMATED AD VALOREM TAX COLLECTION & ADOPTED DISTRIBUTION
FISCAL YEAR 2008 - 09**

Assessed Valuation for 2007	\$ 1,391,772,727
Gain (Loss) in Value	<u>60,460,220</u>
Anticipated Assessed Valuation for 2008	1,452,232,947
Tax Rate Per \$100 Valuation	0.3900
Revenue from 2008 Tax Roll	5,663,708
Estimated Collections	<u>100.0%</u>
TOTAL FUNDS AVAILABLE	\$ <u><u>5,663,707</u></u>

SCHEDULE OF TAX LEVY AND COLLECTION RATE

TAX YEAR	TOTAL ASSESSED VALUATION	TAX RATE	TAX LEVY	TAX * COLLECTIONS	% COLLECTIONS TO LEVY
1995	789,761,000	0.3450	2,724,675	2,717,750	99.746%
1996	829,035,849	0.3400	2,818,722	2,809,104	99.659%
1997	847,067,939	0.3900	3,303,565	2,945,500	89.161%
1998	889,655,350	0.3500	3,113,794	3,091,895	99.297%
1999	935,110,266	0.3500	3,272,886	3,275,322	100.074%
2000	998,035,066	0.3500	3,493,123	3,471,809	99.390%
2001	1,068,602,660	0.3500	3,740,109	3,741,281	100.031%
2002	1,116,753,175	0.3750	4,187,824	4,171,444	99.609%
2003	1,185,429,367	0.3703	4,389,645	4,391,567	100.044%
2004	1,236,071,214	0.3700	4,573,463	4,578,873	100.118%
2005	1,273,059,582	0.3800	4,837,626	4,819,017	99.615%
2006	1,351,219,282	0.3700	4,999,511	4,971,255	99.435%
2007 *	1,391,772,727	0.3850	5,358,325	5,047,652 *	94.202%
2008 **	1,452,232,947	0.3900	5,663,707		

* Tax collections as of April 30, 2008

** Projected per appraisal district certificate of estimated value.

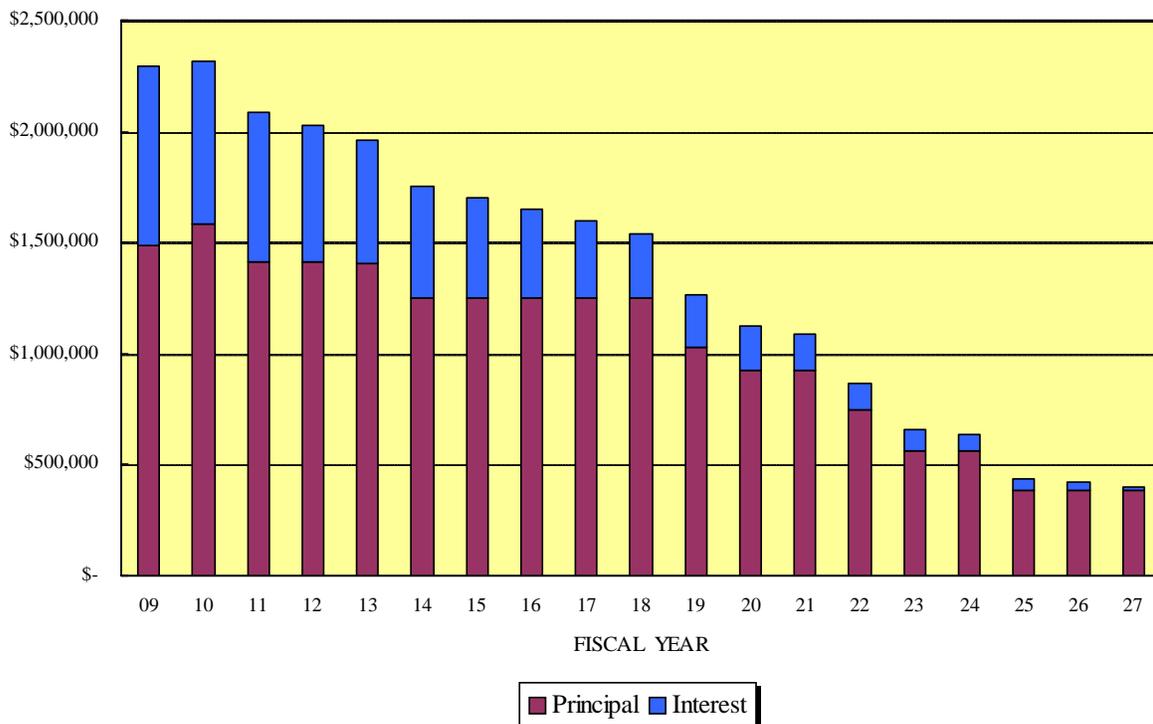
ADOPTED DISTRIBUTION OF COLLECTED TAXES

FUND	ADOPTED TAX RATE	ADOPTED TAX RATE	ADOPTED AMOUNT	%
	2007 - 08	2008 - 09	2008-09	
General Fund	\$0.2332	0.233224	\$3,386,952	59.80%
General Debt Service Fund	0.1518	0.156776	2,276,755	40.20%
TOTAL	\$0.3850	0.3900	\$5,663,707	100.00%

GENERAL OBLIGATION BOND DEBT SERVICE SCHEDULE

DATE	CURRENTLY OUTSTANDING BONDS			2008 SERIES		FISCAL		
	FISCAL YEAR GRAND TOTALS			FISCAL TOTALS		GRAND TOTALS		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL
2008 - 09	1,370,000	672,438	2,042,438	120,000	131,361	1,490,000	803,799	2,293,799
2009 - 10	1,460,000	617,894	2,077,894	120,000	114,000	1,580,000	731,894	2,311,894
2010 - 11	1,295,000	563,288	1,858,288	120,000	108,000	1,415,000	671,288	2,086,288
2011 - 12	1,290,000	511,370	1,801,370	120,000	102,000	1,410,000	613,370	2,023,370
2012 - 13	1,285,000	459,558	1,744,558	120,000	96,000	1,405,000	555,558	1,960,558
2013 - 14	1,130,000	410,535	1,540,535	120,000	90,000	1,250,000	500,535	1,750,535
2014 - 15	1,130,000	364,520	1,494,520	120,000	84,000	1,250,000	448,520	1,698,520
2015 - 16	1,130,000	318,505	1,448,505	120,000	78,000	1,250,000	396,505	1,646,505
2016 - 17	1,130,000	272,130	1,402,130	120,000	72,000	1,250,000	344,130	1,594,130
2017 - 18	1,130,000	225,350	1,355,350	120,000	66,000	1,250,000	291,350	1,541,350
2018 - 19	905,000	182,350	1,087,350	120,000	60,000	1,025,000	242,350	1,267,350
2019 - 20	805,000	145,470	950,470	120,000	54,000	925,000	199,470	1,124,470
2020 - 21	805,000	110,885	915,885	120,000	48,000	925,000	158,885	1,083,885
2021 - 22	625,000	80,845	705,845	120,000	42,000	745,000	122,845	867,845
2022 - 23	445,000	58,995	503,995	120,000	36,000	565,000	94,995	659,995
2023 - 24	445,000	40,880	485,880	120,000	30,000	565,000	70,880	635,880
2024 - 25	265,000	26,500	291,500	120,000	24,000	385,000	50,500	435,500
2025 - 26	265,000	15,900	280,900	120,000	18,000	385,000	33,900	418,900
2026 - 27	265,000	5,300	270,300	120,000	12,000	385,000	17,300	402,300
2027 - 28	0	0	0	120,000	6,000	120,000	6,000	126,000
TOTAL	17,175,000	5,082,713	22,257,713	2,400,000	1,271,361	19,575,000	6,354,074	25,929,074

GENERAL DEBT SERVICE FUND LONG - TERM DEBT SCHEDULE



GENERAL DEBT SERVICE FUND SCHEDULE OF BONDS OUTSTANDING

GENERAL OBLIGATION ISSUE	AMOUNT OF ISSUE	INTEREST RATE	YEAR OF MATURITY	AMOUNT OUTSTANDING @ 10/01/08	2008 - 09 PRINCIPAL DUE	2008 - 09 INTEREST DUE	2008 - 09 TOTAL DUE
G. O. 1997	2,100,000	4.98	2019	1,100,000	100,000	49,150	149,150
G. O. 1999	4,250,000	4.33	2018	2,250,000	225,000	85,500	310,500
G. O. 2001	3,600,000	4.87	2021	2,340,000	180,000	106,290	286,290
G. O. 2002	3,600,000	4.18	2022	2,520,000	180,000	104,175	284,175
G. O. 2003	2,615,000	3.09	2013	1,050,000	290,000	29,563	319,563
Refunding bonds							
G. O. 2004	3,600,000	3.73	2024	2,880,000	180,000	101,520	281,520
G. O. 2007	5,300,000	3.99	2027	5,035,000	215,000	196,241	411,241
G. O. 2008	2,400,000	5.00	2028	2,400,000	120,000	131,361	251,361
TOTAL ALL ISSUES				\$19,575,000	\$1,490,000	\$803,800	\$2,293,800

Bond Ratings : Moody's - A-1, S&P's - A+, All outstanding bonds are insured to triple A.

General Obligation Bond 1997 - \$2,100,000

- \$170,000 to connect the two portions of Circle Way which provide access to the Historical Museum and the Civic Center.
- \$300,000 to fund the conversion of Canna Lane from asphalt to concrete. Canna Lane has seen increased traffic as the result of the new middle school (Rasco) and the new Recreation Center.
- \$800,000 to fund the complete reconstruction of Winding Way from Circle Way to it's second intersection of Jasmine.
- \$600,000 to fund the complete reconstruction of Elm Street.
- \$230,000 to fund the complete reconstruction of Cherry Street

General Obligation Bond 1999 - \$4,250,000

- \$550,000 to replace the Northern two lanes of Oyster Creek Drive from Dixie Drive to Forest Drive.
- \$500,000 for the complete reconstruction of Laurel from Acacia to the drainage structure just past Elm.
- \$550,000 to enlarge the drainage structure crossing State Highway 332 near Compass Bank. This is one of three drainage structures crossing Highway 332 which service downtown.
- \$800,000 to fund the complete reconstruction of Acacia Street
- \$500,000 to fund the complete reconstruction of Mimosa Street.
- \$275,000 to fund the complete reconstruction of Oleander Street from Oak Drive to Hickory.
- \$500,000 to fund the complete reconstruction of Walnut Street from Oak Drive to the drainage easement east of South Yaupon.
- \$225,000 to fund the complete reconstruction of Lotus Street from Oleander to Hickory.
- \$350,000 To connect two lanes of Medical Drive from Canna Lane to Sea Center Texas.

General Obligation Bond 2001 - \$3,600,000

- \$575,000 for Humane Facility
- \$210,000 for an additional two bays on Fire Station 2
- \$1,650,000 to fund the complete reconstruction of Magnolia from Hwy 332 to Acacia.
- \$1,165,000 to fund the complete reconstruction of Central Yaupon.

General Obligation Bond 2002 - \$3,600,000

- \$3,600,000 for a new Fire / EMS facility

General Obligation Bond 2003 - \$2,615,000

- Refunding bonds for 1989 refunding bonds and 1993 issue
- Originally funded - Police Station expansion, Plantation Dr. Bridge, Centerway and Azalea reconstruction

General Obligation Bond 2004 - \$3,600,000

- \$1,130,000 for Oak Drive
- \$355,000 for South Yaupon
- \$1,075,000 for Dixie Drive
- \$390,000 for South Magnolia
- \$650,000 for Brazos Oaks Spot Repairs

General Obligation Bond 2007 - \$5,300,000

- \$2,800,000 for the reconstruction of streets and drainage in the Brazos Oaks Subdivision.
- \$2,500,000 to provide renovations of the old Fire Station into an expanded

DEBT PLANNING AND ADMINISTRATION

The city's goal in planning the issuance of debt is to time it so there is minimal impact on the tax rate. The following page summarizes our anticipated debt tax rate for the next several years. The last phase, \$2.4 million, of the \$7.7 million General Obligation Bonds the voters approved in May 2005 will be sold in late summer of 2008.

The first step in completing this spreadsheet is to determine the debt service requirements after the issuance of new debt. To determine this, it is estimated the new debt will be at an interest rate of 5%. After the debt service requirements are determined the necessary debt service tax revenues are given. Also assumed is a 3% annual growth in assessed values. Utilizing the required debt service revenues and the assessed value the debt service portion of the tax rate is then calculated. The debt service rate increase (decrease) year to year is then shown.

When the \$7.7 million bond package was taken to the voters in May 2005, they were informed the bond package would likely result in a 3¢ tax increase spread out over the next 3 years. The total actual increase will be 2.5 cents.

General and Debt Service Fund Tax Rate Planning Guide

Purpose : To determine the potential impact of proposed or planned debt issues on the city's tax rate.

Assumptions : This schedule assumes a 3% increase in assessed valuations per year.
 This schedule assumes a 5% interest rate on the \$2.4M 2008 bond issue.

Note - When council approved the bond election on 2-7-05 they voted to remove the S. Yaupon project and add Winding Way. This increased the total dollars in the last bond issue by \$59,430.

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
	ACTUAL	ACTUAL	ACTUAL	ESTIMATED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
GENERAL FUND TAX RATE	0.2370	0.2493	0.2390	0.2332	0.2332	0.2366	0.2357	0.2386
DEBT SERV TAX RATE	0.1330	0.1307	0.1310	0.1518	0.1568	0.1534	0.1343	0.1264
	0.370	0.380	0.370	0.385	0.390	0.390	0.370	0.365
DEBT SERVICE								
RATE INCR (DECR) YR TO YR					0.0050	-0.0034	-0.0191	-0.0079
DEBT SERVICE								
RATE INCR (DECR) OVER CURRENT					0.005	0.0016	-0.0175	-0.0253
TOTAL TAX RATE	0.3700	0.3800	0.3700	0.3850	0.3900	0.3900	0.3700	0.3650

In May 2005, Voters approved an additional \$7.7 million in infrastructure and facility bonds. Voters were informed that the issuance of these bonds would likely result in a three cent tax increase. Because of significant increase in assessed tax values in the commercial and multi-family segments in 2006-07 we have been able to limit the total increase in the tax rate to two-and-a-half cents. This includes the issuance of the remaining \$2.4 million in bonds in the late summer or fall of 2008 for which we are budgeting a one cent increase in FY 08-09.

This calculation is independent of any increase which may be necessary for maintenance and operations.

UTILITY FUND



LAKE JACKSON

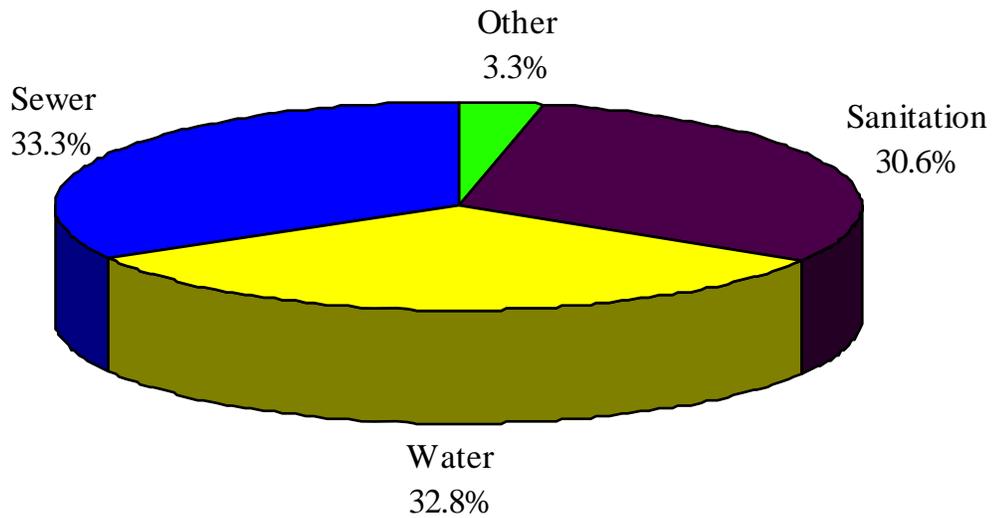
City of Enchantment



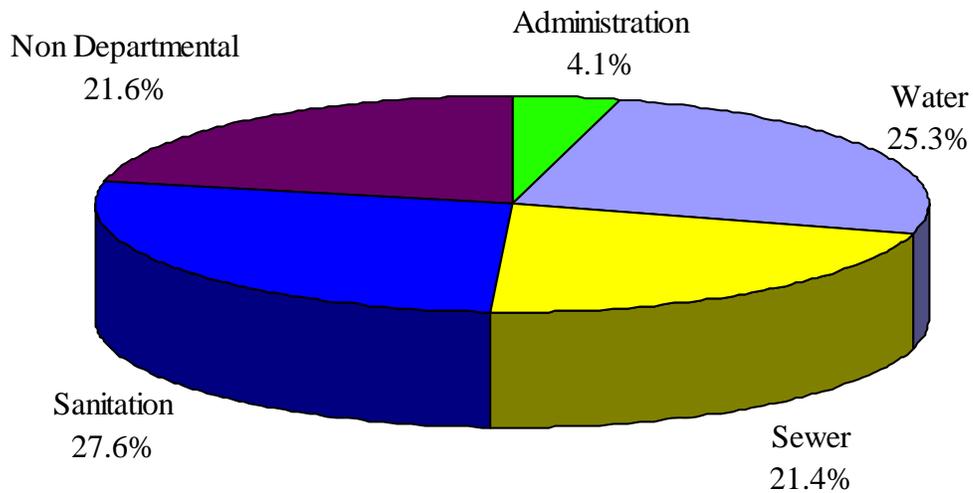
UTILITY OPERATING FUND

Revenues Vs Expenditures

Revenues



Expenditures



UTILITY FUND BUDGET SUMMARY

<i>Revenues</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Plumbing Fees	\$15,470	\$15,000	\$15,000	\$15,000
Tap Fees	37,050	35,000	40,000	35,000
Administrative Fees	179,530	191,500	191,500	191,500
Water Sales	2,665,597	3,193,094	3,193,695	3,273,950
Sewer Sales	2,783,956	3,233,290	3,233,300	3,317,468
Senior Discount	-107,344	-90,000	-124,000	-138,240
Sanitation Sales	2,829,854	2,941,795	2,947,725	3,046,803
Other Revenues	49,551	52,800	52,800	69,420
Interest	138,726	140,800	79,800	70,800
Transfer from General Contingency	0	0	0	0
Transfer from Utility Contingency	40,000	0	0	85,500
<i>Total Resources</i>	\$8,632,390	\$9,713,279	\$9,629,820	\$9,967,201
<i>Expenditures</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Utility Administration	\$349,288	\$380,230	\$353,110	\$411,772
Water	2,202,988	2,477,868	2,403,057	2,518,720
Wastewater	2,043,065	2,077,203	1,988,473	2,133,180
Sanitation	2,477,769	2,648,689	2,520,826	2,752,290
Non-Departmental	1,910,389	2,129,289	2,214,789	2,151,239
<i>Total Expenditures</i>	\$8,983,499	\$9,713,279	\$9,480,255	\$9,967,201

UTILITY FUND
MAJOR REVENUE SOURCES

Water Revenues (32.85%)

Water revenues account for \$ 3,273,950 (32.85%) of the projected utility revenues for FY 2008-09.

These revenues are based on the following water rates:

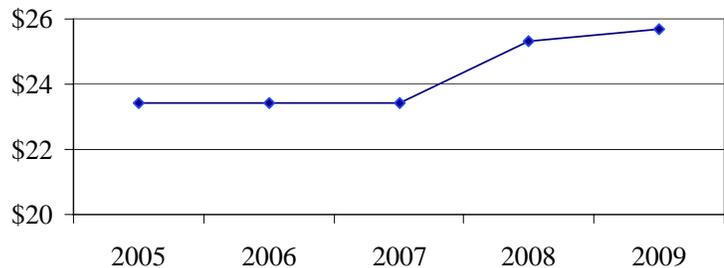
Base Rate (2,000 gallons)	\$8.60 per month
over 2,000 gallons	\$2.85 per 1,000 gallons

This rate is set based on generating revenues to cover the cost of purchasing water from the Brazosport Water Authority (BWA), operating 11 water wells, maintaining the water distribution system and related portions of debt service requirements.

For fiscal year 2008-09 BWA will not increase the current price of water purchased from them, which is \$1.61/1000 gallons. We will increase our base rate to \$8.60 for 2,000 gallons and \$2.85 per thousand for amounts over the base. We will continue to provide a discount for senior citizens, which is

applied to their base water and sewer bill. The city pumps an average of 3 million gallons per day to the distribution system. Our contract with the BWA requires the city to purchased 2 million gallons of water per day on a take or pay basis. The difference is made up with well water. As required by the City Council, the city mixes at least 30% well water with the BWA water in order to offset the aggressive nature of surface water.

**Residential Water Bill
(8,000 gallons)**



The 2008-09 fiscal year water revenue budget projection is determined by using the city's customer base of 21 apartment complexes, 490 commercial businesses and 8,300 residences. Utilizing five years of data we have estimated the following water usages for these customer types:

CLASS	2009		Avg. Gallons	Annual	Over Base	Base Dollars
	Avg. No. of Customers	Avg. No. of Customers	Over Base Per Customer /Unit	estimated gallons Over Base	Dollars @\$2.85per 1,000	@ \$8.60 per Customer
Multi - Family	21 (2657) uni		4.20	133,913	\$381,651	\$4,128
Commercial	490		34.50	202,860	\$578,151	\$50,568
Residential	8,300		4.70	468,120	\$1,334,142	\$856,560
Total Water Fees					\$3,205,200	

**UTILITY FUND
MAJOR REVENUE SOURCES**

Sewer Revenues (33.28%)

Sewer revenues account for \$3,317,468 (or 33.28%) of the projected utility revenues for FY 2008-09. These revenues are based on the following sewer rates:

Base Rate (2,000 gallons)	\$ 9.60
Over 2,000 gallons	\$ 3.20 per 1,000 gallons

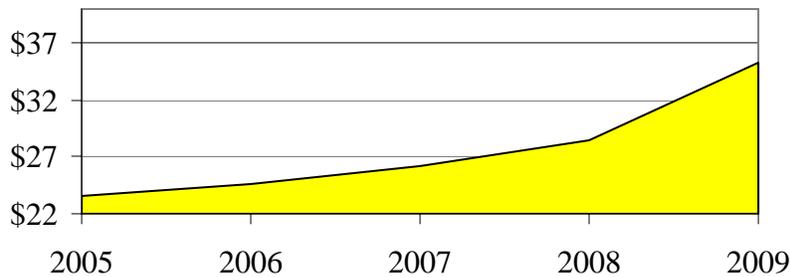
*Sewer rates for residential customers are capped at 15,000 gallons/month.

This rate is based on covering the cost of maintaining the city’s wastewater collection and treatment system, which includes 39 lift stations, a 5.89 million gallons per day Wastewater Treatment Plant, as well as any debt service and administration costs allocated to the wastewater system.

Base on the above mentioned customer base, revenues from sewer fees are projected as follows:

CLASS	Avg. No. of Customers	Avg. Gallons Over Base Per Customer /Unit	Annual estimated gallons Over Base	Over Base Dollars @\$3.20per 1,000	Base Dollars @ \$9.60 per Customer
SEWER					
Multi - Family	21 (2657 unit	4.20	133,913	\$428,521	\$4,608
Commercial	410	35.50	174,660	\$558,912	\$47,232
Residential	8,240	4.20	415,296	\$1,328,947	\$949,248
Total Sewer Fees				\$3,317,468	

**Residential Sewer Bill
(8,000 gallons)**



UTILITY FUND
MAJOR REVENUE SOURCES

Sanitation Fees (30.57%)

Sanitation fees account for \$3,046,803 or 30.57% of projected utility revenues for FY 2008-09. These revenues are based on the following sanitation rates:

Residential Garbage/Trash	\$14.00 per month
Residential Recycling	\$ 2.10 per month
Apartment Garbage/Trash	\$14.00 per unit per month
Apartment Recycling	\$ 1.00 per unit per month

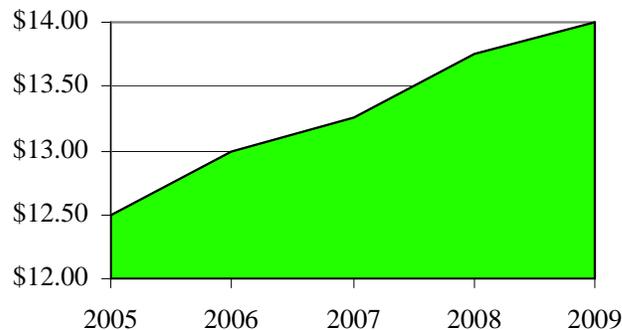
Dumpster Rates
Number Of Pickups Per Week

	2x	3x	4x	5x	6x
3 Cubic Yard Container	\$61.93	\$92.82	\$123.86	\$166.34	\$185.79
4 Cubic Yard Container	\$82.55	\$123.86	\$165.57	\$206.43	\$247.68

Shared Dumpster Rates

Small Business	\$22.78
Medium Business	\$29.73
Large Business	\$36.68
X-Large Business	\$53.00

Sanitation Fee History
Residential Monthly Garbage Fee



UTILITY FUND MAJOR REVENUE SOURCES

These fees are set based on covering the cost of providing residential customers twice weekly garbage collection, once weekly co-mingled recyclable collection and twice monthly heavy trash collection. Heavy trash collection includes appliances and furniture.

Commercial and apartment customers are provided with side loading dumpsters which are serviced based on a set schedule.

The Sanitation department contains 25 employees and a fleet of 8 residential garbage/recycle trucks, 4 commercial trucks, 2 roll-off trucks, 6 flatbed trucks, 2 landscape loaders, and 1 front-end loader.

The 2008-09 budgeted sanitation revenues were determined as follows:

Residential - Using the projected customer base of 8,240 and fee of \$14.00, the calculated revenue would be \$1,384,320.

Residential Recycling

8,240 customers x \$2.00 per month x 12 month = \$197,760.

Apartment/Multi-family Garbage

2,657 apartment units x \$14.00 per month x 12 month = \$446,376.

Apartment/Multi-family Recycling

2,657 apartment units x \$1.00 per month x 12 month = \$31,884.

Commercial Garbage

The projected revenue for commercial garbage is \$637,462 for FY 08-09. This includes a 3% fee increase.

UTILITY FUND PROJECTED REVENUE

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Proposed
Plumbing Permits	\$15,470	\$15,000	\$15,000	\$15,000
Tap Fees	37,050	35,000	40,000	35,000
Administrative Fees				
Late Payment Penalties	178,110	190,000	190,000	190,000
Transfer Fees	1,420	1,500	1,500	1,500
	179,530	191,500	191,500	191,500
Water Revenue				
Water Fees	2,612,903	3,122,344	3,122,345	3,205,200
Brazoria County Conservation District	15,332	22,000	23,000	20,000
City Water Usage	37,362	48,750	48,350	48,750
	2,665,597	3,193,094	3,193,695	3,273,950
Sewer Revenue	2,783,956	3,233,290	3,233,300	3,317,468
Senior Citizens Discount	-107,344	-90,000	-124,000	-138,240
Sanitation				
Residential Fees	1,303,832	1,357,455	1,357,455	1,384,320
Household Recycling	196,358	198,720	198,720	197,760
Commercial Garbage	570,052	577,500	609,185	637,462
Apartment Garbage Fee	393,168	422,400	417,815	446,376
Apartment Recycling	30,136	30,720	30,400	31,885
Special Pick Up Fees	13,794	11,000	11,000	11,000
Roll-Off Fees	157,916	190,000	150,000	150,000
Compactor Fees	156,083	150,000	162,150	180,000
Recycle Goods	6,163	4,000	6,000	6,000
Mulch Sales	2,352	0	5,000	2,000
	2,829,854	2,941,795	2,947,725	3,046,803
Miscellaneous (includes write-offs)	49,551	52,800	52,800	69,420
Transfer from Utility Contingency	40,000	0	0	85,500
Transfer from General Contingency	0	0	0	0
Interest Earned	138,726	140,800	79,800	70,800
Total Utility Revenue	8,632,390	9,713,279	9,629,820	9,967,201

UTILITY FUND



LAKE JACKSON

City of Enchantment



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Non-Departmental

Program Description

This budget unit accounts for transfers to General Fund to reimburse administrative services incurred by Sanitation, Water and Wastewater and the transfer to Utility Debt Service to provide funds for the payment of long term debt. Additionally an amount is provided to pay the General Fund a franchise fee on Solid Waste.

UTILITIES

NON-DEPARTMENTAL - 0500

<i>Resources</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Operating Revenues	1,910,389	1,979,189	2,214,789	2,151,239
Total Resources	\$1,910,389	\$1,979,189	\$2,214,789	\$2,151,239

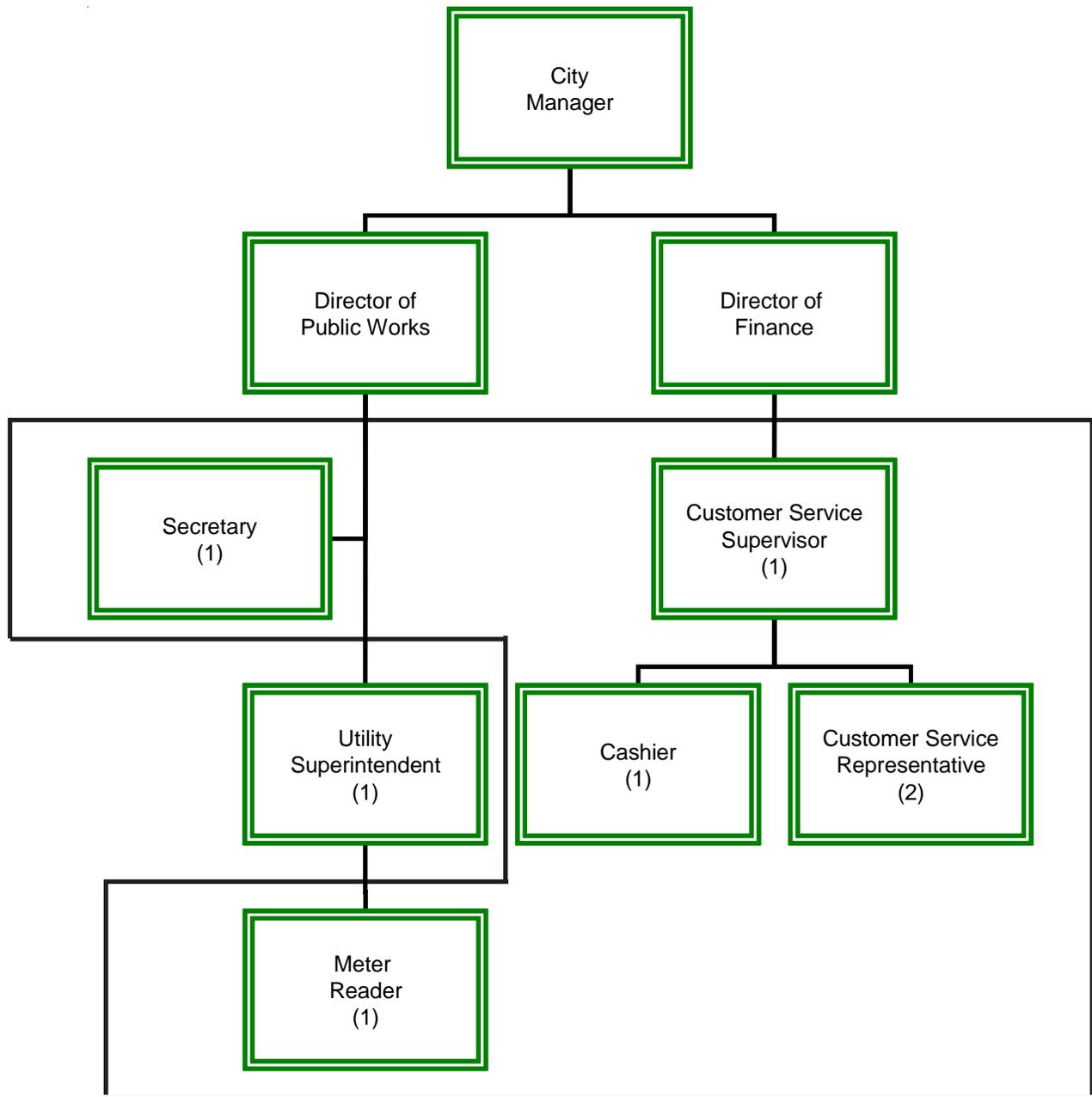
<i>Expenditures</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Employee Incentive*	\$0	\$0	\$0	\$85,500
Transfer to General Fund:				
Administrative Fee-Sanitation	127,100	127,100	127,100	127,100
Administrative Fee-Water/WW	311,289	311,289	311,289	311,289
Solid Waste Franchise Fee	102,000	102,000	102,000	102,000
Utility Contingency	0	0	85,500	0
Transfer to Utility Projects	0	0	0	0
Transfer to Utility Debt Service	1,370,000	1,588,900	1,588,900	1,525,350
Total Expenditures	\$1,910,389	\$2,129,289	\$2,214,789	\$2,151,239

<i>Personnel</i>	2004-05	2005-06	2006-07	2007-08
	Budget	Budget	Budget	Budget
Service/Maintenance	0.00	0.00	0.00	0.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	0.00	0.00	0.00	0.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	0.00	0.00	0.00	0.00

Major Budget Changes

A proposed transfer of \$85,500 from year end savings via the General Contingency Fund, will fund a 3%, 4% or 5% lump sum merit for employees.

Utility Administration



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

Utility Administration serves as the primary contact for utility customer requests for service, concerns, and inquiries. This department also maintains all utility customer records, bills for service provided, and monitors and collects active and inactive accounts receivable. Utility meter readers are also funded out of Utility Administration.

ADMINISTRATION

Utility Administration - 5000

FY07-08 ACCOMPLISHMENTS

Vision Element: Maintain Infrastructure
Objective: Upgrade and maintain infrastructure and facilities
Accomplished: Coordinated the replacement of 1000 residential meters with new touch read meters.

FY08-09 GOALS & OBJECTIVES

Vision Element: Well Managed City
Objective: Complete Implementation of Records Management Plan
Goal: Review all reports generated by the billing system and establish necessary retention schedules. Begin saving reports to Questys with a purge on date.

Vision Element: Maintain Infrastructure
Objective: Upgrade and maintain infrastructure and facilities
Goal: Replace 1000 residential meters with new touch read meters.

ADMINISTRATION

Utility Administration - 5000

DEPARTMENT STANDARDS

- 1 Establish service the same day as requested 100% of the time.
- 2 Perform re-reads as requested by the customer 100% of the time

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Work orders generated:				
General Repair	776	750	2,000	900
Rereads	239	275	275	275
Finals	1,468	1,400	1,200	1,400
Connects (no longer count sets)	1,589	1,500	1,600	1,500
Pressure Tests	232	200	400	350
2 Accounts billed monthly	8,727	8,230	8,750	8,800
3 First notices mailed (monthly average)	1,393	1,400	1,490	1,475
4 Customers served:				
phone calls per day	52	55	50	50
walk-up counter per day	5	6	6	6
5 Customers utilizing bank drafting	1,744	1,800	1,800	1,800

ADMINISTRATION - 5000

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
General Resources	\$349,288	\$380,230	\$353,110	\$411,772
Total Resources	\$349,288	\$380,230	\$353,110	\$411,772

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$165,227	\$177,400	\$156,510	\$177,400
Employee Benefits	54,202	59,300	51,455	60,600
Operating Expenses	107,008	117,980	119,595	146,220
Operating Transfers	22,851	25,550	25,550	27,552
Total Expenditures	\$349,288	\$380,230	\$353,110	\$411,772

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	2.00	1.00	1.00	1.00
Office/Clerical	4.00	4.00	4.00	4.00
Technical	0.00	0.00	0.00	0.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	1.00	1.00	1.00	1.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	7.00	6.00	6.00	6.00

Major Budget Changes

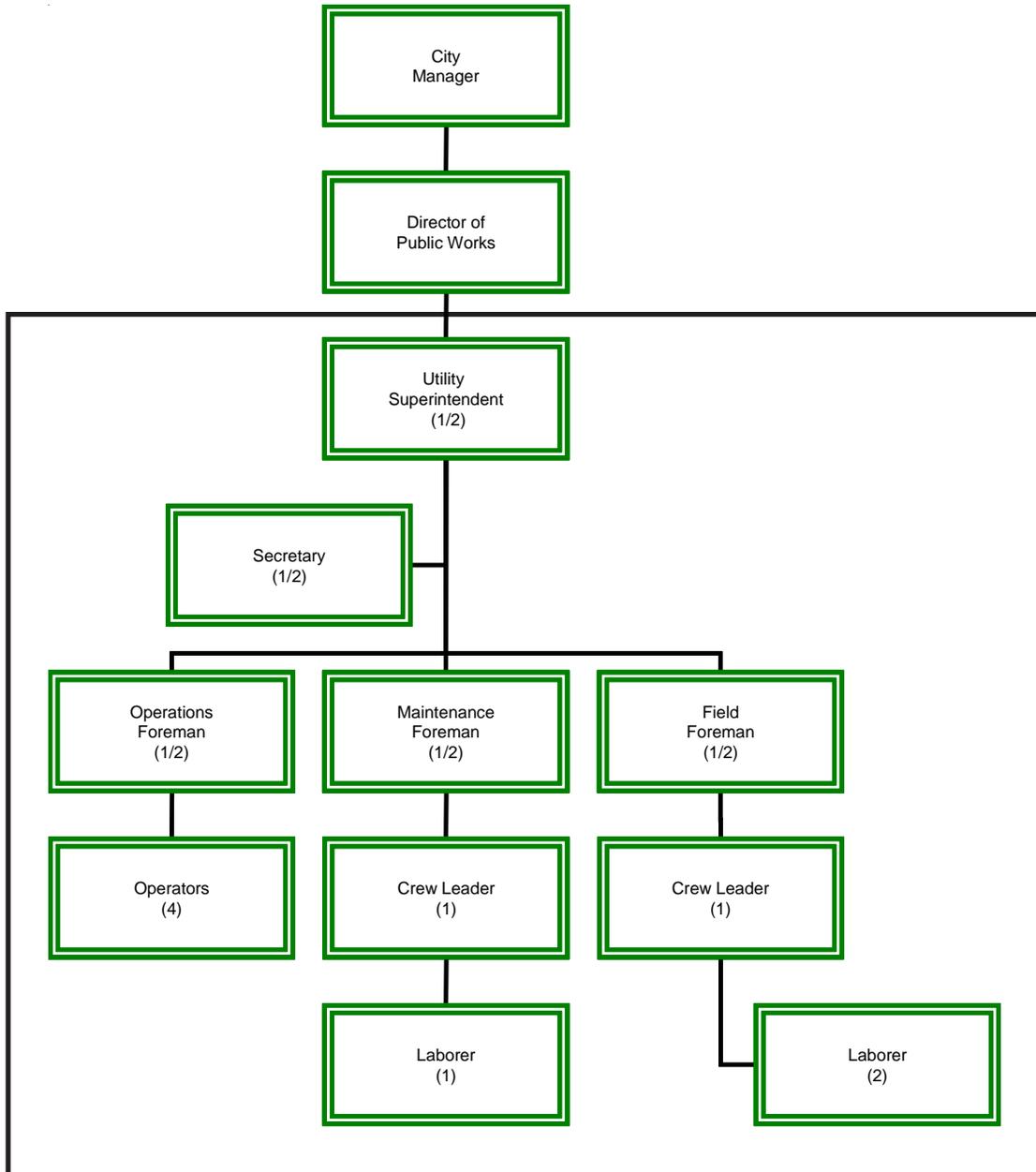
A net increase of \$30,365 to computer maintenance contracts as the City begins to use Sun Guard to host its AS400 applications off-site. Previously, computer maintenance costs of AS400 applications were distributed to various departments. Those costs have now been consolidated and budgeted into the two major funds (General Fund and Utility Fund) and can be found in departments 1400 and 5000.

UTILITY ADMINISTRATION - 5000

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$23,480	\$24,600	\$21,035	\$24,200
Office/Clerical	94,753	105,100	85,929	104,300
Technical	0	0	1,180	0
Management/Supervision	44,959	45,200	45,866	46,400
	163,192	174,900	154,010	174,900
Overtime	2,035	2,500	2,500	2,500
Group Insurance				
Health	20,145	20,900	18,554	20,900
Life	393	700	368	700
Dental	1,968	2,200	1,814	2,200
Long Term Disability	675	800	638	800
	23,181	24,600	21,374	24,600
Employee Benefits				
Social Security	12,395	13,600	11,799	13,600
Retirement	17,651	19,800	17,236	20,900
Workers Compensation	975	1,300	1,046	1,500
	31,021	34,700	30,081	36,000
Professional Service Fees				
Physician Examination	152	200	450	200
Outside Auditor	17,734	18,500	18,500	20,000
	17,886	18,700	18,950	20,200
Maintenance & Repair				
Equipment	26	550	550	550
Maintenance Contract	43,392	49,920	52,175	75,550
	43,418	50,470	52,725	76,100
Rental - Equipment	396	500	500	500
Insurance				
Property	698	810	135	135
Liability	1,437	1,500	1,185	1,185
	\$2,135	\$2,310	\$1,320	\$1,320

UTILITY ADMINISTRATION - 5000

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Communications	\$7,443	\$7,700	\$7,700	\$7,700
Advertising	91	0	100	100
Training	165	300	300	300
Travel	0	100	100	100
Dues & Membership	600	600	600	600
General Supplies				
Office	34,249	35,000	35,000	37,000
Wearing Apparel	0	400	400	400
Cleaning	227	800	800	800
Operating	398	1,100	1,100	1,100
	34,874	37,300	37,300	39,300
Operating Transfers				
Equipment Replacement	22,851	25,550	25,550	27,552
Unemployment Insurance	0	0	0	0
	22,851	25,550	25,550	27,552
Total Utility Administration	\$349,288	\$380,230	\$353,110	\$411,772



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The Water Department is responsible for operating and maintaining systems for the production, storage, and distribution of potable water in accordance with requirements of the Texas Commission on Environmental Quality, the Texas Department of Health, the Texas Commission of Fire Protection and the United States Environmental Protection Agency. Operational activities are maintained on a 24 hour basis. The City has a contract to purchase 2 million gallons per day from the Brazosport Water Authority. Infrastructure maintained and operated by this department includes 130 miles of mains, valves, fire hydrants, 8,765 taps and meters, 11 water wells, 5 elevated tanks, 4 ground storage tanks, and 2 Booster Pump Stations. This department responds to citizen's requests concerning water leaks, water quality, high usage, and low pressure.

Utilities

Water - 5400

FY07-08 ACCOMPLISHMENTS

- Vision Element:** Maintain Infrastructure
Objective: Upgrade and maintain infrastructure and facilities
Accomplished:
- 1) Well # 8, cleaned, serviced, inspected well screen and replaced pump, motor and controls.
 - 2) Well #7 replace pump, motor, column pipe and updated controls.
 - 3) Replaced 650 3/4' and 350 1" meters
 - 4) Painted, serviced, and flow tested 125 fire hydrants
 - 5) Tested and calibrated or replaced meters for large customers accounting for 10% of water sales
- Objective:** Add Existing Fire Hydrant Database to GIS System
Accomplished: Added Existing Fire Hydrant Database to GIS System
- Department Projects:** Installed day tanks at both water plants
Accomplished: Rebuilt 2, 1000 GPM booster pumps at beachwood water plant
Installed quick connects to Use generators at wells
-

FY08-09 GOALS & OBJECTIVES

- Vision Element:** Maintain Infrastructure
Objective: Upgrade and maintain Infrastructure and Facilities
Goals:
- 1) Well #9, clean, service, and inspect well screen and replace pump, motor and controls.
 - 2) Well #16, clean and service pump and motor and update controls
 - 3) Replace water meters (1000)
 - 4) Bid, contract and oversee repainting of balsam elevated storage tank
 - 5) Oversee contract to paint, service, and flow test 100 fire hydrants
 - 6) Test and calibrate meters for large customers accounting for 10% of water sales
- Vision Element:** Enable Growth and Revitalization
Objective: Develop Prision Land
Goals:
- 1) Negotiate increase in BWA contract and delivery location
 - 2) Secure permit from groundwater conservtion district for additional well(s)
 - 3) Secure site for new elevated storage tank and booster pump station
- Department Projects:**
- 1) Improvements to SCADA System (Controls Water System)
 - 2) Rebulid 1 booster pump at beachwood
 - 3) Replace meters at all wells (11) and two distribution master meters
 - 4) Change out 1, 500GPM booster pumps to 1000GPM pump and controls. (Oak Drive)
 - 5) Achieve safety goal of working 1225 days without a lost time accident or injury.

Utilities

Water - 5400

DEPARTMENT STANDARDS

- 1 Annual testing and calibration of meters for high-use customers representing 10% of total water sold
- 2 Replace residential water meters on a 10-year schedule
- 3 Paint, service, and flow test hydrants on a 10-year schedule

PROGRAM MEASURES

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
1 Total water produced by wells (million gallons)	588	720	719	756
2 Total water used from BWA (million gallons)	500	480	578	607
3 Total water distributed (million gallons)	1073	1,200	1,298	1,363
4 Red Water Complaints (days)	2	10	10	10
5 Taste and Odor Complaints (days)	28	10	10	10
6 TCEQ Production Capacity required (MGD)	9.83	9.91	9.91	10.03
7 TCEQ Production Capacity provided (MGD)	10.09	10.20	10.20	10.20
8 TCEQ total storage required (MG)	2.30	2.30	2.30	2.30
9 TCEQ total storage provided (MG)	6.55	6.55	6.55	6.55
10 Reclaimed water used (MG)	66	150	40	40
11 Customer service interruptions (customers hours)	65	400	156	400
12 # of leaks repaired	84	150	200	200
13 Avg. time from leak report to final cleanup (days)				
14 Main	1.8	15	2	5
15 Service	2.8	15	3	5
16 Fire hydrants serviced (%)	15.81	13%	13%	10%
17 TCEQ Distribution Capacity requirement (MGD)	5.01	8.50	8.50	8.50
18 TCEQ Distribution Capacity Provided (MGD)	5.50	8.78	8.78	9.50
19 TCEQ EST Required (MG)	2.30	0.02	2.30	2.30
20 TCEQ EST Provided (MG)	2.55	2.55	2.55	2.55
21 Drought contingency plan activated (days)	0.00	0	14	0
22 Unaccounted water (% of total distributed)	13%	10%	23%	15%
23 New or replaced residential meters (%)	4.8	10%	15%	10%
24 Large cust. meter evaluations (%) of total water distrib.	10%	10%	12%	10%
25 Full Staffing Level (%)	n/a	n/a	81%	91%

WATER - 5400

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Operating Revenues	\$2,202,988	\$2,477,868	\$2,403,057	\$2,518,720
Total Resources	\$2,202,988	\$2,477,868	\$2,403,057	\$2,518,720

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$341,065	\$430,500	\$363,272	\$427,900
Employee Benefits	108,173	140,600	111,241	144,800
Operating Expenses	1,694,396	1,846,780	1,868,556	1,881,190
Capital Outlay	0	0	0	0
Operating Transfers	59,354	59,988	59,988	64,830
Total Expenditures	\$2,202,988	\$2,477,868	\$2,403,057	\$2,518,720

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	6.00	6.00	5.00	5.00
Office/Clerical	0.00	0.33	0.50	0.50
Technical	4.00	4.00	4.00	4.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	1.83	1.83	2.00	2.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	11.83	12.16	11.50	11.50

Major Budget Changes

Increase in maintenance costs for distribution system and production system.

WATER - 5400

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$96,650	\$138,000	\$69,020	\$137,700
Office/Clerical	\$45,364	\$15,100	\$13,495	\$15,600
Technical	128,709	133,200	133,969	136,400
Management/Supervision	32,529	102,200	90,788	94,200
	303,252	388,500	307,272	383,900
Overtime	37,813	42,000	56,000	44,000
Contract Labor	0	0	0	0
Group Insurance				
Health	33,217	39,400	30,828	39,400
Life	656	1,400	622	1,400
Dental	3,248	4,200	3,012	4,200
Long Term Disability	1,240	1,900	1,255	1,900
	38,361	46,900	35,717	46,900
Employee Benefits				
Social Security	25,392	32,900	26,443	32,700
Retirement	35,698	48,000	39,010	50,500
Workers Compensation	8,722	12,800	10,071	14,700
	69,812	93,700	75,524	97,900
Professional Service Fees				
Physician Examination	618	700	700	700
Large Meter Evaluation	8,000	18,000	15,000	18,000
Lab Work	7,639	10,000	10,000	10,200
Brazoria County Conservation	17,659	22,000	22,000	23,000
	33,916	50,700	47,700	51,900
BWA - Water Purchase	1,153,841	1,175,300	1,175,300	1,175,300
Maintenance & Repair				
Building	779	3,000	3,000	3,000
Water Production/Distribution	74,419	105,000	110,000	125,000
Fire Hydrant Maintenance	15,878	15,000	15,000	15,000
Wells	21,382	52,000	56,400	60,000
Vehicles	11,265	9,500	14,000	10,000
Equipment	29,411	47,000	47,000	47,000
Maintenance Contracts	8,375	15,000	15,000	19,000
	161,509	246,500	260,400	279,000

WATER - 5400

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Rental - Vehicle & Equipment	\$1,101	\$1,500	\$1,500	\$1,500
Insurance				
Property	355	400	341	345
Liability	8,204	4,500	3,765	3,765
	8,559	4,900	4,106	4,110
Communication	\$18,117	\$15,500	\$20,700	\$21,000
Advertising	4,052	4,000	4,600	5,000
Training	5,685	5,800	5,800	6,900
Travel	1,124	1,000	1,000	1,000
Dues and Memberships	2,622	2,150	2,150	2,500
State Permit	4,653	4,300	4,200	4,300
General Supplies				
Office	214	450	500	500
Wearing Apparel	3,817	3,900	5,500	5,500
Gasoline & Diesel	7,258	12,600	10,000	12,000
Fuel - CNG	6,132	4,500	4,800	6,000
Operating	46,123	50,000	50,000	50,000
Meters	13,472	20,000	20,000	30,000
Chemicals	41,861	61,000	42,000	42,000
	118,877	152,450	132,800	146,000
Electricity & Natural Gas	180,340	182,680	208,300	182,680
Capital Outlay	0	0	0	0
Operating Transfers				
Equipment Replacement	59,354	59,988	59,988	64,830
Unemployment Insurance	0	0	0	0
	59,354	59,988	59,988	64,830
Total Water Production	\$2,202,988	\$2,477,868	\$2,403,057	\$2,518,720

WATER DEPARTMENT PROFORMA

RESOURCES

	Actual 2000 - 01	Actual 2001 - 02	Actual 2002 - 03	Actual 2003 - 04	Actual 2004 - 05	Actual 2005 - 06	Actual 2006 - 07	Budgeted 2007 - 08	Projected 2007 - 08	Adopted 2008 - 09
Water Sales	\$2,662,063	\$2,782,310	\$ 2,771,349	\$ 2,685,545	\$ 2,826,031	\$ 2,805,399	\$ 2,612,903	\$ 3,122,344	\$ 3,122,345	\$ 3,205,200
Water for City	40,413	39,866	35,665	37,549	60,450	44,455	37,052	48,750	48,350	48,750
Bulk Water Sales	210	108	543	218	305	13	310	-	-	-
Senior Citizen Discount	(82,046)	(80,648)	(80,310)	(80,528)	(85,620)	(87,457)	(107,344)	(90,000)	(124,000)	(138,240)
Brazoria County Cons. Dist.			-	-	-	-	15,332	22,000	23,000	20,000
Site Rental Fees	4,600	17,492	27,216	16,181	29,164	30,079	47,917	46,800	46,800	63,420
Adjustments	(3,504)	(3,629)	(4,083)	(5,733)	(4,731)	(6,178)	(7,254)	-	-	-
Tap Fees	30,548	51,279	37,092	51,402	42,386	42,038	39,390	37,500	41,250	37,500
Total Resources	\$2,652,284	\$2,806,778	\$ 2,787,472	\$ 2,704,634	\$ 2,867,985	\$ 2,828,349	\$ 2,638,306	\$ 3,187,394	\$ 3,157,745	\$ 3,236,630

EXPENDITURES

	Actual 2000 - 01	Actual 2001 - 02	Actual 2002 - 03	Actual 2003 - 04	Actual 2004 - 05	Actual 2005 - 06	Actual 2006 - 07	Budgeted 2007 - 08	Projected 2007 - 08	Adopted 2008 - 09
Salaries & Wages	\$208,292	\$195,547	\$ 290,350	\$ 298,983	\$ 306,996	\$ 277,242	\$ 303,687	\$ 388,500	\$ 307,272	\$ 383,900
Overtime	30,712	33,066	38,471	36,368	34,468	49,929	37,378	42,000	56,000	44,000
Employee Incentive			-	-	-	-	-	-	-	19,500
6% Retirement			-	-	-	-	-	-	-	-
Contract Labor	0	0	-	-	42,657	13,328	-	-	-	-
Group Insurance	24,295	22,032	33,411	34,841	35,149	34,107	38,361	46,900	35,717	46,900
Social Security	17,925	16,495	24,587	25,095	25,622	24,790	25,392	32,900	26,443	32,700
Retirement	20,680	18,843	27,707	29,319	31,712	29,709	35,698	48,000	39,010	50,500
Worker's Compensation	9,486	7,715	9,699	11,943	11,416	12,274	8,722	12,800	10,071	14,700
Unemployment Insurance	600	0	-	-	-	-	-	-	-	-
Professional Service Fees	720	263	888	203	17,054	19,807	8,618	18,700	15,700	18,700
Professional Service - Tech	5,458	15,511	12,647	6,959	5,740	7,273	7,639	10,000	10,000	10,200
Brazoria County Cons Dist.			-	-	-	-	17,659	22,000	22,000	23,000
BWA	1,153,400	1,153,400	1,153,400	1,156,560	1,153,400	1,153,400	1,153,841	1,175,300	1,175,300	1,175,300
Maintenance & Repairs	174,068	194,601	165,595	149,104	191,991	207,416	161,509	246,500	260,400	279,000
Equipment Rental	1,945	6,074	3,849	362	382	381	1,101	1,500	1,500	1,500
Insurance	5,712	3,035	4,933	5,675	6,267	5,365	8,559	4,900	4,106	4,110
Communications	7,137	9,248	12,025	13,087	14,427	15,562	18,117	15,500	20,700	21,000
Advertising	241	163	3,928	3,803	4,307	5,368	4,052	4,000	4,600	5,000
Training & Travel	2,723	7,501	5,183	3,928	4,444	5,018	6,809	6,800	6,800	7,900
State Inspection Permit & Dues	4,443	5,338	4,414	6,988	5,579	5,930	7,275	6,450	6,350	6,800
General Supplies & Chemicals	172,117	132,706	129,198	101,992	109,611	122,621	118,877	152,450	132,800	146,000
Electricity & Natural Gas	139,084	109,732	125,376	113,565	108,502	189,572	180,340	182,680	208,300	182,680
Equipment	0	10,737	-	-	-	-	-	-	-	-
Equipment Replacement	37,380	55,480	55,161	68,544	68,370	59,479	59,354	59,988	59,988	64,830
Billing Services	170,725	175,806	165,800	141,455	149,909	133,285	122,588	137,278	128,050	144,385
Administrative Transfer	136,375	139,048	100,048	155,645	155,645	155,645	155,645	155,645	155,645	155,645
Total Expenditures	\$2,323,518	\$2,312,341	\$ 2,366,670	\$ 2,364,419	\$ 2,483,648	\$ 2,527,501	\$ 2,481,221	\$ 2,770,791	\$ 2,686,752	\$ 2,838,250

NET OF OPERATING **\$328,766** **\$494,437** **\$ 420,802** **\$ 340,215** **\$ 384,337** **\$ 300,848** **\$ 157,085** **\$ 416,603** **\$ 470,993** **\$ 398,380**

NON - OPERATING REVENUE

Administrative Services	\$63,733	\$66,724	\$ 64,767	\$ 57,025	\$ 64,284	\$ 69,053	\$ 64,455	\$ 67,150	\$ 67,150	\$ 67,150
Transfer from Gen. Contingency	\$0	\$0	-	-	11,000	-	-	-	-	-
Utility Contingency			-	-	-	11,000	11,000	-	-	19,500
Non-Operating Interest	49,286	18,628	10,688	9,618	22,659	41,960	44,396	47,872	27,130	23,360
Total Non-Operating Revenue	\$113,019	\$85,352	\$ 75,455	\$ 66,643	\$ 97,943	\$ 122,013	\$ 119,851	\$ 115,022	\$ 94,280	\$ 110,010

NON - OPERATING EXPEND

Debt Service Transfers	\$181,485	\$121,296	\$ 132,240	\$ -	\$ -	\$ 129,600	\$ 122,000	\$ 116,520	\$ 116,520	\$ 155,586
Transfer to Capital Projects	350,000	0	-	-	-	-	-	-	-	-
Utility Contingency	0	0	-	-	-	11,000	-	-	19,500	-
Capital Improvements	0	70,000	-	-	-	-	-	-	-	-
Total Non-Operating Expend	\$531,485	\$191,296	\$ 132,240	\$ -	\$ -	\$ 140,600	\$ 122,000	\$ 116,520	\$ 136,020	\$ 155,586

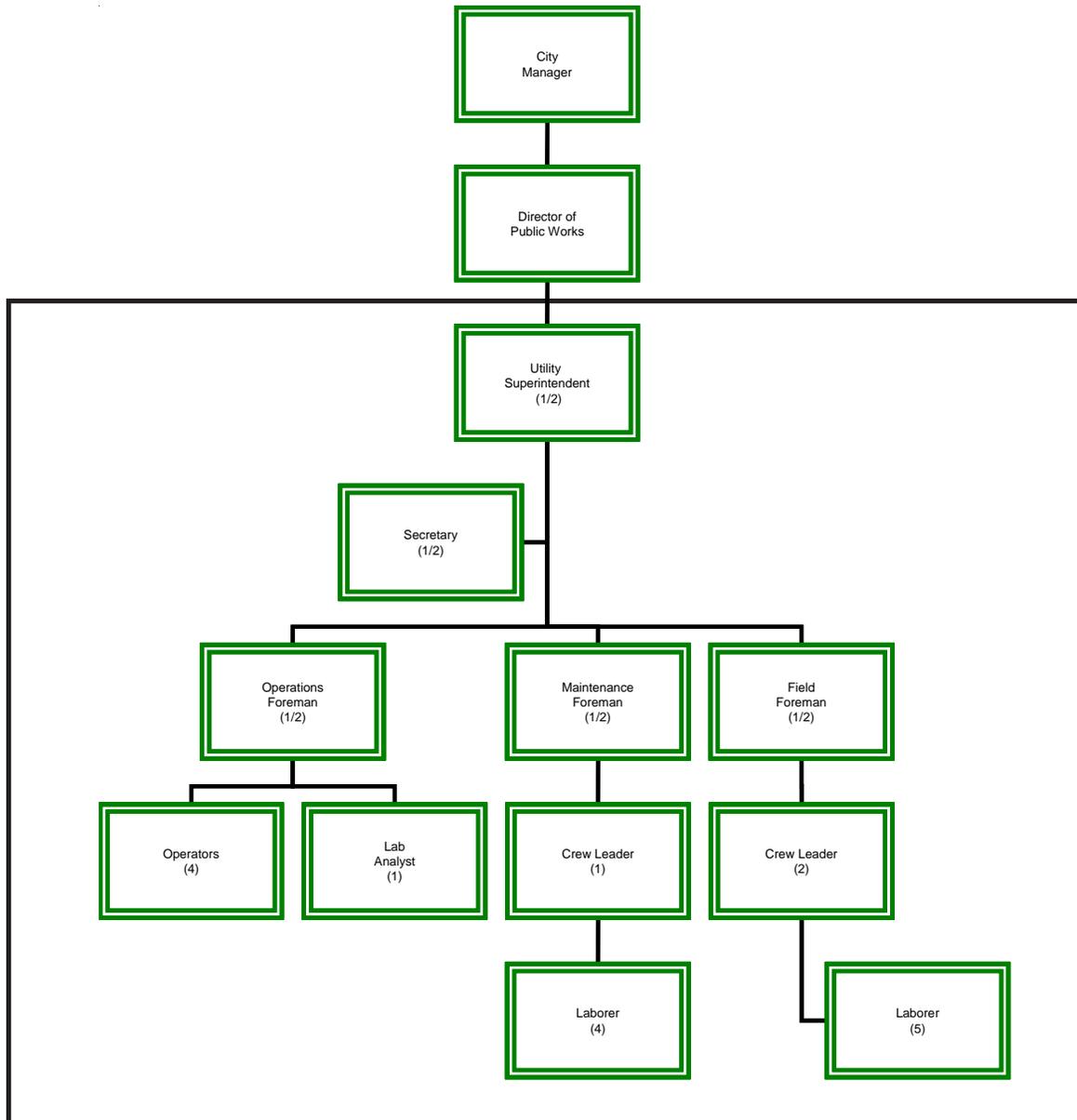
NET GAIN (LOSS) **(\$89,700)** **\$388,493** **\$ 364,017** **\$ 406,858** **\$ 482,280** **\$ 282,261** **\$ 154,936** **\$ 415,105** **\$ 429,253** **\$ 352,804**



Dyson Campbell Water Reclamation Facility

The Wastewater and Water Team pose outside the Dyson Campbell Water Reclamation Facility

Wastewater



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The Wastewater Department is responsible for the operation and maintenance of the wastewater collection and reclamation systems. Wastewater generated by customers throughout the City flows through a gravity mains to a series of lift stations where it is pumped to the Reclamation Center. There are currently three “master” lift stations which pump directly to the Reclamation Center, and 38 lift stations which serve various subdivisions or convey wastewater to a “master” lift station. At the Water Reclamation Center wastewater is processed in accordance with State and Federal regulations. Reclaimed water is discharged to the Brazos River. Activities in this department include emergency response to stoppages, routine cleaning and inspection of mains, pump and valve maintenance, laboratory analysis, and 24/7 operations of the lift stations and Reclamation Center.

Utilities

Wastewater Collection & Reclamation - 6000

FY07-08 ACCOMPLISHMENTS

- Vision Element:** Maintain Infrastructure
Objective: Upgrade and Maintain Infrastructure and Facilities
Accomplished:
- 1) Began upgrade of Lift Station #1 to capacity identified in master plan
 - 2) Began upgrade of Lift Station #20 to capacity identified in master plan
 - 3) Began upgrade of Lift Station #35 to capacity identified in master plan
- Objective;** Catalog/Database of Infrastructure Components to Establish a Base
Accomplished:
- 1) Created a table of major equipment at DCWRC with replacement costs and schedule
 - 2) Pulled and shipped fine screen to manufacturer and reinstalled rebuilt screen
- Department Projects:**
- 1) Installed and configured Scada pack driver in Mechanic Room 2
 - 2) Installed a Touch Screen in Motor Control Center 1
 - 3) Installed a Larger Computer for WWTP SCADA System

FY08-09 GOALS & OBJECTIVES

- Vision Element:** Maintain Infrastructure
Objective: Upgrade and Maintain Infrastructure and Facilities
Goal:
- 1) Clean, inspect, and test collection system in basin 1
 - 2) Complete Upgrade of Lift Station #1 to capacity identified in Master Plan
 - 3) Complete Upgrade of Lift Station #20 to capacity identified in Master Plan
 - 4) Complete Upgrade of Lift Station #35 to capacity identified in Master Plan
- Objective:** Catalog/Database of Infrastructure Components to Establish a Base
Goals:
- 1) Collect database information for basin 1
- Vision Element:** Enable Growth and Revitalization
Objective: Develop Prison Land
Goal: Secure location for master lift station
- Vision Element:** Maintain a Well Managed City
Objective: Work to hire and retain qualified employees
Goal: Obtain and Maintain Full Staffing Level
- Department Projects:**
- 1) Replace one 6" pump at Lift Station #25
 - 2) Install new touch screen in master control center 2
 - 3) Upgrade Lift Station #31, replace pumps and update controls
 - 4) Achieve safety goal of 410 days without a lost yime accident or injury

Utilities

Wastewater Collection & Reclamation - 6000

DEPARTMENT STANDARDS

- 1 Clean, inspect, and test collection system on a 15-year schedule
- 2 No wet weather sanitary sewer overflows or backups for less than a 2-Year rainfall event
- 3 Operate DCWRC to discharge 5 mg/L total suspended solids (TSS) and biological oxygen demand (BOD) (TCEQ Permit is 20 mg/L)

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 Linear Feet of sewer mains cleaned	108,464	150,000	50,000	150,000 *
2 Linear Feet of sewer mains recorded on video	12,665	100,000	20,000	100,000 *
3 Number of sewer leaks repaired	5	120	10	120 *
4 Number of sewer main blockages cleared	30	75	40	75
5 Number of manholes rehabilitated	61	100	26	100 *
6 Excess wet weather flow (MG)	347,733	250,000	125,000	250,000
7 Sanitary sewer overflows (#)	49	50	10	50
8 Service area evaluated (%)	0%	6%	0%	6% *
9 Odor complaints (#)	0	10	11	10
10 Total millions gallons treated	1,329	1,400	1,200	1,400
11 Estimated dry tons sludge produced	656	615	510	600
12 Percent of samples less than 5mg/l BOD	98%	100%	98%	100%
13 Percent of samples less than 5mg/l TSS	92%	100%	95%	100%
14 Excess lbs. BOD removed beyond TCEQ Requirements	233,323	253,760	312,614	253,760
15 Excess lbs. TSS removed beyond TCEQ Requirements	236,034	253,760	322,839	253,760
16 Full Staffing Level (%)	n/a	n/a	81%	91%

* This department Averaged 6 employees short over the last year

WASTEWATER - 6000

<i>Resources</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Operating Revenues	\$2,043,065	\$2,077,203	\$1,988,473	\$2,133,180
Total Resources	\$2,043,065	\$2,077,203	\$1,988,473	\$2,133,180

<i>Expenditures</i>	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
Salaries & Wages	\$568,220	\$636,300	\$567,558	\$645,300
Employee Benefits	183,553	215,300	185,614	223,900
Operating Expenses	1,203,586	1,136,472	1,146,170	1,165,295
Capital Outlay	0	0	0	0
Operating Transfers	87,706	89,131	89,131	98,685
Total Expenditures	\$2,043,065	\$2,077,203	\$1,988,473	\$2,133,180

<i>Personnel</i>	2005-06	2006-07	2007-08	2008-09
	Budget	Budget	Budget	Budget
Service/Maintenance	12.00	12.00	12.00	12.00
Office/Clerical	0.00	0.67	0.50	0.50
Technical	4.00	4.00	5.00	5.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	2.17	2.17	2.00	2.00
Temporary/Seasonal	0.00	0.00	0.00	0.00
Total Personnel	18.17	18.84	19.50	19.50

Major Budget Changes

Sludge disposal costs will decrease by 32% as we take over transport and disposal at the local landfill (previously, we had paid a premium for land application of sludge as a more environmentally responsible alternative to landfilling but our vendor has lost all of their land application sites and has been diverting sludge to the landfill). Maintenance and repair budget will increase by \$69,000 as more equipment at the DCWRC will require attention than when the plant was brand new. State Inspection will increase \$22,000 to include update and renewal of the Risk Management Plan and the Industrial Stormwater permit.

WASTEWATER - 6000

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$263,223	\$318,700	\$271,565	\$325,600
Office Clerical	17,126	15,100	14,528	15,600
Technical	150,706	166,800	137,225	157,900
Management/Supervision	77,191	90,700	94,240	94,200
	508,246	591,300	517,558	593,300
Overtime	59,974	45,000	50,000	52,000
Contract Labor	0	0	0	0
Group Insurance				
Health	61,231	67,900	61,618	67,900
Life	1,179	2,300	1,152	2,300
Dental	5,982	7,200	5,802	7,200
Long Term Disability	2,081	2,900	2,094	2,900
	70,473	80,300	70,666	80,300
Employee Benefits				
Social Security	42,036	48,700	41,194	49,400
Retirement	58,839	70,900	60,762	76,100
Tuition	1,374	2,200	2,100	2,200
Workers Compensation	10,831	13,200	10,892	15,900
	113,080	135,000	114,948	143,600
Physician Examination	2,943	1,500	2,000	1,500
Testing Laboratory	10,914	15,000	14,000	15,000
Sludge Disposal	92,206	109,000	93,000	75,000
Maintenance & Repair				
Building	13,650	24,000	24,000	26,000
Wastewater Collection System	47,871	53,000	53,000	53,000
Vehicles	39,893	17,000	25,000	20,000
Equipment	191,392	150,000	200,000	200,000
Maintenance Contracts	45,287	33,710	37,500	47,500
	338,093	277,710	339,500	346,500
Rental - Equipment	11,224	4,500	10,000	10,000

WASTEWATER - 6000

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Insurance				
Property	8,669	12,800	16,845	16,845
Liability	10,172	8,000	6,700	6,700
	18,841	20,800	23,545	23,545
Communication	3,279	4,400	4,400	6,500
Training	6,826	12,912	13,000	7,000
Travel	693	1,000	1,000	1,000
Dues & Memberships	\$3,340	\$2,500	\$3,000	\$3,000
State Inspection	38,254	36,600	35,475	58,500
General Supplies				
Office	\$733	\$700	\$700	\$700
Wearing Apparel	7,922	7,800	7,800	5,800
Gasoline & Diesel	22,536	22,000	17,000	21,000
Fuel - CNG	6,115	6,000	5,000	6,000
Operating	44,220	40,250	38,750	40,250
Chemicals	166,699	194,000	188,000	194,000
	248,225	270,750	257,250	267,750
Electricity	428,748	379,800	350,000	350,000
Capital Outlay	0	0	0	0
Operating Transfers				
Equipment Replacement	87,706	89,131	89,131	98,685
Unemployment Insurance	0	0	0	0
	87,706	89,131	89,131	98,685
Total Wastewater	\$2,043,065	\$2,077,203	\$1,988,473	\$2,133,180

WASTEWATER DEPARTMENT PROFORMA

RESOURCES

	Actual 2000 - 01	Actual 2001 - 02	Actual 2002 - 03	Actual 2003 - 04	Actual 2004 - 05	Actual 2005 - 06	Actual 2006 - 07	Budgeted 2007 - 08	Projected 2007 - 08	Adopted 2008 - 09
Sewer Base Sales	\$2,508,996	\$2,611,854	\$ 2,608,563	\$ 2,639,382	\$ 2,762,690	\$ 2,814,770	\$ 2,783,956	\$ 3,233,290	\$ 3,233,300	\$ 3,317,468
Special Sewer Fees	\$43,604	\$0	-	-	-	-	-	-	-	-
Sewer Impact Fees	\$14,963	\$0	-	30,385	-	-	-	-	-	-
Adjustments	(\$4,638)	(\$3,770)	(4,224)	(4,966)	(4,521)	(9,039)	(6,952)	-	-	-
Tap Fees & Permits	10,182	17,093	12,364	17,134	14,129	14,013	13,130	12,500	13,750	12,500
Total Resources	\$2,573,107	\$2,625,177	\$ 2,616,703	\$ 2,681,935	\$ 2,772,298	\$ 2,819,744	\$ 2,790,134	\$ 3,245,790	\$ 3,247,050	\$ 3,329,968

EXPENDITURES

	Actual 2000 - 01	Actual 2001 - 02	Actual 2002 - 03	Actual 2003 - 04	Actual 2004 - 05	Actual 2005 - 06	Actual 2006 - 07	Budgeted 2007 - 08	Projected 2007 - 08	Adopted 2008 - 09
Salaries & Wages	\$543,587	\$592,978	\$ 474,125	\$ 469,667	\$ 414,051	\$ 422,254	\$ 516,316	\$ 591,300	\$ 517,558	\$ 593,300
Overtime	60,457	63,912	53,822	54,862	38,622	46,496	51,904	45,000	50,000	52,000
Employee Incentive	-	-	-	-	-	-	-	-	-	29,000
6% Retirement	-	-	-	-	-	-	-	-	-	-
Contract Labor	6,142	16,772	-	7,014	15,209	8,088	-	-	-	-
Group Insurance	67,921	70,718	55,650	59,550	50,953	56,398	70,473	80,300	70,666	80,300
Social Security	44,516	48,417	38,298	39,166	34,155	35,201	42,036	48,700	41,194	49,400
Retirement	52,223	55,409	44,024	46,190	42,354	42,547	58,839	70,900	60,762	76,100
Worker's Compensation	13,695	12,606	11,295	13,931	11,592	13,836	10,831	13,200	10,892	15,900
Unemployment Insurance	900	0	-	-	-	-	-	-	-	-
Tuition Reimbursement	0	0	-	-	-	-	1,374	2,200	2,100	2,200
Professional Service Fees	8,041	6,633	7,450	6,823	12,990	14,209	13,857	16,500	16,000	16,500
Sludge Disposal	66,079	37,749	51,154	60,692	65,656	64,724	92,206	109,000	93,000	75,000
Maintenance & Repairs	150,890	177,030	143,309	157,852	182,840	196,858	338,093	277,710	339,500	346,500
Equipment Rental	5,321	8,660	12,457	2,690	838	2,363	11,224	4,500	10,000	10,000
Insurance	15,108	14,802	18,474	19,706	16,239	22,136	18,841	20,800	23,545	23,545
Communications	1,539	2,040	2,891	3,436	2,692	2,865	3,279	4,400	4,400	6,500
Advertising	73	83	104	247	188	218	304	250	250	250
Training & Travel	7,553	10,944	5,820	4,399	3,774	4,277	7,519	13,912	14,000	8,000
State Inspection & Dues	20,613	22,677	26,730	40,229	37,389	37,676	41,594	39,100	38,475	61,500
General Supplies	139,409	118,672	141,834	171,184	202,258	225,785	247,921	270,500	257,000	267,500
Electricity & Natural Gas	248,532	235,472	271,699	248,095	287,430	405,611	428,748	379,800	350,000	350,000
Books & Periodicals	277	0	-	211	-	-	-	-	-	-
Equipment	0	1,919	4,830	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	340,157	-	-	-	-
Equipment Replacement	52,076	65,405	50,704	51,860	58,450	79,512	87,706	89,131	89,131	98,685
Billing Services	167,204	168,245	157,885	141,455	146,483	133,285	128,350	140,580	131,090	151,620
Administrative Transfer	131,025	128,352	92,352	155,644	155,644	155,644	155,644	155,644	155,644	155,644
Total Expenditures	\$1,803,181	\$1,859,495	\$ 1,664,907	\$ 1,754,903	\$ 1,779,807	\$ 2,310,140	\$ 2,327,059	\$ 2,373,427	\$ 2,275,207	\$ 2,469,444

NET OF OPERATING **\$769,926** **\$765,682** **\$ 951,796** **\$ 927,032** **\$ 992,491** **\$ 509,604** **\$ 463,075** **\$ 872,363** **\$ 971,843** **\$ 860,524**

NON - OPERATING REVENUE

Administrative Services	\$61,912	\$62,724	\$ 61,065	\$ 57,025	\$ 62,447	\$ 69,053	\$ 68,450	\$ 69,125	\$ 69,125	\$ 69,125
Transfer from Gen. Contingency	\$0	\$0	-	-	13,000	-	-	-	-	-
Utility Contingency	-	-	-	-	-	13,000	13,000	-	-	29,000
Non-Operating Interest	47,878	17,564	10,077	9,618	22,011	41,960	47,165	49,280	27,930	24,790
Total Non-Operating Revenue	\$109,790	\$80,288	\$ 71,142	\$ 66,643	\$ 97,458	\$ 124,013	\$ 128,615	\$ 118,405	\$ 97,055	\$ 122,915

NON - OPERATING EXPEND

Debt Service Transfers	\$804,843	\$1,394,904	\$ 1,520,760	\$ -	\$ 577,398	\$ 1,192,400	\$ 1,248,000	\$ 1,472,380	\$ 1,472,380	\$ 1,369,764
WWTP Bond Reserve Fund	67,690	120,000	140,000	-	-	-	-	-	-	-
Transfer to Capital Projects	100,000	0	-	-	-	-	-	-	-	-
Utility Contingency	0	0	-	-	-	13,000	-	-	29,000	-
Capital Improvements	0	0	-	1,543,647	964,602	175,000	-	-	-	-
Total Non-Operating Expend	\$972,533	\$1,514,904	\$ 1,660,760	\$ 1,543,647	\$ 1,542,000	\$ 1,380,400	\$ 1,248,000	\$ 1,472,380	\$ 1,501,380	\$ 1,369,764

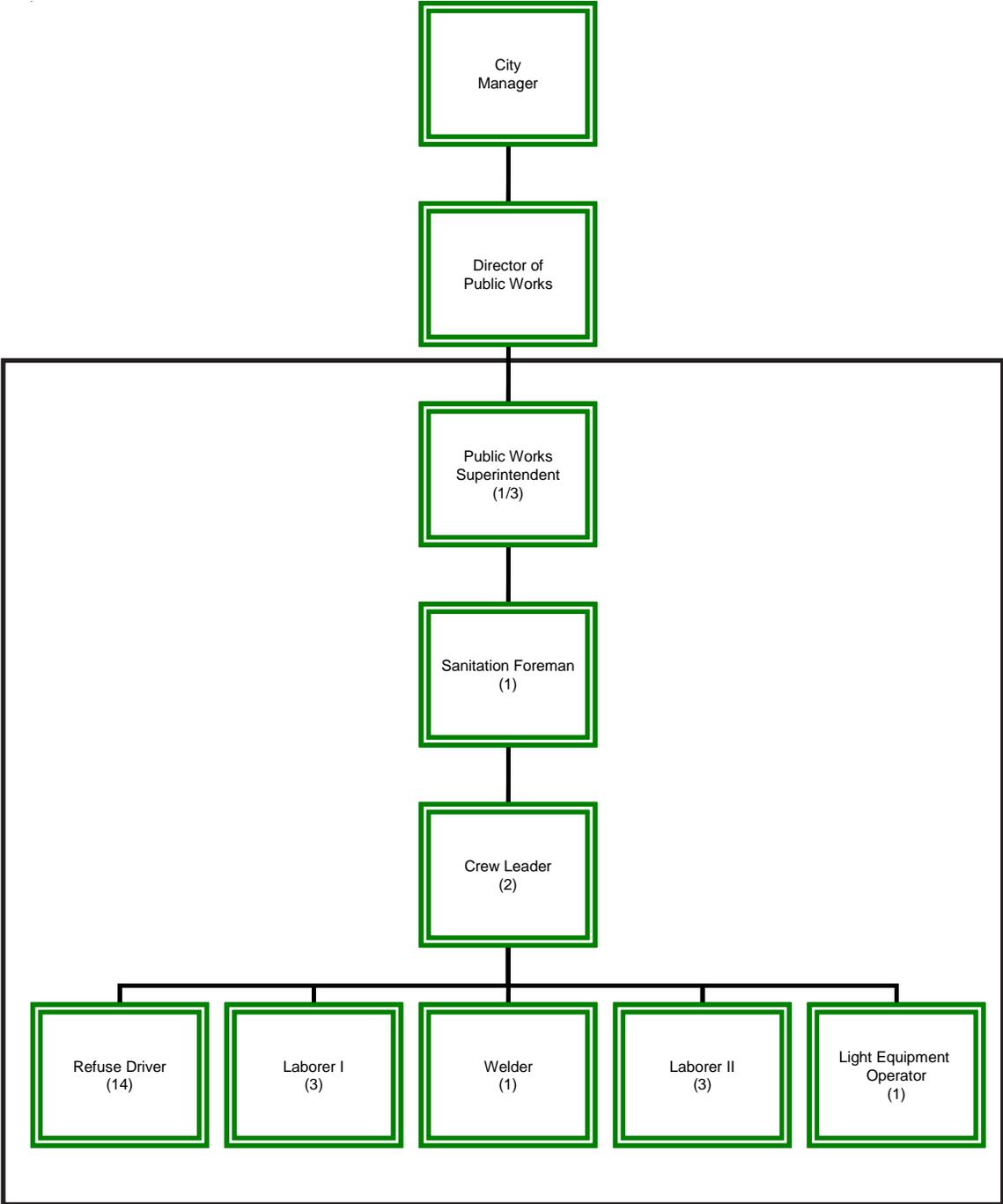
NET GAIN (LOSS) **(\$92,817)** **(\$668,934)** **\$ (637,822)** **\$ (549,972)** **\$ (452,052)** **\$ (746,783)** **\$ (481,612)** **\$ (432,482)** **\$ (386,325)**



Sanitation Department

City Sanitation workers pose for a picture in front of one of the Compressed Natural Gas (CNG) sanitation trucks. As of this year our entire fleet of commercial and residential garbage trucks will be run on CNG.

Sanitation



The outlined portion of this organizational chart represents those positions budgeted within this department.

Program Description

The Sanitation Department provides for the removal of all trash and rubbish. Each residential unit in the City receives household garbage collection service two times per week and special collection of large items and brush twice per month on an as needed basis. Operates and maintains a mulching facility located at 103 Canna Lane. Commercial collection service is provided to commercial and industrial customers, with service levels dictated by the needs of each individual customer. Curbside recycling services, through a “blue bag” system, is provided once per week to residential customers. Apartment complexes and schools receive containerized recycling services. The city participates as the “performing party” for the Southern Brazoria Clean Cities Coalition, and has contracted for disposal and recyclable processing provided by Republic Waste and Brazosport Environmental recycling, located on FM523.

Public Works

Sanitation - 7600

FY07-08 ACCOMPLISHMENTS

Department Projects:

- 1) Improved appearance and efficiency in heavy trash collection with purchase of 3 new Flatbeds.
- 2) Labeled approximately 35% dedicated commercial dumpsters.
- 3) Achieved safety goal of working 272 days without lost time accident or injury.

FY08-09 GOALS & OBJECTIVES

Vision Element: Maintain a Well Managed City
Objective: Continue to Hire and Retain Qualified Employees in all areas.
Goal: Obtain and maintain Full Staffing Level.

Department Projects:

- 1) Achieve safety goal of working 400 says without a lost time accident or injury.
- 2) Check commercial routes against billing database annually.
- 3) Complete labeling all dedicated commercial dumpsters.
- 4) Accept recycling study and recommend adoption of relevant findings.

Public Works

Sanitation - 7600

DEPARTMENT STANDARDS

- 1 Collect Household Garbage, Twice Weekly by 5:00 p.m.
- 2 Collect Residential Heavy Trash, Twice Monthly within Scheduled Week
- 3 Provide Free Mulch for Citizens and City Departments

PROGRAM MEASURES

	2006-07	2007-08	2007-08	2008-09
	Actual	Budget	Estimated	Adopted
1 % of days household garbage is collected by 5 p.m.	99%	99%	99%	99%
2 % of time heavy trash is collected within scheduled week	100%	100%	100%	100%
3 Commercial/Apartments customers	516	520	520	525
4 Residential Customers	8,250	8,275	8,275	8,285
5 Refuse collected:				
Residential Garbage (Compacted Cubic Yards)	27,200	28,000	28,000	30,000
Commercial Garbage (Compacted Cubic Yards)	40,800	42,000	42,000	44,000
Large Trash to Landfill (Non-Comp. Cu. Yards)	34,000	40,000	34,000	36,000
Large Trash to Woodgrinding Site (Non-Comp Cu. Yards)	46,000	42,000	44,000	44,000
Curbside Recyclables Hauled (Cu. Yards)	8,500	8,000	8,500	9,000
Recycled Tires	702	800	800	800
6 Recyclables - schools/apartments (Cu. Yds.)	640	600	540	600
7 Recycled Oil (Gallons)	4,740	4,200	4,500	4,500
8 Full Staffing Level (%)	n/a	n/a	87%	94%

SANITATION - 7600

<i>Resources</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Operating Revenues	\$2,477,769	\$2,648,689	\$2,520,826	\$2,752,290
<i>Total Resources</i>	\$2,477,769	\$2,648,689	\$2,520,826	\$2,752,290

<i>Expenditures</i>	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages	\$876,584	\$905,829	\$840,702	\$908,200
Employee Benefits	251,112	306,300	249,522	321,100
Operating Expenses	1,029,355	1,036,560	1,030,602	1,099,120
Capital Outlay	0	0	0	0
Operating Transfers	320,718	400,000	400,000	423,870
<i>Total Expenditures</i>	\$2,477,769	\$2,648,689	\$2,520,826	\$2,752,290

<i>Personnel</i>	2005-06 Budget	2006-07 Budget	2007-08 Budget	2008-09 Budget
Service/Maintenance	23.00	23.00	23.00	23.00
Office/Clerical	0.00	0.00	0.00	0.00
Technical	1.00	1.00	1.00	1.00
Sworn Personnel	0.00	0.00	0.00	0.00
Professional	0.00	0.00	0.00	0.00
Management/Supervision	1.34	1.34	1.34	1.34
Temporary/Seasonal	0.00	0.00	0.00	0.00
<i>Total Personnel</i>	25.34	25.34	25.34	25.34

Major Budget Changes

Fuel costs have increased \$50,000.

SANITATION - 7600

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Salaries & Wages				
Service/Maintenance	\$547,539	\$662,729	\$538,631	\$662,300
Technical	35,750	37,200	36,558	37,500
Management/Supervision	69,325	69,400	71,513	71,900
	652,614	769,329	646,702	771,700
Overtime	92,584	74,000	81,000	74,000
Contract Labor	131,386	62,500	113,000	62,500
Group Insurance				
Health	75,559	88,200	71,564	88,200
Life	1,491	3,000	1,448	3,100
Dental	7,378	9,400	7,005	9,400
Long Term	2,607	3,800	2,655	3,800
	87,035	104,400	82,672	104,500
Employee Benefits				
Social Security	54,655	63,800	51,751	64,700
Retirement	77,537	93,000	78,417	99,800
Workers Compensation	31,885	45,100	36,682	52,100
	164,077	201,900	166,850	216,600
Physician Examination Fee	2,275	2,000	1,000	1,000
Professional Service Technical				
Waste Disposal Contract	610,788	677,260	620,000	670,000
Wood Grinding Services	102,802	88,000	93,300	96,800
	713,590	765,260	713,300	766,800
Maintenance & Repair				
Landfill	394	1,000	24	0
Landfill Road	0	2,000	2,000	2,000
Chipping Facility	42	1,500	1,500	1,500
Vehicles	153,276	110,000	137,000	125,000
Contracts	707	1,100	1,100	635
Containers	11,466	12,000	12,000	15,000
	165,885	127,600	153,624	144,135
Rental - Vehicles	\$965	\$1,000	\$1,000	\$1,000

SANITATION - 7600

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Adopted
Insurance				
Property	\$901	\$900	\$1,337	\$1,340
Liability	24,768	31,300	30,441	30,445
	25,669	32,200	31,778	31,785
Communication	667	2,000	2,000	2,000
Training	719	2,000	3,000	3,000
Travel	25	100	0	0
General Supplies				
Office	1,471	300	300	300
Wearing	7,075	9,000	9,000	9,000
Gasoline & Diesel	54,300	55,000	38,500	50,000
Fuel - CNG	48,001	30,000	67,000	80,000
Operating	8,713	10,100	10,100	10,100
	119,560	104,400	124,900	149,400
Capital Outlay	0	0	0	0
Operating Transfers				
Equipment Replacement	320,718	400,000	400,000	423,870
Unemployment Insurance	0	0	0	
	320,718	400,000	400,000	423,870
Total Sanitation	\$2,477,769	\$2,648,689	\$2,520,826	\$2,752,290

SANITATION DEPARTMENT PROFORMA

RESOURCES

	Actual 2000 - 01	Actual 2001 - 02	Actual 2002 - 03	Actual 2003 - 04	Actual 2004 - 05	Actual 2005 - 06	Actual 2006 - 07	Budgeted 2007 - 08	Projected 2007 - 08	Adopted 2008 - 09
Residential Fees	\$1,186,338	\$1,208,682	\$ 1,218,147	\$ 1,222,167	\$ 1,223,968	\$ 1,275,155	\$ 1,303,832	\$ 1,357,455	\$ 1,357,455	\$ 1,384,320
Apartment Dumpster Fees	305,096	349,056	343,654	345,748	353,433	381,650	393,168	422,400	417,815	446,376
Commercial Dumpster Fees	442,269	448,467	464,810	473,226	472,344	503,303	570,052	577,500	609,185	637,462
Roll-Off Fees	94,844	146,734	163,878	192,326	209,073	149,536	157,916	190,000	150,000	150,000
Compactor Fees	94,436	91,980	86,619	87,384	113,018	125,884	156,083	150,000	162,150	180,000
Recycling Service Fees	219,494	220,515	222,048	222,196	223,056	224,293	226,494	229,440	229,120	229,645
Recycling Service Rebate	0	0	-	-	-	-	-	-	-	-
Misc. Operating Revenues	15,219	15,505	18,019	16,111	19,823	13,207	22,309	15,000	22,000	19,000
Disater Aid	0	0	49,369	-	-	62,298	-	-	-	-
Write-Offs	(3,654)	(3,200)	(3,113)	(3,932)	(3,448)	(4,343)	(5,985)	-	-	-
Total Operating Revenues	\$2,354,042	\$2,477,739	\$ 2,563,431	\$ 2,555,226	\$ 2,611,267	\$ 2,730,983	\$ 2,823,869	\$ 2,941,795	\$ 2,947,725	\$ 3,046,803

EXPENDITURES

	Actual 2000 - 01	Actual 2001 - 02	Actual 2002 - 03	Actual 2003 - 04	Actual 2004 - 05	Actual 2005 - 06	Actual 2006 - 07	Budgeted 2007 - 08	Projected 2007 - 08	Adopted 2008 - 09
Salaries & Wages	\$477,472	\$512,697	\$ 499,135	\$ 534,234	\$ 660,662	\$ 656,774	\$ 652,614	\$ 769,329	\$ 646,702	\$ 771,700
Overtime	49,057	52,854	61,638	60,243	72,216	93,336	92,584	74,000	81,000	74,000
Employee Incentive	-	-	-	-	-	-	-	-	-	37,000
6% Retirement	-	-	-	-	-	-	-	-	-	-
Contract Labor	142,464	153,589	195,390	188,715	90,854	131,917	131,386	62,500	113,000	62,500
Group Insurance	64,886	62,974	61,485	70,323	84,567	87,006	87,035	104,400	82,672	104,500
Social Security	38,755	41,933	41,268	43,069	53,945	56,124	54,655	63,800	51,751	64,700
Retirement	45,057	47,855	47,046	51,150	67,110	68,164	77,537	93,000	78,417	99,800
Tuition Reimbursement	0	0	-	-	-	-	-	-	-	-
Worker's Compensation	39,115	33,844	29,601	37,343	40,631	42,206	31,885	45,100	36,682	52,100
Unemployment Insurance	940	0	-	-	-	-	-	-	-	-
Professional Service Fees	629	1,009	224	1,199	1,520	996	2,275	2,000	1,000	1,000
Waste Disposal & Woodgrinding	484,996	530,916	609,127	635,503	666,327	658,435	713,590	765,260	713,300	766,800
Maintenance & Repairs	177,111	150,705	164,533	156,820	173,303	131,886	165,885	127,600	153,624	144,135
Rentals	1,620	1,046	880	815	2,231	969	965	1,000	1,000	1,000
Insurance	29,806	24,163	24,761	32,363	27,363	31,208	25,669	32,200	31,778	31,785
Communications	(136)	537	674	742	718	622	667	2,000	2,000	2,000
Advertising	0	62	-	164	104	-	92	100	100	100
Training & Travel	4	521	387	313	1,103	988	744	2,100	3,000	3,000
General Supplies	64,643	71,972	81,303	98,211	116,717	175,131	119,468	104,300	124,800	149,300
Capital Outlay	0	4,099	3,728	-	4,336	-	-	-	-	-
Equipment Replacement	221,487	221,990	191,373	190,460	173,245	229,747	320,718	400,000	400,000	423,870
Billing Services	109,141	120,966	126,683	106,207	106,207	97,212	98,350	102,372	93,970	115,767
Administrative Transfer	127,100	127,100	127,100	127,100	127,100	127,100	127,100	127,100	127,100	127,100
Total Operating Expend	\$2,074,147	\$2,160,832	\$ 2,266,336	\$ 2,334,974	\$ 2,470,259	\$ 2,589,821	\$ 2,703,219	\$ 2,878,161	\$ 2,741,896	\$ 3,032,157

NET OF OPERATING

	\$279,895	\$316,907	\$ 297,095	\$ 220,252	\$ 141,008	\$ 141,162	\$ 120,650	\$ 63,634	\$ 205,829	\$ 14,646
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NON - OPERATING REVENUE

Administrative Services	201,296	61,193	\$ 59,216	\$ 56,938	\$ 56,938	\$ 64,992	\$ 68,450	\$ 61,225	\$ 61,225	\$ 61,225
Transfer from Gen. Contengency	0	0	-	-	16,000	-	-	-	-	-
Utility Contingency	-	-	-	-	-	16,000	16,000	-	-	37,000
Non-Operating Interest	43,653	17,032	9,771	20,070	20,070	39,492	47,165	43,648	24,740	22,650
Total Non-Operating Revenue	\$244,949	\$78,225	\$ 68,987	\$ 77,008	\$ 93,008	\$ 120,484	\$ 131,615	\$ 104,873	\$ 85,965	\$ 120,875

NON - OPERATING EXPEND

Franchise Fee	\$102,000	\$102,000	\$ 102,000	\$ 102,000	\$ 102,000	\$ 102,000	\$ 102,000	\$ 102,000	\$ 102,000	\$ 102,000
Utility Contingency	\$0	\$0	-	-	-	16,000	-	-	37,000	-
Capital Improvements	0	0	-	-	-	-	-	-	-	-
Total Non-Operating Exp	\$102,000	\$102,000	\$ 102,000	\$ 102,000	\$ 102,000	\$ 118,000	\$ 102,000	\$ 102,000	\$ 139,000	\$ 102,000

NET GAIN (LOSS)

	\$422,844	\$293,132	\$ 264,082	\$ 195,260	\$ 132,016	\$ 143,646	\$ 150,265	\$ 66,507	\$ 152,794	\$ 33,521
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Dunbar Water Tower



UTILITY DEBT SERVICE FUND



LAKE JACKSON

City of Enchantment



UTILITY DEBT SERVICE FUND

The Utility Debt Service Fund is used for the accumulation of resources for the payment of Water and Sewer Revenue Bonds and also to provide a reserve as provided by the City's bond ordinances. A separate Reserve Fund has been established for the \$16M Wastewater Treatment Plant bonds. These ordinances currently require the City to maintain a reserve equal to the succeeding fiscal year's principal and interest payment. Upon the issuance of new debt, the ordinances allow the reserve to be raised to the required level over 60 months.

In May, 2007 the City issued \$2.0 million, Water and Sewer Revenue Bonds. Thus, FY 2008-09 will be the 2nd of the 5 year allowance to increase the reserve to the required level.

For FY 2008-09 the required balance in this fund is \$286,720 (the amount of debt service payments to be made in FY 09-10 for Series 1993 and 1996 Revenue Bonds; and 2/5th of the debt service payments to be made in FY 2011-12 for Series 2007 Revenue Bonds) Additionally, each month there must be deposited in this fund, 1/6th of the next maturing interest and 1/12th of the next maturing principal.

At September 30, 2008 our required balance in this fund is:

Reserve Portion	\$262,580
Interest and Sinking Portion:	
October 15, 2008 interest payment (5/6 th)	236,325
April 15, 2009 principal payment (5/12 th)	<u>445,833</u>
	944,738

At September 30, 2009 our required balance in this fund is

Reserve Portion	\$286,720
Interest and Sinking Portion:	
October 15, 2009 interest payment (5/6 th)	218,008
April 15, 2010 principal payment (5/12 th)	<u>445,833</u>
	950,562

The debt service on Water and Sewer Bonds, i.e., the amount transferred from the Utility Fund, is provided by Water and Sewer Fees. Issuance of additional bonds may impact Water and Sewer fees, but will have no impact on property tax rates.

It is the City's policy to fund as many projects as possible from the Utility Projects Fund and to incur new debt on only the larger projects. In determining the timing for issuance of new debt, the objective is to minimize the overall debt service. Therefore new debt issuance is usually timed to coincide with a decrease in current debt service.

UTILITY DEBT SERVICE FUND

<i>RESOURCES</i>	ACTUAL	BUDGET	ESTIMATE	ADOPTED
	2006 - 07	2007 - 08	2007 - 08	2008 - 09
Cash Balance	\$ 954,730	\$ 960,752	\$ 960,752	\$ 965,397
Revenues				
Transfer from:				
Utility Fund	\$ 1,370,000	\$ 1,588,900	\$ 1,588,900	\$ 1,525,350
WWTP Construction	0	0	0	0
Debt Service Reserve	58,000	29,600	29,600	30,000
Interest Income	111,936	71,000	71,000	71,000
	<u>\$ 1,539,936</u>	<u>\$ 1,689,500</u>	<u>\$ 1,689,500</u>	<u>\$ 1,626,350</u>
Total Resources	\$ 2,494,666	\$ 2,650,252	\$ 2,650,252	\$ 2,591,747

<i>EXPENDITURES</i>	ACTUAL	BUDGET	ESTIMATE	ADOPTED
	2006 - 07	2007 - 08	2007 - 08	2008 - 09
Principal	\$ 970,000	\$ 1,070,000	\$ 1,070,000	\$ 1,070,000
Interest	560,920	610,855	610,855	567,180
Paying Agent Fees	2,995	4,000	4,000	4,000
Total Expenditures	<u>\$ 1,533,915</u>	<u>\$ 1,684,855</u>	<u>\$ 1,684,855</u>	<u>\$ 1,641,180</u>
Ending Cash Balance	<u>\$ 960,752</u>	<u>\$ 965,397</u>	<u>\$ 965,397</u>	<u>\$ 950,567</u>

UTILITY DEBT SERVICE RESERVE FUND

The Utility Debt Service Reserve Fund is used for the accumulation of resources to provide a reserve as prescribed for in the City's bond ordinances. This fund is a separate Reserve Fund established for the \$16M Wastewater Treatment Plant bonds. The reserve for the three other outstanding bond issues is provided in the Utility Debt Service Fund itself. Bond ordinances currently require the City to maintain a reserve equal to the succeeding fiscal year's principal and interest payment. Upon the issuance of additional debt, the ordinances allow the reserve to be raised to the required level over 60 months.

The required reserve for this bond issue is \$1,197,200. This is equal to the principal and interest payments on the Wastewater Treatment Plant Bonds for 2009-10. Because the required reserve balance in this fund has decreased from \$1,227,200 to \$1,197,200, we are budgeting to transfer the difference of \$30,000 back to the Utility Debt Service Fund.

UTILITY DEBT SERVICE RESERVE FUND

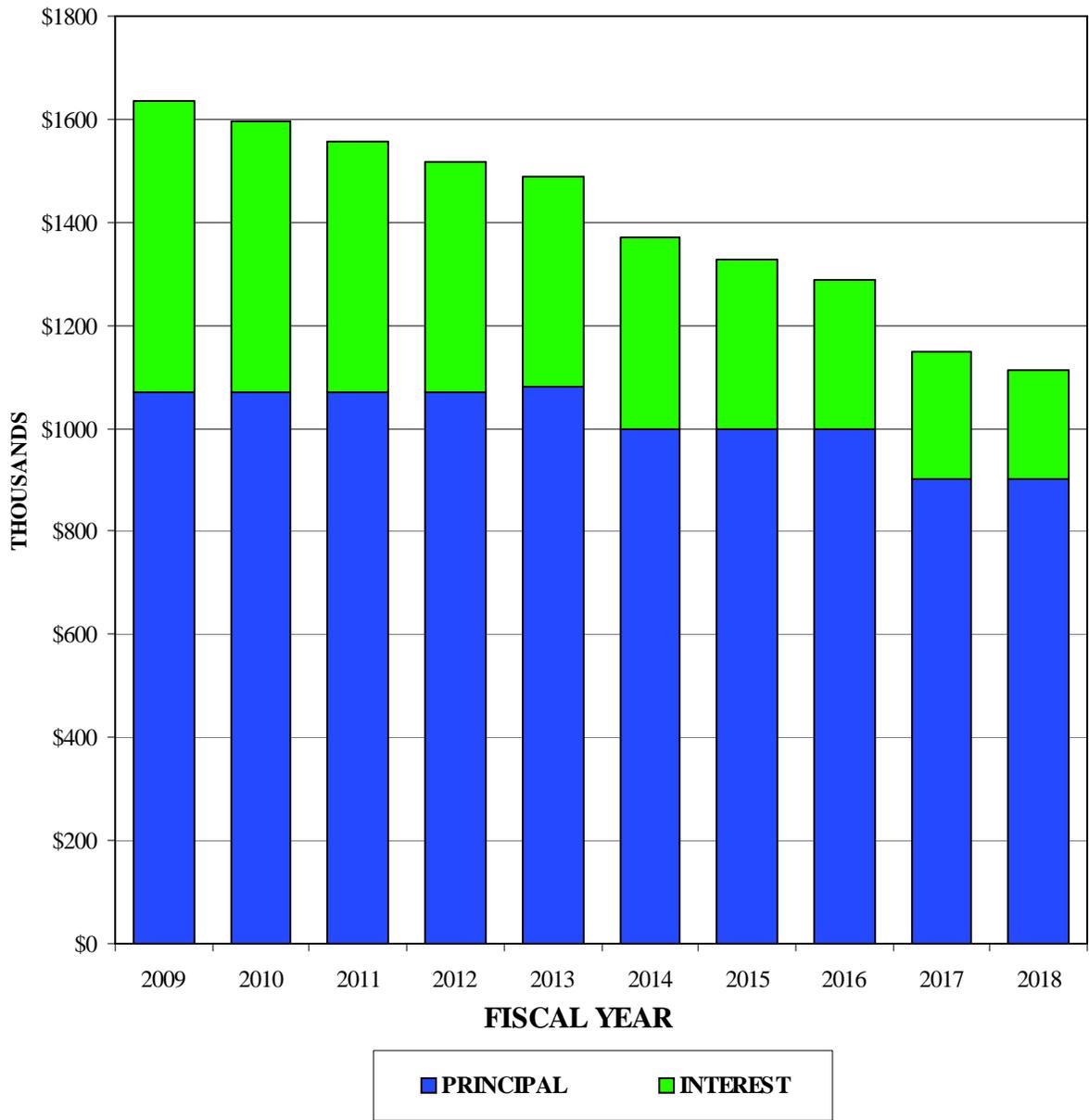
<i>RESOURCES</i>	ACTUAL 2006 - 07	BUDGET 2007 - 08	ESTIMATE 2007 - 08	ADOPTED 2008- 09
Cash Balance	\$ 1,314,800	\$ 1,256,800	\$ 1,256,800	\$ 1,227,200
Revenues				
Transfer from:				
Utility Fund	\$ 0	\$ 0	\$ 0	\$ 0
WWTP Construction	0	0	0	0
Interest Income	0	0	0	0
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Resources	\$ 1,314,800	\$ 1,256,800	\$ 1,256,800	\$ 1,227,200

<i>EXPENDITURES</i>	ACTUAL 2006 - 07	BUDGET 2007 - 08	ESTIMATE 2007 - 08	ADOPTED 2008- 09
Transfer to Debt Service	\$ 58,000	\$ 29,600	\$ 29,600	\$ 30,000
Total Expenditures	<u>\$ 58,000</u>	<u>\$ 29,600</u>	<u>\$ 29,600</u>	<u>\$ 30,000</u>
Ending Cash Balance	<u>\$ 1,256,800</u>	<u>\$ 1,227,200</u>	<u>\$ 1,227,200</u>	<u>\$ 1,197,200</u>

**WATERWORKS & SEWER SYSTEM
DEBT SERVICE SCHEDULE**

DATE	1993A SERIES FISCAL TOTALS		1996 SERIES FISCAL TOTALS		2000 SERIES FISCAL TOTALS		2007 SERIES FISCAL TOTALS		GRAND TOTALS			
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	PRINCIPAL	INTEREST	TOTAL	
2009	2008 - 09	70,000	19,230	100,000	40,250	800,000	427,200	100,000	80,500	1,070,000	567,180	1,637,180
2010	2009 - 10	70,000	15,520	100,000	35,000	800,000	397,200	100,000	75,500	1,070,000	523,220	1,593,220
2011	2010 - 11	70,000	11,810	100,000	30,000	800,000	366,800	100,000	70,500	1,070,000	479,110	1,549,110
2012	2011 - 12	70,000	8,065	100,000	25,000	800,000	336,000	100,000	65,500	1,070,000	434,565	1,504,565
2013	2012 - 13	80,000	4,320	100,000	20,000	800,000	304,400	100,000	60,500	1,080,000	389,220	1,469,220
2014	2013 - 14			100,000	15,000	800,000	272,400	100,000	56,000	1,000,000	343,400	1,343,400
2015	2014 - 15			100,000	10,000	800,000	240,000	100,000	52,000	1,000,000	302,000	1,302,000
2016	2015 - 16			100,000	5,000	800,000	206,800	100,000	48,000	1,000,000	259,800	1,259,800
2017	2016 - 17					800,000	173,200	100,000	44,000	900,000	217,200	1,117,200
2018	2017 - 18					800,000	139,200	100,000	40,000	900,000	179,200	1,079,200
2019	2018 - 19					800,000	104,800	100,000	36,000	900,000	140,800	1,040,800
2020	2019 - 20					800,000	70,000	100,000	32,000	900,000	102,000	1,002,000
2021	2020 - 21					800,000	35,200	100,000	28,000	900,000	63,200	963,200
2022	2021-22							100,000	24,000	100,000	24,000	124,000
2023	2022-23							100,000	20,000	100,000	20,000	120,000
2024	2023-24							100,000	16,000	100,000	16,000	116,000
2025	2024-25							100,000	12,000	100,000	12,000	112,000
2026	2025-26							100,000	8,000	100,000	8,000	108,000
2027	2026-27							100,000	4,000	100,000	4,000	104,000
	TOTAL	360,000	58,945	800,000	180,250	10,400,000	3,073,200	1,900,000	772,500	13,460,000	4,084,895	17,544,895

UTILITY REVENUE BOND DEBT SERVICE SCHEDULE



UTILITY DEBT SERVICE FUND SCHEDULE OF BONDS OUTSTANDING

REVENUE BOND ISSUE	AMOUNT OF ISSUE	INTEREST RATE	YEAR OF MATURITY	AMOUNT OUTSTANDING @ 10/01/08	2008-09 PRINCIPAL DUE	2008-09 INTEREST DUE	2008-09 TOTAL DUE
SERIES 1993 A	1,410,000	5.03	2013	360,000	70,000	19,230	89,230
SERIES 1996	1,900,000	5.65	2016	800,000	100,000	40,250	140,250
SERIES 2000	16,000,000	4.07	2021	10,400,000	800,000	427,200	1,227,200
SERIES 2007	2,000,000	4.10	2027	1,900,000	100,000	80,500	180,500
TOTAL ALL ISSUES				\$13,460,000	\$1,070,000	\$567,180	\$1,637,180

Water and Sewer Revenue Bonds Series 1993 A

Proceeds from the 1993A Series funded the following projects:

Sewer line replacements on all or a portion of Poinsettia, Wisteria, Palm Lane, Camellia, Jasmine, Circle Way, Cherry, Acacia, Mimosa, Oak Dr. South, Circle Way / Oak Drive, Camellia, Gardenia, Blackberry, Caladium, Cypress and Jonquil.

Lift Station Rehabilitations at Lift Station # 1, Huisache Lift Station, Magnolia Lift Station and Sycamore Lift Station.

Water and Sewer Revenue Bonds Series 1996

Proceeds from the 1996 Series funded the following projects:

Water line replacements on all or a portion of Pin Oak, Palm Lane, Caladium, Redwood, Cypress, Jonquil, Gardenia, Hawthorn, Daisy, Blossom, Moss, Bois D' Arc, Walnut, FM 2004, Winding Way, Trumpet Vine, Grapevine and Azalea.

Sewer line replacements on all or a portion of Carnation, Caladium Court and Winding Way.

Construction of a new one million gallon ground storage tank.

Construction of new and rehabilitation of existing Sewer lines and lift stations to enable the City to provide sewer service to undeveloped areas in the northeast portion of the City. Actual construction of this project has not yet commenced.

Wastewater Treatment Plant Revenue Bonds Series 2000

Proceeds from the 2000 Series funded the expansion of the Wastewater Treatment Plant.

Water and Sewer Revenue Bonds Series 2007

Proceeds from the 2007 Series will fund the following projects:

Non potable irrigation, Lift Station repair & upgrades, Center Way Sewer 400 block; painting of the Balsam Tower, and Utility relocates on Hwy 288/332; and FM 2004.

PLEGGED REVENUE COVERAGE PROJECTIONS

		<u>2007</u>	<u>2008</u>	<u>2008</u>	<u>2009</u>
		<u>Actual</u>	<u>budget</u>	<u>projected</u>	<u>proposed</u>
OPERATING REVENUES:					
251 0000 343 1000	Water Sales	\$ 2,612,903	\$ 3,122,344	\$ 3,122,345	\$ 3,205,200
251 0000 343 1100	Braz. Cty. Cons. Dist.	15,332	22,000	23,000	20,000
251 0000 343 1600	Bulk Water	310	0	0	0
251 0000 343 1700	Water for City	37,052	48,750	48,350	48,750
251 0000 343 2000	Senior disc.	(107,344)	(90,000)	(124,000)	(138,240)
251 0000 346 1000	Write-offs	(7,254)	0	(1,171)	0
251 0000 344 2000	Sewer Sales	2,783,956	3,233,290	3,233,300	3,317,468
251 0000 346 2000	Write-offs	(6,952)	0	(1,061)	0
251 0000 322 1300	Permits	15,470	15,000	15,000	15,000
251 0000 341 0100	Tap Fees	37,050	35,000	40,000	35,000
251 0000 341 0200	Reconnection penalty	178,110	190,000	190,000	190,000
251 0000 341 0300	Transfer Fees	1,420	1,500	1,500	1,500
Interest					
251 0000 394 0000	Utility Fund	137,795	140,000	79,000	70,000
252 0000 394 0000	Contingency fund	18,005	10,000	10,000	8,000
253 0000 394 0000	Capital Project Fund	76,544	30,000	30,000	20,000
254 0000 394 0000	Debt Service Fund	111,936	71,000	71,000	71,000
257 0000 394 0000	96 Construction Fund	34,885	20,300	20,300	18,000
258 0000 394 0000	WWTP Fund	17,575	1,892	1,892	0
259 0000 394 0000	07 W&S Fund	41,394	51,000	51,000	35,000
Other Revenue					
251 0000 362 3000	NSF Check charge	5,825	6,000	6,000	6,000
251 0000 362 3500	Site Rent	47,917	46,800	46,800	63,420
251 0000 396 0000	Sales Tax Discount	931	800	800	800
<i>Total Operating Revenues</i>		<u>6,052,860</u>	<u>6,955,676</u>	<u>6,864,055</u>	<u>6,986,898</u>

OPERATING EXPENDITURES:

<i>Dept. 5000</i>	<i>Utility Admin.</i>	349,288	380,230	353,110	411,772
251 5000 441 7900	Depreciation	0			
251 5000 491 1300	Equip. Repl transfer	(22,851)	(25,550)	(25,550)	(27,552)
<i>Dept. 5400</i>	<i>Water Production</i>	2,202,988	2,477,868	2,403,057	2,518,720
251 5400 442 7900	Depreciation	0			
251 5400 491 1300	Equip. Repl. Transfer	(59,354)	(59,988)	(59,988)	(64,830)
<i>Dept. 6000</i>	<i>Waste water collection</i>	2,043,065	2,077,203	1,988,473	2,133,180
251 6000 444 7900	Depreciation	0			
251 6000 491 1300	Equip Repl. Transfer	(87,706)	(89,131)	(89,131)	(98,685)
Capital Projects less than \$5,000	Utl. Capt. Proj. Fund	117			
<i>Total Operating Expenditures</i>		<u>4,425,547</u>	<u>4,760,632</u>	<u>4,569,971</u>	<u>4,872,605</u>

NET AVAILABLE OPERATING REVENUES	\$	<u>1,627,313</u>	\$	<u>2,195,044</u>	\$	<u>2,294,084</u>	\$	<u>2,114,293</u>
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Debt Service: (**Maximum Annual Requirement**)

Principal	\$	1,070,000	\$	1,070,000	\$	1,070,000	\$	1,070,000
Interest		<u>560,920</u>		<u>610,855</u>		<u>610,855</u>		<u>567,180</u>

Maximum Debt Service Requirements	\$	<u>1,630,920</u>	\$	<u>1,680,855</u>	\$	<u>1,680,855</u>	\$	<u>1,637,180</u>
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Net Available Revenues per Maximum Debt Service Requirements	\$	1.00	\$	1.31	\$	1.36	\$	1.29
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The bond ordinances require that before new revenue bonds can be issued, the net earnings of the system for the last fiscal year, or for any twelve consecutive calendar month period ending not more than 90 days prior to the adoption of the ordinance authorizing the issuance of such additional bonds, were at least 1.25 times the **average annual principal and interest requirements** for then all outstanding parity bonds and for the series of additional bonds then proposed to be issued.

Debt Service: (Average Annual Requirements)								
Principal & Interest	\$	959,150	\$	961,288		961,288		923,416

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CAPITAL PROJECTS FUND



LAKE JACKSON

City of Enchantment



GENERAL PROJECT FUND

The General Projects Fund provides funding for a wide variety of capital projects including occasional large equipment purchases.

The major revenue source for this fund is “year end transfers” from the General Fund. At the end of each fiscal year actual General Fund revenues and expenditures are compared. If there are excess revenues a portion of these will be transferred to the General Projects Fund. Some may also be transferred to the Parks Fund and some will be left in the General Fund to increase the fund balance if necessary.

In some years, we are able to budget in the General Fund a transfer to the General Projects Fund. FY 07-08 was one of those years. We actually budgeted a transfer of 112,339. Additionally, the General Operating Fund did well financially in 2006-07 and \$1,800,000 will be transferred to the General Projects Fund. This will be reflected in 07-08.

In 2006-07, our auditors asked us to change our policy and reflect our “year-end” transfers in the following year rather than recording them after the fact in the year the budget saving occurred.

Over the last nine years this fund has received the following transfers from the General Fund

FY 07-08	\$1,912,339	FY 02-03	\$325,000
FY 06-07	\$0	FY 01-02	\$790,000
FY 05-06	\$660,000	FY 00-01	\$700,000
FY 04-05	\$500,000	FY 99-00	\$675,000
FY 03-04	\$370,000	FY 98-99	\$1,142,575

Fund Balance. A minimum of a \$500,000 fund balance is a goal for this fund. This provides the City with a source of funds in case of emergencies. If we proceed as budgeted, we will end FY08-09 with a fund balance of approximately \$669,509.

GENERAL PROJECTS FUND

Vision Process

One of the FY2006-07 goals set by City Council was to:

Reorganize C.I.P. Document

- break into maintenance and capital
- prioritizing items
- Modify timelines (1 yr, 3-5, 5-10, 10+)

This goal was under the objective to “Reorganize CIP document to better prioritize projects”. This was under the Vision Element to “Maintain Infrastructure”.

This goal was accomplished in large part as the result of a March 24, 2008 C.I.P. Workshop with City Council. This was the second annual workshop held with City Council that was completely dedicated to discussing capital improvement projects.. Working with staff, City Council rated and prioritized projects in two areas; “Capital” and “Maintenance Projects”. Those were then combined into one set of priorities. Then based on their rating, projects were placed in categories of 1-3 years, 3-5 years, 6-10 years, and “future bond issues.” These priorities for FY08-09 are listed below.

Projects were rated on how they related to our Vision Statement and Vision Elements.

The projects for FY08-09 approved by City Council are:

ADA ramps / sidewalk	\$75,000
Radio communications improvements	254,422
A/C replacement (annual)	25,000
Demolition	50,000
Repaint Recreation Center exterior	59,000
Repaint locker rooms and benches	13,400
Golf Course storm warning alert system	1,500
Recreation Center digital security cameras	17,800
G.I.S. vertical benchmark	16,000
G.I.S. (drainage component)	100,000
Golf Course maintenance cover	18,000
Sidewalk – Plantation Dr – Oaks of Flagridge	52,500
Recreation Center gutters	21,000
Dunbar parking lot overlay	83,000
Golf Course bunker renovation	20,000
Replace carpet in Police building	27,300
Golf Course irrigation lake aerator	7,500
Clear Oyster Creek Phase I – Dunbar Park	25,000
Finish Emergency Operation Center / Dispatch	<u>300,000</u>
	\$1,166,422

One of the key vision elements established by City Council was to “maintain infrastructure.” The guiding principle adopted by Council was to “maintain existing facilities and infrastructure at current high standards.”

Council members, directors, department heads and citizen requests identified the various projects to be considered for funding. The visioning process has helped to formalize the manner in which projects are reviewed and funded.

IMPACT ON OPERATING BUDGET

As you can see, many of the approved projects are related to maintenance of facilities or other infrastructure, these include A/C replacement, upgrade and improvements to emergency radios, parking overlays, carpet and painting projects, and security camera equipment. Most of these projects may have some minor operating cost associated with them. However, the true impact of these projects is the fact that the entire cost is budgeted here and not in the operating budget.

The completion of the E.O.C./ Municipal Court will have a significant impact on future budgets, in regards to increased electrical usage, insurance and general maintenance. The E.O.C. and Municipal Court are scheduled to open during the first quarter of 2010, so they will have no impact on the 2008-09 budget. It is likely the 2009-10 budget will see a \$50,000 to \$100,000 increase for operating cost. The G.I.S. drainage component will also aid staff and City Council in using limited dollars for drainage improvement in the most efficient manner possible.

GENERAL PROJECT FUND

Because our operating budget has been so tight over the past few years, we have deferred some maintenance items for the short-term and then funded the most significant and necessary projects from this fund. It should be restated, that the Capital Projects Fund receives its money from budget savings generated in the operating fund.

The hope is that as our operating budget improves, and we can move some of these maintenance projects to the operating budget and use these funds for our small and mid-sized capital improvement projects.

Again, the use of these funds allows us to do small to mid-sized projects on a cash basis. We then use our debt process to do the larger more complex projects as are approved by the voters from time to time.

We continue to use citizen task forces to help select and prioritize major projects to be submitted to the voters for most of our major projects. The other funding source we use for major projects is the 1/2¢ Optional Sales Tax. Currently a plan for funding the rehabilitation and upgrade of our downtown streets has been adopted by Council. These improvements were identified by a citizen committee working in concert with a consultant and city staff in 2003.

The downtown revitalization plan meets the vision element to “Enable Growth and Revitalization” following the guiding principle of “Promoting quality growth following the established master plan”. In this case we are following the adopted Downtown Revitalization Master Plan adopted by City Council.

Overall, having this fund has allowed us to do those projects (whether maintenance or capital) without putting a greater burden on our tax payers. Projects here are done on a cash basis, so there is no lingering debt payment to contend with. Therefore the greatest impact to our operating budget from this fund is to help keep our maintenance and operations tax rate low. To fund the general projects adopted this year of \$1,166,422 from this fund would have required an additional seven (8) cents on the tax rate. Similarly projects funded for the utility fund help control our rate structure.

GENERAL PROJECTS FUND

Anticipated Cash Flow

<i>RESOURCES</i>	ACTUAL 2003 - 04	ACTUAL 2004 - 05	ACTUAL 2005 - 06	ACTUAL 2006 - 07	ESTIMATED 2007 - 08	ADOPTED 2008 - 09
Fund Balance	\$ 1,681,620	\$ 1,615,999	\$ 1,998,213	\$ 1,634,159	1,132,587	1,775,931
Revenues						
Special Assessment Fees	3,597	0	0	3,246	0	
Reimbursement - TML	0	0	75,615	0	0	
Interest Income	16,906	40,173	57,968	64,001	60,000	60,000
Reimbursement - Grant	67,945	40,327	0	150,000		
Reimbursement - Sale of Garland Oaks	103,758	0	0	0		
Reimbursement - Misc	0	0	13,078	12,189		
Transfer from General Fund	370,000	500,000	660,000	0	1,912,339	
Transfer from General Fund						
Projected y-e 2007-08 budget savings					150,000	
	\$ 562,206	580,500	806,661	229,436	2,122,339	60,000
Total Resources	\$ 2,243,826	\$ 2,196,499	\$ 2,804,874	\$ 1,863,595	\$ 3,254,926	1,835,931
<i>EXPENDITURES</i>	ACTUAL 2003 - 04	ACTUAL 2004 - 05	ACTUAL 2005 - 06	ACTUAL 2006 - 07	ESTIMATED 2007 - 08	ADOPTED 2008 - 09
Previously Approved Projects	\$ 627,827	\$ 206,785	\$ 1,170,715	\$ 731,008	\$ 1,478,995	
Additional Approved Projects						1,166,422
Total Expenditures	\$ 627,827	\$ 206,785	\$ 1,170,715	\$ 731,008	\$ 1,478,995	1,166,422
Ending Fund Balance	\$ 1,615,999	\$ 1,989,714	\$ 1,634,159	\$ 1,132,587	1,775,931	669,509

GENERAL PROJECTS FUND

Project History and Additional Adopted Projects

<i>EXPENDITURES</i>	BUDGET								
	YEAR	PROJECT	PRIOR	ACTUAL	ACTUAL	ACTUAL	ESTIMATED	ADOPTED	PROJECT
	APPROVED	BUDGET	YEARS	2004 - 05	2005 - 06	2006 - 07	2007 - 08	2008 - 09	TOTALS
Projects Completed and in Process: Projects in blue are completed									
Demolition Jobs	96 - 08	\$ 285,000	\$ 42,036	\$ 26,355	\$ 38,703	\$ 1,253	78,747		\$ 187,094
Hike and Bike Trail	*	178,000	87,058	50,409	93,128	124,452			355,047
Dow Centennial Trail	03-04	50,000	25,425	31,883	-			✔	57,308
<u>FACILITIES:</u>									
Air Conditioning Replacements	97 - 08	185,000	66,405	-	39,051	13,937	31,450		150,843
Recreation Center Roof	03-05	370,000	4,053	2,520	623,387	33,677			663,637
Court Renovation	*	3,600		3,600	-	16,875			20,475
Maclean Park Improvements	05-07	44,000		22,607	460	22,542		✔	45,609
Electrical Upgrade - City Hall	05-06	12,000			10,500			✔	10,500
Civic Center Bollard Repl.	05-06	30,000			15,733			✔	15,733
Dance Floor Replacement Civic Center	07-08	25,000					24,215	✔	24,215
Civic Center Fountain Pump House	07-08	20,000					20,000	✔	20,000
Self Contained Breathing Apparatus	05-06	40,000				35,615		✔	35,615
Civic Center P.A. System	05-06	4,150			4,150			✔	4,150
Alternative Fuel Site	*	50,000			2,500	200,574		✔	203,074
CH Expansion Roof Repair		20,000			19,845			✔	19,845
GIS Protocols for Developers	07-08	50,000					50,000	✔	50,000
Bunker Renovation Program	07-08	20,000	-	-	-		20,000	✔	20,000
Defibrillator	07-08	7,500					1,300	✔	1,300
Civic Center Carpet	07-08	61,000					49,700	✔	49,700
Paint Rec Center Hallway	07-08	9,100					8,320	✔	8,320
Replace Carpet in Rec Center	07-08	4,500					4,500	✔	4,500
Court Architect / F&E	07-08	350,000					350,000	✔	350,000
Radio Communications	07-08	186,755					186,000	✔	186,000
Fiber Optic Cable	**	70,000					70,000	✔	70,000
<u>PAVING:</u>									
Sidewalks / ADA Ramps	96 - 08	431,000	186,734	741	77,810	4,079	75,000		344,364
Dixie Sidewalk ROW purchase	00 - 01		4,309	-	-	-			4,309
Sidewalks - Dixie Dr. Pine to Blunck	07-08	124,000					124,000		124,000
Athletic Field Parking Lot Paving	03-04	50,000	47,241	1,340	-	-			48,581
Deerwood - add concrete	03-04	17,420	-	-	25,766	-			25,766
Downtown Parking Lot	04-05	50,000	-	50,035	-	-			50,035
Alternate fueling site	04-05	10,000	-	-	-	-			0
Dixie Drive Underbrushing	05-06	20,000							0
Traffic Signal Upgrades	05-06	20,000				22,172			22,172
Peach St. Asphalt Overlay	05-06	5,000			3,311				3,311
Pedestrian Crosswalk Dixie and Teal	06-07					6,150	4,910		11,060
Abner Jackson / This Way Signal	06-07	150,000				23,037	171,963		195,000
Plantation Dr Repair	07-08	120,000					120,000		120,000
Jasmine Reconstruction							55,000		55,000
Sycamore / OCD Traffic Light	**						33,890		33,890

GENERAL PROJECTS FUND

Project History and Additional Adopted Projects Continued

EXPENDITURES	BUDGET								
	YEAR APPROVED	PROJECT BUDGET	PRIOR YEARS	ACTUAL 2004 - 05	ACTUAL 2005 - 06	ACTUAL 2006 - 07	ESTIMATED 2007 - 08	ADOPTED 2008 - 09	PROJECT TOTALS
<u>DRAINAGE PROJECTS:</u>									
					-	-			0
Garland Drive Storm Sewer	03-04	80,000	1,836	5,301	-	-			7,137
Begonia Drainage	03-06	430,000	5,951	4,106	186,725	178,817			375,599
Willow Drive Drainage	04-05	170,000		4,388	-	-			4,388
Southern Oaks Drainage	04-05	50,000	-	3,500	-	-			3,500
Ditch Number 9 Enclosure	04-05	34,500			-	-			0
Drainage Improvements	*	7,500			7,476	-			7,476
Fredricks Ditch Slope Paving	06-07	30,000	-	-	-	70,000			70,000
		\$ 3,875,025	\$ 471,048	\$ 206,785	\$ 1,170,717	\$ 731,008	\$ 1,478,995	\$ -	\$ 4,058,553
New Projects Proposed for 2008 -2009:									
ADA Ramps / Sidewalk	08-09	75,000						75,000	75,000
Radio Communications improvements	08-09	254,422						254,422	254,422
A/C Replacements	08-09	25,000						25,000	25,000
Demolition	08-09	50,000						50,000	50,000
Repaint Rec Center exterior	08-09	59,000						59,000	59,000
Repaint Locker rooms and benches	08-09	13,400						13,400	13,400
Golf Course Storm Warning Alert System	08-09	1,500						1,500	1,500
Rec Center Digital Security Camera	08-09	17,800						17,800	17,800
Vertical Benchmark	08-09	16,000						16,000	16,000
GIS (Drainage Component)	08-09	100,000						100,000	100,000
Golf Course Maintenance Cover	08-09	18,000						18,000	18,000
Sidewalk - Plantation Dr - Oaks of Flagridge	08-09	52,500						52,500	52,500
Rec Center Gutters	08-09	21,000						21,000	21,000
Dunbar Parking Lot Overlay	08-09	83,000						83,000	83,000
Golf Course Bunker Renovation	08-09	20,000						20,000	20,000
Replace carpet in Police Building	08-09	27,300						27,300	27,300
Irrigation Lake Aerator	08-09	7,500						7,500	7,500
Clear Oyster Creek Phase I - Dunbar	08-09	25,000						25,000	25,000
Finish Emergency Operation Center / Dispatch	08-09	300,000						300,000	300,000
	07-08								
Total Adopted Projects		1,166,422					0	1,166,422	5,294,975
Total Expenditures		\$ 5,041,447	\$ 471,048	\$ 206,785	\$ 1,170,717	\$ 731,008	\$ 1,478,995	\$ 1,166,422	\$ 9,353,527

* These projects were approved mid-year by City Council.

GENERAL PROJECT FUND

This plan is designed to set Capital Project priorities for future. This plan includes projects that may be funded from several sources, including bond issues.

As part of the annual budget process and the visioning process, City Council and City Staff, discuss projects appearing on the plan. At this meeting priorities and estimated costs are reassessed and new projects are discussed and added to the plan.

To help everyone understand the details of each particular project in the plan, a Capital Improvement Plan book was created. This book has several pages dedicated to each project. It gives a full description of the project, details on estimated cost and who proposed the project and why.

Citizen input is received throughout the year and requested projects are considered during goal setting and budget preparation. Citizens are also given an opportunity to provide their input at all budget workshops and hearings.

After all goal setting, capital projects, budget workshops and public hearings, the Capital Improvement Plan is adopted as part of the annual budget.

**CITY OF LAKE JACKSON
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

General Projects

21-Oct-08

COST CURR \$	PROJECT TYPE	PROJ #	PROJECT DESCRIPTION	FY 2008-09	1-3 YRS	3-5 YRS	6-10 YRS	10+ YEARS	FUTURE	
									BOND ISSUE	
1,000,000	DRAINAGE	D - 13	FLAG LAKE DRAINAGE						GO	1,000,000
500,000	DRAINAGE	D - 23	LAKE SEALY / LAKE JACKSON OUTFALL DITCH						GP	500,000
25,000	DRAINAGE	D - 27	CLEAR OYSTER CREEK (phase I)	GP	25,000					
350,000	DRAINAGE	D - 27	CLEAR OYSTER CREEK (phase II)						GO	350,000
110,000	DRAINAGE	D - 31	ANCHUSA DITCH RENEWAL			GP	110,000			
39,000	DRAINAGE	D - 32	PLANTATION DRIVE CROSSING		GP	39,000				
15,000	DRAINAGE	D - 34	TIMBERCREEK OUTFALL			GP	15,000			
400,000	DRAINAGE	D - 38	WILLOW/BLOSSOM DRAINAGE		GP	400,000				
240,000	DRAINAGE	D - 39	DITCH 9 ENCLOSURE			GP	120,000		GP	120,000
135,500	DRAINAGE	D - 40	OAK DR #2 STRUCTURE CROSSING OLEANDER				GO	135,500		
170,400	DRAINAGE	D - 41	OAK DR #2 STRUCTURE CROSSING WALNUT				GO	170,400		
164,100	DRAINAGE	D - 42	OAK DR #2 STRUCTURE CROSSING MIMOSA				GO	164,100		
125,000	DRAINAGE	D - 43	S YAUPON # 4 STRUCTURE XING OLEANDER			GO	125,000			
67,500	DRAINAGE	D - 44	S YAUPON # 4 STRUCTURE XING LOTUS			GO	67,500			
119,200	DRAINAGE	D - 45	S YAUPON # 4 STRUCTURE XING WALNUT			GO	119,200			
119,800	DRAINAGE	D - 46	S YAUPON # 4 LINE DITCH 332 TO WALNUT			GO	119,800			
55,900	DRAINAGE	D - 47	S ELM #5 STRUCTURE XING OLEANDER					GO	55,900	
30,900	DRAINAGE	D - 48	S ELM #5 REPLACE 120" STL PIPE WITH LINE					GO	30,900	
93,300	DRAINAGE	D - 49	S ELM #5 STRUCTURE XING WALNUT					GO	93,300	
248,500	DRAINAGE	D - 50	MAGNOLIA #5 LINE DITCH 332 TO OLEANDER			GO	120,000	GO	128,500	
60,000	DRAINAGE	D - 51	UPPER SLAVE DITCH RENEWAL		GP	60,000				
100,000	DEMO	DEMO	DEMO OF CONDEMNED BLDGS (ANNUALLY)	GP	50,000	GP	50,000			
1,000,000	FACILITY	F - 12	CITY HALL EXPANSION						GO	1,000,000
50,000	FACILITY	F - 15	AIR CONDITIONING REPLACEMENTS (annual)	GP	25,000	GP	25,000			
750,000	FACILITY	F - 28	SERVICE CENTER EXPANSION						GO	750,000
75,000	FACILITY	F - 41	SERVICE CENTER MEDICAL DR ENTRANCE				GP	75,000		
27,200	FACILITY	F - 50	ATHLETIC FIELD PARKING LOT PAVING (MADGE/GATOR)			GP	27,200			
27,300	FACILITY	F - 51	POLICE CARPET	GP	27,300					
75,000	FACILITY	F - 55	LARGE TRUCK WASH DOWN AREA			GP	75,000			
125,000	FACILITY	F - 57	VEHICLE CANOPY AT SERVICE CENTER			GP	125,000			
100,000	FACILITY	F - 58	RECREATION CENTER GYM ROOF			GP	100,000			
17,800	FACILITY	F - 70	REC CENTER DIGITAL SECURITY CAMERA	GP	17,800					
17,500	FACILITY	F - 72	TRUCK SHOP A/C				GP	17,500		
20,000	FAC-GOLF	F - 74	STORAGE BUILDING / OUTDOOR SCOREBOARD				GP	20,000		
7,500	FAC-GOLF	F - 75	IRRIGATION LAKE AERATOR	GP	7,500					
1,500	FAC-GOLF	F - 76	STORM WARNING ALERT SYSTEM	GP	1,500					
40,000	FAC-GOLF	F - 78	BUNKER RENOVATION (ANNUALLY)	GP	20,000	GP	20,000			
50,000	FAC-GOLF	F - 79	DRIVING RANGE EXPANSION				GP	50,000		
18,000	FAC-GOLF	F - 80	MAINTENANCE COVER	GP	18,000					

**CITY OF LAKE JACKSON
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

General Projects

21-Oct-08

COST CURR \$	PROJECT TYPE	PROJ #	PROJECT DESCRIPTION	FY 2008-09		1-3 YRS		3-5 YRS		6-10 YRS		10+ YEARS		FUTURE BOND ISSUE	
50,000	FAC-GOLF	F - 83	ENCLOSED PAVILION AREA					GP	50,000						
15,000	FAC-GOLF	F - 86	DRIVING RANGE CANOPY							GP	15,000				
50,000	FACILITY	F - 88	REMODEL POLICE OFFICES					GP	50,000						
40,000	FACILITY	F - 90	SERVICE CENTER ASPHALT OVERLAY			GP	40,000								
13,400	FACILITY	F - 91	REC CENTER LOCKER ROOM REHAB	GP	13,400										
56,200	FACILITY	F - 94	GYMNASIUM WALL					GP	56,200						
80,000	FACILITY	F - 96	REPLACE REC CENTER HVAC CHILLER COILS					GP	80,000						
10,000	FACILITY	F - 98	MULCH SITE DRIVEWAY			GP	10,000								
711,912	FACILITY	F - 99A	IMPROVE RADIO COMMUNICATION	GP	254,422	GP	224,210	GP	233,280						
24,000	FACILITY	F - 100	COUNCIL VIDEO TAPING							GP	24,000				
2,250,000	FACILITY	F - 101	FIRE STATION #3											GO	2,250,000
10,000	FACILITY	F - 102	FIRE STATION STORAGE ROOM			GP	10,000								
50,000	FAC - GOLF	F - 105	DE-WATERING LAKE SYSTEM											GP	50,000
15,000	FAC-GOLF	F - 106	DRAINAGE SYSTEM UPGRADE HOLE 18											GP	15,000
59,000	FACILITY	F - 107	REPAINT REC CENTER EXTERIOR	GP	59,000										
21,000	FACILITY	F - 108	REPLACE EXTERIOR GUTTERS	GP	21,000										
50,000	FACILITY	F - 110	EXPAND REC CENTER CHECK IN STATION							GP	50,000				
22,500	FACILITY	F - 111	REPLACED GLAZED WINDOWS IN GYM					GP	22,500						
39,000	FACILITY	F - 112	REPLACE REC CENTER BOILER					GP	39,000						
85,000	FACILITY	F - 122	CONCRETE JASMINE PARKING LOT							GP	85,000				
300,000	FACILITY	F - 130	EOC / DISPATCH COMPLETION	GP	300,000										
30,000	FAC - GOLF	F - 133	CART PATH EXTENSION									GP	30,000		
50,000	FAC - GOLF	F - 134	FAIRWAY AERIFIER									GP	50,000		
94,400	FACILITY	F - 135	CIVIC CENTER CHAIRS					GP	94,400						
0	FACILITY	F - 136	FIBER CONNECTION TO COLLEGE												
225,000	FACILITY	F - 137	YSC COMPLEX PARKING - BACK			GP	225,000								
787,500	STREET	ST - 5	PLANTATION DRIVE 2 LANE BRIDGE											GO	787,500
209,475	STREET	ST - 6	BALSAM PAVING							GP	209,475				
557,025	STREET	ST - 7	WILLENBERG PAVING											GO	557,025
3,480,750	STREET	ST - 12	S. HOLLOW SUBDIVISION - ASPHALT / CONCRETE											GO	3,480,750
1,384,950	STREET	ST - 13A	SOUTHERN OAKS - SOUTH OF WILLOW DR											GO	1,384,950
1,408,575	STREET	ST - 13B	SOUTHERN OAKS - NORTH OF WILLOW DR											GO	1,408,575
120,490	STREET	ST - 24	CHESTNUT EXTENSION							GP	120,490				
467,775	STREET	ST - 29	HICKORY - MIMOSA TO OLEANDER											GO	467,775
341,985	STREET	ST - 32	LOTUS FROM HICKORY TO S. YAUPON											GO	341,985
501,245	STREET	ST - 35	OLEANDER - HICKORY TO MAPLE											GO	501,245
381,150	STREET	ST - 36	BOIS D ARC											GO	381,150
369,075	STREET	ST - 38	PIN OAK / PIN OAK CT											GO	369,075
662,550	STREET	ST - 39	NORTH SHADY OAKS											GO	662,550

**CITY OF LAKE JACKSON
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

General Projects

21-Oct-08

COST CURR \$	PROJECT TYPE	PROJ #	PROJECT DESCRIPTION	FY 2008-09	1-3 YRS	3-5 YRS	6-10 YRS	10+ YEARS	FUTURE
									BOND ISSUE
0									
45,152,587			GENERAL PROJECT TOTALS		\$1,477,760	\$1,910,630	\$1,763,675	\$896,625	\$38,087,475

	FUNDING SOURCES	FY 2008-09	1-3 YRS	3-5 YRS	6-10 YRS	10+ YEARS	FUTURE BOND ISSUE
GP:	GENERAL PROJECT FUND	\$1,166,422	\$1,477,760	\$1,359,130	\$1,165,175	\$716,525	\$685,000
GO:	GENERAL OBLIGATION BONDS	\$0	\$0	\$551,500	\$598,500	\$180,100	\$37,402,475
CO:	CERTIFICATES OF OBLIGATION	\$0	\$0	\$0	\$0	\$0	\$0
ST:	ECONOMIC DEVELOPMENT (HALF CENT SALES TAX)	\$0	\$0	\$0	\$0	\$0	\$0
BG:	COMMUNITY DEVELOPMENT BLOCK GRANT	\$0	\$0	\$0	\$0	\$0	\$0
	TOTAL REVENUE SOURCES		\$1,477,760	\$1,910,630			\$38,087,475

NOTE: The five (5) year capital improvement plan (CIP) is only a planning document. The CIP is revised at least annually and many times throughout the year as per need, at which time new projects are identified and old projects are moved, deleted or completed.

Utility Projects provides funding for a wide variety of water and sewer projects. These major projects are significant in cost but less than the amount requiring a bond issue. The sources of revenue in this fund are transfers from the Utility Fund and interest income and in rare cases from the General Fund. It is the policy of the City to transfer positive budget variances in the Utility Fund to the Utility Projects Fund, once the minimum Utility Fund balance is achieved.

In FY04-05, we are able to use reimbursed construction period interest from the Texas Water Development loan for the wastewater treatment construction. This reimbursement was made to the Utility Debt Service Fund. This made it unnecessary to transfer funds from the Utility Fund for Debt Service. Instead the transfers were made to this fund. In total \$2,753,714 were transferred to this fund as a result of the interest reimbursement.

A fund balance of \$500,000 is the regular goal for this fund. Based on our FY08-09 budget we will fall below our desired balance. As each project comes before Council, it will be given careful consideration based on the updated financial standing.

UTILITY PROJECTS FUND

Vision Process

One of the FY2006-07 goals set by City Council was to:

Reorganize C.I.P. Document

- break into maintenance and capital
- prioritizing items
- Modify timelines (1 yr, 3-5, 5-10, 10+)

This goal was under the objective to “Reorganize CIP document to better prioritize projects”. This was under the Vision Element to “Maintain Infrastructure”.

This goal was accomplished in large part as the result of an April 9, 2007 C.I.P. Workshop with City Council. Working with staff, City Council rated and prioritized projects in two areas; “Capital” and “Maintenance Projects”. Those were then combined into one set of priorities. Then based on their rating, projects were placed in categories of 1-3 years, 3-5 years, 6-10 years, and “future bond issues.” In March of 2008, City Council held its second annual C.I.P. Workshop to continue the efforts of its visioning process.

IMPACT ON OPERATING BUDGET

This will be our eighth year for budgeting meter replacement and we will have completed 95% of the system. A continued meter replacement program ensures all the meters function properly. When a meter goes bad, it always reads slow or ceases to read. We estimate pursuing the continued replacement program increases our meter readings by 2%. This is the equivalent of approximately \$120,000.

UTILITY PROJECTS FUND

Anticipated Cash Flow

RESOURCES	ACTUAL 2004 - 05	ACTUAL 2005 - 06	ACTUAL 2006 - 07	ESTIMATED 2007 - 08	PROPOSED 2008 - 09
Cash Balance	\$ 1,864,750	\$ 2,387,940	\$ 1,972,977	\$ 809,007	\$ 513,003
Revenues					
Interest Income	\$ 55,209	\$ 103,294	\$ 76,545	\$ 30,000	\$ 20,000
Transfer from Utility Fund	964,602	175,000	0	0	0
Transfer from WWTP Construc	0	0	0	102,258	0
Transfer from General Fund	0	0	0	0	0
	<u>\$ 1,019,811</u>	<u>\$ 278,294</u>	<u>\$ 76,545</u>	<u>\$ 132,258</u>	<u>\$ 20,000</u>
Total Resources	<u>\$ 2,884,561</u>	<u>\$ 2,666,234</u>	<u>\$ 2,049,522</u>	<u>\$ 941,265</u>	<u>\$ 533,003</u>

EXPENDITURES	ACTUAL 2004 - 05	ACTUAL 2005 - 06	ACTUAL 2006 - 07	ESTIMATED 2007 - 08	PROPOSED 2008 - 09
Previously Approved Projects	\$ 496,621	\$ 693,257	\$ 1,240,515	\$ 428,262	
Additional Proposed Projects					\$ 140,000
Total Expenditures	<u>\$ 496,621</u>	<u>\$ 693,257</u>	<u>\$ 1,240,515</u>	<u>\$ 428,262</u>	<u>\$ 140,000</u>
Ending Cash Balance	<u>\$ 2,387,940</u>	<u>\$ 1,972,977</u>	<u>\$ 809,007</u>	<u>\$ 513,003</u>	<u>\$ 393,003</u>

UTILITY PROJECTS FUND
Project History and Additional Proposed Projects

<i>EXPENDITURES</i>	BUDGET									
	YEAR	PROJECT	PRIOR	ACTUAL	ACTUAL	ACTUAL	ESTIMATED	PROPOSED	PROJECT	
	APPROVED	BUDGET	YEARS	2004 - 05	2005 - 06	2006 - 07	2007 - 08	2008 - 09	TOTALS	
Projects Completed and in Process: (projects in blue are completed)										
WATER PROJECTS:										
Meter Replacement Program	02-08	701,000	369,626	92,350	77,800	-	102,624			642,400
<i>Oak Dr. 100-300 blk water</i>	02-03	125,000	88,839	16,026	-	-				104,865
<i>Oversize Deerwood Water</i>	03-04	23,200	-	-	22,514	-				22,514
Non Potable Irrigation System	04-05	85,000		3,650	2,325	Moved to 2007 Utility Bond Construction Func				5,975
Total Water Projects		934,200	458,465	112,026	102,639	0	102,624			775,754
SEWER PROJECTS:										
<i>Oversize Deerwood Sewer</i>	*	10,000	-	-	9,396	-				9,396
Lift Station Scada	*	250,000		1,499	-					1,499
<i>Pump Rotating Assemblies</i>	*	120,000	56,807	32,003	-					88,810
<i>Emergency Power (water.sewer)</i>	*	175,000	45,080	143,193	-					188,273
Force Main - Lift Station 35		43,000		3,500	2,350	Moved to 2007 Utility Bond Construction Func				5,850
<i>Odor Control - LS 14</i>						25,080				25,080
Lift Station Upgrades		466,232	266	146,304	12,524		307,287			466,381
Total Sewer Projects		1,064,232	102,153	326,499	49,350	0	307,287			785,289
OTHER PROJECTS / EQUIPMENT :										
<i>Electrical Upgrades on Wells</i>	04- 05, 05-06	100,000		44,597	48,467	-				93,064
<i>Blower variable speed drives</i>	05-06	175,000			19,733	136,916	18,351			175,000
<i>Elevated Storage Tank</i>	04 -05, 05-06	1,575,000		13,500	473,068	1,103,599				1,590,167
Total Other Projects / Equipment		1,850,000	0	58,097	541,268	1,240,515	18,351			1,858,231
Total Water and Sewer Projects		3,848,432	560,618	496,621	693,257	1,240,515	428,262			3,419,273
New Projects Proposed for 2008-2009										
Meter Replacement Program	08-09							110,000		110,000
Water Distribution pump upgrades								30,000		30,000
Total Proposed Projects		0				0	0	140,000		140,000
Total Expenditures		\$ 3,848,432	\$ 560,618	\$ 496,621	\$ 693,257	\$ 1,240,515	\$ 428,262	\$ 140,000	\$	3,559,273

* These projects were approved mid-year by the City Council.

UTILITY PROJECTS PLAN

This plan is designed to set Capital Project priorities for the future, and to designate projects that will soon need to appear on the plan. This plan includes projects that may be funded from several sources, including bond issues.

As part of the annual budget and visioning process, the City Council and City Staff meet to review and discuss each of the projects appearing on the plan. At this meeting priorities and estimated costs are reassessed and new projects are discussed and added to plan.

To help everyone understand the details of each particular project on the five year plan, a Capital Improvement Plan book was created. This book has several pages dedicated to each project. It gives a full description of the project, details on estimated cost and who proposed the project and why.

Citizen input is received throughout the year and requested projects are considered during budget preparation. Citizens are also given an opportunity to provide their input at all budget workshops and hearings.

After all capital projects budget workshops and public hearings, the five-year Capital Improvement Plan is adopted as part of the annual budget.

**CITY OF LAKE JACKSON
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

Utility Projects

COST CURR \$	PROJECT TYPE	PROJ #	PROJECT DESCRIPTION	FY 2008-09	1-3 YRS	3-5 YRS	6-10 YRS	10+ YEARS	FUTURE BOND ISSUE
600,000	WATER	WAT - 2	NEW WATER WELL 3 @\$200,000 A PIECE						RB 600,000
110,000	WATER	WAT - 7	GARDENIA - CALADIUM TO AZALEA			UP 110,000			
75,000	WATER	WAT - 8	OYSTER CREEK DR - CIRCLE WAY TO YAUPON			UP 75,000			
75,000	WATER	WAT - 9	OYSTER CREEK DR - YAUPON TO FOREST DRIVE			UP 75,000			
100,000	WATER	WAT - 10	FOREST DRIVE OCD TO REDBUD			UP 100,000			
55,000	WATER	WAT - 11	CARDINAL			UP 55,000			
150,000	WATER	WAT - 12	WILLOW DRIVE - PERSIMMON TO REDBUD			UP 150,000			
55,000	WATER	WAT - 13	CLOVER			UP 55,000			
56,000	WATER	WAT - 14	HYACINTH			UP 56,000			
75,000	WATER	WAT - 16	CENTER WAY - NARCISSUS TO SYCAMORE			UP 75,000			
27,000	WATER	WAT - 17	OYSTER CREEK COURT			UP 27,000			
1,500,000	WATER	WAT - 29	NEW ELEVATED STORAGE TANK						RB 1,500,000
65,000	WATER	WAT - 31	S. CEDAR WATER IMPROVEMENTS				UP 65,000		
1,500,000	WATER	WAT - 33	PUMP STATION, GROUND STORAGE TANK						RB 1,500,000
220,000	WATER	WAT - 34	METER REPLACEMENT (each year)	UP 110,000	UP 110,000				
90,000	WATER	WAT - 38	WATER DISTRIBUTION PUMP UPGRADES	UP 30,000	UP 60,000				
500,000	WATER	WAT - 40	NORTH SIDE WATER TRANSMISSION						RB 500,000
53,500	WATER	WAT - 42	IRON SEQUESTERING					UP 53,500	
800,000	WATER	WAT - 43	REPAINT TANKS (balsam, dow, beechwood)		RB 800,000				
200,000	WATER	WAT - 44	YAUPON WATER MAIN EXTENSION						RB 200,000
67,500	WATER	WAT - 45	WATER PRODUCTION SCADA RADIO		UP 67,500				
30,000	WATER	WAT - 46	FENCE - BEECHWOOD WATER PLANT		UP 30,000				
75,000	SEWER	SEW - 5	PALM LANE - SYCAMORE TO END GOING EAST			UP 75,000			
200,000	SEWER	SEW - 6	CENTER WAY - NARCISSUS TO END GOING EAST			UP 200,000			
200,000	SEWER	SEW - 39	COMPOST FACILITIES				SR 200,000		
20,000	SEWER	SEW - 47	SCUM REMOVAL IN CHLORINE BASINS		UP 20,000				
1,000,000	SEWER	SEW - 49	NORTHEAST MASTER LIFT STATION & MAIN						RB 1,000,000
320,000	SEWER	SEW - 50	YAUPON SEWER MAIN EXTENSION						RB 320,000
1,000,000	SEWER	SEW - 51	SH 288 CORRIDOR TRUNK SEWER						RB 1,000,000
1,000,000	SEWER	SEW - 52	NORTHWEST MASTER LIFT STATION & MAIN						RB 1,000,000
76,000	SEWER	SEW - 53	ODOR CONTROL IMPROVEMENT		UP 76,000				
57,600	SEWER	SEW - 54	PECAN LANE		UP 57,600				
29,800	SEWER	SEW - 55	HUISACHE CT		UP 29,800				
33,330	SEWER	SEW - 56	HUISACHE		UP 33,330				
105,000	SEWER	SEW - 59	CONFINED SPACE IMPROVEMENTS LS 7 AND 14		UP 105,000				
28,353	SEWER	SEW - 60	OAK DRIVE SEWER LINE		UP 28,353				
600,000	SEWER	SEW - 61	INSTALL SCADA AT 41 LIFT STATIONS			UP 600,000			

In the Fiscal Year 1995-96 Budget the following list of long-term projects identified by the Master Plan was presented for the first time in the Budget. Since the Master Plan has been adopted, it is appropriate to repeat this list.

Through the Master Plan process, future major capital projects were identified. Whether these projects will be funded solely or partially by the city, in joint efforts with other governmental entities, or solely or partially by developers has yet to be determined. But, in order to adequately plan, some rough estimates of the costs of these projects are presented.

1. **New Wastewater Treatment Plant**. This \$13 million project was completed in 2004. The plant was upgraded to treat current flows in compliance with increasingly more stringent Government Environmental Regulations and expanded to allow for projected growth up to a population of approximately 40,000 residents.
2. There are two growth areas identified in the Master Plan north of F.M. 2004. Northwest Lake Jackson, generally the prison farm area, and Northeast Lake Jackson the area east of S.H. 288 and north of F.M. 2004. There are several utility projects that will be required to allow full development of these areas.

To spur growth in these areas these projects could be initiated by the city and financed through a Revenue Bond. All or some of the cost of these projects could be recouped by assessments to benefited developments.

A. Water Capacity Upgrades to fully serve the Northeast and Northwest Lake Jackson Growth areas will require:

New Water Well(s) up to three at \$200,000/each for a total of \$600,000 (CIP Project Wat-2)

New-Elevated Storage Tank, \$1,500,000 (CIP Project Wat-29)

Pump Station, Ground Storage Tank, \$1,500,000 (CIP Project Wat-33)

B. Northeast Lake Jackson

In 1996 voters approved, among other things, a project to allow sewer service to the F.M. 2004 corridor east of N. Yaupon by providing sewer service to properties along FM 2004 east of N. Yaupon to the Old Angleton Road. This project will replace an inadequate private system. Engineering has been completed. This \$500,000 project will be out for bids in the summer of 2008, with construction being completed in the last quarter of 2008 or first quarter of 2009.

Yaupon Water Main Extension \$200,000 (CIP Project Wat-44)

Yaupon Sewer Main Extension \$320,000 (CIP Project Sew-50)

C. Northwest Lake Jackson

The following areas were identified as long range projects in the master plan but has moved to the forefront as core issues in the development of the prison farm areas, which has been acquired by private interests who

LONG TERM CAPITAL PROJECTS

are currently master planning this development. Negotiations are currently under way for the development of this 987 acre tract and how funding of the various infrastructure will be provided.

Northwest Master Lift Station and Force Main \$1,000,000 (CIP Project Sew-52)

S.H. 288 Corridor Trunk Sewer Line \$1,000,000 (CIP Project Sew-51)

North side Water Transmission \$500,000 (CIP Project Wat-40)

- D. **Upper Bastrop Bayou Watershed Drainage Project** - \$17,000,000 project has been placed on indefinite hold because of regional politics. At this point development north of FM 2004 will likely be on a parcel by parcel basis.
- E. **Extension of Yaupon North of FM 2004** - \$4,000,000 extension of Yaupon from FM 2004 to the interchange on SH 288 north of FM 2004.
3. **Downtown Improvement:**
- A. **Downtown Drainage Outfall #3 Improvement** - was completed in FY99-00. This project increased the outfall under SH332 in the vicinity of Compass Bank and the new Civic Center. This project was part of a \$6.35 million bond issue approved by the voters on May 3, 1997.
- B. **The Civic Center and Civic Center Plaza** were completed in 2000 using 1/2 cent sales tax proceeds at a cost of just over \$4 million.
- C. **Downtown Revitalization** - a multi-phase project to redevelop our downtown streets has been adopted by City Council. This 15-year plan will cost approximately \$13 million to complete and will be funded mostly by using 1/2¢ optional sales tax. The first phase (Oak Drive) was completed in FY06-07, at a cost of \$2.3 million (this included some additional funding from CDBG and CMAQ grants). In FY 08-09, \$600,000 has been proposed to engineer and design the next significant phase of this project (which will include portions of This Way, That Way and Circle Way). Plans are to sell bonds in FY 09-10 to construct this phase.
4. **SH 288/332 Freeway Design Resolution** - The State of Texas plans to bid and construct major improvements along SH288/332 in 2009. This multi-year project will include grade separations at This Way, Oak Drive and Plantation Drive.

As you can see all of the major projects identified in the Master Plan are being addressed and should be complete by 2020.

ECONOMIC DEVELOPMENT FUNDS



LAKE JACKSON

City of Enchantment



ECONOMIC DEVELOPMENT FUND

The Economic Development Fund is used to account for the revenue from the half cent sales tax. Voters approved the half-cent sales tax on May 6, 1995 and collection of the tax began in October, 1995. As specified on the ballot the use of this revenue is limited to payment of the costs of land, building, equipment, facilities, improvements and maintenance and operation costs for public park purposes, recreational facilities to be used for sports and entertainment, and for infrastructure improvements for development of new or expanded business enterprises. Since its approval the half cent sales tax (Economic Development Fund) has provided funding for:

Outdoor Pool - \$595,865, opened June of 1996. Replaced the forty-year-old outdoor pool with a totally new facility.

Recreation Center - Opened May of 1998. This fund is providing the money for debt service payments on the \$7.3M Certificates of Obligation which were issued to fund the construction of “The Recreation Center-Lake Jackson”. Additionally, this fund directly paid \$288,801 in architect fees and provides an annual subsidy of \$350,000 to the General Fund for the operation of the facility.

Civic Center/Plaza - Opened April 1, 2000. This fund is providing the money to pay the debt service on the \$3,250,000 Certificates of Obligation issued to provide the construction funding.

Youth Sportsplex - Completed in the fall of 1999. This fund provides the money to pay the debt service on \$2.7M Certificates of Obligation issued to provide construction funding.

Golf Course - This fund provided \$350,000 to pay for the service of the golf course architect. Additionally, the Lake Jackson Development Corporation has approved providing an annual subsidy of \$550,000 for Golf Course operations through the 2022-23 fiscal year. The Wilderness Golf Course opened to the public in May 2004. The Lake Jackson Development Corporation has recommended, and City Council has approved, an additional \$100,000 be budgeted through the 2012-13 fiscal year to provide a contingency for golf course operational expenses.

Downtown Master Plan - \$600,000 was authorized to hire an engineering and design team to develop a master plan for the replacement of downtown infrastructure. The final report was submitted to, and accepted by, the City Council. The first phase of the downtown project is complete and design and engineering of Phase 2 will take place this upcoming fiscal year.

Mall Entrance - \$150,000 is authorized to provide an additional access road to the mall property. The developer is also participating in this project, which will improve traffic flow as well as facilitate development of an 8 acre tract owned by the mall. Construction is pending Texas Department of Transportation approval.

ECONOMIC DEVELOPMENT FUND

<i>RESOURCES</i>	ACTUAL 2006-07	BUDGET 2007-08	ESTIMATED 2007-08	ADOPTED 2008-09
Fund Balance	\$ 1,197,762	\$ 1,474,715	\$ 1,474,715	\$ 1,672,796
Revenues				
Half Cent Sales Tax	\$ 2,353,998	\$ 2,509,500	\$ 2,409,120	\$ 2,481,395 [▼]
Interest Income	66,809	40,275	40,275	50,185 [▼]
	<u>\$ 2,420,807</u>	<u>\$ 2,549,775</u>	<u>\$ 2,449,395</u>	<u>\$ 2,531,579</u>
Total Resources	\$ 3,618,569	\$ 4,024,490	\$ 3,924,110	\$ 4,204,375

<i>EXPENDITURES</i>	ACTUAL 2006-07	BUDGET 2007-08	ESTIMATED 2007-08	ADOPTED 2008-09
Transfer to Econ. Devl. Debt Serv.	\$ 1,144,629 [▼]	\$ 1,101,314 [▼]	\$ 1,101,314	\$ 794,239 [▼]
Downtown Street Masterplan		0		600,000
Golf Course		0		
Transfer to Golf Course Debt Service	549,225	550,000	550,000	550,000
Golf Course Operating Contingency	100,000	100,000	100,000	100,000
Mall Entrance			150,000	
Transfer to General Fund	350,000	350,000	350,000	350,000
	<u>\$ 2,143,854</u>	<u>\$ 2,101,314</u>	<u>\$ 2,251,314</u>	<u>\$ 2,394,239</u>
Total Expenditures	\$ 2,143,854	\$ 2,101,314	\$ 2,251,314	\$ 2,394,239
Ending Fund Balance	\$ 1,474,715	\$ 1,923,176	\$ 1,672,796	\$ 1,810,136

Lake Jackson Development Corporation

Financial Plan

This schedule reflects projects and associated debt which will be funded by the half cent sales tax

	Actual 2002 - 03	Actual 2003 - 04	Actual 2004 - 05	Actual 2005 - 06	Actual 2006 - 07	Budgeted 2007 - 08	Projected 2007 - 08	Projected 2008 - 09	Projected 2009 - 10	Projected 2010 - 11	Projected 2011 - 12
FUND BALANCE	\$1,898,371	\$1,560,146	\$1,322,379	\$1,202,804	\$1,197,762	\$1,474,715	\$1,474,715	\$1,773,176	\$1,994,322	\$2,352,737	\$2,477,426
REVENUES											
Half Cent Sales Tax	1,863,266	1,905,229	1,957,065	2,130,834	2,353,998	2,509,500	2,509,500	2,559,690	2,610,884	2,663,101	2,716,364
Interest Income	24,321	17,562	32,167	52,218	66,809	40,275	40,275	53,195	59,830	70,582	74,323
Total Revenues	\$1,887,587	\$1,922,791	\$1,989,232	\$2,183,052	\$2,420,807	\$2,549,775	\$2,549,775	\$2,612,885	\$2,670,713	\$2,733,684	\$2,790,686
EXPENDITURES											
Recreation Debt Service	1,312,896	1,260,558	1,209,708	1,188,694	1,144,629	1,101,314	1,101,314	791,739	762,299	732,494	703,875
Downtown Street Masterplan Cash	31,657							600,000		326,500	2,038,900
Downtown Street Masterplan Debt									450,000	450,000	450,000
Future Park Projects									100,000	100,000	100,000
Golf Course	5,898										
Golf Course Debt Service /operations	284,760	550,000	549,100	549,400	549,225	550,000	550,000	550,000	550,000	550,000	550,000
Golf Course Operating Contingency				100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Golf Course Construction	240,601										
Mall Entrance	0			0	0	150,000	150,000				
Transfer to Recreation Operations	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Total Expenditures	2,225,812	2,160,558	2,108,808	2,188,094	2,143,854	2,251,314	2,251,314	2,391,739	2,312,299	2,608,994	4,292,775
Net Revenues (Expenditures)	(338,225)	(237,767)	(119,576)	(5,042)	276,953	298,461	298,461	221,146	358,414	124,690	(1,502,089)
ENDING FUND BALANCE	\$1,560,146	\$1,322,379	\$1,202,803	\$1,197,762	\$1,474,715	\$1,773,176	\$1,773,176	\$1,994,322	\$2,352,737	\$2,477,426	\$975,338
TARGET FUND BALANCE	1,260,558	1,209,708	1,188,694	1,144,629	1,101,314	791,739	791,739	762,299	1,182,494	1,153,875	1,126,625
Over/ (under) target balance	\$299,588	\$112,671	\$14,109	\$53,133	\$373,401	\$981,437	\$981,437	\$1,232,023	\$1,170,243	\$1,323,551	(\$151,287)

ASSUMPTIONS :

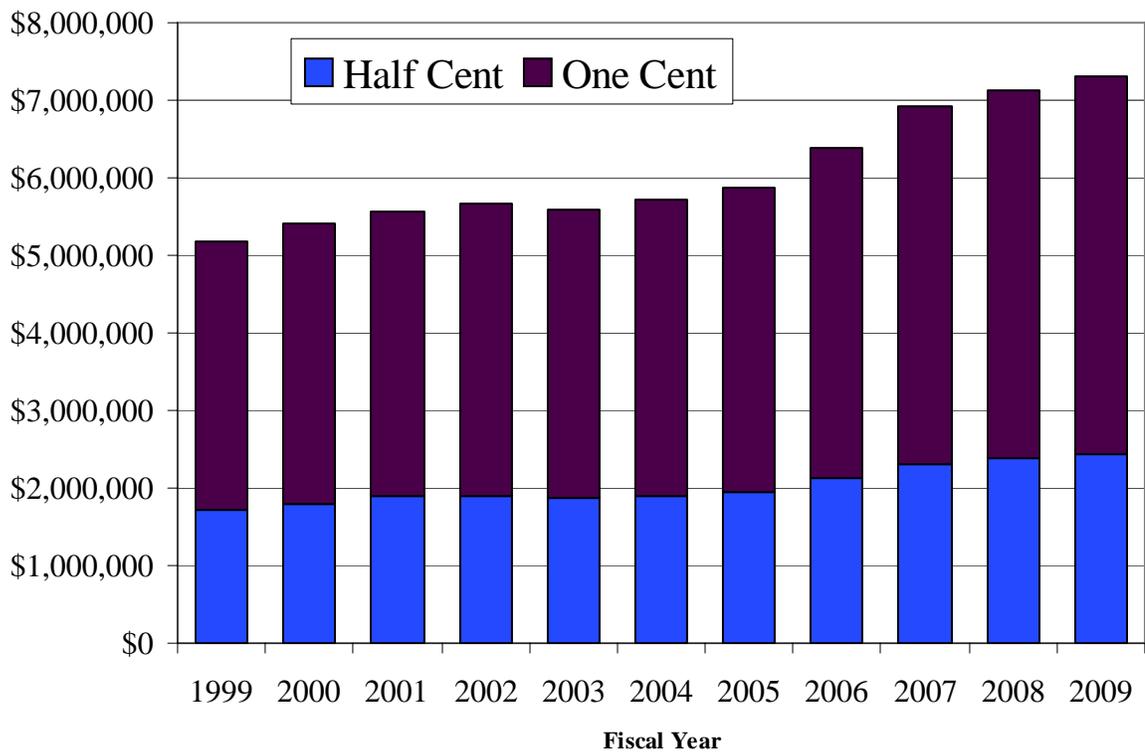
Sales tax projections for the future years are calculated based on 5% growth in 07-08 and 2% thereafter. Interest income is calculated as 3% of the beginning fund for the year.

NOTATIONS:

The target fund balance is equal to the next fiscal years debt service requirements. The Lake Jackson Development Corporation adopted this target fund balance as a policy on April 9, 1997. As our fund balance currently falls below the target balance we are limited in taking on any new projects. In 2008-09 our debt service drops off significantly and we will have the ability to examine additional projects.

Sales Tax History

	Fiscal Year	One Cent Sales Tax	Half Cent Sales Tax	Percentage Growth
	1999	3,460,834	1,730,417	3.52%
	2000	3,601,981	1,800,991	4.08%
	2001	3,673,682	1,896,841	1.99%
	2002	3,778,512	1,889,256	2.85%
	2003	3,726,533	1,863,267	(1.38%)
	2004	3,810,459	1,905,230	2.25%
	2005	3,914,130	1,957,065	2.72%
	2006	4,261,667	2,130,834	8.88%
Actual	2007	4,618,469	2,309,235	8.37%
Projected	2008	4,750,000	2,375,000	2.85%
Budgeted	2009	4,868,750	2,434,375	2.50%



ECONOMIC DEVELOPMENT DEBT SERVICE FUND

The Economic Development Debt Service Fund is used for the accumulation of resources to provide for the payment of principal, interest and fiscal agent fees on debt authorized by the Lake Jackson Economic Development Corporation

The Economic Development Fund will make a transfer to this fund equal to the required debt service payments. Current debt includes \$7.3 million Certificates of Obligation issued in June, 1996 to provide funding for the construction of the Recreation Center and \$5.95M Certificates of Obligation issued in November, 1997 to provide funding for the construction of the Youth Sportsplex and Civic Center/Plaza.

ECONOMIC DEVELOPMENT DEBT SERVICE FUND

<i>RESOURCES</i>	ACTUAL	BUDGET	ESTIMATE	ADOPTED
	2006-07	2007-08	2007-08	2008-09
Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Revenues				
Transfer from Econ. Devl.	1,144,629	1,103,814	1,103,814	794,239
	<u>1,144,629</u>	<u>1,103,814</u>	<u>1,103,814</u>	<u>794,239</u>
Total Resources	\$ 1,144,629	\$ 1,103,814	\$ 1,103,814	\$ 794,239

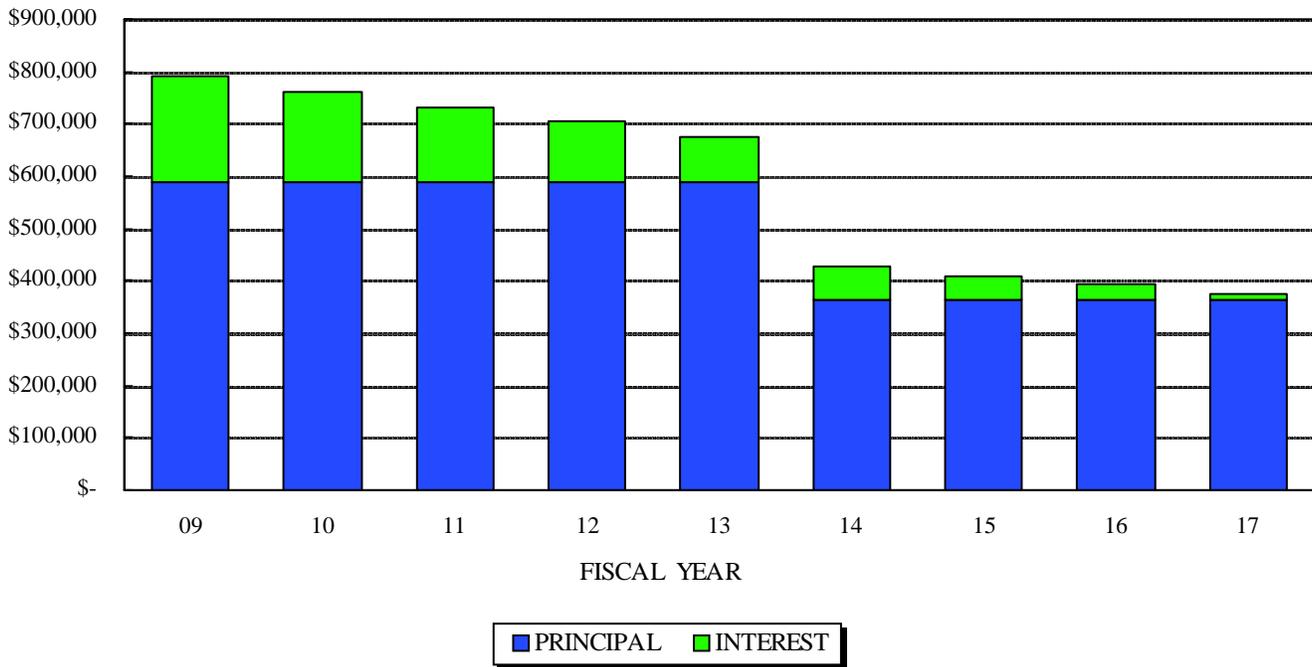
<i>EXPENDITURES</i>	ACTUAL	BUDGET	ESTIMATE	ADOPTED
	2006-07	2007-08	2007-08	2008-09
Principal	\$ 865,000	\$ 865,000	\$ 865,000	\$ 590,000
Interest	277,774	236,314	236,314	201,739
Paying Agent Fees	1,855	2,500	2,500	2,500
Total Expenditures	<u>1,144,629</u>	<u>1,103,814</u>	<u>1,103,814</u>	<u>794,239</u>
Ending Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CERTIFICATE OF OBLIGATION DEBT SERVICE SCHEDULE

DATE	1996 SERIES FISCAL TOTALS		1997 SERIES FISCAL TOTALS	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2008 - '09	365,000	161,239	225,000	40,500
2009 - '10	365,000	140,799	225,000	31,500
2010 - '11	365,000	119,994	225,000	22,500
2011 - '12	365,000	100,375	225,000	13,500
2012 - '13	365,000	82,125	225,000	4,500
2013 - '14	365,000	63,875	0	0
2014 - '15	365,000	45,625	0	0
2015 - '16	365,000	27,375	0	0
2016 - '17	365,000	9,125	0	0
TOTAL	\$3,285,000	\$750,532	\$1,125,000	\$112,500

FISCAL GRAND TOTALS		
PRINCIPAL	INTEREST	TOTAL
590,000	201,739	791,739
590,000	172,299	762,299
590,000	142,494	732,494
590,000	113,875	703,875
590,000	86,625	676,625
365,000	63,875	428,875
365,000	45,625	410,625
365,000	27,375	392,375
365,000	9,125	374,125
\$4,410,000	\$863,032	\$5,273,032

ECONOMIC DEVL. DEBT SERVICE FUND
LONG - TERM DEBT SCHEDULE



**ECONOMIC DEVELOPMENT DEBT SERVICE FUND
SCHEDULE OF BONDS OUTSTANDING**

CERTIFICATE OF OBLIGATION ISSUE	AMOUNT OF ISSUE	INTEREST RATE	YEAR OF MATURITY	AMOUNT OUTSTANDING @ 10/01/08	2008 - 09 PRINCIPAL DUE	2008 - 09 INTEREST DUE	2008 - 09 TOTAL DUE
C. O. 1996	\$7,300,000	5.57	2017	\$ 3,285,000	\$ 365,000	\$ 161,239	\$ 526,239
C.O. 1997	\$5,950,000	4.68	2013	1,125,000	225,000	40,500	265,500
TOTAL ALL ISSUES				\$4,410,000	\$ 590,000	\$ 201,739	\$ 791,739

Bond Ratings : Moody's - A-1, S&P's - A+, All outstanding bond are insured to triple A.

Certificates of Obligation 1996 - \$7,300,000

\$7,300,000 to fund the construction of a new Recreation Center

Certificates of Obligation 1997 - \$5,950,000

\$2,700,000 to fund the construction of the new Youth Sportsplex.

\$3,250,000 to fund the construction cost of the new Civic Center and Plaza.



Oak Drive

These pictures of the Oak Drive renovation show some of the features which will be utilized in the downtown revitalization project . The downtown project is scheduled to be completed in phases over the next 10 to 15 years. Funding will be provided by the Lake Jackson Development Corporation via the Economic Development Fund.

GOLF COURSE FUNDS

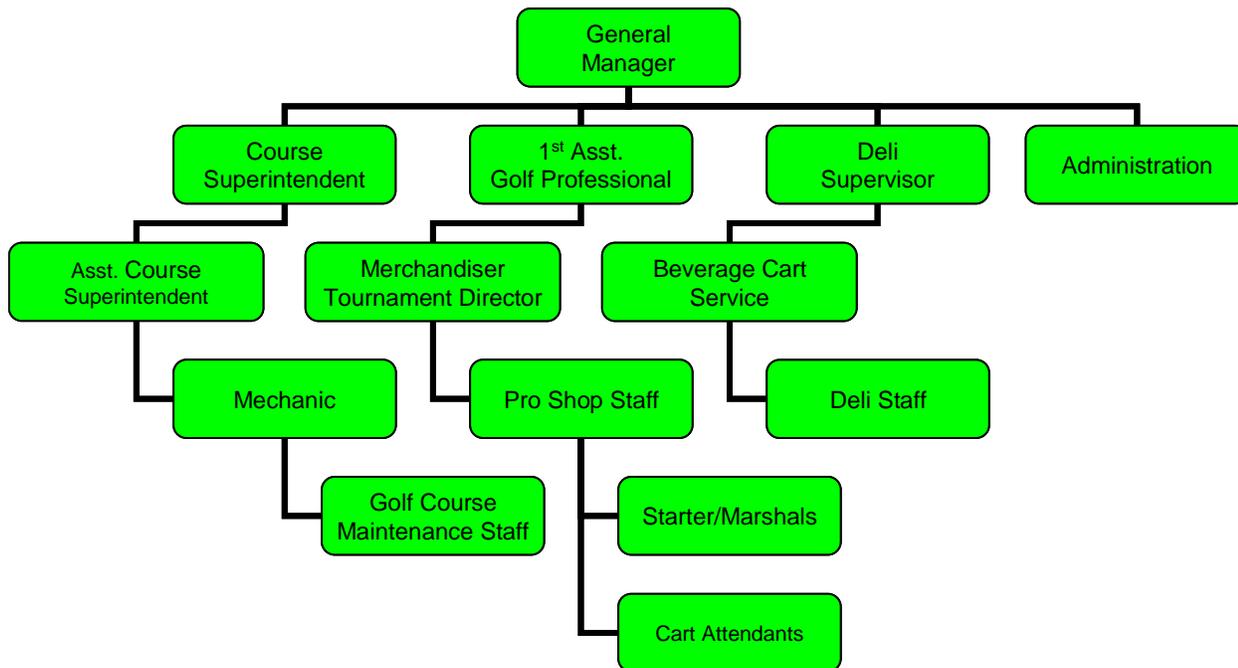


LAKE JACKSON

City of Enchantment



Golf Course



The City of Lake Jackson has contracted with Kemper Sports to manage and operate the City owned Wilderness Golf Course. All employees are employed by KemperSports.

The Wilderness Golf Club Program Description

This Department is responsible for the marketing, upkeep, and strategic planning of the success of The City of Lake Jackson owned golf course facility "The Wilderness Golf Club". It is our sole purpose to promote the game of golf in Southern Brazoria County and to best represent The City of Lake Jackson in our management company's philosophy of "Best in Class". We have established a strong tournament book of business along with offering various golf programs for Seniors, Ladies, and Juniors throughout our community. By reaching out to attract out of county guests into our golf facilities helps in the overall promotional activity of The City of Lake Jackson and what is best in our community.

GOLF COURSE

FY08-08 ACCOMPLISHMENTS

Department Projects

Accomplished:

1. Course exceeded rounds played over prior year by 1,392 rounds. On track in current budget year to exceed 43,000 rounds for FY 07-08.
2. Was voted by Houston Avid Golfer magazine as best City ran golf facility in Houston, Texas market. Second best value in Houston market.
3. Had over 225 junior golfers attend one of various junior golf camps conducted throughout the summer of 2007.
4. Projected increase in overall sales by \$189,824. Showed a steady increase in overall play from the Houston, Texas based business.
5. Establish the Wilderness Golf Association (WGA) and have maintained a membership base of well over 350 members since the end of last fiscal year
6. Enlarge our "Annual Pass" Program and limit the total number of participants to 150 total pass holders.
7. Introduce a new "Corporate Annual Pass" plan to entice local companies to use our facilities to enhance their business.
8. Voted by Texas Golfer magazine as one of the "Best Kept Secrets" throughout the State of Texas in the below \$50 daily fee category.
9. Increase overall outing rounds between 06-07 and 07-08 by more than 750 rounds in overall play coming through the doors of The Wilderness.
10. Best value in the Daily fee category voted by Avid Golfer magazine.

FY08-09 GOALS & OBJECTIVES

Department Projects

Goal:

1. Increase participation in all WGA events and to enlarge overall membership base to 400+ members by year end.
2. Create a higher per round green fee average vs. prior year by offering less expensive promotions throughout the course of the golf season.
3. Stay cutting edge in all marketing collateral pieces offered to our customers. Keep the name of "The Wilderness" in the forefront of all golf related and specifically the Houston based golf market.
4. Introduce a player incentive program for all WGA monthly events. Continue to create incentives for monthly participation in all WGA events.
5. Expand outside non-resident based customers by reaching out through the Houston, Texas based internet providers of Golf Q.com, golfNow.com, and golf.com.
6. Continue to enlarge data base by offering player incentives for updating and providing new and updated customer e-mail addresses.
7. Increase our per round averages in pro shop, food & beverage, and driving range revenues. Continue to offer incentives for each customer coming through our doors to use these different areas of our operations on a more frequent basis. Continue to entice through our WGA Awards Program.

PROGRAM MEASURES

	2006-07 Actual	2007-08 Budget	2007-08 Estimated	2008-09 Proposed
Rounds	39,704	39,870	43,421	45,003
1 Resident	30,965	23,366	30,998	31,770
2 Non-Resident	3,398	9803	5,873	7,223
3 Tournament	5,341	6,701	6,550	6,010
4 GF/CF Avg./Rd.	\$26.37	\$30.07	\$27.78	\$29.09
5 WGA Membership	327	307	341	400
6 E-Mail Customer Base	3,823	3,719	5,257	6,500
7 Pro-Shop \$ Avg./Rd.	\$6.25	\$7.00	\$6.96	\$7.50
8 F & B \$ Avg./Rd.	\$5.70	\$5.95	\$5.70	\$6.45
9 Driving Range \$ Avg./Rd.	\$1.65	\$1.95	\$1.68	\$1.95

WILDERNESS GOLF COURSE

REVENUES	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATED	2008-09 PROPOSED
Revenues (net of COGS)				
Green Fee Revenue	\$ 831,043	\$ 916,327	\$ 928,572	\$ 1,020,210
Cart Revenue	271,909	282,659	277,961	289,043
Pro Shop Revenue	78,467	97,681	125,157	118,133
Driving Range Revenue	65,616	77,747	73,274	87,756
Food & Beverage Revenue	142,639	152,920	160,211	187,764
General Administrative	1,770	22,443	5,150	0
Total Revenues	\$ 1,391,444	\$ 1,549,777	\$ 1,570,325	\$ 1,702,906

EXPENSES

Salaries & Benefits	\$ 737,375	\$ 798,410	\$ 775,754	\$ 820,800
Course and Grounds	373,366	390,804	364,510	400,804
Carts	59,758	57,290	59,529	61,544
Pro Shop	32,636	23,470	23,465	40,200
Range	8,247	9,050	6,413	11,650
Food and Beverage	42,090	31,294	35,492	45,974
General and Administrative	114,423	140,220	140,620	156,065
Management Fee	84,000	84,000	84,000	84,000
Contribution to Debt Service	12,380	12,384	12,384	12,384
Total Expenses	1,464,275	1,546,922	1,502,167	1,633,421
Net Income	(72,831)	2,855	68,158	69,485

PERSONNEL (All Employed by KemperSports)

	2006-07 ACTUAL	2007-08 BUDGET	2007-08 ESTIMATED	2008-09 PROPOSED
Course and Grounds	11	11	13	13
Pro Shop Admin	7	7	6	6
Deli Operations	6	6	8	7
Outside Service	6	6	7	7
Starters & marshals	5	5	6	9
Total Personnel	35	35	40	42

GOLF COURSE BOND DEBT SERVICE FUND

This fund is established to account for the resources necessary to pay the principal and interest on the \$6.0M golf course construction bonds issued in June of 2002 and the \$1.2 million Certificates of Obligation issued in June 2003.

It is anticipated the operations of the Golf Course will not provide sufficient revenues to provide funds for all of the necessary debt service. Therefore, the Lake Jackson Development Corporation has set aside \$550,000 in half cent sales tax revenues (Economic Development Fund) for each of the next 10 years to subsidize the operation of the golf course.

In 2008-2009 it is anticipated debt service will be paid by the \$550,000 transfer from the Economic Development Fund and a small transfer from the Golf Course Operating Fund.

GOLF COURSE BOND DEBT SERVICE FUND

RESOURCES	ACTUAL	BUDGET	ESTIMATE	PROPOSED
	2006-07	2007-08	2007-08	2008-09
Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Revenues				
Transfer from Golf Operations	12,380	11,730	11,730	10,605
Transfer from Econ. Devl.	550,000	550,000	550,000	550,000
	<u>562,380</u>	<u>561,730</u>	<u>561,730</u>	<u>560,605</u>
Total Resources	\$ 562,380	\$ 561,730	\$ 561,730	\$ 560,605

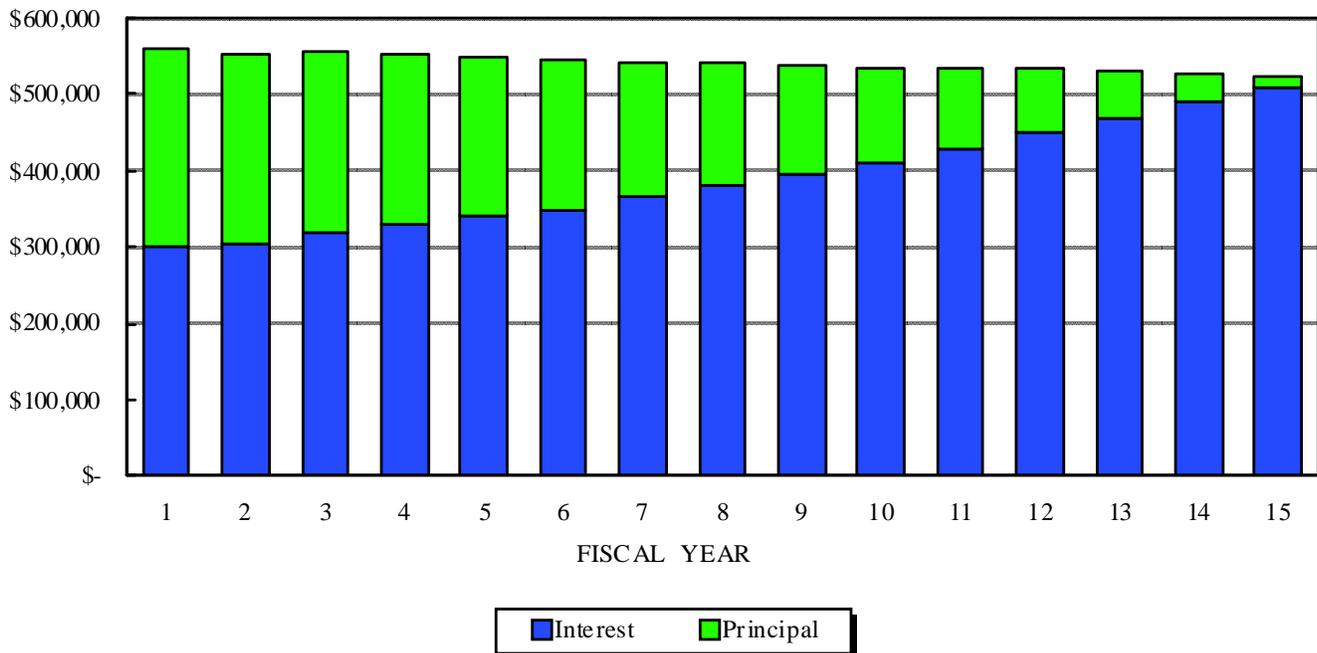
EXPENDITURES	ACTUAL	BUDGET	ESTIMATE	PROPOSED
	2006-07	2007-08	2007-08	2008-09
Principal	\$ 280,000	\$ 290,000	\$ 290,000	\$ 300,000
Interest	281,005	270,355	270,355	259,230
Paying Agent Fees	1,375	1,375	1,375	1,375
	<u>562,380</u>	<u>561,730</u>	<u>561,730</u>	<u>560,605</u>
Total Expenditures	562,380	561,730	561,730	560,605
Ending Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0

GOLF COURSE BONDS DEBT SERVICE SCHEDULE

DATE	2002 SERIES FISCAL TOTALS		2003 SERIES FISCAL TOTALS	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2008 - 09	240,000	225,000	60,000	34,230
2009 - 10	245,000	215,300	60,000	32,355
2010 - 11	260,000	205,070	60,000	30,360
2011 - 12	270,000	194,070	60,000	28,290
2012 - 13	280,000	182,380	60,000	26,190
2013 - 14	290,000	169,980	60,000	24,030
2014 - 15	305,000	156,661	60,000	21,750
2015 - 16	320,000	142,282	60,000	19,380
2016 - 17	335,000	126,886	60,000	16,950
2017 - 18	350,000	110,530	60,000	14,475
2018 - 19	370,000	93,065	60,000	11,955
2019 - 20	390,000	74,250	60,000	9,375
2020 - 21	410,000	54,250	60,000	6,750
2021 - 22	430,000	33,250	60,000	4,080
2022 - 23	450,000	11,250	60,000	1,365
TOTAL	\$4,945,000	\$1,994,225	\$900,000	\$281,535

FISCAL GRAND TOTALS		
PRINCIPAL	INTEREST	TOTAL
300,000	259,230	559,230
305,000	247,655	552,655
320,000	235,430	555,430
330,000	222,360	552,360
340,000	208,570	548,570
350,000	194,010	544,010
365,000	178,411	543,411
380,000	161,662	541,662
395,000	143,836	538,836
410,000	125,005	535,005
430,000	105,020	535,020
450,000	83,625	533,625
470,000	61,000	531,000
490,000	37,330	527,330
510,000	12,615	522,615
\$5,845,000	\$2,275,760	\$8,120,760

GOLF COURSE DEBT SERVICE FUND
LONG - TERM DEBT SCHEDULE





Madge Griffith Park

Otherwise known as the Outdoor Pool. The Outdoor pool was originally built the 40's and was completely renovated as one of the original projects funded by the Economic Development Fund.

OTHER FUNDS



LAKE JACKSON

City of Enchantment



EQUIPMENT REPLACEMENT FUND

The objectives of this fund are:

1. To provide the necessary cash to replace equipment as it becomes obsolete or worn out and at the same time minimize the year to year budgetary impact of equipment purchases.
2. To provide a means, other than short term borrowing, to purchase additional equipment; and, at the same time minimize the year to year budgetary impact of such new acquisitions.
3. To serve as our self-insurance on our equipment/vehicles for values under \$20,000.

How the fund functions:

Rather than budget for equipment purchases in each department, each department pays a calculated amount into the equipment replacement fund on a yearly basis. This amount is budgeted in each department's operating budget as a transfer to equipment replacement. Equipment purchases are then budgeted in the Equipment Replacement Fund.

The amount a department budgets as their transfer to Equipment Replacement is based on the equipment used by the department, the equipment's estimated cost and its estimated life. For example, if a mower was purchased for the Parks Department for \$10,000 in 2005 with an estimated life of five years, the Parks Department would transfer \$2,000 ($10,000/5$) into the Equipment Replacement Fund in each of the years 2005 thru 2009.

ACCOMPLISHMENTS

The following are the largest expenditures out of the Equipment Replacement Fund in FY07-08:

Elgin Street Sweeper	\$200,000
Refurbish Unit 86	\$154,382
UPS for Traffic Signals	\$100,000
Replace Flatbeds (3)	\$210,000
Computer equipment	\$300,000
Ambulance	\$127,585

PURCHASES FOR FY 08-09

Computer Equipment & Software	\$215,000
Police Cars	\$181,000
40 – 4 yd containers	\$30,000
Roll-off containers	\$26,000
Ford 150 U	\$25,000
Traffic Control cabinet (2)	\$19,500
Pickup Truck – Drainage (2)	\$40,000
Exmark Mowers (3)	\$27,000
Van – Recreation Center	\$26,000
Truck – Recreation Center	\$18,000

EQUIPMENT REPLACEMENT FUND

Four Post Lift	\$14,000
½ Ton Truck (2) – Water Production	\$50,000
¾ Ton Truck – Water Production	\$30,000
Chemical Feed & Storage	\$30,000
Install plugs & pigtails on generators	\$10,000
Odor Control, Drum scrubber LS 34	\$9,000
Blowers in LS 5, 36, 9	\$23,000
Replace rear loader 722 – Sanitation	\$200,000
Replace Flatbed #566	\$58,000
25 CY Heil rear loader for unit 753	\$85,000
	1,116,500

IMPACT ON OPERATING BUDGET

Purchases made in the current fiscal year and budgeted purchases for FY08-09 will ultimately increase transfers from the General and Utility Funds. Transfers to equipment replacement are budgeted in each department and calculated based on the department's equipment which has been purchased from this fund.

When we make major purchases in a given year, the following year the impact on the operating fund is felt. For example, purchases made in FY 07-08 are impacting FY 08-09 as follows:

General Fund Contributions:

Administration	up	\$4,360
Finance	up	\$6,001
Police	up	\$14,068
EMS	up	\$27,416
Street	down	\$4,195
Bldg Insp./Code Enforcement	up	\$7,788
Garage	up	\$3,063
Civic Center	down	\$2,635

Utility Fund Contributions:

Utility Administration	up	\$2,002
Water Production	up	\$4,842
Water Collection	up	\$9,554
Sanitation	up	\$23,870

Other departments stayed the same or declined slightly. Overall, contributions from the operating budget are up by approximately \$96,625 in FY08-09.

EQUIPMENT REPLACEMENT FUND

RESOURCES	ACTUAL	BUDGET	ESTIMATED	ADOPTED
	2006 - 07	2007 - 08	2007 - 08	2008 - 09
Fund Balance	\$ 2,167,755	\$ 1,699,650	\$ 1,699,650	\$ 1,573,684
Revenues				
Transfer from General Fund	714,840	869,876	869,876	926,240
Transfer from Utility Fund	490,629	574,669	574,669	614,937
Interest Income	108,400	65,000	57,000	50,000
Grants & Contributions	111,663	4,000	0	0
Sale of Fixed Asset	56,534	0	5,000	0
	\$ 1,482,065	\$ 1,513,545	\$ 1,506,545	\$ 1,591,177
Total Resources	\$ 3,649,820	\$ 3,213,195	\$ 3,206,195	\$ 3,164,861

EXPENDITURES	ACTUAL	BUDGET	ESTIMATED	ADOPTED
	2006 - 07	2007 - 08	2007 - 08	2008 - 09
Pickup Trucks - General	\$ 0	\$ 25,000	\$ 0	\$ 0
Pickup Trucks - Utility	0	0	0	0
Computer Equipment & Software	315,810	300,000	300,000	215,000
Police Cars	118,295	84,978	105,995	181,000
(2) CNG Vehicles (repl ??)	0	50,000	50,627	0
Mobile Digital Video System	101,130	0	0	0
Truck - replace 605 (Rec Center)	0	28,000	28,000	0
New Crewleader Pickup	0	20,000	20,000	0
Pick up (Garage dept)- replace 584	0	26,772	26,772	0
Pressure Washer - replace 622	0	14,039	14,039	0
Ambulance	111,025	130,000	127,585	0
Dump Truck - replace 496	57,539	0	0	0
40 - 4 yd containers	19,642	20,000	19,836	30,000
Roll off Containers 4 20CY	14,238	16,000	15,894	26,000
3/4 ton Truck - Maintenance Foreman	0	30,000	30,000	0
JD Lawn tractor - replace 647	0	9,000	6,549	0
1/2 Ton Truck - repl 676 (meter reader)	0	25,000	25,000	0
Air Compressor	11,995	0	0	0
Refurbish Unit 86	0	154,382	154,382	0
School Crossing Radio Control	19,320	0	1,926	0
Dump Truck - replace 597	57,789	0	0	0
Shift Operator Truck - repl 745	0	25,000	31,032	0
Chemical Feed & Storage system	0	30,000	30,000	30,000
Loader Repl 560	54,999	0	0	0
Cyclone Breaker (concrete)	0	16,000	16,000	0
Elgin Street Sweeper repl 782	0	200,000	200,000	0
UPS for Traffic Signals	0	100,000	100,000	0

EQUIPMENT REPLACEMENT FUND

CONTINUED

EXPENDITURES	ACTUAL 2006 - 07	BUDGET 2007 - 08	ESTIMATED 2007 - 08	ADOPTED 2008 - 09
Four tractor mowing decks (parks dept)	0	14,000	14,000	0
Gas Detection Units	0	6,000	6,000	0
JD 48" Deck - repl 769	0	6,500	6,500	0
New Honda Car	0	25,200	25,265	0
Replace unit 481 - Flatbed	0	70,000	70,000	0
Replace unit 516 - Flatbed	0	70,000	70,000	0
Replace Unit 566 - Flatbed	0	70,000	70,000	0
Slope Mower Assembly 497 ('07 budget)	0	0	36,368	0
Repl 686 - Ford 150 PU - Humane	0	0	0	25,000
Gator (2) replace 576 & 732	21,333	0	0	0
Light Tower	7,679	0	0	0
JD Lawn Tractor - repl 647	5,199	0	0	0
Front end Loader repl 602	75,000	0	0	0
Front end Loader repl 438	75,000	0	0	0
Roll off Truck repl 565	209,957	0	0	0
Flatbed trash body (2) ('07 budget)	250	0	30,742	0
Garbage Truck repl 671	205,557	0	0	0
PD Filing System	31,893	0	0	0
1000 GPM Pump - Oak Drive	7,204	0	0	0
Time keeping-badge maker	2,420	0	0	0
Res. Garbage Tk repl 668	205,557	0	0	0
Res. Garbage Tk repl 670	205,357	0	0	0
Replace Traffic control Cabinet	0	0	0	9,750
New Traffic Control Cabinet spare	0	0	0	9,750
Ambulance Elect. Upgrade	15,984	0	0	0
Replace Pickup 677 - Drainage	0	0	0	20,000
Replace Pickup 678 - Drainage	0	0	0	20,000
Repl Unit 727 Exmark Mower - Parks	0	0	0	9,000
Repl Unit 759 Exmark Mower - Parks	0	0	0	9,000
Repl Unit 814 Exmark Mower - Parks	0	0	0	9,000
Repl Unit 601 Van - Recreation	0	0	0	26,000
Repl Unit 618 Truck - Recreation	0	0	0	18,000
Four Post lift (garage)	0	0	0	14,000
Repl 641 1/2 ton Truck - Water Prod.	0	0	0	25,000
Repl 693 1/2 ton truck - Water Prod.	0	0	0	25,000
Repl 761 3.4 ton truck - Water Prod.	0	0	0	30,000
Install plugs & pigtails on generators	0	0	0	10,000
Odor Control, Drum Scrubber LS 34	0	0	0	9,000
Blowers in LS 5,36 & 9	0	0	0	23,000
Repl rear Loader 722 - Sanitation	0	0	0	200,000
Repl Flatbed #566	0	0	0	58,000
25 Cu yd Heil rear loader for Unit 753	0	0	0	85,000
Total Expenditures	\$ 1,950,171	\$ 1,565,871	\$ 1,632,511	\$ 1,116,500
Ending Fund Balance	\$ 1,699,650	\$ 1,647,324	\$ 1,573,684	\$ 2,048,361

PARK FUND

The Park Fund was created by City Ordinance in 1977. This Ordinance requires a developer to dedicate a site or sites to the public for park purposes at a ratio of one-half acre of park for every one hundred persons in the subdivision or development. This ordinance further provided that the City Council may elect to accept money as an alternative to the dedication of land where there is no park designated by the Comprehensive Master Plan or no park or recreation facility is recommended in the area by the Parks Board. If money is to be donated, the rate is \$295 per lot in the subdivision or \$252 per living unit in a duplex, townhouse, apartment or other multifamily units. Due to a decreasing number of new subdivisions (developing subdivisions have already made their contributions), and the fact the last couple of new subdivisions donated land rather than money, income in this fund has primarily been year end transfers from the General Fund. A transfer is proposed for the end of the FY07-08 budget.

The City's Park Board develops the budget for this fund. Expenditures are typically dedicated to small park related capital improvements and maintenance items. Projects primarily include ball field and general park enhancements, as well as some small park facility and equipment acquisitions.

ACCOMPLISHMENTS

Ball Field Improvements

Youth Football Complex Improvements	\$26,500
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Other

Kid Fish	\$5,000
Concerts In the Park Series	\$2,500
Oyster Creek Conceptual Plans	\$16,000

PROJECTS FOR FY 07-08

Oyster Creek @ Dunbar Park	\$25,000
Expand Little Suggs Field	\$25,000
Dow Centennial Park Phase 3 study	\$5,000
Disc Golf Course @ Dunbar Park	\$9,000
Morrison Park Playground	\$5,600
Kids Fish	\$4,500

IMPACT ON THE BUDGET

There will be minimal impact on the operating budget. However, continued replacement of old playground equipment reduces our regular maintenance needs.

MAJOR PROJECTS

Oyster Creek Development at Dunbar Park (\$25,000)

The Parks Board has budgeted \$25,000 to match the \$25,000 allocated in the Capital Project Fund to build two kayak/canoe launches on Oyster Creek and provide moderate brush clearing of the creek. The launches will be located on the segment of the creek that flows through Dunbar Park.

Expand Little Suggs Field (\$25,000)

This project entails moving ball field lighting and fences. The additional footage will convert a practice field to a full-size Babe Ruth game field.

PARK FUND

RESOURCES	ACTUAL	BUDGET	ESTIMATED	ADOPTED
	2006 - 07	2007 - 08	2007 - 08	2008 - 09
Fund Balance	\$ 257,664	\$ 213,162	\$ 213,162	\$ 321,162
Revenues				
Transfer from General Fund	\$ 0	\$ 0	\$ 150,000	\$ 0
Interest Income	12,577	8,000	8,000	8,000
Contribution from developer	0	0	0	0
	<u>\$ 12,577</u>	<u>\$ 8,000</u>	<u>\$ 158,000</u>	<u>\$ 8,000</u>
Total Resources	\$ 270,241	\$ 221,162	\$ 371,162	\$ 329,162
EXPENDITURES	ACTUAL	BUDGET	ESTIMATED	ADOPTED
	2006 - 07	2007 - 08	2007 - 08	2008 - 09
Rec Center Lighting	\$ 0	\$ 0	\$ 0	\$ 0
Playground - Firemens Park	0	0	0	0
Youth Baseball Improvements	670	0	0	0
Suggs Field Improvements	7,500	0	0	0
Youth Football Complex	11,470	25,000	26,500	0
Crews Park	0	0	0	0
Morrison Park Playground	0	0	0	5,600
Soccer Goals	0	0	0	0
Dow Centennial Park Phase 3 Study	0	0	0	5,000
Kid Fish	4,500	5,000	5,000	4,500
Girls Softball field Improvements	0	0	0	0
Youth Soccer Improvements	3,650	0	0	0
Replace Playground/Bleachers	842	0	0	0
Oyster Creek - Conceptual Plans	5,000	0	0	0
Oyster Creek Plans/cleaning/dev.	0	40,000	16,000	25,000
Timbercreek Fence	4,500	0	0	0
Playground - Key Club Park	0	0	0	0
Light MacLean Volleyball Courts	18,947	0	0	0
Expand Little Suggs Field	0	0	0	25,000
Disc Golf Course @ Dunbar Park	0	0	0	9,000
Concerts In the Parks Series	0	0	2,500	0
Total Expenditures	\$ 57,079	\$ 70,000	\$ 50,000	\$ 74,100
Ending Fund Balance	\$ 213,162	\$ 151,162	\$ 321,162	\$ 255,062

**CITY OF LAKE JACKSON
FIVE YEAR CAPITAL IMPROVEMENT PLAN - PARK FUND**

07/03/08

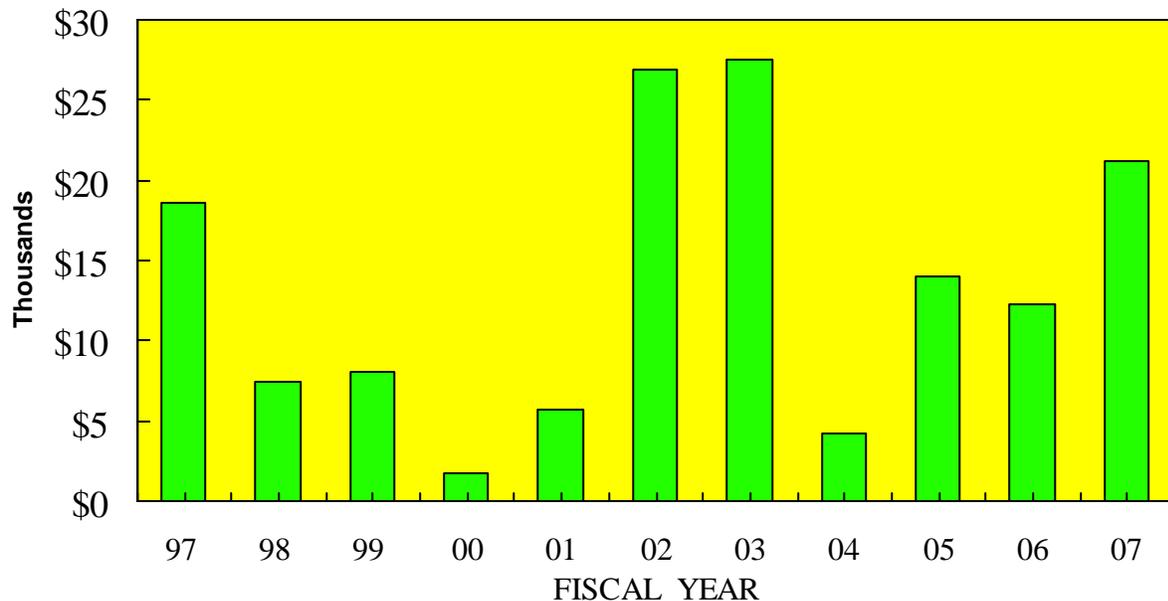
LINE #	COST CURR \$	PROJECT TYPE	PROJECT DESCRIPTION	PROPOSED 2007-08	PROPOSED 2008-09	1-3 YRS	3-5 YRS	6-10 YRS	FUTURE
1	247,800	YOUTHATH	F - 54 RASCO / LITTLE LEAGUE PARKING EXPANSION						PB 247,800
2	140,000	RESTROOM	F - 109 ADD RESTROOMS TO MACLEAN SOFTBALL			OT 140,000			
3	0	YOUTHATH	F - 113 YSC PARKING AT LAKE AND OAK						ST 225,000
4	250,000	RESTROOM	F - 115 DUNBAR PAVILION RESTROOM			OT 250,000			
5	500,000	YOUTHATH	F - 116 SUGGS BASEBALL COMPLEX REHAB				ST 500,000		
6	0	YOUTHATH	F - 117 PEE WEE/PIXIE COMPLEX @ M.GRIFFITH						ST 1,320,000
7	500,000	NATURETRLS	F - 118 CONNECT D.C.B.P. TO WILDERNESS PARK						OT 500,000
8	0	YOUTHATH	F - 119 DUNBAR FOOTBALL COMPLEX						ST 2,400,000
9	250,000	RESTROOM	F - 120 GIRLS SOFTBALL RESTROOM FACILITY					OT 250,000	
10	150,000	RECREAT.	F - 121 COMPLETE PAVILION AT MACLEAN PARK					ST 150,000	
11	100,000	YOUTHATH	F - 123 BEUTEL FIELD REHAB					ST 100,000	
12	385,000	NATURETRLS	F - 124 DEVELOP POCKET PARK TRAILS						ST 385,000
13	72,000	RECREATION	F - 125 ADD 4 TENNIS CTS. AT MACLEAN						OT 72,000
14	500,000	NATURETRLS	F - 126 DOW CENTENNIAL TRAIL EXPANSION				OT 500,000		
15	200,000	RECREATION	F - 127 RANGER STATION/R.V. PARK @ D.C.B.P.						OT 200,000
16	70,000	RECREATION	F - 128 DUNBAR FOOTBALL FIELD LIGHTS			OT 70,000			
17	1,980,000	RECREAT.	F - 139 DEVELOP SKATE PARK @ MACLEAN PARK						ST 1,980,000
18	400,000	NATURETRLS	F - 140 COMPLETE MALL TO COLLEGE TRAIL						ST 400,000
19	15,000	PLANNING	F - 141 DAY USE SITE PLAN FOR WILDERNESS PARK						PB 15,000
20	25,000	YOUTHATH	YOUTH FOOTBALL IMPROVEMENTS	PB 25,000					
21	10,000	MISC	PARK IMPROVEMENT FUND		PB 10,000				
22	25,000	YOUTHATH	YOUTH BASEBALL IMPROVEMENTS						PB 25,000
23	25,000	YOUTHATH	SUGGS IMPROVEMENT						PB 25,000
24	10,000	RECREAT.	KID FISH	PB 5,000	PB 5,000				
25	25,000	YOUTHATH	GIRLS SOFTBALL IMPROVEMENTS						PB 25,000
26	2,500	RECREATION	CONCERT IN THE PARK SERIES	PB 2,500					
27	40,000	PLANNING	CLEANING/DEV. OF OYSTER CREEK @ DUNBAR	PB 40,000					
28	20,000	PLAYGRND	PLAYGROUND EQUIP. REPLACEMENT		PB 20,000				
29	0	RECREATION	DUNBAR PARK REHAB (SOUTH SIDE) & OYSTER CREEK						ST 2,160,000
30	1,500,000	NATURETRLS	FREEWAY TRAIL						ST 1,500,000
FUNDING SOURCES				PROPOSED 2007-08	PROPOSED 2008-09	1-3 YRS	3-5 YRS	6-10 YRS	FUTURE
PARKS BOARD FUND (PB)				\$72,500	\$35,000	\$0	\$0	\$0	\$337,800
ECONOMIC DEVL. FUND (1/2 SALES TAX) (ST)				\$0	\$0	\$0	\$500,000	\$250,000	\$10,370,000
OTHER: NONE (OT)				\$0	\$0	\$460,000	\$500,000	\$250,000	\$772,000

UNEMPLOYMENT INSURANCE FUND

<i>RESOURCES</i>	ACTUAL	BUDGET	ESTIMATED	ADOPTED
	2006-07	2007-08	2007-08	2008-09
Fund Balance	\$ 231,929	\$ 222,119	\$ 222,119	\$ 214,119
Revenues				
Transfer From Utility Fund	\$ 0	\$ 0	\$ 0	\$ 0
Transfer From General Fund	0	0	0	0
Interest	11,446	6,000	7,000	6,000
	<u>\$ 11,446</u>	<u>\$ 6,000</u>	<u>\$ 7,000</u>	<u>\$ 6,000</u>
Total Resources	\$ 243,374	\$ 228,119	\$ 229,119	\$ 220,119

<i>EXPENDITURES</i>	ACTUAL	BUDGET	ESTIMATED	ADOPTED
	2006-07	2007-08	2007-08	2008-09
Unemployment Claims	\$ 21,255	\$ 15,000	\$ 15,000	\$ 15,000
Total Expenditures	\$ 21,255	\$ 15,000	\$ 15,000	\$ 15,000
Ending Fund Balance	\$ 222,119	\$ 213,119	\$ 214,119	\$ 205,119

UNEMPLOYMENT CLAIMS



MOTEL OCCUPANCY

The purpose of this fund is to account for resources generated from the local motel occupancy tax. Effective February 1, 1994 the City's portion of this tax was raised from 4% to 7%. By Resolution it is the policy of the City of Lake Jackson to use these funds in the following specific ways to encourage tourism:

- * Pass through as much as 14% of the motel tax revenues to the Festival of Lights.
- * Pass through at least 29% of the motel tax revenues for tourism.
- * Pass through as much as 14% of the motel tax revenues to the Brazosport Fine Arts Council for the promotion of the Arts.
- * Pass through as much as 21% of the motel tax revenues to the Museum of Natural Science to encourage visitation to museums.
- * Pass through as much as 21% of the Motel Tax Revenues to the Lake Jackson Historical Museum (Lake Jackson Historical Association).
- * The remainder is allocated for other lawful methods of advertising the City or encouraging tourism, including preservation of historical sites, encouraging visitation to museums, and promotion of the Civic Center.

MOTEL OCCUPANCY TAX FUND

RESOURCES	ACTUAL 2006-07	BUDGET 2007-08	ESTIMATED 2007-08	ADOPTED 2008-09
Fund Balance	\$ 133,363	\$ 152,475	\$ 152,475	\$ 147,370
Revenues				
Motel Occupancy Tax	\$ 272,624	\$ 200,000	\$ 263,000 [▼]	\$ 250,000
Interest Income	6,862	4,000	4,700	4,000
	<u>\$ 279,486</u>	<u>\$ 204,000</u>	<u>\$ 267,700</u>	<u>\$ 254,000</u>
Total Resources	\$ 412,849	\$ 356,475	\$ 420,175	\$ 401,370

EXPENDITURES	ACTUAL 2006-07	BUDGET 2007-08	ESTIMATED 2007-08	ADOPTED 2008-09
Fine Arts Council	\$ 38,563	\$ 28,570	\$ 37,570	\$ 35,715 [▼]
Hummingbird Extravaganza	0	0	0	0
Brazosport Area C of C	80,000	80,000	80,000	80,000
Museum of Natural Science	57,841	42,850	56,350	53,570 [▼]
L.J. Historical Museum	57,841	42,850	56,350	53,570
Softball Tournament	4,999	5,000	5,000	5,000
Marketing Items / Brochure	1,130	5,000	5,000	5,000
YAC Conference	0	7,500	12,535	0
Redesign of Civic Center Marquee		5,000	0	0
Transfer to Special Events	20,000	20,000	20,000	25,000
	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>25,000</u>
Total Expenditures	\$ 260,374	\$ 236,770	\$ 272,805	\$ 257,855
Ending Fund Balance	\$ 152,475	\$ 119,705	\$ 147,370	\$ 143,515

SPECIAL EVENTS FUND

RESOURCES	ACTUAL 2006-07	BUDGET 2007-08	ESTIMATED 2007-08	ADOPTED 2008-09
Fund Balance	\$ 7,033	3,248	3,248	346
Revenues				
Transfer from General Fund	\$ 20,000	20,000	20,000	20,000
Transfer from Motel Occ.	20,000	20,000	20,000	25,000
Revenues from FOL	18,957	15,000	14,775	15,000
Revenues from "The Fourth"	0	0	0	0
Miscellaneous	0	0	0	0
	<u>\$ 58,957</u>	<u>\$ 55,000</u>	<u>\$ 54,775</u>	<u>\$ 60,000</u>
Total Resources	\$ 65,990	\$ 58,248	\$ 58,023	\$ 60,346

EXPENDITURES	ACTUAL 2006-07	BUDGET 2007-08	ESTIMATED 2007-08	ADOPTED 2008-09
Festival of Lights	\$ 42,741	35,000	37,677	35,000
Concerts in the Park	0	0	0	5,000
July 4th Celebration	20,000	20,000	20,000	20,000
	<u>\$ 62,741</u>	<u>\$ 55,000</u>	<u>\$ 57,677</u>	<u>\$ 60,000</u>
Total Expenditures	\$ 62,741	\$ 55,000	\$ 57,677	\$ 60,000
Ending Fund Balance	\$ 3,248	\$ 3,248	\$ 346	\$ 346

GENERAL CONTINGENCY FUND

RESOURCES	ACTUAL 2006-07	BUDGET 2007-08	ESTIMATED 2007-08	ADOPTED 2008-09
Fund Balance	\$ 843,477	\$ 744,973	\$ 744,973	\$ 1,076,473
Revenues				
Transfer from General Fund	\$ 0	\$ 0	\$ 308,000	\$ 0
Interest Income	41,496	30,000	23,500	20,000
	<u>\$ 41,496</u>	<u>\$ 30,000</u>	<u>\$ 331,500</u>	<u>\$ 20,000</u>
Total Resources	\$ 884,973	\$ 774,973	\$ 1,076,473	\$ 1,096,473

EXPENDITURES	ACTUAL 2006-07	BUDGET 2007-08	ESTIMATED 2007-08	ADOPTED 2008-09
Transfer to Utility Fund	\$ 0	\$ 0	\$ 0	\$ 0
Transfer to General Fund	140,000	0	0	308,000
	<u>\$ 140,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 308,000</u>
Total Expenditures	\$ 140,000	\$ 0	\$ 0	\$ 308,000
Ending Fund Balance	<u>\$ 744,973</u>	<u>\$ 774,973</u>	<u>\$ 1,076,473</u>	<u>\$ 788,473</u> ▼

UTILITY CONTINGENCY FUND

RESOURCES	ACTUAL 2006-07	BUDGET 2007-08	ESTIMATED 2007-08	ADOPTED 2008-09
Fund Balance	\$ 347,541	\$ 325,546	\$ 325,546	\$ 421,046
Revenues				
Transfer from Utility Fund	\$ 0	\$ 0	\$ 85,500	\$ 0
Interest Income	18,005	10,000	10,000	8,000
	<u>\$ 18,005</u>	<u>\$ 10,000</u>	<u>\$ 95,500</u>	<u>\$ 8,000</u>
Total Resources	\$ 365,546	\$ 335,546	\$ 421,046	\$ 429,046

EXPENDITURES	ACTUAL 2006-07	BUDGET 2007-08	ESTIMATED 2007-08	ADOPTED 2008-09
Transfer to Utility Fund	\$ <u>40,000</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>85,500</u>
Total Expenditures	\$ 40,000	\$ 0	\$ 0	\$ 85,500
Ending Fund Balance	\$ <u>325,546</u>	\$ <u>335,546</u>	\$ <u>421,046</u>	\$ <u>343,546</u>



Brazos Oaks

Street reconstruction project in the Brazos Oaks Subdivision.

MULTI-YEAR FUNDS



LAKE JACKSON

City of Enchantment



WATER & SEWER BOND CONSTRUCTION FUND

On December 9, 1996 voters approved \$1.9 million in Water and Sewer Revenue Bonds. This fund accounts for the bond proceeds, which were received July 17, 1996. With the exception of the Northeast Subdivision Sewer Diversion, these projects are complete.

MAJOR PROJECTS

Sewer Lines

Sewer lines along Carnation, Caladium Ct., and Winding Way (2nd Magnolia to Jasmine) have been replaced and we will be adding a new sewer line along FM 2004 to service areas on the northeast side of town. (This includes the area behind the Bowling Alley.)

Water Lines

The following water lines were replaced:

Cypress - Jonquil to Redwood (including Caladium Ct.), **Caladium** - Jonquil to Redwood, **FM 2004** - Yaupon to the Bowling Alley, **Gardenia** - Jonquil to Cypress, **Redwood** - Jonquil to Gardenia, **Daisy, Walnut** - Oak to Hickory, **Blossom, Jonquil, Bois'D Arc, Pin Oak** - Sycamore to Forest Oaks Lane, **Moss, Hawthorn** - Cypress to Redwood, **Palm Lane** - Sycamore to Jasmine, **Redwood** - Gardenia to Caladium, **Winding Way** - Oak to 419 (Elm), **Trumpet Vine, Grape Vine, and Azalea** (from Center Way to Winding Way).

Ground Storage Tank

The new 1 million gallon storage tank at the Beechwood Pump Station was completed in FY 98-99. This tank brought the City's water storage capacity to 5.8 million gallons (4 elevated tanks-1.8 million gallons total capacity and 4 ground storage tanks-4.0 million gallons total capacity). During periods of high demand throughout the Brazosport Area, it is difficult for the Brazosport Water Authority to supply "extra" water to all member cities at the same time. This additional storage will allow the City to receive greater volumes of water from the Brazosport Water Authority during non-peak flow periods, such as late night or early morning.

This project also increased ground storage for fire protection as required by the Texas Commission on Fire Protection.

Northeast Sewer Diversion

Initially \$300,000 of this money was set aside to provide sewer collection to potential development (from the Northeast area of the city) by diverting flow from portions of the collection system which are at capacity, to an area of the system which could handle additional capacity.

A portion of the available funds were used to accommodate additional service area of the Northwood/Jackson Oaks development. A cost recovery fee was imposed and has been paid by these developments. At present the City engineering staff and consultant have bid out a construction project for a sanitary sewer collection and lift station transmission system plan to service the area which includes a portion 1500 feet north of FM 2004 from N. Yaupon to Old Angleton Road. City staff and the city attorney determined that a cost recovery plan to assess the benefited area was not in the best interests of the City at this time, and proceeded with the project to be funded entirely by the City to the extent of the available funds. Projected expenditure estimates prior to bid are \$440,000 to \$520,000.

IMPACT ON OPERATING BUDGET

The project has minimal direct or quantifiable effect on our operating cost. Replacement of the water lines reduces maintenance cost due to broken lines, and keeps maintenance cost from increasing significantly over the forthcoming years.

1996 Water & Sewer Improvements Bond Construction Fund

Resources	Project To Date *	Total Projected
Net Proceeds from Bond Issuance	\$ 1,862,247	\$ 1,862,247
Interest Earned		
Fiscal 1996	20,851	20,851
Fiscal 1997	73,605	73,605
Fiscal 1998	31,978	31,978
Fiscal 1999	26,102	26,102
Fiscal 2000	33,173	33,173
Fiscal 2001	16,588	16,588
Fiscal 2002	12,223	12,223
Fiscal 2003	7,849	7,849
Fiscal 2004	6,736	6,736
Fiscal 2005	16,215	16,215
Fiscal 2006	29,251	29,251
Fiscal 2007	34,886	34,886
Fiscal 2008	16,713	20,300
Total Resources	\$ 2,188,416	\$ 2,192,004

Expenditures	Original Budget	Project To Date *	Total Projected
Water & Sewer line Repl.	\$ 925,000	\$ 841,537	\$ 841,537
New Ground Storage Tank	650,000	543,111	594,938
Northeast Sewer Project	300,000	25,900	515,063
Projects added on:			
Lift Station 25 Expansion		144,758	144,758
Forest Dr. Sewer		16,095	16,095
Petunia Sewer		18,070	18,070
This Way Sewer	0	6,520	6,520
Total Expenditures	\$ 1,875,000	\$ 1,595,991	\$ 2,136,981

* Includes resources and expenditures through May 31, 2008.

2007 WATER & SEWER BONDS

In June 2007 the City issued \$2.0 million in water and sewer bonds. The original plans for the proceeds from this issue were :

State Highway 288/332 Utility Relocates –

The Texas Department of Transportation (TxDot) planned to install three separate overpasses and service roads on State Highway 288/ 332 . The initial plan was for these projects to be let in 2008. In conjunction with this project the City of Lake Jackson would be responsible for all necessary utility relocations. Prior to surveying and engineering our best estimation of a cost for these projects was \$750,000.

After survey work and TxDot construction plans were completed a more accurate cost estimation was determined to be \$1,225,000.

Then lack of available funding at the state level put the entire project on hold.

As of June, 2008, TxDot is now telling us that the Oak Drive and This Way overpasses and the frontage road along the overpasses only will be let in 2009. Total estimated cost for the utility relocations required with these projects is \$670,000.

If TxDot drops plans to install frontage road the entire length of the 288/332 corridor total estimated cost could be reduced by approximately \$450,000.

FM 2004 / Old Angleton Road Utility Relocates

TxDot also planned to install an overpass on FM 2004 at Old Angleton Road. Again, The City of Lake Jackson is responsible for any necessary utility relocations. This cost was initially estimated at \$40,000. However, after surveying it was determined no relocations would be necessary. The project was then put on indefinite hold by TxDot.

Pump

Purchase of a portable diesel pump. This purchase was estimated at \$35,000. Total actual cost was \$31,099.

Center Way Sewer – 400 Block

This project replaced a collapsed sewer line in the 400 block of Center Way. Total cost was estimated at \$65,000. The completed construction cost was \$65,346.

Re-Paint Balsam Water Tower

This is a preventative maintenance project to repair and re-paint the Balsam water tower.

This project will be bid in the summer/fall of 2008. The original estimate cost of \$400,000 is still a good price.

Force Main – L.S. - #35

Upgrade the force main from Lift Station 35 to the DCWRC. This project is necessary because the current force main is undersized for the design flow identified in the Master Plan for LS #35 and because it joins with the force main from Lift Station #1 which makes it undersized for the design flow identified for Lift Station #1. Engineering is 95% complete and this project will be put out to bid in July 2008. Total estimated cost is \$37,150.

Master Lift Station Upgrades

Upgrade the Master Lift Stations (#1, 20, & 35) which pump directly to the DCWRC to the design flows identified in the Master Plan. These upgrades are necessary because the current flow capacity does not support the full development of each of these basins. Also, the pumping equipment at these stations is due for replacement. Engineering is 90% complete. These projects will be put out to bid in September 2008. These projects cannot be bid before the completion of the Force Main – LS 35 project or the increased pump capacity at Lift Station #1 would overwhelm Lift Station #35. The project estimated cost is \$400,000.

Confined Space Entry Lift Station 7 and 14

These lift stations currently have dry wells for the pumping equipment. To check or maintain the pumping equipment, DCWRC personnel must make manned entry into the dry wells. Due to the physical configuration of the access to the dry wells these are considered confined space entries under OSHA standards. The project will improve the access to these stations so that they are not considered confined spaces. This will allow a manpower savings when making routine inspections of these stations. The project estimated cost is \$150,000.

Non Potable Irrigation

This project will convert the force main that is being replaced under the Force Main – LS 35 project into a non-potable water main and connect it to the existing DCWRC non-potable water system and to the athletic complexes in the Lake Road corridor. This will allow the use of Non-Potable reclaimed water to be used for irrigation at these complexes. This will decrease our need to develop additional water supplies for future growth and will set a precedent for beneficial reuse of reclaimed water prior to enactment of return flow regulations. The project estimated cost is \$79,000.

**2007 \$2.0 Million Water and Sewer Bonds
Through May 31, 2008**

RESOURCES		Project to Date	Total Projected
Bond Proceeds Net Issuance Cost	\$	1,948,640	\$ 1,948,640
REVENUES			
Interest earned			
2007		41,395	41,395
2008		38,887	52,000
TOTAL RESOURCES	\$	2,028,922	\$ 2,042,035

EXPENDITURES	Original Project Estimations	Project To Date	Total Projected
Non Potable Irrigation	\$ 79,025	\$ -	\$ 79,025
Force Main - L.S. #35	37,150	-	37,150
Pump	35,000	31,099	31,099
Master L.S. Upgrades	400,000		400,000
Con. Fined Space L.S. 7 & 14	150,000	-	150,000
Center Way Sewer - 400 block	65,000	65,346	65,346
SH 288/332 Utility Relocates	750,000	32,500	750,000
FM 2004 Utility Relocates	40,000	-	40,000
Repaint Balsam Tower	400,000	-	400,000
TOTAL EXPENDITURE	\$ 1,956,175	\$ 128,945	\$ 1,952,620

2004 INFRASTRUCTURE IMPROVEMENT FUND

This fund accounts for Phase III of the \$10.8 million in Bonds approved by the voters in 2001.

Phase III bonds in the amount of \$3,600,000 were sold in April 2004. Projects originally included in this phase included the reconstruction of South Magnolia from Lotus to SH 332; South Yaupon from Walnut to SH332; Oak Drive from Oyster Creek Drive to Circle Way; Oak Drive from SH 332 to Parking Way; Dixie Drive from Pine to Oyster Creek Drive; and “spot” repairs in the Brazos Oaks Subdivision which will repair portions of Gardenia, Caladium, Jonquil, Redwood, Hawthorne and Blackberry.

The South Magnolia, South Yaupon and Dixie Drive projects are complete.

Because there were savings on the first two phases of the \$10.8 million bond series, the Oak Drive project included in this issue has been expanded to include additional segments of the street. The reconstruction of Oak Drive from SH 332 to Oyster Creek Drive is complete. To honor our veterans this section of Oak Drive has been dual named Oak Drive / Veterans Memorial Parkway. Additional decorative lighting has been added to the project, American flags will hang from the lighting.

Also, in May 2005 voters approved an additional 7.7 million in bonds to be issued over the next four years. Included in this approval were additional funds for the Brazos Oaks Subdivision. The approved funds (\$2.8 million) will be combined with the \$650,000 to completely reconstruct the streets in the Brazos Oaks Subdivision.

2004 Facility and Infrastructure Improvements Bond Construction Fund

Resources	Project To Date *	Total Projected
Net Proceeds from Bond Issuance	\$ 3,543,200	\$ 3,543,200
Interest Earned		
Fiscal 2004	19,937	
Fiscal 2005	104,036	
Fiscal 2006	153,708	
Fiscal 2007	70,223	
Fiscal 2008	26,005	
Total Interest Earned	373,909	373,909
Grant for Oak Drive Lighting Project	39,000	39,000
Transfer of remaining funds from 1999 and 2001 Infrastructure bond construction funds	1,078,201	1,078,201
Total Resources	\$ 5,034,310	\$ 5,034,310

Expenditures	Original Budget	Revised Budget	Project To Date *	Total Projected
Oak Drive	\$ 1,130,000	\$ 2,220,851	\$ 1,907,423	\$ 1,911,423
South Yaupon / South Magnolia	745,000	745,000	551,894	551,894
Dixie Drive	1,075,000	1,075,000	1,179,636	1,200,000
Brazos Oaks **	650,000	650,000	207	650,000
Old Angleton Road Paving ***	0	0	68,766	68,766
Spot Repairs ***	0	0	225,794	225,795
Total Expenditures	\$ 3,600,000	\$ 4,690,851	\$ 3,933,720	\$ 4,607,878
Remaining Funds				426,432

* Includes resources and expenditures through May 31, 2008.

** \$650,000 approved for Brazos Oaks in this bond issue will be combined with an additional \$2.8 million in bonds approved by the voters in May 2005 which was issued in 2007. The combined money will fund the complete reconstruction of streets and drainage in the subdivision. This project is currently being designed and engineered.

*** Authorized by City Council on June 5, 2006.

2007 INFRASTRUCTURE IMPROVEMENT FUND

In May 2005 voters approved an additional \$7.7 million in infrastructure and facility bonds. The original plan called for these bonds to be issued in three phases. The first phase to be issued in 2006 included \$2.8 million, to be combined with the previously approved \$600,000, for the complete reconstruction of the streets and drainage in the Brazos Oaks Subdivision.

Due to the availability of the previously issued \$600,000 to pay for engineering and design cost, the issuance of the \$2.8 million could be delayed.

In June 2007 we sold \$5.3 million which includes the remainder for Brazos Oaks and \$2.5 million for renovation of the old Fire Station into an expanded Municipal Court facility, emergency dispatch and emergency operations center.

IMPACT ON OPERATING BUDGET

Brazos Oaks Reconstruction

This is a residential neighborhood. Specific maintenance cost of these streets is insignificant and will remain the same after reconstruction.

Municipal Court

Design plans for Municipal Court will be developed during 2007-08. We will attempt to keep operating cost increases related to the building to a minimum, however, there will likely be increased electrical cost associated with increased square footage. These and other costs will be determined during design.

2007 Infrastructure Improvements Bond Construction Fund

Resources		Project To Date *	Total Projected
Net Proceeds from Bond Issuance	\$	5,232,491	\$ 5,232,491
Interest Earned			
Fiscal 2007		103,681	103,681
Fiscal 2008		138,890	199,000
Total Interest Earned		242,571	302,681
Transfer of Brazos Oaks funds from 2004 Infrastructure Improvement Fund		0	650,000
Total Resources	\$	5,475,062	\$ 6,185,172

Expenditures	Original Budget		Project To Date *	Total Projected
Brazos Oaks Subdivision	\$ 3,400,000	\$	267,102	\$ 3,450,000
Court Renovations	2,500,000		2,385	2,500,000
332 / 288 Utility Relocate			7,886	7,886
Total Expenditures	\$ 5,900,000	\$	277,373	\$ 5,957,886

* Includes resources and expenditures as of May 31, 2008

**2008 Infrastructure Improvements
Bond Construction Fund**

Resources		Project To Date *	Total Projected
Net Proceeds from Bond Issuance	\$	0	\$ 2,400,000
Interest Earned			
Fiscal 2009		0	0
Fiscal 2010		0	44,243
Total Interest Earned		0	44,243
<i>Total Resources</i>	\$	0	\$ 2,444,243

Expenditures	Original Budget		Project To Date *	Total Projected
Oak Dr. - to That Way	\$ 1,400,625	\$	0	\$ 1,400,625
Jasmine W/Way to W/ Way	639,188		0	639,188
Winding Way - Jasmine to OCD	404,430		0	404,430
<i>Total Expenditures</i>	\$ 2,444,243	\$	0	\$ 2,444,243

* Includes resources and expenditures as of May 31, 2008

2008 INFRASTRUCTURE IMPROVEMENT FUND

In May 2005 voters approved an additional \$7.7 million in infrastructure and facility bonds. This construction fund represents the last phase of the approved bonds. These bonds will likely be issued in November 2008.

There are three residential streets to be reconstructed from these bond proceeds.

Oak Drive from the Northern intersection with Circle Way to That Way.

Jasmine Street from Winding Way to Winding Way

Winding Way from Jasmine to Oyster Creek Drive.

IMPACT ON OPERATING BUDGET

These are three residential streets and sidewalks that we have earmarked for upgrade. These are concrete streets built in the early 40's or 50's. While their estimated life is nearing its end there is little specific, quantifiable maintenance occurring on these streets. These are proactive projects to upgrade the condition of the street before total deterioration begins to occur.

Also sidewalks in the area are badly deteriorated and will be replaced.

The primary impact on future operating budgets is that these street replacement projects tend to encourage property owners to make a greater effort in the maintaining their homes. This helps to maintain and/or increase the property value on the tax rolls.

STATISTICAL INFORMATION



LAKE JACKSON

City of Enchantment



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Lake Jackson

“City of Enchantment”

The City of Lake Jackson began in the early 1940’s when Dr. A. P. Beutel and Dr. Alden Dow carefully planned out the “City of Enchantment”. Through hard work and determination, what was once a heavily wooded swamp grew into a beautiful city. In planning the city, Dr. Dow specified that as many trees as possible would be saved. The citizens of Lake Jackson continue to be committed to Dr. Dow’s dream by maintaining and enhancing the beauty of the area.

Lake Jackson is also surrounded by Texas history. The land that Lake Jackson is built on was part of Stephen F. Austin’s original land grant from the Mexican government. The two major plantations around the current sites of Lake Jackson and Clute were the Jackson Plantation and Eagle Island Plantation. Abner Jackson built his plantation on an oxbow lake from which our young city derives its name: Lake Jackson.

Today the citizens of Lake Jackson are proud of their heritage and their pride shows in their City. Through the hard work and dedication of our boards and commissions, along with numerous volunteers, Lake Jackson won its ninth Governor’s Community Achievement Award in 2003 and 3rd place in the nation in the Keep America Beautiful Awards. They also received the Presidents Circle Award from Keep America Beautiful and the Sustained Award of Excellence from Keep Texas Beautiful for the 11th year. Lake Jackson has received the “Tree City USA” title for the past 22 years.

Location

8 Miles North of the Gulf of Mexico
50 Miles South of Houston
45 Miles Southwest of Galveston

Estimated 2008 Population

27,614

Form of Government

Council/Manager (Home Rule Charter)

Mayor

Bob Sipple

City Manager

William P. Yenne

Councilmembers

Joe Rinehart
Bob Geter
Gerald Roznovsky
Will K. Brooks
Vinay Singhania

Elected Officials

Official	Title	Years of Service	Term Expires	Occupation
* Bob Sipple	Mayor	2	2010	VP of Sales
Joe Rinehart	Councilmember	5	2009	Teacher
Bob Geter	Councilmember	2	2010	Insurance Agent
Gerald Roznovsky	Councilmember	3	2009	Manager
Will K. Brooks	Councilmember	new	2010	Engineer
Vinay Singhania	Councilmember	2	2009	Purchasing Manager

* Served 1 year as Councilmember prior to Mayor

City Staff

Name	Title	Length of Service
* William P. Yenne	City Manager	28 years
Modesto Mundo	Asst. City Manager	13 years
Pam Eaves, CPA	Finance Director	18 years
Salvador Aguirre	City Engineer	29 years
First Southwest	Financial Advisors	3 years

* Served 11 years as Assistant City Manager

General Information

Size

Development of the 18 square mile area that comprises the City of Lake Jackson began in 1941 and has produced an orderly, well planned residential community. Lake Jackson, itself, has a population of just over 27,000 people. Yet, Lake Jackson is part of a larger community of cities located in southern Brazoria County. Comprised of Lake Jackson, Clute, Freeport, Oyster Creek, Quintana, Jones Creek, Richwood, Surfside, Angleton and Brazoria, this area represents a population of over 77,000. Our regional retail center draws people from points well west and north of our city.

Location

The City of Lake Jackson is part of the Brazosport Area which includes the cities of Brazoria, Clute, Freeport, Jones Creek, Oyster Creek, Quintana, Richwood and Surfside Beach. Lake Jackson is located 50 miles south of Houston, 45 miles southwest of Galveston and 8 miles north of the Gulf of Mexico.

Access

The City is accessible via State Highway 332, the Nolan Ryan Expressway (State Highway 288), FM 2004 and the Port of Freeport. These roads provide access to Houston, Galveston, and the market areas of Brazoria, Matagorda and Fort Bend Counties.

Utilities

Water, Wastewater and Sanitation Services are provided by the City of Lake Jackson

Electric Service is provided by a competitive retail provider (you choose)

Telephone Service is provided by Southwestern Bell

Gas Service is provided by Reliant/Entex

Transportation

Highways

State Highway 288
State Highway 288B
State Highway 332
State Highway 36
State Highway 35
FM 2004

Trucking

28 Tank Truck Lines
10 Motor Freight Carriers
7 Local Terminals

Air Freight/Package Services

Seven companies servicing large and small package requirements.

Bus Lines

Service scheduled by Valley Transition Angleton.

Rail

Union Pacific Railroad services the area.

Air

Brazoria County Airport - 7,000 ft. runway, lighted, ILS & NDB; charter and corporate services.

Houston's Hobby Airport - one hour, Houston's Intercontinental - 1.5 hours with all major commuter carriers.

Shipping

Port of Freeport has facilities to handle RO/RO, breakbulk, and container cargos. Channel depth is to 45'. Berthing depth 36' at 1,500' of docks. Transit sheds contain over 450,000 sq. ft. with one 60,000 sq. ft. back-up warehouse. The Port owns some 9,600 acres of land for use by port related companies. The Port of Freeport has also been designated Foreign Trade Zone #149.

Barges using the Intracoastal Waterway are serviced by over 15 docks and there are some 12 barge operations using the waterways in the area.

Utility Rates

Electricity

Supplier: Competitive Retail Provider

Natural Gas: Supplier: Reliant/Entex, Inc.

First 400 cubic feet or less	\$11.94 +	\$.17772 per 100 cubic feet
Next 2,600 cubic feet		.52065 per 100 cubic feet
Next 3,000 cubic feet		.51499 per 100 cubic feet
Next 4,000 cubic feet		.50135 per 100 cubic feet
Next 10,000 cubic feet		.49125 per 100 cubic feet
Over 20,000 cubic feet		.48115 per 100 cubic feet

Water: Supplier: City of Lake Jackson

2,000 gallons or less:	\$8 .60
Over 2,000 gallons:	\$8.60 plus \$2.85 per thousand gallons for each thousand gallons over 2,000

Sewer: Supplier: City of Lake Jackson

2,000 gallons or less	\$9.60
2,000 to 15,000 gallons:	\$9.60 plus \$3.20 per thousand gallons for each thousand gallons up to 15,000 gallons

Solid Waste Collection: Supplier: City of Lake Jackson

Commercial 3 yd dumpster per month		Commercial 4 yd dumpster per month	
2 pick ups per week	\$61.93	2 pick ups per week	\$ 82.55
3 pick ups per week	92.82	3 pick ups per week	123.86
4 pick ups per week	123.86	4 pick ups per week	165.57
5 pick ups per week	166.34	5 pick ups per week	206.43
6 pick ups per week	185.79	6 pick ups per week	247.68

Apartments/Multi family

Garbage and trash rates for apartments/multi family shall be charged at a flat rate fee of thirteen dollars and twenty-five cents (\$14.00) per individual family unit, excluding State Sales Tax.

Applicable Tax Rates 2008-09

Sales or Use Tax

State	6.25%
Lake Jackson	1.50%
Brazoria County	<u>.50%</u>
	8.25%

Hotel/Motel Tax

State	6.0%
City	<u>7.0%</u>
	13.00%

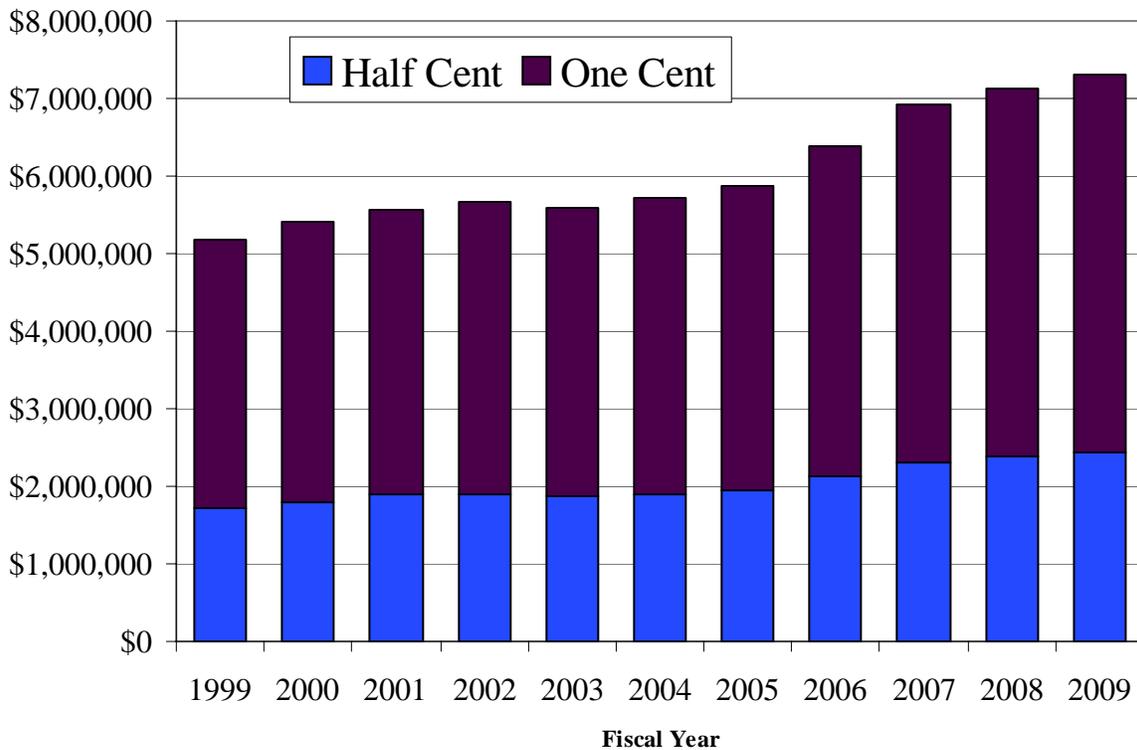
2008-09

Property Taxes - Rate/\$100 Assessed Value

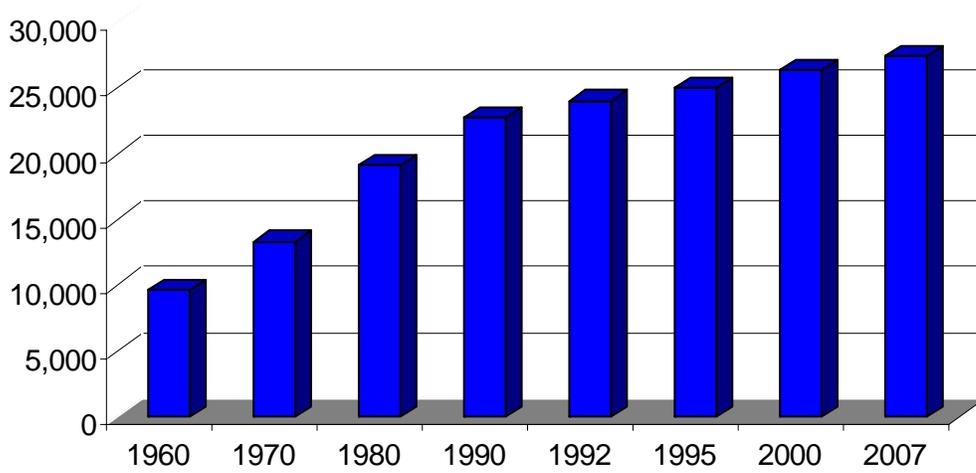
City of Lake Jackson	0.390000
Brazosport ISD	1.192200
Brazosport College	0.156488
Brazoria County (including Road & Bridge)	0.390000
Brazos River Harbor Navigation District	0.053500
Velasco Drainage District	<u>0.082075</u>
Aggregate Tax Rate	2.264263

Sales Tax History

	<u>Fiscal Year</u>	<u>One Cent Sales Tax</u>	<u>Half Cent Sales Tax</u>	<u>Percentage Growth</u>
	1999	3,460,834	1,730,417	3.52%
	2000	3,601,981	1,800,991	4.08%
	2001	3,673,682	1,896,841	1.99%
	2002	3,778,512	1,889,256	2.85%
	2003	3,726,533	1,863,267	(1.38%)
	2004	3,810,459	1,905,230	2.25%
	2005	3,914,130	1,957,065	2.72%
	2006	4,261,667	2,130,834	8.88%
Actual	2007	4,618,469	2,309,235	8.37%
Projected	2008	4,750,000	2,375,000	2.85%
Budgeted	2009	4,868,750	2,434,375	2.50%



Historical Population



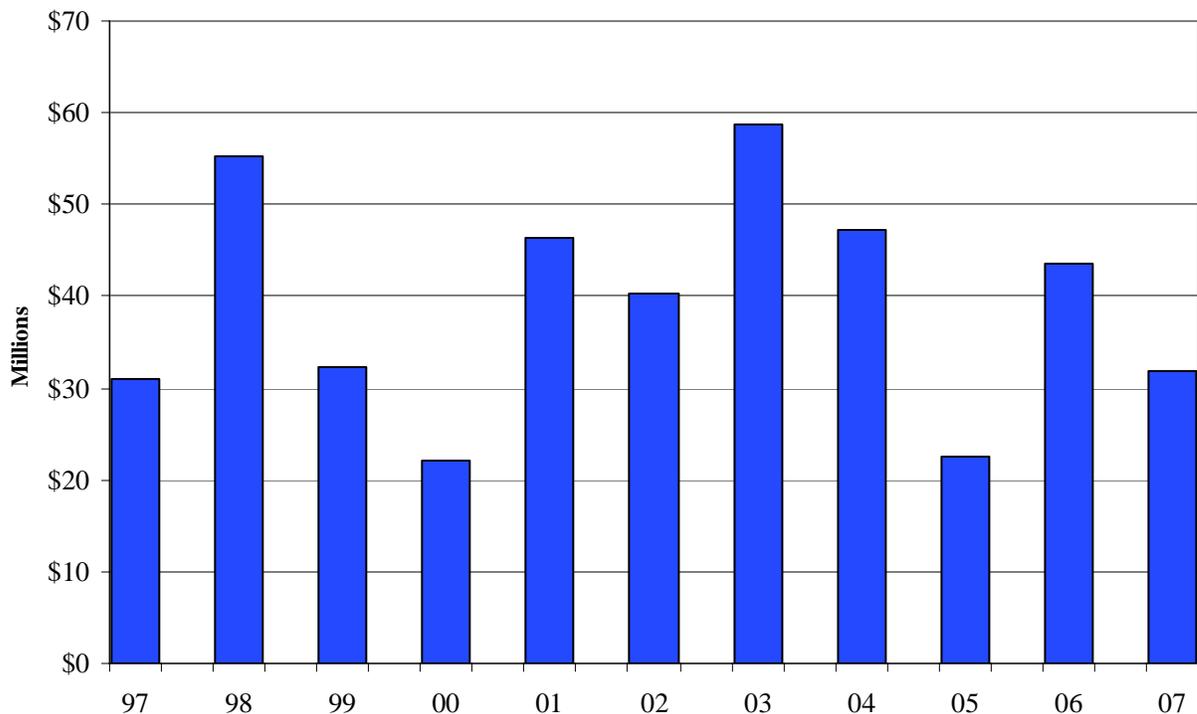
1960	9,651
1970	13,376
1980	19,102
1990	22,776
1992	24,000
1995	25,000
2000	26,386
2008	27,614 (estimate)

2000 Census Land Area & Population Density

	POPULATION	LAND AREA SQUARE MILES	PERSONS PER SQUARE MILE
Texas	23,507,783	261,914.2	89.00
Brazoria County	278,484	1,386.9	208.30
<i>Lake Jackson</i>	27,614	18.8	1,468.82

Building Permits Issued Last Ten Years

Year	RESIDENTIAL				COMMERCIAL				Total Building Permits
	New		Additions		New		Additions		
	Dollars	Number	Dollar	Number	Dollars	Number	Dollar	Number	
97	\$19,350,524	117	\$1,811,296	261	\$5,853,500	16	\$4,076,150	70	\$31,091,470
98	\$21,575,184	120	\$2,335,606	258	\$24,883,256	9	\$6,512,749	75	\$55,256,795
99	\$13,535,128	63	\$2,412,795	247	\$2,396,808	12	\$16,405,048	69	\$32,352,971
00	\$12,298,047	58	\$2,703,310	274	\$2,186,500	3	\$4,959,322	72	\$22,147,179
01	\$17,451,908	78	\$2,483,533	228	\$12,290,800	9	\$14,215,710	67	\$46,441,951
02	\$17,509,089	71	\$2,573,435	255	\$11,023,051	9	\$9,142,897	88	\$40,248,472
03	\$14,022,974	54	\$3,211,769	287	\$31,009,669	8	\$10,577,741	77	\$58,822,153
04	\$12,265,891	47	\$2,648,486	244	\$25,701,824	14	\$6,535,633	81	\$47,151,834
05	\$10,346,773	47	\$2,554,073	217	\$6,814,750	5	\$2,846,001	72	\$22,561,597
06	\$11,558,044	42	\$2,779,670	222	\$12,292,550	13	\$16,999,806	96	\$43,630,070
07	\$10,645,379	49	\$2,994,659	246	\$9,960,620	16	\$8,273,763	91	\$31,874,421



Brazosport Top Employers

Company	Type	Estimated No. Of Employees
Dow Chemical U.S.A. - (Texas operations)	Chemical	4,900
Texas Department of Criminal Justice	Prison	2,575
U. S. Contractors (supplier to primarily chemical plants-employment varies due to contractors)	Labor, etc.	1,817
Brazosport ISD	Education	1,800
Walmart	Retail	1,494
Brazoria County Government	County Courthouse	1156
Industrial Specialist, Inc.	Contractor	1,036
Phillips 66 Company	Chemical/Petroleum	1,000
BASF	Chemical	769
Benchmark	Assembles	700
HB Zachary Company		630
Solutia, Inc.		602
BP/Amoco Chemical	Chemical	750
Monsanto	Chemical	630
Brazosport Memorial Hospital	Medical	486
Oxy-Chem, Inc.	Chemical	464
Kroger	Retail/Grocery	345
City of Lake Jackson	Municipal	208
Mallinckrodt Medical	Medical Devices	165
Shintech	Chemical	158
American Rice	Manufacturer	150
Rhone-Poulenc	Chemical	150
U. S. Postal Services	Postal Services	140
Schenectady	Chemical	132
Gulf Chemical & Metallurgical	Chemical	123
Brazosport Facts	Publication/Newspaper	100
Quantum Chemicals	Specialty Chemicals	100
Pauluhn Electric	Electrical Devices	92
Reliant Energy/HL&P	Utility	63
Hoffman LaRoche	Beta-Carotene Plant	57

2000 Census Information

POPULATION SEX & RACE

	TOTAL	SEX		RACE					Total %
	POPULATION	Male	Female	White	Black	American Indian	Asian/Pacific Is.	Other	Hispanic
Texas	20,851,820	49.6	50.4	71.0	11.5	0.6	2.7	14.2	32.0
Brazoria County	241,767	51.6	48.4	77.1	8.5	0.5	2.0	11.8	22.8
Lake Jackson	26,386	48.8	51.2	86.2	3.9	0.4	2.5	7.0	14.7

POPULATION AGE

	Under 5 Yrs.	5-19 Yrs.	20-34 Yrs.	35-54 Yrs.	55-64 Yrs.	65-74 Yrs.	75 Yrs. +	Median Age
Texas	1,624,628	4,921,608	4,701,487	5,933,375	1,598,190	1,142,608	929,924	32.3
Brazoria County	18,708	57,217	48,856	76,547	19,109	12,747	8,583	34.0
Lake Jackson	1,946	6,778	4,645	8,453	1,954	1,454	1,156	34.5

HOUSEHOLD CHARACTERISTICS

	FAMILY HOUSEHOLDS			PERSONS PER -	
	Total	Married	Female HH	Household	Family
		Couple Family	No Husband		
Texas	5,247,794	54.0	12.7	2.74	3.28
Brazoria County	63,128	62.2	10.4	2.82	3.23
Lake Jackson	7,344	64.7	8.5	2.74	3.18

2000 Census Information

EDUCATION CHARACTERISTICS

	Population 3 years & over enrolled in school				Population 16 to 19 years			Population 25 and over			Civilian veterans 18 and over	
	Pre-primary School	Elementary or high school		College or graduate school	Total	Not enrolled in school and not high school graduate		Number	Percent high school graduate or higher	Percent with Bachelor's degree or higher	Total	65 years and over
		Number	Percent in private school			Number	Percent					
Texas	738,297	4,007,073	6.6	1,202,890	1,289,185	160,952	12.5	12,790,893	75.7	23.2	1,754,809	567,711
Brazoria County	8,697	47,800	7.1	11,894	13,901	1,549	11.1	152,244	79.5	19.6	23,229	6,498
Lake Jackson	1,126	5,792	6.2	1,323	1,506	80	5.3	16,237	91.8	33.6	2,408	817

EMPLOYMENT STATUS

	Population 16 years and over											Own children under 6 years, all parents in family in labor force	
	Total	Female	Labor Force								Females with own children under 6 years		
			Percent in labor force		Civilian labor force		Workers				Number		Percent in labor force
			Total	Female	Number	Percent unemployed	Number	Means of transportation		Percent using public transport.			
							Percent using car, truck, or van	Percent in carpools					
Texas	15,617,373	7,960,900	63.6	56.2	9,830,559	6.1	9,157,875	92.2	14.5	1.9	1,305,315	56.6	974,016
Brazoria County	180,217	87,268	62.6	56.6	112,798	5.4	104,832	95.4	12.6	0.3	15,962	57.3	11,582
Lake Jackson	19,289	9,928	66.2	56.7	12,775	4.1	12,050	94.9	9.8	0.18	1,780	52.9	1,083

WORK STATUS & INCOME

	Population 16 years and over, worked in 1999						Median income in 1999 (dollars)			Per capita income in 1999 (dollars)
	Total		Worked 40 or more weeks				Households	Families	Nonfamily households	
	Male	Female	Total		Full-time, year-round					
			Male	Female	Male	Female				
Texas	5,948,300	4,943,201	4,863,920	3,659,567	3,860,032	2,539,072	39,927	45,861	25,623	19,617
Brazoria County	68,365	54,028	57,104	40,366	48,018	29,089	48,632	55,282	26,436	20,021
Lake Jackson	7,440	6,320	6,548	4,640	5,740	3,154	96,012	100,726	62,633	34,849

HOUSEHOLD INCOME IN 1999

	Total Households	Median income in 1999 (dollars)	Household Income 1999								Percent of households with income in 1999 of \$100,000 or more
			Less than \$10,000	\$10,000 to \$24,999	\$25,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 to \$149,999	\$150,000 to \$199,999	\$200,000 or more	
Texas	7,397,294	39,927	767,505	1,495,277	2,215,499	1,359,437	705,684	536,018	153,492	164,382	11.5
Brazoria County	82,020	48,632	5,975	13,432	22,654	17,763	11,052	8,235	1,826	1,083	13.6
Lake Jackson	9,610	96,012	493	1,101	2,332	1,987	1,565	1,476	384	272	22.1

BUDGET HISTORY

Budgeted

	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
General fund	8,090,900	9,247,200	10,240,219	10,896,957	11,680,133	12,762,160	12,900,736	12,942,545	13,277,483	13,965,340	14,646,820	15,750,534
Utility fund	6,341,850	6,450,530	7,598,535	7,796,363	8,090,345	8,506,347	8,522,070	8,446,002	8,617,112	8,895,612	9,292,563	9,713,279
Total	14,432,750	15,697,730	17,838,754	18,693,320	19,770,478	21,268,507	21,422,806	21,388,547	21,894,595	22,860,952	23,939,383	25,463,813
% change	6.2%	8.1%	12.0%	4.6%	5.4%	7.0%	0.7%	-0.2%	2.3%	4.2%	4.5%	6.0%

	GENERAL FUND											
	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Salaries/benefits	5,622,661	6,179,435	6,587,355	7,034,893	7,494,210	7,940,850	8,231,120	8,380,996	8,570,040	8,943,800	9,266,900	9,769,700
Operating	1,964,554	2,510,765	2,783,507	3,282,115	3,458,425	3,803,298	3,864,428	3,806,085	3,967,808	4,314,533	4,645,080	4,978,619
Transfers	503,685	557,000	869,357	579,949	727,498	1,018,012	805,188	755,464	739,635	707,007	734,840	1,002,215
Total	8,090,900	9,247,200	10,240,219	10,896,957	11,680,133	12,762,160	12,900,736	12,942,545	13,277,483	13,965,340	14,646,820	15,750,534
% change	5.1%	12.5%	9.7%	6.0%	6.7%	8.5%	1.1%	0.3%	2.5%	4.9%	4.7%	7.0%

	UTILITY FUND											
	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Salaries/benefits	2,063,669	2,155,160	2,169,607	2,325,142	2,487,333	2,583,350	2,648,350	2,550,000	2,638,900	2,718,000	2,772,100	2,871,529
Operating	2,833,286	2,981,510	3,142,390	3,131,835	3,193,440	3,315,415	3,271,705	3,401,455	3,571,350	3,846,609	4,119,445	4,137,792
Transfers	1,444,895	1,313,860	2,286,538	2,339,386	2,409,572	2,607,582	2,602,015	2,494,547	2,406,862	2,331,003	2,401,018	2,703,958
Total	6,341,850	6,450,530	7,598,535	7,796,363	8,090,345	8,506,347	8,522,070	8,446,002	8,617,112	8,895,612	9,292,563	9,713,279
% change	7.5%	1.7%	15.1%	2.5%	3.6%	4.9%	0.2%	-0.9%	2.0%	3.1%	4.3%	4.3%

1995 - 2008
PERSONNEL SUMMARY BY DEPARTMENT

<i>GENERAL FUND</i>	1995-96 FT	1996-97 FT	1997-98 FT	1998-99 FT	1999-00 FT	2000-01 FT	2001-02 FT	2002-03 FT	2003-04 FT	2004-05 FT	2005-06 FT	2006-07 FT	2007-08 FT	2008-09 FT	Increase (Decrease)
ADMINISTRATION	8.34	8.34	8.34	8.34	8.34	8.34	9.34	9.34	9.50	9.50	9.50	9.50	10.50	10.50	2.16
FINANCE	6.50	7.50	7.50	7.50	8.50	8.50	8.50	8.50	9.00	9.00	9.00	9.00	10.00	10.00	3.50
TAX	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1.00
MUNICIPAL COURT	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	2.00
LEGAL	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	1.00	1.00	1.00	0.00
POLICE	47.50	48.50	51.50	52.50	52.50	56.50	56.50	56.50	56.50	57.00	58.00	58.00	59.00	59.00	11.50
FIRE	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.00	1.00	1.00	1.00	1.00	-0.50
HUMANE	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	1.00
ENGINEERING	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	0.00
STREET	6.83	6.83	6.83	6.83	6.83	6.83	6.83	6.83	6.83	6.83	6.83	6.83	6.83	6.83	0.00
DRAINAGE	14.83	14.83	14.83	14.83	14.83	14.83	14.83	14.83	14.83	14.83	14.83	14.83	14.83	14.83	0.00
CODE ENFORCEMENT	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	8.00	8.00	2.00
PARKS	14.50	14.50	14.50	14.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	-1.00
RECREATION	6.50	6.50	10.50	11.50	12.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	7.00
GARAGE	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	0.00
LIBRARY	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.50	0.50	0.50	0.50	0.50	0.50	0.17
CIVIC CENTER	0.00	0.00	0.00	0.00	4.00	5.00	5.00	5.00	5.00	4.00	4.00	4.00	5.00	5.00	5.00
TOTAL GENERAL FUND	131.83	133.83	140.83	143.83	148.83	154.83	155.83	155.83	156.66	155.66	156.66	157.66	163.66	163.66	31.83

<i>UTILITY FUND</i>	1995-96 FT	1996-97 FT	1997-98 FT	1998-99 FT	1999-00 FT	2000-01 FT	2001-02 FT	2002-03 FT	2003-04 FT	2004-05 FT	2005-06 FT	2006-07 FT	2007-08 FT	2008-09 FT	Increase (Decrease)
UTILITY ADMINISTRATION	7.83	7.83	7.83	7.83	8.83	9.83	9.83	9.83	8.00	8.00	7.00	6.00	6.00	6.00	-1.83
WATER PRODUCTION	3.25	3.25	3.25	3.25	3.25	3.25	3.25	7.08	7.08	7.08	7.08	7.41	11.50	11.50	8.25
WATER DISTRIBUTION	5.25	5.25	5.25	5.25	5.25	5.25	5.25	4.75	4.75	4.75	4.75	4.75	0.00	0.00	-5.25
WASTEWATER COLLECTION	7.25	9.25	9.25	11.25	11.25	11.25	11.25	10.08	10.08	10.08	10.08	10.41	19.50	19.50	12.25
WASTEWATER TREATMENT	11.25	11.25	11.25	11.25	11.25	11.25	11.25	8.09	8.09	8.09	8.09	8.43	0.00	0.00	-11.25
SANITATION	25.34	25.34	27.34	25.34	25.34	25.34	25.34	25.34	25.34	25.34	25.34	25.34	25.34	25.34	0.00
TOTAL UTILITY FUND	60.17	62.17	64.17	64.17	65.17	66.17	66.17	65.17	63.34	63.34	62.34	62.34	62.34	62.34	2.17

TOTAL ALL FUNDS COMBINED	192.00	196.00	205.00	208.00	214.00	221.00	222.00	221.00	220.00	219.00	219.00	220.00	226.00	226.00	34.00
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SUMMARY OF MAJOR PERSONNEL CHANGES TO FULL-TIME POSITIONS

<u>YEAR</u>	<u>DEPARTMENT</u>	<u>POSITION</u>	<u>Add FTE</u>	<u>Delete</u>
2008-09	No New Positions		0.00	0.00
2007-08	Administration	Secretary	1.00	
2007-08	Finance	Payroll Clerk	1.00	
2007-08	Police	Narcotics Detective	1.00	
2007-08	Code Enforcement	Apartment Inspector	1.00	
2007-08	Code Enforcement	Code Enforcement Officer	1.00	
2007-08	Civic Center	Custodian	1.00	
2006-07	Legal	City Attorney	1.00	Converted Contract Employee to Full-Time
2005-06	Utility Admin	Cashier		-1.00
2005-06	Recreation	Rec Leader	1.00	
2005-06	Recreation	Secretary		-1.00
2005-06	Police	School Resource Officer	1.00	
2004-05	Civic Center	Custodian		-1.00
2004-05	Fire	Custodian moved to PD		-0.50
2004-05	Legal	Secretary		-1.00
2004-05	Police	Custodian moved to PD	0.50	
2003-04	Administration	Bldg Custodian Moved	0.33	-0.33
2003-04	Finance	Finance Dir. Moved	0.50	-0.50
2003-04	Utility Admin	Meter Reader		-1.00
2002-03	Utilities	Laborer II		-1.00
2001-02	Administration	Personnel Director	1.00	
2000-01	Civic Center	Custodian	1.00	
2000-01	Police	Patrol Officers	4.00	
2000-01	Recreation	PT Custodian to FT	1.00	
2000-01	Utility Admin	Secretary	1.00	
1999-00	Civic Center	Custodian	2.00	
1999-00	Civic Center	Marketing Asst.	1.00	
1999-00	Civic Center	Civic Center Mgr.	1.00	
1999-00	Finance	MIS Systems Analyst	1.00	
1999-00	Finance	Cust. Service Super	1.00	-1.00
1999-00	Humane	Humane Officer	1.00	
1999-00	Parks	Groundskeeper II		-1.00
1999-00	Recreation	Rec Leader PT to FT	1.00	
1998-99	Court	Deputy Court Clerk	1.00	
1998-99	Police	PT Receptionist to FT	1.00	
1998-99	Recreation	Lead Lifeguard	1.00	
1998-99	Sanitation	Refuse Drivers		-2.00
1998-99	WW Collection	Lift Station Operator	2.00	
1997-98	Police	Patrol Officer	2.00	
1997-98	Police	Sergeant	1.00	
1997-98	Recreation	Pool Manager	1.00	
1997-98	Recreation	Facility Asst.	2.00	
1997-98	Recreation	Admin Asst.	1.00	
1997-98	Sanitation	Refuse Drivers	2.00	
1996-97	Administration	Vol Coordinator	1.00	
1996-97	Police	Det. Sergeant	1.00	
1996-97	WW Collection	Laborer II	2.00	
1995-96	Police	Police Officer	1.00	
	Total		45.33	-11.33
	NET TOTAL		34.00	

GENERAL CAPITAL PROJECTS & BOND ISSUE HISTORY

Tax Year	Fiscal Year Ended	Tax Rate	Total Assessed Value	General Capital Projects	Bond Issues				
					Date Authorized	Amount Authorized	Date Sold	Amount Sold	
1976	9/30/1977	\$ 0.5000	\$ 175,832,810	151,154	4/3/1976	\$ 2,885,000	7/20/1976	\$ 2,885,000	
1977	9/30/1978	0.4750	192,542,314	59,428					
1978	9/30/1979	0.4750	207,204,210	272,872					
1979	9/30/1980	0.4250	232,286,120	178,154	4/5/1980	2,000,000	8/20/1980	2,000,000	
1980	9/30/1981	0.4250	251,333,126		4/4/1981	600,000	4/8/1981	600,000	
1981	9/30/1982	0.4500	269,422,547	271,186	8/14/1982	1,595,000	9/28/1982	1,595,000	
1982	9/30/1983	0.3400	455,809,674	760,995					
1983	9/30/1984	0.3865	468,967,930	602,010	11/8/1983	1,140,000	6/18/1984	1,140,000	
1984	9/30/1985	0.4000	485,602,540	708,895					
1985	9/30/1986	0.3250	618,134,335	253,006					
1986	9/30/1987	0.3250	619,430,280	423,609					
1987	9/30/1988	0.3250	607,217,191	496,943					
1988	9/30/1989	0.3250	613,392,040	284,172					
1989	9/30/1990	0.3250	617,544,250	231,866	9/9/1989	4,665,000	11/6/1989	4,665,000	
1990	9/30/1991	0.3450	637,920,940	36,519					
1991	9/30/1992	0.3450	651,975,210	51,133					
1992	9/30/1993	0.3550	674,654,648	204,651	8/29/1992	3,450,000	3/15/1993	3,450,000	
1993	9/30/1994	0.3550	704,858,200	623,845					
1994	9/30/1995	0.3500	742,810,365	572,969					
1995	9/30/1996	0.3450	789,761,000	570,295	6/17/1996	7,300,000	6/17/1996	7,300,000	
1996	9/30/1997	0.3400	829,035,849	559,522					
			a)	542,462					
1997	9/30/1998	0.3500	847,067,939	766,189	5/3/1997	6,350,000	11/3/1997 GO	2,100,000	
1998	9/30/1999	0.3500	889,655,350	913,487			11/3/1997 CO	5,950,000	
1999	9/30/2000	0.3500	935,110,266	1,397,500	11/3/1997	5,950,000			
							c)	1/15/1999	4,250,000
2000	9/30/2001	0.3500	998,035,066	952,683	1/11/2001	b)	10,800,000	5/15/2001	3,600,000
2001	9/30/2002	0.3500	1,068,602,660	1,193,565	1/18/1997		6,000,000	5/15/2002	6,000,000
2002	9/30/2003	0.3750	1,116,753,175	672,741		b)		12/15/2002	3,600,000
2003	9/30/2004	0.3703	1,185,429,367	627,827		b)		4/15/2004	3,600,000
2004	9/30/2005	0.3700	1,236,071,214	206,785	5/15/2005	d)	7,700,000		-
2005	9/30/2006	0.3800	1,273,059,582	1,170,715					
2006	9/30/2007	0.3700	1,351,219,282	731,008		d)		5/17/2007	5,300,000
2007	9/30/2008	0.3850	1,389,949,208	1,478,995					-
			Estimated Year end	\$ 17,967,181		\$ 60,435,000		\$ 58,035,000	
				Total Projects		\$ 76,002,181			

- a) Outdoor Pool was built with half cent sales tax money
- b) \$10,800,000 in GO bonds were approved by voters in 2001. These were sold in three phases.
- c) \$6,325,000 in GO bonds were approved by voters in 1997. These were sold in two phases.
- d) \$7,700,000 in GO bonds were approved by voters in 2005. These will be sold in two phases (\$5.3 million in March, 2007 and \$2.4 million in 2008).

7/20/1976 Library, City Hall, Streets (Oak Drive, Willow Drive, Oyster Creek Drive), Drainage, Parks, Water System - GO

8/20/1980 Police Building, Service Center, Streets (Plantation Dr., That Way, Dixie Dr) - GO

4/8/1981 Streets (Yaupon 2 lanes FM 2004 to OCD) - GO

9/28/1982 Drainage, Streets (Huisache), Sanitary Sewer - GO

11/8/1983 Streets (Oak Dr Bridge, Stanford Rd, Post Oak, Post Oak Ct.) - GO

11/6/1989 Refunding - GO; Library & Parking, Streets (Dixie Dr, Oyster Creek Dr) - GO

3/15/1993 Police Station, Plantation Bridge, Streets (Azalea & Center Way) - GO

6/17/1996 Recreation Center - CO (Debt Service provided by half cent sales tax)

11/3/1997 Streets - Cherry, Elm, Winding Way, Canna, Circle Way

11/3/1997 Youth Sports Complex, Civic Center Plaza - CO (Debt Service provided by half cent sales tax)

1/15/1999 Streets - phase 2 of \$6.35 million Authorized - OCD, Laurel, Acacia, Mimosa, Oleander, Walnut, Lotus Medical Dr.

5/15/2001 Funding the reconstruction of Magnolia (100 block to Acacia), central Yaupon, (SH332 to OCD). Also funded is the humane facility and a two bay expansion to Fire Station #2.

5/15/2002 Golf Course bonds sold - construction began 6/21/02

12/15/2002 Fire / EMS Building

4/15/2004 Streets - Oak Drive, South Yaupon, Dixie Drive, South Magnolia, and Brazos Oaks

****BRAZORIA COUNTY CLASS A - SINGLE FAMILY RESIDENTIAL VALUES**

YEAR	# OF PARCELS	CLASS A MARKET VALUE CERTIFIED	CLASS A MARKET VALUE (ARB REVIEW)	TOTAL CLASS A MARKET VALUE	*NEW CLASS A MARKET VALUE
2000	67,733	\$ 4,735,920,670	\$ 51,252,090	\$ 4,787,172,760	\$ 306,185,984
2001	69,791	\$ 5,309,081,700	\$ 213,902,200	\$ 5,522,983,900	\$ 302,957,134
2002	71,902	\$ 6,034,310,820	\$ 197,563,770	\$ 6,231,874,590	\$ 351,795,261
2003	74,116	\$ 6,611,338,120	\$ 680,624,460	\$ 7,291,962,580	\$ 380,188,733
2004	76,813	\$ 7,578,856,060	\$ 487,446,100	\$ 8,066,302,160	\$ 459,478,475
2005	79,046	\$ 8,270,507,790	\$ 642,174,140	\$ 8,912,681,930	\$ 492,677,484
2006	82,263	\$ 9,232,795,790	\$ 611,210,790	\$ 9,844,006,580	\$ 574,367,860

*This number is included in "Total Market Value". Brazoria County Grants 20% general homestead exemption

****CITY OF LAKE JACKSON CLASS A - SINGLE FAMILY RESIDENTIAL VALUES**

YEAR	# OF PARCELS	CLASS A MARKET VALUE CERTIFIED	CLASS A MARKET VALUE (ARB REVIEW)	TOTAL CLASS A MARKET VALUE	*NEW CLASS A MARKET VALUE
2000	7,856	\$ 746,684,280	\$ 3,549,210	\$ 750,233,490	\$ 14,233,130
2001	7,917	\$ 788,066,900	\$ 34,442,680	\$ 822,509,580	\$ 11,702,900
2002	7,974	\$ 855,387,090	\$ 31,960,680	\$ 887,347,770	\$ 12,507,524
2003	8,050	\$ 886,839,240	\$ 84,023,620	\$ 970,862,860	\$ 15,710,597
2004	8,103	\$ 958,934,250	\$ 36,788,160	\$ 995,722,410	\$ 10,118,175
2005	8,135	\$ 969,890,970	\$ 55,233,910	\$ 1,025,124,880	\$ 11,345,801
2006	8,197	\$ 1,020,557,040	\$ 32,023,020	\$ 1,052,580,060	\$ 10,667,662

*This number is included in "Total Market Value". City of Lake Jackson grants no general homestead exemption

****CITY OF ANGLETON CLASS A1 - SINGLE FAMILY RESIDENTIAL VALUES**

YEAR	# OF PARCELS	CLASS A MARKET VALUE CERTIFIED	CLASS A MARKET VALUE (ARB REVIEW)	TOTAL CLASS A MARKET VALUE	*NEW CLASS A MARKET VALUE
2000	5,060	\$ 280,084,760	\$ 1,746,080	\$ 281,830,840	\$ 4,606,842
2001	5,094	\$ 303,466,760	\$ 6,667,260	\$ 310,134,020	\$ 4,281,524
2002	5,110	\$ 330,709,630	\$ 10,573,340	\$ 341,282,970	\$ 5,402,704
2003	5,148	\$ 347,304,680	\$ 28,571,210	\$ 375,875,890	\$ 7,498,060
2004	5,189	\$ 378,497,340	\$ 18,414,400	\$ 396,911,740	\$ 7,012,305
2005	5,209	\$ 385,639,610	\$ 31,963,330	\$ 417,602,940	\$ 5,719,290
2006	5,238	\$ 418,843,620	\$ 35,270,870	\$ 454,114,490	

*This number is included in "Total Market Value". City of Angleton grants no general homestead exemption

****CITY OF PEARLAND CLASS A - SINGLE FAMILY RESIDENTIAL VALUES**

YEAR	# OF PARCELS	CLASS A MARKET VALUE CERTIFIED	CLASS A MARKET VALUE (ARB REVIEW)	TOTAL CLASS A MARKET VALUE	*NEW CLASS A MARKET VALUE
2000	10,696	\$ 1,100,278,510	\$ 28,472,940	\$ 1,128,751,450	\$ 88,243,576
2001	11,491	\$ 1,283,411,360	\$ 82,665,440	\$ 1,366,076,800	\$ 114,541,942
2002	12,574	\$ 1,520,707,640	\$ 79,653,810	\$ 1,600,361,450	\$ 160,607,326
2003	13,729	\$ 1,731,101,140	\$ 206,494,480	\$ 1,937,595,620	\$ 188,583,982
2004	15,065	\$ 2,070,670,360	\$ 179,224,030	\$ 2,249,894,390	\$ 220,647,241
2005	16,907	\$ 2,315,784,360	\$ 371,065,530	\$ 2,686,849,890	\$ 320,371,679
2006	20,674	\$ 3,186,641,930	\$ 211,908,080	\$ 3,398,550,010	\$ 355,004,030

*This number is included in "Total Market Value". City of Pearland grants no general homestead exemption

**All values are as of the original certification date for each individual tax year. Values have not been adjusted for changes since July of their respective tax year.

Industrial Districts Along the Texas Gulf Coast

Rank	City	Contract Rate	Tax Rate	Effective Tax Rate	New Construction	Comments
1	Pasadena	96%	0.58000	55.95%	0%,20%, 45%, 55%, 65%	Rate decreases \$.01/yr from .00600 - .00575
2	Port Neches	75%	0.74000	55.50%	75%	10 Year Contract
3	Beaumont	80%	0.65900	52.72%	75% - 80%	Different contract for each company.
4	Orange	100%	0.50000	50.00%	0% for 2 years	7 Year contract - Industrial Tax Rate varies for each compan
5	Nederland	75%	0.68500	51.38%	0%, 37.5%, 56.5%	New Construction on case by case basis
6	Houston	73.4%	0.64750	47.53%	40%, 45%, 50%	15 Year Contract 100% on Land
7	Texas City	100%	0.45624	45.62%	100%	Annexed by City
8	Deer Park	63%	0.72000	45.36%	25%,35%,45%,55%	2002 Base Value for New Construction
9	Baytown	55%	0.73703	40.54%	0% for 2 years	Different start dates for each company.
10	La Porte	53%	0.71000	37.63%	30%	2000 Base Value for New Construction
11	Corpus Christi	60%	0.62600	37.56%	6%-60%	10 Year Contract
12	Freeport	46%	0.71000	32.66%	0%	Rate Escalates from 40% to 55% over 10 years
13	Bridge City	42%	0.59850	25.14%	0% for 2 years	Add Sales Tax Adjustment to Tax Rate
14	Lake Jackson, Clute	36%	0.53829	19.38%	0%	Rate Escalates from 32.5% to 50% over 10 years
15	Port Arthur	75%	0.77500	Flat Fee	-	Use Flat Fee Contracts
16	Liverpool	NA	0.17580	Flat Fee	0%	Plants split \$150,000 annually

Market Value Projections - (Values shown are estimates only and were used for projection purposes only. Whether these taxable values are accurate is dependant on economic and market conditions.)

Company	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
ASF	577,387,650	577,387,650	577,387,650	577,387,650	577,387,650	878,887,650	878,887,650	878,887,650	974,887,650	974,887,650	974,887,650
Expired Abatements Total	-	-	-	-	301,500,000	-	-	96,000,000	-	-	-
rock Properties	577,387,650	577,387,650	577,387,650	577,387,650	878,887,650	878,887,650	878,887,650	878,887,650	974,887,650	974,887,650	974,887,650
	1,366,590	1,366,590	1,366,590	1,366,590	1,366,590	1,366,590	1,366,590	1,366,590	1,366,590	1,366,590	1,366,590
ow Companies	2,579,060,970	2,579,060,970	2,579,060,970	2,584,060,970	2,584,060,970	2,949,100,970	2,719,910,970	2,813,210,970	2,813,210,970	2,944,210,970	2,944,210,970
Expired Abatements Total	-	-	5,000,000	-	65,040,000	69,810,000	84,300,000	-	131,000,000	-	-
	2,579,060,970	2,579,060,970	2,584,060,970	2,584,060,970	2,649,100,970	2,718,910,970	2,813,210,970	2,813,210,970	2,944,210,970	2,944,210,970	2,944,210,970
Total	3,157,815,210	3,157,815,210	3,162,815,210	3,162,815,210	3,529,355,210	3,599,165,210	3,693,465,210	3,789,465,210	3,920,465,210	3,920,465,210	3,920,465,210

Lieu Rate >

32.5%	33.5%	34.5%	35.0%	36.0%	37.0%	39.0%	45.0%	50.0%
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Value Weighted Tax Rate >

0.52760	0.52800	0.50951	0.50642	0.51345	0.50931	0.51842	0.51842	0.51842
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Payment Projections

City	Allocation	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total Payments
lute	18.1%	\$ 871,815	\$ 886,305	\$ 900,795	\$ 963,183	\$ 1,020,338	\$ 1,077,493	\$ 1,139,478	\$ 1,243,725	\$ 1,472,345	\$ 1,635,760	\$ 11,211,23
report	37.3%	\$ 2,019,795	\$ 2,053,365	\$ 2,086,935	\$ 2,231,473	\$ 2,363,888	\$ 2,496,303	\$ 2,639,908	\$ 2,881,425	\$ 3,411,085	\$ 3,789,680	\$ 25,973,85
ike Jackson	46.6%	\$ 2,523,390	\$ 2,565,330	\$ 2,607,270	\$ 2,787,845	\$ 2,953,275	\$ 3,118,705	\$ 3,298,115	\$ 3,599,850	\$ 4,281,570	\$ 4,734,560	\$ 32,449,91
Total	100%	\$ 5,415,000	\$ 5,505,000	\$ 5,595,000	\$ 5,982,500	\$ 6,337,500	\$ 6,692,500	\$ 7,077,500	\$ 7,725,000	\$ 9,145,000	\$ 10,160,000	\$ 59,636,000

Hugh L. Landrum & Associates, Inc.

5% - 50% for 10 years

5/1/01

Values Locked at 2000 the Floor

In-Lieu Rate >>	32.5%	33.0%	33.5%	34.5%	35.0%	36.0%	37.0%	39.0%	45.0%	50.0%	Total Payments
City Allocation	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
ute	16.1% \$ 871,815	\$ 885,500	\$ 898,380	\$ 925,750	\$ 938,630	\$ 966,000	\$ 992,565	\$ 1,046,500	\$ 1,206,695	\$ 1,341,130	\$ 10,072,965
eeport	37.3% \$ 2,019,795	\$ 2,051,500	\$ 2,081,340	\$ 2,144,750	\$ 2,174,590	\$ 2,238,000	\$ 2,299,545	\$ 2,424,500	\$ 2,795,635	\$ 3,107,090	\$ 23,336,745
ke Jackson	46.6% \$ 2,523,390	\$ 2,563,000	\$ 2,600,280	\$ 2,679,500	\$ 2,716,780	\$ 2,796,000	\$ 2,872,890	\$ 3,029,000	\$ 3,492,670	\$ 3,881,780	\$ 29,155,290
Total	100% \$ 5,415,000	\$ 5,500,000	\$ 5,580,000	\$ 5,750,000	\$ 5,830,000	\$ 6,000,000	\$ 6,165,000	\$ 6,500,000	\$ 7,495,000	\$ 8,330,000	\$ 62,565,000

Hugh L. Landrum & Associates, Inc.

May 1, 2001

BUDGET GLOSSARY



LAKE JACKSON

City of Enchantment



BUDGET GLOSSARY

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader in understanding these terms, a budget glossary has been included in the document.

ABATEMENT. A complete or partial cancellation of a levy imposed by a government. Abatements usually apply to tax levies, special assessments and service charges.

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

ACCRUED EXPENSES. Expenses incurred but not due until a later date.

ACCRUED REVENUES. Revenues earned but not yet received.

ADMINISTRATIVE FEES. Administrative Services charges are allocated to all Enterprise Fund activities (e.g., water/sewer and sanitation) for indirect management and administrative support given by general fund departments.

AD VALOREM TAXES. (Current) All property, real personal, mixed tangible, intangible, annexations, additions, and improvements to property located within the taxing units jurisdiction which are subject to taxation on January 1 of the current fiscal year. Following the final passage of the appropriations ordinance, City Council sets the tax rate and levy for the current fiscal year beginning October 1 and continuing through the following September 30th.

AD VALOREM TAXES. (Delinquent) All taxes are due on receipt of bill and are delinquent if not paid before February 1 of the fiscal year in which it is imposed.

AD VALOREM TAXES. (Penalty and Interest) A delinquent tax incurs a penalty of six (6%) percent of the amount of the tax for the first calendar month it is delinquent, plus one (1%) percent for each additional month of portion of the month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. However, the delinquent tax on July 1 incurs a total penalty of twelve (12%) percent of the amount of the delinquent tax without regard to the number of months the tax has been delinquent. If a person exercises the split-payment option, as provided by the Property Tax Code, and fails to make the second payment before July 1, the second payment is delinquent and incurs a penalty of twelve (12%) percent of the amount of the unpaid tax. A delinquent tax incurs at the rate of one (1%) percent for each month or portion of a month the tax remains unpaid.

APPROPRIATION. A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.

APPROPRIATION ORDINANCE. The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

ASSESSED VALUATION. A value that is established for real or personal property for use as a basis for levying property taxes. (Note: Property values are established by the Brazoria County Appraisal District.)

BISD – Brazosport Independent School District. All school age children living in the City limits of Lake Jackson attend school in this District.

BALANCED BUDGET – A fund’s budget is considered balance when estimated expenditures do not exceed prospective revenues plus cash on hand (fund balance).

B.O.D. Biochemical Oxygen Demand.

B.W.A. Brazosport Water Authority. A regional water supplier. The City has a contract to pay for 2 million gallons a day.

BOND. A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets and bridges.

BUDGET. A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term “budget” is used in two senses in practice. Sometimes it designates the financial plan presented to the City Council for adoption and sometimes the plan finally approved by that body. It is usually necessary to specify whether the budget under consideration is proposed or whether it has been adopted by the City Council.

BUDGET ADJUSTMENTS. A legal procedure utilized by the City staff and City Council to revise a budget appropriation. The City of Lake Jackson’s City Charter requires City Council approval through the adoption of a supplemental appropriation ordinance (which specifies both the source of revenue and the appropriate expenditure account) for any inter-departmental or inter-fund adjustments. City staff has the prerogative to adjust expenditures within a departmental budget.

BUDGET CALENDAR. The schedule of key dates or milestones which the City departments follow in the preparation, adoption, and administration of the budget.

BUDGET DOCUMENT. The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

BUDGET MESSAGE. The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the City Manager.

BUDGETED FUNDS. Funds that are planned for certain uses but have not been formally or legally appropriated by the legislative body. The budget document that is submitted for Council approval is composed of budgeted funds.

CASH BASIS. A basis of accounting under which transactions are recognized only when cash changes hands.

CASH MANAGEMENT. The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting

BUDGET GLOSSARY

the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest interest and return available for temporary cash balances.

COST. (1) The amount of money or other consideration exchanged for property or services. (2) Expense.

DEPRECIATION. The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

DIVISION. An administrative segment of the City which indicates management responsibility for an operation or a group of related activities within a functional area. Divisions are the basic units of the budget upon which departments are composed of.

ENTERPRISE FUND. A fund established to account for operations (a) that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) for providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Examples of Enterprise Funds are those for water, gas, and electric utilities; swimming pools; airports; parking garages; and transit systems.

ENCUMBRANCES. Commitments related to unperformed (executory) contracts for goods or services.

EXPENDITURE. This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure. An encumbrance reserves funds to be expended.

EXPENSES. Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges.

FISCAL YEAR. The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Lake Jackson has specified October 1 to September 30 as its fiscal year.

FIXED ASSETS. Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

FRANCHISE TAX. This is a charge paid for the use of City streets and public right of way and is in lieu of all other municipal charges, fees, street rentals, pipe taxes or rentals, easement or other like franchise taxes, inspections fees, and/or charges of every kind except Ad Valorem and special assessment taxes for public improvements.

FUNCTION. A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible.

FUND. An accounting entity that has a set of self-balancing accounts and that records all financial transac-

tions for specific activities or government functions. Eight commonly used funds in public accounting are: general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, trust and agency funds, internal service funds, and special assessment funds.

FUND BALANCE. Fund balance is the excess of assets over liabilities and is therefore also known as surplus funds.

GENERAL FUND. The fund used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION BONDS. Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from the General Fund, and these bonds are backed by the full faith and credit of the issuing government.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP). Uniform minimum standards of and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. They encompass the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. They provide a standard by which to measure financial presentations.

GOVERNMENTAL FUNDS – Government funds account for expendable resources based on the purposes for which the resources may or must be used. There are four fund types and there may be numerous individual funds within each fund type. The four government fund types are: General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds.

GRANTS. Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

HOTEL/MOTEL TAX. Pursuant to a State law, a tax is levied upon the cost of occupancy of any room or space furnished by any hotel. The current rate of taxation is 13% (7% of which is paid to the City and budgeted for limited uses and 6% is collected by the state). Revenue received from this resource is disbursed as follows: fourteen (14%) percent to the Fine Arts Council, twenty-nine (29%) percent for tourism, twenty one (21%) percent to the Museum of Natural Science, twenty-one (21%) percent to the Lake Jackson Historical Museum (Lake Jackson Historical Association), and fourteen (14%) to the Festival of Lights. The remaining fifty (78%) percent is appropriated annually as designated by Council through the budget process.

INTERFUND TRANSFERS. Amounts transferred from one fund to another.

INVESTMENTS. Securities and real estate held for the production of revenue in the form of interest, dividends, rentals, or lease payments. The term does not include fixed assets used in governmental operations.

LEVY. (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or service charges imposed by a government.

LONG-TERM DEBT. Debt with a maturity of more than one year after the date of issuance.

BUDGET GLOSSARY

spending measurement focus. Under it, revenues are recognized when they become both “measurable” and “available to finance expenditures of the current period.” Expenditures are recognized when the related fund liability is incurred except for (1) inventories of materials and supplies which may be considered expenditures either when purchased or when used; (2) prepaid insurance and similar items which need not be reported; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; (4) interest on special assessment indebtedness which may be recorded when due rather than accrued, if approximately offset by interest earnings on special assessment levies; and (5) principal and interest on long-term debt which are generally recognized when due.

MAJOR FUND - A Governmental or Enterprise fund that meets both of the following criteria: a.) Total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type (that is, total governmental or total enterprise funds), and b.) Total assets, liabilities, revenues, or expenditures/expenses (excluding extraordinary items) of the individual governmental fund or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined. Any other government or enterprise fund may be reported as a major fund if the government’s officials believe that fund is particularly important to the financial statement users. The general fund is always a major fund (GASB 34).

OPERATING BUDGET. Plans of current expenditures and the proposed means of financing them. The annual

OPERATING EXPENSES. Proprietary fund expenses which are directly related to the fund’s primary service activities.

OPERATING GRANTS. Grants which are restricted by the grantor to operating purposes or which may be used for either capital or operating purposes at the discretion of the grantee.

OPERATING REVENUES. Proprietary fund revenues which are directly related to the fund’s primary service activities. They consist primarily of user charges for services.

OPERATING TRANSFERS. All interfund transfers other than residual equity transfers.

ORDINANCE. A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Ordinarily, the statutes or charter will specify or imply those legislative actions which must be by ordinance and those which may be by resolution. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

OVERLAPPING DEBT. The proportionate share of the debts of local governments located wholly or in part within the limits of the reporting government which must be borne by property within each government.

PERFORMANCE AUDITS. Examinations intended to assess (1) the economy and efficiency of the audited entity’s operations and (2) program effectiveness--the extent to which program objectives are being attained.

PERFORMANCE MEASURES. Specific quantitative and qualitative measures of work performed as an objective of the department.

PROGRAM DESCRIPTION. Describe the nature of service delivery provided at this level of funding. It clearly explains how service delivery will be different from the prior budget year.

PROGRAM OBJECTIVES. Program Objectives are quantifiable steps toward accomplishing stated goals. They should have a specific time frame or measurable achievement. Objectives should be able to be reached or completed within the current fiscal year. Objective statements are not required for every activity performed, but should focus on the major steps necessary for achieving established goals.

PROGRAM GOALS. Program goals describe the purpose or benefit the division/department plans to provide to the community and/or organizations it serves. Goals identify the end result the division/department desires to achieve with its activities, but goals are often ongoing and may not be achieved in one year.

PRODUCTIVITY MEASURES. Productivity measures should reflect how well a program is performing its activities to meet the needs of the public and the organization. They should measure productivity, effectiveness, efficiency or the impact of a service provided. While activity measures indicate “how much” activity the division/department is performing, productivity measures identify “how well” the division/department is performing.

PROPERTY TAX. Property taxes are levied on both real and personal property according to the property’s valuation and the tax rate.

PROPRIETARY FUND – Proprietary funds follow accounting practices similar to those found in private business. Both attempt to be self supporting. The two types of proprietary funds are enterprise funds and internal service funds

RESERVE. An account to use to indicate that a portion of a fund’s balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

RETAINED EARNINGS. An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

RETAINED EARNINGS - Designated. An account used to segregate a portion of retained earnings that is to be used for a specified purpose.

REVENUE BONDS. Bonds whose principal and interest are payable exclusively from earnings of an Enterprise Fund. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the Enterprise Fund’s property.

REVENUES. (1) Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers. Under NCGA Statement 1, general long-term debt proceeds and operating transfers in are classified as “other financing sources” rather than revenues. (2) Increases in proprietary fund type net total assets from other than expense refunds, capital contributions, and residual equity transfers. Under NCGA Statement 1, operating transfers in are classified separately from revenues.

BUDGET GLOSSARY

RISK MANAGEMENT. All the ways and means used to avoid accidental loss or to reduce its consequences if it does occur.

SALES TAX. A general “sales tax” is levied on all persons and businesses selling merchandise in the city limits on a retail basis. Monies collected under authorization of this tax is for the use and benefit of the City; however, no city may pledge anticipated revenues from this source to secure the payment of funds or other indebtedness. The current sales tax rate for the City is 8.25% (1.5% rebated to the City from the State, .5% to the County, and the balance is retained by the State).

SHARED REVENUES. Revenues levied by one government but shared on a predetermined basis, often in proportion to the amount collected at the local level, with another government or class of governments.

T.C.E.Q. Texas Commission on Environmental Quality .

T.S.S. Total Suspended Solids.

TAX RATE. The amount of tax stated in terms of a unit of the tax base; for example, \$.50 per \$100 (one hundred dollars) assessed valuation of taxable property.

TAX RATE LIMIT. The maximum rate at which a government may levy a tax. The limit may apply to taxes raised for a particular purpose, or to taxes imposed for all purposes, and may apply to a single government, to a class of governments, or to all governments operating in a particular area. Overall tax rate limits usually restrict levies for all purposes and of all governments, state and local, having jurisdiction in a given area.

TAX ROLL. The official list showing the amount of taxes levied against each taxpayer or property. Frequently, the tax roll and the assessment roll are combined, but even in these cases the two can be distinguished.

TAXES. Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

TRIAL BALANCE. A list of the balances of the accounts in a ledger kept by double entry with the debit and credit balances shown in separate columns.

UNENCUMBERED BALANCE. The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.

WORKING CAPITAL – The amount current assets exceed current liabilities. Current assets can or will be converted to cash within 90 days and current liabilities will be paid within 90 days.

WORKLOAD MEASURES. Workload measures reflect major activities of the division/department. They indicate the amount of work that has been done in the past and projected workload levels for the current and next years. Workload measures should be able to be tracked with a reasonable amount of time and effort.