



2017-2018 ADOPTED BUDGET





*City of South Padre Island Annual Budget for All Appropriated Funds
Year Beginning October 1, 2017 and Ending September 30, 2018*

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DISTINGUISHED BUDGET PRESENTATION AWARD

The City of South Padre Island was awarded the Distinguished Budget Presentation Award by the Government Finance Officers Association for its 2016-2017 budget. This is the sixth consecutive year the City has received this award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of South Padre Island
Texas**

For the Fiscal Year Beginning

October 1, 2016

A handwritten signature in black ink, reading "Jeffrey R. Enow".

Executive Director

MAYOR, CITY COUNCIL AND STAFF

Barry Patel, Mayor

Dennis Stahl, Mayor Pro-Tem, Place 1

Ron Pitcock, City Council Member, Place 2

Theresa Metty, City Council Member, Place 3

Alita Bagley, City Council Member, Place 4

Paul Munarriz, City Council Member, Place 5

Kathy Cunningham, City Attorney

**Susan Guthrie
City Manager**

**Darla Jones
Assistant City Manager**

**Randy Smith
Police Chief**

**Keith Arnold
Convention and Visitors
Bureau Director**

**Carlos Sanchez
Public Works Director**

**Wendi Delgado
Administrative Services
Director**

**Dr. Sungman Kim
Development Services
Director**

**Victor Baldovinos
Environmental Health
Services Director**

**Susan Hill
City Secretary**

**Mark Shellard
Information Technology
Director**

**Rodrigo Gimenez
Chief Financial Officer**

**Jesse Arriaga
Transit Director**

**Doug Fowler
Fire Chief**

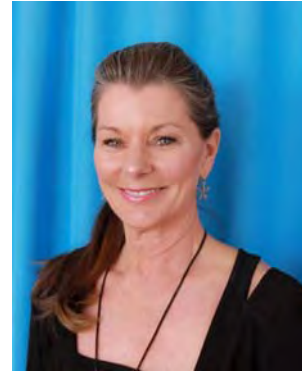
**Brandon Hill
Shoreline Director**

CITY COUNCIL MEMBERS

Barry Patel – Mayor



Alita Bagley – Council Member



Dennis Stahl – Mayor Pro Tem



Ron Pitcock – Council Member



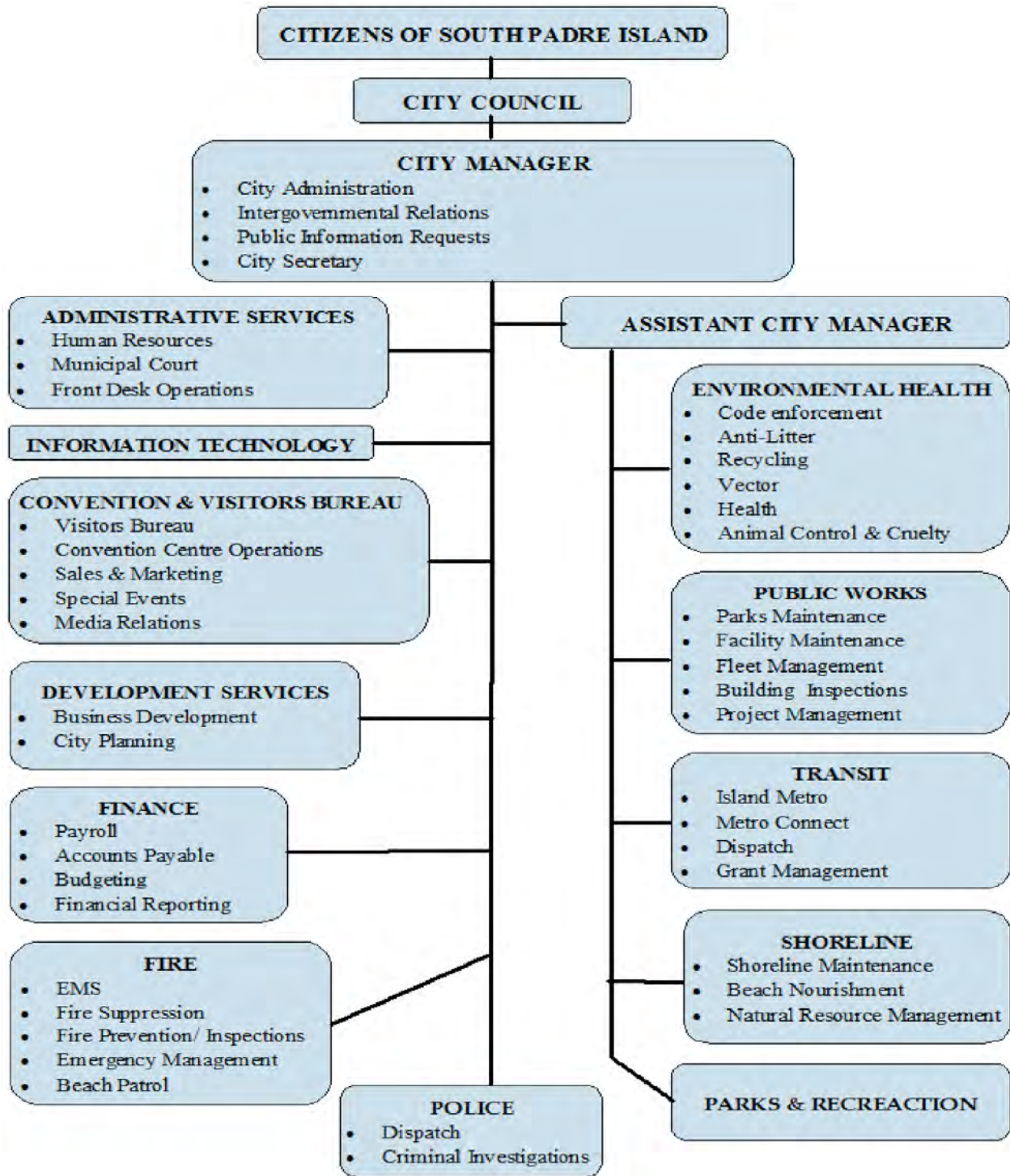
Paul Munárriz – Council Member



Theresa Metty – Council Member



ORGANIZATIONAL CHART



BUDGET MESSAGE



October 1, 2017

City of South Padre Island

Fiscal Year 2017-2018 Budget Message

It is our pleasure to present the 2017-2018 Annual Budget. The Annual 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, service levels provided to the citizens and the costs associated with providing those services.

Economic Environment

The Texas economy held steady although it encountered some noteworthy obstacles. The statewide unemployment rate fell to 4.0 percent but failed to boost wages. Declines in weighted building permits and housing starts indicate a slowdown in residential construction activity, heightening supply constraints. The strong global economy and steady decline in the Texas trade-weighted value of the dollar supported export growth, particularly for crude oil. Potential headwinds to the Texas economy include energy price volatility and trade uncertainty, especially with Mexico.

In terms of the City's economy, South Padre Island strongly relies on the Texas economy as well as that of Mexico. Located only 26 miles from the nearest international bridge, South Padre Island is a popular vacation spot among Mexican tourists. Strong global economic growth and the falling value of the dollar will likely lead to a larger number of Mexican visitors to the island. Although, this forecast could be tempered by the potential of a Mexican recession and ongoing security concerns along the major transportation corridors.

All business and economic activity on the Island centers on tourism. The highly seasonal nature of tourist activity means that half of the lodging sales come in June, July and August. The biggest challenge we face is to increase the activity in other times of the year. South Padre Island continues

4601 Padre Boulevard • South Padre Island, Texas 78597 • 956.761.6456 • Fax 956.761.3888



to establish itself as a premier visitor destination, with its unique setting, pristine beach environment, and abundant water and outdoor activities. As the area gains more recognition as a year-round vacation retreat, there will be a growing need to preserve, improve, and add to the amenities and attractions sought by the rising tide of tourists.

The Fiscal Year in Review

Before discussing the 2017-2018 Budget, let us first look at the City's major accomplishments during the past year. First, the Public Works department has undertaken many projects this past year to improve infrastructure and beautify the City of South Padre Island.

Infrastructure planning and growth is demonstrated by the Gulf Boulevard Phase IV reconstruction, as well as street drainage improvements. The project encompasses new paving, and improvements to pedestrian safety by relocating street parking to the west side of the street and providing wider walking areas as well as bicycle pathways. The relocation of parking to the opposite side of the street removes the potential of a pedestrian or cyclist not being seen by a driver maneuvering a vehicle into the previously positioned parking spaces. Traffic delineator posts have also been installed for additional pedestrian safety. Secondly, Phase IV of the renovation project also addresses a few side streets including adding curb and gutters to improve drainage, sidewalks and new paving. Additionally, work has commenced on new sidewalks along Padre Boulevard the length of the City.

The Convention Centre has received much needed renovations and upgrades in the last two fiscal years. A major renovation of the Convention Center exterior completed in 2016 was followed by internal improvements in 2017. The Convention Centre Interior Renovation costing approximately \$1.3 million was concluded in the last fiscal year for interior renovations including carpeting, interior painting, room partitions and lighting. Additional kitchen remodeling and A/C repairs have been budgeted in 2018.

The City's newest park opened in fiscal year 2017. Funded in part by the Texas Local Park Grant Project, the plan for John L. Tompkins Park was to develop a 1.9-acre community park that would become a core of the citywide system of parks and open space. Its facilities include a basketball



court, two playgrounds, a restroom facility, a pump house, parking lot and a large green space. A new Parks & Recreation Manager position was created to manage the new Community Center and focus on tasks related to parks and recreational activities.

A new 2% Venue portion of the local Hotel Occupancy Tax imposed in January 2017 has been allocated to provide funding for City venue projects. A “venue” is an arena, coliseum, stadium or any other facility built to accommodate professional and amateur sports events or community events. Additionally, it can be a convention center or any of several types of related improvements in its vicinity. The City then issued revenue bonds in the amount of \$9.1 million to finance the development of sports and community venue projects including related improvements to Padre Boulevard. Venue projects under consideration are: a Wind and Water Sports Facility, Amphitheatre, Padre Boulevard Medians, Convention Centre Annex and Parking Garage.

These are a few of the highlighted accomplishments of last fiscal year. We anticipate many improvements in the coming year for the Island’s infrastructure that will boost the growth potential for the City.

The Fiscal Year 2017-2018 Budget

A new Budget Committee was formed to evaluate staff budget requests. The City Manager, Budget Committee and the Finance Department worked closely with various Department Directors to create the budget. This process included detailed business plans, based upon a SWOT analysis conducted by each department to identify internal strengths and weaknesses, as well as external opportunities and threats.

During this current fiscal year, City staff developed replacement programs for computers, vehicles as well as a preventive maintenance program for the City’s buildings. These programs were developed through DMAIC processes, which is a data-driven improvement cycle used for improving, optimizing and stabilizing processes. The DMAIC improvement cycle (Define, Measure, Analyze, Improve and Control) is the core tool to drive process improvements.

A new Facility Preventative Maintenance Program is included in the adopted budget for FY 2017-18 for \$225,000. The project creates a comprehensive system of tracking building and maintenance



activities city-wide, and allows for more accurate budgeting to maintain adequate financial reserves specifically for these types of repairs or maintenance.

Two other capital replacement programs have been developed as a result of DMAICs, one for Vehicles and one for Technology. A thorough analysis has indicated a need to replace many of the City's vehicles. A regularly scheduled replacement program of vehicles will allow for a manageable annual budget beginning this year. This will help avoid vehicle failure and unavailability. An analysis of the City's computers has produced similar results, indicating many needed replacement. Regular replacements will help the City control costs as we address these critical issues, while improving reliability and performance.

In November of 2011, the City Council approved a five-year strategy in an effort to adjust the City's compensation plan, bringing all positions to the average market rate gradually over five years. Phase I was funded in April of 2012 while Phases II, III & IV were funded in the past three fiscal years. Phase V is included in the 2017-2018 proposed budget, as well as a 1% COLA for those employees not eligible for a Phase V increase. Additionally, a new Police Detective position has been financed, as well as a new Beach Patrol Manager position to improve safety on the beach.

A new Events Development and Packaging Manager position will be responsible for developing, implementing and managing festivals, sports and events. Duties include research, proposal development, fund-raising, event planning as well as marketing and economic impact assessment. The potential for events, festivals and sports to fill offseason weekends is substantial, due to the City's \$3 million budget for marketing. A full-time manager is required to take full advantage of this market expediently and effectively. The immediate addition of this position will significantly accelerate the economic impact of events during the nine months of offseason and will enhance the sustainable growth of South Padre Island.

There are numerous projects underway throughout all of our departments that contribute to the advancement of our City as an organization and as a community. We continue to find ways to improve transportation throughout the island, whether it be by car, bicycle or on foot; we continue to invest in beautification projects that benefit residents, as well as tourists; and we continue maintaining and developing the infrastructure to support future growth.



Improvements to Padre Boulevard, the City's main thoroughfare, have begun with funding from TAP grant funds of \$3,490,000, as well as the proceeds from the Tax Notes Series 2016 of \$4,000,000. These funds are being used to construct street, sidewalk, median and related drainage improvements in the City. The intent is to revitalize Padre Boulevard to be an attractive, vibrant commercial corridor in the community, and to develop the Entertainment District into a walkable, mixed use regional destination.

Phase I of the Multi-Modal Transportation project has been completed, leaving the construction of the facility (Phase II) remaining. This facility will serve as a one-stop transportation hub for eastern Cameron County. The City of South Padre Island was awarded a \$3,500,000 TIGER grant for this project, which will be used to fund Phase II of the project. The hub will include a transfer station to be used by Island Metro, regional transit system Metro Connect, rural transit system Valley Metro, future intercity bus providers, charter buses, and taxis. The terminal will also connect to two international airports and two international bus terminals through its coordination with regional transit systems. Also included in the project are passenger amenities, driver amenities, administrative offices and a park-&-ride site.

South Padre Island is a community with a challenging task of balancing the needs and desires of our permanent residents, along with the need to attract the thousands of visitors each year. I feel that with the efforts of exceptional staff and dedicated elected officials, we have achieved our goals of delicately balancing the daily operations to create an environment suitable for all stakeholders.

Respectfully,


Susan Guthrie
City Manager

FINANCIAL SUMMARY



City of South Padre Island, Texas

	Total Funds	
	2016/17	2017/18
	Final	Adopted
	Budget	Budget
REVENUES AND OTHER SOURCES		
Property Taxes - Incl. Penalty & Interest	\$ 7,574,836	\$ 7,688,006
Nonproperty Taxes	13,933,841	16,061,788
Fees and Services	850,569	960,563
Fines and Forfeitures	432,687	482,100
Licenses and Permits	161,000	198,700
Intergovernmental	6,574,310	5,298,977
Miscellaneous and Program Revenues	160,556	191,285
Other Financing Sources	2,303,863	1,555,339
Total Revenues	31,991,662	32,436,758
EXPENDITURES		
General Government	\$ 4,250,562	\$ 3,948,464
Public Safety	5,447,661	5,647,966
Public Works	3,317,279	2,918,423
Convention & Visitors Bureau	6,911,512	6,894,570
Community Service	507,725	445,935
Transportation	1,886,021	1,783,095
Debt Service	2,461,576	2,968,421
Capital Outlay	7,236,145	3,819,420
Other Financing Uses	2,494,550	1,599,333
Total Expenditures	34,513,030	30,025,627
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,521,368)	2,411,132

EXECUTIVE SUMMARY

The Annual 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, services to be provided to the citizens and visitors and the related cost.

A new Budget Committee was formed to evaluate staff budget requests. The City Manager, Budget Committee and the Finance Department worked closely with various Department Directors to create the budget. This process included detailed business plans, and SWOT analysis to identify internal strengths and weaknesses, as well as external opportunities and threats.

During this current fiscal year, City staff developed replacement programs for computers, vehicles as well as preventive maintenance for the City's buildings. These programs were developed through DMAIC processes, which is a data-driven improvement cycle used for improving, optimizing and stabilizing processes. The DMAIC improvement cycle (Define, Measure, Analyze, Improve and Control) is the core tool to drive process improvements.

Provided below are some highlights and major projects of the City included in the 2017-2018 Budget:

Revenues

- According to the 2017 appraisal rolls provided by the Cameron County Appraisal District, property values increased by 0.06%. The 2017 proposed tax rate is \$.315640/\$100 which represents an increase of \$.01/\$100 compared to the current tax rate. This increase is due to the additional funding needed for the new preventive building maintenance program.
- Sales taxes are projected to increase by \$17,506 for next fiscal year resulting in a total budgetary amount of \$2,395,017 in the General Fund.
- The City's Hotel Occupancy tax collections allocated to the Hotel Motel and Convention Centre funds are expected to produce revenues in the amount of \$7,500,476. Total Convention Centre revenue is anticipated to be \$7,807,476.
- Beach Nourishment is funded with one-half percent of the local hotel motel tax collected by the City for beach nourishment projects. Projected revenue is \$468,780.
- State Occupancy Tax, which is allocated to the Beach Maintenance Fund, is projected to increase by approximately \$112,185 for next fiscal year, resulting in a total budgetary amount of \$1,875,119.

- The Venue Project Fund was established in Jan. 2017 to provide for the development of a venue project. Projected revenue for FY 2017-18 is approximately \$1,875,000.

Expenditures

- An allocation of \$225,000 for a new Facility Preventative Maintenance Program is included in the proposed budget for FY 2017-18. The project creates a comprehensive system of tracking building and maintenance activities city-wide, and allows for more accurate budgeting to maintain adequate financial reserves specifically for these types of repairs or maintenance.
- An overall decrease of \$77,270 in the Fleet department is primarily based on reductions in fuel cost, lease payments due at the end of the lease terms, as well as the refinancing of the fire ladder truck. These decreases are partially offset with additional funds allocated for the new vehicle replacement program. New proposed vehicle purchases include two for Police, two for Public Works and two trailers for Environmental Health for a total cost of \$129,400.
- The Shoreline Department has proposed new vehicle purchases. The budget includes one truck and two utility task vehicles (UTVs) for a total cost of \$80,000.
- The Technology department has budgeted \$22,000 to initiate a computer replacement program, to help manage the future costs and technology needs of the City.
- Phase V of the compensation plan is included in the proposed 2017-18 budget as well as a 1% COLA for those employees not eligible for a phase V increase. The total cost to the General Fund is \$214,024 of which \$126,737 is allocated to public safety employees (Police and Fire).
- A new Police Detective position is proposed to begin in April 2018. Additionally, the Police department will be making internal structural changes in the department organizational chart next fiscal year to create more efficient internal processes as directed by the City Manager.
- A new Beach Patrol Manager position will be created in the Beach Maintenance Fund to improve safety on the beach. The cost for this position is \$69,971 (including benefits, insurance increases and tax burden).
- The Beach Maintenance Fund will continue to provide for expenditures related to the enforcement and administration of anti-litter beach programs. This includes a total allocation of \$90,127 to preserve the same level of service.

- The Visitors Bureau has budgeted \$16,000 to purchase two kiosks and five screens. The self-serve kiosks will provide visitors with easy access to real-time weather updates and general information for island events and attractions.
- The proposed budget in the Events Marketing Division includes a new Events Development and Packaging Manager position for \$60,600 including benefits and tax burden. This person will be responsible for developing, implementing and managing festivals, sports and events as well as working to develop a packaging tool.
- The Events Marketing budget also includes sponsorships totaling \$635,751 for next fiscal year. Additionally, the City allocated local occupancy tax revenue for ecological tourism in the amount of \$50,000.
- The proposed marketing budget for next fiscal year is approximately \$3 million. The majority of this allocation is for media placement, which totals \$2,223,500.
- The proposed budget for the Convention Centre fund includes \$219,420 for capital outlay improvements, including \$145,000 for building improvements, such as cooling towers, and air handler improvement, and \$74,420 for vehicles and equipment, including a truck and a UTV.
- Approximately \$3.5 million has been budgeted in the Transportation Fund for Phase II of the Multimodal Complex to be paid with federal grants that includes architectural and engineering services, construction cost and purchase of machinery and equipment.
- A total increase in the Metro Connect program of \$34,182 is budgeted for next fiscal year. The primary reason for the increase is additional marketing, repair and maintenance of motor vehicles, as well as minor tools and equipment.
- Debt Service payments are budgeted in the amount of \$2,236,038 in fiscal year 2017-18 including the payment for the Venue Hotel Occupancy Tax Revenue Bonds.

Debt Service Payments 2017-2018	Principal	Interest	Total
Fire Station	\$175,000	\$118,050	\$293,050
Municipal Complex	285,000	65,725	350,725
Gulf Blvd.	405,000	67,825	472,825
Padre Blvd.	530,000	79,600	609,600
Venue Project	185,000	324,838	509,838
Total	\$1,580,000	\$656,038	\$2,236,038

- The Beach Nourishment Fund has no BUDM project budgeted fiscal year 2017-2018. The City realized savings for the dredge project last fiscal year which will be applied to future

dredge projects. Professional services have been allocated for coastal engineering services in the amount of \$60,000.

Staff continued a conservative approach to forecasting revenues for the FY 2017-2018 budget. Due to conservative budgeting practices in the past three years a stable General Fund balance has been maintained. 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 2016-2017 the unaudited fund balance in the General fund is estimated to be \$6,222,117.

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, Public Information Officer 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 Centre. The City's efforts to manage the beach is highlighted by the staffing of a Shoreline Director 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 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

Nestled between the Lower Laguna Madre and Gulf of Mexico, South Padre Island sits at the southernmost tip of Texas. Once you're here, you'll instantly fall into the tropical Island experience. And with the widest point of the Island just a half-mile, you're never too far from the white, sandy beach and crystal clear ocean.

Known for its clean, wide, white beaches, South Padre Island holds the title of Sand Castle Capital of the World, Fireworks Capital of Texas, and the Kiteboarding and Windsurfing Capital of Texas. The Island also hosts the Texas International Fishing Tournament (TIFT), the largest salt water fishing tournament in the state, attracting fishing enthusiasts and visitors from all over the world.



South Padre Island boasts nightly firework shows during all summer weekends. Hundreds of hours of brilliant nighttime entertainment rack up thousands of annual visitors.

According to the last census, the City of South Padre Island is home to an estimated 2,900 people, and based on statistics provided by the Convention and Visitors Bureau, over 1 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."

At South Padre Island, it's never business as usual. With a variety of meeting and convention space available to fit large and small groups, first-class accommodations and dining, shopping, and of course, the cleanest, widest beach in Texas, South Padre Island is the perfect place to host your next conference or meeting.



With 45,000 square feet of meeting and conference space and plentiful parking, the South Padre Island Convention Centre includes 22,500 square feet of exhibit hall space with a clear ceiling height of 36 feet for concerts, large meetings and sporting events, as well as a large, media-ready conference auditorium that seats 250 people.

The South Padre Island Birding & Nature Center is a five (5) story tower with spectacular views of Laguna Madre, Beaches & dunes of South Padre Island, the Gulf of Mexico, & the South Padre Island Skyline.





The Island Metro is a fare-free system and runs 365 days a year on South Padre Island with connection to the Laguna Madre and surrounding areas. Unlimited hop-on-hop off access, free Wi-Fi and the best 'Island Friendly' service in Texas.



SPI Bikefest attract over 5,000 bikers and their families to our sunny and sandy shores with multiple events throughout the calendar year.

Sand Castle Days brings worldwide recognition from a truly international sculpture competition every fall.



CLIMATE

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

Weather is one of the major attractions for people visiting and living on South Padre Island. Enjoying a nice walk on the beach in the middle of winter in a short sleeve shirt and shorts is a common indulgence. And during the summer, a constant ocean breeze makes even the hottest of days enjoyable.

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

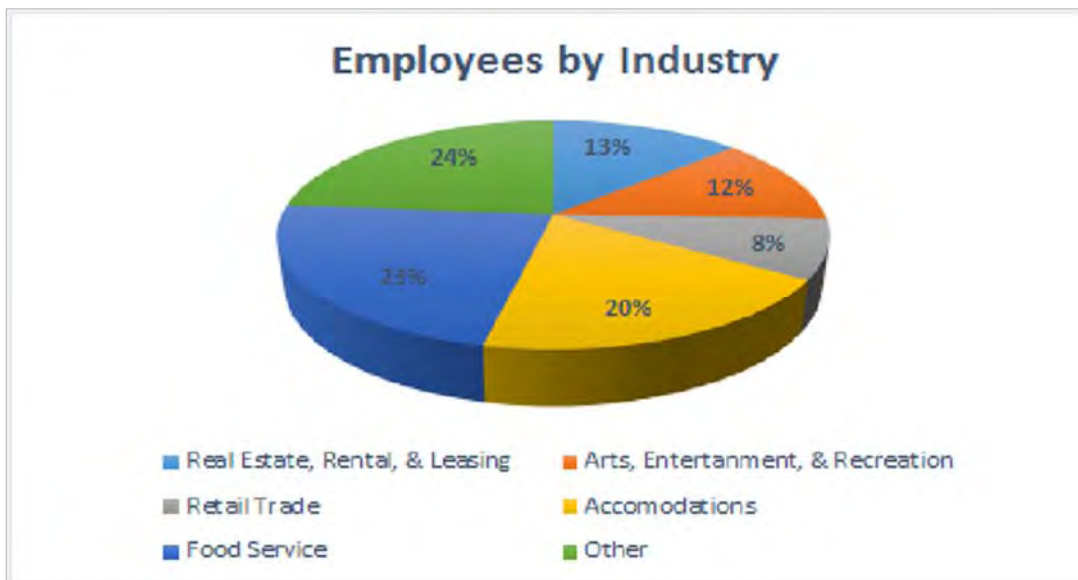
DEMOGRAPHICS

The current median age for the City of South Padre Island is 60.5, while the average age is 59. Five years from now, the median age is projected to be 62.3.

The average household income is estimated to be \$119,214 for the current year, while the average household income for the base area is estimated to be \$59,285.

It is estimated that 24.6% of the population age 25 and over had earned a Bachelor’s Degree, and 15.3% had earned a Graduate/Professional School Degree.

For the area, 99% of the labor force is estimated to be employed for the current year.



Source of Demographics Statistics: South Padre Island Economic Development Corporation

ECONOMIC FACTORS

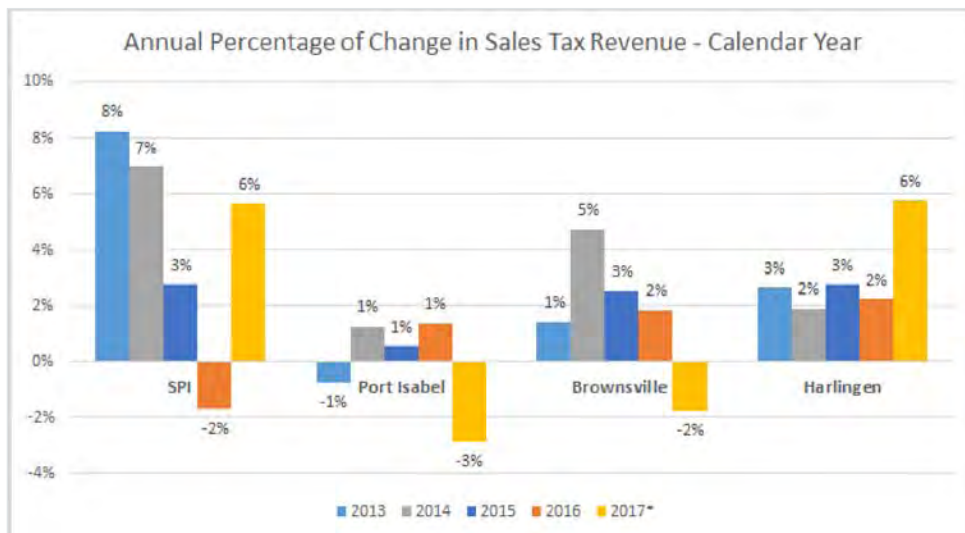
Assessed Value and Actual Value of Taxable Property: The City of South Padre Island has experienced stable assessed property values for the past five years.

Fiscal Year Ended September 30,	Net Taxable Assessed Value		Less: Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property	Personal Property			
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	75,246,646	2,606,119,273	0.25270
2014	2,629,536,569	31,256,298	77,229,580	2,583,563,287	0.25438
2015	2,574,041,045	32,621,783	90,276,002	2,516,386,826	0.26275
2016	2,535,461,500	34,181,366	91,123,668	2,478,519,198	0.28564

Source: Cameron County Appraisal District

Property in the city is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$100 of assessed value.

The City of South Padre Island has experienced a substantial increase in sales tax revenue recently compared to other cities in Cameron County.



Source: Texas Comptroller of Public Accounts as of November 2017

PRINCIPAL PROPERTY TAXPAYERS

Taxpayer	Taxable Assessed Valuation
SPI Beach Water Resort Waterpark LLC	\$10,882,174
Agora USA LP	10,312,156
Sapphire VP LP	9,000,000
Peninsula Island Resort & Spa LLC	8,797,934
Bahia Mar Tower LLC	8,156,073
ICS Management Co.	7,500,570
Skipjack Properties LLC	7,376,575
Affiliated Hospitality LLC	6,689,867
SPI Management CO	6,677,242
SPI La Copa LTD	6,294,771

Source: Cameron Appraisal District



Schlitterbahn Beach
Resort and Waterpark

PRINCIPAL EMPLOYERS

Employer	Number of Employees (Peak)
Schlitterbahn Beach Water Park	1,028
City of South Padre Island	297
The Pearl Beach Resort	208
Isla Grand Resort	177
Louie's Backyard	180
Sea Ranch Enterprises *	171
Blackbeard's Restaurant	138
Hilton Garden Inn	150
Origins Recovery Center	112
La Quinta Inn & Suites	120
Total	2,581

Source: South Padre Island Economic Development Corporation

*Includes Sea Ranch, Pier 19, and Laguna Bob's



Schlitterbahn Beach
Resort and Waterpark

PERCENTAGE OF EMPLOYEES BY DIVISION



BASIS OF BUDGETING

The operating budget is an estimate of revenues and expenditures for one fiscal year. Funds are budgeted using the modified accrual basis of accounting. 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.

Annual financial reports are prepared under the modified accrual basis for governmental and special revenue funds, while the accrual basis of accounting is used for proprietary funds, as required by Generally Accepted Accounting Principles (GAAP). Proprietary fund type revenues are recognized when earned according to the accrual basis of accounting. The Comprehensive Annual Financial Report compares actual revenues and expenditures to the budget so that performance can be measured. The City of South Padre Island does not have any proprietary funds, which allows modified accrual basis of accounting to be used for both budgetary and financial accounting 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 original 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. In 2014, the City of South Padre Island updated their comprehensive plan. The entire 2014 Comprehensive Plan can be found online at: http://www.myspi.org/egov/documents/1410380968_9678.pdf.

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:

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



¹ Town of South Padre Island 2008 Comprehensive Plan, pg. 1-1
From the City of South Padre Island 2014 Comprehensive Plan, Cover pg.

MISSION STATEMENT

Developed by the CPAC, the City's mission statement is:

The City of 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.²

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 his/her direction and guidance, the annual budget is prepared. State law, City Home Rule Charter and local ordinances also impact the 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

2

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.³

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 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. 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.

³ From the Home Rule Charter, 2009

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.
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.

*Dates in **Red** represent City Council Workshops and Meetings

Dates	Topics
April 12	Kick-Off Meeting for Staff: FY 2017/18 Budget, Business Plan, Five Year Operational Plan, Fee Schedule, forms and instructions distributed to City Departments. (Finance)
April 21	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
April 21	Technology requests are due to IT for review Staffing requests are due to HR for review Vehicle requests are due to PW for review
April 25	Review Technology Requests (HR, Finance, CM) Review Staffing Requests (HR, Finance, CM) Review Vehicle Requests (PW Director, Finance, CM, ACM)
May 1	Five Year Operational Plan, Fee Schedule and Business Plan due in the shared drive
May 5	Departmental Five Year Operational, Fee Schedule, SWOT and Metrics plan reviews with City Manager and CFO (required) as well as other budget committee members (optional)

	Due date for Revenue Projections from Departments
May 9-11	Departmental Budget reviews with Budget Committee
May 25	CIP project request forms due Outside Agency Applications for Funding due to City Secretary
June 7	Budget Workshop Review Fee Schedule
June 7	Agenda item for Council to evaluate Outside Agency Funding Requests
June 28	Budget Workshop: Review fee schedule (Finance) – if necessary
July 5	Agenda item to review EDC Budget
June 14	Publish the general summary of the CIP and note where copies of the CIP are available for inspection.
July 18	Cameron County Appraisal District certifies tax roll
July 20	Publish Notice of meeting to discuss Tax Rate in Port Isabel Press (at least 72 hours prior to hearing on Aug. 2) <i>Publication Deadline is at noon.</i> Publish Notice of meeting to discuss FY 2017/2018 Budget in Port Isabel Press (Publish the notice no earlier than the 30th day and not later than the 10th day before the hearing on Aug. 16) Post one notice of two public hearings to discuss Tax Rate on the Web site continuously (for at least seven days immediately before the public hearing on the proposed tax rate increase Aug. 2)
July 28 Special Meeting	Proposed Budget and Proposed 5 year CIP submitted to City Council on or before 60 days from beginning of fiscal year (Home Rule Charter Section 5.02)
July 31	Last day to file budget with City Secretary, and post on website (Finance) Post notice of proposed tax rate on our website, continuing until the tax rate is adopted
August 2	Conduct 1 st Public Hearing for discussion of Tax Rate (<i>only necessary if proposed tax rate is above the effective tax rate</i>)

	Conduct Public Hearing for discussion of 5 year CIP (Darla J.)
	Post notice of the vote on Tax Rate on the Web site continuously (for at least seven days immediately before the vote on the proposed tax rate increase Aug. 16)
August 16	Conduct 2 nd Public Hearing for discussion of Tax Rate (<i>only necessary if proposed tax rate is above the effective tax rate</i>)
	Conduct Public Hearing regarding FY 2016/2017 Budget
August 30 Special Meeting	Consideration and action on FIRST reading of Ordinance No._____ approving and adopting a fiscal year FY 2017/2018 Fee Schedule for the City of South Padre Island
	Consideration and action on FIRST reading of Ordinance No._____ approving and adopting a FY 2017/2018 budget for the City of South Padre Island
	Consideration and action on FIRST reading of Ordinance No._____ establishing the ad valorem and personal tax rate for 2017 and setting the assessed valuation, providing for discounts, penalty, interest and severability
September 6	Consideration and action on approval of Resolution No._____ adopting the CIP
	Consideration and action on SECOND and FINAL reading of Ordinance No._____ approving and adopting a FY 2017/2018 Fee Schedule for the City of South Padre Island
	Consideration and action on SECOND and FINAL reading of Ordinance No._____ approving and adopting a FY 2017/2018 budget 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 FY 2017/2018 and setting the assessed valuation, providing for discounts, penalty, interest, and severability
September 7	Publish notice of the final rate on the home page of any internet web site operated by the taxing unit, before imposing the property tax rate for the year. The wording for this notice is set out in Tax Code 26.05(b)(2) (same as ordinance wording).

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 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 effective tax rate for 2017/18 is \$0.310021. The City Council has adopted a property tax rate of \$0.315640 cents per \$100 valuation, which represents an increase of \$0.01 compared to the tax rate adopted last year. This increase is intended to cover the additional funding needed for the new preventive building maintenance program.

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.

MAJOR GOVERNMENTAL FUNDS

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.

MAJOR SPECIAL REVENUE FUNDS

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.

MAJOR CAPITAL PROJECT FUNDS

The City has no major capital project funds. 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

- Beach Nourishment Fund (Shoreline Department) 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.
- Transportation Fund is used to account for the State and Federal grants proceeds and expenditures that pertain the South Padre Island Metro and Metro Connect transportation system.
- Parks and Recreation Fund was established to account for funds set aside for upgrades to City parks.
- 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.
- Street Improvement Fund is used to account for improvements on the streets of the City.
- Capital Replacement Fund is used to account for the Facility Preventative Maintenance Program which tracks building and maintenance activities city-wide.
- Hurricane Recovery Fund was established to account for insurance, grant and local funds that will be used for future hurricane related expenditures.

NON-MAJOR CAPITAL PROJECT FUNDS

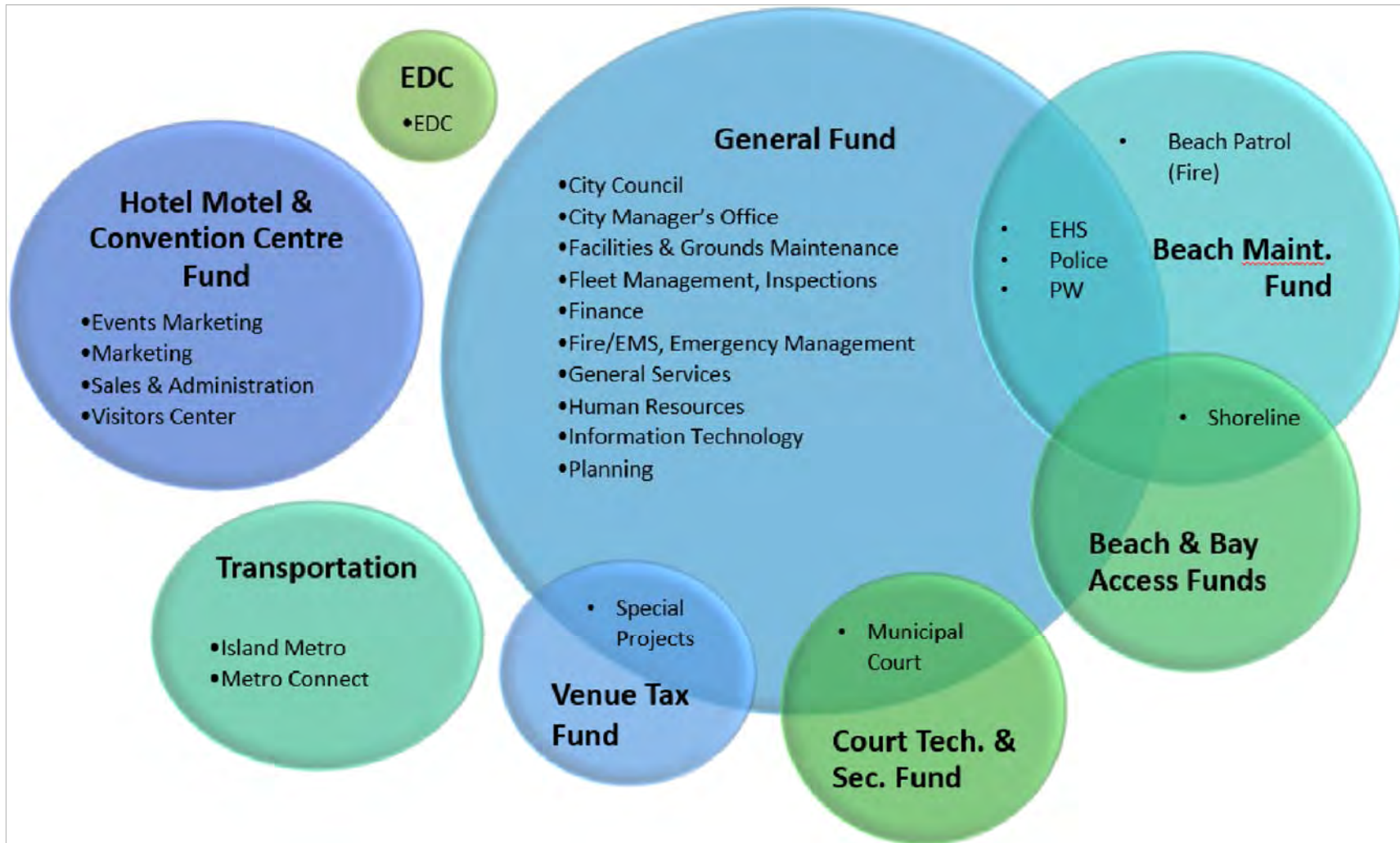
- Gulf Blvd Rebuild Fund is used to account for bond proceeds received and expenditures associated with rebuilding and expansion of Gulf Boulevard.
- Padre Blvd Construction Fund is used to account for bond proceeds received and expenditures associated with improvements to Padre Boulevard, the City's main thoroughfare.
- Venue Tax Fund is used to provide for the development of a venue project.
- Beach Maintenance Fund is used to clean and maintain the beach. The State of Texas remits to the City 2% 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 is 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.

USE OF FUNDS BY DEPARTMENTS

DEPARTMENT	GOVERNMENTAL FUNDS													
	GENERAL FUND	SPECIAL REVENUE FUNDS											CAPITAL PROJECTS	
		HOTEL MOTEL	VENUE TAX	CONV CENTER	COURT TECH	COURT SECURITY	TRANSPOR TATION	BEACH MAINT	BEACH ACCESS	BAY ACCESS	BEACH NOURISH	EDC	GULF BLVD	PADRE BLVD
City Council	X													
City Manager's Office	X													
Finance	X													
Development Services	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			X	X	
Emergency Management	X													
General Service	X													
Special Projects	X		X											
Shoreline							X	X	X	X				
Visitors Center		X												
Sales & Administration		X												
Marketing		X												
Events Marketing		X												
Convention Centre				X										
Transportation							X							
EDC												X		

DEPARTMENT/FUND RELATIONSHIP



ALL FUNDS SUMMARY: REVENUES

Revenue projections are in accordance to the guidance established by the financial policy. General Fund revenues are budgeted to total \$11,741,286, including other financing sources. This represents a 3.3% increase over the FY 2016/17 budgeted revenues. The Hotel/Motel Fund, and Convention Centre Fund have total projected revenue of \$7,807,476 which is a 0.9% increase from the previous year. Projected revenues for the new Venue Tax Fund are \$1,875,119.

Property tax including penalty and interest represents 25% of total revenue. A property tax rate of \$0.315640 was adopted by the City Council, and represents an increase of \$0.01. The adopted tax rate is separated into a maintenance and operations (M&O) rate and an interest and sinking (I&S) rate. An annual tax of 0.249640 for each \$100 assessed value is levied for current City expenditures, general improvements of the City and its property, called the M&O rate. A tax of 0.066000 for each \$100 worth of property was levied for purposes of creating an interest and sinking fund for the retirement of general obligation bonds, called the I&S rate. By adopting this new property tax rate, the City is expecting to collect an estimated \$204,734 in current property tax more than fiscal year 2016/17. 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
\$11,741,286.*

Council passed a resolution in January 2015 amending a 2011 ordinance that designated an area to be known as a tax increment reinvestment zone (TIRZ). The Cameron County contribution for the year 2017 is estimated to be \$33,065 while the City's own contribution is estimated to be \$37,806.



*Local Hotel/Motel
tax rate: 8.5%*

*State of Texas
Hotel/Motel tax
rate: 6% (2% is
remitted back to
the City)*

*Local Venue Tax
rate: 2%*

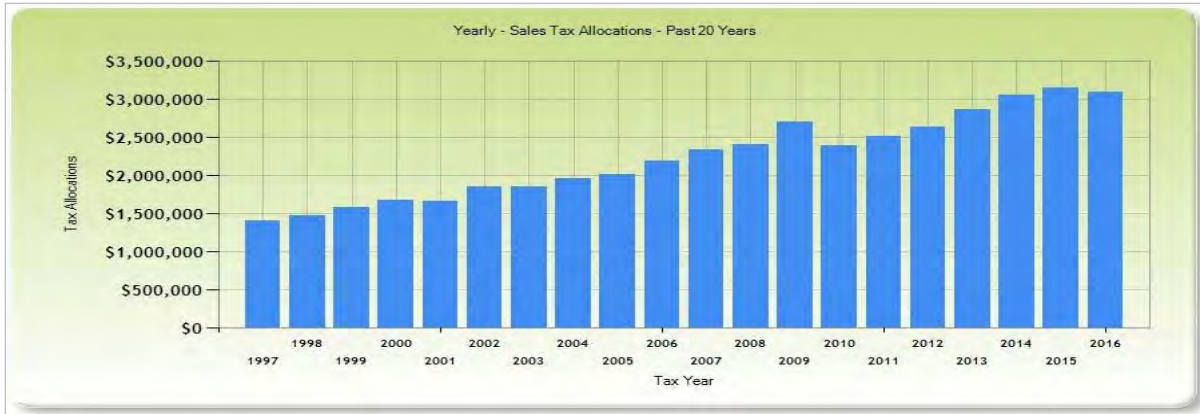
*Cameron County
Venue Tax Rate:
0.5%*

Non-property taxes include hotel/motel occupancy, venue project fund, sales tax, mixed beverage tax, and utility franchise taxes. The projections are based on historical trends analysis and any other relevant information available during the budgeting process.

Hotel/motel taxes are estimated to be \$11,719,494 and are deposited into Hotel/Motel Fund, Convention Centre Fund, Venue Project Fund, Beach Nourishment Fund, and Beach Maintenance Fund. This revenue represents 97% of the estimated revenue for these funds. The City has a 17% Hotel/Motel tax with 6% to the State of Texas of which 2% is remitted back to the City to finance the Beach Maintenance Fund, and 0.5% is for the County Venue Project. The remaining 10.5% of Hotel/Motel tax is used by the City (8% for use by the Convention and Visitors Center, 2% to finance a local Venue Project and 0.5% for beach nourishment).

Sales tax revenues are anticipated to reach \$3,165,017, constituting 10% 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: 1.5% to City of SPI,

0.5% to EDC, and 6.25% to State of Texas. Sales tax revenue for the General Fund is forecasted to be approximately \$17,506 more compared to the budgeted revenues for fiscal year 2016-2017.

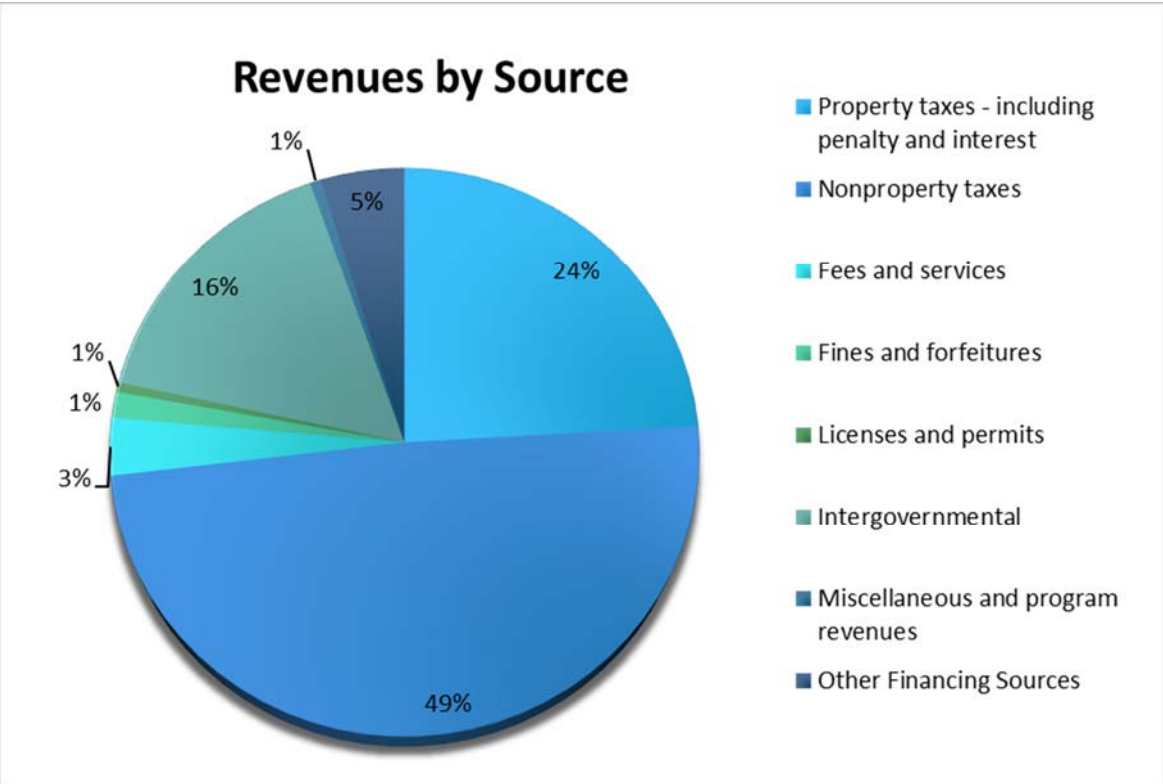


Franchise taxes are received from four utility providers. The estimated fees to be received are \$879,390 from electricity, telephone, cable television, and sold waste services. \$332,422 is expected to be received from mixed beverage taxes collected on the sale of alcohol. These two revenue items represent 3.9% of the total budgeted revenue.

Fees and services are generated from emergency medical services, fire department inspection fees, rental of the Convention Centre, ticket sales, lot mows and lien fees. Fees and services revenue is forecasted to be \$1,065,743, which is 3.4% of total revenue.

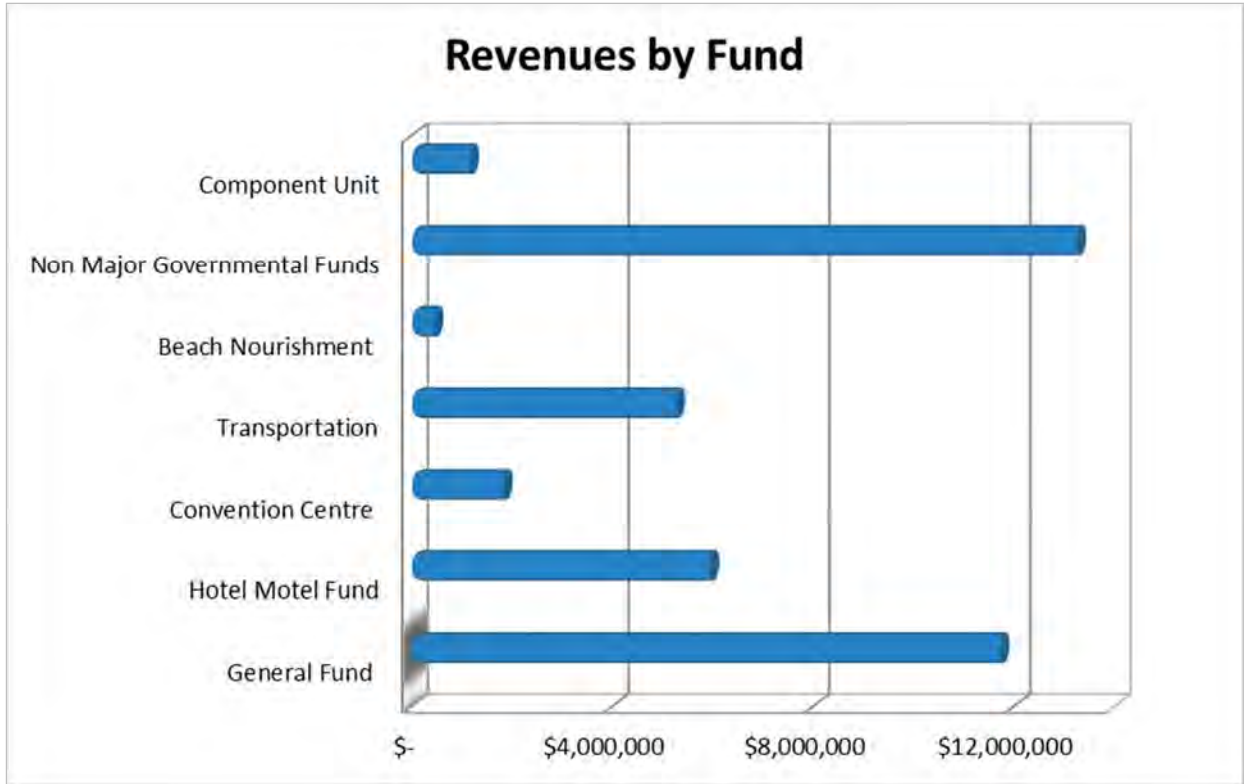
Fines and forfeitures resulting from municipal court activity are \$487,500. This projected revenue includes \$17,000 from Municipal Court fees collected in accordance with state law to enhance Court security, technology, and training.

Federal and state grants represents 17% or \$5,324,602 million of total revenue. Transportation grants to finance the island’s free public transportation, known as South Padre Island Metro, are expected to reach over \$5.1 million.



Non-property taxes is the major source of revenue representing 49 %

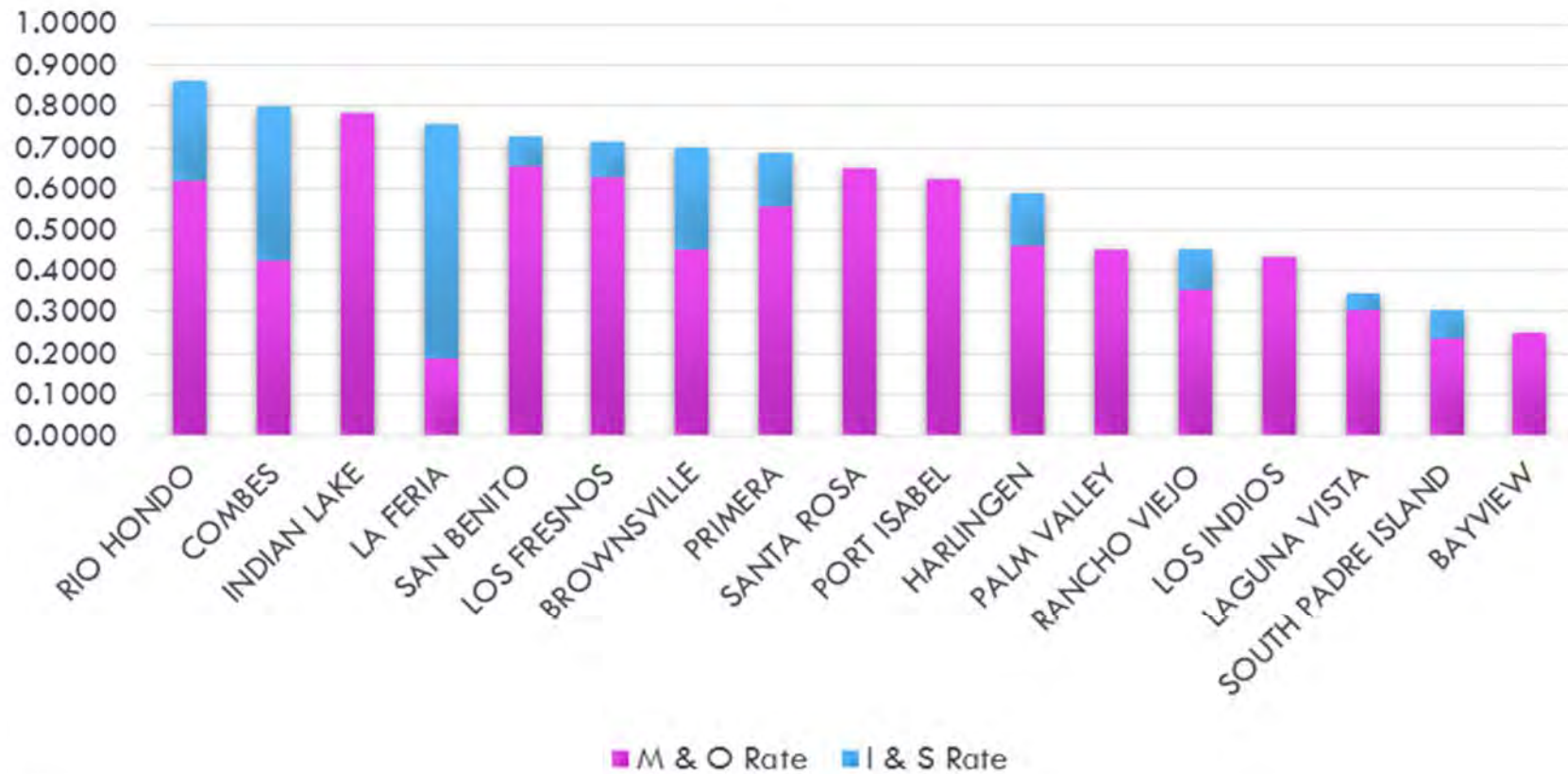




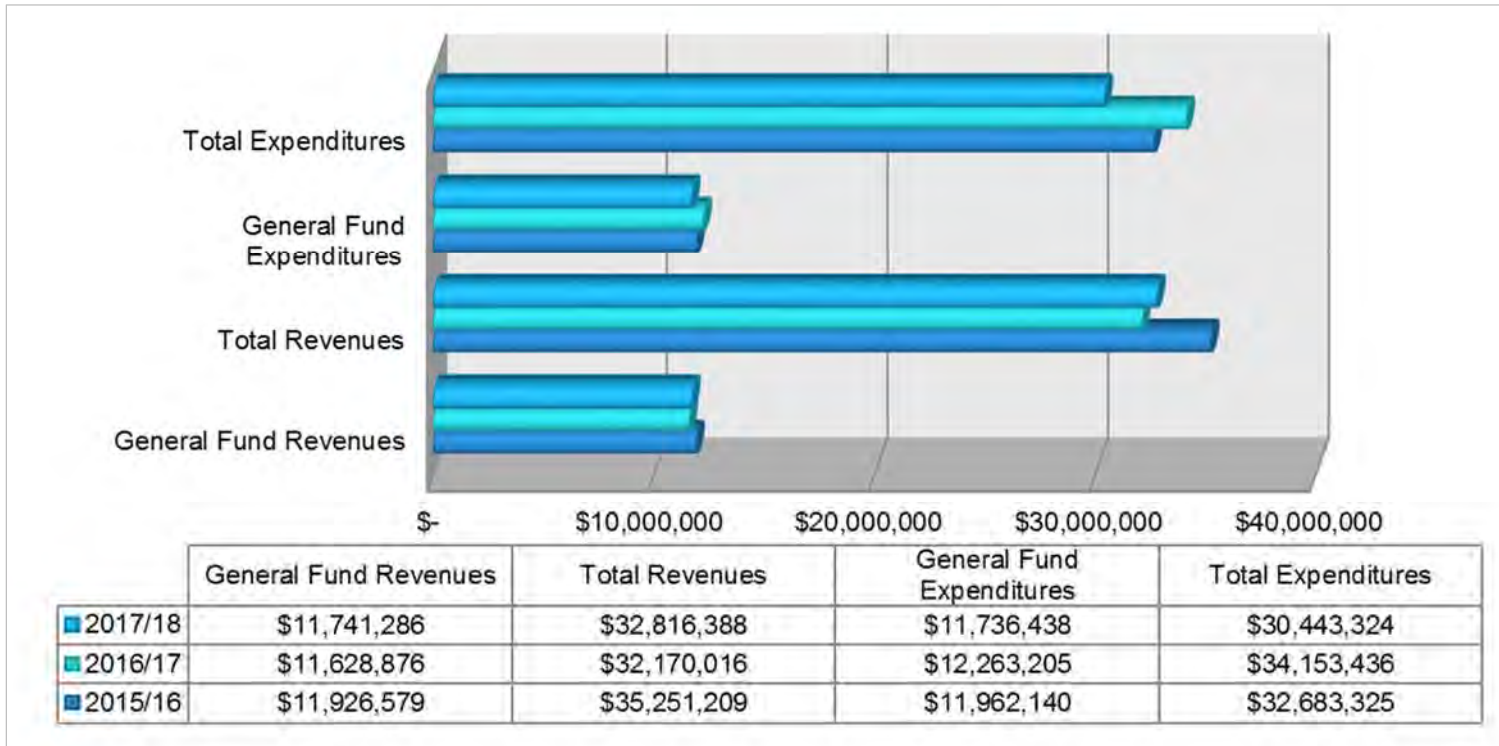
*General Fund revenues
represent 29.5% of total
revenues*



2016 MUNICIPAL TAX RATES IN CAMERON COUNTY



FINANCIALS OF THE LAST THREE FISCAL YEARS



2017/18 Adopted Budget

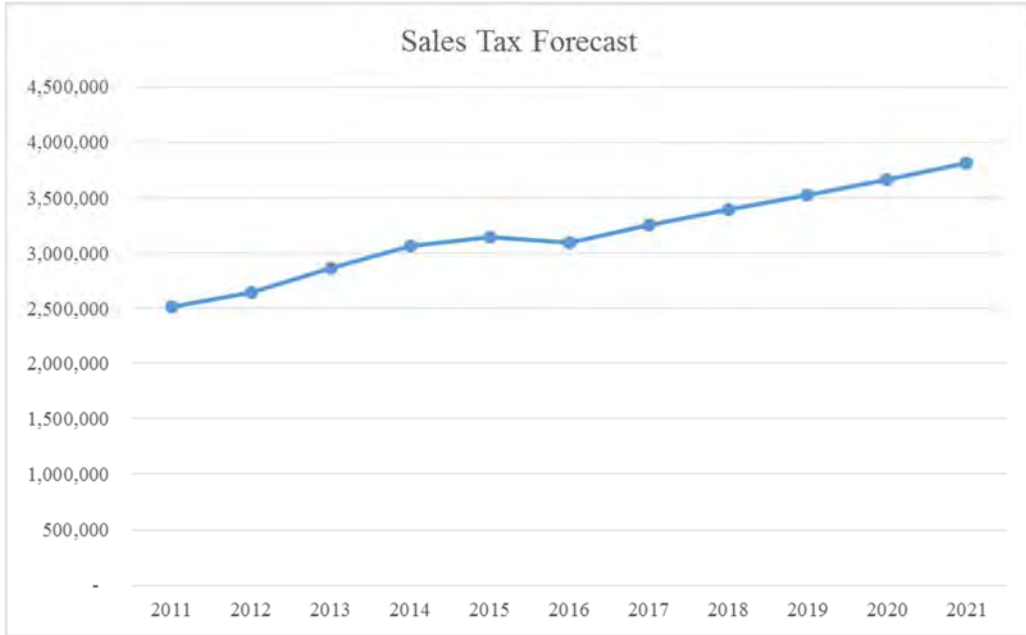
2016/17 Final Budget

2015/16 Actual

*Revenues include other funding sources

LONG-RANGE REVENUE FORECAST

The annual budget is a dynamic document that will be adjusted as the City proceeds through FY 2017-2018. This budget document continues our efforts to establish a strategic approach to align our resources and programs to the priorities of our citizens. The purpose of the five-year plan is to project the financial impact of current budgetary decisions on future fiscal years.

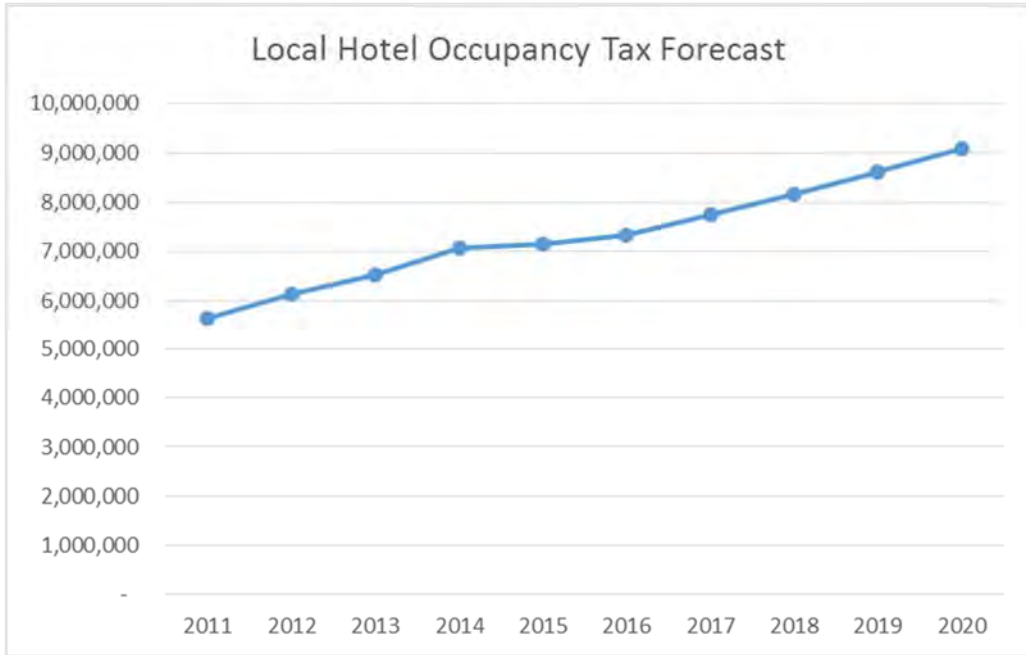


Sales Tax	
Calendar Year	Amount
2011	2,519,045
2012	2,645,912
2013	2,863,860
2014	3,063,067
2015	3,147,727
2016	3,094,342
2017	3,258,759
2018	3,389,109
2019	3,524,674
2020	3,665,661
2021	3,812,287

Actual
 Forecast

Forecasting Method:
Average percentage of
increase over past 5 years

The greatest contributor of sales tax revenue is our full-service restaurant industry. This highly competitive industry is mostly dependent on tourism as is most of the local economy.



Local Hotel Occupancy Tax	
Calendar Year	Amount
2011	5,634,651
2012	6,144,014
2013	6,519,775
2014	7,069,671
2015	7,149,723
2016	7,341,767
2017	7,744,219
2018	8,168,732
2019	8,616,515
2020	9,088,844
	Actual
	Forecast

Forecasting Method: Annual increase of 5.48% based average change in last 5 years of collections

A new hotel development has been included in these projections. A preliminary development permit has been issued for a 170 room 5 story hotel.

Property Tax

Although the city has experienced slight decreases in property tax values, it has been the practice of City Council to adopt at least the effective tax rate in order to offset the loss of assessed values.

DEPARTMENTAL STRUCTURE

Budget Highlights

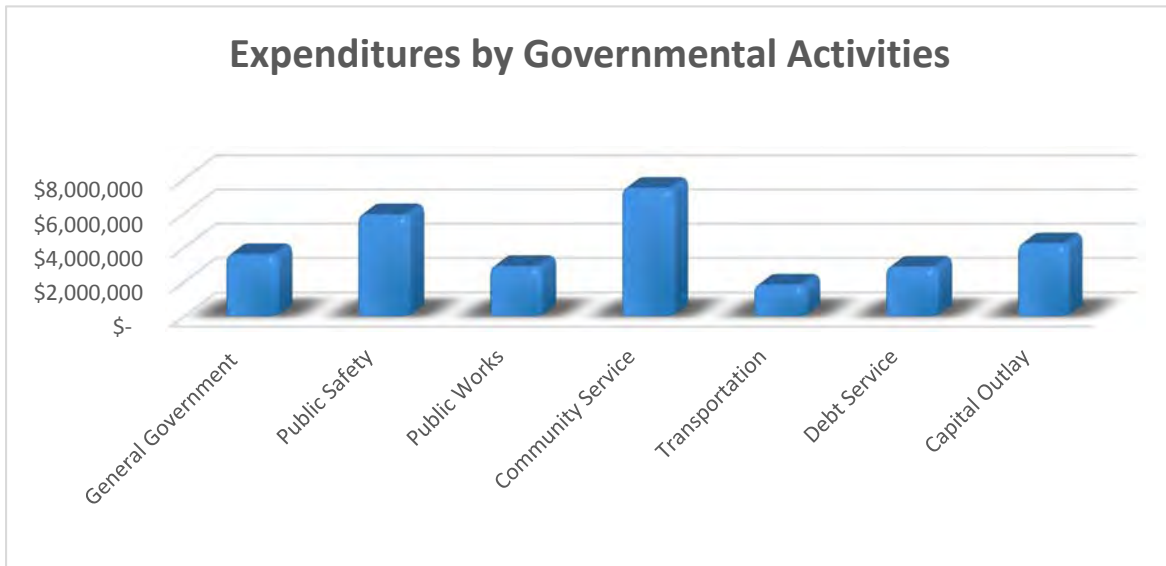
- ❖ *New property tax rate:
0.315640 (M&O
0.249640, I&S 0.06600)*
 - ❖ *Sales taxes are projected
to increase by \$17,506*
 - ❖ *State Occupancy Tax,
which is allocated to the
Beach Maintenance Fund,
is projected to increase by
\$112,185*
 - ❖ *Approximately \$3.5
million has been budgeted
in the Transportation
Fund for construction
Phase II of the
Multimodal Complex to be
paid with federal grants.*
 - ❖ *Debt Service payments are
budgeted in the amount of
\$2,236,038 including the
first payment of the Venue
Hotel Occupancy Tax
Revenue Bonds.*
-

- Fund 01 – General Fund
 - 511 City Council
 - 512 City Manager’s Office
 - 513 Finance
 - 514 Development Services
 - 515 Technology
 - 516 Human Resources
 - 520 Municipal Court
 - 521 Police
 - 522 Fire
 - 532 Environmental Health Services
 - 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 Center
 - 592 Sales & Administration
 - 593 Events Marketing
 - 594 Marketing
- Fund 03 – Venue Project Fund
- Fund 06 – Convention Centre
- Fund 09 – Parks & Beautification
- Fund 21 – Municipal Court Technology
- Fund 22 – Municipal Court Security
- Fund 30 – Transportation
 - 591 Island Metro
 - 595 Metro Connect
- Fund 41 – Padre Boulevard Construction
- Fund 43 – Street Improvement Fund
- Fund 50 – General Debt Service
- Fund 51 – TIRZ (Tax Increment Reinvestment Zone)
- Fund 52 – EDC Debt Service
- Fund 60 – Shoreline Maintenance
- Fund 61 – Beach Access
- Fund 62 – Bay Access
- Fund 80 – Economic Development Corp.
- Fund 81 – Beach Nourishment

EXPENDITURES BY FUND

EXPENDITURES BY GOVERNMENTAL ACTIVITIES

Community Service includes Convention Centre and Marketing activities and is the City of South Padre Island’s greatest expenditure. The reason for this is all business and economic activity on the Island centers on tourism. As the area gains more recognition as a year-round vacation retreat, there will be a growing need to preserve, improve, and add to the amenities and attractions sought by the rising tide of tourists.

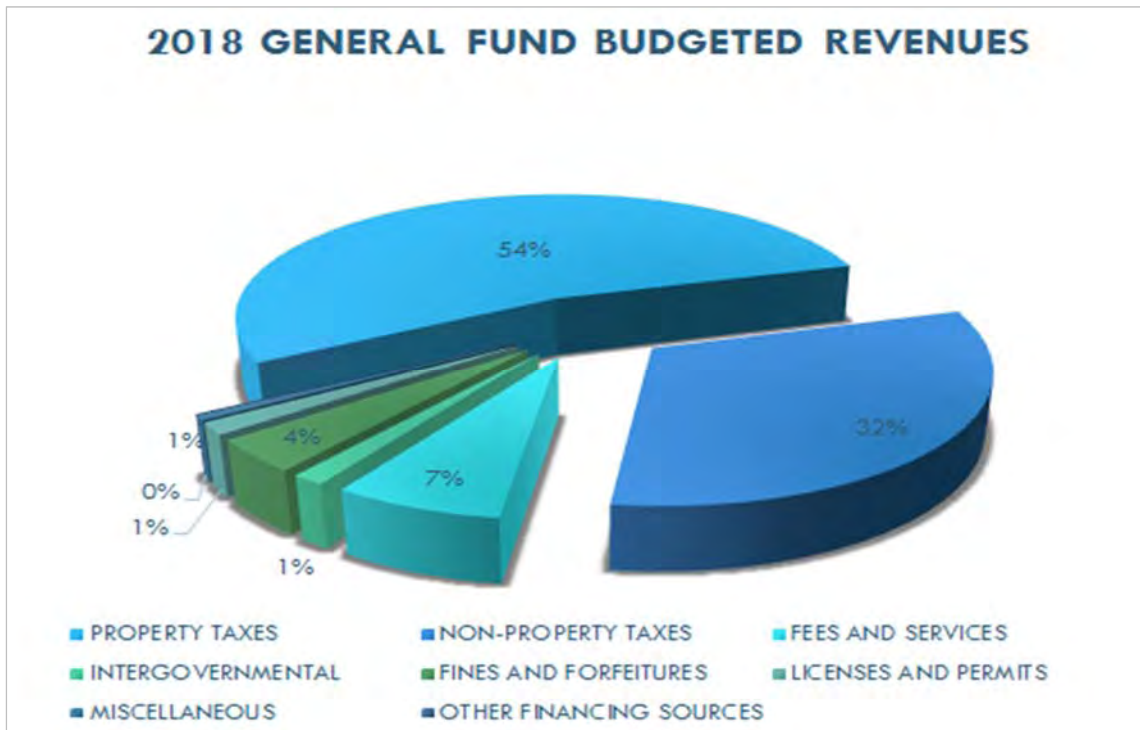


EXPENDITURES BY GOV. ACTIVITY	BUDGET
GENERAL GOVERNMENT	\$3,817,523
PUBLIC SAFETY	\$5,886,498
PUBLIC WORKS	\$2,869,396
COMMUNITY SERVICE	\$7,429,276
TRANSPORTATION	\$1,783,095
DEBT SERVICE	\$2,835,175
CAPITAL OUTLAY	\$3,928,820
TOTAL EXPENDITURES	\$28,549,782

*Excluding Other Financing Uses

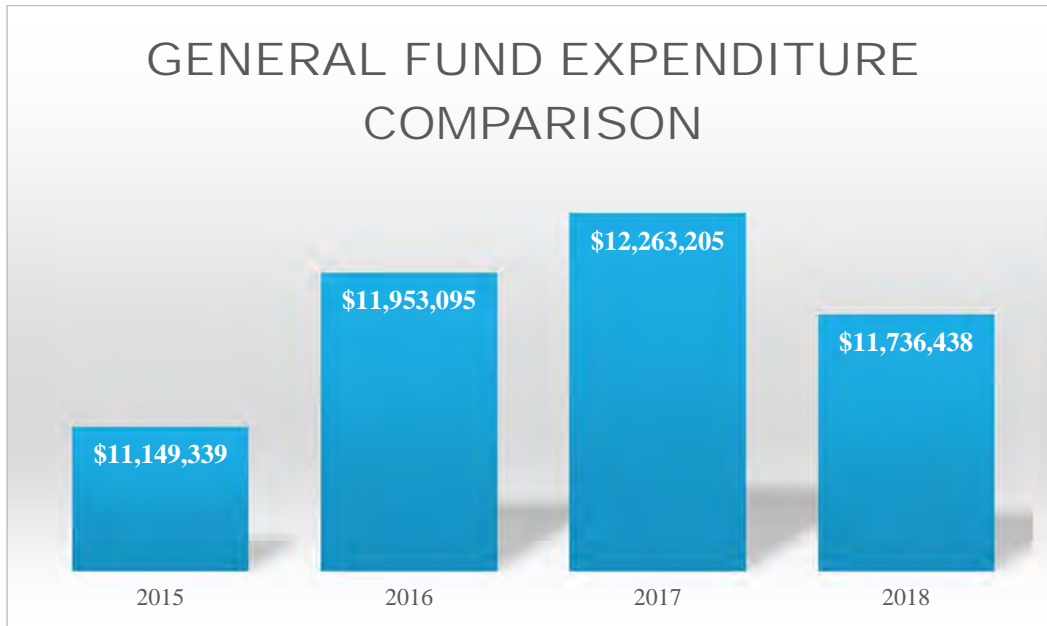
GENERAL FUND SUMMARY

GENERAL FUND REVENUES



REVENUES	ACTUAL 2015	ACTUAL 2016	BUDGET 2017	BUDGET 2018
GENERAL FUND				
PROPERTY TAXES	\$5,920,039	\$5,801,539	\$6,093,999	\$6,308,696
NON-PROPERTY TAXES	\$3,621,863	\$3,640,000	\$3,692,294	\$3,726,829
FEES AND SERVICES	\$561,948	\$603,630	\$832,327	\$821,743
INTERGOVERNMENTAL	\$144,867	\$741,637	\$172,590	\$160,625
FINES AND FORFEITURES	\$435,147	\$539,430	\$461,600	\$470,500
LICENSES AND PERMITS	\$258,150	\$265,053	\$198,700	\$175,250
MISCELLANEOUS	\$191,363	\$80,129	\$77,366	\$74,000
OTHER FINANCING SOURCES	\$1,200	\$144,335	\$100,000	\$3,643
TOTAL REVENUES	\$11,134,576	\$11,815,752	\$11,628,876	\$11,741,286

GENERAL FUND EXPENDITURES



EXPENDITURES BY DEPARTMENT	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL FUND	2015	2016	2017	2018
CITY COUNCIL	\$11,406	\$1,242	\$20,000	\$20,000
CITY MANAGER'S OFFICE	\$427,048	\$437,614	\$600,406	\$611,572
FINANCE	\$332,608	\$327,253	\$353,097	\$427,693
PLANNING	\$162,177	\$167,689	\$238,583	\$173,046
TECHNOLOGY	\$430,025	\$446,672	\$571,243	\$506,154
HUMAN RESOURCES	\$222,754	\$256,026	\$253,092	\$301,382
MUNICIPAL COURT	\$185,795	\$189,789	\$206,438	\$219,380
POLICE	\$2,635,907	\$2,687,037	\$2,894,085	\$3,003,307
FIRE	\$2,073,259	\$2,079,412	\$2,280,587	\$2,299,421
HEALTH/CODE ENFORCEMENT	\$401,425	\$403,003	\$454,409	\$447,168
FLEET MANAGEMENT	\$683,036	\$950,371	\$833,716	\$746,358
FACILITIES & GROUNDS MTN	\$190,169	\$196,329	\$216,994	\$155,140
INSPECTIONS	\$189,741	\$193,209	\$197,309	\$192,383
PUBLIC WORKS	\$1,097,501	\$1,007,349	\$1,160,533	\$1,205,829
EMERGENCY MANAGEMENT	\$10,086	\$5,523	\$28,930	\$16,370
GENERAL SERVICE	\$793,800	\$849,234	\$916,264	\$892,381
SPECIAL PROJECTS	\$1,302,601	\$1,755,344	\$1,037,520	\$518,854
TOTAL EXPENDITURES	\$11,149,339	\$11,953,095	\$12,263,205	\$11,736,438

CONSOLIDATED FINANCIAL STATEMENT

City of South Padre Island, Texas CONSOLIDATED FINANCIAL SCHEDULE For the Year Ended September 30, 2018					
	General Fund	Hotel/Motel Fund	Convention Centre Fund	Other Funds & Component	2017-2018 Totals
REVENUES AND OTHER SOURCES					
Property Taxes - Incl. Penalty & Interest	\$ 6,308,696	\$ -	\$ -	\$ 1,594,007	\$ 7,902,703
Nonproperty Taxes	3,606,829	5,889,329	1,611,147	4,989,018	16,096,323
Fees and Services	821,743	7,000	235,000	2,000	1,065,743
Fines and Forfeitures	470,500	-	-	17,000	487,500
Licenses and Permits	175,250	-	-	3,500	178,750
Intergovernmental	160,625	-	-	5,163,977	5,324,602
Miscellaneous and Program Revenues	74,000	65,000	-	62,785	201,785
Other Financing Sources	123,643	-	-	1,435,339	1,558,982
Total Revenues	11,741,286	5,961,329	1,846,147	13,267,626	32,816,388
EXPENDITURES					
General Government					
City Council	20,000	-	-	7,000	27,000
City Administration	611,572	-	-	7,000	618,572
Finance	427,693	-	-	-	427,693
Planning	173,046	-	-	-	173,046
Information Services	506,154	-	-	-	506,154
Human Resources	301,382	-	-	-	301,382
Environmental Health Services	447,168	-	-	90,127	537,295
General Services	892,381	-	-	-	892,381
Special Projects	76,000	-	-	-	76,000
Total General Government	3,455,396	-	-	104,127	3,559,523
Public Safety					
Municipal Court	219,380	-	-	9,993	229,373
Police	2,940,245	-	-	63,397	3,003,642
Fire	2,299,421	-	-	337,692	2,637,113
Emergency Management	16,370	-	-	-	16,370
Total Public Safety	5,475,416	-	-	411,082	5,886,498
Public works					
Building Maintenance	155,140	-	-	-	155,140
Inspections	192,383	-	-	-	192,383
Fleet Management	479,827	-	-	-	479,827
Public Works	1,205,829	-	-	-	1,205,829
Shoreline	-	-	-	836,217	836,217
Total Public Works	2,033,179	-	-	836,217	2,869,396
Community Service					
Visitors Center	-	238,040	-	-	238,040
Sales and Marketing	-	1,443,932	-	-	1,443,932
Events Marketing	-	861,519	-	-	861,519
Marketing	-	2,990,000	-	-	2,990,000
Convention Centre	-	-	1,361,079	-	1,361,079
Component Unit	-	-	-	385,935	385,935
Parks & Recreation	-	-	-	88,771	88,771
Beach Nourishment	-	-	-	60,000	60,000
Total Community Service	-	5,533,491	1,361,079	534,706	7,429,276
Transportation					
Island Metro	-	-	-	1,336,967	1,336,967
Metro Connect	-	-	-	446,128	446,128
Total Transportation	-	-	-	1,783,095	1,783,095
Debt Service	200,193	-	4,081	2,630,900	2,835,175
Capital Outlay	129,400	-	219,420	3,835,000	4,183,820
Other Financing Uses	442,854	334,560	-	1,119,128	1,896,542
Total Expenditures	11,736,438	5,868,051	1,584,580	11,254,255	30,443,324
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
	4,848	93,278	261,567	2,013,371	2,373,064
Fund Balance -- Beginning	5,990,959	3,779,635	2,820,495	7,175,760	19,766,849
Fund Balance -- Ending	5,995,807	3,872,913	3,082,062	9,189,131	22,139,913

THREE YEAR CONSOLIDATED FINANCIAL SCHEDULE

	General Fund			Hotel/Motel & Convention Centre			Other Funds & Component Unit			Total Funds		
	2015/16 Actual	2016/17 Final Budget	2017/18 Adopted Budget	2015/16 Actual	2016/17 Final Budget	2017/18 Adopted Budget	2015/16 Actual	2016/17 Final Budget	2017/18 Adopted Budget	2015/16 Actual	2016/17 Final Budget	2017/18 Adopted Budget
REVENUES AND OTHER SOURCES												
Property Taxes - Incl. Penalty & Interest	\$ 3,801,539	\$ 6,093,999	\$ 6,308,696	\$ -	\$ -	\$ -	\$ 1,301,958	\$ 1,603,970	\$ 1,594,007	\$ 7,103,497	\$ 7,697,969	\$ 7,902,703
Nonproperty Taxes	3,536,909	3,572,294	3,606,829	7,360,083	7,437,383	7,500,476	2,990,183	2,993,259	4,989,018	13,887,177	14,002,938	16,096,323
Fees and Services	749,698	\$32,327	\$21,743	257,366	247,000	242,000	-	2,000	2,000	1,007,064	1,079,327	1,065,743
Fines and Forfeitures	606,743	461,600	470,500	-	-	-	21,082	13,087	17,000	627,825	474,687	487,500
Licenses and Permits	264,933	199,700	175,250	-	-	-	-	-	3,500	264,933	199,700	179,750
Intergovernmental	617,244	172,590	160,625	-	-	-	2,036,813	6,028,380	5,163,977	2,654,057	6,200,970	5,324,602
Miscellaneous and Program Revenues	80,530	77,366	74,000	89,994	50,000	65,000	103,425	62,756	62,785	273,949	190,122	201,785
Other Financing Sources	268,983	220,000	123,643	16,410	-	-	9,147,314	3,105,303	1,435,339	9,432,707	3,325,303	1,558,082
Total Revenues	11,926,579	11,628,876	11,741,286	7,723,853	7,734,385	7,807,476	15,600,777	12,806,755	13,267,626	35,251,209	32,170,016	32,816,388
EXPENDITURES												
General Government												
City Council	1,242	12,000	20,000	-	-	-	4,644	7,000	7,000	5,886	19,000	27,000
City Administration	437,614	600,406	611,572	-	-	-	3,134	7,000	7,000	440,747	607,406	618,572
Finance	327,253	353,097	427,693	-	-	-	-	-	-	327,253	353,097	427,693
Planning	167,689	238,583	173,046	-	-	-	-	-	-	167,689	238,583	173,046
Information Services	436,309	551,243	506,154	-	-	-	-	-	-	436,309	551,243	506,154
Human Resources	256,026	253,092	301,382	-	-	-	-	-	-	256,026	253,092	301,382
Environmental Health Services	405,005	442,909	447,168	-	-	-	63,093	88,378	90,127	466,096	531,287	537,295
General Services	849,234	916,264	892,381	-	-	-	-	-	-	849,234	916,264	892,381
Special Projects	325,444	292,400	76,000	-	-	-	34,144	-	-	350,588	292,400	76,000
Total General Government	3,203,814	3,659,994	3,455,396	-	-	-	105,015	102,378	104,127	3,308,829	3,762,372	3,559,523
Public Safety												
Municipal Court	189,789	206,438	219,380	-	-	-	10,940	17,112	16,341	200,729	223,550	235,721
Police	2,633,021	2,831,023	2,940,243	-	-	-	39,953	51,642	37,049	2,692,974	2,882,603	2,997,294
Fire	2,079,412	2,255,587	2,299,421	-	-	-	194,500	258,633	337,992	2,273,912	2,514,220	2,637,113
Emergency Management	5,522	28,930	16,370	-	-	-	-	-	-	5,522	28,930	16,370
Total Public Safety	4,907,744	5,321,978	5,475,416	-	-	-	265,392	327,387	411,082	5,173,136	5,649,365	5,886,498
Public Works												
Building Maintenance	196,329	216,994	155,140	-	-	-	-	-	-	196,329	216,994	155,140
Inspections	192,209	197,309	192,383	-	-	-	-	-	-	192,209	197,309	192,383
Fleet Management	371,133	515,123	479,827	-	-	-	-	-	-	371,133	515,123	479,827
Public Works	1,007,347	1,160,533	1,205,929	-	-	-	-	-	-	1,007,347	1,160,533	1,205,929
Shoreline	-	-	-	-	-	-	634,303	834,411	836,217	634,303	834,411	836,217
Total Public Works	1,768,018	2,089,959	2,033,179	-	-	-	634,303	834,411	836,217	2,402,321	2,924,370	2,869,396
Convention & Visitors Bureau												
Visitors Bureau	-	-	-	193,813	220,274	238,040	-	-	-	193,813	220,274	238,040
Sales and Administration	-	-	-	1,253,040	1,375,196	1,443,932	-	-	-	1,253,040	1,375,196	1,443,932
Events/Marketing	-	-	-	568,693	803,418	861,519	-	-	-	568,693	803,418	861,519
Marketing	-	-	-	2,598,711	3,150,000	2,990,000	-	-	-	2,598,711	3,150,000	2,990,000
Convention Centre	-	-	-	1,253,283	1,362,624	1,361,079	-	-	-	1,253,283	1,362,624	1,361,079
Total Convention & Visitors Bureau	-	-	-	5,867,540	6,911,512	6,894,570	-	-	-	5,867,540	6,911,512	6,894,570
Community Service												
Component Unit	-	-	-	-	-	-	344,588	388,723	385,935	244,588	388,723	385,935
Parks & Recreation	-	-	-	-	-	-	14,233	15,000	88,771	14,233	15,000	88,771
Beach Nourishment	-	-	-	-	-	-	1,442,152	104,000	60,000	1,442,152	104,000	60,000
Total Community Service	-	-	-	-	-	-	1,700,973	507,723	534,706	1,700,973	507,723	534,706
Transportation												
Island Metro	-	-	-	-	-	-	1,149,709	1,440,379	1,336,967	1,149,709	1,440,379	1,336,967
Metro Connect	-	-	-	-	-	-	364,000	445,642	446,128	364,000	445,642	446,128
Total Transportation	-	-	-	-	-	-	1,513,709	1,886,021	1,783,095	1,513,709	1,886,021	1,783,095
Debt Service												
	327,363	278,259	200,193	5,913	5,913	4,081	1,780,554	2,128,220	2,630,900	2,113,830	2,412,392	2,835,175
Capital Outlay												
	1,350,909	436,357	129,400	1,233,382	521,049	219,420	3,001,749	6,575,357	3,835,000	5,586,040	7,532,763	4,183,820
Other Financing Uses												
	404,292	476,659	442,854	-	326,614	334,560	4,612,654	1,763,644	1,119,128	5,016,946	2,566,917	1,896,542
Total Expenditures	11,962,140	12,263,205	11,736,438	7,106,835	7,765,067	7,452,631	13,614,350	14,125,143	11,254,255	32,683,325	34,153,436	30,443,324
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES												
	(35,561)	(634,329)	4,848	617,018	(30,702)	354,845	1,986,427	(1,318,388)	2,013,371	2,567,884	(1,983,420)	2,373,064
Fund Balance -- Beginning	6,892,007	6,856,446	6,222,117	6,048,932	6,665,950	6,635,248	10,886,232	12,852,679	11,334,291	23,807,191	26,375,075	24,391,656
Fund Balance -- Ending	6,856,446	6,222,117	6,226,965	6,665,950	6,635,248	6,990,093	12,852,679	11,334,291	13,347,662	26,375,075	24,391,656	26,764,719

SUMMARY POSITION BY DEPARTMENT

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
City Administration	6	6	4	4	4	4.4	4.25	4.25	5	5
Finance	4	5	5	5	5	5	4.9	4.9	5	6
Development Services *	2	2	1.75	1.75	2	2	2	2	3	2
Technology	2	2	3	3	3.25	3	2.95	2.8	3	3
Human Resources	1	2	3	3	3	3	3	3	3	3
Municipal Court	2	3	2	2	2	2	2	3	3	3
Police	39	39	39	38	38	38	37.95	37.75	36.75	37.75
Fire	21	21	21	27	27	27	26.75	26	26.75	26.75
Code Enforcement	6	6	5	5	6	6	5.85	5.85	5.85	5.85
Fleet Management	2	2	2	2	2	2	2	2	2	2
Building Maintenance	3	3	3	3	3	3	3	3	3	2
Inspections	3	3	3	3	3	3	3	3	3	3
Public Works	18	18	19	19	18	19	18.85	17.85	19.85	19.85
Hotel Motel Fund										
Visitor's Bureau	2	2	2	2	2	3	3	3	3	3
Sales & Administration	13	9.5	9.5	9.5	8.75	9.5	9.5	9.5	10	10
Special Events	2	1	1	1	2	1	1	0.5	0	1
Convention Centre										
Convention Centre	13	13.5	11.5	10.5	12	10	11.2	10.35	11	10
Parks and Recreation										
Parks and Recreation	-	-	-	-	-	-	-	-	-	1
Transportation										
Island Metro	7	9	9.25	15.25	15	16.1	16.2	14.2	14	14
Metro Connect	0	0	0	0	0	4	3	4	7	7
Shoreline**										
Police/Beach Patrol	0	0	0	0	0	0	0.05	0.05		0.25
Fire/Beach Patrol	0	0	0	0	0	0	0.25	0		1.25
Environmental Health Serv.	0	0	0	0	0	0	0.15	0		0.15
Public Works	0	0	0	0	0	0	0.15	0		0.15
Beach Maintenance	0	4	4	4	4	4	6	7	7.6	7
Bay Access	0	0	0	0	0	0	0	0	1.2	1
Total Operating Budget FIE's	146	151	148	158	160	165	167	164	173	175
Source: City of South Padre Island Annual Budget										
Note: Full-time budgeted positions are shown										
*Formerly Planning										
**Formerly Beach Maintenance										

VARIANCES IN POSITIONS BY DEPARTMENT

Fund/Department	FY 16	FY 17	Vacant Positions Eliminated	Positions Added for FY 18	FY 18	Variance FY 18 vs FY 17	<i>See Notes Below:</i>
General Fund							
City Administration	4.25	5	0	0	5	0	
Finance	4.9	5	0	1	6	1	1
Development Services *	2	3	-1	0	2	-1	2
Technology	2.8	3	0	0	3	0	
Human Resources	3	3	0	0	3	0	
Municipal Court	3	3	0	0	3	0	
Police	37.75	36.75	0	1	37.75	1	3
Fire	26	26.75	0	0	26.75	0	
Environmental Health Ser	5.85	5.85	0	0	5.85	0	
Fleet Management	2	2	0	0	2	0	
Building Maintenance	3	3	-1	0	2	-1	4
Inspections	3	3	0	0	3	0	
Public Works	17.85	19.85	0	0	19.85	0	
Hotel Motel Fund							
Visitor's Center	3	3	0	0	3	0	
Hotel Motel	9.5	10	0	0	10	0	
Events Marketing	0.5	0	0	1	1	1	5
Convention Centre							
Convention Centre	10.35	11	-1	0	10	-1	6
Parks and Recreation							
Parks and Recreation	0	0	0	1	1	1	7
Transportation							
South Padre Island Metro	14.2	14	0	0	14	0	
Metro Connect	4	7	0	0	7	0	
Shoreline **							
Beach Maintenance	7.05	7.6	0	1.2	8.8	1.2	8
Bay Access	0	1.2	-0.2	0	1	-0.2	9
Total Operating Budget FTE's	164	173	-3.2	5.2	175	2	
<i>Notes: Variance FY 18 vs FY 17</i>							
1) Accounting Analyst position added.							
2) Reallocation of Permits/Parks & Recreation Manager to Parks Department.							
3) Police Detective position added.							
4) Facility Services Manager position was eliminated.							
5) Change in department allocation only, no change to number of employees.							
6) Change in department allocation only, no change to number of employees.							
7) Reallocation of Permits/Parks & Recreation Manager.							
8) Change in department allocation and addition of a bay maintenance							
9) Change in department allocation only, no change to number of employees.							
* Formerly Planning							
** Formerly Beach Maintenance							

DEPARTMENTAL DESCRIPTIONS, GOALS & PROGRAMS

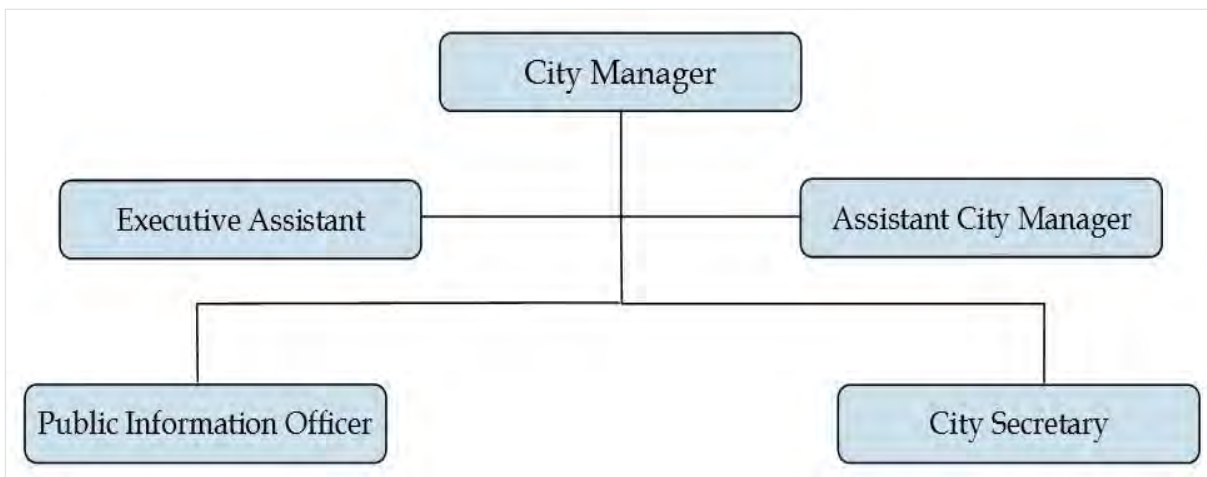
The City's long range operations and capital plans are included in this section. The plan includes all of the operating departments of the General Fund as well as the capital improvement funds of the City. It is anticipated that long range operations will be financed with current resources while the projects included in the Capital Improvement Plan will require bond issuance or additional funds from state and federal grants.

CITY COUNCIL

DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - CITY COUNCIL	2015	2016	2017	2018
GOODS AND SUPPLIES	\$0	\$0	\$0	\$0
MISCELLANEOUS SERVICES	\$11,406	\$1,242	\$12,000	\$20,000
OTHER	\$0	\$0	\$0	\$0
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$8,000	\$0
TOTAL EXPENDITURES	\$11,406	\$1,242	\$20,000	\$20,000

CITY MANAGER'S OFFICE

CITY MANAGERS ORGANIZATIONAL CHART



The City Manager's Office is responsible for the implementation of the South Padre Island City Council's policies. By embracing the use of best practices and performance management, 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
- Shoreline Department
- Development
- Parks
- Environmental Health Services
- Finance
- Information Services
- Police
- Fire
- Public Works
- Transit

Organizational development is a focal point of the City Manager's Office as ensuring the organization has the capacity to achieve the goals established by Council is critical to quality performance. The CMO also ensures fruitful intergovernmental relationships and participation in the legislative process. The City Manager's Office, through the City Secretary, supports facilitates and strengthens the City of South Padre Island governmental process, safeguards and conducts the municipal election process, and 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. Through the Public Information Officer, access to public information is improved.

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 and enhance a safe and diverse residential community
 - b. Update Padre Boulevard
 - c. Strive to have a vibrant economy that is diverse and sustainable
 - d. Enhance the aesthetic appeal of the community
 - e. Sustain our beautiful beach and bay and improve access for our recreational visitors

- f. Embrace the unique characteristics of our city
- 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 improve 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, departmental business plans and metrics, core values for organization, etc.)
- 7. Encourage effective use of resources by eliminating duplication and streamlining operations (eg. Process mapping, DMAIC projects).
- 8. Improve and expand our involvement with development and quality of life within the Lower Rio Grande Valley region.
- 9. 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 (eg. Q12).
- 10. Use technology effectively to operate effectively.

Our Planning Indicators and Focus:

Creation of dashboards with all departments to continuously monitor KPIs.

CITY MANAGER STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS

Strategy/Program	Fiscal Year	Budget Impact
Support initiatives that enhance the quality of life for the citizens (Music, Art in Public Places, Community Events, Theatre Productions, etc.)	Ongoing	\$-0-
Embrace the use of technology to enhance operations and communication: Implement dashboard software and software to monitor compliance with short term rentals as well as building permits. Also add additional cameras for EOC and mass gatherings.	Ongoing	\$-0- Resources with Info Svcs

Continue to evaluate mobility & parking strategies and multi-modal means of enjoying the city. Continue to expand the city's complete street efforts through work, state, and regional organizations. (Include Parking DMAIC actions, Multi-Modal project; complete sidewalk/trails system).	Ongoing	\$-0- Resources with Public Works and Transit
Enhance financial management and the budget process by launching business plans for each department that include performance metrics.	Ongoing	\$ -0-
Formulate effective economic development strategies by serving on the EDC and developing a strategic plan. Consider and evaluate options of additional destinations and strategies, including the cruise industry and business incubators.	Ongoing	\$-0- Resources with EDC
Create programming in the community center through the Parks Department.	2017/18	\$-0- Resources in Parks
Create an updated comprehensive plan (internal or outsourced) that pulls in the GOMA plan, Master Thoroughfare Plan, Parks Plan, Annexation Plan, EDC Plan, Transit Plan, etc.)	2017/18	\$ -0-
Identify funding sources and strategies for priority Capital Improvement Projects	Ongoing	Varies
Complete Skate Park at Tompkins	2017/2018	\$-0- Resources in Parks
Implementation of Venue Tax Projects	2017/18	\$-0- Resources in Venue Tax
Expand boat ramp access on the Laguna Madre	2017/2018	\$-0- Grant Funding Pending
Complete Side Street Development	2017/18	\$-0- Resources in Tax Note
Implement Large Event Ordinance	2017/2018	\$-0-

Complete Improvement Phase of DMAICs on Legal, Preventative Maintenance, Fleet, Computer Replacement, and Parking	2017/2018	\$-0- Resources in Varied Dept
Complete New DMAIC Projects on the Following: Medians, CVB Marketing, Visitors Center, Development/Permitting, Annexation, Performance Based Pay, Training Department, Fire Shift Pay	2017/2018	\$-0- Resources in Varied Dept
Support initiatives that enhance the quality of life for the citizens (Music, Art in Public Places, Community Events, Theatre Productions, etc.)	Ongoing	\$-0-
Embrace the use of technology to enhance operations and communication: Implement dashboard software and software to monitor compliance with short term rentals as well as building permits. Also add additional cameras for EOC and mass gatherings.	Ongoing	\$-0- Resources with Info Scvs
Continue to evaluate mobility & parking strategies and multi-modal means of enjoying the city. Continue to expand the city's complete street efforts through work, state, and regional organizations. (Include Parking DMAIC actions, Multi-Modal project; complete sidewalk/trails system).	Ongoing	\$-0- Resources with Public Works and Transit
Enhance financial management and the budget process by launching business plans for each department that include performance metrics.	Ongoing	\$ -0-
Formulate effective economic development strategies by serving on the EDC and developing a strategic plan. Consider and evaluate options of additional destinations and strategies, including the cruise industry and business incubators.	Ongoing	\$-0- Resources with EDC
Create programming in the community center through the Parks Department.	2017/18	\$-0- Resources in Parks
Create an updated comprehensive plan (internal or outsourced) that pulls in the GOMA plan, Master Thoroughfare Plan, Parks Plan, Annexation Plan, EDC Plan, Transit Plan, etc.)	2017/18	\$ -0-
Identify funding sources and strategies for priority Capital Improvement Projects	Ongoing	Varies

Complete Skate Park at Tompkins	2017/2018	\$-0- Resources in Parks
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Complete Side Street Development	2017/18	\$-0- Resources in Tax Note
Implement Large Event Ordinance	2017/2018	\$-0-
Complete Improvement Phase of DMAICs on Legal, Preventative Maintenance, Fleet, Computer Replacement, and Parking	2017/2018	\$-0- Resources in Varied Dept
Complete New DMAIC Projects on the Following: Medians, CVB Marketing, Visitors Center, Development/Permitting, Annexation, Performance Based Pay, Training Department, Fire Shift Pay	2017/2018	\$-0- Resources in Varied Dept

Programs Implemented:

Program	Fiscal Year	Budget Impact
The evaluation of City Committees to encourage participatory leadership and encourage citizen participation and effective use of resources.	Ongoing	\$0
The Capital Improvement Plan was completed and is updated annually prior to submission to Council for adoption concurrently with the budget.	Ongoing	\$0

CITY MANAGER POSITION CONTROL

	Current	2017/18	2018/19	2019/20	2020/21	2021/22
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
Public Information Officer/Grant Manager	1	1	1	1	1	1
Total Positions	5	5	5	5	5	5

WORK PLANS FOR CITY MANAGER'S OFFICE

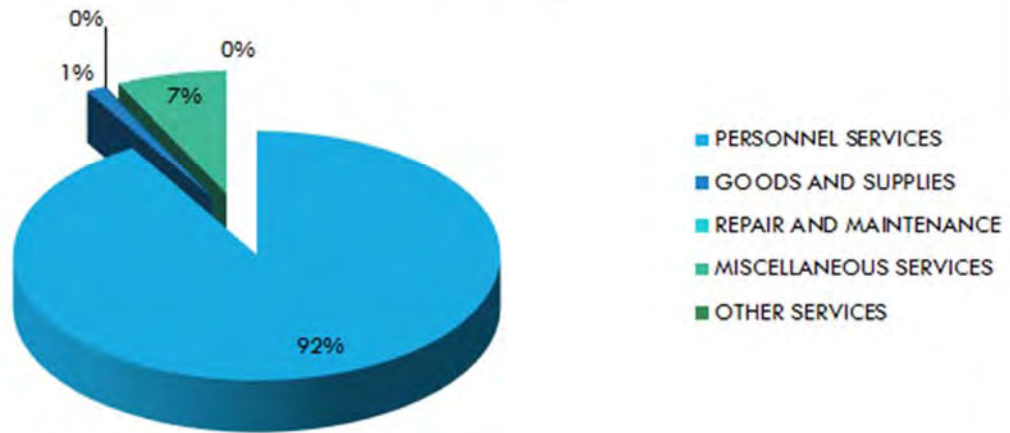
Project	Description	Comprehensive Plan Goal	Estimated Completion Date
Annual Report	Create a reflective document of successes by fiscal year to tell our story and promote transparency.	Chapter VII. Goal 2 Objective 1.2 The City should provide effective communication on day-to-day affairs.	January 2018
Budget Document Enhancement	Create a budget document eligible for the GFOA Distinguished Budget Award.	Chapter VII. Goal 2 Objective 1.2 The City should provide effective communication on day-to-day affairs.	December 2017
Annexation	Expand City limit boundary through voluntary annexation; Determine related costs via DMAIC process.	Chapter I. Goal 1 Objective 1.2 Policy 1.2.3 Strategy 1.2.3.1 The City shall initiate annexation feasibility study.	Ongoing
Park Master Plan	Update current Parks Master Plan.	Chapter III. Goal 2 Strategy 2.1.2.1 Parks and Open Space Master Plan shall be used for development guidance.	April 2018
Comprehensive Citizen Survey and Comprehensive Plan Update	Create an opportunity for public input via an employee survey. The survey will be used as the basis for the update.	Chapter IV. Goal 1 The City shall ensure orderly growth, with the anticipated infrastructure and facility needs, in a fiscally responsible manner.	April 2018
Create City Dashboards	Create a web based dashboard to track and communicate performance benchmarks.	Chapter VII. Goal 2 Objective 1.2 The City should provide effective communication on day-to-day affairs.	April 2018

Employee Training Program	Implement an employee Training Program to boost morale, retention and productivity.	Chapter VIII. Goal 2 Policy 2.1.2 The City should provide state of the art training for fire and emergency personnel. Goal 3. Policy 3.1.1.1 The City should institute regular training for sworn and non-sworn employees in telephone etiquette and dealing with citizens.	February 2018
Performance Based Pay	Utilizing a consultant, implement a performance based pay program.	Chapter VIII. Objective 3.3 The Police Department should actively recruit, retain and develop a highly capable and professional workforce.	September 2018
Complete Implementation of Computer Replacement Plan	Embrace the use of technology to enhance operations and communication. Ensure replacement is scheduled and routine.	Chapter VI. Goal 1 Objective 1.2 Strategy 1.2.1.3: The City should utilize advanced technology with a high-speed connection to recruit knowledge-based workers who are working from home to the island. Chapter IV. Goal 3 Objective 3.1 Policy 3.1.1 The City should establish an asset management system for all City vehicles and equipment, with regular service scheduling, and a standardized replacement and procurement program.	Ongoing
Capital Improvement Plan	Update the City's five- year plan with prioritization of capital projects.	Chapter VII. Goal 1 Objective 1.1 Policy 1.1.1 The City should ensure fiscal health and remain prepared for high performance outcomes through short- and long-range capital investments.	Updated Annually
Implement Building Preventative Maintenance Program DMAIC Results	Increase tax rate by 1 cent and establish fund for preventative maintenance of city buildings. Utilize tracking software to monitor compliance.	Chapter VII. Objective 1.1 The City should have great control over fiscal matters and public expenditures.	Ongoing

Implement Fleet Replacement DMAIC Results	Using priority ranking protocol, budget and replace vehicles rated 2 or less in the City Fleet. Ensure all replaced vehicles are auctioned and new vehicles are undercoated and maintained.	Chapter VII. Objective 1.1 The City should have great control over fiscal matters and public expenditures. Chapter IV. Goal 3 Objective 3.1 Policy 3.1.1 The City should establish an asset management system for all City vehicles and equipment, with regular service scheduling, and a standardized replacement and procurement program.	Ongoing
Implement Beach Parking DMAIC Results and Launch Paid Parking	Using the results of the Beach Parking DMAIC, reclaim public spots, develop new parking and launch paid parking.	Chapter III. Policy 1.1.3 The City should actively engage in creating, preserving, and enhancing access to the beach.	September 2018
Wayfinding	Establish a citywide wayfinding system.	Chapter III. Objective 1.2 Policy 1.1.3 Strategy 1.1.3.2 The City should install interpretive signage.	09/01/18
Establish Ethics Hotline	Seek vendor and launch an ethics hotline to ensure transparent and ethical service delivery.		November 2017
Adopt the 2015 Fire and Development Code	By involving the Developers Roundtable, work to adopt the 2015 Codes.	Chapter I. Goal 1 Objective 1.1 Policy 1.1.6 The City should streamline the review and permit process while collaborating with neighbors and property owners.	09/01/18
Street Maintenance DMAIC	Launch and complete a complete assessment of street condition and develop protocols for street maintenance and funding.	Chapter I. Objective 1.3 Policy 1.3.3: The City should develop and implement a “Main Street” enhancement program.	September 2018
Complete DMAICS for the Visitors Center and CVB Marketing	Utilizing the DMAIC process, analyze, improve and control the processes for marketing and the visitors center.	Chapter V. Goal 1 Policy 1.1.5 The City should continue to market the Island's unique character and assets aggressively.	September 2018

Develop SPI as a Cruise Port of Call	Work with the EDC to explore the potential of SPI becoming a port of call for cruises.	Chapter I. Goal 1 Objective 1.4 Policy 1.4.1 The City should prepare lands to facilitate additional public tourist attractions such as parks, bay front access, facilities with educational exhibits, an amphitheater, performing arts center, historical museum, and public boat ramps.	April 2018
Develop Venue Tax Projects	Utilizing Venue Tax Revenue, develop destinations such as a kayak trail, boat ramps, and wind sporting venues.	Chapter V. Goal 1 Policy 1.1.8 The City should encourage developing new attractions and amenities catering to permanent residents, business owners, and visitors encompassing youths, adults and senior citizens.	Ongoing
DMAIC on High Speed Internet and Cell Service	Complete an assessment on the availability of high speed internet and cell service; develop strategies to improve service availability.	Chapter VI. Goal 1 Strategy 1.1.7.6 The City should consider the expansion of high-speed internet and wireless telecommunications on the island to support startups.	September 2018
Citizens Outreach and Special Events	Support initiatives that enhance the quality of life for citizens (Music, Art in Public Places, Community Events, Theater Productions, etc.)	Chapter VI. Goal 1 Objective 1.1 Strategy 1.1.1.2 The City should 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 by providing unique and high-quality products and/or entertainment.	Ongoing
Develop Tourism Destination Training	To enhance the visitor experience, launch a Tourism Service Professional training and scoring program.	Chapter VI. Goal 1 Policy 1.1.6 Strategy 1.1.6.3: The City should continue to survey consumers (area and regional residents and tourists) to determine their shopping patterns and retail needs, as well as their perceptions of South Padre Island.	09/01/18

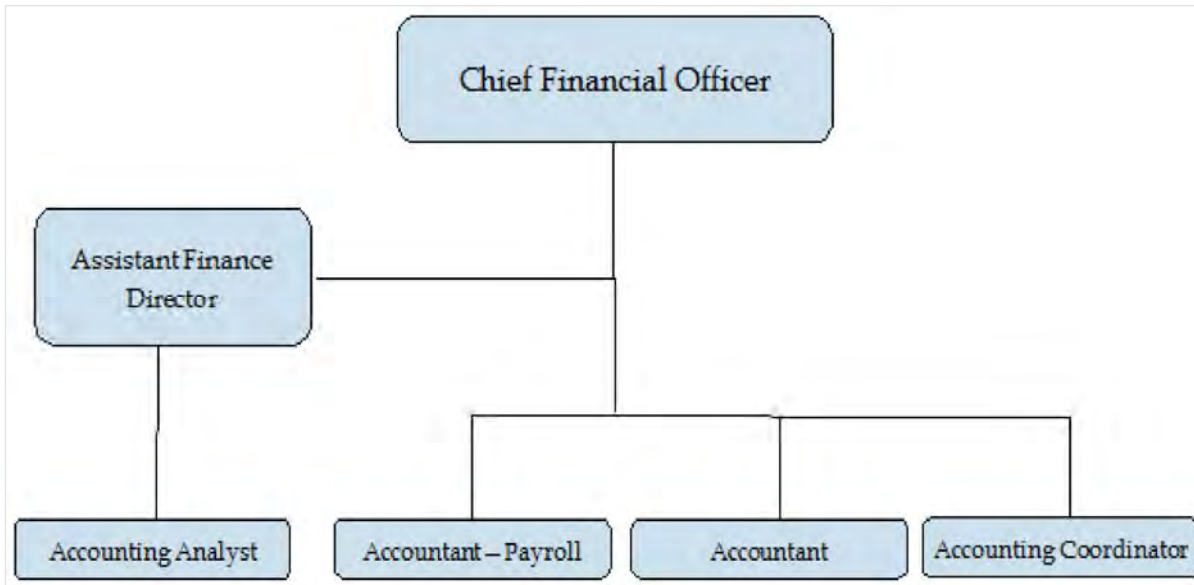
2018 CITY MANAGER'S OFFICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - CITY MANAGER'S OFFICE	2015	2016	2017	2018
PERSONNEL SERVICES	\$379,756	\$410,363	\$520,647	\$559,338
GOODS AND SUPPLIES	\$10,222	\$5,689	\$8,400	\$7,400
REPAIR AND MAINTENANCE	\$0	\$0	\$0	\$0
MISCELLANEOUS SERVICES	\$37,069	\$21,562	\$41,359	\$44,834
OTHER SERVICES	\$0	\$0	\$30,000	\$0
TOTAL EXPENDITURES	\$427,048	\$437,614	\$600,406	\$611,572

FINANCE DEPARTMENT

FINANCE ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO

Finance Department plans and directs the City's financial activities, including accounting, budgeting, internal and external financial reporting, and debt and investment management. The department directs the citywide 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.

Audit results have shown no material weaknesses as well as no significant deficiencies over the past several years due to compliance with fiscal, purchasing, fixed assets and investment policies. The department is also responsible for monitoring the City’s budget which totals approximately \$26 million citywide.

FINANCE DEPARTMENT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS

Strategy/Program	Fiscal Year	Budget Impact
Continue to promote a paperless Finance environment by reducing the number of printed reports with electronic copies.	Ongoing	\$0
Continue to strive to receive the Government Finance Officers Association Distinguished Budget Presentation Award.	Ongoing	\$435
Promote Automated Clearing House (ACH) which is an electronic network for financial transactions for payments to vendors.	Ongoing	\$0
Continue to receive a Certificate of Achievement for Excellence in Financial Reporting presented by the GFOA to government units whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.	Ongoing	\$330
Implement performance measures to assist government officials and citizens in identifying financial and program results, evaluating past resource decisions, and facilitating qualitative improvements in future decisions regarding resource allocation and service delivery.	Ongoing	\$0
Implement software package that allows our city to manage licensing, monitoring and compliance of short term rentals	2017-18	\$16,000

Programs Implemented:

Program	Fiscal Year	Budget Impact
Negotiation with TCAP to get a reduction in the cost of electric supply effective January 1, 2018 through 2022	2015-16	Savings depend on consumption
Implement Positive Pay cash management service to detect and prevent check fraud.	2014/2015	\$2,688
Implement Tyler Output Processor in conjunction with Information Services in order to email payment notifications to employees and vendors.	2013/2014	\$4,781
Implement an automated payroll system to streamline the payroll process and enhance the efficiency of payroll record keeping.	2012/2013	\$13,000
Develop accounting procedures manuals describing day to day operations in order to facilitate staff cross training.	2012/2013	\$0
Promote Automated Clearing House (ACH) which is an electronic network for financial transactions for payments to vendors.	2012/2013	\$0
Developed a user friendly monthly report to assist the public in understanding the City's finances.	2011/2012	\$0

FINANCE DEPARTMENT POSITION CONTROL

	Current	2017/18	2018/19	2019/20	2020/21	2021/22
CFO	1	1	1	1	1	1
Assistant Finance Director	1	1	1	1	1	1
Accountant	1	1	1	1	1	1
Accountant (Payroll)	1	1	1	1	1	1
Accounting Coordinator	1	1	1	1	1	1
Accounting Analyst	1	1	1	1	1	1
Purchasing Agent	-	-	-	-	1	1
Total Positions	6	6	6	6	7	7

FINANCE PERFORMANCE MEASURES

Comprehensive Plan Goal 7-1. The City shall maintain a “Home Rule” type of government and allow for a more stable environment for effective decision-making.

Bond Ratings	Actual FY 2015	Actual FY 2016	Estimated FY 2017
Moody’s	Aa2	Aa2	Aa2
Standard & Poor's	AA	AA+	AA+

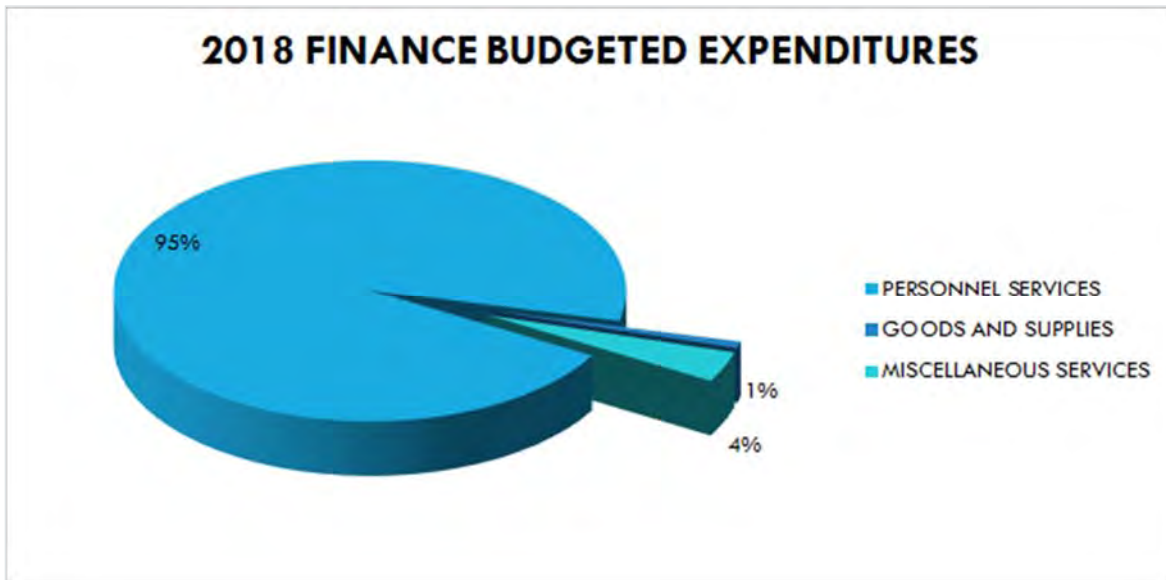
Average Cost Per Check Issued	Actual FY 2014	Actual FY 2015	Actual FY 2016
Payroll Checks	\$7.29	\$7.44	\$7.27
AP Checks	\$10.86	\$10.77	\$10.41

WORK PLAN FOR FINANCE DEPARTMENT

Project	Description	Comprehensive Plan Goal	Estimated Completion Date
GFOA Distinguished Budget Presentation Award	Continue to receive the award through application of the highest principles of governmental budgeting and satisfying nationally recognized guidelines for effective budget presentation.	Chapter VII. Goal 1 Objective 1.1 The City should have great control over fiscal matters and public expenditures.	Continuously ongoing
Email Notifications of payments	Reduce printing of check stubs for payroll and accounts payable disbursements.	Chapter VII. Goal 2 Objective 1.1 The City should ensure that communication is effective	Continuously ongoing
Payments to vendors using ACH	Continue to implement Automated Clearing House (ACH) electronic network for payments to vendors.	Not Applicable	Continuously ongoing
Positive Pay	Implement this cash management service to reduce the probability of check fraud.	Chapter VII. Goal 1 Objective 1.1	Continuously ongoing

GFOA Certificate of Achievement for Excellence in Financial Reporting	Continue to receive the award through preparation of comprehensive annual financial reports that evidence the spirit of transparency and full disclosure.	Chapter VII. Goal 1 Objective 1.1	Ongoing
Cross Training	Implement cross training to have one backup for each position.	Chapter VII. Goal 1 Objective 1.1	Ongoing
Occupancy Tax Program	Enhance compliance for local and state occupancy tax collections as well as city ordinances.	Chapter VII. Goal 1 Objective 1.1	Ongoing
Requests for Reimbursement (RFRs) for the Transit department	Comply with the submission of full documentation period (three to six months) in order to remove this status in future fiscal years.	Chapter VII. Goal 1 Objective 1.1	12/31/2017
Provide Formal City-Wide Employee Training	Finance Staff will provide formal training for all city employees on financial topics including purchase orders, timeclocks, fixed assets and purchasing cards.	Chapter VII. Goal 1 Objective 1.1	Ongoing

FINANCE DEPARTMENT BUDGET NUMBERS

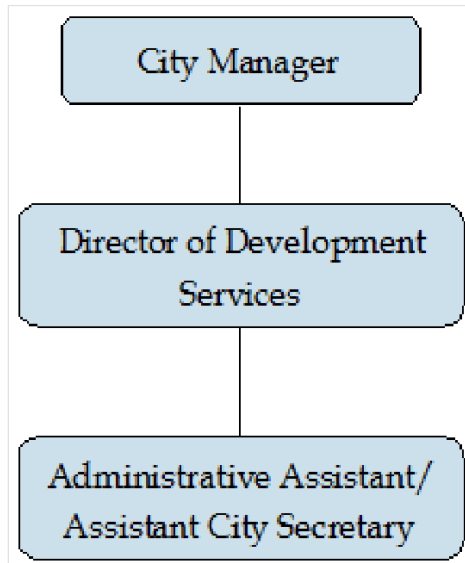


DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FINANCE	2015	2016	2017	2018

PERSONNEL SERVICES	\$324,190	\$320,373	\$338,536	\$408,197
GOODS AND SUPPLIES	\$1,187	\$1,663	\$3,200	\$3,500
MISCELLANEOUS SERVICES	\$7,232	\$5,217	\$11,361	\$15,996
TOTAL EXPENDITURES	\$332,608	\$327,253	\$353,097	\$427,693

DEVELOPMENT SERVICES DEPARTMENT

DEVELOPMENT SERVICES DEPARTMENT ORGANIZATIONAL 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 inter/intra agencies.

Major Goals:

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

Our Planning Indicators and Focus:

The Department coordinates approximately 48 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 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. Demand for housing development in the City has been declining and population growth has become almost zero.

Therefore, the future focus of planning should be on enhancing the quality of life while balancing with economic development strategies.

DEVELOPMENT DEPARTMENT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS

Strategy/Program	Fiscal Year	Budget Impact
Implement Annexation	2017/2018	\$0
Update Comprehensive Plan	2018/2019	\$0
Develop Unified Development Code	2017/2018	\$0
Crime Prevention through Environmental Design	2017/2018	\$0
Implement & Update Form Based Code	Ongoing	\$0
Implement & Update Ordinances	Ongoing	\$0
Regional Initiatives/Intergovernmental	Ongoing	\$0
TXDOT/Rural Transportation	Ongoing	\$0
Business Liaison	Ongoing	\$0

Landscaping/Urban Design	Ongoing	\$0
GIS Management	Ongoing	\$0

Programs Implemented:

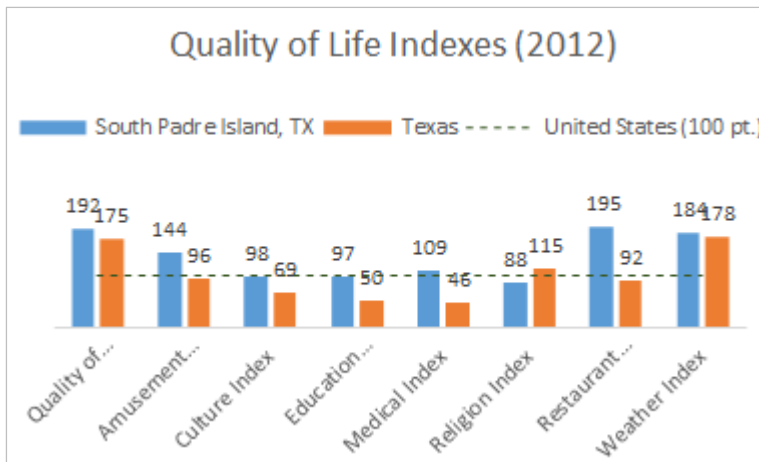
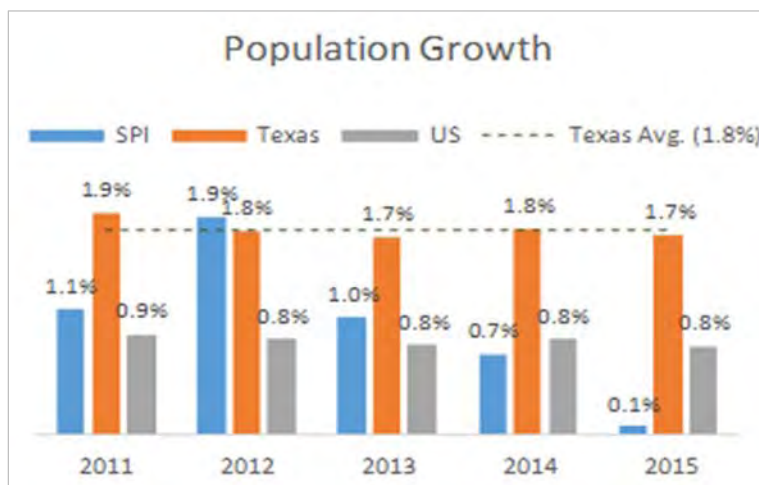
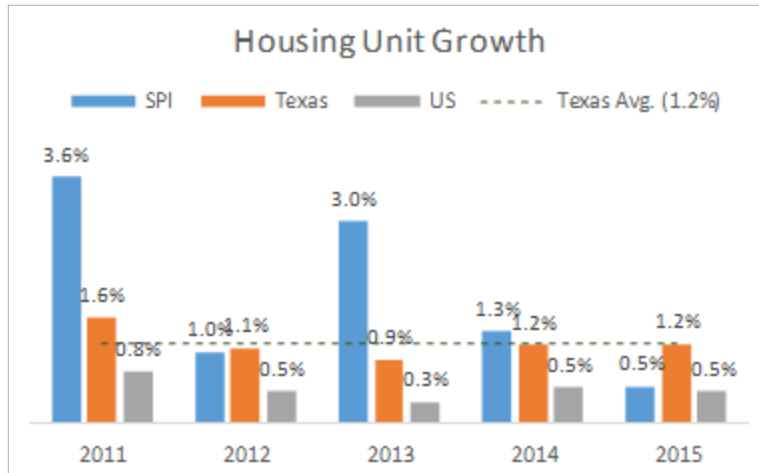
Program	Fiscal Year	Budget Impact
Strategic Plan Matrix	2017/2018	\$0
Special Event Permit Study	2017/2018	\$0
Amendments to Chapter 20 Zoning Ordinance	2017/2018	\$0
Amendments to FBC and Design Guidelines	2017/2018	\$0
Land Development / Site Plan Permits	2017/2018	\$0
Parks & Recreation	2017/2018	\$0
GIS	2017/2018	\$0
Other technical assistance	2017/2018	\$0

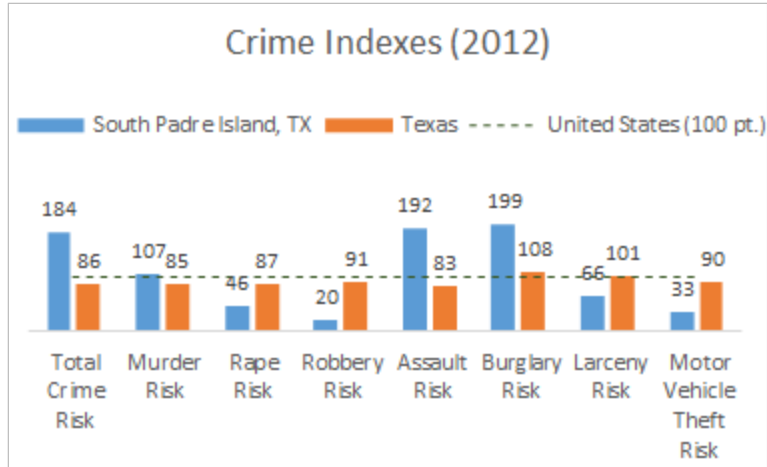
DEVELOPMENT SERVICES DEPARTMENT POSITION CONTROL

	Current	2017/18	2018/19	2019/20	2020/21	2021/22
Development Services Director	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1
Planning Manager	-	-	-	1	1	1
Planner I (Assistant Planner)	-	1	1	1	1	1
Senior Planner	-	-	-	-	-	1
Total Positions	2	3	3	4	4	5

DEVELOPMENT SERVICES PERFORMANCE MEASURES

Chapter IV. Strategy 1.2.2.2: The City should manage the long-term pattern of growth that balances market demands and economic development objectives.



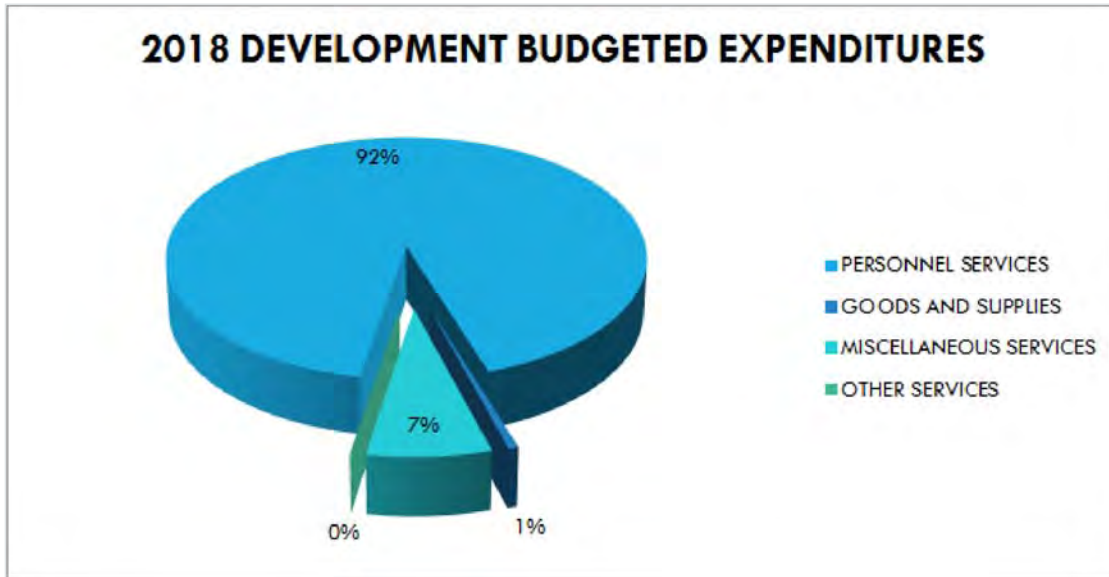


WORK PLAN FOR DEVELOPMENT SERVICES DEPARTMENT

Project	Description	Comprehensive Plan Goal	Estimated Completion Date
General Administration	Administer Subdivision and Zoning Ordinance	Chapter I Policy 1.1.1: The physical appearance of developments should be cohesive and coordinated.	Daily
Variance Administration	Support Board of Adjustments	Chapter I. Policy 1.1.3: While establishing minimum standards, zoning should allow flexibility.	Occasional Event
Form-Based Code	Administer Padre Boulevard and Entertainment District Code	Chapter I. Policy 1.1.6: The City should streamline the review and permit process while collaborating with neighbors and property owners.	Daily
Comprehensive Plan	Review, application, analysis, and update	Chapter I. Policy 2.1.2: The City should establish a process to assess and re-evaluate the plan every five years, or sooner as needed.	Daily
Economic Development	Coordinate with EDC, development of policies, projects, incentives, programs	Chapter IV. Strategy 1.2.2.2: The City should manage the long-term pattern of growth that balances market demands and economic development objectives.	Daily

Intergovernmental Coordination	Monitor TxDOT for Padre Blvd funding opportunities	Chapter III. Strategy 1.3.2.1: The City should identify, inventory, and map primary and secondary conservation areas, in coordination with the General Land Office, Texas Parks and Wildlife and other related agencies.	Daily
Convention Centre	Participate in Redevelopment of Convention Centre	Chapter I. Policy 1.1.5: The City should establish standards to enhance the appearance of properties facing public rights-of-way.	N/A
South Padre Island Metro Park & Ride Facility	Participate in design and development	Chapter I. Policy 1.1.5: The City should establish standards to enhance the appearance of properties facing public rights-of-way.	N/A
GIS Management	Quality Management	Chapter I. GOAL 2: The City should continue to monitor, protect, and evaluate development and resource conservation.	Occasional Event
Parks & Recreation	Assist parks development	Chapter III. GOAL 2: While utilizing nature-based recreational and tourism opportunities, the City shall also enhance the opportunities by providing trails, parks, plazas, and other recreational facilities and programs.	Occasional Event
Annexation	Provide professional staff assistance	Chapter IV. GOAL 1: The City shall ensure orderly growth, with the anticipated infrastructure and facility needs, in a fiscally responsible manner.	Occasional Event
Ordinance Revision and Update	Review, application, analysis, and update	Chapter I. Policy 1.1.6	Daily
Landscaping	Participate in design and development	Chapter I. Policy 1.1.5	Occasional Event

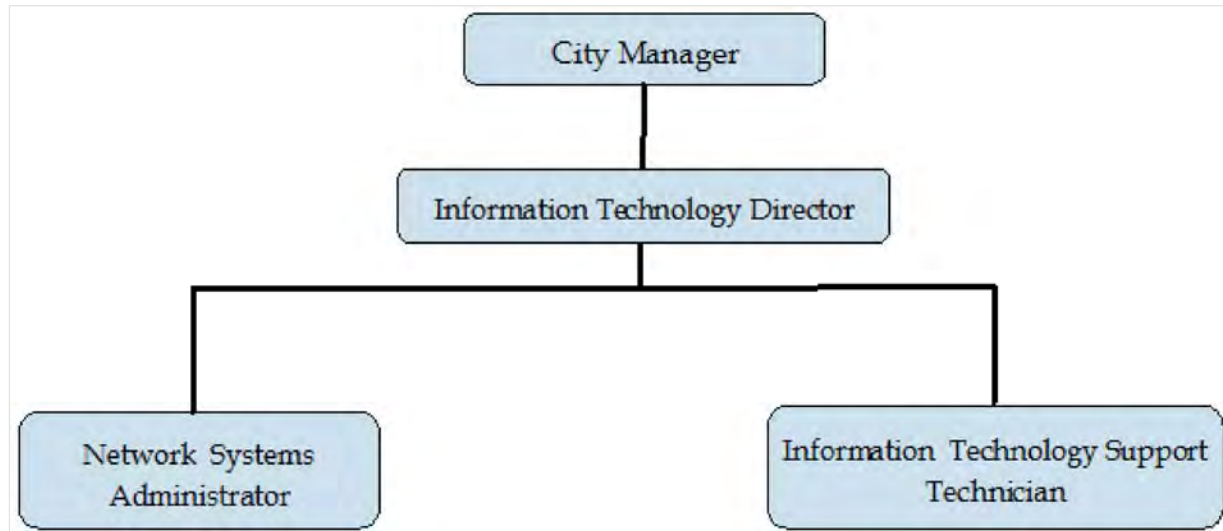
DEVELOPMENT SERVICES DEPARTMENT BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - DEVELOPMENT SERVICES	2015	2016	2017	2018
PERSONNEL SERVICES	\$150,570	\$154,499	\$218,830	\$159,493
GOODS AND SUPPLIES	\$1,173	\$939	\$1,000	\$1,000
MISCELLANEOUS SERVICES	\$10,434	\$6,301	\$13,753	\$12,553
OTHER SERVICES	\$0	\$5,951	\$5,000	\$0
TOTAL EXPENDITURES	\$162,177	\$167,689	\$238,583	\$173,046

INFORMATION SERVICES

INFORMATION SERVICES ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO

The Information Technology Department is responsible for researching, assessing, acquiring, maintaining, providing and supporting the systems and processes necessary to access information and communicate, both internally and externally. See the specific goals, planning indicators and programs/projects for the various areas of focus.

Major Departmental Goals:

1. Build the systems and processes necessary to enable cross departmental collaboration and access to shared information.
2. Research and assess new technologies that will replace outdated technology, reduce long term costs and improve information processes.
3. Set strategic direction for the City in relation to technology, communications and other information-related processes, products or projects.
4. Make information available to both the public and staff, to promote government transparency.
5. Reduce costs and better utilize city resources by implementing tools and processes that save time and/or money.
6. Bring South Padre Island to the forefront of the communication and technology fields.
7. Promote transparency and an abundance of information through the use of on-line resources, such as the City's website, social networking, recorded and live meetings and other similar online resources.
8. Make it easy for constituents to be involved and stay informed through the use of on-line and off-line resources.

Information Technology 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. Provide technology training, support and assistance to make sure the City is getting the best value out of the products it purchases.

Our Planning Indicators and Focus:

Information is the foundation for an organization. Without it, the organization cannot function and staff cannot do its 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
Purchase Updated Aerial Images of the City	2019-20	\$100,000
Migrate to cloud based SaaS Email server	2016-17	\$16,000
Redundant Storage Infrastructure to protect the City’s data	2018-19	\$40,000
Rewire City Hall with CAT6	2018-19	\$25,000
Rewire Convention Centre and Visitor Center with CAT6	2016-17	\$8,000
Upgrade City Council Board Room AV equipment to HD	2017-18	\$30,000
Purchase additional virtualization server capacity and expand virtualization software.	2018-19	\$35,000
Expand Storage Capacity to meet the needs of growing amounts of data and build in redundancy.	2019-20	\$40,000
Research available and next generation Internet wireless broadband, fiber and mobile infrastructures. Work with tier providers in implementing viable solutions to improve the infrastructures.	2016-17 2017-18 2018-19	\$0
Multimodal Transit - technology infrastructure	2017-18	\$0
Convention Extension/Space X - technology infrastructure	2018-19	\$0
Surveillance City Hall area, Convention, Fire Station	2017-18	\$0
Server equipment and relocation	2016-17	\$0

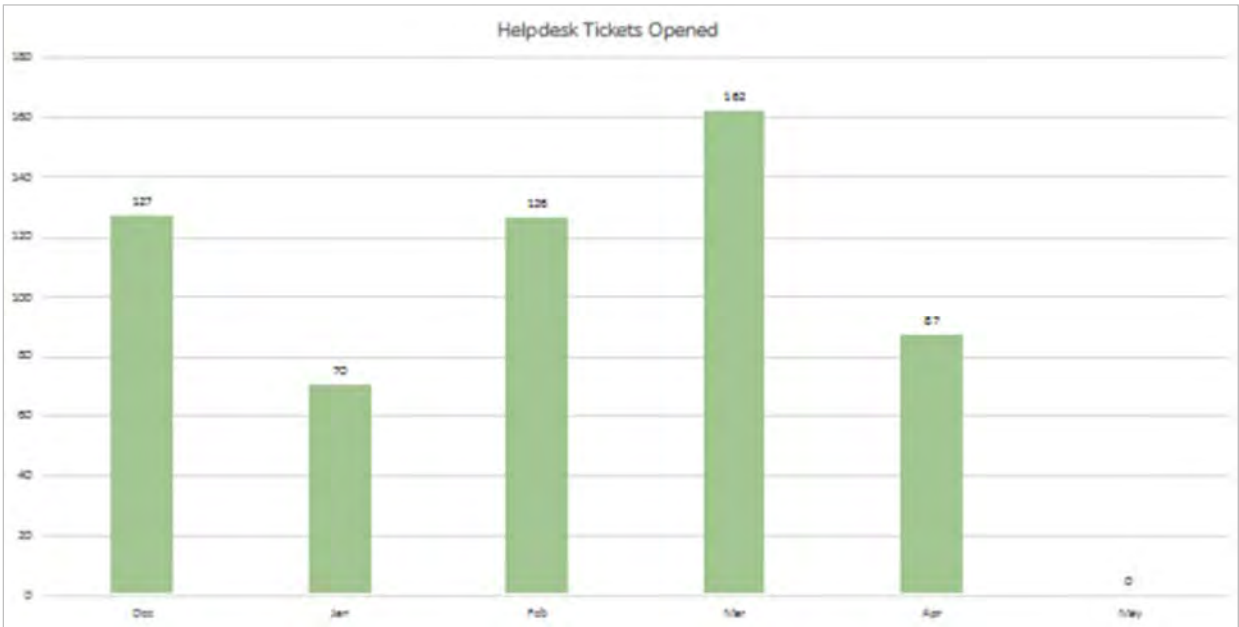
IT offices	2017-18	\$0
Point to Point wireless network backbone between facilities, reduce ISP costs for low usage facilities	2015-16 2016-17	\$5,000
Document Management System	2018-19	\$0
Redo Website MySPI.org	2018-19	\$15,000
Research to improve city's fiber data connection infrastructure	2018-19	\$0
Install new network switched, access points and reconfigure VLAN. Install new firewall and establish new security protocols	2017-18	\$0
Research SaaS Cloud bases Public Sector Software. Begin pilot program, evaluate and begin implementation.	2016-17 / 2017-18	\$0

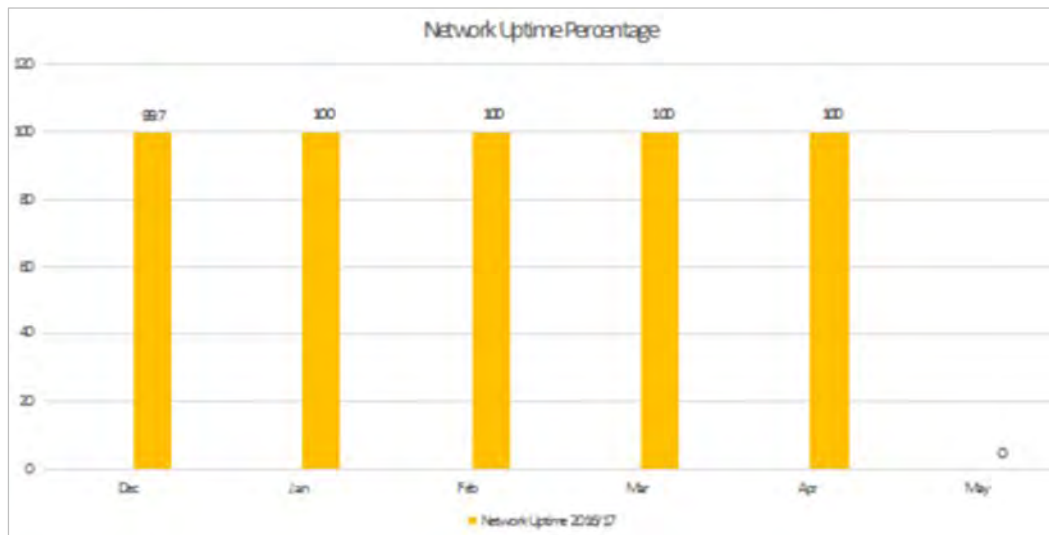
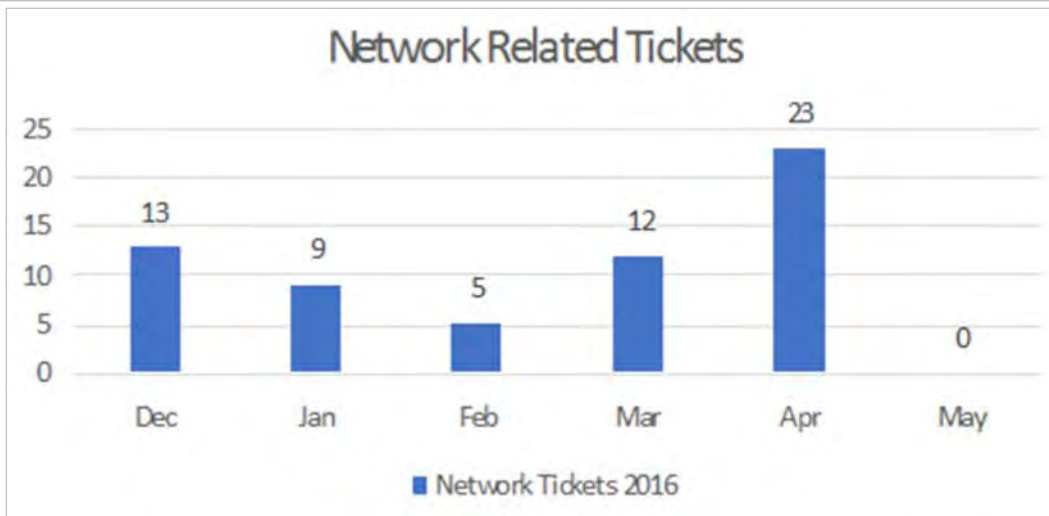
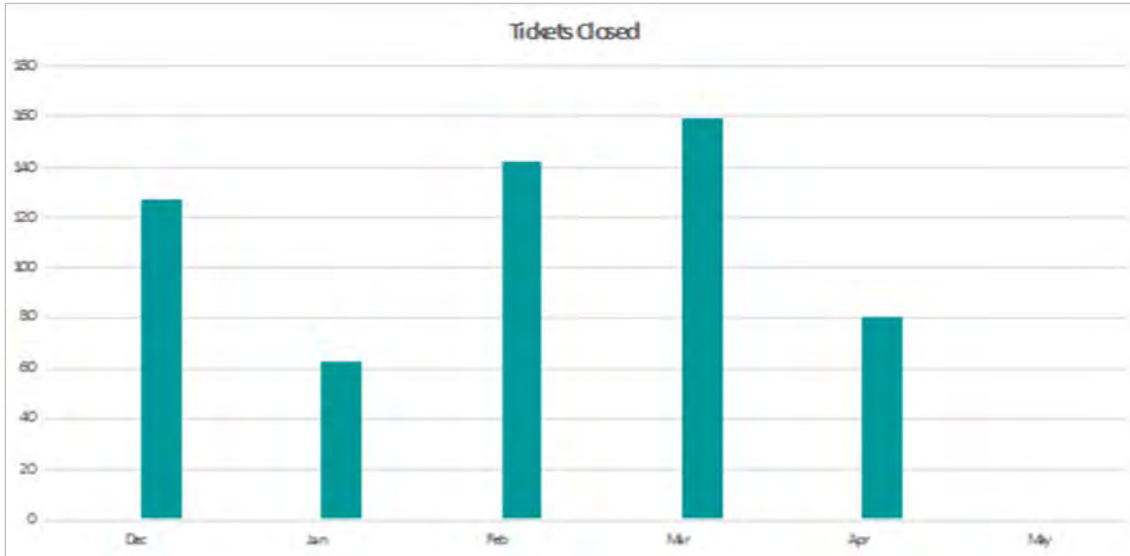
Programs Implemented:

Program	Fiscal Year
Saved about \$3,000 for not renewing rarely used TimeClock Plus annual software support. Per incident call \$49	2015-16
Increased the internet speed from 30Mbps-100Mbps at City Hall, Fire Station, and Visitor Center.	2016-17
Began utilizing the point to point wireless network from City Hall to Transit doubling their internet speed.	2016-17
Installed new HD Surveillance camera at the Fire Station for good view of the Causeway and other parts of the city.	2016-17
Configured multiple servers to backup weekly to the cloud storage iDrive.com	2016-17
Implemented new no cost helpdesk software and hardware monitoring system called Spiceworks.	2016-17
Replaced UPS battery packs so that networking devices don't go down in the event of power outages.	2016-17
Renegotiated the City's VOIP Phone system contract saving \$6,000 annually.	2016-17
Installed 23 new computers systems at City Offices.	2016-17
Implemented Antivirus software to keep our computers and servers safe from Viruses.	2016-17
Implemented remote desktop support software to increase efficiency in supporting City Staff.	2016-17

	Current	2017/18	2018/19	2019/20	2020/21	2021/22
Information Technology Director	1	1	1	1	1	1
Network/Comp Systems Technician(s)	1	1	2	2	2	2
Network Systems Admin	1	1	1	1	1	1
Total Positions	3	3	4	4	4	4

INFORMATION TECHNOLOGY PERFORMANCE MEASURES





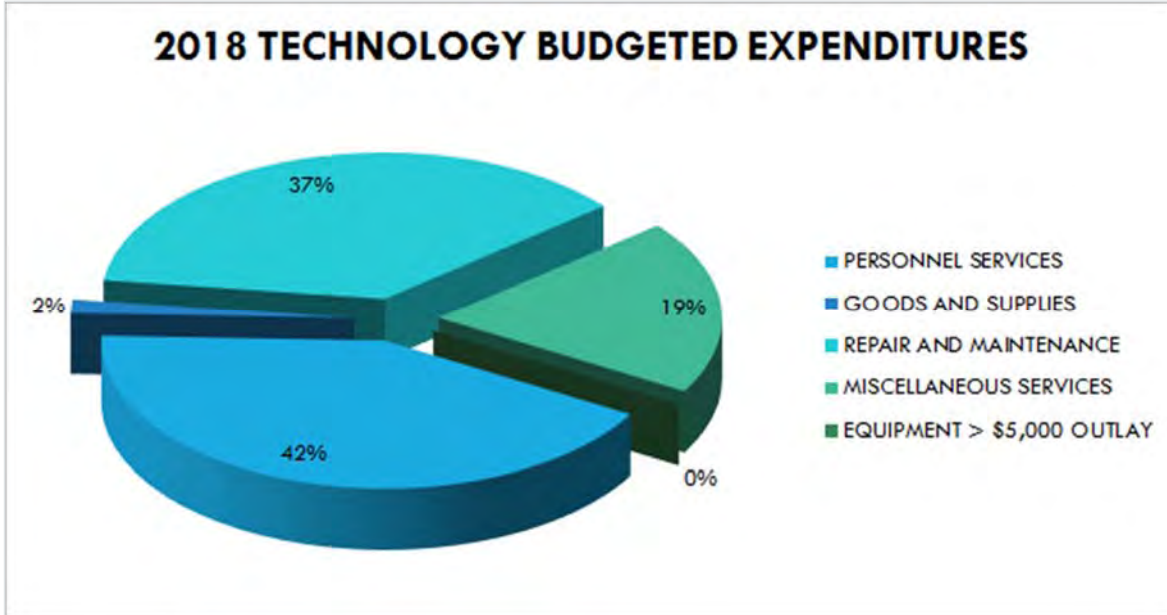
WORK PLAN FOR INFORMATION TECHNOLOGY

Project Name	Description	Comprehensive Plan Goal	Estimate Completion Date
MultiModal IT	layout of all tech, Security, cams, Network, Technology for the Transit/Multimodal building	Chapter II. Goal 1 Objective 1.1 Develop an effective, high quality, multimodal system that balances all transportation needs.	unknown
EMS/Fire mobility	Working with Chief Fowler on tablets/ software/ connectivity	Chapter VIII. Goal 2 Objective 2.1 Policy 2.1.6. The Fire Department should utilize technology to support operational effectiveness.	unknown
Shell Space Renovation	Work with Public works and PD to renovate the shell space for City Use	Chapter IV: Goal 3 Objective 3.2 Policy 3.2.1 The Police Department should employ training, technology and management strategies to improve data accuracy in criminal activity reporting and record keeping. Goal 3 Objective 3.1 The City should continue to provide adequate public services.	10/1/2017
Emergency Reporting FIRE	CAD/RMS integration for Emergency reporting so that they don't have to type everything twice	Chapter VIII. Goal 2 Objective 2.1 Policy 2.1.6.	8/1/2017
DiBOS Replacement	PD/Jail Security camera replacement	Chapter IV: Goal 3 Objective 3.2 Policy 3.2.1	12/12/2017

Island camera network	order and deploy cameras that can be used at events during spring break 2018 and going forward	Chapter VI. Goal 1 Objective 1.1 The City should identify the requisite future growth area by utilizing the land use plan and zoning map. Policy 1.1.2.	9/1/2017
Chamber Audio	Work with a vendor to improve the audio situation in CC	Not Applicable	unknown
HOT Website	adding functionality to HOT Website	Not Applicable	8/1/2017
TimeClock Software Update	Investigate price of moving TimeClock Server software Upgrade	Not Applicable	10/10/2017
Building Inspector iPad	Purchase and configure iPads for building Dept	Not Applicable	9/15/2017
Island Drone Map	use Drone deploy and Drone team to map the entire island	Chapter VI. Goal 1 Objective 1.1	8/1/2017
Replace TLETS PCs	TLETS PCs are old and dying	Not Applicable	9/15/2017
STR Helper	Evaluating and pricing out STR helper with Georgina and Eddie	Not Applicable	8/1/2017
PC Replacement Plan	design, document, and implement PC plan and Policy	Not Applicable	7/1/2017
iWorq Config	Work with Departments to configure iWorq yes	Not Applicable	7/15/2017
Mobile Food Inspection	Assist Code enforcement staff in selecting and implementing mobile Food Establishment inspection software	Chapter I. Goal 1 The City should ensure the highest quality of life by enhancing community characteristics, and also by minimizing threats to health, safety, and welfare.	6/1/2017
Keycard Access @ Fire Dept	Work with Jon Wilson to get HID cards installed at Fire Dept	Chapter VIII. Goal 2 Objective 2.1 Policy 2.1.6.	unknown
Park Wifi Access	Wireless access in the Parks	Not Applicable	12/25/2017

CVB Phones	Phones at CVB sometimes get a bad connection	Not Applicable	12/25/2017
NEW PCs	Deploy 21 new PCs	Not Applicable	2/28/2018
Camera security at CVB	assist with camera purchase or contracting of security at the Convention Center	Not Applicable	6/1/2017
Server Virtualization	Migrate Application Servers to a Rackspace type cloud environment to aide in DR and back ups	Not Applicable	12/1/2018
Drive share migration	Migrating drive shares from old NAS Device to actual Windows File shares	Not Applicable	8/1/2017
AWOS	Assist with AWOS information	Not Applicable	unknown
Xerox	learn current printer pricing and save money	Not Applicable	6/1/2017
Fire iPads	iPad deployment for Fire Dept	Not Applicable	11/25/2017
Disater Recover Plan	design, document, and implement DR plan	Not Applicable	12/12/2017
Network Refresh	Working with Gaby on restructuring the network	Not Applicable	12/1/2017
PD Cad	Evaluating replacement CAD/RMS softwares that might provide more functionality	Not Applicable	unknown
info Phone number	Aquire 956-761-info for the City.	Not Applicable	unknown
NIBERS	NIBERS	Not Applicable	asap
ODESSEY	ODESSEY	Not Applicable	asap
New TLETS Update	New TLETS	Not Applicable	unknown
Dispatch Station Update	Construct Dispatch stations with new Monitor Frames	Not Applicable	1/1/2018

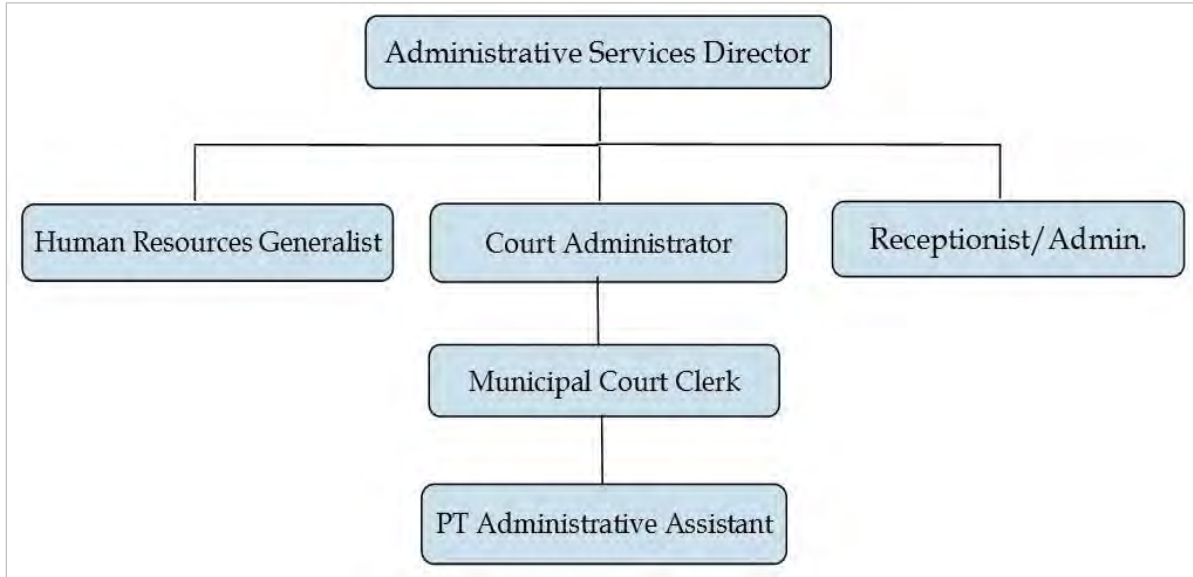
INFORMATION TECHNOLOGY BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - TECHNOLOGY	2015	2016	2017	2018
PERSONNEL SERVICES	\$154,211	\$149,261	\$223,472	\$213,605
GOODS AND SUPPLIES	\$4,228	\$9,668	\$7,645	\$7,645
REPAIR AND MAINTENANCE	\$172,035	\$186,909	\$186,239	\$187,318
MISCELLANEOUS SERVICES	\$99,551	\$90,471	\$133,887	\$97,586
EQUIPMENT > \$5,000 OUTLAY	\$0	\$10,363	\$20,000	\$0
TOTAL EXPENDITURES	\$430,025	\$446,672	\$571,243	\$506,154

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
- Compliance with State and Federal Employment Laws
- Employee Benefit Administration
- Risk Management/Safety
- Employee Relations
- Training and Development
- Compensation
- Administrative Services

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
 - Recruit qualified and diverse candidates for employment.
 - Enhance technology to create more streamlined application procedures.
 - Establish, maintain and monitor successful pre-employment testing programs.
2. Compliance with State and Federal Employment Laws
 - Measure and maintain best practices in the areas of equal employment.
 - Continue to monitor changing legislation to ensure that policy and practice matches the law.
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/Safety
 - Ensure that all claims are handled equally and timely.
 - Work with employees, departments, medical providers and claim adjusters to comply with the Americans with Disabilities Act and Workers' Compensation laws to return disabled, injured or ill employees to suitable, gainful employment as soon as possible.
 - Ensure the City is in compliance with all State Workers' Compensation laws.
 - Continue to decrease the amount of work injuries by providing 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 or promoted to a supervisory position. This training would include city policy awareness along with general supervisory information.
 - Maintain an internal training program to help address work related issues such as the prevention of sexual harassment and ethics regarding municipal government.
7. Compensation
 - Maintain a compensation plan that promotes flexible and sound classification principles.
 - Continue to 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.
- 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.
- Create a digital format of all internal and external forms so that employees and citizens can easily fill out required documentation for any purpose.

Our Planning Indicators and Focus:

As the City of South Padre Island’s citizen and visitor population increases, the demand for public service will also increase. The HR Division will use the number of employees hired annually as an indicator for the increased demand for services. The current number of employees serviced by the HR Division is 166 full-time equivalents (FTE’s) and an estimated 150 part-time/temporary employees annually. Currently (fiscal year 2016/2017), 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

Strategy/Program	Fiscal Year	Budget Impact
Embrace the use of technology to enhance operations and communication.	Ongoing	\$0
Create a Pay for Performance Compensation Plan that will work for a Municipal Government.	2018/2019	Currently Researching
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	\$4,000
Create an organized and effective records management program that encompasses all records related to Human Resource Management.	Ongoing	\$0
Create a new employee onboarding system utilizing a new software system.	2017/2018	\$7,200
Create an online application program enhancement using our current People-Trak software system.	2017/2018	\$11,000
Create a paper-light HR environment	Ongoing	-

Programs Implemented:

Program	Fiscal Year	Budget Impact
Creation of Employee Benefit Statements: 2011-2016	2011/2012 & Ongoing	\$0
Creation of Employee ID Badges for all full-time and regular part-time staff.	2011/2012 & Ongoing	\$0
Job Descriptions Completed for all full-time and regular part-time positions.	2011/2012	\$0
A 5 year compensation strategy was approved by the City Council in November of 2011. Phase 1 was implemented in 2012, Phase 2 was implemented in 2014, and Phase 3 in 2015.	2011/2012 & Ongoing	Varies yearly
Create a new performance evaluation tool and manage an effective performance review system to evaluate and track employee performance.	2011/2012 & Ongoing	\$0
Implementation of an Employee Assistance Program (EAP). A confidential service for employees and their families to assist in resolving work/life issues.	2011/2012	\$3,000 Annually
Coordinated City Wide Training. (Conflict Resolution, Ethics, Sexual Harassment, Supervisor, How to Prevent a Hostile Working Environment)	2011- 2017 & Ongoing	\$4,000
Create and implement an Employee Handbook with clear and straightforward policies (legal review and printing)	2014	\$4,000
Fire Drills were conducted and Safety Evacuation Maps were created and posted by the Safety Committee.	2012/2013	\$0
As of April 2015 a total of 94 electronic forms have been created for both internal and external uses.	2015 & Ongoing	\$0

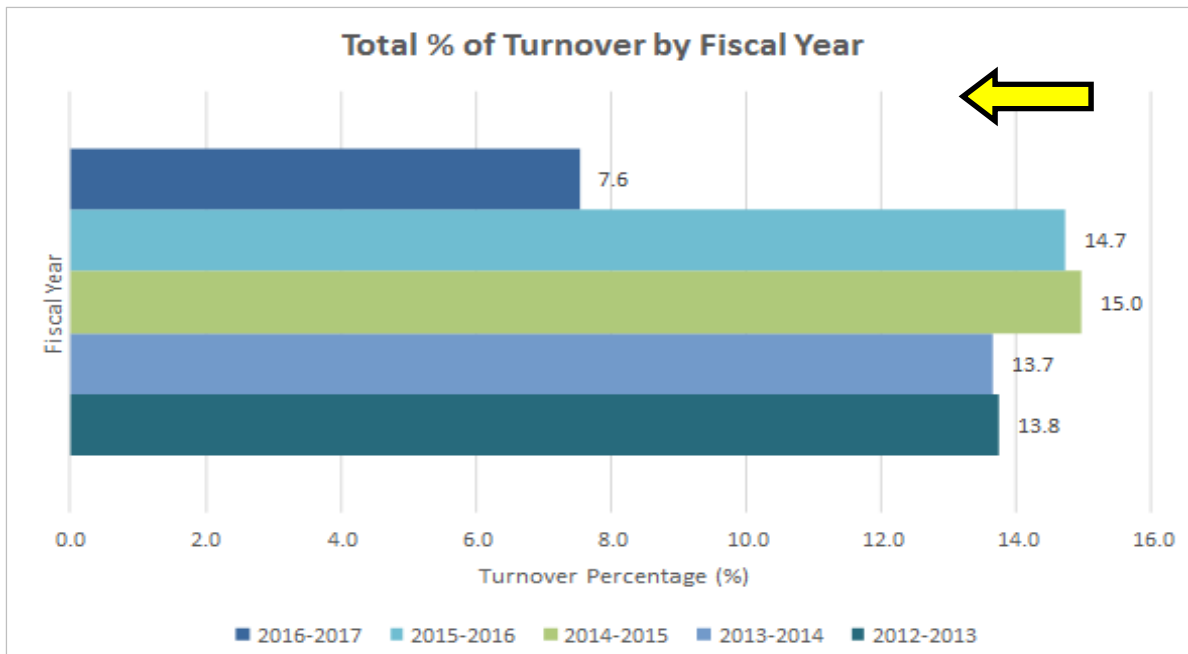
ADMINISTRATIVE SERVICES POSITION CONTROL

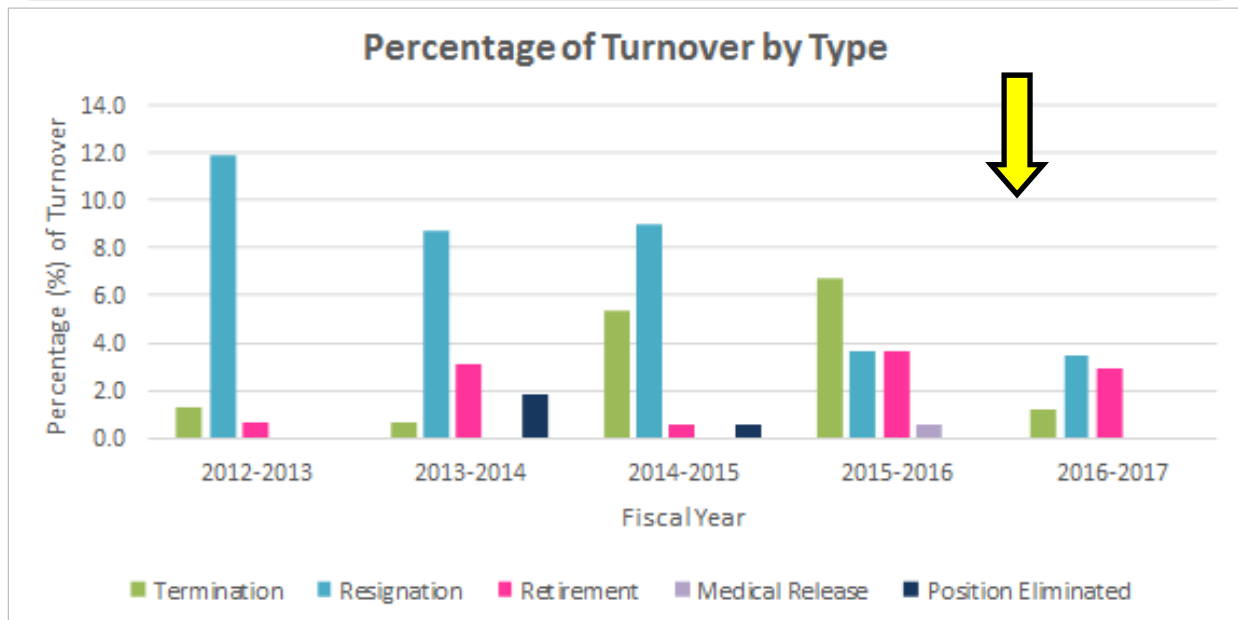
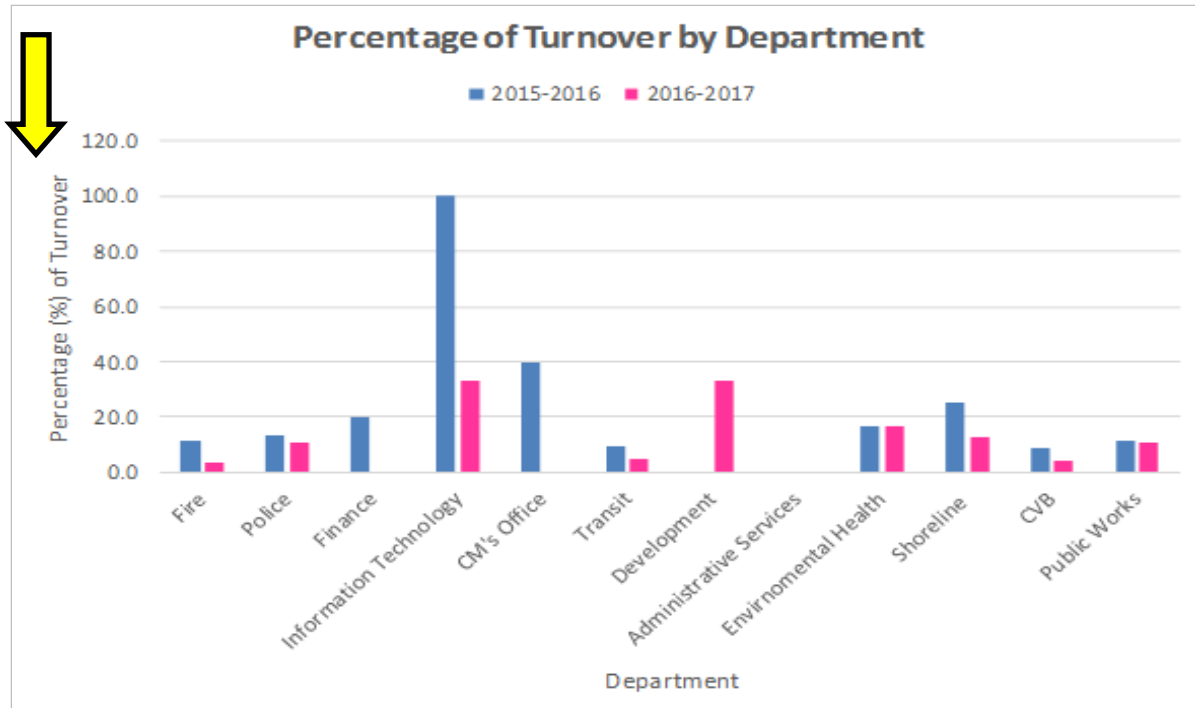
	Current	2017/18	2018/19	2019/20	2020/21	2021/22
Administrative Services Director	1	1	1	1	1	1
Receptionist/HR Associate I	1	1	1	1	1	1

Human Resources Manager	1	1	1	1	1	1
Human Resources Generalist	-	-	-	1	1	1
Total Positions	3	3	3	4	4	4

ADMINISTRATIVE SERVICES PERFORMANCE MEASURES

Comprehensive Plan Chapter VII Goal 2 Objective 1.2 Policy 1.2.6 City staff and elected officials shall be committed to fulfill their obligations to provide high-quality services and leadership.



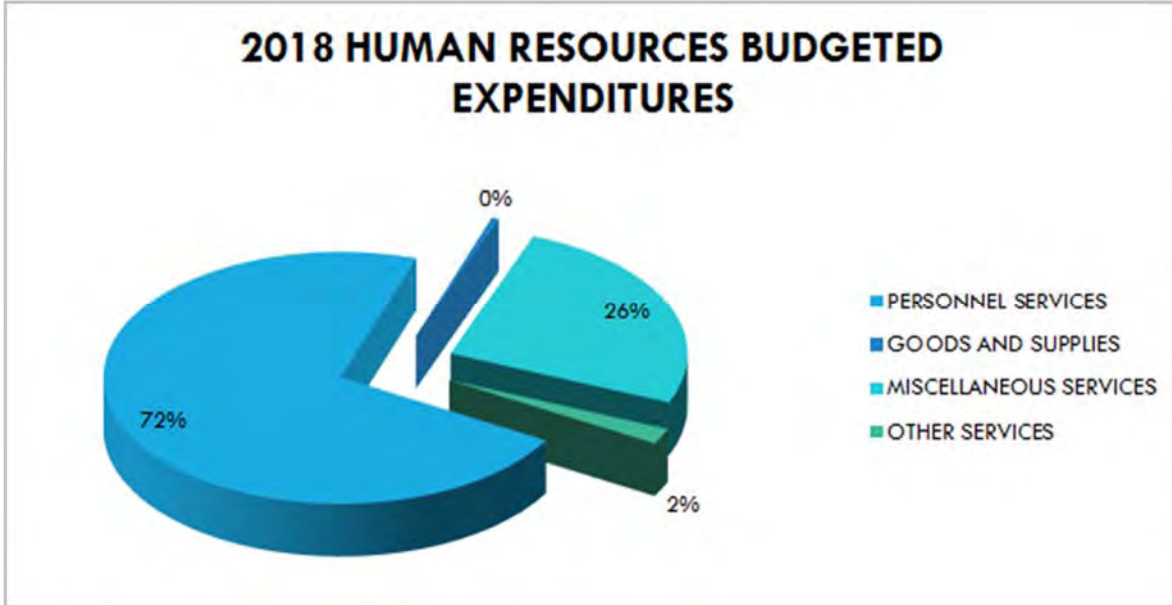


WORK PLAN FOR ADMINISTRATIVE SERVICES

Project	Description	Comprehensive Plan Goal	Estimated Completion Date
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Form Control	Continue to create new city forms and a control system to ensure the most current form is being used by all.	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6 City staff and elected officials shall be committed to fulfill their obligations to provide high-quality services and leadership.	Ongoing
Employee Handbook Update	Review the Handbook annually to determine if there is a need for policy updates and revisions. Update accordingly	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6	12/31/17
Claims Management	Create processes and files using People-Trak to track and manage all property, liability and workers compensation claims	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6	12/31/17
Update all City Organizational Charts	Update all City Organizational Charts to create consistency and ease of formatting during the 2016/2017 budget preparation time.	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6	12/31/17
Personal File - Electronic Storage	Continue to scan all personnel files into People track and file forms in the appropriate areas of people track. This will increase efficiency of department.	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6	Ongoing
Complete HRIS	Continue to update People-Trak Software. This includes all past data, new data, job descriptions and the creation of workflows.	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6	Ongoing
Update all HR Procedures	Update all procedures: New Hire Orientation, Exit Interviews, Open Enrollment, and Benefit Meetings. They all need improvement.	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6	09/30/17

HUMAN RESOURCES BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - HUMAN RESOURCES	2015	2016	2017	2018
PERSONNEL SERVICES	\$182,080	\$190,036	\$200,674	\$216,569
GOODS AND SUPPLIES	\$1,199	\$1,365	\$1,400	\$1,500
MISCELLANEOUS SERVICES	\$28,989	\$30,643	\$44,320	\$77,313
OTHER SERVICES	\$10,486	\$33,983	\$6,698	\$6,000
TOTAL EXPENDITURES	\$222,754	\$256,026	\$253,092	\$301,382

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. 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.

Major Goals:

1. Continue public relations programs to enhance communication regarding Municipal Court activities.

2. Continue 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 2016/2017), the total full-time equivalents (FTE's) authorized are 2 positions. The Municipal Court also has two part-time employees: Municipal Court Judge, and the Administrative Assistant.

MUNICIPAL COURT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS

Strategy/Program	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
Continue to evaluate collection strategies.	Ongoing	\$0
Review, annually, the opportunities available to increase fines to support court programs.	Ongoing	\$0

Programs Implemented:

Program	Fiscal Year	Budget Impact
Signed Contract with Municipal Services Bureau (Collection Agency): 04/07/2010	2009/2010	\$0
Implemented Omni-base 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
Renovated the Municipal Court offices to create a safer more efficient area for court staff to work using the MC Security Fund	2015/2016	\$21,677
Add a portable metal detector for user by the Municipal Court that can be moved to other rooms if necessary.	2016/2017	\$6,164.87
Add a panic Button to the Municipal Court Window using the MC Security Fund.	2016/2017	\$4,050
Enhance the court lobby area security using the MC Security Fund by adding more security cameras.	2016/2017	\$160
Warrant Roundup: 03/2013 (Collected \$38,891.25)	2012/2013	\$2,500
Warrant Roundup: 03/2014 (Collected \$16,862.25)	2013/2014	\$1,780
Warrant Roundup: 03/2015 (Collected \$31,299.60)	2014/2015	\$3,168
Warrant Roundup: 03/2016 (Collected \$41,870.31)	2015/2016	\$1,501
Warrant Roundup: 03/2017 (Collected \$44,967.50)	2016/2017	\$1,262

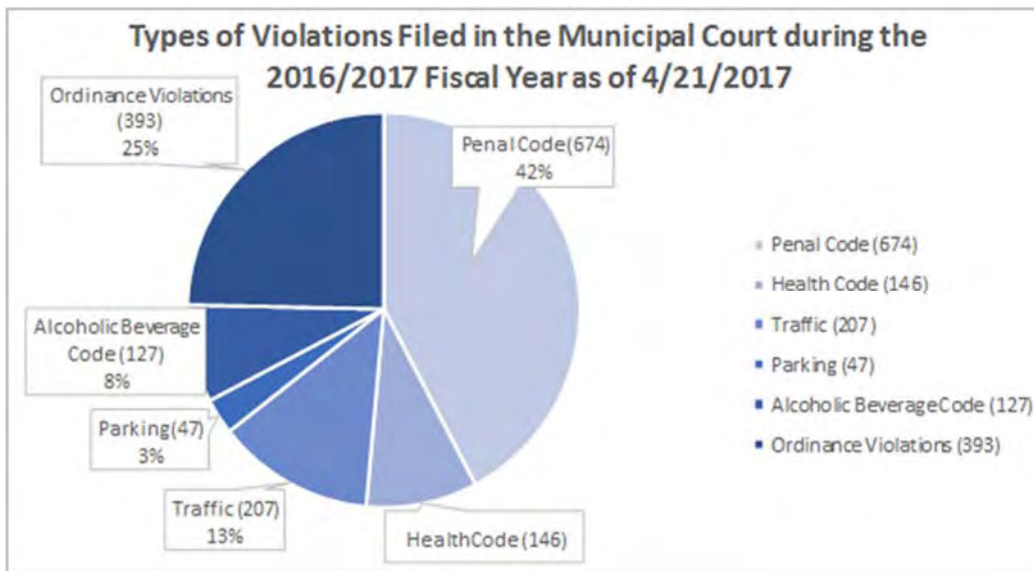
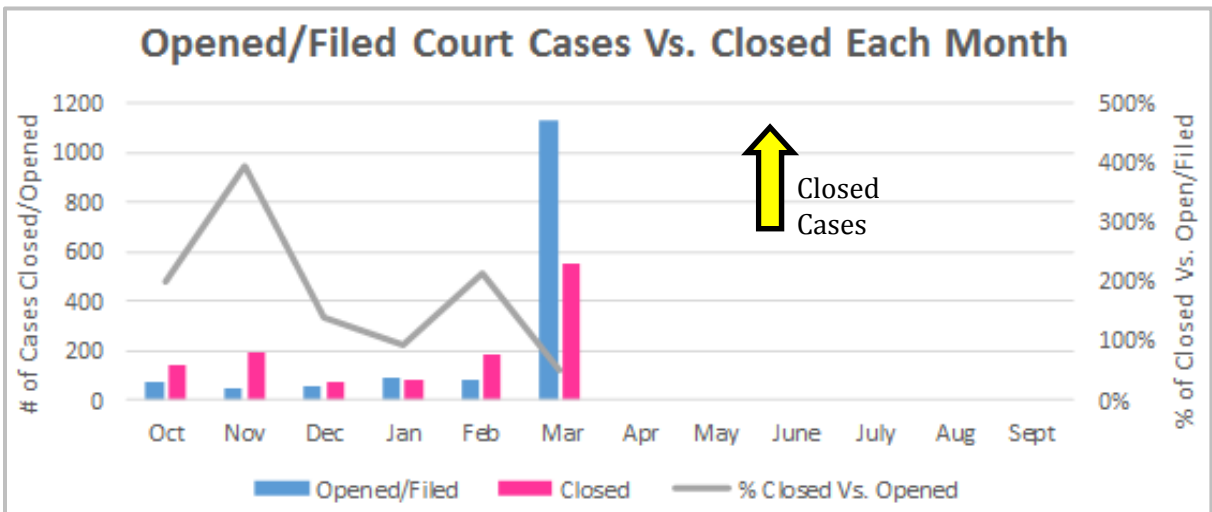
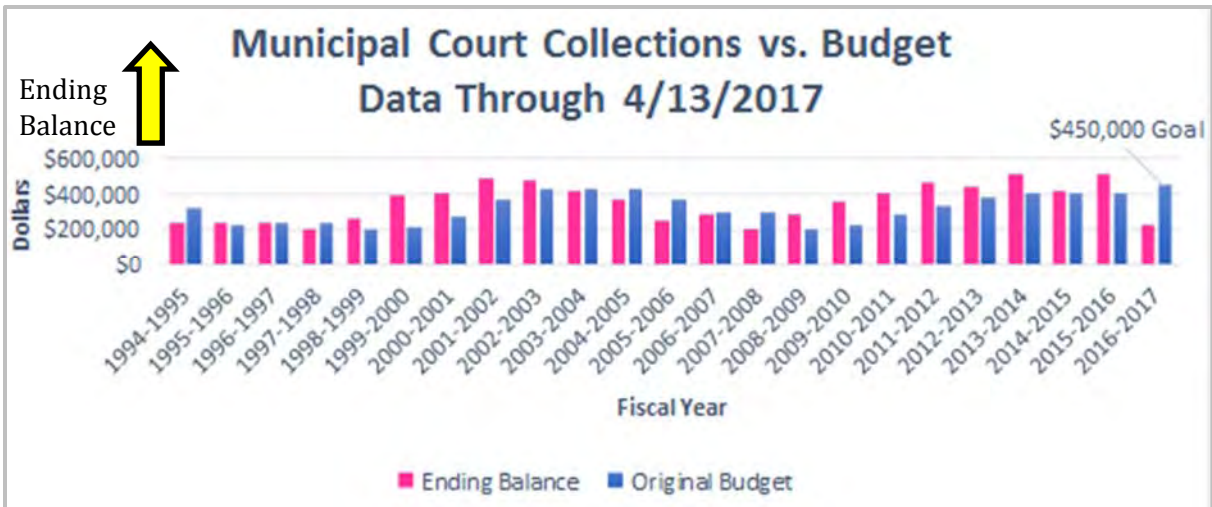
MUNICIPAL COURT STAFFING PLAN

	Current	2017/18	2018/19	2019/20	2020/21	2021/22
Court Administrator	1	1	1	1	1	1
Municipal Court Clerk	1	1	1	1	1	1
Administrative Assistant	.5	.5	.5	.5	.5	.5
Municipal Judge	.5	.5	.5	.5	.5	.5
Total Positions	3	3	3	3	3	3

The Municipal Court budgets for professional service related to Prosecutor Services, Alternate Judge 1, and Alternate Judge 2.

ADMINISTRATIVE SERVICES PERFORMANCE MEASURES

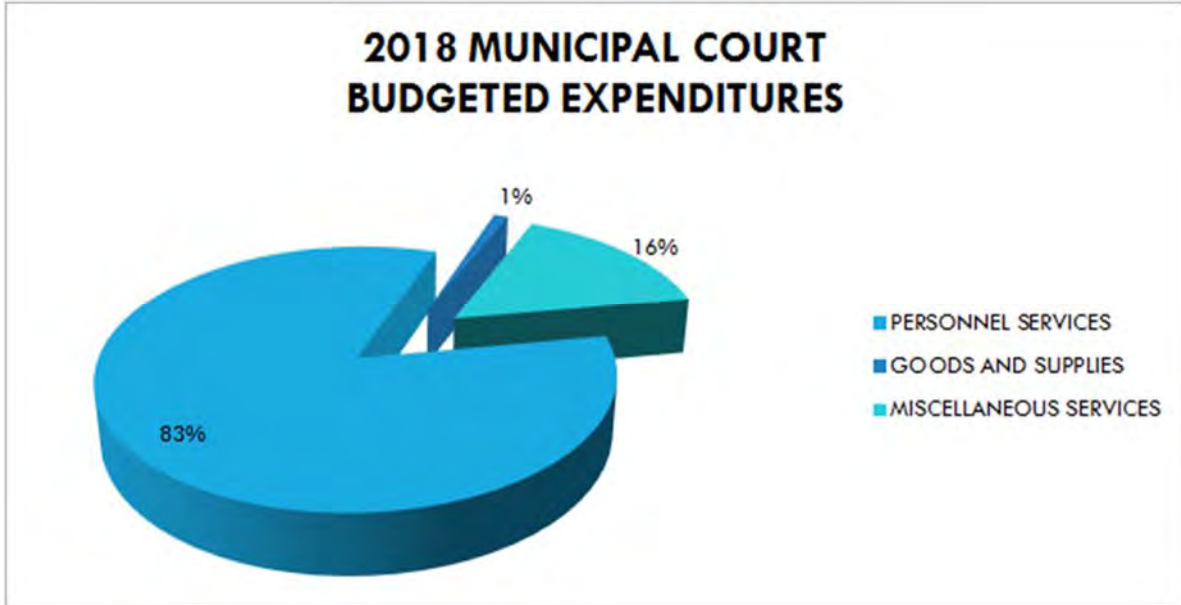
Comprehensive Plan Chapter VII Goal 2 Objective 1.2 Policy 1.2.6 City staff and elected officials shall be committed to fulfill their obligations to provide high-quality services and leadership.



WORK PLAN FOR MUNICIPAL COURT

Project	Description	Comprehensive Plan Goal	Estimated Completion Date
Parking Citations: Records Management and Collection Sources	Create a better records management system for parking and search for additional resources to assist the court in collection of parking fines when names are not available.	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6 City staff and elected officials shall be committed to fulfill their obligations to provide high-quality services and leadership.	12/31/17
Purge Closed Cases Older Than Ten Years.	Clean-up records that have errors and were not closed years ago in the software system. Once the records are reviewed a formal purge of closed cases can take place.	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6	12/31/17
Increase Court Collection Efforts.	Continue to research new collection strategies and improve current collection strategies to increase total collections each fiscal year.	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6	Ongoing
Continue participation in the State of Texas Warrant Round-Up.	Use this tool to increase collections.	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6	Ongoing (Annually- February & March)
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 be used as a training tool for new staff.	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6	09/30/18

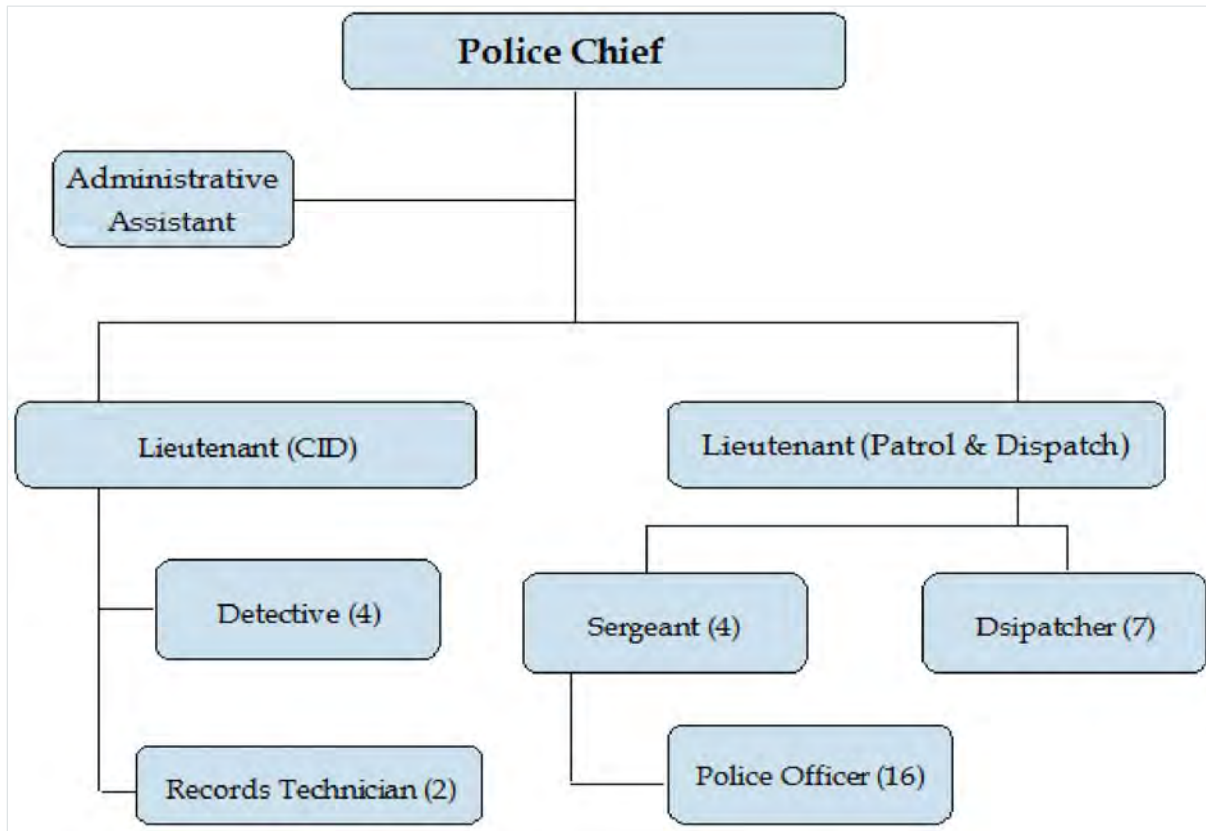
MUNICIPAL COURT BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - MUNICIPAL COURT	2015	2016	2017	2018
PERSONNEL SERVICES	\$143,970	\$150,527	\$174,221	\$182,177
GOODS AND SUPPLIES	\$1,581	\$1,547	\$2,700	\$2,350
MISCELLANEOUS SERVICES	\$40,243	\$37,715	\$29,517	\$34,853
TOTAL EXPENDITURES	\$185,795	\$189,789	\$206,438	\$219,380

POLICE DEPARTMENT

POLICE DEPARTMENT ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO

The mission of the South Padre Island Police Department (SPI-PD) 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, all while enhancing the overall quality of life on the island.

- **Police Administration:** *Plans and Oversees Operations – Budget – Policy and Procedures / SOPs*
- **Uniform Patrol:** *First Responder – Deter Criminal Behavior, Protect Life and Safeguard Property, both reactively and proactively.*
- **Special Operations:** *Training – Marine Patrol – Domestic Violence, SWAT, Mental Health*
- **Records Division:** *Police Reports – Stats – Taxi – Golf Carts – Wreckers*
- **CID:** *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. Continue working on living-documents: The Department’s Policies and Procedures, and SOP’s as set by the TPCA Recognition best practices.
3. Continue our efforts of proactive policing techniques vs. reactive. (i.e. narcotics buys, bait board / Yeti cooler stings, etc.).
4. Train a few more police officers as EMTs.
5. Improve dispatch capabilities and functions.
6. Renew the agency’s scuba dive search and recovery team.
7. Search and obtain suitable grants for assistance with future identified projects.
8. 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. As illustrated in the following diagrams, each year our call volume continues to rise. Research indicates our call volume increases approximately 10-15% yearly. Other indicators are; South Padre Island has seven million cars traveling over its causeway annually. We are also impacted with special events, wherein we provide traffic assistance and security. Currently, SPI-PD employs 27 certified police officers, 7 dispatcher, 3 clerical, and 10 part-time officer positions.

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	2016/2017	\$1,400
Train 2 scuba divers as forensic specialist evidence divers	2016/2017	\$1,600
Evaluate special events security assistance	2016/2017	\$0
Build-out new detective area and update patrol offices	2016/2018	\$65,000
Fitness for duty program	2016/2017	\$1,000
Evaluate impact/ needs due to Space-X and 2 nd causeway	2016/2017	\$0
Continue Training for PD’s K-9 program	Ongoing	\$500

Programs Implemented:

Program	Fiscal Year	Budget Impact
Crime Victim Coordinator (Claudine O'Carroll)	2010/2011	\$0
Watch Guard in-car digital video, used radio user funds	2010/2011	\$0
Internal Affairs (Jaime Rodriguez)	2010/2011	\$0
Body-cams on all full-time officers, many purchased with seized funds	2010/2011	\$0
PD's K-9 program	2011/2012	\$10,000
Part-time officer program	2011/2012	\$10,000
Marine Patrol	2012/2013	\$0
Drone Program	2013/2014	\$0
TPCA Policies and Procedures	2014/2015	\$0

POLICE DEPARTMENT POSITION CONTROL

Full-Time Personnel

	Current	2017/18	2018/19	2019/20	2020/2021	2021/22
Police Chief	1	1	1	1	1	1
Administrative Assistant / Clerical	3	3	3	3	3	3
Captain	-	-	-	-	-	1
Lieutenant	2	2	2	2	2	1
Sergeants	4	4	4	4	4	5
Detectives	4	4	4	4	4	4
Officers	16	16	16	16	16	16
Dispatchers	7	7	7	7	7	7
Total Full-Time Positions	37	37	37	37	37	38

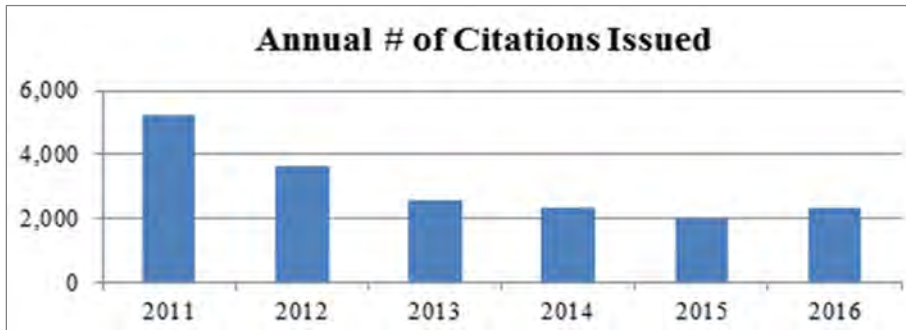
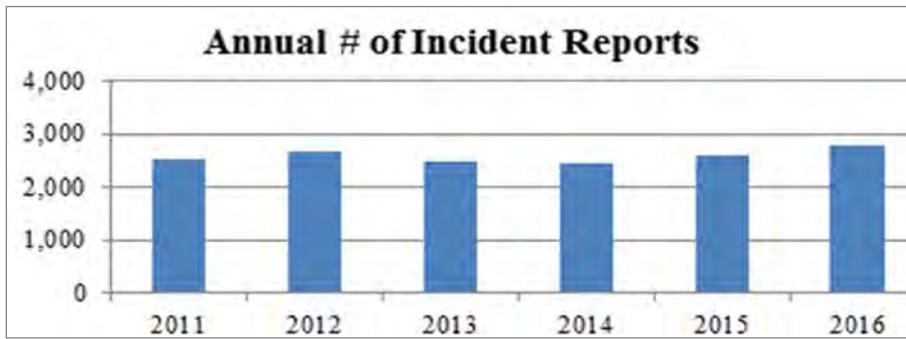
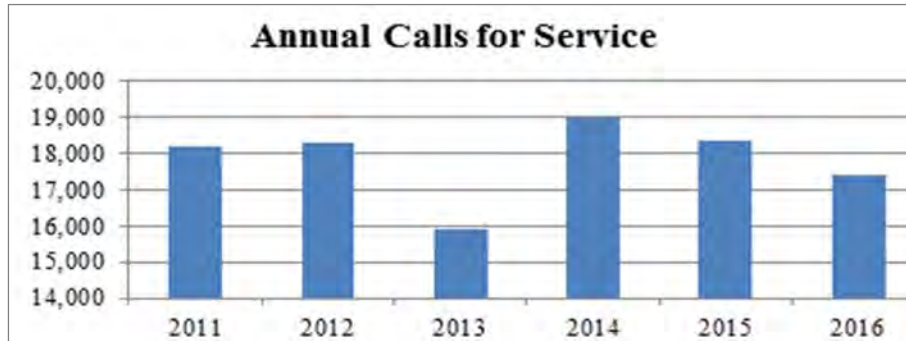
Part-Time Personnel

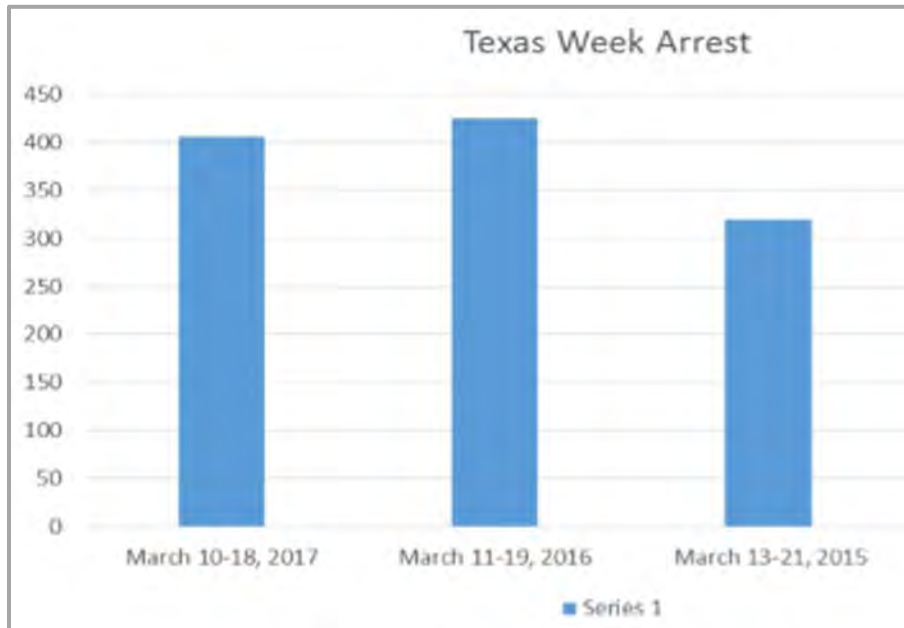
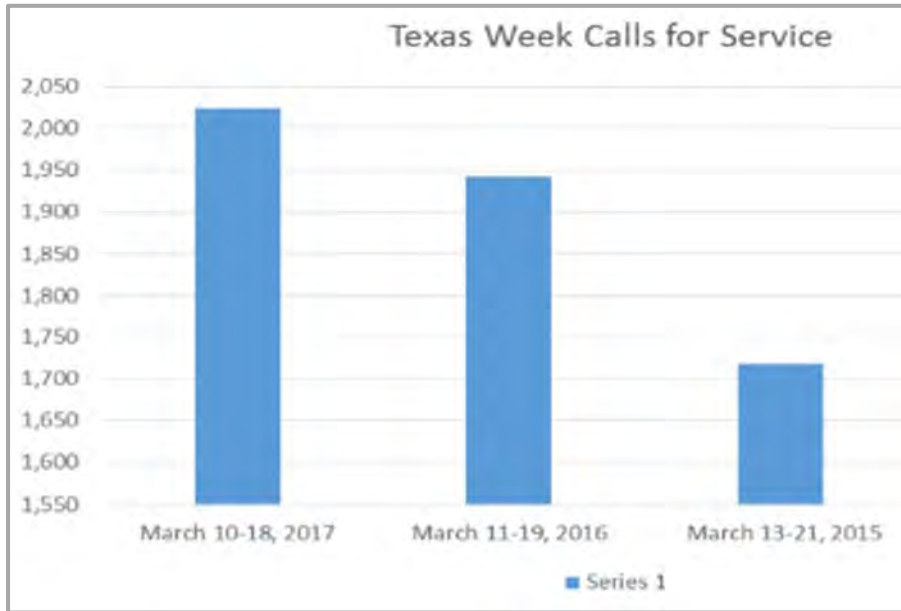
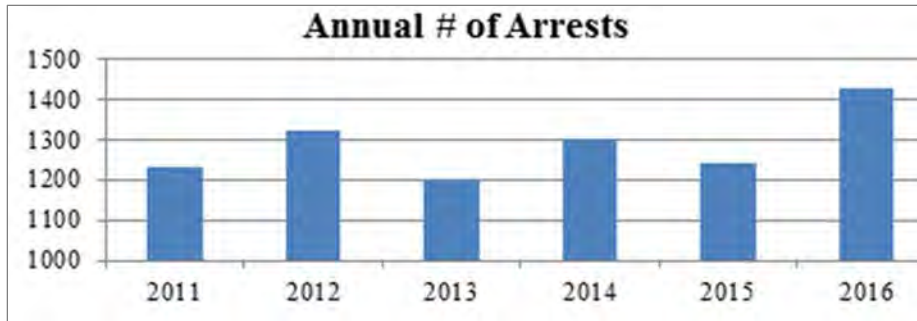
	Current	2017/18	2018/19	2019/20	2020/21	2021/22
Part-time (Reserve) Officers	14	14	14	15	15	15
Part-time Dispatchers	2	3	3	4	5	5

Total Part-Time Positions	16	17	17	19	20	20
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POLICE DEPARTMENT PERFORMANCE MEASURES

Comprehensive Plan Chapter VIII Goal 3 Objective 3.3: The Police Department should actively recruit, retain and develop a highly capable and professional workforce.

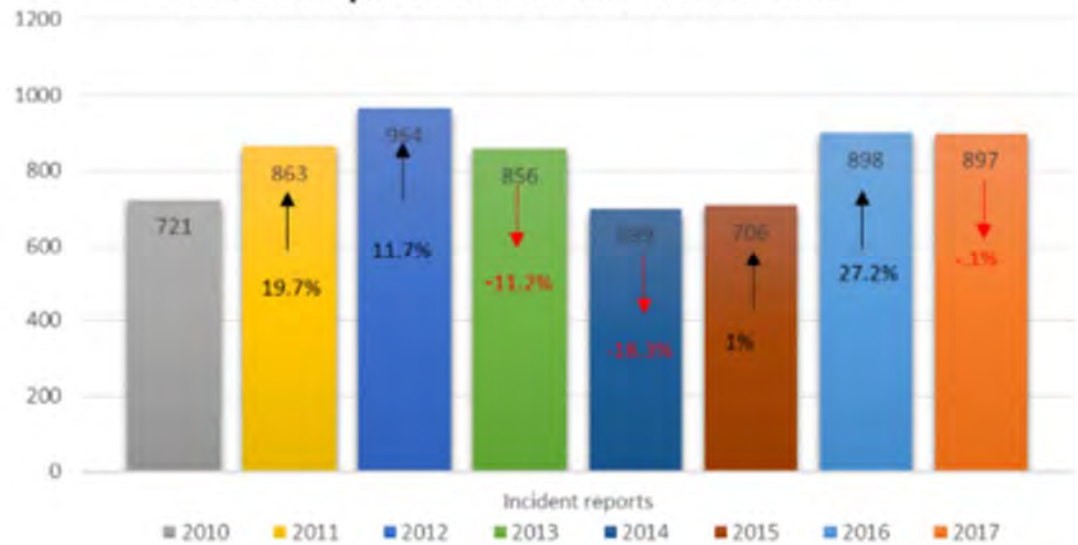




Calls for Service March 1st - March 31st



Incident reports March 1st - March 31st



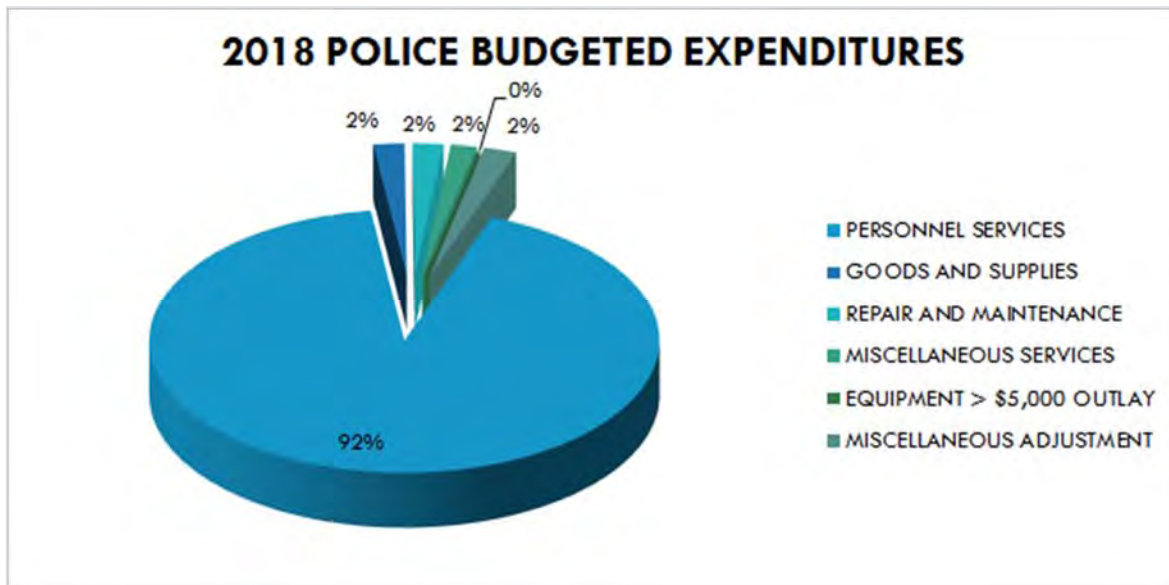


WORK PLAN FOR POLICE DEPARTMENT

Project	Description	Comprehensive Plan Goal	Estimated Completion Date
Training	Have all officers continue to receive quality training that will assist them in their job performance. / Also working on cross-training some PD officers as EMTs to better asst. the City's call vol. needs.	Chapter VIII Goal 3 Objective 3.3: The Police Department should actively recruit, retain and develop a highly capable and professional workforce.	Ongoing
Policy/Procedures	Continue to update, review and improve on our TPCA Best Practices program.	Chapter VIII Goal 3 Objective 3.3	Ongoing
Part-time Officers	Utilize part-time officers to fill patrol vacancies.	Chapter VIII Goal 3 Objective 3.3	Ongoing
Special Event	Work with promoters of special event to best evaluate the overall impact, their security needs and a plan for any emergency response.	Chapter VIII Objective 3.4: The Police Department should enhance external communication	Ongoing

Retention and organization of our filing system.	To review and organize our filing system. Determine files to be retained and those to be eliminated.	Chapter VIII Goal 3 Objective 3.3	Ongoing
Computerize property inventory	Enter all items in the property room into the Taylor RMS system for inventory reasons.	Chapter VIII Goal Objective 3.2: The Police Department should strengthen their services by successfully providing educational sessions, satellite monitoring, and prompt response to citizen complaints. Policy 3.2.1.2	03/01/17
Train two detectives for forensic cell phone examination	Forensic cell phone examination will assist with proper methods of recovering evidence for investigative reasons.	Chapter VIII Goal 3 Objective 3.3	5/1/2017

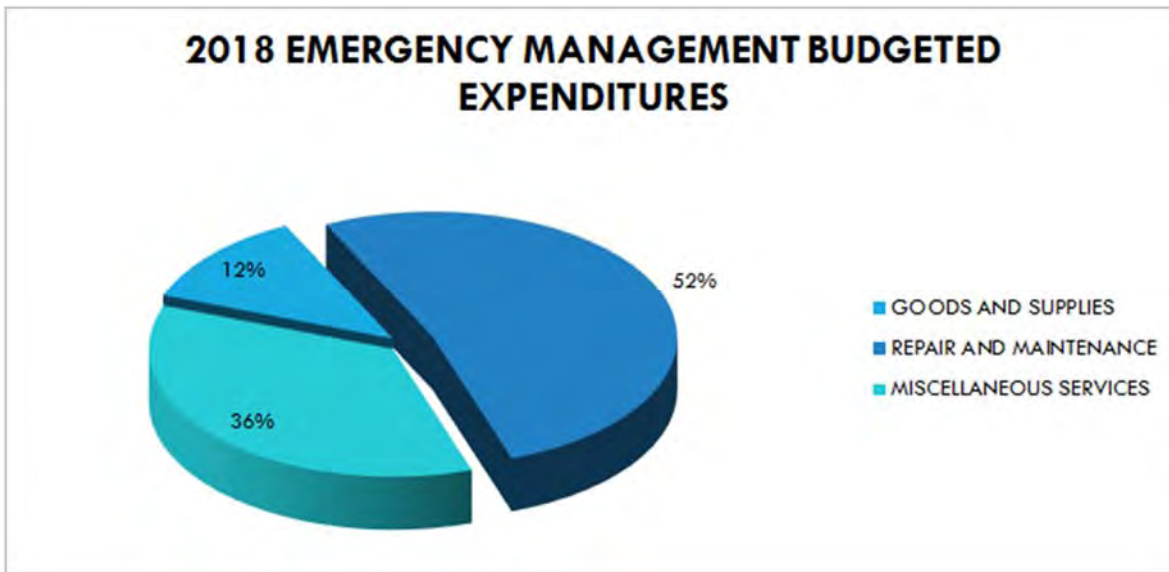
POLICE DEPARTMENT BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - POLICE	2015	2016	2017	2018
PERSONNEL SERVICES	\$2,421,168	\$2,471,113	\$2,656,352	\$2,773,074
GOODS AND SUPPLIES	\$53,922	\$49,953	\$66,240	\$59,240
REPAIR AND MAINTENANCE	\$52,380	\$56,539	\$58,678	\$58,678

MISCELLANEOUS SERVICES	\$45,376	\$46,370	\$49,753	\$49,253
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$0	\$0
MISCELLANEOUS ADJUSTMENT	\$63,062	\$63,062	\$63,062	\$63,062
TOTAL EXPENDITURES	\$2,635,907	\$2,687,037	\$2,894,085	\$3,003,307

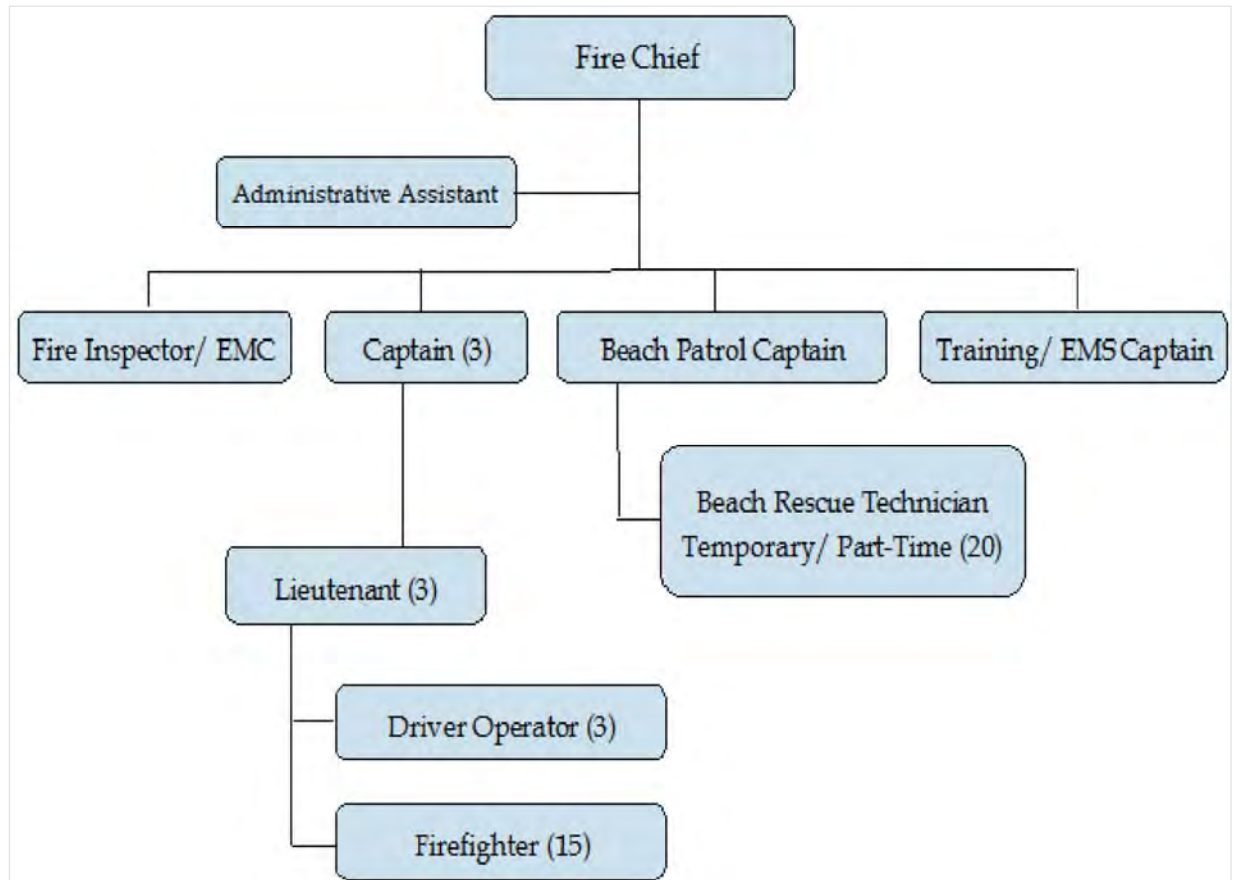
EMERGENCY MANAGEMENT BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - EMERGENCY MANAGEMENT	2015	2016	2017	2018
GOODS AND SUPPLIES	\$2,457	\$1,656	\$3,000	\$2,000
REPAIR AND MAINTENANCE	\$3,675	\$2,829	\$18,915	\$8,515
MISCELLANEOUS SERVICES	\$3,953	\$1,037	\$7,015	\$5,855
TOTAL EXPENDITURES	\$10,086	\$5,523	\$28,930	\$16,370

FIRE DEPARTMENT

FIRE DEPARTMENT ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO

The Fire Department is responsible for the lives and 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 (oil spills, barrels washing up on beach, etc.)
- Fire/Life Safety Code Review and Enforcement
- Technical Rescue (rope rescue, high angle rescue, confined space, etc.)
- Beach Patrol/Life Guards
- Mobi-Chairs for the disabled

- Public Safety Education Programs
- Emergency Management Activities
- Mutual aid response to neighboring jurisdictions.

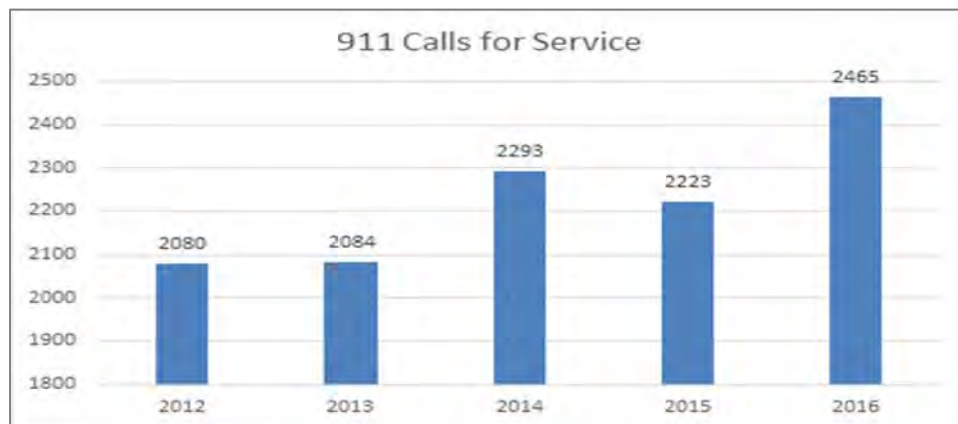
Our responsibility is to be as prepared and competent as possible to be able to help people on both the best and worst days of their lives, no matter what the emergency is that day.

Major Goals:

- **Leadership:** Develop the leadership abilities of South Padre Island Fire Department employees at all levels.
- **Employee Development:** Create an employee development program to give employees and supervisors tools for improvement. Enhance EMS Operations to meet demand for service.
- **Health and Safety:** Provide for the health and safety of all South Padre Island Fire Department employees.
- **Emergency Medical Services:** Continue to research and develop creative response alternatives to enhance EMS Operations to meet the increased demand for service.
- **Community Outreach and Partnerships:** Foster community outreach and agency partnerships to strengthen department services.
- **Resource Management:** Maintain quality equipment, apparatus, facilities and technology to meet the mission of the department.

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 2016, the Department responded to 2,465 calls. As the chart below indicates, that is an increase of over 18% in four years. Trending indicates that the call volume will increase 4.5% each year.



Strategy/Program	Fiscal Year	Budget Impact
Lower fire risk through aggressive code enforcement	2017/2018	\$0
Zero Fire Deaths	2017/2018	\$0
Implement Succession Plan	2017/2018	\$0
Develop vehicle replacement plan	2017/2018	\$0
Zero Drownings on the Beach	2017/2018	\$65,000
Improve training for Beach Patrol (EMR)	2017/2018	\$1,280
Increase staffing to meet demand for service (3 FFs).	2018/2019	TBD
Build permanent Beach Patrol Station on the beach	2018/2019	\$10,000
Citizen CPR Program	2018/2019	\$5,000
Initiate Community Emergency Response Team	2018/2019	\$0
Evaluate impact/ needs due to 2 nd causeway	2018/2019	TBD
Improve ISO rating	2019/2020	TBD
CPR Save Rate of 40%	2019/2020	TBD
Stroke Save Rate of 75%	2019/2020	TBD
Achieve accreditation through the Center for Public Safety Excellence	2020/2021	\$1,250
Implement the IAFF/IAFC Wellness/Fitness Initiative	2021/2022	\$5,000

Programs Implemented:

Program	Fiscal Year	Budget Impact
Resource Management - vehicle replacement (M3)	2016/2017	\$28,000
Risk Management – Beach Patrol staffing based upon predicted attendance	2016/2017	\$0

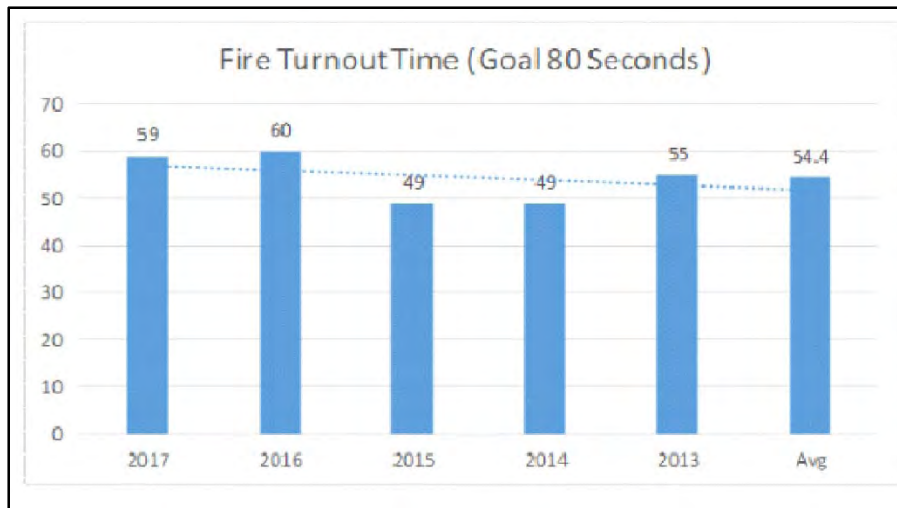
FIRE DEPARTMENT POSITION CONTROL

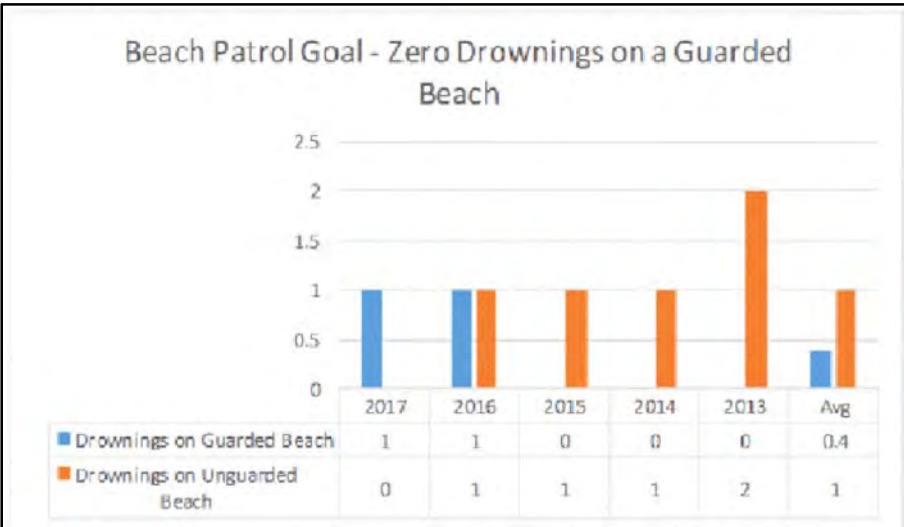
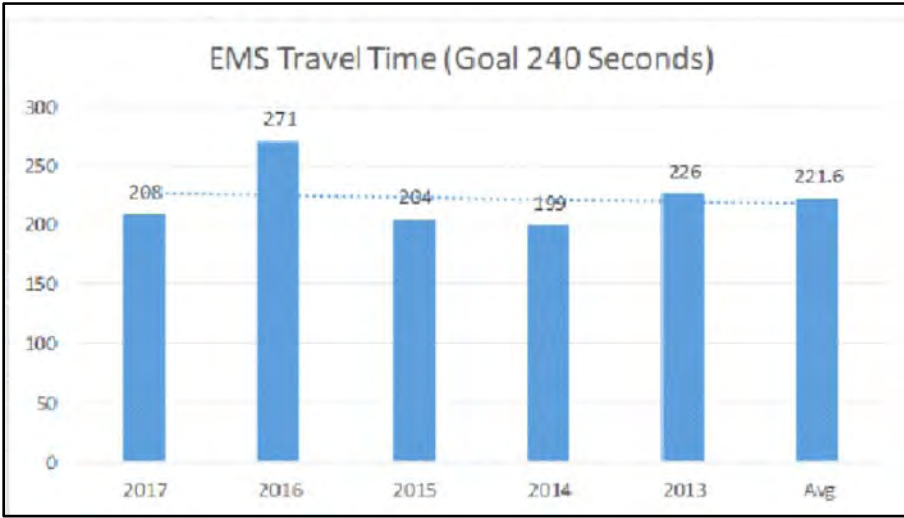
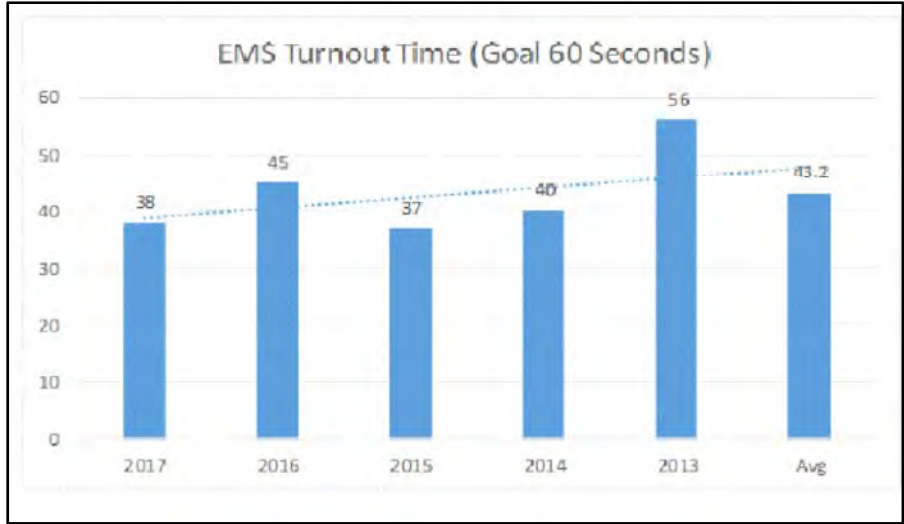
	Current	2017/18	2018/19	2019/20	2021/22
Fire Chief	1	1	1	1	1
Fire Marshall	1	1	1	1	1
Executive Administrative Assistant	1	1	1	1	1
Captain	4	5	5	5	5
Lieutenant	3	3	3	3	3

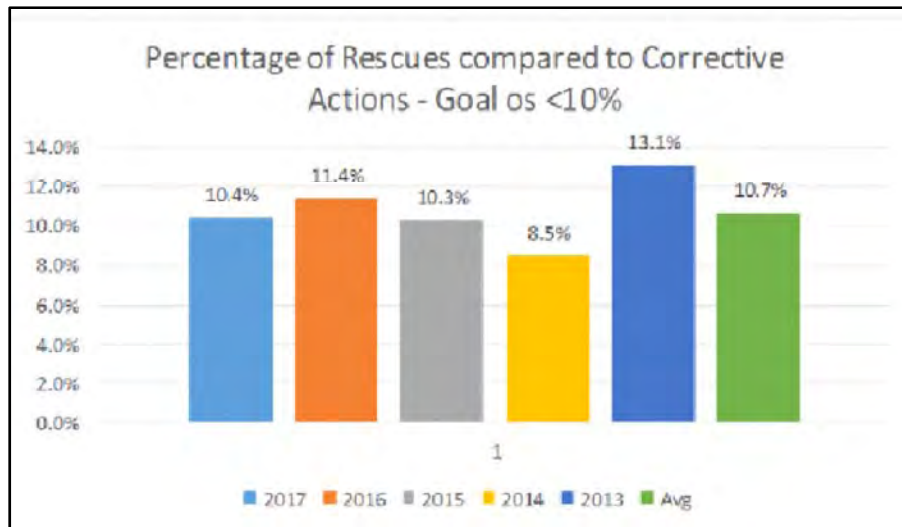
Driver	3	3	3	3	3
Firefighters	15	15	18	18	18
Total Positions	28	29	32	32	32

FIRE DEPARTMENT PERFORMANCE MEASURES

Comprehensive Plan Chapter VIII. Goal 2 Objective 2.1: The City should improve fire and emergency medical services, facilities, equipment, training, community-wide education, prevention, and preparedness so that the Fire Department can provide region-wide fire response.





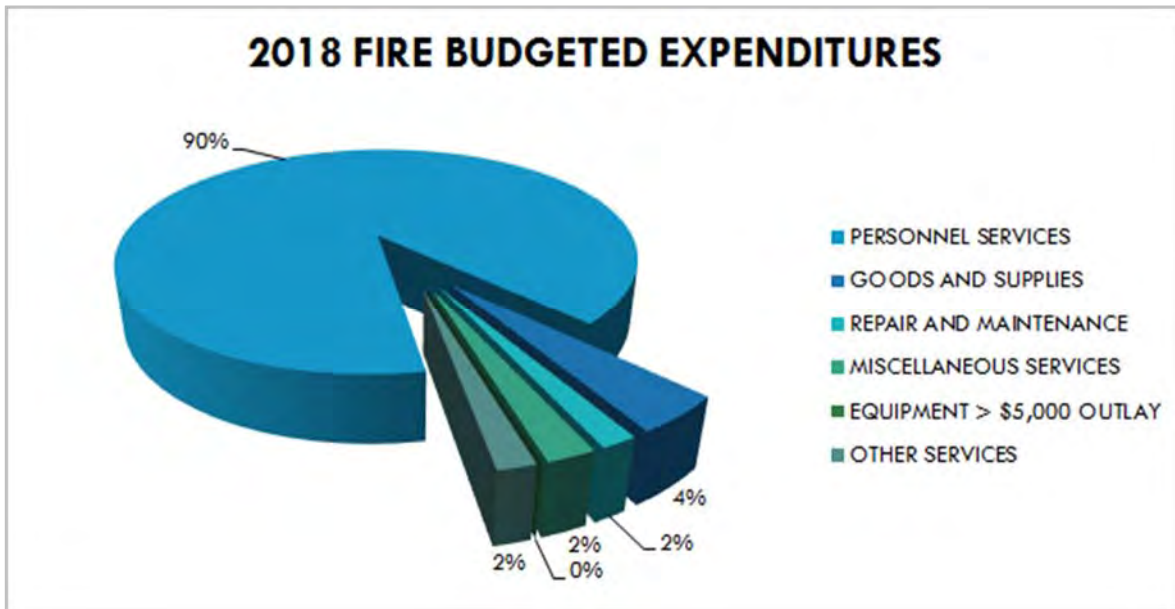


WORK PLAN FOR FIRE DEPARTMENT

Project	Description	Comprehensive Plan Goal	Estimated Completion Date
Maintain standards in all federal and state regulations. Including but not limited to Fire suppression, fire prevention, hazardous materials and EMS operations.	Participate within Federal and state training programs to enhance knowledge of current issues. While regulations change frequently our involvement will enhance our Department compliancy	Chapter VIII. Goal 2 Objective 2.1: The City should improve fire and emergency medical services, facilities, equipment, training, community-wide education, prevention, and preparedness so that the Fire Department can provide region-wide fire response.	Ongoing
Radio Communication	Evaluate programs to enhance radio communication on the Island	Chapter VIII. Goal 2 Objective 2.1	Ongoing
Dive Team	Continue Dive Team training as required to meet current standards	Chapter VIII. Goal 2 Objective 2.1	Ongoing
Further Improve the Fire and EMS electronic record keeping	Utilize RMS and other methods to reduce paper copies and increase electronic storage of required records	Chapter VIII. Goal 2 Objective 2.1	Ongoing

Beach Patrol	Maintain the already strong. Beach Patrol protection capabilities	Chapter VIII. Goal 2 Objective 2.1	Ongoing
Regional Initiatives	Continue to work with regional partners on EMS, Fire Response, EOC, Regional Response Teams	Chapter VIII. Goal 2 Objective 2.1	Ongoing
Certifications and Classifications	Continue the succession education requirements to increase the leadership ability of all dept. employees	Chapter VIII. Goal 2 Objective 2.1	Ongoing
Public Education and outreach	Continue outreach to our local communities concerning fire prevention and emergency preparedness	Chapter VIII. Goal 2 Objective 2.1	Ongoing
EMS Mission	Enhance program to incorporate latest treatments/ techniques	Chapter VIII. Goal 2 Objective 2.1	Ongoing
Improve Inspections	Re organizing fire prevention structure, analyze inspection fees and collection methods	Chapter VIII. Goal 2 Objective 2.1	Ongoing

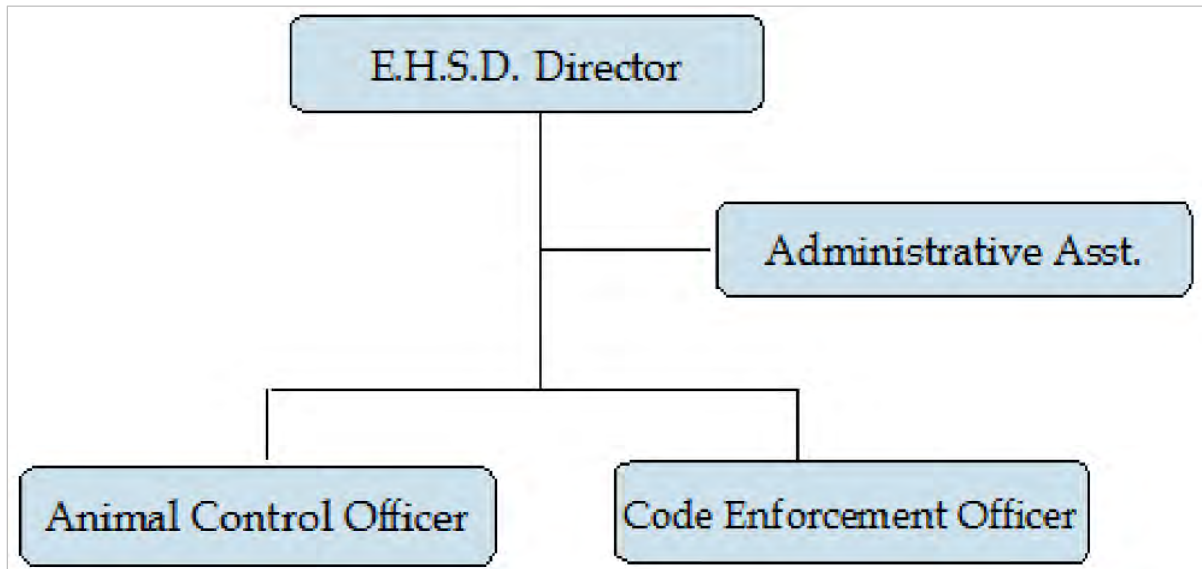
FIRE DEPARTMENT BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FIRE	2015	2016	2017	2018
PERSONNEL SERVICES	\$1,867,929	\$1,880,389	\$2,020,852	\$2,071,866
GOODS AND SUPPLIES	\$105,425	\$87,224	\$112,670	\$99,200
REPAIR AND MAINTENANCE	\$25,349	\$32,283	\$41,250	\$38,000
MISCELLANEOUS SERVICES	\$42,810	\$39,412	\$48,415	\$50,355
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$25,000	\$0
OTHER SERVICES	\$31,746	\$40,104	\$32,400	\$40,000
TOTAL EXPENDITURES	\$2,073,259	\$2,079,412	\$2,280,587	\$2,299,421

ENVIRONMENTAL HEALTH SERVICES DEPARTMENT

ENVIRONMENTAL HEALTH SERVICES ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO

The Environmental Health Services Department (EHSD) prides itself in providing the highest level of service to improve the quality of the health and safety of the residents and visitors of our beautiful South Padre Island. EHSD provides leadership and management for a variety of programs and complex ordinances for the City of South Padre Island. As a “jack of all trades” department, we are faced with diverse challenges, especially during enforcement of new or amended ordinances. In order to have equitable enforcement and ensure compliance, we have developed policies, procedures and guidelines which assist us in educating the public with the utmost consideration.

Major Goals:

- 1. Code Enforcement** – We are a compliance-based department that thrives to improve the aesthetics of our community by reducing the amount of violations through voluntary compliance. We will continue to improve the enforcement of state laws and local ordinances by working closely with local businesses and increasing public outreach and education.
- 2. Health Division** – Through required training, development of standard operating procedures, adoption of the Texas Food Establishment Rules, and updating our food services ordinances, the food safety inspections division has worked effectively to prevent

food-borne disease causing organisms. Health inspections have revealed a significant improvement in scores thus reducing the potential for food-borne illnesses. One of our primary goals is to obtain inspector standardization to develop uniformity of inspections through the cooperative work of the Texas Department of State Health Services (TDSHS), the United States Food and Drug Administration (FDA) and our inspectors, to identify and prevent possible health hazards.

3. **Animal Control** – Continue to work with the Friends of Animal Rescue to create and maintain a quarantine facility, a centralized location for temporary storage of domestic and wild animals, and continue to share information on lost/found pets in order to efficiently reunite animals with owners.
4. **Vector Control** – Continue to seek new and improve methods to enhance mosquito minimization practices; thus reducing the threat and spread of viruses such as West Nile virus, St. Louis encephalitis virus, Eastern Equine Encephalitis virus, Dengue virus and the Zika virus threat.
5. **Green Initiatives** – Continue to enhance our green initiatives through education and public outreach in order to increase awareness and promote a positive impact on our environment.

Our Planning Indicators and Focus:

The Environmental Health Services Department (EHSD) oversees a number of programs to protect the residents and visitors. We oversee a variety of complex programs such as: enforcing animal control regulations, litter violations, signage regulations, garment pricing inspections, beach violations, and commercial activity violations. These programs have a significant impact on our local businesses.

In addition, the EHSD investigates public health nuisances such as responding to smoking violations, conduct food inspections, mosquito minimization through the vector control program, and provide technical information to the public on a wide array of environmental health topics. Furthermore, as we look to our future with optimism, our focus is to encourage environmentally friendly behaviors in our community.

ENVIRONMENTAL HEALTH 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	2017/2020	\$31,000
Enhance Recycling Effectiveness (Replace Recycling Trailers)	2017/2020	\$45,000

Continued Support for Community Events (Recycle Land, Farmers Market, Keep South Padre Island Beautiful Beach Clean-ups)	2017/2020	\$2,000
Standardization for inspectors of food establishments by working cooperatively with Texas Department State Health Services (TDSHS) and United States Food Drug Administration (USFDA)	2017/2019	\$3,000
Improve the retail food safety program through the Professional Development Certified Environmental Health Tech and Certified Professional of Food Safety	2017/2021	\$3,000

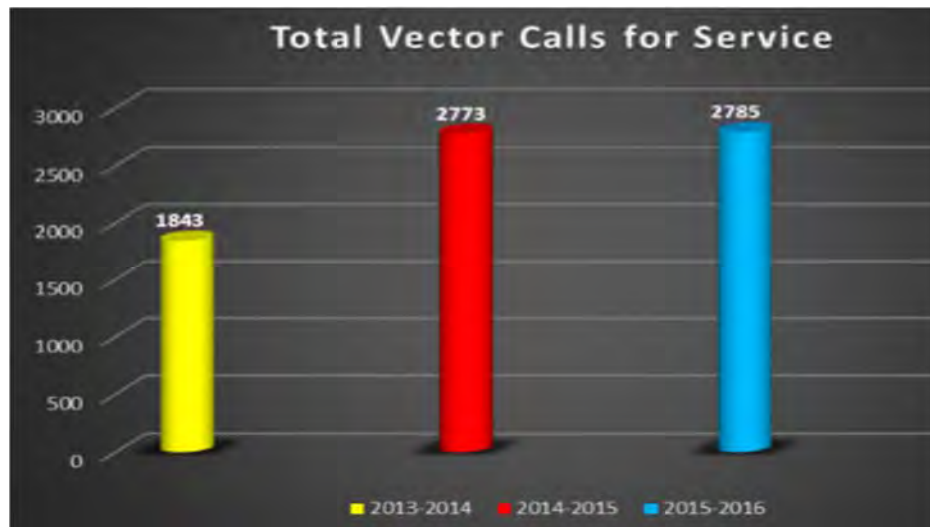
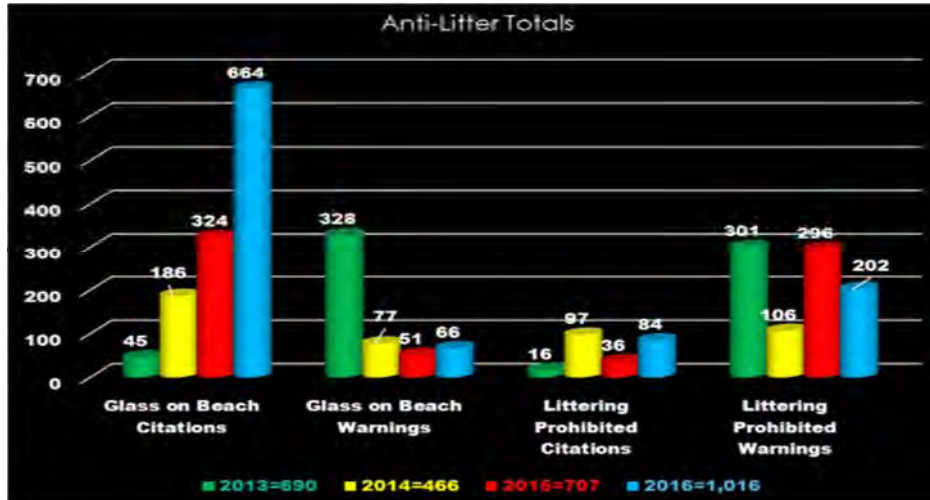
Programs Implemented:

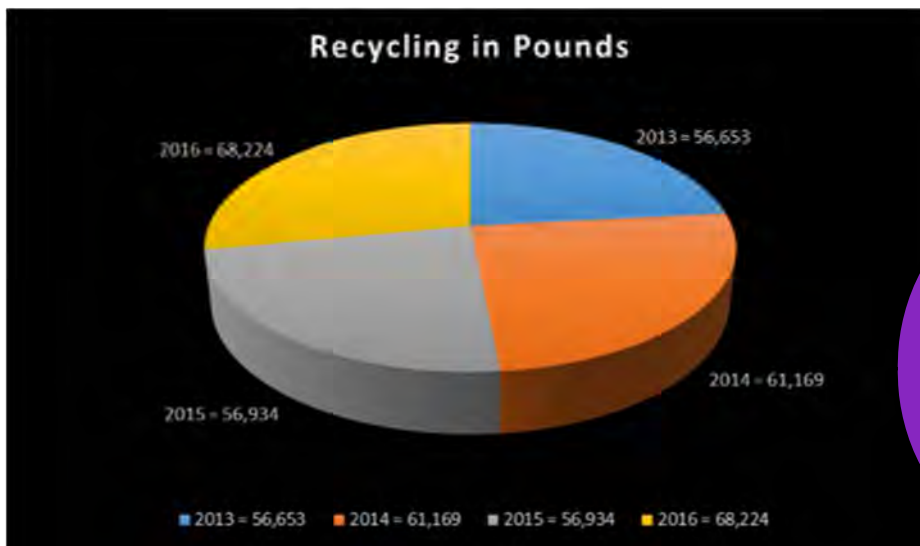
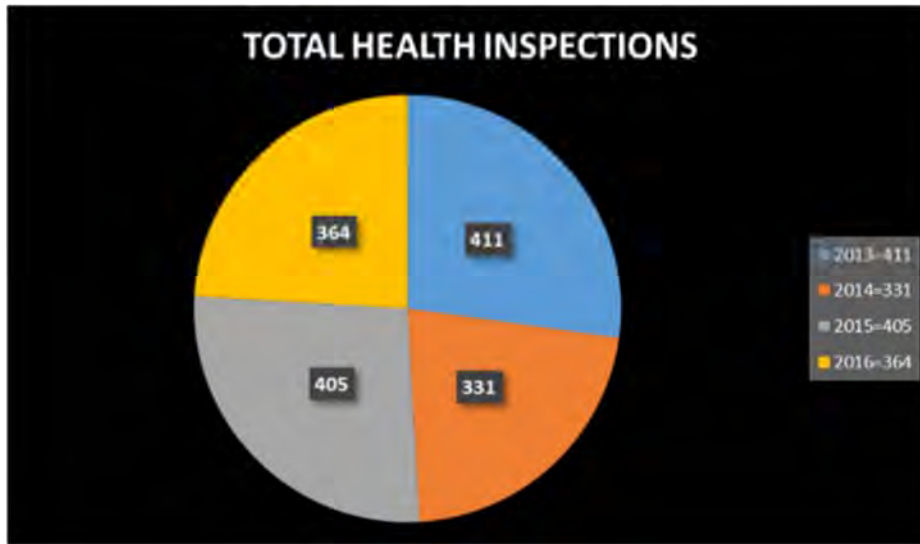
Program	Fiscal Year	Budget Impact
FDA grant for program standards	2017/18	\$3,000 Grant
Conducted recycling presentations to local schools	2017/18	\$500
Enhance recycling to include Christmas tree, phone book and tire recycling	2017/18	\$0
Enhancement of Natural Habitat Lot(s)	2017/18	\$0
Enhance animal shelter with Friends of the Animal Rescue	2017/18	\$0
Continue with Scenic City certification	2017/18	\$600

ENVIRONMENTAL HEALTH SERVICES POSITION CONTROL

	Current	2016/17	2017/18	2018/19	2019/20	2020/2021
Environmental Health Director	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1
Full Time Code Enforcement Officers	4	4	4	4	4	4
Total Positions	6	6	6	6	6	6

Chapter I. Goal 1 The City should ensure the highest quality of life by enhancing community characteristics, and also by minimizing threats to health, safety, and welfare.





20 %
 Increase
 between
 2013—
 2016

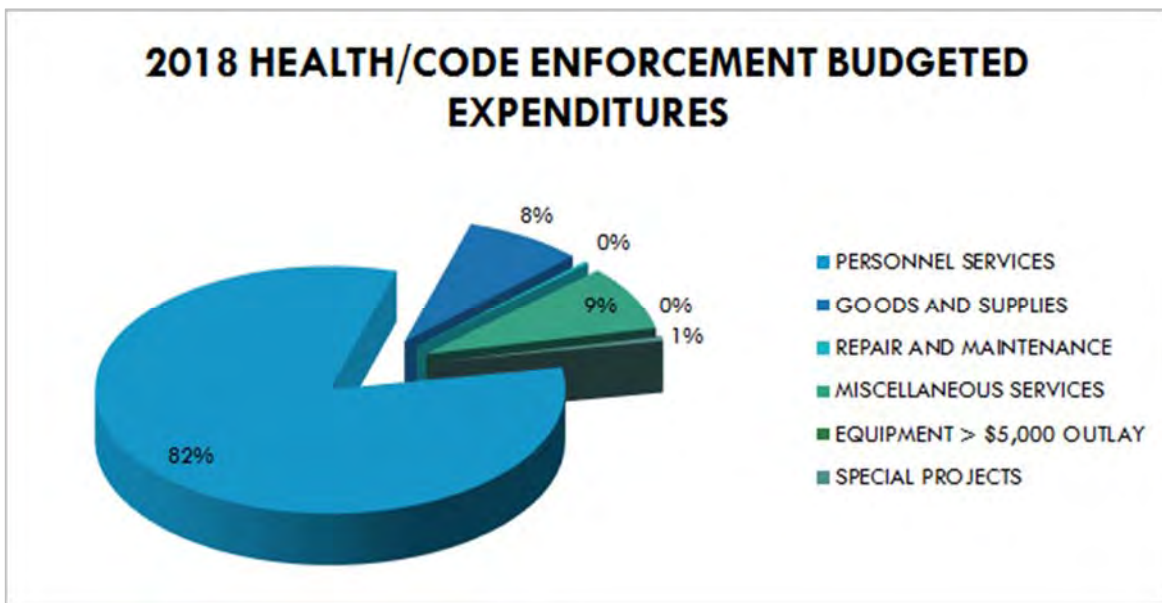
WORK PLAN FOR ENVIRONMENTAL HEALTH SERVICES

Project	Description	Comprehensive Plan Goal	Estimated Completion Date
Adopt-a-Block Program	Create and implement an Adopt-a-Block campaign	Chapter I. Goal 1 The City should ensure the highest quality of life by enhancing community characteristics, and	Ongoing

		also by minimizing threats to health, safety, and welfare.	
Vector Control Program	Mosquito Surveillance & Minimization due to Zika and Chikungunya Viruses	Chapter I. Goal 1	Ongoing
Improve animal services with assistance of Friends of Animal Rescue	Building positive relations to ensure compliance with DSHS regulations (Inspected by the State)	Chapter I. Goal 1	Ongoing
Plastic Bag Reduction Program	Education and enforcement of the Plastic Bag Reduction Ordinance	Chapter I. Goal 1	Ongoing
Non-Smoking Ordinance Program	Education and enforcement of the Non-Smoking Ordinance	Chapter I. Goal 1	Ongoing
Retail Food Inspection Program	DSHS Standardization, Certifications, Auditing and FDA Standards 5	Chapter I. Goal 1	Ongoing
Educate public and enhance recycling program	Develop and Implement new techniques for reducing, reusing and recycling.	Chapter I. Goal 1	Ongoing
Green Initiatives	Have two E-Waste Events per year. Enhance the Recycle Land Event in November. Develop and Implement new recycling techniques.	Chapter I. Goal 1	Ongoing
Anti-litter Beach Program	Reduction of trash on the beach by educating to the public	Chapter I. Goal 1	Ongoing
Farmer's Market	Continue to provide staff support, inspection services and budget management.	Chapter I. Goal 1	Ongoing
Keep South Padre Island Beautiful Committee	Continue to provide staff and budget management.	Chapter I. Goal 1	Ongoing
Umbrella Permitting and Enforcement	Education and enforcement of the Umbrella Ordinance	Chapter I. Goal 1	Ongoing
Valley Environmental Summit	Participate in monthly meetings and host 2017 summit in SPI	Chapter I. Goal 1	Ongoing

Custom Garment Fabrication Business License	Permitting and Enforcement	Chapter I. Goal 1	Ongoing
Promote Natural Habitat Lot(s)	Promote natural ecology for City of South Padre Island	Chapter I. Goal 1	Ongoing
Resource Building	Continue to build partnerships with other cities, state associations, and non-profit organizations	Chapter I. Goal 1	Ongoing
Texas Environmental Health Association	Promote South Padre Island tourism by bringing conferences and trainings to SPI. Officers often attend for free.	Chapter I. Goal 1	Ongoing

ENVIRONMENTAL HEALTH SERVICES BUDGET NUMBERS

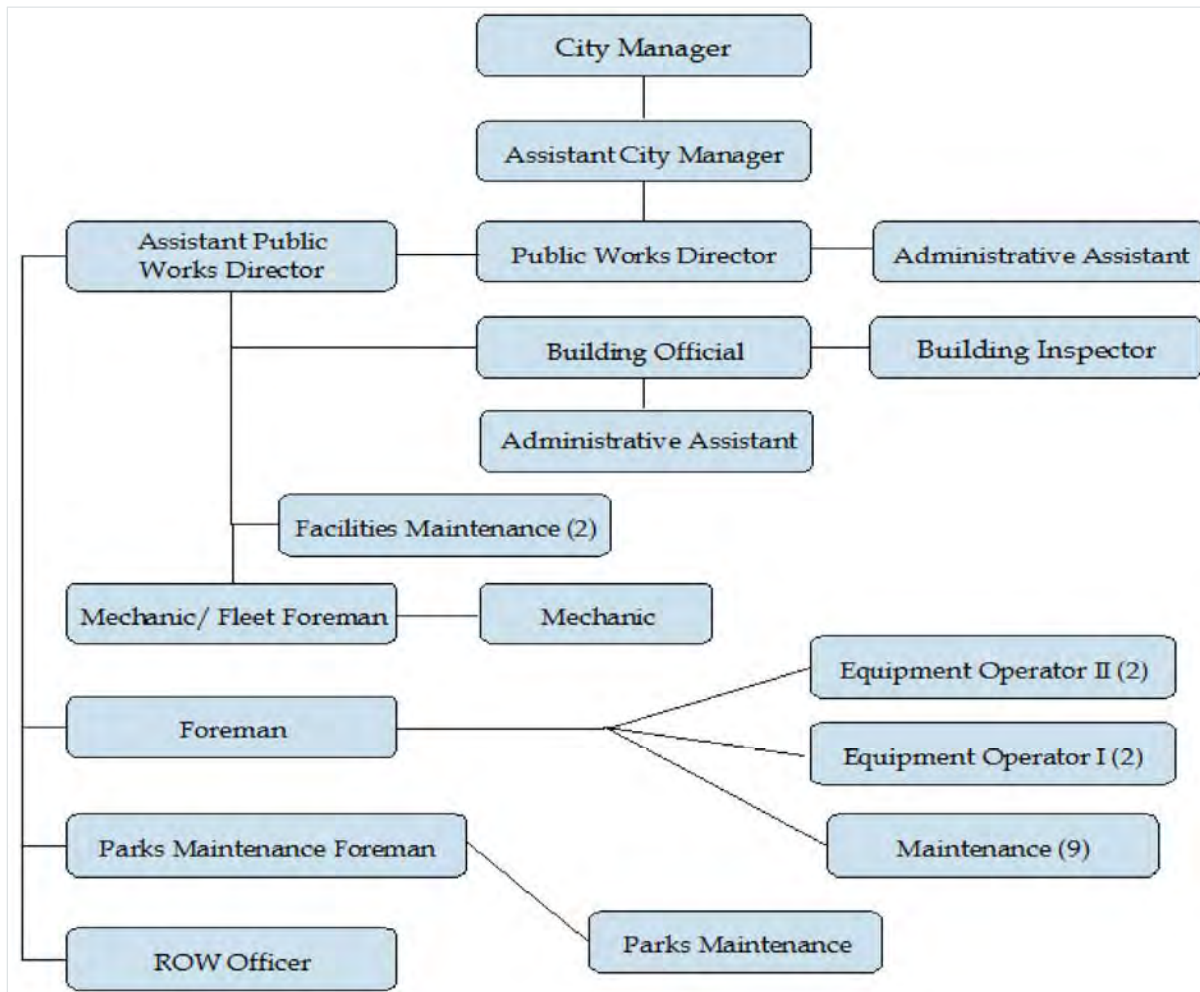


DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - HEALTH/CODE ENF.	2015	2016	2017	2018
PERSONNEL SERVICES	\$325,381	\$334,433	\$358,306	\$368,247
GOODS AND SUPPLIES	\$38,849	\$31,272	\$43,266	\$36,366
REPAIR AND MAINTENANCE	\$2,609	\$939	\$500	\$1,500
MISCELLANEOUS SERVICES	\$34,586	\$34,778	\$38,247	\$38,465
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$11,500	\$0
SPECIAL PROJECTS	\$0	\$1,580	\$2,590	\$2,590

TOTAL EXPENDITURES	\$401,425	\$403,003	\$454,409	\$447,168
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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 and drainage, and assist as needed with beach access features, and bay access features. Public Works assists with provides traffic controls, street closures and trash pick- up for special events.

The Public Works Department is comprised of the following divisions:

- Public Works 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, traffic control, street closures and trash pick- up.
- Parks and Landscape Division – Responsible for the maintenance of all city parks and landscape areas along Gulf and Padre Blvd.
- 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 maintenance of the City's vehicles and heavy equipment.
- Facilities Maintenance Division - Responsible for the maintenance of the City's buildings.

Major Goals:

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 and drainage and where needed assists with beach access features, and bay access features.

The Public Works Department goals by Division are:

- Public Works Maintenance Division – Improve and maintain the condition of City infrastructure through periodic maintenance, rehabilitation and reconstruction; enhance the character and appearance of the City through landscaping and maintenance of parks, green areas and buildings.
- Parks and Landscaping Division – Improve and maintain all city parks and landscape areas along Gulf and Padre Blvd.
- Building Inspections Division – Provide guidance and permitting to assure that all structures, new and improved, are compliant with the latest codes and ordinances.
- Fleet Maintenance Division – Extend the life of the fleet through routine and preventive maintenance and development of a system for capturing life-cycle cost of ownership for fleet vehicles.
- Facilities Maintenance Division – Improve and maintain the condition of City facilities.

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 streets. This one item incorporates the highest priorities in the CIP, Side Street Rehabilitation and Reconstruction, Gulf Boulevard Improvements, Parking Enhancements, and Padre Boulevard Enhancement.

Strategy/Program	Fiscal Year	Budget Impact
Reconstruction of one mile of streets incorporating improved parking, sidewalks, curb & gutter, street lighting and new water lines.	2014/18	\$1,000,000 Per year
Improve and/or install 1,000 feet of storm sewer where needed on city streets as curb & gutter is installed.	2014/18	\$100,000 Per year
Install ½ mile of new sidewalk in existing location along Padre Boulevard in areas where there are no driveway conflicts exist.	2014/18	\$170,000 Per year
Install ½ mile of new sidewalk in new location with angled parking along Padre Boulevard.	2014/18	\$5,500,000
Install twenty-seven blocks of sidewalk with curb & gutter along Gulf Boulevard with improved parking for beach access.	2016/18	\$2,700,000 Per year
Train the right-of-way officer in construction inspections and GPS. This may cause the need for another officer to be hired.	2014/18	\$35,000
Train Public Works staff in paving maintenance, drainage pipe maintenance, and landscaping practices.	2014/18	\$10,000 per year

Programs Implemented:

Program	Fiscal Year	Budget Impact
Installation of seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard	2014/15	\$200,000
Installation of seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard (includes 2012 carryover)	2014/15	\$500,000
Installation of seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard	2015/16	\$700,000
Installation of twenty-seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard	2016/17	\$2,700,000
Installation of seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard	2017/18	\$700,000
Installation of seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard	2018/19	\$700,000
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2012/13	\$300,000

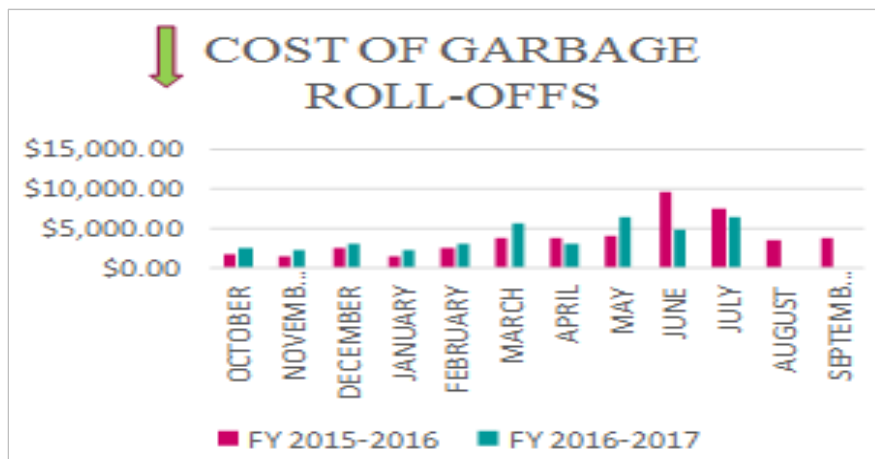
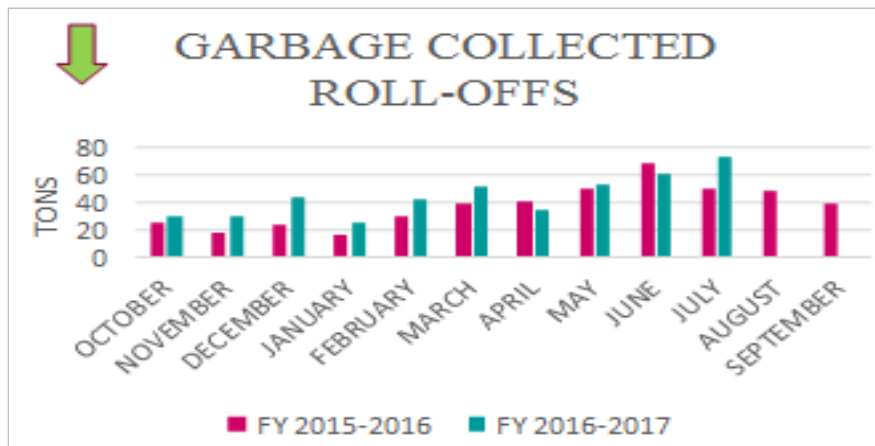
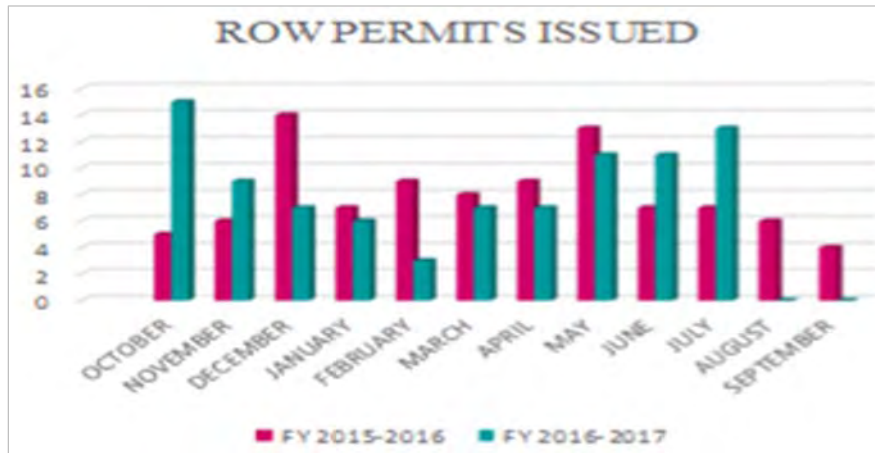
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2013/14	\$300,000
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2014/15	\$300,000
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2015/16	\$300,000
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2016/17	\$300,000
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2017/18	\$300,000
Pavement preservation through crack sealing and spot repairs	2012/17	\$100,000/yr.

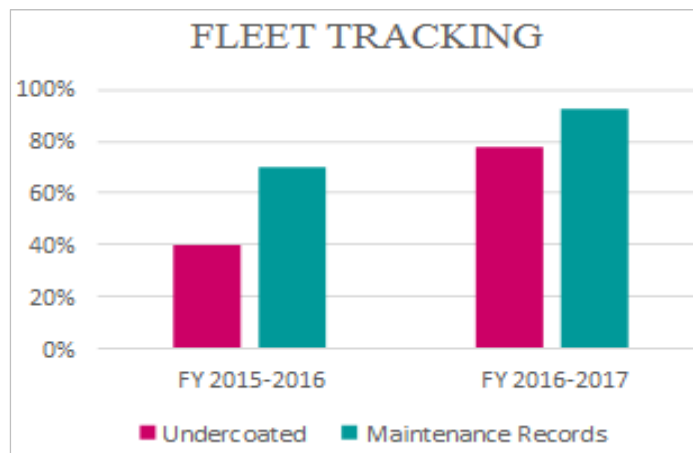
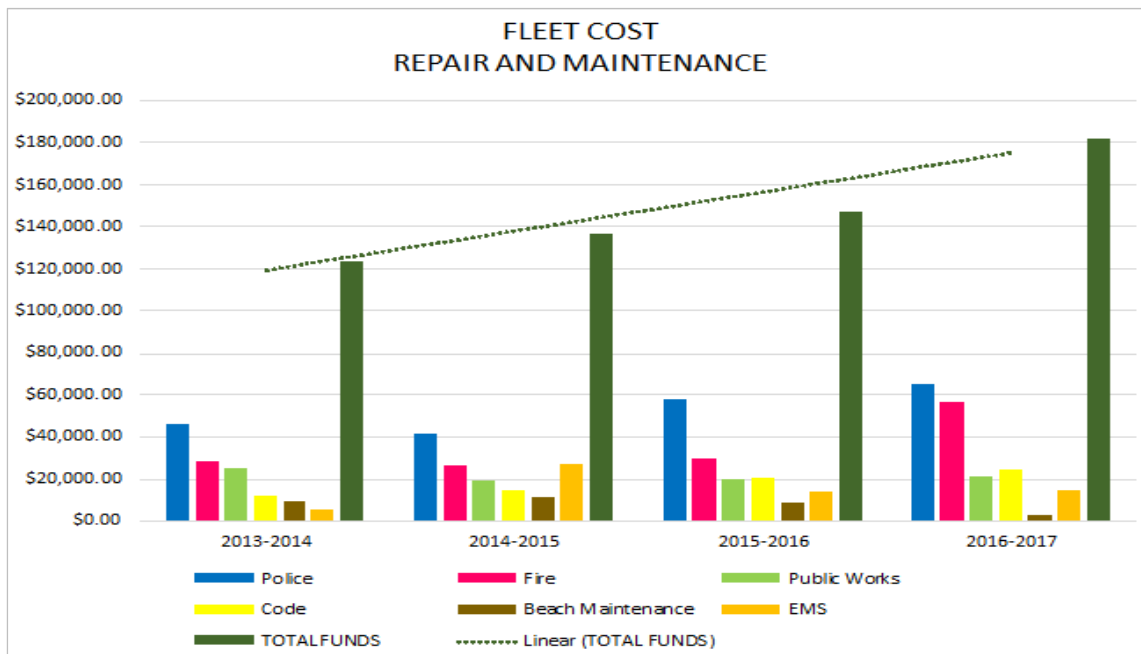
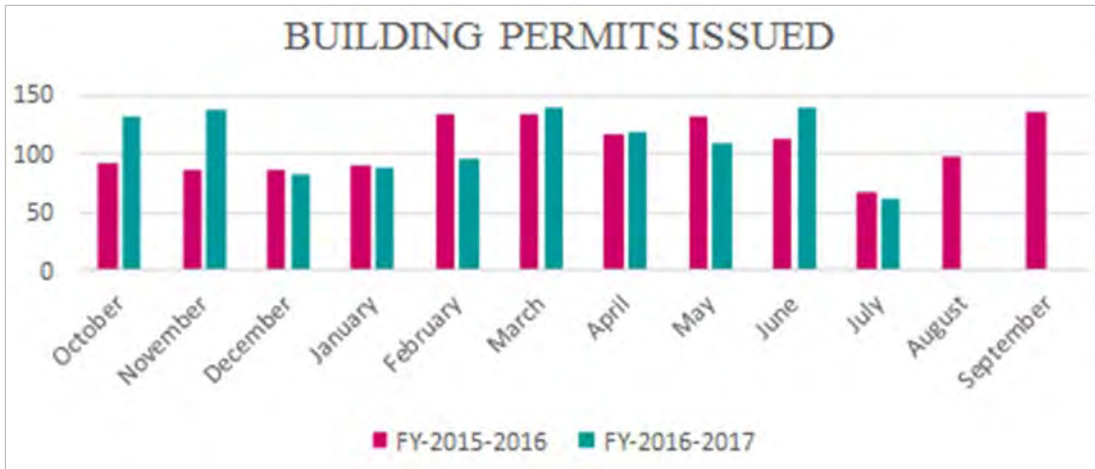
PUBLIC WORKS POSITION CONTROL

	Current	2017/18	2018/19	2019/20	2020/21	2021/22
Public Works Director	1	1	1	1	1	1
Assistant Public Works Director	1	1	1	1	1	1
PW Administrative Assistant	1	1	1	1	1	1
Right-of-Way Officer	1	1	1	1	1	1
Public Works Foreman	1	1	1	1	1	1
Equipment Operator II	2	2	2	2	2	2
Equipment Operator I	2	2	2	2	2	2
Public Works Maintenance	13	12	12	12	12	12
Parks & Landscaping	0	3	3	3	3	3
Building Official	1	1	1	1	1	1
Building Admin. Assistant	1	1	1	1	1	1
Building Inspector	1	1	1	1	1	1
Fleet Manager	1	1	1	1	1	1
Fleet Mechanic	1	1	1	1	1	1
Facilities Manager	1	1	1	1	1	1
Facilities Maintenance	2	2	2	2	2	2
Total Positions	30	32	32	32	32	32

PUBLIC WORKS PERFORMANCE MEASURES

Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.



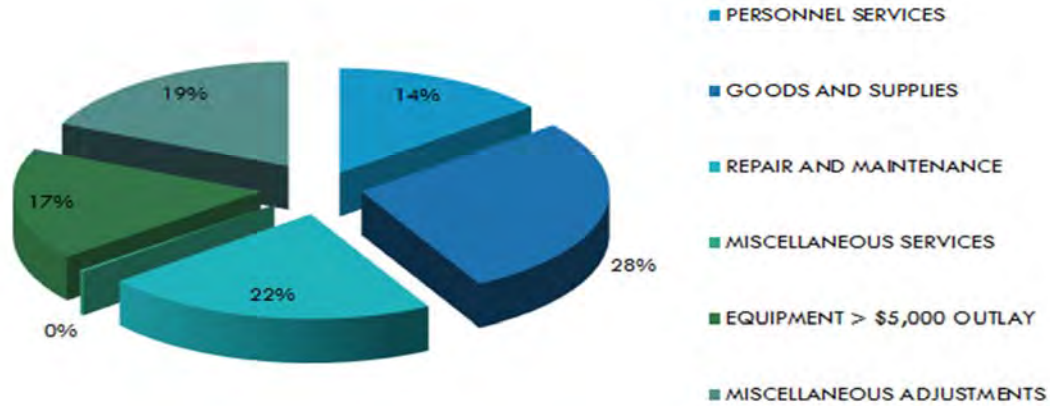


WORK PLAN FOR PUBLIC WORKS DEPARTMENT

Project	Description	Comprehensive Plan Goal	Estimated Completion Date
Fleet Management			
Training	ASE Re-certification for Mechanics. Continue education courses throughout the year.	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing
Facilities and Ground Maintenance			
Training	Provide safety training to the staff. 12 hours Supervisor training.	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing
Building Permits and Inspections			
Improve Customer Service	Continue to look for ways to improve customer service.	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing
Training	Continue to provide training for Inspector to obtain certifications and licenses and provide Building Official with the necessary continuing education.	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing
Improve Office Operations	Look for ways to make the Department more efficient in order to maintain services in the face of budget and manpower constraints.	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing
Right of Ways Maintenance			
Paving Improvement (as budgeted)	Improve city streets	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing

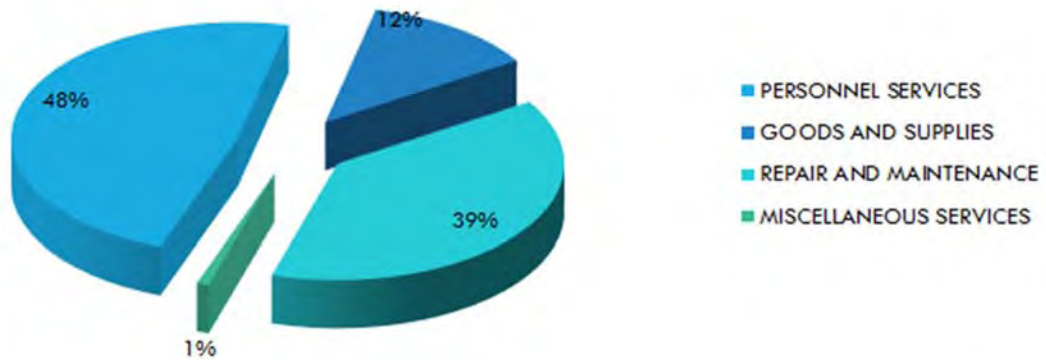
Palm Tree Trimming	Trim City owned trees.	N/A	Ongoing
Medians, Landscape & Maintenance at Bay street ends	Maintain landscape at the bay ends of the local streets	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing
Storm Sewer Cleaning (As budgeted)	Maintenance on City storm sewers.	Chapter IV Goal 4 Objective 4.1: The City shall incorporate effective storm-water management practices.	Ongoing
Engineering			
City Park	Development of the new City Park	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing
Padre Boulevard Improvements	Identify costs, funding sources, and planning needs for future Padre Boulevard Improvements	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing
Parking, Pedestrian and Bicycle Lane Improvements	Improve City safety, pedestrian access, bicycle lanes, streets and beach access parking and ensure adequate parking for beach and City visitors	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing
Gulf Blvd Ph4 Design	Preparation of Plans, Specification & Estimate	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing
Gulf Blvd Ph4 Construction	Construction of Gulf Blvd from Gardenia to Haas	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing
Street Improvement Plan	Development of an Annual Street Improvement plan	Chapter IV Goal 3 Objective 3.1 The City should continue to provide adequate public services.	Ongoing

2018 FLEET MANAGEMENT BUDGETED EXPENDITURES



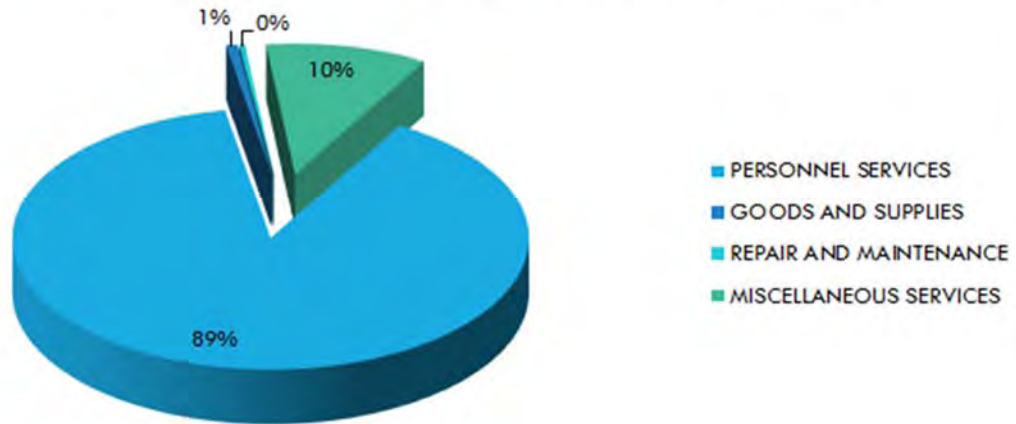
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FLEET MANAGEMENT	2015	2016	2017	2018
PERSONNEL SERVICES	\$82,801	\$100,740	\$102,985	\$105,113
GOODS AND SUPPLIES	\$160,136	\$119,580	\$165,913	\$209,350
REPAIR AND MAINTENANCE	\$138,938	\$148,736	\$219,137	\$163,000
MISCELLANEOUS SERVICES	\$980	\$2,077	\$2,088	\$2,364
EQUIPMENT > \$5,000 OUTLAY	\$0	\$314,937	\$128,396	\$129,400
MISCELLANEOUS ADJUSTMENTS	\$300,181	\$264,301	\$215,197	\$137,131
TOTAL EXPENDITURES	\$683,036	\$950,371	\$833,716	\$746,358

2018 FACILITIES & GROUNDS MAINTENANCE BUDGETED EXPENDITURES



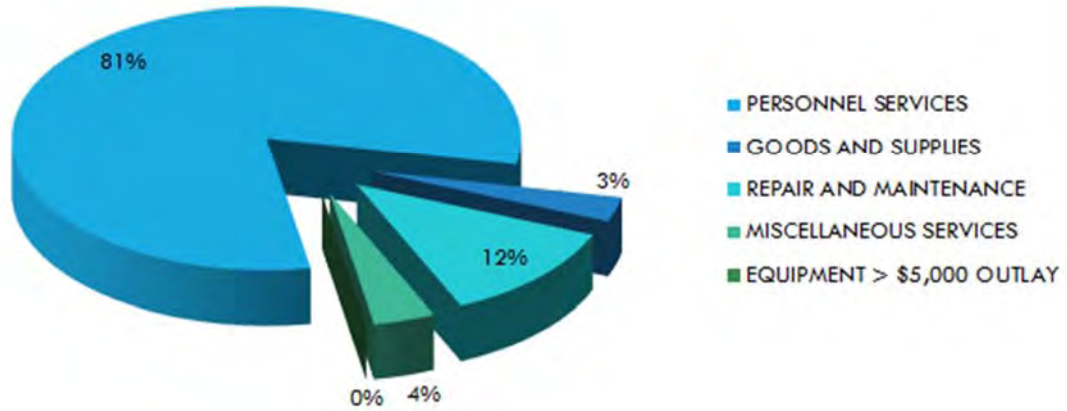
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FACILITIES MAINT.	2015	2016	2017	2018
PERSONNEL SERVICES	\$118,352	\$123,030	\$122,271	\$74,513
GOODS AND SUPPLIES	\$17,923	\$16,332	\$25,850	\$19,300
REPAIR AND MAINTENANCE	\$52,823	\$55,896	\$67,338	\$59,967
MISCELLANEOUS SERVICES	\$1,071	\$1,070	\$1,535	\$1,360
TOTAL EXPENDITURES	\$190,169	\$196,329	\$216,994	\$155,140

2018 INSPECTIONS BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - INSPECTIONS	2015	2016	2017	2018
PERSONNEL SERVICES	\$170,403	\$174,799	\$176,435	\$170,909
GOODS AND SUPPLIES	\$1,166	\$1,403	\$1,300	\$1,300
REPAIR AND MAINTENANCE	\$0	\$561	\$700	\$700
MISCELLANEOUS SERVICES	\$18,172	\$16,446	\$18,874	\$19,474
TOTAL EXPENDITURES	\$189,741	\$193,209	\$197,309	\$192,383

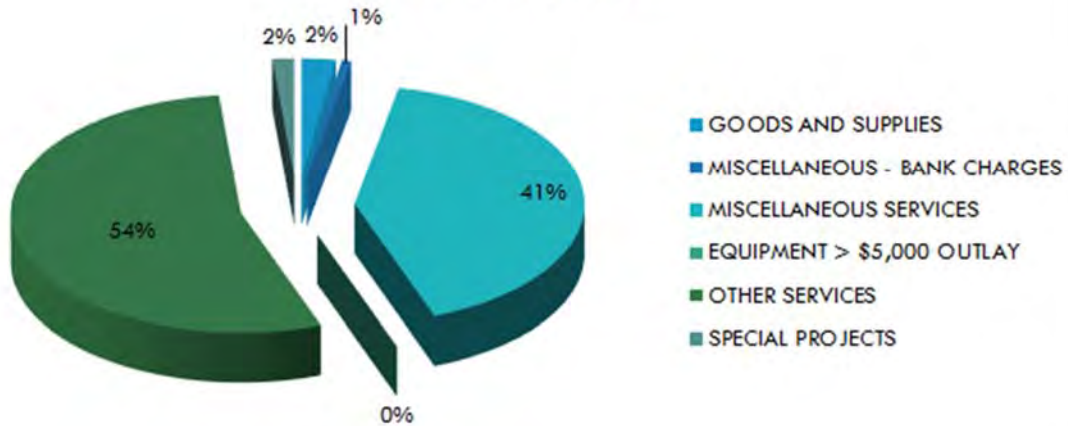
2018 PUBLIC WORKS BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - PUBLIC WORKS	2015	2016	2017	2018
PERSONNEL SERVICES	\$837,983	\$816,169	\$943,819	\$976,244
GOODS AND SUPPLIES	\$36,267	\$27,945	\$38,990	\$36,390
REPAIR AND MAINTENANCE	\$140,968	\$147,553	\$150,500	\$146,000
MISCELLANEOUS SERVICES	\$28,543	\$15,682	\$27,224	\$47,195
EQUIPMENT > \$5,000 OUTLAY	\$53,741	\$0	\$0	\$0
TOTAL EXPENDITURES	\$1,097,501	\$1,007,349	\$1,160,533	\$1,205,829

GENERAL SERVICES BUDGET NUMBERS

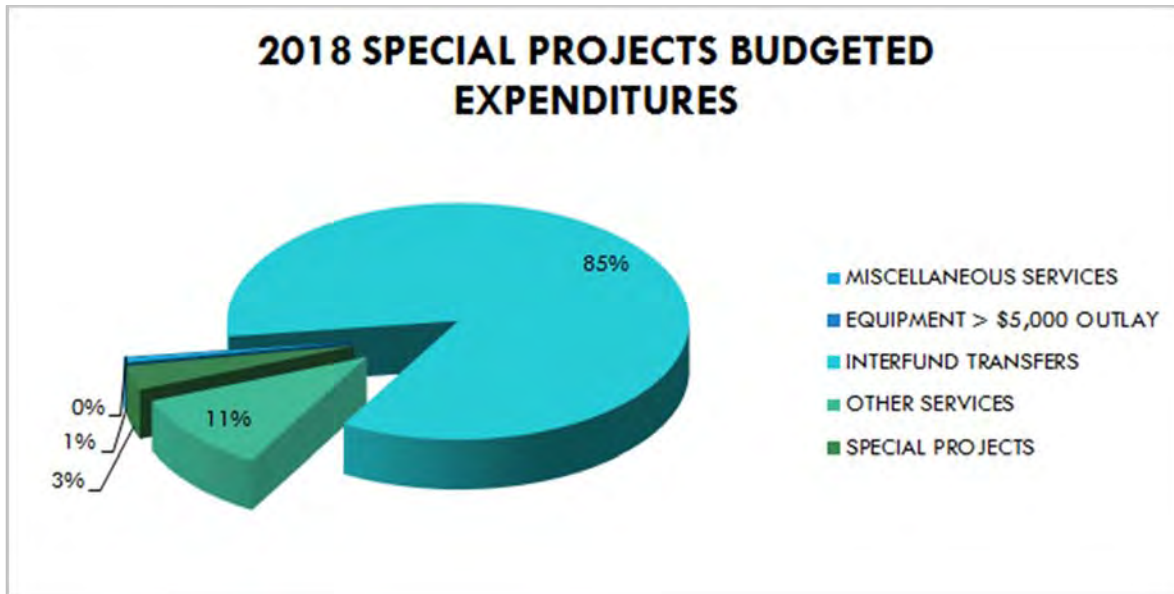
2018 GENERAL SERVICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - GENERAL SERVICE	2015	2016	2017	2018
GOODS AND SUPPLIES	\$20,103	\$19,313	\$22,000	\$21,500
MISCELLANEOUS - BANK CHARGES	\$0	\$0	\$7,000	\$6,000
MISCELLANEOUS SERVICES	\$360,679	\$385,142	\$417,229	\$368,372
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$0	\$0
OTHER SERVICES	\$410,739	\$438,852	\$460,535	\$482,809
SPECIAL PROJECTS	\$2,279	\$5,927	\$9,500	\$13,700
TOTAL EXPENDITURES	\$793,800	\$849,234	\$916,264	\$892,381

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.

SPECIAL PROJECTS BUDGET NUMBERS

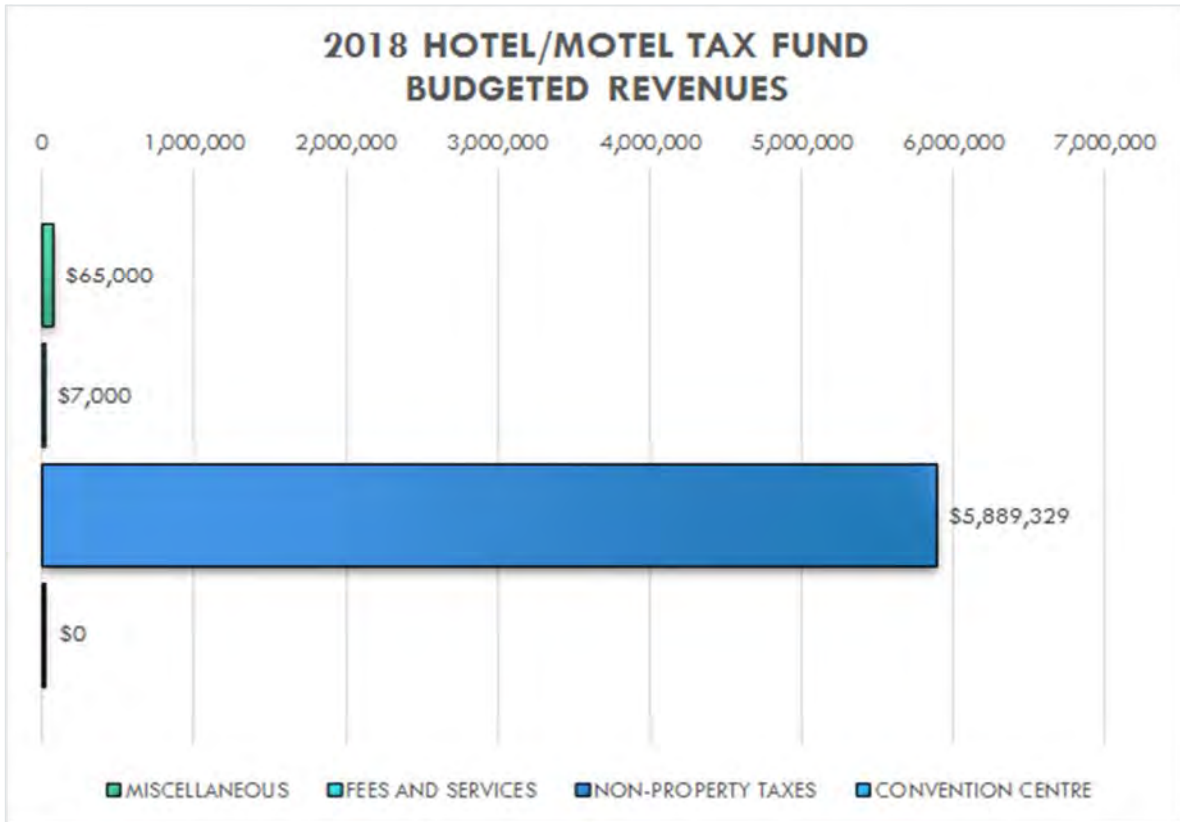


DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - SPECIAL PROJECTS	2015	2016	2017	2018
MISCELLANEOUS SERVICES	\$228,378	\$309,226	\$185,500	\$3,500
EQUIPMENT > \$5,000 OUTLAY	\$202,563	\$174,196	\$101,396	\$0
INTERFUND TRANSFERS	\$725,460	\$404,292	\$476,659	\$442,854
OTHER SERVICES	\$117,381	\$68,470	\$89,900	\$55,500
SPECIAL PROJECTS	\$28,821	\$799,159	\$184,065	\$17,000
TOTAL EXPENDITURES	\$1,302,601	\$1,755,344	\$1,037,520	\$518,854

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

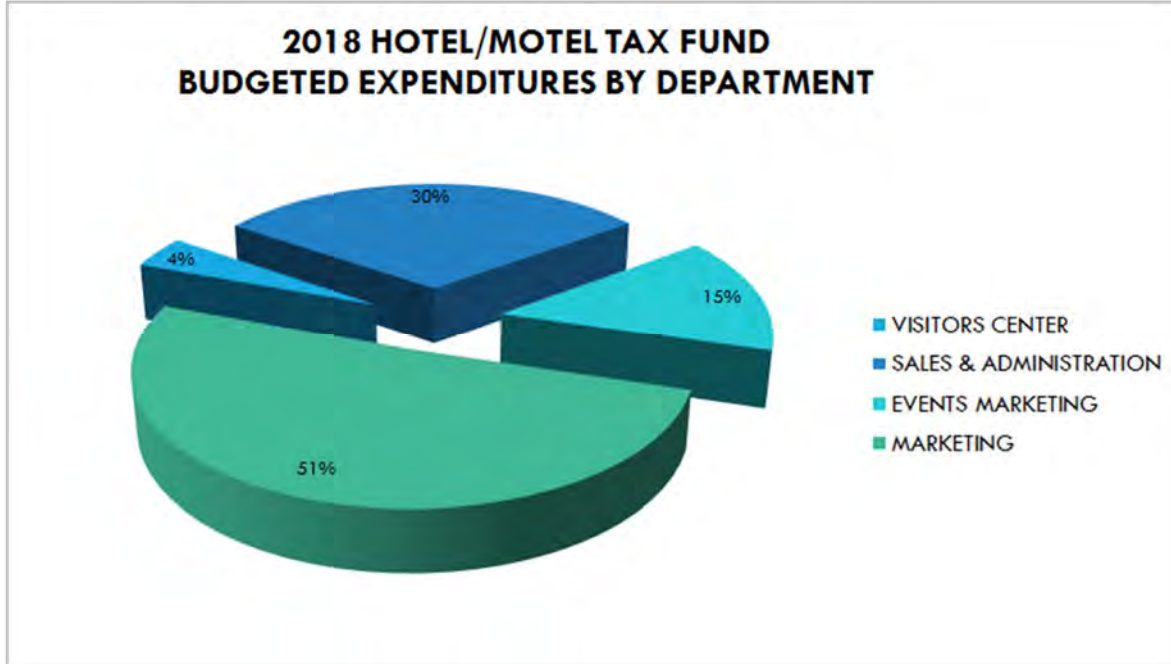
HOTEL MOTEL TAX FUND

HOTEL MOTEL TAX REVENUE BUDGET NUMBERS



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL TAX FUND	2015	2016	2017	2018
CONVENTION CENTRE	\$0	\$0	\$0	\$0
NON-PROPERTY TAXES	\$4,493,602	\$5,650,621	\$5,324,623	\$5,889,329
FEES AND SERVICES	\$8,622	\$11,297	\$7,000	\$7,000
MISCELLANEOUS	\$75,096	\$81,964	\$50,000	\$65,000
TOTAL REVENUES	\$4,577,320	\$5,743,882	\$5,381,623	\$5,961,329

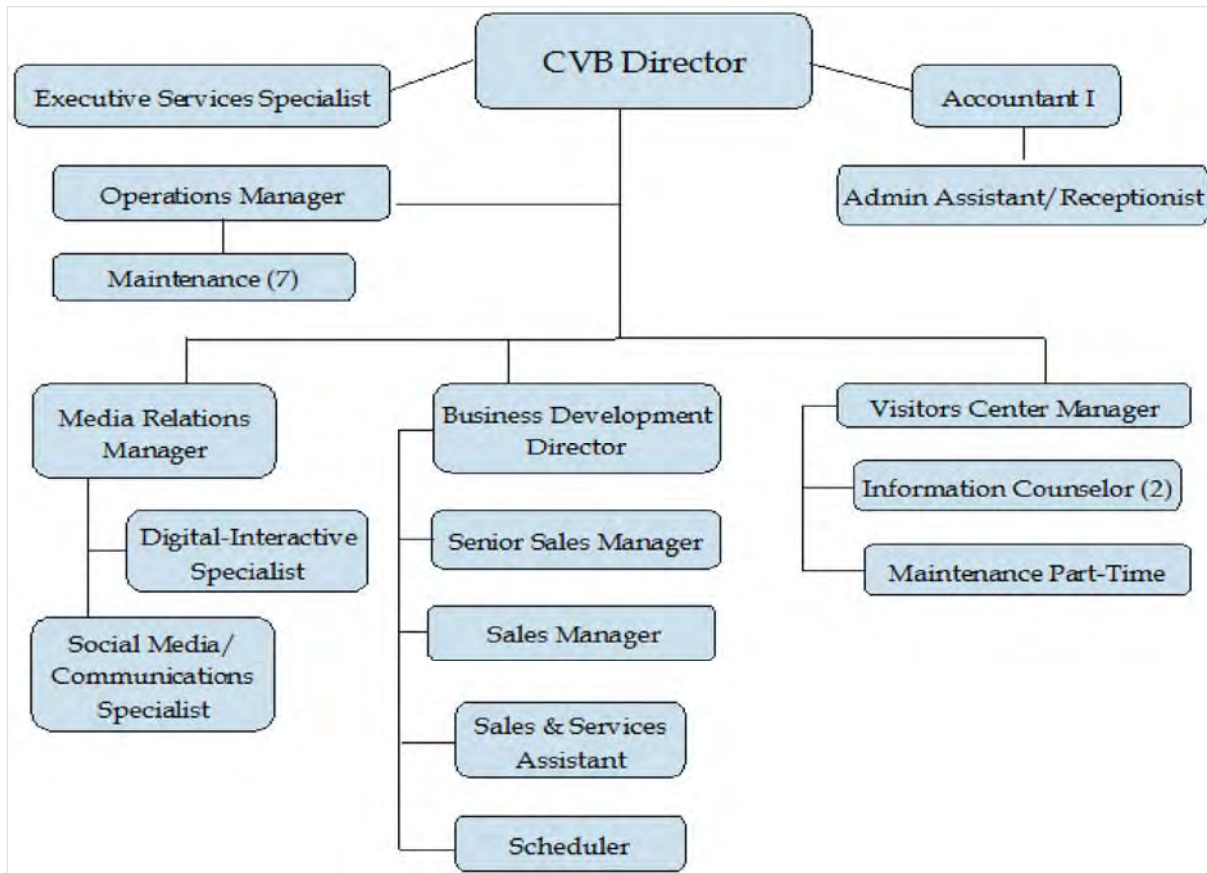
HOTEL MOTEL TAX BUDGETED EXPENDITURES



EXPENDITURES BY DEPARTMENT	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL TAX FUND	2015	2016	2017	2018
VISITORS CENTER	\$210,405	\$193,813	\$220,274	\$238,040
SALES & ADMINISTRATION	\$1,004,336	\$1,253,040	\$1,586,046	\$1,778,492
EVENTS MARKETING	\$470,176	\$568,693	\$919,182	\$861,519
MARKETING	\$2,203,929	\$2,598,711	\$3,150,000	\$2,990,000
TOTAL EXPENDITURES	\$3,888,847	\$4,614,257	\$5,875,502	\$5,868,051

CVB SALES & ADMINISTRATION DIVISION

CVB SALES & ADMINISTRATION ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO

The CVB Division & Administration is responsible for the marketing of South Padre Island as a destination for tourist, meeting planners, sporting events, special events and other tourism activities. AS defined by the state hotel occupancy tax law, the main emphasis is on the development of activates generating overnight guests on South Padre Island.

In accomplishing this task, the CVB works with the Convention and Visitors Bureau Advisory Board, which was appointed by the City Council. The CVA Board recommends a marketing plan and their input on the operating budget to the City Council for final approval. The CVBA Board has oversight over the following divisions:

- Visitor Center
- Sales and Administrations

- Events Marketing
- Marketing
- Convention Centre

The CVB is the main City Agency involved with the economic growth of this community through tourism.

Major Goals:

1. Develop marketing/advertising efforts that achieve economic success for South Padre Island
2. Develop hospitality education for area businesses.
3. Maintain and continue to have positive relationships with local hospitality industry.
4. Continue to maintain strong, positive relationships with all City Departments.

Our Planning Indicators and Focus:

Our CVB Sales Team, along with our CVBA Board, will work on develop a comprehensive list of tradeshows that directly tie into strategies of the marketing campaign. We will monitor local hotel occupancy tax collections in the local area, changes in lodging inventory, occupancy rates and other trends with area businesses in the Rio Grande Valley and the State of Texas.

SALES & ADMINISTRATION STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS

Strategy/Program	Fiscal Year	Budget Impact
Maintain an Innovative, Effective and Measurable advertising campaign.	2017/2018	No less than \$2.5 Million
Increase our presence in small to medium size Associations and Meeting Sales	2017/2018	\$120,000
Continue developing innovative opportunities for marketing, considering all niche aspects including all sales markets – SMERF, Government Meetings, Associations, and Corporate	2017/2018	\$60,000
Improve local awareness of tourism in the RGV area through direct sales from sales managers	2017/2018	\$120,000
Improve awareness of tourism in top 4 feeder city markets area through direct sales from sales managers	2017/2018	\$50,000

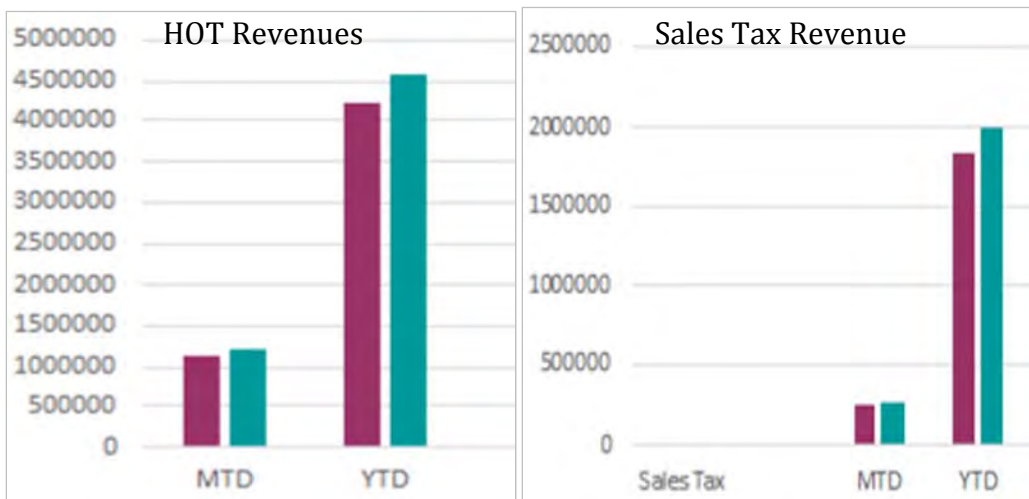
Programs Implemented:

Program	Fiscal Year	Budget Impact
Maintain an innovative, effective, and measurable advertising campaign	2017/2018	\$2.5 Million
Direct Sales from the Sales Manager and Director of Sales	2017/2018	\$50,000

SALES & ADMINISTRATION STAFFING PLAN

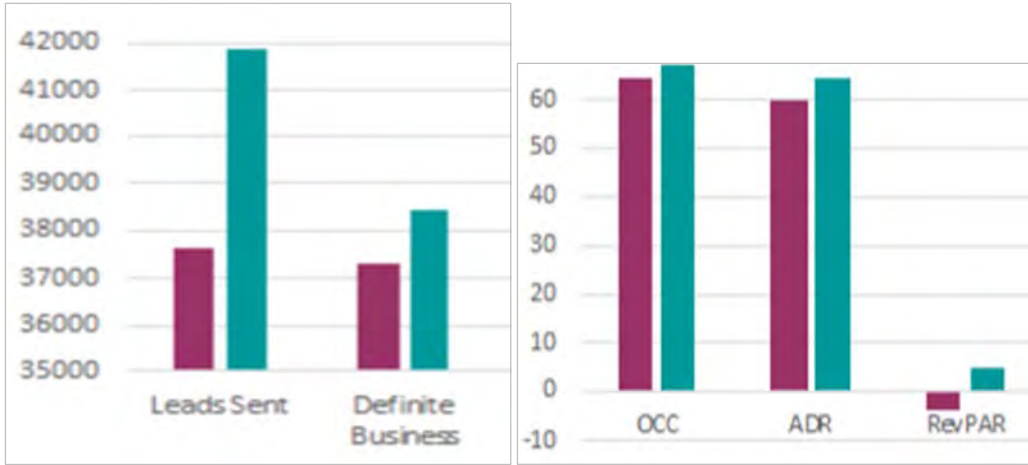
	Current	2017/18	2018/19	2019/20	2020/21	2021/22
CVB Director	1	1	1	1	1	1
Business Development Director	1	1	1	1	1	1
Senior Sales Manager- Austin Remote Rep	1	1	1	1	1	1
Convention Sales Manager	1	1	1	1	1	1
Sales Manager	-	1	1	1	1	1
CVB Sales & Services Assistant	1	1	1	1	1	1
Events and Meetings Coordinator	1	1	1	1	1	1
Receptionist	1	1	1	1	1	1
Total Positions	7	8	8	8	8	8

SALES & ADMINISTRATION PERFORMANCE MEASURES



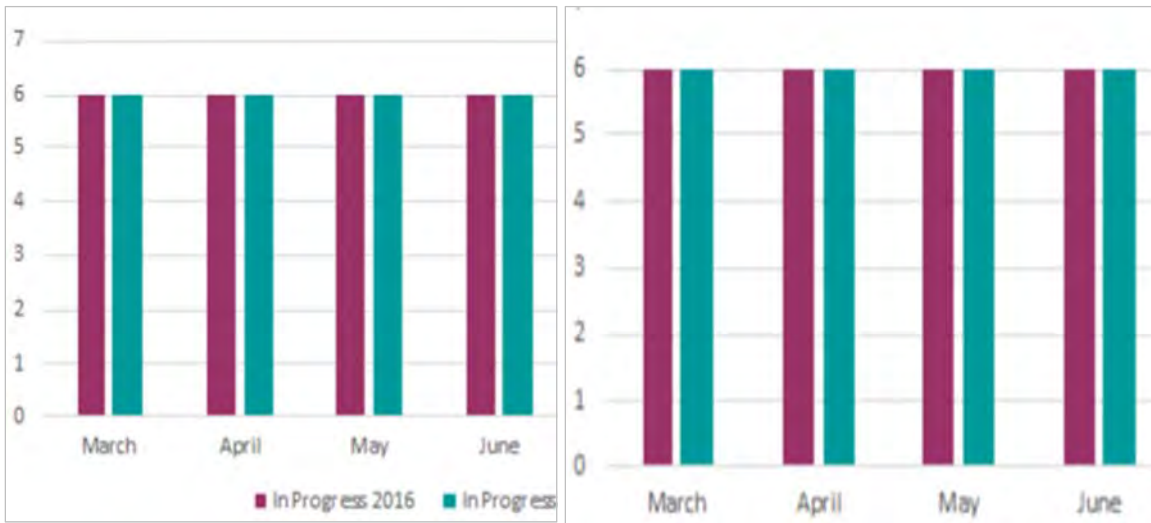
Group Sales Room nights

STR Report-OCC/ADR

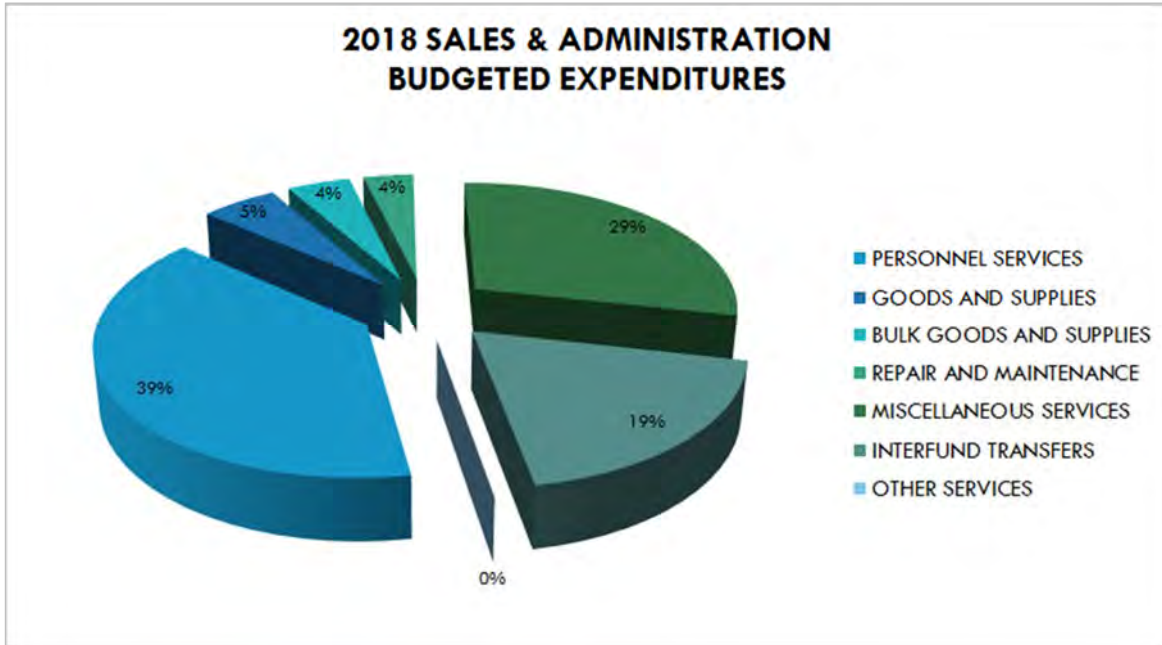


Analytics Dashboard, Benchmarking-Implement Q1-FY18

Tourism Leads, Benchmarking-Implement Q1-FY18



SALES AND ADMINISTRATION BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- SALES & ADMIN.	2015	2016	2017	2018
PERSONNEL SERVICES	\$467,347	\$532,981	\$648,169	\$693,217
GOODS AND SUPPLIES	\$22,970	\$55,471	\$87,400	\$96,500
BULK GOODS AND SUPPLIES	\$0	\$49,452	\$80,000	\$80,000
REPAIR AND MAINTENANCE	\$58,141	\$34,416	\$57,988	\$63,542
MISCELLANEOUS SERVICES	\$338,330	\$456,777	\$501,639	\$510,673
INTERFUND TRANSFERS	\$117,548	\$122,943	\$210,850	\$334,560
OTHER SERVICES	\$0	\$1,000	\$0	\$0
TOTAL EXPENDITURES	\$1,004,336	\$1,253,040	\$1,586,046	\$1,778,492

VISITORS CENTER

WHO ARE WE / WHAT WE DO

The South Padre Island Visitors Center (VC) is the beginning of our guests' experience on South Padre Island. From the initial request for information, to their arrival and throughout their stay we are to make sure they are welcomed and well informed on all aspects of their South Padre Island experience. Our visitors are greeted with a warm smile, well informed staff with a professional and friendly attitude.

Major Goals:

1. Building Upgrade - Because tourism is the economic engine for the city, the Visitors Center must be maintained as the city's hospitality headquarters to ensure information is readily available in an aesthetically pleasing setting.
2. Update Technology - To better serve our guests and the community, we will add two new laptops and one server in the reception area.
3. Serve as an information center for area businesses - To assist city businesses with promoting services, we will keep updated information offerings which will also allow us to give area businesses feedback from our island guests.

Our Planning Indicators and Focus:

The mission of the Visitors Center is to provide services that enhance tourism, increase the length of stay of our overnight guests, and increase revenue for all businesses on the Island. This will happen by improving the partnership between businesses and the Visitors Center and implementing activity and performance measures; including keeping track of:

- Greet walk-in visitors and provide accurate SPI information.
- Latest information to our visitors regarding programs, events and venues.
- The number of businesses that display brochures at the Visitors Center.
- Events that are held at the Visitors Center and the CVB
- Maintain records regarding daily number of walk-ins.
- Keep track of daily emails and zip codes.
- Acknowledge the International visitors and keeping track of the different countries.
- Number of phone calls requesting Island information.
- Mailing last minute information requests.
- Opening and closing of Island businesses and all venues.
- Island's events, festivities and activities.
- All the Island restaurants menus, specials & coupons.

- Reports requested by the CVB Director.
- Assist Convention Center with promotional materials, packages, material handling receiving and shipping via USPO, UPS or FEDEX.
- Deliver, pick up and distribute mail between all city departments.
- Chamber of Commerce usage of the Visitor Center conference room.
- Keep the partner's contact listing current.
- Familiarize ourselves with all accommodations & venues.
- Entire staff to experience venues to entice visitors.
- Participation and attendance from the SPIVC staff to CVB activities.
- Courtesy calls to our partners in regards to promotional materials.
- Keep up to date the reports for TXDOT Travel Literature Program/Fulfillment Branch.
- Organize storage room and keep materials in alphabetized order.
- Manage the facility, grounds and entire property to ensure a clean, pleasant and friendly atmosphere.
- Reach out to SPI business for accurate information on their venues.
- Keep inventory on amount of brochures, menus, pamphlets and magazines from our partners to ensure we always have enough and never run out.

VISITOR CENTER STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS

Strategy/Program	Fiscal Year	Budget Impact
Maintain constantly the interior & exterior of the Visitors Center to provide a pleasant atmosphere and to positively represent South Padre Island to make our visitors stay cheerful and comfortable.	2017/2022	\$10,000
Update technology - computers, programs, software, and keeping up with new technology's trends as needed.	2017/2022	\$2,500

Programs Implemented:

Program	Fiscal Year	Budget Impact
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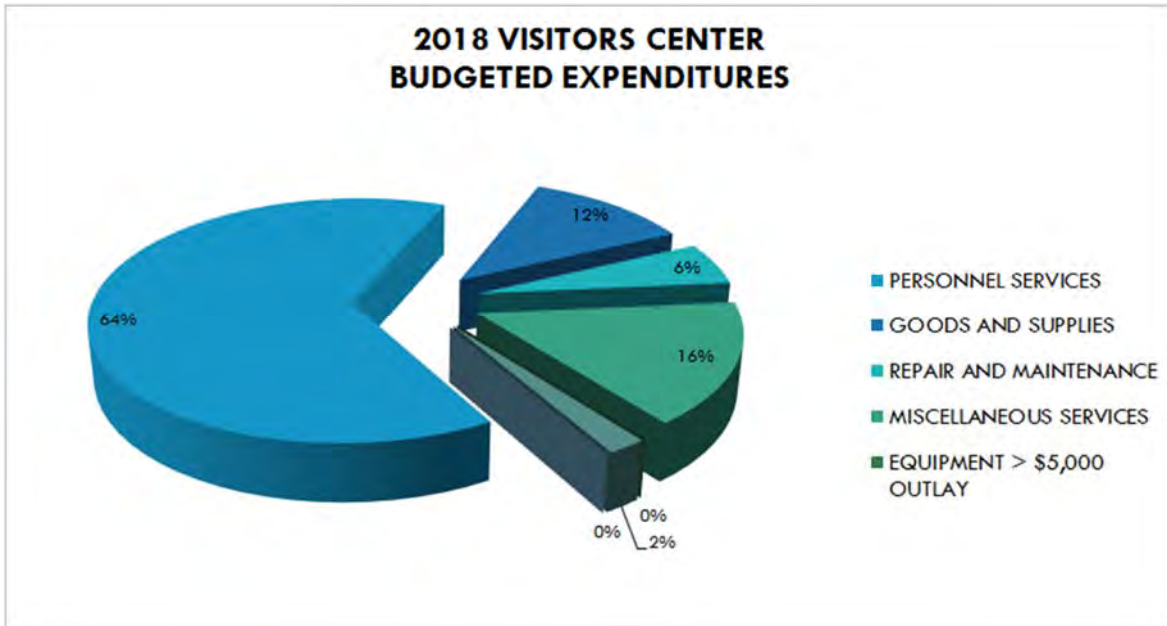
<p>This year, several things were done to the SPI Visitors Center:</p> <p>Repaired a water line from the sprinkler system. Front entrance landscape/plants (all the hibiscus) were cut and treated due to plant fungal plague. Back office's air condition repairs. Polished floors often, lobby & back entrance. Purchased new pillows for the lobby area chairs. Repair & replaced trash bin wood fence panels. Replace the wooden door's hinge of the trash enclosure. Repair restroom toilet rings and toilet bases. Replace fluorescent bulbs and flood lights. Constant paint touch-ups in different areas such walls & door frames. Replaced Pro fill and flush valves for both public restrooms. Repaired the "Visitor Center" pink sign twice. A new addition, the "Historical Museum of South Padre Island" display.</p>	2017/2022	\$800.00
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VISITORS CENTER STAFFING PLAN

	Current	2017/18	2018/19	2019/20	2020/2021	2021/22
Visitors Center Manager	1	1	1	1	1	1
Full-time Information Counselor	2	2	2	2	2	2
Part-Time Information Counselor	.5	.5	.5	.5	.5	.5
Part-Time Custodial Position	.5	.5	.5	.5	.5	.5
Total Positions	4	4	4	4	4	4

*Part-Time staffing hours will fluctuate throughout the year based on seasonal needs.

VISITORS CENTER BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- VISITORS CENTER	2015	2016	2017	2018
PERSONNEL SERVICES	\$136,839	\$138,991	\$152,729	\$153,280
GOODS AND SUPPLIES	\$8,926	\$10,436	\$15,700	\$28,150
REPAIR AND MAINTENANCE	\$15,942	\$11,322	\$15,900	\$13,400
MISCELLANEOUS SERVICES	\$34,403	\$32,471	\$34,501	\$38,210
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$0	\$0
TOURISM AND CULTURAL	\$536	\$593	\$1,444	\$5,000
SPECIAL PROJECTS	\$13,760	\$0	\$0	\$0
TOTAL EXPENDITURES	\$210,405	\$193,813	\$220,274	\$238,040

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

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. As it stands, no event may happen on SPI beach front without private property permission (by ordinance).
2. Enhance special events that generate HOT and create a quality SPI experience. Currently we host approximately 35 special events. Facilitating their growth and identifying new event opportunities will aid in increasing overnight stays.
3. Aid in identifying and accommodating at least two new special events each year. As we are not in the event production business, we will seek out established organizers that align with our niche markets.

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 encourage all events to arrange leads and tracking through the housing dept. at the CVB; however, the majority chooses to make their own arrangements.

We have staff who attend special events and survey participants to aid in obtaining data. We must balance any overlap in regards to hotel reports and room pickup. 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 this data due to frequent employee turnover.

We encourage all events to include a short survey in their registration process. Those that have done so have been very successful in obtaining more accurate room night information. We then combine the data with hotel pickup for more accurate reports.

SPECIAL EVENTS STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS

Strategy/Program	Fiscal Year	Budget Impact
Currently the CVA Board is tasked with outlining recommendations for the new budget year.	2017/18	\$0
Attached is a list of current special events that involve room nights.		\$0
At this time all beachfront venues are under the control of the adjacent property owners. The sand flats north of the Convention Centre could be improved and developed to accommodate numerous events. This would mean an agreement involving Cameron County. The level should be raised to prevent flooding and venue developed to accommodate activities such as festivals, and water sport events. Fresh water sources and bathrooms would also be needed at this location. Possible expansion of the Convention Centre will enhance our ability to host concerts and special events in the building. Until we obtain an outdoor venue we cannot plan appropriately for establishing and sustaining significant outdoor events.	2017/2022	\$0
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.	2017/2022	\$0

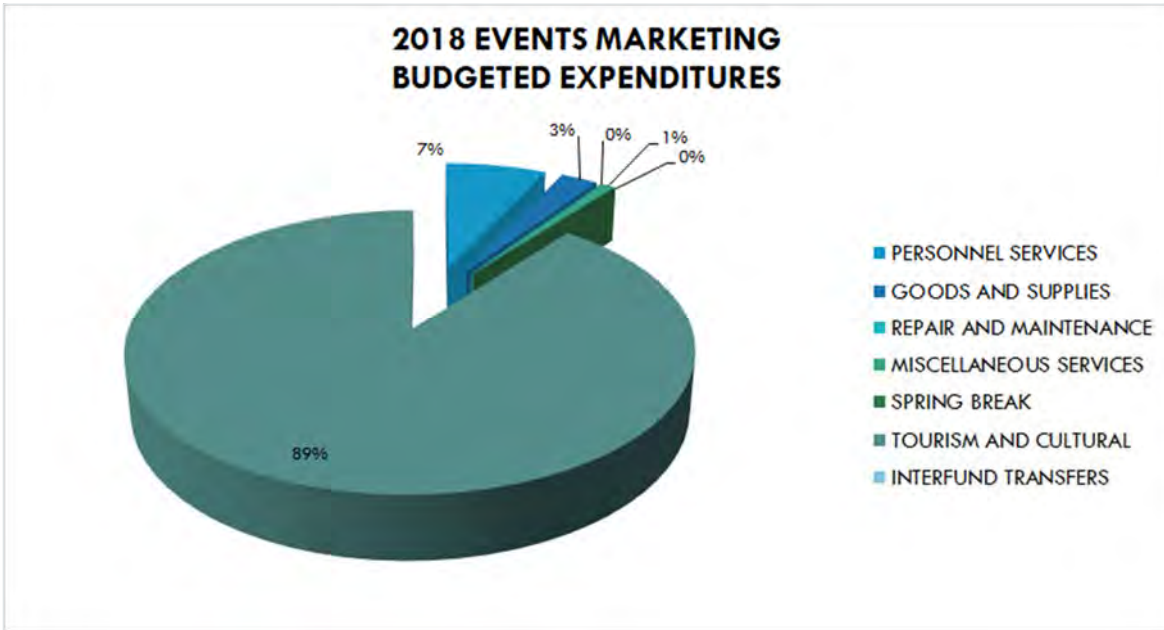
Programs Implemented:

Program	Fiscal Year	Budget Impact
Staff attends selected special events in order to survey participants. We now have more complete info regarding room nights and overnight visitor attendance during these events.	2017/18	\$0
2017 has brought new events that align with our efforts to bring sustainable events that produce room nights.	2017/18	\$0

SPECIAL EVENTS STAFFING PLAN

	Current	2017/18	2018/19	2019/20	2020/21	2021/22
Business Development Director	1	1	1	1	1	1
Special Events Manager	-	1	1	1	1	1
Total Positions	1	2	2	2	2	2

SPECIAL EVENTS MARKETING BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- EVENTS MARKETING	2015	2016	2017	2018
PERSONNEL SERVICES	\$31,410	\$32,128	\$0	\$60,601
GOODS AND SUPPLIES	\$3,853	\$2,461	\$4,900	\$22,467
REPAIR AND MAINTENANCE	\$1,342	\$41	\$1,000	\$0
MISCELLANEOUS SERVICES	\$2,539	\$2,579	\$7,700	\$7,700
SPRING BREAK	\$0	\$0	\$0	\$0
TOURISM AND CULTURAL	\$431,033	\$531,484	\$739,818	\$770,751
INTERFUND TRANSFERS	\$0	\$0	\$115,764	\$0
TOTAL EXPENDITURES	\$470,176	\$568,693	\$869,182	\$861,519

MARKETING BUDGET NUMBERS

DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- MARKETING	2015	2016	2017	2018
GOODS AND SUPPLIES	\$48,552	\$0	\$0	\$0
MISCELLANEOUS SERVICES	\$2,155,377	\$2,598,711	\$3,150,000	\$2,990,000
TOTAL EXPENDITURES	2,203,929	\$2,598,711	\$3,150,000	\$2,990,000

This department of the Hotel Motel Tax fund is relatively new. All of the marketing expenditures were previously budgeted in the Sales and Marketing Department, since 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 it was better to isolate the marketing cost and move forward from this point.

CONVENTION CENTRE FUND

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:

- Visitors Center
- Sales and Marketing
- Events Marketing

Major Goals:

1. Maintain positive relationships with clients, meeting planners, event attendees and guests.
2. Ensure all clients feel welcome and assured their business is appreciated by continuing to provide excellent customer service and hospitality.
3. Continue to provide training opportunities to all personnel and providing new and updated information so they better understand their job assignments.
4. Continue to maintain strong, positive relationships with all City departments.

5. Provide experience input to the designers of the revamped Convention Centre to ensure design is appropriate for our area and usage.

Our Planning Indicators and Focus:

Our planning is based on the current and future needs of the 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 that groups and events will consider for their organizational or special events.

CONVENTION CENTRE STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS

Strategy/Program	Fiscal Year	Budget Impact
Replace existing ceiling fans as needed on Sunset Terrace	2018/2021	\$10,000
Chiller Chemical System Replacement	2017/2019	\$15,000
4 Air Handlers Kitchen, Lobby, (2) East and West Ex Hall,	2017/2019	\$320,000
3 Air Handlers- Theater, Admin Office, North Corridor and Men's Room	2018/2021	\$240,000
Replace 2 CC Vehicles – Gray Truck and White Truck	2018/2021	\$65,000
Schedule refurbishing of Wyland Whaling Wall to maintain integrity of workmanship.	2019/2021	\$12,000
Retractable Bleachers/ purchase would allow for less set-up and tear down time and allow for more available Convention Centre leasable days, possibly resulting in more rental income	2017/2021	\$250,000
Install a security camera system for building and parking areas	2017/2019	\$9,000
Replace Mule/Carry All – Grounds Work Vehicle for Operations	2017/2019	\$14,000
Purchase replacements for remaining kitchen equipment: warmers, portable servers, convection ovens, etc. These items to be completed as the budget allows.	2017/2020	\$50,000
Concession to Lobby door/"dutch door"	2017/2020	\$7,000

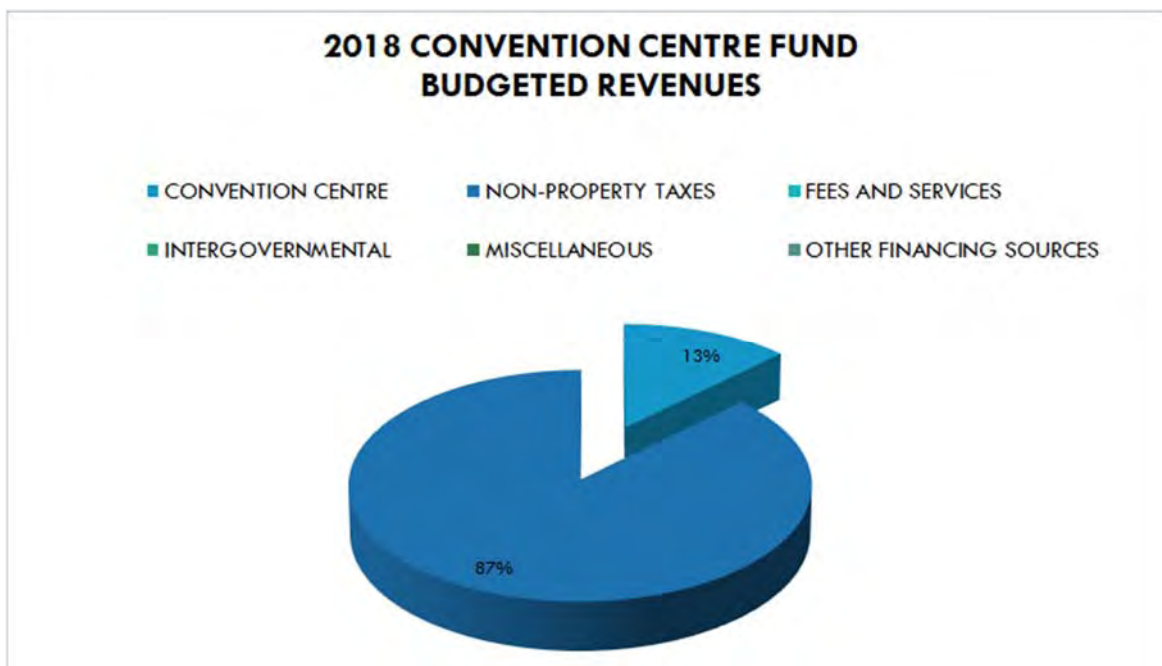
CONVENTION CENTRE STAFFING PLAN

	Current	2017/18	2018/19	2019/20	2020/21	2021/22
Facility Manager	-	-	-	-	1	1
Operations Manager	1	1	1	1	1	1
Asst. Convention Centre Mgr.	-	-	-	-	1	1

Meeting Events Coordinator	1	1	1	1	1	1
Maintenance personnel	8.5	8.5	8.5	9	9	9
Total Positions	10.5	10.5	10.5	11	12	13

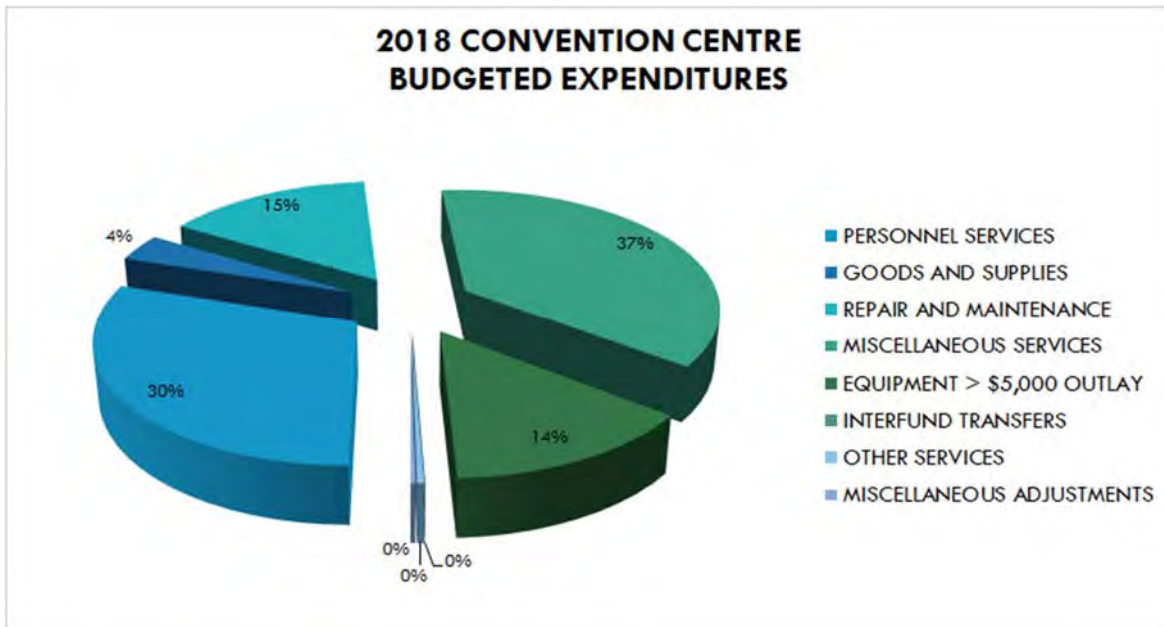
CONVENTION CENTRE BUDGET NUMBERS

CONVENTION CENTRE REVENUE



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
CONVENTION CENTRE FUND	2015	2016	2017	2018
CONVENTION CENTRE	\$242,217	\$248,691	\$240,000	\$235,000
NON-PROPERTY TAXES	\$2,665,739	\$1,706,049	\$2,112,762	\$1,611,147
FEES AND SERVICES	\$541	\$792	\$0	\$0
INTERGOVERNMENTAL	\$0	\$0	\$0	\$0
MISCELLANEOUS	\$5,578	\$8,030	\$0	\$0
OTHER FINANCING SOURCES	\$4,978	\$16,410	\$0	\$0
TOTAL REVENUES	\$2,919,053	\$1,979,972	\$2,352,762	\$1,846,147

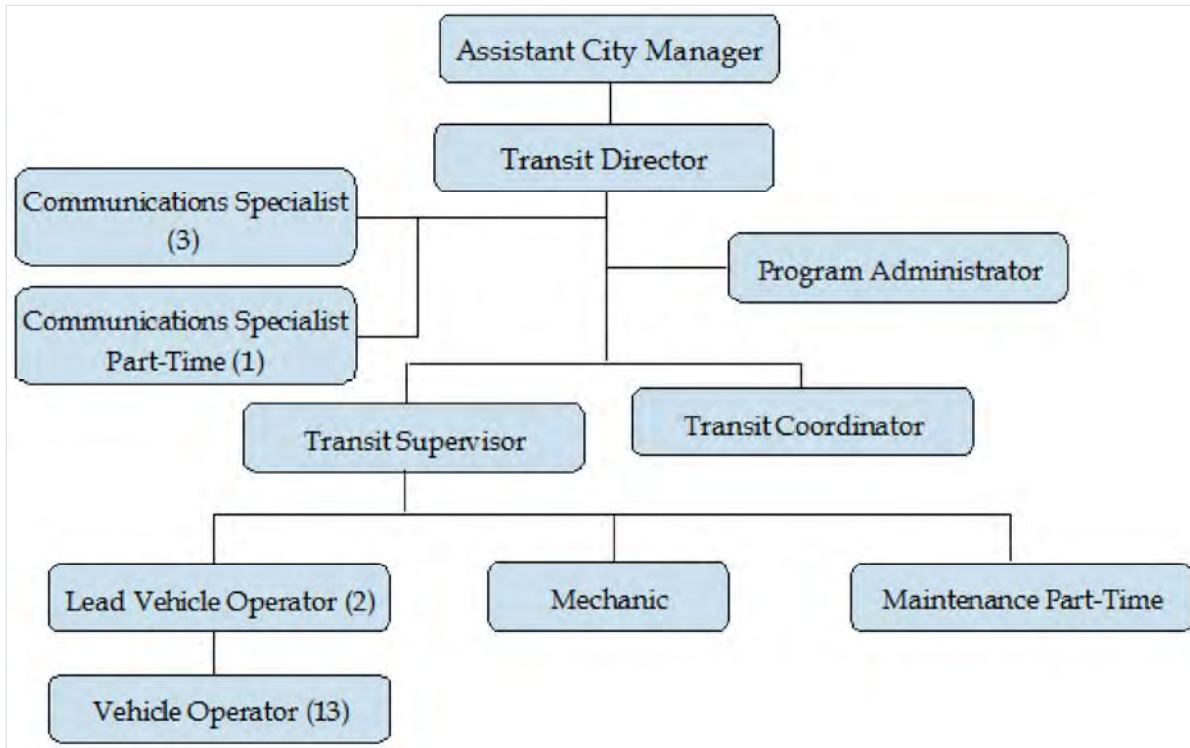
CONVENTION CENTRE BUDGETED EXPENDITURES



EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
CONVENTION CENTRE	2015	2016	2017	2018
PERSONNEL SERVICES	\$454,096	\$469,140	\$536,059	\$474,964
GOODS AND SUPPLIES	\$51,742	\$50,164	\$49,000	\$57,900
REPAIR AND MAINTENANCE	\$154,600	\$195,488	\$228,040	\$239,890
MISCELLANEOUS SERVICES	\$434,924	\$532,899	\$543,525	\$582,325
EQUIPMENT > \$5,000 OUTLAY	\$136,582	\$1,233,382	\$521,049	\$219,420
INTERFUND TRANSFERS	\$2,946,143	\$0	\$0	\$0
OTHER SERVICES	\$5,400	\$5,600	\$6,000	\$6,000
MISCELLANEOUS ADJUSTMENTS	\$5,912	\$5,912	\$5,913	\$4,081
TOTAL EXPENDITURES	\$4,189,399	\$2,492,585	\$1,889,586	\$1,584,580

TRANSIT AND PLANNING DEPARTMENT

TRANSIT ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO

Island Metro is the rural transit agency for the City of South Padre Island. Our fixed route and free transportation to all riders has proven to be very successful, with annual ridership of approximately 490,000 for fiscal year 2016. Island Metro provides public transportation for South Padre Island, Port Isabel, Laguna Heights, and through the connection with Metro Connect, the Laguna Madre and lower Rio Grande Valley area. The bus routes cover approximately a 25.5- mile loop from the north end of South Padre Island at the Convention Centre, to a transit shelter near the intersection of State Highway 100 and State Highway 48 in Port Isabel, to Laguna Heights and back again. Island Metro operates a minimum of four buses daily from 7 a.m. to 9 p.m., 365 days per year. Services are available to anyone in the general public, regardless of need.

Island Metro has been developed with the input of our drivers, passengers, and citizens and business persons on both sides of the Queen Isabella Memorial Bridge. Island Metro routes have been designed to provide stops for the greatest number of work, play, and essential needs areas such as post offices, city halls, 23 of the 24 public beach accesses within the City of South Padre Island, Port Isabel’s Historical Lighthouse, Museum, and Library/Community Center, grocery stores, pharmacies, medical facilities, retail, restaurant, and hotel establishments. Our mission is to provide safe, reliable, and friendly service to all residents, employees, employers, and tourists in the area in a non-discriminatory manner.

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

The Transit Department provides comprehensive management of TxDOT and Federal Transit Administration rural transportation grants. Leveraging \$159,000.00 in local resources, the Transit Department annually captures over \$2 million in local match, TxDOT and FTA grant funds.

Major Goals:

1. Lead the development of a transit multi-modal center.
2. The South Padre Island Metro 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 grants to build out bus shelters on Padre and Gulf Blvd.
6. Sell advertising space on South Padre Island Metro buses to generate local revenue.

TRANSIT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS

Strategy/Program	Fiscal Year	Budget Impact
Multi-Modal Facility	2015/18	\$3,500,000
Park & Ride	2015/16	\$1,600,000
Transit Study & Comprehensive Transit Plan	2015/17	\$68,640
Padre Blvd. headway reduction (pick-up schedule on Padre Blvd.)	2015/18	\$440,000
Route Realignment	2016/17	\$0
Padre Blvd. passenger bus shelters	2016/17	\$75,000
Gulf Blvd. passenger bus shelters	2015/18	\$75,000
Port Isabel passenger bus shelters	2017/18	\$175,000
Sidewalk/Bike Lane Project	2016/20	\$4,000,000
Sell advertising space on buses and inside Multi-modal Facility	2015/17	\$0
Purchase and Implement SmartPhone Transit App	2016/17	\$7,200
Multi-Modal Facility	2015/18	\$3,500,000

Programs Implemented:

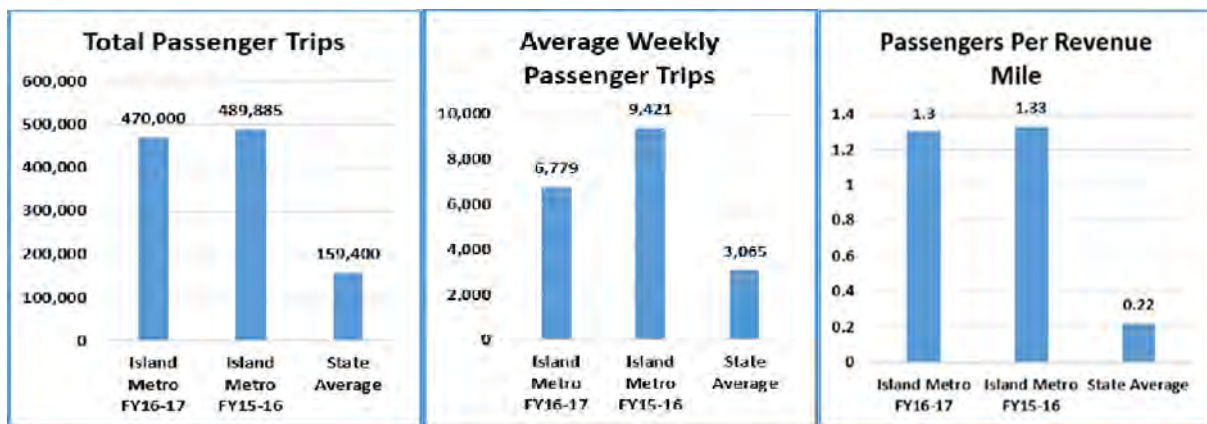
Program	Fiscal Year	Budget Impact
Purchased 2 new buses	2015/2016	\$170,000
Metro Connect	2015/2016	\$320,000
Dispatch	2015/2016	\$120,000
Automatic Passenger Counters	2015/2016	\$30,000

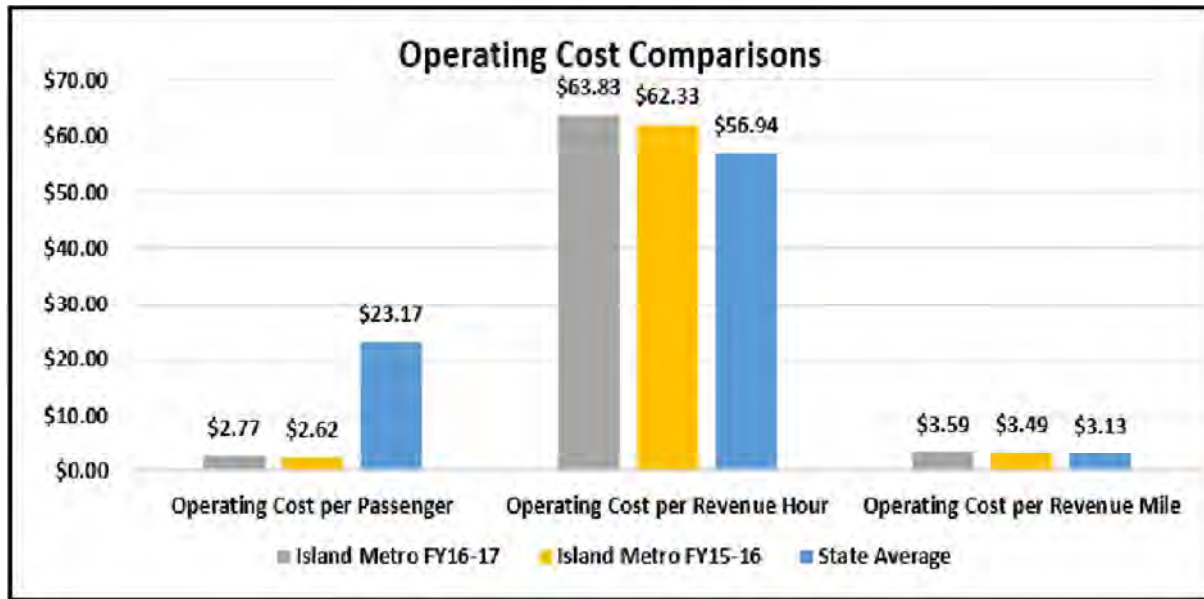
TRANSIT POSITION CONTROL

	Current	2017/18	2018/19	2019/20	2020/21	2021/22
Transit Director	1	1	1	1	1	1
Transit Supervisor	1	1	1	1	1	1
Transit Coordinator	1	1	1	1	1	1
Program Administrator	1	1	1	1	1	1
Dispatchers	4	4	4	4	4	4
Mechanic	1	1	1	1	1	1
Maintenance	1	3	3	3	3	3
Lead Drivers	2	2	2	2	2	2
Drivers	13	13	13	16	16	16
Total Positions	25	27	27	30	30	30

TRANSIT PERFORMANCE MEASURES

Comprehensive Plan Goal 4-1. The City shall provide for the safe, efficient movement of people and goods.





WORK PLAN FOR TRANSPORTATION

Project	Description	Comprehensive Plan Goal	Estimated Completion Date
Multi-Modal Transit Center	Development of Multi-Modal Transit Center	Chapter II. Goal 1 Objective 1.1 Develop an effective, high quality, multimodal system that balances all transportation needs.	Dec 2017
Advertising	Sell advertising space on Wave buses to generate local revenue	Chapter II. Goal 1 Objective 1.1	Dec 2016
Driver Training	Driver Training	Chapter II. Goal 1 Objective 1.1	Ongoing
Coordinated Call for RFP's	Application to secure grant funds	Chapter II. Goal 1 Objective 1.1	Feb 2017
Master Grant Application Part 1	Application to secure grant funds	Chapter II. Goal 1 Objective 1.1	Jun 2017
Master Grant Application Part 2	Application to secure grant funds	Chapter II. Goal 1 Objective 1.1	Jan 2017

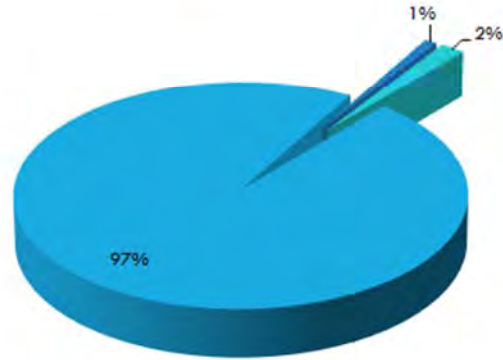
PIEDC Grant Application	Application to secure grant funds	Chapter II. Goal 1 Objective 1.1	Jun 2016
Elderly & Disabled Grant Application	Application to secure grant funds	Chapter II. Goal 1 Objective 1.1	Jul 2016
Bus Procurement	Followed FTA, TxDOT, & local guidelines for grant funded procurement	Chapter II. Goal 1 Objective 1.1	May 2015
Bus Shelter Maintenance	Power wash bus shelters and replacing bus schedules and maps as needed	Chapter II. Goal 1 Objective 1.1	Ongoing
TxDOT Audit	Prepare binder with various documents to show compliance with TxDOT requirements	Chapter II. Goal 1 Objective 1.1	Ongoing
Daily Reports	Enter daily operations onto a spreadsheet including; ridership, mileage, hours, fuel usage, bike riders, etc.	Chapter II. Goal 1 Objective 1.1	Ongoing
Work Orders	Enter daily maintenance information onto a spreadsheet including; description of job performed, mileage, and materials used	Chapter II. Goal 1 Objective 1.1	Ongoing
Notifications	Prepare and place ads for various public notices regarding changes in routes, hours, etc	Chapter II. Goal 1 Objective 1.1	Ongoing
TxDOT Monthly Billings	Assist with preparing invoices for TxDOT billing information	Chapter II. Goal 1 Objective 1.1	Ongoing
TxDOT Scholarships	Apply for training scholarships when applicable	Chapter II. Goal 1 Objective 1.1	Ongoing

TRANSIT BUDGET NUMBERS

TRANSIT FUND REVENUES

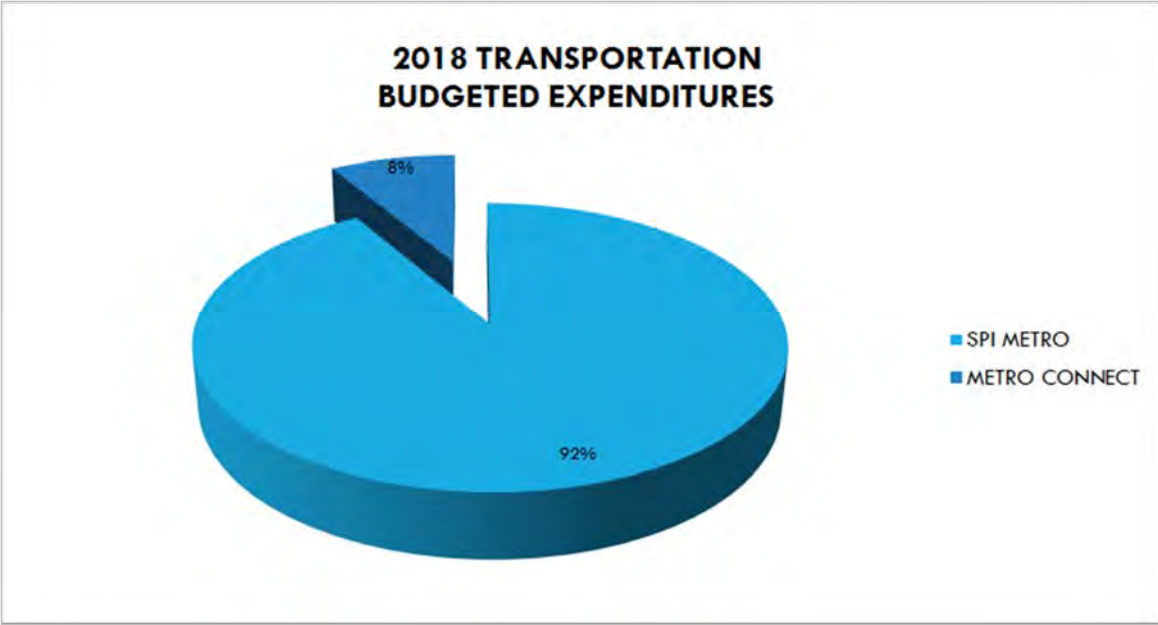
2018 TRANSPORTATION BUDGETED REVENUES

■ INTERGOVERNMENTAL ■ MISCELLANEOUS ■ OTHER FINANCING SOURCES



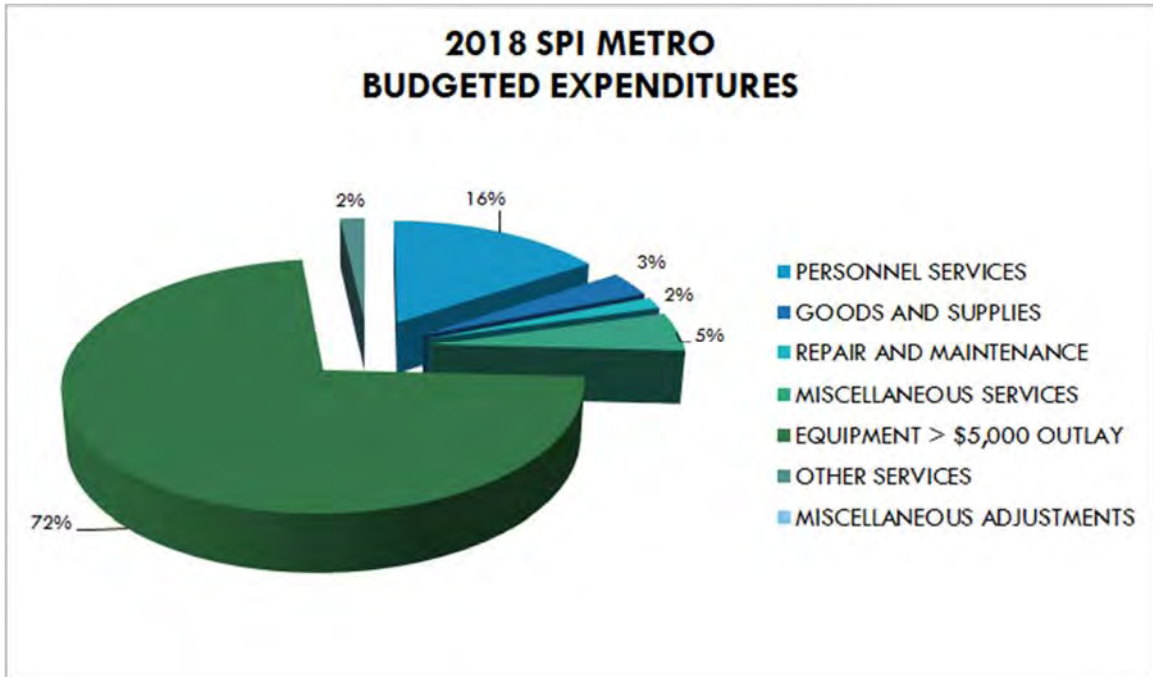
REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION	2015	2016	2017	2018
INTERGOVERNMENTAL	\$2,445,699	\$2,036,813	\$5,689,555	\$5,130,912
MISCELLANEOUS	\$50,000	\$58,021	\$50,000	\$50,000
OTHER FINANCING SOURCES	\$86,630	\$102,579	\$115,713	\$102,183
TOTAL REVENUES	\$2,582,329	\$2,197,413	\$5,855,268	\$5,283,095

TRANSIT BUDGETED EXPENSES



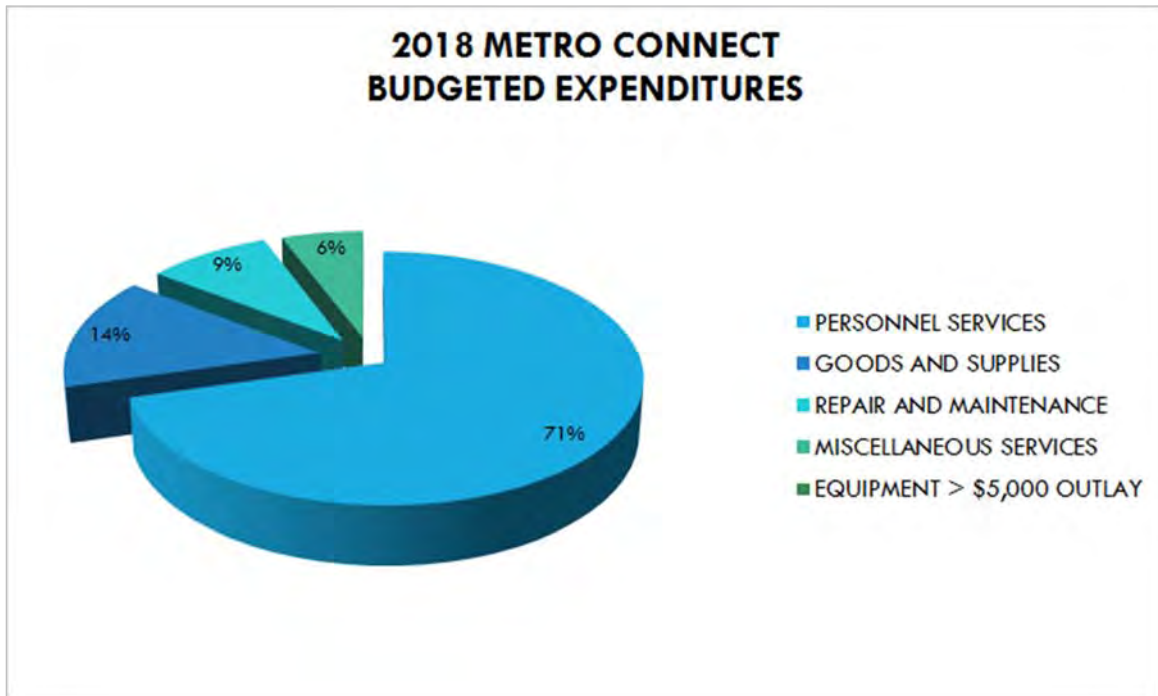
EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION	2015	2016	2017	2018
SPI METRO	\$2,252,920	\$1,923,612	\$5,398,277	\$4,836,967
METRO CONNECT	\$309,698	\$364,000	\$445,642	\$446,128
TOTAL EXPENDITURES	\$2,562,618	\$2,287,612	\$5,843,919	\$5,283,095

SOUTH PADRE ISLAND METRO BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION- ISLAND METRO	2015	2016	2017	2018
PERSONNEL SERVICES	\$743,612	\$735,187	\$731,721	\$759,513
GOODS AND SUPPLIES	\$157,303	\$120,993	\$198,584	\$162,049
REPAIR AND MAINTENANCE	\$81,577	\$101,119	\$72,000	\$74,000
MISCELLANEOUS SERVICES	\$215,584	\$172,860	\$317,861	\$254,722
EQUIPMENT > \$5,000 OUTLAY	\$974,277	\$721,223	\$3,957,898	\$3,500,000
OTHER SERVICES	\$72,030	\$72,230	\$120,213	\$86,683
MISCELLANEOUS ADJUSTMENTS	\$8,538	\$0	\$0	\$0
TOTAL EXPENDITURES	\$2,252,920	\$1,923,612	\$5,398,277	\$4,836,967

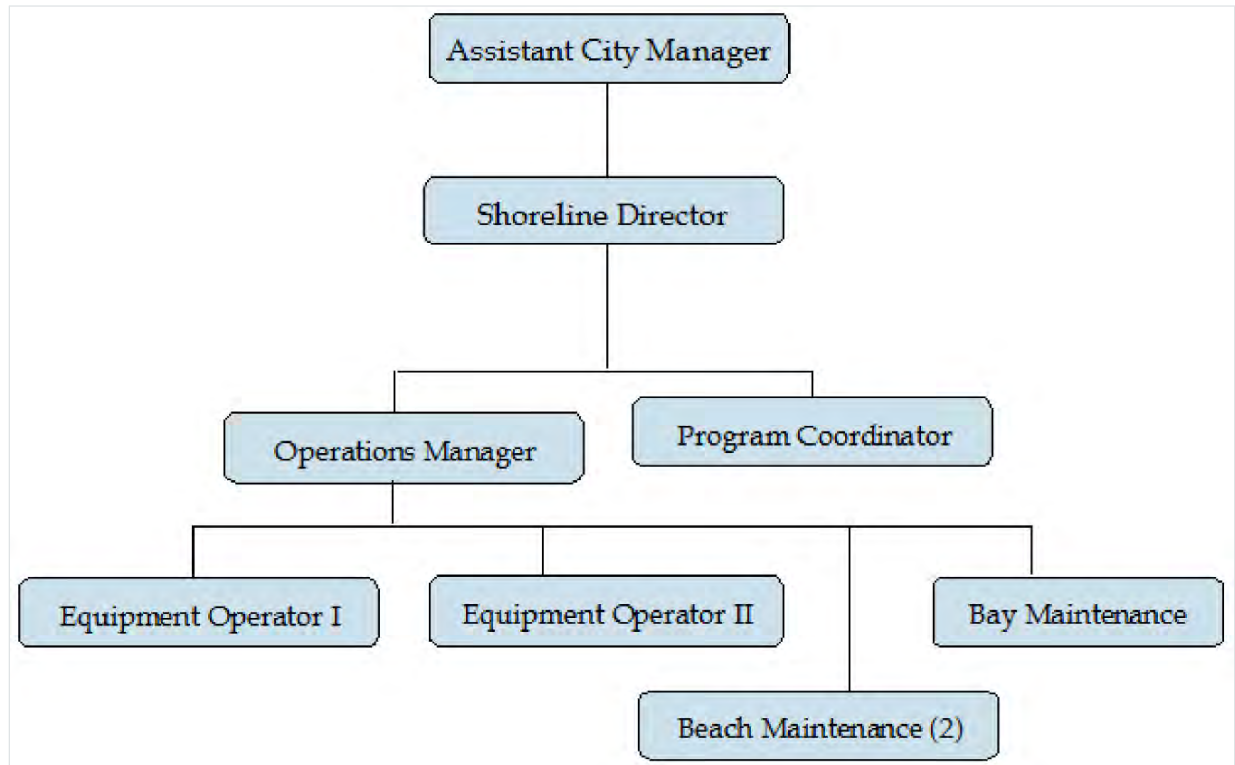
METRO CONNECT BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION- METRO CONNECT	2015	2016	2017	2018
PERSONNEL SERVICES	\$216,072	\$293,532	\$348,826	\$315,130
GOODS AND SUPPLIES	\$59,172	\$49,708	\$55,000	\$65,000
REPAIR AND MAINTENANCE	\$25,426	\$20,236	\$22,816	\$39,712
MISCELLANEOUS SERVICES	\$9,029	\$525	\$19,000	\$26,286
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$309,698	\$364,000	\$445,642	\$446,128

SHORELINE DEPARTMENT

SHORELINE ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO

The Shoreline Department is responsible for the implementation of the South Padre Island Beach and Dune Plan and Serves as the staff liaison to the Shoreline Task Force in recommending policy to the City Council. The Shoreline Department has oversight over beach management and access including beneficial use of dredge material and dune restoration projects, and bay side management and access. This division administers the beach and dune permitting process and serves as the lead in acquiring grant funding for beach- and bay-related projects.

Major Goals:

- Continual evaluation of the City's beach and bay access points and grant programs for enhancing beach and bay access.
- Continue to improve the City's working relationships with the General Land Office, Cameron County, and United States Army Corps of Engineers.

- Continue to educate other departments within the city regarding the City’s Beach and Dune Plan.
- Develop and sustain a productive relationship with the Shoreline Task Force to encourage policy development and effective communication.
- Work with the Shoreline Task Force and Information Services Dept to enhance public relations through educating and informing the public and media.
- Continue with the Dune Restoration Volunteer events, focusing on critical gaps and low points in dune field only.
- Provide an enjoyable and memorable experience for our residents and visitors whenever they visit the City’s beach.
- Guide beach management policy toward a balanced environmentally healthy approach

Our Planning Indicators and Focus:

The City of South Padre Island in the near future will 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 and implementation of an environmentally friendly shoreline management program that balances the importance of satisfying our visitors while protecting the City’s number one asset is the focal point of the Shoreline Management Department.

SHORELINE RESOURCES STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS

Strategy/Program	Fiscal Year	Budget Impact
Sustain an annual Dune Restoration Program that establishes a continuous 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- CMP cycle 22
Protection and enhancement of the continuous dune line and to manage erosion-contributing influences.	On going	Varies
Dune Ridge Mitigation Program to manage sand allocation within the City’s beaches.	On going	Varies

Sustaining the quality and environmental value of Laguna Madre through education and public outreach (Brochures, Public Speaking engagements, etc.)	On going	GOMA Grant
Create an internship program to keep abreast of best practices for beach management.	Annually	\$25,000

Programs Implemented:

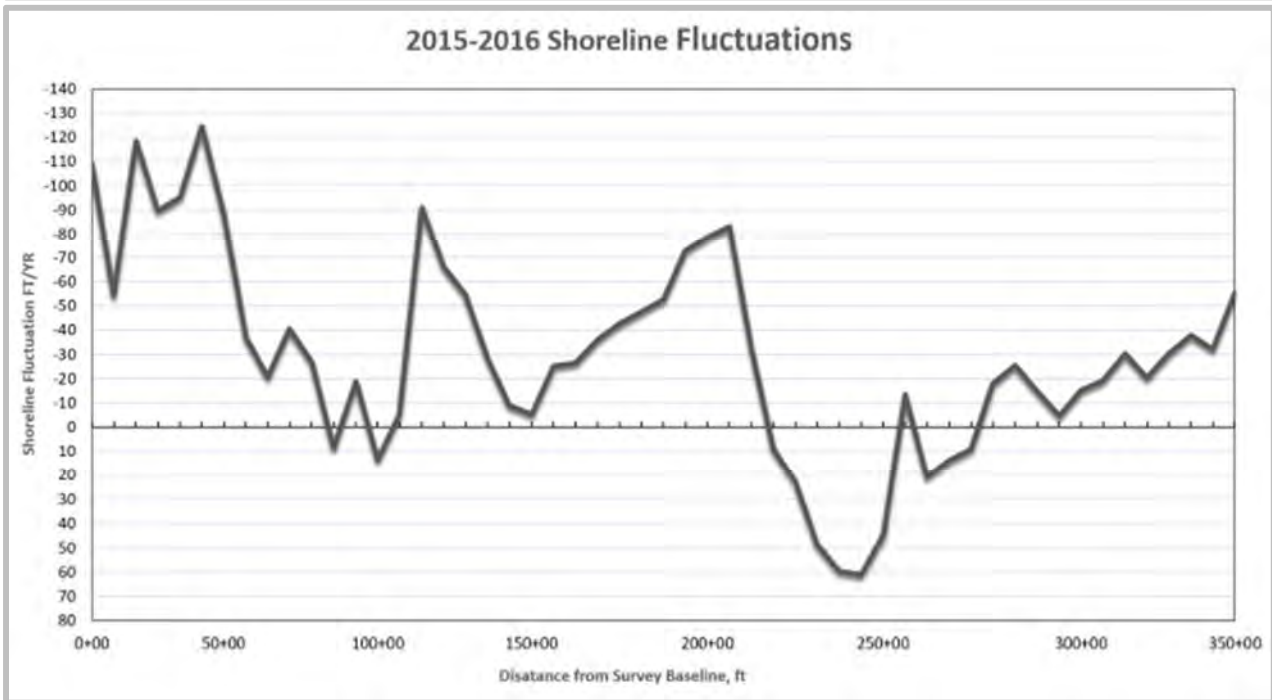
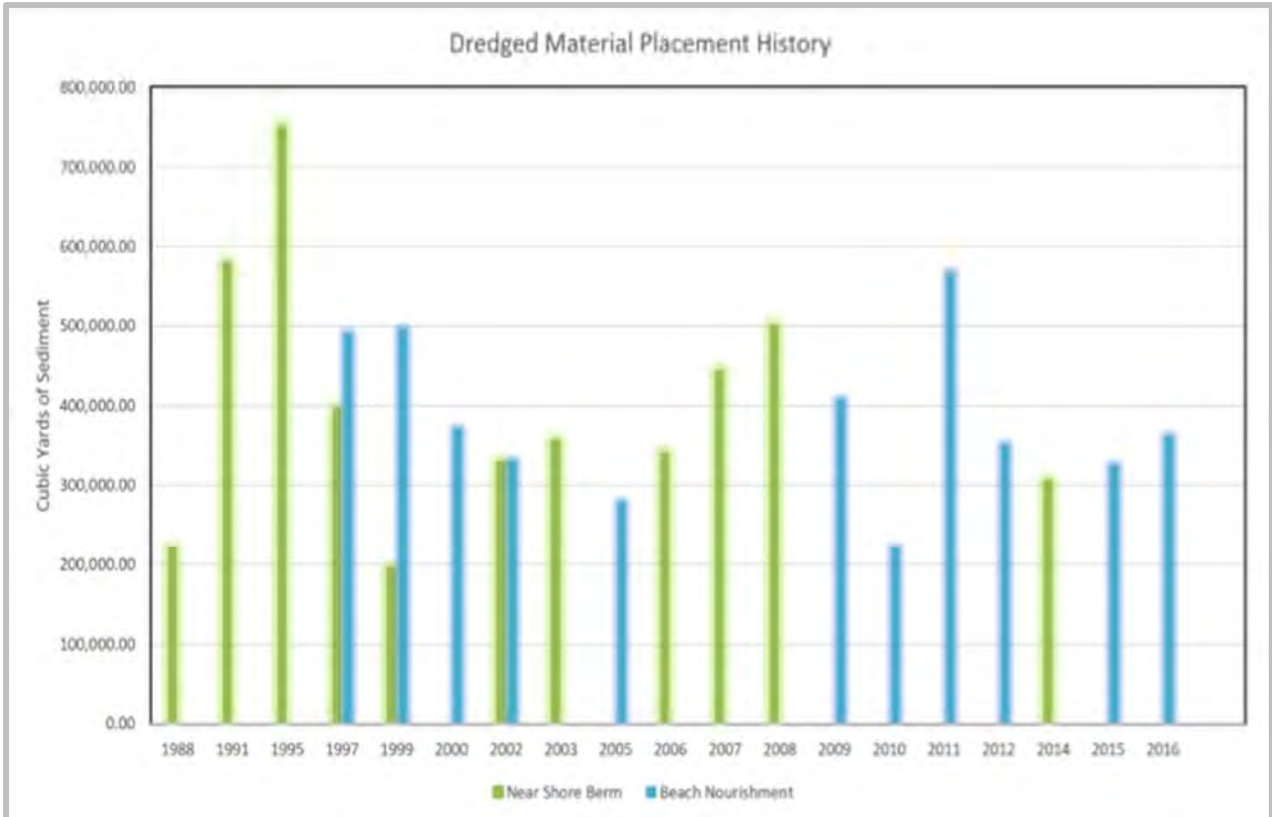
Program	Fiscal Year	Budget Impact
Dune Volunteer program funded by CMP cycle 18	2012-2016	Vol Match
Enhance public beach access along CMP cycle 18 funded Gulf Blvd improvements and the installation of an Emergency vehicle access.	2013-2016	\$300,000 Required for match

SHORELINE STAFFING PLAN

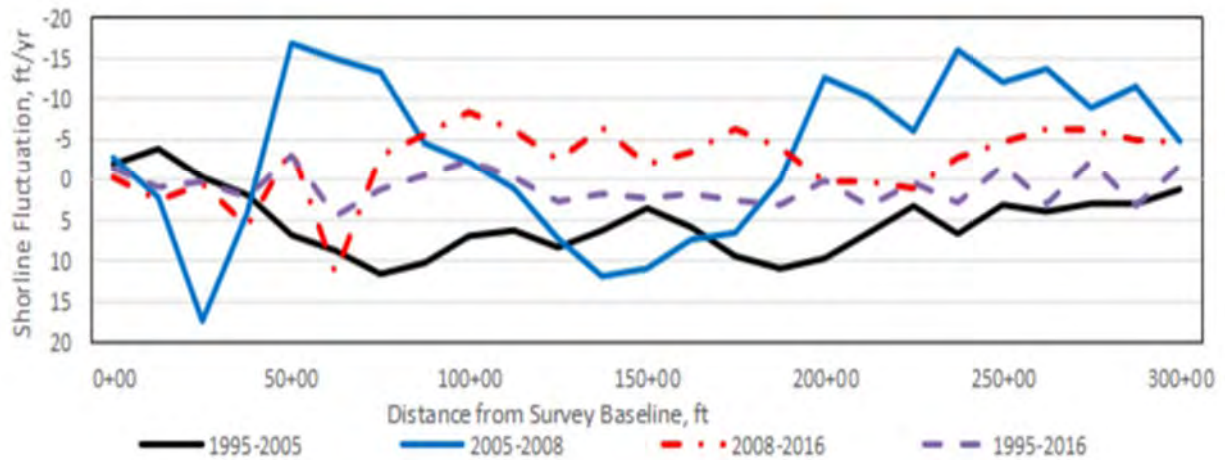
	Current	2017/18	2018/19	2019/20	2020/21	2021/22
Shoreline Management Director	1	1	1	1	1	1
Program Coordinator	1	1	1	1	1	1
Administrative Assistant	0	0	1	1	1	1
Ecology/Biology Intern	.5	.5	.5	.5	.5	.5
Operations Manager	1	1	1	1	1	1
Beach and Bay Maintenance	5	5	6	7	7	7
Total Positions	8.5	8.5	10.5	11.5	11.5	11.5

SHORELINE PERFORMANCE MEASURES

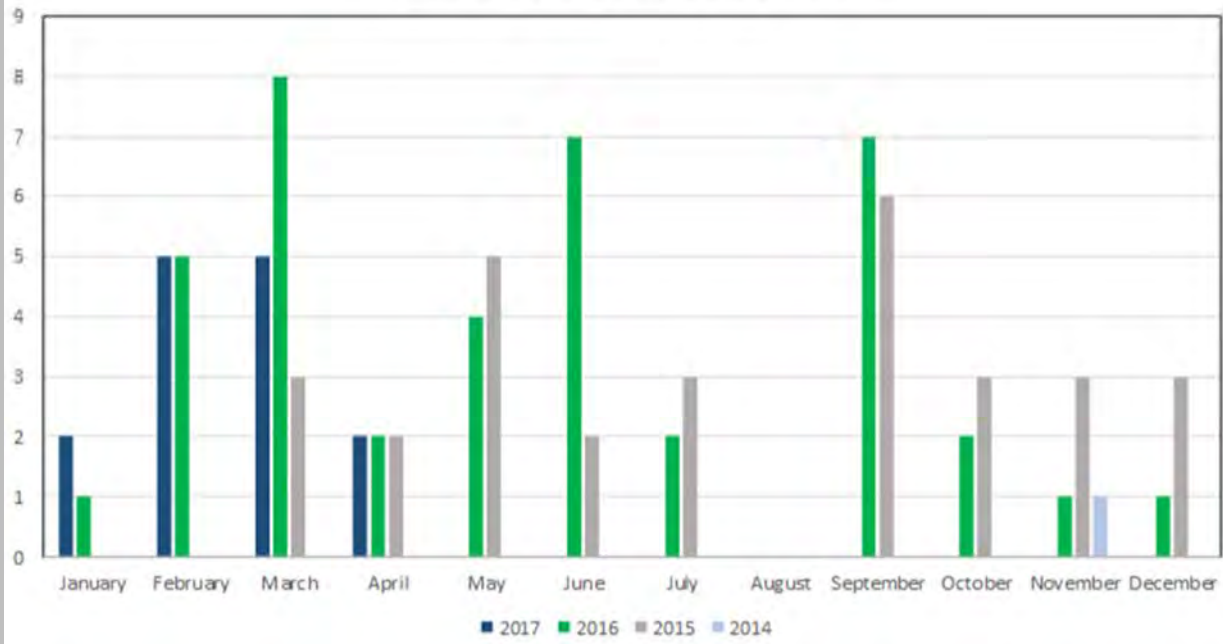
Comprehensive Plan Chapter III Goal 1.1. The City shall ensure the protection and conservation of natural resources such as beaches, dunes, and wetlands, Laguna Madre waterfront, and native flora and fauna, allowing for their sustainable use for, and enjoyment by, future generations.



Shoreline Fluctuations Between 1995-2016



Monthly/Yearly Beach Use Permit

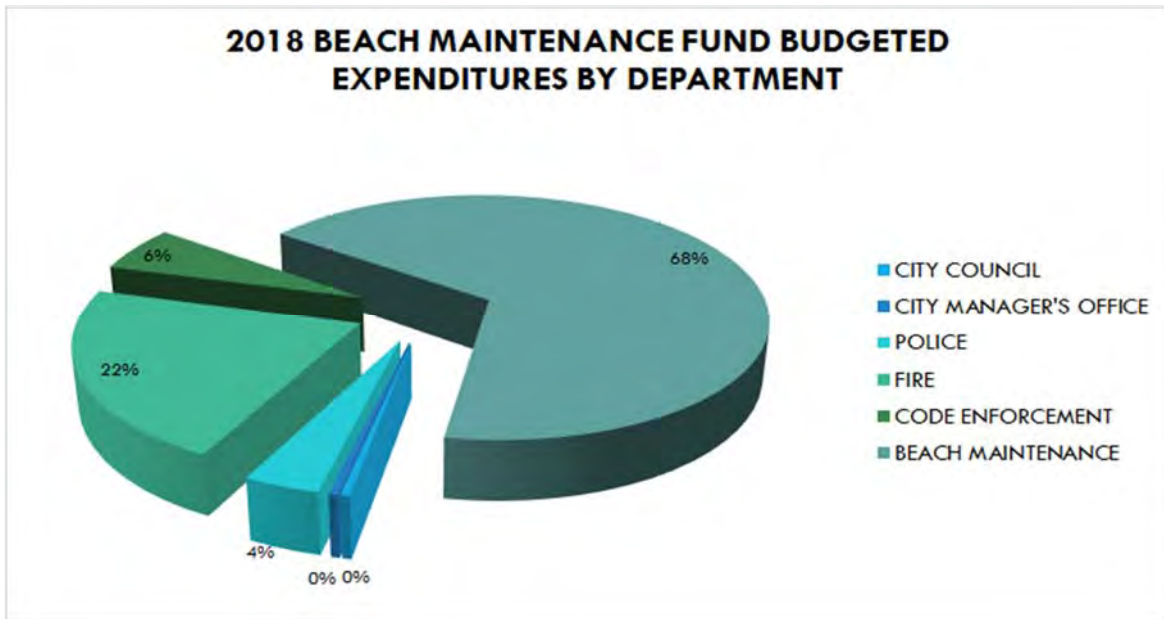


BEACH MAINTENANCE FUND BUDGET NUMBERS

BEACH MAINTENANCE REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE FUND	2015	2016	2017	2018
NON-PROPERTY TAXES	\$1,723,769	\$1,757,169	\$1,762,934	\$1,875,119
INTERGOVERNMENTAL	\$196,447	\$0	\$300,000	\$0
MISCELLANEOUS	\$1,135	\$4,681	\$0	\$0
OTHER FINANCING SOURCES	\$20,038	\$0	\$0	\$0
TOTAL REVENUES	\$1,941,389	\$1,761,850	\$2,062,934	\$1,875,119

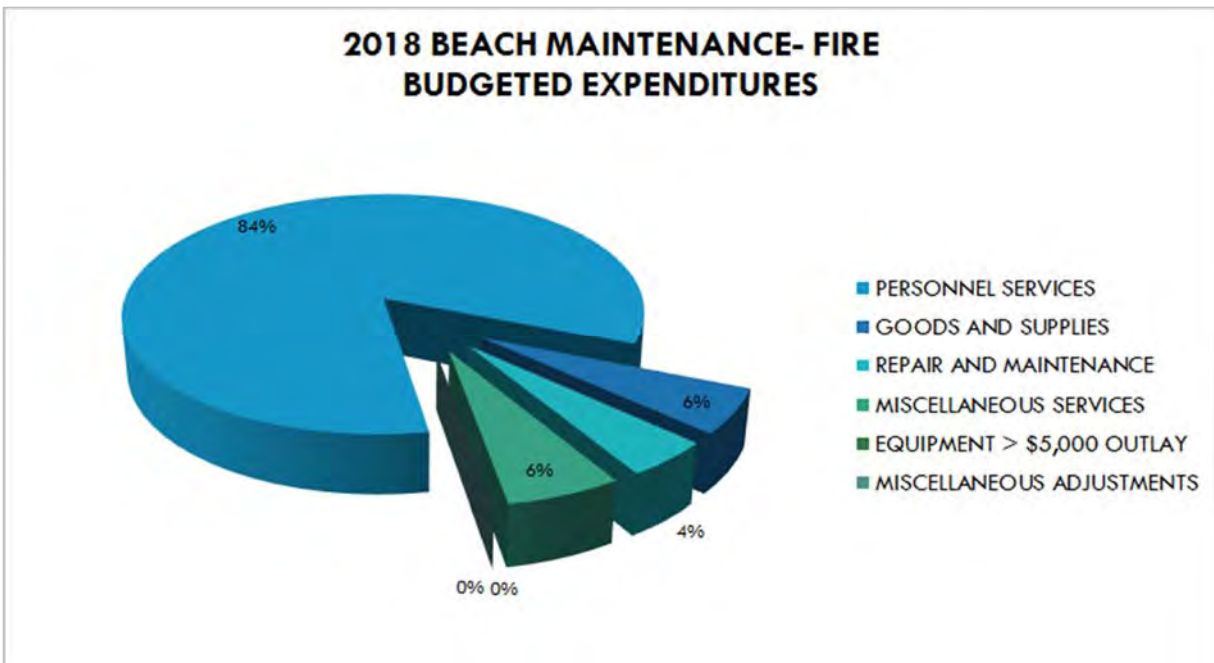
BEACH MAINTENANCE BUDGETED EXPENDITURES



EXPENDITURES BY DEPARTMENT	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE FUND	2015	2016	2017	2018
CITY COUNCIL	\$6,796	\$4,644	\$7,000	\$7,000

CITY MANAGER'S OFFICE	\$3,356	\$3,134	\$7,000	\$7,000
POLICE	\$14,253	\$59,953	\$71,153	\$57,049
FIRE	\$198,266	\$226,252	\$276,633	\$337,692
CODE ENFORCEMENT	\$31,197	\$63,093	\$118,378	\$90,127
BEACH MAINTENANCE	\$1,021,094	\$1,198,792	\$2,080,628	\$1,040,138
TOTAL EXPENDITURES	\$1,274,961	\$1,555,867	\$2,560,792	\$1,539,006

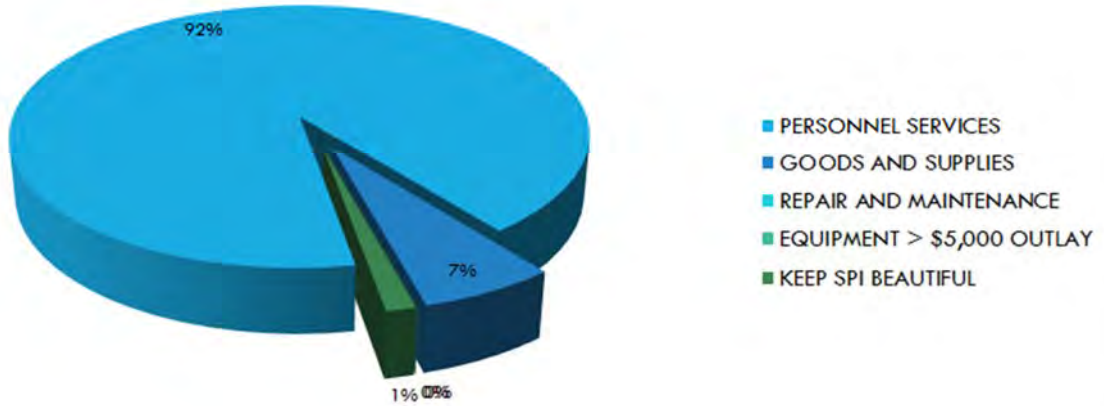
BEACH MAINTENANCE FIRE DIVISION BUDGETED NUMBERS



DEPT. EXPENDITURES	ACTUAL 2015	ACTUAL 2016	BUDGET 2017	BUDGET 2018
BEACH MAINTENANCE- FIRE				
PERSONNEL SERVICES	\$148,808	\$170,213	\$204,911	\$283,092
GOODS AND SUPPLIES	\$14,832	\$11,522	\$29,322	\$19,000
REPAIR AND MAINTENANCE	\$11,938	\$11,307	\$10,400	\$15,400
MISCELLANEOUS SERVICES	\$1,890	\$709	\$14,000	\$20,200
EQUIPMENT > \$5,000 OUTLAY	\$20,798	\$31,752	\$18,000	\$0
MISCELLANEOUS ADJUSTMENTS	\$0	\$749	\$0	\$0
TOTAL EXPENDITURES	\$198,266	\$226,252	\$276,633	\$337,692

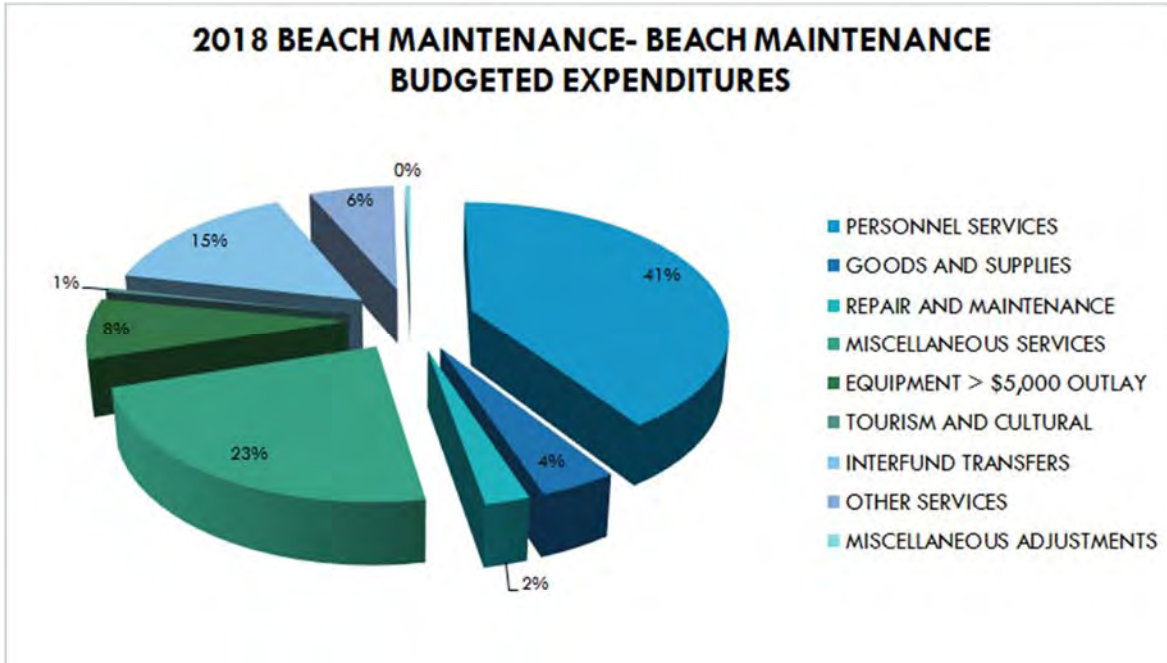
BEACH MAINTENANCE CODE ENFORCEMENT DIVISION BUDGETED NUMBERS

**2018 BEACH MAINTENANCE- CODE ENFORCEMENT
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE- FIRE	2015	2016	2017	2018
PERSONNEL SERVICES	\$26,102	\$51,312	\$82,615	\$83,064
GOODS AND SUPPLIES	\$4,095	\$11,315	\$4,503	\$5,803
REPAIR AND MAINTENANCE	\$1,000	\$0	\$0	\$0
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$30,000	\$0
KEEP SPI BEAUTIFUL	\$0	\$467	\$1,260	\$1,260
TOTAL EXPENDITURES	\$31,197	\$63,093	\$118,378	\$90,127

BEACH MAINTENANCE BEACH MAINTENANCE BUDGETED NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE- BEACH MAINTENANCE	2015	2016	2017	2018
PERSONNEL SERVICES	\$314,939	\$378,930	\$397,779	\$422,425
GOODS AND SUPPLIES	\$35,883	\$28,154	\$42,500	\$43,000
REPAIR AND MAINTENANCE	\$18,155	\$20,345	\$24,000	\$25,000
MISCELLANEOUS SERVICES	\$143,292	\$149,866	\$232,813	\$239,995
EQUIPMENT > \$5,000 OUTLAY	\$71,337	\$28,767	\$80,000	\$80,000
TOURISM AND CULTURAL	\$1,675	\$1,956	\$27,500	\$5,000
INTERFUND TRANSFERS	\$403,563	\$553,512	\$1,219,613	\$155,797
OTHER SERVICES	\$25,827	\$30,840	\$50,000	\$65,000
MISCELLANEOUS ADJUSTMENTS	\$6,422	\$6,422	\$6,423	\$3,921
TOTAL EXPENDITURES	\$1,021,094	\$1,198,792	\$2,080,628	\$1,040,138

BEACH NOURISHMENT BUDGET NUMBERS

BEACH NOURISHMENT REVENUE NUMBERS

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH NOURISHMENT	2015	2016	2017	2018

NON-PROPERTY TAXES	\$447,459	\$459,812	\$460,325	\$468,780
FEES AND SERVICES	\$91	\$213	\$0	\$0
INTERGOVERNMENTAL	\$0	\$0	\$0	\$0
MISCELLANEOUS	\$2,922	\$4,468	\$0	\$0
OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$450,472	\$464,494	\$460,325	\$468,780

BEACH NOURISHMENT BUDGETED EXPENDITURES

EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH NOURISHMENT	2015	2016	2017	2018
REPAIR AND MAINTENANCE	\$0	\$1,433,825	\$0	\$0
MISCELLANEOUS SERVICES	\$35,870	\$8,327	\$104,000	\$60,000
TOTAL EXPENDITURES	\$35,870	\$1,442,152	\$104,000	\$60,000

BAY ACCESS BUDGET NUMBERS

BAY ACCESS BUDGETED REVENUE NUMBERS

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BAY ACCESS FUND	2015	2016	2017	2018
INTERGOVERNMENTAL	\$0	\$0	\$0	\$0
MISCELLANEOUS	\$0	\$85	\$0	\$0
OTHER FINANCING SOURCES	\$23,580	\$31,339	\$59,819	\$35,797
TOTAL REVENUES	\$23,580	\$31,424	\$59,819	\$35,797

BAY ACCESS BUDGETED EXPENDITURES

DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BAY ACCESS- PUBLIC WORKS	2015	2016	2017	2018
PUBLIC WORKS	\$23,960	\$10,800	\$0	\$0
SHORELINE	\$0	\$13,411	\$59,819	\$35,797
TOTAL EXPENDITURES	\$23,960	\$24,211	\$59,819	\$35,797

OTHER NON MAJOR FUNDS

For a complete description of the Non-Major Funds, see page 41. What will be presented here are the budget numbers, both revenue and expenditures.

VENUE PROJECT BUDGET NUMBERS

VENUE TAX REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
VENUE PROJECT FUND	2015	2016	2017	2018
NON-PROPERTY TAXES	\$0	\$0	\$0	\$1,875,119
TOTAL REVENUES	\$0	\$0	\$0	\$1,875,119

VENUE TAX EXPENSES

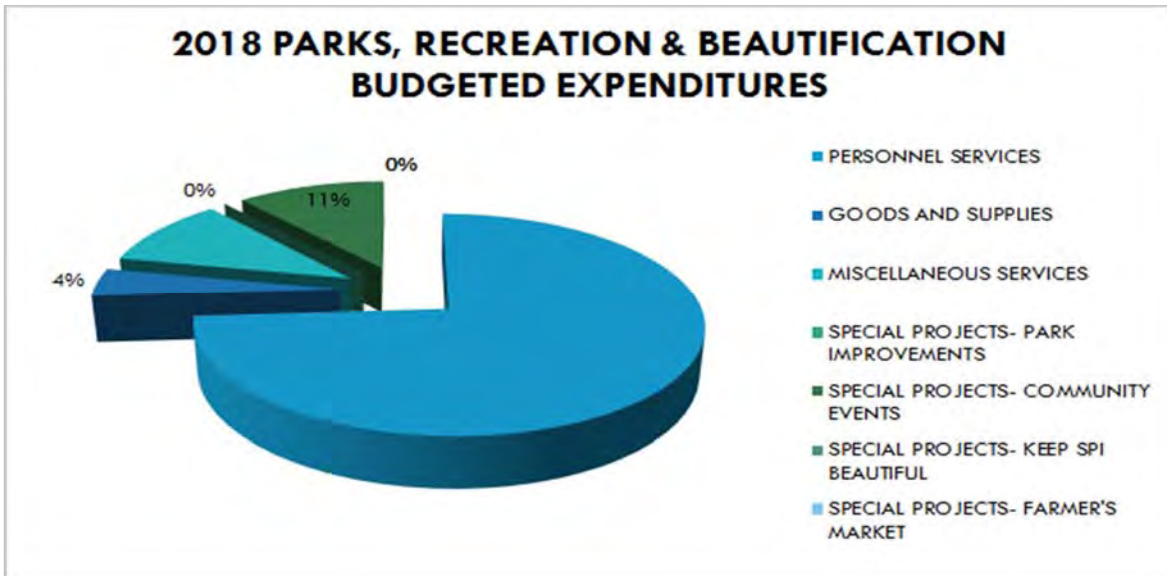
EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
VENUE PROJECT FUND	2015	2016	2017	2018
SPECIAL PROJECTS	\$0	\$0	\$0	\$509,838
TOTAL EXPENDITURES	\$0	\$0	\$0	\$509,838

PARKS AND RECREATION BUDGET NUMBERS

PARKS AND RECREATION REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
PARKS, RECREATION & BEAUTIFICATION	2015	2016	2017	2018
FEES AND SERVICES	\$0	\$0	\$0	\$2,000
LICENSES AND PERMITS	\$0	\$0	\$0	\$3,500
MISCELLANEOUS	\$1,220	\$0	\$0	\$0
OTHER FINANCING SOURCES	\$15,000	\$15,000	\$15,000	\$85,671
TOTAL REVENUES	\$16,220	\$15,000	\$15,000	\$91,171

PARKS AND RECREATION EXPENSES



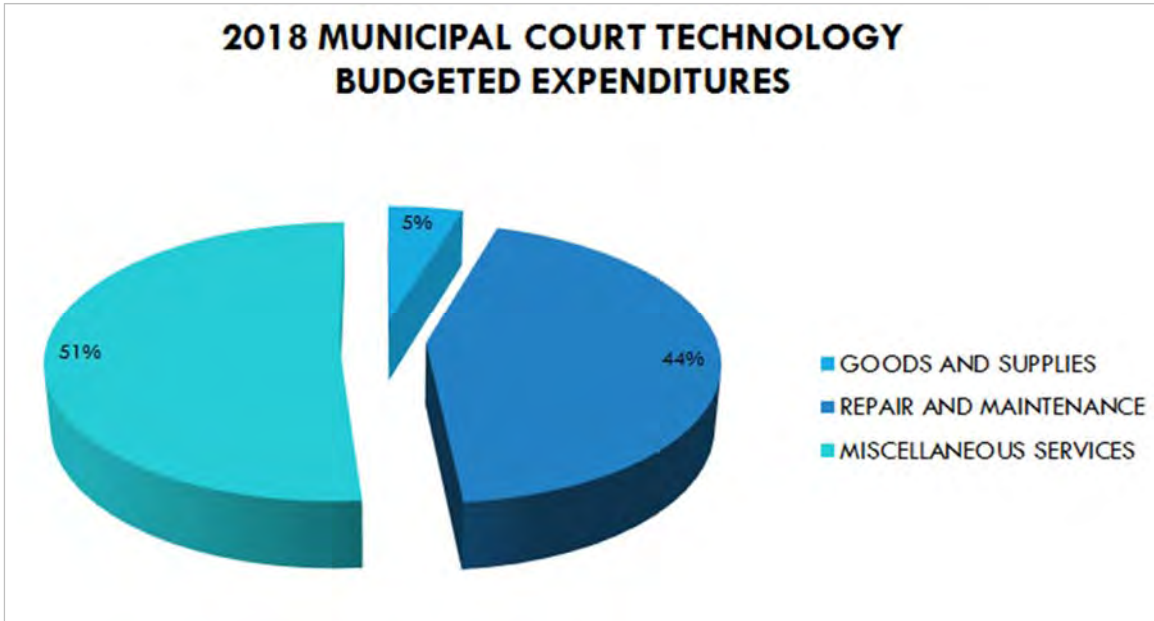
EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
PARKS, RECREATION & BEAUTIFICATION	2015	2016	2017	2018
PERSONNEL SERVICES	\$0	\$0	\$0	\$65,671
GOODS AND SUPPLIES	\$0	\$0	\$0	\$3,800
MISCELLANEOUS SERVICES	\$0	\$0	\$0	\$9,300
SPECIAL PROJECTS- COMMUNITY EVENTS	\$14,219	\$14,233	\$15,000	\$10,000
SPECIAL PROJECTS- FARMER'S MARKET	\$721	\$0	\$0	\$0
TOTAL EXPENDITURES	\$14,940	\$14,233	\$15,000	\$88,771

MUNICIPAL COURT TECHNOLOGY BUDGET NUMBERS

MUNICIPAL COURT TECHNOLOGY REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT TECHNOLOGY	2015	2016	2017	2018
FINES AND FORFEITURES	\$10,149	\$12,047	\$8,087	\$10,000
MISCELLANEOUS	\$0	\$47	\$0	\$0
TOTAL REVENUES	\$10,149	\$12,094	\$8,087	\$10,000

MUNICIPAL COURT TECHNOLOGY BUDGETED EXPENDITURES



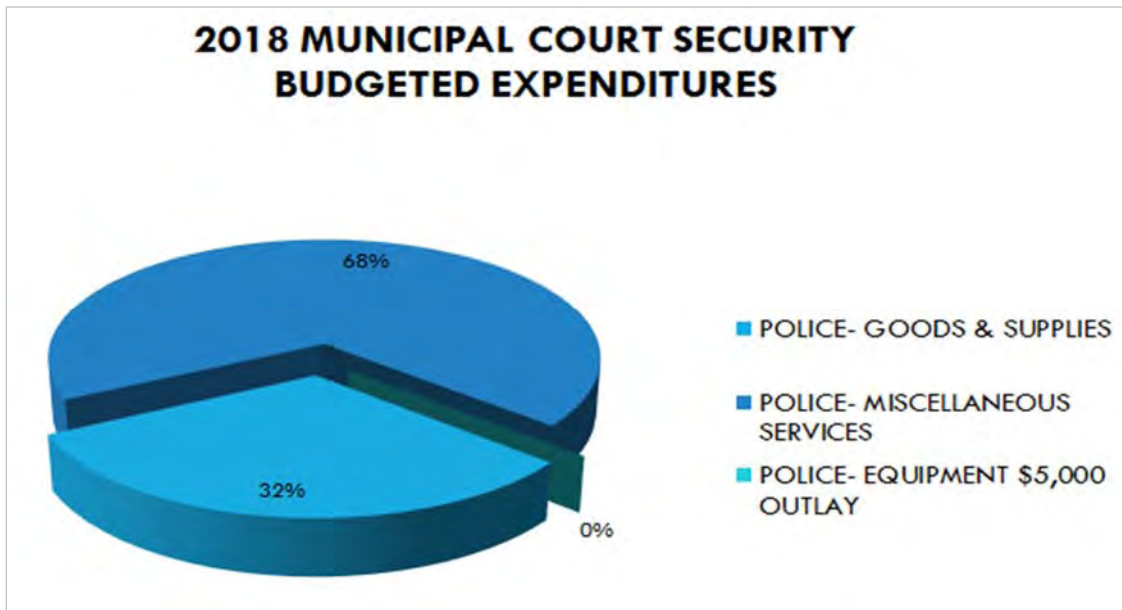
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT TECHNOLOGY	2015	2016	2017	2018
GOODS AND SUPPLIES	\$933	\$2,983	\$500	\$480
REPAIR AND MAINTENANCE	\$2,060	\$4,099	\$3,964	\$4,373
MISCELLANEOUS SERVICES	\$3,951	\$3,857	\$3,680	\$5,140
TOTAL EXPENDITURES	\$6,944	\$10,940	\$8,144	\$9,993

MUNICIPAL COURT SECURITY BUDGET NUMBERS

MUNICIPAL COURT SECURITY BUDGETED REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT SECURITY	2015	2016	2017	2018
FINES AND FORFEITURES	\$7,612	\$9,035	\$5,000	\$7,000
MISCELLANEOUS	\$0	\$129	\$0	\$0
TOTAL REVENUES	\$7,612	\$9,165	\$5,000	\$7,000

MUNICIPAL COURT SECURITY BUDGETED EXPENDITURES



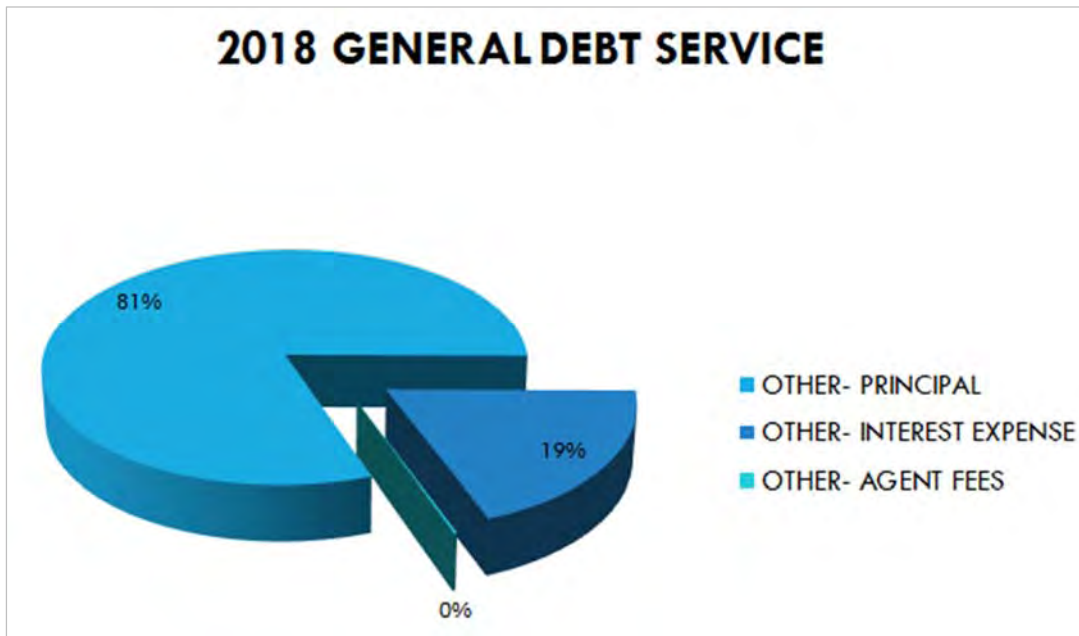
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT SECURITY	2015	2016	2017	2018
POLICE- GOODS & SUPPLIES	\$600	\$0	\$8,050	\$2,000
POLICE- MISCELLANEOUS SERVICES	\$900	\$0	\$918	\$4,348
POLICE- EQUIPMENT \$5,000 OUTLAY	\$0	\$21,677	\$0	\$0
TOTAL EXPENDITURES	\$1,500	\$21,677	\$8,968	\$6,348

GENERAL DEBT SERVICE BUDGET NUMBERS

GENERAL DEBT SERVICE BUDGETED REVENUES

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL DEBT SERVICE	2015	2016	2017	2018
PROPERTY TAXES	\$686,247	\$1,145,374	\$1,562,350	\$1,556,201
MISCELLANEOUS	\$0	\$1,745	\$0	\$0
OTHER FINANCING SOURCES	\$0	\$0	\$50,000	\$50,000
TOTAL REVENUES	\$686,247	\$1,147,119	\$1,612,350	\$1,606,201

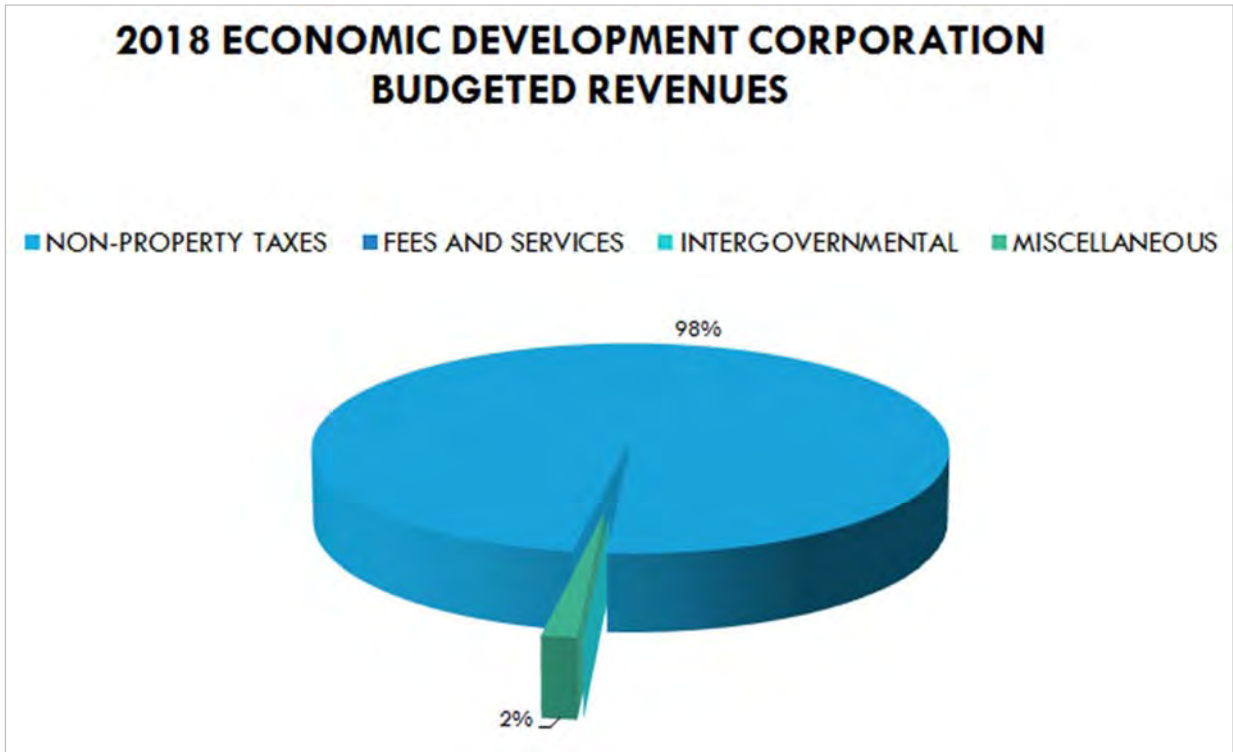
GENERAL DEBT SERVICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL DEBT SERVICE	2015	2016	2017	2018
OTHER- PRINCIPAL	\$420,000	\$785,000	\$1,365,000	\$1,395,000
OTHER- INTEREST EXPENSE	\$225,163	\$332,982	\$367,350	\$331,201
OTHER- AGENT FEES	\$1,250	\$2,000	\$3,000	\$3,000
TOTAL EXPENDITURES	\$646,413	\$1,119,982	\$1,735,350	\$1,729,201

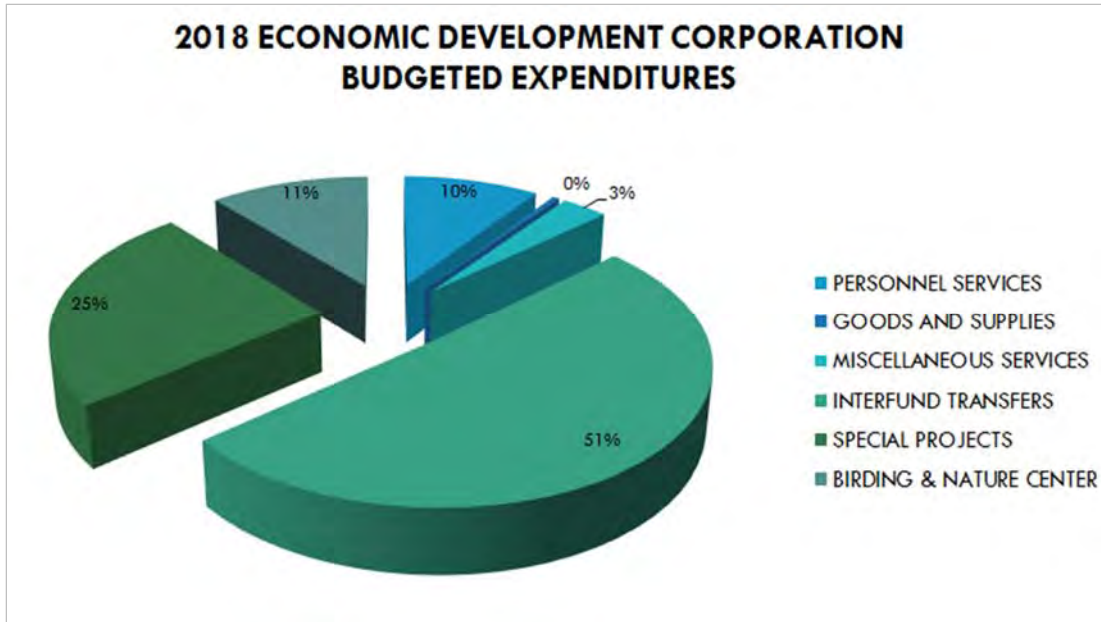
ECONOMIC DEVELOPMENT CORP. BUDGET NUMBERS

ECONOMIC DEVELOPMENT BUDGET REVENUE NUMBERS



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
ECONOMIC DEVELOPMENT CORP	2015	2016	2017	2018
NON-PROPERTY TAXES	\$781,277	\$772,990	\$770,000	\$770,000
FEES AND SERVICES	\$0	\$0	\$0	\$0
INTERGOVERNMENTAL	\$0	\$0	\$0	\$0
MISCELLANEOUS	\$15,726	\$12,686	\$12,756	\$12,785
TOTAL REVENUES	\$797,003	\$785,676	\$782,756	\$782,785

ECONOMIC DEVELOPMENT CORPORATION BUDGETED EXPENDITURES



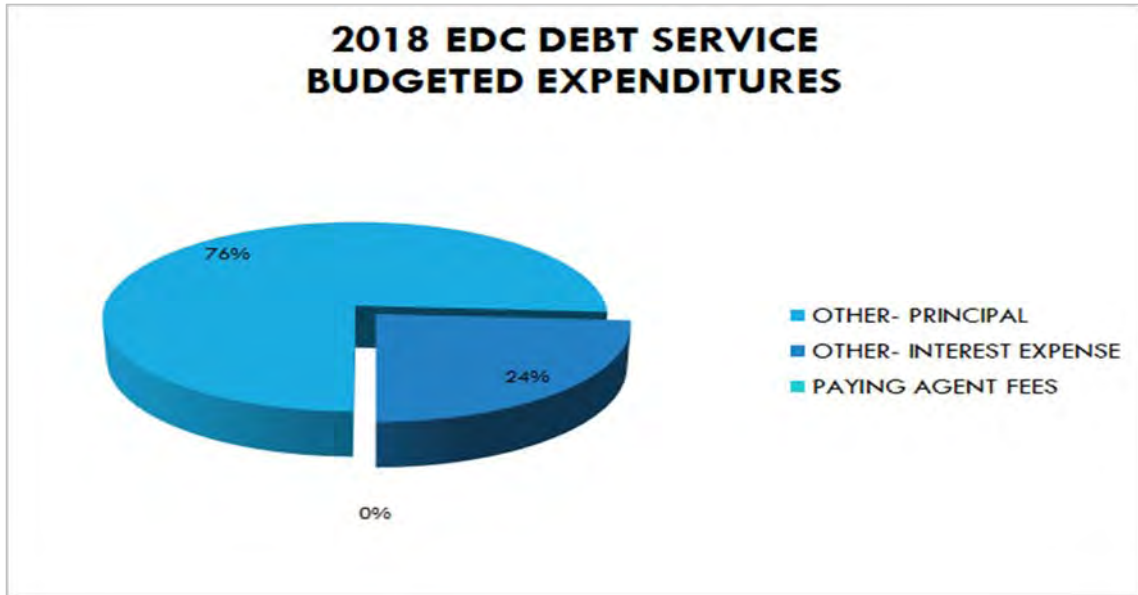
DEPT. EXPENDITURES	ACTUAL 2015	ACTUAL 2016	BUDGET 2017	BUDGET 2018
EDC- ECONOMIC DEVELOPMENT CORP				
PERSONNEL SERVICES	\$73,265	\$73,469	\$75,138	\$74,878
GOODS AND SUPPLIES	\$2,422	\$2,003	\$3,800	\$3,800
MISCELLANEOUS SERVICES	\$52,057	\$51,469	\$88,300	\$25,300
INTERFUND TRANSFERS	\$412,885	\$422,834	\$494,031	\$396,850
SPECIAL PROJECTS	\$14,412	\$67,061	\$126,487	\$193,957
BIRDING & NATURE CENTER	\$52,186	\$50,585	\$95,000	\$88,000
TOTAL EXPENDITURES	\$607,226	\$667,421	\$882,756	\$782,785

EDC DEBT SERVICE BUDGET NUMBERS

EDC DEBT SERVICE BUDGETED REVENUE

REVENUES	ACTUAL 2015	ACTUAL 2016	BUDGET 2017	BUDGET 2018
EDC DEBT SERVICE				
MISCELLANEOUS	\$11	\$417	\$0	\$0
OTHER FINANCING SOURCES	\$412,885	\$4,175,719	\$394,031	\$396,850
TOTAL REVENUES	\$412,896	\$4,176,136	\$394,031	\$396,850

EDC DEBT SERVICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
EDC DEBT SERVICE	2015	2016	2017	2018
OTHER- PRINCIPAL	\$210,000	\$3,866,308	\$295,000	\$295,000
OTHER- INTEREST EXPENSE	\$187,295	\$177,775	\$91,447	\$92,940
PAYING AGENT FEES	\$0	\$114,138	\$0	\$0
TOTAL EXPENDITURES	\$397,295	\$4,158,222	\$386,447	\$387,940

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
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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 – 2017/18 BUDGET

Recurring Capital Expenditures

Description	Funding Source	Amount
Public Safety-Equipment Leases	General Fund	\$ 63,062
Public Safety-Automobile Leases	General Fund	\$ 84,725
Public Works-Automobile Leases	General Fund	\$ 52,406
Convention Center-Automobile Lease	Convention Centre	\$ 4,081
Beach Maintenance-Automobile Lease	Beach Maintenance	\$ 3,921
Total		\$ 208,195

Non-Recurring Capital Expenditures

Description	Funding Source	Amount
Motor Vehicles	Fleet Management	\$ 98,000
Machinery & Equipment	Fleet Management	\$ 31,400
Convention Center-Bldg. Imp.	Convention Centre	\$ 145,000
Convention Center-Machinery & Equipment	Convention Centre	\$ 33,900
Convention Center-Motor Vehicles	Convention Centre	\$ 40,520
Transit-Multi Modal Building	Transportation	\$ 3,500,000
Motor Vehicles	Beach Maintenance	\$ 45,000
Machinery & Equipment	Beach Maintenance	\$ 35,000
Total		\$ 3,928,820
Total Capital Expenditures		\$ 4,137,015

Improvements to Padre Boulevard, the City's main thoroughfare, are funded with a combination of awarded TAP grant funds of \$3,490,000, as well as the proceeds from the Tax Notes Series 2016 of \$4,000,000. These funds are to be used to construct certain street, sidewalk, median and related drainage improvements in the City including on, but not limited to, Padre Boulevard. The intent is to revitalize Padre Boulevard to be an attractive, vibrant commercial corridor in the community, and to develop the Entertainment District into a walkable, mixed use regional destination.

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 Director 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.

- 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 environmental impact consideration and creation of the smallest possible ecological footprint and produces the lowest 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 Manager 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.

CIP CALENDAR

DATE	ITEM
April 21, 2017	Capital Improvement Plan forms and instructions posted on the City’s website and distributed to city departments and public.
May 25, 2017	Project request forms due from city staff and public.
July 14, 2017	Publish the general summary of the CIP and note the time and places where copies of the CIP are available for inspection.
August 2, 2017	Not less than two weeks after publication, schedule and hold a public meeting on the CIP.

September 6, 2017

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.

PROJECTS

AMPITHEATER

Project Description

North of the existing Convention 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 space-related event viewing, 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	
<u>FUNDING SOURCES</u>	
Venue Tax	-
RESTORE Act Funding	-
TOTAL FUNDS	\$ unknown at this time
<u>ESTIMATED COSTS</u>	
MOU with Cameron County	-
Design/ FF&E	-
Construction	-
Personnel	-
Supplies & Materials	-
Repairs and Maintenance	-
Capital and Other	-
TOTAL IMPACTS	\$ unknown at this time

Schedule

PHASE	TOTAL TIME	START	COMPLETION
Design	11 months		
Bid & Negotiation	1 month		
Construction	18 months		

Project Leader

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MULTI-MODAL TRANSIT CENTER / VISITORS CENTER

Project Description

The Multi-Modal Center/Visitors 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 information shopping experience” is necessary in the Visitors Center by providing information on the City’s attractions, lodging, transportation, restaurants, maps, etc. This central hub educates consumers on what the Island has to offer. Since its purpose is not only information dissemination, the Visitors Center must be attractive and visible, enticing people to stop by. A relaxing and comfortable atmosphere may include but is 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 egress as a picturesque focal point for people descending from the causeway.

The South Padre Island Transit Department is in the process of constructing a “Multi-Modal” Center near the base of the Queen Isabella Memorial Causeway. It is being designed with enough floor space to accommodate moving the Visitors Center and Chamber of Commerce to this location so it can truly be a one-stop experience for visitors entering the Island where they have an opportunity to catch a bus, a taxi, rent a bike or car.

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>	
TxDOT	\$5,000,000
<u>ESTIMATED COSTS</u>	
Construction	\$1,600,000
	Phase 1 (parking area, bus berths, utilities, site work-complete)
	<u>\$3,400,000</u> Phase 2 (Building)
TOTAL COSTS	\$5,000,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$10,000
Repairs and Maintenance	\$20,000
Capital and Other	\$0

Financial Plan

Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
			\$1,600,000		\$3,400,000		\$5,000,000
			0		0		0

Schedule

PHASE	TOTAL TIME	START	COMPLETION
Land Acquisition	N/A		
Design	18 months	2016	2016
Bid	8 months	2017	2017
Construction	18 months	2017	2018

Project Leader

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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 twenty-eight feet from back-of-curb to back-of-curb (“back to back”).

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

Rank	Segment	Street Name	Total Estimated Street Cost	Status
1	All	Laguna	\$ 2,611,053.00	
2	E	Verna Jean	\$ 337,857.75	Engineering
2	E	White Sands	\$ 354,537.00	
3	C	Kingfish	\$ 104,163.75	
3	E	Polaris	\$ 369,414.00	2017
4	C	Mars	\$ 106,863.75	
4	W	Polaris	\$ 61,688.25	
4	N	Gulf	\$ 797,175.00	
5	C	Dolphin	\$ 107,538.75	
5	E	Lantana	\$ 285,540.75	Engineering
6	W	Swordfish	\$ 86,706.00	
6	E	Harbor	\$ 101,359.50	
6	E	Amberjack	\$ 240,469.50	
6	E	Aries	\$ 197,673.75	2017
6	C	Polaris	\$ 104,163.75	2017
7	C	Acapulco	\$ 108,213.75	

7	E	Retama	\$ 287,565.75	
7	E	Mars	\$ 257,359.50	
7	C	Georgia Ruth	\$ 102,813.75	
8	C	Palm	\$ 167,838.00	
9	W	Capricorn	\$ 54,834.00	
10	E	Tarpon	\$ 186,206.25	
10	C	Campeche	\$ 102,813.75	
10	C	Esperanza	\$ 104,838.75	
10	E	Dolphin	\$ 284,190.75	
10	W	Morningside	\$ 291,045.00	
11	E	Palm	\$ 67,659.00	
11	E	Pike	\$ 224,736.00	
11	E	Whiting	\$ 265,653.00	
11	C	Aries	\$ 105,513.75	2017
11	W	Aries	\$ 54,834.00	
11	E	Coronado	\$ 133,965.00	
12	E	Bahama	\$ 259,384.50	
12	W	Red Snapper	\$ 41,800.50	
12	W	Campeche	\$ 172,602.00	
12	C	Atol	\$ 105,513.75	
12	C	Huisache	\$ 104,163.75	
12	W	Oleander	\$ 243,636.00	
12	W	Gardenia	\$ 259,473.75	
12	W	Verna Jean	\$ 68,542.50	2017
12	C	Amberjack	\$ 35,325.00	
13	E	Marisol	\$ 128,101.50	
13	E	Red Snapper	\$ 219,336.00	
13	W	Acapulco	\$ 154,168.50	
13	C	Marlin	\$ 114,708.00	

13	C	Ling	\$ 97,309.50	
13	C	Pike	\$ 42,390.00	
14	W	Marlin	\$ 27,417.00	
14	W	Dolphin	\$ 100,009.50	
14	E	Gardenia	\$ 292,290.75	
14	E	Sunny Isle	\$ 157,855.50	Engineering
14	E	Capricorn	\$ 286,890.75	
15	C	Corral	\$ 189,010.50	
15	C	Whiting	\$ 30,960.00	
15	C	Mezquite	\$ 104,163.75	
15	C	Lantana	\$ 102,813.75	
15	C	Oleander	\$ 102,813.75	
15	C	Capricorn	\$ 107,538.75	
15	E	Carolyn	\$ 288,915.75	
15	E	Marlin	\$ 150,585.00	
16	C	Venus	\$ 102,813.75	
16	E	Georgia Ruth	\$ 191,598.75	
17	W	Sunny Isle	\$ 114,393.00	
17	C	Sheepshead	\$ 174,056.25	
17	C	Pompano	\$ 158,218.50	
17	C	Verna Jean	\$ 103,488.75	2017
17	E	Atol	\$ 248,584.50	Engineering
17	E	Cora Lee	\$ 297,150.75	
17	W	Clipper	\$ 26,257.50	
18	E	Ling	\$ 219,802.50	
18	E	Swordfish	\$ 247,909.50	
18	C	Bahama	\$ 65,643.75	
18	N	Lynda	\$ 82,251.00	
18	C	Red Snapper	\$ 103,488.75	

18	E	Morningside	\$ 32,906.25	
19	W	Corral	\$ 71,242.50	
19	C	Gardenia	\$ 104,163.75	
19	W	Hibiscus	\$ 251,269.50	
19	W	Esperanza	\$ 237,561.00	
19	E	Saturn	\$ 192,273.75	
19	C	Saturn	\$ 104,163.75	
19	E	Venus	\$ 312,828.75	Engineering
19	C	Cora Lee	\$ 102,813.75	
19	W	Cora Lee	\$ 240,261.00	
19	E	Parade	\$ 286,995.00	
20	E	Campeche	\$ 294,315.75	
20	E	Jupiter	\$ 282,840.75	Engineering
21	E	Pompano	\$ 158,218.50	
21	C	Hibiscus	\$ 105,513.75	
21	W	Harbor	\$ 27,417.00	
22	W	Kingfish	\$ 78,772.50	
23	E	Sheepshead	\$ 165,462.75	Engineering
23	W	Bahama	\$ 113,130.00	
23	W	Lantana	\$ 225,202.50	
23	C	Tarpon	\$ 83,148.75	
23	W	Huisache	\$ 123,907.50	
23	W	Palm	\$ 21,195.00	
24	W	Saturn	\$ 146,535.00	
24	E	Palmetto	\$ 292,395.00	
24	N	Tropical	\$ 117,768.00	
24	N	Havana	\$ 139,110.00	
25	W	Sheepshead	\$ 78,771.75	
25	W	Tarpon	\$ 36,360.00	

25	N	Circe	\$ 164,502.00	
25	E	Corral	\$ 89,572.50	
25	W	Pompano	\$ 36,675.00	
25	W	Atol	\$ 168,552.00	
25	W	Retama	\$ 176,652.00	
25	W	Mezquite	\$ 115,155.00	
25	W	Venus	\$ 30,960.00	
25	W	Mars	\$ 30,960.00	
25	W	Georgia Ruth	\$ 99,334.50	
25	C	Carolyn	\$ 102,813.75	
25	W	Carolyn	\$ 195,760.50	
25	S	Laguna Circle	\$ 184,752.00	
25	W	Sunset	\$ 249,862.50	
25	N	Yucca	\$ 119,902.50	
25	E	Haas	\$ -	
25	C	Swordfish	\$ 38,025.00	
25	E	Acapulco	\$ 286,215.75	
25	E	Mezquite	\$ -	
25	E	Huisache	\$ -	
26	W	Marisol	\$ 98,659.50	
26	W	Pike	\$ -	
26	W	Amberjack	\$ -	
26	W	Whiting	\$ -	
26	E	Oleander	\$ -	
26	W	Jupiter	\$ 64,388.25	
26	W	Constellation	\$ 52,987.50	
26	S	Lynda	\$ -	
26	N	Laguna Circle	\$ 277,803.00	
	E	Constellation	\$ 299,040.75	

	Totals		\$ 22,098,779.25	
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Fiscal

INCOME AND COST ANALYSIS	
FUNDING SOURCES	
Padre Blvd Tax Anticipation Notes	\$2,000,000
	(Eight Side streets have been selected for improvement and engineering has begun)
TOTAL FUNDS	\$ 2,000,000
ESTIMATED COSTS	
Pave East-West streets 28' wide with curb and gutter, add curb and gutter to west sides of Laguna and Gulf Boulevards (engineering and contingencies included)	\$22,098,779.25
TOTAL COSTS	\$22,098,779.25
OPERATIONAL IMPACTS	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$100,000
Capital and Other	\$0
TOTAL IMPACTS	\$100,000

Financial Plan

Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
			\$760,000	\$460,000	\$2,000,000		
					0		

Project Leader

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DRAINAGE PADRE BOULEVARD

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 directly 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 annually. Current storm water inlets that have been identified as problems are being addressed with TxDOT to be repaired/replaced.

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>	\$25,000
General Fund	
TOTAL FUNDS	\$25,000
<u>ESTIMATED COSTS</u>	
LMWD Agreement	\$25,000
TOTAL COSTS	\$25,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$0
Capital and Other	\$0
TOTAL IMPACTS	\$0

Financial Plan

Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
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\$15,000	\$15,000	\$15,000	\$25,000	\$25,000
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Project Leader

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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. 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 – SPI Metro. 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>	
Venue Tax	\$
CMP Grant	\$
TOTAL FUNDS	\$
<u>ESTIMATED COSTS</u>	
Per space - \$20,000 x 100 spaces	\$2,000,000
TOTAL COSTS	\$2,000,000

<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$5,000 annually
Capital and Other	\$0
TOTAL IMPACTS	\$5,000 annually

Project Leader

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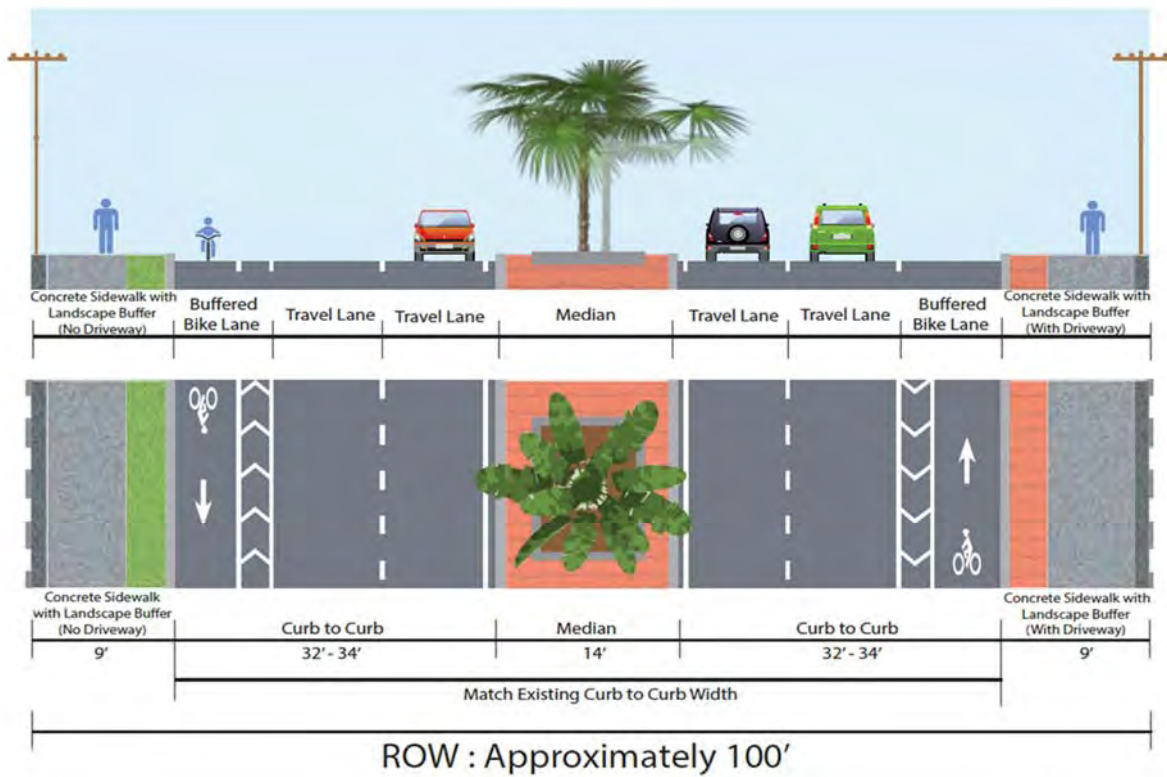
PADRE BOULEVARD ENHANCEMENT/ SIDEWALKS

Parking has always been a problem during peak seasons on South Padre Island. The City maintains the free public transportation system, South Padre Island Metro, 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, also improving public health.

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. Features including brick pavers being used at driveway crossings, landscaping and an ADA compliant sidewalks from Isla Blanca Park to the Convention Centre, added bus stops and benches, water fountains and way-finding signage. Of equal importance is the contribution in encouraging healthy lifestyles for residents and visitors. The City successfully submitted an application for grant funding to the Texas Department of

Transportation under the Transportation Alternatives Program (TAP), resulting in a \$4,362,951 project of which the City is responsible for \$52,356 in local matching funds.



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>	
TAP Grant	\$4,310,595
Venue Tax	\$641,914
Debt Issuance	\$4,000,000
TOTAL FUNDS	\$8,952,509
<u>ESTIMATED COSTS</u>	
Padre Blvd Sidewalks/Landscaping	\$3,452,509
Raised Median Extension	\$5,500,000
TOTAL COSTS	\$8,952,509
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$100,000
Supplies & Materials	\$50,000
Repairs and Maintenance	\$20,000
Capital and Other	\$40,000 (vehicles)
TOTAL IMPACTS	\$170,000 annually

Financial Plan

Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
					\$8,952,509		\$8,952,509

Project Leader

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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 feel 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.

Fiscal

OPTION 1:

**INCOME AND COST
ANALYSIS**

FUNDING SOURCES

	\$
TOTAL FUNDS	\$
<u>ESTIMATED COSTS</u>	
70 lights/poles	\$ 154,000
TOTAL COSTS	\$195,125.24
	\$198,702.60 or
	\$191,677.78
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$0
	(Maintained by AEP)
Capital and Other	\$0
TOTAL IMPACTS	\$0

OPTION 2:

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
	-
TOTAL FUNDS	\$0
<u>ESTIMATED COSTS</u>	
Upgrade 300 lights @ \$600/ea	\$ 180,000
TOTAL COSTS	\$ 180,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$0
Capital and Other	\$0
TOTAL IMPACTS	\$0

OPTION 3:

INCOME AND COST ANALYSIS

FUNDING SOURCES

	-
TOTAL FUNDS	\$0

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

Project Leader

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MARINA

Project Description

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” area 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>	\$ Unknown
<u>ESTIMATED COSTS</u>	
Dredging	\$220,000
Engineering and Monitoring	\$133,000
Marina Construction	\$540,000
TOTAL COSTS	\$893,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$10,000
Capital and Other	\$0
TOTAL IMPACTS	\$10,000

Project Leader

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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. This will “open up” the Convention Centre to potential fishing tournaments, increasing tourism for the Laguna Madre area.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
HOT Funds	\$
RESTORE Act Grant	\$
TOTAL FUNDS	\$ Unknown
<u>ESTIMATED COSTS</u>	
Dredging	\$750,000
TOTAL COSTS	\$750,000
<u>OPERATIONAL IMPACTS</u>	
Supplies & Materials	\$0
Repairs and Maintenance	\$2,000 annually (\$200,000 every ten years)
Capital and Other	-
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,	\$5,100,000
bulkhead needed in certain areas,	
lighting	
TOTAL COSTS	\$5,100,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$2,000 (lighting, decking repair)
Capital and Other	\$0
TOTAL IMPACTS	\$ 2,000

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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 eight 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.



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)	\$450,000
CEPRA Cycle 9	\$1,250,000
TOTAL FUNDS	\$1,700,000
<u>ESTIMATED COSTS</u>	
Dredging and Beneficial Placement	\$500,000
Off Shore Source	\$16,000,000
Walkover Construction	\$320,000
TOTAL COSTS	\$16,820,000

<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$10,000 (walkover maintenance annually)
Capital and Other	\$0
TOTAL IMPACTS	\$10,000

Project Leader

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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 again in November of 2013 and many of the established goals in the Plan revolve around providing recreational opportunities in the form of indoor and outdoor recreational facilities.

“Thompkins” Park

Project Description

In December of 2002, the City Council purchased a 1.97 acre tract of land located at 6100 Padre Boulevard. The City Council 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. The City obtained a grant from Texas Parks and Wildlife and is breaking the project down into two phases. Phase one includes a restroom facility, a pump house, basketball court, two

playgrounds, parking lot and miscellaneous fencing and site improvements at a cost of \$703,433. Phase two will include a walking/jogging track and exercise stations, benches, landscaping and irrigation, additional play equipment, picnic tables, a Bocce Ball Court, sail shade structures, soccer goals and a skate park.

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	
<u>Phase One</u>	
<u>FUNDING SOURCES</u>	
TPWD Grant	\$400,000
Local Match	\$303,433
TOTAL FUNDS	\$703,433
<u>ESTIMATED COSTS</u>	
Construction	\$703,433
TOTAL COSTS	\$703,433
<u>Phase Two</u>	\$753,583
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$50,000
Supplies & Materials	\$10,000
Repairs and Maintenance	\$2,000
Capital and Other	\$0
TOTAL IMPACTS	\$62,000

Financial Plan

Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
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	\$703,433	\$753,583	\$1,457,016
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Schedule

<u>PHASE</u>	<u>TOTAL TIME</u>	<u>START</u>	<u>COMPLETION</u>
Design	6 months		
Bidding	2 months	July 2015	September 2015
Construction	6 months	September 2015	May 2016

Project Leader

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WATER TOWER PARK REPAIRS

The concrete parking area at Water Tower Park is in disrepair and in need of replacement. It is recommended that 6” of reinforced concrete slab be used to replace the existing broken concrete parking area.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
Local Funds	\$13,342.45
TOTAL FUNDS	\$13,342.45
<u>ESTIMATED COSTS</u>	
Replace Concrete Parking Area	\$13,342.45
TOTAL COSTS	\$13,342.45

OPERATIONAL IMPACTS

Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$1,000 annually
Capital and Other	\$0
TOTAL IMPACTS	\$1,000

Financial Plan

Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
					\$13,342.4		\$13,342.4
					5		5

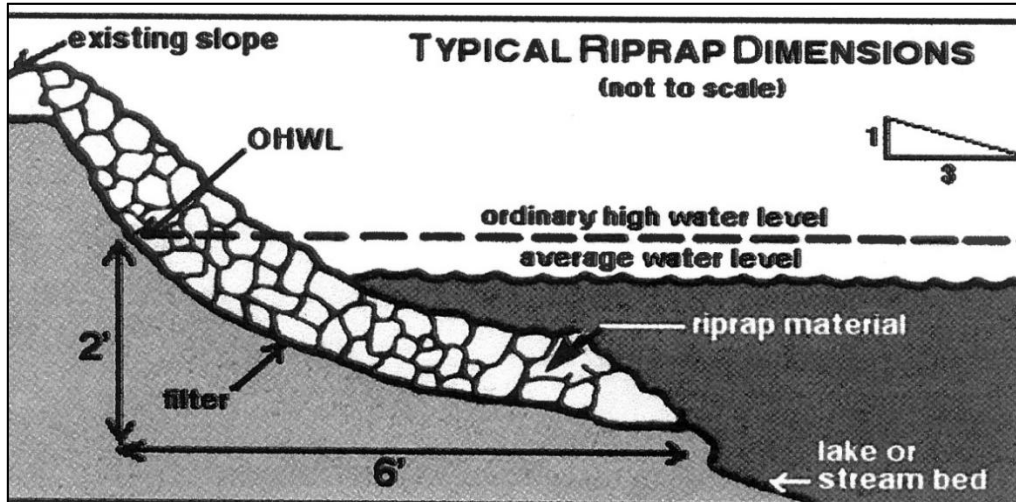
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RIP RAP STREET ENDS

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	\$0
TOTAL IMPACTS	\$1,000

Project Leader

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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. Discussions on land acquisition have started to acquire approximately 137 acres north of “The Shores” on the bay side. On this property a “Silent Water Sports” venue will be built to accommodate a structure for launching kayaks, kiteboards, paddle boards and any other non-motorized personal watercraft.

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>	
Venue Tax	\$ unknown
TOTAL FUNDS	\$ unknown

ESTIMATED COSTS

Land Acquisition	\$ unknown
Venue Construction	\$ unknown
TOTAL COSTS	\$ unknown

OPERATIONAL IMPACTS

Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$5,000
Capital and Other	\$0
TOTAL IMPACTS	\$0

Project Leader

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COASTAL MANAGEMENT PROGRAM

Project Description

This program is intended to improve beach access. The City will purchase one or more vacant lots on the east side of Padre Boulevard and improve the lot(s) to create parking opportunities for those visiting the beach.

Comprehensive Plan

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

Fiscal

**INCOME AND COST
ANALYSIS**

<u>FUNDING SOURCES</u>	
General Fund	\$270,000
Total	\$270,000
<u>ESTIMATED COSTS</u>	
Land acquisition	\$170,000
Improvements	\$100,000
TOTAL COSTS	\$270,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$1,000 annually
Capital and Other	\$0
TOTAL IMPACTS	\$1,000

Financial Plan

Prior Years	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	Future Years	TOTAL
				\$270,000			\$270,000

Schedule

<u>PHASE</u>	<u>TOTAL TIME</u>	<u>START</u>	<u>COMPLETION</u>
Land Acquisition	6 months		
Improvements	2 months		

Project Leader

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RESTORE ACT GRANT

In 2016, the City applied for three grants from the RESTORE Act funds. These funds are being distributed to the states affected by the Deep Horizon/BP Oil Spill. Of the three grant applications, one has been chosen to move along in the process of the Public Comment period, the Laguna Madre Boat Ramp. This project will encompass the purchase of 5 vacant lots, the construction of a boat ramp, bulkhead, fish-cleaning stations, dock renovation/replacement and the paving of a parking area to accommodate 31 truck/boat trailers.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
RESTORE	\$1,869,290
Local Funds	\$506,733
Local Match	\$26,898
TOTAL FUNDS	\$2,402,921
<u>ESTIMATED COSTS</u>	
Land acquisition	\$1,143,561
Improvements	\$1,085,435.85
Pre-Construction	\$173,924.15
TOTAL COSTS	\$2,402,921
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$5,000
Repairs and Maintenance	\$10,000 annually
Capital and Other	\$0
TOTAL IMPACTS	\$15,000

Financial Plan

Prior Years	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	Future Years	TOTAL
--------------------	-----------------	-----------------	-----------------	-----------------	-----------------	---------------------	--------------

	\$2,402,92	\$2,402,92
	1	1

Schedule

<u>PHASE</u>	<u>TOTAL TIME</u>	<u>START</u>	<u>COMPLETION</u>
Land Acquisition	6 months		
Improvements	12 months		

Project Leader

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NOAA ECOSYSTEM RESILIENCY PROGRAM

Project Description

The city is also one of the more urbanized beaches in the state with beach-fronting hotels, condominiums, single family homes and businesses. Along this extensively used beachfront, the city has, in accordance with state law, set aside 23 public beach access ways to allow the public to access, use, and enjoy the beaches. Over the last decade, the city has upgraded 15 of the 23 access ways, adding dune walkovers, parking areas, restrooms, showers and other amenities to benefit the beach-going public and, most importantly, restoring dunes damaged by former pedestrian trails. Eight beach accesses remain unimproved resulting in on-going damage to the city’s protective dune system.

In the last decade, the city has undertaken, when funds are available, ten projects to remove pedestrian pathways and restore dune system damage while simultaneously maintaining public beach access. To date, dune width, elevation and contours have been recreated at ten access sites and more than 400,000 dune plants have been installed. While the city has made progress, the steps have been slow and incremental, delaying necessary action and allowing loss of dune

resources to continue. With this grant, the city seeks to complete these final eight important beach access and dune restoration projects in the next 18 months.

Comprehensive Plan

The purpose of the *Comprehensive Dune Ecosystem Restoration and Public Access Project* is to:

- Remove pedestrian pathways through the dune system at the remaining eight publicly-owned beach access ways within the city that still use pedestrian trails to access the beach;
- Restore damaged dune areas by rehabilitating the elevation, volume, and contour of the dune system and installing native dune plants;
- Restore the natural functions and values of the damaged dune areas for dependent flora and fauna and promote endangered sea turtle nesting;
- Enhance the resiliency of the dune system as the primary storm damage reduction feature along the city's Gulf of Mexico shoreline; and
- Install elevated public dune walkovers to replace pedestrian pathways at each of the eight beach access points that still use pedestrian trails to access the beach.

The following are seven unimproved beach access points to be improved:

(1) White Sands

2017: \$330,000 (Construction)

(2) Sea Island Beach Access

2017: \$38,500 (Engineering, Design, Permitting)

2018: \$550,000 (Construction)

(3) White Cap Beach Access

2018: \$38,500 (Engineering, Design, Permitting)

2019: \$550,000 (Construction)

(4) Riviera Circle Beach Access

2019: \$38,500 (Engineering, Design, Permitting)

2020: \$550,000 (Construction)

(5) Blue Water Beach Access

2020: \$38,500 (Engineering, Design, Permitting)

2021: \$385,000 (Construction)

(6) Sapphire Beach Access

2021: \$38,500 (Engineering, Design, Permitting)

2022: \$385,000 (Construction)

(7) Harbor Beach Access

2022: \$38,500 (Engineering, Design, Permitting)

2023: \$385,000 (Construction)

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
NOAA/GLO	\$ 2,019,600
Local Funds (match)	\$ 1,346,400
TOTAL FUNDS	\$ 3,366,000
<u>ESTIMATED COSTS</u>	
Engineering, Design, Permitting	\$231,000
Construction	\$3,135,000
TOTAL COSTS	\$3,366,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$8,000 annually
Capital and Other	\$0
TOTAL IMPACTS	\$8,000

Financial Plan

Prior Years	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	Future Years	TOTAL
	\$315,000	\$300,000	\$588,500	\$588,500	\$588,500	\$1,600,500	\$3,366,000
						0	0

Project Leader

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VISITORS CENTER

Having a World Class “one-stop shop” for our visitors is vital to our tourism-based economy. Visitors should have a wealth of information at their fingertips with what South Padre Island has to offer in the way of lodging, activities and events. The center should have a warm and welcoming atmosphere with friendly staff providing information to the weary traveler looking for a respite before beginning their exciting vacation on South Padre Island.

The center should be at the forefront of technology with kiosks available where the most current list of activities and events can be scanned and downloaded to the visitors “Smart Phone” to be accessed while they’re here. There should be videos of the variety of activities playing while our visitors mingle with staff and each other picking out daily activities.

The current building at 610 Padre Blvd is 4,800 square feet and was built in 1977 and sits on approximately 1.2 acres of land. It was renovated in 2012 and it currently houses the Visitors Center, a division of the South Padre Island Convention and Visitors Bureau and the South Padre Island Chamber of Commerce.



A process known as “DMAIC” will be used to determine the types of improvements needed for the building so funding can be estimated and budgeted for the future.

COMPLETED PROJECTS

JOHN L. TOMPKINS PARK

Project Description

In December of 2002, the City Council purchased a 1.97 acre tract of land located at 6100 Padre Boulevard. The City Council 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. The City obtained a grant from Texas Parks and Wildlife and broke the project down into two phases. Phase One includes a restroom facility, a pump house, basketball court, two playgrounds, parking lot and miscellaneous fencing and site improvements at a cost of \$703,433. Phase Two will be constructed as the budget permits.

FIRE STATION



Completed Fire Station

Project Description

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	
<u>FUNDING SOURCES</u>	
Debt Issuance	\$3,800,000
TDRA (GLO) Grant Funds	\$ 1,095,436
TOTAL FUNDS	\$4,895,436
<u>ESTIMATED COSTS</u>	
Design	\$73,278
Construction	\$4,822,158
TOTAL COSTS	\$4,895,436
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$49,000
Repairs and Maintenance	\$(12,000)

	annual savings from energy efficiency
Capital and Other	\$0
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
							\$4,895,43
6							6

Schedule

<u>PHASE</u>	<u>TOTAL TIME</u>	<u>START</u>	<u>COMPLETION</u>
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

<p>Burney Basket Fire Chief City of South Padre Island - Fire Department 4601 Padre Blvd, South Padre Island, TX 78597 Voice: (956) 761-3206 Email: bbasket@myspi.org</p>
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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.

Fiscal

INCOME AND COST ANALYSIS

FUNDING SOURCES

FEMA (Dredging)	\$146,575
Dredging Local Funds (SLTF)	\$100,000
TOTAL FUNDS	\$246,575

COSTS

Dredging	\$246,575
TOTAL COSTS	\$246,575

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)							

Project Description

As a safety enhancement, street lighting was installed by AEP at the request of the City. Six street lights were installed on South PR 100, immediately south of the Causeway intersection. Six 400 High-Pressure Sodium Vapor Lights on aluminum poles were installed for a cost of \$33,400.73. In addition, AEP requires the requestor to arrange for all underground conduits on the site so an additional \$24,800 was spent to accommodate the new lighting.

COASTAL MANAGEMENT PROGRAM

Project Description

Cycle 16 (2011)

Aquarius and Good Hope Beach Access Improvements

Project Cost \$245,000 (\$122,500 grant/\$122,500 local match)

Gay Dawn Beach Access Improvements

Project Cost \$165,000 (\$82,500 grant/\$82,500 local match)

Cycle 18 (2012)

Emergency Vehicle Beach Access Improvements

Project Cost \$300,000 (\$150,000 grant/\$150,000 local match)

Cycle 19 (applied for in 2013-to be constructed in 2015)

The Pearl Beach Access Improvements

Project Cost \$300,000 (\$150,000 grant/\$150,000 local match)

Sea Side Beach Access Improvements

Project Cost \$300,000 (\$150,000 grant-partial funding available in the amount of \$44,000)
/\$150,000 local match)

Cycle 20 (applied for in 2014-to be constructed in 2015)

Moonlight Beach Access Improvements

Project Cost \$190,000 (\$95,000 grant/\$95,000 local match)

Ocean Circle Beach Access Improvements

Project Cost \$300,000 (\$150,000 grant/\$150,000 local match)

CMP Totals:

Grant \$794,000

Local Match \$900,000

STREETS

Project Description

The following streets have been improved recently. Costs include construction, engineering and testing.

2009 - \$292,730.39

Esperanza, Mesquite, Aries (valley gutter and driveways), Saturn and drainage improvements to Cora Lee

2011 - \$136,022.35

Repairs to Portions of Gulf & Laguna, East Aries and East Sunset

2012 - \$517,363.88

West Retama, repairs to East Amberjack, Lynda, East Carolyn, East Oleander, West Pike, West Lantana, East Pike and West Tarpon

2013 - \$578,922

Repairs to Gulf, Laguna, Morningside, Campeche, Acapulco and East Huisache

2014 - \$771,147.18

Sunset Drive from Padre to Gulf, Gulf Blvd from Sunset to Morningside, Gulf Blvd from Cora Lee to Constellation and Gulf Blvd from Sunset to Cora Lee

COMMUNITY CENTER (OLD CITY HALL)

Project Description

The City Council determined that a Community Center would meet many needs of the public. It could be a gathering space for group games, Bridge and Mahjongg clubs; it could be a place to hold public meetings, and a place to house the local branch of the Port Isabel Public Library. The City Council dedicated funding to this project and design began. The Parks, Recreation and

Beautification Committee began performing community surveys on what the facility should be used for, what it should look like and how and when it could be used. The 5,874 square foot facility was completed in March 2016 and is comprised of a small kitchen, a large open room for gatherings, restrooms, office and storage space and a “reading room” for library patrons.

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	\$296,468
TOTAL FUNDS	\$296,468
<u>ESTIMATED COSTS</u>	
Design	\$0 (in-kind)
Construction	\$296,468
TOTAL COSTS	\$296,468
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$20,000 (Maintenance and Cleaning)
Supplies & Materials	\$5,000
Repairs and Maintenance	\$29,000
TOTAL IMPACTS	\$126,100

Financial Plan

Prior Years	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	Future Years	TOTAL
			\$	\$296,486			\$296,486

Schedule

<u>PHASE</u>	<u>TOTAL TIME</u>	<u>START</u>	<u>COMPLETION</u>
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Land Acquisition	N/A		
Design	6 months		2012
Bid	2 months	2015	2015
Construction	6 months	2015	2016

Project Leader

**Armando Gutierrez, Jr., P.E. | Public Works
Director**
City of South Padre Island
4601 Padre Blvd, South Padre Island, TX 78597

CONVENTION CENTRE IMPROVEMENTS

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.

Exterior/Structural Improvements:

The City Council approved the expenditure of \$4,775,472 to improve the facility in 2014. The improvements include structural improvements along the perimeter exterior walls, removal of horizontal skylights due to excessive leaking, installation of concrete for the entrance area off of Padre Boulevard, installation of a lightning protection system, enhancement of parking lot lighting to include solar lights, re-painting of the entire exterior of the building with long-lasting elastomeric paint, and replacement of exterior doors.



West Side Mural



East Side Mural

Fiscal

INCOME AND COST ANALYSIS

FUNDING SOURCES

HOT Funding	\$2,937,724
Debt Issuance	\$0
TOTAL FUNDS	\$2,937,724

COSTS

Land Acquisition	\$0
Design	\$500,000
Construction (Convention Centre)	\$2,937,724
TOTAL COSTS	\$3,437,724

OPERATIONAL IMPACTS

Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$0
Capital and Other	\$0
TOTAL IMPACTS	\$0

Schedule

<u>PHASE</u>	<u>TOTAL TIME</u>	<u>START</u>	<u>COMPLETION</u>
Design	11 months	February 1, 2013	December 31, 2013
Bid & Negotiation	1 month	January 1, 2014	February 1, 2014
Construction	8 months	December 15, 2014	August 1, 2015

Project Leader

Darla A. Jones | Assistant City Manager
 City of South Padre Island
 4601 Padre Blvd, South Padre Island, TX 78597
 Voice: 956-761-8107
 Fax: 956-761-3888
 Email: diones@mvsol.org

After the exterior improvements were completed, work began on the interior to complete the renovation. New chairs, tables and miscellaneous furniture were ordered and placed and the entire interior was painted to complement the exterior colors. New high-traffic heavy duty carpeting was installed that coordinates with the various other interior colors to form a cohesive, planned look. New room partitions were installed that are noise-attenuating will decrease the potential for noise conflicts between rooms. State-of-the-art LED room signage and lobby monitors will assist conference delegates make their way through the facility while using their mobile devices effortlessly on the upgraded wi-fi system. The kitchen area was upgraded with non-slip floor tiles to increase the safety and “user-friendliness” for caterers. Exterior premise identification is being planned at the entrance to the site that will feature a changeable digital message board welcoming our various events to the newly-remodeled facility.

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
HOT Funding (Excess Reserves)	\$1,250,000
Debt Issuance	\$0
TOTAL FUNDS	\$1,250,000
<u>COSTS</u>	
Land Acquisition	\$0
Design	\$0
Interior Improvements Listed	\$1,250,000
TOTAL COSTS	\$1,250,000
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$10,000
Capital and Other	\$0
TOTAL IMPACTS	\$10,000

Schedule

<u>PHASE</u>	<u>TOTAL TIME</u>	<u>START</u>	<u>COMPLETION</u>
Design	3 months	July 2015	September 2015
Bid & Negotiation	1 month	September 2015	October 2015
Construction	6 months	October 2015	March 2016

Project Leader

<p>Keith Arnold CVB Director City of South Padre Island 7355 Padre Blvd, South Padre Island, TX 78597 Voice: 956-761-8388 Fax: 956-761-3024 Email: keith@sopadre.com</p>
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GULF BOULEVARD

The City Council issued \$3 million in tax notes to complete the remaining 27 blocks of Gulf Boulevard to improve parking and promote beach access. Improvements included paving two side streets (Oleander and Hibiscus) to include curb and gutter and a sidewalk. Improvements to Gulf included paved parallel parking spaces on the west side, crosswalks at every intersection made of brick pavers, new asphalt, and improved drainage and landscaping. The total spent on this project was \$2,252,032.90.

OUTSTANDING DEBT

TOTAL OUTSTANDING GENERAL OBLIGATION DEBT

Fiscal Year Ended 09/30	Outstanding General Obligation Debt			The Notes			Total General Obligation Debt Outstanding	% of Principal Retired
	Principal	Interest	Total	Principal	Interest	Total		
	2017	\$ 450,000	\$ 197,425	\$ 647,425	\$ 915,000	\$ 169,925		
2018	460,000	183,775	643,775	935,000	147,425	1,082,425	1,726,200	
2019	480,000	168,775	648,775	955,000	124,425	1,079,425	1,728,200	33.27%
2020	500,000	152,225	652,225	980,000	100,850	1,080,850	1,733,075	
2021	510,000	135,150	645,150	1,010,000	71,525	1,081,525	1,726,675	
2022	525,000	118,650	643,650	1,050,000	36,075	1,086,075	1,729,725	
2023	545,000	102,338	647,338	600,000	9,000	609,000	1,256,338	78.63%
2024	560,000	86,150	646,150	-	-	-	646,150	
2025	575,000	70,400	645,400	-	-	-	645,400	
2026	235,000	57,700	292,700	-	-	-	292,700	
2027	245,000	48,100	293,100	-	-	-	293,100	91.44%
2028	255,000	38,100	293,100	-	-	-	293,100	
2029	265,000	27,700	292,700	-	-	-	292,700	
2030	275,000	16,900	291,900	-	-	-	291,900	
2031	285,000	5,700	290,700	-	-	-	290,700	100%
	<u>\$ 6,165,000</u>	<u>\$ 1,409,088</u>	<u>\$ 7,574,088</u>	<u>\$ 6,445,000</u>	<u>\$ 659,225</u>	<u>\$ 7,104,225</u>	<u>\$ 14,678,313</u>	

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.

BOND DEBT SERVICE

City of South Padre Island (GO Debt)
 Tax Notes, Series 2015
 -- FINAL Pricing Numbers, 6/30/15 10:30 AM --

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/15/2016	350,000	3.000%	52,670.14	402,670.14	
08/15/2016			42,875.00	42,875.00	
09/30/2016					445,545.14
02/15/2017	395,000	3.000%	42,875.00	437,875.00	
08/15/2017			36,950.00	36,950.00	
09/30/2017					474,825.00
02/15/2018	405,000	3.000%	36,950.00	441,950.00	
08/15/2018			30,875.00	30,875.00	
09/30/2018					472,825.00
02/15/2019	415,000	3.000%	30,875.00	445,875.00	
08/15/2019			24,650.00	24,650.00	
09/30/2019					470,525.00
02/15/2020	430,000	3.000%	24,650.00	454,650.00	
08/15/2020			18,200.00	18,200.00	
09/30/2020					472,850.00
02/15/2021	445,000	4.000%	18,200.00	463,200.00	
08/15/2021			9,300.00	9,300.00	
09/30/2021					472,500.00
02/15/2022	465,000	4.000%	9,300.00	474,300.00	
09/30/2022					474,300.00
	2,905,000		378,370.14	3,283,370.14	3,283,370.14

During the regular council meeting of June 3, 2015, City Council approved Resolution 2015-16 to approve a plan of finance to issue a tax anticipation note to finance street, sidewalk and related drainage improvements along Gulf Boulevard.

2016 TAX ANTICIPATION NOTES

BOND DEBT SERVICE					
City of South Padre Island (GO Debt)					
Tax Notes, Series 2016					
-- Final Pricing Numbers, 4/5/16 10:30 AM --					
Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/15/2016			26,736.94	26,736.94	
09/30/2016					26,736.94
02/15/2017	520,000	2.000%	47,650.00	567,650.00	
08/15/2017			42,450.00	42,450.00	
09/30/2017					610,100.00
02/15/2018	530,000	2.000%	42,450.00	572,450.00	
08/15/2018			37,150.00	37,150.00	
09/30/2018					609,600.00
02/15/2019	540,000	2.000%	37,150.00	577,150.00	
08/15/2019			31,750.00	31,750.00	
09/30/2019					608,900.00
02/15/2020	550,000	2.000%	31,750.00	581,750.00	
08/15/2020			26,250.00	26,250.00	
09/30/2020					608,000.00
02/15/2021	565,000	3.000%	26,250.00	591,250.00	
08/15/2021			17,775.00	17,775.00	
09/30/2021					609,025.00
02/15/2022	585,000	3.000%	17,775.00	602,775.00	
08/15/2022			9,000.00	9,000.00	
09/30/2022					611,775.00
02/15/2023	600,000	3.000%	9,000.00	609,000.00	
09/30/2023					609,000.00
	3,890,000		403,136.94	4,293,136.94	4,293,136.94

During the regular council meeting of March 2, 2016, City Council approved Resolution 2016-07 to approve a plan of finance to issue a tax anticipation note to fund street, sidewalk and related drainage improvements along Padre Boulevard.

2017 REVENUE BOND

BOND DEBT SERVICE				
South Padre Island (Venue HOT)				
Venue Hotel Occupancy Tax Revenue Bonds, Series 2017				
-- Final Insured Pricing Numbers, 6/20/17 11:30 AM --				
Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2018	185,000.00	2.000%	324,837.50	509,837.50
09/30/2019	185,000.00	2.000%	321,137.50	506,137.50
09/30/2020	190,000.00	2.000%	317,437.50	507,437.50
09/30/2021	195,000.00	2.000%	313,637.50	508,637.50
09/30/2022	200,000.00	3.000%	309,737.50	509,737.50
09/30/2023	205,000.00	3.000%	303,737.50	508,737.50
09/30/2024	210,000.00	3.000%	297,587.50	507,587.50
09/30/2025	215,000.00	3.000%	291,287.50	506,287.50
09/30/2026	225,000.00	3.000%	284,837.50	509,837.50
09/30/2027	230,000.00	3.000%	278,087.50	508,087.50
09/30/2028	235,000.00	4.000%	271,187.50	506,187.50
09/30/2029	245,000.00	4.000%	261,787.50	506,787.50
09/30/2030	255,000.00	4.000%	251,987.50	506,987.50
09/30/2031	265,000.00	4.000%	241,787.50	506,787.50
09/30/2032	275,000.00	4.000%	231,187.50	506,187.50
09/30/2033	285,000.00	4.000%	220,187.50	505,187.50
09/30/2034	300,000.00	4.250%	208,787.50	508,787.50
09/30/2035	310,000.00	4.250%	196,037.50	506,037.50
09/30/2036	325,000.00	4.250%	182,862.50	507,862.50
09/30/2037	340,000.00	4.250%	169,050.00	509,050.00
09/30/2038	355,000.00	4.500%	154,600.00	509,600.00
09/30/2039	370,000.00	4.500%	138,625.00	508,625.00
09/30/2040	385,000.00	3.500%	121,975.00	506,975.00
09/30/2041	400,000.00	3.500%	108,500.00	508,500.00
09/30/2042	415,000.00	3.500%	94,500.00	509,500.00
09/30/2043	425,000.00	3.500%	79,975.00	504,975.00
09/30/2044	440,000.00	3.500%	65,100.00	505,100.00
09/30/2045	455,000.00	3.500%	49,700.00	504,700.00
09/30/2046	475,000.00	3.500%	33,775.00	508,775.00
09/30/2047	490,000.00	3.500%	17,150.00	507,150.00
	9,085,000.00		6,141,087.50	15,226,087.50

A hotel occupancy tax was approved by the voters at the November 8, 2016 election. This additional tax shall be used to finance a portion of the Venue Projects approved by the voters. During the regular council meeting of November 16 2016, City Council approved Resolution 2016-35 to establish a venue project fund. The two percent (2%) tax on hotel rooms in the City began to be imposed and collected on January 1, 2017.

SCHEDULE OF OVERLAPPING DEBT

Taxing Body	Debt Amount	As Of	%Ovlpg	Ovlpg Amt
Brownsville Nav Dist	\$3,740,000	* 09/30/17	32.32	\$1,208,768
Cameron Co	156,795,000	* 09/30/17	13.92	21,825,864
Laguna Madre Water Dist	15,190,000	* 09/30/17	73.90	11,225,410
Point Isabel ISD	15,785,000	* 09/30/17	67.95	10,725,908
Texas Southmost College	46,230,000	* 09/30/17	21.03	9,722,169
Total Overlapping Debt:				\$54,708,119
South Padre Island, City of		09/30/17		\$11,245,000*
Total Direct and Overlapping Debt:				\$65,953,119
Total Direct and Overlapping Debt % of A.V.:				2.61%
Total Direct and Overlapping Debt per Capita:				\$11,178
* Gross Debt				

* Gross Debt. Please note that some debt may be supported by other revenues and thus be considered self-supporting debt. Using gross debt may overstate the actual amount of debt supported by ad valorem taxes.

Source: Municipal Advisory Council of Texas

LEGAL DEBT MARGIN

The City is a Type A General-Law municipality as described in the Vernon's Texas Code of Annotated Local Government.

The City does not have a debt limit mandated by law.

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 City Council formally adopts all the financial policies to emphasize the importance of these guidelines.

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.

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 Finance Director 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 Centre fund, police forfeiture fund, street improvement fund, debt service fund, transportation 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:
 - a. Is the request of such an emergency nature that it must be done immediately?
 - b. Why was the item not budgeted in the normal budget process?
 - c. 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.

J. **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.

K. **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.

L. **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:

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

M. **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-six and one-half percent (96.5%) budgeted collection rate for current ad valorem taxes. Two and three-quarters percent (2.75%) 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 96.5%, 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.

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 Finance Director 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 Finance Director 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 Finance Director 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 Finance Director 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 Finance Director 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.

APPENDIX: BUDGET RESOLUTION

ORDINANCE NO. 17-11

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, 2017 AND ENDING SEPTEMBER 30, 2018; 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:

Beginning Fund Balance	\$	5,990,959 *
Operating Revenue		11,741,286
Total Resources		17,732,245
Expenditures		(11,736,438)
Ending Fund Balance	\$	5,995,807

Total Regular Personnel: 119.2

HOTEL/MOTEL FUND:

Beginning Fund Balance	\$	3,779,635
Operating Revenue		5,961,329
Total Resources		9,740,964
Expenditures		(5,868,051)
Ending Fund Balance	\$	3,872,913

Total Regular Personnel: 14

VENUE TAX FUND:

Beginning Fund Balance	\$	1,074,011
Operating Revenue		1,875,119
Total Resources		<u>2,949,130</u>
Expenditures		<u>(509,838)</u>
Ending Fund Balance	\$	<u>2,439,292</u>

CONVENTION CENTRE FUND:

Beginning Fund Balance	\$	2,820,495
Operating Revenue		1,846,147
Total Resources		<u>4,666,642</u>
Expenditures		<u>(1,584,580)</u>
Ending Fund Balance	\$	<u>3,082,062</u>

Total Regular Personnel: 10

**PARKS, RECREATION AND
BEAUTIFICATION**

Beginning Fund Balance	\$	3,884
Operating Revenue		91,171
Total Resources		<u>95,055</u>
Expenditures		<u>(88,771)</u>
Ending Fund Balance	\$	<u>6,284</u>

Total Regular Personnel: 1

**MUNICIPAL COURT TECHNOLOGY
FUND**

Beginning Fund Balance	\$	16,513
Operating Revenue		10,000
Total Resources		<u>26,513</u>
Expenditures		<u>(9,993)</u>
Ending Fund Balance	\$	<u>16,520</u>

MUNICIPAL COURT SECURITY FUND

Beginning Fund Balance	\$	40,488
Operating Revenue		7,000
Total Resources		<u>47,488</u>
Expenditures		<u>(6,348)</u>
Ending Fund Balance	\$	<u>41,140</u>

TRANSPORTATION GRANT

Beginning Fund Balance	\$	244,936
Operating Revenue		<u>5,283,095</u>
Total Resources		5,528,031
Expenditures		<u>(5,283,095)</u>
Ending Fund Balance	\$	<u>244,936</u>

Total Regular Personnel: 21

CRIMINAL JUSTICE GRANT

Beginning Fund Balance	\$	3,643
Operating Revenue		<u>-</u>
Total Resources		3,643
Expenditures		<u>(3,643)</u>
Ending Fund Balance	\$	<u>-</u>

STREET IMPROVEMENT FUND

Beginning Fund Balance	\$	147,013
Operating Revenue		<u>-</u>
Total Resources		147,013
Expenditures		<u>-</u>
Ending Fund Balance	\$	<u>147,013</u>

DEBT SERVICE:

Beginning Fund Balance	\$	290,573
Operating Revenue		<u>1,606,201</u>
Total Resources		1,896,774
Expenditures		<u>(1,729,201)</u>
Ending Fund Balance	\$	<u>167,573</u>

TIRZ

Beginning Fund Balance	\$	187,487
Operating Revenue		<u>70,871</u>
Total Resources		258,358
Expenditures		<u>(53,000)</u>
Ending Fund Balance	\$	<u>205,358</u>

EDC DEBT SERVICE

Beginning Fund Balance	\$	373,468
Operating Revenue		<u>396,850</u>
Total Resources		770,318
Expenditures		<u>(387,940)</u>
Ending Fund Balance	\$	<u>382,378</u>

VENUE DEBT SERVICE

Beginning Fund Balance	\$	-
Operating Revenue		<u>509,838</u>
Total Resources		509,838
Expenditures		<u>(509,838)</u>
Ending Fund Balance	\$	<u>-</u>

BEACH MAINTENANCE

Beginning Fund Balance	\$	1,763,203
Operating Revenue		<u>1,875,119</u>
Total Resources		3,638,322
Expenditures		<u>(1,539,006)</u>
Ending Fund Balance	\$	<u>2,099,316</u>

Total Regular Personnel: 8.8

BAY ACCESS

Beginning Fund Balance	\$	29,136
Operating Revenue		<u>35,797</u>
Total Resources		64,933
Expenditures		<u>(35,797)</u>
Ending Fund Balance	\$	<u>29,136</u>

Total Regular Personnel: 1

CAPITAL REPLACEMENT FUND

Beginning Fund Balance	\$	-
Operating Revenue		<u>255,000</u>
Total Resources		255,000
Expenditures		<u>(255,000)</u>
Ending Fund Balance	\$	<u>-</u>

EDC

Beginning Fund Balance	\$	775,812
Operating Revenue		<u>782,785</u>
Total Resources		1,558,597
Expenditures		<u>(782,785)</u>
Ending Fund Balance	\$	<u>775,812</u>
Total Regular Personnel: 1		

BEACH NOURISHMENT

Beginning Fund Balance	\$	2,229,236
Operating Revenue		<u>468,780</u>
Total Resources		2,698,016
Expenditures		<u>(60,000)</u>
Ending Fund Balance	\$	<u>2,638,016</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.

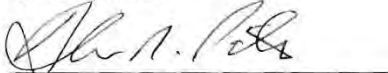
PASSED, APPROVED AND ADOPTED on First Reading, this 30th day of August 2017.

PASSED, APPROVED AND ADOPTED on Second Reading, this 6th day of September 2017.

ATTEST:


Susan Hill, CITY SECRETARY

CITY OF SOUTH PADRE
ISLAND, TEXAS


Bharat R. Patel, MAYOR





GLOSSARY OF KEY TERMS

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.

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.

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.

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

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.

EHS- Environmental Health Services Department

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 (FY)-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- 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 17% with 6% to the State of Texas of which 2% is remitted back to the City to finance the Beach Maintenance Fund, and 0.5% is for the County Venue Project. The remaining 10.5% of Hotel/Motel tax is used by the City (8% for use by the Convention and Visitors Center, 2% to finance a local Venue Project and 0.5% for beach nourishment).

HOT – An acronym for Hotel Occupancy Tax, also known as 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- Insurance Services Office - This is a, for profit, organization that provides statistical information on risk.

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 ACCRUAL 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.

TEHA- Texas Environmental Health Association

TML- Texas Municipal League

VENUE TAX- A hotel occupancy tax at a rate of two percent of the price paid for a hotel room that a city or county is authorized to levy to fund a “venue” project. A “venue” is an arena, coliseum, stadium or any other facility built to accommodate professional and amateur sports events or community events. Additionally, it can be a convention center or any of several types of related improvements in its vicinity.