

CITY OF PORT LAVACA, TEXAS



ANNUAL BUDGET

2019-2020

CITY OF PORT LAVACA



CITY OF PORT LAVACA, TEXAS

ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2019-2020

If CITY OF PORT LAVACA adopts a 2019 tax rate equal to the effective tax rate of 0.758900 per \$100 of value, taxes would increase compared to 2018 taxes by \$22,543.

City Council Voted on September 9, 2019

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

Record of Vote	Adopted of Budget	Ratification of Property Tax Increase	Setting of Property Tax Rate
Mayor Jack Whitlow*	Not Voting	Not Voting	Not Voting
Ken Barr	Aye	Aye	Aye
Jerry Smith	Aye	Aye	Aye
Tim Dent	Aye	Aye	Aye
Jan Reagan	Aye	Aye	Aye
Rosie Padron	Aye	Aye	Aye
Mayor Pro-Tem Jim Ward	Aye	Aye	Aye

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

Tax Rate Information	Adopted FY 2018-2019	Adopted FY 2019-2020
Property Tax Rate	.7944/\$100	.7944/\$100
Effective Rate	.7808/\$100	.7589/\$100
Effective M&O Tax Rate	.7213/\$100	.7268/\$100
Debt Rate	.0731/\$100	.0676/\$100
Rollback Tax Rate	.8561/\$100	.8307/\$100

Debt service requirements for the City of Port Lavaca are currently \$.0676 of the current **adopted** property tax rate of **\$.7944**. Even though the City has four outstanding general obligation debt issues, the 2012 is the only issue paid by property taxes. At the end of Fiscal Year 2018-2019, outstanding general obligation bond and certificates of obligation bonds will be \$5,085,721 however, only \$1,361,790 is currently supported by property taxes.

The 19-20 Debt Service Requirement to be paid by property taxes is \$329,537. See Debt rate (.0676) requirement above.

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

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

Budget Message

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

City Profile

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

Budget Summaries

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

Revenue Assumptions and Trends

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

General Fund

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

Enterprise Funds

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

Special Revenue Funds

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

Capital

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

City Wide Debt

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

Statistical Information

This section provides statistical and historical information.

Appendix

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

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BUDGET MESSAGE

Mayor and Council Members

City of Port Lavaca

Dear Mayor and Council Members,

Rounding the corner to complete my second year as the City Manager in Port Lavaca, I am pleased to present a balanced budget for the 2019 – 2020 Fiscal Year (FY). The following document reflects a General Fund in the amount of \$10,818,229 with no increase in taxes and continued municipal services provided to the Port Lavaca citizenry.

It has been a successful year two of recovery following Hurricane Harvey. Projects were completed and new projects have been initiated. During that time there has been no addition of professional, public safety or maintenance and labor staff. In some instances staffing has changed. The City welcomed Wayne Shaffer as the new Director of Public Works and Jyoti Naik as the new Building Official. Otherwise, the City's leadership team has remained in place.

2018-19 was another challenging year for the City. As the memories of Hurricane Harvey begin to slip away, we continue to invest in recovery efforts and provide needed services through capital projects such as the completed fishing pier and boat ramp at Bayfront Park; several landscaping projects; and, the purchase and clean-up of the Smith Harbor property. The new fiscal year will see park improvements including the wetland walkway at Lighthouse Beach Park and new playscapes; construction at the Harbor of Refuge, funded in part by a \$1.2 million EDA grant; and, a major renovation of Bayfront and Veteran's Memorial Parks funded in part by a \$200,000 Department of Parks and Wildlife grant.

The City remains fortunate to be led by elected officials that have continuously maintained a strong budget reserve. Their direction and guidance continues to keep the City moving forward and financially stable. We have spent significant amounts of the City's reserve funds on Harvey repairs and City improvements, but have been able to preserve a large portion of the City's reserve fund in the event of future catastrophes. These funds have enabled the City to afford recovery efforts that would otherwise have not occurred.



The FY 2019 – 2020 Budget addresses the means for positive and structured growth that will benefit the citizens of Port Lavaca. The City continues to improve employee compensation to get them closer to matching wages paid to other public employees. Other benefits and a friendly work environment help to make the City more labor competitive. At the initiative of the City Council, these efforts continue to bring employees a quality work environment.

The City's Comprehensive Plan and a five year Capital Improvement Plan will remain the foundation for initiatives to improve the quality of life for the citizens of Port Lavaca. Staff and elected Officials' work hard to meet the priorities established in the Comprehensive Plan. These priorities include developing a City-wide Zoning Ordinance, making improvements to the Bayfront, bringing new businesses into the City and helping existing businesses to grow along with continued maintenance and improvement of existing City infrastructure. These efforts are being done in a manner that maximizes the City's financial resources through the use of State and Federal funding, expertise for regional planning agencies, State and private university resources, and most important, the talent and knowledge that local residents bring to the City.

The FY 2019 – 2020 budget continues to represent the City's movement towards a resilient and sustainable community. Our efforts are to improve the manpower and amenities in the City of Port Lavaca as we continue to reach our vision as the Paradise on the Bay.

William A. DiLibero
City Manager

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

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

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

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

Integrity: we will lead with integrity and follow with encouragement

Desire: we will share the desire to make things better

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

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

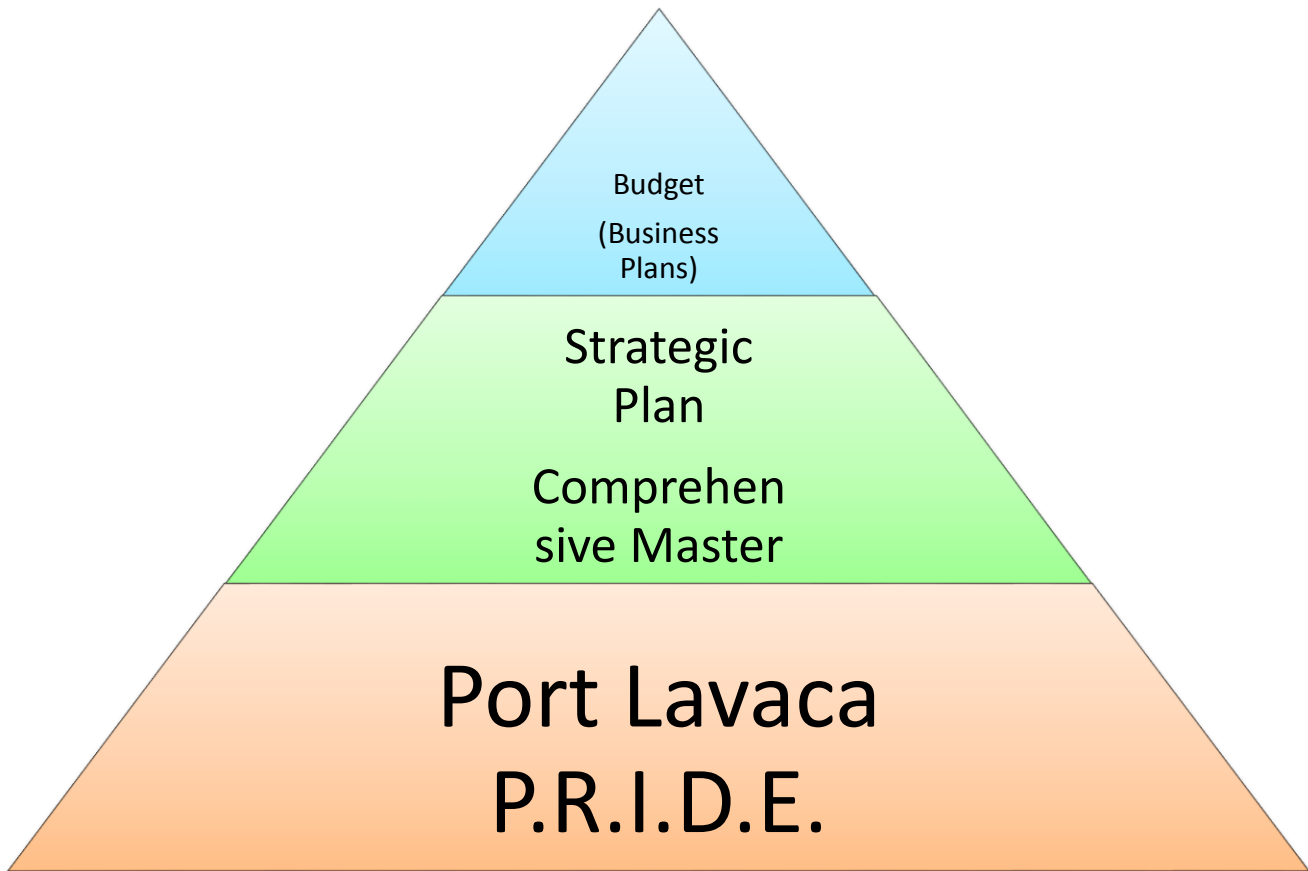
- How does this help Mr. or Ms. Citizen?
- How does this help their quality of life?
- How does this help their standard of living?

The strategic plan has continued to set the tone for the budget process that began in February. The City Manager and Key Leader Team reviewed Departmental Business Plans (objectives) from the previous year to determine if the goals/objectives set were attained. Through these discussions, a new set of objectives were placed in each department's business plan in an effort to meet Council's expectations also known as City Council Goal Statements.

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

***“To become truly great, one has to stand
with the people, not above them.”***

Charles de Montesquieu



Reviewing our Priorities for the 2019-2020 Budget

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

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

- Repaired and improved Bauer Center (\$935K)
- Nautical Landing Building repairs and improvements from Hurricane Harvey (\$219K)
- Replaced roofs at Lighthouse Beach Recreation Room (\$5,105) and Bathhouse (5,930)

With **PRIDE** still as our central theme, the City's capital budget remained focused on continuing improvements in our parks and waterfront facilities. However, other infrastructure improvement measures were accounted for to assure replacement of aging infrastructure such as streets, waterlines and sewer lines. Most notably was the reconstruction of Bonorden Area Street and Commerce Street. Also, replacement of water lines for Virginia Street and Colorado Street and sewer lines on Virginia Street will be constructed.

Budget Overview

The Adopted Budget for fiscal year 2019-2020 does not recommend an increase in property tax revenue but does include increases in water or sewer rates. The City-Wide Budget totals \$21,482,629. Of this amount, \$10,828,229 is estimated for the operations and maintenance of the General Fund (\$674,224 increase from prior year), \$323,747 for the Debt Service Funds, \$7,740,216 for the Public Utility Fund (\$282,447 decrease from prior year), \$888,684 for the Beach Fund (\$13,903 decrease from prior year), and \$1,155,003 Port Commission Fund (\$234,628 increase from prior year). Within these budgets are capital costs of approximately \$5.1 million to fund equipment and major public improvement projects. Capital costs account for the majority of the variances over prior year. More information on the City's Capital Program can be found in the Capital section of this document.

The City also appropriates for one of seven Special Revenue Funds. The Hotel/Motel Tax Fund totals \$556,750. Spending plans are not provided for the City's other Special Revenue Funds because activity is recorded on a project length basis or as it occurs. Even though the City is not required to adopt budgets for these funds, they are subject to an annual audit. More information on these funds can be found behind the Special Revenue Fund section of this document.

Budget Challenges Addressed

Issues to be addressed below:

1. The City's largest revenue sources for the General Fund are tied to property tax and sales tax. Property taxes increased due to properties damaged by Hurricane Harvey being improved. Also, the sales tax appears to have steady growth. Port Lavaca had little population growth in the last 10 years which results in high property tax rates as compared to other Texas cities its size.
2. The City struggles to maintain quality personnel and, with this desire, comes the need to maintain a competitive salary with surrounding cities.

How we addressed the issues:

The fiscal year 2019-2020 adopted budget utilized business plans that were developed in support of the City's **Strategic Plan**. The Strategic Plan links the City Council to the workforce—working together to improve Governance, Quality of Life, Infrastructure, Business Development and Community Development. Capital projects and expenditures were prioritized early in the budget process based on these same guiding principles.

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

- The City has hired an Economic Development Director that will progressively work to attract new investors and improve the City's housing stock.
- The City will continue to review all franchise agreements and make recommended changes.
- The City will do energy audits in an effort to reduce expenses.
- The City will use a phased in approach to build in the recommended compensation plan scale.
- The City continues to budget to cover depreciation in each enterprise fund. This practice builds the reserve to replace infrastructure assets rather than issue debt.

- The City annually reviews the budgetary/financial policy document to analyze the adequacy of reserve levels and revenue management practices. This is performed regardless of the economy climate.

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

Budgetary Expenditure Highlights

The adopted expenditures of the City's major funds total \$21,482,629, up \$674,224 from prior year. Staff made several expenditure recommendations that are included within each department's summary found in this budget document. Some of the significant highlights are as follows:

- Salary Increases: The citywide budget increased by \$160,820.01.
- Capital Additions: Machinery and Equipment in General Fund (\$166,113) and Utility Fund (\$30,000)
- Capital Projects- General Fund: appropriated \$2,408,000 for boardwalk design, city hall building security, parking lot improvement at police station, reconstruction to Ann & Benavides Streets, Jackson Street from Seadrift to 3rd Street, and George Street from Half League to Border; sealcoat various streets and add sidewalks.
- Capital Projects- Utility Fund: appropriated \$1,963,000 for sewer line replacements at Center Street Phase I and George Street from Half League to Border; water line replacement for Jackson Street, Indianola from Austin to Main/Leona, Brookhollow Drive and Broadway Street and tile bed rehabilitation; and lift station rehabilitation.
- Capital Projects- Lighthouse Beach Fund: appropriated \$591,000 to concrete twenty eight (28) RV parking spaces, remodel the bath house, provide boat ramp repairs, re-roof the pavilion and repair the Formosa Wetlands Walkway.
- Capital Projects- Port Revenue Fund: appropriated \$502,000 to provide improvements to Harbor of Refuge bulkhead and Harbor of Refuge land improvements.

Outlook for the Future

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

Many developments are taking place in Port Lavaca and in our extra-territorial jurisdiction (ETJ). With this in mind, the City will focus improvement plans to capitalize on this growth. We will examine infrastructure

needs. The City will continue to build “**PRIDE**” programs that will benefit our businesses and citizens. Some of these programs or missions are as follows:

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

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

Replace/Maintain Infrastructure

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

Enhance City Parks & Downtown

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

Environmental Code Improvement

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

Conclusion

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

William A. DiLibero, City Manager

Sandra J. Mason, Finance Director



CITY PROFILE



CITY OF PORT LAVACA ELECTED OFFICIALS 2019-2020

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



Jack Whitlow
Mayor

PORT LAVACA
CITY ELECTED OFFICIALS
FY 2019-2020



Jerry Smith
Councilmember, District 1



Tim Dent
Councilmember, District 2



Jan Regan
Councilmember, District 3

Our Mission

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

Our vision

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



Rosie Padron
Councilmember, District 4



Jim Ward
Councilmember, District 5

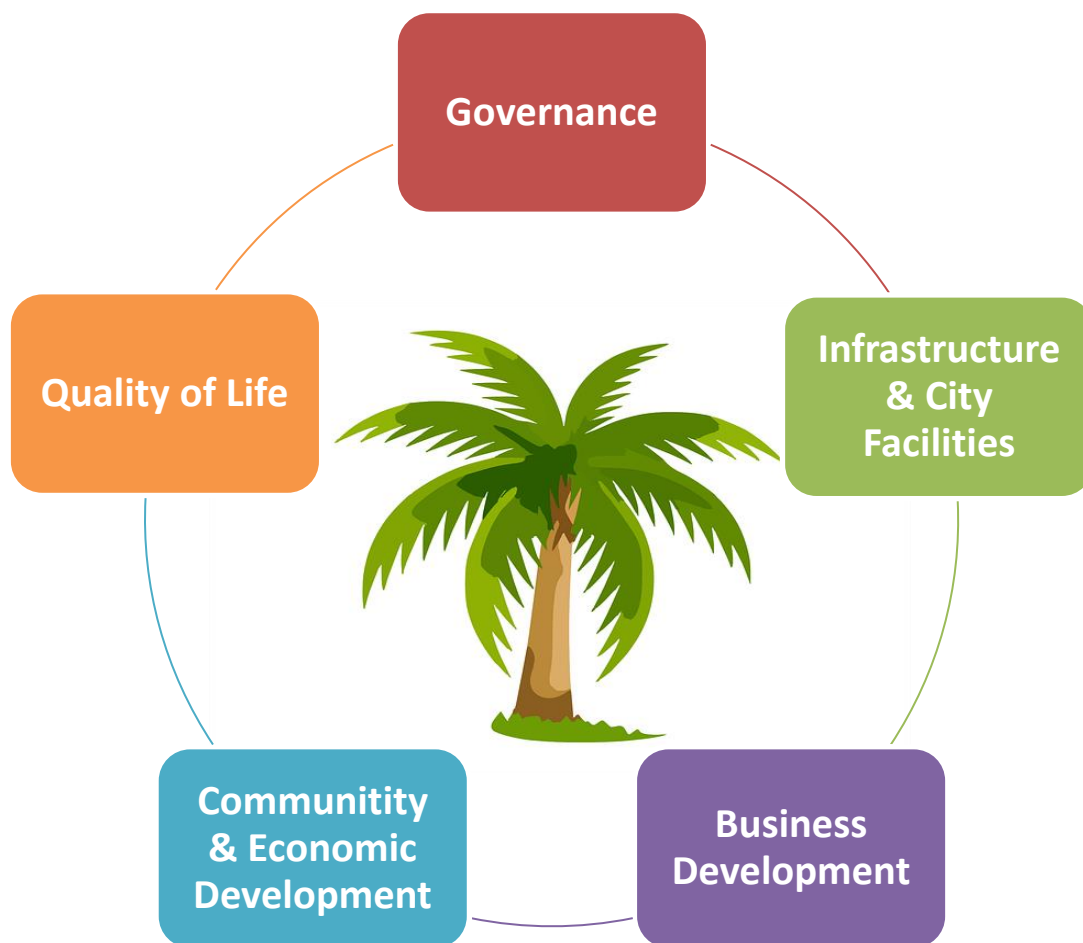


Ken Barr
Councilmember, District 6

Strategic Plan and Goals

Strategic Plan

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



City Council Area of Emphasis with Associated Goal Statement

Fiscal Year 2019-2020 Strategic Focus

Governance



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

Infrastructure & City Facilities



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

Business Development



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

Community



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

Quality of Life



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

Linking Long-Term Goals to Departmental Objectives

For the 2019-2020 Budget, each department has outlined a description of services and aligned themselves with the Council's Goals and the City's Leadership Values better known as Port Lavaca P.R.I.D.E. This theme has become the model for senior staff and employees to meet management expectations.

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

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

Integrity: we will lead with integrity and follow with encouragement

Desire: we will share the desire to make things better

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

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

<i>Port Lavaca residents are well informed and involved with the affairs of local city government.</i>	
<i>Fiscal Year 2019-2020 Departmental Business Plans (Objectives)</i>	
City Manager Department	
<ul style="list-style-type: none"> Improve transparency in government processes by implementing GIS mapping and document processing 	
City Secretary Department	
<ul style="list-style-type: none"> Implement elections information and forms through Clerk Base Program on website Streamline public records request process through FOIA program process 	
Human Resource Department	
<ul style="list-style-type: none"> Continue to update the department's website page 	
Municipal Court Department	
<ul style="list-style-type: none"> Install automated phone call/messaging system 	
Economic Development	
<ul style="list-style-type: none"> Identify the desired placement and path of a boardwalk in Port Lavaca. Consider developing a detailed plan for boardwalk design 	
Finance Department	
<ul style="list-style-type: none"> Continue to improve the budget document to create an easy, understandable format for our citizens Ensure adequate funding resources to support the Plan Port Lavaca actions by maintaining checklist of upcoming budget needs and requests 	
Public Safety Departments (Police, Fire, Animal Control & Code Enforcement)	
<ul style="list-style-type: none"> Lay the foundation for community programs such as Civilian Patrol and Youth Explorers 	

- Continue to respond quickly to extinguish fires so as to minimize the loss of life, damage to property and economic impact upon the community
- Continue the Fire Prevention Program within community schools
- Continue the Smoke Detector Program within the community
- Continue to provide professional animal control service to the citizens of Port Lavaca and Calhoun County

Public Utility Departments (Utility Billing & Utility Maintenance)

- Respond within twenty-four hours to complaints regarding water leaks to reduce water loss
- Continue to enhance the web page for the department
- Keep customer complaints below 1% of total customers per month

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

Fiscal Year 2019-2020 Departmental Business Plans (Objectives)

City Manager Department

- Assist in Main Street/Commerce Street hotel development (three new incentive grants)

Economic Development Department

- Adopt a parkland and trail dedication ordinance that requires land dedication (or fee-in-lieu) for parks and improvements. The ordinance should also require developers to dedicate and construct trails in accordance with the trails master plan
- Renovate amenities such as the Southern Pacific Depot, Mains Street Theatre and Fire Station
- Develop landscaping regulations for nonresidential and multiple family developments, particularly within the priority area of Action Plan

Street Department

- Continue sweeping streets, patching pot holes and maintaining the streets
- Reconstruct Jackson Street from Seadrift to Third
- Reconstruct George Street from Half League to Arthur

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

- Repair cabanas at beach and campground
- Paint cabanas and recreation center
- Replace Palm tree for beach showers
- Install showers outside of bathhouse

Public Utility Departments (Utility Maintenance & Wastewater)

- Replace and/or upgrade pumps in lift stations where needed
- Replace water lines on Brookhollow Drive
- Replace water lines on Broadway
- Replace Deshazor sewer line phase 1

Port Commission Operations

- Install bulkhead at Harbor of Refuge
- Complete repairs at Nautical Landings Marina and building

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

Fiscal Year 2019-2020 Departmental Business Plans (Objectives)

City Manager

- Promote Business development and community engagement at Bayfront Park, Commerce Street and East Main Street

Economic Development Department

- Consider financial feasibility of establishing a TIRZ that encompasses the downtown and/or waterfront areas
- Determine what type of development regulations should be adopted by the City (e.g., zoning, aesthetics, and historic character). Define the area to be included in the regulations-citywide, downtown, along corridors, or the priority area of Action Plan

Public Safety Departments (Code Enforcement)

- Streamline permit procedure including forms, review drawings, go paperless

Port Commission Operations

- Continue marketing Harbor of Refuge for future tenants
- Consider financial feasibility of establishing a TIRZ that encompasses the downtown and/or waterfront areas
- Support economic development and tourism of the City's waterfront properties

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

Fiscal Year 2019-2020 Departmental Business Plans (Objectives)

City Manager Department

- Advance activities at Main Street Theater
- Seek additional grant funding to support coastal projects and infrastructure improvements (focus on erosion at Harbor Refuge)

Parks Department (Parks & Bauer Center)

- Adopt a parkland and trail dedication ordinance that requires land dedication (or fee-in-lieu) for parks and improvements. The ordinance should also require developers to dedicate and construct trails in accordance with the trails master plan

Beach Operations

- Promote Lighthouse Beach as a birding destination

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

Fiscal Year 2019-2020 Departmental Business Plans (Objectives)

Public Safety Departments (Fire, Animal Control & Code Enforcement)

- Utilize grant funding for special projects
- Foster and maintain an atmosphere of mutual cooperation throughout the community
- Eliminate fire hazards and ensure access and firefighting capabilities through the department's Plan Review and Inspection Programs
- Continue to Improve positive image within Calhoun County
- Continue to maintain partnership with Humane Society

City Officials

FY 2019-2020

Appointed Offices

William A. DiLibero

City Manager

Reymundo Perez

Municipal Court Judge

Division Directors

Sandra Mason

Finance Director

Mandy Grant

City Secretary

Joe Reyes

Fire Chief

Colin Rangnow

Police Chief

Wayne Shaffer

Director of Public Works

Joanna Weaver

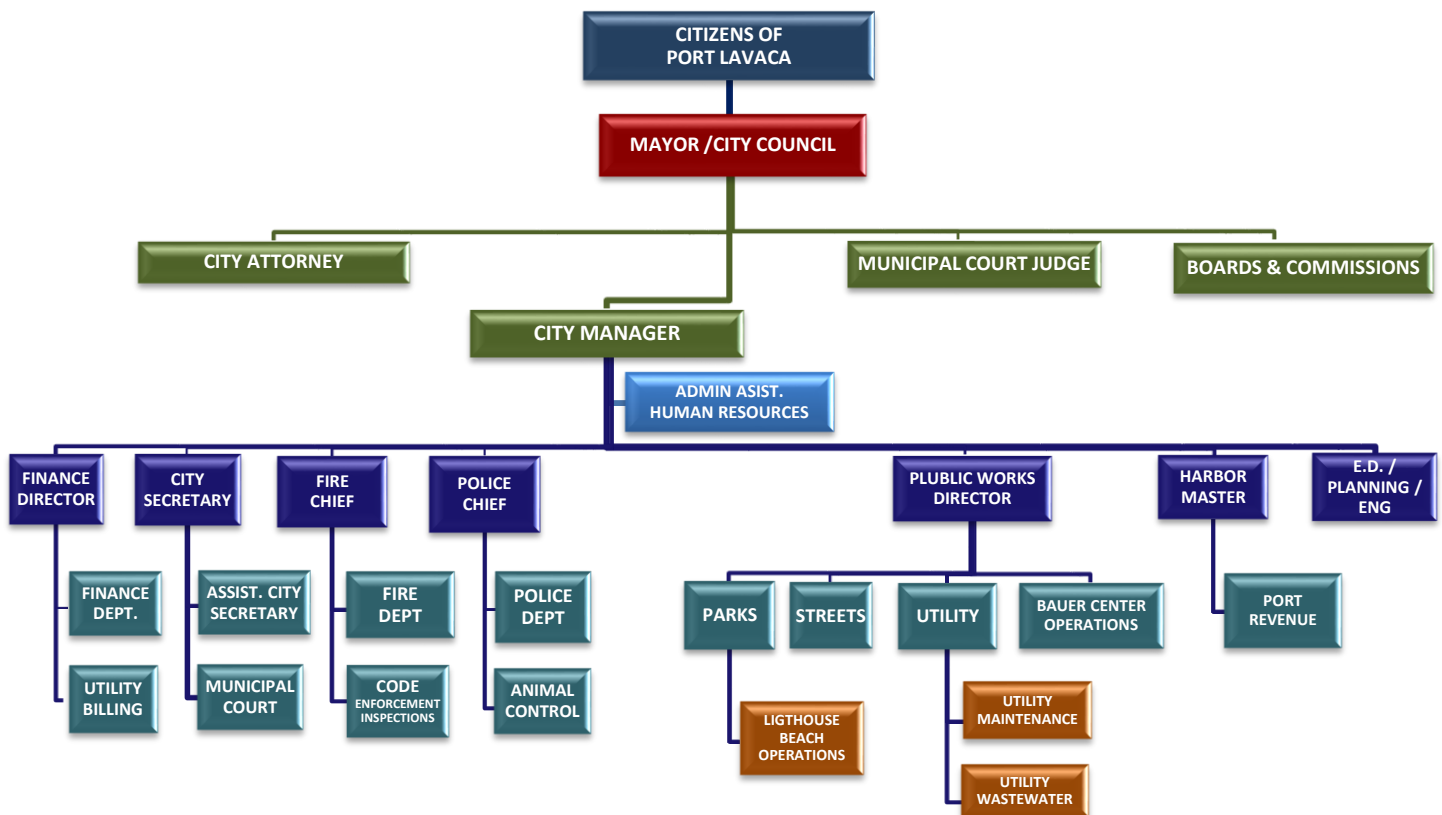
Economic Development Director/ Engineering

James Rudellat

Harbor Master



Organizational Chart



History of Port Lavaca, Texas

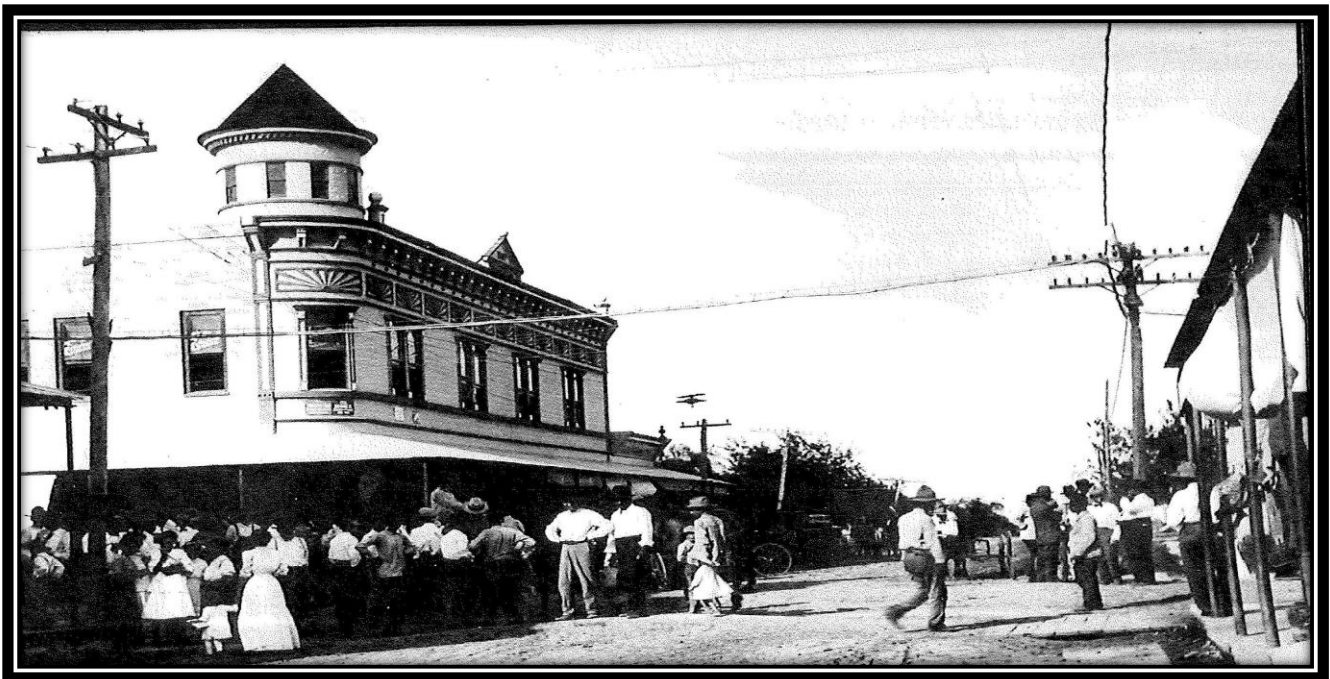
The City of Port Lavaca celebrated 175 years of rich history in 2015.

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

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

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

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





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

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

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



Snapshot of Port Lavaca Today

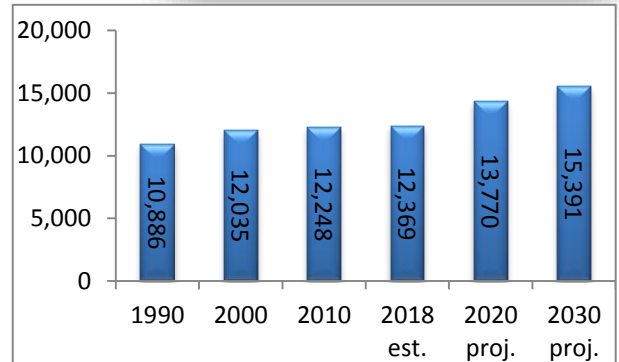
Location

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



Population

According to the 2010 census, Port Lavaca is currently home to about 12,248 residents. The graph to the right represents the City's population beginning in 1990 to the estimated 2018, based on the records of the U.S. Census Bureau. The City, according to the Texas Water Development Board is projected to reach 15,391 by 2030. The City has seen slow, but steady growth.



Schools

Port Lavaca is served by the Calhoun County Independent School District (CCISD) and Our Lady of the Gulf Catholic School. The CCISD presently has two Pre-Kindergarten through Fifth grade elementary schools: H.J.M. Elementary and Jackson/Roosevelt Elementary; one Sixth through Eighth grade middle school: Travis Middle School; and two high schools. Calhoun High School serves the Ninth through Twelfth grades. Our Lady of the Gulf Catholic School serves Pre-Kindergarten through 8th grade. Hope High School accommodates mainly students with special needs. The photo above is of Calhoun High School.

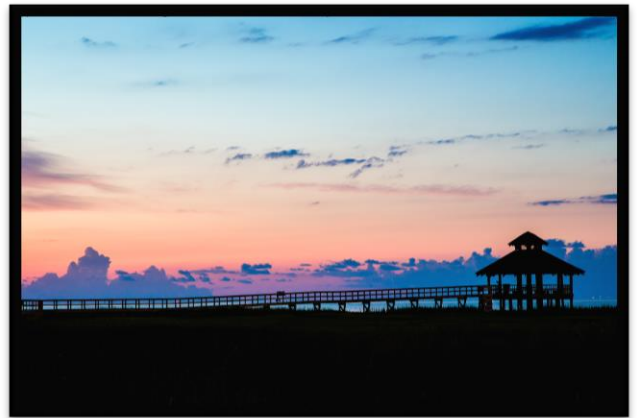


Culture and Recreation

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

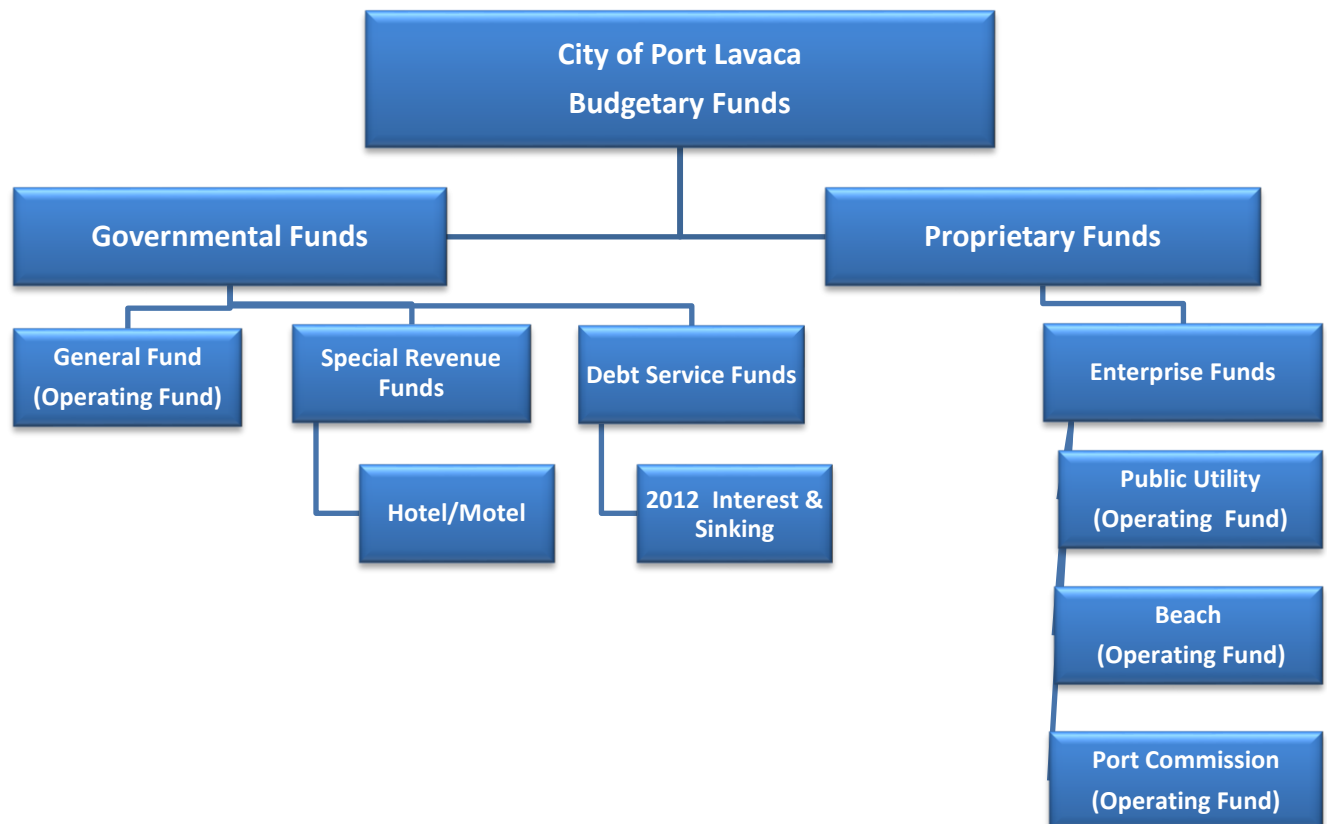
Port Lavaca provides a variety of restaurants ranging from Mexican food to seafood. There is also an excellent golf course at the Hatch Bend Country Club. There are many vacant houses and lots on the bay for those who wish to make Port Lavaca their home.

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



Budgetary Fund Structure

The illustration below is intended to serve as a “big picture” overview for the City of Port Lavaca’s Fiscal Year 2019-2020 budgeted fund structure. The adopted budget presents four operating funds (General, Public Utility, Beach and Port), one special revenue fund (Hotel/Motel) and one debt service fund (2012 Interest & Sinking). Not all funds of the City are appropriated (i.e., budgeted). Capital projects and most of the City’s special revenue funds are recorded on a project length basis as opposed to annual appropriation. Each fund is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The budgeted funds of the City can be divided into two categories: governmental funds and proprietary funds. Governmental Funds are supported primarily with taxes while proprietary funds are supported by user charges. Operating funds provide for the day to day operations of the City. They account for all routine expenditures and capital outlay items. Debt service funds, also known as interest and sinking funds, are governmental type funds used for the accumulation of resources to pay off long-term debt. Special Revenue funds, such as the Hotel/Motel, are used to account for the proceeds of specific revenue that are legally restricted to expenditures for specified purposes. A more in-depth explanation of the budget is depicted with graphs, charts and a narrative of revenue and expenditures within the detail of each respective fund.



Combined Budget Overview

The Fiscal Year 2019-2020 budget for all appropriated funds totals \$21,482,629 in revenues and expenditures, including transfers between funds. The goal of the budget process is to provide a balanced budget, in which expenditures do not exceed revenues.

The table below shows an overview of FY 2019-2020 Budget by Funds as it compares to the prior year.

	Amended Budget FY 18-19	Adopted Budget FY 19-20	Variance	Variance By %
General Fund	10,144,005	10,818,229	674,224	7%
2012 Interest & Sinking Fund	329,837	323,747	-6,090	-2%
Public Utility Fund	8,022,663	7,740,216	-282,447	-4%
Beach Fund	902,587	888,684	-13,903	-2%
Port Revenue Fund	920,375	1,155,003	233,628	25%
Hotel/Motel Fund	548,575	556,750	8,175	1%
Total Budget	20,868,042	21,482,629	614,587	3%



Changes in Fund Balance/Working Capital

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

BUDGETED FUNDS	Projected Beginning Fund Balance 10-1-19	Budgeted Revenue 2019-2020	Budgeted Expenditures 2019-2020	Ending Fund Balance/ Working Capital 9-30-20
General Fund	13,076,915	10,818,229	10,818,229	13,076,915
2012 Interest & Sinking Fund	223,782	323,747	323,747	223,782
Utility Fund	18,789,163	7,740,216	7,740,216	18,789,163
Beach Fund	2,744,550	888,684	888,684	2,744,550
Port Commission Fund	5,245,488	1,155,003	1,155,003	5,245,488
Hotel Occupancy Tax Fund	566,992	556,750	556,750	566,992
Total Fund Balance/Working Capital		21,482,629	(21,482,629)	

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

Fund Balance/Working Capital After Reserves and Designations	General Fund	I & S Funds	Public Utility Fund	Beach Fund	Port Commission	Hotel Occupancy Tax Fund
Projected Fund Balance/ Working Capital 10-1-19	13,076,915	223,782	18,789,163	2,744,550	5,245,488	566,992
Operating Reserves (4 months)	(4,358,972)	0	0	0	0	N/A
Operating Reserves (3 months)	N/A	0	(4,697,291)	(686,138)	(1,311,372)	N/A
Capital Asset Replacement Reserve	0	0	0	0	0	N/A
Reserves Used-Capital Projects	(2,337,162)	0	(1,993,000)	0	(502,000)	0
Reserves Used- Balance Budget*	0	0	(20,791)	0	(12,453)	0
Budgeted Depreciation**	0	0	(648,447)	(119,919)	(181,997)	0
Estimated Fund Balance/ Working Capital 9-30-20	6,380,781	223,782	15,415,635	1,938,494	3,237,666	566,992

Assumptions on the table above are as follows:

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

Combined Revenue and Expenditures Summary

	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020	% Change Amended Budget to Adopted Budget
<i>Funding Sources</i>					
Property Tax	4,219,821	3,998,137	4,124,911	3,899,100	0.00%
Sales and Use Tax	3,138,929	2,550,000	2,800,000	2,700,000	5.88%
Franchise Tax	624,878	594,500	584,500	595,500	0.17%
Hotel/Motel Tax	656,156	546,075	525,000	550,000	0.72%
Licenses and Permits	154,056	111,000	119,566	96,500	-13.06%
Service Charges	6,311,804	6,254,000	6,465,640	6,529,000	4.40%
Fines & Forfeitures	411,702	392,500	447,810	372,000	-5.22%
Other Revenue	511,229	5,673,755	7,042,299	5,066,040	-10.71%
Grant & Contributions	533,215	259,800	274,024	257,800	-0.77%
Interfund Transfers	636,395	488,275	488,870	1,100,972	125.48%
Total Revenues & Transfers	17,198,185	20,868,042	22,872,621	21,166,912	1.43%
<i>Expenditures</i>					
General Government	1,160,600	1,256,645	1,145,375	1,222,131	-2.75%
Streets	2,469,216	2,091,937	1,662,337	3,479,122	66.31%
Public Safety	3,570,244	3,628,202	3,270,400	3,998,754	10.21%
Parks & Recreation	896,882	3,186,162	2,965,731	1,825,009	-42.72%
Non-Departmental	796,795	1,213,483	798,700	1,507,949	24.27%
Water & Sewer	4,950,043	8,022,663	7,051,676	7,744,791	-3.46%
Port Commission	360,129	920,375	1,763,515	1,156,153	25.62%
Hotel Motel	533,876	548,575	1,246,361	556,750	1.49%
Total Expenditures & Transfers	14,737,785	20,868,042	19,904,095	21,490,659	2.98%

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

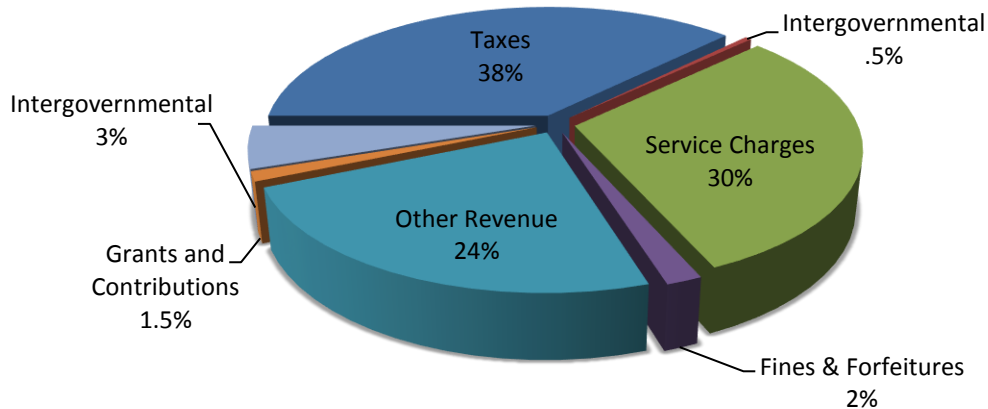
REVENUE ASSUMPTIONS AND TRENDS

City Wide Revenue

The FY 2019-2020 budgeted revenues total \$21,482,629 which is up \$614,587 over prior FY 2018-2019 budget. The use of more reserves to fund current year capital projects attributes for this increase. The largest revenue source fund is taxes which represents 38% of the total revenue. Detail of each revenue source fund can be found in the revenue section of this book.

Revenue by Receipt	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Taxes (Property, Sales, Franchise, Hotel/Motel)	8,639,784	7,688,712	8,034,411	8,068,347
Licenses & Permits	154,056	111,000	119,566	96,500
Service Charges	6,311,804	6,254,000	6,465,640	6,529,000
Fines & Forfeitures	411,702	392,500	447,810	372,000
Other Revenue	511,229	5,673,755	7,042,299	5,058,010
Grants & Contributions	533,215	259,800	274,024	257,800
Intergovernmental	636,395	488,275	488,870	1,100,972
Total Revenue	17,198,185	20,868,042	22,872,621	21,482,629

Where do we get our dollars?

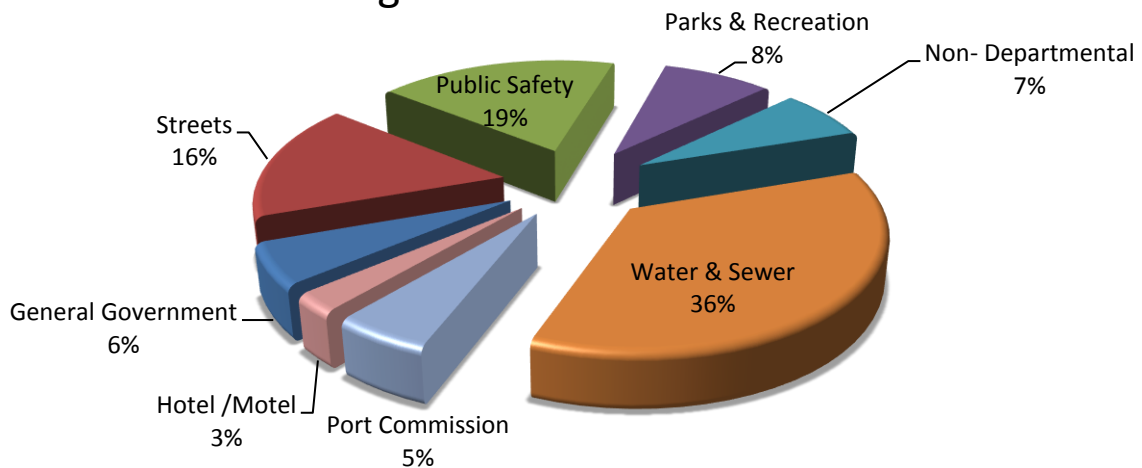


City Wide Expenditures

The FY 2019-2020 budgeted expenditures total \$21,482,629 which is up \$614,587 over FY 2018-2019 budget. This is primarily attributable to the timing of one-time capital projects in the General Fund, HOT Fund, Water and Sewer Fund, Beach Fund and Port Commission Fund as it related to capital funds in prior year.

By Object (Operational Funds)	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
General Government	1,160,600	1,256,645	1,145,375	1,218,051
Streets	2,469,216	2,091,937	1,662,337	3,480,897
Public Safety	3,570,244	3,628,202	3,270,400	3,998,754
Parks & Recreation	896,882	3,186,162	2,965,731	1,825,009
Non- Departmental	796,795	1,213,483	798,700	1,507,949
Water & Sewer	4,950,043	8,022,663	7,051,676	7,740,216
Port Commission	360,129	920,375	1,763,515	1,155,003
Hotel /Motel	533,876	548,575	1,246,361	556,750
Total Expenditures	14,737,785	20,868,042	19,904,095	21,482,629

Where do our dollars go?



General Fund Revenue

The Property Tax Rate and Property Tax Revenue

Property taxes are levied each year on October 1st on the assessed values as of the prior January 1st for all real and personal property located in the City. Assessed values are established by the Calhoun County Appraisal District (CCAD). Certified taxable values are provided to the City by the CCAD in July. Property tax is the largest source of income for the General Fund and makes up 38% of the budgeted revenue for the 2019-2020 fiscal years. This tax supports operations such as police services, fire protection, streets, park maintenance, and code enforcement. The City of Port Lavaca is looking for ways to increase sales taxes generated in the City. This would decrease some of the City's reliance on property tax revenue.

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

	Current Year FY 2019-2020	Prior Year FY 2018-2019	Variance	Variance
Net Taxable Before Freeze	583,398,444	557,322,857	26,075,587	5%
*Freeze Adjusted Tax Value	499,475,356	479,192,798	20,282,558	4%

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

Certified taxable property valuations provided to the City by the CCAD on July 24, 2019 totaled \$583,398,444 – an increase of 4% over prior year. Included in this amount is the tax freeze value of \$79,098,760 for homeowners over 65 years of age and/or disabled. For the 2019-2020 budget, Council approved a budget that will raise more property taxes than last year's budget by \$178,780. The City Council adopted a tax rate of .7944/\$100 value which will still afford the City to maintain the same service levels.

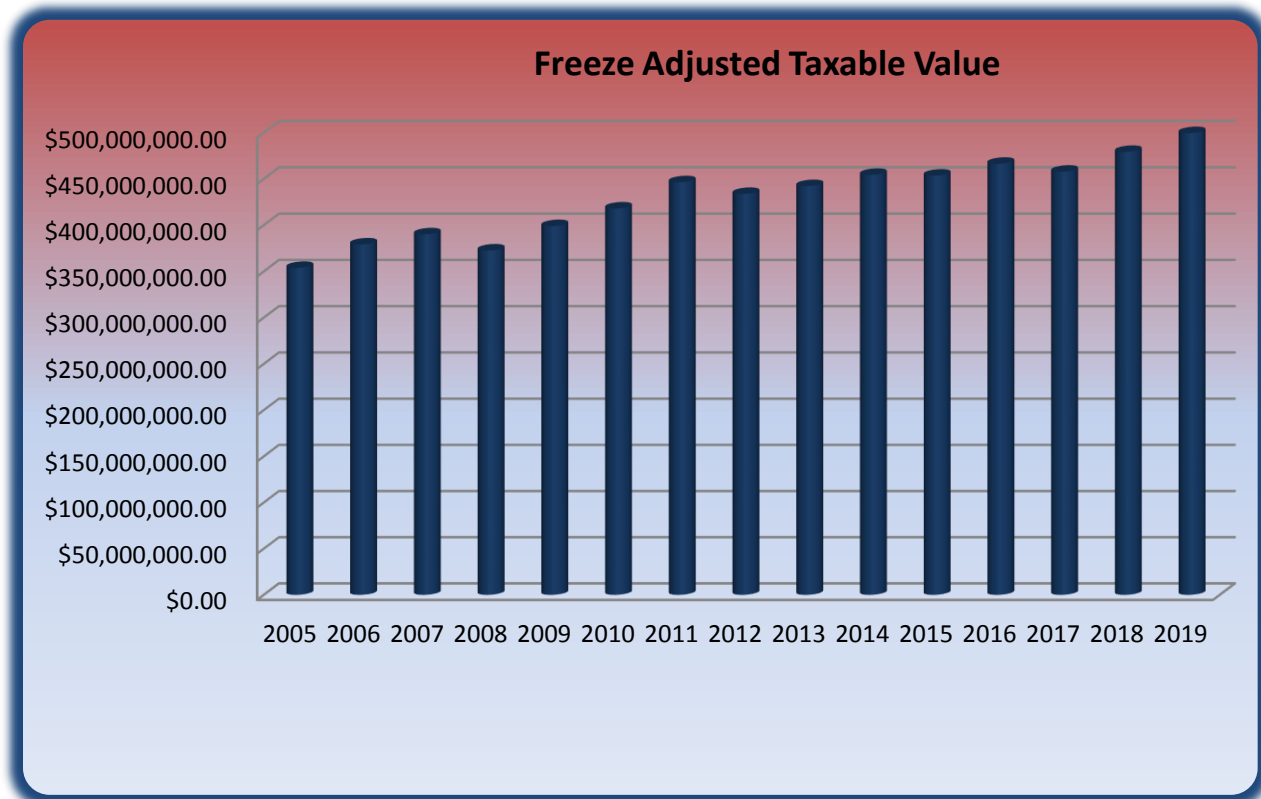
GENERAL FUND

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

	Tax Rate	Tax Rate Percent	Total Gross Levy ¹	FY 2018-2019 Budget ²
Debt Service Funds:				
2012 General Obligation Refunding Bonds	.0676	8.51%		
Total Debt Service	.0676	8.51%		
General Fund:				
Operation and Maintenance	.7268	91.49%		
Total	.7944	100.00%		

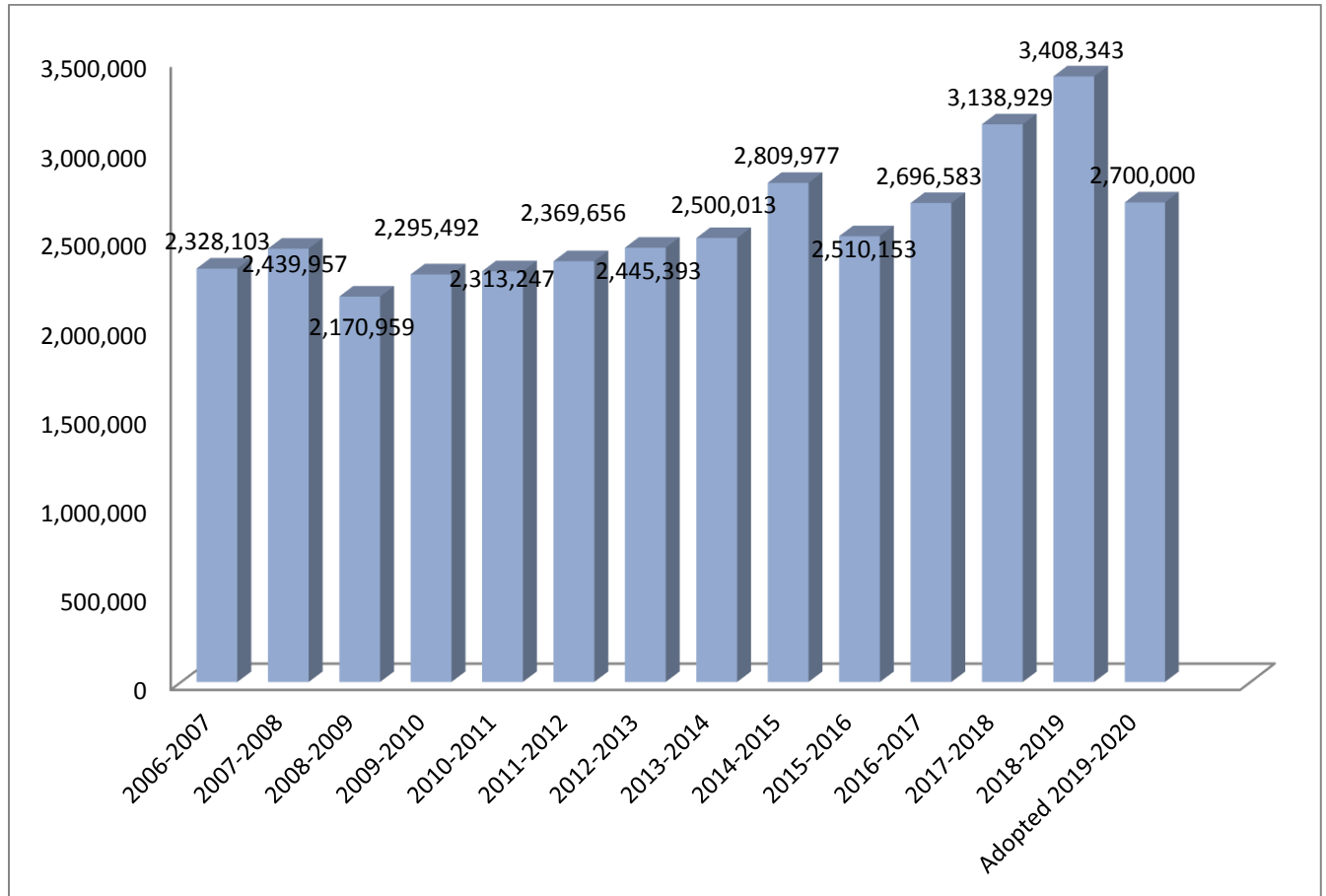
¹ **Gross levy**- excludes tax freeze dollars (\$506,108); ² **Budget** adds back tax freeze dollars & delinquent tax collections that are not considered in gross levy, and then applies a 96% collection rate

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



Sales Tax

Sales tax is the second largest revenue source in the General Fund making up 13% of the City's General Fund budget. The City receives 1.5% of the 8.25% tax charged inside the city limits. The County receives 0.5% and the remaining 6.25% goes to the State. With the volatile economy in mind, the City conservatively budgets sales tax using historical information.



Franchise Fees

Franchise Fees represent **6%** of the City's General Fund revenue. Franchise fees are collected from major public utility providers operating within the City limits. This charge is for the use of the City's right of ways and streets. The fee is usually computed by a percentage of gross receipts. The City is budgeted to collect a total of **\$595,500**, a slight decrease as compared to prior year's budget. Historical collections of the most recent years are the primary basis for assumptions of Franchise fees.

Licenses & Permits

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

Grants & Contributions

The City provides services to the County for fire and animal control services. This revenue is budgeted based on interlocal agreements between the City and County. This year's annual contracts & local grants equate to **\$257,800**

- Interlocal agreement with Calhoun County for fire protection- \$185,000
- Interlocal agreement with Calhoun County for animal control- \$65,000
- Interlocal agreement with the City of Point Comfort for animal control- \$6,000
- Local law enforcement grant - \$1,800

Intergovernmental Revenue

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

- Transfer in from Port Commission to recover administrative fees - \$28,932
- Transfer in from Public Utility Fund to recover administrative fees- \$184,130
- Transfer in from Public Utility Fund to recover costs related to spring clean-up- \$60,000
- Transfer in from Beach Fund to recover administrative fees- \$6,982
- Transfer in from the Fixed Asset Replacement Fund (FARF)- \$36,978
- Transfer in from the Hotel Occupancy Tax Fund to recover costs of the Bauer Convention Center- \$192,950

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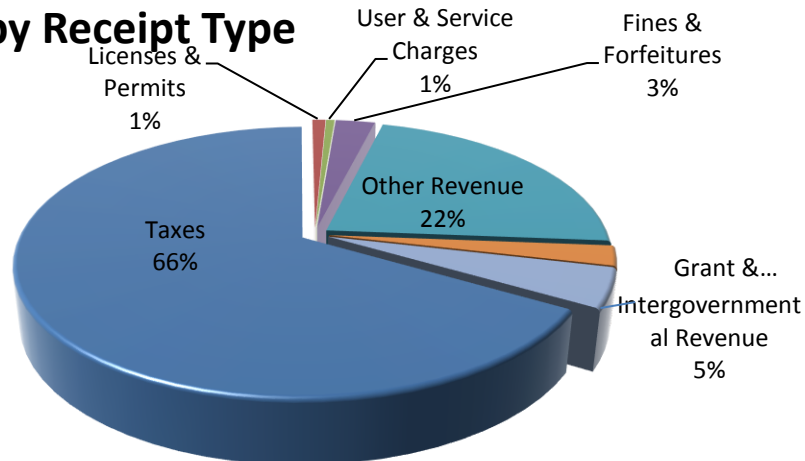
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GENERAL FUND

General Fund Revenue

Receipt Type	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020	Variance
Taxes	7,651,572	6,812,800	7,178,500	7,194,600	381,800
Licenses & Permits	154,056	111,000	119,566	96,500	-14,500
User & Service Charges	13,454	61,500	65,500	61,500	0
Fines & Forfeitures	315,170	307,500	357,810	287,000	-20,500
Other Revenue	211,337	2,105,130	2,221,345	2,410,162	305,727
Grant & Contributions	268,461	257,800	271,694	257,800	0
Intergovernmental Revenue	636,395	488,275	488,870	509,972	21,697
Total Revenue	9,250,445	10,144,005	10,703,286	10,818,229	674,224

Revenue by Receipt Type



Largest Revenue Sources	Amended Budget FY 2018-2019	% Of Total 18-19 General Fund Budget	Adopted Budget FY 2019-2020	% Of Total 19-20 General Fund Budget	Variance
Property Taxes	3,668,300	36%	3,899,100	36%	230,800
Sales Tax	2,550,000	25%	2,700,000	25%	150,000
Franchise Fees	594,500	6%	595,500	6%	1,000
Total	6,812,800	67%	7,194,600	67%	381,800

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

General Fund Revenue Detail

General Fund Revenues	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Taxes				
Property Taxes Current	3,790,034	3,578,300	3,700,000	3,809,100
Property Taxes Delinquent	97,730	90,000	94,000	90,000
Sales Tax Revenue	3,138,929	2,550,000	2,800,000	2,700,000
Natural Gas Franchise Tax	47,033	40,000	41,000	40,000
Electrical Franchise Tax	351,445	335,000	336,000	340,000
Telephone Franchise Tax	36,072	40,000	27,000	35,000
Cable TV Franchise Tax	48,952	60,000	61,000	60,000
Waste Collection Franchise	104,076	94,000	94,500	95,000
Other Franchise Tax	1,224	500	1,000	500
Alcohol Beverage Tax	36,076	25,000	24,000	25,000
Total Taxes	7,651,572	6,812,800	7,178,500	7,194,600
Licenses & Permits				
Electrical Licenses	600	0	500	0
Builder Licenses	12,285	5,000	10,400	5,000
Electrical Permits	11,962	7,000	8,200	7,500
Building Permits	62,135	40,000	50,000	40,000
Plumbing Permits	10,092	7,500	9,000	7,500
Mechanical Permits	7,080	10,000	13,000	10,000
Trailer Permits	0	0	0	0
Food Handler's Permits	2,830	2,000	2,000	1,500
Liens	125	0	266	0
Other Permits & Fees	36,883	30,000	20,000	20,000
Alcoholic Beverage Licenses	5,565	4,500	4,000	2,500
Animal Licenses & Fee	4,290	5,000	2,000	2,500
Alarm Fees	210	0	200	0
Total Licenses & Permits	154,056	111,000	119,566	96,500
User & Service Charges				
Bauer Center Rentals	10,500	60,000	62,000	60,000
Bayfront Rentals	300	0	0	0
Police Services	2,654	1,500	3,500	1,500
Fire Service Fees	0	0	0	0
Total User & Service Charges	13,454	61,500	65,500	61,500

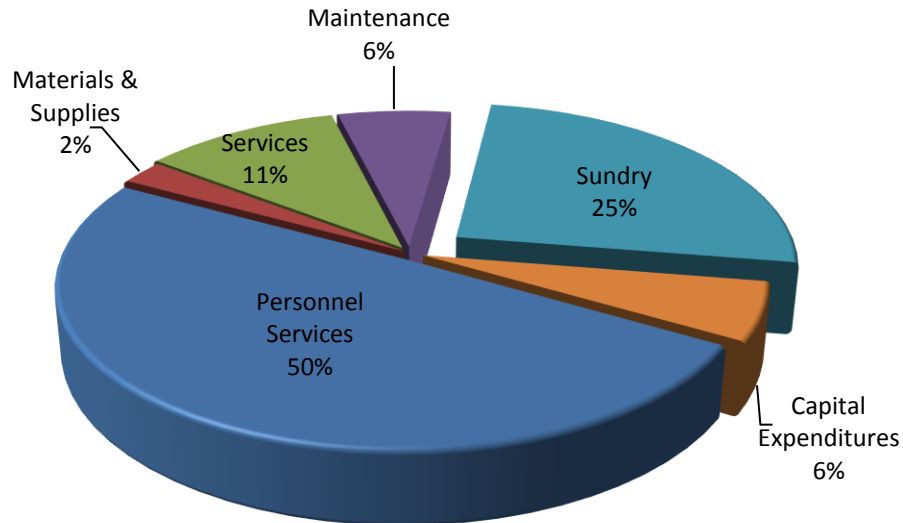
GENERAL FUND

General Fund Revenues	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Fines & Forfeitures				
Penalties & Interest	81,369	80,000	80,800	80,000
Tax Attorney Fees	40,712	30,000	23,000	30,000
Court Fines	167,670	170,000	200,000	150,000
Municipal Court- Collection Agency	12,194	13,000	28,000	13,000
Local Time Payment Fees	4,903	4,500	6,000	4,000
Arrest Fees	8,222	10,000	20,000	10,000
Cash Over- Municipal Court	100	0	10	0
Total Fines & Forfeitures	315,170	307,500	357,810	287,000
Other Revenue				
Interest Income	162,735	65,000	150,000	60,000
Other Financing Sources	0	0	0	0
Photo Copies	1,425	0	800	0
Donations	0	0	100	0
Auction Proceeds	0	0	0	0
TML Reimbursements	29,380	10,000	40,815	5,000
Fire Training Reimbursement	0	0	0	0
Miscellaneous Income	11,798	15,000	14,500	5,000
Tower of Tex Usage Rights	6,000	6,000	6,000	6,000
Equity Balance Forward	0	2,009,130	2,009,130	2,334,857
Total Other Revenue	211,337	2,105,130	2,221,345	2,410,857
Grants and Contributions				
State Grant- Parks	5,194	0	0	0
Contribution Lease - Police/Fire	2,194	1,800	1,938	1,800
Calhoun County- Fire	190,073	185,000	198,756	185,000
Calhoun County- Animal	65,000	65,000	65,000	65,000
Point Comfort- Animal	6,000	6,000	6,000	6,000
Total Grant and Contributions	268,461	257,800	271,694	257,800
Intergovernmental Revenue				
Transfer In- 504 Port Commission	14,500	27,000	27,000	28,932
Transfer In- 501 Utility Fund	245,000	232,500	232,500	244,130
Transfer In- 503 Beach Fund	8,000	9,200	9,200	6,982
Transfer In- 134 Justice Assist rant	0	0	0	0
Transfer In- 161 Bayfront Pen Pier	139	0	0	0
Transfer In- 206 FARF Fund	187,756	38,000	38,000	36,978
Transfer In- 101 Hotel/Motel	181,000	181,575	181,575	192,950
Transfer In- Other	0	0	595	0
Total Intergovernmental Revenue	636,395	488,275	488,870	509,972
Total General Fund Revenue	9,250,445	10,144,005	10,703,286	10,818,229

General Fund Expenditures by Function

Expenses by Function	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020	Variance
Personnel Services	4,512,026	4,951,261	4,253,200	5,363,951	412,690
Materials & Supplies	272,903	248,315	228,225	260,721	12,406
Services	1,092,117	1,195,449	883,950	1,163,407	-32,042
Maintenance	733,321	746,065	435,000	667,127	-78,938
Sundry	1,449,230	875,915	704,500	2,736,910	1,860,995
Capital Expenditures	250,877	2,127,000	2,176,600	626,113	-1,500,887
Total Expenditures	8,310,475	10,144,005	8,681,475	10,818,229	674,224

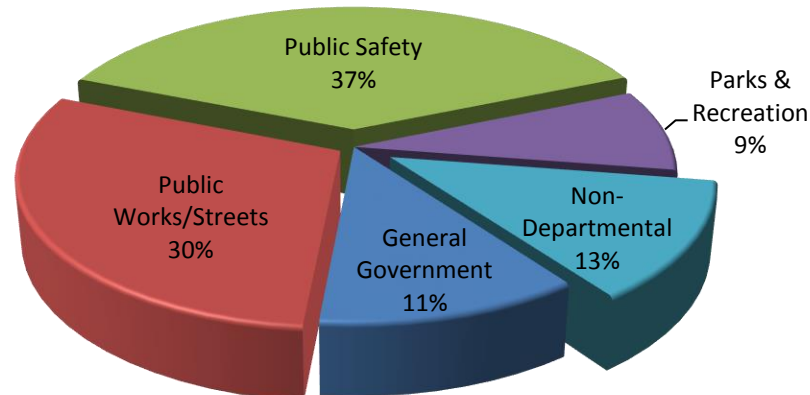
Expenditures by Function



General Fund Expenditures by Department

Department	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020	Variance	Variance by %
City Council	32,642	33,370	32,925	33,360	-10	0%
City Manager	329,227	207,050	204,650	214,600	7,550	4%
City Secretary	177,732	169,600	160,300	194,980	25,380	15%
Human Resource	10,837	13,075	13,850	17,175	4,100	31%
Municipal Court	154,483	142,325	138,250	157,660	15,335	11%
Technology Services	443	160,315	160,000	169,277	8,962	0%
Economic Dev.	114,066	182,450	150,000	191,185	8,735	5%
Finance	215,270	226,100	184,700	257,725	31,625	14%
City Hall	126,342	282,675	260,700	151,366	-131,309	-46%
Police	1,939,727	1,935,635	1,839,500	2,293,804	358,169	19%
Fire	1,316,275	1,297,917	1,128,300	1,363,775	65,858	5%
Animal Control	100,704	133,000	118,600	123,825	-9,175	-7%
Code/Inspections	213,538	261,650	184,000	217,350	-44,300	-17%
Public Works/Streets	2,143,241	1,762,100	1,332,500	3,157,150	1,395,050	79%
Parks & Recreation	356,680	1,492,900	1,414,500	679,475	-813,425	-54%
Bauer Center	282,914	790,675	720,000	256,850	-533,825	-68%
Non-Departmental	796,351	1,053,168	638,700	1,338,672	285,504	27%
Total Expenditures	8,310,475	10,144,005	8,681,475	10,818,229	674,224	7%

Expenditures by Department



Departmental Summaries

CITY COUNCIL

Our Mission

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

Description of our Services

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

Our Leadership Philosophy

The City Council of Port Lavaca will lead...

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

Strategic Plan Area Dimensions

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

2019-2020 Goal Statements

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

Budget Summary

City Council	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	31,075	31,120	31,000	31,110
Materials & Supplies	227	500	225	500
Services	1,340	1,750	1,700	1,750
Maintenance	0	0	0	0
Total City Council	32,642	33,370	32,925	33,360

CITY MANAGER

Our Mission

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

Description of our Services

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



Strategic Focus

Governance

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

Infrastructure

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

Business Development

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

Community Development

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

Quality of Life

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

2019-2020 Business Plans (Objectives)

- Complete the City Zoning Ordinance and begin additional ordinance changes as recommended in the 2016 Comprehensive Plan
- Promote business development and community engagement at Bayfront Park, Commerce Street and East Main Street
- Advance activities at Main Street Theater
- Assist in Main Street/Commerce Street hotel development (three new incentive grants)
- Seek additional grant funding to support coastal projects and infrastructure improvements (focus on erosion at Harbor of Refuge)
- Improve transparency in government processes by implementing GIS mapping and document postings

2018-2019 Accomplishments of Prior Year Business Plans

- Obtained \$1.2 million grant from the U. S. Economic Development Administration for Harbor of Refuge improvements
- Filed FEMA paperwork to facilitate fund reimbursement for rehabilitation work
- Completed fishing pier at Bayfront Park
- Purchased Smith Harbor and associated properties for Bayfront improvements
- Awarded \$200,000 Texas Parks and Wildlife Trails Grant

Budget Summary

City Manager	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	229,644	196,600	195,000	204,150
Materials & Supplies	2,113	700	650	700
Services	97,470	9,750	9,000	9,750
Maintenance	0	0	0	0
Sundry	0	0	0	0
Total City Manager	329,227	207,050	204,650	214,600

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
City Manager	1	1	1
Administrative Assistant	1	1	1
Total	2	2	2

CITY SECRETARY

Our Mission

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

Description of our Services

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



Strategic Focus

Governance

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

2019-2020 Business Plans (Objectives)

- Streamline public records request process through FOIA program process
- Update Laserfiche Imaging Program to latest version and add other users
- Implement elections information and forms through ClerkBase Program on website
- Establish online records management research through website

2018-2019 Accomplishments of Prior Year Business Plans

- Original documents stored in City Secretary's Office to be in compliance with Records Management
- Expanded chronological listing of events for indexing
- Installed ClerkBase program for public transparency
- Updated website activities

Budget Summary

City Secretary	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	165,214	148,600	149,000	169,980
Materials & Supplies	1,462	1,500	1,300	1,500
Services	11,057	19,500	10,000	23,500
Maintenance	0	0	0	0
Capital Expenditures	0	0	0	0
Total City Secretary	177,732	169,600	160,300	194,980

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
City Secretary	1	1	1
Assistant City Secretary	1	1	1
Total	2	2	2

Performance Measures

<i>Our Workload</i>	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
Number of Agendas/Meetings/Mins.	30	4	32	30
Number of requests for Public Info.	40	37	35	34
Number of new Ordinances approved	11	9	7	7
Number of closed sessions	16	15	12	15
Number of public hearings	9	6	9	8
Number of Proclamations	10	9	10	9
Number of resolutions approved	20	35	25	21
Number of elections prepared for	1	1	1	1
<i>Measuring our Effectiveness</i>				
% of Agendas posted 72 hours prior to meeting	100%	100%	100%	100%
% of Minutes approved as written the first time	100%	100%	100%	100%

HUMAN RESOURCE

Our Mission

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

Description of our Services

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



Strategic Focus

Governance

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

2019-2020 Business Plans (Objectives)

- Re-aligned Human Resource Department
- Update HR and Workplace Policies to current compliance
- Update job descriptions to be more in-line with other cities
- Completed salary survey
- Continue to reduce the number of risk and work related injuries with additional safety training
- Continue to improve the applicant recruiting effort using Texas Municipal League resources
- Continue to update the department's website page

2018-2019 Accomplishments of Prior Year Business Plans

- Implemented new hire fitness requirements
- Implemented the new performance evaluation process tool
- Implemented an employee training developmental model
- Maintained the City required certifications in the Human Resource software
- Implemented department wide health & fitness challenges

Budget Summary

Human Resource	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	0	0	0	0
Materials & Supplies	1,161	1,075	850	3,675
Services	9,677	12,000	13,000	13,500
Maintenance	0	0	0	0
Capital Expenditures	0	0	0	0
Total	10,837	13,075	13,850	17,175

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Finance/Human Resource Specialist	0	0	0
Total	0	0	0

MUNICIPAL COURT

Our Mission

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

Description of our Services

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



Strategic Focus

Governance

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

Quality of Life

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

2019-2020 Business Plans (Objectives)

- Implement technological enhancements for the Court such as going paperless
- Implement Judge’s Secure by means of a secure signature (fingerprint)
- Install digital cameras for defendant ID photo for integration with warrant issuance/ execution
- Install automated phone call/ messaging system
- Implement digital court case retention schedule
- Achieve higher level of knowledge through court certification programs

2018-2019 Accomplishments of Prior Year Business Plans

- Implemented new warrant safe harbor docket put in place by 2017 legislative update
- Informed public of safe harbor docket in order to bring them in to clear warrant backlog
- Worked with other city departments to establish community service activities as alternate means of disposing of outstanding fines
- Established Court Security Committee

Budget Summary

Municipal Court	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	128,610	128,825	118,000	137,160
Materials & Supplies	1,701	1,500	1,500	1,500
Services	17,144	12,000	18,750	19,000
Maintenance	7,033	0	0	0
Sundry	-5	0	0	0
Total Municipal Court	154,483	142,325	138,250	157,660

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Municipal Court Judge - Exempt	1	1	1
Municipal Court Clerk	1	1	2
Municipal Court Assistant	1	1	0
Total	3	3	3

Performance Measures

<i>Our Workload</i>	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
Number of citations filed	1,819	1,540	1,700	2,000
Number of warrants issued	503	670	478	600
Number of juvenile citations filed	99	25	36	35
Number of property/evidence hearing cases	0	0	2	6
<i>Measuring our Effectiveness</i>				
# of case files created within 24 hours of citation receipt	100%	100%	100%	100%
# of warrants issued within 30 days of failure to appear	96%	97%	97%	97%

TECHNOLOGY SERVICES

Budget Summary

TECHNOLOGY SERVICES	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	0	0	0	0
Materials & Supplies	0	0	0	0
Services	0	0	0	13,150
Maintenance	443	160,315	160,000	156,127
Total	443	160,315	160,000	169,277

ECONOMIC DEVELOPMENT

Our Mission

To promote, develop and enhance community and business development.

Description of our Services

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



Strategic Focus

Business Development

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

Community Development

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

2019-2020 Business Plans (Objectives)

- Determine what type of development regulations should be adopted by the City (e.g., zoning, aesthetics, and historic character). Define the area to be included in the regulations- citywide, downtown, along corridors, or the priority area of Action Plan.
- Develop landscaping regulations for nonresidential and multiple family developments, particularly within the priority area of Action Plan.
- Consider financial feasibility of establishing a TIRZ that encompasses the downtown and/or waterfront areas.
- Adopt a parkland and trail dedication ordinance that requires land dedication (or fee-in-lieu) for parks and improvements. The ordinance should also require developers to dedicate and construct trails in accordance with the trails master plan.
- Require new nonresidential developments along major thoroughfares and collector roadways to provide cross-access to adjacent developments to reduce the number of curb-cuts.
- Renovate amenities such as the Southern Pacific Depot, Main Street Theatre, and Fire Station.
- Identify the desired placement and path of a boardwalk in Port Lavaca. Consider developing a detailed plan for the boardwalk design.
- Establish a coordination meeting between the City and the PLMST Board of Directors to plan at least two joint events each calendar year.
- Continue to work with FEMA, TDEM, GLO and other grant programs on Hurricane Harvey Recovery
- Focus Economic Development efforts on local, existing businesses, but continue recruitment of new business to Port Lavaca
- Continue a “Business Friendly” attitude with regard to platting and development
- Continue efforts to develop “downtown” and waterfront Port Lavaca
- Plan regular quarterly meetings with Economic Development Committee appointed by Mayor

2018-2019 Accomplishments of Prior Year Business Plans

- Identified a preferred location for watersport vendors
- Required 5' sidewalks along at least one side of the roadway in all new residential developments
- Worked with Mr. Eric Ho as he began infrastructure construction of a new housing development
- Worked with a new developer to bring Hampton Inn/ retail project to Port Lavaca near Wal-Mart
- Completed construction and various required documentation for the Bayfront Peninsula Pier and received reimbursement from FEMA
- Worked with project engineer to prepare plans and bid out the Formosa Wetlands Walkway and award a construction contract
- Assisted City Manager in applying for and receiving a \$200,000 Texas Parks & Wildlife Trails Grant for Bayfront Peninsula Park
- Constructed a sidewalk to complete the pedestrian walk from Light House Beach to Wal-Mart
- Monitored and maintained the face book page of the City and Economic Development
- Prepared RFP's, RFQ's and Request for Bids and coordinated the activities thereof, for various Hurricane Harvey recovery and other CIP projects
- Prepared research and backup information memos for the Planning Board regarding items on their agendas

Budget Summary

Economic Development (ED)	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	98,924	103,950	98,000	109,185
Materials & Supplies	464	2,500	2,000	2,500
Services	5,678	11,000	10,000	9,500
Maintenance	9,000	0	0	0
Sundry	0	35,000	10,000	40,000
Capital Expenditures	0	30,000	30,000	30,000
Total Economic Dev.	114,066	182,450	150,000	191,185

2019- 2020 Major Additions: Boardwalk design

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Economic Dev./Engineering/Planning	1	1	1
Total	1	1	1

Performance Measures

<i>Our Workload</i>	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
# of Commercial Projects Approved			5	5
# of Port Lavaca Pride Grants processed	1		3	3
# of Economic Development Projects		1	1	2
<i>Measuring our Effectiveness</i>				
% of business leads that choose to locate in Port Lavaca/Calhoun County				

FINANCE

Our Mission

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

Description of our Services

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



Strategic Focus

Governance

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

Infrastructure

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

2019-2020 Business Plans (Objectives)

- Cross train new employee as utility billing customer service clerk
- Ensure adequate funding resources to support the Plan Port Lavaca actions by maintaining checklist of upcoming budget needs and requests
- Consider financial feasibility of establishing a TIRZ that encompasses the downtown and/or waterfront areas
- Continue to improve the budget document to create an easy, understandable format for our citizens by adding more notes and comments of explanation
- Earn the Certificate of Achievement for Excellence in Financial Reporting Award from GFOA

2018-2019 Accomplishments of Prior Year Business Plans

- Provided budget document earlier in the budget year
- Received CAFR Award
- Updated website for the Finance Department
- Prepared Hurricane Procedures for Finance Dept.
- Prepared Capital Expenditures Schedule for all departments
- Prepared Fund Balance Schedule for major funds
- Provided 5 Year Projections for HOT funds, sales tax, and property tax

Budget Summary

Finance	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	203,273	206,400	170,000	238,025
Materials & Supplies	6,802	9,000	8,700	9,000
Services	5,194	9,700	6,000	9,700
Maintenance	0	1,000	0	1,000
Total Finance	215,270	226,100	184,700	257,725

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Finance Director	1	1	1
Senior Accountant	1	0	1
Accountant	0	1	1
Accounting Clerk	1	1	1
Temporary Accounting Clerk	0	0	0
Total	3	3	4

Performance Measures

	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
<i>Our Workload</i>				
Average number of invoices processed	4647	4652	4650	4700
Average number of vendor checks issued	2168	2177	2180	2200
Average number of payroll checks/ACH issued	2716	2710	2711	2720
Number of manual journal entries	2755	2725	2720	2715
<i>Measuring our Effectiveness</i>				
GFOA's Distinguished Budget Presentation Award received	0	1	1	1
GFOA's Excellence in Financial Reporting Award received	1	1	1	1
Audit receives a clean opinion	Yes	Yes	Yes	Yes

CITY HALL

Description of our Services

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

2019-2020 Business Plans (Objectives)

- Install building security
- Recoat roof

2018-2019 Accomplishments of Prior Year Business Plans

- Painted and touched-up numerous public areas throughout City Hall
- Renovated customer waiting area, on Mahan Street side, with public seating and accessories

Budget Summary

City Hall	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	4,914	6,225	3,200	5,916
Materials & Supplies	16,308	13,000	12,500	12,000
Services	43,386	57,450	36,000	57,450
Maintenance	54,872	6,000	9,000	6,000
Capital Expenditures	6,862	200,000	200,000	70,000
Total City Hall	126,342	282,675	260,700	151,366

2019- 2020 Major Additions: Building Security

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Janitor	1	1	1
Contracted Service Position	0	0	0
Total	1	1	1

POLICE

Our Mission

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

Description of our Services

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

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



Strategic Focus

Governance

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

Quality of Life

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



2019-2020 Business Plans (Objectives)

- Develop two-year plan for consolidated dispatch
- Develop recruitment plan for Police Department
- Lay the foundation for community programs such as Civilian Patrol and Youth Explorers
- Lay the foundation for an area training hub
- Utilize grant funding for special projects

2018-2019 Accomplishments of Prior Year Business Plans

- Revamped field training program
- Utilized grant funding for special projects (TXDOT STEP)
- Continued to identify leaders in the organization and provided appropriate training
- Submitted grant funding for Communications Project (Dispatch / radios)

Budget Summary

Police	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	1,605,249	1,657,900	1,560,000	1,979,100
Materials & Supplies	77,898	76,315	67,000	73,921
Services	133,071	91,420	77,500	77,670
Maintenance	76,147	70,000	50,000	49,000
Sundry	0	2,000	0	2,000
Capital Expenditures	47,361	38,000	85,000	112,113
Total Police	1,939,727	1,935,635	1,839,500	2,293,804

2019- 2020 Major Additions: Purchase vehicle, watchguard in-car and body cameras and parking lot improvement

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Police Chief – Exempt	1	1	1
Police Lieutenant – Exempt	2	2	2
Patrol Sergeants	2	2	2
Patrol Corporals	4	4	4
Patrol Officers	9	9	9
Police Detectives	3	3	3
Administrative Assistant/Lead	1	1	1
Dispatchers	4	4	4
Part-time dispatchers	3	3	3
Record's Clerk	1	1	1
Total	30	30	30

Performance Measures

<i>Our Workload</i>	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
Number of community programs & events attended by department personnel	149	154	73	156
Number of training hours received by department personnel	2,110	2,457	1,006	2,500
Total number of calls for service	10,592	9,042	3,359	8,060
Number of officer initiated calls	9,692	14,187	5,918	14,200
Number of traffic citations	1,381	1,081	353	850
Number of warnings	2,516	4,199	1,880	4,500
Number of motor vehicle accidents worked by patrol	380	202	103	250
<i>Measuring our Effectiveness</i>				
Average response time to calls in minutes	5:53	5:03	1:46	5:50
Number of cases assigned to CID	593	354	107	500
Number of cases cleared by arrest	94	66	11	100

FIRE

Our Mission

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

Description of our services

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



Strategic Focus

Governance

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

Quality of Life

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

2019-2020 Business Plans (Objectives)

- Continue the Fire Prevention Program within community schools
- Continue the Smoke Detector Program within the community
- Reduce employee turnover rate
- Eliminate fire hazards and ensure access and firefighting capabilities through the department's Plan Review and Inspection Programs
- Foster and maintain an atmosphere of mutual cooperation throughout the community
- Ensure fiscal responsibility while delivering the highest level of customer service possible
- Respond rapidly to emergency incidents to minimize the loss of life, damage to property, and economic impact upon the community

2018-2019 Accomplishments of Prior Year Business Plans

- Purchased and installed apparatus communications in the form of headsets for three apparatus
- Repaired foundation damage at Fire Station 2
- Increased volunteer staffing
- Received four sets of wildland firefighting jumpsuits from INEOS
- Four firefighters attended rope rescue training school with DOW Chemical
- Continued quarterly training with county volunteer fire departments and currently have two of those departments attending training with us twice a month to achieve firefighter certifications

Budget Summary

Fire	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	1,001,444	1,046,100	900,000	1,118,500
Materials & Supplies	92,872	54,475	53,800	56,975
Services	61,405	70,442	48,000	62,300
Maintenance	44,564	58,400	58,000	58,400
Sundry	49,680	2,500	2,500	2,600
Capital Expenditures	66,309	66,000	66,000	65,000
Total Fire	1,316,275	1,297,917	1,128,300	1,363,775

2019- 2020 Major Additions: Purchase radios & repeater, repeater building and station PA's

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Fire Chief – Exempt	1	1	1
Fire Captain	3	3	3
Fire Lieutenant	3	3	3
Firefighter / App. Operator	10	9	9
Total	17	16	16

Performance Measures

<i>Our Workload</i>	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
Number of fire safety classes	62	60	65	65
Number of participants in fire safety classes	2,400	2,200	2,450	2,450
Number of smoke detectors installed for residents	30	52	65	65
Number of Inspections per month	35	20	40	45
<i>Measuring our Effectiveness</i>				
Percentage of Port Lavaca and Calhoun County Schools receiving education classes	99%	99%	99%	99%
Number of joint training hours with outside agencies	330	300	350	350
Number of required/actual certifications maintained	50/98	50/98	50/98	50/98

ANIMAL CONTROL

Our Mission

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

Description of our Services

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



Strategic Focus

Governance

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

Quality of Life

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

2019-2020 Business Plans (Objectives)

- Improve shelter with needed repairs
- Work toward a no kill shelter
- Continue to Improve positive image within Calhoun County
- Continue to maintain partnership with Humane Society

2018-2019 Accomplishments of Prior Year Business Plans

- Purchased incinerator
- Replaced outdoor fans
- Provided officers with equipment to effectively perform duties
- Reinstated trap loan out program

Budget Summary

Animal Control	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	58,128	94,350	78,000	89,275
Materials & Supplies	8,311	9,050	8,200	9,150
Services	15,198	12,350	12,000	11,750
Maintenance	19,068	5,750	9,300	13,650
Sundry	0	0	0	0
Capital Expenditures	0	11,500	11,100	0
Total Animal Control	100,704	133,000	118,600	123,825

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Animal Control Officers	2	2	2
Total	2	2	2

Performance Measures

<i>Our Workload</i>	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
Community education programs	0	2	1	0
Number of animals picked up	1,183	460	1,020	1,020
Number of dead animals picked up	128	78	140	140
Calls for service	1,146	1,000	1,131	1,131
<i>Measuring our Effectiveness</i>				
Average response time to pick up animals	13 minutes	12 minutes	12 minutes	12 minutes

CODE ENFORCEMENT

Our Mission

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

Description of our Services

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



Strategic Focus

Governance

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

Quality of Life

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

2019-2020 Business Plans (Objectives)

- Streamline permit procedure including forms, review drawings paperless etc.
- Scan and archive drawings on external hard drive so space at City Hall is better used
- Plumbing inspector certification
- Code enforcement certification

2018-2019 Accomplishments of Prior Year Business Plans

- Received plumbing inspector certification
- Streamlined many project approval processes
- Requested scanner in which is budgeted in Public Utility Fund
- Earl Hilscher received code enforcement and CSI training

Budget Summary

Code Enforcement	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	159,286	204,950	147,000	186,900
Materials & Supplies	6,278	8,800	8,300	6,150
Services	37,258	46,900	25,200	23,800
Maintenance	2,716	1,000	500	500
Capital Expenditures	8,000	0	3,000	0
Total Code Enforcement	213,538	261,650	184,000	217,350

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Building Official	1	1	1
Permit Clerk	1	0	0
Code Enforcement Officer	1	1	1
Office Assistant	1	1	1
Total	4	3	3

Performance Measures

	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
<i>Our Workload</i>				
Number of building permits issued	816	906	840	900
Number of garage sale permits issued	330	350	370	350
Number of building inspections completed	740	814	780	900
Number of code enforcement inspections	1690	1859	1200	1500
<i>Measuring our Effectiveness</i>				
Percentage of building inspections completed within 2 business days	100%	100%	100%	100%
Response to code enforcement requests within 1 business day	100%	100%	100%	100%

STREETS

Our Mission

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

Description of our Services

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



Strategic Focus

Infrastructure

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

Quality of Life

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

2019-2020 Business Plans (Objectives)

- Continue sweeping streets, patching potholes and maintaining the streets
- Reconstruct Jackson Street from Seadrift to Third
- Reconstruct George Street from Half League to Arthur

2018-2019 Accomplishments of Prior Year Business Plans

- Completed rehab of Bonorden Subdivision
- Completed rehab of Ann & Benavides
- Completed three (3) miles of sealcoat

Budget Summary

Streets	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	523,242	585,600	483,000	728,850
Materials & Supplies	32,559	30,500	27,000	32,000
Services	118,929	260,000	152,500	252,800
Maintenance	245,393	291,000	75,000	295,500
Sundry	1,139,483	425,000	425,000	1,798,000
Capital Expenditures	83,635	170,000	170,000	50,000
Total Streets	2,143,241	1,762,100	1,332,500	3,157,150

2019- 2020 Major Additions: Sealcoat program, sidewalks, Ann & Benavides St., Jackson St. from Seadrift to 3rd St., and George St. from Half League to Border St.

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Public Works Director*	½*	½*	½*
Administrative Assistant*	½*	½*	½*
Maintenance Superintendent	1	1	1
Heavy Equipment Operators	4	4	4
Maintenance Workers	4	4	4
Temporary Workers (Summer)	5	5	5
Total	15	15	15

*Position funded ½ Utility Maintenance

Performance Measures

Our Workload	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
Miles of curb swept by street sweeper	230	195	240	250
Tons of litter and debris removed	190	175	150	200
Measuring our Effectiveness				
% of emergency calls responded to within 4 hrs.	97%	99%	99%	100%

PARKS

Our Mission

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

Description of our Services

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



Strategic Focus

Infrastructure

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

Community Development

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

Quality of Life

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

2019-2020 Business Plans (Objectives)

- Adopt a parkland and trail dedication ordinance that requires land dedication (or fee-in-lieu) for parks and improvements. The ordinance should also require developers to dedicate and construct trails in accordance with the trails master plan.
- Complete the planned improvements at Wilson Park and Bayfront Park
- Identify the desired placement and path of a boardwalk in Port Lavaca. Consider developing a detailed plan for the boardwalk design.
- Repair cabanas at Tilley Park
- Install new water fountain at Butterfly Park
- Replaced old landscape timber at Tilley Park with new timber
- Replaced old landscape timber at Wilson Park with new timber
- Upgrade pool area

2018-2019 Accomplishments of Prior Year Business Plans

- Required 5' sidewalks along at least one side of the roadway in all new residential developments.
- Repaired LH Beach boat ramp
- Replaced new roof at LH Beach recreation center, bathhouse and fishing restrooms
- Installed new volleyball poles at Tilley Park with new sand
- Performed electrical work at the Bayfront Pavilion

Budget Summary

Parks & Recreation	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	183,528	248,100	201,000	233,525
Materials & Supplies	22,161	31,500	28,200	43,250
Services	51,197	49,800	39,600	49,700
Maintenance	61,084	52,000	34,200	54,000
Capital Expenditures	38,710	1,111,500	1,111,500	299,000
Total Parks & Recreation	356,680	1,492,900	1,414,500	679,475

2019 - 2020 Major Additions: Dog park, skate park, purchase utility trailer and Kawasaki mule, depot building improvements, depot parking lot and Bayfront parking lot

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Lead Parks Maintenance Worker	1	1	1
Maintenance Workers	4	4	4
Temporary Worker (Summer)	1	1	1
Total	6	6	6

Performance Measures

Our Workload	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
Acres of park grounds maintained	170.4	172.6	172.6	150.47
Number of playground inspections performed	20	32	30	20
Measuring our Effectiveness				
% of park maintenance completed on time	95%	90%	98%	100%

BAUER CENTER



Our Mission

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

Description of our Services

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



Strategic Focus

Business Development

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

Community Development

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

Quality of Life

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

2019-2020 Business Plans (Objectives)

- Create a more extensive marketing plan
- Continue long range maintenance program for the facility

2018-2019 Accomplishments of Prior Year Business Plans

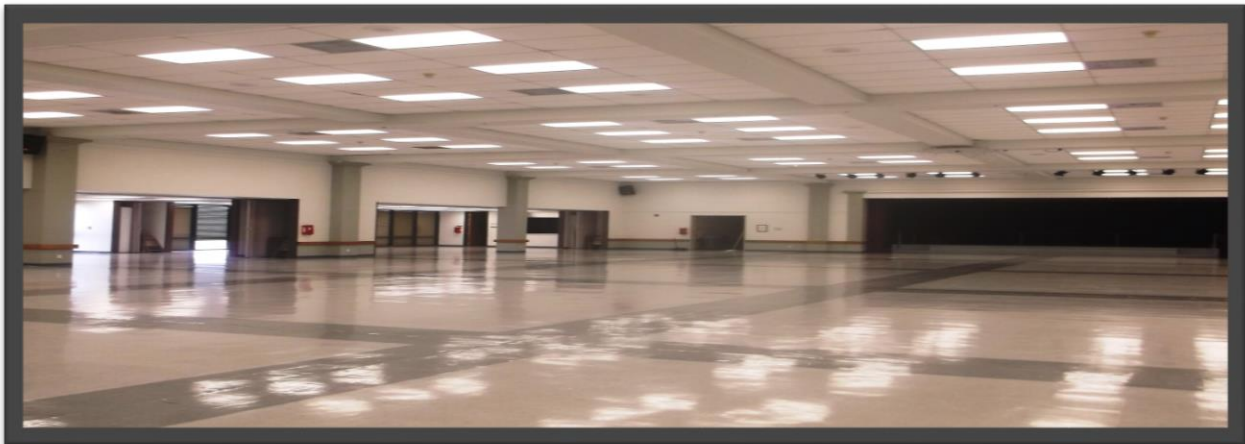
- Upgraded audio equipment
- Replaced roof
- Building remodeled due to Hurricane Harvey damages

Budget Summary

Bauer Center	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	62,707	74,575	75,000	103,400
Materials & Supplies	2,585	7,900	8,000	7,900
Services	92,229	109,600	100,000	114,600
Maintenance	125,394	98,600	37,000	30,950
Capital Expenditures	0	500,000	500,000	0
Total Bauer Center	282,914	790,675	720,000	256,850

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Maintenance Workers	2	2	1
Parks Facilities Supervisor	0	0	1
Total	2	2	2



NON-DEPARTMENTAL

Description of our Services

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

Contingency

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

Fixed Asset Replacement Fund (FARF) Allocations

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

Budget Summary

Non-Departmental	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	56,789	217,966	45,000	28,875
Services	391,885	421,787	324,700	413,487
Maintenance	87,606	2,000	2,000	2,000
Sundry	260,071	411,415	267,000	894,310
Capital Expenditures	0	0	0	0
Total Non-Departmental	796,351	1,053,168	638,700	1,338,672

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ENTERPRISE FUNDS



PUBLIC UTILITY FUND

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

Enterprise and Special Revenue Funds

Public Utility Fund

Water & Sewer Revenue

The water and wastewater operations are funded primarily through user fees. The City purchases water from the Guadalupe-Blanco River Authority. The City has to set rates to cover the purchased water cost along with the cost to maintain and repair the City's infrastructure. The City did not increase water or sewer rates. The City's last rate increase was October 1, 2016. The City estimates revenue based on historical trends that consider weather and consumption history. *The City budgeted to use reserves of \$1,993,000 to fund capital projects.*

Garbage Fees

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

Beach Fund

RV rentals are the largest user fee in this fund and are estimated to be \$240,000, or 83% of total current revenue. In addition, the City charges gate fees, cabana rentals and pavilion rentals. Revenue assumptions are based on department input, economic indicators, change in rates and historical trends.

Port Commission Fund

The Port Commission charges for service fees such as tariffs, dock leases and building leases on the City's harbor and dock facilities. The City anticipates revenue to increase over prior year based on assumptions of the Harbor Master and historical usage data. *The City budgeted to use reserves of 514,453 to fund capital improvements.*

All Major Funds

User & Service Charges

This type of charge can be found in the General Fund, Public Utility Fund, Beach Fund and Port Commission Fund. These fees account for 31% of citywide revenue. Less than 1% of the General Fund revenue comes from service fees. However, this is 72% of the Public Utility Fund's revenue source, 98% of the Beach Fund revenue and 97% of the Port Commission Fund revenue. These percentages exclude depreciation reserves (working capital) to fund capital projects.

Fines & Forfeitures

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

Other Revenue

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

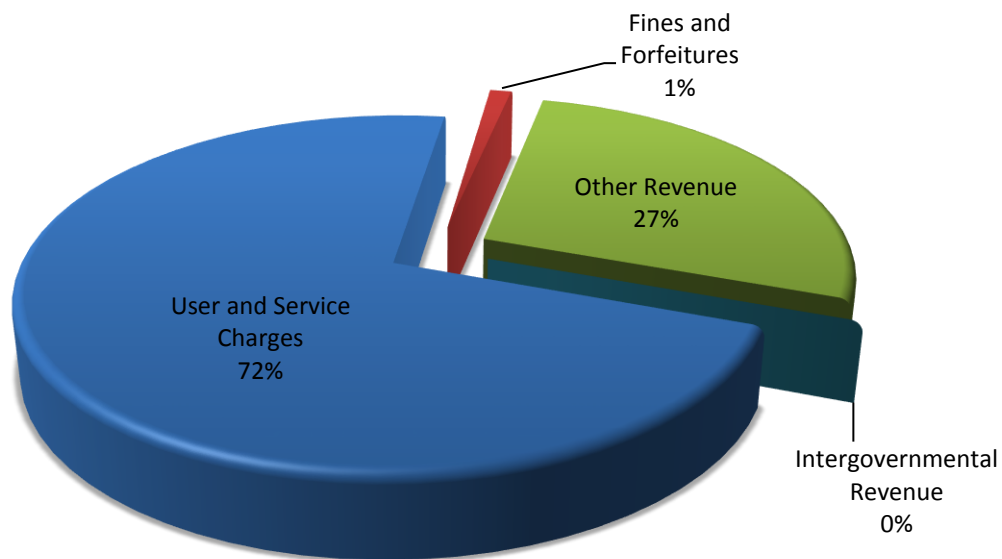
Total City Revenue

The Fiscal Year 2019-2020 budgeted revenues for the City totaled \$21,482,629. This is *up \$614,587* or 2.86% more than prior year's budget. This is attributable to funding various capital projects with depreciation reserves.

Public Utility Fund Revenue

Revenue Summary	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020	Variance
User and Service Charges	5,608,258	5,354,500	5,478,140	5,555,000	200,500
Fines and Forfeitures	96,532	85,000	90,000	85,000	0
Other Revenue	168,128	2,583,163	2,668,264	2,100,216	-482,947
Grant and Contributions	0	0	0	0	0
Intergovernmental Rev.	264,754	0	0	0	0
Total Revenues	6,137,671	8,022,663	8,236,404	7,740,216	-282,447

Public Utility Fund Revenue



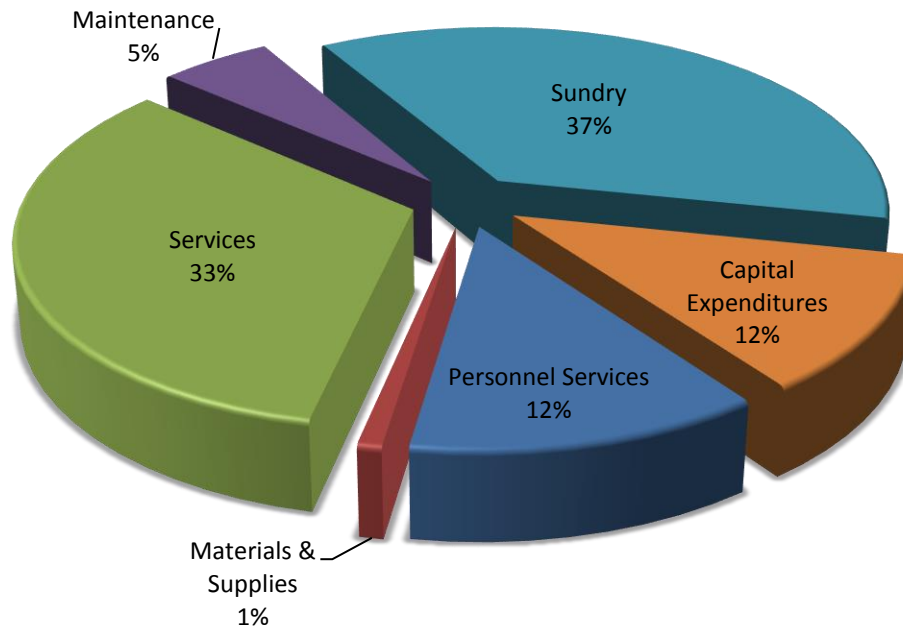
Public Utility Revenue Detail

Public Utility Fund Revenue	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
User & Service Charges				
Water- Metered	2,435,561	2,400,000	2,300,000	2,400,000
Water- Bulk	1,143	0	0	0
Water- Metered County	82,952	80,000	81,000	80,000
Sewer Residential	1,243,591	1,170,000	1,171,000	1,170,000
Sewer Commercial	779,648	780,000	800,000	775,000
Sewer County	37,554	35,000	37,000	35,000
Sewer- Low Pressure (LPSS)	300	0	240	0
Waste- Garbage Collection	694,893	685,000	695,000	685,000
Spring Cleanup	95,036	60,000	110,000	87,000
GBRA Fees	133,489	75,000	200,000	250,000
Water Taps	16,881	10,000	13,000	10,000
Sewer Taps	10,654	5,000	6,000	5,000
Service Call Fees	9,403	1,000	6,500	1,000
Service Transfer Fees	900	1,000	900	1,000
Service Reconnection Fees	51,436	40,000	45,000	45,000
Service Temporary Water	1,485	1,500	1,000	1,000
Sales Tax- Garbage	13,331	11,000	11,500	10,000
Total User & Service Charges	5,608,258	5,354,500	5,478,140	5,555,000
Fines & Forfeitures				
Late Payment Penalties	96,532	85,000	90,000	85,000
Cash Over- Utility Billing	0	0	0	0
Total Fine & Forfeitures	96,532	85,000	90,000	85,000
Other Revenue				
Interest Income	102,850	20,000	100,000	50,000
Returned Check Fees	1,140	1,000	1,300	1,000
Bad Debt Account Collection	12,639	10,000	8,000	7,500
CCRWSS- GBRA Transmission	44,647	40,000	41,500	30,000
Auction Proceeds	0	0	0	0
TML Reimbursements	2,596	0	5,300	2,500
Miscellaneous	4,256	0	1	0
Equity Balance Forward	0	2,512,163	2,512,163	2,009,216
Total Other Revenue	168,128	2,583,163	2,668,264	2,100,216
Grant & Contributions				
Capital Contributions	0	0	0	0
Total Grant & Contributions	0	0	0	0
Intergovernmental Revenue				
Transfer In- Various Funds	262,905	0	0	0
Transfer In- Fund 136	1,849	0	0	0
Total Intergovernmental Revenue	264,754	0	0	0
Total Public Utility Revenue	6,137,671	8,022,663	8,236,404	7,740,216

Public Utility Expenditures by Function

Expenditures by Function	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020	Variance
Personnel Services	832,742	819,175	700,500	961,025	141,850
Materials & Supplies	67,708	70,600	57,200	67,000	-3,600
Services	2,288,513	2,655,542	2,148,500	2,559,987	-95,555
Maintenance	438,587	370,300	281,016	409,722	39,422
Sundry	1,322,492	3,021,026	2,778,440	2,834,482	-186,544
Capital Expenditures	0	1,086,020	1,086,020	908,000	-178,020
Total Expenditures	4,950,043	8,022,663	7,051,676	7,740,216	-282,447

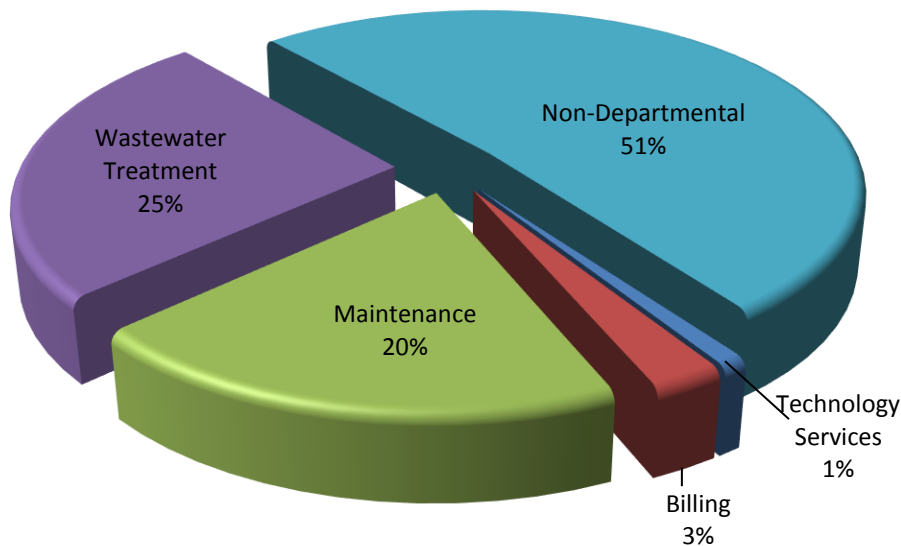
Expenditure by Function



Public Utility Expenditures by Department

Expenditures by Department	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020	Variance
Technology Services	0	40,500	39,916	73,072	0
Billing	249,220	207,200	193,780	202,675	-4,525
Maintenance	701,395	1,766,010	1,620,460	1,526,125	-239,885
Wastewater Treatment	782,804	2,085,470	1,869,520	1,961,750	-123,720
Non-Departmental	3,216,624	3,923,483	3,328,000	3,976,594	53,111
Total Expenses	4,950,043	8,022,663	7,051,676	7,740,216	-315,019

Expenditure by Department



Departmental Summaries

TECHNOLOGY SERVICES

Budget Summary

Technology Services	Actual FY 20 17-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	0	0	0	0
Materials &Supplies	0	0	0	0
Services	0	0	0	4,350
Maintenance	0	40,500	39,916	68,722
Sundry	0	0	0	0
Capital Expenditures	0	0	0	0
Total Technology Services	0	40,500	39,916	73,072

UTILITY BILLING

Our Mission

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

Description of our Services

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



Strategic Focus

Governance

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

Infrastructure

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

2019-2020 Business Plans (Objectives)

- Cross train new accounting clerk as a customer service clerk
- Respond within twenty-four hours to complaints regarding water leaks to reduce water loss
- Continue to enhance the web page for the department
- Continue to reduce paper by digitally archiving application forms and other documents
- Continue to scan documents pertaining to utility billing
- Encourage customers to sign up for auto-draft, on-line payments on City's website and/or use the IVR Program and pay by phone

2018-2019 Accomplishments of Prior Year Business Plans

- Installed NOTIFY Program from Tyler Technologies as another means to alert late paying customers that the bill is due- this would also help with service fees
- Continued use of utility bills as an avenue to share city information
- Participated in the annual Flip Flop Festival, Iguana Fest & Star Spangled Bay Bash
- Installed IVR (Interactive Voice Response) Program for customers to pay bills by phone
- Installed Incode NOTIFY Program for improved customer service

Budget Summary

Utility Billing	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	185,010	156,900	150,000	157,175
Materials &Supplies	2,740	3,700	1,700	3,200
Services	33,317	43,200	40,000	39,700
Maintenance	28,052	3,400	2,100	2,600
Sundry	100	0	-20	0
Capital Expenditures	0	0	0	0
Total Utility Billing	249,220	207,200	193,780	202,675

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Customer Service Specialist	2	2	2
Account Billing Clerk	1	1	1
Total	3	3	3

Performance Measures

<i>Our Workload</i>	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
Number of utility account bills generated	57,972	58,029	58,000	58,100
Number of utility payments received	42,710	43,137	43,000	43,100
Number of port commission bills generated	880	890	885	887
Number of port commission payments received	657	663	660	663
Number of bad debt write offs	259	130	150	145
Amount of bad debt recoveries	3,555	3,520	3550	2800
Meter reading service orders generated	4,975	5,029	5,100	5,000
<i>Measuring our Effectiveness</i>				
Percentage of monthly bills posted to customer accounts on time	100%	100%	100%	100%
Percentage of billing adjustments to correct meter reading and/or billing errors	Less than 1%	Less than 1%	Less than 1%	Less than 1%
Number of work orders outstanding after thirty (30) days	0	0	0	0

MAINTENANCE

Our Mission

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

Description of our Services

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



Strategic Focus

Infrastructure

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

Quality of Life

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

2019-2020 Business Plans (Objectives)

- Continue to repair water & sewer issues as they are reported
- Replace water line on Brookhollow Drive
- Replace water line on Broadway
- Replace Deshazor sewer line phase I

2018-2019 Accomplishments of Prior Year Business Plans

- Replaced water line and sewer line on Virginia Street from Austin to South
- Repaired water line breaks
- Addressed sewer complaints

Budget Summary

Maintenance	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	455,001	437,000	384,000	563,625
Materials & Supplies	37,174	31,700	24,000	31,700
Services	36,492	123,450	58,000	38,400
Maintenance	172,729	146,400	127,000	146,400
Sundry	0	1,027,460	1,027,460	690,000
Capital Expenditures	0	0	0	56,000
Total Maintenance	701,395	1,766,010	1,620,460	1,526,125

2019-2020 Major Additions: Jackson St. water line, Indianola from Austin to Main/ Leona, Brookhollow Dr. water line, Broadway water line, ½ ton pickup, water line development (Hwy 35 & Tiney Browning), GIS software & training and Fire Hydrant @ 238 West of Henry Barber Way

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Public Works Director*	½*	½*	½*
Administrative Assistant*	½*	½*	½*
Utility Superintendent	1	1	1
Utility Operator	1	1	1
Heavy Equipment Operator	3	3	3
Utility Maintenance Workers	4	4	4
Total	10	10	10

*Position funded ½ by Streets

Performance Measures

<i>Our Workload</i>	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
Number of work orders completed	425	650	650	600
Number of quality samples taken	136	136	136	136
Number of water main leaks repaired	103	74	75	75
<i>Measuring our Effectiveness</i>				
Water service complaints as a % of total customer accounts	Less than 1 %	Less than 1 %	Less than 1 %	Less than 1 %
Sewer service complaints as a % of total customer accounts	Less than 1 %	Less than 1 %	Less than 1 %	Less than 1 %

WASTEWATER

Our Mission

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

Description of our Services

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



Strategic Focus

Infrastructure

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

2019-2020 Business Plans (Objectives)

- Rehabilitate collection system lift stations starting with Lynnhaven & Hill Terrace
- Rehabilitate grit and clarifier #2 at wastewater plant
- Rehabilitate lab and office building at wastewater plant
- Rehabilitate sludge building and appurtenances

2018-2019 Accomplishments of Prior Year Business Plans

- Changed Evelyn's lift station from single pump to duplex pump system
- Installed external alarms on several lift stations missing alarms
- Purchased pumps for Lynnhaven and Alamo lift stations
- Installed new Doppler metering control for sludge disposal

Budget Summary

Wastewater Treatment	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	189,804	214,600	156,000	229,500
Materials & Supplies	27,794	35,200	31,500	32,100
Services	257,385	319,650	234,000	281,150
Maintenance	232,878	180,000	112,000	192,000
Sundry	74,943	250,000	250,000	375,000
Capital Expenditures	0	1,086,020	1,086,020	852,000
Total Wastewater Treatment	782,804	2,085,470	1,869,520	1,961,750

2019-2020 Major Additions: UV system, Center St. sewer line phase I, George St. from Half League to Border St., and lift stations rehab

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Wastewater Operator	1	1	2
Utility Operator	2	2	1
Maintenance Worker	1	1	1
Total	4	4	4

Performance Measures

Our Workload	Actual FY 2017-2018	Actual FY 2018-2019	Estimated FY 2018-2019	Projected FY 2019-2020
Total gallons of wastewater treated per year in millions	358.18	381.52	376.50	369.67
Number of sanitary sewer overflows	0	1	1	6
Tons of sludge per year	920.34	1,139.18	1,140.29	1,216.75
Measuring our Effectiveness				
Percentage of solids removed from wastewater treatment plant	96.29%	97.12%	97.90%	97.90%

NON-DEPARTMENTAL

Description of our Services

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

Contingency

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

Budget Summary

Non-Departmental	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	2,927	10,675	10,500	10,725
Services	1,961,319	2,169,242	1,816,500	2,196,387
Maintenance	4,929	0	0	0
Sundry	1,247,449	1,743,566	1,501,000	1,769,482
Total Non-Departmental	3,216,624	3,923,483	3,328,000	3,976,594





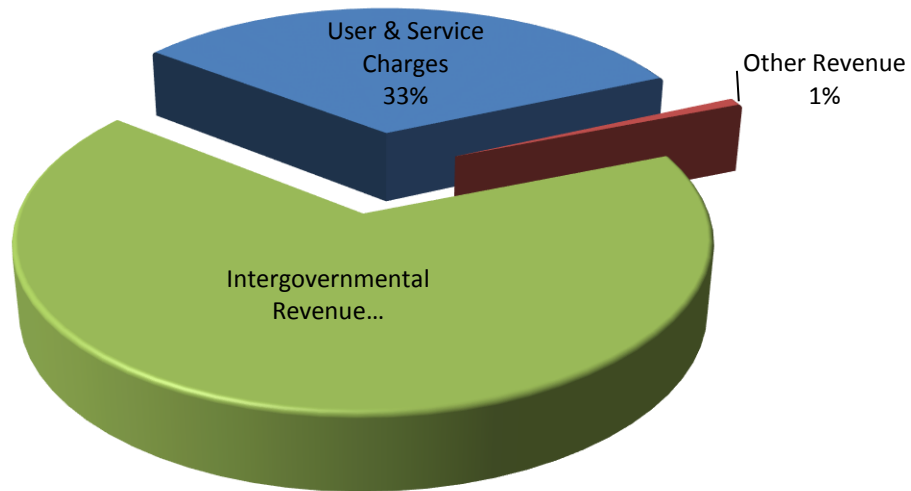
BEACH FUND

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

Beach Fund Revenue

Revenue Summary	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020	Variance
User & Service Charges	217,816	288,000	320,000	291,000	3,000
Other Revenue	14,933	614,587	614,000	6,684	-607,903
Intergovernmental Revenue	0	0	0	591,000	591,000
Total Beach Revenue	232,749	902,587	934,000	888,684	-13,903

Revenue by Receipt Type



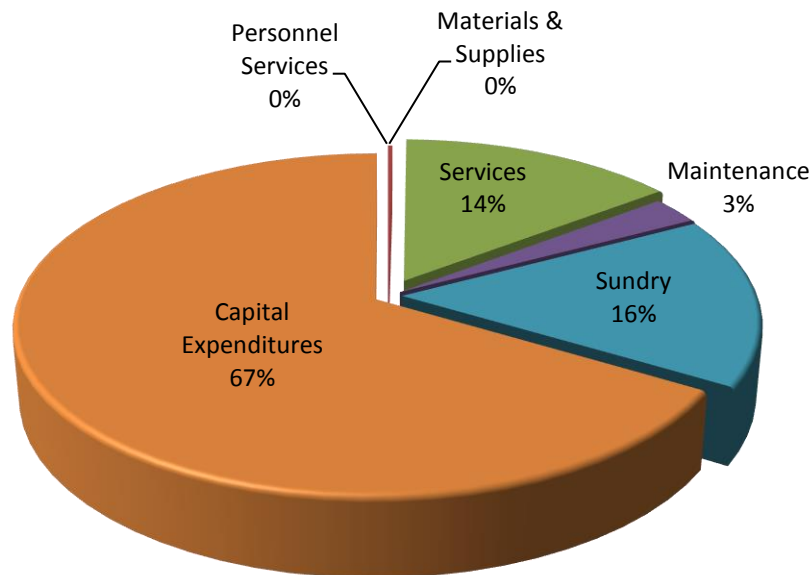
Beach Fund Revenue Detail

Beach Operating Revenue	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
User & Service Charges				
Beach Fees	33,385	60,000	20,000	50,000
R V Rentals	182,031	225,000	275,000	240,000
Pavilion Rentals	2,400	3,000	3,200	1,000
Total User & Service Charges	217,816	288,000	298,200	291,000
Other Revenue				
Interest Income	11,623	3,000	13,000	3,684
Auction Proceeds	0	0	0	0
TML Reimbursement	0	0	0	0
Washer-Dryer Income	2,959	3,000	2,600	3,000
Miscellaneous	350	0	0	0
Equity Balance Forward	0	608,587	608,587	0
Total Other Revenue	14,932	614,587	624,187	6,684
Intergovernmental Revenue				
Transfer In- Fund 001	0	0	0	591,000
Transfer In- Fund 162	0	0	0	0
Transfer In- Fund 218	0	0	0	0
Transfer In- Fund 221	0	0	0	0
Total Intergovernmental Revenue	0	0	0	591,000
Total Beach Revenue	232,748	902,587	922,387	888,684

Beach Fund Expenditures

Beach Operation Expenditures	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020	Variance
Personnel Services	16	40	31	40	0
Materials & Supplies	746	2,000	800	2,000	0
Services	99,823	129,093	78,900	128,793	-300
Maintenance	13,601	33,335	13,500	22,950	-10,385
Sundry	143,103	143,119	143,000	143,901	782
Capital Expenditures	-	595,000	595,000	591,000	-4,000
Total Beach Expense	257,288	902,587	831,231	888,684	-13,903

Expenditures by Function



Beach Fund Departmental Summary

BEACH OPERATIONS

Our Mission

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

Description of our Services

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

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



Strategic Focus

Infrastructure

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

Business Development

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

Community Development

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

Quality of Life

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

2019-2020 Business Plans (Objectives)

- Repair cabanas at beach and campground
- Paint cabanas and recreation center
- Replace palm tree for beach showers
- Install showers outside of bathhouse

2018-2019 Accomplishments of Prior Year Business Plans

- Installed new umbrellas for beach
- Provided plumbing at Lighthouse Beach
- Repaired showers at Lighthouse Beach

2019-2020 Major Additions: Formosa wetlands walkway, boat ramp repairs, re-roof pavilion, bathhouse remodel and install 28 RV pads





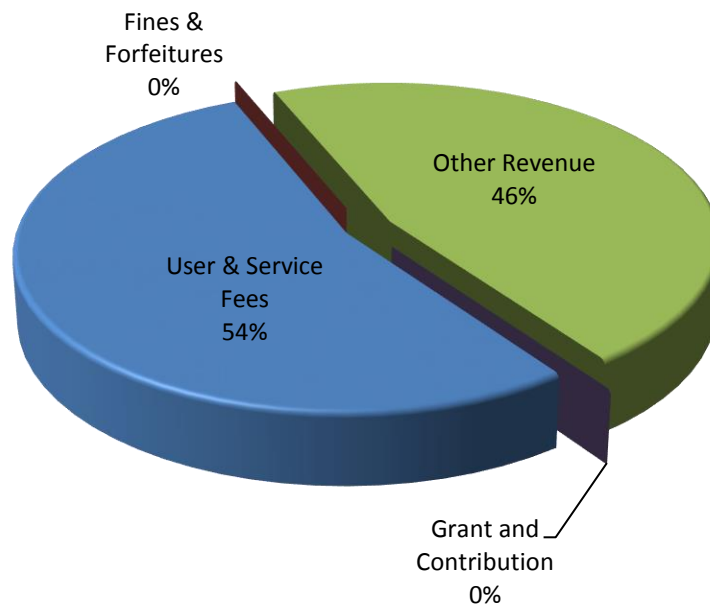
Port Revenue Fund

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

Port Revenue Fund Revenue

Revenue Summary	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020	Variance
User & Service Fees	472,276	550,000	602,000	621,500	71,500
Fines & Forfeitures	0	0	0	0	0
Other Revenue	31,483	368,375	1,498,190	533,503	165,128
Grant & Contributions	0	2,000	0	0	-2,000
Total Revenue	503,759	920,375	2,100,190	1,155,003	234,628

Revenue by Receipt Type



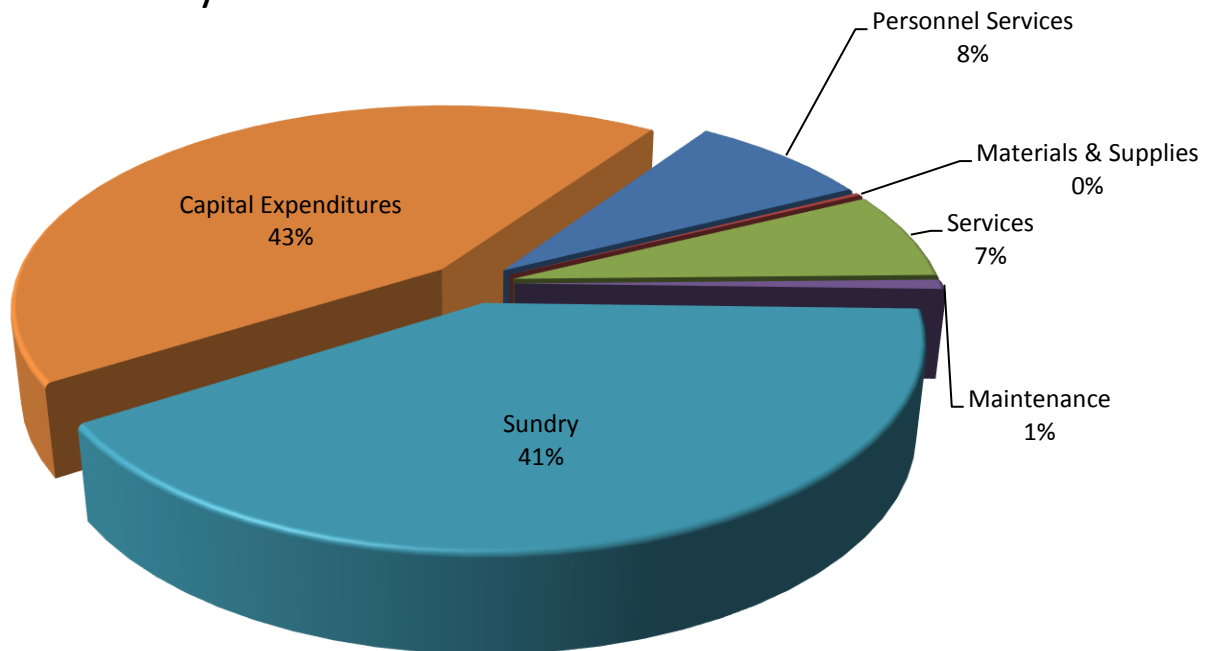
Port Revenue Fund Revenue Detail

Port Operational Revenue	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
User & Service Charges				
City Harbor- Dock Leases	86,370	95,000	97,000	95,000
Harbor of Refuge- Dock Rentals	2,661	0	15,000	0
Harbor of Refuge- Dock Leases	171,029	250,000	248,000	247,000
Harbor of Refuge- Tariffs	116,796	55,000	114,000	130,000
Nautical Landing- Dock Rent- Transient	0	0	0	1,000
Nautical Landing- Dock Leases	50,601	90,000	65,000	85,000
Nautical Landing- Building Leases	44,818	60,000	54,000	50,000
Nautical Landing- Building Rental	0	0	7,500	5,000
Smith Harbor Rent	0	0	1,500	8,500
Total User & Service Charges	472,276	550,000	602,000	621,500
Fines & Forfeitures				
Late Payment Penalties	0	0	0	0
Total Fines & Forfeitures	0	0	0	0
Other Revenue				
Interest Income	20,426	12,000	30,000	20,000
Other Financing Sources	0	0	0	0
2018 C. O. Proceeds	0	0	1,475,000	0
Auction Proceeds	0	0	2,075	0
Washer-Dryer Income	252	250	200	200
Miscellaneous	10,805	0	100	0
Equity Balance Forward	0	356,125	356,125	513,303
Total Other Revenue	31,483	368,375	1,863,500	533,503
Grant And Contribution				
General Land Office Reimbursement	0	2,000	0	0
Capital Contributions	0	0	0	0
Total Grant And Contribution	0	2,000	0	0
Intergovernmental Revenue				
Transfer in- Fund 001	0	0	0	0
Transfer in- Fund 165	0	0	0	0
Total Intergovernmental	0	0	0	0
Total Port Revenue	503,759	920,375	2,465,500	1,155,003

Port Revenue Fund Expenditures

Port Operation Expenditures	Actual FY 2017-2018	Final Amended FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020	Variance
Personnel Services	19,542	78,875	78,000	91,950	13,075
Materials & Supplies	2,574	5,100	5,100	2,600	-2,500
Services	-132,485	69,085	85,000	81,635	12,550
Maintenance	12,001	12,900	15,000	8,700	-4,200
Sundry	239,039	479,415	479,415	468,118	-11,297
Capital Expenditures	219,460	275,000	1,101,000	502,000	227,000
Total Expense	360,129	920,375	1,763,515	1,155,003	234,628

Expenditures by Function



Departmental Summary

PORT REVENUE FUND OPERATIONS

Our Mission

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

Description of our Services

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

- Rental of dock and harbor facilities
- Maintenance of dock, harbor facilities and channels
- Maintain associated buildings and physical assets
- Alternative funding options to upgrade the facilities



Strategic Focus

Infrastructure

Improve boat ramps, bulkheads, marina, and dock facilities

Business Development

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

Community Development

Port Lavaca is a culturally diverse community actively promoting tourism and encouraging economic development opportunities related to Port Lavaca's coastal resources.

2019-2020 Business Plans (Objectives)

- Consider financial feasibility of establishing a TIRZ that encompasses the downtown and/or waterfront areas
- Request Texas Marina designation for Nautical Landings Marina
- Install bulkhead at Harbor of Refuge
- Maintain lease agreements at facilities
- Market Harbor of Refuge and Nautical Landings Marina
- Dredge Nautical Landings Marina
- Support economic development
- Complete repairs at Nautical Landings Marina and building
- Complete Smith Harbor improvements

2018-2019 Accomplishments of Prior Year Business Plans

- Identified a preferred location for watersport vendors
- Updated leases at Nautical Landings Marina, Nautical Landings building, City Harbor and Harbor of Refuge
- Leased properties previously unleased
- Started the cleanup for Smith Harbor
- Started repairs at Nautical Landings Marina and building
- Started repairs at Evelyn's
- Dredged Light House Beach basin
- Developed plans for dredging at Nautical Landings Marina and Smith Harbor
- Evicted derelict boats from Nautical Landings Marina
- Processed paperwork and disposed five (5) abandoned boats

2019-2020 Major Additions: Harbor of Refuge Bulkhead EDA Grant & Harbor of Refuge land improvements

Budgeted Personnel

Position	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual
Harbor Master	1	1	1
Texas Workforce			
Temp. Maintenance Worker	0	1	0
Total	1	2	1



SPECIAL REVENUE FUNDS



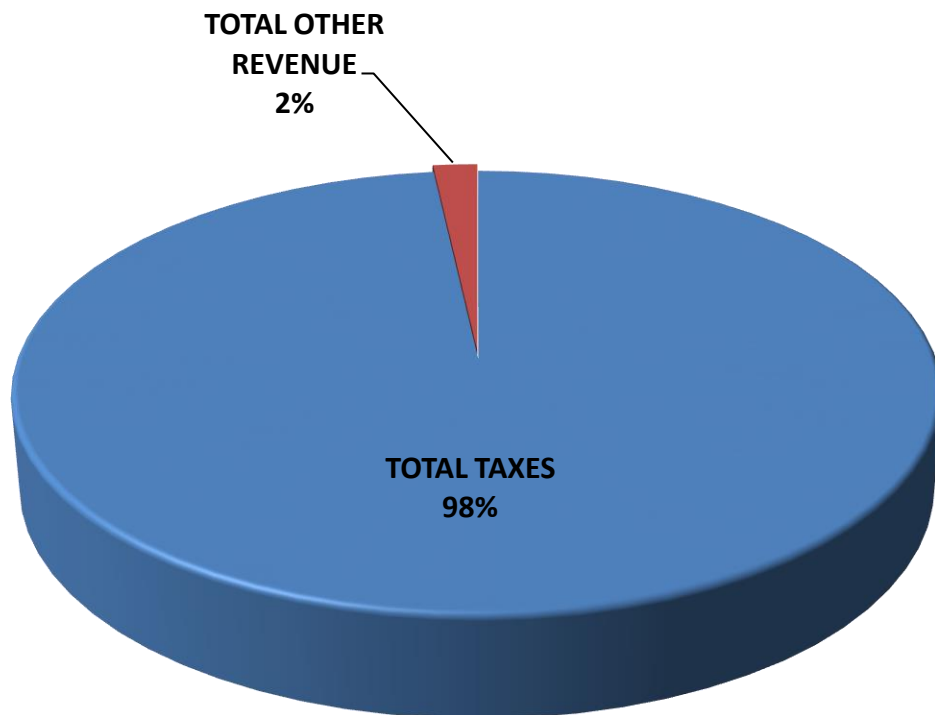
HOTEL MOTEL FUND

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

Hotel / Motel Revenue

Revenue Summary	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Taxes	656,156	546,075	525,000	550,000
Other Revenue	81,697	2,500	40,500	6,750
Total Revenue	737,853	548,575	565,500	556,750

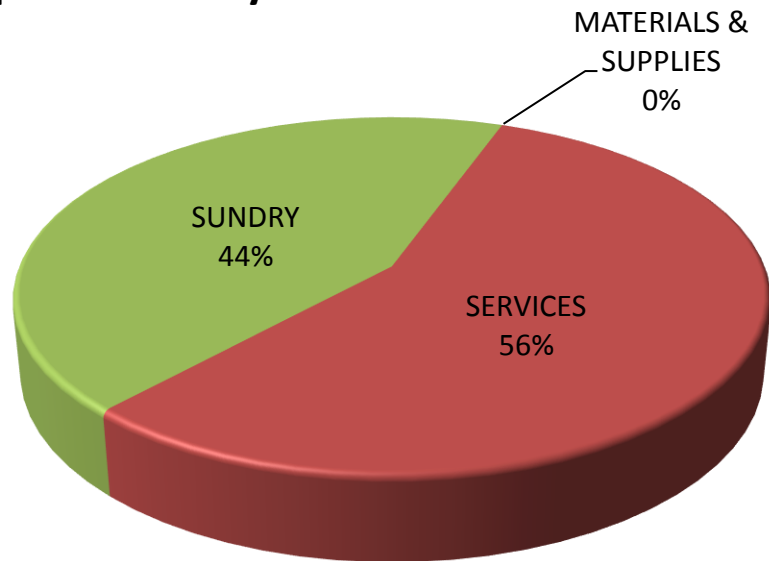
Hotel / Motel Revenue



Hotel / Motel Expenditures

Hotel Expenditures	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Materials & Supplies	0	0	0	0
Services	352,876	317,000	205,000	313,800
Sundry	181,000	231,575	1,041,361	242,950
Total Expense	533,876	548,575	1,246,361	556,750

Expenditures by Function

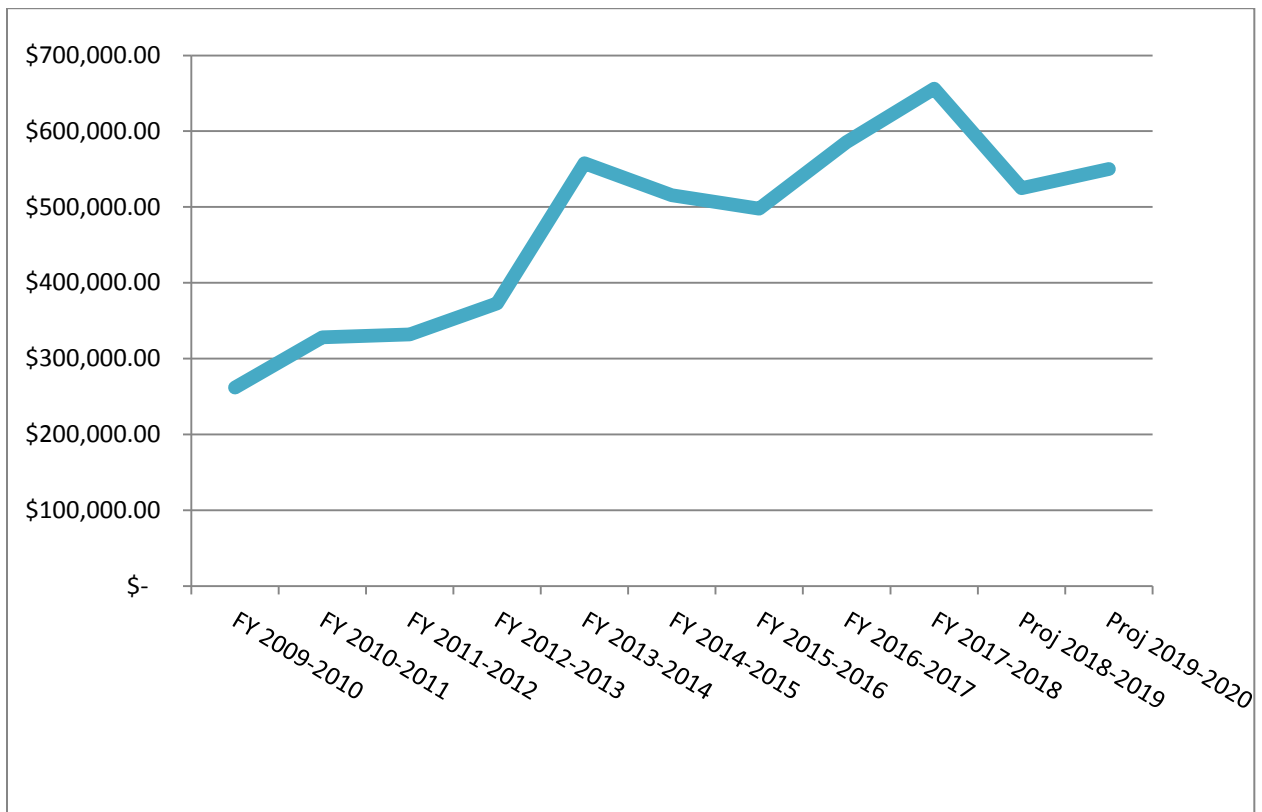


Hotel Occupancy Tax (HOT) Fund

Hotel Tax

All occupants staying overnight in hotels or motels in the City of Port Lavaca for a period less than 30 days, are charged a hotel tax of 13% of the room cost. The City receives 7% of the revenue. This money is used to promote the City of Port Lavaca following strict guidelines on the use of this tax set up by the State Comptroller's Office. Historical trends are used to estimate this revenue. The City budgeted conservatively with \$550,000.

HOTEL TREND





FORFEITURE FUND

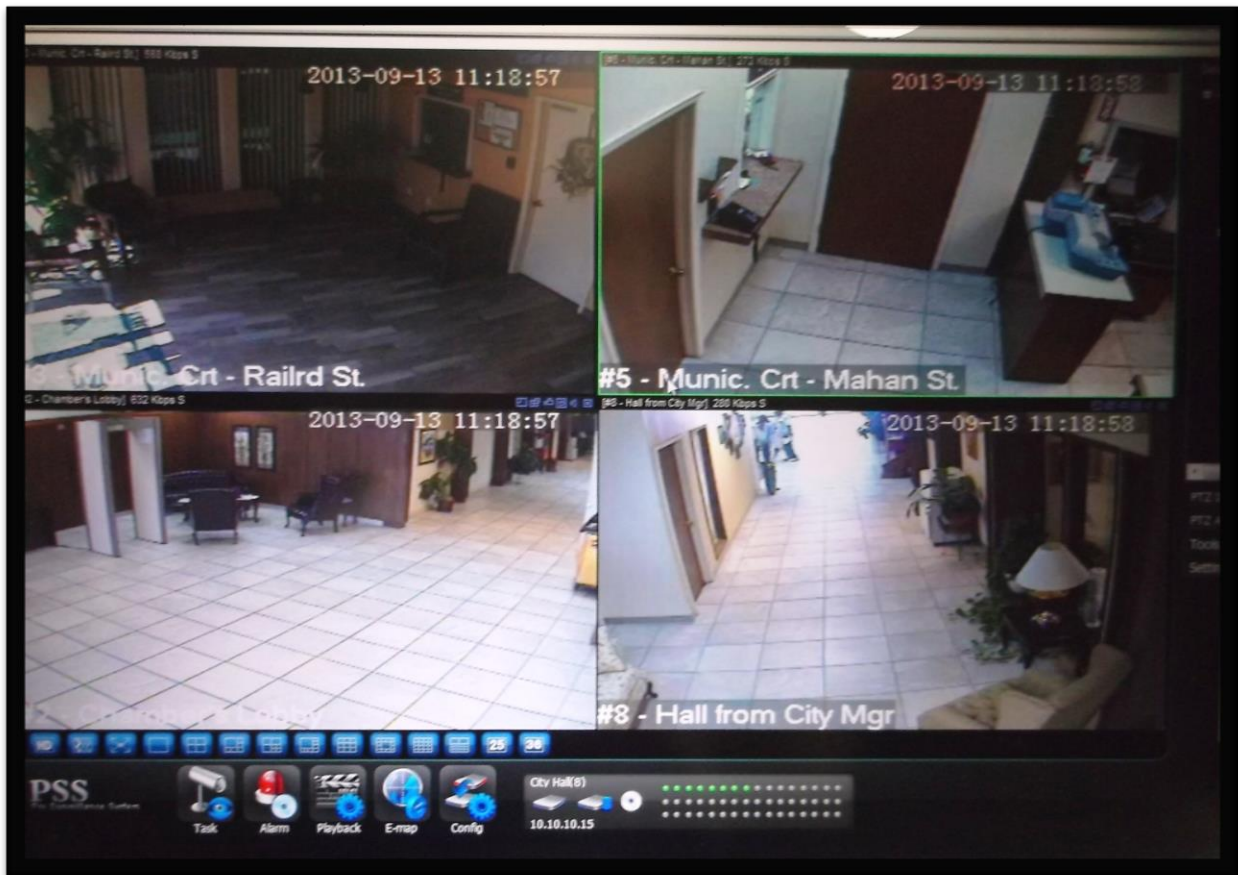
This fund accounts for the forfeiture of contraband gained from the commission of criminal activity. Proceeds from this fund are used for specific expenses for law enforcement needs.

Forfeiture Fund Revenue

Revenue Summary	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Fines & Forfeitures	44	0	18	0
Other Revenue	619	0	468	0
Intergovernmental	0	0	0	0
Total Revenue	663	0	486	0

Forfeiture Fund Expenditures

Forfeitures Expenditures	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Materials & Supplies	0	0	0	0
Services	0	0	0	0
Maintenance	0	0	0	0
Sundry	0	0	0	0
Capital Expenditures	0	0	0	0
Total Expense	0	0	0	0



BUILDING SECURITY FUND

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

Building Security Fund Revenue

Revenue Summary	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Fines & Forfeitures	2,725	0	2,849	0
Other Revenue	402	0	400	0
Total Revenue	3,128	0	3,249	0

Building Security Expenditures

Building Security Expenditures	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Materials & Supplies	0	0	0	0
Services	0	0	0	0
Maintenance	4,521	0	0	0
Total Expense	4,521	0	0	0



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ECONOMIC DEVELOPMENT FUND

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

Economic Development Fund Revenues

Revenue Summary	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Other Revenue	155	0	102	0
Intergovernmental	0	0	0	0
Total Revenue	155	0	102	0

Economic Development Fund Expenditures

Economic Dev. Expenditures	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Materials & Supplies	0	0	0	0
Maintenance	0	0	0	0
Sundry	0	0	0	0
Total Expense	0	0	0	0



REDFLEX TRAFFIC FUND

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

Redflex Traffic Fund Revenue

Revenue Summary	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Other Revenue	1,241	0	818	0
Intergovernmental	25,987	0	0	0
Total Revenue	27,227	0	818	0

Redflex Traffic Expenditures

Redflex Traffic Expenditures	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Materials & Supplies	25,987	0	0	0
Total Expense	25,987	0	0	0



COURT TECHNOLOGY FUND

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

Court Technology Revenue

Revenue Summary	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Fines & Forfeitures	3,661	0	3,853	0
Other Revenue	517	0	74	0
Intergovernmental	0	0	0	0
Total Revenue	4,178	0	3,926	0

Court Technology Expenditures

Court Technology Expenditures	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Materials & Supplies	0	0	0	0
Services	0	0	0	0
Maintenance	0	0	0	0
Total Expense	0	0	0	0



JUVENILE CASE MANAGER FUND

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

Juvenile Case Manager Fund Revenue

Revenue Summary	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Other Revenue	0	0	20	0
Grant and Contribution	0	0	5,584	0
Intergovernmental Rev	0	0	0	0
Total Revenue	0	0	5,604	0

Juvenile Case Manager Fund Expenditures

Juvenile Case Manager Expenditures	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Personnel Services	0	0	0	0
Materials & Supplies	0	0	0	0
Total Expense	0	0	0	0

CAPITAL

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

Capital Improvement Plan

Presented herewith is the adopted fiscal year 2019-2020 Capital Improvement Plan (CIP) as approved on August 12, 2019. This document reflects input from City Staff, City Council and City Advisory Boards. This document serves as both a budget for fiscal year 2019-2020 and as a major planning tool for subsequent years. The five-year CIP is dynamic in nature, and as such, is reviewed and revised annually to ensure projects with the greatest need receive the highest priority. Project priorities and available funding are constantly monitored throughout the fiscal year to ensure there is adequate funding for critical projects. The plan reflects the City's strategic investment in municipal infrastructure and facilities over the next five years and the continuation of capital projects approved in prior years.

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

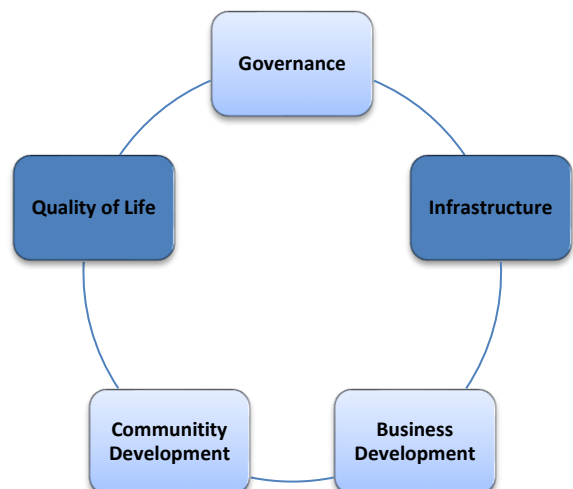
The CIP for Utility Fund projects take into consideration upcoming street projects. Water and sewer infrastructure are replaced prior to any major street project. Other priorities are given to subdivisions where utility systems have been partially completed. By following this plan, the City has completely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

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

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

Planning for our City's Future

The City of Port Lavaca's Five Year Capital Improvement Program (CIP) is designed to help the City strategically plan for future capital improvements to public facilities, parks and opens spaces, drainage systems, streets and right of ways and utility systems. These projects are funded by various sources, including fund balance reserves, grants, general funds, enterprise funds and other available sources.



CAPITAL IMPROVEMENT PLAN

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

Five Year Capital Improvement Plan Summary- All Funds

	FY 2019-2020 Budget	FY 2020-2021 Budget	FY 2021-2022 Budget	FY 2022-2023 Budget	FY 2023-2024 Budget
General Fund					
Economic Dev.	\$ 30,000	\$ 270,000	\$ 250,000	\$ 250,000	\$ 0
City Hall	\$ 70,000	\$ 0	\$ 0	\$ 500,000	\$ 0
Police	\$ 112,113	\$ 42,000	\$ 60,000	\$ 46,000	\$ 20,000
Fire	\$ 65,000	\$ 70,600	\$ 600,000	\$ 1,000,000	\$ 71,000
Code Enforce.	\$ 0	\$ 0	\$ 40,000	\$ 30,000	\$ 0
Streets	\$ 1,998,000	\$ 2,228,000	\$ 240,000	\$ 2,350,000	\$ 200,000
Parks	\$ 299,000	\$ 310,000	\$ 359,500	\$ 9,500	\$ 0
Total General Fund	\$ 2,574,113	\$ 2,920,600	\$ 1,549,500	\$ 4,185,500	\$ 291,000
Public Utility Fund					
Water	\$ 766,000	\$ 1,950,000	\$ 1,020,000	\$ 1,425,000	\$ 300,000
Wastewater	\$ 1,227,000	\$ 709,500	\$ 250,000	\$ 530,000	\$ 0
Total Utility Fund	\$ 1,993,000	\$ 2,659,500	\$ 1,270,000	\$ 1,955,000	\$ 300,000
Lighthouse Beach	\$ 591,000	\$ 275,000	\$ 20,000	\$ 40,000	\$ 100,000
Port Commission	\$ 502,000	\$ 355,000	\$ 235,000	\$ 700,000	\$ 0
Total	\$ 5,660,113	\$ 6,210,100	\$ 3,074,500	\$ 6,880,500	\$ 691,000
Five Year Total					\$ 22,516,213

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM BY FUND

General Fund

City Council Area of Emphasis with Associated Goal Statement



Strategic Focus

Infrastructure (Strategic Focus)

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

Project Description	FY 2015-2016 Budget	FY 2016-2017 Budget	FY 2017-2018 Budget	FY 2018-2019 Budget	FY 2019-2020 Budget
Streets & Right of Ways					
Seal Coat Program	\$ 150,000	\$ -	\$ 150,000	\$ 150,000	\$ -
Commerce/Ann & Benavides	\$ -	\$ 1,250,000	\$ -	\$ -	\$ -
Hike and Bike (TXDOT)	\$ -	\$ 750,000	\$ -	\$ -	\$ -
Downtown Sidewalks (TXCF)	\$ -	\$ -	\$ 250,000	\$ -	\$ -
Bonorden	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
Street & Right of Way Subtotals	\$ 150,000	\$ 2,000,000	\$ 400,000	\$ 150,000	\$ 1,200,000
Parks					
Bay Front Park Improvements	\$ 100,000	\$ -	\$ 150,000	\$ 100,000	\$ -
Wilson Park Improvements	\$ 100,000	\$ -	\$ 100,000	\$ 150,000	\$ -
Parks Subtotals	\$ 250,000	\$ -	\$ 250,000	\$ 250,000	\$ -
General Fund CIP Fund Totals	\$ 400,000	\$ 2,000,000	\$ 650,000	\$ 400,000	\$ 1,200,000
Funding Source:					
Operating Budget	\$ 650,000	\$ 650,000	\$ 650,000	\$ 650,000	\$ 700,000
Grant	\$ -	\$ 528,000	\$ 200,000	\$ -	\$ -
Operational Savings (Reserve)	\$ -	\$ 272,000	\$ 50,000	\$ -	\$ -
Street Reserve – Fund 220	\$ -	\$ 550,000	\$ 0	\$ -	\$ 500,000
Total Resources Planned	\$ 650,000	\$ 2,000,000	\$ 900,000	\$ 650,000	\$ 1,00,000
Transfer to Street Reserve	\$ 250,000	\$ 0	\$ 250,000	\$ 250,000	\$ 0
Accumulated Street Reserve	\$ 550,000	\$ 0	\$ 250,000	\$ 500,000	\$ 0

Public Utility Fund

City Council Area of Emphasis with Associated Goal Statement



Strategic Focus

Infrastructure (Strategic Focus)

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

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

Lighthouse Beach

City Council Area of Emphasis with Associated Goal Statement



Strategic Focus

Infrastructure

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

Quality of Life

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

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

Port Revenue Fund

City Council Area of Emphasis with Associated Goal Statement



Strategic Focus

Infrastructure

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

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

*Debt issue

2019 – 2020 CAPITAL EXPENDITURES BY FUNDS

Proposed Schedule of Expenditures

Schedule of Project Cost by Fiscal Year

<i>Department</i>	<i>Capital Improvement</i>	<i>2019-2020</i>	<i>2020-2021</i>	<i>2021-2022</i>	<i>2022-2023</i>	<i>2023-2024</i>
GENERAL FUND : Supported by current revenues of \$ 827,951.00 & reserves of \$ 1,746,162.00						
		2,574,113				
ECONOMIC DEVELOPMENT						
	BOARDWALK DESIGN	30,000.00				
	BOARDWALK CONSTRUCTION		250,000.00	250,000.00	250,000.00	
	THEATER PARKING- MAIN STREET		20,000.00			
		30,000.00	270,000.00	250,000.00	250,000.00	
CITY HALL						
	BUILDING SECURITY (BLDG. & IMPROVEMENTS)	70,000.00				
	RE-COAT ROOF (INCLUDES 10 YEAR WARRANTY)					
	RE-ROOF CITY HALL & POLICE DEPT. ROOFS				500,000.00	
		70,000.00			500,000.00	

CAPITAL IMPROVEMENT PLAN

POLICE DEPARTMENT						
	PATROL UNIT REPLACEMENT (FORD EXPLORER)		42,000.00	60,000.00	46,000.00	20,000.00
	CID UNIT: 2019 FORD FUSION (FARF- VEHICLES)	17,978.00				
	WATCHGUARD IN-CAR AND BODY CAMERAS (EQUIP.)	64,135.00				
	PARKING LOT IMPROVEMENT (LAND IMPROV.)	30,000.00				
		112,113.00	42,000.00	60,000.00	46,000.00	20,000.00
FIRE DEPARTMENT						
	RADIOS & REPEATER, REPEATER BLDG, STATION PA's (EQUIP.)	65,000.00				
	CASCADE SYSTEM, WASHER EXTRACTOR		70,600.00			
	RESCUE PUMPER (VEHICLE)			600,000.00		
	FIRE STATION (BLDG.)				1,000,000.00	
	PICKUP, ATV, MOWER (EQUIP.)					71,000.00
		65,000.00	70,600.00	600,000.00	1,000,000.00	71,000.00
CODE ENFORCEMENT						
	SUV (VEHICLE)			40,000.00		
	CAR (VEHICLE)				30,000.00	
				40,000.00	30,000.00	

CAPITAL IMPROVEMENT PLAN

<i>Department</i>	<i>Capital Improvement</i>	<i>2019-2020</i>	<i>2020-2021</i>	<i>2021-2022</i>	<i>2022-2023</i>	<i>2023-2024</i>
STREETS						
	SEALCOAT PROGRAM (R & M)	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00
	SIDEWALKS (INFRASTRUCTURE)	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
FUND 220	ANN & BENAVIDES (INFRASTRUCTURE)	150,000.00				
FUND 220	JACKSON ST. FROM SEADRIFT TO 3RD (INFRASTRUCTURE)	848,000.00				
FUND 220	GEORGE ST. FROM HALF LEAGUE TO BORDER (INFRASTRUCTURE)	800,000.00				
FUND 220	GEORGE ST. FROM VIRGINIA TO COMMERCE (INFR.)		785,000.00			
	JACKSON ST. FROM 3RD TO ALCOA (NEW DRAINAGE)				2,120,000.00	
	STREET IMPROVEMENTS (INFRASTRUCTURE)		1,000,000.00			
	3/4 TON PICKUP (VEHICLE)			40,000.00		
	FRONT END LOADER (EQUIP.)		168,000.00			
	DUMP TRUCK (EQUIP.)		75,000.00			
	1/2 TON PICKUP (VEHICLE)				30,000.00	
		1,998,000.00	2,228,000.00	240,000.00	2,350,000.00	200,000.00
PARKS						
	DOG PARK @ TBD (LAND IMPROV.)	30,000.00				
	SKATEPARK @ TBD (LAND IMPROV.)	90,000.00				

CAPITAL IMPROVEMENT PLAN

	WILSON PARK IMPROVEMENTS		250,000.00	350,000.00		
	BAYFRONT PARK ENTRANCE IMPROVEMENTS (LAND IMPROV.)		30,000.00			
	UTILITY TRAILER (FARF-VEHICLES & TRAILERS)	3,000.00				
	1/2 TON PICKUP (VEHICLE)		30,000.00			
	KAWASAKI MULE (FARF-MACHINERY & EQUIP.)	16,000.00				
	ZERO TURN MOWER (EQUIP.)			9,500.00		
	ZERO TURN MOWER (EQUIP.)				9,500.00	
	DEPOT BUILDING IMPROVEMENTS (BLDG.)	75,000.00				
	DEPOT PARKING LOT (LAND IMPROV.)	25,000.00				
	BAYFRONT PARKING (LAND IMPROV.)	60,000.00				
		299,000.00	310,000.00	359,500.00	9,500.00	
BAUER						
	LANDSCAPING (LAND IMPROV.)					
	PARKING LOT (LAND IMPROV.)		200,000.00			
	BAUER COMMUNITY CENTER ROOF (BLDG.)					
			200,000.00			

CAPITAL IMPROVEMENT PLAN

<i>Department</i>	<i>Capital Improvement</i>	<i>2019-2020</i>	<i>2020-2021</i>	<i>2021-2022</i>	<i>2022-2023</i>	<i>2023-2024</i>
PUBLIC UTILITY FUND : Supported by Reserves of \$ 1,993,000.00						
1,993,000						
UTILITIES						
	ELEVATED STORAGE TANK MAINTENANCE (R & M)			600,000.00		
TRANSFER FROM FY 2018-19	JACKSON ST. WATER LINE (INFRASTRUCTURE)	170,000.00				
ADDITIONAL AMT. FOR PROJECT	INDIANOLA FROM AUSTIN TO MAIN/ LEONA (INFRA.)	65,000.00				
	BROOKHOLLOW DR. WATER LINE (INFRASTRUCTURE)	315,000.00				
	BROADWAY WATER LINE (INFRASTRUCTURE)	80,000.00	95,000.00			
	LIVE OAK FROM COMMERCE TO VIRGINIA (INFRASTRUCTURE)		315,000.00			
	LEON ST. WATER LINE (INFRASTRUCTURE)			420,000.00		
	INCREASE LINE SIZE TO VILLAGE TOWER (INFRASTRUCTURE)				1,000,000.00	
	3/4 TON PICKUP (VEHICLE)		40,000.00			
	1/2 TON PICKUP (VEHICLE)	30,000.00				
	DUMP TRUCK (EQUIP.)				75,000.00	
	MINI EXCAVATOR (EQUIP.)				50,000.00	
	VACUUM TRUCK (EQUIP.)				300,000.00	300,000.00
	WATER LINE DEVELOPMENT (HWY. 35 & TINEY BROWNING)	60,000.00				
	GROUND STORAGE TANK & HIGH PRESSURE PUMP STATION (INFRA)		1,500,000.00			
	GIS SOFTWARE & TRAINING	20,000.00				

CAPITAL IMPROVEMENT PLAN

	FIRE HYDRANT @ 238 WEST OF HENRY BARBER WAY (INFRA)	26,000.00				
		766,000.00	1,950,000.00	1,020,000.00	1,425,000.00	300,000.00
WASTEWATER SYSTEM						
	SEWER SYSTEM EVALUATION (CONTRACT SERVICE)					
	UV SYSTEM (INFRASTRUCTURE)	257,000.00				
	VIRGINIA ST. SEWER LINE (INFRASTRUCTURE)					
TRANSFER FROM FY 2018-19 / FD 217	CENTER ST. SEWER LINE PHASE I (INFRASTRUCTURE)	55,000.00				
FD 217	GEORGE ST. FROM HALF LEAGUE TO BORDER (INFRAS.)	320,000.00	400,000.00			
	LIFT STATIONS REHAB (INFRASTRUCTURE)	500,000.00				
	DESHAZOR SEWER LINE PHASE II (INFRASTRUCTURE)		300,000.00			
	GEORGE ST. FROM VIRGINIA TO COMMERCE (INFRASTRUCTURE)					
	UPGRADE ANN LIFT STATION (INFRASTRUCTURE)			250,000.00		
	REBUILD LYNNHAVEN LIFT STATION (INFRASTRUCTURE)				500,000.00	
	UTILITY TRAILER (TRAILER)					
	ZERO TURN MOWER (EQUIP.)		9,500.00			
	1/2 TON PICKUP (VEHICLE)				30,000.00	
	WWTP TILE BED REHABILITATION	95,000.00				
		1,227,000.00	709,500.00	250,000.00	530,000.00	

CAPITAL IMPROVEMENT PLAN

Department	Capital Improvement	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
BEACH FUND : Supported by General Fund Reserves of \$ 591,000.00						
591,000						
LIGHTHOUSE BEACH						
	BATHROOM RE-ROOF (BLDG.)			20,000.00		
	L H BEACH FISHING PIER (INCLUDE 2/3 COST) (INFRASTRUCTURE)		200,000.00			
	GUARD SHACK (BLDG.)		75,000.00			
FEMA PROJECT	FORMOSA WETLANDS WALKWAY (INFRASTRUCTURE)	125,000.00				
	BOAT RAMP REPAIRS (INFRASTRUCTURE)	50,000.00				
	RE-ROOF PAVILION (BLDG.)	116,000.00				
	BATH HOUSE REMODEL (BLDG.)	200,000.00				
	INSTALL RV PARK PADS (28) (LAND IMPROV.)	100,000.00				
	BEACH DREDGING				40,000.00	
	PARK IMPROVEMENT					100,000.00
		591,000.00	275,000.00	20,000.00	40,000.00	100,000.00

CAPITAL IMPROVEMENT PLAN

PORT REVENUE FUND: Supported by Port Revenue Reserves of \$502,000						
502,000						
PORT REVENUE FUND						
	NAUTICAL LANDINGS PARKING LOT (FRONT) (LAND IMPROV)		35,000.00			
	DREDGING OF N L MARINA & SMITH HARBOR		250,000.00			
	NAUTICAL LANDINGS PARKING LOT (BACK) (LAND IMPROV.)		35,000.00			
	NAUTICAL LANDINGS DECK (IMPROV OTB)		35,000.00			
	PARKING IMPROV FOR PLCD, SMITH LOT & BEAN LOT (LAND IMPROV)			60,000.00		
	BULKHEAD AT MILLER'S (CITY DOCK) (INFRASTRUCTURE)				450,000.00	
	BULKHEAD AT SCULLY'S (INFRASTRUCTURE)				250,000.00	
	DOCK B MARINA IMPROVEMENT (INFRASTRUCTURE)			175,000.00		
GRANT MATCH	HARBOR OF REFUGE BULKHEAD- EDA GRANT #08-79-052-48 (INFRA)	452,000.00				
	HARBOR OF REFUGE - LAND IMPROVEMENTS (LAND IMPROV.)	50,000.00				
		502,000.00	355,000.00	235,000.00	700,000.00	-

CAPITAL IMPROVEMENT PLAN

PORT REVENUE FUND: Supported by 2018 CO Bond Proceeds of \$500,000.00						
500,000						
PORT REVENUE FUND						
2018 CO BOND PROCEEDS	HARBOR OF REFUGE BULKHEAD- (CO BOND PROCEEDS) (INFRA.)	500,000.00				
		500,000.00	-	-	-	-



CITY WIDE DEBT

Long Term Debt

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

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

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

Debt service requirements for the City of Port Lavaca are currently \$.0676 of the current property tax rate of \$.7944. Even though the City has three outstanding general obligation debt issues, the 2012 is the only issue paid by property taxes. Other issues are supported by the respective fund's revenues. Those particular issues have an operational impact equal to the annual debt service payment. **The City has no plans to issue debt within the next 12 months.** This debt will not be paid from property taxes, but supported by revenues generated by the Port Commission Fund.

Assessed value, 2019 tax roll	\$679,844,252	Actual amount of tax-secured debt service - Year ended September 30, 2019	\$ 1,379,164
Limit on amount designated for debt service per \$100 assessed valuation	x \$ 1.50		
Legal Debt Service Limit	\$1,019,766,378	Legal Debt Margin	\$10,183,872

The following tables list each debt issue separately with its clearly stated principal and interest payment due. Fiscal year end 2018-2019, outstanding general obligation bond and certificates of obligation bonds will be \$5,085,721 however only \$1,361,790 is currently supported by property taxes. The debt policy along with the history of tax rates can be found in the appendix section of this book.

Property Tax Supported Debt

2012 General Obligation Refunding Bond

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

Street Debt Service 2012	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Taxes				
Property Taxes- Current	322,584	325,000	325,000	315,747
Property Taxes- Delinquent	9,473	4,837	5,911	8,000
Total Taxes	332,057	329,837	330,911	323,747
Other Revenue				
Interest Income	3,652	0	2,330	0
Bond Proceeds	0	0	0	0
Total Other Revenue	3,652	0	2,330	0
Total Street Debt Service	335,709	329,837	333,241	323,747
Sundry				
Debt Service Principal	0	0	0	0
Debt Service Interest	0	0	0	0
Debt Service Admin. Fee	450	300	300	300
Debt Service- Principal 2012	290,000	300,000	300,000	300,000
Debt Service- Interest 2012	35,525	29,537	29,537	23,447
Payment to Escrow	0	0	0	0
Total Sundry	325,975	329,837	329,837	323,747
Total Street Debt Service	325,975	329,837	325,837	323,747

FY 19/20 Requirements:		
<u>Principal</u>	<u>Interest</u>	<u>Total</u>
\$300,000	\$23,447	\$323,747

Call Option: Make Whole Provision

PUBLIC UTILITY FUND SUPPORTED DEBT

2011 General Obligation Refunding Bonds

\$2,265,000 - 2011 General Obligation Refunding Bonds were issued for wastewater related infrastructure improvements. The payments were supported by the Public Utility Fund have been paid in full.

Sewer Debt Service 2011	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Other Revenue				
Interest Income	0	0	0	0
Equity Balance Forward	0	0	0	0
Total Other Revenue	0	0	0	0
Intergovernmental Revenue				
Transfer In- Fund 501	344,627	0	0	0
Total Intergovernmental	344,627	0	0	0
Total Sewer Debt Service	344,627	0	0	0
Sundry				
Debt Service Principal	350,000	0	0	0
Debt Service Interest	3,700	0	0	0
Debt Service - Admin. Fee	0	0	0	0
Total Sundry	353,700	0	0	0
Total Sewer Debt Service	353,700	0	0	0

FY 19/20 Requirements:		
<u>Principal</u>	<u>Interest</u>	<u>Total</u>
0	0	0*

*Direct operational impact

Call Option: Non-callable.

Public Utility Fund Supported Debt

2016 General Obligation Refunding Bonds

\$3,810,000 – In December 2016, the City issued General Obligation Refunding Bonds, Series 2016 for \$3,810,000. The bonds are due in annual installments ranging from \$100,000 to \$780,000 through 2024 with interest varying from 1.10% to 2.05%. The proceeds from the sale of the bonds will be used to refund 100% of the Combination Tax and Revenue Certificates of Obligations, Series 2004 and a portion of the City's outstanding debt (General Obligation Refunding Bonds, Series 2007 and Combination Tax and Revenue Certificates of Obligations, Series 2007) and to pay costs of issuance of the bonds.

Utility Debt Service	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Other Revenue				
Interest Income	0	0	0	0
Equity Balance Forward	0	0	0	0
Total Other Revenue	0	0	0	0
Intergovernmental Revenue				
Transfer In- Fund 501	651,881	795,011	795,011	798,680
Total Intergovernmental	651,881	795,011	795,011	798,680
Total Utility Debt Service	651,881	795,011	795,011	798,680
Sundry				
Debt Service Principal	370,000	745,000	745,000	760,000
Debt Service Interest	57,140	50,011	50,011	38,530
Debt Service Amortization	0	0	0	0
Administrative Fee	0	0	150	150
Total Sundry	427,140	795,011	795,161	798,680
Total Utility Debt Service	427,140	795,011	795,161	798,680

FY 19/20 Requirements:		
Principal	Interest	Total
\$760,000	\$38,530	\$798,530

Call Option: Non-callable.

Port Revenue Supported Debt

2008 Combination Tax & Surplus Harbor System Revenue Certificates of Obligation

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

Port Debt Service	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Other Revenue				
Interest Income	928	0	182	0
Equity Balance Forward	0	0	0	0
Total Other Revenue	928	0	182	0
Intergovernmental Revenue				
Transfer In- Fund 504	127,542	124,202	124,202	125,763
Total Intergovernmental	127,542	124,202	124,202	125,763
Total Port Debt Service	128,470	124,202	124,384	125,763
Sundry				
Debt Service Principal	85,000	85,000	85,000	90,000
Debt Service Interest	42,120	39,202	39,202	35,763
Debt Service Amortization	0	0	0	0
Paying Agent	0	0	0	0
Total Sundry	127,120	124,202	124,202	125,763
Total Port Debt Service	127,120	124,202	124,202	125,763

FY 19/20 Requirements:		
Principal	Interest	Total
\$90,000	\$35,763	\$125,763*

*Direct operational impact

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

Port Revenue Fund Supported Debt

2018 Combination Tax and Surplus Harbor System Revenue Certificates of Obligation Bond

\$1,475,000 –2018 Combination Tax & Surplus Harbor System Revenue Certificates of Obligation were issued for acquiring land to enlarge, extend, and improve the City's Harbor System; building, constructing, purchasing, improving, repairing, and replacing public works to be owned by the City as part of the City's Harbor System, including bulkheads, piers, wharfs, streets, sidewalks, or other improvements; purchasing material, supplies, equipment, and machinery for authorized needs and purposes relating to the City's Harbor System. The payments are supported by Port Commission revenue and are due in annual installments ranging from \$47,300 to \$127,200; interest at 3.50%.

Port Revenue Fund Debt Service	Actual FY 2017-2018	Amended Budget FY 2018-2019	Projected FY 2018-2019	Adopted Budget FY 2019-2020
Other Revenue				
Interest Income	0	0	0	0
Equity Balance Forward	0	0	0	0
Total Other Revenue	0	0	0	0
Intergovernmental Revenue				
Transfer In- Fund 504	0	0	0	131,426
Total Intergovernmental	0	0	0	131,426
Total Port Revenue Debt Service	0	0	0	131,426
Sundry				
Debt Service Principal	0	0	-658	70,000
Debt Service Interest	0	0	15,794	61,426
Debt Service Amortization	0	0	0	0
Administrative Fee	0	0	0	0
Total Sundry	0	0	15,136	131,426
Total Port Revenue Debt Service	0	0	15,136	131,426

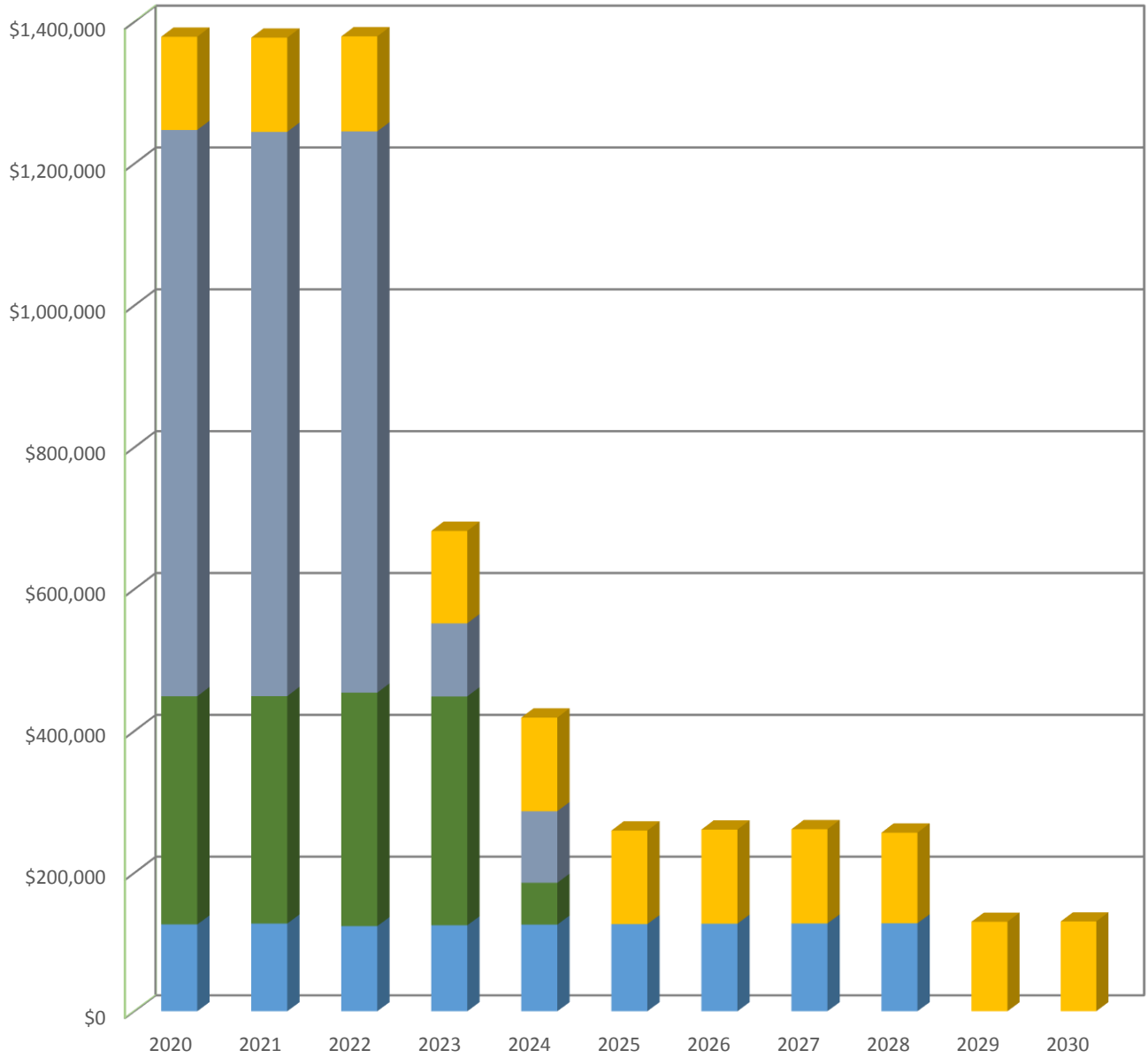
FY 19/20 Requirements:		
Principal	Interest	Total
\$70,000	\$61,426	\$131,426

Call Option: Certificates maturing on February 15, 2029 and thereafter are callable in whole or in part beginning February 15, 2028 @ par plus accrued interest to the date of redemption.

Outstanding Debt Issue by Series

	Port Revenue Fund	Public Utility Fund	Public Utility Fund	Port Revenue Fund	
	Comb. Tax & Surp. Harb. Sys. Rev. Cert. of Oblig. Series 2008	Cert. Of Obligation Series 2012	Gen. Oblig. Ref. Bds. Series 2016	Comb. Tax & Surp. Harb. Sys. Rev. Cert. of Oblig. Series 2018	TOTAL
FYE					
2020	125,763	323,447	798,529	131,425	1,379,164
2021	127,128	322,306	795,635	132,800	1,377,869
2022	123,394	330,962	791,410	133,925	1,379,691
2023	124,563	324,466	103,025	130,325	682,379
2024	125,534	60,609	101,025	132,025	419,193
2025	126,310	-		133,525	259,835
2026	126,888	-	-	134,350	261,238
2027	127,271	-	-	134,475	261,746
2028	127,456	-	-	129,475	256,931
2029				129,744	129,744
2030				130,175	130,175
2031				130,394	130,394
2032				130,850	130,850
2033				131,563	131,563
2034				127,188	127,188
Total	1,134,307	1,361,790	2,589,624	1,972,239	7,057,960

City of Port Lavaca
Outstanding General Obligation Debt Service by Series



- Comb. Tax & Surp. Harb. Sys. Rev. Cert. of Oblig. Series 2018
- Gen. Oblig. Ref. Bds. Series 2016
- Gen. Oblig. Ref. Bds. Series 2012
- Comb. Tax & Surp. Harb. Sys. Rev. Cert. of Oblig. Series 2008

STATISTICAL INFORMATION



STATISTICAL INFORMATION

NET POSITION BY COMPONENT (1) Last ten fiscal years

	Fiscal Year			
	2009	2010	2011	2012
Governmental activities				
Net investment in capital assets	\$ 15,787,249	\$ 18,383,147	\$ 18,380,797	\$ 19,174,209
Restricted	876,554	784,798	1,049,987	1,027,384
Unrestricted	6,394,379	4,732,493	5,231,769	5,544,238
Total governmental activities net position	<u>\$ 23,058,182</u>	<u>\$ 23,900,438</u>	<u>\$ 24,662,553</u>	<u>\$ 25,745,831</u>
Business-type activities				
Net investment in capital assets	\$ 11,334,652	\$ 11,536,833	\$ 13,321,583	\$ 13,756,393
Restricted	233,544	51,469	-	-
Unrestricted	5,642,701	6,841,071	6,892,206	7,449,406
Total business-type activities net position	<u>\$ 17,210,897</u>	<u>\$ 18,429,373</u>	<u>\$ 20,213,789</u>	<u>\$ 21,205,799</u>
Primary government				
Net investment in capital assets	\$ 27,121,901	\$ 29,919,980	\$ 31,702,380	\$ 32,930,602
Restricted	1,110,098	836,267	1,049,987	1,027,384
Unrestricted	12,037,080	11,573,564	12,123,975	12,993,644
Total primary government activities net position	<u>\$ 40,269,079</u>	<u>\$ 42,329,811</u>	<u>\$ 44,876,342</u>	<u>\$ 46,951,630</u>

Continued

(1) Accrual basis of accounting

NOTES: The City implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of this standard.

The City implemented GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this new standard.

STATISTICAL INFORMATION

NET POSITION BY COMPONENT (1)

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 21,750,587	\$ 19,170,337	\$ 20,724,855	\$ 20,549,966	\$ 21,310,618	\$ 22,482,158
1,463,189	1,175,154	1,330,800	1,321,980	1,545,313	1,765,338
3,452,739	7,942,352	8,118,735	9,368,639	10,301,123	9,843,388
<u>\$ 26,666,515</u>	<u>\$ 28,287,843</u>	<u>\$ 30,174,390</u>	<u>\$ 31,240,585</u>	<u>\$ 33,157,054</u>	<u>\$ 34,090,884</u>
\$ 14,059,066	\$ 16,550,105	\$ 17,592,876	\$ 17,986,418	\$ 18,489,664	\$ 18,732,930
-	-	-	-	-	-
7,772,021	6,402,372	5,622,584	6,247,533	7,262,774	8,326,831
<u>\$ 21,831,087</u>	<u>\$ 22,952,477</u>	<u>\$ 23,215,460</u>	<u>\$ 24,233,951</u>	<u>\$ 25,752,438</u>	<u>\$ 27,059,761</u>
\$ 35,809,653	\$ 35,720,442	\$ 38,317,731	\$ 38,536,384	\$ 39,800,282	\$ 41,215,088
1,463,189	1,175,154	1,330,800	1,321,980	1,545,313	1,765,338
11,224,760	14,344,724	13,741,319	15,616,172	17,563,897	18,170,219
<u>\$ 48,497,602</u>	<u>\$ 51,240,320</u>	<u>\$ 53,389,850</u>	<u>\$ 55,474,536</u>	<u>\$ 58,909,492</u>	<u>\$ 61,150,645</u>
Concluded					

STATISTICAL INFORMATION

CHANGES IN NET POSITION (1) Last ten fiscal years

	Fiscal Year			
	2009	2010	2011	2012
Governmental activities				
Program expenses				
General government	\$ 1,847,859	\$ 1,886,794	\$ 1,952,643	\$ 2,150,599
Public safety	2,598,507	3,191,293	3,112,422	3,088,940
Public works	1,615,002	1,406,502	1,539,354	1,629,726
Parks and recreation	547,013	686,747	701,325	637,689
Interest on long-term debt	154,696	147,266	140,373	132,374
Total expenses	<u>\$ 6,763,077</u>	<u>\$ 7,318,602</u>	<u>\$ 7,446,117</u>	<u>\$ 7,639,328</u>
Program revenues				
Charges for services	\$ 484,632	\$ 804,307	\$ 612,209	\$ 586,394
Operating grants and contributions	378,324	322,510	293,947	322,478
Capital grants and contributions	51,589	125,279	35,500	259,835
Total program revenues	<u>\$ 914,545</u>	<u>\$ 1,252,096</u>	<u>\$ 941,656</u>	<u>\$ 1,168,707</u>
Total governmental activities net program expense	\$ (5,848,532)	\$ (6,066,506)	\$ (6,504,461)	\$ (6,470,621)
General revenues and other changes in net position				
Taxes				
Property taxes	\$ 3,214,039	\$ 3,414,317	\$ 3,513,386	\$ 3,754,272
Sales taxes	2,170,959	2,295,492	2,313,247	2,364,076
Franchise taxes	613,509	620,247	586,575	593,255
Other taxes	235,571	271,287	339,366	345,381
Unrestricted investment earnings	123,127	54,319	38,045	29,877
Miscellaneous	235,375	277,928	246,642	232,217
Transfers	275,000	182,943	229,315	234,821
Special item - litigation settlement	-	(185,000)	-	-
Total general revenues and other changes in net position	<u>\$ 6,867,580</u>	<u>\$ 6,931,533</u>	<u>\$ 7,266,576</u>	<u>\$ 7,553,899</u>
Total governmental activities change in net position	<u>\$ 1,019,048</u>	<u>\$ 865,027</u>	<u>\$ 762,115</u>	<u>\$ 1,083,278</u>

Continued

CHANGES IN NET POSITION (1) Last ten fiscal years

STATISTICAL INFORMATION

CHANGES IN NET POSITION (1)

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 2,140,960	\$ 2,632,811	\$ 2,405,720	\$ 2,417,076	\$ 2,615,056	\$ 4,221,921
3,199,920	3,232,531	3,292,483	3,200,259	3,460,733	3,411,589
1,629,165	1,379,978	1,374,483	1,592,784	1,423,250	1,653,462
\$ 689,022	629,640	685,084	697,230	748,171	758,143
113,201	67,300	60,841	53,809	51,373	45,858
<u>\$ 7,772,268</u>	<u>\$ 7,942,260</u>	<u>\$ 7,818,611</u>	<u>\$ 7,961,158</u>	<u>\$ 8,298,583</u>	<u>\$ 10,090,973</u>
\$ 711,117	\$ 613,177	\$ 603,814	\$ 608,227	\$ 721,582	\$ 393,968
252,056	687,201	364,996	273,077	741,691	1,291,888
-	142,843	32,894	-	21,410	-
<u>\$ 963,173</u>	<u>\$ 1,443,221</u>	<u>\$ 1,001,704</u>	<u>\$ 881,304</u>	<u>\$ 1,484,683</u>	<u>\$ 1,685,856</u>
\$ (6,809,095)	\$ (6,499,039)	\$ (6,816,907)	\$ (7,079,854)	\$ (6,813,900)	\$ (8,405,117)
\$ 3,808,571	\$ 3,971,992	\$ 4,071,091	\$ 4,054,264	\$ 4,159,200	\$ 4,217,842
2,445,393	2,500,013	2,809,977	2,510,153	2,693,583	3,138,929
587,534	615,184	615,800	587,153	583,034	588,803
389,564	576,001	538,290	427,960	615,385	692,232
12,995	14,445	29,459	42,964	104,812	199,214
302,881	191,564	245,554	254,054	306,855	415,208
224,000	251,168	864,500	269,501	267,500	267,500
-	-	-	-	-	-
<u>\$ 7,770,938</u>	<u>\$ 8,120,367</u>	<u>\$ 9,174,671</u>	<u>\$ 8,146,049</u>	<u>\$ 8,730,369</u>	<u>\$ 9,519,728</u>
<u>\$ 961,843</u>	<u>\$ 1,621,328</u>	<u>\$ 2,357,764</u>	<u>\$ 1,066,195</u>	<u>\$ 1,916,469</u>	<u>\$ 1,114,611</u>

Concluded

STATISTICAL INFORMATION

CHANGES IN NET POSITION (1) Last ten fiscal years

	Fiscal Year			
	2009	2010	2011	2012
Business-type activities				
Expenses				
Public utilities	\$ 4,288,109	\$ 4,283,432	\$ 4,123,809	\$ 4,244,884
Port revenue	379,371	395,332	382,570	444,081
Beach operations	162,064	218,240	309,838	225,381
Total expenses	<u>\$ 4,829,544</u>	<u>\$ 4,897,004</u>	<u>\$ 4,816,217</u>	<u>\$ 4,914,346</u>
Program revenues				
Charges for services	\$ 5,966,101	\$ 5,893,741	\$ 6,303,875	\$ 5,913,131
Operating grants and contributions	2,000	2,000	175,303	22,340
Capital grants and contributions	236,338	374,396	330,595	117,620
Total program revenues	<u>\$ 6,204,439</u>	<u>\$ 6,270,137</u>	<u>\$ 6,809,773</u>	<u>\$ 6,053,091</u>
Total business-type activities net program expense	\$ 1,374,895	\$ 1,373,133	\$ 1,993,556	\$ 1,138,745
General revenues and other changes in net position				
Unrestricted investment earnings	\$ 75,060	\$ 28,286	\$ 20,175	\$ 20,024
Miscellaneous	18,000	-	-	68,062
Transfers	(275,000)	(182,943)	(229,315)	(234,821)
Total general revenues and other changes in net position	<u>\$ (181,940)</u>	<u>\$ (154,657)</u>	<u>\$ (209,140)</u>	<u>\$ (146,735)</u>
Total business-type activities change in net position	<u>\$ 1,192,955</u>	<u>\$ 1,218,476</u>	<u>\$ 1,784,416</u>	<u>\$ 992,010</u>
Total primary government change in net position	<u>\$ 2,212,003</u>	<u>\$ 2,083,503</u>	<u>\$ 2,546,531</u>	<u>\$ 2,075,288</u>

Continued

(1) Accrual basis of accounting

NOTES: The City implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of this standard.

The City implemented GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this new standard.

STATISTICAL INFORMATION

CHANGES IN NET POSITION (1)

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 4,360,184	\$ 4,252,370	\$ 4,614,845	\$ 4,452,538	\$ 4,313,837	\$ 4,414,433
464,556	456,212	447,151	396,088	340,846	347,709
253,315	261,309	344,669	272,436	267,756	244,200
<u>\$ 5,078,055</u>	<u>\$ 4,969,891</u>	<u>\$ 5,406,665</u>	<u>\$ 5,121,062</u>	<u>\$ 4,922,439</u>	<u>\$ 5,006,342</u>
\$ 6,163,237	\$ 6,081,076	\$ 6,558,643	\$ 6,322,642	\$ 6,458,067	\$ 6,474,529
2,000	-	-	2,000	2,000	-
49,217	248,350	37,000	45,625	181,111	2,500
<u>\$ 6,214,454</u>	<u>\$ 6,329,426</u>	<u>\$ 6,595,643</u>	<u>\$ 6,370,267</u>	<u>\$ 6,641,178</u>	<u>\$ 6,477,029</u>
\$ 1,136,399	\$ 1,359,535	\$ 1,188,978	\$ 1,249,205	\$ 1,718,739	\$ 1,470,687
\$ 17,507	\$ 13,023	\$ 13,563	\$ 38,787	\$ 67,248	\$ 136,038
-	-	-	-	-	-
<u>(224,000)</u>	<u>(251,168)</u>	<u>(864,500)</u>	<u>(269,501)</u>	<u>(267,500)</u>	<u>(267,500)</u>
\$ (206,493)	\$ (238,145)	\$ (850,937)	\$ (230,714)	\$ (200,252)	\$ (131,462)
\$ 929,906	\$ 1,121,390	\$ 338,041	\$ 1,018,491	\$ 1,518,487	\$ 1,339,225
<u>\$ 1,891,749</u>	<u>\$ 2,742,718</u>	<u>\$ 2,695,805</u>	<u>\$ 2,084,686</u>	<u>\$ 3,434,956</u>	<u>\$ 2,453,836</u>

Concluded

STATISTICAL INFORMATION

FUND BALANCES, GOVERNMENTAL FUNDS (1) **Last ten fiscal years**

	Fiscal Year			
	2009	2010	2011	2012
General Fund				
Nonspendable				
Prepaid items	\$ -	\$ -	\$ 52,478	\$ 49,954
Committed				
Operating reserves	-	-	2,306,152	2,408,598
Health insurance claims	-	-	504,848	676,542
Capital asset replacement	-	-	382,265	273,122
Unassigned	-	-	1,539,331	1,728,695
Reserved				
Prepaid items	37,078	50,017	-	-
Unreserved, designated				
Operating reserves	3,107,978	2,063,977	-	-
Health insurance claims	500,000	500,000	-	-
Capital asset replacement	250,000	250,000	-	-
Unreserved, undesignated	2,534,443	1,750,753	-	-
Total general fund	\$ 6,429,499	\$ 4,614,747	\$ 4,785,074	\$ 5,136,911
All Other Governmental Funds				
Restricted				
Retirement of long-term debt	\$ -	\$ -	\$ 177,224	\$ 183,391
Various capital projects	-	-	114,799	133,106
Tourism and conventions	-	-	551,491	497,372
Economic development	-	-	-	10,001
Public safety	-	-	112,456	114,723
Municipal court	-	-	20,247	18,328
Bayfront park pier	-	-	55,943	56,004
Committed				
Various capital projects	-	-	-	-
Unassigned	-	-	-	-
Unreserved, undesignated reported in				
Special revenue funds	707,885	704,036	-	-
Debt service fund	159,657	161,177	-	-
Capital project funds	(505,092)	(281,044)	-	-
Total all other governmental funds	\$ 362,450	\$ 584,169	\$ 1,032,160	\$ 1,012,925

Continued

(1) Modified accrual basis of accounting

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

STATISTICAL INFORMATION

FUND BALANCES, GOVERNMENTAL FUNDS (1)

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 64,938	\$ 51,193	\$ 47,218	\$ 45,717	\$ 42,147	\$ 46,702
2,286,604	2,236,320	2,468,798	2,330,439	2,375,525	2,312,884
728,602	929,210	924,846	920,230	733,670	-
282,298	275,245	285,876	283,660	264,637	235,910
2,536,205	3,183,423	4,076,496	4,922,293	6,687,299	8,508,563
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 5,898,647	\$ 6,675,391	\$ 7,803,234	\$ 8,502,339	\$ 10,103,278	\$ 11,104,059
\$ 207,178	\$ 201,457	\$ 142,508	\$ 141,071	\$ 149,498	\$ 159,232
508,824	-	-	-	-	-
517,606	774,183	1,004,401	1,049,921	1,245,695	1,449,672
10,024	10,057	10,088	10,120	10,200	10,355
125,936	88,429	89,916	82,009	94,472	96,375
17,857	20,627	23,382	26,408	29,670	32,455
56,063	56,087	56,126	-	139	-
-	1,008,386	478,412	949,666	377,544	-
-	-	-	-	-	(908,694)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 1,443,488	\$ 2,159,226	\$ 1,804,833	\$ 2,259,195	\$ 1,907,218	\$ 839,395

Concluded

STATISTICAL INFORMATION

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1) Last ten fiscal years

	Fiscal Year			
	2009	2010	2011	2012
Revenues				
Taxes	\$ 6,198,734	\$ 6,609,092	\$ 6,747,620	\$ 7,097,425
Licenses and permits	96,535	97,740	108,266	109,347
Fines and forfeitures	501,345	769,529	687,791	566,325
Charges for services	5,332	5,956	7,525	5,170
Intergovernmental	429,913	447,789	329,447	322,478
Investment	123,127	54,319	38,045	29,877
Rental	37,390	22,737	30,780	46,432
Miscellaneous	96,453	135,191	91,311	84,151
Total revenues	\$ 7,488,829	\$ 8,142,353	\$ 8,040,785	\$ 8,261,205
Expenditures				
Current				
General government	\$ 1,846,671	\$ 1,859,894	\$ 2,136,142	\$ 2,132,974
Public safety	2,742,639	3,213,266	3,330,945	3,221,180
Public works	1,422,306	1,016,111	1,220,156	1,176,781
Parks and recreation	440,345	579,783	670,771	504,457
Capital outlay	1,947,494	2,922,769	235,268	787,921
Debt service				
Principal retirement	195,000	200,000	205,000	215,000
Interest and fiscal charges	155,465	148,599	141,658	134,067
Issuance costs	-	-	-	-
Total expenditures	\$ 8,749,920	\$ 9,940,422	\$ 7,939,940	\$ 8,172,380
Excess (deficiency) of revenues over expenditures	\$ (1,261,091)	\$ (1,798,069)	\$ 100,845	\$ 88,825
Other financing sources (uses)				
Transfers in	\$ 1,019,558	\$ 3,271,834	\$ 924,047	\$ 613,632
Transfers out	(744,558)	(3,071,834)	(696,612)	(378,811)
Debt issued	-	-	284,776	-
Payment to escrow	-	-	-	-
Sale of capital assets	14,141	5,036	5,262	8,956
Total other financing sources (uses)	\$ 289,141	\$ 205,036	\$ 517,473	\$ 243,777
Change in fund balances	\$ (971,950)	\$ (1,593,033)	\$ 618,318	\$ 332,602
Debt service as a percentage of noncapital expenditures	<u>5.49%</u>	<u>5.10%</u>	<u>4.86%</u>	<u>4.84%</u>

Continued

(1) Modified accrual basis of accounting

STATISTICAL INFORMATION

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1)

Fiscal Year						
2013	2014	2015	2016	2017	2018	
\$ 7,290,483	\$ 7,653,598	\$ 8,059,337	\$ 7,556,970	\$ 8,040,235	\$ 8,639,785	
158,721	131,291	105,245	109,637	231,321	154,056	
626,677	512,461	518,363	508,347	524,683	347,588	
6,820	2,901	3,667	2,744	2,176	4,079	
252,056	830,044	372,153	273,077	763,101	1,291,888	
12,995	14,445	29,459	42,964	104,812	199,214	
67,615	76,290	87,084	87,130	76,020	10,800	
181,263	143,274	157,627	163,060	192,809	315,222	
\$ 8,596,630	\$ 9,364,304	\$ 9,332,935	\$ 8,743,929	\$ 9,935,157	\$ 10,962,632	
\$ 2,096,778	\$ 2,604,645	\$ 2,374,117	\$ 2,430,712	\$ 2,597,561	\$ 4,198,251	
3,089,627	3,336,053	3,198,927	3,088,008	3,309,471	3,396,134	
1,174,528	983,253	1,344,897	1,190,259	1,275,343	1,217,296	
932,950	469,422	1,004,617	738,490	614,018	642,491	
16,000	412,833	1,215,917	88,715	830,641	1,517,027	
270,000	265,000	275,000	280,000	285,000	290,000	
53,061	60,386	53,571	47,396	41,661	35,975	
67,106	-	-	-	-	-	
\$ 7,700,050	\$ 8,131,592	\$ 9,467,046	\$ 7,863,580	\$ 8,953,695	\$ 11,297,174	
\$ 896,580	\$ 1,232,712	\$ (134,111)	\$ 880,349	\$ 981,462	\$ (334,542)	
\$ 825,428	\$ 1,228,814	\$ 1,813,565	\$ 1,126,774	\$ 498,161	\$ 1,588,152	
(601,428)	(969,044)	(949,065)	(857,273)	(230,661)	(1,320,652)	
2,945,000	-	-	-	-	-	
(2,877,894)	-	-	-	-	-	
4,613	-	43,061	3,617	-	-	
\$ 295,719	\$ 259,770	\$ 907,561	\$ 273,118	\$ 267,500	\$ 267,500	
\$ 1,192,299	\$ 1,492,482	\$ 773,450	\$ 1,153,467	\$ 1,248,962	\$ (67,042)	
<u>4.51%</u>	<u>4.44%</u>	<u>4.52%</u>	<u>4.41%</u>	<u>4.30%</u>	<u>3.42%</u>	

Concluded

STATISTICAL INFORMATION

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

Fiscal Year	Tax Roll	Real Property		Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value Before Freeze
		Residential Property	Non-Residential Property			
2009	2008	\$ 231,441,796	\$ 154,694,954	\$ 95,630,537	\$ 51,553,761	\$ 430,213,526
2010	2009	263,328,770	163,153,617	98,027,813	62,279,300	462,230,900
2011	2010	266,000,516	182,017,744	97,590,700	58,619,346	486,989,614
2012	2011	258,864,339	211,167,691	121,729,513	75,510,553	516,250,990
2013	2012	261,801,587	224,611,352	109,068,664	89,763,499	505,718,104
2014	2013	262,539,992	238,108,943	104,598,314	90,882,927	514,364,322
2015	2014	266,971,427	245,595,854	111,134,071	96,145,972	527,555,380
2016	2015	273,143,803	252,372,733	100,428,715	99,607,928	526,337,323
2017	2016	282,739,771	260,500,871	102,055,513	103,951,981	541,344,174
2018	2017	293,607,619	263,417,728	92,256,010	104,333,461	544,947,896

Continued

(1) Includes tax-exempt property

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

SOURCE: Calhoun County Appraisal District

STATISTICAL INFORMATION

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

<u>Total Freeze Taxable</u>	<u>Freeze Adjusted Taxable</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Tax Value Before Freeze Ceiling</u>	<u>Freeze Ceiling</u>	<u>Estimated Tax Value Including Freeze Ceiling</u>	<u>Assessed Value (1) as a Percentage of Actual Value</u>
\$(57,591,363)	\$ 372,622,163	\$ 0.7500	\$ 2,794,666	\$ 399,258	\$ 3,193,924	100.00%
(63,229,126)	399,001,774	0.7500	2,992,513	403,976	3,396,489	100.00%
(68,945,245)	418,044,369	0.7500	3,135,333	423,648	3,558,981	100.00%
(69,858,766)	446,392,224	0.7450	3,325,622	431,261	3,756,883	100.00%
(71,958,318)	433,759,786	0.7568	3,282,694	446,159	3,728,853	100.00%
(71,687,194)	442,677,128	0.7900	3,950,383	453,234	4,403,617	100.00%
(73,217,883)	454,337,497	0.7900	4,061,002	471,736	4,532,738	100.00%
(72,637,802)	453,699,521	0.7900	4,049,095	464,869	4,513,964	100.00%
(75,865,635)	465,478,539	0.7900	4,154,852	477,572	4,632,424	100.00%
(77,851,764)	467,096,132	0.7944	3,710,612	489,316	4,199,928	100.00%
Concluded						

STATISTICAL INFORMATION

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

Fiscal Year	Tax Roll	City Direct Rates			Overlapping Rates				
		Debt Service	General Fund	Total	School District	Calhoun County	Port Authority	Groundwater Conservation District	Total
2009	2008	\$0.0821	\$0.6679	\$0.7500	\$1.1100	\$0.4900	\$0.0039	N/A	\$ 1.6039
2010	2009	0.0770	0.6730	0.7500	1.1201	0.4900	0.0039	N/A	1.6140
2011	2010	0.0770	0.6730	0.7500	1.1331	0.4900	0.0039	N/A	1.6270
2012	2011	0.0697	0.6753	0.7450	1.1262	0.4900	0.0036	N/A	1.6198
2013	2012	0.0846	0.6722	0.7568	1.1201	0.4900	0.0032	N/A	1.6133
2014	2013	0.0791	0.7109	0.7900	1.1151	0.4900	0.0031	N/A	1.6082
2015	2014	0.0805	0.7095	0.7900	1.2769	0.4900	0.0030	0.0100	1.7799
2016	2015	0.7123	0.0777	0.7900	1.2936	0.4900	0.0025	0.0100	1.7961
2017	2016	0.7154	0.0746	0.7900	1.2936	0.4900	0.0010	0.0100	1.7946
2018	2017	0.7200	0.0744	0.7944	1.2936	0.4900	0.0010	0.0100	1.7946

SOURCE: Calhoun County Appraisal District

STATISTICAL INFORMATION

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

2018		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Rexco Inc	\$ 12,064,290	2.58%
Maxim Crane Works LP	10,273,090	2.20%
Wal-Mart Real Estate Business Trust	7,242,160	1.55%
Momentum Rental & Sales , Inc.	6,735,000	1.44%
AEP Texas Central Company	6,680,950	1.43%
BKCK LTD	5,217,780	1.12%
Butt H E Grocery Company	5,189,320	1.11%
Port Lavaca Dodge	4,603,290	0.99%
VIVA Properties LLC	5,058,420	1.08%
Port Lavaca Retail Group LLC	4,213,610	0.90%
	<u>\$ 67,277,910</u>	<u>14.40%</u>

2009		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
T W Laquay Dredging, Inc.	\$ 10,794,385	2.90%
RSC Equipment Rental, Inc. #759	10,354,241	2.78%
Rexco Inc	10,220,256	2.74%
Wal-Mart Real Estate Business Trust	7,848,289	2.11%
Wal-Mart Stores Texas, LP	6,291,114	1.69%
Helena Chemicals	6,065,624	1.63%
Butt H E Grocery Company	4,878,666	1.31%
AEP Texas Central Company	3,778,250	1.01%
BKCK LTD	3,365,975	0.90%
First National Bank	2,877,100	0.77%
	<u>\$ 66,473,900</u>	<u>17.84%</u>

SOURCE: Calhoun County Appraisal District

STATISTICAL INFORMATION

PROPERTY TAX LEVIES AND COLLECTIONS *Last ten fiscal years*

Fiscal Year	Tax Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collections within the Fiscal Year of the Levy	
					Amount	Percentage of Levy
2009	2008	\$ 3,209,230	\$ (10,808)	\$ 3,198,422	\$ 3,017,736	94.35%
2010	2009	3,451,515	(50,973)	3,400,542	3,242,033	95.34%
2011	2010	3,578,859	(15,589)	3,563,270	3,440,291	96.55%
2012	2011	3,760,572	(6,742)	3,753,830	3,644,449	97.09%
2013	2012	3,791,754	10,942	3,802,696	3,702,009	97.35%
2014	2013	3,956,897	(1,303)	3,955,594	3,836,830	97.00%
2015	2014	4,071,887	733	4,072,620	3,975,129	97.61%
2016	2015	4,065,656	(10,885)	4,054,771	3,947,621	97.36%
2017	2016	4,166,147	(3,352)	4,162,795	4,046,380	97.20%
2018	2017	4,209,792	2,553	4,212,345	4,112,004	97.62%

Continued

SOURCE: Calhoun County Appraisal District

PROPERTY TAX LEVIES AND COLLECTIONS

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 172,299	\$ 3,190,035	99.74%
148,232	3,390,265	99.70%
113,987	3,554,278	99.75%
100,116	3,744,565	99.75%
87,620	3,789,629	99.66%
102,188	3,939,018	99.58%
73,807	4,048,936	99.42%
77,289	4,024,910	99.26%
63,363	4,109,743	98.73%
-	4,112,004	97.62%
Concluded		

STATISTICAL INFORMATION

WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED *Last ten fiscal years*

Fiscal Year	Gallons of GBRA Water Purchased	Gallons of Metered Consumption	Gallons of Unmetered Consumption	Gallons of Water Unaccounted	Average Percent Unaccounted	Gallons of Wastewater Treated
2009	496,619,000	455,031,000	N/A	41,588,000	8%	368,120,000
2010	459,847,000	377,310,000	10,304	82,526,696	18%	435,540,000
2011	559,150,000	462,107,000	11,188	97,031,812	17%	368,780,000
2012	489,614,000	414,492,000	19,130	75,102,870	15%	403,940,000
2013	459,908,000	390,984,000	18,243	68,905,757	15%	345,530,000
2014	467,309,000	374,281,000	14,077	93,013,923	20%	305,012,000
2015	564,410,500	435,402,000	29,458	128,979,042	23%	337,739,000
2016	495,589,000	394,292,000	21,430	101,275,570	20%	406,730,000
2017	436,727,000	402,621,000	20,467	34,085,533	8%	372,684,556
2018	461,979,000	409,691,000	52,288	66,358,000	14%	460,402,000

Continued

NOTES: The City purchases water from the Guadalupe-Blanco River Authority.
 Water and Sewer Usage Rates shown are for 5,000 gallons usage.
 N/A denotes information not available.
 Unmetered consumption is an estimation (Water Main Breaks, Fire Drills, Line flushing, etc.)

WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED

Total Direct Rate			
Water		Sewer	
Base Rate	Usage Rate	Base Rate	Usage Rate
\$ 15.00	\$ 14.25	\$ 14.00	\$ 14.70
15.00	14.25	14.00	14.70
15.00	14.25	14.00	14.70
15.00	14.25	14.00	14.70
15.00	14.25	14.00	14.70
16.00	14.25	15.00	15.54
16.00	14.25	15.00	15.54
16.00	14.25	15.00	15.54
16.50	14.25	15.50	15.87
16.50	14.25	15.50	15.87
Concluded			

STATISTICAL INFORMATION

WATER AND SEWER RATES *Last ten fiscal years*

	Fiscal Year							
	2009		2010		2011		2012	
	Res.	Comm.	Res.	Comm.	Res.	Comm.	Res.	Comm.
Water Rates								
Base Rate (includes 2,000 gallons)								
Base Rate by Meter Size								
3/4" to 5/8"	\$ 15.00	\$17.50	\$15.00	\$ 17.50	\$15.00	\$ 17.50	\$15.00	\$ 17.50
1"	15.00	17.50	15.00	17.50	15.00	17.50	15.00	17.50
1 1/2"	15.00	17.50	15.00	17.50	15.00	17.50	15.00	17.50
2"	15.00	35.00	15.00	35.00	15.00	35.00	15.00	35.00
3"	15.00	35.00	15.00	35.00	15.00	35.00	15.00	35.00
4"	15.00	35.00	15.00	35.00	15.00	35.00	15.00	35.00
6"	15.00	35.00	15.00	35.00	15.00	35.00	15.00	35.00
Per 1,000 gallons over base charge	4.75	4.95	4.75	4.95	4.75	4.95	4.75	4.95
Conservation Rate Tiers for water								
Per 1,000 gallons 2,001 - 5,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Per 1,000 gallons 5,001 - 25,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Per 1,000 gallons Over 25,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sewer Rates								
Base Rate (includes 2,000 gallons)	14.00	15.75	14.00	15.75	14.00	15.75	14.00	15.75
Per 1,000 gallons over base charge	4.90	4.95	4.90	4.95	4.90	4.95	4.90	4.95

Continued

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

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

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

The City changed the rate classification in 2008.

"Res." - Residential

"Comm." - Commercial

The City changed to a tiered conservation rate in 2013.

STATISTICAL INFORMATION

WATER AND SEWER RATES

Fiscal Year											
2013		2014		2015		2016		2017		2018	
Res.	Comm.	Res.	Comm.	Res.	Comm.	Res.	Comm.	Res.	Comm.	Res.	Comm.
\$15.00	\$ 17.50	16.00	18.50	16.00	18.50	16.00	18.50	16.50	19.00	16.50	19.00
15.00	17.50	16.00	18.50	16.00	18.50	16.00	18.50	16.50	19.00	16.50	19.00
15.00	17.50	16.00	18.50	16.00	18.50	16.00	18.50	16.50	19.00	16.50	19.00
15.00	35.00	16.00	36.00	16.00	36.00	16.00	36.00	16.50	36.50	16.50	36.50
15.00	35.00	16.00	36.00	16.00	36.00	16.00	36.00	16.50	36.50	16.50	36.50
15.00	35.00	16.00	36.00	16.00	36.00	16.00	36.00	16.50	36.50	16.50	36.50
15.00	35.00	16.00	36.00	16.00	36.00	16.00	36.00	16.50	36.50	16.50	36.50
4.75	4.95	4.75	4.95	4.75	4.95	4.75	4.95	4.75	4.95	4.75	4.95
N/A	N/A	4.75	4.95	4.75	4.95	4.75	4.95	4.75	4.95	4.75	4.95
N/A	N/A	5.03	5.03	5.03	5.03	5.03	5.03	5.14	5.14	5.14	5.14
N/A	N/A	5.71	5.71	5.71	5.71	5.71	5.71	5.14	5.14	5.14	5.14
14.00	15.75	15.00	16.75	15.00	16.75	15.00	16.75	15.50	17.25	15.50	17.25
4.90	4.95	5.18	5.18	5.18	5.18	5.18	5.18	5.29	5.29	5.29	5.29

Concluded

STATISTICAL INFORMATION

TEN LARGEST WATER CUSTOMERS
(UNAUDITED)
Current Year and Nine Years Ago

2018			
Customer	Type of Business	12-Month Water Consumption (In Thousands)	Percent of Total Billed
City of Port Lavaca	Government	12,048	2.94%
C.C.I.S.D.	School	6,741	1.65%
VIVA Properties	Apartment Complex	5,118	1.25%
Regency Nursing & Rehab Center	Senior Citizen Home	4,919	1.20%
Memorial Medical Center	Hospital	4,690	1.14%
Prestige Oysters, Inc.	Industry/ Commercial	4,225	1.03%
Splash & Dash	Commercial/ Car Wash	4,062	0.99%
Days Inn	Hotel/ Motel	3,706	0.90%
Sea Breeze Village Apts.	Apartment Complex	3,544	0.87%
Calhoun County Adult Dent Ctr.	Jail	3,340	0.82%

2009			
Customer	Type of Business	12-Month Water Consumption (In Thousands)	Percent of Total Billed
C.C.I.S.D. #2	School	9,170	2.02%
Regency Nursing & Rehab Center	Senior Citizen Home	6,460	1.42%
Memorial Medical Center	Hospital	6,440	1.42%
H. E. B. #434	Grocery Store	4,580	1.01%
Wal*Mart Stores, Inc.	Store	4,445	0.98%
Calhoun County Adult Dent. Ctr.	Jail	4,163	0.91%
City of Port Lavaca	Municipality	3,417	0.75%
Orion Marine Group, Inc.	Industry/ Commercial	3,318	0.73%
Splash-N-Dash	Commercial/ Car Wash	3,266	0.72%
C.C.I.S.D. #1	School	3,247	0.71%

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STATISTICAL INFORMATION

RATIOS OF OUTSTANDING DEBT BY TYPE *Last ten fiscal years*

Fiscal Year	Governmental Activities			Business-type Activities			
	Certificates of Obligation	General Obligation Bonds	Capital Leases	Certificates of Obligation	Revenue Bonds	Less: Issuance Discount	Capital Leases
2009	\$ 3,715,000	\$ -	\$ 332,486	\$ 3,940,000	\$ 5,315,000	\$ (31,983)	\$ 237,874
2010	3,515,000	-	261,340	3,800,000	5,025,000	(31,434)	193,957
2011	3,310,000	-	471,758	3,655,000	4,760,000	(30,839)	148,282
2012	3,095,000	-	248,917	3,500,000	4,425,000	(30,290)	100,780
2013	105,000	2,895,000	211,559	3,340,000	4,080,000	(29,696)	51,378
2014	55,000	2,680,000	172,640	3,175,000	3,725,000	(29,101)	-
2015	-	2,460,000	132,094	3,000,000	3,355,000	(28,460)	-
2016	-	2,180,000	89,837	2,820,000	2,965,000	(27,774)	-
2017	-	1,895,000	45,830	1,125,000	3,975,000	-	-
2018	-	1,605,000	-	1,040,000	3,255,000	-	-

Continued

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

RATIOS OF OUTSTANDING DEBT BY TYPE

Total Primary Government	Percentage of Personal Income	Per Capita
\$ 13,508,377	3.7%	\$ 1,175.77
12,763,863	3.4%	1,060.56
12,314,201	3.1%	1,005.41
11,339,407	N/A	923.25
10,653,241	N/A	866.12
9,778,539	2.2%	790.25
8,918,634	1.8%	719.30
8,027,063	1.8%	647.34
7,040,830	N/A	567.58
5,900,000	0.7%	483.13

Concluded

STATISTICAL INFORMATION

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

Fiscal Year	General Bonded Debt Outstanding			Debt Service Monies Available (1)	Debt Payable from Enterprise Funds
	Certificates of Obligation	General Obligation Bonds	Total		
2009	\$ 6,655,000	\$ -	\$ 6,655,000	\$ 159,657	\$ 3,940,000
2010	7,315,000	-	7,315,000	161,177	3,800,000
2011	6,965,000	-	6,965,000	177,224	3,655,000
2012	6,595,000	-	6,595,000	183,391	3,500,000
2013	3,445,000	2,895,000	6,340,000	226,879	3,340,000
2014	3,230,000	2,680,000	5,910,000	225,771	3,175,000
2015	3,000,000	2,460,000	5,460,000	146,887	3,000,000
2016	2,820,000	2,180,000	5,000,000	153,522	2,820,000
2017	1,125,000	1,895,000	3,020,000	165,276	1,125,000
2018	\$ 1,040,000.00	\$ 1,605,000.00	\$ 2,645,000.00	\$ 159,232.00	\$ 1,040,000.00

Continued

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

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

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Net Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
\$ 2,555,343	0.59%	\$ 222.42
3,353,823	0.73%	278.67
3,132,776	0.64%	255.78
2,911,609	0.56%	237.06
2,773,121	0.55%	225.46
2,509,229	0.49%	202.78
2,313,113	0.44%	186.56
2,026,478	0.39%	163.43
1,729,724	0.32%	139.44
\$ 1,445,768.00	0.27%	\$ 118.39

Concluded

STATISTICAL INFORMATION

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
(UNAUDITED)
September 30, 2018

	<u>Gross Debt Outstanding</u>		<u>Percentage</u>	<u>Amount</u>
	<u>Date</u>	<u>Amount</u>	<u>Applicable</u>	<u>Applicable</u>
			<u>to City</u>	<u>to City</u>
Direct Debt:				
City of Port Lavaca	9/30/2018	<u>\$ 1,605,000</u>	100.00%	<u>\$ 1,605,000</u>
Overlapping Debt:				
Calhoun County	9/30/2018	5,290,000	14.28%	755,412
Calhoun Independent School District	9/30/2018	45,510,000	13.74%	6,253,074
Calhoun Port Authority	9/30/2018	<u>32,400,000</u>	22.33%	<u>7,234,920</u>
Total Overlapping Debt		<u>83,200,000</u>		<u>14,243,406</u>
Total		<u>\$ 84,805,000</u>		<u>\$ 15,848,406</u>

NOTES: 1 There is no legal debt limit for the City. Texas municipalities are not bound by any direct constitutional or statutory maximums as to the amount of obligation bonds which may be issued; however, all local bonds must be submitted to and approved by the State Attorney General. It is the established practice of the Attorney General not to approve a prospective bond issue if it will result in a tax levy for general bonded debt of over \$1.00 for cities under 5,000 population, or \$1.50 for cities over 5,000 population.

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

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

STATISTICAL INFORMATION

PLEDGED-REVENUE COVERAGE *Last ten fiscal years*

Fiscal Year	Gross Revenue	Direct Operating Expenses	Net Available Revenue	Average Debt Service Requirements	Times Debt Coverage
2009	\$ 5,331,869	\$ 3,478,632	\$ 1,853,237	\$ 869,487	\$ 2.13
2010	5,194,828	3,470,112	1,724,716	867,219	1.99
2011	5,604,515	3,368,233	2,236,282	877,114	2.55
2012	5,312,772	3,458,504	1,854,268	953,379	1.94
2013	5,391,718	3,600,338	1,791,380	998,063	1.79
2014	5,296,396	3,519,390	1,777,006	1,049,797	1.69
2015	5,838,937	3,874,837	1,964,100	1,122,295	1.75
2016	5,586,184	3,632,004	1,954,180	672,207	2.91
2017	5,702,881	3,505,491	2,197,390	583,944	3.76
2018	5,872,960	3,686,896	2,186,064	564,106	3.88

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

Details regarding the City's outstanding revenue bonds and certificates can be found in Note 10 of the notes to the financial statements.

STATISTICAL INFORMATION

OPERATING INDICATORS BY FUNCTION/PROGRAM *Last ten fiscal years*

Function/Program	Fiscal Year			
	2009	2010	2011	2012
General government				
Building permits issued	564	548	801	784
Building inspections conducted	564	732	822	1,187
Public safety				
Police				
Physical arrests	1,155	1,022	807	837
Traffic violations	3,985	4,717	3,370	2,799
Fire				
Fire calls	192	175	568	650
Public works				
Streets (miles)	50.0	50.0	50.0	50.0
Culture and recreation				
Parks and recreation				
Bauer Center rentals	71	65	63	59
Lighthouse beach park				
Pavillion	25	42	39	47
Water and wastewater				
Water				
Water customers	4,514	4,552	4,544	4,556
Water taps	19	11	11	15
Average daily consumption	1.38 mgd	1.27 mgd	1.53 mgd	1.272 mgd
Peak daily consumption	1.66 mgd	1.49 mgd	5.65 mgd	2.10 mgd
Wastewater				
Sewer customers	4,217	4,267	4,258	4,276
Sewer taps	2	7	9	7
Average daily sewage treatment	1.01 mgd	1.19 mgd	1.01 mgd	1.11 mgd

Continued

STATISTICAL INFORMATION

OPERATING INDICATORS BY FUNCTION/PROGRAM

Fiscal Year					
2013	2014	2015	2016	2017	2018
357	266	195	782	965	890
627	689	411	538	741	512
1,132	961	970	1064	790	927
4,080	2,366	3,353	4584	2075	5480
685	591	632	664	881	862
50.0	50.0	50.0	50	50.0	50.0
47	212	218	215	190	11
36	43	41	41	42	11
4,606	4,416	4,624	4630	4,590	4,773
21	10	10	21	28	7
1.07 mgd	1.33 mgd	1.13 mgd	1.24 mgd	1.21mgd	1.121 mgd
2.74 mgd	2.44 mgd	2.83 mgd	1.71 mgd	2.36 mgd	1.833 mgd
4,317	4,332	4,337	4,335	4,318	4,450
12	7	7	13	13	7
1.08 mgd	0.98 mgd	1.12 mgd	1.11 mgd	1.08 mgd	0.933 mgd

Concluded

STATISTICAL INFORMATION

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM **Last ten fiscal years**

	Fiscal Year			
	2009	2010	2011	2012
Function/Program				
Public safety				
Police				
Stations	1	1	1	1
Patrol units	7	7	6	7
Fire stations	2	2	2	2
Highways and streets				
Streets (miles)	50.1	50.1	50.1	50.1
Streetlights	684	686	686	686
Culture and recreation				
Acreage	150	150	150	150
Parks	7	7	7	7
Baseball/softball diamonds	2	2	2	2
Community centers	1	1	1	1
Swimming pools	1	1	1	1
Water and wastewater				
Water				
Water mains (miles)	69	69	69	69
Fire hydrants	259	259	259	259
Storage capacity	1 MG	1 MG	1 MG	1 MG
Wastewater				
Sanitary sewers (miles)	58	58	58	58
Treatment capacity	2.5	2.5	2.5	2.5

Continued

STATISTICAL INFORMATION

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Fiscal Year						
2013	2014	2015	2016	2017	2018	
1	1	1	1	1	1	1
7	7	7	7	7	7	7
2	2	2	2	2	2	2
50.1	50.1	50.2	50.2	50.2	50.2	50.2
678	678	685	685	685	685	685
150	150	150	153	153	153	153
7	7	7	7	7	7	7
2	2	4	4	4	4	4
1	1	1	1	1	1	1
1	1	1	1	1	1	1
70	70.2	70.3	70.9	70.9	70.9	70.9
262	268	273	279	279	279	279
1 MG	1 MG	1 MG	1 MG	1 MG	1 MG	1 MG
58	58.2	58.3	58.9	58.9	58.9	58.9
2.5	2.5	2.5	2.5	2.5	2.5	2.5

Concluded

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APPENDIX

Budgetary Process and Guidelines

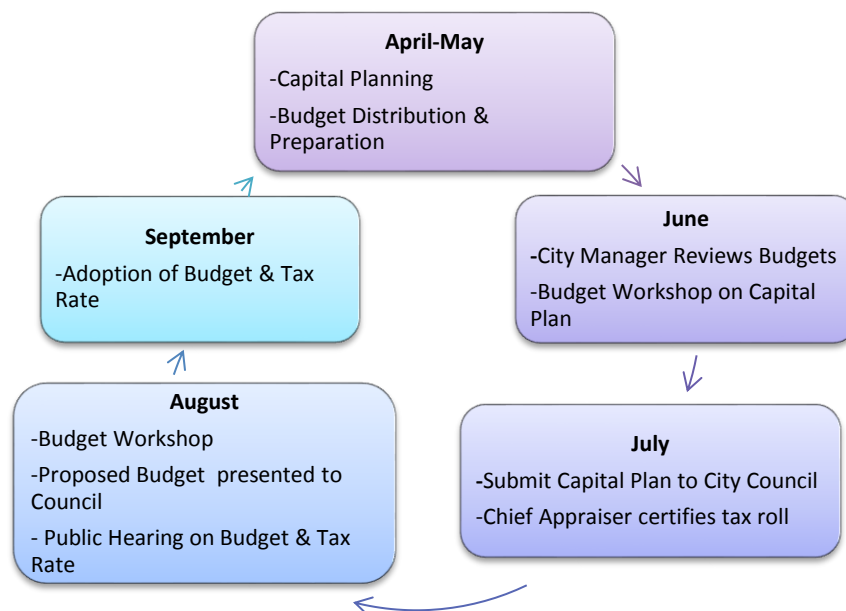
The purpose of this segment is to explain the budgetary policies and process of the City of Port Lavaca. This narrative describes the legal requirements, budgeting standards and basic rationale of the budget process.

Purpose of the Budget

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

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

Budget Calendar Cycle



FY 2019- 2020 Budget Planning Calendar

Date	Activity	Responsible Party
February 8	Distribute budget package to Division Heads	Finance Director
Feb. 20 - 22	Capital Planning	All Dept. Heads, City Mgr.
March 1	Turn in budget package to Finance Director	Department Heads
March 18-22	Initial budget review with Division Heads	City Manager, Dept. Heads, Finance Director
March 1- 31	Budget review with Boards & Commissions Personnel/Salary Projections	City Manager, Department Heads, Finance Director
April-May	Mailing of notices of appraised value	CCAD
April 15	Submit first draft of budget to City Manager	Finance Director
April 22	Compensation Plan Meeting	City Manager, Finance Director Department Heads
April 22 - 26	Budget review with Department Heads Capital Plan Review with City Manager	City Manager, Finance Director Department Heads
May 3	Memo & Copy of Capital Exp. to Council Memo includes Salary Information	City Manager e-mails to Council & Mayor
May 13	Regular Council Meeting Proposed Compensation Plan	City Council, City Manager
May 22	Budget Workshop- 1:00-5:00 Capital Plan, Proposed Compensation & Other Planning	City Council, City Manager Department Heads
June 10	Regular Council Meeting Approve Capital Plan	City Council, City Manager
June 12	Distribute budget package to Division Heads, City Council	Finance Director
June 24	Budget Workshop 8:30-4:30	City Council, City Manager Department Heads
July 08	Regular Council Meeting -Set Public Hearings on tax rate (if required) -Set Public Hearings on budget	City Council, City Manager
July 25	Certification of appraisal roll	Chief Appraiser
July 29	Budget Workshop 5:30 p.m. (TENATIVE) Publish ad for 2019 Proposed Tax Rate (Must allow 7 days between ad and 1st hearing)	City Council, City Manager Finance Director, Department Heads
July 31	Proposed budget filed with City Secretary	Finance Director
August 5	Publishes notice of effective and rollback tax rates	CCAD
August 5	Special Called Meeting – 5:30	City Council, City Manager

	<ul style="list-style-type: none"> -Approve budgetary policy & fund balance policy -Presentation of proposed budget to City Council -Discuss tax rate 	
August 12	Regular Council Meeting <ul style="list-style-type: none"> - First Public Hearings on budget & tax rate (if required) -First Reading on budget & tax rate ordinance -First Reading on fee ordinance (Must allow 3 days between 1st hearing & 2nd hearing) 	City Council, City Manager
August 19	Special Called Meeting- 5:30 <ul style="list-style-type: none"> -2nd Public Hearing on budget -2nd Public Hearing on tax rate (if required) 	City Council, City Manager
September 9	Regular Council Meeting <ul style="list-style-type: none"> -Second and final reading of budget ordinance -Second and final reading of tax rate ordinance 	City Council, City Manager
September 30	Distribute budgets	Finance Director
October 1	Budget becomes effective	N/A

Summary Description of the Budget Process

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

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

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

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

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

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

Legal Requirements

A. City Charter.

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

B. State Law.

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

C. Federal Law.

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

Budgeting Standards

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

Budget Policies as set forth in the City Charter

Fiscal Year

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

Preparation, Submission and Content of Budget

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

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

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

Anticipated Revenues and Proposed Expenditures Compared With Other Years

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

Estimated Expenditures Shall Not Exceed Estimated Resources

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

Surplus and Encumbrances

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

Budgetary Basis

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

Budget Amendments

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

Lapse of Appropriations

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

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

Basic Budgetary Units

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

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

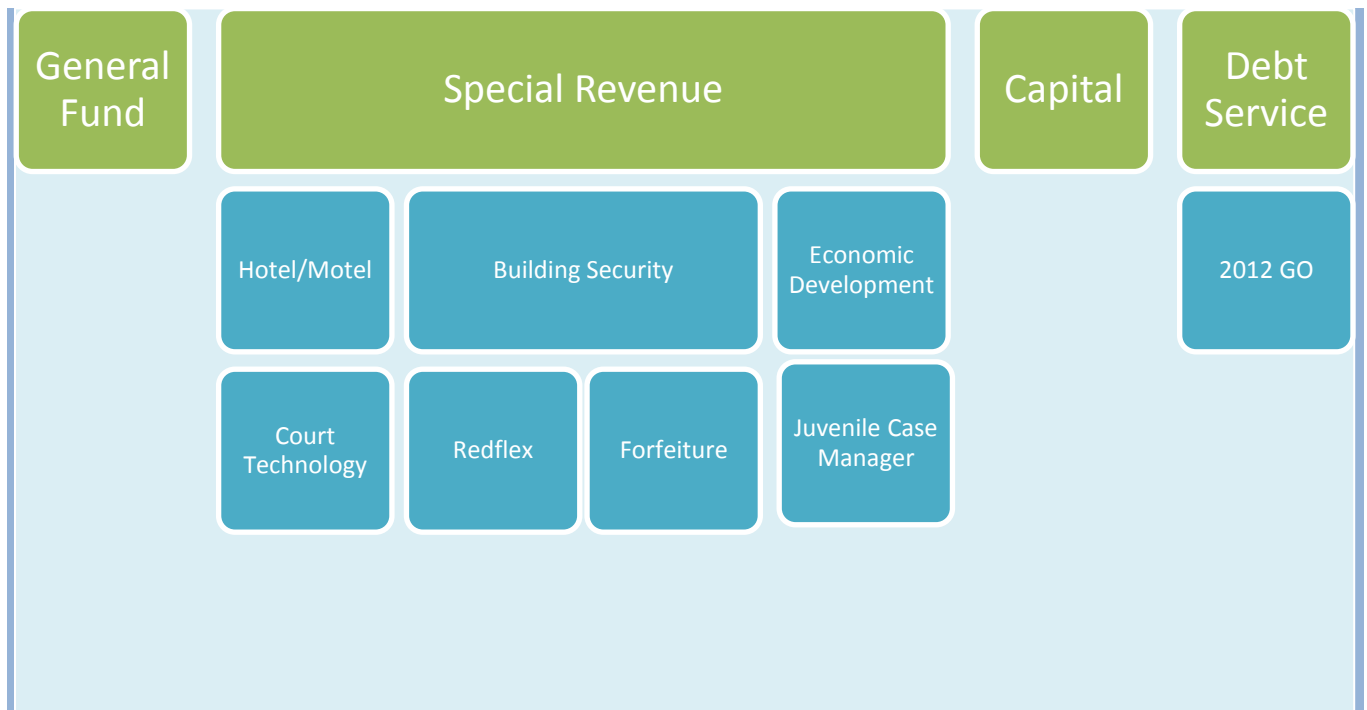
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Fund Structure

Governmental Funds

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

Governmental Fund Structure – Modified Basis

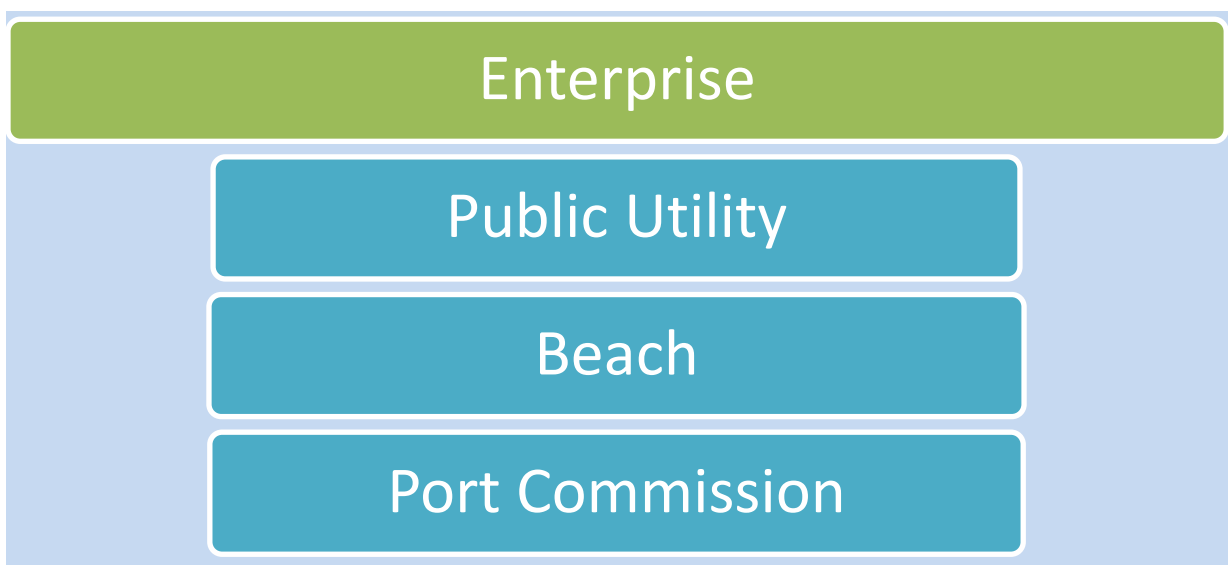


*Although the City has a number of funds shown above, only the General Fund, Hotel/Motel and Debt Service Fund(s) are appropriated. All City funds are audited annually.

Proprietary Funds

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

Proprietary Fund Structure – Accrual Basis



*All funds above are appropriated and audited annually.

Budget Ordinance

ORDINANCE #S-1-19

AN ORDINANCE APPROVING THE ANNUAL BUDGET FOR THE CITY OF PORT LAVACA, TEXAS AND ADOPTING THE BUDGET DOCUMENT FOR THE FISCAL YEAR OCTOBER 1, 2019 THROUGH SEPTEMBER 30, 2020; REPEALING ALL ORDINANCES OR PARTS THEREOF IN CONFLICT HERewith; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City Council has approved a budget for the City of Port Lavaca, Texas, for the fiscal year October 1, 2019 through September 30, 2020, and accordingly held a public hearing for same, at which time all interested citizens were given an opportunity to be heard for or against any item or amount of any item contained in said budget; and

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

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

SECTION 1. That the annual budget for the City of Port Lavaca, Texas for the fiscal year October 1, 2019 through September 30, 2020 is hereby approved and the budget document is hereby in all things adopted and made a part of this ordinance as if set forth in full herein and is hereby declared to be the financial plan for the City of Port Lavaca, Texas for the fiscal year 2019/2020.

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

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

FIRST READING this 12th day of August, 2019

SECOND AND FINAL READING this 9th day of September, 2019

APPROVED AND ADOPTED this 9th day of September, 2019.

Tax Rate Ordinance

ORDINANCE #S-2-19

AN ORDINANCE FIXING THE TAX RATE AND TAX LEVY FOR THE CITY OF PORT LAVACA, TEXAS, FOR THE YEAR 2018, UPON ALL TAXABLE PROPERTY IN SAID CITY OF PORT LAVACA, TEXAS SUBJECT TO TAXATION BY SAID CITY ON THE FIRST DAY OF JANUARY, 2018 IN CONFORMITY WITH THE CHARTER PROVISIONS AND ORDINANCES OF SAID CITY OF PORT LAVACA; APPROPRIATING THE FUNDS DERIVED FROM SAID TAX LEVY TO VARIOUS FUNDS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; AND ESTABLISHING AN EFFECTIVE DATE

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

SECTION 1. That there shall be and there is hereby levied and assessed for the year 2019 upon all property of every description subject to taxation by the City of Port Lavaca, Texas on the 1st day of January, 2019, the following tax rate, to-wit:

An Ad Valorem Tax at the rate of \$0.7944 on the \$100.00 assessed value, based on 100% assessment thereof estimated in lawful currency of the United States of America, for the purpose of paying the general expenses of the City government and for payment of principal and interest on outstanding bonds and certificates of obligation for the fiscal year ending September 30, 2020.

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

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

	Rate	Percentage
GENERAL FUND	\$ 0.7268	91.49 %
TAX SUPPORTED DEBT SERVICE FUND:		
2012 General Obligation Refunding	<u>\$0.0676</u>	<u>8.51 %</u>
Total Tax Rate	\$0.7944	100.00 %

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

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

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

FIRST READING this 12th day of August, 2019

SECOND AND FINAL READING this 9th day of September, 2019

APPROVED AND ADOPTED this 9th day of September, 2019



Resolution of the City of Port Lavaca, Texas

No. R-080519-1

Budgetary & Financial Management Policies

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

General Budgetary Policies

Budget Preparation

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

Government Finance Officer Association Distinguished Budget Program

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

Balanced Budget

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

Public Hearings, Availability of Budget to Public

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

Cost Center Accounting and Budgeting

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

Bond Ratings

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

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

Administrative Overhead Fee to Enterprise Funds

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

Budget Projections for Revenues and Expenditures

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

Maintenance of Plant and Equipment

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

Financial Management Policies

Fund Balance Policy

Purpose

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

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

Definitions

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

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

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

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

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

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

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

Minimum Unassigned Fund Balance

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

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

Committed Fund Balances

- *Fixed or Capital Asset Replacement*- The City Council commits an additional portion of the General Fund Reserve for fixed asset replacement related to machinery and equipment. On an annual basis, the City strives to commit dollars equal to one year's depreciation expense of machinery and equipment for assets on record as of the previous fiscal year end. The balance at year end in this account will be the committed fund balance.

Replenishment of Minimum Fund Balance Reserves

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

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

Order of Expenditure of Funds

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

Appropriation of Unassigned Fund Balance

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

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

Monitoring and Reporting

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

Revenue Management Policy

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

- ***Simplicity and Certainty.*** The City shall strive to keep the revenue classification system simple to promote understanding of the revenue sources. The City shall describe its revenue sources and enact consistent collection policies to provide assurances that the revenue is collected according to budgets and plans.

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

Use of Fund Balance and Non-Recurring Revenues

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

Property Tax Revenue

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

Interest Income

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

User Based Fees and Service Charges

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

Water and Wastewater Rates and other fees for Services

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

Intergovernmental Revenues/Grants/Special Revenues

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

Collection of Charges

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

Revenue Monitoring

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

Expenditure Control Policy

Appropriations

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

Amendments to the Budget

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

Central Control

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

City's Manager Authority to Amend the Budget

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

Purchasing

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

Prompt Payment

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

Long-Term Debt Policy

Revenue Bond Sinking Account

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

General Obligation Bond Debt Service Account

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

Capital Improvement Plan

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

Debt Policy Guidelines

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

Other Fund Use Information

Governmental Funds

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

Proprietary Funds

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

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

Public Utility Fund

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

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

Beach and Port Revenue Fund

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



Investment Policy Summary*

- I. **POLICY STATEMENT** It is the policy of the City that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of the City and conforming to all applicable state statutes governing the investment of public funds.
- II. **SCOPE** This investment policy applies to all the financial assets and funds of the City. The City commingles its funds into one pooled investment fund for investment purposes to provide efficiency and maximum investment opportunity. These funds are defined in the City's Comprehensive Annual Financial Report (CAFR).
- III. **STATEMENT** Any new funds created by the City shall be included unless specifically exempted by the City Council and this policy.

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

*This report represents a summary of the full report. Please notify the Finance Department if you would like a copy of the complete document.



Capital Asset Policy

Purpose and Objectives

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

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

Responsibility and Authority

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

Overview

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

Criteria for Capitalization

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

- The expected useful life is longer than one year.
- The asset has at least a unit cost of \$5,000.00 or more.

- Expenditures that materially add to the value or prolong the life of existing equipment will be considered capital assets and will be appropriately capitalized.
- The item belongs to one of the general classes of assets as defined by general accounting terms.
- Land (all land capitalized regardless of cost)
- Buildings and Building Improvements
- Equipment
- Improvements other than Buildings
- Infrastructure assets

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

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

Useful Lives and Thresholds of Capital Assets

Class	Asset	Capitalization Life (Yrs.)	Threshold (\$)
Land	Land and Site Improvements	Inexhaustible	Any Value
Buildings	Buildings	50	50,000
Buildings	Building Improvements	10-50	10,000
Equipment	Accounting Systems	5-10	5,000
Equipment	Construction Machinery	10	5,000
Equipment	Misc. Equipment	5-10	5,000
Equipment	Fire Fighter Apparatus	10	5,000
Equipment	Computer Hardware/ Software	5	5,000
Improvements	Fences, Trails, etc.	20	20,000
Improvements	Docks	10	20,000
Improvements	Dredging	10	50,000
Improvements	Parks and Playgrounds	20	50,000
Improvements	Swimming Pools	20	50,000
Infrastructure	Bridges & Tunnels	50	100,000
Infrastructure	Curbs & Sidewalks	50	50,000
Infrastructure	Drainage	50	100,000
Infrastructure	Parking Lots	25	20,000
Infrastructure	Lift Stations	15	20,000
Infrastructure	Sewer	50	100,000
Infrastructure	Streets (Primary)	50	100,000
Infrastructure	Streets (Secondary)	40	100,000
Infrastructure	Traffic Signals and Signs	25	50,000

Accounting for Capital Assets

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

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

Construction in Progress (CIP)

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

Capital Leases

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

Fixed Asset Components

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



Resolution of the City of Port Lavaca, Texas

[No. R-081219-1](#)

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

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

WHEREAS the City Manager submitted a Five Year Capital Program to the City Council on May 22, 2019 in compliance with the City Charter and,

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

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

THAT the Five Year Capital Program (October 1, 2019 – September 30, 2024), a copy of which is attached hereto and incorporated in the Fiscal Year Budget 2019-2020, is hereby adopted in compliance with the City of Port Lavaca Home Rule Charter.

PASSED and APPROVED this 12th day of August 2019.

Compensation and Staffing Plan

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

Goals

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

2019-2020 Business Plans (Objectives)

- Implement an employee training model focused in leadership development
- Revamp the new hire fitness requirements
- Begin a standard employee recognition program

2018-2019 Accomplishments of Prior Year Business Plans

- Implemented Certification Pay
- Trained City Supervisors on Performance Evaluation and created new evaluation tool
- Maintained all required certification information in the HR software vs. just paper file
- Completed certification pay analysis and implemented into compensation

Maximum Merit Increase (City Council Annual Approval)

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

Pay Grades and Salary Guidelines FY 2019-2020 (City Manager Approval)

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

The starting salary for a new hire will be at least the minimum of the pay range for the job. Department Heads have the authority to increase the starting pay up to 5% above the minimum if the applicant exceeds the minimum qualifications for the job. If the Department Head would like to request an amount above the 5%, this request must be submitted in writing to Human Resources stipulating reasons for the request. The request will be forwarded to the City Manager with a recommendation from Human Resources. This request must be made prior to the job offer.

Approved Positions for FY 2019-2020 (City Council Annual Approval)

The City Council approves the number of part-time and full-time positions annually. The purpose of this schedule is to designate how many positions are authorized. The information about each department is included in the Staffing Levels Table.

Approved by Council for 2018-2019 Budget:

- Amount of Pay Increase Allocated- \$160,820
- Number of Positions (97)

<i>Occupational Department</i>	<i>No. Of Positions FY 2016-2017</i>	<i>No. Of Positions FY 2018-2019</i>	<i>No. Of Position FY 2019-2020</i>
<i>City Manager</i>	1	2	2
<i>City Secretary</i>	2	2	2
<i>Human Resources</i>	0	0	0
<i>Municipal Court</i>	2	2	2
<i>Economic Development</i>	1	1	1
<i>Finance</i>	3	3	4
<i>Police</i>	30	30	30
<i>Fire</i>	17	16	16
<i>Animal Control</i>	2	2	2
<i>Code Enforcement</i>	4	3	3
<i>Streets</i>	10	10	10
<i>Parks & Recreation</i>	5	5	5
<i>Bauer Center</i>	2	2	2
<i>Utility Billing</i>	3	3	3
<i>Utility Maintenance</i>	10	10	10
<i>Waste Water (WWTP)</i>	4	4	4
<i>Port Commission</i>	0	1	1
<i>Total Positions</i>	96	96	97
<i>Appointed-Judge</i>	1	1	1
<i>Seasonal Temps</i>	7	7	7

Long-Term Financial Planning

OVERVIEW

The City must take into consideration many different facets when trying to plan for the future. The City's first step was with the adoption of a Strategic Plan in 2006. Next, the City implemented a Five Year Capital Plan. This was an effort to look at the "big ticket" items and determine what funding sources would be needed for all the planned projects for the next five years. Revenue assumptions were then developed. The City's Strategic Plan was again updated in 2012 along with the Council's associated goal statements. These statements have provided staff with a future picture of desired outcomes that the staff can continually aim towards. This enabled departmental business plans to be linked to the "big picture." In 2016, the City adopted the City's Comprehensive Master Plan. Through this plan the City will be able to validate all its short term plans against the City's vision.

The City maintains a strong reserve (savings) to be prepared for economic downturns and for natural disasters. The City has refinanced many bond issues to take advantage of opportunities in the market place. This strategy has resulted in some significant savings that will help during any future economic downturns. The City has been able to maintain service levels, provide employee salary increases and continue with large capital projects without dipping below our policy reserve requirements. The City has been in a slow growth pattern for many years which positions the City to carefully plan for the future. The City is now ready to "braid" all this information into one Comprehensive Plan—Vision Port Lavaca! This 2019-2020 budget provides for solid action plans that were recommended.

COMPONENTS OF LONG TERM PLANNING

Vision, Mission and Strategic Plan

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

Demographic and Economic Profile

Population

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

Table 1 Population Growth

	2000	2010	2019 (estimate)
Port Lavaca	12,003	12,248	12,776
Calhoun County	20,647	21,381	21,609

Source: US Census, ESRI Business Analyst

Developing population projections can be a challenge because so many external factors influence what may happen. As mentioned, growth in the new refining needs may lead to increased growth in Port Lavaca due to new jobs and additional traffic through the Port. It will be critical to monitor population changes to ensure the City is able to manage growth with adequate infrastructure and services. As the table below indicates, different

sources have very different expectations for growth. The Texas Water Development Board tends to have higher projections than other sources, so it is likely that Port Lavaca will not experience as rapid of growth as indicated.

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

Table 2 Population Projection

	2016 (estimate)	2020 Texas State Data Center	2020 Texas Water Development Board	2030 Texas State Data Center	2030 Texas Water Development Board
Port Lavaca	12,389	NA	13,770	NA	15,391
Calhoun County	22,132	22,648	24,037	23,795	26,866

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

Ethnicity

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

Table 3 2012 Race and Ethnicity

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

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

Age

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

Table 4 Age

	Count	Percent
0 – 4	960	7.8%
5 – 9	944	7.6%
10 – 14	953	7.7%
15 – 19	988	8.0%
20 – 24	793	6.4%
25 – 34	1,525	12.3%
35 – 44	1,503	12.2%
44 – 54	1,658	13.4%
55 – 64	1,343	10.9%
65 – 74	928	7.5%
75 – 84	598	4.8%
85+	174	1.4%
Median Age	35.1	

Source: ESRI Business Analyst

Income and Employment

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

Table 5 Income by Household

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

Source: ESRI Business Analyst

Table6 Employment by Sector for Calhoun County

	Count	Percent
Total, All Industries	8,605	100%
Natural Resources & Mining	168	1.95%
Construction	1,790	20.8%
Manufacturing	3,225	37.48%
Trade, Transportation and Utilities	1,051	12.21%
Information	41	0.48%
Financial Activities	288	3.35%
Professional and Business Services	771	8.96%
Education and Health Services	410	4.76%
Leisure and Hospitality	701	8.15%
Other Services	160	1.86%
Unclassified	2	0.02%

Source: Bureau of Labor Statistics www.bls.gov

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

Table7 Employment by NAICS code for Port Lavaca

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

Source: Bureau of Labor Statistics www.bls.gov

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

- Formosa Plastics
- Intoplast Group
- Calhoun County ISD
- Orion Marine Group
- Calhoun County
- Memorial Medical Center
- Seadrift Coke
- INEOS Nitriles
- HEB Grocery

Housing

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

Table 8 2010 Housing Occupancy

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

Source: 2010 US Census

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

Table 9 2010 Vacancy Status

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

Source: 2010 US Census

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

Table10 2012 Housing Values for Owner Occupied Units

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

Source: ESRI Business Analyst

Education

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

Table 11 Educational Attainment 25 years+

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

Source: US Census American Community Survey

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

In the most recent school year, all CCISD campuses "met standard," which is the highest accountability rating available from the Texas Educational Agency. Additionally, TEA recognized multiple CCISD campuses with distinction designations and Port O'Connor Elementary was named a High Performing and High Progress School.

The Calhoun High School UIL academic team has won the district competition nine out of the last ten years. From academics, to athletics, to fine arts, CCISD teams and individuals are typically successful in advancing past the district level of competition. Currently, enrollment at CCISD is 3,802.

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

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

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

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

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

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

Taxes

The majority of funding for local governments comes from property taxes and sales tax. Property taxes are collected by a number of entities, with the City, County and School District being the primary drivers. In addition, there are a number of special districts that collect taxes in all or part of the County.

These districts provide specific services and collect taxes to be used within that district's boundaries on approved projects. Table 12 provides an overview of the taxing districts and the basic rate. Specific information on exemptions, etc. can be found at the County Appraisal website.

Table12 Property Tax Rates and Entities 2016

	Rate / \$100
Calhoun County	0.5572
City of Seadrift	0.5600
City of Point Comfort	1.2307
Port Lavaca	0.7944
Calhoun County ISD	1.1936
Calhoun Port Authority	0.0010
WCID #1	0.0415
LaSalle WCID #1A	0.5700
Drainage District #6	0.0365
Drainage District #8	0.2790
Drainage District #10	0.2259
Drainage District #11	0.1836
Port O'Connor Improvement District	0.5300
Port O'Connor MUD Defined Area #1	0.4700
Groundwater Conservation District	0.0095

Source: Calhoun County CAD

Hotel and Motel Taxes

Hotels, motels and bed and breakfast establishments are levied a Hotel / Motel tax. This tax is intended to be used on projects that will put 'heads in beds', which means projects need to promote tourism in the community. This can include marketing, festivals and events, and similar projects. In 2018-2019, the City had 15 hotel properties and collected \$680,707 in hotel tax. This is an **increase** from the receipts from the same time frame in 2017-2018 which was \$656,156. Comparing hotel receipts from prior years indicates that Port Lavaca is seeing solid economic growth. It will be important to focus on diversifying the economy and adding higher wages and primary employment to supplement the growth in the retail and service economy.

Conclusion

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

Glossary of Terms

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

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

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

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

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

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

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

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

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

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

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

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

CAFR – Comprehensive Annual Financial Report.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GAAP – General Accepted Accounting Principles.

GBRA – Guadalupe Blanco River Authority.

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

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

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

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

Interfund Transfers – Amounts transferred from one fund to another.

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

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

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

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

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

Ordinance – A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, usually require ordinances.

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

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

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

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

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

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

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

SCADA – Supervisory and Control Data Acquisition.

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

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

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

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

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

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

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

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

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

Acronyms

A/P	Accounts Payable
CAFR	Comprehensive Annual Financial Report (Audit)
CDBG	Community Development Block Grant
CCAD	Calhoun County Appraisal District
CCRWSS	Calhoun County Rural Water Supply System
CIP	Capital Improvement Plan
C.O.	Certificates of Obligation
COG	Council of Governments
CY	Cubic Yard
ED	Economic Development
EPA	Environmental Protection Agency
ETJ	Extra Territorial Jurisdiction
FARF	Fixed Asset Replacement Fund
FASB	Financial Accounting Standards Board
FEMA	Federal Emergency Management Administration
FICA	Federal Insurance Contribution Act
FTE	Full-Time Equivalent
FY	Fiscal Year
GAAFR	Governmental Accounting, Auditing and Financial Reporting
GAAP	Generally Accepted Accounting Principals
GASB	Governmental Accounting Standards Board
GBRA	Guadalupe-Blanco River Authority
GF	General Fund
GFOA	Government Finance Officers Association
GIS	Geographical Information Systems
G.O.	General Obligation
GPD	Gallons per Day
HOT	Hotel Occupancy Tax
HR	Human Resources
I & S	Interest and Sinking
IT	Information Technology

LF – Linear Foot
MGD – Millions of Gallons per Day
PD – Police Department
RFP – Request for Proposal
RFQ – Request for Qualifications
ROW – Right of Way
RV – Recreational Vehicle
SCADA – System Control and Data Acquisition
TCEQ – Texas Commission on Environmental Quality
TML – Texas Municipal League
TMRS – Texas Municipal Retirement System
TWC – Texas Workforce Commission
TWDB – Texas Water Development Board
TXDOT – Texas Department of Transportation
WET – Whole Effluent Toxicity
WWTP – Wastewater Treatment Plant
YMCA – Young Men’s Christian Association
Y.O.U. – Youth Orientation and Understanding





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