



South Padre ISLAND

2012-2013 Adopted Budget



4601 Padre Blvd., South Padre Island, TX 78597

Mayor and City Council

Robert Pinkerton, Jr., Mayor

Jo Ann Evans, Mayor Pro-Tem, Place 4

Alita Bagley, City Council Member, Place 5

Bob Fudge, City Council Member, Place 1

Courtney Hayden, City Council Member, Place 2

Sam Listi, City Council Member, Place 3

Paul Cunningham, City Attorney

**Joni Clarke, CPM
City Manager**

**Darla Jones
Assistant City Manager**

**Randy Smith
Police Chief**

**Burney Baskett
Fire Chief**

**Ray Moya
Interim Public Works Director**

**Wendi Delgado, PHR
Human Resources Director**

**Rick Vasquez
Development Services Director**

**Victor Baldovinos
Environmental Health Services
Director**

**Susan Hill
City Secretary**

**Tim Howell, MCSA, A+, Net+
Information Services Director**

**Beth A. Free, MBA, CGFO
Chief Financial Officer**

**Lacey Eckberg
Convention and Visitors
Bureau Director**

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of South Padre Island
Texas**

For the Fiscal Year Beginning

October 1, 2011

Linda C. Danson Jeffrey R. Egan

President

Executive Director

BUDGET TRANSMITTAL LETTER

It is our pleasure to present to you the 2012-2013 Annual Operating Budget. The Annual Operating Budget outlines the programs and services provided by the City to the citizens of South Padre Island. As such, the budget is one of the most important decisions that the City Council makes every year as it determines projects to be funded or unfunded, service levels provided to the citizens and the costs associated with providing those services.

Before discussing the 2012-2013 Budget, let us first look at the major accomplishments of the City during the past year:

- The City of South Padre Island was one of nine Texas municipalities awarded the Scenic City Certification by the Scenic City Certification Program of Texas.
- The City signed a contract with Cameron County to expand beach patrol to include county beaches, and for the first time in ten years there were no drowning's on South Padre Island Beaches.
- The City applied for and was awarded the GFOA's Distinguished Budget Award for the first time in the City's History.
- The Coastal Resources division initiated an aggressive dune planting schedule and was able to plant 50,000 plants with the help of volunteers. This not only helps to stabilize our beaches, but it also affords protection to the properties behind the dune vegetation.
- During the 81st Texas Legislative session local governments were required to develop and implement a plan to reduce public expenditures for erosion and storm damages. The City hired a consultant to work with the Shoreline Task force to develop an Erosion Response Plan. The plan was approved by City Council in July and has been submitted to the GLO for final approval.
- The Convention Center has had a facelift with new bathrooms, new paint throughout the building. In addition, with the assistance of grant funding new solar blinds and AC upgrades should make the building more energy efficient.
- The Visitor's Center had a face lift as well with new paint on the outside and inside of the building. In addition, they got a new front desk, furniture and landscaping to complete the transformation.
- The Development Department began its first annexation as a home-rule municipality. The annexation will add approximately 400 acres to the City's current land area of approximately 1,200 acres.

- The Development Department in partnership with the Mayor and the State Senator and State Representative facilitated the legislative authorization to implement the Rio Grande Valley segment of the Purple Heart Trail.
- The Environmental Health Services Department was awarded a grant of \$2,500 by the FDA to assist the department in achieving the standards set by the National Retail Food Regulatory Program Standards.
- The Environmental Health Services Department developed a Natural Habitat Program which allows certain lots that meet the criteria of dune establishment, wetlands designation or native habitat to be exempt from the ordinance which requires these lots to be mowed. More than 50 lots have been granted this status and they are distinguished with a sign indicating it is a “Qualified Natural Habitat.”
- The Environmental Health Services Department stepped up their efforts to enforce the weedy lots ordinance which requires property owners to keep their lots free of tall grasses, trash, debris and rodents. Their efforts have made a major improvement in the beauty of the Island.
- The Finance Department implemented technologies to streamline its processing by implementing a biometric time clock system for tracking employees’ time as well as implementing a remote deposit check reader to capture the images of checks and electronically transmit daily deposits to the bank.
- The Finance Department also implemented the State of Texas Purchasing Card program earning the City money back on each purchase made with the cards. In addition it greatly streamlines the purchasing process.
- The Finance Department in conjunction with our investment counselors Estrada, Hinojosa refunded the series 2005 general obligation bonds that were originally issued for the construction of a new Municipal Complex. This resulted in a net present value savings of \$201,900.
- A new fleet replacement plan was developed by the Finance Department and the management team. City Council approved the idea. The plan makes best use of financial resources while ensuring proper maintenance and replacement of city-owned vehicles that in turn allows the City to provide the highest quality services in the areas of public health, safety and overall quality of life for employees, residents and visitors.
- The International City Managers Association is now offering a tool to small cities to help them develop performance measures. The CPM 101 is used to help make evidenced based decisions, set appropriate budget targets and implement proven cost and time saving practices. This new tool will not only help the City meet one of the measures for the GFOA’s Distinguished Budget Award, it will also help the City fulfill Section 5.03(e) of the City Charter.

- The Fire Department assumed ambulance operations for the City and contracted with Cameron County for EMS operations in the unincorporated areas of the Island. They also set up a new program for safety during Spring Break. They coordinated with regional EMSs' to stage 10 additional ambulances during the peak times. The "Triage Tents" were an additional enhancement and were staffed by nurses and paramedic students from local colleges.
- Construction of the new Fire Station was completed and an "Uncoupling of the Hose" Ceremony was held on September 11th to dedicate the new building.
- The Information Services department was busy with numerous projects including integrating the Convention Center and the Visitors Center with City Hall technology, outfitting all computers with uninterrupted power supplies, upgrading all computers to the latest version of Microsoft Operating system and Microsoft Office Suite. In addition all of the City's multifunctional printers were upgraded during the year.
- The City owned ambulances were outfitted with computer tablets, internet access and printers making the Emergency Medical Services operation nearly paperless.
- The Information Technology department switched the City's field works from broadband cards to mobile hot spots providing better service, faster connection speeds and reduced the overall cost of internet access in the field.
- The K-9 Unit of the Police department earned their national certification which focuses on proper deployment methods when tracking wanted subjects and pursuing illegal narcotics.
- The Police department was awarded a 2010 Carolina Skiff Motorboat, two 2011 Yamaha Wave Runners and a 2007 Yamaha Wave Runner after assisting the US Department of Homeland Security during the recovery of a wanted suspect. In addition with assistance from a federal grant the newly formed Marine Patrol purchased a 25-foot Majek Illusion boat.
- The Special Operations Division of the Police Department was formed primarily to coordinate the TPCA Recognition Program to have the Police Department become a TPCA certified agency for its policies and procedures.
- The Gay Dawn Walkover and parking was completed by the Public Works Department.
- A portion of Gulf Boulevard was re-paved and re-striped.
- The Tompkins Channel Dredge was finally completed. This channel had sand shifted into it during Hurricane Dolly in 2008. The City has been working with FEMA since then to clear the channel so that larger vessels could use it.
- A full reconstruction of West Retama Street was facilitated by the Public Works Department. This area of road in the city was in a state of disrepair and it fronts the new

Fire station. Concrete construction was chosen instead of asphalt to accommodate the traffic of the heavy fire trucks in and out of the station.

- The WAVE accepted title to a new bus which is a 2012 31ft. International Champion EZ Trans low floor bus which was purchased through federal and state grants. This is the second large bus in the fleet with a seating capacity of 21 and total capacity of 45 when including standing room

The challenge in this fiscal year was continuing to meet the increase in demands for services while facing the slowdown in new development and rising cost of operating expenses, such as fuel. Departments have met this challenge head on by cutting all except the most essential items from their budget. This budget will continue to provide the quality services our citizens have come to expect.

The FY2012/2013 Budget includes a small tax increase from .2504 to .252701. The City Council chose to go with the effective tax rate which in the State of Texas is the tax rate that enables the public to evaluate the relationship between taxes for the preceding year and for the current year, based on a tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years.¹

The M&O portion of the total taxes decreased by 1.6% as the I&S portion of the tax had to increase to provide revenue for payment of the 2011 General Obligation Bonds issued last fiscal year to finance the construction of the new fire station. Debt service payments for FY2012/2013 for the fire station will consist of payments of \$140,175 interest only. In FY2013-2014 the principal payments will kick in and will further impact the I&S tax rate.

Staff continued a conservative approach to forecasting revenues for the FY2012-2013 budget. Due to conservative budgeting practices in the past three years there has been a steady increase in fund balance. In addition the City Charter requires that the City maintain a fund balance equal to six months of operating expenses. These two practices have kept the City healthy financially and at the end of 2011-2012 the unaudited fund balance in the General fund is \$6,398,508.

The Public Works Director position was frozen for this year's budget while the Assistant Public Works Director continues to act as the Interim Director. One Police Officer position was frozen for the second year in a row. One new position was created for a Public Information Officer. All other staffing was maintained at the current level without having to sacrifice services. Employee education reimbursement was capped at \$10,000 and a 1% cost of living adjustment was awarded to all City Employees.

The new fleet replacement policy will go into effect with this budget. In all 13 new vehicles will be replaced this cycle. It is anticipated that the proceeds from the sale of the vehicles will provide a minor offset to this cost. All the vehicles will be leased and are on a three to five year replacement cycle.

The only project in the five year CIP that was funded with this budget was \$200,000 transferred from the General Fund to the Street Improvement Fund. At the time of completion of this budget

City Council had not identified a particular street project. Other than that yet unknown project, fiscal constraints did not allow for anything but maintaining our basic services.

This was a very difficult budget year. The City of South Padre Island suffered a decline in property values of \$14 million dollars which represents a decline of only .569%. While this area is very fortunate to have such a small decrease in property values, it did affect the city's budget process. There were many items that were discussed during the budget process that simply could not be funded. Several of them were the conversion of the old City Hall facility to a Community Center, conversion of a vacant lot to a park with an exercise trail and football field. Two years ago the City undertook a market salary survey and found that wages were far below the other cities surveyed. Last fiscal year the first phase of the three year plan to bring wages up to par was funded, this year it was not.

We remain optimistic however, that next year will be better and we can continue to do the things we need to make this City one of the best places to live in South Texas.

BASIS OF BUDGETING

The operating budget is an estimate of revenues and expenditures for one fiscal year. Only revenues expected to be received in cash during the year or soon thereafter are included in revenue estimates, as well as any fund balance that will be used for one time expenditures during the coming year. Only amounts that will be spent or encumbered (under contract) by the end of the fiscal year are budgeted as expenditures. This is in conformance with the City of South Padre Islands City Charter that does not allow the City to incur operating fund obligations for more than one fiscal year.

Annual financial reports are prepared under the modified accrual and accrual basis of accounting, as required by Generally Accepted Accounting Principles (GAAP). The annual financial report also compares actual revenues and expenditures on the budgetary basis to the budget so that budget performance can be measured. The City of South Padre Islands budgetary basis of accounting differs from the basis of accounting required by Generally Accepted Accounting Principles (GAAP) for preparing the City's Comprehensive Annual Financial Report (CAFR). The major differences between the budgetary basis of accounting and the basis of accounting required by GAAP are listed in the following paragraphs. A reconciliation of the budgetary basis and GAAP basis fund balances is provided each year in the CAFR.

1. For budgetary purposes, only revenues expected to be received in cash during the year or soon thereafter are included in revenue estimates along with unreserved fund balance expected to be used during the coming year. For GAAP purposes, governmental fund type revenues are recognized when they are both “*measurable and available*” according to the modified accrual basis of accounting. Proprietary fund type revenues are recognized when earned according to the accrual basis of accounting. The City of South Padre Island has no proprietary funds.
2. For budgetary purposes, only amounts that will be spent or encumbered (under contract) by the end of the fiscal year are budgeted as expenditures. For GAAP purposes, governmental and proprietary fund type expenditures are recorded when incurred according to the modified accrual and accrual basis of accounting. Encumbered amounts are commonly treated as expenditures for budgetary purposes, while encumbrances are never treated as expenditures for GAAP purposes.
3. Transactions, such as transfers, classified as “*other financing sources (or uses)*” in the CAFR for GAAP purposes are classified as revenues and expenditures for budgetary purposes.

STRATEGIC GOALS AND VISION STATEMENT

Beginning in 2002 the Town of South Padre Island convened a series of community forums. The goal of these Town Hall meetings was to find out from the citizens the concerns and priorities for the Island. In 2005 a 12 – person Comprehensive Plan Advisory Committee (CPAC) was assembled to re-start the community outreach and planning process. The resulting plan was the product of the original community forums and extensive deliberation by the CPAC. The resulting plan consists of the following elements:

- Town Profile
- Land Use
- Mobility (transportation)
- Parks and Resources
- Growth and Infrastructure
- Economic Development
- Implementation

The purpose of developing the Comprehensive Plan was to “set forth the Town of South Padre Islands vision for its future physical and economic development. It is designed to give form to the general statement of vision by specifying the necessary steps to accomplish the vision and

realize tangible outcomes.”¹ During these meetings and in subsequent meetings with the CPAC a vision statement was developed for the Town of South Padre Island.

The entire 2008 Comprehensive Plan can be found online at:

<http://www.myspi.org/egov/docs/12928151489267.pdf>

In 2009 the Town of South Padre Island developed their own City Charter securing the benefits of home rule and changed from the Town of South Padre Island to the City of South Padre Island.

VISION STATEMENT

The City of South Padre Island Vision Statement represents the community’s vision of South Padre Island in 2020. The Vision Statement is structured under a number of themes that are closely related which reflected a broad spectrum of community concerns. Those themes are as follows:

- Community Character and Quality of Life
- Balanced Growth and Development
- Sound Infrastructure and Transportation
- Community Relations and Governance ²

The vision statement represents the City’s desire to maintain a high quality living environment for the City’s permanent residents; protect and enhance neighborhoods, invest in infrastructure, provide public transportation and safe roads, protect and conserve the environment and natural resources and provide appropriate public facilities and services.

MISSION STATEMENT

Developed by the CPAC the City’s mission statement is:

South Padre Island is a unique, friendly seaside resort community that values its residents and tourists, preserves and protects the natural environment, and provides for quality sustainable growth and development that is highly diverse and responsive to changing economic conditions.³

¹ Town of South Padre Island 2008 Comprehensive Plan, pg. 1-1

² From the 2008 Town of South Padre Island Comprehensive Plan, pg. 1-2

³ From the 2008 Town of South Padre Island Comprehensive Plan, pg. 1-7



CITY COUNCIL MEMBERS

Sam Listi–Council Member

Alita Bagley–Council Member

Courtney Hayden- Council Member

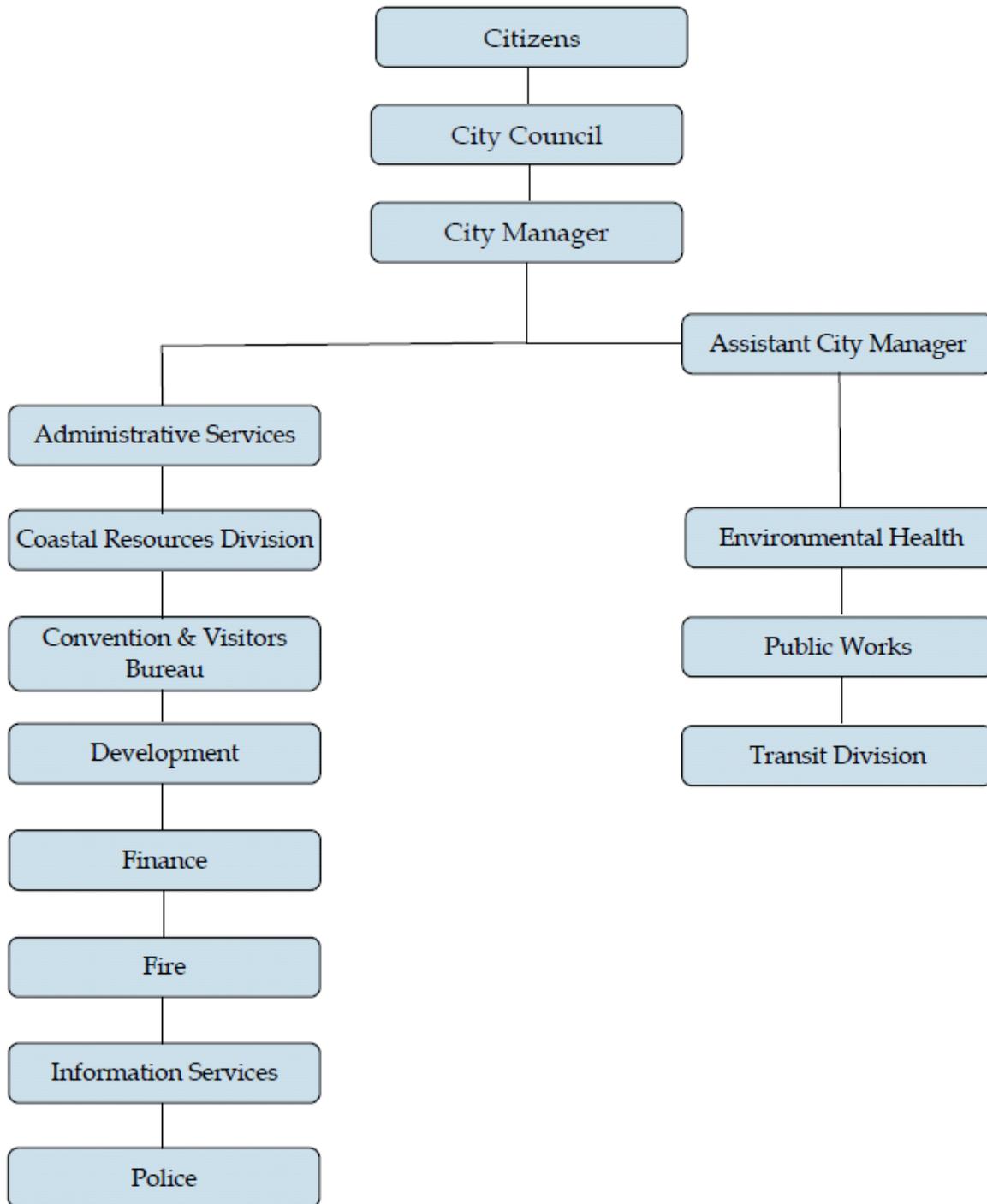
Robert N. Pinkerton Jr. – Mayor

Jo Ann Evans–Mayor Pro Tem

Robert Fudge–Council Member

* From left to right

ORGANIZATIONAL CHART



FUND DESCRIPTIONS AND FUND STRUCTURE

Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges. The City of South Padre Island does not include any business-type activities; therefore, all funds are governmental funds. No funds are appropriated.

Major funds represent significant activities of the City. By definition, the general fund is always considered a major fund. Other governmental funds are reported as major funds if the fund reports at least 10 percent of any of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund revenues, or d) total governmental fund expenditures, excluding other financing sources and uses.

The City reports the following fund types and related major governmental funds:

The **General Fund** is the primary operating fund for the City. It accounts for all of the financial resources of the general government, except those required to be accounted for in another fund. It includes most tax revenues and such services as public safety, inspections, planning, and administration.

The **Special Revenue Funds** are used to account for the proceeds of specific revenue sources, other than for major capital projects, that are legally restricted to expenditure for specified purposes. The special revenue funds reported as a major fund are:

Hotel/Motel Fund is used to account for occupancy tax collections. This fund is used to account for that portion of collections used for tourism, advertising, and promotion.

Convention Centre Fund is used to account for the portion of occupancy tax collections used for Convention Centre operations.

Beach Nourishment Fund (Coastal Resources Division) is used to account for the portion of occupancy tax collections used for beneficial use of dredge material (BUDM), beach nourishment and dune restoration projects.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets (capital project funds), and the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

NON-MAJOR SPECIAL REVENUE FUNDS

- Municipal Court Technology Fund was established to account for monies collected on traffic fines. \$4.00 is collected on each ticket and used specifically for technology improvements in the Municipal Court.
- Municipal Court Security Fund was established to account for monies collected on traffic fines. \$3.00 is collected on each ticket and used specifically for security needs in the Municipal Court.
- Transportation Grant Fund was established to account for the State and Federal grants awarded to the city to operate the Wave transportation system.
- Criminal Justice Fund is used to account for miscellaneous grant revenues that are received.
- Capital Replacement Fund was established to account for capital acquisitions which include but are not limited to fleet for police, fire, and public works.
- Street Improvement Fund is used to account for improvements on the streets of the City.

NON-MAJOR CAPITAL PROJECT FUNDS

- Construction in Progress Fund is used to account for grant revenue, bond proceeds, and expenses relating to the construction of the Fire and Emergency Services Center.
- Beach Maintenance Fund is used to clean and maintain the beach. The State of Texas remits to the City 1% of the hotel motel tax collected by the State for these efforts.
- Bay Access Fund was established to account for projects to improve access to the Laguna Madre Bay.
- Beach Access Fund was used to account for projects to improve access to the beaches of the City.
- The non-major Debt Service Fund is used to account for the accumulation of resources for the payment of long-term debt principal, interest, and related costs. An ad valorem tax rate and tax levy is required to be computed and levied, which will be sufficient to produce the dollars required to pay principal and interest as it comes due. A transfer from the Convention Centre fund is also made to support the debt of the Convention Centre.

USE OF FUNDS BY DEPARTMENTS

DEPARTMENT	FUND										
	GENERAL FUND	HOTEL MOTEL	CONV CENTER	TRANSP "THE WAVE"	BEACH MAINT	BEACH ACCESS	BAY ACCESS	BEACH NOURISH	COURT TECH	COURT SECURITY	EDC
City Council	X										
City Manager's Office	X										
Finance	X										
Planning	X										
Information Technology	X										
Human Resources	X										
Municipal Court	X							X	X		
Police	X										
Fire/EMS	X				X						
Environmental/Health Services	X										
Fleet Management	X										
Facilities & Grounds Maintenance	X										
Inspections	X										
Public Works	X				X	X	X				
Emergency Management	X										
General Service	X										
Special Projects	X										
Coastal Resources					X			X			
Visitors Bureau		X									
Sales & Administration		X									
Marketing		X									
Tourism & Cultural		X									
Convention Centre			X								
Transportation				X							
EDC											X

FINANCIAL POLICIES

OVERVIEW AND STATEMENT OF PURPOSE

The City of South Padre Island assumes an important responsibility to its citizens and customers to carefully account for public funds, to manage City finances wisely and to plan for the adequate funding of services desired by the public.

The broad purpose of the Fiscal and Budgetary Policy is to enable the City to achieve and maintain a long-term stable and positive financial condition, and provide guidelines for the day-to-day planning and operations of the City's financial affairs. The City's financial management, as directed by this Policy, is based upon the foundation of integrity, prudent stewardship, planning, accountability and full disclosure.

Policy scope generally spans areas of accounting and financial reporting, internal controls, operating and capital budgeting, revenue management, cash and investment management, expenditure control, asset management, debt management and planning and forecasting concepts. This is done in order to:

- A. Demonstrate to the citizens of the City of South Padre Island, the City's bond holders and other creditors and the bond rating agencies that the City is committed to a strong fiscal operation;
- B. Provide a common vision for financial goals and strategies for current and future policy-makers and staff;
- C. Fairly present and fully disclose the financial position of the City in conformity to Generally Accepted Accounting Principles (GAAP); and
- D. Demonstrate compliance with finance-related legal and contractual issues in accordance with the Texas Local Government Code and other legal mandates.

The City Council will annually review and approve the Fiscal and Budgetary Policy as a part of the budget process.

FIVE YEAR FINANCIAL PLAN

Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. Multi-year budgeting provides a means to identify the impact of implementing new programs and projects on future budgets. The Five Year Financial Plan is the City's long range operations and capital plan. The plan includes all of the operating departments of the General Fund as well as the capital improvement funds of the City. The plan is reviewed and updated annually.

- A. **Capital Improvement Plan** – The plan outlines the major utility infrastructure, streets and drainage, facilities, parks and other improvements needed to serve the citizens, meet growth related needs and comply with state and federal regulations
1. **Preparation** – The Assistant City Manager coordinates the annual update and adoption of the five-year Capital Improvement Plan (CIP) as a part of the annual budget process. The Assistant City Manager will lead an administrative committee established to review and prioritize capital projects. This committee shall prioritize and rank projects according to the criteria listed in Project Criteria Section. The CIP includes all costs associated with the design, rights of way, acquisition and construction of a project, as well as the estimated operating and maintenance costs, which impacts future operating budgets. The following guidelines will be utilized in developing the CIP:
 - Needed capital improvements and major maintenance projects are identified through system models, repair and maintenance records and growth demands.
 - A team approach will be used to prioritize CIP projects, whereby City staff from all operational areas provide input and ideas relating to each project and its effect on operations.
 - Citizen involvement and participation will be solicited in formulating the capital budget.
 2. **Financing Programs** – Where applicable, impact fees, assessments, pro-rata charges or other fees should be used to fund capital projects which have a primary benefit to specific, identifiable property owners. Recognizing that long-term debt is usually a more expensive financing method, alternative financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives which equal or exceed the average life of the debt issue.
 3. **Control** – All capital project expenditures must be appropriated in the capital budget. The Chief Financial Officer or City Manager must certify the availability of resources before any capital project contract is presented to the City Council for approval.
 4. **Reporting** – Periodic financial reports will be prepared to enable the Department Directors to manage their capital budgets and to enable the Finance Department to monitor and control the budget as authorized. Capital project status reports will be presented to City Council.
- B. **Operations Plan** – Each Department Director will provide a plan for each division in the department for each of the upcoming five years. The plan will include estimated operating expenses, the cost of new programs being contemplated and staffing needs for the five year period.
- C. **Revenues and Financing Plan** - The Finance Department will develop conservative, five year revenue forecasts based upon current and known future revenue streams. The Plan will illustrate the impact of the Capital and Operations Plan on the property tax rate and other fees.
- D. **Performance Measures** - Department Directors will develop program performance measures to evaluate the impact of new programs and growth on the departments. Existing programs will also be evaluated as a part of the five year planning process and annual budget process to determine whether certain programs should continue to be funded.

ANNUAL OPERATING BUDGET

Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. The “operating budget” is the City’s annual financial operating plan. The annual budget includes all of the operating departments of the general fund, hotel/motel fund, convention center fund, police forfeiture fund, street improvement fund, debt service fund, transportation grant fund, construction-in-progress fund, capital replacement fund, bay access fund, beach maintenance fund, municipal court technology fund, municipal court security fund, beach access fund, beach nourishment fund, and economic development corporation fund.

- A. **Planning** – The budget process will include City Council participation in the identification of major policy issues. The budget process will be a part of an overall strategic planning process for the City. The process will also allow for citizen input.
- B. **Preparation** – The *Charter (Section 5.02)* requires “On or before sixty (60) days prior to the beginning of each fiscal year, the City Manager shall submit to the City Council a budget for the ensuing fiscal year. The budget shall be adopted not later than the last day of the last month of the fiscal year currently ending per Charter Section 5.05(c).
 - 1. **Proposed Budget** – A proposed budget shall be prepared by the City Manager with participation of all the City’s Department Directors within the provision of the *Charter*.
 - a) In accordance with the *Charter (Section 5.03.)* the budget shall provide a complete financial plan for the ensuing fiscal year, in a form as the City Manager or City Council deems desirable, and the budget shall include goals and objectives, staff plan, methods to measure outcomes and performance and appropriations.
 - b) In accordance with the *Charter Section 5.05(d)*, the City will publish, in the contemporary means of information sharing including the city’s website if available, a general summary of the budget, as well as the times and places that the budget is available for public inspection; and after the publication, the time and place for a public hearing on the budget.
 - c) A copy of the proposed budget will be filed with the City Secretary when it is submitted to the City Council.
 - 2. **Adoption** – Upon finalization of the budget appropriations, the City Council will hold a public hearing, and subsequently adopt by ordinance the final budget. The budget will be effective for the fiscal year beginning October 1st.
 - 3. **Standards for publication** - The City will utilize the criteria outlined in the Government Finance Officers Association (GFOA) Distinguished Budget Program for the presentation of the budget document. The budget document will be submitted annually to the Government Finance Officers Association (GFOA) for evaluation and consideration for the Distinguished Budget Presentation Award.
- C. **Revenue Estimates** – In order to maintain a stable level of services, the City shall use a conservative, objective and analytical approach when preparing revenue estimates. The process shall include the analysis of probable economic changes and their impacts on revenues, historical collection rates and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year, which could otherwise result in mid-year service reductions.

- D. **Balanced Budget** – The goal of the City is to balance the operating budget with current revenues, whereby, current revenues match and fund on-going expenditures/expenses. Excess balances in the operating funds from previous years may be used for non-recurring expenditures/expenses or as capital funds.
- E. **Reporting** – Summary financial reports will be presented to the City Council monthly, at a minimum. These reports will be in a format appropriate to enable the City Council to understand the overall budget and financial status. The City Manager will also present a mid-year report to the City Council within 60 days following the end of the second fiscal quarter which updates the status of projects and related financial goals set forth in the budget.
- F. **Control and Accountability** – Each Department Director, appointed by the City Manager, will be responsible for the administration of his/her departmental budget. This includes accomplishing the Goals and Objectives adopted as part of the budget and monitoring each department budget for compliance with spending limitations. Department Directors may request a transfer of funds within a department budget. All transfers of appropriation or budget amendments require City Manager approval as outlined in Section V.C. The City Manager shall report such transfers to City Council in writing per Charter Section 5.07(d). Further expenditure control guidance is located in Section V of this policy.
- G. **Budget Amendments** – The *Charter (Section 5.07)* provides a method to amend appropriations. The City Council may authorize:
1. **Supplemental Appropriations** – If the City Manager certifies that revenues are available in excess of those estimated in the budget, an amendment ordinance may be prepared for City Council approval. In general, the supplemental appropriations will be evaluated using the following criteria:
 - Is the request of such an emergency nature that it must be done immediately?
 - Why was the item not budgeted in the normal budget process?
 - Why can't a transfer be done within the Department to remedy the condition?
 2. **Emergency Appropriations** – To meet a public emergency affecting life, health, property or the public peace, the City Council may adopt an emergency appropriation in accordance with Section 5.047(b) of the Home Rule Charter.
 3. **Reduction of Appropriations** – If at any time during the fiscal year it appears probable that expected revenues will be insufficient to finance expenditures for which appropriations have been authorized, the City Council may adopt an ordinance to reduce appropriations.
- H. **Contingency Appropriations** – The budget may include contingency appropriations within designated operating department budgets. These funds are used to offset expenditures for unexpected maintenance or other unanticipated expenses that might occur during the year, including insurance deductibles, unexpected legal expenses and equipment repairs.
- I. **Outside Agency Funding** – The City Council may fund a number of outside agencies and organizations that provide core services for the citizens of City of South Padre Island. The amount of funding received by each agency depends upon City Council direction and the availability of funds. All agencies shall have a standardized process for application,

review, monitoring and reporting. All agencies are required to submit applications for funding to the City during the budget process. Funding of non-profit agencies through public funds require enhanced guidelines for spending and operations which shall include:

1. Funding will be used for specific programs, rather than for general operating costs, and demonstrate the program's sustainability beyond a three-year funding period.
2. Funded agencies will be required to post their meeting agendas at least 72 hours in advance, in the spirit of transparency to the public on the way funds are spent.
3. Funded agencies will allow a City Council Member or a City Council appointed representative to be a member of its board of directors.

An Outside Agency Funding Review Committee will be appointed by the City Council to review requests from other agencies and develop a recommendation to City Council based upon available funding. Applications will be evaluated on the following criteria:

1. Number of South Padre Island citizens served by the organization;
2. Type of service provided and whether other organizations in the community provide the service;
3. Availability of other funding sources for the organization;
4. Demonstration of ability to adhere to the guidelines outlined by this policy.

All funded agencies shall be required to submit quarterly reports with performance measures to the City Manager.

Periodic Program Reviews – The City Manager and Department Directors will periodically review programs for efficiency and effectiveness. Programs not meeting efficiency or effectiveness objectives shall be brought up to required standards, or be subject to reduction or elimination.

J. **Budget Contingency Plan** – This policy is intended to establish general guidelines for managing revenue shortfalls resulting from factors such as local and economic downturns that affect the City's revenue streams.

1. **Immediate Action** - Once a budgetary shortfall is projected, the City Manager will take the necessary actions to offset any revenue shortfall with a reduction in current expenses. The City Manager may:

- 1) Freeze all new hire and vacant positions except those deemed to be a necessity.
- 2) Review all planned capital expenditures.
- 3) Delay all "non-essential" spending or equipment replacement purchases.

2. **Further Action** - If the above actions are insufficient to offset the revenue deficit and the shortfall continues to increase, the City Manager will further reduce operating expenses to balance the variance. The City Manager may ask Department Directors for recommendations on reductions of service levels in order to reduce expenditures to balance the budget.

- Any resulting service level reductions, including workforce reductions, will be finalized by the City Council.

REVENUE MANAGEMENT

- A. **Optimum Characteristics** – The City will strive for the following optimum characteristics in its revenue system:
1. **Simplicity** – The City, where possible and without sacrificing accuracy, will strive to keep the revenue system simple in order to reduce compliance costs for the taxpayer or service recipient.
 2. **Certainty** – A knowledge and understanding of revenue sources increases the reliability of the revenue system. The City will understand its revenue sources and enact consistent collection policies to provide assurances that the revenue base will materialize according to budget and plans.
 3. **Equity** – The City shall make every effort to maintain equity in its revenue system; i.e., the City should seek to minimize or eliminate all forms of subsidization between funds.
 4. **Revenue Adequacy** – The City should require there be a balance in the revenue system; i.e., the revenue base will have the characteristics of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.
 5. **Realistic and Conservative Estimates** - Revenues will be estimated realistically, and conservatively, taking into account the volatile nature of various revenue streams.
 6. **Administration** – The benefits of a revenue source should exceed the cost of levying and collecting that revenue. Where appropriate, the City will use the administrative processes of State, Federal or County collection agencies in order to reduce administrative costs.
 7. **Diversification and Stability** – A diversified revenue system with a stable source of income shall be maintained.
- B. **Other Considerations** – The following considerations and issues will guide the City in its revenue policies concerning specific sources of funds:
1. **Non-Recurring Revenues** – One-time or non-recurring revenues should not be used to finance current ongoing operations. Non-recurring revenues should be used only for non-recurring expenditures and not for budget balancing purposes.
 2. **Property Tax Revenues** – All real and business personal property located within the City will be valued at 100% of the fair market value for any given year based on the current appraisal supplied by the Cameron County Appraisal District. Reappraisal and reassessment shall be done a minimum of once every three years as determined by the Appraisal District.

Conservative budgeted revenue estimates result in a projected ninety-eight percent (98.14%) budgeted collection rate for current ad valorem taxes. Two and three-quarters percent (4%) of the current ad valorem taxes will be projected as the budget for delinquent ad valorem tax collection. For budgeting purposes, the City will forecast the current year's effective tax rate at the current collection rate of 98.14%, unless directed otherwise by the City Council.

3. Investment Income – Earnings from investments will be distributed to the Funds in accordance with the equity balance of the fund from which the monies were provided to be invested.
4. User-Based Fees and Service Charges – For services associated with a user fee or charge, the direct or indirect costs of that service will be offset by a fee where possible. The City will review fees and charges no less than once every three years to ensure that fees provide adequate coverage for the cost of services. The City Council will determine how much of the cost of a service should be recovered by fees and charges.
5. Intergovernmental Revenues – All potential grants will be examined for matching requirements and must be approved by the City Council prior to submission of the grant application. It must be clearly understood that operational requirements (on-going costs) set up as a result of a grant program could be discontinued once the term and conditions of the program have been completed.
6. Revenue Monitoring: Revenues as they are received will be regularly compared to budgeted revenues and variances will be investigated. Any abnormalities will be included in the monthly general fund revenue report as posted on the City’s web-site.

EXPENDITURE POLICIES

- A. **Appropriations** – The point of budget control is at the department level budget for all funds. The Department Directors shall manage budgets to ensure that appropriations are not exceeded. Budgets are approved by the City Council within a department (personnel costs, supplies, maintenance, operations/maintenance and capital.)
 - B. **Central Control** – No recognized or significant salary or capital budgetary savings in any Department shall be spent by the Department Head without prior authorization from the City Manager. This control will realize budget savings each year that will be available for transfer by the City Manager, without further City Council action.
 - C. **Budget Transfers** – The *Charter (Section 5.07(d))* provides that the City Manager may transfer balances within departments and programs. A Department Director may request a transfer between line items, or categories of items through the City Manager. Finance will make the adjustment upon approval from the City Manager.
 - D. **Purchasing** – All City purchases of goods or services will be made in accordance with the City’s current Purchasing Policy and Procedures and with State law.
 - E. **Prompt Payment** – All invoices approved for payment by the proper City authorities shall be paid within thirty (30) calendar days of receipt of goods or services or invoice date, whichever is later in accordance with State law. The City will take advantage of all purchase discounts, when possible.
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STAFFING

The City's goal as an employer is to attract and retain quality employees who provide exemplary public service to our community in an effective and efficient manner.

- A. **Adequate Staffing** – Staffing levels will be adequate for the operations and programs of the City to be conducted efficiently and effectively. In order to provide continuing services to a developing community, as well as add new services, staffing levels will be evaluated regularly to determine workloads. Workload allocation alternatives, such as contract labor and contracted services, will be explored before adding additional staff.
- B. **Market Adjustments** – The City shall utilize the Texas Municipal League (TML) salary survey data, specific municipalities, as well as data from other sources and consultants, as a reference for making market-based adjustments. Market based adjustments are based upon the job duties and job descriptions of the position, not on performance of the employee within the position.
- C. **Merit Adjustments** – The City utilizes a merit-based pay plan as a part of the overall compensation system. City Council may fund merit increases annually during the budget process to aid in retaining and rewarding quality employees for productivity and job performance. These merit-based adjustments are recommended by the employee's immediate supervisor and reviewed by both the Department Director and the City Manager. Employees may receive a merit increase upon approval of the City Manager based upon performance, or when other situations warrant this type of increase, such as a reclassification due to additional job duties.
- D. **Cost of Living Adjustment (COLA)** - In order to sustain employee compensation levels within the competitive job market, the City may fund an annual COLA for all regular employees not included in a defined pay plan. The COLA will be based on the Consumer Price Index-Urban Wage Earners and Clerical Workers for the south urban area.

ECONOMIC DEVELOPMENT

The City shall initiate, encourage and participate in economic development efforts to create job opportunities and strengthen the local economy and tax base. The City is committed to the promotion of quality development in all parts of the City. Each economic development incentive will be considered separately by the City Council.

- A. **Cost/Benefit of Incentives for Economic Development** - The City will use due caution in the analysis of any incentives that are used to encourage development. A cost/benefit (fiscal impact) analysis will be performed as part of the evaluation.
- B. **Commitment to Expansion and Diversification** – The City shall encourage and participate in economic efforts to expand the City of South Padre Island's economy and tax base, to increase local employment and to invest when there is a defined, specific long-term return to the community. These efforts shall focus on new areas,

as well as other established sections of the City where economic development can generate additional jobs, sales tax, property tax and other economic benefits.

- C. **Tax Exemptions** - The City Council may authorize an exemption from ad valorem taxes in accordance with the Code of Ordinances, Chapter 17 Section 5.
- D. **Increase Non-residential Share of Tax Base** – The City’s economic development program shall seek to expand the non-residential share of the tax base to decrease the tax burden on residential homeowners.
- E. **Coordinate Efforts with Other Jurisdictions** – The City’s economic development program shall encourage close cooperation with other local jurisdictions to promote the economic well-being of this area.

INTERGOVERNMENTAL RELATIONS

The City shall coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing government services on an equitable basis and support appropriate favorable legislation at the state and federal levels.

- A. **Interlocal Cooperation in Delivery of Services** – In order to promote the effective and efficient delivery of services, the City shall work with other local jurisdictions to share on an equitable basis the cost of services, to share facilities and to develop joint programs to improve service to its citizens.
- B. **Legislative Program** – The City shall cooperate with other jurisdictions to actively oppose any state or federal regulation or proposal that mandates additional City programs or services and does not provide the funding necessary for implementation.

CAPITAL MAINTENANCE AND REPLACEMENT

The City recognizes that deferred maintenance increases future capital costs. Therefore, a portion of all individual funds with infrastructure should be budgeted each year to maintain the quality within each system.

- A. **Infrastructure Maintenance** - On-going maintenance and major repair costs are generally considered system repairs and are not capitalized for accounting purposes. They include such items as street seal coat and other general system maintenance.
- B. **Streets capital maintenance and replacement** - It is the policy of the City to annually provide funding for the Public Works Department to use for a street maintenance program.
- C. **Building capital replacement and maintenance** – It is the policy of the City to annually provide funding for major maintenance on its buildings such as air conditioning replacements, flooring, painting and other maintenance.
- D. **Technology** – It is the policy of the City to fund the maintenance and replacement of its personal computers and network servers. Major replacements for computer systems will be anticipated for a five year period and included with capital project presentations in the annual budget process.

- E. **Fleet and equipment replacement** – The City will anticipate replacing existing cars, trucks, tractors, backhoes, trailers and other equipment as necessary.
1. **Capital Replacement Fund** - The City shall establish a Capital Replacement Fund to provide financial resources to replace aging fleet and equipment. Only fleet and equipment included on the City’s Fixed Assets inventory will be included on the replacement schedule.
 - a) **Funding** - Funding will be set aside each year through the annual budget process to fund the future replacement of fleet and equipment.
 - b) **Sale of fleet vehicles and equipment** - Any revenue generated from the sale of fleet and equipment may be deposited in the Capital Replacement Fund at the discretion of the City Manager.

ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- A. **Accounting** – The City is responsible for the recording and reporting of its financial affairs, both internally and externally. The City’s Chief Financial Officer is responsible for establishing the structure for the City’s Chart of Accounts and for assuring that procedures are in place to properly record financial transactions and report the City’s financial position.
- B. **Audit of Accounts** – In accordance with the *Charter Section 5.12*, an independent audit of the City accounts will be performed every year. The auditor is retained by and is accountable directly to the City Council.
- C. **External Reporting** – Upon completion and acceptance of the annual audit by the City’s auditors, the City shall prepare a written Comprehensive Annual Financial Report (CAFR) which shall be presented to the City Council within 180 calendar days of the City’s fiscal year end. The CAFR shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and shall be presented annually to the Government Finance Officer Association (GFOA) for evaluation and consideration for the Certificate of Achievement in Financial Reporting. If City staffing limitations preclude such timely reporting, the Chief Financial Officer will inform the City Council of the delay and the reasons therefore.
- D. **Internal Reporting** – The Finance Department will prepare internal financial reports, sufficient to plan, monitor and control the City’s financial affairs.

RISK AND ASSET MANAGEMENT

- A. **Risk Management** - The City will utilize a safety program, an employee wellness program and a risk management program to prevent and/or reduce the financial impact to the City due to claims and losses. Transfer of liability for claims through transfer to other entities through insurance and/or by contract will be utilized where appropriate. Prevention of loss through the safety program and the employee wellness program will be used.

- B. **Cash Management** - The City’s cash flow will be managed to maximize the cash available to invest. Such cash management will entail the centralization of cash collections. The City shall maintain a comprehensive cash management program to include the effective collection of accounts receivable, the prompt deposit of receipts to the City’s depository, the payment of obligations, and the prudent investment of idle funds in accordance with this policy.
- C. **Investments** – The City Council has formally approved a separate Investment Policy for the City of South Padre Island that meets the requirements of the Public Funds Investment Act (PFIA), Section 2256 of the Texas Government Code. This policy is reviewed annually by the City Council and applies to all financial assets held by the City.
- D. **Fixed Assets and Inventory** – The City Council has approved the City’s Fixed Assets Policies and Procedures. The basic goal and objective of this policy is to define and describe a set of standard procedures necessary to record and control the changes in the fixed asset system in accordance with Generally Accepted Accounting Principles.
- E. **Computer System/Data Security** – The City shall provide security of its computer/network system and data files through physical and logical security systems that will include but not limited to, a firewall, intrusion prevention appliance, and two-tier spam/virus protection system.
 1. ***Physical location*** – The location of computer/network systems shall be in locations inaccessible to unauthorized personnel.
 2. ***Access*** – The Information Services department will be responsible for setting up access to the City’s network and files. The Chief Financial Officer shall have responsibility for setting security levels for employees within the financial system for internal control purposes, however these levels may be administered by the IS department.
 3. ***Remote access*** – The Information Services department will set up employees for Virtual Private Network (VPN) access upon approval from their Department Director.
 4. ***Data backup*** – Data backups will be conducted daily. The daily backups will remain on-site on a dedicated storage device.
 5. ***Inventory*** – Records of all computer equipment purchased shall be the responsibility of the Information Services division. Routine inventories will be conducted to ensure safeguarding of these assets.

DEBT MANAGEMENT

The City of South Padre Island recognizes the primary purpose of capital facilities is to support provision of services to its residents. Using debt financing to meet the capital needs of the community must be evaluated according to efficiency and equity. Efficiency must be evaluated to determine the highest rate of return for a given investment of resources. Equity is resolved by determining who should pay for the cost of capital improvements. In meeting demand for additional services, the City will strive to balance the needs between debt financing and “pay as you go” methods. The City realizes that failure to meet the demands of a developing community

may inhibit its continued economic viability, but also realizes that too much debt may have detrimental effects on the City's long-range financial condition.

The City will issue debt only for the purpose of acquiring or constructing capital assets for the general benefit of its citizens and to allow it to fulfill its various purposes as a city.

A. **Usage of Debt** - Long-term debt financing will be considered for non-continuous capital improvements of which future citizens will benefit. Alternatives for financing will be explored prior to debt issuance and include, but not limited to:

- Grants
- Use of Reserve Funds
- Use of Current Revenues
- Contributions from developers and others
- Leases

When the City utilizes long-term financing, it will ensure that the debt is soundly financed by conservatively projecting revenue sources that will be used to pay the debt. It will not finance the improvement over a period greater than the useful life of the improvement and it will determine that the cost benefit of the improvement, including interest costs, is positive to the community.

B. **Types of Debt** –

1. **General Obligation Bonds (GO's)** – General obligation bonds must be authorized by a vote of the citizens of South Padre Island. They are used only to fund capital assets of the general government and are not to be used to fund operating needs of the City. The full faith and credit of the City as well as the City's ad valorem taxing authority back general obligation bonds. Conditions for issuance of general obligation debt include:

- When the project will have a significant impact on the tax rate;
- When the project may be controversial even though it is routine in nature; or
- When the project falls outside the normal bounds of projects the City has typically done.

2. **Revenue Bonds** – Revenue bonds will be issued to provide for the capital needs of any activities where the capital requirements are necessary for the continuation or expansion of a service. The improved activity shall produce a revenue stream to fund the debt service requirements of the necessary improvement to provide service expansion. The average life of the obligation should not exceed the useful life of the asset(s) to be funded by the bond issue and will generally be limited to no more than twenty (20) years.

3. **Certificates of Obligation, Contract Obligations (CO's)** – Certificates of obligation or contract obligations may be used to fund capital requirements that are not otherwise covered either by general obligation or revenue bonds. Debt service for CO's may be either from general revenues (tax-supported) or supported by a specific revenue stream(s) or a combination of both. Typically, the City may issue CO's when the following conditions are met:

- When the proposed debt will have minimal impact on future effective property tax rates;

- When the projects to be funded are within the normal bounds of city capital requirements, such as for roads, parks, various infrastructure and City facilities; and
- When the average life of the obligation does not exceed the useful life of the asset(s) to be funded by the issue.

Certificates of obligation will be the least preferred method of financing and will be used with prudent care and judgment by the City Council. Every effort will be made to ensure public participation in decisions relating to debt financing.

4. **Tax Anticipation Notes** – The City can issue debt securities with a maximum maturity of seven years to provide immediate funding for a capital expenditure in anticipation of future tax collections.
 5. **Internal borrowing between City funds** – The City can authorize use of existing long-term reserves as “loans” between funds. The borrowing fund will repay the loan at a rate consistent with current market conditions. The loan will be repaid within ten (10) years. The loan will be considered an investment of working capital reserves by the lending fund.
- C. **Method of Sale** – The City will use a competitive bidding process in the sale of bonds unless conditions in the bond market or the nature of the issue warrant a negotiated bid. In such situations, the City will publicly present the reasons for the negotiated sale. The City will rely on the recommendation of the financial advisor in the selection of the underwriter or direct purchaser.
- D. **Disclosure** – Full disclosure of operating costs along with capital costs will be made to the bond rating agencies and other users of financial information. The City staff, with assistance of the financial advisor and bond counsel, will prepare the necessary materials for presentation to the rating agencies and will aid in the production of the Preliminary Official Statements. The City will take responsibility for the accuracy of all financial information released.
- E. **Federal Requirements** – The City will maintain procedures to comply with arbitrage rebate and other Federal requirements.
- F. **Debt Structuring** – The City will issue bonds with maturity not to exceed the useful life of the asset acquired. The structure should approximate level debt service unless operational matters dictate otherwise. Market factors, such as the effects of tax-exempt designations, the cost of early redemption options and the like, will be given consideration during the structuring of long term debt instruments.
- G. **Debt Coverage Ratio** – Refers to the number of times the current combined debt service requirements or payments would be covered by the current operating revenues. The City will maintain a minimum debt service coverage ratio of 1.0 times.
- H. **Bond Reimbursement Resolutions** – The City may utilize bond reimbursements as a tool to manage its debt issues, due to arbitrage requirements and project timing. In so doing, the City uses its capital reserve "cash" to delay bond issues until such time when issuance is favorable and beneficial to the City.

OTHER FUNDING ALTERNATIVES:

When at all possible, the City will research alternative funding opportunities prior to issuing debt or increasing user-related fees.

- A. **Grants** - All potential grants will be examined for any matching requirements and the source of those requirements identified. It must be clearly understood that any resulting operation requirements of the grant could be discontinued once the term and conditions of the project have been terminated. The City Council must authorize acceptance of any grant funding.

Guidelines – The City shall seek to obtain those grants consistent with the City’s current and future priorities and objectives.

Indirect Costs – The City shall recover indirect costs to the maximum allowable by the funding source. The City may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.

Grant Review – The City Manager and Chief Financial Officer shall review all grant submittals to determine in-kind match, as well as their potential impact on the operating budget, and the extent to which they meet the City’s objectives. If there is a cash match requirement, the source of funding shall be identified and approved by City Council prior to application. Once the application is approved, the City Council sets the grant budget.

Grant Program Termination – The City shall terminate grant-funded programs and associated positions as directed by the City Council when grant funds are no longer available, unless alternate funding is identified.

- B. **Use of Fund Balance and Reserve Funds** - The City may authorize the use of reserve funds to potentially delay or eliminate a proposed bond issue. This may occur due to higher than anticipated fund balances in prior years, thus eliminating or reducing the need for debt proceeds, or postpone a bond issue until market conditions are more beneficial or timing of the related capital improvements does not correspond with the planned bond issue. Reserve funds used in this manner are replenished upon issuance of the proposed debt. Unappropriated fund balance in excess of operating reserves may be used for one-time projects, but not on-going operating expenses.
- C. **Leases** - The City may authorize the use of lease financing for certain operating equipment when it is determined that the cost benefit of such an arrangement is advantageous to the City.

FINANCIAL CONDITIONS, RESERVES, AND STABILITY RATIOS

The City of South Padre Island will maintain budgeted minimum reserves in the ending working capital/fund balances to provide a secure, healthy financial base for the City in the event of a natural disaster or other emergency, allow stability of City operations should revenues fall short of budgeted projections and provide available resources to implement budgeted expenditures without regard to actual timing of cash flows into the City.

- A. **Operational Coverage** – The City’s goal is to maintain operations coverage of 1.00, such that operating revenues will at least equal or exceed current operating expenditures. Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques.
- B. **Operating Reserves** – In accordance with the Charter Section 5.04, the City will strive to maintain emergency reserves of six (6) months of the City operating expenses. Reserves are defined as the amount of the unreserved fund balance of the most recent audited financial statements. Operating expenses are defined as the expenses included in the most recent City Council approved annual budget reduced by major one time expenditures not typical for the maintenance and operations of the City prorated evenly over a six month period. Excess reserve fund balance equals audited reserve fund balance less six (6) months operating expenses as defined above. Reserve requirements will be calculated as part of the annual budget process and any additional required funds to be added to the reserve balances will be appropriated within the budget. Funds in excess of the minimum reserves may be expended for City purposes at the will of the City Council for one time projects once it has been determined that use of the excess will not endanger reserve requirements in future years.
- C. **Liabilities and Receivables** - Procedures will be followed to maximize discounts and reduce penalties offered by creditors. Current liabilities will be paid within 30 days of receiving the invoice. Accounts Receivable procedures will target collection for a maximum of 30 days of service. The Chief Financial Officer is authorized to write-off non-collectible accounts that are delinquent for more than 180 days, provided proper delinquency procedures have been followed, and include this information in the annual report to the City Council.
- D. **Capital Project Funds** – Every effort will be made for all monies within the Capital Project Funds to be expended within thirty-six (36) months of receipt. The fund balance will be invested and income generated will offset increases in construction costs or other costs associated with the project. Capital project funds are intended to be expended totally, with any unexpected excess to be transferred to the Debt Service fund to service project-related debt service.
- E. **General Debt Service Funds** – Revenues within this fund are stable, based on property tax revenues. Balances are maintained to meet contingencies and to make certain that the next year’s debt service payments may be met in a timely manner.
- F. **Investment of Reserve Funds** – The reserve funds will be invested in accordance with the City’s investment policy.

INTERNAL CONTROLS

- A. **Written Procedures** –Written procedures will be established and maintained by the Finance Department for all functions involving cash handling and/or accounting throughout the City. These procedures will embrace the general concepts of fiscal responsibility set forth in this policy statement.

- B. **Department Directors Responsibility** – Each Department Director is responsible for ensuring that good internal controls and adherence to the City’s Fiscal and Budgetary Policy are followed throughout their department and that all independent auditor internal control recommendations are addressed. Departments will develop and periodically update written internal control procedures.
- C. **Fraud Risk Assessment** – The City will conduct bi-annual fraud risk self-assessment exercises with all departments. The exercise will include the identification of opportunities for the misappropriation of assets, which assets are susceptible to misappropriation, and how could the misappropriation of assets be hidden from management.

BUDGET

The annual budget is a fiscal plan which presents the programs and services to be provided to the community and describes the resources needed to perform those activities. The overall goal of the budget is to establish and maintain effective management of the City’s financial resources. Revenues that support municipal services are derived from four sources: current revenue charges; increases in existing revenue charges; new revenue sources; and unallocated reserves carried forward from prior years. Various policies and processes are used to guide management of the City’s financial resources. Under the City’s organizational plan, policy making for responding to the needs of the community is entrusted to the Mayor and Council Members. Administrative or executive authority is vested in the City Manager to develop, implement, and execute programs and policies established by the Council. Under her direction and guidance, the annual budget is prepared. State law, City Home Rule Charter and local ordinances also impact development of the annual budget.

BUDGET PROCESS

The City’s budget process is driven by the Home Rule Charter that was adopted in 2009. The Home Rule Charter specifies the following guidelines:

On or before sixty (60) days prior to the beginning of each fiscal year, the City Manager shall submit to the City Council a budget for the ensuing fiscal year.

The budget shall provide a complete financial plan of all City funds and activities for the ensuing fiscal year and, except as required by law or this Charter, shall be in such form as the City Manager deems desirable or the City Council may require for effective management and an understanding of the relationship between the budget and the City’s strategic goals. The budget shall begin with a clear general summary of its contents; shall show in detail all estimated income, indicating the proposed property tax levy, and all proposed expenditures, including debt service, for the ensuing fiscal year; and shall be so arranged as to show comparative figures for

actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year. The plan shall provide a complete program of action for the fiscal year. It shall contain the following:

- a. Objectives, established by the City Council.
- b. Goals, City Manager's program to meet the objectives of the Council.
- c. Budget, financial plan to meet the administrative needs of the City for the fiscal year consistent with the Objectives and Goals set by the City Council and City Manager.
- d. Staff Plan, a summary of the personnel requirements required to provide the services of the City. Additions or deletions of personnel must be specifically identified and justified.
- e. Measurement, methods to measure outcomes and performance of the fiscal year budget.⁴

The Board adopts an "appropriated budget" on a basis consistent with GAAP for the general fund, certain special revenue funds and the debt service fund. The City is required to present the original and the final amended budgets for revenues and expenditures compared to actual revenues and expenditures for the general fund and major special revenue funds at the functional level of detail, as included herein.

In establishing budgetary data reflected in the financial statements, the City follows these procedures:

1. The City Manager establishes the amount of estimated revenues and other resources available for appropriation for the succeeding budget year.
2. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1.
3. The operating budget includes proposed expenditures by fund, function and activity and the means of financing them.
4. Public hearings and workshops (including department heads) are conducted at the City Hall to obtain taxpayer and elected officials' comments. Revisions that alter budgets at the department level within a fund must be approved by the City Council. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - all Governmental Fund Types reflect these revisions. Actual expenditures and operating transfers may not legally exceed budget appropriations at the individual fund level.
5. Formal budgetary integration is employed as a management control device during the year for the General, certain Special Revenue and Debt Service Funds.
6. Annual appropriated budgets are adopted for the General, certain Special Revenue and Debt Service Funds. All annual appropriations lapse at year-end to the extent they have not been expended or encumbered.
7. Before October 1, the proposed budget is presented to the City Council for review. The City Council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget.

⁴ From the Home Rule Charter, 2009

8. Budget adjustments between funds must be authorized by City Council. The City Manager may transfer funds among programs in a department, fund or service and shall report such transfers to the City council in writing.

BUDGET PROCESS SCHEDULE

A budget process schedule is established each year that identifies actions to be completed with associated target dates. This schedule is used to keep the budget preparation process on schedule in order to provide the City Manager's proposed budget to Council for consideration and final adoption within the legal time frame. The detail schedule is provided on the following pages.

February 17 Kick-Off Meeting for Staff: FY 2012/2013 Budget and Five Year Operational
9:00 – 1:00 Plan forms and instructions distributed to City Departments.
Board Room

March 23 Departmental Five Year Operational plan reviews with City Manager and Chief
Financial Officer

April 6 Leadership Team Review of Draft Five Year Operational Plans

April 18 Agenda item to Council for review of the Five Year Operational Plan
5:30
Board Room

May 1 Staffing and Technology requests are due to HR and IS for review

May 2 Agenda item to Council for approval of the Five Year Operational Plan
5:30
Board Room

May 4 Review Staffing Requests (Wendi, Finance Dept, and Joni)
9:00
CM's Office
10:30 Review Technology Requests (Tim, Finance Dept, and Joni)
CM's Office

May 7 Capital Improvement Plan (CIP) forms and instructions posted on the City's
website and distributed to City departments and public

Outside Agency Funding Applications provided to agencies and posted on
website

May 7-11 Departmental Budget reviews with City Manager and Finance Dept
Varies

CM's Office

- May 16:** City Council Budget Workshop
3:00 (Revenue Forecast, CMO, Beach (Fund 60), Admin, Finance, and IS)
Board Room
- June 6** City Council Budget Workshop
3:00 (Environment Health, Fire and Police)
Board Room
- June 6** CIP project request forms due from city staff and public
- June 20** City Council Budget Workshop
3:00 (Public Works, Transit/Development and CVB)
Board Room City Council appoints CIP Advisory Committee
- June 22** Preliminary list of projects, scoring criteria and score sheets distributed to CIP Advisory Committee
- June 22** Outside Agency Applications for Funding due to City Secretary
- July 2** CIP Advisory Committee meetings to review projects and develop consensus scores
- July 11** CIP Advisory Committee consensus project score sheet finalized
- July 18** Proposed Budget and Proposed 5 year CIP submitted to City Council on or before
5:30 60 days from beginning of fiscal year (Home Rule Charter Section 5.02). Agenda
Board Room item for Council to evaluate Outside Agency Funding Requests
- July 25** Cameron County Appraisal District certifies tax roll
- August 1** Publish the general summary of the CIP and note where copies of the CIP are
available for inspection.
Last day to file budget with City Secretary, post on website
- August 1** Budget Workshop-General Fund and Miscellaneous Funds
3:00 Agenda item to review fee schedule
- August 1** Agenda item discussing proposed tax rate.
5:30 (If proposed tax rate is more than 3 percent above the effective rate, or is above
Board Room the rollback rate, take record vote and schedule public hearing for discussion of
rate.)

August 14 Publish Tax Rate 1st Public Hearing Notice and public notice of the budget hearing in Port Isabel Press (at least 7 days prior to hearing on August 22)

August 22 Publish Tax Rate 2nd Public Hearing Notice in Port Isabel Press (at least 7 days prior to hearing on August 29)

August 22: Conduct 1st Public Hearing for discussion of Tax Rate
5:30 Conduct Public Hearing for discussion of 5 year CIP
Board Room Conduct 1st Public Hearing regarding FY 12/13 Budget (Must be at least 30 days after budget is filed with City Secretary.)

August 29 SPECIAL MEETING
5:30 Conduct 2nd Public Hearing for discussion of Tax Rate
Board Room

September 5 Consideration and action on FIRST reading of Ordinance No._____ approving
5:30 and adopting a fiscal year 2012-2013 budget for the City of South Padre Island
Board Room

Consideration and action on FIRST reading of Ordinance No._____ approving
and adopting a fiscal year 2012-2013 Fee Schedule for the City of South Padre
Island

Consideration and action on approval of Resolution No._____ adopting the
CIP with or without amendment

Consideration and action on FIRST reading of Ordinance No._____
establishing the ad valorem and personal tax rate for 2012 and setting the assessed
valuation, providing for discounts, penalty, interest and severability

September 19 Consideration and action on SECOND and FINAL reading of Ordinance
5:30 No._____ approving and adopting a fiscal year 2012-2013 budget for the City
Board Room of South Padre Island

Consideration and action on SECOND and FINAL reading of Ordinance
No._____ approving and adopting a fiscal year 2012-2013 Fee Schedule for the
City of South Padre Island

Consideration and action on SECOND and FINAL reading of Ordinance No.
_____ establishing the ad valorem and personal tax rate for 2012-2013 and
setting the assessed valuation, providing for discounts, penalty, interest, and
severability

BUDGET REVIEW

In Section 5.08 of the Home Rule Charter, it calls for the City Council to review at midterm (by the end of April each year), the performance of the City of South Padre Island's budget. Accordingly, workshops are scheduled to occur during April and May of each fiscal year.

Because of the requirement for the City Council to provide fiduciary oversight of the budget, the Finance Department prepares and provides monthly financial reports detailing both expenses and revenues for each fund for our elected officials. Furthermore, to create transparency, these detailed financial reports are posted on the City's website so that all citizens have easy access to the financial information.

EFFECTIVE TAX RATE

The City Council has adopted an effective tax rate of \$0.252701 cents per \$100 valuation, which represents an increase of \$.00230 compared to the tax rate adopted last year. By adopting this new tax rate, the City is expecting to collect approximately \$250,000 in current property tax more than fiscal year 2011/12.

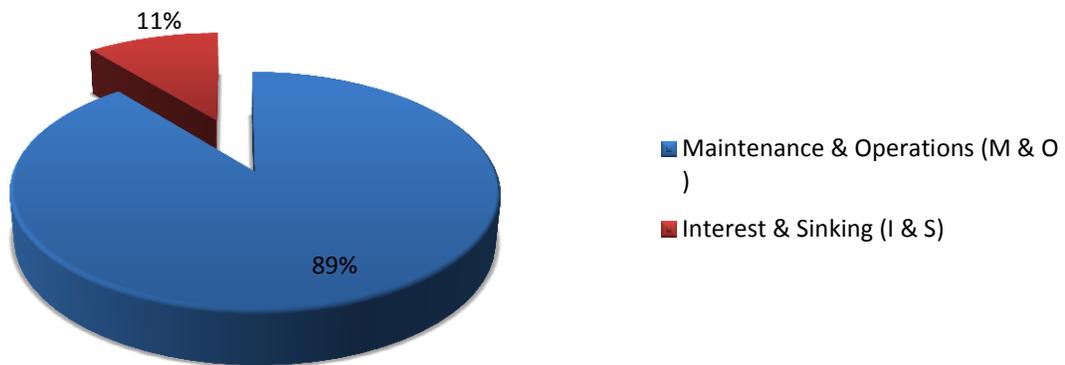
ALL FUNDS SUMMARY: REVENUES

General Fund revenues are budgeted to total \$10,465,647. This represents a 4.1% increase over the FY 2012 projected revenues. The Hotel/Motel Fund and Convention Centre Fund have total projected revenue of \$6.05 million, which is a 2.6 % increase from the previous year.

Property tax is expected to increase by over \$210,000 in the General Fund and by more than \$ 100,000 in the General Debt Service Fund for total projected property tax revenue of \$6,812,469 which represents 34% of total revenue. The effective property tax rate of \$0.252701 was adopted for the following uses: An annual tax of 0.223631 for each \$100 assessed value is levied for current City expenditures, general improvements of the City and its property. This tax rate will raise more taxes for maintenance and operations than last year's tax rate. A tax of 0.02907 for each \$100 worth of property was levied for purposes of creating an interest and sinking fund for the retirement of general obligation bonds. The property taxes are billed and collected by the Cameron County Tax Assessor based on the Cameron County Appraisal District adjusted taxable property values. Discounts for early payment of current year taxes apply from October through December of the current calendar year. Any payment not timely made shall bear penalty and interest as is provided by state law.

General Fund revenues are budgeted to total \$10,465,647. This represents a 4.1% increase over the FY 2012 projected revenues.

Property taxes



Non-property taxes include hotel/motel occupancy, sales tax, mixed beverage tax, and utility franchise taxes.

*Local Hotel/Motel tax rate:
8.5%*

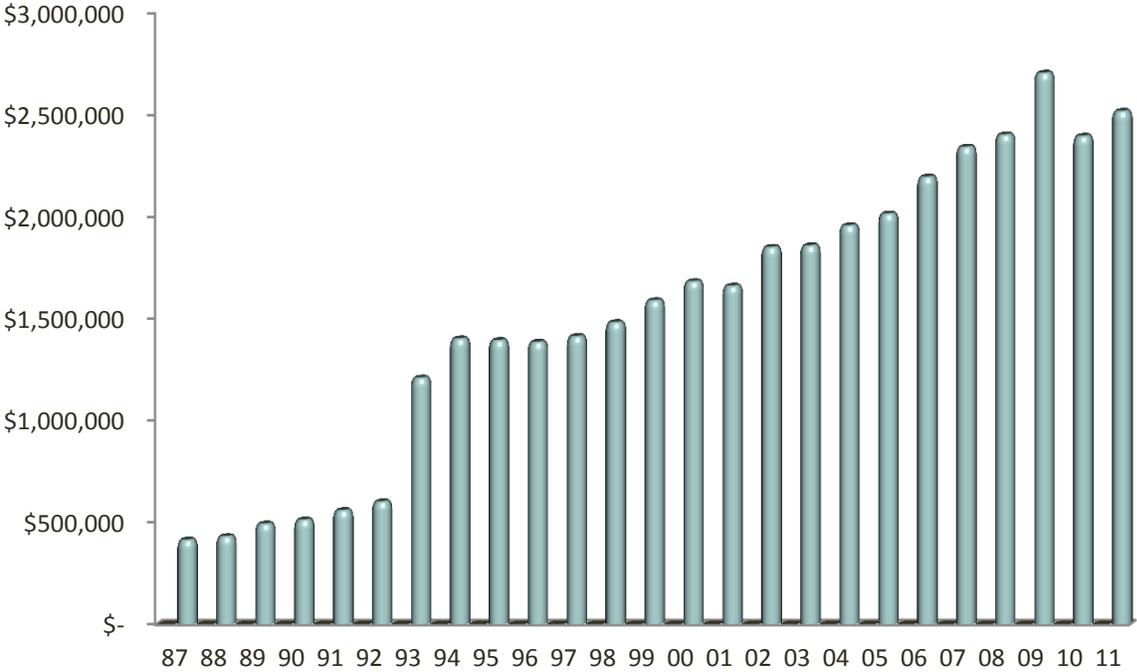
*State of Texas Hotel/Motel
tax rate: 6% (only 1% is
remitted back to the City)*

Hotel/motel taxes are estimated to be \$6,843,964 and are deposited into Hotel/Motel Fund, Convention Centre Fund, Beach Nourishment Fund, and Beach Maintenance Fund. This revenue represents 34% of the total estimated revenue. The City has a 14.5% Hotel/Motel tax (6% to State of Texas of which 1% is remitted back to the City to finance the Beach Maintenance Fund, 8% for use by the Convention and Visitors Bureau, and .5% for beach nourishment).

Sales tax revenues are anticipated to reach \$2,385,000, constituting 12% of total revenue, and are deposited into General Fund and EDC Fund. The City has a total sales tax rate of 8.25% allocated as follows: 1 ½% to

City of SPI, ½% to EDC, and 6 ¼% to State of Texas. Sales tax revenue is forecasted to be \$50,000 more due to the local and national economy.

Sales Tax Collections



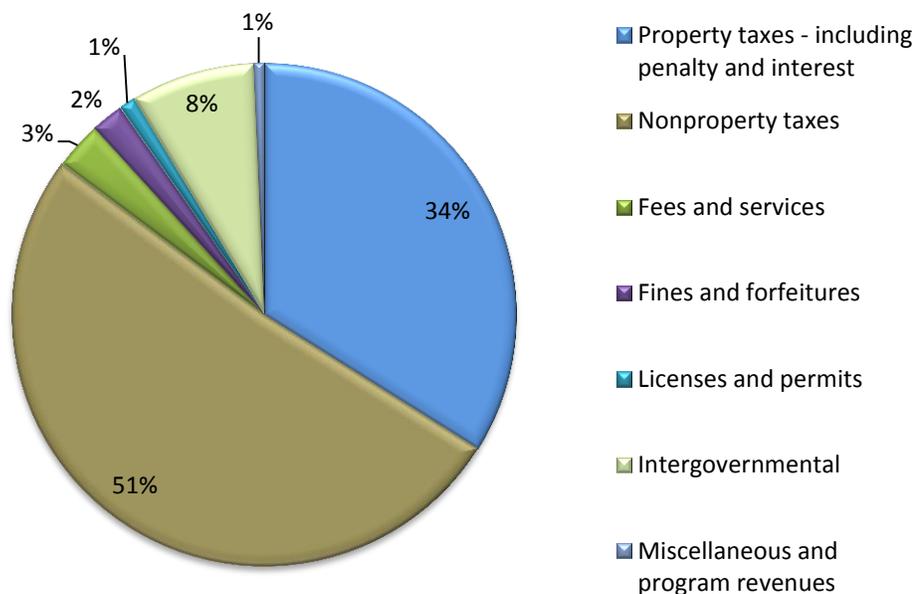
Franchise taxes are received from four utility providers. The estimated fees to be received are \$795,000 from electricity, telephone, cable television, and sold waste services. \$200,867 is expected to be received from mixed beverage taxes collected on the sale of alcohol. These two revenue items represent 5% of the total budgeted revenue.

Fees and services are generated from emergency medical services, fire department inspection fees, rental of the convention center, ticket sales, lot mows and lien fees. Fees and services revenue is forecasted to be \$313,930 less due to the Birding and Nature Center no longer being included in the component unit of the city. Revenue from all fees and services is expected to drop to \$617,005 which is 3% of total revenue.

Fines and forfeitures resulting from municipal court activity are expected to increase over 14% to \$413,815. This projected revenue includes \$14,000 from Municipal Court fees collected in accordance with state law to enhance Court security, technology, and training.

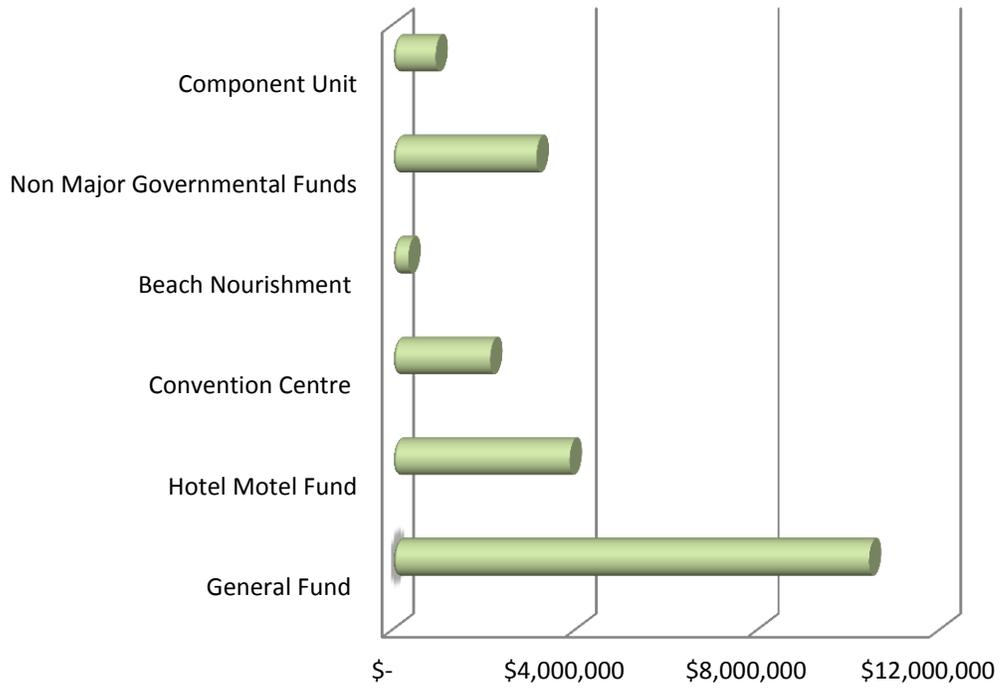
Federal and state grants will exceed \$1.2 million for the 2012 to 2013 fiscal year. Transportation grants to finance the island’s free public transportation, known as the “Wave”, are expected to reach \$1 million.

Revenues by Source



• • •
Non property taxes is the major source of revenue (51%)
 • • •

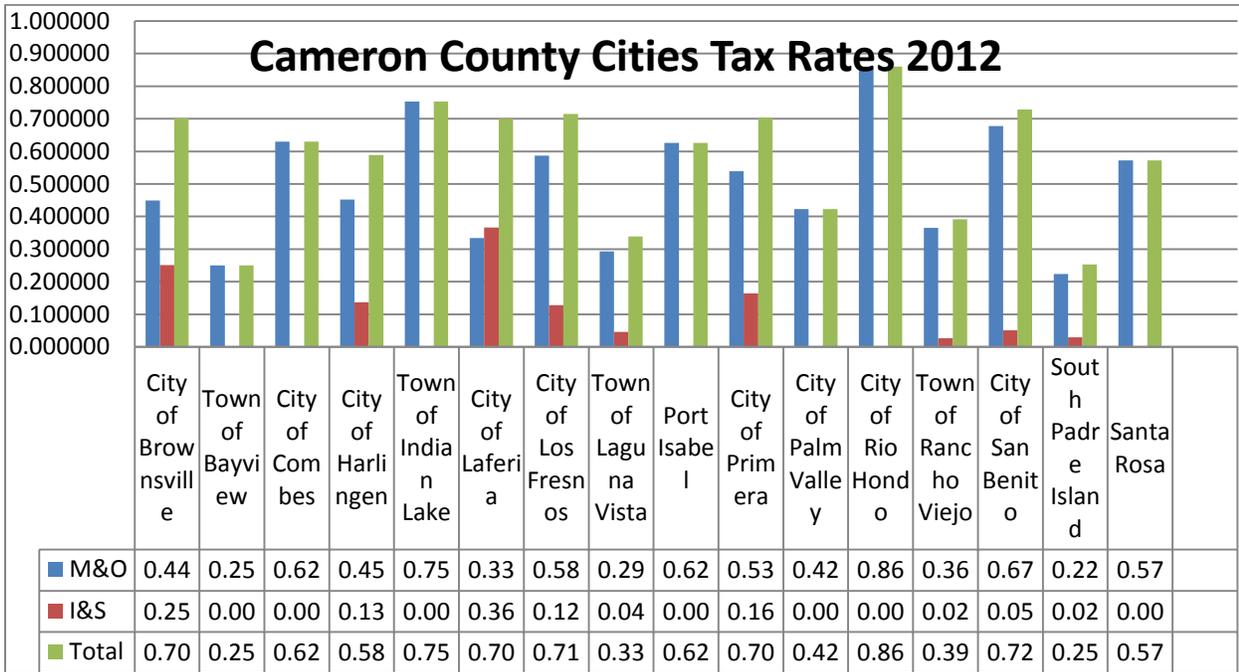
Revenues by Fund



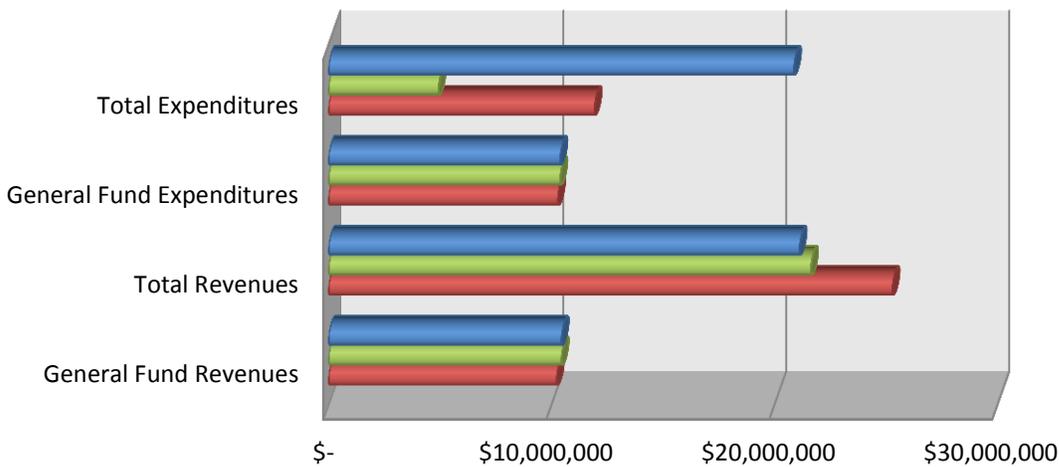
• • •

*General Fund revenues
represent 49.8% of total
revenues*

• • •



BUDGETS OF THE LAST THREE FISCAL YEARS



	General Fund Revenues	Total Revenues	General Fund Expenditures	Total Expenditures
2012/13	\$10,465,826	\$21,137,344	\$10,406,922	\$20,886,634
2011/12	\$10,465,826	\$21,649,974	\$10,406,922	\$4,950,936
2010/11	\$10,250,516	\$25,304,777	\$10,301,994	\$11,944,366

2012/2013 Budget
 2011/2012 Unaudited Actuals
 2010/11 Actuals

Budget Highlights

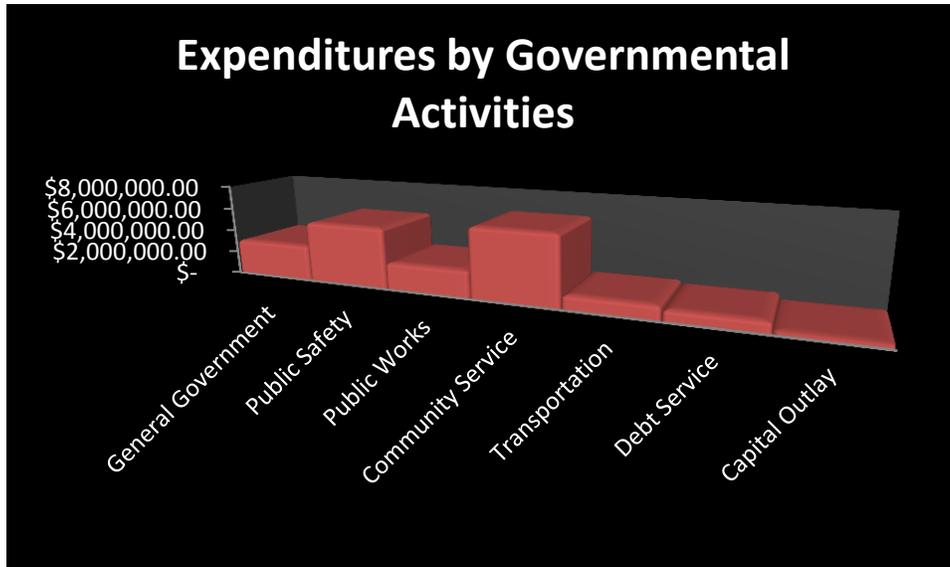
- *Revenue to remain flat compared to fiscal year 2011/2012*
 - *New tax rate: .252701 (M&O .223631, I&S .029070)*
 - *Decrease in total expenditures: \$3,539,000 primarily due to the completion of the fire station in 2011-2012*
 - *Purchase of new public transportation bus: \$119,547*
 - *City to provide expanded Beach Patrol services for the 2012/13 fiscal year*
 - *Total City full time employees: 160*
 - *1% COLA effective October 1st 2012*
 - *First year implementation of a fleet replacement schedule*
 - *\$200,000 earmarked for street improvements*
-

BUDGET DOCUMENT BY FUND

- Fund 01 – General Fund
 - 511 City Council
 - 512 City Manager’s Office
 - 513 Finance
 - 514 Planning
 - 515 Technology
 - 516 Human Resources
 - 520 Municipal Court
 - 521 Police
 - 522 Fire
 - 532 Health/Code Enforcement
 - 540 Fleet
 - 541 Facilities and Grounds Maintenance
 - 542 Inspections
 - 543 Public Works
 - 544 Emergency Management
 - 570 General Services
 - 572 Special Projects
- Fund 02 – Hotel Motel Tax
 - 590 Visitors Bureau
 - 592 Sales & Administration
 - 593 Tourism & Cultural
 - 594 Marketing
- Fund 06 - Convention Center
- Fund 09 - Parks & Beautification
- Fund 21 - Municipal Court Technology
- Fund 22 – Municipal Court Security
- Fund 30 – Transportation
- Fund 45 – Construction in Process
- Fund 50 – General Debt Service
- Fund 52 – EDC Debt Service
- Fund 60 – Beach Maintenance
- Fund 61 - Beach Access
- Fund 62 – Bay Access
- Fund 80 – Economic Development Corp.
- Fund 81 – Beach Nourishment

BUDGET DOCUMENT

EXPENDITURES BY GOVERNMENTAL ACTIVITIES



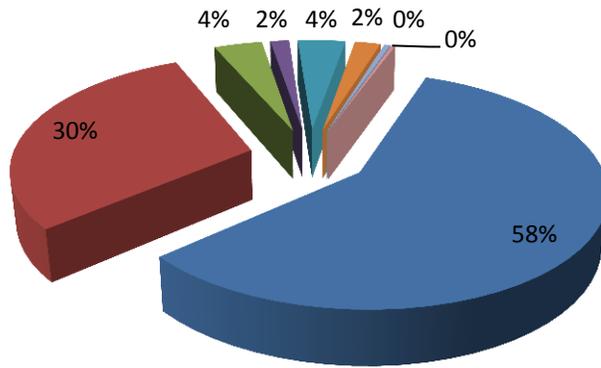
General Government	\$ 3,141,875.83
Public Safety	\$ 5,320,750.00
Public Works	\$ 2,415,317.00
Community Service	\$ 6,112,639.00
Transportation	\$ 1,266,646.18
Debt Service	\$ 1,005,088.61
Capital Outlay	\$ 406,747.39
Total Expenses	\$ 19,669,064.01

GENERAL FUND SUMMARY

GENERAL FUND REVENUES

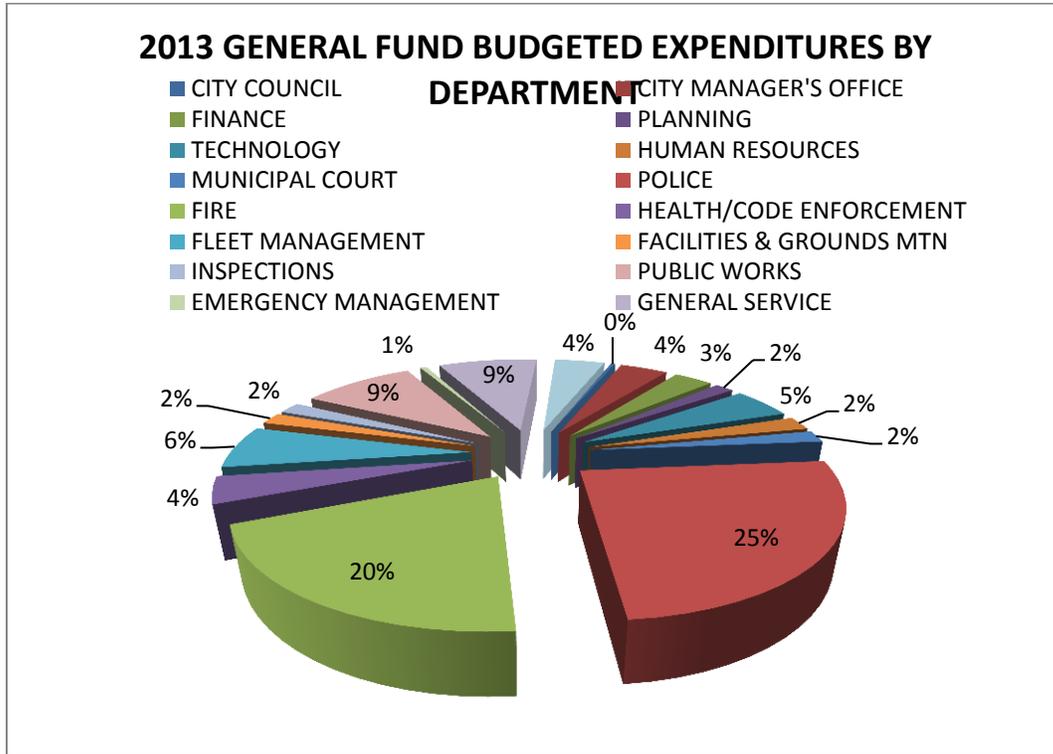
2013 GENERAL FUND BUDGETED REVENUES

- PROPERTY TAXES
- NON-PROPERTY TAXES
- FEES AND SERVICES
- INTERGOVERNMENTAL
- FINES AND FORFEITURES
- LICENSES AND PERMITS
- MISCELLANEOUS
- OTHER FINANCING SOURCES



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL FUND	2010	2011	2012	2013
PROPERTY TAXES	\$5,370,434	\$5,753,264	\$5,866,192	\$6,078,198
NON-PROPERTY TAXES	\$3,066,754	\$3,187,051	\$3,002,919	\$3,127,783
FEES AND SERVICES	\$81,651	\$43,455	\$346,535	\$403,005
INTERGOVERNMENTAL	\$68,353	\$148,801	\$269,459	\$158,346
FINES AND FORFEITURES	\$365,065	\$420,257	\$349,500	\$399,815
LICENSES AND PERMITS	\$557,605	\$222,572	\$259,550	\$216,000
MISCELLANEOUS	\$199,458	\$114,247	\$126,087	\$50,500
OTHER FINANCING SOURCES	\$104,650	\$926,896	\$0	\$32,000
TOTAL REVENUES	\$9,813,969	\$10,816,543	\$10,220,243	\$10,465,647

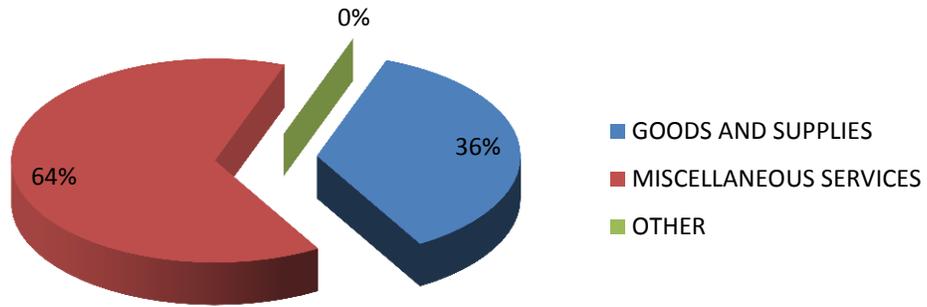
GENERAL FUND EXPENSES



EXPENDITURES BY DEPARTMENT	ACTUAL 2010	ACTUAL 2011	BUDGET 2012	BUDGET 2013
GENERAL FUND	2010	2011	2012	2013
CITY COUNCIL	\$10,613	\$17,499	\$27,000	\$37,500
CITY MANAGER'S OFFICE	\$506,300	\$438,659	\$414,389	\$425,595
FINANCE	\$292,640	\$335,230	\$332,620	\$337,773
PLANNING	\$546,450	\$391,856	\$156,026	\$161,719
TECHNOLOGY	\$363,753	\$429,864	\$486,888	\$508,880
HUMAN RESOURCES	\$135,250	\$191,304	\$200,965	\$219,075
MUNICIPAL COURT	\$166,227	\$168,727	\$176,634	\$185,447
POLICE	\$2,380,396	\$2,392,646	\$2,559,796	\$2,605,454
FIRE	\$1,923,503	\$1,724,127	\$2,085,711	\$2,095,548
HEALTH/CODE ENFORCEMENT	\$376,095	\$357,565	\$369,367	\$408,608
FLEET MANAGEMENT	\$456,204	\$1,458,426	\$736,535	\$670,024
FACILITIES & GROUNDS MTN	\$169,930	\$166,033	\$184,654	\$186,080
INSPECTIONS	\$222,919	\$186,435	\$187,442	\$186,772
PUBLIC WORKS	\$954,711	\$1,049,762	\$1,033,735	\$978,252
EMERGENCY MANAGEMENT	\$6,099	\$3,968	\$51,750	\$56,470
GENERAL SERVICE	\$1,073,504	\$1,055,260	\$884,042	\$891,926
SPECIAL PROJECTS	\$562,266	\$333,519	\$842,410	\$451,800
TOTAL EXPENDITURES	\$10,146,862	\$10,700,880	\$10,729,963	\$10,406,923

CITY COUNCIL

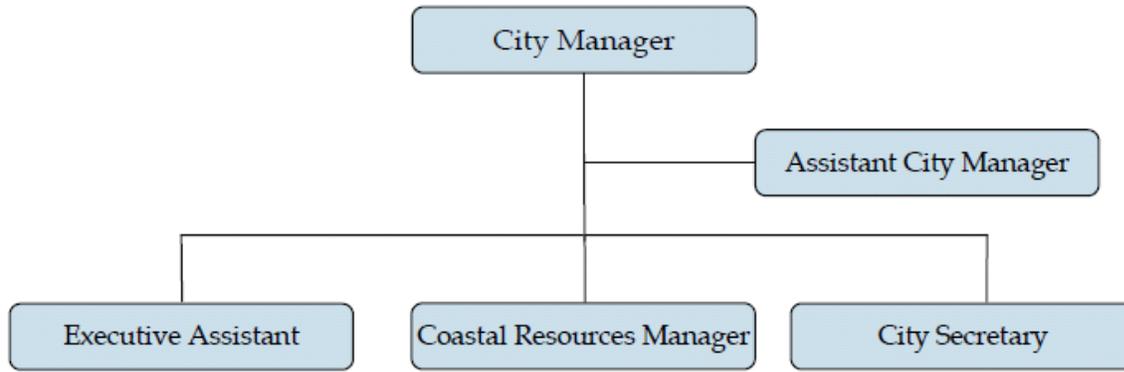
**2013 CITY COUNCIL BUDGETED
EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - CITY COUNCIL	2010	2011	2012	2013
GOODS AND SUPPLIES	\$0	\$0	\$0	\$13,500
MISCELLANEOUS SERVICES	\$10,613	\$15,863	\$27,000	\$24,000
OTHER	\$0	\$1,636	\$0	\$0
TOTAL EXPENDITURES	\$10,613	\$17,499	\$27,000	\$37,500

CITY MANAGER'S OFFICE

CITY MANAGERS ORGANIZATION CHART



WHO ARE WE / WHAT WE DO:

The City Manager's Office is responsible for the implementation of the South Padre Island City Council's policy. By embracing the use of best practices, the CMO develops administrative guidelines to ensure the efficient and effective operations of the City. The City Manager's Office has oversight over the following Departments:

- Administrative Services
- Convention & Visitors Bureau
- Coastal Resources
- Development
- Environmental Health Services
- Finance
- Fire
- Information Services
- Police
- Transit Division

The vitality of the organizational development activity is a focal point of the City Manager's Office as well as ensuring fruitful intergovernmental relationships and participation in the Federal and State legislative process. The City Manager's Office through the City Secretary supports, facilitates and strengthens the City of South Padre Island governmental process, improves public access to municipal records, safeguards and conducts the municipal election process, protects and preserves official City records. It is also the responsibility of this Department to assure that official City activities are in compliance with Federal, State, and City policies and practices.

MAJOR GOALS:

1. Focus on major initiatives that enhance the economic environment, improve the quality of life for citizens, protect the environment and provide essential services:
 - a. Maintain a safe community
 - b. Redevelop the Convention Centre
 - c. Implement the Form Based Code
 - d. Redesign Padre Boulevard
 - e. Strive to have vibrant economy that is diverse and sustainable
 - f. Enhance the aesthetic appeal of the community
 - g. Sustain our beautiful beach and bay
 - h. Revitalize the entertainment district
 - i. Embrace the unique characteristics of our City
 - j. Maintain a relaxed Island atmosphere where you can simply “Be Yourself”
2. Continual evaluation of programs for enhancements and benefits to the City.
3. Create a good organizational foundation through policy development and implementation.
4. Develop and sustain a productive relationship with the City Council to encourage policy development and effective communication.
5. Continued enhancement of public relations program to enhance communication with the public and ensure a constructive relationship with the media.
6. Strive to encourage and facilitate the strategic planning (e.g., capital improvement plan, five year operational plan, core values for organization, etc.)
7. Encourage effective use of resources by eliminating duplication and streamlining operations.
8. Create an enjoyable work experience where all people feel appreciated and valued and instill the support of core values for the organization to encourage individual accountability.
9. Use technology effectively to capture operational efficiencies.

Our Planning Indicators and Focus:

According to the 2010 census, the City of South Padre Island’s population is 2,816 and the City’s average number of visitors is 30,000 per month which serves as an indicator for the increase demands for services. Monitoring causeway traffic counts can indicate the number of tourists coming to South Padre Island.

CITY MANAGER STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Support initiatives that enhanced the quality of life for the citizens (Music, Art in Public Places, Community Events, Theater productions, etc.) (Parks & Recreation Committee)	Ongoing	\$ 10,000
Embrace the use of technology to enhance operations and communication.	Ongoing	\$ -0- Resources with Info Scvs
Continue to evaluate mobility & parking strategies.	Ongoing	\$ -0- Resources will be in PW
Enhance financial management and the budget process.	Ongoing	\$ -0- Resources with Finance
Formulate effective economic development strategies. (Retail study and marketing material)	2012/ 13	\$60,000
Create a Management Internship Program.	2014/ 15	\$45,000
Create a Park and Recreation Division or Department (Two positions: Recreation Coordinator and Park Maintenance Specialist)	2014/2015	\$76,000
Create a comprehensive, updated Parks Master Plan	2014/ 15	\$10,000
Regional EOC	2014/ 15	\$100,000
Analysis of Municipal Complex and space utilization	2012/ 13	\$100,000
Identify funding sources and strategies for priority Capital Improvement Projects	Ongoing	Varies

Programs Implemented:

Program	Fiscal Year	Budget Impact
The creation of City Committees to embrace participation and leadership	2011/2012	0

CITY MANAGER POSITION CONTROL

	Current	2012/13	2013/14	2014/15	2015/16	2016/17
City Manager	1	1	1	1	1	1
Assistant City Manager	1	1	1	1	1	1
Executive Assistant	1	1	1	1	1	1
City Secretary	1	1	1	1	1	1
Management Intern	0	0	0	1	1	1
Total Positions	4	4	4	5	5	5

WORK PLANS FOR CITY MANAGER'S OFFICE

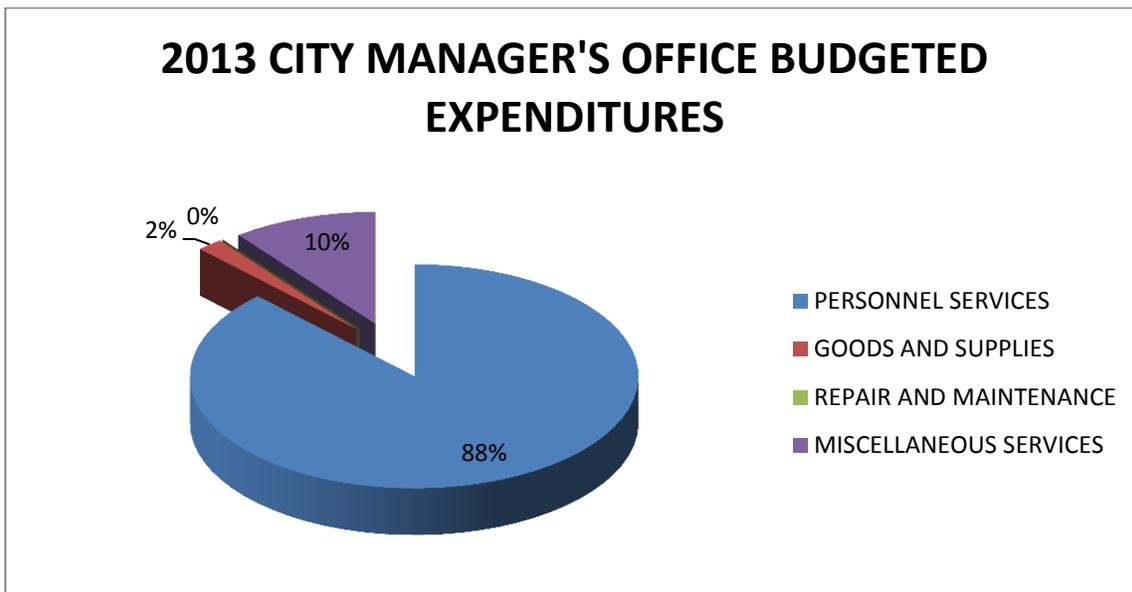
Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader
"Snapshot"	Create a reflective document of successes by fiscal year to tell our story	3.12	November 2012	Anthony Holland
Council/Board Member Handbook	Create and update handbook for new members of the City's Council, Boards, Commissions and Committees that outlines rules and procedures to follow.	7.18	October 2012	Susan Hill
Budget Document Enhancement	Create a budget document eligible for the GFOA Distinguished Budget Award	6.A	October - December 2011	Finance
Annexation	Expand City limit boundary through voluntary annexation.	6.1, 6.2, 6.5, 6.M, 6.N6.O, 6.P	Ongoing	Rick Vasquez
Park Master Plan	Update current Parks Master Plan.	Chapter 5	December 2011	Darla A. Jones
Comprehensive Citizen Survey	Create a benchmark for performance measures	7.12 7.31	January 2013	Joni Clarke
Employee Appreciation	Implement and employee appreciation program to boost morale and productivity.		Ongoing	Joni Clarke
Records Management Program	Update and enhance the City's Records Management Program	6.Q, 6.R, 6.S	February 2012, then Annually	Susan Hill
Five Year Plan	Update the City's five-year plan by department establishing major goals and programs	7.A 7.C 7.E	April 2013	Joni Clarke
Municipal Complex Master Plan	Arrangement for effective use of Municipal Building and Facilities.	6.I, 6.J	Ongoing	Joni Clarke
Technology	Embrace the use of technology to enhance operations and communication.	6.S 7.5d	Ongoing	City Manager's Office
Capital Improvement Plan	Update the City's five year plan with prioritization of capital projects.	6.A, 4.9, 4.15, 4.38,	Updated Annually	Darla A. Jones
Tax Increment Reinvestment Zone (TIRZ)	Implement and manage TIRZ, TIRZ Board and TIRZ Projects.	7.7b	On-Going	Darla A. Jones
Implement Core Values	Implement City's Core Values		Ongoing	Joni Clarke
Citizen Outreach and Special Events	Support initiatives that enhance the quality of life for citizens (Music, Art in Public Places, Community Events, Theater Productions, etc.)	5.V, 5.57, 7.3, 7.8, 7.13, 7.F, 7.G	On-Going	Darla A. Jones

My plan to deliver extraordinary customer service includes continued focus on the professional development of City staff.

My contribution to making the City a more efficient organization is to ensure that all employees have the tools they need to do their jobs. This will be done by having a more inclusive budget process and regular quarterly meetings with staff to encourage communication.

My department will build community trust by becoming a more effective listener to better understand citizen needs and THEIR vision for the future. Strive to create partnerships for success by engaging citizens as a resource to deliver results.

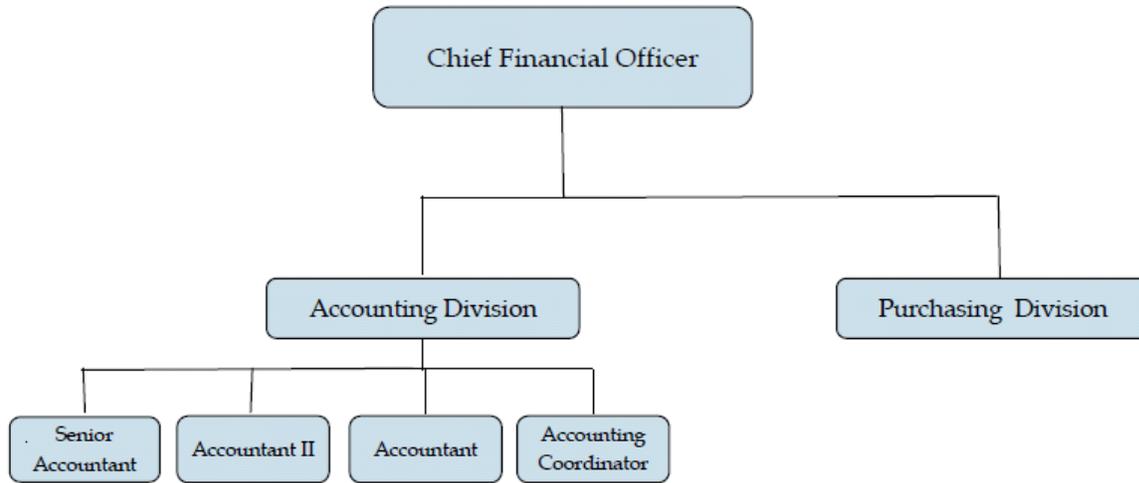
CITY MANAGERS BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - CITY MANAGER'S OFFICE	2010	2011	2012	2013
PERSONNEL SERVICES	\$460,192	\$381,758	\$350,950	\$373,189
GOODS AND SUPPLIES	\$10,293	\$9,632	\$8,662	\$8,000
REPAIR AND MAINTENANCE	\$2,748	\$0	\$0	\$0
MISCELLANEOUS SERVICES	\$33,067	\$47,270	\$39,416	\$44,406
TOTAL EXPENDITURES	\$506,300	\$438,659	\$414,389	\$425,595

FINANCE DEPARTMENT

FINANCE ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

Finance Department plans and directs the City's financial activities, including accounting, budgeting, tax collections, internal and external financial reporting, and debt and investment management. The department directs the City wide budgeting process as well as the preparation of the Comprehensive Annual Financial Report.

Major Goals:

1. Manage resources as efficiently and effectively as possible and communicate the results of these efforts to the public.
2. Evaluate and make recommendations on City operations and procedures to ensure fiscal accountability.
3. Provide financial information in the form, frequency and timeliness needed for management decisions.
4. Monitor and ensure compliance with established policies, procedures and external reporting requirements.
5. Provide the highest quality of service to the community and City personnel.
6. Support the City departments through purchasing policies and procedures that provide the best value, as well as compliance with state laws.

Our Planning Indicators and Focus:

The Finance Department is a support department; therefore much of the planning is based upon the growth in other departments. Finance will provide overall fiscal leadership for the City's long range financial planning, and enhanced collection of data, reporting and audits of financial records.

FINANCE DEPARTMENT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Promote a paperless Finance environment by reducing the number of printed reports with electronic copies.	Ongoing	\$ 0
Create a document to more effectively communicate financial information to the public - strive to receive the Government Finance Officers Association Distinguished Budget Presentation Award, and the Popular Financial Report.	Ongoing	\$ 800.
Implement Automated Clearing House (ACH) which is an electronic network for financial transactions for payments for all vendors.	Ongoing	\$ 0
Implement the CIPFA-GFOA FM Model Community Project. (Chartered Institute of Public Finance and Accountancy –Government Finance Officer Association Financial Management Model.) The CIPFA-GFOA FM Model provides governments with a detailed set of self-assessment questions. The model: <ul style="list-style-type: none"> • Assesses every major area of financial management — budgeting, debt management, financial planning, and more. • Covers additional issues such as transparency, citizen engagement, and use of technology. 	2011/2012 2012/2013	\$ 895.
Purchase and implement Accounts Receivable Module so that all City billing is done centrally and tracked.	2012/2013	\$ 5,281.
Develop a Fleet Replacement policy and implement a rotation schedule under a master lease.	2011/2012 2012/2013	
Hire a purchasing agent to facilitate cost-effective purchasing and compliance to meet the state and local requirements.	2013/2014	\$ 41,000.

Programs Implemented:

Strategy/Program	Fiscal Year	Budget Impact
Implement an automated payroll system to streamline the payroll process and enhance the efficiency of payroll record keeping.	2011/2012	\$ 13,000.
Develop accounting procedures manual describing day to day operations in order to facilitate staff cross training.	2011/2012	\$ 0
Submitted first document to be judged for the Government Finance Officers Association Distinguished Budget Presentation Award.	2011/2012	\$ 400.
Implement Automated Clearing House (ACH) which is an electronic network for financial transactions for payments for all vendors.	2011/2012	\$ 0
Developed a more user friendly monthly report to assist the public in understanding the city's finances.	2011/2012	\$ 0
Purchase and implement Incode Project Tracking where all project and grant expenditures are easily identifiable in the General Ledger Detail.	2012/2013	\$ 5,813

FINANCE DEPARTMENT POSITION CONTROL

	Current Year	2012/13	2013/14	2014/15	2015/16	2016/17
Chief Financial Officer	1	1	1	1	1	1
Senior Accountant	1	1	1	1	1	1
Accountant II	1	1	1	1	1	1
Accountant	1	1	1	1	1	1
Accounting Coordinator	1	1	1	1	1	1
Purchasing Agent	0	0	1	1	1	1
Total Positions	5	5	6	6	6	6

WORK PLAN FOR FINANCE DEPARTMENT

Project	Description	Estimated Completion Date	Team Leader	Team Members
Budget	The GFOA established the Distinguished Budget Presentation Awards Program (Budget Awards Program)	Continuously ongoing	CFO	ES, CE, City Managers Office
Popular Report	Create a Popular Report to more effectively communicate financial information to the public.	Continuously ongoing	CFO	ES, CE
CIPFA-GFOA FM Model Community	The CIPFA-GFOA FM Model provides governments with a detailed set of self-assessment questions..	Ongoing	CFO	City Wide
Payments to vendors using ACH	Continue to implement Automated Clearing House (ACH) electronic network for payments to vendors.	Continuously ongoing	RL	DC
Accounting procedures	Develop accounting procedures manual describing day-to-day operations in order to facilitate staff cross training.	6/30/2012	CE	CFO, ES, CE, RG, DC,
Fleet Management	Develop a rotation schedule for all vehicles. Implement a Master Lease program	Ongoing	CFO	All fleet users
Accounts Receivable	Implement the Accounts Receivable system through INCODE where all city billing will be done from a central location.	3/31/2013	CFO	All City Departments
HOT Tax	Outsource the collection and auditing of the Hotel Motel Tax	12/31/2013	CFO	Dinora Garcia, Lori Moore, CVA Director
Cross Training	Have each member of the Finance Department trained to do any position	Ongoing	CFO	RG, CE, DC,

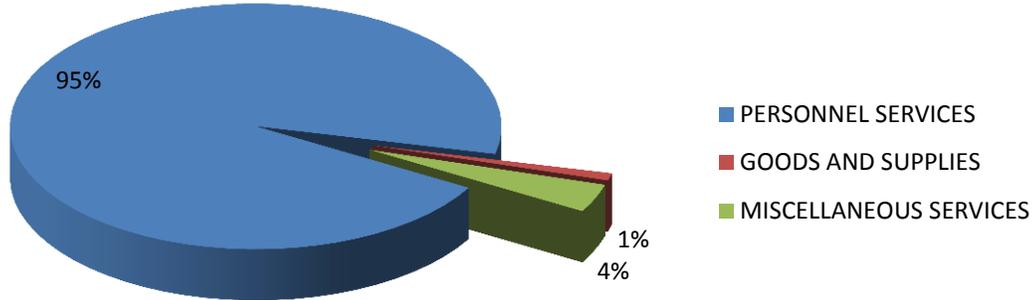
My plan to deliver extraordinary customer service includes: the Finance Department for the City of South Padre Island strives to serve our community with a spirit of excellence, integrity and professionalism. The Department is committed to providing timely, accurate, clear and complete information and support to other city departments, citizens and the community at large while supporting the strategic goals and objectives of the City Council and the Comprehensive Plan.

My contribution to making the City a more efficient organization is: The department encourages cooperation with the other city departments as well as the personal and professional growth of its employees. To this end, we strive to provide excellent customer service to other departments, City Council and the citizens of South Padre Island.

To strive to manage resources as efficiently and effectively as possible by providing financial information in the form, frequency, and timeliness needed for management decisions.
My department will build community trust by providing the highest quality of services to the community and city personnel. In addition, educating the community and other City departments on what services the Finance department provides to them.

FINANCE DEPARTMENT BUDGET NUMBERS

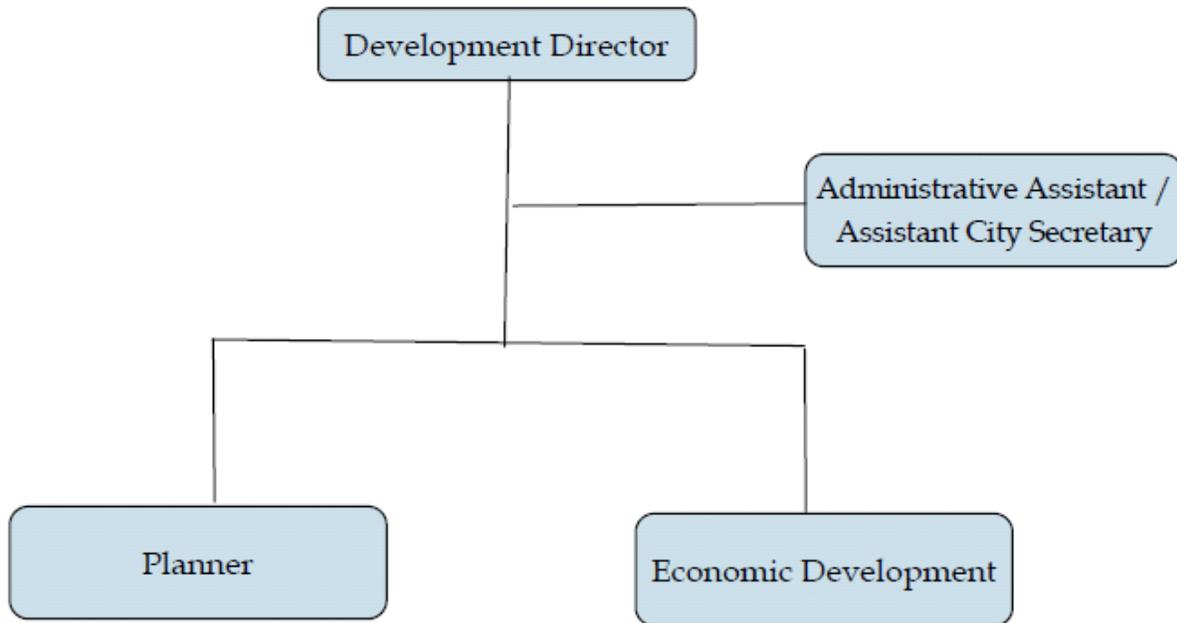
2013 FINANCE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FINANCE	2010	2011	2012	2013
PERSONNEL SERVICES	\$280,461	\$318,882	\$314,785	\$321,873
GOODS AND SUPPLIES	\$3,560	\$2,704	\$3,239	\$3,300
MISCELLANEOUS SERVICES	\$8,619	\$13,644	\$14,596	\$12,600
TOTAL EXPENDITURES	\$292,640	\$335,230	\$332,620	\$337,773

PLANNING DEPARTMENT

PLANNING DEPARTMENT ORGANIZATION CHART



WHO ARE WE / WHAT WE DO:

The Development Department provides leadership and management of the City's Land Development programs.

The Development Division administers the City's Subdivision, Zoning Ordinance and Form Based Codes. The division provides administrative & policy research services to the City Council, Planning and Zoning Commission, Zoning Board of Adjustments, the Development Standards Review Task Force, the City Manager, the Development Industry, and other city departments.

The Economic Development Division provides staff support and policy research to the Economic Development Corporation.

Major Goals:

✚ Development

Modernize, streamline and realign the land development regulatory framework to meet today's economic realities.

- To create a predictable, fair & ethical land development regulatory framework.

- To create a sustainable and environmentally sensitive development code.
- To foster an innovative, diverse, and creative urban development environment.
- Implement the form based code for Padre Boulevard and the Entertainment District.
- To develop and administer an annexation plan.
- Update the City's Zoning and Subdivision Regulations
- Develop and administer a Thoroughfare Plan
- Implement the City's adopted Comprehensive Plan

Economic Development

- Convention Center Redevelopment
- Address seasonality of resort industry
- TxDOT/RMA/City of SPI Second Causeway Project
- Padre Boulevard/Entertainment District Redevelopment

Our Planning Indicators and Focus:

The Development Department coordinates approximately 36 city committee meetings annually. Meeting coordination includes: drafting and posting agendas, preparing meeting minutes, preparing mail out notices, preparing Local Government Code required notices, responding to meeting agenda content questions and processing development applications from the development community. The Development Department prepares a number of Zoning & Subdivision Code amendments and is required to prepare the amendments in accordance with the Texas Local Government Code.

The land development process provides a good indicator of local economic development conditions. Subdivision development is typically the first step in the land development process and platting activity can provide insight into six month demand for housing & commercial land development. Although demand for housing development in the City appears to mirror the national trends, the cushion provided by the housing demand fueled by the Mexican investor, Canadian investor, and to a lesser degree the out of state investor, appears to have provided some relief to the impact of the national recession on the local real estate market.

PLANNING DEPARTMENT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Our Strategies and Programs for the Next Five Years:

Strategy/Program	Fiscal Year	Budget Impact
Implement Annexation Plan	2012/2013	0
Implement Form Based Code	On going	0
Prepare GIS Block and Lot Layer	2013/2014	\$5,000.00
Update Aerial Photography	2015/2016	\$100,000.00
Convention Center Redevelopment	2012/2013	0
Regional Initiatives/Intergovernmental	On going	0
TXDOT/Rural Transportation	On going	0
Economic Development	On going	0
Comprehensive Plan Update	2012/2013	0

Programs Implemented:

Strategy/Program	Fiscal Year	Budget Impact
Adopted form based code for Padre Blvd & Entertainment District	2011/2012	\$600,000

PLANNING DEPARTMENT POSITION CONTROL

Five Year Staffing Plan:

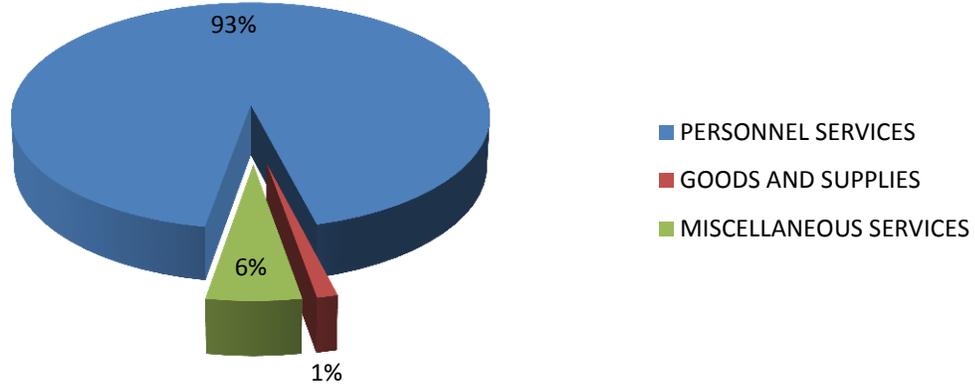
Fiscal Year	Current	2013-2014	2014-2015	2015-2016	2016-2017
Development Director	1	1	1	1	1
Planning Administrative Asst.	1	1	1	1	1

WORK PLAN FOR PLANNING DEPARTMENT

2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Administer Subdivision and Zoning Ordinance				
Administer Padre Boulevard and Entertainment District Code				
Staff and Support Board of Adjustments				
Coordinate with EDC, development of policies, projects, incentives, programs	Coordinate with EDC, development of policies, projects, incentives, programs	Coordinate with EDC, development of policies, projects, incentives, programs	Coordinate with EDC, development of policies, projects, incentives, programs	Coordinate with EDC, development of policies, projects, incentives, programs
			Island Aerial Photos	Comp Plan Update
Participate in redevelopment of Convention Center				
Monitor TxDOT for Padre Blvd funding opportunities				

PLANNING BUDGET NUMBERS

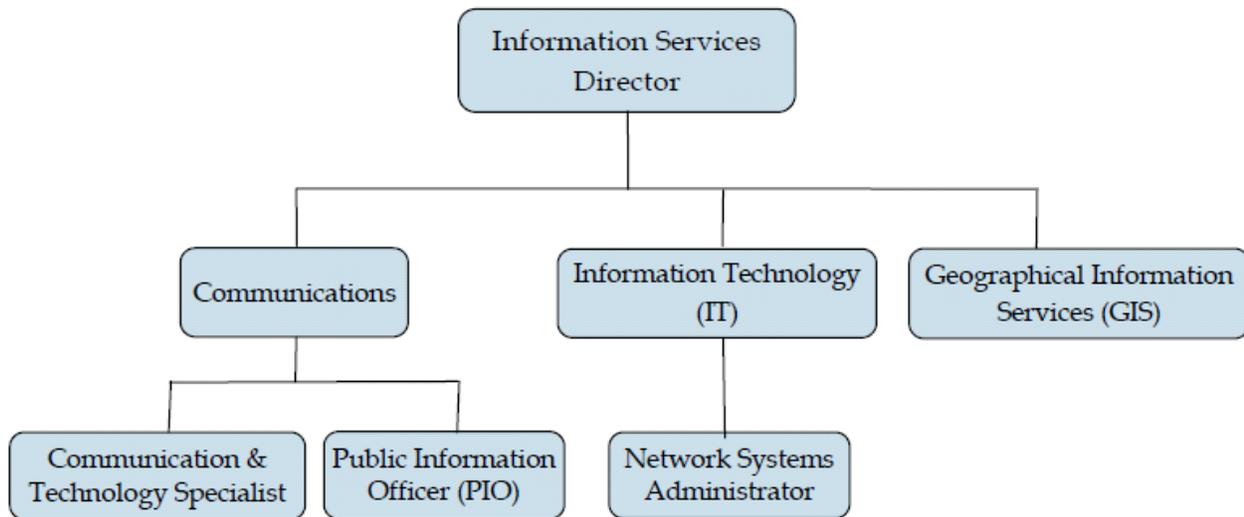
2013 PLANNING BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - PLANNING	2010	2011	2012	2013
PERSONNEL SERVICES	\$130,705	\$128,268	\$145,259	\$150,644
GOODS AND SUPPLIES	\$2,557	\$2,363	\$2,600	\$2,000
MISCELLANEOUS SERVICES	\$413,188	\$261,224	\$8,167	\$9,075
TOTAL EXPENDITURES	\$546,450	\$391,856	\$156,026	\$161,719

INFORMATION SERVICES

INFORMATION SERVICES ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

The Information Services department consists of the Information Technology, Geographical Information Systems (GIS) and Communications divisions. We are responsible for maintaining and providing the tools necessary to access information and communicate both internally and externally. See the individual divisions for their specific goals, planning indicators and programs/projects.

Major Departmental Goals:

1. Build the systems and processes necessary to enable cross departmental collaboration and access to shared information.
2. Lay out strategic direction for the City in relation to technology, communications, GIS and other information related processes, products or projects.
3. Make information available to both the public and staff, and promote government transparency.
4. Reduce costs and better utilize city resources by implementing tools and processes that save time and/or money.
5. Bring South Padre Island to the forefront of the communication and technology fields.

Communication Division Goals:

1. Promote transparency and an abundance of information through the use of online resources, such as the City's website, social networking, Web 2.0 and other similar online resources.
2. Make it easy for constituents to be involved and stay informed through the use of online and offline resources.
3. Promote a positive and professional image by developing quality marketing material and sharing the City's successes.

Geographical Information Systems Division Goals:

1. Maintain updated aerial images of the City and surrounding areas for use in city maps.
2. Create and maintain maps that provide information for departments to use to make complex decisions. The maps could show statistical information, trends and provide a bigger picture on specific areas, such as draining, parking, beach access and zoning.
3. Assist all departments with mapping needs and provide maps to staff and constituents as requested.

Information Technology Division Goals:

1. Manage, maintain and upgrade the City's technology infrastructure to make sure it meets the needs of the staff and city constituents.
2. Evaluate and purchase technology software and products to meet the needs of the City staff and constituents.
3. Evaluate processes and procedures and determine if there are better ways to do things with the use of technology.
4. Meet with departments and perform strategic planning exercises to determine the long-term technology needs of the City.
5. Provide technology training, support and assistance to make sure the City is getting the best value out of the products it purchases.
6. Develop and use a technology committee to evaluate the City's critical technology areas and prioritize projects and purchases.

Our Planning Indicators and Focus:

Information is the foundation for an organization. Without it, the organization cannot function and staff cannot do their job. With advances in technology information has grown exponentially. Therefore we must have the means to manage, communicate and analyze information to operate at today's standards.

INFORMATION TECHNOLOGY STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Build out the City's document management (Laserfiche) system and expand the functionality. (IT)	2012-13	\$10,000
Complete City Hall WiFi System (IT)	2012-13	\$3,500– \$5,000
Improvements to City Council A/V System to Support Streaming of PowerPoint presentations and Support for Additional Microphones and Video Cameras. (Comm.)	2012-13	\$12,000
Website Enhancements and Additional Online Tools to Support the City's Communication Initiatives (Comm.)	2012-13/ 2015-16	\$6,000
New city wide VOIP phone system with unified communications and desktop integration. (IT)	2012-13	\$75,000
Upgrade the City's network switch infrastructure. (IT)	2012-13	\$35,000
Purchase Updated Aerial Images of the City. (GIS)	2012-13	\$100,000
ReWire City Hall networking cables with Cat6 and a centralized Interface. (IT)	2013-14	\$25,000
Redundant Storage Infrastructure to protect the City's electronic data. (IT)	2013-14	\$40,000
Purchase additional virtualization server capacity and expand virtualization software. (IT)	2014-15	\$35,000
Expand Storage Capacity to meet the needs of growing amounts of data and build in redundancy. (IT)	2015-16	\$80,000
City Website Redesign Using Latest Website Design Standards. (Comm.)	2015-16	\$30,000

Programs Implemented

Strategy/Program	Fiscal Year
Created a Redundant Virtual Desktop/Terminal Services Infrastructure and made it available to appropriate staff. (IT)	2011-12
Implement a local backup system for all city server data, including the Police Department in-car video system. (IT)	2011-12
Provided access to the City email system and collaboration tools to the CVB. (IT)	2011-12

INFORMATION TECHNOLOGY POSITION CONTROL

	Current	2012/13	2013/14	2014/15	2015/16	2016/17
Information Services Director/CIO	1	1	1	1	1	1
Administrative Assistant	0	.5	.5	.5	1	1
Communication						
Comm. & Tech. Specialist	1	1	1	1	1	1
Public Information Official	1	1	1	1	1	1
GIS						
GIS Coordinator	0	0	1	1	1	1
IT						
Network Systems Administrator	1	1	1	1	1	1
IT Technician	0	0	0	1	1	1
Total Positions	4	4.5	5.5	6.5	7.0	7.0

WORK PLAN FOR INFORMATION TECHNOLOGY

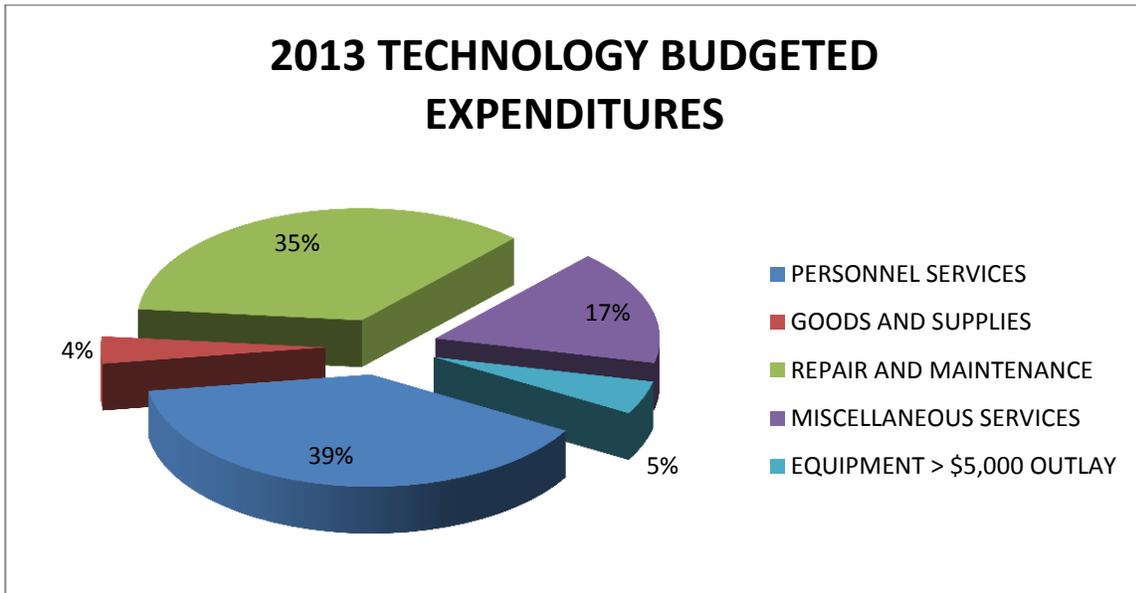
Project	Description	Estimated Completion Date	Team Leader	Team Members
Building Camera System	Upgrade the Building Camera System to support more cameras, be accessed online and record.	11/1/2012	FW	TH
Snapshots and State of the Island Address	Complete the annual Snapshots document for FY 2012 and prepare the Mayor's State of the Island Address based on the information in the Snapshots.	11/1/2012	NR	LT
Online News Room	Create an Online News Room for Public Information.	12/1/2012	CC	NR
Website Redesign	Refresh the City's website with the input of the City's technology committee.	1/1/2013	TH	CC, Tech
Phone Bill	Review and negotiate a better rate on the City's landline phone prices.	1/1/2013	TH	MM, CC
Network Redesign	Replace any necessary switches. Setup VLANs and segment secure networks. Reduce traffic on the network.	1/1/2013	TH	FW
City Hall WiFi	Upgrade the City's wireless system in City Hall to support a single SSID and be compatible with the wireless at the new Fire Station.	3/1/2013	TH	FW
PD Authentication	Implement Police Department 2-Form Authentication to meet new CJIS Standards. 22 Officers & 13 Reserves	3/1/2013	TH	FW
A/V System Upgrade	Make necessary upgrades to the A/V system to support computer and cam inputs on web stream. Replace monitor.	5/1/2013	TH	CC
Laser fiche	Determine a strategy for rolling out laser fiche to the departments.	6/1/2013	TH	BF, ?
Phone System Upgrade	Replace and/or upgrade the City's current phone system.	6/1/2013	TH	FW
Incode Upgrades	Upgrade Incode to support the following modules: Accounts Receivables and Building Permits	9/1/2013	TH	DJ, BF
SOP's	Create Standard Operating Procedures	Ongoing	FW	TH

My plan to deliver extraordinary customer service includes: The Information Services Department delivers extraordinary customer service by providing the tools to other departments to meet the needs of the City's constituents and maintain a high-level of efficiency when serving internal customers.

My contribution to making the Town more efficient organization is: As the guiding source for technology purchases and solutions, the Information Services Department is constantly looking for new ways to improve the efficiency of the organization. The Technology Committee will be making recommendations and identifying areas that could be improved by using technology.

My Division will build community trust by: Demonstrating fairness and focusing on solving any issues that arise. With the use of technology we can open up government to a level of transparency not attainable in the past.

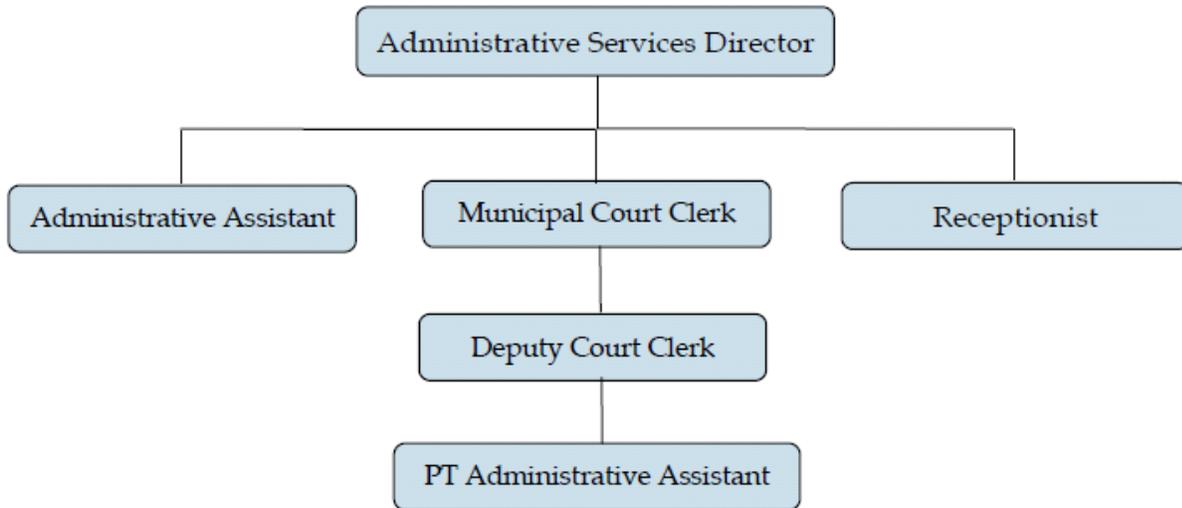
INFORMATION SERVICES BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - TECHNOLOGY	2010	2011	2012	2013
PERSONNEL SERVICES	\$136,046	\$180,468	\$182,473	\$200,185
GOODS AND SUPPLIES	\$10,841	\$19,562	\$9,287	\$19,950
REPAIR AND MAINTENANCE	\$124,790	\$122,683	\$159,863	\$179,650
MISCELLANEOUS SERVICES	\$71,774	\$56,163	\$93,665	\$84,595
EQUIPMENT > \$5,000 OUTLAY	\$20,303	\$50,989	\$41,600	\$24,500
TOTAL EXPENDITURES	\$363,753	\$429,864	\$486,888	\$508,880

ADMINISTRATIVE DEPARTMENT – HUMAN RESOURCES DIVISION

HUMAN RESOURCES ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

The Human Resources Division for the City of South Padre Island serves as a business partner working with all departments within the City to serve our internal and external customers with integrity, professionalism and the highest level of customer service while providing a variety of services. The Human Resources Division is responsible for:

- Recruitment and Selection
- Ensures Compliance with State and Federal Employment Laws
- Employee Benefit Administration
- Employee Relations
- Training and Development
- Risk Management/Safety
- Compensation

The Human Resources division provides services that promote a work environment characterized by fair treatment of staff, open communication, trust and mutual respect. Recognizing that our employees are our most valuable asset, our division strives to provide quality service, and support for the employees of the City of South Padre Island, which will enable employees to better serve the citizens of South Padre Island.

Major Goals:

1. Recruitment and Selection
 - Actively recruit qualified and diverse candidates for employment.
 - Enhance technology to create more streamline application procedures.
 - Establish, maintain and monitor successful pre-employment testing programs.
2. Ensure Compliance with State and Federal Employment Laws
 - Measure and maintain best practices in the areas of equal employment opportunity and reasonable workplace accommodations.
 - Continue to monitor changing legislation to ensure that policy and practice matches the law.
 - Establish and maintain clear procedure for resolving complaints of discrimination in a fair and equitable manner.
3. Employee Benefit Administration
 - Collaborate and communicate to employees, retirees, and others to assure that selected benefits are responsive to their needs.
 - Ensure timely reporting, enrollment, and processing of employee benefit related information.
4. Risk Management
 - Ensure that all claims are handled equally and timely.
 - Work with employees, departments, doctors and claim adjusters to comply with the Americans with Disability Act and Workers' Compensation laws to return disabled, injured or ill employees to suitable, gainful employment as soon as possible.
 - Assure the City is in compliance with all State Workers' Compensation laws.
 - Continue to decrease the amount of work injuries by proving increased training and awareness.
5. Employee Relations
 - Establish and maintain clear and open lines of communication to resolve discrimination or grievance issues and complaints in a fair and equitable manner.
 - Create a positive work culture where employees can develop their skills and feel comfortable in the workplace.
6. Training and Development
 - Create a supervisor training program for all employees hired as supervisors or promoted to a supervisory position to include city policy awareness along with general training.
7. Compensation
 - Establish a compensation plan that promotes flexible and sound classification principles.
 - Research and recommend equitable, consistent and competitive salaries for City positions.
8. Administrative Services
 - Create a comprehensive set of clear and specific policies that are understood by the employee and administered correctly by the City.
 - Increase the use of technology in the area of Human Resources to allow all members of the organization the ability to access their department information quickly and decrease workflow time between employees and departments.

Our Planning Indicators and Focus:

As the City of South Padre Island's citizen and visitor population increases, the demand for public service will increase. The HR division will use the number of employees hired annually as an indicator for the increase demands for services. The current number of employees serviced by the Human Resources Division is 158 full-time equivalents (FTE's) and an estimated 150 part-time employees annually. Currently (fiscal year 2011/12), the total FTE's authorized is 3 positions. One of the three positions serves as the City Hall Receptionist.

HUMAN RESOURCE STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

	Fiscal Year	Budget Impact
Create and implement an effective safety program within the City.	2012/2013	\$1000
Create an organized and effective records management program that encompasses all records related to Human Resource Management.	2013/2014	\$0
Embrace the use of technology to enhance operations and communication.	Ongoing	\$0
Create a fair and flexible compensation plan for the City that creates consistency among all employees.	2012/2013	\$0
Create electronic forms for all City documents.	Ongoing	\$0
Create and effectively manage a City-wide training program to include employee development, safety and a supervisor orientation program.	Ongoing	\$8,000
Create and manage a Volunteer Program. (3000 hrs) The cost is for the liability insurance for 3000 hours with TMLIRP.	2013/2014	\$1500
Create and implement an Employee Handbook with clear and straightforward policies. (Legal review and printing)	2012/2013	\$5,000
Create an online application program enhancement using our current People-Trak software system.	2014/2015	\$5000
Create a Human Resources Generalist position to take the place of the Administrative Assistant to handle the more technical issues and demands related to HR.	2013/2014	\$6,000
Create a paperless HR environment.	2016/2017	\$5000

Programs Implemented:

	Fiscal Year	Budget Impact
Creation of Employee Benefit Statements: 2011 & 2012	2011/2012	\$0
Creation of Employee ID Cards: 2011	2011/2012	\$0
Job Descriptions Completed: 2012	2011/2012	\$0
A 5 year compensation strategy was approved by the City Council in November of 2011.	2011/2012	Pending
Create and manage an effective performance review system to evaluate and track employee performance.	2011/2012	\$0
Coordinated City Wide Training during 2010 – 2012. (Conflict Resolution, Ethics, Sexual Harassment)	2011/2012	\$6000

ADMINISTRATIVE SERVICES POSITION CONTROL

	Current	2012/13	2013/14	2014/15	2015/16	2016/17
Administrative Services Director	1	1	1	1	1	1
Administrative Assistant – HR	1	1	0	0	0	0
Receptionist/AA – City Hall	1	1	1	1	1	1
Human Resources Generalist	0	0	1	1	1	1
Total Positions	3	3	3	3	3	3

WORK PLAN FOR ADMINISTRATIVE SERVICES

Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader	Team Members
Form Control	Continue to create new city forms and a control system to insure the most current form is being used by all.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	09/30/12	Araceli Sanchez	Wendi Delgado
Building Security System	Reorganize and redistribute all electronic and manual keys to the city facilities.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	09/30/12	Wendi Delgado	Araceli Sanchez
Identification Badges	Insure all full-time employees have a current and valid identification card.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	11/01/11	Araceli Sanchez	Wendi Delgado
Compensation Plan - and Pay Grade system	Create a compensation plan to address market pay rates.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	11/01/11	Wendi Delgado	Joni Clarke Beth Free
Performance Evaluation Tool	Implement a new performance evaluation tool approved by the City Manager for City Staff to evaluate their staff more effectively.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	11/01/11	Wendi Delgado	Araceli Sanchez
Implement an Employee Assistance Program (EAP)	Implement a truly confidential service for the city employees and their families that offers a variety of counseling, referrals, and services that will assist in resolving work/life issues in order to live a healthier more balanced life.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	11/01/11	Wendi Delgado	Araceli Sanchez

Benefits Statements	Continue to provide each employee an updated benefits sheet every year during January.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	02/01/12	Araceli Sanchez	Wendi Delgado
Update all HR Procedures	Update all procedures: New Hire Orientation, Exit Interviews, Open Enrollment, Benefit Meetings, Etc.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	09/30/12	Wendi Delgado	Araceli Sanchez Maria Norwood
Complete HRIS Implementation	Continue to update People-Trak Software. This includes all past data, new data, job descriptions and the creation of position control and workflows.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	09/30/12	Araceli Sanchez	Wendi Delgado Maria Norwood
Employee Handbook	Create new City of SPI Employee Handbook.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	09/30/12	Wendi Delgado	Joni Clarke Maria Norwood Araceli Sanchez Leadership Team
Coordinate Training Program for city-wide necessary training.	Implement formal training plan/calendar and maintain required, safety and optional training for all employees throughout the year.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	09/01/12	Wendi Delgado	Leadership Team Araceli Sanchez
Increase Collections	Use all tools effectively to collect more monies this year than past.	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing	Cindy Vasquez	Crystal Martinez Wendi Delgado Maria Norwood
Create a Complete Safety/Risk Program	Safety Program and Policy	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	08/01/12	Wendi Delgado	Safety Committee
Amnesty and Warrant Round up	Use these two new tools to increase collections.	6.I. Continue to provide adequate public services including public works, fire and police protection.	03/01/12	Cindy Vasquez	Crystal Martinez Wendi Delgado Leilani Mata

Creation of a Municipal Court Procedures Manual.	Create a manual that encompasses all procedures related to the Municipal Court and its processes. This tool will be used to create consistency among the division and will also be used as a training tool for new staff.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	09/30/12	Araceli Sanchez	Cindy Vasquez Crystal Martinez
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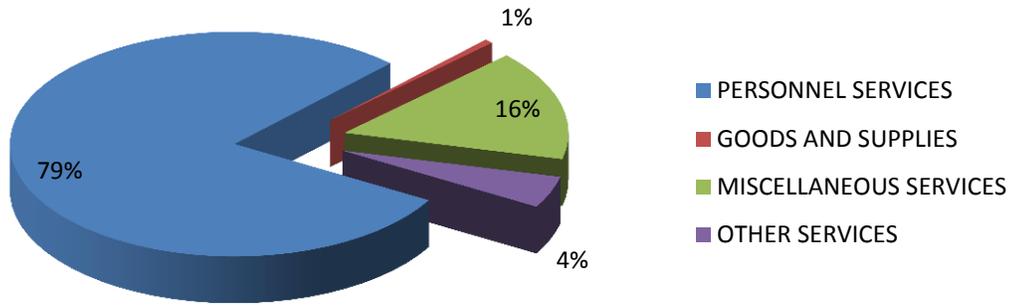
My plan to deliver extraordinary customer service includes creating and implementing an employee handbook that allows all staff the most current policies and procedures so that they can perform their jobs effectively while abiding by policy. Increasing city revenue by using the new implemented tools to increase collection efforts.

My contribution to making the City a more efficient organization is to create more efficient tools, forms and processes for supervisors and directors to use by incorporating a technology based system for processes and procedures to replace internal paperwork.

My department will build community trust by assuring that all guests entering City Hall such as applicants for employment, visitors of the Municipal Court and reception desk are treated with quality customer service. We will strive to adhere to their needs in an efficient and timely manner to insure that they take away a professional and positive experience from visiting City Hall.

HUMAN RESOURCES BUDGET NUMBERS

2013 HUMAN RESOURCES BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - HUMAN RESOURCES	2010	2011	2012	2013
PERSONNEL SERVICES	\$106,565	\$143,036	\$154,110	\$172,853
GOODS AND SUPPLIES	\$982	\$1,644	\$1,725	\$1,400
MISCELLANEOUS SERVICES	\$27,703	\$44,709	\$35,130	\$34,822
OTHER SERVICES	\$0	\$1,915	\$10,000	\$10,000
TOTAL EXPENDITURES	\$135,250	\$191,304	\$200,965	\$219,075

ADMINISTRATIVE SERVICE DEPARTMENT – MUNICIPAL COURT DIVISION

WHO ARE WE / WHAT WE DO:

The Municipal Court's primary function is to process all Class C Criminal charges filed by the Police and Code Enforcement Officers within the city limits of the City of South Padre Island. These include charges filed under the Texas Transportation Code, Penal Code, Alcoholic Beverage Code, Health and Safety Code, Education Code and the City of South Padre Island Code of Ordinances.

The Municipal Court has a duty to create and maintain public confidence and to ensure the protection of the rights that all citizens have under the Constitution of the United States. It has and will always be the intention of the Municipal Court to treat all citizens that come before the Court with respect, dignity and courtesy.

Major Goals:

1. Creation of public relations programs to enhance communication regarding Municipal Court activities and educational programs for the community to include: Education to schools and local organizations regarding Municipal Court Week, etc.
2. Continued enhancement of technology in the Municipal Court Division to create improved services for our internal and external customers.
3. Decrease the amount of uncollected funds by researching and evaluating new programs and methods.
4. Maintain accurate record management systems.

Our Planning Indicators and Focus:

The planning indicators monitored by the Municipal Court will be the number of cases, collection of new court fees imposed by the Texas Legislature and increases in enforcement activity which impacts the number of citations issued. These factors will be used to evaluate the demand for increased services. Currently (fiscal year 2011/12), the total full-time equivalents (FTEs) authorized is 2 positions. The Municipal Court also has three part-time employees: Municipal Court Judge, Prosecutor, and Administrative Assistant.

MUNICIPAL COURT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Our Strategies and Programs for the Next Five Years:

	Fiscal Year	Budget Impact
Increase the use of electronic data transfers between the Court and the collection agency, Omni-Base and the Scofflaw program.	Ongoing	\$0
Embrace the use of technology to enhance operations and communication.	Ongoing	\$0
Create a full-time Administrative Assistant position that will take the place of the current part-time position.	2014/2015	\$20,000
Creation of a Municipal Court Administrator position and elimination of the Deputy Court Clerk position.	2013/2014	\$12,000
Continue to evaluate collection strategies.	Ongoing	\$0
Research voice payment systems so that people can pay their fines on the phone if they do not have internet access. (Interactive Voice Response)	2015/2016	\$18,000
Review annually the opportunities available to increase fines to support court programs.	Ongoing	\$0

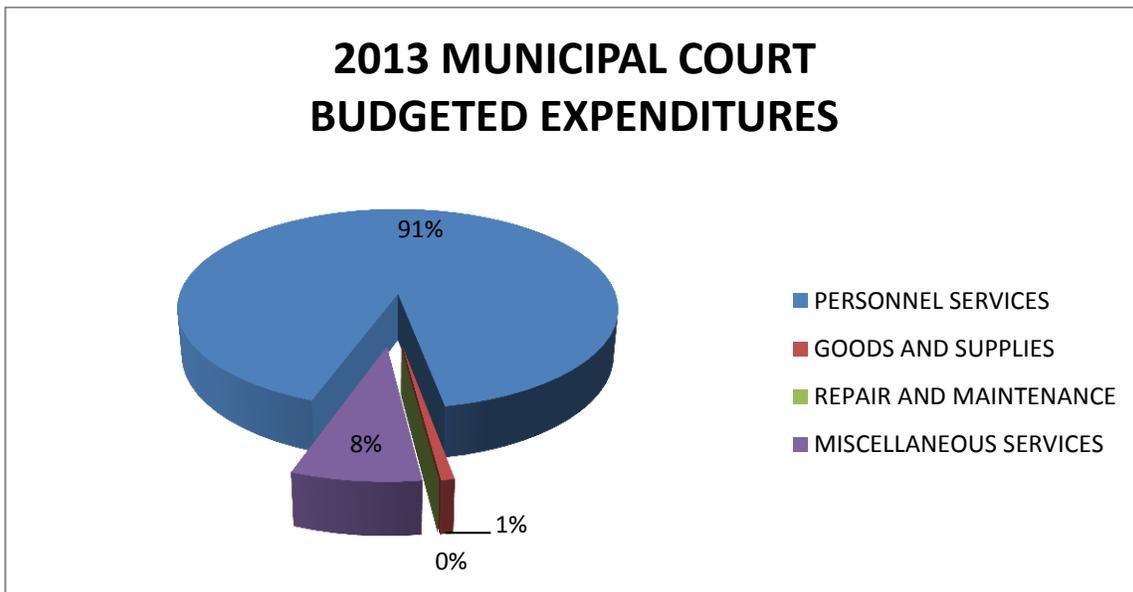
Programs Implemented:

	Fiscal Year	Budget Impact
Signed Contract with Municipal Services Bureau (Collection Agency): 04/07/2010	2009/2010	\$0
Implemented Omnibase Collection Tool: 07/21/2010	2009/2010	\$0
Implemented Scofflaw Collection Tool: 12/10/2010	2010/2011	\$0
Municipal Court Audio System: 02/01/2011	2010/2011	\$4,629
Implemented Online Payments: 10/21/2011	2011/2012	\$3,000
Amnesty Program: 01/16/2012 – 01/27/2012	2011/2012	\$117
Soft Warrant Roundup: 02/2012 – 04/2012	2011/2012	\$250

MUNICIPAL COURT STAFFING PLAN

	Current	2012/13	2013/14	2014/15	2015/16	2016/17
Municipal Court Clerk	1	1	1	1	1	1
Deputy Court Clerk	1	0	0	0	0	0
Court Administrator	0	1	1	1	1	1
Administrative Assistant	.5	.5	1	1	1	1
Municipal Judge	.5	.5	.5	.5	.5	.5
Prosecutor	.5	.5	.5	.5	.5	.5
Total Positions	3.5	3.5	4.0	4.0	4.0	4.0

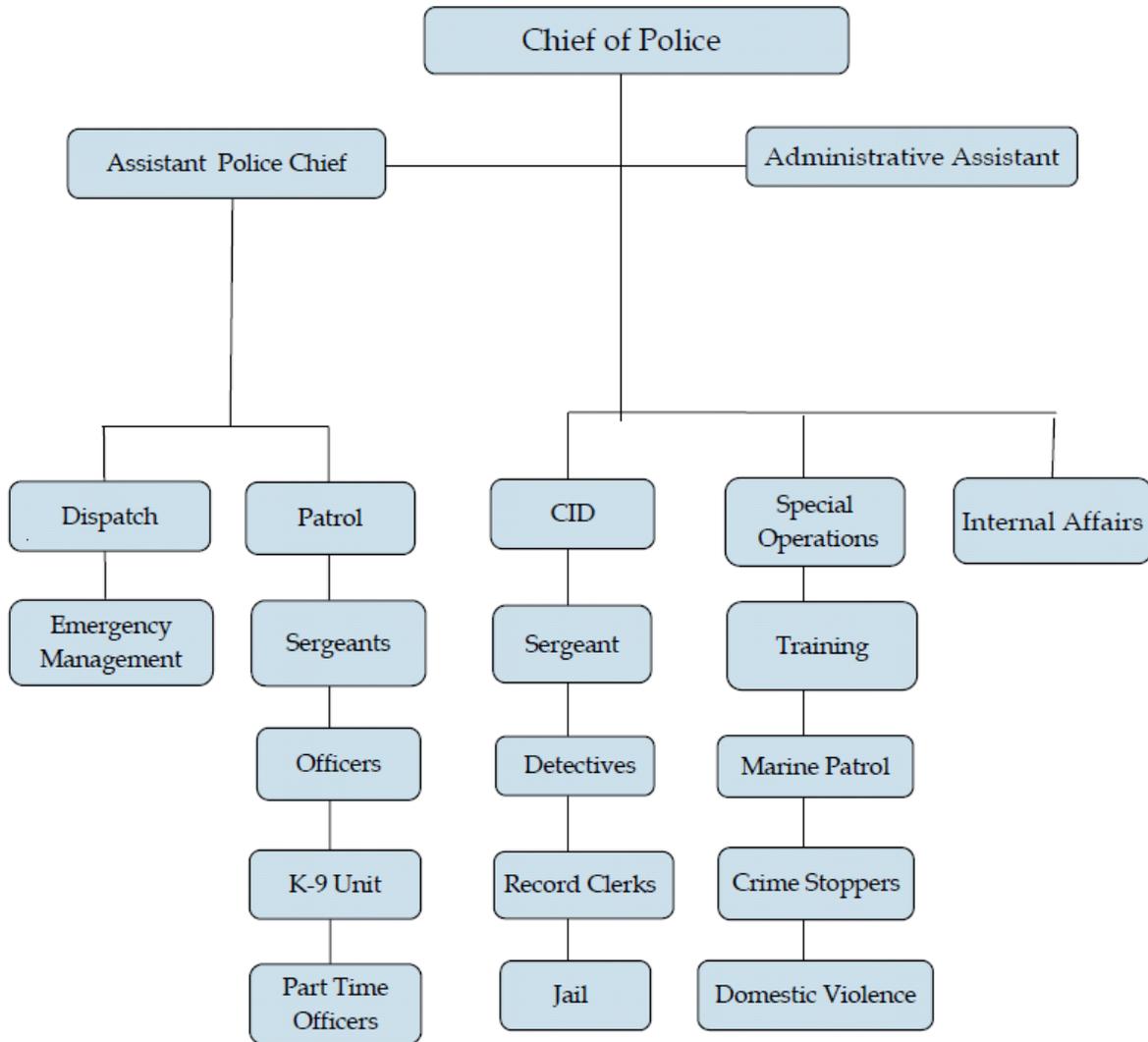
MUNICIPAL COURT BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - MUNICIPAL COURT	2010	2011	2012	2013
PERSONNEL SERVICES	\$152,487	\$151,639	\$161,354	\$169,762
GOODS AND SUPPLIES	\$1,953	\$2,023	\$1,825	\$1,500
REPAIR AND MAINTENANCE	\$189	\$0	\$0	\$0
MISCELLANEOUS SERVICES	\$11,598	\$15,065	\$13,455	\$14,185
TOTAL EXPENDITURES	\$166,227	\$168,727	\$176,634	\$185,447

POLICE DEPARTMENT

POLICE DEPARTMENT ORGANIZATIONAL CHART



WHO ARE WE/ WHAT WE DO:

The mission of the South Padre Island Police Department is to protect and serve the citizens and our visitors. All members of SPI-PD are dedicated to providing fair, impartial and ethical police service to the entire community, with the highest degree of integrity, professionalism and respect.

The South Padre Island Police Department is committed to providing professional and effective police services to our citizens and visitors alike. Our unified mission is to protect lives, safeguard property, all while enhancing the overall quality of life on the island. SPI-PD has 28 full-time commissioned police officers, 10 part-time officers, 7 dispatchers and 3 clerical personnel.

SPI-PD is comprised of the following division

- Police Administration: *Plans and Oversees Operations – Budget – Policy and Procedures / SOPs*
- Uniform Patrol: *First Responder – Deter Criminal Behavior, Protect Life and Safeguard Property*
- Special Operations: *Training – Marine Patrol – Domestic Violence – Crime Stoppers*
- Records Division: *Police Reports – Stats – Taxi – Golf Carts – Wreckers*
- Detective: *Investigations – Jail – Internal Affairs*
- Dispatch: *Communication – Police – Fire – Code Enforcement – Wave – Public Works*
- Jail: *Temporary Holding Facility*

Major Goals:

1. Continually evaluate overall operations for needed enhancements and/or benefits to the City.
2. Revamp the Policies and Procedures, and SOP's, also to acquire TPCA Recognition.
3. Implement proactive policing techniques vs. reactive. (i.e. bait board sting, narcotics buys, etc.).
4. Develop a Crime Stoppers Program.
5. Develop a Fitness for Duty; Physical fitness program.
6. Modernize all municipal complex security camera systems.
7. Improve dispatch capabilities and functions.
8. Develop a Marine Patrol/Scuba Dive Search and Recover Team.
9. Search and obtain suitable grants for assistance with future identified projects.
10. Continue to locate free and/or low cost quality in-service training for officer enhancement.

Our Planning Indicators and Focus:

The number of “calls for service” is our primary indicator of current use of resources and serves as a benchmark for future needs. Our call volume has doubled in four-years. Research indicates our call volume increases approximately 15-20% each year. In 2010, we went to 12 hour shifts, comprising of an A, B, C and D shift. This allowed officers to obtain a three-day weekend every other weekend, while putting more officers on the street at any given time, a “do more with less” concept. The changing of shifts accommodates our immediate needs; considerable population growth will require further staffing consideration.

POLICE DEPARTMENT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
TPCA Recognition program, revamp Policies and Procedures, and SOP's to implement best practices.	2012/2012	\$ 2,500
Enhance the use of technology to increase efficiency	2012/2013	\$ 10,000
Establish Marine Safety Program (Grant Funded)	2012/2013	\$ 120,000
Increase training	2013/2014	\$ 2,500
Increased part-time officer staffing to meet demands for service	2013/2014	\$ 10,000

POLICE DEPARTMENT POSITION CONTROL

Police Chief	1	1	1	1	1	1
Assistant Police Chief	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1
Lieutenant	0	0	2	2	2	2
Sergeants	4	6	4	4	4	4
Corporals	2	0	0	0	0	0
Detectives	4	4	4	4	4	4
Officers	16	16	16	16	16	16
Records Technician	2	2	2	2	2	2
Dispatchers	7	7	7	7	7	7
Total Positions	38	38	38	38	38	38

Part-Time Reserve:

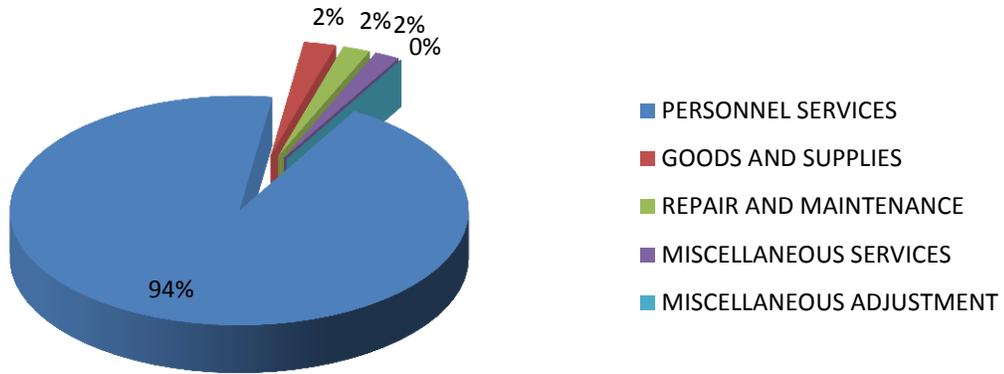
	Current	2012/13	2013/14	2014/15	2015/16	2016/17
Part-time (Reserve) Officers	14	15	15	15	15	15
Part-time Dispatchers	1	2	3	3	3	3
Total Part-Time Positions	15	17	18	18	18	18

POLICE DEPARTMENT WORK PLAN

Project	Description	Estimated Completion Date	Team Leader	Team Members
Inventory	Inventory all city property owned and/or assigned to the SPI PD	January	J. Garza	All Sgt.s
Staffing	Re-evaluate the staffing, make the appropriate structural changes. Concept: more with less	January	R. Smith	J. Garza
Training	Have all officers whom have received a newly created special assignment, receive the proper training required to perform those duties	15-Mar	O'Carroll	R. Smith / J. Garza
National Night Out	The 2012 National Night Out is a great community program, this will be our 3rd one	July	Stukey	staff
Radio Upgrade	Continue to work on IT Grants focused towards our citywide radio upgrade, to meet the Federal Project 25 requirement	May-13	R. Smith	J. Garza
Part-time Officers	Utilize part-time officers to fill patrol vacancies, save on overtime rate	Ongoing	R. Smith	Staff
Fitness for Duty	Develop a physical fitness for duty standard	Ongoing	R. Smith	Staff
Policy/Procedures	Continue our progress of becoming certified as TPCA Best Practices	Apr-13	O'Carroll	R. Smith / J. Garza
Special Event	Work with the Special Event Committee, concerning emergency response to events	Dec-12	R. Smith	J. Garza
Wrecker/Towing	Develop city-wide towing policy that illustrates towing requirements and provides accountability	Dec-12	Stukey	R. Smith / J. Garza
Security Cameras for all Municipal Complexes	Security camera upgrades for the municipal complexes	3/1/2013	R. Smith	IT

POLICE DEPARTMENT BUDGET NUMBERS

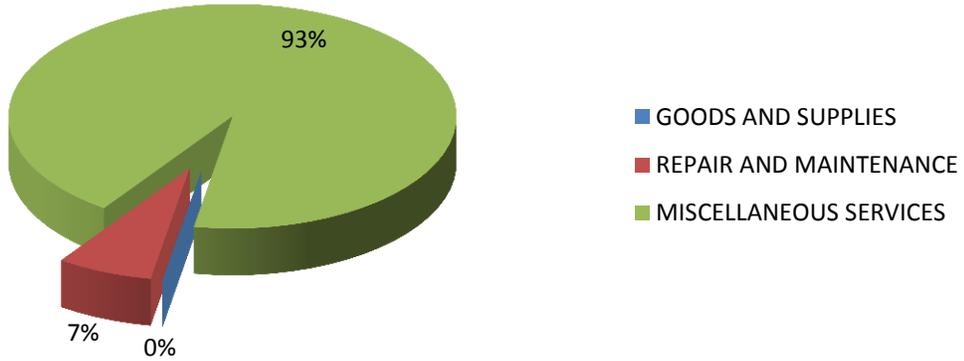
2013 POLICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - POLICE	2010	2011	2012	2013
PERSONNEL SERVICES	\$2,244,178	\$2,215,937	\$2,422,183	\$2,448,581
GOODS AND SUPPLIES	\$66,023	\$58,109	\$62,700	\$59,740
REPAIR AND MAINTENANCE	\$42,514	\$47,945	\$40,014	\$50,700
MISCELLANEOUS SERVICES	\$27,681	\$28,995	\$34,889	\$46,433
MISCELLANEOUS ADJUSTMENT	\$0	\$41,661	\$0	\$0
TOTAL EXPENDITURES	\$2,380,396	\$2,392,646	\$2,559,796	\$2,605,454

EMERGENCY MANAGEMENT BUDGET NUMBERS

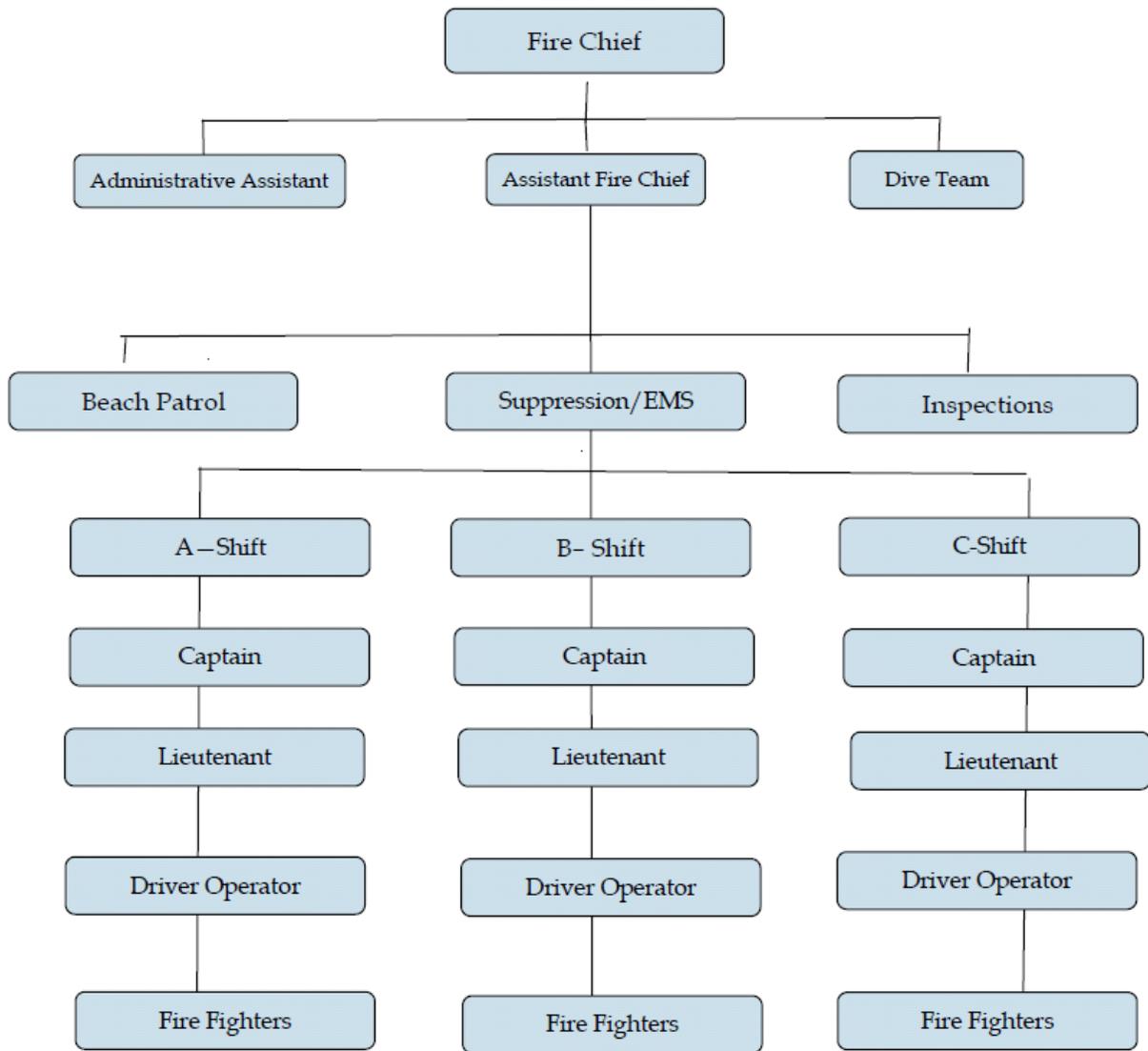
2013 EMERGENCY MANAGEMENT BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - EMERGENCY MANAGEMENT	2010	2011	2012	2013
GOODS AND SUPPLIES	\$ 821	\$ 300	\$ 100	\$ -
REPAIR AND MAINTENANCE	\$ -	\$ -	\$ 51,650	\$ 3,920
MISCELLANEOUS SERVICES	\$ 5,278	\$ 3,668	\$ -	\$ 52,550
TOTAL EXPENDITURES	\$ 6,099	\$ 3,968	\$ 51,750	\$ 56,470

FIRE DEPARTMENT

FIRE DEPARTMENT ORGANIZATIONAL CHART



FIRE DEPARTMENT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

WHO ARE WE / WHAT WE DO:

The Fire Department is responsible for the life safety of our citizens and visitors.

The members of the South Padre Island Fire Department are here to serve our community, keep our neighbors safe, and to help make everyone's visit to our home a safe and happy experience. We do that through the following programs/activities.

- Fire Suppression
- Emergency Medical Service
- Hazardous Material Response
- Fire/Life Safety Code Review and Enforcement
- Technical Rescue
- Beach Patrol
- Dive Team
- Mobi-Chairs
- Public Safety Education Programs
- Emergency Management Support Activities

Service to our community is the Fire Department's focus. The safety of our citizens and visitors is of utmost importance.

Major Goals:

1. Continual evaluation of programs for enhancements and benefits to the City.
2. Activation of new Fire Station #1.
3. Enhance EMS Operations to meet demand for service.
4. Continue to use technology to increase productivity and reduce costs.
5. Expand Beach Patrols as new land is brought into City limits.
6. Reduce ISO rating to create savings for businesses and homeowners.

Our Planning Indicators and Focus:

The number of Emergency responses is our primary indicator of current use of resources and serves as a benchmark for future needs. In 2012, the department responded to 1856 calls. That is an increase of over 62% in 5 years. Trending indicates that the call volume will increase 10-15 % each year. Currently (fiscal year 2011/12), the total full-time equivalents (FTEs) authorized is 27 positions. Beach Patrol is operated with approximately 20 part-time (seasonal) employees.

Our Strategies and Programs for the Next Five Years:

Strategy/Program	Fiscal Year	Budget Impact
Activate new Fire Station	2012/2013	\$ 0.00
Enhance Life Safety enforcement (Fire Marshall)	2013/2014	\$ 0.00
Expand/ Adjust Beach Patrol staffing to cover new City beach areas (added through annexation or contract)	2013/2014	\$ 35,000
Increase staffing to meet demand for service (3 FFs).	2013/2014	\$ 96,000
Complete an Occupancy Vulnerability Assessment	2013/2014	\$ 0.00
Conduct ISO evaluation and review (Outside vendor)	2014/2015	\$ 35,000
Evaluate impact/ needs due to 2 nd causeway	2014/2015	\$ 0.00
New hydrant placement program (approx. \$5,000 each)	2015/2016	\$ 75,000

Programs Implemented:

Program	Fiscal Year
Implemented “Triage Tent” for Spring Break	2011/2012
Formed Dive/Rescue Team (Regional Grant)	2011/2012
Construction of New Fire Station	2011/2012
Assumed EMS transport operations	2011/2012
Motorcycle EMS Pilot Program	2011/2012
Partnership with TRAC and EMS TF-11 for Spring Break Response	2011/2012

FIRE DEPARTMENT POSITION CONTROL

	Current	2012/13	2013/14	2014/15	2015/16	2016/17
Fire Chief	1	1	1	1	1	1
Assistant Chief	1	1	0	0	0	0
Fire Marshall	0	0	1	1	1	1
EMS Coordinator/Training Officer	0	0	1	1	1	1
Administrative Assistant	1	1	1	1	1	1
Captain	3	3	3	3	3	3
Lieutenant	3	3	3	3	3	3
Driver	3	3	3	3	3	3
Firefighters	15	15	15	18	18	18
Total Positions	27	28	28	31	31	31

WORK PLAN FOR FIRE DEPARTMENT

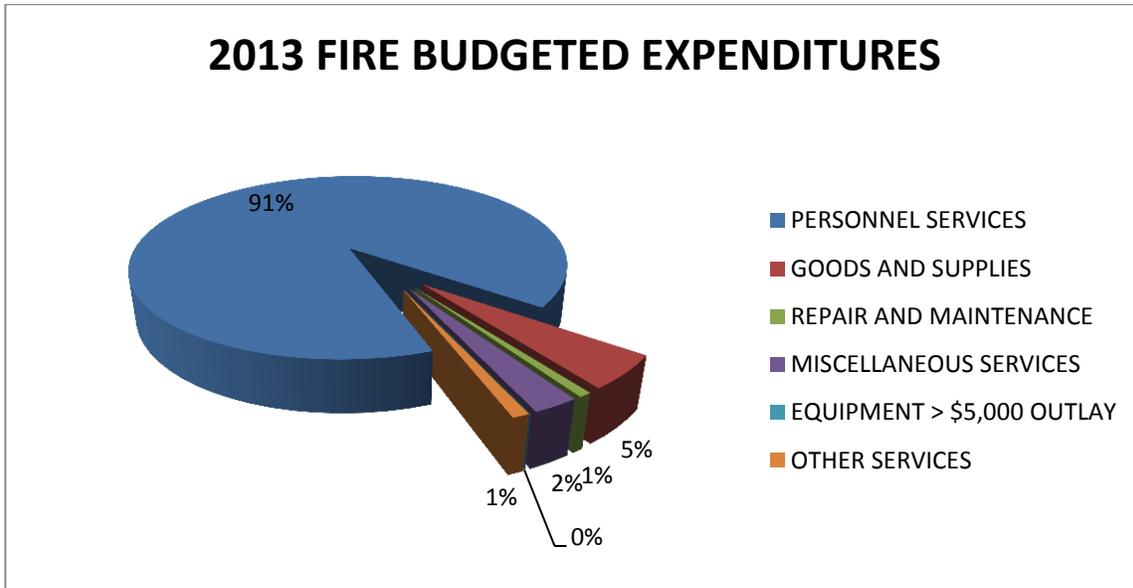
Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader
Fire Station design and construction	Activate new Fire Station	6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure adequate protection of the population	Dec-12	Baskett
Radio Communications	Evaluate program(s) to enhance radio comms on the Island	6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure adequate protection of the population	Jan-12	Capt Perez
Enhance Ambulance Operations	Enhance program to incorporate latest treatments/techniques	6.I. Continue to provide adequate public services including public works, fire and police protection.	ongoing	FF Jeff Lutrick
Dive Team	Upgrade dive team and expand its participation to include PD	6.I. Continue to provide adequate public services including public works, fire and police protection.	May-13	FF Jim Pigg
Electronic record keeping	Utilize RMS and other methods to reduce paper copies and increase electronic storage of required records	6.I. Continue to provide adequate public services including public works, fire and police protection.	ongoing	Yolanda Cruz
Beach Patrol	Modify BP efforts to meet demand and funding constraints	6.I. Continue to provide adequate public services including public works, fire and police protection.	Mar-13	Baskett
Regional Initiatives	Continue to work with regional partners on EMS, Fire Response, EOC, Regional Response Teams	6.I. Continue to provide adequate public services including public works, fire and police protection.	ongoing	Capt Wilburn
Certifications and Classifications	Maintain Dept requirements per State certification	6.I. Continue to provide adequate public services including public works	ongoing	Asst Chief Loya

My plan to deliver extraordinary customer service includes: Continuing to put service to the citizens as our highest priority. We must continue to emphasize to our staff that we are a service industry and that our job descriptions are dictated by community expectations. We provide the service they request, no matter what our personal views are in that regard. We cannot define our mission or tasks that are done by the citizens.

My contribution to making the Town more efficient organization is: Using technology to make us more productive. Electronic record keeping and retrieval, when implemented, will save many man hours and reduce mistakes and "lost" information.

My Division will build community trust by: Reaching out to the community and becoming a resource for our citizens and visitors. We will continue to be the "go to" folks when people need assistance. This includes not only emergency response but also community education programs, hurricane preparedness and even the "mobi-chairs".

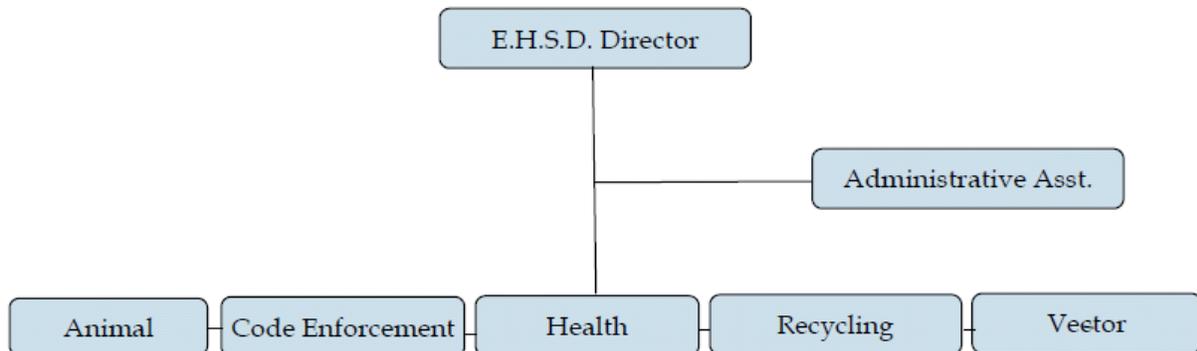
FIRE BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FIRE	2010	2011	2012	2013
PERSONNEL SERVICES	\$ 1,496,316	\$ 1,534,080	\$ 1,804,901	\$ 1,899,703
GOODS AND SUPPLIES	\$ 92,074	\$ 99,209	\$ 129,116	\$ 105,940
REPAIR AND MAINTENANCE	\$ 10,838	\$ 63,698	\$ 15,000	\$ 15,500
MISCELLANEOUS SERVICES	\$ 298,389	\$ 27,140	\$ 63,124	\$ 54,155
EQUIPMENT > \$5,000 OUTLAY	\$ 25,886	\$ -	\$ 60,076	\$ -
OTHER SERVICES	\$ -	\$ -	\$ 13,495	\$ 20,250
TOTAL EXPENDITURES	\$ 1,923,503	\$ 1,724,127	\$ 2,085,711	\$ 2,095,548

ENVIRONMENTAL HEALTH SERVICE DEPARTMENT

ENVIRONMENTAL HEALTH ORGANIZATIONAL CHART



The Environmental Health Services Department is responsible for the enforcement of the South Padre Island City Ordinances. To ensure compliance we have developed guidelines, policies and procedures to be certain the public is aware of how to come to compliance. The Environmental Health Services Department has oversight over the following divisions:

- Code Enforcement
 - Weedy Lots
 - Trash
 - Signs
 - Beach Umbrella Permitting
 - Special Events
 - Enforce State of Texas Health and Safety Codes Chapter:
 - Chapter 342
- Health Department
 - Permanent Establishments
 - Temporary Events
 - Farmer's Market
- Animal Control
 - Enforce Chapter 3 of the City of South Padre Island Code of Ordinances
 - Enforce State of Texas Health and Safety Codes Chapters:
 - 821 – Treatment and Disposition of Animals
 - 822 – Regulation of Animals
 - 826 – Rabies
 - Gather evidence for State of Texas Penal Codes:
 - 42.09 – Cruelty to Livestock Animals

- 42.091 – Attack on Assistant Animal
 - 42.092 – Cruelty to Non-livestock Animals
 - 42.10 – Dog Fighting
 - Enforce and abide by Texas Administrative Code Chapter 169, Zoonosis Control, Subchapters:
 - A – Rabies Control and Eradication
 - F – Reptile – Associated Salmonellosis
 - G – Caging Requirements and Standards for Dangerous Wild Animals
 - Loan humane traps to the public
 - Remove deceased wildlife and domestic animals from public and some private property.
 - Prepare and submit animal specimens for rabies testing.
 - Promote proper animal care and disease prevention (rabies).
 - Respond to concerns regarding coyotes. Identification, surveillance, trapping and specimen submission.
- Green Initiatives
 - Recycling
 - Sustainability
 - Climate Action Plan
 - “Going Green” Education
 - Vector Control
 - Mosquito Minimization
 - Larvaciding
 - Mosquito Capture & Testing (Surveillance)
 - Post Disaster Mosquito Control

Major Goals:

1. Code Enforcement – Through Public Outreach Education, compliance is generally achieved.
 - Expand Code Enforcement Management Information System
 - Improve Code Enforcement training
 - Reduce the amount of violations through a tactic plan
 - Develop best practices manual Code Enforcement
2. Health Department – Mandatory training will improve hygienic practices for better inspection results.
 - Enhance technology to continue to ensure that policy and practice match with FDA and TDSHS regulations.
 - Measure and maintain the influx of temporary events in the City
 - Continue to assist our local growers by maintaining support for our Farmers Market
 - Strive to obtain inspector standardization of food establishments through cooperative work with the TDSHS and the FDA

- Plan for and achieve new certifications dealing with our area of expertise, such as the Certified Environmental Health Technician and Certified Professional of Food Safety
 - Represent our City's Health Department on State Association to build a strong relationship with the Texas Department of State Health Services and Federal Drug Administration
3. Animal Control – The licensing program will safely identify owners when incidents occur.
 - a. Attend the Texas Academy of Animal Control Officers Academy.
 - b. Create a centralized location for temporary storage of domestic and wild animals.
 - c. Establish a policy allowing on-duty Animal Control Officers to carry a bite stick and pepper spray to aide in deterring bites and keeping a safe distance between the officer and a potentially dangerous animal.
 4. Vector Control – State of the art machines and proper training will assist with mosquito minimization, reducing the threat and spread of viruses such as H1N1 and West Nile.
 - Enhance technology to control mosquitoes by adulticiding and larvacide our areas effectively.
 - Continue education to be knowledgeable of new methods and laws needed for vector control.
 - Public Education on mosquito minimization in SPI.
 5. Green Initiatives – The ability to enhance our green initiatives through education and incentives.
 - Plan construction of a new recycling center using grant funds.
 - Develop Public Outreach to Educate students about recycling.
 - Purchase a full size truck to pull the recycling trailers when full.
 - Look for options to recycle glass.
 - Keep abreast of new tactics and training specifically dealing with Climate Change
 - Bring more green initiatives to our community.
 - Complete and implement a Climate Action Plan.
 - Bring to fruition a Green Communities Initiative.

Our Planning Indicators and Focus:

The Environmental Health Service Department oversees numerous programs to protect the public health of residents and visitors of South Padre Island. Overseeing a variety of programs such as enforcing regulations regarding animals, litter violations, signage regulations, garment inspection, beach violations and commercial activity violations, to name a few. Additionally, this division investigates public health nuisances, such as responding to smoking regulations, conducting food inspections, mosquito minimization through the vector control program, investigating environmental health concerns and providing technical information to the public on a wide array of environmental health topics. Furthermore, as we look to our future with optimism, our latest focus is to encourage the use of environmentally friendly behaviors in our community.

ENVIRONMENTAL SERVICES STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Improve Technology for Code Enforcement, Health Department & Vector Control by implementing new software applications	2012/2016	\$31,000
Enhance Recycling Effectiveness (Trucks Needed for Hauling of Recycled Goods - 2 per year)	2012/2016	\$60,000
Continue to evaluate green initiative strategies (education)	2012/2016	\$5,000
Continued Support for Community Events	2012/2016	\$10,000
Standardization for inspectors of food establishments by working cooperatively with TDSHS and USFDA	2012/2013	\$1,500
Holding Facility for domestic and wild animals and continue to partner with local animal rescue groups	2012/2013	\$10,000
Professional Development Certified Environmental Health Tech and Certified Professional of Food Safety	2012/2013	\$5,000
Plastic Bag, Smoking, Barking Dog & Crying Cat, Recycling Enhancement, Special Event and Peak Period Code Enforcement Staffing	2012/2016	\$35,000

Programs Implemented:

	Fiscal Year	Budget Impact
Adjusted Recycling hours to 8-11 for efficient use of staff	2011/2012	\$0
Increased recycling at Coca Cola Beach	2011/2012	\$0
Conducted recycling presentations to local schools	2011/2012	\$0
Expanded recycling to all public buildings	2011/2012	\$0
Established partnership with Friends of Animal Rescue	2011/2012	\$0
Administered Plastic Bag Ordinance	2011/2012	\$0
Creation and Implementation of Natural Habitat Lot(s)	2011/2012	\$0
Creation and implementation of the "I LOVE SPI" Campaign	2011/2012	\$700

ENVIRONMENTAL SERVICES POSITION CONTROL

Staffing Plan:

	Current	2012/13	2013/14	2014/15	2015/16	2016/17
Director of Environmental Health	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1
Code Enforcement Officers	3	4	4	4	4	4
Total Full Time Positions	5	6	6	6	6	6

Part-Time Reserve:

	Current	2012/13	2013/14	2014/15	2015/16	2016/17
Code Enforcement Officer (Part Time)	2	1	1	1	1	1
Code Enforcement Officer (Reserved - Seasonal)	2	2	2	2	2	2
Total Part Time Positions	4	3	3	3	3	3

ENVIRONMENTAL HEALTH SERVICES WORK PLAN 2012-2013

Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader	Team Members
Vector Control Program	Mosquito Minimization & Surveillance	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 6.I. - Continue to provide adequate public services	1-Oct-12	Josh Garza	Cipriano Torres & David Travis
Management Information System Project	Change from current outdated tablets to more efficient ones	6.I. - Continue to provide adequate public services	01-Oct-12	J. Victor Baldovinos	Tim Howell
Plastic Bag Reduction Program	Education and enforcement of the Plastic Bag Reduction Ordinance	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 4. Preserving our natural assets.	1-Oct-12	Cipriano Torres	Josh Garza
Responsible Pet Owner's Course	Develop and implement a course that promotes responsible pet ownership and educates on local and state animal laws	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 6.I. - Continue to provide adequate public services	31-Dec-12	David Travis	Carlos Gonzalez & Josh Garza
Climate Action Plan Regional Effort Project	Creation and Implementation of a regional Climate Action Plan	3-1 Premise - 1. Preserving and enhancing the Quality of Life.	1-Oct-13	Cipriano Torres	E.H.S. D.
Retail Food Inspection Program	DSHS Standardization, Certifications and Auditing	6.I. - Continue to provide adequate public services	Ongoing	Cipriano Torres	Josh Garza
Non-Smoking Ordinance Program	Education and enforcement of the Non-Smoking Ordinance	3-1 Premise - 1. Preserving and enhancing the Quality of Life.	Ongoing	Josh Garza	Cipriano Torres
Enhance Recycling Program including City Hall	Develop and Implement new techniques for reducing, reusing and recycling.	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 4. Preserving our natural assets.	Ongoing	David Travis	EHSD
Anti-litter Program	Reduction of trash to landfills by recycling efforts	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 6.I.	Ongoing	Josh Garza	David Travis

		- Continue to provide adequate public services			
Farmer's Market	Continue to provide staff support, inspection services and budget management.	Page 7-1 Develop a year-round economy with increased residents and tourists.	Ongoing	Josh Garza	Judith Lehn & Public Works
Resource Building	Build partnerships with other Cities and non-profits	3-1 Premise - 1. Preserving and enhancing the Quality of Life.	Ongoing	J. Victor Baldovinos	E.H.S. D.
Keep South Padre Island Beautiful Committee	Continue to provide staff and budget management.	3-1 Premise - 1. Preserving and enhancing the Quality of Life.	Ongoing	J. Victor Baldovinos	Judith Lehn
Umbrella Permitting and Enforcement	Education and enforcement of the Umbrella Ordinance	3-1 Premise - 1. Preserving and enhancing the Quality of Life.	Ongoing	Cipriano Torres	David Travis
Valley Environmental Summit	Participate and host summit on 2014 in SPI	3-1 Premise - 1. Preserving and enhancing the Quality of Life.	Ongoing	J. Victor Baldovinos	E.H.S. D.
Garment Inspections	Permitting and Enforcement	6.I. - Continue to provide adequate public services	Ongoing	Griselda Contreras	David Travis

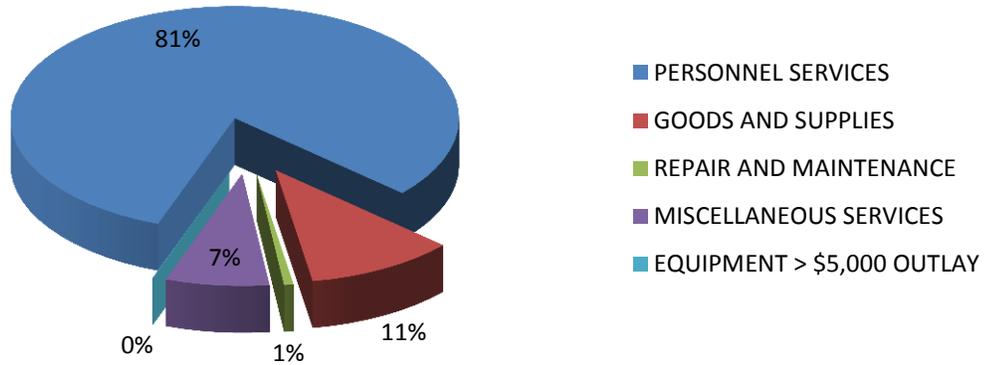
Our plan to deliver extraordinary customer service includes improving our interpersonal communication skills by attending seminars that will assist us in improving public relations. We will take the initiative by having a system in place to follow up on any pending or outstanding citizen concerns.

Our contribution to making the City a more efficient organization and to implement new ideas that will help us in serving our community. Longer hours will also enable us in helping identify problematic areas and community concerns.

Our Division will build a strong community trust by equal enforcement of ordinances. We will launch a program to insure a balance between the citizens and government alike.

ENVIRONMENTAL & HEALTH SERVICES BUDGET NUMBERS

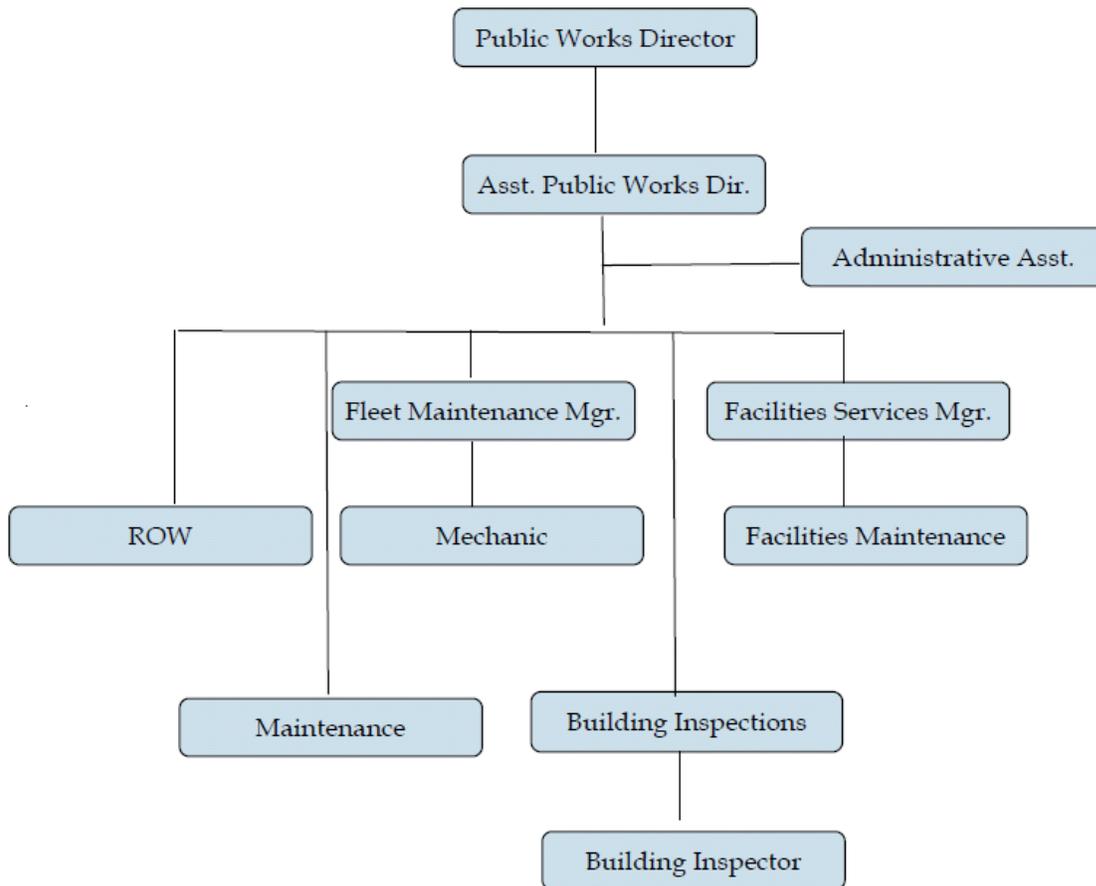
**2013 HEALTH/CODE ENFORCEMENT
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - HEALTH/CODE ENF.	2010	2011	2012	2013
PERSONNEL SERVICES	\$314,273	\$273,450	\$299,560	\$331,133
GOODS AND SUPPLIES	\$36,828	\$32,363	\$35,713	\$44,000
REPAIR AND MAINTENANCE	\$1,945	\$3,030	\$5,827	\$2,800
MISCELLANEOUS SERVICES	\$15,855	\$17,322	\$28,267	\$30,475
EQUIPMENT > \$5,000 OUTLAY	\$7,195	\$31,400	\$0	\$200
TOTAL EXPENDITURES	\$376,095	\$357,565	\$369,367	\$408,608

PUBLIC WORKS DEPARTMENT

PUBLIC WORKS ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

The Public Works Department facilitates most of the City's construction projects. Public Works is responsible for the planning and maintenance of the City's infrastructure such as streets, drainage, beach access features, and bay access features.

The Public Works Department is comprised of the following divisions:

- Maintenance Division - Responsible for the maintenance of the City's infrastructure, including pavement, drainage, street signs, City owned street lights, parks, and other green areas. They are responsible for coordinating utility cuts and monitoring for line of sight issues. This division also assists the CVB and other City Departments with Special Event coordination and traffic control.
- Maintenance Division - Responsible for the maintenance of the beach, including removal of trash, maintenance of dune walkover structures, sargassum management, and other beach related activities as directed.
- Building Inspections Division - Responsible for ensuring that all structures, new and improved, are compliant with the latest codes and ordinances.
- Fleet Maintenance Division - Responsible for the purchase and maintenance of the City's vehicles and heavy equipment.
- Facilities Maintenance Division - Responsible for the maintenance of the City's buildings.

Major Goals:

1. To improve the appearance of the Island through improved landscaping and lighting.
2. To improve drainage by widening streets and incorporating curb and gutter, as well as the improvement of the City's underground drainage system.
3. To improve traffic flow and parking availability by widening and re-striping streets.
4. To improve beach access by facilitating beach access walkover construction projects.
5. To work with the Coastal Resources Division to identify and close gaps in the beach retaining wall system that are located within public lands. Continue building a continuous dune line with sea weed material, dune planting projects and sand fencing.
6. Continue productive relationship with TXDOT for safety enhancements on Padre Boulevard and Queen Isabella Memorial Causeway.

Our Planning Indicators and Focus:

Our planning strategies are based on the priorities that emerged from the development of the Capital Improvements Plan. An example of this is the reconstruction of city side streets. This one item incorporates the 2nd, 4th, 5th, and 12th highest priorities in the CIP.

PUBLIC WORKS STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Years 2011/12	Budget Impact On Going
Reconstruct one mile of streets incorporating sidewalks, curb & gutter, street lighting, and new water lines.	2012-16	\$1,000,000 Per year
Improve and/or install 1,000 feet of storm sewer.	2012-16	\$ 100,000 Per year
Install ½ mile of new sidewalk along Padre Blvd. in areas where there are no driveway conflicts.	2012-16	\$170,000 Per year
Install five blocks of sidewalk with curb & gutter along the west side of Gulf Blvd.	2012-16	\$300,000 Per year
Improve the public beach access north of the Pearl by adding steps.* Add sidewalk or mobi matt to Starlight Circle Beach Access to separate vehicles from pedestrians.	2012-13	\$15,000
Incorporate Incode Building Permit module to increase efficiency of division.	2013-14	\$10,000
Train Facilities Personnel about Chiller Maintenance.	2013-14	\$22,000
Train Right-of-way Officer in construction inspection and GPS. This will likely cause the need for another Officer to be hired.	2013-14	\$35,000
Train Public Works staff in paving maintenance, drainage pipe maintenance, and landscaping practices.	2013-14	\$15,000
Install a vehicle concrete or wooden drive-over structure at Beach Circle.*	2014-15	\$450,000
Install a vehicle drive-over structure at White Sands Street along with a structure to prevent storm surge wash-overs.*	2015-16	\$400,000
Improve an underutilized Beach Access to expand parking and incorporate a new dune walkover.*	2015-16	\$300,000

Completed Projects

Completed Maintenance Dredge of the Tompkins Channel.	2011-12	\$129,500 local \$145,000 FEMA
Completed 3 Walkovers; Gay Dawn, Good Hope & Aquarius.	2011-12	\$460,000
Completed 2012 Street Paving Project including Gulf Blvd.	2011-12	\$530,000

PUBLIC WORKS POSITION CONTROL

	2012/13	2013/14	2014/15	2015/16	2016/17	
Public Works Director	0	1	1	1	1	
Assistant Public Works Director	1	1	1	1	1	
PW Administrative Assistant	1	1	1	1	1	
Right-of-Way Officer	1	1	1	1	2	
Public Works Foreman	1	1	1	1	1	
Equipment Operator II	2	2	2	2	2	
Equipment Operator I	2	2	2	2	2	
Public Works Maintenance*	13	13	13	13	13	
Building Official	1	1	1	1	1	
Building Admin. Assistant	1	1	1	1	1	
Building Inspector	1	1	1	1	2	
Fleet Maintenance Manager	1	1	1	1	1	
Mechanic	1	1	1	1	1	
Facilities Services Manager	1	1	1	1	1	
Facilities Maintenance	2	2	2	2	2	
Total Positions	29	30	30	30	32	

*The addition of new beach access structures at the Pearl, La Copa, Whitesands, as well as the improvement of unused beach accesses over this five year plan will require a gradual increase in Public Works personnel.

WORK PLAN FOR PUBLIC WORKS DEPARTMENT

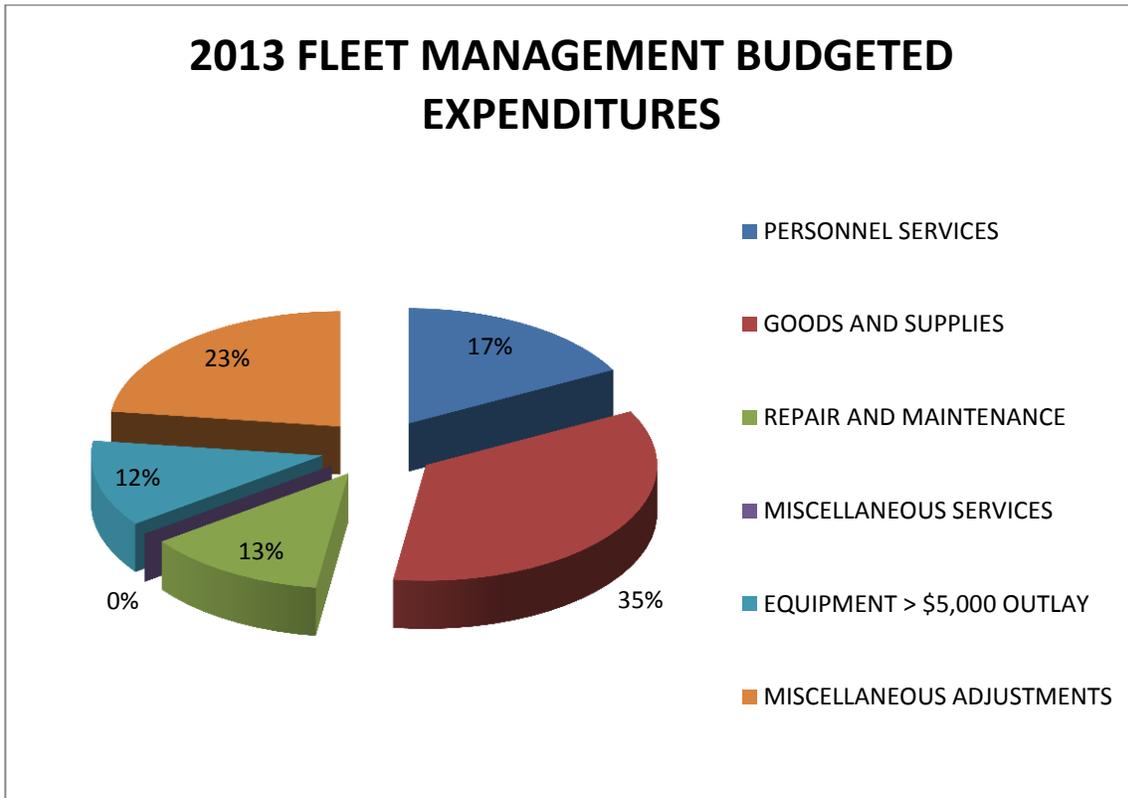
Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader
Palm Tree Trimming	Trim City owned trees.	N/A	5/30/2013	Moya
Medians, Landscape & Maintenance at Bay street ends	Maintain landscape at the bay ends of the local streets	5.J Continue maintaining and beautifying street ends.	9/30/2013	Moya
Regular Beach Maintenance	Trash pickup and raking	5.D Dedicate funding for beach and dune development and maintenance.	9/30/2013	Moya
Storm Sewer Cleaning (As budgeted)	Maintenance on City storm sewers.	6.L Improve storm water management system	9/30/2013	Moya
Paving Improvement (as budgeted)	Improve city streets	4.P Ensure suitable street infrastructure commensurate w/traffic demands & volumes	6/30/2013	Moya

My plan to deliver extraordinary customer service includes: sticking to a work plan that benefits the City as a whole and avoiding taking time away from our scheduled work to react to problems that can be added to the schedule at a later time.

My contribution to making the City a more efficient organization is to develop a better street maintenance plan to minimize the big projects that occur because of a lack of regular maintenance.

My department will build community trust by providing a good product at the lowest possible price.

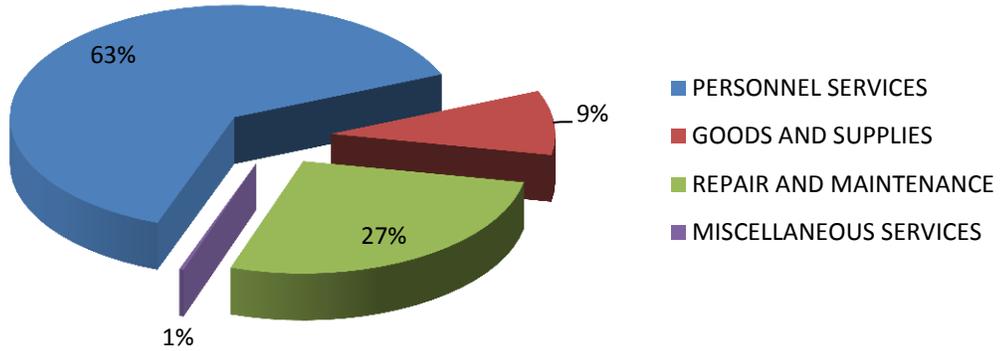
FLEET MAINTENANCE BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FLEET MANAGEMENT	2010	2011	2012	2013
PERSONNEL SERVICES	\$103,300	\$102,962	\$109,406	\$115,904
GOODS AND SUPPLIES	\$153,877	\$200,435	\$243,900	\$234,300
REPAIR AND MAINTENANCE	\$61,006	\$75,061	\$113,044	\$85,000
MISCELLANEOUS SERVICES	\$0	\$0	\$200	\$0
EQUIPMENT > \$5,000 OUTLAY	\$138,022	\$950,298	\$116,365	\$81,200
MISCELLANEOUS ADJUSTMENTS	\$0	\$129,670	\$153,620	\$153,620
TOTAL EXPENDITURES	\$456,204	\$1,458,426	\$736,535	\$670,024

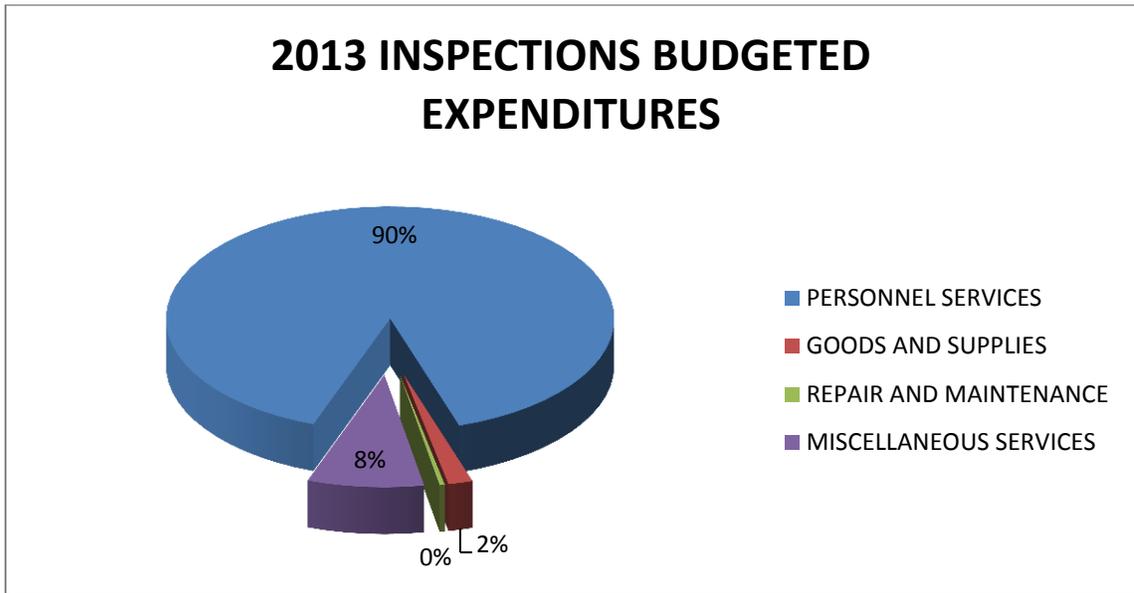
FACILITIES AND GROUNDS MAINTENANCE BUDGET NUMBERS

**2013 FACILITIES & GROUNDS MAINTENANCE
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FACILITIES MAINTENANCE	2010	2011	2012	2013
PERSONNEL SERVICES	\$114,154	\$110,865	\$114,854	\$117,582
GOODS AND SUPPLIES	\$14,998	\$14,521	\$17,850	\$17,250
REPAIR AND MAINTENANCE	\$40,519	\$40,647	\$47,950	\$50,650
MISCELLANEOUS SERVICES	\$258	\$0	\$4,000	\$598
TOTAL EXPENDITURES	\$169,930	\$166,033	\$184,654	\$186,080

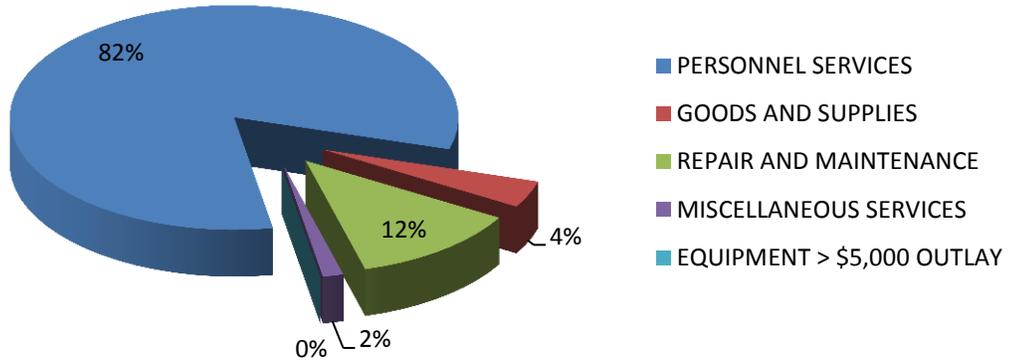
INSPECTIONS BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - INSPECTIONS	2010	2011	2012	2013
PERSONNEL SERVICES	\$ 200,413	\$ 165,677	\$ 167,067	\$ 167,086
GOODS AND SUPPLIES	\$ 3,476	\$ 3,592	\$ 3,252	\$ 3,300
REPAIR AND MAINTENANCE	\$ 825	\$ 735	\$ -	\$ 700
MISCELLANEOUS SERVICES	\$ 18,205	\$ 16,431	\$ 17,123	\$ 15,686
TOTAL EXPENDITURES	\$ 222,919	\$ 186,435	\$ 187,442	\$ 186,772

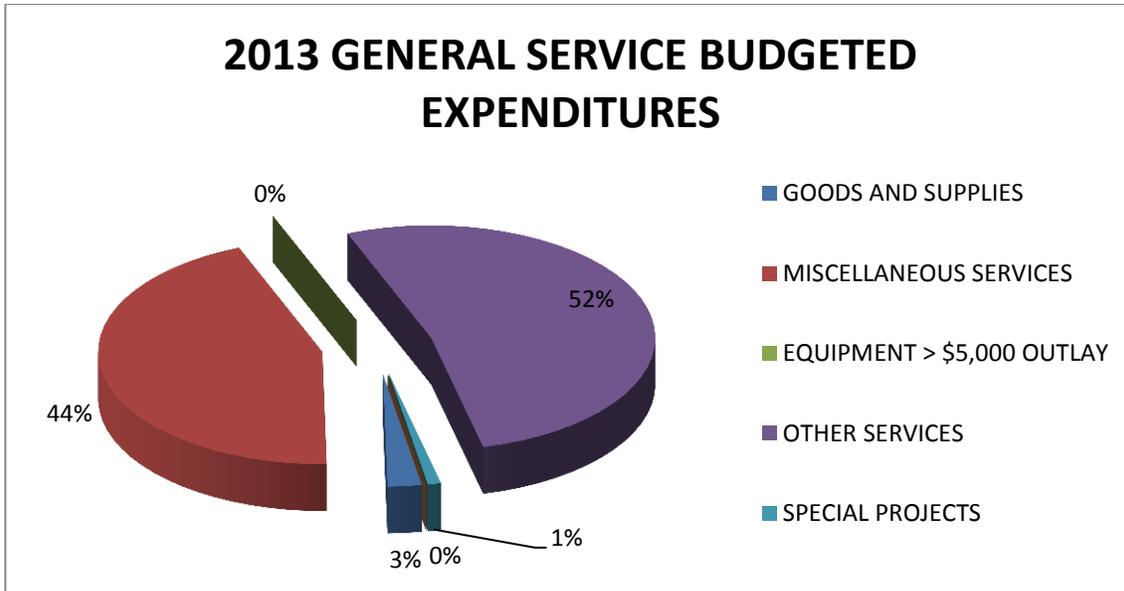
PUBLIC WORKS BUDGET NUMBERS

2013 PUBLIC WORKS BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - PUBLIC WORKS	2010	2011	2012	2013
PERSONNEL SERVICES	\$803,556	\$879,535	\$888,178	\$805,654
GOODS AND SUPPLIES	\$42,045	\$36,590	\$38,800	\$38,000
REPAIR AND MAINTENANCE	\$96,112	\$101,176	\$87,167	\$120,000
MISCELLANEOUS SERVICES	\$12,998	\$24,991	\$19,590	\$14,598
EQUIPMENT > \$5,000 OUTLAY	\$0	\$7,470	\$0	\$0
TOTAL EXPENDITURES	\$954,711	\$1,049,762	\$1,033,735	\$978,252

GENERAL SERVICES BUDGET NUMBERS

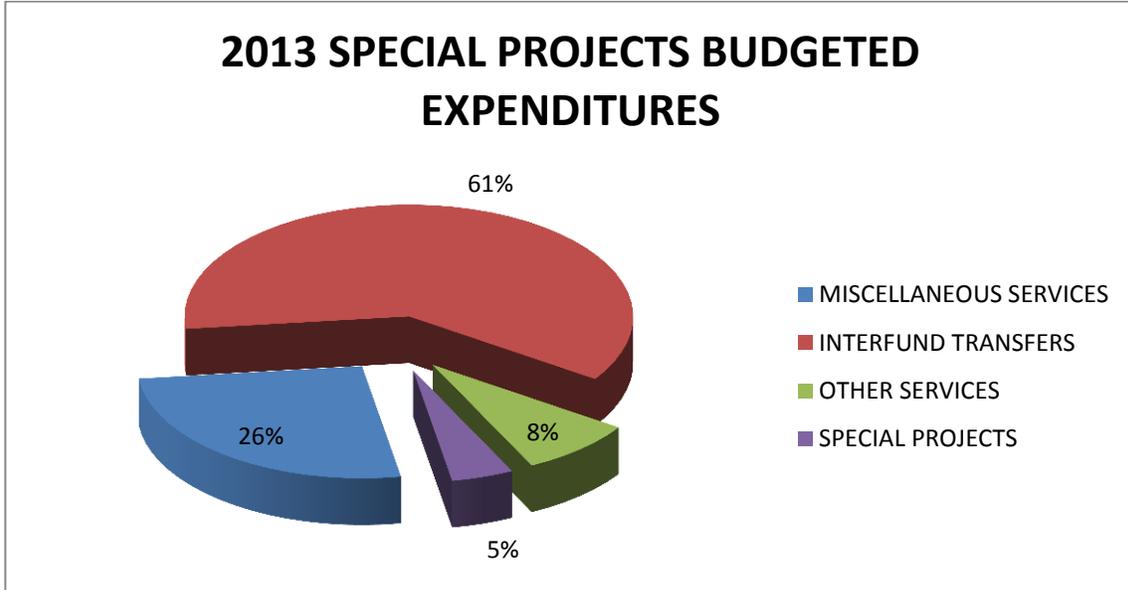


DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - GENERAL SERVICE	2010	2011	2012	2013
GOODS AND SUPPLIES	\$29,445	\$21,141	\$25,000	\$22,000
MISCELLANEOUS SERVICES	\$353,290	\$407,170	\$409,500	\$394,500
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$11,413	\$0
OTHER SERVICES	\$679,206	\$608,928	\$429,629	\$466,926
SPECIAL PROJECTS	\$11,562	\$9,131	\$8,500	\$8,500
MISCELLANEOUS ADJUSTMENTS	\$0	\$8,890	\$0	\$0
TOTAL EXPENDITURES	\$1,073,504	\$1,055,260	\$884,042	\$891,926

The General Services Department is used for budgeting for items that are Citywide in nature, such as insurance, water, electric, professional services, and various other expenses that cannot be directly tied to one department.

This year's budget shows an increase of \$7,884 over last year's budget, which is a result of obtaining a service contract for the security system and the automatic doors on the building. Last year there was not a service contract in place and the doors had to be serviced. This proved to be very expensive, so the City opted to transfer the risk of costly repairs to the service company.

SPECIAL PROJECTS BUDGET NUMBERS

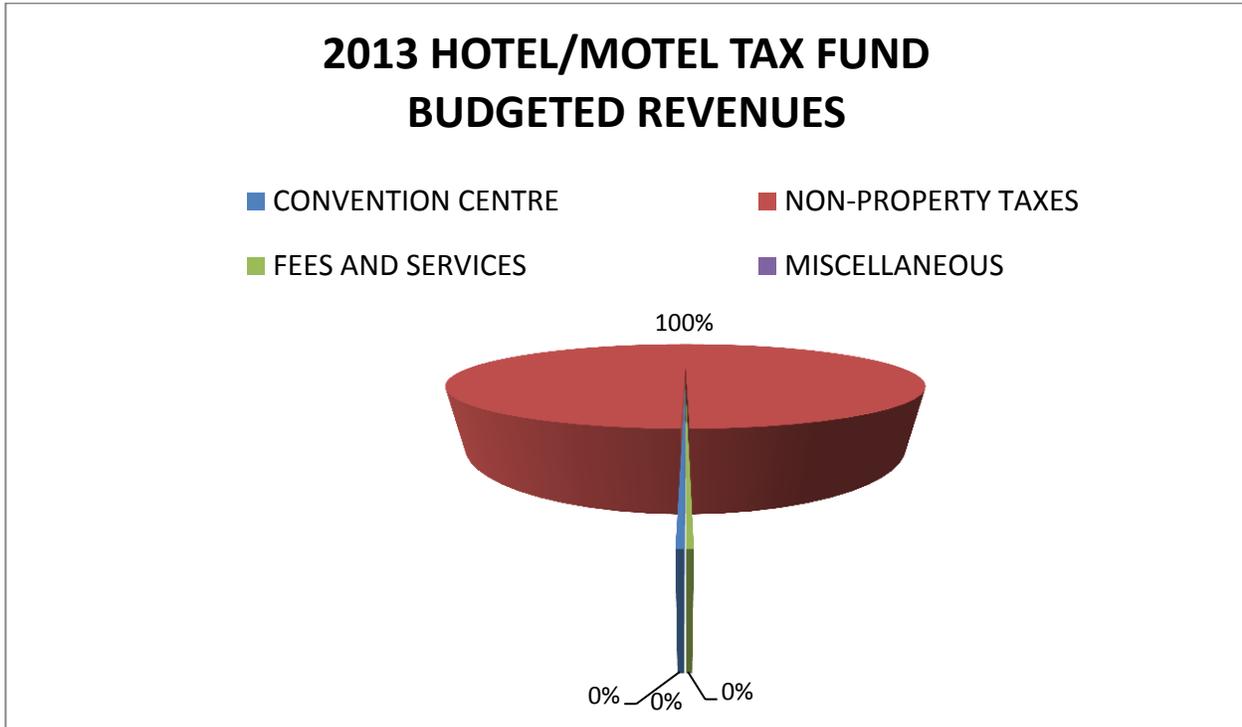


DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - SPECIAL PROJECTS	2010	2011	2012	2013
MISCELLANEOUS SERVICES	\$24,060	\$163,289	\$154,675	\$117,500
INTERFUND TRANSFERS	\$292,200	\$15,000	\$590,410	\$276,500
OTHER SERVICES	\$147,084	\$136,744	\$87,787	\$37,500
SPECIAL PROJECTS	\$98,922	\$18,486	\$9,537	\$20,300
TOTAL EXPENDITURES	\$562,266	\$333,519	\$842,410	\$451,800

The Special Projects Department is used to budget for non-recurring expenses, one-time events and donations to various organizations throughout the Valley.

HOTEL MOTEL TAX FUND

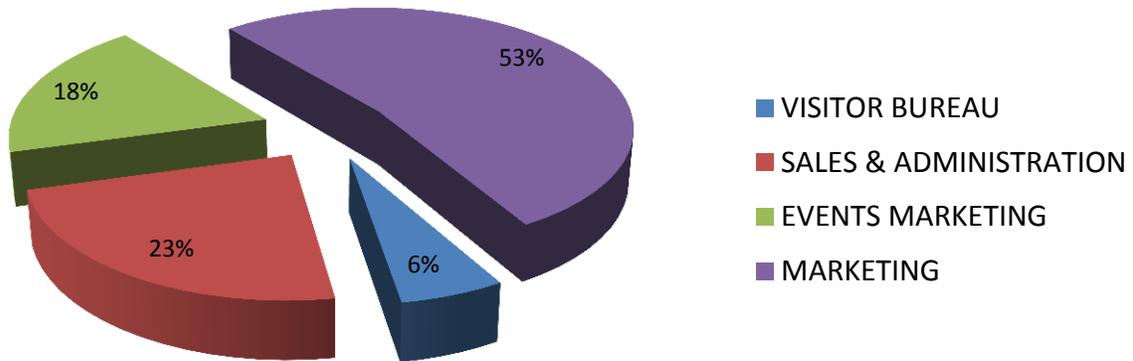
HOTEL MOTEL TAX REVENUE BUDGET NUMBERS



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL TAX FUND	2010	2011	2012	2013
CONVENTION CENTRE	\$ -	\$ -	\$ 25,000	\$ 7,000
NON-PROPERTY TAXES	\$ 4,332,862	\$ 3,855,071	\$ 3,774,540	\$ 3,883,271
FEES AND SERVICES	\$ 16,088	\$ 21,061	\$ 16,000	\$ 6,000
MISCELLANEOUS	\$ 396	\$ 250	\$ -	\$ -
TOTAL REVENUES	\$ 4,349,346	\$ 3,876,382	\$ 3,815,540	\$ 3,896,271

HOTEL MOTEL TAX BUDGETED EXPENDITURES

**2013 HOTEL/MOTEL TAX FUND
BUDGETED EXPENDITURES BY DEPARTMENT**



EXPENDITURES BY DEPARTMENT	ACTUAL		BUDGET	
	2010	2011	2012	2013
HOTEL/MOTEL TAX FUND				
VISITOR BUREAU	\$ 298,413	\$ 322,891	\$ 331,112	\$ 220,304
SALES & ADMINISTRATION	\$ 2,694,619	\$ 2,751,590	\$ 2,827,414	\$ 895,119
EVENTS MARKETING	\$ 557,366	\$ 614,791	\$ 486,866	\$ 709,532
MARKETING	\$ -	\$ -	\$ -	\$ 2,017,000
TOTAL EXPENDITURES	\$ 3,550,398	\$ 3,689,272	\$ 3,645,393	\$ 3,841,955

VISITORS CENTER

WHO ARE WE / WHAT WE DO:

The World Famous SPI Welcome Center (WFSPIWC) is the beginning of our guests' experience on South Padre Island. From the initial request for information and after their arrival we are to make sure that they are well informed on all aspects of their SPI vacation. Our visitors are greeted by a warm smile and well informed staff.

Major Goals:

1. SPI is becoming a First Class destination. It deserves a First Class visitors' center to welcome guests. In order for that to happen the WFSPIWC must update by renovating the existing facility. It is important that the welcome center is inviting, clean, comfortable and gives a taste of what the island has to offer.
2. Update the technology to better serve our guests and community. This includes:
 - a. A new phone system will allow for more efficient use of staff time. Also, a new system will ring at every phone which will help us not lose calls when someone is on the phone that rings.
 - b. Computers and printers that will allow us to print out unique information for our guests.
 - c. New software system(s) to keep:
 - i. An updated database of people that have requested information on SPI which will help us stay in touch with our leisure market.
 - ii. Keep a historical daily log of variables (i.e. weather, events) that affect the traffic on the island.
 - iii. A point of sale system for retail.
3. Increase the retail space and the types of items sold. This will help to create a much needed revenue stream. The items sold will be unique to the WFSPIWC as to not compete with area businesses.
4. Be the leisure marketing arm for the CVB. This will happen through: social media, website, and travel focused stories in all types of publications (i.e. magazines, internet, etc...) and, television and radio shows.
5. Create a fulfillment process that will entice would be visitors to book their trip to SPI by letting them know that we want them here and we want them to come back and that they are an important part of our community. This will happen by continually reaching out to them, letting them know what is happening on our island that will be of special interest.
6. The WFSPIWC will also serve as a liaison to the area businesses. We will keep updated on the businesses, their information and what they are offering. This will also allow us to give feedback to area businesses when we receive it from our guests.

Our Planning Indicators and Focus:

The mission of WFSPIWC is to provide services that will help turn more of our "day trippers" into overnighting guests, increase the length of stay of our overnighting guests and increase revenue for all businesses on the island. This will happen by improving the partnership between the

businesses and the WFSPiWC and implementing activity and performance measures; which will include keeping track of:

- The number of businesses that display brochures at the center.
- In-kind services that are received from the area businesses.
- Events that are held at the WFSPiWC.
- Number of walk-ins to the welcome center.
- Number of information requests.

VISITOR CENTER STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Our Strategies and Programs for the Next Five Years:

Strategy/Program	Fiscal Year	Budget Impact
Renovate interior & exterior of the Welcome Center for easier access to better serve our guests.	2012/2013	\$50,000
Technology updates which will include a new phone system and software.	2012/2013	\$30,000
Increase types and quality of retail items to increase brand awareness	2012/2013	\$10,000
Fulfillment to increase the number of marketing touches that will occur when reaching potential and repeat guests.	2012/2013	\$90,000
Create mini events that will showcase island businesses while generating fun and positive atmosphere.	2013/2014	\$7,500

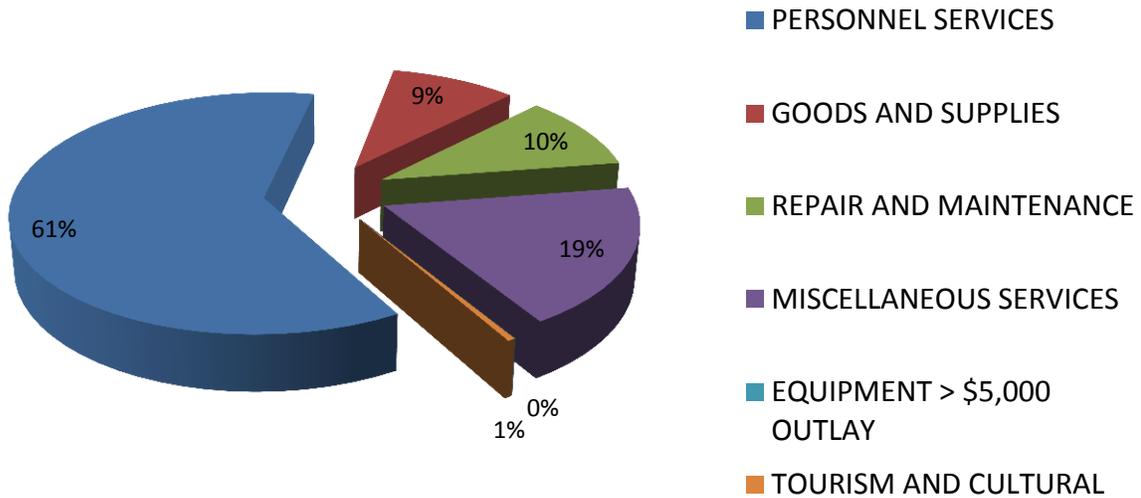
VISITORS CENTER STAFFING PLAN

	Current	2012/13	2013/14	2014/15	2015/16	2016/17
Welcome Center Manager	1	1	1	1	1	1
Information Counselor	1	1	1	1	1	1
Part-time Info. Counselor	1.5	1.5	1.5	1.5	1.5	1.5
Maintenance	.5	.5	.5	.5	.5	.5
Full Time/Part-Time	2/2	2/2	2/2	2/2	2/2	2/2

- Staffing hours will fluctuate throughout the year based on seasonal needs.

VISITORS CENTER BUDGET NUMBERS

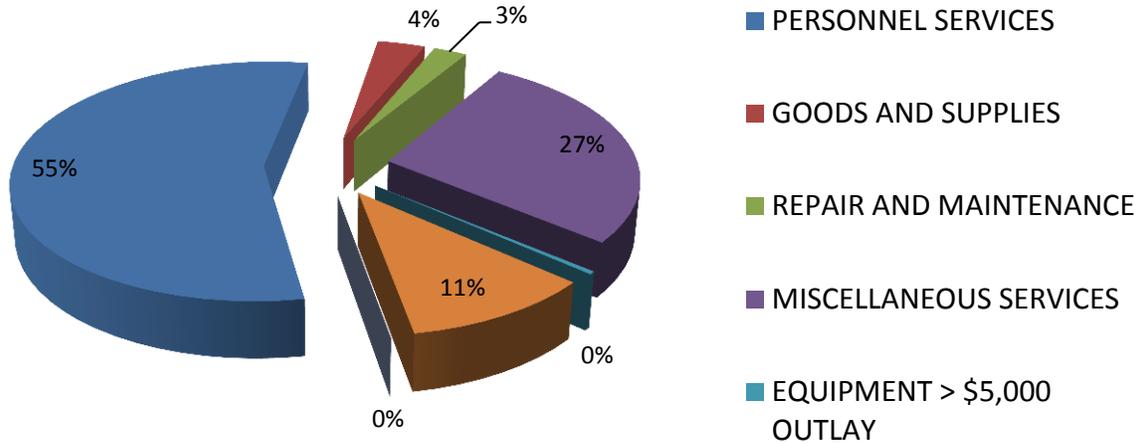
**2013 VISITOR'S BUREAU
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- VISITOR'S BUREAU	2010	2011	2012	2013
PERSONNEL SERVICES	\$118,875	\$115,446	\$146,016	\$135,367
GOODS AND SUPPLIES	\$96,892	\$146,448	\$71,832	\$20,600
REPAIR AND MAINTENANCE	\$15,295	\$20,328	\$55,910	\$22,300
MISCELLANEOUS SERVICES	\$43,545	\$40,670	\$57,355	\$41,037
EQUIPMENT > \$5,000 OUTLAY	\$23,807	\$0	\$0	\$0
TOURISM AND CULTURAL	\$0	\$0	\$0	\$1,000
TOTAL EXPENDITURES	\$298,413	\$322,891	\$331,112	\$220,304

SALES AND ADMINISTRATION BUDGET NUMBERS

**2013 SALES & ADMINISTRATION
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- SALES & ADMIN.	2010	2011	2012	2013
PERSONNEL SERVICES	\$568,185	\$581,746	\$612,414	\$496,419
GOODS AND SUPPLIES	\$66,299	\$52,674	\$76,900	\$31,600
REPAIR AND MAINTENANCE	\$10,979	\$21,238	\$17,470	\$22,320
MISCELLANEOUS SERVICES	\$2,049,157	\$2,095,260	\$2,120,630	\$244,875
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$0	\$3,500
INTERFUND TRANSFERS	\$0	\$0	\$0	\$96,405
MISCELLANEOUS ADJUSTMENTS	\$0	\$672	\$0	\$0
TOTAL EXPENDITURES	\$2,694,619	\$2,751,590	\$2,827,414	\$895,119

SPECIAL EVENTS DIVISION

WHO ARE WE / WHAT WE DO:

Responsible for the operation and management of the Special Events Division of the Convention and Visitors Bureau. Responsible for planning, organizing, coordinating and administering a variety of special event programs.

- Marketing programs for Special Events including median banners, social media, City websites (sopadre.com, whosyourpadre.com)
- SPI Logo Usage
- Film Commission

Major Goals:

1. Facilitate in the development of a venue/park on beach or bay front. This will allow the City to accommodate many events without having to run all proposals through private properties adjacent to our beaches.
2. Enhance Special Event Division office space and evaluate location to better serve clients and create a more positive impression.
3. Create or enhance special events that generate HOT and create a quality SPI experience. Currently we host approximately 30 special events. Facilitating their growth and identifying new event opportunities will aid in increasing overnight stays.

Our Planning Indicators and Focus:

- Better monitor and track the impact a special event has on hotel occupancy. This must include the cooperation of all hotel, motel, & condo management businesses. We do encourage all events to arrange leads and tracking through the CVB with the majority of special event organizers choosing to make their own arrangements.
- The difficulty here is that the majority of these properties release room blocks 30 days in advance of a special event. Another issue is that the front desk personnel are not adequately trained to monitor or the employee turnover is frequent. Therefore front desk is not asking the question 'What are you here for?'
- We do encourage all events to include a short survey in their registration process. Those that have done so have been very successful in getting the room night information.

Our Strategies and Programs for the Next Five Years:

Strategy/Program	Fiscal Year	Budget Impact
This division’s goal is to aid in recruiting events that are sustainable, generate overnight stays and enhance the overall Island experience for our visiting public as well as our residents.	Ongoing	
Development of a venue and facilities to encourage special events to be held on the Island.	2014/2015	

Programs Implemented:

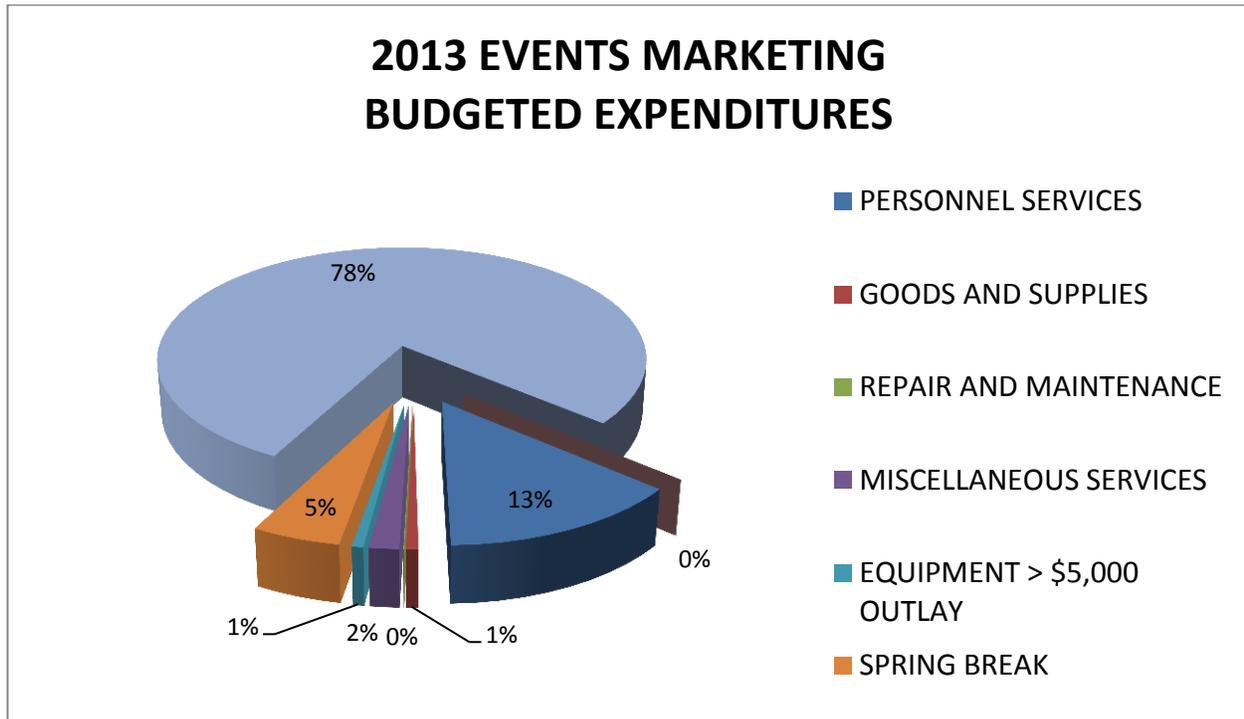
Strategy/Program	Fiscal Year	Budget Impact
Sandcastle Days as a City Managed Event	Ongoing	

SPECIAL EVENTS STAFFING PLAN:

	Current	2012/13	2013/14	2014/15	2015/16	2016/17
Special Event Manager	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1
Total Positions	2	2	2	2	2	2

If the City decides to expand further into event production, the Special Events Division will need to be expanded into a team of employees and be funded appropriately based on number and scope of events identified.

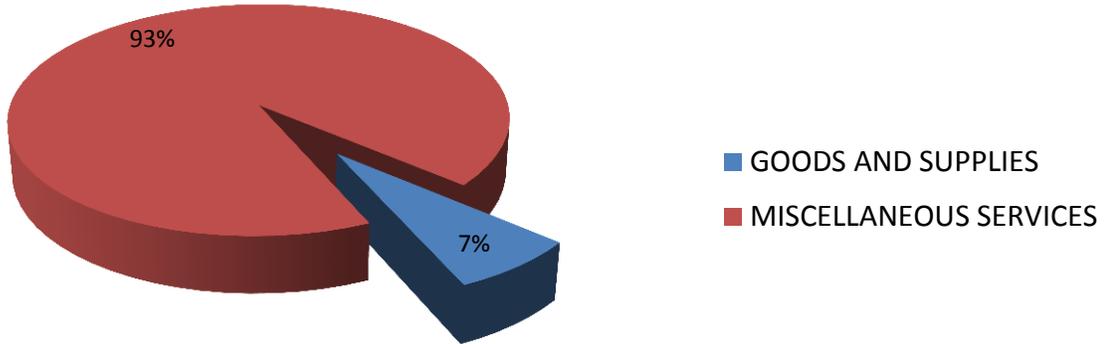
SPECIAL EVENTS MARKETING BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- EVENTS MARKETING	2010	2011	2012	2013
PERSONNEL SERVICES	\$60,360	\$59,118	\$66,616	\$96,672
GOODS AND SUPPLIES	\$778	\$1,024	\$3,184	\$4,900
REPAIR AND MAINTENANCE	\$0	\$28	\$250	\$250
MISCELLANEOUS SERVICES	\$2,060	\$1,662	\$9,846	\$11,710
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$0	\$4,500
SPRING BREAK	\$13,721	\$24,671	\$16,444	\$35,000
TOURISM AND CULTURAL	\$430,446	\$478,287	\$340,527	\$556,500
INTERFUND TRANSFERS	\$50,000	\$50,000	\$50,000	\$0
TOTAL EXPENDITURES	\$557,366	\$614,791	\$486,866	\$709,532

MARKETING BUDGET NUMBERS

**2013 MARKETING
BUDGETED EXPENDITURES**

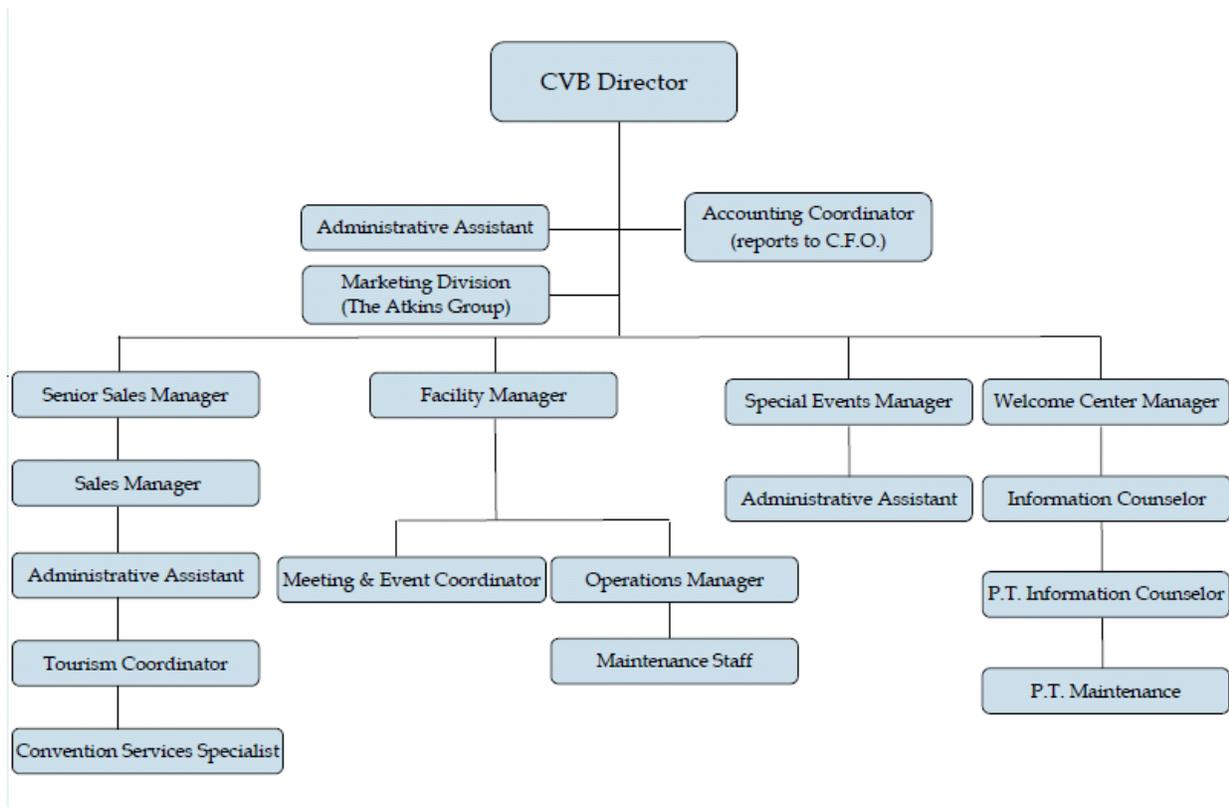


DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- MARKETING	2010	2011	2012	2013
GOODS AND SUPPLIES				\$145,000
MISCELLANEOUS SERVICES				\$1,872,000
TOTAL EXPENDITURES	-	-	-	\$2,017,000

This department of the Hotel Motel Tax fund is new. All of the marketing expenditures were previously budgeted in the Sales and Marketing Department, now renamed the Sales and Administration Department. This was a decision that was not considered lightly. On the one hand it helps to clarify how much is being spent on marketing; however, the historical perspective gets lost. Management felt that it was better to isolate the marketing cost and move forward from this point.

CONVENTION CENTER FUND

CONVENTION CENTER ORGANIZATION CHART



WHO ARE WE / WHAT WE DO:

The Convention Centre Division of the South Padre Island Convention and Visitors Bureau is responsible for hosting meetings, conventions, conferences, trade shows, sporting events, social functions and others seeking to lease event space. Our work is concentrated around meeting the needs of planners, attendees, vendors and guests. We work in conjunction with the other divisions of the Convention and Visitors Bureau which include:

- World Famous Welcome Center
- Sales and Marketing
- Events Marketing

Major Goals:

1. Developing efficient energy management of the building.
2. Initiate a preventive maintenance program to ensure lengthy life of existing and purchased equipment.
3. Maintain positive relationships with clients, meeting planners, event attendees and guests.
4. Ensure all clients feel welcome and assured their business is appreciated by continuing to provide excellent customer service and hospitality.

5. Continue to provide training opportunities to all personnel providing new and updated information so they better understand their job assignments.
6. Continue to maintain strong, positive relationships with all City departments.
7. Provide experience input to the designers of the revamped expanded or new Convention Centre to ensure the design is appropriate for our area and usage.

Our Planning Indicators and Focus:

Our planning is based on the current and future needs of clients and the ability to host larger and well attended events in our facility. Strive to maintain the facility so it is a desired location for groups and events to consider for their organization or special event.

Our Strategies and Programs for the Next Five Years:

Strategy/Program	Fiscal Year	Budget Impact
Painting of building interior and complete repairs and problem areas.	2012/2013	\$1000
Maintenance agreement with AC provider quarterly inspections and service to improve the efficiency of the air conditioning and heating system in order to lower energy costs.	2012/2013	\$1500 (A quarter) \$1500 (A Quarter for Chiller)
Assess and work on improvement of landscaping.	2012/2013	\$5000
Clean and organize storage areas and inventory chairs, tables, podiums etc.	2012/2013	N/A
Purchase a preventive maintenance program to maintain a record of equipment, repairs, purchasing records, warranty information and other details.	2012/2013	\$1500 \$2500
Purchase replacements for outdated 20 year old kitchen equipment: warmers, reach in refrigerator, portable servers, stove, convection ovens, etc. Replace painted kitchen floor with appropriate flooring. These items to be completed as the budget allows.	2014/2015	\$50,000
Replace department vehicle, as needed, due to corrosive environment, age and safety issues to insure safety and reliability. (If fleet lease program is not implemented.)	2014/2015	\$30,000
Repair and pave existing parking and access areas. To include restriping. Possibly scheduling in conjunction with other City street or lot paving projects to perhaps reduce cost.	2013/2014	
Expand the Convention Centre.	2015/2016	\$60,000,000
Repair plugs and lighting system in parking areas, install lighting as needed to insure the safety of guests and staff.	2014/2015	\$20,000
Schedule refurbish of Wyland Whaling Wall to maintain integrity of workmanship.	2013/2014	\$12,000
Retractable Bleachers- purchase would allow for less set up and tear down time and allow for more available Convention Centre leasable	2016/2017	\$120,000

days possibly resulting in more rental income.		
Painting of building exterior.	2014/2015	\$250,000
Install a security camera system for building and parking areas	2012/2013	\$8,000
Replace existing manual lettering marquee with remote electronic model.	2015/2016	\$75,000

Staffing Plan:

	Current	2012/13	2013/14	2014/15	2015/16	2016/17
Facility Manager	0	1	1	1	1	1
Operations Manager	1	1	1	1	1	1
Convention Centre Manager	0	0	1	1	1	1
Meetings / Event Coordinator	1	1	1	1	1	1
Maintenance	8	8	9	10	10	10
Total Positions	10	11	13	14	14	14

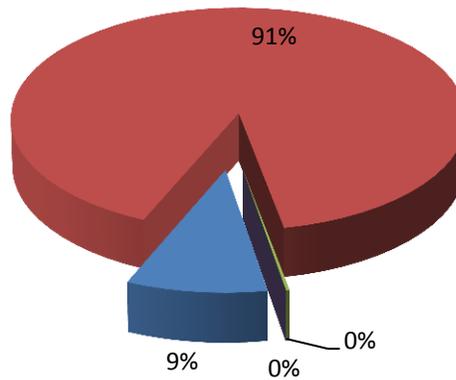
If the City decides to expand the Convention Centre, the Convention Centre Division will need to be expanded into a team of employees and be funded appropriately based on expanded markets.

CONVENTION CENTER BUDGET NUMBERS

CONVENTION CENTER REVENUE

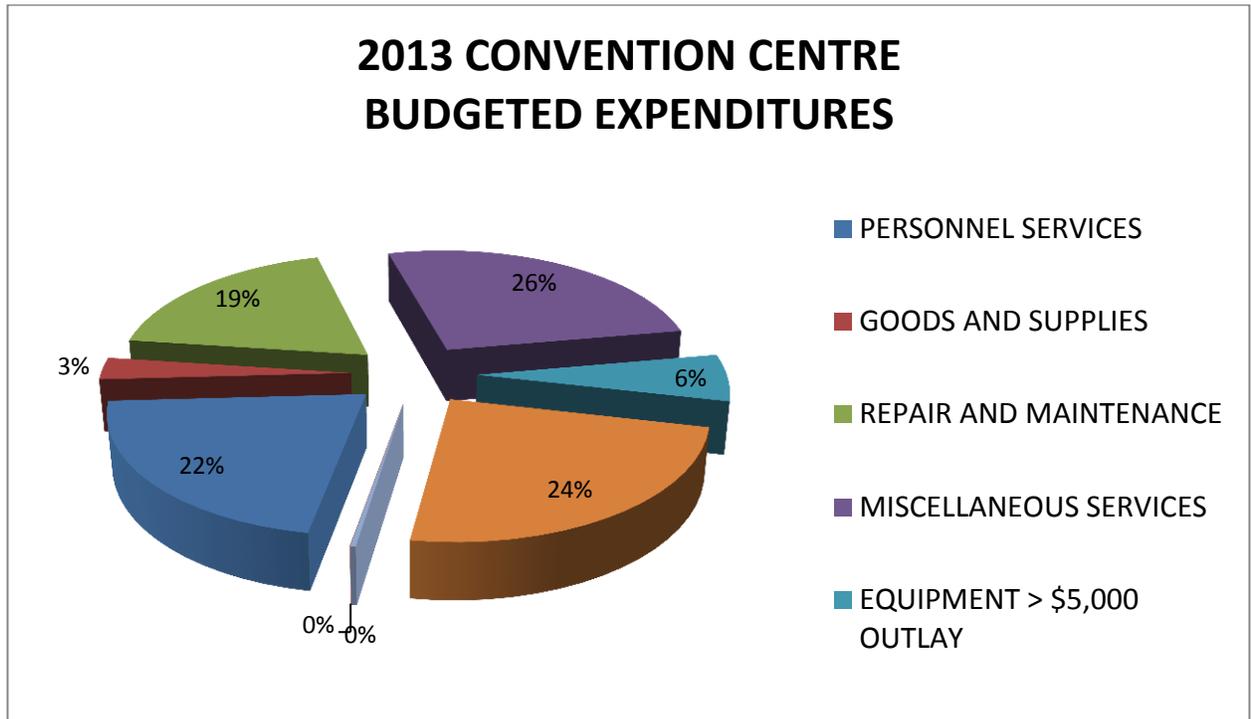
**2013 CONVENTION CENTRE FUND
BUDGETED REVENUES**

- CONVENTION CENTRE
- NON-PROPERTY TAXES
- MISCELLANEOUS
- OTHER FINANCING SOURCES



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
CONVENTION CENTRE FUND	2010	2011	2012	2013
CONVENTION CENTRE	\$267,792	\$249,777	\$201,000	\$201,000
NON-PROPERTY TAXES	\$905,884	\$1,803,484	\$1,898,460	\$1,949,253
MISCELLANEOUS	\$17,745	\$24,428	\$10,000	\$5,000
OTHER FINANCING SOURCES	\$830,000	\$0	\$0	\$0
TOTAL REVENUES	\$2,021,421	\$2,077,689	\$2,109,460	\$2,155,253

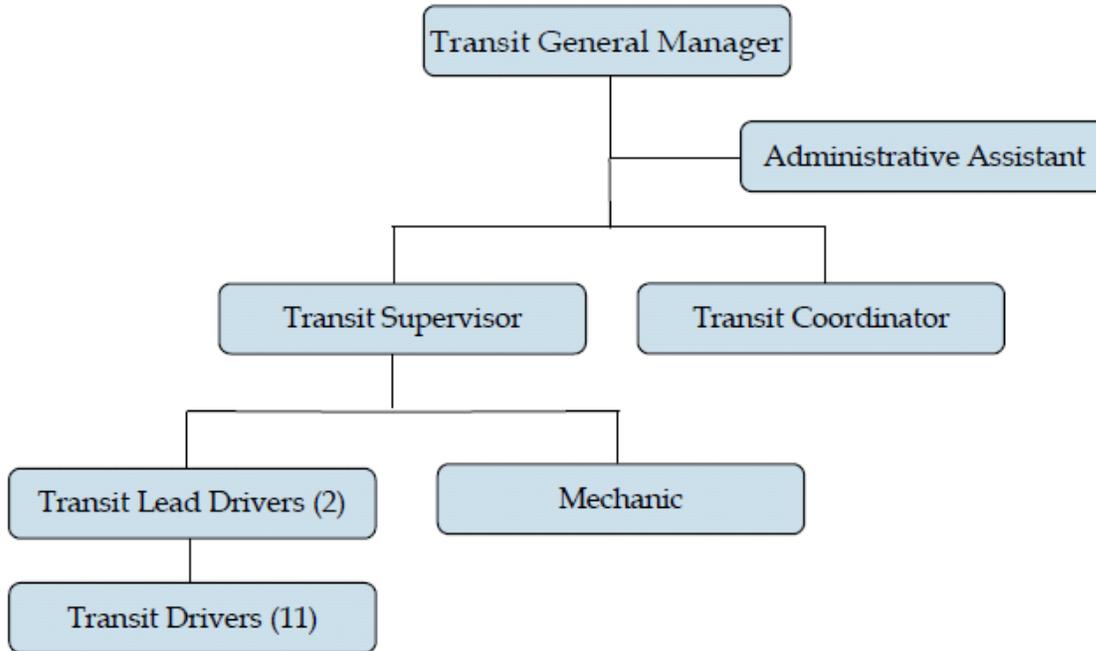
CONVENTION CENTER BUDGETED EXPENDITURES



EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
CONVENTION CENTRE	2010	2011	2012	2013
PERSONNEL SERVICES	\$475,251	\$456,349	\$430,796	\$445,910
GOODS AND SUPPLIES	\$78,701	\$75,004	\$35,507	\$61,700
REPAIR AND MAINTENANCE	\$87,903	\$319,768	\$332,480	\$393,000
MISCELLANEOUS SERVICES	\$554,752	\$480,661	\$537,721	\$549,160
EQUIPMENT > \$5,000 OUTLAY	\$197,756	\$0	\$0	\$131,500
INTERFUND TRANSFERS	\$820,144	\$427,964	\$426,069	\$500,000
OTHER SERVICES	\$0	\$0	\$15,500	\$6,250
MISCELLANEOUS ADJUSTMENTS	\$0	\$1,020	\$0	\$0
TOTAL EXPENDITURES	\$2,214,507	\$1,760,765	\$1,778,073	\$2,087,520

TRANSIT AND PLANNING DEPARTMENT

TRANSPORTATION ORGANIZATIONAL CHART



WHO ARE WE, WHAT WE DO

The Transit Division provides leadership and management of the City's Public Transportation program. The Transit Division is responsible for administering and managing local, state and federal transportation grants and programs.

The Transit Division provides comprehensive management of TxDOT and Federal Transit Administration rural transportation grants. Leveraging \$100,000.00 in local resources, the Transit Division annually captures over \$1.2 million in local match, TxDOT and FTA grant funds. With 15 full-time & 2 part-time staff members, the Transit Division has a fleet 10 buses, runs 365 days a year, seven days a week, 14 hours a day.

Major Goals:

1. Lead the development of a multi-modal transportation network.
2. The WAVE will be the preferred mode of transportation for the City's residents, workforce and vacationers.
3. To reduce transit headway on Padre Boulevard.

4. To continue developing relationships with local, state and federal funders.
5. To secure a grant to develop a Transit Administrative/Maintenance/Transfer/Storage Facility. (Approval Pending)
6. To secure grant to build-out bus shelters on Gulf, Padre and Laguna Blvd.
7. To begin planning for a possible direct shuttle to/from the Brownsville/South Padre Island International Airport.
8. Transition from Division into Department

Our Planning Indicators and Focus:

Ridership for the WAVE continues to grow as the public continues to hedge against rising fuel prices. The WAVE continually receives requests to improve the level of service provided to transit riders by the WAVE on Padre Boulevard. The level of service provided to transit riders is measured in terms of the bus headway (the time it takes a bus to arrive at a particular point on a route). On Padre Boulevard, northbound buses currently operate at 30 minute headway and southbound buses operate at 15 minute headway. The lower bus headway, on southbound Padre Boulevard, is attributable to the overlap of the Gulf Boulevard and Port Isabel bus routes on Padre Boulevard. To effectively implement a commercial corridor bus route on Padre Boulevard, the WAVE must provide seven to ten minute headway. Last year the WAVE operated 13,332 hours and the drivers traveled 253,077 miles, enough miles to circle the earth ten times. The Transit Division provides public transit riders (workforce, residents, Winter Texans, vacationers) approximately 460,000 trips per year.

TRANSPORTATION STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Our Strategies and Programs for the Next Five Years:

	Fiscal Year	Budget Impact
Padre Blvd. headway reduction (pick-up schedule on Padre Blvd.)	2012/2015	\$1,440,000
Park & Ride Administrative/Maintenance/Transfer/Storage Facility.	2012/2015	\$5,500,000
Gulf Blvd. passenger bus stops	2014/2016	\$150,000
Brownsville/SPI direct airport shuttle.	2015/2016	\$400,000

Projects Completed:

	Fiscal Year	Budget Impact
Introduced new Laguna Height Route. 2011	2011/2012	\$140,000
Security cameras/GPS/Wifi equipment on Wave buses. 2011	2011/2012	\$55,000
Extended hours of operations. 2011	2011/2012	\$280,000
Introduced Padre Blvd circulator bus. 2011	2011/2012	\$194,000
Increase bus fleet. 2010-2012	2010/2012	\$350,000
Passenger bus shelters. 2010-2011	2010/2012	\$72,000

TRANSPORTATION POSITION CONTROL

	Current	2012/13	2013/14	2014/15	2015/16	2016/17
Transit General Manager	0	1	1	1	1	1
Transit General Manager	1	0	0	0	0	0
Administrative Assistant	1	1	1	1	1	1
Transit Coordinator	1	1	1	1	1	1
Transit Supervisor	1	1	1	1	1	1
Master Mechanic	0	1	1	1	1	1
Mechanic	1	0	0	0	0	0
Lead Drivers	2	2	2	2	2	2
Drivers (full time)	8	8	15	15	23	23
Drivers (part time)	3	3	5	5	5	5
Total Positions	18	18	27	27	35	35

WORK PLAN FOR TRANSPORTATION

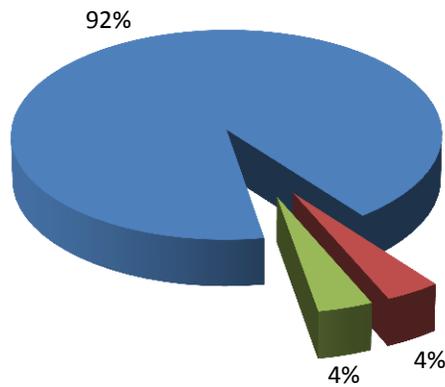
Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader	Team Members
Fleet	Purchase of new bus.	Goal 4.I Increase ridership on the WAVE both residents & visitors.	Sep-13	Arriaga	Staff
Park & Ride	Park & Ride/Administrative/Maintenance/Transfer/Storage Facility	Goal 4.I Increase ridership on the WAVE both residents & visitors.	Dec-15	Arriaga	Staff
Driver Training	Driver Training	Goal 4.I Increase ridership on the WAVE both residents & visitors.	Sep-13	Arriaga	Vasquez
Grant Applications	Submission of grant applications (RFP)	Goal 4.I Increase ridership on the WAVE both residents & visitors.	Sep-13	Arriaga	Carpenter
	Submission of Master Grant application FY2013 Part II	Goal 4.I Increase ridership on the WAVE both residents & visitors.	Jan-12	Arriaga	Carpenter
	Submission of SOGR Grant application	Goal 4.I Increase ridership on the WAVE both residents & visitors.	7-Mar	Arriaga	Carpenter
	Submission of Master Grant application FY2014 Part I	Goal 4.I Increase ridership on the WAVE both residents & visitors.	22-Jun	Arriaga	Carpenter
	Submission of PIEDC Grant application	Goal 4.I Increase ridership on the WAVE both residents & visitors.	29-Jun	Arriaga	Carpenter
	Submission of FY14 Elderly & Disabled Grant	Goal 4.I Increase ridership on the WAVE both residents & visitors.	15-Jul	Arriaga	Carpenter

TRANSPORTATION BUDGET NUMBERS

TRANSPORTATION FUND REVENUES

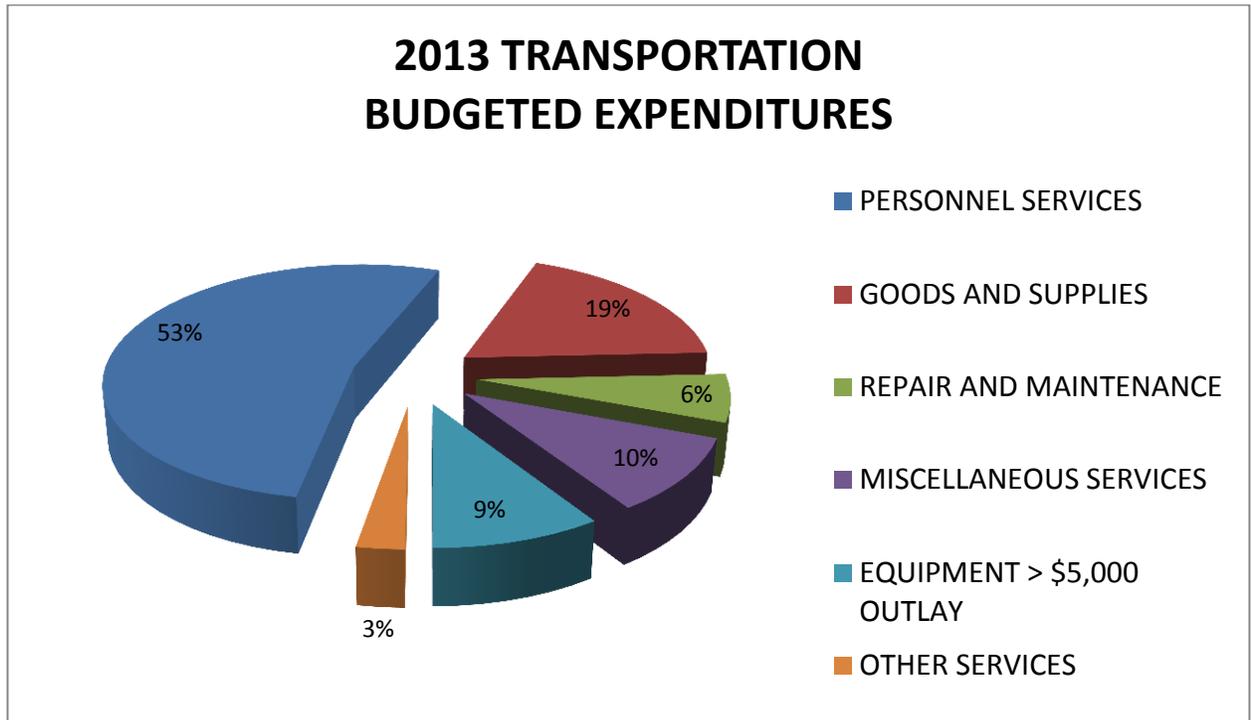
**2013 TRANSPORTATION GRANT
BUDGETED REVENUES**

■ INTERGOVERNMENTAL ■ MISCELLANEOUS ■ OTHER FINANCING SOURCES



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION GRANT	2010	2011	2012	2013
INTERGOVERNMENTAL	\$ 37,844	\$ 1,247,101	\$ 1,178,309	\$ 1,193,309
MISCELLANEOUS	\$ 20,012	\$ 50,086	\$ 57,862	\$ 50,000
OTHER FINANCING SOURCES	\$ 55,700	\$ 50,000	\$ 50,000	\$ 50,000
TOTAL REVENUES	\$ 913,556	\$ 1,347,187	\$ 1,286,171	\$ 1,293,309

TRANSPORTATION BUDGETED EXPENSES



EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION	2010	2011	2012	2013
PERSONNEL SERVICES	\$ 432,848	\$ 538,000	\$ 665,012	\$ 670,998
GOODS AND SUPPLIES	\$ 97,202	\$ 189,799	\$ 199,693	\$ 234,665
REPAIR AND MAINTENANCE	\$ 138,668	\$ 78,132	\$ 93,137	\$ 81,200
MISCELLANEOUS SERVICES	\$ 80,306	\$ 118,061	\$ 103,378	\$ 126,736
EQUIPMENT > \$5,000 OUTLAY	\$ 128,879	\$ 343,030	\$ 194,992	\$ 119,547
OTHER SERVICES	\$ 33,500	\$ 33,500	\$ 33,500	\$ 33,500
TOTAL EXPENDITURES	\$ 911,404	\$ 1,300,523	\$ 1,289,711	\$ 1,266,646

COASTAL RESOURCES

WHO ARE WE / WHAT WE DO:

The Coastal Resources Division is responsible for the implementation of the South Padre Island Beach and Dune Plan and provides support to the Shoreline Task Force in recommending policy to the City Council. The Coastal Resources Division has oversight over beach nourishment, beneficial use of dredge material and dune restoration projects. This division administers the beach and dune permitting process and serves as the lead in acquiring grant funding for beach-related projects. A newly acquired area of responsibility involves the management of the Laguna Madre Bay as the City tries to balance recreation demands and environmental impact.

Major Goals:

1. Continual evaluation of the City's beach access points and grant programs for enhancing beach access.
2. Continue to improve the City's working relationships with the General Land Office, Cameron County, and United States Army Corps of Engineers.
3. Continue to educate other departments within the city regarding the City's Beach and Dune Plan.
4. Develop and sustain a productive relationship with the Shoreline Task Force to encourage policy development and effective communication.
5. Work with the Shoreline Task Force and Information Services Department to enhance public relations through educating and informing the public and media.
6. Continue with the Dune Restoration Volunteer events.
7. Provide an enjoyable and memorable experience for our residents and visitors whenever they visit the City's beach.

Our Planning Indicators and Focus:

The City of South Padre Island in the near future may be responsible for the beaches to the North, in the City's ETJ. Through annexation, the City may significantly impact permit requests, beach maintenance area, and beach access points creating an increase in the demand for coastal management both administratively and environmentally.

The development of an environmentally friendly beach maintenance program that balances the importance of satisfying our visitors while protecting the City's number one asset is the focal point of the Coastal Resources Manager.

COASTAL RESOURCES STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

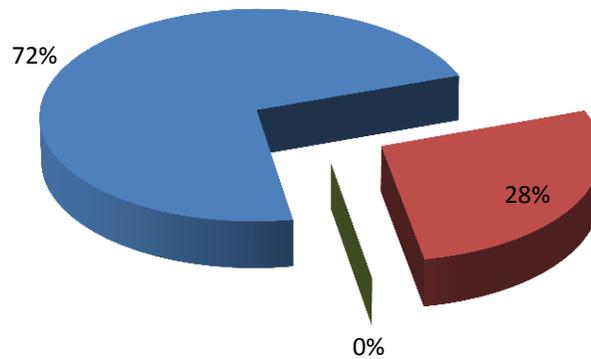
Strategy/Program	Fiscal Year	Budget Impact
Sustain an annual Dune Restoration Program that establishes a vegetated dune system.	Annually	CMP Funded Vol Hrs. Match
Enhance beach access for public and emergency vehicles access along the City Limits. (ex. Walkovers, mobi-mats, and parking improvements)	On going	Seeking Grant Funds- CMP cycle 18
Protection and enhancement of the continuous dune line and to manage erosion-contributing influences.	On going	Varies depending on project
Explore experimental techniques to prevent beach erosion. (ex. Glass to Sand Feasibility Study)	On going	Undetermined Seeking Grant Funds- CMP cycle 18
Dune Ridge Mitigation Program to manage sand allocation within the City's beaches.	2012/2013 On going	\$10,000 per project
Sustaining the quality and environmental value of Laguna Madre through education and public outreach (Brochures, Public Speaking engagements, etc.)	2013/2014	\$2,500
Create a summer Internship program to keep abreast of best practices for beach management.	2014/2015	\$5,000
Enhance public access to the Laguna Madre Bay in partnership with the Public Works Department.	2014/2015	undetermined

BEACH MAINTENANCE FUND BUDGET NUMBERS

BEACH MAINTENANCE REVENUE

**2013 BEACH MAINTENANCE FUND
BUDGETED REVENUES**

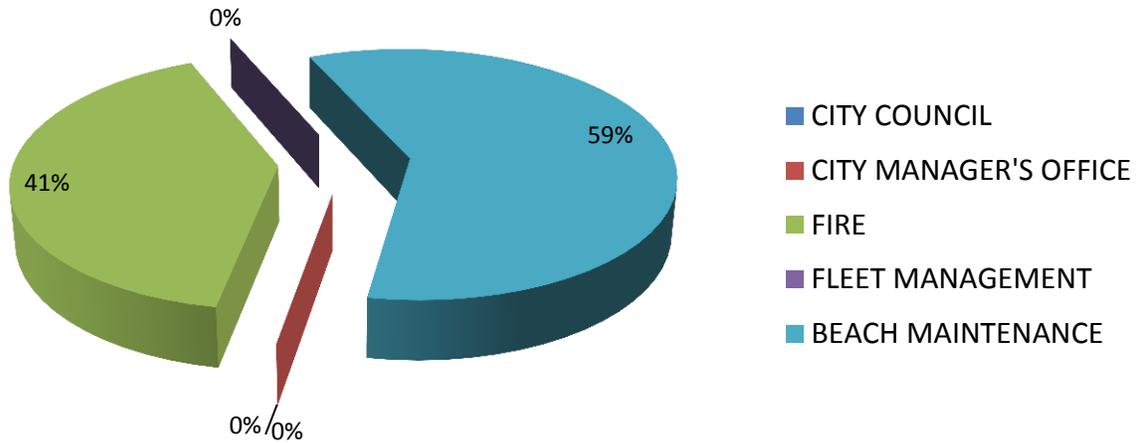
■ NON-PROPERTY TAXES ■ INTERGOVERNMENTAL ■ MISCELLANEOUS



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE FUND	2010	2011	2012	2013
NON-PROPERTY TAXES	\$ 619,232	\$ 634,577	\$ 610,000	\$ 650,251
INTERGOVERNMENTAL	\$ 98,297	\$ -	\$ 107,200	\$ 247,500
MISCELLANEOUS	\$ 695	\$ 2,250	\$ -	\$ -
TOTAL REVENUES	\$ 718,224	\$ 636,827	\$ 717,200	\$ 897,751

BEACH MAINTENANCE BUDGETED EXPENDITURES

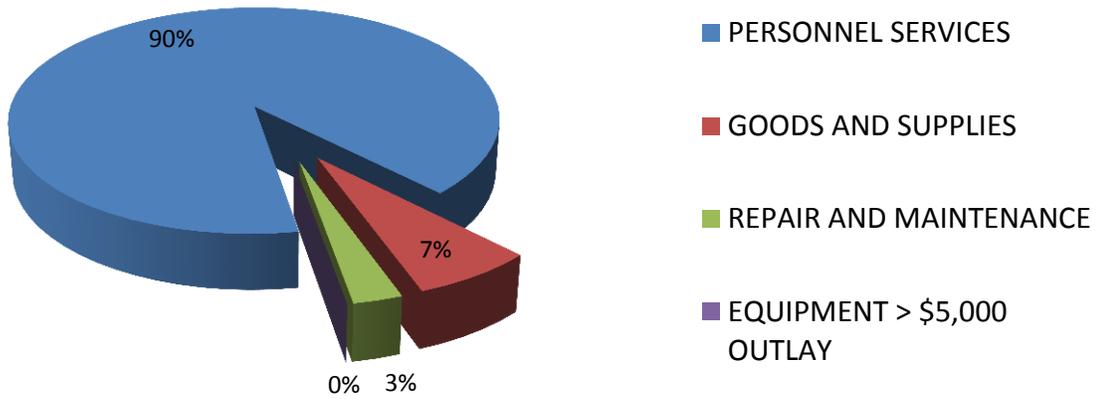
2013 BEACH MAINTENANCE FUND BUDGETED EXPENDITURES BY DEPARTMENT



EXPENDITURES BY DEPARTMENT	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE FUND	2010	2011	2012	2013
CITY COUNCIL	\$20,647	\$14,654	\$0	\$0
CITY MANAGER'S OFFICE	\$0	\$2,475	\$0	\$0
FIRE	\$116,494	\$123,255	\$228,736	\$362,151
FLEET MANAGEMENT	\$0	\$9,221	\$0	\$0
BEACH MAINTENANCE	\$728,182	\$573,805	\$488,402	\$526,889
TOTAL EXPENDITURES	\$865,323	\$723,410	\$717,139	\$889,040

BEACH MAINTENANCE FIRE DIVISION BUDGETED NUMBERS

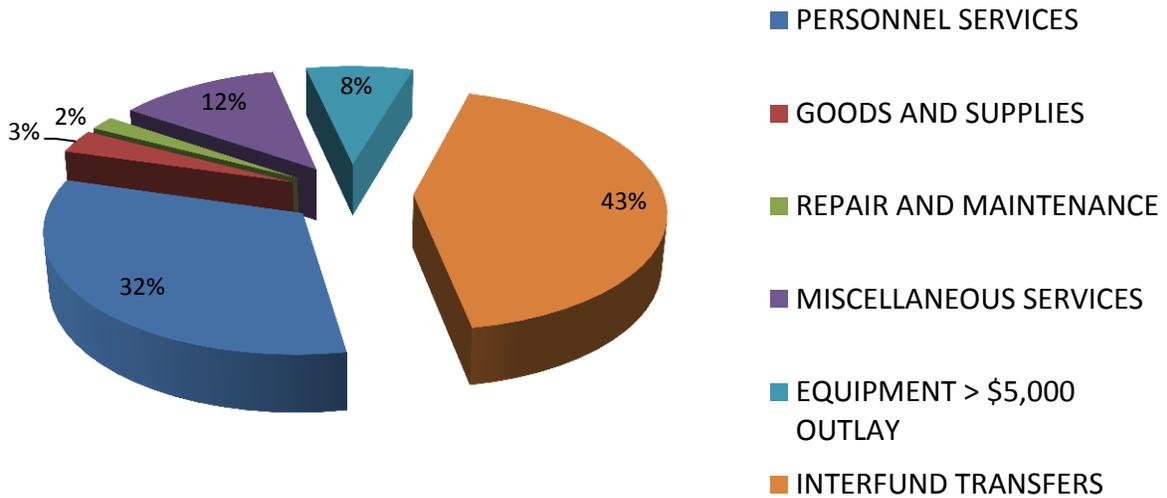
**2013 BEACH MAINTENANCE- FIRE
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE- FIRE	2010	2011	2012	2013
PERSONNEL SERVICES	\$92,408	\$99,659	\$169,882	\$327,151
GOODS AND SUPPLIES	\$10,514	\$12,965	\$28,612	\$25,000
REPAIR AND MAINTENANCE	\$6,573	\$3,632	\$6,423	\$10,000
EQUIPMENT > \$5,000 OUTLAY	\$6,999	\$6,999	\$23,819	\$0
TOTAL EXPENDITURES	\$116,494	\$123,255	\$228,736	\$362,151

BEACH MAINTENANCE BUDGETED NUMBERS

2013 BEACH MAINTENANCE- BEACH MAINTENANCE BUDGETED EXPENDITURES



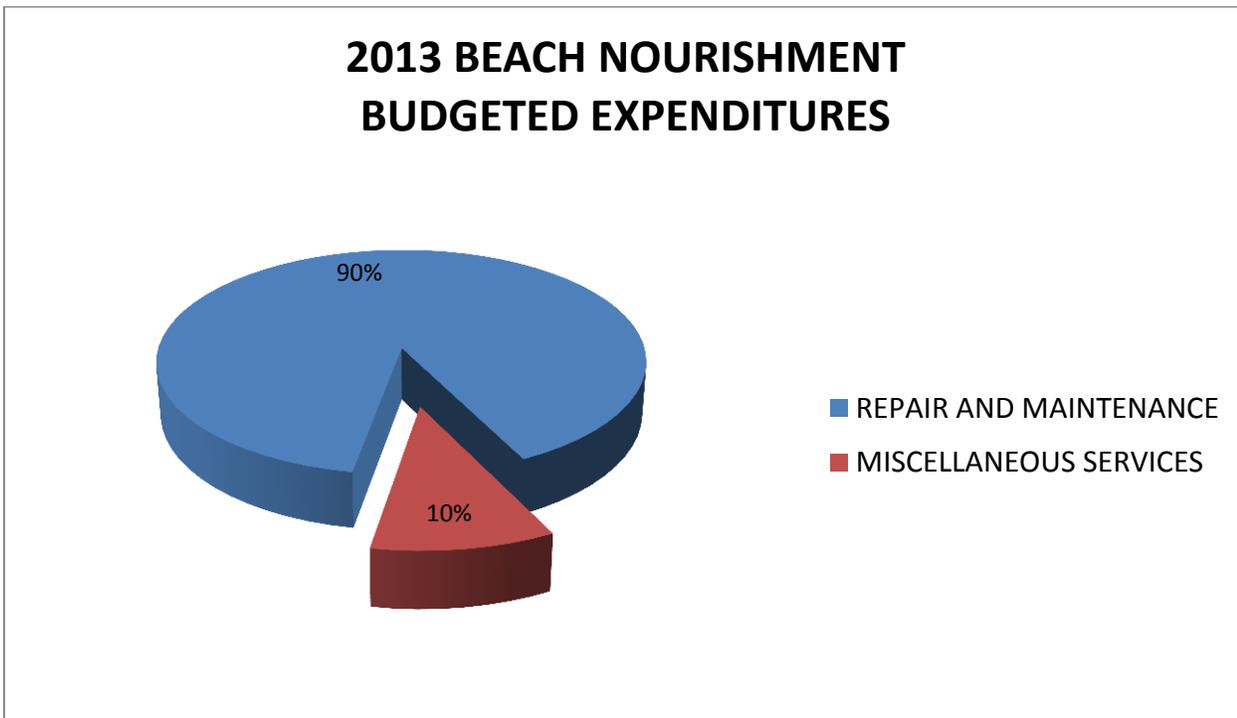
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE- BEACH MAINTENANCE	2010	2011	2012	2013
PERSONNEL SERVICES	\$ 159,090	\$ 166,239	\$ 165,957	\$ 170,019
GOODS AND SUPPLIES	\$ 11,865	\$ 15,522	\$ 16,700	\$ 16,700
REPAIR AND MAINTENANCE	\$ 2,767	\$ 97	\$ 16,861	\$ 10,000
MISCELLANEOUS SERVICES	\$ 43,835	\$ 62,019	\$ 63,884	\$ 63,170
EQUIPMENT > \$5,000 OUTLAY	\$ 98,297	\$ -	\$ -	\$ 42,000
INTERFUND TRANSFERS	\$ 412,329	\$ 329,928	\$ 225,000	\$ 225,000
TOTAL EXPENDITURES	\$ 728,182	\$ 573,805	\$ 488,402	\$ 526,889

BEACH NOURISHMENT BUDGET NUMBERS

BEACH NOURISHMENT REVENUE NUMBERS

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH NOURISHMENT	2010	2011	2012	2013
NON-PROPERTY TAXES	\$ 325,911	\$ 353,571	\$ 323,000	\$ 361,189
INTERGOVERNMENTAL	\$ -	\$ 20,309	\$ 60,733	\$ -
MISCELLANEOUS	\$ 2,241	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES	\$ 100,000	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 428,152	\$ 373,880	\$ 383,733	\$ 361,189

BEACH NOURISHMENT BUDGETED EXPENDITURES



EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH NOURISHMENT	2010	2011	2012	2013
REPAIR AND MAINTENANCE	\$0	\$781,431	\$600,000	\$651,825
MISCELLANEOUS SERVICES	\$40,494	\$27,825	\$104,733	\$74,000
TOTAL EXPENDITURES	\$40,494	\$809,256	\$704,733	\$725,825

OTHER NON MAJOR FUNDS

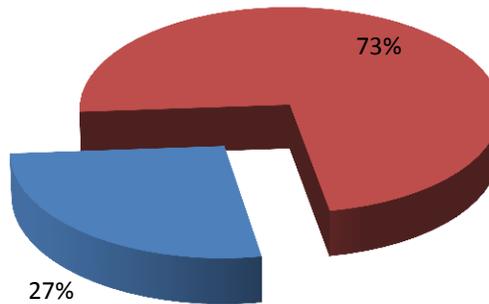
For a complete description of the Non-Major Funds, see page 17. What will be presented here are the budget numbers, both revenue and expenditures.

PARKS AND RECREATION BUDGET NUMBERS

PARKS AND RECREATION REVENUE

2013 PARKS, RECREATION & BEAUTIFICATION BUDGETED REVENUES

■ MISCELLANEOUS ■ OTHER FINANCING SOURCES



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
PARKS, RECREATION & BEAUTIFICATION	2010	2011	2012	2013
MISCELLANEOUS	\$0	\$7,713	\$14,930	\$4,000
OTHER FINANCING SOURCES	\$0	\$6,000	\$11,000	\$11,000
TOTAL REVENUES	\$0	\$13,713	\$25,930	\$15,000

PARKS AND RECREATION EXPENSES

EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
PARKS, RECREATION & BEAUTIFICATION	2010	2011	2012	2013
SPECIAL PROJECTS- COMMUNITY EVENTS	\$0	\$11,528	\$20,430	\$15,000
SPECIAL PROJECTS- KEEP SPI BEAUTIFUL	\$0	\$0	\$2,000	\$0
TOTAL EXPENDITURES	\$0	\$11,528	\$22,430	\$15,000

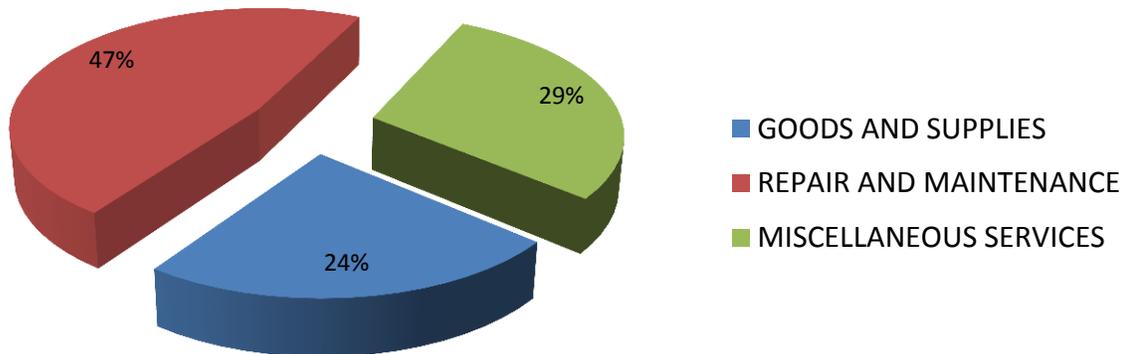
MUNICIPAL COURT TECHNOLOGY BUDGET NUMBERS

MUNICIPAL COURT TECHNOLOGY REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT TECHNOLOGY	2010	2011	2012	2013
FINES AND FORFEITURES	\$8,354	\$8,729	\$8,000	\$8,000
MISCELLANEOUS	\$40	\$0	\$0	\$0
TOTAL REVENUES	\$8,394	\$8,729	\$8,000	\$8,000

MUNICIPAL COURT TECHNOLOGY BUDGETED EXPENDITURES

**2013 MUNICIPAL COURT TECHNOLOGY
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT TECHNOLOGY	2010	2011	2012	2013
GOODS AND SUPPLIES	\$824	\$11,864	\$3,000	\$3,000
REPAIR AND MAINTENANCE	\$0	\$4,390	\$6,000	\$6,000
MISCELLANEOUS SERVICES	\$3,099	\$3,119	\$3,680	\$3,680
TOTAL EXPENDITURES	\$3,923	\$19,374	\$12,680	\$12,680

MUNICIPAL COURT SECURITY BUDGET NUMBERS

MUNICIPAL COURT SECURITY BUDGETED REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT SECURITY	2010	2011	2012	2013
FINES AND FORFEITURES	\$6,265	\$6,547	\$6,000	\$6,000
MISCELLANEOUS	\$44	\$0	\$0	\$0
TOTAL REVENUES	\$6,310	\$6,547	\$6,000	\$6,000

MUNICIPAL COURT SECURITY BUDGETED EXPENDITURES

DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT SECURITY	2010	2011	2012	2013
POLICE- GOODS & SUPPLIES	\$330	\$0	\$3,000	\$3,000
TOTAL EXPENDITURES	\$330	\$0	\$3,000	\$3,000

GENERAL DEBT SERVICE BUDGET NUMBERS

GENERAL DEBT SERVICE BUDGETED REVENUES

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL DEBT SERVICE	2010	2011	2012	2013
PROPERTY TAXES	\$672,320	\$654,635	\$628,944	\$734,271
MISCELLANEOUS	\$1,490	\$0	\$0	\$0
OTHER FINANCING SOURCES	\$808,150	\$427,964	\$426,069	\$0
TOTAL REVENUES	\$1,481,960	\$1,082,599	\$1,055,013	\$734,271

GENERAL DEBT SERVICE BUDGETED EXPENDITURES

DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL DEBT SERVICE	2010	2011	2012	2013
DEBT SERVICE PAYMENTS	\$1,444,673	\$1,066,380	\$1,230,232	\$734,271
MISCELLANEOUS ADJUSTMENTS	\$0	\$686	\$0	\$0
TOTAL EXPENDITURES	\$1,444,673	\$1,067,065	\$1,230,232	\$734,271

BEACH ACCESS BUDGET NUMBERS

BEACH ACCESS BUDGETED REVENUE NUMBERS

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH ACCESS FUND	2010	2011	2012	2013
FEES AND SERVICES	\$0	\$200,000	\$0	\$0
INTERGOVERNMENTAL	\$0	\$145,800	\$0	\$0
MISCELLANEOUS	\$61	\$0	\$0	\$0
OTHER FINANCING SOURCES	\$150,000	\$81,400	\$0	\$0
TOTAL REVENUES	\$150,061	\$427,200	\$0	\$0

BEACH ACCESS BUDGETED EXPENDITURES

DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH ACCESS- PUBLIC WORKS	2010	2011	2012	2013
OTHER SERV.- CONSTRUCTION	\$1,304	\$404,885	\$128,945	\$0
OTHER SERV.- CONSTR. CAP. OUTLAY	\$150,773	\$0	\$0	\$0
TOTAL EXPENDITURES	\$152,077	\$404,885	\$128,945	\$0

BAY ACCESS BUDGET NUMBERS

BAY ACCESS BUDGETED REVENUE NUMBERS

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BAY ACCESS FUND	2010	2011	2012	2013
INTERGOVERNMENTAL	\$0	\$0	\$145,500	\$0
MISCELLANEOUS	\$64	\$0	\$0	\$0
OTHER FINANCING SOURCES	\$130,000	\$15,000	\$46,500	\$15,500
TOTAL REVENUES	\$130,064	\$15,000	\$192,000	\$15,500

BAY ACCESS BUDGETED EXPENDITURES

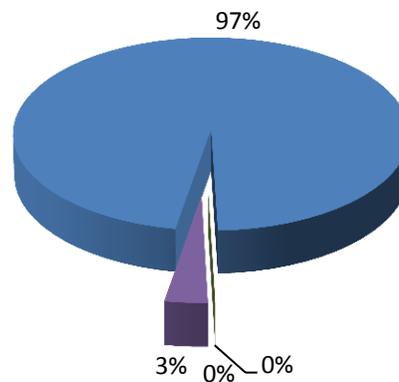
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BAY ACCESS- PUBLIC WORKS	2010	2011	2012	2013
REPAIR AND MAINTENANCE	\$8,250	\$12,675	\$15,000	\$15,500
MISCELLANEOUS SERVICES	\$53,945	\$20,306	\$275,000	\$0
TOTAL EXPENDITURES	\$62,195	\$32,981	\$290,000	\$15,500

ECONOMIC DEVELOPMENT CORP. BUDGET NUMBERS

ECONOMIC DEVELOPMENT BUDGET REVENUE NUMBERS

**2013 ECONOMIC DEVELOPMENT CORPORATION
BUDGETED REVENUES**

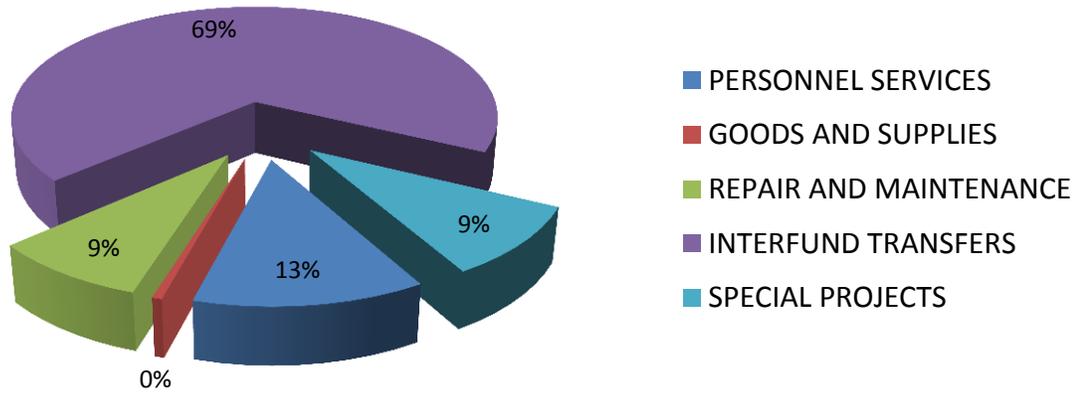
■ NON-PROPERTY TAXES ■ FEES AND SERVICES
■ INTERGOVERNMENTAL ■ MISCELLANEOUS



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
ECONOMIC DEVELOPMENT CORP	2010	2011	2012	2013
NON-PROPERTY TAXES	\$594,251	\$628,723	\$500,000	\$550,000
FEES AND SERVICES	\$224,693	\$323,697	\$380,000	\$0
INTERGOVERNMENTAL	\$0	\$114,150	\$0	\$0
MISCELLANEOUS	\$503	\$11,604	\$0	\$18,609
TOTAL REVENUES	\$819,447	\$1,078,174	\$880,000	\$568,609

ECONOMIC DEVELOPMENT CORPORATION BUDGETED EXPENDITURES

2013 EDC- ECONOMIC DEVELOPMENT CORPORATION BUDGETED EXPENDITURES



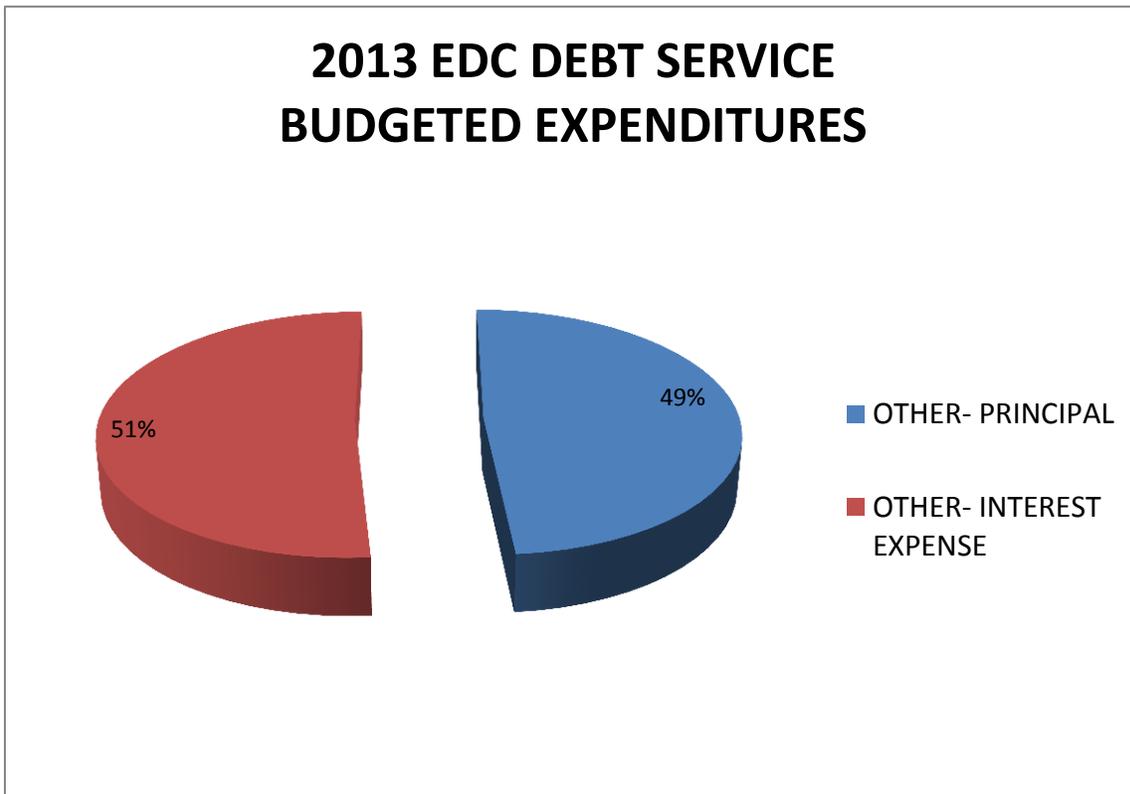
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
EDC- ECONOMIC DEVELOPMENT CORP	2010	2011	2012	2013
PERSONNEL SERVICES	\$68,536	\$68,470	\$68,973	\$71,660
GOODS AND SUPPLIES	\$3,967	\$3,253	\$3,000	\$3,100
REPAIR AND MAINTENANCE	\$95,785	\$182,388	\$55,452	\$49,521
INTERFUND TRANSFERS	\$444,374	\$357,912	\$372,575	\$390,365
SPECIAL PROJECTS	\$11,500	\$0	\$0	\$53,963
TOTAL EXPENDITURES	\$624,162	\$612,022	\$500,000	\$568,609

EDC DEBT SERVICE BUDGET NUMBERS

EDC DEBT SERVICE BUDGETED REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
EDC DEBT SERVICE	2010	2011	2012	2013
MISCELLANEOUS- INTEREST REVENUE	\$217	\$3	\$0	\$0
OTHER FIN. SOURCES- TRANSFERS IN	\$344,374	\$380,526	\$372,575	\$390,365
TOTAL REVENUES	\$344,591	\$380,529	\$372,575	\$390,365

EDC DEBT SERVICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
EDC DEBT SERVICE	2010	2011	2012	2013
OTHER- PRINCIPAL	\$100,000	\$125,000	\$145,000	\$190,000
OTHER- INTEREST EXPENSE	\$221,523	\$216,643	\$210,743	\$200,365
TOTAL EXPENDITURES	\$321,523	\$341,643	\$355,743	\$390,365

SUMMARY POSITION BY DEPARTMENT

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
City Administration	4	5	5	5	5	6	6	4	4	4
Finance	3	4	4	5	5	4	5	5	5	5
Planning	2	2	2	2	2	2	2	1.75	1.75	2
Technology	0	1	2	2	2	2	2	3	3	4
Human Resources	0	0	0	0	0	1	2	3	3	3
Municipal Court	2	2	2	2	2	2	3	2	2	3.5
Police	33	33	34	34	34	39	39	39	38	38
Fire	18	18	18	18	18	21	21	21	27	27
Code Enforcement	2	2	3	4	4	6	6	5	5	6
Fleet Management	0	0	0	0	0	2	2	2	2	2
Building Maintenance	0	0	0	0	0	3	3	3	3	3
Inspections	3	3	4	4	4	4	4	3	3	3
Public Works	21	21	22	22	22	18	18	19	19	21
Hotel Motel Fund										
Visitor's Center	2	2	2	2	2	2	2	2	2	2
Hotel Motel	11	11	12	13.5	13	13	9.5	9.5	9.5	9.5
Events Marketing	1	1	1	2	2	2	1	1	1	1
Convention Centre										
Convention Centre	10	10	11	13.5	13	13	13.5	11.5	10.5	11
Transportation										
Transportation	5	5	6	7	7	7	9	9.25	15.25	18
Beach Maintenance										
Beach Maintenance							4	4	4	4
Total Operating Budget FTE's	117	120	128	136	135	147	152	148	158	167

Source: Town of South Padre Island Annual Budget

Note: Full-time budgeted positions are shown

CONSOLIDATED FINANCIAL STATEMENT

For the Year Ended September 30, 2013

	General Fund	Hotel/Motel Fund	Convention Centre Fund	Beach Nourishment Fund	Non Major Governmental Funds	Component Unit	2012-2013 Totals
REVENUES AND OTHER SOURCES							
Property taxes - including penalty and interest	\$6,078,198.00	\$0.00	\$0.00	\$0.00	\$734,271.00	\$0.00	\$6,812,469.00
Nonproperty taxes	2,902,783	3,883,271	1,949,253	361,189	650,251	550,000	10,296,747
Fees and services	403,005	13,000	201,000	0	0	0	617,005
Fines and forfeitures	399,815	0	0	0	14,000	0	413,815
Licenses and permits	216,000	0	0	0	0	0	216,000
Intergovernmental	158,346	0	0	0	1,440,809	0	1,599,155
Miscellaneous and program revenues	50,500	0	5,000	0	54,000	18,609	128,109
Other Financing Sources	<u>257,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>276,500</u>	<u>390,365</u>	<u>923,865</u>
Total revenues	10,465,647	3,896,271	2,155,253	361,189	3,169,831	958,974	21,007,165
EXPENDITURES							
General government							
City Council	37,500	0	0	0	0	0	37,500
City Administration	425,595	0	0	0	0	0	425,595
Finance	337,773	0	0	0	0	0	337,773
Planning	161,719	0	0	0	0	0	161,719
Information Services	484,380	0	0	0	0	0	484,380
Human Resources	219,075	0	0	0	0	0	219,075
Environmental Health Services	408,608	0	0	0	0	0	408,608
General services	891,926	0	0	0	0	0	891,926
Special projects	<u>175,300</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>175,300</u>
Total general government	3,141,876	0	0	0	0	0	3,141,876

Public safety							
Municipal court	185,447	0	0	0	15,680	0	201,127
Police	2,605,454	0	0	0	0	0	2,605,454
Fire	2,095,548	0	0	0	362,151	0	2,457,699
Emergency management	<u>56,470</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>56,470</u>
Total public safety	4,942,919	0	0	0	377,831	0	5,320,750
Public works							
Building maintenance	186,080	0	0	0	0	0	186,080
Inspections	186,772	0	0	0	0	0	186,772
Fleet Management	588,824	0	0	0	0	0	588,824
Public works	<u>978,252</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>475,389</u>	<u>0</u>	<u>1,453,641</u>
Total public works	1,939,928	0	0	0	475,389	0	2,415,317
Community service							
Visitors Bureau	0	220,304	0	0	0	0	220,304
Sales and Marketing	0	2,812,214	0	0	0	0	2,812,214
Events Marketing	0	705,032	0	0	0	0	705,032
Convention Centre	0	0	1,456,020	0	0	0	1,456,020
Component Unit	0	0	0	0	0	178,244	178,244
Parks & Recreation	0	0	0	0	15,000	0	15,000
Beach Nourishment	<u>0</u>	<u>0</u>	<u>0</u>	<u>725,825</u>	<u>0</u>	<u>0</u>	<u>725,825</u>
Total community service	0	3,737,550	1,456,020	725,825	15,000	178,244	6,112,639
Transportation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,266,646</u>	<u>0</u>	<u>1,266,646</u>
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>614,724</u>	<u>390,365</u>	<u>1,005,089</u>
Capital Outlay	<u>105,700</u>	<u>8,000</u>	<u>131,500</u>	<u>0</u>	<u>161,547</u>	<u>0</u>	<u>406,747</u>
Other Financing Uses	<u>276,500</u>	<u>96,405</u>	<u>0</u>	<u>0</u>	<u>225,000</u>	<u>390,365</u>	<u>988,270</u>
Total expenditures	<u>10,406,923</u>	<u>3,841,955</u>	<u>1,587,520</u>	<u>725,825</u>	<u>3,136,137</u>	<u>958,974</u>	<u>20,657,334</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	58,724	54,316	567,733	-364,636	33,694	0	349,831
Fund Balance -- beginning	<u>6,418,800</u>	<u>1,219,137</u>	<u>2,531,965</u>	<u>1,397,705</u>	<u>1,174,023</u>	<u>1,080,250</u>	<u>13,821,880</u>
Fund Balance -- ending	<u>6,477,524</u>	<u>1,273,453</u>	<u>3,099,698</u>	<u>1,033,069</u>	<u>1,207,717</u>	<u>1,080,250</u>	<u>14,171,711</u>

THREE YEAR CONSOLIDATED FINANCIAL SCHEDULE

	General Fund			Hotel/Motel & Convention Centre Funds		
	2010/11 Actual	2011/12 Unaudited	2012/13 Budget	2010/11 Actual	2011/12 Unaudited	2012/13 Budget
REVENUES AND OTHER SOURCES						
Property taxes - including penalty and interest	\$5,753,264	\$5,906,604	\$6,078,198	\$0	\$0	\$0
Nonproperty taxes	2,938,523	2,977,779	3,127,783	5,658,555	6,166,994	5,832,524
Fees and services	129,524	563,770	525,101	270,838	244,750	214,000
Fines and forfeitures	420,257	424,355	399,815	0	0	0
Licenses and permits	222,292	191,105	216,000	0	0	0
Intergovernmental	63,012	84,839	36,429	0	22,118	0
Miscellaneous and program revenues	114,247	102,064	50,500	24,678	9,051	5,000
Other Financing Sources	<u>926,896</u>	<u>0</u>	<u>32,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total revenues	10,568,015	10,250,516	10,465,826	5,954,071	6,442,914	6,051,524
EXPENDITURES						
General government						
City Council	17,499	20,440	37,500	0	0	0
City Administration	438,659	399,028	425,595	0	0	0
Finance	335,230	321,516	337,773	0	0	0
Planning	391,856	152,518	161,719	0	0	0

Information Services	378,875	416,023	484,380	0	0	0
Human Resources	191,304	191,987	219,075	0	0	0
Environmental Health Services	357,565	357,320	408,608	0	0	0
General services	1,055,260	773,924	891,926	0	0	0
Hurricane Fund	0	0	0	0	0	0
Special projects	<u>333,519</u>	<u>802,054</u>	<u>451,800</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total general government	3,499,767	3,434,810	3,418,376	0	0	0
Public safety						
Municipal court	168,727	163,547	185,447	0	0	0
Police	2,392,646	2,549,267	2,605,454	0	0	0
Fire	1,724,127	2,021,238	2,095,548	0	0	0
Emergency management	<u>3,968</u>	<u>2,672</u>	<u>6,470</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total public safety	4,289,468	4,736,724	4,892,919	0	0	0
Public works						
Building maintenance	166,033	170,859	186,080	0	0	0
Inspections	186,435	186,447	186,772	0	0	0
Fleet Management	378,458	442,750	435,204	0	0	0
Public works	<u>1,049,762</u>	<u>919,100</u>	<u>978,252</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total public works	1,780,689	1,719,155	1,786,308	0	0	0
Community service						

Visitors Bureau	0	0	0	322,891	327,162	220,304
Sales and Administration	0	0	0	2,751,590	2,665,424	835,337
Events Marketing	0	0	0	564,791	427,372	872,909
Marketing						1,817,000
Convention Centre	0	0	0	1,332,802	1,350,140	1,535,998
Component Unit	0	0	0	0	0	0
Parks & Recreation	0	0	0	0	0	0
Beach Nourishment	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total community service	0	0	0	4,972,073	4,770,097	5,281,548
Transportation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>427,964</u>	<u>426,069</u>	<u>0</u>
Capital outlay	<u>232,736</u>	<u>411,305</u>	<u>309,319</u>	<u>0</u>	<u>0</u>	<u>131,500</u>
Other Financing Uses	<u>898,220</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>	<u>96,405</u>
Total expenditures	<u>10,700,880</u>	<u>10,301,994</u>	<u>10,406,922</u>	<u>5,450,037</u>	<u>5,246,166</u>	<u>5,509,453</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-132,865	-51,478	58,904	504,034	1,196,748	542,072
Fund Balance -- beginning	<u>6,289,723</u>	<u>6,156,858</u>	<u>6,105,380</u>	<u>1,444,457</u>	<u>2,050,319</u>	<u>4,255,134</u>
Fund Balance -- ending	6,156,858	6,105,380	6,164,284	1,948,491	3,247,067	4,797,205

City of South Padre Island, Texas

THREE YEAR CONSOLIDATED FINANCIAL SCHEDULE

	Other Funds & Component Unit			Total Funds		
	2010/11 Actual	2011/12 Unaudited	2012/13 Budget	2010/11 Actual	2011/12 Unaudited	2012/13 Budget
REVENUES AND OTHER SOURCES						
Property taxes - including penalty and interest	\$654,635	\$646,012	\$734,271	\$6,407,899	\$6,552,616	\$6,812,469
Nonproperty taxes	1,616,871	1,742,239	1,561,440	10,213,949	10,887,012	10,521,747
Fees and services	523,697	0	0	924,060	808,521	739,101
Fines and forfeitures	15,276	14,261	14,000	435,533	438,616	413,815
Licenses and permits	0	0	0	222,292	191,105	216,000
Intergovernmental	1,721,465	2,263,653	1,770,809	1,784,476	2,370,610	1,807,238
Miscellaneous and program revenues	79,831	107,771	72,609	218,755	218,886	128,109
Other Financing Sources	<u>4,862,355</u>	<u>4,331,660</u>	<u>466,865</u>	<u>5,789,251</u>	<u>4,331,660</u>	<u>498,865</u>
Total revenues	9,474,130	9,105,596	4,619,994	25,996,215	25,799,027	21,137,344
EXPENDITURES						
General government						
City Council	14,654	0	0	32,153	20,440	37,500
City Administration	2,475	0	0	441,134	399,028	425,595
Finance	0	0	0	335,230	321,516	337,773
Planning	0	0	0	391,856	152,518	161,719
Information Services	0	0	0	378,875	416,023	484,380
Human Resources	0	0	0	191,304	191,987	219,075

Environmental Health Services	0	0	0	357,565	357,320	408,608
General services	0	0	0	1,055,260	773,924	891,926
Hurricane Fund	0	0	0	0	0	0
Special projects	<u>0</u>	<u>0</u>	<u>0</u>	<u>333,519</u>	<u>802,054</u>	<u>451,800</u>
Total general government	17,129	0	0	3,516,896	3,434,810	3,418,376
Public safety						
Municipal court	19,374	8,910	15,680	188,100	172,456	201,127
Police	0	0	0	2,392,646	2,549,267	2,605,454
Fire	123,255	199,448	362,151	1,847,382	2,220,686	2,457,699
Emergency management	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,968</u>	<u>2,672</u>	<u>6,470</u>
Total public safety	142,629	208,357	377,831	4,432,097	4,945,081	5,270,750
Public works						
Building maintenance	0	0	0	166,033	170,859	186,080
Inspections	0	0	0	186,435	186,447	186,772
Fleet Management	9,221	0	0	387,679	442,750	435,204
Public works	<u>437,866</u>	<u>344,081</u>	<u>15,500</u>	<u>1,487,629</u>	<u>1,263,181</u>	<u>993,752</u>
Total public works	447,087	344,081	15,500	2,227,776	2,063,237	1,801,808
Community service						
Visitors Bureau	0	0	0	322,891	327,162	220,304
Sales and Administration	0	0	0	2,751,590	2,665,424	835,337
Events Marketing	0	0	0	564,791	427,372	872,909

Marketing	0	0	0			
Convention Centre	972,122	577,550	568,609	2,304,923	1,927,690	2,104,607
Component Unit	11,528	21,461	15,000	11,528	21,461	15,000
Parks & Recreation	1,383,061	522,148	1,252,714	1,383,061	522,148	1,252,714
Beach Nourishment	<u>2,366,711</u>	<u>1,121,159</u>	<u>1,836,323</u>	<u>2,366,711</u>	<u>1,121,159</u>	<u>1,836,323</u>
Total community service	4,733,423	2,242,319	3,672,646	9,705,496	7,012,416	7,137,194
Transportation	<u>1,300,523</u>	<u>1,275,737</u>	<u>1,596,646</u>	<u>1,300,523</u>	<u>1,275,737</u>	<u>1,596,646</u>
Debt Service	<u>1,408,708</u>	<u>5,040,286</u>	<u>1,124,636</u>	<u>1,836,672</u>	<u>5,466,355</u>	<u>1,124,636</u>
Capital outlay	<u>514,155</u>	<u>3,954,745</u>	<u>0</u>	<u>746,891</u>	<u>4,366,050</u>	<u>440,819</u>
Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>	<u>948,220</u>	<u>50,000</u>	<u>96,405</u>
Total expenditures	<u>6,196,942</u>	<u>11,944,366</u>	<u>4,950,936</u>	<u>24,714,570</u>	<u>28,613,685</u>	<u>20,886,634</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,277,187	-2,838,770	-330,942	1,281,645	-2,814,659	250,710
Fund Balance -- beginning	<u>6,088,708</u>	<u>9,365,895</u>	<u>6,527,126</u>	<u>13,822,888</u>	<u>17,573,072</u>	<u>16,887,639</u>
Fund Balance -- ending	<u>9,365,895</u>	<u>6,527,126</u>	<u>6,196,183</u>	<u>15,104,533</u>	<u>14,758,413</u>	<u>17,138,350</u>

OUTSTANDING DEBT

TOTAL OUTSTANDING DEBT

Date	Principal	Interest	Total Debt Service
9/1/2012	870,000	296,095	1,166,095
9/1/2013	475,000	259,272	734,272
9/1/2014	405,000	240,738	645,738
9/1/2015	420,000	225,163	645,163
9/1/2016	435,000	210,700	645,700
9/1/2017	450,000	197,425	647,425
9/1/2018	460,000	183,775	643,775
9/1/2019	480,000	168,775	648,775
9/1/2020	500,000	152,225	652,225
9/1/2021	510,000	135,150	645,150
9/1/2022	525,000	118,650	643,650
9/1/2023	545,000	102,338	647,338
9/1/2024	560,000	86,150	646,150
9/1/2025	575,000	70,400	645,400
9/1/2026	235,000	57,700	292,700
9/1/2027	245,000	48,100	293,100
9/1/2028	255,000	38,100	293,100
9/1/2029	265,000	27,700	292,700
9/1/1930	275,000	16,900	291,900
9/1/1931	285,000	5,700	290,700
9/1/1932	-	-	-
Total	<u>\$ 8,770,000</u>	<u>\$ 2,641,054</u>	<u>\$ 11,411,054</u>

2005 GENERAL OBLIGATION BONDS

SOUTH PADRE ISLAND

General Obligation Bonds, Series 2005

Debt Service Schedule

Date	Principal	Coupon	Interest	Total Debt Service	Annual Total
3/1/2012	205,000	4.500%	83,936.88	288,936.88	
9/1/2012			15,187.50	15,187.50	304,124.38
3/1/2013	215,000	4.500%	15,187.50	230,187.50	
9/1/2013			10,350.00	10,350.00	240,537.50
3/1/2014	225,000	4.500%	10,350.00	235,350.00	
9/1/2014			5,287.50	5,287.50	240,637.50
3/1/2015	235,000	4.500%	5,287.50	240,287.50	
9/1/2015			-	-	240,287.50
3/1/2016	-	4.000%	-	-	
9/1/2016			-	-	-
3/1/2017	-	4.000%	-	-	
9/1/2017			-	-	-
3/1/2018	-	4.000%	-	-	
9/1/2018			-	-	-
3/1/2019	-	4.100%	-	-	
9/1/2019			-	-	-
3/1/2020	-	4.125%	-	-	
9/1/2020			-	-	-
3/1/2021	-	4.200%	-	-	
9/1/2021			-	-	-
3/1/2022	-	4.500%	-	-	
9/1/2022			-	-	-
3/1/2023	-	4.500%	-	-	
9/1/2023			-	-	-
3/1/2024	-	4.625%	-	-	
9/1/2024			-	-	-
3/1/2025	-	4.625%	-	-	
9/1/2025			-	-	-
3/1/2026	-		-	-	
9/1/2026			-	-	-
3/1/2027	-		-	-	
9/1/2027			-	-	-
3/1/2028	-		-	-	
9/1/2028			-	-	-
3/1/2029	-		-	-	
9/1/2029			-	-	-
3/1/2030	-		-	-	
9/1/2030			-	-	-
3/1/2031	-		-	-	
9/1/2031			-	-	-
3/1/2032	-		-	-	
9/1/2032			-	-	-
	<u>\$ 880,000</u>		<u>\$ 145,587</u>	<u>\$ 1,025,587</u>	<u>\$ 1,025,587</u>

These bonds were issued in 2005 for the purpose of constructing a new City Hall.

2006 TAX NOTES

SOUTH PADRE ISLAND

Tax Notes, Series 2006

Debt Service Schedule

Date	Principal	Coupon	Interest	Total Debt Service	Annual Total
3/1/2012	245,000	4.100%	10,352.50	255,352.50	
9/1/2012			5,330.00	5,330.00	260,682.50
3/1/2013	260,000	4.100%	5,330.00	265,330.00	
9/1/2013			-	-	265,330.00
3/1/2014	-		-	-	
9/1/2014			-	-	-
3/1/2015	-		-	-	
9/1/2015			-	-	-
3/1/2016	-		-	-	
9/1/2016			-	-	-
3/1/2017	-		-	-	
9/1/2017			-	-	-
3/1/2018	-		-	-	
9/1/2018			-	-	-
3/1/2019	-		-	-	
9/1/2019			-	-	-
3/1/2020	-		-	-	
9/1/2020			-	-	-
3/1/2021	-		-	-	
9/1/2021			-	-	-
3/1/2022	-		-	-	
9/1/2022			-	-	-
3/1/2023	-		-	-	
9/1/2023			-	-	-
3/1/2024	-		-	-	
9/1/2024			-	-	-
3/1/2025	-		-	-	
9/1/2025			-	-	-
3/1/2026	-		-	-	
9/1/2026			-	-	-
3/1/2027	-		-	-	
9/1/2027			-	-	-
3/1/2028	-		-	-	
9/1/2028			-	-	-
3/1/2029	-		-	-	
9/1/2029			-	-	-
3/1/2030	-		-	-	
9/1/2030			-	-	-
3/1/2031	-		-	-	
9/1/2031			-	-	-
3/1/2032	-		-	-	
9/1/2032			-	-	-
	<u>\$ 505,000</u>		<u>\$ 21,013</u>	<u>\$ 526,013</u>	<u>\$ 526,013</u>

These tax notes were issued as a supplemental financing source for the construction of the new City Hall.

2009 BOND REFUNDING

SOUTH PADRE ISLAND

General Obligation Refunding Bonds, Series 2009

Debt Service Schedule

Date	Principal	Coupon	Interest	Total Debt Service	Annual Total
3/1/2012	420,000	2.890%	6,069.00	426,069.00	
9/1/2012			-	-	426,069.00
3/1/2013	-		-	-	
9/1/2013			-	-	-
3/1/2014	-		-	-	
9/1/2014			-	-	-
3/1/2015	-		-	-	
9/1/2015			-	-	-
3/1/2016	-		-	-	
9/1/2016			-	-	-
3/1/2017	-		-	-	
9/1/2017			-	-	-
3/1/2018	-		-	-	
9/1/2018			-	-	-
3/1/2019	-		-	-	
9/1/2019			-	-	-
3/1/2020	-		-	-	
9/1/2020			-	-	-
3/1/2021	-		-	-	
9/1/2021			-	-	-
3/1/2022	-		-	-	
9/1/2022			-	-	-
3/1/2023	-		-	-	
9/1/2023			-	-	-
3/1/2024	-		-	-	
9/1/2024			-	-	-
3/1/2025	-		-	-	
9/1/2025			-	-	-
3/1/2026	-		-	-	
9/1/2026			-	-	-
3/1/2027	-		-	-	
9/1/2027			-	-	-
3/1/2028	-		-	-	
9/1/2028			-	-	-
3/1/2029	-		-	-	
9/1/2029			-	-	-
3/1/2030	-		-	-	
9/1/2030			-	-	-
3/1/2031	-		-	-	
9/1/2031			-	-	-
3/1/2032	-		-	-	
9/1/2032			-	-	-
	<u>\$ 420,000</u>		<u>\$ 6,069</u>	<u>\$ 426,069</u>	<u>\$ 426,069</u>

These general obligation bonds were the refunding of the initial bonds issued in 1990 for the construction of the Convention Center. When Hurricane Dolly hit the Island in 2008, Hotel Tax revenue that was pledged to pay the debt service was severely diminished. The balance of the 1990 issue was refunded and the annual principal payments were cut in half.

2011 GENERAL OBLIGATION BONDS

SOUTH PADRE ISLAND

General Obligation Bonds, Series 2011

Debt Service Schedule

Date	Principal	Coupon	Interest	Total Debt Service	Annual Total
3/1/2012	-		105,131.25	105,131.25	
9/1/2012			70,087.50	70,087.50	175,218.75
3/1/2013	-		70,087.50	70,087.50	
9/1/2013			70,087.50	70,087.50	140,175.00
3/1/2014	155,000	3.000%	70,087.50	225,087.50	
9/1/2014			67,762.50	67,762.50	292,850.00
3/1/2015	160,000	3.000%	67,762.50	227,762.50	
9/1/2015			65,362.50	65,362.50	293,125.00
3/1/2016	165,000	3.000%	65,362.50	230,362.50	
9/1/2016			62,887.50	62,887.50	293,250.00
3/1/2017	170,000	3.000%	62,887.50	232,887.50	
9/1/2017			60,337.50	60,337.50	293,225.00
3/1/2018	175,000	3.000%	60,337.50	235,337.50	
9/1/2018			57,712.50	57,712.50	293,050.00
3/1/2019	180,000	4.000%	57,712.50	237,712.50	
9/1/2019			54,112.50	54,112.50	291,825.00
3/1/2020	190,000	4.000%	54,112.50	244,112.50	
9/1/2020			50,312.50	50,312.50	294,425.00
3/1/2021	195,000	4.000%	50,312.50	245,312.50	
9/1/2021			46,412.50	46,412.50	291,725.00
3/1/2022	200,000	3.000%	46,412.50	246,412.50	
9/1/2022			43,412.50	43,412.50	289,825.00
3/1/2023	210,000	3.250%	43,412.50	253,412.50	
9/1/2023			40,000.00	40,000.00	293,412.50
3/1/2024	215,000	4.000%	40,000.00	255,000.00	
9/1/2024			35,700.00	35,700.00	290,700.00
3/1/2025	225,000	4.000%	35,700.00	260,700.00	
9/1/2025			31,200.00	31,200.00	291,900.00
3/1/2026	235,000	4.000%	31,200.00	266,200.00	
9/1/2026			26,500.00	26,500.00	292,700.00
3/1/2027	245,000	4.000%	26,500.00	271,500.00	
9/1/2027			21,600.00	21,600.00	293,100.00
3/1/2028	255,000	4.000%	21,600.00	276,600.00	
9/1/2028			16,500.00	16,500.00	293,100.00
3/1/2029	265,000	4.000%	16,500.00	281,500.00	
9/1/2029			11,200.00	11,200.00	292,700.00
3/1/2030	275,000	4.000%	11,200.00	286,200.00	
9/1/2030			5,700.00	5,700.00	291,900.00
3/1/2031	285,000	4.000%	5,700.00	290,700.00	
9/1/2031			-	-	290,700.00
3/1/2032	-		-	-	
9/1/2032			-	-	-
	<u>\$ 3,800,000</u>		<u>\$ 1,778,906</u>	<u>\$ 5,578,906</u>	<u>\$ 5,578,906</u>

This bond issue was for the purposes of constructing a new fire station. The engineering work was completed in fiscal year 2011. Construction began on the fire station in 2011 and was completed December 2012.

2012 GENERAL OBLIGATION BOND REFUNDING

SOUTH PADRE ISLAND
General Obligation Refunding Bonds, Series 2012
Debt Service Schedule

Date	Principal	Coupon	Interest	Total Debt Service	Annual Total
3/1/2012	-				
9/1/2012					
3/1/2013	-		44,479.17	44,479.17	
9/1/2013			43,750.00	43,750.00	88,229.17
3/1/2014	25,000	2.000%	43,750.00	68,750.00	
9/1/2014			43,500.00	43,500.00	112,250.00
3/1/2015	25,000	2.000%	43,500.00	68,500.00	
9/1/2015			43,250.00	43,250.00	111,750.00
3/1/2016	270,000	3.000%	43,250.00	313,250.00	
9/1/2016			39,200.00	39,200.00	352,450.00
3/1/2017	280,000	3.000%	39,200.00	319,200.00	
9/1/2017			35,000.00	35,000.00	354,200.00
3/1/2018	285,000	3.000%	35,000.00	320,000.00	
9/1/2018			30,725.00	30,725.00	350,725.00
3/1/2019	300,000	3.000%	30,725.00	330,725.00	
9/1/2019			26,225.00	26,225.00	356,950.00
3/1/2020	310,000	3.000%	26,225.00	336,225.00	
9/1/2020			21,575.00	21,575.00	357,800.00
3/1/2021	315,000	3.000%	21,575.00	336,575.00	
9/1/2021			16,850.00	16,850.00	353,425.00
3/1/2022	325,000	3.000%	16,850.00	341,850.00	
9/1/2022			11,975.00	11,975.00	353,825.00
3/1/2023	335,000	3.000%	11,975.00	346,975.00	
9/1/2023			6,950.00	6,950.00	353,925.00
3/1/2024	345,000	2.000%	6,950.00	351,950.00	
9/1/2024			3,500.00	3,500.00	355,450.00
3/1/2025	350,000	2.000%	3,500.00	353,500.00	
9/1/2025			-	-	353,500.00
3/1/2026	-		-	-	
9/1/2026			-	-	-
3/1/2027	-		-	-	
9/1/2027			-	-	-
3/1/2028	-		-	-	
9/1/2028			-	-	-
3/1/2029	-		-	-	
9/1/2029			-	-	-
3/1/2030	-		-	-	
9/1/2030			-	-	-
3/1/2031	-		-	-	
9/1/2031			-	-	-
3/1/2032	-		-	-	
9/1/2032			-	-	-
	<u>\$ 3,165,000</u>		<u>\$ 689,479</u>	<u>\$ 3,854,479</u>	<u>\$ 3,854,479</u>

This bond issue was used for refunding the 2005 General Obligation Bond Series. The purpose for the refunding was to capitalize on the lower interest rates. The 2005 Bonds were at 4.625% , the 2012 refunding interest rate is 3%. This resulted in a net present value savings of \$201,900.

CAPITAL IMPROVEMENT PLAN

CAPITAL ASSETS

The Fixed Assets Policy of the City of South Padre Island defines a capital asset as a piece of equipment, or investment in general infrastructure, that has a value in excess of \$5,000.00 and has an expected useful life of greater than one year. The Governmental Accounting Standards Board (“GASB”) has issued Statement 34, dictating the requirements for the reporting of such assets. The annual value of such assets is reported in the Comprehensive Annual Financial Report.

ASSET CLASSES

LAND AND LAND IMPROVEMENTS

Land and land improvements, including easements and rights of way, are assigned an indefinite useful life. No depreciation is applied to land and land improvements.

BUILDINGS

This includes all buildings and building-related structures. Construction-in-progress is considered as a separate type of construction and is tracked as a separate asset until the time of completion, at which point the value is reclassified as either a new building or related structure, or added to the value of the construction renovated.

Buildings

39 years

IMPROVEMENTS OTHER THAN BUILDINGS

These improvements are permanent and non-moveable. They add value to land but have a limited useful life.

Fences	15 years
Retaining walls	15 years
Parking lots	15 years
Landscaping	15 years

FURNITURE & FIXTURES, MACHINERY & EQUIPMENT, VEHICLES, RADIO EQUIPMENT, SOFTWARE:

Machinery and equipment typically comprises the largest number of assets, but comprises the smallest overall value in relation to other classes. Machinery and equipment are given consideration within the following sub classes, with related useful life:

Machinery & Tools	7 years
Furniture & Accessories	7 years
Communications Equipment	7 years
Computer Equipment	5 years
Computer Software	3 years
Audiovisual Equipment	7 years
Grounds Maintenance Equipment	7 years
Police Vehicles	5 years
Fire Protection Vehicles	7 years
Other Licensed Vehicles	5 years

INFRASTRUCTURE

Investment in systems that provide a critical service to a municipality when considered as a system, but not a distinct separate asset, is recorded as infrastructure. By its nature, infrastructure is difficult to define as a separate system, and is difficult to define useful life on a broad basis. The Governmental Accounting Standards Board has recommended, and the City of South Padre Island has adopted, reporting of infrastructure using the following subclasses and relative useful life for the subclasses:

Streets/alleys – subsurface	0 years
Streets/alleys - asphalt	15 years
Traffic control signals	10 years
Sidewalks and curbing	15 years
Street Lighting	15 years

SUMMARY CAPITAL EXPENDITURES – 2012/13 BUDGET

<u>Description</u>	<u>Funding Source</u>	<u>Amount</u>
Street Repair & Maintenance	Street Improvement Fund	\$ 200,000
Motor Vehicles – Fire Truck	General Fund	\$ 15,163
Lease Payment		
Motor Vehicles - Fire Truck	General Fund	\$ 106,439
Lease Payment		
Motor Vehicles - Police	General Fund	\$ 6,400
Vehicle Lease Payment		
Motor Vehicles - Fire –	General Fund	\$ 25,701
Ambulance		
Mule – Police	General Fund	\$ 10,000
Mule – Code Enforcement	General Fund	\$ 10,000
Fleet Replacement Lease	General Fund	\$ 60,000
Fleet Replacement Lease	Convention Center	\$ 3,500
Fleet Replacement Lease	Beach Maintenance	\$ 22,000
Rake for Beach Cleanup	Beach Maintenance	\$ 10,000
Roc Bucket for Tractor	Beach Maintenance	\$ 10,000
Motor Vehicles - Buses for	Transportation Fund - State &	\$ 119,547
Public Transportation	Federal Grants	
Total		\$ 598,750

NONROUTINE CAPITAL EXPENDITURES

PROJECT CRITERIA

The evaluation of proposed capital projects is in accordance with the following criteria:

- A. **Public Health and Safety** – Project improving the public health and safety of the community will be rated with highest priority. Projects must demonstrate the benefit provided to the community and possible risks from not completing the project. Compliance with state and federal mandates fall under this category.
- B. **Promote Tourism** – Projects enhancing and promoting tourism including but not limited to beach re-nourishment project and the economic support of the convention and hotel industry.
- C. **Recreation and Aesthetics** – Projects promoting recreational and aesthetic improvements opportunities for the City of South Padre Island citizens are considered priority.
- D. **Funding** – Funding availability considerations are included when ranking projects. Grants and funding partnerships are considered first followed by operating revenues, fund balance, and debt.

Fund balance may only be used to fund capital projects if the use of reserves will delay or eliminate a proposed bond issue and sufficient fund balance exists to provide necessary contingency reserves.

Debt may be issued to fund non-continuous capital projects benefitting future citizens only after alternative funding sources are explored.

- E. **Economic Development** – Projects promoting desirable economic development within the City shall be rated highly.
- F. **Service and Operational Impact** – The service category prioritizes projects including promotion of improved service delivery or reduction of increase maintenance costs including rehabilitating aging infrastructure. A cost-benefit analysis shall be done to weigh the impact of project rehabilitation to determine if the project will reduce future ongoing maintenance costs. Performance data will also be analyzed when considering projects related to improved service delivery. Future operation and maintenance expenses will be considered as part of this analysis.
- G. **Strategic Alignment** – Projects will be evaluated to determine alignment with strategic priorities identified by the City Council and with strategic planning documents such as the Comprehensive Plan.
- H. **Sustainability** – Projects designed with consideration of environmental impact and creation of the smallest possible ecological footprint and producing lowers quantity of pollution possible. In an effort to make the City of South Padre Island more sustainable, projects considered environmentally conscious and promote “sustainability thinking” will be awarded additional points through the sustainability criteria.

GENERAL SUMMARY

On November 3, 2009, the voters approved a home rule charter for South Padre Island. Section 5.09 of the charter requires that the City Manager annually prepare and submit to the City Council a five year capital program (Capital Improvement Plan).

Section 5.09 further requires that the capital program (Capital Improvement Plan) include:

1. A clear general summary of its contents.
2. Identification of the long-term goals of the community as stated in the City's Comprehensive Plan.
3. A list of all capital improvements and other capital expenditures which are proposed to be undertaken during the fiscal years next ensuing, with appropriate supporting information as to the necessity for each.
4. Cost estimates and recommended time schedules for each improvement or other capital expenditure.
5. Method of financing upon which each capital expenditure is to be reliant.
6. The estimated annual cost of operating and maintaining the facilities to be constructed or acquired.
7. A commentary on how the plan addresses the sustainability of the community and the region of which it is a part.
8. Methods to measure outcomes and performance of the capital plan related to the long-term goals of the community.

The Capital Improvement Plan must be submitted no later than the time of submission of the operating budget for the ensuing fiscal year which is on or before sixty days prior to the beginning of each fiscal year (Home Rule Charter - Section 5.02)

Home Rule Charter - Section 5.10 requires that the City Council provide for a public hearing on the Capital Improvement Plan and shall give notice by publishing the general summary of the capital program and a notice stating:

1. The times and places where copies of the capital program are available for inspection by the public.

2. The time and place, not less than two weeks after such publication, for a public hearing on the capital program (Capital Improvement Plan).

The City Council by resolution shall adopt the capital program with or without amendment after the public hearing and at the same time it adopts the ensuing fiscal year budget.

CIP POLICIES AND PROCEDURES

CIP INTRODUCTION

The City of South Padre Island Capital Improvements Plan (CIP) is a valuable part of the community planning process. The CIP links local infrastructure investments with comprehensive plan goals, land use ordinances and economic development efforts. The CIP bridges the gap between planning and spending, between the visions of the comprehensive plan and the fiscal realities of improving and expanding community facilities. The purpose of the Capital Improvement Plan (CIP) policy is to create a fair and consistent process outlining procedures for proposing, evaluating, and adopting capital projects creating long-term benefits.

GOALS

Preserving public health, safety and welfare

Providing the basic services that ensure citizen health and safety is the fundamental responsibility of local government. Programs of regular facility maintenance upgrades and expansion of government services to meet minimum federal, state and local standards are essential to any community. The cumulative effect of deferring major maintenance expenditures and basic improvement of essential services is often an expensive series of stopgap measures that fail to address comprehensive, long-term needs.

Anticipating the demands of growth

When related to the comprehensive plan, the capital improvements programming process works to anticipate investments in community facilities which are needed to serve or shape the pattern of growth and development.

Supporting economic development

Communities having sound fiscal health and high quality facilities and services are attractive to business and potential residents. New corporate investment and reinvestment in a community may be influenced by improvements that enhance the quality of life for the company management and their labor force. Private decisions that bring jobs to an area and new taxes to a

community are based not only on availability of water and sewer, but also upon the quality of schools, public safety, recreation opportunities and many other services.

Developing a fair distribution of capital costs

The CIP process allows for public discussion of the preferred means of distributing capital costs not only over time, but also among users of the facilities to be financed. Some communities prefer to pay for capital costs out of current revenues and absorb a high but single year tax increase. Other communities prefer to establish annual appropriations to capital reserve accounts to save for future projects. Still others feel that construction should take place as needed, and be funded by debt, returned by both existing and future users of the facility. In some cases, user fees may be deemed more appropriate than property taxes. Federal or state funds may also be available to help finance specific projects. The CIP process can promote discussion of fairness in fiscal policy.

Avoiding undue tax increases

Capital improvements planning is a means of avoiding the unpleasant surprise of expensive projects generating large property tax increases. While cost impacts cannot always be precisely determined in advance, the CIP fosters discussion of the distribution of the tax burden of new capital expenditures over time. A corollary benefit of fiscal stability and sound community facility planning can result in an improved bond rating.

DEFINITION

The CIP is a five-year planning document adopted annually by the City Council to plan for capital improvements related the City's beach re-nourishment efforts, streets and drainage, parks and recreational amenities, and facilities infrastructure. The Capital Improvement Plan is not to be confused with the Capital Improvement Budget. The Capital Improvement Budget is prepared each year in conjunction with the annual Operating Budget. It generally includes only those projects from the first year of the Capital Improvement Plan funded during the current year.

A capital project is defined as having a minimum cost of \$25,000 resulting in

1. Creation of a new fixed asset.
2. Enhancement to an existing fixed asset.

Typically the life expectancy of a capital project is 20 years. Examples include construction or expansion of public buildings, the acquisition of land for public use, planning, and engineering costs and street construction.

CIP DEVELOPMENT PROCESS

The Assistant City Manager is responsible for coordinating the CIP process each year. Each Department Head will submit projects in a form and timeframe annually established by the

Assistant City Manager. The City Council appointed a Capital Improvements Advisory Committee to prioritize and rank projects according to the criteria listed in Project Criteria Section. Citizens may submit capital projects for consideration electronically using the CIP form available on the City's website: www.myspi.org. Forms will also be available in a written format in the lobby of City Hall at 4601 Padre Boulevard. Members of the public should forward all materials concerning their submission to the Assistant City Manager to be incorporated into the CIP process.

Departments will include as part of their project proposal:

1. A **Project Description** providing an overview and justification of the project. Requests should be made and include estimated linear feet, square feet, or other applicable measurements.
2. In the **Comprehensive Plan Section**, each project submission must illustrate compliance with the Comprehensive Plan by linking the project to a specific goal and/or objective.
3. Under **Fiscal**, possible funding options must be identified including:
 - a. Operating Revenues
 - b. Reserves and/or Debt
 - c. Grants
 - d. Partnerships with Other Organizations
 - e. Dedicated Fees

Expense estimates must be identified in the section for design, site acquisition, construction, and estimated annual maintenance and operating cost impact based on the current estimated cost and values. To help manage cash flows, the financial plan must be complete to ascertain the impact on multiple fiscal years.

4. Proposed **Schedule** for design, bid, and construction.
5. Estimated **Operating Costs** – The estimated annual cost of operating and maintaining the capital asset.
6. **Sustainability** – Defines how the capital project contributes to the sustainability goals of the City.
7. Identification of **Project Leader**.
8. Complete **Notes** as necessary to explain unique situations and circumstances pertaining to the project.

Additional information may be requested of the project applicant by the Assistant City Manager and/or the members of the CIP Advisory Committee.

PROJECT CRITERIA

The evaluation of proposed capital projects will be in accordance with the following criteria. Attachment A provides criteria scorecard used in evaluation process.

- I. **Public Health and Safety** – Project improving the public health and safety of the community will be rated with highest priority. Projects must demonstrate the benefit provided to the community and possible risks from not completing the project. Compliance with state and federal mandates fall under this category.

- J. **Promote Tourism** – Projects enhancing and promoting tourism including but not limited to beach re-nourishment project and the economic support of the convention and hotel industry.

- K. **Recreation and Aesthetics** – Projects promoting recreational and aesthetic improvements opportunities for the City of South Padre Island citizens are considered priority.

- L. **Funding** – Funding availability considerations are included when ranking projects. Grants and funding partnerships are considered first followed by operating revenues, fund balance, and debt.

Fund balance may only be used to fund capital projects if the use of reserves will delay or eliminate a proposed bond issue and sufficient fund balance exists to provide necessary contingency reserves.

Debt may be issued to fund non-continuous capital projects benefitting future citizens only after alternative funding sources are explored.

- M. **Economic Development** – Projects promoting desirable economic development within the City shall be rated highly.

- N. **Service and Operational Impact** – The service category prioritizes projects including promotion of improved service delivery or reduction of increase maintenance costs including rehabilitating aging infrastructure. A cost-benefit analysis shall be done to weigh the impact of project rehabilitation to determine if the project will reduce future ongoing maintenance costs. Performance data will also be analyzed when considering

projects related to improved service delivery. Future operation and maintenance expenses will be considered as part of this analysis.

- O. **Strategic Alignment** – Projects will be evaluated to determine alignment with strategic priorities identified by the City Council and with strategic planning documents such as the Comprehensive Plan.
- P. **Sustainability** – Projects designed with consideration of environmental impact and creation of the smallest possible ecological footprint and producing lowers quantity of pollution possible. In an effort to make the City of South Padre Island more sustainable, projects considered environmentally conscious and promote “sustainability thinking” will be awarded additional points through the sustainability criteria.

CIP AMENDMENT

Amendments to the CIP effecting the current fiscal year must be recommended by the City Manger and approved by the City Council through a budget amendment. Amendments will be considered according to project scoring criteria as previously identified. Higher priority will be given to projects necessary for the public health and safety, desirable economic development, and funding availability.

Calendar

May 7, 2012	Capital Improvement Plan forms and instructions posted on the City's website and distributed to city departments and public.
June 6, 2012	Project request forms due from city staff and public.
June 22, 2012	Preliminary list of projects, scoring criteria, and score sheets distributed to CIP Advisory Committee.
July 2-10, 2012	CIP Advisory Committee meetings to review projects and develop consensus scores.
July 11, 2012	CIP Advisory Committee Consensus Project Score Sheet finalized.
August 1, 2012	Publish the general summary of the CIP and note the time and places where copies of the CIP are available for inspection.
August 22, 2012	Not less than two weeks after publication, schedule and hold a public meeting on the CIP.
September 5, 2012	The City Council shall by resolution adopt the CIP with or without amendment after the public hearing and at the same time adopting the ensuing fiscal year budget.

Community Center

Project Description

Currently the City of South Padre Island leases space to provide its citizens and visitors alike with recreational space. While participants tend to be mature adults, all ages are welcomed. While the City of South Padre Island continues to grow and its popularity for retirees to live during winter months continues to thrive, the demand for this facility and its programmatic development is also increasing.

At the Community Center, bridge currently occupies a position of great entertainment and it is more comprehensively organized than any other card game. To players, bridge has many varieties and certain forms of the game and styles of play can be more appealing to different individuals...make that partners or pairs.

This Center also acts as a hub to bring people together from various backgrounds who share a common interest in learning and helps meet the desire for intellectual stimulation. Through the lecture series, the Community Center encourages a deeply-held belief in, and practice of, education as a lifelong enterprise which invigorates the mind and enriches life.

The Community Center acts as a meeting place for people, who share an interest in current events, hear different views and gain perspective on events that shape our world and our City. The Center serves as a reading room and a satellite office of the Port Isabel Library. Advocacy is encouraged and many participants from the Community Center provide a volunteer base to support City activities.

The City is in desperate need of a new or renovated facility to provide the basic necessities such as a kitchen, office space and storage together with multi-purpose space.

Issues for consideration:

1. Multi-purpose – general meeting space
2. Needs commercial kitchen space
3. Rental fee
4. Training Equipment
5. Multi-purpose rooms
6. Fitness programs
7. Audio visual
8. Parking
9. In this particular setting we would be competing against the private sector
10. Needs to be defined by the community
11. Run by the City – Parks and Recreation
12. Should it be available to non-residents with a two-tier rental fees

Comprehensive Plan

5.57 Develop a community center with indoor and outdoor facilities, which could facilitate recreation.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
Unencumbered Reserves Amount	\$ 0
Debt Issuance	\$ 225,000
TPWD Indoor Recreation Grant	\$ 225,000
TOTAL FUNDS	
	\$ 550,000
<u>ESTIMATED COSTS</u>	
Design	\$ 50,000
Construction	<u>\$ 500,000</u>
TOTAL COSTS	
	\$ 550,000

OPERATIONAL IMPACTS	
Personnel	\$ 50,000
Supplies & Materials	\$ 18,100
Repairs and Maintenance	\$29,000
Capital and Other	<u>\$ 29,000</u>
TOTAL IMPACTS	
	\$126,100

Project Leader

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Convention Centre Improvements/expansion

Project Description

The current South Padre Island Convention Centre's 45,000 square feet of meeting space include 22,500 square feet of exhibit hall space, an auditorium with a capacity of 250 (2,633 square feet) and 9,000 square feet of meeting rooms in various sizes and parking for 500 cars. This facility opened in 1992 and is located on the North end of South Padre Island which is inconvenient to area hotels and the entertainment district.

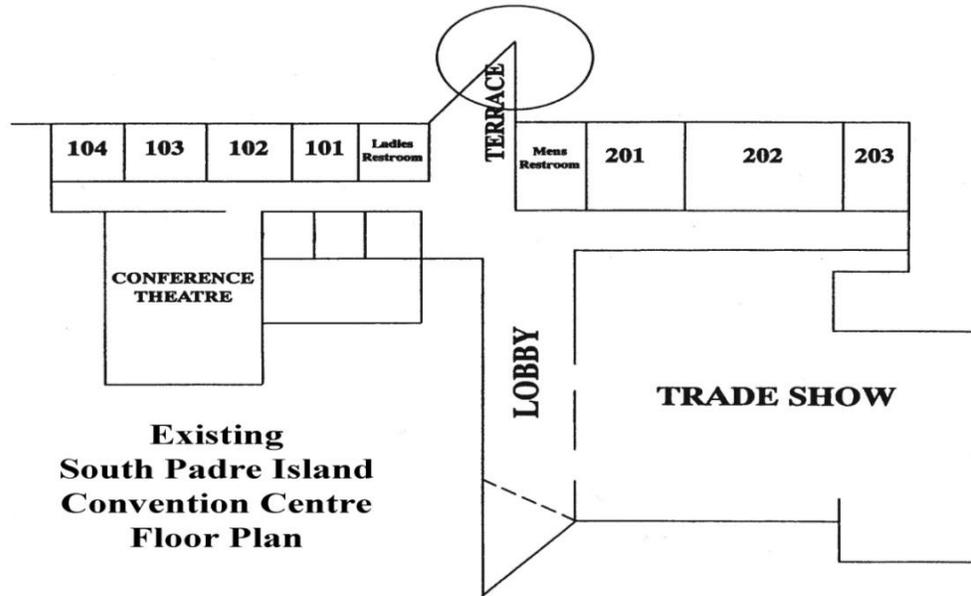
Land on which the current Convention Centre rests is owned by Cameron County. The lease that began in 1988 is for fifty (50) years and involves an annual lease payment based on a percentage of sales.

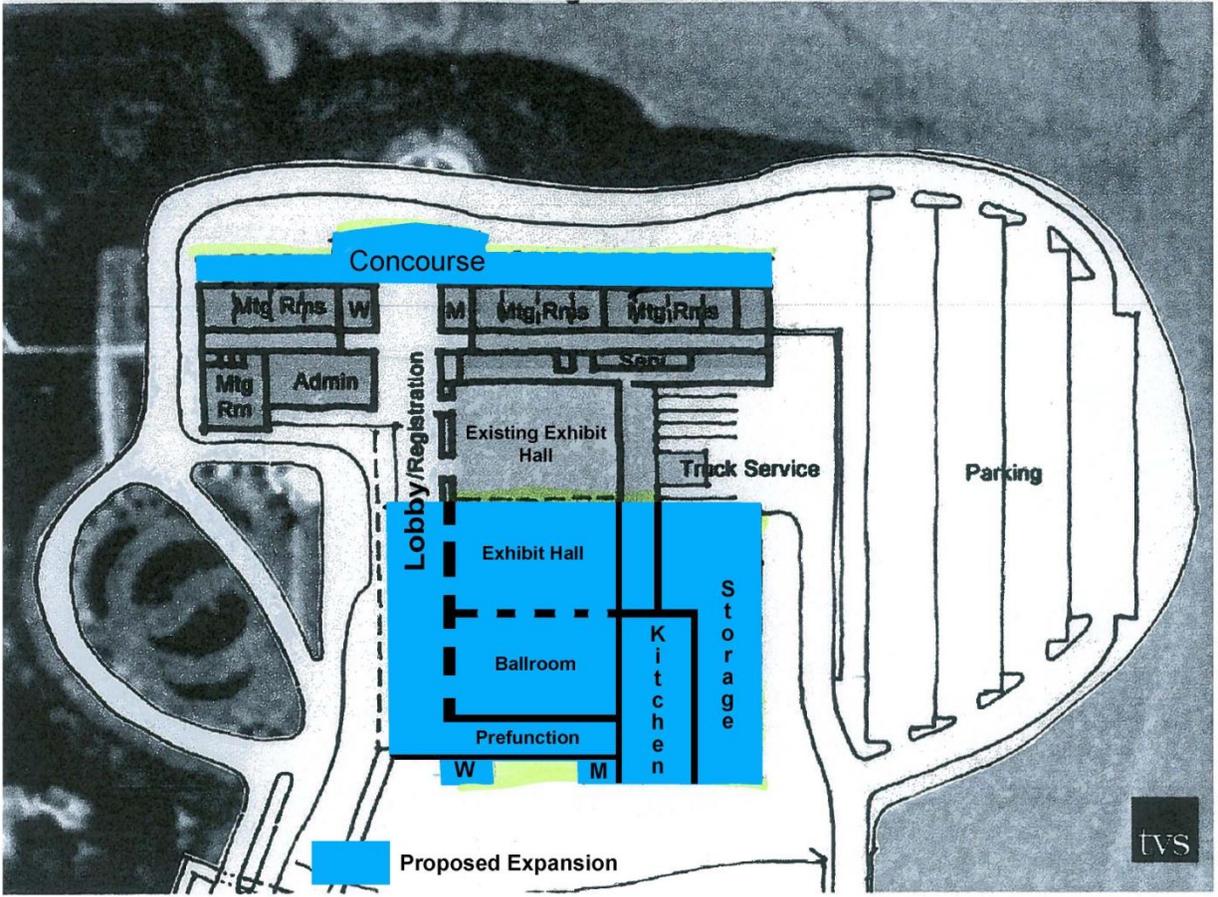
The South Padre Island Convention and Visitors Bureau (SPICVB) engaged C. H. Johnson Consulting Inc. in 2005 to conduct an evaluation of the South Padre Island Convention Centre (Convention Centre) as well as the state of the overall convention product.

The Convention Centre, while appropriate perhaps when built, has become outmoded and lacks certain amenities and components necessary to remain competitive in the convention marketplace and the decline in the convention activity on the Island is not believed due exclusively to the recession. The Johnson Study indicates that groups have either outgrown SPICVB or the facility has not kept pace with desired amenities such as the ability to offer a full-service hotel in the package.

The Convention Centre building is missing certain components which must be improved. The expansion of the exhibit hall is necessary to attract a larger share of the market and 30,000 square feet is considered the minimum exhibit hall size in the industry today. More pressing, however, is the lack of a ballroom which inhibits the building's ability to attract events. An addition of a 12,000-square foot ballroom adjacent to the exhibit hall designed to meet the needs of civic,

entertainment and sports users would be a key component together with an additional 5,000 square feet of meeting rooms to bring the building up to an acceptable industry standard.





Amphitheater

Project Description

North of the existing Contention Centre (west side of Padre Boulevard) is an area locally known as “the flats.” This area comprises approximately 72 acres and is used for bay access by kite boarders, windsurfers, kayakers, jet-skiers and other similar personal watercraft users. The Convention and Visitor’s Authority Board in the past has expressed a desire to create an amphitheater in this area for concert venues, local drama presentations (Shakespeare in the Sand), and various outdoor community events. By combining this new venue with the existing Convention Centre, venues requiring indoor and outdoor areas can be accommodated. Estimates from the 2005 C. H. Johnson Consulting study indicated that with the development of this amphitheater, there would be 2,000 seats available in a covered, but open-air setting and another 5,000 more out on the sand in the amphitheater setting.



The “Flats”

Comprehensive Plan

7.13 – Continue to work to bring people to the Island during the “off-seasons” with festivals and events such as water sport activities, a Christmas Mercado, music festivals, etc.

7.18 – Support ordinances, events and policies that enhance the Island’s economic development potential.

Fiscal

INCOME AND COST ANALYSIS	
FUNDING SOURCES	
HOT Funding	\$XXXXXXXX
Debt Issuance	\$XXXXXXXX
TOTAL FUNDS	\$ XXXX
ESTIMATED COSTS	
Land Acquisition	\$XXXXXXX
Design	\$XXXXXXX
Construction (Convention Centre)	\$60,000,000
Amphitheater	\$ 9,000,000
TOTAL COSTS	\$ XXXX

OPERATIONAL IMPACTS	
Personnel	\$ 50,000
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 0
Capital and Other	\$ <u>0</u>
TOTAL IMPACTS	\$ 50,000

Project Leader

LACEY EKBERG

Director

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Welcome Center

Project Description

The Welcome Center is a symbolic “welcome mat” for our guest and is a vital element in enhancing the first impression of the Island. A “one stop shopping experience” is necessary in the Welcome Center and provides information on the City’s attractions, lodging, transportation, restaurants, maps, etc. This central hub educates consumers on what the Island has to offer. Not only for information dissemination, the Welcome Center must be attractive and visible, enticing people to stop by. A relaxing and comfortable atmosphere may include but are not limited to clean restrooms and a small play area for children, all critical for individuals needing a respite from traveling. Adequate signage and easy ingress and regress as a picturesque focal point for people descending from the causeway.

Comprehensive Plan

- 7 E. Support an environment that is friendly to residents and businesses.
- 7.5 (f) Establish a local volunteer program through which local business professionals and / or retired entrepreneurs can assist with the Island’s marketing efforts.
- 7.6 Establish the Island as a premier destination for entertainment, culture, and fine dining. To do so, the Island will need to offset and / or leverage our location disadvantage (so far away) by providing unique and high quality products and / or entertainment venues.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
Chamber of Commerce Participation	\$ 50,000
Debt Issuance	\$ 950,000
TOTAL FUNDS	\$ 1,000,000 (5,000 sf @ \$200)
<u>ESTIMATED COSTS</u>	
Construction	\$1,000,000
TOTAL COSTS	\$ 1,000,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 0
Capital and Other	<u>\$ 0</u>

Project Leader

Lacey Ekberg
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Streets

Project Description

The City's street system consists of approximately 47 lane miles of streets, all improved. With proper maintenance and renewal, streets along South Padre Island's arterials are designed to last 20 years. Neighborhood streets should last 40 years when adequately maintained. Rather than waiting for streets to deteriorate, City crews are extending existing funds by inspecting all streets every two to four years and targeting the right treatment at the right time on the right streets. Preventative maintenance, like crack sealing and various forms of surface treatment, are used to slow the deterioration of streets.



Street Repair

The City's Street Paving & Repair program maintains all curbed and non-curbed hard surface streets within the City limits. To maintain streets, the City:

- Identifies and prioritizes street repair projects
- Plans street repair or repaving each year, budget permitting
- Uses cost-effective maintenance techniques
- Schedules repair work to accommodate construction projects planned by utility companies and other City projects
- Notifies property owners in advance of road crews
- Barricades streets 24 and 48 hours before work begins

Street renovation projects include repaving, improving sidewalks through the City to promote more pedestrian usage, inclusion of curb and gutter, and widening to thirty-two feet from back-of-curb to back-of-curb ("back to back").

Specifically, this CIP includes the improvement of all side streets as previously described, the addition of curb and gutter to the west side of Laguna Boulevard and the west side of Gulf Boulevard.

Comprehensive Plan

4.Q. Plan in advance for an efficient street network

4.P. Ensure suitable street infrastructure commensurate with traffic demands and volumes

4.S. Enhance street right-of-way appearance and contribution to City character

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
Debt Issuance	
Maintenance Projects	
TOTAL FUNDS	\$ XXXX
<u>ESTIMATED COSTS</u>	
Pave East-West streets 32' wide with curb and gutter, add curb and gutter to west sides of Laguna and Gulf Boulevards (engineering and contingencies included)	\$12,047,000
TOTAL COSTS	\$ 12,047,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 0
Capital and Other	\$ <u>0</u>
TOTAL IMPACTS	\$ 0

Financial Plan

Prior Years	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	Future Years	TOTAL
	\$264,372		\$562,409.61	\$2,000,000	\$2,000,000	\$6,200,000	\$14,200,000
	(not incl in total)						

Schedule

PHASE	TOTAL TIME	START	COMPLETION
Phase 1 (10 streets)	9 months	October 2012	June 2013
Phase 2 (10 streets)	9 months	October 2013	June 2014
Phase 3 (10 streets)	9 months	October 2014	June 2015

Project Leader

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Drainage

Project Description

An adequate storm water drainage system for the City includes infrastructure in place reaching a point of full clearance in six (6) hours or less. Often drainage is under the radar as a capital expenditure until a storm (such as Hurricane Dolly in July 2008) illustrates the importance of adequate drainage.

During rain events, water washes over roofs, streets, driveways, sidewalks, parking lots and land surfaces. Along the way a variety of pollutants, such as oil, pesticides, metals, chemicals, and soil pollute the water discharged into the Laguna Madre Bay. These pollutants endanger water quality of waterways, making them unhealthy for people, fish, and wildlife.

According to the National Weather Service (Brownsville Office), the City of South Padre Island receives on average 29.5 inches of precipitation annually. This creates millions of gallons of storm water runoff per year. The volume and speed of the runoff in some instances cause flooding and erosion, destroys natural habitat, and contributes to combined sewer overflows. Each drainage system across the Island helps storm water drain into the Laguna Madre Bay.

Current drainage requirements by the Texas General Land Office do not allow for drainage into the Gulf of Mexico. All drainage must be east to west and the current system requires a wash

over Padre Boulevard. Storm drains, ditches, and culverts all are prone to blockage of which trash and sand build-ups are the prime culprits. The City of South Padre Island has an interlocal agreement with Laguna Madre Water District to clean out storm water inlets periodically.

Comprehensive Plan

6.K. Employ best management practices (Drainage)

6.L. Improve storm water management systems.

6.21. Evaluate and amend as needed the requirements for on-site detention/retention

6.22. Prepare a storm water management plan to quantify existing and projected demands, capacity deficiencies, and needed capital improvements.

6.24. Prepare a drainage master plan to prioritize improvements, particularly for Gulf and Laguna Boulevards and each of the east-west streets.

6.25. Amend the development ordinances to:

6.25a. Require the use of best management practices in collecting, storing, and conveying storm water.

6.25b. Accomplish improved water quality. (clustering, community storm water system, water gardens, rain barrels, swales; or retention/detention)

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
Debt Issuance	\$5,000,000
TOTAL FUNDS	\$5,000,000
<u>ESTIMATED COSTS</u>	
Correction of “reverse flow” drainage piping and inlets, installation of new drainage systems for those areas lacking	\$5,000,000
TOTAL COSTS	\$ 5,000,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 15,000 (LMWD Interlocal for Storm Drain Cleaning)
Capital and Other	\$ <u>0</u>
TOTAL IMPACTS	\$ 15,000

Financial Plan

Prior Years	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	Future Years	TOTAL
		\$500,000	\$500,000	\$500,000	\$500,000	\$3,000,000	\$5,000,000

Schedule

PHASE	TOTAL TIME	START	COMPLETION
Phase 1	12 months	October 2012	September 2013
Phase 2	12 months	October 2013	September 2014

Project Leader

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Public Works Department

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Parking Structure

Project Description

Creation of a multi-modal facility serving the basic function of parking vehicles as well as designed to incorporate multi-use features including residential and/or commercial development. With a local preference in the entertainment district, the structure would facilitate visitors and/or residents transition to and from their vehicle. Users of the facility need access to the beach benefitting local business and increase use of public transportation. The facility could also be a transportation hub for the City's free transportation system – The WAVE. Design includes environmental features in the City's direction to be good stewards of the environment and perhaps electricity generation from distributed renewable sources only.



Example of Parking Structure

Comprehensive Plan

4.41. The City needs to develop and implement a comprehensive parking program.

7.7c. Construct a City-owned or privately managed parking garage when needed.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
Public/Private Partnership	\$
Debt Issuance	\$
TOTAL FUNDS	\$
<u>ESTIMATED COSTS</u>	
Per space - \$10,900 x 500 spaces	\$5,450,000
TOTAL COSTS	\$ 5,450,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 5,000 annually
Capital and Other	<u>\$ 0</u>
TOTAL IMPACTS	\$ 5,000 annually

Project Leader

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Sidewalks

Parking has always been a problem during peak seasons on South Padre Island. The City maintains the free public transportation system, The Wave, 365 days per year. Encouraging people to use alternative transportation methods can help alleviate challenges experienced with parking. Having an adequate system of sidewalks can encourage people to walk to particular destinations.

Project Description

Several City projects such as Padre and Gulf Boulevards have components addressing pedestrian pathways. Under consideration would be to create a pedestrian mobility plan taking a comprehensive look at the entire pedestrian system throughout the Island. Such a pedestrian system will enhance the safety of users and compliment the natural beauty. The plan evaluates the connection of focal points throughout the Island. An evaluation of materials and features should be considered such as brick pavers being used at intersection crosswalks. Of equal importance is the contribution in encouraging healthy lifestyles for residents and visitors.

Comprehensive Plan

4.F. Provide a safe & attractive environment for walking

4.G. Encourage transportation forms other than the automobile

4.H. Develop walking and biking paths that are coordinated with existing businesses, residences, street infrastructure, and transit opportunities and that contribute to the character and identity of the Island and the individual corridors on which the paths are located.

4.9 Develop a capital sidewalk improvement plan. Priority: Padre Blvd; Gulf Blvd; east/west connectors with median access; followed by Laguna Blvd and then rest of side streets.

4.12. Clearly delineate sidewalks, trails and bike lanes.

4.14 Require sidewalks crossing driveway entrances to comply with accessibility standards – AND – require that the sidewalk is constructed with a unique surface and/or color to alert motorists to the crossing and to serve as a design feature.

4.37. Where there are beach accesses, a sidewalk needs to be installed on at least one of the side streets north or south of the beach access and should connect to Padre Blvd & Laguna Blvd to the bay.

4.38 Construct sidewalks on one side of each of the local streets between Padre & Laguna Blvds.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
General Fund	\$
Debt Issuance	\$
TOTAL FUNDS	\$
<u>ESTIMATED COSTS</u>	
Construction of 6' sidewalk on one side of the east/west local streets	\$ 2,153,000
TOTAL COSTS	\$ 2,153,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 5,000 annually
Capital and Other	\$ <u>0</u>
TOTAL IMPACTS	\$ 5,000 annually

Financial Plan

Prior Year	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	Future Years	TOTAL
	Include	\$2,000,00	\$2,00,00	\$2,000,00	\$2,000,00	\$8,092,20	\$16,092,20
	d in paving	0	0	0	0	0	0

Schedule

PHASE	TOTAL TIME	START	COMPLETION

Project Leader

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Padre Blvd Enhancement

Project Description

The geographical area of South Padre Island is approximately four miles long and one-half mile wide and Padre Boulevard is the major thoroughfare for travel north and south. The City of South Padre Island completed a Parking and Transportation Study in April of 2007 that identified the necessary improvements that should be implemented to enhance the safety of both vehicular and pedestrian flow.

The vision for South Padre Boulevard is to provide for the safe and efficient movement of people while maintaining a distinctive “South Padre Style” which reflects the ambiance and unique character of this seaside community. This project will reduce traffic congestion during special events and peak periods by improving access to the public transportation system and the use of pedestrian pathways.

To complement the findings of the Parking and Transportation Study, the City Council for the City of South Padre Island has established the Padre Boulevard Revitalization Implementation Committee to achieve the goals of the Comprehensive Plan by developing a specific implementation plan to rejuvenate Padre Boulevard to entice visitors and encourage residents to travel along an attractive and pedestrian friendly Padre Boulevard in an effort to support local businesses and enhance safety. The City Council has appointed eight citizens to serve on this committee to guide the overall design and redevelopment efforts.

Sidewalks – Reconstruction of the sidewalks on both the east and west sides of Padre Boulevard with a minimum width of eight feet to comply with accessibility standards. All crosswalks must be clearly delineated and, given the Island’s environment, thermal plastic striping or other durable and reflective materials would need to be utilized. Reconstruction of existing asphalt pathways on both sides would also be necessary as well as adding new sidewalk to areas currently without any walkways. This component of the project would create three miles of 8 foot wide concrete sidewalk that would serve as the backbone of the pedestrian system beginning at the Causeway traveling north to “The Shores” development. Additional right-of-way acquisition may be necessary to complete this section of the project and designated bike lanes will be established on both sides of the Boulevard.

Signage – Create an initial “system orientation” sign to be placed at the entry point to the Island near the causeway. Establishment of an integrated way-finding system should be implemented to guide visitors to the beach access areas, using Padre Boulevard as the primary route in order to introduce arriving visitors to retail opportunities along the road. Add “turn” signs to identifying routes to the numbered beach access points.

Comprehensive Plan

3.6 Develop and implement a “Main Street” enhancement program for Padre Boulevard.

3.7 Enhance the standards and appearance of public rights-of-way and properties.

4.6 Coordinate with TXDOT to request funding for the reconstruction/replacement of the sidewalks and landscaping on Padre Boulevard.

4.9 Develop a capital sidewalk improvement plan. Priority: Padre Blvd; Gulf and E/W connectors with median access; followed by Laguna Blvd and then rest of the side streets.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
Local Funds	\$ 3,418,100
TxDOT Enhancement Grant	\$ not funded
Local Enhancement Match	\$ not required
TOTAL FUNDS	\$ 3,418,100
<u>ESTIMATED COSTS</u>	
Engineering	\$ 1,600,000
Sidewalks	\$ 1,800,000
Benches	\$ 8,000
Signage	\$ 6,000
Bike Racks	\$ 4,100
TOTAL COSTS	\$ 3,418,100 (does not include utility undergrounding)
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 29,000
Capital and Other	\$ 0
TOTAL IMPACTS	\$ 29,000

Project Leader

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Padre Boulevard Median Expansion

Project Description

In 2007, the City partnered with the Texas Department of Transportation to install raised medians on Padre Boulevard from the 800 Block north to Kingfish Street. These medians include landscaping, irrigation systems, electrical for street lighting and brick pavers for sidewalks. The City is proposing the expansion of these medians to the north city limits, a distance of approximately 17,600 linear feet in two phases. Phase I includes medians from Kingfish, where they currently end, north to Morningside Drive, a distance of 7,500 feet. Phase II includes from Morningside Drive to the north city limits, a distance of 10,100 feet. Medians provide numerous benefits including a respite for pedestrians attempting to cross Padre Boulevard, they provide a “break” in the asphalt to allow for landscaping, they allow for the installation of street lighting for improved safety and they provide a traffic calming effect by narrowing the visual openness that can cause excessive vehicular speeds.



Padre Boulevard Medians

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
	\$
TOTAL FUNDS	\$
<u>ESTIMATED COSTS</u>	
Raised Medians with landscaping, electrical, lighting, irrigation, and brick pavers	
Phase I (7,500 lf @ \$70/lf)	\$ 525,000
Phase II (10,100 lf @ 70/lf)	\$ 707,000
Total:	\$1,232,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 20,000 (landscaping, lighting)
Repairs and Maintenance	\$ 7,000 (lighting, irrigation, landscaping)
Capital and Other	\$ <u>0</u>
TOTAL IMPACTS	\$ 27,000

Project Leader

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Gulf Boulevard

Project Description

There are three principal north-south roadways running the length of the City of South Padre Island, Laguna Boulevard on the bay side (west), Padre Boulevard acting as the most central corridor and Gulf Boulevard, nearest to the Gulf of Mexico and beach access points to the east. This eastern area along the coast is the location of an increasing number of high-rise condominium developments. This high-density area's primary transportation route is Gulf Boulevard and this project addresses the necessary reconstruction of Gulf Boulevard consisting of the following major design efforts:

Drainage (including curb and gutter)

Utility relocation

Lighting

Landscaping

Raised profile for access

The key areas of concentration will address the following:

Bike Lanes & Pedestrian Pathways – An additional strip of pavement on the east side of the parking spaces on Gulf is designated as a bicycle and pedestrian lane. It being adjacent to vehicular traffic and running perpendicular to head-in parking for several condo complexes is a safety concern. A lack of pedestrian facilities and crosswalks results in pedestrians walking in hazard. Existing sidewalk striping on the asphalt pavement creates confusion among drivers trying to find a parking space resulting in the bicycle and pedestrian lane being blocked. Adding a sidewalk to west side would increase pedestrian mobility. Devices that will separate vehicular traffic from pedestrian and bicycle flow is an essential safety feature of this project.

Parking – In some areas along the east side of the northbound travel lane is a row of striped parking spaces and the grass-covered right-of-way on the west side of Gulf Boulevard provides additional parking for visitors and businesses. During peak periods parking spills over into the side streets which is an ongoing issue for permanent residents along those streets. The City Council addressed this concern with the passage of an ordinance restricting parking on the east-west residential streets.

Economic Sustainability – There are several businesses with cultural significance that must have an environment to substantially remedy any barriers to their long-term viability. Addressing both parking and pedestrian mobility will enhance the accessibility to these unique beachside businesses to ensure their survival.

Beach access points need to be improved to ensure public access to the beach as well as address the public safety and health of beachgoers. The following items must be considered to help meet the public right to use community beaches:

- Paved parking for unimproved areas
- Restroom facilities
- Wooden walkovers or Moby Mats
- ADA compliance

Comprehensive Plan

4.10 Consider the redesign of Gulf Blvd.

4.36 Delineate a combined 8 ft sidewalk/bikeway along Gulf Blvd. separated from travel lanes; conveniently place bike racks.

4.37 Where there are beach accesses, a sidewalk needs to be installed on at least one of the side streets north or south of the beach access and should connect to Padre Blvd & Laguna Blvd to the bay.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
Debt Issuance	\$3,000,000
TOTAL FUNDS	\$ 3,000,000
<u>ESTIMATED COSTS</u>	
Construction/ Design \$4,500 per linear foot	\$15,000,000
TOTAL COSTS	\$ 15,000,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 45,000
Capital and Other	\$ 0
TOTAL IMPACTS	\$ 0

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Street Lighting

Project Description

Adequate street lighting provides better security for areas where pedestrians and vehicles may interact and crime is more likely to occur in poorly-lit areas. There are some people that believe that street lighting causes “light pollution” and interferes with nighttime activities like stargazing. Those beliefs need to be taken into consideration and balanced with the safety needs of the general public.

OPTION 1:

The street lighting is placed mid-block for adequate coverage and each light is a standard 250 KW high-pressure sodium (HPS) vapor lumen on a 30’ wooden pole with a 14’ arm. This enables the light to be placed high enough to cast the lighting out broadly and the 14’ arm allows the light to be cast out over the right-of-way, avoiding interference from trees.

On the east-west streets, there is typically 50 feet of right-of-way and a 16’ utility easement located at the rear of the lots, where electric lines are currently installed. The maximum distance an overhead line can be run between poles is 100’. This will allow a new pole with a streetlight to be installed within the existing right-of-way and an overhead power line to be run from easement at the rear of the lot.

American Electric Power-Texas (AEP-Texas) is the electricity provider for most of the Rio Grande Valley and will be contracted to perform the installation of the necessary lighting. A “Contribution-In-Aid” of Construction is required to be paid by the City to assist with offsetting the cost. This contribution is approximately \$2,200 per light/pole which includes materials and installation.

OPTION 2:

Those existing lights that have identified as inadequate are being identified for upgrade to include more powerful and more efficient lighting as well as longer arms that will allow the light to be directed near the center of the street. This upgrade of the existing lighting will cost approximately \$ 600 per light.



14' Arm with 250 HPS Lighting

OPTION 3:

A possibility to consider regarding street lighting is replacing the fixtures with solar power. This option has an extremely high initial cost of more than \$10,000 per light and due to our highly corrosive environment; repair and maintenance costs are estimated at \$100 per light per year. This would include repair and/or replacement of the photo-voltaic panels.

Comprehensive Plan

4.S. Enhance street right-of-way appearance and contribution to City character.

6.A. Continue to coordinate fiscally responsible and well-managed growth with the provision of adequate public facilities and services.

6.C. Support a sensible development pattern that minimizes impacts and costs to public facilities and infrastructure.

OPTION 1:

FISCAL

**INCOME AND COST
ANALYSIS**

FUNDING SOURCES

\$

TOTAL FUNDS

\$

ESTIMATED COSTS

70 lights/poles

\$ 154,000

TOTAL COSTS

\$ 154,000

OPERATIONAL IMPACTS

Personnel

\$ 0

Supplies & Materials

\$ 0

Repairs and Maintenance

\$ 0

Capital and Other

\$ 0

TOTAL IMPACTS

\$ 0

OPTION 2:

FISCAL

**INCOME AND COST
ANALYSIS**

FUNDING SOURCES

\$

TOTAL FUNDS

\$

ESTIMATED COSTS

Upgrade 300 lights @ \$600/ea

\$ 180,000

TOTAL COSTS

\$ 180,000

OPERATIONAL IMPACTS

Repairs and Maintenance

\$ 0

Capital and Other

\$ 0

TOTAL IMPACTS

\$ 0

OPTION 3:

FISCAL

**INCOME AND COST
ANALYSIS**

FUNDING SOURCES

\$

TOTAL FUNDS

\$

ESTIMATED COSTS

Fixture Replacement

\$4,000,000

TOTAL COSTS

\$4,000,000

OPERATIONAL IMPACTS

Personnel

\$ 0

Supplies & Materials

\$ 0

Repairs and Maintenance

\$ 40,000

Reduction of energy bill

\$ (38,400)

Capital and Other

\$ 0

TOTAL IMPACTS

\$ 1,600

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Marina

The establishment of a marina can be seen as not only an economic benefit to South Padre Island but also adds to the accessibility of the Laguna Madre and the overall quality of life for the residents and visitors. The addition of a marina to the “Entertainment District” has been identified as a vital component by the Form Based Code Consultant and Commission. This marina addition will allow a place for boats to be “parked” for a few hours or a few weeks while the owners enjoy what the entertainment district has to offer and will encourage the use and enjoyment of the Bay and the entire Island. There are currently very few boat slips available for public use. Approximately 120 boat slips are needed.

Comprehensive Plan

5.F. Protect the Laguna Madre as a valuable resource

5.26. Develop a recreational use plan, identifying associated facilities and improvements to facilitate its implementation, e.g. marina improvements and the requisite dredging.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
CMP Grant (Marina)	\$ 300,000
CMP Local Match (Marina)	\$ 120,000
Unknown	\$ 246,575
TOTAL FUNDS	\$ 666,575
<u>ESTIMATED COSTS</u>	
Dredging	\$220,000
Engineering and Monitoring	\$133,000
Marina Construction	<u>\$540,000</u>
TOTAL COSTS	\$893,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 10,000
Capital and Other	<u>\$ 0</u>
TOTAL IMPACTS	\$ 10,000

Project Leader

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Tompkins Channel Expansion

Project Description

Tompkins Channel currently extends from parallel to north side of the causeway, northward to Sunset Drive. This project would extend the channel approximately 10,000 linear feet further north to about one mile north of the Convention Centre, the projected landing site of the new causeway. It is a well-known fact that Tompkins Channel is a tremendous asset to the City and extending it northward almost two miles will enable the vessels currently using it to continue northward to the Convention Centre and eventually reach the new causeway.

Fiscal

INCOME AND COST ANALYSIS		
<u>FUNDING SOURCES</u>		
HOT Funds	\$	
TOTAL FUNDS	\$	
<u>ESTIMATED COSTS</u>		
Dredging	\$	500,000
Total:	\$	500,000
<u>OPERATIONAL IMPACTS</u>		
Personnel	\$	0
Supplies & Materials	\$	0
Repairs and Maintenance	\$	2,000 annually (\$200,000 every ten years)
Capital and Other	\$	<u>0</u>
TOTAL IMPACTS	\$	2,000

Project Leader

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Boardwalk on the Bay

Project Description

The revitalization of the Entertainment District has been identified by the City as a priority for many reasons, including economic development. The Form Based Code has developed conceptual designs of the Entertainment District that include a marina, new façade improvements to existing businesses, new development codes that address ingress/egress, setbacks, parking, sidewalks and other design features to entice visitors. A major component of this is the boardwalk. The proposed boardwalk will be 12' wide and be made of a recycled plastic material that closely resembles wood but does not deteriorate or splinter, thus increasing the life expectancy and decreasing the maintenance requirements. The boardwalk will be lit at night to increase usage and safety during the prime hours that people are enjoying the Entertainment District and will stretch from approximately Sunny Isle Drive to Swordfish Street, a distance of +/- 3,400 linear feet. The boardwalk will cantilever out over the bay and be constructed adjacent to a bulkhead and the proposed Marina (addressed elsewhere in this document). Permits from the General Land Office will be required.



Schematic Showing Proposed Boardwalk

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
	\$
TOTAL FUNDS	\$
<u>ESTIMATED COSTS</u>	
3400 lf, 12' wide boardwalk, bulkhead needed in certain areas, lighting	\$ 5,100,000
Total:	\$ 5,100,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 2,000 (lighting, decking repair)
Capital and Other	\$ <u>0</u>
Total:	\$ 2,000

Project Leader

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BEACH

Project Description

This project restores and protects the quality and function of the beaches and dunes of South Padre Island and adjacent areas by adding sand to the system and widening the beaches. The beaches of South Padre Island are engineered beaches and by widening the beaches, the project also restores and ensures continued access to and along the beach for the public, as well as the Kemp Ridley sea turtle and other wildlife.

Dredging of Brazos Santiago Pass (Ship Channel)

The goal of this project is to place beach quality sand from maintenance dredging of the Brazos Santiago Pass onto the beaches and dunes of South Padre Island. The measurable objective will be the final volume of sand deposited on the beach and in the dunes. As this is a project that uses borrowed material from the maintenance of the Brownsville Ship Channel, the United States Army Corps of Engineers pays for the maintenance of the channel. The City of South Padre Island and Cameron County pay the incremental cost to place the material on South Padre Island beaches. The State of Texas General Land Office has been most helpful in the past, through funding sources (80% cost to the State of Texas General Land Office and a 20% cost to the City of South Padre Island).

The City of South Padre Island's engineering firm coordinates with the United States Army Corps of Engineers to survey the Brazos Santiago Pass in order to determine how much beach quality sand is located in the mouth of the channel and to determine how much is shoaled since the last dredging project. With that information, the engineers determine, with input from the State of Texas General Land Office, Cameron County, and the City of South Padre Island, the specific material placement locations and develop an engineered beach template, based on sand volumes estimated from the original survey. The engineers also coordinate lines that meet the needs of the United States Army Corps of Engineers and project partners, keeping in mind sea turtle nesting season and other possible environmental windows.

This project takes about six months to plan and implement and is done on an average of every two to three years to keep the ship channel deep. As part of this project's bid specifications, project timelines and material placement locations, an engineered beach profile is developed. In addition, the City conducts a post-project survey of the beach and bi-annual beach surveys in conformance with the Coastal Management Program.

The desired outcome of this project is to place a large amount of beach-quality sand onto the beaches and dunes of South Padre Island in an effort to widen the beaches, and strengthen and stabilize the dunes. By widening the beaches, more habitat for wildlife, such as nesting habitat for the endangered Kemp's Ridley Sea Turtle and foraging habitat for the threatened Piping

Plover, the Island is also being protected from erosion (erosion rate on the north end of the Island is five feet per year; on the south end; six to eight feet per year).



Re-nourishment from Dredge Material

Off Shore Source for Beach Re-nourishment

This project encompasses an extensive beach re-nourishment project along the City of South Padre Island shoreline. The City's beaches, which are oriented nearly north-south, are subject to predominantly southeast winds and waves that transport sand from the south to the north. This area is also subject to tropical storm activity approximately every seven years (direct impacts from storms making landfall within 100 miles) and more often by storms within the Gulf of Mexico that raise water elevations and create large waves that impact the coast. As a result the City shoreline has experienced shoreline erosion along the northern section of the City. To address this erosion, significant beach nourishment using an offshore sand source is proposed.

Various beach design layouts were analyzed by varying the berm width for both short-term and long-term performance analyses. Based on these results, the recommended design berm width is 100 feet and project length is two miles. This layout will provide a transition from a relatively stable shoreline and create a continuous contour that connects to the undeveloped shoreline north of City. This project layout will place approximately 888,000 cubic yards along 12,000 linear feet of beach.

Geotechnical investigations were performed in March and April of 2008 to delineate potential areas for this project. Based on these result of these investigations, a series of offshore ridges located approximately 20 miles north of the City and 5 miles offshore were found to contain

beach quality material and appear suitable as borrow sources. Utilizing the geotechnical data and design criteria for hopper dredge operations, four borrow areas were delineated. These areas contain approximately 2,047,800 cubic yards of beach quality sand. This quantity is sufficient for the proposed placement layout.

Permitting for the project is complete and amends the existing permit SWG-2007-1276 to include the new offshore borrow areas and the revised beach placement template developed. The permit was also amended to include a section of the entrance channel of Brazos Santiago Pass to be used as a borrow area for beneficial use projects that place material dredged from the channel along City and Cameron County's Isla Blanca Park beaches.

Dune Walkovers

There are 25 public beach access points in the City Limits, of which nine do not have an improved dune walkover. A dune walkover is an elevated structure designed to get pedestrians from Gulf Boulevard to the beach without walking through and possibly damaging dunes. To enhance access to the beach, the City of South Padre Island is proposing to construct 9 dune walkovers at an estimated cost of \$150,000 each for a total of \$1,350,000. They can be made of concrete or wood.



Recently Completed Aquarius Circle Walkover

Comprehensive Plan

5.A. Secure funding for beach nourishment. Ongoing funding for beach maintenance should be established as a line item in the City's Budget

5.B. Protect the dune system from erosion and artificial damage

5.E. Create, preserve, and enhance access to the beach

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
HOT Funding (Local Match)	\$ 650,000
CEPRA	\$1,850,000
TOTAL FUNDS	\$ 2,500,000
<u>ESTIMATED COSTS</u>	
Dredging and Beneficial Placement	\$500,000
Off Shore Source	\$16,000,000
Walkover Construction	\$ 1,350,000
TOTAL COSTS	\$18,050,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 10,000 (walkover maintenance annually)
Capital and Other	\$ <u>0</u>
TOTAL IMPACTS	\$ 10,000

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Parks

Project Description

A well thought out and maintained park system can enhance the quality of life for permanent residents as well as tourists visiting South Padre Island. This same park system can also encourage healthy lifestyles and improve the overall health and well-being of users. A Master Park Plan was developed by the City of South Padre Island in April 2006 and many of the established goals in the Plan revolve around providing recreational opportunities in the form of indoor and outdoor recreational facilities. That existing plan is currently being updated by the Parks, Recreation and Beautification Committee.

“TRAVEL LODGE” PROPERTY

Project Description

In December of 2002, the City Council purchased a 1.97 acre tract of land immediately south of the Travel Lodge site located at 6100 Padre Boulevard. The City Council then decided to put that property up for sale in 2010. They rescinded that action and took the property off the market in September 2011 and decided to set it aside as a potential future park. It is estimated that with a jogging trail around the perimeter, a small splash pad, a small version of a soccer field, and associated parking, the cost to develop will be approximately \$300,000.

Comprehensive Plan

5.57 Develop a community center with indoor and outdoor facilities, which could facilitate recreation.

5.59 Continue to maintain and upgrade existing parks.

Fiscal

INCOME AND COST ANALYSIS

FUNDING SOURCES

Reserve Funds	\$
Debt Issuance	\$
TOTAL FUNDS	\$

ESTIMATED COSTS

Park Equipment	\$ 300,000
TOTAL COSTS	\$ 300,000

OPERATIONAL IMPACTS

Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 2,000 annually
Capital and Other	\$ 0
TOTAL IMPACTS	\$ 2,000

Project Leader

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Electric Infrastructure

Project Description

Upgrading of wooden poles to round spun concrete poles will greatly improve the reliability and safety of the electric infrastructure on South Padre Island. Concrete poles are able to withstand much higher wind loads and are less prone to corrosion in the salty environment than wooden poles. In addition, wooden poles tend to deteriorate over time and tend to decrease the overall aesthetic qualities of the area.

Comprehensive Plan

6.A. Continue to coordinate fiscally responsible and well-managed growth with the provision of adequate public facilities and services.

6.C. Support a sensible development pattern that minimizes impacts and costs to public facilities and infrastructure.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
	\$1,440,986
TOTAL FUNDS	\$1,440,986
<u>ESTIMATED COSTS</u>	
AEP	\$1,440,986
TOTAL COSTS	\$ 1,440,986
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 0
Capital and Other	\$ 0
TOTAL IMPACTS	\$ 0

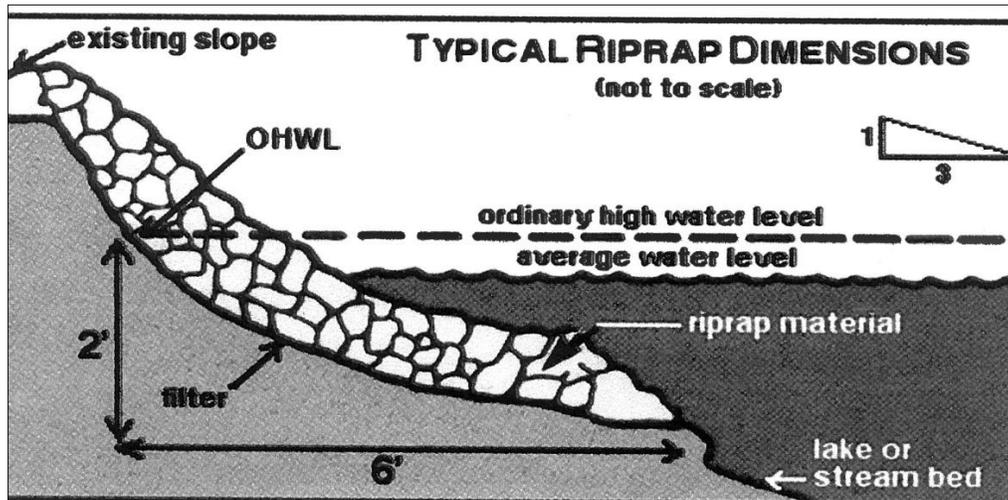
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Rip Rap Street Ends

Project Description

For those streets that end at the Laguna Madre Bay that have no provisions for boat ramps, protecting the banks from erosion with properly placed and sized riprap is necessary. Eight street ends have been identified as needing erosion control and protection. Those are Dolphin, Huisache, Oleander, Gardenia, Hibiscus, Saturn, Aries and Verna Jean.



Comprehensive Plan

5.J. Continue maintaining and beautifying street ends

5.K. Protect public access

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
Local Funds (SLTF)	\$ 10,000
TOTAL FUNDS	\$ 10,000
<u>ESTIMATED COSTS</u>	
RIPRAP Street Endings	\$ 10,000
TOTAL COSTS	\$ 10,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 1,000 annually
Capital and Other	<u>\$ 0</u>
TOTAL IMPACTS	\$ 1,000

Project Leader

RAY MOYA, INTERIM PUBLIC WORKS DIRECTOR
City of South Padre Island
4601 Padre Blvd, South Padre Island, TX 78597
Voice: 956-761-3077
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Email: rmoya@myspi.org

Land Purchase and Donation for Bay Access

Project Description

Maintaining and preserving access to the Laguna Madre Bay is vital to South Padre Island for many reasons. Presently, bay access is available but limited. Kite boarders, kayakers and other personal watercraft users have a few areas where they can launch their craft but additional access points are needed. As South Padre Island grows north, making access available will become a priority for the City. Acquiring land by purchase and/or donation near the new causeway will ensure access to the bay in the future.

COMPREHENSIVE PLAN

5.F Protect the Laguna Madre as a valuable resource

5G. Recognize and support the multiple functions of the Bay

5.K Protect public access

5.25 c. Explore the possibility of a multi-purpose recreational area on the northern end of Town oriented toward non-motorized light craft (kite boards, wind surfing, kayaks, etc...) possibly in conjunction with Cameron County.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
	\$ 0
TOTAL FUNDS	
	\$ 0
<u>ESTIMATED COSTS</u>	
Land Acquisition	\$ 250,000
Parking Lot Construction	\$ 100,000
TOTAL COSTS	\$ 350,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 5,000
Capital and Other	<u>\$ 0</u>
TOTAL IMPACTS	\$ 0

Project Leader

RAY MOYA, INTERIM PUBLIC WORKS DIRECTOR
City of South Padre Island
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COMPLETED PROJECTS

Fire Station



Proposed Fire Station

Project Description

The existing fire station/Emergency Operations Center (EOC) for the City of South Padre Island, built 29 years ago designed to house one engine and two brush trucks staffed by three firefighters and one Fire Chief. Today, the City employs 18 firefighters, 6 EMS personnel, one administrative position, one Assistant Fire Chief and one Fire Chief. Current fleet for the Department includes one engine truck, one ladder truck, one quick attack, one first responder pick-up truck, two staff cars, one JEEP, one ATV, and one Jet Ski.

As a coastal barrier island, the location of the City's fire station/EOC presents several design challenges including hurricane force winds and flooding. To tackle these issues, the structure will be designed to withstand 135 MPH wind loads and the site must be elevated to FEMA regulations above sea level. The essential components of a new fire station include:

- 4 drive-through apparatus bays with the capacity to store two units per bay
- A storage room to accommodate 30 sets of gear (separate from the bay area to avoid contamination)
- Decontamination room (EMS) for cleaning equipment
- Compressor Room for SCBA storage
- Two laundry rooms (one must have a protective gear extractor)
- EMS storage room with double locking system
- Small shop and repair room with adequate storage space for lawn equipment
- Kitchen with commercial grade appliances
- Dining room to accommodate 12
- Dayroom and sleeping area to accommodate 10
- Adequate toilet/showers for 10 with appropriate locker room space
- Janitors closet with utility sink (one in bay area and one for inside space)
- Training room/community education room – convertible to emergency operations center
- Administrative Space
 - Reception area and visitors lobby
 - Public restroom
 - Chief's office
 - Assistant Chief's office
 - Staff work areas
 - EMS office
 - File room/storage area

The fire station/EOC site was selected to provide adequate street access for the fire apparatus as well as its close proximity to the existing City Hall. This site was selected as a result of an in depth study of multiple site possibilities. Coastal climate and potential for flooding required that the building be elevated above flood level with the exception of the Apparatus Bays. The main portion of the facility will be elevated 8 to 12 feet above sea level. The exterior will be designed to match the coastal aesthetics of the area as well as complement the existing architecture of the City Hall. The useful life of the fire station is estimated to be a minimum of 40 years with approximately 18,000 square feet.

Comprehensive Plan

6.J. Continue to support the needs of the Public Works, Police, and Fire Departments to ensure adequate protection of the population.

6.18 Identify and acquire sites for new fire stations to the north and south, concurrent with future development.

Sustainability

The City of South Padre Island will be striving to be compliant with LEED requirements for sustainability. Major areas of focus for LEED requirements include:

- Sustainable sites
- Water efficiency
- Energy and atmosphere
- Materials and resources
- Indoor environmental quality
- Innovation and design process

Fiscal

INCOME AND COST ANALYSIS	
FUNDING SOURCES	
Debt Issuance	\$3,800,000
TDRA (GLO) Grant Funds	\$1,095,436
TOTAL FUNDS	\$ 4,895,436
ESTIMATED COSTS	
Design	\$ 73,278
Construction	\$ 4,822,158
TOTAL COSTS	\$ 4,895,436

OPERATIONAL IMPACTS	
Personnel	\$ 0
Supplies & Materials	\$ 49,000

Repairs and Maintenance	\$ (12,000) savings annually from energy efficiency
Capital and Other	\$ <u>0</u>
TOTAL IMPACTS	\$ 37,000

Financial Plan

Prior Years	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	Future Years	TOTAL
\$4,895,436							\$4,895,436

Schedule

PHASE	TOTAL TIME	START	COMPLETION
Design	6 months	10/1/2009	6/1/2010
Bid	3 months	6/1/2010	9/1/2010
Construction	12 months	07/20/2011	08/30/2012
ESTIMATED COMPLETION DATE	8/30/2012		

Project Leader

BURNEY BASKET
 Fire Chief, Emergency Management Coordinator
 City of South Padre Island
 Fire Department
 4601 Padre Blvd, South Padre Island, TX 78597
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Tompkins Channel Dredging

Project Description

On the western boundary of South Padre Island is the Laguna Madre Bay providing recreational opportunities as well as a passage for commercial vessels. Tompkins Channel is an essential feature of the bay providing a navigational waterway for both the east side of Port Isabel as well as the west side of South Padre Island. Tompkins Channel is located in the City's extraterritorial jurisdiction and runs parallel to the Causeway then turns north to Sunset Drive. In 1998, the City used economic development funds to have the channel dredged.

In July 2008, when Hurricane Dolly made landfall on the Island as a Category 2 storm causing extensive damage, Dolly also made certain areas of the channel impassable. HDR Shiner Mosely completed a bathymetric survey of the channel which demonstrated that approximately 11,000 cubic yards of sediment were displaced and need to be removed.

This channel is extremely important as it is not only used by fishing boats but by other ships to gain access to the Inter-Coastal Waterway and the Gulf of Mexico. Users of the channel who launch their boats in the Laguna Madre Bay are forced to maneuver through dangerously shallow water and this channel gets even more dangerous during twilight hours due to the lack of visibility.

Dredging Tompkins Channel would improve navigational access in this area and would stimulate the development of a marina together with a hotel and convention complex in the entertainment district.

FUNDING SOURCES

FEMA (Dredging)	\$ 146,575
Dredging Local Funds (BATF)	\$ 100,000
TOTAL FUNDS	\$

COSTS

Dredging	\$275,000
TOTAL COSTS	\$275,000

Boat Ramps at Bay Endings

Project Description

Many of the East-West streets terminate on the west side at the Laguna Madre. Several of these have existing boat ramps that are used not only for launching boats but also other forms of personal watercraft such as jet-skis and kayaks. Recently Palm Street and Polaris Street boat ramps have been reconstructed.



Recently completed Polaris Street Boat Ramp

Financial Plan

Prior Years	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	Future Years	TOTAL
\$40,000							
(Palm/Polaris)							

COMMUNITY STATISTICAL INFORMATION

The Citizens adopted the Home Rule Charter for the City of South Padre Island at an election held on November 3, 2009. The benefits of local government outlined in the Home Rule Charter affirm the values of representative democracy, professional management, strong political leadership, citizen participation and regional cooperation through the Council-Manager form of government.

The City Council consisting of the Mayor and Five Council Members and the City Manager's Office comprised of the City Manager, Assistant City Manager, City Secretary and Executive Assistant form the City's strategic team. These two bodies are responsible for the formulation and communication of public policy to meet community needs, assure orderly development in the City, and provide for the general administration of the City.

The City Council appoints the City Manager, City Attorney, Municipal Court Judge and various citizen boards and commissions. The City Council's public policy activities include:

- 1- Financial management of the City by adopting the City's annual budget, establishing general objectives and provide for an annual independent audit of the City's financial records
- 2- Reviewing and adopting all ordinances and resolutions
- 3- Establish programmatic goals and strategic direction for the City.

The strategic team has identified two major economic drivers for the local economy which includes the beach and the convention center. The City's efforts to manage the beach is highlighted by the staffing of a Coastal Resource Manager who oversees the delicate balance of maintaining a pristine beach to attract tourists while implementing ecologically sound best practices regarding beach maintenance. The unique organizational structure empowers the Executive Director of the Convention and Visitors Bureau to implement a progressive marketing plan for the community and to maintain a space to attract conventions to the Island.



South Padre Island lies on the southernmost tip of Texas and is situated on the south end of Padre Island, the longest Barrier Island in the world and the largest stretch of undeveloped ocean beach in North America. It sits just 30 miles north of Mexico and is linked to the mainland by a two and a half mile long bridge, the Queen Isabella Memorial Causeway.

COMMUNITY PROFILE

The Island is a year-round vacation destination, because it enjoys a sub-tropical climate. South Padre Island's primary industry is tourism and recreation related support businesses. Due to the growth on the Island, the tourism industry is continuing to thrive.

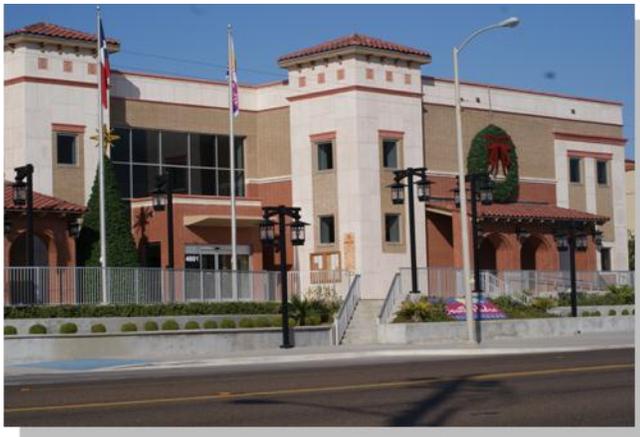
The City of South Padre Island is home to an estimated 5,000 people, and according to the Convention and Visitors Bureau, over one million people visit the Island every year. It is a hotspot for retirees from northern regions to stay throughout the winter months. These residents are known throughout the Rio Grande Valley as "Winter Texans."



The South Padre Island Birding & Nature Center



The "Wave" – Free Transportation

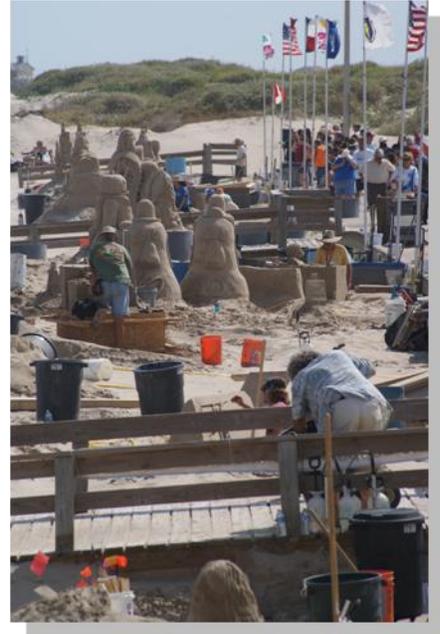


Municipal
Complex



South Padre Island

Sand Castle Days Event



Bikefest Event

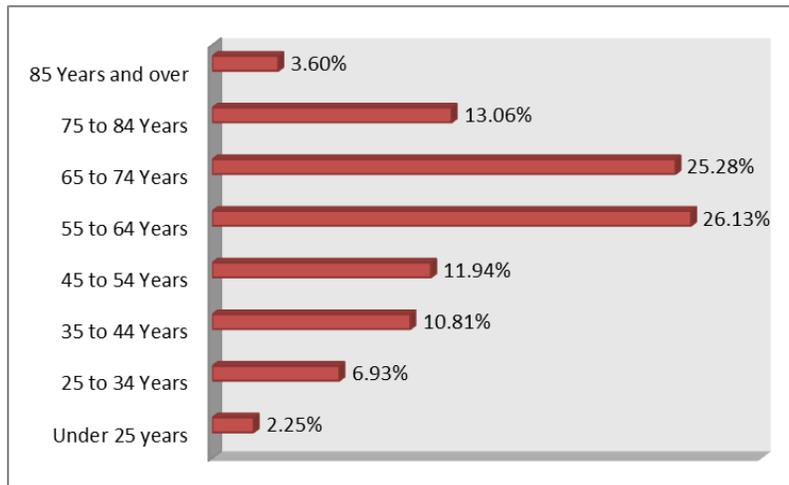


Fireworks display

DEMOGRAPHICS

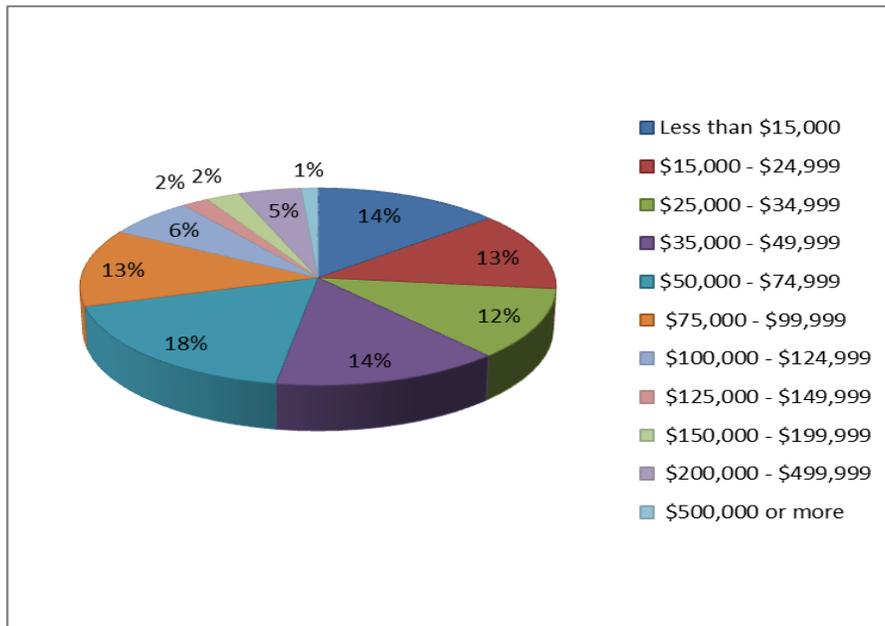
The current median age for the City of South Padre Island is 58.0, while the average age is 52.2. Five years from now, the median age is projected to be 58.8.

Estimated Households by Age of Householder



The average household income is estimated to be \$70,545 for the 2010 year and is projected to be \$73,620 in 2015. The estimated per capita income for this area is \$37,251.

Estimated Households by Household Income



Source of Demographics Statistics: South Padre Island Economic Development Corporation

CLIMATE

South Padre Island is a year-round vacation destination located at practically the same latitude as Miami, Florida. The Island enjoys a sub-tropical environment with mild, dry winters and warm, breezy summers.

Climatic Profile	
Winter Average Temp.	65 degrees
Summer Average Temp.	82 degrees
Average Daily Temp.	74 degrees
Average Sunshine Days	253 days
Average Growing Season	336 days
Average Annual Rainfall	27.6 inches

ECONOMIC FACTORS

Assessed Value and Actual Value of Taxable Property

Fiscal Year Ended September 30,	Net Taxable Assessed Value		Less: Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property	Personal Property			
2003	1,037,328,591	25,832,316	35,218,564	1,027,942,343	0.25811
2004	1,222,211,135	26,540,260	44,573,534	1,204,177,861	0.25811
2005	1,503,904,613	28,449,556	77,073,416	1,455,280,753	0.25811
2006	1,712,735,440	31,000,283	83,532,833	1,660,202,890	0.25311
2007	1,941,204,388	32,472,880	61,850,862	1,911,826,406	0.25311
2008	2,305,658,543	34,289,547	71,535,213	2,268,412,877	0.24561
2009	2,545,047,287	33,419,535	78,289,018	2,500,177,804	0.24561
2010	2,539,540,899	29,230,095	76,526,864	2,492,244,130	0.24561
2011	2,635,413,859	30,316,814	84,535,004	2,581,195,669	0.24561
2012	2,656,625,431	29,055,461	77,035,264	2,608,645,628	0.25040
2013	2,653,041,784	28,324,135	75,246,64	2,606,119,27	0.25270

Source: Cameron County Appraisal District

PRINCIPAL PROPERTY TAXPAYERS – FISCAL YEAR ENDED SEPTEMBER 30, 2012

Taxpayer	2012	
	Taxable Assessed Valuation	Percentage of Total Assessed Valuation
Sapphire VP LP	\$ 37,335,237	1.43%
Agora USA LP	14,458,253	0.55%
Sapphire VP LP	10,517,812	0.40%
ICS Management Company	9,997,001	0.38%
Penninsula Island Resort & Spa LLC	8,247,266	0.32%
First National Bank	7,458,404	0.29%
Shores Development Inc.	7,451,714	0.29%
Bahia Mar Tower LLC	6,724,652	0.26%
Los Corales Inc.	6,533,175	0.25%
SPI La Copa Ltd	6,377,206	0.24%

Source: South Padre Island Economic Development Corporation

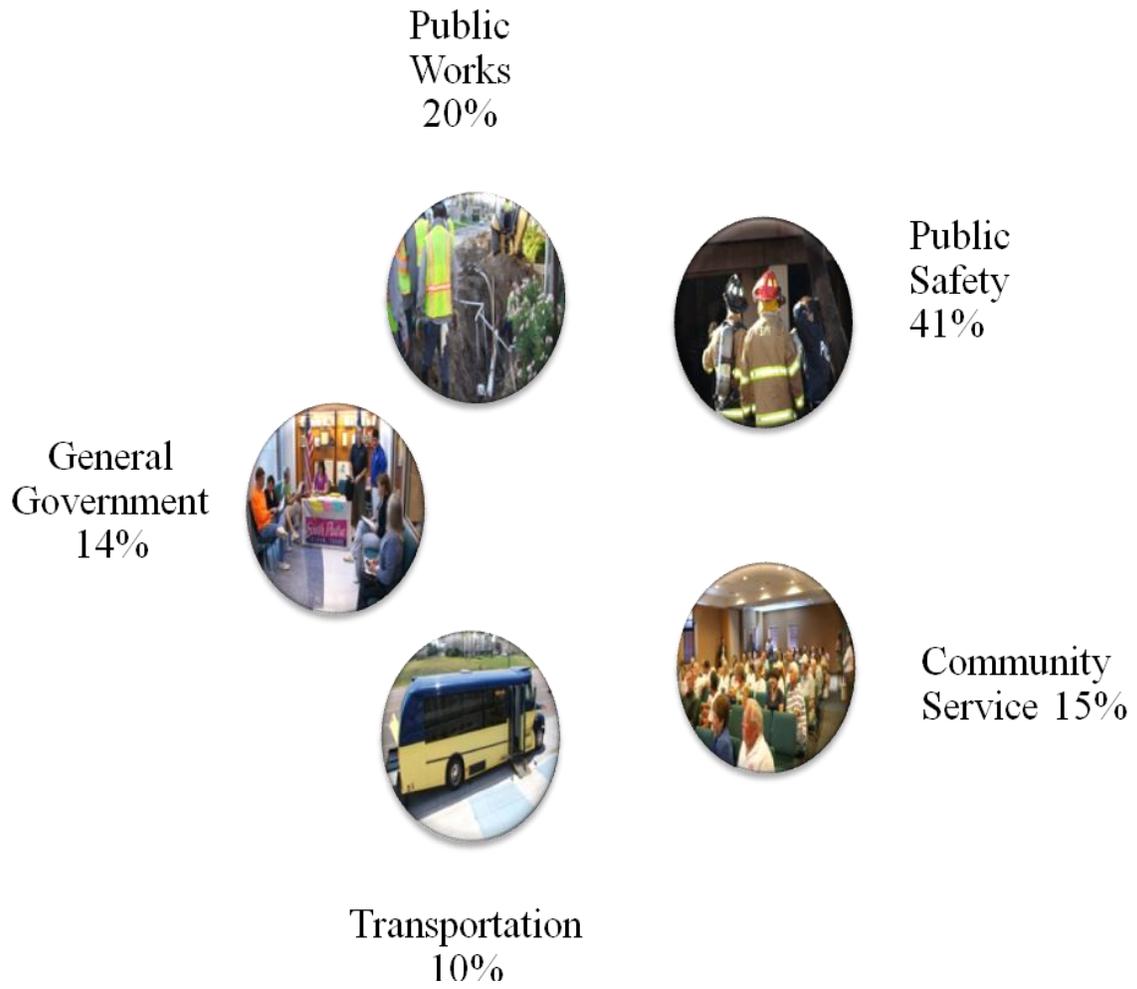


Sapphire Towers

PRINCIPAL EMPLOYERS

Schlitterbahn Beach Water Park	354
City of South Padre Island	250
The Pearl Beach Resort	242
Isla Grand Resort	207
Black beards Restaurant	176
Hilton Garden Inn	150
Louie's Backyard	130
La Quinta Inn & Suites	120
Sea Ranch Enterprises	120
La Copa Inn	110

PERCENTAGE OF EMPLOYEES BY DIVISION



GLOSSARY

This document contains specialized and technical terminology that is unique to public finance and budgeting. A budget glossary follows to assist readers.

ACCRUAL BASIS-The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

ACCRUED EXPENSES-Expenses incurred but not due to be paid until a later date.

AD VALOREM TAXES (Current)-A property tax or millage tax that an owner of real estate pays on the value of the property being taxed.

AD VALOREM TAXES (Delinquent)-All taxes are due on receipt of bill and are delinquent if not paid before February 1 of the fiscal year in which it is imposed.

AD VALOREM TAXES (Penalty and Interest)-A delinquent tax incurs a combined penalty and interest of 7% of the amount of the tax for the first calendar month it is delinquent, plus 2% for each additional month or portion of the month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.

ASSESSED VALUATION-The taxing authority performs an appraisal of the monetary value of real or personal property, and tax is assessed in proportion to that value. (Note: Property values are established by the Cameron County Appraisal District.)

ASSET-Resources owned or held which have monetary value.

AUDIT- A certified public accountant issues an opinion of the presentation of financial statements, tests the controls over the safekeeping of assets, and makes recommendations for improvements where necessary, as the result of a comprehensive review of the manner in which the government's resources were actually utilized.

BENEFICIAL USE OF DREDGED MATERIAL (BUDM)-Beach re-nourishment by relocating sand from the dredging of waterway navigation channels in conjunction with the US Army Corps of Engineers.

BOND-A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects (such as buildings, streets).

BUDGET-A financial plan of projected resources and proposed expenditures for a given period.

BUDGET CALENDAR-The schedule of key dates or milestones that the City follows in the preparation, adoption, and administration of the budget.

BUDGETED FUNDS-Funds that are planned for certain uses but have not been formally or legally authorized by the legislative body. The budget document that is submitted for Council approval is composed of budgeted funds.

CAPITAL EXPENDITURES-A capital expenditure is incurred when a business spends money either to buy fixed assets or to add to the value of an existing fixed asset, with a useful life that extends beyond the taxable year.

CAPITAL IMPROVEMENTS PLAN (CIP)-A five year planning document that outlines the capital projects within the next five years and includes information regarding funding, project description and scheduling, and status. The City Council annually adopts a CIP as part of the budget process.

CASH BASIS-A basis of accounting under which income and expenses are recognized only when cash is actually received or paid out.

CERTIFICATES OF OBLIGATION-See definition of bond.

CPM – The ICMA Center for Performance Management.

CURRENT TAXES-Taxes that are levied and due within the current year.

DEBT SERVICE-Principal and interest obligations for bonds and other debt instruments according to a pre-determined payment schedule.

DELINQUENT TAXES-Taxes that are unpaid on and after the date on which a penalty for non-payment is assessed.

DEPARTMENT-An administrative segment of the City consisting of multiple divisions that is organized by function and service provided.

DEPRECIATION- Decline in value of an asset spread over its economic life. Depreciation includes deterioration from use, age, and exposure to the elements, as well as decline in value caused by obsolescence, loss of usefulness, and the availability of newer and more efficient means of serving the same purpose.

EFFECTIVE TAX RATE-The effective tax rate is the tax rate required to produce the same amount of taxes for the current year as the previous year. The rate is calculated by subtracting taxes on property lost this year from the prior year's taxes total. This number is divided by the current value of property taxed in the prior year. Multiplying this number by 100 will produce the effective tax rate.

ENCUMBRANCES-Commitments related to unperformed contracts for goods or services.

ENHANCEMENTS-Newly requested budgeted amounts that will result in a new or expanded level or service over the previous year.

ETJ-The Extra-Territorial Jurisdiction is the contiguous area just beyond the city limits where a city may apply its development standards and regulations.

EXPENDITURE-The outflow of funds paid or to be paid for an asset or goods and services obtained, regardless of when the expense is actually paid. Note: An encumbrance is not an expenditure. An encumbrance reserves funds to be expended when goods or services are received.

EXPENSES-Charges incurred (whether paid or unpaid) for operation, maintenance, interest, and other charges.

FDA- Food and Drug Administration.

FEMA-Federal Emergency Management Association.

FISCAL YEAR-The time period signifying the beginning and ending period for recording financial transactions. The City of South Padre Island has specified October 1 to September 30 as its fiscal year.

FIVE-YEAR PLAN-This document contains the five year goals of each department.

FIXED ASSETS-Assets of a long-term nature which are intended to continue to be held or used, such as machinery and equipment, land, buildings, and improvements.

FRANCHISE FEE-A charge paid by businesses for the use of City streets and public right of way and is in lieu of all other municipal charges, fees, street rentals, easement or other like franchise taxes, inspections fees, and/or charges of every kind except Ad Valorem and special assessment taxes for public improvements.

FULL-TIME EQUIVALENT-This refers to the numeric breakdown of city positions. A regular full-time employee (40 hours per week) equals one (1.0) full-time equivalent. Part-time positions are calculated as 0.5 full-time equivalents, and seasonal staff positions are considered 0.25 full-time equivalents.

FUND-An accounting entity that has a set of self-balancing accounts and includes all financial transactions for specific activities or government functions. Eight commonly used funds in public accounting are: general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, trust and agency funds, internal service funds, and special assessment funds.

FUND BALANCE-The term fund balance is used to describe the arithmetic difference between the assets and liabilities reported in a fund.

GENERAL FUND-The fund used to account for all financial resources except those required to be accounted for in another fund.

GLO- the General Land Office of the State of Texas.

GENERAL OBLIGATION BONDS-Bonds that finance a variety of public projects such as streets, buildings, and improvements. These bonds are backed by the full faith and credit of the issuing government.

GFOA-Government Finance Officers Association.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)-Uniform minimum standards of and guidelines for financial accounting and reporting. These principles: govern the form and content of the basic financial statements of an entity; encompass the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time; include not only broad guidelines of general application, but also detailed practices and procedures; and, provide a standard by which to measure financial presentations.

GOVERNMENTAL FUNDS-Funds, within a governmental accounting system, that support general tax supported governmental activities.

GRANTS-Contributions or gifts of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity, or facility.

HOTEL/MOTEL TAX-Pursuant to State law, hotel/motel tax is levied upon the cost of occupancy of any room or space. The tax covers hotels, motels, and bed and breakfasts, as well as condominiums, apartments, and houses rented for less than 30 consecutive days. The current rate of taxation is 14.5% (6% to State of Texas of which 1% is returned to the City for beach re-nourishment, and 8.5% to the Convention and Visitors Bureau).

HOT – An acronym for Hotel Motel Tax.

I&S- Interest and Sinking. That portion of the tax rate that is levied to pay General Obligation Bonds debt service.

ICMA- International City Managers Association.

INVESTMENTS-Securities held for the generation of revenue in the form of interest. This term does not include fixed assets used in governmental operations.

ISO - International Standards Organization. ISO develops international standards to ensure that products and services are safe, reliable and of good quality.

LEED® (Leadership in Energy and Environmental Design) Green Building Rating System™ is a feature-oriented rating system that awards buildings points for satisfying specified green building criteria.

LEVY-(Verb) To impose taxes, special assessments, or special charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or special charges imposed by a government.

LONG-TERM DEBT-Debt with a maturity of more than one year after the date of issuance.

M&O- Maintenance and operation. That portion of the tax rate that is levied for the general operations of the government

MODIFIED ACURAL BASIS- The accrual basis of accounting adapted to the governmental fund type spending measurement focus. Under this basis of accounting, revenues are recognized when they become both “measurable” and “available to pay expenditures within the current period”. Expenditures are recognized when the related fund liability is incurred except for: (1) inventories of materials and supplies and items for re-sale which may be considered expenditures either when purchased or when used or sold; (2) prepaid insurance and similar items; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; and (4) principal and interest on long-term debt which are generally recognized when due.

OPERATING BUDGET- Operating budgets are carefully crafted budgets that focus on managing current expenses. The focus of an operating budget is to ensure there are funds to maintain the continued operation of a business, and that those funds are distributed in the most cost-efficient manner.

ORDINANCE-A formal legislative enactment by the governing board of a municipality. If an ordinance is not in conflict with any higher form of law, such as a state statute of 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 is less formal and has a lower legal “status”. Ordinarily, statutes or characters will specify or imply those legislative actions that must be by ordinance and those which may be by resolution. Revenue raising measures such as those required for imposition of taxes, special assessments and service charges, universally require ordinances.

PROPERTY TAX-Property taxes are levied on both real and personal property according to the property’s valuation and the tax rate.

RESERVE-A portion of a fund restricted for a specific purpose and is, therefore, not available or recommended for general appropriation.

REVENUES-Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers. Under National Council on Governmental Accounting (NCGA) Statement 1, general long-term debt proceeds and operating transfers in are classified as “other financing sources” rather than revenues.

SALES TAX-A general “sales tax” is levied on all persons and businesses selling merchandise in the City limits on a retail basis. The current sales tax rate for the City is 8.25% (1/2% to Economic Development, 1 ½% to City of SPI, and 6 1/4 % to State of Texas).

SURPLUS-The excess of the assets or resources of a fund over its liabilities or obligations.

TAX INCREMENT REINVESTMENT ZONE (TIRZ)-A designated area in which new city and county property taxes generated in future decades may be used only to pay for public improvements within that area. TIRZs are special zones created by City Council to attract new investment to an area. TIRZs help finance the cost of redevelopment and encourage development in an area that would otherwise not attract sufficient market development in a timely manner.

TAXES-Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the public. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments.

TCPA- Texas Police Chiefs Association.

APPENDIX A BUDGET RESOLUTION

ORDINANCE NO. 12-13

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PADRE ISLAND, TEXAS; MAKING APPROPRIATIONS FOR EACH DEPARTMENT, PROJECT, PROGRAM AND ACCOUNTS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of South Padre Island Home Rule Charter provides that the City should by ordinance provide for all appropriations; and

WHEREAS, the City Council has determined that such an ordinance should be enacted to implement and adopt the Budget.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SOUTH PADRE ISLAND, TEXAS:

Section 1. There is hereby appropriated from the funds indicated and for such purposes and other expenditures proposed in such budget, not to exceed for all such purposes for any department, the total amount of the estimated costs of the projects, operations, activities, purchases and other expenditures proposed for each department, fund, service or other organizational unit as follows, to wit:

GENERAL FUND:

EST. BEGINNING FUND BALANCE	\$ 5,761,089
OPERATING REVENUE:	<u>10,465,647</u>
TOTAL RESOURCES:	16,226,736
EXPENDITURES:	<u>-10,406,922</u>
UN-DESIGNATED FUND BALANCE:	<u>\$ 5,819,814</u>
TOTAL REGULAR PERSONNEL	116.25

HOTEL/MOTEL FUND:

EST. BEGINNING FUND BALANCE:	\$ 654,392
OPERATING REVENUE:	<u>3,896,271</u>
TOTAL RESOURCES:	4,550,663
OPERATING EXPENSES:	<u>-3,841,955</u>
UN-DESIGNATED FUND BALANCE	<u>\$ 708,708</u>
TOTAL REGULAR PERSONNEL	: 10.25

CONVENTION CENTRE FUND:

EST. BEGINNING FUND BALANCE:	\$ 2,422,285
OPERATING REVENUE:	<u>2,155,253</u>

TOTAL RESOURCES:	4,577,538
EXPENDITURES:	<u>-2,087,520</u>
UNDESIGNATED FUND BALANCE:	<u>\$ 2,490,018</u>
TOTAL REGULAR PERSONNEL:	12

PARKS, RECREATION & BEAUTIFICATION

EST. BEGINNING FUND BALANCE:	\$ 2,185
REVENUE:	<u>15,000</u>
TOTAL RESOURCES:	17,185
EXPENDITURES:	<u>-15,000</u>
ENDING FUND BALANCE:	\$ <u>2,185</u>

MUNICIPAL COURT TECHNOLOGY

EST. BEGINNING FUND BALANCE:	\$ 6,969
REVENUE:	<u>8,000</u>
TOTAL RESOURCES:	14,969
EXPENDITURES:	<u>-12,680</u>
ENDING FUND BALANCE:	\$ <u>2,289</u>

MUNICIPAL COURT SECURITY

EST. BEGINNING FUND BALANCE:	\$ 34,913
REVENUE:	<u>6,000</u>
TOTAL RESOURCES:	40,913
EXPENDITURES:	<u>-3,000</u>
ENDING FUND BALANCE:	\$ <u>37,913</u>

TRANSPORTATION GRANT:

EST. BEGINNING FUND BALANCE:	\$ 152,090
REVENUE:	<u>1,293,309</u>
TOTAL RESOURCES:	1,445,399
EXPENDITURES:	<u>-1,266,646</u>
ENDING FUND BALANCE:	\$ <u>178,753</u>
TOTAL REGULAR PERSONNEL:	15

STREET IMPROVEMENT FUND:

EST. BEGINNING FUND BALANCE:	\$ 62,238
OPERATING REVENUE:	<u>200,000</u>
TOTAL RESOURCES:	262,238
EXPENDITURES:	<u>-200,000</u>
ENDING FUND BALANCE:	\$ <u>62,238</u>

CONSTRUCTION IN PROGRESS FUND

EST. BEGINNING FUND BALANCE:	\$ 285,642
REVENUE:	
TOTAL RESOURCES:	285,642
EXPENDITURES:	
ENDING FUND BALANCE:	\$ <u>285,642</u>

DEBT SERVICE:

EST. BEGINNING FUND BALANCE:	\$ 254,565
REVENUE:	<u>734,271</u>
TOTAL RESOURCES:	988,836
DEBT SERVICE:	<u>-734,271</u>
ENDING FUND BALANCE:	\$ <u>254,565</u>

EDC DEBT SERVICE

EST. BEGINNING FUND BALANCE:	\$ 294,862
REVENUE:	<u>390,365</u>
TOTAL RESOURCES:	685,227
EXPENDITURES:	<u>-390,365</u>
ENDING FUND BALANCE:	\$ <u>294,862</u>

BEACH MAINTENANCE

EST. BEGINNING FUND BALANCE:	\$ 79,951
REVENUE:	<u>897,751</u>
TOTAL RESOURCES:	977,702
EXPENDITURES:	<u>-889,040</u>
ENDING FUND BALANCE:	\$ <u>88,662</u>
TOTAL REGULAR PERSONNEL 4	

BEACH ACCESS

EST. BEGINNING FUND BALANCE:	\$ 6,195
REVENUE:	
TOTAL RESOURCES:	6,195
EXPENDITURES:	
ENDING FUND BALANCE:	\$ <u>6,195</u>

BAY ACCESS

EST. BEGINNING FUND BALANCE:	\$ 638
REVENUE:	<u>15,500</u>
TOTAL RESOURCES:	16,138
EXPENDITURES:	<u>-15,500</u>
ENDING FUND BALANCE:	\$ <u>638</u>

CAPITAL REPLACEMENT FUND

EST. BEGINNING FUND BALANCE:	\$	26,952
REVENUE:		<u>0</u>
TOTAL RESOURCES:		26,952
EXPENDITURES:		
ENDING FUND BALANCE:	\$	<u>26,952</u>

BEACH NOURISHMENT

EST. BEGINNING FUND BALANCE:	\$	728,172
REVENUE:		<u>361,189</u>
TOTAL RESOURCES:		1,089,361
EXPENDITURES:		<u>-725,825</u>
ENDING FUND BALANCE:	\$	<u>363,536</u>

ECONOMIC DEVELOPMENT CORP.

EST. BEGINNING FUND BALANCE:	\$	230,338
REVENUE:		<u>568,609</u>
TOTAL RESOURCES		798,947
EXPENDITURES:		-568,609
ENDING FUND BALANCE:	\$	<u>230,338</u>

Section 2. This Ordinance repeals all portions of any prior ordinances or parts of ordinances of the Code of Ordinances in conflict herewith and shall not be codified.

Section 3. If for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this Ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this Ordinance for it is the definite intent of this City Council that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

Section 4. This Ordinance shall become effective immediately.

PASSED, APPROVED AND ADOPTED on First Reading, this 5th day of September 2012.

PASSED, APPROVED AND ADOPTED on Second Reading, this 19th day of September, 2012.

ATTEST:

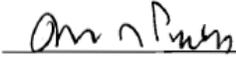
CITY OF SOUTH PADRE
ISLAND, TEXAS



Susan Hill, CITY SECRETAR

~~MAYOR~~





ROBERT N. PINKERTON, JR.,

Mayor

Ord 12-13 fv3

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