



2014-2015 ADOPTED BUDGET



4601 Padre Boulevard • South Padre Island, Texas 78597 • 956.761.6457 • Fax 956.761.3888

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Alex Avalos, City Council Member, Place 2

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City Manager**

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Assistant City Manager**

**Randy Smith
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**Marcus Smith
Fire Chief**

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Bureau Director**

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Budget Presentation
Award*

PRESENTED TO

**City of South Padre Island
Texas**

For the Fiscal Year Beginning

October 1, 2012

Christopher P. Movill

President

Jeffrey R. Egan

Executive Director



October 1, 2014

City of South Padre Island

Fiscal Year 2014-2015 Budget Message

It is our pleasure to present to you the 2014-2015 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 or unfunded, service levels provided to the citizens and the costs associated with providing those services.

The Fiscal Year in Review

Before discussing the 2014-2015 Budget, let us first look at the major accomplishments of the City during the past year. While many great things went on in every department of the City, the Public Works department has undertaken many projects this past year to improve infrastructure and beautify the City of South Padre Island. Chief among them was the Street Paving Project started in 2013 and completed in February 2014 by R.M. Walsdorf, Inc., but also included sidewalk improvements, park improvements, and Phase 2 of the Gulf Boulevard improvements.

This year the Public Works Department oversaw the widening of city streets such as Huisache & Morningside with the Street Improvement Project. The total cost for this project was \$407,000 and included repairs to the following streets: East Huisache, East Morningside, West Acapulco, West Campeche, Laguna Boulevard, and Gulf Boulevard. This year the Public Works Department also began correcting some of the issues brought up in Phase 1 of the Gulf Boulevard Project. The project started last fiscal year and the total estimated cost is \$717,000. Phase 2 began in August and is focused on fixing parking spaces and sidewalks. This project along with the Street Improvement Project included much needed improvements to our streets.

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Finally, the Public Works Department also helped make improvements at Water Tower Park. Rubber mats were installed in the kid's playground at the cost of \$30,000. They also planted Sabal palms donated by the Parks & Recreation Committee.

For the 24th consecutive year, the City of South Padre Island has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States (GFOA) for the 2013 Comprehensive Annual Financial Report. This is the highest form of recognition in the area of governmental accounting and financial reporting. The City also received the Distinguished Budget Presentation Award from the GFOA, recognizing the City's commitment to meeting the highest principles of governmental budgeting.

Our website www.myspi.org was redesigned this year. Returning visitors to the site will notice new content, better navigation, more photos, a redesigned look and a more user-friendly feel. Planning for the new site began almost a year ago and gradually took shape with the input of staff and visitors to South Padre Island. We envision this site becoming a "destination website" for residents and visitors alike — the first stop for anyone interested in learning more about our great island community.

The Transit Department received approximately \$1.5 million in federal grants for the construction of the park-and-ride bus berths, bus circulation, and bus canopies for the multi-modal project. Transit staff have done a tremendous job bringing in state and federal funding for this multi-modal project and recently announced extended hours of bus service and accompanying customer service hours as well. The "WAVE" provides a service that has a significant impact on our island by facilitating travel for those who work here and for relieving traffic by allowing visitors to rely on the free transportation. Transit staff also continues to work closely with the City of Brownsville, City of McAllen, and Valley Transit Company to foster other possibilities for progressive transportation options, such as public transportation to further alleviate traffic on the island.

Other departments have found alternatives to increasing revenue, including the Municipal Court. This past March, the Municipal Court took part in the state-wide Warrant Round-Up that along with other collections brought in a record high of \$517,000 in collections.

The City's beaches continue to be a model for sound environmental management and high impact use. Three running events were held on the beach this year. The Public Works Department, and

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Beach Patrol team work hard to provide a clean, safe, and easily accessible shoreline. There is no question that South Padre Island has the best beaches on the Texas coast. Public safety, crime prevention, emergency preparedness, and keeping residents on the island safe during high impact times of the year remain our top priorities.

The Fiscal Year 2014-2015 Budget

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

The Convention Centre will be getting much needed renovations and upgrades. The Convention Centre was built in 1992, and is located on the northern end of the City of South Padre Island. In 2008, Hurricane Dolly caused extensive damage to the roof and some walls in the facility. Although the roof was replaced completely, the exterior walls and windows have not been replaced to the extent needed to bring it up to current code requirements.

The City Council agreed to spend \$4.7 million to upgrade the Convention Centre infrastructure. This will include replacement of the skylights in the lobby with windstorm-rated roofing material, replacing exterior doors, replacing a portion of the parking lot with concrete, improving site drainage, improving parking lot lighting for safety, adding landscaping, and strengthening the exterior walls of the building to increase structural integrity.

The Coastal Resources Department has been restructured into the Coastal Resources & Parks and Recreation Division. This year's grant submittals were the City's most successful attempt at receiving Coastal Management Program (CMP) funds from the Texas General Land Office (GLO). The GLO funded \$1.6 million in projects and the City was awarded approximately \$441,000 (28%) of the total funds. The City of South Padre Island was more successful than any other government entity or university that applied for funding. Projects selected include Gulf Blvd improvements,

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public walkover located at the Pearl beach access, and another cycle of South Padre's Volunteer Dune Restoration program.

The Development department worked on annexation to the northern extraterritorial jurisdiction (ETJ) areas. The annexation has been discussed in the past and it is expected that the related proceedings will be a major issue in the upcoming year. The Development department is also, currently reviewing certain sections of zoning ordinances to further improve the quality of our residential and business environment; to accommodate better parking locations, and to fine-tune implementation of the recently adopted Form-Based Code (Padre Boulevard & Entertainment District Code).

In August 2014, Elon Musk's commercial space-transport firm, SpaceX, announced they will be building a commercial launchpad in South Texas along the Gulf of Mexico with help from more than \$20 million in state and local incentives. Local officials believe the launch site, east of Brownsville near Boca Chica Beach, will create 500 jobs over a decade and require as much as \$100 million in capital investment. The SpaceX facility will cover about 50 acres along the coast, a few miles from South Padre Island, and involve a launchpad, control center, and ground-tracking station. The facility is designed to launch about a dozen commercial satellites each year. "In addition to creating hundreds of high tech jobs for the Texas workforce, this site will inspire students, expand the supplier base and attract tourists to the south Texas area," Musk said. Our city will be ready to accommodate the increase in visitors to our great island. This development along with already established programs will be the legacy and future of our thriving tourist economy.

Respectfully,

William A. DiLibero

City Manager

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EXECUTIVE SUMMARY

The FY2014/2015 Budget includes a small tax increase from 0.254384 to 0.262754. The City Council chose to adopt the effective tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years. The M&O portion of the total taxes increased by 3.4%. Total debt service payments for FY2014-2015 will consist of payments of \$645,163, which is composed of \$420,000 for principal and \$225,163 for interest.

Provided below are some additional highlights and major projects of the City included in the 2014-2015 Budget:

Revenues

- According to the 2014 appraisal rolls provided by the Cameron County Appraisal District, property values decreased by 2.4% or \$60,000,000. The effective tax rate for fiscal year 2014-15 is \$.262754/\$100 which represents an increase of \$.00837/\$100 compared to the current rate of \$.254384/\$100.
- Sales taxes are projected to increase by \$278,000 for next fiscal year resulting in a total budgetary amount of \$2,303,000.
- Mixed Beverage taxes are expected to increase by 29% or \$68,521 due to the passage of HB 3572 and an increase in allocation percentage.
- The City's Hotel Occupancy tax collections allocated to the Convention Centre are expected to produce revenues in the amount of \$6,723,000.
- Beach Nourishment is funded with one-half percent of the local hotel motel tax collected by the city for beach nourishment projects. Projected revenue is \$415,000.
- State Occupancy Tax, which is allocated to the Beach Maintenance Fund, is projected to increase by \$240,000 for next fiscal year resulting in a total budgetary amount of \$1,643,000.

Expenditures

- An increase in the indirect costs to be reimbursed by The Wave has been included in the amount of \$114,684.
- The local grant match to The Wave have been increased by \$114,684.
- The total budget for Event Sponsorships, is \$439,700.
- Marketing costs are budgeted at \$2,500,000 of this amount, \$1,800,000 is for media placement.

- The proposed budget also includes the creation of a new full time position (IT network technician) to assist in website content management of the Convention Centre, as well as computer technology related issues.
- The Convention Centre expenses included in this upcoming budget include \$100,000 for general building maintenance.
- Additional funds were budgeted to upgrade the Convention Centre internet connection, and for the purchase of computer equipment to be used in the business center that is in the initial stage of development.
- The Transportation Fund is expecting an increase in federal grants and a related increase in buildings and structures expense due to construction costs (\$1.4 million) planned to be incurred in the next fiscal year for the new multi-modal complex.
- Two additional “Wave” vehicles will be purchased in the upcoming year for a total cost of \$160,000. A total increase in the Metro Connect program of approximately \$200,000 is budgeted for next fiscal year. This is mainly associated with the purchase of three new buses.
- The cost of Phase III of the Gulf Blvd project is included in the proposed budget. The total cost is \$300,000 but the net cost for the City is \$150,000 (the remaining balance will be paid with a grant from the GLO).
- General Debt Service payments for the Fire Station and Municipal Complex in fiscal year 2014/15 are \$645,163.
- Phase II of the compensation plan approved by City Council in November of 2011 is included in the proposed 2014-15 budget at a net cost to the General Fund of \$27,000.
- The Beach Maintenance budget has been increased to account for additional personnel, which totals \$100,141 in additional payroll costs including taxes and benefits.
- The Beach Maintenance fund will purchase a new stake bed truck at an estimated cost of \$37,000 and a pick-up truck will be purchased for approximately \$25,000.
- Environmental Health Services will manage the beach Anti-Litter program at a cost of approximately \$35,000.
- A UTB Graduate Cooperative Education Partnership to study beach maintenance effects has been budgeted in the amount of \$25,000.
- Additional funds for dune walkover maintenance in the amount of \$20,000 were allocated.
- The Beach Access Fund has allocated \$300,000 to construct a dune walkover at the Pearl hotel.

Staff continued a conservative approach to forecasting revenues for the FY2014-2015 budget. Due to conservative budgeting practices in the past three years there has been a stable General Fund balance. In addition, the City Charter requires that the City maintain a fund balance equal to six months of operating expenses. These two practices have kept the City healthy financially and at the end of 2013-2014 the unaudited fund balance in the General fund is estimated to be \$5,870,419. However, after the fiscal year is closed, significant increases in fund balance may occur due to increases in sales tax collections and savings from expenditures.

BASIS OF BUDGETING

The operating budget is an estimate of revenues and expenditures for one fiscal year. Only revenues expected to be received in cash during the year or soon thereafter are included in revenue estimates, as well as any fund balance that will be used for one time expenditures during the coming year. Only amounts that will be spent or encumbered (under contract) by the end of the fiscal year are budgeted as expenditures.

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

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

STRATEGIC GOALS AND VISION STATEMENT

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

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

The purpose of developing the Comprehensive Plan was to “set forth the Town of South Padre Islands vision for its future physical and economic development. It is designed to give form to the general statement of vision by specifying the necessary steps to accomplish the vision and realize tangible outcomes.”¹ During these meetings and in subsequent meetings with the CPAC a vision statement was developed for the Town of South Padre Island. The original 2008 Comprehensive Plan can be found online at: <http://www.myspi.org/egov/docs/12928151489267.pdf>. In 2009 the Town of South Padre Island developed their own City Charter securing the benefits of home rule and changed from the Town of South Padre Island to the City of South Padre Island. In 2014, the City of South Padre Island updated their comprehensive plan. The entire 2014 Comprehensive Plan can be found online at: http://www.myspi.org/egov/documents/1410380968_9678.pdf

VISION STATEMENT

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

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

The vision statement represents the City’s desire to maintain a high quality living environment for the City’s permanent residents; protect and enhance neighborhoods, invest in infrastructure,

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

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

provide public transportation and safe roads, protect and conserve the environment and natural resources and provide appropriate public facilities and services.

MISSION STATEMENT

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

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

³ From the City of South Padre Island 2014 Comprehensive Plan, Cover pg.

CITY COUNCIL MEMBERS

Robert N. Pinkerton Jr.–Mayor



Jo Ann Evans–Mayor Pro Tem



Barry Patel–Council Member



Alex Avalos–Council Member



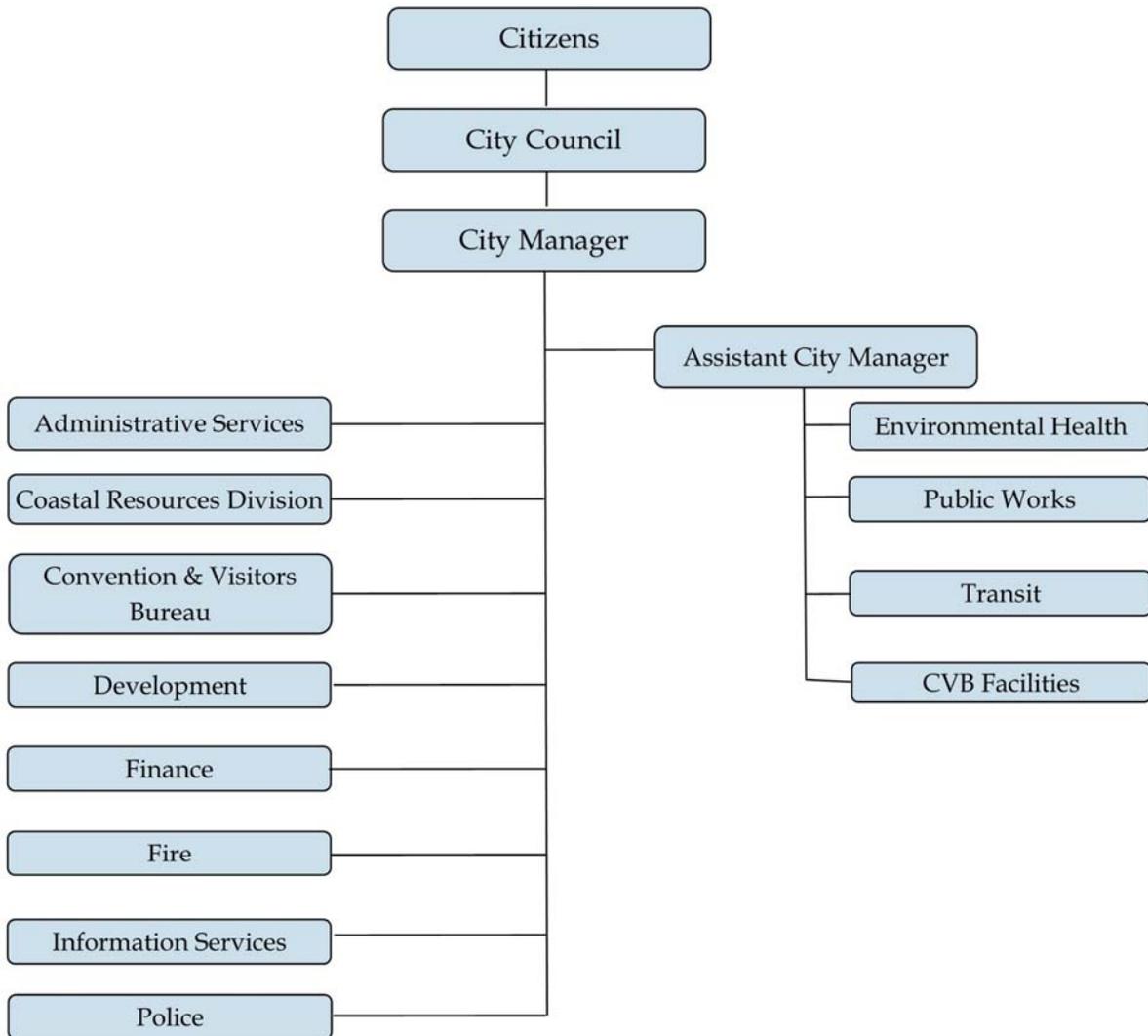
Sam Listi–Council Member



Alita Bagley–Council Member



ORGANIZATIONAL CHART



FUND DESCRIPTIONS AND FUND STRUCTURE

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

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

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

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

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

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

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

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

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

NON-MAJOR SPECIAL REVENUE FUNDS

- Municipal Court Technology Fund was established to account for monies collected on traffic fines. \$4.00 is collected on each ticket and used specifically for technology improvements in the Municipal Court.
- Municipal Court Security Fund was established to account for monies collected on traffic fines. \$3.00 is collected on each ticket and used specifically for security needs in the Municipal Court.
- Transportation Fund was established to account for the State and Federal grants awarded to the city to operate the Wave transportation system.
- Criminal Justice Fund is used to account for miscellaneous grant revenues that are received.
- Hurricane Recovery Fund was established to account for insurance, grant and local funds that will be used for future hurricane related expenditures.
- Parks and Recreation Fund was established to account for funds set aside for upgrades to City parks.
- Capital Replacement Fund was established to account for capital acquisitions which include but are not limited to fleet for police, fire, and public works.
- Street Improvement Fund is used to account for improvements on the streets of the City.

NON-MAJOR CAPITAL PROJECT FUNDS

- Construction in Progress Fund is used to account for grant revenue, bond proceeds, and expenses relating to the construction of the Fire and Emergency Services Center.
- Beach Maintenance Fund is used to clean and maintain the beach. The State of Texas remits to the City 2% of the hotel motel tax collected by the State for these efforts.
- Bay Access Fund was established to account for projects to improve access to the Laguna Madre Bay.
- Beach Access Fund was used to account for projects to improve access to the beaches of the City.
- The non-major Debt Service Fund is used to account for the accumulation of resources for the payment of long-term debt principal, interest, and related costs. An ad valorem tax rate and tax levy is required to be computed and levied, which will be sufficient to produce the dollars required to pay principal and interest as it comes due.

USE OF FUNDS BY DEPARTMENTS

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

FINANCIAL POLICIES

OVERVIEW AND STATEMENT OF PURPOSE

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

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

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

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

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

FIVE YEAR FINANCIAL PLAN

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

- A. **Capital Improvement Plan** – The plan outlines the major utility infrastructure, streets and drainage, facilities, parks and other improvements needed to serve the citizens, meet growth related needs and comply with state and federal regulations

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

ANNUAL OPERATING BUDGET

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

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

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

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

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

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

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

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

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

1. **Immediate Action** - Once a budgetary shortfall is projected, the City Manager will take the necessary actions to offset any revenue shortfall with a reduction in current expenses. The City Manager may:
 - 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.
2. **Further Action** - If the above actions are insufficient to offset the revenue deficit and the shortfall continues to increase, the City Manager will further reduce operating expenses to balance the variance. The City Manager may ask Department Directors for recommendations on reductions of service levels in order to reduce expenditures to balance the budget. Any resulting service level reductions, including workforce reductions, will be finalized by the City Council.

REVENUE MANAGEMENT

- A. **Optimum Characteristics** – The City will strive for the following optimum characteristics in its revenue system:
1. **Simplicity** – The City, where possible and without sacrificing accuracy, will strive to keep the revenue system simple in order to reduce compliance costs for the taxpayer or service recipient.
 2. **Certainty** – A knowledge and understanding of revenue sources increases the reliability of the revenue system. The City will understand its revenue sources and enact consistent collection policies to provide assurances that the revenue base will materialize according to budget and plans.
 3. **Equity** – The City shall make every effort to maintain equity in its revenue system; i.e., the City should seek to minimize or eliminate all forms of subsidization between funds.
 4. **Revenue Adequacy** – The City should require there be a balance in the revenue system; i.e., the revenue base will have the characteristics of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.
 5. **Realistic and Conservative Estimates** - Revenues will be estimated realistically, and conservatively, taking into account the volatile nature of various revenue streams.
 6. **Administration** – The benefits of a revenue source should exceed the cost of levying and collecting that revenue. Where appropriate, the City will use the administrative processes of State, Federal or County collection agencies in order to reduce administrative costs.
 7. **Diversification and Stability** – A diversified revenue system with a stable source of income shall be maintained.
- B. **Other Considerations** – The following considerations and issues will guide the City in its revenue policies concerning specific sources of funds:
1. **Non-Recurring Revenues** – One-time or non-recurring revenues should not be used to finance current ongoing operations. Non-recurring revenues should be used only for non-recurring expenditures and not for budget balancing purposes.
 2. **Property Tax Revenues** – All real and business personal property located within the City will be valued at 100% of the fair market value for any given year based on the current appraisal supplied by the Cameron County Appraisal District. Reappraisal and reassessment shall be done a minimum of once every three years as determined by the Appraisal District.
Conservative budgeted revenue estimates result in a projected ninety-six and one-half percent (96.5%) budgeted collection rate for current ad valorem taxes. Two and three-quarters percent (2.75%) of the current ad valorem taxes will be projected as the budget for delinquent ad valorem tax collection. For budgeting purposes, the City will forecast the current year's effective tax rate at the current collection rate of 96.5%, unless directed otherwise by the City Council.

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

EXPENDITURE POLICIES

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

STAFFING

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

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

ECONOMIC DEVELOPMENT

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

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

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

INTERGOVERNMENTAL RELATIONS

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

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

CAPITAL MAINTENANCE AND REPLACEMENT

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

- A. **Infrastructure Maintenance** - On-going maintenance and major repair costs are generally considered system repairs and are not capitalized for accounting purposes. They include such items as street seal coat and other general system maintenance.
- B. **Streets capital maintenance and replacement** - It is the policy of the City to annually provide funding for the Public Works Department to use for a street maintenance program.
- C. **Building capital replacement and maintenance** – It is the policy of the City to annually provide funding for major maintenance on its buildings such as air conditioning replacements, flooring, painting and other maintenance.
- D. **Technology** – It is the policy of the City to fund the maintenance and replacement of its personal computers and network servers. Major replacements for computer systems will be anticipated for a five year period and included with capital project presentations in the annual budget process.
- E. **Fleet and equipment replacement** – The City will anticipate replacing existing cars, trucks, tractors, backhoes, trailers and other equipment as necessary.
 - 1. **Capital Replacement Fund** - The City shall establish a Capital Replacement Fund to provide financial resources to replace aging fleet and equipment. Only fleet and

equipment included on the City's Fixed Assets inventory will be included on the replacement schedule.

- a) Funding - Funding will be set aside each year through the annual budget process to fund the future replacement of fleet and equipment.
- b) Sale of fleet vehicles and equipment - Any revenue generated from the sale of fleet and equipment may be deposited in the Capital Replacement Fund at the discretion of the City Manager.

ACCOUNTING, AUDITING AND FINANCIAL REPORTING

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

RISK AND ASSET MANAGEMENT

- A. **Risk Management** - The City will utilize a safety program, an employee wellness program and a risk management program to prevent and/or reduce the financial impact to the City due to claims and losses. Transfer of liability for claims through transfer to other entities through insurance and/or by contract will be utilized where appropriate. Prevention of loss through the safety program and the employee wellness program will be used.
- B. **Cash Management** - The City's cash flow will be managed to maximize the cash available to invest. Such cash management will entail the centralization of cash collections. The City shall maintain a comprehensive cash management program to include the effective collection of accounts receivable, the prompt deposit of receipts

to the City's depository, the payment of obligations, and the prudent investment of idle funds in accordance with this policy.

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

DEBT MANAGEMENT

The City of South Padre Island recognizes the primary purpose of capital facilities is to support provision of services to its residents. Using debt financing to meet the capital needs of the community must be evaluated according to efficiency and equity. Efficiency must be evaluated to determine the highest rate of return for a given investment of resources. Equity is resolved by determining who should pay for the cost of capital improvements. In meeting demand for additional services, the City will strive to balance the needs between debt financing and "pay as you go" methods. The City realizes that failure to meet the demands of a developing community may inhibit its continued economic viability, but also realizes that too much debt may have detrimental effects on the City's long-range financial condition.

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

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

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

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

B. **Types of Debt** –

1. **General Obligation Bonds (GO's)** – General obligation bonds must be authorized by a vote of the citizens of South Padre Island. They are used only to fund capital assets of the general government and are not to be used to fund operating needs of the City. The full faith and credit of the City as well as the City's ad valorem taxing authority back general obligation bonds. Conditions for issuance of general obligation debt include:
 - When the project will have a significant impact on the tax rate;
 - When the project may be controversial even though it is routine in nature; or
 - When the project falls outside the normal bounds of projects the City has typically done.
2. **Revenue Bonds** – Revenue bonds will be issued to provide for the capital needs of any activities where the capital requirements are necessary for the continuation or expansion of a service. The improved activity shall produce a revenue stream to fund the debt service requirements of the necessary improvement to provide service expansion. The average life of the obligation should not exceed the useful life of the asset(s) to be funded by the bond issue and will generally be limited to no more than twenty (20) years.
3. **Certificates of Obligation, Contract Obligations (CO's)** – Certificates of obligation or contract obligations may be used to fund capital requirements that are not otherwise covered either by general obligation or revenue bonds. Debt service for CO's may be either from general revenues (tax-supported) or supported by a specific revenue stream(s) or a combination of both. Typically, the City may issue CO's when the following conditions are met:
 - When the proposed debt will have minimal impact on future effective property tax rates;
 - When the projects to be funded are within the normal bounds of city capital requirements, such as for roads, parks, various infrastructure and City facilities; and
 - When the average life of the obligation does not exceed the useful life of the asset(s) to be funded by the issue.

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

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

OTHER FUNDING ALTERNATIVES:

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

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

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

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

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

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

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

FINANCIAL CONDITIONS, RESERVES, AND STABILITY RATIOS

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

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

INTERNAL CONTROLS

- A. **Written Procedures** –Written procedures will be established and maintained by the Finance Department for all functions involving cash handling and/or accounting throughout the City. These procedures will embrace the general concepts of fiscal responsibility set forth in this policy statement.
- B. **Department Directors Responsibility** – Each Department Director is responsible for ensuring that good internal controls and adherence to the City’s Fiscal and Budgetary Policy are followed throughout their department and that all independent auditor internal control recommendations are addressed. Departments will develop and periodically update written internal control procedures.
- C. **Fraud Risk Assessment** – The City will conduct bi-annual fraud risk self-assessment exercises with all departments. The exercise will include the identification of opportunities for the misappropriation of assets, which assets are susceptible to misappropriation, and how could the misappropriation of assets be hidden from management.

BUDGET

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

BUDGET PROCESS

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

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

The budget shall provide a complete financial plan of all City funds and activities for the ensuing fiscal year and, except as required by law or this Charter, shall be in such form as the City Manager deems desirable or the City Council may require for effective management and an understanding

of the relationship between the budget and the City's strategic goals. The budget shall begin with a clear general summary of its contents; shall show in detail all estimated income, indicating the proposed property tax levy, and all proposed expenditures, including debt service, for the ensuing fiscal year; and shall be so arranged as to show comparative figures for actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year. The plan shall provide a complete program of action for the fiscal year. It shall contain the following:

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

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

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

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

⁴ From the Home Rule Charter, 2009

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

BUDGET PROCESS SCHEDULE

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

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

Dates	Topics
April 18	Kick-Off Meeting for Staff: FY 2014/2015 Budget and Five Year Operational Plan forms and instructions distributed to City Departments.
April 21	Capital Improvement Plan (CIP) forms and instructions posted on the City’s website and distributed to City departments and public Outside Agency Funding Applications provided to agencies and posted on website
April 25	Staffing and Technology requests are due to HR and IS for review
April 28	Review Staffing Requests (HR, Finance, CM) Review Technology Requests (HR, Finance, CM)
May 9	Departmental Five Year Operational plan reviews with City Manager and Finance Director Due date for Revenue Projections from Departments
May 12-16	Departmental Budget reviews with City Manager and Finance Dept.
May 21	City Council to appoint CIP Advisory Committee
May 23	CIP project request forms due Outside Agency Applications for Funding due to City Secretary
June 4	Budget Workshop
June 4	Agenda item for Council to evaluate Outside Agency Funding Requests
June 6	Preliminary list of projects, scoring criteria and score sheets distributed to CIP Advisory Committee

June 16	CIP Advisory Committee meetings to review projects and develop consensus scores
June 18	Budget Workshop
	Review projects for CIP
	Review fee schedule
June 18	Agenda item to review EDC Budget
June 20	CIP Advisory Committee consensus project score sheet finalized
	Publish the general summary of the CIP and note where copies of the CIP are available for inspection
July 21	Cameron County Appraisal District certifies tax roll
July 30 Special Meeting	Proposed Budget and Proposed 5 year CIP submitted to City Council on or before 60 days from beginning of fiscal year (Home Rule Charter Section 5.02)
August 1	Last day to file budget with City Secretary; post on website
August 6	Conduct 1 st Public Hearing for discussion of Tax Rate (<i>only necessary if proposed tax rate is above the effective tax rate</i>)
	Conduct Public Hearing for discussion of 5 year CIP
August 20	Conduct 2 nd Public Hearing for discussion of Tax Rate (<i>only necessary if proposed tax rate is above the effective tax rate</i>)
	Conduct Public Hearing regarding FY 2014/2015 Budget.
September 3	Consideration and action on approval of Resolution No. _____ adopting the CIP with or without amendment
	Consideration and action on FIRST reading of Ordinance No. _____ approving and adopting a fiscal year 2014/2015 Fee Schedule 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 2014 and setting the assessed valuation, providing for discounts, penalty, interest and severability
	Consideration and action on FIRST reading of Ordinance No. _____ approving and adopting a fiscal year 2014/2015 budget for the City of South Padre Island

September 17	Consideration and action on SECOND and FINAL reading of Ordinance No. _____ approving and adopting a fiscal year 2014/2015 Fee Schedule for the City of South Padre Island
	Consideration and action on SECOND and FINAL reading of Ordinance No. _____ establishing the ad valorem and personal tax rate for 2014/2015 and setting the assessed valuation, providing for discounts, penalty, interest, and severability
	Consideration and action on SECOND and FINAL reading of Ordinance No. _____ approving and adopting a fiscal year 2014/2015 budget for the City of South Padre Island

BUDGET REVIEW

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

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

EFFECTIVE TAX RATE

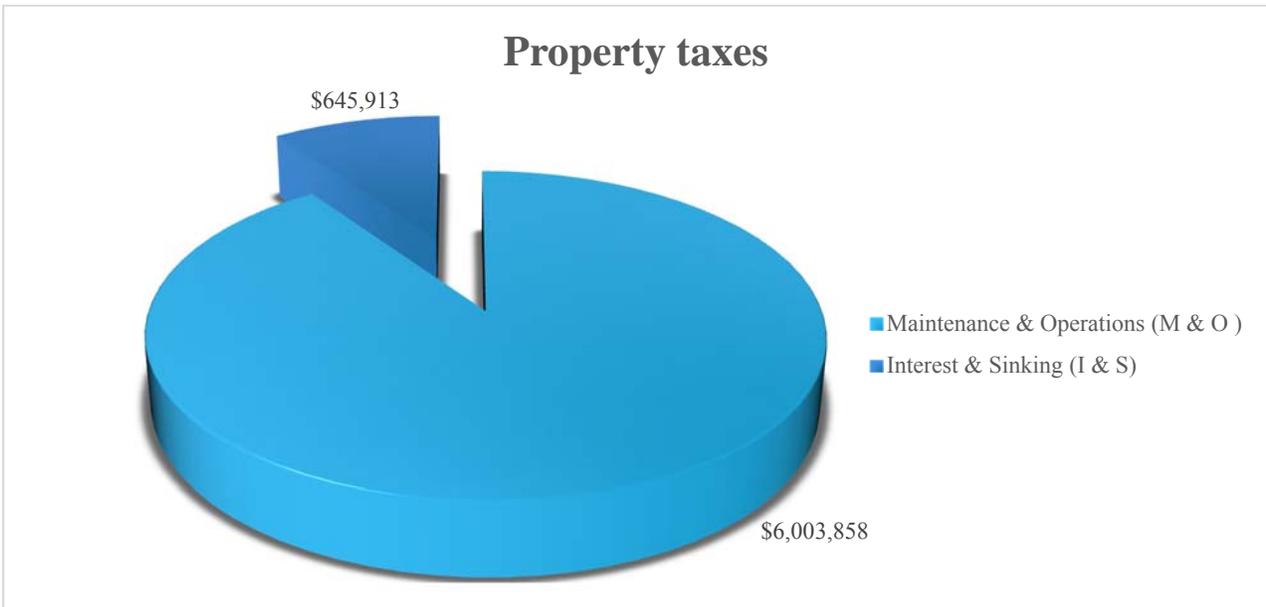
The City Council has adopted an effective tax rate of \$0.262754 cents per \$100 valuation, which represents an increase of \$0.00837 compared to the tax rate adopted last year. By adopting this new tax rate, the City is expecting to collect approximately \$10,374 in current property tax more than fiscal year 2013/14.

ALL FUNDS SUMMARY: REVENUES

Revenue projections are based in accordance to the guidance established by the financial policy. General Fund revenues are budgeted to total \$10,524,897, excluding other financing sources. This represents a 3.3 % increase over the FY 2014 budgeted revenues. The Hotel/Motel Fund and Convention Centre Fund have total projected revenue of nearly \$7.0 million, which is a 9.5% increase from the previous year.

Property tax represents 25% of total revenue. The effective property tax rate of \$0.262754 was adopted for the following uses: An annual tax of 0.235468 for each \$100 assessed value is levied for current City expenditures, general improvements of the City and its property. This tax rate will raise more taxes for maintenance and operations than last year's tax rate. A tax of 0.027286 for each \$100 worth of property was levied for purposes of creating an interest and sinking fund for the retirement of general obligation bonds. The property taxes are billed and collected by the Cameron County Tax Assessor based on the Cameron County Appraisal District adjusted taxable property values. Discounts for early payment of current year taxes apply from October through December of the current calendar year. Any payment not timely made shall bear penalty and interest as is provided by state law.

General Fund revenues are budgeted to total \$10,524,897.



Non-property taxes include hotel/motel occupancy, 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.

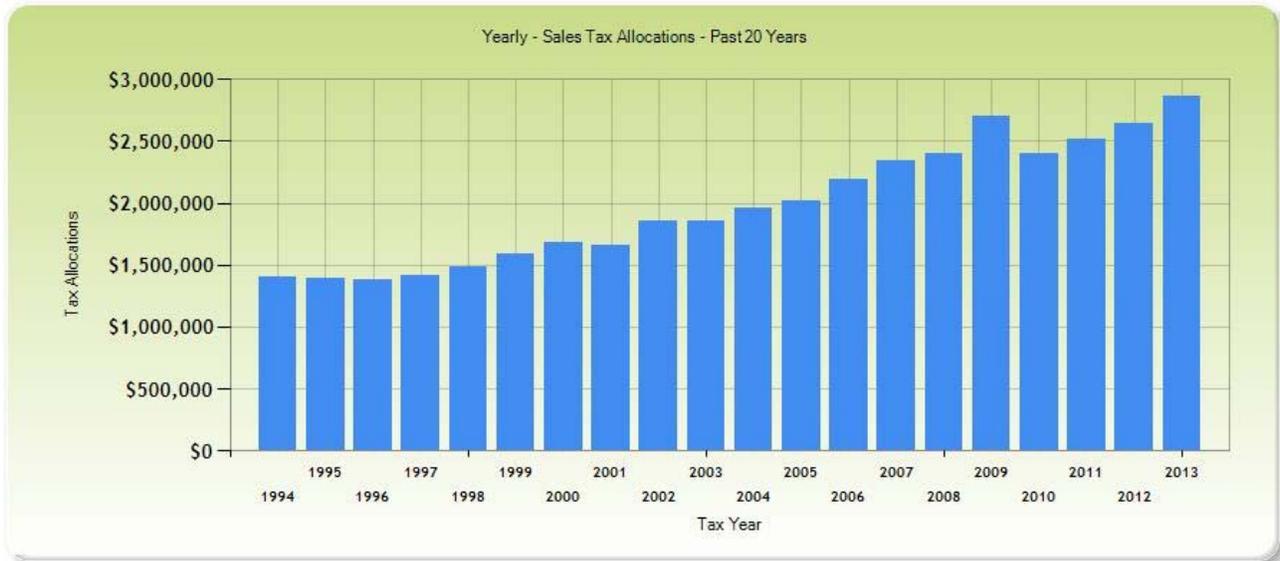
Local Hotel/Motel tax rate: 8.5%

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

Hotel/motel taxes are estimated to be \$8,782,259 and are deposited into Hotel/Motel Fund, Convention Centre Fund, Beach Nourishment Fund, and Beach Maintenance Fund. This revenue represents 34% of the total estimated revenue. The City has a 14.5% Hotel/Motel tax (6% to State of Texas of which 2% is remitted back to the City to finance the Beach Maintenance Fund, 8% for use by the Convention and Visitors Center, and 0.5% for beach nourishment).

Sales tax revenues are anticipated to reach \$3,028,021, constituting 12% of total revenue, and are deposited into General Fund and EDC Fund. The City has a total

sales tax rate of 8.25% allocated as follows: 1.5% to City of SPI, 0.5% to EDC, and 6.25% to State of Texas. Sales tax revenue for the General Fund is forecasted to be \$278,000 more compared to the budgeted revenues for fiscal year 2013-2014.

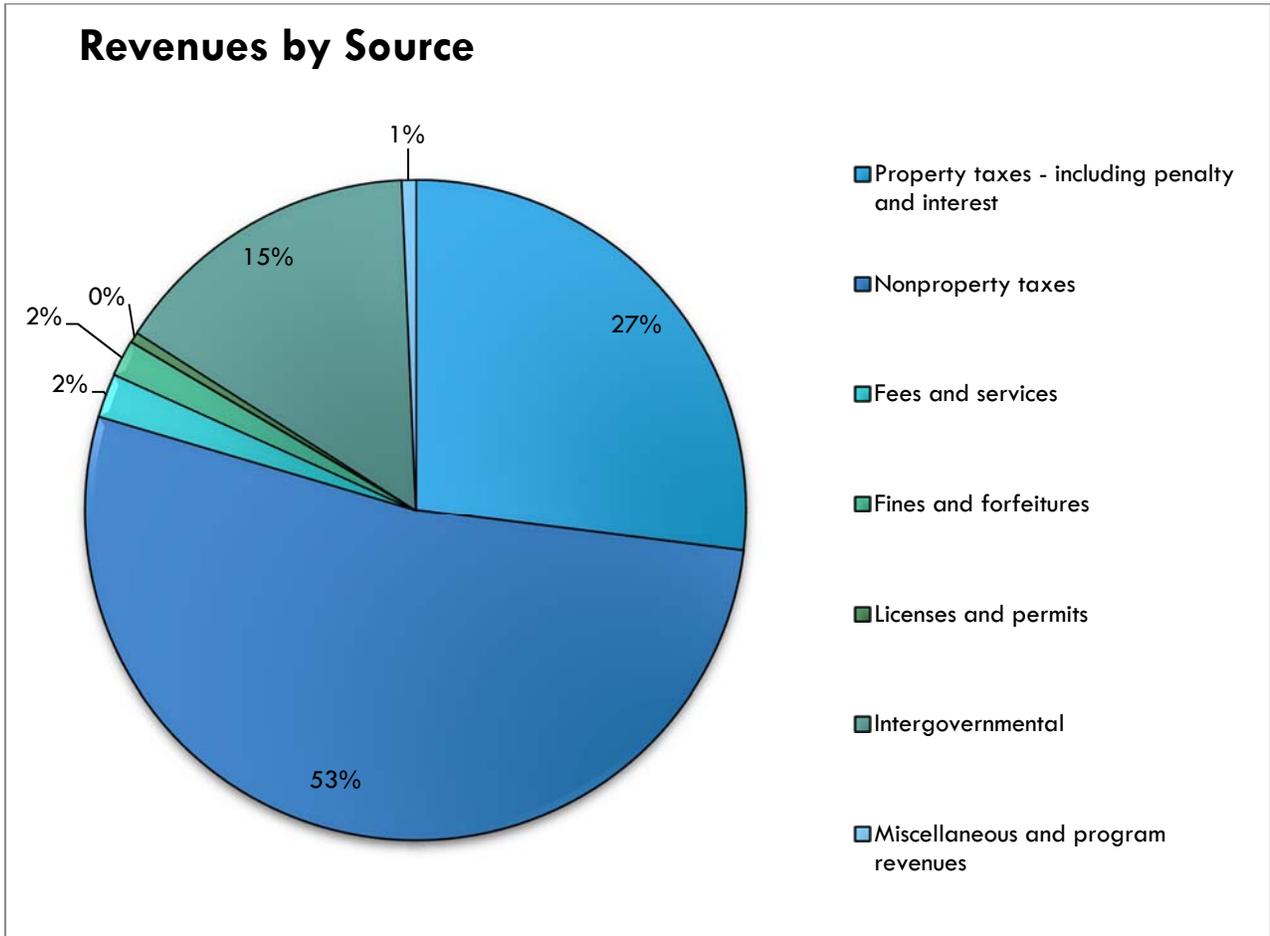


Franchise taxes are received from four utility providers. The estimated fees to be received are \$867,578 from electricity, telephone, cable television, and sold waste services. \$284,719 is expected to be received from mixed beverage taxes collected on the sale of alcohol. These two revenue items represent 4% 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 \$532,500, which is 2% of total revenue.

Fines and forfeitures resulting from municipal court activity are \$433,600. This projected revenue includes \$14,000 from Municipal Court fees collected in accordance with state law to enhance Court security, technology, and training.

Federal and state grants represents 14% or \$3.7 million of total revenue. Transportation grants to finance the island’s free public transportation, known as the “Wave”, are expected to reach \$3.3 million.

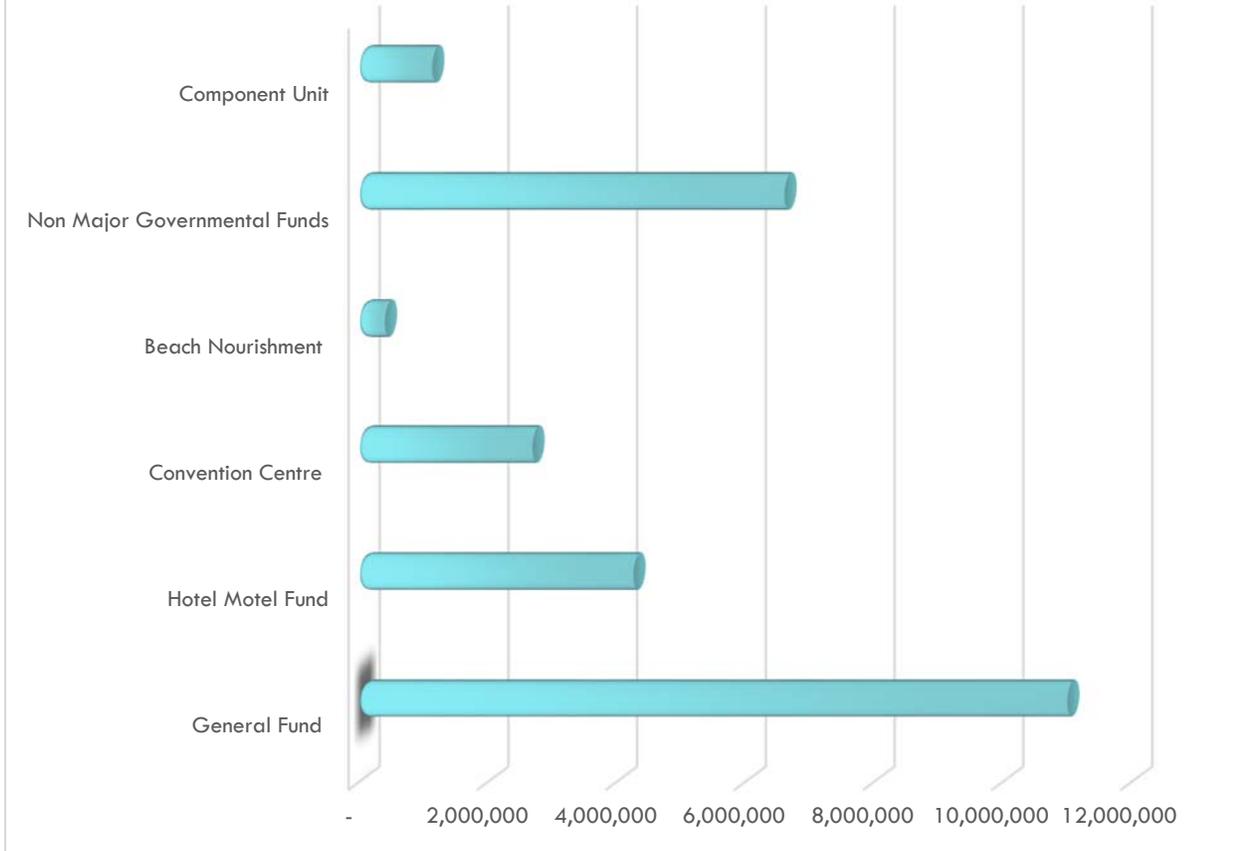


• • •

Non property taxes is the major source of revenue (53%)

• • •

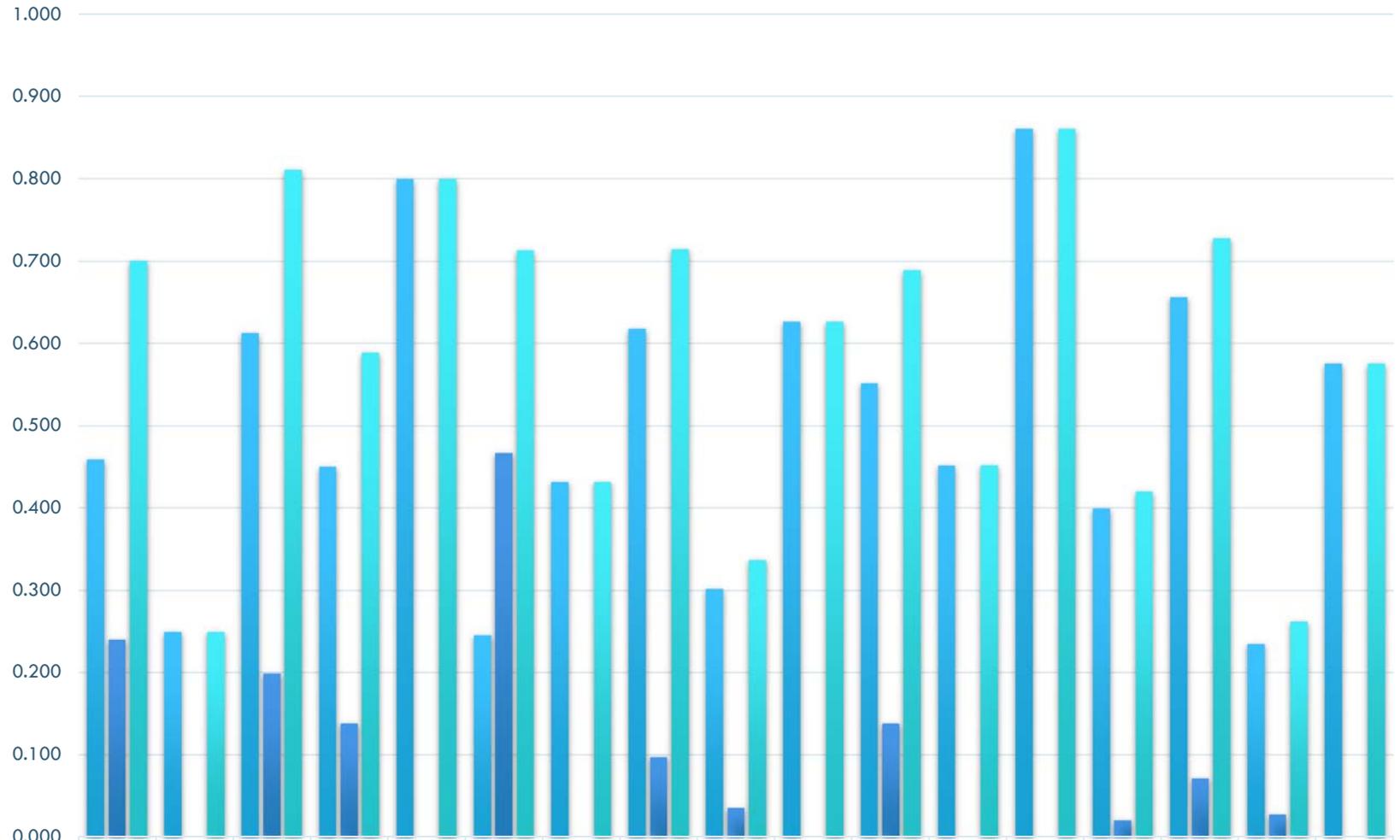
Revenues by Fund



• • •
*General Fund revenues
represent 42% of total revenues*

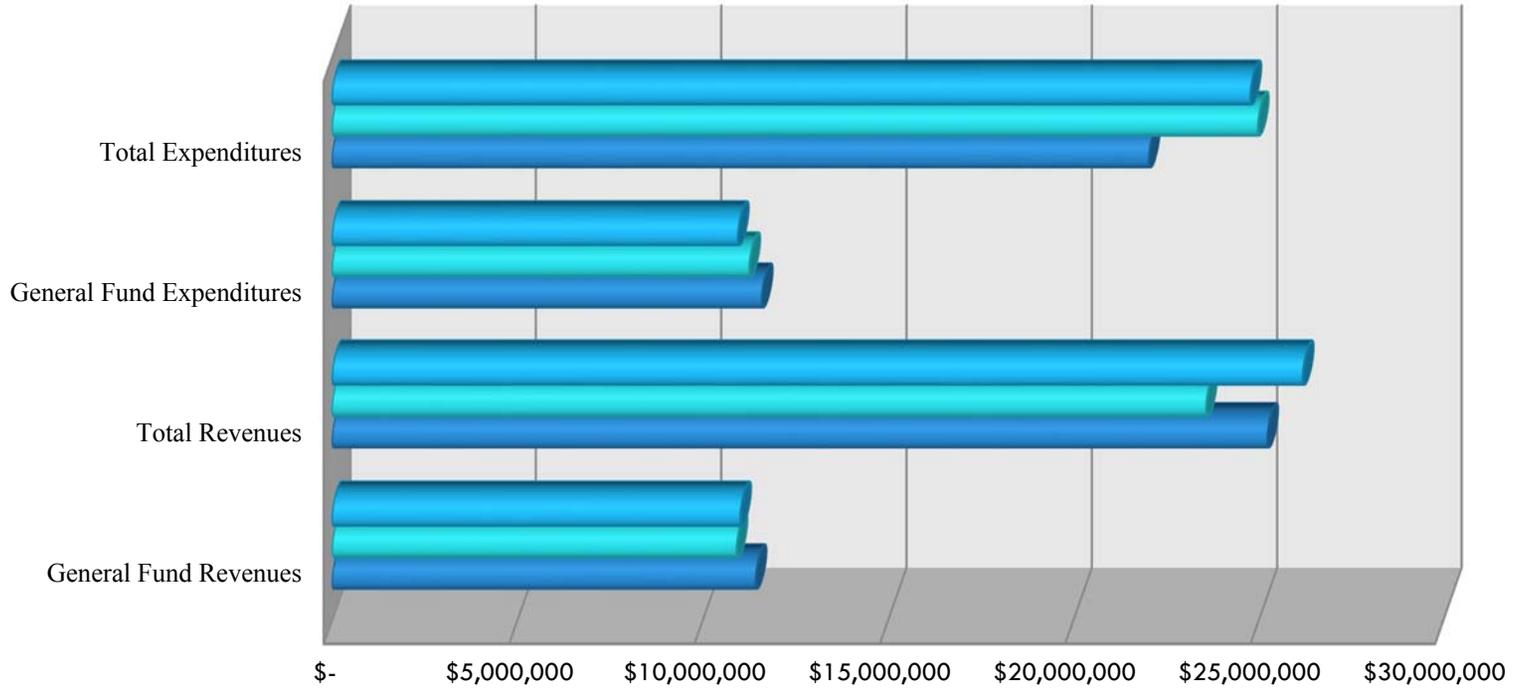
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Cameron County Cities Tax Rates 2014



■ M&O	0.45974	0.25000	0.61248	0.45090	0.80000	0.24615	0.43236	0.61768	0.30206	0.62632	0.55176	0.45254	0.86060	0.39937	0.65684	0.23546	0.57583
■ I&S	0.24086	0.00000	0.19861	0.13792	0.00000	0.46743	0.00000	0.09731	0.03522	0.00000	0.13783	0.00000	0.00000	0.02053	0.07128	0.02728	0.00000
■ Total	0.70061	0.25000	0.81109	0.58882	0.80000	0.71358	0.43236	0.71500	0.33729	0.62632	0.68960	0.45254	0.86060	0.41990	0.72812	0.26275	0.57583

FINANCIALS OF THE LAST THREE FISCAL YEARS



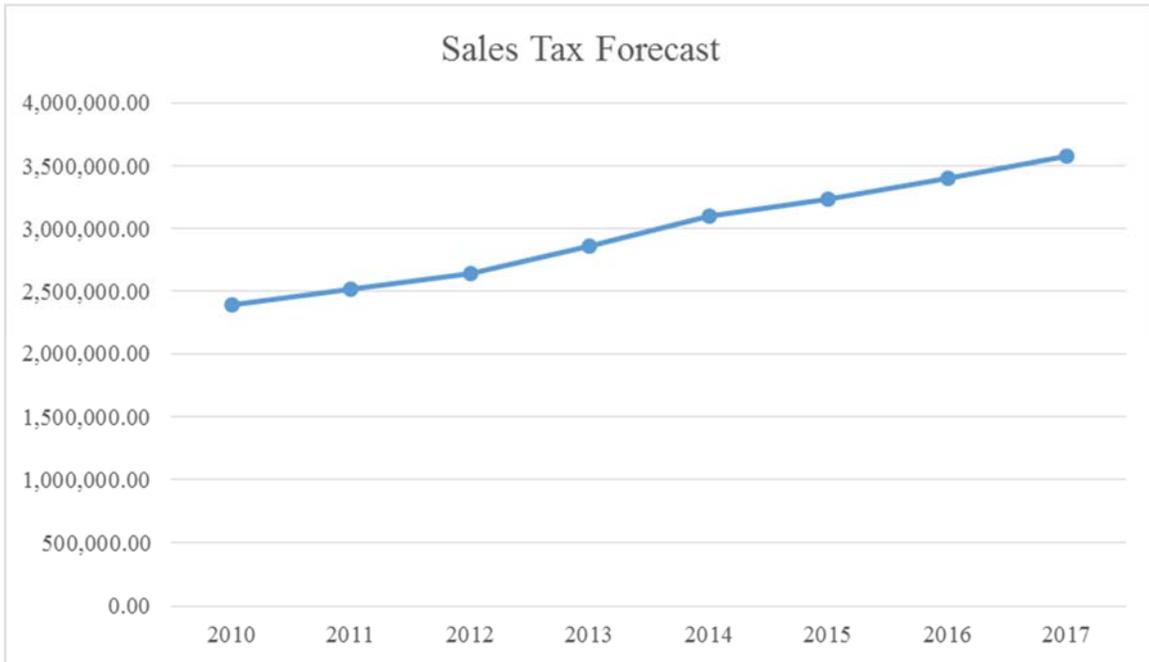
	General Fund Revenues	Total Revenues	General Fund Expenditures	Total Expenditures
■ 2014/15	\$11,017,129	\$26,193,908	\$10,954,283	\$24,779,355
■ 2013/14	\$10,919,404	\$23,586,930	\$11,262,811	\$24,981,553
■ 2012/13	\$11,433,382	\$25,236,419	\$11,598,192	\$22,046,052

2014/2015 Budget
 2013/2014 Unaudited Actuals
 2012/2013 Actuals

(Calculations as of 9-8-2014)

LONG-RANGE REVENUE FORECAST

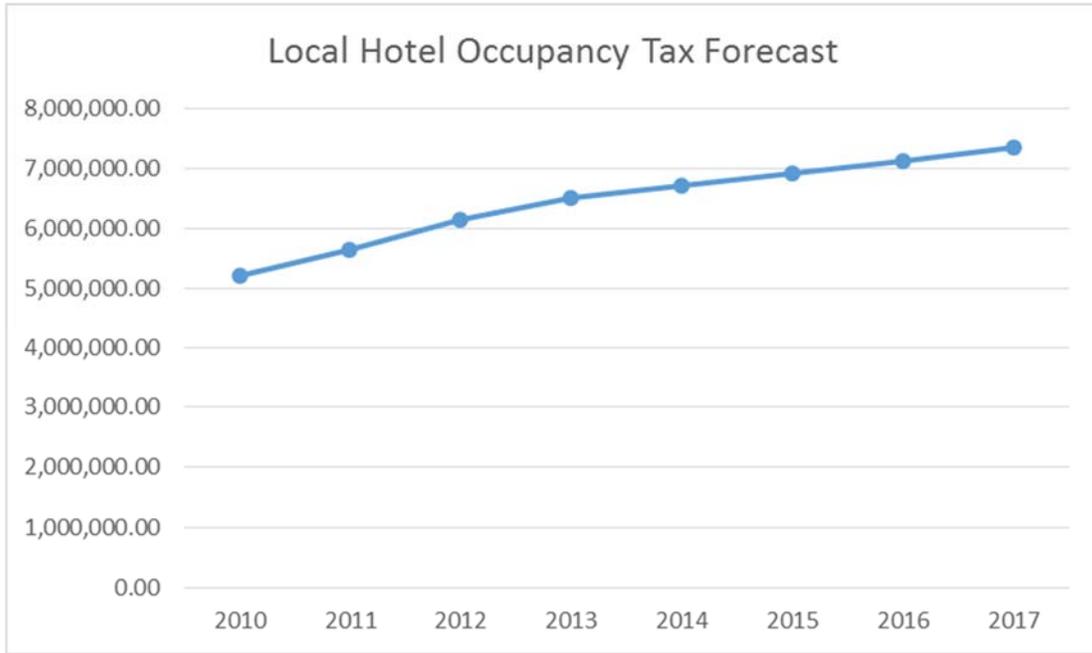
The annual budget is a dynamic document that will be adjusted as the City proceeds through FY 2014-2015. This budget document continues our efforts to establish a strategic approach to align our resources and programs to the priorities of our citizens. The purpose of the five-year plan is to project the financial impact of current budgetary decisions on future fiscal years.



<u>Sales Tax</u>	
<u>Calendar Year</u>	<u>Amount</u>
2010	2,396,651.85
2011	2,519,045.26
2012	2,645,911.50
2013	2,863,859.57
2014	3,098,740.09
2015	3,229,538.89
2016	3,404,437.97
2017	3,579,337.05

	Actual
	Forecast

The greatest contributor of sales tax revenue is our full-service restaurant industry. This highly competitive industry is mostly dependent on tourism as is most of the local economy. We are projecting a steady rise in sales tax revenue using linear regression.



Local Hotel Occupancy Tax

<u>Calendar Year</u>	<u>Amount</u>
2010	5,206,944.38
2011	5,634,650.64
2012	6,144,013.68
2013	6,519,775.29
2014	6,723,606.58
2015	6,925,314.78
2016	7,133,074.22
2017	7,347,066.45

Actual
 Forecast

Two new full service resort hotels have opened in our City in the last 4 years. Both of these resorts are top 10 taxpayers of Hotel Occupancy Tax. We are conservatively projecting an increase in hotel occupancy tax of approximately 3% in the next few years.

Property Tax

Although the city has experienced slight decreases in property tax values, it has been the practice of City Council to adopt at least the effective tax rate in order to offset the loss of assessed values. An annexation to the northern extraterritorial jurisdiction (ETJ) area is possible. This annexation has been discussed in past years and it is expected that the related proceedings will be a major issue in the upcoming year. At this time, no estimate of property tax is available for this jurisdiction.

BUDGET DOCUMENT BY FUND

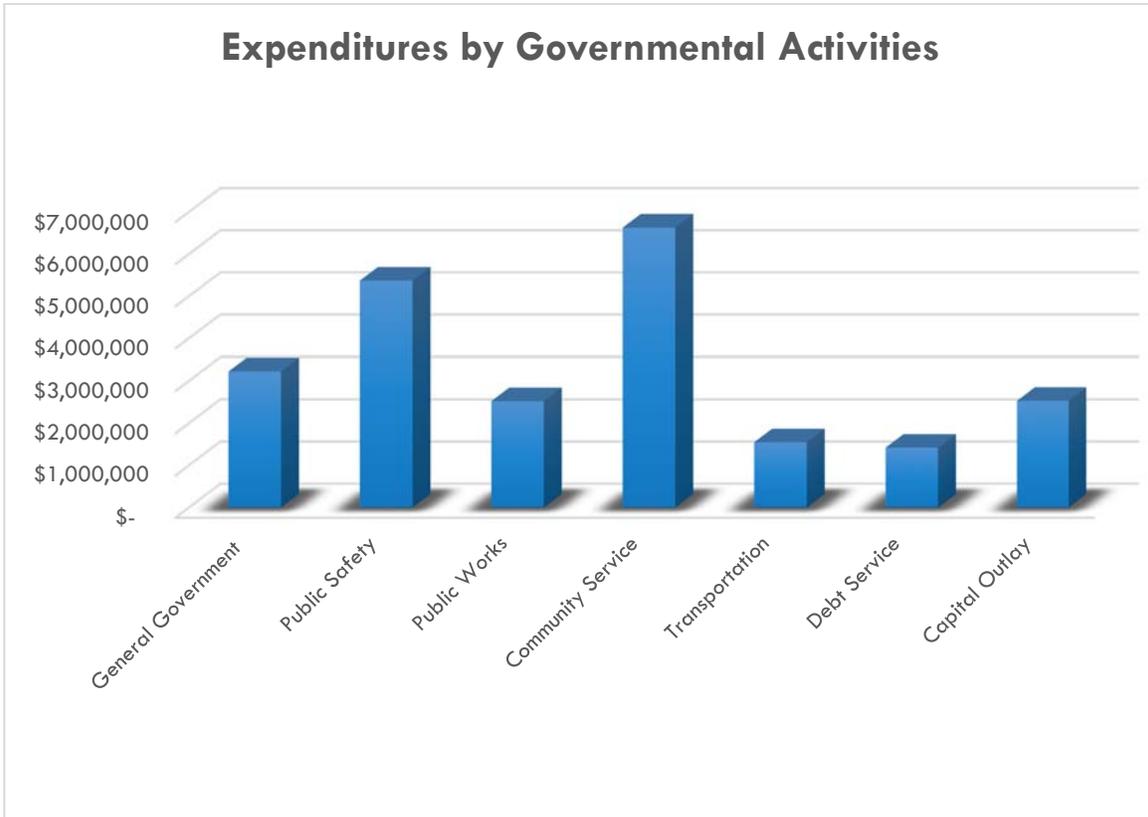
Budget Highlights

- *Revenue to remain flat compared to fiscal year 2013/2014 (excluding other financing sources)*
 - *New tax rate: 0.262754 (M&O 0.235468, I&S 0.027286)*
 - *Sales taxes are projected to increase by \$278,000*
 - *State Occupancy Tax, which is allocated to the Beach Maintenance Fund, is projected to increase by \$240,000*
 - *Two additional “Wave” vehicles will be purchased at a cost of \$160,000. An increase in the Metro Connect program of approximately \$200,000 is mainly associated with the purchase of three new buses.*
 - *The Beach Maintenance budget has been increased to account for additional personnel, which totals \$100,141 in additional payroll costs including taxes and benefits.*
 - *\$300,000 earmarked for street improvements*
-

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

BUDGET DOCUMENT

EXPENDITURES BY GOVERNMENTAL ACTIVITIES



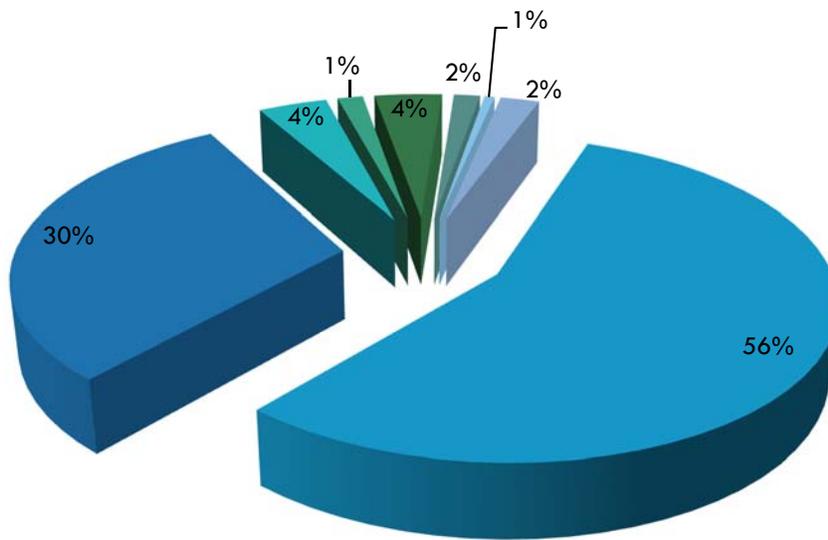
EXPENDITURES BY GOV. ACTIVITY	BUDGET
GENERAL GOVERNMENT	\$3,223,738
PUBLIC SAFETY	\$5,368,011
PUBLIC WORKS	\$2,520,402
COMMUNITY SERVICE	\$6,626,461
TRANSPORTATION	\$1,544,860
DEBT SERVICE	\$1,417,503
CAPITAL OUTLAY	\$2,529,000
TOTAL EXPENDITURES	\$23,229,974

GENERAL FUND SUMMARY

GENERAL FUND REVENUES

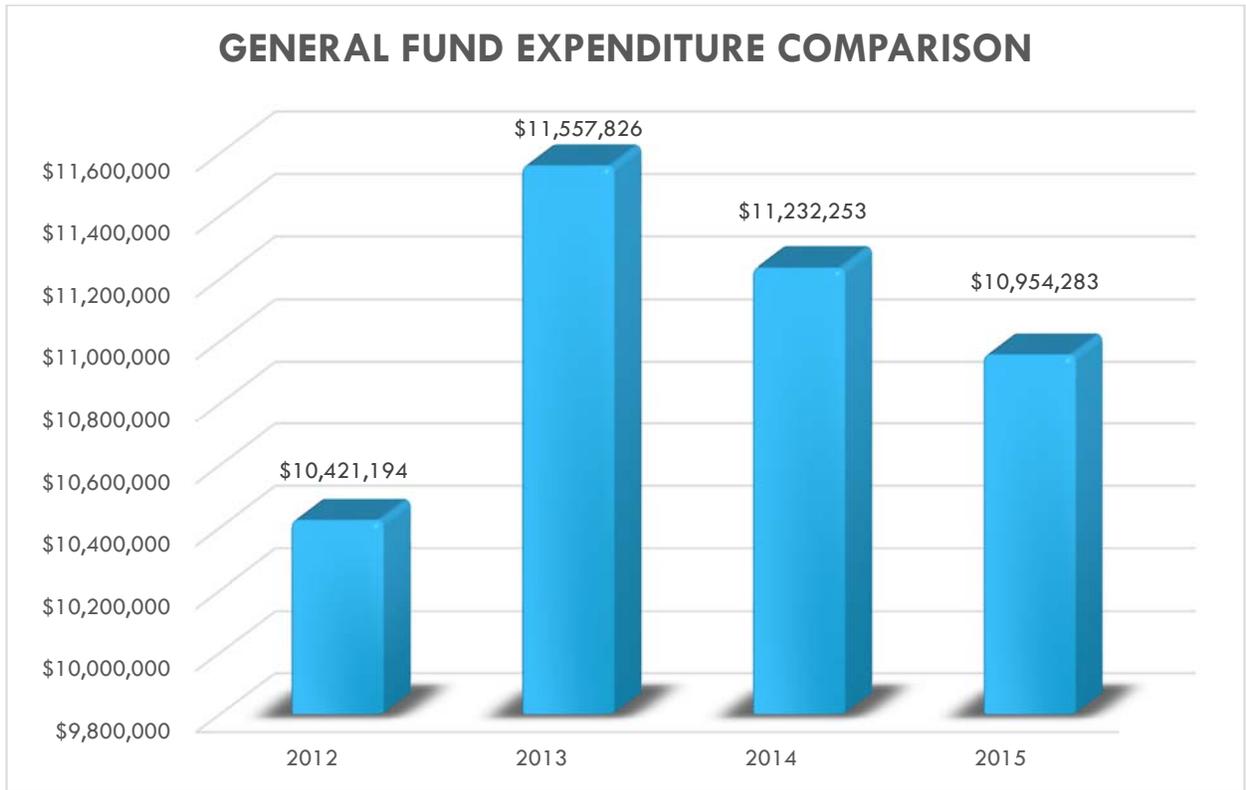
2015 GENERAL FUND BUDGETED REVENUES

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



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL FUND	2012	2013	2014	2015
PROPERTY TAXES	\$5,925,185	\$5,903,445	\$5,993,484	\$6,003,858
NON-PROPERTY TAXES	\$3,152,239	\$3,437,945	\$3,264,136	\$3,685,318
FEES AND SERVICES	\$304,151	\$466,876	\$427,405	\$585,232
INTERGOVERNMENTAL	\$204,584	\$138,805	\$313,046	\$135,646
FINES AND FORFEITURES	\$481,296	\$449,828	\$420,257	\$419,600
LICENSES AND PERMITS	\$191,125	\$150,648	\$162,475	\$134,475
MISCELLANEOUS	\$102,064	\$63,856	\$75,197	\$53,000
OTHER FINANCING SOURCES	\$119,200	\$806,663	\$242,165	\$0
TOTAL REVENUES	\$10,479,844	\$11,418,066	\$10,898,165	\$11,017,129

GENERAL FUND EXPENDITURES



EXPENDITURES BY DEPARTMENT	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL FUND	2012	2013	2014	2015
CITY COUNCIL	\$20,440	\$31,719	\$24,000	\$20,000
CITY MANAGER'S OFFICE	\$399,028	\$486,470	\$426,932	\$436,507
FINANCE	\$321,516	\$321,135	\$323,304	\$337,913
PLANNING	\$152,518	\$133,074	\$163,842	\$166,445
TECHNOLOGY	\$450,023	\$507,811	\$475,643	\$462,158
HUMAN RESOURCES	\$191,987	\$205,695	\$252,736	\$239,355
MUNICIPAL COURT	\$163,547	\$167,259	\$186,886	\$190,318
POLICE	\$2,549,267	\$2,903,791	\$2,755,902	\$2,814,153
FIRE	\$2,078,558	\$2,054,236	\$2,146,266	\$2,149,875
HEALTH/CODE ENFORCEMENT	\$357,320	\$406,654	\$428,799	\$408,005
FLEET MANAGEMENT	\$831,935	\$1,077,527	\$760,102	\$785,013
FACILITIES & GROUNDS MTN	\$170,859	\$173,685	\$185,380	\$192,262
INSPECTIONS	\$186,447	\$175,069	\$185,583	\$189,942
PUBLIC WORKS	\$919,100	\$997,239	\$1,153,449	\$1,100,211
EMERGENCY MANAGEMENT	\$52,672	\$56,742	\$62,570	\$14,380
GENERAL SERVICE	\$773,924	\$816,569	\$838,630	\$855,541
SPECIAL PROJECTS	\$802,054	\$1,043,151	\$862,229	\$592,204
TOTAL EXPENDITURES	\$10,421,194	\$11,557,826	\$11,232,253	\$10,954,283

DEPARTMENTAL GOALS & PROGRAMS

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

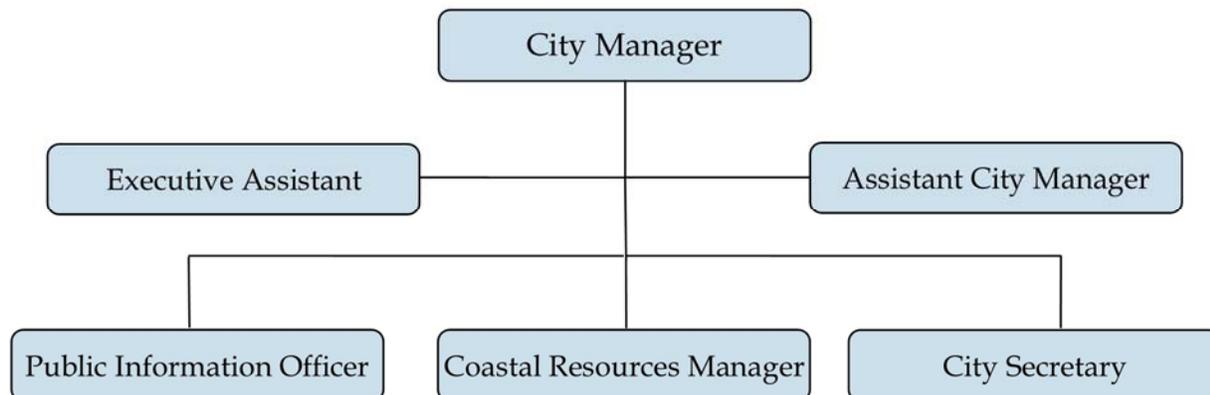
Of the projects included in the CIP, the City has started the engineering and design phases of the Convention Centre Renovation and Multi-Modal Parking facility.

CITY COUNCIL

DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - CITY COUNCIL	2012	2013	2014	2015
GOODS AND SUPPLIES	\$0	\$14,438	\$0	\$0
MISCELLANEOUS SERVICES	\$20,440	\$17,282	\$24,000	\$20,000
OTHER	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$20,440	\$31,719	\$24,000	\$20,000

CITY MANAGER’S OFFICE

CITY MANAGERS ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

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

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

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

MAJOR GOALS:

1. Focus on major initiatives that enhance the economic environment, improve the quality of life for citizens, protect the environment and provide essential services:
 - a. Maintain a safe community
 - b. Implement the Form-Based Code
 - c. Redesign Padre Boulevard
 - d. Strive to have vibrant economy that is diverse and sustainable
 - e. Enhance the aesthetic appeal of the community
 - f. Sustain our beautiful beach and bay
 - g. Revitalize the entertainment district
 - h. Embrace the unique characteristics of our city
2. Continual evaluation of programs for enhancements and benefits to the City.
3. Create a good organizational foundation through policy development and implementation.
4. Develop and sustain a productive relationship with the City Council to encourage policy development and effective communication.

5. Continued enhancement of public relations program to improve communication with the public and ensure a constructive relationship with the media.
6. Strive to encourage and facilitate the strategic planning (e.g., capital improvement plan, five year operational plan, core values for organization, etc.)
7. Encourage effective use of resources by eliminating duplication and streamlining operations.
8. Create an enjoyable work experience where all people feel appreciated and valued and instill the support of core values for the organization to encourage individual accountability.
9. Use technology effectively to operate effectively.

Our Planning Indicators and Focus:

Monitoring of causeway traffic counts that may indicate the number of tourists coming to South Padre Island. Monitoring of media coverage and media contact to ensure effective dissemination of information to the public.

CITY MANAGER STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Support initiatives that enhance the quality of life for the citizens (Music, Art in Public Places, Community Events, Theatre Productions, etc.)	Ongoing	\$10,000
Embrace the use of technology to enhance operations and communication.	Ongoing	\$-0- Resources with Info Svcs
Continue to evaluate mobility & parking strategies.	Ongoing	\$-0- Resources with Public Works and Transit
Enhance financial management and the budget process	Ongoing	\$ -0- Resources with Finance
Formulate effective economic development strategies	Ongoing	\$ -0- Resources with EDC
Create a Park and Recreation Division or Department (Two Positions: Recreation Coordinator and Park Maintenance Specialist)	2014/15	\$76,000

Create a comprehensive, updated Parks Master Plan with Development Director	2014/15	\$ -0-
Identify funding sources and strategies for priority Capital Improvement Projects	Ongoing	Varies

Programs Implemented:

Program	Fiscal Year	Budget Impact
The evaluation of City Committees to encourage participatory leadership and encourage citizen participation and effective use of resources.	2011/12	0
The Capital Improvement Plan was completed and is updated annually prior to submission to Council for adoption concurrently with the budget.	Ongoing	0

CITY MANAGER POSITION CONTROL

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
City Manager	1	1	1	1	1	1
Assistant City Manager	1	1	1	1	1	1
Executive Assistant	1	1	1	1	1	1
City Secretary	1	1	1	1	1	1
Public Information Officer	.50	.50	.50	.50	.50	.50
Total Positions	4.50	4.50	4.50	4.50	4.50	4.50

The Public Information Officer is split .50 in the City Manager's Office and .50 in the Convention and Visitors Bureau.

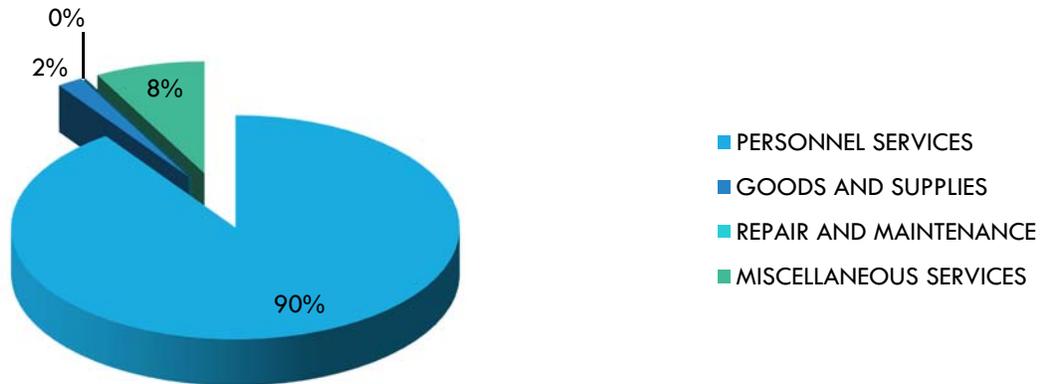
WORK PLANS FOR CITY MANAGER'S OFFICE

Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader
"Snapshot"	Create a reflective document of successes by fiscal year to tell our story	3.12	November 2014	Naida Robles
Council/Board Member Handbook	Create and update the handbook for new members of the City's: Council, Boards, Commissions and Committees that outlines rules and procedures to follow	7.18	October 2014	Susan Hill
Budget Document Enhancement	Create a budget document eligible for the GFOA Distinguished Budget Award	6.A	October - December 2014	Finance
Annexation	Expand City limit boundary through voluntary annexation.	6.1, 6.2, 6.5, 6.M, 6.N, 6.O, 6.P	Ongoing	William A. DiLibero
Park Master Plan	Update current Parks Master Plan	Chapter 5	December 2014	Dr. Sungman Kim
Comprehensive Citizen Survey	Create a benchmark for performance measures	7.12, 7.31	January 2015	Naida Robles
Employee Appreciation Program	Implement an employee appreciation program to boost morale and productivity		Ongoing	William A. DiLibero
Records Management Program	Update and enhance the City's Records Management Program	6.Q, 6.R, 6.S	February 2013, then annually	Susan Hill
Five Year Plan	Update the City's five-year plan by department establishing major goals and programs	7.A, 7.E, 7.C	April 2015	William A. DiLibero
Municipal Complex Master Plan	Arrangement for effective use of Municipal Building and Facilities	6.I, 6.J	Ongoing	William A. DiLibero

Technology	Embrace the use of technology to enhance operations and communication.	6.S, 7.5d	Ongoing	City Manager's Office
Capital Improvement Plan	Update the City's five- year plan with prioritization of capital projects.	6.A, 4.9, 4.15, 4.38	Updated Annually	Darla Jones
Tax Increment Reinvestment Zone (TIRZ)	Implement and manage TIRZ, TIRZ Board and TIRZ Project	7.7b	Ongoing	William A. DiLibero
Implement Core Values	Implement the City's Core Values		Ongoing	William A. DiLibero
Citizens Outreach and Special Events	Support initiatives that enhance the quality of life for citizens (Music, Art in Public Places, Community Events, Theater Productions, etc.)	5.V, 5.57, 7.3, 7.8, 7.13, 7.F, 7.G	Ongoing	Pending

CITY MANAGERS BUDGET NUMBERS

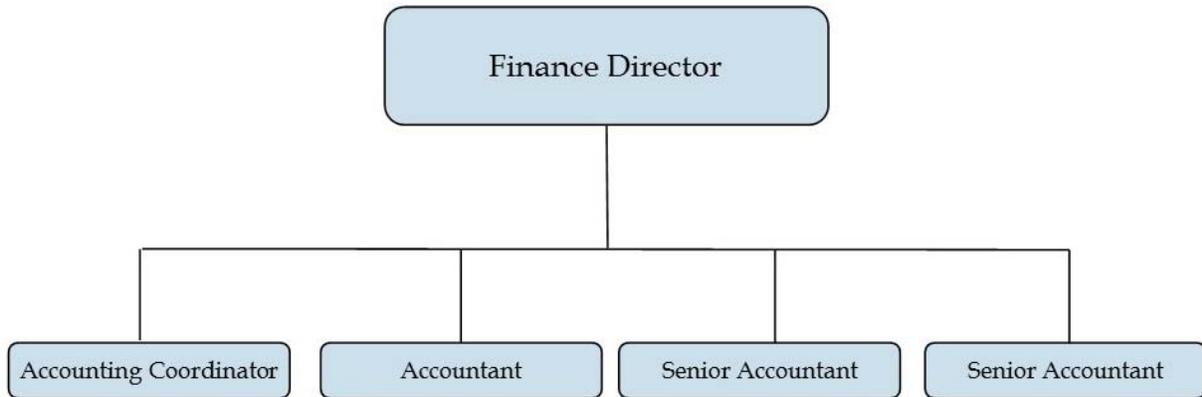
2015 CITY MANAGER'S OFFICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - CITY MANAGER'S OFFICE	2012	2013	2014	2015
PERSONNEL SERVICES	\$350,950	\$436,672	\$378,570	\$393,647
GOODS AND SUPPLIES	\$8,662	\$8,000	\$6,431	\$8,200
REPAIR AND MAINTENANCE	\$0	\$175	\$0	\$0
MISCELLANEOUS SERVICES	\$39,416	\$41,623	\$41,931	\$34,660
TOTAL EXPENDITURES	\$399,028	\$486,470	\$426,932	\$436,507

FINANCE DEPARTMENT

FINANCE ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

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

Major Goals:

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

Our Planning Indicators and Focus:

The Finance Department is a support department; therefore much of the planning is based upon the growth in other departments. Finance will provide overall fiscal leadership for the City's long range financial planning, and enhanced collection of data, reporting and audits of financial records. Audit results have shown no material weaknesses as well as no significant deficiencies over the past several years due to compliance with fiscal, purchasing, fixed assets and investment policies. The department is also responsible for monitoring the City's budget which totals approximately \$20 million citywide.

FINANCE DEPARTMENT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Continue to promote a paperless Finance environment by reducing the number of printed reports with electronic copies.	Ongoing	\$ 0.-
Continue to strive to receive the Government Finance Officers Association Distinguished Budget Presentation Award.	Ongoing	\$ 280.-
Promote Automated Clearing House (ACH) which is an electronic network for financial transactions for payments to vendors.	Ongoing	\$ 0.-
Assist in the development, implementation and financing of a fleet replacement program.	Ongoing	\$ 0.-
Implement Positive Pay cash management service to detect and prevent check fraud.	2014/2015	\$ 2,688.-
Continue to receive a Certificate of Achievement for Excellence in Financial Reporting presented by the GFOA to government units whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.	Ongoing	\$ 435.-
Implement performance measures to assist government officials and citizens in identifying financial and program results, evaluating past resource decisions, and facilitating qualitative improvements in future decisions regarding resource allocation and service delivery.	2014/2015	\$ 0.-
Implement Accounts Receivable Module for centralized control of the City's billing system.	2014/2015	\$ 0.-

Programs Implemented:

Strategy/Program	Fiscal Year	Budget Impact
Implement Tyler Output Processor in conjunction with Information Services in order to email payment notifications to employees and vendors.	2013/2014	\$ 4,781.-
Implement an automated payroll system to streamline the payroll process and enhance the efficiency of payroll record keeping.	2012/2013	\$ 13,000.-

Develop accounting procedures manual describing day to day operations in order to facilitate staff cross training.	2012/2013	\$ 0.-
Received the second award from the Government Finance Officers Association for Distinguished Budget Presentation.	2012/2013	\$ 280.-
Promote Automated Clearing House (ACH) which is an electronic network for financial transactions for payments to vendors.	2012/2013	\$ 0.-
Developed a user friendly monthly report to assist the public in understanding the City's finances.	2011/2012	\$ 0.-

FINANCE DEPARTMENT POSITION CONTROL

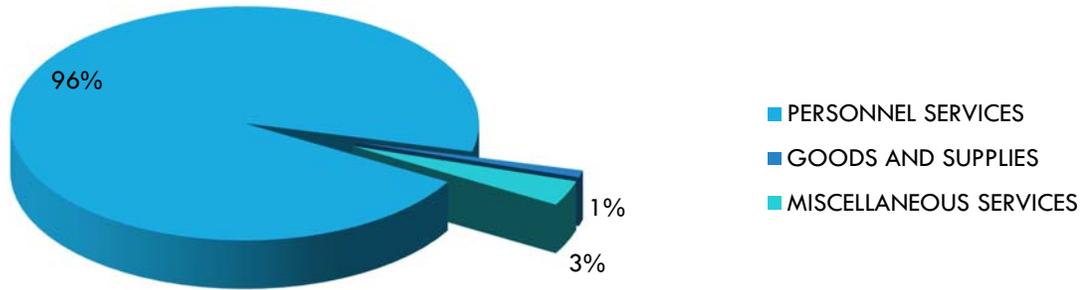
	Current Year	2014/15	2015/16	2016/17	2017/18	2018/19
Finance Director	1	1	1	1	1	1
Senior Accountant	1	1	1	1	1	1
Senior Accountant	1	1	1	1	1	1
Accountant	1	1	1	1	1	1
Accounting Coordinator	1	1	1	1	1	1
Total Positions	5	5	5	5	5	5

WORK PLAN FOR FINANCE DEPARTMENT

Project	Description	Estimated Completion Date	Team Leader	Team Members
GFOA Distinguished Budget Presentation Award	Continue to receive the award through application of the highest principles of governmental budgeting and satisfying nationally recognized guidelines for effective budget presentation.	Continuously ongoing	Finance Director	ES, CE
Email Notifications of payments	Reduce printing of check stubs for payroll and accounts payable disbursements.	Continuously ongoing	DC, R Guzman	Finance Director
Payments to vendors using ACH	Continue to implement Automated Clearing House (ACH) electronic network for payments to vendors.	Continuously ongoing	R Guzman	DC, Finance Director
Positive Pay	Implement this cash management service to reduce the probability of check fraud.	2014/2015	ES	Finance Director, CE, RG
GFOA Certificate of Achievement for Excellence in Financial Reporting	Continue to receive the award through preparation of comprehensive annual financial reports that evidence the spirit of transparency and full disclosure.	2014/2015	Finance Director	ES, CE
Accounts Receivable	Implement Incode Accounts Receivable module for centralized control of the City's billing system.	2014/2015	CE	All City Departments, Finance Director, ES
Cross Training	Implement cross training to have one backup for each position.	Ongoing	Finance Director	ES, CE, DC, RG

FINANCE DEPARTMENT BUDGET NUMBERS

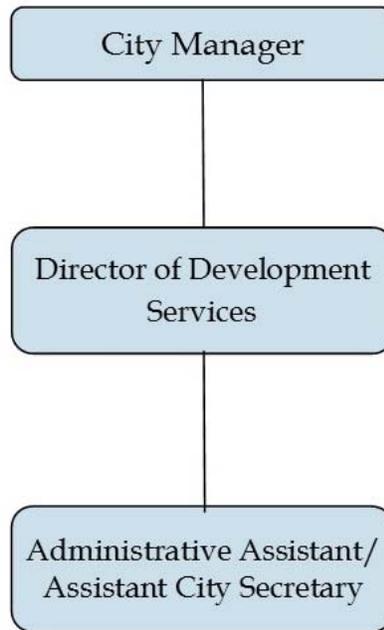
2015 FINANCE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FINANCE	2012	2013	2014	2015
PERSONNEL SERVICES	\$304,785	\$311,802	\$308,353	\$322,875
GOODS AND SUPPLIES	\$3,239	\$2,429	\$3,300	\$3,300
MISCELLANEOUS SERVICES	\$13,492	\$6,904	\$11,651	\$11,738
TOTAL EXPENDITURES	\$321,516	\$321,135	\$323,304	\$337,913

PLANNING DEPARTMENT

PLANNING DEPARTMENT ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

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

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

Major Goals:

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

- To create a predictable, fair & ethical land development regulatory framework.
- To create a sustainable and environmentally sensitive development code.
- To foster an innovative, diverse, and creative urban development environment.
- Implement the form-based code for Padre Boulevard and the Entertainment District.

- To develop and administer an annexation plan.
- Update the City's Zoning and Subdivision Regulations
- Develop and administer a Thoroughfare Plan
- Implement the City's adopted Comprehensive Plan

Our Planning Indicators and Focus:

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

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

PLANNING DEPARTMENT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Implement Annexation Plan	2014/2015	\$ 0.-
Implement & Update Form-Based Code	Ongoing	\$ 0.-
Implement & Update Ordinances	Ongoing	\$ 0.-
Regional Initiatives/Intergovernmental.	Ongoing	\$ 0.-
TXDOT/Rural Transportation	Ongoing	\$ 0.-
Comprehensive Plan Update	2014/2015	\$ 0.-
Business Liaison	2014/2015	\$ 0.-
Padre Blvd Median Landscaping	2014/2015	\$ 0.-
Assist Park Developments	2014/2015	\$ 0.-
GIS Management	Ongoing	\$ 0.-

PLANNING DEPARTMENT POSITION CONTROL

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Development Director	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1
Total Positions	2	2	2	2	2	2

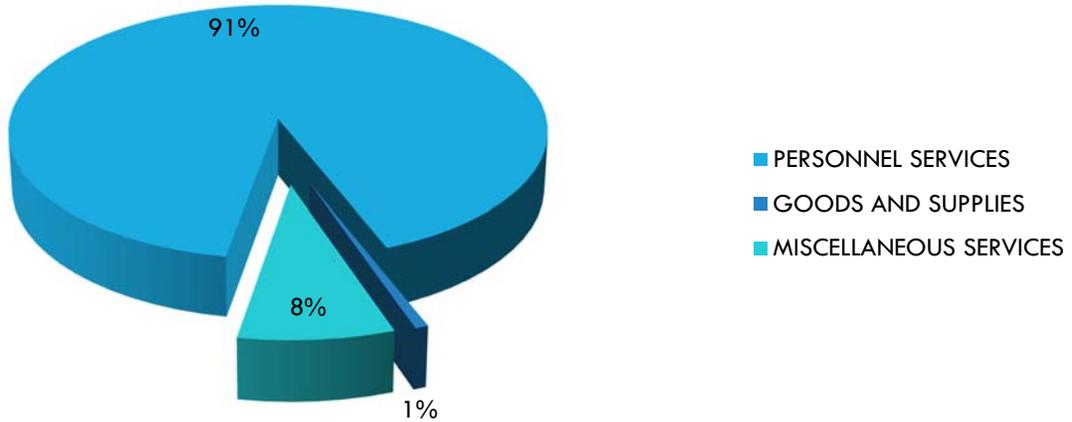
WORK PLAN FOR PLANNING DEPARTMENT

Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader
General Administration	Administer Subdivision and Zoning Ordinance	Efficient, effective, and harmonious customer service.	Daily	S. Kim
Variance Administration	Support Board of Adjustments	Minimize number of potential cases.	Occasional Event	S. Kim
Form-Based Code	Administer Padre Boulevard and Entertainment District Code	Streamline and adjust the process and requirements.	Daily	S. Kim
Comprehensive Plan	Review, application, analysis, and update	Structural analysis and revision for year 2025.	09/30/14	S. Kim
Economic Development	Coordinate with EDC, development of policies, projects, incentives, programs	Enhance City's economic resources.	Daily	S. Kim
Intergovernmental Coordination	Monitor TxDOT for Padre Blvd funding opportunities	Maximize potential collaborative powers between agencies.	Daily	S. Kim
Convention Centre	Participate in Redevelopment of Convention Centre	Provide appropriate assistances (landscape design)	N/A	N/A
WAVE Park & Ride Facility	Participate in design and development	Provide landscaping ideas and needed resources.	N/A	N/A
GIS Management	Quality Management	Update and develop GIS structure.	Occasional Event	S. Kim

Parks & Recreation	Assist parks development	Enhance quality of life	Occasional Event	S. Kim
Annexation	Provide professional staff assistance	Advance economic growth and development	Occasional Event	S. Kim
Ordinance Revision and Update	Review, application, analysis, and update	Streamline and adjust the process and requirements	Daily	S. Kim
Color Palette	Administer Padre Boulevard and Entertainment District Code	Streamline and adjust the process and requirements	07/31/14	S. Kim
Padre Blvd Median Design	Participate in design and development	Provide landscaping ideas and needed resources.	Occasional Event	S. Kim

PLANNING BUDGET NUMBERS

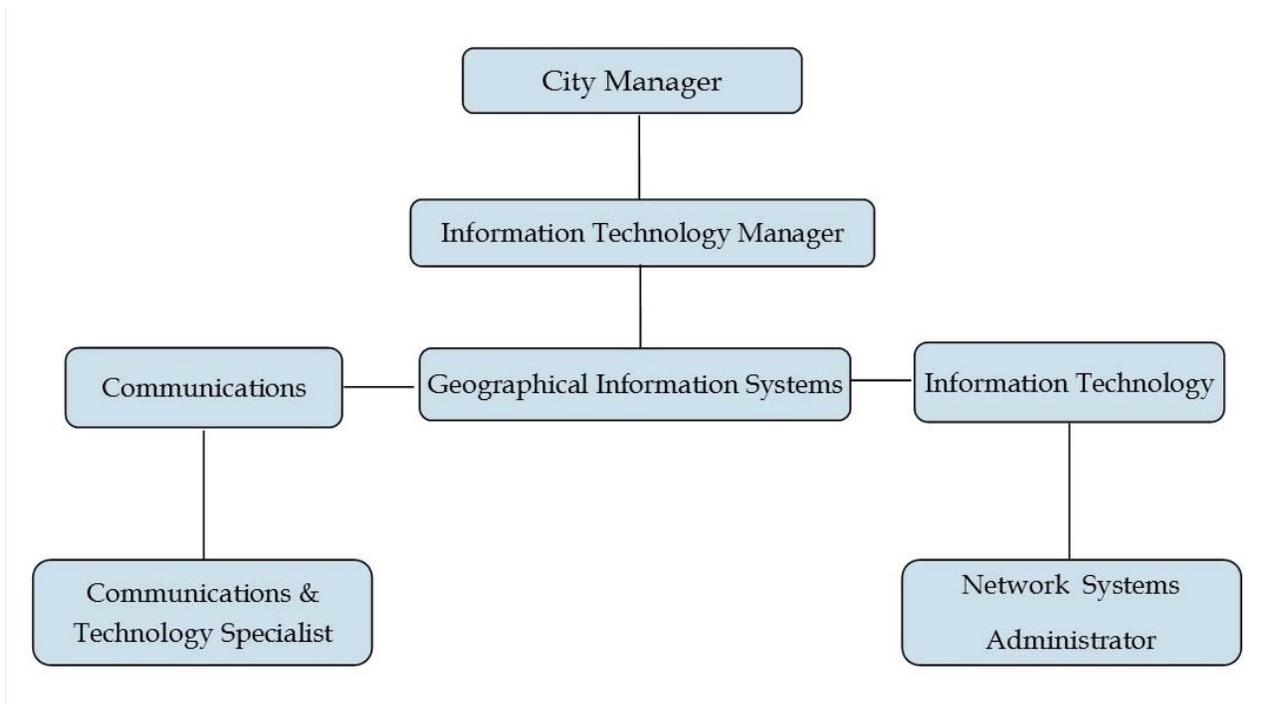
2015 PLANNING BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - PLANNING	2012	2013	2014	2015
PERSONNEL SERVICES	\$145,259	\$127,188	\$150,552	\$151,763
GOODS AND SUPPLIES	\$2,420	\$967	\$1,150	\$1,150
MISCELLANEOUS SERVICES	\$4,839	\$4,918	\$12,140	\$13,532
TOTAL EXPENDITURES	\$152,518	\$133,074	\$163,842	\$166,445

INFORMATION SERVICES

INFORMATION SERVICES ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

The Information Services Department includes Information Technology, Geographical Information Systems (GIS) and Communications. We are responsible for maintaining and providing the tools necessary to access information and communicate, both internally and externally. See the specific goals, planning indicators and programs/projects for the various areas of focus.

Major Departmental Goals:

1. Build the systems and processes necessary to enable cross departmental collaboration and access to shared information.
2. 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.

Communication Goals:

1. Promote transparency and an abundance of information through the use of online resources, such as the City's website, social networking, Web 2.0 and other similar online resources.
2. Make it easy for constituents to be involved and stay informed through the use of online and offline resources.

Geographical Information Systems Goals:

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

Information Technology Goals:

1. Manage, maintain and upgrade the City’s technology infrastructure to make sure it meets the needs of the staff and city constituents.
2. Evaluate and purchase technology software and products to meet the needs of the City staff and constituents.
3. Evaluate processes and procedures and determine if there are better ways to do things with the use of technology.
4. Provide technology training, support and assistance to make sure the City is getting the best value out of the products it purchases.

Our Planning Indicators and Focus:

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

INFORMATION TECHNOLOGY STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Purchase Updated Aerial Images of the City.	2014-15 / 2016 -17	\$100,000
Microsoft Office 365, Cloud based Exchange Server	2015-16	\$15,000
Redundant Storage Infrastructure to protect the City’s electronic data.	2015-16 / 2017-18	\$40,000
Rewire City Hall networking cables with Cat6 and a centralized Interface.	2016-17	\$25,000

Rewire Convention Centre and Visitor Center networking cables with Cat6.	2016-17	\$8,000
Upgrade City Council Board Room AV equipment with state of the art HD monitors and microphones	2015-16	\$30,000
Purchase additional virtualization server capacity and expand virtualization software.	2017-18	\$35,000
Expand Storage Capacity to meet the needs of growing amounts of data and build in redundancy.	2017-18	\$80,000

Programs Implemented:

Strategy/Program	Fiscal Year
Configured 25 new computer systems for multiple departments.	2013-14
Configured and deployed 3 additional 911 dispatch stations	2013-14
Configured 10 laptops and 10 body cameras for Police	2013-14
Upgraded internet and Wi-Fi connectivity at City Hall, Visitors Center Wave office and Fire department.	2013-14
Upgraded Watch Guard and Granicus Video server(s)	2013-14
Provided elected official's with iPad for paperless agendas	2013-14
Launched SoPadre.com website, community calendar and online booking engine	2013-14
Upgraded all MS Office suites citywide to 2013.	2013-14
Removed more than 300 AT&T analog lines for all buildings.	2013-14

INFORMATION TECHNOLOGY POSITION CONTROL

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Information Technology Manager	1	1	1	1	1	1
Communication Technology Specialist	1	1	1	1	1	1
GIS Coordinator	0	0	0	0	1	1
Network Systems Administrator	1	1	2	2	2	2
Total Positions	3	3	4	4	5	5

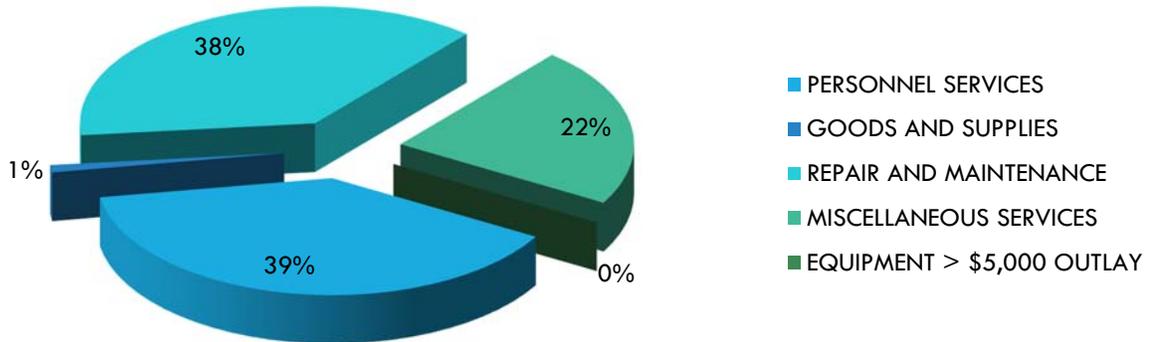
WORK PLAN FOR INFORMATION TECHNOLOGY

Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader	Team Members
Website Redesign	Redesign of MySPI.org	Refresh the City's website with the input of the team members.	10/15/14	Paul Holthusen	Frank Washington Carlos Centeno Sam Ballenger
Employee Signatures	Configure signature file for all employees	To have a standard signature / brand for the City of South Padre Island on all out going e-mails within all departments	11/01/14	Paul Holthusen	Frank Washington Carlos Centeno Sam Ballenger
Offsite Backup	Cloud backup solution	To have a cloud backup solution in place. We would back up the City Shared drive and departmental data.	12/01/14	Paul Holthusen	Frank Washington Carlos Centeno Sam Ballenger

City Council Minutes	Uploading all City Council minutes from 2000 - Present to website	Provide the community with access to minutes from all City Council meetings	11/01/14	Paul Holthusen	Frank Washington Carlos Centeno
Paid Parking	Design Signage/ Configure backend of software	Have paid parking in place and ready to operate on March 1, 2015	12/01/15	Paul Holthusen	Frank Washington Carlos Centeno Sam Ballenger
Ordinances	Uploading all City signed ordinances to website	Provide the community with access to minutes from all City Council meetings	10/15/14	Paul Holthusen	Frank Washington Carlos Centeno
SOP's	Create Standard Operating Procedures	Provide Standard Operating Procedures for the use of hardware and software utilized by the City staff.	Ongoing	Paul Holthusen	Frank Washington Carlos Centeno Sam Ballenger
Contract Services	Review and negotiate pricing on all contracts.	Lower annual expenses by 5%.	Ongoing	Paul Holthusen	Carlos Centeno

INFORMATION SERVICES BUDGET NUMBERS

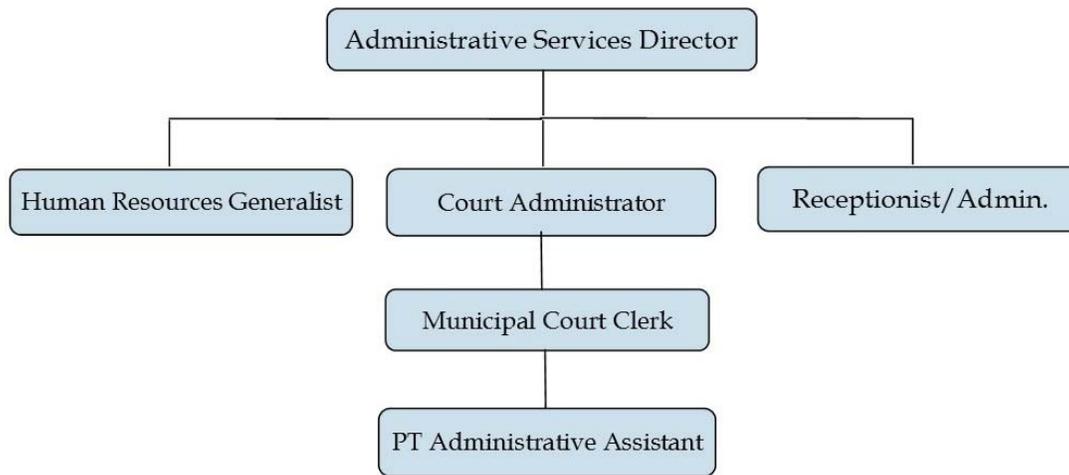
2015 TECHNOLOGY BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - TECHNOLOGY	2012	2013	2014	2015
PERSONNEL SERVICES	\$181,783	\$189,170	\$186,597	\$180,423
GOODS AND SUPPLIES	\$9,287	\$18,713	\$21,325	\$4,645
REPAIR AND MAINTENANCE	\$151,431	\$186,449	\$185,820	\$174,680
MISCELLANEOUS SERVICES	\$73,523	\$79,633	\$81,901	\$102,410
EQUIPMENT > \$5,000 OUTLAY	\$34,000	\$33,845	\$0	\$0
TOTAL EXPENDITURES	\$450,023	\$507,811	\$475,643	\$462,158

ADMINISTRATIVE DEPARTMENT – HUMAN RESOURCES DIVISION

HUMAN RESOURCES ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

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

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

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

Major Goals:

1. Recruitment and Selection
 - Recruit qualified and diverse candidates for employment.
 - Enhance technology to create more streamlined application procedures.
 - Establish, maintain and monitor successful pre-employment testing programs.

2. Compliance with State and Federal Employment Laws
 - Measure and maintain best practices in the areas of equal employment.
 - Continue to monitor changing legislation to ensure that policy and practice matches the law.
3. Employee Benefit Administration
 - Collaborate and communicate to employees, retirees, and others to assure that selected benefits are responsive to their needs.
 - Ensure timely reporting, enrollment, and processing of employee-benefit related information.
4. Risk Management/Safety
 - Ensure that all claims are handled equally and timely.
 - Work with employees, departments, medical providers and claim adjusters to comply with the Americans with Disabilities Act and Workers' Compensation laws to return disabled, injured or ill employees to suitable, gainful employment as soon as possible.
 - Assure the City is in compliance with all State Workers' Compensation laws.
 - Continue to decrease the amount of work injuries by providing increased training and awareness.
5. Employee Relations
 - Establish and maintain clear and open lines of communication to resolve discrimination or grievance issues and complaints in a fair and equitable manner.
 - Create a positive work culture where employees can develop their skills and feel comfortable in the workplace.
6. Training and Development
 - Create a supervisor training program for all employees hired or promoted to a supervisory position. This training would include city policy awareness along with general supervisory information.
 - Maintain an internal training program to help address work related issues such as the prevention of sexual harassment and ethics regarding municipal government.
7. Compensation
 - Maintain a compensation plan that promotes flexible and sound classification principles.
 - Continue to research and recommend equitable, consistent and competitive salaries for City positions.
8. Administrative Services
 - Create a comprehensive set of clear and specific policies that are understood by the employee and administered correctly.
 - Increase the use of technology in the area of Human Resources to allow all members of the organization the ability to access their department information quickly and decrease workflow time between employees and departments.
 - Create a digital format of all internal and external forms so that employees and citizens can easily fill out required documentation for any purpose.

Our Planning Indicators and Focus:

As the City of South Padre Island's citizen and visitor population increases, the demand for public service will also increase. The HR Division will use the number of employees hired annually as an indicator for the increased demand for services. The current number of employees serviced by the

HR Division is 165 full-time equivalents (FTE's) and an estimated 150 part-time/temporary employees annually. Currently (fiscal year 2013/2014), the total FTE's authorized is 3 positions. One of the three positions serves as the City Hall Receptionist.

HUMAN RESOURCE STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Embrace the use of technology to enhance operations and communication.	Ongoing	\$0
Create electronic forms for all City documents.	Ongoing	\$0
Create and effectively manage a City-wide training program to include employee development, safety and a supervisor orientation program.	Ongoing	\$6000
Create an organized and effective records management program that encompasses all records related to Human Resource Management.	Ongoing	\$0
Create an online application program enhancement using our current People-Trak software system.	2015/2016	\$6000
Create a paperless HR environment	2017/2018	\$5000

Programs Implemented:

Program	Fiscal Year	Budget Impact
Creation of Employee Benefit Statements: 2011-2014	2011/2012 & Ongoing	\$0
Creation of Employee ID Badges for all full-time and regular part-time staff.	2011/2012	\$0
Job Descriptions Completed for all full-time and regular part-time positions.	2011/2012	\$0
A 5 year compensation strategy was approved by the City Council in November of 2011 and phase 1 was implemented in 2012.	2011/2012 & Ongoing	Amount Changes each year.
Create and manage an effective performance review system to evaluate and track employee performance.	2011/2012	\$0
Coordinated City Wide Training (Conflict Resolution, Ethics, Sexual Harassment, Supervisor)	2011-2014 & Ongoing	\$6000

Create and implement an Employee Handbook with clear and straightforward policies (legal review and printing)	2013/2014	\$5000
Fire Drills were conducted and Safety Evacuation Maps were created and posted by the Safety Committee.	2012/2013	\$0

ADMINISTRATIVE SERVICES POSITION CONTROL

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Administrative Services Director	1	1	1	1	1	1
Receptionist/AA	1	1	1	1	1	1
Human Resources Generalist	1	1	1	1	1	1
Total Positions	3	3	3	3	3	3

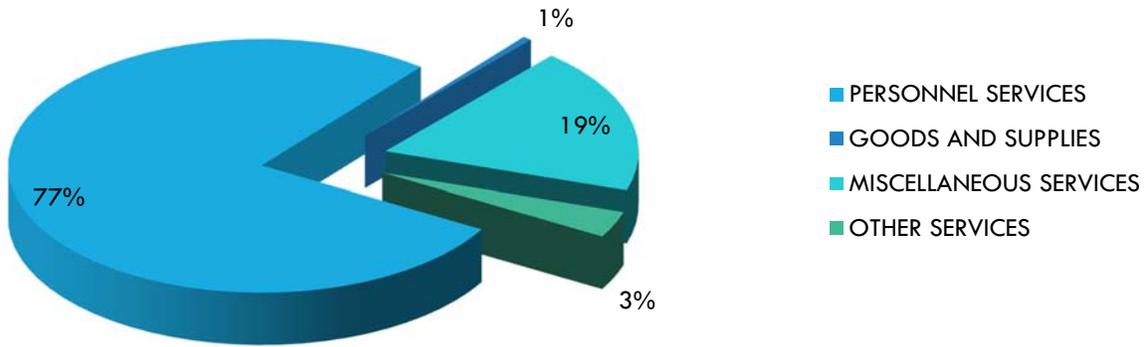
WORK PLAN FOR ADMINISTRATIVE SERVICES

Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader
Form Control	Continue to create new city forms and a control system to ensure the most current form is being used by all.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	Ongoing	Araceli Sanchez
Building Security System	Create new security levels for electronic keys in ensure all employees have the correct access points they need.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	12/31/14	Wendi Delgado

Claims Management	Create processes and files using People-Trak to track and manage all property, liability and workers compensation claims	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	09/30/15	Wendi Delgado
Personal File - Electronic Storage	Scan all personnel files into People track and file forms in the appropriate areas of people track. This will increase efficiency of department.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	03/01/15	Araceli Sanchez
Complete HRIS Implementation	Continue to update People-Trak Software. This includes all past data, new data, job descriptions and the creation of workflows.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	09/30/2015 (Ongoing)	Araceli Sanchez
Update all HR Procedures	Update all procedures: New Hire Orientation, Exit Interviews, Open Enrollment, Benefit Meetings. They all need improvement.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	12/31/14	Wendi Delgado

HUMAN RESOURCES BUDGET NUMBERS

2015 HUMAN RESOURCES BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - HUMAN RESOURCES	2012	2013	2014	2015
PERSONNEL SERVICES	\$153,665	\$169,028	\$173,244	\$185,372
GOODS AND SUPPLIES	\$1,616	\$1,395	\$1,400	\$1,400
MISCELLANEOUS SERVICES	\$33,242	\$25,441	\$43,092	\$44,583
OTHER SERVICES	\$3,464	\$9,832	\$35,000	\$8,000
TOTAL EXPENDITURES	\$191,987	\$205,695	\$252,736	\$239,355

ADMINISTRATIVE SERVICE DEPARTMENT – MUNICIPAL COURT DIVISION

WHO ARE WE / WHAT WE DO:

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

Major Goals:

1. Continue public relations programs to enhance communication regarding Municipal Court activities and educational programs for the community.
2. Continue enhancement of technology in the Municipal Court Division to create improved services for our internal and external customers.
3. Decrease the amount of uncollected funds by researching and evaluating new programs and methods.
4. Maintain accurate record management systems.

Our Planning Indicators and Focus:

The planning indicators monitored by the Municipal Court will be the number of cases, collection of new court fees imposed by the Texas Legislature and increases in enforcement activity which impacts the number of citations issued. These factors will be used to evaluate the demand for increased services. Currently (fiscal year 2013/2014), the total full-time equivalents (FTE’s) authorized are 2 positions. The Municipal Court also has three part-time employees: Municipal Court Judge, Prosecutor, and Administrative Assistant.

MUNICIPAL COURT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Increase the use of electronic data transfers between the Court and the collection agency, Omni-base and the Scofflaw program.	Ongoing	\$0
Embrace the use of technology to enhance operations and communication.	Ongoing	\$0
Continue to evaluate collection strategies.	Ongoing	\$0
Review, annually, the opportunities available to increase fines to support court programs.	Ongoing	\$0
Renovate the Municipal Court offices to create a safer more efficient area for court staff to work using the MC Security Fund.	2014/2015	Waiting for Quote
Enhance the court lobby area security using the MC Security Fund by adding more security cameras with sound.	2015/2016	Waiting for Quote

Research voice payment systems so that individuals can pay fines by phone if they do not have internet access. (Interactive Voice Response) This would be a City Wide System and costs could be allocated accordingly.	2016/2017	\$18,000
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Programs Implemented:

Program	Fiscal Year	Budget Impact
Signed Contract with Municipal Services Bureau (Collection Agency): 04/07/2010	2009/2010	\$0
Implemented Omnibase Collection Tool: 7/21/2010	2009/2010	\$0
Implemented Scofflaw Collection Tool: 12/10/2010	2010/2011	\$0
Municipal Court Audio System: 02/01/2011	2010/2011	\$4,629
Implemented Online Payments: 10/21/2011	2011/2012	\$3,000
Amnesty Program: 01/16/2012 - 01/27/2012	2011/2012	\$117
Soft Warrant Roundup: 02/2012 – 04/2012	2011/2012	\$250
Warrant Roundup: 03/2013 (Collected \$38,891.25)	2012/2013	\$2500
Warrant Roundup: 03/2014 (Collected \$16,862.25)	2013/2014	\$1780

MUNICIPAL COURT STAFFING PLAN

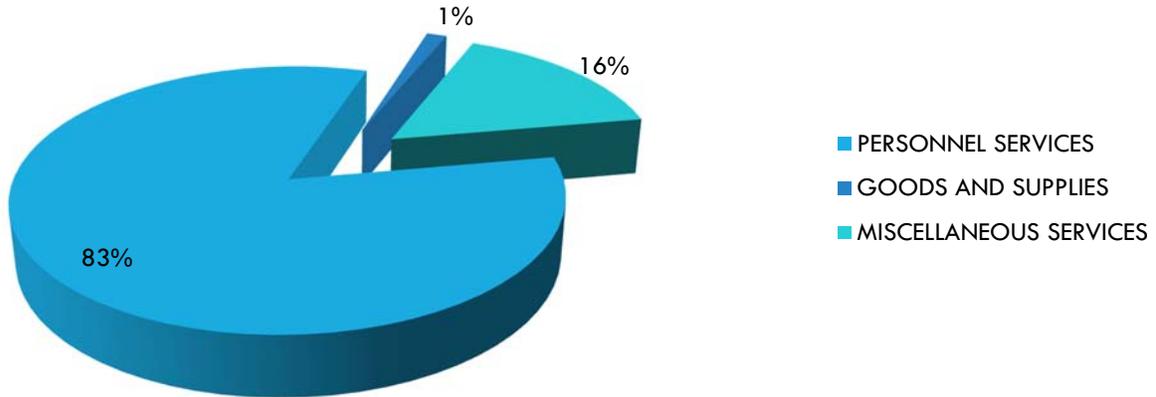
	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Court Administrator	1	1	1	1	1	1
Municipal Court Clerk	1	1	1	1	1	1
Administrative Assistant	.5	.5	.5	.5	.5	.5
Municipal Judge	.5	.5	.5	.5	.5	.5
Prosecutor	.5	.5	.5	.5	.5	.5
Total Positions	3.5	3.5	3.5	3.5	3.5	3.5

WORK PLAN FOR MUNICIPAL COURT

Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader
Continue participation in the State of Texas Warrant Round-Up.	Use this tool to increase collections.	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing Year after Year	Cindy Vasquez
Creation of a Municipal Court Procedures Manual.	Create a manual that encompasses all procedures related to the Municipal Court and its processes. This tool will be used to create consistency among the division and will be used as a training tool for new staff.	6.I. Continue to provide adequate public services including public works, fire and police protection. 6.J. Continue to support the needs of the Public Works, Police and Fire Departments to ensure the adequate protection of the population.	09/30/15	Araceli Sanchez

MUNICIPAL COURT BUDGET NUMBERS

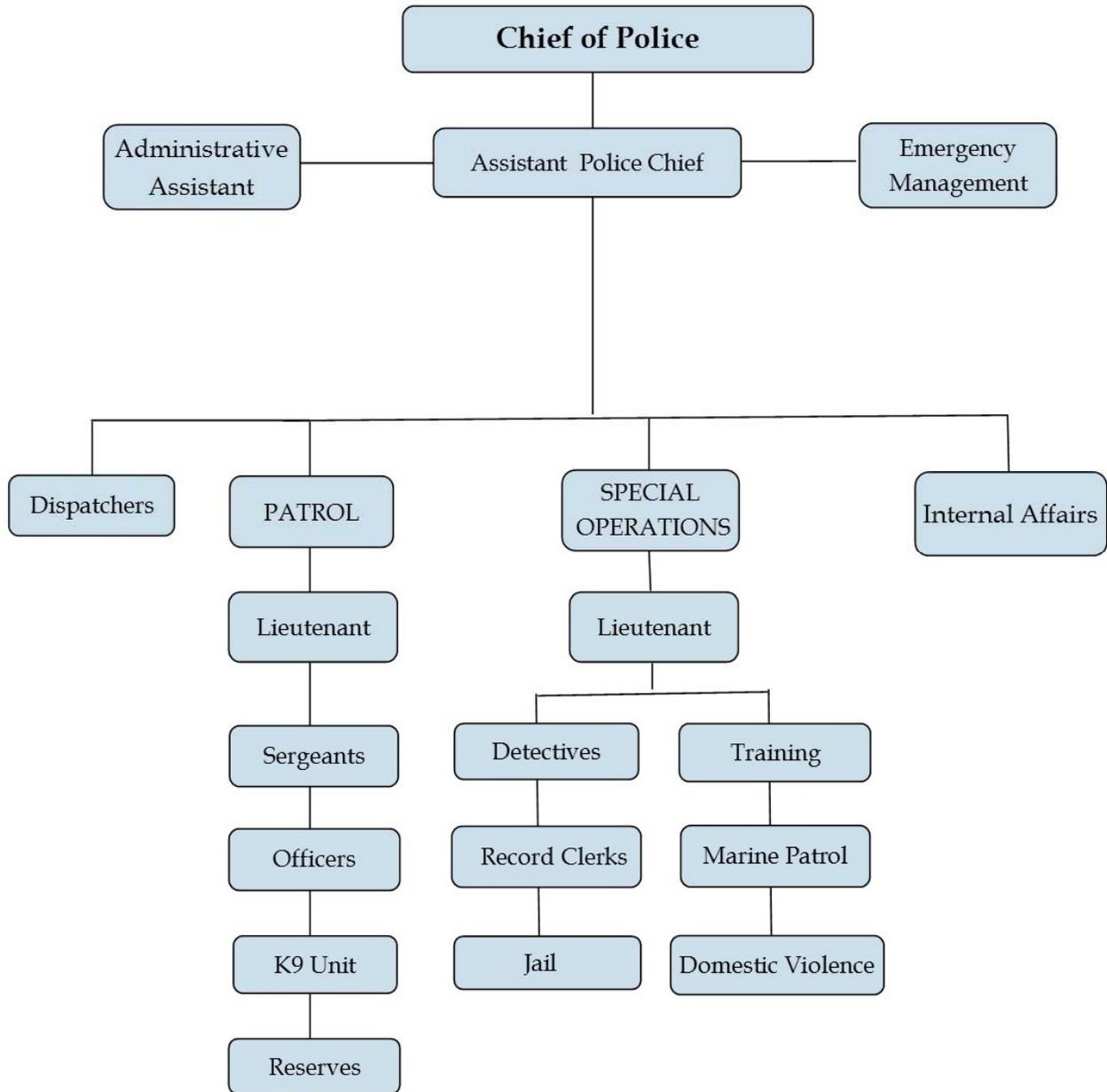
**2015 MUNICIPAL COURT
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - MUNICIPAL COURT	2012	2013	2014	2015
PERSONNEL SERVICES	\$150,083	\$154,302	\$160,055	\$157,202
GOODS AND SUPPLIES	\$1,562	\$1,497	\$2,750	\$2,700
MISCELLANEOUS SERVICES	\$11,902	\$11,460	\$24,081	\$30,416
TOTAL EXPENDITURES	\$163,547	\$167,259	\$186,886	\$190,318

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*
- Special Operations: *Training – Marine Patrol – Domestic Violence*
- 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. Revamp the entire Department's Policies and Procedures, and SOP's, also to acquire TPCA Recognition.
3. Adding proactive policing techniques vs. reactive. (i.e. narcotics buys, etc.).
4. Improve dispatch capabilities and functions.
5. Develop a forensic scuba dive search and recover team.
6. Search and obtain suitable grants for assistance with future identified projects.
7. 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, our call volume has doubled in four years. Research indicates our call volume increases approximately 15-20% each year. Other indicators are; South Padre Island has seven million cars traveling over its causeway annually. We are also impacted with special events, wherein we provide traffic assistance and security. Currently, SPI-PD employs 28 certified police officers, 7 dispatcher, 3 clerical, and 14 part-time officer positions.

POLICE DEPARTMENT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
TPCA Recognition program, revamp Policies and Procedures, and SOP's	2014/2015	1,400
Train 2 scuba divers as forensic specialist evidence divers	2014/2015	1,600
Evaluate special events security assistance	2013/2014	N/A
Build-out new detective area and update patrol offices	2014/2015	18,000
Fitness for duty program	2014/2015	2,000
License plate recognition readers on causeway	2014/2015	50,000
Evaluate impact/ needs due to 2nd causeway	2017/2018	N/A

Programs Implemented:

Program	Fiscal Year	Budget Impact
Marine Patrol	2012/2013	N/A
About ½ way through the TPCA Policies and Procedures	2013/2014	N/A

POLICE DEPARTMENT POSITION CONTROL

Full-Time Personnel

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Police Chief	1	1	1	1	1	1
Assistant Chief	1	1	1	1	1	1
Administrative Assistant / Clerical	3	3	3	3	3	3
Lieutenant	2	2	2	2	2	2
Sergeants	4	4	4	4	4	4
Detectives	4	4	4	4	4	4
Officers	16	16	16	16	16	16
Dispatchers	7	7	7	7	7	7
Total Positions	38	38	38	38	38	38

Part-Time Personnel

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Part-time (Reserve) Officers	14	14	14	15	16	16
Part-time Dispatchers	2	3	3	4	5	5
Total Part-Time Positions	16	17	17	19	21	21

POLICE DEPARTMENT PERFORMANCE MEASURES

	Actual FY 2012	Actual FY 2013	Estimated FY 2014
Number of commissioned police officers	28	29	29
Total Operating and Maintenance Expenditures	\$2,549,267	\$2,903,791	\$2,578,765
Total number of calls for service	16,543	14,968	16,155
Physical arrests	1,454	1,258	1,290
Parking violations	1,138	724	1,159
Traffic violations	748	481	756
Program costs per call for service	\$154	\$194	\$160
Average call response time	1 min 13 sec	1 min 26 sec	1 min 20 sec

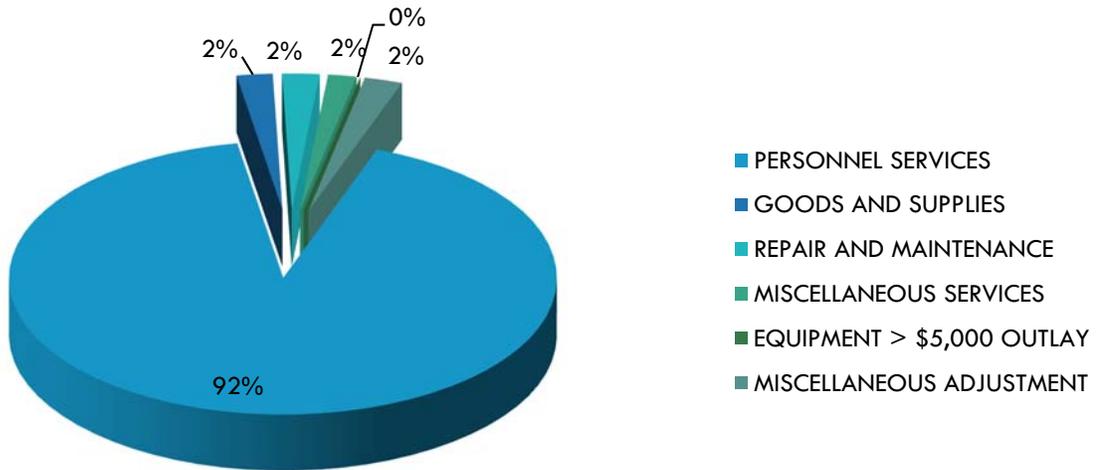
WORK PLAN FOR POLICE DEPARTMENT

Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader
Training	Have all officers continue to receive quality training that will assist them in their job performance.	To increase work related performance and overall knowledge among our staff.	On-going	Lt. O'Carroll
Policy/Procedures	Continue to update, review and improve on our TPCA Best Practices program.	To meet the requirements of the Texas Police Chief's Association and the needs of our agency.	04/01/15	Lt. O'Carroll
Part-time Officers	Utilize part-time officers to fill patrol vacancies.	To due diligence with lessening overtime expenditures, while increasing our agency's capabilities.	On-going	Lt. Herrera
Special Event	Work with promoters of special event to best evaluate the overall impact, their security needs and a plan for any emergency response.	To reassure safe events, while aligning the appropriate staffing needed.	On-going	R. Smith
Retention and organization of our filing system.	To review and organize our filing system. Determine files to be retained and those to be eliminated.	To create space while becoming better organized. Also to meet the requirements of the Texas Police Chief's Association Best Practices.	10/01/14	Rachel Gonzalez

Computerize property inventory	Enter all items in the property room into the Taylor RMS system for inventory reasons	To create an efficient systemized and categorized inventory that meets the requirements of our new TPCA policies.	03/01/15	Det. Rodriguez
Train two forensic scuba divers.	Forensic scuba divers will be trained on proper methods of recovering evidence for investigative reasons.	To best preserve evidence and to increase our chances of solving crimes wherein submerged items are involved.	5/1/2015	Lt. O'Carroll

POLICE DEPARTMENT BUDGET NUMBERS

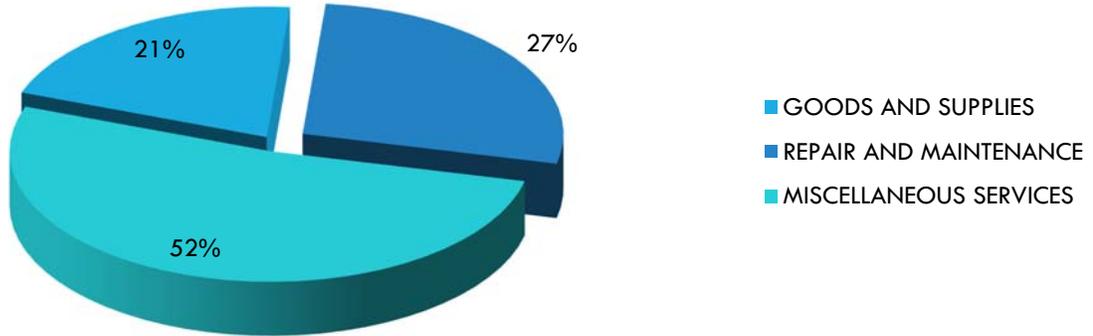
2015 POLICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - POLICE	2012	2013	2014	2015
PERSONNEL SERVICES	\$2,422,183	\$2,400,747	\$2,535,030	\$2,582,183
GOODS AND SUPPLIES	\$56,834	\$47,179	\$59,740	\$59,740
REPAIR AND MAINTENANCE	\$38,462	\$33,385	\$50,678	\$61,778
MISCELLANEOUS SERVICES	\$31,787	\$33,554	\$47,391	\$47,391
EQUIPMENT > \$5,000 OUTLAY	\$0	\$388,926	\$0	\$0
MISCELLANEOUS ADJUSTMENT	\$0	\$0	\$63,063	\$63,062
TOTAL EXPENDITURES	\$2,549,267	\$2,903,791	\$2,755,902	\$2,814,154

EMERGENCY MANAGEMENT BUDGET NUMBERS

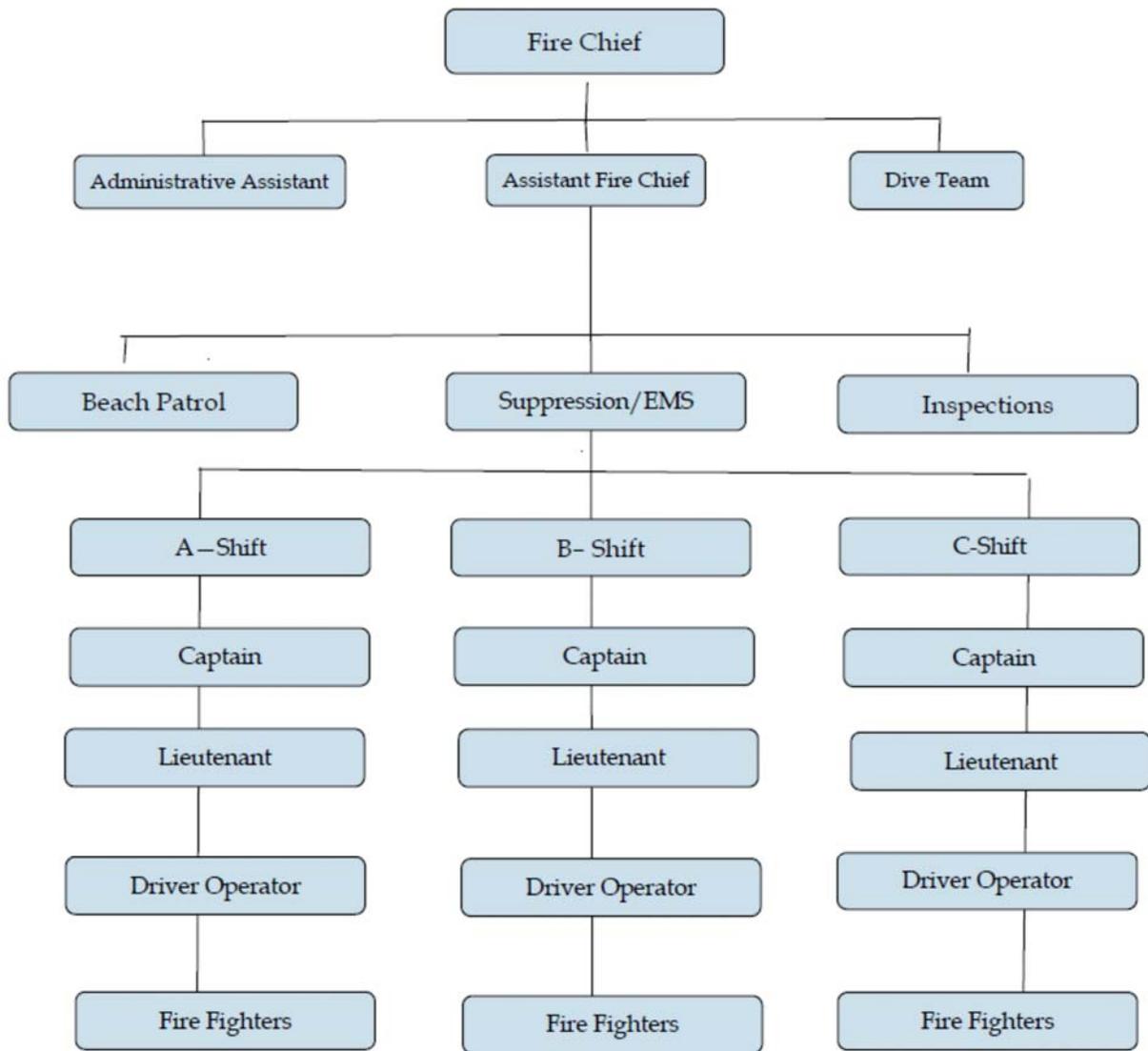
2015 EMERGENCY MANAGEMENT BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - EMERGENCY MANAGEMENT	2012	2013	2014	2015
GOODS AND SUPPLIES	\$0	\$0	\$3,000	\$3,000
REPAIR AND MAINTENANCE	\$0	\$5,047	\$3,920	\$3,920
MISCELLANEOUS SERVICES	\$52,672	\$51,695	\$55,650	\$7,460
TOTAL EXPENDITURES	\$52,672	\$56,742	\$62,570	\$14,380

FIRE DEPARTMENT

FIRE DEPARTMENT ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

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

- Fire Suppression
- Emergency Medical Service
- Hazardous Material Response (oil spills, barrels washing up on beach, etc.)
- Fire/Life Safety Code Review and Enforcement
- Technical Rescue (rope rescue, high angle rescue, confined space, etc.)
- Beach Patrol/Life Guards
- Mobi-Chairs for the disabled
- Public Safety Education Programs
- Emergency Management Activities
- Mutual aid response to neighboring jurisdictions

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

Major Goals:

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

Our Planning Indicators and Focus:

The number of Emergency responses is our primary indicator of current use of resources and serves as a benchmark for future needs. In 2014, the Department responded to 2,084 calls. As the chart below indicates, that is an increase of over 76% in five years. Trending indicates that the call volume will increase 10-15 % each year. Currently (fiscal year 2013/14), the total full-time equivalents (FTEs) authorized is 27 positions.

FIRE DEPARTMENT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Enhance Life Safety enforcement (Fire Marshal)	2014/2015	\$0
Increase staffing to meet demand for service (3 FFs).	2015/2016	\$96,000
Integrate Risk Assessment and analysis into ISO recommendations	2016/2017	\$ TBD
Evaluate capital purchase of new fire trucks	2017/2018	\$ TBD
Evaluate impact/ needs due to 2 nd causeway	2018/2019	\$ TBD

Programs Implemented:

Program	Fiscal Year	Budget Impact
Implemented Mobile Medical Unit with TRAC and EMS TF-11 for Spring Break	2013/2014	\$20,000
Increased Beach Patrol staffing and added additional Lifeguard stands to better assist our beach visitors.	2013/2014	
Conducted ISO Evaluation and review	2013/2014	\$0

FIRE DEPARTMENT POSITION CONTROL

	Current	2014/15	2015/16	2016/17	2017/18
Fire Chief	1	1	1	1	1
Assistant Chief	1	1	1	1	1
Fire Marshall	1	1	1	1	1
Executive Administrative Assistant	1	1	1	1	1
Captain	3	3	3	3	3
Lieutenant	3	3	3	3	3
Driver	3	3	3	3	3
Firefighters	15	18	18	18	18
Total Positions	28	31	31	31	31

FIRE DEPARTMENT PERFORMANCE MEASURES

	Actual FY 2013	Estimated FY 2014	Estimated FY 2015
Number of Full-time Equivalents (FTEs)	26	26	27
Total Operating and Maintenance Expenditures	\$2,054,236	\$2,146,266	\$2,149,875
Number of Fire trucks and Ambulances Operating	4	5	5
Total Fire and EMS responses	2,107	2,000	2,250
Fire related calls	730	700	750
EMS calls	1,377	1,300	1,500
EMS transports	935	900	1,040
Program Costs per response	\$975	\$1,073	\$956
Average Fire call response time	4 min 28 sec	4 min 2 sec	3 min 54 sec
Average EMS call response time	4 min 45 sec	4 min 26 sec	4 min

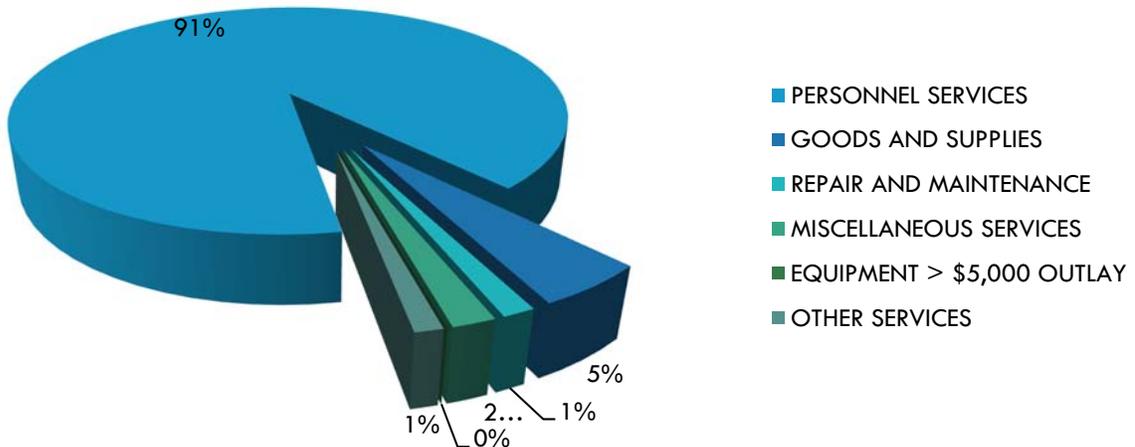
WORK PLAN FOR FIRE DEPARTMENT

Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader
Monitor and maintain compliance with all applicable federal and state safety, fire service and hazardous materials response regulations, in addition to technical rescue requirements and regulations.	Identify training programs, costs, availability and applicability. Continue work with the International Association of Fire Chiefs (IAFC) and the International Association of Firefighters (IAFF) on the Wellness-Fitness Initiative (WFI) for Shift Operations personnel to reduce the risk of on-duty injuries and death	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing	Asst. Chief
Evaluate response coverage area and adjust to maintain response coverage reliability.	Review monthly reports on level of service. Identify changes in response time performance. Implement new strategies as available resources allow.	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing	Chief/ Asst. Chief
Dive Team	Continue Dive Team training as required to meet current standards	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing	Lt. Waters/ Chief Smith
Further Improve the Fire and EMS electronic record keeping	Utilize RMS and other methods to reduce paper copies and increase electronic storage of required records	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing	Yolanda Cruz

Beach Patrol	Maintain the already strong. Beach Patrol protection capabilities	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing	FF Jim Pigg
Regional Initiatives	Continue to work with regional partners on EMS, Fire Response, EOC, Regional Response Teams	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing	Chief
Certifications and Classifications	Continue the succession education requirements to increase the leadership ability of all dept. employees	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing	Chief
Public Education and outreach	Continue to work with the local schools and the Boys and Girls Club to teach fire and life safety skills	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing	Capt
EMS Mission	Continue to research solutions to better align alternate service delivery models for low skill calls that tie up emergency resources	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing	Chief
Improve Inspections	Establish Fire Marshal position to oversee Fire Code compliance	6.I. Continue to provide adequate public services including public works, fire and police protection.	Ongoing	Asst. Chief

FIRE DEPARTMENT BUDGET NUMBERS

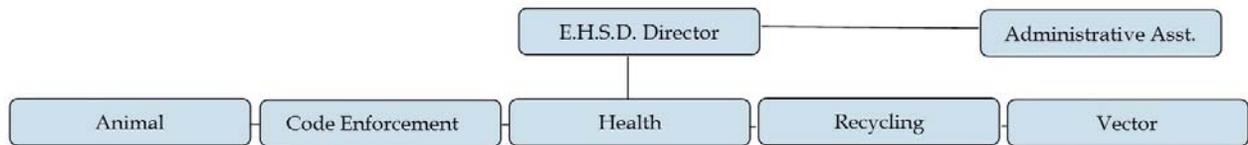
2015 FIRE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FIRE	2012	2013	2014	2015
PERSONNEL SERVICES	\$1,804,901	\$1,858,166	\$1,925,048	\$1,952,475
GOODS AND SUPPLIES	\$125,714	\$102,364	\$95,635	\$104,200
REPAIR AND MAINTENANCE	\$14,245	\$11,021	\$19,500	\$29,250
MISCELLANEOUS SERVICES	\$63,124	\$56,805	\$56,495	\$38,750
EQUIPMENT > \$5,000 OUTLAY	\$57,319	\$0	\$27,088	\$0
OTHER SERVICES	\$13,254	\$25,880	\$22,500	\$25,200
TOTAL EXPENDITURES	\$2,078,558	\$2,054,236	\$2,146,266	\$2,149,875

ENVIRONMENTAL HEALTH SERVICES DEPARTMENT

ENVIRONMENTAL HEALTH SERVICES ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

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

Major Goals:

1. Code Enforcement – We are a compliance-based department that thrives to improve the aesthetics of our community by reducing the amount of violations through voluntary compliance. We will continue to improve the enforcement of state laws and local ordinances by working closely with local businesses and increasing public outreach and education.
2. Health Division – Through required training, development of standard operating procedures, adoption of the Texas Food Establishment Rules, and updating our food services ordinances to make training mandatory for food handlers. 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 (USFDA) 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 methodologies 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, and Dengue Virus.
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 often have a significant impact on our local businesses.

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

ENVIRONMENTAL HEALTH SERVICES STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Improve Technology for Code Enforcement, Health Department & Vector Control by implementing new software applications	2014/2018	\$31,000
Enhance Recycling Effectiveness (Replace Recycling Trailers)	2014/2018	\$45,000
Continued Support for Community Events (Recycle Land, Farmers Market, Keep South Padre Island Beautiful Beach Clean-ups)	2014/2018	\$2,000
Standardization for inspectors of food establishments by working cooperatively with Texas Department State Health Services (TDSHS) and United States Food Drug Administration (USFDA)	2014/2015	\$2,500
Improve the retail food safety program through the Professional Development Certified Environmental Health Tech and Certified Professional of Food Safety	2014/2018	\$3,000

Programs Implemented:

Program	Fiscal Year	Budget Impact
FDA grant for program standards	2014-2015	\$-2,500
Conducted recycling presentations to local schools	2014-2015	\$500
Expanded recycling to all public buildings	2014-2015	\$0
Enhance recycling to include Christmas tree, phone book and tire recycling	2014-2015	\$0
Implementation of Natural Habitat Lot(s)	2014-2015	\$0
Enhance animal shelter with Friends of the Animal Rescue	2014-2015	\$0
Continue with Scenic City certification	2014-2015	\$600

ENVIRONMENTAL HEALTH SERVICES POSITION CONTROL

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Environmental Health Director	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1
Full Time Code Enforcement Officers	4	4	4	4	4	4
Part Time Code Enforcement Officers	3	3	3	3	3	3
Special Programs (Litter Patrol Officers)	2	3	3	3	3	3
Total Positions	11	12	12	12	12	12

WORK PLAN FOR ENVIRONMENTAL HEALTH SERVICES

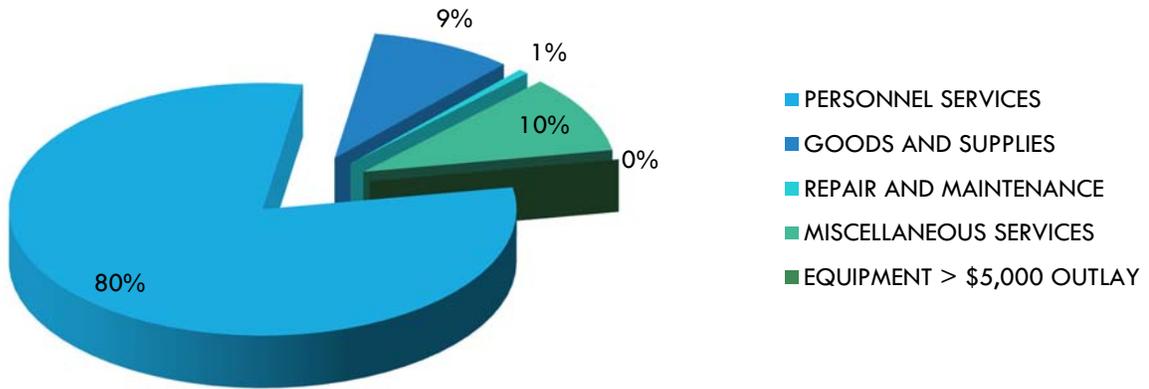
Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader
Adopt-a-Block Program	Create and implement an Adopt-a-Block campaign	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 6.I. - Continue to provide adequate public services	Ongoing	Cipriano Torres
Vector Control Room	To meet the regulations of the Texas Department of Agriculture	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 6.I. - Continue to provide adequate public services	15-Oct-13	Daniel Torres
Responsible Pet Owner's Course	Develop and implement a course that promotes responsible pet ownership and educates on local and state animal laws	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 6.I. - Continue to provide adequate public services	31-Dec-13	Willie Higginbotham
Improve animal services with assistance of Friends of Animal Rescue	Building positive relations to ensure compliance with DSHS regulations	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 6.I. - Continue to provide adequate public services	1-Oct-13	J Victor Baldovinos
Plastic Bag Reduction Program	Education and enforcement of the Plastic Bag Reduction Ordinance	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 4. Preserving our natural assets.	31-Dec-13	Daniel Torres
Non-Smoking Ordinance Program	Education and enforcement of the Non-Smoking Ordinance	3-1 Premise - 1. Preserving and	31-Dec-13	Josh Garza

		enhancing the Quality of Life.		
Retail Food Inspection Program	DSHS Standardization, Certifications and Auditing	6.I. - Continue to provide adequate public services	Ongoing	Cipriano Torres
Educate public and enhance recycling program	Develop and Implement new techniques for reducing, reusing and recycling.	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 4. Preserving our natural assets.	Ongoing	Edgar Cruz
Anti-litter Beach Program	Reduction of trash on the beach by educating to the public	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 6.I. - Continue to provide adequate public services	Ongoing	Willie Higginbotham
Farmer's Market	Continue to provide staff support, inspection services and budget management.	Page 7-1 Develop a year-round economy with increased residents and tourists.	Ongoing	Willie Higginbotham & Judith Lehn
Keep South Padre Island Beautiful Committee	Continue to provide staff and budget management.	3-1 Premise - 1. Preserving and enhancing the Quality of Life.	Ongoing	J. Victor Baldovinos
Umbrella Permitting and Enforcement	Education and enforcement of the Umbrella Ordinance	3-1 Premise - 1. Preserving and enhancing the Quality of Life.	Ongoing	Daniel Torres
Valley Environmental Summit	Participate in monthly meetings and host 2017 summit in SPI	3-1 Premise - 1. Preserving and enhancing the Quality of Life.	Ongoing	J. Victor Baldovinos
Garment Pricing Inspections	Permitting and Enforcement	6.I. - Continue to provide adequate public services	Ongoing	Alex Moore

Promote Natural Habitat Lot(s)	Promote natural ecology for City of South Padre Island	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 6.I. - Continue to provide adequate public services	Ongoing	Edgar Cruz
Resource Building	Continue to build partnerships with other cities, state associations, and non-profit organizations	3-1 Premise - 1. Preserving and enhancing the Quality of Life.	Ongoing	J. Victor Baldovinos
Vector Control Program	Mosquito Minimization & Surveillance	3-1 Premise - 1. Preserving and enhancing the Quality of Life. 6.I. - Continue to provide adequate public services	1-Oct-13	Daniel Torres

ENVIRONMENTAL HEALTH SERVICES BUDGET NUMBERS

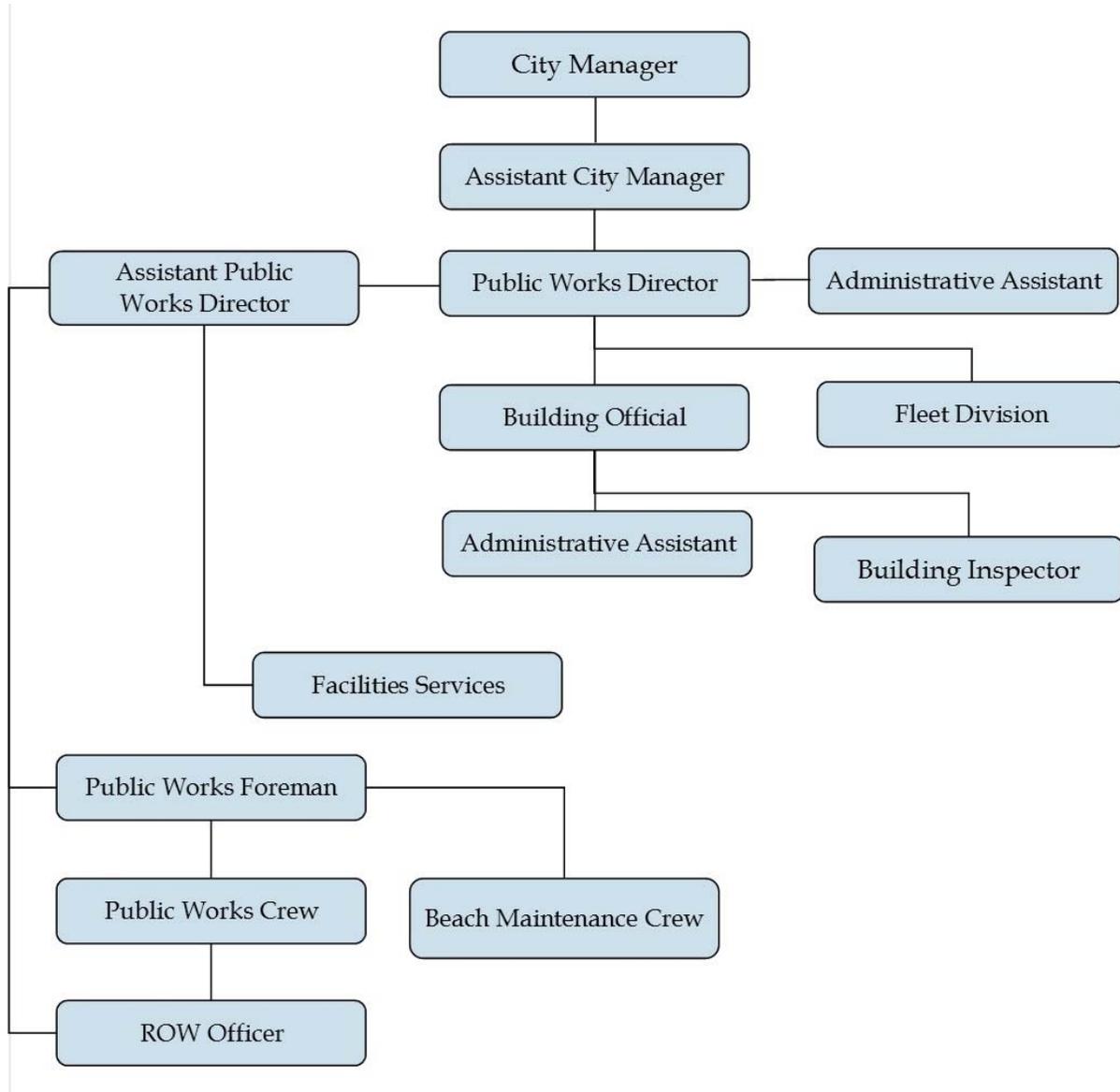
2015 HEALTH/CODE ENFORCEMENT BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - HEALTH/CODE ENF.	2012	2013	2014	2015
PERSONNEL SERVICES	\$291,386	\$331,570	\$347,324	\$327,669
GOODS AND SUPPLIES	\$31,840	\$23,097	\$42,040	\$37,146
REPAIR AND MAINTENANCE	\$5,827	\$239	\$2,800	\$2,615
MISCELLANEOUS SERVICES	\$28,267	\$31,748	\$36,635	\$40,575
EQUIPMENT > \$5,000 OUTLAY	\$0	\$20,000	\$0	\$0
TOTAL EXPENDITURES	\$357,320	\$406,654	\$428,799	\$408,005

PUBLIC WORKS DEPARTMENT

PUBLIC WORKS ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

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

The Public Works Department is comprised of the following divisions:

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

Major Goals:

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

The Public Works Department goals by Division are:

- Public Works Maintenance Division – Improve and maintain the condition of City infrastructure through periodic maintenance, rehabilitation and reconstruction; enhance the character and appearance of the City through landscaping and maintenance of parks, green areas and buildings.
- Beach Maintenance Division – Improve and maintain the quality and appearance of the beach by removing trash and sargassum management as well as improving the quality of beach accesses.
- Building Inspections Division – Provide guidance and permitting to assure that all structures, new and improved, are compliant with the latest codes and ordinances.
- Fleet Maintenance Division – Extend the life of the fleet through routine and preventive maintenance and development of a system for capturing life-cycle cost of ownership for fleet vehicles.
- Facilities Maintenance Division – Improve and maintain the condition of City facilities.

Our Planning Indicators and Focus:

Our planning strategies are based on the priorities that emerged from the development of the Capital Improvements Plan. An example of this is the reconstruction of city streets. This one item

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

PUBLIC WORKS STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Reconstruction of one mile of streets incorporating improved parking, sidewalks, curb & gutter, street lighting and new water lines.	2014/18	\$1,000,000 Per year
Improve and/or install 1,000 feet of storm sewer where needed on city streets as curb & gutter is installed.	2014/18	\$100,000 Per year
Install ½ mile of new sidewalk in existing location along Padre Boulevard in areas where there are no driveway conflicts exist.	2014/18	\$170,000 Per year
Install ½ mile of new sidewalk in new location with angled parking along Padre Boulevard.	2014/18	\$5,500,000 Per year
Install seven blocks of sidewalk with curb & gutter along Gulf Boulevard with improved parking for beach access.	2014/18	\$400,00 Per year
Improve the public beach access north of the Pearl by adding steps and restore vehicular access.	2014	\$25,000
Add sidewalk or mobi-mat to Starlight Circle Beach Access to separate vehicles from pedestrians.	2014	\$15,000
Add sidewalk or mobi-mat at Sapphire, Seaside, Sea Island, White Cap, Riviera, Daydream and Ocean to improve Beach Access.	2014/18	\$30,000 Per year
Train Facilities Personnel about Chiller Maintenance.	2014	\$22,000
Train the right-of-way officer in construction inspections and GPS. This may cause the need for another officer to be hired.	2014	\$35,000
Train Public Works staff in paving maintenance, drainage pipe maintenance, and landscaping practices.	2014/18	\$10,000 per year
Remove and replace the deteriorated wooden dune walk-over at Poinsettia Circle.	2014	\$300,000
Install a vehicle concrete or wooden drive-over structure at Beach Circle.	2014/15	\$450,000
Install a vehicle drive-over structure at White Sands street along with a structure to prevent storm surge wash-overs.	2015/16	\$400,000

Improve an underutilized beach access to expand parking and incorporate a new dune walkover.	2015/16	\$300,000
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Programs Implemented:

Program	Fiscal Year	Budget Impact
Installation of seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard	2014/15	\$200,000
Installation of seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard (includes 2012 carryover)	2014/15	\$500,000
Installation of seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard	2015/16	\$400,000
Installation of seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard	2016/17	\$400,000
Installation of seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard	2017/18	\$400,000
Installation of seven blocks of parking, concrete curb & gutter and sidewalk along Gulf Boulevard	2018/19	\$400,000
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2012/13	\$300,000
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2013/14	\$300,000
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2014/15	\$300,000
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2015/16	\$300,000
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2016/17	\$300,000
Reconstruction of one E-W street, addition of concrete curb & gutter, sidewalk and rehabilitation of three streets.	2017/18	\$300,000
Pavement preservation through crack sealing and spot repairs	2012/17	\$100,000 per year

PUBLIC WORKS POSITION CONTROL

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Public Works Director	1	1	1	1	1	1
Assistant Public Works Director	1	1	1	1	1	1
PW Administrative Assistant	1	1	1	1	1	1
Right-of-Way Officer	1	1	1	1	1	1
Public Works Foreman	1	1	1	1	1	1
Equipment Operator II	2	2	2	2	2	2
Equipment Operator I	2	2	2	2	2	2
Public Works Maintenance*	14	14	15	15	16	16
Beach Maintenance	3	3	3	3	3	3
Building Official	1	1	1	1	1	1
Building Admin. Assistant	1	1	1	1	1	1
Building Inspector**	1	1	1	1	1	1
Fleet Manager	1	1	1	1	1	1
Fleet Mechanic	1	1	1	1	1	1
Facilities Manager	1	1	1	1	1	1
Facilities Maintenance	2	2	2	2	2	2
Total Positions	34	34	35	35	36	36

* The addition of new beach access structures as well as the improvement of various beach accesses over this five year plan will require a gradual increase in Public Works personnel.

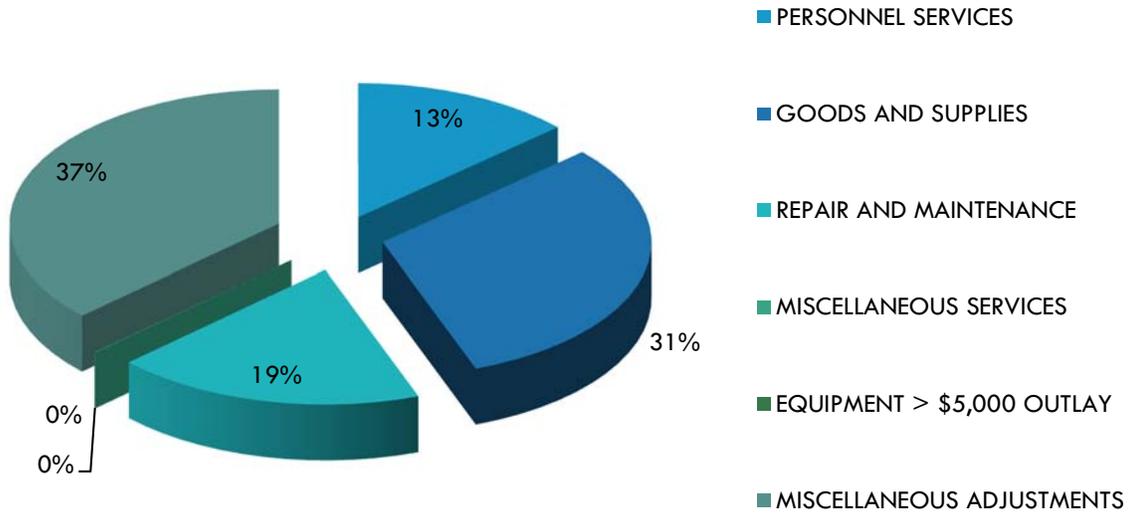
WORK PLAN FOR PUBLIC WORKS DEPARTMENT

Project	Description	Comprehensive Plan Goal	Estimated Completion Date	Team Leader
Develop Thoroughfare Plan	Develop a Thoroughfare Plan consistent with planning guidelines for transportation improvements	4.Q. Plan in advance for an efficient street network	3/31/2014	Newman
Paving Improvement (as budgeted)	Improve city streets	4.P Ensure suitable street infrastructure commensurate w/traffic demands & volumes	10/31/2014	Newman
Beach Access Improvements	Improve, repair and replace beach accesses as budget permits and grants are received from GLO	4.P Ensure suitable street infrastructure commensurate w/traffic demands & volumes	10/31/2014	Moya
Padre Boulevard Improvements	Identify costs, funding sources, and planning needs for future Padre Boulevard Improvements	4.R. Implement up-to-date transportation policies and standards & 4.S. Enhance street right-of-way appearance and contribution to Town character	7/31/2014	Newman
Parking, Pedestrian and Bicycle Lane Improvements	Improve City safety, pedestrian access, bicycle lanes, streets and beach access parking and ensure adequate parking for beach and City visitors	4.F. Provide a safe and attractive environment for walking and bicycling & 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.	10/31/2014	Newman
Palm Tree Trimming	Trim City owned trees.	N/A	5/31/2014	Moya

Medians, Landscape & Maintenance at Bay street ends	Maintain landscape at the bay ends of the local streets	5.J Continue maintaining and beautifying street ends.	9/30/2014	Moya
Regular Beach Maintenance	Emergency access lane delineations, Litter pick up and raking seaweed as directed by the Coastal Resources Manager	5.D Dedicate funding for beach and dune development and maintenance.	9/30/2014	Moya
Storm Sewer Cleaning (As budgeted)	Maintenance on City storm sewers.	6.L Improve storm water management system	9/30/2014	Moya

FLEET MAINTENANCE BUDGET NUMBERS

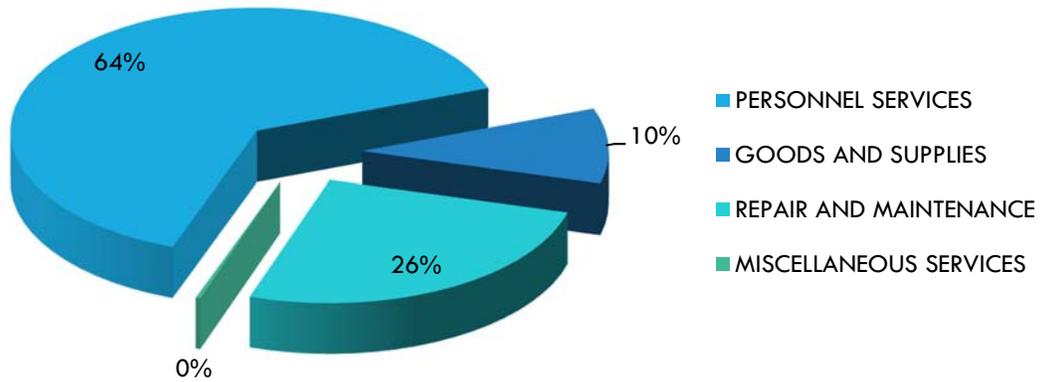
2015 FLEET MANAGEMENT BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FLEET MGMT.	2012	2013	2014	2015
PERSONNEL SERVICES	\$106,953	\$94,999	\$101,814	\$104,359
GOODS AND SUPPLIES	\$226,891	\$214,108	\$240,450	\$244,050
REPAIR AND MAINTENANCE	\$108,706	\$140,838	\$151,000	\$146,000
MISCELLANEOUS SERVICES	\$200	\$0	\$0	\$420
EQUIPMENT > \$5,000 OUTLAY	\$235,565	\$427,737	\$0	\$0
MISCELLANEOUS ADJUSTMENTS	\$153,620	\$199,845	\$266,838	\$290,184
TOTAL EXPENDITURES	\$831,935	\$1,077,527	\$760,102	\$785,013

FACILITIES AND GROUNDS MAINTENANCE BUDGET NUMBERS

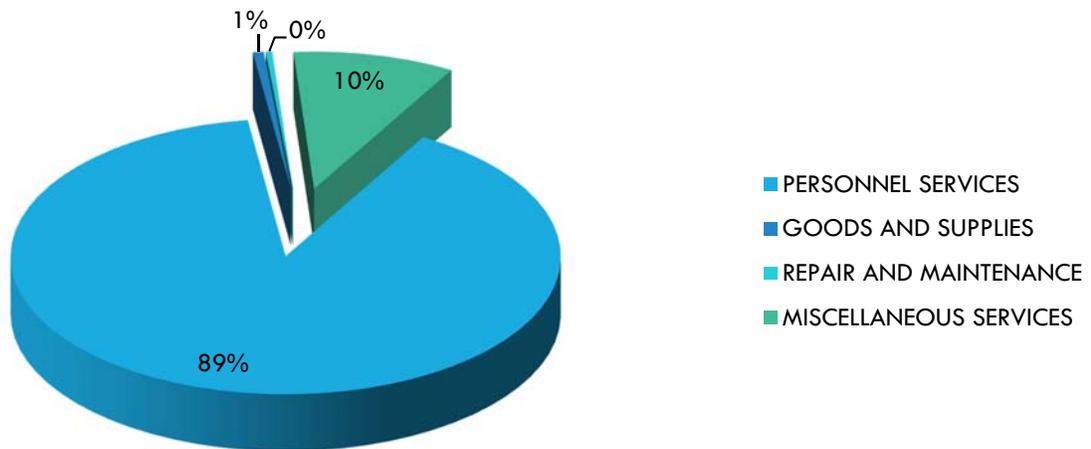
**2015 FACILITIES & GROUNDS MAINTENANCE
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - FACILITIES MAINT.	2012	2013	2014	2015
PERSONNEL SERVICES	\$113,390	\$114,593	\$118,327	\$123,749
GOODS AND SUPPLIES	\$16,137	\$17,155	\$18,250	\$18,750
REPAIR AND MAINTENANCE	\$41,046	\$41,936	\$48,228	\$48,228
MISCELLANEOUS SERVICES	\$286	\$0	\$575	\$1,535
TOTAL EXPENDITURES	\$170,859	\$173,685	\$185,380	\$192,262

INSPECTIONS BUDGET NUMBERS

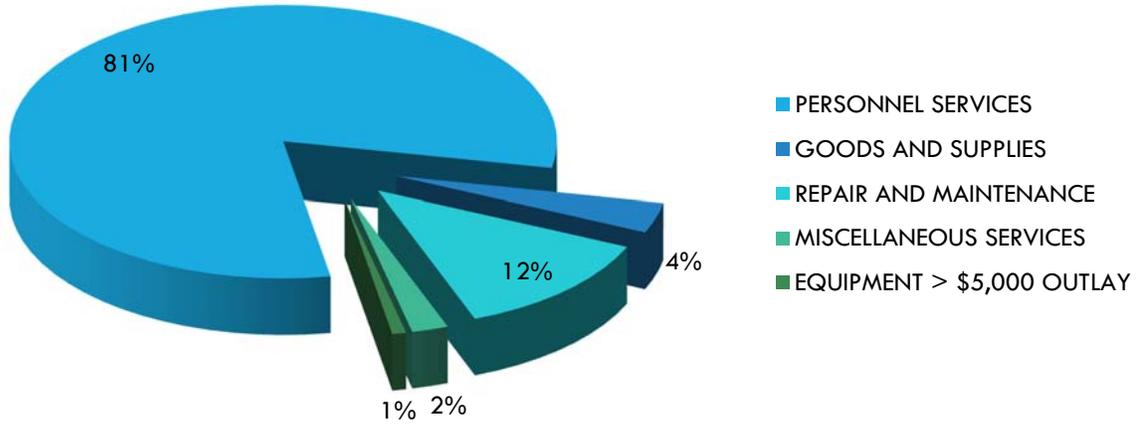
2015 INSPECTIONS BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - INSPECTIONS	2012	2013	2014	2015
PERSONNEL SERVICES	\$166,344	\$161,580	\$167,423	\$169,928
GOODS AND SUPPLIES	\$2,979	\$875	\$1,800	\$1,200
REPAIR AND MAINTENANCE	\$0	\$658	\$700	\$700
MISCELLANEOUS SERVICES	\$17,123	\$11,956	\$15,660	\$18,114
TOTAL EXPENDITURES	\$186,447	\$175,069	\$185,583	\$189,942

PUBLIC WORKS BUDGET NUMBERS

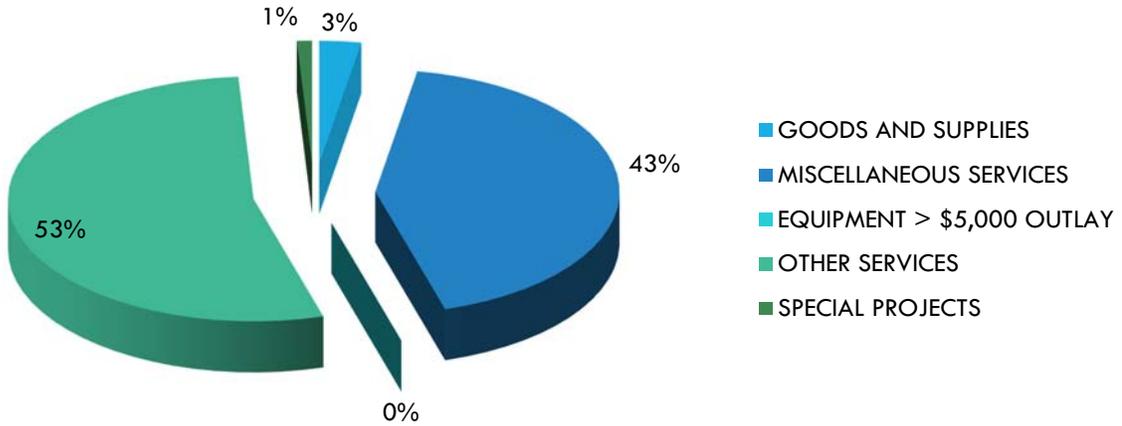
2015 PUBLIC WORKS BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - PUBLIC WORKS	2012	2013	2014	2015
PERSONNEL SERVICES	\$795,686	\$853,757	\$891,991	\$890,227
GOODS AND SUPPLIES	\$35,545	\$32,815	\$38,300	\$39,300
REPAIR AND MAINTENANCE	\$71,750	\$94,939	\$173,814	\$138,000
MISCELLANEOUS SERVICES	\$16,118	\$15,729	\$36,344	\$23,684
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$13,000	\$9,000
TOTAL EXPENDITURES	\$919,100	\$997,239	\$1,153,449	\$1,100,211

GENERAL SERVICES BUDGET NUMBERS

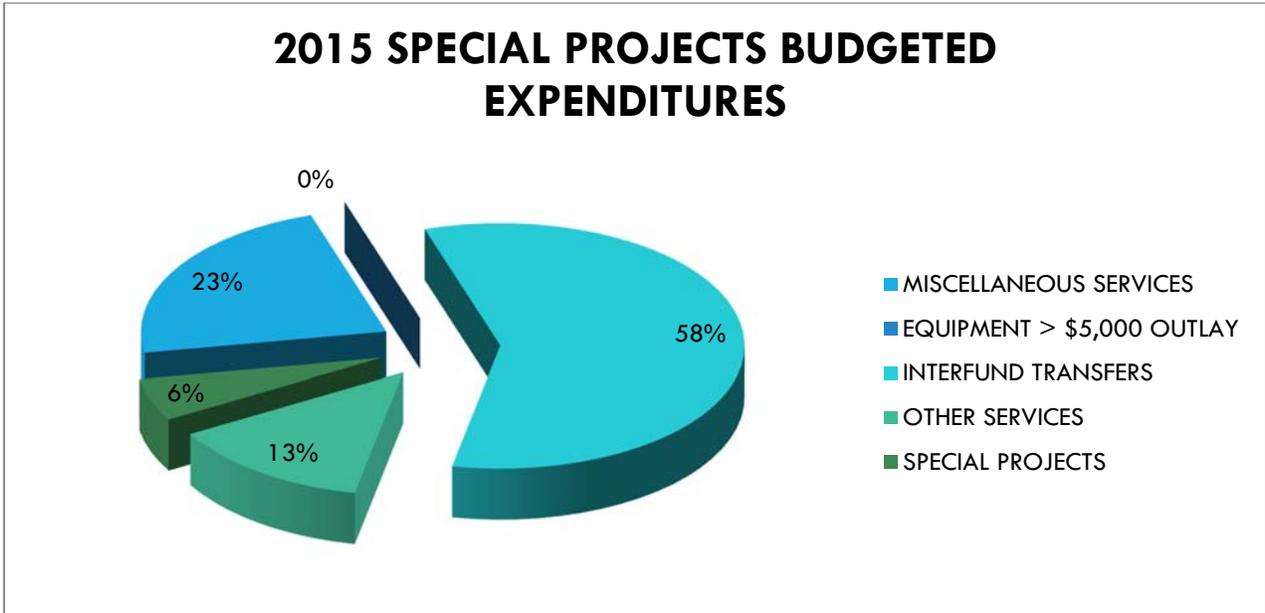
2015 GENERAL SERVICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - GENERAL SERVICE	2012	2013	2014	2015
GOODS AND SUPPLIES	\$15,271	\$21,394	\$23,000	\$23,500
MISCELLANEOUS SERVICES	\$366,411	\$333,639	\$348,830	\$365,041
EQUIPMENT > \$5,000 OUTLAY	\$8,850	\$0	\$0	\$0
OTHER SERVICES	\$377,041	\$456,677	\$458,300	\$458,500
SPECIAL PROJECTS	\$6,351	\$4,860	\$8,500	\$8,500
TOTAL EXPENDITURES	\$773,924	\$816,569	\$838,630	\$855,541

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

SPECIAL PROJECTS BUDGET NUMBERS

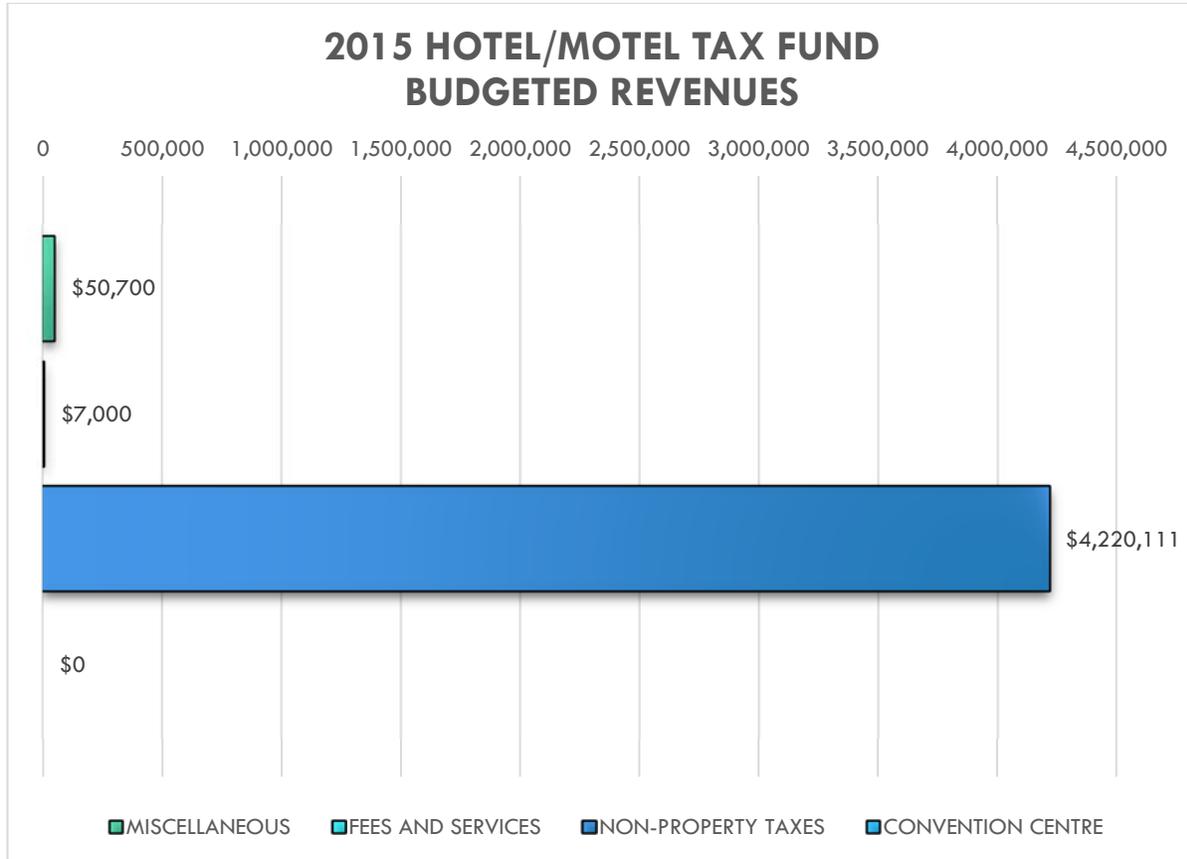


DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GEN. FUND - SPECIAL PROJECTS	2012	2013	2014	2015
MISCELLANEOUS SERVICES	\$154,675	\$174,515	\$155,250	\$135,000
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$50,000	\$0
INTERFUND TRANSFERS	\$549,560	\$776,500	\$249,704	\$344,264
OTHER SERVICES	\$89,037	\$67,500	\$87,500	\$80,000
SPECIAL PROJECTS	\$8,781	\$24,636	\$319,775	\$32,940
TOTAL EXPENDITURES	\$802,054	\$1,043,151	\$862,229	\$592,204

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

HOTEL MOTEL TAX FUND

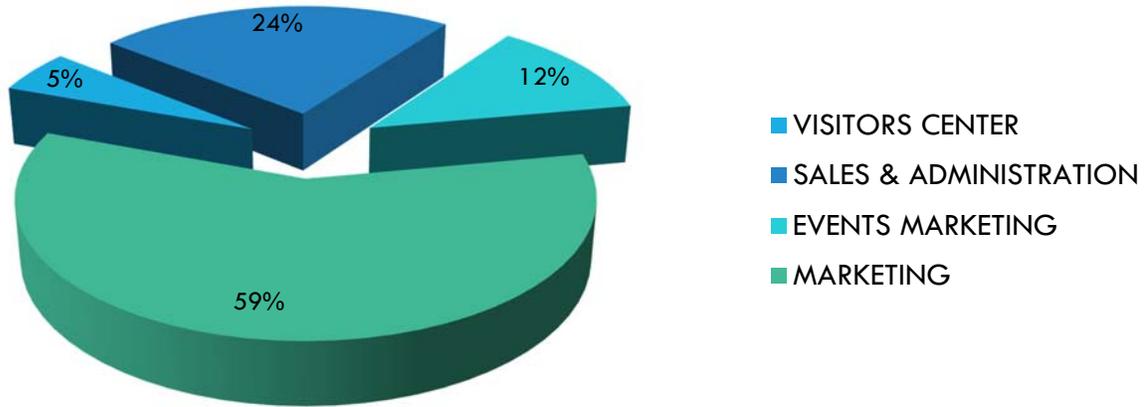
HOTEL MOTEL TAX REVENUE BUDGET NUMBERS



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL TAX FUND	2012	2013	2014	2015
CONVENTION CENTRE	\$34,301	\$42,334	\$7,000	\$0
NON-PROPERTY TAXES	\$4,106,114	\$4,233,791	\$3,574,117	\$4,220,111
FEES AND SERVICES	\$17,421	\$31,892	\$6,000	\$7,000
MISCELLANEOUS	\$931	\$5,669	\$0	\$50,700
TOTAL REVENUES	\$4,158,767	\$4,313,686	\$3,587,117	\$4,277,811

HOTEL MOTEL TAX BUDGETED EXPENDITURES

**2015 HOTEL/MOTEL TAX FUND
BUDGETED EXPENDITURES BY DEPARTMENT**



EXPENDITURES BY DEPT.	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL TAX FUND	2012	2013	2014	2015
VISITORS CENTER	\$327,162	\$214,420	\$222,496	\$225,906
SALES & ADMINISTRATION	\$2,665,424	\$813,823	\$939,104	\$1,029,285
EVENTS MARKETING	\$477,372	\$774,213	\$437,217	\$522,620
MARKETING	\$0	\$1,749,322	\$2,475,000	\$2,500,000
TOTAL EXPENDITURES	\$3,469,958	\$3,551,777	\$4,073,817	\$4,277,811

VISITORS CENTER

WHO ARE WE / WHAT WE DO:

The South Padre Island Visitors Center 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 vacation. Our visitors are greeted with a warm smile, well informed staff and professional attitude.

Major Goals:

1. Building Upgrade- Because tourism is the economic engine for the city, the Visitors Center must be maintained as the city's hospitality headquarters to ensure information is readily available in an aesthetically pleasing setting.
2. Update the technology to better serve our guest and community; this includes adding two new laptop computers, in the reception area, and one server, for visitor use within the next two years.
3. The Visitors Center will also serve as an information center for area businesses. To assist city businesses in promotion of their products and services, we will keep updated information concerning their offerings; this will also allow us to give area businesses feedback from our 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 tracking of:

- Latest information to our visitors regarding events and venues.
- The number of businesses that display brochures at the Visitors Center.
- Events that are held at the Visitors Center.
- Number of walk-ins to the Visitors Center.
- Number of information requests.
- Number of international visitors.
- Number of phone calls requesting information
- Opening and closing of Island businesses.
- Daily reports to Island partners.
- All events, festivities and activities in the Island.
- All the Island venues.

VISITOR CENTER STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Maintain the interior & exterior of the Visitors Center to provide a pleasant atmosphere and to positively represent South Padre Island and make our visitors stay happy and comfortable.	2014/2019	\$10,000
Renovate interior back offices to keep the building presentable and inspire pride in the Visitors Center work areas.	2014/2019	\$10,000
Update technology of computers, programs, and other software, and keeping up with new technology trends as needed.	2014/2019	\$5,000
Asphalt overlay for the front, side entrance and back parking lot, along with painting the yellow stripes. Parking lot is worn and dirty with oil spots; repairs are needed soon. The parking lots were maintained or patched over the years; a complete refurbish was done more than 10 years ago. The estimate to do a 2" overlay on the parking lot is approximately \$24,544. At this time the total is based on 1,888 square yards at \$13 a square yard. Bids will be provided.	2014-2019	\$24,544

Programs Implemented:

Program	Fiscal Year	Budget Impact
Several minor things were done to the Visitors Center this year such as purchasing sensor switches for the public restrooms, new landscaping, repairs to the sprinkler system, painted the large brochure racks in the back, maintain the parking lot stripes, polished the lobby floor, added lighting to the flags in the front, purchased new plants and new pillows for the lobby area.	2013/14	\$2,000

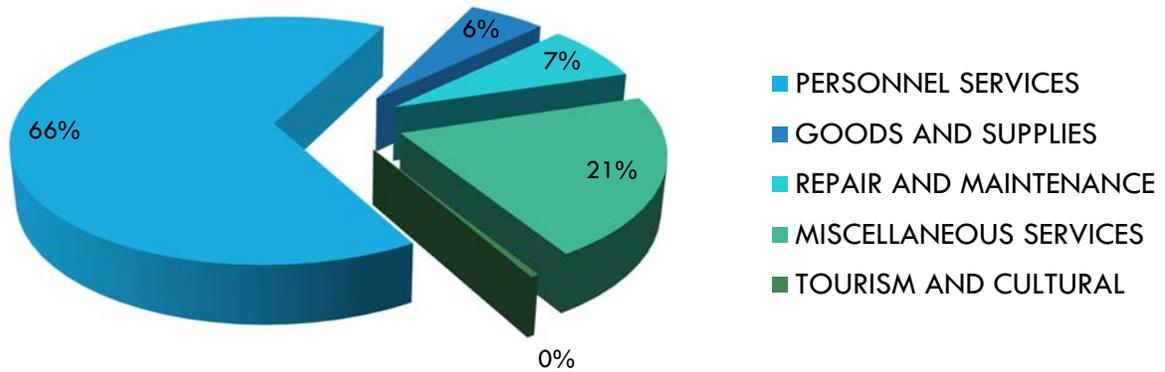
VISITORS CENTER STAFFING PLAN

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Visitors Center Manager	1	1	1	1	1	1
Full-time Information Counselor	2	2	2	2	2	2
Part-time Custodial Position	.5	.5	.5	.5	.5	.5
Total Positions	3.5	3.5	3.5	3.5	3.5	3.5

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

VISITORS CENTER BUDGET NUMBERS

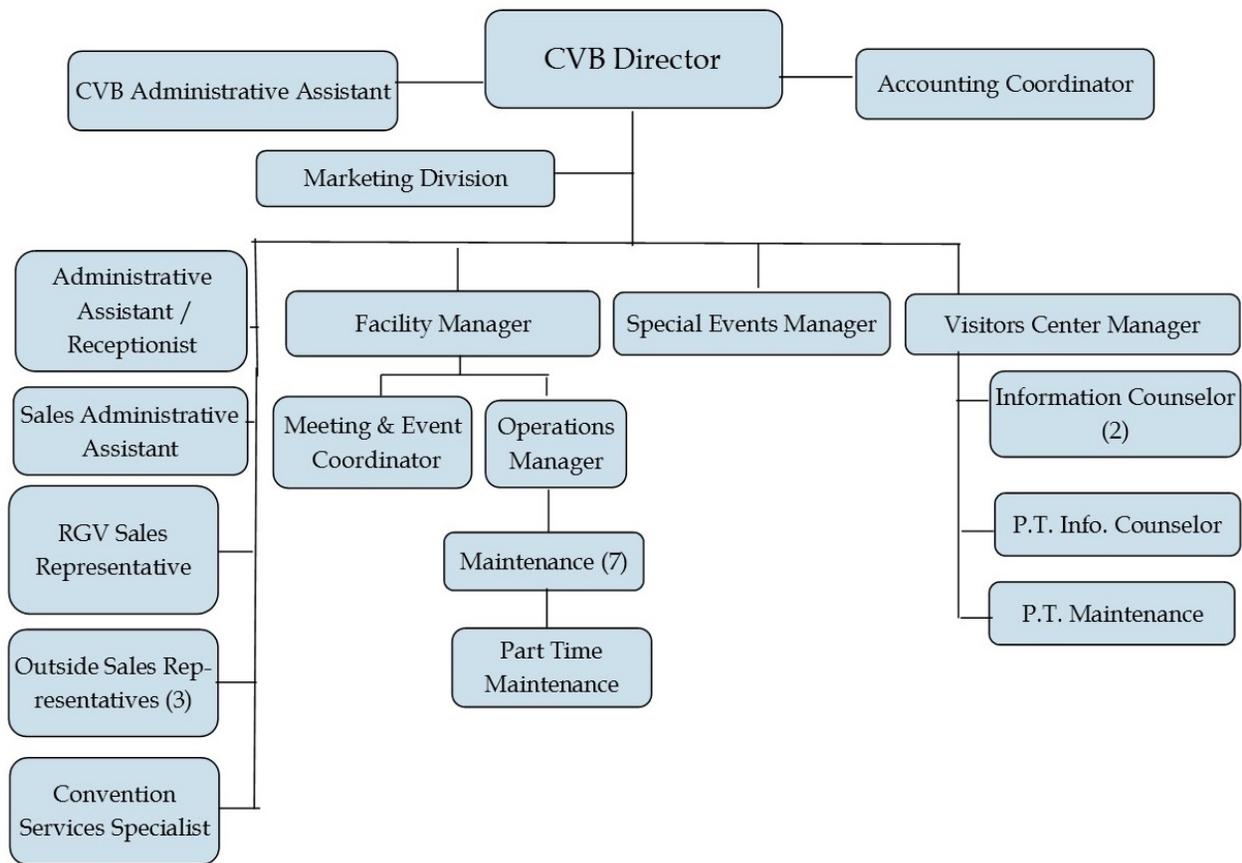
2015 VISITORS CENTER BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- VISITORS CENTER	2012	2013	2014	2015
PERSONNEL SERVICES	\$141,134	\$129,411	\$144,896	\$148,306
GOODS AND SUPPLIES	\$71,832	\$17,683	\$16,150	\$12,600
REPAIR AND MAINTENANCE	\$55,910	\$11,715	\$16,086	\$16,586
MISCELLANEOUS SERVICES	\$58,287	\$54,831	\$44,364	\$47,414
TOURISM AND CULTURAL	\$0	\$780	\$1,000	\$1,000
TOTAL EXPENDITURES	\$327,162	\$214,420	\$222,496	\$225,906

SALES & ADMINISTRATION DIVISION

SALES & ADMINISTRATION ORGANIZATIONAL CHART



WHO ARE WE / WHAT WE DO:

The CVB Sales Division & Administration is responsible for the marketing of South Padre Island as a destination for tourists, 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 overnighting guests on South Padre Island.

In accomplishing this task, the CVB works with the Convention & Visitors Transition Board, which is appointed by the City Council. The CVTB recommends a marketing plan and gives their input on the operating budget to the City Council for final approval. The CVTB has oversight over the following divisions:

- Visitor Center
- Sales & Administration
- Events Marketing
- Marketing
- Convention Centre

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

Major Goals:

1. Develop marketing/advertising efforts that achieve economic success for South Padre Island
2. Develop hospitality education for area businesses.
3. Maintain positive relationships with regular news media and travel writers.
4. Continue to enhance relationships with local hospitality industry.
5. Continue to maintain strong, positive relationships with all City departments.
6. Assist with the renovation and possible expansion of the Convention Centre.

Our Planning Indicators and Focus:

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

SALES & ADMINISTRATION STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS

Strategy/Program	Fiscal Year	Budget Impact
Maintain an innovative, effective and measurable advertising campaign.	2014/2015	No less than \$2,500,000
Increase our presence in the meetings sales area.	2014/2015	\$120,000
Continue developing innovate opportunities for marketing, considering all niche aspects and opportunities, including history and culture.	2014/2015	\$50,000
Renovate the Convention Centre	2014/2015	\$15,000,000
Expand the Convention Centre.	2014/2017	TBD
Improve local awareness of tourism, including CVB-led training.	2014/2015	\$5,000

Programs Implemented:

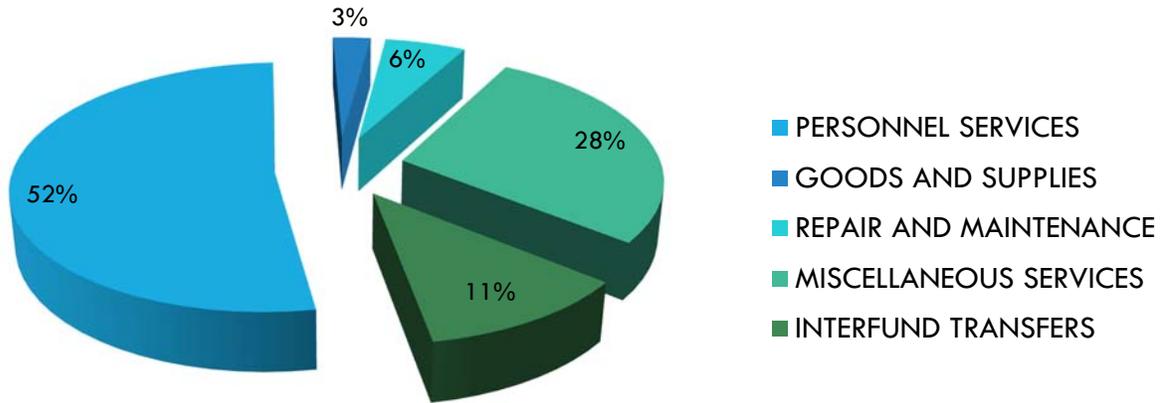
Program	Fiscal Year	Budget Impact
Maintain an innovative, effective and measurable advertising campaign.	2013/2014	\$2,500,000

SALES & ADMINISTRATION STAFFING PLAN

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
CVB Director	1	1	1	1	1	1
Director of Sales	0	1	1	1	1	1
Outside Sales Rep- RGV	1	1	1	1	1	1
Outside Sales Rep- Houston/San Antonio	1	1	1	1	1	1
Outside Sales Rep-Austin	1	1	1	1	1	1
Outside Sales Rep-DFW area	1	1	1	1	1	1
CVB Admin Assistant	1	1	1	1	1	1
Sales Admin Assistant	1	1	1	1	1	1
Convention Services Manager	0	1	1	1	1	1
Convention Services Specialist	1	1	1	1	1	1
Total Positions	8	10	10	10	10	10

SALES AND ADMINISTRATION BUDGET NUMBERS

**2015 SALES & ADMINISTRATION
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- SALES & ADMIN.	2012	2013	2014	2015
PERSONNEL SERVICES	\$537,762	\$473,724	\$509,104	\$536,815
GOODS AND SUPPLIES	\$66,803	\$26,281	\$24,000	\$28,190
REPAIR AND MAINTENANCE	\$17,470	\$19,275	\$25,500	\$60,500
MISCELLANEOUS SERVICES	\$2,043,389	\$198,138	\$284,095	\$286,232
INTERFUND TRANSFERS	\$0	\$96,405	\$96,405	\$117,548
TOTAL EXPENDITURES	\$2,665,424	\$813,823	\$939,104	\$1,029,285

SPECIAL EVENTS DIVISION

WHO ARE WE / WHAT WE DO:

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

- Marketing programs for Special Events including median banners, social media, City websites (sopadre.com, whosyourpadre.com)
- SPI Logo Usage
- Recently appointed as Staff liaison to Parks & Recreation & Beautification Committee

Major Goals:

1. Facilitate in the development of a venue/park on beach or bay front. This will allow the City to accommodate many events without having to run all proposals through private properties adjacent to our beaches. As it stands, no event may happen on SPI beach front without private property permission (by ordinance)
2. Enhance special events that generate HOT and create a quality SPI experience. Currently we host approximately 35 special events. Facilitating their growth and identifying new event opportunities will aid in increasing overnight stays.
3. Aid in identifying and accommodating at least two new special events each year. As we are not in the event production business, we will seek out established organizers that align with our niche markets.

Our Planning Indicators and Focus:

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

We now have staff who attend special events and survey participants to aid in obtaining data. Even with this, 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 as the employee turnover is frequent.

We do 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 can combine with hotel pickup for more accurate reports.

SPECIAL EVENTS STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Currently the Transition Board is tasked with outlining recommendations for the new budget year.	2014/15	
At this time all beachfront venues are under the control of the adjacent property owners. The sand flats north of the Convention Centre could be improved and developed to accommodate numerous events. This would mean an agreement involving Cameron County. The level should be raised to prevent flooding and venue developed to accommodate activities such as festivals, and water sport events. Fresh water sources and bathrooms would also be needed at this location. Possible expansion of the Convention Centre will enhance our ability to host concerts and special events in the building. Until we obtain an outdoor venue we cannot plan appropriately for establishing and sustaining significant outdoor events.	2014/19	
This division's goal is to aid in recruiting events that are sustainable, generate overnight stays and enhance the overall Island experience for our visiting public as well as our residents.	2014/19	

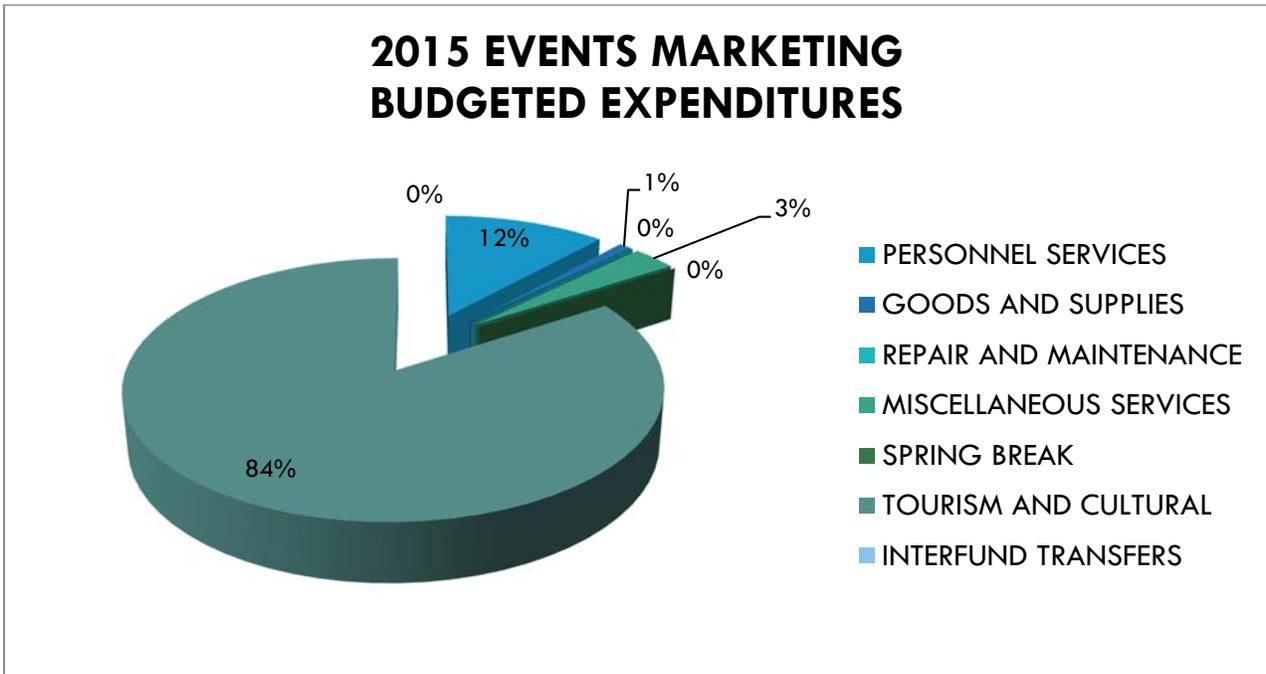
Programs Implemented:

Program	Fiscal Year	Budget Impact
Staff attends selected special events in order to survey participants. We now have more complete info regarding room nights and overnight visitor attendance during these events.	2014/15	
2013 has brought four new events that align with our efforts to bring sustainable events that produce room nights.	2012/13	

SPECIAL EVENTS STAFFING PLAN:

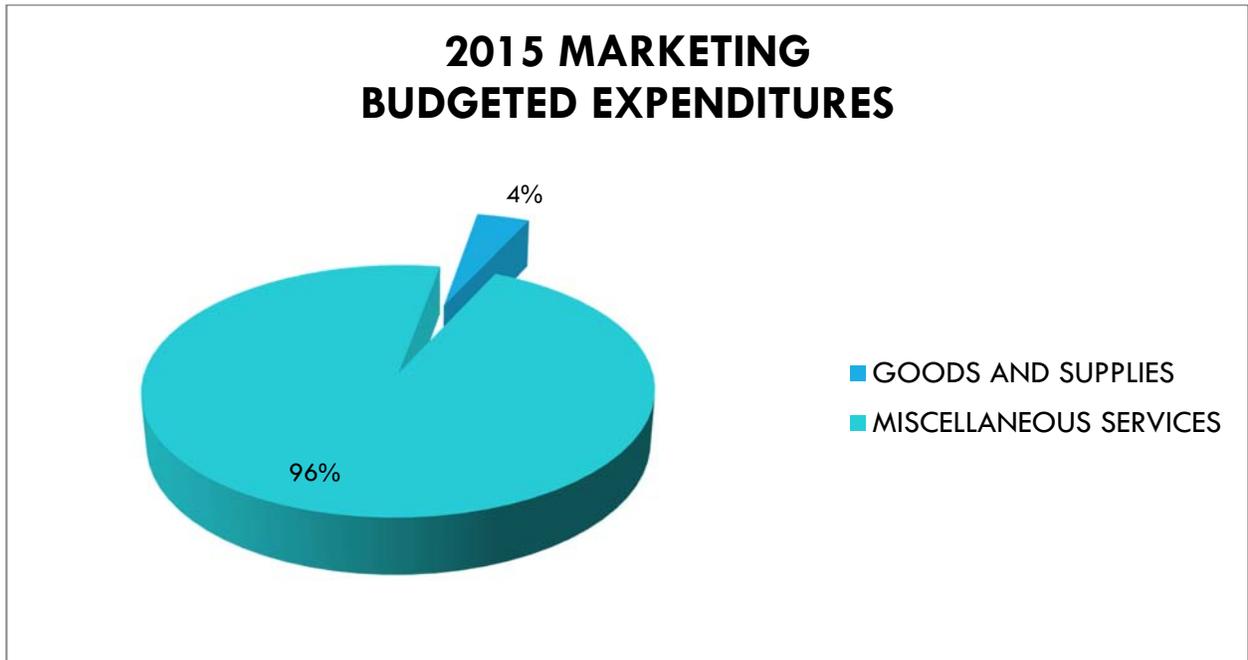
	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Special Event Manager	1	1	2	2	2	2
Total Positions	1	1	2	2	2	2

SPECIAL EVENTS MARKETING BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- EVENTS MKTG.	2012	2013	2014	2015
PERSONNEL SERVICES	\$66,616	\$59,286	\$60,517	\$61,140
GOODS AND SUPPLIES	\$3,184	\$4,733	\$4,900	\$4,900
REPAIR AND MAINTENANCE	\$157	\$85	\$250	\$250
MISCELLANEOUS SERVICES	\$7,396	\$5,996	\$8,640	\$16,630
SPRING BREAK	\$16,444	\$27,738	\$35,000	\$0
TOURISM AND CULTURAL	\$333,575	\$676,374	\$327,910	\$439,700
INTERFUND TRANSFERS	\$50,000	\$0	\$0	\$0
TOTAL EXPENDITURES	\$477,372	\$774,213	\$437,217	\$522,620

MARKETING BUDGET NUMBERS



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
HOTEL/MOTEL- MARKETING	2012	2013	2014	2015
GOODS AND SUPPLIES		\$96,451	\$135,000	\$102,000
MISCELLANEOUS SERVICES		\$1,652,872	\$2,340,000	\$2,398,000
TOTAL EXPENDITURES	-	\$1,749,322	\$2,475,000	\$2,500,000

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

CONVENTION CENTRE FUND

WHO ARE WE / WHAT WE DO:

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

- Visitors Center
- Sales and Marketing
- Events Marketing

Major Goals:

1. Maintain positive relationships with clients, meeting planners, event attendees and guests.
2. Ensure all clients feel welcome and assured their business is appreciated by continuing to provide excellent customer service and hospitality.
3. Continue to provide training opportunities to all personnel and providing new and updated information so they better understand their job assignments.
4. Continue to maintain strong, positive relationships with all City departments.
5. Provide experience input to the designers of the revamped Convention Centre to ensure design is appropriate for our area and usage.

Our Planning Indicators and Focus:

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

CONVENTION CENTRE STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Painting of building interior and complete repairs of problem areas.	2015/2016	\$5000
Assess and work on improvement of landscaping	2015/2016	\$5000
Clean and organize storage areas and inventory chairs, tables, podiums, etc.	2015/2016	N/A
Purchase replacements for outdated 20- year-old kitchen equipment: warmers, portable servers, stove, convection ovens, etc. Replace painted kitchen floor with appropriate flooring; these items to be completed as the budget allows.	2014/2017	\$50,000
Provide training for Operations staff for presently owned and future equipment purchases such as AC systems, chiller etc.	2014/2017	\$5,000
Repair and pave existing parking and access areas, to include restriping and possibly scheduling in conjunction with other City street or lot paving projects to reduce cost.	2015/2017	\$200,000
Repair plugs and lighting system in parking areas, install lighting as needed to ensure the safety of guests and staff.	2014/2015	\$25,000
Schedule refurbishing of Wyland Whaling Wall to maintain integrity of workmanship.	2014/2015	\$12,000
Retractable Bleachers/ purchase would allow for less set-up and tear down time and allow for more available Convention Centre leasable days, possibly resulting in more rental income.	2016/2018	\$150,000
Install a security camera system for building and parking areas	2015/2016	\$15,000
Replace existing manual lettering marquee with remote electronic model.	2015/2017	\$95,000
Painting of building exterior.	2014/2015	\$250,000
Develop a maintenance program and purchase software	2014/2016	\$5,000

Note: Some of the goals mentioned above will be impacted by the Convention Centre Renovation and Expansion Project.

Programs Implemented:

Program	Fiscal Year	Budget Impact
2 Gas powered new golf carts to be used to transport crews and material for grounds maintenance repairs and as needed during special events	2013/2014	\$18,200.00

Staffing Plan:

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Facility Manager	0	0	1	1	1	1
Operations Manager	1	1	1	1	1	1
Asst. Facility Manager	0	0	1	1	1	1
Meeting Events Coordinator	1	1	1	1	2	2
Maintenance personnel	7	8.5	8.5	9	9.5	9.5
Total Positions	9	10.5	12.5	13	14.5	14.5

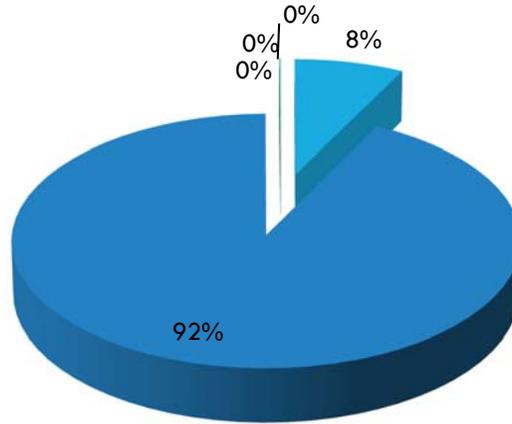
If the City decides to expand the Convention Centre, the Convention Centre Division will need to be expanded into a team of employees and be funded appropriately based on expanded markets.

CONVENTION CENTRE BUDGET NUMBERS

CONVENTION CENTRE REVENUE

**2015 CONVENTION CENTRE FUND
BUDGETED REVENUES**

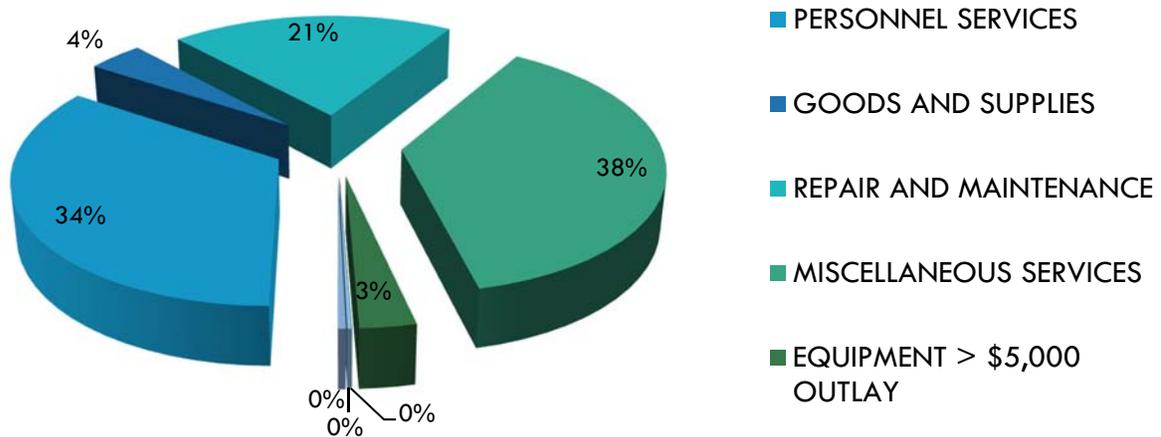
- CONVENTION CENTRE
- INTERGOVERNMENTAL
- OTHER FINANCING SOURCES
- NON-PROPERTY TAXES
- MISCELLANEOUS



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
CONVENTION CENTRE FUND	2012	2013	2014	2015
CONVENTION CENTRE	\$193,028	\$212,737	\$201,000	\$202,500
NON-PROPERTY TAXES	\$2,060,880	\$2,300,424	\$2,592,877	\$2,503,496
INTERGOVERNMENTAL	\$22,118	\$0	\$0	\$0
MISCELLANEOUS	\$8,120	\$12,504	\$0	\$2,500
OTHER FINANCING SOURCES	\$0	\$26,243	\$0	\$0
TOTAL REVENUES	\$2,284,147	\$2,551,906	\$2,793,877	\$2,708,496

CONVENTION CENTRE BUDGETED EXPENDITURES

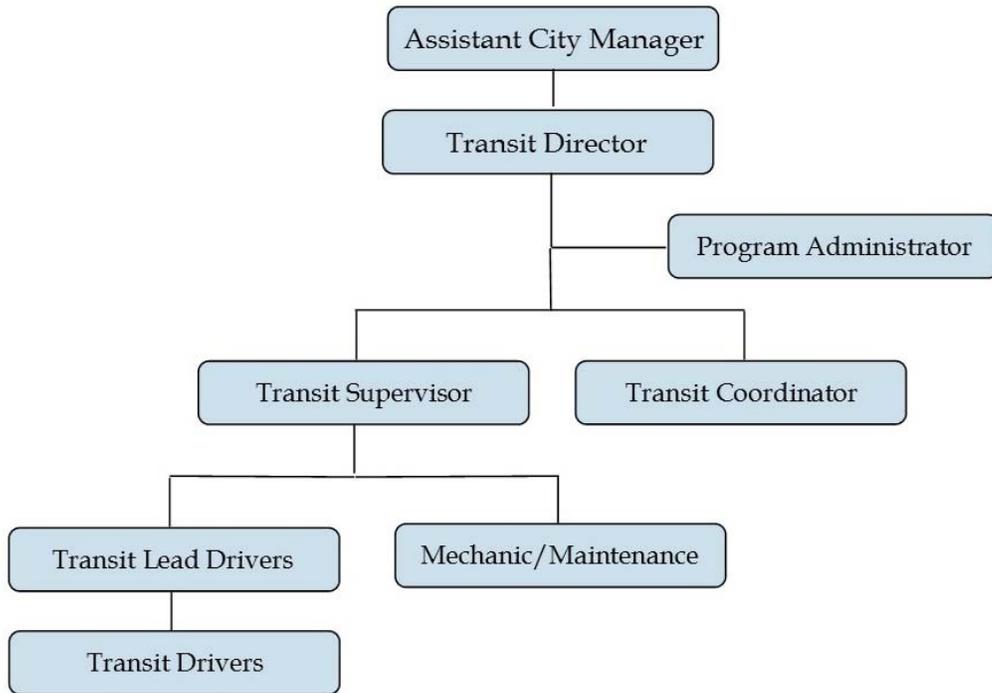
**2015 CONVENTION CENTRE
BUDGETED EXPENDITURES**



EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
CONVENTION CENTRE	2012	2013	2014	2015
PERSONNEL SERVICES	\$430,796	\$404,722	\$461,582	\$498,175
GOODS AND SUPPLIES	\$34,831	\$60,330	\$44,583	\$58,283
REPAIR AND MAINTENANCE	\$302,791	\$298,149	\$121,500	\$299,000
MISCELLANEOUS SERVICES	\$537,459	\$1,093,670	\$1,023,895	\$548,025
EQUIPMENT > \$5,000 OUTLAY	\$29,689	\$87,726	\$1,027,000	\$43,000
INTERFUND TRANSFERS	\$426,069	\$0	\$0	\$0
OTHER SERVICES	\$14,575	\$1,275	\$3,000	\$3,000
MISCELLANEOUS ADJUSTMENTS	\$0	\$2,365	\$5,912	\$5,912
TOTAL EXPENDITURES	\$1,776,209	\$1,948,236	\$2,687,472	\$1,455,395

TRANSIT AND PLANNING DEPARTMENT

TRANSIT ORGANIZATIONAL CHART



WHO ARE WE, WHAT WE DO

The WAVE is the rural transit agency for the City of South Padre Island. Our fixed route and free transportation to all riders has proven to be very successful, with annual ridership exceeding 640,000 for fiscal year 2014. The WAVE provides public transportation for South Padre Island, Port Isabel, Laguna Heights, and through the connection with Metro Connect, the Laguna Madre area. The bus routes cover approximately a 23- 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 WAVE 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 WAVE transit system has been developed with the input of our drivers, passengers, and citizens and business persons on both sides of the Queen Isabella Memorial Bridge. The WAVE routes have been designed to provide stops for the greatest number of work, play, and essential needs areas such as post offices, city halls, 23 of the 24 public beach accesses within the City of South Padre Island, Port Isabel's Historical Lighthouse, Museum, and Library/Community Center, grocery stores, pharmacies, medical facilities, retail, restaurant, and hotel establishments. Our

mission is to provide safe, reliable, and friendly service to all residents, employees, employers, and tourists in the area in a non-discriminatory manner.

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

The Transit Department provides comprehensive management of TxDOT and Federal Transit Administration rural transportation grants. Leveraging \$100,000.00 in local resources, the Transit Department annually captures over \$1.4 million in local match, TxDOT and FTA grant funds.

Major Goals:

1. Lead the development of a transit multi-modal center.
2. The WAVE will be the preferred mode of transportation for the City’s residents, workforce and vacationers.
3. To reduce transit headway on Padre Boulevard.
4. To continue developing relationships with local, state and federal funders.
5. To secure grants to build out bus shelters on Padre and Gulf Blvd.
6. To begin planning for a possible direct shuttle to/from the Brownsville/South Padre Island International Airport.
7. Sell advertising space on WAVE buses to generate local revenue.

TRANSIT STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Multi-Modal Facility	2014/2018	\$3,500,000
Park & Ride	2014/2016	\$1,500,000
Padre Blvd. headway reduction (pick-up schedule on Padre Blvd.)	2014/2016	\$440,000
Gulf Blvd. passenger bus stops	2014/2016	\$150,000
Brownsville/SPI direct airport shuttle	2015/2016	\$600,000
Sell advertising space on WAVE buses	2014/2015	\$0
Harlingen/SPI direct airport shuttle	2015/2016	\$600,000

Programs Implemented:

Program	Fiscal Year	Budget Impact
Purchased two new buses	2013/2014	\$140,000
Metro Connect	2013/2014	\$320,000

TRANSIT POSITION CONTROL

	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Transit Director	1	1	1	1	1	1
Transit Supervisor	1	1	1	0	0	0
Operations Manager	0	0	1	1	1	1
Transit Coordinator	1	1	1	1	1	1
Program Administrator	0	1	1	1	1	1
Administrative Assistant	1	1	0	0	0	0
Mechanic	1	1	1	0	0	0
Master Mechanic	0	0	0	1	1	1
Maintenance	0	1	1	1	1	1
Lead Driver	2	2	2	2	2	2
Driver	11	14	20	20	26	26
Total Positions	18	22	29	28	34	34

TRANSIT PERFORMANCE MEASURES

	Actual FY 2013	Estimated FY 2014	Estimated FY 2015
Number of Full-time Equivalents (FTEs) - Drivers	10	10	10
Total Operating and Maintenance Expenditures	\$1,364,624	\$1,490,353	\$1,509,566
Number of Buses Operating	9	8	8
Hours driven	20,445	20,550	20,644
Miles driven	355,788	360,000	375,000
Operating and Maintenance Expenditure per mile driven	\$3.84	\$4.14	\$4.03

*Metro Connect not included

WORK PLAN FOR TRANSPORTATION

Project	Description	Comprehensive Plan Goal	Estimated Completion Date
Multi-Modal Transit Center	Development of Multi-Modal Transit Center	Goal 4.I: Increase ridership on the WAVE both residents & visitors.	Dec-15
Increase hours of operations	Increase hours of operations on Friday and Saturdays. 7am-12am	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Dec-14
Advertising	Sell advertising space on Wave buses to generate local revenue	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Dec-14
Driver Training	Driver Training	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Sep-15
State of Good Repair Grant	Application to secure grant funds	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Mar-14
Coordinated Call for RFP's	Application to secure grant funds	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Dec-14
Master Grant Application Part 1	Application to secure grant funds	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Jun-15
Master Grant Application Part 2	Application to secure grant funds	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Jan-15
PIEDC Grant Application	Application to secure grant funds	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Jun-15
Elderly & Disabled Grant Application	Application to secure grant funds	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Jul-15
Bus Procurement	Followed FTA, TxDOT, & local	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Nov-14

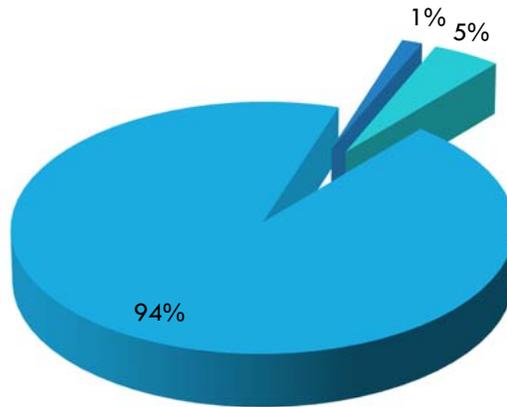
	guidelines for grant funded procurement		
Bus Shelter Maintenance	Power wash bus shelters and replacing bus schedules and maps as needed	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Ongoing
TxDOT Audit	Prepare binder with various documents to show compliance with TxDOT requirements	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Ongoing
Daily Reports	Enter daily operations onto a spreadsheet including; ridership, mileage, hours, fuel usage, bike riders, etc.	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Ongoing
Work Orders	Enter daily maintenance information onto a spreadsheet including; description of job performed, mileage, and materials used	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Ongoing
Notifications	Prepare and place ads for various public notices regarding changes in routes, hours, etc.	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Ongoing
TxDOT Monthly Billings	Assist with preparing invoices for TxDOT billing information	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Ongoing
TxDOT Scholarships	Apply for training scholarships when applicable	Goal 4.I: Increase ridership on the WAVE both residents & visitors	Ongoing

TRANSIT BUDGET NUMBERS

TRANSIT FUND REVENUES

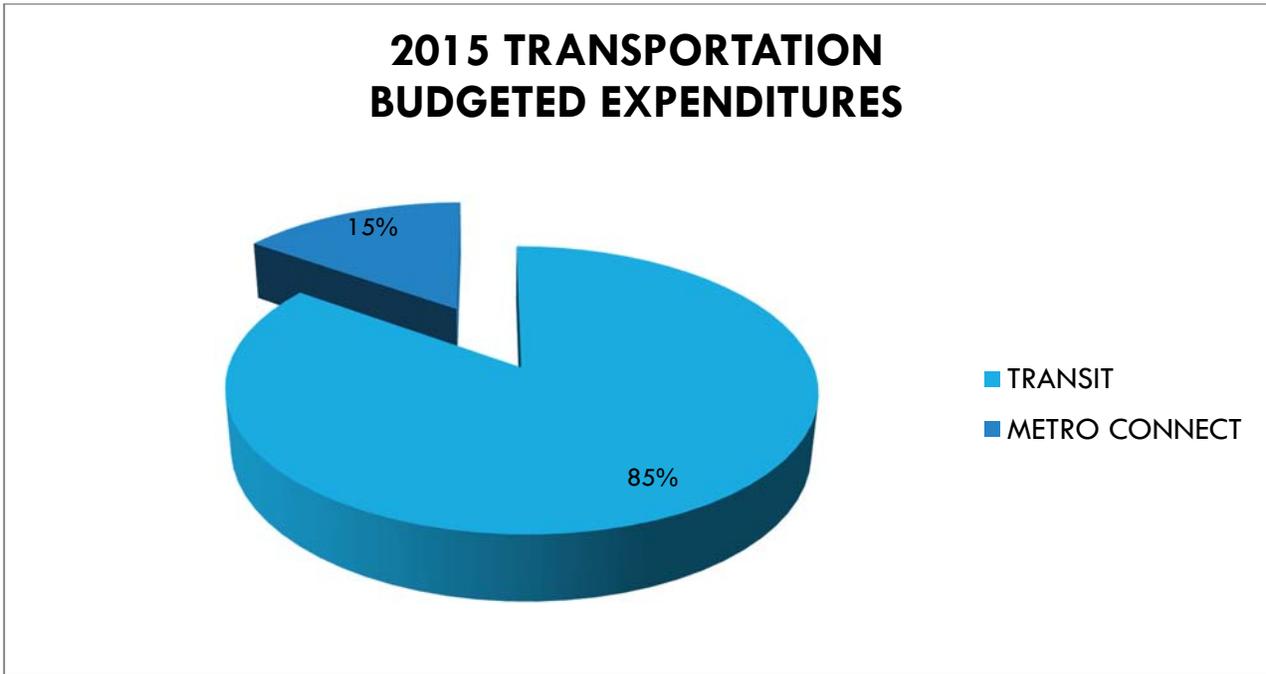
**2015 TRANSPORTATION
BUDGETED REVENUES**

■ INTERGOVERNMENTAL ■ MISCELLANEOUS ■ OTHER FINANCING SOURCES



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION	2012	2013	2014	2015
INTERGOVERNMENTAL	\$1,249,161	\$1,277,376	\$1,719,738	\$3,284,159
MISCELLANEOUS	\$57,947	\$54,567	\$50,000	\$50,000
OTHER FINANCING SOURCES	\$50,000	\$87,900	\$50,000	\$164,684
TOTAL REVENUES	\$1,357,108	\$1,419,842	\$1,819,738	\$3,498,843

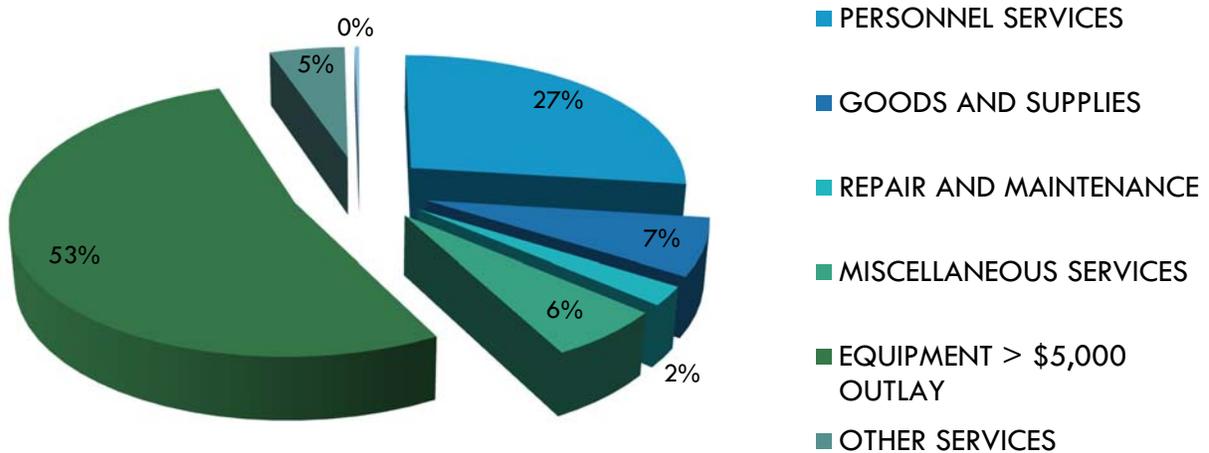
TRANSIT BUDGETED EXPENSES



EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION	2012	2013	2014	2015
THE WAVE	\$1,275,737	\$1,364,624	\$1,490,353	\$2,968,930
METRO CONNECT	\$0	\$0	\$329,385	\$529,152
TOTAL EXPENDITURES	\$1,275,737	\$1,364,624	\$1,819,738	\$3,498,082

THE WAVE BUDGET NUMBERS

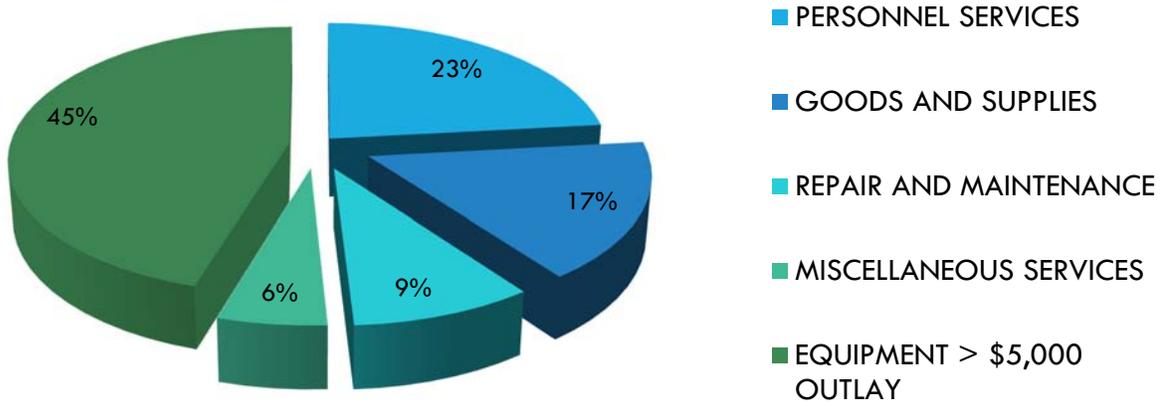
**2015 THE WAVE
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION- THE WAVE	2012	2013	2014	2015
PERSONNEL SERVICES	\$665,012	\$689,493	\$723,973	\$801,411
GOODS AND SUPPLIES	\$199,693	\$193,164	\$228,713	\$204,508
REPAIR AND MAINTENANCE	\$84,154	\$74,790	\$81,200	\$68,000
MISCELLANEOUS SERVICES	\$103,483	\$179,188	\$364,429	\$178,289
EQUIPMENT > \$5,000 OUTLAY	\$193,396	\$191,431	\$50,000	\$1,560,000
OTHER SERVICES	\$30,000	\$32,550	\$33,500	\$148,184
MISCELLANEOUS ADJUSTMENTS	\$0	\$4,008	\$8,538	\$8,538
TOTAL EXPENDITURES	\$1,275,737	\$1,364,624	\$1,490,353	\$2,968,930

METRO CONNECT BUDGET NUMBERS

**2015 METRO CONNECT
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
TRANSPORTATION- METRO CONNECT	2012	2013	2014	2015
PERSONNEL SERVICES	\$0	\$0	\$128,275	\$123,185
GOODS AND SUPPLIES	\$0	\$0	\$60,773	\$87,954
REPAIR AND MAINTENANCE	\$0	\$0	\$89,133	\$48,813
MISCELLANEOUS SERVICES	\$0	\$0	\$51,205	\$29,200
EQUIPMENT > \$5,000 OUTLAY	\$0	\$0	\$0	\$240,000
TOTAL EXPENDITURES	\$0	\$0	\$329,385	\$529,152

COASTAL RESOURCES

WHO ARE WE / WHAT WE DO:

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

Major Goals:

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

Our Planning Indicators and Focus:

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

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

COASTAL RESOURCES STRATEGIES AND PROGRAMS FOR THE NEXT FIVE YEARS:

Strategy/Program	Fiscal Year	Budget Impact
Sustain an annual Dune Restoration Program that establishes a vegetated dune system.	Annually	CMP Funded Vol. Hrs. Match
Enhance beach access for public and emergency vehicles access along the City Limits. (ex. Walkovers, Mobi-Mats, and parking improvements)	Ongoing	Seeking Grant Funds- CMP cycle 20
Protection and enhancement of the continuous dune line and to manage erosion-contributing influences.	Ongoing	Varies depending on project
Foredune Shore Up program to manage sand and seaweed allocation within the City's beaches.	2014/2015	\$20,000
Create a Graduate student internship program to keep evaluate the impacts of beach management.	2014/2015	\$25,000
Create a walkover preventive maintenance program through the public works staff.	2014/2015	\$20,000
Work with the GLO, USACE, and consultants to identify and permit additional nearshore berm placement areas in our current Corps permit SWG 2007-01276.	2014/2015	Undetermined
Work with the GLO, USACE, and consultants to explore options to place channel maintenance material beneficially on the beach even during turtle nesting season	2014/2015	Undetermined

Programs Implemented:

Program	Fiscal Year	Budget Impact
Foredune Shore Up program to manage sand and seaweed allocation within the City's beaches.	2013/14	10,000
Dune Volunteer program funded by CMP cycle 18	2012/2013 2013/2014	Vol. Match/ \$85,000 in funding from GLO
Enhance public beach access along CMP cycle 18 funded Gulf Blvd improvements and the installation of an Emergency vehicle access.	2013/2014	\$300,000 Required for match

The City was awarded 4 CMP cycle 19 funded projects: 1) Gulf Blvd Phase 3 improvements, 2) walkover at the Pear hotel, 3) Dune Volunteer Program, 4) Seaside beach access improvements	2013/2014	\$450,000 Required for match
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Staffing Plan:

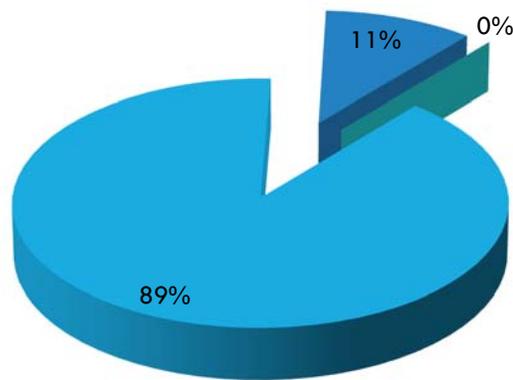
	Current	2014/15	2015/16	2016/17	2017/18	2018/19
Coastal Resources Manager	1	1	1	1	1	1
Administrative Assistant	0	0	0	1	1	1
Ecology/Biology Graduate Student	0	.5	.5	.5	.5	.5
Total Positions	1	1.5	1.5	2.5	2.5	2.5

BEACH MAINTENANCE FUND BUDGET NUMBERS

BEACH MAINTENANCE REVENUE

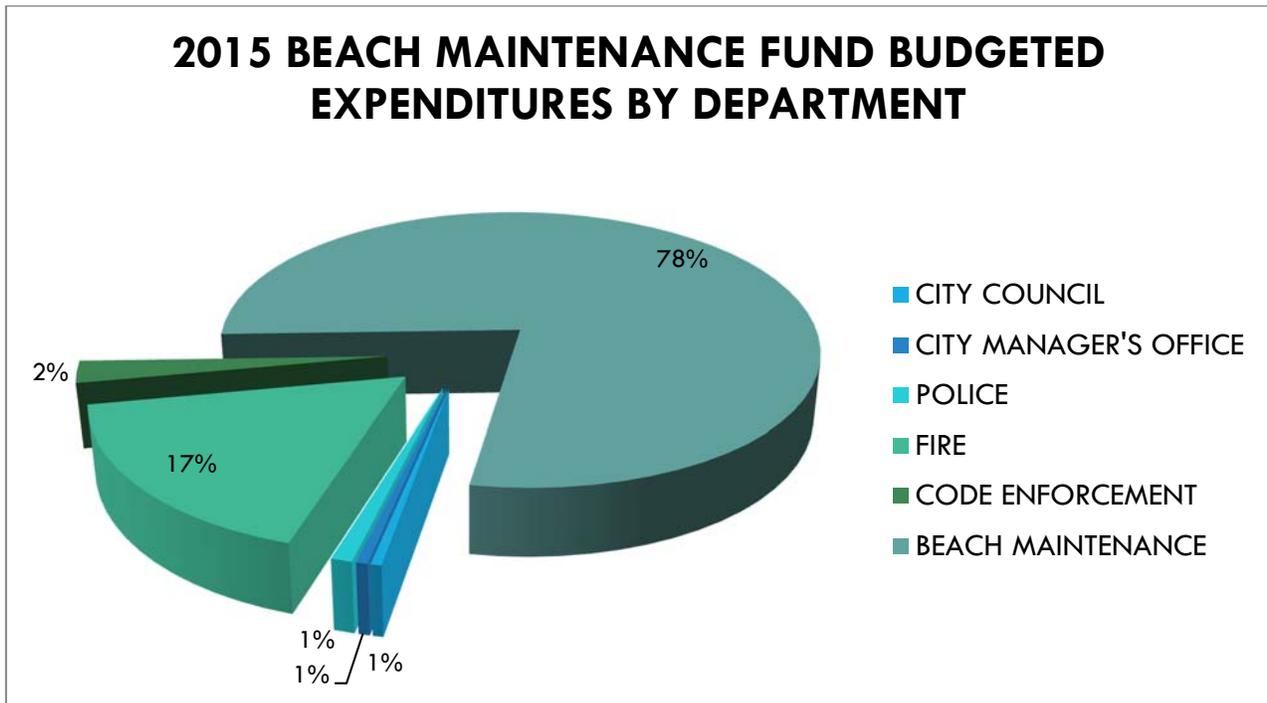
**2015 BEACH MAINTENANCE FUND
BUDGETED REVENUES**

■ NON-PROPERTY TAXES ■ INTERGOVERNMENTAL
 ■ OTHER FINANCING SOURCES



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE FUND	2012	2013	2014	2015
NON-PROPERTY TAXES	\$701,412	\$1,236,199	\$1,402,824	\$1,643,017
INTERGOVERNMENTAL	\$107,200	\$45,434	\$193,000	\$193,000
OTHER FINANCING SOURCES	\$0	\$28,507	\$0	\$0
TOTAL REVENUES	\$808,612	\$1,310,139	\$1,595,824	\$1,836,017

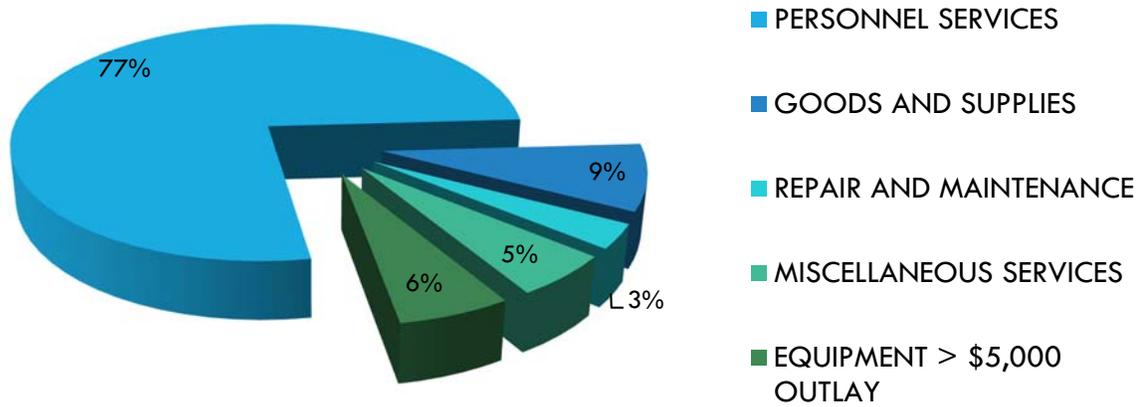
BEACH MAINTENANCE BUDGETED EXPENDITURES



EXPENDITURES BY DEPARTMENT	ACTUAL		BUDGET	
	2012	2013	2014	2015
BEACH MAINTENANCE FUND				
CITY COUNCIL	\$0	\$0	\$0	\$7,000
CITY MANAGER'S OFFICE	\$0	\$0	\$0	\$7,500
POLICE	\$0	\$0	\$7,326	\$13,780
FIRE	\$199,448	\$147,292	\$205,036	\$251,640
CODE ENFORCEMENT	\$0	\$0	\$0	\$35,374
BEACH MAINTENANCE	\$424,309	\$634,438	\$1,010,802	\$1,135,999
TOTAL EXPENDITURES	\$623,757	\$781,730	\$1,223,164	\$1,451,293

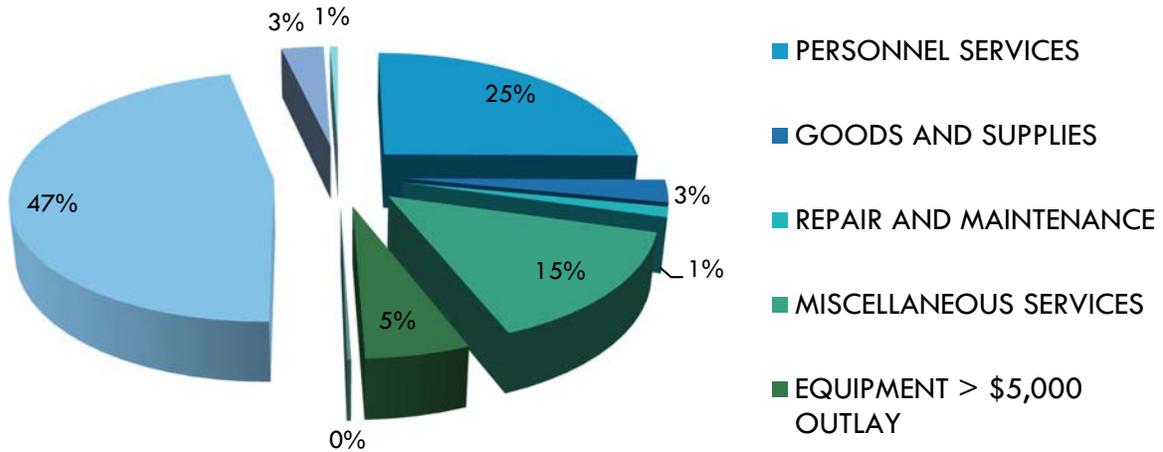
BEACH MAINTENANCE FIRE DIVISION BUDGETED NUMBERS

**2015 BEACH MAINTENANCE- FIRE
BUDGETED EXPENDITURES**



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE- FIRE	2012	2013	2014	2015
PERSONNEL SERVICES	\$145,574	\$114,521	\$162,286	\$193,340
GOODS AND SUPPLIES	\$23,632	\$25,824	\$24,200	\$21,600
REPAIR AND MAINTENANCE	\$6,423	\$6,947	\$16,550	\$8,000
MISCELLANEOUS SERVICES	\$0	\$0	\$2,000	\$13,700
EQUIPMENT > \$5,000 OUTLAY	\$23,819	\$0	\$0	\$15,000
TOTAL EXPENDITURES	\$199,448	\$147,292	\$205,036	\$251,640

2015 BEACH MAINTENANCE- BEACH MAINTENANCE BUDGETED EXPENDITURES



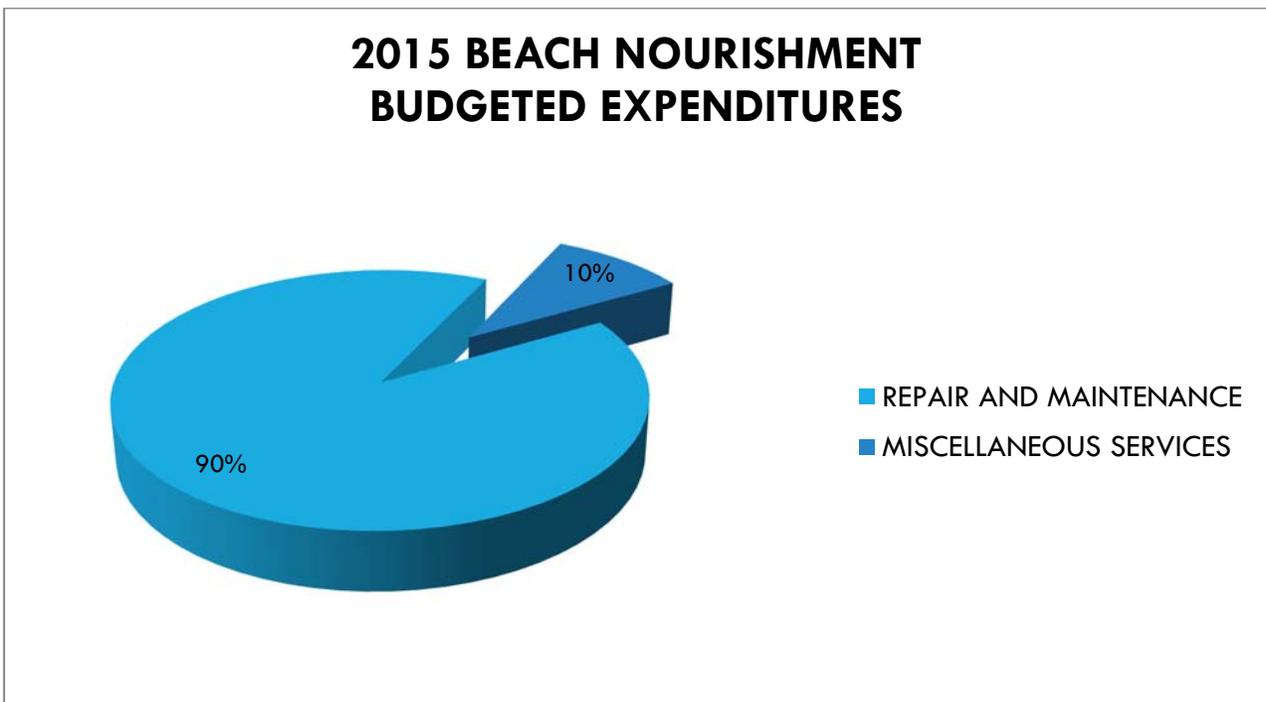
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH MAINTENANCE- BEACH MAINTENANCE	2012	2013	2014	2015
PERSONNEL SERVICES	\$165,127	\$150,601	\$169,978	\$285,624
GOODS AND SUPPLIES	\$13,075	\$16,118	\$17,100	\$33,300
REPAIR AND MAINTENANCE	\$16,861	\$8,676	\$15,000	\$15,000
MISCELLANEOUS SERVICES	\$54,787	\$94,433	\$119,278	\$166,154
EQUIPMENT > \$5,000 OUTLAY	\$0	\$78,821	\$180,524	\$62,000
TOURISM AND CULTURAL	\$0	\$0	\$2,500	\$2,500
INTERFUND TRANSFERS	\$174,460	\$282,774	\$500,000	\$530,000
OTHER SERVICES	\$0	\$0	\$0	\$35,000
MISCELLANEOUS ADJUSTMENTS	\$0	\$3,015	\$6,422	\$6,422
TOTAL EXPENDITURES	\$424,309	\$634,438	\$1,010,802	\$1,135,999

BEACH NOURISHMENT BUDGET NUMBERS

BEACH NOURISHMENT REVENUE NUMBERS

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH NOURISHMENT	2012	2013	2014	2015
NON-PROPERTY TAXES	\$385,637	\$408,388	\$384,684	\$415,635
INTERGOVERNMENTAL	\$60,733	\$670,000	\$0	\$0
MISCELLANEOUS	\$0	\$0	\$0	\$0
OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$446,370	\$1,078,388	\$384,684	\$415,635

BEACH NOURISHMENT BUDGETED EXPENDITURES



EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH NOURISHMENT	2012	2013	2014	2015
REPAIR AND MAINTENANCE	\$0	\$387,948	\$650,000	\$650,000
MISCELLANEOUS SERVICES	\$97,839	\$13,693	\$40,000	\$70,000
TOTAL EXPENDITURES	\$97,839	\$401,640	\$690,000	\$720,000

OTHER NON MAJOR FUNDS

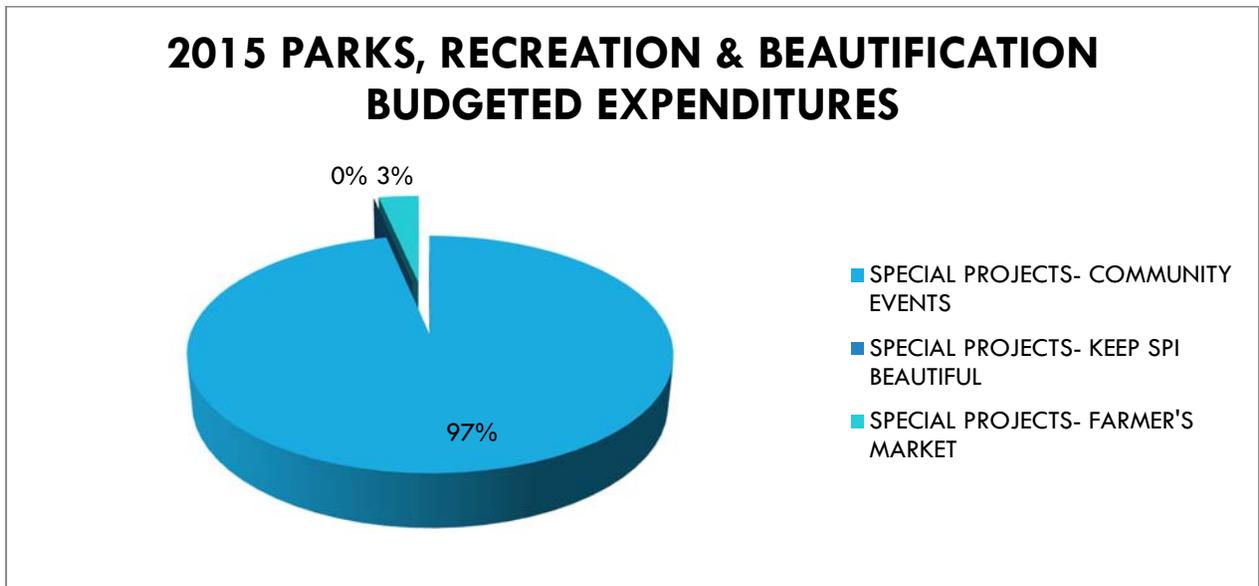
For a complete description of the Non-Major Funds, see page 22. What will be presented here are the budget numbers, both revenue and expenditures.

PARKS AND RECREATION BUDGET NUMBERS

PARKS AND RECREATION REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
PARKS, RECREATION & BEAUTIFICATION	2012	2013	2014	2015
MISCELLANEOUS	\$10,648	\$7,060	\$6,500	\$0
OTHER FINANCING SOURCES	\$11,000	\$11,000	\$11,000	\$15,000
TOTAL REVENUES	\$21,648	\$18,060	\$17,500	\$15,000

PARKS AND RECREATION EXPENSES



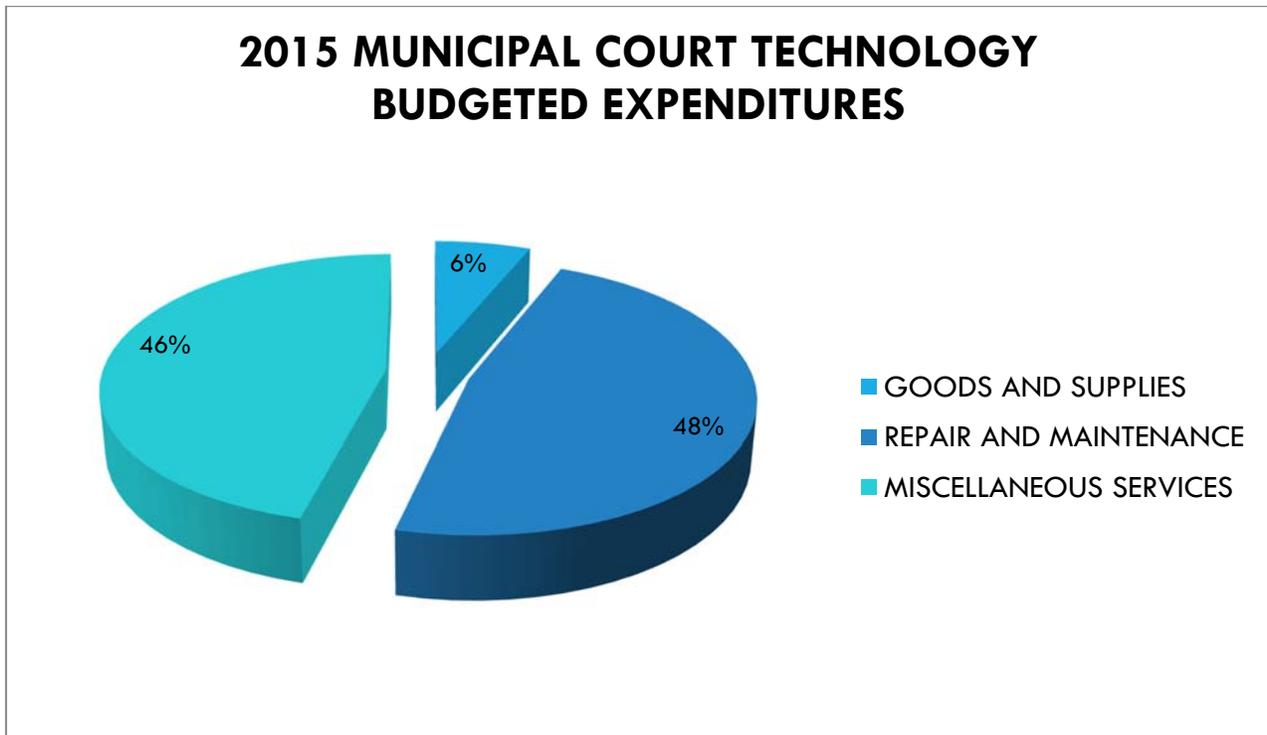
EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
PARKS, RECREATION & BEAUTIFICATION	2012	2013	2014	2015
SPECIAL PROJECTS- COMMUNITY EVENTS	\$19,780	\$15,894	\$17,500	\$14,400
SPECIAL PROJECTS- KEEP SPI BEAUTIFUL	\$1,680	\$0	\$0	\$0
SPECIAL PROJECTS- FARMER'S MARKET	\$0	\$618	\$600	\$600
TOTAL EXPENDITURES	\$21,461	\$16,512	\$18,100	\$15,000

MUNICIPAL COURT TECHNOLOGY BUDGET NUMBERS

MUNICIPAL COURT TECHNOLOGY REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT TECHNOLOGY	2012	2013	2014	2015
FINES AND FORFEITURES	\$8,149	\$8,693	\$8,000	\$8,000
MISCELLANEOUS	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$8,149	\$8,693	\$8,000	\$8,000

MUNICIPAL COURT TECHNOLOGY BUDGETED EXPENDITURES



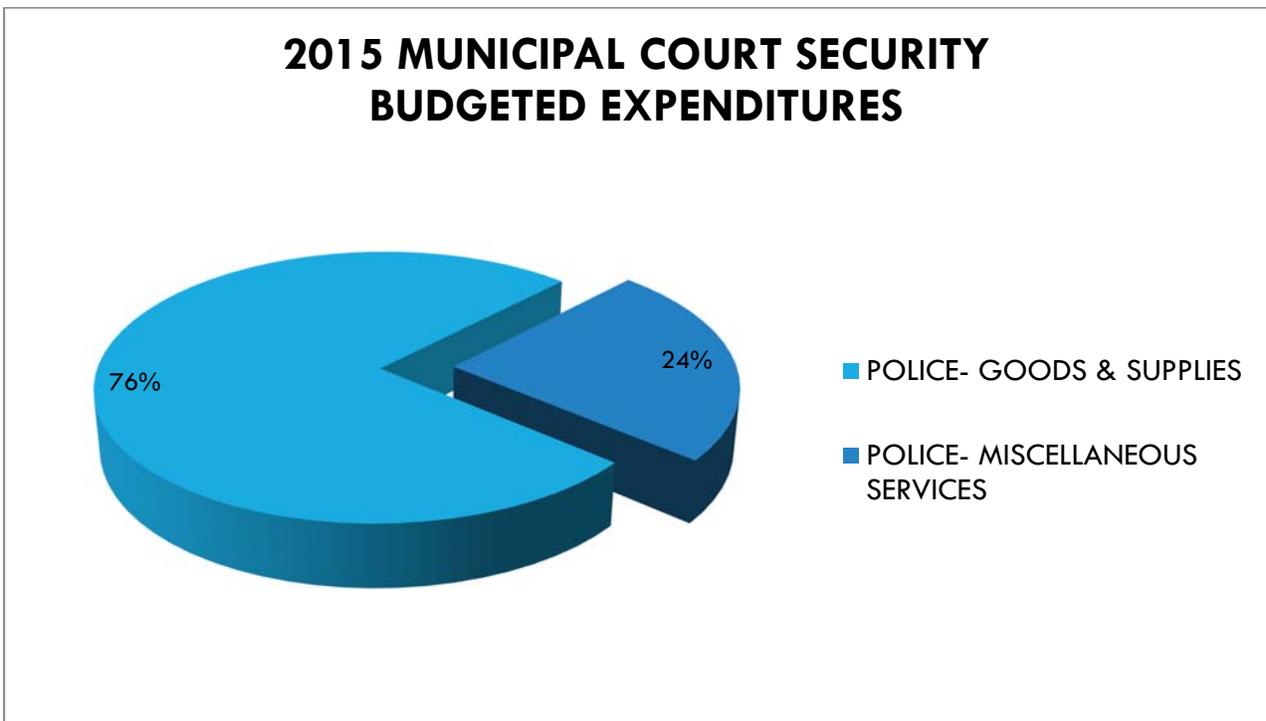
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT TECHNOLOGY	2012	2013	2014	2015
GOODS AND SUPPLIES	\$185	\$4,403	\$6,300	\$500
REPAIR AND MAINTENANCE	\$2,100	\$2,216	\$3,500	\$3,803
MISCELLANEOUS SERVICES	\$3,625	\$3,353	\$3,680	\$3,680
TOTAL EXPENDITURES	\$5,910	\$9,972	\$13,480	\$7,983

MUNICIPAL COURT SECURITY BUDGET NUMBERS

MUNICIPAL COURT SECURITY BUDGETED REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT SECURITY	2012	2013	2014	2015
FINES AND FORFEITURES	\$6,112	\$6,520	\$6,000	\$6,000
TOTAL REVENUES	\$6,112	\$6,520	\$6,000	\$6,000

MUNICIPAL COURT SECURITY BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
MUNICIPAL COURT SECURITY	2012	2013	2014	2015
POLICE- GOODS & SUPPLIES	\$3,000	\$560	\$3,000	\$3,000
POLICE- MISCELLANEOUS SERVICES	\$0	\$0	\$943	\$943
TOTAL EXPENDITURES	\$3,000	\$560	\$3,943	\$3,943

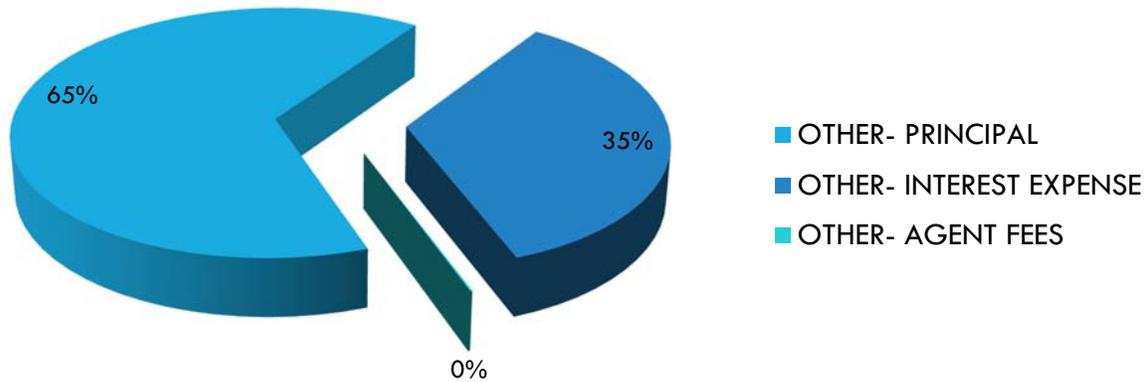
GENERAL DEBT SERVICE BUDGET NUMBERS

GENERAL DEBT SERVICE BUDGETED REVENUES

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL DEBT SERVICE	2012	2013	2014	2015
PROPERTY TAXES	\$646,850	\$762,903	\$645,738	\$645,913
OTHER FINANCING SOURCES	\$3,881,059	\$0	\$0	\$0
TOTAL REVENUES	\$4,527,909	\$762,903	\$645,738	\$645,913

GENERAL DEBT SERVICE BUDGETED EXPENDITURES

2015 GENERAL DEBT SERVICE



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL DEBT SERVICE	2012	2013	2014	2015
OTHER- PRINCIPAL	\$4,221,703	\$475,001	\$405,000	\$420,000
OTHER- INTEREST EXPENSE	\$358,770	\$259,272	\$240,738	\$225,163
OTHER- AGENT FEES	\$104,087	(\$7,770)	\$0	\$750
TOTAL EXPENDITURES	\$4,684,561	\$726,502	\$645,738	\$645,913

BEACH ACCESS BUDGET NUMBERS

BEACH ACCESS BUDGETED REVENUE NUMBERS

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH ACCESS FUND	2012	2013	2014	2015
OTHER FINANCING SOURCES	\$0	\$0	\$300,000	\$300,000
TOTAL REVENUES	\$0	\$0	\$300,000	\$300,000

BEACH ACCESS BUDGETED EXPENDITURES

DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BEACH ACCESS- PUBLIC WORKS	2012	2013	2014	2015
OTHER SERV.- CONSTRUCTION	\$55,552	\$0	\$0	\$0
OTHER SERV. - CONSTR. CAP. OUTLAY	\$0	\$0	\$300,000	\$300,000
TOTAL EXPENDITURES	\$55,552	\$0	\$300,000	\$300,000

BAY ACCESS BUDGET NUMBERS

BAY ACCESS BUDGETED REVENUE NUMBERS

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
BAY ACCESS FUND	2012	2013	2014	2015
INTERGOVERNMENTAL	\$0	\$164,198	\$0	\$0
MISCELLANEOUS	\$0	\$0	\$0	\$0
OTHER FINANCING SOURCES	\$17,000	\$15,500	\$15,500	\$14,580
TOTAL REVENUES	\$17,000	\$179,698	\$15,500	\$14,580

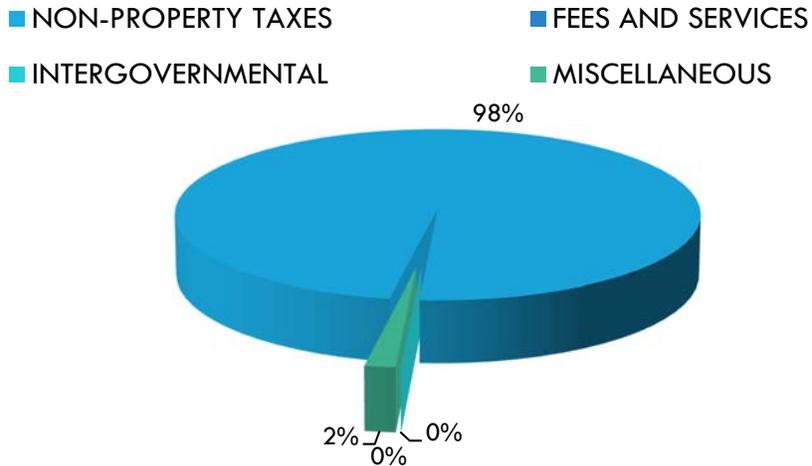
BAY ACCESS BUDGETED EXPENDITURES

DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
BAY ACCESS- PUBLIC WORKS	2012	2013	2014	2015
REPAIR AND MAINTENANCE	\$13,388	\$13,973	\$15,500	\$14,580
MISCELLANEOUS SERVICES	\$275,142	\$0	\$0	\$0
TOTAL EXPENDITURES	\$288,529	\$13,973	\$15,500	\$14,580

ECONOMIC DEVELOPMENT CORP. BUDGET NUMBERS

ECONOMIC DEVELOPMENT BUDGET REVENUE NUMBERS

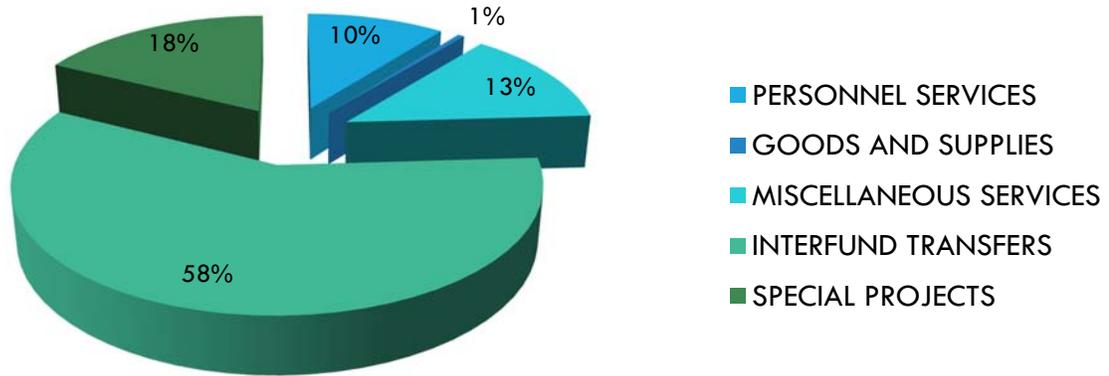
**2015 ECONOMIC DEVELOPMENT CORPORATION
BUDGETED REVENUES**



REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
ECONOMIC DEVELOPMENT CORP.	2012	2013	2014	2015
NON-PROPERTY TAXES	\$655,191	\$705,550	\$620,000	\$725,000
FEES AND SERVICES	\$0	\$1,300	\$0	\$0
INTERGOVERNMENTAL	\$0	\$261,709	\$126,544	\$0
MISCELLANEOUS	\$39,176	\$16,089	\$21,738	\$12,600
TOTAL REVENUES	\$694,367	\$984,648	\$768,282	\$737,600

ECONOMIC DEVELOPMENT CORPORATION BUDGETED EXPENDITURES

2015 EDC- ECONOMIC DEVELOPMENT CORPORATION BUDGETED EXPENDITURES



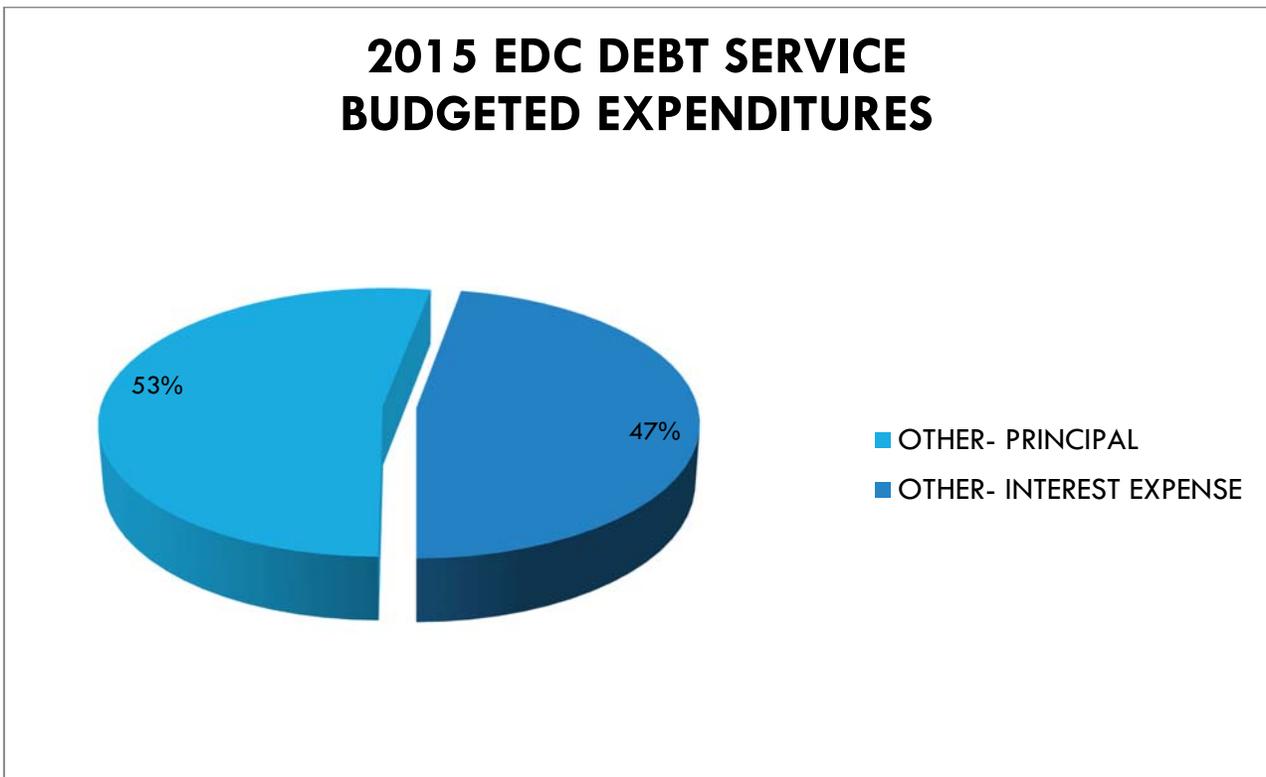
DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
EDC- ECONOMIC DEVELOPMENT CORP.	2012	2013	2014	2015
PERSONNEL SERVICES	\$68,507	\$66,167	\$71,337	\$73,452
GOODS AND SUPPLIES	\$2,155	\$1,623	\$3,100	\$3,450
MISCELLANEOUS SERVICES	\$50,702	\$356,475	\$217,220	\$93,400
INTERFUND TRANSFERS	\$372,575	\$390,365	\$402,062	\$412,885
SPECIAL PROJECTS	\$0	\$68,279	\$119,563	\$124,413
TOTAL EXPENDITURES	\$493,940	\$882,908	\$813,282	\$707,600

EDC DEBT SERVICE BUDGET NUMBERS

EDC DEBT SERVICE BUDGETED REVENUE

REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
EDC DEBT SERVICE	2012	2013	2014	2015
MISCELLANEOUS	\$25	\$21	\$0	\$0
OTHER FINANCING SOURCES	\$372,575	\$390,365	\$402,062	\$412,885
TOTAL REVENUES	\$372,600	\$390,386	\$402,062	\$412,885

EDC DEBT SERVICE BUDGETED EXPENDITURES



DEPT. EXPENDITURES	ACTUAL	ACTUAL	BUDGET	BUDGET
EDC DEBT SERVICE	2012	2013	2014	2015
OTHER- PRINCIPAL	\$145,000	\$165,000	\$190,000	\$210,000
OTHER- INTEREST EXPENSE	\$210,726	\$203,870	\$196,213	\$187,473
TOTAL EXPENDITURES	\$355,726	\$368,870	\$386,213	\$397,473

SUMMARY POSITION BY DEPARTMENT

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
City Administration	5	5	5	6	6	4	4	4	4.5	4.25
Finance	4	5	5	4	5	5	5	5	5	4.9
Planning	2	2	2	2	2	1.75	1.75	2	2	2
Technology	2	2	2	2	2	3	3	3.5	3	2.95
Human Resources	0	0	0	1	2	3	3	3	3	3
Municipal Court	2	2	2	2	3	2	2	2	2	2
Police	34	34	34	39	39	39	38	38	38	37.95
Fire	18	18	18	21	21	21	27	27	27	26.75
Code Enforcement	3	4	4	6	6	5	5	6	6	5.85
Fleet Management	0	0	0	2	2	2	2	2	2	2
Building Maintenance	0	0	0	3	3	3	3	3	3	3
Inspections	4	4	4	4	4	3	3	3	3	3
Public Works	22	22	22	18	18	19	19	18	19	18.85
Hotel Motel Fund										
Visitor's Center	2	2	2	2	2	2	2	2	3	3
Hotel Motel	12	13.5	13	13	9.5	9.5	9.5	8.5	9.5	9.5
Events Marketing	1	2	2	2	1	1	1	2	1	1
Convention Centre										
Convention Centre	11	13.5	13	13	13.5	11.5	10.5	12	10	11.2
Transportation										
Transportation	6	7	7	7	9	9.25	15.25	15	16	16.2
Metro Connect										3
Beach Maintenance										
Police/ Beach Patrol										0.05
Fire/ Beach Patrol										0.25
EHS/ Anti-Litter Patrol										0.15
Public Works/ Beach Clean-up										0.15
Beach Maintenance					4	4	4	4	4	4
Total Operating Budget FTE's	128	136	135	147	152	148	158	160	161	165
Source: City of South Padre Island Annual Budget										
Note: Full-time budgeted positions are shown. Decimals are the result of cost allocations.										
Staffing Level Changes: Additional driver positions required for expansion of Metro Connect Transit Program										

CONSOLIDATED FINANCIAL STATEMENT

City of South Padre Island, Texas
CONSOLIDATED FINANCIAL SCHEDULE
 For the Year Ended September 30, 2015

	General Fund	Hotel/Motel Fund	Convention Centre Fund	Beach Nourishment Fund	Non Major Governmental Funds	Component Unit	2014-2015 Totals
REVENUES AND OTHER SOURCES							
Property Taxes - Incl. Penalty & Interest	\$ 6,003,858	\$ -	\$ -	\$ -	\$ 645,913	\$ -	\$ 6,649,771
Nonproperty Taxes	3,455,318	4,220,111	2,503,496	415,635	1,643,017	725,000	12,962,577
Fees and Services	323,000	7,000	202,500	-	-	-	532,500
Fines and Forfeitures	419,600	-	-	-	14,000	-	433,600
Licenses and Permits	134,475	-	-	-	-	-	134,475
Intergovernmental	135,646	-	-	-	3,627,159	-	3,762,805
Miscellaneous and Program Revenues	53,000	50,700	2,500	-	50,000	12,600	168,800
Other Financing Sources	492,232	-	-	-	644,264	412,885	1,549,381
Total Revenues	11,017,129	4,277,811	2,708,496	415,635	6,624,353	1,150,485	26,193,908
EXPENDITURES							
General Government							
City Council	20,000	-	-	-	7,000	-	27,000
City Administration	436,507	-	-	-	7,500	-	444,007
Finance	337,913	-	-	-	-	-	337,913
Planning	166,445	-	-	-	-	-	166,445
Information Services	462,158	-	-	-	-	-	462,158
Human Resources	239,355	-	-	-	-	-	239,355
Environmental Health Services	408,005	-	-	-	35,374	-	443,379
General Services	855,541	-	-	-	-	-	855,541
Special Projects	247,940	-	-	-	-	-	247,940
Total General Government	3,173,864	-	-	-	49,874	-	3,223,738
Public Safety							
Municipal Court	190,318	-	-	-	7,983	-	198,301
Police	2,751,092	-	-	-	17,723	-	2,768,815
Fire	2,149,875	-	-	-	236,640	-	2,386,515
Emergency Management	14,380	-	-	-	-	-	14,380
Total Public Safety	5,105,665	-	-	-	262,346	-	5,368,011
Public works							
Building Maintenance	192,262	-	-	-	-	-	192,262
Inspections	189,942	-	-	-	-	-	189,942
Fleet Management	494,829	-	-	-	-	-	494,829
Public Works	1,091,211	-	-	-	552,158	-	1,643,369
Total Public Works	1,968,244	-	-	-	552,158	-	2,520,402
Community Service							
Visitors Center	-	225,906	-	-	-	-	225,906
Sales and Marketing	-	911,737	-	-	-	-	911,737
Events Marketing	-	522,620	-	-	-	-	522,620
Marketing	-	2,500,000	-	-	-	-	2,500,000
Convention Centre	-	-	1,406,483	-	-	-	1,406,483
Component Unit	-	-	-	-	-	324,715	324,715
Parks & Recreation	-	-	-	-	15,000	-	15,000
Beach Nourishment	-	-	-	720,000	-	-	720,000
Total Community Service	-	4,160,263	1,406,483	720,000	15,000	324,715	6,626,461
Transportation	-	-	-	-	1,544,860	-	1,544,860
Debt Service	353,246	-	5,912	-	660,872	397,473	1,417,503
Capital Outlay	9,000	-	43,000	-	2,477,000	-	2,529,000
Other Financing Uses	344,264	117,548	-	-	674,684	412,885	1,549,381
Total Expenditures	10,954,283	4,277,811	1,455,395	720,000	6,236,793	1,135,073	24,779,355
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES							
	62,846	-	1,253,101	(304,365)	387,559	15,412	1,414,553
Fund Balance -- Beginning	5,870,419	1,494,346	3,242,038	1,769,137	1,872,752	1,118,132	15,366,823
Fund Balance -- Ending	5,933,265	1,494,346	4,495,139	1,464,772	2,260,311	1,133,543	16,781,376

(Calculations as of 9-8-2014)

THREE YEAR CONSOLIDATED FINANCIAL SCHEDULE

City of South Padre Island, Texas THREE YEAR CONSOLIDATED FINANCIAL SCHEDULE

	General Fund			Hotel/Motel & Convention Centre			Other Funds & Component Unit			Total Funds		
	2012/13 Actual	2013/14 Unaudited	2014/15 Budget	2012/13 Actual	2013/14 Unaudited	2014/15 Budget	2012/13 Actual	2013/14 Unaudited	2014/15 Budget	2012/13 Actual	2013/14 Unaudited	2014/15 Budget
REVENUES AND OTHER SOURCES												
Property Taxes - Incl. Penalty & Interest	\$ 5,903,445	\$ 5,993,484	\$ 6,003,858	\$ -	\$ -	\$ -	\$ 762,903	\$ 645,738	\$ 645,913	\$ 6,666,349	\$ 6,639,222	\$ 6,649,771
Nonproperty Taxes	3,155,171	3,064,136	3,455,318	6,534,215	6,166,994	6,723,607	2,350,121	2,407,508	2,783,652	12,039,507	11,638,638	12,962,577
Fees and Services	340,471	301,000	323,000	286,963	214,000	209,500	1,300	-	-	628,734	515,000	532,500
Fines and Forfeitures	449,828	420,257	419,600	-	-	-	15,213	14,000	14,000	465,040	434,257	433,600
Licenses and Permits	150,648	162,475	134,475	-	-	-	-	-	-	150,648	162,475	134,475
Intergovernmental	138,805	313,046	135,646	-	-	-	2,473,489	2,189,282	3,627,159	2,612,293	2,502,328	3,762,805
Miscellaneous and Program Revenues	79,173	75,197	53,000	-	-	53,200	78,371	78,238	62,600	175,716	153,435	168,800
Other Financing Sources	1,215,842	589,809	492,232	26,243	-	-	1,256,048	951,766	1,057,149	2,498,133	1,541,575	1,549,381
Total Revenues	11,433,382	10,919,404	11,017,129	6,865,592	6,380,994	6,986,507	6,937,445	6,286,532	8,190,472	25,236,419	23,586,930	26,193,908
EXPENDITURES												
General Government												
City Council	31,719	24,000	20,000	-	-	-	-	-	7,000	31,719	24,000	27,000
City Administration	486,470	426,932	436,507	-	-	-	-	-	7,500	486,470	426,932	444,007
Finance	321,135	323,304	337,913	-	-	-	-	-	-	321,135	323,304	337,913
Planning	133,074	163,842	166,445	-	-	-	-	-	-	133,074	163,842	166,445
Information Services	473,966	475,643	462,158	-	-	-	-	-	-	473,966	475,643	462,158
Human Resources	205,695	252,736	239,355	-	-	-	-	-	-	205,695	252,736	239,355
Environmental Health Services	386,654	428,799	408,005	-	-	-	-	-	-	386,654	428,799	443,379
General Services	816,569	838,630	855,541	-	-	-	-	-	35,374	816,569	838,630	855,541
Special Projects	266,651	612,525	247,940	-	-	-	82,575	61,165	-	349,227	673,690	247,940
Total General Government	3,121,933	3,546,411	3,173,864	-	-	-	82,575	61,165	49,874	3,204,508	3,607,576	3,223,738
Public Safety												
Municipal Court	167,259	186,886	190,318	-	-	-	9,972	13,480	7,983	177,231	200,366	198,301
Police	2,518,465	2,723,397	2,751,092	-	-	-	560	11,269	17,723	2,519,025	2,734,666	2,768,815
Fire	2,054,236	2,119,178	2,149,875	-	-	-	147,292	205,036	236,640	2,201,528	2,324,214	2,386,515
Emergency Management	56,742	62,570	14,380	-	-	-	-	-	-	56,742	62,570	14,380
Total Public Safety	4,796,701	5,092,031	5,105,665	-	-	-	157,824	229,785	262,346	4,954,526	5,321,816	5,368,011
Public Works												
Building Maintenance	173,685	185,380	192,262	-	-	-	-	-	-	173,685	185,380	192,262
Inspections	175,069	185,583	189,942	-	-	-	-	-	-	175,069	185,583	189,942
Fleet Management	449,945	493,264	494,829	-	-	-	-	-	-	449,945	493,264	494,829
Public Works	997,239	1,140,449	1,091,211	-	-	-	283,800	801,822	552,157	1,281,040	1,942,271	1,643,368
Total Public Works	1,795,938	2,004,676	1,968,244	-	-	-	283,800	801,822	552,157	2,079,739	2,806,498	2,520,402
Convention & Visitors Bureau												
Visitors Bureau	-	-	-	214,420	222,496	225,906	-	-	-	214,420	222,496	225,906
Sales and Administration	-	-	-	717,418	842,699	911,737	-	-	-	717,418	842,699	911,737
Events Marketing	-	-	-	774,213	437,217	522,620	-	-	-	774,213	437,217	522,620
Marketing	-	-	-	1,749,322	2,475,000	2,500,000	-	-	-	1,749,322	2,475,000	2,500,000
Convention Centre	-	-	-	1,858,145	1,654,560	1,406,483	-	-	-	1,858,145	1,654,560	1,406,483
Total Convention & Visitors B	-	-	-	5,313,518	5,631,972	5,566,746	-	-	-	5,313,518	5,631,972	5,566,746
Community Service												
Component Unit	-	-	-	-	-	-	280,160	428,220	324,715	280,160	428,220	324,715
Parks & Recreation	-	-	-	-	-	-	16,512	18,100	15,000	16,512	18,100	15,000
Beach Nourishment	-	-	-	-	-	-	401,640	690,000	720,000	401,640	690,000	720,000
Total Community Service	-	-	-	-	-	-	698,312	1,136,320	1,059,715	698,312	1,136,320	1,059,715
Transportation												
	-	-	-	-	-	-	1,104,987	1,731,200	1,544,860	1,104,987	1,731,200	1,544,860
Debt Service												
	199,845	329,901	353,246	2,365	5,912	5,912	1,102,395	1,046,911	1,058,346	1,304,605	1,382,723	1,417,504
Capital Outlay												
	907,275	40,088	9,000	87,726	1,027,000	43,000	844,814	830,524	2,477,000	1,839,815	1,897,612	2,529,000
Other Financing Uses												
	776,500	249,704	344,264	96,405	96,405	117,548	673,139	1,119,726	1,087,569	1,546,044	1,465,835	1,549,381
Total Expenditures	11,598,192	11,262,811	10,954,283	5,500,013	6,761,289	5,733,206	4,947,847	6,957,453	8,091,866	22,046,052	24,981,553	24,779,355
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES												
	(164,810)	(343,407)	62,846	1,365,579	(380,295)	1,253,101	1,989,598	(670,920)	98,606	3,190,367	(1,394,623)	1,414,553
Fund Balance -- Beginning	6,378,636	6,213,826	5,870,419	3,751,099	5,116,679	4,736,384	3,441,343	5,430,940	4,760,020	13,571,078	16,761,445	15,366,823
Fund Balance -- Ending	6,213,826	5,870,419	5,933,265	5,116,679	4,736,384	5,989,485	5,430,940	4,760,020	4,858,626	16,761,445	15,366,823	16,781,375

(Calculations as of 9-8-2014)

OUTSTANDING DEBT

TOTAL OUTSTANDING DEBT

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

2005 GENERAL OBLIGATION BONDS

SOUTH PADRE ISLAND

General Obligation Bonds, Series 2005

Debt Service Schedule

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

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

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.

SCHEDULE OF OVERLAPPING DEBT

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Brownsville Navigation District	\$10,570,000	36.00%	\$3,805,200
Cameron County	132,460,000	16.54%	21,908,884
Laguna Madre Water District	16,481,000	74.27%	12,240,439
Point Isabel Independent School District	22,732,795	70.99%	16,138,011
Texas Southmost College	64,085,000	24.12%	<u>15,457,302</u>
Subtotal, overlapping debt			69,549,836
City direct debt	7,020,000	100.00%	<u>7,020,000</u>
Total direct and overlapping debt			<u>\$76,569,836</u>

* 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.

LEGAL DEBT MARGIN

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

The Town does not have a legal debt limit mandated by law.

CAPITAL IMPROVEMENT PLAN

CAPITAL ASSETS

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

ASSET CLASSES

LAND AND LAND IMPROVEMENTS

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

BUILDINGS

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

Buildings

39 years

IMPROVEMENTS OTHER THAN BUILDINGS

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

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

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

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

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

INFRASTRUCTURE

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

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

SUMMARY CAPITAL EXPENDITURES – 2014/15 BUDGET

Recurring Capital Expenditures

Description	Funding Source	Amount
Public Safety-Equipment Leases	General Fund	\$ 63,062
Public Safety-Automobile Leases	General Fund	\$ 275,127
Public Works-Automobile Leases	General Fund	\$ 15,057
Convention Center-Automobile Lease	Convention Centre	\$ 5,912
Transit-Automobile Lease	Transportation	\$ 8,538
Beach Maintenance-Automobile Lease	Beach Maintenance	\$ 6,422
Total		\$ 374,118

Non-Recurring Capital Expenditures

Description	Funding Source	Amount
Public Works-Equipment	General Fund	\$ 9,000
Convention Center-Bldg. Imp.	Convention Centre	\$ 30,000
Convention Center-Equipment	Convention Centre	\$ 13,000
Transit-Multi Modal Building	Transportation	\$ 1,400,000
Transit-Vehicles	Transportation	\$ 400,000
Gulf Blvd Project-Street Imp.	Street Improvement	\$ 300,000
Beach Maintenance-Vehicle	Beach Maintenance	\$ 62,000
Public Safety-Vehicles	Beach Maintenance	\$ 15,000
Public Works-Dune Walkover	Beach Access	\$ 300,000
Total		\$ 2,529,000
Total Capital Expenditures		\$ 2,903,118

NONROUTINE CAPITAL EXPENDITURES

PROJECT CRITERIA

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

- A. **Public Health and Safety** – Project improving the public health and safety of the community will be rated with highest priority. Projects must demonstrate the benefit provided to the community and possible risks from not completing the project. Compliance with state and federal mandates fall under this category.
- B. **Promote Tourism** – Projects enhancing and promoting tourism including but not limited to beach re-nourishment project and the economic support of the convention and hotel industry.
- C. **Recreation and Aesthetics** – Projects promoting recreational and aesthetic improvements opportunities for the City of South Padre Island citizens are considered priority.

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

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

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

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

GENERAL SUMMARY

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

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

1. A clear general summary of its contents.
2. Identification of the long-term goals of the community as stated in the City’s Comprehensive Plan.
3. A list of all capital improvements and other capital expenditures which are proposed to be undertaken during the fiscal years next ensuing, with appropriate supporting information as to the necessity for each.

4. Cost estimates and recommended time schedules for each improvement or other capital expenditure.
5. Method of financing upon which each capital expenditure is to be reliant.
6. The estimated annual cost of operating and maintaining the facilities to be constructed or acquired.
7. A commentary on how the plan addresses the sustainability of the community and the region of which it is a part.
8. Methods to measure outcomes and performance of the capital plan related to the long-term goals of the community.

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

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

1. The times and places where copies of the capital program are available for inspection by the public.
2. The time and place, not less than two weeks after such publication, for a public hearing on the capital program (Capital Improvement Plan).

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

CIP POLICIES AND PROCEDURES

CIP INTRODUCTION

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

GOALS

Preserving public health, safety and welfare

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

Anticipating the demands of growth

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

Supporting economic development

Communities having sound fiscal health and high quality facilities and services are attractive to business and potential residents. New corporate investment and reinvestment in a community may be influenced by improvements that enhance the quality of life for the company management and their labor force. Private decisions that bring jobs to an area and new taxes to a community are based not only on availability of water and sewer, but also upon the quality of schools, public safety, recreation opportunities and many other services.

Developing a fair distribution of capital costs

The CIP process allows for public discussion of the preferred means of distributing capital costs not only over time, but also among users of the facilities to be financed. Some communities prefer to pay for capital costs out of current revenues and absorb a high but single year tax increase. Other communities prefer to establish annual appropriations to capital reserve accounts to save for future projects. Still others feel that construction should take place as needed, and be funded by debt, returned by both existing and future users of the facility. In some cases, user fees may be

deemed more appropriate than property taxes. Federal or state funds may also be available to help finance specific projects. The CIP process can promote discussion of fairness in fiscal policy.

Avoiding undue tax increases

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

DEFINITION

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

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

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

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

CIP DEVELOPMENT PROCESS

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

Departments will include as part of their project proposal:

1. A **Project Description** providing an overview and justification of the project. Requests should be made and include estimated linear feet, square feet, or other applicable measurements.
2. In the **Comprehensive Plan Section**, each project submission must illustrate compliance with the Comprehensive Plan by linking the project to a specific goal and/or objective.

3. Under **Fiscal**, possible funding options must be identified including:
 - a. Operating Revenues
 - b. Reserves and/or Debt
 - c. Grants
 - d. Partnerships with Other Organizations
 - e. Dedicated Fees

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

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

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

PROJECT CRITERIA

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

- 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.

CIP AMENDMENT

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

CIP CALENDAR

DATE	ITEM
April 21, 2014	Capital Improvement Plan forms and instructions posted on the City's website and distributed to city departments and public.
May 23, 2014	Project request forms due from city staff and public.
June 6, 2014	Preliminary list of projects, scoring criteria, and score sheets distributed to CIP Advisory Committee.
June 16-20, 2014	CIP Advisory Committee meetings to review projects and develop consensus scores.
June 20, 2014	CIP Advisory Committee Consensus Project Score Sheet finalized.
June 20, 2014	Publish the general summary of the CIP and note the time and places where copies of the CIP are available for inspection.
August 6, 2014	Not less than two weeks after publication, schedule and hold a public meeting on the CIP.
September 3, 2014	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.

PROPOSED PROJECTS

COMMUNITY CENTER

Project Description

The Old City Hall Building located at 4501 Padre Boulevard has been undergoing minimal renovation for the past year that has included a new roof and the removal of all interior walls. This has been done in anticipation of converting the space into a Community Center, as the budget allows. While the City of South Padre Island continues to grow and its popularity for retirees to live during winter months continues to thrive, the demand for this facility and its programmatic development is also increasing.

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

The Community Center will also act as a meeting place for people, who share an interest in current events, hear different views and gain perspective on events that shape our world and our City. Advocacy is encouraged and many participants from the Community Center provide a volunteer base to support City activities. By providing this space, the City can encourage the public to participate in and benefit from cultural arts programs as well as coordinated exercise programs.

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

Issues for consideration:

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

Comprehensive Plan

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

Fiscal

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
Unencumbered Reserves Amount	\$
Debt Issuance	\$
TPWD Indoor Recreation Grant	\$
TOTAL FUNDS	\$ 450,000
<u>ESTIMATED COSTS</u>	
Design	\$ 50,000
Construction	<u>\$ 400,000</u>
TOTAL COSTS	\$ 450,000

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

Project Leader

<p>DARLA A. JONES Assistant City Manager City of South Padre Island 4601 Padre Blvd, South Padre Island, TX 78597 Voice: 956-761-3037 Fax: 956-761-3888 Email: djones@myspi.org</p>

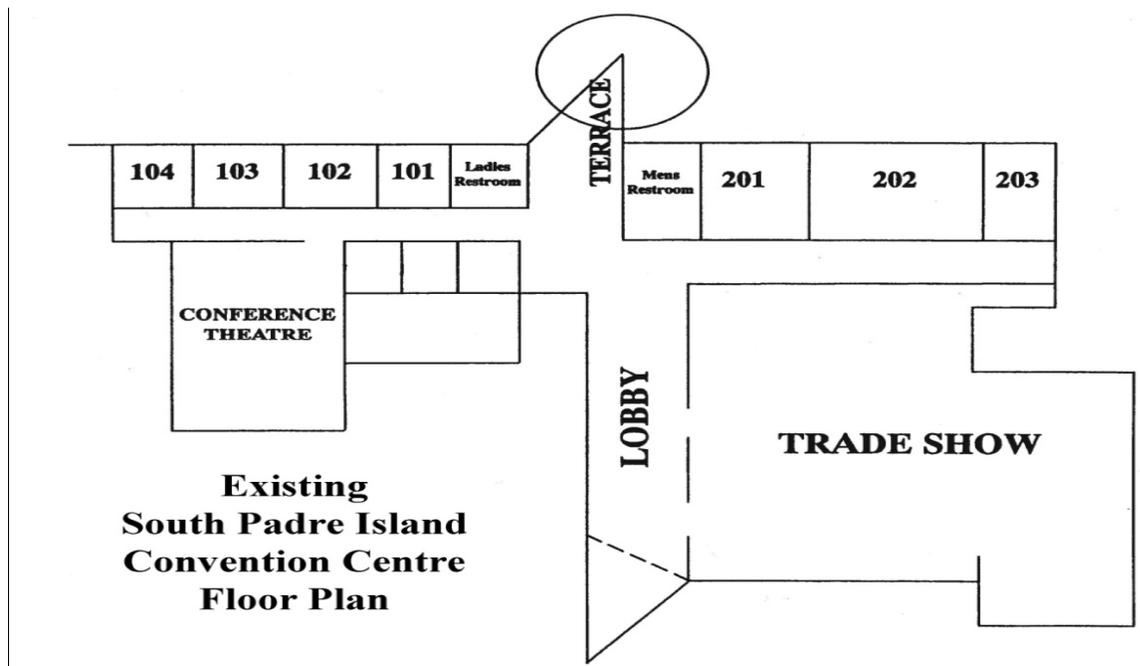
Project Description

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

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

The South Padre Island Convention and Visitors Bureau (SPICVB) engaged C. H. Johnson Consulting Inc. in 2005 to conduct an evaluation of the South Padre Island Convention Centre (Convention Centre) as well as the state of the overall convention product. The study was updated in April of 2013.

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



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 Visitors Board in the past has expressed a desire to create an amphitheater in this area for concert venues, local drama presentations (Shakespeare in the Sand), and various outdoor community events. By combining this new venue with the existing Convention Centre, venues requiring indoor and outdoor areas can be accommodated. Estimates from the 2005 C. H. Johnson Consulting study indicated that with the development of this amphitheater, there would be 2,000 seats available in a covered, but open-air setting and another 5,000 more out on the sand in the amphitheater setting.



The “Flats”

Comprehensive Plan

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

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

INCOME AND COST ANALYSIS	
FUNDING SOURCES	
HOT Funding	\$XXXXXXXX
Debt Issuance	\$XXXXXXXX
TOTAL FUNDS	\$ XXXX
ESTIMATED COSTS	
Design/FF&E	\$Unknown
Construction (Convention Centre)	\$Unknown
TOTAL COSTS	\$ XXXX

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

Project Leader

<p>Rachel Flores Director City of South Padre Island Convention Centre 4601 Padre Blvd, South Padre Island, TX 78597 Voice: 956-761-8388 Email: Rachel@SoPadre.com</p>
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VISITORS CENTER

Project Description

The 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 shopping experience” is necessary in the Visitors Center and provides information on the City’s attractions, lodging, transportation, restaurants, maps, etc. This central hub educates consumers on what the Island has to offer. Not only for information dissemination, the Visitors Center must be attractive and visible, enticing people to stop by. A relaxing and comfortable atmosphere may include but are not limited to clean restrooms and a small play area for children, all critical for individuals needing a respite from traveling. Adequate signage and easy ingress and regress as a picturesque focal point for people descending from the causeway. The City is anticipating this center to be co-located within the Multi-Modal Transit Center (Park and Ride).

Comprehensive Plan

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

Fiscal

INCOME AND COST ANALYSIS	
FUNDING SOURCES	
Chamber of Commerce Participation	\$ 50,000
Debt Issuance	\$ 950,000
TOTAL FUNDS	\$ 1,000,000 (5,000 sf @ \$200)
ESTIMATED COSTS	
Construction	\$1,000,000
TOTAL COSTS	\$ 1,000,000

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

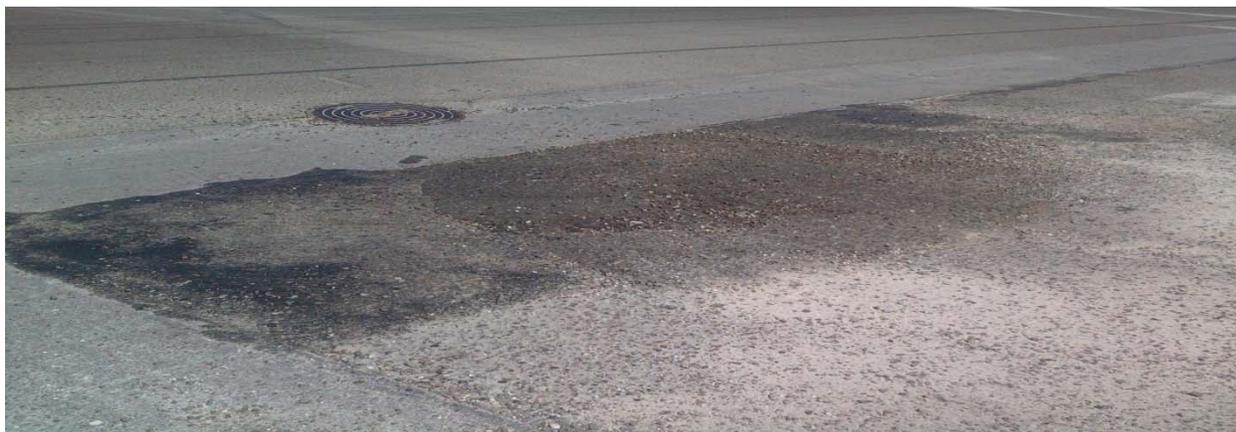
Project Leader

<p>Rachel Flores Director City of South Padre Island Convention Centre 4601 Padre Blvd, South Padre Island, TX 78597 Voice: 956-761-8388 Email: Rachel@SoPadre.com</p>
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STREETS

Project Description

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



Street Repair

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

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

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

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

Comprehensive Plan

- 4.Q. Plan in advance for an efficient street network
- 4.P. Ensure suitable street infrastructure commensurate with traffic demands and volumes
- 4.S. Enhance street right-of-way appearance and contribution to City character

Fiscal

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

Financial Plan

Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
\$264,372		\$562,410	\$2,000,000	\$2,000,000	\$2,000,000	\$4,200,000	\$14,200,000
(not incl in total)							

Project Leader

RAY MOYA
Interim Public Works Director
 City of South Padre Island
 Public Works Department
 4601 Padre Blvd, South Padre Island, TX 78597
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 Fax: 956-761-3898
 Email: rmoya@myspi.org

Project Description

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

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

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

Current drainage requirements by the Texas General Land Office do not allow for drainage into the Gulf of Mexico. All drainage must be east to west and the current system requires a wash over Padre Boulevard. Storm drains, ditches, and culverts all are prone to blockage of which trash and sand build-ups are the prime culprits. The City of South Padre Island has an interlocal agreement with Laguna Madre Water District to clean out storm water inlets periodically.

Comprehensive Plan

6.K. Employ best management practices (Drainage)

6.L. Improve storm water management systems.

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

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

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

6.25. Amend the development ordinances to:

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

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

Fiscal

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

Financial Plan

Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
		\$500,000	\$500,000	\$500,000	\$500,000	\$3,000,000	\$5,000,000

Project Leader

<p>RAY MOYA Interim Public Works Director City of South Padre Island Public Works Department 4601 Padre Blvd, South Padre Island, TX 78597 Voice: 956-761-8160 Fax: 956-761-3898 Email: rmoya@myspi.org</p>

PARKING STRUCTURE

Project Description

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



Example of Parking Structure

Comprehensive Plan

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

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

Fiscal

INCOME AND COST ANALYSIS	
FUNDING SOURCES	
Public/Private Partnership	\$
Debt Issuance	\$
TOTAL FUNDS	\$

ESTIMATED COSTS	
Per space - \$10,900 x 500 spaces	\$5,450,000
TOTAL COSTS	\$ 5,450,000
OPERATIONAL IMPACTS	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 5,000 annually
Capital and Other	\$ <u>0</u>
TOTAL IMPACTS	\$ 5,000 annually

Project Leader

<p>RAY MOYA Interim Public Works Director City of South Padre Island Public Works Department 4601 Padre Blvd, South Padre Island, TX 78597 Voice: 956-761-8160 Fax: 956-761-3898 Email: rmoya@myspi.org</p>

SIDEWALKS

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

Project Description

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

Comprehensive Plan

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

4.G. Encourage transportation forms other than the automobile

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

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

4.12. Clearly delineate sidewalks, trails and bike lanes.

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

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

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

Fiscal

INCOME AND COST ANALYSIS	
FUNDING SOURCES	
General Fund	\$
Debt Issuance	\$
TOTAL FUNDS	\$

ESTIMATED COSTS	
Construction of 6' sidewalk on one side of the east/west local streets	\$ 2,153,000
TOTAL COSTS	\$ 2,153,000
OPERATIONAL IMPACTS	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 5,000 annually
Capital and Other	<u>\$ 0</u>
TOTAL IMPACTS	\$ 5,000 annually

Financial Plan

Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
		\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$8,092,200	\$16,092,200

Project Leader

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Project Description

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

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

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

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

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

Comprehensive Plan

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

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

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

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

Fiscal

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

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Project Description

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



Padre Boulevard Medians

Fiscal

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

Project Leader

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Project Description

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

- Drainage (including curb and gutter)
- Utility relocation
- Lighting
- Landscaping
- Raised profile for access

The key areas of concentration will address the following:

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

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

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

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

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

Comprehensive Plan

4.10 Consider a redesign of Gulf Boulevard to include, possibly, a serpentine alignment within the public right-of-way. The plan should consider the following: sidewalks, landscaping, signage, and trolley stops; parking on the west side of Gulf Boulevard; parallel parking in low-density areas; and diagonal parking in higher-density areas.

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

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

Fiscal

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

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 believe that street lighting causes “light pollution” and interferes with nighttime activities like stargazing. Those beliefs need to be taken into consideration and balanced with the safety needs of the general public.

OPTION 1:

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

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

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

OPTION 2:

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



14' Arm with 250 HPS Lighting

OPTION 3:

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

South PR 100 Street Lighting

As a safety enhancement, cost estimates were obtained from American Electric Power (AEP) to install street lighting on the south end of Padre Boulevard, near the Isla Blanca entry gate, north up to the first grassy medians. The estimates include the options of concrete, wooden or aluminum poles. Included is a total of five poles with eight High Pressure Sodium (HPS) streetlights (some double armed-some single).

- | | |
|-------------------|-------------|
| a) Concrete Poles | \$41,125.24 |
| b) Aluminum Poles | \$44,702.60 |
| c) Wooden Poles | \$37,677.78 |

Comprehensive Plan

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

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

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

Fiscal

OPTION 1:

INCOME AND COST ANALYSIS	
FUNDING SOURCES	
	\$
TOTAL FUNDS	\$
ESTIMATED COSTS	
70 lights/poles	\$ 154,000
South Padre Blvd Lighting:	
Concrete Poles	\$41,125.24
Aluminum Poles	\$44,702.60
Wooden Poles	\$37,677.78
TOTAL COSTS	\$ 195,125.24, 198,702.60 or \$191,677.78
OPERATIONAL IMPACTS	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 0 (Maintained by AEP)
Capital and Other	<u>\$ 0</u>
TOTAL IMPACTS	\$ 0

OPTION 2:

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

OPTION 3:

INCOME AND COST ANALYSIS	
<u>FUNDING SOURCES</u>	
	\$
TOTAL FUNDS	\$
<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	<u>\$ 0</u>
TOTAL IMPACTS	\$ 1,600

Project Leader

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MARINA

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

Comprehensive Plan

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

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

Fiscal

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

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TOMPKINS CHANNEL EXPANSION

Project Description

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

Fiscal

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

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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

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

Project Leader

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Project Description

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

Dredging of Brazos Santiago Pass (Ship Channel)

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

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

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

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

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



Re-nourishment from Dredge Material

Off Shore Source for Beach Re-nourishment

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

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

Geotechnical investigations were performed in March and April of 2008 to delineate potential areas for this project. Based on these result of these investigations, a series of offshore ridges located approximately 20 miles north of the City and 5 miles offshore were found to contain beach quality material and appear suitable as borrow sources. Utilizing the geotechnical data and design criteria for hopper dredge operations, four borrow areas were delineated. These areas contain

approximately 2,047,800 cubic yards of beach quality sand. This quantity is sufficient for the proposed placement layout.

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

Dune Walkovers

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



Recently Completed Aquarius Circle Walkover

Comprehensive Plan

- 5.A. Secure funding for beach nourishment. Ongoing funding for beach maintenance should be established as a line item in the City's Budget
- 5.B. Protect the dune system from erosion and artificial damage
- 5.E. Create, preserve, and enhance access to the beach

Fiscal

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

Project Leader

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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 2014 and many of the established goals in the Plan revolve around providing recreational opportunities in the form of indoor and outdoor recreational facilities.

Proposed City Park

Project Description

In December of 2002, the City Council purchased a 1.97 acre tract of land immediately south of the Travel Lodge site located at 6100 Padre Boulevard. The City Council then decided to put that property up for sale in 2010. They rescinded that action and took the property off the market in September 2011 and decided to set it aside as a potential future park. It is estimated that with a jogging trail around the perimeter, a small splash pad, a small version of a soccer field, and associated parking, the cost to develop will be approximately \$500,000.

Comprehensive Plan

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

5.59 Continue to maintain and upgrade existing parks.

Fiscal

INCOME AND COST ANALYSIS	
FUNDING SOURCES	
Reserve Funds	\$
Debt Issuance	\$
TOTAL FUNDS	\$
ESTIMATED COSTS	
Park Equipment	\$ 500,000
TOTAL COSTS	\$ 500,000
OPERATIONAL IMPACTS	
Personnel	\$ 0
Supplies & Materials	\$ 0
Repairs and Maintenance	\$ 2,000 annually
Capital and Other	\$ 0
TOTAL IMPACTS	\$ 2,000

Project Leader

SUNGMAN KIM

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ELECTRIC INFRASTRUCTURE

Project Description

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

Comprehensive Plan

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

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

Fiscal

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

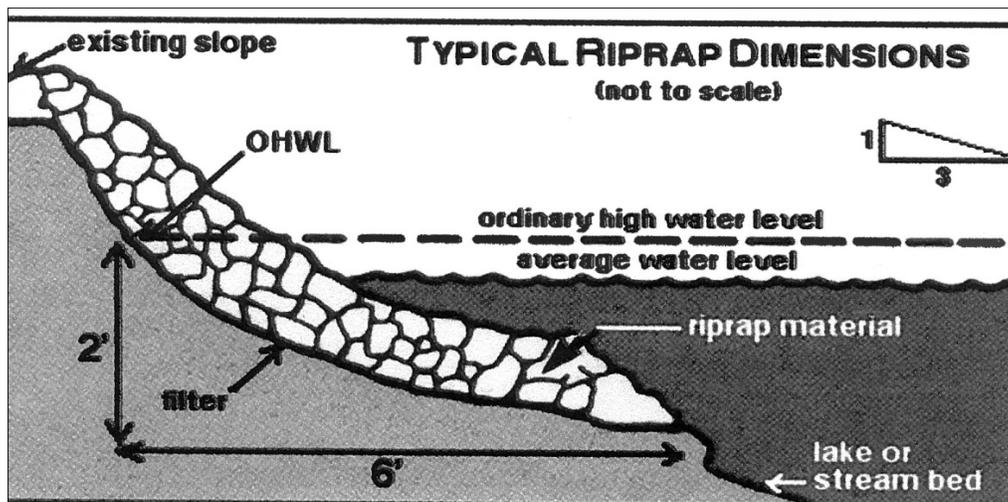
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RIP RAP STREET ENDS

Project Description

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



Comprehensive Plan

5.J. Continue maintaining and beautifying street ends

5.K. Protect public access

Fiscal

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

Project Leader

<p>RAY MOYA Interim Public Works Director City of South Padre Island Public Works Department 4601 Padre Blvd, South Padre Island, TX 78597 Voice: 956-761-8160 Fax: 956-761-3898 Email: rmoya@myspi.org</p>

LAND PURCHASE AND DONATION FOR BAY ACCESS

Project Description

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

Comprehensive Plan

- 5.F Protect the Laguna Madre as a valuable resource
- 5G. Recognize and support the multiple functions of the Bay
- 5.K Protect public access
- 5.25 c. Explore the possibility of a multi-purpose recreational area on the northern end of Town oriented toward non-motorized light craft (kite boards, wind surfing, kayaks, etc...) possibly in conjunction with Cameron County.

Fiscal

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

Project Leader

RAY MOYA
Interim Public Works Director
City of South Padre Island
Public Works Department
4601 Padre Blvd, South Padre Island, TX 78597
Voice: 956-761-8160
Fax: 956-761-3898
Email: rmoya@myspi.org

COMPLETED PROJECTS

FIRE STATION



Proposed Fire Station

Project Description

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

As a coastal barrier island, the location of the City's fire station/EOC presents several design challenges including hurricane force winds and flooding. To tackle these issues, the structure

will be designed to withstand 135 MPH wind loads and the site must be elevated to FEMA regulations above sea level. The essential components of a new fire station include:

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

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

Comprehensive Plan

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

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

Sustainability

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

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

Fiscal

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

Financial Plan

Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
\$4,895,436							\$4,895,436



Schedule

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

TOMPKINS CHANNEL DREDGING

Project Description

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

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

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

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

FUNDING SOURCES	
FEMA (Dredging)	\$ 146,575
Dredging Local Funds (BATF)	<u>\$ 100,000</u>
TOTAL FUNDS	\$ 246,575
COSTS	
Dredging	<u>\$275,000</u>
TOTAL COSTS	\$275,000

BOAT RAMPS AT BAY ENDINGS

Project Description

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



Recently completed Polaris Street Boat Ramp

Financial Plan

Prior Years	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	Future Years	TOTAL
\$40,000 (Palm/Polaris)							

COMMUNITY STATISTICAL INFORMATION

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

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

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

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

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



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

COMMUNITY PROFILE

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

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



The South Padre Island Birding & Nature Center



The "Wave" – Free Transportation

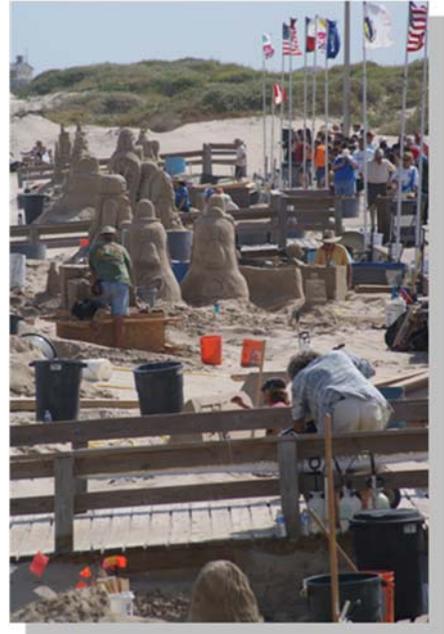


Municipal
Complex



South Padre Island

Sand Castle Days Event



Bikefest Event

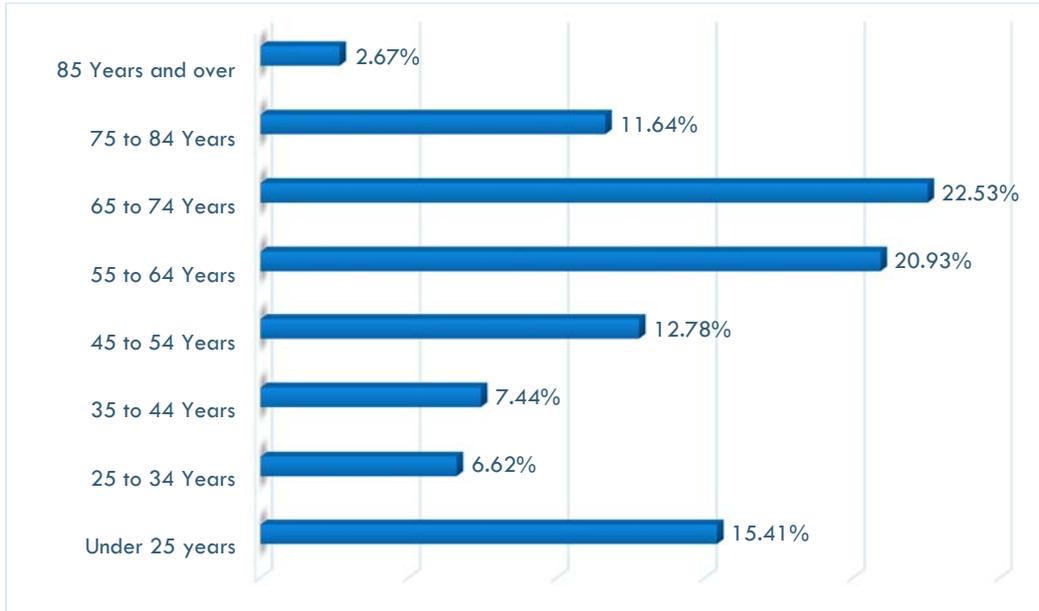


Fireworks display

DEMOGRAPHICS

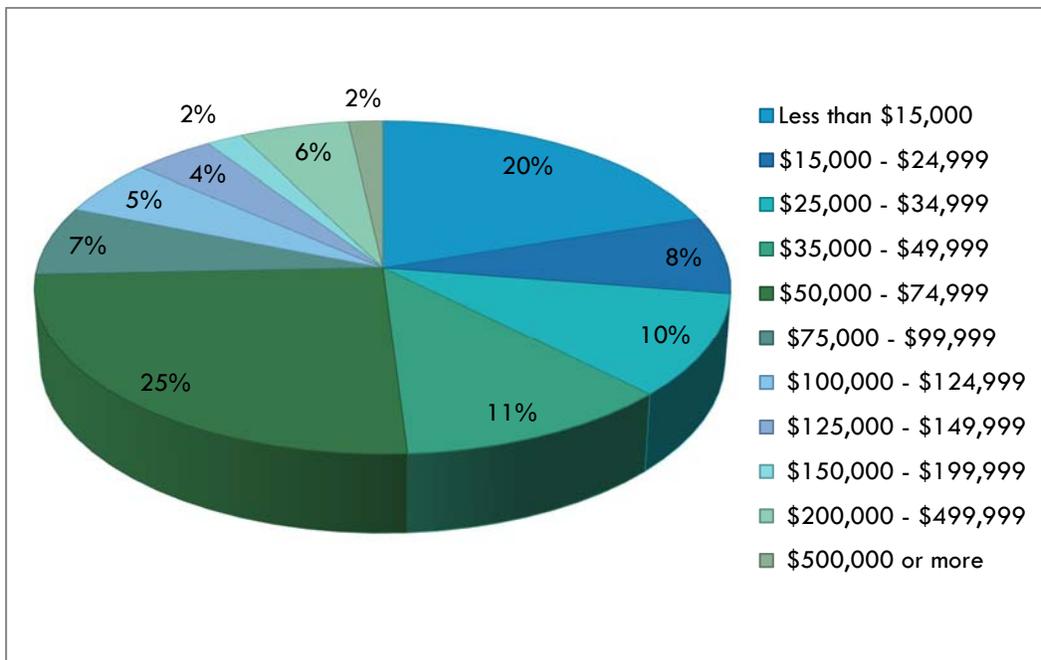
The current median age for the City of South Padre Island is 58.7, while the average age is 53.3. Five years from now, the median age is projected to be 60.4.

Estimated Households by Age of Householder



The average household income was estimated to be \$73,460 for the 2010 year and is projected to be \$79,585 in 2019.

Estimated Households by Household Income



CLIMATE

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

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

ECONOMIC FACTORS

Assessed Value and Actual Value of Taxable Property

Fiscal Year Ended September 30,	Net Taxable Assessed Value		Less: Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property	Personal Property			
2003	1,037,328,591	25,832,316	35,218,564	1,027,942,343	0.25811
2004	1,222,211,135	26,540,260	44,573,534	1,204,177,861	0.25811
2005	1,503,904,613	28,449,556	77,073,416	1,455,280,753	0.25811
2006	1,712,735,440	31,000,283	83,532,833	1,660,202,890	0.25311
2007	1,941,204,388	32,472,880	61,850,862	1,911,826,406	0.25311
2008	2,305,658,543	34,289,547	71,535,213	2,268,412,877	0.24561
2009	2,545,047,287	33,419,535	78,289,018	2,500,177,804	0.24561
2010	2,539,540,899	29,230,095	76,526,864	2,492,244,130	0.24561
2011	2,635,413,859	30,316,814	84,535,004	2,581,195,669	0.24561
2012	2,656,625,431	29,055,461	77,035,264	2,608,645,628	0.25040
2013	2,653,041,784	28,324,135	75,246,646	2,606,119,273	0.252701

Source: Cameron County Appraisal District

PRINCIPAL PROPERTY TAXPAYERS – FISCAL YEAR ENDED SEPTEMBER 30, 2014

Taxpayer	Taxable Assessed Valuation	Percentage of Total Assessed Valuation
Bahia Mar Tower LLC	\$14,680,795	0.58%
Sapphire SP Holdings LLC (ID 601157)	12,429,983	0.49%
SPI Beach Water Resort Waterpark LLC	10,882,174	0.43%
Agora USA LP	10,738,595	0.41%
Sapphire VP LP (ID 526932)	9,000,000	0.36%
Peninsula Island Resort & Spa LLC	8,239,765	0.33%
ICS Management Company	8,173,204	0.32%
Shores Development Inc.	7,416,107	0.29%
First National Bank	7,047,206	0.28%
SPI Management Co	6,683,290	0.27%

Source: Cameron Appraisal District

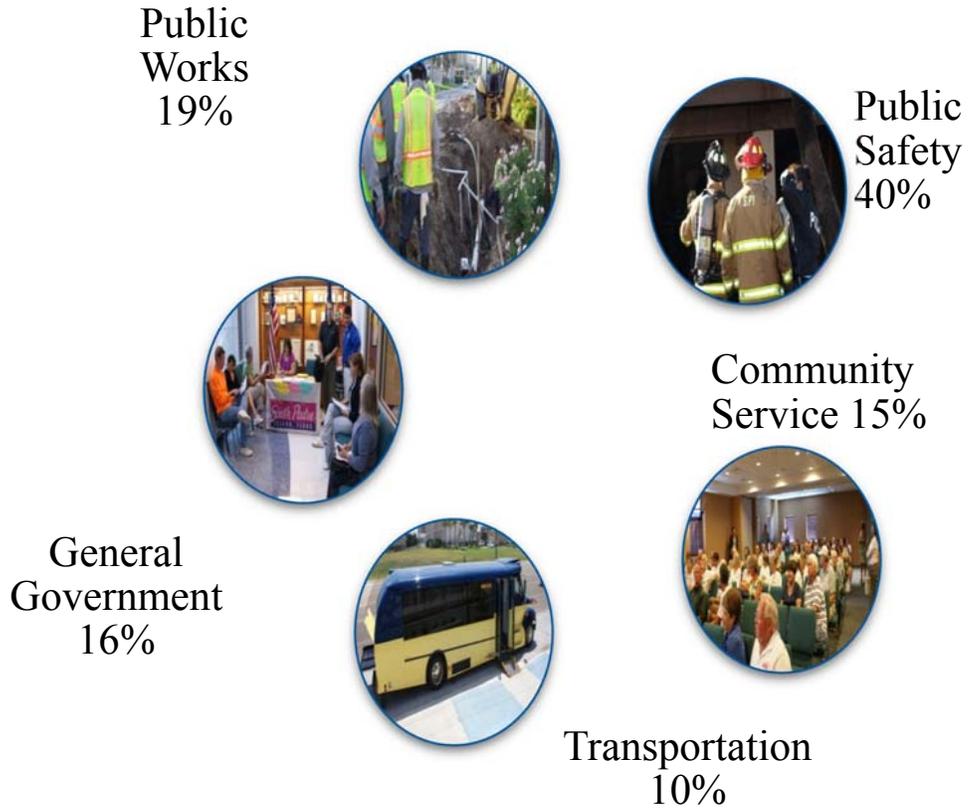


Bahia Mar Resort & Conference Center

PRINCIPAL EMPLOYERS

Employer	Number of Employees (Peak)
Schlitterbahn Beach Water Park	1,016
City of South Padre Island	250
Isla Grand Beach Resort	230
The Pearl Beach Resort	199
Sea Ranch Enterprises	154
Hilton Garden Inn	150
Blackbeard's Restaurant	138
Origins Recovery Center	135
Louie's Backyard	130
La Quinta Inn & Suites	120
Total	2,522

PERCENTAGE OF EMPLOYEES BY DIVISION



APPENDIX: BUDGET RESOLUTION

ORDINANCE NO. 14-13

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PADRE ISLAND, TEXAS; MAKING APPROPRIATIONS FOR EACH DEPARTMENT, PROJECT, PROGRAM AND ACCOUNTS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

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

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

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

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

GENERAL FUND:

Beginning Fund Balance	\$	5,462,724
Operating Revenue		11,017,129
Total Resources		<u>16,479,853</u>
Expenditures		<u>(10,954,283)</u>
Ending Fund Balance	\$	<u>5,525,570</u>

Total Regular Personnel: 116.5

HOTEL/MOTEL FUND:

Beginning Fund Balance	\$	1,494,346
Operating Revenue		4,277,811
Total Resources		<u>5,772,157</u>
Expenditures		<u>(4,277,811)</u>
Ending Fund Balance	\$	<u>1,494,346</u>

Total Regular Personnel: 13.5

CONVENTION CENTRE FUND:

Beginning Fund Balance	\$	3,215,620
Operating Revenue		<u>2,708,496</u>
Total Resources		5,924,116
Expenditures		<u>(1,455,395)</u>
Ending Fund Balance	\$	<u>4,468,721</u>

Total Regular Personnel: 11.2

PARKS, RECREATION AND BEAUTIFICATION

Beginning Fund Balance	\$	3,320
Operating Revenue		<u>15,000</u>
Total Resources		18,320
Expenditures		<u>(15,000)</u>
Ending Fund Balance	\$	<u>3,320</u>

MUNICIPAL COURT TECHNOLOGY FUND

Beginning Fund Balance	\$	7,129
Operating Revenue		<u>8,000</u>
Total Resources		15,129
Expenditures		<u>(7,983)</u>
Ending Fund Balance	\$	<u>7,146</u>

MUNICIPAL COURT SECURITY FUND

Beginning Fund Balance	\$	43,042
Operating Revenue		<u>6,000</u>
Total Resources		49,042
Expenditures		<u>(3,943)</u>
Ending Fund Balance	\$	<u>45,099</u>

TRANSPORTATION GRANT

Beginning Fund Balance	\$	292,220
Operating Revenue		<u>3,498,843</u>
Total Resources		3,791,063
Expenditures		<u>(3,498,082)</u>
Ending Fund Balance	\$	<u>292,981</u>

Total Regular Personnel: 19.2

STREET IMPROVEMENT FUND

Beginning Fund Balance	\$	57,765
Operating Revenue		<u>300,000</u>
Total Resources		357,765
Expenditures		<u>(300,000)</u>
Ending Fund Balance	\$	<u>57,765</u>

DEBT SERVICE:

Beginning Fund Balance	\$	309,534
Operating Revenue		<u>645,913</u>
Total Resources		955,446
Expenditures		<u>(645,913)</u>
Ending Fund Balance	\$	<u>309,534</u>

EDC DEBT SERVICE:

Beginning Fund Balance	\$	332,269
Operating Revenue		<u>412,885</u>
Total Resources		745,154
Expenditures		<u>(397,473)</u>
Ending Fund Balance	\$	<u>347,681</u>

BEACH MAINTENANCE

Beginning Fund Balance	\$	1,134,078
Operating Revenue		<u>1,836,017</u>
Total Resources		2,970,095
Expenditures		<u>(1,451,293)</u>
Ending Fund Balance	\$	<u>1,518,802</u>

Total Regular Personnel: 6.6

BEACH ACCESS FUND

Beginning Fund Balance	\$	4,495
Operating Revenue		<u>300,000</u>
Total Resources		304,495
Expenditures		<u>(300,000)</u>
Ending Fund Balance	\$	<u>4,495</u>

BAY ACCESS

Beginning Fund Balance	\$	-
Operating Revenue		14,580
Total Resources		14,580
Expenditures		(14,580)
Ending Fund Balance	\$	-

ECONOMIC DEVELOPMENT CORPORATION

Beginning Fund Balance	\$	347,054
Operating Revenue		737,600
Total Resources		1,084,654
Expenditures		(737,600)
Ending Fund Balance	\$	347,054

BEACH NOURISHMENT

Beginning Fund Balance	\$	2,419,135
Operating Revenue		415,635
Total Resources		2,834,770
Expenditures		(720,000)
Ending Fund Balance	\$	2,114,770

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.

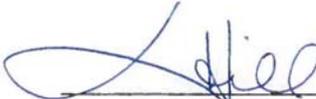
Section 4. This Ordinance shall become effective immediately.

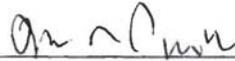
PASSED, APPROVED AND ADOPTED on First Reading, this 3rd day of September 2014.

PASSED, APPROVED AND ADOPTED on Second Reading, this 17th day of September 2014.

ATTEST:

CITY OF SOUTH PADRE
ISLAND, TEXAS


Susan Hill, CITY SECRETARY


Robert N. Pinkerton, Jr., MAYOR

Ord 14-13



4

GLOSSARY

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

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

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

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

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

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

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

ASSET-Resources owned or held which have monetary value.

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

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- the General Land Office of the State of Texas.

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

GFOA- Government Finance Officers Association.

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

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

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

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

HOT – An acronym for Hotel Motel Tax.

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

ICMA- International City Managers Association.

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

ISO- 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 ACRUAL 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