



ANNUAL BUDGET FY2020-2021



**ADOPTED
SEPTEMBER 2020**

CITY OF FREEPORT
www.freeport.tx.us



City of Freeport

Fiscal Year 2020-2021

Required Budget Cover Page

Adopted September 8, 2020

Required Notice:

“This budget will raise more revenue from property taxes than last year's budget by an amount of \$153,321, which is a 4.89 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$183,407.”

FOR: Mayor, Brooks Bass
Councilmember Ward A, Ken Green Councilmember Ward B, Jerry Cain
Councilmember Ward C, Sandra Loeza Councilmember Ward D, Roy Yates

AGAINST: N/A

PRESENT and not voting: N/A

ABSENT: N/A

Property Tax Rate Comparison	2020-2021	2019-2020
Property Tax Rate:	0.615859	0.628005
No New Revenue Tax Rate:	0.615859	0.618092
No New Revenue Maintenance & Operations Tax:	0.512688	0.495876
Voter Approval Tax Rate:	0.628959	0.645579
Debt Rate:	0.098327	0.110033



PRINCIPAL OFFICIALS

Mayor

Brooks Bass

City Council

Ward A	<i>Ken Green</i>
Ward B	<i>Jerry Cain</i>
Ward C	<i>Sandra Loeza (Mayor Pro Tem)</i>
Ward D	<i>Roy Yates</i>

Management Team

City Manager, *Tim Kelty*

Assistant City Manager/Finance Director, *Stephanie Russell*

City Attorney, *Chris Duncan*

City Secretary, *Betty Wells*

Destinations Director, *LeAnn Strahan*

Director of Community Development, *Billy Shoemaker*

Director of Economic Development, *Courtland Holman*

Director of Human Resources, *Brenda Miller-Ferguson*

Director of Public Works, *Lance Petty*

Fire Chief, *Chris Motley*

Golf Course Director, *Brian Dybala*

Police Chief, *Ray Garivey*



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Brooks Bass
Mayor

Tim Kelty
City Manager

September 8, 2020

Dear Mayor & Council:

In accordance with our City Charter and State law, the City of Freeport Adopted Budget for Fiscal Year 2020-2021 is enclosed. This year’s budget maintains existing service levels, invests in city infrastructure, and implements City Council priorities.

Financial Summary

The Adopted Budget includes a tax rate of \$0.615859 which is equal to the No-New-Revenue rate and below the Voter Approval and De Minimis rates. This rate will enable the City to maintain current service levels throughout all departments. Overall, the General Fund Budget has expected excess revenue less expenditures of over \$540,000. The total Budget (which includes all Funds) is approximately \$29.7 million.

Short Term Factors and Priorities

There are several short-term factors that were taken into consideration during the development of this budget:

Streets and Drainage Maintenance & Rehabilitation

Street maintenance and rehabilitation continues to be an ongoing issue and priority for the City. To address this, the City has been investing money in its infrastructure each year. Over the last three years, the City has spent an average of over \$800,000 a year. In FY2020-2021, the City will invest over \$2.7 million in streets and drainage projects. The majority of this will be funded by the 2020 Bond Issuance which includes a plan to invest this much three years in a row.

Solid Waste Services

Solid Waste services have been an ongoing issue. Additionally, the residential service contract for solid waste will be coming up for renewal. Therefore, staff will be bidding out this service over the next fiscal year.



Housing

The existing housing stock within the city has a high proportion of homes over 30 years in age. The median home value is lower than comparison communities and many older homes are in need of repair or improvement. Safety concerns with some existing buildings require involvement of City code enforcement personnel.

City Hall Renovation

The City is in the process of completing a feasibility study to renovate City Hall and move Council Chambers from the Police Department. The currently building is approximately 38,000 square feet consisting of three floors. The HVAC system and main elevator were replaced in 2019. The building currently serves as City Hall and leased space to Olin Corporation (third floor), Gulf LNG, Amistad, Brazosport Hispanic Chamber, and Creative Design Marketing. Additionally, there has been recent interest in leasing additional space at City Hall.

Based on the discussion and direction from Council in February, staff has developed the following scope of work for renovations to City Hall:

- Design of a new Council Chambers and Court room;
- Addition of bathrooms on the first floor;
- Provide adequate breakroom facilities for staff on the first floor;
- Renovation of bathrooms on the second floor;
- Evaluation of space needs to determine the most efficient floor plan;
- Increasing security;
- Bringing the building up to code;
- Adding and removing walls to maximize space; and
- Interim Continuity of Operations plan during construction.



Funds for the construction of the renovation have been included in the 2020 Bond Issuance.

Upgrade to Financial Software

The City currently utilizes Incode Version 9 by Tyler Technologies for Accounts Payable, Check Reconciliation, Cash Collections, Court System, Fixed Assets, General Ledger, Purchase Orders, and Utility System. The City currently utilizes Paycom for timekeeping and outsourced payroll. Permits currently utilizes GovQA and Incode Cash Collections. Over the next year, the City will be converting to one system that can integrate all of these functions, increase efficiencies, and enhance our online accessibility. Council approved the upgrade to Incode 10 with Tyler Technologies in FY2019-2020 and implementation will occur during FY2020-2021.



Electronic Records

In today’s day and age, cities are becoming ever more digitally oriented. In an era that demands more and more transparency, responsiveness to public information requests is very important. Freeport has tried to keep up, and many documents are scanned by various departments, however that digital data is not complete, not well-organized, nor searchable. The new Incode version also allows for a separate stand-alone document management component.

Grant Funding

The General Land Office has announced the kick-off of the application process for the first round of more than \$2.3 billion for mitigation projects to protect Texas communities hit by Hurricane Harvey and severe flooding in 2015 and 2016. During the first round, the GLO will conduct three (3) competitive application programs from the CDBG-MIT Action Plan. Those programs include: 2015 Floods State Mitigation Competition (\$46,096,950), 2016 Floods State Mitigation Competition (\$147,680,760) and Hurricane Harvey State Mitigation Competition Round 1 (\$1 billion of \$2,144,776,720 total). The City will be applying for funding under this program during FY2020-2021. Additionally, the City is in the process of seeking financing and funding from the Texas Water Development Board.

Legislative Changes

The last legislative session had major impacts on local government. The legislature will meet again in FY2020-2021 which could result in further changes. Thus, the City will need to develop, adopt and advance legislative agenda for the 87th Legislative Session.

Impacts from COVID-19 Pandemic

The full impact of the COVID-19 Pandemic has yet to be realized. While the City has not yet experienced a downturn financially, it is uncertain what the future impacts will be. Thus, this budget has been developed conservatively to combat unanticipated revenue losses.

Long Term Factors

There are several long-term factors that were taken into consideration during the development of this budget:

Stormwater

The city for the last 5 years has been a MS4 (Multiple Separate Storm Sewer System) Community as mandated by TCEQ and the EPA. This added another unfunded layer of mandatory enforcement and mitigation responsibility on the city.

While the city’s levy and pump system were well designed, there are still a few areas, like under the railroad trestle on 2nd street and Velasco Blvd., that need additional evaluation and additional infrastructure. Also, the City needs to map and quantify all of its below ground and above ground drainage system and implement more systematic infrastructure maintenance.

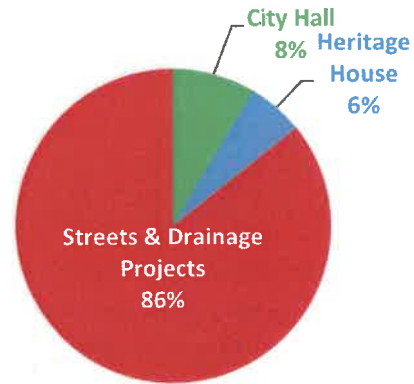


Dedicated funding for all of these issues can be established through the development of a Stormwater utility. Like water and sewer, a stormwater utility assesses a monthly or annual stormwater fee that is permanently restricted to storm water maintenance and improvements.

Implementation of 2020 Certificate of Obligation Bonds

The City paid off its 2003 Certificate of Obligation bonds series in FY2018-2019. In order to maintain a level debt rate, the City advanced some of its debt service payments for its 2008 Certificate of Obligation bonds series this fiscal year. To continue maintaining a level debt rate in FY2020-2021, staff proposes issuing new debt. The City solicited an offering for sale of \$7,215,000 Combination Tax and Revenue Certificates of Obligation, Series 2020. The Certificates will be dated August 1, 2020. Interest will accrue from the date of initial delivery (expected to be August 24, 2020) and will be due on April 1, 2021, and each October 1 and April 1 thereafter until the earlier of maturity or prior redemption.

BOND PROJECTS



The bond includes the construction of improvements and equipment of the following:

- Streets, sidewalks and related infrastructure;
- Drainage facilities;
- City hall;
- Parks and recreational facilities (including renovations to the Heritage House); and
- the costs of related professional services.

The list of specific Streets and Drainage Infrastructure projects will be developed through the budget process each year, however; the intent is that the projects will spread equitability amongst all Wards in the City. Below is the summary of the expenditures included in the budget.

Bond Projects	FY2020-2021	FY2021-2022	FY2022-2023	TOTAL
Street & Drainage projects	2,500,000	2,125,000	1,750,000	6,375,000
Velasco Pump Station Improvements	252,000			252,000
Heritage House Renovation	375,000			375,000
City Hall Renovation	675,000			675,000
Total	\$3,802,000	\$2,125,000	\$1,750,000	\$7,677,000



Water & Wastewater

The City is plagued by a leaky sanitary sewer system. Whenever it rains infiltration and inflow (I&I) enters into the system overwhelm the collection system’s capacity in many areas all over the City. In 2014, the Texas Commission on Environmental Quality (TCEQ) and the city entered into a voluntary compliance agreement in which the city agreed to take steps to mitigate and reduce I&I. Freese and Nichols has been asked to review that order along with any measures the city has taken in the last 5-years to comply.

The city also suffers from frequent water main breaks and leaks. Aging underground infrastructure is the cause, and the only solution is to replace the infrastructure with new lines and valves.

Finally, the city lacks up to date accessible mapping of all of our water and sewer infrastructure. All water and sewer infrastructure should be geo-located, and the data entered as a separate layer on a GIS system, for efficient use and maintenance.

The City recently completed a utility rate study to determine the true costs and appropriate rates to provide adequate funding for both ongoing operations and maintenance as well as capital investment in infrastructure. A rate increase was recently approved therefore; revenue and expenditure projections included in this study have been included in the FY2020-2021 Budget.

Annexation

The city of Freeport is limited geographically in its ability to support large new residential development tracks. While there are many scattered sites for residential development, and the number of new residential construction permits continues to increase rapidly, Freeport will struggle to add the “roof tops” it needs in order to significantly change the trajectory of retail development here. The solution lies in annexation.



Both the scope and legal ramifications of aggressively pursuing annexation needs planning. Annexation laws in recent years have become very complicated and cumbersome but it is still possible to do the annexation necessary to allow for future residential growth and retail growth. We will need to engage the planning and engineering services of Freese and Nichols, along with the annexation experts at Olson and Olson to make this happen. It is recommended that we pursue this as quickly as possible because there has been a continuing effort in Austin to curtail cities’ ability to grow through annexation.



Major Changes to General Fund Revenues

Overall the projected revenues for the FY 2020-2021 General Fund Budget are over \$16.5 million which is down, over \$286,000 from last fiscal year.

Property Tax

- Senate Bill 2 (SB2), also known as the Texas Property Tax Reform and Transparency Act of 2019, was passed by the Texas Legislature in 2019. At its most fundamental level, SB2 reforms the system of property taxation in three primary ways: (1) lowering the tax rate a taxing unit can adopt without voter approval and requiring a mandatory election to go above the lowered rate; (2) making numerous changes to the procedure by which a city adopts a tax rate; and (3) making several changes to the property tax appraisal process.
- Valuations have increased over 10% from 2019, putting the 2019 property tax rate (\$0.628005) above the Voter Approval Rate (formerly known as the Rollback Rate). Thus, the FY2020-2021 Budget includes a tax rate equal to the No-New Revenue Rate and below the Voter Approval Rate.
- Due to the bond issuance underway, the final calculations will be updated and included in the final budget.

Sales Tax

- Sales tax has been decreasing overall from the last fiscal year. In looking at historical trends, FY2019 and FY2017 appear to be outliers. When removed, this fiscal year's revenue is in line with prior years. Therefore, staff recommends budgeting based on the average of 2015, 2016, 2018 and 2020.
- Additionally, the City entered into a 29 – month payback agreement of \$18,402 for the first 28 months and \$18,380.43 for the last month to refund a taxpayer that overpaid \$533,636.43 in local sales.

Industrial Development Agreements

- The City has three Industrial Development Agreements: Brazosport IDA (Interlocal with Lake Jackson and Clute), Freeport IDA, and Freeport LNG. Brazosport IDA and Freeport IDA, are calculated based on property values or CPI – whichever is greater. Freeport LNG Industrial District payments are made in accordance to a payment schedule outline in the agreement.

Other Taxes

- Other Taxes includes franchise fees and Mixed Beverage Tax. These taxes have been updated based on actuals year to-date.

Fines & Forfeits

- Court fines and forfeits are projected to remain flat over the next year due to the COVID-19 pandemic.



Charges for Service

- Golf Course Revenue has been updated to on prior and current actuals.
- Parks & Recreation Rentals have been lumped into Parks Rental due to lack of consistent tracking in prior years. Moving forward, each rental property will be individually tracked.

Intergovernmental Income

- The City has interlocal agreements with the City of Oyster Creek and Commodore Cove to provide EMS services - these contributions are reflected under EMS Rev - Interlocal (\$233k).
- A grant from DJ-Edward Byrne Memorial Justice Assistance Grant (JAG) Program for PD is anticipated and included in the FY2020-2021.

Investment Earnings

- The City has been earning significant interest on the \$5.5M received from Dow in FY2018-2019. As the City spends this funding, interest earnings are anticipated to decrease accordingly in addition to decreasing interest rates due to the COVID-19 pandemic.

Lease Income

- The City has several facilities that it currently leases anticipated to bring in over \$282,000 in FY2020-2021 Lease Income.

Licenses & Permits

- Revenue has been added under Permits-Misc. to account for anticipated Engineering Services needed for new plat and plan submittals. This revenue is offset by an expenditure under Building.

Major Changes to General Fund Expenditures

Overall, the General Fund is expected to have over \$540,00 in excess revenue less expenditures. Additionally, there is excess fund balance that staff is proposing to use towards Capital Expenses over \$919,000 still leaving an available fund balance of over \$896,000.

Employee Compensation and Benefits

- In order for the City to remain competitive, a 3% merit increase has been included in the budget under Salaries. Additionally, a Salary Market Study is underway so funding has been set aside as a placeholder to begin implementation of recommendations.
- The City solicited proposals for renewal of Group Medical Insurance and will realize a five percent decrease medical insurance premiums. Part of these savings are to be used to increase its contribution towards dependent medical insurance from 20 to 40 percent. These benefits will increase the competitiveness of the City's compensation package during future recruitment and ongoing retention.



- The City’s contribution to the Texas Municipal Retirement System (TMRS) has been decreased due the decrease in rates starting January 1, 2020.
- Unemployment Insurance was previously accounted for under Administration but is now allocated according to Department.

Utilities & Fuel

- Due to COVID-19, the City has experienced a decrease in utility and fuel cost – the Consumer Price Index has gone down 1.6% since April 2019. It is uncertain how long the downward trend will continue to expenditures have been estimated to remain flat in the coming year.

Administration

- New mid-level position added under Finance to assist with Purchasing, Grant Administration, Fiscal Analysis, and General Ledger Reporting.
- Additional funding has been added for two elections - November 2020 and May 2021.
- Legal Services was added as a separate account and a \$150,000 placeholder was included.

Police Department

- One time increase to furniture & fixture budget to replace CID & Sgt Chairs.
- Requested upgrade to existing Laserfiche platform adding additional \$1,000.00 to yearly maintenance cost.
- Offset dispatch console grant cost with yearly maintenance & warranty fee of \$22,291.25.

Fire/Emergency Management & EMS

- Departmental software for fire reporting and inspections has been consolidated into one-line item.

Community Development

- Upgraded Clerk to Coordinator and one Code Compliance Officer to a Supervisor.
- Added funds for Tire and Paint disposal under Code Enforcement.
- Added funds to purchase I-Pads for compatibility with EnerGov under Office/Computer Supplies.

Public Works

- The Streets and Drainage, Service Center, and Parks divisions were combined under Public Works in FY2020.
- The new Director of Public Works position was added, the Parks and Recreation Director position has been eliminated, and Technician position was changed to Field Crew.
- Funding has also been added for training.



Culture, Recreation, and Tourism

- The Recreation Center, Historical Museum, Library and Sr. Citizen Commission divisions were combined under this new department in FY2020.
- Added copier lease under Electronics/Computer Maintenance.
- Moved Daddy Daughter Dance from Museum Fundraiser account to Special Events.
- Added funds for Riverfest, under Rec Center Special Events.
- Increased staff training, memberships & conference.

Transfers

- Based on the estimated included in the Utility Rate Study, the Water & Sewer Fund will transfer \$150,000 to the General Fund in FY2020-2021.
- To continue to track and allocate funding for capital improvements transfers will be made to the Streets and Drainage Fund, Facilities and Grounds CIP Fund, Vehicle and Equipment Replacement Fund, and new Information Technology Fund.

Water & Wastewater Utility Fund

- Revenue and expenditures have been increased per the Utility Rate Study projections.
- Salaries have been increased up to 3% for merit increases in 2020.
- The City's contribution to dependent and spousal coverage has been increased to 40%.
- The Utility Fund will make a \$150,000 transfer to the General Fund.

The City is in the process of seeking financing and funding from the Texas Water Development Board. As part of the process, assessments have been completed and estimated cost for improvement projects are laid out below. As funding becomes available, these will be added to the budget.

Water and Sewer Capital Projects	2020-2022	2023-2024	TOTAL
Waste Water Treatment Plant Improvements	\$7,445,000		\$7,445,000
WWTP Improvements		\$911,000	\$911,000
Waste Water Lift Station Improvements	\$1,025,850		\$1,025,850
WW Lift Station Improvements		\$2,190,000	\$2,190,000
Water System Improvements	\$1,919,000		\$1,919,000
Wastewater I&I Improvements	\$3,610,150		\$3,610,150
Wastewater I&I Improvements		Unknown	
ESTIMATED TOTAL	\$14,000,000	\$3,101,000	\$17,101,000



Debt Service Fund

The City paid off its 2003 Certificate of Obligations in FY2018-2019 leaving the 2008 Certificate of Obligations as the only outstanding bond in FY2019-2021. Therefore; to balance payments over time, the FY2020-2021 2008 Certificate of Obligation principal payment was made in FY 2019-2020. This allowed the City’s Interest and Sinking Property Tax Rate as well as its overall Tax Rate to remain level.

The City recently issued a new Certificate of Obligations. The bids were received in August 3, 2020, therefore; the Budget has been developed utilizing estimated figures for the new issuance.

Other Funds

- The Streets & Drainage Fund, Facilities and Groups CIP Fund, Vehicle and Equipment Replacement Fund were established in FY2019-2020. The Information Technology Fund is has been created in FY2020-2021 to track and allocate IT expenses. While, this could be done under the General Fund, having a sperate fund allows the City to track and keep in savings in the fund for future infrastructure projects.
- The Hotel-Motel Tax Fund allocates the use of hotel occupancy tax (HOT Tax) revenue is specified by Chapter 351 of the Texas Tax Code. HOT tax revenue may only be used to promote tourism and the local convention and hotel industry. FY2021 expenditures are for regional tourism initiatives and a Visitor Center Kiosk.
- The Marina Fund was established in FY2019-2020 to track revenue and expenditures regarding boat operations.
- The Court Security Fund was established in FY2018-2019 and is used to fund computer and software items related to Court activities.
- The Court Security Fund was established in FY2018-2019 and is used to fund security activities related to the court, including the Bailiff.
- The State and Federal Seized Funds are newly established Special Revenue Funds to appropriately track State and Federal Narcotics seizures that may only be used for Police activities.

The City works very hard to find ways to live within our means. The City’s revenue limitations and continuous fluctuations in the market, regulatory and legislative mandates require continual examination of the types and levels of service we can provide to our citizens. As a city government, we will meet the financial challenges and continue to strive for an elevated level of service to this community.

Respectfully,

Timothy Kelty
City Manager



Community Information & History

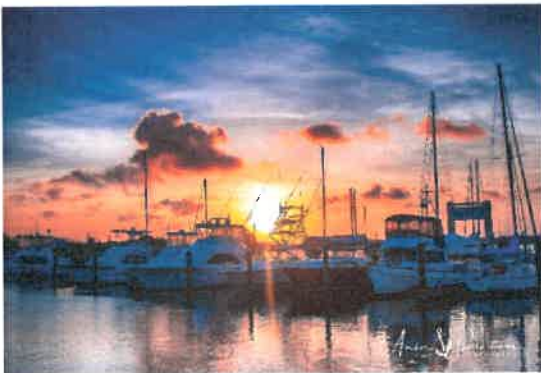
The Community

Ideally situated on the central Gulf Coast, the City of Freeport, Texas, is approximately 60 miles south of Houston and 45 miles southwest of Galveston in Brazoria County. Freeport is home to over 12,000 residents who enjoy beautiful beaches, outstanding offshore fishing, and a welcoming, small-town atmosphere, and is part of the Brazosport, Southern Brazoria County area.



Freeport is home to Port Freeport, one of the most accessible ports on the Gulf Coast. The Port first came into being more than 100 years ago when the first jetty system was built in Freeport. Since that time, it has become one of the fastest growing ports on the Gulf Coast and is a leading economic catalyst for the Texas Gulf Coast. The port currently ranks 26th among U.S. ports in international cargo tonnage handled. With a current channel of 45-foot depth and just three miles from open Gulf of Mexico waters, Port Freeport is achieving remarkable profits, enjoying growth at a phenomenal rate, and creating thousands of jobs in Brazoria County.

Freeport is a great place to live, work, and raise a family. Brazosport ISD, an award-winning school district, serves several communities including Freeport, and encompasses 200 square miles in Brazoria County. Brazosport College, conveniently located in nearby Lake Jackson, offers science and liberal arts associate degrees.



Freeport offers numerous family-oriented water and outdoor activities, including beach combing, water skiing, jet skiing, inshore fishing, offshore fishing, surf fishing, deep sea diving, and swimming. Freeport has 3.5 miles of beach along the Gulf of Mexico, and the City prides itself on providing a litter-free and clean beach for all families to enjoy. The City hosts several fishing tournaments each

year for children and adults. At Bryan Beach, you can enjoy a stroll along the beach looking for sea shells or, for the more adventurous, jet skiing or wind surfing is available.

The City's public beaches, municipal golf course, and park events attract thousands of tourists to Freeport each year. Truly an outstanding birding location, Freeport ranks as one of the top areas in the nation for a number of species. The Freeport Municipal Park is home to many family-oriented events each year, including the Texas Joy Ride Rod Run, a unique event in which hundreds of antique cars come from all over the United States to participate in the competition and enjoy a fun weekend in the park.

History

Freeport has a rich history. In 1528, Cabeza de Vaca landed in the area and named the river "Los Brazos de Dios." In 1822, Stephen F. Austin landed at the mouth of the Brazos River and founded Velasco. In the next 15 years, about 25,000 people entered the Republic of Texas through Velasco. In 1836 following the decisive battle of San Jacinto, Velasco was made the first capital of the Republic of Texas by interim President David G. Burnet.

In 1929, the river was diverted south of town, leaving the Old Brazos riverbed as a protected harbor leading to the Gulf of Mexico. Originally two towns, Velasco & Freeport, on opposites of the Old Brazos River, joined to become the City of Freeport in 1957. Freeport is a part of the Texas Independence Trail.

Demographics

The City has a median household income of \$38,420 and a median home value of owner-occupies housing is \$75,700.

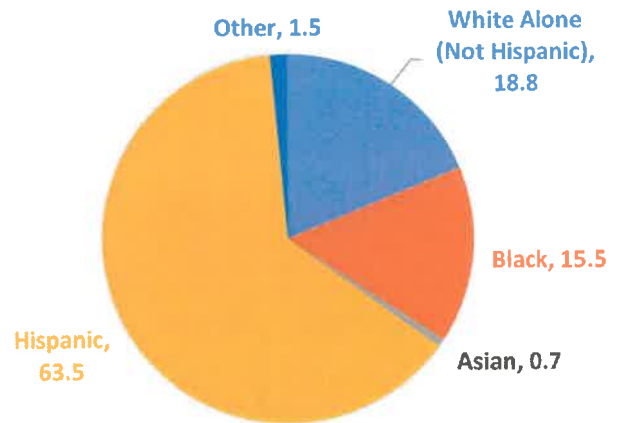
Population

2010	12,049
Current	12,136

Housing

Owner Occupied	46.8%
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RACE/ETHNICITY (%)



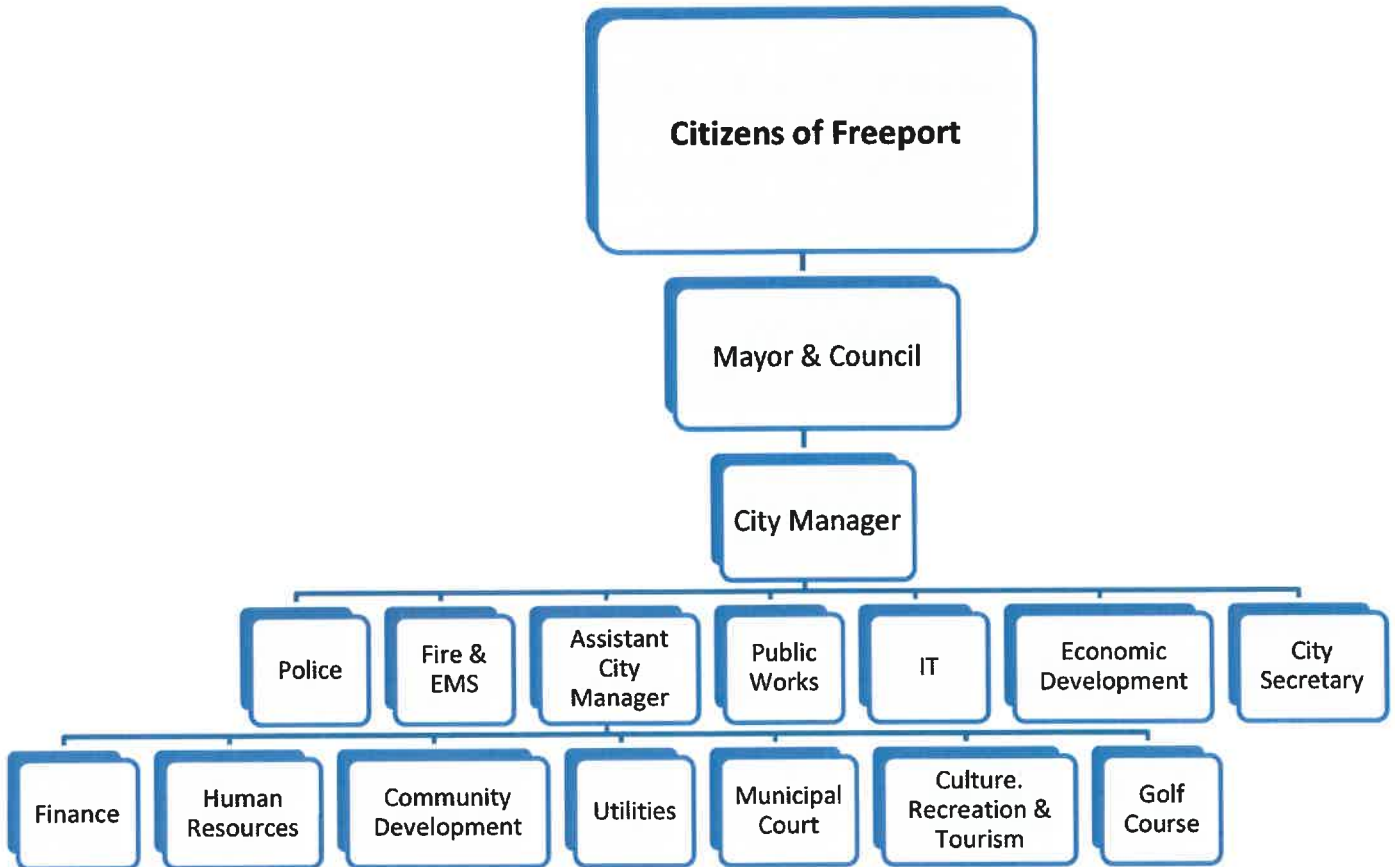
Top Taxpayers from 2019

1. American Rice
2. Bankers Commercial Corporation
3. Freeport LNG Development
4. Wells Fargo Equipment Finance Inc
5. CenterPoint Energy
6. Freeport Welding & Fab
7. Air Liquide Large Industries US
8. ZT East Houston Property
9. NV2 Sienna Villas
10. Wolverine Kings Road LP

Top Employers from 2020

1. The Dow Chemical Company
2. Olin Corporation
3. Flour
4. BASF Corporation
5. Excel
6. Turner Industries
7. KBR
8. Freeport LNG
9. Vernor Material & Equipment
10. Freeport Welding & Fabrication

Organizational Chart





Freeport Strategic Community Plan Action Items

The goals in this 2019 Strategic Community Plan included a list of key action strategies derived from the various plan elements. The action strategies have been categorized regarding those actions that will involve (1) capital investments, (2) programs and initiatives, (3) regulations and standards, (4) partnerships and coordination, and (5) targeted planning/studies.

Land Use and Growth

Priority		Yrs 1-2	Yrs 3 - 9	10+ Yrs
CAPITAL INVESTMENTS				
1	Formalize use of a Capital Improvements Program (CIP) to prioritize infrastructure projects in areas of highest need and areas identified for growth and revitalization.	X	X	X
2	Increase demolitions and funding for repairs of properties that pose hazards to life, health, or safety.		X	
PROGRAM AND INITIATIVES				
2	Implement a rental registration and inspection program to improve housing condition of rental properties.		X	
1	Increase resources devoted to code compliance and measure results.	X		
2	Develop and maintain a GIS inventory of vacant properties that are City-owned and available for incentives and development.		X	X
REGULATIONS AND STANDARDS				
1	Update development regulations to ensure adequate mechanisms to accomplish community objectives, including zoning and subdivision regulations.	X	X	
2	Incentivize housing development through clear policies and tools, which may include property tax abatement, fee waivers, public infrastructure funding, or creation of special districts.		X	
PARTNERSHIPS AND COORDINATION				
3	Produce educational materials for homeowners detailing homeowner versus City property maintenance responsibilities.		X	
TARGETED PLANNING/STUDIES				
1	Develop utility master plans and a parks and recreation master plan. Ensure the new plans are based on public engagement and made available to the public.	X	X	

Freeport Strategic Community Plan Action Items

Transportation and Mobility

Priority		Yrs 1-2	Yrs 3 - 9	10+ Yrs
CAPITAL INVESTMENTS				
1	Conduct pro-active preventative maintenance on streets and sidewalks and targeted reconstruction in locations with deteriorated conditions.	X	X	X
1	Prioritize street and sidewalk construction and rehabilitation projects in a multi-year Capital Improvements Program (CIP).	X	X	X
3	Upgrade City transportation facilities such as a City fueling station.		X	X
PROGRAM AND INITIATIVES				
2	Establish a Safe Sidewalks Program to identify, utilizing GIS mapping, where unsafe or poorly maintained sidewalk exist or where sidewalks are absent but needed.		X	
REGULATIONS AND STANDARDS				
2	Require a Traffic Impact Analysis study if projected traffic from a new development will exceed an established traffic generation threshold.		X	X
1	Adopt road design standards that establish materials and maintenance requirements in an Infrastructure Design Manual.	X	X	
PARTNERSHIPS AND COORDINATION				
2	Consider establishing and hosting a formal quarterly meeting of key transportation-related officials in Freeport to facilitate better coordination of transportation planning goals and projects, including the City, Freeport Police and Fire, Port Freeport, Brazosport ISD, Brazoria County, Gulf Coast Center, H-GAC and TxDOT.	X	X	
2	Establish an interlocal agreement with Brazoria County that outlines street construction standards and cost-sharing in mutually beneficial construction projects.		X	
1	Coordinate with the Gulf Coast Center (Southern Brazoria County transit provider) to ensure that transit routes and schedules are meeting the needs of Freeport residents. Work with GCC to get route maps published and distributed.	X	X	X
1	Work with Union Pacific Railroad to identify railroad crossings that need safety improvements.	X		

Freeport Strategic Community Plan Action Items

Transportation and Mobility

Priority		Yrs 1-2	Yrs 3 - 9	10+ Yrs
PARTNERSHIPS AND COORDINATION				
1	Work with The Facts to educate the community on railroad crossing safety issues.	X		
2	Actively participate in regional transportation committees and initiatives including the Greater Houston Freight Committee and SH36A Coalition.		X	X
2	Maintain evacuation planning and public awareness of hazards and work to expand number of residents signed up for Everbridge notification system.		X	X
TARGETED PLANNING/STUDIES				
3	Consider applying for an H-GAC Livable Centers Study to explore land use/development and transportation strategies for a targeted area within Freeport.		X	
2	Develop a Pedestrian/Bicycle Master Plan that identifies and prioritizes sidewalk and bicycle facility needs and safety concerns.		X	
2	Conduct transportation modeling to examine the potential impacts of increased freight volumes.		X	
3	Plan for future transportation technology advancements such as electric and automated vehicles.		X	X

Freeport Strategic Community Plan Action Items

Growth Opportunities

Priority		Yrs 1-2	Yrs 3 - 9	10+ Yrs
CAPITAL INVESTMENTS				
1	Create a formal Capital Improvements Program (CIP). Wastewater treatment and collection system capital improvements should be identified in the CIP.	X	X	X
PROGRAM AND INITIATIVES				
1	Develop an easy-to-use system for residents to report needed infrastructure repairs or improvements.	X		
1	Create a Public Works Department and hire a Public Works Director to serve as single City point of contact for infrastructure.	X		
2	Develop an educational program that focuses on property owner versus City responsibility for maintenance of property.		X	
1	Establish compliance with the TCEQ's Sanitary Sewer Overflow Plan for the City through regular tracking of progress and compliance reporting.	X	X	
1	Create an infill development program focusing on City-owned vacant lots.	X		
REGULATIONS AND STANDARDS				
1	Update the City's development regulations and standards, including development of an Infrastructure Design Manual.	X	X	
2	Adopt design standards for infill development to ensure desired, compatible, and high-quality development outcomes.		X	
PARTNERSHIPS AND COORDINATION				
1	Establish a predictable footprint for Port Freeport based on City and Port needs.	X		
TARGETED PLANNING/STUDIES				
1	Prepare utility master plans for water, wastewater, and drainage systems, including GIS-based utility systems mapping.	X	X	

Freeport Strategic Community Plan Action Items

Economic Opportunity

Priority		Yrs 1-2	Yrs 3 - 9	10+ Yrs
CAPITAL INVESTMENTS				
1	Initiate infrastructure upgrades and repairs, prioritized through a formal Capital Improvements Program (CIP) process.	X	X	X
PROGRAM AND INITIATIVES				
2	Develop a positive narrative and marketing message for Freeport, including a branding and identity campaign.		X	
1	Pursue holistic revitalization of existing housing stock and neighborhoods through code enforcement and property maintenance assistance.	X	X	X
REGULATIONS AND STANDARDS				
1	Establish a clear set of economic development priorities, policies, and tools for the City and FEDC.	X	X	
1	Integrate appropriate residential protections and buffering into the City's development regulations upon establishment of a Port Freeport footprint.		X	
1	Update development regulations and standards to promote construction of quality and durable housing and neighborhoods.	X	X	
PARTNERSHIPS AND COORDINATION				
2	Establish a local business network to capitalize on strategic growth and investment opportunities.		X	X
2	Develop a Leadership Freeport program, focused on citizen leadership and education.		X	
2	Promote Port Freeport vibrancy through supporting funding applications, bonds and other measures.		X	X
TARGETED PLANNING/STUDIES				
1	Develop a mission statement, annual strategic report, and webpage for FEDC.	X		

Freeport Strategic Community Plan Action Items

Parks, Recreation, and Other Amenities

Priority		Yrs 1-2	Yrs 3 - 9	10+ Yrs
CAPITAL INVESTMENTS				
1	Develop a multi-purpose sports complex facility on the former Fleming Elementary School campus superblock.	X	X	
2	Upgrade the Recreation Center to offer improved amenities and programming based on community and user input.		X	X
2	Invest in improvements (signage, trails, lighting, programmed activities) that will increase visibility of and access to the Old River, Brazos River, Bryan Beach and Gulf of Mexico.		X	X
PROGRAM AND INITIATIVES				
2	Identify potential trail alignments and bicycle routes to better connect the community to parks, public facilities, schools, and natural areas.		X	
1	Organize a neighborhood watch program through the Police Department.	X		
2	Actively promote tourism to Freeport through targeted marketing of fishing, birding, and eco-tourism opportunities.		X	X
1	Develop branding for Freeport and pro-actively control the narrative of the City's image.	X	X	
REGULATIONS AND STANDARDS				
2	Integrate Crime Prevention Through Environmental Design (CPTED) principles in local design standards and practices, especially for public projects as examples.		X	
PARTNERSHIPS AND COORDINATION				
1	Explore partnerships with industry for funding summer and after school STEM based learning and activities.	X		
3	Create a Keep Freeport Beautiful affiliate organization.		X	
2	Develop a Leadership Freeport program, focused on citizen leadership and education.		X	
TARGETED PLANNING/STUDIES				
2	Develop a Parks and Recreation Master Plan to identify and prioritize park improvements based on public engagement.		X	

HOW TO USE THIS BUDGET DOCUMENT A READER'S GUIDE

The City of Freeport Budget Document provides comprehensive information about City policies, goals, objectives, financial structure, operations, and an organizational framework for the City. It provides the reader with estimates of revenue or resources available, and appropriations, or expenditures for the Fiscal Year 2019-2020.

This budget document includes mission statements, summaries, accomplishments, objectives, staffing levels and expenditures for each department.

BUDGET FORMAT

The document is divided into 11 sections: Introduction, Summaries, General Fund, Water & Sewer Fund, Debt Service Fund, Internal Service Funds, Special Revenue Funds, Capital Expenditures, Personnel Counts, Financial Policies, and the Appendices.

The Introduction Section includes the budget message, which explains the major policies and issues along with the budget process and long range plans for the City. It also includes a reader's guide on how to use this document, community information, budget-fund structure and relationship, budget process and calendar.

The Summary Section contains various summaries of the budget. The City budget is organized into funds. Each fund is a separate accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities, residual equities, and the changes therein are segregated and recorded.

The next three sections are the Fund Sections and are organized as follows: fund summary, statement of revenues, and expenditures by department. The Debt Service Fund section includes the fund summary and scheduled payments for outstanding debt. It is followed by Internal Service Funds (Building Maintenance, Vehicle Equipment Replacement, and Information Technology).

The Special Revenue Funds section consists of designated revenues. These revenues can only be used for specific purposes, some of which are mandated by state or federal regulations and/or laws.

The Capital Expenditures section includes the current projects and other capital expenditures.

The Financial Policies section includes long standing financial policies and practices enforced by the City relating to various financial aspects of City operations.

The Appendices section includes reference items such as a glossary of terms, Freeport Economic Development Corporation, along with the budget ordinance, and property tax rate ordinance.

If you need additional information you may contact Finance at (979) 233-3526.

BUDGET PROCESS

Budgetary Basis of Accounting

Budgets for the General, Special Revenue and Debt Service funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). The budgetary basis of accounting is different than the basis of accounting for auditing purposes. The City does not budget for all component units that are accounted for in the Comprehensive Annual Financial Report (CAFR).

City Plans

The City of Freeport’s Community Plan and 2020 Strategic Plan provided a roadmap for identifying needs over the next five years. The goal of the Plan is to provide a framework through which to manage financial decisions in order to achieve the City’s strategic goals and objectives. The Plan includes expenditure forecasts and assumptions. The Plan is used as a basis and guide for the development of the annual budget. A Long-Range Financial Plan is being developed to serve as a guide for both revenue and expenditure forecasts and assumptions.



Budget Process

The budget process starts many months before the adoption of the annual budget. Departments update their Strategic Plans annually beginning in April. In June, a workshop is held with Council to review the Plans and identify priorities. During the month of July, the departments submit their budgetary needs to the City Manager. On or before the first day of August each year, the City Manager is required to submit a budget to the City Council for the ensuing fiscal year with an accompanying message. The budget and all supporting schedules must be filed with the City Secretary when submitted to the City Council and open for public inspection.

The City Council must analyze the budget, making any additions or deletions that they feel appropriate and must, at least ten days prior to the beginning of the next fiscal year, adopt the budget. On final adoption by the City Council, the budget takes effect for the next fiscal year.

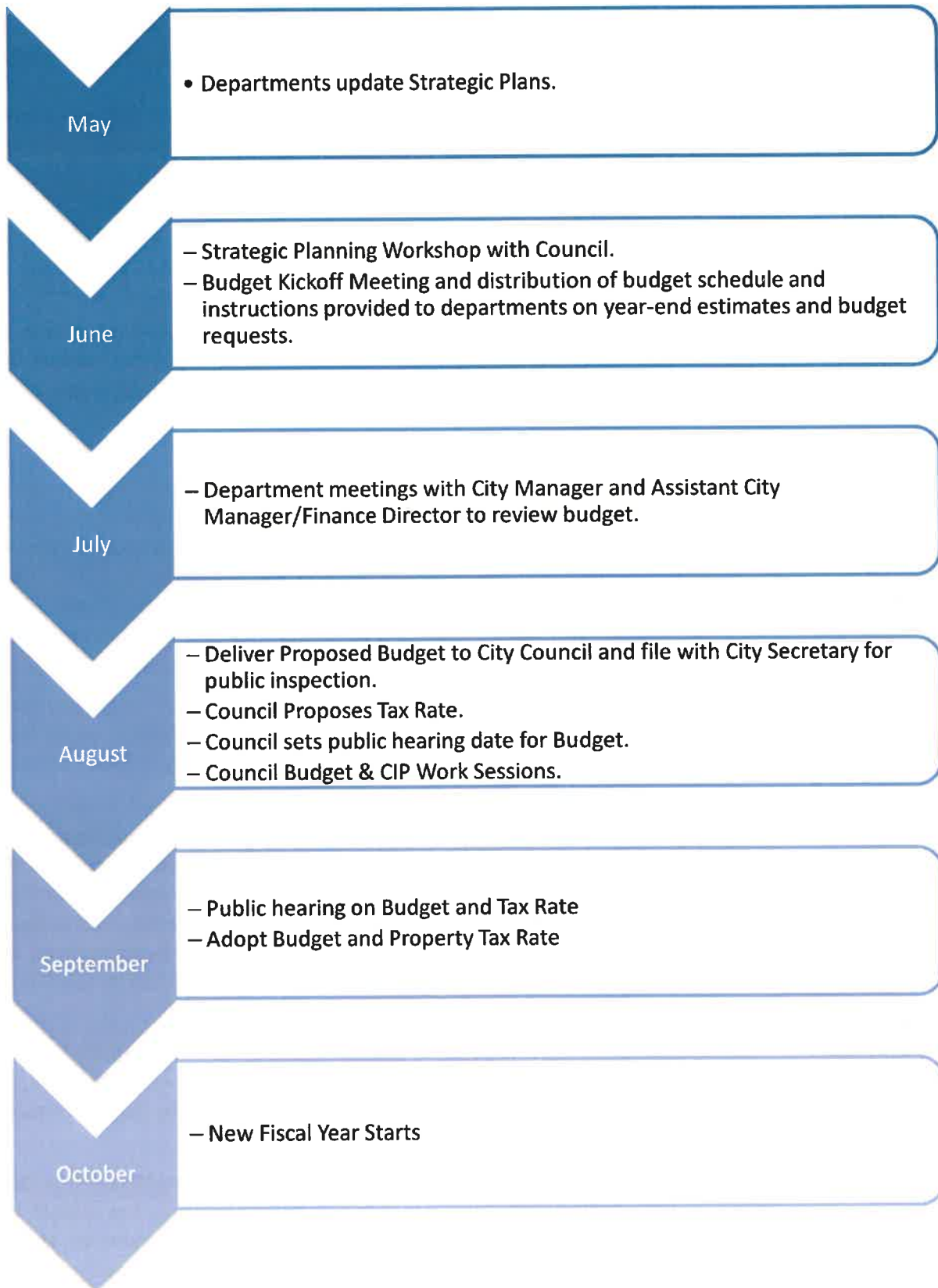


Adoption of the budget constitutes adoption of an ordinance appropriating the amounts specified as proposed expenditures and an ordinance levying the property tax as the amount of the tax to be assessed and collected for the corresponding tax year. A separate ordinance is adopted to set the tax rate. Estimated expenditures cannot exceed available resources. Unused appropriations may be transferred to any item required for the same general purpose, except when otherwise specified by the City’s charter or state law.

Throughout the year, departments may request a Budget Transfer to move funds within departments or programs with approval by the City Manager. Budget Amendments are requests to move funds between departments and/or change the total appropriation by fund and must be approved by the City Council.

Under conditions which may arise and which could not reasonably have been foreseen in the normal process of planning the budget, the City Council may amend or change the budget to provide for any additional expense in which the general welfare of the citizenry is involved. These amendments must be by ordinance, and become an attachment to the original budget.

BUDGET SCHEDULE

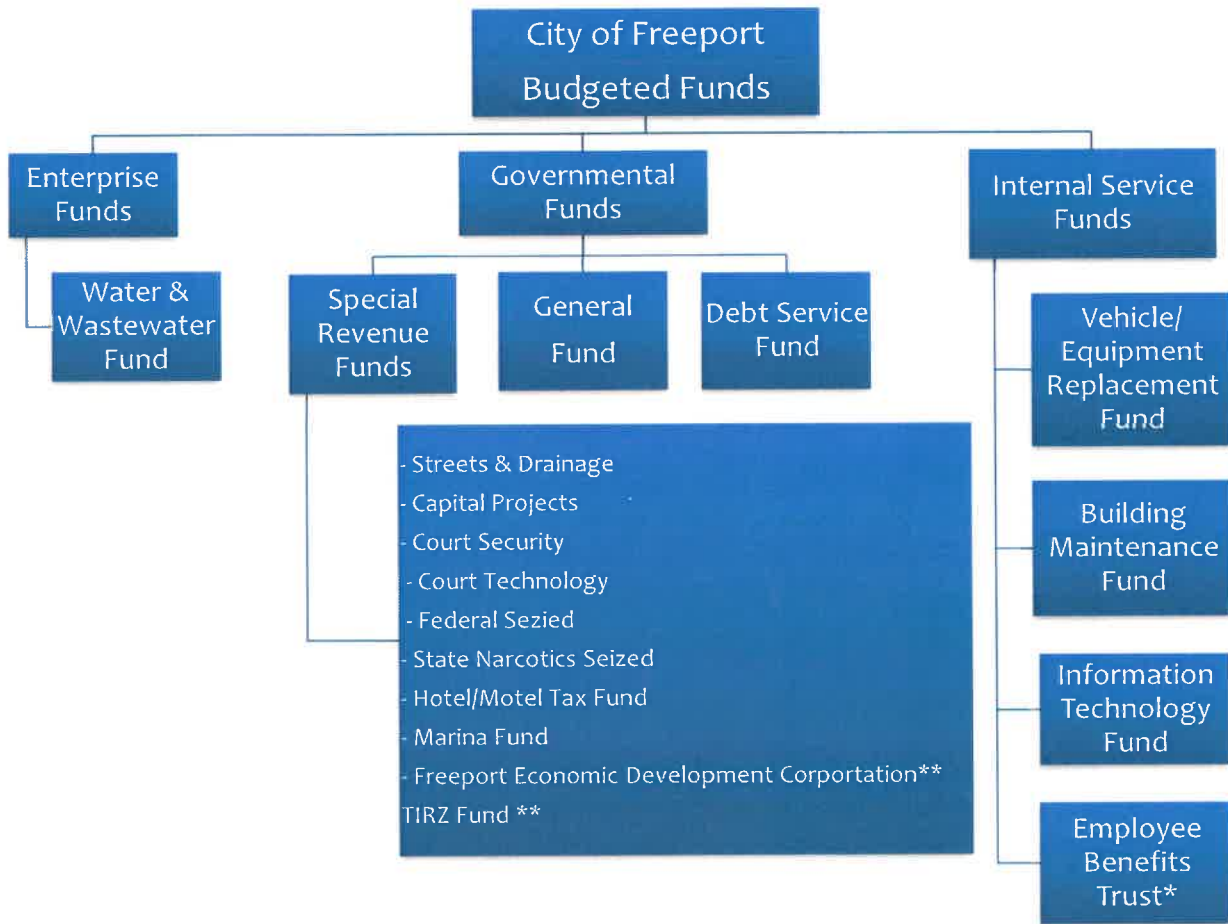


City of Freeport **Proposed FY2020-2021 Budget Calendar** FY2020-2021 Adopted Budget



		Regular Meeting		Special Meeting		Publication	
SUN	MON	TUE	WED	THU	FRI	SAT	
June							
21	22	23	24	25	26	27 Strategic Planning Workshop	
July							
28	29	30	1	2	3	4	
July							
5	6 Budget Workshop (as necessary)	7	8	9	10	11	
12	13 Budget Workshop (as necessary)	14	15	16	17	18	
19	20 Budget Workshop (as necessary)	21	22	23	24	25 Deadline for Certified Appraisal Roll (Tx Tax Code 26.01)	
August							
26	27	28	29	30	31 Proposed Budget Distributed to Council	1	
August							
2	3 Present Proposed Budget	4	5	6	7 Deadline to Post Tax Rates on City's Website (Tx Tax Code §26.04,e)	8	
9	10	11	12	13	14 Publish Notice of Budget Hearing Must be 15 days Prior (City Charter 9.06)	15	
16	17 Approve Tax Rates	18	19	20	21 Publish Notice of Tax Rate & Property Tax Hearings Must be at least 7 days before Hearing (Tx Tax Code 26.06)	22	
23	24	25	26	27 Deadline to File Proposed Budget with Municipal Clerk (TxLGC 102.005)	28	29	
September							
30	31	1	2	3	4	5	
September							
6	7 Budget Hearing, Adopt Budget, Public Hearing on Tax Rate Attendance is Crucial	8	9	10	11	12	
13	14	15	16	17	18	19	
20	21 Deadline to Adopt Budget (City Charter 9.10)	22	23	24	25	26	
October							
27	28	29 Deadline to Adopt Tax Rate (Tx Tax Code 26.05) Ratify Budget (Tx LGC 102.009)	30	1 New Fiscal Year Starts	2	3	

Budgeted Fund Structure



FUND DESCRIPTIONS:

General Fund: Accounts for all financial resources of the general operations except for those required to be accounted for in another fund. The General Fund generates the majority of its revenues from taxes, charges for services and franchise fees.

Debt Service Fund: Used for the payment of principal and interest on debt issued by the City as well as other fees associated with the issuance of debt.

Enterprise Fund: Used to account for the provision of water and wastewater services. All activities necessary to provide such services are accounted for in this fund.

Special Revenue Fund: Used to account for proceeds of specific revenue sources or legally restricted funds.

Internal Service Fund: Used to account for operations that are financed by users of the fund.

*To Avoid duplication, the Employee Benefits Trust is not a budgeted fund.

** The Freeport Economic Development Corporation and TIRZ Fund budgets are approved separately.

Department/Fund Relationship

Department	General Fund	Utility Fund	Debt Service Fund	Special Revenue Funds	Internal Service Funds
Administration	X		X	X	X
Community Development	X				X
Municipal Court	X			X	X
Police	X			X	X
Fire/EMS	X				X
Public Works	X		X		X
Golf Course	X				X
Culture, Recreation, Tourism	X			X	X
Water & Wastewater		X	X		X

City Wide Summary

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021
	Actual	Actual	Estimate	Budget	Proposed
Revenue					
Industrial Districts	5,971,350	7,532,865	7,640,258	7,969,830	7,967,460
Water & Sewer Services	4,853,440	4,826,101	4,637,827	5,290,000	6,598,940
Property Tax	2,651,356	3,022,583	3,133,142	3,165,832	3,332,454
Sales Tax	2,145,155	2,134,644	1,821,374	2,040,000	1,900,000
Charges for Service	2,249,911	2,192,185	1,757,347	1,965,484	1,886,394
Franchise & Other Taxes	668,332	692,927	634,962	650,278	647,826
Miscellaneous Income	632,717	287,644	281,098	298,020	410,522
Fines & Forfeits	494,649	383,187	223,848	305,400	319,400
Intergovernmental	258,911	753,633	356,846	515,775	284,505
Lease Income	5,529,713	261,127	267,574	282,574	282,574
License and Permits	136,752	85,849	83,405	104,591	104,591
Investment Earnings	179,603	251,254	100,877	144,900	94,500
Interest Income	-	132	-	-	38,500
Bond Proceeds	-	-	7,700,000	-	-
Revenue Total	25,771,888	22,424,131	28,638,558	22,732,684	23,867,666
Expenditures					
Services	7,136,237	7,700,563	7,821,625	8,311,426	8,447,002
Salaries	6,612,736	6,607,119	6,822,719	7,284,700	7,918,875
Capital Outlay	1,709,198	2,077,643	3,722,159	4,562,359	5,212,676
Benefits	2,719,538	2,812,740	2,677,045	3,068,800	3,043,639
Supplies	894,761	692,223	558,892	913,186	842,982
Maintenance	752,374	683,598	633,441	723,284	718,956
Sundry	503,843	517,952	447,356	500,325	656,028
Debt Service	664,726	1,625,380	652,892	838,790	551,924
Transfer	-	-	-	-	-
Depreciation Expense	453,751	483,264	-	-	-
Expenditures Total	21,447,164	23,200,482	23,336,129	26,202,870	27,392,082
Transfer					
Transfer	502,749	1,249,172	8,979,881	8,988,696	2,401,351
General Fund Loan	502,749	959,159	1,000,000	1,000,000	-
Transfer Total	1,005,498	2,208,331	9,979,881	9,988,696	2,401,351

City Wide Summary by Fund

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021
	Actual	Actual	Estimate	Current Budget	Proposed Budget
Revenue					
General Fund	20,231,614	16,609,993	15,653,147	16,828,332	16,542,004
Water/Sewer	4,948,567	5,121,489	4,695,868	5,276,100	6,655,842
Beach Maintenance	8,320	9,405	-	-	-
Capital Debt Service	275,881	292,503	539,417	565,232	568,300
Capital Projects Fund	-	39	-	-	-
COO 2008 Debt Service Func	296,147	307,160	82	-	-
Court Security	-	6,758	3,974	7,600	7,600
Court Technology	-	8,862	4,683	10,000	10,000
Federal Narcotics	-	-	-	-	-
Hotel/Motel	11,359	36,681	7,325	12,000	12,000
Marina	-	-	7,420	7,420	7,420
State Narcotics	-	31,242	26,643	26,000	26,000
Streets & Drainage CIP	-	-	-	-	-
2020 Cert of Obligation	-	-	7,700,000	-	38,500
Revenue Total	25,771,888	22,424,131	28,638,558	22,732,684	23,867,666
Expenditures					
General Fund	15,537,865	16,796,066	13,673,480	15,660,728	16,001,378
Water/Sewer	5,296,199	5,737,981	5,581,238	6,196,112	5,751,054
Beach Maintenance	23,023	9,399	2,842	-	-
Capital Debt Service	280,263	290,115	569,224	565,232	551,924
Capital Projects Fund	-	-	54,000	54,000	-
COO 2008 Debt Service Func	299,314	295,218	-	-	-
Court Security	-	250	19,287	13,400	23,400
Court Technology	-	9,265	11,806	11,400	11,400
Federal Narcotics	-	-	-	-	-
Hotel/Motel	10,500	11,000	6,333	10,250	30,250
Marina	-	-	21,125	25,000	5,000
State Narcotics	-	51,189	5,636	15,000	15,000
Facilities CIP	-	-	699,562	954,054	205,775
Vehicle & Equipment Fund	-	-	441,691	447,788	269,642
Streets & Drainage CIP	-	-	2,249,906	2,249,906	250,000
Information Technology Fun	-	-	-	-	475,259
2020 Cert of Obligation	-	-	-	-	3,802,000
Expenditures Total	21,447,164	23,200,482	23,336,129	26,202,870	27,392,082

Changes in Fund Balance

The City strives to maintain an undesignated General fund balance equal to 25% of budgeted expenditures for the General Operating Fund. In other operating funds, the City shall strive to maintain a positive unassigned fund balance (working capital) position to provide sufficient reserves for emergencies and revenue shortfalls. In addition, the city will seek to maintain a working capital (current assets minus current liabilities) balance equal to 33% budgeted expenditures for the Water and Sewer Utility Enterprise fund.

	FY2017-2018 Actual	FY2018-2019 Actual	FY2019-2020 Estimate	FY2019-2020 Current Budget	FY2020-2021 Proposed Budget
General Fund					
Beginning Fund Balance	5,931,308	10,122,308	8,823,622	8,823,622	5,407,167
Revenue Less Expenditures	4,693,749	(186,073)	1,979,667	1,167,604	540,627
Transfers	(502,749)	(1,112,612)	(5,396,122)	(5,144,348)	(1,200,676)
Ending Fund Balance	\$ 10,122,308	\$ 8,823,622	\$ 5,407,167	\$ 4,846,878	\$ 4,747,118
Fund Balance as % of Exp.	65.1%	52.5%	39.5%	30.9%	29.7%
% Change in Fund Balance		-12.8%	-38.7%	-10.4%	-2.1%

In FY2017-2018 the City received a one-time payment from Dow for a subsurface lease in the amount of \$5.5M. Therefore, the City has made over \$2.7M in one-time capital investments in FY2018-2019. This includes paying off all lease purchase agreements (\$1.3M), HVAC improvements to City Hall and RiverPlace (\$645K), Demolition of Old City Hall and Community House (\$67K), and additional concrete street repairs (\$765k). A one-time transfer (loan) to the Water & Sewer Fund (\$1M), and a transfer to the Streets & Drainage Fund (\$300k) in FY2019-2020.

Water & Sewer Fund					
Beginning Fund Balance	(13,371)	141,747	484,413	484,413	564,401
Revenue Less Expenditures	(347,631)	(616,492)	(920,012)	(885,369)	904,787
Transfers	502,749	959,159	1,000,000	1,000,000	(150,000)
Ending Fund Balance*	\$ 141,747	\$ 484,413	\$ 564,401	\$ 599,044	\$ 1,319,188
% Change in Fund Balance		241.7%	16.5%	6.1%	120.2%

*Includes Long Term Assets and Liabilities.

A loan of \$1M occurred in FY2019-2020 to increase working capital. This was in addition a \$250k recurring transfer. The Utility Fund is anticipated to make transfers to the General Fund in FY2021.

Debt Service Funds					
Beginning Fund Balance	56,290	48,741	63,072	63,072	33,347
Revenue Less Expenditures	(7,549)	14,330	(29,725)	-	16,376
Transfers	-	-	-	-	-
Ending Fund Balance	\$ 48,741	\$ 63,072	\$ 33,347	\$ 63,072	\$ 49,723
% Change in Fund Balance		29.4%	-47.1%	89.1%	-21.2%



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General Fund Summary

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Budget	Proposed	
Revenue						
Industrial Districts	5,971,350	7,532,865	7,640,258	7,969,830	7,967,460	(2,370)
Property Tax	2,079,806	2,423,535	2,593,746	2,601,000	2,764,154	163,154
Sales Tax	2,145,155	2,134,644	1,821,374	2,040,000	1,900,000	(140,000)
Charges for Service	2,249,911	2,192,185	1,757,347	1,965,484	1,886,394	(79,090)
Franchise & Other Taxes	656,972	656,341	627,637	638,278	635,826	(2,452)
Intergovernmental	146,660	449,876	349,447	515,775	280,505	(235,270)
Fines & Forfeits	494,649	367,728	215,191	287,800	301,800	14,000
Miscellaneous Income	647,097	259,086	196,521	283,000	328,700	45,700
Lease Income	5,529,713	261,127	267,574	282,574	282,574	-
Investment Earnings	173,549	246,756	100,646	140,000	90,000	(50,000)
License and Permits	136,752	85,849	83,405	104,591	104,591	-
Revenue Total	20,231,614	16,609,993	15,653,147	16,828,332	16,542,004	(286,328)
Expenditures						
Salaries	6,525,796	6,515,956	6,717,599	7,186,600	7,808,172	621,572
Benefits	2,686,611	2,769,573	2,640,140	3,028,900	3,005,278	(23,622)
Services	2,440,745	2,591,984	2,586,065	3,024,840	3,092,282	67,442
Supplies	861,784	667,697	492,523	886,186	815,436	(70,750)
Maintenance	724,739	675,918	610,407	705,609	701,098	(4,511)
Sundry	503,843	457,248	439,204	448,424	579,112	130,688
Debt Service	85,149	1,040,048	83,668	273,558	-	(273,558)
Capital Outlay	1,709,198	2,077,642	103,874	106,611	-	(106,611)
Expenditures Total	15,537,865	16,796,066	13,673,480	15,660,728	16,001,378	340,650
Beg Fund Balance	5,931,308	10,122,308	8,823,622	8,823,622	5,407,167	
Revenue Less Expenditures	4,693,749	(186,073)	1,979,667	1,167,604	540,627	
Transfers Out	(502,749)	(1,112,612)	(5,396,122)	(5,144,348)	(1,200,676)	
Transfers In					150,000	
Net Transfers	(502,749)	(1,112,612)	(5,396,122)	(5,144,348)	(1,050,676)	
Ending Fund Balance	10,122,308	8,823,622	5,407,167	4,846,878	4,897,118	
25% Operating Reserve	3,884,466	4,199,016	3,418,370	3,915,182	4,000,344	
Available Fund Balance	6,237,841	4,624,606	1,988,797	931,696	896,774	

General Fund Summary (by Department)

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	ACTUAL	ESTIMATE	CURRENT BUDGET	PROPOSED BUDGET	
Revenue						
Revenue	20,231,614	16,609,993	15,653,147	16,828,332	16,542,004	(286,328)
Revenue Total	20,231,614	16,609,993	15,653,147	16,828,332	16,542,004	(286,328)
Expenditures						
Administration	1,917,380	2,760,382	1,764,594	2,212,670	1,934,544	(278,126)
Municipal Court	140,295	132,442	159,636	180,508	179,246	(1,262)
Police/Animal Control	4,525,460	4,514,479	4,369,600	4,537,133	4,837,671	300,538
Fire/Emergency Management	983,420	1,366,073	1,134,218	1,209,222	1,362,903	153,681
EMS	841,835	826,700	742,260	884,290	907,998	23,708
Streets/Drainage	1,989,050	2,168,596	1,224,514	1,344,960	1,325,978	(18,982)
Service Center	154,299	193,451	161,327	191,090	222,087	30,997
Beach Maintenance	-	-	6,469	9,200	10,000	800
Garbage	962,293	899,603	820,209	992,453	992,453	-
Building	279,521	299,012	284,914	341,400	334,982	(6,418)
Code Enforcement	268,019	266,173	350,007	431,950	378,836	(53,114)
Library	25,588	26,560	25,148	28,300	55,700	27,400
Parks	1,753,653	1,432,732	1,172,465	1,448,659	1,359,186	(89,473)
Recreation	602,476	461,790	298,482	584,200	583,200	(1,000)
Sr. Citizen's Commission	13,465	9,839	8,017	10,100	10,250	150
Golf Course	898,265	1,151,749	912,638	968,300	1,128,041	159,741
Historical Museum	182,845	286,485	229,909	276,293	378,302	102,009
Emergency Management	-	-	9,073	10,000	-	(10,000)
Expenditures Total	15,537,865	16,796,066	13,673,480	15,660,728	16,001,378	340,650
Beginning Fund Balance	5,931,308	10,122,308	8,823,622	8,823,622	5,407,167	
Revenue Less Expenditures	4,693,749	(186,073)	1,979,667	1,167,604	540,627	
Transfers Out	(502,749)	(1,112,612)	(5,396,122)	(5,144,348)	(1,200,676)	
Transfers In	-	-	-	-	150,000	
Net Transfers	(502,749)	(1,112,612)	(5,396,122)	(5,144,348)	(1,050,676)	
Ending Fund Balance	10,122,308	8,823,622	5,407,167	4,846,878	4,897,118	
25% Operating Reserve	3,884,466	4,199,016	3,418,370	3,915,182	4,000,344	
Available Fund Balance	6,237,841	4,624,606	1,988,797	931,696	896,774	

Revenue Summary

General Fund

Property Tax

Property Tax valuations have increased by an average of 6.7% over the last five years. The property tax rate of \$0.628005 has been consistent since FY2016-2017, however; due to the increase in values - the rate will be proposed to go down in FY2020-2021. The average collection rate over the total levy is 101% (this includes prior year collections).

Fiscal Year	Assessed Valuation	Percent Change in Values	Total Tax Rate	Percent Change in Rate	Levy	Tax Collection	Collection Rate*
2020-2021*	534,102,931	7.2%	0.615859	-1.9%	3,289,321		
2019-2020**	498,075,393	6.5%	0.628005	0.0%	3,127,938	3,043,271	97.3%
2018-2019	467,890,813	9.4%	0.628005	0.0%	2,938,378	2,961,998	100.8%
2017-2018	427,819,975	5.1%	0.628005	0.0%	2,686,731	2,651,355	98.7%
2016-2017	407,085,943	5.1%	0.628005	-2.7%	2,556,520	2,548,122	99.7%

*Certified Estimate, Net Taxable Value

**Includes all years as of June 30. Current year collection rate is 96.56%

Sales Tax

Sales tax has been decreasing overall from the last fiscal year. In looking at historical trends, FY2019 and FY2017 appear to be outliers. When removed, this fiscal year’s revenue is in line with prior years. Therefore, staff recommends budgeting based on the average of 2015, 2016, 2018 and 2020.

Industrial Districts

The City has three Industrial Development Agreements: Brazosport IDA (Interlocal with Lake Jackson and Clute), Freeport IDA, and Freeport LNG.

- The Brazosport IDA is calculated based on property values or CPI-U – whichever is greater. The CPI-U for calendar year 2019 was 2%. Since values have not been set, the budget has been increased by the CPI.
- The Freeport IDA is based on values with the percent of the tax rate applied increasing each year. In Fiscal Year 2020-2021 this increase is 1%.
- Freeport LNG Industrial District payments are made in accordance to a payment schedule outline in the agreement. For FY2020-2021 this is \$2 million.

Agreement	Expiration Year	FY17-18 Actual	FY18-19 Actual	FY19-20 Actual	FY20-21 Estimate	% Increase
Brazosport IDA	2026	3,842,354	4,273,312	4,354,938	4,442,037	2%
Freeport IDA	2026	1,278,997	1,484,553	1,510,320	1,525,423	1%
Freeport LNG	2029	850,000	1,775,000	1,775,000	2,000,000	13%
Total		5,971,350	7,532,865	7,640,258	7,967,460	4%

Franchise & Other Taxes

Other Taxes includes franchise fees and Mixed Beverage Tax. These taxes have been updated based on actuals year to-date.

Fines & Forfeits

Court fines and forfeits are projected to remain flat over the next year.

Revenue Summary

General Fund

Charges for Service

- Golf Course Revenue has been updated to on prior and current actuals with the largest increase in Merchandise sales.
- Parks & Recreation Rentals have been lumped into Parks Rental due to lack of consistent tracking in prior years. Moving forward, each rental property will be individually tracked.

Intergovernmental

- The City has interlocal agreements with the City of Oyster Creek and Commodore Cove to provide EMS services - these contributions are reflected under EMS Rev - Interlocal.
- EMS will be seeking a grant for an AED program under Grant Revenue.
- A grant from DJ-Edward Byrne Memorial Justice Assistance Grant (JAG) Program for PD is anticipated.

Investment Earnings

The City has been earning significant interest on the \$5.5M received from Dow. As the City spends this money, interest earnings are anticipated to decrease accordingly.

Lease Income

Lessee	Location	Expires	Payment Frequency	Payment Amount	Annual Amount
Amistad	City Hall		Monthly	750	9,000
Brazosport College	Museum		Annually	27,000	27,000
Dow Golf Course	Golf Course	2036	Annually	100,000	100,000
Gulf LNG	City Hall		Monthly	841	10,096
Lucy Goose	Nat Hickey Bldg.		Monthly	1,250	15,000
Olin	City Hall	2023	Monthly	9,764	117,172
Platinum Marketing	City Hall		Monthly	359	4,306
Subtotal Lease Income					282,574

Licenses & Permits

Licenses and Permits are projected to remain flat over the next year.

Miscellaneous Income

Miscellaneous Income has been reduced based on actual anticipated income.

Revenue

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021
	Actual	Actual	Estimate	Current Budget	Proposed Budget
Industrial Districts					
010 Tax - Brazosport Indust Dist	3,842,354	4,273,312	4,354,938	4,354,938	4,442,037
020 Tax - Freeport Indust Dist	1,278,997	1,484,553	1,510,320	1,839,892	1,525,423
021 Tax-Freeport Lng Industrial Di	850,000	1,775,000	1,775,000	1,775,000	2,000,000
Industrial Districts Total	5,971,350	7,532,865	7,640,258	7,969,830	7,967,460
Property Tax					
110 Tax - Pr - Current Year	1,906,722	2,278,583	2,545,673	2,487,000	2,764,154
110 Tax - Pr - P & I Current Year	16,534	21,531	20,404	20,000	-
120 Tax - Pr - P & I Prior Years	26,097	20,779	8,449	18,000	-
120 Tax - Pr - Prior Years	130,453	102,643	19,220	76,000	-
Property Tax Total	2,079,806	2,423,535	2,593,746	2,601,000	2,764,154
Sales Tax					
300 Tax - Sales Tax	2,145,155	2,134,644	1,821,374	2,040,000	1,900,000
Sales Tax Total	2,145,155	2,134,644	1,821,374	2,040,000	1,900,000
Charges for Service					
100 Ambulance Revenue	716,239	529,528	310,809	300,000	300,000
100 Merchandise	4,790	2,048	-	4,000	4,000
101 Golf Rev - Receipts (No Tax)	156,310	151,428	118,202	165,000	155,000
107 Museum Membership Dues	-	-	-	-	-
110 Museum Revenues-Building R	34,775	19,350	575	1,000	1,000
200 Golf Rev - Cart Rental	66,189	67,207	45,462	77,000	70,000
200 Pool Receipts	5,805	898	30	7,500	7,500
300 Garbage - Revenue	871,173	883,789	942,000	958,290	942,000
300 Recreation Center Fees	35,203	35,524	13,878	33,000	33,000
301 Garbage Overage	4,644	14,076	4,898	-	-
350 Program Fees	15,547	10,331	-	19,000	19,000
400 Pool Concessions	-	760	-	1,000	1,000
401 Golf Rev - Merchandise	107,521	168,909	106,768	150,800	100,000
402 Golf Rev - Prepared Foods	9,681	9,275	6,238	9,900	9,900
403 Golf Rev - Beer Sales	62,825	61,350	48,792	63,800	63,800
404 Golf Rev - Soft Drinks&Chips	27,933	34,063	18,996	35,200	35,200
450 Golf Rev - Memberships	62,772	91,062	97,357	88,000	95,000
500 Community House Rental	9,702	(14,850)	-	-	-
501 Riverplace Rental Revenue	5,839	98,089	29,286	34,486	34,486
502 Velasco Community House	4,193	32,543	5,928	5,928	5,928
503 Fmp Rental Revenue	350	4,870	1,350	1,650	1,650
504 Fmpg Rental Revenue	82	662	60	60	60
505 Fchp Rental Revenue	305	5,320	1,470	1,720	1,720
506 Riverside Gazebo Rental	82	80	-	-	-
507 Fch Rental Revenue	-	-	(100)	-	-
508 Arrington Park Rental	140	(4,574)	-	-	-
509 Seniors Rental Revenue	490	6,642	1,150	1,150	1,150
510 Veterans Memorial Rental	500	-	-	-	-
511 Promotions Revenue	1	455	-	-	-
512 Heritage House Rentals	-	1,750	2,703	-	-
550 Park Rental	49,331	(28,035)	(1,100)	-	-

Revenue

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021
	Actual	Actual	Estimate	Current Budget	Proposed Budget
579 Senior Citizens Payments	1,377	103	-	2,000	-
601 Trolley Rental	-	-	-	-	-
700 Garbage - Bad Debt Write-Off	(7,774)	830	621	-	-
800 Garbage - Discounts	-	-	-	-	-
800 Museum Fundraiser Revenue	125	625	577	-	-
803 Museum Father-Daughter Dar	-	2,563	1,076	2,000	2,000 ✓
812 Museum Gift Shop Revenue	3,761	4,395	322	3,000	3,000 ✓
813 Museum - Promotions	-	1,120	-	-	-
Charges for Service Total	2,249,911	2,192,185	1,757,347	1,965,484	1,886,394
Franchise & Other Taxes					
410 Tax - Franchise - Utilities	500,559	502,707	500,782	481,000	490,766 ✓
430 Tax - Franchise - Telecom	105,742	107,611	101,377	110,000	100,000 ✓
450 Tax - Franchise - Garbage	4,690	4,622	1,726	5,060	5,060 ✓
600 Tax - Bingo	1,915	2,259	666	-	-
700 Tax - Mixed Beverage	44,067	39,141	23,086	42,218	40,000 ✓
Franchise & Other Taxes Total	656,972	656,341	627,637	638,278	635,826
Miscellaneous Income					
100 Ems Water Bill Donations	90,553	96,959	87,952	70,000	85,000 ✓
100 Insurance Recovery	14,598	36,913	34,843	20,000	20,000 ✓
101 Misc Income	241,220	41,666	46,707	24,000	54,700 ✓
103 Utility Reimbursements	20,459	21,393	7,245	23,000	23,000 ✓
105 Marine Operations Revenue-L	7,420	-	-	-	-
111 Splashpad Donations	15,745	200	839	1,500	1,500 ✓
136 Release Of Liens	-	9,560	13,580	-	-
200 Sale Of Property	230,228	2,269	400	110,000	110,000 ✓
300 Tax Abatement Fee	-	-	-	-	-
525 Police - Sale Of Equip	5,698	-	-	10,000	10,000 ✓
603 Kids Fest Donations	5,650	-	-	1,500	1,500 ✓
652 Vic Promotions	-	-	-	-	-
700 Mowing/Demolition Liens	9,718	16,426	291	15,000	15,000 ✓
804 Museum Grant Revenue	-	-	-	-	-
811 Museum Donation-Misc. Exhil	1,000	24,514	348	5,000	5,000
910 Donations - Historical Museum	1,033	5,427	685	1,000	1,000
911 Donations - Police	-	-	3,500	-	-
915 Donations - Park/Recreation	75	1,500	-	-	-
920 Donations - Miscellaneous	2,500	510	130	1,000	1,000
921 Donations-Kids Fest	1,000	1,750	-	1,000	1,000
925 Donations - Veteran'S Memor	200	-	-	-	-
Miscellaneous Income Total	647,097	259,086	196,521	283,000	328,700
Fines & Forfeits					
100 Municipal Court Revenue	473,531	360,746	207,678	286,000	300,000 ✓
101 Municipal Court Revenue-Dot	1,863	542	-	600	600 ✓
102 Court Collection Fees	-	4,733	7,013	-	-
200 Mun Crt Tech Fund Revenue	10,146	-	-	-	-
201 Mun Crt Sec Fund Revenue	7,609	-	-	-	-
305 Adm Fees - Defensive Driving	1,500	1,707	500	1,200	1,200 ✓

Revenue

General Fund

Category	FY2020-2021				
	FY2017-2018 Actual	FY2018-2019 Actual	FY2019-2020 Estimate	FY2019-2020 Current Budget	Proposed Budget
306 Adm Fees - No DI Or Ins. Proof	-	-	-	-	-
Fines & Forfeits Total	494,649	367,728	215,191	287,800	301,800
Lease Income					
600 Lease Income	5,529,713	261,127	267,574	282,574	282,574
Lease Income Total	5,529,713	261,127	267,574	282,574	282,574
Intergovernmental					
101 Ems Rev - Interlocal	-	166,055	155,805	233,180	155,805
400 Grant Revenue	9,989	26,325	-	16,784	-
430 Grant Revenue-Police Departr	108,346	92,426	106,611	106,611	115,500
450 Intergovernmental Revenues	38	42,925	-	150,000	-
460 Fema Disaster Relief	-	122,144	77,749	-	-
470 Grant Rev-Glo Beach Maint	-	-	9,282	9,200	9,200
525 Police - Seizures	24,148	-	-	-	-
906 Grant Funds-Texas Comproul	4,139	-	-	-	-
Intergovernmental Total	146,660	449,876	349,447	515,775	280,505
License and Permits					
100 Permit - Alcoholic Beverage	6,645	7,283	6,726	11,000	11,000
100 Permit - Mechanical	10,578	3,705	861	1,000	1,000
105 Permit - Gas Test	150	245	15	200	200
110 Permit - Building	84,996	49,994	44,458	60,000	60,000
120 Permit - Electrical	10,322	7,156	5,130	6,000	6,000
125 Permit - Safety	170	140	6,065	200	200
130 Permit - Plumbing	4,192	3,468	4,068	4,000	4,000
135 Rights-Of-Ways/Easements	3,150	757	46	5,500	5,500
200 Permit - Health	2,575	4,180	7,925	8,000	8,000
700 Permit - Amusement	4,646	133	6	300	300
800 Permit - Chauffers-Towing	500	275	825	200	200
801 Permit - Taxi Cabs	1,215	-	-	-	-
802 Permit - Peddlers	-	15	-	-	-
803 Permit - Solicitors	-	15	15	-	-
804 Permit - Dance Hall	-	235	103	-	-
805 Permit- Plat Filing Fees	189	119	387	66	66
806 Permit - Trailer Parks	250	-	6,575	6,575	6,575
807 Permit - Misc.	7,174	8,129	200	1,000	1,000
808 Permit - Coin Op Machine	-	-	-	550	550
License and Permits Total	136,752	85,849	83,405	104,591	104,591
Investment Earnings					
100 Interest Income	173,549	246,756	100,646	140,000	90,000
Investment Earnings Total	173,549	246,756	100,646	140,000	90,000
Grand Total	20,231,614	16,609,993	15,653,147	16,828,332	16,542,004



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Expenditure Summary**General Fund****Salaries & Benefits**

A 3% increase has been included under Salaries as a placeholder.

The City will experience an overall decrease in Group Insurance due to the significant lower medical insurance premiums. Part of these savings are proposed to be used for the addition of employee dental, vision, and 40% towards dependent medical insurance in FY2020-2021.

The City's contribution to the Texas Municipal Retirement System (TMRS) has been increased due to an increase in rates starting January 1, 2020.

Unemployment Insurance was previously accounted for under Administration but is proposed to be allocated according to Department.

Administration

A new mid-level position has been added under Finance to assist with Purchasing, Grant Administration, Fiscal Analysis, and General Ledger Reporting.

Additional funding has been added for two elections - November 2020 and May 2021.

A new account has been added for Legal Services and \$150k was added as a placeholder.

Municipal Court

No Major Changes.

Police/Animal Control

One time increase to furniture & fixture budget to replace CID & Sgt Chairs

Requested upgrade to existing Laserfiche platform adding additional \$1,000.00 to yearly maintenance cost.

Offset dispatch console grant cost with yearly maintenance & warranty fee of \$22,291.25

Fire/EMS

Departmental software for fire reporting and inspections has been consolidated into one line item.

Community Development

Upgraded Clerk to Coordinator and one Code Compliance Officer to a Supervisor.

Added funds for Tire and Paint disposal under Code Enforcement.

Added funds to purchase I-Pads for compatibility with EnerGov under Office/Computer Supplies.

Public Works

New Director of Public Works position.

Elimination of Parks and Recreation Director.

Technician position moved to field crew.

Added funding for training.

Culture, Recreation & Tourism

Added copier lease under Electronics/Computer Maintenance.

Moved Daddy Daughter Dance from Museum Fundraiser account to Special Events.

Added funds for Riverfest, under Rec Center Special Events.

Increased staff training, memberships & conference.

Golf Course

No Major Changes.



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Administration

General Fund

Leading by example, the Administration of the City of Freeport is focused on building and maintaining a strong management team, resolute regarding ethical and cost-effective municipal service, that meets the needs of the public, our employees and our elected officials. City Administration is responsible for the oversight of all City Departments.

FY2019-2020 Achievements

Solicited proposals for Group Medical Insurance resulting in significantly lower medical insurance premiums.
 Updated City's Employee Handbook, Investment Policy, Purchasing Policy, and Financial Management Policies.

Designed and implemented program in which all employees given annual evaluation and feedback.
 Brought on an Engineering firm to kickoff new infrastructure projects.
 Oversaw issuance of 2020 certificates of obligation bonds and was assigned a S&P Global Rating of 'AA-'

Goals & Objectives for FY2020-2021

Begin implementation of bond funding primarily for major investment in Street and Drainage Infrastructure, and secure Grant and Loan funding for major Water and Sewer construction projects including overhauling primary Wastewater Treatment Plant, and initiation of Infiltration and Inflow corrective actions.
 Effect improvements at City Hall, to include first floor restrooms and meeting space for City Council, Boards and Court.
 Complete Bid process for securing new contract for Solid Waste Collection Services.
 Implement upgrade of new financial software.
 Submit for Distinguished Budget Award.

Major Changes In FY2020-2021

A new mid-level position has been added under Finance to assist with Purchasing, Grant Administration, Fiscal Analysis, and General Ledger Reporting.
 Salaries have been increased up to 3% based on merit evaluations in 2020.
 The City's contribution to dependent and spousal coverage has been increased to 40%.
 Additional funding has been added for two elections - November 2020 and May 2021.
 A new account has been added for Legal Services and \$150k was added as a placeholder.

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020		FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget		
Salaries	674,816	568,777	651,200	626,113	756,568	105,368	
Benefits	214,194	197,825	227,000	190,163	241,778	14,778	
Supplies	65,670	29,237	39,500	38,802	36,350	(3,150)	
Services	533,909	520,878	710,311	666,257	643,683	(66,628)	
Maintenance	120,180	130,856	108,000	119,516	105,718	(2,282)	
Sundry	180,840	183,222	203,101	123,743	150,447	(52,654)	
Debt Service	3,059	903,043	273,558	-	-	(273,558)	
Capital Outlay	124,712	226,544	-	-	-	-	
Grand Total	1,917,380	2,760,382	2,212,670	1,764,594	1,934,544	(278,126)	

Administration

General Fund

Employee Count

Position	FY2018-2019 Actual	FY2019-2020 Budget	FY2020-2021	
			Proposed Budget	Increase/ (Decrease)
Administration				
Accounting Specialist	1	1	1	0
Admin. Assistant	0	1	1	0
Asst. City Manager	0	1	1	0
City Manager	1	1	1	0
City Secretary	1	1	1	0
Finance Director	1	0	0	0
Financial Administrator	0	0	1	1
HR Assistant	0	1	1	0
HR Assistant (PT)	1	0	0	0
HR Director	1	1	1	0
Receptionist	1	0	0	0
Special Projects Coord.	1	1	1	0
Administration Total	8	8	9	1

Administration

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries						
100 Salaries/Wages	659,754	544,532	599,983	629,100	724,512	95,412
165 Educational Pay	2,640	5,448	9,078	6,300	11,801	5,501
175 Longevity	6,825	4,090	2,656	2,100	3,360	1,260
180 Auto Allowance	1,171	7,200	7,650	7,800	7,800	-
181 Cell Phone Allowance	-	950	2,100	1,800	2,400	600
190 Overtime	4,425	6,557	4,647	4,100	6,695	2,595
Salaries Total	674,816	568,777	626,113	651,200	756,568	105,368
Benefits						
201 F I C A & Medicare	49,947	40,836	46,179	51,400	57,877	6,477
210 Group Insurance	65,950	70,393	68,042	76,800	72,552	(4,248)
230 T M R S	94,565	75,750	73,565	96,000	109,135	13,135
240 Workmen'S Compensation	58	1,809	1,476	1,900	1,320	(580)
291 Unemployment Insurance	3,674	9,037	900	900	893	(7)
Benefits Total	214,194	197,825	190,163	227,000	241,778	14,778
Supplies						
310 Office/Computer Supplies	22,310	15,892	24,174	24,850	21,450	(3,400)
311 Postage/Shipping	4,916	4,970	4,532	5,000	5,000	-
312 Books/Publ/Subscriptions	418	1,098	4,910	1,650	4,600	2,950
320 Other Electronics	28,190	100	25	500	150	(350)
335 Clothing	941	332	628	1,000	500	(500)
352 Furniture & Fixtures	858	1,245	-	2,000	500	(1,500)
385 Small Tools & Equipment	117	902	15	-	25	25
390 Fuel-Mileage Reimb.	478	452	2,309	-	2,000	2,000
392 Janitorial Supplies	1,328	2,735	1,725	1,500	1,525	25
399 Other Supplies	6,114	1,510	485	3,000	600	(2,400)
Supplies Total	65,670	29,237	38,802	39,500	36,350	(3,150)
Services						
400 City Council Stipends	-	-	10,700	10,700	10,450	(250)
413 Professional Services	384,793	360,180	479,019	479,019	139,480	(339,539)
414 Bank Charges	3,162	12,566	1,317	4,500	1,500	(3,000)
415 Telephone	12,429	17,233	12,386	20,000	15,000	(5,000)
417 Professional Fees-Legal	-	-	-	-	240,000	240,000
426 Physicals/Screening	195	1,681	127	600	600	-
430 Advertising	10,467	11,911	10,917	10,000	21,357	11,357
434 Marketing	12,804	23,639	4,055	24,000	22,860	(1,140)
438 Thanksgiving Super Feast	8,273	8,928	9,247	10,000	10,000	-
440 Electricity	53,764	46,308	37,385	48,200	48,804	604
441 Water	-	570	-	-	10,200	10,200
442 Gas-Entex	11,549	7,439	3,287	12,300	8,000	(4,300)
470 Equipment Rental	1,594	763	1,159	2,000	1,840	(160)
479 Appraisal District	17,791	18,533	20,292	20,292	20,400	108
482 Service Contracts	14,623	20,441	59,488	19,500	43,300	23,800
484 Tax Collections	2,098	(11,947)	2,756	2,200	2,200	-
499 Other Services	366	2,634	14,123	47,000	47,692	692

Administration

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Services Total	533,909	520,878	666,257	710,311	643,683	(66,628)
Maintenance						
543 Electronics/Computer Maint	63,197	63,972	83,139	58,000	55,033	(2,967)
545 Bldg/Bldg Equip Maintenance	56,983	66,885	36,377	50,000	50,685	685
Maintenance Total	120,180	130,856	119,516	108,000	105,718	(2,282)
Sundry						
602 Seminars/Dues/Travel	17,411	25,298	23,500	23,500	36,547	13,047
604 Public Office Liability	11,000	11,000	15,320	27,301	16,000	(11,301)
610 Employee Relations	7,347	12,796	21,230	14,500	14,400	(100)
628 Property/Gen Liab Insurance	90,332	89,741	32,225	94,300	34,000	(60,300)
680 380 Agreements	15,000	25,000	-	-	-	-
687 Damage Claims	-	-	-	-	-	-
690 Elections	-	-	2,204	8,000	11,200	3,200
695 College Reimbursement	-	-	1,381	12,500	6,300	(6,200)
699 Other - Sundry	39,749	19,388	27,883	23,000	32,000	9,000
Sundry Total	180,840	183,222	123,743	203,101	150,447	(52,654)
Debt Service						
775 Lease Interest	4,255	22,471	-	10,599	-	(10,599)
776 Lease Principal	(1,197)	880,571	-	262,959	-	(262,959)
Debt Service Total	3,059	903,043	-	273,558	-	(273,558)
Capital Outlay						
880 Land Acquisition	-	(2,788)	-	-	-	-
899 Capital Outlay	124,712	229,332	-	-	-	-
Capital Outlay Total	124,712	226,544	-	-	-	-
Grand Total	1,917,380	2,760,382	1,764,594	2,212,670	1,934,544	(278,126)

Municipal Court

General Fund

The mission of the Municipal Court is to provide efficient, effective, and impartial services in the promotion of justice through the facilitating the timely disposition of cases with prompt and courteous service. The Municipal Court is composed of the Court Supervisor, one Court Clerks, Municipal Court Judge, and Prosecutor. The department is responsible for the timely, impartial, and accurate processing of warrants and violations filed with the Court as well as collecting assessed fines and fees and setting the dockets of cases for adjudication.

FY2019-2020 Achievements

Implemented new online website and phone system for Court payments.

Goals & Objectives for FY2020-2021

Implement migration to new Incode software for Court.

Major Changes In FY2020-2021

Salaries have been increased up to 3% based on merit evaluations in 2020.

The City's contribution to dependent and spousal coverage has been increased to 40%.

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021
	Actual	Actual	Estimate	Current Budget	Proposed Budget
Salaries	44,052	54,139	81,600	75,760	84,161
Benefits	20,264	23,846	37,300	34,298	38,010
Supplies	4,136	1,458	5,800	3,072	5,800
Services	52,504	45,258	54,733	44,819	50,200
Maintenance	7,711	6,762	-	786	-
Sundry	11,628	980	1,075	901	1,075
Capital Outlay	-	-	-	-	-
Grand Total	140,295	132,442	180,508	159,636	179,246

Employee Count

Position	FY2018-2019	FY2019-2020	FY2020-2021
	Actual	Budget	Proposed Budget
Court			
Court Clerk	0	1	1
Court Supervisor	1	1	1
Court Total	1	2	2

Municipal Court

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries						
100 Salaries/Wages	41,453	50,704	74,037	79,100	80,585	1,485
165 Educational Pay	-	-	-	-	-	-
175 Longevity	716	815	1,015	900	898	(2)
185 Uniform Allowance	-	-	-	-	-	-
190 Overtime	1,882	2,619	708	1,600	2,678	1,078
Salaries Total	44,052	54,139	75,760	81,600	84,161	2,561
Benefits						
201 F I C A & Medicare	3,329	4,073	5,682	6,300	6,438	138
210 Group Insurance	10,628	11,838	19,078	18,900	19,175	275
230 T M R S	6,306	7,803	9,259	11,700	12,140	440
240 Workmen'S Compensation	-	132	179	300	160	(140)
291 Unemployment Insurance	-	-	100	100	96	(4)
Benefits Total	20,264	23,846	34,298	37,300	38,010	710
Supplies						
310 Office/Computer Supplies	2,536	1,458	2,629	2,850	2,850	-
311 Postage/Shipping	1,500	-	443	2,300	2,300	-
312 Books/Publ/Subscriptions	-	-	-	350	350	-
335 Clothing	100	-	-	-	-	-
352 Furniture & Fixtures	-	-	-	-	-	-
385 Small Tools & Equipment	-	-	-	-	-	-
390 Fuel	-	-	-	-	-	-
399 Other Supplies	-	-	-	300	300	-
Supplies Total	4,136	1,458	3,072	5,800	5,800	-
Services						
407 Collection Agency Fees	(495)	(1,680)	-	2,250	2,250	-
413 City Judge	41,300	42,000	39,900	42,000	42,000	-
414 Bank Charges	11,321	4,639	4,633	8,800	5,000	(3,800)
415 Telephone	(345)	148	94	933	200	(733)
426 Physicals/Screening	94	-	1	-	-	-
499 Other Services	630	150	190	750	750	-
Services Total	52,504	45,258	44,819	54,733	50,200	(4,533)
Maintenance						
524 Vehicle Maintenance	-	-	-	-	-	-
543 Electronics/Computer Maint	7,711	6,762	786	-	-	-
Maintenance Total	7,711	6,762	786	-	-	-
Sundry						
601 Faithful Performance Bond	-	-	-	75	75	-
602 Seminars/Dues/Travel	521	980	749	700	700	-
629 Vehicle Insurance	-	-	-	-	-	-
684 Technology Fund Expense	2,800	-	-	-	-	-
685 Security Fund Expense	8,307	-	-	-	-	-
699 Other - Sundry	-	-	152	300	300	-
Sundry Total	11,628	980	901	1,075	1,075	-
Capital Outlay						
899 Capital Outlay	-	-	-	-	-	-
Capital Outlay Total	-	-	-	-	-	-
Grand Total	140,295	132,442	159,636	180,508	179,246	(1,262)

Police/Animal Control

General Fund

The Mission of the Police Department is to protect, serve, model integrity, and demonstrate professionalism all while enhancing the quality of life for the residents by providing police services through shared responsibility with the public.

FY2019-2020 Achievements

- Lowered the overall operational budget to better fit Police Department needs.
- Made internal repairs to police department server to fix city wide cameras.
- Replaced DVD Burner Hard Drive to maintain normal operations without replacing entire machine.

Goals & Objectives for FY2020-2021

- Improve failing infrastructure vital to overall operations at Police Department.
- Acquire and adapt technology to remain up to date and in compliance.
- Revamp recruitment and increase training to remain a competitive police department.

Major Changes In FY2020-2021

- Salaries have been increased up to 3% based on merit evaluations in 2020.
- The City's contribution to dependent and spousal coverage has been increased to 40%.
- One time increase to furniture & fixture budget to replace CID & Sgt Chairs
- Requested upgrade to existing Laserfiche platform adding additional \$1,000.00 to yearly maintenance cost.
- Offset dispatch console grant cost with yearly maintenance & warranty fee of \$22,291.25

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries	2,554,137	2,580,837	2,664,200	2,575,586	2,973,433	309,233
Benefits	1,052,051	1,094,999	1,093,600	1,002,120	1,127,740	34,140
Supplies	165,628	156,713	171,550	133,959	175,750	4,200
Services	268,371	273,818	352,722	338,185	368,897	16,175
Maintenance	92,292	104,462	93,450	117,892	95,950	2,500
Sundry	120,863	68,394	55,000	98,509	95,900	40,900
Capital Outlay	272,118	235,256	106,611	103,349	-	(106,611)
Grand Total	4,525,460	4,514,479	4,537,133	4,369,600	4,837,671	300,538

Police/Animal Control

General Fund

Employee Count

Position	FY2018-2019 Actual	FY2019-2020 Budget	FY2020-2021	
			Proposed Budget	Increase/ (Decrease)
Police				
Admin. Assistant	0	1	1 ✓	0
Admin. Secretary	1	0	0	0
Animal Control Officer	2	2	2 ✓	0
Captain	1	1	1 ✓	0
Chief	1	1	1 ✓	0
Crossing Guard (PT)	4	4	4	0
Detective	4	4	4 ✓	0
Detective (PT)	1	1	0	(1)
Dispatch Supervisor	1	1	1 ✓	0
Dispatcher	7	7	7 ✓	0
Jailer	2	2	2 ✓	0
Lieutenant	1	1	1 ✓	0
Patrol Officer	20	20	20 ✓	0
Records Clerk	2	2	2 ✓	0
Sergeant	5	5	5 ✓	0
Police Total	52	52	51	(1)

Police/Animal Control

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries						
100 Salaries/Wages	2,437,086	2,422,066	2,362,011	2,513,600	2,674,459	160,859
110 Salaries/Wages-Pt	-	-	7,103		137,209	137,209
165 Educational Pay	4,535	38,581	70,071	35,300	41,200	5,900
175 Longevity	23,323	24,986	25,060	19,400	26,584	7,184
185 Uniform Allowance	969	3,554	4,397	4,300	5,401	1,101
190 Overtime	88,223	91,651	106,945	91,600	88,580	(3,020)
Salaries Total	2,554,137	2,580,837	2,575,586	2,664,200	2,973,433	309,233
Benefits						
201 F I C A & Medicare	193,177	195,688	199,674	202,600	227,468	24,868
210 Group Insurance	455,458	464,032	434,844	446,600	422,604	(23,996)
230 T M R S	362,393	367,142	313,617	378,800	428,918	50,118
240 Workmen'S Compensation	41,023	68,137	50,785	62,400	45,379	(17,021)
291 Unemployment Insurance	-	-	3,200	3,200	3,372	172
Benefits Total	1,052,051	1,094,999	1,002,120	1,093,600	1,127,740	34,140
Supplies						
310 Office/Computer Supplies	15,577	13,589	12,452	16,522	16,900	378
311 Postage/Shipping	331	299	15	750	750	-
320 Other Electronics	8,177	9,032	8,393	13,700	10,700	(3,000)
335 Clothing	22,597	18,514	23,993	18,500	18,500	-
352 Furniture & Fixtures	1,099	1,224	2,599	2,878	6,700	3,822
385 Small Tools & Equipment	-	332	-	2,500	3,500	1,000
389 Chemicals	775	-	-	1,000	1,000	-
390 Fuel	78,805	80,761	59,347	79,800	79,800	-
391 Prisoner Meals	6,051	4,332	4,695	4,000	6,000	2,000
392 Janitorial Supplies	3,962	5,358	6,776	6,500	4,500	(2,000)
394 Investigative Supplies	5,218	9,266	8,106	8,500	8,500	-
395 Ammunition/Gun Supplies	5,215	7,508	1,180	7,000	9,000	2,000
399 Other Supplies	17,821	6,497	6,405	9,900	9,900	-
Supplies Total	165,628	156,713	133,959	171,550	175,750	4,200
Services						
413 Professional Services	23,254	18,391	21,366	22,500	22,501	1
415 Telephone	53,274	55,828	59,915	47,882	60,000	12,118
425 Contract Labor	169	-	-	300	300	-
426 Physicals/Screening	2,414	2,297	3,104	3,500	3,500	-
430 Advertising	865	1,433	723	1,800	-	(1,800)
431 Animal Facility	111,950	125,000	158,418	125,000	119,200	(5,800)
440 Electricity	24,942	21,118	16,624	21,200	22,256	1,056
441 Water	-	-	-	-	10,200	10,200
442 Gas-Entex	1,517	665	1,066	800	1,200	400
480 Prisoner Medical	-	-	-	-	-	-
482 Service Contracts	48,887	48,650	75,761	128,240	128,240	-
485 Laundry Services	-	112	-	-	-	-
499 Other Services	1,099	325	1,207	1,500	1,500	-
Services Total	268,371	273,818	338,185	352,722	368,897	16,175

Police/Animal Control

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Maintenance						
524 Vehicle Maintenance	51,628	59,490	51,349	35,700	35,700	-
543 Electronics/Computer Maint	18,280	24,192	16,691	36,750	32,250	(4,500)
545 Bldg/Bldg Equip Maintenance	22,384	20,780	49,819	21,000	28,000	7,000
546 Land/Grounds Maint	-	-	32	-	-	-
Maintenance Total	92,292	104,462	117,892	93,450	95,950	2,500
Sundry						
601 Faithful Performance Bond	-	-	-	-	-	-
602 Seminars/Dues/Travel	26,585	25,605	17,013	16,700	26,700	10,000
604 Liability/Property Insurance	57,474	26,000	7,869	22,100	60,200	38,100
619 Federal Narcotics Expense	13,440	-	-	-	-	-
620 Local Narcotics	7,941	-	2,098	-	-	-
621 K-9 Expense	2,381	5,064	18,568	4,500	4,500	-
625 Marine Operations	9,448	2,390	763	-	-	-
629 Vehicle Insurance	1,226	6,900	49,430	7,200	-	(7,200)
687 Damage Claims	-	-	-	-	-	-
699 Other - Sundry	2,368	2,435	2,768	4,500	4,500	-
Sundry Total	120,863	68,394	98,509	55,000	95,900	40,900
Capital Outlay						
898 Grant Expenditures	-	42,569	98,741	106,611	-	(106,611)
899 Capital Outlay	272,118	192,687	4,608	-	-	-
Capital Outlay Total	272,118	235,256	103,349	106,611	-	(106,611)
Grand Total	4,525,460	4,514,479	4,369,600	4,537,133	4,837,671	300,538

Fire/EMS

General Fund

Freeport Fire & EMS is a full time operation staffed with 18 career firefighters that are capable of providing high levels of life saving interventions as well as fire and rescue to ensure the safety of our citizens as well as our visitors. We respond to approximately 2500 emergency calls per year including fire, ems, and hazardous incidents. We make it our priority to develop, maintain, and progress our positive relationship with our community during incident responses as well as our daily interactions. Our Mission: Public servants delivering services through compassion, caring and educational outreach programs to protect our community through its services of fire response, emergency medical service, and environmental emergencies.

FY2019-2020 Achievements

Filled the position of Administrative Assistant that was proposed last fiscal year. We have also brought on new Firefighter/EMT's to reach full staffing of shifts.

Our department, with the assistance of the entire city, has implemented precautionary standards of operations to properly interact with the CoVid-19 pandemic while obtaining PPE inventory through multiple sources for utilization of emergency responders and our patients.

Received approval from the City of Freeport Council to update the EMS Fee Schedule to better fund the required operations as well as supplement revenue.

Goals & Objectives for FY2020-2021

Implement consistent employee training in fire suppression, emergency medical services, and rescue. This should include specialized training in mental health, hostile environments, and transportation emergencies.

Complete Clean Room in the bay and continue to update the station.

Initiate the AED "Shock Advised" Program.

Major Changes In FY2020-2021

Salaries have been increased up to 3% based on merit evaluations in 2020.

The City's contribution to dependent and spousal coverage has been increased to 40%.

Departmental software for fire reporting and inspections has been consolidated into one line item.

Category	FY2017-2018 Actual	FY2018-2019 Actual	FY2019-2020 Estimate	FY2019-2020	FY2020-2021	Increase/ (Decrease)
				Current Budget	Proposed Budget	
Salaries	1,050,847	1,087,175	1,206,500	1,145,612	1,332,332	125,832
Benefits	408,586	426,212	481,300	426,378	494,635	13,335
Supplies	137,762	155,449	191,056	101,824	157,656	(33,400)
Services	47,801	89,221	74,945	78,268	106,943	31,998
Maintenance	51,959	53,571	53,000	56,208	60,080	7,080
Sundry	82,394	91,566	86,711	68,187	119,255	32,544
Capital Outlay	45,906	289,579	-	-	-	-
Grand Total	1,825,255	2,192,772	2,093,512	1,876,477	2,270,901	177,389

Fire/EMS

General Fund

Employee Count

Position	FY2018-2019 Actual	FY2019-2020 Budget	FY2020-2021	
			Proposed Budget	Increase/ (Decrease)
EMS				
Firefighters	9	9	9	0
EMS Total	9	9	9	0
Fire				
Admin. Assistant	0	1	1	0
Deputy Chief	0	0	1	1
EMS Coordinator	1	1	0	-1
Fire Chief	1	1	1	0
Fire Marshal	1	1	1	0
Firefighter	3	3	3	0
Lieutenant	3	3	3	0
Fire Total	9	10	10	0
Grand Total	18	19	19	0

Fire/Emergency Management

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries						
100 Salaries/Wages	417,707	493,038	557,016	590,300	674,802	84,502
165 Educational Pay	20,444	22,648	25,161	27,700	40,302	12,602
175 Longevity	4,562	5,782	6,362	4,400	6,404	2,004
190 Overtime	62,624	73,512	112,414	72,500	82,400	9,900
Salaries Total	505,337	594,980	700,953	694,900	803,908	109,008
Benefits						
201 F I C A & Medicare	37,987	44,874	56,369	57,200	61,499	4,299
210 Group Insurance	77,584	80,916	85,569	91,700	92,551	851
230 T M R S	72,960	86,022	89,680	102,000	115,964	13,964
240 Workmen'S Compensation	12,395	18,595	12,371	15,200	11,054	(4,146)
291 Unemployment Insurance	-	-	900	900	844	(56)
Benefits Total	200,926	230,406	244,889	267,000	281,912	14,912
Supplies						
310 Office/Computer Supplies	3,143	2,491	1,726	4,000	3,700	(300)
312 Books/Publ/Subscriptions	4,079	3,142	2,228	3,746	3,386	(360)
320 Other Electronics	4,022	12,738	5,358	13,000	13,000	-
335 Clothing	15,678	33,167	11,408	16,670	16,670	-
352 Furniture & Fixtures	5,075	6,690	2,243	6,800	6,800	-
385 Small Tools & Equipment	15,266	15,625	792	15,100	15,100	-
389 Chemicals	874	806	578	1,250	1,000	(250)
390 Fuel	26,142	21,656	15,834	22,000	22,000	-
392 Janitorial Supplies	3,858	2,571	1,324	4,000	3,500	(500)
394 Fire Prevention	3,132	3,195	898	3,500	3,000	(500)
399 Other Supplies	1,024	218	1,319	1,000	1,000	-
Supplies Total	82,293	102,299	43,707	91,066	89,156	(1,910)
Services						
415 Telephone	13,017	13,407	14,962	15,600	15,000	(600)
425 Contract Labor	-	-	-	-	-	-
426 Physicals/Screening	543	620	736	600	600	-
430 Advertising	-	467	497	500	500	-
440 Electricity	13,265	10,483	7,913	10,700	11,048	348
441 Water	-	-	-	-	10,800	10,800
442 Gas-Entex	1,645	991	781	1,500	1,500	-
482 S C B A	7,554	5,270	6,242	8,045	8,045	-
499 Other Services	250	-	158	-	-	-
Services Total	36,275	31,238	31,290	36,945	47,493	10,548
Maintenance						
524 Vehicle Maintenance	29,927	28,288	34,712	30,000	30,000	-
543 Elec/Computer Maint	3,016	4,651	4,979	5,000	9,780	4,780
545 Bldg/Bldg Equip Maintenance	11,419	16,207	13,658	13,500	13,500	-
560 Equipment Maintenance	7,597	4,426	2,860	4,500	6,800	2,300
Maintenance Total	51,959	53,571	56,208	53,000	60,080	7,080
Sundry						
602 Seminars/Dues/Travel	6,294	4,836	9,000	9,000	17,850	8,850
625 Emergency Management	20,966	32,354	13,522	25,811	27,505	1,694
628 Property/Gen Liab Insurance	-	-	13,682	-	19,000	19,000
629 Liability- Vehicle Insurance	20,128	15,000	19,447	15,500	-	(15,500)
683 Fema Firefighters Grant	-	-	-	-	-	-
692 Reserve Firemen Incentives	3,067	1,790	722	3,000	3,000	-
693 Reserve Firemen Pension	881	847	547	3,000	3,000	-
699 Other - Sundry	9,388	9,173	250	10,000	10,000	-
Sundry Total	60,724	64,000	57,171	66,311	80,355	14,044

Fire/Emergency Management

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Capital Outlay						
899 Capital Outlay	45,906	289,579	-	-	-	-
Capital Outlay Total	45,906	289,579	-	-	-	-
Grand Total	983,420	1,366,073	1,134,218	1,209,222	1,362,903	153,681

EMS

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries						
100 Salaries/Wages	457,578	415,470	362,740	428,400	455,349	26,949
165 Educational Pay	11,828	7,201	6,664	6,100	7,500	1,400
175 Longevity	365	1,710	1,561	2,000	1,714	(286)
190 Overtime	75,739	67,815	73,694	75,100	63,860	(11,240)
Salaries Total	545,510	492,195	444,659	511,600	528,424	16,824
Benefits						
201 F I C A & Medicare	40,553	35,468	36,746	40,700	40,424	(276)
210 Group Insurance	75,623	83,132	75,624	85,500	87,284	1,784
230 T M R S	79,091	70,965	59,897	76,000	76,225	225
240 Workmen'S Compensation	12,393	6,242	9,222	11,400	8,240	(3,160)
291 Unemployment Insurance	-	-	-	700	550	(150)
Benefits Total	207,660	195,806	181,489	214,300	212,724	(1,576)
Supplies						
311 Postage/Shipping	39	202	85	500	500	-
335 Clothing	10,109	4,423	28,237	34,206	19,500	(14,706)
383 Ems Expendables	39,033	43,237	23,618	43,500	43,500	-
399 Other Supplies	6,288	5,287	6,177	21,784	5,000	(16,784)
Supplies Total	55,469	53,150	58,117	99,990	68,500	(31,490)
Services						
407 Billing Agency Fees	-	45,969	34,759	25,000	34,650	9,650
413 Professional Services	11,250	12,000	11,400	12,000	24,000	12,000
414 Bank Charges	159	14	-	200	-	(200)
426 Physicals/Screening	117	-	820	800	800	-
Services Total	11,526	57,983	46,978	38,000	59,450	21,450
Sundry						
602 Seminars/Dues/Travel	17,333	20,653	10,400	10,400	20,400	10,000
628 Property/Gen Liab Insurance	-	-	-	-	8,500	8,500
699 Other - Sundry	4,337	6,913	616	10,000	10,000	-
Sundry Total	21,670	27,566	11,016	20,400	38,900	18,500
Grand Total	841,835	826,700	742,260	884,290	907,998	23,708



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Community Development

General Fund

The primary mission of the Building Department is to provide quality service to the community that is knowledgeable, efficient, comprehensive and helpful to the public. The intention is to safeguard life, health, property and public welfare by regulating and controlling the construction, quality of materials, use of all buildings and structures within the City of Freeport. The department is responsible for the administration and enforcement of the codes and related Federal, State, and City adopted laws and ordinances.

The Code Enforcement Department will encourage a strong sense of pride and identity, dedicated to making today better than yesterday through the preservation, enhancement, restoration and promotion of the exceptional quality of life in the City of Freeport. The department will strive to provide excellent, professional, courteous customer service in a timely manner by fair and impartial administration and enforcement of the local and state codes. This is to be accomplished with the assistance of other City departments, public and private entities, as well as citizens of the City of Freeport.

FY2019-2020 Achievements

Revised Food Establishment Ordinance Chapter 111, which provided a pathway for mobile food vendors to operate legally in the City.

Successfully helped in providing a cleaner, safer, properties by a reduction of visual clutter (signs, debris, and trash) and the number of abandoned or inoperable/unlicensed motor vehicles.

Demoed numerous unsafe structures within the City.

Goals & Objectives for FY2020-2021

Award contract and complete overhaul of our Subdivision Ordinance and update our zoning regulations and standards.

Implement new software system (EnerGov) an be more efficient with in field data processing. In addition convert the building and code departments filing system to a digital storage media.

Continue and expand the educational program, by providing more community education that will reduce the need for re-inspections. The increase will include individual and/or public meetings, featured articles in the newspaper, and more brochures available online.

Major Changes In FY2020-2021

Upgraded Clerk to Coordinator and one Code Compliance Officer to a Supervisor.

Salaries have been increased up to 3% based on merit evaluations in 2020.

The City's contribution to dependent and spousal coverage has been increased to 40%.

Added funds for Tire and Paint disposal under Code Enforcement.

Added funds to purchase I-Pads for compatibility with EnerGov under Office/Computer Supplies.

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries	314,197	317,878	366,800	353,486	390,703	23,903
Benefits	136,468	131,353	151,000	140,439	152,453	1,453
Supplies	19,179	15,189	33,850	12,690	45,162	11,312
Services	33,583	44,189	190,800	108,360	79,700	(111,100)
Maintenance	8,439	6,909	13,000	8,020	19,600	6,600
Sundry	10,227	15,983	17,900	11,927	26,200	8,300
Capital Outlay	25,447	33,685	-	-	-	-
Grand Total	547,541	565,185	773,350	634,921	713,817	(59,533)

Community Development

General Fund

Employee Count

Position	FY2018-2019 Actual	FY2019-2020 Budget	FY2020-2021	
			Proposed Budget	Increase/ (Decrease)
Code Enforcement				
Compliance Officer	3	3	3	0
Compliance Supervisor	1	1	1	0
Code Enforcement Total	4	4	4	0
Building				
Building Inspector	1	1	1	0
Building Official	1	1	1	0
Municipal Clerk	1	1	0	-1
Permit Coordinator	0	0	1	1
Building Total	3	3	3	0
Grand Total	7	7	7	0

Building

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries						
100 Salaries/Wages	164,243	195,259	189,887	194,000	205,101	11,101
165 Education Pay	5,764	5,760	5,635	5,800	5,700	(100)
175 Longevity	3,004	3,128	3,240	2,000	3,357	1,357
180 Auto Allowance	-	-	-	-	-	-
190 Overtime	769	1,423	794	1,600	803	(797)
Salaries Total	173,780	205,570	199,555	203,400	214,961	11,561
Benefits						
201 F I C A & Medicare	13,249	15,726	15,326	15,600	16,445	845
210 Group Insurance	29,780	32,098	30,038	28,700	25,745	(2,955)
230 T M R S	25,011	29,889	23,687	29,100	31,008	1,908
240 Workmen'S Compensation	978	513	973	1,200	869	(331)
291 Unemployment Insurance	-	-	300	300	254	(46)
Benefits Total	69,017	78,226	70,324	74,900	74,321	(579)
Supplies						
310 Office/Computer Supplies	3,628	1,475	1,129	4,500	4,500	-
311 Postage/Shipping	-	-	507	-	-	-
312 Books/Publ/Subscriptions	318	756	-	1,000	1,000	-
320 Other Electronics	478	-	-	-	-	-
335 Clothing	742	27	247	2,500	2,500	-
352 Furniture & Fixtures	373	-	-	1,250	1,000	(250)
385 Small Tools & Equipment	1,574	175	110	500	500	-
390 Fuel	1,529	1,920	1,756	2,000	1,900	(100)
399 Other Supplies	904	48	12	2,500	500	(2,000)
Supplies Total	9,545	4,401	3,761	14,250	11,900	(2,350)
Services						
413 Professional Services	-	618	642	30,000	12,000	(18,000)
415 Telephone	3,863	3,980	4,469	3,000	4,500	1,500
425 Contract Labor	19,410	-	-	1,000	1,000	-
426 Physicals/Screening	125	-	99	150	100	(50)
430 Advertising	490	69	-	500	-	(500)
499 Other Services	-	-	-	-	-	-
Services Total	23,888	4,667	5,210	34,650	17,600	(17,050)
Maintenance						
524 Vehicle Maintenance	1,286	544	231	3,000	3,000	-
543 Electronics/Computer Maint	303	-	-	1,000	1,000	-
Maintenance Total	1,588	544	231	4,000	4,000	-
Sundry						
602 Seminars/Dues/Travel	862	605	3,802	5,000	10,000	5,000
604 Public Office Liability Claims	-	-	-	-	-	-
629 Vehicle-Liability Insurance	842	5,000	2,032	5,200	2,200	(3,000)
699 Other - Sundry	-	-	-	-	-	-
Sundry Total	1,704	5,605	5,833	10,200	12,200	2,000
Capital Outlay						
899 Capital Outlay	-	-	-	-	-	-
Capital Outlay Total	-	-	-	-	-	-
Grand Total	279,521	299,012	284,914	341,400	334,982	(6,418)

Code Enforcement

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries						
100 Salaries/Wages	137,767	110,878	152,408	160,500	173,857	13,357
165 Educational Pay	-	254	589	-	600	600
175 Longevity	858	840	925	800	1,078	278
185 Uniform Allowance	-	-	-	-	-	-
190 Overtime	1,792	335	9	2,100	206	(1,894)
Salaries Total	140,417	112,308	153,931	163,400	175,741	12,341
Benefits						
201 F I C A & Medicare	10,160	7,235	10,994	13,300	13,444	144
210 Group Insurance	37,102	29,261	40,074	37,800	38,392	592
230 T M R S	20,190	16,219	18,022	23,700	25,351	1,651
240 Workmen'S Compensation	-	412	825	1,100	737	(363)
291 Unemployment Insurance	-	-	200	200	208	8
Benefits Total	67,451	53,127	70,114	76,100	78,132	2,032
Supplies						
310 Office/Computer Supplies	3,544	1,847	1,292	8,200	21,600	13,400
311 Postage/Shipping	-	821	1,330	1,000	1,000	-
312 Books/Publ/Subscriptions	240	416	200	1,000	1,362	362
320 Other Electronics	679	1,543	490	1,750	1,750	-
335 Clothing	213	2,206	660	2,000	2,000	-
352 Furniture & Fixtures	800	-	-	1,000	1,000	-
385 Small Tools & Equipment	615	735	2,522	1,000	1,000	-
390 Fuel	2,956	2,794	2,028	2,900	2,800	(100)
399 Other Supplies	586	427	407	750	750	-
Supplies Total	9,634	10,788	8,929	19,600	33,262	13,662
Services						
411 Bldg Demolition/Mowing	4,164	34,039	-	50,000	56,000	6,000
415 Telephone	4,686	4,009	2,779	5,000	4,500	(500)
425 Contract Labor	-	-	-	-	-	-
426 Physicals/Screening	200	226	327	150	300	150
430 Advertising	646	1,249	44	1,000	1,300	300
499 Other Services	-	-	100,000	100,000	-	(100,000)
Services Total	9,696	39,522	103,150	156,150	62,100	(94,050)
Maintenance						
524 Vehicle Maintenance	1,871	945	816	3,500	3,500	-
543 Electronics/Computer Maint	4,980	5,420	6,973	5,500	12,100	6,600
Maintenance Total	6,851	6,365	7,789	9,000	15,600	6,600
Sundry						
602 Seminars/Dues/Travel	5,704	7,678	2,578	5,000	10,000	5,000
629 Vehicle-Liability Insurance	2,819	2,700	3,516	2,700	4,000	1,300
699 Other - Sundry	-	-	-	-	-	-
Sundry Total	8,523	10,378	6,094	7,700	14,000	6,300
Capital Outlay						
899 Capital Outlay	25,447	33,685	-	-	-	-
Capital Outlay Total	25,447	33,685	-	-	-	-
Grand Total	268,019	266,173	350,007	431,950	378,836	(53,114)

Public Works

General Fund

The staff of the Public Works Department fully supports the City of Freeport: "we work together to build a community of the highest quality for present and future generations." we do our part by providing superior public services: by maintaining and improving the condition of our streets, drainage, alleys, parks, beaches, facilities and by providing excellent delivery of capital projects.

FY2019-2020 Achievements

Building Maintenance - Mystery Boat restoration, Antonelli's restoration, and Recreation center roof.

Parks - Bull rock 288 corridor, city wide mulch installation, crushed granite for walking trail at Freeport Municipal Park.

Streets/Drainage - Pecan 9th to 11th road reconstruction, Skinner Avenue I intersection reconstruction, and Victoria road reconstruction.

Goals & Objectives for FY2020-2021

Continued employee training and maintain a pay scale comparable to the competition.

Strict budgeting processes and fiscal responsibility.

Strategic planning.

Major Changes In FY2020-2021

Salaries have been increased up to 3% based on merit evaluations in 2020.

The City's contribution to dependent and spousal coverage has been increased to 40%.

New Director of Public Works position.

Elimination of Parks and Recreation Director.

Technician position moved to field crew.

Added funding for training.

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021
	Actual	Actual	Estimate	Current Budget	Proposed Budget
Salaries	1,190,355	1,226,257	1,351,600	1,233,516	1,315,110
Benefits	588,924	631,157	730,400	590,989	602,389
Supplies	227,795	146,975	269,680	94,036	244,660
Services	258,614	271,406	256,530	227,352	313,293
Maintenance	313,364	269,204	318,909	227,809	308,150
Sundry	47,150	37,659	57,590	100,411	123,650
Debt Service	82,091	137,005	-	83,668	-
Capital Outlay	1,188,709	1,075,116	-	525	-
Grand Total	3,897,002	3,794,779	2,984,709	2,558,305	2,907,252

Public Works

General Fund

Employee Count

Position	FY2018-2019	FY2019-2020	FY2020-2021
	Actual	Budget	Proposed Budget
Parks			
Admin. Secretary	1	1	0
Field Crew	11	11	10
Maintenance Supervisor	1	1	1
Maintenance Technician	2	2	2
Parks & Rec Director	1	1	0
Parks Supervisor	1	1	1
Receptionist (PT)	1	1	0
Parks Total	18	18	13 (3) 13
Service Center			
Admin. Assistant	0	0	1
Admin. Secretary	1	1	0
Mechanic	1	1	1
Service Center Total	2	2	2 2
Streets/Drainage			
Crew leader	0	0	2
Equipment Operator	4	4	2
Field Crew	9	9	9
Public Works Director	0	0	1
Street Director	1	1	0
Superintendent	0	0	1
Supervisor	1	1	0
Technician	1	1	0
Streets/Drainage Total	16	16	15 14
Grand Total	36	36	31

Streets/Drainage

General Fund

Category	FY2017-2018 Actual	FY2018-2019 Actual	FY2019-2020 Estimate	FY2019-2020 Current Budget	FY2020-2021 Proposed Budget	Increase/ (Decrease)
Salaries						
100 Salaries/Wages	463,887	530,289	576,467	612,900	632,152	19,252
165 Education	-	-	-	-	-	-
175 Longevity	5,972	6,063	6,276	5,500	6,170	670
181 Cell Phone Allowance	-	-	300	-	600	600
182 Moving Allowance	-	-	1,951	-	-	-
190 Overtime	10,055	6,676	2,731	10,800	8,240	(2,560)
Salaries Total	479,914	543,028	587,724	629,200	647,161	17,961
Benefits						
201 F I C A & Medicare	34,049	50,061	45,125	52,000	49,508	(2,492)
210 Group Insurance	131,089	130,592	138,517	160,100	129,051	(31,049)
230 T M R S	70,052	78,514	69,510	97,200	93,353	(3,847)
240 Workmen'S Compensation	31,114	32,556	34,996	43,000	31,271	(11,729)
291 Unemployment Insurance	-	-	900	900	754	(146)
Benefits Total	266,304	291,723	289,049	353,200	303,937	(49,263)
Supplies						
310 Office/Computer Supplies	1,465	970	2,554	1,000	2,850	1,850
320 Other Electronics	391	-	38	500	500	-
352 Furniture & Fixtures	836	323	1,267	1,000	200	(800)
385 Small Tools & Equipment	5,089	4,356	1,445	5,000	4,000	(1,000)
389 Chemicals	6,267	5,704	1,946	9,050	9,000	(50)
390 Fuel	51,600	26,975	22,667	24,500	24,500	-
399 Other Supplies	2,112	1,741	949	2,300	2,300	-
Supplies Total	67,761	40,069	30,866	43,350	43,350	-
Services						
415 Telephone	5,080	5,362	5,396	3,350	6,000	2,650
425 Contract Labor	-	-	-	-	-	-
426 Physicals	1,314	964	455	850	850	-
430 Advertising	1,786	339	100	2,500	2,000	(500)
440 Electricity	74,446	64,266	54,260	70,400	72,730	2,330
470 Equipment Rental	465	4,997	-	500	500	-
485 Laundry Services	7,506	7,782	7,220	8,500	9,000	500
498 Waste Disposal	5,976	5,987	1,270	7,000	7,000	-
499 Other Services	-	21,362	11,025	10,000	10,000	-
Services Total	96,573	111,057	79,726	103,100	108,080	4,980
Maintenance						
524 Vehicle Maintenance	42,430	35,096	40,881	41,220	41,250	30
530 Street/Draing/Sdwalk Maint	124,584	89,729	74,896	150,000	150,000	-
533 Culvert Tile	-	-	-	-	-	-
547 Signs Maintenance	38,025	7,916	1,108	6,000	6,000	-
548 Traffic Lights Maintenance	876	-	-	250	250	-
549 Street Lights Maintenance	586	-	-	500	250	(250)
Maintenance Total	206,501	132,742	116,884	197,970	197,750	(220)
Sundry						
602 Seminars/Dues/Travel	1,376	327	412	1,090	3,700	2,610
628 Property/Gen Liab Insurance	-	-	16,760	-	20,000	20,000
629 Vehicle Insurance	14,605	14,752	18,760	15,200	-	(15,200)
687 Damage Claims	-	1,000	-	-	-	-
699 Other - Sundry	2,063	591	664	1,850	2,000	150
Sundry Total	18,044	16,671	36,596	18,140	25,700	7,560

Streets/Drainage

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Debt Service						
775 Lease Interest	6,663	5,093	1,163	-	-	-
776 Lease Principal	75,428	131,912	82,505	-	-	-
Debt Service Total	82,091	137,005	83,668	-	-	-
Capital Outlay						
899 Capital Outlay	771,863	896,301	-	-	-	-
Capital Outlay Total	771,863	896,301	-	-	-	-
Grand Total	1,989,050	2,168,596	1,224,514	1,344,960	1,325,978	(18,982)

Service Center

General Fund

Category	FY2017-2018 Actual	FY2018-2019 Actual	FY2019-2020 Estimate	FY2019-2020 Current Budget	FY2020-2021 Proposed Budget	Increase/ (Decrease)
Salaries						
100 Salaries/Wages	79,449	82,088	85,059	85,700	93,590	7,890
175 Longevity	-	371	549	500	667	167
190 Overtime	1,314	1,844	488	5,000	2,678	(2,322)
Salaries Total	80,763	84,303	86,095	91,200	96,934	5,734
Benefits						
201 F I C A & Medicare	6,173	6,339	6,678	7,200	7,415	215
210 Group Insurance	18,084	18,341	18,563	19,000	16,956	(2,044)
230 T M R S	5,948	11,559	10,300	13,500	13,983	483
240 Workmen'S Compensation	1,372	2,634	1,235	1,600	1,103	(497)
291 Unemployment Insurance	-	-	200	200	111	(89)
Benefits Total	31,578	38,873	36,976	41,500	39,569	(1,931)
Supplies						
310 Office/Computer Supplies	2,863	730	1,586	2,750	2,750	-
311 Postage/Shipping	39	-	-	100	100	-
320 Other Electronics	1,907	-	-	3,520	3,520	-
335 Clothing	2,429	2,271	776	3,250	3,250	-
340 Gas And Diesel	(11,732)	-	-	-	-	-
343 Oil And Grease	663	5,820	2,041	6,450	6,450	-
344 Garage Parts	2,711	272	1,114	4,000	4,000	-
352 Furniture & Fixtures	782	92	-	1,000	1,000	-
385 Small Tools & Equipment	2,750	2,919	3,085	2,800	2,800	-
390 Fuel	1,531	1,287	553	1,700	1,200	(500)
392 Janitorial Supplies	944	324	-	1,050	1,050	-
399 Other Supplies	1,769	-	95	1,040	1,040	-
Supplies Total	6,657	13,715	9,251	27,660	27,160	(500)
Services						
413 Professional Services	3,697	1,067	7,449	3,200	3,200	-
415 Telephone	2,875	1,220	2,075	3,650	2,500	(1,150)
426 Physicals/Screening	-	-	49	100	100	-
440 Electricity	8,941	7,538	5,710	8,000	7,944	(56)
441 Water	-	-	-	-	10,200	10,200
442 Gas-Entex	246	254	217	400	300	(100)
470 Equipment Rental	132	-	-	300	300	-
485 Laundry Services	1,101	464	-	950	950	-
499 Other Services	611	798	839	2,680	2,680	-
Services Total	17,603	11,341	16,339	19,280	28,174	8,894
Maintenance						
524 Vehicle Maintenance	1,082	1,819	1,387	1,340	1,340	-
545 Bldg/Bldg Equip Maintenance	4,776	2,503	3,667	2,500	2,500	-
546 Land/Grounds Maint	2,146	1,546	3,773	2,160	2,160	-
Maintenance Total	8,004	5,868	8,826	6,000	6,000	-
Sundry						
602 Seminars/Dues/Travel	126	425	450	450	450	-
629 Vehicle Insurance	3,383	3,028	3,390	3,200	22,000	18,800
699 Other - Sundry	1,286	47	-	1,800	1,800	-
Sundry Total	4,795	3,500	3,840	5,450	24,250	18,800
Capital Outlay						
899 Capital Outlay	4,899	35,850	-	-	-	-
Capital Outlay Total	4,899	35,850	-	-	-	-
Grand Total	154,299	193,451	161,327	191,090	222,087	30,997

Parks

General Fund

Category	FY2017-2018 Actual	FY2018-2019 Actual	FY2019-2020 Estimate	FY2019-2020 Current Budget	FY2020-2021 Proposed Budget	Increase/ (Decrease)
Salaries						
100 Salaries/Wages	567,683	536,925	522,697	580,500	519,419	(61,081)
165 Education Pay	-	-	-	-	-	-
175 Longevity	2,977	3,831	3,090	4,100	3,186	(914)
180 Auto Allowance	-	-	-	-	-	-
190 Overtime	59,018	58,169	33,909	46,600	48,410	1,810
Salaries Total	629,678	598,925	559,696	631,200	571,014	(60,186)
Benefits						
201 F I C A & Medicare	47,426	45,042	44,847	56,000	43,683	(12,317)
210 Group Insurance	137,588	147,614	136,873	160,100	122,014	(38,086)
230 T M R S	90,702	85,916	70,925	104,600	82,369	(22,231)
240 Workmen'S Compensation	15,326	21,990	11,419	14,100	10,203	(3,897)
291 Unemployment Insurance	-	-	900	900	615	(285)
Benefits Total	291,042	300,561	264,964	335,700	258,883	(76,817)
Supplies						
310 Office/Computer Supplies	4,112	6,526	1,993	5,995	4,500	(1,495)
320 Other Electronics	23,789	124	51	17,550	14,000	(3,550)
331 Agricultural/Botanical	25,758	8,874	2,073	61,000	61,000	-
333 Visitors Promotions	2,875	1,021	1,502	5,750	-	(5,750)
335 Clothing	5,181	8,008	2,492	11,600	10,100	(1,500)
352 Furniture & Fixtures	241	132	364	1,150	-	(1,150)
385 Small Tools & Equipment	9,085	14,823	10,639	17,750	12,400	(5,350)
389 Chemicals	3,065	3,518	2,035	11,500	11,500	-
390 Fuel	27,531	24,890	16,440	24,100	20,000	(4,100)
392 Janitorial Supplies	14,773	10,346	8,943	17,800	17,500	(300)
399 Other Supplies	36,969	14,928	7,388	24,475	23,150	(1,325)
Supplies Total	153,378	93,191	53,919	198,670	174,150	(24,520)
Services						
414 Bank Charges	-	-	1,090	-	-	-
415 Telephone	20,253	10,194	12,105	10,600	10,000	(600)
425 Contract Labor	64,588	98,043	70,087	80,000	80,000	-
426 Physicals	699	1,139	377	1,400	700	(700)
430 Advertising	3,303	3,175	2,078	7,950	4,000	(3,950)
440 Electricity	47,770	30,875	37,338	25,600	32,539	6,939
441 Water	-	-	-	-	40,200	40,200
442 Gas-Entex	3,333	2,803	2,029	3,500	3,100	(400)
482 Service Contracts	1,923	2,064	5,088	3,000	3,000	-
485 Laundry Services	-	-	-	-	-	-
499 Other Services	2,570	714	1,097	2,100	3,500	1,400
Services Total	144,438	149,007	131,288	134,150	177,039	42,889

Parks

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Maintenance						
524 Vehicle Maintenance	19,275	16,295	9,474	28,000	27,000	(1,000)
545 Bldg/Bldg Equip Maintenance	35,448	63,915	53,776	45,939	33,400	(12,539)
546 Land/Grounds Maint	44,136	50,384	38,849	41,000	44,000	3,000
Maintenance Total	98,859	130,594	102,099	114,939	104,400	(10,539)
Sundry						
602 Seminars/Dues/Travel	292	220	57	2,000	3,200	1,200
628 Property Liability Insurance	20,789	-	-	-	56,500	56,500
629 Property Insurance	-	13,733	54,097	14,500	-	(14,500)
652 Community Service Insurance	2,116	2,211	2,021	2,500	2,500	-
687 Damage Claims	-	-	-	-	-	-
699 Other - Sundry	1,114	1,325	3,799	15,000	11,500	(3,500)
Sundry Total	24,311	17,489	59,974	34,000	73,700	39,700
Debt Service	-	-	-	-	-	-
Capital Outlay						
801 Veteran'S Memorial Expenses	31	453	150	-	-	-
805 Outdoor Deck Riverplace	-	-	-	-	-	-
899 Capital Outlay	411,916	142,512	375	-	-	-
Capital Outlay Total	411,947	142,965	525	-	-	-
Grand Total	1,753,653	1,432,732	1,172,465	1,448,659	1,359,186	(89,473)

Beach Maintenance

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries						
100 Salaries/Wages	-	-	3,495	-	-	-
Salaries Total	-	-	3,495	-	-	-
Benefits						
201 F I C A & Medicare	-	-	264	-	-	-
210 Group Insurance	-	-	372	-	-	-
230 T M R S	-	-	506	-	-	-
Benefits Total	-	-	1,142	-	-	-
Maintenance						
591 Beach Maintenance Expense	-	-	1,832	9,200	10,000	800
Maintenance Total	-	-	1,832	9,200	10,000	800
Grand Total	-	-	6,469	9,200	10,000	800

Culture, Recreation, Tourism

General Fund

The mission of the Culture, Recreation & Tourism Department is to promote Freeport visitation and tourism with a renewed focus on targeted marketing of local community events and recreational assets, celebrating our rich historical past and embracing our vision for the future.

FY2019-2020 Achievements

Recreation Center renovations including new pool surfacing, new roof, interior paint and approval for new gym floor
 Created and produced our first ever virtual exhibit published on social media - 100 Years of Herstory: Texas Women's Exhibit and established new Summer Drive In Movie Series.
 Transitioned the Visitor Information Center to the Freeport Historical Museum and trained staff in facility rentals.

Goals & Objectives for FY2020-2021

Re-establish the Freeport Main Street Program to promote growth and increase tourism to historic downtown.
 Improve marketing strategies to increase attendance to community events, youth programs and museum.
 Educate staff regarding customer service vs. customer experience to promote positive community interaction.

Major Changes In FY2020-2021

Salaries have been increased up to 3% based on merit evaluations in 2020.
 The City's contribution to dependent and spousal coverage has been increased to 40%.
 Added copier lease under Electronics/Computer Maintenance.
 Moved Daddy Daughter Dance from Museum Fundraiser account to Special Events.
 Added funds for Riverfest, under Rec Center Special Events.
 Increased staff training, memberships & conference.

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries	276,486	259,123	420,500	266,872	412,410	(8,090)
Benefits	82,457	92,815	121,900	103,995	150,981	29,081
Supplies	167,271	102,434	104,250	39,683	81,358	(22,892)
Services	138,763	153,760	177,596	104,252	278,119	100,523
Maintenance	71,908	51,296	58,950	27,229	48,600	(10,350)
Sundry	35,184	26,695	15,697	19,525	55,985	40,288
Capital Outlay	52,306	98,550	-	-	-	-
Grand Total	824,374	784,674	898,893	561,556	1,027,453	128,560

Culture, Recreation, Tourism

General Fund

Employee Count

Position	FY2018-2019 Actual	FY2019-2020 Budget	FY2020-2021 Proposed	Increase/ (Decrease)
Museum				
Museum Manager	1	1	0	-1
Admin. Secretary	0	0	1	1
Museum Coordinator	0	0	1	1
Destinations Director	0	0	1	1
Attendant (PT)	2	2	1	-1
Museum Total	3	3	4	1
Recreation				
Recreation Supervisor	1	1	1 ✓	0
Lifeguards	22	22	16	-6
Attendant (PT)	2	2	2 ✓	0
Attendant	2	2	2 ✓	0
Program Coordinator	1	1	1 ✓	0
Recreation Total	28	28	22	-6
Grand Total	31	31	26	-5

Recreation

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries						
100 Salaries/Wages	208,172	184,459	135,119	271,900	157,401	(114,499)
110 Salaries/Wages-Pt	-	-	17,006	-	69,329	69,329
165 Education Pay	-	-	894	-	1,500	1,500
175 Longevity	829	630	668	900	848	(52)
180 Auto Allowance	1,385	-	-	-	-	-
181 Cell Phone Allowance	-	-	400	-	600	600
190 Overtime	5,279	4,006	731	-	4,120	4,120
Salaries Total	215,665	189,094	154,819	272,800	233,799	(39,001)
Benefits						
201 F I C A & Medicare	15,841	14,344	12,093	23,500	17,886	(5,614)
210 Group Insurance	30,745	35,818	33,167	37,700	33,734	(3,966)
230 T M R S	18,242	19,294	14,597	27,600	28,587	987
240 Workmen'S Compensation	-	615	6,022	7,400	5,381	(2,019)
291 Unemployment Insurance	-	-	400	400	271	(129)
Benefits Total	64,828	70,071	66,279	96,600	85,858	(10,742)
Supplies						
310 Office/Computer Supplies	1,201	2,253	462	3,500	4,700	1,200
311 Postage/Shipping	-	11	-	100	100	-
320 Other Electronics	6,922	5,379	8,382	13,200	8,808	(4,392)
331 Agricultural/Botanical	398	5,138	-	2,700	2,700	-
333 Program	42,894	42,036	6,566	32,250	13,850	(18,400)
335 Clothing	1,114	1,175	729	1,300	2,000	700
352 Furniture & Fixtures	-	2,411	-	2,300	6,250	3,950
385 Small Tools & Equipment	213	3,367	650	2,200	1,900	(300)
391 Resale Merchandise	84,224	2,469	-	3,900	-	(3,900)
392 Janitorial Supplies	3,562	5,383	979	5,300	5,000	(300)
399 Other Supplies	3,212	1,621	129	7,800	8,400	600
Supplies Total	143,741	71,243	17,897	74,550	53,708	(20,842)
Services						
414 Bank Charges/Ets Fees	1,376	101	-	2,000	2,000	-
415 Telephone	6,381	6,932	6,536	7,700	7,000	(700)
425 Contract Labor	30,354	28,594	6,851	27,100	44,000	16,900
426 Physicals/Screening	3,160	2,308	431	700	700	-
430 Advertising	11,221	3,338	1,204	12,200	9,700	(2,500)
435 Special Events	-	-	-	-	40,000	40,000
440 Electricity	30,412	35,307	10,114	39,500	37,210	(2,290)
441 Water	-	-	-	-	12,000	12,000
499 Other Services	1,352	795	318	3,000	3,375	375
Services Total	84,256	77,375	25,454	92,200	155,985	63,785
Maintenance						
545 Bldg/Bldg Equip Maintenance	10,222	8,230	12,546	12,400	13,600	1,200
546 Land/Grounds Maint	77	2,396	2,750	3,500	3,000	(500)
553 Pool Maintenance	29,843	25,562	7,904	27,000	16,000	(11,000)
Maintenance Total	40,142	36,189	23,200	42,900	32,600	(10,300)
Sundry						
602 Seminars/Dues/Travel	1,538	340	502	2,650	7,350	4,700
628 Property/Gen Liab Insurance	-	17,478	10,331	-	10,900	10,900
699 Other - Sundry	-	-	-	2,500	3,000	500
Sundry Total	1,538	17,818	10,833	5,150	21,250	16,100
Capital Outlay	52,306	-	-	-	-	-
Grand Total	602,476	461,790	298,482	584,200	583,200	(1,000)

Historical Museum

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries						
100 Salaries/Wages	59,132	67,277	102,286	147,300	140,505	(6,795)
110 Salaries/Wages-Pt	-	-	8,107	-	33,400	33,400
165 Education	-	-	721	-	1,500	1,500
175 Longevity	-	330	480	400	547	147
181 Cell Phone Allowance	-	-	350	-	600	600
190 Museum Overtime	1,689	2,422	109	-	2,060	2,060
Salaries Total	60,821	70,029	112,053	147,700	178,611	30,911
Benefits						
201 F I C A & Medicare	4,610	5,322	8,566	5,400	13,664	8,264
210 Group Insurance	6,664	9,985	18,328	9,500	25,346	15,846
230 T M R S	6,355	7,200	10,567	10,100	25,765	15,665
240 Workmen'S Compensation	-	238	155	200	139	(61)
291 Unemployment Insurance	-	-	100	100	209	109
Benefits Total	17,629	22,744	37,716	25,300	65,123	39,823
Supplies						
310 Office/Computer Supplies	3,417	4,328	3,863	3,800	3,800	-
311 Postage/Shipping	194	214	14	250	250	-
335 Clothing	297	480	102	500	500	-
352 Furniture & Fixtures	2,535	8,724	6,559	8,800	7,000	(1,800)
385 Small Tools & Equipment	281	492	531	500	200	(300)
389 Chemicals	1,359	300	21	300	500	200
390 Fuel	342	431	277	600	400	(200)
399 Other Supplies	5,375	3,955	1,490	4,000	4,000	-
Supplies Total	13,800	18,923	12,857	18,750	16,650	(2,100)
Services						
414 Bank Charges	-	-	1,356	-	1,000	1,000
415 Telephone	5,957	4,996	6,925	5,000	7,000	2,000
426 Physicals	200	200	172	-	200	200
430 Advertising	5,133	6,097	8,724	6,300	8,000	1,700
435 Special Events	-	20,011	17,035	20,000	25,000	5,000
440 Electricity	12,721	12,187	8,755	12,100	12,844	744
441 Water	-	-	-	-	10,200	10,200
442 Gas-Entex	260	224	28	400	300	(100)
482 Service Contracts	198	1,947	1,714	1,200	13,140	11,940
483 Museum Fundraiser	-	3,167	4,915	3,946	-	(3,946)
484 Museum Children'S Exhibit	6,628	6,759	5,127	7,000	5,000	(2,000)
486 Museum Exhibits	-	1,295	1,793	8,500	7,000	(1,500)
Services Total	31,098	56,883	56,544	64,446	89,684	25,238
Maintenance						
545 Bldg/Bldg Equip Maintenance	25,851	10,479	3,126	9,550	9,500	(50)
Maintenance Total	25,851	10,479	3,126	9,550	9,500	(50)
Sundry						
602 Seminars/Dues/Travel	881	1,129	3,113	3,150	11,735	8,585
610 Volunteer Relations	546	842	179	1,000	1,000	-
628 Property/Liability Insurance	790	3,962	2,372	3,000	3,000	-
699 Other Sundry	31,429	2,944	1,948	3,397	3,000	(397)
Sundry Total	33,646	8,877	7,612	10,547	18,735	8,188
Capital Outlay						
899 Capital Outlay	-	98,550	-	-	-	-
Capital Outlay Total	-	98,550	-	-	-	-
Grand Total	182,845	286,485	229,909	276,293	378,302	102,009

Library

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Supplies						
352 Furniture & Fixtures	-	-	-	-	-	-
385 Small Tools & Equipment	-	-	-	-	-	-
392 Janitorial Supplies	7,869	9,180	7,432	8,950	9,000	50
Supplies Total	7,869	9,180	7,432	8,950	9,000	50
Services						
403 Flood Insurance	-	-	-	-	-	-
405 Furniture Display Insurance	-	-	-	-	-	-
415 Telephone	2,577	3,704	4,510	3,200	4,700	1,500
430 Advertising	-	-	-	250	-	(250)
440 Electricity	-	-	-	-	-	-
441 Water	-	-	-	-	10,200	10,200
442 Gas-Entex	622	533	437	800	700	(100)
490 Board Request	8,606	8,515	10,786	8,600	8,600	-
Services Total	11,804	12,752	15,733	12,850	24,200	11,350
Maintenance						
545 Bldg/Bldg Equip Maintenance	5,914	4,628	903	6,500	6,500	-
Maintenance Total	5,914	4,628	903	6,500	6,500	-
Sundry						
629 Property Insurance	-	-	1,080	-	16,000	16,000
699 Other - Sundry	-	-	-	-	-	-
Sundry Total	-	-	1,080	-	16,000	16,000
Capital Outlay						
899 Capital Outlay	-	-	-	-	-	-
Capital Outlay Total	-	-	-	-	-	-
Grand Total	25,588	26,560	25,148	28,300	55,700	27,400

Sr. Citizen's Commission

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Supplies						
310 Office/Computer Supplies	448	-	-	-	-	-
311 Postage/Shipping	-	-	-	-	-	-
399 Other Supplies	1,412	3,089	1,497	2,000	2,000	-
Supplies Total	1,861	3,089	1,497	2,000	2,000	-
Services						
430 Advertising	82	70	319	100	250	150
484 Sr Citizens Projects	11,522	6,680	6,201	8,000	8,000	-
Services Total	11,604	6,750	6,520	8,100	8,250	150
Grand Total	13,465	9,839	8,017	10,100	10,250	150

Golf Course

General Fund

Freeport Municipal Golf Course looks to provide our members and guests with a quality, affordable, and a friendly, family oriented facility to our community. We will provide our customers with great customer service and welcoming atmosphere. Our goal is to continue to increase our membership and focus on more youth and family events.

FY2019-2020 Achievements

We exceeded our goal of 150 members and currently have 220.

Due to Covid-19 and the limits it has put on our revenue numbers it has been difficult to meet these goals other than our membership revenue.

Won Golf facility of the year for Brazoria County.

Goals & Objectives for FY2020-2021

Create a complete golf experience for our customers. Not only just a golf course but a better quality practice facility for clinics and lessons.

To create a cost effective plan to reduce the amount of weeds in the roughs and fairways.

To create a facility that generates over 30,000 rounds of golf annually with a membership base of 200+ members.

Major Changes In FY2020-2021

Salaries have been increased up to 3% based on merit evaluations in 2020.

The City's contribution to dependent and spousal coverage has been increased to 40%.

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries	420,905	421,770	444,200	437,159	543,454	99,254
Benefits	183,667	171,366	186,400	150,615	197,292	10,892
Supplies	74,342	60,242	70,500	63,625	68,700	(1,800)
Services	144,908	293,851	214,750	198,363	258,994	44,244
Maintenance	58,886	52,859	51,100	47,769	53,000	1,900
Sundry	15,558	32,749	1,350	15,107	6,600	5,250
Capital Outlay	-	118,912	-	-	-	-
Grand Total	898,265	1,151,749	968,300	912,638	1,128,041	159,741

Employee Count

Position	FY2018-2019	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Budget	Proposed Budget	
Golf Course				
Clerk	2	1	0	-1
Coordinator	0	0	1	1
Crew leader	1	1	1	0
Golf Course Director	1	1	1	0
Grounds Keepers	4	4	4	0
Mechanic	1	1	1	0
Proshop Attendant (PT)	4	5	5	0
Range Attendant (PT)	4	6	6	0
Golf Course Total	17	19	19	0

Golf Course

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Salaries						
100 Salaries/Wages	416,488	416,680	383,217	433,500	347,618	(85,882)
110 Salaries/Wages-Pt	-	-	46,028		189,635	189,635
175 Longevity	2,842	3,392	3,895	2,800	4,141	1,341
190 Overtime	1,576	1,698	4,019	7,900	2,060	(5,840)
Salaries Total	420,905	421,770	437,159	444,200	543,454	99,254
Benefits						
201 F I C A & Medicare	29,804	32,193	33,669	34,200	41,620	7,420
210 Group Insurance	94,335	85,335	66,363	75,400	67,661	(7,739)
230 T M R S	49,821	49,773	40,032	63,900	78,480	14,580
240 Workmen'S Compensation	9,706	4,065	9,951	12,300	8,892	(3,408)
291 Unemployment Insurance	-	-	600	600	639	39
Benefits Total	183,667	171,366	150,615	186,400	197,292	10,892
Supplies						
310 Office/Computer Supplies	1,732	1,469	713	1,500	1,500	-
335 Clothing	534	460	-	500	500	-
352 Furniture & Fixtures	1,200	3,350	709	5,400	5,000	(400)
385 Small Tools & Equipment	2,985	2,984	2,142	3,000	3,200	200
389 Chemicals	49,882	31,348	42,388	40,000	40,000	-
390 Fuel	14,670	17,602	15,719	17,600	16,000	(1,600)
392 Janitorial Supplies	960	1,012	198	1,000	1,000	-
399 Other Supplies	2,380	2,018	1,755	1,500	1,500	-
Supplies Total	74,342	60,242	63,625	70,500	68,700	(1,800)
Services						
400 Cart Rental Fee	44,486	44,801	37,816	-	45,000	45,000
401 Merchandise	9,728	146,898	85,727	115,000	110,000	(5,000)
402 Food For Resale	9,979	7,429	3,907	7,000	7,000	-
403 Beer For Resale	36,724	26,642	24,799	34,000	34,000	-
404 Soft Drinks & Snacks	17,284	29,420	14,748	21,000	21,000	-
414 Bank Charges	-	8,908	9,321	6,500	9,400	2,900
415 Telephone	-	4,765	5,484	5,500	5,500	-
426 Physicals/Screening	-	777	127	750	500	(250)
430 Advertising	-	2,451	233	3,000	2,000	(1,000)
440 Electricity	19,893	17,264	13,364	17,500	18,194	694
499 Other Services	6,813	4,497	2,837	4,500	6,400	1,900
Services Total	144,908	293,851	198,363	214,750	258,994	44,244
Maintenance						
524 Vehicle Maintenance	15,161	17,101	25,276	19,500	21,000	1,500
545 Bldg/Bldg Equip Maintenance	12,189	8,713	480	2,500	3,500	1,000
546 Land/Grounds Maint	31,535	27,045	22,013	29,100	28,500	(600)
Maintenance Total	58,886	52,859	47,769	51,100	53,000	1,900
Sundry						
602 Seminars/Dues/Travel	2,138	854	1,431	450	500	50
628 Property/Gen Liab Insurance	160	7,587	4,574	-	6,100	6,100
629 Vehicle Insurance	-	800	1,225	900	-	(900)
697 Lease Principal	13,260	23,508	7,876	-	-	-
Sundry Total	15,558	32,749	15,107	1,350	6,600	5,250
Capital Outlay						
899 Capital Outlay	-	118,912	-	-	-	-
Capital Outlay Total	-	118,912	-	-	-	-
Grand Total	898,265	1,151,749	912,638	968,300	1,128,041	159,741

Interfund Transfers

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Transfer						
014 Street And Drainage 60% Tax	-	-	2,399,906	2,399,906	250,000	(2,149,906)
015 Transfer To Golf Course	-	-	-	-	-	-
016 Transfer To Marina Operations	-	-	30,600	30,600	-	(30,600)
017 Transfer To Beach Maint	-	-	12,000	12,000	-	(12,000)
018 Transfer To Hotel-Motel Tax Fd	-	-	-	-	-	-
020 Transfer To Ambulance	-	-	-	-	-	-
021 Transfer To Facilities	-	-	954,054	954,054	205,775	(748,279)
022 Transfer To Equip Replace	-	-	699,562	447,788	269,642	(178,146)
023 Transfer To It Fund	-	-	-	-	475,259	475,259
030 Transfer To Edc	-	-	300,000	300,000	-	(300,000)
038 Transfer To Marina Const	-	-	-	-	-	-
040 Transfer To Court Tech	-	12,496	-	-	-	-
041 Transfer To Court Security	-	66,294	-	-	-	-
043 Transfer To State Seized	-	74,664	-	-	-	-
046 Transfer To Llebg	-	-	-	-	-	-
056 Transfer To Water & Sewer	502,749	959,159	1,000,000	1,000,000	-	(1,000,000)
064 Transfer To Debt Svc	-	-	-	-	-	-
065 Transfer To Debt Serv Fnd 65	-	-	-	-	-	-
076 Transfer To Urban Renewal	-	-	-	-	-	-
Transfer Total	502,749	1,112,612	5,396,122	5,144,348	1,200,676	(3,943,672)

8
S&B
Park
CH
Driv.

Garbage

General Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Services						
499 Garbage Collection	962,293	899,603	820,209	992,453	992,453	-
Services Total	962,293	899,603	820,209	992,453	992,453	-

Water & Sewer Summary

Utility Fund

The Water and Sewer Enterprise Fund is used to account for operations of the water and sewer division and the construction of related facilities. The fund is financed and operated in a manner similar to private business enterprises - where the intent of the City is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition, maintenance and improvement of the physical plant facilities required to provide these goods and services are financed from existing cash resources, the issuance of bonds (revenue or general obligation), impact fees and other City funds.

The City has one 2.25 MGD wastewater treatment plant, one 0.03 MGD water treatment plant, a collection system, 31 wastewater lift stations, three operational water wells, and a potable water distribution system which includes meters, pump stations and storage tanks. The City currently contracts out operations and maintenance to Veolia Water North America-Central, LLC. The annual fee increases proportionally to the Consumer Price Index for all Urban Consumers (US City Average).

The City receives its water through a water supply contract with the Brazosport Water Authority. The City agrees to take and pay for, whether taken or not, 2 million gallons of water per day. Additionally, the City shares the costs associated with the operation of a City of Oyster Creek sewer treatment plant. The percentage for sharing the operating expenses is determined based upon meter flow calibrations.

FY2020-2021 Achievements

- Completed Utility Rate Study.
- Completed Lift Station #3 and #5 Rehabilitation Project.
- Completed Assessment of Wastewater Treatment Plant.
- Implemented new online and over the phone utility payment options.

Goals & Objectives for FY2020-2021

- Implement Utility Rate Study.
- Obtain Texas Water Development Board Financing.
- Implement new Utility Billing software.

Major Changes In FY2020-2021

- Revenue and expenditures have been increased per the Utility Rate Study projections.
- Salaries have been increased up to 3% based on merit evaluations in 2020.
- The City's contribution to dependent and spousal coverage has been increased to 40%.

Water & Sewer Summary

Utility Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Revenue						
Intergovernmental	103,931	294,352	-	7,399	4,000	4,000
Miscellaneous Income	(14,379)	(972)	(18,400)	50,515	48,402	66,802
Investment Earnings	5,576	2,009	4,500	128	4,500	-
Water & Sewer Services	4,853,440	4,826,101	5,290,000	4,637,827	6,598,940	1,308,940
Revenue Total	4,948,567	5,121,489	5,276,100	4,695,868	6,655,842	1,379,742
Expenditures						
Salaries	80,261	84,666	93,100	85,906	95,703	2,603
Benefits	31,461	40,846	39,900	36,904	38,361	(1,539)
Supplies	32,977	24,526	27,000	34,573	27,546	546
Services	4,684,992	5,097,579	5,276,336	5,213,155	5,344,470	68,134
Maintenance	12,757	7,099	9,075	10,525	9,258	183
Sundry	-	-	701	304	25,716	25,015
Capital Outlay	-	1	750,000	199,870	210,000	(540,000)
Transfer	-	-	-	-	-	-
Depreciation Expense	453,751	483,264	-	-	-	-
Expenditures Total	5,296,199	5,737,981	6,196,112	5,581,238	5,751,054	(445,058)
Beg Fund Balance*	(13,371)	141,747	484,413	484,413	564,401	
Revenue Less Expenditures	(347,631)	(616,492)	(920,012)	(885,369)	904,787	
Transfers	502,749	959,159	1,000,000	1,000,000	(150,000)	
Ending Fund Balance*	141,747	484,413	564,401	599,044	1,319,188	
*(Unrestricted)						
33% Operating Reserve	1,747,746	1,893,534	2,044,717	1,841,808	1,897,848	
Available Fund Balance	(1,605,999)	(1,409,121)	(1,480,316)	(1,242,765)	(578,660)	

Employee Count

Position	FY2018-2019	FY2019-2020
	Actual	Budget
Water		
Billing Manager	1	1
Utility Clerk	1	1
Water Total	2	2

Water & Sewer Revenue

Utility Fund

Category	FY2017- 2018 Actual	FY2018-2019 Actual	FY2019-2020 Estimate	FY2019-2020	FY2020-2021	Increase/ (Decrease)
				Current Budget	Proposed Budget	
Intergovernmental						
101 Interlocal Revenue	-	18,758	4,213	-	4,000	4,000
400 Community Dev Grant	-	248,075	-	-	-	-
401 Grant Revenue-Emergency Pov	103,931	-	-	-	-	-
460 Fema Reimbursement	-	27,519	3,186	-	-	-
Intergovernmental Total	103,931	294,352	7,399	-	4,000	4,000
Miscellaneous Income						
101 Misc Income	765	(3,895)	-	-	-	-
701 Credit Adjustments	-	-	-	-	-	-
103 Utility Reimbursements	-	-	46,802	-	46,802	46,802
102 Misc Income Return Checks	1,150	745	1,387	1,600	1,600	-
005 Cash Over Or Short	6	(58)	234	-	-	-
700 Bad Debt Write-Off	(16,300)	2,236	2,092	(20,000)	-	20,000
Miscellaneous Income Total	(14,379)	(972)	50,515	(18,400)	48,402	66,802
Investment Earnings						
100 Interest Income	5,576	2,009	128	4,500	4,500	-
Investment Earnings Total	5,576	2,009	128	4,500	4,500	-
Water & Sewer Services						
201 Water Revenue - Misc	-	-	253	-	-	-
301 Sewer Revenue - Misc	7,220	400	3,955	-	-	-
200 Water Revenue	2,799,735	2,812,519	2,728,332	3,190,000	4,007,820	817,820
300 Sewer Revenue	1,915,013	1,916,385	1,822,250	1,980,000	2,471,120	491,120
500 Sewer Surcharge	3,048	235	1,506	-	-	-
600 Water Tap Fee	38,073	14,365	14,440	35,000	35,000	-
900 Connect & Disconnect Fees	90,352	82,197	67,091	85,000	85,000	-
Water & Sewer Services Total	4,853,440	4,826,101	4,637,827	5,290,000	6,598,940	1,308,940
Grand Total	4,948,567	5,121,489	4,695,868	5,276,100	6,655,842	1,379,742

Water/Sewer

Utility Fund

Category	FY2017-2018 Actual	FY2018-2019 Actual	FY2019-2020 Estimate	FY2019-2020 Current Budget	FY2020-2021 Proposed Budget	Increase/ (Decrease)
Salaries						
100 Salaries/Wages	76,159	76,302	82,491	87,100	89,990	2,890
175 Longevity	1,478	1,664	1,488	1,000	1,593	593
190 Overtime	2,624	6,699	1,927	5,000	4,120	(880)
Salaries Total	80,261	84,666	85,906	93,100	95,703	2,603
Benefits						
201 F I C A & Medicare	6,777	6,312	7,068	7,200	7,321	121
210 Group Insurance	19,775	16,855	18,609	18,900	16,943	(1,957)
230 T M R S	4,909	10,065	11,023	13,300	13,805	505
240 Workmen'S Compensation	-	315	205	300	183	(117)
250 Opeb Expense	-	7,300	-	-	-	-
291 Unemployment Insurance	-	-	-	200	108	(92)
Benefits Total	31,461	40,846	36,904	39,900	38,361	(1,539)
Supplies						
310 Office/Computer Supplies	6,877	9,191	7,272	9,500	9,696	196
311 Postage/Shipping	26,100	15,335	13,470	17,500	17,850	350
335 Clothing	-	-	-	-	-	-
385 Small Tools & Equipment	-	-	-	-	-	-
390 Fuel	-	-	13,831	-	-	-
399 Other Supplies	-	-	-	-	-	-
Supplies Total	32,977	24,526	34,573	27,000	27,546	546
Services						
406 Fees	10,900	32,328	42,887	33,000	34,320	1,320
407 Collection Agency Fees	611	200	-	1,000	1,020	20
413 Professional Services	-	73,076	203,722	114,290	-	(114,290)
414 Bank Charges	11,518	5,071	4,105	9,261	9,446	185
415 Telephone	4,170	9,999	10,115	12,120	9,446	(2,674)
426 Physicals/Screening	-	-	-	35	36	1
430 Advertising	-	-	-	-	-	-
440 Electricity	-	-	24,554	-	-	-
483 Special Services	-	-	-	-	-	-
495 Oyster Creek Agreement	-	174,088	-	116,000	118,320	2,320
496 Bwa Water Resale	2,279,825	2,281,123	2,415,600	2,415,600	2,562,300	146,700
498 Veolia - Other	1,867	142,625	27,142	90,000	50,000	(40,000)
499 Veolia - Contract Operations	2,376,102	2,379,069	2,485,030	2,485,030	2,559,582	74,552
Services Total	4,684,992	5,097,579	5,213,155	5,276,336	5,344,470	68,134
Maintenance						
543 Electronics/Computer Maint	12,757	7,099	10,525	9,075	9,258	183
Maintenance Total	12,757	7,099	10,525	9,075	9,258	183
Sundry						
602 Seminars/Dues/Travel	-	-	304	350	358	8
604 Public Office Liability	-	-	-	-	-	-
628 Insurance	-	-	-	-	25,000	25,000
699 Other - Sundry	-	-	-	351	358	7
Sundry Total	-	-	304	701	25,716	25,015
Capital Outlay						
874 Riverside Lift Station	-	-	-	-	-	-
875 Grant-Emergency Power & M	-	-	-	-	-	-
876 Lift Station Pumps	-	-	-	-	-	-
880 Land Acquisition	-	-	-	-	-	-
899 Capital Outlay	-	1	199,870	750,000	210,000	(540,000)
Capital Outlay Total	-	1	199,870	750,000	210,000	(540,000)
Depreciation Expense						

Water/Sewer

Utility Fund

Category	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
995 Depreciation	453,751	483,264	-	-	-	-
999 Accrual: Capital Outlay	-	-	-	-	-	-
Depreciation Expense Total	453,751	483,264	-	-	-	-
Grand Total	5,296,199	5,737,981	5,581,238	6,196,112	5,751,054	(445,058)



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Debt Service Fund

The Debt Service Fund is the mechanism through which the City accumulates resources for the payment of interest and principal on its long-term debts.

The Debt Service Fund receives the majority of its revenues through current property tax assessments collected through the Interest and Sinking (I&S) tax rate. This portion of the tax rate is typically equal to the tax rate that, when applied to total assessed value, provides revenue equal to the debt service payment. The City has no legal debt limits.

The City paid off its 2003 Certificate of Obligations in FY2018-2019 leaving the 2008 Certificate of Obligations as the only outstanding bond in FY2019-2021. Therefore; to balance payments over time, the FY2020-2021 2008 Certificate of Obligation principal payment was made in FY 2019-2020. This allowed the City's Interest and Sinking Property Tax Rate as well as its overall Tax Rate to remain level.

The City is in the process of issuing new Certificate of Obligations. The bids are due August 3, 2020, therefore; the Proposed Budget has been developed utilizing estimated figures for the new issuance.

TOTAL DEBT SERVICE (ESTIMATE)				
Fiscal Year	Total Payment	Interest	Principal	Principal Balance
2020				8,040,000
2021	546,924	131,924	415,000	7,625,000
2022	537,624	227,624	310,000	7,315,000
2023	536,702	216,702	320,000	6,995,000
2024	535,500	245,500	290,000	6,705,000
2025	538,300	233,300	305,000	6,400,000
2026	535,500	220,500	315,000	6,085,000
2027	537,300	207,300	330,000	5,755,000
2028	538,500	198,500	340,000	5,415,000
2029	539,100	184,100	355,000	5,060,000
2030	539,100	169,100	370,000	4,690,000
2031	537,400	152,400	385,000	4,305,000
2032	535,400	135,400	400,000	3,905,000
2033	538,100	123,100	415,000	3,490,000
2034	535,350	110,350	425,000	3,065,000
2035	537,300	97,300	440,000	2,625,000
2036	538,800	83,800	455,000	2,170,000
2037	539,850	74,850	465,000	1,705,000
2038	535,450	65,450	470,000	1,235,000
2039	535,750	55,750	480,000	755,000
2040	535,600	45,600	490,000	265,000
TOTAL	10,753,550	2,978,550	7,775,000	

Debt Service Fund

2008 Certificate of Obligation - \$3.35 Million				
Maturity Date	Payment Amount	Interest	Principal	Principal Balance
4/1/2008	-	-	-	3,350,000
4/1/2009	291,965	126,965	165,000	3,185,000
4/1/2010	295,712	120,712	175,000	3,010,000
4/1/2011	299,079	114,079	185,000	2,825,000
4/1/2012	297,068	107,068	190,000	2,635,000
4/1/2013	299,867	99,867	200,000	2,435,000
4/1/2014	297,287	92,287	205,000	2,230,000
4/1/2015	299,517	84,517	215,000	2,015,000
4/1/2016	296,369	76,369	220,000	1,795,000
4/1/2017	298,031	68,031	230,000	1,565,000
4/1/2018	299,314	59,314	240,000	1,325,000
4/1/2019	295,218	50,218	245,000	1,080,000
4/1/2020	294,255	39,255	255,000	825,000
<i>2021 Prepayment</i>			<i>265,000</i>	<i>560,000</i>
4/1/2021	21,224	21,224		560,000
4/1/2022	296,224	21,224	275,000	285,000
4/1/2023	295,802	10,802	285,000	-
TOTAL	4,176,928	1,091,928	3,350,000	

2020 Certificate of Obligation - \$7.215 Million ESTIMATE				
Maturity Date	Total Payment	Interest	Principal	Principal Balance
2020 Issue				7,215,000
4/1/2021	525,700	110,700	415,000	6,800,000
4/1/2022	241,400	206,400	35,000	6,765,000
4/1/2023	240,900	205,900	35,000	6,730,000
4/1/2024	535,500	245,500	290,000	6,440,000
4/1/2025	538,300	233,300	305,000	6,135,000
4/1/2026	535,500	220,500	315,000	5,820,000
4/1/2027	537,300	207,300	330,000	5,490,000
4/1/2028	538,500	198,500	340,000	5,150,000
4/1/2029	539,100	184,100	355,000	4,795,000
4/1/2030	539,100	169,100	370,000	4,425,000
4/1/2031	537,400	152,400	385,000	4,040,000
4/1/2032	535,400	135,400	400,000	3,640,000
4/1/2033	538,100	123,100	415,000	3,225,000
4/1/2034	535,350	110,350	425,000	2,800,000
4/1/2035	537,300	97,300	440,000	2,360,000
4/1/2036	538,800	83,800	455,000	1,905,000
4/1/2037	539,850	74,850	465,000	1,440,000
4/1/2038	535,450	65,450	470,000	970,000
4/1/2039	535,750	55,750	480,000	490,000
4/1/2040	535,600	45,600	490,000	-
TOTAL	10,140,300	2,925,300	7,215,000	

Debt Service Fund 64

General Fund Summary	FY2017-2018 Actual	FY2018-2019 Actual	FY2019-2020 Estimate	FY2019-2020 Current Budget	FY2020-2021 Proposed Budget	Increase/ (Decrease)
Revenue						
Revenue						
Bond Proceeds	-	-	-	-	-	-
Property Tax	571,550	599,048	539,396	564,832	568,300	3,468
Investment Earnings	478	615	103	400	-	(400)
Revenue Total	572,028	599,663	539,499	565,232	568,300	3,068
Revenue Total	572,028	599,663	539,499	565,232	568,300	3,068
Expenditures						
Expenditures						
Administration	-	-	-	-	-	-
Debt Service	579,577	585,332	569,224	565,232	551,924	(13,308)
Expenditures Total	579,577	585,332	569,224	565,232	551,924	(13,308)
Beginning Fund Balance	56,290	48,741	63,072	63,072	33,347	
Revenue Less Expenditures	(7,549)	14,330	(29,725)	-	16,376	
Ending Fund Balance	48,741	63,072	33,347	63,072	49,723	



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Capital Projects (2020 COs) Fund 66

The Capital Projects Fund is a new fund to track the 2020 Certificate of Obligation Expenditures. Expenditures in FY2020-2021 include \$2.5 million in Streets and Drainage Projects, \$252k for Velasco Pump Station Improvements, \$375k for repairs to the Heritage House, and \$675k to renovate City Hall.

	FY2017-2018 Actual	FY2018-2019 Actual	FY2019-2020 Estimate	FY2019-2020 Current Budget	FY2020-2021 Proposed Budget	Increase/ (Decrease)
Revenue						
Revenue						
Bond Proceeds	-	-	7,700,000	-	-	-
Interest Income	-	-	-	-	38,500	38,500
Revenue Total	-	-	7,700,000	-	38,500	38,500
Revenue Total	-	-	7,700,000	-	38,500	38,500
Expenditures						
Administration	-	-	-	-	675,000	675,000
Historical Museum	-	-	-	-	375,000	375,000
Streets/Drainage	-	-	-	-	2,752,000	2,752,000
Expenditures Total	-	-	-	-	3,802,000	3,802,000
Beginning Fund Balance	-	-	-	7,700,000	7,700,000	-
Revenue Less Expenditures	-	-	7,700,000	-	(3,763,500)	
Transfers	-	-	-	-	-	-
Ending Fund Balance	-	-	7,700,000	7,700,000	3,936,500	

Overall 2020 Bond Issuance

Project	FY2020-2021	FY2021-2022	FY2022-2023	TOTAL	Percent
Street & Drainage Projects	2,500,000	2,125,000	1,750,000	6,375,000	83%
Velasco Pump Station Improvements	252,000			252,000	3%
Heritage House Renovation	375,000			375,000	5%
City Hall Renovation	675,000			675,000	9%
Total	3,802,000	2,125,000	1,750,000	7,677,000	100%

Capital Projects Fund 63

The Capital Projects Fund is an existing fund that has an outstanding balance of \$54,000. Expenditures have not been budgeted in prior years; therefore, staff recommends utilizing this funding for qualifying infrastructure projects in FY 2019-2020.

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Revenue						
Revenue	-	39	-	-	-	-
Revenue Total	-	39	-	-	-	-
Expenditures						
Administration	-	-	54,000	54,000	-	(54,000)
Historical Museum	-	-	-	-	-	-
Streets/Drainage	-	-	-	-	-	-
Expenditures Total	-	-	54,000	54,000	-	(54,000)
Beginning Fund Balance	54,000	54,000	54,039	54,039	39	
Revenue Less Expenditures	-	39	(54,000)	(54,000)	-	
Transfers	-	-	-	-	-	
Ending Fund Balance	54,000	54,039	39	39	39	

Streets & Drainage Fund 14

The Streets & Drainage Fund is an existing fund has not been used in recent years. Therefore; staff proposes transferring funding from the General Fund to start allocating money for capital projects related to Streets & Drainage. While, this could be done under the General Fund, having a sperate fund allows the City to track and keep in savings in the fund for future infrastructure projects.

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Revenue						
Revenue						
Miscellaneous Income	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Revenue Total	-	-	-	-	-	-
Revenue Total	-	-	-	-	-	-
Expenditures						
Streets/Drainage	-	-	2,249,906	2,249,906	250,000	(1,999,906)
Expenditures Total	-	-	2,249,906	2,249,906	250,000	(1,999,906)
Beginning Fund Balance	-	-	-	-	150,000	
Revenue Less Expenditures	-	-	(2,249,906)	(2,249,906)	(250,000)	
Transfers	-	-	2,399,906	2,399,906	250,000	
Ending Fund Balance	-	-	150,000	150,000	150,000	

Facilities and Grounds CIP Fund 21

The Facilities and Grounds CIP is a new fund to allocate and track improvements to the City facilities.

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	
	Actual	Actual	Estimate	Current Budget	Proposed Budget	Increase/ (Decrease)
Expenditures						
Administration ✓	-	-	248,348	292,152 ✓	-	(292,152)
Service Center ✓	-	-	-	25,000 ✓	22,000 ✓	(3,000)
Police/Animal Control ✓	-	-	7,266	-	45,300	45,300
Fire/Emergency Managemt ✓	-	-	-	-	25,000	25,000
Golf Course ✓	-	-	-	20,000	55,000	35,000
Historical Museum ✓	-	-	-	-	17,000	17,000
Library ✓	-	-	5,650	15,000	-	(15,000)
Parks ✓	-	-	324,397	462,902	38,000	(424,902)
Recreation ✓	-	-	113,901	139,000	3,475	(135,525)
Expenditures Total	-	-	699,562	954,054	205,775	(748,279)
Beginning Fund Balance	-	-	-	-	-	-
Revenue Less Expenditures	-	-	(699,562)	(954,054)	(205,775)	
Transfers	-	-	699,562	954,054	205,775	
Ending Fund Balance	-	-	-	-	-	-

248,348.96

7,266.36

Facilities CIP Fund Projects FY2020-2021

Department/Request	Sum of Facilities CIP
Culture, Recreation & Tourism	20,475
Glass Gym Doors	3,475
Museum Renovations	17,000
Fire/EMS	25,000
Station #1 Decon Room	25,000
Golf Course	55,000
Cart path repair	10,000
New Practice Putting Green	30,000
Greens Renovations	15,000
Police	45,300
Plumbing & Sewage Replacement	13,500
New PD Roof	31,800
Public Works	60,000
Paint Exterior of Service Center	22,000
River Place Roof Repairs	33,000
Dog Waste Stations at Parks	5,000
Grand Total	205,775

Vehicle and Equipment Replacement Fund 22

The Vehicle and Equipment Replacement Fund is a new fund to allocate and track improvements to the City facilities.

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Expenditures						
Administration	-	-	39,644	-	-	-
Police/Animal Control	-	-	149,157	181,257	122,000	(59,257)
Fire/Emergency Management	-	-	80,875	79,415	93,142	13,727
Golf Course	-	-	-	-	47,000	47,000
Parks	-	-	140,206	140,206	-	(140,206)
Streets/Drainage	-	-	31,805	46,910	7,500	(39,410)
Expenditures Total	-	-	441,691	447,788	269,642	(178,146)
Beginning Fund Balance	-	-	-	-	-	-
Revenue Less Expenditures	-	-	(441,691)	(447,788)	(269,642)	
Transfers	-	-	441,691	447,788	269,642	
Ending Fund Balance	-	-	-	-	-	-

Vehicle and Equipment Replacement Fund Projects FY2020-2021

Department/Request	Amount
Fire/EMS	93,142
Ferno INX Patient Cot	37,215
Staff Vehicle Replacement	55,927
Golf Course	47,000
Replace Greens Mower (Verticutter)	47,000
Police	122,000
Unmarked Unit	32,000
Two-Turn Key Tahoe Packages	90,000
Public Works	7,500
Hydraulic Auger	3,500
Striping Machine	4,000
Grand Total	269,642

Information Technology Fund 23

The Technology Fund is a new fund to allocate and track improvements to the City's IT infrastructure and software expenses.

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Expenditures						
Administration	-	-	-	-	208,000	208,000
Police/Animal Control	-	-	-	-	252,832	252,832
Fire/Emergency Managem	-	-	-	-	8,427	8,427
Parks	-	-	-	-	-	-
Streets/Drainage	-	-	-	-	6,000	6,000
Expenditures Total	-	-	-	-	475,259	475,259
Beginning Fund Balance	-	-	-	-	-	-
Revenue Less Expenditures	-	-	-	-	(475,259)	
Transfers	-	-	-	-	475,259	
Ending Fund Balance	-	-	-	-	-	-

Information Technology Fund Projects FY2020-2021**Information Technology Fund**

Department/Request	Amount
Administration	208,000
Financial Software Upgrade	165,000
New Computer for New Admin Position	3,000
IT Services Contract	40,000
Fire/EMS	8,427
"Shock Advised" AED Program	8,427
Police	252,832
AVTEC Scout Console	165,002
Computer Replacement	8,800
Email Archive System	7,500
LPR Computer Upgrade	8,925
Off-Site Backup & Replication	13,000
Quest DL130 Upgrade	20,000
LiveScan Fingerprinting Machine	19,537
In-Unit Computers for New Tahoe's	4,698
Laserfiche Upgrade	5,370
Public Works	6,000
Vehicle scanning tool	6,000
Grand Total	475,259

Hotel-Motel Tax Fund 18

Use of hotel occupancy tax (HOT Tax) revenue is specified by Chapter 351 of the Texas Tax Code. HOT tax revenue may only be used to promote tourism and the local convention and hotel industry. The Hotel/Motel Tax funds specific tourism initiatives. FY2021 expenditures are for regional tourism initiatives. A \$20k placeholder for a Visitor Kiosk has been included under Sundry.

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Revenue						
Revenue						
Franchise & Other Taxes	11,359	36,586	7,325	12,000	12,000	-
Investment Earnings	-	95	-	-	-	-
Revenue Total	11,359	36,681	7,325	12,000	12,000	-
Revenue Total	11,359	36,681	7,325	12,000	12,000	-
Expenditures						
Hotel/Motel						
Services	10,500	11,000	6,333	10,250	10,250	-
Sundry	-	-	-	-	20,000	20,000
Hotel/Motel Total	10,500	11,000	6,333	10,250	30,250	20,000
Expenditures Total	10,500	11,000	6,333	10,250	30,250	20,000
Beginning Fund Balance	2,587	3,446	29,127	29,127	30,119	
Revenue Less Expenditures	859	25,681	991	1,750	(18,250)	
Transfers	-	-	-	-	-	
Ending Fund Balance	3,446	29,127	30,119	30,877	11,869	

Marina Fund 16

This fund was established in FY 20202 to track revenue and expenditures regarding boat operations. The City has an agreement with Freeport LNG to maintain and operate a boat to patrol the marina.

	FY2017-2018 Actual	FY2018-2019 Actual	FY2019-2020 Estimate	FY2019-2020 Current Budget	FY2020-2021	
					Proposed Budget	Increase/ (Decrease)
Revenue						
Revenue						
Miscellaneous Income	-	-	7,420	7,420	7,420	-
Revenue Total	-	-	7,420	7,420	7,420	-
Revenue Total	-	-	7,420	7,420	7,420	-
Expenditures						
Police/Animal Control	-	-	21,125	25,000	5,000	(20,000)
Expenditures Total	-	-	21,125	25,000	5,000	(20,000)
Beginning Fund Balance	-	-	-	-	16,895	
Revenue Less Expenditures	-	-	(13,705)	(17,580)	2,420	
Transfers	-	-	30,600	30,600	-	
Ending Fund Balance	-	-	16,895	13,020	19,315	

Court Technology Fund 40

The Court Technology Fund is used to account for revenues and expenditures associated with legislatively restricted fees collected by the Municipal Court.

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Revenue						
Revenue						
Fines & Forfeits	-	8,833	4,683	10,000	10,000	-
Investment Earnings	-	29	-	-	-	-
Revenue Total	-	8,862	4,683	10,000	10,000	-
Revenue Total	-	8,862	4,683	10,000	10,000	-
Expenditures						
Municipal Court						
Maintenance	-	-	9,666	8,600	8,600	-
Sundry	-	9,265	2,139	2,800	2,800	-
Municipal Court Total	-	9,265	11,806	11,400	11,400	-
Expenditures Total	-	9,265	11,806	11,400	11,400	-
Transfer	-	12,496	-	-	-	-
Beginning Fund Balance	-	-	12,093	12,093	4,970	
Revenue Less Expenditures	-	(403)	(7,122)	(1,400)	(1,400)	
Transfers	-	12,496	-	-	-	
Ending Fund Balance	-	12,093	4,970	10,693	3,570	

Court Security Fund 41

The Court Security Fund is used to account for revenues and expenditures associated with legislatively restricted fees collected by the Municipal Court. Included in the fund are the costs associated with the Court Bailiff.

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Revenue						
Revenue						
Interest Income	-	132	-	-	-	-
Fines & Forfeits	-	6,625	3,974	7,600	7,600	-
Revenue Total	-	6,758	3,974	7,600	7,600	-
Revenue Total	-	6,758	3,974	7,600	7,600	-
Expenditures						
Municipal Court						
Salaries	-	-	19,214	5,000	15,000	10,000
Sundry	-	250	73	8,400	8,400	-
Municipal Court Total	-	250	19,287	13,400	23,400	10,000
Expenditures Total	-	250	19,287	13,400	23,400	10,000
Beginning Fund Balance	-	-	72,801	72,801	57,488	
Revenue Less Expenditures	-	6,508	(15,314)	(5,800)	(15,800)	
Transfers	-	66,294	-	-	-	
Ending Fund Balance	-	72,801	57,488	67,001	41,688	

State Narcotics Fund 43

Chapter 59 Asset Seizures account is regulated by state law and may be used for various expenses related to police activities. The Police Department administers the funds of these programs. This fund includes awarded State Seized Funds and State Narcotics Funds pending award.

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Revenue						
Revenue						
Interest Income	-	-	-	-	-	-
Miscellaneous Income	-	29,531	26,643	26,000	26,000	-
Investment Earnings	-	1,711	-	-	-	-
Revenue Total	-	31,242	26,643	26,000	26,000	-
Revenue Total	-	31,242	26,643	26,000	26,000	-
Expenditures						
Police/Animal Control	-	51,189	5,636	15,000	15,000	-
Expenditures Total	-	51,189	5,636	15,000	15,000	-
Beginning Fund Balance	-	-	37,824	37,824	58,831	
Revenue Less Expenditures	-	(19,947)	21,007	11,000	11,000	
Transfers	-	57,771	-	-	-	
Ending Fund Balance	-	37,824	58,831	48,824	69,831	

Federal Narcotics Fund 44

Federal Seizures are regulated by the Department of Justice Asset Forfeiture Program and may be used for various one-time expenses related to investigation. The Police Department administers the funds of these programs.

	FY2017-2018	FY2018-2019	FY2019-2020	FY2019-2020	FY2020-2021	Increase/ (Decrease)
	Actual	Actual	Estimate	Current Budget	Proposed Budget	
Revenue						
Revenue						
Interest Income	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-
Revenue Total	-	-	-	-	-	-
Revenue Total	-	-	-	-	-	-
Expenditures						
Police/Animal Control	-	-	-	-	-	-
Expenditures Total	-	-	-	-	-	-
Beginning Fund Balance	-	-	-	-	-	-
Revenue Less Expenditures	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-	-



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Summary of Capital Improvement Proposed FY2020-2021

Department/Project	Information Technology	Vehicle & Equipment	Facilities & Grounds	Streets & Drainage	2020 Bond Projects
Administration					675,000
Renovations to City Hall					675,000
Culture, Recreation & Tourism			17,000		375,000
Museum Renovations			17,000		
Heritage House Renovation					375,000
Fire/EMS		93,142	25,000		
Ferno INX Patient Cot		37,215			
Staff Vehicle Replacement		55,927			
Station #1 Decon Room			25,000		
Golf Course		47,000	55,000		
Cart path repair			10,000		
New Practice Putting Green			30,000		
Replace Greens Mower (Verticutter)		47,000			
Greens Renovations			15,000		
Police	204,539	122,000	45,300		
AVTEC Scout Console	165,002				
LiveScan Fingerprinting Machine	19,537				
New PD Roof			31,800		
Plumbing & Sewage Replacement			13,500		
Quest DL130 Upgrade	20,000				
Two-Turn Key Tahoe Packages		90,000			
Unmarked Unit		32,000			
Public Works	6,000		55,000	250,000	2,752,000
Paint Exterior of Service Center			22,000		
River Place Roof Repairs			33,000		
Vehicle scanning tool	6,000				
Velasco Pump Station Improvements					252,000
Streets and Drainage Projects				250,000	2,500,000
Grand Total	210,539	262,142	197,300	250,000	3,802,000



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Position Count

Fund/Department/Title	FY2018-2019 Actual	FY2019-2020 Budget	FY2020-2021	
			Proposed Budget	Increase/ (Decrease)
General Fund				
Administration				
Administration				
Accounting Specialist	1	1	1	0
City Manager	1	1	1	0
City Secretary	1	1	1	0
Finance Director	1	0	0	0
HR Assistant	0	1	1	0
HR Assistant (PT)	1	0	0	0
Receptionist	1	0	0	0
Asst. City Manager	0	1	1	0
HR Director	1	1	1	0
Special Projects Coord.	1	1	1	0
Admin. Assistant	0	1	1	0
Financial Administrator	0	0	1	1
Administration Total	8	8	9	1
Administration Total	8	8	9	1
Building & Code				
Building				
Building Inspector	1	1	1	0
Building Official	1	1	1	0
Municipal Clerk	1	1	0	-1
Permit Coordinator	0	0	1	1
Building Total	3	3	3	0
Code Enforcement				
Compliance Officer	3	3	3	0
Compliance Supervisor	1	1	1	0
Code Enforcement Total	4	4	4	0
Building & Code Total	7	7	7	0
Fire/EMS				
EMS				
Firefighters	9	9	9	0
EMS Total	9	9	9	0
Fire				
EMS Coordinator	1	1	0	-1
Fire Chief	1	1	1	0
Fire Marshal	1	1	1	0
Firefighter	3	3	3	0
Lieutenant	3	3	3	0
Deputy Chief	0	0	1	1
Admin. Assistant	0	1	1	0
Fire Total	9	10	10	0
Fire/EMS Total	18	19	19	0

Position Count

Fund/Department/Title	FY2020-2021			
	FY2018-2019 Actual	FY2019-2020 Budget	Proposed Budget	Increase/ (Decrease)
Golf Course				
Golf Course				
Crew leader	1	1	1	0
Golf Course Director	1	1	1	0
Mechanic	1	1	1	0
Clerk	2	1	0	-1
Grounds Keepers	4	4	4	0
Proshop Attendant (PT)	4	5	5	0
Range Attendant (PT)	4	6	6	0
Coordinator	0	0	1	1
Golf Course Total	17	19	19	0
Golf Course Total				
17	19	19	0	
Municipal Court				
Court				
Court Clerk	0	1	1	0
Court Supervisor	1	1	1	0
Court Total	1	2	2	0
Municipal Court Total				
1	2	2	0	
Police/Animal Control				
Police				
Animal Control Officer	2	2	2	0
Captain	1	1	1	0
Chief	1	1	1	0
Crossing Guard (PT)	4	4	4	0
Detective	4	4	4	0
Dispatch Supervisor	1	1	1	0
Dispatcher	7	7	7	0
Jailer	2	2	2	0
Lieutenant	1	1	1	0
Patrol Officer	20	20	20	0
Records Clerk	2	2	2	0
Sergeant	5	5	5	0
Admin. Secretary	1	0	0	0
Detective (PT)	1	1	0	-1
Admin. Assistant	0	1	1	0
Police Total	52	52	51	-1

Position Count

Fund/Department/Title	FY2020-2021			
	FY2018-2019 Actual	FY2019-2020 Budget	Proposed Budget	Increase/ (Decrease)
Police/Animal Control Total	52	52	51	-1
Public Works				
Parks				
Field Crew	11	11	10	-1
Maintenance Supervisor	1	1	1	0
Maintenance Technician	2	2	2	0
Parks Supervisor	1	1	1	0
Receptionist (PT)	1	1	0	-1
Admin. Secretary	1	1	0	-1
Parks & Rec Director	1	1	0	-1
Parks Total	18	18	14	-4
Service Center				
Mechanic	1	1	1	0
Admin. Secretary	1	1	0	-1
Admin. Assistant	0	0	1	1
Service Center Total	2	2	2	0
Streets/Drainage				
Crew leader	0	0	2	2
Equipment Operator	4	4	2	-2
Field Crew	9	9	9	0
Street Director	1	1	0	-1
Supervisor	1	1	0	-1
Technician	1	1	0	-1
Public Works Director	0	0	1	1
Superintendent	0	0	1	1
Streets/Drainage Total	16	16	15	-1
Public Works Total	36	36	31	-5
Culture, Recreation & Tourism				
Museum				
Museum Manager	1	1	0	-1
Admin. Secretary	0	0	1	1
Museum Coordinator	0	0	1	1
Destinations Director	0	0	1	1
Attendant (PT)	2	2	1	-1
Museum Total	3	3	4	1
Recreation				
Recreation Supervisor	1	1	1	0
Lifeguards	22	22	16	-6
Attendant (PT)	2	2	2	0
Attendant	2	2	2	0
Program Coordinator	1	1	1	0
Recreation Total	28	28	22	-6
Culture, Recreation & Tourism Total	31	31	26	-5
General Fund Total	170	174	164	-10

Position Count

Fund/Department/Title	FY2018-2019 Actual	FY2019-2020 Budget	FY2020-2021	
			Proposed Budget	Increase/ (Decrease)
Utility Fund				
Water & Sewer				
Water				
Billing Manager	1	1	1	0
Utility Clerk	1	1	1	0
Water Total	2	2	2	0
Water & Sewer Total	2	2	2	0
Utility Fund Total	2	2	2	0
Grand Total	172	176	166	-10

Appendix



GLOSSARY OF TERMS**A**

ACCOUNTS PAYABLE: A liability account reflecting amounts on open accounts 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 provided by a government.

ACCRUAL ACCOUNTING: The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at the time) and expenditures are recorded when goods and services are received (whether or not cash disbursements are made at that time).

AD VALOREM: Latin for “value of”. Refers to the property assessed and tax levied against real (land and buildings) and personal (equipment and furniture) property.

APPROPRIATION: A legal authorization granted by a legislative body (City Council) to make expenditures and incur obligations for designated purposes.

ASSESSED VALUATION: A valuation set upon real estate or other property by a government as a basis for levying taxes.

AUDIT: An examination of an organization’s financial statements and the utilization of resources.

B

BALANCE SHEET: The basic financial statement which discloses the assets, liabilities, and equities of an entity at a specified date in conformity with GAAP.

BALANCED BUDGET: A balanced budget occurs when the total sum of money a government collects in a year is equal to the amount it spends on goods, services, and debt interest.

BASIS OF ACCOUNTING: The modified accrual basis of accounting is followed by Governmental funds, Expendable Trust funds and Agency funds. Under the modified accrual basis of accounting revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from currently available financial resources. Substantially all revenues are considered to be susceptible to accrual.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used for guidance. Intergovernmental revenues are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The City’s Proprietary fund types are accounted for using the accrual basis of accounting, under which revenues are recorded when earned and expenses are recorded when liabilities are incurred.

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.

BUDGET: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

BUDGETARY CONTROL: The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available resources.

GLOSSARY OF TERMS (Cont.)

C **CDBG:** Community Development Block Grant – An entitlement grant program authorized by the federal government. The entitlement program is based upon a formula, which includes the City's population.

CAPITAL EXPENDITURES: Expenditures which result in the acquisition of or addition to fixed assets which are individually priced more than \$5,000.00.

CAPITAL IMPROVEMENT PROGRAM: A plan for capital expenditures to be incurred each year over a fixed period of several future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount and the method of financing.

CASH BASIS: the method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

CERTIFICATES OF OBLIGATION (CO'S): Debt instruments secured by the ad valorem taxing power of a city. They do not require voter authorization and usually are issued to obtain short term financing.

CONTINGENCY: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

CREDIT RATING: The credit worthiness of a government unit as determined by an independent ratings agency.

CURRENT ASSETS: Those assets which are available or can be made readily available to finance current operations or to pay current liabilities. Those assets which will be used up or converted into cash within one year. Some examples are cash, temporary investments, and tax receivables which will be collected within one year.

CURRENT LIABILITIES: Debt or other legal obligation arising out of transactions in the past that must be liquidated, renewed, or refunded within one year.

D **DEBT:** An obligation resulting from borrowing of money or from the purchase of goods or services.

DEBT LIMIT: The maximum amount of gross or net debt legally permitted.

DEBT SERVICE: A cost category which typically reflects the repayment of short-term (less than 5 years) debt associated with the acquisition of capital equipment.

DELINQUENT TAXES: Taxes remaining unpaid on or after the date on which a penalty for nonpayment is attached.

DEPRECIATION: (1) Expiration in the service life of a capital asset attributable to wear and tear, deterioration, action of the physical elements, inadequacy, or obsolescence. (2) that portion of the cost of a capital asset which is charged as an expense during a particular period.

E **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.

ENTERPRISE FUND: A fund established to finance and 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 costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

GLOSSARY OF TERMS (Cont.)

EXPENDITURES: Decrease 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.

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. Freeport's fiscal year begins each October 1st and ends the following September 30th. The term FY 2017 connotes the fiscal year beginning October 1, 2016 and ending September 30, 2017.

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, machinery and equipment.

FRANCHISE: A special privilege granted by a government permitting the continuing use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

FULL TIME EQUIVALENT (FTE): A quantifiable unit of measure utilized to convert hours worked by part-time, seasonal or temporary employees into hours worked by full time employees. Full time employees work 2080 hours annually. A part-time employee working 1040 hours annually represents a .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.

G **GAAP – GENERALLY ACCEPTED ACCOUNTING PRINCIPLES:** Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the GASB.

GASB – GOVERNMENTAL ACCOUNTING STANDARDS BOARD: The board is a private, nonprofit organization consisting of seven board members and a full-time staff. Like the Financial Accounting Standards Board (FASB) that sets accounting standards for private companies, GASB is funded by the Financial Accounting Foundation, a nonprofit entity that exercises general oversight over the financial reporting of public entities.

GENERAL FUND: The fund that is available for any legal authorized purpose and which is therefore used to account for all activities except those required to be accounted for in another fund. Note: The General Fund is used to finance the ordinary operations of a governmental unit.

GENERAL OBLIGATION BONDS (GO's): 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 Freeport 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 of between 15 and 25 years.

GFOA: Government Finance Officers Association. A professional association of state/provincial and local finance officers in the United States and Canada that has served the public finance profession since 1906.

GOAL: A statement that describes the purpose toward which an endeavor is directed.

GLOSSARY OF TERMS (Cont.)

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).

GRANT: A contribution by one governmental unit to another. The contribution is usually made to aid in the support of a specified function.

INTEREST INCOME: Revenue associated with the city's cash management activities of investing fund balances.

INTERFUND TRANSFERS: Budgeted amounts transferred from one governmental accounting fund to another for work or services provided. As they represent a "double counting" of expenditures, these amounts are deducted from the total operating budget to calculate the "net" budget.

INTERGOVERNMENTAL REVENUE: Contributions received from the State and Federal Government in the form of grants and shared revenues.

INTERNAL SERVICE FUND: Internal Service Funds are used to account for the financing of goods or services provided by one department of the city to other departments on a cost reimbursement basis.

INVESTMENTS: Securities and real estate held for the production of income in the form of interest, dividends, rentals, or lease payments. The term does not include assets used in city operations.

LEVY: To impose taxes, special assessments or service charges for the support of city services.

LIABILITY: Debt or other legal obligations, arising out of transactions in the past, which must be liquidated, renewed, or refunded at some future date. Note: the term does not include encumbrances.

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

MATURITIES: The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

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.

MODIFIED ACCRUAL: The method of accounting under which revenues are recognized when they are both measurable and available to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

NON-RECURRING: In reference to a supplemental program, that portion of costs or revenues that will only be incurred in the first year of implementation of the program. -O- **ORDINANCE:** A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

OPERATING BUDGET: The 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 service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law.

GLOSSARY OF TERMS (Cont.)

ORDINANCES: A formal legislative enactment by the governing board of a municipality. It is not in conflict with any higher form of law, such as state statute or constitutional provision; it has the full force and effect of law within the boundaries of the municipality to which it applies.

P

PERFORMANCE MEASURE: A performance measure is a quantifiable¹ expression of the amount, cost, or result³ of activities² that indicate how much, how well, and at what level, products or services are provided to customers during a given time period.

PERSONNEL SERVICE: The costs associated with compensating employees for their labor.

PRINCIPAL OF BONDS: The face value of the bonds.

PROPRIETARY FUND: A fund established to account for a government's continuing business-type organizations and activities. All assets, liabilities, equities, revenues, expenses and transfers pertaining to these business organizations and activities are accounted for through proprietary funds. Both Enterprise and Internal service funds are classified as proprietary funds.

PROPERTY TAXES: Taxes are levied on both real and personal property according to the property's valuation and tax rate.

PURCHASE ORDER: A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

R

RECURRING: In reference to a supplemental program, that portion of revenues or costs that will occur each year the program is funded.

REVENUES: Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers.

REVENUE BONDS: Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund.

S

SERVICES AND CHARGES: That grouping of accounts on the general ledger that include such expenditures as professional and contracted services from organizations outside the City, printing and binding costs, utilities, training, etc.

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 the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

T

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.

TAX BASE: The total property valuations on which each taxing agency levies its tax rate.

TAX LEVY: The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

TAX RATE: The amount of tax levied for each \$100 of assessed valuation.

TAX ROLL: The certification of assessed/taxable values prepared by the Property Appraiser and presented to the taxing authority.

GLOSSARY OF TERMS (Cont.)

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, for example, sanitation service charges.

TMRS: Texas Municipal Retirement System

TXDOT: Texas Department of Transportation

U

USER FEES: Charges for specific governmental services. These fees cover the cost of providing that service to the user (i.e. building permits). The key to effective utilization of user fees is being able to identify specific beneficiaries of services and then determine the full cost of the service they are consuming.

W

WORKLOAD MEASURE: Transactional measure to demonstrate workloads, capacity, and resource utilization. This type of reporting may include the number of transactions performed, hours expended, requests for assistance, number of people trained, etc.

WORKING CAPITAL: The amount by which total current assets exceed total current liabilities.

Y

YIELD: The rate earned on an investment based on the price paid for the investment, the interest earned during the period held, and the selling price or redemption value of the investment.

City of Freeport Financial Management Policies

The City of Freeport considers its goals, objectives and financial policy statements to be important integral parts of the budgetary process. The purpose of these policies is to safeguard the fiscal stability required to achieve the City's objectives and ensure long-term financial health.

Objectives:

- A. To guide City Council and management policy decisions that have significant fiscal impact.
- B. To employ balanced revenue policies that provides adequate funding for services and service levels.
- C. To maintain appropriate financial capacity for present and future needs.
- D. To maintain sufficient reserves so as to maintain service levels during periods of economic downturn.
- E. To promote sound financial management by providing accurate and timely information on the City's financial condition.
- F. To protect the City's credit rating and provide for adequate resources to meet the provisions of the City's debt obligations on all municipal debt.
- G. To ensure the legal use of financial resources through an effective system of internal controls.
- H. To promote cooperation and coordination with other governments and the private sector in financing.

Specifically, this policy framework mandates the pursuit of the following fiscal objectives:

I. Revenues

Design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

II. Expenditures

Identify priority services, establish and define appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

III. Fund Balance/Working Capital/ Net Assets

Maintain the fund balance, working capital and net assets of the various operating funds at levels sufficient to protect the City's credit worthiness as well as its financial position from emergencies.

IV. Capital Expenditures and Improvements

Annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources.

- V. Debt**
Establish guidelines for debt financing that will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future revenues.
- VI. Investments**
Invest the City's operating cash to ensure its safety, provide for necessary liquidity and optimize yield.
- VII. Intergovernmental Relations**
Coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis and support appropriate favorable legislation at the state and federal level.
- VIII. Grants**
Aggressively investigate, pursue and effectively administer federal, state and foundation grants-in-aid, which address the City's current priorities and policy objectives.
- IX. Economic Development**
Initiate, encourage and participate in economic development efforts to create job opportunities and strengthen the local economy and tax base.
- X. Fiscal Monitoring**
Prepare and present reports for the current and multi-year periods that analyze, evaluate and forecast the City's financial performance and economic condition.
- XI. Accounting, Auditing and Financial Reporting**
Comply with prevailing federal, state and local statutes and regulations. Conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA).
- XII. Operating Budget**
Develop and maintain a balance budget that presents a clear understanding of the goals of the City Council.

I. REVENUES

The City shall use the following guidelines to design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services

A. Balance and Diversification in Revenue Sources

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 economic conditions that adversely impact that source.

B. User Fees

For services that benefit specific users, where possible the City shall establish and collect fees to recover the cost of those services. Where feasible and desirable, the City shall seek to recover full direct and indirect costs. City staff shall review user fees on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure and to recommend adjustments where necessary to facilitate City Council's policy decision regarding the level of support to be provided.

C. Property Tax Revenues/Tax Rate

The City shall strive to reduce its reliance on property tax revenues by revenue diversification, implementation of user fees and economic development. The City shall also strive to minimize tax rate increases.

D. Enterprise Funds User Fees

Enterprise funds user fees shall be set at levels enough to cover operating expenditures, meet debt obligations, provide additional funding for capital improvements and provide adequate levels of working capital and debt coverage. The City shall seek to eliminate all forms of subsidization to enterprise funds from the General Fund and seek to reduce general fund support to enterprise funds.

E. Administrative Services Charges

The City shall prepare a cost allocation plan annually to determine the administrative services charges due to the General Fund from enterprise funds for overhead and staff support. Where appropriate, the enterprise funds shall pay the General Fund for direct services rendered.

F. Revenue Estimates for Budgeting

To maintain a stable level of service, the City shall use a conservative, objective and analytical approach when preparing revenue estimates for current and multi-year periods. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates and trends in revenues.

G. Revenue Collection and Administration

The City shall maintain high collection rates for all revenues by keeping the revenue system as simple as possible to facilitate payment. In addition, since revenue should exceed the cost of producing it, the City shall strive to control administrative costs. The City shall pursue to the full extent allowed by state law all delinquent taxpayers and others overdue in payments to the City.

II. EXPENDITURES

The City shall use the following guidelines to identify necessary services, establish appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

A. Current Funding Basis

The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus the planned use of fund balance accumulated through prior year savings.

B. Avoidance of Operating Deficits

The City shall take timely corrective action if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year-end.

C. 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 continue service levels.

D. Purchasing

The City shall make every effort to maximize any discounts offered by creditors/vendors individually or through aggregated cooperative purchasing with other governmental entities. Vendors with balances due the City will have payments due the vendor offset against the amount due the City. The City will follow state law as well as the Purchasing Policies adopted by the City Council concerning the amount of the purchase requiring formal bidding procedures and approval by the City Council. For purchases where competitive bidding is not required, the City shall seek to obtain the most favorable terms and pricing possible. Every effort will be made to include women and minority-owned by business enterprises in the bidding process.

III. FUND BALANCE / WORKING CAPITAL / NET ASSETS

Fund balance measures the net financial resources available to finance expenditures of future periods. The City Council recognizes that good fiscal management comprises the foundational support of the entire City. The City shall use the following guidelines to maintain the fund balance, working capital and net assets of the various operating funds at levels sufficient to protect the City's creditworthiness as well as its financial position from emergencies. In the context of financial reporting, the term fund balance is used to describe the net position of governmental funds calculated in accordance with generally accepted accounting principles (GAAP) which separates fund balances into five categories:

A. Categories

Nonspendable Fund Balance is the portion of fund balance that is inherently nonspendable such as assets that will never convert to cash, assets that will not convert to cash soon enough to affect the current period, and resources that must be maintained intact pursuant to legal or contractual requirements.

Restricted Fund Balance is the portion of fund balance that reflects resources that are subject to externally enforceable legal restrictions.

Committed Fund Balance is the portion of fund balance that represents resources whose use is constrained by limitations that the City Council has imposed upon itself and that remain binding unless removed by the same action with which the limitations were imposed.

Assigned Fund Balance is the portion of fund balance that reflects the City Council's intended use of resources.

Unassigned Fund Balance is the portion of fund balance that is not categorized into one of the other categories of fund balance.

The total of the amounts in these last three categories (where the only constraint on spending, if any, is imposed by the government itself) is termed *Unrestricted Fund Balance*.

B. General Policy

Fund Balance should be used only for non-recurring expenditures, major capital purchases, or emergencies that cannot be accommodated through current year savings.

C. Fund Balance Classification

For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first and then unrestricted fund balance. Expenditures incurred in the unrestricted fund balances shall be reduced first from the committed fund balance, then from the assigned fund balance, and lastly from the unassigned fund balance.

D. Committed Fund Balance

Fund Balance of the City must be committed for a specific source by formal action of the City Council. Amendments or modifications to the committed fund balance must also be approved by formal action of the City Council. Committed fund balance does not lapse at year-end. The formal action required to commit fund balance shall be either by resolution or majority vote.

E. General Fund Unassigned Fund Balance

The City shall strive to maintain an undesignated General fund balance equal to 25% of budgeted expenditures for the General Operating Fund. Maintaining the General Fund Unassigned Fund Balance at this level provides sufficient working capital and a margin of safety to address local emergencies without borrowing. If the General Fund Unassigned Fund Balance drops below 25%, it shall be recovered at a rate of 1% minimally each year. At the end of the current fiscal year, the City anticipates a positive budget variance in the General Fund. After determining the desired fund balance in the General fund, the remainder of the positive budget balance will be transferred to other funds and/or projects as directed by the City Council. The General Fund Unassigned Fund Balance shall be appropriated by the City Council either by resolution or majority vote.

F. Other Operating Funds Unassigned Fund Balance; Enterprise Working Capital

In other operating funds, the City shall strive to maintain a positive unassigned fund balance (working capital) position to provide sufficient reserves for emergencies and revenue shortfalls. In addition, the city will seek to maintain a working capital (current assets minus current liabilities) balance equal to 33% budgeted expenditures for the Water and Sewer Utility Enterprise fund.

IV. CAPITAL IMPROVEMENTS

A. **Capital Expenditures and Improvements**

The City shall annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources.

B. **Capital Improvements Program**

The City shall annually review the Capital Improvements Program (CIP), potential new projects and the current status of the City's infrastructure, replacement and renovation needs, updating the program as appropriate. All projects, ongoing and proposed, shall be prioritized based on an analysis of current needs and resource availability. For every project, all operation, maintenance and replacement expenditures shall be fully at cost. The CIP shall also present the City's long-term borrowing plan, debt payment schedules and other debt outstanding or planned, including general obligation bonds, revenue bonds, Certificates of obligation, lease/purchase agreements and certificates of participation.

C. **Replacement of Capital Assets on a Regular Schedule**

The Vehicle/Equipment Replacement Fund is the primary source of funds for all of the City's vehicle and equipment purchases, both replacements and additions. The City shall annually prepare a schedule for the replacement of its non-infrastructure capital assets. Within the resources available each fiscal year, the City shall replace these assets according to this schedule. The City desires to fund all vehicle and equipment purchases through donations, auction proceeds, grant proceeds, and budget transfer from General fund.

D. **Capital Expenditure Financing**

The City recognizes that there are several methods of financing capital requirements: (1) budget the funds from current revenues; (2) take the funds from fund balance/retained earnings as allowed by the Fund Balance Policy; (3) utilize funds from grants and foundations; or (4) borrow money through debt. Debt financing includes general obligation bonds, revenue bonds, Certificates of obligation, lease/purchase agreements and certificates of participation. The City Council will determine the appropriate use of financing for capital expenditures on an as-needed basis and during the budget development process each year.

V. DEBT

When the use of debt financing is determined by the City Council to be appropriate, the City shall use the following guidelines for debt financing which will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future revenues.

A. Use of Debt Financing

Debt financing, including general obligation bonds, revenue bonds, certificates of obligation, certificates of participation and lease/purchase agreements, shall only be used to purchase capital assets. Debt payments should be structured to provide that any capital assets that are funded by the debt have a longer life than the debt associated with those assets.

B. Amortization of Debt

The City shall structure new debt issue payment schedules to utilize the City's declining debt payment schedules to keep tax increases for debt to a minimum. Capital projects that, by their character or size, are outside the normal core service projects will require careful evaluation of financial feasibility.

C. Affordability Targets

The City shall use an objective analytical approach to determine whether it can afford to assume new debt beyond the amount it retires each year. This process shall compare generally accepted standards of affordability to the current values for the City. These standards shall include debt per capita, debt as a percent of taxable value, debt service payments as a percent of current revenues and current expenditures and the level of overlapping net debt of all local taxing jurisdictions. The process shall also examine the direct costs and benefits of the proposed expenditures as determined in the City's annual update of the Capital Improvements Program. The decision on whether or not to assume new debt shall be based on these costs and benefits and on the City's ability to "afford" new debt as determined by the aforementioned standards. The City shall use cities with similar bond ratings for debt ratio benchmarks.

D. Sale Process

The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated bid.

E. Rating Agencies Presentations

Full disclosure of operations and open lines of communication shall be made to the rating agencies. City staff, with assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies.

F. Continuing Disclosure

The City is committed to continuing disclosure of financial and pertinent credit information relevant to the City's outstanding securities.

G. Debt Refunding

City staff and the City's financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt.

VI. INVESTMENTS

As adopted by the City Council, it is the policy of the City of Freeport that the administration and investment of funds be handled as its highest public trust. The City's available cash shall be invested according to the City's Investment Policy that is adopted by the City Council on an annual basis in accordance with the requirements of Chapter 2256 of the Texas Government Code. The primary objectives, in priority order, of the City's investment activities shall be preservation and safety of principal, liquidity and yield. The earnings from investment will be used in a manner that best serves the public trust and interest of the City of Freeport.

The investment policy applies to all financial assets of the City of Freeport. These funds are accounted for in the City's comprehensive annual financial report and include the General, Special Revenue, Debt Service, Capital Projects, and Proprietary Funds. All cash of the various funds (excluding bond funds) are combined into the pooled cash fund for efficiency and maximum investment opportunity. Interest revenue derived from the pooled cash fund is allocated to the participating funds (annually) based on the relative cash balance of each fund. Bond funds are invested in separate investment pool accounts. Maintaining these funds in separate accounts simplifies the calculation necessary for the reporting of arbitrage earnings. All funds in the pooled cash fund are to be administered in accordance with this policy.

VII. INTERGOVERNMENTAL RELATIONS

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

A. **Interlocal Cooperation in Delivering Services**

In order to promote the effective and efficient delivery of services, the City shall work with other local jurisdictions to share on an equitable basis the costs of services, to share facilities and to develop joint programs to improve service to its citizens.

B. **Legislative Program**

The City shall cooperate with other jurisdictions to actively oppose any state or federal regulation or proposal that erodes municipal authority, attempts to remove local control over city issues, services or programs, or mandates additional City programs or services and does not provide the funding for implementation.

VIII. GRANTS

The City shall seek, apply for, obtain and effectively administer federal, state and foundation grants-in-aid that address the City's current and future priorities and policy objectives.

A. Grant Guidelines

The City shall seek, apply for and obtain those grants that are consistent with priority needs and objectives identified by Council.

B. Direct and Indirect Costs

The City shall recover indirect costs to the maximum amount allowed by the funding source. The City may waive or reduce direct and indirect costs if doing so will significantly increase the effectiveness of the grant.

C. Grant Review

The City shall review all grant submittals for their cash or in-kind match requirements, their potential impact on the operating budget and the extent to which they meet the City's policy objectives. If there are cash match requirements, the source of funding shall be identified and approved prior to application. An annual report on the status of grant programs shall also be prepared.

D. Grant Program Termination

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

IX. ECONOMIC DEVELOPMENT

The City shall initiate, encourage and participate in economic development efforts to create job opportunities and strengthen the local economy and tax base.

A. Commitment to Expansion and Diversification

The City shall encourage and participate in economic development efforts to expand Freeport's economy and tax base, to increase local employment and to invest when there is a defined specific long-term return. These efforts shall focus not only on new areas but also on established sections of Freeport where redevelopment can generate additional jobs and other economic benefits.

B. Tax Abatements

The City shall follow the Guidelines for Tax Abatement adopted by the City Council to encourage commercial and/or industrial growth and development throughout Freeport. The City shall balance the long-term benefits of tax abatements with the short-term loss of tax revenues prior to the granting of the abatement. Factors considered in evaluating proposed abatements for development include the location of the project, its size, the number of temporary and permanent jobs created, the costs and benefits for the City and the impact on Freeport's economy and other factors specified in the City's Guidelines for Tax Abatement as well as applicable state laws.

C. Increase Non-Residential Share of Tax Base

The City's economic development program shall seek to expand the non-residential share of the tax base to decrease the tax burden on residential property owners.

D. Coordinate Efforts with Other Jurisdictions

The City's economic development program shall encourage close cooperation with other local jurisdictions to promote the economic well being of the area.

E. Use of Other Incentives

The City shall use enterprise zones as allowed by law and shall seek new sources to encourage business expansion. The City shall also coordinate with state and federal agencies on offering any incentive programs they may provide for potential economic expansion.

X. FISCAL MONITORING

Reports shall be prepared and presented on a regular basis to analyze, evaluate and forecast the City's financial performance and economic condition for the current year and for multi-years.

A. **Financial Status and Performance Reports**

Quarterly reports shall be prepared comparing expenditures and revenues to current budget for fiscal year-to-date, and to prior year actual fiscal year-to-date. Balance sheets and budget highlight notes are also provided. Timely information including comparisons of expenditures to budgeted amounts shall be provided to all department heads and directors on a monthly basis.

B. **Five-Year Forecast of Revenues and Expenditures**

A five-year forecast of revenues and expenditures, including a discussion of major trends affecting the City's financial position, shall be prepared. The forecast shall examine critical issues facing the City, economic conditions and the outlook for the upcoming budget year.

XI. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

The City shall comply with prevailing local, state and federal regulations. 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, the American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA). The City Council shall select an independent firm of certified public accountants to perform an annual audit of all operations. The City may participate in the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting program.

XIII. OPERATING BUDGET

The City shall establish an operating budget that links revenues and expenditures to the goals of the City Council. The City shall strive to participate in the Government Finance Officers Association's Distinguished Budget Presentation Award program.

City of Freeport
 FY2020-2021 Proposed Budget FY2020-2021 Adopted Budget
City of Freeport Pay Scale Matrix
 FY2020-2021

Department/Position	Minimum	Maximum
Administration		
Accounting Specialist	45,650	63,910
Assistant City Manager	112,000	156,800
City Manager	160,000	224,000
City Secretary	54,101	75,741
Finance Administrator	60,000	84,000
Finance Director	89,638	125,493
GIS Tech/Special Projects Coordinator	58,933	82,507
HR Specialist	36,412	50,977
Human Resources Director	63,823	89,352
Receptionist	30,285	42,399
Building		
Building Inspector	42,594	59,631
Building Official/Director	74,342	104,079
Permit Coordinator	33,415	46,781
Code Enforcement		
Code Officer	38,853	54,394
Code Officer Supervisor	46,853	65,594
Economic Development		
Director of Economic Development	85,050	119,070
Fire		
Fire Lieutenant	55,356	83,034
Fire Captain	63,844	95,767
Fire Chief	101,271	151,907
Fire Deputy Chief - EMS Director	66,235	99,353
Fire Deputy Chief - Fire Marshal	66,235	99,353
Firefighter	46,145	69,217
Golf Course		
Golf Course Coordinator	33,415	46,781
Golf Course Director	65,000	91,000
Groundkeeper/Range Attendant	30,285	42,399
Mechanic	37,877	53,028
Range Attendant P/T	9,322	13,050
Historical Museum		
Museum Coordinator	33,415	46,781
Municipal Court		
Court Clerk	31,366	43,913
Court Supervisor	39,679	55,550
Parks		
Parks Supervisor	49,375	69,125
Technician	33,012	46,217

City of Freeport Pay Scale Matrix
FY2020-2021

Department/Position	Minimum	Maximum
Police		
Animal Control Officer	30,285	45,427
Dispatcher	33,761	50,641
Jailer	32,142	48,213
Police Captain	72,600	108,900
Police Chief	101,271	151,907
Police Corporal	51,209	76,813
Police Lieutenant	63,844	95,767
Police Officer	46,145	69,217
Police Sergeant	55,356	83,034
Records/CID Clerk	36,464	54,697
TCO Supervisor-Dispatch	40,741	61,111
Recreation		
Rec Attendant P/T	9,322	13,050
Rec Program Coordinator	33,415	46,781
Recreation Center Supervisor	48,358	67,701
Service Center		
Mechanic	45,665	63,930
Streets		
Director of Public Works	85,050	119,070
Equipment Operator/Technician	36,400	50,960
Mechanic Helper	29,120	40,768
Streets Supervisor	49,375	69,125
Water		
Utility Clerk	31,366	43,913
Water Bill Manager	38,189	53,464
Multiple Departments		
Administrative Assistant	40,000	56,000
Administrative Secretary	35,315	52,972
Clerk/ Rec Att	30,285	42,399
Crew Leader	36,639	51,295
Field Crew	30,285	42,399
Lead Supervisor	61,785	86,498
Secretary	30,285	42,399



ORDINANCE NO. 2020-2611

AN ORDINANCE APPROVING AND ADOPTING THE CITY OF FREEPORT, TEXAS, ANNUAL GOVERNMENTAL AND PROPRIETARY FUNDS BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021; MAKING APPROPRIATIONS FOR CITY OPERATIONS FOR SUCH FISCAL YEAR AS REFLECTED IN SUCH BUDGET; AUTHORIZING VARIOUS OTHER TRANSFERS; MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATING TO THE SUBJECT; PROVIDING A SEVERANCE CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Freeport, Texas, (hereinafter sometimes "the City") is a "Home Rule City" and a "Home Rule Municipality" lying and situated in Brazoria County, Texas, as described in and defined by Section 5, Article XI of the Constitution of Texas and Section 1.005 of the Local Government Code of Texas, respectively; and,

WHEREAS, under Section 102.001(b) of the Local Government Code, because the City has a City Manager form of government, the City Manager is the budget officer of the City municipality and under Section 102.002 of said Code and Chapter 9 of said Charter, the City Manager is required to prepare a proposed annual budget for the municipality and, under Section 102.03(a) of said Code and Chapter 9 of said Charter, is required to file the same with the City Secretary before the 30th day before the date the governing body of the municipality makes its tax levy for the fiscal year; and,

WHEREAS, on August 10, 2020, the City Manager presented to the City Council a proposed budget of the expenditures of the City of Freeport for the fiscal year 2021 and the proposed budget was filed with the City Secretary and posted on the City website as required by Local Government Code Section 102.005; and

WHEREAS, pursuant to notice as required by Section 102.006 of the Local Government Code, on September 8, 2020, a public hearing on such budget was held in the Council Chambers, at which hearing all citizens and taxpayers of the City had the right to be present and to be heard, and those who requested to be heard were heard; and

WHEREAS, the City Council has considered the proposed budget and has made such changes therein as in the City Council's judgment were warranted by law and were in the best interest of the citizens and taxpayers of the City; and

WHEREAS, such changes are described in Exhibit A

WHEREAS, under Chapter 9 of said Charter, the governing body of the municipality is required to adopt a budget not later than fifteen (15) days prior to the beginning of the fiscal year; and,

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS:

Section 1. The facts and opinions in the preamble of this ordinance are true and correct.

Section 2. In accordance with the provisions of Local Government Code Section 102.007, the City Council hereby approves and adopts the budget described above, the same as shown in Exhibit A, all of which are attached and incorporated herein. The City Secretary is hereby directed to place on such budget and to sign an endorsement reading as follows: " The Original Annual Budget of the City of Freeport, Texas, for Fiscal Year 2020-2021" and to keep such budget on file in her office as a public record. In addition, in accordance with Section 102.009 (d), Texas Local Government Code, the City Secretary is hereby directed to file a true copy of the approved Budget in the offices of the county clerks of the counties in which the City is located.

Section 3. The FY2020-2021 Budget for operations shall be administered as follows:

a. The Council may transfer any unencumbered appropriation balance or portion thereof from one department, or fund to another, at any time.

b. The City Manager shall have authority, without Council approval, to transfer appropriation balances from one expenditure account to another within a department.

c. At any time in any fiscal year, the Council may, pursuant to Article XI, section 9.14 of the City Charter, make emergency appropriations to meet a pressing need for public expenditure, for other than regular or recurring requirements, to protect the public health, safety or welfare. Such appropriation shall not be more than 5% of the total annual budget; however, the 5% may only be allocated annually under the condition the "undesignated" reserve/contingency funds in general revenue does not exceed eight million dollars. All reserve/contingency funds may only be used with the specific consent of the City Council for unforeseen contingencies by the City Manager.

Section 4. That the Beginning Fund Balance reflected in the budget for each fund for which a Budget is adopted shall be adjusted to be the amount of the Ending Fund Balance for Fiscal Year 2019-2020 as reflected in the final Comprehensive Annual Financial Report for Fiscal Year 2019-2020 upon publication. The revised Beginning Fund Balance shall thereafter be used to calculate the Fiscal Year 2020-2021 Ending Fund Balance.

Section 5. That the budget for Fiscal Year 2020-2021 shall be increased for valid outstanding encumbrances at the conclusion of Fiscal Year 2019-2020. Said increased appropriations shall be equal to the outstanding and valid encumbrances and shall be recorded in the appropriate accounts.

Section 6. All ordinances and resolutions, and parts of ordinances and resolutions in conflict herewith, are hereby repealed.

Section 7. A copy of the final approved budget shall be filed with the City Secretary and posted on the website in accordance with Local Government Code Section 102.008.

Section 8. It is hereby found and determined that the meeting at which this ordinance was passed was open to the public and that advance public notice of the time, place and purpose of said meeting was given as required by law.

This ordinance shall be effective from and after its passage and the annual budget adopted hereby shall be in effect for the Fiscal Year of the City beginning October 1, 2020 and ending September 30, 2021.

PASSED AND ADOPTED this 8 day of September 2020.



Brooks Bass, Mayor

ATTEST:



Betty Wells, City Secretary

APPROVED AS TO FORM AND CONTENT:



Chris Duncan, City Attorney

City of Freeport FY2020-2021 Adopted Budget

Fund	FY2020-2021 Proposed Budget	Adjustments	FY2020-2021 Adopted Budget
General Fund			
Administration	1,784,520	150,024	1,934,544
Municipal Court	179,029	218	179,246
Police/Animal Control	4,835,269	2,401	4,837,671
Fire/Emergency Management	1,361,666	1,238	1,362,903
EMS	907,809	189	907,998
Streets/Drainage	1,301,734	24,244	1,325,978
Service Center	221,933	155	222,087
Beach Maintenance	10,000	-	10,000
Garbage	992,453	-	992,453
Building	334,930	52	334,982
Code Enforcement	478,545	(99,709)	378,836
Library	55,700	-	55,700
Parks	1,358,666	520	1,359,186
Recreation	583,484	(284)	583,200
Sr. Citizen's Commission	10,250	-	10,250
Golf Course	1,127,762	278	1,128,041
Historical Museum	378,221	82	378,302
Emergency Management	10,000	(10,000)	-
General Fund Total	15,931,969	69,408	16,001,378
Water/Sewer Fund	5,750,982	72	5,751,054
Other Funds			
Capital Debt Service	551,924	-	551,924
Court Security	23,400	-	23,400
Court Technology	11,400	-	11,400
Hotel/Motel	10,250	20,000	30,250
Marina	5,000	-	5,000
State Narcotics	15,000	-	15,000
Facilities CIP	205,775	-	205,775
Vehicle & Equipment Fund	269,642	-	269,642
Streets & Drainage CIP	250,000	-	250,000
Information Technology Fund	475,259	-	475,259
2020 Cert of Obligation	3,802,000	-	3,802,000
Other Funds Total	5,619,650	20,000	5,639,650
Total Expenditures	27,302,602	89,480	27,392,082
Transfers	2,401,351	-	2,401,351
Grand Total Budget	29,703,953	89,480	29,793,433

NOTE: Expenses for the Employee Benefit Fund is not included in the Citywide Total above to avoid duplication of the amounts shown as part of the General and Utility Fund budgets that are transfers to this fund for services.

ORDINANCE NUMBER 2020-2612

AN ORDINANCE OF THE CITY OF FREEPORT, TEXAS, ESTABLISHING A TAX RATE FOR EACH \$100.00 VALUATION OF TAXABLE PROPERTY FOR THE 2020 TAX YEAR; LEVYING ALL TAXES FOR SAID CITY FOR SUCH TAX YEAR; ALLOCATING SUCH TAXES FOR CERTAIN MUNICIPAL PURPOSES THEREIN ENUMERATED; ORDERING THAT SUCH TAXES BE ASSESSED AND COLLECTED; CONTAINING A SEVERANCE CLAUSE; AND PROVIDING AN EFFECTIVE DATE FOR THIS ORDINANCE.

WHEREAS, the City of Freeport, Texas, (hereinafter sometimes "the City") is a "Home Rule City" and a "Home Rule Municipality" lying and situated in Brazoria County, Texas, as described in and defined by Section 5, Article XI of the Constitution of Texas and Section 1.005 of the Local Government Code, respectively; and,

WHEREAS, Section 6.22 (c), Texas Tax Code, authorizes the governing body of a taxing unit to require the county in which said unit is located to assess and collect the taxes such unit imposes in the manner in which the county assesses and collects its taxes; and,

WHEREAS, Section 26.05 of the Texas Property Tax Code provides that the governing body of each taxing unit shall adopt a tax rate for the current tax year before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit; and

WHEREAS, county taxes in Brazoria County, Texas, are assessed and collected by the Brazoria County Tax Assessor-Collector; and,

WHEREAS, Section 6.23 (a)(3) of the Texas Tax Code, provides that the county assessor and collector of taxes shall, if so required by a taxing unit, assess and collect the taxes of said unit; and,

WHEREAS, heretofore the City Council, being the governing body thereof, adopted a resolution requesting and requiring the Assessor and Collector of Taxes for Brazoria County to assess and collect the ad valorem taxes levied by the City; and,

WHEREAS, under the provisions of Section 26.05 (b) of the Tax Code, the tax rate must be set by ordinance, resolution or order which, if the rate exceeds the no-new-revenue maintenance and operations tax rate, must be adopted by a motion with a record vote of the governing body of the City, such motion must be made in the form prescribed in Section 26.05 (b), at least sixty (60) percent of the members of the governing body are required to vote in favor of the motion to adopt such ordinance, resolution or order and, if the ordinance, resolution or order 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 City that exceeds the amount of taxes imposed for that purpose in the preceding

year, additional requirements regarding the contents of such ordinance, resolution or order and the giving of notice of the home page of any Internet website operated by the City must be met; and,

WHEREAS, Section 26.05 (d) of the Tax Code, the City is only required to conduct a public hearing and satisfy the notice and voting requirements of Section 26.06 and Section 26.065 of the Tax Code where the proposed tax rate will exceed the lower of the voter approval tax rate or the no-new-revenue tax rate calculated as provided in said code.

WHEREAS, such Section further provides that where the tax rate consists of two components (one which will impose the amount of taxes needed to pay the unit's debt service and the other which will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the next year); and

WHEREAS, the proposed tax rate for the current tax year of the City of Freeport, Texas, consists of two such components, a tax rate of **\$0.098327** for debt service and a tax rate of **\$0.517532** to fund maintenance and operation expenditures; and

WHEREAS, a budget appropriating revenue generated by the collection of ad valorem for the use and support of the municipal government of the City of Freeport has been proposed by the Freeport City Council as required by Title Four (4), Section 102.009 of the Local Government Code; and

WHEREAS, it is necessary and appropriate for the City Council to adopt the 2020 Tax Rate for the City of Freeport, Texas.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS:

Section 1. Findings of Fact

The City Council hereby makes the following findings:

- (1) The Chief Appraiser of the Brazoria County Appraisal District furnished to the Assessor and Collector of Taxes for Brazoria County, Texas, a Certified Estimate of Taxable Value of the City for the 2020 tax year on the 23 day of July, 2020.
- (2) The Assessor and Collector of Taxes calculated the No New Revenue, Voter Approval, and De Minimis tax rates for such tax year, being \$0.615859, \$0.628959, and \$0.704629, respectively, per \$100.00 valuation.
- (3) On the 17th day of August, City Council made a motion which was seconded proposing to adopt the No New Revenue Tax Rate of \$0.615859 per \$100.00 valuation for the 2020 tax year.

- (4) There is outstanding indebtedness for which an interest and sinking fund must be provided from ad valorem taxes and taxes must be levied as provided below to provide a general fund for current expenses and the general improvement of the City and its property, and to meet the revenue requirements of the budget for the City's 2020-2021 fiscal year.
- (5) On the 1st day of September, 2020 a Notice of 2020 Tax Year Proposed Property Tax Rate for the City of Freeport was published in The Facts.

Section 2. Appraisal Roll Accepted and Adopted

The City Council of the City hereby accepts and adopts the Certified Appraisal Roll for the City furnished to the Assessor and Collector of the City by the Brazoria County Appraisal District and which is incorporated herein by reference.

Section 3. Tax Rate for Interest and Sinking Fund

The City Council of the City hereby orders, determines and establishes that the tax rate for each \$100.00 valuation of taxable property within the City for the interest and sinking fund shall be \$0.098327 the tax year 2020.

Section 4. Tax Rate for Maintenance and Operations

The City Council of the City hereby orders, determines and establishes that the tax rate for each \$100.00 valuation of taxable property within the City to provide a general fund for maintenance and operation expenses of the City shall be \$0.517532 for the tax year 2020.

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 .94%AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY -.44.

Section 5. Internet Website

The City Secretary shall cause the following to be included on the homepage of the City website:

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 0.94% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY -0.44.

Section 6. Tax Levy, Assessment and Collection

Ad valorem taxes for the tax year 2020 are hereby levied and shall be assessed and collected as herein above set forth by the City as the ad valorem tax for said year, to-wit: a total tax of \$0.615859 on each \$100.00 valuation of taxable property situated in the City.

Section 7. Severance Clause

Any section or provision of this ordinance found to be unconstitutional, void or inoperative by the final judgment of a court of competent jurisdiction is hereby declared to be severable from the remainder of this ordinance which shall remain in full force and effect.

Section 8. Effective Date

This ordinance shall be effective from and after its passage and adoption.

PASSED AND ADOPTED this 8 day of September, 2020.



Brooks Bass, Mayor
City of Freeport, Texas

ATTEST:



Betty Wells, City Secretary
City of Freeport, Texas

APPROVED AS TO FORM AND CONTENT:



Chris Duncan, City Attorney
City of Freeport, Texas

Section 26.05(b) of Property Tax Code Worksheet for Determination of Steps Required for Adoption of Tax Rate

M&O Tax Increase in Current Year		
1.	Last years taxable value, adjusted for court-ordered reductions. Enter Line 8 of the No New Revenue Tax Rate Worksheet.	498,554,414
2.	Last years M&O tax rate. Enter Line 26 of the Voter Approval Tax Rate Worksheet	\$.517972
3.	M&O taxes refunded for yars preceding tax year 2019. Enter Line 28E of the Voter Approval Tax Rate Worksheet	3,229
4.	Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3.	2,585,601
5.	This years total taxable value. Enter line 18 of the No New Revenue Tax Rate Worksheet	534,102,931
6.	This year's proposed M&O tax rate Enter the proposed M&O tax rate approved by the Governing Body	\$.517532
7.	This year's M&O tax levy. Multiply line 5 times line 6 and divide by 100.	2,764,154
8.	M&O Tax Increase (Decrease). Subtract line 4 from line 7.	178,553
Comparison of Total Tax Rates		
9.	No New Revenue Total Tax Rate.	\$.615859
10.	This year's proposed total tax rate.	\$.615859
11.	This years rate minus no new revenue rate. Subtract line 9 from line 10.	\$.000000
12.	Percentage change in total tax rate. Divide Line 11 by line 9.	\$.000000
Comparison of M&O Tax Rates		
13.	No New Revenue M&O Tax Rate. Enter line 30 of the Voter Approval Tax Rate Worksheet.	\$.512688
14.	This year's proposed M&O tax rate.	\$.517532
15.	This years rate minus no new revenue rate. Subtract line 13 from line 14.	\$.004844
16.	Percentage change in M&O tax rate. Divide line 15 by line 13.	\$.940000
Raised M&O Taxes on a \$100,000 home.		
17.	This year's taxable value on a \$100,000	100,000
18.	Last year's M&O tax rate.	\$.517972
19.	This year's proposed M&O tax rate.	\$.517532
20.	This year's raised M&O taxes. Subtract line 18 from line 19 and multiply result by line 17.	-\$.44