



# ANNUAL BUDGET & PROGRAM OF SERVICES



CITY OF SUGAR LAND





## Annual Budget for October 1, 2015 - September 30, 2016

Adopted by Ordinance No. 2029  
September 15, 2015

This budget will raise more revenue from property taxes than last year's budget by an amount of \$1,732,006, which is a 5.11% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$400,425.

The members of the governing body voted on the proposal to consider the budget as follows:

For:	James A. Thompson	Himesh Gandhi
	Joe R. Zimmerman	Steve R. Porter
	Bridget Yeung	Amy Mitchell
Against:	Harish C. Jajoo	
Present and Not Voting:	None	
Absent:	None	

### Property Tax Rate Comparison

<b>Per \$100 Valuation</b>	<b>2014-15</b>	<b>2015-16</b>
Adopted Tax Rate	\$ 0.31595	\$ 0.31595
Effective Tax Rate	0.29551	0.29457
Effective M&O Tax Rate	0.15593	0.15240
Rollback Tax Rate	0.32282	0.31883
Debt Tax Rate	0.14560	0.14560

Debt obligations for City of Sugar Land secured by property taxes:  
\$17,249,266

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# Annual Budget for October 1, 2015 – September 30, 2016



*List in order: (L to R)*

- Himesh Gandhi.....Council Member, At Large Position One
- Amy L. Mitchell .....Council Member, District Three
- James A. Thompson ..... Mayor
- Joe R. Zimmerman ..... Council Member, At Large Position Two
- Bridget R. Yeung..... Council Member, District Two
- Harish C. Jajoo.....Council Member, District Four
- Steve R. Porter ..... Council Member, District One

Presented by:

Allen Bogard.....City Manager



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Sugar Land  
Texas**

For the Fiscal Year Beginning

**October 1, 2014**

*Jeffrey R. Emswiler*

Executive Director





## CITY OF SUGAR LAND

City Manager's Office

October 1, 2015

Honorable Mayor and Members of City Council:

In accordance with Texas Statute and the City of Sugar Land Charter, Section 6.03, the approved budget for the fiscal year beginning October 1, 2015 is hereby presented. The budget for fiscal year 2016 follows the guidelines in the City Council adopted Financial Management Policy Statements (FMPS), maintains existing service levels, and implements City Council priorities. The budget continues to maintain outstanding City services for residents and visitors to Sugar Land, ensures continued financial strength by meeting all fund balance requirements, and is structurally balanced.

### **FY15 Significant Accomplishments**

FY15 has seen a number of City Council priorities implemented or initiated. On January 1, the City implemented fire-based emergency medical services (EMS). The implementation of EMS within the City represents several years of planning efforts on the part of City Council and staff to enhance public safety through EMS service delivery. Since implementation, over 2,200 transports have occurred and the response time to EMS calls has averaged just over 6 minutes.

City Council's emphasis on "Safest City" has also been successful. In February, Police Chief Brinkley presented the annual crime report to City Council indicating Part 1 crimes in Sugar Land declined 12.75% from the prior year. The decline is part of a five year-trend that shows an overall 26% decrease in Part 1 crimes. Success is also seen through the clearance rate for violent crime, which is at 62%, significantly better than the State and national averages of 45% and 48% respectively.

The financial strength of the City was recognized by both outside rating agencies and the external auditor. The City's AAA bond rating was reaffirmed in April, with the rating agencies continuing to cite the City's financial stability and planning efforts as key components of the AAA rating. Additionally, the City once again received a clean audit from its external auditors.

The City's investment in infrastructure maintenance continued in FY15. Significant pavement rehabilitation projects were undertaken on Williams Trace, Sweetwater, and Lexington. Approximately 45,000 square yards of pavement were rehabilitated, which allows the City to delay more significant reconstruction efforts along these corridors. This focus on critical infrastructure projects ensures that the City's streets remain well-maintained, enhancing both drivability and mobility in the community. Despite escalation in construction costs due to the economic climate, all projects planned for FY15 have been undertaken within the funding allotted for the fiscal year.

Progress has been made on quality of life projects including the Smart Financial Centre at Sugar Land and the voter authorized Parks bond projects. The groundbreaking for the Smart Financial Centre at Sugar Land occurred in December 2014. The state-of-the-art venue, which will be able to accommodate an audience of up to 6,400, will bring jobs, entertainment, and tourist dollars to Sugar Land and is anticipated to be completed in the Fall of 2016. Ground breakings were held for Brazos River Park phase II and the Festival Site, both part of the Parks bond projects. Construction of the Imperial Connector Trail is also underway.

City Council's continued emphasis on maintaining infrastructure while also focusing on quality of life projects significantly enhances the attractiveness, livability, and economic well-being of the community. The end results of these projects are higher property values, increased sales tax collections, and a highly desirable community that attracts and retains new residents and visitors. The FY16 budget continues this focus and builds on prior successes.

## **FY16 Budget Preparation and Priorities**

To facilitate the preparation of the annual budget, two planning retreats and a number of workshops were held to focus on City Council priorities. At the spring retreat, staff reviewed the level of scrutiny the budget undergoes to ensure that a fiscally conservative approach is taken to fund the operations of the City. Existing budgets have been reviewed by management and new requests scrutinized to ensure they meet City Council priorities or maintain existing service levels. Expenditures for the FY16 budget have been categorized based on needs – which maintain existing service levels, quality of life projects, and opportunity projects.

For property tax revenues, the FMPS direct the City Manager to file a budget recommendation based on an effective tax rate plus 3%, which is used to meet current service levels and infrastructure needs. Additionally, the education material that was part of the bond election indicated that the needs of the City could be met within this revenue stream. The approved operating budget and capital improvements plan has been prepared based on utilization of the effective tax rate plus 3%. Any growth in property value over 3% can be evaluated by City Council to determine the best means of utilizing the excess value. The approved budget incorporates revenues from an additional 3% increase in revaluation and directs those revenues to fund additional pay-as-you-go capital improvements.

## **Needs: Maintain Service Levels**

Demands for services are driven by both residents and daytime population of the city as it becomes a regional employment base. According to ESRI, the City is home to about 63,500 employees in 2015, placing demands for resources on the City for services such as public safety and traffic management. ESRI data shows a 17% annual growth in employees located in Sugar Land over the last two years, for a total increase from 2013-15 of 37%. The budget has been developed to serve this daytime population plus an estimated population of 87,504 as of January 1, 2016. The budget maintains the City's existing service levels for operations and continues to invest in existing infrastructure. Departmental budgets focus on maintaining the current levels of services provided to residents as outlined in the departmental business plans, which are derived from Council direction over the years. Resources have been allocated to continue services at existing levels. In some cases, additional resources are being recommended to ensure service levels are maintained based on increased workload. The capital improvement program focuses on streets and utility infrastructure and includes resources that will maintain the longevity of these critical assets.

## **Operations and Maintenance**

The large number of ongoing projects that the City has undertaken will require more resources in order to continue providing the high levels of service currently offered. A number of additions are included in the FY16 budget to address the additional workload created by the increase in capital projects and contracts that the City must manage. A total of eleven new full-time equivalent positions (FTEs) are included in the budget. Of the eleven new FTEs, seven are in direct response to increasing workloads experienced by departments, including two at the Airport. Two FTEs relate to the completion of the IT strategic plan that was reviewed with City Council at the July 21 workshop, and one FTE in Public Safety Communications is to perform quality assurance work on EMS calls. One FTE in Community Development will continue neighborhood outreach efforts to better address code enforcement issues. In addition to the new positions, there are a number of increases included in the FY16 approved budget for additional equipment and studies that are one-time

expenditures. The budget also include startup funding for Cullinan Park, which includes equipment and maintenance costs that are anticipated to be undertaken when the park transitions to the City near the end of FY16.

Items included in the approved budget have been scrutinized by department directors and city management to evaluate the impact on service levels if the requests were not funded. The requests that are included in the approved budget allow the City to maintain the current outstanding levels of services offered to residents and visitors.

### **Capital Projects**

Capital project funding totals \$60.12 million including bond issuance costs. Pavement and Drainage rehabilitation continue to be priorities in FY16. A total of \$9.8 million is included for street rehabilitation and improvements. Funding includes the widening of State Highway 6 from Brooks St. to Lexington Blvd., continued investment in the pavement rehabilitation program and other street, sidewalk, trail, and bridge rehabilitation projects. Drainage improvements total \$13.1 million and include major projects in Sugar Creek and Covington Woods, including the design work for flooding issues encountered this year along Lexington Blvd. and in the Highlands neighborhood. Funding for Utility projects continues to emphasize rehabilitation on lift stations, the collection system, and ground water storage tanks. Utility CIP projects included in the FY16 budget, including Surface Water, total \$15.9 million.

### **Parks Bond Projects**

In November 2013, voters approved \$31.5 million in park projects. At the time of approval, increases to the tax rate were anticipated to support the debt. The FY15 budget included a \$0.007 cent increase with increases anticipated in FY17 and FY19. With higher than anticipated revaluation in FY16, and a level tax rate, the FY17 increase should not be necessary.

The FY15 budget included funding for a number of the Parks bond projects, including Brazos River Park phase II and the Festival Site. The FY16 approved budget continues work on both of these projects and includes landscaping for Brazos River Park, restroom facilities at Brazos River Park and the roadway for the Festival Site. The approved funding totals \$3.2 million and will ensure that these projects are ready for public use in fall 2016.

### **Opportunities**

Opportunities reflect projects that allow the City to expand its economic base and are funded by restricted funding sources such as the Sugar Land Development Corporation (SLDC), Sugar Land 4B Corporation (SL4B), and Tourism Fund. Because these funds are restricted to specific purposes, the utilization of these funds for projects does not impact the tax rate, but the City benefits from the economic growth that these projects bring; both in sales tax and property values. Construction of the Smart Financial Centre at Sugar Land is an example of an opportunity project. Utilization of these funds allows the City to capitalize on economic development opportunities as they become available. The purpose of these restricted funds is to maintain and promote the economic health of the City and improve the quality of life for residents.

The Imperial Redevelopment includes space for a heritage museum at the Imperial site. The budget includes Tourism funding to incorporate a visitors' center into the space to highlight attractions in the area and provide office space for staff. The CIP includes funding from Tourism, SLDC, and SL4B to facilitate construction of a public plaza and marquee sign for the Smart Financial Centre at Sugar Land. Since the plaza is shown on the TIRZ #4 project plan, funds spent on the plaza are eligible for future reimbursement by the TIRZ. Also included is phase I parking for the Festival Site and University of Houston.

## **Employee Compensation and Benefits**

The FY16 approved budget includes a compensation and benefits package for employees that allows the City to attract and retain a highly skilled workforce. An average 3% merit pool is included in the approved budget, effective January 1, based on annual performance evaluations. The City does not give cost of living adjustments, so the merit program is the primary way for employees to receive salary increases, other than promoting into a new position.

The City maintains a competitive health benefits offering for employees. Claims in FY15 averaged higher than prior years and the plan design offerings are being evaluated by an employee benefits committee to determine if changes need to be made to the offerings to better manage claims costs. Based on the FY15 year-end projection, costs in the Benefits Fund are anticipated to increase 4.2% in FY16.

The City participates in the Texas Municipal Retirement System (TMRS) for full-time employees but does not participate in Social Security. TMRS calculates the City's contributions based on an actuarial formula that looks at the City's pension liabilities compared to its pension assets. The City's funded ratio in TMRS increased from 83.8% in 2013 to 85.9% in 2014. The calculated contribution rate for 2016 will be 14.85%, which is a decrease from the 2015 rate of 15.25%. This is the third consecutive year where the TMRS rate has declined and is a result of the foresight City Council had to fully fund the City's retirement obligation rather than using a phase-in rate. The decline in the TMRS funding rate partially offsets the increases from the merit pool. Worker's Compensation rates will be 3.5% higher in FY16 based on claims activities. With the approved adjustments, the City will maintain a benefits burden of 30.62%, which is within the compensation philosophy guidelines.

## **Tax Rate and User Fees**

The approved 2015 tax rate is \$0.31595 per \$100 valuation. City Council's approval of an 8% residential homestead exemption in June, an increase of 1%, will apply to the 2015 tax roll, and residents will see the benefit of this increase to reduce their 2015 tax bill. The adjustment to the homestead exemption was made on the recommendation of staff based on 2014 residential value increases along with anticipated increases for 2015 values, consistent with the Council approved FMPS. Maintaining the tax rate at \$0.31595 allows the City to move forward with key drainage improvements at a faster schedule than would be possible otherwise.

In the Enterprise Funds there are no changes to water, wastewater, or surface water rates. This is consistent with the five-year forecast that has been shared with City Council for the last several years. In fact, the City has not adjusted water or wastewater rates since 2011, minimizing impact to customers while the surface water rates were being implemented. Solid Waste includes a 2.5% increase to residential rates based on the contract with Republic Services. The new rate will be effective in January 2016 and will increase from \$16.81 to \$17.23.

The FMPS contains guidance on evaluating user fees for an annual CPI adjustment and for recommending new fees. In FY16 there is no adjustment as the CPI reflects no increase. There is one new fee and several structural changes included in the fee ordinance. The full cost of fire service reflects an increase from the current fee, mainly resulting from the public safety compensation study that was implemented in FY15. These fee increases will be shared with the municipal utility districts that are affected prior to implementation in January 2016. The Fire Protection Agreement with the Greatwood districts and Plantation MUD that are served by Station #6 is expiring in February 2016, and those districts will begin paying the full cost of fire service plus the out-of-city service charge, consistent with other ETJ districts served by the City.

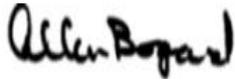
## Financial Summary

Based on the priorities addressed above, the approved budget totals \$237.67 million. Of the total, \$166.37 million is for operations, \$11.17 million is for the Corporations, and \$60.12 million is for capital projects.

<b>FUNDS</b>	<b>FY16 BUDGET</b>
<b>GENERAL FUND</b>	\$ 75,989,344
<b>DEBT SERVICE FUNDS</b>	21,978,029
<b>UTILITY &amp; SURFACE FUNDS</b>	34,578,430
<b>AIRPORT FUND</b>	14,017,932
<b>SOLID WASTE FUND</b>	5,470,023
<b>OTHER FUNDS</b>	14,344,401
<b>TOTAL OPERATING FUNDS</b>	166,378,159
<b>CAPITAL PROJECTS</b>	60,121,273
<b>CORPORATIONS</b>	11,174,992
<b>TOTAL APPROVED BUDGET</b>	\$ 237,674,424

I encourage you to read further into the information describing the FY16 budget. The executive summary that follows this transmittal letter provides an overview of revenues and expenditures included in each of the operating funds and a description of the approved CIP and employee compensation plans.

Respectfully,



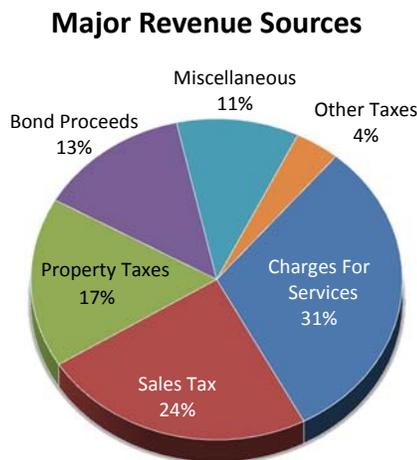
Allen Bogard  
City Manager



# Executive Summary

## Major Revenue Sources

Major revenue sources for the City total \$218.49 million (excluding interfund transfers). The five primary revenue categories comprised of property taxes, sales tax, other taxes (franchise taxes and hotel occupancy taxes), charges for services, and bond proceeds represent 89% of total revenues for the City. Miscellaneous revenues include licenses and permits, fines and forfeitures, contributions, and developer fees and make up the remaining 11%. The chart to the right illustrates the breakdown of the major revenue sources.



## Property Tax

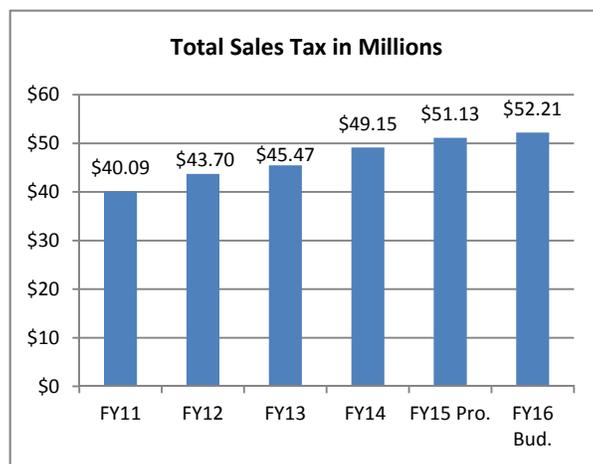
Revenues from ad valorem or property taxes represent 17% of overall revenues for the City at \$37.35 million. Property tax revenues are based on a tax rate of \$0.31595 per \$100 of assessed valuation for the tax year 2014. Property tax collection is authorized by the State of Texas up to \$2.50 per \$100 of assessed valuation for maintenance and operations and debt service.

## Sales Tax

Sales tax revenue, estimated at \$52.21 million, represents 24% of total revenues. The sales tax rate in Sugar Land is 8.25% for goods or services sold or delivered within the boundaries of the City. The tax is collected by businesses making the sale and is remitted to the State Comptroller of Public Accounts on a monthly, quarterly or annual basis. Of the 8.25% tax, the State retains 6.25% and distributes 2% to the City. Of the total 2% local share, 0.25% is allocated to the Sugar Land Development Corporation (SLDC) and 0.25% to the Sugar Land 4B Corporation (SL4B); the remaining 1.5% is deposited in the General Fund.

The sales tax budget includes base sales tax (\$49.75M) and collections from incentive agreements (\$2.46M). The State allows cities to enter into incentive agreements with companies that locate within the City and report sales tax to the City for local collections. In turn, the City grants a portion of the collections to the company in the form of an incentive payment. The City currently has two active incentive agreements in place. The gross collections estimated from companies under these agreements totals \$4.6 million, of which \$1.45 million will be paid out in incentives in FY16.

Sales tax revenue estimates are prepared using regression analysis coupled with other financial techniques. FY15 collections are expected to exceed budget by 5.8%. The total budget for sales tax for FY16 is \$52.21 million, which is a 21% increase over FY15 projections. The chart to the right illustrates the historical trend of sales tax collections in the City.



## Other Taxes

Other Taxes represent 4% of City revenues at \$8.53 million and are comprised of franchise and hotel occupancy taxes. Franchise taxes are anticipated to total \$5.90 million in FY16. Franchise revenues are derived from non-

exclusive franchise agreements the City has with utilities and the solid waste provider that use the City's right-of-way to conduct business. Besides defining the responsibilities of the utilities maintaining their assets, the agreements contain a franchise fee clause that requires the utilities and solid waste companies to compensate the City for use of right-of-way and streets. Generally the fees are based on a percentage of gross receipts or a per-unit of usage charge (generated by customers located within the City's corporate limits) that range from 2% to 5%. Hotel occupancy taxes total \$2.63 million. Both franchise taxes and hotel occupancy taxes are estimated using trend analysis. Historic performance is analyzed and growth from new development is factored into the estimates when developing the budget.

### **Charges for Services**

Charges for services represent 31% of total City revenues at \$67.97 million and include fees for services in the General, Utilities, Airport, and Solid Waste Funds.

#### ***General Fund Charges for Services***

Charges for services in the General Fund total \$4.57 million and are primarily derived from fees for services for fire protection in the City's extraterritorial jurisdiction, emergency medical transportation, parks and recreation activities and rentals, and administrative fees.

Fire protection fees total \$2.66 million and represent 58.20% of charges for services. Fire protection fees are paid by Municipal Utility Districts (MUDs) within the City's extraterritorial jurisdiction (ETJ) and by Fort Bend County for areas outside the City but served by the Sugar Land Fire Department. Fire fees are adjusted each September by the CPI index as outlined in the fire protection agreement between the City and the districts.

Park fees total \$590,400 and represent 12.92% of charges for services. Park fees are generated by facility usage cards, facility rentals, leisure classes, senior programs and camp programs.

EMS fees total \$991,904 and represent 21.7% of charges for services. EMS fees are paid by patients transported by City ambulance to a medical facility for emergency treatment.

Other charges for services include false alarm charges, hazardous materials responses, and sale of property. With the exception of administrative fees, charges for services are budgeted based on historic collections, with growth factors included where appropriate.

#### ***Utility Charges for Services***

Utility charges for services are anticipated to generate \$37.37 million in FY16. The City charges fees for the provision of water and wastewater services to residents and businesses located within the City. Customers are charged a base rate for water and wastewater, depending on the size of the meter installed, and a volume fee based on metered consumption. Volumetric revenues are budgeted based on estimated water consumption of 5.57 billion gallons for water and surface water and 3.51 billion gallons for wastewater. There are no changes to water, surface water or wastewater rates for FY16.

#### ***Surface Water Charges for Service***

Surface Water charges for service are anticipated to generate \$4.85 million in FY16 from non-city participants. Groundwater Reduction Plan (GRP) pumpage fees are established by ordinance by City Council. The FY16 budget maintains the GRP pumpage of \$1.75 per 1,000 gallons of groundwater produced. The Utility Fund pays in to the Surface Water Fund based on pumpage consistent with other GRP participants. There are no changes to the surface water rates for FY16.

### ***Airport Charges for Services***

Charges for services at the Airport are anticipated to total \$14.04 million. Budgeted fuel sales of \$12.65 million represent estimated fuel sales of 3.03 million gallons. Aviation fuel is sold at cost plus markup. The remaining charges for services are derived from hangar and land leases, catering services, customs fees, fuel additive sales, and rental car fees. Fuel estimates are based on historic monthly fuel sales, with some growth anticipated due to international marketing of the airport. Other fees are budgeted based on historic collections.

### ***Solid Waste Charges for Services***

Charges for services in the Solid Waste Fund are anticipated to total \$5.99 million. The City contracts solid waste service and provides twice weekly automated trash collection and weekly automated recycling. Residents currently pay \$16.81 per month for this service. Effective January 1, 2016, the rate will increase to \$17.23 per month, a 2.5% increase, based on the contract with Republic Services. The budget anticipates 26,120 households served during the fiscal year.

### **Bond Proceeds**

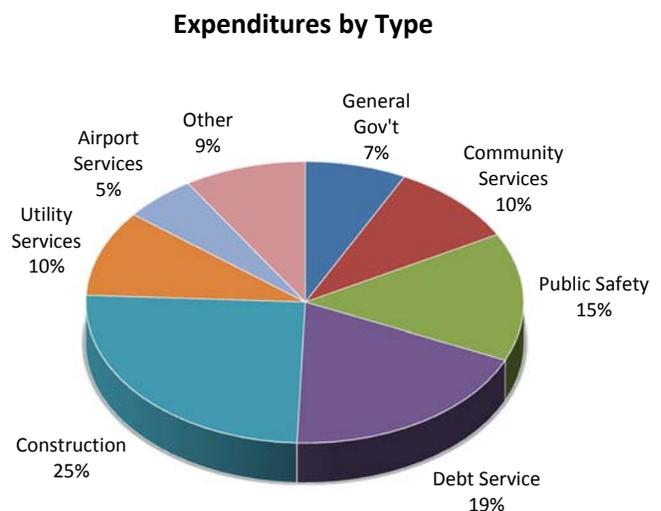
Bond proceeds for \$29.07 million represent 13% of total revenues. The proceeds will be used for funding the FY16 capital improvement projects and will be from property tax backed bonds and utility revenue bonds.

### **Miscellaneous Revenues**

Miscellaneous revenues represent the remaining 11% of total revenues at \$23.32 million. Miscellaneous revenues include licenses and permits, fines and forfeitures, developer fees, contributions toward insurance premiums, interest income and intergovernmental revenues such as grants.

### **Expenditures by Type**

The FY16 budget totals \$237.47 million (excluding inter-fund transfers). The chart at right illustrates expenditures by type.



**General Government** expenditures represent 7% of overall expenditures at \$17.72 million. General Government expenditures are for administrative functions, including City Management, City Secretary, City Attorney, Human Resources, Information Technology, Communications, Strategic Initiatives, Finance, Municipal Court, Economic Development, and Tourism.

**Community Services** expenditures represent 10% of total expenditures at \$22.68 million. Community Services expenditures include Parks, Public Works, and Community Development. Services provided include: park and recreation activities and facilities, right-of-way maintenance, streetlights, streets, sidewalks, traffic signals, drainage maintenance, code enforcement, engineering, planning, permits & inspections, animal services, fleet, and facilities maintenance among others.

**Public Safety** expenditures represent 15% of total expenditures at \$34.91 million and include the Police and Fire/EMS departments and public safety dispatch.

**Debt Service** represents 19% of total expenditures at \$44.84 million and includes principal and interest payments on debt issued through bonds, lease purchases, and other instruments. The City, through debt issued directly and

debt assumed from MUDs, has 40 current issues including Property Tax-backed, debt pledged with hotel occupancy tax, Utility, Airport, Surface Water and Corporation debt. A portion of the tax rate is directed to the Debt Service Fund to meet debt backed by taxes. A transfer from the Tourism Fund to the Debt Service Fund covers its portion of debt pledged with hotel occupancy tax. Outstanding debt for Utilities and Airport is paid through user fees. Debt for the corporations is repaid with sales tax collections from the SLDC and SL4B. Surface Water debt is paid from GRP revenues.

**Construction** represents 25% of total expenditures at \$56.79 million. Construction expenditures are related to capital improvement projects within the City. Capital projects are funded with sales tax from the City and economic development corporations, system revenues from Utilities and Airport Funds, grants, inter-local funding and debt. Project types include parks, streets, drainage, traffic, municipal, airport, water, wastewater and surface water.

**Utility Services** represent 10% of total expenditures at \$23.56 million. Utility Services expenditures are related to the operations, maintenance, and repair of water and wastewater infrastructure, as well as sanitation and recycling services. Utility services also include expenses related to surface water conversion.

**Airport Services** represent 5% of total expenditures at \$12.65 million. The fixed based operator at the airport is Global Select, which provides fuel and aviation customer services.

**Other** expenditures represent 9% of expenditures at \$21.33 million and include insurance coverage, economic development incentives, capital replacement, sales tax rebates, and property tax rebates to in-City MUDs.

## Expenditures by Fund

The narrative below provides a summary on how funds are appropriated within key operating funds. A detailed explanation of expenditures within all funds can be found in the financial section of this document.

### Debt Service Funds

The budget in the Debt Service Funds, excluding inter-fund transfers, totals \$20.87 million. Expenditures include \$19.12 million in debt service payments and fiscal fees. The budget also includes \$1.74 million in property tax rebates to in-city MUDs. Ending fund balance of \$4.78 million is above the policy requirement of 10% of debt service requirements.

### General Fund

The General Fund budget, excluding inter-fund transfers, totals \$75.99 million. Expenditures include the implementation of 9.0 new positions to assist with additional workload, continued implementation of the work order system, corporate Wi-Fi, funds for Cullinan Park operations, and funding for organizational assessments. The budget also includes an average merit pool of 3% for employees effective in January 2016.

The General Fund budget draws down fund balance by \$1.20 million and analysis shows the budget is structurally balanced (recurring revenues cover recurring expenditures). Anticipated FY16 ending fund balance in the General Fund is \$19.21 million, which higher than the policy requirement of three months of recurring operating expenditures.

### Capital Improvement Program

The 2016-2020 capital improvement program totals \$233.48 million. Of this total, \$59.76 million in projects are funded in the FY16 budget. Municipal projects make up the majority of the FY16 allocation at 23.88%, which include costs for the Westside Land Acquisition. Drainage projects represents 22.01% while Streets projects is 16.49%. Parks makes up 6.83% and include funds for the parks bond projects. Water and Wastewater projects represent a

combined 20.61%, with Traffic, Surface Water, and Airport projects representing the remaining 10.18% of the FY16 CIP.

Funding for the FY16 CIP consists of \$4.59 million in pay-as-you-go funding, \$16.65 million in certificates of obligation, \$7.03 million in revenue bonds, \$1.7 million in certificates of obligation for the Airport, \$3.2 million in general obligation bonds, \$3.0 million from SLDC, \$4.33 million from SL4B, and \$3.92 million from system revenues for Airport and Utilities projects. Other funding total \$15.32 million and includes \$5.8 million from the Airport Fund, \$2.55 million from Tourism Fund, \$208,400 from CDBG, \$1.0 million from Fort Bend County, and \$1.02 million from the City of Stafford for Sugar Creek drainage improvements. A total of \$4.7 million in CIP fund balance will fund projects for Drainage, Airport and Utilities.

### **Water Utility Fund**

The Water Utility Fund budget totals \$21.47 million, excluding CIP projects and inter-fund transfers. One-time additions are included in the Utility Fund for studies such as automated meter reading and asset management. A drawdown in cash equivalents of \$385,414 is anticipated for the fiscal year. The FY16 budgeted ending cash equivalent totals \$8.18 million and exceeds the 25% cash operating reserve requirement.

### **Surface Water Fund**

The Surface Water Fund budget, excluding CIP projects and inter-fund transfers, totals \$13.10 million. The Surface Water Fund is supported by pumpage fees paid by all participants in the City's groundwater reduction plan. The FY16 budgeted ending balance of \$9.97 million exceeds the 50% general purpose reserve.

### **Airport Fund**

The Airport Fund budget totals \$14.02 million excluding CIP projects and inter-fund transfers. There are two new positions funded in the Airport Fund. The fund anticipates a drawdown in cash equivalents of \$2.83 million, mainly for capital projects. The FY16 budgeted ending balance of \$2.76 million is above the policy requirement of 25% of operating expenditures.

### **Solid Waste Fund**

The Solid Waste Fund operating budget totals \$5.47 million, excluding inter-fund transfers, and includes contracted residential solid waste collection and 2.5 FTEs to provide services and monitor the contract. Through contracted services, the City provides twice weekly automated trash collection and once weekly automated recycling. The ending balance in the fund is anticipated to be \$441,074. The fund has no minimum fund balance per policy.

### **Sugar Land Development Corporation**

The FY16 budget for SLDC totals \$6.63 million, excluding inter-fund transfers. The budget includes operating expenditures for the Economic Development program, Economic Development incentives, contractual services with the City for support services and capital projects management. Debt service payments are budgeted at \$4.23 million for outstanding debt issues. The FY16 budgeted available ending balance of \$837,655 is over the policy requirement of 10% of budgeted sales tax collections.

### **Sugar Land 4B Corporation**

The FY16 budget for SL4B totals \$4.85 million. The budget includes operating expenditures for the Economic Development program and staffing, contractual services with the City for support services, and capital projects management. Additionally, debt service payments are budgeted at \$3.37 million for outstanding debt issues. The FY16 budgeted available ending balance of \$1,012,777 is over the policy requirement of 10% of budgeted sales tax collections.

## **Tourism Fund**

Expenditures in the Tourism Fund total \$1.02 million, excluding inter-fund transfers. This includes funding for marketing, destination product initiatives, cultural arts implementation, and a visitors profile study. The fund has a projected ending fund balance of \$42,545 and no minimum fund balance requirement.

## **Employee Compensation**

The City offers a competitive benefit package to employees, including medical and dental coverage and contributions toward dependent coverage. The City participates in the Texas Municipal Retirement System (TMRS); employees contribute 7% of their gross pay and the City matches employee contributions 2 to 1, and employees are vested after five years of service. Because the City does not participate in Social Security, the City has chosen the highest level plan offered by TMRS. The contribution rate to TMRS for the City changes each year and is based on actuarial analysis of funding needs in the City's plan. The City's contribution rate to TMRS is decreasing from 15.25% in 2015 to 14.95% in 2016 (effective January 1, 2016).

In 2012, the City moved from a fully insured health insurance model to a self-funded model to help reduce costs and stabilize premiums. The anticipated increase in FY16 is 4.2% over the FY15 projections. Stability in TMRS and medical plan costs has allowed the City to plan for merit increases for qualified employees.

The budget includes funding for an average 3% merit increase for employees based on performance evaluations. The City does not provide cost of living increases, so the merit increases are the only time employees see an increase to their pay, except for internal promotions and salary structure maintenance. Merit increases are a key factor in staying competitive in the market and retaining quality employees. The merit increases will be effective in January 2016.

The compensation philosophy adopted by City Council addresses the benefits burden as it relates to total compensation. Based on the adopted policy, benefits should not exceed a percentage of total employee compensation comparable to private sector employees. In FY16, the benefit burden is within the limits established by the Council policy at 30.62% of total compensation.

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
REVENUES AND EXPENDITURES**

	FY14	FY15	FY15	FY16
	Actuals	Adjusted Budget	Projection	Budget
<b>REVENUES:</b>				
Property Taxes	\$ 31,356,583	\$ 34,071,800	\$ 34,012,842	\$ 37,354,082
Sales Tax	49,152,061	48,310,000	51,132,225	52,212,056
Other Taxes	8,373,934	8,182,926	8,221,907	8,534,126
Licenses & Permits	2,934,646	3,016,350	3,211,062	3,320,500
Charges For Service	63,779,015	71,841,158	62,606,062	67,971,358
Fines & Forfeitures	3,845,260	3,927,600	3,737,831	3,736,600
Interest Income	460,980	394,772	615,178	769,005
Intergovernmental	3,340,264	1,311,923	1,311,923	332,395
Miscellaneous	18,304,994	50,094,516	49,495,402	6,250,851
Bond Proceeds	48,348,265	171,335,039	175,001,291	29,069,111
Contributions	6,568,825	7,476,212	7,503,405	8,907,929
<b>Total Revenues</b>	<b>236,464,827</b>	<b>399,962,296</b>	<b>396,849,128</b>	<b>218,458,013</b>
Transfers from other funds	52,221,646	66,259,234	59,228,367	60,654,671
<b>Total Available Resources</b>	<b>288,686,473</b>	<b>466,221,530</b>	<b>456,077,495</b>	<b>279,112,684</b>

**EXPENDITURES:**

General Government	\$ 11,255,576	\$ 13,603,126	\$ 13,600,194	\$ 13,747,801
Finance	3,134,767	3,535,332	3,535,332	3,977,147
Public Works	12,879,424	11,567,405	11,567,405	8,558,704
Parks & Recreation	2,112,915	3,737,138	3,737,138	4,314,601
Community Development	5,103,020	5,925,755	5,925,755	9,805,459
Police Department	18,020,358	20,231,493	20,237,847	20,984,105
Fire Department	11,212,654	17,264,453	17,264,453	13,930,359
Debt Service	37,858,067	75,495,792	77,564,303	44,844,938
Other	4,493,671	7,783,558	3,782,397	4,892,751
Construction	30,623,677	205,544,408	205,721,532	59,758,850
Utility Services	20,011,023	24,253,286	22,714,572	23,555,683
Airport Services	14,118,897	17,177,491	12,090,302	12,654,545
Insurance Coverage	7,585,625	7,298,478	8,296,010	8,616,176
Equipment Replacement	1,688,280	3,609,075	3,105,599	2,796,917
Rebates & Assignments	4,432,029	4,791,195	4,791,195	5,027,990
<b>Total Expenditures</b>	<b>184,529,983</b>	<b>421,817,985</b>	<b>413,934,034</b>	<b>237,466,026</b>
Transfers to other funds	52,221,646	66,259,234	59,228,367	60,654,671
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 236,751,629</b>	<b>\$ 488,077,219</b>	<b>\$ 473,162,401</b>	<b>\$ 298,120,697</b>

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2016 BUDGET**

**REVENUES**

Category Description	Governmental Funds			Enterprise Funds	
	General Fund	Debt Service Fund	Capital Projects	Utility Fund & CIP	Airport Fund & CIP
Property Taxes	\$ 20,188,900	\$ 17,165,182			
Sales Tax	39,159,056				
Other Taxes	5,908,500				
Licenses & Permits	3,320,500				
Charges For Service	4,569,995			37,372,783	14,044,464
Fines & Forfeitures	1,861,600				
Interest Income	307,000	20,000	130,000	120,000	7,000
Intergovernmental					50,000
Miscellaneous	749,621		2,492,500	765,392	796,165
Bond Proceeds			20,193,870	7,175,241	
Contributions					
Other					
<b>Total Revenues</b>	<b>76,065,172</b>	<b>17,185,182</b>	<b>22,816,370</b>	<b>45,433,416</b>	<b>14,897,629</b>
Transfers From Other Funds	6,441,092	5,322,516	14,951,500	9,692,134	9,330,510
<b>Total Available Resources</b>	<b>82,506,264</b>	<b>22,507,698</b>	<b>37,767,870</b>	<b>55,125,550</b>	<b>24,228,139</b>

**EXPENDITURES**

General Government	11,673,908				
Finance	3,838,248				
Public Works	8,558,704				
Parks & Recreation	4,314,601				
Community Development	9,731,464				
Police Department	20,206,321				
Fire Department	13,930,359				
Debt Service		20,240,429		8,620,015	1,160,387
Other	448,089		357,135	330,288	203,000
Construction			36,795,950	13,034,550	6,084,550
Utility Services				12,525,764	
Airport Services					12,654,545
Insurance Coverage					
Equipment Replacement					
Rebates & Assignments	3,287,650	1,737,600			
<b>Total Expenditures</b>	<b>75,989,344</b>	<b>21,978,029</b>	<b>37,153,085</b>	<b>34,510,617</b>	<b>20,102,482</b>
Transfers to other Funds	7,716,230	90,770	680,600	25,593,218	6,955,406
<b>Total Expenditures &amp; Transfers</b>	<b>83,705,574</b>	<b>22,068,799</b>	<b>37,833,685</b>	<b>60,103,835</b>	<b>27,057,888</b>
Revenues over (under) Expenditures	(1,199,310)	438,899	(65,815)	(4,978,285)	(2,829,749)
<b>BEGINNING BALANCE</b>	<b>27,315,127</b>	<b>4,336,458</b>	<b>1,059,201</b>	<b>14,253,890</b>	<b>6,289,058</b>
Reserved for Debt Service				(5,683,744)	(702,546)
Reserved for Self Insurance					
GAAP Accruals	(6,902,283)				
<b>END BUDGET BALANCE</b>	<b>\$ 19,213,534</b>	<b>\$ 4,775,357</b>	<b>\$ 993,386</b>	<b>\$ 3,591,861</b>	<b>\$ 2,756,763</b>

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2016 BUDGET**

**REVENUES**

Category Description	Enterprise Funds		Internal Service Funds		
	Surface Water Fund & CIP	Solid Waste	Fleet Replacement	Hi-Tech Replacement	Employee Benefits
Property Taxes					
Sales Tax					
Other Taxes					
Licenses & Permits					
Charges For Service	4,852,121	5,987,284			
Fines & Forfeitures	-				
Interest Income	60,000		9,000		2,000
Intergovernmental					
Miscellaneous		2,000	237,500		
Bond Proceeds	1,700,000				
Contributions	-				8,907,929
Other	-				
<b>Total Revenues</b>	<b>6,612,121</b>	<b>5,989,284</b>	<b>246,500</b>	<b>-</b>	<b>8,909,929</b>
Transfers From Other Funds	12,137,817	-	922,668	1,361,152	-
<b>Total Available Resources</b>	<b>18,749,938</b>	<b>5,989,284</b>	<b>1,169,168</b>	<b>1,361,152</b>	<b>8,909,929</b>

**EXPENDITURES**

General Government					
Finance					
Public Works					
Parks & Recreation					
Community Development					
Police Department					
Fire Department					
Debt Service	7,231,623				
Other	316,133				163,000
Construction	3,635,400				
Utility Services	5,559,896	5,470,023			
Airport Services					
Insurance Coverage					8,616,176
Equipment Replacement			1,585,452	1,211,465	
Rebates & Assignments					
<b>Total Expenditures</b>	<b>16,743,052</b>	<b>5,470,023</b>	<b>1,585,452</b>	<b>1,211,465</b>	<b>8,779,176</b>
Transfers to other Funds	5,244,200	429,734	-		-
<b>Total Expenditures &amp; Transfers</b>	<b>21,987,252</b>	<b>5,899,757</b>	<b>1,585,452</b>	<b>1,211,465</b>	<b>8,779,176</b>
Revenues over (under) Expenditures	(3,237,314)	89,527	(416,284)	149,687	130,753
<b>BEGINNING BALANCE</b>	<b>12,930,385</b>	<b>351,547</b>	<b>1,936,614</b>	<b>1,363,557</b>	<b>1,254,191</b>
Reserved for Debt Service					
Reserved for Self Insurance					(1,250,000)
GAAP Accruals					
<b>END BUDGET BALANCE</b>	<b>\$ 9,693,071</b>	<b>\$ 441,074</b>	<b>\$ 1,520,330</b>	<b>\$ 1,513,244</b>	<b>\$ 134,944</b>

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2016 BUDGET**

**REVENUES**

Category Description	Special Revenue Funds				
	Tourism	Court Security	Court Tech	CDBG	Law Enforcement
Property Taxes					
Sales Tax					
Other Taxes	2,625,626				
Licenses & Permits					
Charges For Service		51,003	68,004		
Fines & Forfeitures					
Interest Income	7,500	17	75		
Intergovernmental				282,395	
Miscellaneous					
Bond Proceeds					
Contributions					
Other					
<b>Total Revenues</b>	<b>2,633,126</b>	<b>51,020</b>	<b>68,079</b>	<b>282,395</b>	<b>-</b>
Transfers From Other Funds					
<b>Total Available Resources</b>	<b>2,633,126</b>	<b>51,020</b>	<b>68,079</b>	<b>282,395</b>	<b>-</b>

**EXPENDITURES**

General Government	1,020,254				
Finance		64,871	74,028		
Public Works					
Parks & Recreation					
Community Development				73,995	
Police Department					
Fire Department					
Debt Service					
Other					
Construction				208,400	
Utility Services					
Airport Services					
Insurance Coverage					
Equipment Replacement					
Rebates & Assignments					
<b>Total Expenditures</b>	<b>1,020,254</b>	<b>64,871</b>	<b>74,028</b>	<b>282,395</b>	<b>-</b>
Transfers to other Funds	3,957,278				
<b>Total Expenditures &amp; Transfers</b>	<b>4,977,532</b>	<b>64,871</b>	<b>74,028</b>	<b>282,395</b>	<b>-</b>
Revenues over (under) Expenditures	(2,344,406)	(13,851)	(5,949)	-	-
<b>BEGINNING BALANCE</b>	<b>2,999,274</b>	<b>26,446</b>	<b>29,921</b>	<b>-</b>	<b>-</b>
Reserved for Debt Service					
Reserved for Self Insurance					
GAAP Accruals	(612,323)				
<b>END BUDGET BALANCE</b>	<b>\$ 42,545</b>	<b>\$ 12,595</b>	<b>\$ 23,972</b>	<b>\$ -</b>	<b>\$ -</b>

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2016 BUDGET**

**REVENUES**

Category Description	Special Revenue Funds		Total City	Component Units	
	Photo Traffic Enforcement	SPA Debt Reduction		SLDC	SL4B
Property Taxes			\$ 37,354,082		
Sales Tax			39,159,056	6,526,500	6,526,500
Other Taxes			8,534,126		
Licenses & Permits			3,320,500		
Charges For Service		1,025,704	67,971,358		
Fines & Forfeitures	1,875,000		3,736,600		
Interest Income	736	19,375	682,703	55,452	30,850
Intergovernmental			332,395		
Miscellaneous			5,043,178	890,384	317,289
Bond Proceeds			29,069,111		
Contributions			8,907,929		
Other			-		
<b>Total Revenues</b>	<b>1,875,736</b>	<b>1,045,079</b>	<b>204,111,038</b>	<b>7,472,336</b>	<b>6,874,639</b>
Transfers From Other Funds		495,282	60,654,671	-	
<b>Total Available Resources</b>	<b>1,875,736</b>	<b>1,540,361</b>	<b>264,765,709</b>	<b>7,472,336</b>	<b>6,874,639</b>

**EXPENDITURES**

General Government			12,694,162	492,018	561,621
Finance			3,977,147		
Public Works			8,558,704		
Parks & Recreation			4,314,601		
Community Development			9,805,459		
Police Department	777,784		20,984,105		
Fire Department			13,930,359		
Debt Service			37,252,454	4,226,346	3,366,138
Other	548,976		2,366,621	1,911,590	614,540
Construction			59,758,850		
Utility Services			23,555,683		
Airport Services			12,654,545		
Insurance Coverage			8,616,176		
Equipment Replacement			2,796,917		
Rebates & Assignments			5,025,250	2,740	
<b>Total Expenditures</b>	<b>1,326,760</b>	<b>-</b>	<b>226,291,033</b>	<b>6,632,694</b>	<b>4,542,299</b>
Transfers to other Funds	548,976	-	51,216,412	4,798,932	4,639,327
<b>Total Expenditures &amp; Transfers</b>	<b>1,875,736</b>	<b>-</b>	<b>277,507,445</b>	<b>11,431,626</b>	<b>9,181,626</b>
Revenues over (under) Expenditures	-	1,540,361	(12,741,736)	(3,959,290)	(2,306,987)
<b>BEGINNING BALANCE</b>	<b>12,432</b>	<b>7,045,382</b>	<b>81,203,483</b>	<b>10,044,940</b>	<b>7,541,605</b>
Reserved for Debt Service			(6,386,290)	(4,187,081)	(3,160,927)
Reserved for Self Insurance			(1,250,000)		
GAAP Accruals			(7,514,606)	(1,060,915)	(1,060,915)
<b>END BUDGET BALANCE</b>	<b>\$ 12,432</b>	<b>\$ 8,585,743</b>	<b>\$ 54,560,851</b>	<b>\$ 837,654</b>	<b>\$ 1,012,776</b>

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2016 BUDGET**

**REVENUES**

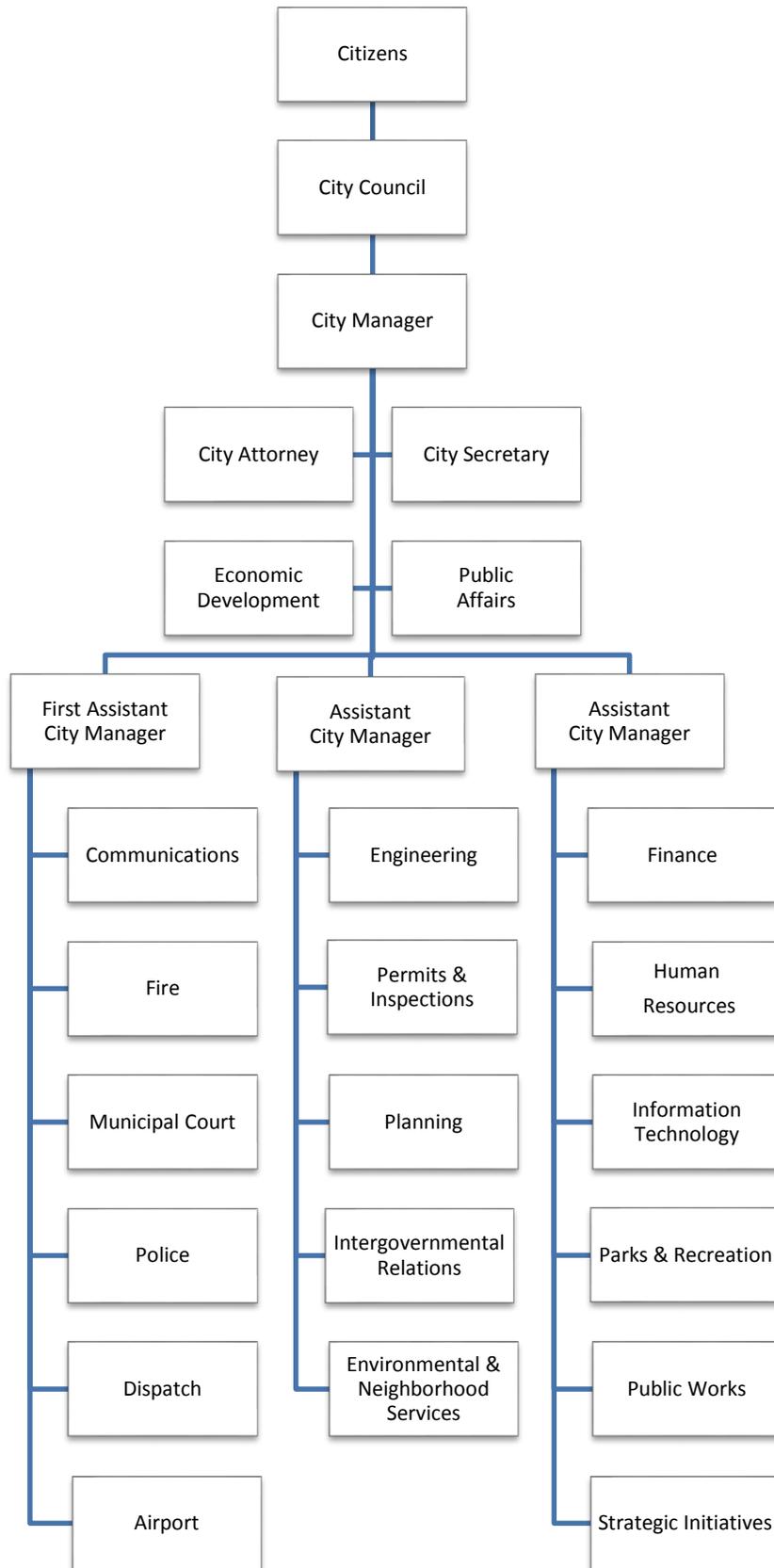
Category Description	TOTAL FY16 BUDGET
Property Taxes	\$ 37,354,082
Sales Tax	52,212,056
Other Taxes	8,534,126
Licenses & Permits	3,320,500
Charges For Service	67,971,358
Fines & Forfeitures	3,736,600
Interest Income	769,005
Intergovernmental	332,395
Miscellaneous	6,250,851
Bond Proceeds	29,069,111
Contributions	8,907,929
Other	-
<b>Total Revenues</b>	<b>218,458,013</b>
Transfers From Other Funds	60,654,671
<b>Total Available Resources</b>	<b>279,112,684</b>

**EXPENDITURES**

General Government	13,747,801
Finance	3,977,147
Public Works	8,558,704
Parks & Recreation	4,314,601
Community Development	9,805,459
Police Department	20,984,105
Fire Department	13,930,359
Debt Service	44,844,938
Other	4,892,751
Construction	59,758,850
Utility Services	23,555,683
Airport Services	12,654,545
Insurance Coverage	8,616,176
Equipment Replacement	2,796,917
Rebates & Assignments	5,027,990
<b>Total Expenditures</b>	<b>237,466,026</b>
Transfers to other Funds	60,654,671
<b>Total Expenditures &amp; Transfers</b>	<b>298,120,697</b>
Revenues over (under) Expenditures	<b>(19,008,013)</b>
<b>BEGINNING BALANCE</b>	<b>179,993,511</b>
Reserved for Debt Service	(20,120,588)
Reserved for Self Insurance	(2,500,000)
GAAP Accruals	(17,151,042)
<b>END BUDGET BALANCE</b>	<b>\$ 123,713,868</b>

# City of Sugar Land Organizational Chart

As of October 1, 2015



# City Overview

## Location and Background

Located 20 miles southwest of Houston, Sugar Land is a full-service municipality providing police and fire protection, water/wastewater utilities, solid waste collection, curbside recycling, a regional airport, parks and recreation, public works, planning/zoning and other services. Founded as a sugar plantation in the mid 1860s, Sugar Land was a busy commercial center for nearly 100 years. Formally incorporated in 1959, the City has grown more rapidly than anyone could imagine. Today, the City has a population of about 85,000 and is nationally recognized for its low crime and excellent opportunities afforded to residents.



## City Management

Sugar Land operates under the Council-Manager form of government. This system of local government combines the political leadership of elected officials in the form of a Council with the managerial experience of an appointed City Manager. The City Manager acts as the chief executive officer of the government and carries out policy and administers City programs. All department heads report to the City Manager, with the exception of the Municipal Court Judge, who is also appointed by Council. The City Secretary and City Attorney both report to the City Manager but require City Council approval for any employment action.

### ROLE OF CITY COUNCIL

- Appoint City Manager
- Establish City Policy
- Legislative Body
- Approve Budget

### ROLE OF CITY MANAGER

- Manage Day-to-Day Affairs
- Enforce Laws and Ordinances
- Prepare Budget
- Make Recommendation to Council on General Welfare of the City

## Local Economy

Sugar Land benefits from its proximity to Houston and the economic opportunities afforded by a large metropolitan area. Supported by strong regional infrastructure, the Sugar Land economy is diverse and offers strong corporate vitality. The table below contains a list of top private sector employers by number of employees.

### EMPLOYER

- Fluor Enterprises, Inc.\*
- Schlumberger\*
- Methodist Sugar Land Hospital
- UnitedHealthcare/UnitedHealth Group\*
- Ecolab (Nalco-Champion)\*
- Tramontina USA, Inc.
- First Data Telecheck
- Memorial Hermann Sugar Land
- Noble Drilling Services, Inc.
- Baker Hughes\*
- St. Luke's Hospital Sugar Land
- Texas Instruments\*
- Yokogawa Corp Of America
- Fairfield Nodal
- National Oilwell Varco\*
- \*2015 Fortune 500 Company*

### TYPE OF BUSINESS

- Engineering / Procurement / Construction
- Oilfield Services / Technology
- Hospitals
- Health Benefits
- Petrochemicals
- Manufacturing / Kitchen Wares
- Payment Processing Company
- Hospitals
- Offshore Drilling
- Specialty Polymers
- Hospitals
- Semiconductor Design & Manufacturing
- Process Control Equipment
- Seismic Data Systems
- Oilfield Equipment

## Economic Development Activity

Business development in Sugar Land continues to grow and thrive. First Data Corporation, a Fortune 500 company, relocated their TeleCheck services division to Sugar Land in March 2015 after a comprehensive evaluation of other regional opportunities. The relocation brings 600 new jobs and a \$10 million investment over a 10-year period. They occupy approximately 90,000 square feet in the Sugar Creek on the Lake office building. Nalco Champion, an Ecolab company, has continued construction of their new 133,500 square-foot facility which is part of a headquarters relocation that brings in more than \$45 million in investments and over 860 new jobs. Construction is expected to be completed by early 2016.

Sugar Land continues to be the location of choice for primary employers and expansion of existing facilities continues. Applied Optoelectronics Inc. began construction of their new 102,000 square foot headquarters in Sugar Land after evaluating options overseas. The expansion brings more than \$30 million in investments, retaining 235 jobs and adding 530 new jobs over a 10-year period.

Scheduled for completion in the fall of 2016, construction began in FY15 on the Smart Financial Centre at Sugar Land, a 6,400 seat concert and performing arts facility. The live entertainment venue is located on a 38-acre site near the intersection of U.S. Highway 59 and University Boulevard and will be an integral part of a larger mixed-use development within the Telfair site.

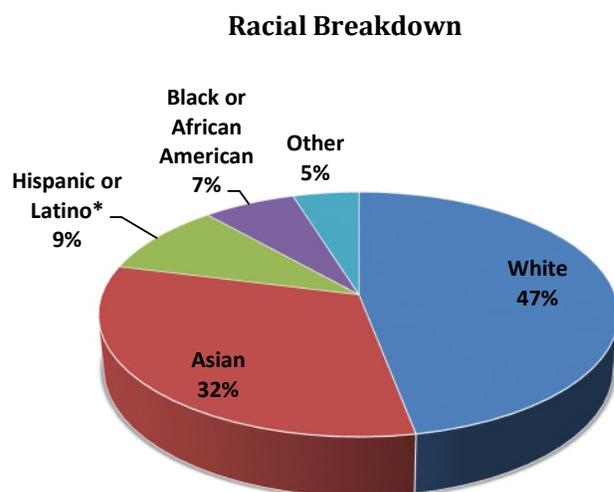
Planning efforts are underway for the Imperial Market Planned Development at the site of the former Imperial Sugar Company. The site is slated to open in the spring of 2017. The mixed-use development plans include a 120 room Aloft Hotel, over 86,000 square feet of office space, 274 luxury apartments, a fitness center and retail space. Final zoning is anticipated to be completed by the end of 2015.

## Diversity

Sugar Land is a diverse community and was recognized as the nation's first Community of Respect® by the Anti-Defamation League in 2007. The Community of Respect® program is an initiative to help governments, non-profit organizations, faith institutions, businesses, and institutes of higher learning create an atmosphere that rejects prejudice and fosters respect and an appreciation for diversity. After being named the nation's first "Community of Respect," the Anti-Defamation League (ADL) has recognized Sugar Land multiple times for its ongoing commitment to foster an inclusive and respectful community.

The City's racial breakdown as reported by the 2010 census is shown at right. Actual data reported shows White 45.9%, Asian 41.2% and Black or African American 7.0%.

\*According to the US Census, persons who identify themselves as Hispanic or Latino can be of any race; reported figures show 10.6% Hispanic or Latino, the figures shown in the chart have been adjusted accordingly to ensure totals add to 100%.



# City Profile

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	FY13	FY14	FY15	FY16
Population (January 1st estimate)	84,618	86,495	86,972	87,504
Square Miles	32.73	32.73	32.73	32.73
Acres	22,868	22,868	22,868	22,868
Budgeted Full Time Employees	656	676	694	711
Total Operating Budget	\$181.6 M	\$207.6 M	\$324.8 M	\$166.8 M

## Fire Protection/ Emergency Medical Services

Number of Stations	7	7	7	7
Certified Firefighters	103	104	115	115
Calls for Service	7,250	7,670	7,313	7,176

## Police Protection

Number of Stations	1	1	1	1
Certified Police Officers	149	149	151	151
Calls for Service	25,611	26,123	28,699	28,455

## Parks & Recreation

Number of Parks	24	24	25	26
Park Acreage	807	807	1,378	2,132
Swimming Pools	1	1	1	1
Community Centers	6	6	6	5
Recreation Centers	1	1	1	1
Special Events Offered	18	18	37	26

## Public Works

Lane Miles of Streets	782	782	782	840
Linear Miles of Sidewalk	500	500	500	537
Miles of Storm Sewer/Open Ditch	338	338	338	350
Traffic Signals Maintained	81	85	85	85
City Facilities	61	61	61	61

## Utilities

Equivalent Single Family Connections	42,913	43,663	44,666	45,666
Water Produced (Million Gallons)	7,201	6,800	6,343	6,781
Wastewater Treated (Million Gallons)	3,014	3,320	2,976	3,103

## Community Development

Building Permits Issued	7,300	7,300	7,394	7,242
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## Airport

Gallons of Fuel Sold	3,063,813	3,134,281	3,015,916	3,031,285
Aircraft Served	13,772	14,185	13,353	13,353

# Budget Process & Calendar

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The fiscal year begins October 1 of each year and ends on the following September 30. Each fiscal year City Council adopts a fiscal plan containing the goals established by Council and the City Manager's plan to meet those goals. The plan adopted is comprised of the Operating Budget and the Capital Improvement Program. A calendar that outlines the budget process is included on the following page.

## Operating Budget

Prior to the official budget kickoff, the Budget Office prepares a preliminary estimate of revenues and expenditures for the major funds, including the General, Debt Service, Utility, Surface Water and Airport funds. This overview is prepared to allow the City Manager to assess the overall financial position of the City, including potential revenue shortfalls or excess funding capacity for enhanced services. The City Manager shares this information with City Council at a planning retreat where City Council establishes priorities for the upcoming fiscal year. The City Manager prepares a budget message from this information that instructs the departments on how to prepare the budget for the upcoming fiscal year.

In April, the budget process officially begins with the City Manager delivering the budget message and departments developing line-item operating budgets based on the message delivered by the City Manager. The expectation for departments is to formulate a budget that will allow services to be maintained at current levels. Requests that enhance or expand services are requested in conjunction with the preparation of the operating budget. Supplemental budget requests are based on items identified through Council priorities, departmental business plans, and state or federal mandates. The operating budget and enhancement submissions are due to the Budget Office in early May and are reviewed for completeness and to ensure submissions are consistent with the City Manager's message.

City management meets with departments in June to review proposed operating budgets and supplemental requests. Requests are prioritized by the City Manager and recommended to City Council for funding based on available resources. The budget is filed with City Council in July and reviewed in detail through a series of budget workshops in August. Changes that result from the Council workshops are incorporated into the final budget. The final budget is adopted by Council no later than the 25<sup>th</sup> of September in accordance with the City charter. Annual operating budgets are adopted for the General Fund, Special Revenue Funds, Internal Service Funds, Component Units, and Debt Service Fund. The budgets for the Enterprise Funds are adopted as a financial plan and guide. After Council adoption, the Annual Budget is compiled and distributed.

## Capital Improvement Program

Annually, City staff prepares and files a Five-Year Capital Improvement Program (CIP). The CIP identifies needed capital improvements and financing for those improvements. The first year of the plan is incorporated into the annual budget to appropriate funds for the specific projects. The five-year CIP is fiscally constrained for all years. Cost estimates for years two through five of the five-year CIP are for planning purposes only, and are used in conjunction with the five-year financial plan of the City to determine potential project funding sources or to adjust project timing based on affordability.

CIP development is a continuous process that utilizes a "project ready" approach whereby the scope and budget for a proposed improvement are clearly defined prior to the appropriation of funds for construction. It is a multi-year process and may extend over a one to three year period. Each year future projects are re-evaluated and projects may be added, moved back or forward, depending on the current assessment of priority and project readiness. Project information is solicited from all departments, City Council, boards and commissions, and homeowner

associations. Staff also maintains a list of potential projects from citizen requests received either by telephone, e-mail or through youth sports leagues. A recommended project list is compiled, prioritized by year, and cost estimates assigned.

Funding sources and levels are identified and developed by the Budget Office. The CIP has several layers of review by project managers, the Planning and Zoning Commission, and the City Manager. The recommended five-year CIP is filed with the annual budget in July. City Council reviews the draft and any changes requested by Council are incorporated into the final document. A summary for the final five-year CIP is then prepared and filed with the annual budget for Council consideration and approval. Upon Council adoption, the five-year CIP document is reproduced and distributed for implementation of the program.

## FY16 Budget Calendar

<b>February</b>	<ul style="list-style-type: none"> <li>• CIP kick-off</li> <li>• Cost allocation plan updated</li> <li>• Key issues identified and prioritized by City Management</li> </ul>
<b>March</b>	<ul style="list-style-type: none"> <li>• CIP projects developed</li> <li>• Budget &amp; Research prepares preliminary five-year forecast</li> <li>• City Manager develops budget message for departments</li> <li>• Budget &amp; Research develops instructions and forms for budget preparation</li> <li>• City Council retreat – define priorities for FY14</li> </ul>
<b>April</b>	<ul style="list-style-type: none"> <li>• Budget kick-off meeting: Directors and Managers <ul style="list-style-type: none"> <li>- Introduce and distribute budget instructions</li> <li>- Line item allocation of budgets by departments</li> <li>- Departments prepare requests for additional funds</li> </ul> </li> <li>• Budget &amp; Research develops preliminary funding plan for five-year CIP</li> </ul>
<b>May</b>	<ul style="list-style-type: none"> <li>• Review list of CIP projects with Planning &amp; Zoning</li> <li>• Budget &amp; Research reviews departmental budget submissions</li> </ul>
<b>June</b>	<ul style="list-style-type: none"> <li>• Review list of CIP projects with City Council</li> <li>• City Management reviews departmental budget submissions</li> <li>• City Manager balances the proposed budget</li> <li>• CIP project list finalized and fiscally constrained</li> <li>• Five-year financial forecast finalized</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>• Prepares proposed budget document, transmittal letter and budget presentations</li> <li>• July 23: Proposed budget filed with City Council</li> <li>• Certified tax roll due from Central Appraisal District</li> </ul>
<b>August</b>	<ul style="list-style-type: none"> <li>• Council budget workshops (Thursday mornings)</li> <li>• Public hearing on budget</li> <li>• Publish effective tax rate calculations</li> </ul>
<b>September</b>	<ul style="list-style-type: none"> <li>• Final Budget Amendment Ordinance</li> <li>• City Council adoption of <ul style="list-style-type: none"> <li>○ Annual budget, five-year CIP, compensation plan, tax rate, fee ordinance</li> </ul> </li> </ul>

# Legal Requirements & Basis of Budgeting

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## Legal Requirements for the Budget

Pursuant to Section 6.03 of the Charter, the City Manager is responsible for preparing an annual budget for submission to City Council for review, consideration and revision. Both a letter describing the proposed new budget, as well as a balanced budget for the forthcoming fiscal year, are required to be filed not later than sixty days prior to the end of the current fiscal year. The budget must set forth the funding for services, programs, and activities of the various City departments. It must also include a multi-year capital improvement program (CIP) and a current year CIP budget.

The City Secretary posts a notice at City Hall and publishes the notice in the official newspaper stating the times and places where copies of the message and budget are available for public review. One public hearing must be held on the budget at least 14 days after it is filed and before the budget is adopted. The budget is adopted by ordinance with one reading prior to the 25<sup>th</sup> day of the last month of the fiscal year, as required by the City charter.

Budgets are approved by City Council at the fund level. Revenues approved through the budget process are estimates. During the fiscal year, the City Manager may transfer balances allocated by the budget between departments or activities within the total appropriation without City Council approval. City Council typically approves budget amendments during the year to reflect increases to expenditures as a result of grants received or to allocate from fund balances at the request of staff. Expenditure of funds that would exceed the total appropriation by fund requires City Council approval of an ordinance to amend the budget for that fund. At year end, as part of the next year's budget process, the current fiscal year budget is amended by ordinance to capture any budget amendments that have been approved by City Council during the year. Capital Project funds are appropriated on a project length and as projects are completed and closed out staff may request a budget amendment to utilize those funds for other projects as appropriate. Capital projects are appropriated at the project level and most increase to project budgets require a Council budget amendment.

At the end of each fiscal year, any unencumbered appropriation balances lapse or revert to the undesignated fund balance, except for capital projects, which are adopted using project length rather than fiscal year. Open encumbrances carry forward to the next fiscal year, but the budget is not adjusted to reflect those encumbrances. After the close of the fiscal year, Council has an opportunity to approve a budget ordinance that reflects an amendment of the current year's budget for carry-over funding for non-recurring items that were budgeted but not completed during the prior fiscal year.

## Financial Management Policy Statements

The Financial Management Policy Statements are approved through City Council Resolution. These statements give general guidelines for the development of fiscal policies to ensure that financial resources are available to meet present and future needs of citizens and aid in fulfilling the goal of a responsible city government. These policy statements are reviewed semi-annually and recommended revisions are discussed with City Council. The statements were last updated and approved by City Council Resolution in June 2014. A copy of the current policy statements can be found at the end of this document.

## Budget Basis of Presentation

### Governmental and Fiduciary Funds

Governmental fund budgets are prepared using the modified accrual basis. Revenues are budgeted when they are anticipated to be received and expenditures are budgeted in the period in which the liability is incurred, which is in accordance with Generally Accepted Accounting Principles (GAAP). The fund balance approach of governmental

funds or working capital approach can be identified as current assets less current liabilities. Governmental funds budget capital outlays as expenditures, but do not budget for non-cash expenditures such as accruals for sick and vacation liabilities and depreciation.

Budgetary fund balances differ from the GAAP basis fund balances as they are adjusted for year-end accruals of revenues such as sales tax, franchise fees, and hotel occupancy taxes. Although these revenues are measurable at fiscal year-end, they are not available to fund obligations of the City on a cash basis. As such, the budget will show a different fund balance than the Comprehensive Annual Financial Report (CAFR). The budget also does not differentiate between the various categories of fund balance under GASB 54.

## **Proprietary and Internal Service Funds**

All proprietary funds are budgeted using a flow of economic resources, which is similar to the accrual basis of accounting, with exceptions listed below. Available balances are determined using the cash equivalent approach. The cash equivalent approach is defined as: cash + investments + accounts receivable + prepaid expenses - accounts payable = cash equivalents available.

- Revenues are budgeted in the period they are earned and measurable.
- Expenses are budgeted in the period in which the liability was incurred.
- Depreciation of assets is not budgeted.
- Expenses to recognize unfunded liabilities are not budgeted, such as OPEB and IBNR claims.
- Capital outlay is budgeted as an expense in the year purchased.
- Principal payments are budgeted as an expense rather than a reduction to the liability.
- Bond proceeds are budgeted as revenue in the enterprise operating fund and transferred to the enterprise capital projects fund.

## **Basis of Accounting**

The governmental fund financial statements are presented on a current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Measurable means that the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues susceptible to accrual include sales and use taxes, hotel occupancy taxes, franchise fees, charges for services and interest on temporary investments. Property tax levies collected after the fiscal year-end, which would be available to finance current operations, are immaterial and remain deferred. Other receipts become measurable and available when cash is received by the government and are recognized as revenue at that time.

All proprietary funds are accounted for on an accrual basis. Revenues are recognized in the period in which they are earned and become measurable, and expenses in the period in which they are incurred and measurable. However, accruals are made only at fiscal year-end. Proprietary funds also record depreciation and amortization at fiscal year-end. Payment of principal is recorded as a reduction to the long-term liability at fiscal year-end.

## **Financial Structure**

The accounts of the City are organized on the basis of funds and account groups, each of which operates separately and independently. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses. Following is a description of the fund types and funds contained within each. A more detailed description of each fund can be found within the fund summary of the individual funds.

## Governmental Funds

**The General Fund** is the general operating fund and is used to account for all financial transactions not properly included in other funds.

**Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City has several special revenue funds such as: Court Security, Court Technology, Tourism, Community Development Block Grant, Photographic Traffic Signal Enforcement, four SPA Debt Reduction Funds, and Police Seizures, Grants and Trust Funds as required.

**Debt Service Fund** is used to account for the payment of interest and principal on all tax-backed bonds and other long-term debt not supported by enterprise funds. The City has a separate fund to account for taxable debt vs. tax-exempt debt.

**Capital Projects Fund** is used to account for the expenditures of resources transferred from operating funds, the sale of bonds, and other revenues for capital improvement projects. Projects are budgeted on a project length basis rather than a fiscal year basis, and funding carries over to the next fiscal year if the project is not completed.

## Proprietary Funds

**Enterprise Funds** are used to account for services that are financed and operated in a manner similar to private business where the intent of the governing body is that the costs of providing goods and services to the general public will be financed or recovered primarily through user charges. The City operates four enterprise funds: Water, Utility, Airport, Solid Waste and Surface Water. The enterprise funds also have corresponding capital project funds.

**Internal Service Funds** are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. The City has three internal service funds: Fleet Replacement, High Tech Replacement, and Employee Benefits.

## Fiduciary Funds

**Component Units** are used to account for sales tax revenues for economic development activities and expenditures associated with promoting, assisting, and enhancing economic and industrial development activities. Each component unit has a separate board of directors. The City accounts for five component units: Sugar Land Development Corporation (SLDC), Sugar Land 4B Corporation (SL4B), Sugar Land Town Square TIRZ#1, Imperial TIRZ#3, and Telfair TIRZ#4. The SLDC is a blended component unit and is included as a special revenue fund in the government-wide financial statements. The TIRZs are not included in the City's adopted budget.

# Goals & Vision

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City Council has identified and developed five priorities to direct the City's growth and define staff responsibilities. This "picture" identifies priorities and challenges that the City will face in the near future. Each year the City reviews these priorities and the progress being made. Underlying each priority are strategies for the City to strive for in the near future. The priorities and strategies were reviewed in November 2013 and updated to provide direction to staff in strategic planning efforts.

Although the City adopts a one-year budget, the budget implements multi-year programs and strategies that extend programs and affect future budgets. Within each priority there are measures for City staff to achieve.

The five City mid-term priority and strategies are as follows:

## ***Safest City in America: Feeling Safe, Rapid Response***

- Have a rapid, effective and coordinated response to an emergency – Police, Fire, EMS, Public Works
- Maintain people feeling safe, secure and comfortable throughout the community
- Maintain a low crime rate in Sugar Land with a high clearance rate
- Develop effective public safety communications with adequate staffing and using appropriate technology
- Improve all-hazards and disaster preparedness, response and recovery through better coordination and intergovernmental cooperation
- Utilizing technology to contribute to a safe community

## ***Strong Local Economy: Growing Business Investment***

- Attract targeted businesses with primary jobs: National and international
- Growing tax base: Property and sales tax generators
- Develop major business parks with class A office environment: Tract II and prison property / Newland (300 acres)
- Expand tourism: venues, marketing and number of visitors
- Develop three destination activity centers – major community focal points and regional destinations: Brazos River Park Festival Site, TIRZ #4, Imperial area
- Protect strength of current economic generators

## ***Responsible City Government: Financially Sound, Exceptional Service***

- Maintain a high level of citizen satisfaction and cost-effective delivery of City Services: Value for tax dollars
- Continue "championship" workforce: professional, well-trained, appropriately compensated, retention / internal promotional opportunities
- Have City employees serve as the primary contact with customers
- Maintain financially responsible government consistent with City's mission

- City of Sugar Land – a leader in customer service and superior service
- City and partners operating efficiently and as a service business

### ***Great Place to Live: Development, Redevelopment, Mobility, Environment***

- Have predictable, compatible development and land uses consistent with Comprehensive Plan
- Maintain adequate infrastructure and services to support growth and sustain the existing community
- Revitalize / redevelop older commercial centers: Appearance and business vitality
- Improve mobility within Sugar Land: Automobiles, bicycles and walking
- Strive for land uses that build the wealth of the City – Balancing property tax value, sales tax revenue & primary jobs

### ***Building Community: Diverse Cultures, Leisure, Arts***

- Develop City facilities and venues that support community arts, events and festivals
- Develop residents’ understanding of civic processes and community infrastructure
- Support community events and festivals of diverse ages and cultures
- Adapt to Sugar Land’s changing demographics
- Expand arts throughout the community

## **Vision 2025 and Comprehensive Plan**

Vision 2025 was developed through a process of community input and City Council guidance, and was formally adopted by the City Council through Resolution 09-34 in September 2009. Vision 2025 provides long-term goals for the ongoing development and improvement of the community.

In July 2012, the City Council adopted Ordinance No. 1851. This ordinance formally adopted an update to Chapters 1-5 of the City’s Comprehensive Plan, which incorporated Vision 2025 Goals and Objectives.

**Sugar Land 2025** is a Safe, Beautiful, Inclusive, and Environmentally Responsible Community.

**Sugar Land 2025** has Destination Activity Centers, Great Neighborhoods, Superior Mobility, Outstanding Cultural, Educational, and Recreational Opportunities, and is a Regional Business Center of Excellence.

**Sugar Land 2025** has Balanced Development and Redevelopment.

The Community Takes Pride in Sugar Land.

## **Goals and Objectives**

### ***Goal A: Safe Community***

1. Safest city in the United States
2. People feeling safe, secure and comfortable at home, in the neighborhood, at the parks, in commercial areas, and throughout the community
3. Informed citizens participating in and taking responsibility for community safety and emergency preparedness
4. Rapid, professional and coordinated response to an emergency call for service
5. City prepared for all hazards, disaster and post-disaster recovery including coordination with local, regional and state resources

6. Health and building codes promoting highest reasonable standards for safety
7. Adequate supply of safe drinking water meeting national and state standards

#### ***Goal B: Beautiful Community***

1. Attractive, well-designed and well-maintained public buildings, streetscapes incorporating gateways, public spaces and public art throughout the city
2. Attractive, well-designed and well-maintained commercial areas and buildings, including beautiful landscapes, and appropriate signage
3. Attractive, well-maintained homes
4. Clean, well-maintained, attractive lakes and waterways, both public and private

#### ***Goal C: Inclusive Community***

1. Celebrating America, such as: 4<sup>th</sup> of July, Veteran’s Day, Memorial Day, flying the flag
2. Community respecting and celebrating the history and heritage of Sugar Land, Texas, Fort Bend County, and the United States of America
3. All family generations and cultures feeling welcome and having fun
4. Celebrating and respecting the unique international and inter-cultural community that we have become
5. Residents informed, actively involved and participating in community and civic affairs

#### ***Goal D: Environmentally Responsible Community***

1. City as a leader – model for standards, processes and operations
2. Open green spaces throughout the city
3. Effective storm water management and drainage system enhancing quality of surface water and protecting neighborhoods
4. Quality wastewater treatment system
5. Water conservation
6. Reduced energy consumption and increased use of renewable resources
7. Convenient, easy, state-of-the-art recycling system with options and incentives
8. Developments, redevelopments and buildings incorporating the concepts of environmental sustainability
9. Improved air quality
10. Reasonable approach and balance with a “return on investments” – economic and/or community benefit

#### ***Goal E: Destination Activity Centers***

1. Each destination activity center having positive image and reputation – a sense of place
2. Variety of unique quality features that define each destination activity center
3. Pedestrian-friendly activity centers connected by alternative transportation modes and trails
4. Major community focal points and regional destinations, such as: Town Center, Brazos River Park, Entertainment District and “Imperial” Area
5. Public open space and parks for people to gather and enjoy; neighborhood to use; and to conduct community events
6. Cultural and entertainment events making Sugar Land a regional destination

### ***Goal F: Great Neighborhoods***

1. Strong neighborhood identity and pride
2. Renovated, modernized and well-maintained older housing stock
3. High percentage of owner occupied homes
4. Well-maintained, replaced and up to date neighborhood infrastructure: streets, utilities, sidewalks, street lights and drainage
5. Strong, effective home owner and neighborhood associations maintaining and investing in community common areas, streetscapes and public spaces
6. Maintaining quality neighborhoods buffered from or blended with adjacent commercial areas and non-residential land uses
7. Residents involved in and taking responsibility for making the neighborhood a great place to live and call home
8. Top quality community and neighborhood parks with active and passive areas

### ***Goal G: Superior Mobility***

1. Effective traffic management facilitating predictable, acceptable travel times within Sugar Land
2. Effective intra-city public transportation system linking activity centers: trolley, electric bus, monorail
3. North/south mobility with several corridors
4. Interstate and U.S. highways efficiently moving traffic through and to/from Sugar Land (U.S. 59, Highway 6, 90A)
5. Major corporate airport for businesses and general aviation
6. Commuter transit serving to link Sugar Land to the Greater Houston Metro Area and Fort Bend County/Southwest
7. Pedestrian-friendly community with multi-use trails network for bikes and pedestrians connecting neighborhoods and the community
8. Well-designed, well-maintained streets, sidewalks and multi use trails
9. Relocation of freight rail through traffic

### ***Goal H: Outstanding Cultural Arts, Educational and Recreational Opportunities***

1. Brazos River Park as a regional destination with water-based activities on the river and lakes; hike and bike trails; innovative, unique venues and activities
2. Variety of cultural art opportunities, programs and venues serving as regional destinations
3. Public art throughout the city
4. Major museums having educational significance
5. Performing Arts Center (large community and small venues) for theater, concerts and entertainment serving as a regional destination
6. Regional, family oriented, professional sports venue
7. Major university campus serving residents, non-residents, and businesses with full range of undergraduate, graduate and post graduate programs
8. Strong relationship and partnership between City of Sugar Land, schools, colleges, and universities
9. Recreational programs serving the community

### ***Goal I: Regional Business Center of Excellence***

1. Targeted national and international businesses as defined in the Economic Development Plan
2. State of the art, world class infrastructure and technology to support local businesses
3. Business-friendly environment and reputation
4. Quality jobs at or above the average income in the community
5. Tract II and the Central Prison Unit property developed as major business park. Commercial areas near U.S. 59 at University Boulevard developed with a Class A office component.
6. Full service convention and conference center targeting the best second tier market
7. Major regional state-of-the-art medical and health services center serving the southwest area
8. Multiple, high-quality, full and limited service hotels for business travelers and visitors
9. Unique, “upscale” retail with upgraded products

### ***Goal J: Balanced Development and Redevelopment***

1. Balanced land use (70% residential/no less than 30% commercial, retail, office) and tax base (60% residential/40% commercial, retail, office) within city
2. Well-designed, well-maintained city infrastructure and facilities throughout the city
3. Innovative designs meeting city’s development standards and adding value to the surrounding neighborhoods
4. New developments and redevelopments consistent with city vision, comprehensive plan, policies and standards
5. Upgrading or reusing older commercial areas and commercial strip centers
6. Redevelopment uses that are appropriate for different locations and proactive city policies to assist
7. Redevelopment of historic structures into creative uses to showcase the city’s history
8. High-quality and well-maintained housing stock throughout the city
9. Mixed-use developments with commercial and multi-family residential elements

### ***Goal K: Community Pride in Sugar Land***

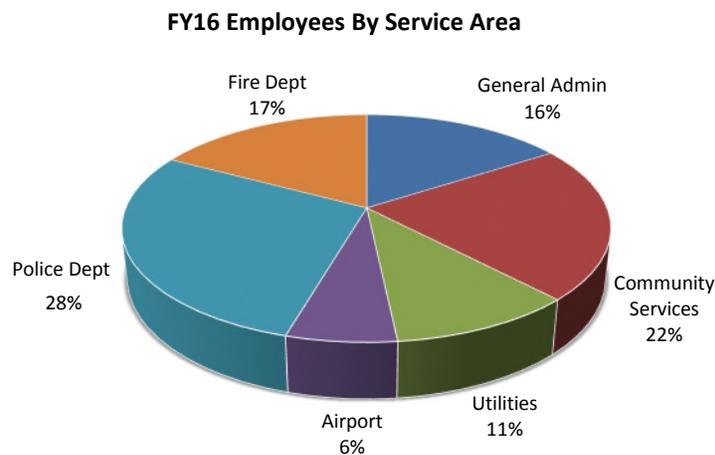
1. City working in partnership with residents, community organizations, businesses and other government entities
2. People want to live here, businesses want to invest here
3. Successful community events and celebrations bringing people together
4. Being “A Community of Excellence” and recognized as such
5. Residents engaged in civic and community affairs
6. Businesses and residents volunteering and contributing to the Sugar Land community
7. Strong community organizations, charitable organizations and institutions
8. City leadership facilitating and being a catalyst for community pride
9. City demonstrating sound financial management practices and policies including cost-effective service delivery
10. Comprehensive Plan and associated master plans guide City decision making
11. Transparent and ethical decision-making process by City officials

# Staffing Levels

The number of budgeted Full Time Equivalent (FTE) positions in FY16 totals 712. A net increase of 11 positions is included for FY16: 9.0 in the General Fund, and 2.0 in Airport Fund. The 9.0 new positions in the General Fund include 1.0 Financial/Investment Analyst, 1.0 Assistant City Attorney, 1.0 CIP Project Manager, 1.0 Automotive Technician, 1.0 Purchasing Administrative Specialist, 1.0 Dispatch Quality Analyst, 1.0 GIS Specialist, 1.0 System Administrator, and 1.0 Community Outreach Coordinator. The remaining 2.0 positions in the Airport Fund is an Operations Agent and a General Maintenance Worker.

## Employees by Service Area

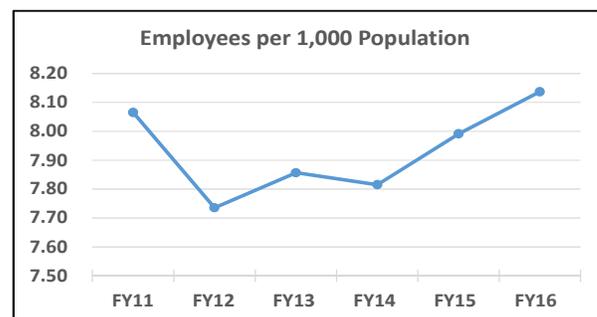
The chart below illustrates the 712 FTE count by Service Area. General Administration is comprised of General Government, Tourism and Finance. Community Services is comprised of Public Works, Parks & Recreation, and Community Development. Utilities consist of Solid Waste, Surface Water, and Water Utility.



## Employees per 1,000 Population

The table and graph below show the number of FTE positions per 1,000 residents. This figure excludes seasonal and temporary employees. FY12 saw a reduction of 18 positions through attrition due to the economic downturn.

Fiscal Year	FTE	Percent Change	Population	Employees per 1,000 Population
FY11	660	1.2%	81,835	8.07
FY12	642	-2.7%	82,999	7.74
FY13	661	3.0%	84,134	7.86
FY14	676	2.3%	86,495	7.82
FY15	695	2.8%	86,972	7.99
FY16	712	2.4%	87,504	8.14



# Historical Detail of Authorized Full-Time Equivalents

Position Title	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Additions	FY16 Budget
Event Coordinator P/T	-	-	0.50	0.50	(0.50)	-
Tourism & Destination Services Administrator	-	-	0.50	0.50	-	0.50
<b>Tourism &amp; Destination Events</b>	-	-	<b>1.00</b>	<b>1.00</b>	<b>(0.50)</b>	<b>0.50</b>
Administrative Coordinator	1.00	1.00	(1.00)	-	-	-
Administrative Manager	-	-	1.00	1.00	-	1.00
Assistant to City Manager in Training <sup>2</sup>	-	-	1.00	1.00	-	1.00
Assistant to City Manager	-	1.00	-	1.00	-	1.00
City Manager	1.00	1.00	-	1.00	-	1.00
Director of Public Affairs	1.00	1.00	(1.00)	-	-	-
Executive Assistant	2.00	2.00	-	2.00	-	2.00
Intergov'tl Relations Manager	-	0.50	-	0.50	(0.50)	-
<b>City Manager</b>	<b>5.00</b>	<b>6.50</b>	<b>-</b>	<b>6.50</b>	<b>(0.50)</b>	<b>6.00</b>
Administrative Coordinator	-	0.50	-	0.50	-	0.50
Assistant City Manager	2.00	2.00	-	2.00	-	2.00
Executive Assistant	2.00	2.00	-	2.00	-	2.00
Executive Director	2.00	-	-	-	-	-
First Assistant City Manager	-	1.00	-	1.00	-	1.00
Intergov'tl Relations Manager	-	-	-	-	0.50	0.50
<b>Assistant City Managers</b>	<b>6.00</b>	<b>5.50</b>	<b>-</b>	<b>5.50</b>	<b>0.50</b>	<b>6.00</b>
Administrative Specialist	1.00	1.00	-	1.00	-	1.00
City Secretary	1.00	1.00	-	1.00	-	1.00
Deputy City Secretary	1.00	1.00	-	1.00	-	1.00
Executive Secretary	2.00	2.00	-	2.00	-	2.00
Information Process Technician	1.00	1.00	-	1.00	-	1.00
Receptionist - PT	1.20	1.20	-	1.20	-	1.20
Records Manager	1.00	1.00	-	1.00	-	1.00
Records Specialist	1.00	1.00	-	1.00	-	1.00
<b>City Secretary</b>	<b>9.20</b>	<b>9.20</b>	<b>-</b>	<b>9.20</b>	<b>-</b>	<b>9.20</b>
Assistant Director of Communications	1.00	1.00	-	1.00	-	1.00
Communications Specialist	1.00	1.00	-	1.00	-	1.00
Community Outreach Manager	1.00	1.00	-	1.00	(1.00)	-
Director of Communications	1.00	1.00	-	1.00	-	1.00
Executive Secretary	1.00	1.00	-	1.00	-	1.00
Graphics Coordinator	1.00	1.00	-	1.00	-	1.00
Producer / Videographer	1.00	1.00	-	1.00	-	1.00
Publications Manager	1.00	1.00	-	1.00	-	1.00
Website Manager	1.00	1.00	-	1.00	-	1.00
<b>Public Communications</b>	<b>9.00</b>	<b>9.00</b>	<b>-</b>	<b>9.00</b>	<b>(1.00)</b>	<b>8.00</b>
Administrative Coordinator	-	-	1.00	1.00	-	1.00
Assistant Director of HR	-	-	1.00	1.00	-	1.00
Director of Human Resources	1.00	1.00	-	1.00	-	1.00
HR Business Partner	2.00	2.00	1.00	3.00	-	3.00
Human Resources Manager	2.00	2.00	(1.00)	1.00	-	1.00
HR Specialist	3.00	3.00	(1.00)	2.00	-	2.00
Recruit & Business Svs. Adm	1.00	1.00	(1.00)	-	-	-
Risk Analyst <sup>1</sup>	1.00	1.00	-	1.00	(1.00)	-
Risk Manager	1.00	1.00	-	1.00	-	1.00
Safety Coordinator	1.00	1.00	-	1.00	-	1.00
<b>Human Resources</b>	<b>12.00</b>	<b>12.00</b>	<b>-</b>	<b>12.00</b>	<b>(1.00)</b>	<b>11.00</b>
Assistant City Attorney	1.00	1.00	-	1.00	1.00	2.00
City Attorney	1.00	1.00	-	1.00	-	1.00
Deputy City Attorney	1.00	1.00	-	1.00	-	1.00
Executive Assistant	1.00	1.00	-	1.00	-	1.00
First Assistant City Attorney	1.00	1.00	-	1.00	-	1.00
<b>City Attorney</b>	<b>5.00</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>	<b>1.00</b>	<b>6.00</b>
Director of Information Technology	1.00	1.00	-	1.00	-	1.00
End User Support Specialist	4.00	4.00	-	4.00	-	4.00
Enterprise Applications Manager	-	-	-	-	-	-
Executive Secretary	1.00	1.00	-	1.00	-	1.00
G.I.S. Specialist	2.00	2.00	-	2.00	1.00	3.00
IT Manager	2.00	2.00	-	2.00	-	2.00
IT Operations Manager	1.00	1.00	-	1.00	-	1.00
IT Project Manager	1.00	1.00	-	1.00	-	1.00

Position Title	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Additions	FY16 Budget
Lead Programmer Analyst	1.00	1.00	1.00	2.00	-	2.00
Programmer Analyst	1.00	1.00	(1.00)	-	-	-
Project Analyst	1.00	1.00	-	1.00	-	1.00
System Administrator	3.00	3.00	-	3.00	1.00	4.00
System Analyst	1.00	1.00	-	1.00	-	1.00
Telecommunications Specialist	1.00	1.00	-	1.00	-	1.00
User Services Supervisor	1.00	1.00	-	1.00	-	1.00
<b>Information Technology</b>	<b>21.00</b>	<b>21.00</b>	<b>-</b>	<b>21.00</b>	<b>2.00</b>	<b>23.00</b>
Assistant to City Manager	1.00	-	-	-	-	-
Strategic Initiatives Director	-	1.00	-	1.00	-	1.00
Performance Analyst <sup>1</sup>	-	-	1.00	1.00	-	1.00
Management Assistant I <sup>1</sup>	2.00	4.00	-	4.00	-	4.00
Management Assistant II <sup>2</sup>	-	-	-	-	1.00	1.00
Management Assistant II <sup>1</sup>	-	2.00	(1.00)	1.00	-	1.00
<b>Strategic Planning</b>	<b>3.00</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>	<b>1.00</b>	<b>8.00</b>
Assistant Dir. Of Economic Dev.	1.00	1.00	-	1.00	-	1.00
Business Retention Manager	1.00	1.00	-	1.00	-	1.00
Compliance Manager	1.00	1.00	-	1.00	-	1.00
Director of Economic Development	1.00	1.00	-	1.00	-	1.00
Economic Development Coordinator	1.00	1.00	(1.00)	-	-	-
Executive Assistant	1.00	1.00	-	1.00	-	1.00
Public/Private Partnership Manager	-	-	1.00	1.00	-	1.00
<b>Economic Development</b>	<b>6.00</b>	<b>6.00</b>	<b>-</b>	<b>6.00</b>	<b>-</b>	<b>6.00</b>
<b>General Government Total</b>	<b>76.20</b>	<b>81.20</b>	<b>1.00</b>	<b>82.20</b>	<b>1.50</b>	<b>83.70</b>
Director of Finance	-	1.00	-	1.00	-	1.00
Financial/Investment Analyst	-	-	-	-	1.00	1.00
Executive Secretary	-	1.00	-	1.00	-	1.00
<b>Finance Administration</b>	<b>-</b>	<b>2.00</b>	<b>-</b>	<b>2.00</b>	<b>1.00</b>	<b>3.00</b>
Budget Analyst	2.00	1.00	-	1.00	-	1.00
Budget Analyst <sup>1</sup>	-	1.00	-	1.00	-	1.00
Budget Officer	1.00	1.00	-	1.00	-	1.00
Director of Budget & Research	1.00	-	-	-	-	-
Financial Analyst	-	1.00	-	1.00	-	1.00
Sr. Budget Analyst	1.00	1.00	-	1.00	-	1.00
<b>Budget and Research</b>	<b>5.00</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>
Accountant I & II	2.00	2.00	-	2.00	-	2.00
Accounting Supervisor	1.00	1.00	-	1.00	-	1.00
Accounts Payable Specialist	3.00	2.00	-	2.00	-	2.00
Accounts Payable Supervisor	1.00	1.00	-	1.00	-	1.00
Chief Accountant	1.00	1.00	-	1.00	-	1.00
Executive Secretary	1.00	1.00	-	1.00	-	1.00
Deputy Chief Accountant	1.00	1.00	-	1.00	-	1.00
Principal Accountant	1.00	1.00	-	1.00	-	1.00
Sr. Accounts Payable Specialist	-	1.00	-	1.00	-	1.00
<b>Accounting</b>	<b>11.00</b>	<b>11.00</b>	<b>-</b>	<b>11.00</b>	<b>-</b>	<b>11.00</b>
Buyer I	1.00	1.00	-	1.00	-	1.00
Contracts Coordinator	1.00	1.00	-	1.00	-	1.00
Contracts Manager	1.00	1.00	-	1.00	-	1.00
Administrative Specialist	-	-	-	-	1.00	1.00
Purchasing Manager	1.00	1.00	-	1.00	-	1.00
Purchasing Specialist <sup>1</sup>	1.00	1.00	1.00	2.00	-	2.00
<b>Purchasing</b>	<b>5.00</b>	<b>5.00</b>	<b>1.00</b>	<b>6.00</b>	<b>1.00</b>	<b>7.00</b>
Court Clerk	4.00	4.00	-	4.00	-	4.00
Court Docket Coordinator	1.00	1.00	-	1.00	-	1.00
Court Services Specialist	1.00	1.00	-	1.00	-	1.00
Deputy Court Administrator	1.00	1.00	-	1.00	-	1.00
Juvenile C.S.W. Coordinator - PT	0.50	0.50	-	0.50	-	0.50
Municipal Court Administrator	1.00	1.00	-	1.00	-	1.00
Municipal Court Judge	1.00	1.00	-	1.00	-	1.00
Records Clerk - PT	0.50	0.50	-	0.50	-	0.50
Sr. Secretary	1.00	1.00	-	1.00	-	1.00
Warrant Coordinator	1.00	1.00	-	1.00	-	1.00
<b>Municipal Court</b>	<b>12.00</b>	<b>12.00</b>	<b>-</b>	<b>12.00</b>	<b>-</b>	<b>12.00</b>
<b>Finance &amp; Municipal Court</b>	<b>33.00</b>	<b>35.00</b>	<b>1.00</b>	<b>36.00</b>	<b>2.00</b>	<b>38.00</b>

Position Title	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Additions	FY16 Budget
Administrative Manager	0.50	0.50	-	0.50	-	0.50
Assistant Director of Public Works	2.00	2.00	-	2.00	(1.00)	1.00
Director of Public Works	1.00	0.50	-	0.50	-	0.50
Executive Secretary	1.00	1.00	-	1.00	-	1.00
Sr. Secretary	2.00	1.00	-	1.00	-	1.00
<b>Public Works Administration</b>	<b>6.50</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>	<b>(1.00)</b>	<b>4.00</b>
Crew Chief	4.00	4.00	1.00	5.00	-	5.00
Field Supervisor	2.00	2.00	-	2.00	-	2.00
General Maintenance Worker (I & II)	8.00	8.00	1.00	9.00	(1.00)	8.00
Project Manager	1.00	1.00	-	1.00	-	1.00
Sr. Contract Inspector	1.00	1.00	-	1.00	-	1.00
Street/Drainage O/M Supt	1.00	1.00	-	1.00	-	1.00
Temporary Help	0.40	0.40	(0.40)	-	-	-
<b>Streets</b>	<b>17.40</b>	<b>17.40</b>	<b>1.60</b>	<b>19.00</b>	<b>(1.00)</b>	<b>18.00</b>
Contract Services Monitor	-	-	1.00	1.00	-	1.00
ROW Service Coordinator	-	-	1.00	1.00	-	1.00
ROW Service Manager	-	-	1.00	1.00	-	1.00
<b>ROW</b>	<b>-</b>	<b>-</b>	<b>3.00</b>	<b>3.00</b>	<b>-</b>	<b>3.00</b>
Engineer (I)	1.00	1.00	-	1.00	-	1.00
Field Supervisor	1.00	1.00	-	1.00	-	1.00
Traffic Engr & Controls Manager	1.00	1.00	-	1.00	-	1.00
Traffic Operations Manager	1.00	1.00	-	1.00	-	1.00
Traffic Technician (I & II)	5.00	5.00	-	5.00	-	5.00
<b>Traffic Operations</b>	<b>9.00</b>	<b>9.00</b>	<b>-</b>	<b>9.00</b>	<b>-</b>	<b>9.00</b>
Automotive Technican (I & II)	3.00	3.00	-	3.00	(3.00)	-
Fleet Maintenance Manager	1.00	1.00	-	1.00	(1.00)	-
Fleet Services Supervisor	1.00	1.00	-	1.00	(1.00)	-
Sr. Secretary	-	1.00	-	1.00	(1.00)	-
<b>Fleet Maintenance</b>	<b>5.00</b>	<b>6.00</b>	<b>-</b>	<b>6.00</b>	<b>(6.00)</b>	<b>-</b>
Building Services Technician	2.00	-	-	-	-	-
Courier	1.00	1.00	-	1.00	(1.00)	-
Director of Support Services	1.00	-	-	-	-	-
Facilities Coordinator	1.00	1.00	-	1.00	(1.00)	-
Facilities Project Manager	1.00	1.00	-	1.00	(1.00)	-
Facilities Services Supervisor	1.00	1.00	-	1.00	(1.00)	-
Facility Services Technician	-	2.00	-	2.00	(2.00)	-
Program Coordinator	-	-	-	-	-	-
Sr. Facility Services Tech	2.00	2.00	-	2.00	(2.00)	-
<b>Facilities Maintenance</b>	<b>9.00</b>	<b>8.00</b>	<b>-</b>	<b>8.00</b>	<b>(8.00)</b>	<b>-</b>
Animal Services Manager	1.00	1.00	-	1.00	(1.00)	-
Animal Services Officer	3.00	3.00	-	3.00	(3.00)	-
Animal Services Supervisor	1.00	1.00	-	1.00	(1.00)	-
Kennel Technician - P/T	0.50	0.50	-	0.50	(0.50)	-
Sr. Secretary	1.00	1.00	-	1.00	(1.00)	-
Temporary Help	-	1.48	-	1.48	(1.48)	-
Veterinary Technician	1.00	1.00	-	1.00	(1.00)	-
<b>Animal Services</b>	<b>7.50</b>	<b>8.98</b>	<b>-</b>	<b>8.98</b>	<b>(8.98)</b>	<b>-</b>
Environmental Services Inspector	0.50	0.50	-	0.50	(0.50)	-
Storm Water Coordinator	1.00	1.00	-	1.00	(1.00)	-
<b>Stormwater Management</b>	<b>1.50</b>	<b>1.50</b>	<b>-</b>	<b>1.50</b>	<b>(1.50)</b>	<b>-</b>
<b>Public Works Total</b>	<b>32.90</b>	<b>55.88</b>	<b>4.60</b>	<b>60.48</b>	<b>(26.48)</b>	<b>34.00</b>
Administrative Manager	1.00	1.00	-	1.00	-	1.00
Assistant Parks & Rec Director	2.00	2.00	-	2.00	-	2.00
Cultural Arts Manager	-	-	1.00	1.00	-	1.00
Director of Parks & Recreation	1.00	1.00	-	1.00	-	1.00
Executive Secretary	1.00	1.00	-	1.00	-	1.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00
<b>Parks Administration</b>	<b>6.00</b>	<b>6.00</b>	<b>1.00</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>
Contract Services Monitor	1.00	1.00	(1.00)	-	-	-
Crew Chief	3.00	3.00	-	3.00	-	3.00
Field Supervisor	1.00	1.00	-	1.00	-	1.00
General Maintenance Worker (I & II)	7.00	7.00	(2.00)	5.00	1.00	6.00
Park Devel & Streetscape Coordinator	1.00	1.00	(1.00)	-	-	-
Parks Development Manager	1.00	1.00	(1.00)	-	-	-
Parks Superintendent	1.00	1.00	-	1.00	-	1.00
<b>Parks Development</b>	<b>15.00</b>	<b>15.00</b>	<b>(5.00)</b>	<b>10.00</b>	<b>1.00</b>	<b>11.00</b>

Position Title	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Additions	FY16 Budget
Administrative Supervisor	1.00	1.00	-	1.00	-	1.00
Day Camp Counselor (seasonal)	1.78	1.78	-	1.78	-	1.78
Day Camp Lead Counselor (seasonal)	0.46	0.46	-	0.46	-	0.46
Day Camp Supervisor (seasonal)	0.24	0.24	-	0.24	-	0.24
Event Coordinator	1.00	1.00	(1.00)	-	-	-
Event Coordinator - PT	0.50	0.50	-	0.50	0.50	1.00
Event Production Manager	1.00	1.00	-	1.00	-	1.00
Parks Ambassador - PT	1.81	1.81	-	1.81	-	1.81
Parks Facility Technician	1.00	1.00	-	1.00	-	1.00
Recreation Center Manager	2.00	2.00	-	2.00	-	2.00
Recreation Coordinator	3.00	4.00	-	4.00	-	4.00
Recreation Specialist	1.00	-	-	-	-	-
Recreation Specialist - PT	2.98	2.98	-	2.98	-	2.98
<b>Recreation &amp; Athletic Pg.</b>	<b>17.77</b>	<b>17.77</b>	<b>(1.00)</b>	<b>16.77</b>	<b>0.50</b>	<b>17.27</b>
<b>Parks &amp; Recreation Total</b>	<b>38.77</b>	<b>38.77</b>	<b>(5.00)</b>	<b>33.77</b>	<b>1.50</b>	<b>35.27</b>
Director of Planning	-	-	1.00	1.00	-	1.00
Transportation & Mobility Planner	-	-	1.00	1.00	-	1.00
<b>Community Development</b>	<b>-</b>	<b>-</b>	<b>2.00</b>	<b>2.00</b>	<b>-</b>	<b>2.00</b>
Building Inspector	4.00	3.00	-	3.00	-	3.00
Building Official	1.00	1.00	-	1.00	-	1.00
Deputy Building Official	1.00	1.00	-	1.00	-	1.00
Permit Clerk	3.00	-	-	-	-	-
Permit Clerk Coordinator	-	1.00	-	1.00	-	1.00
Permit Clerk Supervisor	1.00	1.00	-	1.00	-	1.00
Permit Technician	-	1.00	-	1.00	-	1.00
Plans Examiner	2.00	2.00	-	2.00	-	2.00
Sr. Building Inspector	2.00	3.00	-	3.00	-	3.00
Sr. Permit Clerk	1.00	-	-	-	-	-
Sr. Permit Technician	-	2.00	-	2.00	-	2.00
Temporary Help	0.08	0.08	-	0.08	-	0.08
<b>Permits</b>	<b>15.08</b>	<b>15.08</b>	<b>-</b>	<b>15.08</b>	<b>-</b>	<b>15.08</b>
City Planner - Development	1.00	1.00	-	1.00	-	1.00
Development Review Coordinator	2.00	2.00	-	2.00	-	2.00
Director of Planning	-	0.50	(0.50)	-	-	-
Planner II	2.00	2.00	-	2.00	-	2.00
Planner II	1.00	2.00	(1.00)	1.00	-	1.00
Principal Planner	1.00	1.00	-	1.00	-	1.00
<b>Planning &amp; Development</b>	<b>7.00</b>	<b>8.50</b>	<b>(1.50)</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>
Director of Planning	-	0.50	(0.50)	-	-	-
City Planner - Long Range	-	1.00	-	1.00	-	1.00
Director of Transportation & Long Range Planning	1.00	-	-	-	-	-
Executive Secretary	1.00	1.00	-	1.00	-	1.00
Planner II	-	1.00	(1.00)	-	-	-
Principal Planner	1.00	1.00	-	1.00	-	1.00
Sr. Planner	1.00	-	-	-	-	-
<b>Transportation &amp; Long Range Planning</b>	<b>4.00</b>	<b>4.50</b>	<b>(1.50)</b>	<b>3.00</b>	<b>-</b>	<b>3.00</b>
Administrative Coordinator	-	-	2.00	2.00	-	2.00
Assistant City Engineer	2.00	2.00	-	2.00	-	2.00
City Engineer	1.00	1.00	-	1.00	-	1.00
Construction Inspector	5.00	5.00	(1.00)	4.00	-	4.00
Construction Services Manager	1.00	1.00	-	1.00	-	1.00
Engineer (I, II, III, IV)	3.00	3.00	-	3.00	-	3.00
Engineering Specialist	1.00	1.00	(1.00)	-	-	-
Executive Secretary	1.00	1.00	(1.00)	-	-	-
Project Manager	3.00	3.00	-	3.00	1.00	4.00
Project Manager - Performing Arts Center <sup>2</sup>	-	1.00	-	1.00	-	1.00
Real Property Manager	1.00	1.00	-	1.00	-	1.00
Sr. Construction Inspector	1.00	1.00	1.00	2.00	-	2.00
Sr. Engineer	2.00	2.00	-	2.00	-	2.00
<b>Engineering</b>	<b>21.00</b>	<b>22.00</b>	<b>-</b>	<b>22.00</b>	<b>1.00</b>	<b>23.00</b>
Director of Environmental and Neighborhood services	-	-	-	-	1.00	1.00
Community Development Administrator	1.00	1.00	-	1.00	(1.00)	-
Community Outreach Coordinator	-	-	-	-	1.00	1.00
Assistant Director of Environmental and Neighborhood ser	-	-	-	-	2.00	2.00
<b>Administration</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>	<b>3.00</b>	<b>4.00</b>

Position Title	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Additions	FY16 Budget
Automotive Technician (I & II)	-	-	-	-	4.00	4.00
Fleet Maintenance Manager	-	-	-	-	1.00	1.00
Fleet Services Supervisor	-	-	-	-	1.00	1.00
Sr. Secretary	-	-	-	-	1.00	1.00
<b>Fleet Maintenance</b>	-	-	-	-	<b>7.00</b>	<b>7.00</b>
Courier	-	-	-	-	1.00	1.00
Facilities Coordinator	-	-	-	-	1.00	1.00
Facilities Project Manager	-	-	-	-	1.00	1.00
Facilities Services Supervisor	-	-	-	-	1.00	1.00
Facility Services Technician	-	-	-	-	2.00	2.00
Sr. Facility Services Tech	-	-	-	-	2.00	2.00
<b>Facilities Maintenance</b>	-	-	-	-	<b>8.00</b>	<b>8.00</b>
Animal Services Manager	-	-	-	-	1.00	1.00
Animal Services Officer	-	-	-	-	3.00	3.00
Animal Services Supervisor	-	-	-	-	1.00	1.00
Kennel Technician - P/T	-	-	-	-	0.50	0.50
Sr. Secretary	-	-	-	-	1.00	1.00
Temporary Help	-	-	-	-	1.48	1.48
Veterinary Technician	-	-	-	-	1.00	1.00
<b>Animal Services</b>	-	-	-	-	<b>8.98</b>	<b>8.98</b>
Sanitarian	2.00	2.00	-	2.00	-	2.00
Sr. Sanitarian	1.00	1.00	-	1.00	-	1.00
<b>Food Inspection</b>	<b>3.00</b>	<b>3.00</b>	-	<b>3.00</b>	-	<b>3.00</b>
Environmental Services Inspector	-	-	-	-	0.50	0.50
Storm Water Coordinator	-	-	-	-	1.00	1.00
<b>Stormwater Management</b>	-	-	-	-	<b>1.50</b>	<b>1.50</b>
Code Compliance Coordinator	1.00	1.00	-	1.00	-	1.00
Code Enforcement Inspector	2.00	3.00	-	3.00	-	3.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00
<b>Code Enforcement</b>	<b>4.00</b>	<b>5.00</b>	-	<b>5.00</b>	-	<b>5.00</b>
Code Compliance Administrator	1.00	1.00	-	1.00	-	1.00
Code Enforcement Coordinator	1.00	1.00	(1.00)	-	-	-
Code Enforcement Inspector	-	1.00	1.00	2.00	-	2.00
<b>Rental Registration</b>	<b>2.00</b>	<b>3.00</b>	-	<b>3.00</b>	-	<b>3.00</b>
<b>Environmental and Neighborhood Services</b>	<b>10.00</b>	<b>12.00</b>	-	<b>12.00</b>	<b>28.48</b>	<b>40.48</b>
<b>Community Development Total</b>	<b>57.08</b>	<b>62.08</b>	<b>(1.00)</b>	<b>61.08</b>	<b>29.48</b>	<b>90.56</b>
Assistant Chief of Police	2.00	2.00	-	2.00	-	2.00
Crime Analyst	1.00	1.00	-	1.00	-	1.00
Department Analyst	1.00	1.00	-	1.00	-	1.00
Executive Secretary	1.00	1.00	-	1.00	-	1.00
Police Chief	1.00	1.00	-	1.00	-	1.00
Police Sergeant	1.00	1.00	-	1.00	-	1.00
Administrative Manager	-	-	0.50	0.50	-	0.50
Sr. Secretary	1.00	1.00	-	1.00	-	1.00
<b>Police Administration</b>	<b>8.00</b>	<b>8.00</b>	<b>0.50</b>	<b>8.50</b>	-	<b>8.50</b>
Administrative Manager	-	-	0.50	0.50	-	0.50
Police Captain	1.00	1.00	-	1.00	-	1.00
Police Lieutenant	1.00	1.00	-	1.00	-	1.00
Police Officer	3.00	3.00	-	3.00	-	3.00
Police Sergeant	2.00	2.00	-	2.00	-	2.00
Receptionist	1.00	1.00	-	1.00	-	1.00
Records Clerk	4.00	4.00	-	4.00	-	4.00
Records Supervisor	1.00	1.00	(1.00)	-	-	-
Sr. Secretary	2.00	2.00	-	2.00	-	2.00
<b>Staff Services</b>	<b>15.00</b>	<b>15.00</b>	<b>(0.50)</b>	<b>14.50</b>	-	<b>14.50</b>
Police Captain	1.00	1.00	-	1.00	-	1.00
Police Lieutenant	6.00	6.00	1.00	7.00	-	7.00
Police Officer	84.30	86.30	(2.30)	84.00	-	84.00
Police Sergeant	19.00	20.00	(2.00)	18.00	-	18.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00
<b>Patrol</b>	<b>111.30</b>	<b>114.30</b>	<b>(3.30)</b>	<b>111.00</b>	-	<b>111.00</b>

Position Title	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Additions	FY16 Budget
Asst. Victim Services Liaison	0.50	0.50	-	0.50	-	0.50
Crime Analyst	1.00	1.00	-	1.00	-	1.00
Crime Scene Technician	2.00	2.00	-	2.00	-	2.00
Police Captain	1.00	1.00	-	1.00	-	1.00
Police Lieutenant	1.00	1.00	-	1.00	-	1.00
Police Officer	19.00	19.00	2.30	21.30	-	21.30
Police Sergeant	5.00	4.00	1.00	5.00	-	5.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00
Warrant Clerk	1.00	1.00	-	1.00	-	1.00
<b>Criminal Investigations</b>	<b>31.50</b>	<b>30.50</b>	<b>3.30</b>	<b>33.80</b>	-	<b>33.80</b>
Detention Officer	5.00	5.00	-	5.00	-	5.00
Police Sergeant	1.00	1.00	-	1.00	-	1.00
<b>Detention Facility</b>	<b>6.00</b>	<b>6.00</b>	-	<b>6.00</b>	-	<b>6.00</b>
Deputy PS Dispatch Manager	1.00	1.00	-	1.00	-	1.00
Dispatch Quality Analyst	-	-	-	-	1.00	1.00
PS Dispatch Shift Supervisor	4.00	4.00	-	4.00	-	4.00
Public Safety Dispatch Manager	1.00	1.00	-	1.00	-	1.00
Public Safety Dispatcher	18.00	20.00	-	20.00	-	20.00
<b>Public Safety Communications</b>	<b>24.00</b>	<b>26.00</b>	-	<b>26.00</b>	<b>1.00</b>	<b>27.00</b>
<b>Police Total</b>	<b>195.80</b>	<b>199.80</b>	-	<b>199.80</b>	<b>1.00</b>	<b>200.80</b>
Administrative Manager	1.00	1.00	-	1.00	-	1.00
Executive Secretary	1.00	1.00	-	1.00	-	1.00
Fire Chief	1.00	1.00	-	1.00	-	1.00
<b>Fire Administration</b>	<b>3.00</b>	<b>3.00</b>	-	<b>3.00</b>	-	<b>3.00</b>
Assistant Fire Chief	1.00	1.00	-	1.00	-	1.00
Battalion Chief	4.00	3.00	-	3.00	-	3.00
Fire Captain	1.00	1.00	-	1.00	-	1.00
Fire Driver	21.00	21.00	-	21.00	-	21.00
Fire Lieutenant	21.00	22.00	-	22.00	-	22.00
Firefighter	42.00	42.00	-	42.00	-	42.00
<b>Emergency Services</b>	<b>90.00</b>	<b>90.00</b>	-	<b>90.00</b>	-	<b>90.00</b>
Battalion Chief	-	1.00	-	1.00	-	1.00
Fire Captain	-	-	1.00	1.00	-	1.00
Firefighter	-	11.00	-	11.00	-	11.00
<b>Emergency Medical Services</b>	-	<b>12.00</b>	<b>1.00</b>	<b>13.00</b>	-	<b>13.00</b>
Assistant Fire Chief	1.00	1.00	-	1.00	-	1.00
Emergency Mgmt Specialist	1.00	1.00	-	1.00	-	1.00
Executive Secretary	1.00	1.00	-	1.00	-	1.00
<b>Emergency Management</b>	<b>3.00</b>	<b>3.00</b>	-	<b>3.00</b>	-	<b>3.00</b>
Asst. Fire Chief	1.00	1.00	-	1.00	-	1.00
Asst. Fire Marshall	1.00	1.00	-	1.00	-	1.00
Fire Captain	1.00	1.00	-	1.00	-	1.00
Fire Inspector/Investigator	2.00	2.00	-	2.00	-	2.00
Fire Lieutenant	2.00	2.00	-	2.00	-	2.00
Administrative Secretary	1.00	1.00	-	1.00	-	1.00
<b>Prevention</b>	<b>8.00</b>	<b>8.00</b>	-	<b>8.00</b>	-	<b>8.00</b>
Assistant Fire Chief	1.00	1.00	-	1.00	-	1.00
Battalion Chief	2.00	2.00	-	2.00	-	2.00
Fire Captain	2.00	2.00	(1.00)	1.00	-	1.00
Fire Lieutenant	1.00	-	-	-	-	-
Sr. Secretary	1.00	1.00	-	1.00	-	1.00
<b>Professional Development</b>	<b>7.00</b>	<b>6.00</b>	<b>(1.00)</b>	<b>5.00</b>	-	<b>5.00</b>
<b>Fire Total</b>	<b>111.00</b>	<b>122.00</b>	-	<b>122.00</b>	-	<b>122.00</b>
<b>GENERAL FUND</b>	<b>567.75</b>	<b>594.73</b>	<b>0.60</b>	<b>595.33</b>	<b>9.00</b>	<b>604.33</b>
<b>LESS PROGRAM EMPLOYEES</b>	<b>(3.00)</b>	<b>(10.00)</b>	<b>1.00</b>	<b>(9.00)</b>	-	<b>(9.00)</b>
<b>LESS TEMPORARY EMPLOYEES</b>	-	<b>(1.96)</b>	<b>(0.60)</b>	<b>(2.56)</b>	-	<b>(2.56)</b>
<b>GENERAL FUND NET</b>	<b>564.75</b>	<b>582.77</b>	<b>1.00</b>	<b>583.77</b>	<b>9.00</b>	<b>592.77</b>
Police Officer	0.70	0.70	-	0.70	-	0.70
<b>Court Security</b>	<b>0.70</b>	<b>0.70</b>	-	<b>0.70</b>	-	<b>0.70</b>
<b>COURT SECURITY FUND</b>	<b>0.70</b>	<b>0.70</b>	-	<b>0.70</b>	-	<b>0.70</b>
Tourism Coordinator	1.00	1.00	-	1.00	-	1.00
Tourism & Destination Services Administrator	-	-	0.50	0.50	-	0.50
Tourism Manager	1.00	1.00	-	1.00	-	1.00
<b>Tourism Program</b>	<b>2.00</b>	<b>2.00</b>	<b>0.50</b>	<b>2.50</b>	-	<b>2.50</b>
<b>TOURISM FUND</b>	<b>2.00</b>	<b>2.00</b>	<b>0.50</b>	<b>2.50</b>	-	<b>2.50</b>

Position Title	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Additions	FY16 Budget
Administrative Manager	0.50	0.50	-	0.50	-	0.50
Assistant Director of Public Works	1.00	1.00	-	1.00	-	1.00
Contract Services Coordinator	1.00	1.00	-	1.00	-	1.00
Director of Public Works	1.00	0.50	-	0.50	-	0.50
Executive Secretary	1.00	1.00	-	1.00	-	1.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00
<b>Utility Administration</b>	<b>5.50</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>
Crew Chief	4.00	4.00	-	4.00	-	4.00
Facility Operations Manager	0.50	0.50	-	0.50	-	0.50
Field Operations Manager	0.45	1.00	-	1.00	-	1.00
Field Supervisor	0.50	0.50	-	0.50	-	0.50
General Maintenance Worker (I & II)	5.00	5.00	-	5.00	-	5.00
<b>Water Distribution</b>	<b>10.45</b>	<b>11.00</b>	<b>-</b>	<b>11.00</b>	<b>-</b>	<b>11.00</b>
Field Supervisor	1.00	1.00	-	1.00	-	1.00
I & C Technician	0.50	0.50	-	0.50	-	0.50
P&M Technician	1.00	-	1.00	1.00	-	1.00
Lead Operator	-	-	1.00	1.00	-	1.00
Utilities Operator	2.50	2.50	(1.00)	1.50	-	1.50
Water Services Supervisor	0.50	0.50	-	0.50	-	0.50
<b>Water Production</b>	<b>5.50</b>	<b>4.50</b>	<b>1.00</b>	<b>5.50</b>	<b>-</b>	<b>5.50</b>
Crew Chief	1.00	2.00	-	2.00	-	2.00
Field Operations Manager	0.20	-	-	-	-	-
Field Supervisor	0.50	0.50	-	0.50	-	0.50
General Maintenance Worker (I & II)	5.00	4.00	-	4.00	-	4.00
<b>Wastewater Collection</b>	<b>6.70</b>	<b>6.50</b>	<b>-</b>	<b>6.50</b>	<b>-</b>	<b>6.50</b>
Crew Chief	1.00	1.00	-	1.00	-	1.00
Electrician	0.50	0.50	-	0.50	-	0.50
P&M Technician	3.00	4.00	(1.00)	3.00	-	3.00
Utilities Operator	0.50	0.50	-	0.50	-	0.50
Water Services Supervisor	0.50	0.50	-	0.50	-	0.50
<b>Wastewater Treatment</b>	<b>5.50</b>	<b>6.50</b>	<b>(1.00)</b>	<b>5.50</b>	<b>-</b>	<b>5.50</b>
Crew Chief	1.00	1.00	1.00	2.00	-	2.00
Field Operations Manager	0.35	-	-	-	-	-
Field Supervisor	1.00	1.00	-	1.00	-	1.00
General Maintenance Worker II	4.00	4.00	2.00	6.00	-	6.00
<b>Customer Service</b>	<b>6.35</b>	<b>6.00</b>	<b>3.00</b>	<b>9.00</b>	<b>-</b>	<b>9.00</b>
Lab Technician	0.50	0.50	-	0.50	-	0.50
Water Quality Manager	1.00	1.00	-	1.00	-	1.00
Water Quality Supervisor	1.00	1.00	-	1.00	-	1.00
Water Quality Technician	2.00	2.00	-	2.00	-	2.00
<b>Water Quality</b>	<b>4.50</b>	<b>4.50</b>	<b>-</b>	<b>4.50</b>	<b>-</b>	<b>4.50</b>
Water Conservation Manager	1.00	1.00	-	1.00	-	1.00
<b>Water Conservation</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>
Billing/Collection Spec. (I & II)	3.00	3.00	-	3.00	-	3.00
Billing Supervisor	1.00	1.00	-	1.00	-	1.00
Deputy Treasury Manager	1.00	-	-	-	-	-
Customer Service Rep	3.00	4.00	-	4.00	-	4.00
Collections & Customer Ser Sup	-	1.00	-	1.00	-	1.00
Treasury Manager	1.00	1.00	-	1.00	-	1.00
Treasury Specialist	1.00	1.00	-	1.00	-	1.00
<b>Treasury</b>	<b>10.00</b>	<b>11.00</b>	<b>-</b>	<b>11.00</b>	<b>-</b>	<b>11.00</b>
<b>UTILITY FUND</b>	<b>55.50</b>	<b>56.00</b>	<b>3.00</b>	<b>59.00</b>	<b>-</b>	<b>59.00</b>
Electrician	0.50	0.50	-	0.50	-	0.50
I & C Technician	0.50	0.50	-	0.50	-	0.50
Lab Technician	0.50	0.50	-	0.50	-	0.50
Facility Operations Manager	0.50	0.50	-	0.50	-	0.50
Intergov'tl Relations Manager	-	0.50	-	0.50	-	0.50
General Maintenance Worker II	1.00	1.00	-	1.00	-	1.00
Lead Operator	2.00	2.00	-	2.00	-	2.00
Mechanic	1.00	1.00	-	1.00	-	1.00
Utility Operator	3.00	3.00	-	3.00	-	3.00
Surface Water Chief Operator	1.00	1.00	-	1.00	-	1.00
Surface Water Plant Manager	1.00	1.00	-	1.00	-	1.00
Water Resources Manager	1.00	-	1.00	1.00	-	1.00
<b>Surface Water</b>	<b>12.00</b>	<b>11.50</b>	<b>1.00</b>	<b>12.50</b>	<b>-</b>	<b>12.50</b>
<b>SURFACE WATER FUND</b>	<b>12.00</b>	<b>11.50</b>	<b>1.00</b>	<b>12.50</b>	<b>-</b>	<b>12.50</b>

Position Title	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Additions	FY16 Budget
Administrative Coordinator	1.00	1.00	(1.00)	-	-	-
Administrative Secretary	-	1.00	-	1.00	-	1.00
Administrative Specialist	-	-	1.00	1.00	-	1.00
Airport Operations Specialist	1.00	1.00	(1.00)	-	-	-
Airport Specialist	-	-	1.00	1.00	-	1.00
Assistant Director of Aviation	2.00	2.00	-	2.00	-	2.00
Director of Aviation	1.00	1.00	-	1.00	-	1.00
Management Assistant II	1.00	-	-	-	-	-
<b>Airport Administration</b>	<b>6.00</b>	<b>6.00</b>	<b>-</b>	<b>6.00</b>	<b>-</b>	<b>6.00</b>
Airport Operations Supervisor	-	1.00	-	1.00	-	1.00
Airport Operations Agent	-	-	-	-	1.00	1.00
Airport Operations Specialist	-	1.00	-	1.00	-	1.00
<b>Airfield Operations</b>	<b>-</b>	<b>2.00</b>	<b>-</b>	<b>2.00</b>	<b>1.00</b>	<b>3.00</b>
Airport Services Manager	1.00	-	-	-	-	-
ASR Supervisor	-	1.00	-	1.00	-	1.00
Airport Services Rep	6.00	5.00	-	5.00	-	5.00
Airport Services Rep - P/T	0.50	0.50	-	0.50	-	0.50
Concierge Manager	1.00	1.00	-	1.00	-	1.00
Flight Line Crew	12.00	12.00	-	12.00	-	12.00
Line Services Manager	1.00	1.00	-	1.00	-	1.00
Line Supervisor	3.00	3.00	-	3.00	-	3.00
<b>FBO Services</b>	<b>24.50</b>	<b>23.50</b>	<b>-</b>	<b>23.50</b>	<b>-</b>	<b>23.50</b>
Café Attendant	2.50	2.50	(1.00)	1.50	-	1.50
Café Supervisor	-	-	1.00	1.00	-	1.00
<b>Café Select</b>	<b>2.50</b>	<b>2.50</b>	<b>-</b>	<b>2.50</b>	<b>-</b>	<b>2.50</b>
Airfield & Facilities Manager	1.00	1.00	-	1.00	-	1.00
Crew Chief	1.00	1.00	-	1.00	-	1.00
Custodian	1.00	1.00	-	1.00	-	1.00
General Maintenance Worker (I & II)	5.00	5.00	-	5.00	1.00	6.00
<b>Maintenance</b>	<b>8.00</b>	<b>8.00</b>	<b>-</b>	<b>8.00</b>	<b>1.00</b>	<b>9.00</b>
<b>AIRPORT FUND</b>	<b>41.00</b>	<b>42.00</b>	<b>-</b>	<b>42.00</b>	<b>2.00</b>	<b>44.00</b>
Environmental Manager	1.00	1.00	-	1.00	-	1.00
Environmental Services Inspector	1.50	0.50	-	0.50	-	0.50
Solid Waste Monitor	-	1.00	-	1.00	-	1.00
<b>Solid Waste</b>	<b>2.50</b>	<b>2.50</b>	<b>-</b>	<b>2.50</b>	<b>-</b>	<b>2.50</b>
<b>SOLID WASTE FUND</b>	<b>2.50</b>	<b>2.50</b>	<b>-</b>	<b>2.50</b>	<b>-</b>	<b>2.50</b>
Administrative Coordinator	-	0.50	-	0.50	-	0.50
<b>Safe Light Sugar Land</b>	<b>-</b>	<b>0.50</b>	<b>-</b>	<b>0.50</b>	<b>-</b>	<b>0.50</b>
<b>RED LIGHT CAMERA FUND</b>	<b>-</b>	<b>0.50</b>	<b>-</b>	<b>0.50</b>	<b>-</b>	<b>0.50</b>
<b>TOTAL ALL FUNDS</b>	<b>678.45</b>	<b>697.97</b>	<b>4.50</b>	<b>702.47</b>	<b>11.50</b>	<b>713.97</b>
Less Seasonal	(2.48)	(2.48)	-	(2.48)	-	(2.48)
<b>TOTAL FULL TIME EQUIVALENT</b>	<b>675.97</b>	<b>695.49</b>	<b>5.50</b>	<b>700.99</b>	<b>11.00</b>	<b>711.99</b>



# Property Taxes

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The City's property tax is levied each October 1 on the certified assessed value as of January 1 for all real and personal property. The appraisal of property is the responsibility of the Fort Bend Central Appraisal District. Appraisals may be challenged through various appeals and, if necessary, legal action. The City is permitted by the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general government services including the payment of principal and interest on general obligation long term debt.

The City owns and operates the Sugar Land Regional Airport and has a policy to transfer all taxes received on airport valuations to the Airport Enterprise Fund for operating expenses and development. The City also has a policy whereby the City rebates a portion of the property taxes collected from in-City MUDs back to the districts.

In 1998, TIRZ#1 was formed, which includes Sugar Land Town Square. Taxes assessed and collected by the participating entities (City, County, and LID #2) over and above the base value of the property upon creation of the TIRZ #1 (\$5.5 million) are deposited to the benefit of the TIRZ to support improvements within the TIRZ #1. For FY16 the City budgeted \$431,467 in property tax for TIRZ#1.

TIRZ #3 – Imperial was formed in 2007. The purpose of TIRZ #3 is to facilitate a program of public improvements to allow the development and redevelopment of property as a master-planned and mixed use community. Taxes assessed and collected by the participating entities (City and County) over and above the base value of the property upon creation of the TIRZ #3 (\$9.2 million) are deposited to the benefit of the TIRZ #3. Included in the development is the preservation and/or reuse of certain historic structures at the Imperial Sugar site and the location of a museum to house Imperial Sugar artifacts. For FY16 the City budgeted \$76,650 in property tax for TIRZ#3 at 50% participation.

TIRZ #4 – located at US59 and University Boulevard was formed in 2009. Taxes assessed and collected by the participating entities (City, County, Fort Bend MUD138, and Fort Bend MUD139) over and above the base value of the property upon creation of the TIRZ #4 (\$21.5 million) are deposited to the benefit of the TIRZ #4. The purpose of the zone is to support development of employment, commercial, cultural arts, and an entertainment district within an urban-density mixed use center. For FY16 the City

budgeted \$187,399 in property tax for TIRZ#4 at 50% participation.

The Enclave at RiverPark Public Improvement District (PID) was formed in 2014, approximately 54 acre single family residential development located along US59 adjacent to and accessed through the RiverPark subdivision. The PID will reimburse the developer for up to \$2 million plus interest for infrastructure. The repayment of the developer reimbursement is done through annual assessments to each property (139 lots) in the development. For FY16 the City budgeted \$10,511 in property tax for the PID at 50% participation.

## Fiscal Year 2015

The total property tax collections for FY15 are projected to be \$34,656,181 or 99.5% of the adjusted levy, including all three TIRZs. Revenues are distributed between operations and maintenance (\$18,465,338), debt service (\$15,782,526), TIRZ # 1 (\$318,745), TIRZ #3 (\$9,990), and TIRZ #4 (\$79,582).

## Fiscal Year 2016

The certified net assessed valuation of \$12,043,525,464 for tax year 2015 is \$1,019,524,034 or 9.25% greater than the 2014 adjusted tax roll, including the TIRZs. Of the \$12.04 billion in taxable value, \$137.22 million is included in TIRZ #1, \$24.38 million in TIRZ #3, \$59.61 million in TIRZ #4, and \$3.3 million in the PID. Taxes collected on the net valuation from each TIRZ and the PID will be allocated from the City. Net assessed residential value increased 9.94%, and net assessed commercial value increased by 8.05% over the 2014 adjusted tax roll, including new value. Based on the certified tax roll and the 2015 tax rate of \$0.31595 per \$100 of assessed value, the anticipated tax collections for FY16 are \$37,861,261 at a 99.5% collection rate or \$3,205,080 greater than FY15 projections including the three TIRZs and the PID. Based on the 99.5% collection rate, \$37,155,334 will remain with the City and \$705,927 will be conveyed to the three TIRZs and the PID.

In FY15 Council approved an increase of 1% to the homestead exemption for tax year 2015 from 7% to 8% instead of adjusting the ad valorem tax rate to help offset the revaluation of properties. The optional exemption for over-65 and disable persons remains at \$70,000.

The overall adopted tax rate is for 2015 is \$0.31595, which is the same rate as 2014. The allocation for the 2014 and 2015 tax rate is as follows:

	2014	%	2015	%
M&O	\$ 0.17035	53.92%	\$ 0.17035	53.92%
Debt Service	0.14560	46.08%	0.14560	46.08%
<b>Total</b>	<b>\$ 0.31595</b>	<b>100.00%</b>	<b>\$ 0.31595</b>	<b>100.00%</b>

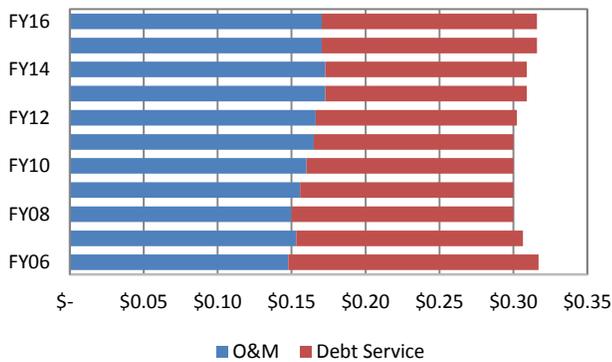
Texas truth-in-taxation laws require public notices, a public vote and public hearings for adoption of a tax rate that exceeds the effective tax rate. The effective tax rate is the tax rate that would generate the same tax revenues in tax year 2015 as the 2014 tax rate did in the prior year, based on the values of properties that are taxed in both years. The rollback rate allows for an 8% increase in the operations and maintenance rate after accounting for the impact of sales tax for property tax reduction. The results of the effective tax rate calculations are as follows:

Effective Tax Rate	\$0.29457
Rollback Rate	\$0.31883

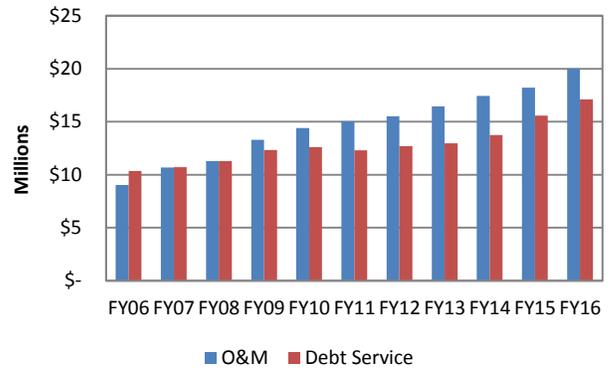
The property tax impact of the 2015 tax rate based on an average taxable value of \$318,128 after an 8% homestead for FY15 is an increase of \$66.32 or 7.1% from the 2014 tax on an average taxable value of \$297,139 with a homestead exemption of 7%.

The charts below represent historical views of the City's tax rate and the allocation of the levy based on the tax rate.

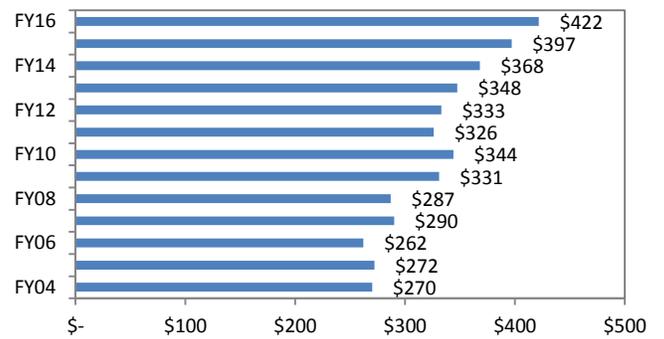
**Tax Rate by Fiscal Year**



**Historical Tax Levy**



**Property Taxes per Capita\***



In FY16, property taxes per capita, excluding TIRZ valuation, is approximately \$422. Taxes per capita increased in FY16 due an increase of 9.25% in total City value with a population of 87,504.

\* Excludes TIRZ Valuation

**CITY OF SUGAR LAND**

**TAX COLLECTIONS**

	FY14 Adjusted Levy	FY15 Budget Certified Levy	FY15 Projections Adjusted Levy	FY16 Base Budget Certified Levy	FY16 Changes	FY16 Budget Certified Levy
<b>REVENUES:</b>						
City Levy	\$31,434,374	\$34,080,135	\$34,419,964	\$37,342,044		\$37,342,044
TIRZ #1	312,154	414,267	320,347	433,534		433,534
TIRZ #3	9,817	11,198	10,040	77,035		77,035
TIRZ #4	78,219	76,212	79,982	188,341		188,341
<b>Total Tax Levy</b>	<b>31,834,565</b>	<b>34,581,812</b>	<b>34,830,333</b>	<b>38,040,955</b>		<b>38,040,955</b>
Collection Rate 99.5%	31,675,392	34,408,902	34,656,181	37,850,750		37,850,750
<b>ALLOCATION:</b>						
Maintenance	17,498,833	18,283,029	18,465,338	20,032,952		20,032,952
Debt	13,778,369	15,626,704	15,782,526	17,122,382		17,122,382
<b>Total City Revenues</b>	<b>31,277,202</b>	<b>33,909,734</b>	<b>34,247,864</b>	<b>37,155,334</b>		<b>37,155,334</b>
TIRZ #1	310,593	412,195	318,745	431,367		431,367
TIRZ #3	9,768	11,142	9,990	76,650		76,650
TIRZ #4	77,828	75,831	79,582	187,399		187,399
Enclave @ RiverPark PID				10,511		10,511
<b>TOTAL TAX ALLOCATION</b>	<b>\$31,675,392</b>	<b>\$34,408,902</b>	<b>\$34,656,181</b>	<b>\$37,861,261</b>		<b>\$37,861,261</b>

Tax Year	<u>2013</u>	<u>2014</u>	<u>2014</u>	<u>2015</u>	<u>2015</u>	<u>2015</u>
Net Assessed Value	\$10,304,115,399	\$10,945,343,108	\$11,024,001,430	\$12,043,525,464		\$12,043,525,464
TIRZ #1 Value @ 100%	(101,037,081)	(131,117,817)	(101,391,562)	(137,216,122)		(137,216,122)
TIRZ #3 Value @ 50%	(3,177,644)	(3,544,387)	(3,177,644)	(24,382,067)		(24,382,067)
TIRZ #4 Value @ 50%	(25,317,747)	(24,121,461)	(25,314,747)	(59,611,076)		(59,611,076)
Enclave @ RiverPark PID				(3,343,474)		(3,343,474)
<b>Taxable to City</b>	<b>10,174,582,927</b>	<b>10,786,559,443</b>	<b>10,894,117,477</b>	<b>11,818,972,725</b>		<b>11,818,972,725</b>
<b>Tax Rate Per \$100</b>						
Maintenance	\$ 0.17285	\$ 0.17035	\$ 0.17035	\$ 0.17035		\$ 0.17035
Debt	0.13610	0.14560	0.14560	0.14560		0.14560
<b>Total Tax Rate</b>	<b>\$ 0.30895</b>	<b>\$ 0.31595</b>	<b>\$ 0.31595</b>	<b>\$ 0.31595</b>	<b>\$ -</b>	<b>\$ 0.31595</b>
<b>Tax Rate Split:</b>						
Maintenance	55.95%	53.92%	53.92%	53.92%		53.92%
Debt	44.05%	46.08%	46.08%	46.08%		46.08%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>		<b>100.00%</b>
<b>Certified Levy - 100%</b>	<b>\$29,670,778</b>	<b>\$34,080,135</b>	<b>\$34,419,964</b>	<b>\$37,342,044</b>		<b>\$37,342,044</b>

**CITY OF SUGAR LAND  
ANALYSIS OF CERTIFIED TAX ROLL**

Tax Year	Supplement #15		Certified	% Change
	2014 FY15		2015 FY16	
<b>No. of Items</b>		39,694	38,646	-2.64%
<b>Residential Property:</b>				
Land	\$	1,876,358,160	\$ 1,956,698,528	4.28%
Improvements		6,118,140,694	7,156,179,182	16.97%
<b>Total Residential Property</b>		7,994,498,854	9,112,877,710	13.99%
<b>Commercial Property:</b>				
Land		1,037,304,439	1,055,447,564	1.75%
Improvements		2,422,205,938	2,650,509,837	9.43%
Personal Property		1,471,991,345	1,544,286,689	4.91%
<b>Total Commercial Property</b>		4,931,501,722	5,250,244,090	6.46%
Agricultural Property		10,982,250	10,934,610	-0.43%
Automobiles		52,072,574	13,465,326	-74.14%
<b>Total Market Value</b>		12,989,055,400	14,387,521,736	10.77%
Productivity Loss		(10,751,380)	(10,701,090)	-0.47%
Homestead CAP Adjustment		(56,646,000)	(359,478,712)	534.61%
Exempt Properties		(840,055,864)	(880,218,125)	4.78%
<b>Total Assessed Value</b>		12,081,602,156	13,137,123,809	8.74%
Less:				
Homestead Exemptions		(467,095,207)	(574,275,305)	22.95%
Over 65 Exemptions		(352,505,671)	(356,103,550)	1.02%
Disabled Persons Exemptions		(16,783,431)	(15,183,451)	-9.53%
Disabled Veterans Exemptions		(1,607,250)	(1,506,900)	-6.24%
Disabled Veterans 100%		(12,745,751)	(14,919,381)	17.05%
Abatements		(158,411,920)	(125,311,669)	-20.90%
Pollution		(5,916,810)	(5,569,330)	-5.87%
Personal Leased Vehicles		(38,698,978)	(550,350)	-98.58%
Prorated Exempt Property		(3,818,495)	(163,959)	-95.71%
House Bill 366 Exemptions		(17,213)	(14,450)	-16.05%
<b>Total Exemptions</b>		(1,057,600,726)	(1,093,598,345)	3.40%
<b>Net Assessed Valuation (NAV)</b>		11,024,001,430	12,043,525,464	9.25%
Less: TIRZ #1 Value @ 100%		(101,391,562)	(137,216,122)	35.33%
Less: TIRZ #3 Value @ 50%		(3,177,644)	(24,382,067)	667.30%
Less: TIRZ #4 Value @ 50%		(25,314,747)	(59,611,076)	135.48%
Less: PID @ 50%		-	(3,343,474)	
<b>Taxable Valuation to City</b>	<b>\$</b>	<b>10,894,117,477</b>	<b>\$ 11,818,972,725</b>	<b>8.49%</b>

**CITY OF SUGAR LAND  
 PRINCIPAL TAXPAYERS  
 2015 TOP TEN**

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2015 Taxable Assessed Valuation (A)</b>	<b>Percentage of Total Net Assessed Valuation</b>
1 Schlumberger Tech Corp - SPC & Well Services	Energy Technology	\$ 152,137,370	1.26%
2 Amerisource Bergen Drug Corp.	Pharmacy/Medical	98,619,650	0.82%
3 Nalco Energy Service/Nalco Texas Leasing	Energy Services	94,731,210	0.79%
4 Tramontina USA Inc	Manufacturing	92,505,270	0.77%
5 Lakepointe Assets, LLC	Real Estate/Engineering	89,467,110	0.74%
6 Fairfield Industries	Office	87,673,520	0.73%
7 First Colony Mall LLC	Shopping Center	79,153,240	0.66%
8 LCFRE Sugar Land Town Square LLC	Mixed-Use Development	67,256,368	0.56%
9 Sugar Creek/EPG LLC & Sugar Creek TIC Investors LLC	Real Estate	61,690,120	0.51%
10 Weingarten Realty Investors & WRI/Post Oak Inc	Shopping Center	56,307,990	0.47%
Other		11,163,983,616	92.70%
<b>Total Net Assessed Valuation - Certified Roll</b>		<b>\$ 12,043,525,464</b>	<b>100.00%</b>

(A) = Net of Tax Abatement



# Debt Service Funds

The City has two debt service funds, a tax-exempt Debt Service Fund for the repayment of tax-exempt debt for certificates of obligation and general obligation bonds, and a taxable Debt Service Fund established for the repayment of taxable debt issued for the Smart Financial Centre at Sugar Land.

The Debt Service Funds account for the issuance of debt and provides for the payment of debt principal and interest as they come due. In the Debt Service Fund for tax-exempt debt, an ad valorem (property) tax rate and tax levy is required to be computed and levied to produce sufficient revenue to satisfy annual debt service requirements. The City has no general obligation legal debt limit other than a ceiling on the tax rate specified by the State of Texas. Under the rules of the Texas Attorney General, the City may issue general obligation debt in an amount no greater than that which can be serviced by a debt service tax rate of \$1.50 per \$100 assessed valuation based on 99% collection.

The Debt Service Fund for the repayment of taxable debt receives a transfer from the Sugar Land Development Corporation through FY16 to support interest during construction. Beginning in FY17, the debt service payments will be fully covered by lease payments made to the City from the operator of the Smart Financial Centre at Sugar Land, ACE Sugar Land, LLC.

The City's tax backed bond rating is "AAA" by Fitch Ratings and Standard and Poor's.

The City's Financial Management Policy Statements designate that property taxes generated from the Airport are to be transferred to the Airport in support of development and operations. The City also has a policy to rebate a portion of the property taxes collected from in-City MUDs back to the districts. The Debt Service Fund expenditures include the debt service component of these agreements.

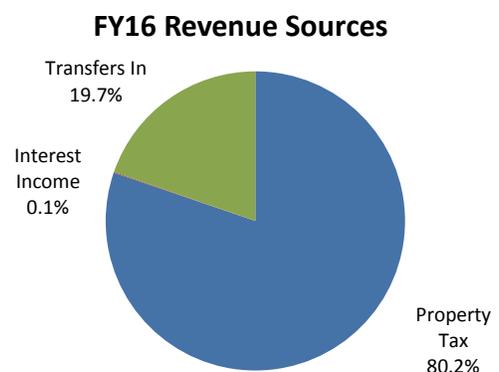
## General Debt Service Fund

### Fiscal Year 2015

Revenues total \$44,927,687, which includes \$15,606,431 in current and delinquent property taxes. Delinquent taxes are negative due to refunds of prior year taxes. A total of \$24,932,606 was received from the proceeds of the Series 2014 Refunding Bonds. Other funding sources include transfers from other funds and interest income. Transfers from the Utility Fund and Tourism Fund support debt service related to activities supported by those funds. Transfers from CIP represent the funds needed from transportation fees to support debt issued for University Boulevard South. Expenditures are projected at \$44,696,240, which includes \$17,900,817 in debt service payment, \$18,000 for fiscal fees, \$86,059 transfer to the Airport Fund for taxes collected on Airport values, and \$1,510,630 for rebates to in-City MUDs. Refunding payment to escrow for \$24,965,005 was used to refund debt on five outstanding bond issues. The fund balance at 9/30/15 is projected to be \$4,336,458, which is \$2,546,376 over the fund balance policy requirement of 10% of annual debt service.

### Fiscal Year 2016

Funding from property taxes in the amount of \$17,185,182 represents 80.2% of funding sources. Tax revenues are budgeted based on an estimated growth in the 2015 certified tax roll and a debt tax rate of \$0.14560 per \$100 valuation. An



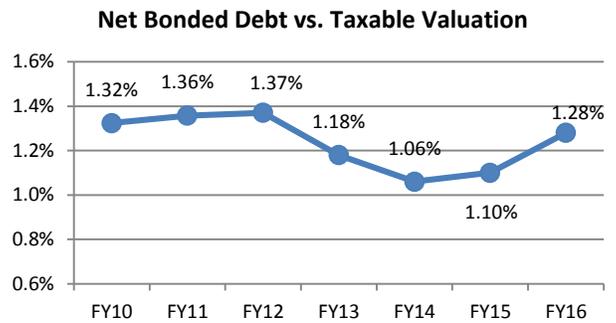
increase of 1% in the homestead exemption was approved in June, bringing the total homestead exemption rate to 8%. Other funding sources include transfers from the Water Utility and Tourism Funds, and interest income.

The budget includes 100% recovery on water/wastewater debt assumed from MUDs through an inter-fund transfer. The FY16 transfer from the water utility fund totals \$2,331,739.

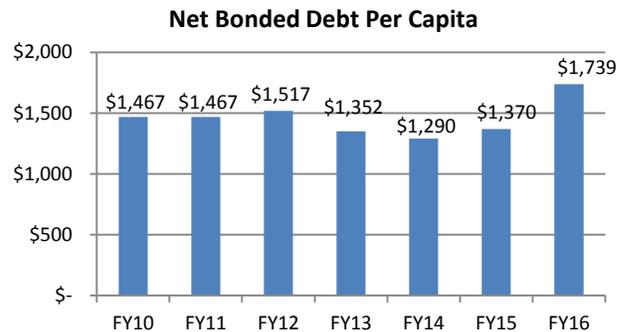
In 2002, the City issued \$10.1 million in combination Tax and Hotel Occupancy Tax COs for a portion of the \$19.3 million total City contribution to construction of a conference center in the Sugar Land Marriott. The certificates are backed by a pledge of Hotel Occupancy Taxes. This issue was refunded in FY10 with the GO Refunding Bonds, Series 2010 with the savings being passed on to the Tourism Fund. For FY16, \$682,990 will be transferred to cover the debt service requirement for the conference center. In addition a total of \$724,288 will also be transferred from the Tourism Fund to cover the annual debt payment for debt issued in FY15 to fund a portion of the Smart Financial Centre at Sugar Land Plaza along with the adjacent plaza.

The debt service requirement on current outstanding debt is \$18,723,443. The budget incorporates \$387,987 for debt service on the anticipated issuances of \$17 million in new debt. Rebates to in-City MUDs and inter-fund transfers totals \$1,828,370. The budgeted ending fund balance at 9/30/16 is \$4,775,357, \$2,864,214 above the policy requirement of 10% of annual debt service requirements.

For FY16 the ratio of net bonded debt to taxable value is expected to increase from 1.10% to 1.28%, which is a healthy ratio. The ratio is utilized by bond rating agencies to compare the City’s ability to repay debt. The increase is due to implementation of the voter approved GO bonds plus CO’s issued in 2015 for infrastructure needs and the Smart Financial Centre at Sugar Land and the adjacent plaza.



Net bonded debt per capita is expected to increase to \$1,739 as new CO’s and GO’s were issued in FY15 to fund capital projects.



## **Debt Service Fund – Taxable Debt**

One of the sources of funding for the Smart Financial Centre at Sugar Land (ACSL) is taxable certificates of obligations in the amount of \$27 million. The taxable CO issue carries the City's AAA bond rating from Standard and Poor's and Fitch, but will not be repaid by property taxes. Starting in FY15 the debt service schedule is structured to pay interest only for the first two years. While the Smart Financial Centre at Sugar Land is under construction, the SLDC will transfer the amounts for FY15 and FY16 debt service payments. Once the lease begins in fall 2016, lease payments from ACE will support the debt payments and will eventually fund a debt service reserve equal to the last three years debt payments.

### **Fiscal Year 2015**

Transfer In from SLDC for \$598,705 is for the first annual debt service payment, which was due in June 2015. There is no ending fund balance required for this fund in FY15.

### **Fiscal Year 2016**

Transfer In from SLDC for \$1,110,999 will cover the annual debt service requirement payments due in December and June. There is no ending fund balance for this fund in FY16.

Lease payments from ACE Sugar Land, LLC will begin upon completion of the facility, estimated for fall 2016. Payments will be made monthly according to the terms of the 30 year lease.

**CITY OF SUGAR LAND  
DEBT SERVICE FUND  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Current Property Tax	\$ 13,716,493	\$ 15,586,600	\$ 15,622,250	\$ 17,122,382	\$ -	\$ 17,122,382
Delinquent Property Taxes	23,289	52,100	(15,819)	42,800	-	42,800
Interest on Investments	6,722	13,511	19,531	20,000	-	20,000
Refunding Bond Proceeds	-	24,932,606	24,932,606	-	-	-
Dissolution	308,936	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>14,055,440</b>	<b>40,584,817</b>	<b>40,558,568</b>	<b>17,185,182</b>	<b>-</b>	<b>17,185,182</b>
<b>Total Transfers In</b>	<b>4,513,082</b>	<b>4,352,309</b>	<b>4,369,118</b>	<b>4,211,517</b>	<b>-</b>	<b>4,211,517</b>
<b>Total Revenues</b>	<b>18,568,522</b>	<b>44,937,126</b>	<b>44,927,687</b>	<b>21,396,699</b>	<b>-</b>	<b>21,396,699</b>
<b>EXPENDITURES</b>						
Current Outstanding Debt	16,050,299	18,454,531	17,900,817	18,723,443	-	18,723,443
New Debt	-	-	-	387,987	-	387,987
Fiscal Fees/Other	11,700	18,000	18,000	18,000	-	18,000
Issuance Costs	-	231,627	215,728	-	-	-
Refunding Payment to Escrow	-	24,965,005	24,965,005	-	-	-
<b>Total Debt Service</b>	<b>16,061,999</b>	<b>43,669,163</b>	<b>43,099,551</b>	<b>19,129,430</b>	<b>-</b>	<b>19,129,430</b>
Rebates & Assignments	1,544,937	1,510,630	1,510,630	1,737,600	-	1,737,600
Transfers to Other Funds	86,783	61,261	86,059	90,770	-	90,770
<b>Total Expenditures</b>	<b>17,693,719</b>	<b>45,241,054</b>	<b>44,696,240</b>	<b>20,957,800</b>	<b>-</b>	<b>20,957,800</b>
<b>CHANGE IN FUND BALANCE</b>	<b>874,803</b>	<b>(303,928)</b>	<b>231,447</b>	<b>438,899</b>	<b>-</b>	<b>438,899</b>
<b>FUND BALANCE - BEGINNING</b>	<b>3,230,208</b>	<b>4,105,011</b>	<b>4,105,011</b>	<b>4,336,458</b>		<b>4,336,458</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 4,105,011</b>	<b>\$ 3,801,083</b>	<b>\$ 4,336,458</b>	<b>\$ 4,775,357</b>	<b>\$ -</b>	<b>\$ 4,775,357</b>
Policy Requirement	\$ 1,605,030	\$ 1,845,453	\$ 1,790,082	\$ 1,911,143		\$ 1,911,143
Over/(Under) Policy	\$ 2,499,981	\$ 1,955,630	2,546,376	2,864,214		2,864,214

**CITY OF SUGAR LAND  
DEBT SERVICE FUND - TAXABLE CO'S  
INCOME STATEMENT**

	FY14 Actuals	FY15 Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Transfer In from SLDC	-	598,705	598,705	1,110,999	-	1,110,999
Total Revenues	-	598,705	598,705	1,110,999	-	1,110,999
<b>EXPENDITURES</b>						
Debt Service	-	598,705	598,705	1,110,999	-	1,110,999
Total Expenditures	-	598,705	598,705	1,110,999	-	1,110,999
CHANGE IN FUND BALANCE	-	-	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-	-	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

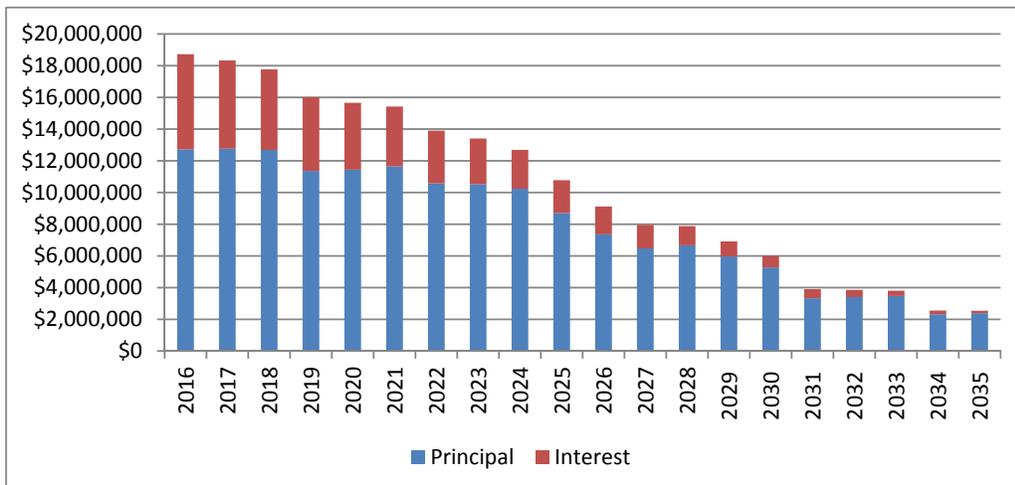
**CITY OF SUGAR LAND  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
AS OF SEPTEMBER 30, 2015**

<u>Taxing Jurisdiction</u>	<u>Gross Debt</u>	<u>Overlapping</u>	
		<u>Estimated Percentage*</u>	<u>Amount</u>
City of Sugar Land	\$ 189,048,109	100.00%	\$ 189,048,109
Burney Road MUD	9,275,000	100.00%	9,275,000
First Colony MUD No. 10	14,550,000	100.00%	14,550,000
Fort Bend County**	457,525,000	23.22%	106,237,305
Fort Bend County LID No. 2	13,440,000	100.00%	13,440,000
Fort Bend County LID No. 10	12,210,000	95.04%	11,604,384
Fort Bend County LID No. 14	3,945,000	100.00%	3,945,000
Fort Bend County LID No. 17	55,190,000	100.00%	55,190,000
Fort Bend County MUD No. 116	26,090,000	0.11%	28,699
Fort Bend County MUD No. 136	4,545,000	100.00%	4,545,000
Fort Bend County MUD No. 137	29,420,000	100.00%	29,420,000
Fort Bend County MUD No. 138	42,905,000	100.00%	42,905,000
Fort Bend County MUD No. 139	14,585,000	100.00%	14,585,000
Fort Bend County WC&ID No. 2	74,330,000	0.54%	401,382
Fort Bend ISD	910,128,767	37.79%	343,937,661
<b>Total Direct and Overlapping Debt</b>			<b>\$ 839,112,540</b>
Ratio of Direct and Overlapping Funded Debt to Taxable Assessed Valuation			7.07%
Per Capita Overlapping Funded Debt			\$ 9,589

\*\* Includes the \$115,885,000 Fort Bend County, Texas Unlimited Tax and Subordinate Lien Toll Road Revenue Refunding Bonds, Series 2012.

**CITY OF SUGAR LAND**  
**DEBT SERVICE REQUIREMENTS TO MATURITY**  
**TOTAL OF ALL DEBT OUTSTANDING\***

FY Ending			
September 30	Principal	Interest	Total
2016	\$ 12,726,121	\$ 5,997,322	\$ 18,723,443
2017	12,764,153	5,566,464	18,330,617
2018	12,683,184	5,086,762	17,769,947
2019	11,366,179	4,648,659	16,014,838
2020	11,442,800	4,218,082	15,660,882
2021	11,653,390	3,773,001	15,426,392
2022	10,582,394	3,319,526	13,901,920
2023	10,527,394	2,879,589	13,406,983
2024	10,237,394	2,453,645	12,691,039
2025	8,707,521	2,071,407	10,778,928
2026	7,362,521	1,754,449	9,116,970
2027	6,477,648	1,480,041	7,957,689
2028	6,672,648	1,207,485	7,880,133
2029	5,967,648	950,188	6,917,836
2030	5,275,000	733,694	6,008,694
2031	3,330,000	575,282	3,905,282
2032	3,405,000	453,137	3,858,137
2033	3,475,000	331,503	3,806,503
2034	2,325,000	233,647	2,558,647
2035	2,390,000	155,709	2,545,709
2036	525,000	105,700	630,700
2037	550,000	84,200	634,200
2038	580,000	61,600	641,600
2039	610,000	37,800	647,800
2040	640,000	12,800	652,800
<b>TOTAL</b>	<b>\$ 162,275,995</b>	<b>\$ 48,191,693</b>	<b>\$ 210,467,688</b>



\* Excludes anticipated new debt

**CITY OF SUGAR LAND  
DEBT SERVICE SCHEDULE OF REQUIREMENTS\*  
TO MATURITY BY ISSUE**

<b>Issue</b>	<b>Description</b>		<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2008	Certificates of Obligation	New	\$ 3,380,000	\$ 1,183,116	\$ 4,563,116
2008	General Obligation	New	5,245,000	1,799,547	7,044,547
2009	Certificates of Obligation	New	12,952,434	3,577,668	16,530,102
2009	General Obligation	Refunding	125,000	2,031	127,031
2010	General Obligation	New	2,045,000	690,669	2,735,669
2010	Certificates of Obligation	New	19,660,000	6,293,187	25,953,187
2010	General Obligation	Refunding	16,050,000	3,805,956	19,855,956
2012	General Obligation	Refunding	4,855,000	325,300	5,180,300
2012A	General Obligation	Refunding	3,725,000	668,950	4,393,950
2013	Certificates of Obligation	New	23,170,000	6,956,447	30,126,447
2010	Plains Leasing	New	97,716	2,388	100,104
2011	Sun Trust Leasing	New	260,170	4,775	264,945
2014	Tax Notes	New	5,310,675	281,993	5,592,668
2014	General Obligation	Refunding	21,135,000	4,428,650	25,563,650
2014	Certificates of Obligation	New	9,980,000	6,433,747	16,413,747
2015	Certificates of Obligation	New	15,005,000	5,838,028	20,843,028
2015	General Obligation	New	13,010,000	4,791,084	17,801,084
	Sub Total		<u>156,005,995</u>	<u>47,083,537</u>	<u>203,089,532</u>
2008	FBC MUD21	Assumed Obligations	3,695,000	880,681	4,575,681
2012	FBC MUD21	Assumed Obligations	2,575,000	227,475	2,802,475
	Sub-Total		<u>6,270,000</u>	<u>1,108,156</u>	<u>7,378,156</u>
<b>Total Debt Requirement</b>			<u>\$ 162,275,995</u>	<u>\$ 48,191,693</u>	<u>\$ 210,467,688</u>

\* Excludes anticipated new debt

**CITY OF SUGAR LAND  
DEBT SERVICE SCHEDULE OF REQUIREMENTS\*  
FISCAL YEAR 2016 BY ISSUE**

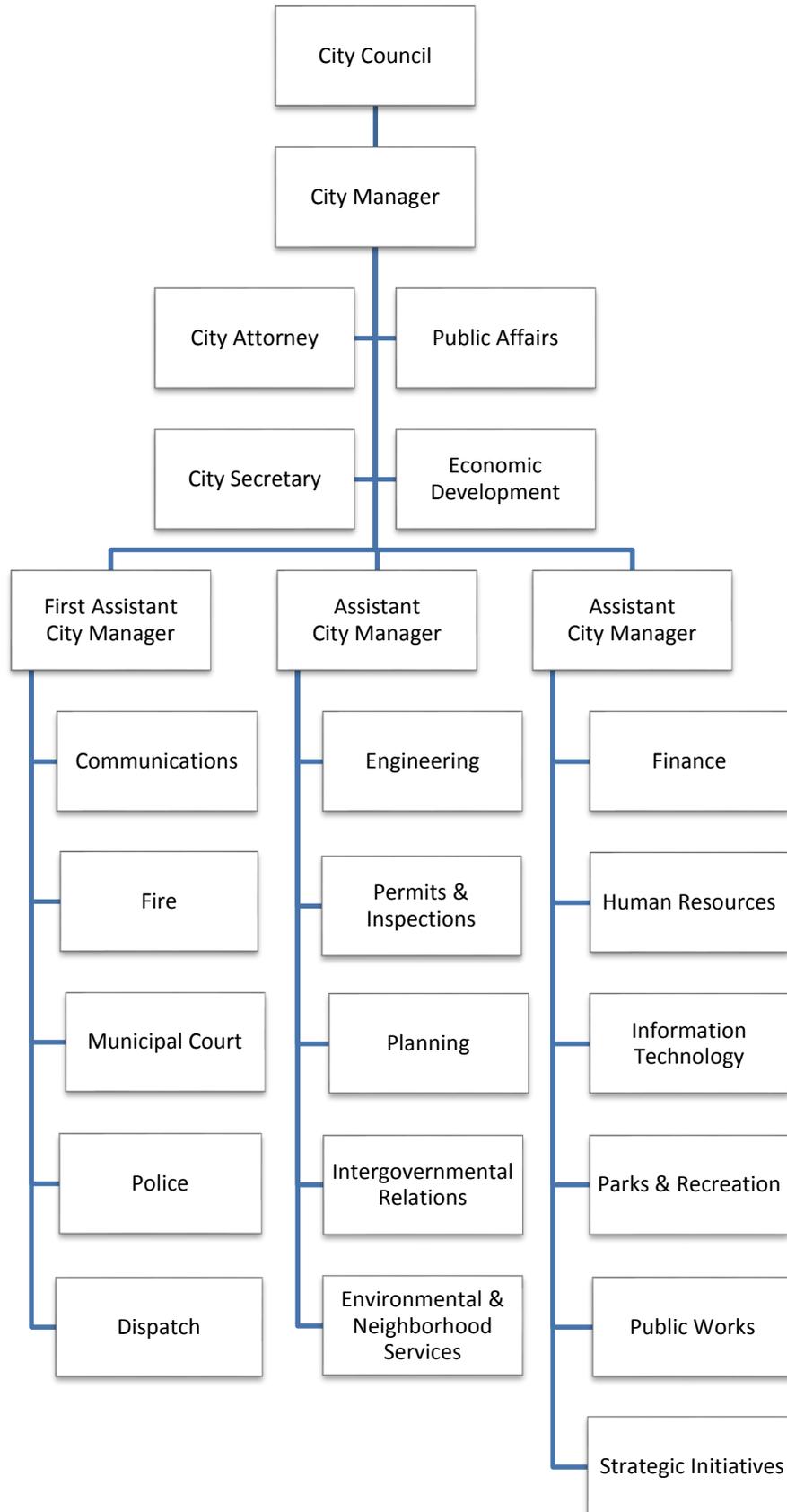
<b>Issue</b>	<b>Description</b>		<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2008	Certificates of Obligation	New	\$ 190,000	\$ 154,256	\$ 344,256
2008	General Obligation	New	295,000	235,713	530,713
2009	Certificates of Obligation	New	1,057,441	490,985	1,548,426
2009	General Obligation	Refunding	125,000	2,031	127,031
2010	General Obligation	New	95,000	79,663	174,663
2010	Certificates of Obligation	New	900,000	709,164	1,609,164
2010	General Obligation	Refunding	1,335,000	657,056	1,992,056
2012	General Obligation	Refunding	1,405,000	160,200	1,565,200
2012A	General Obligation	Refunding	410,000	125,000	535,000
2013	Certificates of Obligation	New	1,280,000	702,969	1,982,969
2010	Plains Leasing	New	97,716	2,388	100,104
2011	Sun Trust Leasing	New	260,170	4,775	264,945
2014	Tax Notes	New	505,794	54,206	560,000
2014	General Obligation	Refunding	3,015,000	961,500	3,976,500
2014	Certificates of Obligation	New	255,000	469,288	724,288
2015	Certificates of Obligation	New	505,000	536,781	1,041,781
2015	General Obligation	New	445,000	445,319	890,319
	Sub Total		<u>12,176,121</u>	<u>5,791,294</u>	<u>17,967,415</u>
2008	FBC MUD21	Assumed Obligations	100,000	135,528	235,528
2012	FBC MUD21	Assumed Obligations	450,000	70,500	520,500
	Sub-Total		<u>550,000</u>	<u>206,028</u>	<u>756,028</u>
<b>Total Debt Requirement</b>			<u>\$ 12,726,121</u>	<u>\$ 5,997,322</u>	<u>\$ 18,723,443</u>

\* Excludes anticipated new debt



# General Fund Organizational Chart

As of October 1, 2015



# General Fund

The General Fund is used to account for all transactions not properly includable in other funds. The principal sources of revenue include property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general administration, finance, public works, parks and recreation, community development, and public safety. Budgetary fund balance reflects audited fund balance with adjustments for accrued sales and franchise taxes to properly reflect funds available for appropriation during the year.

## Fiscal Year 2015

### Total revenues

Revenues are projected to be \$81,789,050, which is 2.7% higher than the current budget. Major variances from budget are in sales tax, licenses and permits, charges for services, fines and forfeitures, other income, and interest.

Sales tax, which is trending 5.8% over budget, is projected to be \$38,349,225. License and permits, which reflect building activity in the community are anticipated to be 6.5% greater than budgeted, or \$194,712. Charges for services are projected 4.5% less than budgeted or \$178,078. The reduction is a result of the City not receiving a Medicare/Medicaid provider number for billing of EMS services. Fines and forfeitures are projected at \$1,861,651, or 14.9% lower than budgeted. The number of traffic violations issued in FY15 is lower than the prior year and also lower than budgeted. Other income totals \$839,327 and is 25.2% greater than budgeted due to FEMA reimbursements. Interest income of \$226,805 is anticipated to exceed budget due to higher earnings received.

### Total expenditures

Expenditures for FY15 are projected to be \$82,256,122. Departments are expected to end the year within current budgeted expenditure.

### Total fund balance

The fund balance is projected to be \$20,412,844 as of September 30, 2015. This is \$3,902,481, which is 5% greater than the policy requirement of 25%. These funds are available to fund one-time expenditures in FY16.

## Fiscal Year 2016

### Budgeted revenues

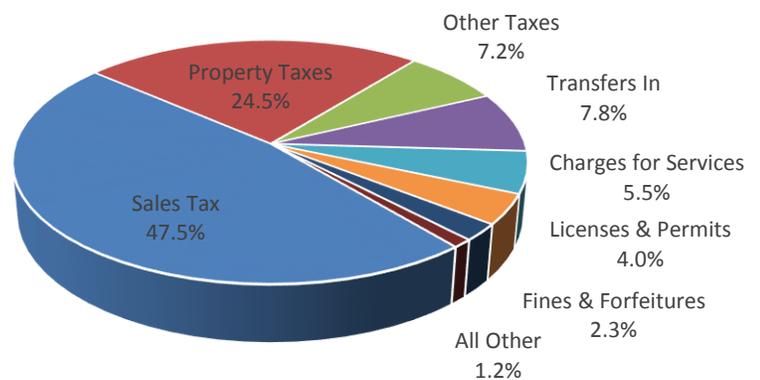
Budgeted revenues total of \$82,506,264. The chart at right shows a breakdown of General Fund revenues by type.

Sales tax revenue of \$39,159,056 represents the largest portion of General Fund Operating revenues at 47.5%. Sales tax is highly dependent on economic conditions and can fluctuate. Based on current economic conditions, the budget includes 2.1% growth in sales tax over FY15 projections.

The budget incorporates property tax revenues of \$20,188,900 and is based on an O&M tax rate of \$0.17035 and the certified tax roll.

The General Fund receives transfers total of \$6,575,370 from the Utility, Surface Water and Airport

General Fund Revenues



Funds as reimbursement for overhead costs as determined by a cost allocation model. A transfer from the Sugar Land Development and Sugar Land 4B Corporations reimburse cost for Economic Development staff and activity, as well as for managing capital projects funded by the corporations.

Other taxes total \$5,908,500 and are made up of franchise payments the city receives from electric, natural gas, cable, and telephone providers for use of the City’s right-of-way. License and permits total \$3,320,500 and is based on residential and commercial building activity in the City. Charges for services is budgeted at \$4,569,995 and includes park fees, animal services fees, EMS billing, fire protection fees and other miscellaneous fees. Fire protection fees of \$2,659,800 accounts for 58.2% of charges for services. The remaining income totals \$2,783,943 and is made up of fines and forfeitures, interest income, and other miscellaneous revenues.

**Budgeted expenditures**

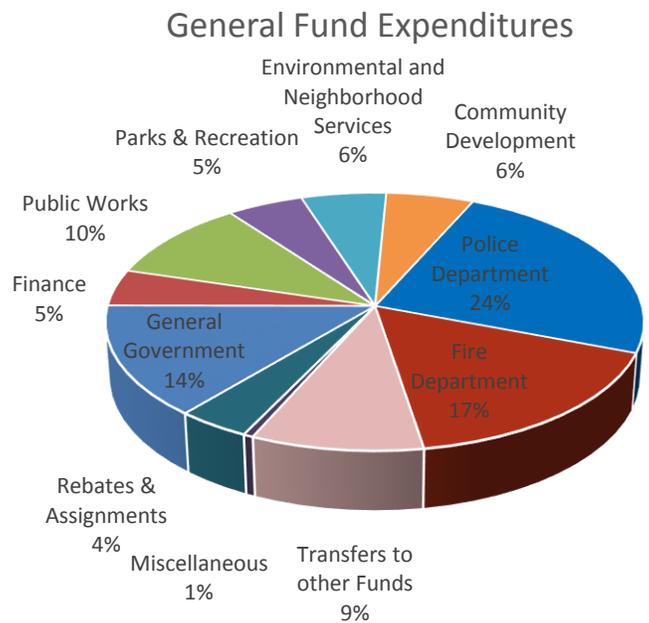
General Fund expenditures total \$83,705,574 for FY16. Of this total, \$72,253,605 is for departmental expenditures and \$11,451,969 is for non-departmental expenditures including transfers, rebates & assignments, and miscellaneous expenditures.

A total of \$3,808,403 in recurring additions is included in the FY16 adopted budget. These include: costs associated with the IT strategic plan, funding for records management and technology improvements, a GIS Specialist and a SharePoint Administrator; funding for Public Safety including advanced fire suppression and compressed air foam system, body cameras and Tasers replacement for police officers; a Fleet Technician to assist with increased workload; an Financial/Investment Analyst position to actively manage the City’s cash portfolio; a CIP Project Manager to assist with managing CIP projects; an Administrative Specialist to manage P-card processing and contracts; a Community Outreach Coordinator to assist with code enforcement and neighborhood outreach efforts; a Dispatch Quality Analyst to perform EMS quality assurance on 911 calls and ensure dispatch staff are meeting proper protocols and procedures for EMS calls; and an Assistant City Attorney to assist with the increased in legal workload.

One-time funding totals \$2,811,698. Significant additions include: phase two of the work order system; funding for departmental assessments; IT strategic plan; use of restricted PEG funding in Public Communications; start-up costs in the Police and Parks departments for Cullinan Park, which is being annexed into the City through a historic agreement between the City of Sugar Land, City of Houston and Cullinan Foundation. Once annexed, the City will take over maintenance and operations of the park; codification and phase two updates to the Development Code; and funding to convert radio consoles in Public Safety Dispatch to the new digital spectrum.

**Budgeted fund balance**

The fund balance totals of \$19,213,534, which is greater than the reserve policy requirement of 25%. A drawdown in fund balance of \$1,199,310 is budgeted due to one-time expenditures being made.



**CITY OF SUGAR LAND  
GENERAL FUND  
INCOME STATEMENT**

	FY14 Actual	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Property Taxes	\$ 17,616,802	\$ 18,433,100	\$ 18,406,410	\$ 20,188,900	\$ -	\$ 20,188,900
Sales Tax	36,864,046	36,232,500	38,349,225	37,201,800	1,957,256	39,159,056
Other Taxes	5,867,489	5,711,100	5,755,332	5,908,500	-	5,908,500
Licenses & Permits	2,934,646	3,016,350	3,211,062	3,320,500	-	3,320,500
Charges for Services	3,085,787	3,913,930	3,735,852	4,569,995	-	4,569,995
Fines & Forfeitures	1,891,449	2,187,600	1,861,651	1,861,600	-	1,861,600
Other	796,357	670,343	839,327	605,343	10,000	615,343
Interest Income	184,450	120,000	226,805	227,000	80,000	307,000
Operating Revenues	69,412,379	70,441,937	72,542,678	73,883,638	2,047,256	75,930,894
Transfers In	4,484,194	6,150,956	6,215,254	6,575,370	-	6,575,370
Lease Proceeds	-	3,031,118	3,031,118	-	-	-
Non-operating Revenues	4,484,194	9,182,074	9,246,372	6,575,370	-	6,575,370
Total Revenues	73,896,573	79,624,011	81,789,050	80,459,008	2,047,256	82,506,264
<b>EXPENDITURES</b>						
General Government	10,100,269	11,384,853	11,384,853	10,703,707	970,201	11,673,908
Finance	2,974,154	3,412,043	3,412,043	3,661,075	177,173	3,838,248
Public Works	12,879,424	11,567,405	11,567,405	7,988,059	570,645	8,558,704
Parks & Recreation	2,112,915	3,737,138	3,737,138	4,314,601	-	4,314,601
Community Development	4,917,762	5,735,425	5,735,425	4,826,170	110,694	4,936,864
Environmental and Neighborhood Services	-	-	-	4,622,410	172,190	4,794,600
Police Department	17,408,142	19,500,675	19,500,675	19,912,186	294,135	20,206,321
Fire Department	11,212,654	17,264,453	17,264,453	13,812,097	118,262	13,930,359
Departmental Expenditures	61,605,319	72,601,992	72,601,992	69,840,305	2,413,300	72,253,605
Transfers to other Funds	7,056,501	6,636,663	7,447,503	6,468,180	1,248,050	7,716,230
Miscellaneous	936,654	(288,328)	(1,071,198)	301,036	147,053	448,089
Rebates & Assignments	2,884,352	3,277,825	3,277,825	3,287,650	-	3,287,650
Non-departmental Expenditures	11,242,555	9,626,160	9,654,130	10,056,866	1,395,103	11,451,969
Total Expenditures	72,847,875	82,228,152	82,256,122	79,897,171	3,808,403	83,705,574
Revenues Over/(Under) Expenditures	1,048,699	(2,604,141)	(467,072)	561,837	(1,761,147)	(1,199,310)
Fund Balance - Beginning	19,831,217	20,879,916	20,879,916	20,412,844		20,412,844
Fund Balance - Ending	\$ 20,879,916	\$ 18,275,775	\$ 20,412,844	\$ 20,974,681	\$ (1,761,147)	\$ 19,213,534
Ending Fund Balance- % of Oper Exp		25%	31%	30%		28%
Fund Balance - Requirement		16,510,363	16,510,363	17,667,420	17,388,614	17,700,239
Over / (Under) Policy		\$ 1,765,412	\$ 3,902,481	\$ 3,307,261	\$ (19,149,761)	\$ 1,513,294

**GENERAL FUND  
SCHEDULE OF REVENUES**

Description	FY14	FY15	FY15	FY16	FY16	FY16
	Actual	Current Budget	Projection	Base Budget	Changes	Budget
CURRENT TAXES	\$ 17,419,904	\$ 18,236,200	\$ 18,236,200	\$ 20,032,900	-	\$ 20,032,900
DELINQUENT TAXES	27,505	35,000	14,243	14,000	-	14,000
PENALTY & INTEREST	152,512	161,900	142,492	142,000	-	142,000
SPECIAL INVENTORY/OVERAGE	16,879	-	13,475	-	-	-
<b>Property Taxes</b>	<b>17,616,802</b>	<b>18,433,100</b>	<b>18,406,410</b>	<b>20,188,900</b>	-	<b>20,188,900</b>
SALES TAXES	36,864,046	33,127,900	35,956,500	37,201,800	-	37,201,800
S. TAX INCENTIVE AGRMTS	-	3,104,600	2,392,725	-	1,957,256	1,957,256
<b>Sales Tax</b>	<b>36,864,046</b>	<b>36,232,500</b>	<b>38,349,225</b>	<b>37,201,800</b>	<b>1,957,256</b>	<b>39,159,056</b>
MIXED DRINK TAX	554,756	570,500	580,916	610,000	-	610,000
ELECTRIC FRANCHISE	3,643,593	3,601,300	3,601,300	3,673,300	-	3,673,300
GAS FRANCHISE	355,331	305,800	305,800	308,900	-	308,900
FRANCHISE TELECOMM.	280,252	287,700	287,700	287,700	-	287,700
MISC. FRANCHISE FEES	215,124	200,500	234,316	246,000	-	246,000
CABLE TV FRANCHISE	818,433	745,300	745,300	782,600	-	782,600
<b>Other Taxes</b>	<b>5,867,489</b>	<b>5,711,100</b>	<b>5,755,332</b>	<b>5,908,500</b>	-	<b>5,908,500</b>
BUILDING PERMITS	1,463,473	1,499,000	1,551,642	1,619,600	-	1,619,600
INFRASTRUCTURE REVIEW	47,701	42,900	231,001	236,800	-	236,800
LAND DISTURBANCE FEE	-	1,500	1,500	1,500	-	1,500
RENTAL INSPECTION LICENSE	244,791	247,200	259,459	265,900	-	265,900
ELECTRICAL PERMITS	283,224	276,470	254,182	260,500	-	260,500
IRRIGATION PERMITS	46,500	48,700	48,700	49,900	-	49,900
HEALTH PERMITS	289,860	312,500	290,004	297,300	-	297,300
HVAC PERMITS	187,938	156,340	167,784	172,000	-	172,000
LIQUOR PERMITS	29,805	42,200	42,200	43,300	-	43,300
PLUMBING PERMITS	181,954	207,140	171,713	176,000	-	176,000
REINSPECTION FEES	9,090	8,900	11,231	11,500	-	11,500
SIGN PERMITS	22,502	17,200	24,796	25,400	-	25,400
FLOOD ZONE DEVEL PERMIT	1,300	1,300	1,300	1,300	-	1,300
CONTRACTOR REGISTRATION	39,210	45,100	50,840	52,100	-	52,100
R-O-W PERMIT	3,150	2,800	2,800	2,900	-	2,900
SOLICITOR PERMITS	7,188	4,500	7,762	8,000	-	8,000
PERMIT PENALTIES	12,943	11,600	11,600	11,900	-	11,900
FIRE ALARM PERMITS	28,836	33,700	25,248	25,900	-	25,900
OTHER FIRE CODE PERMITS	35,181	57,300	57,300	58,700	-	58,700
<b>Licenses &amp; Permits</b>	<b>2,934,646</b>	<b>3,016,350</b>	<b>3,211,062</b>	<b>3,320,500</b>	-	<b>3,320,500</b>
STREET LIGHT CHARGES	79,571	78,600	52,543	52,543	-	52,543
ANIMAL ADOPTION FEES	41,550	39,700	39,700	40,900	-	40,900
ANIMAL IMPOUNDMENT FEES	1,226	2,000	1,747	1,800	-	1,800
POOL ADMISSIONS	7,026	6,000	7,000	7,200	-	7,200
SWIM LESSIONS	1,366	-	1,300	1,300	-	1,300
FACILITY USAGE CARDS	80,550	80,600	80,600	83,000	-	83,000
POOL RENTAL	1,397	1,400	1,400	1,400	-	1,400
P&R BUILDING RENTALS	102,693	96,100	96,100	99,000	-	99,000
COMM. EVENTS-RECREATION	147	-	1,165	1,200	-	1,200
ATHLETIC LEAGUES	31,748	13,400	32,000	33,000	-	33,000
PAVILION RENTALS	41,575	30,800	40,000	41,200	-	41,200
CAMP PROGRAMS	149,279	136,900	150,000	154,500	-	154,500
LIGHT FEES	42,956	33,800	33,800	34,800	-	34,800
LEISURE CLASSES	86,644	88,300	100,000	103,000	-	103,000
ATHLETIC FIELD RENTAL	10,136	4,800	9,000	9,300	-	9,300
SENIOR PROGRAMS	21,830	20,900	20,900	21,500	-	21,500
PARKS VENDING MACHINE	500	-	-	-	-	-
RENTAL REINSPECTION FEE	750	-	-	-	-	-
MOWING LIENS	83	1,300	648	648	-	648

**GENERAL FUND  
SCHEDULE OF REVENUES**

Description	FY14	FY15	FY15	FY16	FY16	FY16
	Actual	Current Budget	Projection	Base Budget	Changes	Budget
PLAT FEES	86,702	105,900	94,475	97,300	-	97,300
DESIGN STANDARS VARIANCE	12,831	-	-	-	-	-
SITE PLAN FEES	20,650	15,800	16,476	17,000	-	17,000
ZONING & CONDITIONAL USE	41,560	46,000	36,310	37,400	-	37,400
ACCIDENT REPORTS	13,848	15,400	13,814	14,200	-	14,200
FALSE ALARM FEES	38,250	42,400	42,400	43,700	-	43,700
FINGER PRINTING	7,650	10,100	7,772	8,000	-	8,000
EMS BILLING	-	775,883	481,047	991,904	-	991,904
COURT CONVICENCE FEE	-	16,000	16,000	-	-	-
FIRE PROTECTION FEES	2,146,135	2,237,847	2,345,655	2,659,800	-	2,659,800
HAZ MAT RESPONSE	17,133	14,000	14,000	14,400	-	14,400
<b>Charges for Services</b>	<b>3,085,787</b>	<b>3,913,930</b>	<b>3,735,852</b>	<b>4,569,995</b>	-	<b>4,569,995</b>
ADMINISTRATIVE COURT FEES	98,974	117,000	98,999	99,000	-	99,000
DPS FEES - CITY PORTION	8,726	10,500	10,500	10,500	-	10,500
CHILD SAFETY FINES	114,171	174,400	120,836	120,800	-	120,800
MUNICIPAL COURT FINES	1,516,379	1,703,100	1,466,399	1,466,400	-	1,466,400
JUDICIAL EFFICIENCY	14,736	15,000	15,000	15,000	-	15,000
WARRANT FEES	138,462	167,600	149,917	149,900	-	149,900
<b>Fines &amp; Forfeitures</b>	<b>1,891,449</b>	<b>2,187,600</b>	<b>1,861,651</b>	<b>1,861,600</b>	-	<b>1,861,600</b>
CASH OVER & SHORT	-	-	-	700	-	700
DONATIONS	-	-	-	35,470	-	35,470
LEOSE FUNDS	-	-	-	11,300	-	11,300
MISCELLANEOUS	-	-	-	103,727	10,000	113,727
PROPERTY INS RECOVERY	-	-	-	225,000	-	225,000
REIMBURSEMENTS	-	-	-	171,673	-	171,673
REIMBURSEMENTS	64,118	34,400	34,400	34,400	-	34,400
REPRODUCTION COPIES	-	-	-	3,466	-	3,466
ROYALTIES	-	-	-	307	-	307
SALE OF CAPITAL PROPERTY	-	-	-	25,000	-	25,000
UNCLAIMED & NON-CAPITAL	-	-	-	28,700	-	28,700
<b>Other</b>	<b>796,357</b>	<b>670,343</b>	<b>839,327</b>	<b>605,343</b>	<b>20,000</b>	<b>615,343</b>
HOME LAND SEC.-PASS THRU	83,014	-	-	-	-	-
BULLETPROOF VEST	4,975	39,041	39,041	-	-	-
STEP WAVE GRANT	75,669	109,973	109,973	-	-	-
DWI TASK FORCE - HGAC	7,696	8,000	8,000	-	-	-
<b>Intergovernmental</b>	<b>171,354</b>	<b>157,014</b>	<b>157,014</b>	-	-	-
INTEREST INCOME	222,986	120,000	226,805	227,000	80,000	307,000
UNREALIZ GAIN/LOSS-INVEST	(38,536)	-	-	-	-	-
<b>Interest Income</b>	<b>184,450</b>	<b>120,000</b>	<b>226,805</b>	<b>227,000</b>	<b>80,000</b>	<b>307,000</b>
AIRPORT ENTERPRISE	591,556	690,424	690,424	815,789	-	815,789
SLDC	256,518	471,550	471,550	637,933	-	637,933
TRANSFER FROM CAPITAL PRO	202,000	202,000	202,000	208,100	-	208,100
TRANSFER FROM TIRZ 1	-	70,000	70,000	134,278	-	134,278
ADMINISTRATIVE FEES	-	534,327	534,327	309,327	-	309,327
TRANSFER FROM FUND 53	458,104	576,840	576,840	594,145	-	594,145
TRANSFER FROM UTILITIES	2,712,220	2,729,842	2,729,842	2,898,988	-	2,898,988
TRANSFER FROM SOLID WASTE	263,796	371,132	371,132	427,834	-	427,834
TRF FR RED LIGHT FUND 073	-	504,841	569,139	548,976	-	548,976
<b>Transfers In</b>	<b>4,484,194</b>	<b>6,150,956</b>	<b>6,215,254</b>	<b>6,575,370</b>	-	<b>6,575,370</b>
CAPITAL LEASE PROCEEDS	-	3,031,118	3,031,118	-	-	-
<b>Lease Proceeds</b>	-	<b>3,031,118</b>	<b>3,031,118</b>	-	-	-
<b>GRAND TOTAL</b>	<b>\$ 73,896,573</b>	<b>\$ 79,624,011</b>	<b>\$ 81,789,050</b>	<b>\$ 80,459,008</b>	<b>\$ 2,057,256</b>	<b>\$ 82,506,264</b>

**GENERAL FUND  
SCHEDULE OF EXPENDITURES**

	FY14 Actual	FY15 Current Budget	FY15 Projection	FY16 Base Budget	FY16 Changes	FY16 Budget
Mayor & City Council	\$ 197,758	\$ 223,983	\$ 223,983	\$ 245,071	\$ -	\$ 245,071
Conv. & Visitors Bureau	-	369,509	369,509	98,833	-	98,833
City Manager	579,430	1,015,751	1,015,751	769,389	10,000	779,389
Assistant City Managers	1,004,102	843,329	843,329	1,091,971	-	1,091,971
City Secretary	825,725	917,636	917,636	887,171	47,700	934,871
Communications	1,024,445	1,114,791	1,114,791	888,080	120,000	1,008,080
Human Resources	1,418,813	1,368,341	1,368,341	1,493,169	-	1,493,169
City Attorney	712,268	793,570	793,570	707,308	100,266	807,574
Information Technology	3,491,918	3,524,385	3,524,385	3,400,804	592,235	3,993,039
Strategic Initiatives	428,036	611,989	611,989	497,066	100,000	597,066
Economic Development	417,774	601,569	601,569	624,845	-	624,845
<b>General Government - Total</b>	<b>10,100,269</b>	<b>11,384,853</b>	<b>11,384,853</b>	<b>10,703,707</b>	<b>970,201</b>	<b>11,673,908</b>
Finance Administration	(183)	512,303	512,303	679,128	115,913	795,041
Budget & Research	762,753	440,793	440,793	459,694	-	459,694
Accounting	964,148	1,042,622	1,042,622	1,065,777	-	1,065,777
Purchasing	398,382	446,230	446,230	523,397	51,812	575,209
Municipal Court	849,054	970,095	970,095	933,079	9,448	942,527
<b>Finance - Total</b>	<b>2,974,154</b>	<b>3,412,043</b>	<b>3,412,043</b>	<b>3,661,075</b>	<b>177,173</b>	<b>3,838,248</b>
Public Works Admin	598,997	592,396	592,396	446,591	427,000	873,591
Street & Drainage Main.	1,923,707	2,110,065	2,110,065	2,356,263	143,645	2,499,908
ROW Maintenance	3,435,236	1,800,769	1,800,769	1,653,065	-	1,653,065
Traffic	3,575,077	3,626,242	3,626,242	3,532,140	-	3,532,140
Stormwater Management	147,958	225,784	225,784	-	-	-
Fleet Maintenance	547,102	571,380	571,380	-	-	-
Facilities Management	2,106,606	2,077,325	2,077,325	-	-	-
Animal Services	544,740	563,444	563,444	-	-	-
<b>Public Works - Total</b>	<b>12,879,424</b>	<b>11,567,405</b>	<b>11,567,405</b>	<b>7,988,059</b>	<b>570,645</b>	<b>8,558,704</b>
Park Administration	609,376	658,674	658,674	753,161	-	753,161
Development & Maintenance	(2,163)	1,838,306	1,838,306	2,052,528	-	2,052,528
Recreation & Special Events	1,505,701	1,240,158	1,240,158	1,508,912	-	1,508,912
<b>Parks &amp; Recreation - Total</b>	<b>2,112,915</b>	<b>3,737,138</b>	<b>3,737,138</b>	<b>4,314,601</b>	<b>-</b>	<b>4,314,601</b>
Community Development Admin - Total	47,367	137,006	137,006	249,075	-	249,075
Permits & Inspections	1,049,264	1,168,693	1,168,693	1,200,310	-	1,200,310
Development Planning	432,553	515,955	515,955	508,614	-	508,614
Transp. & Long Range Plan	420,292	526,975	526,975	443,681	27,500	471,181
Community & Env Services	116,214	127,481	127,481	-	-	-
Food Inspection	185,315	222,928	222,928	-	-	-
Code Enforcement	248,627	307,044	307,044	-	-	-
Rental Registration	150,271	210,579	210,579	-	-	-
City Engineer	2,267,859	2,518,764	2,518,764	2,424,490	83,194	2,507,684
<b>Community Development - Total</b>	<b>4,917,762</b>	<b>5,735,425</b>	<b>5,735,425</b>	<b>4,826,170</b>	<b>110,694</b>	<b>4,936,864</b>
Environmental and Neighborhood Services Admir	-	-	-	346,706	79,901	426,607
Fleet Maintenance	-	-	-	605,395	82,289	687,684
Facilities Management	-	-	-	2,079,026	-	2,079,026
Animal Services	-	-	-	635,790	10,000	645,790
Stormwater Management	-	-	-	163,371	-	163,371
Food Inspection	-	-	-	247,865	-	247,865
Code Enforcement	-	-	-	318,162	-	318,162
Rental Registration	-	-	-	226,095	-	226,095
<b>Environmental and Neighborhood Services - Tot:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,622,410</b>	<b>172,190</b>	<b>4,794,600</b>
Police Administration	884,679	918,694	918,694	1,025,920	-	1,025,920
Support Services	1,815,366	2,072,940	2,072,940	1,991,575	74,128	2,065,703
Support Services	-	23,990	23,990	-	-	-
Patrol	9,826,042	11,058,151	11,058,151	10,877,007	65,036	10,942,043
Criminal Investigations	3,019,129	3,072,086	3,072,086	3,593,779	-	3,593,779
Detention Center	351,560	382,994	382,994	409,926	-	409,926
SWAT	20,030	26,625	26,625	25,000	-	25,000
Public Safety Dispatch	1,491,336	1,945,195	1,945,195	1,988,979	154,971	2,143,950
<b>Police Department - Total</b>	<b>17,408,142</b>	<b>19,500,675</b>	<b>19,500,675</b>	<b>19,912,186</b>	<b>294,135</b>	<b>20,206,321</b>
Fire Administration	337,107	357,486	357,486	377,351	5,423	382,774
Emergency Services	8,724,992	11,810,083	11,810,083	9,786,194	87,000	9,873,194
EMS Services	477,811	2,981,066	2,981,066	1,561,832	-	1,561,832
Haz Mat	12,850	42,143	42,143	40,543	-	40,543
Prevention/Investigation	732,918	929,051	929,051	989,950	-	989,950

**GENERAL FUND  
SCHEDULE OF EXPENDITURES**

	FY14 Actual	FY15 Current Budget	FY15 Projection	FY16 Base Budget	FY16 Changes	FY16 Budget
Emergency Management	330,549	373,627	373,627	358,511	25,839	384,350
Professional Development	596,428	770,997	770,997	697,716	-	697,716
<b>Fire Department - Total</b>	<b>11,212,654</b>	<b>17,264,453</b>	<b>17,264,453</b>	<b>13,812,097</b>	<b>118,262</b>	<b>13,930,359</b>
<b>Total Operating Expenditures</b>	<b>61,605,319</b>	<b>72,601,992</b>	<b>72,601,992</b>	<b>69,840,305</b>	<b>2,413,300</b>	<b>72,253,605</b>
Transfers to other Funds	7,056,501	6,636,663	7,447,503	6,468,180	1,248,050	7,716,230
Rebates & Assignments	2,884,352	3,277,825	3,277,825	3,287,650	-	3,287,650
Debt Service	365,049	-	-	-	-	-
Miscellaneous	936,654	(288,328)	(1,071,198)	301,036	147,053	448,089
<b>Total Non-Operating</b>	<b>11,242,555</b>	<b>9,626,160</b>	<b>9,654,130</b>	<b>10,056,866</b>	<b>1,395,103</b>	<b>11,451,969</b>
<b>Total Expenditures</b>	<b>\$ 72,847,875</b>	<b>\$ 82,228,152</b>	<b>\$ 82,256,122</b>	<b>\$ 79,897,171</b>	<b>\$ 3,808,403</b>	<b>\$ 83,705,574</b>

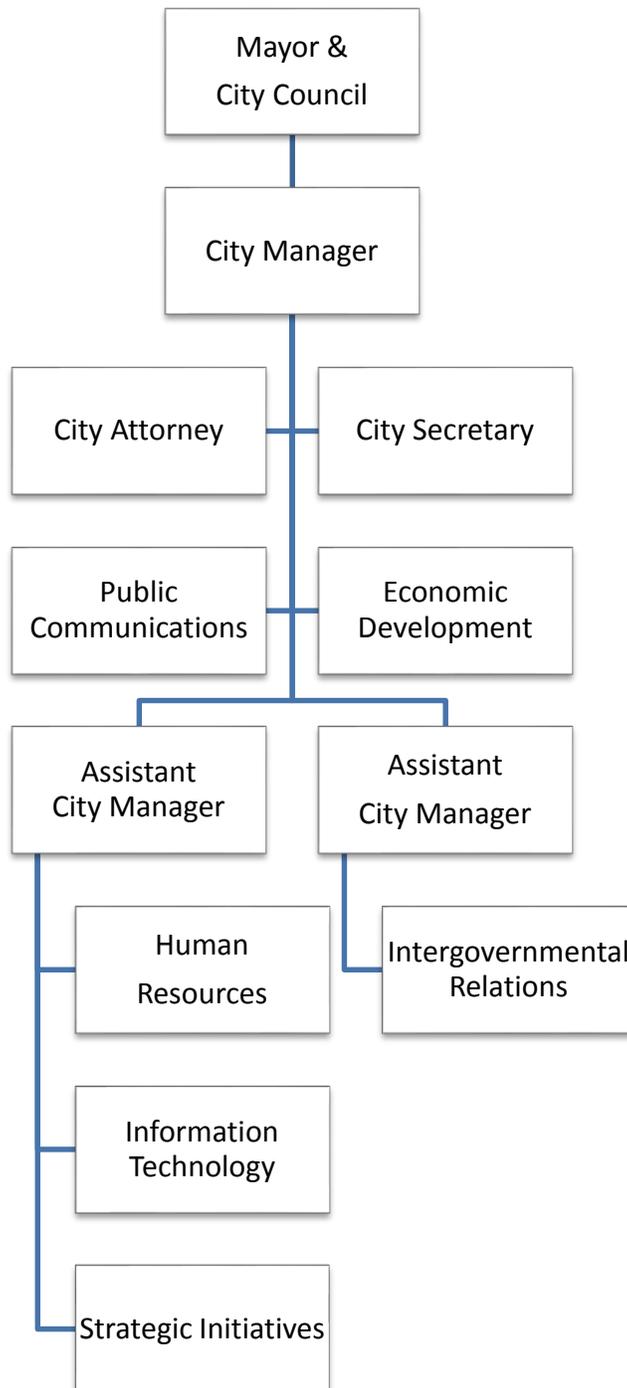
**Category Summary**

Salary & Benefits	\$ 45,958,669	\$ 52,109,796	\$ 52,109,796	\$ 54,173,505	\$ 638,264	\$ 54,811,769
Supplies	2,409,592	2,771,883	2,771,883	2,343,564	259,811	2,603,375
Professional Services	6,491,418	6,940,410	6,920,410	6,286,505	795,236	7,081,741
Repairs & Maintenance	4,014,972	4,713,181	4,733,181	4,850,526	66,278	4,916,804
Purchased Services	2,230,457	2,284,543	2,284,543	2,133,653	107,368	2,241,021
Capital Items/Other	500,211	3,782,179	3,782,179	52,552	546,343	598,895
<b>Total Category Expenditures</b>	<b>61,605,319</b>	<b>72,601,992</b>	<b>72,601,992</b>	<b>69,840,305</b>	<b>2,413,300</b>	<b>72,253,605</b>
<b>Total Non-Operating</b>	<b>11,242,555</b>	<b>9,626,160</b>	<b>9,654,130</b>	<b>10,056,866</b>	<b>1,395,103</b>	<b>11,451,969</b>
<b>Total Expenditures</b>	<b>\$ 72,847,875</b>	<b>\$ 82,228,152</b>	<b>\$ 82,256,122</b>	<b>\$ 79,897,171</b>	<b>\$ 3,808,403</b>	<b>\$ 83,705,574</b>

# General Government

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*As of October 1, 2015*



# Mayor and City Council

## Services Provided

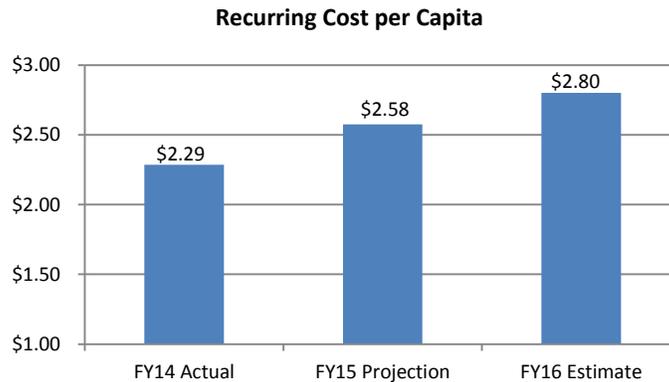
The Mayor and City Council provide direction to the City Manager and staff to achieve service level objectives. The long-range vision of the City is established by adopting goals, objectives, and strategies. Two regular City Council meetings are held each month on the first and third Tuesday, as well as a workshop on the fourth Tuesday of the month. The Mayor and City Council adopt policies and may modify policy recommendations from the City Manager. The annual budget and five-year CIP, filed by the City Manager, is reviewed by the Mayor and City Council through a series of workshops and public hearings and is adopted by ordinance per the City’s charter requirements.

## FY16 Requests

There are no additions to the Mayor and City Council FY16 budget.

## Performance Measures: Responsible City Government

The City Council measure for “cost-effective delivery of City services” is a recurring cost per capita, the fiscal year estimate is based on total population.



Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 145,079	\$ 145,978	\$ 145,978	\$ 167,066	\$ -	\$ 167,066
Supplies	10,456	15,274	15,274	15,274	-	15,274
Professional Services	6,497	23,200	23,200	23,200	-	23,200
Purchased Services	35,726	39,531	39,531	39,531	-	39,531
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 197,758</b>	<b>\$ 223,983</b>	<b>\$ 223,983</b>	<b>\$ 245,071</b>	<b>\$ -</b>	<b>\$ 245,071</b>

# City Manager

## Services Provided

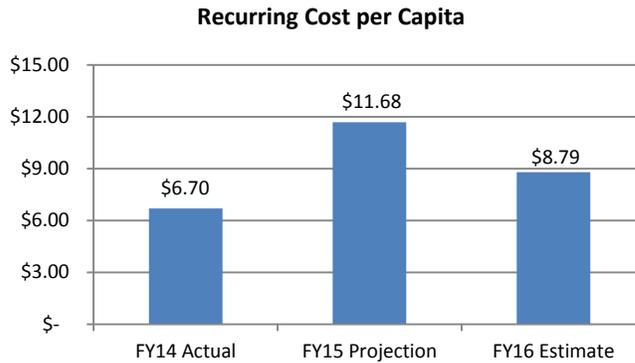
The City Manager is appointed by City Council and serves as Chief Executive Officer of the City. The City Manager is responsible for making recommendations to City Council, filing the annual budget, five-year CIP, and five-year financial forecast, and providing leadership and direction to City staff to achieve City Council goals and objectives. On a day-to-day basis, however, the City Manager focuses on “Responsible City Government,” as evidenced by the emphasis on implementing City Council direction, managing the City organization through the appointment and removal of employees, and encouraging citizen engagement and education.

## FY16 Requests

City Manager’s FY16 budget include a one-time addition of \$10,000 for an elected official reception.

## Performance Measures: Responsible City Government

The City Council measure for “cost-effective delivery of City services” is recurring cost per capita



Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 555,226	\$ 831,059	\$ 831,059	\$ 638,697	\$ -	\$ 638,697
Supplies	13,334	32,503	32,503	33,503	10,000	43,503
Professional Services	1,876	112,495	112,495	62,475	-	62,475
Purchased Services	8,992	39,694	39,694	34,714	-	34,714
Capital/Other	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 579,430</b>	<b>\$ 1,015,751</b>	<b>\$ 1,015,751</b>	<b>\$ 769,389</b>	<b>\$ 10,000</b>	<b>\$ 779,389</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
City Manager	5.00	6.50	-	6.50	(0.50)	6.00
<b>FTE Count Totals</b>	<b>5.00</b>	<b>6.50</b>	<b>-</b>	<b>6.50</b>	<b>(0.50)</b>	<b>6.00</b>

# Assistant City Managers

## Services Provided

The Assistant City Managers provide executive oversight, guidance, and support to respective departments ensuring the priorities of the City are understood and achieved. The First Assistant City Manager and Assistant City Managers serve on behalf of the City Manager in managing projects, assignments and representing the organization and the community. The Assistant City Managers also act in place of the City Manager in his absence.

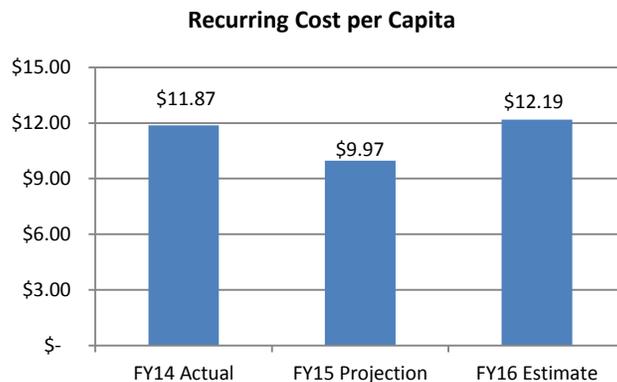
As of FY15, the Office of Intergovernmental Relations is being housed in the Assistant City Managers' departmental budget. The Office of Intergovernmental Relations is responsible for regional, local, state and federal intergovernmental relations, including the development of legislative agendas, coordination of information and monitoring of relationships through the ambassador program.

## FY16 Requests

There are no additions to the Assistant City Managers FY16 budget.

## Performance Measures: Responsible City Government

The City Council measure for "cost-effective delivery of City services" is a recurring cost per capita, the fiscal year estimate is based on total population.



Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 951,416	\$ 770,595	\$ 770,595	\$ 1,021,708	\$ -	\$ 1,021,708
Supplies	12,405	18,590	18,590	18,178	-	18,178
Professional Services	12,417	21,238	21,238	9,450	-	9,450
Purchased Services	27,863	32,906	32,906	42,635	-	42,635
Capital/Other	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 1,004,102</b>	<b>\$ 843,329</b>	<b>\$ 843,329</b>	<b>\$ 1,091,971</b>	<b>\$ -</b>	<b>\$ 1,091,971</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Assistant City Manager	6.00	5.50	-	5.50	0.50	6.00
<b>FTE Count Totals</b>	<b>6.00</b>	<b>5.50</b>	<b>-</b>	<b>5.50</b>	<b>0.50</b>	<b>6.00</b>

# City Secretary

## Mission Statement

Act as stewards of open and accountable government, committed to uphold statutory principles, serve as guardians of the municipal legislative processes and official information, practice integrity, and provide excellent service that respects the uniqueness and diversity of the City organization and the community.

## Services Provided

The Office of the City Secretary is responsible for three primary functions: legislative service, records management, and public information services. Legislative services includes managing and coordinating all public meetings, elections, ordinance codification, contract execution, legal notice and proclamation publication, policy adoption and board and commission appointments. For records management, the department maintains a centralized records center archive, an electronic document management system and a database for vehicle registration and property documents. The department also facilitates record disposal. Public information services provided by the department include receptionist and lobby services, response to open records requests and standardized guidelines for City Hall displays and meeting presentations.

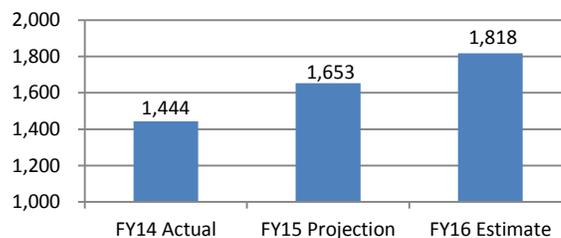
## FY16 Requests

City Secretary’s FY16 budget include a total of \$47,700. This includes \$20,000 to update the development code, \$13,700 for Opens Records Tracking Software, \$10,000 for the EDMS project, \$3,000 for the Docusign Envelope, and \$1,000 for electronic secure signatures.

## Performance Measures: Responsible City Government

The City Council measure for “Customer Response Management” is the number of open records requests received by the department.

**Number of Open Records Requests Received**



Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 668,969	\$ 710,354	\$ 710,354	\$ 737,185	\$ -	\$ 737,185
Supplies	52,514	68,500	68,500	61,500	-	61,500
Professional Services	25,139	75,251	75,251	28,677	43,700	72,377
Purchased Services	75,342	57,999	57,999	53,277	4,000	57,277
Capital/Other	1,361	1,000	1,000	-	-	-
Repairs & Maintenance	2,400	4,532	4,532	6,532	-	6,532
<b>Category Totals</b>	<b>\$ 825,725</b>	<b>\$ 917,636</b>	<b>\$ 917,636</b>	<b>\$ 887,171</b>	<b>\$ 47,700</b>	<b>\$ 934,871</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
City Secretary	9.20	9.20	-	9.20	-	9.20
<b>FTE Count Totals</b>	<b>9.20</b>	<b>9.20</b>	<b>-</b>	<b>9.20</b>	<b>-</b>	<b>9.20</b>

# Public Communications

## Mission Statement

To clearly and accurately communicate information and the value of key City services, programs, and messages to foster an engaged and informed citizenry; to protect the safety and welfare of citizens; to provide leadership in further strengthening and promoting Sugar Land’s “brand” as a benchmark for superior municipal government service through all City communication tools including publications, web site, municipal cable television, media relations and emergency communications; and to serve as a resource to City departments for delivery of specific communication needs.

## Services Provided

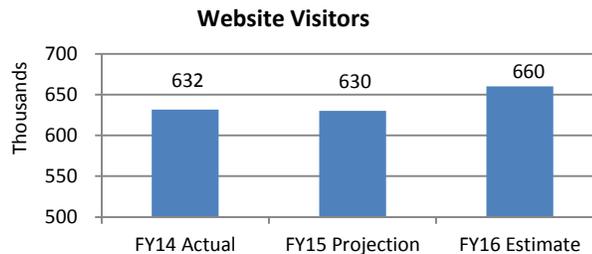
Public Communications is responsible for providing accurate, responsive and timely information to citizens and the public through a variety of communication tools including publications, website, SLtv16, media relations, public safety and emergency communications. Additionally, Public Communications connects citizens with local government through volunteer opportunities and community education such as Serve Sugar Land, Sugar Land 101, and the Mayor’s Youth Advisory Council. The Community Action Center is housed in Public Communications and provides staff and resources necessary to address and monitor citizen concerns and answer questions regarding the City and the services it provides.

## FY16 Requests

A total of \$120,000 for Public, Educational, and Government (PEG) access television funding is included in the FY16 budget. The PEG funds come from a 1% fee on Comcast accounts within the City of Sugar Land and will be used for capital items to increase the quality of broadcasts on SLtv16.

## Performance Measures: Responsible City Government

The City Council measures for “Easy access to city government” are citizen satisfaction with City publications, website and municipal television (SLtv16), and number of website visitors.



Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 729,926	\$ 757,906	\$ 757,906	\$ 698,940	\$ -	\$ 698,940
Supplies	132,931	41,508	41,508	20,853	-	20,853
Professional Services	64,904	58,755	58,755	26,875	-	26,875
Repairs & Maintenance	453	400	400	150	-	150
Purchased Services	49,625	141,312	141,312	141,262	-	141,262
Capital/Other	46,606	114,910	114,910	-	120,000	120,000
<b>Category Totals</b>	<b>\$ 1,024,445</b>	<b>\$ 1,114,791</b>	<b>\$ 1,114,791</b>	<b>\$ 888,080</b>	<b>\$ 120,000</b>	<b>\$ 1,008,080</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes *	FY16 Budget
Public Communications	9.00	9.00	-	9.00	(1.00)	8.00
<b>FTE Count Totals</b>	<b>9.00</b>	<b>9.00</b>	<b>-</b>	<b>9.00</b>	<b>(1.00)</b>	<b>8.00</b>

\*Community Outreach Manager moved to Environmental & Neighborhood Services

# Human Resources

## Mission Statement

Serve managers and employees by providing excellent human resources systems and risk management programs to help them be a “Champion Workforce,” helping the organization achieve excellence in delivering public services and impacting the organization’s financial resources through cost effective/efficient government.

## Services Provided

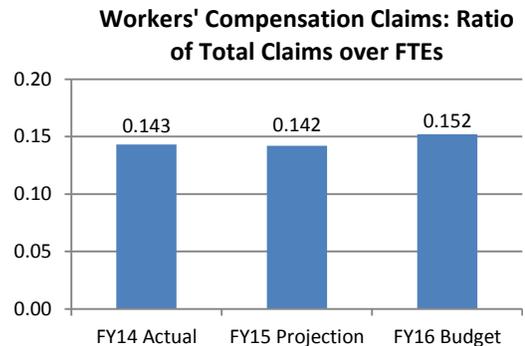
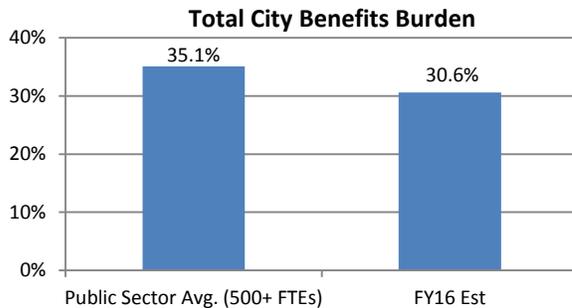
**Human Resources Department** is an internal service and offers a full range of human resource services for all City departments. **Risk Management** coordinates worker compensation, liability insurance claims, and oversees the work safety program.

## FY16 Requests

There are no additions to the Human Resources FY16 budget.

## Performance Measures: Responsible City Government

The “Benefits Burden” is the ratio of the cost of defined benefits to the base payroll of employees eligible to receive benefits. The City Council measure for “Workers’ Compensation Claims” is the ratio of total claims over number of employees.



Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 1,108,447	\$ 1,040,846	\$ 1,040,846	\$ 1,097,150	\$ -	\$ 1,097,150
Supplies	81,886	88,948	88,948	88,480	-	88,480
Professional Services	104,258	66,865	66,865	61,330	-	61,330
Repairs & Maintenance	242	700	700	600	-	600
Purchased Services	123,981	168,407	168,407	180,961	-	180,961
Capital/Other	-	2,575	2,575	-	-	-
<b>Category Totals</b>	<b>\$ 1,418,813</b>	<b>\$ 1,368,341</b>	<b>\$ 1,368,341</b>	<b>\$ 1,428,521</b>	<b>\$ -</b>	<b>\$ 1,428,521</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Human Resources	12.00	12.00	-	12.00	(1.00)	11.00
<b>FTE Count Totals</b>	<b>12.00</b>	<b>12.00</b>	<b>-</b>	<b>12.00</b>	<b>(1.00)</b>	<b>11.00</b>

# City Attorney

## Mission Statement

The City Attorney’s Office seeks to provide legal services to the City Council, boards and commissions, management, and employees that are timely; understandable and accessible to the client; achieve the City’s goals within the boundaries of the law; based on the Department’s independent judgment of the law; and protect the legal interests of the City as a municipal corporation.

## Services Provided

The City Attorney’s Office provides legal services to the City and the City’s development corporations. These services include contract review, ordinance preparation, policy review, and prosecution of violations of State law and City ordinances in Municipal Court.

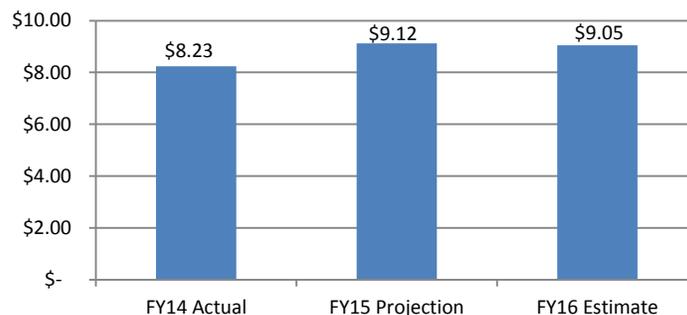
## FY16 Requests

Funding for \$84,816 is included for the new Assistant City Attorney position and \$15,450 for furniture and equipment.

## Performance Measures: Responsible City Government

The City Council measure for “cost-effective delivery of City services” is recurring cost per capita.

Recurring Cost per Capita



Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 601,160	\$ 653,287	\$ 653,287	\$ 629,950	\$ 84,816	\$ 714,766
Supplies	12,540	13,951	13,951	13,951	-	13,951
Professional Services	81,133	102,118	102,118	47,600	-	47,600
Repairs & Maintenance	1,280	380	380	-	-	-
Purchased Services	12,417	17,526	17,526	9,499	-	9,499
Capital/Other	3,738	6,308	6,308	6,308	15,450	21,758
<b>Category Totals</b>	<b>\$ 712,268</b>	<b>\$ 793,570</b>	<b>\$ 793,570</b>	<b>\$ 707,308</b>	<b>\$ 100,266</b>	<b>\$ 807,574</b>

FTE Count	FY14 Actuals	FY15 Current Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
City Attorney	5.00	5.00	-	5.00	1.00	6.00
<b>FTE Count Totals</b>	<b>5.00</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>	<b>1.00</b>	<b>6.00</b>

# Information Technology

## Mission Statement

The mission of the IT department is to provide guidance in an effective, strategic, and fiscally responsible manner for all technology applications by: maintaining a thorough knowledge of operating systems, applications, and hardware; providing a secure infrastructure, that promotes the integrity of the electronic data that is collected, stored, and retrieved; proactively evaluate departmental needs to position them for successful delivery of service while providing efficient, effective, reliable, timely and courteous service to all users.

## Services Provided

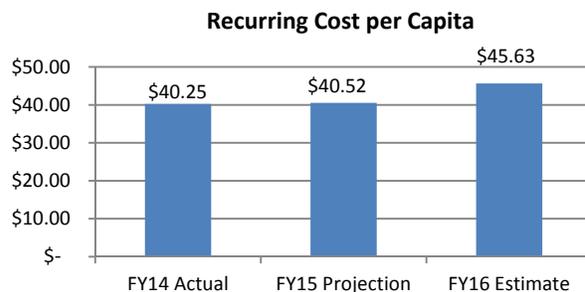
The IT Department provides City-wide support to all departments by maintaining the integrity of computer and communications infrastructure of the City. This includes City-wide coordination for advanced systems in Public Safety, Telecommunications, and GIS. A primary function of the department is end-user support for all City employees in their use of technology, which involves inventories, configuration, installation, and maintenance of desktop systems. The department is also responsible for project management from City-wide technology projects to application development.

## FY16 Requests

FY16 budget includes \$266,329 for corporate Wi-Fi, \$20,000 for digital orthos, \$59,200 for Remote Access VPN, \$70,000 for implementation of SharePoint 2013, \$35,000 for Microsoft Office 365, and \$141,706 for two new positions; a GIS specialist and System and SharePoint Administrator.

## Performance Measures: Responsible City Government

The City Council measure for “cost-effective delivery of city services” is recurring cost per capita.



Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	1,672,503	1,795,750	1,795,750	1,951,282	141,706	2,092,988
Supplies	66,270	21,620	21,620	28,010	49,200	77,210
Professional Services	402,845	504,524	504,524	315,271	135,000	450,271
Purchased Services	472,061	244,565	226,065	136,011	55,000	191,011
Capital/Other	59,810	8,000	8,000	-	211,329	211,329
Repairs & Maintenance	818,428	949,926	968,426	970,230		970,230
<b>Category Totals</b>	<b>\$ 3,491,918</b>	<b>\$ 3,524,385</b>	<b>\$ 3,524,385</b>	<b>\$ 3,400,804</b>	<b>\$ 592,235</b>	<b>\$ 3,993,039</b>

FTE Count	FY14 Actuals	FY15 Current Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Information Technology	21.00	21.00	-	21.00	2.00	23.00
<b>FTE Count Totals</b>	<b>21.00</b>	<b>21.00</b>	<b>-</b>	<b>21.00</b>	<b>2.00</b>	<b>23.00</b>

# Strategic Initiatives

## Mission Statement

The mission of the Office of Strategic Initiatives is to ensure the operations of the City are aligned with the vision and priorities established by the City Council and to promote accountability within the organization and foster continuous improvement.

## Services Provided

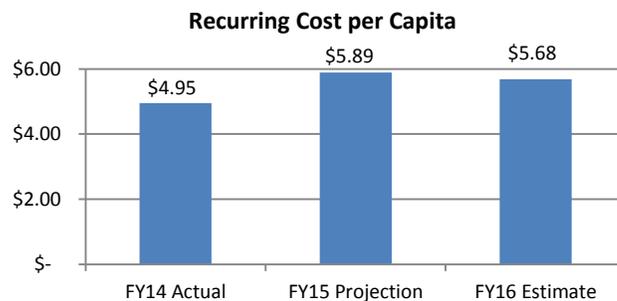
The Office of Strategic Initiatives is responsible for the leadership and coordination of City-wide strategic planning process – including quarterly reporting to the City Council – and for providing support to the City Manager’s Office by serving as the staff liaison to the City’s multi-cultural program and the Mayor’s Youth Advisory Council. The Office of Strategic Initiatives manages the implementation of a cross-departmental performance measurement system and implementation of annual organizational assessments. The goal of these two programs is to increase accountability, efficiency and effectiveness with departments. This office is also responsible for managing the City-wide business plan process and any research/special projects.

## FY16 Requests

Strategic Initiatives’ FY16 budget include a one-time addition of \$100,000 for the implementation of an organizational assessment. FY16 assessments will focus on the Police Department, Municipal Court, and Parks Department.

## Performance Measures: Responsible City Government

The City Council measure for “cost-effective delivery of city services” is recurring cost per capita.



Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 301,651	\$ 472,492	\$ 472,492	\$ 541,217	\$ -	\$ 541,217
Supplies	13,326	21,797	21,797	2,635	-	2,635
Professional Services	87,531	102,753	102,753	1,410	100,000	101,410
Repairs & Maintenance	12,217	601	601	-	-	-
Purchased Services	13,312	14,346	14,346	16,452	-	16,452
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 428,036</b>	<b>\$ 611,989</b>	<b>\$ 611,989</b>	<b>\$ 561,714</b>	<b>\$ 100,000</b>	<b>\$ 661,714</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Strategic Initiatives	3.00	7.00	-	7.00	1.00	8.00
<b>FTE Count Totals</b>	<b>3.00</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>	<b>1.00</b>	<b>8.00</b>

# Economic Development

## Mission Statement

The mission of the Economic Development Department is to facilitate the creation of a sustainable business environment that promotes a consistent, quality economy that enhances the standard of living for our residents and to provide the necessary financial resources for the City of Sugar Land through an expanded and diversified tax base.

## Services Provided

The **Economic Development** program is responsible for several services including targeted business recruitment, business retention, expansion, and development; business incentives, and revenue enhancement and diversification. Marketing on the regional, national, and international level is conducted along with retail activity analysis. Administration of funds, agreements, and project management services are also fulfilled under the leadership of City Council, City administration, and associated boards and committees. **Tourism & Destination Events** is responsible for attracting leisure travelers, professional convention and meeting planners as well as sporting tournaments and event producers to Sugar Land in an effort to increase the City's economic vitality with an increase in overnight guests and day-trippers.

## FY16 Requests

There are no additions to the Economic Development's FY16 budget. However, the operating costs for Economic Development are funded by the Sugar Land Development Corporation and Sugar Land 4B Corporation budgets, which are approved by the board of directors for each corporation.

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 416,903	\$ 730,417	\$ 730,417	\$ 676,603	\$ -	\$ 676,603
Supplies	830	5,511	5,511	12,955	-	12,955
Professional Services	-	4,500	4,500	10,105	-	10,105
Repairs & Maintenance	-	-	-	-	-	-
Purchased Services	41	230,650	230,650	24,015	-	24,015
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 417,774</b>	<b>\$ 971,078</b>	<b>\$ 971,078</b>	<b>\$ 723,678</b>	<b>\$ -</b>	<b>\$ 723,678</b>

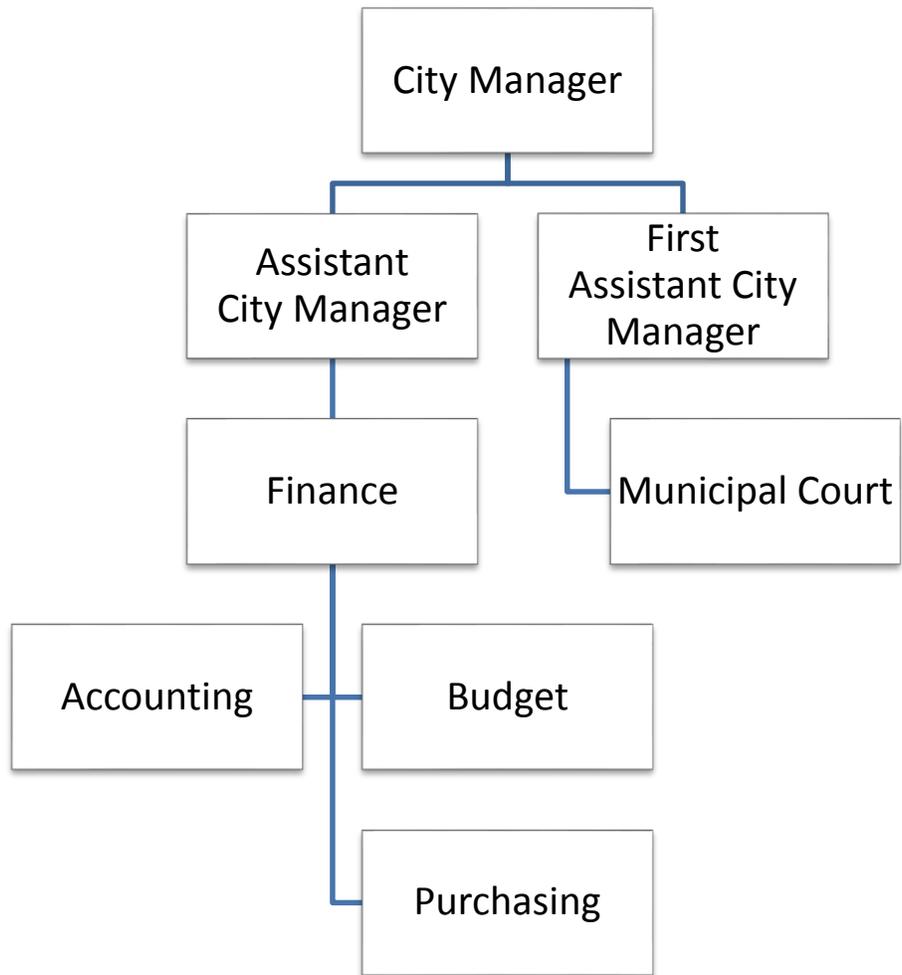
Summary by Type	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Economic Development	\$ 417,774	\$ 601,569	\$ 601,569	\$ 624,845	\$ -	\$ 624,845
Tourism & Destination Events	-	369,509	369,509	98,833	-	98,833
<b>Category Totals</b>	<b>\$ 417,774</b>	<b>\$ 971,078</b>	<b>\$ 971,078</b>	<b>\$ 723,678</b>	<b>\$ -</b>	<b>\$ 723,678</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Economic Development	6.00	6.00	-	6.00	-	6.00
Tourism & Destination Events	-	-	0.50	0.50	-	0.50
<b>FTE Count Totals</b>	<b>6.00</b>	<b>6.00</b>	<b>0.50</b>	<b>6.50</b>	<b>-</b>	<b>6.50</b>

# Finance & Municipal Court

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*As of October 1, 2015*



# Finance

## Mission Statement

The mission of the Finance Department is to use available resources, ethical principles, and professional practices to deliver superior and responsive financial services to City customers while maximizing effectiveness and minimizing costs in the areas of Finance Administration, Budget, Accounting, and Purchasing.

## Programs of Service

The Finance Department is made up of Finance Administration, Budget, Accounting, and Purchasing. **Finance Administration** is responsible for reviewing and implementing financial policies and managing the City's debt issuance and investment of public funds. **Budget** oversees the budget process and provides assistance to departments regarding budgeting and financial analysis. **Accounting** provides payroll, accounts payable, capital assets, grant management, general ledger, internal controls and administrative services. **Purchasing** oversees competitive purchasing, verifies insurance for contracts surplus/salvage City auction management, purchasing training, and emergency management/resource management.

## FY16 Requests

Finance's FY16 budget include a total of \$167,725 for two new positions; a Finance/Investment Analyst and an Administrative Specialist.

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 1,682,769	\$ 1,922,983	\$ 1,922,983	\$ 2,073,346	\$ 146,100	\$ 2,219,446
Supplies	24,979	30,020	30,020	28,200	1,500	29,700
Professional Services	332,169	384,520	384,520	518,746	-	518,746
Repairs & Maintenance	177	1,107	1,107	750	-	750
Purchased Services	80,444	98,695	98,695	106,954	5,000	111,954
Capital/Other	4,560	4,623	4,623	-	15,125	15,125
<b>Category Totals</b>	<b>\$ 2,125,099</b>	<b>\$ 2,441,948</b>	<b>\$ 2,441,948</b>	<b>\$ 2,727,996</b>	<b>\$ 167,725</b>	<b>\$ 2,895,721</b>

Summary by Type	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Finance Administration	\$ (183)	\$ 512,303	\$ 512,303	\$ 679,128	\$ 115,913	\$ 795,041
Budget	762,753	440,793	440,793	459,694	-	459,694
Accounting	964,148	1,042,622	1,042,622	1,065,777	-	1,065,777
Purchasing	398,382	446,230	446,230	523,397	51,812	575,209
<b>Category Totals</b>	<b>\$ 2,125,099</b>	<b>\$ 2,441,948</b>	<b>\$ 2,441,948</b>	<b>\$ 2,727,996</b>	<b>\$ 167,725</b>	<b>\$ 2,895,721</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Budget	5.00	5.00	-	5.00	-	5.00
Purchasing	5.00	5.00	1.00	6.00	1.00	7.00
Accounting	11.00	11.00	-	11.00	-	11.00
Finance Administration	-	2.00	-	2.00	1.00	3.00
<b>FTE Count Totals</b>	<b>21.00</b>	<b>23.00</b>	<b>1.00</b>	<b>24.00</b>	<b>2.00</b>	<b>26.00</b>

# Municipal Court

## Mission Statement

The mission of the Municipal Court is to maintain the City’s judicial integrity by ensuring all City resources are effectively managed in compliance with all legal and policy requirements and promoting mutual trust by operating in a safe and transparent environment and providing consistent, effective and efficient services.

## Services Provided

Municipal Court is responsible for providing arraignments and trails, photo enforcement appeals, warrant servicing, accurate reporting and customer service.

## FY16 Requests

Municipal Court’s FY16 budget includes a one-time addition of \$9,448 for new furniture for a presiding judge.

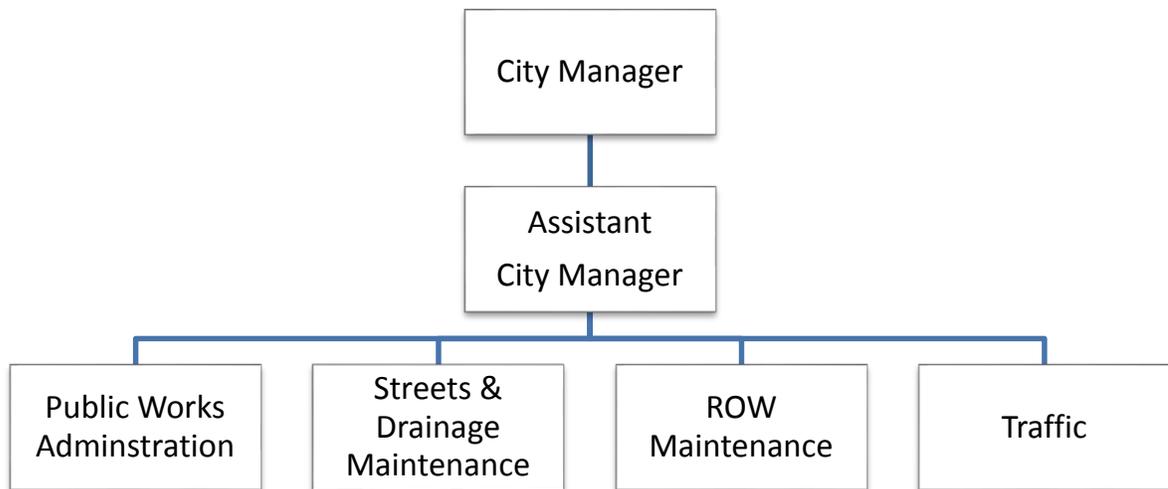
Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 740,199	\$ 787,471	\$ 787,471	\$ 802,959	\$ -	\$ 802,959
Supplies	13,628	13,280	13,280	18,721	-	18,721
Professional Services	34,924	41,206	41,206	42,046	-	42,046
Repairs & Maintenance	2,834	1,653	1,653	1,545	-	1,545
Purchased Services	57,469	81,510	81,510	67,808	-	67,808
Capital/Other	-	44,975	44,975	-	9,448	9,448
<b>Category Totals</b>	<b>\$ 849,054</b>	<b>\$ 970,095</b>	<b>\$ 970,095</b>	<b>\$ 933,079</b>	<b>\$ 9,448</b>	<b>\$ 942,527</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Municipal Court	12.00	12.00	-	12.00	-	12.00
<b>FTE Count Totals</b>	<b>12.00</b>	<b>12.00</b>	<b>-</b>	<b>12.00</b>	<b>-</b>	<b>12.00</b>

# Public Works

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*As of October 1, 2015*



# Public Works

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## Mission Statement

The Public Works Department will strive to enhance the quality of life for all residents by providing safe, reliable and effective services consistent with the stated goals of the City.

## Services Provided

The Public Works Department is responsible for the repair, operations and maintenance of the City's public streets, traffic control devices, sidewalks, bridges, drainage system, and water conservation. The Department administers a number of contracts with private sector firms for a range of goods and services that play an important role in effectively maintaining the City's infrastructure and providing essential services.

## Programs of Service

The **Administration** program manages components common to all divisions such as customer service, emergency management, the safety program, public education, personnel management, infrastructure data capture, asset management and event assistance. The **Street & Drainage Maintenance** program is responsible for the administration and operation of public streets, sidewalks, and bridges along with maintenance of sewer lines and open ditches. **Right of Way maintenance** manages the turf, landscape and irrigation in the City's Rights of Way, along with the City's Bike/ and Pedestrian Master Plan and enforcing the City's Tree Ordinance. The **Traffic** program is responsible for the engineering, maintenance, and operation of all traffic control and traffic calming devices within the City limits, and includes maintenance and monitoring of traffic signals, school zones, regulatory signs, street name signs and public information signs located on all City streets, and the railroad wayside horn system. The **Water Conservation** program is overseen by Public Works but housed in the Water Utilities Fund.

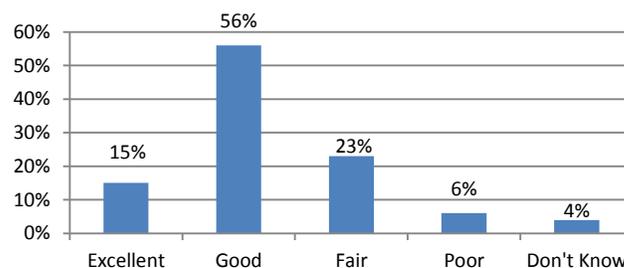
## FY16 Requests

**Public Works Administration** include one-time requests of \$50,000 for an asset management study, \$337,000 for City works implementation, and \$40,000 for dynamic message sign trailers. **Streets & Drainage maintenance** include \$22,000 for a crash attenuator replacement, contractual for \$82,797, and \$23,498 for a mosquito control fogger and sprayer.

## Performance Measures: Mobility for People

The City Council measure for "Quick Response to Traffic Problems and Issues" are citizen responses to the bi-annual citizen satisfaction survey. The latest survey was finalized and released at the end of FY12.

**Traffic Management**



# Public Works

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 3,684,953	\$ 4,127,916	\$ 4,127,916	\$ 2,553,451	\$ -	\$ 2,553,451
Supplies	549,365	569,408	569,408	327,445	13,150	340,595
Professional Services	4,184,289	4,119,191	4,119,191	2,981,630	469,797	3,451,427
Repairs & Maintenance	854,016	2,572,294	2,572,294	2,073,015	42,200	2,115,215
Purchased Services	154,940	178,596	178,596	52,518	-	52,518
Capital/Other	16,725	-	-	-	45,498	45,498
<b>Category Totals</b>	<b>\$ 9,444,288</b>	<b>\$ 11,567,405</b>	<b>\$ 11,567,405</b>	<b>\$ 7,988,059</b>	<b>\$ 570,645</b>	<b>\$ 8,558,704</b>

Summary by Type	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Public Works Admin	\$ 598,997	\$ 592,396	\$ 592,396	\$ 446,591	\$ 427,000	\$ 873,591
Street & Drainage Main.	1,923,707	2,110,065	2,110,065	2,356,263	143,645	2,499,908
Row Maintenance	-	1,800,769	1,800,769	1,653,065	-	1,653,065
Traffic Operations	3,573,536	3,626,242	3,626,242	3,532,140	-	3,532,140
Stormwater Management	147,958	225,784	225,784	-	-	-
Fleet Maintenance	548,743	571,380	571,380	-	-	-
Facilities Management	2,106,606	2,077,325	2,077,325	-	-	-
Animal Services	544,741	563,444	563,444	-	-	-
<b>Category Totals</b>	<b>\$ 9,444,288</b>	<b>\$ 11,567,405</b>	<b>\$ 11,567,405</b>	<b>\$ 7,988,059</b>	<b>\$ 570,645</b>	<b>\$ 8,558,704</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes *	FY16 Budget
Public Works Admin	6.50	5.00	-	5.00	(1.00)	4.00
Street & Drainage Main.	17.40	17.40	1.60	19.00	(1.00)	18.00
ROW Maintenance	-	-	3.00	3.00	-	3.00
Traffic Operations	9.00	9.00	-	9.00	-	9.00
Stormwater Management	1.50	1.50	-	1.50	(1.50)	-
Fleet Maintenance	5.00	6.00	-	6.00	(6.00)	-
Facilities Management	9.00	8.00	-	8.00	(8.00)	-
Animal Services	7.50	7.50	1.48	8.98	(8.98)	-
<b>FTE Count Totals</b>	<b>55.90</b>	<b>54.40</b>	<b>6.08</b>	<b>60.48</b>	<b>(26.48)</b>	<b>34.00</b>

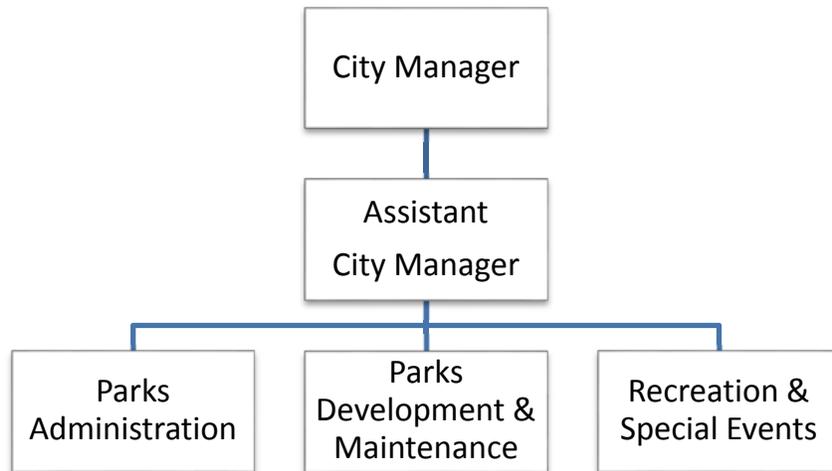
\* Stormwater Management, Fleet Maintenance, Facilities Maintenance, Animal Services, and an Assistant Director moved to Environmental & Neighborhood Services, which is a new FY16 program in Community Development.

General Maintenance Worker moved from Street & Drainage Maintenance to Parks Development.

# Parks & Recreation

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*As of October 1, 2015*



# Parks & Recreation

## Mission Statement

The mission of the Parks & Recreation Department is to create and maintain unparalleled recreational opportunities through unique, high quality parks and public spaces that enhance the community.

## Services Provided

The Parks & Recreation Department is responsible for planning, developing, implementing and managing parks, recreation and leisure services.

## Programs of Service

**Administration** is responsible for implementing the programs, policies and services established under the leadership of City Council, City administration, and associated advisory boards of the City. **Development & Maintenance** is responsible for the planning, design, and construction of park facilities, and park area landscape, pest control, custodial services and repairs. **Recreation & Special Events** creates, manages and delivers City-hosted events and cultural activities, oversees leisure classes, youth sports associations, senior activities and contractual operation of the municipal pool including swim lessons, life guards, and swim team usage.

## FY16 Requests

There are no additions to the Parks & Recreation’s FY16 budget.

## Performance Measures: Well Planned Community & Great Place to Live

The performance measure for a “Well Planned Community & Great Place” to Live is based on the most recent citizen survey.



Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 2,234,428	\$ 2,043,828	\$ 2,043,828	\$ 2,272,686	\$ -	\$ 2,272,686
Supplies	281,604	193,369	193,369	193,897	-	193,897
Professional Services	552,819	521,009	501,009	595,185	-	595,185
Repairs & Maintenance	1,887,889	626,503	646,503	701,747	-	701,747
Purchased Services	579,267	332,946	332,946	535,644	-	535,644
Capital/Other	12,144	19,483	19,483	15,442	-	15,442
<b>Category Totals</b>	<b>\$ 5,548,151</b>	<b>\$ 3,737,138</b>	<b>\$ 3,737,138</b>	<b>\$ 4,314,601</b>	<b>\$ -</b>	<b>\$ 4,314,601</b>

## Parks & Recreation

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Park Administration	\$ 609,376	\$ 658,674	\$ 658,674	\$ 753,161	\$ -	\$ 753,161
Parks Development & Maintenance	3,433,073	1,838,306	1,838,306	2,052,528	-	2,052,528
Recreation & Athletic Program	1,505,702	1,240,158	1,240,158	1,508,912	-	1,508,912
<b>Category Totals</b>	<b>\$ 5,548,151</b>	<b>\$ 3,737,138</b>	<b>\$ 3,737,138</b>	<b>\$ 4,314,601</b>	<b>\$ -</b>	<b>\$ 4,314,601</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments*	FY16 Base Budget	FY16 Changes**	FY16 Budget
Park Administration	6.00	6.00	1.00	7.00	-	7.00
Parks Development & Maintenance	15.00	15.00	(5.00)	10.00	1.00	11.00
Recreation & Athletic Program	17.77	17.77	(1.00)	16.77	0.50	17.27
<b>FTE Count Totals</b>	<b>38.77</b>	<b>38.77</b>	<b>(5.00)</b>	<b>33.77</b>	<b>1.50</b>	<b>35.27</b>

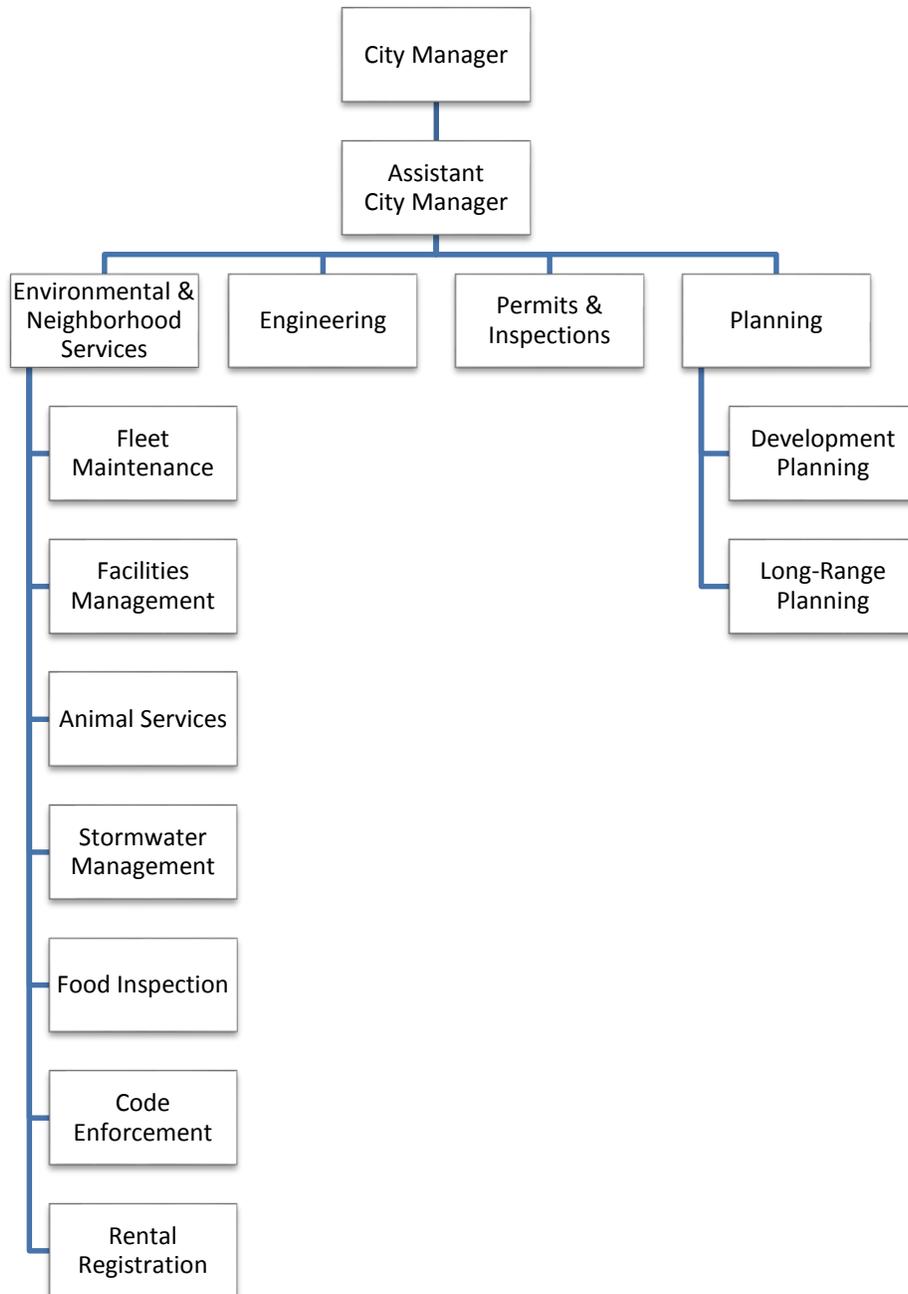
\* In FY15 Row & Trail maintenance moved to Public Works.

\*\* In FY16 General Maintenance II moved from Public Works to Parks Development. Part time Event Coordinator moved from Tourism & Destination Events to Recreation & Athletic Program.

# Community Development

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*As of October 1, 2015*



# Planning

## Mission Statement

The Planning Department ensures a well-planned City that is safe, beautiful and livable. We do this by facilitating the development and implementation of long-range plans and policies such as the City’s Comprehensive Plan and master plans, shaping the city’s physical environment through reasonable enforcement of codes and standards and ensuring development quality for the City.

## Services Provided

The Development Planning Program is responsible for administrating development review for applications such as subdivision plats, site plans, general plans, rezoning and conditional use permit cases, variances, special exceptions, and appeals. The Long-Range Planning program provides Comprehensive Plan and Master Plans development and maintenance, land use planning, regional land use activities, demographics and development agreements tracking and monitoring, annexations, mobility planning and comprehensive mobility plan implementation, and regional mobility activities participation.

## Programs of Service

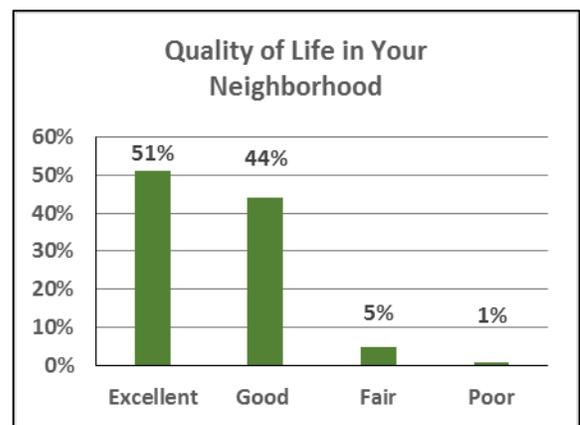
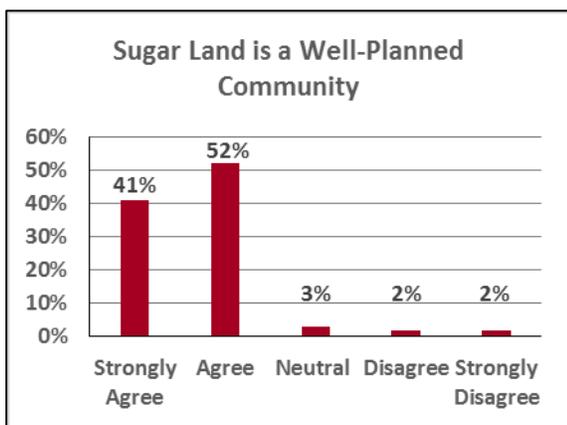
**Development Planning** reviews plats, site plans, and rezoning applications to ensure compliance with City development policies, codes and planning. **Long Range Planning** leads the City’s efforts to plan for the long range needs of the City including development and maintenance of the City’s Comprehensive Plan and master plans, annexation planning and implementation, and land use planning. **Transportation & Mobility Planning** is responsible for transportation planning, identification of related funding mechanisms and coordination with outside agencies. Strategic projects are completed to develop policy guidance and implementation as they relate to mobility.

## FY16 Requests

A total of \$27,500 is included in the FY16 budget; \$25,000 for consulting services and \$2,500 for miscellaneous.

## Performance Measures: Well Planned Community & Livable Neighborhoods

The City measure for “Predictable, compatible land uses through zoning and comprehensive planning” is the percent of citizens who agree that Sugar Land is a well-planned community. The most recent survey results are shown below.



# Planning

Summary by Type	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Administration	\$ 47,367	\$ 137,006	\$ 137,006	\$ 249,075	\$ -	\$ 249,075
Development Planning	432,553	515,955	515,955	508,614	-	508,614
Transp. & Long Range Plan	420,292	526,975	526,975	443,681	27,500	471,181
<b>Category Totals</b>	<b>\$ 900,211</b>	<b>\$ 1,179,936</b>	<b>\$ 1,179,936</b>	<b>\$ 1,201,370</b>	<b>\$ 27,500</b>	<b>\$ 1,228,870</b>

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 711,105	\$ 925,515	\$ 925,515	\$ 1,056,723	\$ -	\$ 1,056,723
Supplies	13,914	15,860	15,860	13,327	-	13,327
Professional Services	148,215	195,093	195,093	78,455	25,000	103,455
Repairs & Maintenance	-	8,129	8,129	3,000	-	3,000
Purchased Services	25,401	33,739	33,739	49,295	-	49,295
Capital/Other	1,576	1,600	1,600	570	2,500	3,070
<b>Category Totals</b>	<b>\$ 900,211</b>	<b>\$ 1,179,936</b>	<b>\$ 1,179,936</b>	<b>\$ 1,201,370</b>	<b>\$ 27,500</b>	<b>\$ 1,228,870</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Administration	-	-	2.00	2.00	-	2.00
Development Planning	7.00	8.50	(1.50)	7.00	-	7.00
Transp. & Long Range Planning	4.00	4.50	(1.50)	3.00	-	3.00
<b>FTE Count Totals</b>	<b>11.00</b>	<b>13.00</b>	<b>(1.00)</b>	<b>12.00</b>	<b>-</b>	<b>12.00</b>

# Permits & Inspections

## Mission Statement

The Permits and Inspections Department is committed to the public's safety and enhances quality of life by providing plan review and other permit and inspection services that ensure code compliance in the development and redevelopment of buildings and their components.

## Services Provided

The Permits & Inspections Department provides assistance for all issues relating to permitting of residential and commercial construction and enforces building code compliance through plan review and inspections. The permits processed allow certified plan examiners and/or inspectors to check the proposed and completed work for building code standards. The City adopted building codes are intended to safeguard the public health, safety and general welfare through structural strength, means of egress facilities, stability, sanitation, adequate light and ventilation, energy conservation, and safety to life and property from fire and other hazards attributed to the built environment and to provide safety to fire fighters and emergency responders during emergency operations.

## Programs of Service

The Permits & Inspections Department provides extensive customer service to homeowners, contractors and business owners. This technical assistance is provided via walk-in customers, phone requests and questions, and faxed-in permit requests. The Permits and Inspections Department answers technical questions and provides guidance for all aspects of plan review (both at the Permit Technician desk and with the Plan Reviewers), issuing of permits (including taking the payments) and inspections (inspectors are licensed through the State and International Code Council to be able to perform multi-disciplined inspections) of residential and commercial buildings based upon the regulatory authority of City Council adopted building codes.

## FY16 Requests

There were no additions to the FY16 budget.

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 973,018	\$ 1,060,425	\$ 1,060,425	\$ 1,121,236	\$ -	\$ 1,121,236
Supplies	22,764	37,846	37,846	28,801	-	28,801
Professional Services	9,729	16,022	16,022	13,742	-	13,742
Repairs & Maintenance	7,039	3,564	3,564	3,564	-	3,564
Purchased Services	36,715	50,836	50,836	32,967	-	32,967
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 1,049,264</b>	<b>\$ 1,168,693</b>	<b>\$ 1,168,693</b>	<b>\$ 1,200,310</b>	<b>\$ -</b>	<b>\$ 1,200,310</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Permits	15.08	15.08	-	15.08	-	15.08
<b>FTE Count Totals</b>	<b>15.08</b>	<b>15.08</b>	<b>-</b>	<b>15.08</b>	<b>-</b>	<b>15.08</b>

# Engineering

## Mission Statement

As the engineering authority for the City, the Engineering Department provides expertise and regulatory guidance for all planning, design and construction of CIP and development projects within our jurisdiction and manages and maintains master plans as required through the comprehensive plan. We develop business processes and control mechanisms, including coordination with outside agencies, to ensure projects are on-time and within budget with complete and accurate reporting. The Engineering Department is committed to maintaining a high level of professionalism through open lines of communication and transparency while delivering superior customer service.

## Services Provided

The Engineering Department provides centralized support to owner and stakeholder departments for development of the CIP and design and construction of capital projects and external services dealing with public infrastructure related to development improvements, floodplain regulations and adherence to City regulations, development code and engineering design standards. In addition, the department manages all real estate services and master plan updates. These services are focused on consistency and efficiency for success and rely on sound communication throughout the department in order to accomplish the large amount of work that is part of these services.

## FY16 Requests

Engineering's FY16 budget include a total of \$83,194, which includes \$76,794 for a CIP Project Manager, and \$3,822 for miscellaneous items.

## Performance Measures: Well Planned Community

The department strives to meet the City Council's goal of a "Well Planned Community." According to the most recent Citizen Survey, "93% agree with the statement: 'Sugar Land is a well-planned community that ensures compatible land use for residential, office, and retail purposes.'"

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 2,063,544	\$ 2,252,242	\$ 2,252,242	\$ 2,213,627	\$ 76,794	\$ 2,290,421
Supplies	40,358	37,125	37,125	34,926	1,900	36,826
Professional Services	103,080	172,435	172,435	120,170	1,000	121,170
Repairs & Maintenance	11,067	10,147	10,147	10,147	-	10,147
Purchased Services	49,810	45,340	45,340	45,620	2,000	47,620
Capital/Other	-	1,475	1,475	-	1,500	1,500
<b>Category Totals</b>	<b>\$ 2,267,859</b>	<b>\$ 2,518,764</b>	<b>\$ 2,518,764</b>	<b>\$ 2,424,490</b>	<b>\$ 83,194</b>	<b>\$ 2,507,684</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Engineering	21.00	22.00	-	22.00	1.00	23.00
<b>FTE Count Totals</b>	<b>21.00</b>	<b>22.00</b>	<b>-</b>	<b>22.00</b>	<b>1.00</b>	<b>23.00</b>

# Environmental & Neighborhood Services

## Mission Statement

To enhance the quality of life for all residents by providing safe, reliable and effective services consistent with the stated goals of the City and to realize the City’s vision of a safe, beautiful, well-planned community by supporting growth and maintaining existing development through fair and consistent education, regulation, and coordination coupled with excellent customer service.

## Services Provided

Environmental & Neighborhood Services is responsible for animal services, the community development block grant, code enforcement, community engagement, facilities, fleet, food inspections, the rental licensing program, and stormwater. The department administers a number of contracts with private sector firms for a range of goods and services that play an important role in effectively maintaining City facilities and providing essential services. Special projects and assignments on behalf of the City Manager and community are also carried out.

## Programs of Service

Under **Environmental and Neighborhood Services Administration** is **Community Engagement**, which connects citizens with local government through volunteer opportunities and community education such as Serve Sugar Land, Sugar Land 101, and the Mayor’s Youth Advisory Council. **Fleet Maintenance** maintains over 400 vehicles, fire apparatus, EMS vehicles and small pieces of machinery. **Facilities Management** manages a maintenance and improvement program, retirement of assets, immediate repairs, special projects, and new vertical construction projects. **Animal Services** operates the City’s animal shelter and enforces animal-related City ordinances. **Storm Water Management** program is responsible for developing and implementing the City’s Storm Water Management Program and providing water quality guidelines for storm water discharge as required by federal and state agencies. The **Food Inspection** program is responsible for the permitting and inspection of temporary, mobile and permanent food establishments in order to ensure they are safe, sanitary and in compliance with applicable codes and regulations. **Code Enforcement** program works to protect the health, safety and welfare of residents through enforcement of the City’s Codes and Ordinances. The **Rental Licensing** program ensures that the approx. 2,900 active rental properties are conforming to property maintenance standards and are safe for occupancy.

## FY16 Requests

A Community Outreach Coordinator for \$79,901 was added in Administration, an Automotive Technician in Fleet for \$82,289, and \$10,000 in Animal Services for wildlife contracts.

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 650,816	\$ 792,304	\$ 792,304	\$ 2,684,613	\$ 134,390	\$ 2,819,003
Supplies	18,383	27,282	27,282	276,663	12,350	289,013
Professional Services	10,752	18,735	18,735	966,879	11,000	977,879
Repairs & Maintenance	2,059	3,450	3,450	526,642	-	526,642
Purchased Services	18,417	26,261	26,261	167,613	6,950	174,563
Capital/Other	-	-	-	-	7,500	7,500
<b>Category Totals</b>	<b>\$ 700,427</b>	<b>\$ 868,032</b>	<b>\$ 868,032</b>	<b>\$ 4,622,410</b>	<b>\$ 172,190</b>	<b>\$ 4,794,600</b>

# Environmental & Neighborhood Services

Summary by Type	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Administration	\$ 116,214	\$ 127,481	\$ 127,481	\$ 346,706	\$ 79,901	\$ 426,607
Fleet Maintenance	-	-	-	605,395	82,289	687,684
Facilities Management	-	-	-	2,079,026	-	2,079,026
Animal Services	-	-	-	635,790	10,000	645,790
Stormwater Management	-	-	-	163,371	-	163,371
Food Inspection	185,315	222,928	222,928	247,865	-	247,865
Code Enforcement	248,627	307,044	307,044	318,162	-	318,162
Rental Registration	150,271	210,579	210,579	226,095	-	226,095
<b>Category Totals</b>	<b>\$ 700,427</b>	<b>\$ 868,032</b>	<b>\$ 868,032</b>	<b>\$ 4,622,410</b>	<b>\$ 172,190</b>	<b>\$ 4,794,600</b>

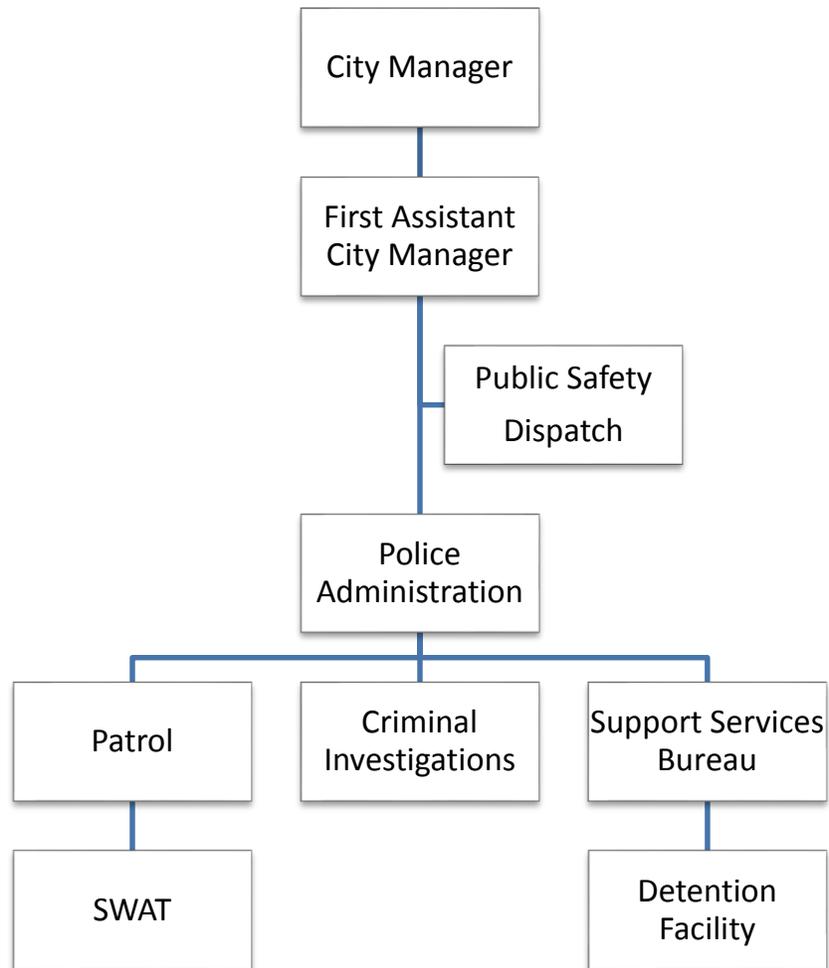
FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes *	FY16 Budget
Administration	1.00	1.00	-	1.00	3.00	4.00
Fleet Maintenance	-	-	-	-	7.00	7.00
Facilities Maintenance	-	-	-	-	8.00	8.00
Stormwater Management	-	-	-	-	1.50	1.50
Animal Services	-	-	-	-	8.98	8.98
Food Inspection	3.00	3.00	-	3.00	-	3.00
Code Enforcement	4.00	5.00	-	5.00	-	5.00
Rental Registration	2.00	3.00	-	3.00	-	3.00
<b>FTE Count Totals</b>	<b>10.00</b>	<b>12.00</b>	<b>-</b>	<b>12.00</b>	<b>28.48</b>	<b>40.48</b>

\*New department for FY16. In addition to the 2 new positions for FY16 in Administration and Fleet Maintenance, 26.48 FTEs were transferred from Public Works and Communications.

# Police Department & Public Safety Dispatch

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*As of October 1, 2015*



# Police Department & Public Safety Dispatch

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## Mission Statement

The Sugar Land Police Department places an emphasis on quality law enforcement, crime prevention, and community policing. The overall goal of the organization is to develop partnerships and joint problem-solving techniques with the community that will increase the safety and quality of life for residents and visitors. Sugar Land Public Safety Dispatch provides support to the City's Public Safety operations and the citizens of Sugar Land through a specialized communications network in the form of radio and computer transmissions, the use of specialized computer systems and the operations of emergency, as well as non-emergency telephone communications systems.

## Services Provided

The Sugar Land Police Department provides quality police services in an active and efficient manner to the citizens of Sugar Land, daily business population, pass-through commuters, shoppers, and visitors. The Police Department operates under the Beat Accountability System, which keeps officers close to one area. The City is divided into five beats, with officers assigned to each area partnering with residents to increase safety in the community. Public Safety Dispatch is housed with the Police Department and provides dispatching to both the Police and Fire Departments.

## Programs of Service

The **Administration** program is responsible for community relations, beat accountability, financial management, accreditation, policy establishment and compliance, internal affairs, red light camera enforcement and overall administration of the department. **Patrol** provides response to calls for service, active patrol, general traffic enforcement, directed assignments, traffic and DWI investigations, public education and presentations, new personnel training, court testimony, house watches, oversight of C.A.S.T. and Citizen's Police Academy, bicycle patrol, honor guard, Municipal Court Bailiff, and security at public meetings. **Special Weapons and Tactics (S.W.A.T.)** is part of a multi-jurisdictional taskforce that serves felony warrants, responses to hostage/barricaded situations, surveillance and other tactical call-outs beyond normal patrol functions. The **Criminal Investigations** program provides prompt responses to crime scenes with investigators who collect, correlate, and analyze facts and evidence in each case, process and document the evidence and property, interview victims and witnesses of the crime, provide testimony for court and follow up with crime victim's compensation, along with fingerprinting for civilians needing passports, concealed handgun licenses, and various occupations. **Support Services** is composed of four entities: *Training*, which is responsible for the coordination and implementation of all police personnel training and recruitment of new personnel; *Records*, which is responsible for processing, maintaining, and securing the official records of the Police Department and providing a primary call taker/receptionist for the department, *Detention*, which is responsible for housing detainees and *Fleet & Equipment Services*, which is responsible for maintaining the department's fleet vehicles. **Public Safety Dispatch** answers calls routed through emergency and non-emergency phone systems for the purpose of providing assistance from Police, Fire, Animal Control, Public Works, Traffic, and other City departments. The calls are transferred to the appropriate department and resources are dispatched to the site via radio, computer, or other electronic devices.

## FY16 Requests

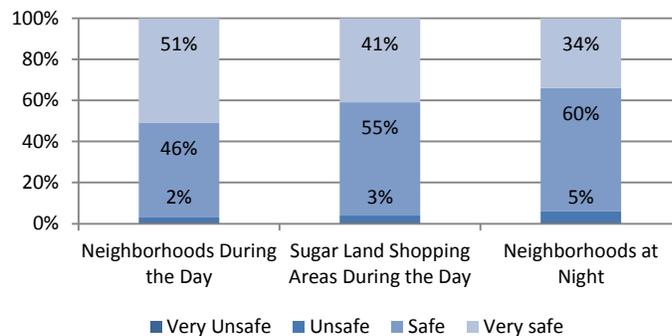
Police Department and Public Safety Dispatch's FY16 budget include a total of \$294,135. **Staff Services Bureau** include an addition of \$64,389 for Taser replacements, and \$9,739 for Combat medical supplies. **Patrol** program has an addition of \$65,036 for Axon Body Camera System. **Public Safety Dispatch** includes \$111,265 for Digital Radio Consolettes and \$42,305 for a Dispatch Quality Analyst.

# Police Department & Public Safety Dispatch

## Performance Measures: Safest City in America

The City Council measure for “Rapid, Effective, and Coordinated Response to an Emergency for Police” is an average response time to a Priority I emergency.

How Safe do you Feel in...



The City Council measure “Police work highly visible with people feeling safe and confident in the response” is citizen response to the bi-annual citizen satisfaction survey.

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 15,989,453	\$ 17,894,020	\$ 17,894,020	\$ 18,526,254	\$ 42,306	\$ 18,568,560
Supplies	709,577	753,200	753,200	671,267	65,601	736,868
Professional Services	170,818	177,143	177,143	178,319	9,739	188,058
Purchased Services	189,289	222,696	222,696	264,684	24,078	288,762
Capital/Other	253,019	317,841	317,841	271,662	34,418	306,080
Repairs & Maintenance	95,986	135,775	135,775	-	117,993	117,993
<b>Category Totals</b>	<b>\$ 17,408,142</b>	<b>\$ 19,500,675</b>	<b>\$ 19,500,675</b>	<b>\$ 19,912,186</b>	<b>\$ 294,135</b>	<b>\$ 20,206,321</b>

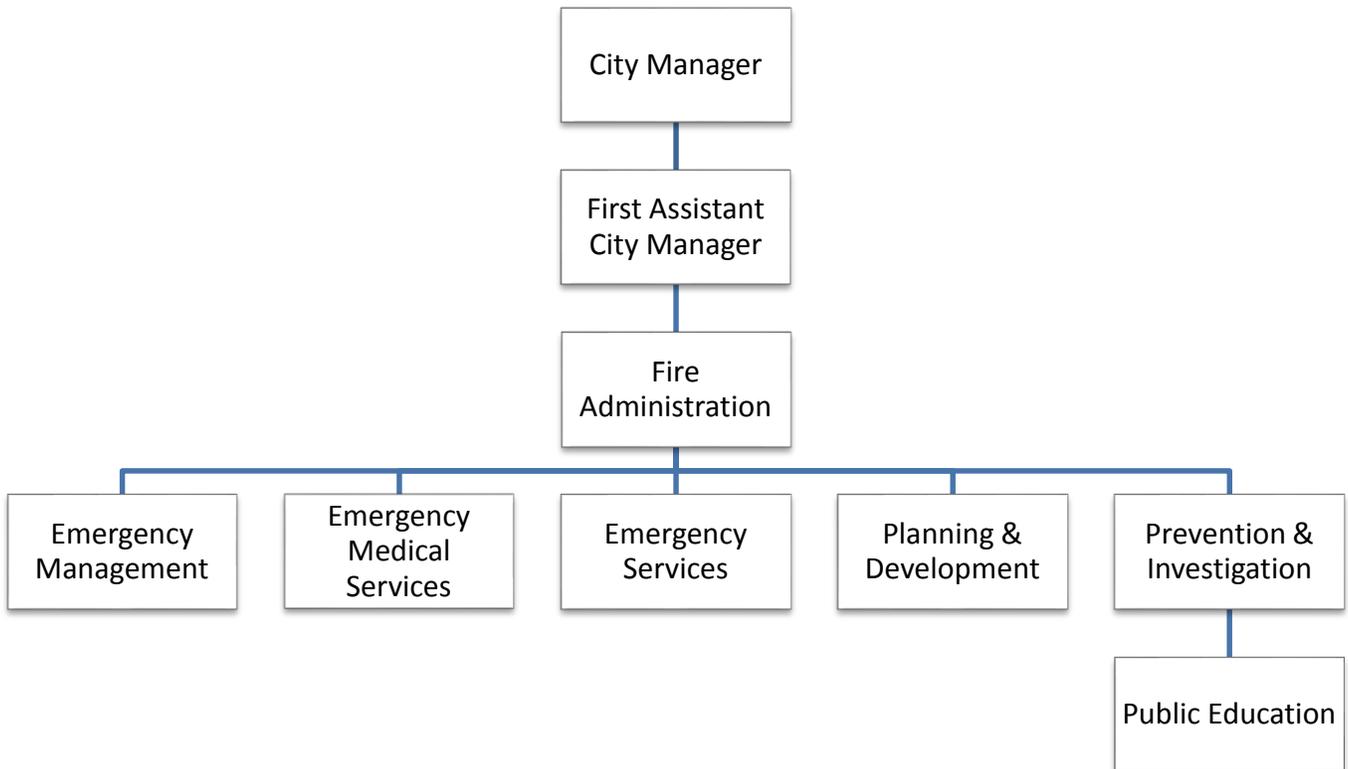
Summary by Type	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Police Administration	\$ 884,679	\$ 918,694	\$ 918,694	\$ 1,025,920	\$ -	\$ 1,025,920
Staff Services Bureau	1,815,366	2,072,940	2,072,940	1,991,575	74,128	2,065,703
TCLEOSE Training	-	23,990	23,990	-	-	-
Patrol	9,826,042	11,058,151	11,058,151	10,877,007	65,036	10,942,043
Criminal Investigations	3,019,129	3,072,086	3,072,086	3,593,779	-	3,593,779
Detention Center	351,560	382,994	382,994	409,926	-	409,926
SWAT	20,030	26,625	26,625	25,000	-	25,000
Communications	1,491,336	1,945,195	1,945,195	1,988,979	154,971	2,143,950
<b>Category Totals</b>	<b>\$ 17,408,142</b>	<b>\$ 19,500,675</b>	<b>\$ 19,500,675</b>	<b>\$ 19,912,186</b>	<b>\$ 294,135</b>	<b>\$ 20,206,321</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Police Administration	8.00	8.00	0.50	8.50	-	8.50
Staff Services Bureau	15.00	15.00	(0.50)	14.50	-	14.50
Patrol	111.30	114.30	(3.30)	111.00	-	111.00
Criminal Investigations	31.50	30.50	3.30	33.80	-	33.80
Detention Center	6.00	6.00	-	6.00	-	6.00
Communications	24.00	26.00	-	26.00	1.00	27.00
<b>Category Totals</b>	<b>195.80</b>	<b>199.80</b>	<b>-</b>	<b>199.80</b>	<b>1.00</b>	<b>200.80</b>

# Fire/EMS

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*As of October 1, 2015*



# Fire/EMS

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## Mission Statement

The Mission of the Fire Department is to offer excellent service by collaborating, acting with integrity and exhibiting trust, creating a safe place to live, work, and play.

## Services Provided

The Fire Department provides core emergency services, including fire and emergency medical services to the citizens of Sugar Land, ETJ population, daily business population, commuters, shoppers, and visitors. The Fire Department operates out of seven fire stations, with five stations located within the city limits and two stations in the ETJ.

## Programs of Service

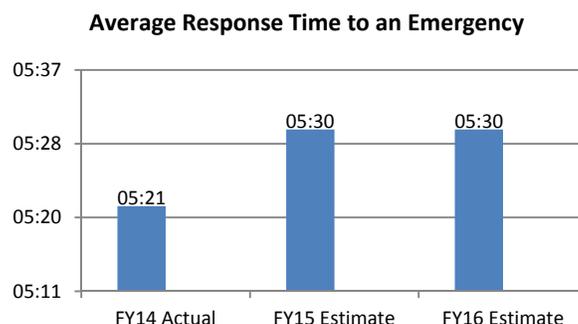
**Administration** is responsible for strategic planning, intergovernmental relations, human resources management, and overall administration of the department. **Emergency Services** provides fire suppression, technical rescue, aircraft rescue, firefighting, hazardous materials response, and aquatic rescues. **Prevention/Investigation** provides fire protection engineering, fire code enforcement, and fire investigations to determine the cause and origin of fires. Public Education engages in a variety of public outreach programs including home safety surveys, smoke alarm programs, and a citizens' fire academy to promote fire safety awareness in homes and businesses in Sugar Land. **Planning & Development** is responsible for planning, professional standards, professional development, and training. **Emergency Management** is responsible for the all-hazards emergency management plan for the City. Emergency management provides emergency preparedness, emergency response and emergency recovery services. **EMS Services** provides emergency medical treatment and ambulance transport to those in need of urgent medical care within the city limits or through mutual aid agreements.

## FY16 Requests

A total of \$118,262 was added to the FY16 budget. **Fire Administration** include \$5,423 for a reclassification of the current executive secretary position. **Emergency Services** has an addition of \$68,000 for a compressed air foam system, and \$19,000 for professional development for development and training. **Emergency Management** includes \$25,839 for Critical Incident Stress Management Training.

## Performance Measures: Safest City in America

The City Council measure for "Rapid, effective, and coordinated response to an emergency for Fire and EMS" is an average response time to an emergency.



# Fire Department

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 10,077,104	\$ 12,394,408	\$ 12,394,408	\$ 12,708,812	\$ 12,152	\$ 12,720,964
Supplies	340,169	766,291	766,291	454,978	106,110	561,088
Professional Services	158,022	223,357	223,357	204,940	-	204,940
Repairs & Maintenance	225,581	288,599	288,599	287,920	-	287,920
Purchased Services	155,613	150,343	150,343	125,215	-	125,215
Capital/Other	256,165	3,441,455	3,441,455	30,232		30,232
<b>Category Totals</b>	<b>\$ 11,212,654</b>	<b>\$ 17,264,453</b>	<b>\$ 17,264,453</b>	<b>\$ 13,812,097</b>	<b>\$ 118,262</b>	<b>\$ 13,930,359</b>

Summary by Type	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Fire Administration	\$ 337,107	\$ 357,486	\$ 357,486	\$ 377,351	\$ 5,423	\$ 382,774
Emergency Services	8,724,992	11,810,083	11,810,083	9,786,194	87,000	9,873,194
Emergency Medical Services	477,811	2,981,066	2,981,066	1,561,832	-	1,561,832
HazMat	12,850	42,143	42,143	40,543	-	40,543
Prevention/Investigation	732,918	929,051	929,051	989,950	-	989,950
Emergency Management	330,549	373,627	373,627	358,511	25,839	384,350
Professional Development	596,427	770,997	770,997	697,716	-	697,716
<b>Category Totals</b>	<b>\$ 11,212,654</b>	<b>\$ 17,264,453</b>	<b>\$ 17,264,453</b>	<b>\$ 13,812,097</b>	<b>\$ 118,262</b>	<b>\$ 13,930,359</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Fire Administration	3.00	3.00	-	3.00	-	3.00
Emergency Services	90.00	90.00	-	90.00	-	90.00
Emergency Medical Services	-	12.00	1.00	13.00	-	13.00
Prevention	8.00	8.00	-	8.00	-	8.00
Emergency Management	3.00	3.00	-	3.00	-	3.00
Professional Development	7.00	6.00	(1.00)	5.00	-	5.00
<b>Category Totals</b>	<b>111.00</b>	<b>122.00</b>	<b>-</b>	<b>122.00</b>	<b>-</b>	<b>122.00</b>

# Non-Departmental

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## Services Provided

Non-departmental is used to account for expenditures and transfers that are not assigned to any one department.

## Transfers

Interfund transfers are budgeted in non-departmental. Transfers are made to the Fleet and High Tech replacement funds for replacement of vehicles and technology equipment, the CIP fund for pay-as-you-go CIP projects, the SPA debt reduction funds, and the Airport fund for property taxes paid on airport property as per policy. An additional \$1.2 million is budgeted in transfers to other funds.

## Rebates and Assignments

The City has seven in-City MUDs eligible for a rebate of a percentage of the City taxes collected from property within the district. Five incentive agreements are monitored for sales tax revenues and grant payments are requested in accordance with each agreement.

## Debt Service

In FY15, funds budgeted for the financing of fire engine replacements were included in the Debt Service Fund in order to more accurately reflect the City's debt.

## Miscellaneous

Miscellaneous includes payments for property insurance premiums and deductibles, salary savings, contingency funds, and other miscellaneous expenditures.

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Transfers to Other Funds	\$ 7,056,501	\$ 6,636,663	\$ 7,447,503	\$ 6,468,180	\$ 1,248,050	\$ 7,716,230
Rebates & Assignments	2,884,352	3,277,825	3,277,825	3,287,650	-	3,287,650
Debt Service	365,049	-	-	-	-	-
Miscellaneous	936,654	(288,328)	(1,071,198)	301,036	147,053	448,089
<b>Category Totals</b>	<b>\$ 11,242,556</b>	<b>\$ 9,626,160</b>	<b>\$ 9,654,130</b>	<b>\$ 10,056,866</b>	<b>\$ 1,395,103</b>	<b>\$ 11,451,969</b>

# Special Revenue Funds

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Special Revenue Funds are used to account for the proceeds of specific revenues that are legally restricted to expenditures for specified purposes. The City has thirteen Special Revenue Funds budgeted for Fiscal Year 2016.

## Court Security Fund

The City collects a \$3 per violation fee from each defendant found guilty of a misdemeanor. Pursuant to Article 102.017 of the Texas Code of Criminal Procedure, revenues generated from this fee must be deposited into a special revenue fund. The money collected may be used only to fund court security and includes such items as metal detectors, surveillance equipment, security personnel, security hardware, security training, or other security measures.

### Fiscal Year 2015

Revenues for FY15 are projected to be \$41,658, which includes security fees of \$41,652 and interest income of \$6. Operating expenditures total \$43,996, which represents 50% of personnel costs for the Court Bailiff salary and benefits. Fund balance at 9/30/15 is projected to be \$26,446.

### Fiscal Year 2016

Revenues budgeted for FY16 total \$51,020 which includes security fees of \$51,003 and \$17 in interest income. Operating expenditures of \$64,871 represent 50% of personnel costs for the Court Bailiff. The remaining 50% of the bailiff position is funded in the General Fund. Expenditures budgeted for FY16 total \$64,871. There are no one-time or recurring additions planned this fiscal year. Ending Fund balance at 9/30/16 is estimated to be \$12,595.

## Court Technology Fund

The City collects a \$4 fee from each defendant found guilty of a misdemeanor under Article 102.0172 of the Texas Code of Criminal Procedure. Revenues generated from the fee can only be used to fund court technology such as computer equipment, imaging systems, electronic kiosks, docket management systems, and electronic ticket writers.

### Fiscal Year 2015

Revenues for FY15 are projected to be \$56,320, which includes technology fees of \$56,278 and \$42 for interest income. Operating expenditures total \$79,293, and includes funds for annual maintenance contracts for the court software. Fund balance at 9/30/15 is projected to be \$29,921.

### Fiscal Year 2016

Revenues budgeted for FY16 total \$68,079, which includes \$68,004 for technology fees and \$75 in interest income. FY16 budgeted expenditures total \$74,028, which is for the annual maintenance contracts for court software. There are no one-time or recurring additions planned this fiscal year. Fund balance at 9/30/16 is estimated to be \$23,972.

## Community Development Block Grant

The U.S. Department of Housing and Urban Development provides eligible metropolitan cities and urban counties (called "entitlement communities") with annual direct grants that can be used to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, primarily to benefit low and moderate income persons. Under the Community Development Block Grant (CDBG) guidelines, up to 15% of the block grant may be spent on services toward targeted groups of individuals that live within the City and up to 20% may be spent on administration.

### **Fiscal Year 2015**

Revenues projected for FY15 total \$1,104,909, which represents funds received from the CDBG program. Operating expenditures total \$1,104,909, and include \$70,084 for professional services, \$120,246 for other contractual services, and \$914,579 in capital for construction on Settlers Way Park and design work on Lonnie Green Park. Fund balance at 9/30/15 is projected to be zero.

### **Fiscal Year 2016**

Revenues for FY16 total \$282,395, which represents funds to be received from the CDBG program. Operating expenditures total \$282,395, which include \$54,000 for professional services, \$112,359 for other contractual services, and \$116,036 for renovations and improvements at Lonnie Green Park. Fund balance at 9/30/16 is projected to be zero.

### **Tourism Fund**

The Tourism Fund accounts for revenues realized from Hotel Occupancy Taxes. By law, cities with populations of less than 125,000 must spend at least 1% of hotel tax rate or 1/7 of the budget on advertising, no more than 15% on art programs and a maximum of 50% on historical preservation. Hotels submit quarterly to the City an occupancy tax based on 7% of total room receipts.

Currently, Sugar Land is home to seven hotels (Best Western, Holiday Inn Express, Drury Inn, Extended Stay, Hyatt Place, Hilton Garden and Sugar Land Town Square Marriott) with a total of 1,166 rooms. Springhill Suites by Marriot is expected to be open in FY16 with an additional 95 rooms. Hotel taxes from the Sugar Land Marriott are used to pay the debt service on the \$10 million Certificates of Obligation that were issued in 2002 by the City to finance the Sugar Land Conference Center, which is leased and operated by the Marriott. This debt was refunded in FY10 and the Tourism Fund benefits from a reduction in the transfer to the Debt Service Fund for the payment of the debt for the Sugar Land Conference Center.

### **Fiscal Year 2015**

Projected revenues for FY15 total \$2,483,905, with \$2,466,575 in occupancy tax, and \$17,330 in interest income. Projected expenditures total \$4,844,428, which includes \$436,500 for marketing, \$623,729 for Tourism and destination events, and \$808,564 for the capital projects. Transfer out for \$2,975,635 for the debt service for the conference center, performing arts center, and TIRZ #4 plaza. Fund balance at 9/30/15 is estimated to be \$2,386,951.

### **Fiscal Year 2016**

Budgeted revenues for FY16 are \$2,633,126 with \$2,625,626 in hotel occupancy tax and \$7,500 in interest income. Expenditures for FY16 total \$4,977,532 and include \$374,000 for marketing, \$20,000 for cultural arts implementation and \$626,254 for Tourism and Destination events. Transfers out includes \$1,407,278 to the debt service fund and \$2,550,000 to the CIP Fund. The transfer to the Debt Service Fund will cover the debt for the conference center, performing arts center, and TIRZ #4 plaza. The transfers to the Capital Projects Fund includes \$550,000 to fund the Visitors Center and the Heritage Museum and \$2,000,000 to fund the TIRZ #4 plaza. Fund balance at 9/30/16 is estimated to be \$42,545. There is no minimum fund balance for this fund.

### **State Seizures Fund**

State seizure funds are deposited into a special fund and may only be used for law enforcement purposes, such as salaries and overtime pay for officers, training for officers, specialized investigative equipment and supplies, and items used by officers in direct law enforcement duties. Seizure funds are acquired through the sale of seized property that was used in commission of a crime. Sugar Land receives a percentage of the sale of property seized by Sugar Land Police or the Fort Bend County Narcotics Task Force.

### **Fiscal Year 2015**

Projected revenues for FY15 is \$6,045. Projected expenditures total of \$59,245 are for capital expenditures. Fund balance at 9/30/15 is estimated to be \$37,440.

### **Fiscal Year 2016**

There are currently no revenues or expenditures budgeted for FY16. Estimated fund balance at 9/30/16 is \$37,440.

### **Federal Seizures Fund**

When the City receives equitably shared property from Federal agencies, it is deposited in the Federal Seizure Fund. The use of the fund is not as limited as the shared property that was forfeited as a result of a particular federal violation, e.g. use of the funds for drug enforcement. The funds can be used for law enforcement investigations and other law enforcement related activities as allowed.

### **Fiscal Year 2015**

Projected revenues for FY16 is \$2,248. Expenditures are projected to be \$4,214 for capital expenditures. Estimated fund balance at 9/30/15 is \$7,867.

### **Fiscal Year 2016**

There are no revenues or expenditures budgeted for FY16. Estimated fund balance at 9/30/16 is \$7,867.

### **Law Enforcement Fund**

Chapter 683 of the Texas Transportation Code provides that any vehicle abandoned on public property within the City may be taken into custody and after efforts to contact the owner have failed, the vehicle may be auctioned. If still unclaimed by the owner of the vehicle, all proceeds from the sale, up to \$1,000, must be set aside to cover the costs of dealing with future vehicle abandonment, but proceeds in excess of \$1,000 may be considered general revenues and used to fund department activities. The revenue in this fund represents such proceeds and may be used to fund Police Department activities.

### **Fiscal Year 2015**

Revenues are projected to be \$6 for interest income. There are no projected expenditures. Estimated fund balance at 9/30/15 is \$4,524.

### **Fiscal Year 2016**

There are no revenues or expenditures budgeted for FY16. Estimated fund balance at 9/30/16 is \$4,524.

### **Photographic Traffic Signal Enforcement**

The 80th legislature included SB1119 that amended the transportation code to allow photographic enforcement of traffic violations. The act provides for civil penalties that may be imposed on the owner of a vehicle identified by a camera in violation of a traffic control signal. The act requires the City to deposit revenue generated into a special fund. Any revenue generated net of costs required to operate, install, and maintain the photographic traffic signal enforcement equipment, reviewing violations, processing payment and administrative hearings, is to be shared with the State. The City's share of net revenue is limited to fund traffic safety programs including pedestrian safety, public safety, intersection improvements and traffic enforcement.

### **Fiscal Year 2015**

Projected revenues for FY15 total \$1,876,916 and include \$1,876,180 from civil fines from cameras currently located at the following intersections: Westbound and Eastbound West Airport and Eldridge, Southbound US 59 and Highway 6, Westbound Highway 6 and Lexington, Westbound Highway 6 and US 59, Northbound Dairy Ashford and US 90A, Westbound Dairy Ashford and US 90A including right hand turn.

Operating expenditures projected for FY15 total \$738,874 including \$191,085 for administrative personnel cost and \$547,789 for operations and maintenance. Net revenue of \$1,138,042 is to be split 50/50 with the State. The City portion is being transferred to the General Fund in support of traffic programs. Fund balance at 9/30/15 is projected to be \$12,432.

### **Fiscal Year 2016**

Budgeted revenues for FY16 total \$1,875,736, which include \$1,875,000 from civil fines. Operating expenditures budgeted for FY16 total \$777,784, including \$162,284 for administrative personnel cost, and \$615,500 for operations and maintenance. Net revenues of \$1,097,952 are to be split 50/50 with the State. The City portion is transferred to the General Fund to support traffic programs in accordance with State Statute. Fund balance at 09/30/16 is projected to be \$12,432.

### **Greatwood Debt Reduction Fund**

According to the terms of the Strategic Partnership Agreement (SPA) with the Municipal Utility Districts (MUDs) in Greatwood, the MUDs will be subject to an out-of-city-service fee for services received from the City after the SPA effective date and prior to annexation into the City. All revenues deposited in the fund will be reserved for future retirement of debt that will be assumed by the City when the district is eventually annexed into the City and dissolved.

Revenues consist of out-of-city service fees and a transfer of a portion of sales taxes collected from the River Park area, up to \$150,000 per year. In addition, commercial areas in Greatwood were annexed for limited purposes including sales tax, and the City's portion of the sales tax (excluding the economic development portion) is transferred to the Debt Reduction Fund.

### **Fiscal Year 2015**

Projected operating revenues total \$533,937, which include out-of-city service fees and interest income. Transfers in of \$317,955 are from the General Fund for \$150,000 in sales tax revenues from the River Park area and \$167,955 from the Greatwood limited purpose annexation area. Operating expenditures are projected at \$73,807, which were used to conduct an assessment of infrastructure in the area. Ending fund balance at 9/30/15 is projected at \$3,220,360.

### **Fiscal Year 2016**

Revenues budgeted for FY16 total \$649,177 and include \$294,895 for out-of-city service fees, and \$9,000 for interest income. Beginning in February 2016, Greatwood Districts will begin paying the full cost for fire fees plus 20% out-of-city service fees, which will be deposited into this fund per the SPA. Transfers in of \$345,282 are from the General Fund for \$150,000 in sales tax revenues from the River Park area and \$192,282 from the Greatwood limited purpose annexation area. There are no budgeted expenditures for FY16. Projected ending fund balance at 9/30/16 is \$3,869,537. This fund will continue to grow until the City annexes the Greatwood MUDs under the terms outlined in the SPA and these funds will be used to pay down the debt remaining when the area is annexed into the City or for other uses authorized under the SPA.

### **Tara Plantation Debt Reduction Fund**

Tara Plantation is a participant in the Groundwater Reduction Plan (GRP). Tara Plantation and the City have not entered into a SPA but an agreement is expected sometime in the future. The GRP participation agreement imposed a 20% out-of-city service fee for services received from the City. In anticipation of approval of a SPA, these fees are being deposited into the Tara Plantation Debt Reduction Fund. These fees will be reserved for future retirement of debt that will be assumed by the City if the district is annexed into the City and dissolved.

### **Fiscal Year 2015**

Operating revenues are projected at \$42,050, which includes out-of-city service fees and interest income. There are no budgeted expenditures in operations and maintenance. Ending fund balance at 9/30/15 is projected at \$179,860.

### **Fiscal Year 2016**

Revenues budgeted for FY16 total \$49,882 and include \$49,707 for out-of-city service fees and \$175 for interest income. Plantation MUD will begin paying the full cost fire fees plus 20% out-of-the city service fees in February 2016. There are no budgeted expenditures. Projected ending fund balance at 9/30/16 is \$229,742. This fund balance will continue to grow until the City annexes the district in the future.

### **New Territory Debt Reduction Fund**

According to the terms of the SPA with MUDs in New Territory, the MUDs will be subject to an out-of-city-service fee for services received from the City after the SPA effective date and prior to annexation into the City. All revenues deposited in the fund will be reserved for future retirement of debt that will be assumed by the City when the districts are eventually annexed into the City and dissolved. Revenues consist of out-of-city service charges on pumpage and fire fees along with a transfer of \$150,000 in sales taxes collected from the River Park area.

### **Fiscal Year 2015**

Projected operating revenues total \$604,557 which include out-of-city service fees and interest income. Transfers in total \$150,000 from the General Fund for sales taxes collected in the River Park area. Projected expenditures of \$72,000 is for an assessment of infrastructure in the area. Ending fund balance at 9/30/15 is projected at \$3,645,162.

### **Fiscal Year 2016**

Revenues budgeted for FY16 total \$756,427 and include \$596,427 for out-of-city service fees, \$10,000 for interest income and \$150,000 for transfers in from the General Fund for sales taxes from River Park.

There are no budgeted expenditures for FY16. Budgeted ending fund balance at 9/30/16 is \$4,401,589. This fund balance will continue to grow until the City annexes the New Territory MUDs under the terms outlined in the SPA and these funds will be used to pay down any debt remaining when the districts are annexed by the City, or for other uses authorized under the SPA.

### **Riverstone Debt Reduction Fund**

Fort Bend Municipal Utility District No. 128 has an agreement with the City that states that any out-of-city service fees paid by the District for raw water or re-use water will be deposited into a debt reduction fund. All revenues deposited in the fund will be reserved for future retirement of debt upon the City's annexation of the District, repairs and maintenance of public infrastructure within the Tract, offset direct costs of City services to the Tract, and other direct costs incurred by the City because of annexation of the District.

### **Fiscal Year 2016**

Revenues budgeted for FY16 total \$84,875 and include \$84,675 for out-of-city service fees and \$200 for interest income.

There are no budgeted expenditures for FY16. Budgeted ending fund balance at 9/30/16 is \$84,675.

**CITY SUGAR LAND  
SPECIAL REVENUE FUND - COURT SECURITY FUND  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projection	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Security Fees	\$ 50,793	\$ 51,300	\$ 41,652	\$ 51,003	\$ -	\$ 51,003
Interest Income	21	100	6	17	-	17
<b>TOTAL REVENUES</b>	<b>50,814</b>	<b>51,400</b>	<b>41,658</b>	<b>51,020</b>	<b>-</b>	<b>51,020</b>
<b>EXPENDITURES</b>						
Personnel	59,608	43,996	43,996	64,871	-	64,871
Capital	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>59,608</b>	<b>43,996</b>	<b>43,996</b>	<b>64,871</b>	<b>-</b>	<b>64,871</b>
Net Income (Loss)	(8,793)	7,404	(2,338)	(13,851)	-	(13,851)
Fund Balance - Beginning	37,577	28,784	28,784	26,446	-	26,446
<b>Fund Balance - Ending</b>	<b>\$ 28,784</b>	<b>\$ 36,188</b>	<b>\$ 26,446</b>	<b>\$ 12,595</b>	<b>\$ -</b>	<b>\$ 12,595</b>

**CITY SUGAR LAND  
SPECIAL REVENUE FUND - COURT TECHNOLOGY FUND  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projection	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Technology Fees	\$ 67,720	\$ 68,400	\$ 56,278	\$ 68,004	\$ -	\$ 68,004
Interest Income	44	75	42	75	-	75
<b>TOTAL REVENUES</b>	<b>67,764</b>	<b>68,475</b>	<b>56,320</b>	<b>68,079</b>	<b>-</b>	<b>68,079</b>
<b>EXPENDITURES</b>						
Operations & Maintenance	74,911	70,822	70,822	74,028	-	74,028
Capital	26,094	8,471	8,471	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>101,005</b>	<b>79,293</b>	<b>79,293</b>	<b>74,028</b>	<b>-</b>	<b>74,028</b>
Net Income (Loss)	(33,241)	(10,818)	(22,973)	(5,949)	-	(5,949)
Fund Balance - Beginning	96,953	63,712	52,894	29,921	-	29,921
<b>Fund Balance - Ending</b>	<b>\$ 63,712</b>	<b>\$ 52,894</b>	<b>\$ 29,921</b>	<b>\$ 23,972</b>	<b>\$ -</b>	<b>\$ 23,972</b>

**CITY SUGAR LAND  
SPECIAL REVENUE FUND - COMMUNITY DEVELOPMENT BLOCK GRANT  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
CDBG	\$ 185,258	\$ 1,104,909	\$1,104,909	\$ 282,395	\$ -	\$ 282,395
Total Revenues	185,258	1,104,909	1,104,909	282,395	-	282,395
<b>EXPENDITURES</b>						
Professional Services	58,195	70,084	70,084	54,000	-	54,000
Other Contractual	127,063	120,246	120,246	112,359	-	112,359
Capital	-	914,579	914,579	116,036	-	116,036
Total Expenditures	185,258	1,104,909	1,104,909	282,395	-	282,395
Net Income (Loss)	-	-	-	-	-	-
Fund Balance - Beginning	-	-	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF SUGAR LAND  
SPECIAL REVENUE FUND - TOURISM  
INCOME STATEMENT**

	FY14 Actuals	FY15 Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Hotel/Motel Occupancy Tax	\$ 2,506,446	\$ 2,471,826	\$ 2,466,575	\$ 2,625,626	\$ -	\$ 2,625,626
Interest Income	6,204	5,000	17,330	7,500	-	7,500
<b>Total Revenues</b>	<b>2,512,650</b>	<b>2,476,826</b>	<b>2,483,905</b>	<b>2,633,126</b>	<b>-</b>	<b>2,633,126</b>
<b>EXPENDITURES</b>						
Convention & Visitors Bureau	315,088	436,500	436,500	374,000	-	374,000
Cultural Arts Implementation	-	-	-	20,000	-	20,000
Tourism & Destination Events	350,806	623,729	623,729	626,254	-	626,254
Capital Projects	91,436	808,564	808,564	-	-	-
Reserve for Other Uses	-	1,600,000	-	-	-	-
<b>Total Operating Expenditures</b>	<b>757,331</b>	<b>3,468,793</b>	<b>1,868,793</b>	<b>1,020,254</b>	<b>-</b>	<b>1,020,254</b>
Transfer Out	664,824	2,908,826	2,975,635	3,957,278	-	3,957,278
<b>Total Expenditures</b>	<b>1,422,155</b>	<b>6,377,619</b>	<b>4,844,428</b>	<b>4,977,532</b>	<b>-</b>	<b>4,977,532</b>
<b>Net Income(Loss)</b>	<b>1,090,495</b>	<b>(3,900,794)</b>	<b>(2,360,523)</b>	<b>(2,344,407)</b>	<b>-</b>	<b>(2,344,407)</b>
Fund Balance - Beginning	3,228,804	5,359,797	5,359,797	2,386,951	-	2,386,951
GAAP Adjustments	-	(612,323)	(612,323)	-	-	-
Beginning Budgetary Balance	4,269,302	4,747,474	4,747,474	2,386,951	-	2,386,951
<b>Budgetary Fund Balance - Ending</b>	<b>\$ 5,359,797</b>	<b>\$ 846,681</b>	<b>\$ 2,386,951</b>	<b>\$ 42,545</b>	<b>\$ -</b>	<b>\$ 42,545</b>

**CITY OF SUGAR LAND  
SPECIAL REVENUE FUNDS - STATE SEIZURES  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projection	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Other Income	\$ 20,731	\$ -	\$ 6,005	\$ -	\$ -	\$ -
Interest Income	102	-	40	-	-	-
<b>TOTAL REVENUES</b>	<b>20,832</b>	<b>-</b>	<b>6,045</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Maintenance and Operations	-	-	-	-	-	-
Capital	-	-	59,245	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>59,245</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net income (Loss)	20,832	-	(53,200)	-	-	-
Fund balance - Beginning	69,808	90,640	90,640	37,440	-	37,440
<b>Fund balance - Ending</b>	<b>\$ 90,640</b>	<b>\$ 90,640</b>	<b>\$ 37,440</b>	<b>\$ 37,440</b>	<b>\$ -</b>	<b>\$ 37,440</b>

**CITY OF SUGAR LAND  
SPECIAL REVENUE FUNDS - FEDERAL SEIZURES  
INCOME STATEMENT**

	FY14 Actual	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Other Income	\$ 324	\$ -	\$ 2,233	\$ -	\$ -	\$ -
Interest Income	12	-	15	-	-	-
<b>TOTAL REVENUES</b>	<b>336</b>	<b>-</b>	<b>2,248</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Maintenance and Operations	-	-	-	-	-	-
Capital	-	-	4,214	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>4,214</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net income (Loss)	336	-	(1,966)	-	-	-
Fund balance - Beginning	9,497	9,833	9,833	7,867	-	7,867
Fund balance - Ending	\$ 9,833	\$ 9,833	\$ 7,867	\$ 7,867	-	\$ 7,867

**CITY OF SUGAR LAND  
SPECIAL REVENUE FUNDS - LAW ENFORCEMENT  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projection	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	6	-	6	-	-	-
Transfers In	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>6</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Maintenance and Operations	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Income (Loss)	6	-	6	-	-	-
Fund Balance - Beginning	4,512	4,518	4,518	4,524	-	4,524
<b>Fund Balance - Ending</b>	<b>\$ 4,518</b>	<b>\$ 4,518</b>	<b>\$ 4,524</b>	<b>\$ 4,524</b>	<b>\$ -</b>	<b>\$ 4,524</b>

**CITY SUGAR LAND  
SPECIAL REVENUE FUND - PHOTOGRAPHIC TRAFFIC SIGNAL ENFORCEMENT  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Civil Fines	\$ 1,953,811	\$ 1,740,000	\$ 1,876,180	1,875,000	\$ -	\$ 1,875,000
Interest Income	1,248.00	736	736	736	-	736
<b>Total Revenues</b>	<b>1,955,059</b>	<b>1,740,736</b>	<b>1,876,916</b>	<b>1,875,736</b>	<b>-</b>	<b>1,875,736</b>
<b>EXPENDITURES</b>						
Personnel Costs	122,549	127,302	191,085	162,284	-	162,284
Operations & Maintenance	489,667	603,516	547,789	615,500	-	615,500
<b>Total Operating Expenditures</b>	<b>612,216</b>	<b>730,818</b>	<b>738,874</b>	<b>777,784</b>	<b>-</b>	<b>777,784</b>
Transfers Out	671,172	505,077	569,139	548,976	-	548,976
State Share	671,172	504,841	568,903	548,976	-	548,976
<b>Total Expenditures</b>	<b>1,954,560</b>	<b>1,740,736</b>	<b>1,876,916</b>	<b>1,875,736</b>	<b>-</b>	<b>1,875,736</b>
Net Income (Loss)	499	-	-	-	-	-
Fund Balance - Beginning	11,933	12,432	12,432	12,432	-	12,432
<b>Fund Balance - Ending</b>	<b>\$ 12,432</b>	<b>\$ 12,432</b>	<b>\$ 12,432</b>	<b>\$ 12,432</b>	<b>\$ -</b>	<b>\$ 12,432</b>

**CITY SUGAR LAND  
SPECIAL REVENUE FUND - SPA DEBT REDUCTION FUND  
INCOME STATEMENT - GREATWOOD**

	FY14 Actuals	FY15 Current Budget	FY15 Projection	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Out of City Service Fees	\$ 252,398	\$ 252,000	\$ 204,648	\$ 294,895	\$ -	\$ 294,895
Interest Income	8,785	5,000	11,333	9,000	-	9,000
Transfers In	304,550	317,955	317,955	345,282	-	345,282
<b>Total Revenues</b>	<b>565,734</b>	<b>574,955</b>	<b>533,937</b>	<b>649,177</b>	<b>-</b>	<b>649,177</b>
<b>EXPENDITURES</b>						
Operations & Maintenance	-	71,000	73,807	-	-	-
Transfers to Other Funds	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>71,000</b>	<b>73,807</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Income (Loss)	565,734	503,955	460,130	649,177	-	649,177
Fund Balance - Beginning	2,194,497	2,760,231	2,760,231	3,220,360	-	3,220,360
<b>Fund Balance - Ending</b>	<b>\$2,760,231</b>	<b>\$3,264,186</b>	<b>\$3,220,360</b>	<b>\$3,869,537</b>	<b>\$ -</b>	<b>\$3,869,537</b>

**CITY SUGAR LAND**  
**SPECIAL REVENUE FUND - SPA DEBT REDUCTION FUND**  
**INCOME STATEMENT - TARA PLANTATION**

	FY14 Actuals	FY15 Current Budget	FY15 Projection	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Out of City Service Fees	43,901	\$ 48,997	\$ 41,857	\$ 49,707	\$ -	\$ 49,707
Interest Income	192	175	193	175	-	175
Transfers In	-	-	-	-	-	-
<b>Total Revenues</b>	<b>44,093</b>	<b>49,172</b>	<b>42,050</b>	<b>49,882</b>	<b>-</b>	<b>49,882</b>
<b>EXPENDITURES</b>						
Operations & Maintenance	35,743	-	-	-	-	-
Transfers to Other Funds	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>35,743</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Income (Loss)	8,350	49,172	42,050	49,882	-	49,882
Fund Balance - Beginning	129,460	137,810	137,810	179,860	-	179,860
<b>Fund Balance - Ending</b>	<b>\$ 137,810</b>	<b>\$ 186,982</b>	<b>\$ 179,860</b>	<b>\$ 229,742</b>	<b>\$ -</b>	<b>\$ 229,742</b>

**CITY SUGAR LAND**  
**SPECIAL REVENUE FUND - SPA DEBT REDUCTION FUND**  
**INCOME STATEMENT - NEW TERRITORY**

	FY14	FY15	FY15	FY16	FY16	FY16
	Actuals	Current	Projections	Base	Changes	Budget
		Budget		Budget		
<b>REVENUES</b>						
Out of City Service Fees	\$ 508,198	\$ 648,755	\$ 440,189	\$ 596,427	\$ -	\$ 596,427
Interest Income	6,073	6,500	14,366	10,000	-	10,000
Transfers In	150,000	150,000	150,000	150,000	-	150,000
<b>Total Revenues</b>	<b>664,271</b>	<b>805,255</b>	<b>604,557</b>	<b>756,427</b>	<b>-</b>	<b>756,427</b>
<b>EXPENDITURES</b>						
Operations & Maintenance	-	72,000	72,000	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>72,000</b>	<b>72,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Income (Loss)	664,271	733,255	532,557	756,427	-	756,427
Fund Balance - Beginning	2,448,334	3,112,605	3,112,605	3,645,162	-	3,645,162
<b>Fund Balance - Ending</b>	<b>\$ 3,112,605</b>	<b>\$ 3,845,860</b>	<b>\$ 3,645,162</b>	<b>\$ 4,401,589</b>	<b>\$ -</b>	<b>\$ 4,401,589</b>

**CITY SUGAR LAND  
SPECIAL REVENUE FUND - SPA DEBT REDUCTION FUND  
INCOME STATEMENT - RIVERSTONE**

	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Out of City Service Fees	\$ -	\$ -	\$ -	\$ 84,675	-	\$ 84,675
Interest Income	-	-	-	200	-	200
Transfers In	-	-	-	-	-	-
<b>Total Revenues</b>	-	-	-	<b>84,875</b>	-	<b>84,875</b>
<b>EXPENDITURES</b>						
Operations & Maintenance	-	-	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-	-	-
Net Income (Loss)	-	-	-	84,875	-	84,875
Fund Balance - Beginning	-	-	-	-	-	-
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 84,875</b>	<b>\$ -</b>	<b>\$ 84,875</b>



# Capital Projects Fund

Capital Project Funds account for the acquisition or construction of major capital activities. Funding is provided by debt issuance, sales tax revenues, developer fees, state and federal funding, user fees, and grants.

## Capital Improvement Process

Section 6.03 of the City Charter states that the City shall file a multi-year capital improvement program and a current year capital budget. Annually, City staff prepares and files a five-year Capital Improvement Program (CIP). The CIP identifies needed capital improvements and financing for those improvements. The first year of the plan is incorporated into the annual budget to appropriate funds for the specific projects.

The five-year Capital Improvement Program (CIP) for FY16-FY20 totals \$233.5 million. Cost estimates for years two through five of the five-year CIP are for planning purposes only and are used in conjunction with the long-range financial plan of the City to determine potential project funding sources or to adjust project timing based on affordability. Estimates are based on the best information available, and ultimate project budgets may vary from estimates.

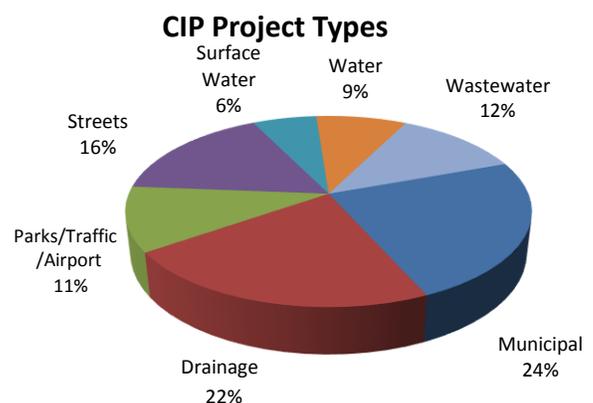
Funding sources and levels are identified and developed through the Budget Office. The first draft of the five-year CIP is prepared without fiscal constraints. The CIP is reviewed by the departments, Planning and Zoning Commission, the Sugar Land Development Corporation (SLDC), Sugar Land 4B Corporation (SL4B), and the City Manager. The City Council reviews the list of proposed projects without respect to dollar amounts or timing. A final draft of the fiscally constrained five-year CIP is then prepared and filed with the annual budget for Council consideration and approval. Upon City Council adoption, the five-year CIP document is reproduced and distributed for implementation of the program.

## Fiscal Year 2015

The FY15 capital project budget totaled \$144,347,750. Many projects included in FY15 are still in progress as most capital projects are multi-year projects.

## Fiscal Year 2016

FY16 capital projects total \$59,758,850. Municipal projects make up the majority of the distribution at 24%, followed by Drainage projects with 22%. Streets projects represent 16% and Wastewater projects 12%. Water projects are at 9% and Surface Water Project at 6%, while Parks, Traffic, and Airport projects combine to represent 11% of the proposed project budgets for the FY16 CIP.



**Airport** projects total \$284,550 for a maintenance building; airport development plan parallel taxiway relocation and new airport storage hangars.

**Drainage** projects total \$13,150,000 and include: Localized drainage improvements; Lexington Blvd & Highlands Sec III Improvements; Sugar Creek drainage improvements; and Covington Woods drainage improvements.

**Municipal** projects total \$14,268,000 and include: Westside Land Acquisition; Visitors' Center and Heritage Museum; Facility Renovations, TIRZ#4 Plaza; TIRZ#4 Marquee; UH/Festival Site Parking and design for the Animal Shelter.

**Parks** projects total \$4,083,400, of which \$3,200,000 is for Parks bond projects authorized by voters in November 2013. Parks bonds projects include: Construction of the Festival Site Road and Landscaping and a restroom in Brazos River Park. Other Parks projects include: ROW planting and irrigation rehabilitation; park infrastructure rehabilitation; joint participation in CIP; Parks, Recreation Open Space Master Plan; and renovations to Lonnie Green Park.

**Streets** projects total \$9,855,500 and include: State Highway 6 improvements; Industrial Boulevard reconstruction; US59 Landscape Beautification; SH6 Maxicom Irrigation Retrofit; bridge rehabilitation; pavement rehabilitation; sidewalk rehabilitation; and pedestrian and bike master plan improvements.

**Traffic** projects total \$2,161,000 and include: Traffic Evaluation and Safety Improvements; street light replacement; and software for Traffic Signal Management/ITS.

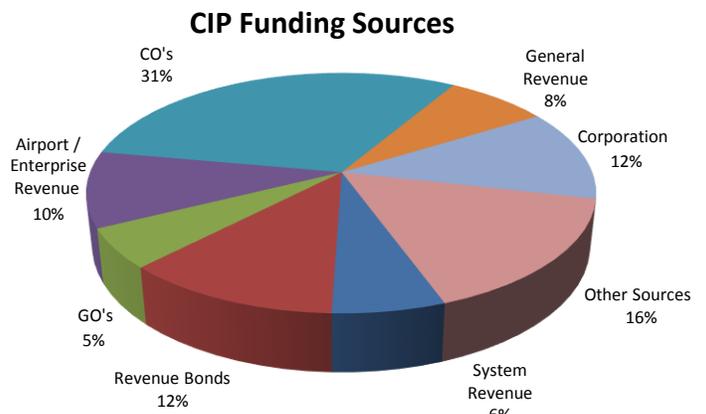
**Surface Water** project total \$3,635,400 and includes: Brooks Lake Weir/Amil Gates replacement; design of Riverstone Ground Water Plant Improvements; and design of Surface Water Transmission Line to Riverstone Ground Water Plant.

**Wastewater** projects total \$7,186,000 and includes: Ongoing work related to the wastewater collection system rehabilitation; replacement of the force main crossing at U59/Central Drive; TIRZ#4 Wastewater Infrastructure; and lift station rehabilitation.

**Water** projects total \$5,135,000 and includes: replacement of water line crossings at US59/Parkway and US59 Williams Trace; upgrade of an 18" water line to 24" from Fire Station #4 to Sweetwater; replacement of water line crossings at US59/Commerce Green; installation of recirculation pumps at Elevated Storage Tanks; and rehabilitation of elevated storage tank, wells and ground storage tanks.

Funding for the FY16 CIP consists of \$4,593,500 in pay-as-you-go funding, \$16,655,870 in certificates of obligation, \$1,700,000 in certificates of obligation/enterprise funds, \$3,200,000 in general obligation bonds, \$7,034,550 in revenue bonds, \$3,000,000 from the Sugar Land Development Corporation, \$4,330,000 from the Sugar Land 4B Corporation, \$284,550 in airport revenues, and \$3,635,400 in system revenues, and \$15,324,980 from other funding sources. Other funding sources include CDBG funds, Fort Bend County, airport revenues, hotel occupancy tax, and CIP fund balances. Interest income is budgeted for \$225,000.

A number of projects undertaken will have ongoing operations and maintenance (O&M) costs when completed. Each project that has an O&M impact has been identified and the annual cost calculated. The amounts are included in the five-year forecast to measure the impact on the long-range financial capacity of each operating fund. A table identifying projects that have an O&M cost is included after the summary of all capital projects.



**CITY OF SUGAR LAND  
CAPITAL PROJECTS FUNDS  
SUMMARY SCHEDULE OF REVENUES AND EXPENDITURES**

	General CIP	Grants and Other Sources	Development Corporations	Utility CIP	Airport CIP	Total Capital Projects
<b>Revenues</b>						
Bond Proceeds	\$ 20,193,870	-	\$ -	\$ 8,734,550	\$ -	\$ 28,928,420
Transfers In	5,071,500	2,550,000	7,330,000	3,635,400	6,084,550	24,671,450
Transportation Fees	472,500	-	-	-	-	472,500
Reimbursements	1,020,000	-	-	-	-	1,020,000
Grants	-	1,208,400	-	-	-	208,400
Interest Income	130,000	-	-	95,000	-	225,000
<b>Total Revenues</b>	<b>26,887,870</b>	<b>3,758,400</b>	<b>7,330,000</b>	<b>12,464,950</b>	<b>6,084,550</b>	<b>55,525,770</b>
<b>Expenditures</b>						
Drainage	12,736,450	-	-	413,550	-	13,150,000
Municipal	688,000	2,550,000	4,930,000	300,000	5,800,000	14,268,000
Parks	3,675,000	208,400	200,000	-	-	4,083,400
Streets	6,655,500	1,000,000	2,200,000	-	-	9,855,500
Traffic	2,161,000	-	-	-	-	2,161,000
Wastewater	-	-	-	7,186,000	-	7,186,000
Water	-	-	-	5,135,000	-	5,135,000
Surface Water	-	-	-	3,635,400	-	3,635,400
Airport	-	-	-	-	284,550	284,550
<b>Total CIP Expenditures</b>	<b>25,915,950</b>	<b>3,758,400</b>	<b>7,330,000</b>	<b>16,669,950</b>	<b>6,084,550</b>	<b>59,758,850</b>
Issuance Costs	350,000	-	-	-	-	350,000
Other Non-operating	7,135	-	-	5,288	-	12,423
Transfers Out	680,600	-	-	-	-	680,600
<b>Non-operating Expenditures</b>	<b>1,037,735</b>	<b>-</b>	<b>-</b>	<b>5,288</b>	<b>-</b>	<b>1,043,023</b>
<b>Total Expenditures</b>	<b>26,953,685</b>	<b>3,758,400</b>	<b>7,330,000</b>	<b>16,675,238</b>	<b>6,084,550</b>	<b>60,801,873</b>
Revenues Over/(Under) Expenditures	(65,815)	-	-	(4,210,288)	-	(5,276,103)
Fund Balance - Beginning	2,958,733	-	-	4,300,000	-	8,183,250
Reserved Funds- Transportation Fees	(1,793,503)	-	-	-	-	(1,793,503)
<b>Fund Balance - Ending</b>	<b>\$ 1,099,415</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 89,712</b>	<b>\$ -</b>	<b>\$ 1,113,644</b>

**CITY OF SUGAR LAND  
SUMMARY OF CAPITAL PROJECTS  
FISCAL YEAR 2016**

<b>Project #</b>	<b>Project Name</b>	<b>Project Description</b>
<b>Airport Projects</b>		
AP1201	Parallel Taxiway Relocation and Hangars ALD #4 and ALD #11	Build a new parallel taxiway to the east of the existing Taxiway "Foxtrot" (which will then be removed). Construct a new 37,500 sft aircraft storage hangar and a new 10,625 sft hangar/office space to replace two existing hangars that will be demolished due to the new taxiway.
AP1601	Airport Maintenance Building	This facility will replace the existing Maintenance Facility Building. The facility will require adequate areas for maintenance personnel and servicing of airport equipment. In addition, limited manager and supervisor offices will be needed, as well as a reception area, break room, restrooms, locker room, and showers. The facility will also require a covered parking area for city owned equipment to minimize weather exposure.
AP1602	Airport Development Plan	The airport development plan will be a key component of the future development of the Airport. This plan is anticipated to be a complex planning document that goes beyond the traditional planning studies. This is in addition to the Airport's 2011 ALP that has provided the preliminary stages for the west side.
<b>Airport Total</b>		
<b>Drainage Projects</b>		
DR1504	Sugar Creek Drainage Improvements - Longview Dr. & Golf Course	Design and construction of new reinforced concrete box culverts extending south on Longview Dr., and diversion of flow thru Sugar Creek Golf Course to outfall into the existing East Sugar Creek Drainage System.
DR1505	Covington Woods Drainage Improvements - Offline Pond	Design and construction of the western portion of the existing detention basin to an "offline" pond to reduce storm event peak and mitigate downstream impacts. The Business Park Ditch will include a secondary outfall to the Eldridge Road storm sewer to help reduce water elevations. The Jess Pirtle Bridge will include a new storm water conveyance pipe to reduce backwater flooding.
DR1601	Covington Woods Drainage Improvements - Ivymont Dr.	Addition of new inlets and upsizing storm sewer along Ivymont Dr., to alleviate street flooding.
DR1602	Sugar Creek Drainage Improvements - Montclair Dr.	Design and construction of new reinforced concrete box culverts extending south on Montclair Dr., and diversion of flow to the East Sugar Creek Ditch. This project scope includes adding new and street reconstruction.
DR1603	Localized Drainage Improvements	Annual funding to address drainage improvements or repairs to existing drainage infrastructure on an as needed basis as identified through inspections or as identified through customer complaints. These improvements include ditch re-grading and maintenance of City owned detention ponds.
DR1604	Lexington Blvd. and Highlands sec. III Drainage Project	Drainage Improvements along Lexington Blvd. within the limits of Coles Farm Drive and Oyster Creek, and outfalling to Oyster Creek. Drainage improvements in Highlands section III subdivision along Fort Settlement, Pecan Point, and Vincennes Bridge. Drainage improvements in Sugarwood sudv. along Deer Creek Drive.
DR1605	Major Flood Event Analysis	Analyze major problem/flooded areas reported City-wide during the historic 2015 Memorial Day Rainfall Event.
<b>Drainage Total</b>		
<b>Municipal Projects</b>		
MU1302	Public Works and Water Utilities Service Center	This project is the first phase of construction, which includes a new administration building, storage and warehouse facilities, parking, and an additional bay for the fleet facility.
MU1406	Westside Land Acquisition	Westside Land Acquisition
MU1506	Visitors' Center and Heritage Museum	Located on the second floor of the container warehouse at the Imperial Sugar site, the Visitor Center will be the official base for the City's Visit Sugar Land and Convention Services office. Currently the 12,000 sq. ft. space will be shared in partnership with the Sugar Land Heritage Foundation's museum/exhibit hall. The Visitor Center is also projected to serve as a retail shop for commemorative Sugar Land items.
MU1601	Facility Renovations	Annual funding for repairs to City facilities as identified by the 2012 Facility Condition Assessment Study. The projects include repairs and renovations that extend the usable life of the facilities. Project items include but are not limited to roof repairs, HVAC repairs, electrical, plumbing, modernization, etc.
MU1602	Animal Shelter Expansion Study & Schematic Design	Conduct a study to determine expandability of existing building or if a new stand-alone building is more appropriate. The study should evaluate the immediate needs and take into consideration how the ultimate facility and program needs could be accommodated within the existing building or on the Public Works site.
MU1603	TIRZ#4 Plaza	Design and construction of a plaza on the north side of the Smart Financial Centre, which will include digital signage, water feature, restrooms, tree groves, grass and multi-purpose stage with option for a pavilion to support the Performing Arts Center.
MU1604	TIRZ #4 Marquee	Install a Marquee Sign for the promotion of the Smart Financial Centre, events to be held on the premises, and display of other sponsorship to support the performing art center.
MU1606	UH/Festival Site Parking - Phase I	Design and construct a 800 to 11,000 spaces parking Lot adjacent to the 52-acre festival site for the joint use by UH and the Festival Site. The ultimate size of the parking lot is anticipated to have 2,600 spaces. The project also includes a pedestrian crossing over Ditch A to the UH campus.
<b>Municipal Total</b>		

Transfers from Operating Funds				Bond Proceeds		Miscellaneous	Total FY16 CIP Budget
General Fund	Water Utilities & Surface Water Funds	Airport Fund	SLDC / SL4B Corp	GO / CO	Revenue	Grants / FB Other Sources	
		\$ 204,550				\$ -	\$ 204,550
		50,000					50,000
		30,000					30,000
-	-	<b>284,550</b>	-	-	-	-	<b>284,550</b>
446,580				8,349,870	413,550	1,020,000	10,230,000
				1,220,000			1,220,000
				110,000			110,000
				535,000			535,000
				450,000			450,000
				430,000			430,000
175,000							175,000
<b>621,580</b>	-	-	-	<b>11,094,870</b>	<b>413,550</b>	<b>1,020,000</b>	<b>13,150,000</b>
					300,000		300,000
						5,800,000	5,800,000
						550,000	550,000
300,000				338,000			638,000
50,000							50,000
			1,400,000			2,000,000	3,400,000
			1,000,000				1,000,000
			2,530,000				2,530,000
<b>350,000</b>	-	-	<b>4,930,000</b>	<b>338,000</b>	<b>300,000</b>	<b>8,350,000</b>	<b>14,268,000</b>

**CITY OF SUGAR LAND  
SUMMARY OF CAPITAL PROJECTS  
FISCAL YEAR 2016**

<b>Project #</b>	<b>Project Name</b>	<b>Project Description</b>
<b>Parks Projects</b>		
PK1411	Festival Grounds	Design and construction of festival grounds site adjacent to the Brazos River Park Phase II project. Project includes restrooms, utilities, access drive, roadway, parking, lighting and landscape.
PK1504	Lonnie Green Park	Renovations and improvements of the existing playground, fencing, site furnishing, landscaping, irrigation, and parking, which includes added Park identification signage. Improvements also includes increased accessibility through trails, parking and playground equipment.
PK1602	Park Infrastructure Rehabilitation	To address Park renovations. The Parks Facility Assessment was prepared as a component of the Infrastructure Management Plan.
PK1603	Joint Participation in CIP	Provide funds for joint participation in CIP projects between the City and Citizen based organizations that benefit the general public. Take advantage of partnership opportunities to enhance and preserve the quality of life for City residents.
PK1604	ROW Planting and Irrigation Rehabilitation	ROW renovations and upgrades that meet the criteria for capital improvements.
PK1605	Parks, Recreation and Open Space Master Plan (PROSMP)	An update of the PROSMP. The master plan includes citizen survey, public input, identification of current inventory and programs and recommendations for the next 10 years based on national standards and identified needs.
PK1606	Brazos River Park - PH II (Mid-Lake)	Design and construction of Brazos River Park (Mid-Lake), which includes a boathouse, restrooms, shade structures, parking, lighting and trails.
<b>Parks Total</b>		
<b>Streets Projects</b>		
ST1404	State Highway 6 Improvements - Brooks Street to Lexington Blvd	Right-of-way acquisition to facilitate future expansion of SH 6 to eight lanes from Brooks Street to Lexington Boulevard.
ST1506	Industrial Blvd Reconstruction	Reconstruction of Industrial Boulevard between US 90A and Reed Road. The improvements will include the reconstruction of Industrial Blvd. from a 2-lane open ditch roadway with a center turn lane to a 4-lane divided concrete curb and gutter with storm drainage system. It will also include the replacement of an existing AC waterline, sanitary sewer, traffic signal at new intersection, and reconfiguration of the intersection of Reed Rd. and Industrial Blvd.
ST1601	Bridge Rehabilitation	Administer bridge management within the City of Sugar Land. Construction improvements to eight bridges, which will include initial phase of preliminary costs and prioritization to determine the necessary repairs.
ST1602	Pavement Rehabilitation	Annual street pavement rehabilitation program as identified by the Pavement Management & Maintenance Program (PMMP). This project includes only slab replacement. Larger projects including PER for entire street replacement are included in separate project worksheets.
ST1603	Sidewalk & Trail Rehabilitation	With depreciating sidewalk in various areas around the City, this project will allow for the annual repairs to update the sidewalk and provide a more safe environment in neighborhoods and business areas for walkability. Full depth repairs made to several hundred linear feet of sidewalk.
ST1604	SH6 Maxicom Irrigation Retrofit (Brooks Street to Oyster Creek Park)	This project is a retrofit of existing irrigation along SH 6 from Brooks Street to Oyster Creek Park upgrading the system to the maxicom monitored system to allow for a better comprehensive monitoring system.
ST1605	US59 Landscape Beautification Phase IV	Continuation of landscape improvements along US 59 from University Blvd. to the Brazos River.
ST1606	Pedestrian and Bicycle Master Plan Improvements	Design and construction of projects identified in the 2013 Pedestrian and Bicycle Master Plan.
<b>Streets Total</b>		
<b>Surface Water Projects</b>		
SW1401	Brooks Lake Diversion Weir / Amil Gate Replacement	Construction of replacement of the existing Amil gate at Brooks Lake Diversion with a new weir configuration consisting of concrete retaining wall weir structure, and slides gates.
SW1601	Riverstone Ground Water Plant Improvements	Design and construction of one 1.5 MG ground storage tank and installation of two additional 2,500 GPM booster pumps and other necessary improvements to revive and mixing treated surface water at the plant. The project also includes other chemical feed system modifications at other groundwater plants.
SW1602	Surface Water Transmission Line to Riverstone Ground Water Plant	Design and construction of a new 25,000 ft length of 30-inch and 16-inch pipe that conveys surface water to the Riverstone groundwater plant.
<b>Surface Water Total</b>		

Transfers from Operating Funds				Bond Proceeds		Miscellaneous	Total FY16 CIP Budget
General Fund	Water Utilities & Surface Water Funds	Airport Fund	SLDC / SL4B Corp	GO / CO	Revenue	Grants / FB Other Sources	
				2,600,000			2,600,000
						208,400	208,400
200,000							200,000
			200,000				200,000
75,000							75,000
200,000							200,000
				600,000			600,000
<b>475,000</b>	-	-	<b>200,000</b>	<b>3,200,000</b>	-	<b>208,400</b>	<b>4,083,400</b>
				1,200,000			1,200,000
			2,200,000	1,000,000		1,000,000	4,200,000
258,500							258,500
1,520,000				1,550,000			3,070,000
600,000							600,000
175,000							175,000
102,000							102,000
250,000							250,000
<b>2,905,500</b>	-	-	<b>2,200,000</b>	<b>3,750,000</b>	-	<b>1,000,000</b>	<b>9,855,500</b>
	1,635,400						1,785,400
						150,000	
				500,000		150,000	650,000
				1,200,000			1,200,000
-	<b>1,635,400</b>	-	-	<b>1,700,000</b>	-	<b>300,000</b>	<b>3,635,400</b>

**CITY OF SUGAR LAND  
SUMMARY OF CAPITAL PROJECTS  
FISCAL YEAR 2016**

<b>Project #</b>	<b>Project Name</b>	<b>Project Description</b>
<b>Traffic Projects</b>		
TR1503	Traffic Signal Management/ITS	Program to fund the Intelligent Transportation System (ITS) Operations Plan which was updated November 2014 and other projects to advance the City's ITS.
TR1601	Street Light Replacement	Program will replace 100, 30-foot cobra head street lights per year with the 12-foot decorative lamp post lights. This will be done along signature routes with high traffic volumes and heavy tree canopies (which restricts the existing cobra street lights from properly lighting the roadways).
TR1602	Traffic Evaluation and Safety Improvements	Program will analyze intersections for quick improvements with relatively low cost but high benefits. This analysis will provide measures of effectiveness that will allow uniform comparison of the expected benefits- average % reduction in intersection delay (Eldridge Road dual left turn widening at West Airport Boulevard).
<b>Traffic Total</b>		
<b>Wastewater Projects</b>		
WW1303	Rehabilitation of 24-in Forcemain - Lexington LS to Sweetwater LS	Replace the existing 5,000 LF of 24-inch forcemain from the Lexington lift station to the Sweetwater lift station with a 16-inch forcemain.
WW1403	Collection System Rehabilitation Program (Project C)	Continue detailed design for system deficiencies identified in the 2009 Infiltration/Inflow Study of areas that may experience sanitary sewer overflows (SSOs) during heavy storm events in identified as Project C.
WW1406	Replacement of Forcemain Crossing at US59/Central Drive	Replace existing 12-inch forcemain with new 12-inch PVC pipe.
WW1502	Lift Station Rehabilitation	Rehabilitation of the lift stations identified by staff routine inspection and annual assessments. FY15 Design - South WWTP onsite (139), Millrock (120), Woodstream (123), Inverrary (129), Lexington 1 (134), Lexington 2 (135).
WW1601	Collection System Rehabilitation Program (Project D and East Interceptor Phase III)	Continue detailed evaluation and design for system deficiencies identified in the 2009 Citywide Inflow & Infiltration Study and 2011 Pre-Design Report of areas that experience sanitary sewer overflows (SSOs) during heavy storm events. In addition, the East Interceptor Phase III will need to be evaluated as recommended in the I&I study.
WW1602	Lift Station Rehabilitation	Rehabilitation of the lift stations identified by staff routine inspection and annual assessments. FY16 Design - Fluor (9), Voss Rd (21), Executive (25), Paradise Point (32).
WW1603	TIRZ#4 Wastewater Infrastructure	Design and construction of wastewater infrastructure, including lift stations and wastewater collection lines near UH campus.
<b>Wastewater Total</b>		
<b>Water Projects</b>		
WA1403	Replacement of Water Line Crossings at US59/Parkway and US59/ Williams Trace and Bally's	Replacement of existing 12-inch waterlines with new PVC pipeline and installation of steel casing.
WA1501	Upgrade 18-inch water line from Fire Station # 4	Upgrade the 18-inch AC water line from Fire Station No. 4 to Sweetwater Blvd., to a 24-inch PVC pipe line.
WA1502	Replacement of Water Line Crossings at US59/ Commerce Green	Replacement of existing 12-inch waterlines with new PVC pipeline and installation of steel casing.
WA1503	Elevated Storage Tank (EST) Rehabilitation	Rehabilitation work includes structural repairs and modifications as needed and blasting and coating of interior and exterior surfaces to the Settler's Way EST. Scope also includes installation of a re-circulation pump at all EST locations within the City to improve mixing of water disinfectants.
WA1601	Distribution System Water Main Rehabilitation Program	A waterline replacement analysis was conducted based on maintenance records to prioritize the water line rehabilitation. The biennial projects include design and construction of distribution system water lines to replace aged and high maintenance existing waterlines. Design in one year, construction in the next; ongoing project.
WA1602	Well Rehabilitation	Design and construction scheduled maintenance of water wells for one of the 17 City water wells. Maintenance of water wells includes pulling of pump from wells and cleaning well screens. Repairs required for the wells and pumps are determined when the wells are pulled.
WA1603	Ground Storage Tank Rehabilitation	Annual funding for refurbishment of existing ground storage water tanks at a site to be determined and prioritized by scheduled evaluation and assessment. Work includes structural repairs and modifications as needed, blasting and proper removal of old coatings and repainting.
WA1604	Installation of Recirculation Pumps at Elevated Storage Tanks (EST's)	The scope of this project includes the evaluation/design and the installation of Recirculation Pumps at all the Elevated Storage Tank Locations.
<b>Water Total</b>		
<b>Grand Total</b>		

Transfers from Operating Funds				Bond Proceeds		Miscellaneous	Total FY16 CIP Budget
General Fund	Water Utilities & Surface Water Funds	Airport Fund	SLDC / SL4B Corp	GO / CO	Revenue	Grants / FB Other Sources	
				1,811,000			1,811,000
200,000							200,000
150,000							150,000
<b>350,000</b>	-	-	-	<b>1,811,000</b>	-	-	<b>2,161,000</b>
					575,000		575,000
	1,000,000				600,000	2,000,000	3,600,000
					100,000		100,000
					1,270,000		1,270,000
					450,000		450,000
					130,000		130,000
					1,061,000		1,061,000
-	<b>1,000,000</b>	-	-	-	<b>4,186,000</b>	<b>2,000,000</b>	<b>7,186,000</b>
						250,000	250,000
					1,200,000		1,200,000
						400,000	400,000
	1,000,000					100,000	1,100,000
					235,000		235,000
					700,000	180,000	880,000
						770,000	770,000
						300,000	300,000
-	<b>1,000,000</b>	-	-	-	<b>2,135,000</b>	<b>2,000,000</b>	<b>5,135,000</b>
<b>\$ 4,702,080</b>	<b>\$ 3,635,400</b>	<b>\$ 284,550</b>	<b>\$ 7,330,000</b>	<b>\$ 21,893,870</b>	<b>\$ 7,034,550</b>	<b>\$ 14,878,400</b>	<b>\$ 59,758,850</b>

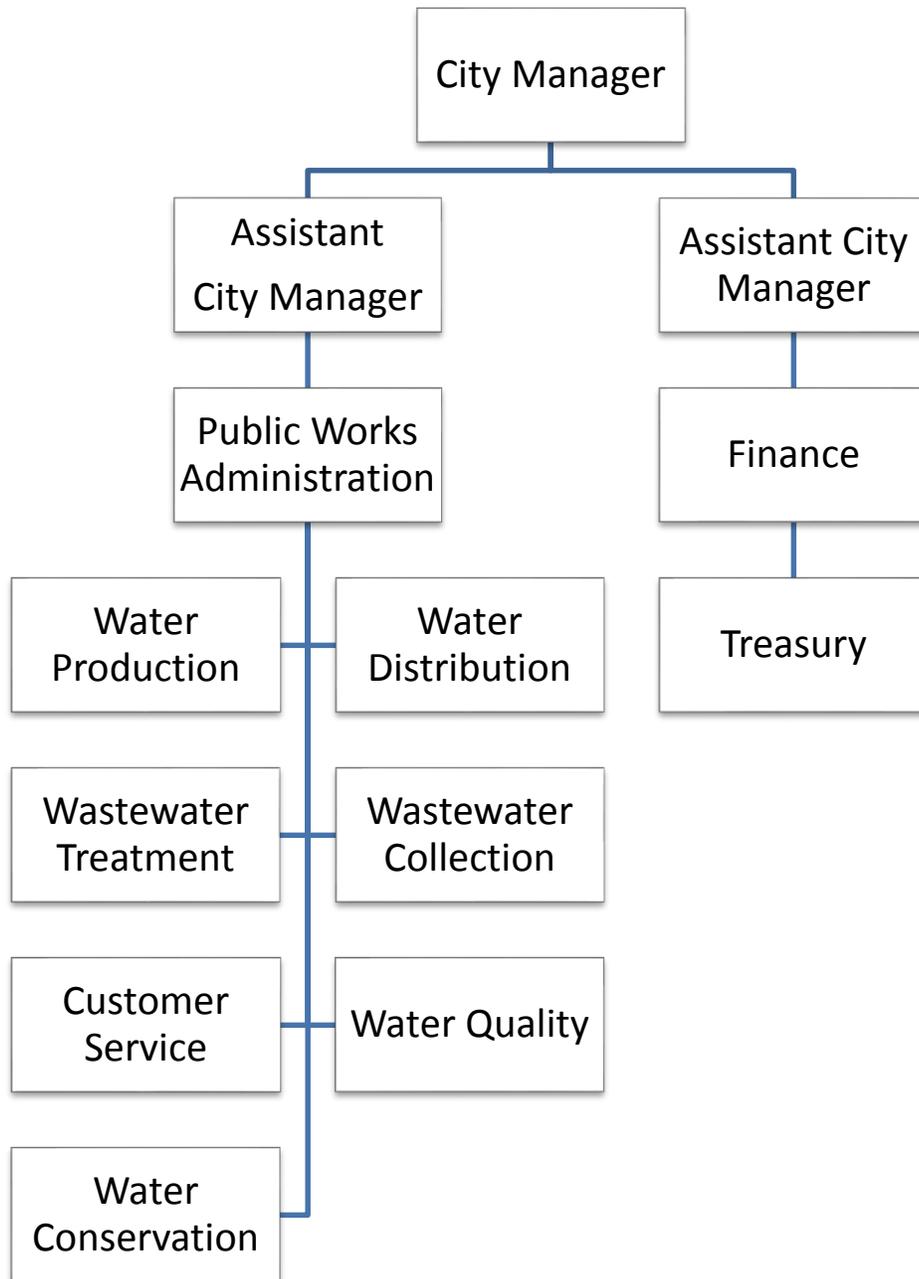
**CITY OF SUGAR LAND  
SUMMARY OF FY16 CAPITAL PROJECTS O&M IMPACT  
FISCAL YEARS 2017-2020**

<b>Project #</b>	<b>Project Title</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>
<b>Municipal</b>					
MU1302	Public Works Service Center	83,293	83,293	83,293	83,293
<b>Municipal - Total</b>		<b>83,293</b>	<b>83,293</b>	<b>83,293</b>	<b>83,293</b>
<b>Parks</b>					
PK1103	Town Center Pedestrian and Bicycle	3,870	3,870	3,870	3,870
PK1410	Mayfield Park	7,500	7,500	7,500	7,500
PK1411	Festival Grounds	148,900	138,900	138,900	138,900
PK1505	Imperial Connector Trail	10,000	10,000	10,000	10,000
PK1506	First Colony Trail	41,500	41,500	41,500	41,500
PK1507	Brazos River Park - Phase II	200,311	173,361	173,361	173,361
PK1601	Ditch H Trail	-	-	50,000	50,000
PK1701	Brazos River Park - Phase II (Mid-Lake)	-	-	60,000	60,000
<b>Parks - Total</b>		<b>412,081</b>	<b>375,131</b>	<b>485,131</b>	<b>485,131</b>
<b>Streets</b>					
ST1605	US59 Landscape Beautification Phase IV	29,800	29,800	29,800	29,800
<b>Streets - Total</b>		<b>29,800</b>	<b>29,800</b>	<b>29,800</b>	<b>29,800</b>
<b>Water</b>					
WA1101	Utility Security Phase II	10,000	10,000	10,000	10,000
<b>Water - Total</b>		<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>TOTAL</b>		<b>\$ 535,174</b>	<b>\$ 498,224</b>	<b>\$ 608,224</b>	<b>\$ 608,224</b>

# Water Utility Fund Organizational Chart

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*As of October 1, 2015*



# Water Utility Fund

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The City's water and wastewater utilities are financed and operated in a manner similar to private business enterprises, where costs of providing the services to the public are financed primarily through user charges.

## Fiscal Year 2015

Total revenues for FY15 are estimated to be \$52,497,735, which is \$723,544 less than budgeted revenues. Surface water fees billed to residents are estimated at \$9,333,478. Water and wastewater revenues are projected at \$24,345,496. Interest income is projected at \$50,000. Bond proceeds are projected at \$16,951,883, higher than budget as it includes bond refunding of \$3,555,000 for Series 2006, which was refunded in May concurrent with the new bonds for 2015. Transfers of \$653,703 from connection fees cover FY15 debt service requirements for connection fee projects. Miscellaneous revenues total \$917,130.

Operating expenses for FY15 are projected to be \$12,263,608, 10% less than budget due to lower water production due to higher rainfall.

Non-operating expenditures total \$41,974,847. Debt service payments total \$11,518,269 and include the call provision on the Series 2006 bonds that were refunded. Operating transfers total \$30,236,261 and includes \$15,010,000 for CIP, \$9,321,651 to the Surface Water Fund for pumpage fees, \$2,826,926 to the General Fund for administrative overhead, \$189,487 to the Fleet Fund, and \$77,887 to the High Tech Fund. Also included in the transfer is \$2,455,699 to the Debt Service Fund. This transfer is based on policy direction from City Council to have utility rates support 100% of assumed water/wastewater debt from dissolved MUDs thereby supporting the assumed MUD debt through user fees instead of property taxes.

Ending cash equivalent balance at 9/30/15 is estimated to be \$8,612,923, which is \$185,080 higher than budget due to lower expenditures than budget. The fund is projected to have a 71% operating reserve, which is above the 25% established by policy. The fund has a required debt service reserve of \$5,640,967 at fiscal year-end.

## Fiscal Year 2016

Total revenues for FY16 are estimated to be \$46,020,999. Total revenues for water and wastewater are budgeted at \$26,687,747. There are no rate increases for FY16. Surface water fees are budgeted at \$10,473,536 and tap fees at \$211,500. Miscellaneous revenues total \$765,391 and are made up of penalties, connection fees and other charges.

Operating expenditures total \$12,525,764 and includes one-time costs of \$50,000 for asset management, \$100,000 for an automated meter reading study, and \$100,000 for Industrial Park utility assessment. Also included is a recurring addition of \$75,000 for manhole repairs.

Non-operating expenditures total \$33,880,649. Debt service payments are budgeted at \$7,918,865 for existing debt, \$560,460 for new debt on the planned debt issuance for \$7.1 million, and issuance costs for \$140,690. Transfers-out total \$24,935,634 and includes transfers to the Fleet and High-Tech Replacement Funds, General Fund and Debt Service Fund. Transfer out to the Surface Water Fund for \$10,502,417 is based on a pumpage fee of \$1.75 per 1,000 gallons for anticipated water use including City parks and right-of-ways. Also included in the transfers out is \$2,000,000 for pay-as-you-go capital project funding for the construction of water and wastewater projects. Miscellaneous expenditures include contingency and property and liability premiums.

The Utility Fund has a debt service reserve of \$5,683,744. The cash equivalents balance on 9/30/16 is estimated at \$8,184,732, which is a 67% operating reserve.

## Financial Analysis

Financial ratios are used to analyze the financial position and operating results of the fund. A comparison based on FY15 projections and the FY16 budget is shown below:

	FY15 Projections	FY16 Budget
Cash Reserve Ratio	71%	67%
Direct Bond Coverage	1.65	1.83

The targeted minimum cash reserve ratio is 25% of operating expenses. The bond coverage minimum is 1.83 times the average annual debt service requirements. The FY16 cash reserve ratio is budgeted at 67%. Rates will be adjusted annually as necessary to ensure cash reserves and bond coverage requirements are maintained.

The financial strength of the utility system is recognized by the rating agencies. Fitch and Standard & Poor's both assigned an AA+ rating to the outstanding revenue bonds.

**CITY OF SUGAR LAND  
ENTERPRISE FUND - WATER UTILITY SYSTEM  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Charges for Services	\$24,287,624	\$26,733,385	\$24,345,496	\$26,687,747	\$ -	\$ 26,687,747
Surface Water Fees	9,333,478	11,591,455	9,333,478	10,473,536	-	10,473,536
Tap Fees	229,989	302,850	246,045	211,500	-	211,500
Interest Income	43,740	30,000	50,000	50,000	-	50,000
Miscellaneous	971,409	639,686	917,130	765,391	-	765,391
<b>Total Operating Revenues</b>	<b>34,866,240</b>	<b>39,297,376</b>	<b>34,892,149</b>	<b>38,188,174</b>	<b>-</b>	<b>38,188,174</b>
Bond Proceeds	15,769,774	13,270,200	16,951,883	7,175,241	-	7,175,241
Transfers In - Connection Fees	632,589	653,703	653,703	657,584	-	657,584
<b>Total Non-Operating Revenues</b>	<b>16,402,363</b>	<b>13,923,903</b>	<b>17,605,586</b>	<b>7,832,825</b>	<b>-</b>	<b>7,832,825</b>
<b>Total Revenues</b>	<b>51,268,603</b>	<b>53,221,279</b>	<b>52,497,735</b>	<b>46,020,999</b>	<b>-</b>	<b>46,020,999</b>
<b>EXPENDITURES</b>						
Utility Administration	482,051	891,160	891,160	489,963	150,000	639,963
Water Distribution	1,290,964	1,789,413	1,514,413	1,651,655	-	1,651,655
Water Production	1,781,444	2,847,726	1,945,726	2,330,961	-	2,330,961
Wastewater Collection	592,236	714,056	714,056	732,410	75,000	807,410
Wastewater Treatment	3,956,390	4,355,682	4,255,682	4,299,810	100,000	4,399,810
Customer Service	472,121	592,938	592,938	715,049	-	715,049
Water Quality	314,427	421,297	421,297	424,296	-	424,296
Water Conservation	129,806	284,631	184,631	288,590	-	288,590
Treasury	1,577,455	1,743,705	1,743,705	1,268,030		1,268,030
<b>Total Operating Expenditures</b>	<b>10,596,894</b>	<b>13,640,608</b>	<b>12,263,608</b>	<b>12,200,764</b>	<b>325,000</b>	<b>12,525,764</b>
Debt Service	7,375,055	8,766,488	11,518,269	8,620,015	-	8,620,015
Miscellaneous	148,326	198,540	220,317	325,000	-	325,000
Transfers Out	32,819,567	32,541,443	30,236,261	24,935,634	-	24,935,634
<b>Total Non-Operating Expenditures</b>	<b>40,342,948</b>	<b>41,506,471</b>	<b>41,974,847</b>	<b>33,880,649</b>	<b>-</b>	<b>33,880,649</b>
<b>Total Expenditures</b>	<b>50,939,842</b>	<b>55,147,079</b>	<b>54,238,455</b>	<b>46,081,413</b>	<b>325,000</b>	<b>46,406,413</b>
Net Income/(Loss)	328,760	(1,925,800)	(1,740,720)	(60,414)	(325,000)	(385,414)
Reserve - Debt Service	(5,501,968)	(5,640,967)	(5,640,967)	(5,683,744)	-	(5,683,744)
Cash Equivalent - Beginning	15,665,850	15,994,610	15,994,610	14,253,890	-	14,253,890
Cash Equivalent - Ending	\$ 10,492,642	\$ 8,427,843	\$ 8,612,923	\$ 8,509,732	\$ (325,000)	\$ 8,184,732
CASH OPERATING RESERVE	99%	63%	71%	67%		67%
BOND COVERAGE DIRECT DEBT	1.78	1.29	1.65	1.83		1.83

**CITY OF SUGAR LAND**  
**ENTERPRISE FUND - WATER UTILITY SYSTEM**  
**SUMMARY SCHEDULE OF REVENUES**

	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>OPERATING REVENUES</b>						
Water Sales	\$ 9,845,496	\$ 11,977,894	\$ 9,845,496	\$ 11,373,177	\$ -	\$ 11,373,177
Wastewater Charges	14,442,128	14,755,491	14,500,000	15,314,570	-	15,314,570
Charges for Services Total	24,287,624	26,733,385	24,345,496	26,687,747		26,687,747
Surface Water Fees	9,333,478	11,591,455	9,333,478	10,473,536		10,473,536
Surface Water Fees Total	9,333,478	11,591,455	9,333,478	10,473,536		10,473,536
Water Taps	195,989	240,975	206,845	172,125	-	172,125
Sewer Taps	34,000	61,875	39,200	39,375	-	39,375
Tap Fees Total	229,989	302,850	246,045	211,500		211,500
Interest Income	43,740	30,000	50,000	50,000		50,000
Interest Income Total	43,740	30,000	50,000	50,000		50,000
Penalties	377,048	305,000	341,348	305,000	-	305,000
Collection Charges	4,590	7,200	5,090	7,200	-	7,200
Delinquent Processing Fee	34,850	23,000	38,567	23,000	-	23,000
Misc. Charges	5,455	7,000	5,805	7,000	-	7,000
Connection Charges - Water	207,731	130,000	209,385	200,000	-	200,000
Connection Charges - Wastewater	187,271	120,000	202,779	175,000	-	175,000
Wastewater Surcharge	-	-	75,000	-	-	-
Property Insurance Recovery	23,465.00	20,000	-	20,000	-	20,000
Miscellaneous	107,410	-	15,000	-	-	-
Reimbursements	95	1,000	-	1,000	-	1,000
Sale of Property	692	3,000	670	3,000	-	3,000
Leased Premises	22,802	23,486	23,486	24,192	-	24,192
Miscellaneous Total	971,409	639,686	917,130	765,392	-	765,392
<b>Total Operating Revenues</b>	<b>\$ 34,866,240</b>	<b>\$ 39,297,376</b>	<b>\$ 34,892,149</b>	<b>\$ 38,188,174</b>	<b>\$ -</b>	<b>\$ 38,188,174</b>

# Water Utilities

## Mission Statement

The **Water Utilities Department** takes pride in maintaining a tradition of producing ample superior quality water, vigilantly maintaining water and wastewater infrastructure, and providing responsive and efficient customer-oriented service in a cost-effective and innovative manner emphasizing responsible environmental stewardship and compliance with all regulatory requirements.

## Services Provided

The Utilities Department is responsible for the long range planning, administration and operation of the City's water and wastewater systems including regulatory compliance for all mandated EPA and TCEQ programs.

## Programs of Service

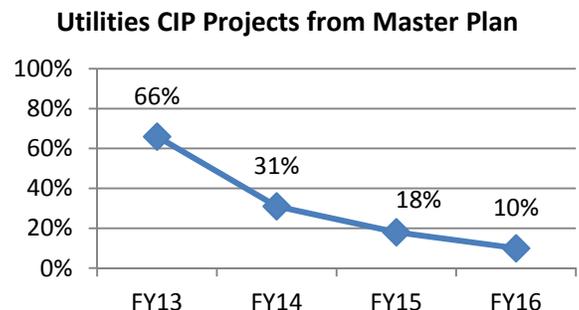
**Utilities Administration** sets departmental goals and strategies, provides organizational direction and control to accomplish those goals and manages long range planning to ensure there is adequate system capacity for growth. The **Water Distribution** program is responsible for insuring that water produced is delivered to meet customer expectations including maintaining and repairing water lines, meters and fire hydrants. **Water Production** is responsible for producing, treating and supplying quality water that complies with all federal and state water quality standards and with sufficient water pressure to meet customer needs and fire flow requirements in an emergency. **Wastewater Collection** operates, maintains, and repairs sanitary sewer collection lines and manholes to meet or exceed all state and federal guidelines. The **Wastewater Treatment** program is responsible for transporting and treating wastewater to a quality that meets federal and state water quality standards, and operating, maintaining and repairing sanitary sewer lift stations and wastewater treatment plants. The **Customer Service** program responds to all requests for service 24 hours a day 7 days a week and reads all water meters monthly. The **Water Quality** program monitors the safety and quality of drinking water through water testing and compliance monitoring and handles backflow prevention, grease trap inspections, and the mandated wastewater industrial pretreatment programs. The **Water Conservation** program is responsible for water education, conservation and communication and is managed through the Public Works Department Environmental Services Division. The **Treasury** program, managed through the Finance Department, provides centralized collection of City funds for utility and other billings, as well as daily receipts from other operating departments and receipts from outside payments including property tax payments received from Fort Bend County. Treasury also bills for utilities, alarms, airport rentals, and other miscellaneous receivables for all city departments.

## FY16 Budget Requests

Recurring additions total \$75,000 for manhole repairs and \$250,000 for non-recurring expenses. This includes \$50,000 for asset management, \$100,000 for an automated meter reading study and \$100,000 for utility assessment.

## Performance Measures: Well Planned Community

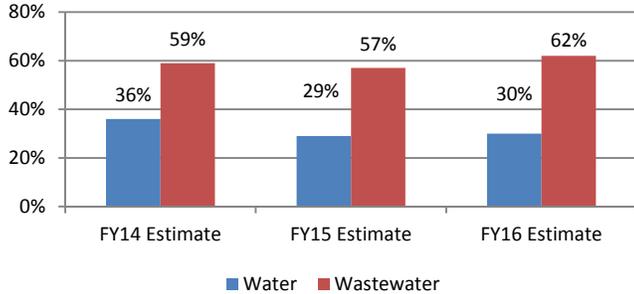
The City Council measure for "Adequate infrastructure and services to support growth and to sustain our existing community" is recommendations from Utilities master plans included and funded in the five-year CIP.



# Water Utilities

## Performance Measures: Well Planned Community

Capacity to Permitted Capacity Comparison



The ratios of average daily supply capacity and flow capacity are also measures of adequate infrastructure.

Summary by Type	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Utility Administration	\$ 482,051	\$ 891,160	\$ 891,160	\$ 639,963	\$ 150,000	\$ 789,963
Water Distribution	1,290,964	1,789,413	1,514,413	1,651,655	-	1,651,655
Water Production	1,781,444	2,847,726	1,945,726	2,080,961	-	2,080,961
Wastewater Collection	592,236	714,056	714,056	732,410	75,000	807,410
Wastewater Treatment	3,956,390	4,355,682	4,255,682	4,399,810	100,000	4,499,810
Customer Service	472,122	592,938	592,938	715,049	-	715,049
Water Quality	314,427	421,297	421,297	424,296	-	424,296
Water Conservation	129,806	284,334	184,631	288,590	-	288,590
Treasury	1,577,455	1,743,705	1,743,705	1,268,030	-	1,268,030
<b>Category Totals</b>	<b>\$ 10,596,895</b>	<b>\$ 13,640,311</b>	<b>\$ 12,263,608</b>	<b>\$ 12,200,764</b>	<b>\$ 325,000</b>	<b>\$ 12,525,764</b>

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 3,122,499	\$ 3,644,687	\$ 3,644,687	\$ 3,980,682	\$ -	\$ 3,980,682
Supplies	767,357	1,201,856	875,064	886,331	-	886,331
Professional Services	3,207,910	4,326,544	3,761,044	3,229,741	250,000	3,479,741
Repairs & Maintenance	3,036,683	3,914,716	3,439,654	3,593,151	75,000	3,668,151
Purchased Services	462,446	481,411	472,062	510,859	-	510,859
Capital/Other	-	71,097	71,097	-	-	-
<b>Category Totals</b>	<b>\$ 10,596,895</b>	<b>\$ 13,640,311</b>	<b>\$ 12,263,608</b>	<b>\$ 12,200,764</b>	<b>\$ 325,000</b>	<b>\$ 12,525,764</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Utility Administration	5.50	5.00	-	5.00	-	5.00
Water Distribution	10.45	11.00	-	11.00	-	11.00
Water Production	5.50	4.50	1.00	5.50	-	5.50
Wastewater Collection	6.70	6.50	-	6.50	-	6.50
Wastewater Treatment	5.50	6.50	(1.00)	5.50	-	5.50
Customer Service	6.35	6.00	3.00	9.00	-	9.00
Water Quality	4.50	4.50	-	4.50	-	4.50
Water Conservation	1.00	1.00	-	1.00	-	1.00
Treasury	10.00	11.00	-	11.00	-	11.00
<b>FTE Count Totals</b>	<b>55.50</b>	<b>56.00</b>	<b>3.00</b>	<b>59.00</b>	<b>-</b>	<b>59.00</b>

**ENTERPRISE - UTILITY  
WATERWORKS AND SEWER SYSTEM  
TOTAL DEBT SERVICE OUTSTANDING\***

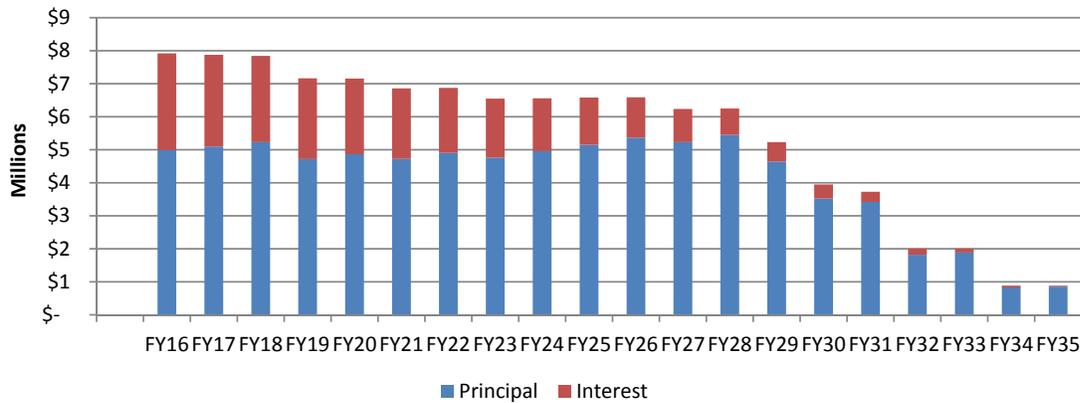
Due During FY Ending September 30	Principal	Interest	Total
FY16	\$ 4,987,206	\$ 2,931,659	\$ 7,918,865
FY17	5,096,036	2,779,750	7,875,786
FY18	5,230,154	2,613,993	7,844,147
FY19	4,718,218	2,445,852	7,164,070
FY20	4,866,281	2,289,067	7,155,348
FY21	4,723,667	2,134,908	6,858,575
FY22	4,904,035	1,970,981	6,875,016
FY23	4,762,386	1,786,817	6,549,203
FY24	4,957,077	1,602,845	6,559,922
FY25	5,150,714	1,431,683	6,582,397
FY26	5,363,674	1,226,547	6,590,221
FY27	5,229,616	1,006,350	6,235,966
FY28	5,450,846	799,033	6,249,879
FY29	4,642,426	590,278	5,232,704
FY30	3,525,000	423,194	3,948,194
FY31	3,420,000	307,844	3,727,844
FY32	1,820,000	190,138	2,010,138
FY33	1,885,000	123,763	2,008,763
FY34	830,000	54,763	884,763
FY35	855,000	27,788	882,788
<b>TOTAL</b>	<b>\$ 82,417,336</b>	<b>\$ 26,737,246</b>	<b>\$ 109,154,582</b>

Total principal outstanding is comprised of seven issues and all current debt matures by FY35.

Series	Amount Outstanding	Maturity
Series 2008	9,641,205	FY28
Series 2009	13,376,131	FY29
Refunding 2009	1,995,000	FY18
Series 2012	19,555,000	FY31
Series 2012A	7,535,000	FY30
Series 2013	14,565,000	FY33
Series 2015	15,750,000	FY35
<b>Total</b>	<b>\$ 82,417,336</b>	

\* Does not include anticipated issuance of new debt.

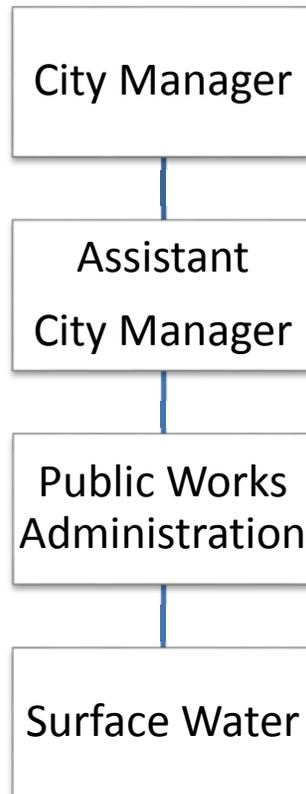
**Debt Service Schedule**



# Surface Water Fund Organizational Chart

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*As of October 1, 2015*



# Surface Water Fund

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The Surface Water Fund accounts for all operating activities related to the City's required conversion to surface water, which is funded through a fee per 1,000 gallons of water produced. Those outside the City limits pay a 20% out-of-City service charge over the monthly fees; service charges from New Territory, Greatwood, and Tara Plantation are credited to the debt reduction funds based on Strategic Partnership Agreements (SPAs).

## Fiscal Year 2015

Total revenues for FY15 are projected to be \$13,312,107, which is 83.8% of budget due to high rainfall received during the year, which decreases pumpage. Surface water fees from GRP participants are projected at \$3,876,450. Out-of-city service charge is projected at \$36,856 for participants other than New Territory, Greatwood, and Tara Plantation MUDs. Out-of-city service charges for New Territory, Greatwood, and Tara Plantation go to the Debt Reduction Funds. Groundwater Reduction Plan (GRP) fees from City customers are projected at \$9,321,651. Interest income is projected at \$60,000, and miscellaneous revenues at \$17,150.

Total operating expenses are projected to be \$5,248,610 and include personnel expenses of \$850,094, operations and maintenance for \$4,398,516, including payment on contracts for surface water rights and raw water costs. Debt service payment is \$7,042,101 for the 2011 Certificates of Obligation issued for construction of the Surface Water Treatment Plant and other projects needed for conversion to surface water. Transfers out total \$585,877 and includes \$576,840 to the General Fund for administrative fees, \$458 to the Hi-Tech Fund and \$8,579 to the Fleet Fund. Ending cash equivalents at 9/30/15 is projected to be \$12,930,385.

## Fiscal Year 2016

Total surface water revenues are estimated at \$15,389,538. The GRP fee will remain at \$1.75 per 1,000 gallons of water. GRP participants who are not City water customers are anticipated to contribute \$4,798,198 in FY16 based on average rainfall. The out-of-city service charge of \$53,923 is a 20% premium on the GRP for participants outside the city limits. GRP fees from City customers are based on production of 6.0 billion gallons of water; GRP fees from non-City customers are based on 2.7 billion gallons of water. Interest income is estimated at \$35,000. The transfers in for \$10,502,417 represent pumpage fees for City customers, which are collected in the Water Utility Fund and transferred to the Surface Water Fund monthly.

Total operating expenses are \$5,559,895 and include \$1,036,884 for personnel expenses, \$3,477,249 for operations and maintenance, and \$1,045,762 for raw water cost.

Debt service payments of \$7,231,623 are for the 2008, 2009, and 2011 Certificates of Obligation. The fund has budgeted transfers of \$608,800. This includes \$594,145 being transferred to the General Fund for administrative overhead reimbursements, \$7,907 to the Fleet Fund, and \$6,748 to the Hi-Tech Fund. The fund currently has one CIP project in progress and two new projects budgeted in FY16. There is a planned inter-fund loan for \$3 million to the Airport, which will be repaid with interest in FY18 and FY19 with grant funds from TxDOT Aviation. Ending cash equivalents at 9/30/16 is estimated to be \$9,968,072, which is above the 50% general purpose reserve requirement of \$7,675,926.

**CITY OF SUGAR LAND  
ENTERPRISE FUND - SURFACE WATER  
INCOME STATEMENT**

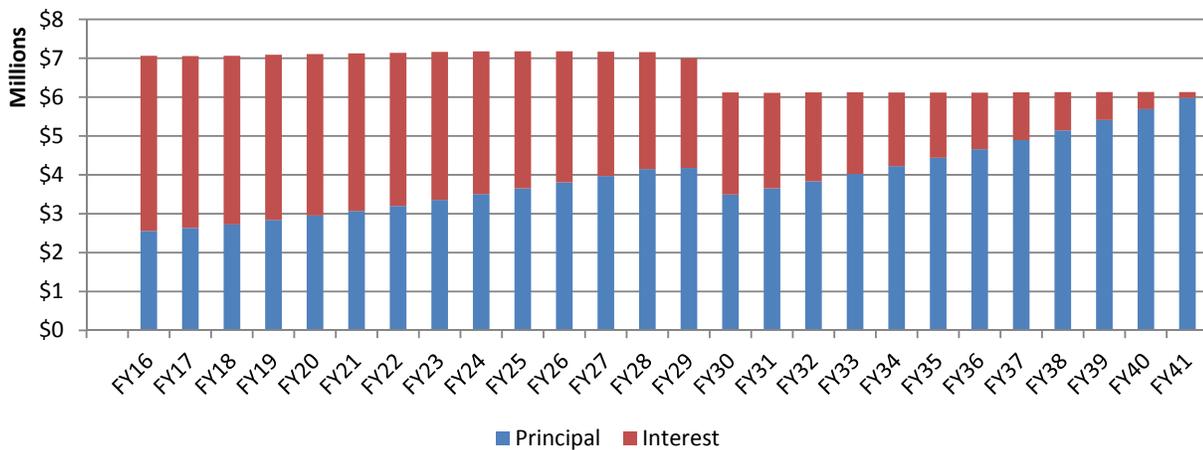
	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
GRP Fees	\$ 4,067,870	\$ 4,184,027	\$ 3,876,450	\$ 4,798,198	\$ -	\$ 4,798,198
Out of City Service Charge	39,028	31,626	36,856	53,923	-	53,923
Interest Income	31,577	27,000	60,000	35,000	-	35,000
Miscellaneous	13,613	-	17,150	-	-	-
Operating Revenues	4,152,088	4,242,653	3,990,456	4,887,121	-	4,887,121
Transfer In - Water Utility Fund	9,321,651	11,626,834	9,321,651	10,502,417	-	10,502,417
Transfer In - Connection Fees		-	-	-	-	-
Non Operating Revenues	9,321,651	11,626,834	9,321,651	10,502,417	-	10,502,417
Total Revenues	13,473,739	15,869,487	13,312,107	15,389,538	-	15,389,538
<b>EXPENSES</b>						
Personnel Services	664,919	850,094	850,094	1,036,884	-	1,036,884
Operations & Maintenance	2,539,770	3,497,413	3,436,124	3,477,249	-	3,477,249
Raw Water	1,024,359	960,817	960,817	1,045,762	-	1,045,762
Capital	44,891	1,486	1,575	-	-	-
Operating Expenses	4,273,939	5,309,810	5,248,610	5,559,895	-	5,559,895
Capital Projects	2,544,334	1,804,600	1,804,600	1,635,400	-	1,635,400
Debt Service Payment	7,079,388	7,042,101	7,042,101	7,231,623	-	7,231,623
Membranes/Capital Repairs	-	112,750	112,750	116,133	-	116,133
Miscellaneous	20,242	-	61,200	-	-	-
Transfers Out	478,469	585,877	585,877	608,800	-	608,800
Contingency	-	200,000	200,000	200,000	-	200,000
Non Operating Expenses	10,122,433	9,745,328	9,806,528	9,791,956	-	9,791,956
Total Expenses	14,396,372	15,055,138	15,055,138	15,351,851	-	15,351,851
Net Income (Loss)	(922,634)	814,349	(1,743,031)	37,687	-	37,687
Inter-Fund Loan to Airport	-	-	-	(3,000,000)	-	(3,000,000)
Cash Equivalents - Beginning	15,596,050	14,673,416	14,673,416	12,930,385	-	12,930,385
Cash Equivalents - Ending	\$14,673,416	\$ 15,487,765	\$ 12,930,385	\$ 9,968,072	\$ -	\$ 9,968,072
GRP Fee per 1,000 Gallons	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ -	\$ 1.75
Reserve Requirement (50%)	\$ 7,198,186	\$ 7,527,569	\$ 7,527,569	\$ 7,675,926	\$ -	\$ 7,675,926
Over/Under Policy	\$ 7,475,230	\$ 7,960,196	\$ 5,402,816	\$ 2,292,147	\$ -	\$ 2,292,147

**ENTERPRISE - SURFACE WATER FUND  
WATERWORKS AND SEWER SYSTEM  
TOTAL DEBT SERVICE OUTSTANDING**

Due During FY Ending September 30	Principal	Interest	Total
FY16	\$ 2,557,795	\$ 4,503,385	\$ 7,061,180
FY17	2,633,964	4,420,131	7,054,095
FY18	2,724,846	4,336,989	7,061,835
FY19	2,841,783	4,246,705	7,088,488
FY20	2,953,720	4,153,165	7,106,884
FY21	3,071,333	4,052,942	7,124,275
FY22	3,200,965	3,936,413	7,137,377
FY23	3,357,615	3,805,302	7,162,917
FY24	3,507,923	3,667,999	7,175,922
FY25	3,654,286	3,522,679	7,176,965
FY26	3,806,326	3,370,574	7,176,900
FY27	3,970,384	3,195,471	7,165,854
FY28	4,149,155	3,008,426	7,157,580
FY29	4,177,574	2,822,166	6,999,740
FY30	3,495,000	2,624,038	6,119,038
FY31	3,655,000	2,454,425	6,109,425
FY32	3,835,000	2,285,900	6,120,900
FY33	4,025,000	2,098,988	6,123,988
FY34	4,225,000	1,892,738	6,117,738
FY35	4,440,000	1,676,113	6,116,113
FY36	4,660,000	1,454,438	6,114,438
FY37	4,895,000	1,227,506	6,122,506
FY38	5,145,000	982,625	6,127,625
FY39	5,410,000	718,750	6,128,750
FY40	5,690,000	441,250	6,131,250
FY41	5,980,000	149,500	6,129,500
<b>TOTAL</b>	<b>\$ 102,062,665</b>	<b>\$ 71,048,617</b>	<b>\$ 173,111,283</b>

Series	Amount Outstanding	Maturity
Series 2008	1,508,796	FY28
Series 2009	9,053,870	FY29
Series 2011	91,500,000	FY41
<b>Total</b>	<b>\$ 102,062,665</b>	

**Debt Service Schedule**



# Surface Water

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## Mission Statement

The **Utilities Department** takes pride in providing a safe, dependable and effective public utility infrastructure, rendering a diverse group of services to the citizenry in a responsive, efficient and cost effective manner with a customer oriented approach that reflects the City's tradition of excellence.

## Services Provided

**Surface Water** is responsible for all operating and capital improvement activities related to the City's required conversion to surface water, which is funded through a fee per 1,000 gallons of water produced. Those outside the City limits pay an out-of-City service charge over the monthly fees; service charges from New Territory, Greatwood and Tara Plantation are credited to the debt reduction funds based on Strategic Partnership Agreements (SPAs).

## Programs of Service

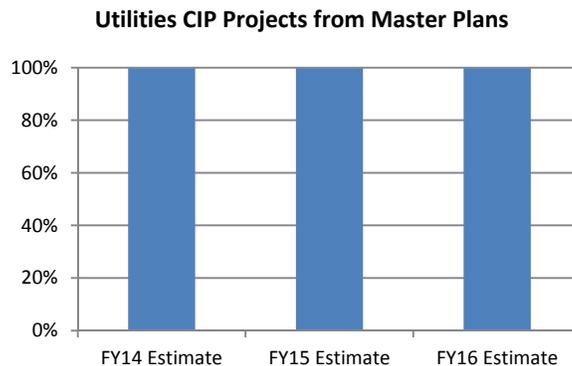
**Surface Water** is responsible for all planning and implementation of the City's reduction in ground water use. Based on the mandated surface water conversion, the program is also responsible for coordinating the identification, pursuit, acquisition and implementation of alternatives to groundwater sources, including but not limited to surface water, effluent reuse, conservation, and direct reuse projects.

## FY16 Budget Requests

There were no budget requests for FY16.

## Performance Measures: Well Planned Community

The City Council measure for "Adequate infrastructure and services to support growth and to sustain our existing community" is recommendations from Utilities master plans included and funded in the five-year CIP.



# Surface Water

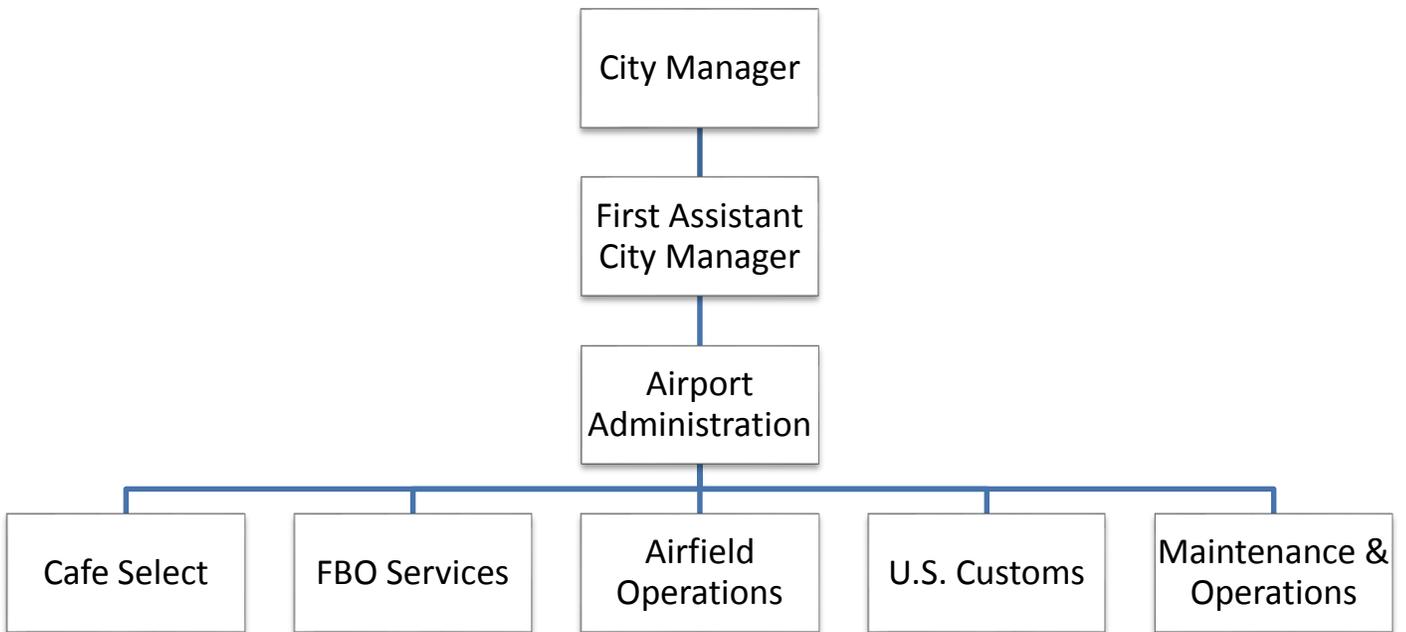
Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	\$ 664,917	\$ 850,094	\$ 850,094	\$ 1,036,884	\$ -	\$ 1,036,884
Supplies	921,075	1,567,610	1,506,410	1,595,611	-	1,595,611
Professional Services	2,358,243	2,244,843	2,264,843	2,242,862	-	2,242,862
Repairs & Maintenance	155,467	430,398	410,398	413,988	-	413,988
Purchased Services	128,008	215,379	215,379	270,551	-	270,551
Capital/Other	46,231	1,486	1,575	-	-	-
<b>Category Totals</b>	<b>\$ 4,273,941</b>	<b>\$ 5,309,810</b>	<b>\$ 5,248,699</b>	<b>\$ 5,559,896</b>	<b>\$ -</b>	<b>\$ 5,559,896</b>

FTE Count	FY14 Budget	FY15 Budget	FY15 Adjustments	FY16 Base Budget	FY16 Changes	FY16 Budget
Surface Water	12.00	11.50	1.00	12.50	-	12.50
<b>FTE Count Totals</b>	<b>12.00</b>	<b>11.50</b>	<b>1.00</b>	<b>12.50</b>	<b>-</b>	<b>12.50</b>

# Airport Fund Organizational Chart

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*As of October 1, 2015*



# Airport Fund

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Sugar Land Regional Airport, which is owned and operated by the City, is a self-supporting enterprise funded by user charges. The airport is home to several aircraft and expects to sell an average of 252,607 gallons of fuel per month during FY16. The City serves as a fixed based operator by providing fuel and general aviation customer services.

## Fiscal Year 2015

Total revenues for FY15 are projected to be \$17,240,216. Projected operating revenues total \$15,168,848, which includes \$13,025,778 in fuel sales, \$1,381,370 in hangar leases, \$12,000 in interest income, and \$749,700 in miscellaneous revenue from rental cars, ramp fees and other fees. Non-operating revenues are projected to total \$2,071,369 and consist of transfers in, bond proceeds and grants.

Total expenses for FY15 are projected to be \$16,160,869. Operating expenses, which include Administration, FBO Services, Airfield Operations, Café Select, Customs and Maintenance programs, are projected to be \$12,170,647. Non-operating expenses are projected to total \$3,990,223 and include transfers for capital projects and administrative overhead, and debt service payments. Ending cash equivalent balance at 9/30/15 is projected to be \$5,367,713; which is \$1,268,471 higher than the budgeted ending balance of \$4,099,242.

## Fiscal Year 2016

Total operating revenues for FY16 are budgeted at \$14,847,629. Revenues from fuel sales are budgeted at \$12,645,893, a 3% decrease over FY15 projections due to a drop in fuel prices. Gallons sold are estimated to increase 1.1% over FY15 projections. Non-operating revenues in FY16 are budgeted at \$3,295,960, which include grant proceeds of \$50,000, inter-fund loan of \$3,000,000, and operating transfers in of \$246,960. The transfers from the General Fund and Debt Service Fund are equal to the estimated property taxes collected on taxable value at the airport. The transfer from the Sugar Land Development Corporation is for international marketing efforts. The inter-fund loan will be used to finance the purchase of the old prison property and will be repaid to the Surface Water Fund with interest in FY18 and FY19 from TxDOT aviation grants.

Total operating expenses are budgeted at \$12,654,545, which include the Administrative, Airfield Operations, FBO Services, Café Select, Customs and Maintenance programs. Expenses are increasing by \$373,667 over the base budget largely due to capital items. The FY16 budget includes two additional positions for an Operations Agent and a Maintenance position, which totals \$92,023. Other recurring additions for \$8,789 includes wildlife dispersal equipment, key replacement and security program, and maintenance for a small dump truck, paint machine, tandem trailer, box blade, and register for the café. One-time additions for \$272,855 include funds for a new register in the café, truck deck/liner, transformation of the Terminal Building, a study for the Prison Property, remodeling of the Catering Room, and funds to develop a marketing plan for the Super Bowl traffic at the airport in 2017.

Total non-operating expenses are estimated at \$8,318,793, which includes the transfer of funds to the Airport CIP, overhead reimbursement to the General Fund, and debt service payments on outstanding Airport bonds. Transfer to the Airport CIP includes \$5,800,000 for acquisition of former Central Prison Unit property. Ending cash equivalent balance at 9/30/16 is expected to be \$2,756,763.

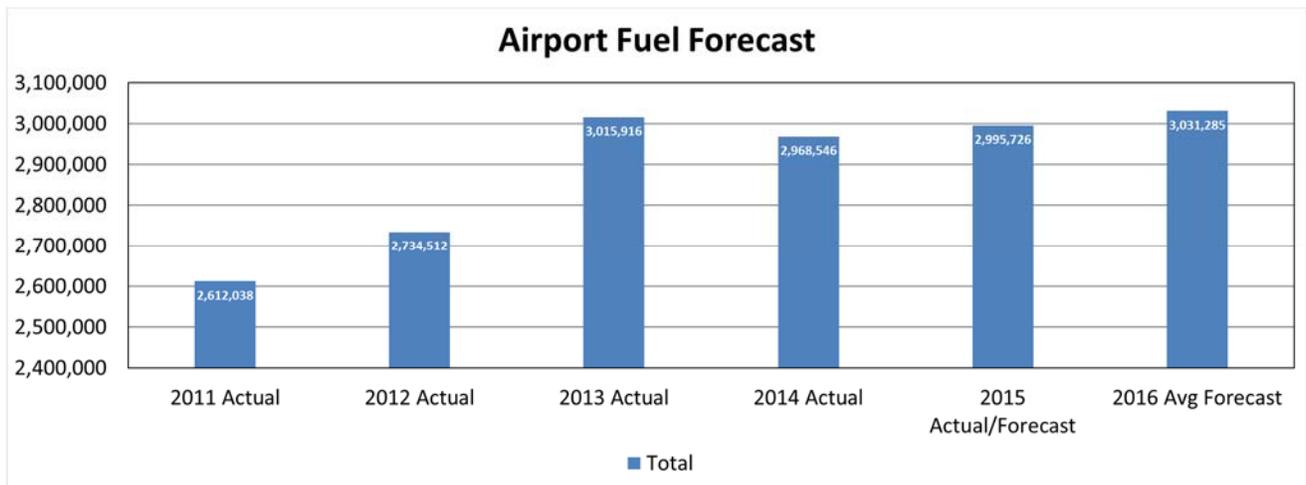
## Financial Analysis

As the airport is intended to be financially independent and self-supporting, financial ratios are used to analyze financial position and operating results. A comparison based on FY15 projections and FY16 budget amounts is shown below.

	Projections FY15	Budget FY16
Cash Reserve Ratio	119%	51%
Direct Bond Coverage	2.73	1.61

Cash reserve ratios for both FY15 projections and FY16 are above the targeted minimum of 25% of expenses net of fuel for resale and bond coverage is above the 1.25 target.

The graph below shows gallons of fuel sold. FY15 projections and the FY16 budget both show conservative fuel sales due to current trends. The aviation community has recognized Sugar Land as a great place to land and base, not only for the convenience as a point of entry to the greater Houston area, but also for the highest level of customer service and as such it is expected that fuel sales will soon exceed the high sales seen in FY13.



**CITY OF SUGAR LAND  
ENTERPRISE FUND - AIRPORT  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Fuel Sales	14,934,003	\$ 17,094,709	\$ 13,025,778	\$ 12,645,893	\$ -	\$ 12,645,893
Hangar Leases	1,319,271	1,288,571	1,381,370	1,398,571	-	1,398,571
Miscellaneous Revenues	686,003	585,465	749,700	796,165	-	796,165
Interest Income	7,691	7,000	12,000	7,000	-	7,000
<b>Total Operating Revenues</b>	<b>16,946,968</b>	<b>18,975,745</b>	<b>15,168,848</b>	<b>14,847,629</b>	<b>-</b>	<b>14,847,629</b>
Operating Transfers In	600,903	183,990	236,800	245,960	-	245,960
Grant Proceeds	50,000	50,000	50,000	50,000	-	50,000
Inter-Fund Loan	-	-	-	3,000,000	-	3,000,000
Bond Proceeds	736,925	1,800,000	1,784,569	-	-	-
<b>Total Non-Operating Revenues</b>	<b>1,387,829</b>	<b>2,033,990</b>	<b>2,071,369</b>	<b>3,295,960</b>	<b>-</b>	<b>3,295,960</b>
<b>Total Revenues</b>	<b>18,334,796</b>	<b>21,009,735</b>	<b>17,240,217</b>	<b>18,143,589</b>	<b>-</b>	<b>18,143,589</b>
<b>EXPENSES</b>						
Airport Administration	1,034,362	1,106,662	1,106,662	935,584	160,000	1,095,584
Airfield Operations	-	124,391	124,391	218,363	69,982	288,345
FBO Services	11,875,373	14,709,769	9,702,925	9,868,019	5,000	9,873,019
Café Select	180,968	236,852	236,852	257,987	3,340	261,327
Customs	201,745	204,898	204,898	204,898	-	204,898
Maintenance and Operations	826,449	794,919	794,919	796,027	135,345	931,372
<b>Total Operating Expenses</b>	<b>14,118,897</b>	<b>17,177,491</b>	<b>12,170,647</b>	<b>12,280,878</b>	<b>373,667</b>	<b>12,654,545</b>
Other Requirements	1,003,262	1,121,140	1,087,891	1,160,387	-	1,160,387
Miscellaneous	85,648	155,884	155,884	203,000	-	203,000
Operating Transfers Out	1,693,200	2,744,343	2,746,448	6,955,406	-	6,955,406
<b>Total Non-Operating Expenses</b>	<b>2,782,110</b>	<b>4,021,367</b>	<b>3,990,223</b>	<b>8,318,793</b>	<b>-</b>	<b>8,318,793</b>
<b>Total Expenses</b>	<b>16,901,007</b>	<b>21,198,858</b>	<b>16,160,869</b>	<b>20,599,671</b>	<b>373,667</b>	<b>20,973,338</b>
<b>NET INCOME (LOSS)</b>	<b>1,433,790</b>	<b>(189,123)</b>	<b>1,079,348</b>	<b>(2,456,082)</b>	<b>(373,667)</b>	<b>(2,829,749)</b>
CASH EQUIVALENTS BEGINNING	3,700,363	5,209,710	5,209,710	6,289,058	-	6,289,058
Debt Service Reserve	(889,698)	(921,345)	(921,345)	(702,546)	-	(702,546)
<b>CASH EQUIVALENTS ENDING</b>	<b>\$ 4,244,455</b>	<b>\$ 4,099,242</b>	<b>\$ 5,367,713</b>	<b>\$ 3,130,430</b>	<b>\$ (373,667)</b>	<b>\$ 2,756,763</b>
CASH EQ. RESERVE RATIO (25% min)		89%	119%	71%		51%
BOND COVERAGE (1.25x min)		1.86	2.73	2.17		1.61
FUEL GALLONS SOLD		2,948,791	2,995,726	3,031,285		3,031,285

CITY OF SUGAR LAND

AIRPORT

SUMMARY OF REVENUES

	FY14	FY15	FY15	FY16	FY16	FY16
	Actuals	Current Budget	Projections	Base Budget	Base Adjustments	FY16 Budget
<b>REVENUES:</b>						
Fuel Sales - Aviation	\$ 14,934,003	\$ 17,094,709	\$ 13,025,778	\$ 12,645,893	\$ -	\$ 12,645,893
Lease/Rental						
Short Term Land Lease						
Long Term Land Lease	114,132	124,884	120,379	124,884	-	124,884
Corporate Hangar (I) Lease	177,518	175,407	172,687	175,407	-	175,407
Corporate Hangar (II) Lease	85,957	86,000	86,000	86,000	-	86,000
Northwest (I) Hangar Lease	45,002	50,000	42,924	50,000	-	50,000
Northwest (II) Hangar Lease	60,000	60,000	60,000	60,000	-	60,000
Short Term Hangar Lease	85,080	85,080	85,080	85,080	-	85,080
Leased Premises	59,631	60,000	50,100	60,000	-	60,000
Tie Downs	7,200	7,200	7,200	7,200	-	7,200
T - Hangar Rental	684,751	640,000	757,000	750,000	-	750,000
<b>Total Lease/Rental</b>	<b>1,319,271</b>	<b>1,288,571</b>	<b>1,381,370</b>	<b>1,398,571</b>	<b>-</b>	<b>1,398,571</b>
<b>TOTAL FUEL/RENTAL REVENUE</b>	<b>16,253,274</b>	<b>18,383,280</b>	<b>14,407,148</b>	<b>14,044,464</b>	<b>-</b>	<b>14,044,464</b>
<b>OTHER REVENUES:</b>						
Café Revenue	73,244	70,000	70,000	70,000	-	70,000
Rental Cars	292,832	248,000	330,000	347,000	-	347,000
Ramp Fees	172,690	150,000	208,000	212,000	-	212,000
Gift Shop	851	1,300	1,300	1,300	-	1,300
Jet Fuel Additive - Prist	30,364	25,500	25,500	25,500	-	25,500
Reimbursements	-	4,000	-	-	-	-
Catering Commission	8,159	6,000	7,500	8,000	-	8,000
Royalties - Mineral	357	600	300	350	-	350
Call Out Fees	3,000	1,965	5,100	3,000	-	3,000
Aircraft Maintenance	2,380	2,000	2,000	2,000	-	2,000
Miscellaneous	102,126	76,100	100,000	102,000	25,015	127,015
<b>Total Miscellaneous</b>	<b>686,003</b>	<b>585,465</b>	<b>749,700</b>	<b>771,150</b>	<b>25,015</b>	<b>796,165</b>
Interest Income	7,691	7,000	12,000	7,000	-	7,000
<b>Total Operating Revenues</b>	<b>16,946,968</b>	<b>18,975,745</b>	<b>15,168,848</b>	<b>14,822,614</b>	<b>25,015</b>	<b>14,847,629</b>
Transfers In - Property Tax (D/S)	86,783	61,260	86,058	61,470	29,300	90,770
Transfers In- Property Tax (G/F)	110,227	72,730	100,700	72,730	32,460	105,190
Transfers from SLDC	50,000	50,000	50,000	50,000	-	50,000
Transfer from General Fund	353,893	-	-	-	-	-
<b>Total Transfers In</b>	<b>600,903</b>	<b>183,990</b>	<b>236,758</b>	<b>184,200</b>	<b>61,760</b>	<b>245,960</b>
<b>Other Financing Sources:</b>						
Ramp Grant	50,000	50,000	50,000	50,000	-	50,000
Inter-Fund Loan	37,517	-	-	3,000,000	-	3,000,000
Bond Proceeds	736,925	1,800,000	1,784,569	-	-	-
<b>Total Non-Operating Revenues</b>	<b>1,425,346</b>	<b>2,033,990</b>	<b>2,071,327</b>	<b>3,234,200</b>	<b>61,760</b>	<b>3,295,960</b>
<b>TOTAL REVENUES</b>	<b>\$ 18,372,314</b>	<b>\$ 21,009,735</b>	<b>\$ 17,240,175</b>	<b>\$ 18,056,814</b>	<b>\$ 86,775</b>	<b>\$ 18,143,589</b>

# Airport

## Mission Statement

The mission of Sugar Land Regional Airport is to be the safest, best planned, and most recognized premier reliever airport within the Houston Metropolitan area. This is accomplished through a thoughtful marketing plan that communicates the airport is an upscale destination, provides a lasting impression through superior services, contains a multitude of facilities and state of the art technology, while proving itself both a valued neighbor and financially successful.

## Services Provided

The Sugar Land Regional Airport is rapidly transforming into a global airport, servicing aircraft and customers from around the world. In addition, customers are also servicing new markets worldwide. The combination of award winning facilities, U.S. Customs services, a general aviation center second to none in the state, and multi-year designation as the number one Fixed Base Operator (FBO) in the Americas, ensures that the Airport will continue as a leader among its competition and peers.

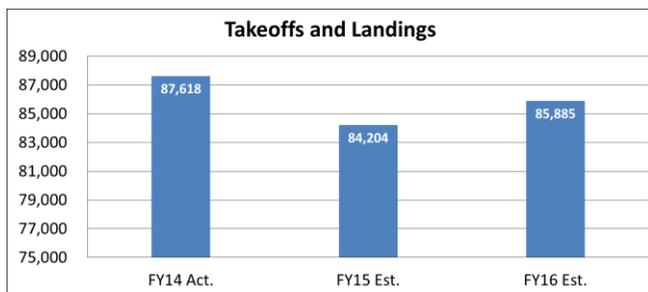
## Programs of Service

**Airport Administration** is responsible for the overall management, planning, marketing and outreach efforts of the airport along with contract administration and CIP project completion. **Airfield Operations** is responsible for assessing and coordinating all airport activities to ensure Sugar Land Regional Airport is in compliance with all Federal, State and Local Regulations. Acting as the **Fixed Base Operator** (FBO) under the name “Global Select,” staff provides line services including aircraft refueling and marshaling services. Lease management of airport property is also fulfilled by this program. Customer service is provided to handle customer invoices and customer requests for hotel reservations, food, rental car requests, and catering orders. **US Customs** provides passenger and luggage inspection for international arrivals. **Maintenance & Operations** oversees building, ground, and custodial maintenance of airport facilities. **Café Select** provides first-class customer service and amenities to the airport’s customers by providing food and beverages.

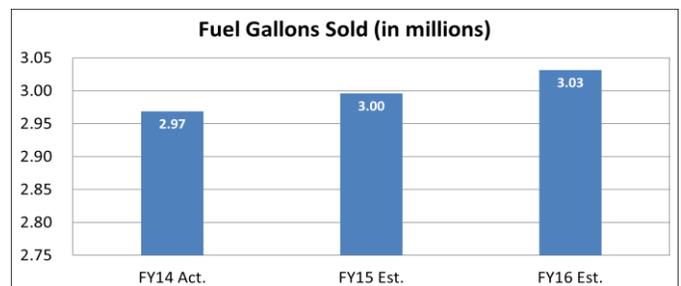
## FY16 Requests

Total expenses are increasing by \$373,667 over the base budget. The FY16 budget includes two additional positions and recurring additions for wildlife dispersal equipment, key replacement and security program, and maintenance for the small dump truck, paint machine, tandem trailer, box blade and register for the café. One-time additions include funds for a new register in the café, truck deck/liner, transformation of the Terminal Building, a study for the Prison Property, remodeling of the Catering Room, and planning for the Super Bowl 2017. The additions are in an effort to continue to deliver the same level of excellent customer service as the airport continues to grow in size.

## Performance Measures: Strong Local Economy



A key airport measure of activity is take-offs and landings, or operations. As the number of operations increase, additional demands are placed on FBO staff to provide service to customers.



The airport is self-supporting, bringing in most of its revenue from sales of aviation fuel. The number of gallons sold is tracked monthly to identify trends. Annual Fuel Gallons Sold is a good indicator of growth in activity levels at the airport.

<b>Summary by Category</b>	<b>FY14 Actuals</b>	<b>FY15 Current Budget</b>	<b>FY15 Projections</b>	<b>FY16 Base Budget</b>	<b>FY16 Changes</b>	<b>FY16 Budget</b>
Salary & Benefits	2,247,789	2,564,931	2,564,931	2,664,239	92,022	2,756,261
Supplies	10,690,402	13,217,699	8,210,855	8,449,546	36,750	8,486,296
Professional Services	600,557	761,613	761,613	764,639	135,000	899,639
Repairs & Maintenance	166,381	147,535	147,535	162,029	1,900	163,929
Purchased Services	89,666	156,797	156,797	94,730	-	94,730
Capital Items	324,102	328,916	328,916	145,695	107,995	253,690
<b>Category Totals</b>	<b>\$ 14,118,897</b>	<b>\$ 17,177,491</b>	<b>\$ 12,170,647</b>	<b>\$ 12,280,878</b>	<b>\$ 373,667</b>	<b>\$ 12,654,545</b>

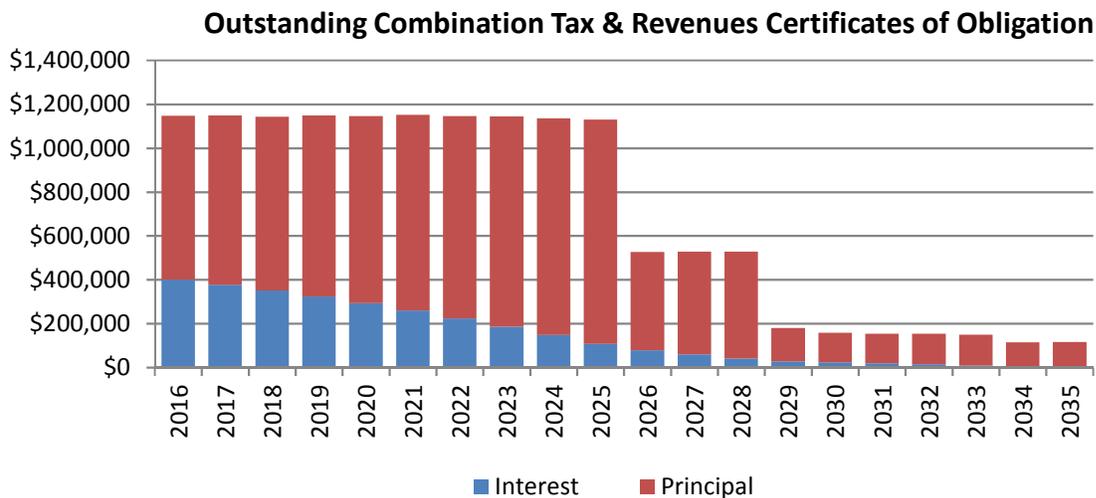
<b>Summary by Category</b>	<b>FY14 Actuals</b>	<b>FY15 Current Budget</b>	<b>FY15 Projections</b>	<b>FY16 Base Budget</b>	<b>FY16 Changes</b>	<b>FY16 Budget</b>
Airport Administration	1,034,362	1,106,662	1,106,662	935,584	160,000	1,095,584
Airfield Operations	-	124,391	124,391	218,363	69,982	288,345
FBO Services	11,875,373	14,709,769	9,702,925	9,868,019	5,000	9,873,019
Café Select	180,968	236,852	236,852	257,987	3,340	261,327
U.S. Customs	201,745	204,898	204,898	204,898	-	204,898
Maintenance & Operations	826,449	794,919	794,919	796,027	135,345	931,372
<b>Category Totals</b>	<b>\$ 14,118,897</b>	<b>\$ 17,177,491</b>	<b>\$ 12,170,647</b>	<b>\$ 12,280,878</b>	<b>\$ 373,667</b>	<b>\$ 12,654,545</b>

<b>FTE Count</b>	<b>FY14 Actuals</b>	<b>FY15 Current Budget</b>	<b>FY15 Projections</b>	<b>FY16 Base Budget</b>	<b>FY16 Changes</b>	<b>FY16 Budget</b>
Airport Administration	7.00	8.00	(2.00)	6.00	-	6.00
Airfield Operations	-	-	2.00	2.00	1.00	3.00
FBO Services	24.50	23.50	-	23.50	-	23.50
Café Select	2.50	2.50	-	2.50	-	2.50
Maintenance & Operations	8.00	8.00	-	8.00	1.00	9.00
<b>FTE Count Totals</b>	<b>42.00</b>	<b>42.00</b>	<b>-</b>	<b>42.00</b>	<b>2.00</b>	<b>44.00</b>

**ENTERPRISE FUND - AIRPORT  
GENERAL OBLIGATION AND CERTIFICATES OF OBLIGATION  
TOTAL DEBT SERVICE OUTSTANDING \***

Fiscal Year	Principal	Interest	Total	Series	Outstanding	Maturity
2016	\$ 747,559	\$ 400,328	\$ 1,147,887			
2017	772,559	376,726	1,149,285	2007	\$ 3,325,000	2028
2018	792,559	350,746	1,143,305	2009	337,566	2029
2019	824,845	323,817	1,148,662	2012A	5,080,000	2025
2020	852,606	293,355	1,145,961	2013	690,000	2033
2021	892,606	259,070	1,151,676	2015	1,670,000	2035
2022	922,606	223,328	1,145,934		<u>\$ 11,102,566</u>	
2023	957,606	186,230	1,143,836			
2024	987,606	147,725	1,135,331			
2025	1,022,479	107,788	1,130,267			
2026	447,479	78,525	526,004			
2027	467,352	60,197	527,549			
2028	487,352	40,883	528,235			
2029	152,352	27,960	180,312			
2030	135,000	22,767	157,767			
2031	135,000	18,437	153,437			
2032	140,000	13,988	153,988			
2033	140,000	9,372	149,372			
2034	110,000	5,313	115,313			
2035	115,000	1,797	116,797			
	<u>\$ 11,102,566</u>	<u>\$ 2,948,353</u>	<u>\$ 14,050,919</u>			

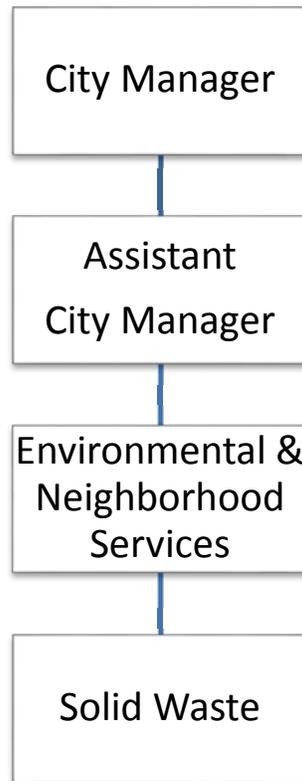
\* Does not include anticipated issuance of new debt



# Solid Waste Fund Organizational Chart

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*As of October 1, 2015*



## Solid Waste Fund

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The Solid Waste Enterprise Fund is used to account for residential solid waste removal. This fund is primarily supported through user charges.

Republic Services is the sole provider of solid waste services in the City at a cost to residents of \$16.81 per household per month. Beginning January 1, 2016, a 2.5% contractual increase in cost will result in a new monthly rate of \$17.23.

Residents receive automated garbage collection twice per week, automated recycling collection once per week, bulky waste collection once per month and an on-call collection service. A green waste program ensures grass clippings, leaves, brush, and tree limbs are recycled into mulch or compost instead of being sent to a landfill.

### **Fiscal Year 2015**

Total revenues for FY15 are projected to be \$5,796,292 and include \$5,174,116 from collection and recycling fees, \$599,998 for franchise fees, \$2,400 in impact fees, \$1,700 in miscellaneous revenues, and \$1,500 in recycling program revenues. Grant revenues of \$16,578 were received for recycling program.

Total expenses are projected to be \$5,687,291, which includes personnel, contracted services, and general operating costs. Personnel expenses total \$180,659 for contract monitoring and program administration. The estimated annual cost for solid waste and curbside recycling programs contracted with Republic Services is \$5,063,050. Other contracts for educational programming total \$16,578 as supported by grant funds. General operations and maintenance costs are projected to be \$53,497. The transfer out of \$373,507 is to the Fleet Replacement Fund, General Fund, and Employee Benefits Fund.

The estimated ending cash equivalents balance at 09/30/15 is projected to be \$351,547.

### **Fiscal Year 2016**

Total revenues for FY16 are budgeted at \$5,989,284. Total budgeted revenue from residential collection and recycling fees is \$5,450,429. The City does not bill for commercial services; businesses contract and pay Republic directly. Franchise fees are budgeted at \$538,855 for commercial and residential services.

Total expenses are \$5,899,757 and include \$183,518 in personnel expenses for contract monitoring and program administration, \$5,234,376 for the solid waste contract, and \$52,129 in operation and maintenance costs. Transfers out total \$429,734 and include transfers to the Fleet Replacement Fund and the General Fund. The transfer to the General Fund includes overhead reimbursement to the General Fund and continuation of \$320,000 to support increased pavement rehabilitation efforts in Public Works.

The estimated ending cash equivalents balance as of 09/30/16 is estimated to be \$441,074.

**CITY OF SUGAR LAND  
ENTERPRISE FUND - SOLID WASTE  
INCOME STATEMENT**

	<b>FY14 Actuals</b>	<b>FY15 Current Budget</b>	<b>FY15 Projections</b>	<b>FY16 Base Budget</b>	<b>FY16 Changes</b>	<b>FY16 Budget</b>
<b>REVENUES</b>						
Solid Waste Collections	\$ 5,030,491	\$ 5,165,524	\$ 5,174,116	\$ 5,351,855	\$ 98,574	\$ 5,450,429
Franchise Fees	524,734	480,617	599,998	532,035	6,821	538,855
Impact Fees	1,900	6,200	2,400	-	-	-
Miscellaneous	2,060	-	1,700	-	-	-
Recycling Programs	1,831	25,851	1,500	-	-	-
Interest Income	17	-	-	-	-	-
Grants - Solid Waste Education	23,199	-	16,578	-	-	-
<b>Total Revenues</b>	<b>5,584,231</b>	<b>5,678,192</b>	<b>5,796,292</b>	<b>5,883,890</b>	<b>105,395</b>	<b>5,989,284</b>
<b>EXPENDITURES</b>						
Contractual Services	4,901,694	5,052,134	5,063,050	5,137,966	96,410	5,234,376
Salary & Benefits	164,196	180,659	180,659	183,518	-	183,518
Education Programs	23,199	-	16,578	-	-	-
Operations & Maintenance	51,100	70,075	53,497	49,229	2,900	52,129
<b>Operating Expenses</b>	<b>5,140,190</b>	<b>5,302,868</b>	<b>5,313,787</b>	<b>5,370,713</b>	<b>99,310</b>	<b>5,470,023</b>
Transfers Out	267,252	373,507	373,507	429,734	-	429,734
<b>Total Expenses</b>	<b>5,407,442</b>	<b>5,676,375</b>	<b>5,687,291</b>	<b>5,800,447</b>	<b>99,310</b>	<b>5,899,757</b>
Net Income (Loss)	176,789	1,817	109,001	83,443	6,085	89,527
Cash Equivalents - Beginning	65,757	242,546	242,546	351,547	-	351,547
<b>Cash Equivalents - Ending</b>	<b>\$ 242,546</b>	<b>\$ 244,363</b>	<b>\$ 351,547</b>	<b>\$ 434,990</b>	<b>\$ 6,085</b>	<b>\$ 441,074</b>

# Solid Waste

## Services Provided

Solid Waste programs are primarily supported through user charges. Services include residential solid waste pickup and curbside recycling.

## Programs of Service

The **Solid Waste** program provides commercial solid waste collections, residential solid waste collections, facilitates a recycling program, provides emergency response for debris collection, and engages the community with education and outreach activities.

## FY16 Requests

There were no budget requests added to the Solid Waste FY16 budget. Contractual services increase of \$96,410 for a 2.5% increase effective January 1, 2016, according to the contract with Republic Services.

## Performance Measures: Responsible City Government

The key measure for the Solid Waste Fund is the number of households serviced as the City outsources residential solid waste collection. As the number of households increases, additional demands are placed on the contractor. At the end of FY16, it is estimated 26,120 households will be served.

Summary by Category	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Salary & Benefits	164,196	180,659	180,659	183,518	-	183,518
Supplies	28,154	6,067	6,067	4,874	-	4,874
Professional Services	4,906,303	5,057,350	5,068,266	5,142,771	99,310	5,242,081
Repairs & Maintenance	956	1,300	1,300	1,300	-	1,300
Purchased Services	40,580	31,681	31,681	38,250	-	38,250
Capital/Other	-	25,811	25,811	-	-	-
<b>Category Totals</b>	<b>\$ 5,140,190</b>	<b>\$ 5,302,868</b>	<b>\$ 5,313,787</b>	<b>\$ 5,370,713</b>	<b>\$ 99,310</b>	<b>\$ 5,470,023</b>

FTE Count	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
Solid Waste	2.50	2.50	-	2.50	-	2.50
<b>FTE Count Totals</b>	<b>2.50</b>	<b>2.50</b>	<b>-</b>	<b>2.50</b>	<b>-</b>	<b>2.50</b>

## Internal Service Funds

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Internal Service Funds are used to account for the financing of goods or services provided by one fund or department to another fund or department on a cost reimbursement basis. The City of Sugar Land currently has three internal service funds: Employee Benefits, Fleet Replacement, and High Technology Replacement.

### Employee Benefits Fund

This fund accounts for all financial resources associated with employee benefits, excluding workers' compensation and retirement. The City provides health and dental benefits for full-time employees. Part-time employees are not eligible for coverage. Employees choosing dependent coverage reimburse the City for premiums through payroll deductions. Additional coverage includes, but is not limited to, short-term disability, voluntary life, dependent life insurance, and vision. Prepaid legal services, cancer insurance, and savings bonds are also available to purchase. Revenues and expenditures for optional coverage are pass-through only, therefore, are not included in the City contribution. The City also pays 100% of long-term disability, accidental death and dismemberment, and provides a \$50,000 life insurance policy for all full-time employees. The City transitioned to a self-funded medical plan out of the traditional private insurance model in January 2012 to help lower costs and maintain stability in premiums.

#### Fiscal Year 2015

FY15 contributions from the City, employees, and retirees are projected to total \$7,503,404 with an interest income of \$1,500. Transfers In from other funds are projected at \$950,000. The total projected revenues for FY15 is \$8,454,904.

Projected expenses total \$8,425,377 and include insurance premiums, claim payments, administrative fees, and unemployment compensation. Expenses are higher than budget due to a number of higher than anticipated claims. The projected cash equivalents balance at 9/30/15 is \$4,191.

#### Fiscal Year 2016

FY16 total revenues are budgeted at \$8,909,929, which are contributions from the City, employees, and interest income.

FY16 total expenses are budgeted at \$8,779,176. This includes claims payment and other premiums of \$8,616,176 as well as other expenses of \$163,000. The budgeted ending cash equivalents balance at 9/30/16 is \$134,944. The \$1,250,000 reserve for self-insurance the City established in FY14 is still fully intact.

### Fleet Replacement Fund

This fund accounts for vehicle replacement under the City's Fleet Replacement Policy, SS-102. Each year during the budget process an inventory is compiled of all fleet equipment. The list is reviewed and rated by Fleet Maintenance. Each vehicle or piece of equipment is assigned a code that reflects its working condition. Fleet Maintenance prepares a list of vehicles recommended for replacement based on the criteria in the policy and Purchasing provides estimated replacement prices. The vehicles on the recommended list may not be the actual vehicles replaced in the upcoming budget year due to constantly changing vehicle conditions. Annual contributions are funded through operating transfers from the participating funds based on purchase price and useful life of each vehicle. Fire trucks are excluded from this fund. The fund balance policy for the Fleet Replacement Fund is to maintain a fund balance of at least 10% of the estimated value of the inventory. Vehicles are added to the inventory list in the fiscal year purchased and begin contributing to the Fleet Replacement Fund the following fiscal year to ensure adequate funds are available when replacement is due.

### **Fiscal Year 2015**

The projected contributions, auction proceeds, and other revenues total \$1,222,262. Expenses for purchase of vehicles, and related equipment total \$1,516,476 leaving a projected ending cash equivalent balance of \$1,936,614.

### **Fiscal Year 2016**

Total revenues are budgeted at \$1,169,167. Contributions from participating funds total \$922,667, including funds to purchase new vehicles. Insurance reimbursement, sale of property and interest income total \$246,500. This includes insurance proceeds for vehicles that are totaled and replaced prior to their planned replacement date.

Total expenditures are budgeted at \$1,585,452 for the replacement of 39 vehicles and also include the purchase of 3 new vehicles. Also included are funds to place vehicles in operation, such as decal work, the installation of electronic equipment, and a contingency of 10% to ensure adequate funds are available in the event prices increase. The budget also includes funds for unexpected replacements due to insurance totaling. The budgeted ending cash equivalents balance at 9/30/16 is \$1,520,330.

## **High-Technology Replacement Fund**

This fund provides centralized accounting and management for the City's high-tech equipment, which includes computers, radar and telecommunications equipment. The fund is managed under the City's policy on Technology Equipment Replacement, IT-101. This fund operates in the same manner as the Fleet Replacement Fund. The Information Technology staff assigns condition codes and after review and approval, the replacement list is compiled and scheduled through the annual budget process. Contributions to the fund are based on the purchase cost of the equipment.

### **Fiscal Year 2015**

Projected revenues for FY15 total \$1,565,181 and expenditures are projected at \$1,589,123. Expenditures include computers, printers, servers, routers, installations, and public safety radios. The projected ending cash equivalent balance is \$1,363,557.

### **Fiscal Year 2016**

Budgeted revenues total \$1,361,152 and include transfers from other funds. Contributions to the fund include payments for equipment replacement according to the schedule identified in the High Tech Replacement policy. Total expenditures are budgeted at \$1,211,465 and include \$635,019 for replacement of IT managed items and \$576,445 for replacement of Public Safety technology such as radios, in-car video systems and radars. The budgeted ending cash equivalent balance at 9/30/16 is \$1,513,244.

**CITY OF SUGAR LAND  
INTERNAL SERVICE FUND - EMPLOYEE BENEFITS FUND  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Year-End Estimate	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>Revenues</b>						
Contributions	\$ 6,568,825	\$ 7,476,212	\$ 7,503,404	\$ 8,907,929	\$ -	\$ 8,907,929
Miscellaneous	5,561	-	-	-	-	-
Interest Income	2,990	-	1,500	2,000	-	2,000
Operating Revenues	6,577,376	7,476,212	7,504,904	8,909,929	-	8,909,929
Transfers In	649,729	-	950,000	-	-	-
<b>Total Revenues</b>	<b>7,227,105</b>	<b>7,476,212</b>	<b>8,454,904</b>	<b>8,909,929</b>	<b>-</b>	<b>8,909,929</b>
<b>Expenditures</b>						
Premiums & Claims	7,293,125	7,298,478	7,995,509	8,495,926	-	8,495,926
City HSA Contribution	292,500	-	300,500	120,250	-	120,250
Other	117,732	193,000	129,368	163,000	-	163,000
<b>Total Expenditures</b>	<b>7,703,357</b>	<b>7,491,478</b>	<b>8,425,377</b>	<b>8,779,176</b>	<b>-</b>	<b>8,779,176</b>
Net Income (Loss)	(476,252)	(15,266)	29,527	130,753	-	130,753
Cash Equivalents - Beginning	1,700,916	1,224,664	1,224,664	1,254,191	-	1,254,191
Reserve for Self-Insurance	-	(1,250,000)	(1,250,000)	(1,250,000)	-	(1,250,000)
<b>Cash Equivalents - Ending</b>	<b>\$ 1,224,664</b>	<b>\$ (40,602)</b>	<b>\$ 4,191</b>	<b>\$ 134,944</b>	<b>\$ -</b>	<b>\$ 134,944</b>

**CITY OF SUGAR LAND**  
**INTERNAL SERVICE FUND - FLEET REPLACEMENT FUND**  
**INCOME STATEMENT**

	FY14	FY15	FY15	FY16	FY16	FY16
	Actuals	Current Budget	Projections	Base Budget	Changes	Budget
<b>REVENUES</b>						
Sale of Property	\$ 37,481	\$ 67,500	\$ 90,000	\$ 97,500	\$ -	\$ 97,500
Insurance Reimbursement	56,618	140,000	140,000	140,000	-	140,000
Interest Income	5,721	3,700	12,300	9,000	-	9,000
Transfers From Other Funds	931,664	979,962	979,962	851,117	71,550	922,667
Miscellaneous	(4,016)	-	-	-	-	-
<b>Total Revenues</b>	<b>1,027,469</b>	<b>1,191,162</b>	<b>1,222,262</b>	<b>1,097,617</b>	<b>71,550</b>	<b>1,169,167</b>
<b>EXPENDITURES</b>						
Vehicles & Contractual Service	1,013,888	1,516,476	1,516,476	1,513,902	71,550	1,585,452
<b>Total Expenditures</b>	<b>1,013,888</b>	<b>1,516,476</b>	<b>1,516,476</b>	<b>1,513,902</b>	<b>71,550</b>	<b>1,585,452</b>
Net Income (Loss)	13,581	(325,314)	(294,214)	(416,285)	-	(416,285)
Cash Equivalents- Beginning	2,217,248	2,230,828	2,230,828	1,936,614	-	1,936,614
Cash Equivalents- Ending	\$ 2,230,828	\$ 1,905,514	\$ 1,936,614	\$ 1,520,330	\$ -	\$ 1,520,330

**CITY OF SUGAR LAND  
INTERNAL SERVICE FUND - HIGH-TECH REPLACEMENT FUND  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Interest Income	\$ 921	\$ -	\$ 4,000	\$ -	\$ -	\$ -
Transfers	1,470,700	1,561,181	1,561,181	1,361,152	-	1,361,152
<b>Total Revenues</b>	<b>1,471,621</b>	<b>1,561,181</b>	<b>1,565,181</b>	<b>1,361,152</b>	<b>-</b>	<b>1,361,152</b>
<b>EXPENDITURES</b>						
Equipment & Contractual Services	674,392	2,092,599	1,589,123	1,211,465	-	1,211,465
<b>Total Expenditures</b>	<b>674,392</b>	<b>2,092,599</b>	<b>1,589,123</b>	<b>1,211,465</b>	<b>-</b>	<b>1,211,465</b>
Revenues Over/Under Expenditures	797,229	(531,418)	(23,942)	149,687	-	149,687
Cash Equivalents- Beginning	590,270	1,387,499	1,387,499	1,363,557	-	1,363,557
<b>Cash Equivalents- Ending</b>	<b>\$ 1,387,499</b>	<b>\$ 856,081</b>	<b>\$ 1,363,557</b>	<b>\$ 1,513,244</b>	<b>\$ -</b>	<b>\$ 1,513,244</b>



## Component Units

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The City of Sugar Land has five entities that are considered component units of the City and is included in the City's CAFR. They are the Sugar Land Development Corporation (SLDC), the Sugar Land 4B Corporation (SL4B), the Tax Increment Reinvestment Zone (TIRZ) #1 that covers the Town Square area, TIRZ #3 that covers the Imperial site, and TIRZ #4 that covers property in Telfair near the intersection of U.S. Highway 59 and University Boulevard. The SLDC and the SL4B are the only component units included in the City's budget as their budget is approved by City Council. A component unit is defined as a legally separate organization for which the elected officials of the primary government (the City) are financially accountable.

The SLDC was created in 1993 by the City under the Texas Development Corporation Act of 1979 and the SL4B was created in 1995. The role of the SLDC is to provide guidance and funding for the operations of the City's economic development program and provide business incentives to support and promote the growth and diversification of the City's economic base through various programs run through the Economic Development Department. The function of the SL4B is to provide guidance and funding for quality of life projects such as parks and aesthetics, and support economic development efforts through the City's economic development program. The City Council must approve the budget and any bond issues for the SL4B.

The Corporations are financed by additional sales taxes of a quarter cent for each Corporation, which was approved by the voters. The SLDC is a type A sales tax corporation and the SL4B is a type B sales tax corporation. State law allows the City to collect this sales tax to assist in the promotion, enhancement, and development on behalf of the City. The Boards of Directors are appointed by and serve at the discretion of the City Council. In the event of dissolution, net assets of the Corporations shall be conveyed to the City.

### **Sugar Land Development Corporation**

#### **Fiscal Year 2015**

Total revenues are projected to be \$17,859,464, which includes sales tax of \$6,391,500, interest income of \$46,625, assignment from TIRZ#1 of \$850,000, and refunding bond proceeds of \$10,571,339.

Expenditures are projected at \$20,199,324 and include Economic Development Program costs of \$664,863. These expenditures include items such as business recruitment, travel and training, dues and memberships, professional services for marketing efforts, research and advertising. Economic Development Incentive projections total \$1,817,000. Capital Projects Reimbursement is estimated to be \$5,642,033. Projects funded by the corporation include Performing Arts Center, Land Acquisition, US59 Beautification Phase III, Concert Venue Planning, and TIRZ#4 Parking/Infrastructure/Marquee. The Corporation projects to pay \$92,140 for a sales tax incentive grant and \$10,850,443 for debt service, which included \$7,937,678 for bond refunding for Series 2005. Contractual services are estimated at \$12,590. The Corporation will reimburse the City \$471,550 for Economic Development staffing and support services. A transfer to the Debt Service Fund for \$598,705 will cover the first year payment on the \$27 million taxable CO's for the Performing Arts Center. The SLDC is covering interest on the taxable CO's during construction.

Projected available funding at 9/30/15 is \$4,796,944. The fund balance is \$4,193,069 higher than the policy requirement of \$603,875.

#### **Fiscal Year 2016**

Revenues are budgeted at \$7,472,336. Sales tax is estimated at \$6,526,500 based on a 2.1% increase over FY15 projections. Budgeted interest income is \$55,452. An estimated assignment of \$850,000 from TIRZ#1 partially supports the debt service requirement on the sales tax revenue bonds issued for Town Square infrastructure. An

estimated assignment of \$40,384 from TIRZ#3 is also budgeted in FY16 and reimburses the corporation for infrastructure in TIRZ#3.

Budgeted expenditures total \$11,431,626. Economic Development Program expenditures total \$597,018, and include items such as business recruitment, travel and training, dues and memberships, professional services for marketing efforts, research and advertising. The budget includes \$1,700,000 for economic development incentives. Capital Projects Reimbursements total \$3,000,000 for Industrial Widening, Plaza and Marquee. The Corporation has a sales tax incentive grant of \$96,740 budgeted and debt service of \$4,226,346 for outstanding issues. Contractual services are budgeted at \$12,590. Transfers to other funds include \$50,000 to the Sugar Land Regional Airport for international marketing, \$116,470 for Project Manager (PAC), \$521,463 to the General Fund for Economic Development staff, support services and CIP management fee. Also included in the transfers is \$1,110,999, which will cover the interest payments on the \$27 million taxable CO's for the Performing Arts Center. This amount will be transferred to the Taxable Debt Service Fund. Upon completion, the lease payments from ACE Sugar Land, LLC will support this bond issue.

Estimated available funding at 9/30/16 is \$837,655. The Corporation has a bond coverage ratio of 1.53, which is above the 1.25 minimum. Ending fund balance is \$185,005 over the policy requirements.

## **Sugar Land 4B Corporation**

### **Fiscal Year 2015**

Total revenues are projected to be \$6,765,653. This includes sales tax for \$6,391,500, interest income of \$24,850, TIRZ#1 assignment of \$152,911 and miscellaneous revenue of \$196,392 made up of offsite parking lease payment and participation rent from the Sugar Land Skeeters.

Total expenditures are projected to be \$7,769,560. Economic Development program costs are projected to be \$577,669. Transfers to Capital Projects are projected to be \$3,182,740. These include the Baseball Stadium, Festival Site, Wayfinding – Phase II, Baseball Stadium City Cost, Universally Accessible Playground at First Colony Park, Settlers Way Park, Gannoway Lake Park, Baseball Park Marquee Sign, Joint Participation in CIP, Town Center Pedestrian and Bike, University Boulevard North Landscape, and Mayfield Park. Debt Service payments are estimated at \$3,367,344 and contractual services at \$549,667, which includes reimbursement to the City for staff support and project management.

Projected available funding at 9/30/15 is \$3,319,763. The fund balance is projected to be \$2,715,888 higher than policy requirements of \$603,875, which constitutes 10% of budgeted sales tax.

### **Fiscal Year 2016**

Total revenues are projected to be \$6,874,639. This includes sales tax for \$6,526,500, interest income of \$30,850, TIRZ#1 assignment of \$154,297 and miscellaneous revenue of \$80,000, which is lease payment for off-site parking at Constellation Field. An estimated assignment of \$82,992 from TIRZ#3 is also budgeted in FY16, which reimburses the corporation for infrastructure and parking in TIRZ#3.

Expenditures total \$9,181,625. Economic Development Program expenditures total \$561,621. Capital projects funding is budgeted at \$4,330,000, which includes Joint Participation in CIP, TIRZ#4 Plaza, UH/Festival Site Parking, and Industrial Widening. Reserve for Opportunities is budgeted at \$500,000. Debt Service is budgeted at \$3,366,138 and contractual services are at \$327,127, which includes reimbursement for support staff.

Estimated available funding at 9/30/16 is \$1,012,777. The Corporation has a fund balance policy of 10% of budgeted sales tax. The fund balance is estimated to be \$360,127 above policy requirements.

**CITY OF SUGAR LAND  
SUGAR LAND DEVELOPMENT CORPORATION  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>Revenues</b>						
Sales Tax	\$ 6,144,008	\$ 6,038,750	\$ 6,391,500	\$ 6,526,500	\$ -	\$ 6,526,500
Interest Income	7,113	46,625	46,625	55,452	-	55,452
TIRZ Assignments	500,000	825,000	850,000	890,384	-	890,384
Other Revenue/Reimbursements	1,675	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>6,652,795</b>	<b>6,910,375</b>	<b>7,288,125</b>	<b>7,472,336</b>	<b>-</b>	<b>7,472,336</b>
Bond Proceeds	7,200,000	10,571,339	10,571,339	-	-	-
<b>Total Revenues</b>	<b>13,852,795</b>	<b>17,481,714</b>	<b>17,859,464</b>	<b>7,472,336</b>	<b>-</b>	<b>7,472,336</b>
<b>Expenditures</b>						
Economic Development Program	258,494	664,863	664,863	597,018	-	597,018
Economic Development Incentives	1,520,351	2,425,000	1,817,000	1,700,000	-	1,700,000
Capital Projects Reimbursement	224,365	5,202,130	5,642,033	3,000,000	-	3,000,000
Reserve for Opportunities	-	550,000	-	-	-	-
Sales Tax Incentive Grant	75,263	68,400	92,140	96,740	-	96,740
Debt Service	1,507,001	10,930,851	10,850,443	4,226,346	-	4,226,346
Contractual Services	2,740	12,590	12,590	12,590	-	12,590
Transfers to Other Funds	6,319,518	1,120,255	1,120,255	1,798,932	-	1,798,932
<b>Total Expenditures</b>	<b>9,907,732</b>	<b>20,974,089</b>	<b>20,199,324</b>	<b>11,431,626</b>	<b>-</b>	<b>11,431,626</b>
Revenues Over/(Under) Expenditures	3,945,064	(3,492,374)	(2,339,859)	(3,959,289)	-	(3,959,289)
Fund Balance-Beginning	8,439,736	12,384,800	12,384,800	10,044,940	-	10,044,940
Fund Balance-Ending	12,384,800	8,892,425	10,044,940	6,085,651	-	6,085,651
Accrued Sales Tax	(1,033,132)	(1,060,915)	(1,060,915)	(1,060,915)	-	(1,060,915)
Debt Service Reserve	(1,452,698)	(4,187,081)	(4,187,081)	(4,187,081)	-	(4,187,081)
<b>Fund Balance-Available</b>	<b>\$ 9,898,970</b>	<b>\$ 3,806,312</b>	<b>\$ 4,796,944</b>	<b>\$ 837,655</b>	<b>-</b>	<b>\$ 837,655</b>
Minimum Fund Balance	\$ 614,401	\$ 603,875	\$ 603,875	\$ 652,650	-	\$ 652,650
Over/Under Policy	\$ 9,284,569	\$ 3,202,437	4,193,069	185,005	-	185,005
Bond Coverage Ratio (>1.25x)		1.45	1.45	1.53	-	1.53

**SUGAR LAND DEVELOPMENT CORPORATION  
SUMMARY OF CAPITAL PROJECTS  
FISCAL YEAR 2016**

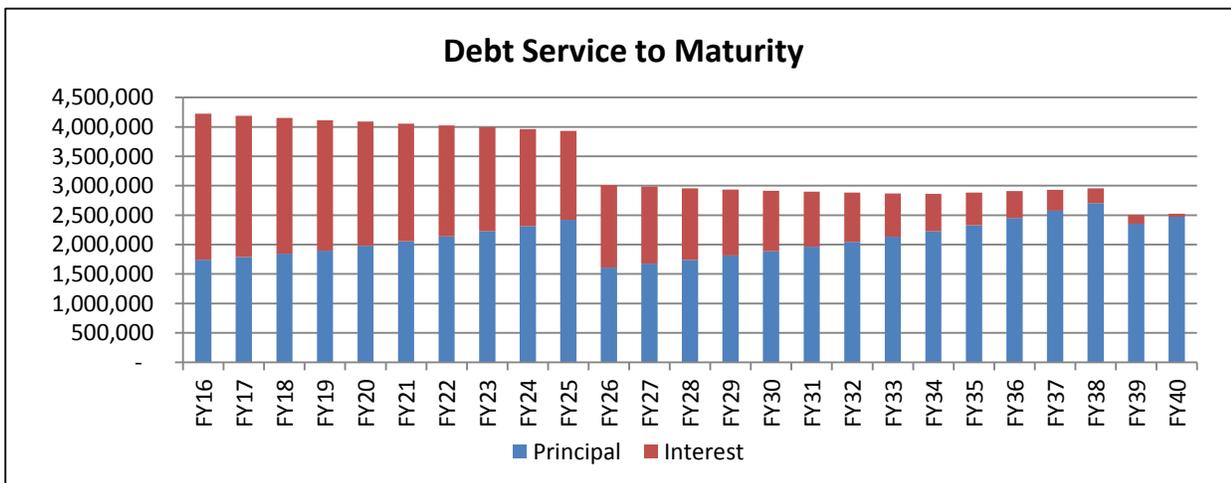
<b>CIP</b>			
<b>Project #</b>	<b>Project Name</b>	<b>Project Description</b>	<b>Amount</b>
ST1506	Industrial Blvd. Reconstruction	Reconstruction of Industrial Boulevard between US 90A and Reed Road. The improvements will include the reconstruction of Industrial Blvd. from a two-lane open ditch roadway with a center turn lane to a four-lane divided concrete curb and gutter with storm drainage system. It will also include the relocation of existing waterline, sanitary sewer, traffic signal at new intersection, and reconfiguration of the intersection of Reed Rd. and Industrial Blvd.	\$ 1,000,000
MU1603	TIRZ#4 Plaza	Design and construction of a plaza adjacent to the Smart Financial Centre at Sugar Land, which will include a water feature, restrooms, tree groves, grass and multi-purpose stage with option for a pavilion to support the Performing Arts Center.	1,000,000
MU1604	TIRZ#4 Marquee	Install a Marquee Sign for the promotion of the Smart Financial Centre at Sugar Land, events to be held on the premises as well as community messages.	1,000,000
<b>TOTAL SLDC FUNDING</b>			<b>\$ 3,000,000</b>

**COMPONENT UNIT  
SUGAR LAND DEVELOPMENT CORPORATION  
DEBT SERVICE REQUIREMENTS TO MATURITY**

	Principal	Interest	Total
FY16	1,745,000	2,480,746	4,225,746
FY17	1,790,000	2,395,290	4,185,290
FY18	1,845,000	2,304,296	4,149,296
FY19	1,900,000	2,210,621	4,110,621
FY20	1,980,000	2,108,984	4,088,984
FY21	2,055,000	1,998,721	4,053,721
FY22	2,140,000	1,884,090	4,024,090
FY23	2,225,000	1,768,821	3,993,821
FY24	2,315,000	1,644,571	3,959,571
FY25	2,420,000	1,512,268	3,932,268
FY26	1,610,000	1,402,659	3,012,659
FY27	1,675,000	1,311,318	2,986,318
FY28	1,740,000	1,216,346	2,956,346
FY29	1,815,000	1,122,215	2,937,215
FY30	1,885,000	1,028,807	2,913,807
FY31	1,965,000	933,457	2,898,457
FY32	2,045,000	835,944	2,880,944
FY33	2,135,000	734,110	2,869,110
FY34	2,225,000	639,431	2,864,431
FY35	2,330,000	552,075	2,882,075
FY36	2,450,000	457,600	2,907,600
FY37	2,575,000	355,478	2,930,478
FY38	2,705,000	248,172	2,953,172
FY39	2,355,000	146,100	2,501,100
FY40	2,475,000	49,500	2,524,500
	<u>\$ 52,400,000</u>	<u>\$ 31,341,619</u>	<u>\$ 83,741,619</u>

**Outstanding Debt Issues**

Series	Principal	Matures
2013	6,805,000	FY38
2014R	7,330,000	FY25
2014	38,265,000	FY40
<b>Total</b>	<u><u>\$ 52,400,000</u></u>	



**CITY OF SUGAR LAND  
SUGAR LAND 4B CORPORATION  
INCOME STATEMENT**

	FY14 Actuals	FY15 Current Budget	FY15 Projections	FY16 Base Budget	FY16 Changes	FY16 Budget
<b>REVENUES</b>						
Sales Tax	\$ 6,144,008	\$ 6,038,750	\$ 6,391,500	\$ 6,526,500	\$ -	\$ 6,526,500
Interest Income	2,328	15,850	24,850	30,850	-	30,850
TIRZ#1 Assignment	154,031	152,911	152,911	154,297	-	154,297
TIRZ#3	-	-	-	82,992	-	82,992
Miscellaneous	296,280	80,000	196,392	80,000	-	80,000
<b>Total Revenues</b>	<b>6,596,647</b>	<b>6,287,511</b>	<b>6,765,653</b>	<b>6,874,639</b>	<b>-</b>	<b>6,874,639</b>
<b>EXPENDITURES</b>						
Economic Development Program	230,919	577,669	577,669	561,621	-	561,621
Transfer to Capital Projects	632,908	4,020,733	3,182,740	4,330,000	-	4,330,000
Reserve for Opportunities		550,000	-	500,000	-	500,000
Sales Tax Incentive Grant	75,263	68,400	92,140	96,740	-	96,740
Debt Service	4,466,213	3,367,344	3,367,344	3,366,138	-	3,366,138
Contractual Services	480,623	549,727	549,667	327,127	-	327,127
<b>Total Expenditures</b>	<b>5,885,926</b>	<b>9,133,873</b>	<b>7,769,560</b>	<b>9,181,625</b>	<b>-</b>	<b>9,181,625</b>
Revenues Over/(Under) Exp's	710,721	(2,846,362)	(1,003,907)	(2,306,986)	-	(2,306,986)
Fund Balance-Beginning	7,834,791	8,545,512	8,545,512	7,541,605	-	7,541,605
Fund Balance-Ending	8,545,512	5,699,150	7,541,605	5,234,619	-	5,234,619
Accrued Sales Tax	(1,033,133)	(1,060,915)	(1,060,915)	(1,060,915)	-	(1,060,915)
Debt Service Reserve	(3,386,450)	(3,386,450)	(3,160,927)	(3,160,927)	-	(3,160,927)
<b>Fund Balance-Available</b>	<b>\$ 4,125,929</b>	<b>\$ 1,251,785</b>	<b>\$ 3,319,763</b>	<b>\$ 1,012,777</b>	<b>\$ -</b>	<b>\$ 1,012,777</b>
Minimum Fund Balance	\$ 614,401	\$ 603,875	\$ 603,875	\$ 652,650	\$ -	\$ 652,650
Over/Under Policy	\$ 3,511,528	\$ 647,910	2,715,888	360,127	-	360,127
Bond Coverage Ratio (>1.25x)		1.83	1.83	1.90	-	1.90

**SUGAR LAND 4B CORPORATION  
SUMMARY OF CAPITAL PROJECTS  
FISCAL YEAR 2016**

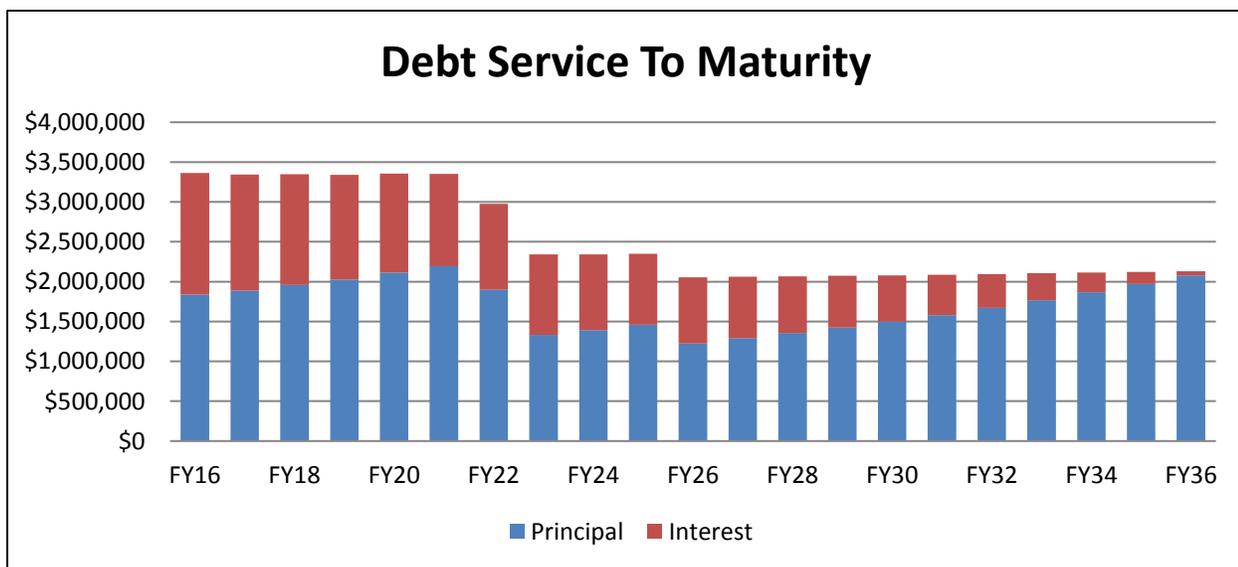
<b>CIP</b>			
<b>Project #</b>	<b>Project Name</b>	<b>Project Description</b>	<b>Amount</b>
ST1506	Industrial Blvd. Reconstruction	Reconstruction of Industrial Boulevard between US 90A and Reed Road. The improvements will include the reconstruction of Industrial Blvd. from a two-lane open ditch roadway with a center turn lane to a four-lane divided concrete curb and gutter with storm drainage system. It will also include the relocation of existing waterline, sanitary sewer, traffic signal at new intersection, and reconfiguration of the intersection of Reed Rd. and Industrial Blvd.	\$ 1,200,000
MU1603	TIRZ#4 Plaza	Design and construction of a plaza adjacent to the Smart Financial Centre at Sugar Land, which will include a water feature, restrooms, tree groves, grass and multi-purpose stage with option for a pavilion to support the Performing Arts Center.	400,000
MU1606	UH/Festival Site Parking - Phase I	Design and construct an 800 to 1,100 space parking Lot adjacent to the 52-acre festival site for the joint use by UH and the Festival Site. The ultimate size of the parking lot is anticipated to have 2,600 spaces. The project also includes a pedestrian crossing over Ditch A to the UH campus.	2,530,000
PK1603	Joint Participation in CIP	Provide funds for joint participation in CIP projects between the City and Citizen based organizations that benefit the general public. Take advantage of partnership opportunities to enhance and preserve the quality of life for City residents.	200,000
<b>TOTAL SL4B FUNDING</b>			<b>\$ 4,330,000</b>

**COMPONENT UNIT  
SUGAR LAND 4B CORPORATION  
DEBT SERVICE REQUIREMENTS TO MATURITY**

	Principal	Interest	Total
FY16	\$ 1,840,000	\$ 1,522,638	\$ 3,362,638
FY17	1,885,000	1,457,419	3,342,419
FY18	1,960,000	1,388,781	3,348,781
FY19	2,025,000	1,316,344	3,341,344
FY20	2,115,000	1,239,175	3,354,175
FY21	2,195,000	1,156,850	3,351,850
FY22	1,900,000	1,076,631	2,976,631
FY23	1,330,000	1,011,694	2,341,694
FY24	1,390,000	953,169	2,343,169
FY25	1,460,000	888,863	2,348,863
FY26	1,225,000	828,269	2,053,269
FY27	1,290,000	771,681	2,061,681
FY28	1,355,000	712,169	2,067,169
FY29	1,425,000	648,728	2,073,728
FY30	1,500,000	580,150	2,080,150
FY31	1,580,000	506,013	2,086,013
FY32	1,670,000	425,750	2,095,750
FY33	1,765,000	339,875	2,104,875
FY34	1,865,000	249,125	2,114,125
FY35	1,970,000	153,250	2,123,250
FY36	2,080,000	52,000	2,132,000
	<u>\$ 35,825,000</u>	<u>\$ 17,278,572</u>	<u>\$ 53,103,572</u>

**Outstanding Debt Issues**

Series	Principal	Matures
2005	\$ 2,360,000	FY25
2010	5,995,000	FY22
2011	27,470,000	FY36
	<u>\$ 35,825,000</u>	



# Five-Year Forecast

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The City's Financial Management Policy Statements (FMPS) specify that a long range forecast is to be prepared annually for the City's major operating funds. This forecast is based on the guidelines provided by the policy statements; reasonable assumptions can be made regarding future actions based on these policies, which provides a more meaningful forecast to elected officials as they provide direction to City management. The forecast provides management a fiscally constrained plan that funds the operations of the City and the Five-Year CIP requirements. It provides an opportunity to look into the future and advise elected officials regarding anticipated events and strategies to handle the financial implications of decisions.

The forecast outcome is highly dependent on several key assumptions that are based on information available at the time of preparation. A change in one or more of these assumptions can significantly alter the outcome of the forecast, which could have a tremendous impact on the City's operations and maintenance tax rate and capacity for future needs. Based on these assumptions, the forecast shows that the City will be able to accomplish the following:

- Maintain approximately 3% growth from tax revenues over the forecast period
- Fund existing services at current service levels in all funds
- Support the surface water treatment plant and debt repayment
- Maintain sales tax to fund operations below 50%
- Meet current and future debt service needs
- Implement the 2013 GO Bond Projects with minimal impact to the tax rate
- Fund the recommended Five-Year CIP and resulting operating expenditures
- Continued Economic Development and Tourism efforts through reserves for opportunities

The financial forecast is updated annually as part of the budget process to ensure that the City can continue to meet challenges, fulfill obligations, and assess long-range implications of approved operating, capital budgets and policies. The five-year financial forecast of the major funds indicates the City is in sound financial health, can maintain current service levels, and meet current and anticipated debt obligations.

## Forecast Assumptions

The calculations in this forecast and the analysis of results obtained are based on the following data. The forecast does not include anticipated impacts from future annexation of developed areas.

## Revenues

### Valuation & Tax Rate

General Fund and Debt Service revenues are dependent on the net assessed property valuation assumptions, which are derived from anticipated residential and commercial development, revaluation of existing property, and the scheduled roll-off of tax abatements.

The forecast assumes property tax revenues grow at an average rate of 7% per year based on a combination of an increase in revaluation and growth in new value. In FY16 a 6% revaluation was used for both residential and commercial and then 4% for commercial and 3% for residential for FY17 to FY20. Due to a higher than anticipated increase in FY16 revaluation and a planned reallocation of ½ cent from operations and maintenance to debt service in FY17, the forecast shows only 1 cent increase in FY19 in the tax rate will be needed to fund the rest of the Parks Bonds projects instead of two cents rate as originally forecasted.

The forecast assumes the following allocation between the debt service and the maintenance and operations components:

	FY16	FY17	FY18	FY19	FY20
O&M	53.90%	52.30%	52.30%	50.70%	50.70%
Debt	46.10%	47.70%	47.70%	49.30%	49.30%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

### Sales Tax

Sales tax growth is assumed to grow an average of 2.0% annually. Revenues from incentive agreements drops in FY17 due to the end of Medline agreement in FY16.

### Interest Earnings

Interest earnings for each fund are estimated based on available fund balances and a prorated allocation of interest earned based on the following anticipated yields:

Interest Earnings Yield	
FY14	0.5%
FY15	0.8%
FY16	0.9%
FY17	1.0%
FY18	1.2%

### Hotel Occupancy Transfer for Debt Service

Hotel occupancy tax is pledged toward repayment of existing debt issued for the Conference Center at Town Square. Hotel occupancy tax will also be utilized toward repayment of new debt issued in FY15 for the performing arts center and related infrastructure. The forecast assumes a transfer to the Debt Service Fund in an amount equal to each year's debt service requirement.

Hotel Occupancy Tax Transfer	
FY16	\$ 1,407,278
FY17	1,408,697
FY18	1,406,064
FY19	1,400,151
FY20	1,395,251

### Utility Transfer for Annexed & Dissolved MUD Debt

Based on the FMPS the Utility fund makes a transfer to the Debt Service Fund in an amount equal to 100% of the annual debt service requirement for water/wastewater debt assumed from annexed and dissolved municipal utility districts. Drainage debt from MUDs is supported by property taxes.

Utility Transfer for MUD Debt	
FY16	\$ 2,331,739
FY17	2,180,082
FY18	2,055,220
FY19	2,088,650
FY20	1,997,554

### Issuance of New Debt

The forecast builds in debt service based on the timing of each anticipated issuance of the following amount of debt, showing proceeds to construction only:

\$1,000s				
	Tax Backed Debt	Surface Water CO's	Utility Revenue Bonds	GO's for Parks Bond Projects
FY16	\$ 16,994	\$ 1,700	\$ 7,035	\$ -
FY17	21,007	13,150	6,038	7,650
FY18	14,436	-	6,584	-
FY19	22,194	-	5,051	10,300
FY20	10,495	-	36,045	-
Total	\$ 85,126	\$ 14,850	\$ 60,753	\$ 17,350

### Water Consumption

Revenues in the Utility Fund are based on the following billed consumption estimates, based on average annual rainfall.

Consumption (1,000 gallons)		
	Water	Wastewater
FY16	5,568,246	3,510,139
FY17	5,691,400	3,601,842
FY18	5,786,153	3,733,685
FY19	5,840,281	3,877,688
FY20	5,882,057	3,822,842

Revenues in the Surface Water Fund are calculated based on the following pumpage estimates from all GRP participants.

Pumpage (1,000 gallons)		
	City	Non-City
FY16	6,001,381	2,691,132
FY17	6,128,274	2,691,132
FY18	6,225,952	2,691,132
FY19	6,281,851	2,691,132
FY20	6,325,140	2,691,132

### Airport Fuel Sales

Fuel sales are built into the forecast based on estimated fuel prices. Total sales include Jet-A and AvGas.

Aviation Fuel Sales (Gallons)		
	Gallons	Percent Growth
FY16	3,031,285	1.2%
FY17	3,091,911	2.0%
FY18	3,184,668	3.0%
FY19	3,312,055	4.0%
FY20	3,477,657	5.0%

### Expenditures

#### Operating Expenditures

Throughout the forecast, personnel costs increase by an average of 3.5%. Operations and maintenance costs grow by an average of 2% per year for the Utility Fund and Surface Water Fund, and 1% per year for the General Fund and Airport Fund.

#### Capital Projects Operating Impact

Operating Impact of CIP projects are built in as follows (not cumulative):

Capital Projects Operating Impact		
Fund	General	Utility
FY17	525,174	10,000
FY18	488,224	10,000
FY19	488,224	10,000
FY20	488,224	10,000

#### Property Tax Rebates

The City reimburses tax rebates to in-city MUDs at 50% of the tax collected since most new development is occurring within in-City MUDs. Values in each area are grown based on estimated revaluation plus new value based on development assumptions from the City's Planning Department. The estimated tax rebates are shown in the table at right:

Property Tax Rebates		
Fund	Debt Service	General
FY16	\$ 1,936,500	\$ 2,073,450
FY17	2,089,480	2,444,660
FY18	2,368,840	2,593,410
FY19	2,472,120	2,706,470
FY20	2,758,090	2,837,190

#### Sales Tax Grants

Sales tax grants are built in to the forecast based on estimated sales tax collections and the percentage subject to the grant calculation. There are two Section 380 agreements and two infrastructure grants that are reimbursed from sales tax. The Lifestyle Center agreement ends in 2017. Medline payments end in FY16 due to the end of their agreement.

Companies	Lifestyle Center	Etail Direct	Lake Pointe
% as per Agreement	37.50%	37.50%	37.50%

## Forecast Analysis

### General Fund

The General Fund encompasses the majority of the City's services. Resources to the fund are generated through property and sales taxes, franchise fees, fines, charges for services and miscellaneous income. Expenditures from the fund support municipal services such as Public Safety, Parks, Finance, Community Development, Environmental & Neighborhood Services and Public Works operations. The General Fund continues to fund all current services throughout the forecast. The forecast includes additions to operating expenditures as identified in the Five Year CIP for FY16-FY20. Recurring operating expenditures increase by an average of 2.0% from FY16 to FY20 due to additions to the budget for the operating impact of capital projects and growth in personnel costs and operations and maintenance.

Sales tax receipts are the largest source of revenue for the City and have historically accounted for about 50% of operating General Fund revenues. Based on the current growth in sales tax collections, there is an average annual growth of 2% for each year in the forecast. Sales tax revenues make up 47.17% of the total revenues in the General Fund while property taxes represent 24.74%.

The FMPS set a target of 10% of base sales tax to be set aside for CIP funding when it is economically feasible. This strategy provides the City a cushion if sales tax collections fall short of estimates, as the first 90% of base sales tax is used to fund operations. The forecast shows additional transfer from property tax revenues due to higher than anticipated revaluation.

Overall, the General Fund is in a stable financial position throughout the forecast. Between FY16 through FY20 the fund is expected to meet or exceed the fund balance requirement.

### Debt Service Fund

The Debt Service Fund accounts for the accumulation of monies that are set aside to pay principal and interest on debt incurred through sale of bonds and other debt instruments. These securities finance long-term capital improvement projects such as streets, parks and buildings.

Property taxes make up an average of 82.88% of the revenues for the Debt Service Fund. The growth in property tax revenue is due to an assumed reallocation of ½ cent from operations and maintenance to debt service in FY17 and a 1 cent tax increase in FY19 with an average commercial growth of 4.0% and residential revaluation of 3.0% plus new value. The fund includes a transfer from CIP non-bond fund, which is the developer fee reimbursement from the Riverstone development agreement. The developer pays \$1,750 per lot at the time of platting. These fees are used to fund debt service requirements for the issuance of 2010 Certificates of Obligation for the extension of University Boulevard. Transfers in from the Utility Fund support water and wastewater debt assumed through annexation and dissolution of MUDs at 100% recovery for the duration of the forecast. Transfers in from the Tourism Fund cover the existing debt issued for the Sugar Land Conference Center in Town Square and Performing Arts Center and related infrastructure.

The Debt Service Fund maintains the policy requirement throughout the 5-year forecast. The fund balance continues to grow through the forecast and is able to support nearly \$104.47 million in new debt for projects in the five-year CIP.

### Water Utility Fund

The Water/Wastewater Utility Fund is an enterprise fund providing for the administration, billing and collection activities, and operation and maintenance of the City's water and wastewater system. Services are financed primarily through utility customer user fees. Strategies used in the generation of the Utility financial plan are aimed

to ensure the fund is self-supporting and that capital improvement funding is adequate to maintain or expand the City's infrastructure. Based on the forecast, the fund meets all reserve and bond coverage requirements.

The forecast shows that the monthly service charges for water will recover an average of 41.57% of revenue requirements. The forecast also shows that the monthly service charges for wastewater will recover an average of 45.12% of revenue requirements. The base recovery percentages are based on current rates and anticipated future rate adjustments.

The utility system users generate the revenues that support the system. These revenues fund the basic operations of the fund, current debt service, and operating transfers. The revenues also support pay-as-you-go capital improvements over the forecast period. Revenues are dependent on the number of users in the system as well as weather experienced during the year. The forecast assumes average rainfall for each year; however, variation from the average can have a significant impact on water demand and subsequent revenues.

Operating expenses shows an increase of \$928,838 or 7.42% during the forecast, which is due to growth in personnel and operating cost.

Revenue bonds in the amount of \$60.75 million will be issued over the forecast period for capital improvement projects. Due to these anticipated debt issues, the debt service requirement for the fund increases from \$8.62 million in FY16 to \$12.00 million in FY20. However, the FY20 increase is due to a major capital project that will be pushed out as long as possible to minimize rate impacts. The required debt service reserve averages \$6.25 million from FY16 to FY20. The fund contributes \$10 million toward pay-as-you-go CIP during the forecast. The forecast shows that the base rates for water and wastewater meters will need to be increased by \$0.75 each in FY18 to maintain service levels and utility infrastructure.

### Surface Water Fund

The Surface Water Fund is an Enterprise Fund and is supported by user fees. The purpose of the fund is to provide a financial mechanism for implementing the City's groundwater reduction plan for conversion from groundwater to surface water sources. The Surface Water Fund showed that the City was able to provide funding for the 30% conversion to surface water required in 2013 and 60% by 2025.

All participants pay a GRP fee per thousand gallons of groundwater pumped. GRP participants in the City's ETJ include New Territory, Greatwood, and Tara Plantation. GRP fees are also being charged to Royal Lake Estates, private well owners, homeowners associations, and Texas Department of Corrections within the City limits. Participants outside of the City limits pay a 20% out-of-City service charge on GRP fees. City customers see a surface water charge on their utility bill; these funds are transferred to the surface water fund based on pumpage.

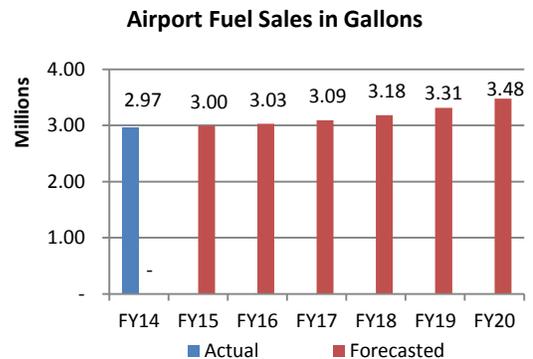
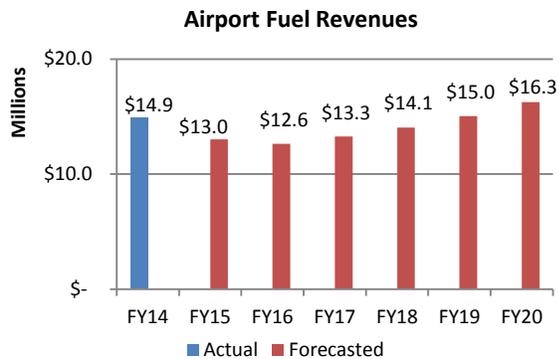
Revenues over the five-year forecast are comprised of \$23.9 million for GRP fees, \$54.18 million from City customers and \$269,615 for out-of-City service charges. A total of \$225,000 is estimated for interest income.

Total expenses for the fund are approximately \$76.13 million for the forecast. Total operating expenses for the forecast are \$29.11 million, which include chemicals, electricity, other contractual, water right options, and permit fees. Debt service payments totaling \$40.55 million support the existing debt issued for transmission lines, the surface water plant, and new debt for \$14.85 million for Riverstone ground water plant improvements and Riverstone ground water plant connections planned for FY16 and FY17. The fund has 50% general purpose reserve that is met throughout the forecast.

## Airport Fund

The Sugar Land Regional Airport is a user-fee supported business enterprise fund. The City has been able to attract and maintain quality corporate customers due to the location and amenities offered by the airport. The airport is continuing improvements to enhance its image among the business users of airport services and to attract new customers. The Airport is able to fund capital improvements, provide services, and make debt service payments on outstanding debt issues, and meet its reserve and bond coverage requirements.

Total revenues for the airport are expected to increase over the next five years based on increasing fuel sales. However, projections indicate that fuel sales will steadily increase over the next five years. The graphs below depict the projected fuel revenues over the next five years, as well as gallons sold.



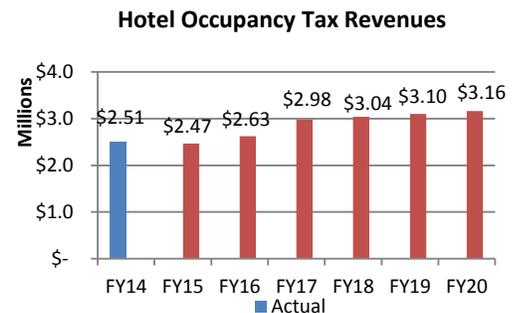
There is no increase in the fuel markup built into the five-year forecast. Revenues decrease in FY15 and FY16 are due to lower fuel sales.

Airport operating expenses are projected to increase in the forecast at an average of 2.3% annually excluding fuel expenditures and credit card fees, which have offsetting revenues.

## Tourism Fund

The purpose of the fund is to promote tourism in the City and state statute restricts use of the funds. The City's Hotel Occupancy Tax is the source of revenues in the fund, which is based on 7% of room revenue.

For FY16, the Tourism Fund will support the debt service for the Performing Arts Center and infrastructure. In addition for FY16 the Tourism Fund will contribute \$550,000 to fund the Visitors' Center and Heritage Museum, and \$2 million for the TIRZ#4 Plaza.



Hotel occupancy tax revenues are projected to increase 20.4% from FY16 to FY20 based on anticipated growth from existing hotels and one new hotel with revenues anticipated beginning in FY17. The City has pledged hotel tax revenues from the Marriott as a transfer to the Debt Service Fund to pay for the City's debt service requirements for the Conference Center. This arrangement confirms the City's commitment to the principle that hotel taxes should pay for the debt and not property taxes.

Expenditures in the fund are used to finance marketing and destination development for the City, according to limits imposed by state statutes. Over the forecast period, an estimated \$1.6 million will be spent on marketing and \$2.7 million on destination development if expenditures continue based on current levels.

The fund will transfer \$7.0 million to the Debt Service Fund to support existing debt service payments for the conference center and performing arts center. A reserve of \$2.0 million is available in the five-year forecast for

opportunities. At the end of FY20, the projected ending fund balance is \$439,946. There is no minimum fund balance policy for this fund.

### Five-Year Capital Improvement Program

The City's Five-Year CIP totals \$233.48 million for FY16-FY20 and consists of 114 projects, including 48 carryover projects. Funding sources were identified as capacity was determined in the various financial plans and the timing of projects was adjusted to meet affordability. All projects included in the CIP have identified funding sources.

Funding for CIP projects are derived from various sources including utility revenue bonds, general obligation bonds, certificates of obligation, utility revenues, general sales tax, economic development sales taxes, airport revenues, and fund balance. Major projects in the Five-Year CIP include wastewater, streets, municipal, and drainage. A summary by project type and the funding totals appears in the table above.

Project Type	Funding	% of Funds
Airport	\$ 660,050	0.3%
Drainage	52,910,000	22.7%
Municipal	16,821,000	7.2%
Parks	17,083,400	7.3%
Streets	52,717,500	22.6%
Traffic	5,153,000	2.2%
Wastewater	55,686,000	23.9%
Water	15,060,000	6.5%
Surface Water	17,385,400	7.4%
<b>Total Projects</b>	<b>\$ 233,476,350</b>	<b>100.0%</b>

Some of the CIP projects have an operations and maintenance impact that has to be considered along with the project cost. The anticipated O&M cost includes projects that are anticipated in future fiscal years that may be delayed or canceled based on available funding. However, these costs are built into the respective operating funds five-year forecast to give policy makers an idea of the financial impact completed CIP projects will have on the operating funds of the City.

### Sugar Land Development Corporation (SLDC)

The SLDC is financed through a quarter cent sales tax approved by the voters in 1993, and its primary goal is to promote economic development of the City. Sales tax and interest income are the primary revenue sources for the Corporation, along with an assignment from TIRZ #1 toward repayment of debt issued for Town Square infrastructure. There is also a reimbursement from TIRZ#3 for parking and infrastructure.

Expenditures over the forecast total \$11.43 million in FY16, which includes the final transfer of \$1.1 million to the taxable debt service fund to cover the annual debt service requirements. In FY17 the taxable debt service fund will be able to fund the debt service payments with lease payments from ACE Sugar Land, LLC. The expenditures for the rest of the forecast total \$34.96 million. Expenditures also include staffing reimbursement to the City, support services contract, and the economic development program for marketing and business recruitment. The Corporation has annual debt service of approximately \$4.2 million each year the outstanding debt issues. The forecast allocates \$10.45 million over the five years toward Economic Development direct incentives. A total of \$4.4 million is reserve for opportunities in the five-year forecast.

The fund is able to maintain a fund balance in excess of the 10% of budgeted sales tax policy requirement for the duration of the forecast with a budgeted fund balance amount of \$819,530 in FY20.

### Sugar Land 4B Corporation (SL4B)

The SL4B is financed by a quarter cent sales tax authorized by voters in 1995. Uses of 4B funds are restricted by law, but are less restricted than the use of SLDC funds. Sales tax is the primary revenue source for the Corporation, along with an assignment of revenues from TIRZ #1 toward repayment of debt issued for the Texas Garage in Sugar Land Town Square. The TIRZ#1 supports 53% of debt service on the garage spaces, which is the prorated balance after the 2009 payment from Planned Community Developers is applied to outstanding principal. Reimbursement from TIRZ#3 is for the TIRZ infrastructure and parking.

In the forecast the SL4B contributes \$5.13 million for capital improvements, including joint participation in CIP, TIRZ#4 Plaza, UH/Festival Site Parking, and reconstruction of Industrial Boulevard Widening. The Corporation has three outstanding debt issues that mature in 2036. The annual debt service payment is \$3.4 million in FY16 and remains at that level for the rest of the forecast. A total of \$15 million is available as reserve for opportunities in the five-year forecast.

SL4B meets its reserve and bond coverage requirements and is able to maintain a fund balance in excess of the 10% of budgeted sales tax receipts policy requirement during the forecast and with an ending fund balance of \$1,723,730 in FY20.

**CITY OF SUGAR LAND  
GENERAL FUND  
FIVE-YEAR FINANCIAL FORECAST**

	FY15 Projections	FY16 Budget	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
<b>REVENUES</b>						
Property Taxes	\$ 18,406,410	\$ 20,188,900	\$ 20,450,600	\$ 21,171,900	\$ 21,863,700	\$ 22,626,500
Sales Tax	38,349,225	39,159,056	38,797,350	40,146,600	41,543,250	42,988,875
Other Taxes	5,755,332	5,908,500	6,149,300	6,285,500	6,425,500	6,569,200
Licenses & Permits	3,211,062	3,320,500	3,386,700	3,469,000	3,553,400	3,639,900
Charges for Services	3,735,852	4,569,995	5,059,172	5,179,936	5,310,968	5,445,600
Fines & Forfeitures	1,861,651	1,861,600	1,913,700	1,971,000	2,030,200	2,091,100
Other	839,327	615,343	605,773	605,273	605,273	605,273
Interest Income	226,805	307,000	249,776	249,366	252,096	255,760
Operating Revenues	72,542,678	75,930,894	76,612,370	79,078,575	81,584,387	84,222,208
Transfers In	6,215,254	6,575,370	6,254,747	6,345,643	6,438,609	6,533,721
Lease Proceeds	3,031,118	-	-	-	-	-
Non-operating Revenues	9,246,372	6,575,370	6,254,747	6,345,643	6,438,609	6,533,721
Total Revenues	81,789,050	82,506,264	82,867,117	85,424,218	88,022,996	90,755,930
<b>EXPENDITURES</b>						
General Government	11,384,853	11,673,908	11,367,050	11,697,717	12,039,285	12,392,129
Finance	3,412,043	3,838,248	3,924,847	4,042,300	4,163,665	4,289,076
Public Works	11,567,405	8,558,704	8,230,904	8,379,284	8,531,460	8,687,551
Parks & Recreation	3,737,138	4,314,601	4,414,564	4,517,516	4,623,555	4,732,784
Community Development	5,735,425	4,936,864	5,069,359	5,235,672	5,407,695	5,585,626
Environmental and Neighborhood Services	-	4,794,600	4,813,397	4,932,553	5,055,386	5,182,020
Police Department	19,500,675	20,206,321	20,669,597	21,356,755	22,067,600	22,802,958
Fire Department	17,264,453	13,930,359	14,387,687	14,860,719	15,350,001	15,856,100
Departmental Expenditures	72,601,992	72,253,605	72,877,406	75,022,514	77,238,646	79,528,245
Transfers to other Funds	7,447,503	7,716,230	6,829,254	7,010,446	7,198,503	7,393,806
Miscellaneous	(1,071,198)	448,089	328,355	319,610	310,858	302,104
Rebates & Assignments	3,277,825	3,287,650	2,863,630	2,861,660	2,993,110	3,143,190
Non-departmental Expenditures	9,654,130	11,451,969	10,021,239	10,191,716	10,502,471	10,839,101
Total Expenditures	82,256,122	83,705,574	82,898,645	85,214,231	87,741,117	90,367,346
Revenues Over/(Under) Expenditures	(467,072)	(1,199,310)	(31,528)	209,987	281,879	388,584
Fund Balance - Beginning	20,879,916	20,412,844	19,213,534	19,182,006	19,391,993	19,673,873
Fund Balance - Ending	\$ 20,412,844	\$ 19,213,534	\$ 19,182,006	\$ 19,391,993	\$ 19,673,873	\$ 20,062,457
Ending Fund Balance- % of Oper Exp	31%	28%	27%	26%	26%	26%
Fund Balance - Requirement	16,510,363	17,700,239	17,901,199	18,404,250	18,950,343	19,514,721
Over / (Under) Policy	\$ 3,902,481	\$ 1,513,294	\$ 1,280,807	\$ 987,743	\$ 723,530	\$ 547,736

**CITY OF SUGAR LAND  
DEBT SERVICE FUND  
FIVE-YEAR FINANCIAL FORECAST**

	FY15 Projections	FY16 Budget	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
<b>REVENUES</b>						
Current Property Tax	\$ 15,622,250	\$ 17,122,382	\$ 18,432,900	\$ 19,082,900	\$ 21,015,000	\$ 21,748,200
Delinquent Property Taxes	(15,819)	42,800	46,100	47,700	52,500	54,400
Interest on Investments	19,531	20,000	25,000	27,000	29,000	31,000
Refunding Bond Proceeds	24,932,606	-	-	-	-	-
Dissolution	-	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>40,558,568</b>	<b>17,185,182</b>	<b>18,504,000</b>	<b>19,157,600</b>	<b>21,096,500</b>	<b>21,833,600</b>
<b>Total Transfers In</b>	<b>4,369,118</b>	<b>4,211,517</b>	<b>4,061,279</b>	<b>3,933,785</b>	<b>3,961,301</b>	<b>3,865,304</b>
<b>Total Revenues</b>	<b>44,927,687</b>	<b>21,396,699</b>	<b>22,565,279</b>	<b>23,091,385</b>	<b>25,057,801</b>	<b>25,698,904</b>
<b>EXPENDITURES</b>						
Current Outstanding Debt	17,900,817	18,723,443	18,330,617	17,769,947	16,014,838	15,660,882
New Debt	-	387,987	2,333,034	3,599,679	5,796,402	7,326,283
Fiscal Fees/Other	18,000	18,000	18,200	18,400	18,600	18,800
Issuance Costs	215,728	-	-	-	-	-
Refunding Payment to Escrow	24,965,005	-	-	-	-	-
<b>Total Debt Service</b>	<b>43,099,551</b>	<b>19,129,430</b>	<b>20,681,851</b>	<b>21,388,025</b>	<b>21,829,840</b>	<b>23,005,965</b>
Rebates & Assignments	1,510,630	1,737,600	1,881,910	2,070,580	2,163,510	2,422,920
Transfers to Other Funds	86,059	90,770	93,490	99,600	102,590	112,680
<b>Total Expenditures</b>	<b>44,696,240</b>	<b>20,957,800</b>	<b>22,657,251</b>	<b>23,558,205</b>	<b>24,095,940</b>	<b>25,541,565</b>
<b>CHANGE IN FUND BALANCE</b>	<b>231,447</b>	<b>438,899</b>	<b>(91,972)</b>	<b>(466,820)</b>	<b>961,861</b>	<b>157,339</b>
<b>FUND BALANCE - BEGINNING</b>	<b>4,105,011</b>	<b>4,336,458</b>	<b>4,775,357</b>	<b>4,683,385</b>	<b>4,216,565</b>	<b>5,178,426</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 4,336,458</b>	<b>\$ 4,775,357</b>	<b>\$ 4,683,385</b>	<b>\$ 4,216,565</b>	<b>\$ 5,178,426</b>	<b>\$ 5,335,765</b>
Policy Requirement	\$ 1,790,082	\$ 1,911,143	\$ 2,066,365	\$ 2,136,963	\$ 2,181,124	\$ 2,298,717
Over/(Under) Policy	2,546,376	2,864,214	2,617,020	2,079,602	2,997,302	3,037,048

**CITY OF SUGAR LAND**  
**ENTERPRISE FUND - WATER UTILITY SYSTEM**  
**FIVE-YEAR FINANCIAL FORECAST**

	FY15 Projections	FY16 Budget	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
<b>REVENUES</b>						
Charges for Services	\$ 24,345,496	\$ 26,687,747	\$ 27,112,980	\$ 28,215,758	\$ 28,924,952	\$ 28,867,314
Surface Water Fees	9,333,478	10,473,536	10,706,946	10,885,200	10,987,028	11,065,619
Tap Fees	246,045	211,500	237,992	120,150	84,524	84,524
Interest Income	50,000	50,000	70,000	80,000	90,000	100,000
Miscellaneous	917,130	765,391	766,116	766,864	767,634	768,427
<b>TOTAL OPERATING REVENUES</b>	<b>34,892,149</b>	<b>38,188,174</b>	<b>38,894,033</b>	<b>40,067,972</b>	<b>40,854,137</b>	<b>40,885,884</b>
Bond Proceeds	16,951,883	7,175,241	6,158,658	6,715,680	5,152,316	36,765,900
Transfers In - Connection Fees	653,703	657,584	653,413	654,504	815,687	5,907,321
<b>TOTAL OPERATING REVENUES</b>	<b>17,605,586</b>	<b>7,832,825</b>	<b>6,812,071</b>	<b>7,370,184</b>	<b>5,968,002</b>	<b>42,673,221</b>
<b>TOTAL REVENUES</b>	<b>52,497,735</b>	<b>46,020,999</b>	<b>45,706,104</b>	<b>47,438,156</b>	<b>46,822,140</b>	<b>83,559,105</b>
<b>OPERATING EXPENDITURES</b>						
Utility Administration	891,160	639,963	561,124	582,087	603,874	626,517
Water Distribution	1,514,413	1,651,655	1,691,403	1,732,477	1,774,928	1,818,809
Water Production	1,945,726	2,330,961	2,377,368	2,414,763	2,453,077	2,492,340
Wastewater Collection	714,056	807,410	827,165	848,417	870,401	893,145
Wastewater Treatment	4,255,682	4,399,810	4,452,637	4,506,345	4,560,958	4,616,499
Customer Service	592,938	715,049	738,339	763,184	788,976	815,752
Water Quality	421,297	424,296	437,476	451,144	465,322	480,027
Water Conservation	184,631	288,590	293,824	299,205	304,736	310,425
Treasury	1,743,705	1,268,030	1,299,662	1,332,327	1,366,149	1,401,087
<b>TOTAL OPERATING EXPENDITURES</b>	<b>12,263,608</b>	<b>12,525,764</b>	<b>12,678,998</b>	<b>12,929,950</b>	<b>13,188,421</b>	<b>13,454,602</b>
<b>NON-OPERATING EXPENDITURES</b>						
Debt Service	11,518,269	8,620,015	8,917,796	9,410,763	9,133,009	11,998,619
Transfers Out	5,904,610	5,398,667	5,233,014	5,153,946	5,233,857	5,189,939
Transfers Out - Surface Water	9,321,651	10,502,417	10,724,480	10,895,417	10,993,239	11,068,995
Miscellaneous	220,317	325,000	326,804	330,532	334,366	338,309
CIP Transfers:						
Bond Projects	13,010,000	7,034,550	6,037,900	6,584,000	5,051,290	36,045,000
PAYG Water	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
PAYG Wastewater	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>TOTAL NON-OPERATING EXPENDITURES</b>	<b>41,974,847</b>	<b>33,880,649</b>	<b>33,239,994</b>	<b>34,374,658</b>	<b>32,745,760</b>	<b>66,640,861</b>
<b>TOTAL EXPENDITURES</b>	<b>54,238,455</b>	<b>46,406,413</b>	<b>45,918,992</b>	<b>47,304,608</b>	<b>45,934,181</b>	<b>80,095,464</b>
Net Income/(Loss)	(1,740,720)	(385,414)	(212,887)	133,548	887,959	3,463,641
Reserve - Debt Service	(5,640,967)	(5,683,744)	(5,751,542)	(5,846,420)	(5,796,607)	(8,197,628)
Cash Equivalent - Beginning	15,994,610	14,253,890	13,868,477	13,655,590	13,789,138	14,677,097
Cash Equivalent - Ending	\$ 8,612,923	\$ 8,184,734	\$ 7,904,048	\$ 7,942,718	\$ 8,880,490	\$ 9,943,110
CASH OPERATING RESERVE	71%	67%	62%	61%	67%	74%
BOND COVERAGE DIRECT DEBT	1.64	1.81	1.72	1.85	1.46	1.83

**CITY OF SUGAR LAND  
ENTERPRISE FUND - SURFACE WATER  
FIVE-YEAR FINANCIAL FORECAST**

	<b>FY15 Projections</b>	<b>FY16 Budget</b>	<b>FY17 Forecast</b>	<b>FY18 Forecast</b>	<b>FY19 Forecast</b>	<b>FY20 Forecast</b>
<b>OPERATING REVENUES</b>						
GRP Fees	\$ 3,876,450	\$ 4,798,198	\$ 4,798,198	\$ 4,798,198	\$ 4,798,198	\$ 4,798,198
Out of City Service Charge	36,856	53,923	53,923	53,923	53,923	53,923
Interest Income	60,000	35,000	40,000	45,000	50,000	55,000
Miscellaneous	17,150	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>3,990,456</b>	<b>4,887,121</b>	<b>4,892,121</b>	<b>4,897,121</b>	<b>4,902,121</b>	<b>4,907,121</b>
Transfer In - Utilities	<b>9,321,651</b>	10,502,417	10,724,480	10,895,417	10,993,239	11,068,995
Inter-Fund Loan Repayment				1,560,000	1,530,000	
<b>TOTAL REVENUES</b>	<b>\$ 13,312,107</b>	<b>\$ 15,389,538</b>	<b>\$ 15,616,601</b>	<b>\$ 17,352,538</b>	<b>\$ 17,425,360</b>	<b>\$ 15,976,116</b>
<b>EXPENSES</b>						
Personnel Services	850,094	1,036,884	1,078,359	1,121,698	1,163,917	1,210,474
Operations & Maintenance	3,436,124	3,477,249	3,674,165	3,572,983	3,758,790	3,646,459
Raw Water	960,817	1,045,762	958,344	982,303	1,006,860	1,372,718
Capital	1,575	-	-	-	-	-
<b>TOTAL OPERATING EXPENSES</b>	<b>5,248,610</b>	<b>5,559,895</b>	<b>5,710,869</b>	<b>5,676,983</b>	<b>5,929,568</b>	<b>6,229,650</b>
Capital Projects - PAYG	1,804,600	1,635,400	-	-	-	-
Debt Service Payment	7,042,101	7,231,623	8,502,230	8,246,971	8,273,623	8,292,020
Membranes/Capital Repairs	112,750	116,133	119,036	122,012	125,062	128,189
Miscellaneous	61,200					
Transfers Out	585,877	608,800	627,064	645,876	665,252	685,210
Contingency	200,000	200,000	200,000	200,000	200,000	200,000
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>9,806,528</b>	<b>9,791,956</b>	<b>9,448,330</b>	<b>9,214,859</b>	<b>9,263,938</b>	<b>9,305,419</b>
<b>TOTAL EXPENSES</b>	<b>\$ 15,055,138</b>	<b>\$ 15,351,851</b>	<b>\$ 15,159,199</b>	<b>\$ 14,891,842</b>	<b>\$ 15,193,506</b>	<b>\$ 15,535,069</b>
Net Income/(Loss)	(1,743,031)	37,686	457,402	2,460,696	2,231,855	441,047
Inter-Fund Transfer To Airport		(3,000,000)				
<b>CASH EQUIVALENTS - BEGINNING</b>	<b>14,673,416</b>	<b>12,930,385</b>	<b>9,968,071</b>	<b>10,425,474</b>	<b>12,886,170</b>	<b>15,118,024</b>
<b>CASH EQUIVALENTS - ENDING</b>	<b>\$ 12,930,385</b>	<b>\$ 9,968,071</b>	<b>\$ 10,425,474</b>	<b>\$ 12,886,170</b>	<b>\$ 15,118,024</b>	<b>\$ 15,559,072</b>

**CITY OF SUGAR LAND  
ENTERPRISE FUND - AIRPORT  
FIVE-YEAR FINANCIAL FORECAST**

	FY15 Projections	FY16 Budget	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
<b>REVENUES</b>						
Fuel Sales	\$ 13,025,778	\$ 12,645,893	\$ 13,261,947	\$ 14,052,536	\$ 15,043,500	\$ 16,268,496
Hangar Leases	1,381,370	1,398,571	1,512,086	1,512,086	1,512,086	1,512,086
Miscellaneous Revenues	749,700	796,165	826,165	826,165	826,165	826,165
Interest Income	12,000	7,000	10,000	15,000	23,000	41,000
<b>Total Operating Revenues</b>	<b>15,168,848</b>	<b>14,847,629</b>	<b>15,610,198</b>	<b>16,405,787</b>	<b>17,404,751</b>	<b>18,647,747</b>
Operating Transfers In	236,800	245,960	190,920	202,600	210,230	220,640
Grant Proceeds	50,000	50,000	50,000	50,000	50,000	50,000
Inter-Fund Loan	-	3,000,000	-	-	-	-
Bond Proceeds	1,784,569	-	-	-	-	-
TxDot Grant Reimbursement	-	-	-	2,610,000	2,610,000	-
<b>Total Non-Operating Revenues</b>	<b>2,071,369</b>	<b>3,295,960</b>	<b>240,920</b>	<b>2,862,600</b>	<b>2,870,230</b>	<b>270,640</b>
<b>Total Revenues</b>	<b>17,240,217</b>	<b>18,143,589</b>	<b>15,851,118</b>	<b>19,268,387</b>	<b>20,274,981</b>	<b>18,918,387</b>
<b>EXPENSES</b>						
Airport Administration	1,106,662	1,095,584	1,117,571	1,140,109	1,163,213	1,186,899
Airfield Operations	124,391	288,345	295,216	302,275	309,528	316,981
FBO Services	9,702,925	9,873,019	10,451,361	11,158,668	12,017,461	13,056,536
Café Select	236,852	261,327	266,688	272,185	277,822	283,603
Customs	204,898	204,898	206,947	209,016	211,107	213,218
Maintenance and Operations	794,919	931,372	951,404	971,959	993,050	1,014,693
<b>Total Operating Expenses</b>	<b>12,170,647</b>	<b>12,654,545</b>	<b>13,289,188</b>	<b>14,054,213</b>	<b>14,972,180</b>	<b>16,071,930</b>
Other Requirements	1,087,891	1,160,387	1,161,785	1,155,805	1,161,162	1,158,461
Miscellaneous	155,884	203,000	191,000	197,090	204,273	211,551
Inter-Fund Loan & Reimbursement	-	-	-	1,560,000	1,530,000	-
Operating Transfers Out	2,746,448	6,955,406	1,110,019	1,086,421	951,673	980,178
<b>Total Non-Operating Expenses</b>	<b>3,990,223</b>	<b>8,318,793</b>	<b>2,462,804</b>	<b>3,999,316</b>	<b>3,847,108</b>	<b>2,350,190</b>
<b>Total Expenses</b>	<b>16,160,869</b>	<b>20,973,338</b>	<b>15,751,992</b>	<b>18,053,529</b>	<b>18,819,288</b>	<b>18,422,120</b>
<b>NET INCOME (LOSS)</b>	<b>1,079,348</b>	<b>(2,829,749)</b>	<b>99,126</b>	<b>1,214,858</b>	<b>1,455,693</b>	<b>496,267</b>
<b>CASH EQUIVALENTS BEGINNING</b>	<b>5,209,710</b>	<b>6,289,058</b>	<b>3,459,309</b>	<b>3,558,434</b>	<b>4,773,293</b>	<b>6,228,986</b>
<b>Debt Service Reserve</b>	<b>(921,345)</b>	<b>(702,546)</b>	<b>(679,107)</b>	<b>(652,986)</b>	<b>(624,144)</b>	<b>(591,361)</b>
<b>CASH EQUIVALENTS ENDING</b>	<b>\$ 5,367,713</b>	<b>\$ 2,756,763</b>	<b>\$ 2,879,328</b>	<b>\$ 4,120,307</b>	<b>\$ 5,604,842</b>	<b>\$ 6,133,892</b>
<b>CASH EQ. RESERVE RATIO (25% min)</b>	<b>119%</b>	<b>51%</b>	<b>59%</b>	<b>82%</b>	<b>108%</b>	<b>116%</b>
<b>BOND COVERAGE (1.25x min)</b>	<b>2.73</b>	<b>1.61</b>	<b>1.96</b>	<b>1.98</b>	<b>2.06</b>	<b>2.17</b>
<b>FUEL GALLONS SOLD</b>	<b>2,968,546</b>	<b>3,031,285</b>	<b>3,091,911</b>	<b>3,184,668</b>	<b>3,312,055</b>	<b>3,477,657</b>

**CITY OF SUGAR LAND  
SPECIAL REVENUE FUND - TOURISM  
FIVE-YEAR FINANCIAL FORECAST**

	FY15 Projections	FY16 Budget	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
<b>REVENUES</b>						
Hotel/Motel Occupancy Tax	\$ 2,466,575	\$ 2,625,626	\$ 2,978,695	\$ 3,038,300	\$ 3,099,400	\$ 3,161,400
Interest Income	17,330	7,500	8,500	9,500	10,500	11,500
<b>Total Revenues</b>	<b>2,483,905</b>	<b>2,633,126</b>	<b>2,987,195</b>	<b>3,047,800</b>	<b>3,109,900</b>	<b>3,172,900</b>
<b>EXPENDITURES</b>						
Convention & Visitors Bureau	436,500	374,000	385,220	396,777	408,680	420,940
Cultural Arts Implementation	-	20,000	-	-	-	-
Tourism & Destination Events	623,729	626,254	645,042	664,393	684,325	704,854
Capital Projects	808,564	-	-	-	-	-
Reserve for Other Uses	-	-	500,000	500,000	500,000	500,000
<b>Total Operating Expenditures</b>	<b>1,868,793</b>	<b>1,020,254</b>	<b>1,530,262</b>	<b>1,561,169</b>	<b>1,593,005</b>	<b>1,625,795</b>
Transfer Out - Employee Benefit	-	-	-	-	-	-
Transfer Out - Hi-Tech Fund	518	-	-	-	-	-
Transfer Out - CIP	1,965,000	2,550,000	-	-	-	-
Transfer Out - Debt Service (PAC)	336,506	724,288	713,838	703,088	692,038	685,538
Transfer Out - Debt Service	673,611	682,990	694,859	702,976	708,113	709,713
Transfer Out	2,975,635	3,957,278	1,408,697	1,406,064	1,400,151	1,395,251
<b>Total Expenditures</b>	<b>4,844,428</b>	<b>4,977,532</b>	<b>2,938,959</b>	<b>2,967,233</b>	<b>2,993,156</b>	<b>3,021,046</b>
<b>Net Income(Loss)</b>	<b>(2,360,523)</b>	<b>(2,344,407)</b>	<b>48,236</b>	<b>80,567</b>	<b>116,744</b>	<b>151,854</b>
Fund Balance - Beginning	5,359,797	2,386,951	42,545	90,781	171,347	288,092
GAAP Adjustments	(612,323)	-	-	-	-	-
Beginning Budgetary Balance	4,747,474	2,386,951	42,545	90,781	171,347	288,092
<b>Budgetary Fund Balance - Ending</b>	<b>\$ 2,386,951</b>	<b>\$ 42,545</b>	<b>\$ 90,781</b>	<b>\$ 171,347</b>	<b>\$ 288,092</b>	<b>\$ 439,946</b>

**CITY OF SUGAR LAND  
2016 - 2020 CAPITAL IMPROVEMENT PROGRAM  
TOTAL SUMMARY**

<b>PROJECT TYPE</b>	<b>2016 BUDGET</b>	<b>2017 ESTIMATE</b>	<b>2018 ESTIMATE</b>	<b>2019 ESTIMATE</b>	<b>2020 ESTIMATE</b>	<b>2016-2020 TOTAL</b>
AIRPORT	\$ 284,550	\$ 213,000	\$ 162,500	\$ -	\$ -	\$ 660,050
DRAINAGE	13,150,000	11,445,000	12,275,000	11,890,000	4,150,000	52,910,000
MUNICIPAL	14,268,000	848,000	655,000	400,000	650,000	16,821,000
PARKS	4,083,400	1,275,000	7,775,000	3,475,000	475,000	17,083,400
STREETS	9,855,500	13,252,000	5,730,000	14,315,000	9,565,000	52,717,500
TRAFFIC	2,161,000	1,942,000	350,000	350,000	350,000	5,153,000
WASTEWATER	7,186,000	1,900,000	6,500,000	3,300,000	36,800,000	55,686,000
WATER	5,135,000	3,915,000	1,815,000	3,080,000	1,115,000	15,060,000
SURFACE WATER	3,635,400	13,750,000	-	-	-	17,385,400
<b>TOTAL FUNDING</b>	<b>\$ 59,758,850</b>	<b>\$ 48,540,000</b>	<b>\$ 35,262,500</b>	<b>\$ 36,810,000</b>	<b>\$ 53,105,000</b>	<b>\$ 233,476,350</b>

<b>SOURCE OF FUNDS</b>	<b>2016 BUDGET</b>	<b>2017 ESTIMATE</b>	<b>2018 ESTIMATE</b>	<b>2019 ESTIMATE</b>	<b>2020 ESTIMATE</b>	<b>2016-2020 TOTAL</b>
General Revenue	\$ 4,593,500	\$ 4,262,000	\$ 4,580,000	\$ 4,365,000	\$ 4,365,000	\$ 22,165,500
CO's	16,655,870	21,007,100	14,436,000	22,193,710	10,495,000	84,787,680
CO's/Enterprise Funds (Airport & Surface Water)	1,700,000	13,150,000	-	-	-	14,850,000
GO's	3,200,000	800,000	7,300,000	3,000,000	-	14,300,000
Revenue Bonds	7,034,550	6,037,900	6,584,000	5,051,290	36,045,000	60,752,740
SLDC	3,000,000	-	-	-	-	3,000,000
SL4B	4,330,000	200,000	200,000	200,000	200,000	5,130,000
Airport Revenues	284,550	213,000	162,500	-	-	660,050
System Revenues	3,635,400	2,000,000	2,000,000	2,000,000	2,000,000	11,635,400
Other Funding Sources	15,324,980	870,000	-	-	-	16,194,980
<b>TOTAL</b>	<b>\$ 59,758,850</b>	<b>\$ 48,540,000</b>	<b>\$ 35,262,500</b>	<b>\$ 36,810,000</b>	<b>\$ 53,105,000</b>	<b>\$ 233,476,350</b>

**CITY OF SUGAR LAND  
SUGAR LAND DEVELOPMENT CORPORATION  
FIVE-YEAR FINANCIAL FORECAST**

	FY15 Projections	FY16 Budget	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
<b>Revenues</b>						
Sales Tax	\$ 6,391,500	\$ 6,526,500	\$ 6,466,200	\$ 6,691,100	\$ 6,923,900	\$ 7,164,800
Interest Income	46,625	55,452	28,696	30,122	31,077	31,454
TIRZ Assignments	850,000	890,384	1,335,203	1,952,304	2,065,979	2,116,673
PAC Revenues	-	-	-	25,520	33,800	46,120
<b>Total Operating Revenues</b>	<b>7,288,125</b>	<b>7,472,336</b>	<b>7,830,099</b>	<b>8,699,046</b>	<b>9,054,756</b>	<b>9,359,047</b>
Bond Proceeds	10,571,339	-	-	-	-	-
<b>Total Revenues</b>	<b>17,859,464</b>	<b>7,472,336</b>	<b>7,830,099</b>	<b>8,699,046</b>	<b>9,054,756</b>	<b>9,359,047</b>
<b>Expenditures</b>						
Economic Development Program	664,863	597,018	602,900	609,000	615,200	621,400
Economic Development Incentives	1,817,000	1,700,000	1,700,000	1,700,000	3,645,000	1,700,000
Capital Projects Reimbursement	5,642,033	3,000,000	-	-	-	-
Reserve for Opportunities	-	-	440,000	1,500,000	-	2,500,000
Sales Tax Incentive Grant	92,140	96,740	101,580	-	-	-
Debt Service	10,850,443	4,226,346	4,185,890	4,149,896	4,111,221	4,089,584
Contractual Services	12,590	12,590	12,590	12,590	12,590	12,590
Transfers to Other Funds	1,120,255	1,798,932	863,781	573,029	591,531	610,701
<b>Total Expenditures</b>	<b>20,199,324</b>	<b>11,431,626</b>	<b>7,906,741</b>	<b>8,544,515</b>	<b>8,975,542</b>	<b>9,534,275</b>
Revenues Over/(Under) Expenditures	(2,339,859)	(3,959,289)	(76,642)	154,531	79,214	(175,228)
Fund Balance-Beginning	12,384,800	10,044,940	6,085,651	6,009,009	6,163,540	6,242,754
Fund Balance-Ending	10,044,940	6,085,651	6,009,009	6,163,540	6,242,754	6,067,526
Accrued Sales Tax	(1,060,915)	(1,060,915)	(1,060,915)	(1,060,915)	(1,060,915)	(1,060,915)
Debt Service Reserve	(4,187,081)	(4,187,081)	(4,187,081)	(4,187,081)	(4,187,081)	(4,187,081)
<b>Fund Balance-Available</b>	<b>\$ 4,796,944</b>	<b>\$ 837,655</b>	<b>\$ 761,013</b>	<b>\$ 915,544</b>	<b>\$ 994,758</b>	<b>\$ 819,530</b>
Minimum Fund Balance	\$ 603,875	\$ 652,650	\$ 646,620	\$ 669,110	\$ 692,390	\$ 716,480
Over/Under Policy	4,193,069	185,005	114,393	246,434	302,368	103,050
Bond Coverage Ratio (>1.25x)	1.45	1.53	1.57	1.57	1.64	1.71

**CITY OF SUGAR LAND  
SUGAR LAND 4B CORPORATION  
FIVE-YEAR FINANCIAL FORECAST**

	FY15 Projections	FY16 Budget	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
<b>REVENUES</b>						
Sales Tax	\$ 6,391,500	\$ 6,526,500	\$ 6,466,200	\$ 6,691,100	\$ 6,923,900	\$ 7,164,800
Interest Income	24,850	30,850	30,914	31,705	32,905	32,905
TIRZ#1 Assignment	152,911	154,297	155,404	156,157	154,007	156,886
TIRZ#3	-	82,992	274,380	1,277,760	1,692,483	1,668,909
Miscellaneous	196,392	80,000	80,000	80,000	80,000	80,000
<b>Total Revenues</b>	<b>6,765,653</b>	<b>6,874,639</b>	<b>7,006,899</b>	<b>8,236,721</b>	<b>8,883,295</b>	<b>9,103,499</b>
<b>EXPENDITURES</b>						
Economic Development Program	577,669	561,621	564,230	568,570	572,970	577,400
Transfer to Capital Projects	3,182,740	4,330,000	200,000	200,000	200,000	200,000
Reserve for Opportunities	-	500,000	2,000,000	4,000,000	3,500,000	5,000,000
Sales Tax Incentive Grant	92,140	96,740	101,580	-	-	-
Debt Service	3,367,344	3,366,138	3,345,919	3,352,281	3,344,844	3,357,675
Contractual Services	549,667	327,127	339,206	351,745	364,763	378,278
<b>Total Expenditures</b>	<b>7,769,560</b>	<b>9,181,625</b>	<b>6,550,935</b>	<b>8,472,597</b>	<b>7,982,577</b>	<b>9,513,353</b>
Revenues Over/(Under) Exp's	(1,003,907)	(2,306,986)	455,964	(235,875)	900,718	(409,854)
Fund Balance-Beginning	8,545,512	7,541,605	5,234,619	5,690,583	5,454,708	6,355,426
Fund Balance-Ending	7,541,605	5,234,619	5,690,583	5,454,708	6,355,426	5,945,572
Accrued Sales Tax	(1,060,915)	(1,060,915)	(1,060,915)	(1,060,915)	(1,060,915)	(1,060,915)
Debt Service Reserve	(3,160,927)	(3,160,927)	(3,160,927)	(3,160,927)	(3,160,927)	(3,160,927)
<b>Fund Balance-Available</b>	<b>\$ 3,319,763</b>	<b>\$ 1,012,777</b>	<b>\$ 1,468,741</b>	<b>\$ 1,232,866</b>	<b>\$ 2,133,584</b>	<b>\$ 1,723,730</b>
Minimum Fund Balance	\$ 603,875	\$ 652,650	\$ 646,620	\$ 669,110	\$ 692,390	\$ 716,480
Over/Under Policy	2,715,888	360,127	822,121	563,756	1,441,194	1,007,250
Bond Coverage Ratio (>1.25x)	1.83	1.90	1.94	1.93	1.99	2.06



# City of Sugar Land

## Financial Management Policy Statements

### Introduction

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The Financial Management Policy Statements adopted by City Council are an overview of the City's financial policies and provide guidelines to City staff in managing and planning the City's finances. Some policy statements are driven by requirements of state law or City charter, while others are formally documented through policies and procedures. Statements that are driven by legal requirements will be noted as such.

In some case, exceptions to the policy statements may be appropriate and/or necessary. Exceptions to stated policies will be specifically identified and the need for the exception will be documented and explained to City Council and/or the City Manager.

### Accounting, Auditing & Financial Reporting

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Maintain accounting practices that conform to generally accepted accounting principles and comply with prevailing federal, state, and local statutes and regulations. Prepare and present regular reports that analyze and evaluate the City's financial performance and economic condition.

#### Accounting Practices and Principles

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The City will maintain accounting practices that conform to generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB), the authoritative standard setting body for units of local government. All city financial documents, except monthly interim financial reports, including official statements accompanying debt issues, Comprehensive Annual Financial Reports and continuing disclosure statements will meet standards. Monthly interim financial reports are on a cash basis and will be reported as budgeted. At year-end the general ledger and financials will be converted to full accrual basis

#### Financial and Management Reports

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Pursuant to City Charter requirements, Interim Financial Reports will be provided monthly to management and City Council that explain key economic and fiscal developments and note significant deviations from the budget. (CIP reporting is reported separately under Capital Improvements) These reports will be reviewed monthly with the City Manager and provided to City Council by the end of each month for the prior month. These reports will be prepared on a cash basis. Quarterly reports on the status of the City's Strategic Projects will be provided through the City Manager's office and made available to the City Council. The reports will include project scope and work plan as well as comment on noteworthy activity.

Quarterly, departments will report on service level measures and/or indicators as compared to target and prior years through the Office of Strategic Initiatives. Reporting to City Management will be on an exception basis.

#### Annual Audit

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Pursuant to State Statute, the City shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The audit shall be performed by a certified public accounting (CPA) firm, licensed to practice in the State of Texas. Although the Texas Local Government Code, Section 103.003 Filing: Public Record requires the annual financial statement including the auditor's opinion on the statement to be filed with the City Secretary within 180 days after the last day of the fiscal year, it is the City's goal to file the audit at the first City Council meeting in February. The audit firm shall provide a management letter to the City prior to the filing of the audit. The audit firm shall also provide a Single Audit of Federal and State grants, when necessary. An official Comprehensive Annual Financial Report (CAFR) shall be

issued no later than six (6) months following the end of the fiscal year. The Chief Accountant (or equivalent) shall be responsible for establishing a process to ensure timely resolution of audit recommendations.

### Finance/Audit Committee

The City Council shall designate a Finance/Audit Committee. The role of the committee is to review and guide financial policy and strategic financial issues as needed and determined by the City Manager or City Council. The Finance/Audit Committee responsibilities related to the audit will include but not be limited to:

- Overview of the planning and timeline of the audit and risk assessment.
- Final audit review, results, findings, management letter as well as major audit adjustments.
- Meet as soon as practical and appropriate after final audit review to assess the status of issues addressed in the management letter, if warranted.
- Meet during the course of the audit regarding any major issues/concerns/findings that may arise.

### Annual Financial Disclosure

As required by the Securities and Exchange Commission (SEC) Rule 15c2-12, the City, with support of the City's financial advisor and bond counsel, will provide certain annual financial information to various information repositories through disclosure documents or set of documents that include the necessary information. This will include any material event notices to be filed within 10 days of occurrence of the event as required by the 2010 amendments.

### Signature of Checks

All checks shall have two signatures. Three persons shall be authorized to sign checks: the City Manager, an Assistant City Manager or Director of Finance, and the Chief Accountant. Signatures shall be affixed to all City checks via facsimile signatures, made with a secure laser check printing system or through handwritten signatures affixed to each check.

## FINANCIAL CONSULTANTS

The City will employ qualified financial advisors and consultants as needed in the administration and management of the City's financial functions. These areas include but are not limited to audit services, debt administration, delinquent tax collection attorney, and financial modeling. The principal factors in the selection of these consultants will be experience/expertise, ability to perform, the services offered, references, and methodology to name a few. In no case should price be allowed to serve as the sole criterion for the selection.

### Selection of Auditors

At least every five years, the City shall request proposals from qualified firms, including the current auditors if their past performance has been satisfactory. The City Council shall select an independent firm of certified public accountants to perform an annual audit of the accounts and records, and render an opinion on the financial statements of the City.

- It is the City's preference to rotate auditor firms every five years to ensure that the City's financial statements are reviewed and audited with an objective, impartial, and unbiased point of view. The rotation of the audit firm will be based upon the proposals received, the qualifications of the firm, and the firm's ability to perform a quality audit.

- However, if through the proposal and review process, management and the Finance Committee select the current audit firm, then, it is the City's preference that the lead audit partner be rotated as well as the lead reviewer after a maximum of five years.
- Annually, the independent auditor will provide a letter of engagement to the City for annual audit services.

## Arbitrage

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While the City is responsible to ensure that the records are in order, the calculations made, reporting completed, and filings made, the actual arbitrage calculation and reporting shall be contracted out to a qualified firm.

- The City's Chief Accountant and the Arbitrage Consultant shall complete a risk assessment of positive arbitrage on each bond issue annually to determine the necessity for a calculation of positive/negative arbitrage in the current year.
- All bond issues in accordance with arbitrage regulation shall have each 5th year and final arbitrage calculations completed.
- Due to the complexity of the City's financial structure and the benefits that come with the history and knowledge of the City, the contract with the Arbitrage Consultant shall be considered evergreen, however with a termination clause.
- In order to ensure that the City is still receiving services for fair market value, staff will conduct a survey every five years of arbitrage calculation fees and present a comparison and analysis to the City Manager and Finance/Audit Committee.

## Delinquent Tax Collection Attorney

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Due to the nature and expertise required, the City shall hire a delinquent tax collection attorney to collect delinquent taxes, represent the City in filing bankruptcy claims, foreclose on real property, seize personal property, and represent the City in court cases and property sales.

- The City shall contract for a delinquent tax collection attorney either through Fort Bend County in conjunction with the contract for billing and collection of the City's property taxes or shall contract directly with an attorney.
- The City shall review delinquent tax collection services and determine if they choose to contract direct or contract through the County either at the end of a direct contract for delinquent tax services or annually if contracted with Fort Bend County.
- If the City chooses to contract directly for delinquent tax collection services, requests for proposals and statements of qualifications are to be solicited at least every five year.
- There is not a requirement for rotation.

## Bond Counsel

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Bond Counsel to the City has the role of an independent expert who provides an objective legal opinion concerning the issuance and sale of bonds and other debt instruments. As bond counsel are specialized attorneys who have developed necessary expertise in a broad range of practice areas, the City will always use a consultant for these services. Generally, bonds are not marketable without an opinion of nationally recognized bond counsel stating that the bonds are valid and binding obligations stating the sources of payment and security for the bonds and that the bonds are exempt from State and Federal income taxes (if applicable).

Bond Counsel is responsible for the following tasks in a transaction:

1. Prepares and oversees bond proceedings;
  2. Gets required government approval;
  3. Ensures that the City meets all the legal requirements and authorization of the bond offering;
  4. Discloses and analyzes all relevant legal proceedings that may have a bearing on the validity of the offering;
  5. Interprets relevant regulations and laws and assists in structuring the issue;
  6. Writes key financing documents.
- Due to the complexity of the City's financial structure and the benefits that come with the history and knowledge of the City, the contract with Bond Counsel shall be considered evergreen, however with a termination clause.
  - In order to ensure that the City is still receiving services for fair market value, staff will conduct a survey every five years of bond counsel fees and present a comparison and analysis to the City Manager and Finance/Audit Committee.

### Disclosure Counsel

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Disclosure Counsel is an independent firm, separate from bond counsel, retained by the City to provide a legal opinion concerning accuracy of the information presented in disclosure and bond documents. With scrutiny of municipal disclosure increasing by the SEC and Municipal Securities Rulemaking Board, the engagement of disclosure counsel provides an added layer of assurance that the City's financial position is accurately presented in bond documents.

- Due to the complexity of the City's financial structure and the benefits that come with the history and knowledge of the City, the contract with Disclosure Counsel shall be considered evergreen, however with a termination clause.
- In order to ensure that the City is still receiving services for fair market value, staff will conduct a survey every five years of disclosure counsel fees and present a comparison and analysis to the City Manager and Finance/Audit Committee.

### Municipal Advisor Services

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The Government Finance Officers Association (GFOA) recommends that issuers hire a municipal advisor prior to the undertaking of a debt financing unless the issuer has sufficient in-house expertise and access to current bond market information. The City issues various types of securities to finance its capital improvement program. Debt structuring and issuance requires a comprehensive list of services associated with municipal transactions, including but not limited to: method of sale; analysis of market conditions; size and structure of the issue; preparation of disclosure documents; coordinating rating agency relations; evaluation of and advice on the pricing of securities; assisting with closing and debt management; calculating debt service schedules; and providing recommendations on management of the City's finances, including evaluation of debt structures and refinancing opportunities.

- The Municipal Advisor must be registered with the Securities & Exchange Commission and Municipal Securities Rulemaking Board as a Municipal Advisor
- As municipal advisors to governmental entities have developed the necessary expertise in a broad range of services, the City will use a consultant for these services, until such time that the City wishes to bring these services in-house.

- Due to the complexity of the City’s financial structure and the benefits that come with the history and knowledge of the City, the contract with the Municipal Advisor shall be considered evergreen, however with a termination clause.
- In order to ensure that the City is still receiving services for fair market value, staff will conduct a survey every five years of Municipal Advisory fees and present a comparison and analysis to the City Manager and Finance/Audit Committee.
- While a municipal advisor plays a key role on the financing team, it is important to note that the City remains in control of the decision making process necessary for the issuance and sale of the bonds or implementing the financing.
- The selected Municipal Advisor shall not be permitted to serve as underwriter on any bond transactions while serving in the Municipal Advisor role. Upon termination of the Municipal Advisor contract, a period of one year should pass before the firm may be engaged as an underwriter on any bond transaction for the City.

### Depository Bank

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Pursuant to State law, the City of Sugar Land may approve a depository services contract whose term does not exceed five years. There is no requirement for rotation. The City of Sugar Land will select its official banking institution through a formal process based on best value in order to provide the City with the most comprehensive, flexible, and cost-effective banking services available. Depository accounts may only be opened by employees with authority specifically granted in the depository agreements approved by City Council.

### BUDGET AND LONG RANGE FINANCIAL PLANNING

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Establish guidelines for budgeting to ensure a financially sound City and to establish a long-range financial planning process that assesses the long-term financial implications of current and proposed operating and capital budgets.

### Balanced Budget

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The City Manager shall file annually, a balanced budget for the ensuing fiscal year with City Council in compliance with state law and the City Charter.

In addition, it is expected that the annual operating budget will be structurally balanced. A structurally balanced budget is further defined as recurring revenues funding recurring expenditures and adherence to fund balance policies. Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques. If economic conditions dictate that the City Manager file a structurally imbalanced budget, it shall be accompanied by a plan to return the budget to structural balance and the resulting five year financial forecast that reflects steps to be taken to return the budget to structural balance.

### Current Funding Basis (Recurring Revenues)

The City shall budget and operate on a current funding basis. Revenues and expenditures shall be budgeted on a cash basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues. Recurring expenses will be funded exclusively with recurring revenue sources to facilitate operations on a current funding basis.

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## Use of Non-Recurring Revenues

Non-recurring revenue sources, such as a one-time revenue remittance or fund balance in excess of policy can only be budgeted / used to fund non-recurring expenditures, such as capital purchases or capital improvement projects. This will ensure that recurring expenditures are not funded by non-recurring sources.

The following expenditures are considered non-recurring for budgetary purposes:

1. Sales Tax Incentive Grant Payment
2. Transfers to Replacement Funds (Fleet and High Technology)
3. Transfers to Capital Projects Funds equal to the net revenues (net of incentive grants) from Sales Tax Incentive Agreements
4. Capital Expenditures
5. Contingency Funds

The following revenues are considered non-recurring in the definition of a structurally balanced budget:

1. Grant Revenues
2. Red Light Camera proceeds
3. Sales tax from Incentive Agreements
4. Dissolution Proceeds
5. Reimbursements for One Time Items
6. Short Term Loans

## Property Taxes

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### Tax Rate

By law, the City must levy a tax rate sufficient to generate revenues that will meet outstanding debt obligations, net of outside funding sources (transfers from Other Funds). The City Manager will recommend a tax rate that the City finances require in order to operate efficiently, yet effectively, and meets the City Council's expectations of services provided and service levels. As economic conditions permit, the City Manager will recommend a tax rate not greater than the effective tax rate plus 3%. The goal is not to exceed an average annual increase in the residential tax bill of 3% unless the voters approve a general obligation bond referendum. The following shall be taken into account in managing growth in the average tax bill: property revaluation, tax rate adjustments and/or changes to the residential homestead exemption.

The effective tax rate is defined by the State of Texas as the tax rate that raises the same amount of total tax revenue in the current year as the prior year's tax rate for properties taxed in both years. The effective tax rate is calculated based on a formula mandated by the state truth in taxation laws, and excludes new property value. Depending on valuation changes, the effective tax rate may be higher or lower than the prior year's tax rate and generate the same amount of total property tax levy. The only increase in tax revenue is from new value added to the tax roll since the prior year.

### Homestead Exemption

Annually the City Manager shall review the homestead exemption. When the financial health of the City's finances and the economic and market conditions of the local economy justify, the City Manager shall recommend an increase to the homestead exemption to minimize the impact of revaluation on homeowners. In accordance with state statute, a recommended change in the homestead exemption shall be presented to Council for approval prior to July 1.

The total exemption percentage granted shall not exceed the state limitation of 20%.

### Over-Age Exemptions and Disabled Persons Exemption

The City shall grant a \$70,000 over-age exemption and disabled persons exemption each year when economic and financial conditions allow. This amount shall remain stable during the period in which the City is considering adjusting the homestead exemption.

If a tax freeze were ever implemented for over-age and disabled persons, these exemptions would be reduced to zero. (Chapter 2 Article V Sec 2-119, Code of Ordinances)

### Sales Tax

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Sales tax used to fund recurring operations shall be capped at 55%. As sales tax revenue fluctuates due to changes in economic conditions, the City shall endeavor through long-term strategies to reduce its reliance on sales tax revenues for funding recurring operating expenditures. The goal is to maintain sales tax for operations at 50% or less.

### Sales Tax from Incentive Grant Agreements

1. Sales tax revenues generated from incentive grant agreements will not be used to fund recurring operating expenditures but rather non-recurring capital purchases, economic development projects or capital improvement projects.
2. As the economic development sales tax is intended for use to promote economic development activities, the City shall strive to fund incentive agreements from economic development sales tax first, then from general fund sales taxes.
3. The portion of the City's sales tax adopted for property tax reduction shall not be included in the calculation of incentive grants.

### Sales Tax Transfer for Pay-As-You-Go Capital Projects

As discussed under Capital Expenditures, to ensure that the City does not become overly reliant on sales tax revenues for operating needs, a transfer from General Fund sales tax to fund pay-as-you-go capital projects will be budgeted with a target of 10% of the annual General Fund budgeted sales tax, when it is financially feasible. The long-term goal is to adequately fund rehabilitation through ongoing maintenance.

### Water/Wastewater Transfer for Pay-As-You-Go Capital Projects

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As discussed under Capital Expenditures, the transfer from the City's Utility Fund to fund pay-as-you-go capital projects will be budgeted at a target of \$2,000,000, when financially feasible. It will be based on the financial health of the Utility Fund with the long-term goal of adequately funding rehabilitation.

### Revenue Estimating for Budgeting

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In order to protect the City from revenue shortfalls and 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 analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends. This approach should reduce the likelihood of actual revenues falling short of budget estimates and should avoid mid-year service changes.

The Utility Fund water and wastewater revenues will be budgeted based on an average year's rainfall/consumption. The City will anticipate neither drought nor wet conditions. Adjustments to utility rates shall be made based on revenue requirements over the five year forecast for the utility fund.

## Employee Compensation

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When funding is available, the proposed budget shall include an amount adequate to cover an overall average performance and merit increase as determined annually by the City Manager. This amount will be calculated for each department, based on budgeted salaries for the year, and will be placed in the appropriate budget accounts. The City does not give cost of living increases. Other than adjustments due to changes in the compensation plan, salary increases are to be earned through merit and/or promotion increases.

The City's compensation plan shall be approved by City Council and administered by the City Manager as identified in the City Charter and the Council adopted Compensation Philosophy (Resolution 13-21). All employees shall be paid within the approved budget and established salary ranges.

## Budget Management

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The budget is adopted by City Council through one reading of an ordinance. Upon approval, the budget can be either amended or adjusted based on the level of changes needed.

- Amendment- an increase to the overall appropriation in the fund or capital project. Must be approved by City Council through one reading of an ordinance.
- Adjustment- a reallocation of funds between departments without changing the total operating fund budget. Must be approved by the City Manager

### *Operating Budget Adjustments*

The City Manager is responsible for managing the operating budget after it is formally adopted by City Council, including the transfer of funds within program, between programs, between departments, and expenditure of contingency funds as long as there is no change in service levels as a result of the adjustments. The City Manager may further delegate levels of authority for the daily operation of the budget.

### *Operating Budget Amendments*

In order to preserve projected fund balances/ ending balances based on projected revenues and expenditures for the current fiscal year, City Council will amend the annual operating budget for all funds, excluding capital improvements funds, as set forth in the projections. City Council will amend the current fiscal year budget to projections annually through adoption of an ordinance amending the budget.

Contracts or purchases presented for City Council approval shall identify the budgeted amount for the item within the current approved budget. A budget amendment by City Council is only necessary if the total appropriation for the fund is increased. This could occur under, but is not limited to, the following situations:

1. The budgeted appropriation will be exceeded at the fund level prior to year end.
2. Acceptance of a grant that was not included in the annual budget.
3. Appropriation from fund balances for items that were not budgeted.
4. A donation or sponsorship that exceeds estimated revenues and cannot be absorbed in contingency funding.

To streamline the process, budget amendments are to be considered by City Council on an as-needed basis and then formally adopted by ordinance periodically. Each budget ordinance shall summarize and include all budget amendments approved by City Council for affected funds since the last ordinance was approved.

At year end, the annual operating budget will be amended by ordinance through projections and will reflect adjustments that were approved by the City Manager.

### *Capital Projects Budget Amendments*

As capital projects are budgeted on a project length basis and not a fiscal year basis, a project budget needs approval of a budget amendment when one of the following applies:

1. Increase to project funding with a corresponding increase in revenues
  - a. Inter-local Agreements
  - b. Award of a grant to enhance or expand the project
2. Reallocation of funding from one capital project to another, except:
  - a. When splitting funding for a project into multiple projects for tracking purposes when the total amount budgeted for the overall project does not change, or
  - b. When allocating additional funds from CIP fund balance to a project to accommodate a change order, as long as the additional funding needed does not exceed the lesser of 5% of the original project budget or \$50,000, and the change order does not need approval from City Council nor materially change the scope of the project.
3. Increase to project funding from the Capital Projects Fund Balance
4. Reduction to project budgets as discussed below

Capital Project budgets shall be amended (reduced) when construction bids come in significantly under estimates, project estimates shall be adjusted to reflect the construction bid plus a sufficient contingency and other project needs, and the remaining budget shall be reduced as necessary to reflect savings. When a project is funded from the issuance of debt, if the debt has not been sold at the time of the budget reduction, the revenue budget for bond proceeds shall be reduced accordingly.

### Operating Deficits

The City shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year end. Corrective actions in order of precedence are:

1. Reduce transfers to the Capital Improvement Fund for pay-as-you-go CIP.
2. Deferral of capital purchases
3. Expenditure reductions
4. Hiring freezes
5. Freeze merit increases
6. Use of fund balance, including Replacement Fund balances.
7. Increase fees
8. Lay-off employees

Short-term loans shall be avoided to balance the budget.

The use of fund balance, which is a one-time revenue source, may be used to fund an annual operating deficit, only with a subsequent approval of a plan to replenish the fund balance if it is brought down below policy level.

### Five-year Forecast of Revenues and Expenditures

A five-year forecast of revenues and expenditures shall be prepared in conjunction with the annual budget process for the following funds:

- General Fund
- Debt Service Fund

- Tourism Fund
- Water/Wastewater Utility Fund
- Surface Water Fund
- Airport Fund
- Economic Development Corporations
- Five-Year Capital Improvement Program

The forecast assesses long-term financial implications of current and proposed policies, programs, and assumptions that develop appropriate strategies to achieve the City's goals. The forecast will provide an understanding of available funding; evaluate financial risk; assess the likelihood that services can be sustained; assess the level at which capital investment can be made; identify future commitments and resource demands; and identify the key variables that may cause change in the level of revenue. The forecast will be used to identify anticipated financial issues so that a plan can be developed to correct anticipated issues before they become reality.

## **REVENUES AND OTHER RESOURCES**

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The City shall strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one source due to changes in local economic conditions, which may adversely impact that source. The Budget Office shall maintain a revenue manual documenting the various revenue sources of the City and how those revenues are derived and estimated.

### Property Taxes

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- a. Taxes on Airport Value- Property taxes collected on taxable property at the Airport will be transferred to the Airport Fund to use for operations and development. This will ensure that users paying the property tax will see a direct benefit to the Airport.
- b. Rebates to Municipal Utility Districts (MUDs) – As stipulated in the individual utility agreements, the City has agreed to rebate a portion of City taxes collected on properties within in-city MUDs back to the districts through various utility agreements. Rebate payments shall be calculated based on the taxes collected by the City on properties within the district since the point of the last rebate calculation (quarterly or semi-annually depending on the MUD), less any refunds given on those properties during that period.
- c. Payments to Tax Increment Reinvestment Zones (TIRZ)- The City has several TIRZ established within the City. Taxes paid to the City on properties in each zone are paid to each TIRZ annually; payments due shall be adjusted for any refunds given on those properties since the last TIRZ payment was made.

### Sales Tax Revenue

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- a. Monthly, the Economic Development Corporations will be allocated their percentage of the actual monthly sales tax remittances.
- b. Of the remaining monthly amount available to the City, funds will be allocated first to General Fund operations, based upon the budgeted sales tax for operations, to ensure operating expenditures are funded. Transfers of Sales Tax to the Capital Projects Fund shall be made upon funds availability.
- c. Each month the City will ensure that the cumulative sales tax for operations is met and will appropriately adjust the transfer to the Capital Improvement Fund as necessary.
- d. Actual sales tax revenue received above the amount budgeted on an annual basis and over the fund balance policy will only be used to fund non-recurring expenses or be transferred to the Capital Improvement Fund for pay-as-you-go capital improvement projects.
- e. Sales Tax from Sale of Aircraft

1. Sales/Use tax remitted to the City that is determined to be from the sale/purchase of aircraft at the City's Airport will be transferred to the Airport Fund, excluding the percent allocated to the Economic Development Corporations.
2. The proceeds that are allocated to the Economic Development Corporations will be identified as potential funding for Airport projects that legally meet the requirements of the Corporations.

### Administrative Services Charges

The City shall determine annually the administrative services charges due to the General Fund from the enterprise funds for overhead and staff support using a cost allocation model.

### Utility Transfer to the Debt Service Fund for Assumed Water/Wastewater Debt

The Utility Fund shall transfer to the Debt Service fund an amount/percent calculated annually for water/wastewater infrastructure debt assumed by the City due to annexation and dissolution of municipal utility districts.

- a. The goal is to have water/wastewater debt funded by water/wastewater revenues as much as possible within the financial resources of the Utility Fund.
- b. The City's intent is to fund a transfer amount that equates to 100% of the annual debt service requirements for water/wastewater debt in the Debt Service Fund.
- c. If the City should assume additional debt from municipal utility districts in the Debt Service Fund, the annual transfer for water/wastewater infrastructure debt will be reviewed and recalculated, if necessary.

### Surface Water Revenues

The City will maintain a Surface Water Fund to account for revenues and expenses associated with the mandated reduction in groundwater usage.

- a. All participants in the City's Groundwater Reduction Plan will pay into the fund an amount based on water supplied at a rate established per 1,000 gallons (GRP fee).
- b. The GRP fee shall be paid monthly based on metered water pumped from groundwater sources.
- c. City customers will be billed a surface water fee based on billed water consumption. The City shall contribute monthly GRP fees to the Surface Water Fund for City customers.

### Water/Wastewater Billings

Water, wastewater and surface water charges are billed in arrears, as customer meters are read monthly for the previous month's water usage. At year end, revenues are accrued to adjust revenues to full accrual basis but during the year, revenues are recorded on a modified accrual basis (when billed).

### Revenue Collections

The City shall maintain high collection rates for all revenues by monitoring monthly receivables. The City shall follow an aggressive, consistent, yet reasonable approach to collecting revenues to the fullest extent allowed by law for all delinquent taxpayers and others overdue in payments to the City.

- a. The City shall contract for collection of outstanding receivables when it makes economic sense for the City to do so.
- b. Write-off of Un-collectible Receivables (excludes court fines and warrants)

1. Sales/Use tax remitted to the City that is determined to be from the sale/purchase of aircraft at the City's Airport will be transferred to the Airport Fund, excluding the percent allocated to the Economic Development Corporations.
2. The proceeds that are allocated to the Economic Development Corporations will be identified as potential funding for Airport projects that legally meet the requirements of the Corporations.

### Administrative Services Charges

The City shall determine annually the administrative services charges due to the General Fund from the enterprise funds for overhead and staff support using a cost allocation model.

### Utility Transfer to the Debt Service Fund for Assumed Water/Wastewater Debt

The Utility Fund shall transfer to the Debt Service fund an amount/percent calculated annually for water/wastewater infrastructure debt assumed by the City due to annexation and dissolution of municipal utility districts.

- a. The goal is to have water/wastewater debt funded by water/wastewater revenues as much as possible within the financial resources of the Utility Fund.
- b. The City's intent is to fund a transfer amount that equates to 100% of the annual debt service requirements for water/wastewater debt in the Debt Service Fund.
- c. If the City should assume additional debt from municipal utility districts in the Debt Service Fund, the annual transfer for water/wastewater infrastructure debt will be reviewed and recalculated, if necessary.

### Surface Water Revenues

The City will maintain a Surface Water Fund to account for revenues and expenses associated with the mandated reduction in groundwater usage.

- a. All participants in the City's Groundwater Reduction Plan will pay into the fund an amount based on water supplied at a rate established per 1,000 gallons (GRP fee).
- b. The GRP fee shall be paid monthly based on metered water pumped from groundwater sources.
- c. City customers will be billed a surface water fee based on billed water consumption. The City shall contribute monthly GRP fees to the Surface Water Fund for City customers.

### Water/Wastewater Billings

Water, wastewater and surface water charges are billed in arrears, as customer meters are read monthly for the previous month's water usage. At year end, revenues are accrued to adjust revenues to full accrual basis but during the year, revenues are recorded on a modified accrual basis (when billed).

### Revenue Collections

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- a. The City shall contract for collection of outstanding receivables when it makes economic sense for the City to do so.
- b. Write-off of Un-collectible Receivables (excludes court fines and warrants)

- a. Receivables shall be considered for write-off as follows:
  - i. Undeliverable mail – accounts that remain outstanding for 6 months and all steps have been exhausted
  - ii. State Statute authorizing the release or extinguishment, in whole or in part, of any indebtedness, liability, or obligation, if applicable
  - iii. Accounts outstanding for 3 years, identified as uncollectible, and all attempts to collect have been taken
  - iv. The write-off of uncollected accounts is a bookkeeping entry only and does not release the debtor from any debt owed to the City.
  - v. The City shall estimate uncollectible accounts through an allowance for doubtful accounts in each fund with receivables.

## User Fees

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The City shall design, maintain, and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

### General Fund

- a. For services that benefit specific users the City shall establish and collect fees to recover the costs of those services.
- b. Where services provide a general public benefit, the City shall finance those services through property and sales taxes.
- c. For services that provide both specific benefits and a general public benefit, it may be appropriate to subsidize from property and sales tax revenues.
- d. Costs of Services are defined as full-cost; direct, indirect, and overhead.
- e. Factors in setting of fees shall include but not be limited to: market and competitive pricing, effect on demand for services, and impact on users, which may result in recovering something less than full cost.

### Enterprise Funds

- a. Utility rates and other fund user fees shall be set at levels sufficient to cover operating expenditures (direct and indirect), meet debt obligations and debt service coverage, provide pay-as-you-go funding for capital improvements, and provide adequate levels of working capital.
- b. The City shall seek to eliminate all forms of subsidization between the General Fund and Enterprise Funds
- c. The Five-Year Financial Plan shall serve as the basis for rate change considerations.
- d. If rate increases are necessary, the Five-Year Financial Plan shall be built around smaller rate increases annually versus higher rate increases periodically.

### User Fee Creation and Revision

Working with the department or office, the Budget Office will determine the cost for each service and determine a full-cost price. Once a fee has been proposed for a particular service, the fee will be compared to market, evaluated for potential effects on users such as low-income households, market demands of service, etc. A fee will then be recommended to the City Manager and City Council based on all information gathered through the fee evaluation.

User fees shall be adjusted by the Houston- Sugar Land- Baytown MSA CPI annually as part of the budget process, and a fee ordinance shall be adopted at the beginning of each fiscal year to reflect the fee revisions.

### Non-Resident Surcharges

For services provided to municipal utility districts or individuals who reside outside the city limits, the City may assess an out-of-city service fee or non-resident user fee. The surcharges shall be set either as an additional percentage fee or a separate fee for non-residents and can be established by ordinance or by contract.

## EXPENDITURES AND SERVICES

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### Operating Expenditures

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Identify services, establish appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of those services.

### Departmental & Office Business Plans

Departments and Offices shall prepare a business plan to define their operating objectives.

- a. The business plan should provide a link between the budget and the services provided; there should be no gaps or holes in accountability, either in accounting for resources provided or in defining services delivered.
- b. The business plan shall include an organizational chart, service description and service levels, and measures that indicate how well the service is being delivered.
- c. The business plan shall include an explanation of how services are delivered (by city staff or contracted) and expected results of the service delivery.

### Annual Program of Services

Annually, as part the budget document, a program of services for each department will be established for the ensuing year. The program of services will include a summary of services and service levels from the business plan, as well as service level expectations and staffing levels.

### Maintenance of Capital Assets

Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at a sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to maintain service levels.

### Periodic Program/Service Reviews

The City Manager and staff shall undertake periodic reviews of City programs and services for both efficiency and effectiveness. Outsourcing and contracting with other governmental agencies and/or the private sector will be evaluated as alternative approaches to service delivery. Programs or services determined to be inefficient and/or ineffective shall be recommended through the annual budget process to be reduced in scope or eliminated.

### Outsourcing of City Services

The City provides many municipal services to its citizens covering a wide variety of disciplines. Attempting to perform all of these services in-house could dilute the City's efficiency and not be cost effective. Two of the management tools utilized by the City to maximize efficiency and cost effectiveness are outsourcing and managed competition processes, the mere consideration of which provides economic benefits that flow from competition. The economic benefits of competition include lower costs and improved quality of performance irrespective of whether a given service is ultimately performed in-house or outsourced.

## FUND BALANCE/WORKING CAPITAL

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Maintain the fund balance and working capital of the various operating funds at levels sufficient to protect the City's creditworthiness as well as its financial position during emergencies or economic fluctuations. Should the budgeted fund balance drop below the minimum identified by the policy below, the City will establish a plan to replenish the balances within two years.

### Governmental Fund Balances

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There are five categories of Fund Balance in all governmental funds, not all will always be present. The categories are defined below:

1. Non-spendable- cannot be spent due to being non-spendable in form or the city being legally or contractually required to maintain this amount intact.
2. Restricted- balances are subject to external restrictions from creditors, grantors, contributors, or laws of other governments.
3. Committed- use of funds is only for specific purposes as determined by City Council. City Council will approve obligations of funds such as multi-year contracts prior to the end of the fiscal year.
4. Assigned- intended use of balances for specific purposes is established by the City Council or delegated to the City Manager that is neither restricted or committed and includes the remaining positive balance of all governmental funds except the General Fund. Balances for encumbrances, other than those committed by City Council, fall into this category.
5. Unassigned- balances are available for any purpose; excess fund balances after above categories have been deducted. This type of balance is reported in the General Fund and negative fund balances in other than General Fund.

### General Fund Unassigned Fund Balance

The City shall maintain the General Fund unassigned fund balance equivalent to three months of normal recurring operating costs, based on current year budgeted expenditures. If the fund balance exceeds this amount, the amount in excess of policy requirements may be utilized to fund one-time expenditures in the next fiscal year's budget.

Other governmental operating funds that do not have a policy minimum defined shall adhere to the general fund balance policy.

The City will typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

### Working Capital of Enterprise Operating Funds

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In enterprise operating funds, the City shall maintain working capital sufficient to provide for reserves for emergencies and revenue shortfalls, specifically in the Utility and Airport Funds. Enterprise funds without major infrastructure or assets will have no minimum balance requirement. A cash equivalent operating reserve will be established and maintained as follows:

1. Utility Fund - 25% of the current year's budget appropriation for recurring operations and maintenance.
2. Airport Fund - 25% of the current year's budget appropriation for recurring operations and maintenance, excluding fuel for resale.
3. Surface Water Fund – 50% of the current year's budgeted expenses. Funds in the reserve may be utilized as a general purpose reserve without limitation to type (debt, capital expense, etc).

The cash equivalent operating reserve is derived by dividing the total cash equivalents balance by recurring operating expenses. (Cash equivalents = Cash + Investments + Accounts Receivable – Accounts Payable)

### Use of Fund Balance/Working Capital

Fund Balance/Working Capital shall be used only for emergencies, non-recurring expenditures/ expenses, or major capital purchases that cannot be accommodated through current year savings. Should such use reduce balances below the level established as the minimum for that fund, the request/decision to utilize said balances will include a plan to replenish funds within two years.

### Debt Service Funds

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The City shall maintain the debt service fund balance at 10% of annual debt service requirements OR a fund balance reserve as required by bond ordinances, whichever is greater.

The City shall maintain a separate Debt Service Fund for any taxable bonds. This debt service fund shall have a reserve requirement separate from the tax –exempt debt service fund to be defined in the bond documents as bonds are issued.

### Internal Service Funds

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1. Fleet Replacement Fund-The Fleet Replacement Fund reserve will be maintained based upon a lifecycle or useful life replacement plan to ensure adequate fund balance required for systematic replacement of fleet vehicles. Fund Balance shall not be less than 10% of the total inventory asset value.
2. Technology Replacement Fund- The High Technology Replacement Fund reserve will be maintained based upon a lifecycle or useful life replacement plan to ensure adequate fund balance required for systematic replacement of technology. Fund Balance shall not be less than 10% of the total technology asset value.
3. Employee Benefits Fund- The Employee Benefits Fund is funded through City and employee contributions. Estimated costs shall be determined during each budget year and the contributions adjusted accordingly. There is no minimum balance for this fund.

### Economic Development Corporations

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As sales taxes fluctuate due to changes in the economy, the SLDC and SL4B Corporations shall maintain an unreserved fund balance of no less than 10% of budgeted sales tax collections.

## CAPITAL EXPENDITURES AND IMPROVEMENTS

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City staff will review and monitor the state of the City’s capital equipment and infrastructure annually, setting priorities for its replacement and renovation based on needs, funding alternatives, and availability of resources.

### Capitalization Threshold for Tangible Capital Assets

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Tangible capital items should be capitalized only if they have an estimated useful life of at least one year following the date of acquisition or significantly extend the useful life of the existing asset and cannot be consumed, unduly altered, or materially reduced in value immediately by use and has a cost of not less than \$5,000 for any individual item.

The capitalization threshold of \$5,000 will be applied to individual items rather than to a group of similar items, (i.e.: desks, chairs, etc.) unless doing so would have a material impact on financial reporting.

GASB requires software to be capitalized if criteria described in GASB Statement 51 (Accounting & Financial Reporting for Intangible Assets) is met. Internally developed or contracted development of or off-the-shelf and then modified software should be capitalized given cost & useful life threshold is met. Other licensed software implemented without modification or minimal modification is not capitalized.

To maintain adequate control over non-capitalized tangible items, items costing \$1,000 to \$4,999 will be monitored and tracked through the City's financial software system.

### Five-Year Capital Improvement Plan (CIP)

The City shall annually prepare a five-year capital improvement plan based on the needs for capital improvements and equipment, the status of the City's infrastructure, replacement and renovation needs, and potential new projects. Capital projects are improvements or additions to the City's physical plant/facilities and become part of the City's asset inventory. Capital projects can be further categorized into land, buildings, improvements other than buildings, and infrastructure, which includes roads, sidewalks, bridges, utility lines, etc. Capital costs typically consist of preliminary design, final design, and construction, and may involve the acquisition of land or easements. For every project identified in the plan, a project scope and project justification will be provided. Also, project costs shall be estimated, funding sources identified and annual operation and maintenance costs computed.

Citizens, Parks Board and the Planning and Zoning Commission will be provided opportunities to review the list of CIP projects for the Five-Year Capital Improvement Plan and may suggest additions and/or changes to the plan as appropriate. Pursuant to the City Charter, the Planning & Zoning Commission makes recommendations to the City Manager and the City Council on the City's Five-Year Capital Improvement Plan.

The City Manager is charged with recommending a Capital Improvement Plan to City Council. Projects submitted, either by staff, through a neighborhood or citizen request, or through joint participation, will be reviewed in conjunction with the entire capital improvement program and submitted to City Council for final consideration. The Five-Year Capital Improvement Plan shall be filed and adopted with the annual budget.

The Five-Year CIP shall be limited to the affordability limits identified in the long-range financial plans of the City, taking into consideration pay-as-you go, bond issuances, operating costs, etc.

Projects that cannot be funded in the Five Year CIP will be included in the CIP for future reference as an appendix of unfunded requests.

The City will establish and maintain Capital Project Funds based on various funding sources as identified below:

- General Capital Projects (non-bond) - includes projects funded from general fund sales tax transfers, corporation reimbursements, grants and other funding sources. Includes rehabilitation of infrastructure to extend its useful life.
- General Capital Projects (tax-exempt bond funds)- supported by proceeds of tax exempt bonds that are to be repaid from property taxes and interest earned thereon; projects funded from this source must be consistent with the uses identified in the bond documents.
- Taxable Bonds Capital Projects- supported by proceeds of taxable bonds that are to be repaid from sources other than property taxes.

- Utility Enterprise CIP (non-bond) - includes projects funded from revenues of the utility system. Includes rehabilitation of infrastructure to extend its useful life. Revenues are budgeted as a transfer from the Utility System Operating fund.
- Utility Enterprise CIP (bond funds) - supported by proceeds of tax-exempt bonds that are to be repaid from enterprise utility revenue sources. Bonds payable are recognized in the Utility Enterprise Fund as long term liabilities.
- Surface Water CIP (non-bond)- includes projects funded from revenues of the surface water fund. Includes projects that facilitate the objectives of the Groundwater Reduction Plan. Revenues are budgeted as a transfer from the Surface Water Operating fund.
- Surface Water CIP (Bond Funds)- supported by proceeds of tax-exempt bonds that are to be repaid from the Surface Water Enterprise Fund. Bonds payable are recognized in the Surface Water Enterprise Fund as long term liabilities.
- Airport Enterprise CIP (non-bond) - includes projects funded from revenues of Sugar Land Regional Airport and outside funding sources. Revenues are budgeted as a transfer from the Airport Operating fund or as grants from third parties (FAA/TxDOT).
- Airport Enterprise CIP (bond funds) - supported by proceeds of tax-exempt bonds that are to be repaid from enterprise airport revenues. Bonds payable are recognized in the Airport Enterprise Fund as long term liabilities.

Annually, through the budget process and at year-end, projects are to be reviewed and if identified as complete will be closed according to the Project Close out Procedure by Budget & Research and any remaining funds closed to the CIP fund balance, which can then be re-appropriated during the next fiscal year capital budget. Funds remaining from bond proceeds will only be used in accordance with the legal use of those funds.

Appropriations for capital projects are for the life of the project; therefore re-appropriation of capital funding for budgeted projects will not be necessary.

#### 1. Infrastructure Evaluation and Replacement/Rehabilitation

Water, wastewater, drainage, street lighting, streets and sidewalks, municipal facilities, and other infrastructure are fundamental and essential functions for public health and safety, environmental protections and the economic well-being of the City. As a result, the City's CIP should be focused on ensuring that infrastructure is replaced or rehabilitated as necessary to protect the City's investment, to minimize future replacement and maintenance costs, extend the useful life of the asset, and to maintain existing levels of service and accommodate growth.

Infrastructure will be replaced or rehabilitated at the end of its useable service life if it is financially feasible to do so.

2. If upgrades are warranted to meet current design standards, a cost/benefit analysis will be performed. (See Infrastructure Evaluation Policy)

### Community Redevelopment Projects

A Community Redevelopment Project is a capital project approved, funded, and implemented within an identified neighborhood for the purpose of upgrading public infrastructure to an established standard without regard to the remaining serviceable life of the infrastructure. Requests will be reviewed and prioritized in conjunction with the entire capital improvement program and within the City's financial ability for pay-as-you-

go funding, not to exceed ½ of one percent of the total City operating budget. There will be a dollar for dollar match to City funds from non-City third-party sources. (See Capital Improvement Projects for Community Redevelopment Policy)

### Joint Capital Improvement Projects

The City will establish guidelines for City participation in Joint Capital Improvement Projects with community based organizations that would either add to or enhance the City's Five-Year Capital Improvement Plan (See Joint Capital Improvement Policy)

The projects must benefit the general public; in the proposed budget, \$100,000 will be set aside annually for the City's participation in these type projects, funded through the Sugar Land 4B Corporation. The request will be reviewed, verified to ensure the request meets the criteria set forth in the policy, and prioritized in conjunction with the entire capital improvement program and within the financial ability of the Sugar Land 4B Corporation.

### Replacement of Capital Assets on a Regular Schedule (Fleet and Technology)

The City shall annually prepare a schedule for the replacement of its fleet and high technology capital assets. Funding for the replacement of these assets will be accomplished through the use of an annual depreciation structure charged to each participating fund at 100% of annual depreciation based on lifecycle or useful life of the asset. Within the resources available each fiscal year, the City shall replace these assets according to the Fleet and High Technology Replacement Policies.

### Capital Expenditure Financing

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The City recognizes that there are three basic methods of financing its capital requirements: Funding from current revenues; funding from fund balance/working capital as allowed by the Fund Balance/Working Capital Policy; or funding through the issuance of debt. Types of debt and guidelines for issuing debt are set forth in the Debt Policy Statements.

### Pay-As-You-Go Capital Improvements

1. The City will pay cash for capital improvements within the financial affordability of each fund versus issuing debt when funding capital improvements and capital purchases. This will reduce/minimize the property tax and utility rate impacts on Sugar Land citizens.
2. Pay-as-you-go projects shall be budgeted based on funding available in the section on Revenues
3. Unless CIP balances are sufficient to pre-fund pay-as-you-go projects, scheduling of pay-as-you-go capital improvement projects shall coincide with the collection and accumulation of sales tax and system revenues. CIP projects shall be initially scheduled based on the budgeted accumulation of funding. CIP projects funded by pay-as-you-go funding must receive approval from the Budget Office before they begin, to ensure funding is available.

### Capital Projects Management

Capital project status reports shall be completed by project managers monthly, and project status and issues shall be reported to the City Council quarterly.

- a. Project Close Out- A project will be closed once the original scope of the stated project has been completed as determined by Engineering and the project manager.

- b. Remaining Funds- Funds left in a project after completion shall be closed out and fall to the CIP fund balance. Engineering, Accounting and Budget will identify and close out projects on a quarterly basis to facilitate identification of funds that can be used for other projects.
- c. Annual rehabilitation projects- unused funds budgeted for annual rehabilitation and repairs will close out at the end of each fiscal year if not encumbered.

## **DEBT**

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Establish guidelines for debt financing that will provide needed facilities, land, capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future revenues.

### Use of Debt Financing

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Debt financing, to include general obligation bonds, revenue bonds, certificates of obligations, certificates of participation, lease/purchase agreements, and other obligations permitted to be issued or incurred under Texas law, shall only be used to purchase capital assets that cannot be prudently acquired from either current revenues or fund balance/working capital and to fund infrastructure improvements and additions. Debt will not be used to fund current operating expenditures.

The City will pay cash when possible for capital improvements within the financial affordability of each fund versus issuing debt when funding capital expenditures and capital improvements. Projects that are rehabilitative in nature shall be earmarked for funding from cash instead of debt when possible. (This is not intended to include reconstruction projects that significantly extend the useful life of an asset.) Cash sources include, but are not limited to general fund sales tax, utility and airport system revenues, economic development corporation funding, developer fees, inter-local agreements, and state and federal grants.

### Affordability

The City shall use an objective analytical approach to determine whether it can afford to issue new general-purpose debt, both General Obligation bonds and Certificates of Obligation. This process shall compare City accepted standards of affordability to the current values for the City. These standards may include debt per capita, debt as a percent of taxable value, taxable value per capita, and tax rate. The process shall also examine the direct costs and benefits of the proposed expenditures. In addition, the analysis will evaluate the capacity within the General Fund to take on the operating expenditures associated with the completion of the proposed capital improvements. When a project will have a significant impact on the operating budget, the tax rate shall be shifted from debt service to maintenance & operations to support the increased expenditures. Further debt capacity shall be evaluated based on the remaining debt service tax capacity. The decision on whether or not to issue new debt shall be based on these costs and benefits, current conditions of the municipal bond market, and City's ability to "afford" new debt as determined by the aforementioned standards.

### Debt Capacity

The City shall complete an annual debt capacity assessment to ensure that proposed debt is affordable and contributes to the financial strength of the City. The debt capacity is the upper limit on the dollar amount of capital improvements that the City can afford to fund from debt.

Debt capacity calculations for long-term planning shall assume market rates for the average annual interest costs at the time the capacity is determined. The analysis shall not assume future refunding of any outstanding bonds and shall consider both debt service requirements on current and proposed debt.

For property tax supported debt, maximum capacity shall be determined by an amount of annual debt service that the City can absorb within the proposed tax rate allocation for debt based on assumed growth in assessed valuation.

For revenue debt, maximum capacity shall be determined by the amount of annual debt service that the City can absorb within a proposed rate structure that has been reviewed with City Council and which can support the proposed debt within the additional bonds test as defined in the revenue bond covenants. The City shall not exceed debt capacity as defined through bond covenants or fall below bond coverage ratios for additional revenue bonds.

Factors that will be included in the annual debt capacity determination shall include:

- Existing debt obligations
- Evaluation of revenue and expenditure trends
- Various measures of debt burden on the community
- Debt per capita
- Debt to assessed value ratio
- Taxable value per capita
- Statutory or constitutional requirements
- Market factors such as interest rates, credit ratings or market status

## Certificates of Obligation

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Certificates of Obligation may be issued without voter approval to finance any public works project or capital improvement, as permitted by State law. However, it is the policy of the City to utilize Certificates of Obligation to finance public improvements in certain circumstances and only after determining the City's ability to assume additional debt based on the standards identified above.

Circumstances in which Certificates might be issued include, but are not limited to the following:

- The City may issue CO's when there is insufficient funding on a general obligation bond-financed capital improvement;
- The City may issue CO's when conditions require a capital improvement to be funded rapidly rather than waiting for a GO bond election;
- The City may issue CO's for projects when the City can leverage dollars from others to reduce the City's capital cost for a community improvement;
- The City may issue CO's for projects when there is no other funding source available and the project is determined to be in the best interest of the City.
- The City may issue CO's if it would be more economical to issue Certificates of Obligation rather than issuing revenue bonds; and
- The City may issue CO's for projects for which the City will be reimbursed by Developer (principal plus interest)

## General Obligation Bonds (GO)

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General Obligation bonds require voter approval. When the list of unfunded projects contains projects that the City Council wishes to fund but cannot afford, then the City will consider taking a GO Bond Proposition(s) to the voters.

## 1. Bond Elections-

- a. Timing of general obligation bond elections shall be determined by the inventory of current authorized, unissued bonds remaining to be sold and the Five-Year Capital Improvement Program
  - b. The total dollar amount of bond election propositions recommended to the voters may not exceed the City's estimated ability to issue the bonds within a seven year period after the election passes.
  - c. An analysis showing how the new debt combined with current debt impacts the City's tax rate and debt capacity will accompany every bond issue proposal. The analysis will also include the estimated impact on the operations and maintenance portion of the tax rate.
2. General Obligation bonds must be issued to accomplish projects identified in the bond referendum and associated material.
  3. General Obligation bonds must be issued for projects that are consistent with the wording in the bond propositions.

## Revenue Bonds

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For the City to issue new revenue bonds, revenues, as defined in the ordinance authorizing the revenue bonds in question, shall be a minimum of 125% of the average annual debt service and 110% of the debt service for the year in which debt requirements are scheduled to be the greatest. Annual adjustments to the City's rate structures for enterprise funds will be made as necessary to maintain the coverage factor.

When the City issues CO's for enterprise fund projects, the City shall prepare a five year financial plan to ensure that the enterprise fund maintains -appropriate reserves and coverage without overly burdening rates and user fees.

General purpose reserves in the Surface Water Fund shall be maintained at levels high enough to meet debt service payments should pledged revenues fall short of projections in addition to serving as a normal operating reserve.

## Debt Structures

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- The City shall normally issue bonds with a life not to exceed 25 years for general obligation bonds and 25 years for revenue bonds, but in no case longer than the useful life of the asset.
- The City shall seek level or declining debt repayment schedules and shall seek to retire 50% of the total principal outstanding within 10 years of the year of issuance.
- There should be no debt structures that include increasing debt service levels in subsequent years, with the first and second year of a bond payout schedule the exception or as special situations may warrant.
- There shall be no "balloon" bond repayment schedules, which consist of low annual payments and one large payment of the balance due at the end of the term.
- There shall always be at least interest paid in the first fiscal year after a bond sale and principal payments starting generally no later than the second fiscal year after the bond issue.
- Normally, there shall be no capitalized interest included in the debt structure except for debt issuances reimbursing developers for infrastructure, which shall not exceed 2 years of capitalized interest.

## Debt Refunding

The City's financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the net present value savings of a particular

refunding should exceed 3.0% of the refunded maturities unless (1) a debt restructuring is necessary or (2) bond covenant revisions are necessary to facilitate the ability to provide services or to issue additional debt.

#### Interest Earnings and Remaining Bond Proceeds

Interest earnings on bond proceeds will be limited to funding changes to the bond financed Capital Improvement Plan in compliance with the voted propositions, cost overruns on bond projects, or be applied to debt service payments on the bonds issued. Issued but unspent bond proceeds may be appropriated for projects consistent with the ballot language after completion of projects identified in the approved bond propositions.

#### Sale Process

The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated sale. The City will utilize a negotiated process when the issue is, or contains, a refinancing that is dependent on market/interest rate timing. The City shall award the bonds based on a true interest cost (TIC) basis. However, the City may award bonds based on a net interest cost (NIC) basis as long as the financial advisor agrees that the NIC basis can satisfactorily determine the lowest and best bid.

#### Underwriting Syndicates

In response to the MSRB Rule G-17, which recognizes that the motivations of an underwriter may not be consistent with the best interest of the City, the City shall refer underwriters to its Municipal Advisor to review potential refunding opportunities. The City's municipal advisor is prohibited from underwriting the City's bonds while under contract with the City for municipal advisory services, and for a period of one year after termination of the municipal advisory contract.

The City will consider the recommendation of the Municipal Advisor when engaging one or more firm to underwrite a negotiated bond transaction.

#### Rating Agency Presentations

Full disclosure of operations and open lines of communications shall be maintained with the rating agencies. City staff, with the assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies. Credit ratings will be sought from one or more of the nationally recognized municipal bond rating agencies, currently Standard & Poor's and Fitch Inc., as recommended by the City's municipal advisor.

#### Bond Ratings

The City will prudently manage the General, Economic Development Corporations, and Enterprise Funds and attempt to issue and structure debt to help maintain or increase the current bond ratings.

#### Lease/Purchase Agreements

The City will use lease/purchase agreements for capital items (such as fire trucks) when it is cost-efficient and provides for more attractive terms than issuance of bonds.

### **CASH MANAGEMENT AND INVESTMENTS**

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To maintain the City's cash in such a manner so as to ensure the absolute safety of principal, to meet the liquidity needs of the City, and to achieve the highest possible yield in compliance with the Public Funds Investment Act (Chapter 2256 of the Local Government Code or equivalent provision) and the City's Investment Policy & Strategy, as adopted annually by City Council.

## Investment Management

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### Investment Policy

All aspects of cash/investment management shall be designed to ensure safety and integrity of the City's financial assets. Cash/Investment management activities shall be conducted in full compliance with prevailing local, state, and federal regulations. Please reference the City's Investment Policy as adopted annually by City Council.

The City shall design and establish policies relating to a variety of cash/investment management issues, such as the eligibility and selection of various broker/dealers, safekeeping requirements, collateral requirements, delivery versus payment requirements, weighted average maturity requirements and such other aspects of the program, which necessitate standard setting in pursuit of appropriate prudence and enhanced protection of assets.

### Investment Strategy

The City of Sugar Land maintains a consolidated portfolio in which it pools its funds for investment purposes. The City's investment program seeks to achieve safety of principal, adequate liquidity to meet cash needs, and reasonable yield commensurate with the preservation of principal and liquidity. Refer to the City's Investment Strategy as adopted by City Council annually for detail.

### Interest Income

Interest earned from investments shall be distributed to the funds from which the funds were provided.

### Arbitrage Investments and Reporting

The City's investment position as it relates to arbitrage is as follows: Investments on bond proceeds will be made with safety of principal and liquidity in mind, but with a competitive rate of return. Investment of bond proceeds will be clearly tracked and investment earnings recorded for arbitrage purposes.

### Depository

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The City of Sugar Land will select its official bank depository through a formal bidding process in order to provide the City with the most comprehensive, flexible, and cost-effective banking services available. The City will at a minimum, bid depository services every five years. Only officials authorized by the City Council through the depository contract may open accounts in the name of the City or its component units.

### Collateralization of Deposits

The City of Sugar Land shall have pledged collateral held at an independent third-party institution and evidenced by a written receipt.

The value of the pledged collateral should be marked to market monthly and shall be at least 102 percent of par or market value of the investments, whichever is greater.

Substitutions of collateral shall meet the requirements of the collateral agreement and have prior written approval. Collateral shall not be released until the replacement collateral has been received.

The pledge of collateral shall comply with the City's Investment Policy.

## GRANTS

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The City will seek, apply for, and effectively administer federal, state and local grants, which support the City's current priorities and policy objectives.

## Grant Guidelines

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The City shall apply and facilitate the application for only those grants that are consistent with the objectives and high priority needs identified by Council and City Management.

Grant funding will be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs.

The potential for incurring ongoing costs, to include assumptions of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.

## Grant Review and Acceptance

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All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the City's goals. If there is a cash match requirement, the source of funding shall be identified prior to application. (Refer to City's Inter-Departmental Grant Policy AC104)

All grants awarded to the City of Sugar Land must be submitted to City Council for consideration and approval. If the funding is not already included in the annual budget, the budget shall be amended to reflect revenues and expenditures associated with the grant.

## Grant Termination and/or Reduced Grant Funding

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In the event of reduced grant funding, City resources will be substituted only after all program priorities and alternatives are considered during the budget process, unless the City is obligated through the terms of the grant to maintain the positions.

The City shall terminate grant-funded programs and associated positions when grant funds are no longer available, and it is determined that the program no longer supports City goals and/or is no longer in the best interest of the City, unless the City has obligated itself through the terms of the grant to maintain the positions after the grant period ends.

**ORDINANCE NO. 2029**

**AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE CITY OF SUGAR LAND, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2015 AND ENDING SEPTEMBER 30, 2016; APPROPRIATING THE SUMS AS SET FORTH THEREIN; ADOPTING THE CAPITAL IMPROVEMENTS PROGRAM 2016 – 2020; AND ADOPTING A COMPENSATION PLAN.**

WHEREAS, section 6.03 of the City Charter requires that the:

- (1) City manager prepare an annual budget for the ensuing fiscal year;
- (2) City manager submit to the city council for its review, consideration and revision, both a letter describing the proposed budget as well as a balanced budget for the forthcoming fiscal year, not later than sixty days prior to the end of the City's fiscal year;
- (3) Budget, as adopted, set forth the funding for services, programs, and activities of the various city departments and meet all fund requirements provided by law and required by bond covenants;
- (4) Budget include a multi-year capital improvement program and a current year capital budget;
- (5) Budget not be adopted or appropriations made unless the total of estimated revenues, income and funds available are equal to or in excess of the budget or appropriations, except as otherwise provided by the Charter; and
- (6) Budget be adopted by ordinance by one reading not later than the 25<sup>th</sup> day of the last month of the fiscal year; and

WHEREAS, Chapter 102 of the Texas Local Government Code requires that the:

- (1) City manager file the proposed budget with the city secretary before the 30<sup>th</sup> day before the date the city council makes its tax levy for the fiscal year; and
- (2) City council hold a public hearing on the proposed budget at least fifteen days after the date the budget is filed with the city secretary but before the date the city council makes its tax levy, notice of which hearing is to be published as required by law; and

WHEREAS, all the requirements of the City's Charter and State law have or will be met upon passage of this ordinance; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY COUNCIL  
OF THE CITY OF SUGAR LAND, TEXAS:**

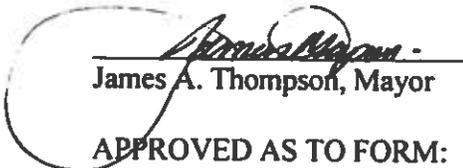
**Section 1.** That the budget of the City of Sugar Land, Texas, for the fiscal year beginning October 1, 2015, and ending September 30, 2016, as shown in attached Exhibit A, is adopted and the amounts specified therein for the programs, services, and activities of the City's various departments are appropriated as shown therein.

**Section 2.** That the Capital Improvements Program 2016 - 2020, as set forth in Exhibit B, is adopted.

**Section 3.** That the Compensation Plan, as set forth in Exhibit C, is adopted.

**Section 4.** That the budget as approved be filed with the City Secretary who in turn is authorized and directed to comply with all filing, publication and other requirements set forth in Chapter 102, Texas Local Government Code, including filing copies of this ordinance and the budget with the County Clerk of Fort Bend County, Texas, and including posting the cover page, record vote, property tax rates and such other information on the City's website as may be legally required.

APPROVED on one reading on September 15, 2015, in compliance with section 6.03 (b) of the City's Charter.

  
James A. Thompson, Mayor

APPROVED AS TO FORM:



ATTEST:

  
Glenda Gundermann, City Secretary

Attachments: Exhibit A – 2015-2016 Budget  
Exhibit B – 2016 - 2020 Capital Improvements Program  
Exhibit C – Compensation Plan

**ORDINANCE NO. 2028**

**AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, LEVYING A PROPERTY TAX RATE FOR THE YEAR 2015; AND DIRECTING THE TAX ASSESSOR-COLLECTOR TO ASSESS, ACCOUNT FOR, AND DISTRIBUTE THE PROPERTY TAXES AS HEREIN LEVIED.**

WHEREAS, Section 26.05 (a) of the Tax Code requires taxing authorities to adopt a property tax rate before the later of September 30 of each year or the 60th day after the date of receipt of the certified appraisal roll; and

WHEREAS, Section 26.05 (a) of the Tax Code requires the property tax rate be approved separately in two components: (1) Maintenance and Operations; and (2) Debt Service; and

WHEREAS, Section 26.05 (b) of the Tax Code requires that the vote on the ordinance setting a tax rate that exceeds the effective tax rate must be a record vote; and

WHEREAS, Section 26.05 (b) of the Tax Code additionally requires that a motion to adopt an ordinance setting a tax rate that exceeds the effective tax rate must be made in the following form:

“I move that the property tax rate stay the same with the adoption of a tax rate of \$0.31595, which is effectively a 7.26 percent increase in the tax rate”; and

WHEREAS, Section 26.05 (b) of the Tax Code further requires that if the ordinance sets a tax rate that, if applied to the total taxable value, will impose an amount of taxes to fund maintenance and operation expenditures of the taxing unit that exceeds the amount of taxes imposed for that purpose in the preceding year, the taxing unit must include in the ordinance in type larger than the type used in any other portion of the ordinance the following statement: "THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE" and if the tax rate exceeds the effective maintenance and operations rate, the following statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY 11.79 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0".

WHEREAS, Section 26.05 (b) of the Tax Code requires that certain statements be included in the ordinance adopting the tax rate and that those statements to be in type larger than the type used in any other portion of the document; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY COUNCIL  
OF THE CITY OF SUGAR LAND, TEXAS:**

**Section 1.** That the property tax rate per \$100.00 valuation for the City of Sugar Land for tax year 2015 is adopted as follows:

Maintenance and Operations	\$0.17035
Debt Service	\$0.14560
Tax Rate	\$0.31595

**Section 2.** THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 11.79 PERCENT AND WILL

**Section 2. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 11.79 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0.**

**Section 3. That the record vote of the City Council adopting this ordinance is:**

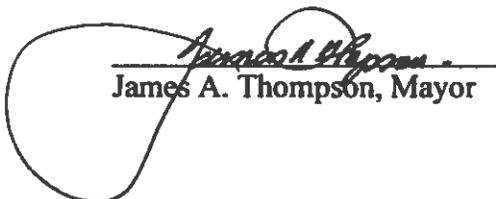
**Council Members voting FOR adoption: James Thompson, Mayor; Council Members Joe Zimmerman, Himesh Gandhi, Steve Porter, Bridget Yeung, Amy Mitchell**

**Council Members voting AGAINST adoption: Council Member Harish Jajoo**

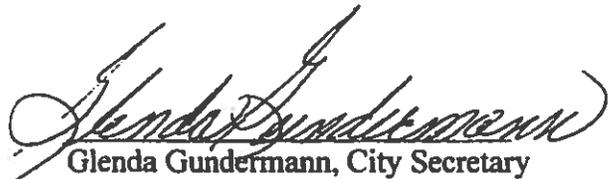
**Council Members absent: None**

**Section 4. That this ordinance is adopted upon one reading in compliance with Section 6.03 of the City Charter.**

**APPROVED on September 15, 2015.**

  
James A. Thompson, Mayor

**ATTEST:**

  
Glenda Gundermann, City Secretary

**APPROVED AS TO FORM**



**CITY OF SUGAR LAND  
SALARY STRUCTURE  
FOR NON-EXEMPT POSITIONS  
FISCAL YEAR 2016**

<b>Range</b>	<b>Position Title</b>	<b>Minimum</b>	<b>Midpoint</b>	<b>Maximum</b>
<b>N-01</b>	COURIER	\$ 12.16	\$ 15.45	\$ 18.73
	CUSTODIAN	\$ 25,293	\$ 32,136	\$ 38,958
	RECEPTIONIST			
<b>N-02</b>	COURT CLERK	\$ 12.77	\$ 16.22	\$ 19.65
	CUSTOMER SERVICE REP	\$ 26,562	\$ 33,738	\$ 40,872
	GENERAL MAINTENANCE WORKER I			
	RECORDS CLERK			
	WARRANT CLERK			
<b>N-03</b>	BILLING/COLLECTION SPEC. I	\$ 13.42	\$ 17.03	\$ 20.66
	CAFÉ ATTENDANT I	\$ 27,914	\$ 35,422	\$ 42,973
	PERMIT TECHNICIAN			
	TRAFFIC TECHNICIAN I			
<b>N-04</b>	AIRPORT SERVICES REP I	\$ 14.09	\$ 18.03	\$ 21.97
	BILLING SPECIALIST II	\$ 29,307	\$ 37,502	\$ 45,698
	CAFÉ ATTENDANT II			
	COURT SERVICES SPECIALIST			
<b>N-05</b>	ADMINISTRATIVE SPECIALIST	\$ 14.92	\$ 19.10	\$ 23.28
	ANIMAL SERVICES OFFICER	\$ 31,034	\$ 39,728	\$ 48,422
	GENERAL MAINTENANCE WORKER II			
	LINE CREW I			
	PARKS FACILITIES TECHNICIAN			
	SR. PERMIT TECHNICIAN			
	SR. SECRETARY			
VETERINARY TECHNICIAN				
<b>N-06</b>	AIRPORT SERVICES REP II	\$ 15.82	\$ 20.25	\$ 24.68
	AIRPORT SPECIALIST	\$ 32,906	\$ 42,120	\$ 51,334
	CONTRACT SERVICES MONITOR			
	FACILITIES SERVICES TECHNICIAN			
	HR SPECIALIST			
	LINE CREW II			
	PUMP & MOTOR TECHNICIAN I			
	TREASURY SPECIALIST			
	WARRANT COORDINATOR			
	WATER QUALITY TECHNICIAN			
<b>N-07</b>	ACCOUNTS PAYABLE SPECIALIST	\$ 16.77	\$ 21.63	\$ 26.50
	AUTOMOTIVE TECHNICIAN I	\$ 34,882	\$ 44,990	\$ 55,120
	CAFE SUPERVISOR			
	COURT DOCKET COORDINATOR			
	DEVELOPMENT REVIEW COORDINATOR			
	LINE CREW III			
	PUMP & MOTOR TECHNICIAN II			
	PURCHASING SPECIALIST			
RECORDS SPECIALIST				

Range	Position Title	Minimum	Midpoint	Maximum
<b>N-08</b>	ACCOUNTANT I	\$ 18.04	\$ 23.27	\$ 28.50
	ADMINISTRATIVE SUPERVISOR	\$ 37,523	\$ 48,402	\$ 59,280
	AIRPORT SERVICES REPRESENTATIVE SUPERVISOR			
	AIRPORT OPERATIONS AGENT			
	ANIMAL SHELTER SUPERVISOR			
	BUYER			
	CODE ENFORCEMENT INSPECTOR			
	CREW CHIEF			
	DEPARTMENT ANALYST			
	ENVIRONMENTAL SERVICES INSPECTOR			
	EXECUTIVE SECRETARY			
	FACILITIES COORDINATOR			
	LABORATORY TECHNICIAN			
	PERMITS SUPERVISOR			
SR. ACCOUNTS PAYABLE SPECIALIST				
SR. FACILITY SERVICES TECH				
TRAFFIC TECHNICIAN II, SIGNALS				
UTILITIES OPERATOR				
<b>N-09</b>	CONTRACT SERVICES COORDINATOR	\$ 19.30	\$ 24.89	\$ 30.50
	ELECTRICIAN	\$ 40,144	\$ 51,771	\$ 63,440
	EMERGENCY MANAGEMENT SPECIALIST			
	EXECUTIVE ASSISTANT			
	LEAD UTILITIES OPERATOR			
	MECHANIC			
	RESIDENTIAL RENTAL INSPECTOR			
SANITARIAN				
<b>N-10</b>	ACCOUNTANT II	\$ 20.85	\$ 27.09	\$ 33.35
	ADMINISTRATIVE COORDINATOR	\$ 43,368	\$ 56,347	\$ 69,368
	AUTOMOTIVE TECHNICIAN II			
	BUILDING INSPECTOR			
	CONSTRUCTION INSPECTOR			
	CRIME SCENE TECHNICIAN			
	INFORMATION PROCESS TECHNICIAN			
	LINE SUPERVISOR			
	PROJECT ANALYST			
	TELECOMMUNICATIONS SPECIALIST			
WATER SERVICES SUPERVISOR				
<b>N-11</b>	CRIME ANALYST	\$ 23.96	\$ 31.14	\$ 38.33
	END USER SUPPORT SPECIALIST	\$ 49,837	\$ 64,771	\$ 79,726
	FIELD SUPERVISOR			
	FLEET SERVICES SUPERVISOR			
	G.I.S. SPECIALIST			
	INSTRUMENTATION & CONTROL TECHNICIAN			
	PLANS EXAMINER			
	SR. BUILDING INSPECTOR			
	SR. CONSTRUCTION INSPECTOR			
	SR. CONTRACT INSPECTOR			
SYSTEM ANALYST				
<b>N-12</b>	SYSTEM ADMINISTRATOR	\$ 26.36	\$ 34.25	\$ 42.16
		\$ 54,821	\$ 71,248	\$ 87,699

Effective: October 1, 2015

**CITY OF SUGAR LAND  
SALARY STRUCTURE  
FOR EXEMPT POSITIONS  
FISCAL YEAR 2016**

Range	Position Title	Minimum	Midpoint	Maximum
<b>E-02</b>	BUDGET ANALYST	\$ 21.85	\$ 27.75	\$ 33.66
	CONTRACTS COORDINATOR	\$ 45,448	\$ 57,720	\$ 70,013
	EVENT COORDINATOR			
	GRAPHICS COORDINATOR			
	MANAGEMENT ASSISTANT II			
	PLANNER I			
	RECREATION COORDINATOR			
	RIGHT OF WAY SERVICES COORDINATOR			
	SAFETY COORDINATOR			
	TOURISM COORDINATOR			
<b>E-03</b>	AIRPORT OPERATIONS SPECIALIST	\$ 23.59	\$ 29.97	\$ 36.34
	BILLING SUPERVISOR	\$ 49,067	\$ 62,338	\$ 75,587
	CODE COMPLIANCE COORDINATOR			
	COLLECTIONS & CUSTOMER SERVICE SUPERVISOR			
	FACILITIES SERVICES SUPERVISOR			
	HR BUSINESS PARTNER			
	PLANNER II			
	PRETREATMENT COORDINATOR			
	PRODUCER / VIDEOGRAPHER			
	PROGRAMMER ANALYST			
<b>E-04</b>	SR. BUDGET ANALYST			
	STORM WATER COORDINATOR			
	ACCOUNTS PAYABLE SUPERVISOR	\$ 25.49	\$ 32.37	\$ 39.25
	ADMINISTRATIVE MANAGER	\$ 53,019	\$ 67,330	\$ 81,640
	AIRPORT OPERATIONS SUPERVISOR			
	COMMUNICATIONS MANAGER			
	CONTRACTS MANAGER			
	DEPUTY COURT ADMINISTRATOR			
	ENGINEER I			
	FINANCIAL ANALYST			
<b>E-05</b>	PRINCIPAL ACCOUNTANT			
	PUBLICATIONS MANAGER			
	RECORDS MANAGER			
	SR. PLANNER			
	USER SERVICES SUPERVISOR			
	WATER CONSERVATION MANAGER			
	WEBSITE MANAGER			
	ACCOUNTING SUPERVISOR	\$ 27.53	\$ 34.97	\$ 42.39
	ANALYTICS & PERFORMANCE MANAGER	\$ 57,262	\$ 72,738	\$ 88,171
	ANIMAL SERVICES MANAGER			
BUSINESS RETENTION MANAGER				
CODE COMPLIANCE ADMINISTRATOR				
COMMUNITY OUTREACH MANAGER				
COMPLIANCE MANAGER				
CONCIERGE MANAGER				
ENGINEER II				
EVENT PRODUCTION MANAGER				
FACILITIES PROJECT MANAGER				
FLEET SERVICES MANAGER				
HUMAN RESOURCES MANAGER				
IT PROJECT MANAGER				

Range	Position Title	Minimum	Midpoint	Maximum
<b>E-05</b>	LAB MANAGER			
	LEAD PROGRAMMER ANALYST			
	LINE SERVICES MANAGER			
	PROJECT MANAGER			
	REAL PROPERTY MANAGER			
	RECREATION MANAGER			
	RISK MANAGER			
	SR. SANITARIAN			
	SURFACE WATER CHIEF OPERATOR			
	TOURISM & MARKETING MANAGER			
	TRAFFIC OPERATIONS MANAGER			
WATER RESOURCES MANAGER				
<b>E-06</b>	AIRFIELD & FACILITIES MANAGER	\$ 29.72	\$ 37.76	\$ 45.78
	CONSTRUCTION SERVICES MANAGER	\$ 61,818	\$ 78,541	\$ 95,222
	CULTURAL ARTS MANAGER			
	DEPUTY BUILDING OFFICIAL			
	DEPUTY CITY SECRETARY			
	ENGINEER III			
	ENVIRONMENTAL MANAGER			
	FIELD OPERATIONS MANAGER			
	PARKS SUPERINTENDENT			
	PRINCIPAL PLANNER			
	RIGHT OF WAY SERVICES MANAGER			
STREET/DRAINAGE SUPERINTENDENT				
<b>E-07</b>	ASSISTANT CITY ATTORNEY	\$ 32.40	\$ 41.16	\$ 49.90
	ASSISTANT TO THE CITY MANAGER	\$ 67,392	\$ 85,613	\$ 103,792
	DEPUTY CHIEF ACCOUNTANT			
	FACILITY OPERATIONS MANAGER			
	INTERGOV'L RELATIONS MANAGER			
	IT OPERATIONS MANAGER			
	PUBLIC/PRIVATE PARTNERSHIP MANAGER			
	SR. ENGINEER			
SURFACE WATER PLANT MANAGER				
TRAFFIC ENGINEERING & CONTROLS MANAGER				
<b>E-08</b>	ASSISTANT COMMUNICATIONS DIRECTOR	\$ 35.32	\$ 44.86	\$ 54.39
	COMMUNITY DEVELOPMENT ADMINISTRATOR	\$ 73,466	\$ 93,309	\$ 113,131
	IT MANAGER			
	MUNICIPAL COURT ADMINISTRATOR			
	PURCHASING MANAGER			
	TOURISM & DESTINATION SERVICES ADMINISTRATOR			
	TRANSPORTATION & MOBILITY PLANNING MGR			
TREASURY MANAGER				
<b>E-09</b>	ASSISTANT CITY ENGINEER	\$ 38.15	\$ 48.45	\$ 58.74
	ASSISTANT DIRECTOR OF AVIATION	\$ 79,352	\$ 100,776	\$ 122,179
	ASSISTANT DIRECTOR OF ECONOMIC DEVELOPMENT			
	ASSISTANT DIRECTOR OF ENVIRON & NEIGHBORHOOD SVS			
	ASSISTANT DIRECTOR OF HUMAN RESOURCES			
	ASSISTANT DIRECTOR OF PARKS & RECREATION			
	ASSISTANT DIRECTOR OF PUBLIC WORKS			
	BUDGET OFFICER			
	CHIEF ACCOUNTANT			
	CITY PLANNER - DEVELOPMENT PLANNING			
	CITY PLANNER - LONG RANGE PLAN			
FIRST ASSISTANT CITY ATTORNEY				

Effective: October 1, 2015

**CITY OF SUGAR LAND**  
**SALARY STRUCTURE**  
**FOR MANAGEMENT & ELECTED OFFICIAL POSITIONS**  
**FISCAL YEAR 2016**

<b>Range</b>	<b>Position Title</b>	<b>Minimum</b>	<b>Midpoint</b>	<b>Maximum</b>
<b>M-01</b>	BUILDING OFFICIAL	\$ 38.49	\$ 48.90	\$ 59.29
	CITY SECRETARY	\$ 80,059	\$ 101,712	\$ 123,323
	COMMUNICATIONS DIRECTOR			
	PUBLIC SAFETY DISPATCH DIRECTOR			
	STRATEGIC INITIATIVES DIRECTOR			
<b>M-02</b>	CITY ENGINEER	\$ 47.25	\$ 59.06	\$ 70.88
	DIRECTOR OF AVIATION	\$ 98,280	\$ 122,845	\$ 147,430
	DIRECTOR OF ECONOMIC DEVELOPMENT			
	DIRECTOR OF ENVIRON & NEIGHBORHOOD SVS			
	DIRECTOR OF FINANCE			
	DIRECTOR OF HUMAN RESOURCES			
	DIRECTOR OF INFORMATION TECHNOLOGY			
	DIRECTOR OF PARKS & RECREATION			
	DIRECTOR OF PLANNING			
	DIRECTOR OF PUBLIC WORKS			
	FIRE CHIEF			
	POLICE CHIEF			
	<b>M-03</b>	ASSISTANT CITY MANAGER		UNGRADED
CITY ATTORNEY				
CITY MANAGER				
FIRST ASSISTANT CITY MANAGER				
MUNICIPAL COURT JUDGE				
<b>EO-1</b>	COUNCIL MEMBER		\$ 712.24	(Monthly)
			\$ 8,547	(Annually)
<b>EO-2</b>	MAYOR		\$ 1,424.48	(Monthly)
			\$ 17,094	(Annually)

*Effective: October 1, 2015*

**CITY OF SUGAR LAND  
SALARY STRUCTURE  
POLICE, DETENTION & DISPATCH  
FISCAL YEAR 2016**

<b>Job Title</b>	<b>Range</b>	<b>Hourly Annual Minimum</b>	<b>Hourly Annual Midpoint</b>	<b>Hourly Annual Maximum</b>
PUBLIC SAFETY DISPATCHER - RECRUIT	PTR	\$16.91		
		<b>\$35,173</b>		
PUBLIC SAFETY DISPATCHER I (CERTIFIED)	PT1	\$17.63	\$21.61	\$25.59
		<b>\$36,670</b>	<b>\$44,949</b>	<b>\$53,227</b>
PUBLIC SAFETY DISPATCHER II (CERTIFIED)	PT2	\$19.83	\$24.47	\$29.10
		<b>\$41,246</b>	<b>\$50,898</b>	<b>\$60,528</b>
PS DISPATCH SHIFT SUPERVISOR	PT3	\$23.36	\$27.96	\$32.56
		<b>\$48,589</b>	<b>\$58,157</b>	<b>\$67,725</b>
DEPUTY PS DISPATCH MANAGER	PT4	\$28.62	\$33.63	\$38.64
		<b>\$59,530</b>	<b>\$69,950</b>	<b>\$80,371</b>
DETENTION OFFICER - RECRUIT	PDR	\$16.87		
		<b>\$35,090</b>		
DETENTION OFFICER (CERTIFIED)	PD1	\$17.77	\$21.32	\$24.87
		<b>\$36,962</b>	<b>\$44,346</b>	<b>\$51,730</b>
POLICE OFFICER - RECRUIT	P-1	\$21.83		
		<b>\$45,406</b>		
POLICE OFFICER	P-2	\$25.41	\$29.85	\$34.29
		<b>\$52,853</b>	<b>\$62,088</b>	<b>\$71,323</b>
POLICE SERGEANTS	P-3	\$33.97	\$37.37	\$40.77
		<b>\$70,658</b>	<b>\$77,730</b>	<b>\$84,802</b>
POLICE LIEUTENANT	P-4	\$39.29	\$43.10	\$46.92
		<b>\$81,723</b>	<b>\$89,648</b>	<b>\$97,594</b>
POLICE CAPTAIN	P-5	\$43.59	\$47.94	\$52.30
		<b>\$90,667</b>	<b>\$99,715</b>	<b>\$108,784</b>
ASSISTANT CHIEF OF POLICE	P-6	\$48.42	\$54.47	\$60.52
		<b>\$100,714</b>	<b>\$113,298</b>	<b>\$125,882</b>

*Effective for October 1, 2015*

**CITY OF SUGAR LAND**  
**SALARY STRUCTURE**  
**FIRE**  
**FISCAL YEAR 2016**

<b>Job Title</b>	<b>Range</b>	<b>Hourly Annual Minimum</b>	<b>Hourly Annual Midpoint</b>	<b>Hourly Annual Maximum</b>
FIREFIGHTER	F-1	\$16.80	\$19.74	\$22.68
	<i>(2912 Hours Annually)</i>	<b>\$48,922</b>	<b>\$57,483</b>	<b>\$66,044</b>
FIRE DRIVER	F2F	\$20.56	\$23.77	\$27.00
	<i>(2912 Hours Annually)</i>	<b>\$59,871</b>	<b>\$69,218</b>	<b>\$78,624</b>
FIRE LIEUTENANT (SHIFT)	F3F	\$24.46	\$26.91	\$29.36
	<i>(2912 Hours Annually)</i>	<b>\$71,228</b>	<b>\$78,362</b>	<b>\$85,496</b>
FIRE INSPECTOR/INVESTIGATOR	F3G	\$34.24	\$37.67	\$41.10
FIRE LIEUTENANT (NON-SHIFT)				
	<i>(2080 Hours Annually)</i>	<b>\$71,219</b>	<b>\$78,354</b>	<b>\$85,488</b>
FIRE CAPTAIN (SHIFT)	F4F	\$26.69	\$29.37	\$32.03
	<i>(2912 Hours Annually)</i>	<b>\$77,721</b>	<b>\$85,525</b>	<b>\$93,271</b>
FIRE CAPTAIN (NON-SHIFT)	F4G	\$37.37	\$41.12	\$44.84
	<i>(2080 Hours Annually)</i>	<b>\$77,730</b>	<b>\$85,530</b>	<b>\$93,267</b>
BATTALION CHIEF (SHIFT)	F5F	\$28.81	\$31.80	\$34.79
	<i>(2912 Hours Annually)</i>	<b>\$83,895</b>	<b>\$92,602</b>	<b>\$101,308</b>
BATTALION CHIEF (NON-SHIFT)	F5G	\$40.33	\$44.52	\$48.71
ASSISTANT FIRE MARSHAL				
	<i>(2080 Hours Annually)</i>	<b>\$83,886</b>	<b>\$92,602</b>	<b>\$101,317</b>
ASSISTANT FIRE CHIEF	F6G	\$45.32	\$51.14	\$56.96
	<i>(2080 Hours Annually)</i>	<b>\$94,266</b>	<b>\$106,371</b>	<b>\$118,477</b>

**Effective for October 1, 2015**

**Schedule of Depreciation - FY14  
For FY16 Fire Fee Calculation**

**CITY OF SUGAR LAND, TEXAS  
NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 4 – Capital Assets (continued)**

Depreciation was charged to programs as follows:

General government	\$	1,979,675
Administrative services		1,555,604
Public works		8,980,339
Parks and recreation		1,130,858
Community development		92,457
Public safety-Police		328,523
Public safety-Fire		690,602

In addition, depreciation on capital assets held by the City's internal service funds is charged to various functions based on their usage of the assets

		1,046,818
<b>Total Governmental Activities</b>	<b>\$</b>	<b>15,804,876</b>
Water and wastewater	\$	8,556,263
Airport		2,172,528
Surface Water		3,112,906
<b>Total Business-Type Activities</b>	<b>\$</b>	<b>13,841,697</b>

<b>Reconciliation of Depreciation</b>	
Total of Depreciation from Detailed Listing	<b>\$ 705,175</b>
CAFR Depreciation for Fire Department	<b>\$ 705,175</b>
To Calculate Fire Fees: Subtract Building Depreciation	\$ (229,573)
Total Depreciation Allocated for Fire Costs	<b>\$ 475,602</b>

**Schedule of Depreciation - FY14  
For FY16 Fire Fee Calculation**

**Fleet**

2005 PUMPER UNIT#117	39,846
2010 FIRE TRUCK UNIT#137	66,350
2012 GATOR UNIT# 139	3,493
2013 ROAD RESCUE AMBULANCE UNIT#179	9,883
2013 SPARTAN FIRE TRUCK UNIT#132	138,000
2014 TAHOE-LIGHTS	384
FIRE TRUCK 2008 CRIMSON PUMPER UNIT #131	62,330
FIRELIGHT SKID UNIT-UNIT#140	2,233
GOLF CART-UNIT#168	1,473
INFLATABLE DIVE TEAM BOAT	1,338
PIERCE 75'AERIAL UNIT#128 L2	67,203
REHABILITATION TRAILER	2,671
<b>Total Fleet Depreciation - FY14</b>	<b>395,204</b>

**Capital**

AIR PACK #42	190
AIR PACK #43	190
AIR PACK #44	190
AIR PACK #45	190
APPLIANCES-FIRE #7	2,612
AUDIO/VISUAL SYSTEM AT FIRE ADMIN	5,843
AUX, GENERATOR FOR ALT. EOC	1,447
BREATHING AIR COMPRESSOR	935
BUNKER GEAR WASHER/EXTRACTOR	1,214
COMPACT DUO PUMP	1,986
DSX ACCESS CONTROL SYSTEM @ FS#3	572
DSX ACCESS CONTROL SYSTEM @ FS#4	592
DSX ACCESS CONTROL SYSTEM @ FS#5	622
DSX ACCESS CONTROL SYSTEM @ FS#6	594
DSX ACCESS CONTROL SYSTEM @FS#2	841
FIRE STATION #2 GENERATOR	2,736
FIT TESTING MACHINE	331
FLAG POLES FIRE #1	250
GAS GENERATOR	117
GAS GENERATOR-ENGINE 5	117
GAS LINE AT EOC- FOR EOC GENERATOR	130
GEAR WASHER/EXTRACTOR	2,353
GENERATOR (GAS)- FIRE ST #5	1,029
GENERATOR ELECTRICITY(BACK-UP)	1,000
HOSE TESTER (FD1)	183
HVAC-FIRE #7	17,192
IN CAR VIDEO	854
INDOOR SPRINKLER SYSTEM FIRE #1	2,933
POWERFLEXX SIDE ARM STRETCHER	567
PRECOR CROSSTRAINER C546	393
PRECOR TREADMILL C956	478

**Schedule of Depreciation - FY14  
For FY16 Fire Fee Calculation**

SCBA SYSTEM BREATHING COMPRESSOR	3,000
SPREADERS 4242	856
STORAGE CONTAINER 40' PORTABLE	77
THERMAL IMAGER CAMERA	2,445
THERMAL IMAGING CAMERA	2,777
TREADMILL	241
WASHER FOR BUNKER GEAR	510
X SERIES MANUAL MONITOR/DEFIBRILLATOR	1,693
SWITCH 3560E	1,899
SWITCH SWTFD101 CATALYST 3560E	1,007
WORKSTATIONS(4)	2,639

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**Total Capital Depreciation - FY14** **65,824**

**Building**

A/C UNIT AT FIRE STATION #1	462
BUILDING CARPET REPLACEMENT	1,948
BUILDING FIRE#1 @ MATLAGE WAY	65,656
BUILDING RENOVATIONS	10,905
FIRE #7 BUILDING-1301 CHATHAM AVE	29,381
FIRE ADMIN BLDG RENOVATIONS	2,143
FIRE STATION # 5	2,654
FIRE STATION #2 BLDG	3,556
FIRE STATION #3 BLDG	5,356
FIRE STATION #4 BLDG	4,356
FIRE STATION #5 BLDG	22,071
FIRE STATION #5 BLDG -IMPROVEMENT	703
FS#6 ADMIN BLDG	15,404
FS#6 BLDG INTERIOR:CARPET	505
FS#6 BLDG INTERIOR:COOLING/HEATING SYSTEM AIR CIRC	3,307
FS#6 BLDG INTERIOR:ELECTRICAL	4,500
FS#6 BLDG INTERIOR:SPRINKLER SYSTEM	2,425
FS#6 BLDG INTERIOR:TILE	168
FS#6 BLDG INTERIOR:WATER SYSTEM	5,350
HVAC CONTROL SYS @ FIRE ADMIN/ANNEX	4,255
HVAC UNIT W/ ELECTRONIC CONTROLS FIRESTATION#2	5,896
1500-WATT TOWER	552
750-WATT TOWER	1,103
FENCING-FIRE #7	1,600
FIRE STATION #5 - SIDEWALK,PAVING,PARKING	1,026
FS#6 F&OI: LANDSCAPING(TREES,PLANTS,GARDENS)	550
FS#6 F&OI: PARKINF LOTS(STOPS,DRIVEWAYS,BARRIERS)	3,610
FS#6 F&OI: SIGNS	220
FS#6 F&OI:FENCING AND GATES,FLAGPOLE	165
GROUP OF CHAIN LINK FENCING	103
GROUP OF CONCRETE CURBING	85
GROUP OF CONCRETE PAVING	8,350
LANDSCAPING-FIRE #7	866
PARKING LOT-FIRE #7	1,016
PAVEMENT LOT FIRE # 1	4,467

**Schedule of Depreciation - FY14  
For FY16 Fire Fee Calculation**

SIDEWALKS-FIRE #7	678
VEHICLE EXHAUST REMOVAL SYSTEM	12,447
WATCHDOG MONITOR DEVICE	1,553
LIGHTING OUTDOOR	100
LIGHTING OUTDOOR - 4 @\$250/EA	50
LIGHTING OUTDOOR -3@\$250/EA	38
<b>Total Building</b>	<b>229,573</b>
<b>Dispatch</b>	
3 DISPATCH CONSOLES	14,574
<b>Total Dispatch Depreciation - FY14</b>	<b>14,574</b>

# Glossary

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## A

**ACCOUNT:** An accounting unit established to record expenditures or revenues by detailed categories.

**ACCOUNTS PAYABLE:** A liability account reflecting amounts on an open account owing to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).

**ACCOUNTS RECEIVABLE:** An asset account reflecting amounts owing to open accounts from private persons or organizations for goods and services furnished by a government.

**ACCRUAL ACCOUNTING:** A basis of accounting in which debits and credits are recorded at the time they are incurred as opposed to when cash is actually received or spent.

**AD VALOREM:** Refers to the tax assessed against real (land and buildings) and personal (equipment and furniture) property.

**AGENDA:** A formal listing of items to be discussed during a public meeting. Agendas for public meetings are posted 72 hours in advance, in compliance with the open meetings act.

**AGENDA REQUEST:** A formal summary of a topic to be discussed during an open meeting. Included in the request are the proceeding, clearances, appropriation and action required, and an executive summary and attachments to explain the topic.

**ANNEX:** Refers to a portion of the City's Emergency Operations Plan.

**APPROPRIATION:** A legal authorization granted by City Council to make expenditures and incur obligations for designated purposes.

**ARBITRAGE:** The interest earnings derived from invested bond proceeds or debt service fund balances.

**ARCIMS:** The Internet map server allowing users to interact with maps on the City's web page.

**ASSESSED VALUATION:** A valuation set upon real estate of other property by a government as a basis for levying taxes.

**ASSETS:** Property with monetary value owned by the City.

**AUDIT:** A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to accomplish the following:

- Ascertain whether financial statements fairly represent financial position and results of operations
- Ascertain whether transactions have been recorded accurately and consistently, and
- Identify areas for possible improvements in accounting practices and procedures.

## B

**BALANCE SHEET:** The basic financial statement that discloses the assets, liabilities, and equities of an entity at a specified date in conformity with GAAP.

**BALANCED BUDGET:** A budget refers to a budget in which revenues are equal to expenditures.

**BASE BUDGET:** Funding required meeting current service levels.

**BENEFIT BURDEN:** The ratio of the cost of defined benefits to the base payroll of employees eligible to receive benefits.

**BOND:** A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified date.

**BOND REFERENDUM:** A proposal to be voted on by registered voters within the City regarding the sale of bonds for which ad valorem taxes are pledged for repayment.

**BRAZOS RIVER AUTHORITY:** An agency of the State of Texas whose mission is to develop and maintain the resources of the Brazos River basin. The BRA has operated a wastewater treatment plant that serves the City since 1975.

**BUDGET:** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. For a local government, a budget is a legal restriction on expenditures.

## C

**CAPITAL IMPROVEMENT PROGRAM / PROJECT (CIP):** Projects that purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

**CAPITAL OUTLAYS:** Expenditures that result in the acquisition of or addition to fixed assets that are individually priced more than \$5,000, per the City's capitalization policy.

**CARRYOVER:** Expenditures budgeted in one year for materials, equipment, programs, etc but not spent until the following fiscal year. Funding for non-recurring expenditures can carry over to the following fiscal year if approved by the City Manager and City Council. City Council formally amends the budget to approve carryover funding. Revenues can also carryover if they were anticipated in one fiscal year but not received until the following year.

**CERTIFICATE OF OBLIGATION (CO):** A debt instrument that is issued by the City and has the same legal status as a general obligation bond. Proceeds from the issuance of the certificates may be used for construction of public works; purchase of materials, supplies, equipment, machinery, builds, land, and right a ways for authorized needs and purposes; or payment of contractual obligations for professional services. However, certificates of obligation are not authorized by the voters.

**CONSUMER PRICE INDEX (CPI):** The monthly data on the changes in the prices paid by urban consumers for a representative basket of goods and services.

**CONTINGENCY:** An amount of money set aside for unforeseen incidents.

**CONTRACTUAL SERVICES:** The costs related to services performed for the City by individuals, businesses, or utilities.

**COST:** The amount of money or other consideration exchanged for property or services. Costs may be incurred even before money is paid; that is, as soon as a liability is incurred. Ultimately, however, money or other consideration must be given in exchange.

**CURRENT ASSETS:** Assets which are available or can be made readily available to finance current operations or to pay current liabilities. Current assets also include those which will be used up or converted into cash within one year. Some examples are cash, temporary investments, and taxes receivable which will be collected within one year.

**CURRENT LIABILITIES:** Debt or other legal obligation arising out of transactions in the past which must be liquidated, renewed, or refunded within one year.

**D**  
**DEBT SERVICE:** A cost category that typically reflects the repayment of short-term (less than five years) debt associated with the acquisition of capital equipment.

**DEFICIT:** The excess of expenditures over revenues during an accounting period; or, in the case of Enterprise and Intra- governmental Service Funds, the excess of expense over income during an accounting period.

**DELINQUENT TAXES:** Taxes remaining unpaid on or after the date on which a penalty for nonpayment is attached.

**DEPARTMENT:** A section of the total organization that is comprised of Divisions and is under the oversight of an Executive Director, Assistant City Manager or City Manager.

**DEPARTMENT HEAD:** A mid-management employee charged with oversight of one or more programs. Department Heads may report to an Executive Director, Assistant City Manager or the City Manager.

**DEPRECIATION:** Is the process by which the City allocates an asset's cost over the duration of its useful life. Depreciation results in depreciation expense.

**DEVELOPER REIMBURSEMENT:** Payment to a private developer for installation of public infrastructure. The developer typically installs infrastructure such as water and sewer utilities, traffic signals and streets & sidewalks. The City or MUD can reimburse the developer through issuance of debt.

**DIVISION:** A subsection of a Department that carries out a specific line of work assigned to the Department. A Division may have more than one Program.

**E**  
**EFFECTIVE TAX RATE:** When compared to the same property, the tax rate that produces the same effect in terms of the total amount of taxes as compared to the prior year, based on the value of properties taxed in both years.

**ENCUMBRANCES:** Commitments related to unperformed contracts for goods or services used in budgeting. Encumbrances are not expenditures or liabilities, but represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed.

**ENHANCEMENTS:** Funds that the City has earmarked for a new service not provided in the past, or allowing an increase in the level of service already provided.

**ENTERPRISE FUND:** A fund established to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services the general public on a continuing basis be financed or recovered primarily through user charges.

**EXECUTIVE DIRECTOR:** An upper management employee charged with oversight of one or more departments. Executive Directors participate in high-level policy and strategic decision-making and report either to an Assistant City Manager or the City Manager.

**EXEMPT:** Personnel not eligible to receive overtime pay and who are expected to put in whatever hours are necessary to complete job assignments. The respective Department Head, as partial compensation for overtime hours worked, may allow compensatory time off.

**EXPENDITURES:** Decreases in net financial resources. Expenditures include current operating expenses, which require the current or future use of net current assets, debt service, and capital outlays.

**EXTRATERRITORIAL JURISDICTION (ETJ):** The land bordering a City's limits that the City has limited control over but does not furnish City services to nor collect ad valorem taxes from. This is an area outside of City limits that is subject to annexation.

## **F**

**FISCAL YEAR:** A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The City of Sugar Land's fiscal year begins each October 1 and ends the following September 30. The term fiscal year 2014 connotes the fiscal year beginning October 1, 2013 and ending September 30, 2014.

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

**FIXED BASE OPERATOR (FBO):** An operating company providing customer services including fuel and line service personnel at an airport.

**FRANCHISE:** A special privilege granted by a government permitting the continuing use of public property such as, City rights-of-way.

**FULL-TIME EQUIVALENT (FTE):** One full-time equivalent works 2,080 hours a year; a person working 1,040 hours per years is equivalent to 0.5 FTE.

**FUND:** A fiscal and accounting entity with a self balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**FUND BALANCE:** The difference between governmental fund assets and liabilities. Also referred to as fund equity.

**FUND BALANCE POLICY:** A minimum fund balance that is required to be kept in reserve as defined in the Financial Management Policy Statements. Fund balances over the policy requirement may be appropriated in the budget.

## **G**

**GENERAL FUND:** Is used to account for all transactions not properly includable in other funds.

**GENERAL LEDGER:** A book, file, or other device, which contains the accounts needed to reflect the financial position and the results of operations of an entity. In double entry bookkeeping, the debits and credits in the general ledger are equal; therefore, the debit balances equal the credit balances.

**GENERALLY ACCEPTED ACCOUNTING PRINCIPALS (GAAP):** Uniform minimum standards and guidelines used for financial accounting and reporting as set forth by the Governmental Accounting Standards Board (GASB).

**GENERAL OBLIGATION (GO) BONDS:** Bonds for the payment of which the full faith and credit of the issuing government are pledged. In issuing its general obligation bonds, the City of Sugar Land pledges to levy whatever property tax is needed to repay the bonds for any particular year. Bonds cannot be issued without voter approval and are usually issued with maturities between 15 and 30 years.

**GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB):** A governing board set up to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

**GOVERNMENTAL FUNDS:** Those funds through which most governmental functions typically are financed. The acquisition, use, and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, Capital Projects, and Debt Service Funds).

**GROUNDWATER:** Water obtained by drilling a well and pumping water from below the surface, typically at depths of thousands of feet. Pumping of groundwater is a contributing factor to subsidence.

**H**  
**HOMEOWNERS' ASSOCIATION (HOA):** A group of property owners in a residential area, in which membership may be mandatory by deed restriction.

**HOUSTON-GALVESTON AREA COUNCIL (HGAC):** A voluntary association of counties, cities, independent school districts, and soil and water conservation districts in the Gulf Coast State Planning Region of Texas. H-GAC serves almost 150 local governments, and its region includes about 4 million people in an area of about 12,500 sq. miles.

**I**  
**ISO RATING:** The Insurance Service Office (ISO) performs surveys to assist insurance organizations with setting up the insurance ratings for the communities. The ISO will perform a survey to assign a public protection grade to each fire department, which is used in the development of insurance rates for all properties within the protected area. Grading starts at 1, which is the best possible score and ends at 10 which is considered unacceptable.

**INTERGOVERNMENTAL REVENUE:** Grants, entitlements and cost reimbursements from another governmental entity.

**INVESTMENT:** Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals or base payments.

**K**  
**KEY PERFORMANCE INDICATORS (KPI):** Specific quantitative and qualitative measures of work performed as a productivity indicator of the program.

**L**  
**LANDSCAPE COST SHARE PROGRAM:** A program that credits private funds that are used to irrigate public areas, specifically right-of-ways along arterials and state roads. Secondary goals of the program include helping to reduce peak water demand by limiting the times participants in the program can irrigate and promoting water conservation by means of rain sensors and well managed timers and management of irrigation systems.

**LEASE/PURCHASE:** A financing tool utilized to fund large capital outlays where the City may not have cash available immediately for purchase. The arrangement allows the City use of the item while payments are being made. A lien is placed on the item purchased and upon completion of lease payments, typically 5-7 years, the City gains ownership of the assets.

**LEVEE IMPROVEMENT DISTRICT (LID):** A special district with authority to levy ad valorem taxes that is used to improve flood control within its boundaries through the use of levies.

**LEVY:** The City Council has authority to impose or collect taxes, special assessments, or service charges.

**LOCAL LAW ENFORCEMENT BLOCK GRANT:** A grant program of the Department of Justice in which a local law enforcement agency is given a specified amount of funding to accomplish a goal.

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

**M**  
**MAINTENANCE:** The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

**MAJOR FUND:** Governmental or Enterprise Funds reported as a separate column in the basic fund financial statements and subject to a separate opinion by the independent auditor.

**MODIFIED ACCRUAL ACCOUNTING:** The basis of accounting in which revenues are recognized when they become measurable and available to finance expenditures of the current period. Expenditures are recognized when the goods or services are received.

**MUNICIPAL UTILITY DISTRICT (MUD):** A special district whose purpose is to provide water and sewer services to the residences and businesses within its boundaries. The district has ad valorem taxing power and can issue bonds to pay for construction and improvements to the district's system. Districts are typically established in unincorporated areas, but can also lie within the boundaries of one or more cities.

**N**  
**NON-CAPITAL ASSETS:** Expenditures that result in the acquisition of or addition to assets that are individually priced \$2,500 to \$5,000, per the City's capitalization policy. These items are not added to the fixed assets, but are tracked for inventory purposes.

**NON-EXEMPT:** Personnel eligible to receive overtime pay when overtime work has been authorized or requested.

**O**  
**OPERATING BUDGET:** Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and services delivery activities of the City are controlled, and are required by state law.

**ORDINANCE:** A formal legislative enactment by the governing board of a municipality that has the full force and effect of law within the boundaries of the municipality to which it applies so long as it is not in conflict with any higher form of law. Revenue raising measures, such as the imposition of taxes, special assessments, and service charges, universally require ordinances.

**P**  
**PART I CRIMES:** Crimes such as homicide, sexual assault, robbery, aggravated assault, burglary, larceny, auto theft and arson.

**PERSONNEL SERVICES:** The costs associated with compensating employees for their labor (salaries, wages, insurance, payroll taxes, and retirement contributions).

**PROGRAM:** A subset of a Department in which expenditures are focused on a primary function of work to be performed.

**PROJECTION:** Anticipated total for the current fiscal year. During the budget process, the City projects expected revenues and expenditures through the remainder of the fiscal year to gain a better picture of the City's finances. These projections are adopted as the revised budget during the budget adoption process.

**PROPERTY TAX:** Taxes levied on all real and personal according to the property's valuation and the tax rate, in compliance with State Property Tax Code.

**PROPRIETARY FUND:** In governmental accounting is a business-like fund. Examples of proprietary funds include enterprise funds and internal service funds.

**PUBLIC FUNDS INVESTMENT ACT:** A law that governs the investment of government funds in Texas. Under this law, specific parameters are set for Texas cities, requiring them to adopt an investment policy and to designate an investment officer who is required to attend an approved training course. The act, first adopted in 1995 and most recently amended in 2003, also limits the types of investments that can be made and requires quarterly reporting of investment activity to the governing body.

**PURCHASE ORDER:** A document that authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

## **R**

**RATING:** The credit worthiness of an entity as evaluated by independent agencies.

**REPLACEMENT COST:** The cost as of certain date of a property that can render similar service (but which need not be of the same structural form) as the property to be replaced.

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

**RETAINED EARNINGS:** Is a form of equity resulting from earning activities.

**REVENUE BONDS:** Legal debt instruments which finance public projects for such services as water or sewer. Revenues from the public project are pledged to pay principal and interest of the bonds. In Texas, revenue bonds may or may not be authorized by public referenda.

**REVENUES:** Increases in governmental fund types, net current assets from other than expenditure refunds and residual equity transfers.

**RIGHT-OF-WAY:** The area immediately adjacent to a City's roadway or drainage channel.

## **S**

**SALES TAX:** A state tax of 6.25% is imposed on all retail sales, leases and rentals of most goods, as well as taxable services. Texas cities and counties have the option of imposing additional local sales taxes for a combined total of state and local taxes of 8.25%.

**SERVICE LEVEL STANDARD:** The expected outcome for a service that is provided. Can include minimum staffing, hours of operation, or outcome goals.

**SPECIAL ASSESSMENT:** A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

**SPECIAL REVENUE FUND:** A fund used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds for specific revenue sources" establishes that one or more restricted or committed revenues should be the foundation for a special revenue fund.

**STRUCTURAL BALANCE:** A term used to define a budget that includes recurring revenues greater than or equal to recurring expenditures.

**SUBSIDENCE:** A gradual settling or sudden sinking of the Earth's surface owing to subsurface movement of earth materials. Land subsidence occurs when there is a loss of support below ground such as when water is taken out of the soil and the soil collapses. This situation occurs throughout the United States, but has had more impact in California, Texas, and Arizona.

**SUGAR LAND 101:** A municipal government course sponsored by the City, educating future City leaders in the workings of the Sugar Land Municipal Government.

**SUGAR LAND DEVELOPMENT CORPORATIONS:** Corporations that are financed by additional sales taxes approved by the voters. State law allows the City to collect this sales tax to assist in the promotion, enhancement, and development on behalf of the City.

**SUGAR LAND TOWN SQUARE DEVELOPMENT AUTHORITY:** A local government corporation created by the City for the sole purpose of carrying out the necessary tasks to accomplish the Town Square project.

**SUPPLIES:** A cost category for minor items (individually priced at less than \$500) required by departments to conduct their operations.

**SURFACE WATER:** Drinking water can come from either ground water sources (via wells) or surface water sources (such as rivers, lakes, and streams). Nationally, most water systems use a ground water source (80%), but most people (66%) are served by a water system that uses surface water. Large metropolitan areas tend to rely on surface water, whereas small and rural areas tend to rely on ground water.

## T

**TAX LEVY:** The total amount to be raised by general property taxes for purpose specified in the Tax Levy Ordinance.

**TAX RATE:** The amount of tax levied for each \$100 of taxable valuation. The tax rate multiplied by the taxable valuation equals the tax levy.

**TAXES:** Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

**TEXAS COMMISSION ON LAW ENFORCEMENT OFFICERS STANDARDS AND EDUCATION (TCLEOSE):** A commission that allocates funds each year to public safety agencies in Texas earmarked for peace officer training based on the number of peace officers on staff for each agency.

**TEXAS DEPARTMENT OF TRANSPORTATION (TxDOT):** A state agency that provides funding, with a local match, for improvement of state highways within the City limits.

## U

**USER FEES:** The payment of a fee for direct receipt of a public service by the party benefiting from the service.

## W

**WATER CONTROL IMPROVEMENT DISTRICT (WCID):** A special purpose district established to provide water and sewer facilities and services within the district. The District has taxing authority separate from any other taxing

authority, and maybe, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds.

WORKING CAPITAL: Is the current assets less current liabilities.

**Y**  
YIELD: rate earned on an investment based on the cost of the investment, the par value of the investment, plus interest to be earned to maturity, and less any accrued interest.

# Acronyms

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## A

AED: Automated External Defibrillator  
ADA: Americans with Disability Act  
AFIS: Automated Fingerprint Identification System

## C

CAC: Community Action Center  
CAFR: Comprehensive Annual Financial Report  
CDBG: Community Development Block Grant  
CID: Criminal Investigation Division  
CIP: Capital Improvement Program  
CO: Certificate of Obligation  
CPR: Cardiopulmonary Resuscitation

## D

DEM: Department of Emergency Management  
DPS: Department of Public Safety

## E

EMS: Emergency Medical Service  
EOC: Emergency Operations Center  
EPA: Environmental Protection Agency

## F

FAA: Federal Aviation Administration  
FBISD: Fort Bend Independent School District  
FBO: Fixed Base Operator  
FEMA: Federal Emergency Management Agency  
FMPS: Financial Management Policy Statements  
FTE: Full-time Equivalent  
FY: Fiscal Year

## G

GAAP: Generally Accepted Accounting Principals  
GASB: Governmental Accounting Standards Board  
GFOA: Government Finance Officers Association  
GIS: Geographic Information Systems  
GRP: Groundwater Reduction Plan

## H

H-GAC: Houston - Galveston Area Council  
HAZ-MAT: Hazardous Materials

## K

KSLB: Keep Sugar Land Beautiful

## L

LID: Levee Improvement District  
LLEBG: Local Law Enforcement Block Grant

## M

M&O: Maintenance and Operations  
MG: millions of gallons  
MGD: millions of gallons per day  
MSA: metropolitan statistical area  
MUD: Municipal Utility District

## O

O&M: Operations and Maintenance

## P

PER: Preliminary Engineering Report  
PM: Preventative Maintenance  
PO: Purchase Order

## R

RFP: Request for Proposal  
RFS: Request for Services  
ROW: Right-of-Way

## S

SCADA: Supervisory Control and Data Acquisition  
SPA: Strategic Partnership Agreement  
STEP: Selective Traffic Enforcement Program  
SWAT: Special Weapons and Tactics

## T

TCEQ: Texas Commission of Environmental Quality. The name changed from TNRCC effective September 1, 2002  
TEEX: Texas Engineering Extension Service  
TMRS: Texas Municipal Retirement System

## V

VOIP: Voice over Internet Protocol

## W

WCID: Water Control Improvement District