



# South Padre ISLAND

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## 2018-2019 ADOPTED BUDGET

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*City of South Padre Island Annual Budget for All Appropriated Funds  
Year Beginning October 1, 2018 and Ending September 30, 2019*

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## DISTINGUISHED BUDGET PRESENTATION AWARD

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The City of South Padre Island was awarded the Distinguished Budget Presentation Award by the Government Finance Officers Association for its 2017-2018 budget. This is the seventh 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, 2017**

*Christopher P. Morill*

Executive Director

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**MAYOR, CITY COUNCIL AND STAFF**

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**Dennis Stahl, Mayor**

**Paul Munarriz, Mayor Pro-Tem, Place 5**

**Ken Medders, Jr., City Council Member, Place 1**

**Ron Pitcock, City Council Member, Place 2**

**Theresa Metty, City Council Member, Place 3**

**Alita Bagley, City Council Member, Place 4**

**Denton, Navarro, Rocha, Bernal, & Zech, City Attorney**

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**Susan Guthrie  
City Manager**

**Darla Jones  
Assistant City Manager**

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<b>Randy Smith Police Chief</b>	<b>Keith Arnold Convention and Visitors Bureau Director</b>	<b>Carlos Sanchez Public Works Director</b>
<b>Wendi Delgado Administrative Services Director</b>	<b>Clifford Cross Planning Director</b>	<b>Victor Baldovinos Environmental Health Services Director</b>
<b>Susan Hill City Secretary</b>	<b>Mark Shellard Information Technology Director</b>	<b>Rodrigo Gimenez Chief Financial Officer</b>
<b>Jesse Arriaga Transit Director</b>	<b>Doug Fowler Fire Chief</b>	<b>Brandon Hill Shoreline Director</b>

CITY COUNCIL MEMBERS

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Dennis Stahl – Mayor



Ron Pitcock – Council Member



Paul Munárriz – Mayor Pro Tem



Theresa Metty – Council Member



Ken Medders, Jr. – Council Member

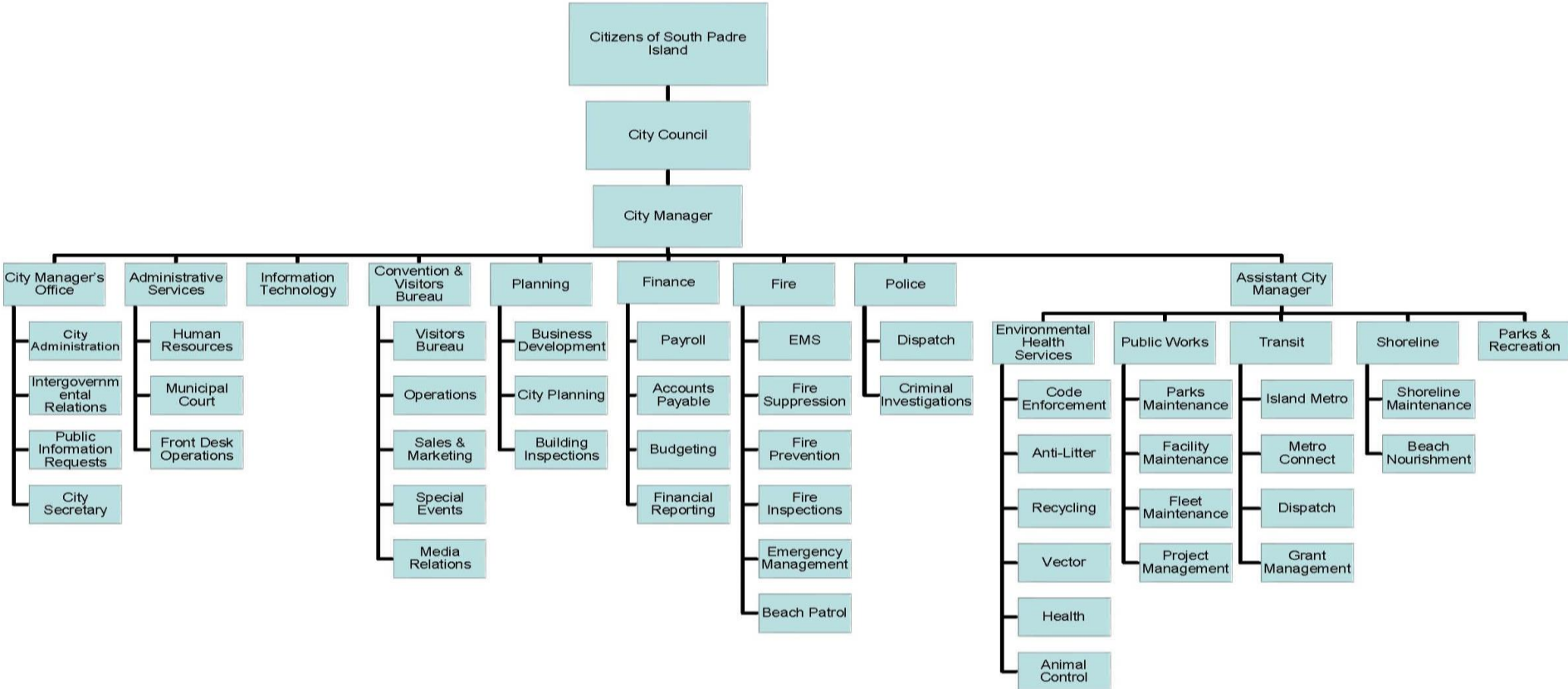


Alita Bagley – Council Member





# ORGANIZATIONAL CHART



# BUDGET MESSAGE

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October 1, 2018

## **City of South Padre Island**

### **Fiscal Year 2018-2019 Budget Message**

It is our pleasure to present the 2018-2019 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 continues to thrive and has attained some noteworthy accomplishments. Most notably the unemployment rate fell to 3.8 percent, which is a new record low for the state. In addition, Texas has experienced 92 consecutive months of annual job growth. Between January and August 2018, the total value of construction contracts in Texas increased by 1.9 percent compared to the value in the same period of 2017. Year to date through September 2018, the state experienced an increase of 3.2 percent in sales of existing-homes compared to the prior year. The strong global economy and steady decline in the Texas trade-weighted value of the dollar supported export growth. The growth in exports is supported by lower trade-weighted value of the dollar which makes domestic products more affordable to consumers abroad. Despite concerns over the Permian Basin pipeline, oil production continues to grow. Potential headwinds to the Texas economy include tariffs, energy price volatility, and labor shortages. These issues increase trade uncertainty, especially with Mexico, and may obstruct economic growth.

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 City of South Padre

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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 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 2018-2019 Budget, let us first look at the City's major accomplishments during the past year.

#### *Infrastructure*

The Public Works department has undertaken many projects this past year to improve infrastructure and beautify the City of South Padre Island.

The Gulf Boulevard Reconstruction Project was completed in March of 2018 for a total cost of approximately \$3 million. The project encompassed 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. Traffic delineator posts were also installed for additional pedestrian safety. In addition, the renovation project also addressed a few side streets which included adding curbs and gutters to improve drainage, sidewalks, and new paving.

The City of South Padre Island's Padre Boulevard Sidewalk Improvement Project, which started in late May 2017, is well underway and Phases I, II and IV have been completed with Phase III currently on schedule. Thus far, 30 blocks on both sides of Padre Boulevard have been completed with sidewalks and brick pavers, designated areas have been landscaped, and irrigation systems were installed.



Work commenced in April of 2018 for the 2018 Street Reconstruction Project. This project consists of reconstructing eight side streets on the east side of Padre Boulevard as well as an additional three side streets on the bayside. Improvements include five-foot sidewalks, improved drainage and more than 200 additional public parking spaces. The project is scheduled to be completed within seven and a half months for a cost of approximately \$1.9 million.

#### *Transit*

The Transportation Department remains on track with the Multimodal Facility Project. The first phase of the project is complete and the second phase has commenced. The basic function of the facility is to be a “transfer station” between different modes of transportation. It serves as a point of transfer between Island Metro’s three different routes, enabling riders to wait for their transfers in a comfortable setting. Those riders will have access to bicycle rental companies, taxi services, and charter bus services.

The entire facility sits on property owned by the Texas Department of Transportation and is leased to the City for a fifty year period with extension options. It will house the South Padre Island Metro Bus System and the City’s Shoreline Department in addition to classroom space occupied by the University of Texas Rio Grande Valley Coastal Studies Lab. Lease space is being made available to Island businesses wanting to expand their opportunities with Metro riders.

The first phase was built in 2015 and included a “Park and Ride” parking lot that fits up to 125 vehicles. The entire project was designed by Gignac Architects and phase one was built by Spaw Glass Contractors at a cost of \$1.1 million. Visitors driving to South Padre Island via personal vehicle can park their cars in the parking lot and take alternate transportation to their destination, thus reducing the number of cars and thus traffic.

The second phase includes the actual building that comprises 11,772 square feet broken down into a common area, ten offices, reception area, a training room, conference room, restrooms and a break room for the transit drivers. It is a two-story facility that will be Silver LEED Certified. It was also designed by Gignac Architects and is being built by Noble Texas Builders. A \$4.6 million grant, known by its acronym “TIGER” (Transportation Investment Generating Economic Recovery) was obtained in 2014 to fund the construction of the building. Construction began May of 2018 and as of September 30, 2018 approximately 40% of construction has been completed.



#### *Convention Center and Tourism*

In 2018, the Convention Centre completed kitchen remodeling, pavement repairs, and A/C improvements. Furthermore, the Convention and Visitors Bureau invested in new technologies in the amount of approximately \$110 thousand to better assess the effectiveness of marketing.

The City received several significant rankings in the 2018 calendar year. Rankings included #1 on the 2018 “15 Amazing Island Getaways — in America!” by Southern Living Magazine, #1 for Best Beach Vacation in “Top American Trips 2018” by Canadian Traveler, and #2 on the 2018 “Best Texas Beach” by USA TODAY’s 10 Best Reader’s Choice Award.

#### *Parks, Beautification, and Beaches*

The Shoreline Department accomplished several improvements to beach access points. Beach walkovers located at Ocean Circle, Moonlight Circle, and Seaside Circle were part of the Coastal Management Program Grant that has been completed. The walkovers are now open to the public. Each walkover has been built with stronger, more durable materials and constructed with respect to the surrounding dune systems. The new walkovers will provide better accessibility to the beach and include more parking spaces, water fountains and bike racks. The height of the walkovers allows sand dunes to grow naturally without being blocked by the structures.

Further, a number of smaller aesthetic improvements were conducted on the City’s public beach access points. These include low rope fencing to guide pedestrian traffic directly from parking areas to the beach, hand-made bike racks, and interpretive signage designed to engage the public with the City’s ongoing dune conservation and restoration programs.

#### *Public Safety*

The City made major investments in public safety during fiscal year 2017-18. Such investments included the purchase of a new fire pumper truck and two new ambulances – all paid for in cash. In addition, the City utilized vacant space within City Hall to build additional office space for the Police Department.



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 2018-2019 Budget**

A 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.

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.

The new Facility Preventative Maintenance Program is included in the adopted budget for FY 2018-19 for \$147,461. The project creates a comprehensive system of tracking building and maintenance activities citywide, 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. This will help avoid vehicle failure and unavailability. In accordance with the existing vehicle replacement program of the City, the proposed vehicle purchases include a Chevy Tahoe for the Police Department for \$20,000, which will be equipped for a canine officer, and a Ford F150 for Public Works for \$40,000. An analysis of the City's computers indicated many needed replacement. Regular replacements will help the City control costs as we address these critical issues, while improving reliability and performance.



The proposed budget includes a 3% cost of living adjustment (COLA) for City employees, except for the two executive positions (City Manager and Assistant City Manager). The additional cost to the General Fund is \$183,000. In addition, the Convention & Visitors Bureau (CVB) added a Director of Marketing, Research, and Analytics position, which was approved during the 2017-18 fiscal year. Lastly, a new Shoreline Grants and Special Projects Administrator position has been created to research, identify, apply to and oversee all grant funding opportunities for the Shoreline Department. The total additional cost associated with this position, including benefits, is approximately \$63,000.

The City has also undertaken an update to its comprehensive plan that will be complete in 2019. Components include a Land Use Plan, Shoreline and Parks Master Plans, Master Drainage Study, and a Master Thoroughfare Plan. 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, to invest in beautification projects that benefit residents and tourists, and to maintain and develop the infrastructure to support future growth.

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 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

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	Total Funds	
	2017-2018 Final Budget	2018-2019 Adopted Budget
<b>REVENUES AND OTHER SOURCES</b>		
Property Taxes - Incl. Penalty & Interest	\$ 7,902,703	\$ 7,994,119
Nonproperty Taxes	16,096,323	16,413,743
Fees and Services	1,418,021	1,149,730
Fines and Forfeitures	487,500	537,500
Licenses and Permits	178,750	189,700
Intergovernmental	6,506,971	4,940,574
Miscellaneous and Program	239,882	232,285
Other Financing Sources	1,875,982	1,629,099
<b>Total Revenues</b>	34,706,132	33,086,750
<b>EXPENDITURES</b>		
General Government	3,918,918	3,810,402
Public Safety	6,343,435	6,245,166
Public works	3,017,074	3,035,716
Convention Centre & Visitors	1,372,867	1,312,368
Community Service	7,469,264	7,049,140
Transportation	1,910,095	1,860,404
Debt Service	2,864,030	2,784,489
Capital Outlay	9,358,995	7,617,694
Other Financing Uses	2,565,820	2,006,493
<b>Total Expenditures</b>	38,820,497	35,721,872
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	\$(4,114,365)	\$ (2,635,122)



## EXECUTIVE SUMMARY

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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 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.

The City Manager, Budget Committee, and the Finance Department worked closely with various department directors to create the budget. This process included the establishment of detailed business plans and the performance of SWOT analysis to identify internal strengths and weaknesses as well as external opportunities and threats by each department.

During this current fiscal year, the City funded the first year of the replacement programs for computers and 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 Six Sigma projects. Funding for the second year of these programs is included in the proposed FY 2018-19 budget.

Provided below are some highlights and major projects of the City included in the 2018-2019 Budget:

### **Revenues**

- According to the 2018 approved certified appraised values provided by the Cameron County Appraisal District, property values increased by 1.52%. The 2018 adopted property tax rate is \$.315640/\$100.
- Sales taxes are projected to increase by \$99,500, or almost 4%, for next fiscal year resulting in a total budgetary amount of \$2,494,531 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 \$7,607,597. Total Convention Centre revenue is anticipated to be \$7,909,597.
- The Beach Nourishment Fund is funded with one-half percent of the local hotel motel tax collected by the City. This fund's projected revenue for the 2018-19 fiscal year is \$475,475.
- State Occupancy Tax, which is allocated to the Beach Maintenance Fund, is projected to increase by approximately \$26,780 for next fiscal year, resulting in a total budgetary amount of \$1,901,899.

- The Venue Project Fund was established in Jan. 2017 to provide for the development of a venue project. The venue tax is imposed on the occupancy of a room less than 30 days in a hotel, condo, or beach house rented within the City, at a rate of 2 percent (2%). Projected revenue for FY 2018-19 is approximately \$1,901,899.

### **Expenditures**

- The proposed budget includes a 3% cost of living adjustment (COLA) for City employees, except for two executive positions (City Manager and Assistant City Manager). The additional cost to the General Fund is \$183,000 of which \$108,000 is allocated to public safety employees (Police and Fire). The allocation for the remaining eleven departments is \$75,000.
- The health insurance cost for the proposed 2018-2019 budget includes a 7% increase, which represents approximately \$50,000.
- The Convention & Visitors Bureau (CVB) added a Director of Marketing, Research, and Analytics position, which was approved during the 2017-18 fiscal year. Assuming all vacancies are filled, this position would represent an additional cost of approximately \$91,000 for the 2018-19 fiscal year.
- A new Shoreline Grants and Special Projects Administrator position has been created to research, identify, apply to and overseeing all grant funding opportunities for the Shoreline Department. The total additional cost associated with this position, including benefits, is approximately \$63,000.
- The Information Technology (IT) Department has budgeted \$12,575 to purchase BambooHR Software, a cloud-based human resources software. This system will create a paperless environment to include: Personnel Management, Safety, Risk, Training, Applicant Management/Recruitment, Analytics, Employee App, Onboarding, etc.
- The Human Resource Department has budgeted \$40,000 for a compensation plan study. The implementation of this plan will assist in developing a compensation system which will retain and motivate qualified employees.
- The Police Department budgeted increases in training and ammunition costs. Additional training and ammunition will aid officers in keeping the City's visitors, residents, and employee's safe.
- The Fire Department has budgeted \$27,000 (a 100% increase) for the purchase of equipment required to safely perform firefighting, rescue, and emergency medical response/transport.
- In accordance with the existing vehicle replacement program of the City, the proposed vehicle purchases include a Chevy Tahoe for the Police Department for \$20,000, which will be equipped for a canine officer, and a Ford F150 for Public Works for \$40,000.

- An increase of approximately \$93,000 has been budgeted within General Services to cover costs related to City’s shared resources such as electricity, water/sewer, insurance, auditing, and legal services. The net increase can be attributed to additional costs related to irrigation water consumption as well as increased insurance costs. These increases were partially offset with a reduction in electricity costs.
- To assist with animal care and services provided by the Friends of Animal Rescue, \$50,000 has been budgeted in the Special Projects division. This is an increase of \$5,000 over the 2017-18 budget.
- The Parks Department has budgeted \$10,000 for park maintenance. Sources of revenue for this fund include a transfer from the General Fund in the amount of \$75,396, Community Center rental fees of \$500, and special event permits of \$3,000. Park improvement costs associated with park development are funded through this department.
- Approximately \$3 million has been budgeted for Phase II of the Multimodal Complex, which is to be paid with federal grants. Phase II costs budgeted for include architectural and engineering services, construction costs, and machinery and equipment purchases.
- Debt Service payments are budgeted for an amount of \$2,234,339 for fiscal year 2018-19, which include the payment for the Venue Hotel Occupancy Tax Revenue Bonds.

Debt Service Payments 2018-2019	Principal	Interest	Total
Fire Station	\$180,000	\$111,826	\$291,826
Municipal Complex	300,000	56,950	356,950
Gulf Blvd.	415,000	55,525	470,525
Padre Blvd.	540,000	68,900	608,900
Venue Project	185,000	321,138	506,138
<b>Total</b>	<b>\$1,620,000</b>	<b>\$614,339</b>	<b>\$2,234,339</b>

- The Tax Incremental Reinvestment Zone (TIRZ) 2018-19 fiscal year Cameron County contribution is estimated to be \$34,406 and the City’s payment is estimated to be \$40,465.
- A total of \$4,000,000 is budgeted for improvements and addition of medians on Padre Boulevard, work is scheduled to begin in December of 2018. These improvements will be paid with venue tax bond proceeds.
- For the 2018-19 fiscal year, the proposed budget for the Beach Maintenance Fund includes \$20,000 for the replacement of existing beach access signs and \$70,000 for legislative advocacy.
- The proposed budget for Fire/Beach Patrol includes \$34,000 for the purchase of a beach patrol vehicle and \$14,000 to purchase a Yamaha ATV.
- Code enforcement and administration of anti-litter beach programs are allocated to the Environmental Health Services division. The proposed budget for this program is \$93,703.

- Funding in the amount of \$100,000 will be used for beach access development projects during the 2018-19 fiscal year.
- In accordance with the facilities maintenance plan, which was approved by City Council during the last fiscal year, the City is budgeting \$147,461 for the following facilities maintenance costs:
  - Community Center walkways and asphalt repairs: \$6,811
  - City Hall concrete driveways: \$28,152
  - City Hall carpet: \$17,113
  - City Hall HVAC: \$3,519
  - City Hall painting: \$30,319
  - City Hall parking: \$27,571
  - Fire Station overhead doors: \$17,850
  - Fire Station painting: \$5,926
  - Fire Station generator: \$10,200
- Shoreline has budgeted \$380,000 in the Beach Nourishment Fund for costs related to professional services, specifically coastal engineering services.
- The Events Marketing budget includes \$684,796 for sponsorships. The City also allocated local occupancy tax revenue for ecological tourism in the amount of \$50,000.
- The proposed marketing budget for next fiscal year is approximately \$3.2 million. The majority of this allocation is for media placement, which accounts for 71% of the marketing budget or \$2,300,000.
- The Convention Center Fund budget includes \$167,608 for a new stage as well as \$27,025 for facility preventative maintenance, which is broken down further as follows:

**Building Improvements**

HVAC Duct Replacement/Cleaning	\$8,200
Replace Drinking Fountains	1,825
Replace two waste disposal pumps	10,000
Upgrades to interior plumbing	7,000
<b>Total</b>	<b>\$27,025</b>

- During the various staff budget meetings, some projects were proposed and equipment was requested but no funding was available. These projects are listed below:
  1. Replace third ambulance - \$150,000
  2. (a) - Padre Boulevard irrigation – buster pump for \$30,000
  2. (b) - Padre Boulevard irrigation system - \$40,000
  3. Laptops for the Police Department - \$5,000
  4. Scag mower for Public Works - \$9,000
  5. Mentalix mug shot for the Police Department - \$2,000

6. Carlson Survey Software for Public Works - \$1,500
7. Storm Sewer System vacuuming and jetting - \$36,000

If excess reserves for FY 2018-19 are available, staff will proceed to request a budget amendment to purchase these items.

Staff continued a conservative approach to forecasting revenues for the FY 2018-2019 budget. Due to conservative budgeting practices in the past several years, a stable General Fund balance has been maintained. In addition, the City Charter requires for the City to maintain a fund balance equal to six months of operating expenses. These two practices have kept the City financially healthy, leaving an unaudited fund balance in the General fund estimated at \$7,558,457.

### **COMMUNITY STATISTICAL INFORMATION**

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The Citizens adopted the Home Rule Charter for the City of South Padre Island Local Government 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, which consists of the Mayor and five Council Members, and the City Manager's Office, which is 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 providing for an annual independent audit of the City's financial records.
2. Reviewing and adopting all ordinances and resolutions.
3. Establishing 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 Convention and Visitors Bureau Director to implement a progressive marketing plan for the community and to maintain a space to attract conventions to the Island.

## COMMUNITY PROFILE

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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.

Nestled between the Lower Laguna Madre and the 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 long, 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 saltwater fishing tournament in the state, attracting fishing enthusiasts and visitors from all over the world.



South Padre Island boasts about nightly firework shows which are displayed 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 hotel and dining accommodations as well as 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 is the ideal place to host events. The 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 the 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, which runs 365 days a year on South Padre Island, with connections to the Laguna Madre and surrounding areas. It provides unlimited hop-on-hop off access, free Wi-Fi, and the best 'Island Friendly' service in Texas.



SPI Bikefest attracts 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	
<b>Winter Average Temp.</b>	65 degrees
<b>Summer Average Temp.</b>	82 degrees
<b>Average Daily Temp.</b>	74 degrees
<b>Average Sunshine Days</b>	253 days
<b>Average Growing Season</b>	336 days
<b>Average Annual Rainfall</b>	27 inches



## DEMOGRAPHICS

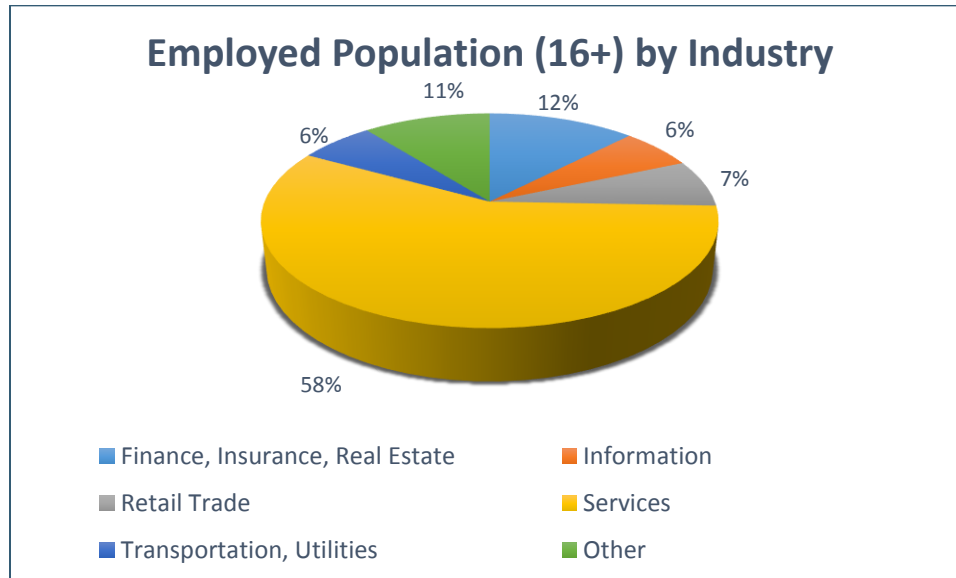
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The current median age for the City of South Padre Island is 60, while the average age is 60. Five years from now, the median age is projected to be 62.6.

The average household income is estimated to be \$124,864 for the current year, while the average household income for the base area is estimated to be \$62,184.

It is estimated that 19.2% of the population age 25 and over had earned a Bachelor's Degree, and 15.4% had earned a Graduate/Professional School Degree.

For the area, 99.2% 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

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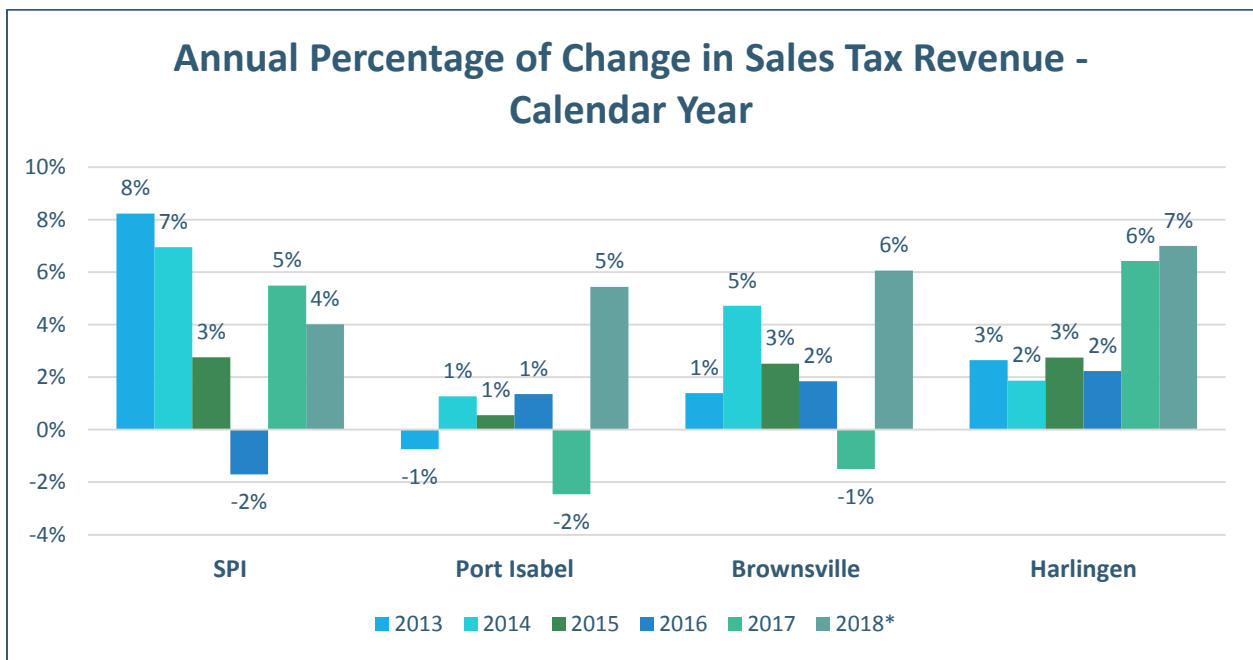
Assessed Value and Actual Value of Taxable Property: The City of South Padre Island has experienced stable assessed property values for the past seven years.

Fiscal Year Ended September 30,	Net Taxable Assessed Value		Less: Exempt Property & Homestead Cap	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	2,632,337,344	31,256,298	80,030,355	2,583,563,287	0.25438
2015	2,574,041,045	32,621,783	90,276,002	2,516,386,826	0.26275
2016	2,535,675,150	34,181,366	91,337,318	2,478,519,198	0.28564
2017	2,553,862,437	33,883,054	91,934,403	2,495,811,088	0.30564

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 September 2018\*

PRINCIPAL PROPERTY TAXPAYERS

<b>Taxpayer</b>	<b>Taxable Assessed Valuation</b>
SPI Beach Water Resort Waterpark LLC	\$10,882,174
Agora USA LP	\$10,312,156
Peninsula Island Resort & Spa LLC	\$10,310,357
Bahia Mar Tower LLC	\$9,356,606
Sapphire VP LP	\$9,000,000
Affiliated Hospitality LLC	\$7,939,537
SPI Management Co.	\$6,700,888
AEP Texas Inc.	\$6,424,700
SPI La Copa Ltd.	\$6,294,771
SPI Oleander Ltd.	\$6,284,227

Source: Cameron Appraisal District – 2017 Top Taxpayers



Schlitterbahn Beach  
Resort and Waterpark

PRINCIPAL EMPLOYERS

Employer	Number of Employees (Peak)
Schlitterbahn Beach Water Park	1,232
City of South Padre Island	310
Isla Grand Resort	205
Louie's Backyard	180
Sea Ranch Enterprises *	176
Hilton Garden Inn	160
The Pearl Beach Resort	148
Blackbeard's Restaurant	142
La Quinta Inn & Suites	134
Origins Recovery Center	113
Total	2,800

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 GOVERNMENTAL ACTIVITY



## **BASIS OF BUDGETING**

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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 which 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 for the purpose of measuring performance. 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**

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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 twelve person Comprehensive Plan Advisory Committee (CPAC) was assembled to restart 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 Island’s 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.”

<sup>1</sup> 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](http://www.myspi.org/egov/documents/1410380968_9678.pdf).

In early 2018, South Padre Island began the process of creating a plan for its future, “The Island Way – South Padre Island’s Comprehensive Plan.” The plan will be the result of a collective effort between residents, City Council, staff and all associated stakeholders who will contribute to charting the course for South Padre Island’s future.

The resulting Comprehensive Plan will be the official statement of South Padre Island’s Long Term vision for its future. In addition, to addressing current and future land use decisions, it will coordinate and incorporate components associated with the following actions;

- Business
- Economy
- Tourism & Marketing
- Parks and Recreation
- Shoreline Management & Protection
- City Facilities
- Infrastructure
- Mobility & Transportation

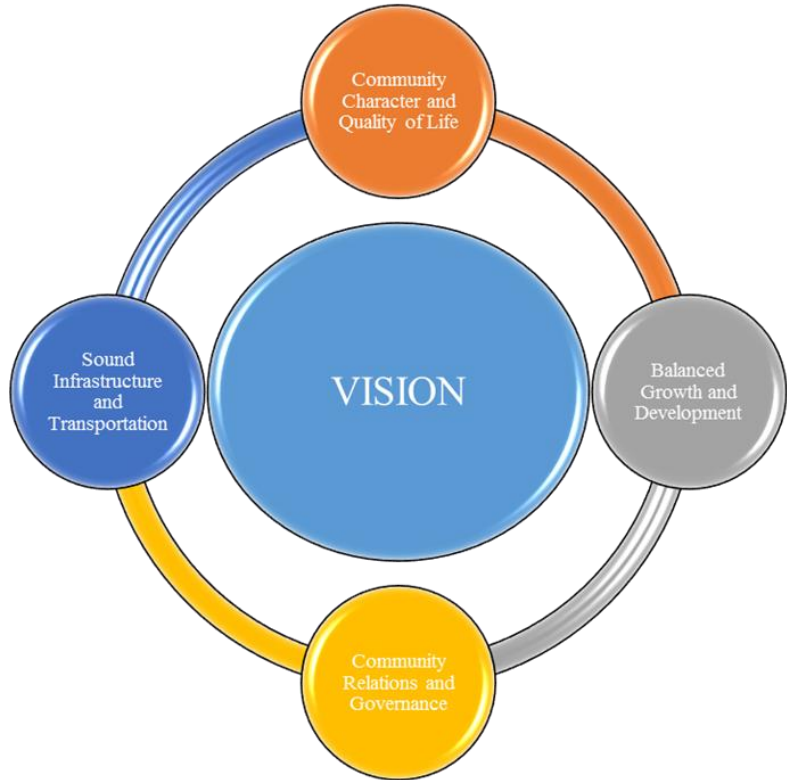
<sup>1</sup> Town of South Padre Island 2008 Comprehensive Plan, pg. 1-1

## VISION STATEMENT

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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 which are closely related and reflect 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.



## MISSION STATEMENT

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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.<sup>2</sup>

<sup>2</sup> From the City of South Padre Island 2014 Comprehensive Plan, Cover pg.



## **BUDGET**

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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**

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

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

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

- a. Objectives - established by the City Council.
- b. Goals - City Manager's program to meet the objectives of the Council.
- c. Budget - financial plan to meet the administrative needs of the City for the fiscal year consistent with the Objectives and Goals set by the City Council and City Manager.

- d. Staff Plan - a summary of the personnel requirements required to provide the services of the City. Additions or deletions of personnel must be specifically identified and justified.
- e. Measurement - methods to measure outcomes and performance of the fiscal year budget.<sup>3</sup>

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<sup>st</sup>.
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 which 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.
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<sup>st</sup>, 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.

<sup>3</sup> From the Home Rule Charter, 2009

**BUDGET PROCESS SCHEDULE**

A budget process schedule is established each year which identifies actions to be completed with associated target dates. This schedule is used to keep the budget preparation process on schedule 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.

<b>Dates</b>	<b>Topics</b>
<b>April 11</b> 09:00 am Board Room	Kick-Off Meeting for Staff: FY 2018/19 Budget, Business Plan and Fee Schedule. Plan forms and instructions distributed to City Departments. (Finance)
<b>April 20</b>	Capital Improvement Plan (CIP) forms and instructions posted on the City’s website and distributed to City departments and public. (Darla J.)
<b>April 23</b>	Technology requests are due to IT for review Staffing requests are due to HR for review
<b>May 1</b>	Fee Schedule, Revenue Projections from departments and Business Plan due in the shared drive
<b>May 3</b>	Review Technology Requests (HR, Finance, CMO) Review Staffing Requests (HR, Finance and CMO)
<b>May 4</b>	Business Plans and Fee Schedule reviews with City Manager and CFO (required) as well as other budget committee members (optional)
<b>May 7-11</b>	Departmental Budget reviews with Budget Committee
<b>May 25</b>	CIP project request forms due (Darla J.)
<b>June 6</b> 03:00 pm Board Room	<b>**Budget Workshop**</b> Budget Workshop for the following funds: General Fund (Fund 01) Venue Tax (Fund 03) Parks, Recreation & Beautification (Fund 09) Municipal Court Technology (Fund 21) Municipal Court Security (Fund 22) Transportation Fund (Fund 30) Padre Blvd Improvement (Fund 41) Street Improvement (Fund 43) General Debt Service (Fund 50)

	<p>TIRZ (Fund 51)  Venue Tax Construction (Fund 57)  Beach Maintenance (Fund 60)  Beach Access (Fund 61)  Bay Access (Fund 62)  Capital Replacement Fund (Fund 65)  Beach Nourishment (Fund 81)  Fee Schedule</p>
<p><b>June 20</b>  03:00 pm  Board Room</p>	<p><b>**Budget Workshop**</b>  Budget Workshop:  Hotel/ Motel Tax (Fund 02)  Convention Center (Fund 06)  Review projects for CIP (Darla J.)  Review fee schedule (Finance) – if necessary</p>
<p><b>June 20</b>  05:30 pm  Board Room</p>	<p>Agenda item to review EDC Budget (Lapeyre)</p>
<p><b>July 13</b></p>	<p>Publish the general summary of the CIP and note where copies of the CIP are available for inspection. (Darla J.)</p>
<p><b>July 18</b></p>	<p>Cameron County Appraisal District certifies tax roll</p>
<p><b>July 20</b>  Noon</p>	<p>Publish Notice of meeting to discuss Tax Rate in Port Isabel Press (at least 72 hours prior to hearing on Aug. 1) <i>Publication Deadline is at noon.</i></p>
	<p>Publish Notice of meeting to discuss FY 2018/2019 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. 15)</p>
	<p>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. 1)</p>
<p><b>July 23</b>  10:00 am  Board Room</p>	<p><b>**Special Meeting**</b>  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)</p>
<p><b>July 31</b></p>	<p>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</p>
<p><b>August 1</b>  05:30 pm</p>	<p>Conduct 1<sup>st</sup> Public Hearing for discussion of Tax Rate (<i>only necessary if proposed tax rate is above the effective tax rate</i>)</p>

Board Room	
	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. 15)
<b>August 15</b> 05:30 pm Board Room	Conduct 2 <sup>nd</sup> 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 2018/2019 Budget
<b>Sept. 5</b> 05:30 pm Board Room	Consideration and action on FIRST reading of Ordinance No. _____ approving and adopting a fiscal year FY 2018/2019 Fee Schedule for the City of South Padre Island
	Consideration and action on FIRST reading of Ordinance No. _____ approving and adopting a FY 2018/2019 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 2018 and setting the assessed valuation, providing for discounts, penalty, interest and severability
<b>Sept. 19</b> 05:30 pm Board Room	Consideration and action on approval of Resolution No. _____ adopting the CIP (Darla J.)
	Consideration and action on SECOND and FINAL reading of Ordinance No. _____ approving and adopting a FY 2018/2019 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 2018/2019 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 2018/2019 and setting the assessed valuation, providing for discounts, penalty, interest, and severability
<b>Sept. 19</b>	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). There is not a time frame specified, so a few weeks should be sufficient.

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## BUDGET REVIEW

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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.

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## EFFECTIVE TAX RATE

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The effective tax rate for 2018/19 is \$0.311597. The City Council has adopted a property tax rate of \$0.315640 cents per \$100 valuation, no increase compared to the tax rate adopted last year.

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## FUND DESCRIPTIONS AND FUND STRUCTURE

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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.

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## MAJOR GOVERNMENTAL FUNDS

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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.

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## MAJOR CAPITAL PROJECT FUNDS

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The capital projects funds are used to account for the acquisition or construction of capital assets. The capital projects funds reported as a major fund is:

- The Venue Tax Construction Fund is used to account for bond proceeds received and expenditures associated with future infrastructure of the City.

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## MAJOR SPECIAL REVENUE FUNDS

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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:

- The Hotel/Motel Fund is used to account for occupancy tax collections. This fund is used to account for the portion of collections used for tourism, advertising, and promotion.
- The Transportation Fund is used to account for the State and Federal grants proceeds and expenditures that pertain to the South Padre Island Metro and Metro Connect Transportation System.

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## NON-MAJOR SPECIAL REVENUE FUNDS

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- The 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.
- The 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.
- The Convention Centre Fund is used to account for the portion of occupancy tax collections used for Convention Centre operations.
- The Municipal Court Technology Fund was established to account for monies collected on traffic fines. On each ticket \$4.00 is collected and used specifically for technology improvements in the Municipal Court.

- The Municipal Court Security Fund was established to account for monies collected on traffic fines. On each ticket \$3.00 is collected and used specifically for security needs in the Municipal Court.
- The Parks, Recreation, and Beautification Fund was established to account for funds set aside for upgrades to City parks.
- The Venue Project Fund is used to account for monies collected in assessment of hotel/motel tax collected by the City for repayment of venue projects.
- The Tax Increment Reinvestment Zone (TIRZ) fund was established by City Council to finance the cost of redevelopment and encourage development in an area that would otherwise not attract sufficient market development.

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#### NON-MAJOR CAPITAL PROJECT FUNDS

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- The Bay Access Fund was established to account for projects to improve access to the Laguna Madre Bay.
- The Beach Access Fund is used to account for projects to improve access to the beaches of the City.
- The Capital Replacement Fund is used to account for preventive maintenance costs for City's buildings.
- The Street Improvement Fund is used to account for improvements on the streets of the City.
- The 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, as well as other City streets.
- The BNC Facility Maintenance Fund was established to account for preventive maintenance costs associated with the Birding and Nature Center Facility.

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#### DEBT SERVICE

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The 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.

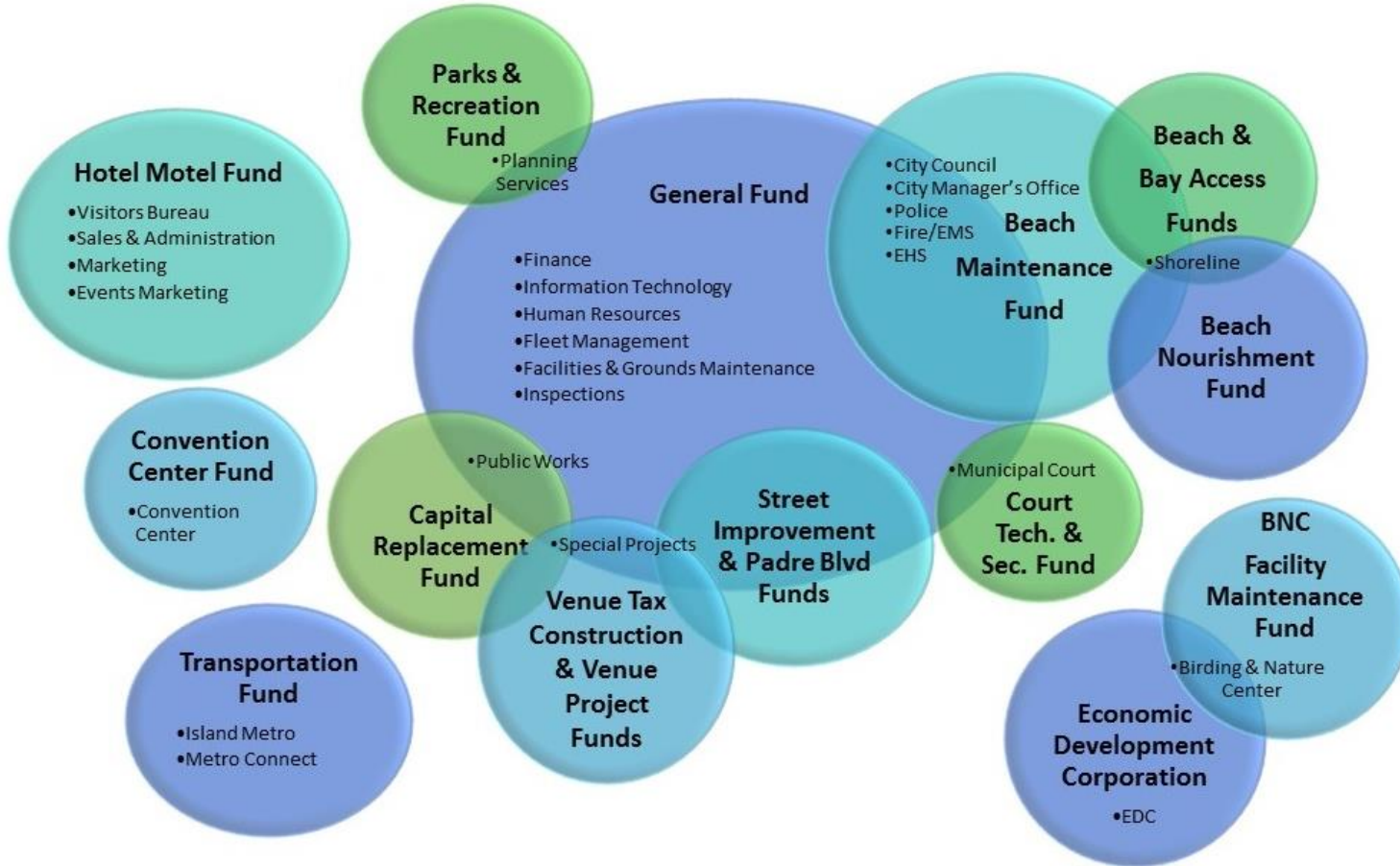


## USE OF FUNDS BY DEPARTMENTS

DEPARTMENT	GOVERNMENTAL FUNDS														
	GENERAL FUND	MAJOR SPECIAL REV FUNDS		MAJOR CAPITAL PROJECT FUNDS	NON-MAJOR SPECIAL REVENUE FUNDS						NON -MAJOR CAPITAL PROJECT FUNDS				
		HOTEL MOTEL	TRANSP-ORTATION	VENUE TAX CONSTRUC-TION	BEACH MAIN-TENANCE	BEACH NOURISH-MENT	CONVEN-TION CENTER	MUNICIPAL COURT TECH & SEC	PARKS & RECREATION	VENUE PROJECT	BAY ACCESS	BEACH ACCESS	CAPITAL REPLACE-MENT	STREET IMPROVE-MENT	PADRE BLVD CONSTRUC-TION
City Council	X				X										
City Manager's Office	X				X										
Finance	X														
Planning Services	X							X							
Information Technology	X														
Human Resources	X														
Municipal Court	X						X								
Police	X				X										
Fire/EMS	X				X										
Environmental Health Services	X				X										
Fleet Management	X														
Facilities & Grounds Maintenance	X														
Inspections	X														
Public Works	X										X				
Emergency Management	X														
General Service	X														
Special Projects	X			X					X			X	X	X	
Shoreline					X	X				X	X				
Visitors Bureau		X													
Sales & Administration		X													
Marketing		X													
Events Marketing		X													
Convention Center							X								
Transportation			X												

DEPARTMENT	COMPONENT UNIT	
	ECONOMIC DEVELOPMENT CORPORATION	BNC FACILITY MAINTENANCE
EDC	X	
Birding & Nature Center	X	X

DEPARTMENT/FUND RELATIONSHIP



## ALL FUNDS SUMMARY: REVENUES

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Revenue projections are in accordance to the guidance established by the financial policy. General Fund revenues are budgeted to total \$12,195,856, including other financing sources. This represents a 3.9% increase over the FY 2017/18 budgeted revenues. The Hotel/Motel Fund and the Convention Centre Fund have total projected revenue of \$7,909,597, which is a 0.9% increase from the previous year. Projected revenues for the Venue Tax Fund is \$1,901,899, a 1.4% increase from the prior year.

**Property tax** including penalty and interest represents 24% of total revenue. A property tax rate of \$0.315640 was adopted by the City Council, no increase from the previous year. 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 0.250245 for each \$100 assessed value is levied for current City expenditures and general improvements of the City and its property, called the M&O rate. A tax of 0.065395 for each \$100 worth of property was levied for the purpose of creating an interest and sinking fund for the retirement of general obligation bonds, called the I&S rate. Current property tax collections are anticipated to exceed fiscal year 2017/18 actuals by an estimated \$194,270. 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  
\$12,195,856.*

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 2018 is estimated to be \$34,406 while the City's own contribution is estimated to be \$40,465.



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

*Local Hotel/Motel  
tax rate: 8.5%*

*Local Venue Tax  
rate: 2%*

*Cameron County  
Venue Tax Rate:  
0.5%*

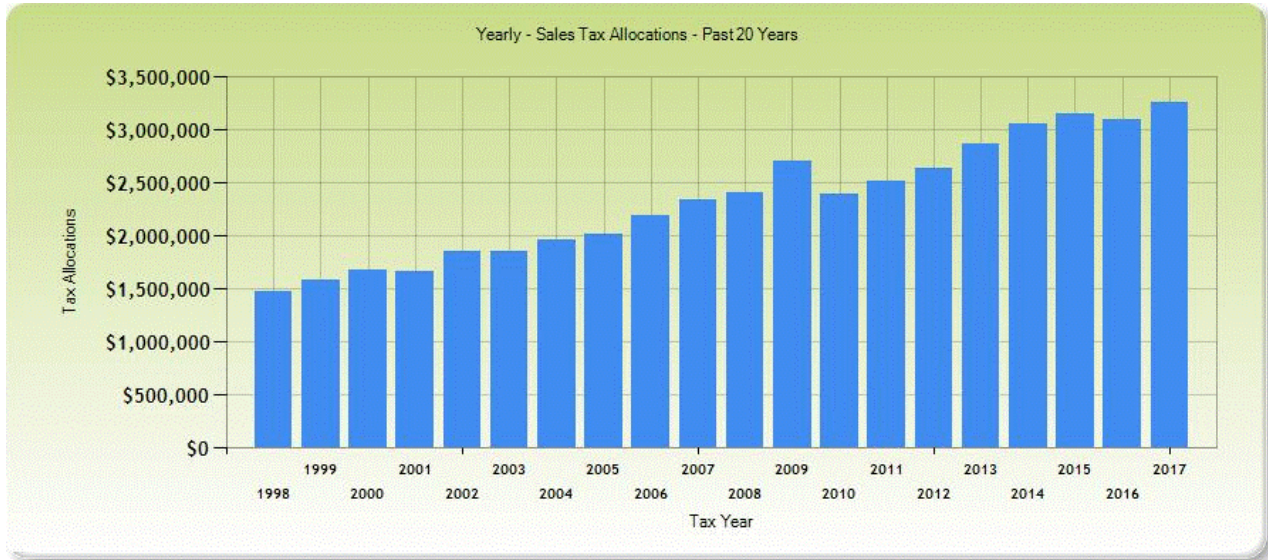
**Non-property taxes** include hotel/motel occupancy, venue project fund, sales tax, mixed beverage tax, and utility franchise taxes. The projections are based on historical trends analysis and any other relevant information available during the budgeting process.

**Hotel/motel taxes** are estimated to be \$11,886,870 and are deposited into Hotel/Motel Fund, Venue Project Fund, Convention Center Fund, Beach Maintenance Fund, and Beach Nourishment Fund. This revenue represents 92.2% of the estimated revenue for these funds. The total Hotel/Motel rate is 17%, including 6% charged by the State of Texas (2% is remitted back to the City to finance the Beach Maintenance Fund), and 0.5% for the Cameron County Venue Project. The remaining 10.5% of Hotel/Motel tax is used by the City in the following manner: 8% is allocated to the Convention Center and Visitors Bureau, 2% is used to finance a local Venue Project, and 0.5% is apportioned to beach nourishment.

**Sales tax** revenues are anticipated to reach \$3,307,531, 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 the State of Texas. Sales tax revenue for the General Fund is forecasted to be approximately \$99,514 more compared to the budgeted revenues for fiscal year 2017-2018.

## Yearly Sales Tax Allocations – Past 20 Calendar Years:



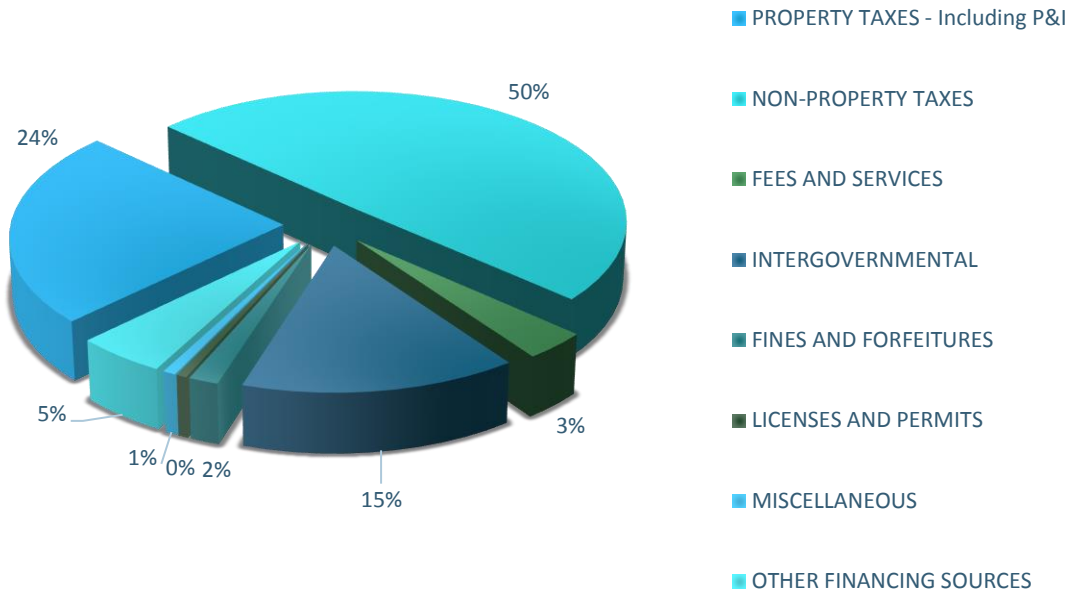
**Franchise taxes** are received from four utility providers. The estimated fees to be received are \$881,820 from electricity, telephone, cable television, and sold waste services. \$337,522 is expected to be received from mixed beverage taxes collected on the sale of alcohol. These two revenue items represent 3.7% 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 \$1,149,730, which is 3.47% of total revenue.

**Fines and forfeitures** resulting from municipal court activity are \$537,500. This projected revenue includes \$17,000 from Municipal Court fees collected in accordance with state law to enhance court security, technology, and training.

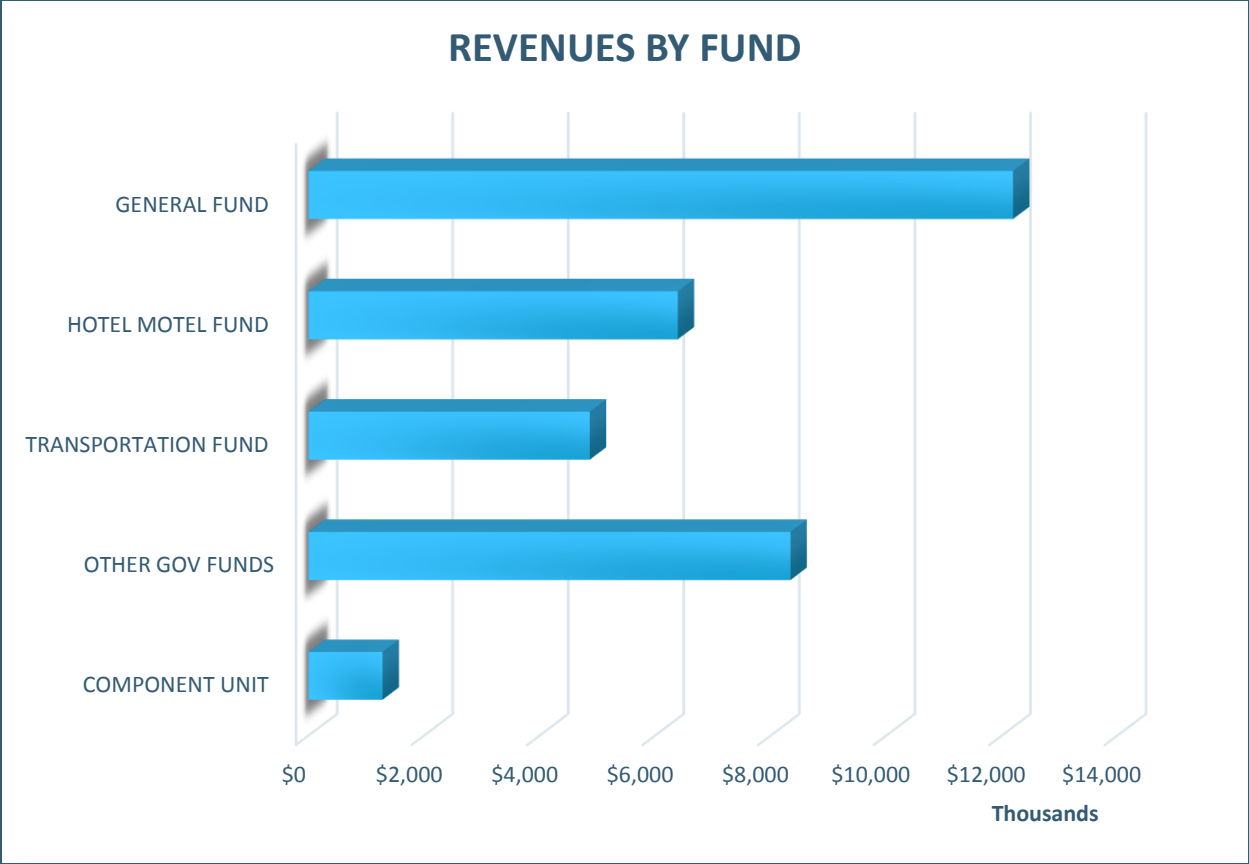
**Federal and state grants** represents 15% or \$4,940,574 of total revenue. Transportation grants to finance the island's free public transportation, known as South Padre Island Metro, are expected to reach over \$4.7 million.

## REVENUES BY SOURCE



*Non-property taxes is the major source of revenue representing 50%*

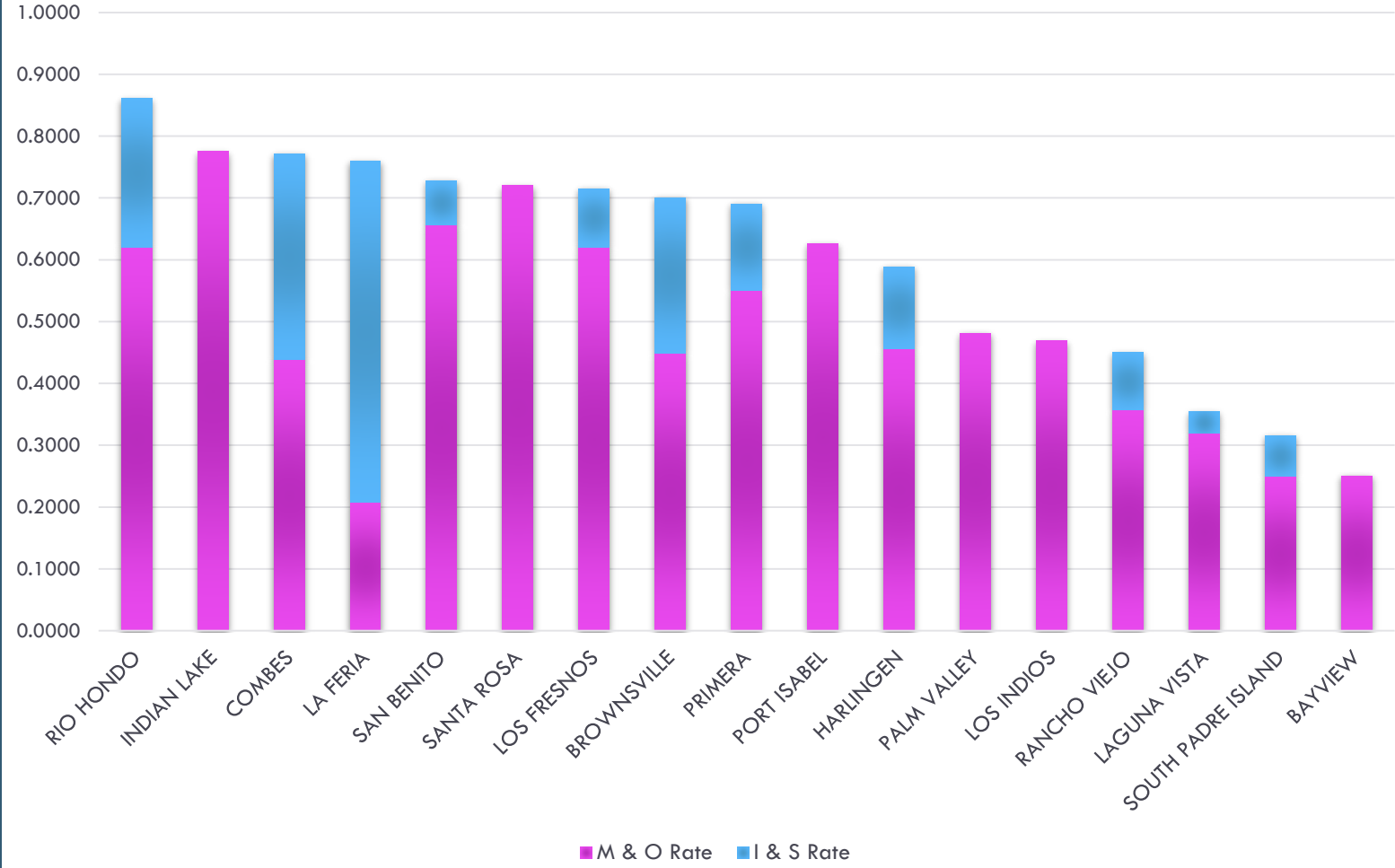




*General Fund revenues  
represent 36.9% of total  
revenues*

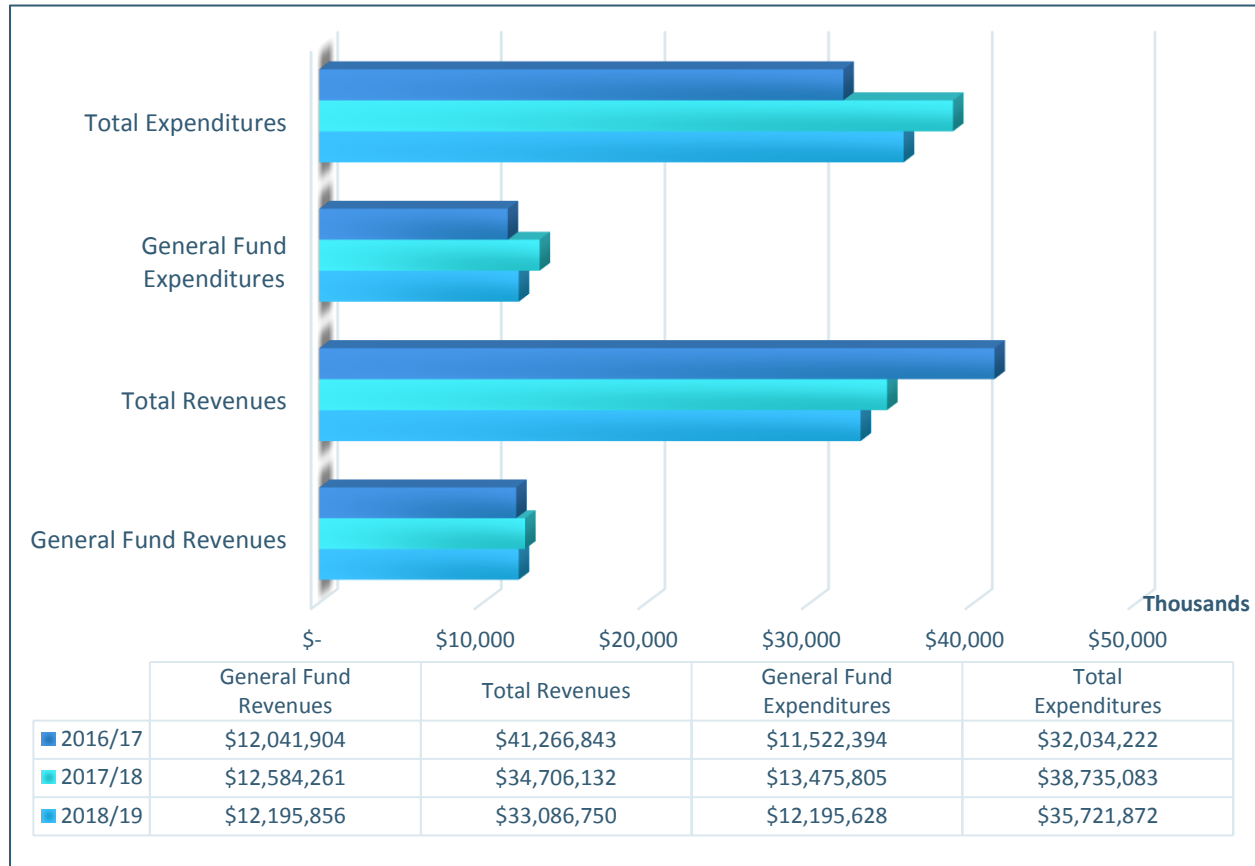


## 2017 MUNICIPAL TAX RATES IN CAMERON COUNTY





## FINANCIALS OF THE LAST THREE FISCAL YEARS



2016/17 Actual

2017/18 Final Budget

2018/19 Adopted Budget

\*Revenues include other funding sources

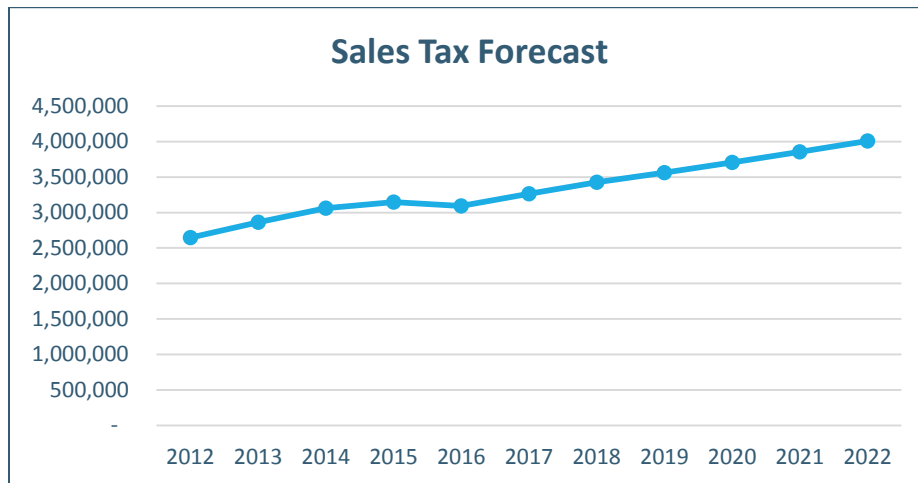
## LONG-RANGE REVENUE FORECAST

The annual budget is a dynamic document that will be adjusted as the City proceeds through FY 2018-2019. This budget document continues our efforts to establish a strategic approach to align our resources and strategic objectives to the priorities of our citizens.

Projected increases in operating revenues, such as sales, hotel/motel occupancy, and property taxes, will be allocated to fund future increases in operating expenditure. Furthermore, future capital improvements will be funded as designated in the Capital Improvement Plan, see pages 211 and 209-264. Funding sources for these type of projects include debt issuance, state and federal grants as well as the new adopted venue tax.

### **Sales Tax**

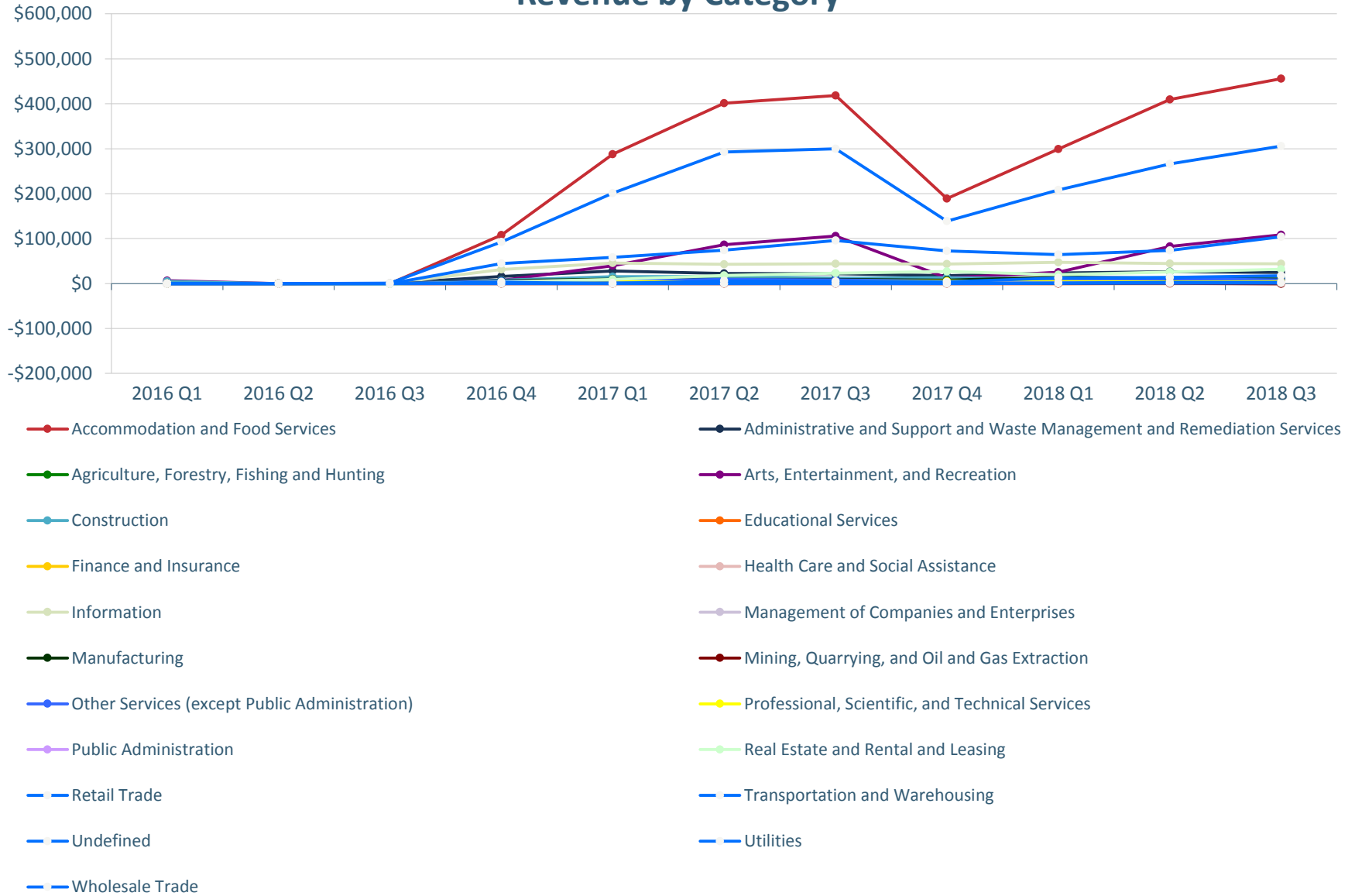
The greatest contributor of sales tax revenue is our full-service restaurant industry, which is mostly dependent on tourism as is most of the local economy.



Sales Tax	
Calendar Year	Amount
2012	2,645,912
2013	2,863,860
2014	3,063,067
2015	3,147,727
2016	3,094,342
2017	3,264,105
2018	3,425,177
2019	3,562,185
2020	3,704,672
2021	3,852,859
2022	4,006,973
	Actual
	Forecast

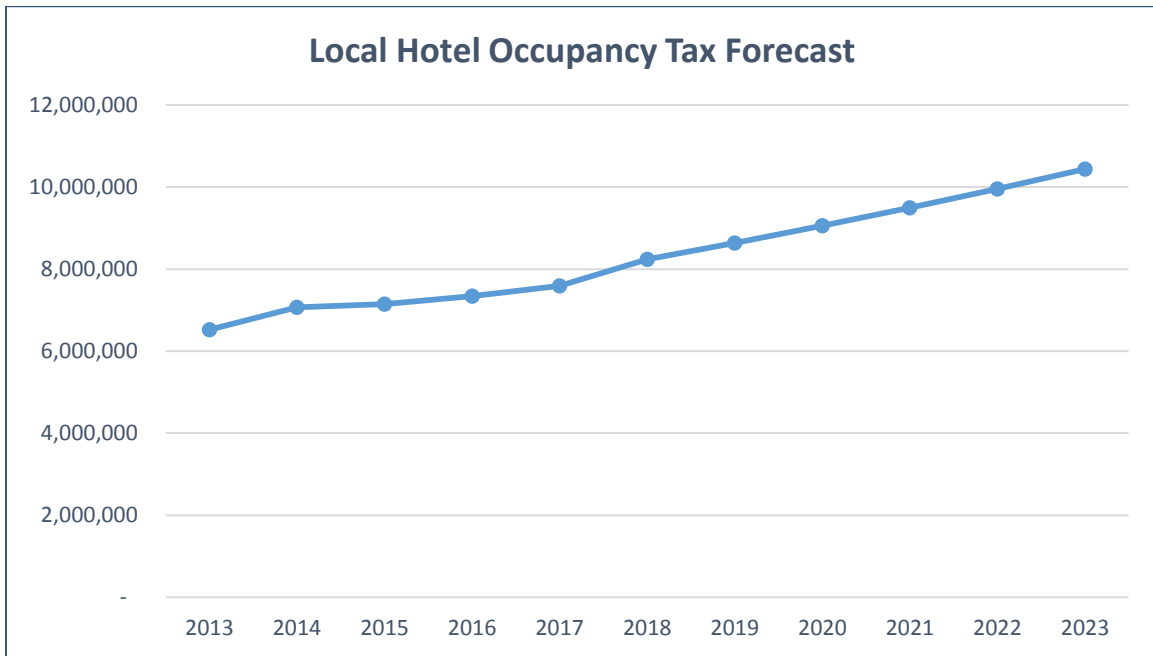
Forecasting Method: Average percentage of increase over the past 5 years.

## Revenue by Category



## **Hotel Occupancy Tax**

Hotel Motel tax collections are used for tourism, advertising and promotion (accounted for in the Hotel Motel Fund); Convention Centre operations (Convention Centre Fund), nourishment efforts on the beach (Beach Nourishment Fund) and financing future venue projects (Venue Project Fund). The Venue Project Fund was established in Jan. 2017 to provide for the development of a venue project.

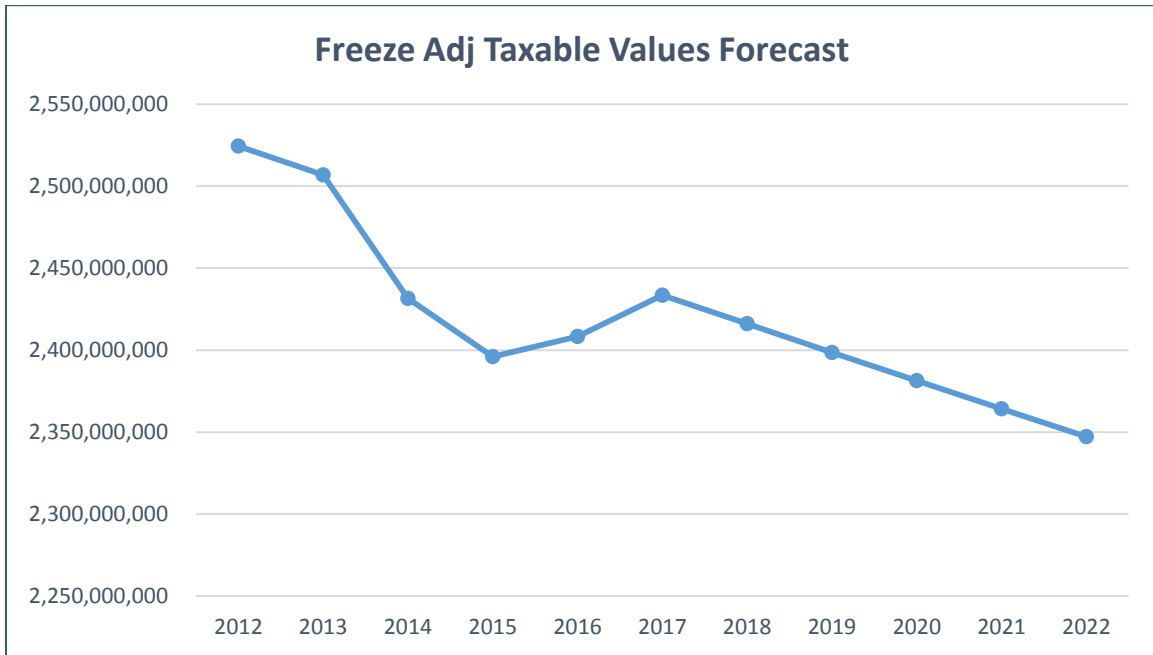


<b>Local Hotel Occupancy Tax</b>	
<b>Fiscal Year</b>	<b>Amount</b>
2013	6,519,775
2014	7,069,671
2015	7,149,723
2016	7,341,767
2017	7,593,583
2018	8,241,155
2019	8,640,199
2020	9,058,565
2021	9,497,189
2022	9,957,051
2023	10,439,180
	Actual
	Forecast

Forecasting Method: Annual increase of 4.84% based on the average change in the last 5 years of collections.

**Property Tax**

The city has experienced a slight increases in property tax values for past three tax years, the 3-year average change in Freeze Adjusted Taxable Values is 0.03%. During the past few years, the property tax rate of the City of South Padre Island experienced slight increases associated with the financing of infrastructure developments (street improvements) and preventive maintenance expenditures for City's buildings.



Property Tax	
Tax Year	Freeze Adjusted Taxable Values
2015	2,395,929,296
2016	2,408,234,464
2017	2,433,560,292
2018	2,434,360,895
2019	2,435,161,761
2020	2,435,962,891
2021	2,436,764,285
2022	2,437,565,942
	Actual
	Forecast

Forecasting Method: Annual increase of 0.03% based on the average change in last 3 tax years of freeze adjusted taxable values.

## DEPARTMENTAL STRUCTURE

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### *Budget Highlights*

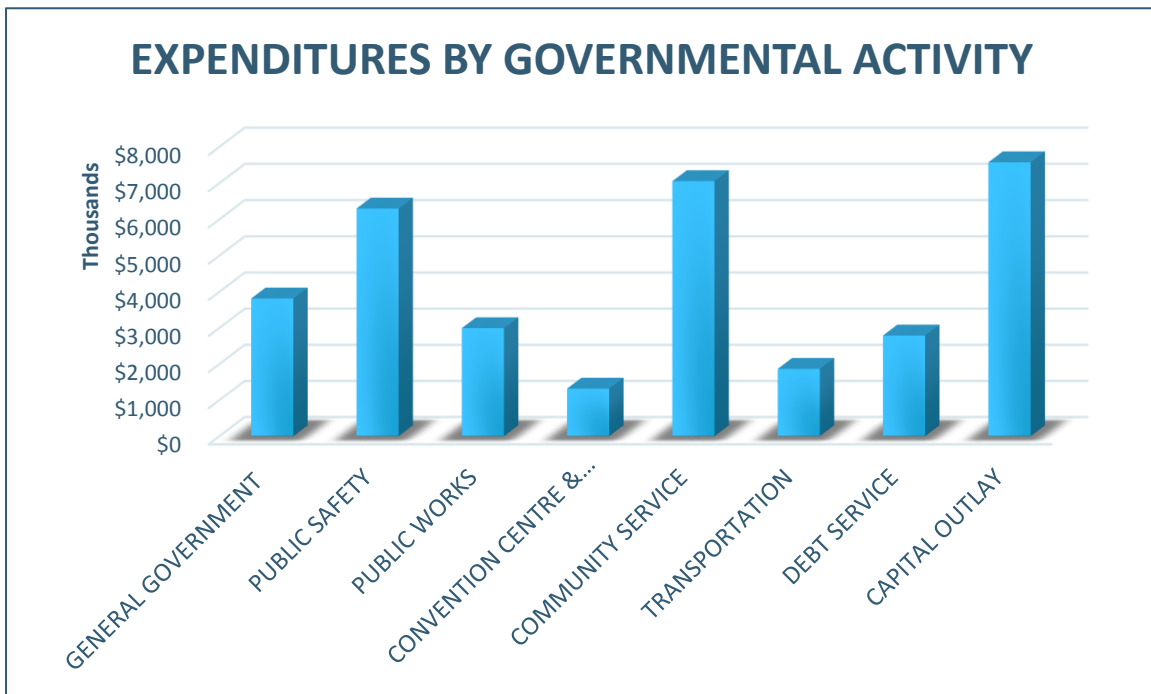
- ❖ *Sales taxes are projected to increase by \$99,500.*
- ❖ *The City's Hotel Occupancy Tax collections are anticipated to produce \$7.6 million in revenue.*
- ❖ *Projected revenue for the Venue Project Fund is approximately \$1.9 million.*
- ❖ *Approximately \$3 million has been budgeted in the Transportation Fund for construction Phase II of the Multimodal Complex to be paid with federal grants.*
- ❖ *Debt Service payments are budgeted in the amount of \$2,234,339 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 Planning
  - 515 Technology
  - 516 Human Resources
  - 520 Municipal Court
  - 521 Police
  - 522 Fire
  - 532 Environmental Health Services
  - 540 Fleet Management
  - 541 Facilities and Grounds Maintenance
  - 542 Inspections
  - 543 Public Works
  - 544 Emergency Management
  - 570 General Services
  - 572 Special Projects
- Fund 02 – Hotel Motel Tax
  - 590 Visitors Bureau
  - 592 Sales & Administration
  - 593 Events Marketing
  - 594 Marketing
- Fund 03 – Venue Project Fund
- Fund 06 – Convention Centre
- Fund 09 – Parks, Recreation, & Beautification
- Fund 21 – Municipal Court Technology
- Fund 22 – Municipal Court Security
- Fund 30 – Transportation
  - 591 Island Metro
  - 595 Metro Connect
- Fund 41 – Padre Boulevard Improvement
- Fund 43 – Street Improvement Fund
- Fund 50 – General Debt Service
- Fund 51 – TIRZ (Tax Increment Reinvestment Zone)
- Fund 52 – EDC Debt Service
- Fund 53 – Venue Debt Service
- Fund 57 – Venue Tax Construction
- Fund 60 – Beach Maintenance
- Fund 61 – Beach Access
- Fund 62 – Bay Access
- Fund 65 – Capital Replacement Fund
- Fund 80 – Economic Development Corp.
- Fund 81 – Beach Nourishment
- Fund 82- BNC Facility Maintenance

## EXPENDITURES BY GOVERNMENTAL ACTIVITY

### EXPENDITURES BY GOVERNMENTAL ACTIVITY

Community Service includes Convention Centre and Marketing activities and is the City of South Padre Island’s greatest expenditure. This is due to the fact that 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.

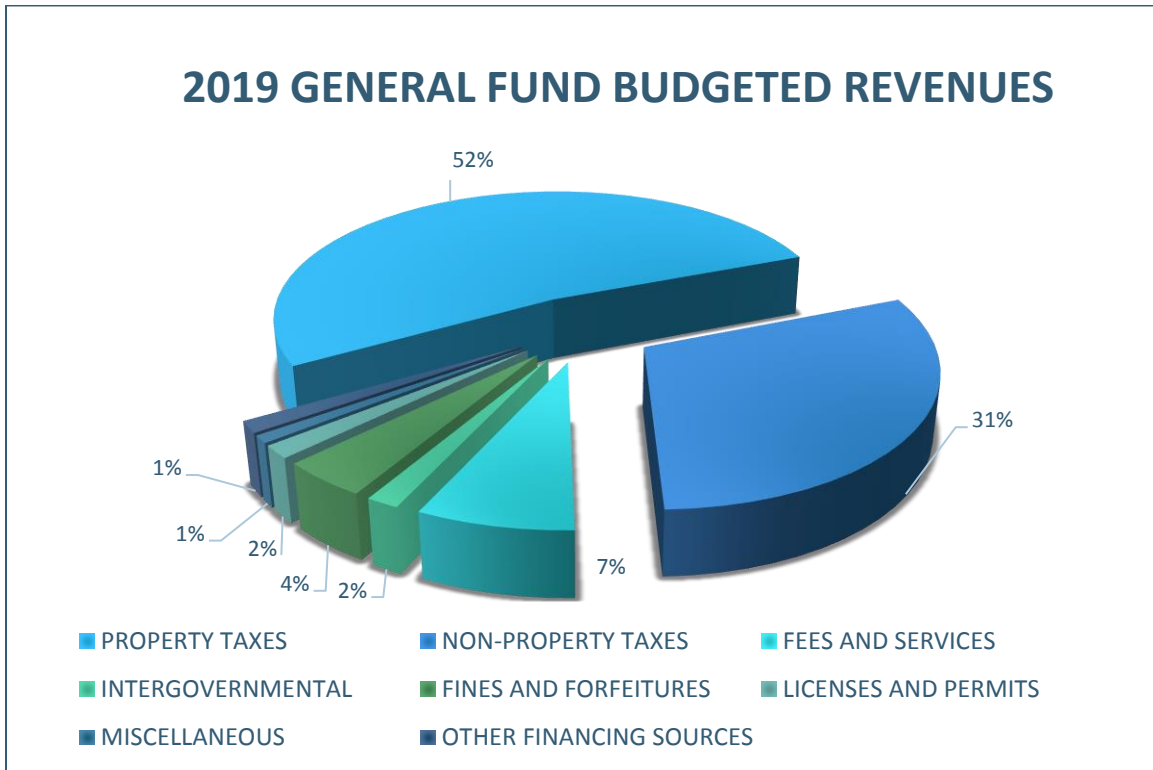


EXPENDITURES BY GOVERNMENTAL ACTIVITY	BUDGET 2019
GENERAL GOVERNMENT	\$3,810,402
PUBLIC SAFETY	6,293,166
PUBLIC WORKS	2,987,716
CONVENTION CENTRE & VISITORS BUREAU	1,312,368
COMMUNITY SERVICE	7,049,140
TRANSPORTATION	1,860,404
DEBT SERVICE	2,784,489
CAPITAL OUTLAY	7,617,694
<b>TOTAL REVENUES</b>	<b>\$33,715,379</b>

\*Excludes Other Financing Uses

## GENERAL FUND SUMMARY

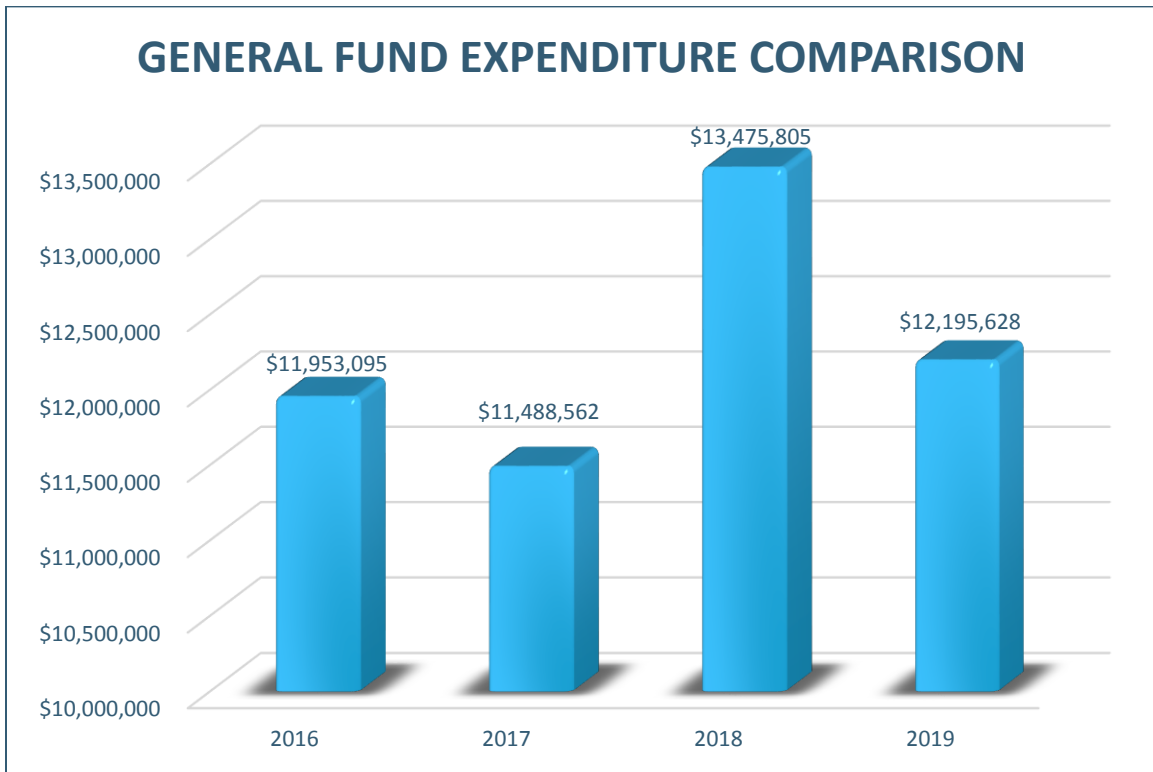
### GENERAL FUND REVENUES



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL FUND	2016	2017	2018	2019
PROPERTY TAXES	\$5,801,539	\$5,859,887	\$6,308,696	\$6,395,453
NON-PROPERTY TAXES	3,536,909	3,658,020	3,606,829	3,713,873
FEES AND SERVICES	749,698	955,034	1,174,021	907,230
INTERGOVERNMENTAL	617,244	205,663	318,475	192,600
FINES AND FORFEITURES	606,743	556,656	470,500	520,500
LICENSES AND PERMITS	264,933	447,276	175,250	186,700
MISCELLANEOUS	80,530	136,496	87,347	109,500
OTHER FINANCING SOURCES	268,983	222,872	443,143	170,000
<b>TOTAL REVENUES</b>	<b>\$11,926,579</b>	<b>\$12,041,904</b>	<b>\$12,584,261</b>	<b>\$12,195,856</b>



GENERAL FUND EXPENDITURES



<b>EXPENDITURES BY DEPT</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>GENERAL FUND</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
CITY COUNCIL	\$1,242	\$9,656	\$20,000	\$20,000
CITY MANAGER'S OFFICE	437,614	550,014	632,673	641,714
FINANCE	327,253	345,901	430,193	448,225
PLANNING	167,689	221,302	173,046	182,634
TECHNOLOGY	446,672	489,465	566,857	554,298
HUMAN RESOURCES	256,026	232,759	303,382	338,499
MUNICIPAL COURT	189,789	183,954	219,380	221,268
POLICE	2,687,037	2,644,762	3,345,111	3,179,230
FIRE	2,079,412	2,216,167	2,414,554	2,438,666
ENVIRON. HEALTH SERVICES	403,003	433,304	447,168	462,029
FLEET MANAGEMENT	950,371	780,692	1,471,277	624,707
FACILITIES & GROUNDS MTN	196,329	190,365	155,140	169,073
INSPECTIONS	193,209	193,496	192,383	204,395
PUBLIC WORKS	1,007,349	1,065,661	1,228,700	1,231,988
EMERGENCY MANAGEMENT	5,522	10,327	16,370	16,370
GENERAL SERVICE	849,234	920,415	892,381	985,800
SPECIAL PROJECTS	1,755,344	1,000,319	967,190	476,732
<b>TOTAL EXPENDITURES</b>	<b>\$11,953,095</b>	<b>\$11,488,559</b>	<b>\$13,475,805</b>	<b>\$12,195,628</b>

## CONSOLIDATED FINANCIAL STATEMENT

	General Fund	Hotel/Motel Fund	Transportation Fund	Other Funds & Component Unit	2018-2019 Totals
<b>REVENUES AND OTHER SOURCES</b>					
Property Taxes - Incl. Penalty & Interest	\$ 6,395,453	\$ -	\$ -	\$ 1,598,666	\$ 7,994,119
Nonproperty Taxes	3,713,873	6,341,110	-	6,358,760	16,413,743
Fees and Services	907,230	7,000	-	235,500	1,149,730
Fines and Forfeitures	520,500	-	-	17,000	537,500
Licenses and Permits	186,700	-	-	3,000	189,700
Intergovernmental	192,600	-	4,713,568	34,406	4,940,574
Miscellaneous and Program	109,500	45,000	50,000	27,785	232,285
Other Financing Sources	170,000	-	106,836	1,352,263	1,629,099
<b>Total Revenues</b>	<b>12,195,856</b>	<b>6,393,110</b>	<b>4,870,404</b>	<b>9,627,380</b>	<b>33,086,750</b>
<b>EXPENDITURES</b>					
<b>General Government</b>					
City Council	20,000	-	-	7,000	27,000
City Administration	641,714	-	-	7,000	648,714
Finance	448,225	-	-	-	448,225
Planning	182,634	-	-	-	182,634
Information Services	554,298	-	-	-	554,298
Human Resources	338,499	-	-	-	338,499
Environmental Health Services	462,029	-	-	93,703	555,732
General Services	985,800	-	-	-	985,800
Special Projects	69,500	-	-	-	69,500
<b>Total General Government</b>	<b>3,702,699</b>	<b>-</b>	<b>-</b>	<b>107,703</b>	<b>3,810,402</b>
<b>Public Safety</b>					
Municipal Court	221,268	-	-	9,685	230,953
Police	3,116,167	-	-	73,044	3,189,211
Fire	2,438,666	-	-	369,966	2,808,632
Emergency Management	16,370	-	-	-	16,370
<b>Total Public Safety</b>	<b>5,792,471</b>	<b>-</b>	<b>-</b>	<b>452,695</b>	<b>6,245,166</b>
<b>Public Works</b>					
Building Maintenance	169,073	-	-	-	169,073
Inspections	204,395	-	-	-	204,395
Fleet Management	474,370	-	-	-	474,370
Public Works	1,231,988	-	-	-	1,231,988
Shoreline	-	-	-	955,890	955,890
<b>Total Public Works</b>	<b>2,079,826</b>	<b>-</b>	<b>-</b>	<b>955,890</b>	<b>3,035,716</b>
<b>Community Service</b>					
Visitors Center	-	227,675	-	-	227,675
Sales and Marketing	-	1,599,318	-	-	1,599,318
Events Marketing	-	934,366	-	-	934,366
Marketing	-	3,251,350	-	-	3,251,350
Convention Centre	-	-	-	1,312,368	1,312,368
Component Unit	-	-	-	377,535	377,535
Parks & Recreation	-	-	-	78,896	78,896
Beach Nourishment	-	-	-	580,000	580,000
<b>Total Community Service</b>	<b>-</b>	<b>6,012,709</b>	<b>-</b>	<b>2,348,799</b>	<b>8,361,508</b>
<b>Transportation</b>					
Island Metro	-	-	1,420,568	-	1,420,568
Metro Connect	-	-	439,836	-	439,836
<b>Total Transportation</b>	<b>-</b>	<b>-</b>	<b>1,860,404</b>	<b>-</b>	<b>1,860,404</b>
<b>Debt Service</b>	<b>153,400</b>	<b>-</b>	<b>-</b>	<b>2,631,089</b>	<b>2,784,489</b>
<b>Capital Outlay</b>	<b>60,000</b>	<b>-</b>	<b>3,010,000</b>	<b>4,547,694</b>	<b>7,617,694</b>
<b>Other Financing Uses</b>	<b>407,232</b>	<b>375,394</b>	<b>-</b>	<b>1,223,867</b>	<b>2,006,493</b>
<b>Total Expenditures</b>	<b>12,195,628</b>	<b>6,388,103</b>	<b>4,870,404</b>	<b>12,267,737</b>	<b>35,721,872</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER)</b>					
	228	5,007	-	(2,640,357)	(2,635,122)
<b>Fund Balance -- Beginning</b>	<b>6,398,998</b>	<b>3,283,656</b>	<b>103,878</b>	<b>21,706,801</b>	<b>31,493,333</b>
<b>Fund Balance -- Ending</b>	<b>\$ 6,399,226</b>	<b>\$ 3,288,663</b>	<b>\$ 103,878</b>	<b>\$ 19,066,444</b>	<b>\$ 28,858,211</b>



## SUMMARY POSITION BY DEPARTMENT

Fund / Department	2015	2016	2017	2018	2019
<b>General Fund</b>					
City Administration	4.25	4.25	5	5	5
Finance	4.9	4.9	5	6	6
Planning *	2	2	3	2	2
Technology	2.95	2.8	3	3	3
Human Resources	3	3	3	3	3
Municipal Court	2	3	3	3	3
Police	37.95	37.75	36.75	37.75	37.75
Fire	26.75	26	26.75	26.75	26.75
Environmental Health Serv.	5.85	5.85	5.85	5.85	5.85
Fleet Management	2	2	2	2	2
Building Maintenance	3	3	3	2	2
Inspections	3	3	3	3	3
Public Works	18.85	17.85	19.85	19.85	19.85
<b>Hotel Motel Fund</b>					
Visitor's Bureau	3	3	3	3	3
Sales & Administration	9.5	9.5	10	10	11
Special Events	1	0.5	0	1	1
<b>Convention Centre</b>					
Convention Centre	11.2	10.35	11	10	10
<b>Parks and Recreation</b>					
Parks and Recreation	0	0	0	1	1
<b>Transportation</b>					
Island Metro	16.2	14.2	14	14	14
Metro Connect	3	4	7	7	7
<b>Shoreline**</b>					
Police/Beach Patrol	0.05	0.05	0	0.25	0.25
Fire/Beach Patrol	0.25	0	0	1.25	1.25
Environmental Health Serv.	0.15	0	0	0.15	0.15
Public Works	0.15	0	0	0.15	0.15
Beach Maintenance	6	7	7.6	7	8
Bay Access	0	0	1.2	1	1
<b>Total Operating Budget FTE's</b>	<b>167</b>	<b>164</b>	<b>173</b>	<b>175</b>	<b>177</b>

Source: City of South Padre Island Annual Budget

Note: Full-time budgeted positions are displayed.

\*Development Services

\*\*Formerly Beach Maintenance

VARIANCES IN POSITIONS BY DEPARTMENT

Fund/Department	FY 17	FY 18	Vacant Positions Eliminated	Positions Added for FY 19	FY 19	Variance FY 19 vs FY 18	<i>See Notes Below:</i>
<b>General Fund</b>							
City Administration	5	5	0	0	5	0	
Finance	5	6	0	0	6	0	
Planning *	3	2	0	0	2	0	
Technology	3	3	0	0	3	0	
Human Resources	3	3	0	0	3	0	
Municipal Court	3	3	0	0	3	0	
Police	36.75	37.75	0	0	37.75	0	
Fire	26.75	26.75	0	0	26.75	0	
Environmental Health Serv.	5.85	5.85	0	0	5.85	0	
Fleet Management	2	2	0	0	2	0	
Building Maintenance	3	2	0	0	2	0	
Inspections	3	3	0	0	3	0	
Public Works	19.85	19.85	0	0	19.85	0	
<b>Hotel Motel Fund</b>							
Visitor's Center	3	3	0	0	3	0	
Hotel Motel	10	10	0	1	11	1	1
Events Marketing	0	1	0	0	1	0	
<b>Convention Centre</b>							
Convention Centre	11	10	0	0	10	0	
<b>Parks &amp; Recreation</b>							
Parks & Recreation	0	1	0	0	1	0	
<b>Transportation</b>							
South Padre Island Metro	14	14	0	0	14	0	
Metro Connect	7	7	0	0	7	0	
<b>Shoreline **</b>							
Police/Beach Patrol	0	0.25	0	0	0.25	0	
Fire/Beach Patrol	0	1.25	0	0	1.25	0	
Environmental Health Serv.	0	0.15	0	0	0.15	0	
Public Works	0	0.15	0	0	0.15	0	
Beach Maintenance	7.6	7	0	1	8	0	2
Bay Access	1.2	1	0	0	1	0	
<b>Total Operating Budget FTE's</b>	<b>173</b>	<b>175</b>	<b>0</b>	<b>2</b>	<b>177</b>	<b>1</b>	

Notes: Variance FY 19 vs FY 18

1) Added Director of Marketing and Analytics position.

2) Added Shoreline Grants and Special Projects Admin. Position.

\* Formerly Development Services

\*\* Formerly Beach Maintenance

## DEPARTMENTAL DESCRIPTIONS, GOALS, AND OBJECTIVES

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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

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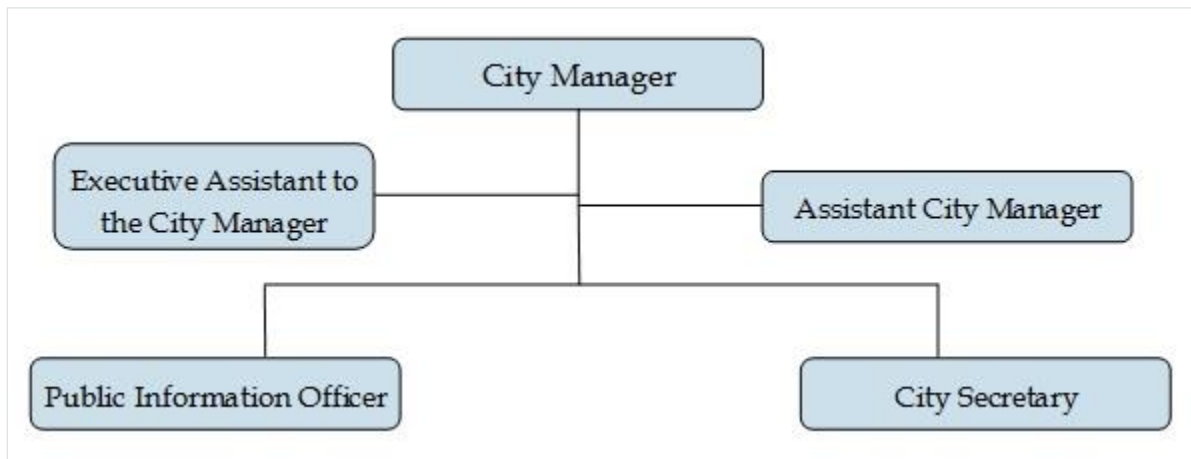
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - CITY COUNCIL	2016	2017	2018	2019
MISCELLANEOUS SERVICES	\$1,180	\$1,706	\$20,000	\$20,000
EQUIPMENT > \$5,000 OUTLAY	0	7,950	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$1,180</b>	<b>\$9,656</b>	<b>\$20,000</b>	<b>\$20,000</b>

### CITY MANAGER’S OFFICE

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#### CITY MANAGER’S ORGANIZATIONAL CHART

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#### WHO ARE WE / WHAT WE DO

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The City Manager’s Office (CMO) is responsible for the implementation of the South Padre Island City Council’s policies and overseeing the operations of the organization and staff. 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
- Planning
- Parks, Recreation, and Beautification
- 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, facilitates and strengthens the City of South Padre Island's 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 enhanced.

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. Update Padre Boulevard by completing the sidewalk project.
  - b. Launch the redevelopment of 11 side streets.
  - c. Begin the construction of the North Padre Boulevard medians and sidewalks.
  - d. Strive to have a vibrant economy that is diverse and sustainable by investigating potential economic development opportunities, such as the cruise industry.
  - e. Enhance the aesthetic appeal of the community.
  - f. Sustain our beautiful beach and bay and improve access for our recreational visitors via maintenance, beach nourishment, and grant projects.
  - g. Embrace the unique characteristics of our City.

2. Continue evaluating programs for enhancements and benefits to the City.
  - a. Develop wayfinding program.
  - b. Launch a trails program.
  - c. If grant is awarded, complete construction of Tompkins Park.
  - d. Revitalize Palm boat ramp.
3. Create a strong organizational foundation through policy development and implementation.
  - a. Develop a legislative priority list and work with representatives to achieve SPI goals.
4. Develop and sustain a productive relationship with the City Council to encourage policy development and effective communication.
5. Continue enhancement of the public relations program to improve communication with the public and ensure a constructive relationship with the media.
6. Strive to encourage and facilitate 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 involved 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:

Maintenance of dashboards and with all departments to continuously monitor Key Performance Indicators (KPIs).



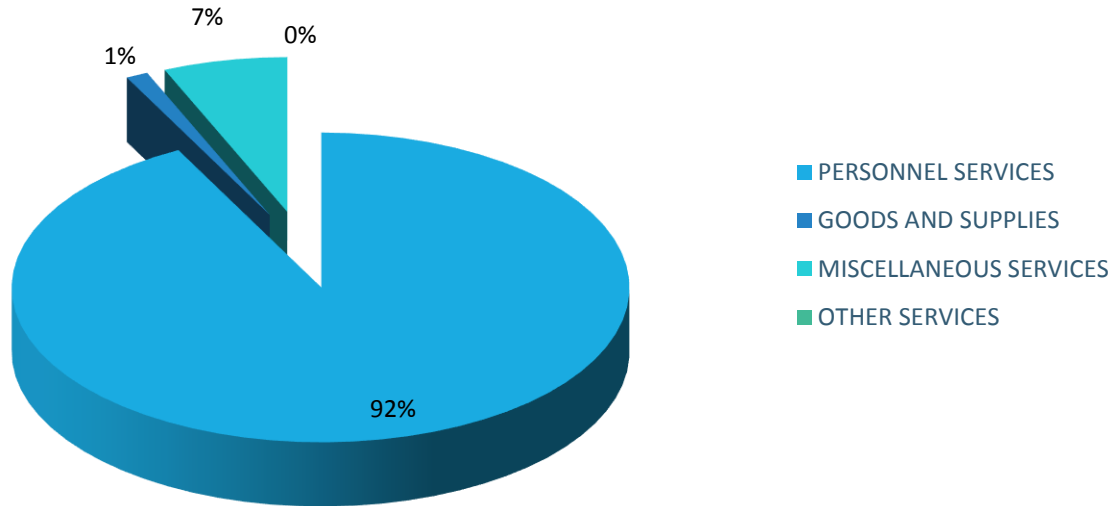
CITY MANAGER'S STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS

Project Description	Short Term: 1 FY Mid Term: 2-3 FY Long Term: 5-10 FY	Fiscal Year-Due Date	Budget Impact	Associated Metric	Comp Plan Goal
Support initiatives that enhance the quality of life for the citizens (Music, Art in Public Places, Community Events, Theatre Productions, etc.).	Long-Term	Ongoing	\$ -	N/A	Chapter I. Goal 1
Embrace the use of technology to enhance operations and communication: Continue to 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. Look at new software for the Police and Fire departments.	Long-Term	Ongoing	\$ - Resources with Info Service	N/A	Chapter VII Goal 2
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).	Long-Term	Ongoing	\$ - Resources with Shoreline, Public Works and Transit	N/A	Chapter II Goal 1 Objective 1.1
Enhance financial management and the budget process by continuing business plans for each department that include performance metrics.	Long-Term	Ongoing	\$ -	N/A	Chapter VII Goal 1 Objective 1.1 Policy 1.1.1
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/arts incubators.	Long-Term	Ongoing	\$ - Resources with EDC	N/A	Chapter VI Goal 1 Objective 1.1 Policy 1.1.1 Strategy 1.1.1.2

Create programming in the community center through the Parks Department. Establish a film office through the Parks Department in cooperation with the EDC.	Short Term	2018/19	\$ - Resources in Parks	N/A	Chapter I Goal 1 Objective 1.2
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.).	Short Term	2018/19	Paid for in FY 17/18 and by Departments	N/A	Chapter VII Goal 1 Objective 1.2
Identify funding sources and strategies for priority Capital Improvement Projects; Look in to the possibility of moving the Laguna Blvd improvements to an earlier date by using excess reserves for engineering costs.	Long-Term	Ongoing	Varies	N/A	Chapter VII Goal 1 Objective 1.1 Policy 1.1.1
If grant from Parks and Wildlife is received in March of 2019, complete Skate Park at Tompkins.	Short Term	2018/19	\$ - Resources in Parks	N/A	Chapter III Goal 2
Implement Venue Tax Projects, including windsport venue, sidewalks, medians, and possible expansion of the convention center.	Short Term	2018/19	\$ - Resources in Venue Tax	N/A	Chapter VI Goal 1 Objective 1.1 Policy 1.1.1 Strategy 1.1.1.2
Expand boat ramp access on Laguna Madre by completing Palm boat ramp renovation.	Short Term	2018/19	\$ - HOT Funding	N/A	Chapter III Goal 1 Objective 1.2 Policy 1.2.1-2
Complete Side Street Development.	Short Term	2018/19	\$ - Resources in Tax Note	N/A	Chapter I Goal 1 Objective 1.3 Policy 1.3.3
Expand use of citizen participation tools to enhance feedback and engagement (including providing training).	Short Term	2018/19	\$ -0-	N/A	Chapter VI Goal 4 Objective 4.3 Policy 4.3.1-3
Complete Improvement Phase of DMAICs on Marketing, Visitors Center, Facilities, SPI Connect, and medians	Short Term	2018/19	\$ - Resources in Varied Dept.	N/A	Chapter II Goal 1 Objective 1.1
Complete New Green Belt Projects (9): including Tompkins Channel maintenance, Near Shore Berm, Cell Service, PIRs, Sales Process, etc.	Short Term	2018/19	\$ - Resources in Varied Dept.	N/A	Chapter I Goal 1 Objective 1.4 Policy 1.4.1

CITY MANAGERS' BUDGET NUMBERS

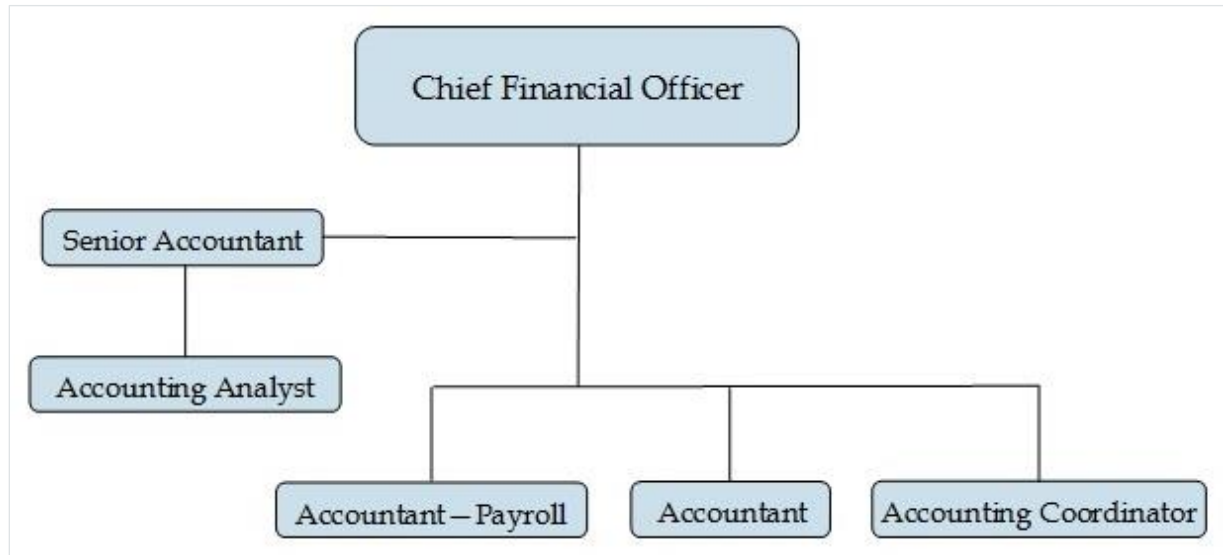
**2019 CITY MANAGER'S OFFICE BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - CITY MANAGER'S OFFICE	2016	2017	2018	2019
PERSONNEL SERVICES	\$410,363	\$475,584	\$576,439	\$592,665
GOODS AND SUPPLIES	5,689	8,032	7,400	7,400
MISCELLANEOUS SERVICES	21,562	36,591	48,834	41,649
OTHER SERVICES	0	29,807	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$437,614</b>	<b>\$550,014</b>	<b>\$632,673</b>	<b>\$641,714</b>

## FINANCE DEPARTMENT

### FINANCE DEPARTMENT ORGANIZATIONAL CHART



### WHO ARE WE / WHAT WE DO

The Finance Department plans and directs the City's financial activities, including accounting, budgeting, internal and external financial reporting, and managing debt and investments. 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 effective decision-making.
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.

FINANCE DEPARTMENT STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS

Project Description	Short Term: 1 FY Mid Term: 2-3 FY Long Term: 5-10 FY	Fiscal Year- Due Date	Budget Impact	Associated Metric	Comp Plan Goal
<b>Guide</b>					
Minimize turnover by maintaining employee motivation through professional development, flex time, and fair compensation.	Long Term	Ongoing	N/A	N/A	N/A
Continue to receive the GFOA Distinguished Budget Presentation Award through application of the highest principles of governmental budgeting and satisfying acclaimed guidelines for effective budget presentation.	Short Term	12/31/18	\$330	GFOA Budget Award	Chapter VII. Goal 1 Objective 1.1
Continue to receive the GFOA Certificate of Achievement for Excellence in Financial Reporting through preparation of comprehensive annual financial reports which enhance transparency and full disclosure.	Short Term	3/31/19	\$435	GFOA CAFR Award	Chapter VII. Goal 1 Objective 1.1
Maximize interest revenue through effective cash management.	Short Term / Mid Term	Ongoing	No cost associated.	Total Interest Earnings	Chapter VII. Goal 1 Objective 1.1
Provide formal training for all City employees on financial topics including purchase orders, time clock, fixed assets, disaster financial management, and purchasing cards to promote efficiency throughout the organization.	Short Term	Ongoing	\$ -	Overtime Expense Trend and Average Overtime per Employee	Chapter VII. Goal 1 Objective 1.1

Enhance compliance for local and state occupancy tax collections as well as City ordinances through the appropriate development of procedures that provide clear guidance.	Long Term	Ongoing	\$16,500	Local Hotel Occupancy Tax (HOT) Collections	Chapter VII. Goal 1 Objective 1.1
Perform audits of CVB sales incentives (commissions) to ensure accuracy of sales incentive bonuses and propose improvements to policy.	Short Term	Ongoing	\$ -	N/A	Chapter VII. Goal 1 Objective 1.1
<b>Analyze and Plan</b>					
Conduct Annual SWOT Analysis and Business Plan with the Finance Team.	Long Term	Ongoing	\$ -	N/A	Chapter VII. Goal 1 Objective 1.1
Review and plan to achieve goals from the Comp Plan.	Long Term	Ongoing	\$ -	N/A	Chapter VII. Goal 1 Objective 1.1
Promote professional development, encourage participation, as well as review current processes.	Long Term	Ongoing	\$8,800	N/A	Chapter VII. Goal 1 Objective 1.1
Enhance cross training to avoid interruptions in service.	Long Term	Ongoing	\$ -	N/A	Chapter VII. Goal 1 Objective 1.1
<b>Needs of the Customer</b>					
Decision makers at all levels rely on information provided by Finance. Success will be measured in terms of accuracy and availability of information when needed.	Long Term	Ongoing	\$ -	N/A	Chapter VII. Goal 1 Objective 1.1
Process payments promptly for vendors and employees.	Short Term	Ongoing	\$ -	Cost per Payroll Payment, Invoices processed, and AP Cost per Invoice	Chapter VII. Goal 1 Objective 1.1
Receive GFOA Budget and CAFR awards.	Short Term	Ongoing	\$765	GFOA Budget & CAFR Award	Chapter VII. Goal 1 Objective 1.1
<b>Approach to Process Control</b>					
Develop SOPs for Key Processes.	Short Term	Ongoing	\$ -	N/A	Chapter VII. Goal 1 Objective 1.1
Set up internal controls to minimize errors, prevent fraud,	Short Term	Ongoing	\$ -	N/A	Chapter VII. Goal 1 Objective 1.1

and avoid potential conflict of interests.					
<b>Staff Development</b>					
Hold monthly one on ones with each staff member.	Short Term	Ongoing	\$ -	N/A	N/A
Use SPI Connect to provide training which meet employee needs.	Short Term	Ongoing	\$ -	N/A	N/A
Encourage professional development by attending GFOA and GFOAT training and conferences, as well as other type of accounting and financial training, such as Disaster Accounting.	Short Term	Ongoing	\$ -	N/A	N/A
Provide fair compensation and promote work/life balance through flex time.	Long Term	Ongoing	\$ -	N/A	N/A
Motivate employees by exposing them to new challenges.	Short Term	Ongoing	\$ -	N/A	N/A

**FINANCE DEPARTMENT PERFORMANCE METRICS**

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.

GFOA Budget Award:

Certificate is awarded to government units effectively presenting their budget in accordance with the highest principles of government budgeting.

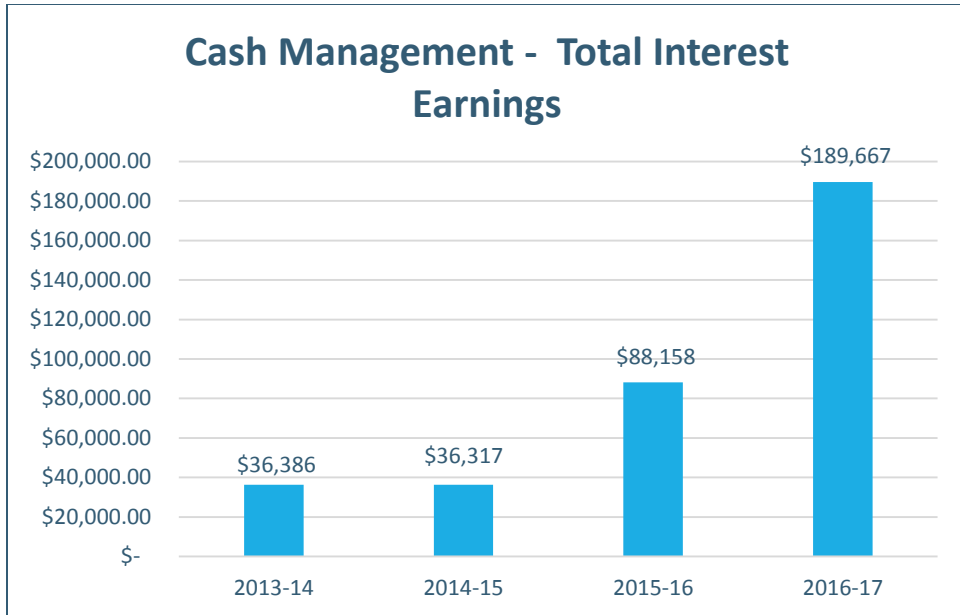
Fiscal Year	2013	2014	2015	2016	2017	2018
<b>Result</b>	Yes	Yes	Yes	Yes	Yes	Yes

GFOA CAFR Award:

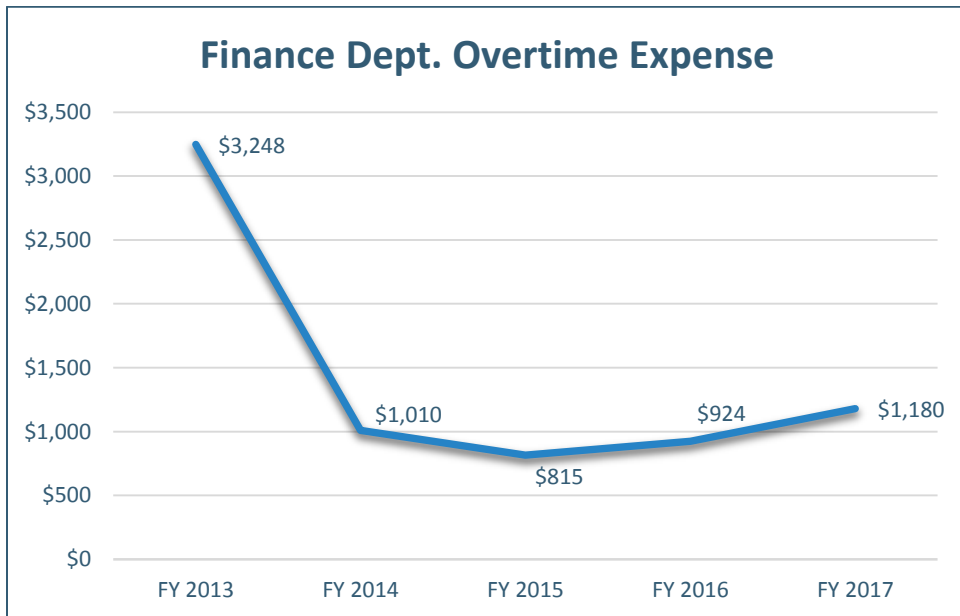
Certificate is awarded to government units whose Comprehensive Annual Financial Reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

Fiscal Year	2012	2013	2014	2015	2016	2017
<b>Result</b>	Yes	Yes	Yes	Yes	Yes	Yes

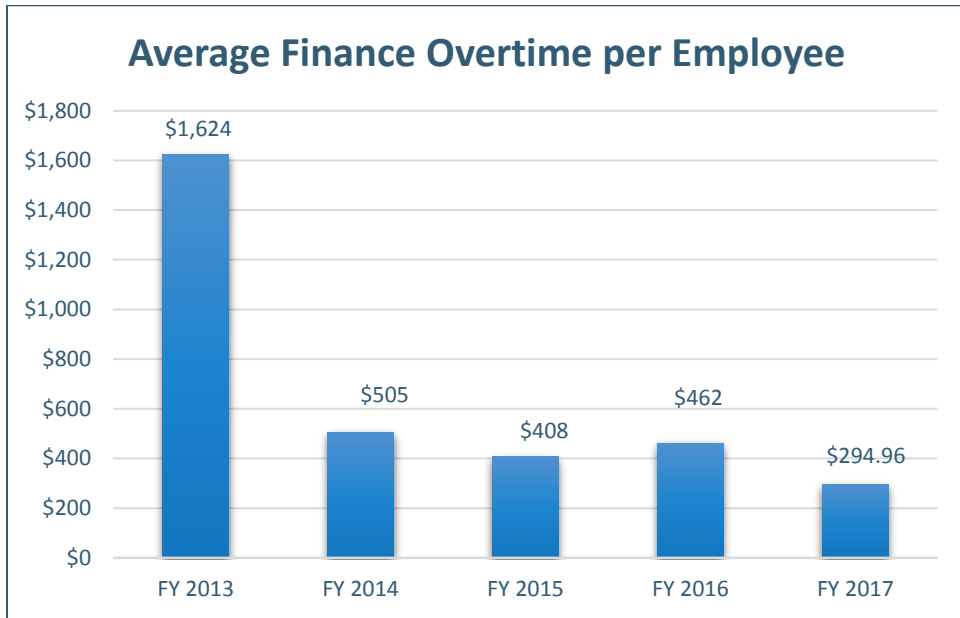
Total Interest Earnings:



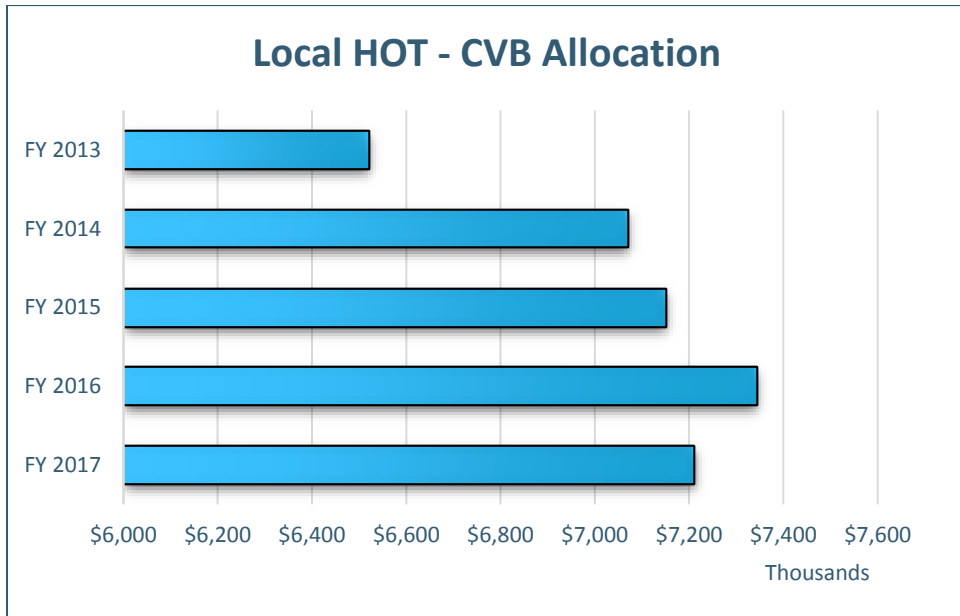
Overtime Expense Trend and Average:



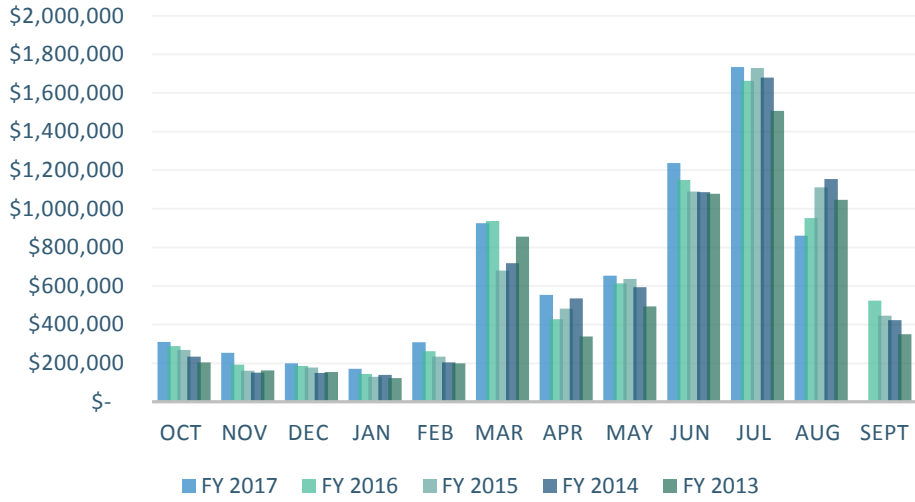




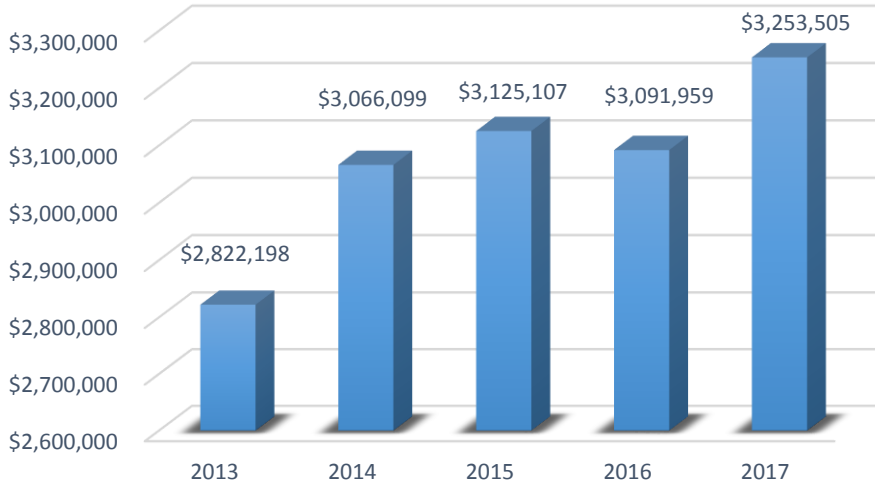
Financial Trends:

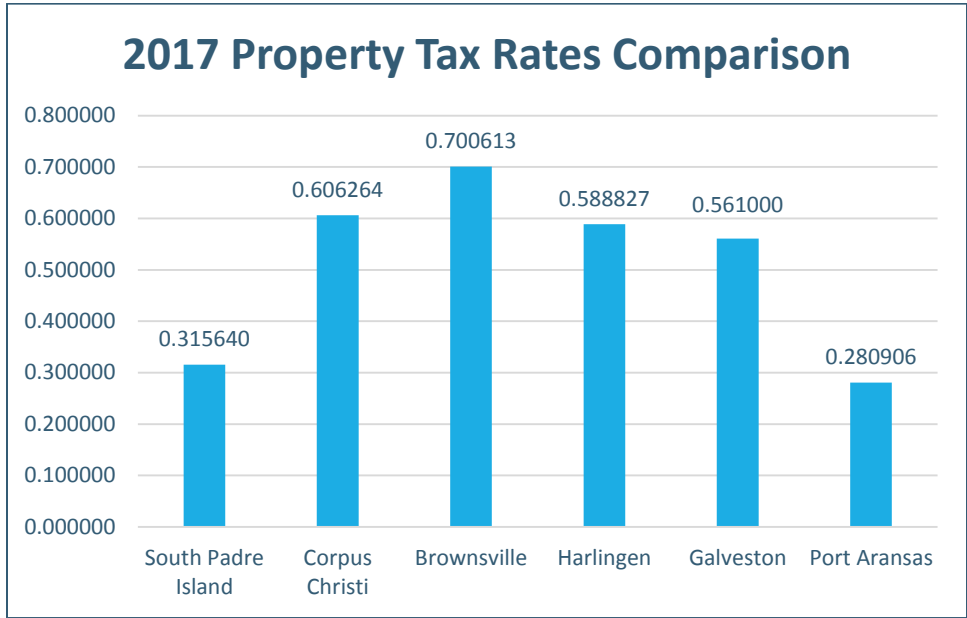


### 2013 - 2017 HOT Comparison - CVB



### Sales Tax History

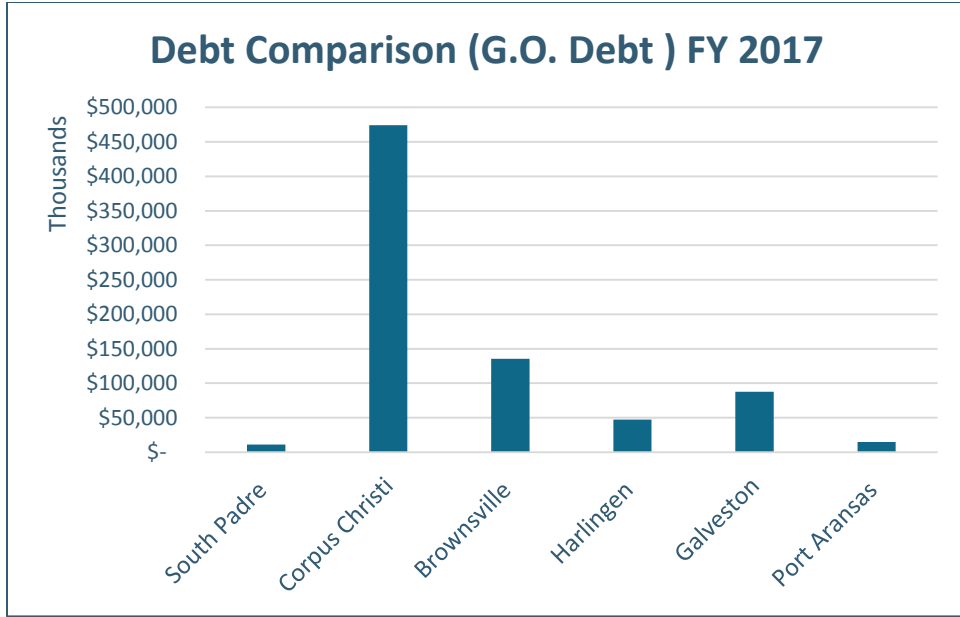




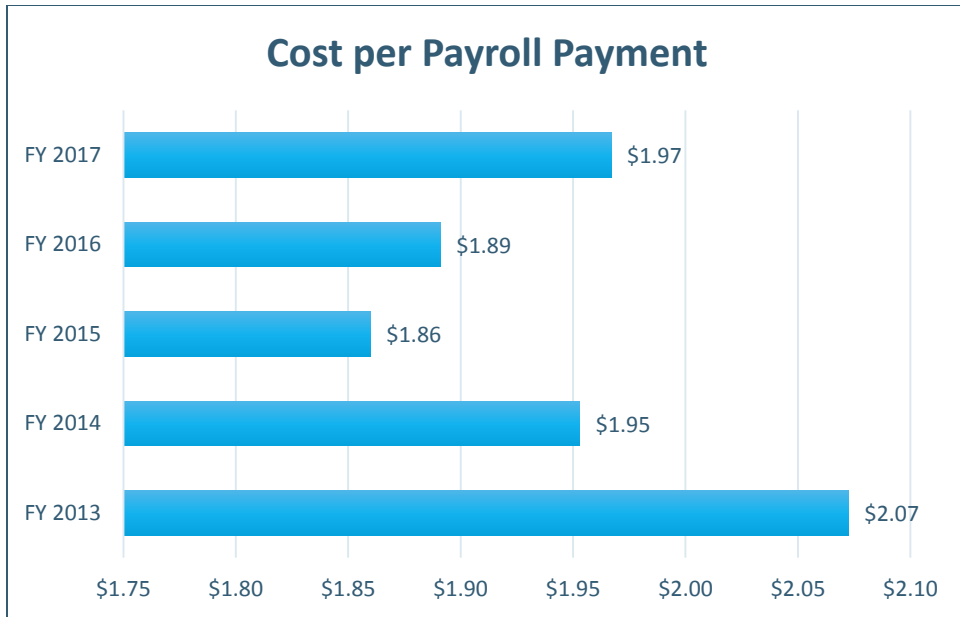
**Bond Ratings:**

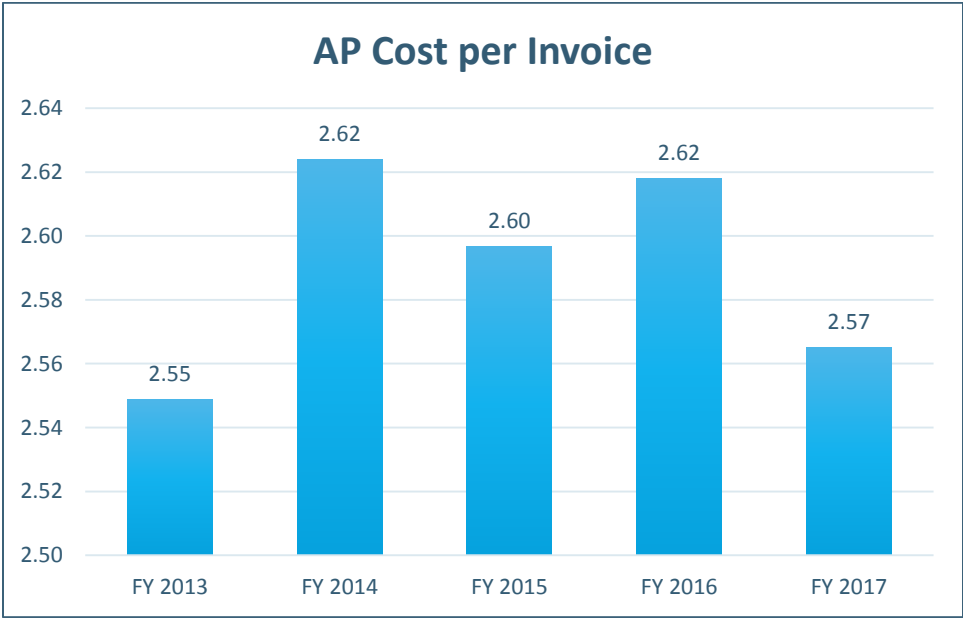
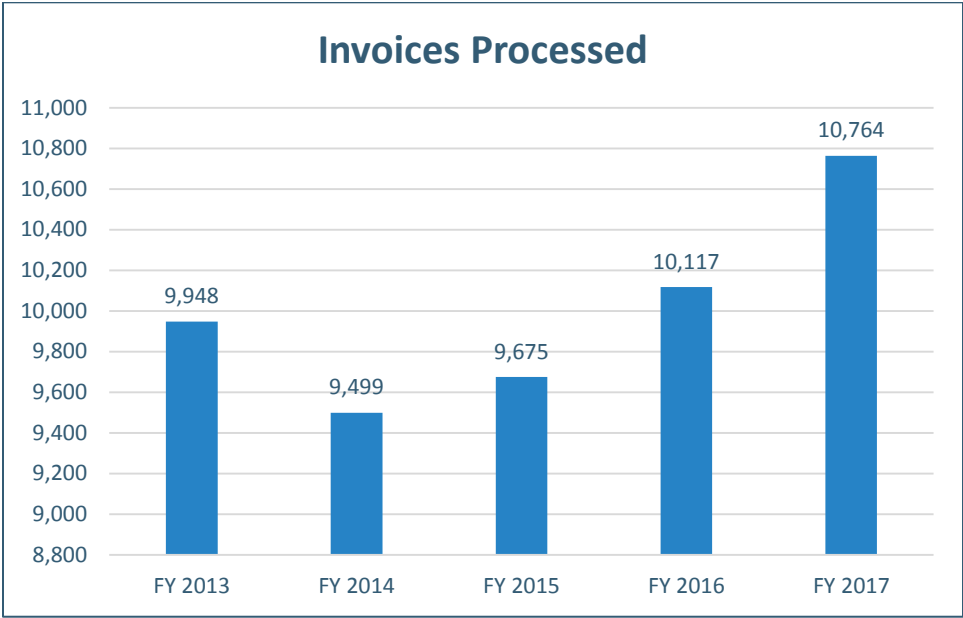
Bond ratings are a measure of the creditworthiness of both debt securities and their issuers. The City has a strong financial position with an AA+ general obligation bond rating through Standard & Poor’s, which is a reflection of strong financial practices. The excellent bond rating allows the City to issue bonds for major projects at an advantageous interest rate.

Bonds Issued	GO Bond Ratings		Revenue Bond Ratings
	S&P	Moody's	S&P
<b>Description</b>			
FY 2011 - Fire Station	AA-	Aa2	-
FY 2012 - Refunding Bonds - Municipal Complex	AA-	Aa2	-
FY 2015 - Tax Notes Series 2015 - Gulf Blvd	AA+	Aa2	-
FY 2016 - Tax Notes Series 2015 - Street Improvements	AA+	Aa2	-
FY 2017 - Venue Hotel Occupancy Tax Revenue Bonds	-	-	AA

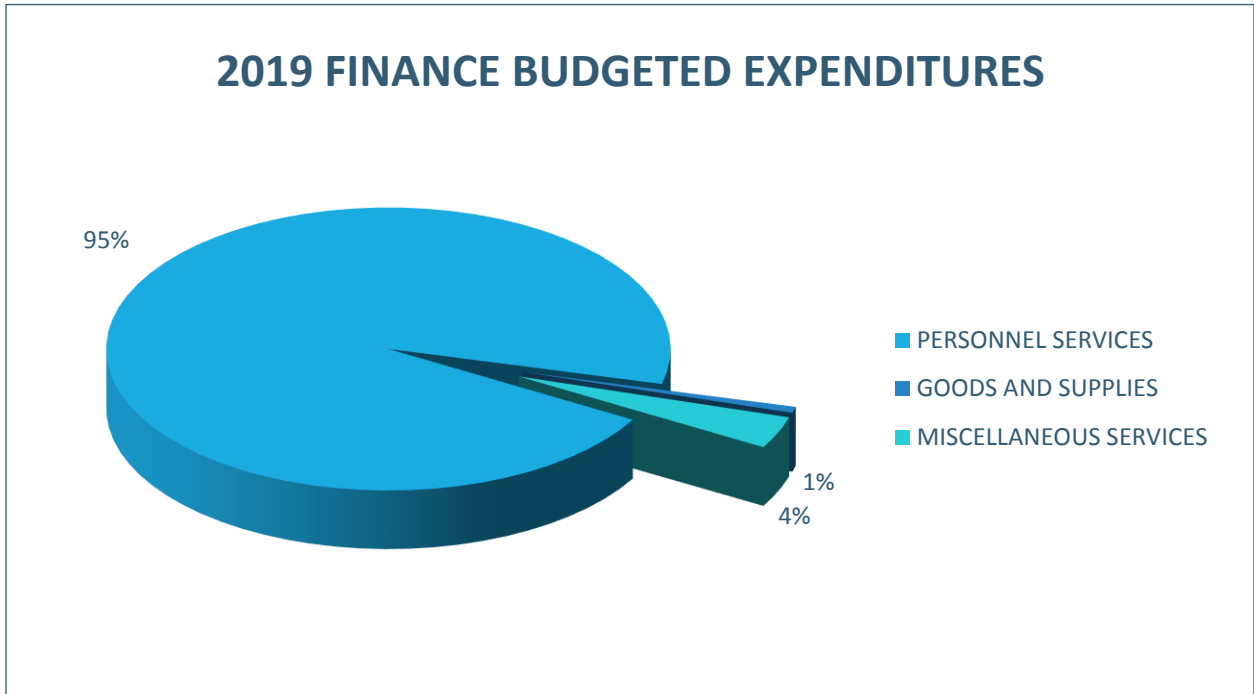


Cost per Payroll Payment, Invoices Processed, and AP Cost per Invoice:





FINANCE DEPARTMENT BUDGET NUMBERS



<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>GEN. FUND - FINANCE</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
PERSONNEL SERVICES	\$320,373	\$335,980	\$410,697	\$428,729
GOODS AND SUPPLIES	1,663	1,939	3,500	3,100
MISCELLANEOUS SERVICES	5,217	7,982	15,996	16,396
<b>TOTAL EXPENDITURES</b>	<b>\$327,253</b>	<b>\$345,901</b>	<b>\$430,193</b>	<b>\$448,225</b>

## PLANNING DEPARTMENT

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### PLANNING DEPARTMENT ORGANIZATIONAL CHART

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### WHO ARE WE / WHAT WE DO

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The Planning Department administers the City's Land Planning and Development programs.

The Department administers the City's Comprehensive Plan, Zoning Ordinance, Form-Based Codes, Subdivision Regulation, Site Plan Review, Annexation, Landscape Design, GIS and other services as assigned. The Department 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 while serving the public.

#### Major Goals:

Modernize, streamline and realign the land development regulatory framework to meet today's economic realities while enhancing the quality of life.

1. Create a predictable, fair, and ethical land development regulatory framework.
2. Create a sustainable and environmentally sensitive development code.
3. Foster an innovative, diverse, and creative urban development environment.
4. Implement the form-based code for Padre Boulevard and the Entertainment District.
5. Develop and administer an annexation plan.
6. Update the City's Zoning and Subdivision Regulations.
7. Develop and administer a Thoroughfare Plan.
8. Implement and update the City's 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 it with economic development strategies.

PLANNING DEPARTMENT STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS

<b>Project Description</b>	<b>Short Term: 1 FY Mid Term: 2-3 FY Long Term: 5-10 FY</b>	<b>Fiscal Year- Due Date</b>	<b>Budget Impact</b>	<b>Associated Metric</b>	<b>Comp Plan Goal</b>
<b>Guide</b>					
Comprehensive Plan adoption	Short Term	Dec. 2018	N/A	N/A	Chapter I Goal 1 Objective 1.1 Policy 1.1.1
Text/Map Amendments	Short Term	Feb 2019	N/A	N/A	Chapter I Goal 1 Objective 1.1 Policy 1.1.3 & 4
Evaluate/ Update/ Implement - Formed Based Codes	Short Term	Mar 2019	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.2
Economic Development/Define Character	Short Term	Mar 2019	N/A	Metric 1 and 2	Chapter I Goal 2
<b>Analyze and Plan</b>					
Conduct Annual SWOT Analysis and Business Plan with Planning Team.	Long Term	Annually	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1

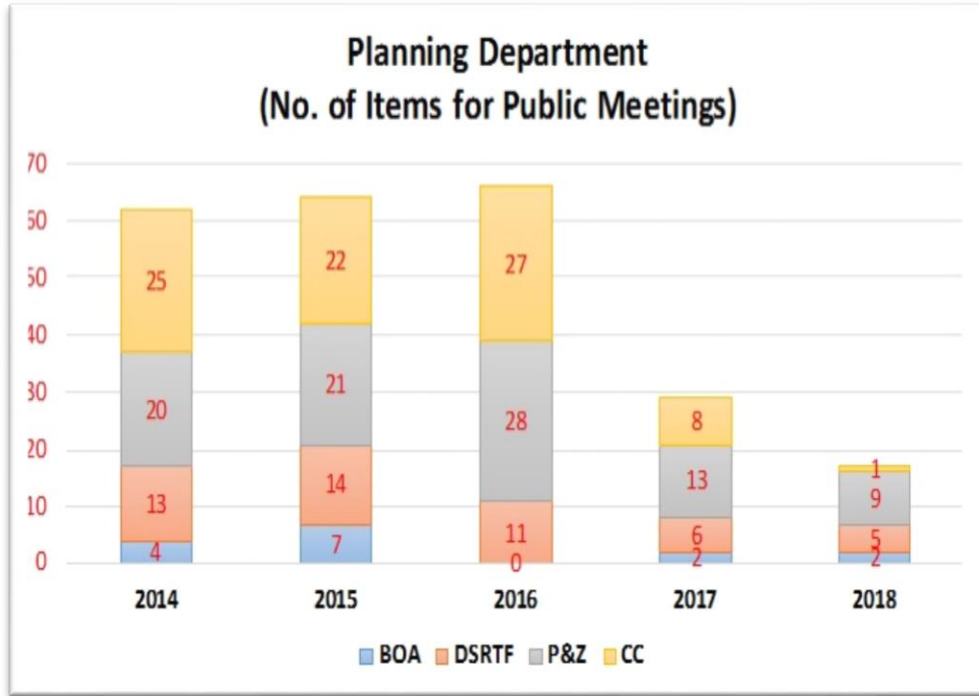


Review and report on annual business plan.	Long Term	Quarterly	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Review and plan to achieve goals from the Comp Plan.	Short Term	Ongoing	N/A	N/A	Chapter VII Goal 1 Objective 1.2
<b>Needs of the Customer</b>					
Open door policy and staff input.	Long Term	Ongoing	N/A	N/A	Chapter VII Goal 2
Evaluate Zoning Policies/actions for revisions.	Short Term	Ongoing	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-2
Coordinate City Committee Meetings.	Long Term	Ongoing	N/A	N/A	Chapter VII Goal 2
<b>Approach to Process Control</b>					
Develop SOPs for Key Processes.	Short Term	Ongoing	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Conduct a Process Map and improve Key Processes.	Long Term	Ongoing	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Evaluate departmental actions on a quarterly basis.	Long Term	Ongoing	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Train and further educate committees.	Long Term	Quarterly	N/A	Metric 3 and 4	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
<b>Staff Development</b>					
Hold monthly one on ones with each staff member.	Long Term	Ongoing	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Offer educational opportunities.	Long Term	Ongoing	\$5,135	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3

PLANNING DEPARTMENT PERFORMANCE METRICS

Chapter VII. Policy 1.2.6: City staff and elected officials shall be committed to fulfill their obligations to provide high-quality services and leadership.

Metric 1:



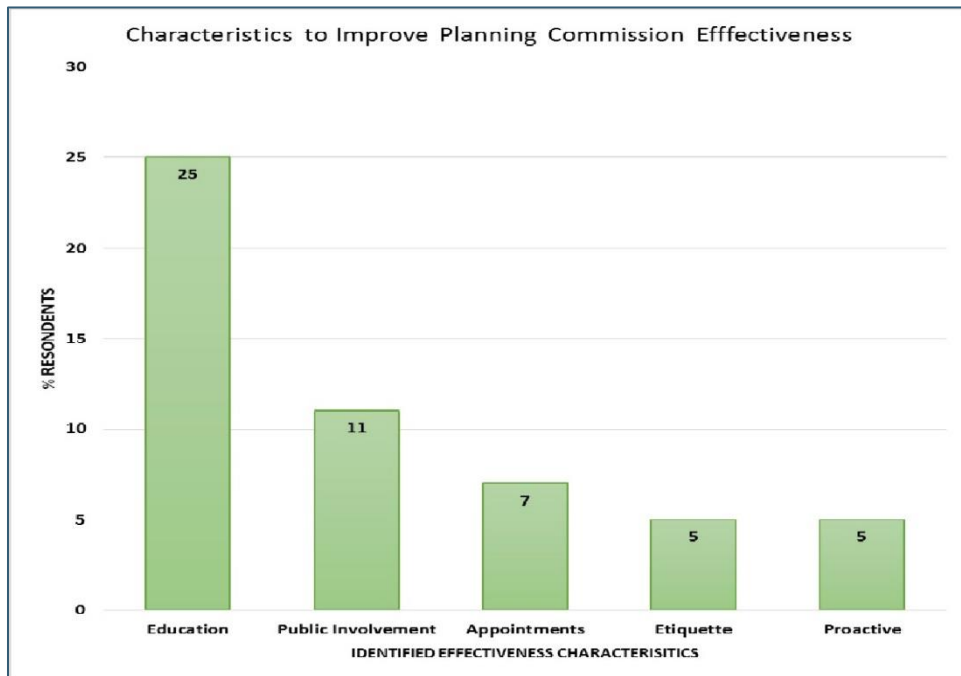
Metric 2:

	2014	2015	2016	2017	2018
<b>BOA</b>	<b>4</b>	<b>7</b>	<b>0</b>	<b>2</b>	<b>2</b>
<b>DSRTF</b>	<b>13</b>	<b>14</b>	<b>11</b>	<b>6</b>	<b>5</b>
<b>P&amp;Z</b>	<b>20</b>	<b>21</b>	<b>28</b>	<b>13</b>	<b>9</b>
<b>CC</b>	<b>25</b>	<b>22</b>	<b>27</b>	<b>8</b>	<b>1</b>

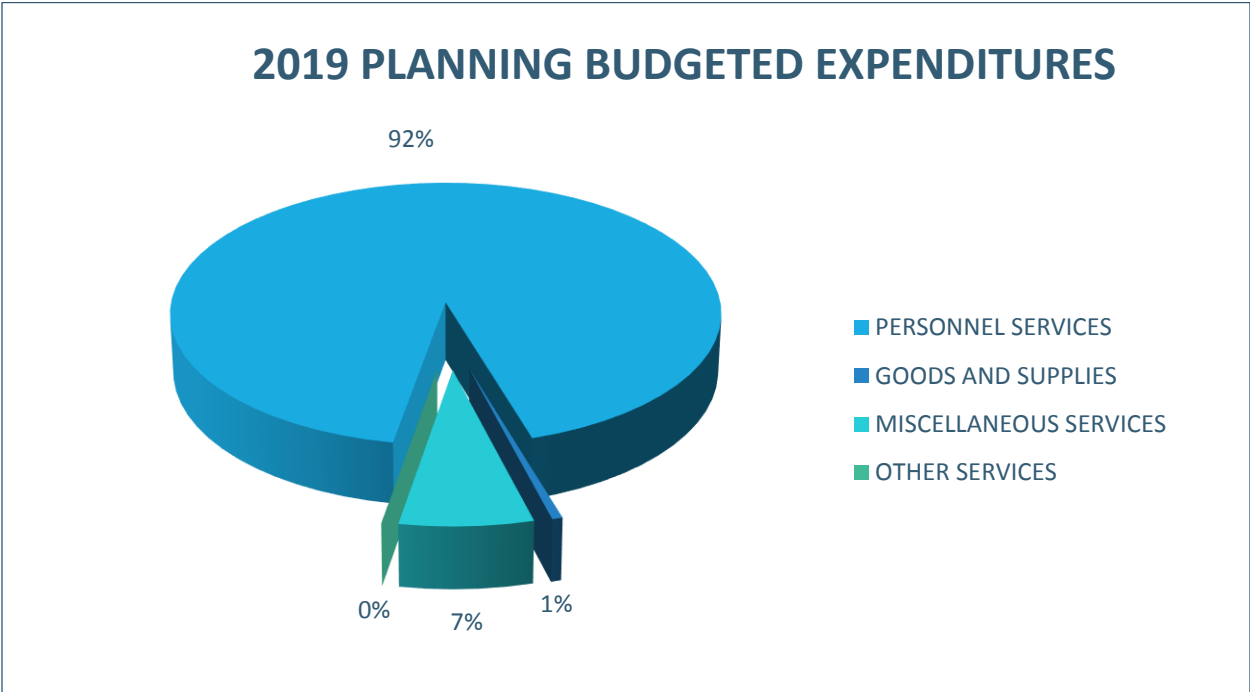
Metric 3:



Metric 4:



PLANNING DEPARTMENT BUDGET NUMBERS



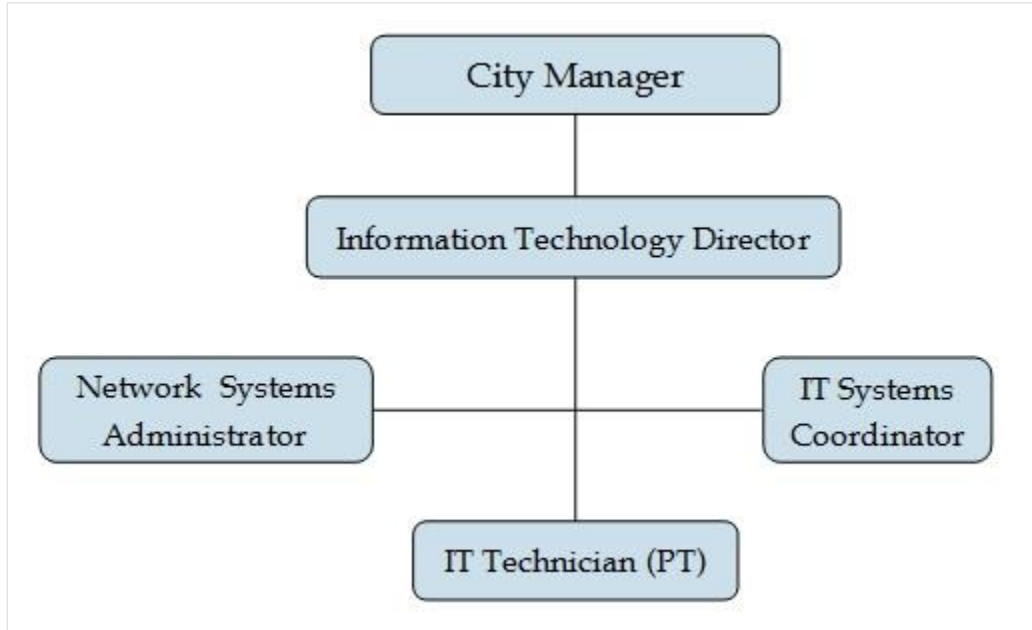
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - PLANNING	2016	2017	2018	2019
PERSONNEL SERVICES	\$154,499	\$207,337	\$159,493	\$168,990
GOODS AND SUPPLIES	939	989	1,000	1,000
MISCELLANEOUS SERVICES	6,301	11,110	12,553	12,644
OTHER SERVICES	5,951	1,866	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$167,689</b>	<b>\$221,302</b>	<b>\$173,046</b>	<b>\$182,634</b>

## INFORMATION TECHNOLOGY DEPARTMENT

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### INFORMATION TECHNOLOGY DEPARTMENT ORGANIZATIONAL CHART

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### WHO ARE WE / WHAT WE DO

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The Information Technology (IT) 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. The IT Department includes Information Technology, Geographical Information Systems (GIS), and Communications.

#### Major Goals:

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

Information Technology Goals:

1. Manage, maintain, and upgrade the City’s technology infrastructure to ensure 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 information, the organization cannot function and staff cannot do their job. With advances in technology, information has grown exponentially; therefore, we must have the means to manage, communicate, and analyze information to operate at today’s standards.

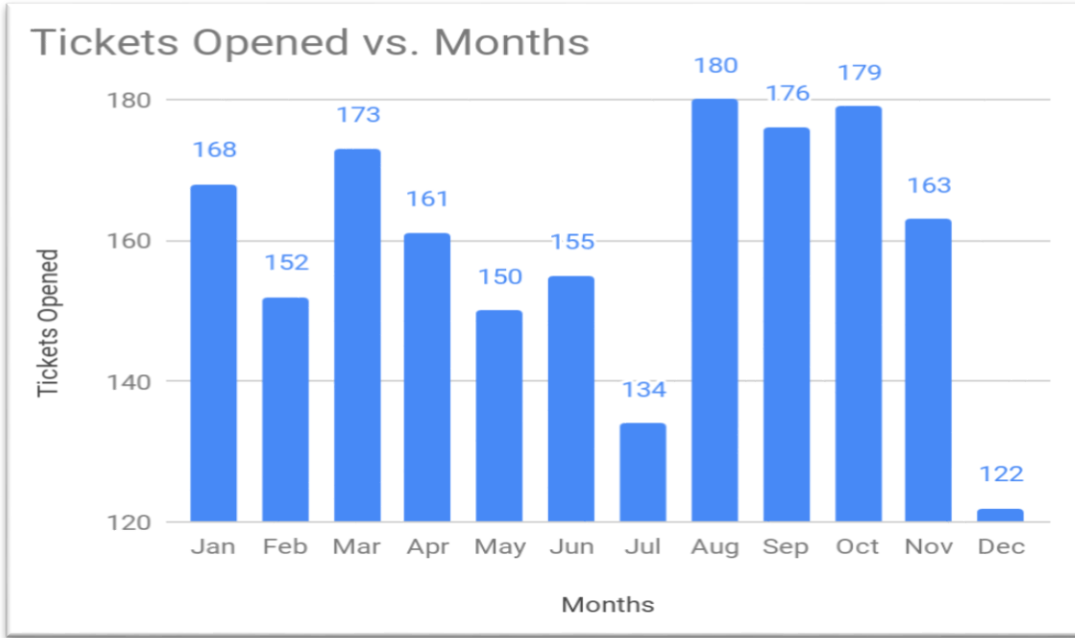
INFORMATION TECHNOLOGY DEPARTMENT STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS

Project Description	Short Term: 1 FY Mid Term: 2-3 FY Long Term: 5-10 FY	Fiscal Year- Due Date	Budget Impact	Associated Metric	Comp Plan Goal
<b>Guide</b>					
Create SOPs and hold weekly trainings.	Short Term	Ongoing	\$ -	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Disaster Recovery Plan to be completed before year’s end.	Mid Term	Ongoing	\$ -	N/A	Chapter V Goal 1 Objective 1.1 Policy 1.1.1
Restructure network configuration.	Long Term	Ongoing		N/A	Chapter VI Goal 1 Objective 1.2 Policy 1.2.1-3
Maintain PC replacement schedule by replacing 22 new computers.	Long Term	Ongoing	\$22,500	N/A	Chapter V Goal 1 Objective 1.1 Policy 1.1.1
IT staff will provide formal training through SPI Connect for all city employees on G Suite apps including Google Docs, Slides, Sheets, and Calendar.	Short Term	Ongoing	\$ -	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3

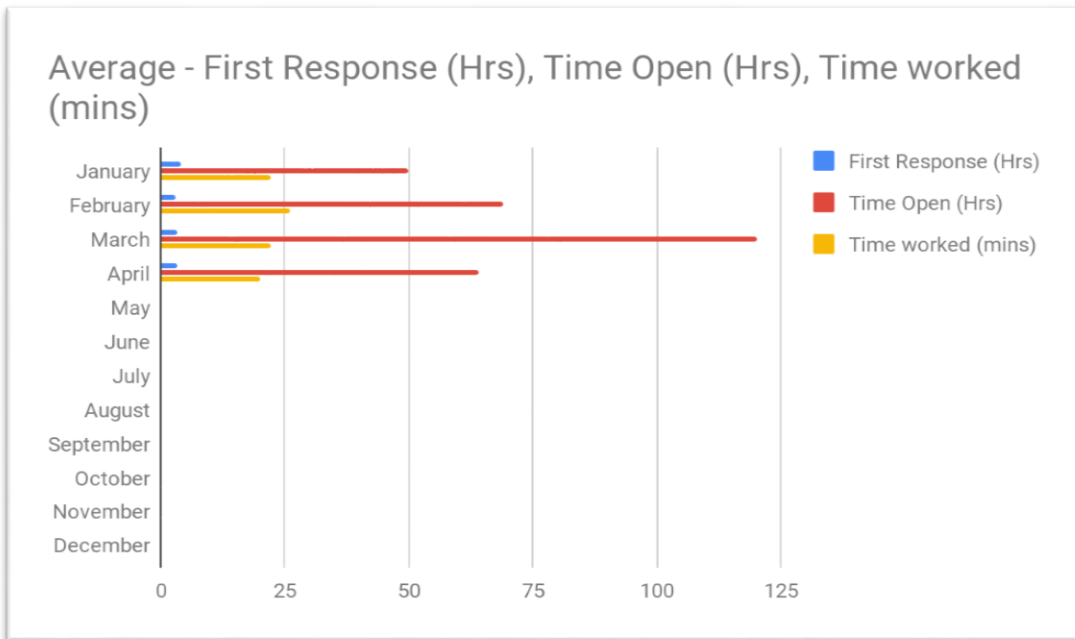
<b>Analyze and Plan</b>					
Cross train IT staff to improve efficiency.	Short Term	Ongoing	\$ -	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Update IT Policies as outlined in Financial Audit.	Short Term	Ongoing	\$ -	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
<b>Needs of the Customer</b>					
Encourage City employees complete a survey once a helpdesk ticket is closed.	Long term	Ongoing	\$ -	Metric 5	Chapter VI Goal 1 Objective 1.1 Policy 1.1.6-3
Increase availability of IT Dept with on call procedures and remote support tools.	Short Term	Ongoing	\$288	Metric 1, 2, 3, and 4	Chapter VI Goal 1 Objective 1.2 Policy 1.2.1-3
Conduct monthly training sessions for end customers to improve and learn new technological skills.	Mid Term	Ongoing	\$ -	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
<b>Approach to Process Control</b>					
Develop SOPs for Key Processes.	Ongoing	Ongoing	\$ -	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Conduct charting and reporting to contribute to city benchmarking to increase overall performance. OpenGov and TAGITM.	Long Term	Ongoing	\$14,578	N/A	Chapter VI Goal 1 Objective 1.1 Policy 1.1.6-3
<b>Staff Development</b>					
Hold monthly one on ones with each staff member.	Long Term	Ongoing	\$ -	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Currently offer web-based plural sight training.	Long Term	Ongoing	\$1,347	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Offer all staff certification opportunities to ensure job success.	Long Term	Ongoing	\$ -	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3

INFORMATION TECHNOLOGY DEPARTMENT PERFORMANCE METRICS

Metric 1:

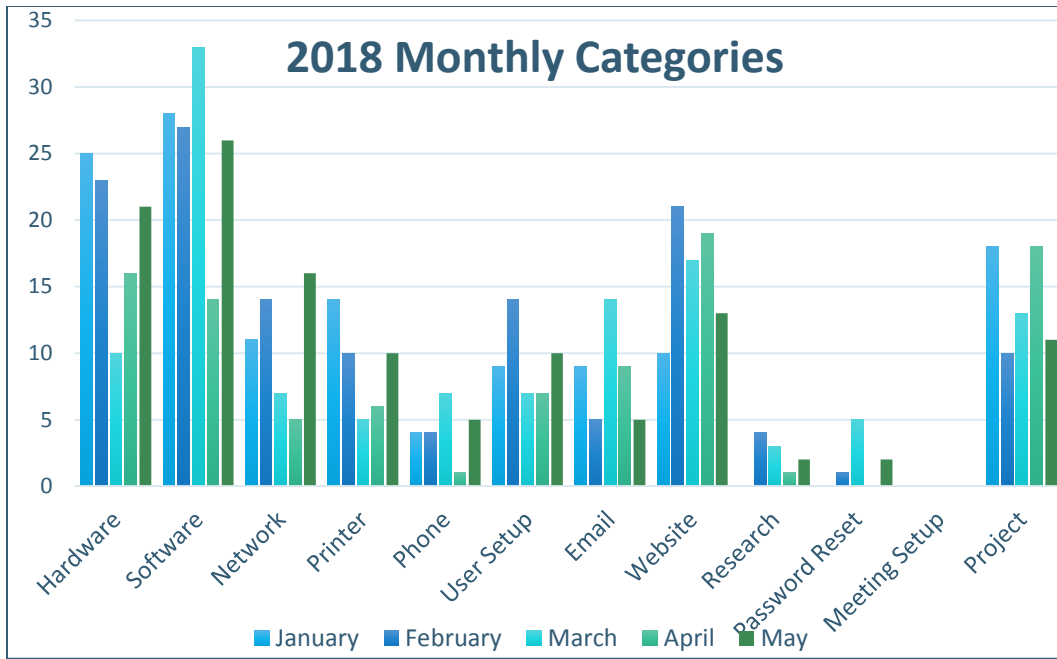


Metric 2:

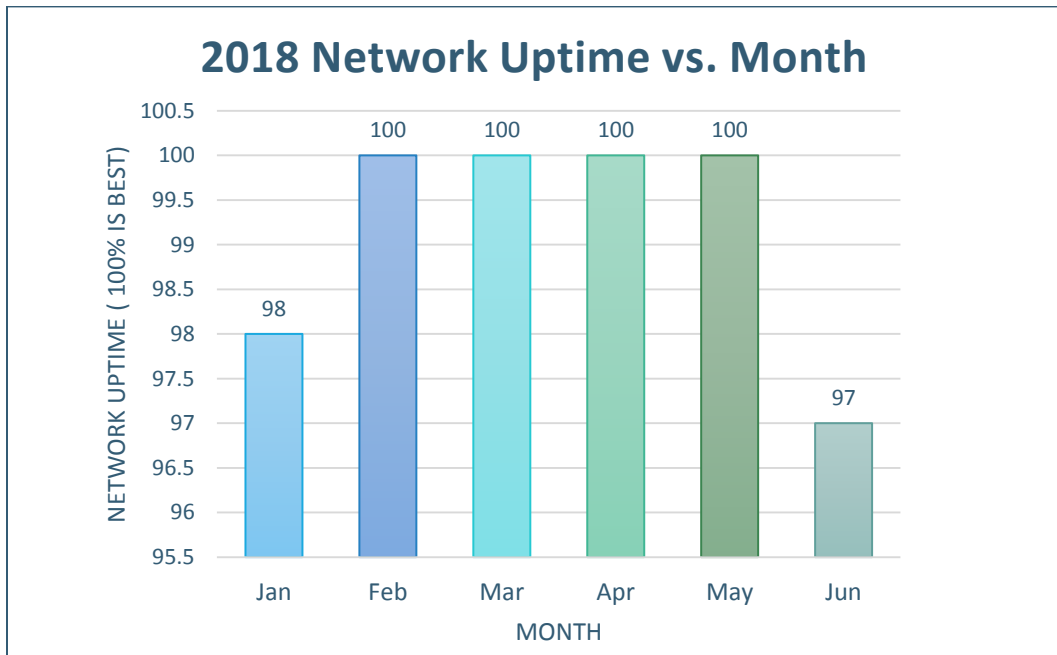




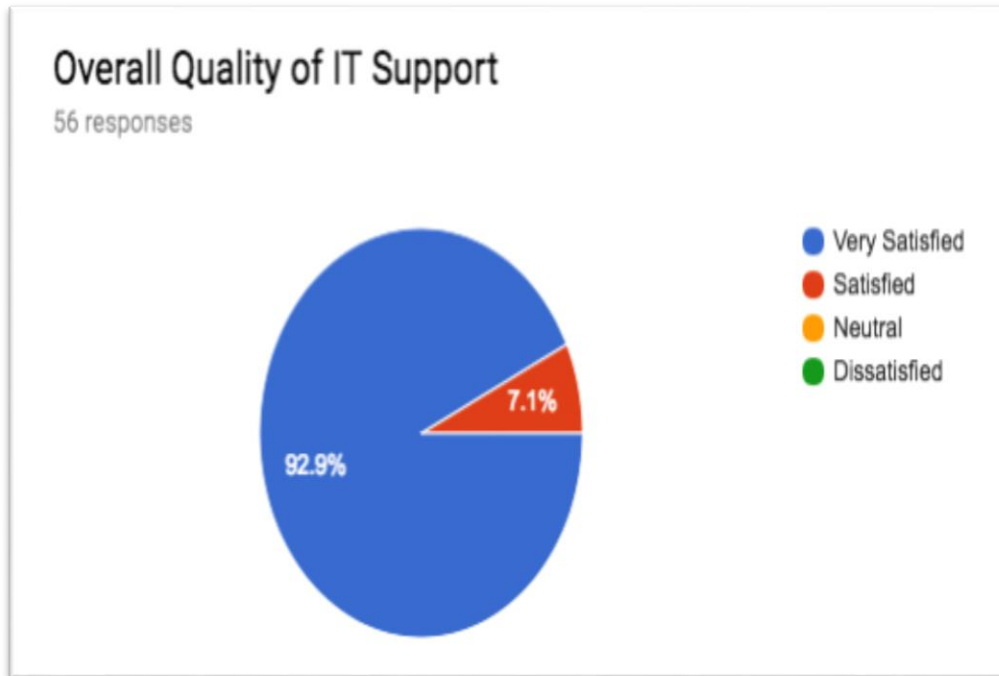
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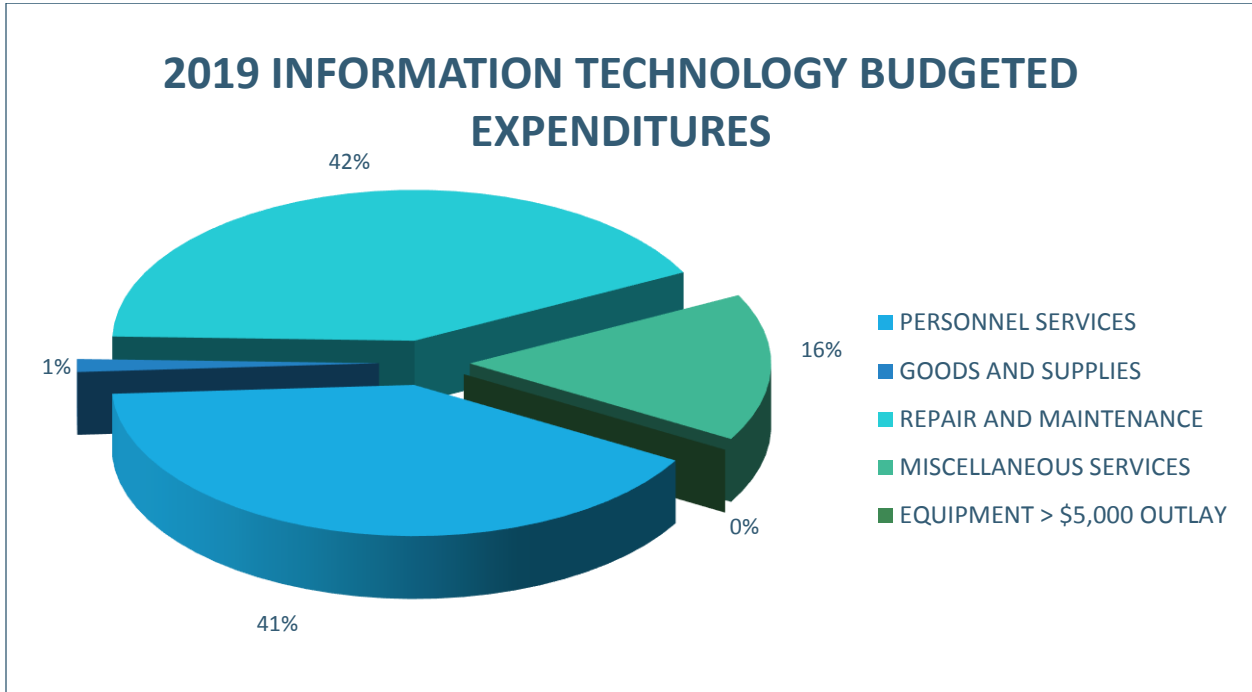
Metric 4:



Metric 5:



INFORMATION TECHNOLOGY DEPARTMENT BUDGET NUMBERS



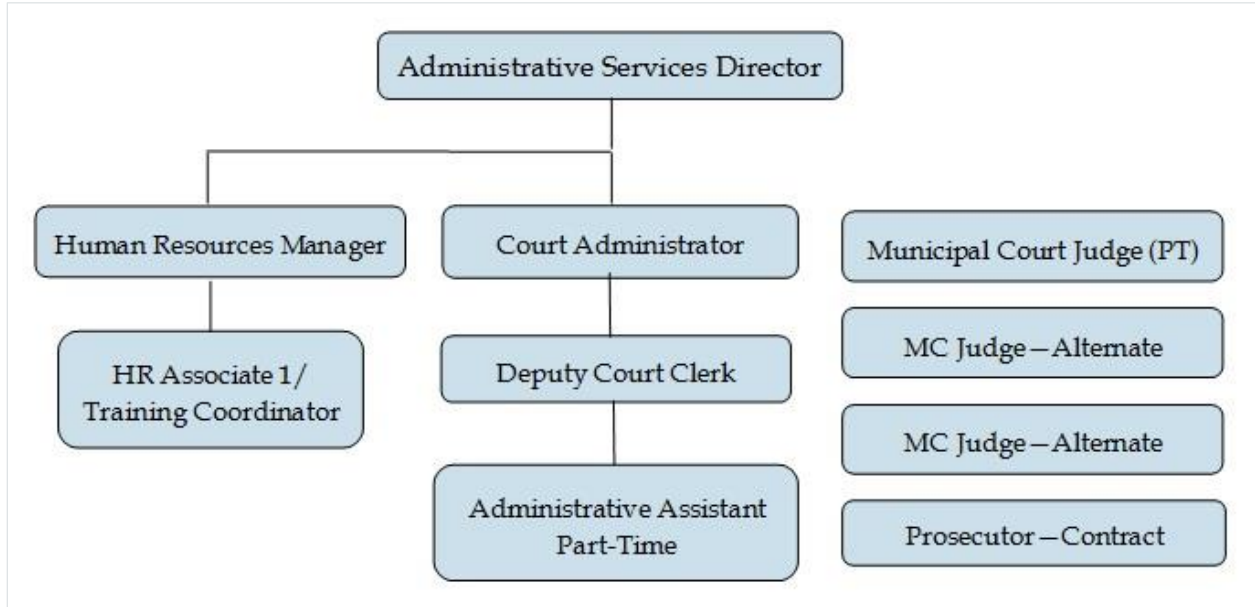
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - TECHNOLOGY	2016	2017	2018	2019
PERSONNEL SERVICES	\$149,261	\$191,302	\$213,605	\$225,774
GOODS AND SUPPLIES	9,668	14,606	7,645	7,645
REPAIR AND MAINTENANCE	186,909	179,435	233,459	233,229
MISCELLANEOUS SERVICES	90,471	104,122	81,476	87,650
EQUIPMENT > \$5,000 OUTLAY	10,363	0	30,672	0
<b>TOTAL EXPENDITURES</b>	<b>\$446,672</b>	<b>\$489,465</b>	<b>\$566,857</b>	<b>\$554,298</b>

## ADMINISTRATIVE DEPARTMENT – HUMAN RESOURCES DIVISION

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### ADMINISTRATIVE DEPARTMENT ORGANIZATIONAL CHART

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### WHO ARE WE / WHAT WE DO

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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, which will enable employees to better serve the citizens of the City of South Padre Island.

Major Goals:

1. Recruitment and Selection
  - a. Recruit qualified and diverse candidates for employment.
  - b. Enhance technology to create more streamlined application procedures.
  - c. Establish, maintain, and monitor successful pre-employment testing programs.
2. Compliance with State and Federal Employment Laws
  - a. Measure and maintain best practices in the areas of equal employment.
  - b. Continue to monitor changing legislation to ensure that policy and practices comply with the law.
3. Employee Benefit Administration
  - a. Collaborate and communicate to employees, retirees, and others to assure that selected benefits are responsive to their needs.
  - b. Ensure timely reporting, enrollment, and processing of employee-benefit related information.
4. Risk Management/Safety
  - a. Ensure that all claims are handled equally and timely.
  - b. 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.
  - c. Ensure the City is in compliance with all State Workers' Compensation laws.
  - d. Continue to decrease the amount of work injuries by providing increased training and awareness.
5. Employee Relations
  - a. Establish and maintain clear and open lines of communication to resolve discrimination or grievance issues and complaints in a fair and equitable manner.
  - b. Create a positive work culture where employees can develop their skills and feel comfortable in the workplace.
6. Training and Development
  - a. 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.
  - b. 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
  - a. Maintain a compensation plan that promotes flexible and sound classification principles.
  - b. Continue to research and recommend equitable, consistent, and competitive salaries for City positions.
8. Administrative Services
  - a. Create a comprehensive set of clear and specific policies that are understood by the employee and administered correctly.
  - b. 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.
  - c. 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 Human Resources (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 175 full-time equivalents (FTE’s) and an estimated 150 part-time/temporary employees annually. Currently (fiscal year 2017/2018), the total FTE’s authorized are 3 positions. One of the three positions serves as the City Hall Receptionist.

HUMAN RESOURCES DIVISION STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS

Project Description	Short Term: 1 FY Mid Term: 2-3 FY Long Term: 5-10 FY	Fiscal Year- Due Date	Budget Impact	Associated Metric	Comp Plan Goal
<b>Guide</b>					
Complete a DMAIC related to City Hall building security and provide a recommendation to the City Manager for improvement.	Short Term	2017/2018	Unknown	N/A	Chapter III - Goal 3.
Complete legal services DMAIC and staff attorney recruitment.	Short Term	2017/2018	Unknown	N/A	Chapter VII - Goal 1, 2.

Update the Employee Handbook.	Short Term	2017/2018	N/A	N/A	Chapter V - Goal 1, 2. Chapter VIII - Goal 1, 2.
Strengthen internal department relationships to build friendship in the workplace (Gallup Q10: 3.65/70).	Short Term	2017/2018	N/A	Metric 3,4,5,and 6	Chapter VIII - Goal 2, 3.
Create a new compensation plan for City employees that will increase retention and recruitment efforts.	Short Term	2018/2019	\$40,000	N/A	Chapter VIII - Goal 1, 2, 3.
Purchase and implement a new HRIS system to increase department and city-wide efficiency and quality of services (Onboarding, Recruitment, Risk Management, Performance Management, Training, etc.).	Short Term	2018/2019	\$13,000	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3.
Formalizes succession planning.	Mid Term	2019/2020	N/A	Metric 8,9,10,11, and 12	Chapter VIII - Goal 1, 2, 3.
Complete record storage project to include the creation of a file database.	Mid Term	2020/2021	N/A	N/A	Chapter V - Goal 1. Chapter VIII - Goal 2, 3.
Create a comprehensive internal employee training program.	Short Term and Ongoing	2017/2018	\$7,700	Metric 7	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3.
Implement an anonymous ethics reporting hotline for employees.	Short Term	2017/2018	Unknown	Metric 1	Chapter VIII - Goal 2, 3.
<b>Analyze and Plan</b>					
Conduct Annual SWOT Analysis and Business Plan with Human Resources Team.	Annual	Ongoing	N/A	N/A	Chapter VIII - Goal 2, 3.
Review and plan to achieve goals from the Comp Plan.	Annual	Ongoing	N/A	N/A	Chapter V - Goal 1, 2. Chapter VII - Goal 1, 2. Chapter VIII - Goal 1, 2, 3.

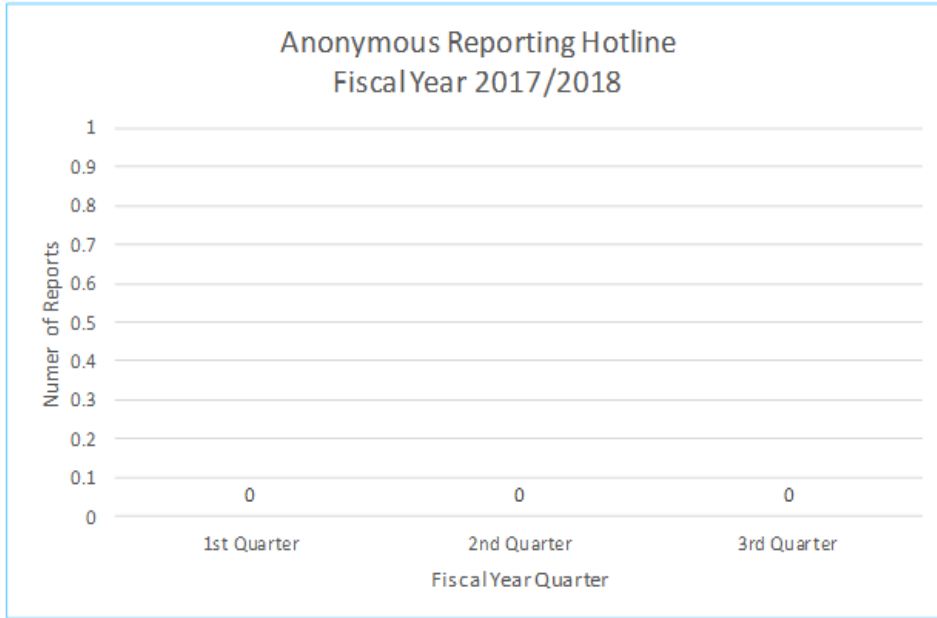
Monthly department meetings to review Business Plan project status.	Monthly	Ongoing	N/A	N/A	Chapter VIII - Goal 2, 3.
<b>Needs of the Customer</b>					
Gallup Q12 Survey will be conducted bi-annually to assess employee engagement.	Bi-Annual	Ongoing	\$3,000	Metric 3,4,5,and 6	Chapter VIII - Goal 1, 2, 3.
Review customer feedback surveys and address issues.	Monthly	Ongoing	N/A	N/A	Chapter VII - Goal 2.
Review Anonymous Reporting Hotline reports.	Quarterly	Ongoing	N/A	Metric 1	Chapter VIII - Goal 2, 3.
<b>Approach to Process Control</b>					
Develop SOP's for Risk Management Processes and Process Maps.	Mid Term	2021/2022	N/A	N/A	Chapter V - Goal 1. Chapter VIII - Goal 2, 3.
Develop SOP's for Human Resources Processes and Process Maps.	Mid Term	2021/2022	N/A	N/A	Chapter V - Goal 1. Chapter VIII - Goal 2, 3.
<b>Staff Development</b>					
Hold monthly one on ones with each staff member	Monthly	Ongoing	N/A	N/A	Chapter VIII- Goal 1, 2, 3.
Utilize SPI Connect to provide training to meet employee needs.	Monthly	Ongoing	N/A	Metric 7	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Create training plans for all department staff.	Annual	Ongoing	N/A	Metric 7	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Encourage department staff to pursue higher education.	Monthly	Ongoing	\$27,500	N/A	Chapter VIII - Goal 1, 2, 3.



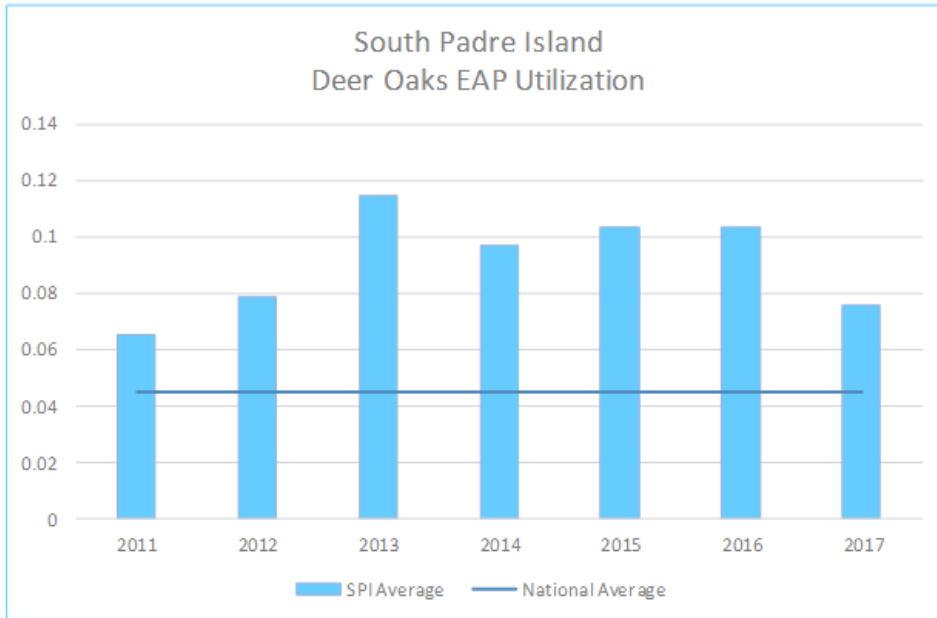
HUMAN RESOURCES DIVISION PERFORMANCE METRICS

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.

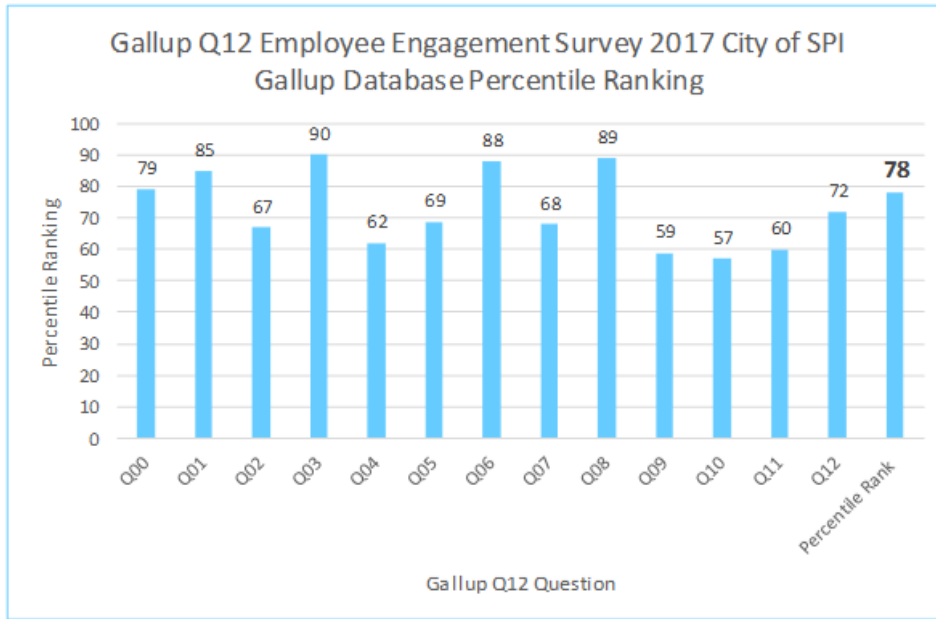
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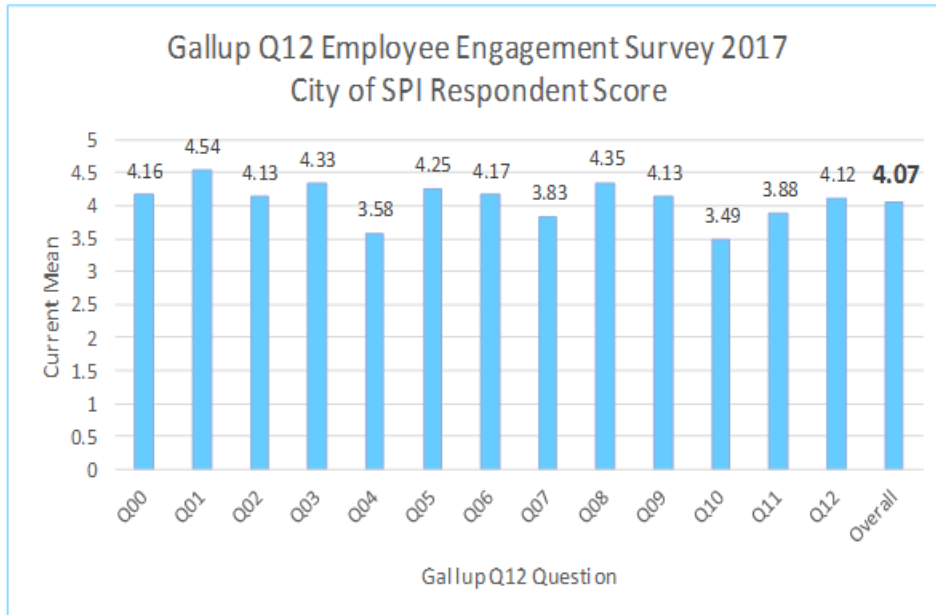
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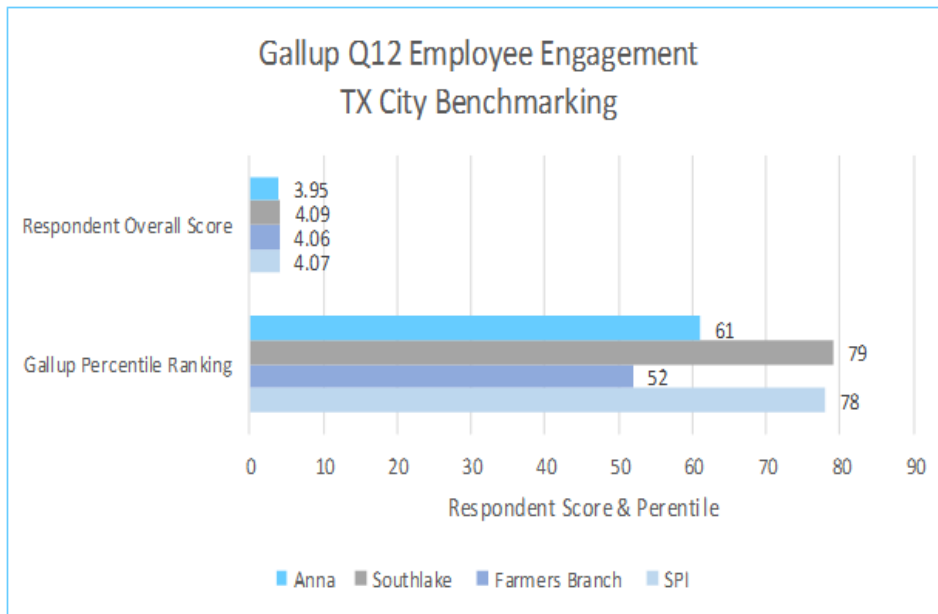
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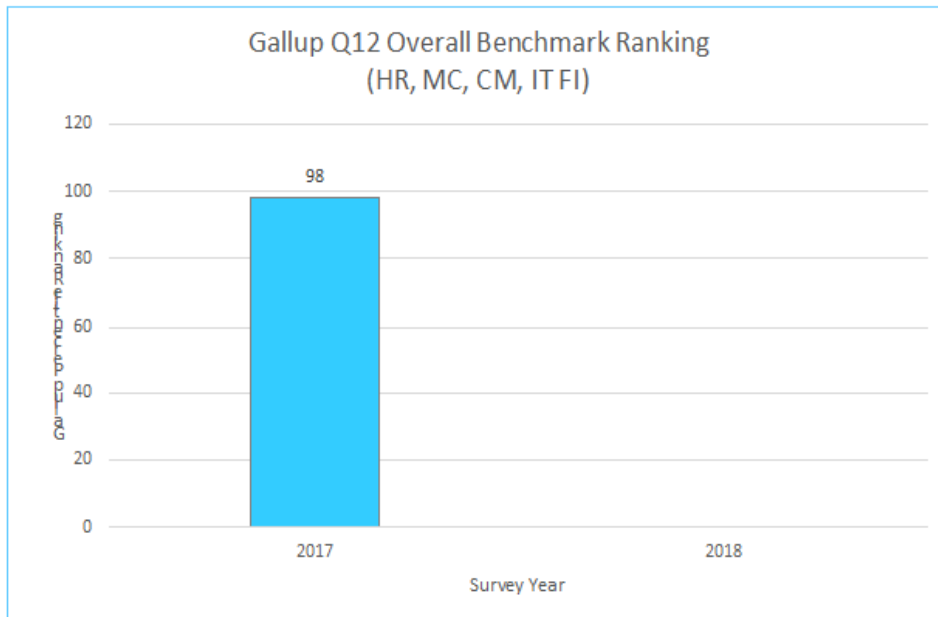
Metric 4:



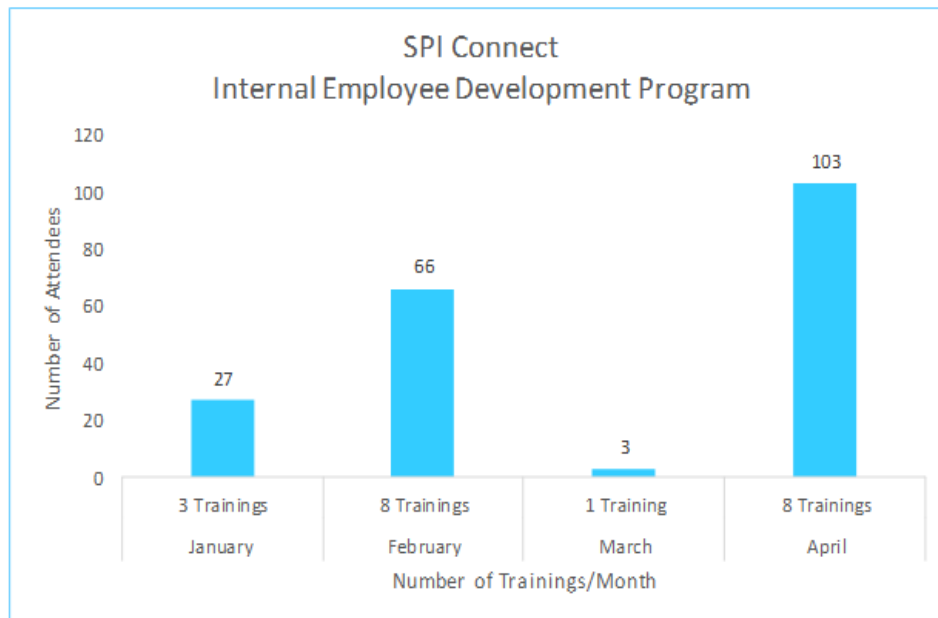
Metric 5:



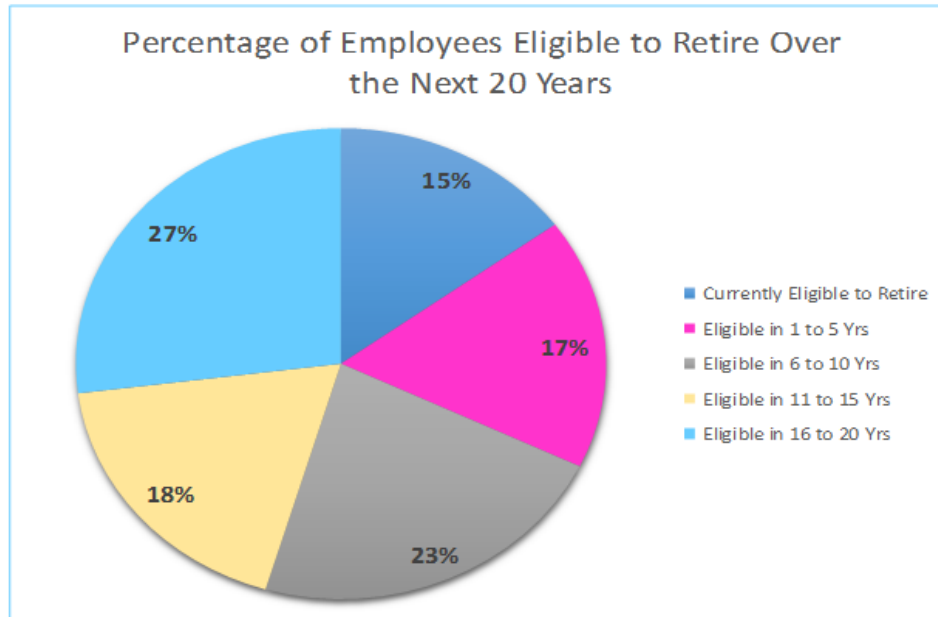
Metric 6:



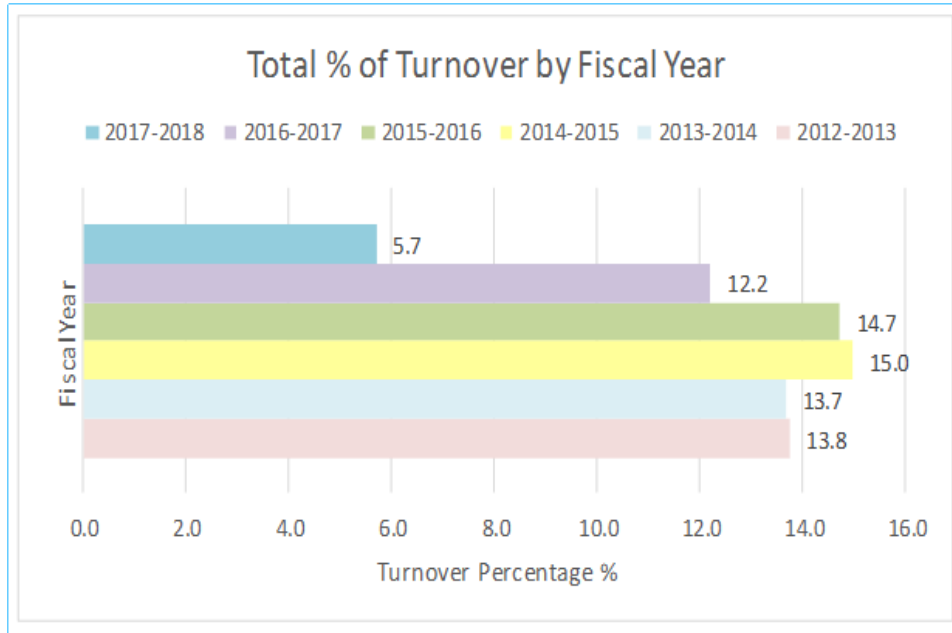
Metric 7:



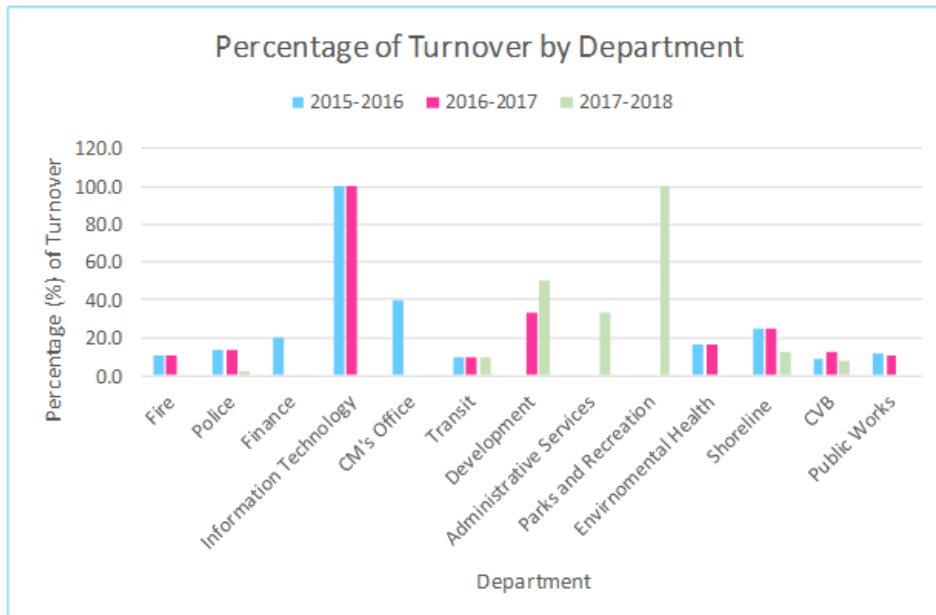
Metric 8:



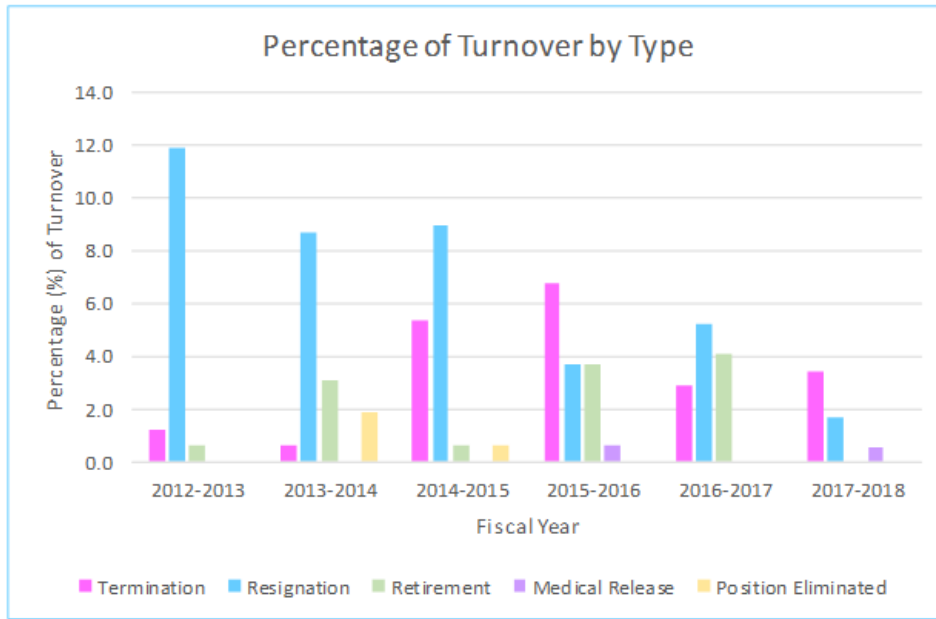
Metric 9:



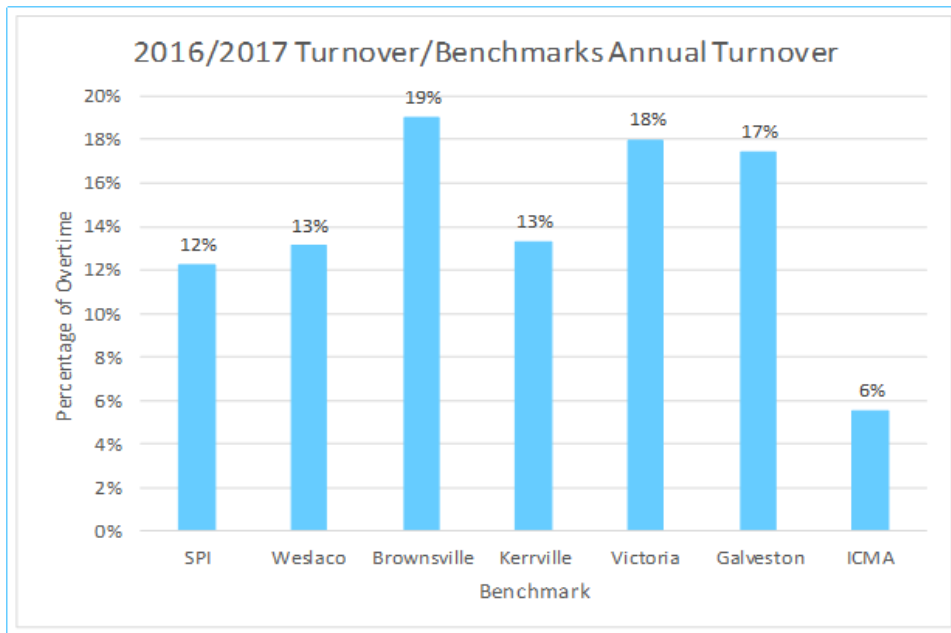
Metric 10:



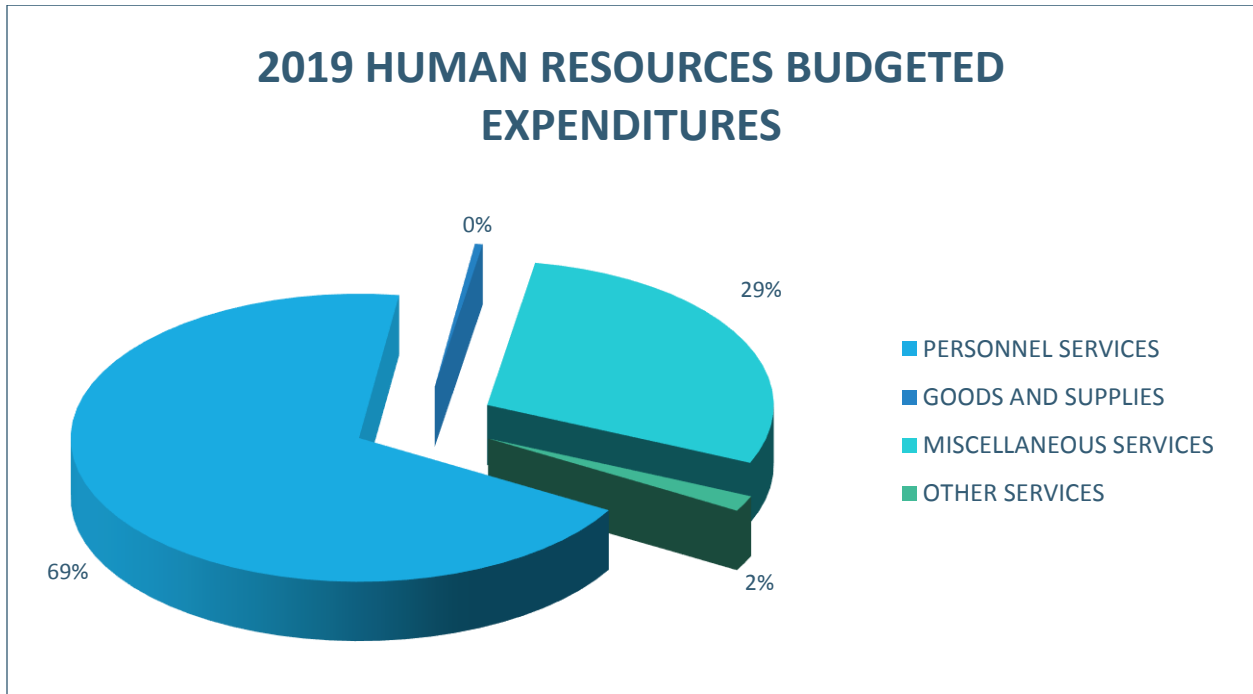
Metric 11:



Metric 12:



HUMAN RESOURCES DIVISION BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - HUMAN RESOURCES	2016	2017	2018	2019
PERSONNEL SERVICES	\$190,036	\$196,323	\$216,569	\$233,192
GOODS AND SUPPLIES	1,365	1,169	2,500	1,500
MISCELLANEOUS SERVICES	30,643	33,526	79,513	97,807
OTHER SERVICES	33,983	1,741	4,800	6,000
<b>TOTAL EXPENDITURES</b>	<b>\$256,026</b>	<b>\$232,759</b>	<b>\$303,382</b>	<b>\$338,499</b>

**ADMINISTRATIVE DEPARTMENT – MUNICIPAL COURT DIVISION**

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**WHO ARE WE / WHAT WE DO**

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The Municipal Court Division’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 Division 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 Division 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 2017/2018), the total full-time equivalents (FTE’s) authorized are 3 positions. The Municipal Court Division also has two part-time employees: Municipal Court Judge and the Administrative Assistant.

**MUNICIPAL COURT DIVISION STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS**

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<b>Project Description</b>	<b>Short Term: 1 FY</b>	<b>Fiscal</b>	<b>Budget</b>	<b>Associated</b>	<b>Comp Plan Goal</b>
	<b>Mid Term: 2-3 FY</b>	<b>Year-Due</b>	<b>Impact</b>	<b>Metric</b>	
	<b>Long Term: 5-10 FY</b>	<b>Date</b>			
<b>Guide</b>					
Improve records management and collections by increasing the use of electronic data transfers between the Municipal Court and the collection agency, Omni-base and the Scofflaw program.	Long Term	Ongoing	N/A	Metric 13 and 14	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6



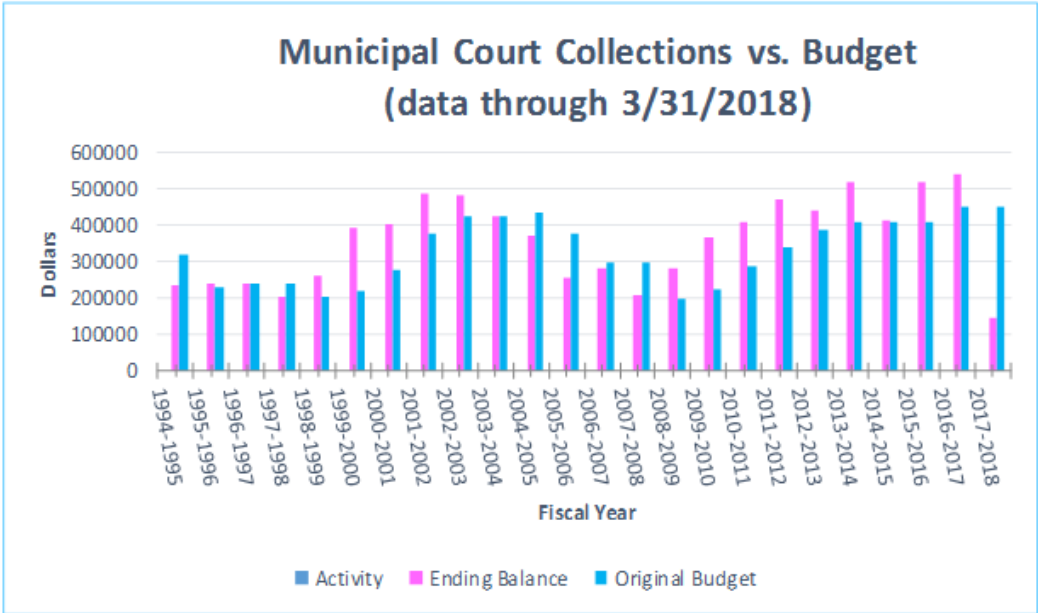
Embrace the use of technology to enhance operations and communication by investing MC Technology funds to maintain service contracts with Incode, AcuCorp Run Time, and Public Date.	Annual	2018/19	\$4,285	N/A	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6
Review, annually, the opportunities available to increase fines to support court programs.	Long Term	Ongoing	N/A	Metric 13,14, and 15	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6
Increase court collection efforts by continuing to participate in the State of Texas Warrant Round-Up.	Long Term	Ongoing (Annually - February & March)	\$10,000	Metric 13,14, and 15	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6
Enhance court security by using the MC Security funds to fund security related training and purchase security related items.	Short Term	2018/2019	\$6,244	N/A	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6
<b>Analyze and Plan</b>					
Conduct Annual SWOT Analysis and Business Plan with Municipal Court Team.	Annual	Ongoing	\$100	N/A	Chapter VIII - Goal 2, 3.
Review and plan to achieve goals from the Comp Plan.	Annual	Ongoing	N/A	N/A	Chapter V - Goal 1, 2. Chapter VII - Goal 1, 2. Chapter VIII - Goal 1, 2, 3.
Monthly department meetings to review Business Plan project status.	Monthly	Ongoing	N/A	N/A	Chapter VIII - Goal 2, 3.
<b>Needs of the Customer</b>					
Treat all citizens that come before the Court with respect, dignity, and courtesy without regard to their race, color, and/or religion.	Long Term	Ongoing	N/A	N/A	Chapter VII Goal 2 Objective 1.2 Policy 1.2.6.
Review Anonymous Reporting Hotline reports.	Quarterly	Ongoing	N/A	N/A	Chapter VIII - Goal 2, 3.

Approach to Process Control					
Develop SOP's for Risk Management Processes and Process Maps.	Mid Term	2021/2022	N/A	N/A	Chapter V - Goal 1. Chapter VIII - Goal 2, 3.
Develop SOP's for Human Resources Processes and Process Maps.	Mid Term	2021/2022	N/A	N/A	Chapter V - Goal 1. Chapter VIII - Goal 2, 3.
Staff Development					
Hold monthly one on ones with each staff member.	Monthly	Ongoing	N/A	N/A	Chapter VIII - Goal 1, 2, 3.
Utilize SPI Connect and other training sources to provide training to meet employee needs.	Monthly	Ongoing	\$250	Metric 7	Chapter VIII - Goal 1, 2, 3.

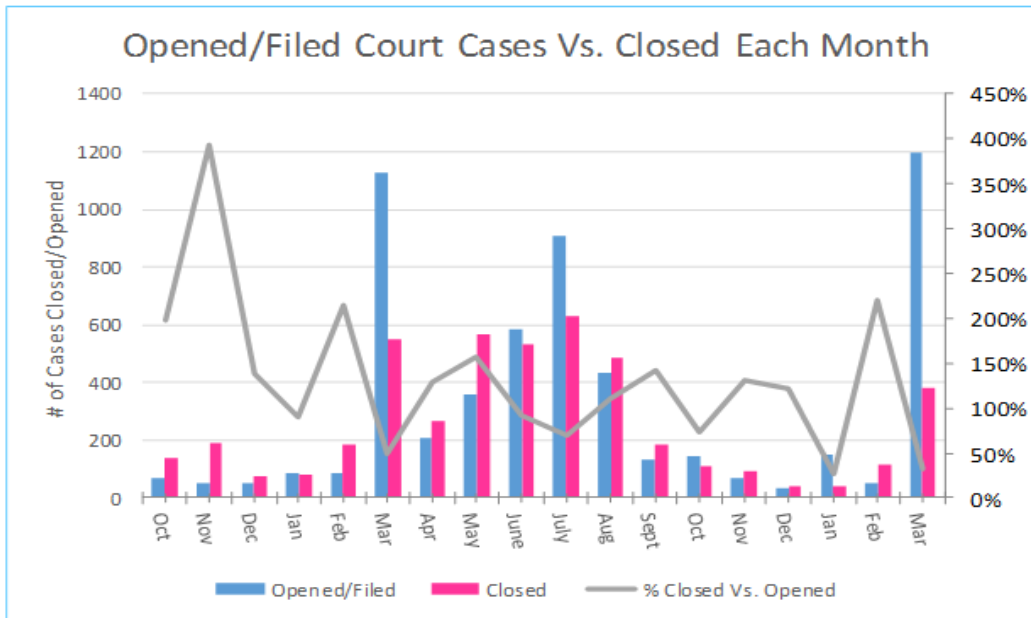
MUNICIPAL COURT DIVISION PERFORMANCE METRICS

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.

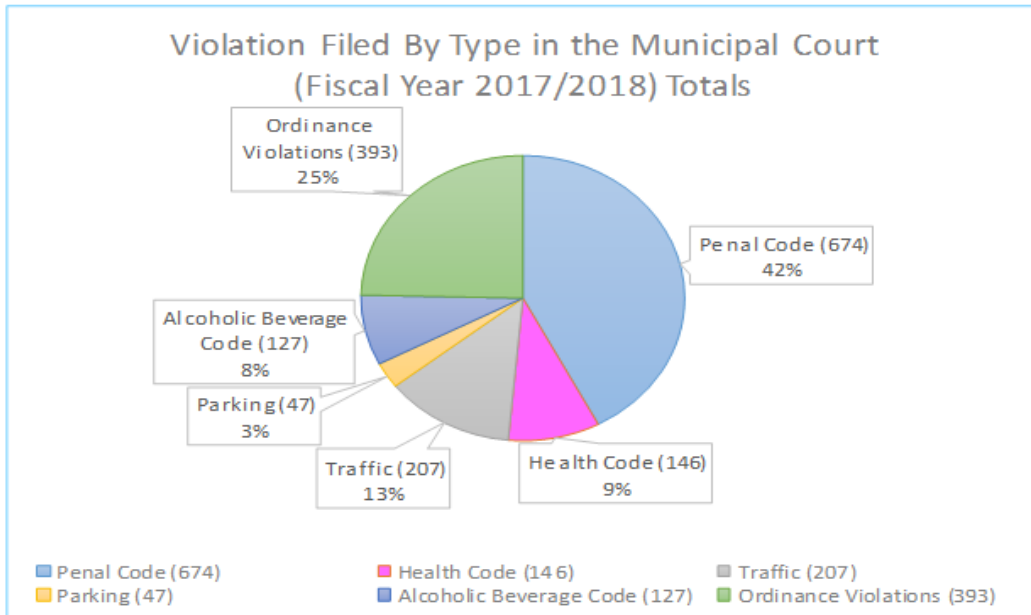
Metric 13:



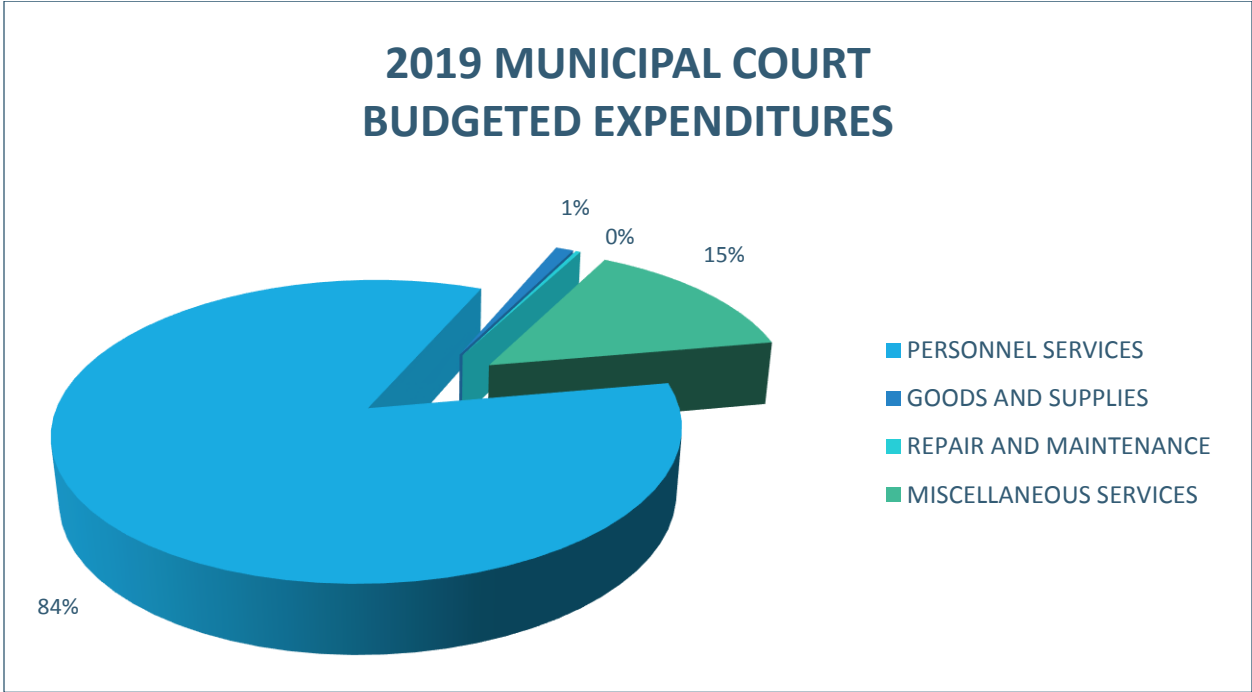
Metric 14:



Metric 15:



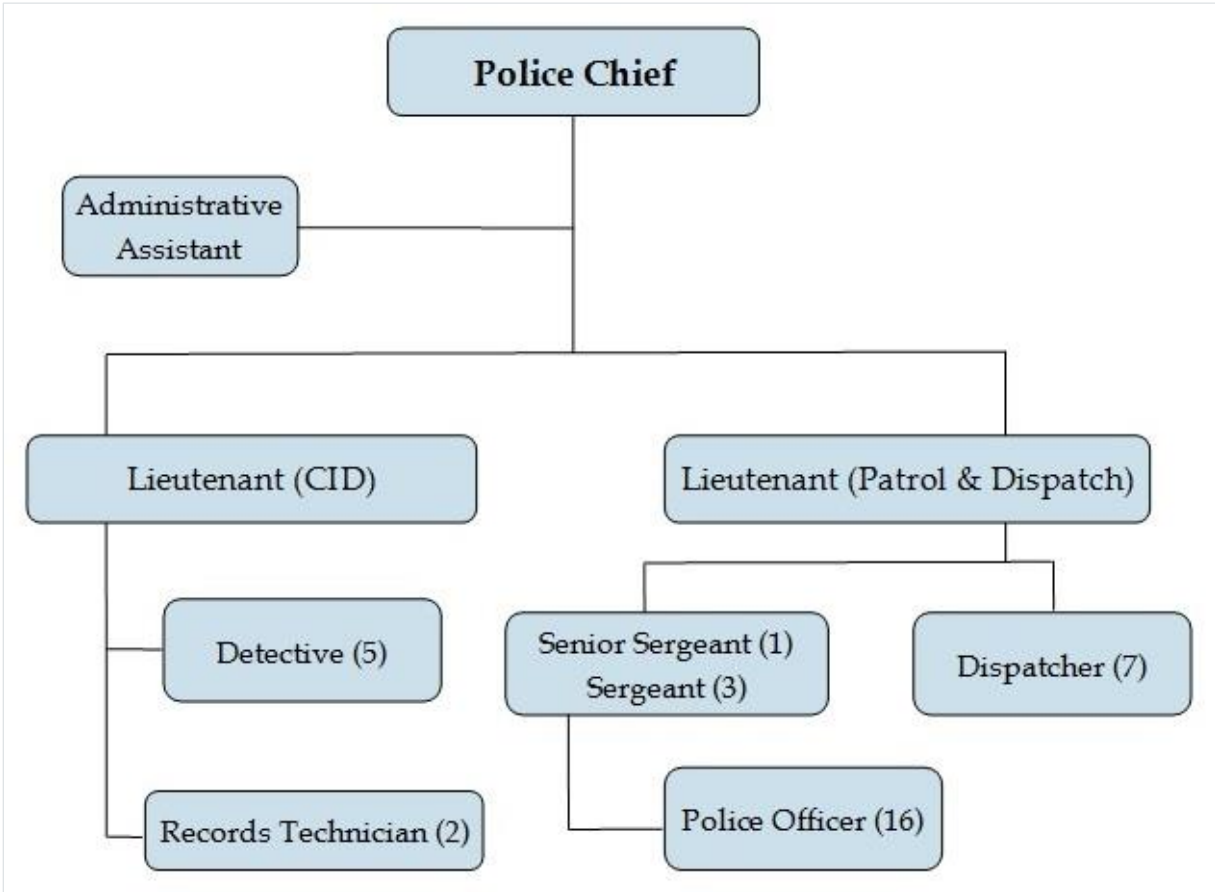
MUNICIPAL COURT DIVISION BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - MUNICIPAL COURT	2016	2017	2018	2019
PERSONNEL SERVICES	\$150,527	\$157,175	\$174,177	\$186,138
GOODS AND SUPPLIES	1,547	1,578	2,350	2,450
REPAIR AND MAINTENANCE	0	0	0	684
MISCELLANEOUS SERVICES	37,715	25,202	42,853	31,996
<b>TOTAL EXPENDITURES</b>	<b>\$189,789</b>	<b>\$183,954</b>	<b>\$219,380</b>	<b>\$221,268</b>

## 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. Another indicator includes the number of cars traveling over the 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 STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS

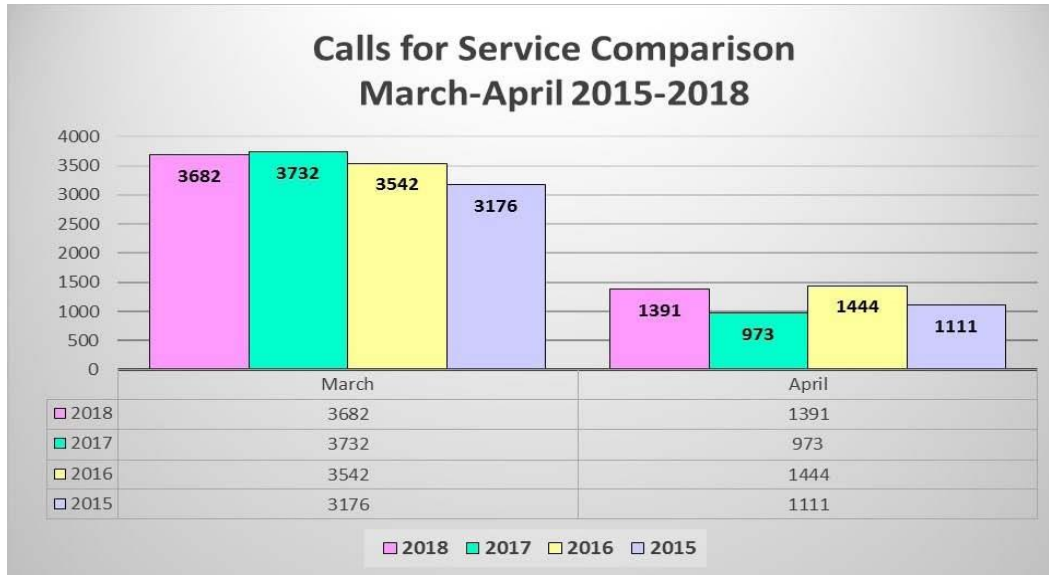
Project Description	Short Term: 1 FY Mid Term: 2-3 FY Long Term: 5-10 FY	Fiscal Year- Due Date	Budget Impact	Associated Metric	Comp Plan Goal
<b>Guide</b>					
Keep staff engaged and maintain tenure.	Short Term	Oct. 2017	N/A	N/A	Chapter VIII Goal 3 Objective 3.3
Continue staff development and training.	Short Term	Oct. 2017	\$6,400	N/A	Chapter VIII Goal 3 Objective 3.1 Policy 3.1.1-1

Continue building relationships city-wide.	Short Term	Oct. 2017	N/A	Metric 1, 2, 3, and 4	Chapter VIII Goal 3
Continue working with lobbyist to combat bad laws.	Short Term	Oct. 2017	N/A	N/A	Chapter VIII Goal 3
Build part time staff to support regular staff.	Short Term	Oct. 2017	\$140,000	N/A	Chapter VIII Goal 3
Continue working on relationships and networking with outside agencies as unified partners.	Short Term	Oct. 2017	\$2,000	N/A	Chapter VI Goal 1 Objective 1.1 Policy 1.1.7-4
Search for new suitable grants and maintain current ones.	Short Term	Oct. 2017	N/A	N/A	Chapter VIII Goal 1 Objective 1.1
Work on keeping the communities trust.	Short Term	Oct. 2017	N/A	Metric 1, 2, 3, and 4	Chapter VIII Goal 3
Continue training for large scale incidents.	Short Term	Oct. 2017	N/A	N/A	Chapter V Goal 1 Objective 1.1 Policy 1.1.2
<b>Analyze and Plan</b>					
Monitor progress, evaluate, and update SWOT.	Short Term	Mar. 2018	N/A	N/A	Chapter VIII Goal 3 Objective 3.3
Evaluate benchmarks for updating purposes.	Short Term	May 2018	N/A	Metric 1, 2, 3, and 4	Chapter VIII Goal 3 Objective 3.3
<b>Needs of the Customer</b>					
Evaluate compliments vs complaints.	Short Term	Apr. 2018	N/A	N/A	Chapter VIII Goal 3 Objective 3.2 Policy 3.2
<b>Approach to Process Control</b>					
Embrace Texas Police Chiefs Association (TPCA) Best Practices.	Mid Term	Sept. 2019	N/A	N/A	Chapter VIII Goal 3 Objective 3.5 Policy 3.5.1-1
Updated SOPs for Key Processes.	Long Term	Ongoing	N/A	N/A	Chapter VIII Goal 3 Objective 3.3
<b>Staff Development</b>					
Utilize the many training vehicles available in Law Enforcement.	Long Term	Ongoing	N/A	N/A	Chapter VIII Goal 3 Objective 3.3
Conduct one-on-ones with staff.	Short Term	June 2018	N/A	N/A	Chapter VIII Goal 3 Objective 3.3
Explore and implement team building techniques.	Short Term	June 2018	N/A	N/A	Chapter VIII Goal 3 Objective 3.3

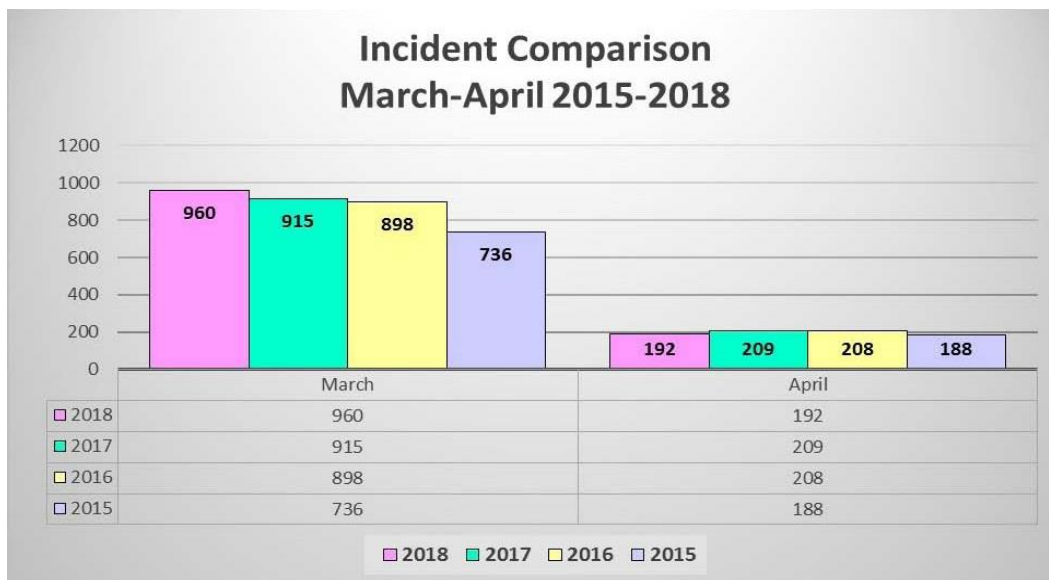
POLICE DEPARTMENT PERFORMANCE METRICS

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

Metric 1:



Metric 2:

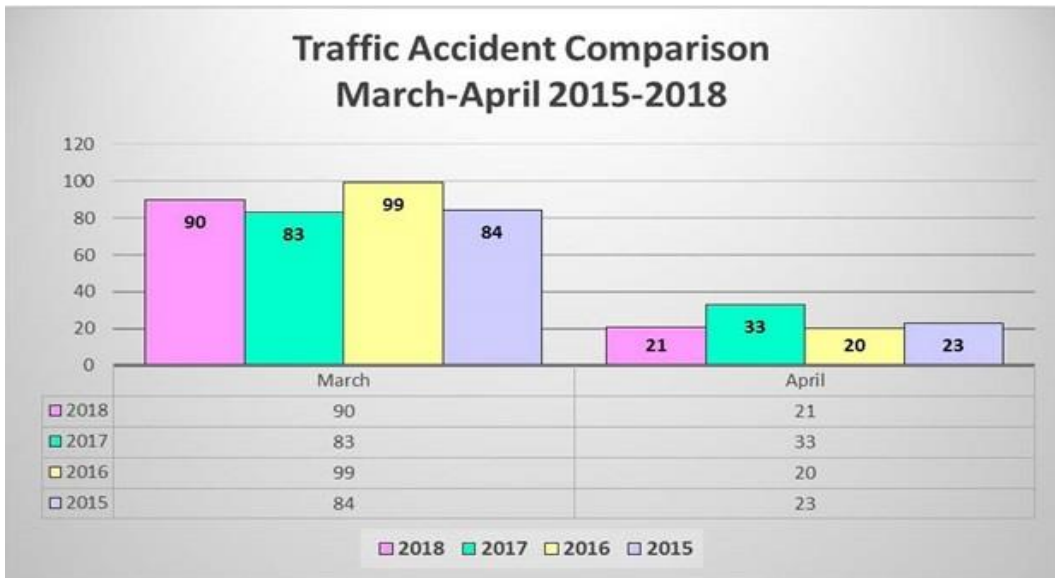




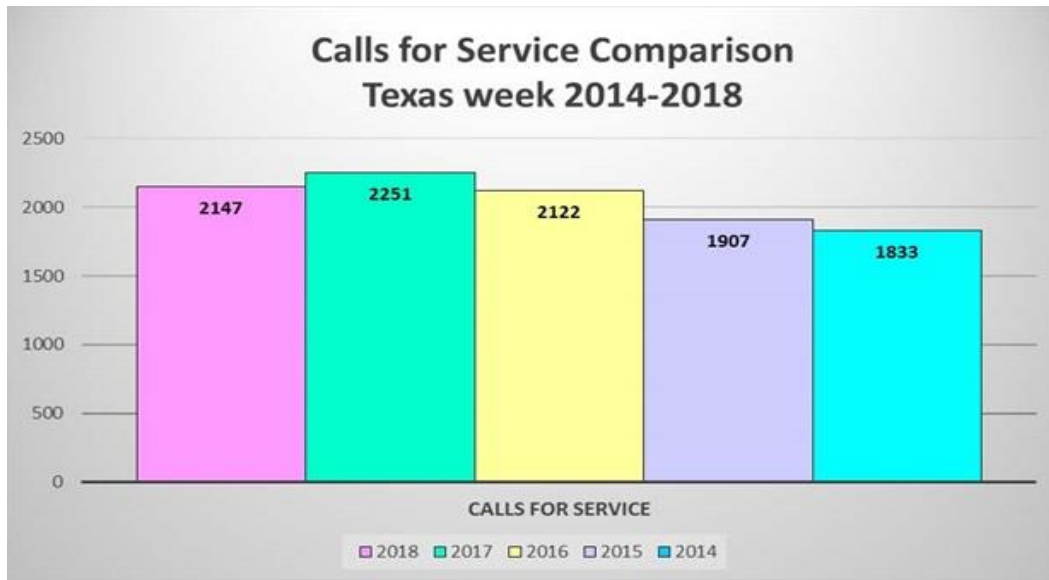
Metric 3:



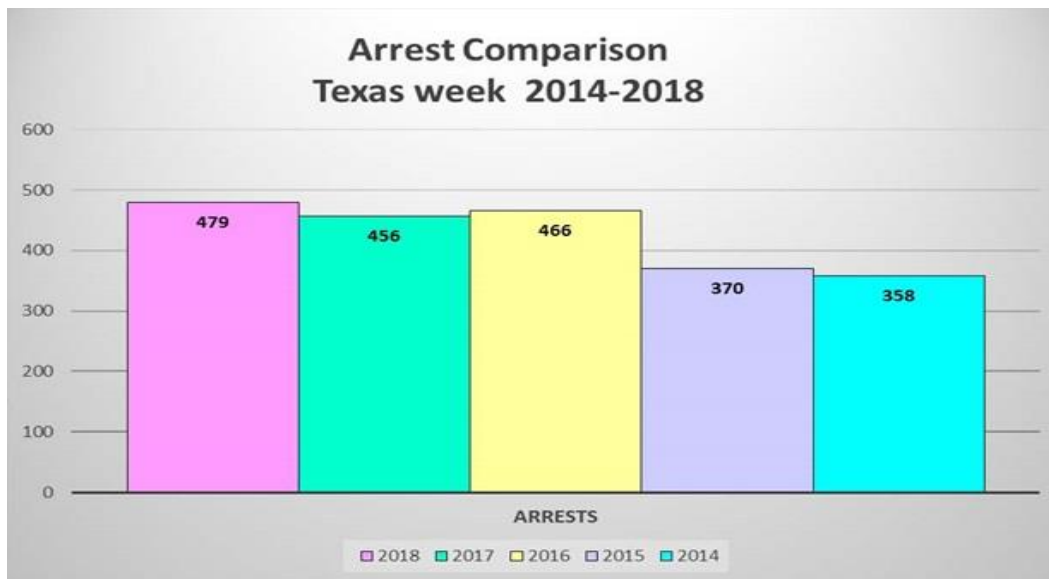
Metric 4:



Metric 5:

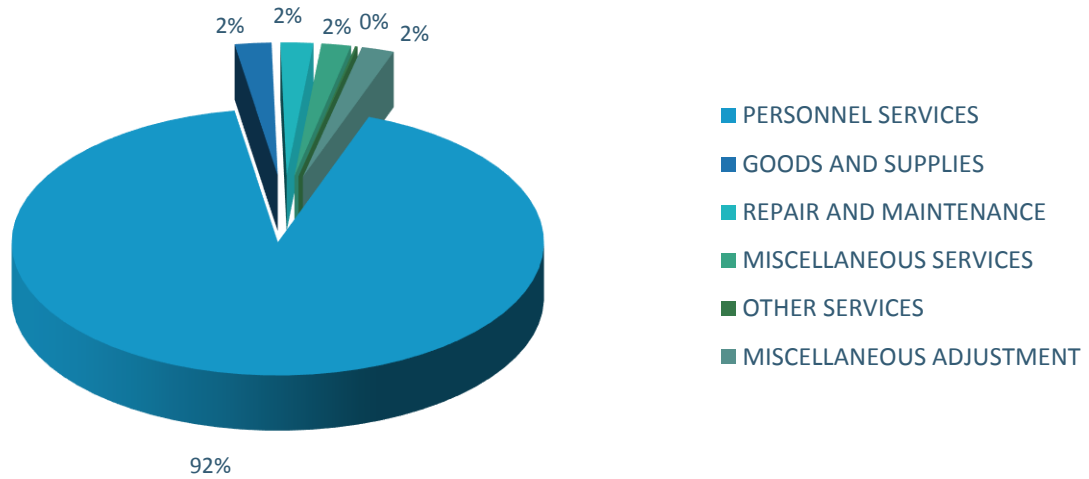


Metric 6:



POLICE DEPARTMENT BUDGET NUMBERS

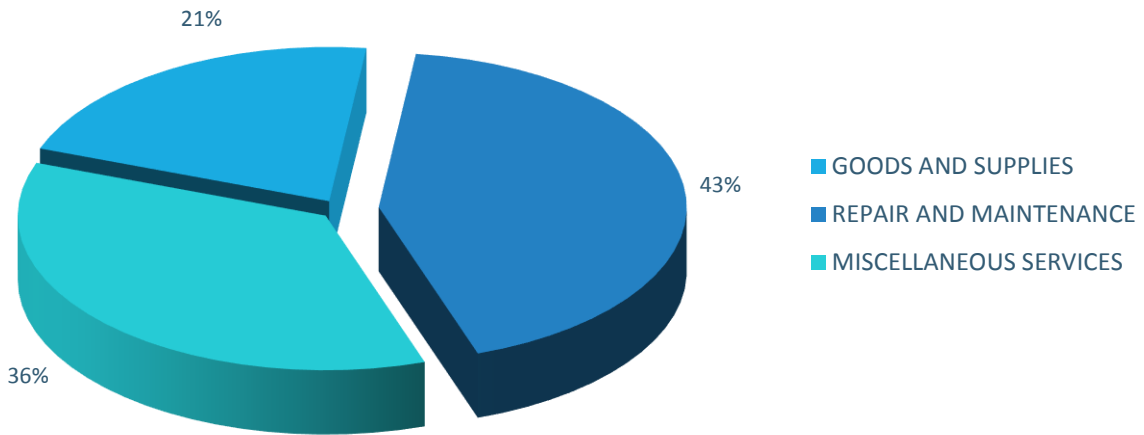
**2019 POLICE BUDGETED EXPENDITURES**



<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>GEN. FUND - POLICE</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
PERSONNEL SERVICES	\$2,471,113	\$2,417,851	\$3,055,335	\$2,920,018
GOODS AND SUPPLIES	49,953	64,833	120,195	70,700
REPAIR AND MAINTENANCE	56,539	54,319	58,678	63,306
MISCELLANEOUS SERVICES	46,370	44,697	47,841	57,143
OTHER SERVICES	0	0	0	5,000
MISCELLANEOUS ADJUSTMENT	63,062	63,062	63,062	63,063
<b>TOTAL EXPENDITURES</b>	<b>\$2,687,037</b>	<b>\$2,644,762</b>	<b>\$3,345,111</b>	<b>\$3,179,230</b>

EMERGENCY MANAGEMENT BUDGET NUMBERS

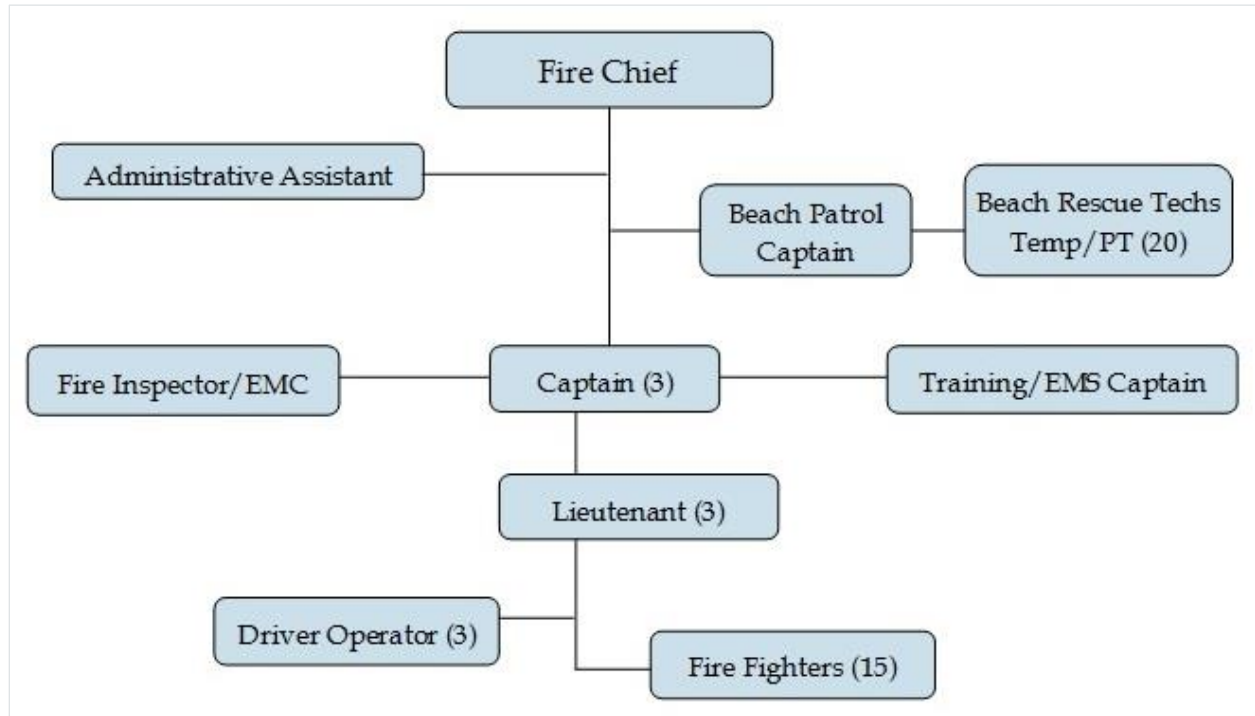
**2019 EMERGENCY MANAGEMENT BUDGETED EXPENDITURES**



<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>GEN. FUND - EMERGENCY MANAGEMENT</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
GOODS AND SUPPLIES	\$1,656	\$596	\$4,158	\$3,500
REPAIR AND MAINTENANCE	2,829	5,895	4,557	7,015
MISCELLANEOUS SERVICES	1,037	3,836	7,655	5,855
<b>TOTAL EXPENDITURES</b>	<b>\$5,522</b>	<b>\$10,327</b>	<b>\$16,370</b>	<b>\$16,370</b>

## 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

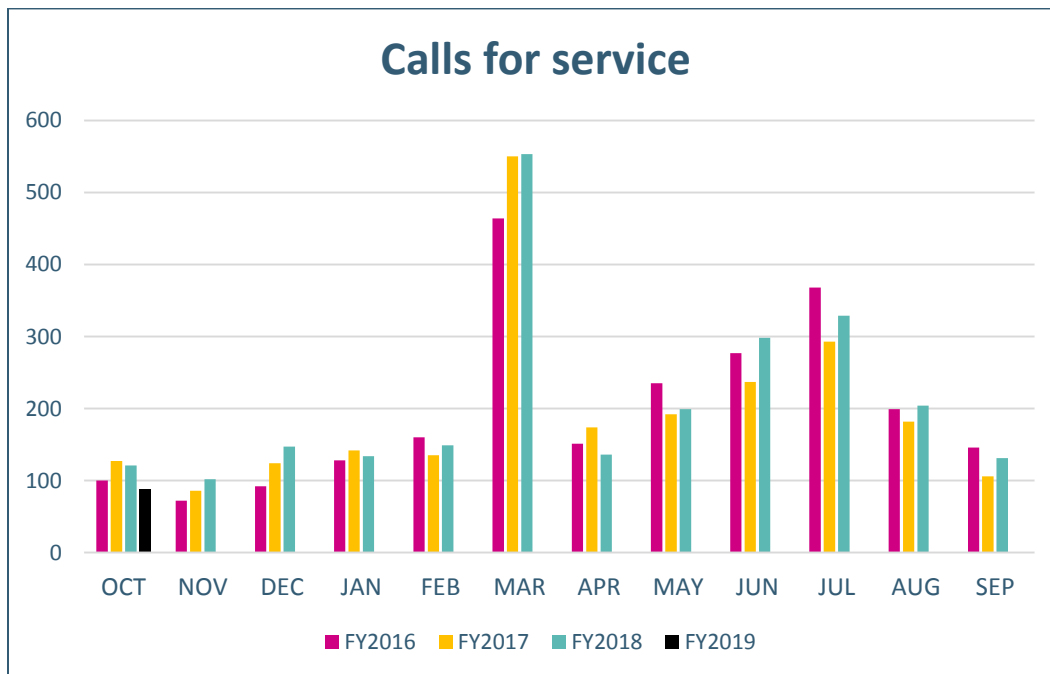
Our responsibility is to be as prepared and competent as possible to be able to help people, no matter what the emergency is that day.

Major Goals:

1. Leadership: Develop the leadership abilities of South Padre Island Fire Department employees at all levels.
2. Employee Development: Create an employee development program to give employees and supervisors tools for improvement. Enhance EMS Operations to meet demand for service.
3. Health and Safety: Provide for the health and safety of all South Padre Island Fire Department employees.
4. Emergency Medical Services: Continue to research and develop creative response alternatives to enhance EMS Operations to meet the increased demand for service.
5. Community Outreach and Partnerships: Foster community outreach and agency partnerships to strengthen department services.
6. 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 the effectiveness of the current use of resources and serves as a benchmark for future needs. In 2018, the Department responded to 2503 calls. As the chart below indicates, that is an increase of over 13% in four years.



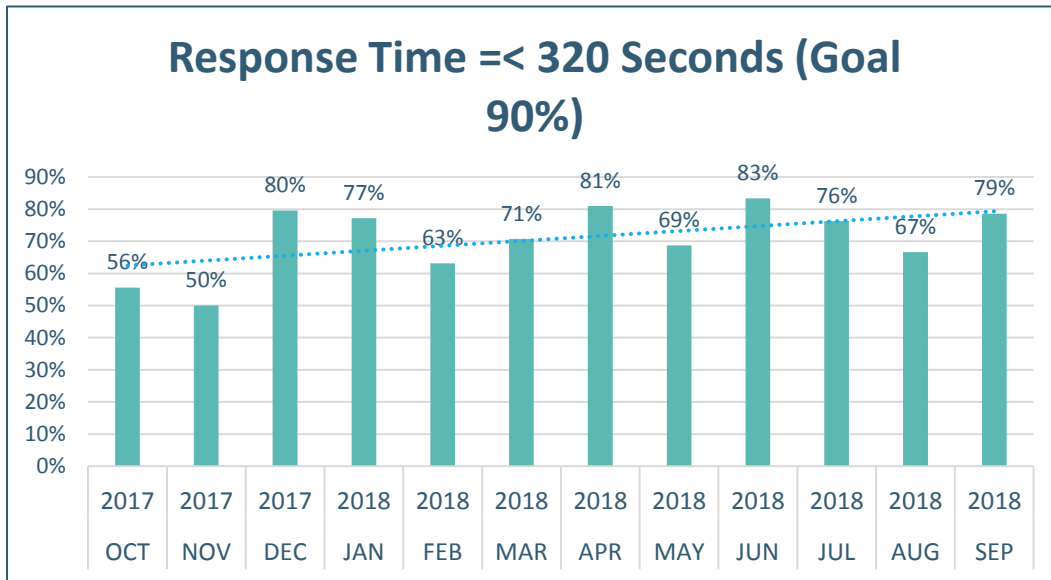
**FIRE DEPARTMENT STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS**

<b>Project Description</b>	<b>Short Term: 1 FY Mid Term: 2-3 FY Long Term: 5-10 FY</b>	<b>Fiscal Year- Due Date</b>	<b>Budget Impact</b>	<b>Associated Metric</b>	<b>Comp Plan Goal</b>
<b>Guide</b>					
Review and refine Hurricane Plans.	Short Term	6/30/2018	N/A	N/A	Chapter V Goal 1 Objective 1.1 Policy 1.1.2
Monitor Pier and evaluate plans for protection.	Mid Term	9/30/2019	N/A	N/A	Chapter III Goal 1 Objective 1.1 Policy 1.1.1-3
Continue Spring Break planning year round.	Short Term	2/28/2019	N/A	N/A	Chapter VIII Goal 2 Objective 2.1 Policy 2.1.1-2
Seek community feedback.	Long Term	12/31/2018	N/A	N/A	Chapter V Goal 2 Objective 2.3
Widen area of help/assistance (e.g. Wave Watchers & Surfers).	Long Term	12/31/2018	N/A	Metric 1, 2, 3, 4, 5	Chapter VII Goal 2 Objective 2.1 Policy 2.1.1-1
<b>Analyze and Plan</b>					
Monitor progress and conduct Annual SWOT Analysis.	Short Term	4/30/2018	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Continue to build tracking tools.	Short Term	9/30/2019	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
<b>Needs of the Customer</b>					
Encourage customer feedback and react appropriately to feedback.	Short Term	12/31/2018	N/A	N/A	Chapter V Goal 2 Objective 2.3
<b>Approach to Process Control</b>					
Utilize best practices to the highest extent possible.	Mid Term	7/31/2019	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Monitor performance measures.	Long Term	9/30/2019	N/A	Metric 1, 2, 3, 4, 5	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
<b>Staff Development</b>					
Establish promotional pathways.	Short Term	7/31/2019	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Conduct quarterly one on ones to monitor progress.	Long Term	Ongoing	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3

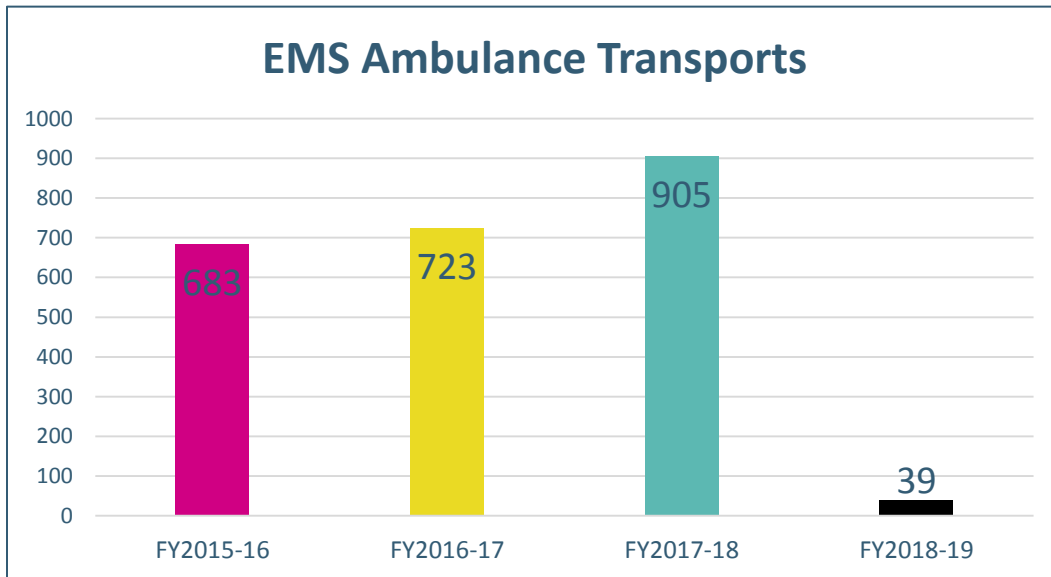
FIRE DEPARTMENT PERFORMANCE METRICS

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.

Metric 1:

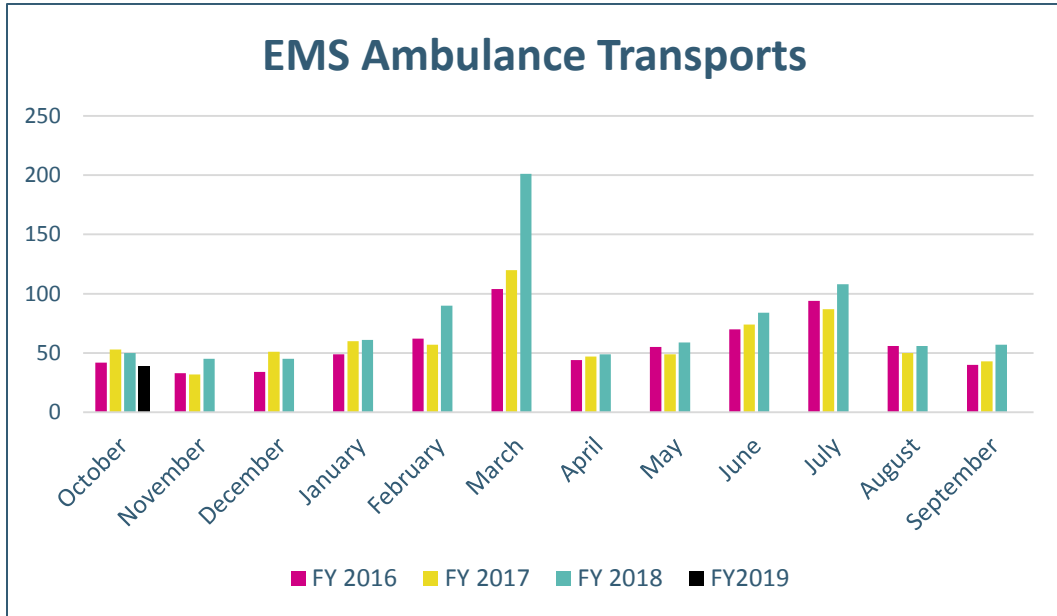


Metric 2:

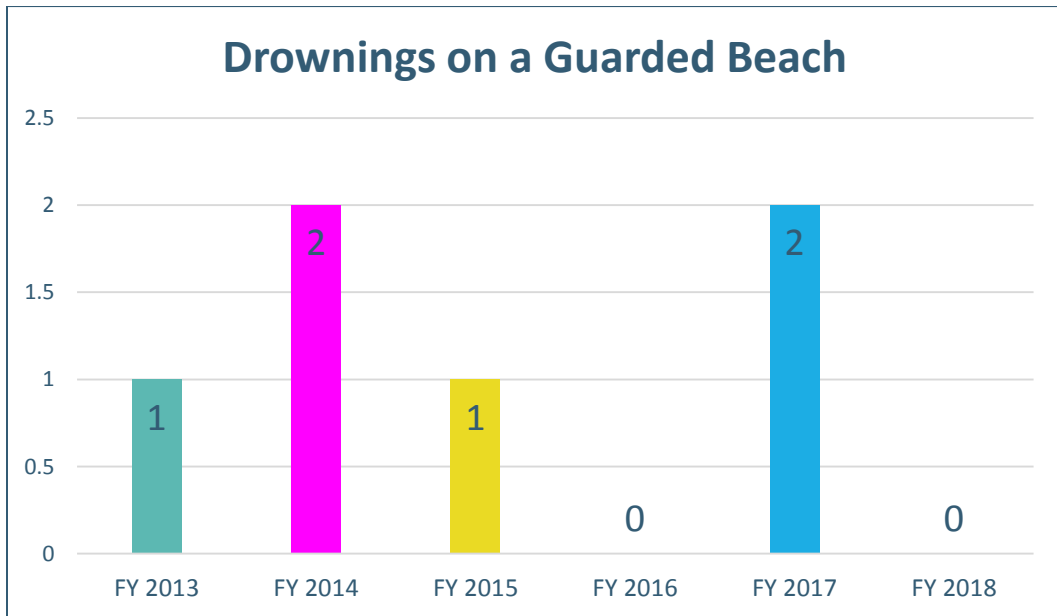




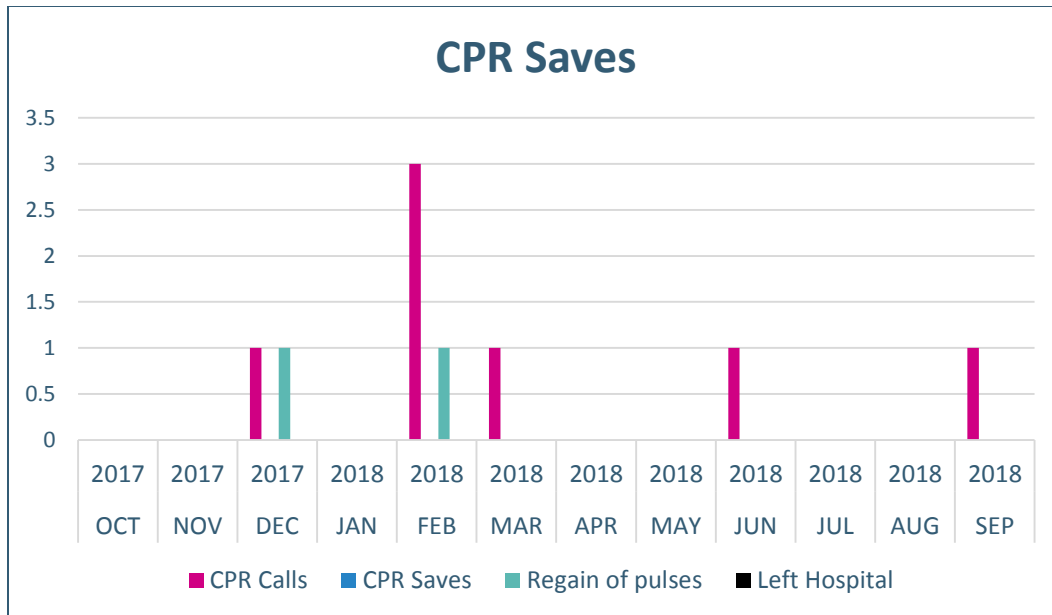
Metric 3:



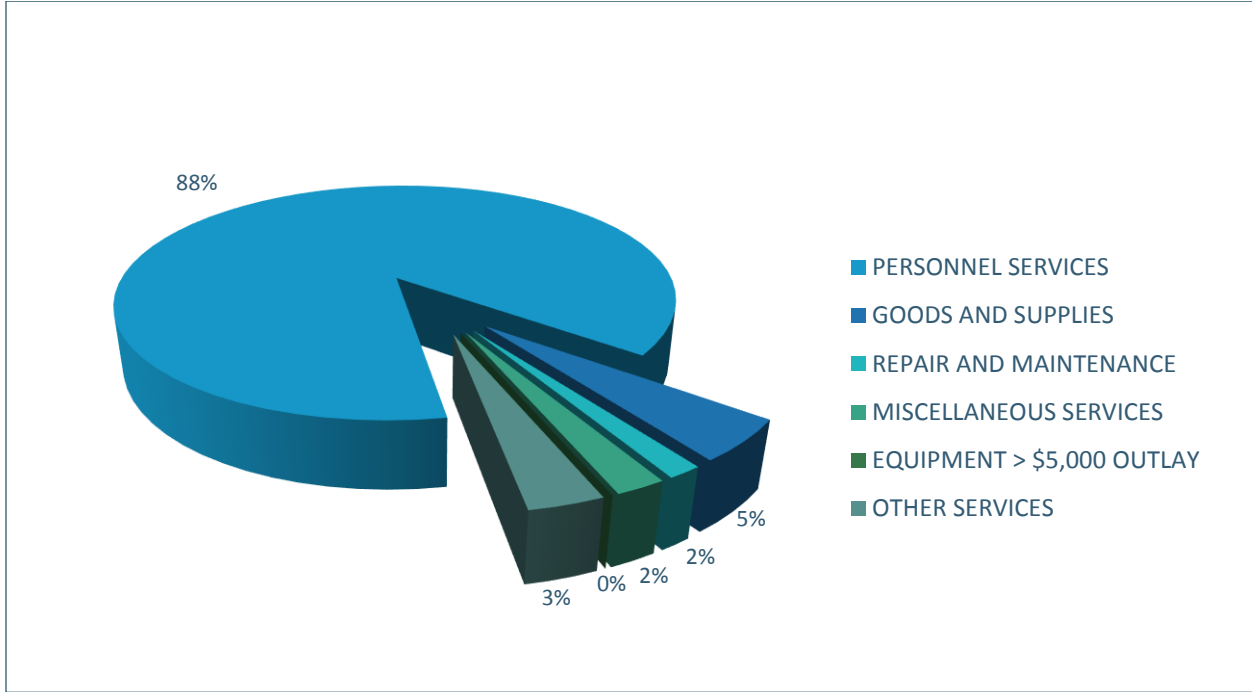
Metric 4:



Metric 5:



FIRE DEPARTMENT BUDGET NUMBERS



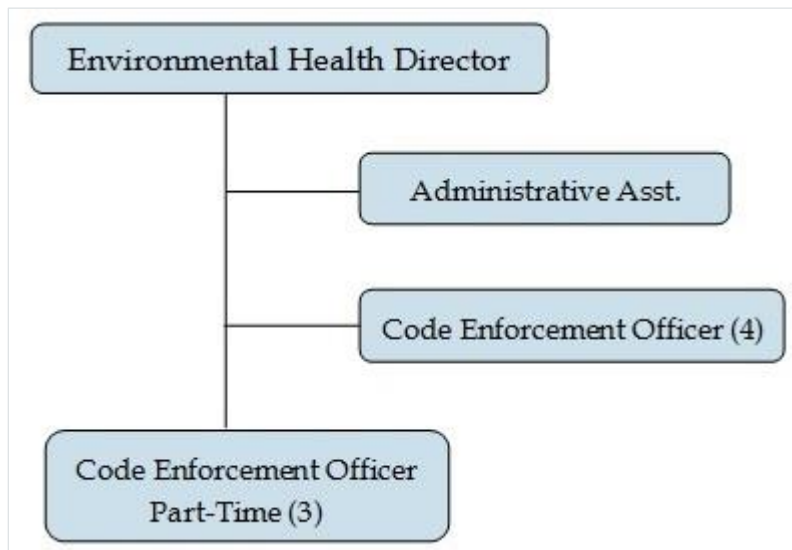
<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>GEN. FUND - FIRE</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
PERSONNEL SERVICES	\$1,880,389	\$1,955,510	\$2,128,972	\$2,148,211
GOODS AND SUPPLIES	87,224	94,955	104,231	118,900
REPAIR AND MAINTENANCE	32,283	36,020	38,000	37,750
MISCELLANEOUS SERVICES	39,412	46,145	63,726	53,805
EQUIPMENT > \$5,000 OUTLAY	0	49,588	0	0
OTHER SERVICES	40,104	33,948	79,625	80,000
<b>TOTAL EXPENDITURES</b>	<b>\$2,079,412</b>	<b>\$2,216,166</b>	<b>\$2,414,554</b>	<b>\$2,438,666</b>

## ENVIRONMENTAL HEALTH SERVICES DEPARTMENT

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### ENVIRONMENTAL HEALTH SERVICES DEPARTMENT ORGANIZATIONAL CHART

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### WHO ARE WE / WHAT WE DO

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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 DEPARTMENT STRATEGIC  
OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS

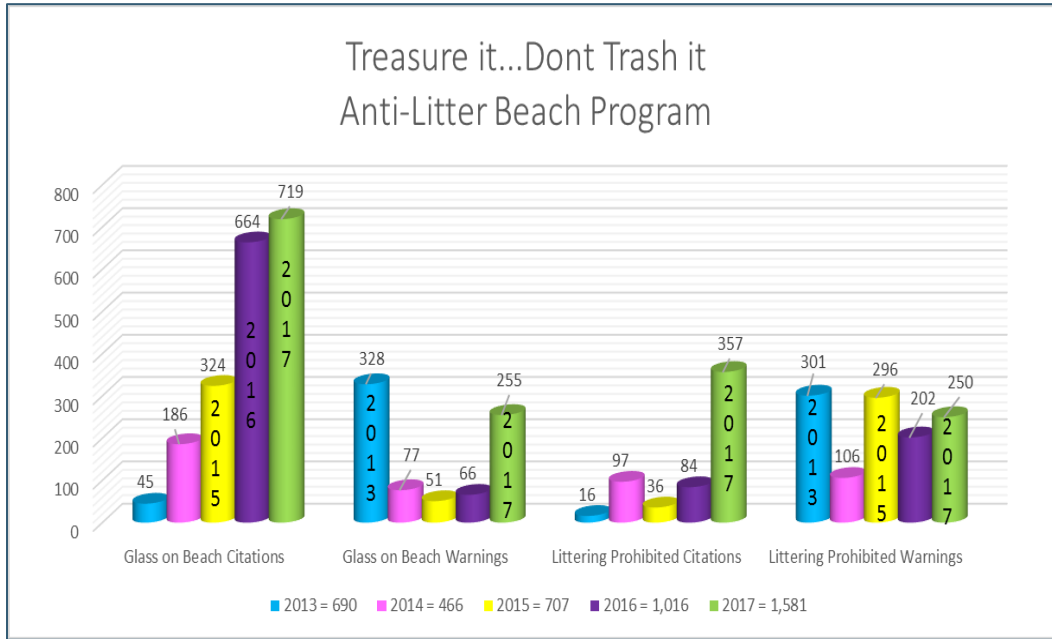
Project Description	Short Term: 1 FY Mid Term: 2-3 FY Long Term: 5-10 FY	Fiscal Year-Due Date	Budget Impact	Associated Metric	Comp Plan Goal
<b>Guide</b>					
Continue Vector Control Program – to effectively protect against mosquito borne diseases.	Long Term	9/30/2019	\$16,500	Metric 2 and 3	Chapter V Goal 1 Objective 1.1
Improve animal services by build positive relations to ensure compliance with DSHS regulations.	Long Term	9/30/2019	\$2,500	N/A	Chapter VII Goal 2 Objective 1.2 Policy 1.2.5
Conduct DMAIC related to all city buildings and a safety plan to follow.	Mid Term	9/30/2019	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Continue the Non-Smoking Ordinance Program and enforcing regulations.	Long Term	9/30/2019	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1
Continue implementing the Retail Food Inspection Program.	Long Term	9/30/2019	N/A	Metric 4	Chapter I Goal 2 Objective 2.1 Policy 2.1.1
Enhance recycling program and educate the public.	Long Term	9/30/2019	\$500	Metric 5 and 6	Chapter VII Goal 2 Objective 1.2 Policy 1.2.5
Continue Green Initiatives-develop and implement new recycling techniques.	Long Term	9/30/2019	N/A	Metric 5 and 6	Chapter VII Goal 2 Objective 1.2 Policy 1.2.5
Continue Composter Loan Program.	Long Term	9/30/2019	N/A	N/A	Chapter VII Goal 2 Objective 1.2 Policy 1.2.5
Continue Anti-Litter Beach Program.	Long Term	9/30/2019	N/A	Metric 1	Chapter I Goal 2 Objective 2.2
Parks and Keep SPI Beautiful Committee	Long Term	9/30/2019	\$1,000	Metric 1	Chapter VII Goal 1 Objective 1.2
Attend Valley Environmental Summit monthly meetings.	Long Term	9/30/2019	N/A	N/A	Chapter VI Goal 1 Objective 1.1 Policy 1.1.7-4
Promote Natural Habitat Lots.	Long Term	9/30/2019	N/A	Natural Habitat Lots	Chapter I Goal 2 Objective 2.3 Policy 2.2.1

Network with other governmental entities and agencies.	Long Term	9/30/2019	N/A	N/A	Chapter VI Goal 1 Objective 1.1 Policy 1.1.7-4
Attend TEHA and attempt to bring trainings to SPI.	Long Term	9/30/2019	N/A	N/A	Chapter VI Goal 1 Objective 1.1 Policy 1.1.7-4
<b>Analyze and Plan</b>					
Conduct Annual SWOT Analysis and Business Plan with Team	Long Term	9/30/2019	N/A	SWOT	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Review and Plan to Achieve Goals from the Comp Plan.	Long Term	9/30/2019	N/A	N/A	Chapter VII Goal 1 Objective 1.2
<b>Needs of the Customer</b>					
Customer feed-back forms.	Long Term	Daily	N/A	N/A	Chapter VII Goal 2 Objective 1.2 Policy 1.2.5
<b>Approach to Process Control</b>					
Develop SOPs for Key Processes.	Long Term	9/30/2019	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Conduct a Process Map and improve for Key Processes.	Long Term	9/30/2019	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Create Metrics.	Long Term	9/30/2019	N/A	Metric 1, 2, 3, 4, 5, 6, and 7	Chapter VII Goal 1 Objective 1.1 Policy 1.1.1
<b>Staff Development</b>					
Hold monthly one on ones with each staff member and encourage feedback from employees.	Long Term	9/30/2019	N/A	Metric 7	Chapter VI Goal 2 Objective 2.1 Policy 2.1.3-3
Use SPI connect to provide training to meet employee needs.	Long Term	9/30/2019	\$ -	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Attend training for proper credentials, licensing, and registration, and to improve efficiency. (e.g. TEHA-STC Annual Education Conference and Vector Management Workshop).	Long Term	9/30/2019	\$6,855	N/A	Chapter V Goal 1 Objective 1.1 Policy 1.1.2

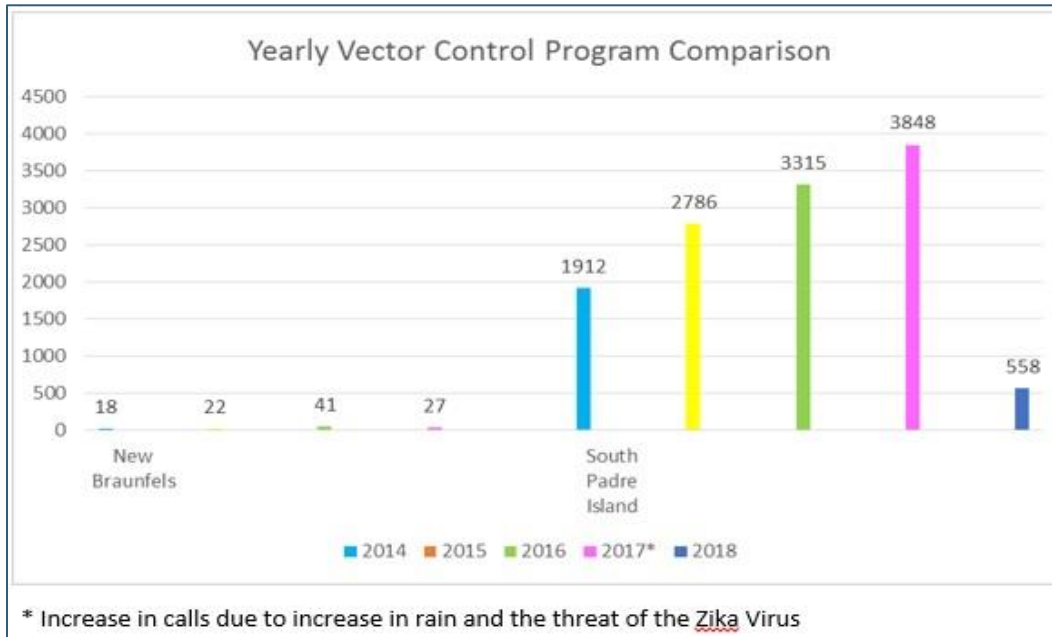
ENVIRONMENTAL HEALTH SERVICES DEPARTMENT PERFORMANCE METRICS

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.

Metric 1:

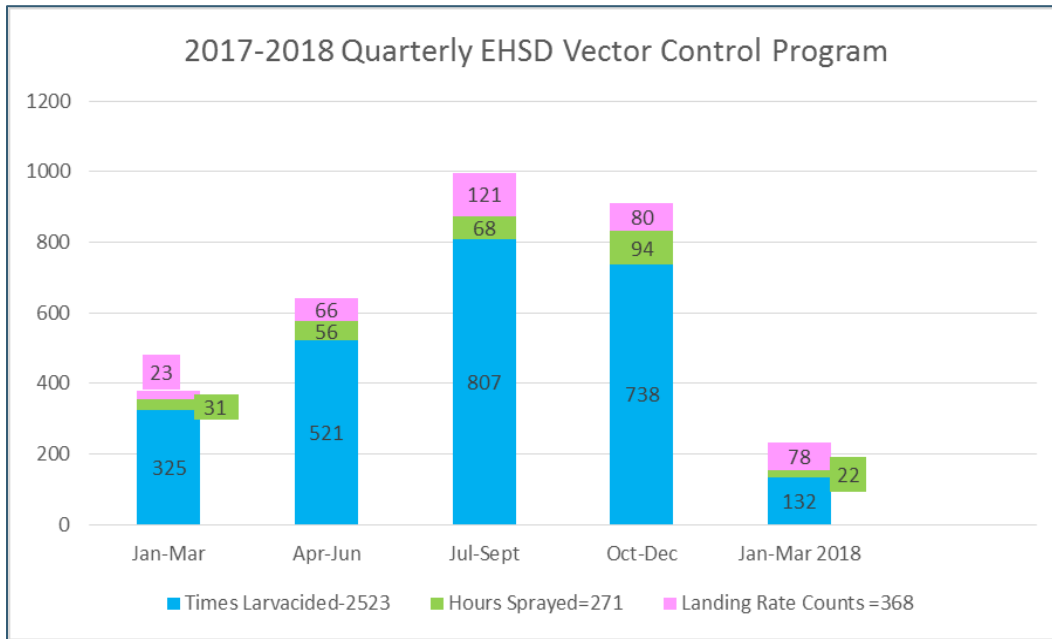


Metric 2:

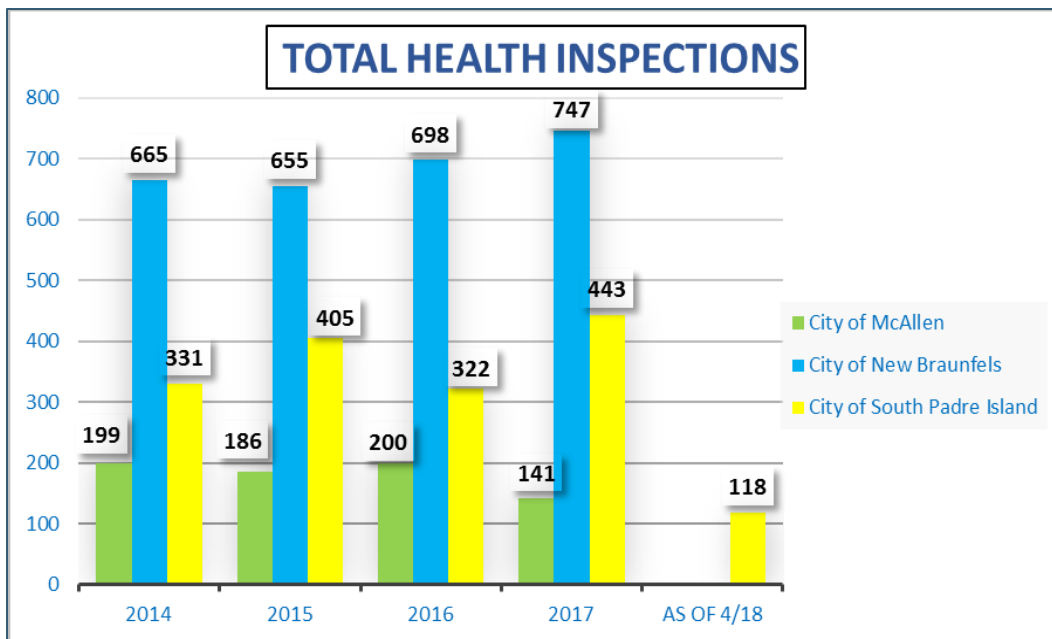




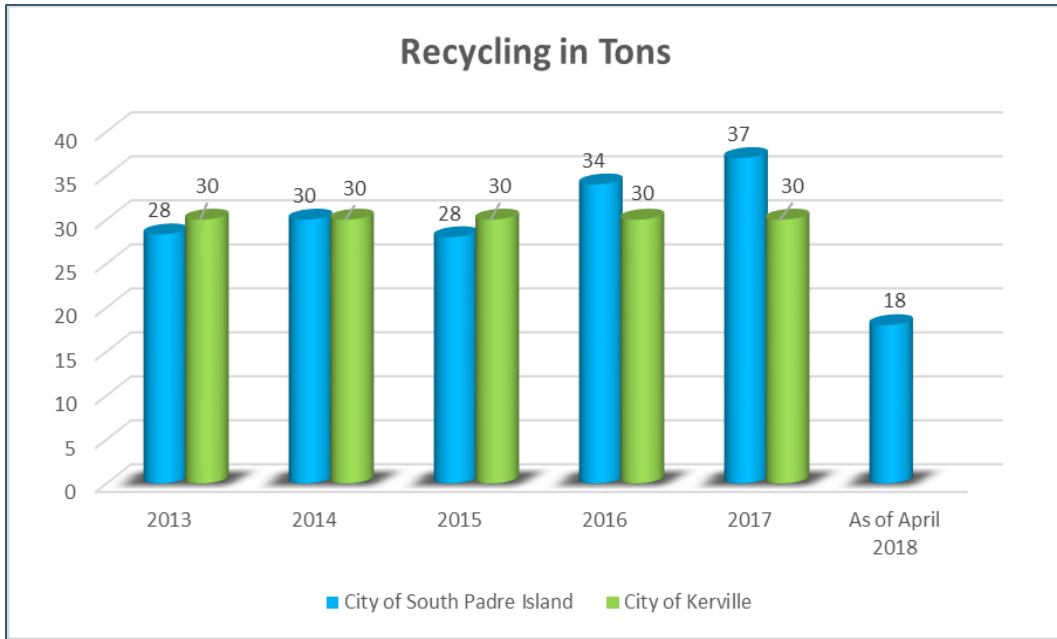
Metric 3:



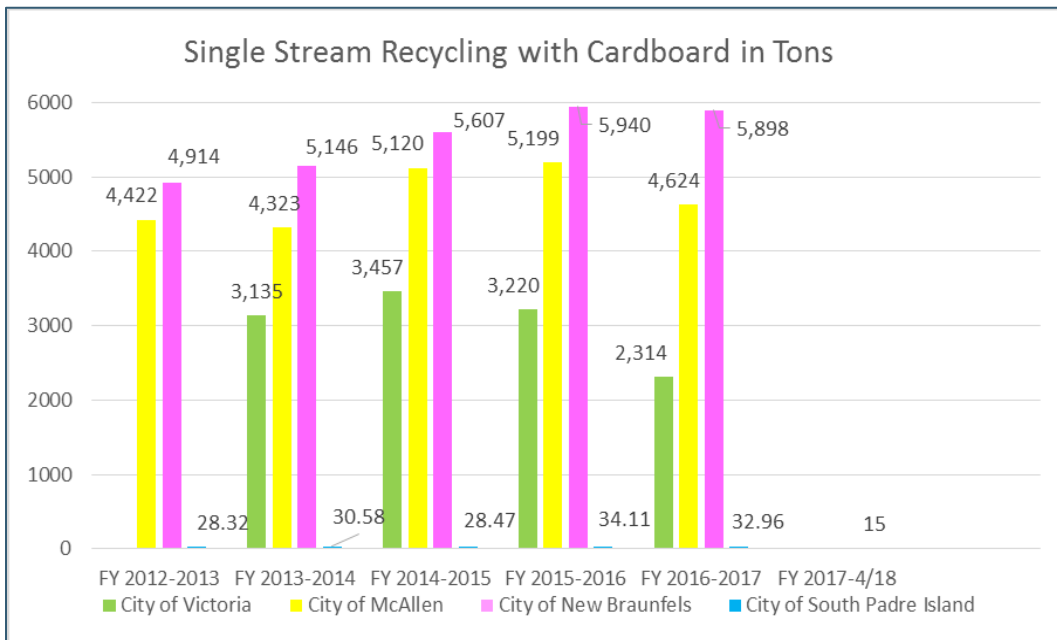
Metric 4:



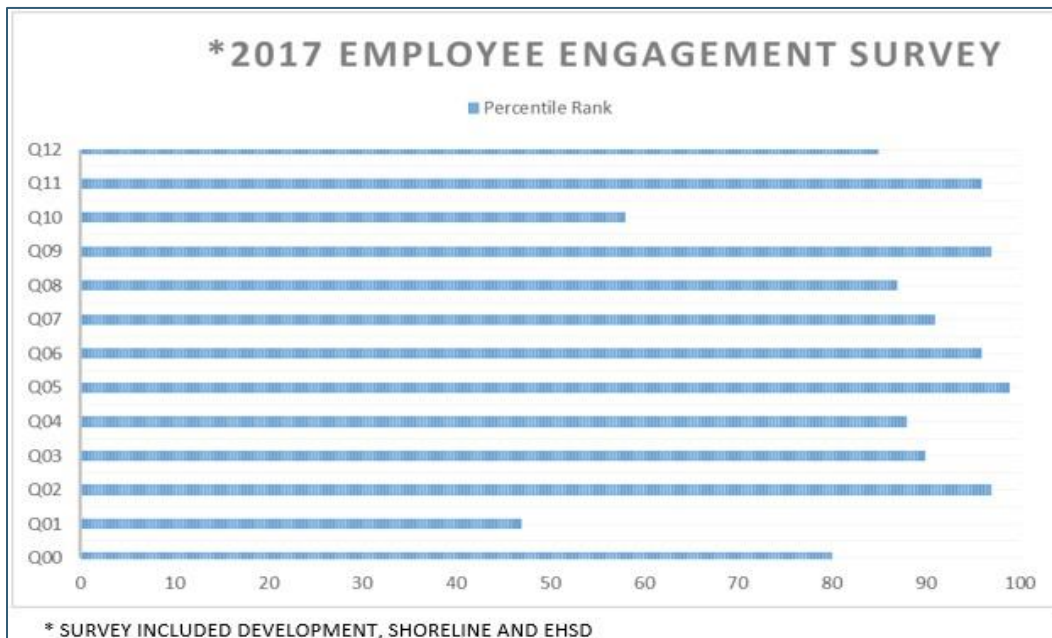
Metric 5:



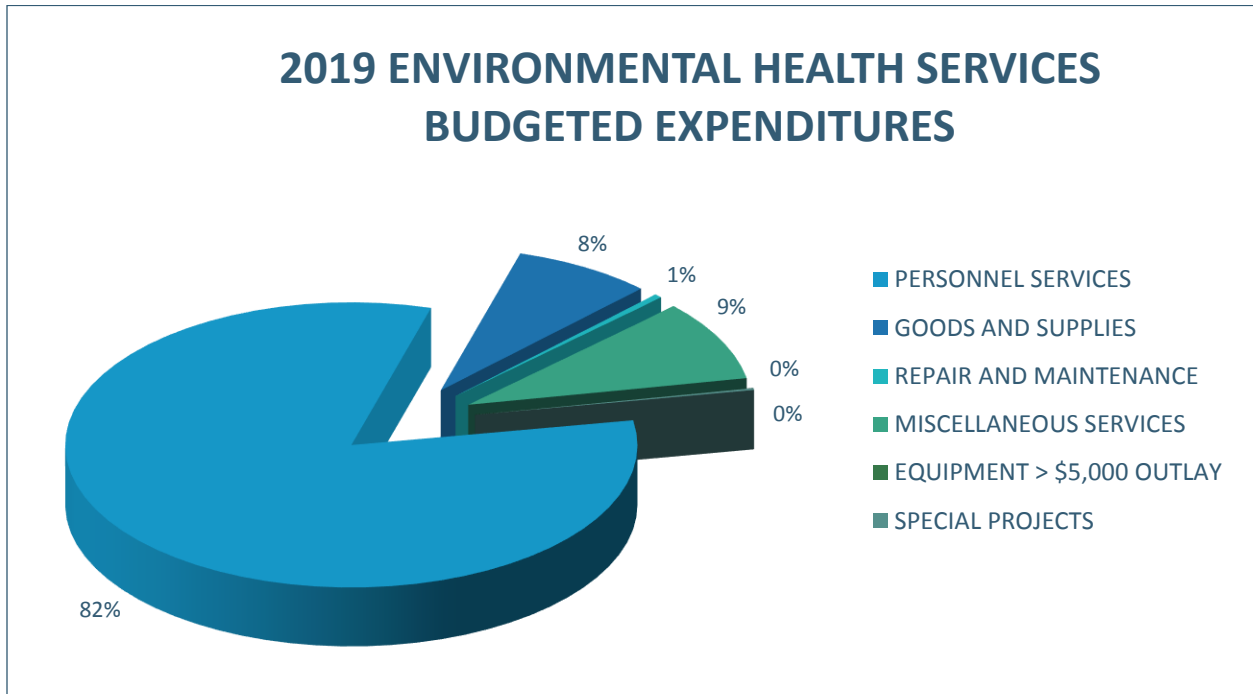
Metric 6:



Metric 7:



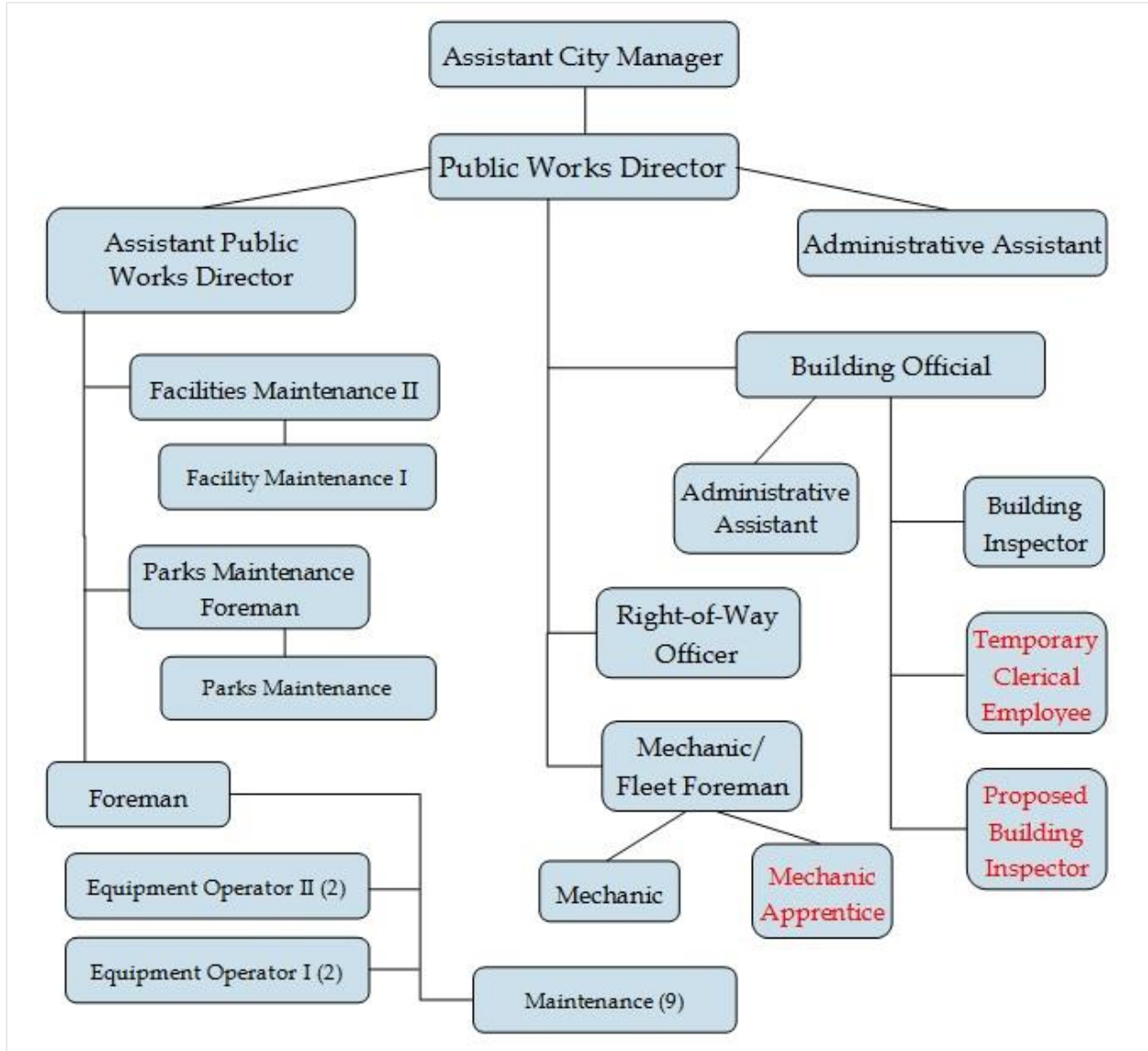
ENVIRONMENTAL HEALTH SERVICES DEPARTMENT BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND – ENVIRONMENTAL HEALTH SERVICES	2016	2017	2018	2019
PERSONNEL SERVICES	\$334,433	\$346,594	\$368,247	\$380,121
GOODS AND SUPPLIES	31,272	37,636	37,738	36,366
REPAIR AND MAINTENANCE	939	0	2,200	2,122
MISCELLANEOUS SERVICES	34,779	36,745	38,465	42,420
EQUIPMENT > \$5,000 OUTLAY	0	11,220	0	0
SPECIAL PROJECTS	1,580	1,109	518	1,000
<b>TOTAL EXPENDITURES</b>	<b>\$403,003</b>	<b>\$433,304</b>	<b>\$447,168</b>	<b>\$462,029</b>

## PUBLIC WORKS DEPARTMENT

### PUBLIC WORKS DEPARTMENT ORGANIZATIONAL CHART



### WHO ARE WE / WHAT WE DO

The Public Works Department is responsible for maintaining the City's infrastructure which includes facilities, parks, roads, drainage, fleet vehicles, amenities, and landscapes. The Public Works Department also assists with providing 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:** This division is 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:** This division is responsible for the maintenance of all city parks and landscape areas along Gulf and Padre Boulevards.
- **Fleet Maintenance Division:** This division is responsible for the maintenance of the City's vehicles and heavy equipment.
- **Facilities Maintenance Division:** This division is responsible for the maintenance of the City's buildings.

Public Works plays a key role in emergency preparation and also supports other departments with construction, logistics, traffic, and engineering.

#### Major Goals:

The Public Works Department goals by Division are:

1. **Public Works Maintenance Division:** Improve and maintain the condition of City infrastructure through periodic maintenance, rehabilitation, and reconstruction.
2. **Landscaping Division:** Improve and maintain all of the City's parks and landscape areas along Gulf and Padre Boulevards. Enhance the character and appearance of the City through landscaping and maintenance of parks, green areas, and buildings.
3. **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.
4. **Facilities Maintenance Division:** Improve and maintain the condition of the City's 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.

**PUBLIC WORKS DEPARTMENT STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS**

<b>Project Description</b>	<b>Short Term: 1 FY Mid Term: 2-3 FY Long Term: 5-10 FY</b>	<b>Fiscal Year-Due Date</b>	<b>Budget Impact</b>	<b>Associated Metric</b>	<b>Comp Plan Goal</b>
<b>Guide</b>					
Execute a complete evaluation of the Fleet Policy, all equipment, and all vehicles.	Short Term	Ongoing	N/A	Metric 2, 7, 8, and 9	Chapter IV Goal 3 Objective 3.1 Policy 3.1.1
Address all traffic safety issues immediately in the field and properly document them. Maintain infrastructure and landscaping.	Long Term	Ongoing	\$142,000	Metric 5 and 6	Chapter II Goal 2 Objective 2.2 Policy 2.2.1-1
Encourage staff to interact with the community.	Long Term	Ongoing	N/A	N/A	Chapter VII Goal 2 Objective 1.2 Policy 1.2.5
Provide safety and bio-hazard trainings through SPI Connect and other agencies.	Mid Term	Ongoing	\$ 3,500	N/A	Chapter V Goal 1 Objective 1.1 Policy 1.1.2
Maintain high levels of communication with staff and encourage staff to inform management of any feedback and suggestions.	Long Term	Ongoing	N/A	Metric 1	Chapter VII Goal 2
Network with other governmental entities and agencies.	Short Term	Ongoing	\$11,000	N/A	Chapter VI Goal 1 Objective 1.1 Policy 1.1.7-4
<b>Analyze and Plan</b>					
Conduct Annual SWOT Analysis and Business plan.	Long Term	Ongoing	\$300	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Review and plan to achieve goals from the Comp Plan.	Short Term	Ongoing	N/A	N/A	Chapter VII Goal 1 Objective 1.2
Utilize DMAIC approach to manage Median Landscape.	Mid Term	Ongoing	\$70	N/A	Chapter II Goal 1 Objective 1.1 Policy 1.1.1-8
Utilize DMAIC approach to manage Fleet.	Mid Term	Ongoing	\$340,000	Metric 7, 8, and 9	Chapter IV Goal 3 Objective 3.1 Policy 3.1.1

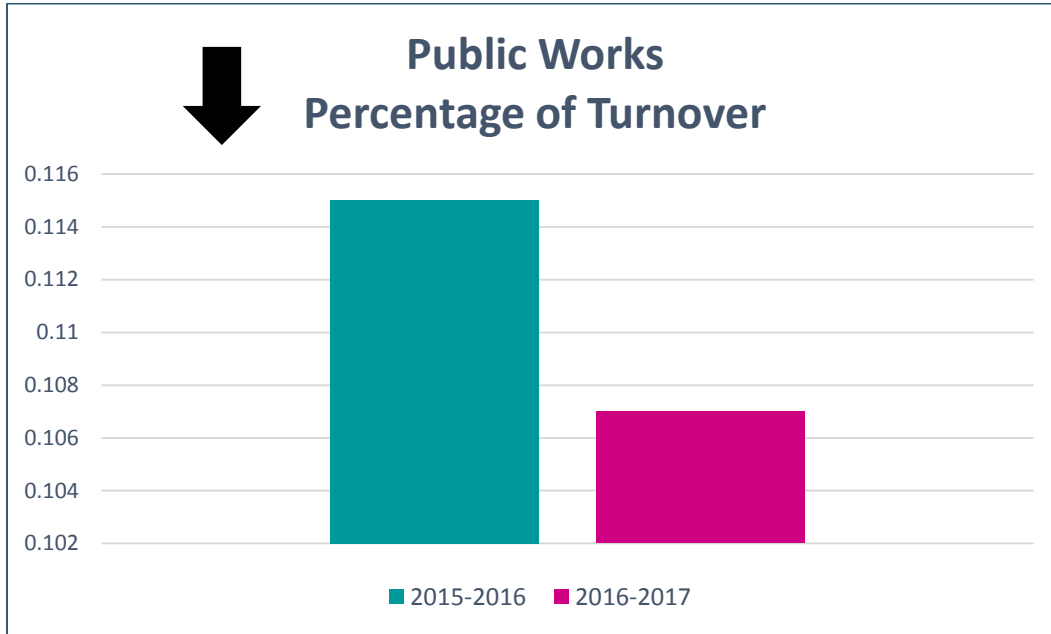
<b>Needs of the Customer</b>					
Develop process to define, measure, analyze, improve, and control (DMAIC) all projects.	Mid Term	Ongoing	N/A	Metric 2, 3, 4, 7, and 8	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Create email addresses to streamline help processes for facilities, fleet, and public works.	Short Term	Ongoing	N/A	N/A	Chapter I Goal 1 Objective 1.1 Policy 1.1.6
Continue Preventative Maintenance Program (iWorQ System) to track assets and equipment.	Short Term	Ongoing	N/A	N/A	Chapter IV Goal 3 Objective 3.1 Policy 3.1.1
Assess and control the City's infrastructure by adding pictures and history to iWorQ System.	Mid Term	Ongoing	N/A	N/A	Chapter IV Goal 3 Objective 3.1 Policy 3.1.1
<b>Approach to Process Control</b>					
Conduct self-assessment of Key Processes in accordance with American Public Works Association standards.	Annually	Ongoing	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Train employees on vital issues that affect the department and City.	Short Term	Ongoing	\$2,555	N/A	Chapter V Goal 1 Objective 1.1 Policy 1.1.2
Prepare for emergency events with practice drills.	Mid Term	Ongoing	N/A	N/A	Chapter V Goal 1 Objective 1.1 Policy 1.1.3
<b>Staff Development</b>					
Conduct monthly one to one meetings with staff.	Monthly	Ongoing	N/A	Metric 1	Chapter VI Goal 2 Objective 2.1 Policy 2.1.3-3
Use SPI Connect for employee training.	Long Term	Ongoing	\$ -	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3



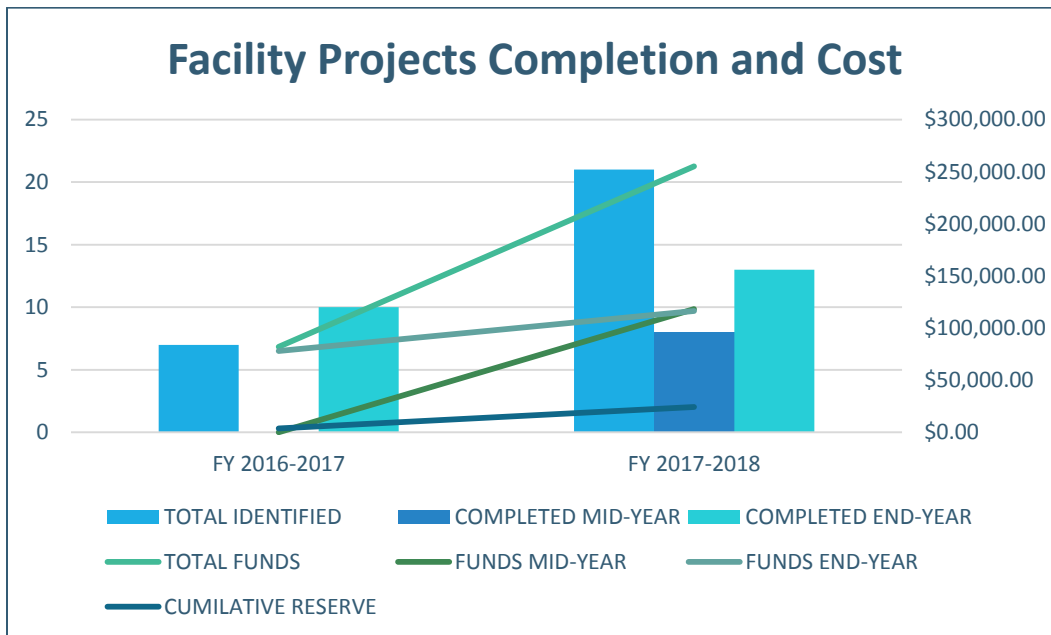
PUBLIC WORKS DEPARTMENT PERFORMANCE METRICS

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

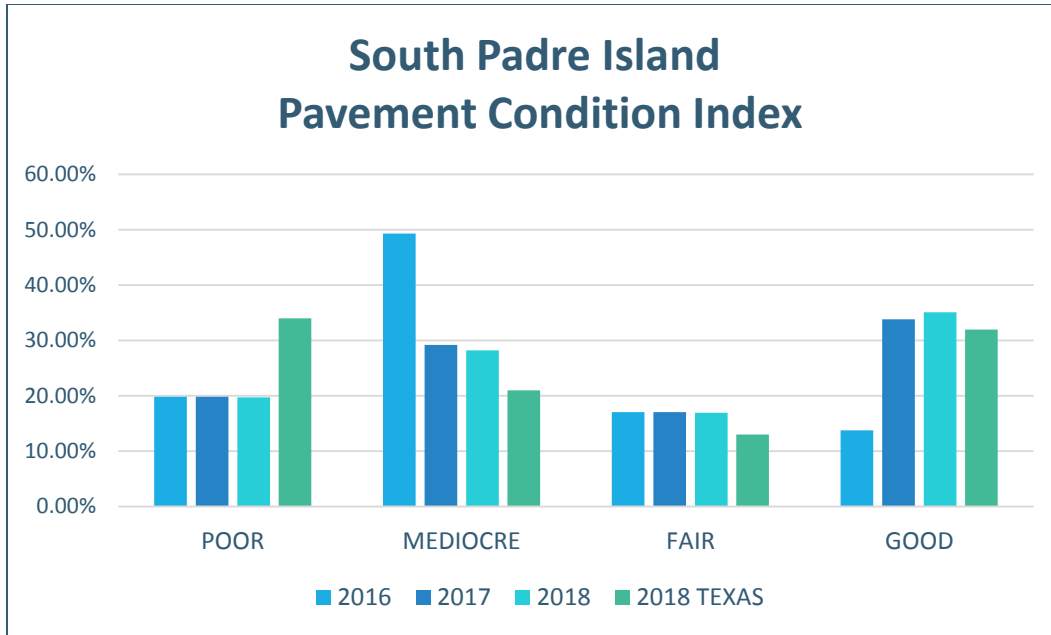
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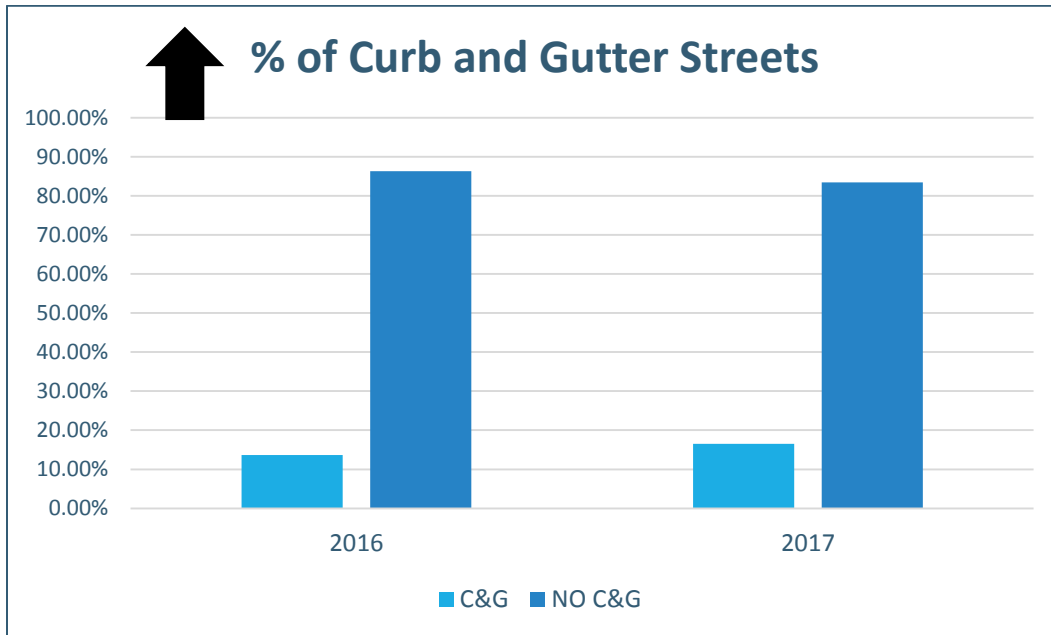
Metric 2:



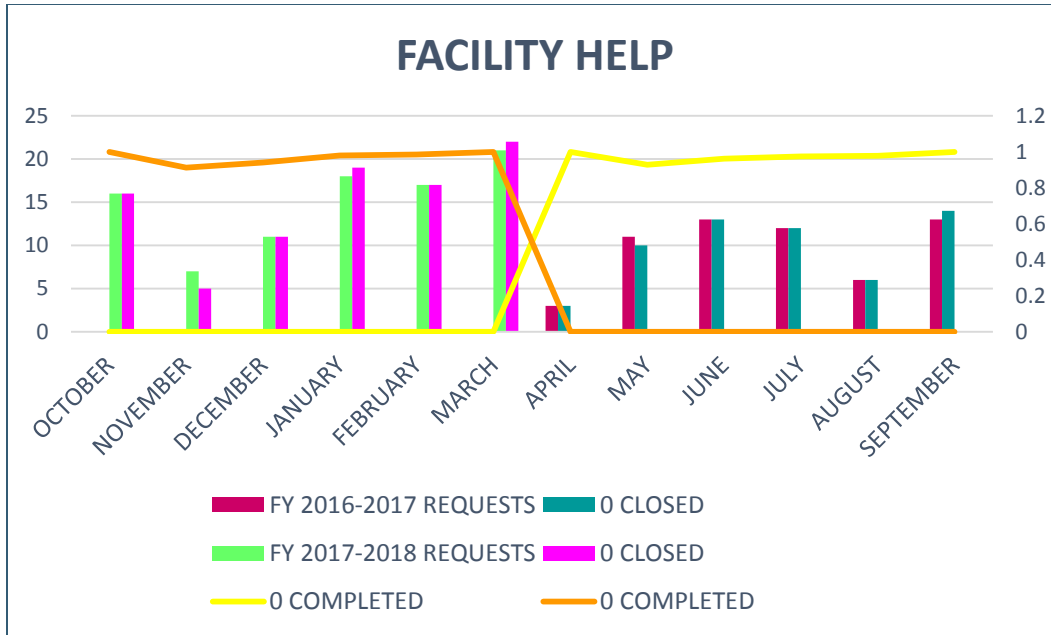
Metric 3:



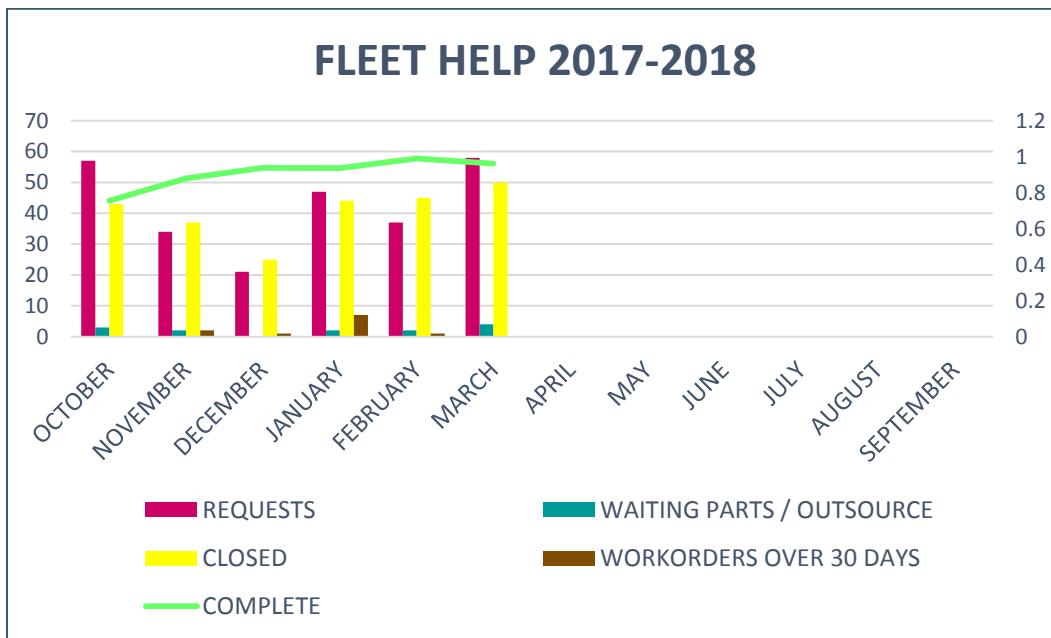
Metric 4:



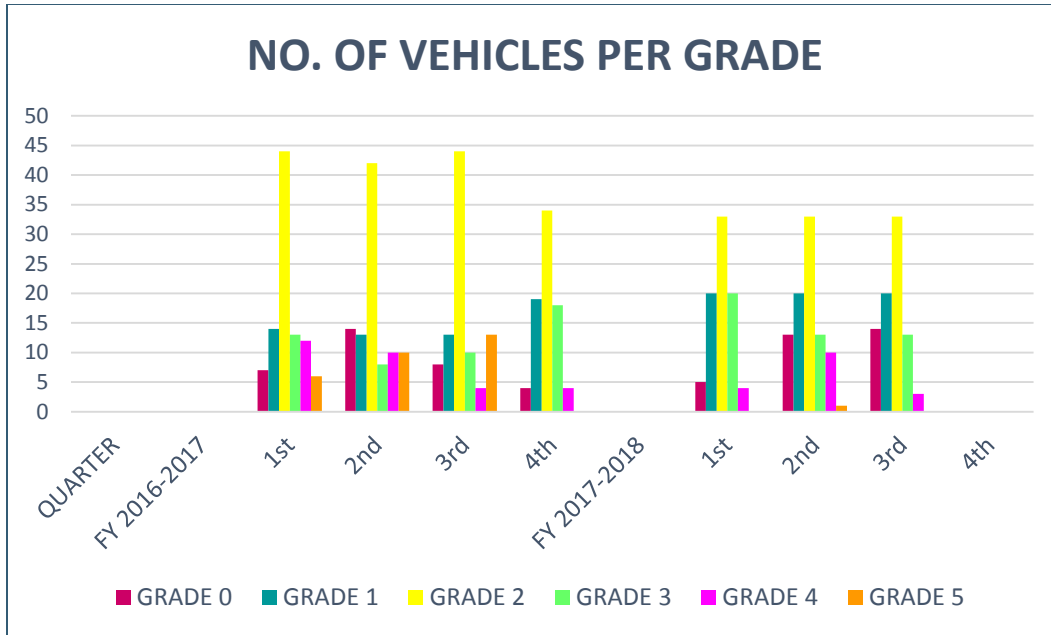
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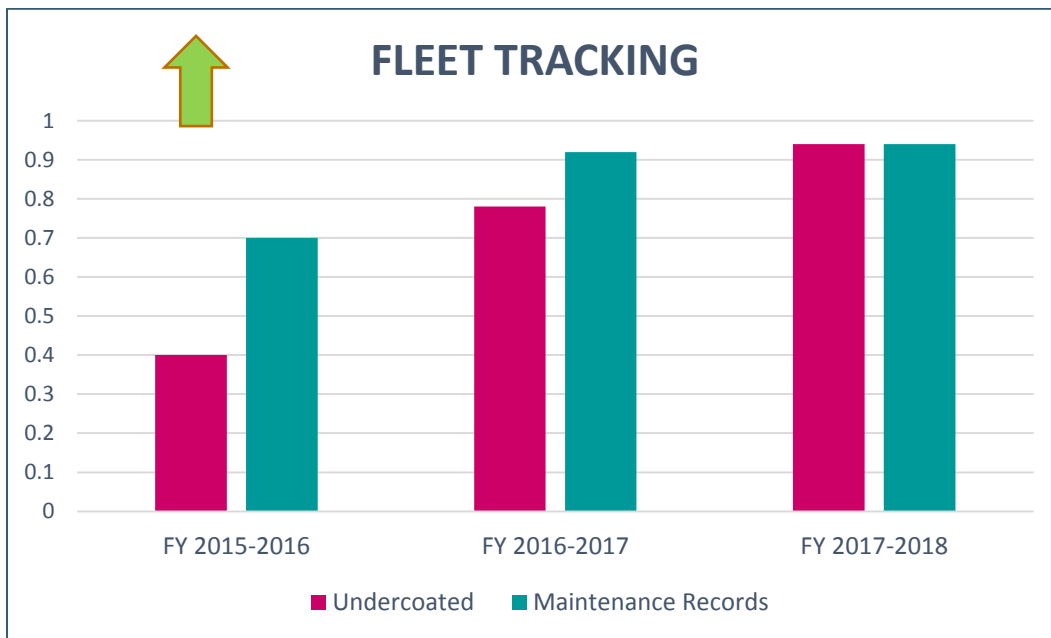
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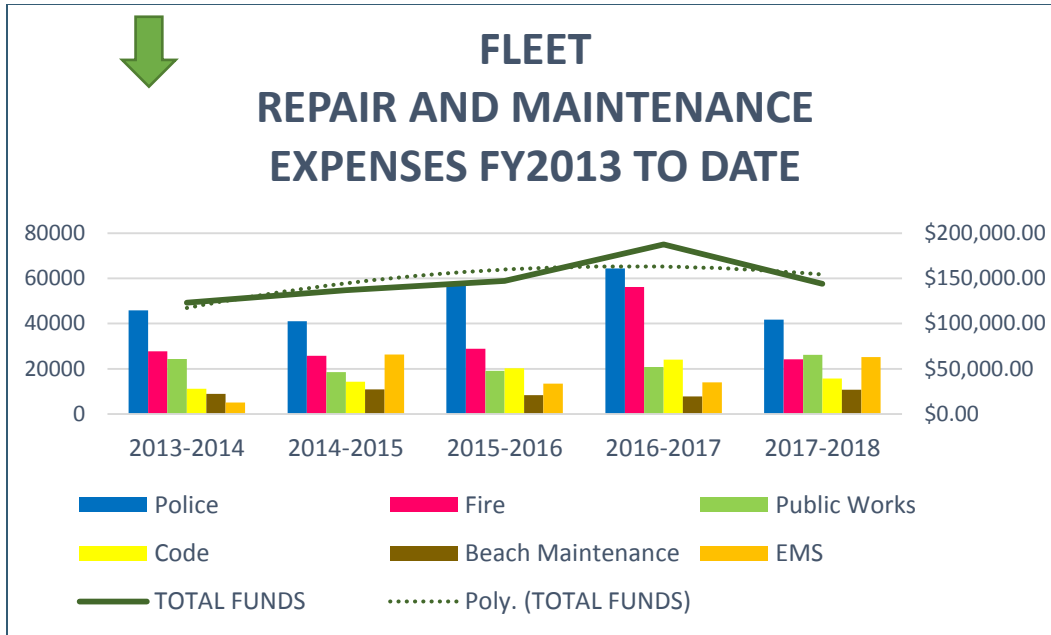
Metric 7:



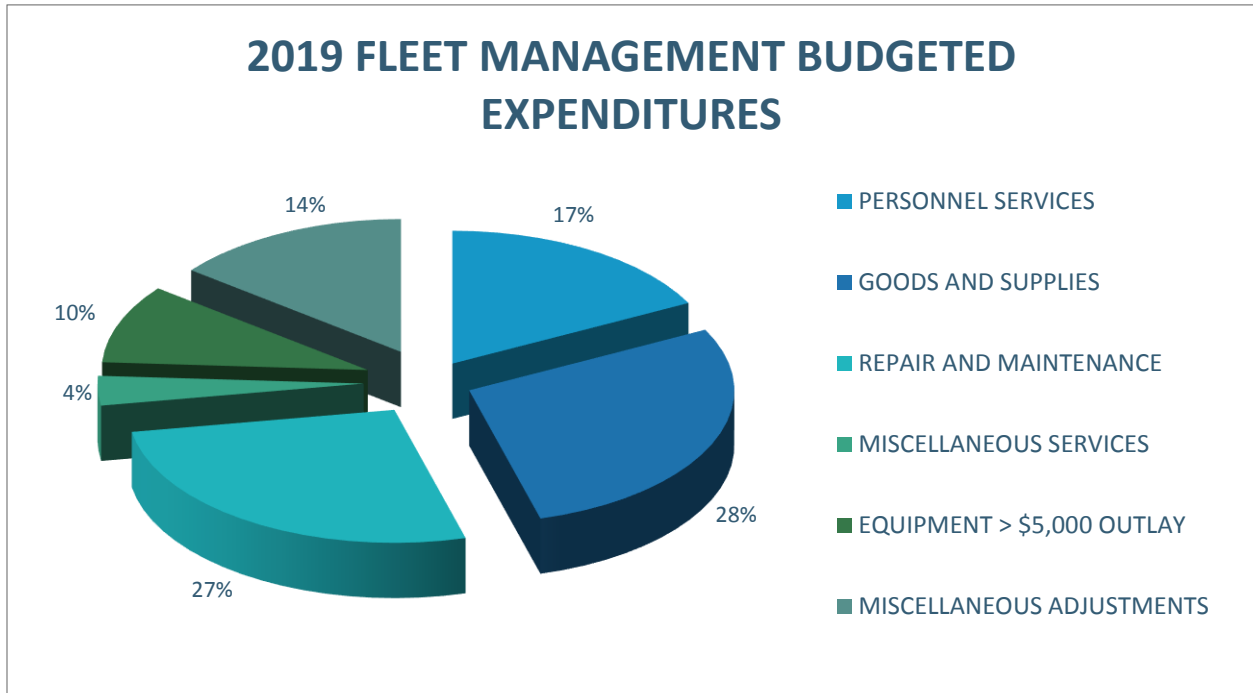
Metric 8:



Metric 9:



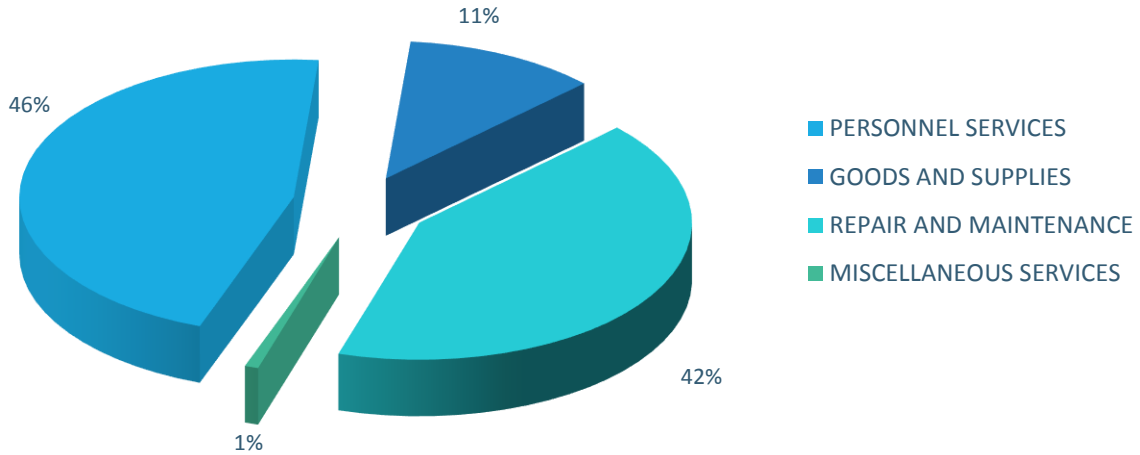
FLEET MANAGEMENT DEPARTMENT BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FLEET MANAGEMENT	2016	2017	2018	2019
PERSONNEL SERVICES	\$100,740	\$99,135	\$105,113	\$109,096
GOODS AND SUPPLIES	119,580	127,100	181,504	176,350
REPAIR AND MAINTENANCE	148,736	212,545	187,846	166,500
MISCELLANEOUS SERVICES	2,077	1,573	2,364	22,424
EQUIPMENT > \$5,000 OUTLAY	314,937	125,142	831,900	60,000
MISCELLANEOUS ADJUSTMENTS	264,301	215,197	162,550	90,337
<b>TOTAL EXPENDITURES</b>	<b>\$950,371</b>	<b>\$780,692</b>	<b>\$1,471,277</b>	<b>\$624,707</b>

FACILITIES AND GROUNDS MAINTENANCE DEPARTMENT BUDGET NUMBERS

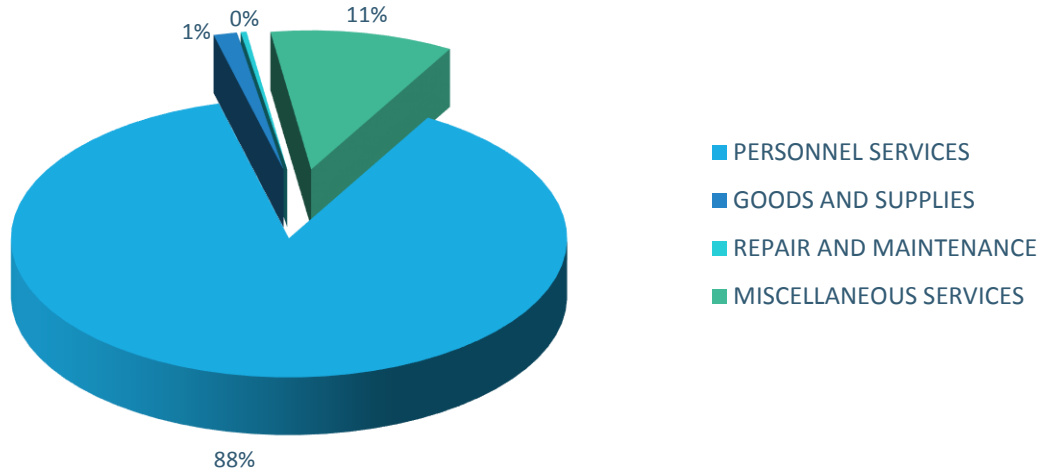
**2019 FACILITIES & GROUNDS MAINTENANCE  
BUDGETED EXPENDITURES**



<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>GEN. FUND - FACILITIES MAINT.</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
PERSONNEL SERVICES	\$123,030	\$100,053	\$74,513	\$77,583
GOODS AND SUPPLIES	16,332	23,429	25,301	19,300
REPAIR AND MAINTENANCE	55,896	65,912	53,966	70,830
MISCELLANEOUS SERVICES	1,071	970	1,360	1,360
<b>TOTAL EXPENDITURES</b>	<b>\$196,329</b>	<b>\$190,365</b>	<b>\$155,140</b>	<b>\$169,073</b>

INSPECTIONS DEPARTMENT BUDGET NUMBERS

**2019 INSPECTIONS BUDGETED EXPENDITURES**

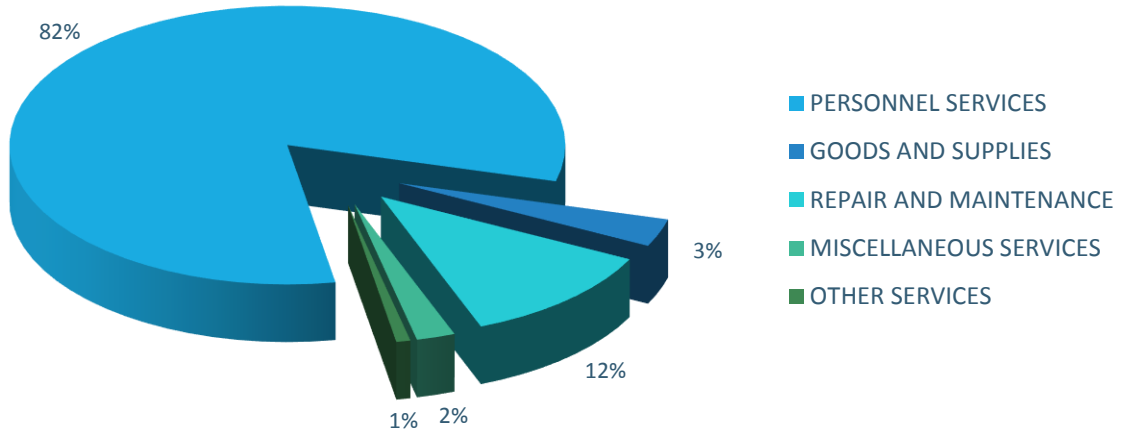


<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>GEN. FUND - INSPECTIONS</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
PERSONNEL SERVICES	\$174,799	\$177,342	\$170,909	\$179,066
GOODS AND SUPPLIES	1,403	1,227	1,300	2,800
REPAIR AND MAINTENANCE	561	0	700	700
MISCELLANEOUS SERVICES	16,446	14,927	19,474	21,829
<b>TOTAL EXPENDITURES</b>	<b>\$193,209</b>	<b>\$193,496</b>	<b>\$192,383</b>	<b>\$204,395</b>



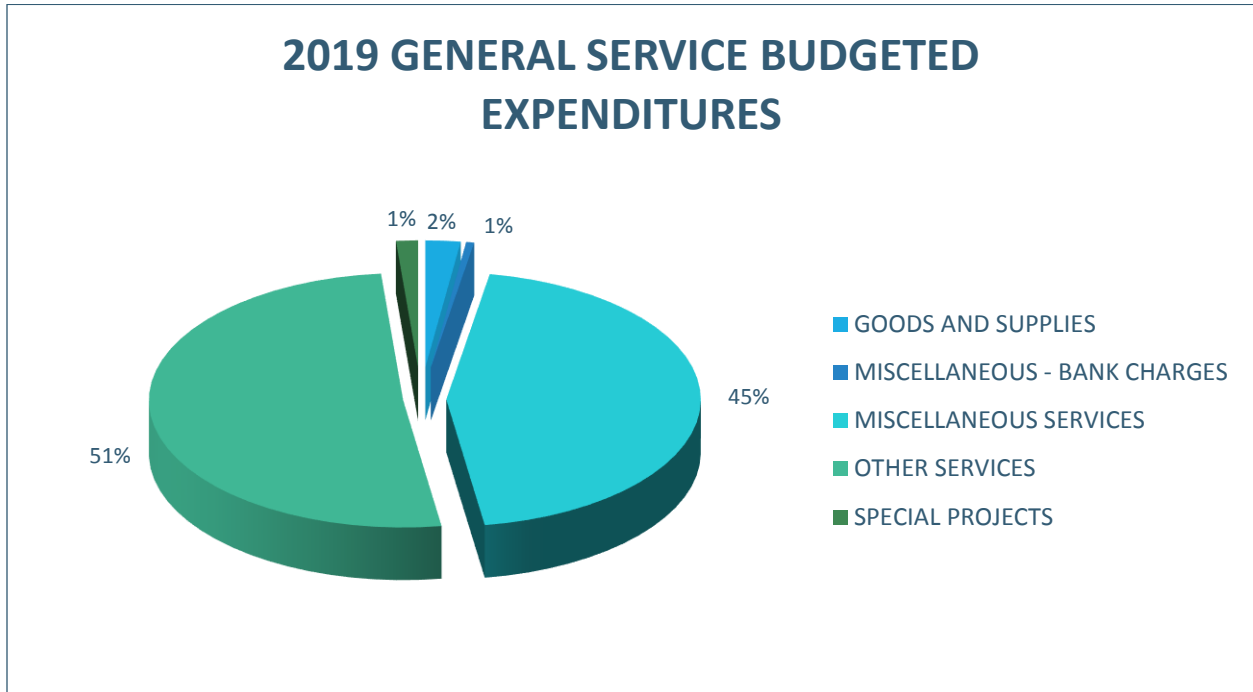
PUBLIC WORKS DEPARTMENT BUDGET NUMBERS

## 2019 PUBLIC WORKS BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - PUBLIC WORKS	2016	2017	2018	2019
PERSONNEL SERVICES	\$816,169	\$858,004	\$976,244	\$1,009,810
GOODS AND SUPPLIES	27,945	36,631	45,955	39,790
REPAIR AND MAINTENANCE	147,552	145,447	159,306	144,500
MISCELLANEOUS SERVICES	15,682	25,579	47,195	27,738
OTHER SERVICES	0	0	0	10,150
<b>TOTAL EXPENDITURES</b>	<b>\$1,007,349</b>	<b>\$1,065,661</b>	<b>\$1,228,700</b>	<b>\$1,231,988</b>

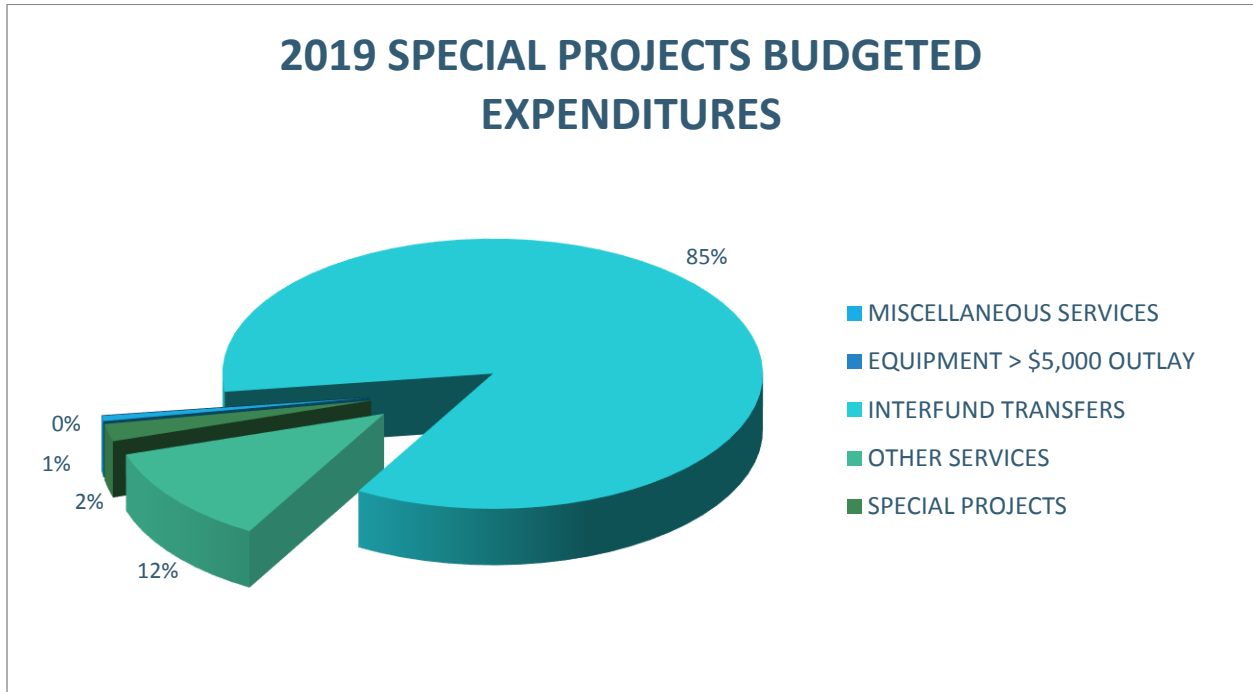
**GENERAL SERVICES DEPARTMENT BUDGET NUMBERS**



<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>GEN. FUND - GENERAL SERVICE</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
GOODS AND SUPPLIES	\$19,313	\$20,454	\$21,500	\$22,000
MISCELLANEOUS - BANK CHARGES	0	3,467	6,000	5,000
MISCELLANEOUS SERVICES	385,142	448,642	368,372	442,100
OTHER SERVICES	438,852	441,236	482,809	503,000
SPECIAL PROJECTS	5,927	6,616	13,700	13,700
<b>TOTAL EXPENDITURES</b>	<b>\$849,234</b>	<b>\$920,415</b>	<b>\$892,381</b>	<b>\$985,800</b>

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 DEPARTMENT BUDGET NUMBERS**

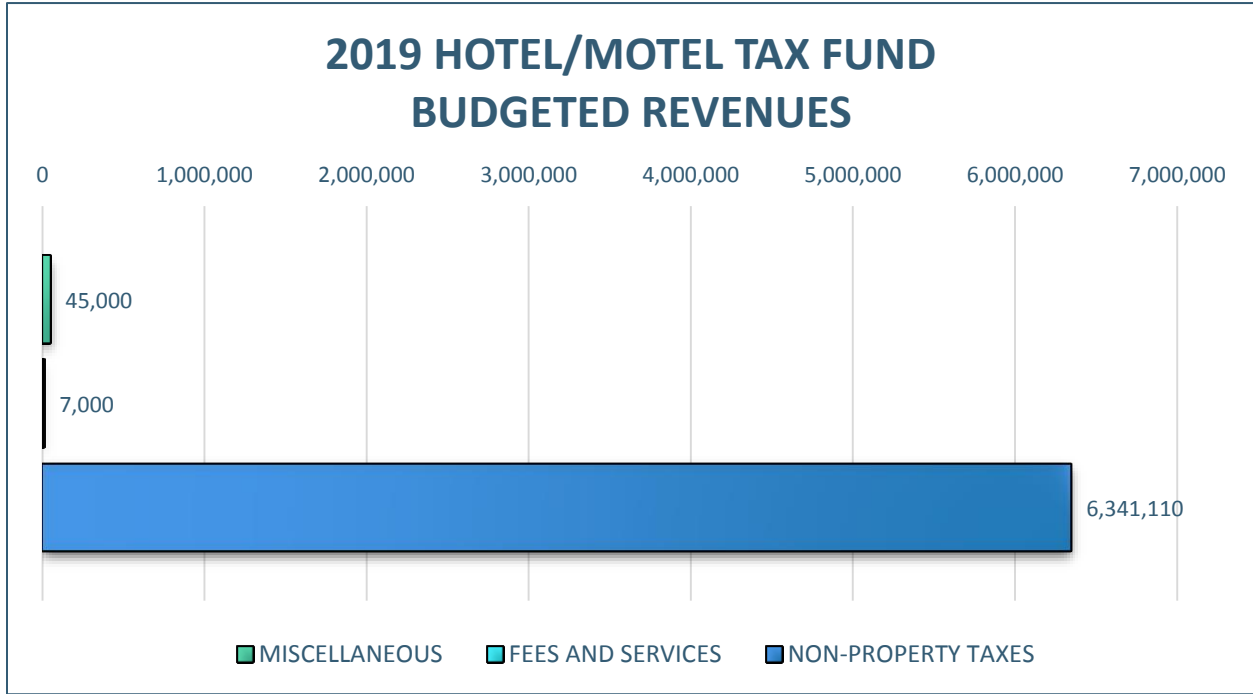


<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>GEN. FUND - SPECIAL PROJECTS</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
MISCELLANEOUS SERVICES	\$309,226	\$153,914	\$254,000	\$3,000
EQUIPMENT > \$5,000 OUTLAY	174,196	103,481	4,000	0
INTERFUND TRANSFERS	404,292	628,105	440,354	407,232
OTHER SERVICES	68,471	87,031	108,763	56,500
SPECIAL PROJECTS	799,159	27,787	160,073	10,000
<b>TOTAL EXPENDITURES</b>	<b>\$1,755,344</b>	<b>\$1,000,319</b>	<b>\$967,190</b>	<b>\$476,732</b>

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

## HOTEL MOTEL TAX FUND

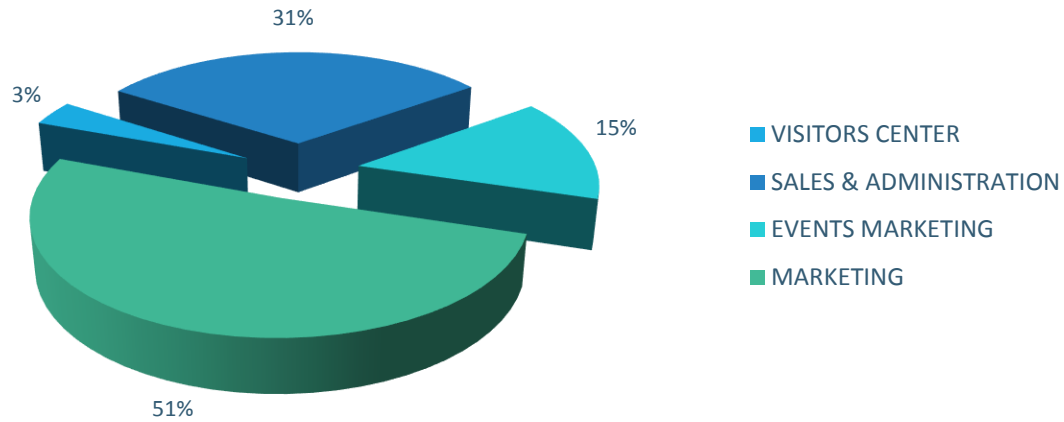
### HOTEL MOTEL TAX REVENUE BUDGET NUMBERS



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL TAX FUND	2016	2017	2018	2019
NON-PROPERTY TAXES	\$5,650,621	\$5,897,664	\$5,889,329	\$6,341,110
FEES AND SERVICES	11,297	8,228	7,000	7,000
MISCELLANEOUS	81,964	62,684	89,750	45,000
<b>TOTAL REVENUES</b>	<b>\$5,743,882</b>	<b>\$5,968,576</b>	<b>\$5,986,079</b>	<b>\$6,393,110</b>

HOTEL MOTEL TAX BUDGETED EXPENDITURES

**2019 HOTEL/MOTEL TAX FUND  
BUDGETED EXPENDITURES BY DEPARTMENT**



EXPENDITURES BY DEPT	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL TAX FUND	2016	2017	2018	2019
VISITORS CENTER	\$193,813	\$221,632	\$242,577	\$227,675
SALES & ADMINISTRATION	1,253,040	1,462,738	1,882,634	1,974,712
EVENTS MARKETING	568,693	834,394	1,319,184	934,366
MARKETING	2,598,711	3,076,265	3,911,000	3,251,350
<b>TOTAL EXPENDITURES</b>	<b>\$4,614,257</b>	<b>\$5,595,029</b>	<b>\$7,355,395</b>	<b>\$6,388,103</b>

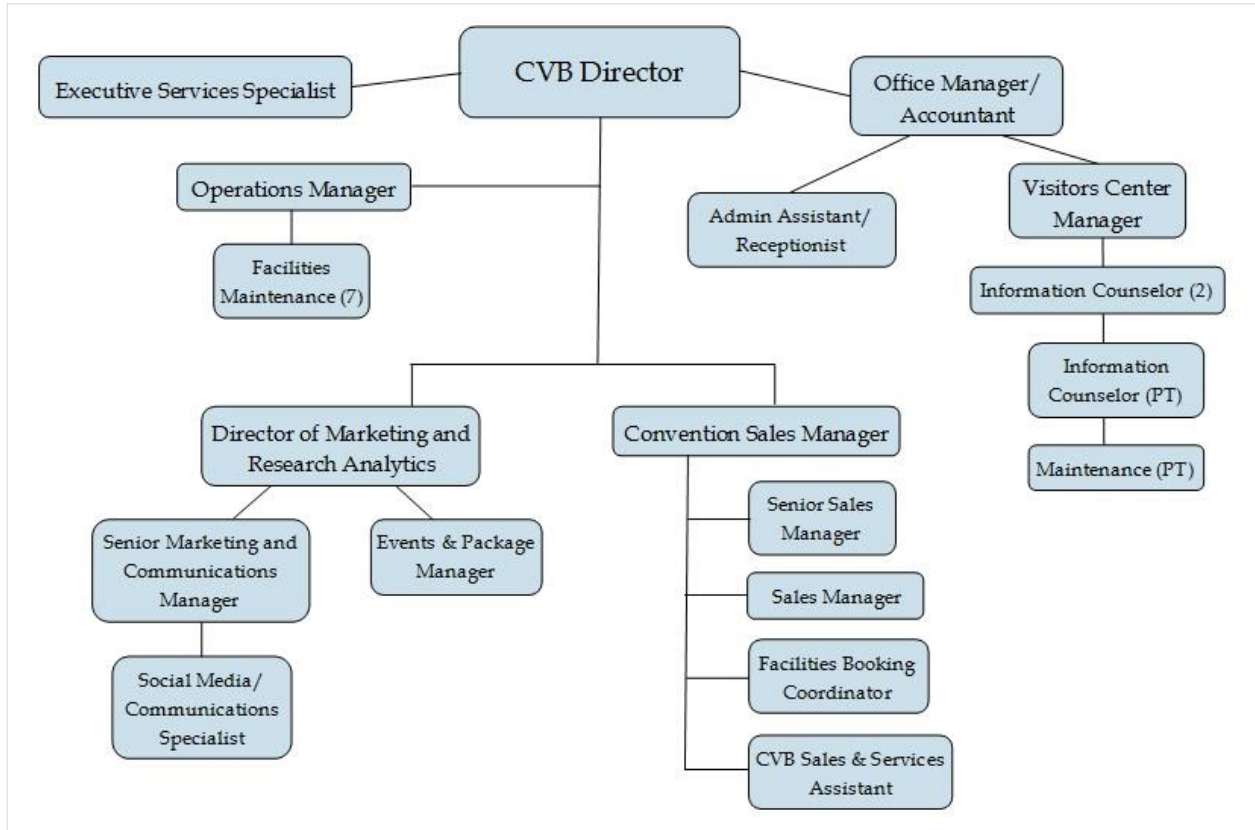
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CONVENTION AND VISITORS BUREAU DIVISION

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CONVENTION & VISITORS BUREAU ORGANIZATIONAL CHART

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WHO ARE WE / WHAT WE DO

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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 activities 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. Maintain the highest skilled and most dynamic sales and marketing teams.
2. Develop and promote an active lifestyle brand based on market research.
3. Maintain and expand a comprehensive research program.

Our Planning Indicators and Focus:

Our CVB Sales Team, along with our CVA Board, will work to develop a comprehensive list of tradeshow 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.

CONVENTION AND VISITORS BUREAU STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS

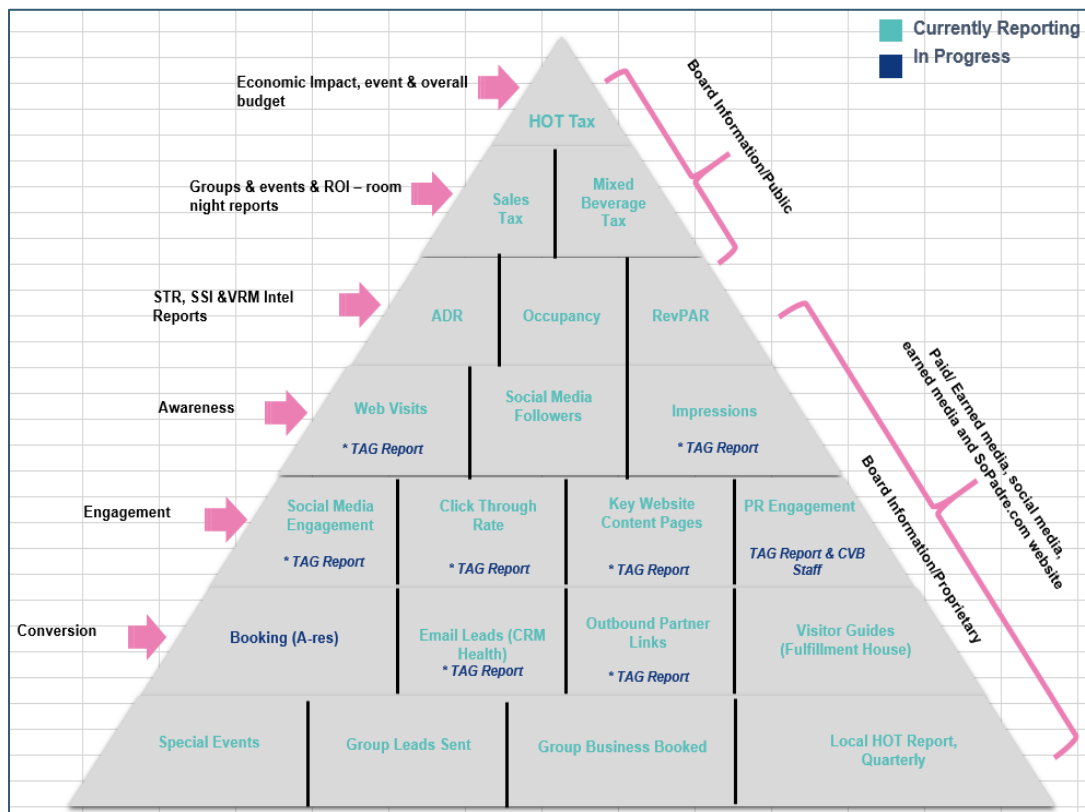
Project Description	Short Term: 1 FY Mid Term: 2-3 FY Long Term: 5-10 FY	Fiscal Year-Due Date	Budget Impact	Associated Metric	Comp Plan Goal
<b>Guide</b>					
Conduct robust comprehensive research to generate ways forward for the entire destination (Y.S.).	Short Term	June 2019	\$300,000	HOT	Chapter VI Goal 1 Objective 1.1 Policy 1.1.1-2
Develop a comprehensive hospitality training program in partnership with all stakeholders in the destination	Short Term	March 2019	\$25,000	Impressions	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Support feasibility studies on the development of infrastructure, potential events, and possible future business.	Long Term	Ongoing	\$20,000	Booking	Chapter VIII Goal 1 Objective 1.1
Identify several software platforms to enhance destination packaging (e.g. Ungerbock, Utrip, Adventure Bucketlist).	Short Term	Jan. 2019	\$45,000	CTR	Chapter VI Goal 2 Objective 2.1 Policy 2.1.4

Conduct full research plans and data collection.	Short Term	Jun. 2019	\$300,000	Impressions	Chapter VI Goal 1
Detail outline/objective/outputs for the marketing and communications department. Includes revised job descriptions for both staffers.	Short Term	May. 2019	N/A	HOT	Chapter VI Goal 1 Objective 1.1 Policy 1.1.1-1
<b>Analyze and Plan</b>					
Conduct Annual SWOT Analysis and Business Plan with team.	Short Term	Apr. 2019	N/A	HOT	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Review business plan, process maps, and brand awareness messaging with sales team and staff.	Short Term	Jun. 2019	N/A	HOT	Chapter VI Goal 1 Objective 1.1 Policy 1.1.1-1
Plan and implement airlift enhancement initiative.	Long Term	Ongoing	\$400,000	Booking	Chapter VI Goal 1
Coordinate and execute 6-8 new off-season special events.	Short Term	Jun. 2019	\$170,000	Special Events	Chapter VI Goal 1
Complete specific Visitor Center plans-technical, layouts, staffing, budget, etc.-DMAIC.	Long Term	Jan. 2022	\$400,000	Visitor Guides	Chapter VI Goal 1
<b>Needs of the Customer</b>					
Sustain current customer base.	Mid Term	Ongoing	N/A	HOT	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-1
Grow future business and new customer base.	Long Term	Ongoing	N/A	HOT	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-1
Increase HOT revenues from increased Island visitation and overnight stays.	Mid Term	Ongoing	N/A	HOT	Chapter VI Goal 4 Objective 4.2 Policy 4.2.6
Generate impactful brand messaging-DMAIC.	Mid Term	Ongoing	\$2.1m	Impressions	Chapter VI Goal 1 Objective 1.1 Policy 1.1.1-1
<b>Approach to Process Control</b>					
Refine Sales SOPs for Operations and Convention Processes.	Short Term	Jun. 2019	N/A	HOT	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1

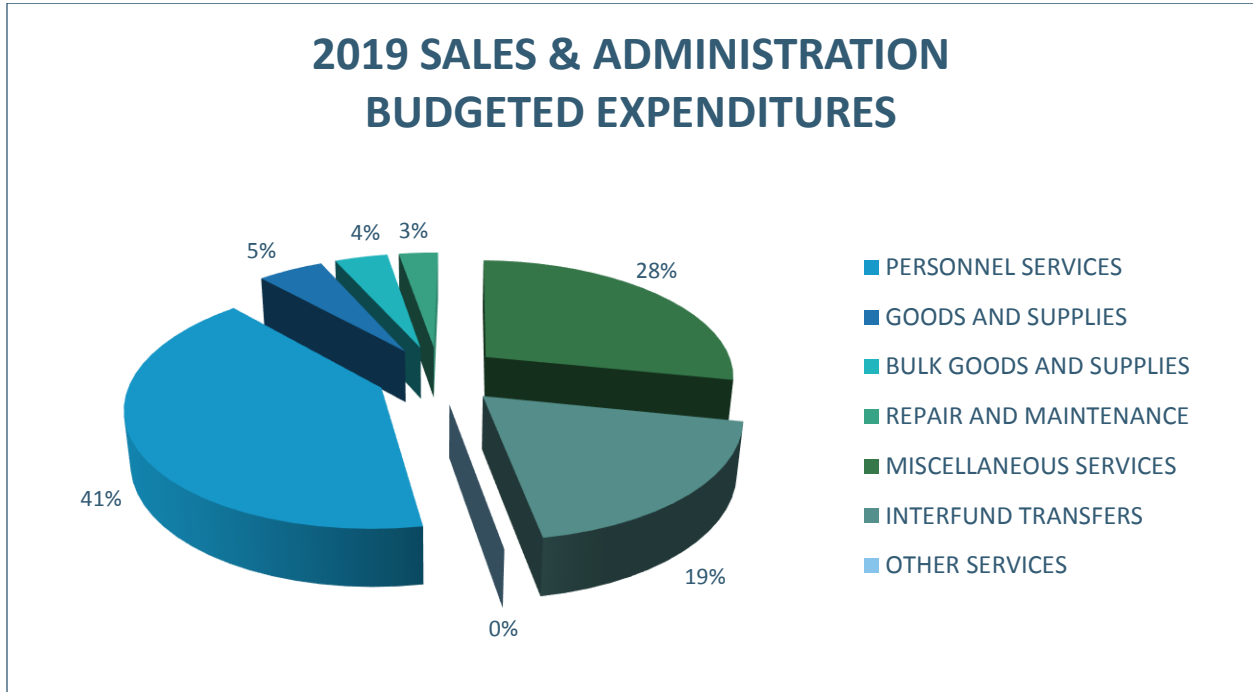


Generate all remaining appropriate process maps for department-wide functions.	Short Term	Jun. 2019	N/A	HOT	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Review, update, and implement comprehensive nature tourism marketing plan.	Short Term	Jun. 2019	N/A	Impressions	Chapter I Goal 1 Objective 1.2
Solicit and drive participation from stakeholders to utilize the identified packaging software.	Short Term	Sept. 2019	\$45,000	Special Events	Chapter VI Goal 4 Objective 4.3 Policy 4.3.1
<b>Staff Development</b>					
Reiterate brand and mission with staff meeting, etc.	Long Term	Ongoing	N/A	Impressions	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Create training plans for sales and admin staff	Short Term	May. 2019	N/A	HOT	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3
Hold weekly sales meetings and monthly staff meetings.	Long Term	Ongoing	N/A	HOT	Chapter VI Goal 2 Objective 2.1 Policy 2.1.3-3

### SALES & ADMINISTRATION PERFORMANCE METRICS



SALES AND ADMINISTRATION BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- SALES & ADMIN.	2016	2017	2018	2019
PERSONNEL SERVICES	\$532,981	\$617,109	\$694,646	\$809,938
GOODS AND SUPPLIES	55,471	73,369	108,374	99,000
BULK GOODS AND SUPPLIES	49,452	74,580	60,000	80,000
REPAIR AND MAINTENANCE	34,416	51,159	52,042	59,000
MISCELLANEOUS SERVICES	456,777	443,137	613,299	551,380
INTERFUND TRANSFERS	122,943	202,406	354,273	375,394
OTHER SERVICES	1,000	978	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$1,253,040</b>	<b>\$1,462,738</b>	<b>\$1,882,634</b>	<b>\$1,974,712</b>

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## VISITORS CENTER

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### WHO ARE WE / WHAT WE DO

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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 warmly by well-informed staff with professional and friendly attitudes.

#### 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.

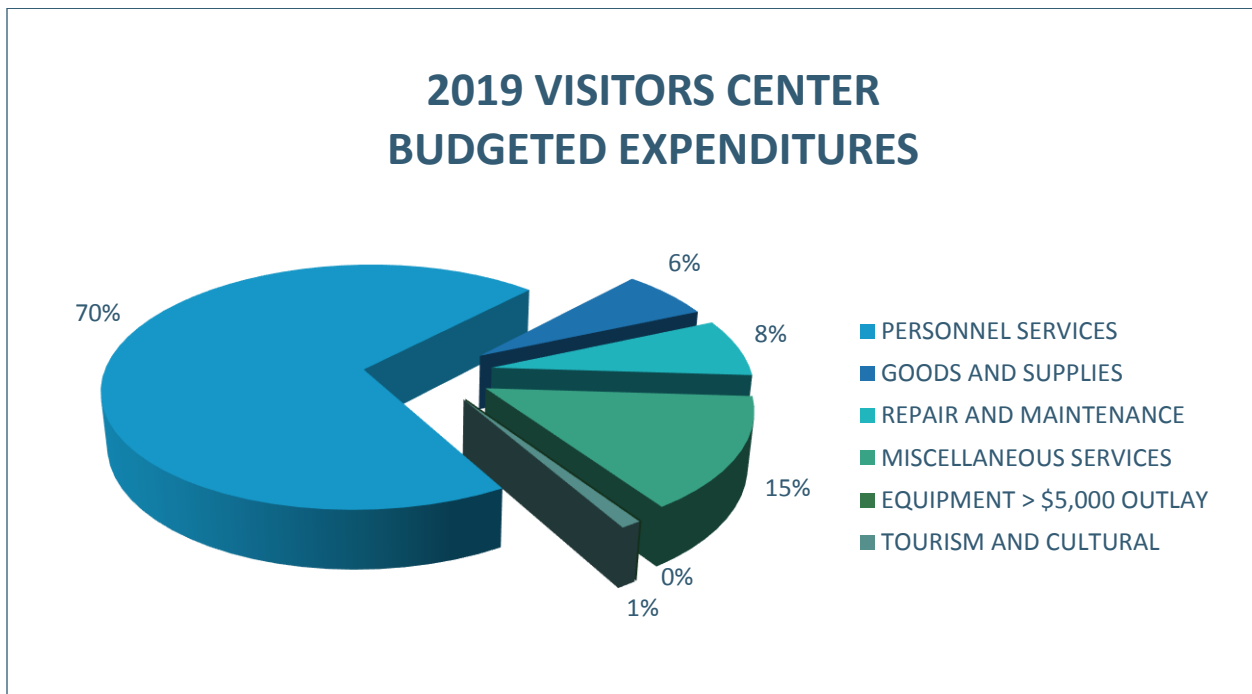
#### Our Planning Indicators and Focus:

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.
- Records regarding daily number of walk-ins.
- Daily emails and zip codes.
- International visitors and the different countries of which they come from.
- Number of phone calls requesting Island information.
- Operating status of Island businesses and all venues.
- Island's events, festivities, and activities.
- Island restaurants' menus, specials, and coupons.
- Reports requested by the CVB Director.
- Chamber of Commerce usage of the Visitor Center conference room.

- Partner’s current contact information.
- Courtesy calls to our partners in regards to promotional materials.
- Reports for Texas Department of Transportation (TxDOT) Travel Literature Program/Fulfillment Branch.
- Facility, grounds, and entire property to ensure a clean, pleasant and friendly atmosphere.
- Inventory of brochures, menus, pamphlets and magazines from our partners to ensure we always have enough and never run out.

VISITORS CENTER BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- VISITORS CENTER	2016	2017	2018	2019
PERSONNEL SERVICES	\$138,991	\$150,238	\$161,817	\$159,953
GOODS AND SUPPLIES	10,436	14,500	18,650	14,845
REPAIR AND MAINTENANCE	11,322	16,695	18,900	17,162
MISCELLANEOUS SERVICES	32,471	31,644	38,210	33,215
EQUIPMENT > \$5,000 OUTLAY	0	7,111	0	0
TOURISM AND CULTURAL	593	1,444	5,000	2,500
<b>TOTAL EXPENDITURES</b>	<b>\$193,813</b>	<b>\$221,632</b>	<b>\$242,577</b>	<b>\$227,675</b>

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## SPECIAL EVENTS DIVISION

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### WHO ARE WE / WHAT WE DO

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The Special Events Division is responsible for planning, organizing, coordinating and administering a variety of special event programs. Marketing programs for Special Events including median banners, social media, and City websites (sopadre.com, whosyourpadre.com).

#### 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:

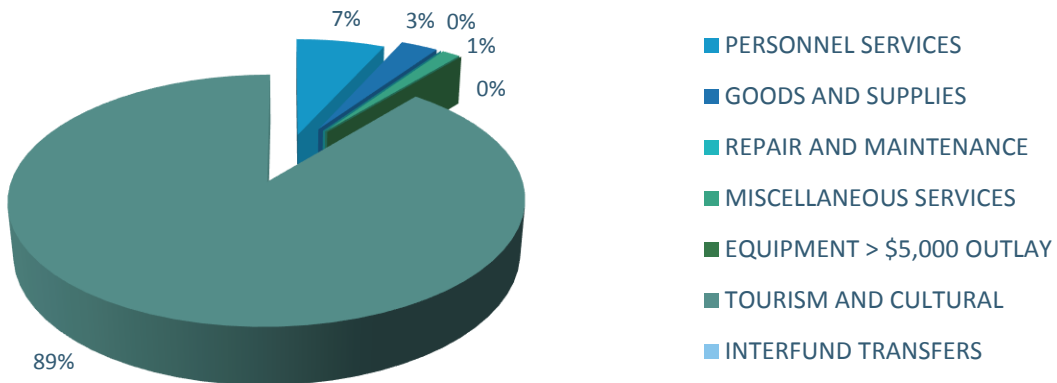
Better monitor and track the impact a special event has on hotel occupancy. This must include the cooperation of all hotel, motel, and condo management businesses. We encourage all events to arrange leads and tracking through the housing department at the CVB; however, the majority chooses to make their 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.

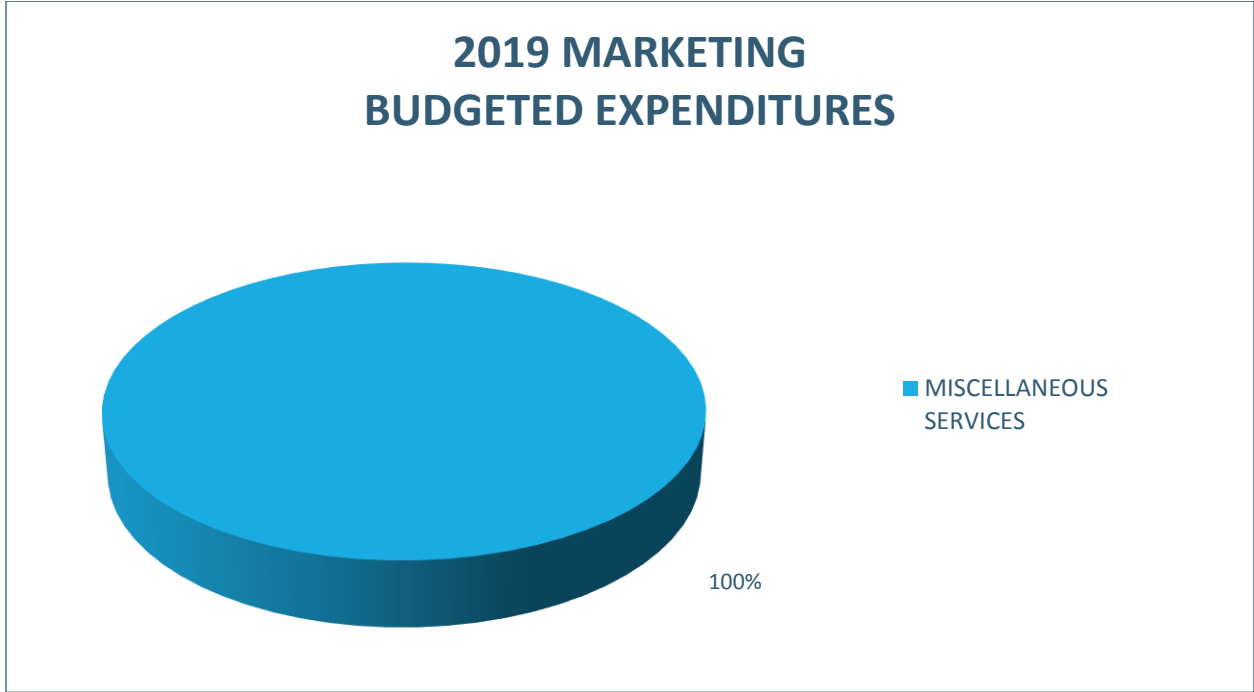
SPECIAL EVENTS MARKETING BUDGET NUMBERS

### 2019 EVENTS MARKETING BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- EVENTS MARKETING	2016	2017	2018	2019
PERSONNEL SERVICES	\$32,128	(\$4)	\$60,601	\$62,798
GOODS AND SUPPLIES	2,461	3,253	12,367	26,617
REPAIR AND MAINTENANCE	41	0	500	0
MISCELLANEOUS SERVICES	2,579	3,750	15,600	13,155
EQUIPMENT > \$5,000 OUTLAY	0	0	47,350	0
TOURISM AND CULTURAL	531,484	711,631	850,201	831,796
INTERFUND TRANSFERS	0	115,764	332,565	0
<b>TOTAL EXPENDITURES</b>	<b>\$568,693</b>	<b>\$834,394</b>	<b>\$1,319,184</b>	<b>\$934,366</b>

MARKETING BUDGET NUMBERS



<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>HOTEL/MOTEL- MARKETING</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
MISCELLANEOUS SERVICES	\$2,598,711	\$3,076,265	\$3,911,000	\$3,251,350
<b>TOTAL EXPENDITURES</b>	<b>\$2,598,711</b>	<b>\$3,076,265</b>	<b>\$3,911,000</b>	<b>\$3,251,350</b>

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

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### WHO ARE WE / WHAT WE DO

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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 that their business is appreciated by continuing to provide excellent customer service and hospitality.
3. Continue to provide training opportunities to all personnel as well as new and updated information to ensure employee competence.
4. Continue to maintain strong, positive relationships with all City departments.

#### Our Planning Indicators and Focus:

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

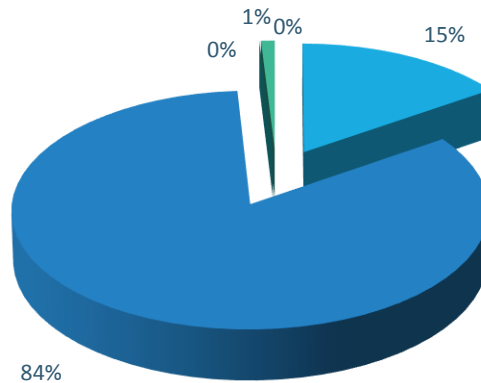


CONVENTION CENTRE BUDGET NUMBERS

CONVENTION CENTRE REVENUE

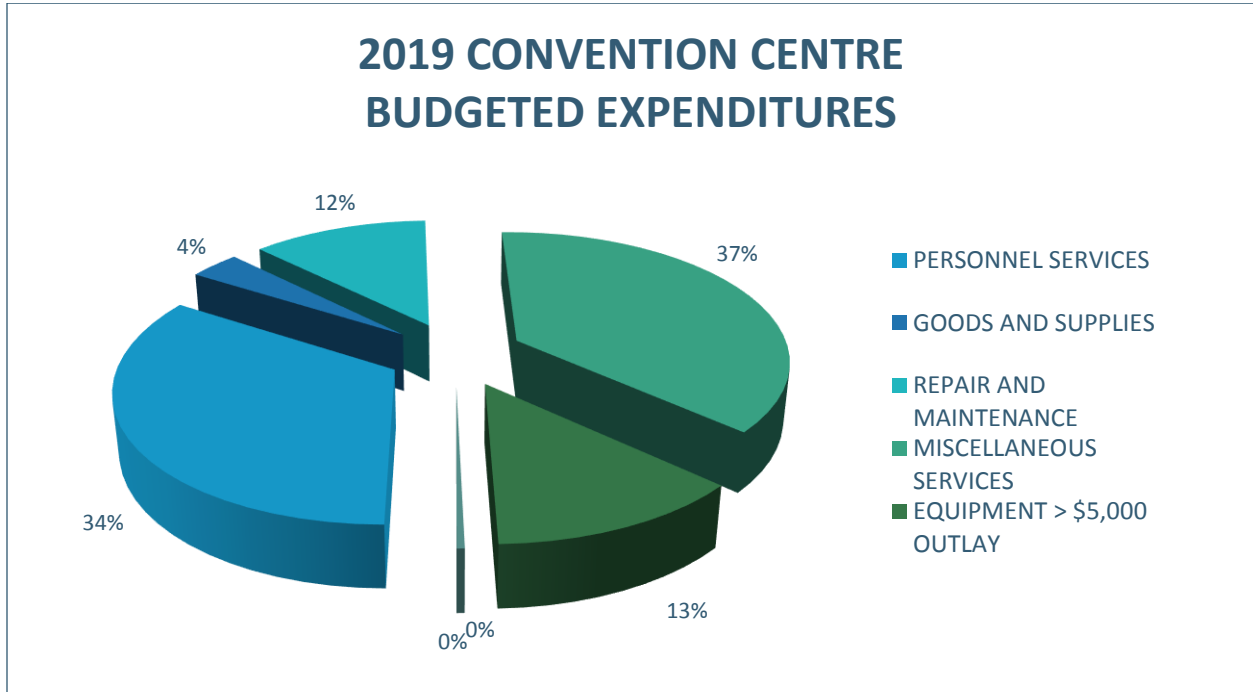
**2019 CONVENTION CENTRE FUND  
BUDGETED REVENUES**

■ CONVENTION CENTRE      ■ NON-PROPERTY TAXES      ■ FEES AND SERVICES  
■ MISCELLANEOUS      ■ OTHER FINANCING SOURCES



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
CONVENTION CENTRE FUND	2016	2017	2018	2019
CONVENTION CENTRE	\$248,691	\$293,392	\$235,000	\$235,000
NON-PROPERTY TAXES	1,706,048	1,706,553	1,611,147	1,266,487
FEES AND SERVICES	792	0	0	0
MISCELLANEOUS	8,030	15,180	0	15,000
OTHER FINANCING SOURCES	16,410	12,464	0	0
<b>TOTAL REVENUES</b>	<b>\$1,979,971</b>	<b>\$2,027,589</b>	<b>\$1,846,147</b>	<b>\$1,516,487</b>

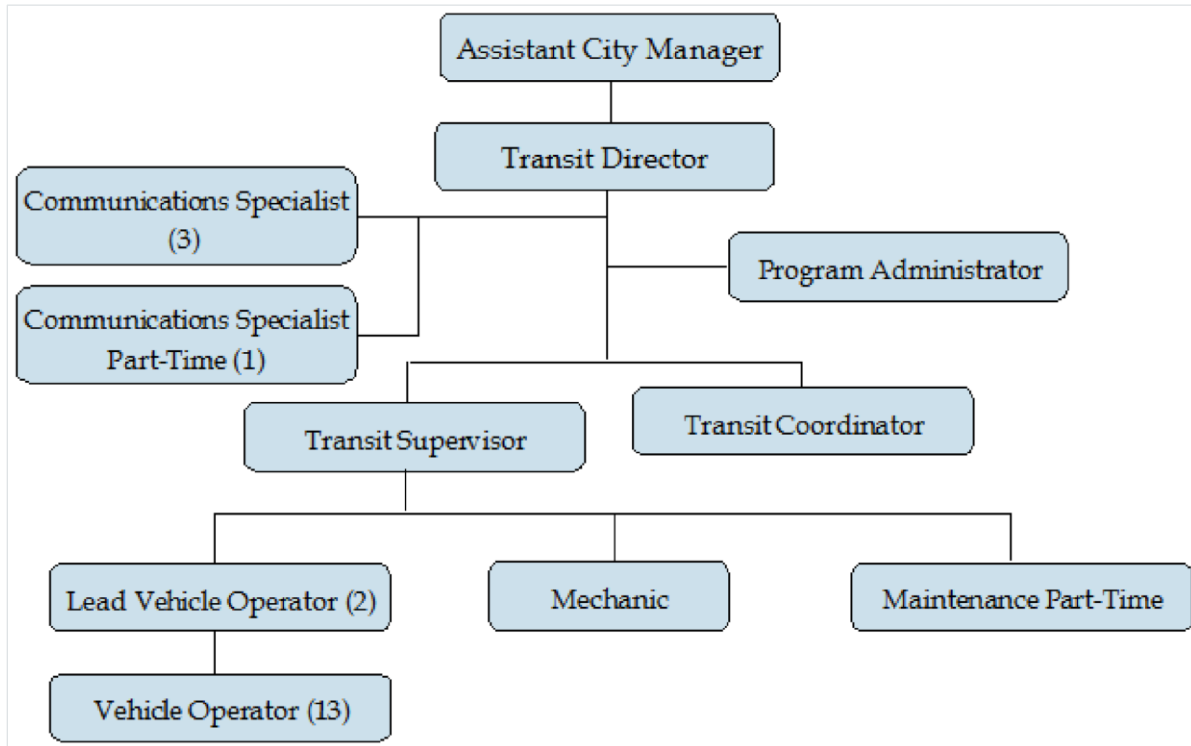
CONVENTION CENTRE BUDGETED EXPENDITURES



EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
CONVENTION CENTRE	2016	2017	2018	2019
PERSONNEL SERVICES	\$469,140	\$445,572	\$472,752	\$510,178
GOODS AND SUPPLIES	50,164	51,558	60,400	52,700
REPAIR AND MAINTENANCE	195,488	223,583	241,090	183,344
MISCELLANEOUS SERVICES	532,899	617,226	592,625	560,146
EQUIPMENT > \$5,000 OUTLAY	1,233,382	304,387	219,420	194,633
OTHER SERVICES	5,600	920	6,000	6,000
MISCELLANEOUS ADJUSTMENTS	5,905	5,912	5,715	0
<b>TOTAL EXPENDITURES</b>	<b>\$2,492,578</b>	<b>\$1,649,158</b>	<b>\$1,598,002</b>	<b>\$1,507,001</b>

## TRANSIT DEPARTMENT

### TRANSIT DEPARTMENT ORGANIZATIONAL CHART



### WHO ARE WE / WHAT WE DO

The Island Metro is the rural transit agency for the City of South Padre Island. 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. Our fixed route and free transportation to all riders has proven to be very successful, with annual ridership of approximately 453,000 for fiscal year 2017.

The 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. The 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.

The Island Metro has been developed with the input of our drivers, passengers, citizens, and business persons on both sides of the Queen Isabella Memorial Bridge. The Island Metro routes have been designed to cater to the masses by establishing stops at areas with the greatest pedestrian activity; such areas include 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.

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 Texas Department of Transportation (TxDOT) and Federal Transit Administration rural transportation grants. Leveraging \$159,000.00 in local resources, the Transit Department captures over \$2 million annually in local match, TxDOT, and FTA grant funds.

Major Goals:

1. Lead the development of a transit multi-modal center.
2. Establish the South Padre Island Metro as the preferred mode of transportation for the City’s residents, workforce, and vacationers.
3. Reduce transit headway on Padre Boulevard.
4. Continue developing relationships with local, state, and federal funders.
5. 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 DEPARTMENT STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS

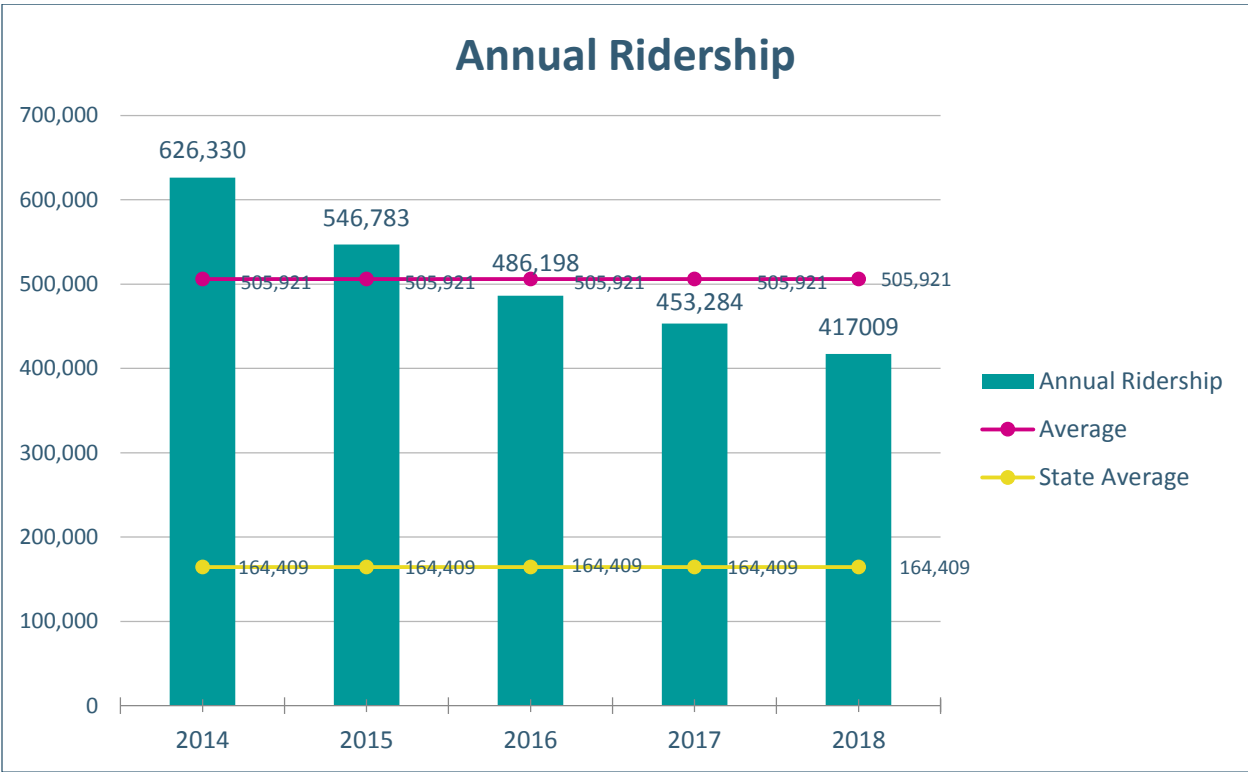
Project Description	Short Term: 1 FY Mid Term: 2-3 FY Long Term: 5-10 FY	Fiscal Year-Due Date	Budget Impact	Associated Metric	Comp Plan Goal
<b>Guide</b>					
Increase funding through advertising, charging fares for lease space, and increasing ridership.	Long Term	Ongoing	N/A	Annual Ridership, Weekly Ridership, and Operating Costs	Chapter II. Goal 1 Objective 1.1
Improve on-time performance, bus	Short Term	10/2017	N/A	Annual Ridership,	Chapter II. Goal 1 Objective 1.1

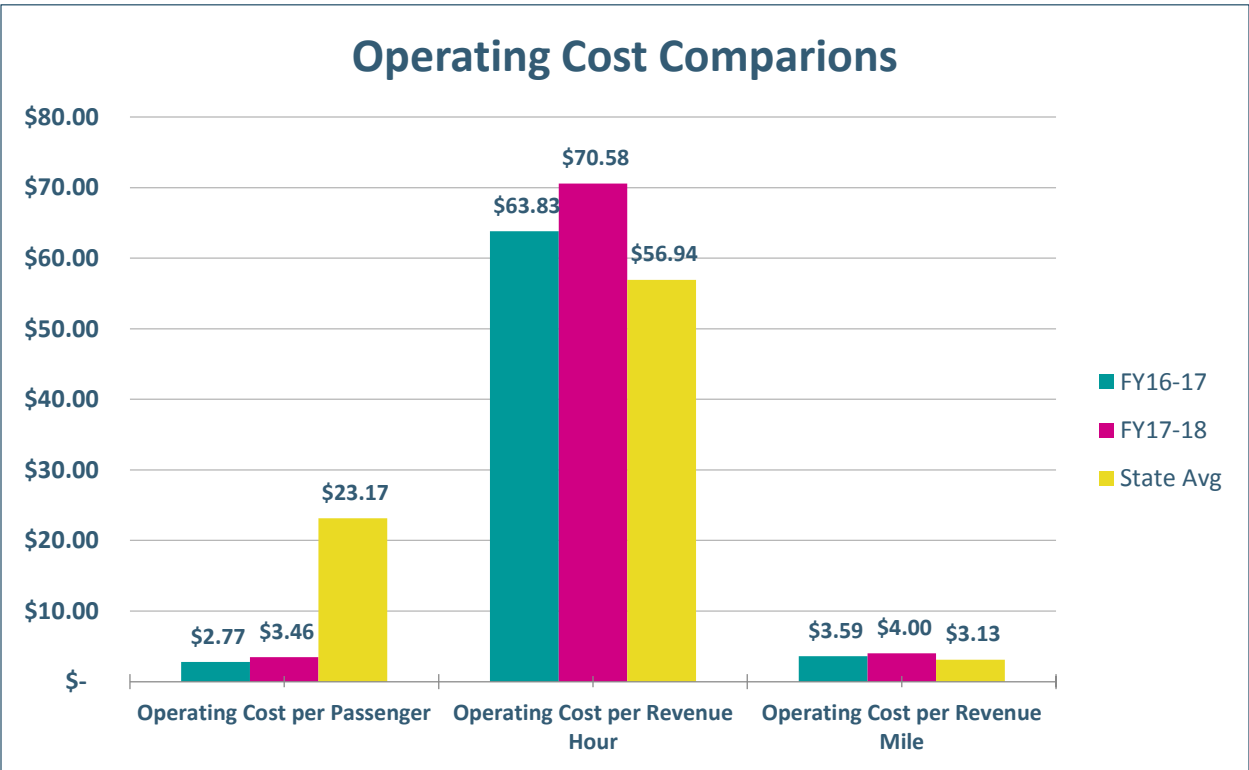
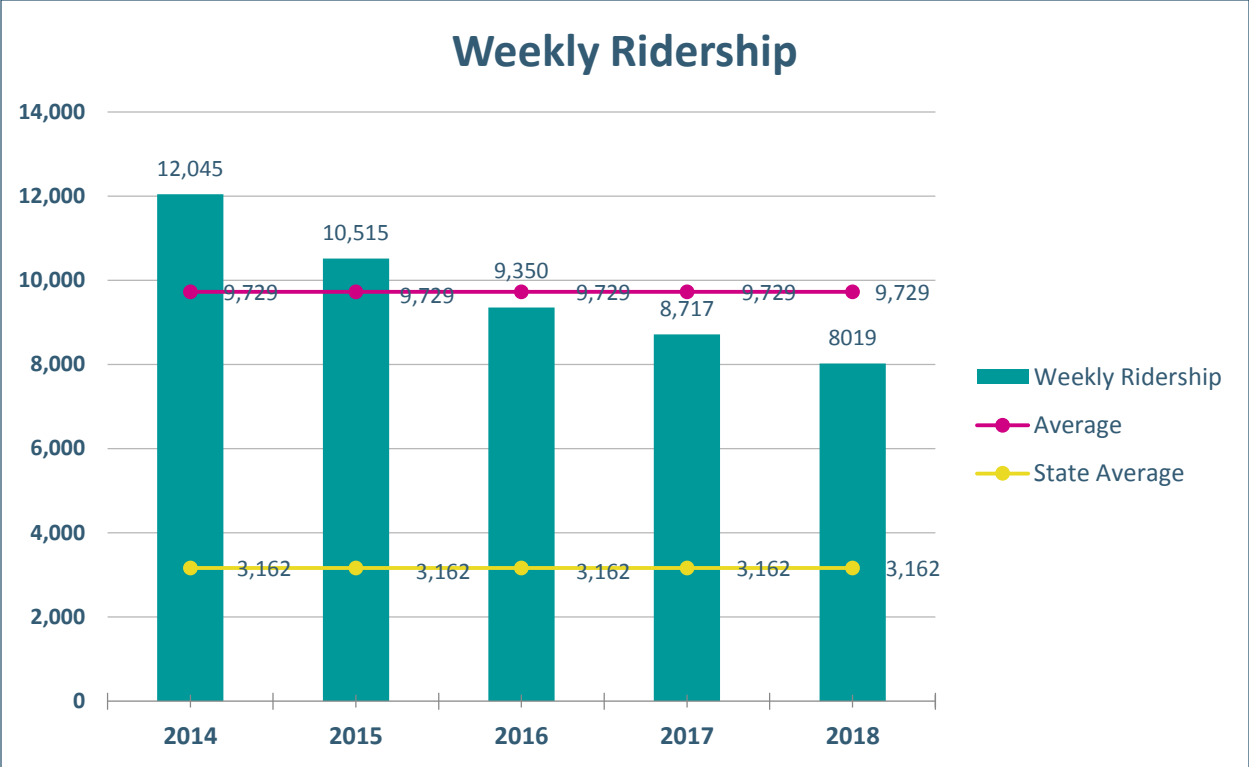
cleanliness, service, and passenger amenities.				Weekly Ridership, and Operating Costs	
Improve communications by purchasing new radios.	Short Term	10/2017	\$8,000	N/A	Chapter II Goal 1 Objective 1.1 Policy 1.1.2-3
Add stops every 2 blocks, new shelters design and amenities.	Short Term	5/2018	\$200,000	Annual Ridership and Weekly Ridership	Chapter II. Goal 1 Objective 1.1
Provide employees with proper training and appropriate incentives.	Mid Term	Ongoing	\$5,500	N/A	Chapter II. Goal 2
Encourage staff to interact with the community and inform management of any feedback and suggestions.	Long Term	Ongoing	N/A	N/A	Chapter VII Goal 2 Objective 1.2 Policy 1.2.5
Maintain high levels of communication with employees by working through any concerns.	Long Term	Ongoing	N/A	N/A	Chapter VII Goal 2
Network with other governmental entities and agencies.	Short Term	Ongoing	\$11,000	N/A	Chapter VI Goal 1 Objective 1.1 Policy 1.1.7-4
<b>Analyze and Plan</b>					
Conduct Annual SWOT Analysis and Business Plan.	Long Term	Ongoing	\$300	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Review and plan to achieve goals from the Comp Plan.	Short Term	Ongoing	N/A	N/A	Chapter VII Goal 1 Objective 1.2
<b>Needs of the Customer</b>					
Develop process to define, measure, analyze, improve, and control all projects.	Mid Term	Ongoing	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Continue public outreach.	Long Term	Ongoing	\$10,000	Annual Ridership and Weekly Ridership	Chapter II Goal 1 Objective 1.1
Conduct and review customer surveys and act appropriately to feedback to improve service.	Long Term	Ongoing	N/A	Annual Ridership and Weekly Ridership	Chapter II Goal 1 Objective 1.1

Approach to Process Control					
Conduct self-assessment of Key Processes and develop SOPs.	Annual	Ongoing	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Train employees on vital issues that affect the department and City.	Short Term	Ongoing	\$2,555	N/A	Chapter V Goal 1 Objective 1.1 Policy 1.1.2
Staff Development					
Conduct monthly one to one meetings with staff.	Monthly	Ongoing	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.3-3
Use SPI Connect for employee training.	Long Term	Ongoing	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3

TRANSIT PERFORMANCE METRICS

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

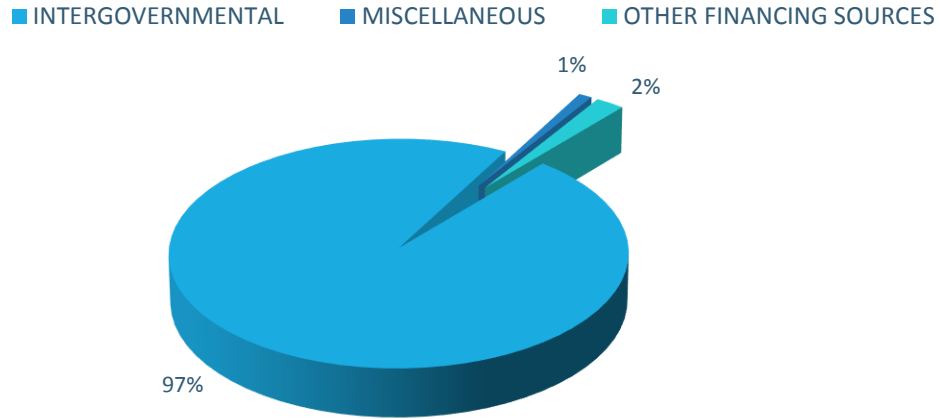




TRANSIT BUDGET NUMBERS

TRANSIT FUND REVENUES

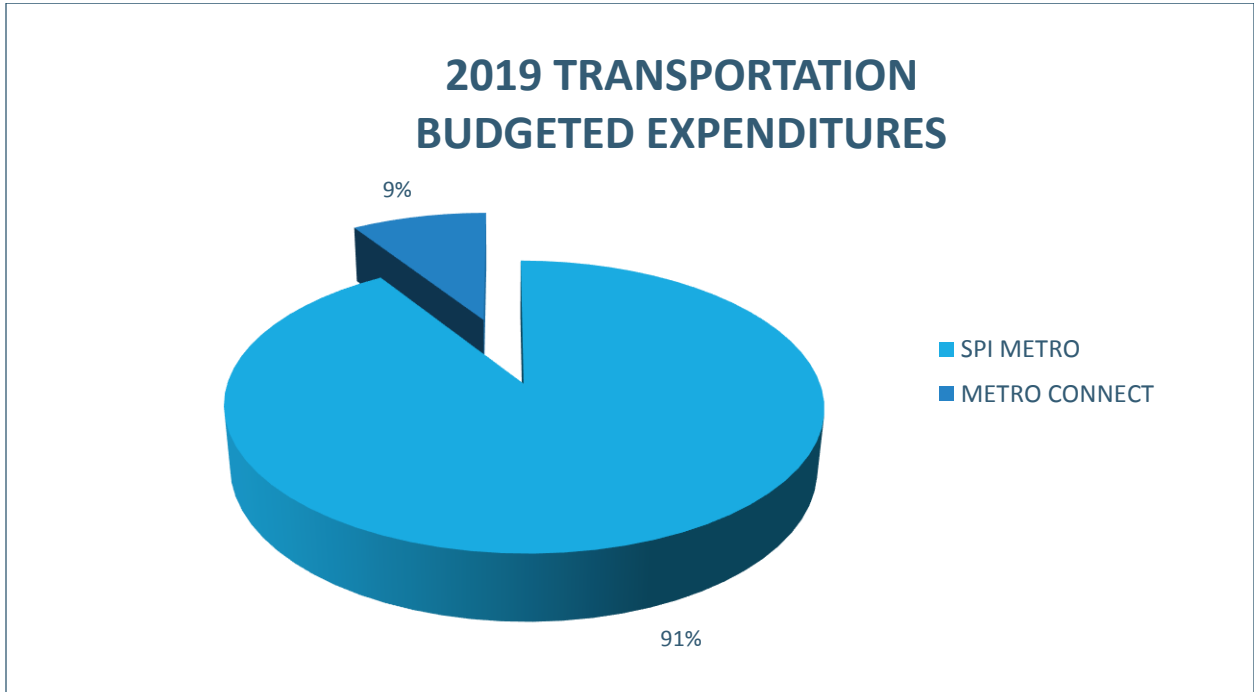
**2019 TRANSPORTATION  
BUDGETED REVENUES**



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION	2016	2017	2018	2019
INTERGOVERNMENTAL	\$2,036,813	\$1,824,580	\$6,155,431	\$4,713,568
MISCELLANEOUS	58,022	49,722	50,000	50,000
OTHER FINANCING SOURCES	102,579	84,088	99,683	106,836
<b>TOTAL REVENUES</b>	<b>\$2,197,414</b>	<b>\$1,958,390</b>	<b>\$6,305,114</b>	<b>\$4,870,404</b>

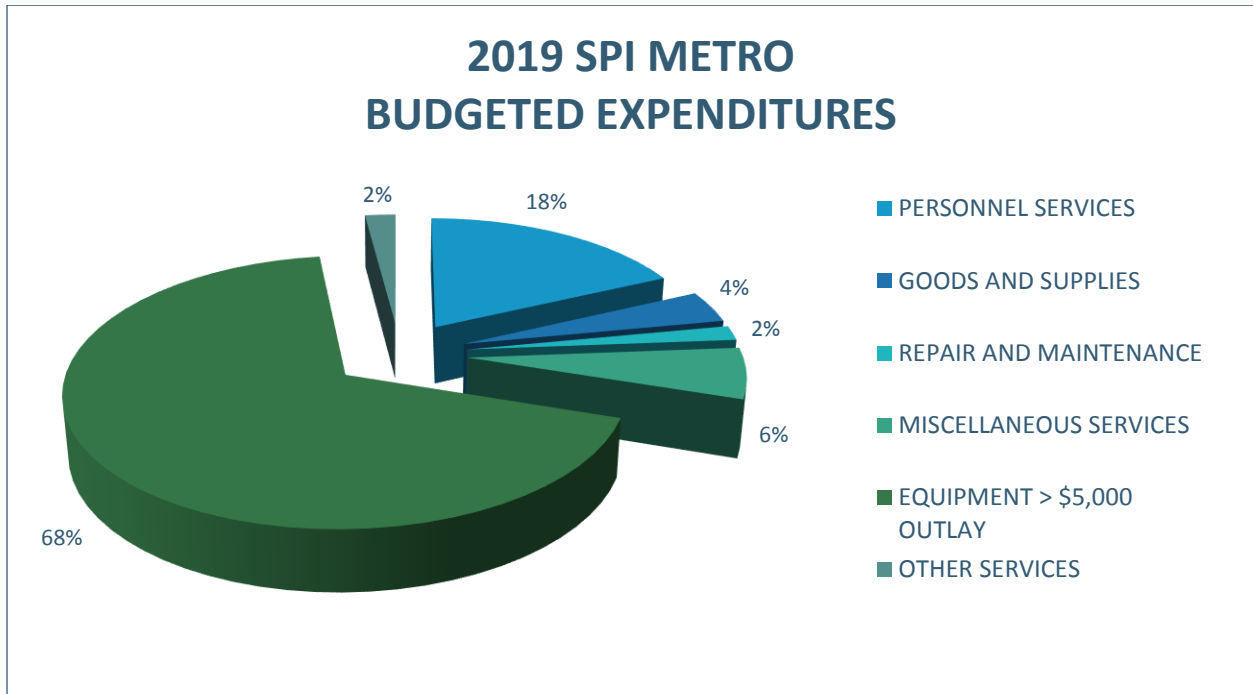


TRANSIT BUDGETED EXPENSES



<b>EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>TRANSPORTATION</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
SPI METRO	\$1,923,612	\$1,628,489	\$5,936,486	\$4,430,568
METRO CONNECT	364,000	382,110	446,128	439,836
<b>TOTAL EXPENDITURES</b>	<b>\$2,287,612</b>	<b>\$2,010,599</b>	<b>\$6,382,614</b>	<b>\$4,870,404</b>

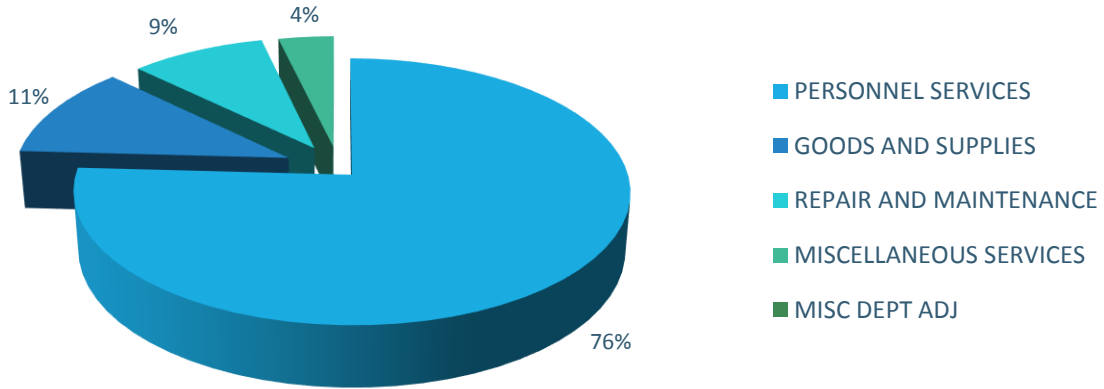
SOUTH PADRE ISLAND METRO BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION- ISLAND METRO	2016	2017	2018	2019
PERSONNEL SERVICES	\$735,187	\$763,092	\$779,513	\$801,184
GOODS AND SUPPLIES	120,993	140,825	142,049	173,780
REPAIR AND MAINTENANCE	101,119	97,118	74,000	78,848
MISCELLANEOUS SERVICES	172,860	194,972	381,722	275,420
EQUIPMENT > \$5,000 OUTLAY	721,223	342,994	4,472,519	3,010,000
OTHER SERVICES	72,230	89,488	86,683	91,336
<b>TOTAL EXPENDITURES</b>	<b>\$1,923,612</b>	<b>\$1,628,489</b>	<b>\$5,936,486</b>	<b>\$4,430,568</b>

METRO CONNECT BUDGET NUMBERS

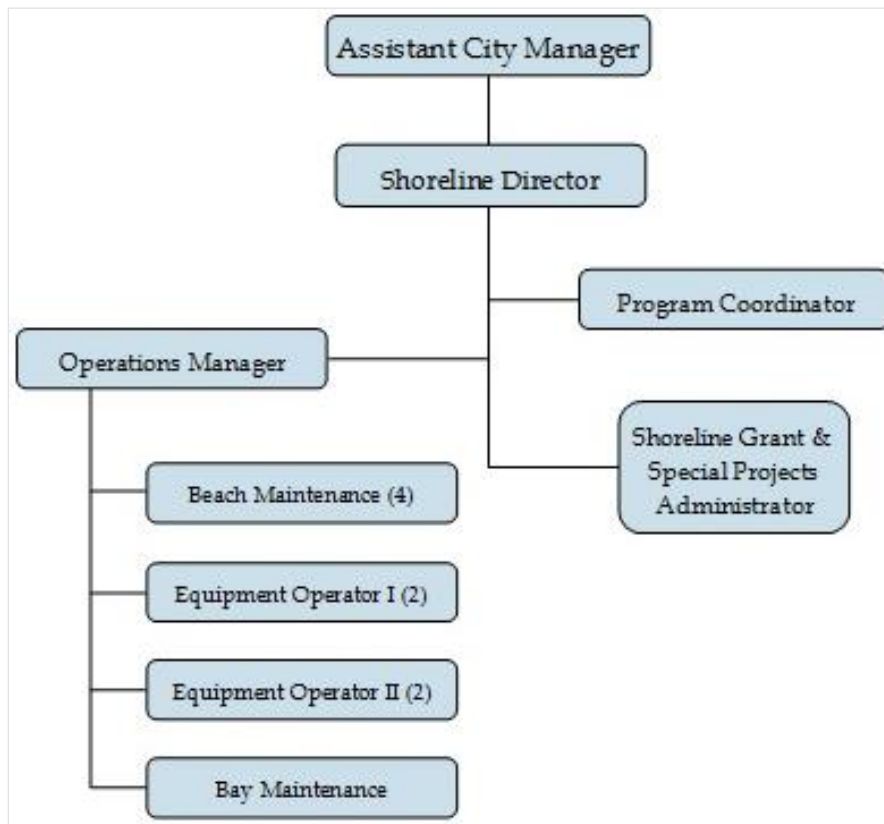
**2019 METRO CONNECT  
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION- METRO CONNECT	2016	2017	2018	2019
PERSONNEL SERVICES	\$293,532	\$304,355	\$315,130	\$333,671
GOODS AND SUPPLIES	49,708	46,465	80,000	49,825
REPAIR AND MAINTENANCE	20,236	26,987	39,712	40,000
MISCELLANEOUS SERVICES	524	1,155	11,286	16,340
MISC DEPT ADJ	0	3,148	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$364,000</b>	<b>\$382,110</b>	<b>\$446,128</b>	<b>\$439,836</b>

## SHORELINE DEPARTMENT

### SHORELINE DEPARTMENT ORGANIZATIONAL CHART



### WHO ARE WE / WHAT WE DO

The Shoreline Department functions as the coastal custodians of South Padre Island. We are charged with conserving 5 miles of beachfront, which includes more than 170 acres of recreational beach. We provide access to our beach due to the 27 accesses that we maintain. The Beach is only half of the Shoreline Department's jurisdiction, the Department is also charged with managing the access and recreational areas of the Laguna Madre. This hypersaline body of water is only 1/6 in the world and serves as a valuable natural asset and a tourism driver. The Department empties around 300 trash barrels every day in order to ensure that our bay, beach, and various accesses remain as clean and pristine as possible. The Shoreline Department has overseen the construction of nine raised beach accesses as well as various signage, landscaping, access improvements, and public amenities all totaling more than 2.5 million dollars' worth of coastal infrastructure.

**Major Goals:**

This year the Shoreline Department will increase training for the operations crew in order to increase their operating confidence in high stress situations. The Department will expand by adding more individuals into its ranks. It will move into the Multi-Modal Facility and expand its in-office assistance to the community.

**SHORELINE DEPARTMENT STRATEGIC OBJECTIVES AND WORK PLAN FOR THE NEXT FIVE YEARS**

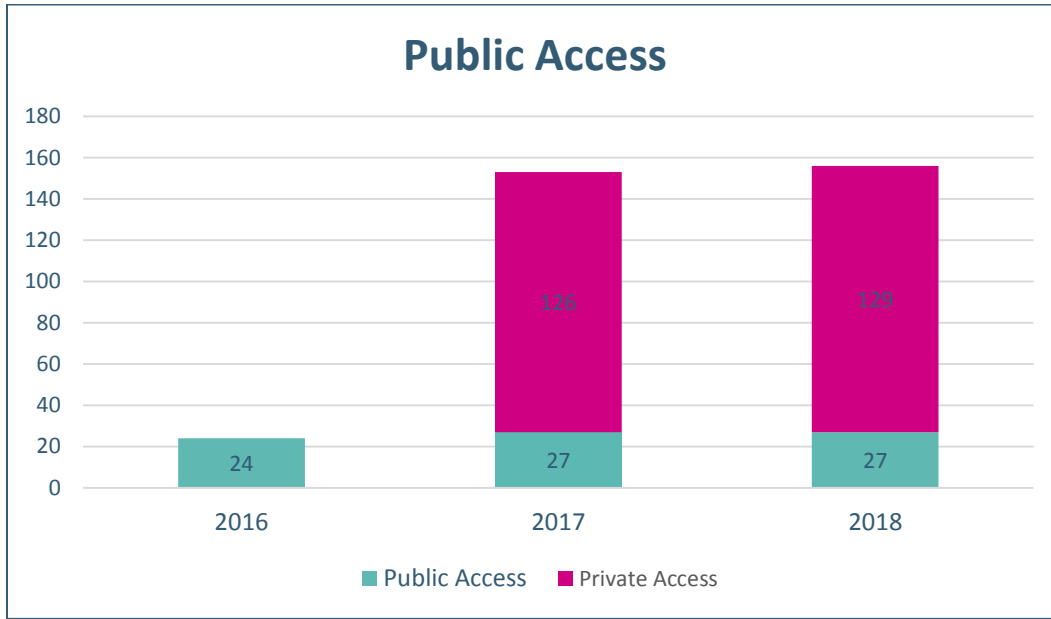
<b>Project Description</b>	<b>Short Term: 1 FY</b>	<b>Fiscal Year- Mid Term: 2-3 FY</b>	<b>Budget Impact</b>	<b>Associated Metric</b>	<b>Comp Plan Goal</b>
		<b>Due Date</b>			
		<b>Long Term: 5-10 FY</b>			
<b>Guide</b>					
Recruit additional personnel with good communication skills and professional competence.	Short Term	Ongoing	\$156,675	Spring Break Hours	Chapter III Goal 1 Objective Policy 1.1.1: & Policy 1.1.2
Improve equipment along with operator training.	Short Term	Ongoing	\$20,000	Vehicle DMAIC	Chapter III Goal 1 Objective 1.1 Policy 1.1.1
Create a debris disposal plan.	Short Term	Ongoing	\$0	N/A	Chapter III Goal 1 Objective 1.3
Implement hurricane response plan.	Short Term	Ongoing	N/A	N/A	Chapter III Goal 1 Objective 1.1 Policy 1.1.1-3
Enforce warnings/citations for large holes dug; possible 'shovel ban'.	Mid Term	Ongoing	N/A	N/A	Chapter III Goal 1 Objective 1.1 Policy 1.1.3
Provide safety training for personnel related to operating on crowded beaches.	Short Term	2019	\$0	N/A	Chapter III Goal 1 Objective 1.1 Policy 1.1.1-3
Encourage staff to interact with the community and inform management of any feedback and suggestions.	Long Term	Ongoing	N/A	N/A	Chapter VII Goal 2 Objective 1.2 Policy 1.2.5
Maintain high levels of communication with employees by working through any concerns.	Short Term	2019	\$0	N/A	Chapter VII Goal 2

Continue making beach more accessible to the public. Strive to maintain the bay, beach, and accesses as clean and pristine as possible.	Long Term	Ongoing	N/A	Metric 1, 2, and 3	Chapter III Goal 1 Objective 1.1
Increase and improve conservation efforts.	Long Term	Ongoing	\$1.1M	Metric 4 and 5	Chapter III Goal 1 Objective 1.1
<b>Analyze and Plan</b>					
Conduct Annual SWOT Analysis and Business Plan.	Long Term	Ongoing	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Review and plan to achieve goals from the Comp Plan.	Short Term	Ongoing	N/A	N/A	Chapter VII Goal 1 Objective 1.2
<b>Needs of the Customer</b>					
Remodel Shoreline Department webpages to include online feedback tool.	Mid Term	2019-2022	\$0	N/A	Chapter I Goal 1 Objective 1.1 Policy 1.1.6
<b>Approach to Process Control</b>					
Conduct self-assessment of Key Processes and develop SOPs.	Annual	Ongoing	N/A	N/A	Chapter I Goal 2 Objective 2.1 Policy 2.1.1-1
Train employees on vital issues that affect the Department and City.	Short Term	Ongoing	N/A	N/A	Chapter V Goal 1 Objective 1.1 Policy 1.1.2
<b>Staff Development</b>					
Conduct monthly one to one meetings with staff.	Monthly	Ongoing	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.3-3
Use SPI Connect for employee training.	Long Term	Ongoing	N/A	N/A	Chapter VI Goal 2 Objective 2.1 Policy 2.1.1-3

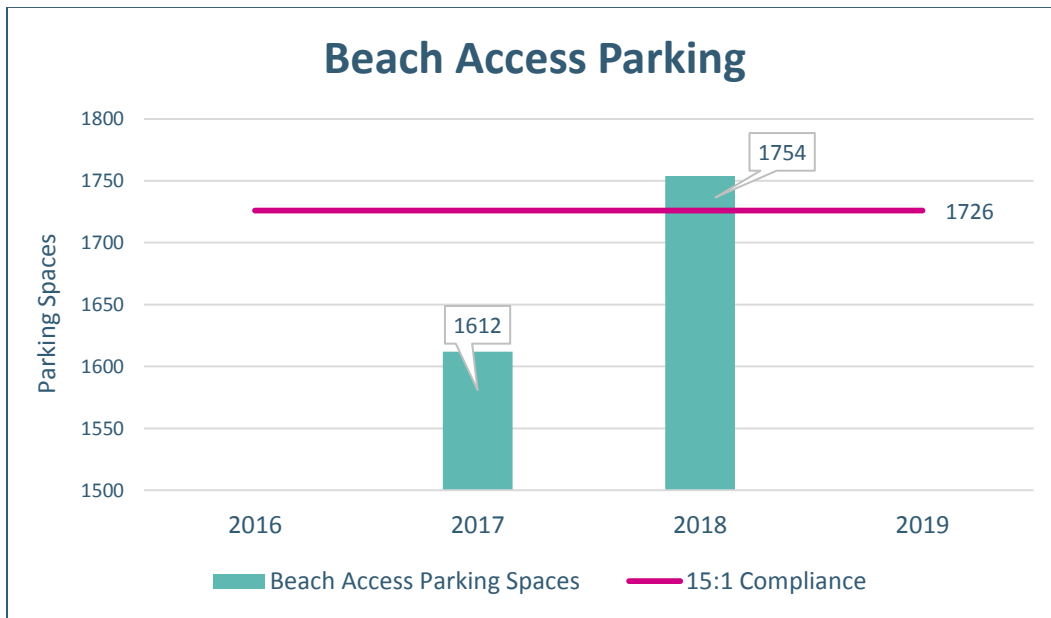
SHORELINE DEPARTMENT PERFORMANCE METRICS

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 and enjoyment by future generations.

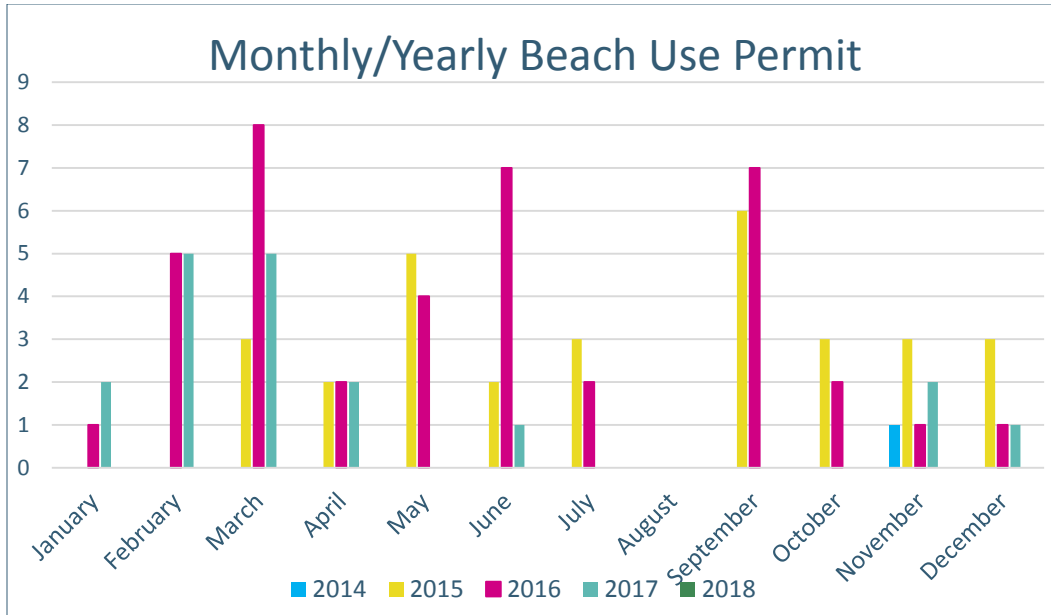
Metric 1:



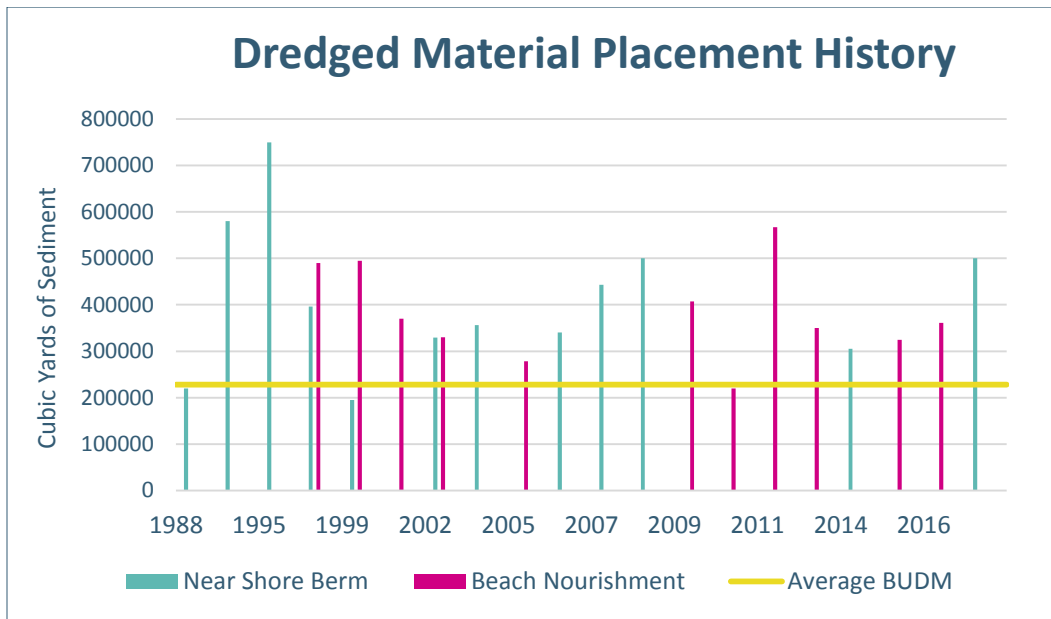
Metric 2:



Metric 3:

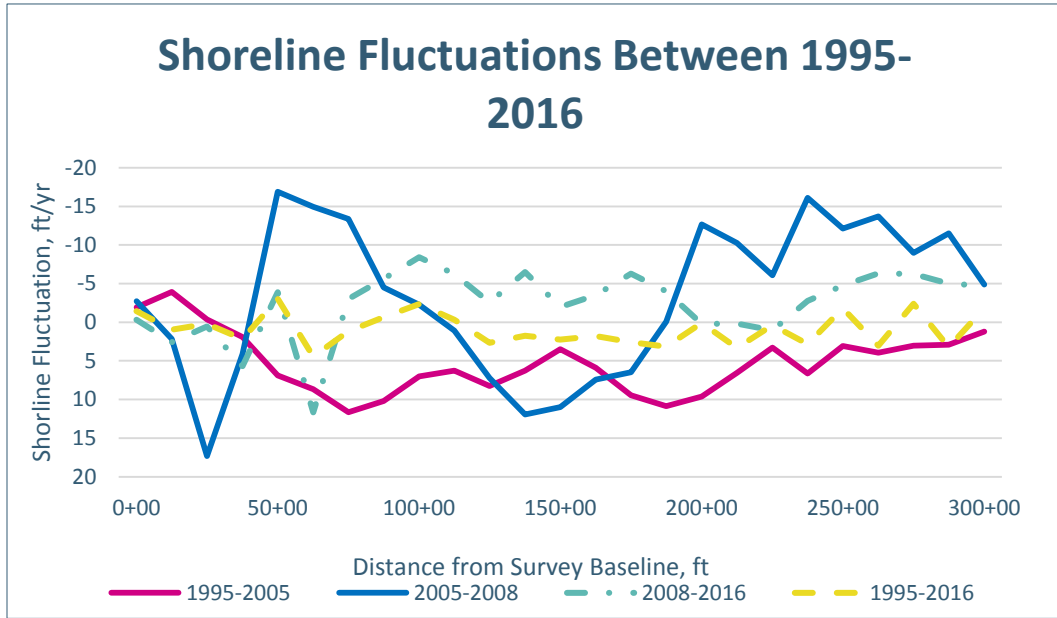


Metric 4:





Metric 5:

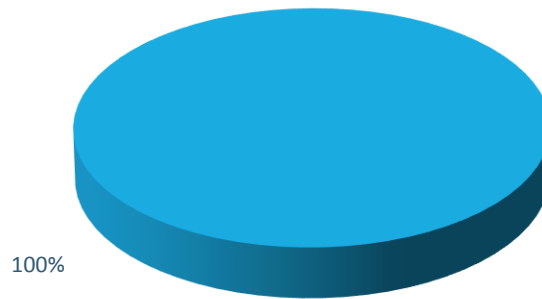


BEACH MAINTENANCE FUND BUDGET NUMBERS

BEACH MAINTENANCE REVENUE

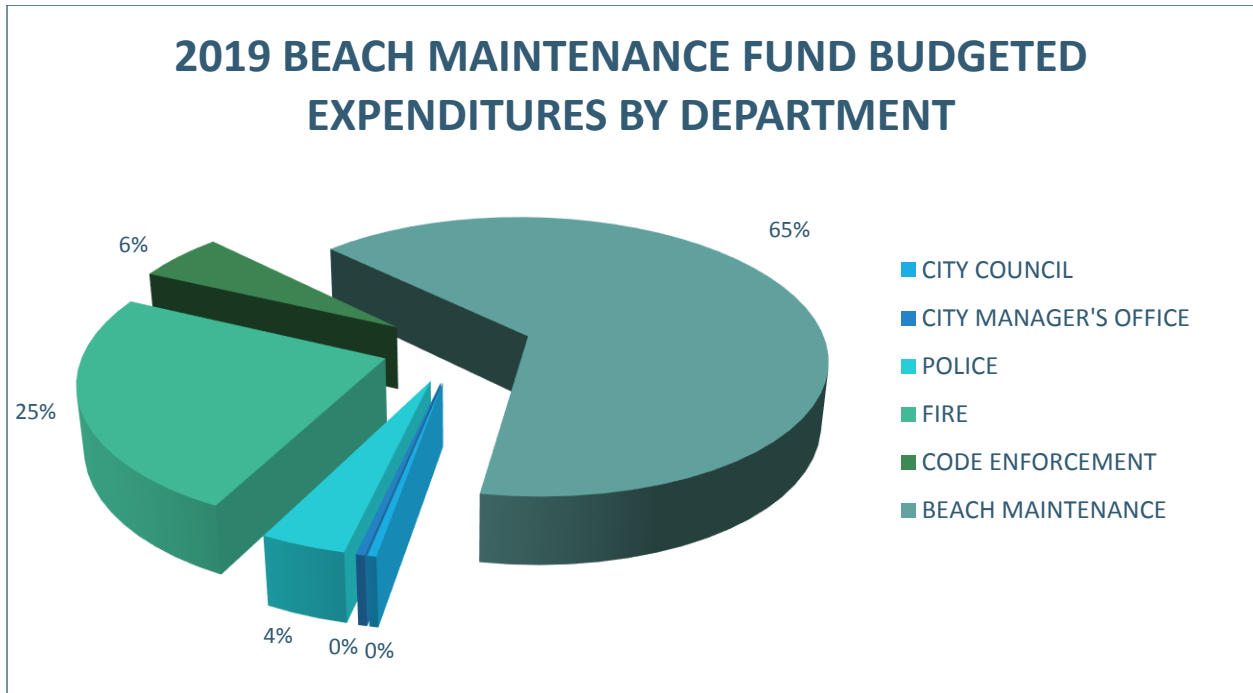
**2019 BEACH MAINTENANCE FUND  
BUDGETED REVENUES**

■ NON-PROPERTY TAXES



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE FUND	2016	2017	2018	2019
NON-PROPERTY TAXES	\$1,757,169	\$1,913,208	\$1,875,119	\$1,901,899
INTERGOVERNMENTAL	0	137,004	0	0
MISCELLANEOUS	4,681	8,772	0	0
OTHER FINANCING SOURCES	0	8,533	0	0
<b>TOTAL REVENUES</b>	<b>\$1,761,850</b>	<b>\$2,067,517</b>	<b>\$1,875,119</b>	<b>\$1,901,899</b>

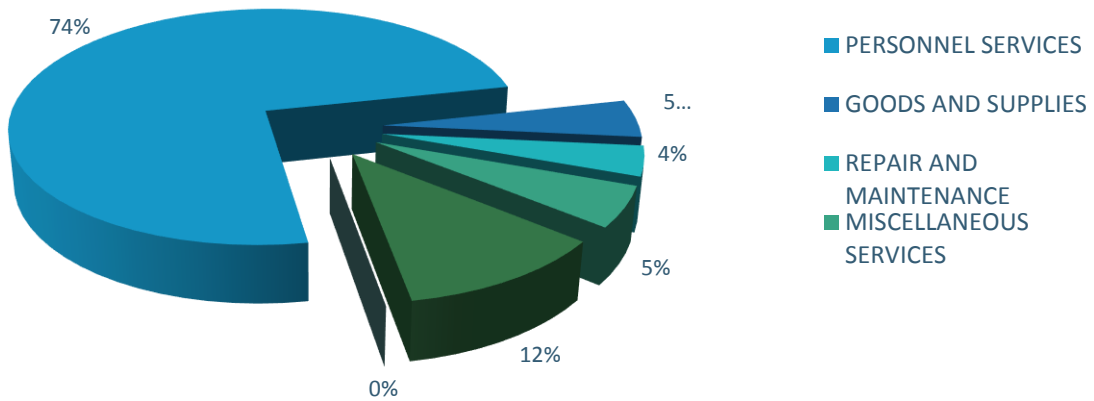
BEACH MAINTENANCE BUDGETED EXPENDITURES



EXPENDITURES BY DEPARTMENT	ACTUAL		BUDGET	
	2016	2017	2018	2019
<b>BEACH MAINTENANCE FUND</b>				
CITY COUNCIL	\$4,644	\$0	\$7,000	\$7,000
CITY MANAGER'S OFFICE	3,134	535	7,000	7,000
POLICE	59,953	76,190	57,049	66,204
FIRE	226,252	287,350	365,723	417,966
CODE ENFORCEMENT	63,093	86,498	90,127	93,703
BEACH MAINTENANCE	1,198,792	2,069,266	1,211,941	1,115,890
<b>TOTAL EXPENDITURES</b>	<b>\$1,555,868</b>	<b>\$2,519,839</b>	<b>\$1,738,840</b>	<b>\$1,707,763</b>

BEACH MAINTENANCE FIRE DIVISION BUDGETED NUMBERS

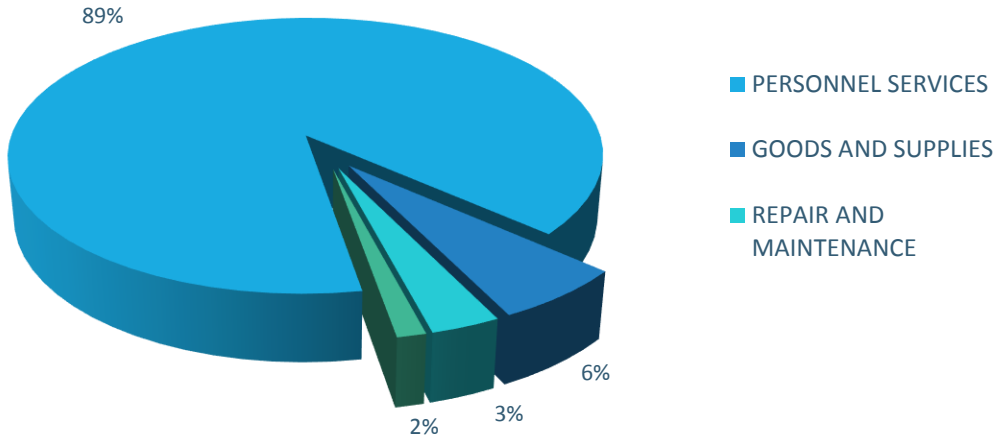
**2019 BEACH MAINTENANCE- FIRE  
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE- FIRE	2016	2017	2018	2019
PERSONNEL SERVICES	\$170,213	\$207,738	\$283,092	\$310,766
GOODS AND SUPPLIES	11,522	29,803	20,181	20,600
REPAIR AND MAINTENANCE	11,307	10,429	20,598	16,400
MISCELLANEOUS SERVICES	709	11,151	13,821	22,200
EQUIPMENT > \$5,000 OUTLAY	31,752	28,978	28,031	48,000
MISCELLANEOUS ADJUSTMENTS	749	(749)	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$226,252</b>	<b>\$287,350</b>	<b>\$365,723</b>	<b>\$417,966</b>

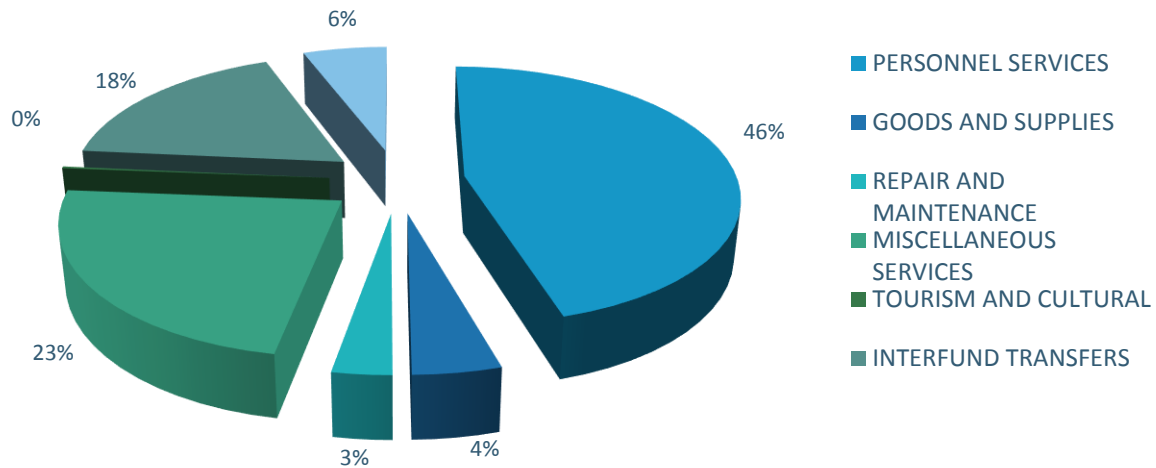
BEACH MAINTENANCE CODE ENFORCEMENT DIVISION BUDGETED NUMBERS

**2019 BEACH MAINTENANCE- ENVIRONMENTAL HEALTH SERVICES BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE- CODE ENFORCEMENT	2016	2017	2018	2019
PERSONNEL SERVICES	\$51,312	\$54,338	\$83,064	\$83,640
GOODS AND SUPPLIES	11,315	4,336	6,203	5,803
REPAIR AND MAINTENANCE	0	0	0	3,000
EQUIPMENT > \$5,000 OUTLAY	0	26,990	0	0
KEEP SPI BEAUTIFUL	467	834	860	1,260
<b>TOTAL EXPENDITURES</b>	<b>\$63,093</b>	<b>\$86,498</b>	<b>\$90,127</b>	<b>\$93,703</b>

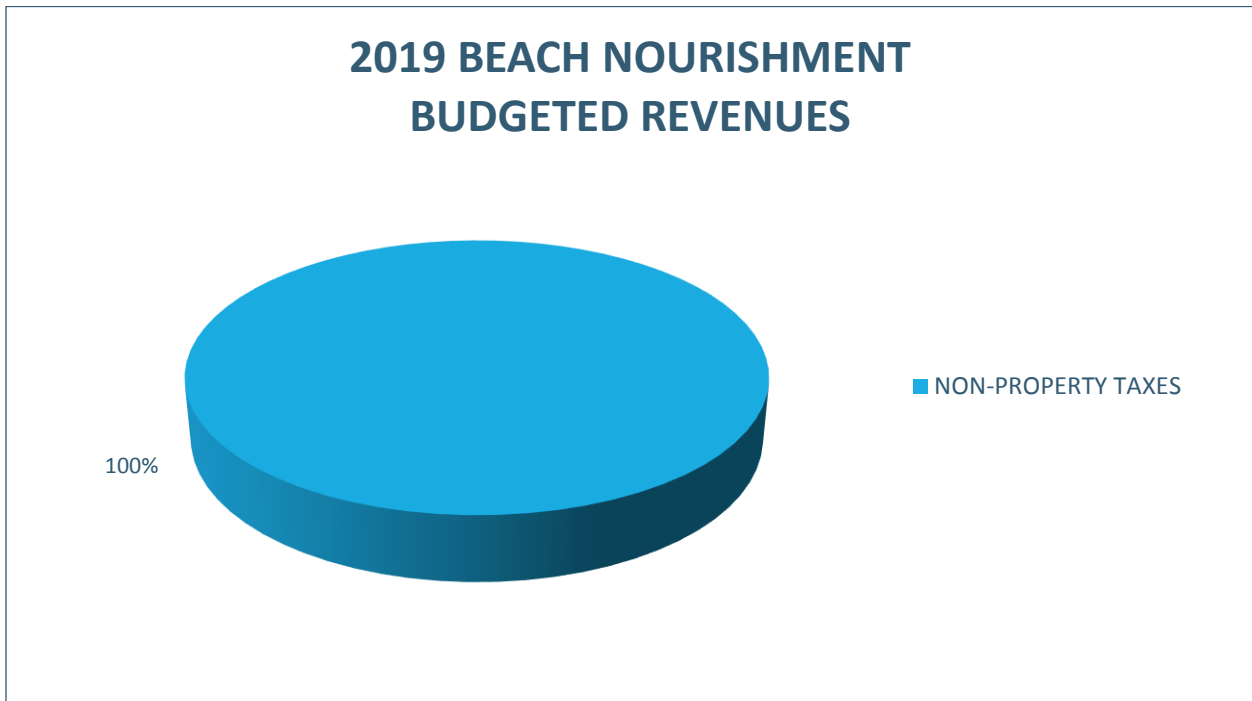
## 2019 BEACH MAINTENANCE- BEACH MAINTENANCE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE- BEACH MAINTENANCE	2016	2017	2018	2019
PERSONNEL SERVICES	\$378,930	\$389,693	\$423,625	\$507,611
GOODS AND SUPPLIES	28,154	27,195	41,300	49,000
REPAIR AND MAINTENANCE	20,345	18,571	41,722	33,000
MISCELLANEOUS SERVICES	149,866	158,226	309,995	261,300
EQUIPMENT > \$5,000 OUTLAY	28,767	78,446	163,778	0
TOURISM AND CULTURAL	1,956	2,500	5,000	2,500
INTERFUND TRANSFERS	553,512	1,328,913	155,797	197,479
OTHER SERVICES	30,840	59,300	65,000	65,000
MISCELLANEOUS ADJUSTMENTS	6,422	6,422	5,724	0
<b>TOTAL EXPENDITURES</b>	<b>\$1,198,792</b>	<b>\$2,069,266</b>	<b>\$1,211,941</b>	<b>\$1,115,890</b>

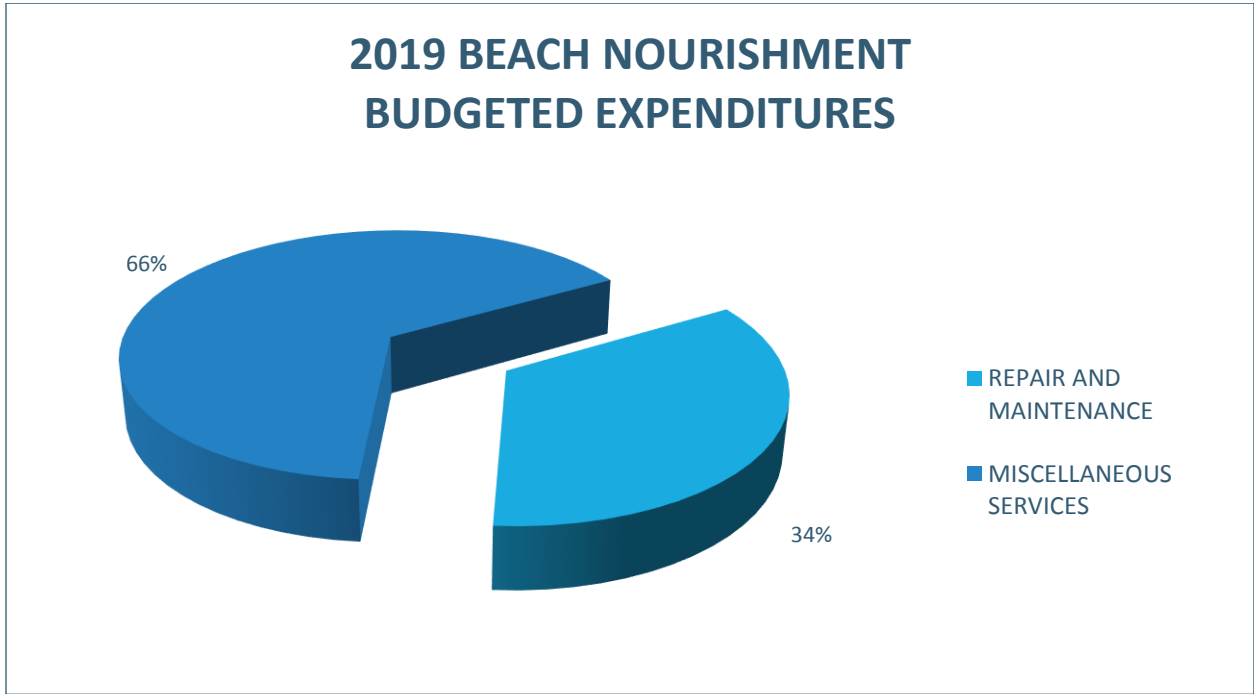
BEACH NOURISHMENT BUDGET NUMBERS

BEACH NOURISHMENT REVENUE NUMBERS



<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>BEACH NOURISHMENT</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
NON-PROPERTY TAXES	\$459,812	\$475,264	\$468,780	\$475,475
FEES AND SERVICES	213	0	0	0
MISCELLANEOUS	4,468	10,692	0	30,883
<b>TOTAL REVENUES</b>	<b>\$464,494</b>	<b>\$485,955</b>	<b>\$468,780</b>	<b>\$475,475</b>

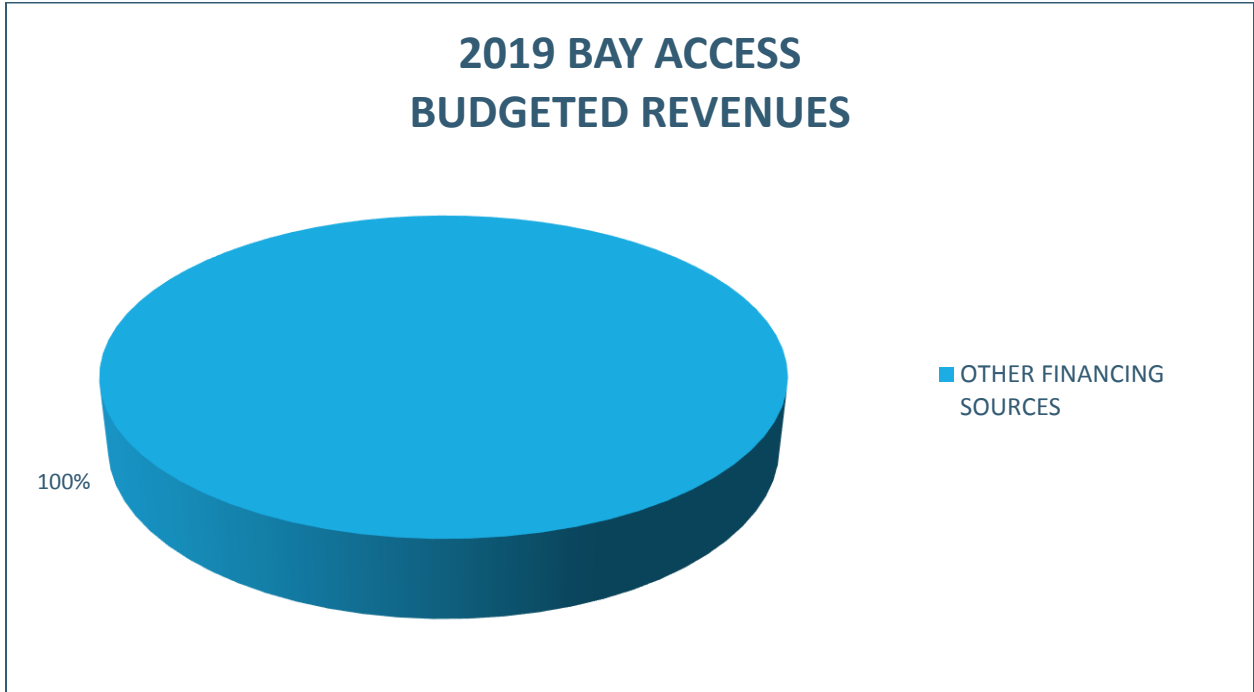
BEACH NOURISHMENT BUDGETED EXPENDITURES



EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH NOURISHMENT	2016	2017	2018	2019
REPAIR AND MAINTENANCE	\$1,433,825	\$0	\$0	\$200,000
MISCELLANEOUS SERVICES	8,327	65,954	226,000	380,000
<b>TOTAL EXPENDITURES</b>	<b>\$1,442,152</b>	<b>\$65,954</b>	<b>\$226,000</b>	<b>\$580,000</b>

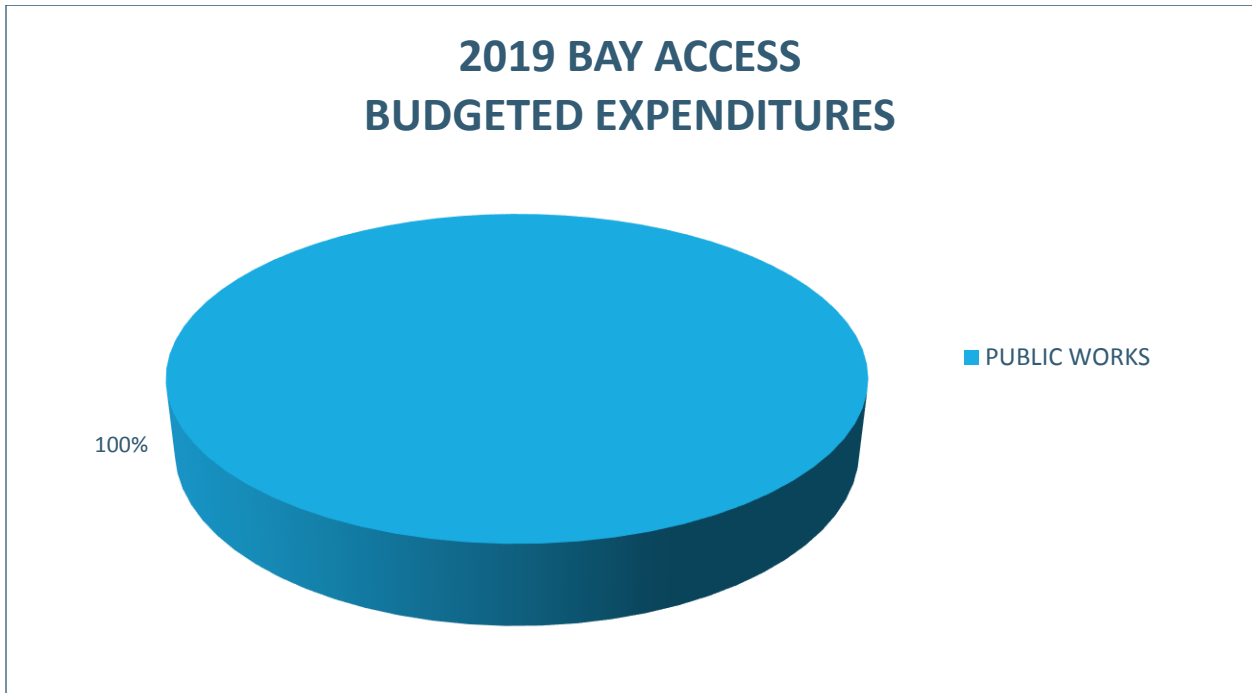


BAY ACCESS BUDGET NUMBERS  
BAY ACCESS BUDGETED REVENUE NUMBERS



<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>BAY ACCESS FUND</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
MISCELLANEOUS	\$85	\$247	\$0	\$0
OTHER FINANCING SOURCES	31,339	59,819	35,797	37,479
<b>TOTAL REVENUES</b>	<b>\$31,424</b>	<b>\$60,066</b>	<b>\$35,797</b>	<b>\$37,479</b>

BAY ACCESS BUDGETED EXPENDITURES



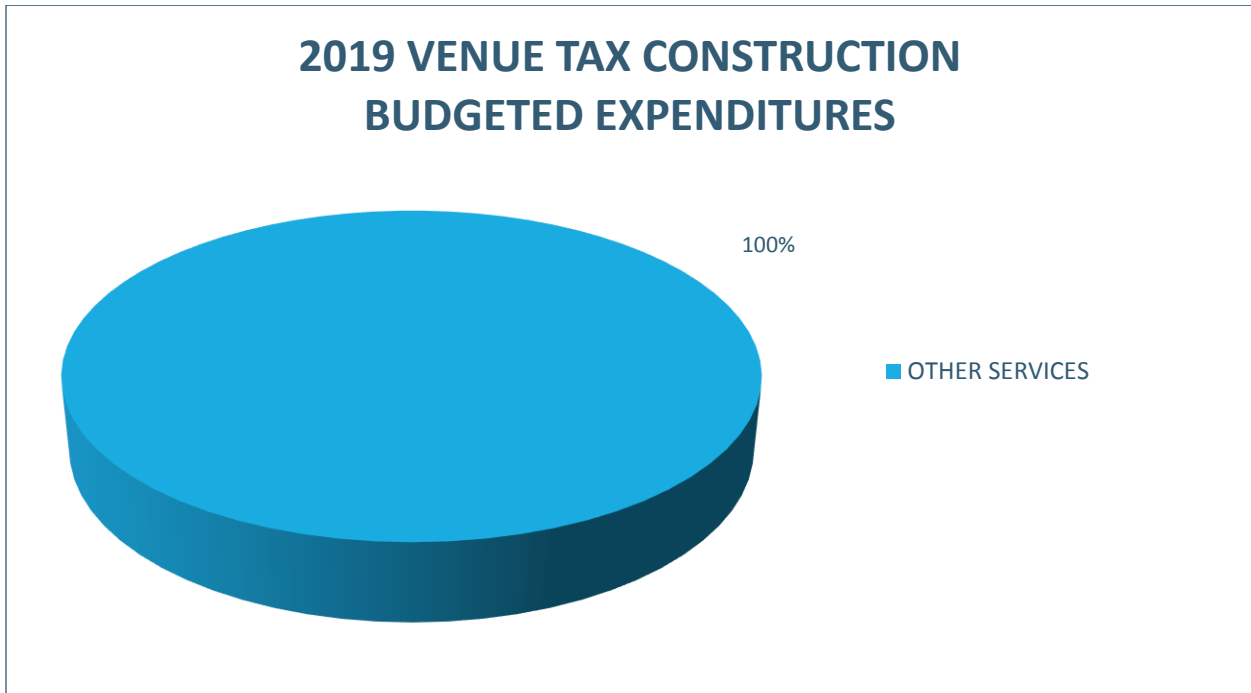
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BAY ACCESS- PUBLIC WORKS	2016	2017	2018	2019
PUBLIC WORKS	\$10,800	\$0	\$0	\$0
SHORELINE	13,411	48,795	35,797	37,479
<b>TOTAL EXPENDITURES</b>	<b>\$24,211</b>	<b>\$48,795</b>	<b>\$35,797</b>	<b>\$37,479</b>

**VENUE TAX CONSTRUCTION BUDGET NUMBERS**

**VENUE TAX CONSTRUCTION BUDGETED REVENUES**

<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>VENUE TAX CONSTRUCTION</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
MISCELLANEOUS	\$0	\$16,998	\$0	\$0
OTHER FINANCING SOURCES	0	9,435,895	0	0
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$9,452,893</b>	<b>\$0</b>	<b>\$0</b>

**VENUE TAX CONSTRUCTION BUDGETED EXPENDITURES**



<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>VENUE TAX CONSTRUCTION</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
MISCELLANEOUS	\$0	\$323,462	\$476,006	\$0
OTHER SERVICES	0	0	0	4,000,000
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$323,462</b>	<b>\$476,006</b>	<b>\$4,000,000</b>

## OTHER NON MAJOR FUNDS

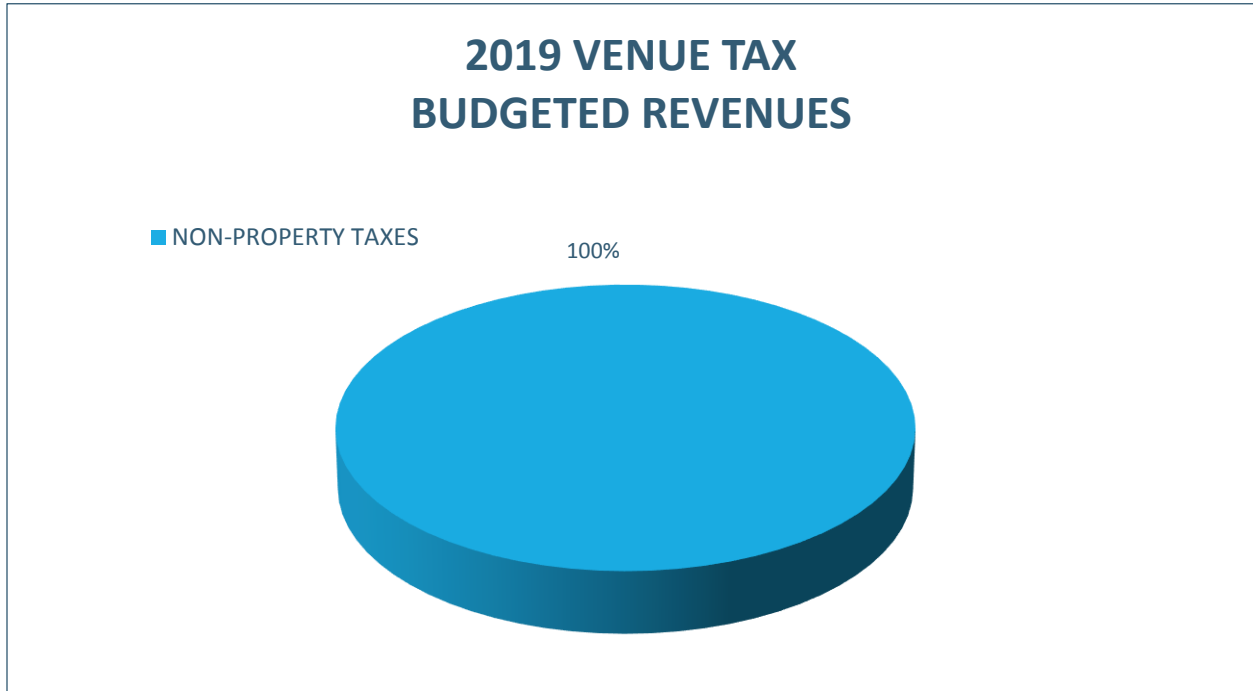
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For a complete description of the Non-Major Funds, see page 34. What will be presented here are the budget numbers, both revenue and expenditures.

### VENUE PROJECT BUDGET NUMBERS

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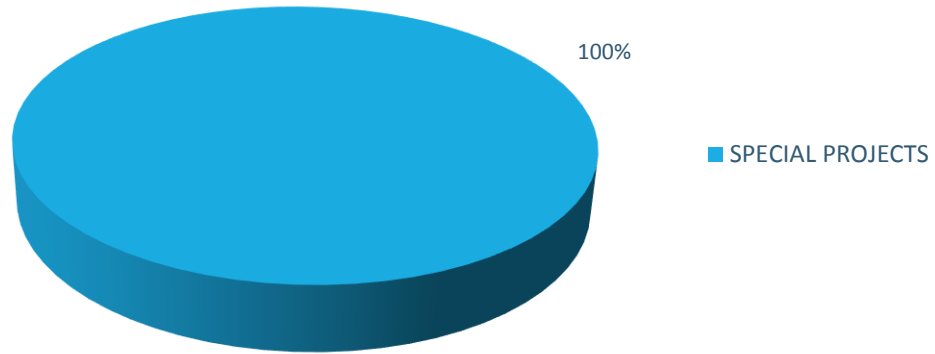
#### VENUE TAX REVENUE



<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>VENUE PROJECT FUND</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
NON-PROPERTY TAXES	\$0	\$1,687,292	\$1,875,119	\$1,901,899
MISCELLANEOUS	0	2,919	0	0
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$1,690,211</b>	<b>\$1,875,119</b>	<b>\$1,901,899</b>

VENUE TAX EXPENSES

**2019 VENUE TAX FUND  
BUDGETED EXPENDITURES BY DEPARTMENT**

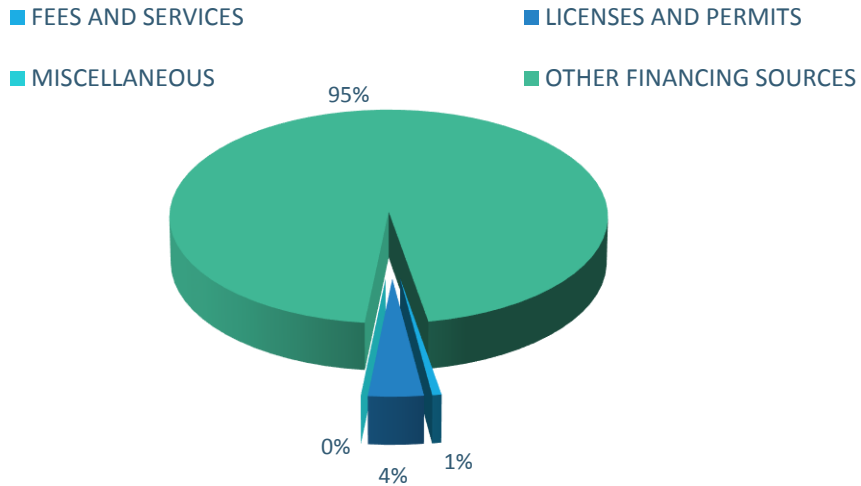


<b>EXPENDITURES BY DEPARTMENT</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>VENUE PROJECT FUND</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
SPECIAL PROJECTS	\$0	\$710,132	\$509,838	\$506,138
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$710,132</b>	<b>\$509,838</b>	<b>\$506,138</b>

PARKS AND RECREATION BUDGET NUMBERS

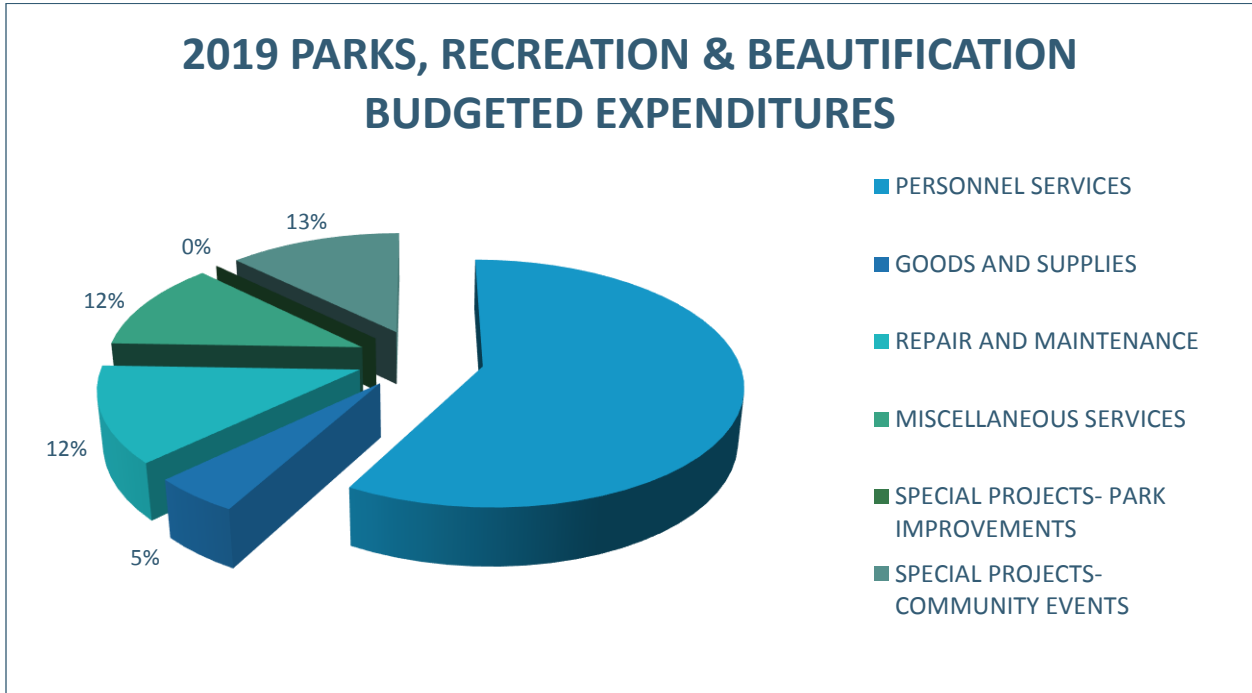
PARKS AND RECREATION REVENUE

**2019 PARKS, RECREATION, & BEAUTIFICATION  
BUDGETED REVENUES**



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
PARKS, RECREATION, & BEAUTIFICATION	2016	2017	2018	2019
FEES AND SERVICES	\$0	\$0	\$2,000	\$500
LICENSES AND PERMITS	0	275	3,500	3,000
MISCELLANEOUS	0	0	0	0
OTHER FINANCING SOURCES	15,000	15,000	85,671	75,396
<b>TOTAL REVENUES</b>	<b>\$15,000</b>	<b>\$15,275</b>	<b>\$91,171</b>	<b>\$78,896</b>

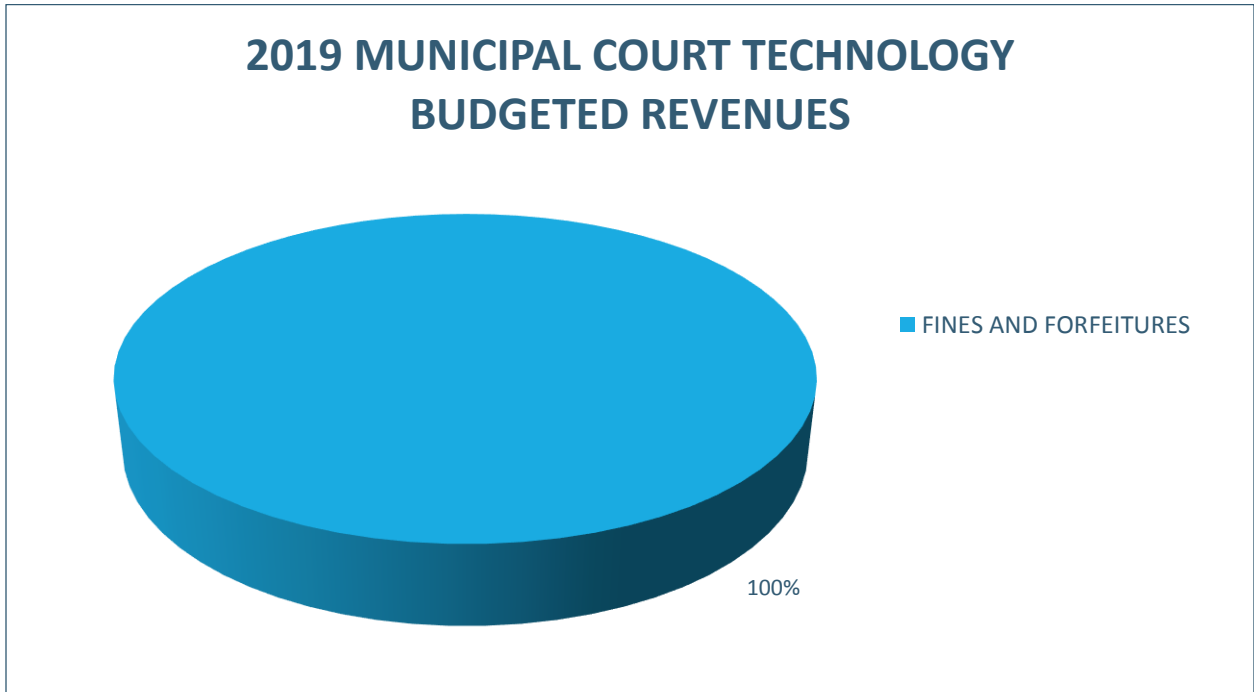
PARKS AND RECREATION EXPENSES



<b>EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>PARKS, RECREATION &amp; BEAUTIFICATION</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
PERSONNEL SERVICES	\$0	\$0	\$52,789	\$45,796
GOODS AND SUPPLIES	0	0	3,450	3,800
REPAIR AND MAINTENANCE	0	0	350	10,000
MISCELLANEOUS SERVICES	0	1,239	9,300	9,300
SPECIAL PROJECTS- PARK IMPROVEMENTS	0	0	12,882	0
SPECIAL PROJECTS- COMMUNITY EVENTS	14,233	9,835	10,000	10,000
<b>TOTAL EXPENDITURES</b>	<b>\$14,233</b>	<b>\$11,074</b>	<b>\$88,771</b>	<b>\$78,896</b>

MUNICIPAL COURT TECHNOLOGY BUDGET NUMBERS

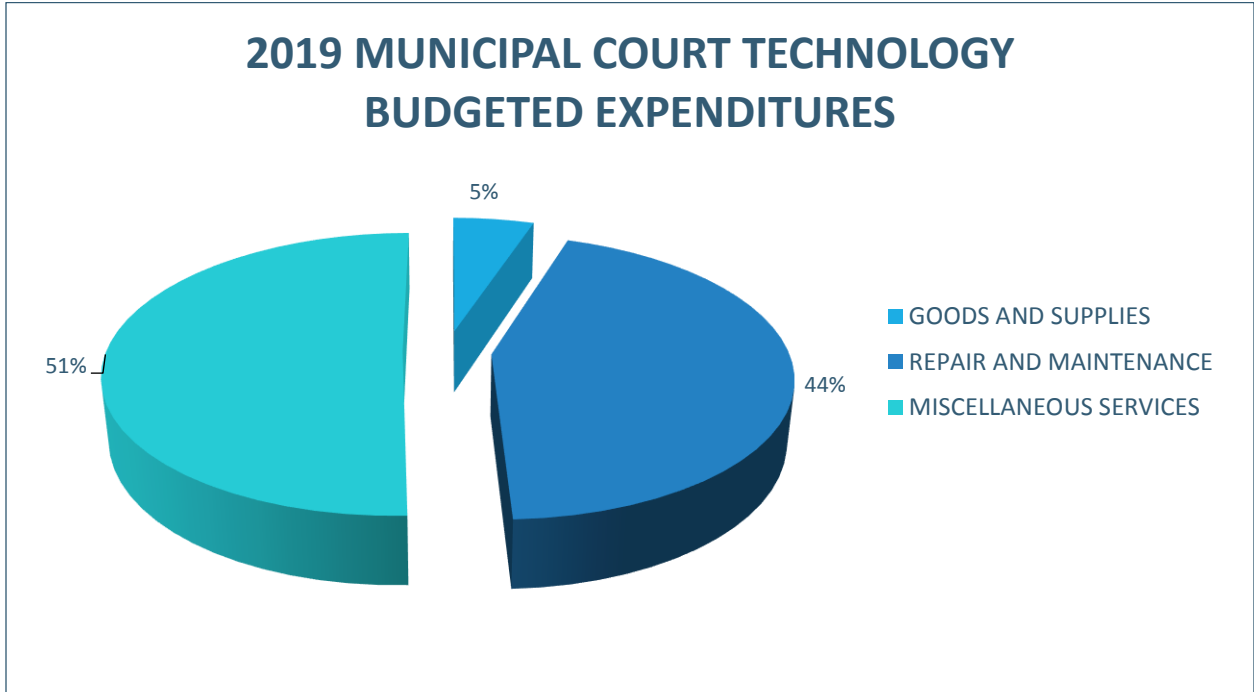
MUNICIPAL COURT TECHNOLOGY REVENUE



<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>MUNICIPAL COURT TECHNOLOGY</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
FINES AND FORFEITURES	\$12,047	\$12,083	\$10,000	\$10,000
MISCELLANEOUS	47	95	0	0
<b>TOTAL REVENUES</b>	<b>\$12,094</b>	<b>\$12,178</b>	<b>\$10,000</b>	<b>\$10,000</b>



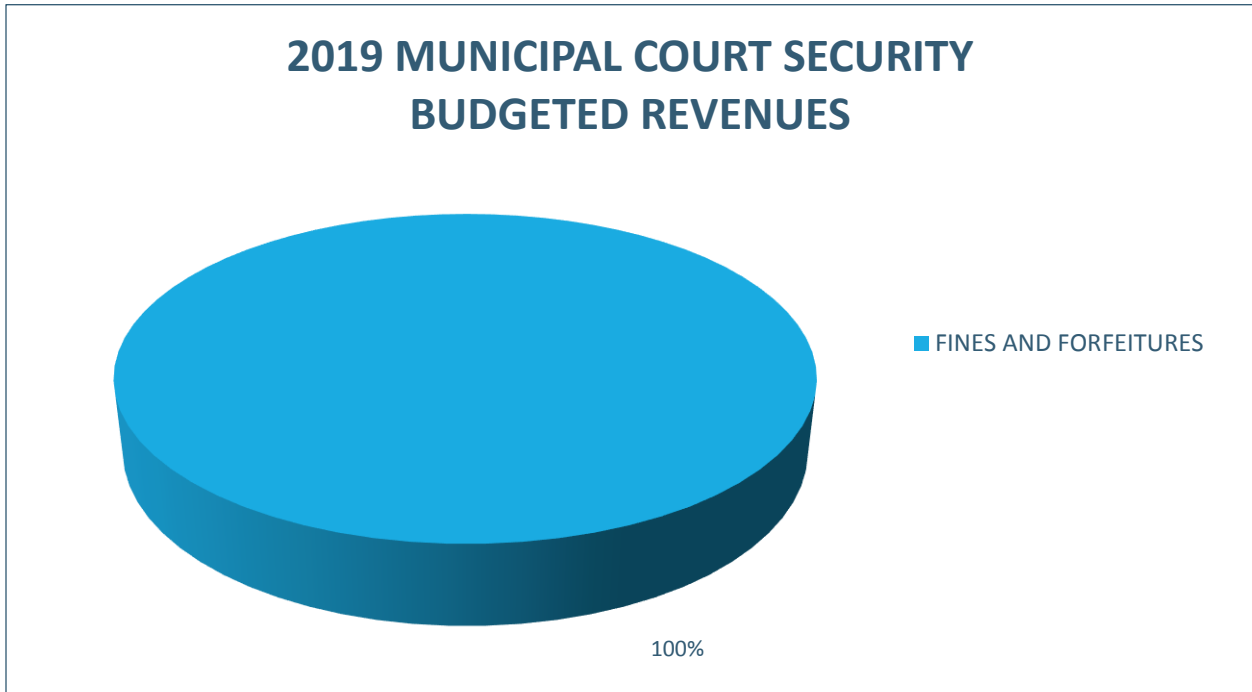
MUNICIPAL COURT TECHNOLOGY BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT TECHNOLOGY	2016	2017	2018	2019
GOODS AND SUPPLIES	\$2,983	\$1,905	\$480	\$500
REPAIR AND MAINTENANCE	4,100	2,350	4,373	4,285
MISCELLANEOUS SERVICES	3,857	4,042	5,140	4,900
<b>TOTAL EXPENDITURES</b>	<b>\$10,940</b>	<b>\$8,296</b>	<b>\$9,993</b>	<b>\$9,685</b>

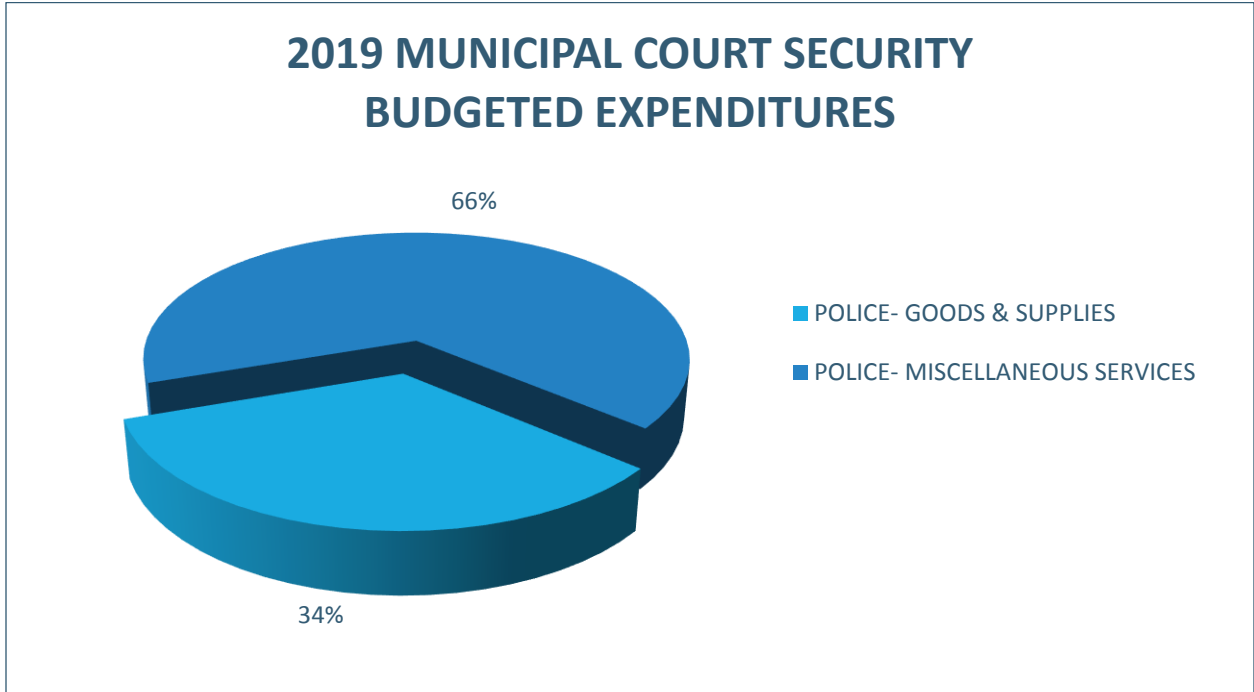
MUNICIPAL COURT SECURITY BUDGET NUMBERS

MUNICIPAL COURT SECURITY BUDGETED REVENUE



<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>MUNICIPAL COURT SECURITY</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
FINES AND FORFEITURES	\$9,035	\$9,062	\$7,000	\$7,000
MISCELLANEOUS	129	237	0	0
<b>TOTAL REVENUES</b>	<b>\$9,164</b>	<b>\$9,299</b>	<b>\$7,000</b>	<b>\$7,000</b>

MUNICIPAL COURT SECURITY BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT SECURITY	2016	2017	2018	2019
POLICE- GOODS & SUPPLIES	\$0	\$4,928	\$2,000	\$2,300
POLICE- MISCELLANEOUS SERVICES	0	0	4,348	4,540
POLICE- EQUIPMENT \$5,000 OUTLAY	21,677	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$21,677</b>	<b>\$4,928</b>	<b>\$6,348</b>	<b>\$6,840</b>

**PADRE BLVD CONSTRUCTION BUDGET NUMBERS**

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**PADRE BLVD CONSTRUCTION BUDGETED REVENUE**

<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>PADRE BLVD CONSTRUCTION FUND</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
MISCELLANEOUS	\$5,198	\$23,868	\$0	\$0
OTHER FINANCING SOURCES	4,100,429	0	0	0
<b>TOTAL REVENUES</b>	<b>\$4,105,628</b>	<b>\$23,868</b>	<b>\$0</b>	<b>\$0</b>

**PADRE BLVD CONSTRUCTION BUDGETED EXPENDITURES**

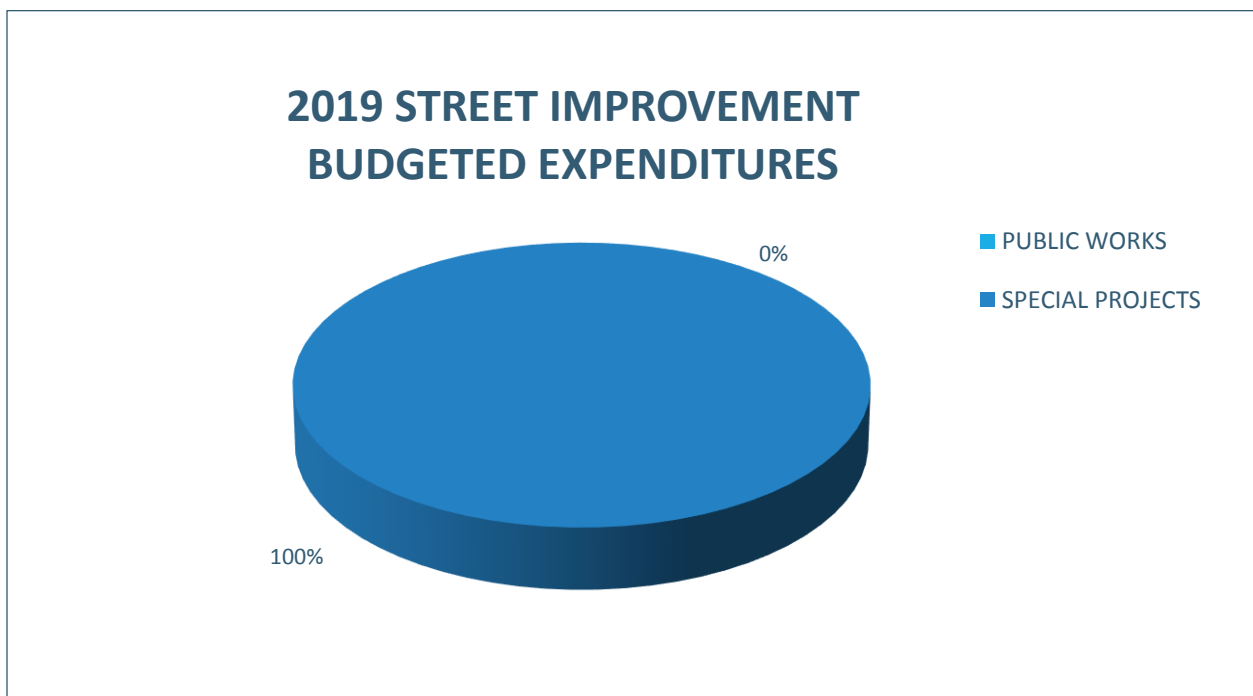
<b>EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>PADRE BLVD CONSTRUCTION FUND</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
MISCELLANEOUS SERVICES	\$567,383	\$122,948	\$234,192	\$0
INTERFUND TRANSFERS	34,144	125,198	0	0
OTHER SERVICES	0	912,499	1,934,149	0
<b>TOTAL EXPENDITURES</b>	<b>\$601,527</b>	<b>\$1,160,645</b>	<b>\$2,168,341</b>	<b>\$0</b>

## STREET IMPROVEMENT BUDGET NUMBERS

### STREET IMPROVEMENT BUDGETED REVENUE

<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>STREET IMPROVEMENT</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
MISCELLANEOUS	\$0	\$1,627	\$0	\$0
OTHER FINANCING SOURCES	179,578	416,014	0	0
<b>TOTAL REVENUES</b>	<b>\$179,578</b>	<b>\$417,641</b>	<b>\$0</b>	<b>\$0</b>

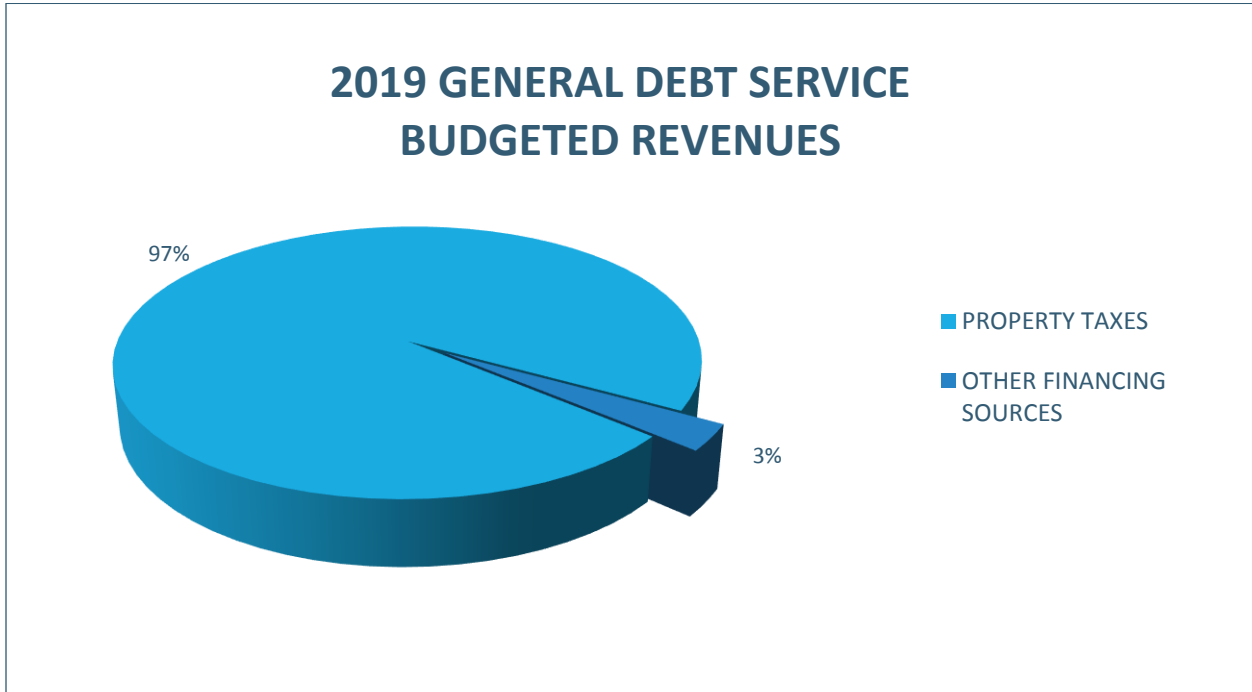
### STREET IMPROVEMENT BUDGETED EXPENDITURES



<b>EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>STREET IMPROVEMENT</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
SPECIAL PROJECTS	\$534,735	\$332,835	\$219,500	\$10,000
<b>TOTAL EXPENDITURES</b>	<b>\$534,735</b>	<b>\$332,835</b>	<b>\$219,500</b>	<b>\$10,000</b>

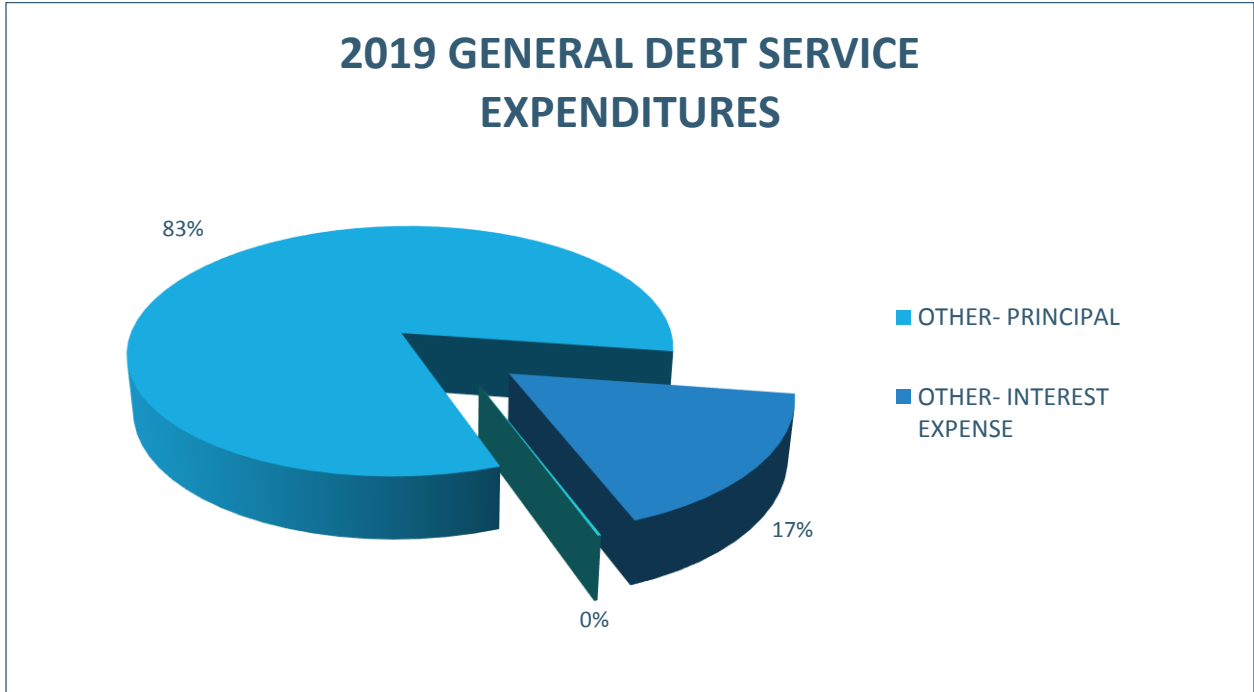
**GENERAL DEBT SERVICE BUDGET NUMBERS**

**GENERAL DEBT SERVICE BUDGETED REVENUES**



<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>GENERAL DEBT SERVICE</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
PROPERTY TAXES	\$1,145,374	\$1,719,426	\$1,556,201	\$1,558,201
MISCELLANEOUS	1,745	3,766	0	0
OTHER FINANCING SOURCES	0	50,000	50,000	50,000
<b>TOTAL REVENUES</b>	<b>\$1,147,119</b>	<b>\$1,773,192</b>	<b>\$1,606,201</b>	<b>\$1,608,201</b>

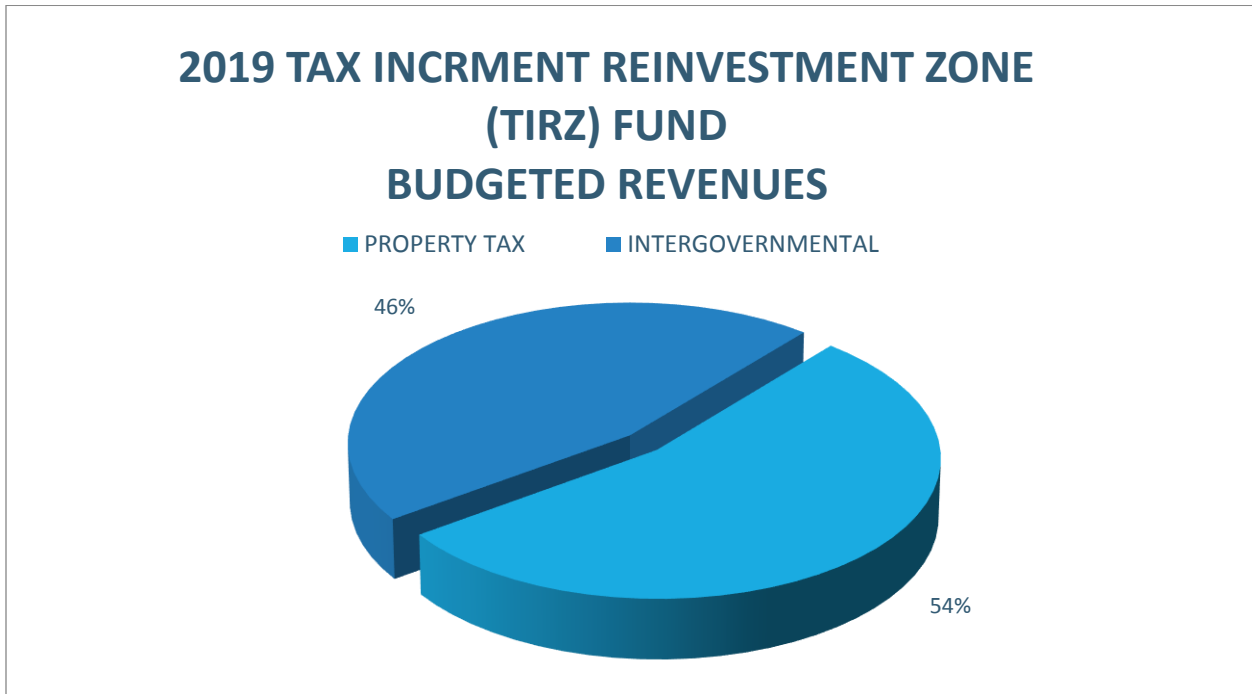
GENERAL DEBT SERVICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL DEBT SERVICE	2016	2017	2018	2019
OTHER- PRINCIPAL	\$785,000	\$1,365,000	\$1,395,000	\$1,435,000
OTHER- INTEREST EXPENSE	332,982	367,350	331,201	293,201
OTHER- AGENT FEES	2,000	2,750	3,000	3000
<b>TOTAL EXPENDITURES</b>	<b>\$1,119,982</b>	<b>\$1,735,100</b>	<b>\$1,729,201</b>	<b>\$1,731,201</b>

TAX INCREMENT REINVESTMENT ZONE BUDGET NUMBERS

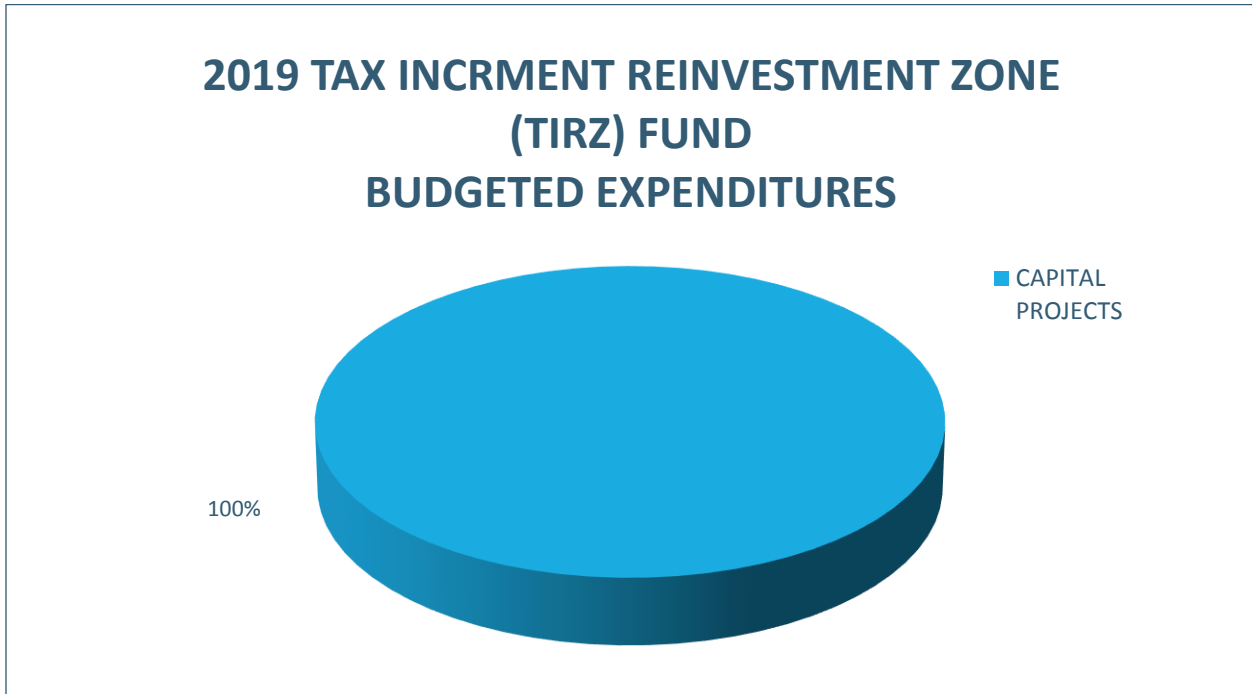
TAX INCREMENT REINVESTMENT ZONE BUDGETED REVENUES



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
TIRZ	2016	2017	2018	2019
PROPERTY TAX	\$145,846	\$32,412	\$37,806	\$40,465
INTERGOVERNMENTAL	10,738	0	33,065	34,406
MISCELLANEOUS	458	670	0	0
<b>TOTAL REVENUES</b>	<b>\$157,042</b>	<b>\$33,082</b>	<b>\$70,871</b>	<b>\$74,871</b>



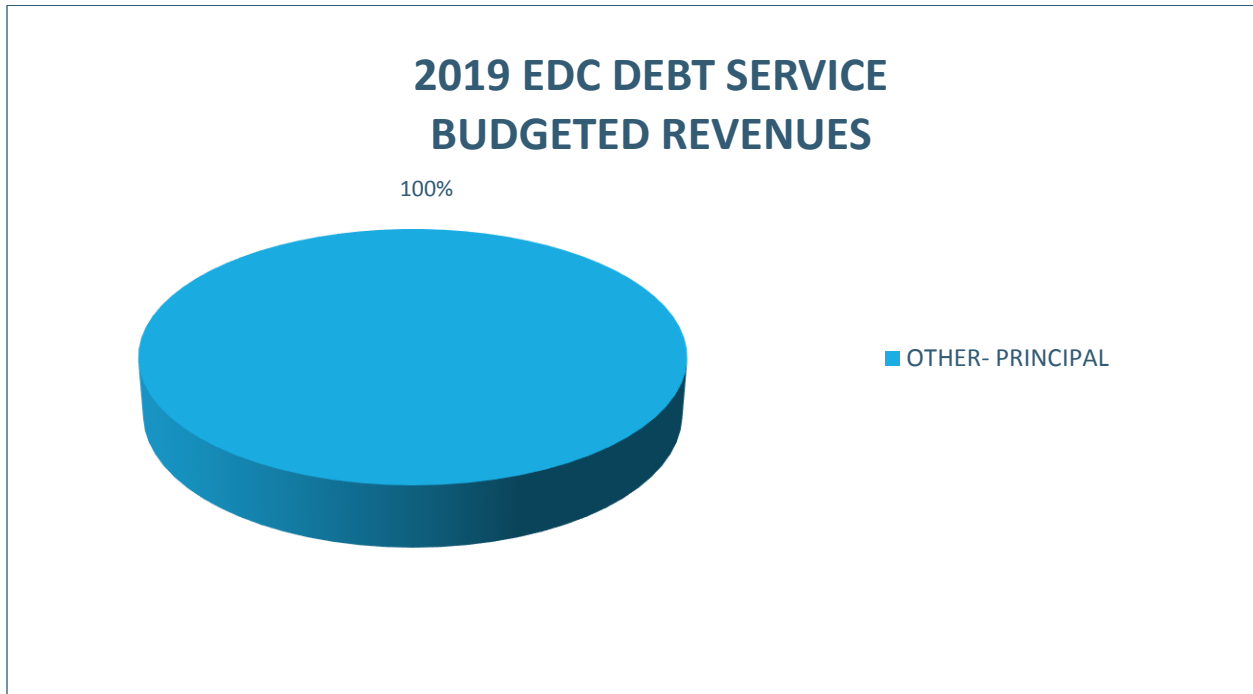
TAX INCREMENT REINVESTMENT ZONE BUDGETED EXPENDITURES



<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>TIRZ</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
CAPITAL PROJECTS	\$0	\$70,000	\$53,000	\$52,000
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$70,000</b>	<b>\$53,000</b>	<b>\$52,000</b>

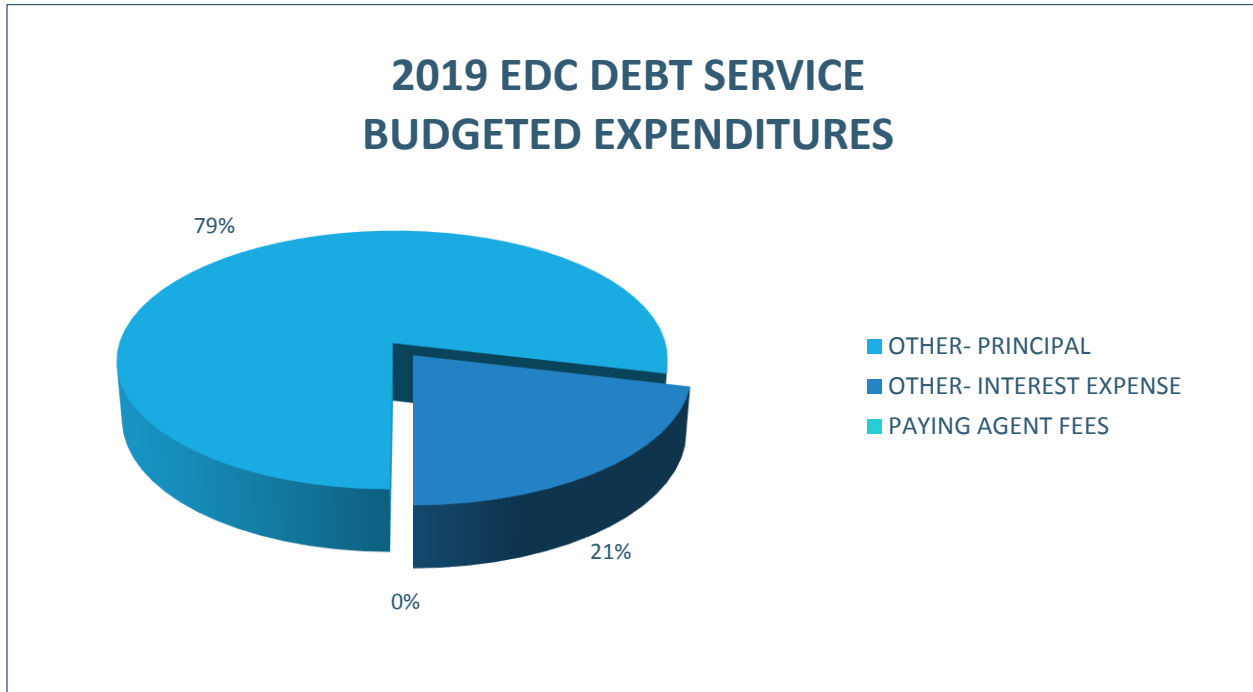
**EDC DEBT SERVICE BUDGET NUMBERS**

**EDC DEBT SERVICE BUDGETED REVENUES**



<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>EDC DEBT SERVICE</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
MISCELLANEOUS	\$417	\$1,085	\$0	\$0
OTHER FINANCING SOURCES	4,175,719	394,031	396,850	390,650
<b>TOTAL REVENUES</b>	<b>\$4,176,136</b>	<b>\$395,116</b>	<b>\$396,850</b>	<b>\$390,650</b>

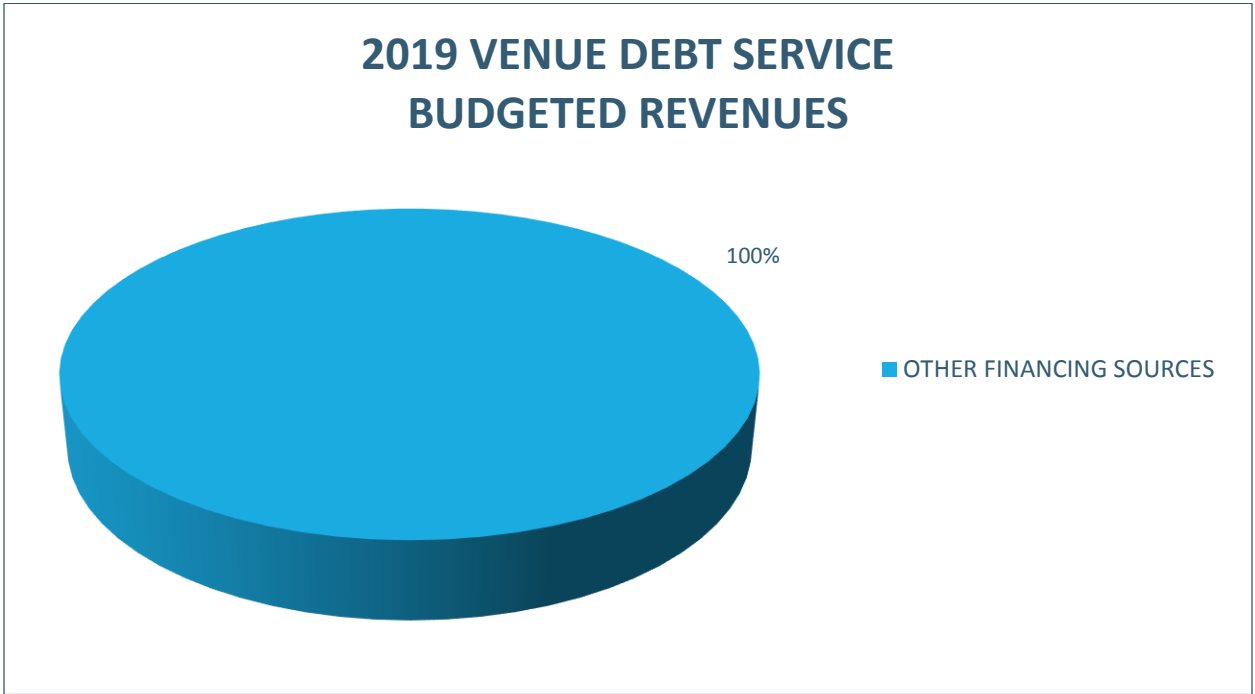
EDC DEBT SERVICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
EDC DEBT SERVICE	2016	2017	2018	2019
OTHER- PRINCIPAL	\$3,866,308	\$295,000	\$295,000	\$310,000
OTHER- INTEREST EXPENSE	177,775	91,202	92,940	83,750
PAYING AGENT FEES	114,138	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$4,158,222</b>	<b>\$386,202</b>	<b>\$387,940</b>	<b>\$393,750</b>

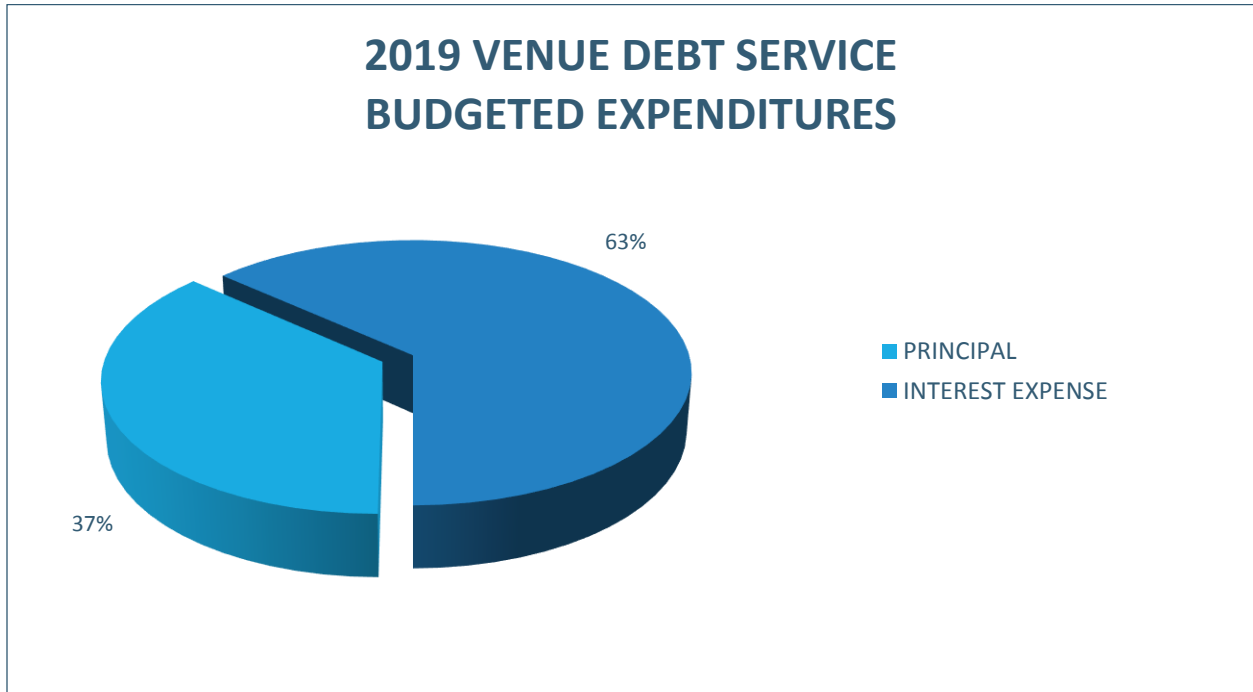
**VENUE DEBT SERVICE BUDGET NUMBERS**

**VENUE DEBT SERVICE BUDGETED REVENUES**



<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>VENUE DEBT SERVICE</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
OTHER FINANCING SOURCES	\$0	\$72,834	\$509,838	\$506,138
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$72,834</b>	<b>\$509,838</b>	<b>\$506,138</b>

VENUE DEBT SERVICE BUDGETED EXPENDITURES



<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>VENUE DEBT SERVICE</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
PRINCIPAL	\$0	\$0	\$185,000	\$185,000
INTEREST EXPENSE	0	0	324,838	321,138
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$509,838</b>	<b>\$506,138</b>

**EDC DEBT RESERVE BUDGET NUMBERS**

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**EDC DEBT RESERVE BUDGETED REVENUE**

<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>EDC DEBT RESERVE</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
MISCELLANEOUS	\$1,201	\$2,105	\$0	\$0
OTHER FINANCING SOURCES	0	0	0	0
<b>TOTAL REVENUES</b>	<b>\$1,201</b>	<b>\$2,105</b>	<b>\$0</b>	<b>\$0</b>

**EDC DEBT RESERVE BUDGETED EXPENDITURES**

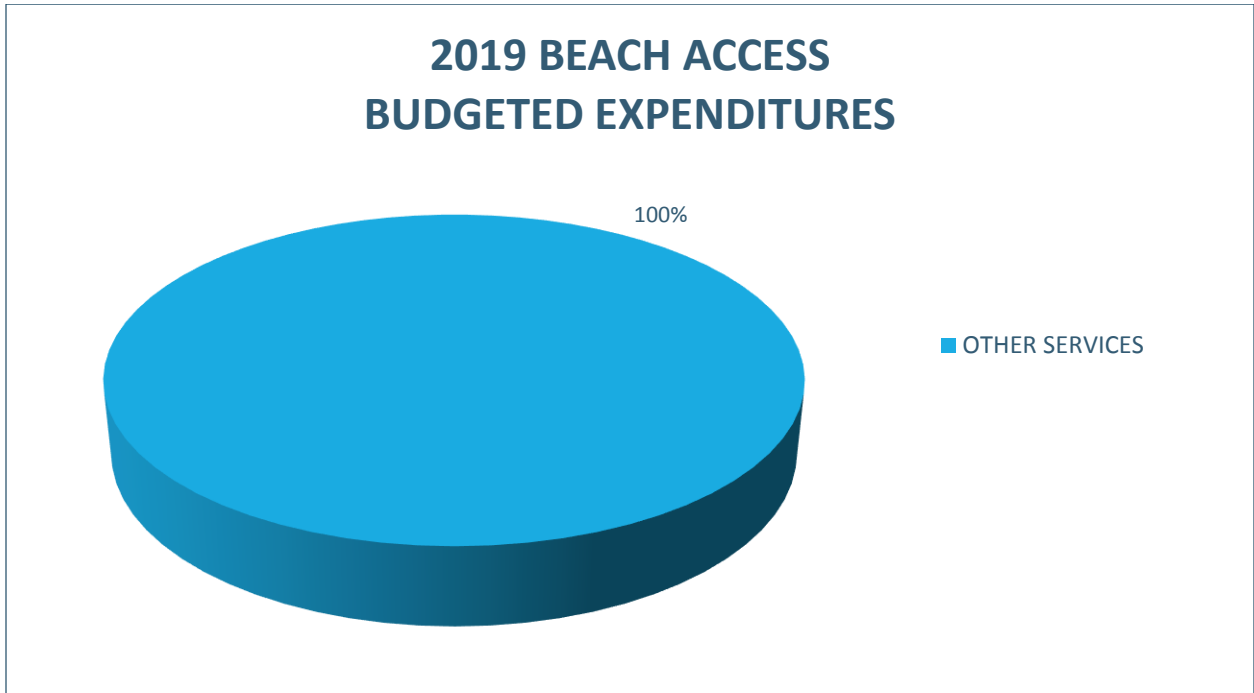
<b>EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>EDC DEBT RESERVE</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
OTHER SERVICES	\$42,501	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$42,501</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**BEACH ACCESS BUDGET NUMBERS**

**BEACH ACCESS BUDGETED REVENUE**

<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>BEACH ACCESS</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
INTERGOVERNMENTAL	\$0	\$0	\$0	\$0
MISCELLANEOUS	1,089	4,066	0	0
OTHER FINANCING SOURCES	542,166	1,054,726	0	0
<b>TOTAL REVENUES</b>	<b>\$543,255</b>	<b>\$1,058,792</b>	<b>\$0</b>	<b>\$0</b>

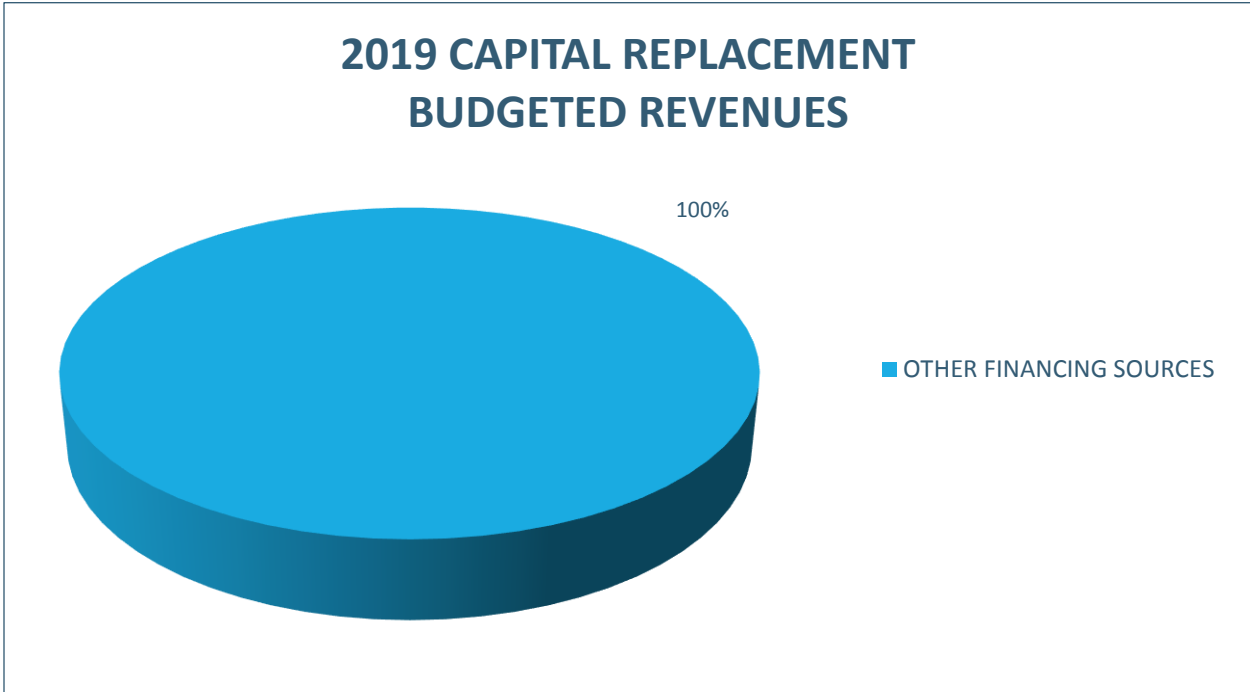
**BEACH ACCESS BUDGETED EXPENDITURES**



<b>EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>BEACH ACCESS</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
OTHER SERVICES	\$358,161	\$687,635	\$509,765	\$100,000
<b>TOTAL EXPENDITURES</b>	<b>\$358,161</b>	<b>\$687,635</b>	<b>\$509,765</b>	<b>\$100,000</b>

**CAPITAL REPLACEMENT BUDGET NUMBERS**

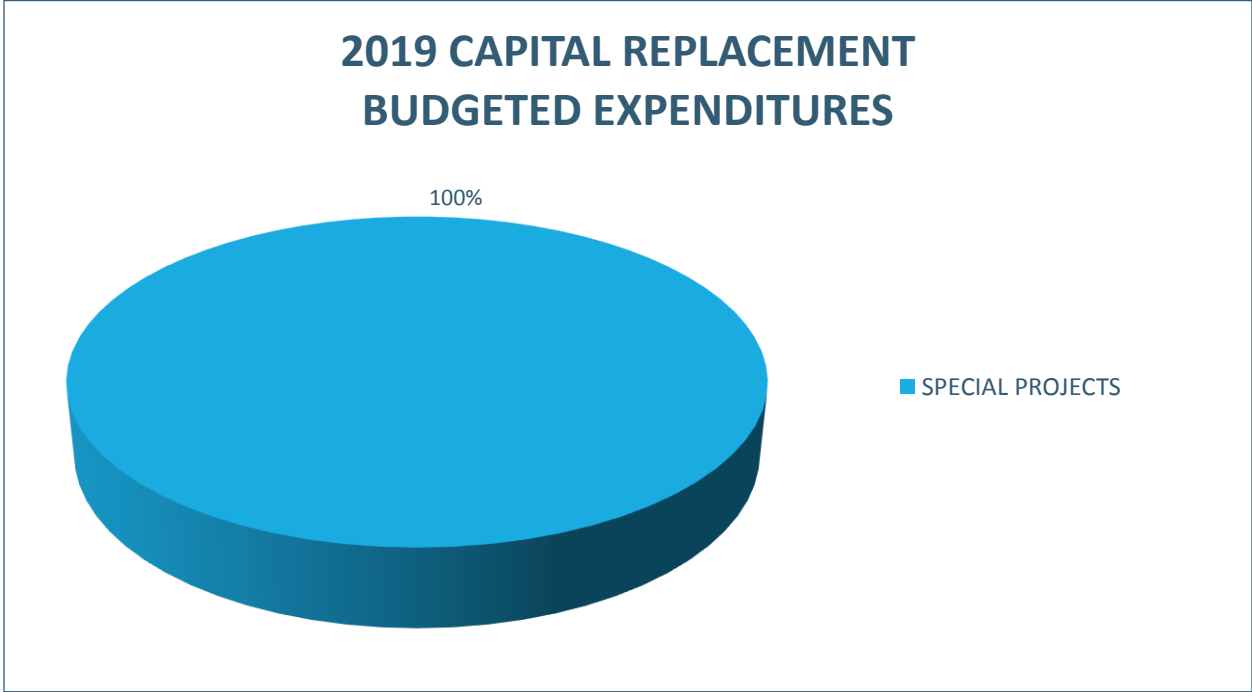
CAPITAL REPLACEMENT BUDGETED REVENUE



<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>CAPITAL REPLACEMENT</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
OTHER FINANCING SOURCES	\$504	\$120,040	\$255,000	\$255,000
<b>TOTAL REVENUES</b>	<b>\$504</b>	<b>\$120,040</b>	<b>\$255,000</b>	<b>\$255,000</b>



CAPITAL REPLACEMENT BUDGETED EXPENDITURES

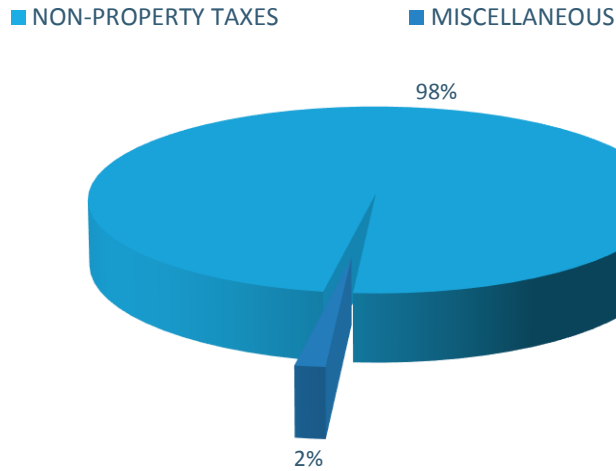


<b>EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>CAPITAL REPLACEMENT</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
POLICE	\$0	\$32,000	\$0	\$0
CODE ENFORCEMENT	31,297	0	0	0
SPECIAL PROJECTS	0	65,006	255,000	147,461
<b>TOTAL EXPENDITURES</b>	<b>\$31,297</b>	<b>\$65,006</b>	<b>\$255,000</b>	<b>\$147,461</b>

ECONOMIC DEVELOPMENT CORP. BUDGET NUMBERS

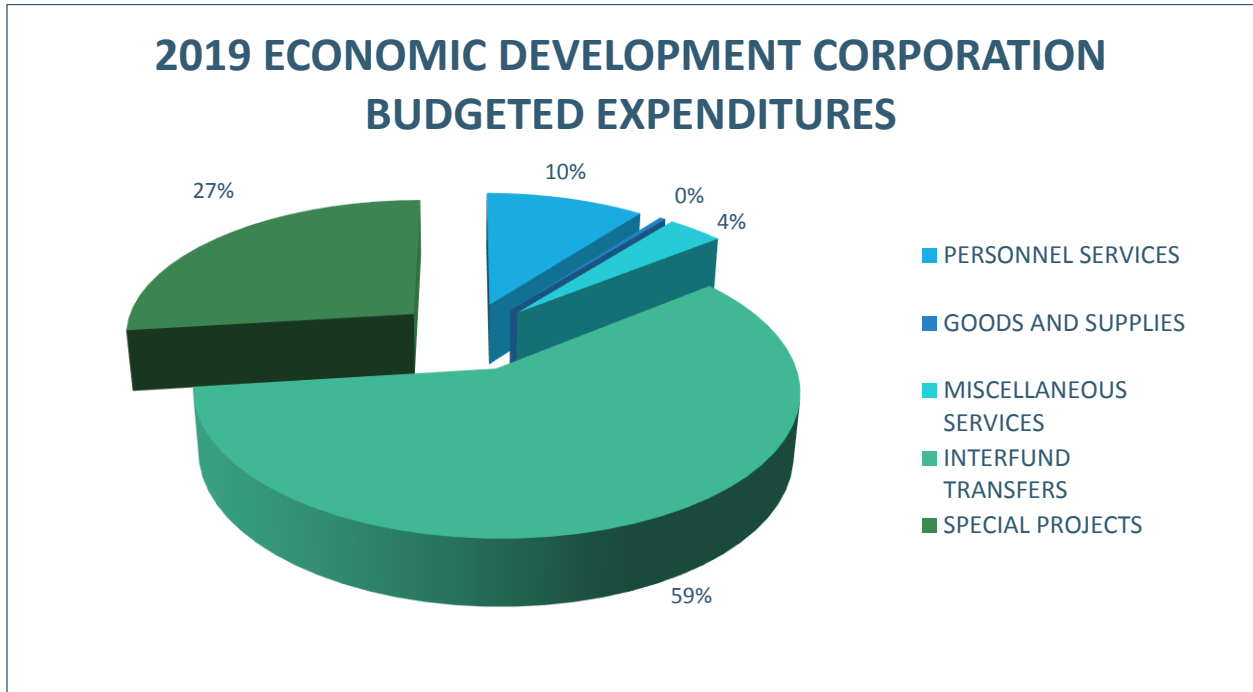
ECONOMIC DEVELOPMENT BUDGET REVENUE NUMBERS

**2019 ECONOMIC DEVELOPMENT CORPORATION  
BUDGETED REVENUES**



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
ECONOMIC DEVELOPMENT CORP	2016	2017	2018	2019
NON-PROPERTY TAXES	\$772,990	\$813,376	\$770,000	\$813,000
MISCELLANEOUS	12,685	16,691	12,785	12,785
<b>TOTAL REVENUES</b>	<b>\$785,675</b>	<b>\$830,067</b>	<b>\$782,785</b>	<b>\$825,785</b>

ECONOMIC DEVELOPMENT CORPORATION BUDGETED EXPENDITURES

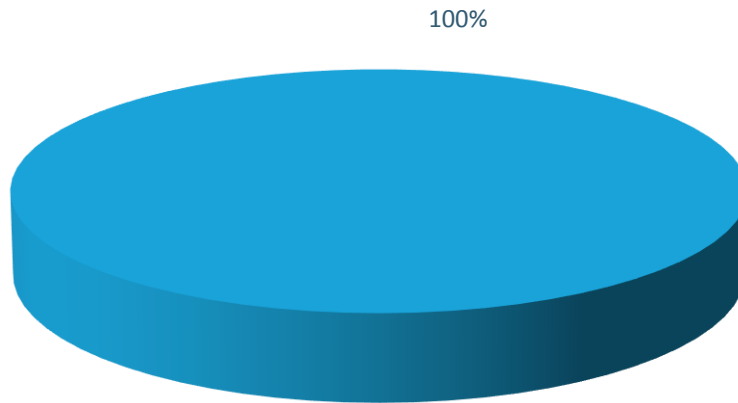


DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
ECONOMIC DEVELOPMENT CORP	2016	2017	2018	2019
PERSONNEL SERVICES	\$73,469	\$73,335	\$80,022	\$80,683
GOODS AND SUPPLIES	2,003	1,745	3,800	3,100
MISCELLANEOUS SERVICES	51,469	79,513	25,300	28,300
INTERFUND TRANSFERS	422,834	494,031	496,850	458,250
SPECIAL PROJECTS	67,061	29,734	288,813	210,452
<b>TOTAL EXPENDITURES</b>	<b>\$616,836</b>	<b>\$678,358</b>	<b>\$894,785</b>	<b>\$780,785</b>

BNC FACILITY MAINTENANCE BUDGET REVENUE NUMBERS

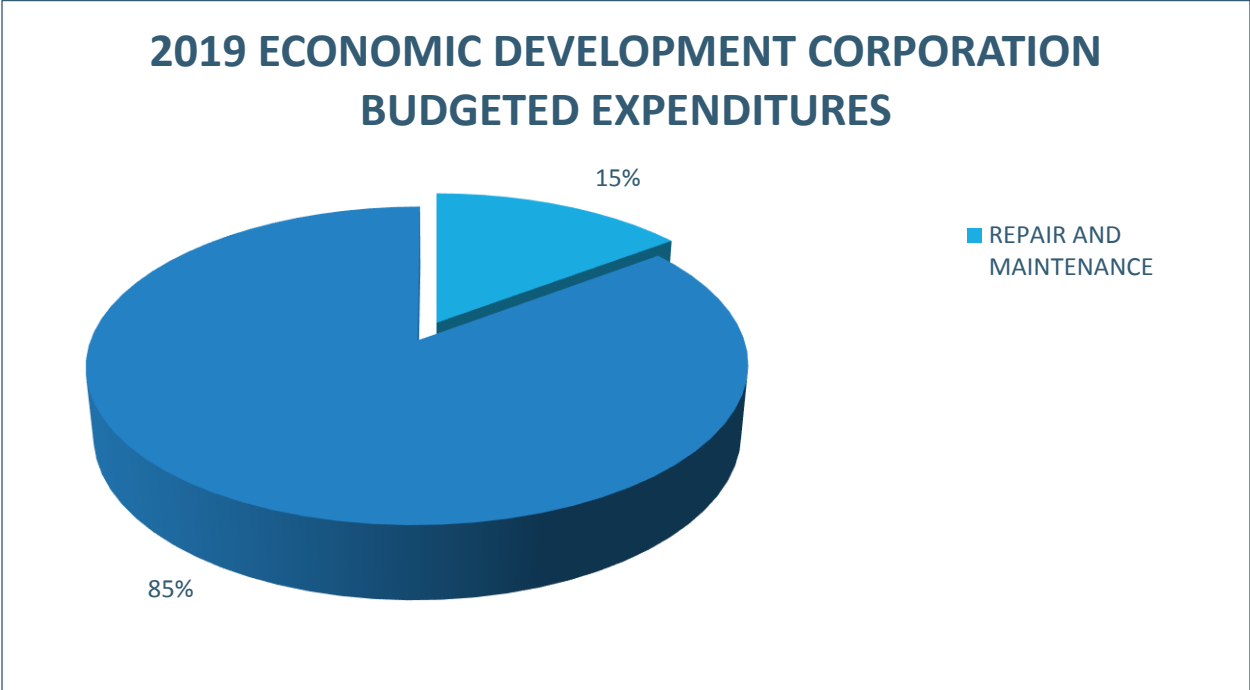
**2019 ECONOMIC DEVELOPMENT CORPORATION  
BUDGETED REVENUES**

■ OTHER FINANCING SOURCES



<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>EDC- BNC FACILITY MAINT.</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
OTHER FINANCING SOURCES	\$0	\$0	\$0	\$67,600
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$67,600</b>

BNC FACILITY MAINTENANCE BUDGETED EXPENDITURES



<b>DEPT. EXPENDITURES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>EDC- BNC FACILITY MAINT.</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
REPAIR AND MAINTENANCE	\$0	\$0	\$0	\$10,000
EQUIPMENT > \$5,000 OUTLAY	0	0	0	57,600
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$67,600</b>

# CAPITAL IMPROVEMENT PLAN

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## CAPITAL ASSETS

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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

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### Land and Land Improvements

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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

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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

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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

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Furniture & Fixtures, Machinery & Equipment, Vehicles, Radio Equipment, and Software

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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

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Infrastructure

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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 – 2018/19 BUDGET

### Recurring Capital Expenditures

Description	Funding Source	Amount
Equipment Leases - Public Safety	General Fund	\$ 63,063
Automobile Leases - Public Safety	General Fund	52,878
Automobile Leases -Public Works	General Fund	37,459
<b>Total</b>		<b>\$ 153,400</b>

### Non-Recurring Capital Expenditures

Description	Funding Source	Amount
Motor Vehicles - Fleet	General Fund	\$ 60,000
Building Improvements - Convention Center	Convention Centre Fund	27,025
Machinery & Equipment - Convention Center	Convention Centre Fund	167,608
Building - SPI Metro	Transportation Fund	3,000,000
Machinery & Equipment - SPI Metro	Transportation Fund	10,000
Motor Vehicles - Beach Patrol	Beach Maintenance Fund	48,000
Beach Access Development- Public Works	Beach Access Fund	100,000
Buildings & Structures - Special Projects	Capital Replacement Fund	147,461
Construction - Special Projects	Venue Tax Construction Fund	4,000,000
Building Improvements - Bird & Nature Center	BNC Facility Maintenance	57,600
<b>Total</b>		<b>\$ 7,617,694</b>

<b>Total Capital Expenditures</b>		<b>\$ 7,771,094</b>
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Approximately \$3 million has been budgeted for Phase II of the Multimodal Complex to be paid with federal grants that include architectural and engineering services, construction costs and purchase of machinery and equipment.

A total of \$4,000,000 is budgeted for improvements and addition of medians on Padre Boulevard, work is scheduled to begin in December of 2018. These improvements will be paid with venue tax bond proceeds. These funds are 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

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### PROJECT CRITERIA

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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.

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## CIP POLICIES AND PROCEDURES

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### CAPITAL IMPROVEMENT PLAN INTRODUCTION

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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.

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### GOALS

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#### 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.

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### DEFINITION

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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.

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#### CIP DEVELOPMENT PROCESS

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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](http://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.

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PROJECT CRITERIA

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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.

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CIP AMENDMENT

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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.

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CIP CALENDAR

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DATE	ITEM
April 20, 2018	Capital Improvement Plan forms and instructions posted on the City's website and distributed to city departments and public.
May 25, 2018	Project request forms due from city staff and public.
July 13, 2018	Publish the general summary of the CIP and note the time and places where copies of the CIP are available for inspection.
August 1, 2018	Not less than two weeks after publication, schedule and hold a public meeting on the CIP.
September 19, 2018	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

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### AMPITHEATER

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#### 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.A. Develop a diversified economy in order to increase spending on the Island throughout the year.



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

<p><b>Keith Arnold   CVB Director</b>            City of South Padre Island            7355 Padre Blvd, South Padre Island, TX 78597            Voice: 956-761-8388/3000            Fax: 956-761-3024            Email: keith@sopadre.com            (956) 761-8158</p>
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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

- 4.J. Expand public transportation options
- 4.K. Improve transit facilities
- 4.L. Identify potential funding sources

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
TxDOT	\$6,200,000
<u>ESTIMATED COSTS</u>	
Construction	\$1,600,000
	Phase 1 (parking area, bus berths, utilities, site work-complete)
	<u>\$4,600,000</u> Phase 2 (Building)
TOTAL COSTS	\$6,200,000

OPERATIONAL IMPACTS

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		\$4,600,000		\$6,200,000

Schedule

PHASE	TOTAL TIME	START	COMPLETION
Land Acquisition	N/A		
Design	18 months	2016	2016
Bid	8 months	2017	2017
Construction	18 months	2018	2019

Project Leader

**Jesse Arriaga | Transit Director**  
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## 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

<b>RANK</b>	<b>STREET NAME</b>	<b>SEGMENT</b>	<b>STREET</b>	<b>TOTAL ESTIMATED REPAIR COST</b>
1	Laguna	All	South of Palm St to Morningside Dr	\$ 2,651,396.00
2	Sunset	W	Laguna Cir to PR 100 (Padre Blvd)	\$ 111,075.00
3	Laguna Circle	N	South end to north of Sunset Dr	\$ 196,229.00
4	Yucca	N	South end to Sunset Dr	\$ 201,046.00
5	Havana	N	Palmetto Dr to Sunset Dr	\$ 107,979.00
6	Tropical	N	Palmetto Dr to Sunset Dr	\$ 121,254.00
7	Palmetto	E	PR 100 (Padre Blvd) to Gulf Blvd	\$ 101,692.55
8	Parade	E	PR 100 (Padre Blvd) to Gulf Blvd	\$ 283,071.00
9	Laguna Circle	S	Morningside Dr to North end	\$ 278,904.00
10	Circe	N	Morningside Dr to North end	\$ 80,625.00
11	Lynda	N	Coronado Dr to Parade Dr	\$ 237,354.00
12	Coronado	E	Morningside Dr to Gulf Blvd	\$ 222,396.00
13	Lynda	S	Morningside Dr to Coronado Dr	\$ 236,732.00
14	Morningside	W	Laguna Cir to Laguna Blvd	\$ 240,625.00
15	Morningside	C	Laguna Blvd to PR 100 (Padre Blvd)	\$ 80,625.00
16	Morningside	E	PR 100 (Padre Blvd) to Gulf Blvd	\$ 227,796.00
17	Cora Lee	W	West of Laguna Blvd	\$ 220,371.00
18	Cora Lee	C	Laguna Blvd to PR 100 (Padre Blvd)	\$ 289,821.00
19	Cora Lee	E	PR 100 (Padre Blvd) to Gulf Blvd	\$ 108,214.00
20	Carolyn	W	West of Laguna Blvd	\$ 108,375.00
21	Carolyn	C	Laguna Blvd to PR 100 (Padre Blvd)	\$ 80,121.00
22	Carolyn	E	PR 100 (Padre Blvd) to Gulf Blvd	\$ 227,796.00
23	Georgia Ruth	W	West of Laguna Blvd	\$ 226,211.00
24	Georgia Ruth	C	Laguna Blvd to PR 100 (Padre Blvd)	\$ 186,664.00

25	Georgia Ruth	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	66,014.00
26	Polaris	W	West of Laguna Blvd	\$	107,979.00
27	Aries	W	West of Laguna Blvd	\$	242,607.00
28	Aries	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	87,621.00
29	Capricorn	W	West of Laguna Blvd	\$	110,004.00
30	Capricorn	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	137,054.00
31	Capricorn	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	87,204.00
32	Constellation	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	86,529.00
33	Mars	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	60,279.00
34	Mars	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	79,078.00
35	Jupiter	W	West of Laguna Blvd	\$	69,397.00
36	Venus	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	243,771.00
37	Saturn	W	West of Laguna Blvd	\$	195,436.00
38	Saturn	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	152,879.00
39	Saturn	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	66,800.00
40	Esperanza	W	West of Laguna Blvd	\$	133,403.00
41	Esperanza	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	117,493.00
42	Esperanza	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	257,196.00
43	Hibiscus	W	West of Laguna Blvd	\$	117,761.00
44	Hibiscus	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	176,753.00
45	Gardenia	W	West of Laguna Blvd	\$	187,339.00
46	Gardenia	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	94,329.00
47	Gardenia	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	70,104.00
48	Oleander	W	West of Laguna Blvd	\$	220,811.00
49	Oleander	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	184,639.00
50	Lantana	W	West of Laguna Blvd	\$	206,100.00
51	Lantana	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	171,814.00
52	Huisache	W	West of Laguna Blvd	\$	229,147.35
53	Huisache	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	275,100.00
54	Mezquite	W	West of Laguna Blvd	\$	77,979.00
55	Mezquite	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	77,979.00

56	Retama	W	West of Laguna Blvd	\$	80,679.00
57	Retama	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	159,643.00
58	Atol	W	West of Laguna Blvd	\$	224,421.00
59	Atol	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	216,321.00
60	Bahama	W	West of Laguna Blvd	\$	170,196.00
61	Bahama	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	287,679.00
62	Bahama	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	221,721.00
63	Campeche	W	West of Laguna Blvd	\$	98,325.00
64	Campeche	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	93,096.00
65	Campeche	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	92,979.00
66	Acapulco	W	West of Laguna Blvd	\$	258,150.00
67	Acapulco	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	76,746.00
68	Acapulco	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	40,186.00
69	Kingfish	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	108,782.00
70	Kingfish	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	148,186.00
71	Dolphin	W	West of Laguna Blvd	\$	80,625.00
72	Dolphin	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	145,297.00
73	Dolphin	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	229,821.00
74	Red Snapper	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	232,132.00
75	Red Snapper	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	76,189.00
76	Swordfish	W	West of Laguna Blvd	\$	137,100.00
77	Swordfish	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	106,018.00
78	Swordfish	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	217,554.00
79	Whiting	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	79,329.00
80	Whiting	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	125,654.00
81	Amberjack	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	60,568.00
82	Amberjack	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	44,272.00
83	Pike	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	21,479.00
84	Pike	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	83,096.00
85	Ling	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	109,978.00

86	Ling	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	139,125.00
87	Marlin	W	West of Laguna Blvd	\$	136,929.00
88	Marlin	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	133,050.00
89	Marlin	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	175,596.00
90	Tarpon	W	West of Laguna Blvd	\$	60,279.00
91	Tarpon	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	58,193.00
92	Tarpon	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	72,000.00
93	Pompano	W	West of Laguna Blvd	\$	77,971.00
94	Pompano	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	100,625.00
95	Pompano	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	132,429.00
96	Sheepshead	W	West of Laguna Blvd	\$	106,928.00
97	Sheepshead	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	54,728.00
98	Sheepshead	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	42,922.00
99	Corral	W	West of Laguna Blvd	\$	87,932.00
100	Corral	C	Laguna Blvd to PR 100 (Padre Blvd)	\$	71,950.00
101	Corral	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	158,421.00
102	Palm	E	PR 100 (Padre Blvd) to Gulf Blvd	\$	88,472.00
103	Marisol	W	West of PR 100 (Padre Blvd)	\$	53,378.00
104	Marisol	E	East of PR 100 (Padre Blvd)	\$	81,300.00
105	Sunny Isle	W	West of PR 100 (Padre Blvd)	\$	118,800.00
106	Harbor	E	East of PR 100 (Padre Blvd)	\$	104,400.00
107	Haas	E	East of PR 100 (Padre Blvd)	\$	69,679.00
				\$	17,368,300.90

## Fiscal

### INCOME AND COST ANALYSIS

#### FUNDING SOURCES

Padre Blvd Tax Anticipation Notes	\$1,444,900 .90
	(Eight Side streets have been selected for improvement and engineering has begun)



TOTAL FUNDS	\$1,444,900.90
<b>ESTIMATED COSTS</b>	
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)	\$17,368,300.90
TOTAL COSTS	\$17,368,300.90
<b>OPERATIONAL IMPACTS</b>	
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	\$1,444,900.90		

Project Leader

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## 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

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

Financial Plan

<b>Prior Years</b>	<b>FY 13/14</b>	<b>FY 14/15</b>	<b>FY 15/16</b>	<b>FY 16/17</b>	<b>FY 17/18</b>	<b>Future Years</b>	<b>TOTAL</b>
	\$15,000	\$15,000	\$15,000	\$25,000	\$25,000		

Project Leader

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## 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

<b>INCOME AND COST ANALYSIS</b>	
<u>FUNDING SOURCES</u>	
Venue Tax	\$
CMP Grant	\$
<b>TOTAL FUNDS</b>	<b>\$</b>
<u>ESTIMATED COSTS</u>	
Per space - \$20,000 x 100 spaces	\$2,000,000
<b>TOTAL COSTS</b>	<b>\$2,000,000</b>
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$5,000 annually
Capital and Other	\$0
<b>TOTAL IMPACTS</b>	<b>\$5,000 annually</b>

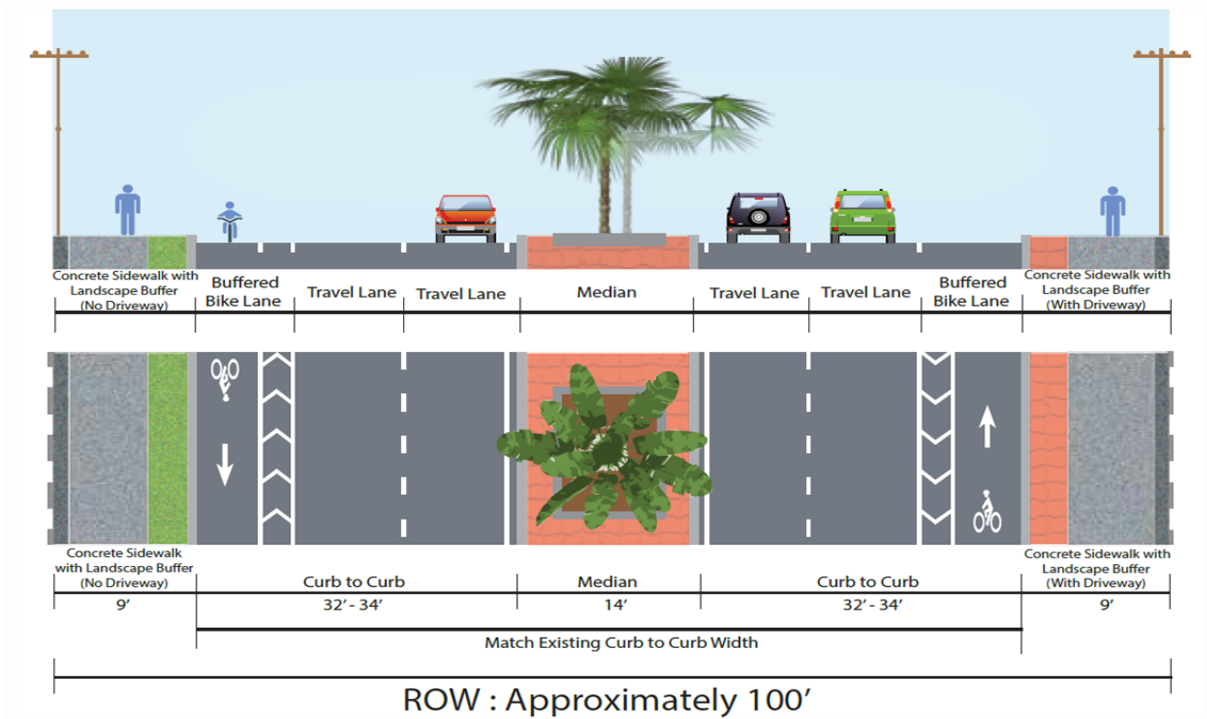
Project Leader

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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 Blvd.

## Fiscal

<b>INCOME AND COST ANALYSIS</b>	
<u>FUNDING SOURCES</u>	
TAP Grant	\$4,310,595
Venue Tax	\$641,914
Debt Issuance	\$4,000,000
<b>TOTAL FUNDS</b>	<b>\$8,952,509</b>
<u>ESTIMATED COSTS</u>	
Padre Blvd Sidewalks/Landscaping	\$3,452,509
Raised Median Extension	\$5,500,000
<b>TOTAL COSTS</b>	<b>\$8,952,509</b>

**OPERATIONAL IMPACTS**

Personnel	\$100,000
Supplies & Materials	\$50,000
Repairs and Maintenance	\$20,000
Capital and Other	\$40,000 (vehicles)
<b>TOTAL IMPACTS</b>	<b>\$170,000 annually</b>

**Financial Plan**

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

**Project Leader**

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## 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 and battery packs.

**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	
<u>FUNDING SOURCES</u>	
TOTAL FUNDS	\$
	\$

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

OPTION 2:

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

OPTION 3:

<b>INCOME AND COST ANALYSIS</b>	
<u>FUNDING SOURCES</u>	
	\$0
TOTAL FUNDS	\$0
<u>ESTIMATED COSTS</u>	
Fixture Replacement	\$4,000,000
TOTAL COSTS	\$4,000,000
<u>OPERATIONAL IMPACTS</u>	
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

**Darla A. Jones | Assistant City Manager**  
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**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**

<b>INCOME AND COST ANALYSIS</b>	
<b><u>FUNDING SOURCES</u></b>	Unknown
<b><u>ESTIMATED COSTS</u></b>	
Dredging	\$220,000
Engineering and Monitoring	\$133,000
Marina Construction	\$540,000
<b>TOTAL COSTS</b>	<b>\$893,000</b>
<b><u>OPERATIONAL IMPACTS</u></b>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$10,000
Capital and Other	\$0
<b>TOTAL IMPACTS</b>	<b>\$10,000</b>

**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**

<b>INCOME AND COST ANALYSIS</b>	
<b><u>FUNDING SOURCES</u></b>	
HOT Funds	\$
RESTORE Act Grant	\$
<b>TOTAL FUNDS</b>	<b>Unknown</b>
<b><u>ESTIMATED COSTS</u></b>	
Dredging	\$750,000
<b>TOTAL COSTS</b>	<b>\$750,000</b>
<b><u>OPERATIONAL IMPACTS</u></b>	
Supplies & Materials	\$0
Repairs and Maintenance	\$2,000 annually (\$200,000 every ten years)
Capital and Other	\$0
<b>TOTAL IMPACTS</b>	<b>\$2,000</b>

**Project Leader**

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## 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

<b>INCOME AND COST ANALYSIS</b>	
<u>FUNDING SOURCES</u>	\$
TOTAL FUNDS	Unknown
<u>ESTIMATED COSTS</u>	
3400 lf, 12' wide boardwalk, bulkhead needed in certain areas, lighting	\$5,100,000
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

Project Leader

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## 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

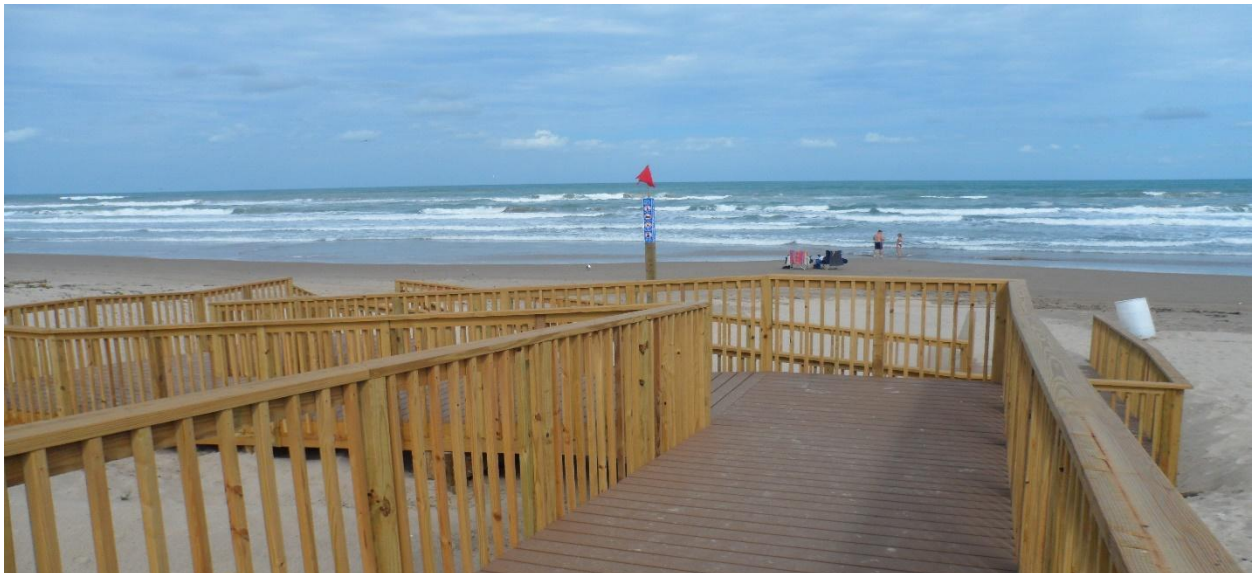
of City. This project layout will place approximately 888,000 cubic yards along 12,000 linear feet of beach.

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

<b>INCOME AND COST ANALYSIS</b>	
<u>FUNDING SOURCES</u>	
HOT Funding (Local Match)	\$450,000
CEPRA Cycle 9	\$1,250,000
<b>TOTAL FUNDS</b>	<b>\$1,700,000</b>
<u>ESTIMATED COSTS</u>	
Dredging and Beneficial Placement	\$500,000
Off Shore Source	\$16,000,000
Walkover Construction	\$320,000
<b>TOTAL COSTS</b>	<b>\$16,820,000</b>
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$10,000 (walkover maintenance annually)
Capital and Other	\$0
<b>TOTAL IMPACTS</b>	<b>\$10,000</b>

## Project Leader

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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. The South Padre Island Master Parks Plan is being drafted and scheduled for adoption in July 2018 for submission to Texas Parks and Wildlife.

“Tompkins” Park-Phase 2

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

<b>INCOME AND COST ANALYSIS</b>	
<b><u>Phase One</u></b>	
<b><u>FUNDING SOURCES</u></b>	
TPWD Grant	\$400,000

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

Financial Plan

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

Schedule

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

Project Leader

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WATER TOWER PARK REPAIRS

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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
<b>TOTAL FUNDS</b>	<b>\$13,342.45</b>
<u>ESTIMATED COSTS</u>	
Replace Concrete Parking Area	\$13,342.45
<b>TOTAL COSTS</b>	<b>\$13,342.45</b>
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$1,000 annually
Capital and Other	\$0
<b>TOTAL IMPACTS</b>	<b>\$1,000</b>

Financial Plan

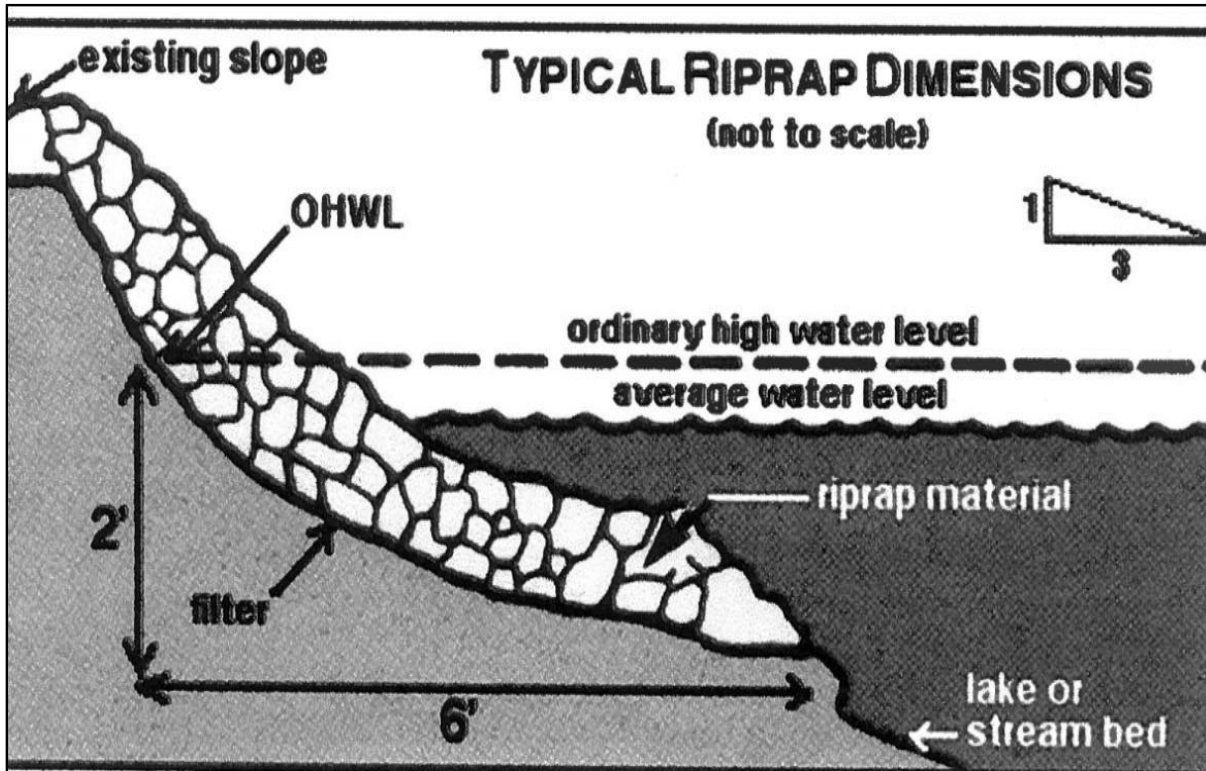
Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
					\$13,342.45		\$13,342.45

Project Leader

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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

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

## Project Leader

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**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
- 5.G. Recognize and support the multiple functions of the Bay
- 5.K. Protect public access
- 5.25c. 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**

<b>INCOME AND COST ANALYSIS</b>	
<b><u>FUNDING SOURCES</u></b>	
Venue Tax	unknown
<b>TOTAL FUNDS</b>	<b>unknown</b>
<b><u>ESTIMATED COSTS</u></b>	
Land Acquisition	unknown
Venue Construction	unknown
<b>TOTAL COSTS</b>	<b>unknown</b>

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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## Project Description

The Texas Coastal Management Program (CMP), funded by NOAA, focuses on the state's coastal natural resource areas. The program is managed by the Texas Land Commissioner.

The Texas General Land Office:

- Awards approximately \$2.2 million annually in grants
- Reviews federal actions in the Texas coastal zone to ensure consistency with the goals and policies of the CMP
- Supports protection of natural habitats and wildlife
- Provides baseline data on the health of gulf waters

The federally approved program brings approximately \$2.2 million in federal Coastal Zone Management Act (CZMA) funds to Texas, most of which goes to state and local entities to implement projects and program activities. Texas is one of only a handful of coastal states that pass substantial amounts of CZMA funds through to coastal communities for projects in the coastal zone.

The Land Office has funded projects in all parts of the coastal zone for a wide variety of purposes. The General Land Office established the following categories for use of these funds by coastal communities:

- Coastal Natural Hazards Response
- Critical Areas Enhancement
- Public Access
- Waterfront Revitalization and Ecotourism Development
- Permit Streamlining/Assistance, Governmental Coordination and Local Government Planning Assistance
- Water Sediment Quantity and Quality Improvements

In the past, the City has successfully applied for funding to improve beach access.

## Comprehensive Plan

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

Fiscal

<b>INCOME AND COST ANALYSIS</b>	
<u>FUNDING SOURCES</u>	
General Fund	unknown
Total	unknown
<u>ESTIMATED COSTS</u>	
Land acquisition	\$0
Improvements	\$0
TOTAL COSTS	\$0
<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

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

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

<b>INCOME AND COST ANALYSIS</b>	
<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

<b>Prior Years</b>	<b>FY 15/16</b>	<b>FY 16/17</b>	<b>FY 17/18</b>	<b>FY 18/19</b>	<b>FY 19/20</b>	<b>Future Years</b>	<b>TOTAL</b>
						\$2,402,921	\$2,402,921

Schedule

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

Project Leader

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## 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

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

Financial Plan

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

Project Leader

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## VISITORS CENTER

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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.

**SUMMARY OPERATIONAL COST IMPACT – CIP PROJECTS**

The 2018-2019 adopted budget presents Hotel/Motel Occupancy Tax revenues in excess of expenditures in the amount of \$196, 136. The adopted budget also presents a surplus in the amount of \$1,395,761 related to the Venue Tax. Such surpluses allow the City to adequately plan and budget for projected operating costs related to significant nonrecurring capital expenditure.

<b>Project Description</b>	<b>Operational Cost Impact</b>	<b>Funding Source</b>
<b>Ampitheater</b>	Unknown	Venue Tax
<b>Multimodal Transit Center/Visitors Center</b>	\$30,000	Federal and state funds
<b>Streets</b>	\$100,000	Cost included in General Fund Budget
<b>Drainage - Padre Blvd</b>	\$0	N/A
<b>Parking Structure</b>	\$5,000	Venue Tax
<b>Padre Blvd Enhancement / Sidewalks</b>	\$170,000	Venue Tax
<b>Street Lighting</b>	\$0	N/A
<b>Marina</b>	\$10,000	State Hotel/Motel Occupancy Tax
<b>Tompkins Channel Expansion</b>	\$2,000	State Hotel/Motel Occupancy Tax
<b>Beach Walkover Maintenance</b>	\$10,000	State Hotel/Motel Occupancy Tax
<b>Parks</b>	\$62,000	Cost included in General Fund Budget
<b>Water Tower Park Repairs</b>	\$1,000	Cost included in General Fund Budget
<b>Rip Rap Street Ends</b>	\$1,000	State Hotel/Motel Occupancy Tax
<b>Bay Access</b>	\$5,000	State Hotel/Motel Occupancy Tax
<b>Coastal Management Program</b>	\$1,000	State Hotel/Motel Occupancy Tax
<b>Restore Act Grant</b>	\$15,000	Federal and state funds
<b>NOAA Ecosystem Resiliency Program</b>	\$8,000	Federal and state funds

## COMPLETED PROJECTS

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### JOHN L. TOMPKINS PARK

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#### 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

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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

<b>INCOME AND COST ANALYSIS</b>	
<u>FUNDING SOURCES</u>	
Debt Issuance	\$3,800,000
TDRA (GLO) Grant Funds	\$ 1,095,436
<b>TOTAL FUNDS</b>	<b>\$4,895,436</b>
<u>ESTIMATED COSTS</u>	
Design	\$73,278
Construction	\$4,822,158
<b>TOTAL COSTS</b>	<b>\$4,895,436</b>
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$0
Supplies & Materials	\$49,000
Repairs and Maintenance	\$(12,000)
	annual savings from energy efficiency
Capital and Other	\$0
<b>TOTAL IMPACTS</b>	<b>\$37,000</b>

Financial Plan

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

Schedule

<b><u>PHASE</u></b>	<b><u>TOTAL TIME</u></b>	<b><u>START</u></b>	<b><u>COMPLETION</u></b>
<b>Design</b>	6 months	10/1/2009	6/1/2010
<b>Bid</b>	3 months	6/1/2010	9/1/2010
<b>Construction</b>	12 months	07/20/2011	08/30/2012
<b>Estimated Completion Date</b>			8/30/2012

Project Leader

<p><b>Burney Basket   Fire Chief</b>            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**

<b>INCOME AND COST ANALYSIS</b>	
<b><u>FUNDING SOURCES</u></b>	
FEMA (Dredging)	\$146,575
Dredging Local Funds (SLTF)	\$100,000
<b>TOTAL FUNDS</b>	<b>\$246,575</b>
<b><u>COSTS</u></b>	
Dredging	\$246,575
<b>TOTAL COSTS</b>	<b>\$246,575</b>

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)							

SOUTH PR 100 STREET LIGHTING

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**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

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**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

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

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

<b>INCOME AND COST ANALYSIS</b>	
<u>FUNDING SOURCES</u>	
Unencumbered Reserves Amount	\$296,468
<b>TOTAL FUNDS</b>	<b>\$296,468</b>
<u>ESTIMATED COSTS</u>	
Design	\$0 (in-kind)
Construction	\$296,468
<b>TOTAL COSTS</b>	<b>\$296,468</b>
<u>OPERATIONAL IMPACTS</u>	
Personnel	\$20,000 (Maintenance and Cleaning)
Supplies & Materials	\$5,000
Repairs and Maintenance	\$29,000
<b>TOTAL IMPACTS</b>	<b>\$126,100</b>

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>
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

## 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
<b>TOTAL FUNDS</b>	<b>\$2,937,724</b>

#### COSTS

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

#### OPERATIONAL IMPACTS



Personnel	\$0
Supplies & Materials	\$0
Repairs and Maintenance	\$0
Capital and Other	\$0
<b>TOTAL IMPACTS</b>	<b>\$0</b>

Schedule

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

Project Leader

<p><b>Darla A. Jones   Assistant City Manager</b>  City of South Padre Island  4601 Padre Blvd, South Padre Island, TX 78597  Voice: 956-761-8107  Fax: 956-761-3888  Email: <a href="mailto:diones@mvsopi.org">diones@mvsopi.org</a></p>
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CONVENTION CENTRE-INTERIOR IMPROVEMENTS

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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**

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

## Schedule

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

## Project Leader

**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

### GULF BOULEVARD

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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, ANTICIPATION NOTES, AND REVENUE BONDS

Year Ended Sept 30,	General Obligation Debt			Tax Anticipation Notes			Venue Tax Revenue Bonds			Total Principal & Interest	% of Principal Retired
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total		
2018	\$ 460,000	\$ 183,775	\$ 643,775	\$ 935,000	\$ 147,425	\$ 1,082,425	\$ 185,000	\$ 324,838	\$ 509,838	\$ 2,236,038	7.77%
2019	480,000	168,775	648,775	955,000	124,425	1,079,425	185,000	321,138	506,138	2,234,338	15.74%
2020	500,000	152,225	652,225	980,000	100,850	1,080,850	190,000	317,438	507,438	2,240,513	23.95%
2021	510,000	135,150	645,150	1,010,000	71,525	1,081,525	195,000	313,638	508,638	2,235,313	32.39%
2022	525,000	118,650	643,650	1,050,000	36,075	1,086,075	200,000	309,738	509,738	2,239,463	41.12%
2023-2027	2,160,000	364,688	2,524,688	600,000	9,000	609,000	1,085,000	1,455,540	2,540,540	5,674,228	60.03%
2028-2032	1,080,000	88,400	1,168,400	-	-	-	1,275,000	1,257,940	2,532,940	3,701,340	71.62%
2033-2037	-	-	-	-	-	-	1,560,000	976,927	2,536,927	2,536,927	79.29%
2038-2042	-	-	-	-	-	-	1,925,000	618,200	2,543,200	2,543,200	88.76%
2043-2047	-	-	-	-	-	-	2,285,000	245,700	2,530,700	2,530,700	100.00%
	<u>\$ 5,715,000</u>	<u>\$ 1,211,663</u>	<u>\$ 6,926,663</u>	<u>\$ 5,530,000</u>	<u>\$ 489,300</u>	<u>\$ 6,019,300</u>	<u>\$ 9,085,000</u>	<u>\$ 6,141,097</u>	<u>\$15,226,097</u>	<u>\$ 28,172,060</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.

2015 TAX ANTICIPATION NOTES

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

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Taxing Body	Debt Amount	As Of	%Ovlp	Ovlp Amt
Brownsville Nav Dist	\$2,960,000 *	09/30/18	29.86	\$883,856
Cameron Co	166,985,000 *	09/30/18	13.01	21,724,749
Laguna Madre Water Dist	14,355,000 *	09/30/18	72.90	10,464,795
Point Isabel ISD	14,825,000 *	09/30/18	68.10	10,095,825
Texas Southmost College	42,580,000 *	09/30/18	19.75	8,409,550
				-----
Total Overlapping Debt:				\$51,578,775
South Padre Island, City of			09/30/18	\$9,850,000*
				-----
Total Direct and Overlapping Debt:				\$61,428,775
Total Direct and Overlapping Debt % of A.V.:				2.40%
Total Direct and Overlapping Debt per Capita:				\$21,706

\* 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

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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

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### OVERVIEW AND STATEMENT OF PURPOSE

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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

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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.

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## ANNUAL OPERATING BUDGET

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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 1<sup>st</sup>.
  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

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- 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

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- A. **Appropriations** – The point of budget control is at the department level budget for all funds. The Department Directors shall manage budgets to ensure that appropriations are not exceeded. Budgets are approved by the City Council within a department (personnel costs, supplies, maintenance, operations/maintenance and capital.)

- B. **Central Control** – No recognized or significant salary or capital budgetary savings in any Department shall be spent by the Department Head without prior authorization from the City Manager. This control will realize budget savings each year that will be available for transfer by the City Manager, without further City Council action.
- C. **Budget Transfers** – The *Charter (Section 5.07(d))* provides that the City Manager may transfer balances within departments and programs. A Department Director may request a transfer between line items, or categories of items through the City Manager. Finance will make the adjustment upon approval from the City Manager.
- D. **Purchasing** – All City purchases of goods or services will be made in accordance with the City’s current Purchasing Policy and Procedures and with State law.
- E. **Prompt Payment** – All invoices approved for payment by the proper City authorities shall be paid within thirty (30) calendar days of receipt of goods or services or invoice date, whichever is later in accordance with State law. The City will take advantage of all purchase discounts, when possible.

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## STAFFING

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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.

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## ECONOMIC DEVELOPMENT

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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

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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

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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.

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### ACCOUNTING, AUDITING AND FINANCIAL REPORTING

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- 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.

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### RISK AND ASSET MANAGEMENT

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- 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

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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.

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#### OTHER FUNDING ALTERNATIVES

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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

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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

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- 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

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### ORDINANCE NO. 18-20

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, 2018 AND ENDING SEPTEMBER 30, 2019; 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	\$	6,383,579
Operating Revenue		12,195,856
Total Resources		18,579,435
Expenditures		(12,195,628)
Ending Fund Balance	\$	6,383,807
Total Regular Personnel:		119.2

**HOTEL/MOTEL FUND:**

Beginning Fund Balance	\$	3,283,656
Operating Revenue		6,393,110
Total Resources		9,676,766
Expenditures		(6,388,103)
Ending Fund Balance	\$	3,288,663
Total Regular Personnel:		15

**VENUE PROJECT FUND:**

Beginning Fund Balance	\$	2,345,361
Operating Revenue		<u>1,901,899</u>
Total Resources		4,247,260
Expenditures		<u>(506,138)</u>
Ending Fund Balance	\$	<u>3,741,122</u>

**CONVENTION CENTRE FUND:**

Beginning Fund Balance	\$	3,013,101
Operating Revenue		<u>1,516,487</u>
Total Resources		4,529,588
Expenditures		<u>(1,507,001)</u>
Ending Fund Balance	\$	<u>3,022,587</u>

Total Regular Personnel: 10

**PARKS, RECREATION AND  
BEAUTIFICATION**

Beginning Fund Balance	\$	10,485
Operating Revenue		<u>78,896</u>
Total Resources		89,381
Expenditures		<u>(78,896)</u>
Ending Fund Balance	\$	<u>10,485</u>

Total Regular Personnel: 1

**MUNICIPAL COURT  
TECHNOLOGY FUND**

Beginning Fund Balance	\$	20,459
Operating Revenue		<u>10,000</u>
Total Resources		30,459
Expenditures		<u>(9,685)</u>
Ending Fund Balance	\$	<u>20,774</u>

**MUNICIPAL COURT SECURITY  
FUND**

Beginning Fund Balance	\$	49,479
Operating Revenue		<u>7,000</u>
Total Resources		56,479
Expenditures		<u>(6,840)</u>
Ending Fund Balance	\$	<u>49,639</u>

**TRANSPORTATION GRANT**

Beginning Fund Balance	\$	103,878
Operating Revenue		4,870,404
Total Resources		4,974,282
Expenditures		(4,870,404)
Ending Fund Balance	\$	103,878

Total Regular Personnel: 21

**STREET IMPROVEMENT FUND**

Beginning Fund Balance	\$	32,320
Operating Revenue		-
Total Resources		32,320
Expenditures		(10,000)
Ending Fund Balance	\$	22,320

**DEBT SERVICE:**

Beginning Fund Balance	\$	328,666
Operating Revenue		1,608,201
Total Resources		1,936,867
Expenditures		(1,731,201)
Ending Fund Balance	\$	205,666

**TIRZ**

Beginning Fund Balance	\$	137,995
Operating Revenue		74,871
Total Resources		212,866
Expenditures		(52,000)
Ending Fund Balance	\$	160,866

**EDC DEBT SERVICE**

Beginning Fund Balance	\$	383,708
Operating Revenue		390,650
Total Resources		774,358
Expenditures		(393,750)
Ending Fund Balance	\$	380,608

**VENUE DEBT SERVICE**

Beginning Fund Balance	\$	72,834
Operating Revenue		506,138
Total Resources		578,972
Expenditures		(506,138)
Ending Fund Balance	\$	72,834



**VENUE TAX CONSTRUCTION**

Beginning Fund Balance	\$	8,653,425
Operating Revenue		-
Total Resources		<u>8,653,425</u>
Expenditures		<u>(4,000,000)</u>
Ending Fund Balance	\$	<u>4,653,425</u>

**BEACH MAINTENANCE**

Beginning Fund Balance	\$	1,945,018
Operating Revenue		<u>1,901,899</u>
Total Resources		<u>3,846,917</u>
Expenditures		<u>(1,707,763)</u>
Ending Fund Balance	\$	<u>2,139,154</u>

Total Regular Personnel: 9.8

**BEACH ACCESS FUND**

Beginning Fund Balance	\$	160,362
Operating Revenue		-
Total Resources		<u>160,362</u>
Expenditures		<u>(100,000)</u>
Ending Fund Balance	\$	<u>60,362</u>

**BAY ACCESS**

Beginning Fund Balance	\$	40,407
Operating Revenue		<u>37,479</u>
Total Resources		<u>77,886</u>
Expenditures		<u>(37,479)</u>
Ending Fund Balance	\$	<u>40,407</u>

Total Regular Personnel: 1

**CAPITAL REPLACEMENT PLAN**

Beginning Fund Balance	\$	24,131
Operating Revenue		<u>225,000</u>
Total Resources		<u>249,131</u>
Expenditures		<u>(147,461)</u>
Ending Fund Balance	\$	<u>101,670</u>

**EDC**

Beginning Fund Balance	\$	735,605
Operating Revenue		<u>825,785</u>
Total Resources		<u>1,561,390</u>
Expenditures		<u>(825,785)</u>
Ending Fund Balance	\$	<u>735,605</u>

Total Regular Personnel: 1

**BEACH NOURISHMENT**

Beginning Fund Balance	\$	2,535,692
Operating Revenue		<u>475,475</u>
Total Resources		3,011,167
Expenditures		<u>(580,000)</u>
Ending Fund Balance	\$	<u>2,431,167</u>

**BNC FACILITY MAINTENANCE**

Beginning Fund Balance	\$	-
Operating Revenue		<u>67,600</u>
Total Resources		67,600
Expenditures		<u>(67,600)</u>
Ending Fund Balance	\$	<u>-</u>

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

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

Section 4. This Ordinance shall become effective immediately.


PASSED, APPROVED AND ADOPTED on First Reading, this 5th day of September 2018.

PASSED, APPROVED AND ADOPTED on Second Reading, this 19th day of September 2018.

ATTEST:

**CITY OF SOUTH PADRE  
ISLAND, TEXAS**

  
\_\_\_\_\_  
Susan Hill, City Secretary

  
\_\_\_\_\_  
Dennis Stahl, Mayor





## GLOSSARY OF KEY TERMS

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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.